IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached offering memorandum (the "**Offering Memorandum**") and you are advised to read this disclaimer carefully before reading, accessing or making any other use of the attached Offering Memorandum. In accessing the Offering Memorandum you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Joint-Stock Commercial "Aloqabank" (the "**Issuer**") or Citigroup Global Markets Limited, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC and Mashreqbank psc (together, the "**Joint Bookrunners**") or Finasia Capital Ltd. ("**Consultant**"). The attached Offering Memorandum is intended for the addressee only.

THE ATTACHED OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, REDISTRIBUTION OR REPRODUCTION OF THIS OFFERING MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM. NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE NOTES REFERENCED IN THE ATTACHED OFFERING MEMORANDUM HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE NOTES DESCRIBED IN THE ATTACHED DOCUMENT MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES; DIRECTLY OR INDIRECTLY, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

Confirmation of your Representation: In order to be eligible to view the attached Offering Memorandum or make an investment decision with respect to the Notes, prospective investors must be either (1) qualified institutional buyers ("**QIBs**") (within the meaning of Rule 144A under the Securities Act) or (2) purchasing outside the United States in accordance with Regulation S under the Securities Act. The attached Offering Memorandum is being sent to you at your request, and by accessing the attached document you shall be deemed to have represented to the Issuer and the Joint Bookrunners that (1) either (a) you and any customers you represent are QIBs or (b) you and any customers you represent are located outside the United States and the electronic mail address that you have provided and to which this Offering Memorandum has been delivered is not located in the United States, its territories and possessions, any state of the United States or the District of Columbia and (2) you consent to delivery of the attached document by electronic transmission.

The communication of the Offering Memorandum and any other document or materials relating to the issue of the Notes is not being made, and the Offering Memorandum and such other documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, the Offering Memorandum and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The Offering Memorandum and such other documents and/or materials are for distribution only to persons who (i) have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are other persons to whom it may otherwise lawfully be communicated or distributed under the Financial Promotion Order (all such persons together being referred to as "relevant persons"). The Offering Memorandum and such other documents and/or materials are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the Offering Memorandum and any such other document or materials relate will be engaged in only with relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on the Offering Memorandum or any other documents and/or materials relating to the issue of the Notes or any of their contents.

This document has been delivered to you on the basis that you are a person into whose possession this document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located.

Manufacturer target market (MiFID II product governance and UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels). No European Economic Area (EEA) or the United Kingdom (UK) PRIIPs key information document has been prepared as the Notes will not be made available to retail investors in the EEA or in the UK.

Neither this electronic transmission nor the attached Offering Memorandum constitutes or contains any offer to sell or invitation to subscribe or make commitments for or in respect of any securities in any jurisdiction where such an offer or invitation would be unlawful. This Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Joint Bookrunners, the Consultant, the Trustee, the Principal Paying Agent, the Paying Agents, the Registrar nor any person who controls any of them, nor any director, officer, employee or agent of any of them, nor any affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between this Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Joint Bookrunners.

No representation or warranty, express or implied, is made or given by or on behalf of the Joint Bookrunners, the Consultant, the Trustee, the Principal Paying Agent, the Paying Agents, the Registrar nor any person who controls any of them, nor any director, officer, employee or agent of any of them, nor any affiliate of any such person, as to the accuracy, completeness or fairness of the information or opinions contained in this Offering Memorandum and such persons do not accept responsibility or liability for any such information or opinions.

The Notes will not be offered for circulation, distribution, placement, sale or purchase in the territory of the Republic of Uzbekistan.

JOINT-STOCK COMMERCIAL "ALOQABANK"

(*incorporated in the Republic of Uzbekistan*)

U.S.$300,000,000 7.70 per cent. Notes due 2031

Issue Price 98.985 per cent.

Joint-Stock Commercial "Aloqabank" (the "**Issuer**"), a bank incorporated under the laws of the Republic of Uzbekistan, is issuing an aggregate principal amount of U.S.$300,000,000 7.70 per cent. Notes due 2031 (the "**Notes**"). The Notes will be constituted by, subject to, and have the benefit of a trust deed to be dated 18 May 2026 (as may be amended or supplemented from time to time, the "**Trust Deed**") between the Issuer and Citibank, N.A., London Branch as trustee (the "**Trustee**") for the benefit of Noteholders (as defined in the "*Terms and Conditions of the Notes*").

Interest on the Notes will accrue from 18 May 2026 (the "**Closing Date**") and will be payable semi-annually in arrear on 18 May and 18 November of each year (each an "**Interest Payment Date**"), commencing on 18 November 2026.

The Notes mature on 18 May 2031 (the "**Maturity Date**") but may be redeemed before then at the option of the Issuer in whole but not in part, at any time, but on one occasion only, on giving not less than 30 nor more than 60 days' irrevocable notice, at a price equal to the principal amount thereof, plus the Make Whole Premium (as defined in the "*Terms and Conditions of the Notes – Redemption and Purchase – Redemption at Make Whole*"). The Issuer may also redeem the Notes in whole, but not in part, at their principal amount together with any accrued and unpaid interest, if the Issuer has or will become obliged to pay certain additional amounts as further described under "*Terms and Conditions of the Notes—Redemption and Purchase—Redemption for tax reasons*". If a Change of Status Put Event (as defined in the "*Terms and Conditions of the Notes—Redemption and Purchase—Redemption at the option of Noteholders upon a Change of Status*") occurs, the Issuer shall, at the option of a holder of any Note, redeem or purchase such Note on the Change of Status Put Date (as defined in the "*Terms and Conditions of the Notes—Redemption and Purchase—Redemption at the option of Noteholders upon a Change of Status*") at 100 per cent. of its principal amount together with (or, where purchased, together with an amount equal to) interest accrued to (but excluding) the Change of Status Put Date. See "*Terms and Conditions of the Notes—Redemption and Purchase—Redemption at the option of Noteholders upon a Change of Status*".

An application has been made to the London Stock Exchange plc (the "London Stock Exchange") for the Notes to be admitted to trading on the International Securities Market (the "ISM"). The ISM is a market designated for qualified investors (as prescribed in Regulation 16 of the Public Offers and Admissions to Trading Regulations 2024 (SI 2024/105) (POATR)). The London Stock Exchange, as a Recognised Investment Exchange does not make assessments of investor eligibility. Given that under Regulation 16 of POATR, only qualified investors are permitted to trade on ISM and no qualified investor is permitted to trade on behalf of persons who are not themselves qualified investors, financial intermediaries acting for investors are responsible for ensuring that only investors who are qualified investors as prescribed by Regulation 16 of POATR are permitted to trade on ISM. Securities admitted to trading on International Securities Market are not admitted to the Official List of the FCA. London Stock Exchange has not approved or verified the contents of this Offering Memorandum.

This Offering Memorandum will be valid until the date of admission of the Notes to trading on the ISM. The obligation to supplement this Offering Memorandum in the event of significant new factors, material mistakes or material inaccuracies will not apply when the Offering Memorandum is no longer valid.

Investing in the Notes involves risks. See "Risk Factors" starting on page 8 for a discussion of certain factors that should be considered in connection with an investment in the Notes.

The Notes are expected to be rated BB by Fitch Ratings Ltd ("**Fitch**"). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Fitch is established in the United Kingdom and registered under the Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA, as amended (the "**UK CRA Regulation**").

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold outside the United States (such Notes, the "**Regulation S Notes**") in reliance on Regulation S under the Securities Act ("**Regulation S**") and within the United States (such Notes, the "**Rule 144A Notes**") to qualified institutional buyers ("**QIBs**") as defined in Rule 144A under the Securities Act ("**Rule 144A**") in reliance on and in compliance with Rule 144A. Prospective purchasers are hereby notified that sellers of any Rule 144A Note may be relying upon the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the Notes and distribution of this Offering Memorandum, see "*Subscription and Sale*" and "*Transfer Restrictions*".

The Notes will be offered and sold in registered form and without interest coupons attached in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. The Regulation S Notes will be represented by beneficial interests in an unrestricted global Note (the "**Regulation S Global Note**"), in registered form and without interest coupons attached. The Regulation S Global Note which will be registered in the name of a nominee for and will be deposited with a common depositary for Euroclear Bank SA/NA ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") on or about the Closing Date. The Rule 144A Notes will be represented by beneficial interests in a restricted global Note (the "**Rule 144A Global Note**" and, together with the Regulation S Global Note, the "**Global Notes**") in registered form, without interest coupons attached, which will be deposited on or about the Closing Date with a custodian for and registered in the name of Cede & Co. as nominee for, The Depository Trust Company ("**DTC**").

The Global Notes will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive, registered, form, without interest coupons. See "*Summary of the Provisions relating to the Notes when in Global Form*". Interests in the Rule 144A Global Note will be subject to certain restrictions on transfer. See "Transfer Restrictions". Beneficial interests in the Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC, Euroclear and Clearstream, Luxembourg and their participants. It is expected that delivery of the Global Notes will be made on or about the Closing Date. Except as described herein, definitive certificates for Notes will not be issued in exchange for beneficial interests in the Global Notes.

Joint Bookrunners and Joint Lead Managers

Citigroup **ADCB** **First Abu Dhabi Bank** **Mashreq**

Offering Memorandum dated 14 May 2026

IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

This offering memorandum (the "**Offering Memorandum**") has been prepared for the purpose of giving information with regard to the Issuer and its consolidated subsidiaries taken as a whole (the "**Group**"), the Notes, which, according to the particular nature of the Issuer, the Group and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group, the rights attaching to the Notes and of the reasons for the issuance and its impact on the Issuer and the Group. The Issuer accepts responsibility for the information contained in this Offering Memorandum. To the best of the knowledge of the Issuer, the information contained in this Offering Memorandum is in accordance with the facts and this Offering Memorandum makes no omission likely to affect its import.

THE NOTES ARE OF A SPECIALIST NATURE AND SHOULD ONLY BE BOUGHT AND TRADED BY INVESTORS WHO ARE PARTICULARLY KNOWLEDGEABLE IN INVESTMENT MATTERS. AN INVESTMENT IN THE NOTES IS SPECULATIVE, INVOLVES A HIGH DEGREE OF RISK AND MAY RESULT IN THE LOSS OF ALL OR PART OF THE INVESTMENT.

No person is authorised to give any information or to make any representation in connection with the offer or sale of the Notes other than as contained in this Offering Memorandum and any information or representation not so contained must not be relied upon as having been authorised by the Issuer, the Trustee, any Agent (as defined herein) or any Joint Bookrunner (as defined in "*Subscription and Sale*"). Neither the delivery of this Offering Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the business and affairs of the Issuer or the Group since the date hereof or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or that the information contained in it is correct as at any time subsequent to the date on which it is supplied. No representation or warranty, express or implied, is made by any Joint Bookrunner, any Agent or the Trustee as to the accuracy or completeness of such information. None of the Joint Bookrunners, the Agents or the Trustee accepts any responsibility whatsoever for the contents of this Offering Memorandum or for any other statement made or purported to be made by it, or on its behalf, in connection with the Issuer or the Notes. Each of the Joint Bookrunners, the Agents and the Trustee accordingly disclaims all and any liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this Offering Memorandum or any such statement.

This Offering Memorandum does not constitute an offer to sell, or a solicitation to subscribe for or purchase, by or on behalf of the Issuer, any Joint Bookrunner or any other person, any of the Notes in any jurisdiction where it is unlawful for such person to make such offer or solicitation. The distribution of this Offering Memorandum and the offer and sale of the Notes in certain jurisdictions is restricted by law. Persons into whose possession this Offering Memorandum may come are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe such restrictions. This Offering Memorandum may not be used for, or in connection with, any offer to, or solicitation by, anyone in any jurisdiction or under any circumstances in which such offer or solicitation is not authorised or is unlawful. Further information with regard to restrictions on offers and sales of the Notes and the distribution of this Offering Memorandum is set out under "*Subscription and Sale*".

No action has been or will be taken to permit a public offering of the Notes or the distribution of this Offering Memorandum (in any form) in any jurisdiction where action is required for such purposes.

None of the Issuer, the Joint Bookrunners, Finasia Capital Ltd. ("**Consultant**"), the Agents, the Trustee, or any of its or their respective representatives or affiliates makes any representation to any offeree or purchaser of Notes offered hereby regarding the legality of an investment by such offeree or purchaser under applicable legal, investment or similar laws. The contents of this Offering Memorandum should not be construed as legal, financial, business or tax advice. Each prospective investor should consult his or her own legal adviser, financial adviser or tax adviser for legal, financial or tax advice in relation to any purchase or proposed purchase of Notes.

To the fullest extent permitted by law, the Joint Bookrunners, the Consultant, the Agents and the Trustee accept no responsibility whatsoever for the Notes, the Trust Deed or the Paying Agency Agreement (each as defined herein) (including the effectiveness thereof) or the contents of this Offering Memorandum or for any other statement made or purported to be made by a Joint Bookrunner, the Consultant, an Agent or the Trustee or on

its behalf in connection with the Issuer or the issue and offering of the Notes. Each Joint Bookrunner, the Consultant, each Agent and the Trustee accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of the Notes, the Trust Deed, the Paying Agency Agreement, this Offering Memorandum or any such statement.

In connection with the offering of the Notes, the Joint Bookrunners and any of their affiliates, acting as investors for their own accounts, may purchase Notes and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Notes and other securities of the Issuer or related investments in connection with the offering of the Notes or otherwise. Accordingly, references in this Offering Memorandum to the Notes being issued, offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, the Joint Bookrunners and any of their affiliates acting as investors for their own accounts. The Joint Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Recipients of this Offering Memorandum are authorised to use it solely for the purpose of considering an investment in the Notes and may not reproduce, forward or distribute this Offering Memorandum, in whole or in part, and may not disclose any of the contents of this Offering Memorandum or use any information herein for any purpose other than considering an investment in the Notes.

Persons into whose possession this Offering Memorandum comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. Any consents or approvals that are needed in order to purchase any Notes must be obtained. The Issuer and the Joint Bookrunners are not responsible for compliance with these legal requirements. The appropriate characterisation of any Notes under various legal investment restrictions, and thus the ability of investors subject to these restrictions to purchase such Notes, is subject to significant interpretative uncertainties. None of the Issuer, the Agents, the Trustee, the Group or the Joint Bookrunners or any of the respective representatives is making any representation to any offeree or purchaser of the Notes regarding the legality of an investment by such offeree or purchaser under relevant legal investment or similar laws. Such investors should consult their legal advisers regarding such matters.

The Joint Bookrunners and their respective affiliates may have performed and expect to perform in the future various financial advisory, investment banking and commercial banking services for, and may arrange loans and other non-public market financing for, and enter into derivative transactions with, the Issuer and its affiliates (including its shareholders).

Prior to making any decision as to whether to invest in the Notes, prospective investors should read this Offering Memorandum. In making an investment decision, prospective investors must rely upon their own examination of the Issuer and the Group and the terms of this Offering Memorandum, including the risks involved. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes and, in particular, the information contained or incorporated by reference in this Offering Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, the merit and risks of an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- understand thoroughly the terms of the Notes; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic considerations, interest rate volatility and other factors that may affect its investment and its ability to bear the applicable risks.

If investors are in any doubt about the contents of this Offering Memorandum, investors should consult a stockbroker, bank manager, solicitor, accountant or other financial adviser.

Any investment in Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Fund of Guarantee of Citizens' Deposits in Banks of the Republic of Uzbekistan.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET

Solely for the purpose of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

NOTICE TO EUROPEAN ECONOMIC AREA INVESTORS

Prohibition of Sales to European Economic Area ("EEA") Retail Investors — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

NOTICE TO THE UNITED KINGDOM INVESTORS

Prohibition of Sales to the United Kingdom Retail Investors — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**").

Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The communication of this Offering Memorandum and any other document or materials relating to the issue of the Notes offered hereby is not being made, and this Offering Memorandum and such other documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the FSMA. Accordingly, this Offering Memorandum and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. This Offering Memorandum and such other documents and/or materials are for distribution only to persons who (i) have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are other persons to whom it may otherwise lawfully be communicated or distributed under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). This Offering Memorandum and any such other documents and/or materials are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum and any such other documents and/or materials relate will be engaged in only with relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this Offering Memorandum or any other documents and/or materials relating to the issue of the Notes offered hereby or any of their contents.

NOTICE TO PROSPECTIVE INVESTORS IN SINGAPORE

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2021 (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTICE TO PROSPECTIVE U.S. INVESTORS

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER REGULATORY AUTHORITY IN THE UNITED STATES NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE NOTES OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

To permit compliance with Rule 144A in connection with any resales of Notes that are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will undertake in the Trust Deed that, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Exchange Act of 1934, as amended (the "**Exchange Act**") nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, it will provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner or to the Trustee for delivery to such holder, beneficial owner or prospective purchaser, in each case upon the request of such holder, beneficial owner, prospective purchaser or Trustee, the information satisfying the requirements of Rule 144A(d)(4) under the Securities Act.

STABILISATION

In connection with the issue of the Notes, Citigroup Global Markets Limited (the "**Stabilising Manager**") or any person acting on behalf of the Stabilising Manager may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the

allotment of the Notes. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

CERTAIN INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM

In this Offering Memorandum, the Issuer relies on and refers to publicly available information released by official and unofficial sources other than the Issuer. These sources include, but are not limited to, the Central Bank of Uzbekistan (the "**CBU**"), research reports, analyst reports, press releases, securities filings and industry publications, including the National Statistics Committee of the Republic of Uzbekistan and IMF. Although the Issuer believes that this information is reliable, it has not independently verified this information and cannot guarantee its accuracy and completeness. In addition, some of the information contained in this Offering Memorandum has been derived from official data published by the Government of the Republic of Uzbekistan (the "**Uzbekistan Government**" or "**Government**"). Official statistics and other data published by Uzbekistan's federal, regional and local governments are substantially less complete or transparent than those of Western countries. Official statistics may also be compiled on the basis of methodologies different from those used in Western countries. Where information in this Offering Memorandum has been sourced from third parties, this information has been accurately reproduced. As far as the Issuer is aware and is able to ascertain from information published by the relevant sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Offering Memorandum includes market data and industry forecasts and projections that have been obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information they provide has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information are not guaranteed. The forecasts and projections are based on industry surveys and the preparers' expertise in the industry, and there is no assurance that any of the forecasts or projections will be achieved. Similarly, the Issuer believes that the surveys and market research others have performed are reliable, but the Issuer has not independently verified this information.

In addition, the Issuer has included its own estimates, assessments, adjustments and judgments in preparing some market information, which have not been verified by an independent third party. Market information included herein is, therefore, unless otherwise attributed exclusively to a third-party source, subjective to a certain degree. Market information or that market information prepared by other sources may differ materially from the market information included herein.

The contents of the Issuer's website (https://aloqabank.uz/en/) or any other websites referred to in this Offering Memorandum do not form any part of the content of this Offering Memorandum.

LIMITATIONS ON ENFORCEMENT OF ARBITRAL AWARDS AND JUDGMENTS

Substantially all of the Issuer's directors and executive officers reside in Uzbekistan. All or a substantial portion of their and the Group's assets are located in Uzbekistan. As a result, it may not be possible for you to:

- effect service of process outside Uzbekistan upon substantially all of the Issuer's directors and executive officers; or
- enforce non-Uzbek court judgments obtained against the Issuer or substantially all of its directors and executive officers in non-Uzbek courts in any action.

In addition, it may be difficult for you to enforce, in original actions brought in courts in jurisdictions located outside the United Kingdom, liabilities predicated upon English law.

The United Kingdom is not a party to a treaty on mutual recognition and enforcement of judgments with the Republic of Uzbekistan and even if an applicable international treaty is in effect, the recognition and enforcement in Uzbekistan of a foreign judgment will in all events be subject to exceptions and limitations provided for in the laws of the Republic of Uzbekistan. In the absence of such agreements, the courts of Uzbekistan may recognise and enforce a foreign judgment on the basis of the principle of reciprocity. Uzbek legislation does not include clear rules on the application of the principle of reciprocity. Thus, there can be no assurance that the courts of Uzbekistan will recognise and enforce a judgment rendered by courts of a jurisdiction with which Uzbekistan has no agreement on the basis of the principle of reciprocity.

The Trust Deed will be governed by English law and will provide the option for disputes, controversies and causes of action brought by any party thereto against the Issuer to be settled by arbitration in accordance with the LCIA Rules in London, England. The Republic of Uzbekistan and the United Kingdom are parties to the United Nations (New York) Convention on the Recognition and Enforcement of Foreign Arbitral Awards of 1958 (the "**New York Convention**"). However, an Uzbek court may refuse the recognition and enforcement of foreign arbitral awards in full or part if one of the following grounds exists:

- a party to the arbitration agreement is in any way incapable by the law applicable to it or the arbitration agreement is invalid under the chosen governing law, and in the absence of such governing law — according to the law of the country where a foreign arbitral award has been rendered;
- a party against which a foreign arbitral award is rendered has not been timely and duly notified about the appointment of the arbitrator or the proceedings, their time and place or due to other reasons could not provide its explanations;
- a foreign arbitral award is rendered in a dispute not provided for or not subject to the terms of the arbitration agreement or arbitration clause in the contract, or contains rulings on matters beyond the scope of the arbitration agreement or arbitration clause in the contract, unless rulings on matters covered by the arbitration agreement either by such agreement or reservation may be separated from those not covered by such agreement or reservation;
- a composition of the arbitration body or the arbitration process did not comply with the agreement of the parties or, in the absence thereof, did not comply with the law of the country where the arbitration took place;
- a foreign arbitral award has not yet become binding on the parties, or has been set aside or suspended by a competent authority of the country in which, or under the law of which, it was made;
- a foreign arbitral award relating to the provision of security in connection with an interim measure ordered by the arbitral tribunal has not been complied with, or the interim measure has been terminated or suspended by the arbitral tribunal or, where it has the authority to do so, by a court of the State in which the arbitration is seated or under the law of which the interim measure was ordered;
- if the court determines that the interim measure is incompatible with the powers vested in the court, unless the court orders that the interim measure be modified to the extent necessary to bring it into conformity with the court's own powers and procedural requirements for the purpose of enforcing the interim measure, without altering its substance;

- a dispute was resolved by an incompetent foreign court or arbitration.

The court may also refuse to recognise and enforce a foreign arbitral award if:

- enforcement of a foreign arbitral award will contradict the "public order" of the Republic of Uzbekistan;
- the subject matter of the dispute may not be subject to arbitration under the laws of the Republic of Uzbekistan;
- the statute of limitations for the enforcement of a foreign arbitral award has expired.

Recognition and enforcement of foreign arbitral awards in Uzbekistan may still be difficult, in particular, if the enforcement of a foreign arbitral award conflicts with the "public policy" of Uzbekistan. The laws of Uzbekistan do not provide any clear guidelines for determining what the "public policy" of Uzbekistan is. The ambiguity of the "public policy" concept may be used by Uzbek courts to deny recognition and enforcement of foreign arbitral awards rendered against Uzbekistan or threatening its interests.

In addition, an Uzbek court shall disregard any dispute resolution agreement of the parties if it finds that under Uzbek legislation it has exclusive jurisdiction over such disputes.

Although Uzbek law recognises choice of law principles for contractual obligations, the choice of foreign law will not exclude the application of mandatory rules of Uzbek law which cannot be derogated from by the agreement of the parties. According to Uzbek law, regardless of the choice of law applicable to the relationship between the parties, certain mandatory rules of Uzbek law shall nonetheless apply.

In Uzbekistan, upon receipt of a foreign arbitral award, the party seeking to enforce the award must submit an application for the recognition and enforcement of the foreign arbitral award to the relevant economic courts in the Republic of Uzbekistan. The court will review the award to ensure there exist no grounds (as discussed above) to refuse recognition and enforcement. Upon a finding that the foreign arbitral award is in order, the court will adopt a ruling on recognition and enforcement and issue a writ of execution, which must be submitted to the Bureau of Mandatory Enforcement within three years of the court's ruling on the foreign arbitral award.

As a condition for admissibility in evidence of any documents, the courts of Uzbekistan will require the submission of such documents either (i) as originally executed counterparts, or (ii) as duly notarised copies. In addition, in case of an official document issued outside Uzbekistan, unless a valid international agreement of Uzbekistan provides otherwise, such official document will be admissible in evidence by a court of Uzbekistan if (i) such official document is legalised by an Uzbek consul in the country of its issuance and a duly certified Uzbek language translation of such official document is notarised by an Uzbek notary or (ii) the apostille is affixed to such official document by the competent authority of the country of its issuance subject to the Convention Abolishing the Requirement of Legalisation for Foreign Public Documents dated 5 October 1961 and a duly certified Uzbek language translation of such official document is notarised by an Uzbek notary.

See "*Risk Factors– Risks Related to the Republic of Uzbekistan – Enforcement of judgments or arbitral awards against the Bank can be difficult*".

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Offering Memorandum are not historical facts but constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the U.S. Exchange Act of 1934, as amended. Forward-looking statements include statements regarding the Group's future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets in which the Group participates or seeks to participate, and any statements preceded by, followed by or that include the words "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates" or similar expressions or the negative thereof. These forward-looking statements include, amongst other things, statements concerning:

- overall business conditions;
- changes in tax requirements (including tax rate changes, new tax laws and revised tax law interpretations);
- economic and political conditions in the Republic of Uzbekistan;
- the timing, impact and other uncertainties of future developments;
- inflation, interest rate fluctuations, foreign currency and exchange rate fluctuations and other capital market conditions in the Republic of Uzbekistan;
- the condition and performance of the economy, including the banking sector of the Republic of Uzbekistan;
- the effects of, and changes in, the policy of the Government;
- the effects of changes in laws, regulations, taxation, accounting standards or practices in the Republic of Uzbekistan;
- the Bank's ability to maintain or increase its market share for its products and services and to control expenses;
- the Bank's ability to meet its funding obligations and to develop and maintain additional sources of financing;
- the Bank's ability to continue to diversify its client base;
- the impact of the growth of the Bank's loan portfolio on its revenue potential and overall asset quality;
- technological changes; and
- the Bank's ability to manage the risks associated with the aforementioned factors.

The forward-looking statements included in this Offering Memorandum involve known and unknown risks, uncertainties and other factors which may cause the Group's actual results, performance, achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Group will operate in the future. You should be aware that a number of important factors provided above could cause the industry's or the Group's own actual results or performance to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements.

This list of important factors is not exhaustive. Additional factors that could cause actual results, performance or achievements to differ materially include those discussed under "*Risk Factors*". When considering forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which the Group operates. Such forward-looking statements speak only as at the date on which they are made, and the Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement

contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The Issuer does not make any representation or warranty that the results anticipated by such forward-looking statements will be achieved.

PRESENTATION OF FINANCIAL INFORMATION

Presentation of Financial Information

The Group's financial information set forth herein has, unless otherwise indicated, been extracted, without material adjustment, from the Group's audited consolidated financial statements as at and for the years ended 31 December 2025 and 31 December 2024 (the "**2025 and 2024 Financial Statements**") and the Group's audited consolidated financial statements as at and for the year ended 31 December 2023 (the "**2023 Financial Statements**" and, together with the 2025 and 2024 Financial Statements, the "**Financial Statements**"), set forth on pages F-2 through F-159 of this Offering Memorandum. The Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS**").

The Uzbek soum is the functional currency of the Group and the presentation currency for the Financial Statements. The Financial Statements and financial information included elsewhere in this document have, unless otherwise noted, been presented in Uzbek soums.

Independent Auditors

The Financial Statements included in the Offering Memorandum have been audited by Audit Organization "PricewaterhouseCoopers" LLC ("**PwC**") who has issued unqualified independent auditor's reports on the Financial Statements appearing herein.

PwC has a licence authorising the audit of companies registered by the Ministry of Economy and Finance of the Republic of Uzbekistan under registration number No. 00780 dated 5 April 2019 and a certificate authorising the audit of banks registered by the CBU under registration number No. 9 dated 14 February 2014.

Restatement of Prior Year Figures

In 2024, the Group discovered the following errors which resulted in restatements of the prior year financial statements:

a) Incorrect elimination of output Value Added Tax ("VAT") liability regarding the disposal of IT Park building. In December 2024, the Bank signed a contract to sell its headquarters located in the IT Park district to a state-owned company, JSC Uzbektelecom (17.66% shareholder of the Bank). Following this transaction, the Bank recognized a receivable from the counterparty on the disposal with the amount of UZS966,055 million based on the headquarters building handover act dated 27 December 2024. However, in IFRS accounts, the Bank incorrectly eliminated output VAT impact on this transaction of UZS107,948 million (UZS103,506 million from receivables and UZS4,442 million from uncompleted part of the building, which were transferred to JSC Uzbektelecom under novation agreement) against the receivable balance above. The Bank restated its 2024 balances for this VAT amount by grossing up the receivable from the disposal included within Other financial assets and recognising VAT payable amount due to the state included within Other non-financial liabilities.

b) Incorrect classification of inventory as construction in progress. The Bank, through its investment management subsidiary, Aloqa Aktiv LLC, developed and constructed hotels in several tourist locations and small industrial zones in Uzbekistan during 2024. These constructions were intended for sale to private investors upon completion and should have been recognized as inventory under IAS 2. However, the Bank originally classified them as construction in progress within Premises and equipment as of 31 December 2024. Consequently, the Bank restated its 2024 balances by reclassifying UZS134,029 million from Premises and equipment to inventory within Other non-financial assets.

c) Incorrect netting of loss on disposals from repossessed assets with gain on sale of own use premises and equipment. In 2024, the Bank presented (i) losses from sale of repossessed assets and (ii) gains on disposal of own use premises and equipment on a net basis within other operating income. The Bank restated its 2024 financial results by reclassifying losses of UZS104,641 million from Other operating income to Administrative and other operating expenses and presenting the gross gain on disposal of own-use premises and equipment of UZS509,248 million as a separate line item "Gain on disposal of property and equipment" in the consolidated statement of profit or loss, since the nature of these items is different and, hence, the gains and losses should not be offset.

d) Incorrect presentation of new debt security investments and redemptions in the consolidated statement of cash flows. The Bank incorrectly presented gross amounts of new debt security investments and redemption in 2024 financial statements, thus the Bank restated consolidated statement of cash flows by reducing both acquisition and redemption of investment in debt securities by UZS76,172 million.

e) Incorrect presentation of Premises, equipment and intangible assets movement schedule in the notes to the consolidated financial statements and presentation of business combination in the consolidated statement of cash flows. In 2024, the Bank incorrectly presented the IT Park building and related equipment as an addition to Premises and equipment in spite of the fact that part of this building and related equipment was already recognized in prior reporting periods; adjustments were needed to reflect transfer of these amounts from construction in progress to buildings as well as reduce buildings and equipment additions in Note 14 to the 2025 and 2024 Financial Statements. Additionally, Premises and equipment acquired through the acquisition of a subsidiary (Chust Poyafzal LLC) was mistakenly recorded as additions instead of acquisition through business combinations. These errors led to a restatement of the Premises and equipment movement disclosure, reclassifying additions, transfers and business combinations into the appropriate categories.

   Moreover, acquisition of a subsidiary for a net cash consideration of UZS50,997 million was not separately presented as investing cash flow in the consolidated cash flow statement. Instead, the Bank incorrectly allocated the payment into purchases of premises and equipment in investing cash flows and proceeds from the other borrowed funds within financing cash flows. This error led to restatement of the consolidated statement of cash flows.

f) Incorrect recognition of cash on hand balances. The Bank did not correctly adjust cash in ATM balances for withdrawal transactions indicated as cut-off due to late receipt of clearance files from card processing companies. The Bank restated consolidated statement of financial position by decreasing cash and cash equivalents and customer accounts by UZS32,816 million.

The effect of restatement for correction of errors on the consolidated statement of financial position, and consolidated statement of cash flows for the year ended 31 December 2024 is as follows:

In millions of soums	**Ref**	**As originally presented**	**Effect of error correction**	**As restated for the year ended 31 December 2024**
Consolidated statement of financial position				
Cash and cash equivalents	f	2,615,062	(32,816)	2,582,246
Premises, equipment and right of use assets	b	2,932,223	(134,029)	2,798,194
Other financial assets	a	1,094,742	107,948	1,202,690
Other non-financial assets	b	181,882	134,029	315,911
Total assets		22,594,024	75,132	22,669,156
Liabilities				
Customer accounts	f	12,780,423	(32,816)	12,747,607
Other non-financial liabilities	a	43,368	107,948	151,316
Total liabilities		19,494,328	75,132	19,569,460
Consolidated statement of profit or loss and other comprehensive income				
Other operating income	c	421,980	104,641	526,621
Administrative and other operating expenses	c	(753,371)	(104,641)	(858,012)
Profit for the year		252,915	-	252,915

In millions of soums		**As originally presented**	**Effect of error correction**	**As restated for the year ended 31 December 2024**
Consolidated statement of cash flows				
Other operating income received	e	9,848	(168)	9,680
Administrative and other operating expenses paid	c	(238,784)	695	(238,089)
Cash flows from operating activities before changes in operating assets and liabilities		(54,067)	527	(53,540)
Net increase in loans to customers	e	(2,785,834)	(47,022)	(2,832,856)
Net decrease/(increase) in other assets	a, b	(454)	(78,998)	(79,452)
Net increase in customer accounts	f	4,173,695	(32,816)	4,140,879
Net (decrease)/increase in other liabilities	a	(4,122)	3,357	(765)

Net cash from/(used in) operating activities		2,618,775	(154,952)	2,463,823
Acquisition of investments in debt securities carried at amortised cost	d	(2,120,825)	76,172	(2,044,653)
Proceeds from redemption of debt securities carried at amortised cost	d	218,987	(76,172)	142,815
Purchase of premises, equipment and intangible assets	b, e	(774,479)	190,192	(584,287)
Proceeds from disposal of premises, equipment and intangible assets	e	18,126	(16,763)	1,363
Acquisition of subsidiary net of cash acquired	e	-	(50,997)	(50,997)
Net cash used in investing activities		(2,655,701)	122,432	(2,533,269)
Proceeds from other borrowed funds	e	2,259,604	(296)	2,259,308
Net cash from financing activities	e	1,157,737	(296)	1,157,441
Cash and cash equivalents at the end of the year		2,615,062	(32,816)	2,582,246

Financial data as at and for the year ended 31 December 2024 in this Offering Memorandum, unless otherwise stated, is provided on a restated basis.

Certain Definitions and Currencies

In this Offering Memorandum, all references to:

- "**the Group**" or "**the Bank**" or "**the Issuer**" are to Joint-Stock Commercial "Aloqabank" group of companies;
- "**CBU**" are to the Central Bank of Uzbekistan;
- "**CIS**" are to the Commonwealth of Independent States and its member states as at the date of this Offering Memorandum, being Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan and Uzbekistan;
- "**EU**" are to the European Union;
- "**Ministry of Economy and Finance**" are to the Ministry of Economy and Finance of the Republic of Uzbekistan;
- "**UFRD**" are to the Fund for Reconstruction and Development of the Republic of Uzbekistan; and
- "**U.S.**" or "**United States**" are to the United States of America.

In this Offering Memorandum, the following currency terms are used:

- "**UZS**", "**Uzbek soums**" or "**soums**" means the lawful currency of the Republic of Uzbekistan;
- "**U.S.$**" or "**U.S. dollar**" means the lawful currency of the United States; and
- "**EUR**", "**Euro**" "**euro**" or "**€**" means the lawful currency of the member states of the European Union that adopted the single currency in accordance with the Treaty of Rome establishing the European Economic Community, as amended.

References in the Offering Memorandum to a "billion" are to a thousand of millions.

Exchange Rate

The table below sets forth, for the periods and dates indicated, certain information regarding the exchange rate between the Uzbek soum and the U.S. dollar, based on the official exchange rate quoted by the CBU. Fluctuations in the exchange rates between the Uzbek soum and the U.S. dollar in the past are not necessarily indicative of fluctuations that may occur in the future.

	Uzbek soum per U.S.$1.00			
	High	**Low**	**Average[(1)]**	**Period end**
Year				
2026 (up to and including 6 May 2026)	12,320.34	11,937.60	12,136.79	12,037.21
2025.....	13,003.95	11,880.93	12,574.55	12,025.33
2024.....	12,928.70	12,341.54	12,652.57	12,920.48
2023.....	12,389.97	11,246.81	11,800.24	12,338.77

Source: CBU

Note:

(1) The average rates are calculated as the average of the daily exchange rates on each calendar day (which is announced by the CBU for such day).

Rounding

Certain figures included in this Offering Memorandum have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Key Performance Indicators

The key performance indicators ("**KPIs**") or alternative performance measures ("**APMs**") described below have been calculated based on data derived from the Financial Statements and unaudited accounting records and management accounts. Where used, the relevant metrics are identified as KPIs and APMs and accompanied by an explanation of each such metric's components and calculation method.

This Offering Memorandum includes certain financial measures that are not measures of performance specifically defined by IFRS. These include (without limitation) the following financial measures: return on average assets, return on average equity, cost-to-income ratio, net interest margin, allowance for loan losses/gross loans, total liquid assets/total assets, NPL ratio and credit impaired loans coverage. See "*Selected Consolidated Financial Information*" for the information on the basis of calculation of the non-IFRS financial measures. In addition, this Offering Memorandum includes certain of the Bank's selected statistical information in "*Selected Statistical and Other Information*", including average balance of interest-earning assets, average balance of non-interest-earning assets, average balance of total assets, average balance of interest-bearing liabilities, average balance of non-interest-bearing liabilities, average balance of equity, average balance of equity and non-interest-bearing liabilities, average balance of equity and liabilities, average yield on interest-earning assets, average rate paid on interest-bearing liabilities, ratio of net charge-offs, total weighted average yield, average balance of term deposits, average balance of current/settlement accounts, average balance of total deposits and current/settlement accounts, average rate paid on term deposits. See "*Selected Statistical and Other Information*" for the information on the basis of calculation of the selected statistical information.

The KPIs and APMs disclosed in this Offering Memorandum should not, however, be considered as an alternative to, in isolation from or as substitutes for financial information reported under IFRS. The KPIs and APMs disclosed in this Offering Memorandum were not audited, reviewed or otherwise reported on by independent auditors and are not measures specifically defined by IFRS and the Group's use of these measures may vary from other companies in its industry due to differences in accounting policies or differences in the calculation methodology of similar measures by other companies in its industry.

TABLE OF CONTENTS

Overview of the Bank 1
Overview of the Offering 5
Risk Factors 8
Use of Proceeds 36
Capitalisation 37
Selected Consolidated Financial Information 38
Operating and Financial Review 41
Selected Statistical and Other Information 64
Business 69
Risk Management 82
Management 93
Principal Shareholders 100
Certain Transactions with Related Parties 101
The Banking Sector and Banking Regulation in the Republic of Uzbekistan 103
Terms and Conditions of the Notes 121
Summary of the Provisions Relating to the Notes When in Global Form 144
Transfer Restrictions 151
Taxation 152
Subscription and Sale 156
Independent Auditors 158
General Information 159
Index to Financial Statements F-1

OVERVIEW OF THE BANK

This overview highlights certain information concerning the business of the Bank and the Notes. It does not contain all information that may be important to an investor in the Notes or an investment decision in relation to the Notes. This overview should be carefully read in conjunction with, and is qualified in its entirety by reference to, the more detailed information in this Offering Memorandum, including the Financial Statements. Investors should also consider the matters set forth in "Risk Factors" before deciding to invest in the Notes. Certain statements in this Offering Memorandum include forward-looking statements which also involve risk and uncertainties as described under "Cautionary Statement Regarding Forward-Looking Statements".

Overview

Aloqabank is a universal commercial bank operating in the Republic of Uzbekistan. As at 1 January 2026, the Bank ranked 10th among the 35 commercial banks operating in Uzbekistan by total assets, according to the CBU.

The Bank provides a comprehensive range of banking products and services to corporate and retail customers, including corporate and retail lending, deposit-taking, settlement and cash services, and trade finance.

The Bank provides specialised financial services to the telecommunications, information technology and postal sectors, whilst also expanding its presence in the retail and SME segments through its digital ecosystem, including the "Zoomrad" mobile application. The Bank conducts its operations from its head office in Tashkent and a network of Regional Comprehensive Service Centres ("**RCIS**") across all regions of Uzbekistan.

As at 31 December 2025, the Bank operated through a network of 15 RCIS that coordinate regional activities and serve large corporate clients. Daily banking services are further provided through 76 comprehensive service offices, which offer account opening, lending and currency exchange.

Since 2020, as part of the broader Strategy for Reforming the Banking System, the Bank has been undergoing a systematic transformation aimed at improving its operational efficiency and transitioning to a market-oriented business model. This transition has involved a focus on digital transformation, the implementation of ESG principles in collaboration with international financial institutions such as the Asian Development Bank ("**ADB**"), and the diversification of its loan portfolio (total gross loans and advances to customers including finance lease receivables) to include higher-margin retail and private sector products.

The Bank is a majority state-owned bank. As at the date of this Offering Memorandum, the Government of Uzbekistan, through the UFRD, JSC Uzbektelecom and the Ministry of Economy and Finance, ultimately holds approximately 73.9 per cent. of the Bank's voting shares.

As at 31 December 2025, the Group's total assets were UZS31,344,212 million. As at 31 December 2025, total gross loans and advances to customers amounted to UZS19,577,898 million, with gross loans to corporate customers (including state and municipal organisations) and gross loans to individuals accounting for 66.6 per cent. and 33.4 per cent. of total gross loans and advances to customers, respectively. For the year ended 31 December 2025, the Group generated a loss of UZS193,887 million, compared to a profit of UZS252,915 million for the year ended 31 December 2024.

The Bank was incorporated as a joint-stock commercial bank in 1994 in the Republic of Uzbekistan. It is registered to carry out a full range of banking operations and is headquartered at 2 Ukchi Street, Shaykhontohur district, 100011 Tashkent, Republic of Uzbekistan. The telephone number for the head office is +998 (71) 230-77-77. As at the date of this Offering Memorandum, the Bank maintains a credit rating of 'BB' with a "Stable" outlook from Fitch Ratings and 'Ba3' with a "Stable" outlook from Moody's.

Competitive Strengths

The Bank's management believes that the Group has a number of competitive advantages, including the following strengths:

Growing market position and expanding client base

The Bank holds a well-established and growing position within the Uzbekistan banking market. As at 1 January 2026, the Bank ranked as the 10th largest commercial bank (among 35 banks) in Uzbekistan by total assets,

according to the CBU. As at 31 December 2025, the Bank's assets amounted to UZS31,344,212 million, representing a 3.4 per cent. market share, as compared to UZS22,669,156 million as at 31 December 2024, representing a 3.0 per cent. market share.

The Group maintains a diversified loan portfolio that balances services for both legal entities and individuals. As at 31 December 2025, loans to legal entities accounted for 66.6 per cent. of the total loan portfolio, while loans to individuals represented 33.4 per cent. The Bank demonstrated robust growth dynamics, with its total loan portfolio increasing by 45.4 per cent. as compared to 2024. Furthermore, the Bank's share in the deposit services market reached 3.7 per cent. as at 1 January 2026, placing it among the eight largest banks in the country.

Leading digital transformation and innovative IT solutions

The Bank is at the forefront of digital banking in Uzbekistan, focusing on the creation of next-generation digital products through a "Super App" model. A key component of this strategy is the Zoomrad retail application, which integrates the Bank's payment system, marketplace features and public service payments into a single mobile interface. As at 31 December 2025, Zoomrad had over 4.9 million registered users. The Bank plans to launch Zoomrad 2.0 in the second quarter of 2026 with a revamped interface that integrates banking with E-Gov services, lifestyle features such as travel and insurance, and EdTech modules. This platform aims to provide full-cycle digital lending for complex products such as auto loans and mortgages, alongside SWIFT-integrated international transfers.

In parallel, the Bank is developing a new version of the AloqaBusiness application. This initiative targets the digitalisation of routine entrepreneurial operations, including remote onboarding for deposit accounts, instant microloans for working capital and the execution of international SWIFT transfers directly from corporate accounts. As at 31 December 2025, AloqaBusiness had approximately 18,900 active users and the Bank's internet banking platform had approximately 9,300 active users.

Comprehensive regional presence and infrastructure

As at 31 December 2025, the Bank maintains a robust physical distribution network designed to reach customers across all economically active regions of the republic. This network includes 15 RCIS that coordinate regional activities and serve large corporate clients. Daily banking services are further provided through 76 comprehensive service offices which offer account opening, lending and currency exchange. To support 24/7 accessibility, the Bank has installed 165 ATMs. Additionally, the Bank facilitates cashless settlements through 14,551 POS terminals and 27,499 EPOS terminals integrated into business entity operations.

Robust risk management and capital policy

The Bank's financial stability is anchored by an integrated risk management system and a conservative capital policy. Key elements include rigorous liquidity management, which involves maintaining sufficient buffers of highly liquid assets and cash-flow forecasting to ensure all obligations are met under unfavourable market scenarios. The Bank also manages market and currency risks by limiting open positions and utilising hedging instruments.

Capital stability is maintained by keeping regulatory capital adequacy above minimum requirements, supported by regular stress testing and internal evaluations.

Commitment to international standards and ESG

The Bank is actively integrating Environmental, Social and Governance ("**ESG**") standards into its corporate policy. In collaboration with the Asian Development Bank, the Bank is preparing to publish its inaugural ESG report by the end of 2026. These initiatives are complemented by a focus on SME support and gender equality, reinforcing the Bank's commitment to being a socially responsible financial institution. The Bank's commitment to its workforce was also recognised by the Top Employers Institute, which named the Bank the "Best Employer" in the banking sector of Uzbekistan, with the Bank currently ranking first among state-owned banks in that category.

International credit ratings and global quality standards

The Bank's financial stability and operational excellence are validated by leading international agencies and standardisation bodies. As at the date of this Offering Memorandum, the Bank maintains a rating of "BB" with a "Stable" outlook from Fitch Ratings and "Ba3" with a "Stable" outlook from Moody's. These ratings reflect the Bank's solid capitalisation and its strategic importance within the national banking system. Furthermore, the Bank's commitment to international management best practices is evidenced by its ISO 9001:2015 certification, issued by the German certification body TÜV International Certification. This certification confirms that the Bank's quality management systems and internal processes across its network meet global standards, ensuring a high level of service reliability and institutional transparency.

Strategic fintech ecosystem and venture integration

The Bank is evolving from a traditional lender into a comprehensive technology-driven financial ecosystem. A core pillar of this transition is the operation of "AloqaVentures," the Bank's dedicated venture capital fund, which provides a competitive edge by financing and integrating innovative startups in the fields of artificial intelligence, fintech and digital infrastructure. This vertical integration allows the Bank to deploy cutting-edge solutions directly into its "Zoomrad" Super App, moving beyond standard banking to include integrated government services, lifestyle products and digital marketplaces. By leveraging this fintech-first approach, the Bank believes it is positioning itself not only as a provider of financial services but as an innovation platform in Uzbekistan's digital economy, which the Bank expects to drive higher customer engagement and diversify its non-interest income streams.

Strategy

The Bank's strategy focuses on the following key priorities:

Digital transformation and ecosystem development

The Bank's future business model prioritises the transition toward an integrated digital ecosystem. The Bank is developing multi-functional platforms to serve as the primary interface for customer interactions across retail and corporate banking services. The key platform developments are:

- **Next-Generation Retail (Zoomrad 2.0)**. The Bank plans to launch Zoomrad 2.0 in the second quarter of 2026, featuring a revamped interface designed to integrate banking with E-Gov platforms, lifestyle features such as travel and insurance, and EdTech modules. The platform is expected to support full-cycle digital lending for products such as auto loans and mortgages, alongside SWIFT-integrated international transfers, and 24/7 online currency conversion with NFC-enabled payment management.
- **Corporate Digitalisation (AloqaBusiness)**. The Bank is developing AloqaBusiness 2.0, which is intended to digitalise the end-to-end lifecycle of entrepreneurship. The platform is planned to enable remote onboarding for legal entities, instant microloans for working capital and automated payroll management. The platform will incorporate Zoomrad Business, an IT solution allowing SMEs to accept payments via QR codes and Telegram bots without traditional POS equipment.
- **Fintech and Vertical Integration**. Through its venture fund, AloqaVentures, the Bank operates the AloqaTechLab accelerator, which identifies and integrates AI and fintech startups into the Bank's service architecture, ensuring it maintains a competitive edge in technological agility and disruptive financial solutions.

Expanding SME segment and real sector support

A primary strategic objective is the expansion of the Bank's footprint in the SME segment. The Bank is shifting its focus from traditional credit provision to offering comprehensive, data-driven business solutions.

By implementing advanced digital scoring and AI-based analytics, the Bank aims to provide unsecured online financing with minimal documentation. Currently, the Bank offers a range of products, including "Start-biznes" for initial working capital and "Logistika avtokredit" for logistical infrastructure. Furthermore, the Bank offers supplementary factoring and trade finance services to reduce the cash-flow gap for manufacturing and service enterprises, diversifying its loan portfolio while supporting sustainable growth in the real sector of Uzbekistan's economy.

Strategic positioning in the context of banking sector reform and privatisation

The Bank's strategy is closely linked to the broader reform of Uzbekistan's banking sector, which aims to reduce state ownership in commercial banks and strengthen corporate governance, transparency and operational efficiency. Under the Government's banking sector reform programme and the national "Uzbekistan–2030" strategy, the Bank has been included in the list of banks designated for potential privatisation. In preparation for this process, the Bank aims to improve its valuation and investment appeal through operational efficiency improvements and growth in the share of non-interest income.

The Bank's plans include transforming the physical distribution network into "smart offices" that focus on high-value advisory services while migrating routine transactions to digital channels.

ESG integration and sustainable finance

In partnership with the ADB, the Bank is implementing ESG standards across its operations. This technical assistance programme focuses on aligning the Bank's reporting with IFRS S1 and S2 international sustainability standards, developing a dedicated ESG Strategy that prioritises the financing of energy-efficient and socially responsible projects, conducting training for employees to embed green banking principles into the credit approval process and publishing the Bank's inaugural ESG report in 2026.

Financial discipline and performance

The Bank maintains a strict focus on financial discipline to support its growth targets. This includes maintaining capital adequacy and liquidity buffers above regulatory minimums, in order to support financial stability during periods of market volatility. In July 2025, Fitch Ratings upgraded the Bank's rating to "BB" with a "Stable" outlook, reflecting the improvements in the Bank's financial profile and operating environment. Strategic performance is measured through KPI and APM systems tied to ROE and ROA improvements, positioning the Bank as a stable, transparent and high-growth institution for domestic and international stakeholders alike.

Risk Factors

An investment in the Notes involves a high degree of risk. For a detailed discussion of the risks and other factors to be considered when making an investment decision with respect to the Notes, see "*Risk Factors*" and "*Cautionary Statement Regarding Forward-Looking Statements*". Prospective investors in the Notes should carefully consider the risks and other information contained in this Offering Memorandum prior to making any investment decision with respect to the Notes. Prospective investors should note that the risks described in this Offering Memorandum are not the only risks the Bank faces. The Bank has described only the risks it considers to be material. However, there may be additional risks that it currently considers immaterial or of which it is currently unaware.

OVERVIEW OF THE OFFERING

*The following overview contains basic information about the Notes and is not intended to be complete. For a more complete understanding of the Notes, please refer to the Terms and Conditions of the Notes ("**Conditions**"). Capitalised terms not defined in this section have the meanings given to them in the Conditions.*

Issuer	Joint-Stock Commercial "Aloqabank"
Joint Bookrunners and Joint Lead Managers	Citigroup Global Markets Limited, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC and Mashreqbank psc
Notes Offered	U.S.$300,000,000 aggregate principal amount of 7.70 per cent. Notes due 2031
Trustee	Citibank, N.A., London Branch
Principal Paying Agent and Transfer Agent	Citibank, N.A., London Branch
Registrar	Citibank Europe PLC
Issue Price	98.985 per cent.
Closing Date	18 May 2026
Maturity Date	Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount 18 May 2031.
Interest Rate	The Notes bear interest at the rate of 7.70 per cent. per annum payable in equal instalments semi-annually in arrear on 18 May and 18 November in each year, commencing on 18 November 2026.
Risk Factors	An investment in the Notes involves a high degree of risk. See "*Risk Factors*".
Use of Proceeds	The Issuer will use the proceeds received from the issue and sale of the Notes for general corporate purposes. For more information, see "*Use of Proceeds*".
Form	The Notes will be in registered form, without interest coupons attached, in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. The Notes will be issued in the form of a Regulation S Global Note and a Rule 144A Global Note, each in registered form and without interest coupons attached. The Regulation S Global Note will be deposited with the common depositary for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of such common depositary. The Rule 144A Global Note will be deposited with a custodian for, and registered in the name of, Cede & Co., as nominee of DTC. Ownership interests in the Regulation S Global Note and Rule 144A Global Note will be shown on, and transfer thereof will be effected only through, records maintained by Euroclear, Clearstream, Luxembourg, DTC and their respective participants. Notes in definitive form will be issued only in limited circumstances.
Ranking of the Notes	The Notes constitute direct, general, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes shall, save for such exceptions as may arise by mandatory operation of law and subject to Condition 4, at all

	times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.
Negative Pledge and Covenants	Conditions contain restrictions on or impose requirements to be complied with when conducting certain activities of the Issuer and its subsidiaries, including, without limitation: (a) limitation on the incurrence of security interest; (b) requirement for the maintenance of capital adequacy and financial ratios; (c) limitation on prepayment of subordinated debt and paying dividends on or redeeming or repurchasing share capital or making other distributions; (d) requirement for the provision of certain financial information; (e) limitations on engaging in mergers and consolidations; (f) limitation on asset sales; (g) limitation on engaging in affiliate transactions; (h) requirement for the maintenance of authorisations; and (i) limitation on change of business. There are significant exceptions to the requirements contained in these covenants, as more fully described in Condition 4 and Condition 5.
Events of Default	If an Event of Default occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by the holders of not less than one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer that the Notes are, and that they shall immediately become, due and repayable at their principal amount together with accrued interest, as more fully described in Condition 10.
Optional Redemption for Taxation Reasons	The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 nor more than 60 days' notice, at the principal amount thereof together with interest accrued to (but excluding) the date fixed for redemption, if immediately prior to the giving of such notice the Issuer is or would be required to pay additional amounts (as described in Condition 9) (subject to certain conditions) as a result of any change in, or amendment to, the laws or regulations of the Republic of Uzbekistan, occurring on or after the Issue Date, as more fully described in Condition 7(b).
Make-Whole call option	The Issuer may, at its option, redeem the Notes, in whole but not in part, at any time on giving not less than 30 and not more than 60 days irrevocable notice, at a price equal to the principal amount thereof, plus the Make Whole Premium, plus any accrued and unpaid interest, up to but excluding the date of redemption, as more fully described in Condition 7(c).
Optional Redemption by the Noteholders upon a Change of Status	If a Change of Status occurs, the holder of each Note will have the option to require the Issuer to redeem that Note on the Change of Status Put Date at 100% of its principal amount together with interest accrued to (but excluding) Change of Status Put Date, as more fully described in Condition 7(f).

Withholding Tax	All payments of principal, interest and other amounts in respect of the Notes by the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Uzbekistan or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. If any such taxes, duties, assessments or governmental charges are payable, the Issuer shall (subject to certain exceptions) pay such additional amounts as will result in the receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, as more fully described in Condition 9.
Listing of Notes	Application has been made to the London Stock Exchange for the Notes to be admitted to the ISM.
Ownership Restrictions	None of DTC, Euroclear or Clearstream, Luxembourg, will monitor compliance with any transfer or ownership restrictions.
Governing Law and Arbitration	The Notes and the Trust Deed and any non-contractual obligations arising out of or in connection with any of them shall be governed by and construed in accordance with English law and contain provisions for arbitration in London, England.
Selling Restrictions	United States, United Kingdom, Uzbekistan, Singapore and any other jurisdiction relevant to the offering of the Notes. See "*Subscription and Sale*".
Ratings	It is expected that the Notes will be rated BB by Fitch. Fitch is established in the United Kingdom and registered under the UK CRA Regulation. Credit ratings assigned to the Notes do not necessarily mean that the Notes are a suitable investment. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Similar ratings on different types of notes do not necessarily mean the same thing. Credit ratings do not relate to the liquidity of the Notes or consider whether there is a market for the Notes. Any change in the credit rating of the Notes or of the Issuer could adversely affect the price that a subsequent purchaser would be willing to pay for the Notes. The significance of each rating should be analysed independently from any other rating.
Security Identification	Regulation S Notes: ISIN: XS3340633489 Common Code: 334063348 Rule 144A Notes: ISIN: US02053BAA52 Common Code: 335601165 CUSIP: 02053BAA5
Legal Entity Identifier	254900B2WJGJ0SR7JC84

RISK FACTORS

An investment in the Notes involves risks. Accordingly, you should carefully consider the risks described below, as well as the other information in this Offering Memorandum, before making an investment decision. The risks and uncertainties below are not the only ones the Bank faces. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently believes are immaterial, could also impair its business operations. Factors which the Issuer believes are specific to the Issuer and/or the Notes and material for an informed investment decision with respect to investing in the Notes issued hereunder are described below. In each category below the Issuer sets out the most material risks, in its assessment, taking into account the negative impact of such risks on the Issuer and the probability of their occurrence. If any of the following risks actually materialises, the Bank's business, results of operations and financial condition could be materially and adversely affected and it could affect the Issuer's ability to meet its obligations under the Notes.

Risks Related to the Bank's Business and Industry

The Bank depends on financial support from the Government, and any reduction or cessation of funding from the Government could materially and adversely affect the Bank

The Bank has been and continues to be reliant on the Government. State-owned entities, which have been and continue to be a significant source of the Bank's funding, are also among its major clients and creditors, such as "IT Park" LLC and "Entrepreneurship Development Company" JSC. As at 31 December 2025, four customers — each a state-owned or state-linked entity — held deposits individually exceeding 10 per cent. of Group equity, representing 21.3 per cent. of the Bank's total customer accounts in aggregate.

As at 31 December 2025, the Bank's assets owed by the Government (and government-owned entities) and state and municipal organisations amounted to 21.2 per cent. of the Bank's total assets, and were mainly represented by investment in debt securities, which made up 9.8 per cent. of the Bank's total assets. As at 31 December 2025, the share of liabilities owed to the Government and state and municipal organisations amounted to 39.1 per cent. of the Bank's total liabilities, primarily consisting of customer accounts at 13.5 per cent. of the Bank's total liabilities and other borrowed funds at 12.4 per cent. of the Bank's total liabilities.

In the context of the contemplated Privatisation of the Bank, the share of the Bank's liabilities owed to state and municipal organisations may significantly decrease, as such funds may be redirected to banks that are not expected to undergo Privatisation. There can be no assurance that Government funding will continue to be made available to the Bank on similar volumes or terms in the future. Any reduction, or complete cessation, of the Government's financial support to the Bank could affect the Bank's liquidity, funding profile, cost of funds and ability to grow its business, which in turn could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects. The Bank's borrowings from the Government and state-owned entities have historically been available at interest rates more favourable than those available from private institutions. Any change in government policy regarding the provision of funding to the Bank, or a shift toward market-based pricing, could force the Bank to replace low-cost funding with more expensive private sector alternatives, increasing the Bank's cost of funding, reducing its net interest margin and potentially limiting the availability and diversification of its funding sources, which could in turn have a material adverse effect on the Bank's business, results of operations, financial condition and prospects. In addition, certain lending by the Bank is undertaken at below-market interest rates in connection with state-directed programmes, resulting in initial recognition losses that further compress effective asset yields. For the year ended 31 December 2025, initial recognition losses on interest-bearing assets amounted to UZS283,650 million, compared with UZS13,378 million for the year ended 31 December 2024.

The Government has been, and remains, a very significant source of funding through borrowings, as well as the ultimate controlling entity of many of the Bank's major clients. Accordingly, the Bank is exposed not only to direct funding risk in respect of its own Government-related funding but also to concentration risk in respect of Government-related counterparties. If the Government reduces subsidies or financial support to the Bank's customers, they may struggle to service their debts, leading to higher default rates and increased NPLs for the Bank, and reduce demand for borrowings for new projects or expansions, resulting in a decrease in the Bank's lending activity and revenue. Any material reduction in government-linked funding could also require the Bank to seek alternative and potentially more expensive sources of funding on shorter timescales than would otherwise be required.

Reduced Government support for, or participation in, the Bank or its state-owned customers may also adversely affect their credit ratings and market participation, hindering their ability to attract funding on the local and international capital markets at favourable terms (or at all), which could in turn have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

The Bank operates in a competitive industry

Uzbekistan's banking sector has become increasingly competitive in recent years, which has contributed, among other factors, to pressure on the Bank's net interest margin. The Bank's net interest margin declined from 5.0 per cent. in 2023 to 4.1 per cent. in 2024 and further to 2.9 per cent. in 2025. While the Bank is taking steps to address this trend, there can be no assurance that such measures will be effective, or that competitive pressures on asset pricing and funding costs will not persist or intensify. Any continued compression of the Bank's net interest margin could have a material adverse effect on the Bank's net interest income, profitability and overall financial condition.

According to the CBU, as at 1 January 2026, there were 35 commercial banks (including the Bank) operating in Uzbekistan. The Bank competes with a number of these banks, including NBU, Agrobank, Joint-Stock Commercial Bank "Uzpromstroybank" ("**SQB**"), Joint Stock Company "Asakabank" ("**Asakabank**"), Joint-Stock Commercial Bank "Xalq Bank of the Republic of Uzbekistan" ("**Xalq Bank**"), Joint-Stock Commercial Bank "Kapitalbank" ("**Kapitalbank**") and Joint-Stock Commercial Mortgage Bank "Ipoteka-Bank" ("**Ipoteka-Bank**") in respect of retail and micro finance loans and in the corporate sector. According to the CBU, as at 31 December 2025, five foreign-owned banks had presence in Uzbekistan, which, following the liberalisation of the economy and transitional development of the banking sector, pose an increased competitive challenge for the local market, as they could draw on the support from their parent banks and offer banking products on more attractive terms than the Bank and other Uzbek financial institutions (such as privatised Ipoteka-Bank which can utilise the expertise and financial resources of Hungarian OTP Bank, its major shareholder). There can be no assurance that the Bank's customers will not transfer a significant portion of their deposits and/or loans to one or more of the Bank's competitors or that the Bank will gain a significant share of new customers in the market.

The Bank also faces competition from digital banks, such as TBC Uzbekistan and Anor Bank, offering financial services. In particular, digital banks have gained notable traction in the retail segment, and may compete aggressively, by leveraging streamlined mobile onboarding, faster loan processing and high-yield deposit products, enabling such competitors to build retail portfolios and deposit bases comparable to that of the Bank despite operating on a smaller scale. Should the Bank fail to continue to enhance its digital capabilities and adapt to evolving customer expectations, it may experience increased client outflows and a loss of market share to more agile competitors. Increased competition may have a negative impact on the Bank, particularly if the Bank's competitors possess greater financial resources (especially in the case of banks with foreign capital investment or banks which are representative offices or subsidiaries of non-resident foreign banks, by way of access to funding from foreign capital or their parent entity), have access to lower-cost funding, provide a broader offering of products, deploy advanced technology, or if the Bank's competitors merge to significantly enhance their financial resources, access to funding and product offerings. Consequently, an increase in competition could lead to significant pressure on the Bank's market share margins, customer acquisition costs and retention rates and may continue to lead to increased pricing pressures on the Bank's products and services, which could in turn have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

The Bank also faces increasing competition from fintech companies, many of which are affiliated with or owned by banking groups, which are the Bank's direct competitors. These fintech companies primarily focus on payments, transfers and customer interface services, while traditional banks, including the Bank, continue to provide a broader range of banking services, including lending and deposit-taking. As a result, customers may use both traditional banks and fintech platforms simultaneously, which may result in customers increasingly transacting through third-party payment platforms rather than directly with the Bank, reducing transaction volumes processed by the Bank and the related fee income generated from such activities. In addition, where such payment platforms are operated by competing banking groups, they may be used as a channel to cross-sell banking products, including deposits and loans, which could result in the migration of customer relationships and balances away from the Bank. In addition, fintech companies are subject to a different regulatory framework from banks. While such entities are licensed by the CBU, they are generally not subject to the same prudential

requirements applicable to banks, such as capital adequacy and liquidity requirements. This regulatory asymmetry may allow fintech providers to operate with lower compliance costs, offer certain services on more competitive terms and scale their customer base more rapidly. As a result, the Bank may face increased competitive pressure in payments, customer acquisition and digital service delivery.

Future privatisation of the Bank may adversely affect its business, financial condition, results of operations and prospects

As at the date of this Offering Memorandum, the privatisation of the Bank remains at a preparatory stage, although there can be no assurance as to the timing, terms or completion of any such privatisation. The structure of any such privatisation, including the proportion of shares to be sold and the identity of potential investors, has not yet been determined and remains subject to decisions of the Government.

A significant portion of the Bank's financing agreements contain change of control provisions, which could be triggered upon the privatisation and allow the lenders to cancel their undrawn commitments and/or declare the outstanding loans immediately due and payable. Such acceleration could, in turn, trigger cross-default provisions under other financing arrangements if the Bank were unable to refinance the affected facilities or obtain necessary waivers.

As at 31 December 2025, the Bank's total outstanding indebtedness subject to change-of-control provisions amounted to approximately UZS2,092,788 million, representing 8.1 per cent. of the Bank's total outstanding indebtedness. In the event that the privatisation proceeds and/or there is sufficient clarity as to its timing, the Bank anticipates taking steps to engage with the relevant lenders in respect of such change-of-control provisions, including seeking waivers or agreeing amendments as appropriate. There can be no assurance, however, that the Bank will be successful in obtaining such waivers or amendments on commercially acceptable terms, or at all, or that the timing of any such engagement will be sufficient to prevent lenders from exercising their rights under the relevant change-of-control provisions.

The Bank may also face liquidity constraints in meeting its obligations under the affected financing agreements and could encounter challenges in arranging replacement financing on acceptable terms. Any failure to fulfil such obligations could trigger events of default and cross-defaults and accelerate other indebtedness, which may have a material adverse effect on the Bank's business and result in additional costs associated with renegotiating agreements as well as further difficulties in managing its operations.

Any privatisation could also result in changes to the Bank's ownership structure, governance, management, strategic direction and relationships with customers, counterparties and employees, any of which could cause operational disruption and uncertainty. The outcome of any privatisation process will depend on the identity, strategic objectives and expertise of the incoming investors. The Government has indicated an intention to attract strategic investors with relevant banking experience; however, there can be no assurance that such investors will be identified or that any transaction will be concluded with investors possessing the desired level of sector expertise or long-term strategic alignment with the Bank's or the Government's development objectives.

On the other hand, there can be no assurance that any privatisation will result in a change of control of the Bank. The Government may elect to retain a significant or controlling interest in the Bank following any privatisation, and may continue to influence the Bank's strategy, operations and business decisions, including through the implementation of state programmes and policy objectives.

If any of these events occur, they could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects, as well as the trading price of the Notes.

The Bank may be unable to attract sufficient new customers, or engage and retain its existing customers

The successful implementation of the Bank's growth strategy depends on the Bank's ability to attract new customers and expand its existing customer base by offering new competitive products and services. In the period under review, the Bank has maintained one of the leading positions on the Uzbekistan banking market in terms of customer accounts and has expanded its deposit portfolio, but there can be no assurance that the Bank will be able to sustain such growth or maintain its current position. The Group's customer accounts increased by UZS5,451,493 million, or 64.0 per cent., to UZS13,970,219 million as at 31 December 2025 from UZS8,518,726 million as at 31 December 2023.

The Bank continues to invest significant resources in its infrastructure, digitalisation, product development and other areas in order to enhance its existing products and services, as well as introduce new products and services aimed at increasing the number of customers. The banking industry in Uzbekistan is evolving rapidly, and the Bank may need to re-evaluate its business model and adopt significant changes to its long-term strategies in response to changes in customer preferences, technology, regulation and competitive dynamics. As the market for the Bank's services matures, or as new or existing competitors introduce new products, services or functionality that compete with those of the Bank, the Bank may face external pressures and be unable to innovate and adapt to these changes and therefore to retain current customers or attract sufficient new customers.

The Bank's ability to attract, retain and grow its customer base requires it to successfully create and commercialise new products, both independently and jointly with third parties, and, therefore, the Bank may face risks associated with expansion into areas in which it has limited experience or no experience. The Bank may also introduce significant changes to its existing products or develop and introduce new and unproven products and services, which may require significant investments of time, money and resources. For example, the Bank has significantly invested in its "Zoomrad" digital ecosystem, which integrates banking services with a marketplace and lifestyle features, and has introduced specialised "IT-Park" credit products designed to support the expanding domestic technology sector. As at 31 December 2025, Zoomrad had over 4.9 million registered users, and the Bank's growth strategy is increasingly dependent on the continued retention and monetisation of this user base. The Bank is targeting an increase in registered Zoomrad users to 7.0 million and 2.0 million monthly active users by the end of 2026; however, there can be no assurance that these targets will be achieved. The future performance of these and other new products or services, however, is inherently uncertain, and if such products or services underperform, the Bank may fail to attract or retain customers or generate sufficient return to justify its investments, which may adversely affect its business, financial condition and results of operations.

In addition, the Bank's efforts to attract and retain customers, including through digital channels, and its plan to further scale its "Zoomrad" digital ecosystem will entail substantial development costs and engagement of significant human resources and third-party service providers. For the year ended 31 December 2025, the Bank incurred UZS44,000 million in respect of technology and digital platform development and maintenance costs, of which approximately UZS9,900 million related to the Zoomrad platform directly. Creating and maintaining such a digital-first product requires technologically advanced processes and involves high costs. Such initiatives also expose the Bank to heightened operational, technology, cybersecurity and third-party dependency risks. While the Bank has already successfully launched the core functionality of the Zoomrad platform, which offers virtual cards, micro-loans, and an integrated loyalty programme, the Bank is continuing to enhance the platform's capabilities by integrating more sophisticated fintech solutions and expanding its range of non-banking lifestyle services, with further iterative updates expected throughout 2026. If the Bank's efforts to attract and retain customers through these digital channels are not successful, or if its customers reduce or discontinue their usage of the Bank's products and services in favour of competitors, the Bank's business, financial condition and results of operations may be materially adversely affected.

The Bank's loan portfolio may not continue to grow, which could adversely affect growth in net interest income

The Bank's loan portfolio has increased significantly in recent years. As at 31 December 2025, total gross loans and advances to customers increased by UZS6,112,592 million, or 45.4 per cent., as compared to 31 December 2024. As at 31 December 2024, total gross loans and advances to customers increased by UZS2,823,685 million, or 26.5 per cent., as compared to 31 December 2023. The growth in the Bank's loan portfolio reflected the increases in loans to corporate customers and loans to individuals driven by the growth in lending activity. There can be no assurance that the Bank will be able to grow its loan portfolio in the future or that any future growth will be in line with its historical rates of loan portfolio growth. The pace of the Bank's loan portfolio growth may be constrained by, among other factors, the Bank's ability to increase lending volumes to customers that meet its credit quality standards, the Bank's access to necessary funding, macroeconomic conditions in the Republic of Uzbekistan, demand for credit, regulatory or capital adequacy constraints, liquidity availability, and competition in the banking sector, some of which may be beyond the Bank's control. In addition, a deterioration in asset quality or a more conservative risk appetite may require the Bank to slow lending growth or tighten its credit quality standards. Conversely, if loan growth slows materially from recent rates – whether as a result of tighter funding conditions, increased competition or a deterioration in borrower demand – net interest income may be adversely affected given the Bank's dependence on interest income as its

primary revenue source. If the Bank is unable to further expand its loan portfolio, or if loan growth is accompanied by margin compression or higher credit costs, the Bank may be unable to generate sufficient net interest income, which could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

The Bank's loan portfolio is exposed to geographic concentration

All of the Bank's customers are in Uzbekistan. The Bank's major customers include state-owned enterprises in such strategically important sectors as retail, trade, construction, and others. These customers have a long history of cooperation with the Bank mainly as a result of subsidised funding provided to these companies by the Government through the Bank. The Bank's financial stability could be adversely impacted by its geographic concentration, as economic or political difficulties in Uzbekistan may simultaneously affect its customer base, potentially leading to a material adverse effect on the Bank's business, financial condition, results of operations and prospects. Because all of the Bank's customers are located in Uzbekistan, any adverse macroeconomic, political or sector-specific event could affect the Bank's entire loan portfolio simultaneously, without the benefit of geographic diversification. See "*— Risks Related to the Republic of Uzbekistan*".

The Bank's loan portfolio is exposed to client concentration

As at 31 December 2025, the Bank had loans outstanding to four borrowers in the amount of UZS1,995,783 million (10.2 per cent. of total gross loans and advances to customers) which individually exceeded 10.0 per cent. of the Bank's equity. As at 31 December 2024, loans to four borrowers with aggregate loan amounts which individually exceeded 10.0 per cent. of the Bank's equity accounted for UZS1,606,545 million (11.9 per cent. of total gross loans and advances to customers), as compared to four borrowers in the amount of UZS2,092,097 million (20.0 per cent. of total gross loans and advances to customers) as at 31 December 2023. As at 31 December 2025, the average maturity of the loan book attributable to these borrowers was 4.4 years. These four large borrowers of the Bank are concentrated in a limited number of industries, including construction, manufacturing and textiles, which may be subject to cyclical and policy-driven risks. In particular, the construction sector has recently experienced increased activity driven in part by investment demand. Changes in Government policies affecting construction activity, together with indications of potential oversupply in the residential property market, may result in reduced demand, declining prices and lower cash flows for borrowers operating in this sector. Any such developments could adversely affect the ability of such borrowers to service their debt obligations. See also "*The Bank's loan portfolio is exposed to industry concentration*".

The maximum exposure to a single borrower or a group of related borrowers shall not exceed 25.0 per cent. of a bank's Tier 1 capital under Uzbekistan laws. See "*The Banking Sector and Banking Regulation in the Republic of Uzbekistan – Mandatory Ratios*". As at 31 December 2025, the Bank was in compliance with the above mandatory ratio. However, compliance with regulatory limits does not eliminate concentration risk, and exposures to a limited number of large borrowers may still be significant relative to the Bank's capital base.

The Bank also uses collateral to minimise losses related to defaults on its largest exposures, reducing guarantee exposures and seeking to further diversify its loan book. There can be no assurance, however, that any such measures will be successful or adequate to insure against the risks they are intended to cover. Because these exposures are individually significant and may be long-dated, any deterioration in the financial condition of one or more of these borrowers could result in material impairment charges, foregone interest income, increased provisioning requirements and regulatory scrutiny. In addition, macroeconomic shocks or industry-specific fluctuations may adversely affect the quality, enforceability and realisable value of collateral securing such exposures, including real estate in Uzbekistan. The recoverability of amounts owed by such large borrowers is further subject to the risks of collateral enforcement under Uzbek law described under "*— Collateral values may decline or may not be of such high credit value*" and "*– Risks Related to the Republic of Uzbekistan – The Bank may be adversely affected by changes in Uzbekistan's economic, political and other conditions*". Any loss of a key corporate borrower or deterioration in the quality of the Bank's corporate loan portfolio could, in turn, have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank's loan portfolio is exposed to industry concentration

Strategic sectors of Uzbekistan's economy, including manufacturing, trade and services, have historically accounted for the most significant share of the Bank's loan portfolio, representing 45.1 per cent. of the total

gross loans and advances to customers as at 31 December 2025, 46.0 per cent. as at 31 December 2024 and 57.7 per cent. as at 31 December 2023. Accordingly, the Bank is exposed to the risk of correlated deterioration in asset quality if these sectors are adversely affected by weaker economic growth, reduced demand, disruptions in trade flows, changes in Government policy, higher funding costs, foreign exchange volatility or other adverse developments. A significant economic downturn or sector-specific stress event affecting manufacturing, trade or services in Uzbekistan could therefore result in a simultaneous increase in non-performing loans and impairment charges across a material portion of the Bank's portfolio, which could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

A significant proportion of the Bank's loan portfolio is denominated in foreign currencies, and the quality of the Bank's loan portfolio may deteriorate as a result of slower economic growth or depreciations or devaluations of the soum against the U.S. dollar or other foreign currencies

As at 31 December 2025 and 2024, 52.2 per cent. and 43.7 per cent. of the Bank's loan portfolio, respectively, was denominated in foreign currency (U.S. dollars, euro and other currencies). In 2017, the CBU, with the intention to liberalise the currency market in Uzbekistan, devalued the soum against the U.S. dollar by about 92.0 per cent., causing a devaluation in the soum from UZS4,210.35 per U.S.$1 to UZS8,100 per U.S.$1. The Bank sustained low credit impaired loans and default levels in its loan portfolio following the devaluation. In the period under review, the soum further devalued from UZS11,225.46 per U.S.$1 as at 1 January 2023 to UZS12,025.33 per U.S.$1 as at 31 December 2025. Any further depreciation of the Uzbek soum against the U.S. dollar may result in customers with U.S. dollar-denominated loans facing difficulties servicing their debt obligations, as they would be required to allocate a larger amount of soum to service their debt obligations. Significant depreciation of the soum against the dollar or euro would also affect the Bank's ability to service its own foreign currency-denominated obligations. Furthermore, any depreciation of the soum against the U.S. dollar or other foreign currencies, and any future devaluations in the currencies of Uzbekistan's neighbouring countries (including countries forming part of the CIS, and, specifically, the Russian Federation) could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank is subject to operational risk inherent in banking activities

The Bank may incur losses or undue costs due to the inadequacy or failure of internal processes or systems or human error, or from errors made during the execution or performance of operations, clerical or record-keeping errors, business disruptions (caused by various factors such as software or hardware failures and communication breakdowns), failure to execute outsourced activities, criminal activities (including credit fraud and electronic crimes), unauthorised transactions, robbery and damage to assets. The financial services industry is exposed to the risk of misconduct by employees, which could involve, among other things, the improper use or disclosure of confidential information, violation of laws and regulations concerning financial abuse and money laundering, or embezzlement and fraud, any of which could result in regulatory sanctions or fines, as well as serious reputational or financial harm for the Bank. The Bank is occasionally susceptible to service interruptions caused by third-party services such as telecommunications, which are beyond the Bank's control. Such interruptions may result in disruption to the services of the Bank's branches and may affect customer service. Given the Bank's high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. In addition, a number of banking transactions are not fully automated, which may further increase the risk that human error or employee tampering will result in losses that may be difficult for any bank to detect quickly or at all. The proper functioning of banking systems, risk management, internal controls, accounting, customer service and other information technology systems, such as loan origination, is critical to the Bank's operations, and any failure, disruption or weakness in such systems could adversely affect its ability to conduct its business effectively.

The Bank's ongoing digital expansion, including the development of the Zoomrad platform, increases the volume and complexity of transactions processed daily, which may compound the impact of any operational failure before it is detected and remediated. Any failure of third parties to adequately perform key outsourced activities, such as card processing and the transportation of cash, could result in service disruptions, financial losses or regulatory consequences and could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank faces liquidity and funding risk

The Bank is exposed to liquidity risk arising out of mismatches between the maturities of its assets and liabilities. Liquidity risk is inherent in banking operations and may be heightened by a number of factors, including an over-reliance on, or an inability to access, a particular source of funding, changes in credit ratings or market-wide phenomena, such as financial market instability. Credit markets worldwide have in recent years experienced, and may continue to experience, a reduction in liquidity and long-term funding as a result of global economic and financial factors, as well as geopolitical events. The availability of credit in emerging markets, such as Uzbekistan in particular, is significantly influenced by the level of investor confidence and, as such, any factors that affect investor confidence could affect the price or availability of funding for the Bank.

The Bank relies materially on other borrowed funds, comprising borrowings from IFIs and financial institutions in Uzbekistan, which amounted to 29.9 per cent. of the Bank's total funding as at 31 December 2025. The Bank has several open credit lines with IFIs, see "*Operating and Financial Review – Liquidity and Capital Resources – Funding*". Such reliance on IFI funding and bilateral credit facilities exposes the Bank to refinancing and concentration risk, and any deterioration in the Bank's creditworthiness, or tightening of international capital market conditions, could reduce the Bank's access to these facilities or increase the cost of such funding. Uzbekistan's domestic interbank market is relatively limited, and there can be no assurance that the Bank would be able to source alternative liquidity in sufficient quantity or at acceptable cost in the event of a liquidity stress event.

A significant portion of the Bank's funding is derived from customer accounts, accounting for 50.7 per cent. of the Bank's total funding as at 31 December 2025. As a matter of Uzbek law, term deposits may be withdrawn by individual depositors at any time prior to maturity, which exposes the Bank to unexpected calls on its cash resources. In the event of any downturn in confidence in the Bank or the banking sector in Uzbekistan in general, customers could seek to withdraw their deposits and consequently the Bank may not have the necessary funds to meet its liabilities as they fall due, which could have a material adverse effect on its business, financial condition, results of operations and prospects. As at 31 December 2025, four customers — each individually holding deposits exceeding 10 per cent. of Group equity — together accounted for 21.3 per cent. of the Bank's total customer accounts, representing a material concentration of the Bank's deposit funding base.

As at 31 December 2025, the Bank had a negative cumulative liquidity gap of UZS3,334,225 million across all maturity buckets, with a demand and under-one-month gap of UZS4,745,867 million. The Bank's liquidity management strategy relies in part on assumptions regarding the stability of demand deposits held by state-related entities, which are contractually repayable on demand. There can be no assurance that these depositors will not make significant withdrawals. A significant or simultaneous withdrawal by one or more of the Bank's largest depositors could require the Bank to liquidate assets or seek replacement funding on unfavourable terms, which could materially and adversely affect the Bank's business, financial condition and results of operations.

The Bank's current liquidity and funding sources may be affected by unfavourable financial market conditions and other factors that are not specific to the Bank's operations and beyond its control. If assets held by the Bank to provide liquidity become illiquid or devalue substantially, the Bank may be required, or may choose, to rely on other sources of funding to finance its operations and future growth. Only a limited amount of funding, however, is available in Uzbekistan's inter-bank market, and such funding sources may be more expensive and less flexible, and may not be available in the required quantity or at acceptable cost. In addition, the cost of funding in Uzbekistan may significantly increase in the case of unfavourable financial market conditions, economic reforms implemented by the Government or other macroeconomic changes. For example, the CBU's main policy interest rate (the "**refinancing rate**") increased from 14.0 per cent. to 17.0 per cent. in March 2022 in response to temporary external shocks, particularly the conflict between Russia and Ukraine. After the normalisation of economic conditions in Uzbekistan and with easing inflationary conditions, the CBU eventually cut its refinancing rate to 13.5 per cent. in July 2024. On 20 March 2025, the CBU increased the refinancing rate by 0.5 percentage points up to 14.0 per cent., citing sustained inflationary pressures and rising inflation expectations. As at the date of this Offering Memorandum, the CBU refinancing rate was 14.0 per cent. Should the cost of funds on the inter-bank lending market further increase and the availability of this source of funding to the Bank diminish, or should the Bank fail to procure timely sources of other funding on commercially viable terms, this may hinder the Bank's ability to service its liabilities and have a material adverse effect on its business, financial condition, results of operations and prospects.

The Bank's operations are subject to interest rate risk

The Bank faces interest rate risk resulting from movements in interest rates that affect income or the value of financial instruments. For example, instruments on both the asset and liability side may exhibit different sensitivities to changes in interest rates, including changes in long-term and short-term interest rates relative to one another. An increase in interest rates could negatively affect the value of the Bank's assets with longer tenors that may have relatively lower fixed interest rates locked in until maturity relative to possible liabilities with shorter tenors. If the Bank is unable for any reason to reprice or adjust the rates on its interest-earning assets in response to changes in rates on its interest-bearing liabilities in a timely or effective manner as a result of economic or other reasons, then the Bank's interest income margins would be adversely affected. An increase in interest rates may also reduce the demand for loans from the Bank. In addition, higher interest rates increase the Bank's deposit and borrowing costs and the Bank may be required to seek alternative sources of liquidity and funding, which may only be available at increased cost or have limited or no availability. A decrease in the general level of interest rates may affect the Bank through, among other things, increased pre-payments on its loan portfolio and increased competition for deposits. Accordingly, movements in interest rates in domestic and international markets could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank may face counterparty, systemic or contagion risk arising from other financial institutions

Financial institutions that transact with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with which the Bank interacts on a daily basis. The Bank routinely executes a high volume of transactions with numerous counterparties in the financial services industry, including brokers and dealers and commercial banks, resulting in significant credit concentration. As a result, the Bank is exposed to counterparty risk and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations.

Moreover, problems at certain financial institutions in Uzbekistan or in other countries could cause general market concerns over the health of financial institutions. These problems could further lead to reduced access to liquidity and funding for financial institutions and/or decline in the value of their debt or equity instruments, possibly including the Notes, such risk being sometimes referred to as "contagion effect". A default by, or even concerns about the stability of one or more financial institutions, including institutions to which the Bank may not have direct exposure, or which may not even be among its counterparties, could lead to further significant systemic liquidity problems, or losses or defaults by other financial institutions. The "systemic risk" has further been exacerbated by the collapse of a number of banks worldwide, such as Credit Suisse in Europe and Silicon Valley Bank and Signature Bank in the United States.

All of the above factors could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank may not be able to accurately assess the credit risk of potential and current borrowers or maintain the quality of its loan portfolio

Credit risk assessment is generally more difficult for banks in Uzbekistan than for banks operating in jurisdictions with more developed market economies due to the scarcity of reliable information in Uzbekistan about potential borrowers. In particular, it is difficult to make long-term forecasts with respect to a corporate borrower's financial position because the financial performance of Uzbekistan companies is generally more volatile and their credit quality is less predictable than that of similar companies in more mature markets and economies. Furthermore, many potential corporate borrowers do not prepare audited accounts in accordance with IFRS and/or do not have extensive or externally verified credit histories. The availability of accurate and comprehensive financial and general credit information on SMEs in Uzbekistan is even more limited, which makes it more difficult for the Bank to accurately assess the credit risk associated with such lending.

Scoring techniques and checks used by the Bank to evaluate the creditworthiness of applicants for its loan products may not always present a complete and accurate picture of each customer's financial condition. The Bank's scoring models may be based on inaccurate assumptions or assumptions that can quickly become out of date, as well as past trends and behavioural patterns that may not repeat in the future. The Bank may be unable

to accurately evaluate the current financial condition of each prospective borrower or independently assess information provided by prospective borrowers when providing offline loans to individuals, and thus may be unable to determine the long-term economic outlook for each such borrower. Furthermore, the limited availability and reliability of information from external databases, and the limited availability of recent and reliable credit information on retail and SME borrowers constrain the Bank's ability to detect and prevent fraudulent activities by potential borrowers, including the use of false information in order to obtain loans, which could lead to decreased loan recovery for the Bank.

Notwithstanding the credit policies, risk assessment procedures and systems that the Bank has in place, there is no assurance that such procedures and systems, credit loss allowance and supporting collateral will be sufficient to protect the Bank against increased levels of defaults, losses or potential write-offs. Furthermore, the quality of the Bank's loan portfolio may deteriorate due to external factors beyond the Bank's control such as negative developments in the Uzbekistan economy or in the economies of its neighbouring countries, the unavailability or limited availability of credit information on certain of its customers, as well as any failure of its risk management procedures or rapid expansion of its loan portfolio. See "*– The Bank's risk management strategies and procedures continue to evolve and may not be completely effective*" and "*–Risks related to the Republic of Uzbekistan –The Bank may be adversely affected by changes in Uzbekistan's economic, political and other conditions*".

Limited availability of reliable data and accurate forecasts in respect of corporate borrowers in Uzbekistan, as well as a failure to properly assess the risk of potential borrowers, or any deterioration in the financial condition of a significant number of the Bank's corporate or retail customers, and any future deterioration in the quality of the loan portfolio or increase in its loan impairment charges, may have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank's risk management strategies and procedures continue to evolve and may not be completely effective

Although the Bank invests substantial time and effort in its risk management strategies and procedures, and continues to upgrade its risk management systems in the context of the implementation of the Bank's transition strategy and planned improvements to its operational and internal control network, such strategies and procedures for risk management may nevertheless fail under certain circumstances, particularly when confronted with risks that it has not identified, anticipated or accurately quantified. Further, there is no assurance that the Bank will succeed in the development and implementation of the risk management systems at a pace corresponding to the growth of the Bank's business and that any delays in such implementations will not limit the Bank's ability to develop and expand its business. In addition, the Bank's risk management methods may lack observations of historical market behaviour traditionally used as a basis for risk management procedures due to limited availability of historical information. The Bank collects statistical information from CIS banking markets and applies statistical techniques to these observations to arrive at quantifications of its market risk exposures. See "*– The Bank is subject to operational risk inherent in banking activities*", "*- The Bank faces liquidity and funding risk*" and "*- The Bank's operations are subject to interest rate risk*". In developing and calibrating its statistical and other risk models, the Bank may not identify or anticipate all relevant circumstances, correlations, outcomes, or quantifications and such models may fail to take all risks into account. Moreover, there is no assurance that the Bank's risk management models will always be timely or effective. If the Bank's measures to assess and mitigate risks prove insufficient or inaccurate, its losses may be greater than expected and this could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank's failure to maintain and protect customer and employee data could have a material adverse effect on the Bank

The Bank collects, processes and stores personal data (including names, addresses, ages and bank details) from its customers, business contacts and employees as part of the operation of its business, and the Bank must comply with data protection and privacy laws in Uzbekistan. Those laws and standards impose certain requirements on the Bank in respect of the collection, use, processing and storage of such personal data. Data collected by the Bank and its appointed third parties may not be processed in accordance with applicable consents, notices, contractual undertakings, regulatory requirements or applicable law. Failure to operate effective data controls in respect of the collection, use, processing and storage of such personal data, as prescribed by applicable law, could potentially lead to administrative fines, financial costs, reputational damage

and undermine trust in the Bank's business and brand, any of which could have a material adverse effect on the Bank's business, financial condition and results of operations.

The Bank is subject to certain data protection laws and industry standards. The Law of the Republic of Uzbekistan "On Personal Data" No. LRU-547 dated 2 July 2019, as amended (the "**Personal Data Law**"), is a special legislative act that established a framework for the protection of personal data. The scope of application of the Personal Data Law is broad, as it applies to relations arising from processing and protection of personal data, regardless of the applied means of processing, including information technologies. Under Uzbek law, the Bank can qualify as the owner/operator of a personal data database and therefore shall comply with various requirements of Uzbek data protection laws, including the data localisation requirement. Under this rule, the Bank, when processing personal data of Uzbek citizens with the use of information technologies, including via the Internet, must collect, systematise and store personal data using technical means/ infrastructure physically located in the territory of the Republic of Uzbekistan and in databases duly registered with the State Register of Personal Databases. Failure to comply with the data localisation requirement may potentially lead to blocking of access to the information resources of the Bank in Uzbekistan (e.g., websites, applications), as well as to administrative and criminal liability. In addition, the volume and the nature of the personal data processed by the Bank must correspond to the purposes of processing and methods used.

Existing laws and regulations on personal data protection may be amended, the manner in which such laws and regulations are enforced or interpreted may change and new laws or regulations on personal data protection may be adopted, including in order to further regulate or restrict the use of personal data. If the existing interpretation of the laws and regulations were to change or future regulations were imposed, it could further increase compliance costs or restrict certain products and services, which in turn could have a material adverse effect on the Bank's business, financial condition and results of operations.

The Bank is exposed to the risk that the personal data it controls could be wrongfully accessed and/or used, whether by employees, agents or other third parties, or otherwise lost or disclosed or processed in breach of data protection regulations. If the Bank or any of the third-party service providers on which it relies fail to process, store or protect such personal data in a secure manner or if any such theft or loss of personal data were otherwise to occur, the Bank could face liability under data protection laws and contractual claims from customers and counterparties. This could result in damage to the Bank's reputation as well as the loss of business, which could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

As a large financial institution, the Bank may be subject to attacks on its information security systems, some of which involve sophisticated and highly targeted attacks on its website and infrastructure. The methods used to obtain unauthorised, improper or illegal access to information security systems are constantly evolving. Targeted attacks may also be difficult to detect quickly and are often not recognised until they are launched against a target. Unauthorised parties may attempt to gain access to the Bank's platforms through various means, including hacking into platforms, or attempting to fraudulently induce employees and customers into disclosing usernames, passwords, payment card information, or other sensitive information, which may in turn be used to access the Bank's systems.

The Bank has experienced in the past, and may experience in the future, cyberattacks and other security breaches (due, among other factors, to human error, malfeasance, system errors or vulnerabilities, or other irregularities) affecting the protection of customer and employee personal data and the functionality of the Bank's systems, in general. While the Bank has systems and processes designed to prevent cyberattacks and security breaches, and while the Bank expects to continue to expend significant resources to bolster these protections, such measures cannot provide absolute security, and any security breach could have a material adverse effect on the Bank's business, financial condition and results of operations.

The Bank relies on third-party providers, including software and hardware suppliers and credit bureaus

In carrying out its operations, the Bank relies on a variety of third-party services. The Bank's technology infrastructure and services incorporate software, systems and technologies developed by third parties, as well as hardware purchased or commissioned from third-party suppliers. As the Bank's technology infrastructure and services expand and become increasingly complex, the Bank faces increased risks relating to the performance and security of its technology, including risks relating to incompatibility of the components produced by third parties, service failures or delays or back-end system failures in hardware and software, and vendor concentration or dependence on a limited number of critical service providers. The availability of data centres'

and telecom operators' services to the Bank may be negatively affected by a number of factors, some of which are beyond control of the Bank, including business interruptions, allocation of services to other purchasers, fluctuations in prices and increased costs. Should the Bank's relationship with data centres and its telecom operator deteriorate, or should any contracts with them not be renewed/entered into on a timely basis or on commercially acceptable terms, or at all, the Bank will have to engage a new provider of relevant services. This might prove to be time consuming due to the absence of a substantial number of experienced IT providers on the Uzbekistan market, which can offer services meeting the requirements of the Bank's current business as well as being able to serve the Bank's strategic development aspirations. All of the above could have a material adverse effect on the Bank's business.

Additionally, in order to effectively operate its business, the Bank grants certain third-party providers limited access to certain data in its systems at their request, which may pose additional security risks and challenges in protecting the Bank's technology infrastructure. See "– *The Bank's failure to maintain and protect customer and employee data could have a material adverse effect on the Bank*". Although the Bank contractually requires third-party providers to implement reasonable cybersecurity controls, a compromise of their systems could have an adverse impact on the Bank's ability to operate. There can be no assurance that the contractual requirements related to the use, security and privacy regarding the information technology assets (and the data thereon) imposed on the Bank's third-party suppliers will be followed or will be adequate to prevent misuse. Any misuse, compromise, or failure to adequately abide by these contractual requirements could result in liability, litigation and reputational harm. The pool of qualified IT service providers in Uzbekistan is relatively limited, and sourcing and onboarding an alternative provider, if required, could be time-consuming and disruptive to the Bank's operations and digital services.

In connection with its risk management processes the Bank relies on services and information supplied by third parties, including certain databases. As such, in order to perform credit assessment, the Bank retrieves certain information from LLC Credit Bureau "Credit Information Analytical Centre" and other external databases, maintained by governmental and commercial organisations, and information from these databases is subsequently extracted and integrated into the Bank's own client database, which information is used to make loan approval decisions. As such, any risks related to the interruption of such external databases, the accuracy of the data kept thereby and the availability of such data generally, may impact the Bank's consumer finance origination and assessment processes and may result in delays, errors or increased credit losses.

If these third parties cease to provide the facilities or services, experience operational interference or disruptions, breach their agreements with the Bank, fail to perform their obligations or meet the Bank's expectations, do not renew their licences or otherwise cease to make their services or products available at a reasonable cost or at all, the Bank's operations could be disrupted or otherwise adversely impacted, which in turn could result in a material adverse effect on the Bank's business, financial condition and results of operations.

The Bank's IT systems may malfunction, fail to secure the Bank against hacking, or be insufficient to support future business expansion

The Bank is subject to cybersecurity threats, such as data leakage, insider threat (that is, the risk of a harmful use of information obtained by authorised employees or contractors) and privilege abuse, cyber intrusion, network attacks, and targeted email and phishing attacks. The frequency and sophistication of such threats are expected to continue to increase, which may require the Bank to devote substantial additional resources to monitoring, prevention, detection and response.

The Bank continues to upgrade its technologies, centralise its information systems and control the operation of its hardware and software, and further improve its IT capabilities, both for internal management of the Bank's operations and for the digital products and services provided to the Bank's clients. However, these projects are complex, costly and may not be completed on time or function as intended. There can be no assurance that its IT systems will be sufficiently developed and will continue to function in a manner that prevents significant disruptions or temporary loss of functionality, and the possibility of a systems failure that may adversely affect its operational activities and financial performance cannot be eliminated. Moreover, due to the rapid pace of development of financial technology and systems, which may render certain existing technology, equipment and systems obsolete, there can be no assurance that the Bank's IT systems will at all times be as modern or as efficient as systems used by other financial institutions and competitors.

Further, the Bank's ability to operate its business depends on its ability to protect the computer systems and databases it operates and uses to inhibit the intrusion of third parties who may attempt to gain access to the Bank's computer systems, networks or databases through the Internet or otherwise. The risk of cybersecurity breaches for large financial institutions has increased in recent years in part because of the proliferation of new technologies, the use of the Internet and telecommunications technology and the increased sophistication and activities of organised criminals and hackers. In addition, customers may access the Bank's products and services, using personal smartphones, computers, tablets and other mobile devices that are beyond the Bank's control systems. Any interruptions or breaches in security of the Bank's IT systems might result in failures or interruptions in the Bank's risk management, general ledger, deposit servicing, loan origination and/or other important operations. Given the potential technical and financial resources of intruders, no assurance can be given that its computer systems, networks and databases will not suffer from such attacks in the future.

Furthermore, if the Bank's business volumes continue to grow at a rapid pace, it could lead to significant increases in the utilisation of its IT systems, to a point where capacity limits could be reached and the systems would be unable to adequately support further growth. A failure of the Bank's IT systems to adequately support its operations and the growth of its business and to enable it to monitor and manage its operations effectively could result in a material adverse effect on its business, financial condition, results of operations and prospects. In addition, as financial technology continues to develop, the Bank (or its third-party suppliers) may be exposed to new risks, including those it may not be able to anticipate, as well as increased operating costs from ensuring that any new products and services it provides are implemented correctly and operated safely and securely. Therefore, any failure by the Bank to effectively manage its IT, cybersecurity and privacy risks, may expose it to liability, including regulatory fines or penalties and increased expenses from the resolution of any cybersecurity or privacy breaches of the Bank's databases and the mitigation of the impact of such breaches on affected individuals. Any of the above could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

Any downgrade in the ratings of the Bank may adversely affect the Bank's business

As at the date of this Offering Memorandum, the Bank has a rating of "BB" with a stable outlook from Fitch and "Ba3" with a stable outlook from Moody's. These ratings reflect each agency's opinion of the Bank's financial strength, operating performance and ability to meet the Bank's debt obligations as they become due. The Bank's ratings are also sensitive to changes in the sovereign rating of the Republic of Uzbekistan and changes in rating agency methodologies and assumptions. In June 2025, Fitch affirmed the Republic of Uzbekistan's long-term foreign-currency issuer default rating at 'BB' with a Stable outlook. In November 2025, S&P Global Ratings upgraded the Republic of Uzbekistan's long-term sovereign credit rating to "BB" from "BB-" and assigned a Stable outlook, following an earlier revision to a positive outlook in May 2025. There can be no assurance that the Bank or the Republic of Uzbekistan will be able to maintain their current credit ratings or outlooks, and any deterioration in the geopolitical situation, the general economic or political environment or the Bank's financial condition could lead to downgrades (or negative outlook changes), or that such rating will not be suspended or withdrawn. Any such negative changes in the ratings of the Bank could undermine confidence in the Bank, limit its ability to effectively negotiate new loan facilities and make it more difficult and/or expensive for it to raise capital going forward. Such negative changes may also affect or effectively limit the Bank's access to capital markets as investing in the Bank will in such case be considered less attractive and/or no longer be allowed for certain investors or counterparties. In addition, an actual or anticipated downgrade (or negative change in outlook) may trigger contractual consequences under certain funding arrangements, reduce the availability of unsecured funding and increase collateral and margin requirements. Any of the above could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank is required to obtain certain licences, permits, consents and approvals in the ordinary course of business, and the failure to obtain or retain them in a timely manner may materially adversely affect the Bank's operations

The Bank's operations are subject to strict regulation by governmental and state authorities in Uzbekistan, particularly the CBU. See "*The Banking Sector and Banking Regulation in the Republic of Uzbekistan – Role of the Central Bank of Uzbekistan*". In order to be able to perform banking operations, the Bank is required to be registered with the CBU and hold a general banking licence issued by the CBU. A breach of any regulatory guidelines could expose the Bank to potential liability, including the loss of its banking licence. See "*The*

Banking Sector and Banking regulation in the Republic of Uzbekistan – Regulation of the Banking Sector – Cancellation of Banking Licence". If the CBU were to suspend or revoke the Bank's general banking licence, then this would render the Bank unable to perform any banking operations (including processing payments from its customers) and/or lead to winding-up of its business (whether by way of bankruptcy proceedings or liquidation).

The Bank is also required to obtain and maintain a number of other statutory and regulatory licences, permits, consents and approvals in the Republic of Uzbekistan, generally for carrying out its business, some of which may expire in the ordinary course and for which the Bank would be required to apply to obtain the approval or their renewal. Obtaining or renewal of these licences, permits, consents and approvals is not always routine and the conditions attached to obtaining or renewing them are subject to change and may not be predictable. Any failure by the Bank to obtain, maintain, renew or extend any such required licence, permit, consent or approval, or the imposition of additional conditions, may impair the Bank's ability to achieve its strategic objectives and could have an adverse effect on the Bank's business, financial condition, results of operations and prospects.

Failure to implement and maintain an effective system of financial reporting and internal controls may materially and adversely affect the Bank's ability to accurately or timely prepare financial information

As with many other banks in Uzbekistan and other CIS countries, the Bank's current system of internal financial reporting was not originally designed for the preparation of IFRS financial statements, leading to a risk of delay in, or inaccuracies in, the preparation of financial statements under IFRS. Preparation of the Bank's IFRS-based financial statements is a manual process that involves the transformation and reclassification of the Bank's statutory financial statements into IFRS through accounting adjustments, and requires an ongoing review and update of applicable IFRS and related pronouncements to be applied to the underlying Uzbekistan Accounting Legislation and related instructions ("**UAL**"). This process is complicated, time-consuming and requires significant attention from the Bank's senior accounting personnel and an adequate system of internal controls over financial reporting. The preparation of financial statements under IFRS also requires significant management judgement and estimates (including in relation to expected credit losses, fair value measurements and impairment), and errors in such judgements, assumptions or underlying data could result in misstatement.

The 2024 figures presented in the 2025 and 2024 Financial Statements were restated to correct a number of errors identified after the original financial statements were approved. While the Bank has taken steps to strengthen its financial reporting controls, there can be no assurance that similar errors will not arise in future periods.

The Group's internal and external audit processes have from time to time identified deficiencies in certain internal control systems and procedures. The Bank has committed to address identified deficiencies; however, there can be no assurance that all such measures will be fully implemented in a timely manner, that the relevant controls will operate effectively once implemented, or that further deficiencies will not be identified in the future.

If the Bank's financial and reporting procedures and internal controls do not keep pace with its growth and the applicable financial reporting framework, the Bank may not be able to prepare financial information in a timely and accurate manner, whether in accordance with the terms of the Notes or otherwise. This requires management to implement and maintain effective internal controls to ensure that the Bank's financial statements are prepared in accordance with IFRS or other applicable financial reporting standards. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with IFRS. A failure by the Bank to implement and maintain effective internal controls could result in material misstatements in its financial statements or failure to prepare interim and/or annual financial information in a timely manner, which may cause a need to further restate financial statements or result in a loss of confidence in its reported financial information, which in turn could have a negative impact on the Bank's compliance with the terms of the Notes, access to external financing, and potentially its business and results of operations. Any such misstatement or restatement could also trigger financial covenant defaults under the Bank's existing financing arrangements. See "*Presentation of Financial Information—Restatements*" and "*— The Bank is required to comply with certain financial and other restrictive covenants, and in the past breached certain covenants in its facility agreements*".

Collateral values may decline or may not be of such high credit value

As at 31 December 2025, the collateral coverage ratio (including letters of surety and state guarantees) held by the Bank against gross loans amounted to 249 per cent.; however, there can be no assurance that such collateral will be sufficient to cover outstanding amounts upon enforcement, if successful. Further, the realisable value of such collateral may be materially lower than its nominal value in the event of an economic downturn, decline in real estate values, or difficulties in enforcing security under Uzbek law. The main forms of collateral are real estate charges, cash deposits, pledges over motor vehicles and equipment, as well as letters of surety. Downturns in the residential and commercial real estate markets or a general deterioration of economic conditions in the industries in which the Bank's customers operate may result in asset illiquidity and a decline in the value of the collateral securing loans. In addition, declining or unstable prices of collateral in Uzbekistan may make it difficult for the Bank to accurately value the collateral it holds. If the fair value of the collateral that the Bank holds declines significantly or otherwise is lower than the Bank initially valued, it could be required to record additional provisions and could experience lower than expected recovery levels on collateralised loans.

In addition, as part of its transition strategy to gradually decrease state support and expand the share of higher-margin loans in its portfolio, the share of the Bank's loan portfolio covered by state guarantees has been slightly decreasing in the period under review. In the future, the share of the Bank's loan portfolio covered by collateral generally, and state guarantees in particular, is expected to further decrease, which may lead to additional provisions and lower-than-expected recovery levels on loans. Furthermore, the Bank may face difficulties with enforcing security under Uzbek law, which may also lead to lower than expected recovery levels on collateralised loans, including due to legal, regulatory, procedural or practical impediments, challenges to the validity, perfection or priority of security interests, delays in court or enforcement proceedings and insolvency of borrowers or guarantors. See "*Risk Management – Collateral*". If any of these risks materialise, they could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank's insurance policies may not cover, or fully cover, certain types of losses

The Bank generally maintains insurance policies covering its assets, operations and certain employees in line with general business practices in Uzbekistan, including comprehensive insurance policies with highly rated Uzbek insurance companies, and obtains reinsurance in respect of such policies. The Bank seeks to insure against a range of risks, including fire, lightning, flooding and employee liability. However, there can be no assurance that all types of potential losses are insured, that policy or reinsurance limits would be sufficient to cover them, or that reinsurance counterparties in all circumstances would be able or willing to meet their obligations. In particular, the insurance companies in Uzbekistan do not offer coverage for losses arising from cybersecurity incidents or IT system failures, which represent an increasingly significant category of operational risk given the Bank's ongoing digital expansion. Any uninsured loss or a loss in excess of insured limits, or shortfall in recoveries from reinsurers, could adversely affect the Bank's existing operations and create additional significant costs and liabilities and could, in turn, have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank depends on key management and qualified personnel

The current senior management team includes a number of individuals that the Bank believes contribute significant experience and expertise in the banking industry. The Bank's ability to continue to retain, motivate and attract qualified and experienced banking and management personnel is vital to its business. Further, following the Bank's on-going transition towards more independent and commercially driven operations, client diversification and the active development of Uzbekistan's banking sector, there is currently an intense competition in the Uzbekistan banking industry for personnel with relevant expertise. There can be no assurance that the Bank will be able to successfully recruit and retain the necessary qualified personnel, particularly those working in management and key functions of the Bank's operations (including in information technology, risk management, compliance and treasury functions). Competition for skilled personnel, including from other banks and fintech companies in Uzbekistan and abroad, may increase the Bank's compensation and training costs and lead to higher staff turnover. The loss or diminution in the services of members of its senior management team or an inability to recruit, train or retain necessary personnel could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects as well as impair its ability to achieve its strategic objectives.

The Bank may fail to receive corporate approval in respect of certain transactions with related parties

The Bank has engaged in transactions with related parties under common control of the principal shareholders. See "*Certain Transactions with Related Parties*". The Bank may enter into related party transactions from time to time, and such transactions may give rise to actual or perceived conflicts of interest, may not be entered into on arm's length terms or may be subject to increased regulatory and public scrutiny. Under the laws and regulations of Uzbekistan, certain related party transactions are required to be approved by the general shareholders' meeting of the Bank prior to execution of such transactions. Failure to receive such approval may lead to such transaction being challenged, invalidated or rendered unenforceable. If the shareholder(s) of the Bank is deemed to be the interested party and/or beneficiary of a related party transaction, such shareholder(s) must abstain from voting on the approval of the related party transaction. Should both the UFRD and JSC Uzbektelecom as the current principal shareholders of the Bank be deemed interested in a related party transaction with the Bank and abstain from voting, the Bank's minority shareholders may not reach a quorum for voting or may not vote in favour of approving the transaction. In such circumstances, the relevant transaction could not be approved under Uzbek corporate law, which could prevent the Bank from entering into transactions that management considers to be in the Bank's commercial interest. See "*Principal Shareholders*". Failure to receive approval and enter into a material related party transaction could have an adverse effect on the Bank's business, results of operations, financial condition and prospects.

Climate change may negatively affect the Bank's business and operations

The business environment in which the Bank operates is continually changing. ESG-related issues may directly or indirectly impact key stakeholders, including customers, investors, employees, rating agencies and regulators, and these stakeholders are increasingly demanding more climate-related disclosures, including climate risk assessment and greenhouse gas ("**GHG**") emissions reporting. The Bank has not been able to fully integrate climate-related physical and transitional risks into its overall risk management framework and decision-making processes. While the Bank is in the process of implementing ESG standards in collaboration with the Asian Development Bank, including the development of a dedicated ESG strategy and the preparation of its inaugural ESG report, the integration of climate-related risks into the Bank's overall risk management framework and decision-making processes remains at an early stage of development. The Bank has developed an Environmental and Social Management System ("**ESMS**") strategy and has employed an environmental expert within its staff to review each project from an ecological perspective. In addition, the Bank is expected to finalise its greenhouse gas (GHG) emissions calculation strategy by the end of 2026. There can be no assurance that such integration or strategies will be completed in a timely manner or will be sufficient to fully address climate-related risks as they materialise.

A failure to manage ESG-related risks, as well as the expectations of relevant stakeholders, may adversely impact the reputation of the Bank, the results of its operations, and its ability to deliver on its strategy and therefore its long-term success, and may negatively affect its access to funding and capital markets.

Climate change is an ESG theme that poses potentially significant long-term risks to the Bank and its customers, not only from the physical impacts of climate change, driven by both specific short-term climate-related events such as acute or chronic weather events and longer-term impacts, but also from transition risks associated with the shift to a low-carbon economy. Climate change, sustainability and the reduction of emissions are important issues for the Bank. Among other things, transitional and physical risks could impact the performance and financial position of the Bank's customers and their ability to repay their loans.

Failure to keep pace with customer and societal expectations for action to manage and mitigate climate-related risk or failure to keep pace with the increasing level of interest and reporting requirements from governments, investors, customers and civil society may result in a decline in demand for the Bank's services, which could have an adverse impact on the financial condition and prospects of the Bank.

Protectionist trade measures and tariffs could adversely affect the operations and creditworthiness of the Bank's clients engaged in international trade

A significant portion of the Bank's corporate client base is engaged in export and import activities, including in sectors such as metals and mining, energy, agriculture and manufacturing. As such, the Bank is exposed to macroeconomic and geopolitical risks affecting global trade flows, including changes in trade policy, tariffs, quotas and other non-tariff barriers imposed by foreign governments.

In 2025, major economies, particularly the United States, adopted a more protectionist stance. Following the introduction by the U.S. of a baseline 10.0 per cent. tariff on imports from over 150 countries (including Uzbekistan) in April 2025, global trade policy remained volatile. While the U.S. and China, one of Uzbekistan's major trading partners, reached a temporary truce in May 2025, this was formalised by the 'Kuala Lumpur Joint Arrangement' in November 2025, which suspended heightened reciprocal tariffs between the two nations until November 2026. Despite enhanced bilateral economic cooperation between the U.S. and Uzbekistan announced in November 2025, involving major U.S. investment commitments in the critical minerals, energy and automotive sectors, Uzbekistan remains subject to the baseline 10.0 per cent. tariff. Furthermore, in January 2026, the U.S. administration reiterated its intent to impose additional 10.0 per cent. tariffs on countries aligned with BRICS policies and introduced potential 25.0 per cent. secondary tariffs on entities maintaining specific trade relationships with sanctioned jurisdictions. In February 2026, the U.S. Supreme Court ruled that certain tariffs imposed under the U.S. International Emergency Economic Powers Act of 1977 were unlawful, creating legal uncertainty regarding the scope of executive authority to impose broad-based tariffs. While this decision may result in the withdrawal or refunding of certain tariffs, the U.S. administration may seek to impose or maintain tariffs under alternative statutory authorities, and future trade measures cannot be ruled out. It remains unclear what impact these legal developments, or any replacement trade measures, will have on Uzbekistan and the global economy or whether new trade agreements will be agreed and what those agreements will entail.

Protectionist trade measures may adversely impact the demand for Uzbek exports in key foreign markets, increase input costs for importing companies, disrupt supply chains, and heighten economic uncertainty. In turn, this could negatively affect the revenues, margins, and creditworthiness of the Bank's export- and import-oriented clients. In some cases, counterparties may face delays in payment or contract renegotiation risks due to trade-related disruptions. Any continuation or escalation of global trade disputes, or the imposition of additional trade barriers targeting Uzbek-origin goods or key trade partners, could result in lower cross-border transaction volumes, reduced foreign currency inflows, and a deterioration in the quality of the Bank's loan portfolio. Given the Bank's significant exposure to borrowers in the mining, metallurgy and energy sectors – which are among Uzbekistan's most significant export-oriented industries – any deterioration in export revenues resulting from trade restrictions could adversely affect the financial condition of such borrowers and lead to an increase in the Bank's non-performing loans and loan loss provisions. These developments could materially and adversely affect the Bank's business, financial condition, cash flows, results of operations and prospects.

The Bank may not be able to successfully implement its strategy to grow its business, and may be subject to risks relating to its business expansion

The Bank aims to achieve long-term sustainable growth and profitability of its business by increasing the relative and absolute size of its business, mostly by increasing its loan portfolio, funding base and fee-generating businesses. There can be no assurance, however, that the Bank will be able to achieve any of these objectives. The Bank's ability to achieve its strategic objectives may be adversely affected by negative trends in Uzbekistan's economy, the economies of neighbouring countries and the performance of the global economy, which are beyond the Bank's control.

The Bank's strategic focus has historically been on provision of subsidised investment financing and corporate banking services to state-owned strategic companies. Recently, in line with the Government's policy shift and the Bank's transition strategy, the Bank has sought to increase its presence in retail and SME banking and expand the share of these sectors in its loan portfolio and deposit base, and this goal remains an integral part of its overall strategy for the upcoming years. The growth of the Bank's retail loan portfolio tends to increase the credit risk exposure in the loan portfolio, reflecting the high-risk nature of retail clients and respective lending products as well as the generally more limited information available to assess the creditworthiness of such borrowers. A higher risk of default by such customers may result in an increase in overdue amounts and, consequently, in higher loan impairment provisions as well as negatively affect the Bank's net interest income.

In addition, the predominant part of the Bank's loan portfolio has historically contained a low degree of risk and was covered by state guarantees. Thus, with such increased exposure to credit risk as the Bank seeks to expand its business to both SME and retail customers and the reduction of state guarantees, the Bank's risk management, internal control and operational capabilities may not be sufficient for such growth in the Bank's business under such strategy. The ability of the Bank to grow its customer base and expand its loan portfolio will depend on, amongst other things, the successful implementation of its credit policies and provisioning procedures, especially in retail lending, as well as the availability of affordable funding and maintaining its capital adequacy.

Should the Bank fail to successfully implement such policies and procedures or maintain its capital adequacy or should affordable funding not be available, this may have a material adverse effect on the Bank's business, results of operations, financial condition and prospects. See "*– Risks Related to the Bank's Business and Industry – The Bank's risk management strategies and procedures continue to evolve and may not be completely effective*".

Furthermore, the growth of the Bank's retail portfolio is dependent on increasing consumer understanding and acceptance of credit products, particularly in smaller population centres outside of Tashkent. Sustainable development of consumer finance in Uzbekistan is dependent on economic stability and growth, increases in consumers' average disposable income and levels of consumer spending, which are linked to stable economic development of Uzbekistan. Therefore, external shocks or downturns in Uzbekistan's economy generally and banking and consumer finance sectors in particular may hinder the Bank's ability to implement its growth strategy, which may in turn have a material adverse effect on the Bank's business, results of operations, financial condition and prospects. See "*– Risks Related to the Republic of Uzbekistan – The Bank may be adversely affected by changes in Uzbekistan's economic, political and other conditions*".

In addition, the Bank's strategic objectives are based, in part, on the expectation that Uzbekistan's banking sector will continue to grow in general and with respect to retail and SME banking in particular. There can be no assurance that these expectations will be met, which could, in turn, adversely affect the Bank's ability to achieve its objectives.

Notwithstanding the strategic aims, the Bank's overall goal is profitability and accordingly, it may not fulfil certain strategic growth goals if doing so would result in a negative impact on profitability. There can also be no assurance that the anticipated growth in retail and SME loans will generate the returns the Bank expects or offset any deterioration in the quality of the Bank's loan portfolio. Furthermore, the Bank's expansion strategy is expected to be financed by attracting more deposits, additional borrowings and possibly additional capital, as well as cash flows provided by operations. However, external financing and the cost of such financing are dependent on numerous factors, many of which are outside of the Bank's control. The Bank cannot provide any assurance that it will be able to arrange any such external financing on commercially reasonable terms, if at all, and the Bank's inability to access such funding at favourable rates could adversely affect its ability to implement its strategy. In particular, the Bank's planned transition from state-guaranteed and directed lending towards retail and SME lending involves taking on a different and, in some respects, higher-risk credit profile than has historically characterised the Bank's portfolio, which may place additional strain on the Bank's underwriting capabilities and internal controls at the pace of growth envisaged. If any of these risks materialise, they could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

The Bank's strategy is determined by the Government as its major beneficial shareholder and the interests of the Bank's shareholders or management may conflict with those of the Noteholders

As at the date of this Offering Memorandum, the Government, through the UFRD, JSC Uzbektelecom and the Ministry of Economy and Finance, ultimately controls approximately 73.9 per cent. of the voting shares and the charter capital of the Bank. The Government is able to determine the outcome of all material matters concerning the Bank that may be decided by the shareholders and can appoint the members of the Bank's Supervisory Board. Accordingly, the Government could cause the Bank to pursue transactions or to make large dividend payments or other distributions or payments to shareholders that are designed to implement the policy of the Government rather than be in the best interest of the Bank or the Noteholders, even though such transactions may involve increased risk for the Bank and, consequently, for the Noteholders. While the Bank retains autonomy to determine day-to-day commercial matters, the Government prescribes the Bank's overall strategy and, therefore, indirectly the focus of its loan portfolio. The interests of the Bank's shareholders and management may, in some circumstances, conflict with the interests of the Noteholders, and any such conflict could have a material adverse effect on the Noteholders' investment in the Notes.

Historically, through its loan book, the Bank assisted the Government in financing infrastructure and development projects in Uzbekistan. Since 2018, in line with the general reform of the banking sector in Uzbekistan and the Bank's strategy, the Government has been seeking to decrease its influence on the business and loan portfolio of the Bank, as well as to reduce the state-supported financing available to the Bank. However, in the period under review, the Bank continued to issue loans to state-owned companies operating in such sectors using funding provided by the Government in the form of loans or deposits from state agencies. Such loans carried higher margins than in the periods prior to the reform of the banking sector, but the interest rates thereon

remained below market rates, thereby adversely affecting the Bank's net interest income. Should the Government abandon the Privatisation plan and retain its control over the Bank, the Bank may still be directed by the Government as its major beneficial shareholder to invest in subsidiaries or to provide lending to companies and projects that are not commercially viable or that are on below-market terms. Accordingly, the Government might require the Bank to engage in business practices that are inconsistent with its business strategy and are not necessarily consistent with the best interests of the Noteholders, which may negatively affect the Bank's net interest income.

Risks Related to the Bank's Legal, Regulatory, Compliance and Governance Framework

The Bank is subject to certain regulatory ratios and breach of these ratios may subject the Bank to fines and other sanctions imposed by the CBU

The Bank, like all regulated financial institutions in Uzbekistan, is required to comply with certain capital adequacy and regulatory ratios based on the UAL and set by the CBU. The current CBU capital regulation is based on a combination of Basel II and III guidelines, with material regulatory discretion exercised by the CBU reflecting the specifics of the local banking industry. The main mandatory capital ratios reportable by Uzbekistan's banks are the Total Regulatory Capital Adequacy Ratio, the Tier 1 Capital Adequacy Ratio, the Core Tier 1 Capital Adequacy Ratio and the Leverage Ratio. See "*The Banking Sector and Banking Regulation in the Republic of Uzbekistan – Mandatory Ratios*" and "*Operating and Financial Review – Liquidity and Capital Resources – Capital Management*".

As at 31 December 2023, the Bank's prudential ratios were within the limits established by the CBU except for the following prudential ratios: (i) maximum exposure to a single borrower or group of related borrowers to Tier 1 Capital, which reached approximately 26 per cent. due to a government-instructed textile industry loan; and (ii) maximum exposure to real estate investment ratio, which exceeded the 100 per cent. limit primarily due to the construction of a new head office and other government-related initiatives. The Bank notified the regulator of these breaches and took remedial actions to restore compliance, including through the disposal of the head office building completed in December 2024.

As at 31 December 2025 and 2024, the Bank's prudential ratios were within the limits established by the CBU. As at 31 December 2025, the Bank's Total Regulatory Capital Adequacy Ratio amounted to 14.14 per cent. (minimum requirement: 13.0 per cent.), Tier 1 Capital Adequacy Ratio amounted to 10.1 per cent. (minimum requirement: 10.0 per cent.), Core Tier 1 Capital Adequacy Ratio amounted to 10.08 per cent. (minimum requirement: 8.0 per cent.) and Leverage Ratio amounted to 10.0 per cent. (minimum requirement: 6.0 per cent.). While the Bank's regulatory capital ratios were within required limits as at 31 December 2025, the headroom above the minimum Tier 1 Capital Adequacy Ratio requirement of 10.0 per cent. was limited at approximately 0.1 percentage points as at that date. With effect from 1 January 2026, the CBU reduced the minimum Total Capital Adequacy Ratio to 8.0 per cent., the Tier 1 minimum to 6.0 per cent. and the Core Tier 1 minimum to 4.5 per cent., which will provide the Bank with additional regulatory headroom going forward. However, the Bank's financing arrangements may impose financial covenant ratios above the revised CBU minimums, and a breach of such contractual ratios could give rise to events of default irrespective of the Bank's regulatory compliance. In addition, should the Bank be in breach of any regulatory ratios, the Bank may face a material adverse effect on its reputation, business, financial condition, results of operations and prospects. A breach of regulatory ratios could also result in enforcement measures by the CBU, including restrictions on the Bank's operations, the imposition of fines, the withdrawal of the Bank's licence and, in extreme circumstances, the initiation of liquidation proceedings. Furthermore, should the CBU increase the minimum prescribed limits for mandatory capital ratios or introduce additional capital or liquidity buffers, the Bank may be required to adjust its business mix to conform to more strict capital and liquidity standards, which may limit the Bank's ability to implement its strategy and have a material adverse effect on the Bank's business, financial condition, results of operations and prospects. In order to comply with such increased requirements, the Bank may need to seek additional capital, or, if it is unable to do so, the CBU could require the Bank to raise capital or impose other supervisory measures.

Furthermore, certain of the Bank's financing facilities contain covenants on maintenance of capital adequacy and certain other mandatory ratios above prescribed regulatory minimums. See "*– The Bank is required to comply with certain financial and other restrictive covenants, and in the past breached certain covenants in its facility agreements*". Failure of the Bank to comply with the contractual ratio levels may lead to breach of covenants under financial facilities, which in turn may cause acceleration of the Bank's indebtedness and cross-

defaults, which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank is subject to substantial regulation and oversight, and future changes in regulations or relevant policies are unpredictable

As a commercial bank and participant of the financial market of the Republic of Uzbekistan, the Bank is subject to significant regulation and supervision by the CBU, the finance market regulator. If regulations change or the Bank expands its businesses, the Bank may become subject to additional rules and regulations, which may affect its operations. In November 2019, amendments to the law "On banks and banking activity" were adopted. This law introduced changes to, amongst others, licencing requirements for banks, reporting and transparency rules. See "*The Banking Sector and Banking Regulation in the Republic of Uzbekistan – Recent and Expected Banking Reforms*".

Future changes in regulation on financial market participants, fiscal or other policies are unpredictable and there is often a delay between the announcement of a change and the publication of detailed rules relating to such change. There can be no assurance that the current regulatory environment in which the Bank operates will not be materially tightened; new or additional requirements or mandatory ratios will not be introduced, including as a result of a change in government in Uzbekistan; or the Bank will be able to comply with any or all resulting regulations. In addition, there can be no assurance that the current regulatory environment in which the Bank operates with respect to competition and anti-monopoly matters will not be subject to significant change in the future. If any of these risks materialise, they could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

Changes in the Issuer's effective tax rate and tax positions may vary and could adversely impact the Issuer

The Issuer is subject to income tax in the Republic of Uzbekistan. A change in tax laws, treaties or regulations, or their interpretation, in Uzbekistan could result in a lower or higher tax rate on the Issuer's earnings, which could have a material impact on its earnings and cash flows from operations. In addition, the Issuer may be subject to audit by tax authorities, and its tax estimates and tax positions could be materially affected by many factors including the final outcome of any tax audits and related litigation, the introduction of new tax accounting standards, legislation, regulations and related interpretations, its global mix of earnings, the realisability of deferred tax assets and changes in uncertain tax positions. Future increases in the Issuer's tax rate or adverse changes in tax laws could have a material adverse effect on the Issuer's profitability and liquidity and its ability to make payments on the Notes.

The Bank is required to comply with certain financial and other restrictive covenants, and in the past breached certain covenants in its facility agreements

The Bank is subject to certain financial and other restrictive covenants under the terms of its indebtedness that impose certain requirements on the Bank to comply with financial ratios and tests and certain restrictions that limit the Bank's ability to, among others, obtain further financing and/or repay existing long-term indebtedness. See "*—Risks related to the Bank's Business and Industry —Future privatisation of the Bank may adversely affect its business, financial condition and prospects*". The Bank's ability to meet its financial covenants and tests under the terms of its indebtedness is, to an extent, affected by events beyond the Bank's control, such events may include, among others, macroeconomic and political shocks, sharp fluctuations in foreign currency exchange rates, commodity prices and changes in regulatory requirements. The occurrence of regulatory breaches may also constitute, or be deemed to constitute, a breach of financial covenants or undertakings under certain of the Bank's financing agreements, or may otherwise be taken into account by lenders in assessing the Bank's compliance with its contractual obligations.

As at 31 December 2023, the Group was in breach of CBU requirements with respect to the ratios of maximum exposure to a single borrower (or group of related borrowers) to Tier 1 capital, as well as the maximum exposure to real estate investments. These breaches were driven by specific operational and regulatory contexts: the single borrower exposure occurred while a Presidential Decree supporting textile clusters was in effect, during which time the CBU opted not to impose any penalties. Similarly, the real estate investment breach arose primarily because finalised cadastral documentation for the Group's new headquarters was still pending. As a result, the building could not yet be recognised as a fixed asset and was instead recorded as an investment. The CBU likewise imposed no penalties in relation to this matter. In the course of the financial year ended 31 December

2024, the Group successfully remedied these breaches and brought all regulatory indicators back into full compliance.

Should the Bank be unable to correctly identify and report compliance with the terms of its loan agreements in relation to past or future events, or should a contrary position be taken by the Bank's other creditors, the Bank may have to restate its Financial Statements and/or the Bank's lenders may terminate their commitments to further lend to the Bank or accelerate the loans and declare all amounts borrowed due and payable triggering events of default in other finance agreements.

If any of these events occurs, the Bank cannot give any assurance that available assets would be sufficient to repay in full all of the Bank's affected indebtedness, or that the Bank would be able to secure alternative financing. Even if the Bank could obtain alternative financing, the Bank's management cannot give any assurance that such financing would be on terms that are favourable or acceptable to the Bank. Any recurrence of a regulatory or contractual covenant breach could, depending on the terms of the relevant agreement, entitle lenders to accelerate outstanding indebtedness and cancel undrawn commitments, which could have a material adverse effect on the Bank's liquidity and its ability to service its obligations under the Notes.

The Bank's measures to prevent corruption, money laundering or terrorist financing may not be completely effective

There can be no assurance that third parties will not attempt to use the Bank as a conduit for money laundering, terrorist financing, corruption-related payments or other illicit activity without its knowledge, or that the measures in place for preventing, identifying and/or terminating such activities will be completely effective. If the Bank fails to comply with anti-corruption, anti-money laundering or anti-terrorism financing laws or if it is otherwise associated with corruption, money laundering or terrorist financing, this could have a material adverse effect on its reputation, business, financial condition, results of operations and prospects.

Risks Related to the Republic of Uzbekistan

The Bank may be adversely affected by changes in Uzbekistan's economic, political and other conditions

The Bank's operations are primarily located in, and the vast majority of its revenue is sourced from, Uzbekistan. The Bank's results of operations are, and are expected to continue to be, significantly affected by financial and economic developments in or affecting Uzbekistan and, in particular, by the level of economic activity in Uzbekistan. They can also be affected by political, social and legal developments in the country. Factors such as GDP, inflation, interest and currency exchange rates, as well as unemployment, personal income and the financial situation of companies, have a material impact on customer demand for the Bank's products and services.

Global and regional economic conditions remain volatile, and there is significant economic uncertainty. Real GDP growth in Uzbekistan was 7.7 per cent. in 2025, 6.7 per cent. in 2024 and 6.3 per cent. in 2023, according to the National Statistics Committee of the Republic of Uzbekistan. According to the IMF's World Economic Outlook published in January 2026, the near-term outlook for the Central Asia and Middle East is positive, with real GDP growth in the regions projected to be 3.9 per cent. in 2026.

Uzbekistan continues to face significant risks to its growth prospects, including risks associated with the exchange rate, financial stability, inflation and capital flight. Market turmoil and economic deterioration in Uzbekistan may cause consumer spending to decline and have a material adverse effect on the liquidity and financial condition of the Bank's customers in Uzbekistan. Moreover, Uzbekistan's economy is vulnerable to external shocks and the economic performance of its trading partners (particularly Russia, China and Kazakhstan), to regional geopolitical developments and uncertain and volatile global and regional political conditions, such as, for example, Russia's invasion of Ukraine and sanctions imposed thereon by, among others, the United States, the United Kingdom and the EU, as well as ongoing escalation of conflict in the Middle East or slowdown in economic growth in China, one of the main trade partners of Uzbekistan. See "*The Russia-Ukraine conflict and the sanctions imposed by numerous national and international authorities in response, as well as countermeasures taken by Russia, have had, and will continue to have, an adverse impact on Uzbekistan's economy*" below.

In addition, Uzbekistan is in the process of implementing structural economic reforms aimed at, among others, price and trade liberalisation and tax control. See "*Uzbekistan's economy and the banking market have been*

undergoing significant changes". Should the Government succeed in the implementation of market reforms, Uzbekistan's economy would be more integrated into the world trading system and inter-linked with the global economy and economies of the main trade partners and neighbouring states of Uzbekistan, which may make Uzbekistan's economy even more vulnerable to external shocks, such as global economic crises and currency and commodity price volatility.

Furthermore, Uzbekistan faces economic risks of volatility in workforce remittances (in particular, from Russia) and unemployment. The rate of unemployment in Uzbekistan decreased from 6.8 per cent. as at 31 December 2023 to 5.5 per cent. as at 31 December 2024 and then to 4.9 per cent. as at 31 December 2025, mainly due to the implementation of economic reforms in the country, the creation of a foundation for the establishment of businesses through training the unemployed population in professions and entrepreneurship, and the formation of sources of family income by providing permanent jobs to the citizens applying for work. Decreases in remittance inflows or increases in the unemployment rate could have an adverse effect on the economy of Uzbekistan in general and consequently on the personal income and financial situation of the Bank's customers, adversely affecting customer demand for the Bank's products and services.

All of the above events could have substantial political and macroeconomic ramifications, which could, in turn, have a significant impact on Uzbekistan's economy. If any of these risks materialise, they could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Russia-Ukraine conflict and the sanctions imposed by numerous national and international authorities in response, as well as countermeasures taken by Russia, have had, and will continue to have, an adverse impact on Uzbekistan's economy

The intensification of the Russia-Ukraine conflict in February 2022, and the resulting wide range of sanctions imposed on persons in or related to Russia by the EU, the US, the UK and a number of other jurisdictions have had, and are expected to continue to have, a significant negative impact on the global economy and Uzbekistan. There have been material disruptions in energy markets (resulting in surges of energy prices and overall uncertainty for consumers), trade and investment (complicating trade and investment flows in Europe and Asia as well as broader economic integration and cooperation in the CIS region) and financial markets (eroding investors' and lenders' confidence and sentiment).

The conflict and resulting sanctions also had and continue to have a material impact on the Uzbekistan economy that relies on trade with its neighbouring countries, including Russia and China, two of its biggest economic partners, for its exports and imports, including the disruption on some of the trade routes and corridors that Uzbekistan uses to access the European and Asian markets as well as exports and imports to and from Russia.

Further, Uzbekistan is a major recipient of remittances from Russia, and the conflict has resulted in a significant devaluation of the Russian Rouble against major international currencies, which, in turn, led to the decline of the volume of remittances from Russia and negatively affected the growth of the Uzbekistan economy. Furthermore, the devaluation of the Russian Rouble throughout 2023 adversely affected Uzbek exporters trading with Russia, notably reducing their customers' purchasing power, prompting a shift in export destination and heightening foreign exchange risk for those holding assets or liabilities in Russian Roubles. The partial recovery of the Russian Rouble in 2025 has supported a rebound in remittance inflows and renewed demand for Uzbek exports, although continued Rouble volatility and broader geopolitical uncertainty pose ongoing risks.

While Uzbekistan maintains independent diplomatic relationships with both Russia and Ukraine and has confirmed its neutral position with respect to the hostilities between Russia and Ukraine, Uzbekistan has significant economic and political relations with Russia. Russia is the main trade and economic partner of Uzbekistan. Sanctions imposed on certain Russian persons and entities by the United States, the United Kingdom, the EU and other countries in connection with the conflict in Ukraine and any other action by Russia which may result in further sanctions, could prevent Uzbekistan from trading with certain Russian counterparties, which could have a material adverse impact on Uzbekistan's trade and consequently the country's economy. In addition, given Uzbekistan's close economic relationship with Russia, there can be no assurances that individuals or businesses located in Uzbekistan, including the Bank's customers, will not themselves become subject to sanctions imposed by the United States, the United Kingdom and the EU, among other countries. Should the existing sanctions regime be widened or should new and/or secondary sanctions be introduced in respect of the individuals or businesses located in Uzbekistan, including the Bank's customers

and/or counterparties, the Bank and/or the banking sector in Uzbekistan in general, the Bank's business could be adversely affected.

The Bank is not subject to any sanctions prohibitions and restrictions and does not currently have contracts or transactions with persons or entities in violation of the applicable sanctions, including with any parties included in the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control (OFAC), or similar sanctions-related lists of designated persons maintained by EU, UK and other relevant sanctions authorities. In response to the expansion of sanctions since February 2022, the Bank has wound down its activities with Russian banks and financial institutions. As at the date of this Offering Memorandum, the Bank maintains a correspondent account with JSC "Asia-Invest Bank", a Moscow-based subsidiary of NBU. JSC "Asia-Invest Bank" is not subject to international sanctions, and there are no restrictions or limitations on transaction or operations conducted with the bank. As at 31 December 2025, the Bank's total exposure to accounts opened in Russia, comprising non-sanctioned Asia-Invest Bank (which is a subsidiary of the JSC "National Bank for Foreign Economy of Activity of Republic of Uzbekistan", a state owned bank in Uzbekistan) and the non-sanctioned Credit Union "Payment Center" Ltd., amounted to U.S.$892,520, representing 3.0 per cent. of all assets held on correspondent accounts. The Bank previously held vostro accounts with JSC "Solid Bank" (Moscow), which were closed in October 2025. While the Bank makes all efforts to maintain and update on an ongoing basis, its policies and procedures aimed at ensuring the Bank's counterparties are not designated under U.S., UK or EU sanctions, there can be no assurance that through these procedures and policies the Bank will be able to timely and effectively detect all sanctioned business partners or contractual counterparties, including as a result of new sanctions designations, nor achieve full compliance by all of its employees or representatives for which the Bank may be held responsible, and any such failure or violation could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

In October 2023, the Bank received a borrowing from a Russian credit institution. Following the designation of that institution on the OFAC Specially Designated Nationals and Blocked Persons List in April 2024, the Bank made early repayment of the outstanding amounts. That repayment was effected in Russian roubles through the correspondent account of a third-party Russian bank. The Bank obtained external legal advice confirming that the repayment did not constitute a violation of applicable OFAC general licences and that the risk of secondary sanctions was assessed as remote.

The continuation, escalation or expansion of hostilities between Russia and Ukraine, may lead to further restrictions, sanctions or countersanctions, increased economic instability worldwide, heightened operating risks and cyber disruptions or attacks. Uzbekistan's close economic links with Russia, the Russia-Ukraine conflict and the related sanctions, counter-sanctions and restrictions have had, and may continue to have, adverse impacts on the global economy, capital markets, supply chains, energy prices, suppliers and consumer demand as a result of increased inflationary pressures directly associated with the conflict, all of which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Military Conflict Between the United States, Israel and Iran Could Disrupt Markets and Have an Adverse Impact on Uzbekistan's Economy and the Bank's Business

Since late February 2026, military hostilities involving the United States, Israel and Iran have intensified significantly, with direct strikes, retaliatory action and disruption to shipping and energy infrastructure in the region. The conflict has contributed to heightened geopolitical uncertainty and has already disrupted, and may continue to disrupt, global and regional trade flows, supply chains, shipping routes and maritime traffic (particularly in and around the Strait of Hormuz), logistics networks, insurance markets, payment flows and access to critical commodities and services. The conflict has also resulted in, and may continue to result in, sharp increases and volatility in oil, gas and other commodity prices, as well as broader inflationary pressures and tighter financial conditions as well as increased macroeconomic uncertainty in relevant markets. These factors may increase the Bank's operating and financing costs, adversely affect demand for its products or services and reduce the financial condition of its customers or the Bank's other counterparties.

Any further escalation, prolongation or geographical expansion of this conflict, including additional direct military action, retaliatory measures, cyberattacks, attacks on energy, transport or other critical infrastructure, or increased activity by aligned armed groups in the region, could have a material adverse effect on the global economy and Uzbekistan's economy and adversely affect the Bank's business, financial condition, results of operations and prospects.

Uzbekistan's banking sector remains vulnerable to external shocks

As at 31 December 2025, the banking sector of the Republic of Uzbekistan consisted of 35 active banks, of which nine were commercial banks with state ownership and five foreign-owned banks. The level of credit concentration in the banking sector has traditionally been high, with the wholly and partly state-owned banks holding 63.0 per cent. of all of the banking sector's total assets, 67.0 per cent. of the banking sector's total loans and 51.0 per cent. of the banking sector's total deposits. A large share of the banking sector's loans consists of state-guaranteed loans to state-owned companies, however this trend has been decreasing since 2019. The share of assets of state-owned banks decreased from 67.0 per cent. as at 31 December 2023 down to 63.0 per cent. as at 31 December 2025.

As at 31 December 2025, the NPLs to total gross loans ratio of the banking sector in Uzbekistan (based on the CBU standards) amounted to 3.0 per cent. In addition, the banking sector of the Republic of Uzbekistan has a high level of loans denominated in U.S. dollars and other foreign currencies, giving rise to risks relating to currency fluctuations. According to the CBU, as at 31 December 2025, foreign currency denominated loans constituted 25.6 per cent. of the total loan portfolio across all banks in the sector and foreign currency denominated deposits amounted to 35.0 per cent. of the total deposit portfolio of all banks in the banking sector.

Therefore, the Uzbek banking sector remains concentrated, vulnerable and susceptible to foreign currency fluctuations and there can be no assurance that future turmoil in the global banking sector and the wider economy will not have a negative effect on Uzbekistan's banking sector and on its participants. A failure or default of any financial institution could lead to defaults by other institutions. Concerns about, or a default by, one institution could prevent the Bank from raising new or additional funds in the capital markets and could also significantly reduce depositors' confidence in the banking industry in general and in the Bank in particular. All of these events could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

Uzbekistan's economy and the banking market have been undergoing significant changes

Since early 2017, the Government has introduced a number of measures aimed at the liberalisation of Uzbekistan's economy and encouraging growth and foreign investment. These reforms include currency and trade liberalisation, reforms of the tax and state budget processes, the restructuring and privatisation of state-owned entities and the reform of the agriculture and financial sectors. To increase the efficiency of the banking sector, the Government is undertaking a number of reforms owing to the Decree on Reforming the Banking System which aims to increase the efficiency and ensure financial stability of the banking system and to reduce the Government's ownership of shares in the banking sector through the privatisation of a majority of the state-owned banks.

In line with the Decree on Reforming the Banking System and other related reform measures, the Government intends to, among other things, decrease its influence on a majority of the state-owned banks, as well as reduce direct state financing and state guarantees for borrowers in the commercial banking sector. The privatisation reforms would require the state-owned banks to transition from capital injections and reduced degree of subsidisation from the Government to funding from other sources, such as foreign financial institutions, asset backed securities, customer deposits, the interbank lending market, the international capital markets and other similar instruments, which if not received on favourable terms could have a material adverse effect on the asset quality and profitability of the transitioning banks, resulting in a direct impact on the economy of the Republic of Uzbekistan and the trading price of the Notes. According to the Decree on Reforming the Banking System, the Bank is set to undergo such transformation and subsequently is expected to be privatised through the sale of the government's stake.

There can be no assurance that such reforms will be successful or sufficient or that the banks will succeed in implementing all of the necessary stages of transformation. It is difficult to forecast how the changes in banking and financial market regulation will affect the Uzbekistan banking system, and no assurance can be given that the regulatory system will not change in such a way that will increase the Bank's expenses or impair the Bank's ability to provide a full range of banking services or to compete effectively. There is a risk that financial assistance to state-owned banks may be needed from the government in the event of a macroeconomic shock, which it may not be willing and/or able to provide. Deficiencies in the Uzbek banking sector may result in the banking sector generally, and the Bank and the Bank's business, in particular, being more susceptible to future

worldwide credit market downturns and economic slowdowns. All of these events can adversely affect the Bank's credit ratings, business, financial condition, results of operations and prospects.

Uzbekistan's economy is under inflationary pressure

The economy of Uzbekistan is significantly affected by inflationary pressure. Uzbekistan's inflation rate was 7.3 per cent. in 2025, 9.8 per cent. in 2024 and 8.8 per cent. in 2023. The CBU expects inflation to be around 6.5 per cent. by the end of 2026. From 1 January 2020, the CBU entered an active phase in its transition to an inflation targeting regime, initially introducing the CBU's policy rate and interest rate corridor. In response to temporary external shocks (in particular the conflict between Russia and Ukraine), the CBU increased its policy rate from 14.0 per cent. to 17.0 per cent. in March 2022, but after the normalisation of economic conditions in Uzbekistan and with easing inflationary conditions, the CBU eventually cut its policy rate to 13.5 per cent. in July 2024. On 20 March 2025, the CBU increased the refinancing rate by 0.5 percentage points up to 14.0 per cent. citing sustained inflationary pressures and rising inflation expectations. As at the date of this Offering Memorandum, the CBU refinancing rate was 14.0 per cent. Sustained high inflation may have a negative effect on the financial standing of the Bank's customers, in particular the individual customers. More challenging macroeconomic conditions may also lead to decreased customer demand for the Bank's products and services. Some of the Bank's customers may also experience difficulties in performing their obligations under loans granted by the Bank which could cause an increase in the Bank's expected credit losses. Any of these events could lead to decreased demand for the Bank's products and services, which in turn, could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

Uzbekistan's economy is significantly affected by volatility in international commodity prices

Uzbekistan's economy is significantly affected by volatility in international commodity prices, particularly gold, natural gas and oil. Oil is also among the Bank's strategic focus areas. Prices of these commodities are subject to international supply and demand, and can be volatile. Political developments, increased use of renewable energy sources that alter fuel or power availability (such as the development of solar and wind power in the Republic of Uzbekistan), technological change and global economic conditions have an indirect impact on demand and, accordingly, prices for these commodities. In addition, exchange rate fluctuations can impact underlying costs and revenues.

Uzbekistan's economy is also indirectly affected by commodity price volatility, as it impacts key trading partners including Russia and Kazakhstan, leading to fluctuations in remittances and trade. Lower prices for gold, natural gas and oil can reduce export revenues for these countries, in turn weakening demand for Uzbek goods and services. Additionally, shifts in global commodity prices can influence energy costs and inflation within Uzbekistan, affecting economic stability.

The strategy "On transition of the Republic of Uzbekistan to a "green" economy in the period of 2019-2030" was approved by the Presidential Resolution of the Republic of Uzbekistan "On the programme measures for further development of renewable power generation, enhancement of energy efficiency in sectors of the economy and social sphere for 2017-2021" dated 4 October 2019 in order to ensure fulfilment of obligations under the Paris Agreement on climate change signed by Uzbekistan on 19 April 2017. The adoption of such policies related to renewable energy and climate change could lead to constraints on production and supply, access to new reserves and a decline in demand for certain products. Commodity price volatility could, therefore, have a material adverse effect on, among other things, Uzbekistan's GDP growth, Government revenues, balance of payments and foreign trade, which in turn could adversely affect the Bank's credit ratings, business, financial condition, and results of operations.

Enforcement of judgments or arbitral awards against the Bank can be difficult

The Bank has not submitted to the jurisdiction of any foreign courts in connection with the Notes. The Conditions provide that arbitration will be the exclusive remedy in relation to any dispute relating to the Notes. If a Noteholder is granted a monetary award in any arbitration proceedings in relation to the Notes, it may attempt to enforce that award in Uzbekistan, or bring proceedings on the award as a debt owing to it and obtain a judgment thereon. In addition, Uzbekistan, the United Kingdom and the United States are parties to the New York Convention and, accordingly, an arbitral award should generally be recognised and enforced in Uzbekistan provided the conditions for enforcement set out in the New York Convention are met and subject to compliance with Uzbek law.

Uzbekistan's courts will not enforce a judgment obtained in a court outside Uzbekistan unless there is a treaty in effect between the relevant country and the Republic of Uzbekistan providing for reciprocal enforcement of judgments. There is no such treaty in effect between Uzbekistan and the United Kingdom or the United States.

Within the Commonwealth of Independent States (CIS), Uzbekistan acceded to the Convention on Legal Aid and Legal Relations in Civil, Family and Criminal Cases in 1994 (Minsk Convention) and to the Convention on Legal Aid and Legal Relations in Civil, Family and Criminal Cases in July 2020 (Chisinau Convention).

Uzbekistan has bilateral agreements on recognition and enforcement of criminal, civil (including economic) judgments and arbitral awards with China, the Czech Republic and Türkiye; on recognition and enforcement of criminal and civil (including economic) judgments with Bulgaria; and on recognition and enforcement of criminal and civil judgments with Afghanistan, Latvia, Lithuania, Turkmenistan, Kyrgyzstan, Kazakhstan, Azerbaijan, Georgia and Ukraine.

Even if an applicable international treaty is in effect or a foreign judgment might otherwise be recognised and enforced on the basis of reciprocity, the recognition and enforcement of a foreign judgment will in all events be subject to exceptions and limitations provided for under Uzbek law.

For example, an Uzbekistan court may refuse to recognise or enforce a foreign judgment or arbitral award if its recognition or enforcement would be contrary to Uzbekistan public policy. The concept of public policy is not well developed in Uzbekistan; it is possible, however, that such considerations could apply in specific circumstances where, for example, the interests of creditors, employees, the national or local economy, public health and safety or national security are involved. As a result, it may be difficult to obtain recognition or enforcement of a foreign judgment in respect of the Notes.

It may also be difficult to enforce a foreign judgment in Uzbekistan due to a number of factors, including the lack of experience of Uzbek courts in international commercial transactions and certain procedural irregularities, all of which could introduce delay and unpredictability into the process of enforcing any foreign judgment in Uzbekistan. In addition, the judicial system and judicial officials in the Republic of Uzbekistan may not be fully independent of external social, economic and political forces. Therefore, judicial decisions could be unduly influenced.

Corporate governance standards in Uzbekistan differ from those in Western jurisdictions

The Bank is subject to the general corporate governance and disclosure obligations applicable to the joint-stock companies under Uzbek law, including those in the capital markets area. Corporate governance, disclosure and transparency standards applicable to Uzbekistan companies are not of the same standard as those in the United Kingdom, the United States or the European Union. Accordingly, there are fewer protections for investors than would otherwise be the case if the Bank was required to comply with corporate governance principles or standards applicable to public companies in the United Kingdom. Furthermore, should the Bank fail to comply with existing corporate governance standards applicable under Uzbek law or provided for by the Listing Rules of the Tashkent Stock Exchange where the Bank's shares are listed, it could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

Risks Related to the Notes

Insolvency and administrative laws in the Republic of Uzbekistan could negatively affect the ability of Noteholders to enforce their rights

Uzbekistan bankruptcy law provides that transactions or payments entered into or made within specified time periods before a bankruptcy petition is filed or at or after the time when a bankruptcy petition is filed may be declared void by an Uzbek court. After a bankruptcy petition is filed, the subject company is prohibited from paying any debt outstanding prior to the conclusion of bankruptcy proceedings, subject to specified exceptions. After the subject company becomes insolvent, creditors of that company may not effectively pursue any legal action to obtain an order for payment of indebtedness, to set aside a contract for non-payment or to enforce the creditor's rights against any asset of the debtor outside the framework of the bankruptcy proceedings. Contractual provisions, which would accelerate the payment of the debtor's obligations upon the occurrence of certain bankruptcy events, are not enforceable under Uzbekistan law. In addition, an administrator may renounce or set aside executory contracts.

Additionally, if a court orders bankruptcy proceeding, it can prohibit the sale of an asset that it deems to be essential to the continued business of the debtor, and it can postpone the payment of debts owed by the debtor. Uzbekistan bankruptcy law assigns priority to the payment of certain creditors, including creditors on personal injury obligations, employees, secured creditors, the government, tort plaintiffs and certain post-petition creditors.

The Notes are pari passu securities

Subject to the restrictions on levels of indebtedness in other agreements and under prudential norms, there is no restriction on the amount of securities the Issuer may issue and which may rank equally in right of payment with the Notes. The issue of any such securities may reduce the amount investors may recover in respect of the Notes in certain scenarios as the incurrence of additional debt could affect the Issuer's ability to repay principal of, and make payments of interest on, the Notes. This could have a material adverse effect on the trading price of the Notes.

The Notes constitute unsecured obligations of the Issuer

The Issuer's obligations under the Notes will constitute unsecured obligations of the Issuer. Accordingly, any claims against the Issuer under the Notes would be unsecured claims, which would be satisfied only after any secured creditors, if at all. The ability of the Issuer to pay such claims will depend upon, among other factors, its liquidity, overall financial strength and ability to generate asset flows.

There is no public market for the Notes

There is no existing market for the Notes, and there can be no assurance regarding the future development of a market for the Notes. Application has been made to the London Stock Exchange for the Notes to be listed on the ISM. However, an active trading market in the Notes may not develop or be maintained after listing. No assurance can be made as to the liquidity of any market that may develop for the Notes, the ability of Noteholders to sell the Notes or the price at which Noteholders may be able to sell the Notes. The liquidity of any market for the Notes will depend on the number of Noteholders, prevailing interest rates, the market for similar securities and other factors, including general economic conditions and the Bank's financial condition, performance and prospects, as well as recommendations of securities analysts. Disruptions in the global capital markets may lead to reduced liquidity, increased credit risk premiums and a reduction in investment in securities. If an active trading market does not develop or cannot be maintained, this could have a material adverse effect on the liquidity and the trading price of the Notes.

The trading price of the Notes may be volatile

The trading price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Bank's operating results and those of the Bank's competitors, adverse business developments, changes to the regulatory environment in which the Bank operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes, as well as other factors, including the credit rating of the Bank. Historically, the market for non-investment grade debt, such as the Notes, has been subject to disruptions that cause substantial volatility in the prices of such securities. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations which, if repeated in the future, could adversely affect the trading price of the Notes without regard to the Bank's operating results, financial condition or prospects or credit rating.

The Notes may or must be redeemed prior to maturity for certain reasons

On the occurrence of one of the early redemption events described in Condition 7, the Issuer may, or in some cases must, redeem the Notes in whole or in part together with accrued and unpaid interest at any time, and the Issuer shall redeem all outstanding Notes in accordance with the Conditions. On such redemption, or at maturity, the Issuer may not have the funds to fulfil its obligations under the Notes and it may not be able to arrange for additional financing. Further, if the Issuer is able or perceived to be able to redeem the Notes prior to their maturity then this may adversely affect the market price of the Notes from time to time.

Redemption for Tax Reasons – The Bank will have the right to redeem the Notes upon the occurrence of certain changes requiring it to pay withholding taxes in excess of current levels, if any applicable to interest or other payments on the Notes

As provided in Condition 9 (*Taxation*), all payments of principal, interest and other amounts in respect of the Notes by the Bank shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Uzbekistan or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In the event that any such withholding or deduction is required by law, the Bank shall (subject to certain exceptions) pay such additional amounts as will result in the receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, as more fully described in Condition 9.

As described in Condition 7, the Bank will have the right to redeem the Notes in whole, but not in part, at any time, if (i) the Bank has or will become obliged to pay additional amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Republic of Uzbekistan, or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or becomes effective on or after the Issue Date and (ii) such obligation cannot be avoided by the Bank taking reasonable measures available to it. Upon such a redemption, investors in such Notes might not be able to reinvest the amounts received at a rate that will provide the same rate of return as their investment in the Notes. This redemption feature is also likely to limit the market value of the Notes at any time when the Bank has the right to redeem them as provided above, as the market value at such time will generally not rise substantially above the price at which they can be redeemed. This may similarly be true in the period before such time when any relevant change in law or regulation is yet to become effective.

The Notes are subject to modification and variation

The Conditions contain provisions for calling meetings of the Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The Conditions also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of certain provisions of the Notes, the Paying Agency Agreement or the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature and is made to correct a manifest error, (ii) any other modification thereof (subject as provided in the Trust Deed) or any waiver or authorisation of any breach or proposed breach thereof which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders.

The Notes may only be transferred in accordance with the procedures of the depositaries in which the Notes are deposited and investors will have to rely on these procedures for transfer, payment and communication with the Issuer and any enforcement of their rights

Except in limited circumstances, the Notes will be issued only in global form, with interests therein held through the facilities of DTC and/or Euroclear and/or Clearstream, Luxembourg. Ownership of beneficial interests in the Notes is shown on, and the transfer of that ownership is affected only through, records maintained by DTC and/or Euroclear and/or Clearstream, Luxembourg, or their nominees and the records of their participants. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. These laws may impair the ability to transfer beneficial interests in the Notes. Because DTC and/or Euroclear and/or Clearstream, Luxembourg, can only act on behalf of their participants, which, in turn, act on behalf of owners of beneficial interests held through such participants and certain banks, the ability of a person having a beneficial interest in a Note to pledge or transfer such interest to persons or entities that do not participate in the DTC and/or Euroclear and/or Clearstream, Luxembourg systems may be impaired.

While the Notes are represented by Global Notes, the Issuer will discharge its payment obligation under the Notes by making payment through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the notes so represented or to directly enforce their rights therein. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies and otherwise in reliance on the procedures of the DTC, Euroclear and Clearstream, Luxembourg and/or direct participants in such clearing systems. The Issuer cannot guarantee that procedures implemented for the granting of such proxies will be sufficient to enable holders of beneficial interests in the Global Notes to vote on any requested actions, enforce their rights of Noteholders with respect to the Global Notes or take any other action on a timely basis or at all.

Additional notes may be issued with identical terms but that are not otherwise "fungible" with the original Notes for U.S. federal income tax purposes, which may impact the market value of the original Notes

The Issuer may, without the consent of the holders of outstanding Notes, issue additional notes with identical terms. These additional notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may be treated as a separate series that is not fungible with the original Notes for U.S. federal income tax purposes. In such a case, the additional notes may be considered to have been issued with original issue discount ("**OID**") (or a greater amount of OID than the original Notes) even if the original Notes had no OID. These differences may affect the market value of the original Notes if the additional notes are not otherwise distinguishable from the original Notes. For further discussion, see "*Certain U.S. Federal Income Tax Considerations*."

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of this Offering Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to English law or, as the case may be, the laws of the Republic of Uzbekistan or, in either case, administrative practice after the date of this Offering Memorandum.

Investors who hold less than the minimum specified denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

The Notes have denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. Accordingly, it is possible that they may be traded in amounts that are not integral multiples of U.S.$200,000. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than U.S.$200,000 in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of the Notes at or in excess of U.S.$200,000 such that its holding amounts to at least equal to U.S.$200,000. Further, a holder who, as a result of trading such amounts, holds an amount which is less than U.S.$200,000 in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should such Notes be printed) and would need to purchase a principal amount of Notes at or in excess of U.S.$200,000 such that its holding amounts to at least equal to U.S.$200,000.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in U.S. dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than U.S. dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to U.S. dollar would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Governments and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor's Currency.

USE OF PROCEEDS

The gross proceeds from the offering of Notes will be approximately U.S.$297 million. The Issuer's total expenses related to the issuance and admission to trading of the Notes including but not limited to Joint Lead Managers' fees, legal fees, auditor's fees, listing fees and process agent fees, are estimated to be approximately U.S.$3 million.

The Issuer will use the net proceeds from the issuance of the Notes for general corporate purposes.

CAPITALISATION

The following table sets forth the Group's capitalisation as at 31 December 2025. This information should be read in conjunction with the Financial Statements and the notes thereto included elsewhere in this Offering Memorandum and "*Operating and Financial Review*" and "*Use of Proceeds*".

	As at 31 December 2025
	million soums (unaudited)
Indebtedness	
Other borrowed funds	8,249,409
Subordinated debt	1,513,089
Total indebtedness	**9,762,498**
Equity	
Share capital	2,838,818
Retained earnings	638,288
Non-controlling interest	13,905
Total equity	**3,491,011**
Total capitalisation[(1)]	**13,253,509**

[(1)] Total capitalisation represents the sum of total equity and total indebtedness.

Other than as described above, since 31 December 2025, there have been no material changes in the consolidated capitalisation and indebtedness of the Group.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The financial information set forth below as at and for the years ended 31 December 2025, 2024 and 2023 has been extracted without material adjustment from the Financial Statements. The additional financial data includes KPIs, APMs and non-IFRS measures and was derived from data extracted from the Financial Statements and unaudited consolidated management accounts. The financial data set forth below should be read in conjunction with, and is qualified in its entirety by reference to, the Financial Statements and related notes included elsewhere in this Offering Memorandum and "Operating and Financial Review".

Selected Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Year ended 31 December		
	2025	**2024 (restated)**	**2023**
		million soums (audited)	
Interest income calculated using the effective interest method	3,408,794	2,381,452	1,939,857
Other similar income	5,277	1,072	2,205
Interest and similar expense	(2,777,369)	(1,771,250)	(1,290,102)
Net margin on interest and similar income	**636,702**	**611,274**	**651,960**
Credit loss allowance for assets carried at amortised cost	(194,736)	(321,841)	(129,561)
Initial recognition adjustment on interest bearing assets	(283,650)	(13,378)	-
Net margin on interest and similar income after credit loss allowance and initial recognition adjustment	**158,316**	**276,055**	**522,399**
Fee and commission income	1,174,901	853,127	690,627
Fee and commission expense	(915,403)	(658,909)	(514,089)
Losses from modification of financial assets measured at amortised cost, that did not lead to derecognition	(1,544)	-	-
Foreign exchange translation (losses)/gains	(19,974)	70,583	66,341
Net gain from trading in foreign currencies	131,404	92,817	89,708
Other operating income	9,508	11,748	261,229
Gains less losses from securities at fair value through profit or loss	58,503	5,625	-
Revenue from contracts with customers	114,088	-	-
Cost of sales of constructed buildings sold to customers	(80,070)	-	-
Administrative and other operating expenses	(905,717)	(858,012)	(650,358)
Other impairment and provisions	(30,802)	(4,925)	-
Impairment of assets held for sale	(947)	(2,337)	-
Share of result from associates	(2,836)	(2)	(553)
(Loss)/profit before tax	**(305,317)**	**295,018**	**465,304**
Income tax credit/(expense)	111,430	(42,103)	(106,796)
(Loss)/profit for the year	**(193,887)**	**252,915**	**358,508**
Revaluation of premises upon transfer to investment properties	324,270	-	-
Tax effect	(64,854)	-	-
Other comprehensive income for the year	**259,416**	-	-
Total comprehensive income for the year	**65,529**	**252,915**	**358,508**

Selected Consolidated Statement of Financial Position

	As at 31 December		
	2025	**2024 (restated)**	**2023**
		million soums (audited)	
Assets			
Cash and cash equivalents	3,169,017	2,582,246	1,474,301
Due from other banks	965,230	217,554	655,816
Loans and advances to customers	19,064,825	13,041,918	10,485,387
Investment in debt securities	3,113,220	2,178,373	217,796
Investment in equity securities	234,237	103,126	39,697
Investment in associates and joint ventures	13,388	59,909	60,501
Investment property	343,927	-	-
Premises, equipment and right of use assets	2,956,506	2,798,194	2,447,460
Intangible assets	20,920	31,046	44,750
Deferred income tax asset	95,529	40,269	50,302
Other financial assets	105,575	1,202,690	40,236
Other non-financial assets	1,023,298	315,911	261,920
Non-current asset held for sale	238,540	97,920	-
Total assets	**31,344,212**	**22,669,156**	**15,778,166**
Liabilities			
Due to other banks	3,843,010	2,141,157	1,144,772
Customer accounts	13,970,219	12,747,607	8,518,726
Other borrowed funds	8,249,409	4,139,368	3,230,591
Other financial liabilities	242,684	216,781	223,770
Other non-financial liabilities	34,790	151,316	64,036
Corporate income tax payable	-	1,500	38,243
Subordinated debt	1,513,089	171,731	160,342
Total liabilities	**27,853,201**	**19,569,460**	**13,380,480**
Equity			
Share capital	2,838,818	2,524,157	1,197,178
Retained earnings	638,288	574,599	1,200,177
Net assets attributable to the Bank's owners	**3,477,106**	**3,098,756**	**2,397,355**
Non-controlling interest	**13,905**	**940**	**331**
Total equity	**3,491,011**	**3,099,696**	**2,397,686**
Total liabilities and equity	**31,344,212**	**22,669,156**	**15,778,166**

Selected Key Performance Indicators and Alternative Performance Measures (Unaudited)

	As at or for the year ended 31 December		
	2025	2024 (restated)	2023
		% (unaudited)	
Financial Performance			
Return on average assets[(1)]	(0.7)	1.3	2.3
Return on average equity[(2)]	(5.9)	9.2	17.1
Cost-to-income ratio[(3)]	84.0	57.7	52.2
Net Interest Margin[(4)]	2.9	4.1	5.0
Allowance for loan losses / Gross loans[(5)]	2.6	3.1	1.5
Liquidity			
Total liquid assets[(6)] / total assets	20.0	21.0	10.7
Capital Adequacy			
Regulatory Capital Ratio[(7)]	14.1	13.9	16.4
Capital Adequacy Ratio[(7)]	10.1	11.8	11.5
Leverage Ratio[(7)]	10.0	11.1	11.8
Credit Quality			
Credit impaired loans as a proportion of the gross loans (NPL ratio)[(8)]	7.2	7.5	6.1
Credit impaired loans coverage[(9)]	36.5	42.0	24.0

Notes:

(1) Return on average assets is calculated as profit for the period divided by the average balance of total assets. The average balance of total assets is based on the average of opening balance and the closing balance at the end of each year within each applicable period.

(2) Return on average equity is calculated as profit for the period divided by the average of total equity. The average total equity is based on the average of the opening balance and the closing balance at the end of each year within each applicable period.

(3) Cost-to-income ratio is calculated as administrative and other operating expenses divided by the sum of operating income. Sum of operating income includes net margin on interest and similar income, net fee and commission income (calculated as fee and commission income minus fee and commission expense), losses from modification of financial assets measured at amortised cost, that did not lead to derecognition, foreign exchange translation (losses)/gains, net gain from trading in foreign currencies, other operating income, gain on disposal of property and equipment, gains less losses from securities at fair value through profit or loss, revenue from contracts with customers, cost of sales of constructed buildings sold to customers, other impairment and provisions, impairment of assets held for sale, and share of result from associates.

(4) Net interest margin is calculated as net margin on interest and similar income for the year divided by average interest-earning assets. The average interest-earning assets are based on the opening balance and the closing balance at the end of each year within each applicable period. Interest-earning assets include loans and advances to customers, investments in debt securities, cash and cash equivalents (excluding cash on hand) and due from other banks.

(5) Allowance for loan losses / Gross loans is calculated as allowance for expected credit losses as at the period end divided by total gross loans and advances to customers as at the period end.

(6) Total liquid assets represent cash and cash equivalents and investment in debt securities divided by the total assets.

(7) Regulatory Capital Ratio (ratio of regulatory capital to risk weighted assets), Capital Adequacy Ratio (ratio of tier 1 capital to risk weighted assets) and Leverage Ratio (ratio of tier 1 capital to total assets, excluding: (i) reserves created for standard assets, (ii) special reserves, and (iii) assets subject to deduction from core capital in accordance with paragraphs 19–21 of the CBU Capital Regulation, plus off-balance sheet accounts and derivative instruments) are calculated based on CBU standards.

(8) Credit impaired loans are defined as stage 3 gross loans and advances to customers as at the period end. NPL ratio is calculated as credit impaired loans divided by total gross loans and advances to customers as at the period end.

(9) Credit impaired loans coverage is calculated as the credit loss allowance as at period end divided by the total amount of stage 3 gross loans and advances to customers as at the period end.

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis of the Bank's financial condition and results of operations covers the years ended 31 December 2025, 2024 and 2023. Unless otherwise indicated, all of the financial data and discussions thereof are based on the Financial Statements and the unaudited consolidated management accounts. This section should be read together with the Financial Statements and the notes thereto, as well as the other financial information included elsewhere in this Offering Memorandum.

The following discussion contains forward-looking statements. The Bank has based these forward-looking statements on its current projections and expectations about future events. The actual results of the Bank may differ materially from those anticipated in these forward-looking statements as a result of many important factors, including those set for under "Risk Factors" and elsewhere in this Offering Memorandum.

Overview

The Bank is one of the leading banks in the Republic of Uzbekistan offering a wide range of banking products, offerings and solutions. According to the CBU, as at 31 December 2025, the Bank was the 10th largest commercial bank in Uzbekistan by total assets (with a 3 per cent. market share), 11th by loan portfolio size (with a 3 per cent. market share), 13th by capital (with a 3 per cent. market share), 8th by deposits (with a 4 per cent. market share) and 13th by net profit (with a 2 per cent. market share).

The Bank operates across a number of business areas, including corporate business, SMEs, retail business and investment activities and its products and services include corporate lending, retail lending, deposit taking, cash handling, international money transfers, letters of credit, guarantees, foreign exchange operations and other banking products.

The Bank offers its products through its multichannel offline and online distribution network. As at 31 December 2025, the Bank's offline network was comprised of 15 regional service centres (offering a wide range of banking products and services and coordinating the Bank's activities within the relevant region), 76 urban service centres (offering account opening, lending, deposit taking, foreign exchange operations as well as payment processing and advisory services), 165 ATMs, 14,551 payment terminals and 27,499 EPOS terminals across all cities and towns in Uzbekistan. The Bank's products and services may also be accessed through its online banking platform and Zoomrad and AloqaBusiness mobile applications.

The Bank is a principal member of VISA International and Mastercard International as well as a member of the Society for Worldwide Interbank Financial Telecommunication ("**SWIFT**").

As at 31 December 2025, the Bank's total assets comprised UZS31,344,212 million while the total liabilities comprised UZS27,853,201 million. Total equity was UZS3,491,011 million. As at 31 December 2025, total loans and advances to customers (net of credit loss allowance) amounted to UZS19,064,825 million. As at 31 December 2025, customer accounts amounted to UZS13,970,219 million, including customer accounts of state and public organisations in the amount of UZS3,761,695 million (or 26.9 per cent. of total customer accounts), other legal entities' customer accounts in the amount of UZS4,029,336 million (or 28.8 per cent. of total customer accounts) and individuals' customer accounts amounting to UZS6,179,188 million (or 44.2 per cent. of total customer accounts). For the year ended 31 December 2025, the Bank generated a loss of UZS193,887 million and for the years ended 31 December 2024 and 2023, the Bank generated a profit of UZS252,915 million and UZS358,508 million, respectively.

The Bank was incorporated in 1994 under the laws of the Republic of Uzbekistan and operates under the licence issued by the CBU on banking operations No.48 dated 10 February 2026 (replaced licence No.48 dated 25 December 2021 and licence No.48 dated 9 July 2024). The registered office of the Bank is located at Shaykhontohur district, Ukchi Street 2, Tashkent 100011. The telephone number of the registered office of the Bank is +998 (71) 230-77-77. As at the date of this Offering Memorandum, the Bank has the following long-term ratings: 'BB' (stable outlook) from Fitch and 'Ba3' (stable outlook) from Moody's.

Segment Reporting

The Group identifies a single segment in accordance with the criteria set in IFRS 8 "Operating Segments" and based on the way the operations of the Group are regularly reviewed by the chief operating decision maker to analyse performance and allocate resources among business units of the Group. Management considers that a

single-segment presentation more appropriately reflects the Group's integrated banking business and results in clearer and more efficient financial reporting. See Note 31 to the 2025 and 2024 Financial Statements.

Factors Affecting the Results of Operations

Key factors affecting the Group's results of operations during the period under review, and which are expected to continue to affect the Group's results of operations in the future, are discussed below.

Macroeconomic Conditions

The Group provides mainly banking services in the Republic of Uzbekistan, and therefore its results of operations and financial condition are substantially affected by the overall macroeconomic conditions in Uzbekistan and globally. Strong economic growth in Uzbekistan generally supports lending activity, deposit growth and overall transaction volumes, whereas periods of volatility tend to reduce demand for credit and increase credit risk and liquidity pressures. In addition, inflation, policy rate movements, currency depreciation, external trade disruptions and geopolitical developments further impact funding costs, borrower repayment capacity and foreign exchange activity. Changes in both the global and domestic environment have in the past resulted in lower liquidity levels across the banking sector, tighter credit conditions for Uzbekistan companies generally and fluctuating global demand for, and instability in the prices of, gold, natural gas, cotton and other commodities, and downward pressure on the soum. Global and emerging market uncertainties have continued for the past several years, driven by, amongst others, ongoing geopolitical risks including the Russia-Ukraine conflict, heightened tensions in the Middle East, global monetary policies, high inflation and concerns about the slowdown of global growth rates, global trade tensions, the introduction of sweeping protectionist tariff measures by the United States and other geopolitical risks.

Global and regional economic conditions remain volatile, and there is significant economic uncertainty. Real GDP growth in Uzbekistan was 7.7 per cent. in 2025, 6.7 per cent. in 2024 and 6.3 per cent. in 2023, according to the National Statistics Committee of the Republic of Uzbekistan. Whilst Uzbekistan's economy was one of the three economies in the Europe and Central Asia region to maintain positive economic growth in 2020 despite the impact of COVID-19, Uzbekistan's economy is nonetheless vulnerable to external shocks and the economic performance of its trading partners. Due to the conflict between the Russian Federation and Ukraine and growing geopolitical tensions, since February 2022 there has been a significant increase in volatility in the currency markets, as well as the increased volatility of the soum against the U.S. dollar and the euro. The outlook for the global economy (and particularly emerging markets) over the near to medium term remains challenging, which in turn might impact prospects for improving economic and financial conditions in Uzbekistan. A lack of improvement, or deterioration, in these conditions could affect lending volumes, fee-generating activity, funding conditions, borrower performance and, accordingly, the Group's profitability and results of operations.

A significant decline in economic growth in any of Uzbekistan's other major trading partners, particularly Russia (whether or not due to the ongoing war in Ukraine or resulting from sanctions imposed by, among others, the United States, the United Kingdom and the EU), China and Kazakhstan, could reduce demand for Uzbek exports, weaken remittance inflows (particularly from Russia), trade-related payment volumes and investment activity and overall affect Uzbekistan's balance of trade and economic growth. Uzbekistan also depends on neighbouring states to access world markets for a number of its major exports. Should access to these export routes be materially impaired, this could adversely impact Uzbekistan's economy and borrowers in trade, logistics and related sectors. Events occurring in one geographic or financial market sometimes have so-called "contagion effects", whereby they result in an entire region or class of investments being disfavoured by international investors. See "*Risk Factors – Risks Related to the Republic of Uzbekistan.*" These factors, in turn, may influence customer activity, foreign currency liquidity, asset quality and the Group's access to funding.

In June 2025, Moody's affirmed the Republic of Uzbekistan's long-term sovereign credit rating at the Ba3 level and upgraded the outlook to Positive. In November 2025, S&P upgraded the Republic of Uzbekistan's long-term and short-term sovereign credit rating for foreign and local currency liabilities to BB level with Stable outlook. In June 2025, Fitch upgraded the Republic of Uzbekistan's long-term foreign-currency issuer default rating to BB level, outlook Stable. These sovereign rating actions are indicative of investor sentiment and funding conditions for Uzbek issuers, such as the Issuer and other banks, although market access and pricing remain sensitive to global risk appetite and sovereign developments.

According to the IMF's World Economic Outlook published in October 2025, the IMF projects real GDP growth of 6.0 per cent. in Uzbekistan in 2026.

The table below sets forth certain macroeconomic data relating to Uzbekistan for the years ended 31 December 2025, 2024 and 2023.

	Year ended 31 December		
	2025	**2024**	**2023**
Nominal GDP at current prices, *soums billion*	1,849,650.0	1,454,391.7	1,204,485.4
Real GDP growth year-on-year, total *(%)*	7.7	6.7	6.3
GDP per capita at current prices, *soums thousand*	48,816.4	41,306.7	34,653.2
Period-end inflation *(%)*	7.3	9.8	8.8

The economy of Uzbekistan is also significantly affected by inflationary pressure. Uzbekistan's inflation was 7.3 per cent. in 2025, 9.8 per cent. in 2024 and 8.8 per cent. in 2023. Following the easing of inflationary conditions, the CBU cut its policy rate from 15.0 per cent. to 14.0 per cent. in March 2023 and to 13.5 per cent. in July 2024. In March 2025, the policy rate was raised by 50 basis points to 14.0 per cent. due to rising inflation and an elevated inflation forecast. As at the date of this Offering Memorandum, the CBU policy rate is 14.0 per cent. See "*Risk Factors – Risks Related to the Republic of Uzbekistan — Uzbekistan's economy is under inflationary pressure*." The expenses of the Bank are mostly denominated in soums and, accordingly, are potentially affected by inflation. For example, employee wages have been, and are likely to continue to be, particularly sensitive to monetary inflation in Uzbekistan. At the same time, high inflation and policy-rate changes can also support asset repricing and interest margin, although the benefit to revenue depends on the speed and extent to which increases in asset yields offset higher funding costs, operating costs and credit risk; lower inflation may, in turn, support loan demand and asset quality.

Uzbekistan's banking system's low exposure to global financial markets largely shielded the sector from the effects of the global financial crisis owing to limited financial liberalisation, a partially integrated economic structure within the world trading system and large financial subsidies for key sectors. However, Uzbekistan's banking sector remains concentrated, underdeveloped and vulnerable to macroeconomic shocks, such as the devaluation of the soum. As at 1 January 2026, the banking sector of Uzbekistan consisted of 35 active banks, including nine wholly or partially state-owned banks and five banks with foreign banking capital. As at 1 January 2026, credit concentration in the banking sector was high, with wholly and partially state-owned banks holding 63.5 per cent. of all of the banking sector's total assets, 67.0 per cent. of the banking sector's total loans, 64.0 per cent. of the banking sector's liabilities and 51.0 per cent. of the banking sector's total deposits. A large share of the banking sector's loans consists of state-guaranteed loans to state-owned companies; however, this share has been decreasing since 2019. These features of Uzbekistan's banking system affect competitive dynamics, funding conditions and loan pricing, and they continue to influence the Group's business mix and margins.

In 2025, the U.S. president announced sweeping tariffs, non-tariff barriers and other protectionist trade measures aimed at countering perceived unfair trade practices by other nations. Key actions included the imposition of broad-based tariffs (averaging up to 27.0 per cent. and reaching 145.0 per cent. for China) on imports and targeted maritime trade fees specifically levied against Chinese-built or owned vessels docking at U.S. ports. With respect to Uzbekistan, U.S. measures introduced a standard 10.0 per cent. reciprocal tariff on goods. These trade policies have prompted retaliatory actions from a number of countries, heightened global economic uncertainty, disrupted supply chains and led to warnings from the International Monetary Fund about slower global growth. Although the direct impact of these protectionist measures on Uzbekistan is limited, it remains vulnerable to the secondary consequences of global trade disruptions such as slower economic growth in key trading partners, which could reduce demand for Uzbek exports and reduce commodity prices, as they can result in slower growth or recession in the economies of Uzbekistan's principal export and import markets. In particular, the Bank's loan portfolio has significant exposure to Uzbekistan's manufacturing, mining, energy and trade sectors, which are the country's principal export-oriented industries and could therefore be indirectly affected by a prolonged deterioration in global trade conditions.

Overall, stronger economic conditions tend to result in increased demand for the Bank's banking products and services, including loans, deposits and other products. On the other hand, any deterioration of the economy affects the Uzbekistan banking sector by the reduction of profits, accumulation of losses and growth in the percentage of non-performing loans on the balance sheets of banks. Customers' and investors' lack of confidence

in the banking industry may cause volatility in the funding markets, leading to higher borrowing costs and restricting access to liquidity for banks.

Ongoing Reform of the Banking System in Uzbekistan

The banking system in Uzbekistan is undergoing a reform pursuant to the Decree on Reforming the Banking System. See "*The Banking Sector and Banking Regulation in the Republic of Uzbekistan — Recent and Expected Banking Reforms*".

During the period under review, further to the objectives set out in the Decree, the Bank, in cooperation with the international financial institutions, implemented certain measures, including upgrading its information systems, establishing a new digital business unit, updating restrictions on lending to large debtors, and developing a roadmap to optimise the growth of the Bank's loan portfolio and mitigate concentration risk. In order to enhance the availability and quality of financial services, the Bank implemented specific strategies. These include the large-scale introduction of remote services for individuals and small businesses, the development of additional loan, deposit and cash settlement products and the modernisation of credit scoring systems to more precisely assess credit risk.

The ongoing banking reform and the corresponding measures implemented by the Bank have had, and are expected to continue to have, an impact on margins and the results of operations of the Bank. In particular, the transition away from state-directed and subsidised lending towards commercially priced product, which is a key objective of the banking sector reform, has resulted in pressure on net interest margins in the short term, while changes in the composition of the loan portfolio are expected to influence profitability over time. During this transition, the Bank experienced an increase in funding costs, which preceded the corresponding repricing or replacement of lower-yielding legacy loans in the Bank's portfolio. As a result of this timing lag and temporary mismatch — whereby higher-cost funding was raised before the portfolio could be sufficiently reoriented towards higher-yielding assets — the Bank's net interest margin declined. As a result, while the change in portfolio mix has the potential to support interest income generation and therefore improve the interest income margin over the medium term, it may lead to increased cost pressures and greater sensitivity of earnings to credit performance. These trends reflect an ongoing rebalancing of the Bank's business model, and the impact on profitability will continue to depend on the pace of loan portfolio repricing, the Bank's ability to manage funding costs and the performance of newly originated loans. See also "—*Changes in the Size and Composition of the Loan Portfolio*".

Currency Fluctuations

The functional currency of the Bank, which is the currency of the primary economic environment in which the Bank operates, and the Bank's presentation currency, is the Uzbek soum. Monetary assets and liabilities are translated into the Bank's functional currency at the official exchange rate of the CBU at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities into the Bank's functional currency at the period-end official exchange rates of the CBU are recognised in profit or loss.

In 2017, the CBU liberalised the foreign currency market allowing the exchange rate to be determined by market forces. As a result, the foreign exchange market stabilised at the end of 2017. Ever since, the soum has continued to depreciate against the U.S. dollar and euro. The soum devalued by 7.7 per cent. in 2025, 4.7 per cent. in 2024 and 9.8 per cent. in 2023.

In addition, the Bank is exposed to volatility in foreign currency rates. Assets and liabilities of the Bank are denominated in several foreign currencies. Foreign currency risk arises when the actual or forecasted assets in a foreign currency are either greater or less than the liabilities in that currency. Following the Offering, the Bank plans to maintain its involvement in global capital markets, which subjects it to further risks inherent in currency fluctuations and the uncertainty of these markets as a reliable funding source. Despite the Bank's strategy to balance its foreign currency position, any depreciation of the Uzbek soum against the U.S. dollar could negatively affect the Bank in a number of ways, including, among other things, by increasing the actual cost to the Bank of financing its U.S. dollar-denominated liabilities and by making it more difficult for Uzbekistan borrowers to service their U.S. dollar loans. Because a material share of the Bank's assets and liabilities is denominated in foreign currency, movements in the exchange rate affect the reported size of the balance sheet in soum terms, the debt-service capacity of borrowers with foreign currency obligations and the level of foreign

exchange-related income or losses. Conversely, appreciation of the soum may reduce the soum-equivalent cost of servicing foreign currency liabilities and may support borrowers with foreign currency exposures, but may also reduce the soum-equivalent value of foreign currency income streams and assets. A significant portion of the Group's exposure to foreign exchange rate risk also depends on factors beyond its control, including overall market trading activity, fluctuations in interest rate levels and exchange rates, government actions and general market volatility. The Bank also hedges its currency risk by entering into currency swaps.

As at 31 December 2025, 64.2 per cent. of the Group's loans and advances to customers were denominated in soums, 33.0 per cent. in U.S. dollars and the remaining 2.8 per cent. in Euro and other currencies.

Commodity prices, including prices for energy and other key imports, have also fluctuated significantly since February 2022. Such fluctuations may indirectly affect the value of the soum through their impact on inflation, foreign exchange inflows and overall economic conditions. Accordingly, the Group's credit portfolio is indirectly exposed to fluctuations in commodity prices, particularly where borrowers have U.S. dollar-denominated loans and may be adversely affected by depreciation of the soum, which could increase the likelihood of requests for restructuring of foreign currency-denominated loans. Conversely, favourable commodity price dynamics and improved external balances may support exchange rate stability and borrowers' repayment capacity.

Changes in the Size and Composition of the Loan Portfolio

Increases or decreases in the overall size of the Bank's loan portfolio and in the mix of its portfolio significantly impact the Group's total interest income and net interest margin. As at 31 December 2025, the Group's total gross loans and advances to customers amounted to UZS19,577,898 million, representing a 45.4 per cent. increase as compared to total gross loans and advances to customers as at 31 December 2024, which in turn was an increase of UZS2,823,685 million, or 26.5 per cent., as compared to 31 December 2023. The size of the Bank's loan portfolio in soums has continued to increase as a result of growth in lending activity, in particular in large loans to corporate customers (particularly to clients in the trade sector) and loans to individuals (including car loans and retail mortgages), the overall depreciation of the Uzbek soum against the U.S. dollar, a material proportion of the Bank's loan portfolio being denominated in U.S. dollars as compared to soums and the general development of the banking sector in Uzbekistan. In addition, the composition of the Bank's loan portfolio has further shifted towards higher-margin products (particularly in the retail segment) in line with the general transition in the Bank's strategy and business mix.

Historically, the Bank's loan book and lending strategy were predominantly focused on lower-margin loans to NMMC and Uzbektelecom, which were funded through deposits and loans from the UFRD, the Ministry of Economy and Finance and other state agencies. Such loans were typically provided on subsidised terms, meaning their contribution to the Bank's profitability was materially lower than commercially priced lending. As part of its strategy to reduce the share of subsidised lending and increase the proportion of higher-margin products, the Bank has continued to grow its retail and SME portfolios. The share of loans to individuals in the loan portfolio increased to UZS6,529,232 million, or 33.4 per cent., as at 31 December 2025 from UZS3,396,047 million, or 31.9 per cent. of total gross loans and advances to customers, as at 31 December 2023, with the trade sector share in the loan portfolio increasing to 17.5 per cent. from 6.0 per cent. over the same period. In addition, certain lending by the Bank continues to be undertaken at below-market interest rates in connection with state-directed programmes. For the year ended 31 December 2025, initial recognition losses on interest-bearing assets placed at below-market rates amounted to UZS283,650 million, compared with UZS13,378 million for the year ended 31 December 2024, and represent a material drag on effective net interest income.

In line with the strategy of diversification of the loan portfolio, during the period under review the Bank has increased the share of actively developing sectors of the economy in its loan book, such as trade (the share in the Group's loan portfolio increased to 17.5 per cent. as at 31 December 2025 from 6.0 per cent. as at 31 December 2023) and loans to individuals (the share in the Group's loan portfolio increased to 33.4 per cent. as at 31 December 2025 from 27.7 per cent. as at 31 December 2023), while maintaining its long-standing relationships with the companies in the Bank's sectors of expertise, including manufacturing and construction.

While the shift from low-margin, government-subsidised loans to higher margin loans at market rates resulted in an increase in the Group's interest income during the period under review, the Bank experienced net interest margin compression during the period under review, with net interest margin declining from 5.0 per cent. in 2023 to 4.1 per cent. in 2024 and 2.9 per cent. in 2025. This decrease indicates that the growth rate of the Bank's

interest expenses has substantially outpaced the growth in yields on its income-generating assets and in the newly originated loans at market rates. In particular, the increase in the amount due from other banks (UZS965,230 million) and investment in debt securities (UZS3,113,220 million) in the year ended 31 December 2025 which typically generate lower yields than loans, contributed to margin compression. The Bank is taking targeted steps to improve its net interest margin over the medium term, including increasing the share of higher-yield assets such as microloans and retail loans, and transitioning to a more cost-efficient funding base, such as online deposits and plastic cards.

In addition, while loan growth has supported interest income, rapid growth may also increase credit risk and may require additional capital and liquidity resources. The relative growth of retail versus corporate lending affects portfolio yield, funding requirements and risk profile, with retail lending typically carrying higher yields but also potentially higher sensitivity to household income dynamics, and corporate lending often being more concentrated by borrower and sector.

The customer concentration has been declining during the period under review. As at 31 December 2025, the Group granted loans to four borrowers in the amount of UZS1,995,783 million (10.2 per cent. of total gross loans and advances to customers), which individually exceeded 10.0 per cent. of the Group's equity. As at 31 December 2024, loans to four borrowers which individually exceeded 10.0 per cent. of the Group's equity accounted for UZS1,606,545 million (11.9 per cent. of total gross loans and advances to customers), as compared to four borrowers in the amount of UZS2,092,097 million (20.0 per cent. of total gross loans and advances to customers) as at 31 December 2023. The decline in concentration reduced single-name exposure, although a relatively concentrated corporate book continues to create sensitivity to any adverse development affecting individual large borrowers, with implications for both interest income stability and credit loss provisions.

Quality of Loan Portfolio and Credit Loss for Assets Carried at Amortised Cost

The Group's NPL ratio was 7.2 per cent., 7.5 per cent. and 6.1 per cent. as at 31 December 2025, 2024 and 2023, respectively. NPLs in the Group's corporate and retail loan portfolios accounted for 8.3 per cent. and 5.0 per cent., respectively, of the corporate and retail loan portfolios as at 31 December 2025. The decrease in the share of NPLs in recent years was primarily driven by recoveries and repayments of non-performing exposures alongside growth in the performing loan portfolio, although these factors were partially offset by new NPL inflows.

For the year ended 31 December 2025, the Group's credit loss allowance for assets carried at amortised cost was UZS194,736 million, a 39.5 per cent. reduction as compared to UZS321,841 million for the year ended 31 December 2024, reflecting the lower rate of new Stage 3 loan formation in 2025 compared to 2024, partially offset by growth in the overall portfolio and increased provisioning on certain Stage 3 retail and micro loan exposures. Investors should note that the reduction in the annual provisioning charge does not reflect a corresponding improvement in the stock of non-performing loans, which should be considered alongside the cumulative allowance balance of UZS513,073 million as at 31 December 2025, compared with UZS423,388 million as at 31 December 2024.

The Group's credit loss allowance for assets carried at amortised cost for the year ended 31 December 2024 increased by 148.4 per cent. as compared to the year ended 31 December 2023 due to an increase in Stage 3 (credit-impaired) loans and advances to customers, reflecting Group's disciplined and conservative approach to risk identification. The Group's management believes that the level of allowance for expected credit losses for the year ended 31 December 2025 covers all significant overdue loans. The Group's allowance for expected credit losses is classified by three stages. See Note 9 to the 2025 and 2024 Financial Statements.

The provision for credit losses on loans and advances to customers increased by UZS89,685 million for the year ended 31 December 2025 as compared to the year ended 31 December 2024 as a result of the increase in total gross loans and advances to customers and an increase in Stage 3 (credit-impaired) loans and advances to individual customers. See "– *Financial Position – Loan Portfolio*". The Group recorded a provision for credit losses on loans and advances to customers of UZS423,388 million as at 31 December 2024, a 171.0 per cent. increase as compared to a provision of UZS156,234 million as at 31 December 2023. The changes in the Group's provision in 2024 and 2023 were mainly due to an increase in Stage 3 (credit-impaired) car loans.

Results of Operations for the Years Ended 31 December 2025, 2024 and 2023

For the year ended 31 December 2025, the Group's results for the period decreased by UZS446,802 million to a loss of UZS193,887 million from a profit of UZS252,915 million for the year ended 31 December 2024, which in turn was a reduction of UZS105,593 million from UZS358,508 million for the year ended 31 December 2023.

The following table sets forth the components of the Bank's consolidated statement of profit or loss for the periods indicated.

	Year ended 31 December		
	2025	**2024 (restated)**	**2023**
		(audited)	
		(*million soums*)	
Interest income calculated using the effective interest method	3,408,794	2,381,452	1,939,857
Other similar income	5,277	1,072	2,205
Interest and similar expense	(2,777,369)	(1,771,250)	(1,290,102)
Net margin on interest and similar income	**636,702**	**611,274**	**651,960**
Credit loss allowance for assets carried at amortised cost	(194,736)	(321,841)	(129,561)
Initial recognition adjustment on interest-bearing assets	(283,650)	(13,378)	-
Net margin on interest and similar income after credit loss allowance and initial recognition adjustment	**158,316**	**276,055**	**522,399**
Fee and commission income	1,174,901	853,127	690,627
Fee and commission expense	(915,403)	(658,909)	(514,089)
Losses from modification of financial assets measured at amortised cost that did not lead to derecognition	(1,544)	-	-
Foreign exchange translation (losses)/gains	(19,974)	70,583	66,341
Net gain from trading in foreign currencies	131,404	92,817	89,708
Other operating income	9,508	11,748	261,229
Gains less losses from securities at fair value through profit or loss	58,503	5,625	-
Revenue from contracts with customers	114,088	-	-
Cost of sales of constructed buildings sold to customers	(80,070)	-	-
Administrative and other operating expenses	(905,717)	(858,012)	(650,358)
Other impairment and provisions	(30,802)	(4,925)	-
Impairment of assets held for sale	(947)	(2,337)	-
Share of result from associates	(2,836)	(2)	(553)
(Loss)/profit before tax	**(305,317)**	**295,018**	**465,304**
Income tax credit/(expense)	111,430	(42,103)	(106,796)
(Loss)/Profit for the year	**(193,887)**	**252,915**	**358,508**

Net Margin on Interest and Similar Income After Credit Loss Allowance and Initial Recognition Adjustment

Net margin on interest and similar income after credit loss allowance is the largest component of the Group's operating income. For the year ended 31 December 2025, net margin on interest and similar income after credit loss allowance and initial recognition adjustment decreased by UZS117,739 million, or 42.7 per cent., to UZS158,316 million from UZS276,055 million for the year ended 31 December 2024, which in turn was a reduction of UZS246,344 million, or 47.2 per cent., from UZS522,399 million for the year ended 31 December 2023. The reduction in net margin on interest and similar income after credit loss allowance and initial recognition adjustment in 2025 resulted largely from an increase in initial recognition adjustments on interest-bearing assets to UZS283,650 million from UZS13,378 million in 2024, which arose in accordance with IFRS where assets originate on non-market terms under government initiatives or strategic objectives. In addition, the Bank experienced an increase in interest and similar expenses on customer accounts and other borrowed funds, reflecting a greater reliance on market-based funding. While this was partially offset by growth in interest income on loans and advances to customers, the combined effect of higher funding costs and the substantial increase in initial recognition adjustments contributed to the overall decline in net interest margin. The reduction in 2024 was primarily attributable to the growth of interest and other similar expenses on customer accounts and the growth of credit loss allowance for assets carried at amortised cost.

The Group recorded credit loss allowance for assets carried at amortised cost of UZS194,736 million for the year ended 31 December 2025, a 39.5 per cent. reduction as compared to UZS321,841 million for the year ended 31 December 2024, which in turn represented an increase of 148.4 per cent. as compared to UZS129,561 million for the year ended 31 December 2023. The fluctuations in the Group's credit loss allowance in 2025 and 2024 were mainly due to the Group's proactive and conservative approach to asset quality management, characterised by a comprehensive recognition of impairments in 2024 to strengthen the balance sheet, followed by a strategic

alignment of provisions in 2025 to support a growing and higher-quality loan portfolio. See "*Factors Affecting the Financial Statements—Quality of Loan Portfolio and Credit Loss for Assets Carried at Amortised Cost*".

The Group's net interest margin amounted to 2.9 per cent., 4.1 per cent. and 5.0 per cent. for the years ended 31 December 2025, 2024 and 2023, respectively. See "*Factors Affecting the Financial Statements— Changes in the Size and Composition of the Loan Portfolio*".

Interest Income Calculated Using the Effective Interest Method

For the year ended 31 December 2025, the Group's interest income calculated using the effective interest method increased by UZS1,027,342 million, or 43.1 per cent., to UZS3,408,794 million from UZS2,381,452 million for the year ended 31 December 2024, which in turn was an increase of UZS441,595 million, or 22.8 per cent., from UZS1,939,857 million for the year ended 31 December 2023.

The following table sets forth the principal components of the Group's interest income calculated using the effective interest method for the periods indicated.

	Year ended 31 December					
	2025		2024 (restated)		2023	
	million soums	*% of total*	*million soums*	*% of total*	*million soums*	*% of total*
			(audited)			
Interest income calculated using the effective interest method						
Loans and advances to customers	2,856,198	83.7	2,075,923	87.1	1,805,158	93.0
Debt securities	405,039	11.9	264,203	11.1	91,311	4.7
Due from other banks	147,557	4.3	41,326	1.7	43,388	2.2
Total interest income calculated using the effective interest method	**3,408,794**	**99.8**	**2,381,452**	**100.0**	**1,939,857**	**99.9**
Other similar income						
Other	5,277	0.2	1,072	0.0	2,205	0.1
Total other similar income	**5,277**	**0.2**	**1,072**	**0.0**	**2,205**	**0.1**
Total interest income	**3,414,071**	**100.0**	**2,382,524**	**100.0**	**1,942,062**	**100.0**

The increases in the Group's interest income calculated using the effective interest method during the periods under review were primarily attributable to the continued growth of interest income on loans and advances to customers and debt securities.

Interest income on loans and advances to customers increased by 37.6 per cent. to UZS2,856,198 million for the year ended 31 December 2025 as compared to UZS2,075,923 million for the year ended 31 December 2024, which in turn represented a 15.0 per cent. increase from UZS1,805,158 million for the year ended 31 December 2023. The increases were due to the growth of the Bank's loan portfolio.

In addition, interest income on debt securities increased by 53.3 per cent. to UZS405,039 million for the year ended 31 December 2025 as compared to UZS264,203 million for the year ended 31 December 2024, which in turn represented a 189.3 per cent. increase as compared to UZS91,311 million for the year ended 31 December 2023. These increases resulted from the growth of the Bank's government securities portfolio.

Interest income due from other banks grew by 257.1 per cent. to UZS147,557 million for the year ended 31 December 2025 as compared to UZS41,326 million for the year ended 31 December 2024, representing a 4.8 per cent. reduction from UZS43,388 million for the year ended 31 December 2023. The growth in the year ended 31 December 2025 was the result of a UZS771,918 million increase in long-term loans to other banks.

Interest Expense

For the year ended 31 December 2025, the Group's total interest and other similar expense increased by UZS1,006,119 million, or 56.8 per cent., to UZS2,777,369 million from UZS1,771,250 million for the year ended 31 December 2024, which in turn was an increase of UZS481,148 million, or 37.3 per cent., from UZS1,290,102 million for the year ended 31 December 2023.

The following table sets forth the principal components of the Bank's interest expense for the years indicated.

	Year ended 31 December					
	2025		2024 (restated)		2023	
	million soums	*% of total*	*million soums*	*% of total*	*million soums*	*% of total*
	(audited)					
Interest expense						
Customer accounts	1,973,442	71.1	1,424,211	80.4	930,049	72.1
Other borrowed funds	493,337	17.8	175,256	9.9	167,027	12.9
Due to other banks	170,311	6.1	148,599	8.4	189,278	14.7
Subordinated debt	133,281	4.8	15,471	0.9	-	0.0
Lease liabilities	6,998	0.3	7,713	0.4	3,748	0.3
Total interest and other similar expense	**2,777,369**	**100.0**	**1,771,250**	**100.0**	**1,290,102**	**100.0**

The overall increase in the Group's interest expense during the periods under review mainly resulted from increases in interest expense on customer accounts and other borrowed funds.

Interest expense on customer accounts increased by UZS549,231 million, or 38.6 per cent., to UZS1,973,442 million for the year ended 31 December 2025 as compared to UZS1,424,211 million for the year ended 31 December 2024, which in turn represented an increase of UZS494,162 million, or 53.1 per cent., as compared to UZS930,049 million for the year ended 31 December 2023. The increases were due to the overall growth in customer account balances and higher market interest rates on customer deposits. Higher interest rates on customer deposits reflected the general upward trend in market interest rates, as well as the Bank's targeted actions to support deposit growth and maintain a stable and diversified funding base.

Net Fee and Commission Income

The fee and commission income is one of the largest sources of the Group's non-interest income. The Bank's fee and commission income primarily comprises commissions generated by settlement transactions, cross-border money transfers, cash transactions, fees and commissions from issuing guarantees and letters of credit, foreign currency exchange and other operations. For the year ended 31 December 2025, the Group had net fee and commission income of UZS259,498 million as compared to net fee and commission income of UZS194,218 million for the year ended 31 December 2024 and UZS176,538 million for the year ended 31 December 2023.

The following table sets forth the components of the Bank's net fee and commission income for the years indicated.

	Year ended 31 December					
	2025		2024		2023	
	million soums	*% of total*	*million soums*	*% of total*	*million soums*	*% of total*
			(audited)			
Fee and commission income						
Settlement transactions	1,022,269	87.0	737,224	86.4	582,343	84.3
Cash transactions	58,245	5.0	35,208	4.1	39,659	5.7
International money transfers	35,910	3.1	35,756	4.2	40,778	5.9
Guarantees and letters of credit issued	21,917	1.9	29,212	3.4	15,501	2.2
Foreign currency conversion services	3,427	0.3	2,603	0.3	2,061	0.3
Other	33,133	2.8	13,124	1.5	10,285	1.5
Total fee and commission income	**1,174,901**	**100.0**	**853,127**	**100.0**	**690,627**	**100.0**
Fee and commission expense						
Settlement transactions	(887,182)	96.9	(619,534)	94.0	(398,100)	77.4
Cash transactions	(5,996)	0.7	(7,082)	1.1	(4,025)	0.8
Foreign currency conversion services	(2,623)	0.3	(436)	0.1	(3,486)	0.7
Transactions with securities	(2,121)	0.2	(1,584)	0.2	(1,341)	0.3
Other	(17,481)	1.9	(30,273)	4.6	(16,790)	3.3
Total fee and commission expense	**(915,403)**	**100.0**	**(658,909)**	**100.0**	**(514,089)**	**100.0**
Net fee and commission income	**259,498**		**194,218**		**176,538**	

The fee and commission income for the year ended 31 December 2025 increased by UZS321,774 million, or 37.7 per cent., to UZS1,174,901 million from UZS853,127 million for the year ended 31 December 2024, primarily due to the increase of UZS285,045 million, or 38.7 per cent., in the fee and commission income from settlement transactions, which comprised commissions earned on payment and settlement services provided to

customers through the Bank's transactional banking infrastructure, including account transfers, card-related services and other cashless payment transactions. This increase was largely driven by a higher number and value of customer payment and settlement transactions, supported by growth in active customer accounts and broader usage of cashless and remote banking services.

The fee and commission income for the year ended 31 December 2024 increased by UZS162,500 million, or 23.5 per cent., to UZS853,127 million from UZS690,627 million for the year ended 31 December 2023, primarily due to an increase of UZS154,881 million, or 26.6 per cent., in the fee and commission income from settlement transactions as a result of higher customer transaction activity, including an increase in the number and value of payment and settlement transactions, supported by growth in the Bank's active customer base and wider use of cashless and remote banking services during the period.

The fee and commission expense for the year ended 31 December 2025 increased by UZS256,494 million, or 38.9 per cent., to UZS915,403 million from UZS658,909 million for the year ended 31 December 2024, primarily driven by a 41.0 per cent. rise in expenditure on treasury activities (currency revaluation position) and 30.0 per cent. rise in e-commerce costs.

The fee and commission expense for the year ended 31 December 2024 increased by UZS144,820 million, or 28.2 per cent., to UZS658,909 million from UZS514,089 million for the year ended 31 December 2023, primarily as a result of a 55.6 per cent., or UZS221,434 million, increase in fee and commission expenses in connection with settlement transactions as a result of 39.3 per cent. rise in e-commerce costs and 49.3 per cent. rise in expenditure on treasury activities (currency revaluation position).

Other Operating Income

Other operating income decreased by UZS2,240 million, or 19.1 per cent., to UZS9,508 million for the year ended 31 December 2025 as compared to UZS11,748 million for the year ended 31 December 2024, which in turn represented a decrease of UZS249,481 million, or 95.5 per cent., as compared to UZS261,229 million for the year ended 31 December 2023. The changes in other operating income during the period under review were primarily due to the fluctuations in net gain on disposal of property and equipment which, in turn, was due to the non-recurrence of the UZS509,248 million gain on disposal of the Bank's IT Park headquarters building recognised in 2024. In 2025, the net gain on disposal of property and equipment was UZS5,256 million, with dividend income of UZS8,367 million representing the other principal component of other operating income. Investors should be aware that the 2024 property disposal gain was non-recurring in nature and its absence is the primary driver of the year-on-year decline in other operating income.

Foreign Exchange Translation (Losses)/Gains

The functional currency of the Group, which is the currency of the primary economic environment in which the Group operates, and the Group's presentation currency is Uzbek soum. Monetary assets and liabilities are translated into the Group's functional currency at the official exchange rate of the CBU at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of the transactions and from the translation of monetary assets and liabilities into the Group's functional currency at the period-end official exchange rates of the CBU are recognised in profit or loss.

For the year ended 31 December 2025, the Group recorded net loss on foreign exchange translation of UZS19,974 million as compared to net gain of UZS70,583 million for the year ended 31 December 2024 and net gain of UZS66,341 million for the year ended 31 December 2023. The changes during the periods under review were due to the revaluation of the Group's foreign currency-denominated monetary assets and liabilities, reflecting adverse exchange rate movements affecting balance sheet exposures in 2025 compared to favourable movements and net open positions in prior periods. See "*– Factors Affecting the Financial Statements – Currency Fluctuations*".

Net Gain from Trading in Foreign Currencies

Net gain from trading in foreign currencies grew by UZS38,587 million, or 41.6 per cent., to UZS131,404 million for the year ended 31 December 2025 as compared to UZS92,817 million for the year ended 31 December 2024, which in turn represented an increase of UZS3,109 million, or 3.5 per cent., as compared to UZS89,708 million for the year ended 31 December 2023. The increase in net gain from trading in foreign currencies for the years ended 31 December 2025 and 2024 was primarily driven by the expansion of foreign

trade turnover, which increased customer demand for conversion operations, as well as by the effective management of the open currency position amid volatility in the foreign exchange market. Additionally, the expansion of the range of derivative instruments offered by the Bank and the optimisation of spreads ensured a steady growth in the net profit margin.

Administrative and Other Operating Expenses

The main components of the Bank's administrative and other operating expenses are staff costs, depreciation of premises and equipment, membership fees, charity and sponsorship expenses, repairs and maintenance, office supplies, security service costs, advertising costs, professional services and other operating expenses.

The Group's administrative and other operating expenses increased by UZS47,705 million, or 5.6 per cent., to UZS905,717 million for the year ended 31 December 2025 as compared to UZS858,012 million for the year ended 31 December 2024, which in turn represented an increase of UZS207,654 million, or 31.9 per cent., as compared to UZS650,358 million for the year ended 31 December 2023.

The growth in administrative and other operating expenses for the year ended 31 December 2025 as compared to the year ended 31 December 2024 principally resulted from the growth of staff costs driven by the establishment of a new department, which was partially offset by a reduction in loss on disposal of assets.

The increase in administrative and other operating expenses for the year ended 31 December 2024 as compared to the year ended 31 December 2023 principally resulted from increases in loss on disposal of assets (of UZS104,641 million), membership fees (of UZS21,748 million, or 63.9 per cent.), repairs and maintenance (of UZS36,187 million, or 327.9 per cent.), office supplies (of UZS7,234 million, or 50.9 per cent.) and professional services (of UZS12,231 million, or 124.8 per cent.) which were partially offset by a reduction of UZS28,844 million, or 7.2 per cent., in staff costs (which was due to changes in the Bank's remuneration and bonus policy, resulting in lower variable compensation expenses during the period).

Income Tax Expense

For the year ended 31 December 2025, the Group recorded income tax credit of UZS111,430 million as compared to income tax expense of UZS42,103 million for the year ended 31 December 2024 and UZS106,796 million for the year ended 31 December 2023. This movement was primarily driven by the Group recording a loss before tax in 2025, in contrast to the profits generated in prior years, alongside the recognition of deferred tax effects from temporary differences and tax losses carried forward.

Profit for the Year

As a result of the aforementioned factors, the Group generated net loss for the year ended 31 December 2025 in the amount of UZS193,887 million and net profit for the years ended 31 December 2024 and 2023 in the amount of UZS252,915 million and UZS358,508 million, respectively.

Financial Position

The following discussion of the Group's assets and liabilities should be read in conjunction with "Risk Management" and, in particular, with the data provided under "Risk Management – Credit Risk", "Risk Management – Market Risk" and "Risk Management – Liquidity Risk".

Total Assets

The following table sets forth the principal components of the Group's total assets as at the dates set forth below.

	As at 31 December		
	2025	**2024 (restated)**	**2023**
		(audited)	
		(*in million soums*)	
Cash and cash equivalents	3,169,017	2,582,246	1,474,301
Due from other banks	965,230	217,554	655,816
Loans and advances to customers	19,064,825	13,041,918	10,485,387
Investment in debt securities	3,113,220	2,178,373	217,796
Investment in equity securities	234,237	103,126	39,697
Investment in associates and joint ventures	13,388	59,909	60,501
Investment property	343,927	-	-
Premises, equipment and right of use assets	2,956,506	2,798,194	2,447,460

Intangible assets	20,920	31,046	44,750
Deferred income tax asset	95,529	40,269	50,302
Other financial assets	105,575	1,202,690	40,236
Other non-financial assets	1,023,298	315,911	261,920
Non-current assets held for sale	238,540	97,920	-
Total assets	**31,344,212**	**22,669,156**	**15,778,166**

As at 31 December 2025, the Group had total assets of UZS31,344,212 million as compared to UZS22,669,156 million as at 31 December 2024 and UZS15,778,166 million as at 31 December 2023.

The increase in total assets by UZS8,675,056 million, or 38.3 per cent., as at 31 December 2025 as compared to 31 December 2024, was mainly driven by the growth of loans and advances to customers, investment in debt securities and due from other banks.

The increase of UZS6,022,907 million, or 46.2 per cent., in loans and advances to customers as at 31 December 2025 as compared to 31 December 2024 was primarily due to the growth of the Group's large loans to corporate customers as well as consumer loans, retail mortgages and agro and micro retail loans to individuals. The increase of UZS934,847 million, or 42.9 per cent., in investment in debt securities was driven by the growth of the Bank's portfolio of government bonds. The increase in due from other banks reflected the growth of long-term loans to other banks.

The increase in total assets by UZS6,890,990 million, or 43.7 per cent., as at 31 December 2024 as compared to 31 December 2023 was primarily attributable to the increases in loans and advances to customers, investment in debt securities, cash and cash equivalents and premises, equipment and right of use assets.

The increase of UZS2,556,531 million, or 24.4 per cent., in loans and advances to customers as at 31 December 2024 as compared to 31 December 2023 reflected the growth of the Group's large loans to corporate customers as well as car loans and retail mortgages to individuals. See "—*Loan Portfolio*" below. The increase of UZS1,960,577 million, or 900.2 per cent., in investment in debt securities as at 31 December 2024 as compared to 31 December 2023 mainly resulted from the increase in the Bank's portfolio of government bonds which was partially offset by the sale of the Group's portfolio of CBU bonds. The growth by UZS1,107,945 million, or 75.2 per cent., in cash and cash equivalents as at 31 December 2024 as compared to 31 December 2023 to a significant extent resulted from the increase of the Group's cash balances with the CBU. The increase in premises, equipment and right of use assets reflected the growth of construction in progress assets, namely the construction of the Bank's headquarters.

Loan Portfolio

Loans and advances to customers (net of credit loss allowance) is the largest component of the Group's total assets, accounting for 60.8 per cent., 57.5 per cent. and 66.5 per cent. of total assets as at 31 December 2025, 2024 and 2023, respectively.

General

As at 31 December 2025, total gross loans and advances to customers increased by UZS6,112,592 million, or 45.4 per cent., as compared to 31 December 2024, which in turn was an increase of UZS2,823,685 million, or 26.5 per cent., as compared to 31 December 2023. The size of the Group's loan portfolio in soums increased as a result of the increases in loans to corporate customers and loans to individuals driven by the growth in lending activity, depreciation of Uzbek soum against the U.S. dollar on the back of the higher proportion of the Group's loan portfolio being denominated in U.S. dollars as compared to soums and general development of the banking sector in Uzbekistan.

Distribution of Loans by Type

The following table sets forth composition of the Group's loans and advances, including finance lease receivable at amortised cost to customers by type as at the date set forth below.

	2025		2024		2023	
	million soums	*% of total gross*	*million soums*	*% of total gross*	*million soums*	*% of total gross*
Loans to corporate customers						
Large loans	12,788,435	65.3	8,644,686	64.2	7,223,779	67.9
Micro loans	260,231	1.3	96,973	0.7	21,795	0.2
Loans to individuals						
Car loans	2,261,477	11.6	2,311,145	17.2	1,708,534	16.1
Retail mortgage	1,557,299	8.0	1,065,728	7.9	702,946	6.6
Consumer loans	1,628,530	8.3	833,437	6.2	682,840	6.4
Agro and micro retail	1,081,926	5.5	513,337	3.8	301,727	2.8
Total gross carrying amount of loans and advances to customers, including finance lease receivable at AC	**19,577,898**	**100.0**	**13,465,306**	**100.0**	**10,641,621**	**100.0**
Credit loss allowance	(513,073)		(423,388)		(156,234)	
Total loans and advances to customers, including finance lease receivable at AC (net of credit loss allowance)	**19,064,825**		**13,041,918**		**10,485,387**	

Loans and advances to corporate customers accounted for the largest portion of the Group's total gross loans and advances to customers accounting for 66.6 per cent., 64.9 per cent. and 68.1 per cent. as at 31 December 2025, 2024 and 2023, respectively. Loans and advances to corporate customers include large loans and micro loans. Large loans are loans issued to legal entities on standard terms, primarily for financing of working capital and capital expenditures in the amount in excess of UZS150 million and micro loans are other loans to legal entities which are not classified as large loans.

As at 31 December 2025, the Group's gross loans and advances to corporate customers increased by UZS4,307,007 million, or 49.3 per cent., to UZS13,048,666 million as compared to UZS8,741,659 million as at 31 December 2024 which, in turn, represented an increase of UZS1,496,085 million, or 20.6 per cent. from UZS7,245,574 million as at 31 December 2023. The growth of the corporate loan portfolio was mainly attributable to the acquisition of new corporate customers and the attraction of new credit lines from IFIs, which facilitated a more efficient allocation of loans.

The share of loans to individuals accounted for 33.4 per cent., 35.1 per cent. and 31.9 per cent. of the total loan portfolio as at 31 December 2025, 2024 and 2023, respectively. Loans to individuals include car loans (i.e., loans to purchase automobiles), consumer loans (i.e., loans to purchase consumer products and other loans), retail mortgage (i.e., loans to purchase real estate or property) and agro and micro retail loans, which are primarily directed toward livestock farming as well as bee and honey production.

As at 31 December 2025, the Group's total gross loans to individuals increased by UZS1,805,585 million, or 38.2 per cent., to UZS6,529,232 million as compared to UZS4,723,647 million as at 31 December 2024, which, in turn, represented an increase of UZS1,327,600 million, or 39.1 per cent. from UZS3,396,047 million as at 31 December 2023. The increases in loans to individuals were driven by the provision of additional grace periods and ongoing government support in this sector.

Distribution of Loans by Economic Sectors

The following table sets forth the distribution of the Group's loans and advances to customers, including finance lease receivables by economic sector as at the dates set forth below.

	As at 31 December					
	2025		2024		2023	
	million soums	*% of total*	*million soums*	*% of total*	*million soums*	*% of total*
			(audited)			
Individuals	6,529,232	33.4	4,260,132	31.6	2,947,892	27.7
Manufacturing	4,193,530	21.4	4,737,791	35.2	4,728,541	44.4
Trade	3,422,674	17.5	1,675,117	12.4	638,925	6.0
Construction	2,541,395	13.0	456,679	3.4	492,382	4.6
Services	1,205,365	6.2	661,024	4.9	772,942	7.3
Transportation	649,213	3.3	580,428	4.3	194,744	1.8
Agriculture	397,843	2.0	305,307	2.3	213,731	2.0
Communication	371,299	1.9	476,626	3.5	577,000	5.4
Other	267,347	1.4	312,202	2.3	75,464	0.7
Gross loans and advances to customers, including finance lease receivables	**19,577,898**	**100.0**	**13,465,306**	**100.0**	**10,641,621**	**100.0**
Less: Allowance for expected credit losses	(513,073)		(423,388)		(156,234)	
Total loans and advances to customers, including finance lease receivables	**19,064,825**		**13,041,918**		**10,485,387**	

Loans to manufacturing and trade sectors of Uzbekistan's economy, as well as loans to individuals, have historically accounted for the most significant share of the Group's loan portfolio, accounting for 72.3 per cent. of the total gross loans and advances to customers as at 31 December 2025, 79.3 per cent. as at 31 December 2024 and 78.0 per cent. as at 31 December 2023. In line with its strategy of diversifying the loan portfolio, over the period under review the Group has increased the share of actively developing sectors of the economy in its loan book, such as construction (the share of which in the Group's loan portfolio increased from 4.6 per cent. as at 31 December 2023 to 13.0 per cent. as at 31 December 2025), while maintaining its long-standing relationships with companies in the Group's sectors of expertise, such as manufacturing which remained relatively steady during the period under review.

As at 31 December 2025, the Group granted loans to four borrowers in the amount of UZS1,995,783 million (10.2 per cent. of total gross loans and advances to customers), which individually exceeded 10.0 per cent. of the Bank's equity. As at 31 December 2024, loans to four borrowers which individually exceeded 10.0 per cent. of the Group's equity accounted for UZS1,606,545 million (11.9 per cent. of total gross loans and advances to customers), as compared to four borrowers in the amount of UZS2,092,097 million (20.0 per cent. of total gross loans and advances to customers) as at 31 December 2023.

Distribution of Loans by Collateral

The following tables set forth the distribution of the Group's loans and advances to customers by collateral as at the dates indicated below.

	As at 31 December 2025					
	Loans to corporate customers		Loans to individuals			
	Large entities	Micro entities	Car Loans	Consumer loans	Retail mortgage	Agro and micro retail
			(*in million soums*)			
Unsecured loans	3,797	33,164	1,770	10,097	1,039	45,672
Loans with other credit enhancement:						
Letter of surety	3,287,220	17,786	245,581	301,021	295,802	85,218
Insurance policy	1,998,681	80,302	387,711	1,193,964	23,424	372,221
Loans collateralised by:						
Real estate	4,447,166	9,634	322	4,287	1,208,545	152,423
Cash deposit	140,082	100,992	28	-	73	49,278
Motor vehicle	929,897	12,954	1,483,964	69,440	290	350,658
Equipment	1,196,798	45	-	-	-	14
Other	521,676	961	-	94	680	54
Collateralised loans	**7,235,619**	**124,586**	**1,484,314**	**73,821**	**1,209,588**	**552,427**
Total loans and advances to customers, gross	**12,525,317**	**255,838**	**2,119,376**	**1,578,903**	**1,529,853**	**1,055,538**

	As at 31 December 2024					
	Loans to corporate customers		Loans to individuals			
	Large entities	Micro entities	Car Loans	Consumer loans	Retail mortgage	Agro and micro retail
	(*in million soums*)					
Unsecured loans	**35,950**	**36,116**	**-**	**29**	**585**	**50,349**
Loans with other credit enhancement:						
Letter of surety	3,458,804	10,820	495,731	384,084	328,088	44,553
Insurance policy	551,874	4,754	270,113	402,282	5,606	118,798
Loans collateralised by:						
Real estate	2,933,196	5,029	445	1,556	723,892	38,564
Cash deposit	198,479	25,217	129	-	90	7,787
Motor vehicle	372,726	7,858	1,422,076	31,905	342	243,119
Equipment	6,089	-	-	-	-	-
Other	815,842	6,822	-	110	-	2,109
Collateralised loans	**4,326,332**	**44,926**	**1,422,650**	**33,571**	**724,324**	**291,579**
Total loans and advances to customers, gross	**8,372,960**	**96,616**	**2,188,494**	**819,966**	**1,058,603**	**505,279**

	As at 31 December 2023					
	Loans to corporate customers		Loans to individuals			
	Large entities	Micro entities	Car Loans	Consumer loans	Retail mortgage	Agro and micro retail
	(*in million soums*)					
Unsecured loans	**307,280**	**1**	**-**	**3,626**	**-**	**-**
Loans with other credit enhancement:						
Letter of surety	2,446,288	7,122	447,286	632,452	282,204	2,645
Insurance policy	356,557	4,996	204,966	48,425	5,842	103,919
Loans collateralised by:						
Real estate	2,468,881	2,530	447	194	372,281	11,396
Motor vehicle	378,306	5,831	649,401	277	369	177,383
Cash deposit	227,375	-	298	-	109	1
Equipment	746	-	-	-	-	-
Other	915,459	1,021	397,967	9,396	12,043	67
Collateralised Loans	**3,990,767**	**9,382**	**1,048,113**	**9,867**	**384,802**	**188,847**
Total loans and advances to customers, gross	**7,100,892**	**21,501**	**1,700,365**	**694,370**	**672,848**	**295,411**

The Group's loan portfolio has continued to be well-secured by a range of collateral and other credit enhancements. Loans secured by real estate (UZS5,822,377 million, UZS3,702,682 million and UZS2,855,729 million as at 31 December 2025, 2024 and 2023, respectively) and loans secured by letters of surety (UZS4,232,628 million, UZS4,722,080 million and UZS3,817,997 million as at 31 December 2025, 2024 and 2023, respectively) remained the two largest categories of secured lending, together accounting for 51.4 per cent., 62.6 per cent. and 62.7 per cent. of the total loan portfolio as at 31 December 2025, 2024 and 2023, respectively.

Distribution of Loans by Maturity

Of the Group's net loan portfolio as at 31 December 2025, UZS10,521,227 million, or 55.2 per cent., had a maturity of more than one year, UZS3,291,937 million, or 17.3 per cent., had a maturity profile of between six months and one year, UZS4,301,244 million, or 22.6 per cent., had a maturity of between one month and six months and UZS950,417 million, or 5.0 per cent., had a maturity of less than one month.

Of the Group's net loan portfolio as at 31 December 2024, UZS7,403,617 million, or 56.8 per cent., had a maturity of more than one year, UZS2,153,492 million, or 16.5 per cent., had a maturity profile of between six months and one year, UZS2,763,474 million, or 21.2 per cent., had a maturity of between one month and six months and UZS721,335 million, or 5.5 per cent., had a maturity of less than one month.

Of the Group's net loan portfolio as at 31 December 2023, UZS6,188,699 million, or 59.0 per cent., had a maturity of more than one year, UZS1,533,529 million, or 14.6 per cent., had a maturity profile of between six months and one year, UZS1,951,181 million, or 18.6 per cent., had a maturity of between one month and six months and UZS811,978 million, or 7.7 per cent., had a maturity of less than one month.

See "*Risk Management – Liquidity Risk*".

NPLs

The Group's NPL ratio was 7.2 per cent., 7.5 per cent. and 6.1 per cent. as at 31 December 2025, 2024 and 2023, respectively. The decrease in the share of NPLs in 2025 was due to improvements in loan repayment discipline and the successful implementation of effective debt management and recovery strategies.

Allowance for expected credit losses

As at 31 December 2025, the Group's allowance for expected credit losses was UZS513,073 million, a 21.2 per cent. increase as compared to UZS423,388 million as at 31 December 2024, primarily due to growth in the loan portfolio and continued provisioning for credit-impaired exposures. The Group's allowance for expected credit losses as at 31 December 2024 increased by UZS267,154 million, or 171.0 per cent., from UZS156,234 million as at 31 December 2023. This increase resulted from a growth in the loan portfolio and continued provisioning for credit-impaired exposures. The Group's management believes that the level of allowance for expected credit losses as at 31 December 2025 covers all significant overdue loans.

The Group's allowance for expected credit losses is classified by three stages. See Note 9 to the Financial Statements.

Total Liabilities

General

The following table sets forth the principal components of the Group's total liabilities as at the dates set forth below.

	As at 31 December		
	2025	**2024 (restated)**	**2023**
		million soums (audited)	
Due to other banks	3,843,010	2,141,157	1,144,772
Customer accounts	13,970,219	12,747,607	8,518,726
Other borrowed funds	8,249,409	4,139,368	3,230,591
Other financial liabilities	242,684	216,781	223,770
Other non-financial liabilities	34,790	151,316	64,036
Corporate income tax payable	-	1,500	38,243
Subordinated debt	1,513,089	171,731	160,342
Total liabilities	**27,853,201**	**19,569,460**	**13,380,480**

As at 31 December 2025, the Group had total liabilities of UZS27,853,201 million as compared to UZS19,569,460 million as at 31 December 2024 and UZS13,380,480 million as at 31 December 2023.

The increase in total liabilities by UZS8,283,741 million, or 42.3 per cent., as at 31 December 2025 as compared to 31 December 2024, was mainly due to the growth in other borrowed funds, amounts due to other banks and customer accounts.

Other borrowed funds increased by UZS4,110,041 million, or 99.3 per cent., as at 31 December 2025 as compared to 31 December 2024, primarily due to the attraction of financing from a number of international financial institutions and other lenders, including Olam Global Agri Treasury Pte. Ltd., Mopane Securities PLC, Bank SinoPac, KfW IPEX-Bank GmbH and Mashreqbank PSC.

Due to other banks grew by UZS1,701,853 million, or 79.5 per cent., as at 31 December 2025 as compared to 31 December 2024, primarily as a result of the increase in long-term placements of other domestic banks which was partially offset by the reduction in short-term placements of other domestic banks.

Customer accounts increased by UZS1,222,612 million, or 9.6 per cent., as at 31 December 2025 as compared to 31 December 2024, due to the growth of term deposits and current accounts of individuals and other legal entities, which was partially offset by a reduction in balances of term deposits of state and public organisations.

As at 31 December 2024, the Bank had total liabilities of UZS19,569,460 million, an increase of UZS6,188,980 million, or 46.3 per cent., from UZS13,380,480 million as at 31 December 2023. This increase was primarily due to the increase in customer accounts, amounts due to other banks and other borrowed funds.

Customer accounts increased by UZS4,228,881 million, or 49.6 per cent., as at 31 December 2024 as compared to 31 December 2023, mainly as a result of growth in customer accounts from private individuals (which increased by UZS1,924,211 million, or 60.8 per cent. as at 31 December 2024 as compared to 31 December 2023), financial sector customer accounts (which increased by UZS839,032 million, or 56.5 per cent. year on year) and special funds (which increased by UZS703,599 million, or 44.1 per cent. year on year).

Due to other banks grew by UZS996,385 million, or 87.0 per cent., as at 31 December 2024 as compared to 31 December 2023 largely due to the increase of payables under repo agreement and long-term placements of other domestic banks which was partially offset by the reduction in short-term placements of other domestic banks.

Other borrowed funds increased by UZS908,777 million, or 28.1 per cent., to UZS4,139,368 million as at 31 December 2024 from UZS3,230,591 million as at 31 December 2023 as a result of the increase in borrowings from domestic financial institutions.

Maturity Profile of the Group's Financial Liabilities

The table below presents the amount of potential future payments for financial obligations of the Group at maturities as at the dates indicated below:

	As at 31 December					
	2025		2024		2023	
Maturity	*million soum*	*% of total*	*million soum*	*% of total*	*million soum*	*% of total*
			(audited)			
Demand and less than one month	9,812,966	32.7%	7,346,796	34.6%	4,686,538	32.6%
From one to six months	4,498,317	15.0%	2,892,885	13.6%	2,011,051	14.0%
From six to 12 months	3,435,246	11.5%	3,861,511	18.2%	2,127,515	14.8%
Over 12 months	12,239,800	40.8%	7,159,873	33.7%	5,563,663	38.7%
Total potential future payments for financial obligations	**29,986,329**	**100.0%**	**21,261,065**	**100.0%**	**14,388,767**	**100.0%**

Total Equity

As at 31 December 2025, the Group had total equity of UZS3,491,011 million, an increase of UZS391,315 million, or 12.6 per cent., from UZS3,099,696 million as at 31 December 2024. This increase was primarily attributable to the issuance of new ordinary shares to the UFRD in the amount of UZS314,661 million.

As at 31 December 2024, the Group had a total equity of UZS3,099,696 million, an increase of UZS702,010 million, or 29.3 per cent., from UZS2,397,686 million as at 31 December 2023. This increase resulted from the issuance of new shares and capitalisation of dividends in 2024 which was partially offset by the reduction in the Group's retained earnings following the payment of dividends on preference shares to the Group's shareholders.

Liquidity and Capital Resources

The Bank's principal sources of liquidity are customer accounts, other borrowed funds (which include borrowings from international and domestic financial organisations), inter-bank deposit agreements, outstanding debt securities, proceeds from sale of securities, principal repayments on loans, interest income and fee and commissions income.

Funding

The Bank's funding base relies primarily on customer accounts, other borrowed funds (funds raised from the domestic and international financial institutions and the CBU) and due to other banks (including short- and long-term placements with other domestic banks, and correspondent accounts of other banks and payable under repo agreements). See "– *Financial Position – Total Liabilities*".

The following table sets out the Group's sources of funding as at the dates indicated:

	As at 31 December					
	2025		2024		2023	
	million soums	*% of total*	*million soums*	*% of total*	*million soums*	*% of total*
	(audited)					
Due to other banks	3,843,010	13.9	2,141,157	11.2	1,144,772	8.8
Customer accounts	13,970,219	50.7	12,747,607	66.4	8,518,726	65.3
Other borrowed funds	8,249,409	29.9	4,139,368	21.6	3,230,591	24.7
Subordinated debt	1,513,089	5.5	171,731	0.9	160,342	1.2
Total funding	**27,575,727**	**100.0%**	**19,199,863**	**100.0%**	**13,054,431**	**100.0%**

As at 31 December 2025, funding from customer accounts comprised UZS13,970,219 million, or 50.7 per cent. of the Group's total funding, as compared to UZS12,747,607 million, or 66.4 per cent., as at 31 December 2024. Other sources of funding include other borrowed funds (UZS8,249,409 million (29.9 per cent. of the total funding) and UZS4,139,368 million (21.6 per cent. of the total funding) as at 31 December 2025 and 2024, respectively) and amounts due to other banks (UZS3,843,010 million (13.9 per cent. of the total funding) and UZS2,141,157 million (11.2 per cent. of the total funding) as at 31 December 2025 and 2024, respectively).

The Group's funding strategy is to continue developing a diversified funding base in order to achieve an optimum balance between its own capital, domestic and international borrowings to cover the growing needs of the Group's business, both in terms of currency and maturity.

Customer Accounts

The following table sets forth the Group's customer accounts as at the dates indicated:

	As at 31 December					
	2025		2024		2023	
	million soum	*% of total*	*million soum*	*% of total*	*million soum*	*% of total*
			(audited)			
State and public organisations						
Term deposits	2,561,278	18.3%	3,151,893	24.7%	1,919,445	22.5%
Current/settlement accounts	1,200,417	8.6%	833,973	6.5%	677,531	8.0%
Other legal entities						
Term deposits	1,965,985	14.1%	1,694,565	13.3%	1,547,847	18.2%
Current/settlement accounts	2,063,351	14.8%	1,977,548	15.5%	1,208,486	14.2%
Individuals						
Term deposits	4,803,445	34.4%	3,945,520	31.0%	2,380,521	27.9%
Current/settlement accounts	1,375,743	9.9%	1,144,108	9.0%	784,896	9.2%
Total customer accounts	**13,970,219**	**100.0%**	**12,747,607**	**100.0%**	**8,518,726**	**100.0%**

The following table sets forth the sector concentration within the Group's customer accounts as at the dates indicated:

	As at 31 December					
	2025		2024		2023	
	million soums	*% of total*	*million soums*	*% of total*	*million soums*	*% of total*
			(audited)			
Private individuals	6,179,188	44.2	5,089,628	39.9	3,165,417	37.2
Financial sector	1,543,126	11.0	2,324,784	18.2	1,485,752	17.4
Special funds	2,291,945	16.4	2,297,752	18.0	1,594,153	18.7
Other government entities	1,098,292	7.9	1,060,388	8.3	779,651	9.2
Services	1,142,004	8.2	901,068	7.1	623,482	7.3
Manufacturing	697,790	5.0	156,611	1.2	202,417	2.4
Communication and transport	271,835	1.9	398,997	3.1	249,204	2.9
Construction	218,180	1.6	88,711	0.7	173,657	2.0
Trade	291,807	2.1	173,714	1.4	143,418	1.7
Other	236,052	1.7	255,954	2.0	101,575	1.2
Total customer accounts	**13,970,219**	**100.0**	**12,747,607**	**100.0**	**8,518,726**	**100.0**

As at 31 December 2025, the Group had four customers with the aggregate balance of UZS2,981,182 million which individually exceeded 10 per cent. of the Group's equity as compared to six customers with the aggregate balance of UZS3,893,387 million and five customers with the aggregate balance of UZS2,599,191 million as at 31 December 2024 and 2023, respectively.

Other Borrowed Funds

The Group's other borrowed funds primarily consist of bank loans from Uzbek and international financial institutions as well as borrowings from the CBU.

The following table sets forth the composition of the Group's other borrowed funds as at the dates indicated:

	As at 31 December		
	2025	**2024**	**2023**
		million soums (audited)	
Borrowings from international financial institutions	4,540,928	1,315,976	1,305,179
Borrowings from domestic financial institutions	3,687,305	2,790,076	1,876,202
Borrowings from CBU	21,176	33,316	49,210
Total other borrowed funds.....	**8,249,409**	**4,139,368**	**3,230,591**

The following table sets forth the Bank's outstanding contractual amounts and maturity under existing material credit facilities attracted from the state, IFIs and other lenders as at 31 December 2025:

	Outstanding amount (*million soums*)	**Maturity**
International Financial Institutions		
Additional Agreement No. 2 to On-Lending Agreement No. 8824-UZ – Ministry of Economy and Finance	117,842.20	15.09.2042
Additional Agreement No. 1 to On-Lending Agreement No. 6110-UZ – Ministry of Economy and Finance	92,194.19	15.05.2037
On-Lending Agreement No. 8826-UZ – Ministry of Economy and Finance	415,903.73	05.11.2042
Revolving Credit Agreement – Asian Development Bank	1,202,301.85	Revolving
Term Loan Facility Agreement – First Abu Dhabi Bank	360,759.90	15.06.2026
Master Trade Loan Agreement – ALUBAF Arab International Bank	120,253.30	12.12.2026
Trade Related Loan Agreement No. TCM 1011661 1011662 – Cargill Financial Services International, Inc.	240,506.60	05.10.2027
Trade Loan Agreement No. TCM 979511 979512 – Cargill Financial Services International, Inc.	180,379.95	14.07.2028
Trade Related Loan Agreement No. TCM 957260 957261 – Cargill Financial Services International, Inc.	192,405.28	19.05.2026
Trade Loan Agreement No. TCM 1008433 1008434 – Cargill Financial Services International, Inc.	60,126.65	07.09.2028
General Agreement on On-Lending Loan No. 02/2022 – KDB Bank Uzbekistan	91,746.94	Revolving
Trade Loan Agreement MEA25-05-TLA – Olam Global Agri Treasury Pte Ltd	252,531.93	19.07.2027
Trade Loan Agreement MEA25-04-A-TLA – Olam Global Agri Treasury Pte Ltd	126,265.96	14.06.2027
Trade Loan Agreement MEA25-04-B-TLA – Olam Global Agri Treasury Pte Ltd	42,088.65	29.06.2027
Trade Loan Agreement MEA25-08-A-TLA – Olam Global Agri Treasury Pte Ltd	63,132.98	29.11.2027
Trade Loan Agreement MEA25-08-B-TLA – Olam Global Agri Treasury Pte Ltd	126,265.96	29.11.2027
Subsidiary Loan Agreement No. UZB-P-F-1	75,735.09	10.08.2037
Framework Agreement for Trade Loans – KfW IPEX-Bank GmbH	180,379.95	25.06.2026
Facility Agreement – Mopane Securities PLC / Frontera Capital Group	240,506.60	27.02.2028
Master Trade Loan Agreement – Mashreqbank PSC	354,169.02	Revolving
Line of Finance Agreement – Islamic Corporation for the Development of the Private Sector	240,537.35	05.01.2028
Line of Trade Financing Agreement and Amendment No. 2 – International Islamic Trade Finance Corporation	232,194.29	Revolving

As at 31 December 2025, the Bank had no significant exposure to, or assets within, Ukraine, Russia or Belarus. Borrowings from the Ministry of Economy and Finance were extended to the Group to fund state entrepreneurial, agro-industrial and green energy development programmes pursuant to Government directives.

The Group is subject to various financial and non-financial covenants with respect to its borrowings, which primarily relate to the prudential regulations established by the CBU. As at 31 December 2025, the Group was in full compliance with all such covenants.

Due to Other Banks

Balances due to other banks include short- and long-term placements of Uzbek banks as well as correspondent accounts of other banks and amounts payable under repo agreements.

The following table sets forth the composition of the Group's balances due to other banks as at the dates indicated:

	As at 31 December		
	2025	**2024**	**2023**
		million soums (audited)	
Long-term placements of other domestic banks	2,370,276	937,715	609,083
Payables under REPO agreement	1,190,265	801,459	-
Correspondent accounts with other banks	211,658	221,983	190,140
Short-term placements of other domestic banks	70,811	180,000	345,549
Total due to other banks	**3,843,010**	**2,141,157**	**1,144,772**

Subordinated Debt

In 2022, the Group converted loans borrowed from the International Bank for Reconstruction and Development and International Development Association in the amount of U.S.$10,025,000 and U.S.$2,970,000 into subordinated loans maturing in September 2042 and May 2037.

In 2025, the Group attracted subordinated debt financing from the UFRD in the amount of UZS1,300,395 million.

The balance of the subordinated indebtedness of the Group as at 31 December 2025 was UZS1,513,089 million.

The Group had no defaults and has not otherwise breached the terms for issue of subordinated debt, related to principal and interest on the principal amount outstanding, during the years ended 31 December 2025, 2024 and 2023.

Contingencies and Commitments

The Group enters into certain financial instruments with off-balance sheet risk in the ordinary course of business to meet its clients' needs. These instruments, which include guarantees and letters of credit and other contingent liabilities, involve varying degrees of credit risk and are not reflected in the consolidated statement of financial position. The Bank uses similar credit approval policies in undertaking off-balance sheet credit related commitments as it does for its on-balance sheet operations. See "*Risk Management – Credit Risk*".

The following table sets forth the Group's gross credit-related commitments as at the dates indicated:

	As at 31 December		
	2025	**2024**	**2023**
		million soums (audited)	
Guarantees issued	708,010	835,645	622,190
Letters of credit	80,215	195,297	161,237
Loan commitments	1,379,693	817,164	327,139
Total gross credit related commitments	**2,167,918**	**1,848,106**	**1,110,566**

For additional information on the Bank's commitments and contingencies, such as legal proceedings and tax legislation, see Note 33 to the 2025 and 2024 Financial Statements and Note 31 to the 2023 Financial Statements.

Legal proceedings

From time to time and in the normal course of business, claims against the Group are received. On the basis of its own estimates and both internal and external professional advice the Bank's management is of the opinion

that no material losses will be incurred in respect of claims and accordingly no provision has been made in the Financial Statements.

Tax legislation

Uzbek tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. The interpretation of such legislation by the Bank's management as applied to the transactions and activity of the Group may be challenged by the relevant regional and federal authorities. Recent events within Uzbekistan suggest that the tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed.

Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

The Bank's management believes that its interpretation of the relevant legislation is appropriate, and the Group's tax, currency legislation and customs positions will be sustained. Accordingly, as at 31 December 2025 no provision for potential tax liabilities had been recorded. The Group estimates that it has no potential obligations from exposure to other than remote tax risks.

Capital expenditure commitments

As at 31 December 2025, the Group has contractual capital expenditure commitments in respect of construction of its headquarters office in International business centre "Tashkent City" in the amount of UZS2,581,243 million. The Group has already allocated the necessary resources in respect of these commitments. The Group believes that future net income and funding will be sufficient to cover these and any similar commitments.

Covenants of the Bank's loan agreements with ICD

The Group is subject to certain covenants (including limitation on the incurrence of security interest, requirement for the maintenance of capital adequacy and financial ratios, limitation on paying dividends on or redeeming or repurchasing share capital or making other distributions, limitations on engaging in mergers and consolidations, limitation on creation or permission to exist any encumbrance on any of its property, limitation on asset sales, limitation on change of business, limitation on entering into any management contract or similar arrangement whereby its business or operations are managed by any other party) with regards to its Line of Financing Agreement with Islamic Corporation for the Development of the Private Sector (the "**ICD**") with the purpose to finance investment projects of small and medium sized enterprises within the Republic of Uzbekistan. The Bank has the authority to act as the ICD's agent to utilise the line of financing not exceeding U.S.$30 million for the purpose of investing in the ICD's eligible projects and thus the outstanding balances are accounted for in the credit related commitments under guarantees issued.

Covenants of the Bank's loan agreements with ITFC

The Group is subject to certain covenants (including submission of quarterly, half-year and annual financial reports, requirement for the maintenance of capital adequacy and financial ratios, requirement for indication of material changes to business and ownership) with regards to its Line of Trade Financing Agreement with the International Islamic Trade Finance Corporation (the "**ITFC**") with the purpose to finance investment projects of SMEs within the Republic of Uzbekistan. The Bank has the authority to act as the ITFC's agent to utilise the line of financing not exceeding U.S.$20 million for the purpose of investing in the ITFC's eligible projects and thus the outstanding balances are accounted for in the credit related commitments under guarantees issued.

As at 31 December 2025, the Group was in compliance with all covenants on the above Bank's loan agreements.

Capital Management

The Group manages its regulatory capital in order to comply with the capital requirements set by the CBU and to safeguard its ability to continue operations. Compliance with capital adequacy ratios is monitored on a monthly basis.

Regulatory capital requirements in Uzbekistan are set by the CBU and are applied to the Bank on a stand-alone basis. Prior to 1 January 2026, the Bank was required to maintain a minimum Regulatory Capital Adequacy

Ratio of 13.0 per cent. and a minimum Capital Adequacy Ratio of 10.0 per cent. under the then-applicable CBU framework. With effect from 1 January 2026, the CBU Regulation "On Requirements to the Capital Adequacy of Commercial Banks" No. 6973 dated 28 October 2025 (as amended) (the "Capital Adequacy Regulation") replaced the prior framework. Under the Capital Adequacy Regulation, the Bank is required to maintain a minimum Total Regulatory Capital Adequacy Ratio of 8.0 per cent. and a minimum Tier 1 Capital Adequacy Ratio of 6.0 per cent., both calculated based on the Bank's stand-alone financial statements prepared under UAL and in accordance with CBU regulations and pronouncements. The capital ratios presented in the table below have been calculated in accordance with the framework applicable as at 31 December 2025 and therefore reflect the prior regulatory minimums.

In 2021, the CBU introduced an additional capital adequacy requirement – the Core Tier 1 Capital Adequacy Ratio (CET 1), with a minimum requirement of 8.0 per cent. The Capital Adequacy Regulation is largely based on and follows Basel III methodology; however, capital estimates may differ due to the difference in the underlying accounting standards. Such differences mainly arise out of estimation and classification methodology applied to risk-weighted assets. Basel III standards for risk-weighted assets calculation require total assets under IFRS to be weighted by their risk profile using either external rating agency rating utilisation or an internal rating model. On the other hand, CBU standards for risk-weighted assets calculation as set out in the Capital Adequacy Regulation require total assets to be calculated under UAL and weighted in accordance with CBU-developed assets type criteria, taking into account credit, market and operational risk coefficients. The Bank only uses CBU standards for calculation of risk-weighted assets as at the date of this Offering Memorandum as many of its clients have not been assigned a rating by external rating agencies, and the Bank's internal comprehensive rating model is in development and has not yet been implemented.

The following table sets forth the capital components information prepared under UAL and related instructions:

The following table shows the composition of the Bank's capital position calculated in accordance with the UAL requirements as at 31 December 2025, 2024 and 2023.

	As at 31 December		
	2025	**2024**	**2023**
	million soums (except for ratios)		
Tier 1 capital	3,590,485	2,887,339	2,030,476
Tier 2 capital	1,436,356	512,004	872,149
Total regulatory capital	**5,026,841**	**3,399,343**	**2,902,625**
Risk weighted assets	**35,558,568**	**24,385,947**	**17,647,513**
Capital adequacy ratio	10.1%	11.8%	11.5%
Regulatory capital ratio	14.1%	13.9%	16.4%

As at 31 December 2023, the Group was in breach of CBU requirements with respect to the ratios of maximum exposure to a single borrower (or group of related borrowers) to Tier 1 capital, as well as the maximum exposure to real estate investments. These breaches were driven by specific operational and regulatory contexts: the single borrower exposure occurred while a Presidential Decree supporting textile clusters was in effect, during which time the CBU opted not to impose any penalties. Similarly, the real estate investment breach arose primarily because finalised cadastral documentation for the Group's new headquarters was still pending. As a result, the building could not yet be recognised as a fixed asset and was instead recorded as an investment. The CBU likewise imposed no penalties in relation to this matter. In the course of the financial year ended 31 December 2024, the Group successfully remedied these breaches and brought all regulatory indicators back into full compliance.

For a detailed description of the capital and regulatory ratios which apply to the Bank, see "*Banking Sector and Banking Regulation in the Republic of Uzbekistan*".

Significant Accounting Policies and New Accounting Standards

A detailed description of the Bank's significant accounting policies is set forth in Note 3 to the 2025 and 2024 Financial Statements.

A list of new and revised accounting standards that became effective is set forth in Note 5 to the 2025 and 2024 Financial Statements. The application of the new and revised accounting standards had no significant impact on

the Group's consolidated financial statements except for accounting standards stated in Note 5 of the 2025 and 2024 Financial Statements.

In addition, the Group has not adopted any other standard, interpretation or amendment that has been issued but is not yet effective. For the list of such standards, please refer to Note 6 to the 2025 and 2024 Financial Statements.

Critical Accounting Estimates and Judgments in Applying Accounting Policies

The preparation of consolidated financial statements under IFRS requires the Group's management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of judgments made regarding the carrying values of assets and liabilities that are not readily apparent from other sources. Although these estimates are based on the management's best knowledge of current events and actions, actual results ultimately may differ from these estimates. For the list of such estimates and judgements, please see Note 4 to the 2025 and 2024 Financial Statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

SELECTED STATISTICAL AND OTHER INFORMATION

The following tables present certain of the Group's selected statistical information for the periods indicated. The statistical information and discussion and analysis presented below is presented solely for the convenience of the reader for analytical purposes and should be read in conjunction with the Financial Statements contained elsewhere in this Offering Memorandum, as well as "*Presentation of Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*". The statistical information presented below is derived from data extracted from the Financial Statements and the Group's financial reporting and management information systems.

In this section, the average is calculated on the basis of an arithmetical average of the opening balance and the closing balance at the end of each calendar quarter within each applicable period. The presentation of historical averages in this section on a daily or monthly basis involve unreasonable effort and expense. The Group does not believe that quarterly averages present trends materially different from those that would be presented by daily or monthly averages.

Distribution of Assets, Liabilities and Equity

The return (or yield) was calculated by the amount of interest income or expense in the period divided by the average balance. The following tables show average balances, interest amounts and yields for the Group's interest-earning assets, non-interest-earning assets, interest-bearing liabilities, non-interest-bearing liabilities and equity for the years ended 31 December 2025, 2024 and 2023.

	Year ended 31 December								
	2025			2024			2023		
	Average balance[1]	Interest income/ (expense)	Average yield (assets) / rate paid (liabilities)	Average balance[1]	Interest income (expense)	Average yield (assets)/ rate paid (liabilities)	Average balance[1]	Interest income/ (expense)	Average yield (assets) / rate paid (liabilities)
	million soums, except percentages								
ASSETS									
Interest-earning assets:									
Loans and advances to customers	16,039,603	2,856,198	17.8%	11,408,220	2,075,923	18.2%	10,521,059	1,805,158	17.2%
Investment in debt securities	2,523,402	405,039	16.1%	1,479,822	264,203	17.9%	543,757	91,311	16.8%
Cash and cash equivalents[2]	2,447,321	5,277	0.2%	1,333,565	1,072	0.1%	1,599,418	2,205	0.1%
Due from other banks	1,032,544	147,557	14.3%	294,404	41,326	14.0%	325,010	43,388	13.3%
Total interest-earning assets	**22,042,870**	**3,414,071**	**15.5%**	**14,516,010**	**2,382,524**	**16.4%**	**12,989,244**	**1,942,062**	**15.0%**
Total non-interest-earning assets[3]	**4,985,084**			**4,273,928**			**3,162,424**		
Total assets	**27,027,954**			**18,789,938**			**16,151,668**		
LIABILITIES									
Interest-bearing liabilities:									
Customer accounts[4]	9,723,575	1,973,442	20.3%	7,585,601	1,424,211	18.8%	4,761,833	930,049	19.5%
Other borrowed funds	5,690,845	493,337	8.7%	3,493,130	175,256	5.0%	2,953,619	167,027	5.7%
Due to other banks	2,474,202	170,311	6.9%	1,263,287	148,599	11.8%	1,862,848	189,278	10.2%
Subordinated debt	1,093,603	133,281	12.2%	164,892	15,471	9.4%	150,360	-	0.0%
Lease liabilities	16,145	6,998	43.3%	13,118	7,713	58.8%	10,811	3,748	34.7%
Total interest-bearing liabilities	**18,998,371**	**2,777,369**	**14.6%**	**12,520,030**	**1,771,250**	**14.1%**	**9,739,471**	**1,290,102**	**13.2%**
Total non-interest-bearing liabilities[5]	**4,759,592**			**3,637,413**			**4,372,668**		
EQUITY	**3,269,991**			**2,632,496**			**2,050,340**		
Equity and non-interest-bearing liabilities	**8,029,583**			**6,269,909**			**6,423,007**		
EQUITY AND LIABILITIES	**27,027,954**			**18,789,938**			**16,162,478**		

Notes:
(1) Average amounts are based on the average of the opening balance and the closing balance at the end of each calendar quarter within each applicable period.
(2) Excludes cash on hand.
(3) Includes all assets except interest-earning assets.
(4) Excludes current/settlement accounts.
(5) Includes all liabilities except interest-bearing liabilities.

Changes in Interest Income and Interest Expenses; Volume and Rate Analysis

The following tables present the variations in the Group's interest income and expense as a result of the variations in the average volume of interest-earning assets and interest-bearing liabilities and changes in average interest rates occurred for the year ended 31 December 2025 compared to the year ended 31 December 2024, and for the year ended 31 December 2024 compared to the year ended 31 December 2023.

	Year ended 31 December					
	2024/2025			2023/2024		
	Volume[2]	Rate[3]	Net change	Volume[2]	Rate[3]	Net change
	million soums					
ASSETS						
Interest-earning assets:[1]						
Loans and advances to customers	842,760	(62,485)	780,275	152,215	118,550	270,765
Investment in debt securities	186,318	(45,482)	140,836	157,190	15,702	172,892
Cash and cash equivalents	895	3,310	4,205	(367)	(766)	(1,133)
Due from other banks	103,614	2,617	106,231	(4,086)	2,024	(2,062)
Total interest-earning assets	**1,235,389**	**(203,842)**	**1,031,547**	**228,272**	**212,190**	**440,462**
LIABILITIES						
Interest-bearing liabilities:[1]						
Customer accounts	401,409	147,822	549,231	551,519	(57,357)	494,162
Other borrowed funds	110,263	207,818	318,081	30,509	(22,280)	8,229
Due to other banks	142,439	(120,727)	21,712	(60,919)	20,240	(40,679)
Subordinated debt	87,136	30,674	117,810	-	15,471	15,471
Lease liabilities	1,780	(2,495)	(715)	800	3,165	3,965
Total interest-bearing liabilities	**916,512**	**89,607**	**1,006,119**	**368,316**	**112,832**	**481,148**

Note:

(1) Average amounts are based on the average of the opening balance and the closing balance at the end of each calendar quarter within each applicable period.

(2) Volume for the period is the difference between average balance for the relevant period and average balance for the previous period multiplied by average yield (assets)/ rate paid (liabilities) for the relevant period.

(3) Rate for the period is the difference between average yield (assets)/ rate paid (liabilities) for the relevant period and average yield (assets)/ rate paid (liabilities) for the previous period multiplied by average balance for the relevant period.

Interest-earning Assets—Margin

The following table presents the levels of average interest-earning assets and illustrates the comparative gross and net yields obtained for the indicated periods.

	As at or for the year ended 31 December		
	2025	2024	2023
	million soums, except percentages		
Average interest-earning assets[1]	22,042,870	14,516,010	12,989,244
Average yield on interest-earning assets[2]	15.5%	16.4%	15.0%
Net interest income[3]	636,702	611,274	651,960
Net interest margin[4]	2.9%	4.2%	5.0%

Notes:

(1) The average interest-earning assets is based on the average of the opening balance and the closing balance at the end of each calendar quarter within each applicable period.

(2) Average yield on interest-earning assets is interest income divided by average interest-earning assets.

(3) Net interest income is net margin on interest and similar income.

(4) Net interest margin is calculated as net margin on interest and similar income divided by average interest-earning assets.

Maturity Composition of Investment in Debt Securities Not Carried at Fair Value through Earnings

The following table presents the Group's weighted average yield of each category of debt securities not carried at fair value through earnings as at 31 December 2025.

		Maturing				
Investment debt securities measured at amortised cost [1]	**As at 31 December 2025**	**In one year or less**	**After one year through five years**	**After five years through 10 years**	**After 10 years**	**No specific maturity**
		million soums				
Uzbekistan government bonds	3,073,857	1,007,561	2,066,296	-	-	-
Corporate bonds	49,902	-	49,902	-	-	-
Uzbekistan government bonds (Total weighted average yield)		18.1%	16.1%	-	-	-
Corporate bonds (Total weighted average yield)		-	25.3%	-	-	-

Note:

(1) Yields have been calculated using the internal rate of return (IRR) as 31 December 2025.

Maturity and Composition of Loan Portfolio

The following table presents the Group's loans and advances to customers by the time remaining to maturity. Loans are stated after deduction of allowance for losses.

		Maturing			
	As at 31 December 2025	**In one year or less**	**After one year through five years**	**After five years through 15 years**	**After 15 years**
			million soums		
Loans and advances to corporate customers	**12,781,155**	**6,562,312**	**5,008,012**	**1,210,830**	**-**
Large loans	12,525,317	6,472,424	4,846,506	1,206,387	-
Micro loans	255,838	89,888	161,506	4,443	-
Loan to individuals	**6,283,670**	**1,981,286**	**3,100,709**	**981,774**	**219,901**
Car loans	2,119,376	886,715	1,232,661	0	-
Retail mortgage	1,529,853	106,178	396,736	807,038	219,901
Consumer loans	1,578,903	575,018	847,794	156,090	-
Agro and micro retails	1,055,538	413,374	623,518	18,646	-
Total loans and advances to customers	**19,064,825**	**8,543,598**	**8,108,721**	**2,192,605**	**219,901**

The following table presents loans and advances to customers by category as at 31 December 2025 that are due after one year. Loans are stated after deduction of allowance for losses.

	Maturing		
	From 1 to 3 years	**From 3 to 5 years**	**Over 5 years**
		million soums	
Loans and advances to corporate customers	**3,645,754**	**1,362,259**	**1,210,830**
Floating rate	**348,815**	**302,565**	**216,792**
Fixed rate	**3,296,939**	**1,059,693**	**994,038**
Large loans	3,528,799	1,317,707	1,206,387
Floating rate	348,815	302,565	216,792
Fixed rate	3,179,984	1,015,142	989,595
Micro loans	116,955	44,552	4,443
Floating rate	-	-	-
Fixed rate	116,955	44,552	4,443
Loans to individuals	**2,318,201**	**782,508**	**1,201,675**
Floating rate	-	-	-
Fixed rate	**2,318,201**	**782,508**	**1,201,675**
Car loans	987,019	245,642	0
Floating rate	-	-	-
Fixed rate	987,019	245,642	0
Retail mortgage	204,765	191,971	1,026,939
Floating rate	-	-	-
Fixed rate	204,765	191,971	1,026,939
Consumer loans	602,020	245,774	156,090
Floating rate	-	-	-
Fixed rate	602,020	245,774	156,090
Agro and micro retails	524,397	99,121	18,646
Floating rate	-	-	-
Fixed rate	524,397	99,121	18,646
Total loans and advances to customers	**5,963,954**	**2,144,767**	**2,412,505**

Summary of Loan Loss Experience

Allocation of Provision for Credit Losses

The following table presents credit losses and sets forth the percentage distribution of the total provisions as at 31 December 2025, 2024 and 2023. For a discussion of accounting standards related to credit loss allowances on financial assets, see Note 4 to the Financial Statements included elsewhere in this Offering Memorandum.

	As at 31 December					
	2025		2024		2023	
	Amount	% of total loss allowance	Amount	% of total loss allowance	Amount	% of total loss allowance
	million soums, except percentages					
Total loan and advance to customers	19,577,898		13,465,306		10,641,621	
Total loss allowance	(513,073)	2.6%	(423,388)	3.1%	(156,234)	1.5%
Total loan and advances to customers, net of loss allowance	**19,064,825**		**13,041,918**		**10,485,387**	

The Group's ratio of allowance for credit losses to total loan and advances to customers decreased to 2.6% as at 31 December 2025 from 3.1% as at 31 December 2024, following an increase from 1.5% as at 31 December 2023. The decrease in 2025 reflects continued growth of the loan portfolio, which outpaced the increased in loss allowances, as well as stabilisation of provisioning levels across key loan segments.

The change in the Group's ratio of allowance for credit losses to total loan and advances to customers as at 31 December 2024 compared to as at 31 December 2023 was due to a more conservative approach to provisioning under IFRS 9, including an increase in credit-impaired (Stage 3) exposures and higher provisioning levels on certain segments of the loan portfolio.

Allocation of Net Write-offs

The following table presents net write-offs as at 31 December 2025, 2024 and 2023.

	As at 31 December					
	2025		2024		2023	
	Average amount[(1)]	% of total average loans	Average amount[(1)]	% of total average loans	Average amount[(1)]	% of total average loans
	million soums, except percentages					
Loans and advances to corporate customers	10,304,351	64.2%	7,792,688	65.7%	7,311,514	69.0%
Large loans	10,143,459	63.2%	7,732,943	65.2%	7,285,204	68.8%
Micro loans	160,892	1.0%	59,745	0.5%	26,311	0.2%
Loans to individuals	5,735,252	35.8%	4,075,823	34.3%	3,282,666	31.0%
Car loans	2,344,931	14.6%	2,057,070	17.3%	1,721,891	16.3%
Retail mortgage	1,239,314	7.7%	854,965	7.2%	633,695	6.0%
Consumer loans	1,254,945	7.8%	755,844	6.4%	656,761	6.2%
Agro and micro retails	896,063	5.6%	407,945	3.4%	270,319	2.6%
Total average loans and advances to customers outstanding	**16,039,603**	**100.0%**	**11,868,511**	**100.0%**	**10,594,180**	**100.0%**
Net write-offs:						
Loans and advances to corporate customers	39,133	0.2%	82,061	0.7%	88,928	0.8%
Large loans	30,362	0.2%	79,623	0.7%	82,577	0.8%
Micro loans	8,771	0.1%	2,438	0.0%	6,351	0.1%
Loans to individuals	76,630	0.5%	17,965	0.2%	13,572	0.1%
Car loans	64,396	0.4%	2,946	0.0%	932	0.0%
Retail mortgage	1,376	0.0%	2,657	0.0%	3,967	0.0%
Consumer loans	7,747	0.0%	9,523	0.1%	3,745	0.0%
Agro and micro retails	3,112	0.0%	2,839	0.0%	4,928	0.0%
Total net write-offs	**115,764**	**0.7%**	**100,026**	**0.8%**	**102,500**	**1.0%**

Note:

(1) Average amounts are based on the average of the opening balance and the closing balance at the end of each calendar quarter within each applicable period.

The ratio of net write-offs to total average loans and advances to customers was 0.7% for the year ended 31 December 2025 compared to 0.8% for the year ended 31 December 2024 was primarily due to a reduction in net write-offs in the corporate loan portfolio, particularly large loans, reflecting improved recovery performance and lower volumes of corporate exposures reaching the write-off stage. This decrease was partially offset by higher write-offs in the retail portfolio, mainly car loans.

The ratio of net write-offs to total average loans and advances to customers was 0.8% for the year ended 31 December 2024 compared to 1.0% for the year ended 31 December 2023 was primarily due to lower net write-offs relative to the growth in the average loan portfolio, mainly reflecting reduced write-offs in corporate loans, particularly large loans, and continued recovery efforts across the loan book.

Customer Accounts

Composition of Customer Accounts per Type and Yield

The following table presents, with average balances, the breakdown of customer accounts by category as at 31 December 2025, 2024 and 2023.

	As at 31 December					
	2025		2024		2023	
	Average balance[(1)]	Average rate paid	Average balance[(1)]	Average rate paid	Average balance[(1)]	Average rate paid
	million soums, except percentages					
Term deposits	**9,723,575**	**20.4%**	**7,585,601**	**18.8%**	**4,761,833**	**19.5%**
Current/settlement accounts	**4,179,390**		**3,084,887**		**3,548,427**	
Interest-bearing	-		-		-	
Non-interest-bearing	4,179,390		3,084,887		3,548,427	
Total	**13,902,965**	**20.4%**	**10,670,488**	**18.8%**	**8,310,260**	**19.5%**

Note:

(1) Average amounts are based on the average of the opening balance and the closing balance at the end of each calendar quarter within each applicable period.

The Group participates in the state deposit insurance scheme in the Republic of Uzbekistan, which provides protection to depositors in accordance with applicable legislation. Under this framework, eligible customer deposits are insured up to the limits established by law in the event of withdrawal of a banking licence. The coverage does not apply to all type of deposits or amounts in full, and compensation is subject to statutory limits and conditions. The following table sets forth the amount of the Group's insured and uninsured outstanding balance of customer accounts as at the dates indicated below.

	As at 31 December					
	2025		2024		2023	
	Amount	% of total balance	Amount	% of total balance	Amount	% of total balance
	million soums, except percentages					
Insured	4,981,022	35.7%	5,181,015	40.6%	3,285,409	38.6%
Uninsured	8,989,197	64.3%	7,566,592	59.4%	5,233,317	61.4%
Total outstanding balance of customer accounts	**13,970,219**	**100.0%**	**12,747,607**	**100.0%**	**8,518,726**	**100.0%**

BUSINESS

Overview

Aloqabank is a universal commercial bank operating in the Republic of Uzbekistan. As at 1 January 2026, the Bank ranked 10th among the 35 commercial banks operating in Uzbekistan by total assets, according to the CBU.

The Bank provides a comprehensive range of banking products and services to corporate and retail customers, including corporate and retail lending, deposit-taking, settlement and cash services, and trade finance.

The Bank provides specialised financial services to the telecommunications, information technology and postal sectors, whilst also expanding its presence in the retail and SME segments through its digital ecosystem, including the "Zoomrad" mobile application. The Bank conducts its operations from its head office in Tashkent and a network of Regional Comprehensive Service Centres ("**RCIS**") across all regions of Uzbekistan.

As at 31 December 2025, the Bank operated through a network of 15 RCIS that coordinate regional activities and serve large corporate clients. Daily banking services are further provided through 76 comprehensive service offices, which offer account opening, lending and currency exchange.

Since 2020, as part of the broader Strategy for Reforming the Banking System, the Bank has been undergoing a systematic transformation aimed at improving its operational efficiency and transitioning to a market-oriented business model. This transition has involved a focus on digital transformation, the implementation of ESG principles in collaboration with international financial institutions such as the ADB, and the diversification of its loan portfolio to include higher-margin retail and private sector products.

The Bank is a majority state-owned bank. As at the date of this Offering Memorandum, the Government of Uzbekistan, through the UFRD, JSC Uzbektelecom and the Ministry of Economy and Finance, ultimately holds approximately 73.9 per cent. of the Bank's voting shares.

As at 31 December 2025, the Group's total assets were UZS31,344,212 million. As at 31 December 2025, total gross loans and advances to customers amounted to UZS19,577,898 million, with gross loans to corporate customers (including state and municipal organisations) and gross loans to individuals accounting for 66.6 per cent. and 33.4 per cent. of total gross loans and advances to customers, respectively. For the year ended 31 December 2025, the Group generated a loss of UZS193,887 million, compared to a profit of UZS252,915 million for the year ended 31 December 2024.

The Bank was incorporated as a joint-stock commercial bank in 1994 in the Republic of Uzbekistan. It is registered to carry out a full range of banking operations and is headquartered at 2 Ukchi Street, Shaykhontohur district, 100011 Tashkent, Republic of Uzbekistan. The telephone number for the head office is +998 (71) 230-77-77. As at the date of this Offering Memorandum, the Bank maintains a credit rating of 'BB' with a "Stable" outlook from Fitch Ratings and 'Ba3' with a "Stable" outlook from Moody's.

History

The Bank was established as a specialised financial institution on 12 October 1994 following a resolution by the Cabinet of Ministers to support the communications and informatisation sectors. The Bank was officially registered by the CBU on 22 March 1995 and received a general banking licence.

In 1996, the Bank took a significant step towards diversifying its services by obtaining a licence to conduct foreign currency transactions. This period also marked the beginning of its regional expansion with the opening of its first branch in Nukus, Republic of Karakalpakstan, an autonomous republic of Uzbekistan. Between 1997 and 2001, the Bank accelerated its territorial growth, establishing a presence in the Namangan, Khorezm, Andijan, Bukhara and Surkhandarya regions.

In 2001, following growth in its client base beyond the communications sector, the Bank transitioned from a specialised institution to a universal bank and changed its name to Joint-Stock Commercial "Aloqabank". The Bank also became a member of the SWIFT international payment system and established correspondent relationships with major institutions. Between 2002 and 2008, the Bank focused on building a stable funding base, joining the "Guarantee of Population Deposits in Banks" fund and partnering with international money transfer systems such as Western Union and Travelex Express.

From 2009 to 2015, the Bank underwent a significant rebranding and technological modernisation programme, including the introduction of a new logo and corporate style, as well as the launch of internet banking, mobile banking and integration with platforms such as CLICK. The Bank obtained the status of an open joint-stock commercial bank to support corporate governance and investment attractiveness.

In 2016, the Bank entered a period of accelerated digital transformation, implementing peer-to-peer ("**P2P**") card-to-card transfers and integrating with international payment systems such as UnionPay and MIR. This period focused on reducing operating costs and enhancing customer experience through electronic document management and virtual reception services.

Since 2021, the Bank's activities have been defined by fintech and IT-driven growth. The Bank transitioned to the Colvir automated banking system and established the AloqaVentures venture fund to finance startups and artificial intelligence projects. In 2023, the Bank introduced a renewed brand and launched the Zoomrad mobile application, which integrates banking services with government platforms.

The Bank is participating in the CBU's regulatory "Sandbox" for Uzbekistan's first crowdfunding platform and a specialised P2P lending system. In 2025, the Bank introduced social cards for state payments, using Merchant Category Codes ("**MCC**") to ensure that disbursed funds are used for their intended purposes.

The Bank's commitment to its workforce has been recognised by the Top Employers Institute, which named the Bank the "Best Employer" in the banking sector of Uzbekistan. The Bank is executing the "Aloqabank Development Strategy for 2024–2026", which is aimed at transitioning the Bank from a traditional financial institution into a technology-driven banking ecosystem. In furtherance of this strategy, the Bank is working with the Asian Development Bank to implement ESG standards and publish its inaugural ESG report, alongside initiatives supporting SME growth and gender equality.

Competitive Strengths

The Bank's management believes that the Group has a number of competitive advantages, including the following strengths:

Growing market position and expanding client base

The Bank holds a well-established and growing position within the Uzbekistan banking market. As at 1 January 2026, the Bank ranked as the 10th largest commercial bank (among 35 banks) in Uzbekistan by total assets, according to the CBU. As at 31 December 2025, the Bank's assets amounted to UZS31,344,212 million, representing a 3.4 per cent. market share, as compared to UZS22,669,156 million as at 31 December 2024, representing a 3.0 per cent. market share.

The Group maintains a diversified loan portfolio that balances services for both legal entities and individuals. As at 31 December 2025, loans to legal entities accounted for 66.6 per cent. of the total loan portfolio, while loans to individuals represented 33.4 per cent. The Bank demonstrated robust growth dynamics, with its total loan portfolio increasing by 45.4 per cent. as compared to 31 December 2024. Furthermore, the Bank's share in the deposit services market reached 3.7 per cent. as at 1 January 2026, placing it among the eight largest banks in the country.

Leading digital transformation and innovative IT solutions

The Bank is at the forefront of digital banking in Uzbekistan, focusing on the creation of next-generation digital products through a "Super App" model. A key component of this strategy is the Zoomrad retail application, which integrates the Bank's payment system, marketplace features and public service payments into a single mobile interface. As at 31 December 2025, Zoomrad had over 4.9 million registered users. The Bank plans to launch Zoomrad 2.0 in the second quarter of 2026 with a revamped interface that integrates banking with E-Gov services, lifestyle features such as travel and insurance, and EdTech modules. This platform aims to provide full-cycle digital lending for complex products such as auto loans and mortgages, alongside SWIFT-integrated international transfers.

In parallel, the Bank is developing a new version of the AloqaBusiness application. This initiative targets the digitalisation of routine entrepreneurial operations, including remote onboarding for deposit accounts, instant microloans for working capital and the execution of international SWIFT transfers directly from corporate

accounts. As at 31 December 2025, AloqaBusiness had approximately 18,900 active users and the Bank's internet banking platform had approximately 9,300 active users.

Comprehensive regional presence and infrastructure

As at 31 December 2025, the Bank maintains a robust physical distribution network designed to reach customers across all economically active regions of the republic. This network includes 15 RCIS that coordinate regional activities and serve large corporate clients. Daily banking services are further provided through 76 comprehensive service offices which offer account opening, lending and currency exchange. To support 24/7 accessibility, the Bank has installed 165 ATMs. Additionally, the Bank facilitates cashless settlements through 14,551 POS terminals and 27,499 EPOS terminals integrated into business entity operations.

Robust risk management and capital policy

The Bank's financial stability is anchored by an integrated risk management system and a conservative capital policy. Key elements include rigorous liquidity management, which involves maintaining sufficient buffers of highly liquid assets and cash-flow forecasting to ensure all obligations are met under unfavourable market scenarios. The Bank also manages market and currency risks by limiting open positions and utilising hedging instruments.

Capital stability is maintained by keeping regulatory capital adequacy above minimum requirements, supported by regular stress testing and internal evaluations.

Commitment to international standards and ESG

The Bank is actively integrating Environmental, Social and Governance ("**ESG**") standards into its corporate policy. In collaboration with the Asian Development Bank, the Bank is preparing to publish its inaugural ESG report by the end of 2026. These initiatives are complemented by a focus on SME support and gender equality, reinforcing the Bank's commitment to being a socially responsible financial institution. The Bank's commitment to its workforce was also recognised by the Top Employers Institute, which named the Bank the "Best Employer" in the banking sector of Uzbekistan, with the Bank currently ranking first among state-owned banks in that category.

International credit ratings and global quality standards

The Bank's financial stability and operational excellence are validated by leading international agencies and standardisation bodies. As at the date of this Offering Memorandum, the Bank maintains a rating of "BB" with a "Stable" outlook from Fitch Ratings and "Ba3" with a "Stable" outlook from Moody's. These ratings reflect the Bank's solid capitalisation and its strategic importance within the national banking system. Furthermore, the Bank's commitment to international management best practices is evidenced by its ISO 9001:2015 certification, issued by the German certification body TÜV International Certification. This certification confirms that the Bank's quality management systems and internal processes across its network meet global standards, ensuring a high level of service reliability and institutional transparency.

Strategic fintech ecosystem and venture integration

The Bank is evolving from a traditional lender into a comprehensive technology-driven financial ecosystem. A core pillar of this transition is the operation of "AloqaVentures," the Bank's dedicated venture capital fund, which provides a competitive edge by financing and integrating innovative startups in the fields of artificial intelligence, fintech and digital infrastructure. This vertical integration allows the Bank to deploy cutting-edge solutions directly into its "Zoomrad" Super App, moving beyond standard banking to include integrated government services, lifestyle products and digital marketplaces. By leveraging this fintech-first approach, the Bank believes it is positioning itself not only as a provider of financial services but as an innovation platform in Uzbekistan's digital economy, which the Bank expects to drive higher customer engagement and diversify its non-interest income streams.

Strategy

The Bank's strategy focuses on the following key priorities:

Digital transformation and ecosystem development

The Bank's future business model prioritises the transition toward an integrated digital ecosystem. The Bank is developing multi-functional platforms to serve as the primary interface for customer interactions across retail and corporate banking services. The key platform developments are:

- **Next-Generation Retail (Zoomrad 2.0)**. The Bank plans to launch Zoomrad 2.0 in the second quarter of 2026, featuring a revamped interface designed to integrate banking with E-Gov platforms, lifestyle features such as travel and insurance, and EdTech modules. The platform is expected to support full-cycle digital lending for products such as auto loans and mortgages, alongside SWIFT-integrated international transfers, and 24/7 online currency conversion with NFC-enabled payment management.
- **Corporate Digitalisation (AloqaBusiness)**. The Bank is developing AloqaBusiness 2.0, which is intended to digitalise the end-to-end lifecycle of entrepreneurship. The platform is planned to enable remote onboarding for legal entities, instant microloans for working capital and automated payroll management. The platform will incorporate Zoomrad Business, an IT solution allowing SMEs to accept payments via QR codes and Telegram bots without traditional POS equipment.
- **Fintech and Vertical Integration**. Through its venture fund, AloqaVentures, the Bank operates the AloqaTechLab accelerator, which identifies and integrates AI and fintech startups into the Bank's service architecture, ensuring it maintains a competitive edge in technological agility and disruptive financial solutions.

Expanding SME segment and real sector support

A primary strategic objective is the expansion of the Bank's footprint in the SME segment. The Bank is shifting its focus from traditional credit provision to offering comprehensive, data-driven business solutions.

By implementing advanced digital scoring and AI-based analytics, the Bank aims to provide unsecured online financing with minimal documentation. Currently, the Bank offers a range of products, including "Start-biznes" for initial working capital and "Logistika avtokredit" for logistical infrastructure. Furthermore, the Bank offers supplementary factoring and trade finance services to reduce the cash-flow gap for manufacturing and service enterprises, diversifying its loan portfolio while supporting sustainable growth in the real sector of Uzbekistan's economy.

Strategic positioning in the context of banking sector reform and privatisation

The Bank's strategy is closely linked to the broader reform of Uzbekistan's banking sector, which aims to reduce state ownership in commercial banks and strengthen corporate governance, transparency and operational efficiency. Under the Government's banking sector reform programme and the national "Uzbekistan–2030" strategy, the Bank has been included in the list of banks designated for potential privatisation. In preparation for this process, the Bank aims to improve its valuation and investment appeal through operational efficiency improvements and growth in the share of non-interest income.

The Bank's plans include transforming the physical distribution network into "smart offices" that focus on high-value advisory services while migrating routine transactions to digital channels.

ESG integration and sustainable finance

In partnership with the Asian Development Bank (ADB), the Bank is implementing ESG standards across its operations. This technical assistance programme focuses on aligning the Bank's reporting with IFRS S1 and S2 international sustainability standards, developing a dedicated ESG Strategy that prioritises the financing of energy-efficient and socially responsible projects, conducting training for employees to embed green banking principles into the credit approval process and publishing the Bank's inaugural ESG report in 2026.

Financial discipline and performance

The Bank maintains a strict focus on financial discipline to support its growth targets. This includes maintaining capital adequacy and liquidity buffers above regulatory minimums, in order to support financial stability during periods of market volatility. In July 2025, Fitch Ratings upgraded the Bank's rating to "BB" with a "Stable" outlook, reflecting the improvements in the Bank's financial profile and operating environment. Strategic performance is measured through KPI and APM systems tied to ROE and ROA improvements, positioning the Bank as a stable, transparent and high-growth institution for domestic and international stakeholders alike.

Competition

The banking market in Uzbekistan is competitive. According to the CBU, as at 1 January 2026, 35 commercial banks were registered in Uzbekistan and the five largest banks held 50.8 per cent. of total banking assets.

The Bank considers its major competitors to be the NBU, Asaka Bank, Agrobank, Kapital Bank, Ipoteka Bank and SQB. The Bank faces competition from these leading domestic banks in each of the business areas in which it operates, as well as from several banks with foreign participation in the retail sector. The ongoing banking sector reforms and transition to a more market-oriented model will likely result in increased competition from state-owned banks, as well as from foreign and private banks targeting the same client base.

In the corporate lending sector, the Bank's most significant competitors are Mikrokreditbank, Turonbank and the Business Development Bank. In the retail lending sector, the Bank's main competitors include NBU, Asaka Bank, Agrobank, Kapital Bank, Ipoteka Bank and SQB, as well as digital banks such as TBC Uzbekistan and Anor Bank.

Competition in the Uzbek banking sector is based on a number of factors, including interest rates and deposit products, the range and quality of financial services offered, access to funding, digital banking capabilities and the geographic reach of branch networks.

Moreover, the expansion of the Bank's client base to new industries and sectors gives rise to additional operational and credit risk, as the Bank may not have sufficient knowledge, procedures or resources to adequately assess the creditworthiness of new categories of customers, including retail clients.

See "*Risk Factors – The Bank operates in a competitive industry*", "*Risk Factors – The Bank may not be able to successfully implement its strategy to grow its business, and may be subject to risks relating to its business expansion*" and "*Risk Factors – The Bank may not be able to accurately assess the credit risk of potential and current borrowers*".

Subsidiaries

As of the date of this Offering Memorandum, the Bank has six direct subsidiaries:

- "Aloqa Finance Factoring" LLC, a company providing factoring services, is 100.0 per cent. owned by the Bank;
- "Aloqaventures" LLC, a venture fund incorporated in the form of a limited liability company, is 100.0 per cent. owned by the Bank;
- "Aloqaventures-2" LLC, a venture fund incorporated in the form of a limited liability company, is 100.0 per cent. owned by the Bank;
- "Aloqa Aktiv" LLC, a company engaged in implementing investment projects in the development and construction of various facilities (e.g. hotels, retail premises and tourism infrastructure), is 100.0 per cent. owned by the Bank;
- "Aloqa Aktiv Farg'ona" LLC, an investment company incorporated in the form of a limited liability company, is 100.0 per cent. owned by the Bank; and
- "Aloqlizing" LLC, a leasing company, is 55.0 per cent. owned by the Bank.

As of the date of this Offering Memorandum, the Bank has four indirect subsidiaries via Aloqa Aktiv LLC:

- "Zarbdor Aktiv" LLC, an agriculture company incorporated in the form of a limited liability company, is 100.0 per cent. indirectly owned by the Bank;
- "Chust Poyafzal" LLC, a company engaged in leather production, is 100.0 per cent. indirectly owned by the Bank;

- "Jomboy – Agro Star" LLC, an agriculture company, is 86.7 per cent. indirectly owned by the Bank; and
- "Toshkent Agro Star" LLC, an agriculture company, is 86.7 per cent. indirectly owned by the Bank.

Business Operations

The Bank's core business is commercial banking, comprising the following two main operating segments:

- *Corporate banking* which represents direct debit facilities, current accounts, deposits, overdrafts, loans and other credit facilities, foreign currency and derivative products offered by the Bank to corporate customers and to state and municipal organisations; and

- *Retail banking* which represents personal banking services, including personal customer current accounts, savings, deposits and debit cards, and retail lending products offered by the Bank to retail customers.

Client Base

The Bank categorises its client base across the following sub-segments: corporate banking and retail banking. The Bank defines these sub-segments as follows:

- *corporate banking* – state and municipal organisations (which are organisations that are directly or indirectly 100.0 per cent. owned by the state), as well as the Bank's corporate clients, including SMEs, which are legal entities and individual entrepreneurs using the Bank's products and services for business purposes; and
- *retail banking* – individuals receiving the Bank's products and services for personal purposes.

For the purposes of IFRS reporting, the loan portfolio is divided into loans to corporate customers (which include loans to SMEs and to state and municipal organisations) and loans to individuals. Customer accounts are divided into state and municipal organisations, other legal entities and individuals. For operational reporting purposes, SME clients are included within the 'loans to corporate customers' category in the financial statements.

Corporate Banking

Corporate banking includes banking services to corporate customers and to state and municipal organisations. The Bank offers a range of corporate banking products and services, including loans to corporate customers; deposits; fee- and commission-based products and services such as cash handling, settlements, guarantees and letters of credit; and other products and services.

A core strategic objective of the Bank's corporate banking division is to achieve key performance targets through the acquisition of high-quality corporate clients across productive sectors of the economy. The Bank actively pursues cooperation with enterprises across all sectors of the economy, with particular emphasis placed on the technology sector, where the Bank implements projects with IT enterprises on mutually beneficial terms, with the aim of establishing its position as a preferred financial partner for the IT industry.

Corporate Products and Services

The Bank provides customers of its corporate banking department with a wide range of banking products.

Loans to Corporate Customers

As at 31 December 2025, the Group's loans to corporate customers represented the largest component of the Bank's loan portfolio, with a share of 66.6 per cent., and Stage 3 loans in the corporate loan portfolio accounted for 8.3 per cent. of the Group's corporate loan portfolio. In line with the Bank's risk management policy, the Bank in the ordinary course of its corporate lending business typically obtains collateral, either in the form of letters of surety, pledges over real estate, equipment, inventory and other receivables, cash deposits, or vehicles. See "*Operating and Financial Review – Financial Position – Loan Portfolio*" and "*Risk Management – Collateral*".

In the corporate lending sector, the Bank's most significant competitors are Mikrokreditbank, Turonbank and the Business Development Bank**.**

Deposits

The Bank provides a range of current and term deposit accounts to both corporate customers and state and municipal organisations, while seeking to develop and offer new products to meet customer needs. The Bank offers competitive interest rates on its corporate deposits and seeks to support margins through operational efficiencies and through its mobile and online platforms. As at 31 December 2025, the total amount of customer accounts attributable to its corporate banking department (i.e., customer accounts of all legal entities) amounted to UZS7,791,031 million, representing 55.8 per cent. of the Bank's total customer accounts.

Documentary Operations

Documentary transactions represent obligations undertaken by the executing bank on behalf of a corporate customer or a state and municipal organisation under a letter of credit or guarantee, granting a third party the right to present documents for payment, provided that the bank's obligations are fulfilled within the agreed amount and subject to specified conditions. As at the date of this Offering Memorandum, the Bank maintains 11 Nostro and 21 Loro accounts, complemented by 97 active Relationship Management Application (RMA) exchanges. The Bank has agreed limits with different international banks and credit lines exceeding U.S.$400 million. The Bank provides documentary operations for its customers in U.S. dollars, Euros, British pounds sterling, Japanese yen and Chinese yuan.

The Bank has a wide network of correspondent banks, including NBU, Kookmin, LBBW, Bank of Georgia, Aktif Yatirim Bankasi, Agricultural Bank of China, Zhejiang Chouzhou, Ipak Yuli Bank, Asia-Invest Bank, Asia Alliance Bank, Bank Eskhata, Bai Tushum, Bakay bank and Unibank Armenia.

The main customers of the Bank's documentary operations services are companies in the manufacturing, financial, mechanical engineering, IT and medical sectors. As at 31 December 2025, the Bank opened 46 import letters of credit for the total amount of UZS2,220,089 million.

Currency Operations and Money Transfers

The Bank provides the following currency products to corporate customers and state and municipal organisations: (i) the acceptance and subsequent placement of funds of partner banks and corporate customers in major freely convertible currencies (USD, EUR, JPY, GBP, RUB) for various periods at current rates of the interbank money market; and (ii) carrying out conversion operations in the international foreign exchange market (FX Market) in major world currencies such as USD, EUR, JPY, GBP and RUB on the terms of a SPOT transaction. Foreign exchange derivative financial instruments entered into by the Bank are generally traded in an over-the-counter (OTC) market with professional market counterparties on standardised contractual terms and conditions.

The Bank commenced operations in the Uzbek money transfer market in 2002 and has since expanded its international presence to 91 service centres across 160 operators, partnering with systems such as Western Union, Zolotaya Korona and MoneyGram. The Bank is actively managing a shift from branch-based cash transactions toward digital channels via mobile applications.

Retail Banking

The Bank's retail banking services include retail lending products, such as car loans, mortgage loans, consumer loans and agro and micro retail loans, as well as personal services, including deposits, debit cards, payments and transfers, and foreign exchange. As at 31 December 2025, the Bank had 99.8 thousand retail customers.

The Bank's retail loan portfolio increased by UZS3,133,185 million, or 92.3 per cent., to UZS6,529,232 million as at 31 December 2025 as compared to UZS3,396,047 million as at 31 December 2023. As at 31 December 2025, Stage 3 loans in the retail loan portfolio accounted for 5.0 per cent. of the Bank's retail loan portfolio. Customer accounts from private individuals increased by UZS3,013,771 million, or 95.2 per cent., from UZS3,165,417 million as at 31 December 2023 to UZS6,179,188 million as at 31 December 2025. The Bank sees significant growth potential in the expansion of its digital platforms. In this regard, the Bank aims to improve the quality of its services and offer new products to serve individuals.

In the retail lending sector, the Bank's most significant competitors are NBU, Asaka Bank, Agrobank, Kapital Bank, Ipoteka Bank and SQB**.**

Retail Products and Services

The Bank provides its retail customers with a wide range of banking products through its branch network and online banking services:

Loans to Individuals

The Bank has a number of retail lending programmes, including car, mortgage, consumer, agro and micro retail loans. The retail loan portfolio is fully denominated in soums. In 2025, the Bank's retail loan portfolio amounted to UZS6,529,232 million, and comprised car loans, which amounted to UZS2,261,477 million, consumer loans – UZS1,628,530 million, mortgage loans – UZS1,557,299 million, as well as agro and micro retail loans – UZS1,081,926 million.

- Car loans

  The Bank offers car loans to its retail customers for the purchase of new automobiles directly from manufacturers or authorised dealers, including cover for associated costs such as motor insurance premiums. The Bank's car loans represented 34.6 per cent. of the Bank's retail loan portfolio as at 31 December 2025. As at 31 December 2025, the average term for car loans was 49.7 months with a weighted average interest rate of 22.8 per cent.

- Mortgage loans

  The Bank offers several mortgage products to its retail customers. The Bank's mortgage loans represented 23.9 per cent. of the Bank's retail loan portfolio as at 31 December 2025. The Bank offers mortgage loans for the purchase of any type of real estate on the primary and secondary market, mortgage loans for property in new housing estates (for the purchase of a new apartment in a newly built residential development), mortgage loans for construction and reconstruction (loans for the construction and reconstruction of residential properties) and mortgage loans on preferential terms (for the extension of living space in residential properties). As at 31 December 2025, the average term for mortgage loans was 216.9 months with a weighted average interest rate of 17.8 per cent.

- Consumer loans

  The Bank provides targeted consumer lending to retail customers, including specialised financing for the purchase and installation of renewable energy solutions such as solar photovoltaic stations, solar water heaters and wind power plants. Additionally, the Bank offers education loans to cover tuition fees for students at higher or professional institutions across Uzbekistan, as well as interest payment support for women's education loans allocated via the Education Loan Financing Fund of the Ministry of Economy and Finance. The Bank's consumer loans represented 24.9 per cent. of the Bank's retail loan portfolio as at 31 December 2025. As at 31 December 2025, the average term for consumer loans was 98.3 months with a weighted average interest rate of 14.1 per cent.

- Agro and micro retail loans

  Agro and micro retail customers may obtain microloans of up to UZS 100 million for any purpose with a maximum term of 60 months. Additionally, the Bank offers targeted microloans of up to UZS 50 million for a term of 36 months for specific purposes. The Bank's agro and micro retail loans represented 16.6 per cent. of the Bank's retail loan portfolio as at 31 December 2025. As at 31 December 2025, the average term for agro and micro-retail loans was 34.0 months with a weighted average interest rate of 24.1 per cent.

Customer Accounts

As at 31 December 2025, current/demand accounts and term deposits of private individuals amounted to UZS6,179,188 million.

The Bank offers a range of deposit products in local and foreign currencies with fixed interest rates and maturities tailored to different customer preferences. In local currency, the Bank offers four types of deposits with a fixed interest rate of from 13.0 per cent. to 15.0 per cent. per annum and a maturity of 13-36 months.

Bank Cards

As at 31 December 2025, the Bank had issued a total of 1,182,000 bank cards, including both virtual cards and newly issued student cards. Excluding these specific categories, the core volume of issued cards stood at 462,835. The Bank issues cards under domestic and international payment systems, including Humo, UzCard, UnionPay, Mastercard and Visa.

The Bank does not issue credit cards.

Currency Operations and Money Transfers

Retail customers of the Bank can purchase currency in the branches of the Bank, via ATMs or using the Zoomrad mobile platform. In 2025, the aggregate value of online foreign currency exchange applications processed through the Bank's digital channels amounted to approximately U.S.$191 million.

The Bank's retail customers have access to several money transfer systems, such as MoneyGram, Ria, Western Union and Korona. These services support domestic and cross-border money transfers for retail customers.

Distribution Network

The Bank's distribution network comprises regional and local comprehensive service centres, an extensive ATM infrastructure, a robust terminal network supporting cashless settlements and integrated digital channels. The Bank prioritises the development of an omnichannel environment combining its physical network with remote banking platforms to provide convenient and accessible banking products and services across the Republic of Uzbekistan.

Service centres

As at 31 December 2025, the Bank's physical distribution network provides regional coordination and local accessibility through the following comprehensive service centres:

- **15 regional comprehensive service centres** located in major provincial hubs. These centres act as the primary administrative and operational nodes for the Bank's regional activities and provide a full range of banking products and services. They are equipped to serve the complex financial needs of large corporate clients while also supporting small and medium-sized businesses and retail customers; and

- **76 comprehensive service centres** located in urban and economically active regions throughout the republic. These centres provide a comprehensive suite of essential banking services, including account opening, lending, deposit acceptance, currency exchange operations and professional advisory services for both individuals and legal entities.

ATMs and cashless settlement infrastructure

As at 31 December 2025, the Bank operated 165 ATMs at strategic locations across Uzbekistan, providing customers with 24/7 access to essential banking services. These machines enable customers to withdraw cash, make routine payments and conduct account inquiries without visiting a branch.

The Bank also contributes to the development of Uzbekistan's cashless payment infrastructure. As at the date of this Offering Memorandum, the Bank operates 14,551 POS terminals at various sales and service outlets to facilitate card-based payments for goods and services. Furthermore, the Bank operates 27,499 EPOS terminals which are integrated into the business processes of corporate clients for use in electronic settlements and financial reporting.

Digital Channels

The Bank prioritises the development of its digital and remote service channels alongside its physical infrastructure in order to improve customer accessibility and operational efficiency. As at 31 December 2025, the Bank's retail mobile application, Zoomrad, had over 4.9 million registered users. The application allows

customers to manage accounts, execute transfers, perform payments, access government E-Gov services and purchase insurance products online. For corporate clients and legal entities, the Bank operates the AloqaBusiness application and an Internet Banking platform, which currently serve approximately 18,900 and 9,300 active users respectively. These platforms enable 24/7 remote management of accounts, monitoring of financial transactions and submission of payment orders, significantly reducing the need for branch visits.

For merchants, the Zoomrad Business application, presently utilised by approximately 2,250 partners, enables payment acceptance and real-time transaction monitoring directly within the Zoomrad ecosystem. Complementing these channels, the Bank operates a dedicated call centre for technical assistance and maintains an official corporate website that provides up-to-date information on tariffs, products and remote applications.

The Bank's digital expansion roadmap for 2026 includes targets to increase the number of registered Zoomrad users to 7.0 million and achieve 2.0 million monthly active users through improvements in user interface design and an expansion of integrated digital services. For the corporate sector, the strategic goal is to migrate the Bank's entire legal entity client base of approximately 55,000 customers to the AloqaBusiness platform. This migration is intended to facilitate digital onboarding and provide comprehensive access to banking services via mobile devices, supporting the transformation of the Bank into a technology-driven, digitally accessible institution while maintaining its reputation for reliability.

Sustainability

The Bank has adopted a strategic roadmap to integrate environmental, social and governance principles into its institutional framework, having approved a formal internal policy on environmental and social risks in November 2025 with technical assistance from the World Bank. The Bank is currently in its second phase of implementing ESG standards under the guidance of the Asian Development Bank and intends to publish its inaugural sustainability report in 2026. This strategic roadmap is designed to align the Bank's operations with international standards and enhance transparency for stakeholders.

In the field of green financing, the Bank has partnered with international financial institutions to deploy capital toward energy efficiency and climate-smart agricultural projects. To manage associated risks, the Bank employs a dedicated ecological expert to advise on climate-related factors during credit committee meetings. Under its formal policy, the Bank categorises projects into specific risk levels to seek to ensure that all lending activities comply with national and international environmental standards. The primary goal for the 2026–2027 period remains the full institutionalisation of these ESG standards and the regular disclosure of sustainability performance to drive long-term responsible growth.

Information Technology

The Bank's operational framework is underpinned by a comprehensive and integrated IT landscape designed to ensure the stability of core banking processes while facilitating advanced data-driven management decisions. The central component of this infrastructure is a suite of software products from Colvir, which includes the Automated Banking System, Credit Front Office, Corporate Data Warehouse and specialised modules for online banking, analytical processing, credit risk management and Enterprise Resource Planning. These integrated products serve as the foundational architecture for all accounting, management and HR records, and are critical for the automated generation and submission of regulatory reports to the CBU. To support strategic decision-making and operational monitoring, the Bank utilises advanced business intelligence tools, including ClickSense BI and various internal analytical platforms, which provide real-time visibility into key business indicators and financial data. Internal business processes have been further digitalised through the implementation of the DirectumRX platform for electronic document management and automated approvals, while human resources processes are supported by the InterAI system, which leverages artificial intelligence to automate recruitment and hiring.

The Bank offers its clients a range of digital solutions covering both corporate and retail segments, with remote service channels divided by target audience for maximum user convenience. Retail clients have access to the Zoomrad mobile app, which offers a wide range of digital services including loan applications, deposit management, P2P transfers and international money transfers with on-platform currency conversion. The app also features interactive services such as insurance policy registration, access to government E-Gov services and various payment options via billing systems and QR codes. For legal entities and sole proprietors, the AloqaBusiness mobile app allows for full financial management, including account monitoring, money transfers

and the digital opening of deposit accounts. For payment acceptance, the Bank has developed the Zoomrad Business application, which enables partners to track receipts in real time and generate detailed reports. These mobile offerings are complemented by a desktop Internet banking system for advanced functionality and international SWIFT transactions, an automated Telegram chatbot for online support and a corporate website providing comprehensive product information and appointment booking services.

The Bank invests in the development of its IT infrastructure, prioritising the implementation of modern technologies and the enhancement of the resilience and security of its systems. A comprehensive digital transformation programme is being implemented in stages to automate key business processes, including operational, credit, settlement and client support functions. As part of this transition, the Bank is moving to a modern, modular and scalable IT architecture that utilises service-oriented and microservice approaches to separate functional domains and standardise integrations. Special attention is paid to data management, with the Bank creating a unified information space and implementing data quality control mechanisms to ensure the reliability of management and regulatory reporting. This digital transformation is carried out in strict compliance with information security requirements, ensuring the separation of access to systems and data while maintaining transaction traceability.

To address cybersecurity and protect client data, the Bank is implementing a comprehensive strategy aimed at enhancing the resilience of its IT infrastructure. In 2025, extensive work was undertaken to migrate critical databases to an industrial IBM platform, transition to secure data centres and update virtual infrastructure to improve data storage reliability. Network perimeter protection was strengthened by implementing fail-safe firewalls and establishing redundant communication channels between data centres. Current security measures include the deployment of a SIEM system to monitor information security events, the use of two-factor authentication for server administration and VPN access, and the implementation of traffic proxying solutions. In 2026, the Bank plans to further strengthen customer data protection by implementing a full-featured SIEM with 24/7 monitoring, updating workstation security tools to EDR/XDR standards and implementing database activity monitoring and specialised solutions for web application protection and DDoS attack mitigation.

The Bank plans to continue its digitalisation by developing its mobile applications into super-apps that integrate banking services with government platforms, marketplaces and loyalty programmes. An important stage of this digitalisation will be the expansion of the digital payment ecosystem, including QR codes, NFC and virtual cards, alongside integration with external fintech services. The Bank intends to use big data analytics and artificial intelligence technologies to personalise offers and create customised product baskets based on the customer lifecycle. Particular attention will be paid to collaboration with retailers and service platforms to unify financial and non-banking services into a single, omnichannel customer experience. In the coming years, the Bank will focus on launching digital social and online products, reducing paperwork through further automation and promoting green financial initiatives.

See also "*Risk Factors – Risks Related to the Group's Business and Industry – The Bank's IT systems may malfunction, fail to secure the Bank against hacking, or be insufficient to support future business expansion*".

Real Estate

As at 31 December 2025, the Bank maintained an extensive portfolio of owned real estate and administrative buildings throughout the Republic of Uzbekistan, primarily to support its headquarters' functions and its distribution network. The Bank's real estate assets are principally comprised of its newly established head office in Tashkent, regional comprehensive service centres and local comprehensive service centres. These facilities are used for the Bank's operational activities, including the provision of banking services to customers, execution of daily financial operations and the accommodation of administrative and management personnel.

The Bank's regional infrastructure is strategically distributed across all major administrative centres of the Republic to ensure comprehensive market coverage. This network includes the AMALIYET Regional Centre for Customer Service and facilities at IT Park in the Mirzo Ulugbek district of Tashkent, as well as dedicated service centres in Nurofshon, Andijan, Bukhara, Fergana, Jizzakh, Namangan, Navoi, Karshi, Kokand, Nukus, Samarkand, Termiz and Urgench. These properties are typically located on major roads and in economically active zones, providing high visibility and convenient access for the Bank's client base.

As at 31 December 2025, premises, equipment and right of use assets accounted for 9.4 per cent. of the Bank's total assets. These properties are carried on the Bank's balance sheet at their book value, reflecting their historical

cost less accumulated depreciation. The Bank's management believes that the current geographic distribution and quality of its property portfolio are sufficient to support its strategic objectives for the 2024–2026 period without requiring substantial capital expenditure on physical premises.

Insurance

The Bank has a comprehensive insurance policy with ALSKOM JS IC, covering the Bank's losses from intentional fraudulent actions of third parties and employees, as well as losses of third parties as a result of accidental or intentional illegal actions of the Bank's employees in the course of its banking activities. The cost of the policy varies with the changing level of insurable assets, and the Bank monitors its insurance arrangements to ensure that it maintains an appropriate level of coverage.

In addition to the above, the Bank holds third-party liability insurance policies and real estate and property insurance policies covering the buildings and premises owned by the Bank.

The Bank's insurance policies are reinsured through arrangements between ALSKOM JS IC and its reinsurance counterparties, which reduces the Bank's exposure to underwriting risk and enhances its ability to meet claims obligations. Payment terminals and ATMs are not directly insured under the Bank's insurance arrangements described above.

Employees

The following table sets forth the total number of full-time employees of the Bank as at the dates indicated below:

	As at 31 December		
	2025	**2024**	**2023**
Total	**1,900**	**1,743**	**1,700**

The Bank's employee headcount increased from approximately 1,700 as at 31 December 2023 to approximately 1,900 as at 31 December 2025, primarily driven by a government mandate to recruit additional personnel under the "community bankers" initiative to foster family entrepreneurship and poverty reduction.

As at 31 December 2025, the Bank's workforce is distributed across its headquarters and regional network to support its business operations. The personnel structure is aligned with its territorial presence and primary business lines. The majority of personnel are concentrated at the Bank's head office in Tashkent, where central management, strategic planning and IT development units operate. The remaining employees are located across regional branches and offices throughout the Republic of Uzbekistan to provide client services and localised sales. Personnel are categorised into front-office roles for retail and corporate banking, technology and innovation teams supporting digital infrastructure, and control and support units including risk management, compliance, accounting and legal services.

The Bank considers its human capital a primary competitive advantage and maintains an HR policy designed to foster a high-performance corporate culture through continuous training and professional development. This educational framework is aimed at enhancing technical proficiency, equipping personnel with the specialised expertise required for digital and green banking, and developing leadership competencies to ensure a robust management pipeline. To align individual contributions with institutional goals, the Bank has implemented an assessment system based on key performance indicators and other performance measures across its entire network, where career progression is linked to an employee's performance, commitment to innovation and successful completion of training modules.

Competitive remuneration and motivation programmes are central to the Bank's strategy for increasing employee engagement and long-term retention. The compensation structure includes performance-based bonuses alongside a comprehensive social benefits package that features health insurance for preventative care and access to high-quality medical services. Additionally, the Bank's trade union provides material incentives and financial assistance for employees and organises cultural and social activities to strengthen team spirit and corporate solidarity. These measures contribute to the development of a stable workforce and enhance the Bank's positive image as a socially responsible employer.

The Bank implements proactive measures to maintain high levels of staff satisfaction and a safe, productive working environment by promoting internal communication and transparency. Regular information sessions and corporate meetings are conducted to ensure that employees at all levels are informed of management decisions and actively engaged in the implementation of the Bank's strategic objectives. By investing in modern, ergonomic working environments and promoting initiatives that support a healthy work-life balance, the Bank continues to reduce turnover and improve productivity, further strengthening its reputation as a preferred employer within Uzbekistan's financial sector.

Legal Proceedings

From time to time, the Bank is subject to legal proceedings and other investigations in the ordinary course of its business. As at the date of this Offering Memorandum, there are no, and have not been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware), which may have, or have had during the 12 months prior to the date of this Offering Memorandum, a significant effect on the Bank's financial position or profitability.

RISK MANAGEMENT

Overview

The risk management function within the Bank is carried out in respect of financial, operational and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits and to ensure that exposure to risks remains within those limits. The operational and legal risk management functions are intended to ensure the proper functioning of internal policies and procedures in order to minimise operational and legal risks. The following is a description of the Bank's risk management policies and procedures in respect of the aforementioned risks. For a more detailed description of the Group's risk management policies and procedures, see Note 32 to the 2025 and 2024 Financial Statements and Note 29 to the 2023 Financial Statements.

The Bank's risk management system is based on the principle of continually assessing risk throughout the life of any operation and includes:

- risk identification;
- qualitative and quantitative assessment of a particular risk;
- determination of an acceptable risk level;
- placement of authority limits and creation of reserves;
- use of collateral;
- ongoing monitoring and control allowing efficient adjustments in case of any negative changes in the conditions on which the preliminary risk assessment was made;
- conducting stress tests to identify potential risks that may arise in the future and developing recommendations to mitigate them;
- maintaining a list of high-risk clients; and
- analysis of efficiency of the risk management system.

Risk management activities of the Bank are carried out in accordance with the requirements of the CBU on risk management and corporate governance in commercial banks, as well as internal policies of the Bank on risk management and limits.

Risk Management Structure

Risk Management Bodies

The principal risk management bodies of the Bank are the Supervisory Board, the Management Board, the Credit Committee, the Asset and Liability Committee ("**ALCO**"), the Operational Risk Committee, the Risk Management Department, the Compliance Controller and the Chief Risk Officer, as well as all risk coordinators in the Bank's structural divisions.

Supervisory Body

The Supervisory Board is responsible for the Bank's overall risk management approach and for approving the Bank's risk strategies and principles and is ultimately responsible for identifying and controlling risks. It approves the Bank's credit policies, which outline credit risk control and monitoring procedures, as well as the Bank's credit risk management systems, and approves certain decisions which fall outside the scope of the respective authorities of the Credit Committee, including approvals of single borrower lending exposure from 15.0 per cent. to 50.0 per cent. of the Bank's net assets. The Management Board presents a comprehensive credit risk report and market risk report to the Supervisory Board for its review on a quarterly basis. See also "*Management—Supervisory Board*".

Risk Management Committee

The Risk Management Committee has general responsibility for advising the Supervisory Board on the Bank's overall risk profile, tolerance and strategy, taking into account the current and prospective macroeconomic and financial environment. It oversees the risk exposures of the Bank and advises the Supervisory Board on risk strategy. The Risk Management Committee regularly reviews and approves the parameters and methodology used by the Bank to assess risk and reviews the Bank's capability to identify and manage new risk types. It also sets standards for accurate and timely monitoring of large exposures and certain risk types of critical importance, including, but not limited to, credit risk, financial risk, market risk and operational risk. The Risk Management Committee exercises control to ensure that lending activities are conducted within the Bank's risk appetite and in line with its risk management strategy and business plan. It monitors the maintenance of a loan portfolio database by type of loan to confirm alignment with the Bank's risk appetite and oversees the availability of periodic reporting. In addition, the Risk Management Committee ensures that the Bank provides sufficient information to enable the assessment of risk levels by loan type.

Management Board

The Management Board has overall responsibility for asset, liability and risk management activities, policies and procedures. In order to effectively implement the risk management system, the Management Board delegates individual risk management functions to each of the various decision-making and executive bodies within the Bank. See also "*Management—Management Board*".

Credit Committee

The Bank's Credit Committee is responsible for supervising and managing the Bank's credit risk in respect of loans to individuals, loans to corporate customers and counterparty loans.

Asset and Liability Management Committee

The ALCO is one of the principal risk management bodies of the Bank. It establishes policies and guidelines with respect to capital adequacy, market risks and limits, funding liquidity risk and limits, interest rate and prepayment risks and limits and money market general terms and credit exposure limits. The ALCO designs and implements the respective risk management and stress testing models and regularly monitors compliance with the pre-set risk limits, and approves treasury deals with non-standard terms. In particular, the ALCO:

- sets money-market credit exposure/lending limits;
- sets open currency position limits with respect to overnight and intraday positions;
- establishes stop-loss limits for foreign currency operations and securities;
- monitors compliance with the established risk management models for foreign exchange risk, interest rate risk and funding liquidity risk;
- sets ranges of interest rates for different maturities at which the Bank may place its liquid assets and attracts funding; and
- reviews different stress tests and capital adequacy models prepared by the Risk Management Department.

The ALCO is chaired by Mrs. Kammuna Irisbekova and meets at any time deemed necessary. Decisions are made by a majority vote of the ALCO's members. The ALCO members include K. Irisbekova, Chairman of the Management Board; U. Kukonboev, First Deputy Chairman of the Management Board; N. Nasretdinova, Deputy Chairman of the Management Board; J. Urokov, Deputy Chairman of the Management Board; N. Temirov, Head of Treasury Department; O. Muqumov, Head of Risk Management Department and I. Kulliyev, Head of Financial Analysis and Strategy Department.

The ALCO reviews financial reports and indices including the Bank's limits and ratios, balance sheet, statement of operations, maturity gap, interest rate gap, currency gap, foreign exchange risk, interest rate risk and funding

liquidity risk reports, total cash flow analysis, customer cash flow analysis and concentration risk analysis, for the past periods as well as future projections and forecasts, other financial analysis and further growth projections on a weekly basis.

Regulatory capital requirements in Uzbekistan are set by the CBU and are applied to the Bank on a stand-alone basis. Prior to 1 January 2026, the Bank was required to maintain a minimum Regulatory Capital Adequacy Ratio of 13.0 per cent., a minimum Capital Adequacy Ratio of 10.0 per cent. and a minimum Core Tier 1 Capital Adequacy Ratio of 8.0 per cent. under the then-applicable CBU framework. As at 31 December 2025, the Bank's actual Total Regulatory Capital Adequacy Ratio, Tier 1 Capital Adequacy Ratio and Core Tier 1 Capital Adequacy Ratio were 14.14 per cent., 10.1 per cent. and 10.08 per cent., respectively.

As at 1 January 2026, the CBU requires the Bank to maintain a minimum Total Regulatory Capital Adequacy Ratio of 8.0 per cent., a minimum Tier 1 Capital Adequacy Ratio of 6.0 per cent. and a minimum Core Tier 1 Capital Adequacy Ratio of 4.5 per cent., each computed based on the Bank's stand-alone financial statements prepared under the UAL.

Operational Risk Committee

The Bank's Operational Risk Committee is responsible for supervising and managing the Bank's operational risk.

Risk Management Department

The Risk Management Department executes the Group-wide risk management function, including developing its risk management strategy and risk appetite framework and aligning them with the Bank's overall strategy. The Risk Management Department establishes risk limits on key indicators and parameters, continuously monitors risks, conducts stress tests and reports risks to the Management Board and the Risk Management Committee. It develops liquidity management policies taking into account the impact of internal and external factors on the Bank and makes recommendations on minimising risks by analysing the expected credit, liquidity, market, interest rate and operational risks in banking activities.

The Head of the Risk Management Department is Orifjon Muqumov Abduroziqovich.

Compliance Controller

The Compliance Controller for Sanctions and AML is responsible for ensuring the Bank complies with anti-money laundering laws and international sanctions regulations by overseeing customer due diligence, transaction monitoring, sanctions screening and the reporting of suspicious activities. This role is critical in protecting the Bank from regulatory penalties, financial crime risks and potential reputational damage.

The Compliance Controller is Umidjon Nabiyev Boboqulovich.

Chief Risk Officer

The Chief Risk Officer is responsible for ensuring that the Bank complies with anti-corruption and anti-bribery laws by implementing policies, monitoring high-risk transactions and third-party relationships, conducting investigations and providing staff training. This role is essential in preventing bribery, conflicts of interest and corruption risks, thereby protecting the Bank from legal, financial and reputational damage.

The Chief Risk Officer is Abulqosimov Ulugbek Abulkosimovich.

Credit risk

Credit risk is the risk that a borrower or counterparty will be unable to pay amounts in full or in part when due. Credit risk arises mainly in the context of the Bank's lending activities and other transactions with counterparties giving rise to financial assets.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by adjusting lending limits where appropriate. Limits on the level of credit risk by product, industry sector and by country are approved on an annual basis by the Management Board.

Risk limits control and mitigation policies

The Bank manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and groups, and to industries.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary.

Limits on the level of credit risk by product, industry sector and by country are approved quarterly by the Management Board, based on the proposal prepared by the Risk Management Department.

Where appropriate, and in the case of most loans, the Bank obtains collateral and corporate and personal guarantee. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Some other specific control and mitigation measures are outlined below.

- **Limits**. The Bank established a number of credit committees which are responsible for approving credit limits for individual borrowers.

  Loan applications, together with a financial analysis of the loan applicant — which includes liquidity, profitability, interest coverage and debt service coverage ratios — originated by the relevant client relationship managers are submitted to the relevant credit committee or the Supervisory Board for approval of the credit limit.

- **Collateral**. The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation.

  Collateral before being accepted by the Bank is thoroughly analysed and physically verified, where applicable. Debt securities, treasury and other eligible bills are generally unsecured.

  Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured.

- **Concentration of risks of financial assets with credit risk exposure**. The Bank's management monitors concentration risk by reference to the following limits:

  - The maximum exposure to a single borrower or group of affiliated borrowers shall not exceed 25.0 per cent. of the Bank's Tier 1 capital;
  - The total amount of unsecured credits shall not exceed five per cent. of the Bank's Tier 1 capital;
  - The total amount of all large credits shall not exceed the Bank's Tier 1 capital by more than five times; and
  - The total loan amount to related parties shall not exceed 50.0 per cent. of the Bank's Tier 1 capital.

- In order to monitor credit risk exposures, weekly reports are produced by the credit department's officers based on a structured analysis focusing on the customer's business and financial performance, which includes overdue balances, disbursements and repayments, outstanding balances, loan maturity, loan grade and collateral. Any significant exposures against customers with deteriorating creditworthiness are reported to and reviewed by management on a daily basis. The Bank's management monitors and follows up on past due balances.

Credit risk grading system

For measuring credit risk and grading financial instruments by the amount of credit risk, the Bank applies two approaches – an Internal Risk-Based (IRB) rating system or risk grades estimated by external international rating agencies (S&P, Fitch, Moody's).

The Bank's internal credit rating grades are as follows:

Standard	1	Timely repayment of "standard" loans is not in doubt. The borrower is a financially stable company with an adequate capital level, high profitability and sufficient cash flow to meet all of its existing obligations, including present debt. When assessing the reputation of the borrower, such factors as the history of previous repayments and the marketability of collateral (movable and immovable property guarantee) are taken into consideration.
Substandard	2	As a whole, the financial position of a borrower is stable, but some unfavourable circumstances or tendencies are present which, if not addressed, raise doubts about the borrower's ability to repay on time. "Standard" loans with insufficient information in the credit file or missing information on collateral may also be classified as "Substandard" loans.
Unsatisfactory	3	"Unsatisfactory" loans have obvious shortcomings which render repayment of the loan under the terms envisaged by the initial agreement doubtful. For loans classified as "Unsatisfactory", the primary source of repayment is insufficient and the Bank must seek additional loan repayment sources, such as the sale of collateral.
Doubtful	4	"Doubtful" are loans which, in addition to having the characteristics of "Unsatisfactory" loans, have additional shortcomings, which make it doubtful that the loan will be repaid in full under the existing circumstances. The probability of incurring loss in respect of such loans is high.
Bad loans	5	Loans classified as "hopeless" are considered uncollectible and have such little value that their continued recognition as assets of the Bank is no longer warranted. This classification does not mean that the loans have absolutely no likelihood of recovery, but rather that the Bank should cease recognising such loans and make every effort to recover the outstanding amounts through the sale of collateral or other available means.

Unsatisfactory, Doubtful and Hopeless loans are classified as impaired loans. The Bank applies that classification also to other financial assets.

External ratings are assigned to counterparties by independent international rating agencies, such as S&P, Moody's and Fitch. These ratings are publicly available. Such ratings and the corresponding range of probabilities of default ("**PD**") are applied for the following financial instruments: interbank placements and investments in debt securities.

Expected credit loss (ECL) measurement. ECL is a probability-weighted estimate of the present value of future cash shortfalls (i.e., the weighted average of credit losses, with the respective risks of default occurring in a given time period used as weights). An ECL measurement is unbiased and is determined by evaluating a range of possible outcomes. ECL measurement is based on four components used by the Bank: PD, Exposure at Default ("**EAD**"), Loss Given Default ("**LGD**") and Discount Rate.

EAD is an estimate of exposure at a future default date, taking into account expected changes in the exposure after the reporting period, including repayments of principal and interest, and expected drawdowns on committed facilities. The EAD on credit related commitments is estimated using Credit Conversion Factor ("**CCF**"). CCF is a coefficient that shows the probability of conversion of the committed amounts to an on-balance sheet exposure within a defined period. The Bank's management estimates that 12-month and lifetime CCFs are materially the same. PD is an estimate of the likelihood of default to occur over a given time period. LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of the EAD. The expected losses are discounted to present value at the end of the reporting period.

The discount rate represents the effective interest rate ("**EIR**") for the financial instrument or an approximation thereof.

Expected credit losses are modelled over a 12-month period for instruments without a significant increase in credit risk (i.e., Stage 1), and over the instrument's lifetime for those with a significant increase in credit risk or credit-impaired instruments. The lifetime period is equal to the remaining contractual period to maturity of debt instruments, adjusted for expected prepayments, if any.

For loan commitments and financial guarantee contracts, it is the contractual period over which an entity has a present contractual obligation to extend credit.

The Bank models Lifetime ECL, that is, losses that result from all possible default events over the remaining lifetime period of the financial instrument. The 12-month ECL represents a portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting period, or the remaining lifetime period of the financial instrument if it is less than a year.

The ECLs estimated by management for the purposes of these financial statements are point-in-time estimates, rather than through-the-cycle estimates that are commonly used for regulatory purposes. The estimates incorporate forward-looking information; that is, ECLs reflect the probability-weighted development of key macroeconomic variables that have an impact on credit risk.

The main indicators that a debt financial instrument is credit-impaired (Stage 3) include:

For corporate and private individual borrowers and other financial instruments, except for inter-bank operations:

- the borrower is more than 90 days past due on its contractual payments;
- loan restructuring with signs of financial difficulties;
- presence of an event of impairment (default) at the reporting date, which affected the classification of other financial instruments of the debtor in the Bank as Stage 3;
- initiation/presence of legal proceedings on the borrower's debt to the Bank (bank being both as a plaintiff and a defendant).

For Inter-bank operations:

- external rating of CC or below as of the reporting date;
- the borrower is more than 30 days past due on its contractual payments;
- negative information on the issuer/counterparty, including liquidation, restructuring or reorganisation due to inability to meet obligations, or catastrophic events leading to suspended operations;
- purchased or originated credit-impaired financial asset (POCI);
- cross-default on other obligations of the issuer/counterparty.

For purposes of the disclosure, the Bank fully aligned the definition of default with the definition of credit-impaired assets.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of three months. This period of three months has been determined based on an analysis that considers the likelihood of a financial instrument returning to default status after curing by using different possible definitions of cures.

The assessment whether or not there has been a significant increase in credit risk ("**SICR**") since initial recognition is performed on an individual basis. For loans issued to individuals and corporate entities and interbank loans at AC, SICR is assessed by monitoring the triggers stated below. The criteria used to identify an SICR are monitored and reviewed periodically for appropriateness by the Bank's Risk Management Department. The presumption, being that there have been significant increases in credit risk since initial recognition when financial assets are more than 30 days past due, has not been rebutted.

A significant increase in credit risk is indicated by the occurrence of either of the following main factors:

For loans issued to legal entities:

- the borrower is more than 30 days past due on its contractual payments;
- restructuring of loans, excluding clients classified as credit-impaired;
- availability of one or several alarms according to the list of alarms.

For loans to individuals and individual entrepreneurs:

- the borrower is more than 30 days past due on its contractual payments;
- restructuring of loans, excluding clients classified as credit-impaired.

For interbank operations:

- credit rating downgrade by 1-3 notches depending on the credit rating at initial recognition;
- payment delay of interest (coupon) and/or principal by more than 1 day (excluding technical delays);
- negative information about the issuer/counterparty from internal or external sources, not indicative of impairment.

The level of ECL that is recognised in these consolidated financial statements depends on whether the credit risk of the borrower has increased significantly since initial recognition. This is a three-stage model for ECL measurement. A financial instrument that is not credit-impaired on initial recognition and its credit risk has not increased significantly since initial recognition has a credit loss allowance based on 12-month ECLs (Stage 1). If a SICR since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired and the loss allowance is based on lifetime ECLs. If a financial instrument is credit-impaired, the financial instrument is moved to Stage 3 and loss allowance is based on lifetime ECLs.

The consequence of an asset being in Stage 3 is that the entity ceases to recognise interest income based on gross carrying value and applies the asset's effective interest rate to the carrying amount, net of ECL, when calculating interest income. If there is evidence that the SICR criteria are no longer met, the instrument is transferred back to Stage 1. If an exposure has been transferred to Stage 2 based on a qualitative indicator, the Bank monitors whether that indicator continues to exist or has changed.

ECL for POCI financial assets is always measured on a lifetime basis. The Bank therefore only recognises the cumulative changes in lifetime expected credit losses.

The Bank has three approaches for ECL measurement: (i) assessment on an individual basis; (ii) assessment on a collective basis; and (iii) assessment based on external ratings. The Bank performed individual assessment of ECL for Stage 3 borrowers with outstanding loan receivables which are above one per cent. of the total regulatory capital of the Bank at the reporting period date. As at 31 December 2025, management assesses that a threshold of UZS35,766 million is appropriate given the size of the loan portfolio and internal risk assessment procedures. The Bank performs an assessment on a collective basis for the remaining loans, such as corporate and individual loans, which are not considered to be individually significant and are classified in Stage 3. The Bank performs assessments based on external ratings for interbank loans. ECL assessment on an individual basis is performed based on the determination of one of the following repayment strategies:

- "Restructuring" strategy: restructuring the loan, revising credit conditions and developing an action plan to enable the borrower to repay the loan; and
- "Realisation of Collateral" strategy: liquidation of a loan by selling collateral.

The choice of the most appropriate strategy is determined based on the individual situation of the borrower, its willingness and ability to cooperate, the availability of opportunities to restore its activities or production, the possibility of eliminating the causes of the losses and the inability to service the debt, the availability of funds

from other business lines of the borrower, and the value and condition of pledged assets and other relevant factors.

When assessment is performed on a collective basis, the Bank analyses its exposures by segments determined on the basis of shared credit risk characteristics, such that exposures within a group have homogeneous or similar risks. The key shared credit characteristics considered are: type of customer (such as corporate or individual), product type (car loans, consumer loans etc.). The different segments also reflect differences in credit risk parameters such as PD and LGD. The appropriateness of groupings is monitored and reviewed on a periodic basis by the Risk Management Department.

In general, ECL is the sum of the multiplications of the following credit risk parameters: EAD, PD and LGD, that are defined as explained above, discounted to present value using the instrument's effective interest rate. The ECL is determined by predicting credit risk parameters (EAD, PD and LGD) for each future year over the 12-months or lifetime period for each individual exposure or collective segment. These three components are multiplied together to calculate an ECL for each future period, which is then discounted back to the reporting date and summed up. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

As at 31 December 2025, the modification of the terms and conditions of the renegotiated loans and advances to customers was not substantial and did not result in their derecognition. The Bank classified them within Stage 2 and 3 and did not change their allowance for impairment from lifetime to 12-month ECLs.

The key principles of calculating the credit risk parameters. Two types of PDs are used for calculating ECLs: 12-month PD and lifetime PD. 12-month PD is based on the averaging of historical migration matrices and default data, adjusted for supportable forward-looking information. Lifetime PD and lifetime migration matrices are derived through matrix multiplication (Markov chain methodology) and further adjusted for forward-looking information when available. PDs are modelled separately based on the characteristics of each portfolio segment and product type, taking into account differences in risk profiles and behaviour patterns.

LGD represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by the type of counterparty, type of the exposure (impaired or non-impaired), and the availability of collateral.

For the reporting period, the Bank calculated LGD based on historical recovery statistics of defaulted loans. The Bank differentiates between not credit-impaired and credit-impaired instruments, taking into account the diminishing recoveries after default over time. LGD is determined separately for corporate entities and private individuals, reflecting differences in their risk and recovery profiles.

ECL measurement for financial guarantees and loan commitments. The ECL measurement for these instruments follows the same steps as described above for on-balance sheet exposures and differs only with respect to the EAD calculation. The EAD is the product of the CCF and the amount of the commitment. The CCF for undrawn credit lines of corporate customers, credit cards issued to individuals and financial guarantees is defined based on statistical analysis of past exposures at default.

Principles of assessment based on external ratings. Certain exposures have external credit risk ratings and these are used to estimate credit risk parameters PD and LGD from the default and recovery statistics published by the respective rating agencies.

Market risk

The Bank takes on exposure to market risks. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The Bank manages its market risk through risk-based limits established by the Supervisory Board on the value of risk that may be accepted. The risk-based limits are subject to review by the Supervisory Board on a quarterly basis.

The Bank's overall position is split between Corporate and Retail banking positions. The exposure of Corporate and Retail banking operations to market risk is managed through a system of limits monitored by the Treasury Department on a daily basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Currency risk

Currency exchange rate risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currency exchange rates. The Bank is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. In respect of currency risk, management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

Interest rate risk

The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken.

As at 31 December 2025, if interest rates at that date had been 21 basis points lower with all other variables held constant, net profit for the year would have been UZS933 million higher. If interest rates at that date had been 21 basis points higher with all other variables held constant, net profit for the year would have been UZS933 million lower.

Other price risk

The Bank is exposed to prepayment risk through providing fixed rate loans, including mortgages, which give the borrower the right to early repay the loans. The Bank's current year profit or loss and equity at the current reporting date would not have been significantly impacted by changes in prepayment rates because such loans are carried at amortised cost and the prepayment right is at or close to the amortised cost of the loans and advances to customers. The Bank has no significant exposure to equity price risk.

Geographical concentration risk

The Bank is also subject to geographical concentration risk as a substantial portion of the Bank's assets and liabilities are located in Uzbekistan. The geographical concentration of the Bank's financial assets and liabilities at 31 December 2025, 2024 and 2023 is set out below:

	As at 31 December 2025				
	Uzbekistan	**OECD**	**Non-OECD**	**Russia**	**Total**
			million soums		
Assets					
Cash and cash equivalents	3,088,323	26,320	4,700	49,674	3,169,017
Due from other banks	919,795	39,991	5,444	-	965,230
Loans and advances to customers	19,064,825	-	-	-	19,064,825
Investment in debt securities	3,113,220	-	-	-	3,113,220
Investment in equity securities	234,237	-	-	-	234,237
Other financial assets	104,858	717	-	-	105,575
Total financial assets	**26,525,258**	**67,028**	**10,144**	**49,674**	**26,652,104**
Liabilities					
Due to other banks	3,640,205	2,030	136,379	64,396	3,843,010
Customer accounts	13,970,219	-	-	-	13,970,219
Other borrowed funds	3,708,481	2,370,850	2,170,078	-	8,249,409
Subordinated debt	1,513,089	-	-	-	1,513,089
Other financial liabilities	233,486	1,202	-	7,996	242,685
Total financial liabilities	**23,065,480**	**2,374,082**	**2,306,457**	**72,392**	**27,818,412**
Net balance sheet position	**3,459,778**	**(2,307,054)**	**(2,296,313)**	**(22,719)**	**(1,166,308)**
Credit related commitments	**2,167,918**	**-**	**-**	**-**	**2,167,918**

	As at 31 December 2024 (restated)				
	Uzbekistan	**OECD**	**Non-OECD**	**Russia**	**Total**
			million soums		
Assets					
Cash and cash equivalents	2,478,877	48,217	21,372	33,780	**2,582,246**
Due from other banks	196,446	21,108	-	-	**217,554**
Loans and advances to customers	13,041,918	-	-	-	**13,041,918**
Investment in debt securities	2,178,373	-	-	-	**2,178,373**
Investment in equity securities	103,126	-	-	-	**103,126**
Other financial assets	1,202,690	-	-	-	**1,202,690**
Total financial assets	**19,201,430**	**69,325**	**21,372**	**33,780**	**19,325,907**
Liabilities					
Due to other banks	1,980,685	523	85,111	74,838	**2,141,157**
Customer accounts	12,747,607	-	-	-	**12,747,607**
Other borrowed funds	2,823,392	1,298,517	17,459	-	**4,139,368**
Subordinated debt	171,731	-	-	-	**171,731**
Other financial liabilities	216,781	-	-	-	**216,781**
Total financial liabilities	**17,940,196**	**1,299,040**	**102,570**	**74,838**	**19,416,644**
Net balance sheet position	**1,261,234**	**(1,229,715)**	**(81,198)**	**(41,058)**	**(90,737)**
Credit related commitments	**1,844,421**	**-**	**-**	**-**	**1,844,421**

	As at 31 December 2023				
	Uzbekistan	**OECD**	**Non-OECD**	**Russia**	**Total**
			million soums		
Assets					
Cash and cash equivalents	1,318,116	54,350	2,417	99,418	**1,474,301**
Due from other banks	586,087	2,467	64,223	3,039	**655,816**
Loans and advances to customers	10,485,387	-	-	-	**10,485,387**
Investment in debt securities	217,796	-	-	-	**217,796**
Investment in equity securities	39,697	-	-	-	**39,697**
Other financial assets	40,236	-	-	-	**40,236**
Total financial assets	**12,687,319**	**56,817**	**66,640**	**102,457**	**12,913,233**
Liabilities					
Due to other banks	954,632	607	75,012	114,521	**1,144,772**
Customer accounts	8,518,726	-	-	-	**8,518,726**
Other borrowed funds	1,925,412	730,266	399,444	175,469	**3,230,591**
Subordinated debt	160,342	-	-	-	**160,342**
Other financial liabilities	223,770	-	-	-	**223,770**
Total financial liabilities	**11,782,882**	**730,873**	**474,456**	**289,990**	**13,278,201**
Net balance sheet position	**904,437**	**(674,056)**	**(407,816)**	**(187,533)**	**(364,968)**
Credit related commitments	**1,110,566**	**-**	**-**	**-**	**1,110,566**

The Bank maintains a correspondent account with JSC "Asia Invest Bank", which is located in the Russian Federation and is a subsidiary of the JSC "National Bank for Foreign Economy of Activity of Republic of Uzbekistan" which is state owned bank in Uzbekistan. JSC "Asia Invest Bank" is not subject to international sanctions, and there are no restrictions or limitations on transactions or operations conducted with this Bank. Also, the Bank has a vostro account with Credit Union "Payment Center" Ltd., which is a non-sanctioned entity. The Bank monitors geopolitical developments and assesses related risks and ensures full compliance with applicable sanctions regimes imposed by the EU, the UK and the United States.

In its operations, the Bank does not engage in transactions with entities or financial institutions subject to international sanctions and limits its operations in Russia exclusively to non-sanctioned entities.

Other risk concentrations

Management monitors and discloses concentrations of credit risk by obtaining reports listing exposures to borrowers with aggregated loan balances in excess of 10.0 per cent. of net assets.

Liquidity risk

Liquidity risk is defined as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Bank is exposed to daily calls on its available cash resources from overnight deposits, current accounts, maturing deposits, loan draw downs, guarantees and from margin and other calls on cash settled derivative instruments. The Bank does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. Liquidity risk is managed by the Resources Management Committee of the Bank.

The Bank seeks to maintain a stable funding base comprising primarily amounts due to other banks, corporate and retail customer deposits and invest the funds in inter-bank placements of liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements.

The liquidity management of the Bank requires considering the level of liquid assets necessary to settle obligations as they fall due; maintaining access to a range of funding sources; maintaining funding contingency plans and monitoring balance sheet liquidity ratios against regulatory requirements. The Bank calculates liquidity ratios on a monthly basis in accordance with the requirement of the Central Bank of Uzbekistan. These ratios are calculated using figures based on National Accounting Standards.

The Treasury Department receives information about the liquidity profile of the financial assets and liabilities.

The Treasury Department then provides for an adequate portfolio of short-term liquid assets, largely made up of short-term liquid trading securities, deposits with banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole.

The daily liquidity position is monitored and regular liquidity stress testing under a variety of scenarios covering both normal and more severe market conditions is performed by the Treasury Department.

When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the reporting date. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment disclosed in the below maturity analysis, because the Bank does not generally expect the third party to draw funds under the agreement. The total outstanding contractual amount of commitments to extend credit as included in the above maturity table does not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded.

Customer accounts are classified based on contractual maturities. However, in accordance with Uzbekistan Civil Code, individuals have a right to withdraw their deposits prior to maturity if they forfeit their right to accrued interest.

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Bank cannot expect to eliminate all operational risks, but the Bank aims to manage such potential risks through a control framework and by monitoring and responding to the respective risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and training and assessment processes, including the use of internal audit.

MANAGEMENT

Overview

The governance of the Bank is structured across various levels, each responsible for different aspects of the Bank's overall activities. The following section sets out the management structure of the Bank and its corporate governance reporting lines.

The highest level of governance is conducted through the General Shareholders' Meeting, the ultimate decision-making body of the Bank. At the General Shareholders' Meeting, the shareholders elect the Supervisory Board, which is responsible for the general governance of the Bank, including the determination of strategy, its coordination and general supervision. The Supervisory Board elects the Management Board, the collegial executive body of the Bank, and appoints the Chairperson of the Management Board, the sole executive body of the Bank. The Chairperson of the Management Board, and together with the Management Board, is collectively responsible for the day-to-day operations of the Bank.

General Shareholders' Meeting

The General Shareholders' Meeting is held in the form of an annual General Shareholders' Meeting and an extraordinary General Shareholders' Meeting. The annual General Shareholders' Meeting is convened no later than six months after the end of the Bank's reporting year.

The powers of the General Shareholders' Meeting are set forth in the Bank's Charter. The procedure for convening, preparing for and conducting the General Shareholders' Meeting is stipulated in the Bank's Regulation on the General Shareholders' Meeting.

Shareholders have the power to decide on the following matters, among others:

- making amendments and additions to the Bank's Charter and approval of the restated Charter;
- reorganisation and liquidation of the Bank, appointment of a liquidator and approval of provisional and final liquidation balance sheets;
- determination of the number of members of the Supervisory Board, election of its members and early termination of their powers;
- adoption of the Regulation on the Supervisory Board and the Regulation on the General Shareholders' Meeting;
- determination of the maximum number of authorised shares, as well as the specific rights attached to preferred shares;
- increases and reductions of the Bank's authorised capital in the instances provided by the Bank's Charter and the law;
- election of the Audit Commission and approval of the Bank's independent auditor and the limits on their remuneration;
- adoption of resolutions on the declaration (payment) of dividends based on the recommendation of the Supervisory Board;
- approval of the annual report and annual accounting (financial) statements, including the profit and loss account;
- approval of the Bank's major transactions involving property with a value exceeding 50.0 per cent. of the Bank's net assets (or 15.0–50.0 per cent. if the Supervisory Board is not unanimous);
- determination of the main trends of the Bank's policy in the fields of lending, asset and liability management, investment, and provision of new types of services; and
- certain other matters provided for by the Bank's Charter and law, including the approval of the Bank's development strategy and the setting of limits for charitable (sponsorship) or gratuitous assistance.

Decisions of the General Shareholders' Meeting are generally adopted by a simple majority of voting shareholders who are present at the meeting, unless the Bank's Charter or the law require a qualified majority or set additional rules. Pursuant to the Bank's Charter, certain matters such as amendments and additions to the Charter (or approval of a restated edition), increases of the authorised capital, and reorganisation or liquidation must be approved by a three-quarters majority of the voting shares participating in the General Shareholders' Meeting of the Bank. All decisions of the General Shareholders' Meeting are adopted subject to a quorum of at least 50.0 per cent. of the Bank's outstanding voting shares. If a quorum is not reached, a repeated General Shareholders' Meeting may be convened, which shall be considered authorised if shareholders holding more than 40.0 per cent. of the voting shares are registered at such meeting.

Supervisory Board

The Supervisory Board of the Bank is responsible for the general management of the Bank's activities, with the exception of those matters that are designated by law and by the Bank's Charter as belonging to the exclusive competence of the General Shareholders' Meeting. The Supervisory Board adopts its decisions by a simple majority, so long as a quorum of at least 75.0 per cent. of the number of elected members of the Supervisory Board is present, unless otherwise required by law or the Bank's Charter. The Supervisory Board holds meetings as required and hears reports from the Chairman of the Management Board and the Head of the Internal Audit Service on a quarterly basis. The Bank's shareholders elect members of the Supervisory Board for a one-year term, and such members may be re-elected for an unlimited number of terms.

The Supervisory Board currently comprises 11 members, including five independent directors. The name, position and certain other information for each member of the Supervisory Board are set forth below.

Name	*Date of Appointment*	*Position*
Sherzod Khotamovich Shermatov	26 April 2022	Chairman of the Supervisory Board, Minister of Digital Technologies of the Republic of Uzbekistan
Olimjon Mukhamadjanovich Umarov	18 July 2022	Member of the Supervisory Board, Deputy Head of the Prime Minister's Secretariat of the Republic of Uzbekistan
Fakhriddin Turakulovich Yuldashev	18 July 2022	Member of the Supervisory Board, Director General of "Nano Lizing Kompaniyasi" LLC
Rustam Makhkamjonovich Khaytmetov	18 July 2022	Member of the Supervisory Board, Chief Accountant of the UFRD
Ruslanbek Abdukhalikovich Mamanov	12 May 2025	Member of the Supervisory Board, Director of the Department for Improvement of the Local Budget System, Ministry of Economy and Finance
Mukhsinjon Abdurasulovich Mamadaliev	2 September 2025	Member of the Supervisory Board, Deputy General Director of "Ishonch kredit Savdo" LLC
Andrew Breus	13 February 2026	Independent Member of the Supervisory Board, Director of Technology Strategy in the Financial Sector at Infosys Consulting
Shokhrukh Tokhirovich Rozikulov	13 February 2026	Independent Member of the Supervisory Board, General Director of "Artel Engineering and Management" LLC
Klaus Mangold	13 February 2026	Independent Member of the Supervisory Board, Chairman of Mangold Consulting LLC, Member of the Board of Directors of the Europe-Uzbekistan Cooperation Association
David Tediashvili	13 February 2026	Independent Member of the Supervisory Board –Member of the Supervisory Board of IMON International, Advisor to the Chairman of Moldova Agroindbank
Nadejda Strelciuc	13 February 2026	Independent Member of the Supervisory Board – Investment Manager at Finance in Motion

Sherzod Khotamovich Shermatov (born 1977) – Minister of Digital Technologies of the Republic of Uzbekistan. Mr. Shermatov graduated from the Tashkent State Technical University in 1998 and Yale University (USA) in 2000. He began his career in 2000 as a head economist at the Ministry of Finance. Mr. Shermatov has held numerous senior positions, including Rector of Inha University in Tashkent (2014–2016), First Deputy Minister of Development of Information Technologies and Communication (2016–2017), and Minister of Public Education (2018–2021). He has served as Minister of Digital Technologies since December 2022.

Olimjon Mukhamadjanovich Umarov (born 1985) – Deputy Head of the Prime Minister's Secretariat. Mr. Umarov received his bachelor's and master's degrees from the National University of Uzbekistan in 2005 and

2007, respectively, and graduated from Sungkyunkwan University (Republic of Korea) in 2017. He began his career at ESG Consulting LLC in 2003 before joining the UZINFOCOM Center in 2006. He served as First Deputy Minister of Development of Information Technologies and Communication (2017–2020), Advisor to the Prime Minister (2020–2021) and First Deputy Minister of Digital Technologies (2024-2026). He has served as Deputy Head of the Prime Minister's Secretariat since March 2026.

Fakhriddin Turakulovich Yuldashev (born 1963) – Director General of NANO LIZING KOMPANIYASI LLC. Mr. Yuldashev graduated from the Timiryazev Moscow Agricultural Academy in 1985 and the Tashkent State University of Economics in 1999. He also holds a law degree from Samarkand State University, obtained in 2005. He held leadership roles at Turon OJSB and served as Chairman of the Management Board of the Bank (2002–2005). He has been the General Director of NANO LIZING KOMPANIYASI LLC since 2011.

Rustam Makhkamjonovich Khaytmetov (born 1978) – Chief Accountant of the UFRD. Mr. Khaytmetov graduated from the National University of Uzbekistan in 2000 and the Tashkent Institute of Finance in 2009. He began his career as an accountant in 1995. From 2002 to 2013, he held various accounting and reporting positions at the National Bank of Uzbekistan (NBU). He has served in his current role at the UFRD since June 2013.

Ruslanbek Abdukhalikovich Mamanov (born 1982) – Director of the Department for Improvement of the Local Budget System at the Ministry of Economy and Finance. Mr. Mamanov graduated from the Samarkand Cooperative Institute in 2003 with a degree in Finance. He began his career in 2003 as a budgeting specialist in the Gallaorol District Finance Division. He subsequently held several roles within the Jizzakh Regional Finance Department before joining the Ministry of Finance in 2013. After serving as a senior specialist at the Cabinet of Ministers (2020–2021), he was appointed to his current directorial position in April 2021.

Mukhsinjon Abdurasulovich Mamadaliev (born 1986) – Deputy General Director at Ishonch Kredit Savdo LLC. Mr. Mamadaliev graduated from the Fergana Polytechnic Institute in 2007 with a degree in Economics. He began his career in 2007 as a credit specialist at Pakhtabank, where he later advanced to a leading specialist role. From 2009 to 2014 he held several positions at Agrobank, including Chief Specialist in lending and economic analysis and Head of the Lending Department. In 2013, he transitioned to the private sector within the Ishonch retail network, serving as Branch Manager, Executive Director and Deputy General Director for Sales and Development at Farovon Hayot Ifodasi LLC until 2021. In 2022, he joined Ishonch Kredit Savdo LLC as Deputy General Director for IT and Finance, and he has served in his current role as Deputy General Director for Development and External Relations since then.

Andrew Breus (born 1987) – Director of Technology Strategy in the Financial Sector at Infosys Consulting. Mr. Breus graduated from the University of Exeter with a Master of International Management and from Saint Petersburg State University with a Master's degree. He worked on the management training programme at HSBC in London in 2011. Mr. Breus has held several senior roles, including Portfolio Manager at HSBC (2013–2014), Deputy Director of Corporate Finance at the Bank of Communications (2017–2018), and Managing Director for Strategy and Consulting at Accenture (2019–2023). He has served in his current role at Infosys Consulting since June 2023.

Shokhrukh Tokhirovich Rozikulov (born 1985) – General Director of Artel Engineering and Management LLC. Mr. Rozikulov graduated from the University of World Economy and Diplomacy in 2008, specialising in world economy. He began his career in 2011 as the Director of TOPFIN Result LLC. He has held various leadership positions within the Artel group, including Leading Specialist (2015–2018), Director of Prospective Development and Investment (2020–2022), and Chairman of the Board of Artel Electronics (2022–2024). He also served as Director of Akfa Dream World LLC (2018–2020) and has been in his current role as General Director since 2024.

Klaus Mangold (born 1943) – Chairman of Mangold Consulting LLC and Chairman of the Board of Directors of the Europe-Uzbekistan Economic Cooperation Association. Professor Mangold studied law and economics at the universities of Munich, Geneva, Paris, London, Heidelberg, and Mainz between 1962 and 1967, later earning a PhD in law. He has held numerous high-profile roles, including Chairman of the Board of Rhodia AG (1983–1990), Member of the Board of Mercedes-Benz AG/DaimlerChrysler AG (1995–2003), and Chairman of the Supervisory Board of TUI AG (2011–2019). He has been the Chairman of Mangold Consulting LLC since 2003.

David Tediashvili (born 1984) – Independent Member of the Supervisory Board of IMON International, Advisor to the Chairman of Moldova Agroinbank. Mr. Tediashvili graduated from the Georgian Technical University with a degree in Business Administration. He began his career in 2006 as a Credit Expert at ProCredit Bank Georgia. He has held several key positions in the banking sector, including Head of Retail Credit Risk Management at TBC Bank Georgia (2015–2016), Chief Risk Officer at Yelo Bank (2018–2020), and Chief Credit Risk Officer at TBC Bank Uzbekistan (2021–2024). Most recently, he served as AI Platform Lead at TBC Bank Uzbekistan.

Nadejda Strelciuc (born 1981) – Investment Manager at Finance in Motion. Ms. Strelciuc graduated from the Academy of Economic Studies in Chisinau in 2004 with a Bachelor of Arts in Finance and later completed a programme at the ProCredit Academy in Germany in 2012. She began her career in 2004 as a Credit Officer at ProCredit Bank, where she rose to become Head of the Finance Department (2015–2016). She joined Finance in Motion in 2016, serving as Investment Officer and Senior Investment Officer before being appointed to her current position as Investment Manager in 2023.

The business address of each member of the Supervisory Board is the Bank's registered office. No actual or potential conflicts of interest exist between the duties that any member of the Supervisory Board owes to the Bank and such member's private interests or other duties.

Management Board

The Management Board is the Bank's collegial executive body, which is elected by the Supervisory Board. The Management Board meets as often as is considered necessary, typically twice a week, and makes its decisions by simple majority, *provided that* a quorum of at least two-thirds of the elected members of the Management Board is present. The Chairperson of the Management Board has a casting vote. The Management Board is responsible for the Bank's day-to-day management and administration. The Chairperson of the Management Board represents the Bank and acts as its Chief Executive Officer. The Management Board has several committees that help it carry out its management functions. There are no fixed terms of office for Management Board members.

As at the date of this Offering Memorandum, the Management Board consists of seven members. The name, position and certain other information for each member of the Management Board are set out below.

Name	*Date of Appointment*	*Position*
Kammuna Narinbayevna Irisbekova	20 March 2025	Chairperson of the Management Board
Umidjon Abdurakhimovich Kukonboev	20 March 2025	First Deputy Chairman of the Management Board
Nasiba Irkinovna Nasretdinova	20 March 2025	Deputy Chairman of the Management Board
Farrukh Murodovich Makhkamov	20 March 2025	Deputy Chairman of the Management Board
Jurabek Tuymurodovich Urokov	28 May 2024	Deputy Chairman of the Management Board
Akmal Tolmasovich Kholmuradov	8 April 2025	Deputy Chairman of the Management Board
Oltiboy Umirzakovich Tursunov	16 February 2022	Member of the Management Board – Head of Corporate Business

Kammuna Narinbayevna Irisbekova (born 1960) – Chairperson of the Management Board of the Bank. Ms. Irisbekova graduated from the Tashkent Automotive Engineering & Road Construction Institute in 1982. She completed postgraduate studies at the Russian State Administration Academy in 1991 and earned a PhD in Economics from Tashkent State University of Economics in 2009. She began her career in 1982 as an engineer at UzAvtotamir Manufacturing Company. Ms. Irisbekova has held various senior roles at the Bank, spanning over two decades, including Head of the Foreign Economic Activity Department (2000–2005) and First Deputy Chairperson of the Management Board (2005–2006). She has served as Chairperson of the Management Board since 2006, with a brief tenure as Deputy Chairman of the Supervisory Board from 2015 to 2017. She was awarded the Mehnat Shuhrati Medal (Work Excellence) in 2018.

Umidjon Abdurakhimovich Kukonboev (born 1979) – First Deputy Chairperson of the Management Board of the Bank. Mr. Kukonboev graduated from the Tashkent State University of Economics in 2002 and the Higher Business School under the Cabinet of Ministers in 2014. He began his career in 1998 at the Institute of Oil and Gas Fields and Exploration. Since joining the Bank in 1999, he has held various positions, including Head of the Fergana branch (2007–2008) and Deputy Chairman of the Management Board (2010–2016). After serving as Deputy Minister of Culture of the Republic of Uzbekistan from 2017 to 2023, he returned to the Bank as First Deputy Chairman of the Management Board in February 2023.

Nasiba Irkinovna Nasretdinova (born 1964) – Deputy Chairman of the Management Board of the Bank. Ms. Nasretdinova graduated from the Tashkent Institute of National Economy with a degree in Economics. She began her career in 1992 at Ipak Yuli Bank, rising from Assistant Accountant to Chief Accountant. Her extensive professional background includes serving as Assistant Manager at KPMG (1997–2001) and as Director/Partner at Deloitte and Touche from 2004 to 2014. She also served as Deputy Chairman of the Management Board at Bank "Ipak Yuli" (2014–2018) before joining the Bank in her current role in 2018. She holds several professional certifications, including CAP and Certified Auditor.

Farrukh Murodovich Makhkamov (born 1989) – Deputy Chairman of the Management Board of the Bank. Mr. Makhkamov earned his bachelor's and master's degrees in Banking from the Tashkent Institute of Finance in 2012 and 2014, respectively. He joined the Bank in 2012 as a specialist in the Treasury and Banking Liquidity Management Department. He subsequently served as Head of the Bank Risk Management Department (2015–2017) and Director of the E-Commerce and Business Development Department (2017–2020). He has served as Deputy Chairman of the Management Board since 2020.

Jurabek Tuymurodovich Urokov (born 1986) – Deputy Chairman of the Management Board of the Bank. Mr. Urokov received his bachelor's and master's degrees from the Tashkent Institute of Finance in 2008 and 2010, respectively. He began his career at the Bank in 2008 as a specialist in the Project Financing Department. His tenure at the Bank includes roles such as Head of the Kashkadarya branch (2017) and Director of the Retail Business Department (2018–2021). He most recently served as Director of the Department of Problem Assets and Collateral Management before being appointed Deputy Chairman of the Management Board in May 2024.

Akmal Tolmasovich Kholmuradov (born 1977) – Deputy Chairman of the Management Board of the Bank. Mr. Kholmuradov graduated from Tashkent State Agrarian University in 1998 and the Tashkent Institute of Finance in 2007. He began his career as Chief Accountant of Santex equipment company in 1998. Since joining the Bank in 2004, he has held numerous leadership roles, including Head of the Kashkadarya branch (2012–2015) and Director of the Department of Coordination of Corporate Credit Practices (2022–2025). He was appointed Deputy Chairman of the Management Board in April 2025.

Oltiboy Umirzakovich Tursunov (born 1974) – Member of the Management Board and Head of Corporate Business at the Bank. Mr. Tursunov graduated from the Samarkand Institute of Agriculture in 1996 and the Tashkent Institute of Finance in 2007. He spent the majority of his career at the Samarkand regional branch of UzMilliybank, where he rose from a specialist in 1996 to Branch Manager (2015–2017 and 2019–2021). He joined the Bank in 2021 as Director of Customer Service and Marketing before being promoted to his current role as Head of Corporate Business in February 2022.

The business address of each member of the Management Board is the Bank's registered office. No actual or potential conflicts of interest exist between the duties that any member of the Management Board owes to the Bank and such member's private interests or other duties.

Corporate Governance

The Bank complies with the Uzbekistan corporate governance regime. Corporate governance at the Bank has been carried out in accordance with the requirements of the Regulation on the Management of the Bank, the rules governing the operation of joint-stock companies and credit organisations in Uzbekistan, the Bank's Charter and other internal documents of the Bank.

As part of its corporate governance regime, the Bank follows its own Corporate Governance Code. The current version of the Corporate Governance Code was approved by the General Shareholders' Meeting on 17 December 2021.

The Bank's Corporate Governance Code sets out the Bank's main corporate conduct principles, promoting better performance of the management bodies of the Bank. It is based on a balanced approach to the interests of the Bank's shareholders, management bodies and other interested parties, with a view to enhancing reliability and client satisfaction, promote business culture, improve control over the Bank's performance and to ensure compliance with the highest ethical standards. The Corporate Governance Code seeks to improve and systematise approaches to client service by providing high-quality banking services and reliability in accordance with the Bank's plan to evolve as a modern financial institution. To maintain client service in line with high financial, business and technological standards, the Bank voluntarily undertakes to follow the principles and

rules of corporate governance set out in the Corporate Governance Code. These principles and rules correspond to international best practices of corporate conduct and represent a high level of governance and performance control, business culture and compliance with high ethical standards. As corporate governance practice evolves in Uzbekistan and abroad, the Bank will seek to further improve its corporate governance rules and principles and achieve a higher level of compliance with the principles set out in the Corporate Governance Code.

Among other things, the Bank has implemented the following corporate governance features:

Audit Committee

The Audit Committee is established to ensure the integrity and transparency of the Bank's financial reporting and internal control systems. Its primary functions include overseeing the reliability of financial reporting and the effectiveness of internal controls.

The Committee has the right to access all financial records of the Bank and is responsible for the appointment, evaluation, and, where appropriate, recommendation of the dismissal of external auditors. It may require management to rectify identified deficiencies and has the authority to initiate special audits or internal investigations as it deems necessary.

The current members of the Audit Committee are Fakhriddin Turakulovich Yuldashev, David Tediashvili, Ruslanbek Abdukhalikovich Mamanov, Rustam Makhkamjonovich Khaytmetov and Mukhsinjon Abdurasulovich Mamadaliev.

Risk Management Committee

The Risk Management Committee defines and monitors the Bank's risk appetite, ensuring that all operations are conducted in accordance with applicable regulatory requirements. Its oversight extends to credit, market, liquidity, operational, and compliance risks.

The Committee's responsibilities include reviewing stress testing and scenario analysis, and monitoring capital adequacy and liquidity ratios. To safeguard the Bank's financial stability, the Committee has the power to require detailed risk reports from management and to suspend or restrict activities identified as high-risk.

Personnel and Remuneration Committee

The Personnel and Remuneration Committee is responsible for formulating remuneration and bonus policies that discourage excessive risk-taking. It oversees the performance evaluation of executive management and reviews succession planning and talent development strategies.

The Committee provides recommendations on salaries, bonuses, and incentives for executive management and proposes changes to employment contracts. It further has the authority to block or revise any remuneration schemes that are inconsistent with the Bank's risk policy.

The current members of the Personnel and Remuneration Committee are Rustam Makhkamjonovich Khaytmetov, Nadejda Strelciuc and Klaus Mangold.

Strategic Planning Committee

The Strategic Planning Committee assists the Supervisory Board in reviewing and proposing the Bank's long-term strategy and business model. It evaluates major investments, mergers and acquisitions, and oversees the Bank's digital transformation and expansion plans.

The Committee assesses macroeconomic and market trends to ensure the Bank's strategy remains sound. It is empowered to recommend the approval or rejection of strategic projects, request feasibility studies, and require adjustments to the strategy based on evolving risk or market conditions.

The current members of the Strategic Planning Committee are Andrew Breus, Nadejda Strelciuc, Klaus Mangold, Fakhriddin Turakulovich Yuldashev and Shokhrukh Tokhirovich Rozikulov.

Anti-Corruption and Ethics Committee

The Anti-Corruption and Ethics Committee is responsible for overseeing the Bank's anti-corruption and fraud prevention policies and for promoting an ethical culture across the Bank. Its primary functions include monitoring potential conflicts of interest and related-party transactions, ensuring strict compliance with AML/CFT regulations and the Bank's code of ethics.

The Committee has the mandate to require the disclosure of conflicts of interest and can initiate internal investigations into suspected misconduct. It is responsible for recommending disciplinary or legal actions and escalating serious violations to relevant regulators or law enforcement agencies.

The current members of the Anti-Corruption and Ethics Committee are Olimjon Mukhamadjanovich Umarov, Ruslanbek Abdukhalikovich Mamanov and Shokhrukh Tokhirovich Rozikulov.

Corporate Secretary

The Corporate Secretary's role is to enhance the efficiency of the Bank's governance and management in the interests of the shareholders, coordinate the Bank's actions aimed at protecting shareholders' rights and interests, improve the Bank's corporate governance practices and standards, maintain the effective operation of the Bank's General Shareholders' Meeting and Supervisory Board, as well as ensure active ongoing interaction with the Bank's shareholders, Supervisory Board members and the Bank's executive bodies.

Remuneration

For the years ended 31 December 2025, 2024 and 2023, the aggregate remuneration paid by the Bank to the members of its management was UZS8,259 million, UZS11,911 million and UZS15,347 million, respectively.

Members of the Bank's Management Board enter into employment contracts with the Bank, which set out their remuneration, divided into non-performance-related and performance-related components. In accordance with Resolution No. 464/37-khdfu of the Cabinet of Ministers of the Republic of Uzbekistan dated 31 July 2024, members of the Supervisory Board of the Bank no longer receive remuneration for their services effective from 1 August 2024.

Litigation Statement Concerning Management

During the five years preceding the date of this Offering Memorandum, none of the members of the Supervisory Board or the Management Board:

- has had any convictions in relation to fraudulent offences;
- has held an executive function as a senior executive officer or served as a member of the administrative, management or supervisory bodies of any company at the time of, or preceding, any bankruptcy, receivership or liquidation; or
- has been subject to any official public incrimination or sanction by any statutory or regulatory authority (including any designated professional body) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

Other Interests

No actual or potential conflicts of interest exist between the duties that any member of the Supervisory Board or the Management Board owes to the Bank and such member's private interests or other duties.

PRINCIPAL SHAREHOLDERS

As at the date of this Offering Memorandum, the Bank's charter capital consists of 2,832,883,296,965 ordinary shares and 2,253 million preference shares, all of which are fully paid, issued and outstanding and have a par value of UZS1 per one share.

The following table sets forth the shareholders of record of the Bank as at the date of this Offering Memorandum.

Shareholder	Number of ordinary shares	Percentage of the share capital
UFRD[(1)]	1,561,842,299,170	55.13%
Xaydarov Akrom Adxamovich	500,000,000,000	17.65%
Uzbektelecom JSC[(1)]	446,673,300,250	15.70%
Fund for Development of ICT (AKTRJ)[(1)]	127,201,655,195	4.49%
Ministry of Economy and Finance of the Republic of Uzbekistan	87,190,619,270	3.08%
Center for Electromagnetic Compatibility	42,490,911,495	1.50%
Other shareholders	69,484,511,585	2.45%
Total	**2,832,883,296,965**	**100.0%**

Note:
(1) Legal entities controlled by the Government.

The Bank is ultimately controlled by the Government of the Republic of Uzbekistan through the UFRD, Uzbektelecom JSC and the Ministry of Economy and Finance of the Republic of Uzbekistan.

The Bank is not aware of any arrangements in existence as at the date of this Offering Memorandum that could reasonably be expected to result in a change of control of the Bank.

CERTAIN TRANSACTIONS WITH RELATED PARTIES

The following is an overview of the Bank's transactions with related parties as at the dates indicated below. The financial information set forth herein has, unless otherwise indicated, been extracted without material adjustment from the Financial Statements. See also "*Capitalisation*".

Under Uzbek law, certain related party transactions require prior approval by the Bank's general shareholders' meeting. Shareholders that are interested in a related party transaction must abstain from voting. Accordingly, if both of the Bank's principal shareholders are deemed interested and abstain, approval may depend on minority shareholders who may be unable to form a quorum or vote in favour of the transaction. See "*Risk Factors — Risks Related to the Bank's Business and Industry — The Bank may fail to receive corporate approval in respect of certain transactions with related parties*" and "*Principal Shareholders*".

Parties are generally considered to be related if the parties are under common control or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions.

The table below sets out the outstanding balances as at 31 December 2025, 2024 and 2023.

	As at 31 December		
	2025	**2024**	**2023**
		million soums (audited)	
Cash and cash equivalents			
Entities under common control	1,306,963	1,971,055	108,919
Total	**1,306,963**	**1,971,055**	**108,919**
Due from other banks			
Entities under common control	893,461	78,654	131,840
Total	**893,461**	**78,654**	**131,840**
Loans and advances to customers			
Other significant shareholders	223,013	390,091	682,603
Associates	54,847	63,161	8,451
Entities under common control	-	434,682	-
Key management personnel	155	40	83
Other related parties	20,898	57,793	120,289
Total	**298,913**	**945,767**	**811,426**
Credit loss allowance			
Other significant shareholders	1,304	(1,796)	(4,097)
Associates	161	(276)	(51)
Entities under common control	-	(4,982)	-
Key management personnel	-	-	(1)
Other related parties	152	(1,587)	(722)
Total	**1,617**	**(8,641)**	**(4,871)**
Investment in debt securities			
Other significant shareholders	3,064,370	2,178,373	-
Entities under common control	-	-	217,796
Total	**3,064,370**	**2,178,373**	**217,796**
Other Assets			
Other significant shareholders	-	899,568	5
Associates	-	-	5
Entities under common control	-	-	3,695
Other related parties	51,188	-	-
Total	**51,188**	**899,568**	**3,705**
Due to other banks			
Entities under common control	2,165,640	804,580	769,377
Total	**2,165,640**	**804,580**	**769,377**
Customer accounts			
Other significant shareholders	1,186,579	1,418,697	1,579,920
Associates	116,806	77,301	73,457
Entities under common control	-	2,567,169	943,407
Key management personnel	2,789	10,293	33
Other related parties	70	-	159
Total	**1,306,244**	**4,073,460**	**2,596,976**

	As at 31 December		
	2025	2024	2023
		million soums (audited)	
Other borrowed funds			
Immediate parent company	771,271	714,772	405,869
Other significant shareholders	2,111,538	1,537,253	619,093
Entities under common control	-	571,367	21,415
Total	**2,882,809**	**2,823,392**	**1,046,377**
Subordinated debt			
Immediate parent company	1,356,258	-	-
Other significant shareholders	156,831	171,731	160,342
Total	**1,513,089**	**171,731**	**160,342**

The table below sets out the amounts included in profit or loss and other comprehensive income for the years ended 31 December 2025, 2024 and 2023.

	For the year ended 31 December		
	2025	2024	2023
		million soums (audited)	
Interest income			
Other significant shareholders	423,270	337,944	122,071
Associates	16,240	5,576	1,404
Entities under common control	131,965	78,642	15,452
Key management personnel	65	41	40
Other related parties	27,951	19,923	57,369
Total	**599,491**	**442,126**	**196,336**
Interest expense			
Immediate parent company	177,098	44,143	36,943
Other significant shareholders	486,629	140,246	252,419
Associates	18,255	-	6,643
Entities under common control	97,432	1,131,022	91,027
Key management personnel	845	452	750
Total	**780,259**	**1,315,863**	**387,782**
Fee and commission income			
Other significant shareholders	2,650	3,278	4,753
Associates	1,775	1,106	919
Other related parties	19	15	37
Total	**4,444**	**4,399**	**5,709**
Gain on disposal of property and equipment			
Entities under common control	-	508,158	-
Total	**-**	**508,158**	**-**
Salaries and other benefits			
Key management personnel	7,374	10,642	12,179
Total	**7,374**	**10,642**	**12,179**
Social security costs			
Key management personnel	885	1,269	1,396
Total	**885**	**1,269**	**1,396**

THE BANKING SECTOR AND BANKING REGULATION IN THE REPUBLIC OF UZBEKISTAN

Introduction

The Uzbekistan financial sector consists mainly of Uzbek banks, non-bank depository institutions, microfinance organisations, qualified credit institutions and insurance companies. Non-bank depository institutions and microfinance organisations provide a limited range of banking services, such as accepting deposits from, and issuing loans to, their members only (in the case of non-bank depository institutions), or issuing microloans (in the case of microfinance organisations), while banks provide a wide range of banking services. The CBU acts as the regulator of the financial sector, with supervisory responsibility over the banking sector. The CBU issues licences, establishes mandatory economic ratios and reserve requirements, regulates accounting and reporting rules and supervises compliance with laws and regulations. The CBU also controls inflation, issues money and ensures the effective functioning of payment systems. The main objective of the CBU is the stability of the national currency.

History of the Uzbekistan Banking Sector

The Uzbekistan banking sector was transformed following Uzbekistan's independence from the Soviet Union on 31 August 1991, as a two-tier banking system was introduced and the CBU was established with the adoption of the Law of the Republic of Uzbekistan "*On Banks and Banking Activity*" (the "**Banking Activity Law**"). Development of monetary policy and the payment system, and formation of the commercial banking industry, were among the main objectives of the newly established CBU.

The soum, introduced as the national currency on 1 July 1994, was a landmark in the formation of an independent banking system and the development of the economy of Uzbekistan as a whole. Afterwards, the CBU became an independent body and began to perform its function as a facilitator of the effective formation of the national monetary system. The Law of the Republic of Uzbekistan "*On the Central Bank of the Republic of Uzbekistan*" (the "**CBU Law**"), which was adopted in 1995, clearly defined the new status, powers, goals and objectives of the CBU.

The CBU Law and the Banking Activity Law were both drafted on the basis of best practices of developed financial systems. These laws, as well as the Law "On Joint-Stock Companies and Protection of the Rights of Shareholders", created favourable legal conditions for the establishment of private banks. As a result of the reforms implemented in 1996, the CBU became an independent authority for monetary regulation and banking supervision. The Banking Activity Law laid down principles for the formation of universal commercial banks based on the diversification of banking assets and the attraction of foreign capital.

In 1996, credit and financial institutions serving particular sectors of the economy, such as the automobile industry, aircraft building, agriculture and others, were created to finance these strategic sectors. More specialised banks were established to meet the needs of the business environment and economic development across a wider range of economic sectors.

In 1997, reforms were implemented to stimulate private capital inflows to the banking sector. This process was followed by the decree of the President of the Republic of Uzbekistan "*On the arrangements on motivation to form private commercial banks*" in 1997, providing certain benefits to banks which were 50 per cent. or more privately owned. From March 1997, following the introduction of new software and the conversion of all accounts to an electronic regime, banks were able to process payments within 15 minutes across the whole territory of the Republic and within three minutes across Tashkent.

The statutory acts regulating the activity of commercial banks were established on the basis of Basel recommendations on banking supervision and international practice, as well as having regard to the framework of international standards on financial statements. Furthermore, the principle of early identification of issues in commercial banks' balance sheets was introduced. In addition, new measures were introduced with the aim of supporting the financial stability of commercial banks, including capital and liquidity controls.

From 1999 to 2000, Uzbekistan implemented a mechanism for foreign exchange sales. This mechanism allowed authorised banks to purchase currency from their clients on a contractual basis.

In 2002, the Law of the Republic of Uzbekistan "*On the Guarantee of Security of Funds of Citizens in the* Banks" established the Deposit Security Fund, which covered all commercial banks operating on the territory of Uzbekistan.

From 2003 to 2004, the regulation and systematic development of banking activity focused on further liberalisation and intensification of the reforms in Uzbekistan. Its main objective was to strengthen confidence in the banking sector. In October 2003, the Republic of Uzbekistan assumed obligations under Article VIII of the IMF Articles of Agreement. The policy of the CBU at that time was aimed at providing incentives for exports and the effective use of currency resources, together with the prevention of inflation and sharp fluctuations in currency exchange rates.

Between 2003 and 2005, emphasis was placed on the effective management of monetary policy and the improvement of the stability of the national currency and its exchange rate.

From 2006 to 2007, banks expanded their mortgage loan portfolio. The Law "*On* Mortgage" and the Law "*On* Consumer Loans" facilitated the provision of mortgage loans and consumer loans. As a result, such loan products gained significant popularity.

In 2006, the UFRD was established to finance and co-finance projects of the state investment programme. The UFRD is a financial institution under the authority of the Cabinet of Ministers of the Republic of Uzbekistan, designed to ensure the implementation of projects for the modernisation and technical re-equipment of leading sectors of the economy, dynamic, sustainable and balanced socio-economic development of the country, as well as the implementation of an effective structural and investment policy. The UFRD provides loans for state-owned entities through commercial banks on concessional terms. The UFRD's resources come from surplus tax revenues from the subsoil and export taxes, income from the sale of products under production sharing agreements with foreign partners and other revenue streams.

From 2008 to 2009, the main objective of the CBU was the development of retail banking. As a result, the range of services provided by the commercial banks of Uzbekistan expanded and new banking products were introduced.

In the second half of 2017, the CBU began active reforms in the monetary sector. In order to reduce inflationary pressure, the CBU tightened monetary conditions by raising the refinancing rate from 9 per cent. as at June 2017 to 16 per cent. as at September 2018, subsequently reducing it to 13.5 per cent. in July 2024 before raising it to 14 per cent. in March 2025.

In 2018, the Government introduced a number of fundamental regulatory changes designed to improve the population's access to retail banking across Uzbekistan (including easier access to banks' premises; transparency of loan application consideration and approval processes; prohibition of certain lending application, servicing and repayment fees and expenses, etc.), and banks were encouraged to introduce new banking products for their retail clients. In July 2018, the CBU also approved a regulation introducing minimum requirements for commercial banks when interacting with consumers.

In 2019, the CBU Law and the Banking Activity Law were amended to improve the regulation of the banking and financial sector. Further, the new Law "On Payments and Payment System" was promulgated to ensure more effective regulation of payment processing and payment systems in Uzbekistan, and the Banking Activity Law and CBU Law were each adopted in a revised version. Further, as set out in the Presidential Decree No. UP-5877 dated 18 November 2019, from 1 January 2020 Uzbekistan commenced its transition to the inflation-targeting regime.

In May 2020, the Government adopted the Strategy on Banking Reforms for 2020–2025. The principal objectives of the Strategy were to reduce state presence in the banking sector, improve access to, and the quality of, banking services and products for the population, and improve the standing of the Uzbek banking system.

The CBU also created a platform for interbank monetary operations connecting all commercial banks into a single trading system and ensuring operational transparency. The CBU further established a system of inflation forecasting using econometric models. In 2018, the CBU prioritised raising the efficiency of monetary policy by minimising the impact of monetary factors on inflation, ensuring price stability and reducing inflationary pressure.

For information on recent reforms and developments in the Uzbekistan banking sector, see "*Recent and Expected Banking Reforms*" below.

In recent years, the CBU has taken measures to improve the financial stability of banks, one of which was an increase in the minimum charter capital requirement. With effect from 1 April 2024, the minimum charter capital requirement was raised from 200 billion soums to 350 billion soums. With effect from 1 January 2025, the minimum charter capital requirement was further increased to 500 billion soums. The CBU has also taken action against banks that failed to comply with the mandatory ratios and requirements, and in certain cases revoked banking licences.

In addition, the CBU has taken steps to strengthen its macroprudential framework, including through the introduction of a countercyclical capital buffer for banks. With effect from 1 January 2026, the countercyclical capital buffer was set at 1.5 per cent. of risk-weighted assets, with the aim of enhancing the resilience of the banking sector and addressing systemic risks over the financial cycle.

At the same time, the banking industry has been growing, and several new banks have started operating in the market. There is a growing trend among banks to establish themselves as digital institutions and offer services remotely. Additionally, the Government is also focused on divesting its ownership stake in the banking sector. In 2023, one of the largest state-owned banks, Ipoteka Bank, was sold to Hungarian OTP Bank.

Overview of the Banking Sector

As at 1 January 2026, there were 35 commercial banks in Uzbekistan. The total number of credit institutions throughout the country, including microfinance organisations and branches of commercial banks, was 7,785 as at 1 October 2025. The aggregate assets of all banks in Uzbekistan amounted to approximately 924.8 trillion soums as at 1 January 2026. The banking system of Uzbekistan remains closely controlled by the state through a complex set of regulatory actions, decrees, proclamations, and practices. Most banking assets remain in state-owned or controlled banks, and the majority of loans are directed or channelled by the Government to develop certain pre-selected industry sectors. The slow pace of reforms in the banking system limits the role that banks can play as financial intermediaries, thus inhibiting the ability of individuals or private companies to obtain loans and other banking services.

As at 1 January 2026, there was a high level of concentration in the banking sector, with the wholly and partly state-owned banks holding 63 per cent. of all of the banking sector's total assets, 67 per cent. of the banking sector's total loans, 60 per cent. of the banking sector's total share capital and 51 per cent. of the banking sector's total deposits, whereas the banks without state ownership held 37 per cent. of all of the banking sector's total assets, 33 per cent. of the banking sector's total loans, 40 per cent. of the banking sector's total share capital and 49 per cent. of the banking sector's total deposits.

Assets and Liabilities, Credit Quality and Interest Rates

The following table sets out certain data relating to the banking sector in Uzbekistan as at the dates indicated:

	As at 1 January			As at 31 December				
	2026	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**
					(*soums billion*)			
Total number of banks.....	35	36	35	35	31	33	32	30
Total equity of banks.....	135,339	114,792	97,079	97,079	79,565	70,918	58,351	51,031
of which:								
in national currency	135,339	114,379	96,684	96,684	79,206	70,571	58,016	50,726
in foreign currency	-	413	395	395	359	347	335	305
Total assets of banks.....	924,763	769,330	652,157	652,157	556,746	444,922	366,121	272,727
of which:								
in national currency	582,954	452,890	360,366	360,366	292,195	229,507	182,194	143,650
in foreign currency	341,809	316,440	291,791	291,791	264,551	215,415	183,927	129,077
Total loans to customers....	604,002	533,121	471,406	471,406	390,049	326,386	276,975	211,581
of which:								
in national currency	367,217	304,403	259,370	259,370	204,931	163,723	138,869	110,634
in foreign currency	236,785	228,718	212,036	212,036	185,118	162,663	138,106	100,947
Total deposits.....	417,258	308,692	241,687	241,687	216,738	156,190	114,747	91,009
of which:								
in national currency	329,922	213,234	169,516	169,516	131,795	95,578	65,318	51,040
in foreign currency	87,336	77,458	72,171	72,171	84,943	60,612	49,429	39,969
Capital adequacy ratio[(1)], *%*.	18.3%	17.4%	17.5%	17.5%	17.8%	17.5%	18.4%	23.5%

Historically, the assets of Uzbekistan banks have been weighted in favour of lending to the public sector as compared to the private sector. However, as at 1 January 2026, the distribution of assets between the public and private sectors was more balanced.

According to the CBU, loans to individuals as at 1 January 2026 amounted to 220,283 billion soums, compared to 177,532 billion soums as at 1 January 2025 and 148,621 billion soums as at 1 January 2024.

Due to increased lending by the banking sector to finance the economy, the loan portfolio growth of the banking sector amounted to 22 per cent., 13 per cent. and 13 per cent. in 2023, 2024 and 2025, respectively, based on figures as at 1 December of each year, and stood at 13 per cent. as at 1 January 2026, with total loans rising to 604,002 billion soums.

Banking system soundness in terms of asset quality is characterised by the weighted average of NPLs. NPLs accounted for 3.0 per cent. (according to the CBU standards) of total loans in the banking sector as at 31 December 2025, compared to 4.0 per cent. as at 31 December 2024. Loan portfolios of banks constituted 604,002 billion soums as at 31 December 2025 and 533,121 billion soums as at 31 December 2024.

As at 1 January 2026, none of the banks were designated as a 'problem bank' and, in general, the assets classified as problem loans (up to 90 days overdue, impaired and restructured loans) accounted for 3.0 per cent. of the total loan portfolio.

As at 1 January 2026, the majority of aggregate liabilities in the banking sector were attributable to loans. 31.4 per cent. of all liabilities were made up of loans and 52.9 per cent. were comprised of deposits, while the remaining 15.7 per cent. was accounted for by other liabilities. A high concentration of loans is more prevalent in state-owned banks due to the fact that the UFRD resources were provided to these banks in order to assist in financing the key strategic sectors of the economy. The total liabilities in the banking system have steadily increased in recent years, with total liabilities being 477,181 billion soums as at 1 January 2023, 555,078 billion soums as at 1 January 2024 and 654,538 billion soums as at 1 January 2025. As at 1 January 2026, total liabilities in the banking system amounted to 789,424 billion soums.

Deposits also increased markedly over this period, with total deposits rising from 308,692 billion soums as at 1 January 2025 to 417,258 billion soums as at 1 January 2026.

	As at 1 January	As at 1 December		As at 31 December				
	2026	2025	2024	2023	2022	2021	2020	2019
					(soums billion)			
Interest Income	127,702	115,791	101,001	61,728	47,392	37,067	25,500,2	14,517
Interest Expense	89,703	81,206	70,705	37,566	30,796	23,019	15,601.8	8,355
Net interest income	38,000	34,585	30,296	24,162	**16,595**	**14,048**	**9,898,4**	**6,162**
Fee and commission income	73,104	64,828	47,210	33,182	17,251	11,801	9,619.5	6,564
Fee and commission expense	27,842	25,039	20,677	11,812	4,944	3,516	2,855.8	1,343
Operating expense	30,250	26,179	20,411	14,877	10,998	8,145	6,814.3	5,583
Non-interest gain (loss)	15,012	13,610	6,122	6,494	**1,309**	**140**	**(50,7)**	**(362)**
Provision for impairment of loans and leases to customers	22,917	21,661	19,684	13,863	12,221	6,354	3,855,7	1,746
Provision for losses other than loans	11,710	10,458	5,686	4,213	333	873	298,9	196
Profit before tax	18,385	16,076	11,055	12,579	5,351	6,961	5,693.2	3,858
Income tax expense	2,883	2,575	2,458	2,587	1,465	1,318	1,012.5	659
Return adjustments	—	—	1,5	1,2	—	—	—	—
Net profit	**15,502**	**13,501**	**8,592**	**9,993**	**3,885**	**5,642**	**4,680,7**	**3,200**

As at 1 January 2026, the refinancing rate — which is the main policy rate — remained at 14.0 per cent., unchanged from its level as at 1 December 2025. The rate had been restored from a prior reduction to 13.5 per cent. introduced on 26 July 2024, which in turn had followed a period during which the rate had been held steady at 14.0 per cent. since 17 March 2023; in 2022, the refinancing rate had fluctuated between 17.0 per cent., 16.0 per cent. and 15.0 per cent. during the course of the year. Following the increase in the refinancing rate, the average interest rate on the interbank money market increased from 14.1 per cent. in 2023 to 14.8 per cent. in 2024. The weighted average interest rate on soum-denominated time deposits with a maturity of up to one year decreased to 18.3 per cent. as at 30 April 2025, from 19.3 per cent. as at the same date in both 2024 and 2023. The weighted average interest rate on soum-denominated time deposits with a term of over one year increased to 20.0 per cent. as at 30 April 2025 from 19.2 per cent. as at 30 April 2024 and 19.3 per cent. as at 30 April 2023.

The international reserves of Uzbekistan consist of foreign currency reserves and monetary gold. Total net foreign currency reserves and monetary gold reserves as at 1 February 2026 were U.S.$75,080.0 million according to CBU data (net international reserves do not include the foreign currency of commercial banks and government entities, except the Ministry of Economy and Finance and the UFRD).

As at 1 January 2026, Uzbekistan's total official international reserves, including gold and the CBU's foreign currency reserves, amounted to U.S.$66,311.8 million, which increased considerably by 61.02 per cent. as compared to 1 January 2025. Of this, U.S.$10,644.5 million consisted of foreign currency assets, U.S.$55,092.4 million was in gold and U.S.$93.9 million was in other assets in foreign currency.

Monetary and Exchange Rate Policy

The CBU is responsible for implementing monetary policy. The CBU focuses on ensuring macroeconomic stability and reducing monetary factors influencing inflation. In line with its mandate, the CBU's role expanded and was formalised under the CBU Law, which superseded earlier presidential directives and provided a comprehensive legal basis for its objectives and functions, including price stability and financial sector oversight. The CBU has focused its monetary policy on ensuring price stability and achieving a medium--term inflation target, with the inflation--targeting regime formally adopted in 2020 and reaffirmed in the Monetary Policy Guidelines for 2026–2028.

Starting in 2018, the CBU began focusing its monetary policy on the stability of prices in the economy. Certain currency restrictions were abolished and/or waived, including: (i) restrictions on foreign currency purchase and sale by residents were lifted and cash withdrawals from debit cards in both national and foreign currencies were made available to individuals; (ii) the obligation to sell 50 per cent. of export hard currency revenues to commercial banks at the CBU's exchange rate was abolished; and (iii) commercial banks were permitted to independently set their own tariffs and fees based on market conditions.

Foreign Exchange and International Reserves

In September 2017, the CBU liberalised the foreign currency market. As a result, the exchange rate of the soum was devalued to 8,100 soums per U.S. dollar as at 5 September 2018. As at 1 January 2026, the nominal exchange rate was 12,025.33 soums per U.S. dollar and as at 1 January 2025, it was 12,920.48 soums per U.S. dollar.

In October 2023, the Republic of Uzbekistan, in cooperation with the United Nations Development Programme, issued "Green" Eurobonds worth 4.25 trillion soums and Eurobonds worth U.S.$660 million on the London Stock Exchange. This marked the first issuance of green sovereign Eurobonds in the CIS region.

The CBU holds the international reserves of the Republic of Uzbekistan, including:

- gold and other precious metals;
- foreign currency in cash;
- foreign-currency bank account balances and deposits in foreign banks and international financial organisations; and
- foreign currency securities issued or guaranteed by foreign governments, banks and international financial organisations.

The CBU contributes to the maintenance of international reserves at a level sufficient for the implementation of the monetary and exchange rate policies of the Republic of Uzbekistan, as well as for international transactions.

Foreign Investment

Foreign investment into the banking sector is regulated by the CBU Law, the Banking Activity Law, the Law of the Republic of Uzbekistan "*On the Securities Market*", as well as the Regulation of the CBU No. 3252 dated 30 June 2020 ("**Regulation 3252**") regarding the procedure and conditions for granting permission for banking activities.

The amount of shareholders' equity of non-resident banks that intend to open banking subsidiaries and buy shares of the banks in the territory of Uzbekistan must be no less than EUR200 million. Non-resident banks are not permitted to open branches in the territory of Uzbekistan.

The CBU cooperates with a number of foreign financial institutions and central banks to assist with the transition to inflation targeting model as well as the development of the Uzbek banking system.

The CBU cooperates with the IMF regarding a wide range of issues. Over the years, the IMF provided technical assistance in regard to balance of payments statistics, lender of last resort functions, monetary policy, inflation targeting, modelling and forecasting, banking supervision, financial solvency, risk management and debt management.

The CBU closely cooperates with the World Bank, which provides technical assistance on issues of stress-testing methodology of the banking sector and a framework of rules and regulations on prudential supervision. The CBU also cooperates with the World Bank in the areas of digital banking and financial education.

The CBU also cooperates with the EBRD under the Memorandum of Understanding Regarding Cooperation in the Republic of Uzbekistan.

The Asian Development Bank provided technical assistance and support in the implementation of a risk-based approach in bank supervision. The National Bank of Switzerland advises the CBU in respect of the implementation of inflation analysis and forecasting models.

The liberalisation of foreign exchange control commencing in September 2017 reflected the efforts of the Government of Uzbekistan to improve the foreign investment climate in the country. Further liberalisation took place in January 2021 with the adoption of amendments to the Law "*On Foreign Currency Regulation*", which permitted the pegging of prices of goods and services to foreign currency in foreign investment projects pursuant to decisions of the President of Uzbekistan. Additionally, the Resolution of the Cabinet of Ministers No. 283

adopted on 14 May 2020 established the Regulation on Monitoring and Control over Foreign Trade Operations. The Regulation liberalised certain requirements in relation to foreign trade operations.

Concentration within the Banking Sector

As at 1 January 2026 there was a high level of concentration in the banking sector, with the wholly and partly state-owned banks holding 63 per cent. of all of the banking sector's total assets, 67 per cent. of the banking sector's total loans, 60 per cent. of the banking sector's total share capital and 51 per cent. of the banking sector's total deposits, whereas banks without state ownership held 37 per cent. of all of the banking sector's total assets, 33 per cent. of the banking sector's total loans, 40 per cent. of the banking sector's total share capital and 49 per cent. of the banking sector's total deposits.

Payment Systems

There are three settlement systems currently in place in Uzbekistan. The first is the Interbank Payment System, which is designed for conducting electronic payments in soums among banks through their correspondent accounts at the CBU. The second system is the Unified Republic-wide Processing Center, which brings together the commercial banks that issue Uzbek soum cards. The centre established the interbank payment clearing system for soums plastic cards called "Uzcard". The third is the National Interbank Processing Centre – "HUMO" payment system. The membership in the Humo payment system is voluntary. As at 31 July 2023, "Uzcard", "HUMO" and "PAYFINTECH" payment systems were integrated.

Credit Ratings

In November 2025, S&P upgraded Uzbekistan's long-term foreign and local currency sovereign credit ratings to "BB" (outlook stable) and affirmed Uzbekistan's "B" short-term foreign and local currency sovereign credit ratings. In June 2025, Moody's revised Uzbekistan's sovereign credit rating outlook from stable to positive and confirmed the Ba3 rating on Uzbekistan's unsecured debt obligations, including the (P)Ba3 rating for the medium-term note (MTN) programme. Similarly, in June 2025, Fitch upgraded Uzbekistan's sovereign credit rating to 'BB' with a stable outlook.

Several Uzbekistan banks, including the Bank, have been rated by international rating agencies.

Role of the Central Bank of Uzbekistan

The CBU regulates the activities of banks and ensures the stable functioning of the banking system in the Republic of Uzbekistan under Article 151 of the Constitution. The Constitution of the Republic of Uzbekistan, the CBU Law and other legislative acts determine the legal status, powers, principles of organisation and activities of the CBU.

The CBU is a legal entity owned by the state, but it carries out financial activities and makes decisions within its authority independently. The CBU issues banknotes in circulation, acts as a bank, adviser as well as a fiscal agent of the Government of the Republic of Uzbekistan, and stores and manages official foreign exchange reserves for the Republic of Uzbekistan. The CBU is responsible for most of the supervisory and regulatory functions in Uzbekistan's financial sector. Additionally, the CBU can buy and sell government securities on the open market, as well as debt obligations issued by the CBU itself.

The primary goals of the CBU are to ensure price stability and the development of the banking and payment systems. To accomplish these goals, the CBU: (i) implements monetary policy by managing liquidity in the interbank money market through interventions in the foreign currency market, short-term refinancing loans, foreign currency swaps, open market operations and setting reserve requirements; (ii) sets interbank operational policies; (iii) ensures the stability and development of the banking and payment systems; and (iv) sets foreign currency regulation.

Role of the CBU as the Supervisor of Uzbekistan's Financial Sector

The main objectives of the CBU as regulator of the financial sector are:

- formulation, adoption and implementation of monetary and currency regulation;
- the implementation of an effective settlement system in the Republic of Uzbekistan;

- licensing and supervision of banks, microfinance organisations, non-bank depository institutions, qualified credit institutions and credit bureaus;
- storage and management of official gold and foreign exchange reserves of the Republic of Uzbekistan; and
- implementation of the state budget together with the Ministry of Economy and Finance.

The CBU has the right to:

- represent the interests of the Republic of Uzbekistan in central banks of other states, international banks and other financial institutions;
- enter into financial transactions and render banking services to foreign governments, foreign central banks and bodies of monetary control, and also the international organisations of which the Republic of Uzbekistan is a member;
- open representative offices in foreign states; and
- perform accreditation in the Republic of Uzbekistan of representative offices of foreign banks.

Relations of the CBU with banks and credit institutes of other states are performed according to international treaties of the Republic of Uzbekistan and interbank agreements.

Issuing Money and Regulating its Circulation

The CBU is exclusively entitled to issue monetary symbols in circulation in the form of banknotes and coins as legal means of payment in the territory of the Republic of Uzbekistan. Banknotes and coins in circulation are unconditional obligations of the CBU and are backed by all of its assets.

The CBU also establishes rules for the storage, transportation and collection of cash.

Monetary Policy

The CBU develops the main directions for the monetary policy of the Republic of Uzbekistan for the coming year no later than 30 days before the beginning of the next fiscal year.

The main directions of monetary policy should contain:

- analysis and forecast of economic conditions;
- limits on the volume of money in circulation;
- targets for the annual growth rate of the money supply, including changes in the internal assets of the CBU;
- main directions of currency and interest rate policy; and
- the main objectives for monetary and credit regulation.

Acting as Banker, Adviser and Fiscal Agent of the Government

The CBU may carry out banking operations to maintain the main accounts of state authorities and their agencies, organisations, authorities of the Ministry of Defence, Ministry of Internal Affairs, State Security Service of the Republic of Uzbekistan, State Security Service of the President of the Republic of Uzbekistan, National Guard of the Republic of Uzbekistan and Ministry of Emergency Situations, as well as enterprises, institutions and organisations subordinated to the CBU.

The CBU acts as a banker, adviser and fiscal agent of the Government of the Republic of Uzbekistan. The CBU also advises the Government on all important issues related to its tasks and competencies. Furthermore, the CBU annually submits to the Government a report on economic and financial issues with recommendations on the preparation of the state budget.

The Government consults with the CBU on borrowing plans from internal and external sources, including the amounts that will be paid as part of such borrowing, on proposed terms and conditions for granting loans. The Ministry of Economy and Finance informs the CBU about all loans received by the Republic of Uzbekistan and its governmental bodies.

The CBU may accept deposits and currency values of the Government, as well as other government bodies, if they have permission from the Ministry of Economy and Finance. As a depository institution, the CBU receives and issues cash and currency values and keeps their records. It can pay interest on specified deposits.

The CBU, acting under the terms agreed with the Ministry of Economy and Finance, may act as a fiscal agent of the Government of the Republic of Uzbekistan and state bodies upon:

- placement of debt obligations issued by the Ministry of Economy and Finance and other state bodies, registration of placement and acting as an agent during their transfer;
- payment for the value, interest and other payments on specified securities;
- maintenance of accounts for the specified securities and execution of payment transactions with them; and
- implementation of other transactions with specified securities.

The CBU advises the Ministry of Economy and Finance on the schedule of issuance of government securities and the repayment of public debt and considers their impact on the liquidity of the banking system and monetary policy priorities when doing so.

Operation of Clearing and Settlement Facility

The CBU is entitled to assist banks in settlement and clearing services for interbank payments, including payment by cheques and other payment instruments. The CBU is entitled to determine at its discretion the procedure for conducting such operations and to give appropriate prescriptions.

Supervision and Licensing

The CBU regulates and supervises the activities of banks, microfinance organisations, lombards and credit bureaus in order to maintain the stability of the financial and banking system, protect the interests of depositors, borrowers and creditors, as well as monitor and control their compliance with internal rules and the procedures for providing information related to countering money laundering, terrorist financing and the proliferation of weapons of mass destruction.

The CBU establishes:

- binding rules for banks to conduct banking operations, accounting and banking statistical reporting, and the preparation of annual reports;
- binding rules for microfinance organisations to conduct financial operations, accounting and reporting; and
- binding rules governing activities and operations of lombards and credit bureaus.

The CBU is entitled to:

- receive and monitor reporting and other documents of banks, microfinance organisations, lombards and credit bureaus, and request and receive information about their activities;
- monitor activities of banks and microfinance organisations, their branches and affiliated entities, as well as the activities of lombards and credit bureaus, and to impose sanctions for violations;
- set requirements to internal audit of banks and credit bureaus;
- set requirements to implementation of the quality classification of bank assets and the creation of adequate reserves to cover potential losses on assets;

- define conditions and procedure for writing off loss or assets;
- issue instructions to eliminate the violations identified in their activities to banks, microfinance organisations, lombards and credit bureaus; and
- determine qualification requirements managers, members of the board, chief accountants of banks and their branches, heads of executive bodies of microfinance organisations and credit bureaus.

In order to start operations, a bank in Uzbekistan is required to be registered with the CBU and hold a general banking licence issued by the CBU. Establishment of a bank is subject to a prior authorisation of the CBU. A decision concerning the issuance of a prior authorisation should be rendered within a period not later than three months from the day of submission of the application with all necessary documents, and should be based on a valuation of the financial possibilities, reputation of the founders, professional qualifications of the directors of the bank, evaluation of the business plan, financial plan, structure of capital, and confirmation of assets required for banking activities (premises, equipment, etc.).

In order to register a bank and obtain a banking licence, the founders must within a period not exceeding six months from the date of receipt of prior authorisation, comply with the requirements established by law. The decision to register a bank and issue a banking licence is made by the CBU within a period not exceeding one month from the date of fulfilment of the requirements of the CBU.

Regulation of the Banking Sector

Capital Adequacy

In accordance with the Banking Activity Law, charter capital of the Bank is formed by monetary funds of founders and shareholders of the Bank. Use of funds obtained through loans, pledges and other engaged funds is not allowed. Nevertheless, in exceptional cases and in accordance with legislation, budgetary funds may be used to form charter capital of a bank. From 1 April 2024, the minimal amount of charter capital of a bank was set at 350 billion soums, and from 1 January 2025, it was increased to 500 billion soums. These requirements remain in effect as of 2026.

Liquidity and Reserve Requirements

Commercial banks must monitor and control liquidity risks for major currencies and regularly report to the CBU. Banks should take into account unexpected revenue and expenses that may occur when monitoring and controlling the liquidity risk, including future transactions, repurchase agreements, devalued letters of credit, and letters of credit issued to unsatisfactory debtors and guarantees. Banks in Uzbekistan must comply with (i) a liquidity coverage ratio and (ii) an instant liquidity ratio. Liquidity coverage ratio is defined as the ratio of highly liquid assets to total net outflow in the next 30 days and should not be less than 100 per cent. The instant liquidity ratio is defined as the ratio of the amount of cash and cash equivalents, securities of the Government of the Republic of Uzbekistan and the CBU and funds on the accounts of the bank with the CBU (except for mandatory reserves on the CBU accounts) to the amount of liabilities payable on demand. Only funds in the national currency, soums, are counted towards instant liquidity ratio. Instant liquidity ratio shall not be less than 25 per cent.

Liquidity analysis of a bank should focus on trends in liquidity indicators analysed during a period (month, quarter, year) and should analyse the past and current strategies for resource allocation. Liquidity analysis should also assess the causes of changes from past status. Liquidity coefficients are part of the overall liquidity adequacy ratio.

In the calculation of liquidity, the liquid assets to total assets ratio, additional liquidity ratio, liquid assets to non-current liabilities ratio and loans to deposits ratio are used. The share of pledged securities in the total securities portfolio also helps the banks to determine their liquidity position. When managing its liquidity indicators, a bank's management should also take into account other factors affecting current liquidity individual to a specific bank's financial position.

Requirements on liquidity indicators

The liquidity compensation ratio ("**LCC**") is defined as a ratio of highly liquid assets to the total net expenses payable within 30 days from the date of calculation. LCC shall not be less than 100 per cent. From 1 September 2019, this indicator shall be calculated in each of:

- all currencies;
- the national currency; and
- all foreign currency-denominated assets combined.

The net stable funding ratio is defined as the ratio of available stable funding to the required amount of stable funding. The net stable funding ratio shall not be less than 100 per cent. Available stable funding includes total capital, liabilities with maturity of more than one year, 30 per cent. of loans and current accounts, as well as 30 per cent. of term deposits and loans with maturity of less than one year. The required amount of stable funding includes impaired loans and non-financial assets, assets subject to claims and legal proceedings, 30 per cent. of assets with maturity of less than one year, as well as 15 per cent. of off-balance sheet items.

Regulation on Liquidity Requirements of Commercial Banks in Uzbekistan

According to the regulation on liquidity requirements of commercial banks in Uzbekistan, the following are considered as liquid assets: cash, gold bricks, the deposit money of banks at the account of CBU, money deposited at corresponding accounts of banks, securities of the CBU and the Government of Uzbekistan, short-term inter-bank loans (up to 30 days) and deposits, sovereign bonds of low risk countries and central banks, as well as other intergovernmental requests and requests to the CBU. The bonds and securities of those leading companies in low-risk countries that are considered as low-risk list securities according to rating agencies such as S&P, Fitch and Moody's Investors Service or any other rating agencies recognised by the CBU.

According to the regulation on liquidity requirements of commercial banks in Uzbekistan, when the sovereign, banks or corporations have S&P, Fitch, Moody's Investors Service and any other rating services recognised by the CBU, the lowest of them will be recognised and considered.

Mandatory Ratios

Mandatory economic ratios are established by the following regulations of the CBU:

- *"On requirements for capital adequacy of commercial banks" No. 3697 dated 28 October 2025;*
- *"On requirements for liquidity management of commercial banks" No. 2709 dated 13 August 2015;*
- *"On the maximum exposure to a single borrower, including persons related to the bank, or to a group of interconnected borrowers" No. 3283 dated 29 October 2020; and*
- *"On requirements for the acquisition and ownership by commercial banks of real estate and other property, as well as the acquisition of shares or stakes in the charter capital of legal entities" No. 3441 dated 8 June 2023.*

A bank's regulatory capital serves as a base for calculation of the mandatory economic ratios and limits. A bank's regulatory capital consists of Tier I regulatory capital and Tier II regulatory capital. Tier I regulatory capital consists of Tier I main capital and Tier I additional capital and includes, among other items, charter capital, retained earnings and certain reserve funds. Tier II regulatory capital includes, among other items, reserves for standard loans (assets) and subordinated debt.

The following table sets forth the mandatory economic ratios that banks must observe on a daily basis and report to the CBU on the monthly basis. All mandatory economic ratios are calculated based on stand-alone financial statements prepared under UAL.

Mandatory Economic Ratio	Description	CBU Mandatory Economic Ratio Requirements
Total Regulatory Capital Adequacy Ratio	Total Regulatory Capital Adequacy Ratio is calculated as a ratio of Total capital to risk-weighted assets. Total capital consists of Tier I and Tier II capital.	Minimum 8%
Tier I Capital Adequacy Ratio	Tier 1 Capital Adequacy Ratio is calculated as a ratio of Tier I capital to risk-weighted assets. Tier I capital consists of common equity and additional Tier I instruments.	Minimum 6%
Core Tier I Capital Adequacy Ratio	Core Tier I Capital Adequacy Ratio is calculated as a ratio of Core Tier I capital (CET1) to risk-weighted assets. CET1 represents the most loss-absorbing form of capital.	Minimum 4.5%
Leverage Ratio	Leverage Ratio is calculated as a ratio of Tier I capital to total assets, excluding: (i) reserves created for standard assets, (ii) special reserves, and (iii) assets subject to deduction from core capital in accordance with paragraphs 19–21 of the CBU Capital Regulation, plus off-balance sheet accounts and derivative instruments.	Minimum 3%
Instant Liquidity Ratio	Instant Liquidity Ratio is calculated as the ratio of the total liquid assets (cash, cash at correspondence accounts, repo, government bonds) to total liabilities.	Minimum 25%
Maximum Interbank Exposure per One Bank or Related Banks	Limits the bank's exposure to a single counterparty bank or group of related banks under interbank transactions.	Maximum 25% of Tier I Capital
Maximum Exposure to a Single Borrower or Group of Related Borrowers (secured)	Maximum allowable credit risk to a single borrower or group of related borrowers, including secured exposures.	Maximum 25% of Tier I Capital
Maximum Exposure per Related Party (secured)	Sets a limit for credit risk exposure to a single related party of the bank.	Maximum 15% of Tier I Capital
Aggregate Exposure to Related Parties	Restricts total exposures to all related parties of the bank.	Maximum 25% of Tier I Capital
Maximum Exposure to a Single Borrower or a Group of Related Borrowers (unsecured)	Limits unsecured lending and factoring exposure to one borrower or related group, excluding interbank exposures.	Maximum 5% of Tier I Capital
Total Large Exposures Ratio	Aggregate ratio of all large exposures (exceeding 10% of Tier I capital) compared to Tier 1 capital.	Maximum 5 times (500%) of Tier I Capital
Maximum Amount of Unsecured Credit and Factoring Services Risks	This ratio is intended to limit the aggregate credit exposure of a bank in connection with unsecured loans and factoring services. It is formulated as a ratio of the aggregate amount of a bank's unsecured loans to its Tier I regulatory capital.	Maximum 5%
Share of Highly Liquid Assets in Total Assets	Share of Highly Liquid Assets in Total Assets represents the share of high-quality liquid assets (cash, correspondent accounts, government securities, repo, etc.) in total assets.	Minimum 10%
Liquidity Coverage Ratio (LCR – Foreign Currency)	Liquidity Coverage Ratio (LCR – Foreign Currency) is calculated as the ratio of high-quality liquid assets to net cash outflows within the next 30 calendar days, denominated in foreign currency.	Minimum 100%
Net Stable Funding Ratio (NSFR)	Net Stable Funding Ratio (NSFR) is calculated as the ratio of available stable funding to the required amount of stable funding, with a view to ensuring a sustainable long-term funding structure.	Minimum 100%
Aggregate Investments in Securities and Charter Capital of Legal Entities	Restricts the total amount of investments in securities and equity holdings of all legal entities.	Maximum 50% of Tier I Capital

Mandatory Reserve Deposit Requirements

In order to manage credit, currency, interest and financial risks in the banking sector, the CBU requires banks to maintain mandatory reserves in respect of certain financial liabilities. Until June 2024, banks were required to place such mandatory reserves in a separate account with the CBU and to comply with the reserve requirement on a daily basis. From July 2024, the CBU introduced a new regime under which the mandatory reserve requirement is calculated based on the average balances maintained over a 30-day period. Under this approach, the required reserve balances are held within the banks' ordinary correspondent accounts with the CBU rather

than in a separate account. As a result, there are currently no restrictions on the day-to-day use of funds included in the mandatory reserve balance, provided that the average monthly reserve requirement is met.

Audit of Banks

The audits of banks are carried out annually by auditors who are licenced to provide such inspection in accordance with the legislation of Uzbekistan. The audit includes, in particular, the assessment of the capital adequacy, classification of subsidies, securities of subsidy, risk measurement and liquidity measurement. In accordance with the Banking Activity Law, the banks are obliged to establish and implement their own internal audit programmes in addition.

According to the legislation, each bank should establish an internal audit service, approve by its management board and implement certain internal policies and regulations, including regulations on internal audit services and internal audit procedures.

Loan Loss Provisions

The CBU regulates the creation of provisions for loan losses in accordance with CBU standards and UAL and requires banks to classify their loans into the following categories and to create provisions for such loans in the corresponding amounts:

Category	Provision
Standard	1%
Substandard	10%
Unsatisfactory	25%
Doubtful	50%
Hopeless	100%

Loans must be classified into one of categories above and provisioned accordingly on the basis of criteria laid down by the CBU, which differs from IFRS criteria. Such criteria include absence of documentation required to ascertain the borrower's financial condition, existing non-performing or impaired loans of the borrower, negative trends in the borrower's industry, decline in the price of collateral, etc.

Cancellation of Banking Licence

According to the Banking Activity Law, the CBU is entitled to revoke a licence for carrying out banking activities in the following cases:

- failure to commence banking activities within twelve months after obtaining the licence, voluntary surrender of the licence, or failure to carry out financial operations for more than three months;
- failure to comply with the conditions under which the licence was granted;
- commission of any serious violations specified in Article 54 of the Banking Activity Law;
- incurring or potential incurrence of losses exceeding ten per cent. of the bank's regulatory capital in each of three consecutive quarters or fifty per cent. of the regulatory capital irrespective of the period;
- termination of the bank's activities as a result of reorganisation;
- adoption by the general meeting of shareholders of a decision on the voluntary liquidation of the bank;
- in the case of a subsidiary of a foreign bank, revocation of such foreign bank's licence;
- the CBU's decision to approve the conversion of a microfinance bank into a microfinance organisation; and
- insolvency of the bank.

Rehabilitation and Liquidation of Banks

On 23 June 2025, the President of Uzbekistan signed Law No. ZRU-1070 "On the Rehabilitation and Liquidation of Banks" (the "**Rehabilitation and Liquidation Law**"), which entered into force on 25 September 2025. The Rehabilitation and Liquidation Law establishes a dedicated legal framework for the resolution and orderly liquidation of banking institutions and applies not only to individual banks but also to banking groups and holding companies that own a controlling stake in a bank and at least one other financial institution.

The CBU has been designated as the competent authority under the Rehabilitation and Liquidation Law and is responsible, among other things, for developing rehabilitation plans for systemically important banks and banks performing critical functions. Rehabilitation measures may be initiated even in the absence of a pre-approved rehabilitation plan.

Rehabilitation procedures may be initiated where: (i) a bank is insolvent or at serious risk of insolvency; (ii) remedial measures previously taken have proven ineffective; and (iii) the bank is either systemically important or its mandatory liquidation would not achieve the objectives set out in the Rehabilitation and Liquidation Law. A bank is considered insolvent if any of the following circumstances arise: customer claims remain unsatisfied for seven days due to insufficient funds; liabilities exceed assets; the bank's capital adequacy ratios and/or charter capital decline by 50 per cent. or more below the statutory minimum; the CBU identifies discrepancies in the bank's financial reporting confirming any of the foregoing; or there are circumstances threatening the safety of funds entrusted by depositors or creditors.

Rehabilitation may be carried out through: (i) the transfer of assets and liabilities to another bank; or (ii) the creation of an interim (bridge) bank, whose assets and liabilities will subsequently be transferred or sold. In the course of rehabilitation, losses are borne first by the shareholders of the bank being rehabilitated, with each shareholder bearing liability in proportion to their shareholding. The Rehabilitation and Liquidation Law provides that no investor or creditor shall incur losses greater than those they would have suffered in the event of mandatory liquidation. Powers of the general meeting of shareholders of the bank under rehabilitation pass to the CBU, and powers of the supervisory board and management board pass to a supervisory board and management board, or to a special administrator appointed by the CBU.

Voluntary liquidation may only be carried out with CBU approval and solely where the bank is solvent and not at risk of insolvency. Non-systemically important banks may be subject to mandatory liquidation by decision of the CBU or a court. The Rehabilitation and Liquidation Law also confirms that guaranteed deposits, as defined under the Law "On Guarantees of Protection of Deposits in Banks," are not subject to write-down or conversion instruments in the course of rehabilitation.

Annual Reporting

Banks shall publish financial statements under UAL in form and terms established by the CBU, as well as publish financial statements under IFRS, upon confirmation of reliability of information provided. Financial statements of banks shall include:

- consolidated balance sheet;
- consolidated statement of profits and expenses;
- consolidated statement on circulation of monetary funds;
- consolidated statement of changes in shareholder capital; and
- accounting policies and explanatory notes.

Banks shall publish annual financial statements together with the auditor's opinion no later than two weeks before annual shareholder meetings or any other meeting of the relevant governing body. Commercial banks shall provide copies of audit opinions together with audited financial statements to the CBU within 10 days after completion of the audit. Within three days of publication of an annual financial statement, a bank shall provide a copy of such publication to the CBU.

Anti-Money Laundering

Uzbekistan has made consistent efforts to meet international standards through new legislation. However, corruption and law enforcement's susceptibility to political influence limit the effectiveness of this legislative framework. Connected individuals may circumvent established AML rules through private financial institutions, shell companies and bribery. Uzbekistan has increased prosecutions for financial crimes; nevertheless, the Government's lack of transparency makes it difficult to verify the effectiveness of law enforcement in countering money laundering.

Uzbekistan is not on the Financial Action Task Force ("**FATF**") list of countries identified as having strategic anti-money laundering deficiencies. The most recent Mutual Evaluation Report relating to the implementation of anti-money laundering and counter-terrorist financing standards in Uzbekistan was undertaken by FATF in 2023. According to that evaluation, Uzbekistan was deemed Compliant for eight and Largely Compliant for 26 of the FATF 40 Recommendations. It was Partially Compliant or Non-Compliant for the remaining six Core Recommendations. Uzbekistan is categorised by the U.S. State Department as a Country/Jurisdiction of Primary Concern in respect of money laundering and financial crimes.

Credit Cards

The issuance, maintenance and use of bank cards (including credit cards and plastic cards) in the territory of the Republic of Uzbekistan are governed by CBU Regulation No. 3294 "*On the Rules for Issuing Bank Cards and their Circulation in the Republic of Uzbekistan*" and other regulatory and legal acts of the Republic of Uzbekistan, as well as agreements concluded between participants of interbank payment systems and rules established by payment organisations.

There are two payment systems, Uzcard and Humo, for making payments with plastic cards equipped with microchip modules and a four-step data encryption system, which prevent counterfeiting and unauthorised access. The withdrawal and crediting of customer accounts using plastic cards takes place after processing in the Unified Republic-wide Processing Centre, which protects customers and merchants from fraud and deception.

Payment Systems

The banking telecommunications network plays a key role in processing messages and transferring information required for the effective operation of payment systems and in regulating information flows between banks. The main distinctive feature of the banking telecommunications network is its structure, which connects branches of banks in Tashkent and across the regions and districts of Uzbekistan.

Following the implementation of a unified real-time balance system and the establishment of new branches in regional centres, the development of the banking telecommunications system ("**BTS**") in those regional centres to provide high-speed data transfer was identified as a priority. To address this need, between 2007 and 2008, specialists of the Head Centre of Information of the CBU equipped regional centres and cities of the Republic to provide BTS users with data transfer speeds of 192 kb/s and, in certain cases, higher.

In 2004, the Unified Nationwide Processing Centre ("**EOPTS**") was established, enabling a single mode of banking transactions to be carried out across all outlets, regardless of which bank serves the organisation, the service sector, or the owner of a plastic card. Currently, the EOPTS comprises 35 partner banks that issue soum-denominated plastic cards. The EOPTS established an interbank payment clearing system for soum plastic cards under the name "Uzcard". In April 2024, the EOPTS was reorganised as a joint-stock company.

In 2018, the National Interbank Processing Centre ("**NIPC**") was established pursuant to Presidential Decree No. 3945 dated 19 September 2018. In 2019, the NIPC launched new plastic cards under the "HUMO" brand. The "HUMO" and "Uzcard" systems were integrated in 2023. Both payment systems support NFC payments through "HUMO Pay" and "Uzcard Pay" technologies.

Uzbekistan now has a widely developed system of non-cash payments based on plastic cards and remote access to banking operations through internet banking and mobile applications. According to the CBU, as at 1 December 2025, the number of online banking users reached approximately 79.3 million, compared to approximately 50 million as at 1 December 2024. Moreover, the number of plastic cards in circulation reached 68.3 million as at 1 January 2026, representing a 10.1 per cent. increase since 1 January 2025.

Dollarisation of Uzbek Economy

High levels of dollarisation of the economy of Uzbekistan reduce the effectiveness of the monetary policy of the CBU. However, as at 1 January 2026, the share of foreign currency-denominated assets in the banking sector had declined to 37.0 per cent., down from 41.0 per cent. a year earlier, enabling the CBU to influence 63.0 per cent. of sector assets as at 1 January 2026, compared to 59.0 per cent. as at 1 January 2025.

To reduce the dollarisation of the sector, the CBU and the Government may implement reforms to reduce foreign-currency borrowing, including government loans guaranteed by the Ministry of Economy and Finance of the Republic of Uzbekistan.

Recent and Expected Banking Reforms

In October 2019, in line with the Strategy of Action for five priority areas of development of the Republic of Uzbekistan for 2017–2021, Presidential Decree No. 4487 was issued in order to improve the financial stability of state-owned banks, the efficiency of financing of state development programmes and the efficiency of UFRD funding. The Decree, among other things, implemented certain measures to strengthen the financial standing of the banking sector, which included a withdrawal of government-directed low-margin and subsidised assets from the state-owned banks, including the Bank, in order to improve their return on assets and overall performance.

In addition, as part of the ongoing banking sector reforms, foreign investors have been permitted to acquire stakes not exceeding 5 per cent. of the share capital of banking organisations in the Republic of Uzbekistan without obtaining CBU consent. New types of regulated loan products were introduced to the banking sector, including long-term mortgage loans for individuals.

Furthermore, on 7 November 2019, a new version of the Banking Activity Law was adopted. The new edition of the law is considerably more sophisticated and comprehensive than its predecessor. The law supplemented the list of financial operations conducted by banks with new types of services, including trust management of property and assets, purchase and sale of refined precious metals and operations with derivative financial instruments. The new law also introduced the concept of banking groups and the concept of a systemically significant bank. In addition, the new law provides for a number of customer protection measures in the banking market, including regulations on limits for loan and deposit interest rates, commissions, disclosure of information, deposit protection, as well as the banks' liability for violation of consumer rights.

Since 2021, several amendments have been introduced to the Banking Activity Law which provided for an increase in the minimum amount of the charter capital of a bank, as well as simplified the procedure for opening branches and other divisions of banks.

The new law also introduced a formal procedure for granting a licence. The detailed licensing requirements are now set out in Regulation 3252. In addition, the new law regulates the procedure for the reorganisation and liquidation of banks, as well as expanding the forms of banking transactions. The new law further clarifies the forms and procedure of supervision by the CBU. The CBU will further supervise:

- strategies, procedures and mechanisms used by banks to comply with the requirements of the law;
- the existing and potential risks of banks, with a view to assessing the adequacy of their management of regulatory compliance, capital and liquidity risks; and
- banks' compliance with the requirements of applicable legislation on risk management and corporate governance.

A separate chapter on the corporate governance of banks was incorporated into the Banking Activity Law. Provisions regarding the competence of a bank's management bodies, the rules of ethical conduct for bank employees, and measures to prevent corruption and avoid conflicts of interest were introduced. Banks are now required to maintain a reliable and clearly defined organisational structure of corporate governance, which provides for:

- transparency regarding areas of responsibility;

- effective procedures for identifying, managing, monitoring and reporting the risks to which a bank is or may be exposed (including stress-testing scenarios);
- the procedure for assessing capital adequacy to cover operational risk;
- relevant internal control mechanisms, including strict accounting procedures; and
- employee remuneration policies and methods that promote and comply with sound and efficient risk management.

In 2020, the CBU adopted Regulation of the Central Bank No. 3254 on Corporate Governance in Banks, which contains detailed rules and principles of corporate governance. This Regulation, among others, mandates the establishment of special committees of banks' supervisory boards, including an audit committee, a risk management committee and a remuneration committee. Additionally, it sets out the type of information to be published by banks on their websites, including information about their ultimate beneficiaries.

In 2020, the CBU amended the regulations on reserve requirement rates, and in 2023 it issued a new regulation on mandatory stress-testing of banks and regular reporting on risk assessment in line with international practices.

In May 2020, the Strategy for Reforming the Banking System of the Republic of Uzbekistan for the Years 2020–2025 was adopted. The Strategy aims to increase the effectiveness of the banking system, to ensure financial stability, to reduce the Government's share in the banking sector and to increase the accessibility and quality of financial products. The Strategy provided for a comprehensive transformation of several state-owned banks and their privatisation.

In November 2025, a "Roadmap" for Further Enhancing the Bank Regulation and Supervision System for 2025–2028 was developed and approved by the Board of the CBU. Its priority areas include:

- updating legislation to strengthen the CBU's regulatory and supervisory capacity;
- full implementation of Basel III, including Pillars 2 and 3;
- strengthening corporate governance and risk management in banks;
- adopting risk-based supervision and improving internal supervisory processes;
- introducing consolidated supervision for banking groups;
- establishing a bank resolution framework, refining liquidation procedures, and enhancing deposit insurance;
- expanding international cooperation in banking oversight;
- reinforcing measures to ensure financial stability.

The strategy "Uzbekistan - 2030" endorsed by the President of the Republic of Uzbekistan in 2023 and updated in 2026 also provides for plans to accelerate reforms in the banking sector. Specifically, by 2030, there is a target to quadruple the volume of current deposits held in banks and attract approximately four reputable foreign banks to operate in Uzbekistan. In addition, there are plans to introduce Islamic banking services in at least three banks by 2030.

Specifically, by 2030, there targets are to:

- increase the outstanding balance of commercial bank deposits to UZS560 trillion;
- increase the annual volume of lending in the banking and financial system to UZS720 trillion;
- privatise banks while retaining 4 banks under state ownership;
- attract approximately four reputable foreign banks to operate in Uzbekistan;
- establish the legal framework for Islamic finance and introduce Islamic finance services in three commercial banks; and

- improve the regulatory and supervisory framework through the implementation of internationally recognised minimum standards and requirements applicable to banks.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes, which, subject to amendment, will be endorsed on each Definitive Note and will (subject to the provisions thereof) apply to the Global Note.

The U.S.$300,000,000 7.70 per cent. notes due 2031 (the "**Notes**") which expression includes any further Notes issued pursuant to Condition 16 and forming a single series therewith of Joint-Stock Commercial Aloqabank (the "**Issuer**") were authorised by a written resolution of the Supervisory Council of the Issuer dated 6 March 2026. The Notes are constituted by a trust deed to be dated 18 May 2026 (the "**Trust Deed**") made between the Issuer and Citibank, N.A., London Branch (the "**Trustee**", which expression shall include all persons for the time being who are the trustee or trustees under the Trust Deed) as trustee for the holders of the Notes.

These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed. The Issuer will enter into a paying agency agreement, to be dated 18 May 2026 (the "**Agency Agreement**") with the Trustee, Citibank, N.A., London Branch as principal paying agent and transfer agent (the "**Principal Paying Agent**" and the "**Transfer Agent"** and, together with any other paying agents appointed under the Paying Agency Agreement, the "**Paying Agents**") and Citibank Europe plc as registrar (the "**Registrar**"). The Registrar, the Paying Agents and the Transfer Agent are together referred to herein as the "**Agents**", which expression includes any successor or additional paying and transfer agents or registrars appointed from time to time in connection with the Notes.

Copies of the Trust Deed and the Agency Agreement (i) are available for inspection and may be obtained free of charge during normal business hours at the specified office of the Trustee, being at the date hereof Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, and at the specified offices of the Principal Paying Agent or (ii) may be provided by email to a Noteholder (following written request therefor by it) from the Issuer, the Trustee or the Principal Paying Agent, subject in each case to the Noteholder providing evidence of its identity and its holding of Notes satisfactory to, as applicable, the Issuer, the Trustee or the Principal Paying Agent. The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement applicable to them. Capitalised terms used but not defined in these Conditions shall have the respective meanings given to them in the Trust Deed.

1. Form and Denomination

The Notes are issued in fully registered form, without interest coupons attached, in denominations of U.S.$200,000 or integral multiples of U.S.$1,000 in excess thereof ("**authorised denominations**"). Title to the Notes shall pass by registration in the register (the "**Register**") which the Issuer shall procure to be kept by the Registrar. The Notes are represented by registered definitive Notes ("**Definitive Notes**") and, save as provided in Condition 3(c), each Definitive Note shall represent the entire holding of Notes by the same holder.

2. Status

The Notes constitute direct, general, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes shall, save for such exceptions as may arise by mandatory operation of law and subject to Condition 4, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

3. Register, Title and Transfers

(a) **Register**: The Registrar shall maintain the Register in respect of the Notes in accordance with the provisions of the Agency Agreement. The Register shall be kept at the specified office for the time being of the Registrar and shall record the names and addresses of the holders of the Notes, particulars of the Notes and all transfers and redemptions thereof. In these Conditions, the "holder" of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.

(b) **Title**: Title to the Notes will pass by and upon registration in the Register. The holder of each Note shall (except as otherwise required by a court of competent jurisdiction or applicable law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Definitive Note relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Definitive Note) and no person shall be liable for so treating such holder.

(c) **Transfers**: Subject to Conditions 3(f) and 3(g) below, a holding of Notes may be transferred in whole or in part in an authorised denomination upon surrender (at the specified office of the Registrar or the Transfer Agent) of the relevant Definitive Note representing that Note, together with the form of transfer (including any certification as to compliance with restrictions on transfer included in such form of transfer endorsed thereon) (the "**Transfer Form**"), duly completed and executed, at the specified office of the Transfer Agent or of the Registrar, together with such evidence as the Transfer Agent or the Registrar may reasonably require to prove the title of the transferor and the authority of the persons who have executed the Transfer Form. In the case of a transfer of part only of a holding of Notes represented by one Definitive Note, a new Definitive Note shall be issued to the transferee in respect of the part transferred and a further new Definitive Note in respect of the balance of the holding not transferred shall be issued to the transferor. Neither the part transferred nor the balance not transferred may be less than the minimum authorised denomination. In the case of a transfer of Notes to a person who is already a holder of Notes, a new Definitive Note representing the enlarged holding shall only be issued against surrender of the Definitive Note representing the existing holding. No transfer of a Note will be valid unless and until entered on the Register.

(d) **Exercise of Options or Partial Redemption in Respect of Notes**: In the case of an exercise of a Noteholders' option in respect of, and a partial redemption of, a holding of Notes represented by a single Definitive Note, a new Definitive Note shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Notes of the same holding having different terms, separate Definitive Notes shall be issued in respect of those Notes of that holding that have the same terms. New Definitive Notes shall only be issued against surrender of the existing Definitive Notes to the Registrar or the Transfer Agent.

(e) **Delivery of New Definitive Notes**: Each new Definitive Note to be issued pursuant to Condition 3(c) or 3(d) shall be available for delivery within three business days of receipt of a duly completed form of transfer or Change of Status Put Option Notice (as defined in Condition 7(f)) and surrender of the existing Definitive Note(s). Delivery of the new Definitive Note(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Change of Status Put Option Notice or Definitive Note shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or Change of Status Put Option Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Definitive Note to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/ or such insurance as it may specify. In this Condition 3(e), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Transfer Agent or the Registrar (as the case may be).

(f) **Transfer or Exercise Free of Charge**: Definitive Notes, on transfer or exercise of an option and partial redemption, shall be issued and registered without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment by the person making such application for transfer or exercise of an option of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the Transfer Agent may require).

(g) **Closed Periods**: No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Note, (ii) during the period of 15 days prior to (and including) any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 7(b) and Condition 7(c), (iii) after any such Note has been called for redemption, or (iv) during the period of seven days ending on (and including) any Record Date.

(h) **Regulations concerning Transfer and Registration**: All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer and registration of Notes set out in Schedule 1 to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval (such approval not to be unreasonably withheld or delayed) of the Trustee and the Agents. A copy of the current regulations will be sent by the Registrar free of charge to any person who so requests and will be available at the specified offices of the Registrar and at the specified office of the Transfer Agent.

4. Negative Pledge

So long as any Note remains outstanding (as defined in the Trust Deed), the Issuer will not, and will ensure that none of its Subsidiaries will create, or permit to arise or subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest including, without limitation, anything analogous to the foregoing under the laws of any jurisdiction (a "**Security Interest**") other than a Permitted Security Interest upon the whole or any part of its property, assets or revenues, present or future, to secure any Indebtedness, without in any such case at the same time or prior thereto securing the Notes equally and rateably therewith or have the benefit of such other arrangement as (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

5. Covenants

(a) **Regulatory Compliance**

(i) So long as any Note remains outstanding, the Issuer shall not permit its:

(A) CBU Capital Adequacy Ratio to fall below the minimum percentage set by the CBU;

(B) CBU Tier 1 Capital Adequacy Ratio to fall below the minimum percentage set by the CBU; and

(C) CBU Leverage Ratio to fall below the minimum percentage set by the CBU.

(ii) The Issuer shall comply with all other financial and prudential ratios set by the CBU applicable to banks generally in Uzbekistan except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect.

(b) **Restricted Payments**: So long as any Note remains outstanding, the Issuer will not, and will not permit any of its Subsidiaries, directly or indirectly, to make a Restricted Payment, unless at the time of and after giving effect to such Restricted Payment:

(i) no Event of Default shall have occurred and be continuing (or would result therefrom); and

(ii) the aggregate amount of such Restricted Payment made during any financial year of the Issuer would not exceed 50 per cent. of the Consolidated Net Profit for the previous financial year determined by reference to the Issuer's audited consolidated financial statements for the previous financial year delivered to the Trustee pursuant to Condition 5(c),

provided, however, that in any financial year where the Issuer is required under the Presidential Decree dated 29 June 2018 No. UP-5468, as amended or superseded from time to time (the "**Decree**") or any Governmental resolution having similar effect, to make any Restricted Payments to its shareholders and the mandatory amount of such Restricted Payments exceeds the threshold set out in paragraph (ii) above, such higher threshold as specified in the Decree or any Governmental resolution having similar effect shall apply for the purposes of this Condition 5(b).

(c) **Financial Statements etc.**: So long as any Note remains outstanding, the Issuer shall deliver to the Trustee:

(i) not later than 180 days after the end of the Issuer's financial year, copies (in English) of the Issuer's audited consolidated financial statements for such financial year, prepared in accordance with IFRS consistently applied, together with the corresponding financial statements for the preceding period, and all such annual financial statements of the Issuer shall be accompanied by the audit report (in English) of the Auditors thereon and supplemented with information as to (A) the CBU Capital Adequacy Ratio, (B) the CBU Tier 1 Capital Adequacy Ratio and (C) the CBU Leverage Ratio; and

(ii) not later than 120 days after the end of the first six months of each of the Issuer's financial years, copies (in English) of the Issuer's unaudited consolidated financial statements for such six-month period, prepared in accordance with IFRS consistently applied, together with the corresponding financial statements for the preceding period and all such financial statements of the Issuer shall be accompanied by the review report (in English) of the Auditors thereon and supplemented with information as to (A) the CBU Capital Adequacy Ratio, (B) the CBU Tier 1 Capital Adequacy Ratio and (C) the CBU Leverage Ratio,

in the case of each of (i) and (ii) above, together with a written notice in the form of an Officer's Certificate in the form set out in the Trust Deed stating whether since the date of the last certificate or, if none, the Issue Date an Event of Default or a Potential Event of Default shall have occurred and be continuing, describing all such Events of Default or Potential Events of Default and what action the Issuer is taking or proposes to take with respect thereto; and

(iii) the Issuer may in lieu of delivering such statements directly to the Trustee post such financial statements on its website within the time periods referred to in Condition5(c)(i) or 5(c)(ii) above, as the case may be.

(d) **Limitation on Mergers**:

(i) So long as any Note remains outstanding, the Issuer shall not (x) enter into any reorganisation (whether by way of a merger, accession, division, separation or transformation, as these terms may be construed under applicable Uzbek law) or undergo any other type of corporate reconstruction, or (y) in a single transaction or a series of related transactions, directly or indirectly, merge, consolidate, amalgamate or otherwise combine with or into another Person or sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer or the Group, to another Person, unless:

(A) (i) the surviving or resulting entity or the transferee (the "**Successor Entity**") is the Issuer or, (ii) if not the Issuer, the Successor Entity (x) assumes all the obligations (if any) of the Issuer under the Notes and the Trust Deed, and (y) retains or succeeds to all of the rights and obligations of the Issuer under all of its material government permits, licenses, consents and authorisations; and

(B) such transaction(s) would not, individually or in the aggregate, have a Material Adverse Effect; and

(C) immediately after such transaction(s), the Successor Entity certifies to the Trustee that the transaction complies with these Conditions (upon which certification the Trustee shall be entitled to rely without further enquiry and without liability to any person).

(ii) So long as any Note remains outstanding, the Issuer shall ensure that none of its Material Subsidiaries shall (x) enter into any reorganisation (whether by way of a merger, accession, division, separation or transformation, as these terms may be construed under applicable law) or undergo any other type of corporate reconstruction or (y) `in a single transaction or a series of related transactions, merge, consolidate, amalgamate or otherwise combine with or into another Person or sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Material Subsidiary, unless:

(A) (i) such Material Subsidiary is the Successor Entity or (ii) the Successor Entity (if not such Material Subsidiary) retains or succeeds to all of the rights and obligations of such Material Subsidiary under all of its material government permits, licenses, consents and authorisations (if any); and

(B) such transaction(s) would not, individually or in the aggregate, have a Material Adverse Effect; and

(C) immediately after such transaction(s), the Issuer (on behalf of the Successor Entity) certifies to the Trustee that the transaction complies with these Conditions (upon which certification the Trustee shall be entitled to rely without further enquiry and without liability to any person).

(iii) Notwithstanding the foregoing:

(A) The Issuer may perform acts set out in Condition 5(d)(i) if required to do so by statute or a Government resolution applicable to the Issuer, provided that (i) the Issuer is the Successor Entity or (ii) if not the Issuer, the Successor Entity (x) assumes all the obligations (if any) of the Issuer under the Notes and the Trust Deed, and (y) retains or succeeds to all of the rights and obligations of the Issuer under all of its material government permits, licences, consents and authorisations;

(B) Any Material Subsidiary of the Issuer may perform acts set out in Condition 5(d)(ii) if required to do so by statute or a Government resolution applicable to the Issuer or such Material Subsidiary, provided that (i) such Material Subsidiary is the Successor Entity or (ii) the Successor Entity (if not such Material Subsidiary) retains or succeeds to all of the rights and obligations of such Material Subsidiary under all of its material government permits, licences, consents and authorisations

(C) any Subsidiary of the Issuer may consolidate with, merge with or into, amalgamate or otherwise combine with or sell, assign, transfer, convey or otherwise dispose of all of its assets to the Issuer or another Subsidiary of the Issuer.

(e) **Asset Sales**

(i) So long as any Note remains outstanding, the Issuer shall not, and shall ensure that none of its Material Subsidiaries shall, directly or indirectly, consummate an Asset Sale, unless:

(A) the terms of such Asset Sale are substantially no less favourable to the Issuer or the relevant Material Subsidiary, as the case may be, than those which would be obtained in a comparable arm's length transaction and on commercially reasonable terms; and

(B) the Issuer delivers to the Trustee a resolution (or an extract therefrom) of the appropriate decision-making body of the Issuer or the relevant Material Subsidiary, if applicable (in the English language) along with an Officer's Certificate certifying that such Asset Sale complies with this Condition 5(e); and

(ii) The Trustee may rely on such resolution and such Officer's Certificate referred to in this Condition 5(e) without further enquiry and will not be responsible or liable to any person for so doing.

(f) **Affiliate Transactions**: So long as any Note remains outstanding, the Issuer will not, and will not permit any of its Material Subsidiaries to, enter into or permit to exist any transaction or series of related transactions (including the purchase, sale, lease or exchange of any property or the rendering of any service) with, or for the benefit of, any Affiliate of the Issuer or such Subsidiary (an "**Affiliate Transaction**") unless:

(i) the terms of the Affiliate Transaction are no less favourable to the Issuer or such Material Subsidiary than those that could be obtained at the time of the Affiliate Transaction in a comparable arm's-length transaction with a Person who is not an Affiliate of the Issuer or such Material Subsidiary; and

(ii) the Issuer delivers to the Trustee with respect to any Affiliate Transaction, or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.$50,000,000 (or its U.S. Dollar Equivalent), a resolution of the Issuer's or such Material Subsidiary's Board of Directors (or an extract therefrom) (in the English language) along with an Officer's Certificate certifying that such Affiliate Transaction complies with this Condition 5(f) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Issuer's Board of Directors or such Material Subsidiary's Board of Directors (or, in the event there is only one disinterested member of the Issuer's or such Material Subsidiary's Board of Directors, approved by such disinterested member); *provided, however, that* the provisions of these Conditions 5(f)(i) and 5(f)(ii) shall not apply to:

(A) any Affiliate Transaction where the Affiliate in question is an Agency of the Republic of Uzbekistan or a Person which is a Subsidiary of, or is otherwise controlled by an Agency of the Republic of Uzbekistan;

(B) any employment agreement, employee compensation arrangements, consulting agreement, employee benefit plan, officer and director indemnification agreement or any similar arrangement entered into by the Issuer or any of its Material Subsidiaries in the ordinary course of business and compensation (including bonuses and equity compensation) paid to and other benefits (including retirement, health and other benefit plans) and indemnification arrangements provided on behalf of directors, officers, consultants and employees of the Issuer or any of its Material Subsidiaries;

(C) transactions between or among or solely for the benefit of the Issuer and/or its Subsidiaries;

(D) any issuance of Capital Stock of the Issuer to Affiliates of the Issuer or the receipt of capital contributions by the Issuer from Affiliates of the Issuer;

(E) Restricted Payments permitted to be made pursuant to Condition 5(b);

(F) agreements and arrangements, and transactions pursuant thereto, existing on the Issue Date and any amendment, extension, renewal, refinancing, modification or supplement thereof; *provided that* following such amendment, extension, renewal, refinancing, modification or supplement, the terms of any such agreement or arrangement so amended, modified or supplemented are, on the whole, no less favourable to the Issuer and its Material Subsidiaries, as

applicable, than the original agreement or arrangement as in effect on the Issue Date.

(iii) The Trustee may rely on such resolution and such Officer's Certificate referred to in this Condition 5(f) without further enquiry and will not be responsible or liable to any person for so doing.

(g) **Maintenance of Authorisations**: So long as any Note remains outstanding, the Issuer shall, and shall ensure that each of its Material Subsidiaries will, take all action which may be necessary to ensure the obtaining and continuance of, all consents, licences, approvals and authorisations required in or by the laws of the Republic of Uzbekistan or any relevant jurisdiction or Agency having regulatory authority in respect of the Issuer or any Material Subsidiary of the Issuer in order to carry out its business activities, save to the extent that failure to do so would not or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(h) **Change of Business**: So long as any Note remains outstanding (as defined in the Trust Deed), the Issuer shall not make any material change to the general nature of the Issuer's business from that carried on at the Issue Date.

6. Interest

The Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 7.70 per cent. per annum, payable semi-annually in arrear on 18 May and 18 November in each year (each an "**Interest Payment Date**"), commencing on 18 November 2026 and will amount to U.S.$38.5 per Calculation Amount (as defined below). Each Note will cease to bear interest from the due date for redemption unless, upon surrender of the Definitive Note representing such Note, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder, and (b) the day seven days after the Trustee or the Principal Paying Agent has notified Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day–count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

Interest in respect of any Note shall be calculated per U.S.$1,000 in principal amount of the Notes (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

7. Redemption and Purchase

(a) **Final redemption**: Unless previously redeemed, or purchased and cancelled as provided below, the Notes will be redeemed at their principal amount on 18 May 2031 (the "**Maturity Date**"). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 7.

(b) **Redemption for tax reasons**: The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 17 and to the Trustee and Agents (which notice shall

be irrevocable) at the principal amount thereof, together with interest accrued to (but excluding) the date fixed for redemption, if (i) immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Republic of Uzbekistan or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment has become or becomes effective on or after the Issue Date and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; *provided that* no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee (x) an Officer's Certificate of the Issuer stating that the Issuer is entitled to effect such redemption and that the conditions precedent to the right of the Issuer to so redeem set out in (i) and (ii) above have occurred and (y) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept and rely absolutely, without further enquiry and without liability to any person, upon such opinion and certificate as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above, in which event it shall be conclusive and binding on the Noteholders. All Notes in respect of which any such notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

(c) **Redemption at Make Whole**: At any time prior to the Maturity Date the Issuer may, at its option, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (the "**Call Option Notice**") in accordance with Condition 17 and to the Trustee and the Agents redeem the Notes in whole but not in part, at the price which shall be the following (as calculated by the Issuer):

(i) the aggregate principal amount of the outstanding Notes; plus

(ii) interest and other amounts that may be due pursuant to these Conditions (if any) accrued but unpaid to but excluding the date on which the call option is to be settled (the "**Call Settlement Date**"); plus

(iii) the Make Whole Premium.

The Call Option Notice shall specify the Call Settlement Date.

For the purposes of this Condition 7(c):

"**Make Whole Premium**" means, with respect to a Note at any time, the excess of (a) the present value of the Notes at the Call Settlement Date, plus the present value of any required interest payments that would otherwise accrue and be payable on such Notes from the Call Settlement Date through to the Maturity Date, in each case calculated using a discount rate equal to the Treasury Rate at the Call Settlement Date plus 50 basis points, over (b) the outstanding aggregate principal amount of the Notes at the Call Settlement Date, *provided that* if the value of the Make Whole Premium at any time would otherwise be less than zero, then in such circumstances, the value of the Make Whole Premium will be equal to zero.

"**Treasury Rate**" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity most nearly equal to the period from the Call Settlement Date to the Maturity Date. The Issuer will obtain such yield to maturity from information compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least three business days (but not more than five business days) prior to the Call Settlement Date and shall notify the Noteholders (in accordance with Condition 17) and the Trustee and the Agents thereof not less than two business days prior to the Call Settlement Date (or, if such Statistical Release is not so published or available, any publicly available source of similar market data selected by the Issuer in good faith); *provided*,

however, that if the period from the Call Settlement Date to the Maturity Date is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the Call Settlement Date to the Maturity Date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

(d) **Purchase**: the Issuer and its Subsidiaries may at any time purchase or procure others to purchase for its account Notes in the open market or otherwise at any price. The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 13(a).

(e) **Cancellation**: All Definitive Notes representing Notes purchased pursuant to this Condition 7 shall be either cancelled forthwith, held or, to the extent permitted by law, resold. Any Definitive Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(f) **Redemption at the option of Noteholders upon a Change of Status**: If at any time while any Note remains outstanding a Change of Status occurs, the Issuer shall, at the option of the holder of any such Note (the "**Change of Status Put Option**"), redeem or purchase such Note on the Change of Status Put Date (as defined below) at 100 per cent. of its principal amount together with (or, where purchased, together with an amount equal to) interest accrued to but excluding the Change of Status Put Date.

If a Change of Status occurs then, within 14 days of the occurrence of the Change of Status, the Issuer shall give notice (a "**Change of Status Notice**") to the Noteholders in accordance with Condition 17 specifying the nature of the Change of Status and the procedure for exercising the Change of Status Put Option.

To exercise the Change of Status Put Option, a holder of Notes must deliver at the specified office of any Paying Agent, on any business day (being a day on which commercial banks are open for business in the city where such Paying Agent has its specified office) falling within the period commencing on the date on which the Change of Status Notice is given to Noteholders as required by this Condition 7(f) and ending 60 days after such date (the "**Change of Status Put Period**"), a duly signed and completed notice of exercise in the form obtainable from any specified office of any Paying Agent (a "**Change of Status Put Option Notice**") and in which the holder must specify a bank account to which payment is to be made under this paragraph accompanied by the applicable Definitive Note or Notes or evidence satisfactory to the Paying Agent concerned that the certificate for such Notes will, following the delivery of the Change of Status Put Option Notice, be held to its order or under its control.

The Issuer shall redeem or purchase (or procure the purchase of) the Notes the subject of each Change of Status Put Option Notice on the date (the "**Change of Status Put Date**") 14 days after the expiration of the Change of Status Put Period unless previously redeemed or purchased and cancelled. A Change of Status Put Option Notice given by a holder of any Note shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Change of Status Put Option Notice and require the applicable Definitive Note or Notes to be returned.

For the purposes of this Condition 7(f):

(i) "**Change of Status**" means the occurrence of both (x) a Change of Control and (y) an Adverse Ratings Event;

(ii) a "**Change of Control**" will occur upon the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that the Republic of Uzbekistan ceases to beneficially own (directly or indirectly) at least 50 per cent. plus one share of the issued and outstanding voting Capital Stock of, or otherwise to control, the Issuer; and

(iii) an "**Adverse Ratings Event**" will occur if on, or within six months after, the date, or the announcement of the occurrence of the Change of Control (which period shall be extended so long as the rating of the Issuer or any Rated Security is under publicly announced consideration for possible downgrade by reason of such Change of Control by any of the Rating Agencies), the rating of the Issuer or any Rated Security is withdrawn or downgraded by any Rating Agency by reason of such Change of Control.

8. Payments

(a) Method of Payment

(i) Payments of principal shall be made (subject to surrender of the relevant Definitive Notes at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Notes represented by such Definitive Notes) in the manner provided in paragraph (ii) below.

(ii) Interest on each Note shall be paid to the person shown on the Register at the close of business on the business day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Note shall be made by transfer to an account in U.S. Dollars maintained by the payee with a bank.

(iii) If the amount of principal being paid upon surrender of the relevant Definitive Note is less than the outstanding principal amount of such Definitive Note, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Issuer or a Noteholder) issue a new Definitive Note with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of interest so paid.

(b) **Payments subject to fiscal laws**: All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(c) **Agents**: The initial Agents and their initial specified offices are listed below. The Issuer reserves the right (subject to prior written approval of the Trustee (such approval not to be unreasonably withheld or delayed)) to terminate the appointment of all or any of the Agents at any time (*provided that* no Agent shall be responsible for any costs or liabilities occasioned by any such termination) and appoint additional or other payment or transfer agents, *provided that* they will maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) such other agents as may be required by any other stock exchange on which the Notes may be listed, in each case, as approved by the Trustee (such approval not to be unreasonably withheld or delayed). Notice of any such change will be provided as described in Condition 17 below.

(d) **Delay in Payment**: Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a business day, or if the Noteholder is late in surrendering or cannot surrender its Definitive Note (if required to do so).

(e) **Non-Business Days**: If any date for payment in respect of any Note is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 8, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the place in which the specified office of the Principal Paying Agent is located and on which foreign exchange transactions may be carried on in U.S. Dollars in New York City.

9. Taxation

All payments of principal, interest and other amounts in respect of the Notes by the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Uzbekistan or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Definitive Note:

(i) held by a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with the Republic of Uzbekistan other than the mere holding of such Definitive Note; or

(ii) where (in the case of a payment of principal or interest on redemption) the relevant Definitive Note is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had surrendered the relevant Definitive Note on the last day of such period of 30 days.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further surrender of the Definitive Note representing such Note being made in accordance with the Conditions, such payment will be made, *provided that* payment is in fact made upon such surrender.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition. If the Issuer becomes subject in respect of payments of principal or interest on the Notes to any taxing jurisdiction other than (or in addition to) the Republic of Uzbekistan, references in these Conditions to the Republic of Uzbekistan shall be construed as references to such other jurisdiction.

10. Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of not less than one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer that the Notes are, and they shall immediately become, due and

repayable at their principal amount together with accrued interest if any of the following events occurs and is continuing (each, an "**Event of Default**"):

(a) the Issuer fails to pay any amounts payable on any of the Notes when due and such failure continues for a period of seven days in relation to principal and 14 days in relation to interest; or

(b) the Issuer does not perform or comply with any of its other obligations in the Notes or the Trust Deed which default (i) is (in the opinion of the Trustee) incapable of remedy and, in the case of a breach of an obligation under the Trust Deed, (in the opinion of the Trustee) materially prejudicial to the interests of the Noteholders or (ii) if in the opinion of the Trustee capable of remedy is not remedied within 30 days or such longer period as the Trustee may agree after notice of such default having been given to the Issuer by the Trustee in writing requesting the same to be remedied; or

(c) (i) any other present or future Indebtedness of the Issuer or any of its Material Subsidiaries becomes due and payable prior to its stated maturity by reason of any default (howsoever described), or (ii) any such Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness, *provided that* the aggregate amount of the relevant Indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds U.S.$25,000,000 or its U.S. Dollar Equivalent; or

(d) the occurrence of any of the following events:

(i) (A) the Issuer or any Material Subsidiary of the Issuer seeking, consenting or acquiescing in the introduction of proceedings for its liquidation or bankruptcy or the appointment to it of a liquidator or a similar officer (other than in respect of a solvent liquidation in circumstances permitted by Condition 5(d) (*Limitation on Mergers*)); (B) the presentation or filing of a petition in respect of the Issuer or any Material Subsidiary of the Issuer in any court or before any agency for its bankruptcy, insolvency, dissolution or liquidation which, in the case of a petition presented or filed by a Person other than the Issuer, or such Material Subsidiary, as the case may be, is not dismissed or discharged within 60 days from the date of presentation or filing; (C) the institution of supervision, external management, examinership or bankruptcy management to the Issuer or any Material Subsidiary of the Issuer; (D) the convening of a meeting of creditors generally of the Issuer or any Material Subsidiary of the Issuer for the purposes of considering an amicable settlement with its creditors generally; and/or (E) any extra judicial liquidation or analogous act in respect of the Issuer or any Material Subsidiary by any Agency in the Republic of Uzbekistan; or

(ii) the Issuer or any of its Material Subsidiaries: (A) fails or is unable or admits its inability to pay its debts generally as they become due; (B) consents by answer or otherwise to the commencement against it of an involuntary case in bankruptcy or to the appointment of a custodian of it or of a substantial part of its property;

(iii) a court of competent jurisdiction enters an order for relief or a decree in an involuntary case in bankruptcy or for the appointment of a custodian in respect of the Issuer or any Material Subsidiary of the Issuer or a substantial part of their respective property and such order or decree remains undischarged for a period of 30 days; or

(iv) the shareholders of the Issuer approve any plan for the liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring permitted by Condition 5(d));

(e) a judgment, order, decree of a court or other appropriate law enforcement body from which no further appeal or judicial review is permissible under applicable law for the payment of any

amount in excess of U.S.$25,000,000 (or its U.S. Dollar Equivalent) is rendered against the Issuer or any of its Material Subsidiaries and continues unsatisfied and unstayed for a period of 30 days after the date thereof or, if later, the date therein specified for payment or on which such judgment or order otherwise becomes enforceable; or

(f) an order of a court of competent jurisdiction is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring permitted by Condition 5(d)); or

(g) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Notes and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Notes and the Trust Deed admissible in evidence in the courts of the Republic of Uzbekistan, is not taken, fulfilled or done; or

(h) the validity of the Notes or the Trust Deed, as the case may be, is contested by the Issuer, or the Issuer shall deny any of its obligations thereunder or it is, or will become, unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or the Trust Deed or any of such obligations shall become unenforceable or cease to be legal, valid and binding; or

(i) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (d) and (f) above.

11. Prescription

Claims for the payment of principal and interest in respect of any Definitive Note shall be prescribed unless made within 10 years (for claims for the payment of principal) or five years (for claims for the payment of interest) from the appropriate Relevant Date in respect of them.

12. Replacement of Definitive Notes

If any Definitive Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Definitive Notes must be surrendered before replacements will be issued.

13. Meetings of Noteholders, Modification and Waiver

(a) **Meetings of Noteholders**: The Trust Deed contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such meetings shall be held in accordance with the provisions set out in the Trust Deed. Such a meeting may be convened by the Trustee upon receipt of a written request by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all costs and expenses). The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the maturity of the Notes or the dates on which interest is payable in respect of the Notes, (ii) to reduce or cancel the principal amount of, or interest on, the Notes, (iii) to alter the method of calculating the amount of any payment in respect of the

Notes, (iv) to change the currency of payment of the Notes or (v) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than two-thirds in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) **Modification and Waiver**: The Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Trust Deed, the Agency Agreement or the Notes which is, in the opinion of the Trustee, of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach of any of the provisions of the Notes, the Agency Agreement or the Trust Deed, which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified to the Noteholders as soon as practicable thereafter.

(c) **Entitlement of the Trustee**: In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other Person, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders.

14. Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such steps, actions and/or proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed and the Notes, but it need not take, nor shall the Trustee be bound to take or omit to take, any such steps, actions and/or proceedings unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in principal amount of the Notes outstanding and (ii) it shall have been indemnified and/or provided with security and/or prefunded in each case to its satisfaction. No Noteholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trust Deed also contains a provision permitting the Trustee to request a compliance certificate from the Issuer related to compliance with the Conditions in the circumstances described in the Trust Deed. The Trustee may rely without liability to Noteholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be

binding on the Issuer and the Noteholders. The liability of the Auditors to the Trustee in respect of any report, confirmation, certificate or advice of the Auditors shall be governed by the terms of such report, confirmation, certificate or advice (or the engagement letter relating thereto).

16. Further Issues

The Issuer may from time to time, without the consent of the Noteholders, create and issue further securities having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) and so that such further issue shall be consolidated and form a single series with the outstanding Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

17. Notices

Notices to the Noteholders shall be valid if sent to them by first class mail (airmail if overseas) at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing. In addition, so long as the Notes are listed on the Stock Exchange, notices will be published in a manner which complies with the rules and regulations of the Stock Exchange. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

18. Currency Indemnity

If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer, shall indemnify each Noteholder on the written demand of such Noteholder, addressed and delivered to the Issuer, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

19. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

20. Governing Law

The Notes and the Trust Deed and any non-contractual obligations arising out of or in connection with any of them are governed by, and shall be construed in accordance with, English law.

21. Arbitration, Consent to Enforcement and Waiver of Immunity

(a) **Arbitration**: Any dispute arising out of or connected with the Notes and the Trust Deed, including a dispute as to the validity or existence of the Notes and the Trust Deed and/or this Condition 21 or any non-contractual obligation arising out of or in connection with the Notes and the Trust Deed (a "**Dispute**"), shall be resolved by arbitration whose seat shall be in London, England, conducted in the English language by three arbitrators pursuant to the rules of the London Court of International Arbitration ("**LCIA**") (such arbitration to also be

administered by the LCIA in accordance with those rules), which rules are deemed to be incorporated by reference into this Condition with the exception that any provision of such rules relating to the nationality of an arbitrator shall, to that extent, not apply and save that, unless the parties agree otherwise, the third arbitrator, who shall act as chairman of the tribunal, shall be nominated by the two arbitrators nominated by or on behalf of the parties. If the third arbitrator is not so nominated within 30 days of the date of nomination of the later of the two party-nominated arbitrators to be nominated, the third arbitrator shall be chosen by the LCIA. Sections 45 and 69 of the Arbitration Act 1996 shall not apply.

(b) **Agent for Service of Process**: The Issuer has appointed Law Debenture Corporate Services Limited at its registered office at 8th Floor, 100 Bishopsgate, London, EC2N 4AG as its agent in England to receive service of process in any proceedings in England in connection with the Notes and the Trust Deed.

(c) **Consent to enforcement etc.**: The Issuer consents generally in respect of any Disputes to the giving of any relief or the issue of any process in connection with such Disputes including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any judgment or award which may be made or given in such Disputes.

(d) **Waiver of immunity**: To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before the making of a judgment or an award or otherwise) or other legal process including in relation to the enforcement of a judgment or award and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its respective assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity.

22. Definitions

In these Conditions, the following terms shall have the following meanings:

"**Affiliate**", in respect of any specified Person, means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, and, in the case of a natural Person, any immediate family member of such Person. For purposes of this definition, "**control**", as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "**controlling**", "**controlled by**" and "**under common control with**" shall have correlative meanings;

"**Agency**" means any agency, authority, central bank, department, committee, government, legislature, ministry, minister, official or public or statutory person (whether autonomous or not) of, or of the government of, any state or supra-national body;

"**Asset Sale**" means

(a) the sale, lease, conveyance or other disposition of any tangible or intangible assets or rights or revenues of the Issuer or a Subsidiary of the Issuer in one or more transactions or series of transactions (whether related or not);

(b) the issuance of Capital Stock in any Subsidiary of the Issuer or the sale of Capital Stock in any of its Subsidiaries.

Notwithstanding the foregoing, none of the following items will be deemed to be an Asset Sale:

(a) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than 7.5 per cent. of the consolidated total assets of the Issuer (as calculated by reference to the most recent consolidated financial statements of the Issuer delivered to the Trustee pursuant to Condition 5(c);

(b) any sale or other disposition of Capital Stock in a Subsidiary not involved in carrying out banking business or any sale or other disposition of other assets that are no longer useful in the conduct of the business of the Issuer or its Subsidiaries;

(c) a transfer of assets between or among the Issuer and its Subsidiaries;

(d) any sale, lease, conveyance or other disposition of any assets of the Issuer or any of its Subsidiaries or property pledged as collateral by or to the Issuer or any of its Subsidiaries in the ordinary course of the Issuer's or, as the case may be, the relevant Subsidiary's business;

(e) an issuance or other disposition of Capital Stock by a Subsidiary of the Issuer to the Issuer or to a Subsidiary of the Issuer;

(f) the creation of a Security Interest;

(g) a payment or other disposition that does not violate Condition 5(b) and Condition 5(d);

(h) the sale or other disposition of assets received by the Issuer or any of its Subsidiaries in compromise or settlement of claims of the Issuer or any of its Subsidiaries;

(i) the write-off of any financial assets which, in accordance with IFRS, are eligible for being treated as irrecoverable;

(j) the sale, transfer or other disposition of any revenues or assets (or any part thereof) the subject of any securitisation of receivables, asset-backed financing or similar financing structure originated by the Issuer or any of its Subsidiaries whereby all payment obligations are to be discharged primarily from such assets or revenues, *provided that* the value of such assets or revenues, asset-backed financing, or similar financing structures, when aggregated with the value of all assets or revenues subject to a Security Interest permitted under paragraph (h) of the definition of "Permitted Security Interest", does not, at any time, exceed 25 per cent. of the Group's total loans and advances to customers before allowances for expected credit losses as calculated by reference to the most recent consolidated financial statements of the Issuer delivered to the Trustee pursuant to Condition 5(c); and

(k) any sale or disposition of non-core assets pursuant to, or in connection with, any decrees, resolutions or directives of the Government or the President of the Republic of Uzbekistan.

"**Auditors**" means the auditors for the time being of the Issuer or, if they are unable or unwilling promptly to carry out any action requested of them under these Conditions, such other firm of accountants of international standing as may be selected by the Issuer for the purpose and notified in writing to the Trustee;

"**Board of Directors**" means with respect to the Issuer, its Supervisory Council; with respect to a corporation, the board of directors or managers of the corporation and, in the case of any other corporation having both a supervisory board and an executive or management board, the executive or management board (except where the supervisory board is expressly indicated); with respect to a partnership, the board of directors of the general partner of the partnership; and with respect to any other Person, the board or committee of such Person serving a similar function;

"**business day**" means (except where expressly defined otherwise) a day which banks and foreign exchange markets are open for business in the place in which the specified office of the Principal Paying Agent is located and on which foreign exchange transactions may be carried on in U.S. Dollars in New York City;

"**Capital Lease Obligation**" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital or finance lease that would at that time be required to be classified and accounted for as a finance lease for financial reporting purposes and reflected as a liability on a balance sheet, in each case in accordance with IFRS;

"**Capital Stock**" means, with respect to any Person, any and all shares, interests (including partnership interests), rights to purchase, warrants, options, participations or other equivalents (however designated,

whether voting or non-voting) of such Person's equity, including any Preferred Stock of such Person, whether now outstanding or issued after the Issue Date, including without limitation, all series and classes of such Capital Stock but excluding any debt securities convertible into or exchangeable for such Capital Stock;

"**CBU**" means the Central Bank of Uzbekistan;

"**CBU Capital Adequacy Ratio**" means a ratio of the Issuer's CBU Regulatory Capital to the CBU Risk Weighted Assets calculated by reference to the Uzbek accounting standards;

"**CBU Capital Regulation**" means the Regulation of the Central Bank of Uzbekistan No. 21/6 dated 2 October 2025, as amended, supplemented or restated or superseded from time to time;

"**CBU Leverage Ratio**" means a ratio of the Issuer's CBU Tier 1 Capital to total assets, excluding: (i) reserves created for standard assets, (ii) special reserves, and (iii) assets subject to deduction from core capital in accordance with paragraphs 19–21 of the CBU Capital Regulation, plus off-balance sheet accounts and derivative instruments;

"**CBU Regulatory Capital**" means the regulatory capital (*regulyativ kapital*) as such term is defined in the CBU Capital Regulation;

"**CBU Risk-Weighted Assets**" means the aggregate of balance sheet assets and off-balance sheet engagements, weighted for credit and market risk in accordance with the CBU Capital Regulation;

"**CBU Tier 1 Capital**" means the Tier 1 Capital (*regulyativ kapital I darajali kapital*) as such term is defined in the CBU Capital Regulation;

"**CBU Tier 1 Capital Adequacy Ratio**" means a ratio of the Issuer's CBU Tier 1 Capital to the CBU Risk-Weighted Assets;

"**Code**" means the United States Internal Revenue Code of 1986, as amended;

"**Consolidated Net Profit**" means, for any period, the net profit of the Issuer and its Subsidiaries for such period, on a consolidated basis, determined in accordance with IFRS;

"**control**" shall have the meaning provided in the definition of "Affiliate" and "controlled" shall be construed accordingly;

"**Deferred Capital Stock**" means a dividend or distribution declared by the Issuer and which a shareholder of the Issuer has irrevocably instructed the Issuer to retain and apply towards consideration for any future Capital Stock to be issued by the Issuer to such shareholder;

"**Fair Market Value**" means the price that would be paid in an arm's length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Board of Directors of the Issuer or the relevant Subsidiary of the Issuer (unless otherwise provided in these Conditions) whose determination shall be conclusive;

"**Group**" means the Issuer and its consolidated Subsidiaries taken as a whole;

"**guarantee**" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise); or

(b) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

The term "guarantee" used as a verb has a corresponding meaning. The term "guarantor" shall mean any Person guaranteeing any obligation.

"**Hedging Obligations**" means, with respect to any Person, the obligations of such Person under:

(a) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements;

(b) other agreements or arrangements designed to protect such Person against fluctuations in interest rates; and

(c) any foreign currency futures contract, option or similar agreement or arrangement designed to protect such Person against fluctuations in foreign currency rates;

"**IFRS**" means International Financial Reporting Standards (formerly International Accounting Standards), issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);

"**Indebtedness**" means, with respect to any Person at any date of determination (without duplication):

(a) all indebtedness of such Person for borrowed money;

(b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) all Capital Lease Obligations of such Person;

(d) all indebtedness of other Persons guaranteed or indemnified by such Person, to the extent such indebtedness is guaranteed or indemnified by such Person;

(e) to the extent not otherwise included in this definition, all Hedging Obligations of such Person, *provided, however, that* if and to the extent that netting is permitted by applicable laws (including the laws of the Republic of Uzbekistan), the amount of any such Hedging Obligations for the purposes of this paragraph (e) shall be equal at any time to the net payments under such agreement or arrangement giving rise to such Hedging Obligation that would be payable by such Person at the termination of such agreement or arrangement;

(f) any amount raised by acceptance under any acceptance credit facility; and

(g) any amount raised under any other transaction having the economic or commercial effect of a borrowing,

and the amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations, as described above, and with respect to contingent obligations, as described above, the maximum liability which would arise upon the occurrence of the contingency giving rise to the obligation;

"**Issue Date**" means 18 May 2026;

"**Material Adverse Effect**" means a material adverse effect on (a) the business, condition (financial or otherwise), results of operations or prospects of the Issuer or the Group, (b) the ability of the Issuer to perform its obligations under the Trust Deed and the Notes or (c) the validity or enforceability of the Trust Deed and the Notes;

"**Material Subsidiary**" means any Subsidiary of the Issuer:

(a) which, according to the most recent audited consolidated financial statements of the Issuer delivered to the Trustee pursuant to Condition 5(c) accounted for more than 5 per cent. of the profit before tax of the Group or which, according to the most recent audited consolidated financial statements of the Issuer delivered to the Trustee pursuant to Condition 5(c), was the owner of more than 5 per cent. of the consolidated total assets of the Group; or

(b) to which are transferred substantially all of the assets and undertakings of a Subsidiary of the Issuer which immediately prior to such transfer was a Material Subsidiary (with effect from the date of such transaction).

"**Officer**" means the chief financial officer, the chairman or the first deputy chairman of the Board of Directors, the chairman of the Management Board or other person holding a corresponding or similar position of responsibility;

"**Officer's Certificate**" means a certificate executed on behalf of the Issuer by one Officer;

"**Permitted Security Interest**" means:

(a) any Security Interest in existence on the Issue Date;

(b) any Security Interests granted by any Subsidiary of the Issuer in favour of the Issuer or any Subsidiary of the Issuer;

(c) any Security Interests imposed or required by statute, operation of law or any Government resolution;

(d) any Security Interests securing Indebtedness of a Person existing at the time that such Person is merged into or consolidated with the Issuer or a Subsidiary of the Issuer or becomes a Subsidiary of the Issuer, *provided that* such Security Interests (i) were not created in contemplation of such merger or consolidation or event; and (ii) do not extend to any assets or property of the Issuer or any Subsidiary of the Issuer (other than those of the Person acquired and its Subsidiaries (if any));

(e) any Security Interests already existing on assets or property acquired or to be acquired by the Issuer or a Subsidiary of the Issuer, *provided that* such Security Interests were not created in contemplation of such acquisition and do not extend to any other assets or property (other than the proceeds of such acquired assets or property);

(f) any netting or set-off arrangement entered into by the Issuer or any of its Subsidiaries in the ordinary course of its banking business for the purpose of netting debit and credit balances;

(g) Security Interests arising pursuant to any order of attachment, distraint or similar legal process arising in connection with court proceedings or as security for costs and expenses in any such proceedings, so long as the execution or other enforcement thereof is effectively stayed and the claims secured thereby are being contested in good faith by appropriate proceedings;

(h) any Security Interest upon, or with respect to, any present or future assets or revenues of the Issuer or any part thereof which is created pursuant to any securitisation of receivables, asset-backed financing or similar financing structure and whereby all payment obligations secured by such Security Interest or having the benefit of such Security Interest, are to be discharged solely from such assets or revenues, *provided that* the value of assets or revenues subject to such Security Interest when aggregated with the value of assets or revenues which are the subject of any securitisation of receivables, asset-backed financing or similar financing structure permitted pursuant to Condition 5(e), does not, at any such time, exceed 25 per cent. of the Group's total loans and advances to customers before allowances for expected credit losses as calculated by reference to the most recent consolidated financial statements of the Issuer delivered to the Trustee pursuant to Condition 5(c);

(i) any Security Interest granted upon or with regard to any property hereafter acquired by the Issuer or any Subsidiary to secure the purchase price of such property or to secure Indebtedness incurred solely for the purpose of financing the acquisition of such property and transactional expenses related to such acquisition (other than a Security Interest created in contemplation of such acquisition), *provided that* the maximum amount of Indebtedness thereafter secured by such Security Interest does not exceed the purchase price of such property (including transactional expenses) or the Indebtedness incurred solely for the purpose of financing the acquisition of such property;

(j) any Security Interest arising in the ordinary course of banking business including without limitation: Security Interests pursuant to any agreement (or other applicable terms and conditions) which is standard or customary in the relevant market (and not for the purpose of raising credit or funds for the operation of the Issuer or any Subsidiary of the Issuer), in connection with (x) contracts entered into substantially simultaneously for sales and purchases at market prices of securities or precious metals (y) the establishment of margin deposits and similar securities in connection with trading in securities or precious metals or (z) the Issuer's foreign exchange dealings or other proprietary trading activities including, without limitation in the case of (x), (y) and (z), Repos;

(k) any Security Interest in respect of Hedging Obligations entered into for non-speculative purposes;

(l) any Security Interest on property acquired (or deemed to be acquired) under a finance lease, or claims arising from the use or damage to such property, *provided that* any such encumbrance secures only rentals and other amounts payable under such lease;

(m) Security Interests arising out of the refinancing, extension, renewal or refunding of any Indebtedness secured by a Security Interest permitted by any of the above exceptions, *provided that* the Indebtedness thereafter secured by such Security Interest does not exceed the amount of the original Indebtedness and such Security Interest is not extended to cover any property not previously subject to such Security Interest;

(n) any Security Interests arising in relation to any Project Finance Debt;

(o) any Security Interests arising in relation to any easement, right of way, restriction (including zoning restriction), reservation, permit, servitude, minor defect or irregularity in title and other similar charge or encumbrance, and any Security Interest arising under leases or subleases granted to others, in each case not interfering in any material respect with the business of the Issuer or any of the Material Subsidiaries and existing, arising or incurred in the ordinary course of business; and

(p) any Security Interests not otherwise permitted by the preceding paragraphs (a) through (n), *provided that* the aggregate principal amount of the Indebtedness secured by such Security Interests does not at any time exceed 15 per cent. of the Group's consolidated total assets as published in the most recent consolidated financial statements of the Issuer delivered to the Trustee pursuant to Condition 5(c);

"**Person**" means any individual, corporation, company, partnership, joint venture, association, joint stock company, trust, unincorporated organisation, limited liability company or government or other entity;

"**Potential Event of Default**" means an event or circumstance which, with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 10, would constitute an Event of Default;

"**Preferred Stock**", as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person;

"**Project Finance Debt**" means any Indebtedness incurred in relation to any asset solely for purposes of financing the whole or any part of the acquisition, creation, construction, improvement or development of such asset where the financial institutions to which such indebtedness is owed have recourse solely to the applicable project borrower (where such project borrower is formed solely or principally for the purpose of the relevant project) and/or to such asset (or any derivative asset thereof) or any other similar non-recourse Indebtedness which is properly regarded as project finance debt;

"**Rated Security**" means the Notes and any Indebtedness of the Issuer or any of its Subsidiaries having an initial maturity of one year or more which is rated by a Rating Agency;

"**Rating Agency**" means each of S&P Global Ratings Europe Limited, Moody's Investors Service Limited, Fitch Ratings Limited, any of their affiliates or successors;

"**Repo**" means a securities repurchase or resale agreement or reverse repurchase or resale agreement, a securities borrowing agreement or any agreement relating to securities which is similar in effect to any of the foregoing and for purposes of this definition, the term "securities" means any Capital Stock, share, debenture or other debt or equity instrument, or derivative thereof, whether issued by any private or public company, any government or Agency or instrumentality thereof or any supranational, international or multilateral organisation.

"**Restricted Payment**" with respect to the Issuer or any of its Subsidiaries means:

(a) the declaration or payment of any dividends or any other distributions of any sort in respect of its Capital Stock (including any payment in connection with any merger or consolidation involving such Person) or similar payment to the direct or indirect holders of its Capital Stock (other than (A) dividends or distributions payable solely in its Capital Stock, Deferred Capital Stock or in options, warrants or other rights to purchase such stock, (B) dividends or distributions payable solely to the Issuer or a Wholly-Owned Subsidiary of the Issuer and (C) *pro rata* dividends or other distributions made by a Subsidiary of the Issuer that is not a Wholly-Owned Subsidiary of the Issuer to minority stockholders (or owners of an equivalent interest in the case of a Subsidiary that is an entity other than a corporation));

(b) the purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of any Capital Stock of the Issuer held by any Person (other than by a Subsidiary) or of any Capital Stock of a Subsidiary of the Issuer held by any Affiliate of the Issuer (other than by a member of the Group), including in connection with any merger or consolidation and including the exercise of any option to exchange any Capital Stock (other than into Capital Stock of the Issuer that is not Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of Indebtedness of such Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the first anniversary of the Maturity Date);

(c) the purchase, repurchase, redemption, defeasance or other acquisition or retirement for value, prior to scheduled maturity or scheduled repayment of any Subordinated Obligations of the Issuer or any Subsidiary of the Issuer (except for the repayment of inter-company debt owed by any member of the Group to any other member of the Group from time to time);

"**Stock Exchange**" means the London Stock Exchange plc;

"**Subordinated Obligations**" means, with respect to any Person, any Indebtedness of such Person (whether outstanding on the Issue Date or thereafter incurred) which is subordinate or junior in right of payment to the Notes pursuant to a written agreement to that effect;

"**Subsidiary**" means, in relation to any Person (the "first person"), at any particular time, any other Person (the "second person") (i) which the first person controls or has the power to control and (ii) which is (or is required under IFRS to be) consolidated in or with the financial statements of the first person;

"**Taxes**" means any taxes, levies, duties, imports or other charges or withholding of a similar nature no matter where arising (including interest and penalties thereon and additions thereto);

"**U.S. Dollars**", "**dollars**" or the sign "**$**" means such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts;

"**U.S. Dollar Equivalent**" means with respect to any amount denominated in a currency other than U.S. Dollars, at any time for the determination thereof, the amount of U.S. Dollars obtained by converting such other currency involved into U.S. Dollars at the spot rate for the purchase of

U.S. Dollars with the applicable foreign currency as quoted by Reuters at approximately 11:00 am (New York time) on the date not more than two Business Days prior to the date of determination;

"**Wholly - Owned Subsidiary**" of any specified Person means a Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

SUMMARY OF THE PROVISIONS RELATING TO THE NOTES WHEN IN GLOBAL FORM

The Notes will be evidenced on issue by (i) in the case of Regulation S Notes, a Regulation S Global Note deposited with, and registered in the name of a nominee for, a common depositary for Euroclear and Clearstream, Luxembourg and (ii) in the case of Rule 144A Notes, a Rule 144A Global Note deposited with a custodian for, and registered in the name of Cede & Co. as nominee of DTC.

Beneficial interests in the Regulation S Global Note may be held only through Euroclear or Clearstream, Luxembourg at any time. See "*—Book-entry Procedures for the Global Notes*". By acquisition of a beneficial interest in the Regulation S Global Note, the purchaser thereof will be deemed to represent, among other things, that if it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes (a) to be purchasing outside of the United States in accordance with Regulation S or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Global Note (if applicable). See "*Transfer Restrictions*".

Beneficial interests in the Rule 144A Global Note may be held only through DTC at any time. See "*—Book-entry Procedures for the Global Notes*". By acquisition of a beneficial interest in the Rule 144A Global Note, the purchaser thereof will be deemed to represent, among other things, that it is a QIB and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the agency agreement. See "*Transfer Restrictions*".

Beneficial interests in each Global Note will be subject to certain restrictions on transfer set forth therein and in the Paying Agency Agreement and the Global Notes will bear applicable legends regarding such restrictions set forth under "*Transfer Restrictions*". A beneficial interest in the Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in the Rule 144A Global Note in accordance with the Paying Agency Agreement. Beneficial interests in the Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note only upon receipt by the Registrar of a written certification substantially (in the form provided in the Paying Agency Agreement) from the transferor to the effect that the transfer is being made in accordance with Regulation S.

Save in the case of the issue of replacement Notes pursuant to Condition 12, the Issuer, the Transfer Agents and the Registrar shall make no charge to the holders for the registration of any holding of Notes or any transfer thereof or for the issue of any Notes or for the delivery thereof at the specified office of a Transfer Agent or the Registrar or by uninsured post to the address specified by the holder, but such registration, transfer, issue or delivery shall be effected against such indemnity from the holder or the transferee thereof as the Registrar or the relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such registration, transfer, issue or delivery. Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of Note certificates in definitive form (the "**Definitive Notes**"). The Notes are not issuable in bearer form.

Amendments to Conditions

Each Global Note contains provisions that apply to the Notes that it represents, some of which modify the effect of the above Conditions. The following is a summary of those provisions:

Payments

Payments of principal and interest in respect of Notes evidenced by a Global Note will be made to the person who appears on the register of Noteholders at the close of business on the Record Date as holder of the relevant Global Note against presentation and (if no further payment falls to be made in respect of the relevant Notes) surrender of such Global Note to or to the order of the Principal Paying Agent (or to or to the order of such other Paying Agent as shall have been notified to the Noteholders for this purpose), which shall endorse such payment or cause such payment to be endorsed in the appropriate schedule to such Global Note (such endorsement being prima facie evidence that the payment in question has been made). Interest in respect of the Notes represented by a Global Note will accrue from the Closing Date and will be paid on each Interest Payment Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented

by such Global Note, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Notices

So long as the Notes are evidenced by a Global Note and such Global Note is held by or on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication to entitled account holders rather than in the manner specified in the Conditions and shall be deemed to be given to holders of interests in such Global Note with the same effect as if they had been given to such Noteholder in accordance with the Conditions; *provided*, *however*, *that* as long as the Notes are listed on the ISM, all notices will also be given in accordance with the rules of the London Stock Exchange. Any such notice will be deemed to have been given on the day the same has been delivered to the relevant clearing systems.

Record Date

Notwithstanding Condition 8(a)(ii), "Record Date" shall mean the Clearing System Business Day before the relevant due date for payment, where "Clearing System Business Day" means Monday to Friday inclusive, except 25 December and 1 January.

Meetings

The holder of a Global Note will be treated as being two persons for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and in any such meeting as having one vote in respect of each Note for which such Global Note may be exchangeable.

Trustee's Powers

Notwithstanding anything contained in the Trust Deed, in considering the interests of Noteholders while a Global Note is held on behalf of a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note and may consider such interests, and treat such accountholders, as if such accountholders were the holders of such Global Note.

Issuer's Option

So long as the Notes are evidenced by a Global Note and such Global Note is held by or on behalf of a clearing system, any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders and the relevant clearing systems (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and, accordingly, no drawing of Notes shall be required and instead the Notes to be redeemed shall be selected (i) in the case of the Regulation S Global Note, in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg or (ii) in the case of the Rule 144A Global Note, on a *pro rata* pass-through distribution of principal basis.

Noteholder's Option

So long as the Notes are evidenced by a Global Note and such Global Note is held by or on behalf of a clearing system, the exercise of the option of Noteholders provided for in Condition 7(f) will be subject to the normal rules and operating procedures of such clearing system.

Electronic Consent and Written Resolution

While a Global Note is registered in the name of any nominee for a clearing system, then:

(a) approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Trust Deed) shall, for all purposes (including matters that would otherwise require an

Extraordinary Resolution to be passed at a meeting in respect of which the special quorum provisions specified in the Notes apply) take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders whether or not they participated in such Electronic Consent; and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by (a) accountholders in the clearing system with entitlements to such Global Note and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

Exchange for Definitive Notes

Exchange

Each Global Note will be exchangeable, free of charge to the holder, in whole but not in part, for Notes in definitive, registered form if: (i) in the case of a Rule 144A Global Note, DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the Rule 144A Global Note or ceases to be a "clearing agency" registered under the Exchange Act or if at any time it is no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice or becoming aware of such ineligibility on the part of DTC or (ii) in the case of a Regulation S Global Note, Euroclear or Clearstream, Luxembourg, as the case may be, is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, by the holder giving notice to the Registrar or any Transfer Agent.

The Registrar will not register the transfer of, or exchange of interests in, a Global Note for Definitive Notes for a period of 15 calendar days ending on the date for any payment of principal or interest or on the date of optional redemption in respect of the Notes.

"**Exchange Date**" means a day falling not later than 90 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar or the Transfer Agent is located.

Delivery

In such circumstances, the relevant Global Note shall be exchanged in full for Definitive Notes and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or the Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Notes to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Note must provide the Registrar with (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Notes and (b) in the case of a Rule 144A

Global Note only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A to a QIB. Definitive Notes issued in exchange for a beneficial interest in a Rule 144A Global Note shall bear the legend applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*".

Legends

The holder of a Definitive Note may transfer the Notes evidenced thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Registrar or the Transfer Agent, together with the completed form of transfer thereon.

Book-entry Procedures for the Global Note

Custodial and depositary links are to be established between DTC, Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading. See "*–Settlement and Transfer of Notes*".

Euroclear and Clearstream, Luxembourg

The Regulation S Global Note will have an ISIN and Common Code. The Regulation S Global Note will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of such common depositary. The address of Euroclear is 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium, and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855, Luxembourg.

DTC

The Rule 144A Global Note will have a CUSIP number and will be deposited with a custodian (the "**Custodian**") for, and registered in the name of Cede & Co. as nominee of, DTC. The Custodian and DTC will electronically record the principal amount of the Notes held within the DTC System.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in the Regulation S Global Note directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and, together with Direct Participants, "**Participants**") through organisations that are accountholders therein.

DTC

The information set out below in connection with DTC is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC currently in effect. The information about DTC set forth below has been obtained from sources that the Issuer believes to be reliable, including DTC, but neither the Issuer nor any of the Joint Bookrunners takes any responsibility for the accuracy of the information. If investors wish to use the facilities of any clearing system they should confirm the applicability of the rules, regulations and procedures of the relevant clearing system. None of the Issuer, the Trustee or any of the Joint Bookrunners will have any responsibility or liability for any aspect of the records relating to, or payments made on account of interests in, Notes held through the facilities of any clearing system, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

DTC has advised the Issuer as follows: DTC is a limited-purpose trust company organised under the laws of the State of New York, a "banking organisation" under the laws of the State of New York, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its Participants and facilitate the clearance and settlement of securities transactions between Participants through electronic computerised book-entry changes in accounts of its Participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, which clear through or maintain a custodial relationship with a DTC Direct Participant, either directly or indirectly.

Investors may hold their interests in the Rule 144A Global Note directly through DTC if they are Direct Participants in the DTC system, or as Indirect Participants through organisations that are Direct Participants in such system. DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Notes only at the direction of one or more Direct Participants and only in respect of such portion of the aggregate principal amount of the Rule 144A Global Note as to which such Participant or Participants has or have given such direction. However, in the circumstances described under "*Exchange for Definitive Notes*" DTC will surrender the Rule 144A Global Note for exchange for individual Rule 144A Definitive Notes (which will bear the legend applicable to transfers pursuant to Rule 144A).

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg or DTC as the holder of a Note evidenced by a Global Note must look solely to Euroclear or Clearstream, Luxembourg or DTC (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Note and in relation to all other rights arising under such Global Note, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream, Luxembourg or DTC (as the case may be). The Issuer expects that, upon receipt of any payment in respect of Notes evidenced by a Global Note, the common depositary by whom such note is held, or nominee in whose name it is registered, will immediately credit the relevant participants' or holders' accounts in the relevant clearing system with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of the relevant clearing system or its nominee. The Issuer also expects that payments by Direct Participants in any clearing system to owners of beneficial interests in a Global Note held through such Direct Participants in any clearing system will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are evidenced by a Global Note and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Note in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Note or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable clearing system, purchases of Notes held within a clearing system must be made by or through Direct Participants, which will receive a credit for such Notes on the clearing system's records. The ownership interest of each actual purchaser of each such note (the "**Beneficial Owner**") will in turn be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from any clearing system of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction.

Transfers of ownership interests in Notes held within the clearing system will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes unless and until interests in the relevant Global Note held within a clearing system are exchanged for Definitive Notes.

No clearing system has knowledge of the actual Beneficial Owners of the Notes held within such clearing system and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are

credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the clearing systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

The laws of some jurisdictions may require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Global Note to such persons may be limited. In particular, because DTC can only act on behalf of Direct Participants the ability of a person having an interest in the Rule 144A Global Note to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

Trading between DTC Participants

Secondary market sales of book-entry interests in the Notes between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled using the procedures applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement system in same-day funds, if payment is effected in U.S. Dollars, or free of payment, if payment is not effected in U.S. Dollars. Where payment is not effected in U.S. Dollars, separate payment arrangements outside DTC are required to be made between the DTC participants.

Trading between DTC Seller and Euroclear/Clearstream, Luxembourg Purchaser

When book-entry interests in Notes are to be transferred from the account of a DTC participant holding a beneficial interest in the Rule 144A Global Note to the account of a Euroclear or Clearstream, Luxembourg accountholder wishing to purchase a beneficial interest in the Regulation S Global Note, as the case may be (subject to the certification procedures provided in the Paying Agency Agreement), the DTC participant will deliver instructions for delivery to the relevant Euroclear or Clearstream, Luxembourg accountholder to DTC by 12 noon, New York time, on the settlement date. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg participant. On the settlement date, the custodian of the Rule 144A Global Note will instruct the Registrar to (i) decrease the amount of Notes registered in the name of Cede & Co. and evidenced by the Rule 144A Global Note of the relevant class and (ii) increase the amount of Notes registered in the name of the nominee of the common depositary for Euroclear and Clearstream, Luxembourg and evidenced by the Regulation S Global Note. Book-entry interests will be delivered free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, for credit to the relevant accountholder on the first business day following the settlement date.

Trading between Euroclear/Clearstream, Luxembourg Seller and DTC Purchaser

When book-entry interests in the Notes are to be transferred from the account of a Euroclear or Clearstream, Luxembourg accountholder to the account of a DTC participant wishing to purchase a beneficial interest in the Rule 144A Global Note (subject to the certification procedures provided in the Paying Agency Agreement), the Euroclear or Clearstream, Luxembourg participant must send to Euroclear or Clearstream, Luxembourg delivery free of payment instructions by 7:45 p.m., Brussels or Luxembourg time, one business day prior to the settlement date. Euroclear or Clearstream, Luxembourg, as the case may be, will in turn transmit appropriate instructions to the common depositary for Euroclear and Clearstream, Luxembourg and the Registrar to arrange delivery to the DTC participant on the settlement date. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg accountholder, as the case may be. On the settlement date, the common depositary for Euroclear and Clearstream, Luxembourg will (a) transmit appropriate instructions to the custodian of the Rule 144A Global Note who will in turn deliver such book-entry interests in the Notes free of payment to the relevant account of the DTC participant and (b) instruct the Registrar

to (i) decrease the amount of Notes registered in the name of the nominee of the common depositary for Euroclear and Clearstream, Luxembourg and evidenced by the Regulation S Global Note; and (ii) increase the amount of Notes registered in the name of Cede & Co. and evidenced by the Rule 144A Global Note. Although Euroclear, Clearstream, Luxembourg and DTC have agreed to the foregoing procedures in order to facilitate transfers of beneficial interest in Global Notes among participants and accountholders of Euroclear, Clearstream, Luxembourg and DTC, they are under no obligation to perform or continue to perform such procedure, and such procedures may be discontinued at any time. None of the Issuer, the Trustee nor any Agent will have the responsibility for the performance by Euroclear, Clearstream, Luxembourg or DTC or their respective Direct or Indirect Participants of their respective obligations under the rules and procedures governing their operations.

Pre-issue Trades Settlement

It is expected that delivery of Notes will be made against payment therefor on the Closing Date thereof, which could be more than one business day following the date of pricing. Under Rule 15c6-1 under the Exchange Act, trades in the United States secondary market are generally required to settle within one business day (T+1), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business days until one day prior to the Closing Date will be required, by virtue of the fact the Notes initially will settle beyond T+1, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices, and purchasers of Notes between the relevant date of pricing and the Closing Date should consult their own advisors.

TRANSFER RESTRICTIONS

Because of the following restrictions, you are advised to consult legal counsel prior to making any offer, resale or other transfer of the Notes offered hereby.

In connection with its purchase of the Notes, any prospective purchaser thereof (an "**Investor**") in the United States, by virtue of its acceptance of this Offering Memorandum, will be deemed to represent, acknowledge and agree as follows:

1. It is (i) a QIB, (ii) acquiring such Notes for its own account or for the account of a QIB, and (iii) aware, and each beneficial owner of such Notes has been advised, that the sale of such Notes to it is being made in reliance on Rule 144A.

2. It understands that the Notes have not been and will not be registered under the Securities Act and are "restricted securities" within the meaning of Rule 144 under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States.

3. It understands that the Rule 144A Global Notes, unless otherwise agreed between the Issuer and the Trustee in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THIS NOTE.

4. It understands that the Notes offered in reliance on Rule 144A will be represented by the Rule 144A Global Note and that the Notes offered and sold outside of the United States in reliance on Regulation S will be represented by the Regulation S Global Note. Before any interest in the Rule 144A Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Paying Agency Agreement) as to compliance with applicable securities laws. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

5. The Issuer, the Registrar, the Transfer Agent, the Joint Bookrunners and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements. It agrees that if any of the acknowledgments, representations or agreements deemed to have been made by it by virtue of its purchase of the Notes is no longer accurate, it shall promptly notify the Issuer, the Registrar, the Transfer Agent and the Joint Bookrunners. If it is acquiring any Notes for the account of one or more QIBs or accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

TAXATION

Prospective purchasers of the Notes are advised to consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident of a purchase of Notes, including, but not limited to, the consequences of the receipt of interest and the sale or redemption of Notes. The following is a general description of Uzbekistan withholding tax laws and certain United States federal income tax consequences relating to the Notes as in effect on the date hereof, and does not purport to be a comprehensive discussion of the tax treatment of the Notes.

Withholding Tax in Uzbekistan

Pursuant to the Tax Code of the Republic of Uzbekistan effective as at 1 January 2020 ("**Tax Code**"), any income, including interest, received from the international bonds issued by an Uzbek legal entity and made to a non-resident or resident legal entity is not subject to Uzbekistan taxation. Any income, including interest, of an individual holder received from the international bonds issued by an Uzbek legal entity will not be subject to Uzbekistan personal income tax.

If interest payments in respect of any Notes are subject to Uzbekistan withholding tax, the Bank shall pay such additional amounts as will result in the receipt by the Noteholders of such amounts as would have been received had no such withholding been required as more fully described in Condition 9 (*Taxation*).

Certain U.S. Federal Income Tax Considerations

The following summary describes certain U.S. federal income tax consequences of the acquisition, ownership and disposition of the Notes by a U.S. Holder (as defined below), other than the discussion under "*Additional Notes and Fungibility*", which applies to all holders, that acquires the Notes as part of the offering at a price equal to the issue price of the Notes and holds them as a capital asset (generally, property held for investment). The following summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury regulations thereunder, and judicial and administrative interpretations thereof, all as in effect as at the date hereof and any of which may at any time be repealed, revoked or modified or subject to differing interpretations, potentially retroactively, so as to result in U.S. federal income tax consequences different from those discussed below. There can be no assurances that the U.S. Internal Revenue Service (the "**IRS**") will not challenge one or more of the tax consequences described herein, and we have not obtained, nor do we intend to obtain, a ruling from the IRS with respect to the U.S. federal income tax consequences of purchasing, owning or disposing of the Notes.

This summary does not address all aspects of U.S. federal income taxation that may be applicable to particular U.S. Holders subject to special U.S. federal income tax rules, including, but not limited to, tax-exempt organisations, governmental institutions, banks and financial institutions, dealers and traders in securities or currencies, traders in securities that elect to use a mark-to-market method of accounting, thrifts, regulated investment companies, real estate investment trusts, insurance companies, tax-deferred or other retirement accounts, partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) or other pass-throughs and investors therein, corporations that accumulate earnings to avoid U.S. federal income tax, U.S. Holders that will hold the Notes as part of a "straddle," "hedging transaction," "conversion transaction" or other integrated transaction for U.S. federal income tax purposes, U.S. Holders that enter into "wash sale" or "constructive sale" transactions with respect to the Notes, U.S. Holders liable for any alternative minimum tax or the tax on net investment income, U.S. Holders whose functional currency is not the U.S. dollar, investors holding the Notes in connection with a trade or business conducted outside the United States, U.S. Holders required to include certain amounts in income no later than the time such amounts are reflected on their financial statements, and U.S. expatriates or certain former citizens or long-term residents of the United States. In addition, this summary does not address consequences to U.S. Holders of the acquisition, ownership or disposition of the Notes under any other U.S. federal tax laws (including, but not limited to, estate or gift tax laws) or under the tax laws of any state, locality or other political subdivision of the United States or of other countries or jurisdictions. This summary does not address U.S. tax consequences to persons other than U.S. Holders (other than the discussion under "*Additional Notes and Fungibility*", which applies to all holders) of the acquisition, ownership or disposition of Notes.

The summary of the U.S. federal income tax consequences set out below is for general information only and is not tax advice with respect to any specific investor. Prospective investors should consult their own tax advisers as to the particular tax consequences to them of the acquisition, ownership and disposition of the Notes,

including the applicability and effect of state, local, non-U.S. and other tax laws and possible changes in tax law.

As used herein, the term "**U.S. Holder**" means a beneficial owner of the Notes that is for U.S. federal income tax purposes: (a) an individual who is a citizen or resident of the United States, (b) a corporation (or other entity or arrangement that is treated as a corporation for U.S. federal income tax purposes) created or organised in or under the laws of the United States, any state thereof or the District of Columbia, (c) an estate, the income of which is subject to U.S. federal income taxation regardless of its source or (d) a trust if it (x) is subject to the primary supervision of a U.S. court and one or more U.S. persons have the authority to control all substantial decisions of the trust or (y) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (or any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds the Notes, the U.S. federal income tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Therefore, a beneficial owner of a Note that is a partnership, and partners in such partnership, should consult their own tax advisers regarding the U.S. federal income tax consequences of the acquisition, ownership and disposition of the Notes.

U.S. HOLDERS CONSIDERING THE PURCHASE OF NOTES SHOULD CONSULT THEIR OWN TAX ADVISERS CONCERNING THE PARTICULAR UNITED STATES FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE NOTES, AS WELL AS THE CONSEQUENCES ARISING UNDER OTHER UNITED STATES FEDERAL TAX LAWS AND THE LAWS OF ANY OTHER TAXING JURISDICTION.

U.S. Federal Income Tax Characterisation of the Notes

To the extent relevant for U.S. federal income tax purposes, the Issuer intends to treat the Notes as indebtedness for these purposes consistent with their form. This characterisation is binding on all U.S. Holders unless the U.S. Holder discloses on its U.S. federal income tax return that it is treating the Notes in a manner inconsistent with the Issuer's characterisation. No ruling will be requested from the IRS as to the characterisation of the Notes for these purposes, and no assurance can be given that the IRS will not assert, or that a court would not sustain, a position regarding the characterisation of the Notes that is contrary to the Issuer's characterisation, in which case the tax consequences to a holder of the Notes may be materially different.

The Notes (i) may be redeemable at the option of the Issuer prior to their stated maturity at their principal amount, plus accrued and unpaid interest to the date of repurchase and, in some situations, at a redemption premium (as described further under "*Terms and Conditions of the Notes—Condition 7(b) (Redemption for tax reasons)*" and/or "*Terms and Conditions of the Notes—Condition 7(c) (Redemption at Make Whole),*") as applicable) and/or (ii) may be repayable at the option of the Noteholder prior to their stated maturity at a price equal to 100.0 per cent. of their principal amount, plus accrued and unpaid interest to the date of repurchase (as described further under "*Terms and Conditions of the Notes—Condition 7(f) (Redemption at the Option of Noteholders upon a Change of Status)*"). Notes containing such features may be subject to special rules related to contingent payment debt instruments that differ from the general rules discussed above. However, the Issuer intends to take the position that the Notes should not be treated as contingent payment debt instruments. The Issuer's position that the Notes are not subject to the contingent payment debt instrument rules is binding on a holder, unless such holder discloses on its U.S. federal income tax return that it is treating the Notes in a manner inconsistent with the Issuer's position. It is possible that the IRS may take a different position, in which case, if such position is sustained, a U.S. Holder might be required to accrue ordinary interest income at a higher rate than the stated interest rate and to treat as ordinary income rather than capital gain any gain realised on the taxable disposition of the Notes. The remainder of this discussion assumes that the Notes will not be treated as contingent payment debt instruments. U.S. Holders intending to purchase Notes should consult their own tax advisers regarding the possible application of the special rules related to contingent payment debt instruments.

Payments of Interest

The Notes are expected to, and this discussion generally assumes that the Notes will, be issued without original issue discount ("**OID**"). In such case, payments of interest on the Notes (and payments of any additional amounts and without reduction for any amounts withheld) generally will be taxable to a U.S. Holder as ordinary interest income at the time such payments are received or accrued, in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes. Interest paid by the Issuer on the Notes will generally constitute

income from sources outside the United States and will generally be considered passive category income for U.S. foreign tax credit purposes.

Non-U.S. tax, if any, withheld on a payment of interest to a U.S. Holder may, subject to complex and evolving limitations and conditions, be creditable against such holder's U.S. federal income tax liability or, at the election of such holder, deductible in computing taxable income, to the extent such tax is not otherwise refundable. The calculation of foreign tax credits involves the application of complex rules that depend on a U.S. Holder's particular circumstances. U.S. Holders should consult their tax advisers regarding the availability of foreign tax credits.

Sale, Exchange, Redemption, Retirement, or Other Taxable Disposition of the Notes

Upon the sale, exchange, redemption, retirement or other taxable disposition of the Notes, a U.S. Holder generally will recognise taxable gain or loss equal to the difference between the amount realised (i.e., the amount of cash and the fair market value of any property received on the disposition (except to the extent the cash or property received is attributable to accrued and unpaid interest not previously included in income, which will be taxable as ordinary income as described above under "*Payments of Interest*" to the extent not previously included in income)) and the U.S. Holder's adjusted tax basis in the Note. A U.S. Holder's adjusted tax basis in a Note generally will equal the cost for such Note. Gain or loss recognised by a U.S. Holder on the sale, exchange or other disposition of the Notes will be capital gain or loss and will be long-term capital gain or loss if the Note was held by the U.S. Holder for more than one year. Gain or loss realised by a U.S. Holder on the sale or retirement of the Notes generally will be U.S. source. Net long-term capital gain recognised by a non-corporate U.S. Holder generally is eligible for reduced U.S. federal income tax rates. The deductibility of capital losses is subject to limitations. U.S. Holders should consult their tax advisers regarding the foreign tax credit implications of the sale, exchange, redemption, retirement, or other taxable disposition of the Notes.

Substitution of the Issuer

If a successor is substituted for the Issuer (as discussed under "*Terms and Conditions of the Notes—Condition 5(d) (Limitation on Mergers)*"), the substitution may, depending on the circumstances, be treated as an exchange of the Notes for deemed new notes of the successor. In such an event, unless a non-recognition provision applies, a U.S. Holder generally will recognise any gain or loss realised in the deemed exchange in an amount equal to the difference, if any, between (i) the issue price of the new notes (which would be their fair market value assuming the Notes are trading on an established market) and (ii) the U.S. Holder's adjusted tax basis in the Notes. If the stated principal amount of the new notes received in the deemed exchange exceeds their issue price, a U.S. Holder may be required to recognise OID as ordinary income on the new notes as a result of the substitution. The OID would be the amount by which the stated principal amount of the new notes exceeds their issue price. Regardless of its regular method of tax accounting, a U.S. Holder would be required to accrue any OID as ordinary income on a constant yield to maturity basis whether or not it received cash payments, unless the amount of OID was less than the *de minimis* amount (as described above under "*Payments of Interest*"), in which case such "*de minimis* OID" generally would result in capital gain upon the sale or retirement of the Notes. U.S. Holders should consult their tax advisers regarding the foregoing.

Specified Foreign Financial Asset Reporting

Certain United States persons that own "specified foreign financial assets", including securities issued by any foreign person, either directly or indirectly or through certain foreign financial institutions, may be subject to additional reporting obligations if the aggregate value of all of those assets exceeds certain thresholds. The reporting requirement applies to individuals and certain domestic entities that hold, directly or indirectly, specified foreign financial assets. The Notes may be treated as specified foreign financial assets, and U.S. Holders may be subject to this information reporting regime. Significant penalties and an extended statute of limitations may apply to a U.S. Holder subject to the reporting requirement that fails to file information reports. U.S. Holders should consult their own tax advisers regarding this information reporting obligation.

Information Reporting and Backup Withholding

In general, payments of principal and interest on, and the proceeds of the sale, exchange or other taxable disposition of, the Notes payable to a U.S. Holder by a U.S. paying agent or other U.S. related intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable U.S. Treasury regulations. Backup withholding will apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with the applicable backup

withholding requirements. Certain U.S. Holders (including corporations) are not subject to information reporting and backup withholding. Backup withholding is not an additional tax. The amount of any backup withholding imposed on a payment will be allowed as a credit against any U.S. federal income tax liability of a U.S. Holder and may entitle the U.S. Holder to a refund, provided the required information is timely furnished to the IRS. U.S. Holders should consult their own tax advisers regarding any filing and reporting obligations they may have as a result of their acquisition, ownership or disposition of the Notes and their qualification for an exemption from backup withholding and information reporting and the procedures for obtaining such an exemption, if applicable.

Additional Notes and Fungibility

The Issuer may issue additional notes ("**Additional Notes**") as described under "*Terms and Conditions of the Notes—Condition 16 (Further Issues)*". These Additional Notes, even if they are treated for non-tax purposes as part of the same series as the Notes, in some cases may be treated as a separate series that is not fungible with the Notes for U.S. federal income tax purposes. In such case, the Additional Notes may be considered to have OID, or a greater amount of OID than the Notes, which may adversely affect the market value of the Notes if the Additional Notes are not otherwise distinguishable from the Notes.

SUBSCRIPTION AND SALE

Citigroup Global Markets Limited, Abu Dhabi Commercial Bank PJSC, First Abu Dhabi Bank PJSC and Mashreqbank psc (together, the "**Joint Bookrunners**") have, pursuant to a Subscription Agreement dated 14 May 2026 (the "**Subscription Agreement**"), severally agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe and pay for the principal amount of Notes set out opposite their names in the table below at the issue price of 98.985 per cent. of the principal amount of Notes:

Joint Bookrunner	Principal Amount of Notes (U.S.$)
Citigroup Global Markets Limited	U.S.$75,000,000
Abu Dhabi Commercial Bank PJSC	U.S.$75,000,000
First Abu Dhabi Bank PJSC	U.S.$75,000,000
Mashreqbank psc	U.S.$75,000,000

The Issuer has agreed to pay to the Joint Bookrunners a management, underwriting and selling commission in respect of the Notes. The Subscription Agreement entitles the Joint Bookrunners to terminate it in certain circumstances prior to payment being made to the Issuer. The Issuer has in the Subscription Agreement agreed to indemnify the Joint Bookrunners against certain liabilities incurred in connection with the issue of the Notes.

Each of the Joint Bookrunners and its respective affiliates may, from time to time in the ordinary course of their respective businesses, engage in further transactions with, and perform services for, the Issuer and its affiliates. In particular, the Joint Bookrunners and their respective affiliates have performed and expect to perform in the future various financial advisory, investment banking and commercial banking services for, and may arrange loans and other non-public market financing for, and enter into derivative transactions with, the Issuer or its affiliates (including their respective shareholders) and for which they will receive customary fees.

United States

The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.

The Notes are being offered and sold outside of the United States in reliance on Regulation S. The Subscription Agreement provides that Joint Bookrunners may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Notes within the United States only to qualified institutional buyers in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Joint Bookrunner has severally represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For the purposes of this provision the expression "retail investor" means a person who is not a professional client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA.

Other Regulatory Restrictions

Each Joint Bookrunner has severally represented, warranted and agreed that:

(a) **Financial promotion**: it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) **General compliance**: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Prohibition of Sales to EEA Retail Investors

Each Joint Bookrunner has severally represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For these purposes the expression "retail investor" means a person who is one (or both) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Republic of Uzbekistan

Each Joint Bookrunner has severally represented, warranted and undertaken with the Issuer and each other Joint Bookrunner that it has not offered and will not offer the Notes for circulation, distribution, placement, sale or purchase in the territory of the Republic of Uzbekistan.

Singapore

Each Joint Bookrunner has acknowledged that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Bookrunner has severally represented, warranted and undertaken with the Issuer that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

General

Neither the Issuer nor any Joint Bookrunner has made any representation that any action has been or will be taken in any jurisdiction by the Joint Bookrunners or the Issuer that would permit a public offering of the Notes, or possession or distribution of this Offering Memorandum (in preliminary, proof or final form) or any other offering or publicity material relating to the Notes (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each Joint Bookrunner has agreed that it will comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Notes or has in its possession or distributes this Offering Memorandum (in preliminary, proof or final form) or any such other material, in all cases at its own expense.

INDEPENDENT AUDITORS

The 2025 and 2024 Financial Statements as well as the 2023 Financial Statements included in this Offering Memorandum have been audited by Audit Organization "PricewaterhouseCoopers" LLC who has issued unqualified independent auditor's reports on the 2025 and 2024 Financial Statements as well as on the 2023 Financial Statements. Audit Organization "PricewaterhouseCoopers" LLC has a licence authorising audit of companies registered by the Ministry of Economy and Finance under registration number No. 00780 dated 5 April 2019 and a certificate authorising audit of banks registered by the CBU under registration number No. 9 dated 14 February 2014.

Audit Organization "PricewaterhouseCoopers" LLC was the statutory auditor of the Group for the years ended 31 December 2025 and 2023. Deloitte & Touche Audit Organization LLC was the statutory auditor of the Group for the year ended 31 December 2024 and audited the statutory financial statements for the year ended 31 December 2024 (not included in this Offering Memorandum).

GENERAL INFORMATION

(1) Application has been made to the London Stock Exchange for the Notes to be admitted to trading on the ISM. The ISM is not a regulated market within the meaning of the UK MiFIR. The ISM is a market designated for professional investors. Notes admitted to trading on the ISM are not admitted to the Official List of the FCA. The LSE has not approved or verified the contents of this Offering Memorandum. It is expected that the admission of the Notes to trading on the ISM will be granted on or around the Closing Date.

(2) The issue of the Notes was authorised by resolution of the Supervisory Board of the Issuer passed on 6 March 2026 and decision of the Management Board of the Issuer passed on 27 February 2026.

(3) The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg.

(4) The indication of yield in relation to the Notes is 7.95 per cent. per annum. This yield is calculated at the Closing Date on the basis of the Issue Price. It is not an indication of future yield.

(5) The ISIN of the Regulation S Global Note is XS3340633489 and the Common Code of the Regulation S Global Note is 334063348. The ISIN of the Rule 144A Global Note is US02053BAA52, the Common Code of the Rule 144A Global Note is 335601165 and the CUSIP of the Rule 144A Global Note is 02053BAA5.

(6) The Legal Entity Identifier is 254900B2WJGJ0SR7JC84.

(7) There has been no material adverse change in the prospects of the Issuer since 31 December 2025 and no significant change in the financial performance and the financial position of the Issuer or the Group since 31 December 2025 and to the date of this Offering Memorandum.

(8) As at the date of this Offering Memorandum, there are no, and have not been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Offering Memorandum, a significant effect on the financial position or profitability of the Issuer or the Group.

(9) For so long as any Notes are outstanding, copies of the following will be available for inspection on the Issuer's website (https://aloqabank.uz/en/):

- a copy of this Offering Memorandum along with any supplement to this Offering Memorandum;
- the charter documents of the Issuer; and
- the Financial Statements, including the related independent auditor's reports in respect thereof.

(10) For so long as any Notes are outstanding, copies of the following will be available for inspection, and may be obtained free of charge, during normal business hours on any weekday, (i) at the specified office of the Principal Paying Agent in London or (ii) electronically from the Issuer or the Principal Paying Agent:

- the Trust Deed to be entered into with the Trustee; and
- the Paying Agency Agreement to be entered into with the paying agents and the Trustee.

(11) No natural or legal person has an interest that is material to the issue of the Notes.

(12) The Issuer has obtained all necessary consents, approvals and authorisations in Uzbekistan in connection with its entry into, and performance of its obligations under, the Trust Deed and the Paying Agency Agreement.

(13) There are no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders under the Notes.

(14) Where information in this Offering Memorandum has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

(15) The language of this Offering Memorandum is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

(16) The Issuer does not intend to provide any post-issuance transaction information regarding the Notes.

(17) Citibank Europe Plc will act as Registrar in relation to the Notes.

(18) There are no potential conflicts of interest between any duties of the members of the administrative, management or supervisory bodies of the Issuer towards the Issuer and their private interests and/or other duties.

(19) The Joint Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with and may perform services for the Issuer in the ordinary course of business. In the ordinary course of their business activities, the Joint Bookrunners and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and instruments of the Issuer.

INDEX TO FINANCIAL STATEMENTS

Consolidated Financial Statements and Independent Auditor's Report for the Years Ended 31 December 2025 and 31 December 2024 ..... F-2

Independent Auditor's Report F-3

Consolidated Statement of Financial Position F-10

Consolidated Statement of Profit or Loss and Other Comprehensive Income F-11

Consolidated Statement of Changes in Equity F-12

Consolidated Statement of Cash Flows F-13

Notes to the Consolidated Financial Statements F-14

Consolidated Financial Statements and Independent Auditor's Report for the Year Ended 31 December 2023 ..... F-78

Independent Auditor's Report F-80

Consolidated Statement of Financial Position F-88

Consolidated Statement of Profit or Loss and Other Comprehensive Income F-89

Consolidated Statement of Changes in Equity F-90

Consolidated Statement of Cash Flows F-91

Notes to the Consolidated Financial Statements F-92

JOINT - STOCK COMMERCIAL "ALOQABANK"

Consolidated Financial Statements and Independent Auditor's Report

31 December 2025

pwc

Independent Auditor's Report

To Shareholders and the Supervisory Board of Joint - Stock Commercial "Aloqabank"

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Joint - Stock Commercial "Aloqabank" (the "Bank") and its subsidiaries (together – the "Group") as at 31 December 2025 and 31 December 2024, and the Group's consolidated financial performance and consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statements of financial position as at 31 December 2025 and 31 December 2024;
- the consolidated statements of profit or loss and other comprehensive income for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

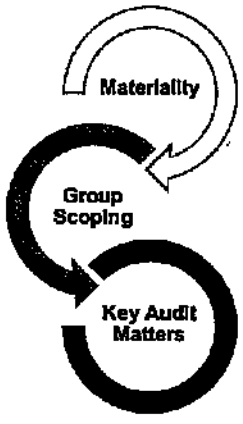
We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the IESBA Code.

Audit Organization "PricewaterhouseCoopers" LLC
88A, prospekt Mustaqillik, Mirzo-Ulugbek district, Tashkent 100000, Republic of Uzbekistan
T: +998 78 120 6101, www.pwc.com/uz

pwc

Our audit approach

Overview



Overall Group materiality:

Uzbek Soums ("UZS") 31,400 million, which represents approximately 0.9% of total equity of the Group as at 31 December 2025.

UZS 27,900 million, which represents approximately 0.9% of total equity of the Group as at 31 December 2024.

We performed full-scope audit procedures on the financial statements of the Bank and selected audit procedures on the material balances and transactions of the subsidiaries included in the consolidated financial statements of the Group.

Assessment of expected credit loss (ECL) allowance for loans and advances to customers in accordance with IFRS 9, Financial Instruments.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the consolidated financial statements as a whole.

Overall Group materiality	31 December 2025: UZS 31,400 million; 31 December 2024: UZS 27,900 million.
How we determined it	We determined overall materiality as being approximately 0.9% of the total equity of the Group.
Rationale for the materiality benchmark applied	Net assets balance was used as an alternative to the profit before tax ("PBT") benchmark given that PBT fluctuated over the last few years. We consider total equity as an appropriate benchmark in the Group's circumstances. In our view, it is one of the substantial benchmarks used by users of the consolidated financial statements. We chose 0.9% which is consistent with quantitative materiality thresholds used for the selected benchmark.

pwc

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of expected credit loss (ECL) allowance for loans and advances to customers in accordance with IFRS 9, *Financial Instruments* We considered assessment of ECL allowance for loans and advances to customers as a key audit matter due to the significance of ECL allowance and a complex financial reporting standard, which requires significant judgment to determine the ECL allowance. Key areas of judgement and sources of estimation uncertainty included: • Classification of loans and advances to customers into stages in accordance with IFRS 9; • Key estimates and modelling assumptions used to estimate key risk parameters – probability of default and loss given default; and • Estimated future cashflows for loans that were assessed on an individual basis. Note 3 "Basis of Preparation", Note 4 "Critical Accounting Judgements and Key Sources of Estimation Uncertainty", Note 9 "Loans and Advances to Customers including Finance Lease Receivables" and Note 31 "Risk Management Policies" to the consolidated financial statements provide detailed information on the ECL allowance.	In assessing the ECL allowance we have performed the following audit procedures: • We involved auditor's expert to review the methodology and models for ECL allowance developed by the Group in order to evaluate its compliance with IFRS 9 requirements. We focused our procedures on: default definition, factors for determining significant increase in credit risk, classification of the loans and advances to customers to stages, and estimation of key risk parameters. • We used sampling to evaluate and test the design and operating effectiveness of controls over the processes that identify overdue loans. • On a sample basis we tested segmentation and analysed significant loans and advances to corporate customers, which had not been identified by management as either having had a significant increase in credit risk or defaulted, and formed our own judgement as to whether that was appropriate. • We tested the assumptions, inputs and formulae used in ECL models for the assessment of collective allowance. This included assessing the appropriateness of model design and verifying the formulae used in calculation of the probability of default and loss given default. • To verify data accuracy and quality, on a sample basis, we tested the data used in the ECL calculation by reconciling to source data, e.g., loan portfolio, loan agreements, collateral agreements. • We performed detailed analytical procedures over the ECL calculation disaggregated by stages, segments, currency, and years to maturity. • For those loans assessed individually, on a sample basis, we assessed the Group's estimation of expected future cash flows in various scenarios and key assumptions, including the timing of collateral collection and realisable value of collateral. We assessed the relevance of the scenarios used and their probability, and calculation of the present value of cash flows. • We assessed the accuracy and appropriateness of disclosures in accordance with IFRS 7.

pwc

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group consists of the Bank, eleven subsidiaries, six associates and two joint ventures. Our audit procedures included full scope audit of the Bank's financial statements. The Bank represents about 99% of the Group's total assets and 50% of total comprehensive income for the year ended 31 December 2025 (2024: 99% and 95% respectively). In respect of subsidiaries, we focused our audit work on the balances and transactions of each subsidiary that exceeded our overall Group materiality.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Restriction on distribution and use

Our report is solely for the purpose of the international offering of Notes of Joint - Stock Commercial "Aloqabank" and is not to be used for any other purpose or to be distributed to any other parties. We will not assume or accept any liability or responsibility to any third party to whom our report is shown or into whose hands it may come.

The engagement partner on the audit resulting in this independent auditor's report is Suhrab Azimov.

Suhrab Azimov

Audit Organization "PricewaterhouseCoopers" LLC

Audit Organization "PricewaterhouseCoopers" LLC

Tashkent, Uzbekistan

22 April 2026

CONTENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 1
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND 2
OTHER COMPREHENSIVE INCOME 2
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 3
CONSOLIDATED STATEMENT OF CASH FLOWS 4
1. INTRODUCTION 5
2. OPERATING ENVIRONMENT OF THE GROUP 7
3. BASIS OF PREPARATION 7
4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY 15
5. ADOPTION OF NEW AND REVISED STANDARDS 18
6. NEW ACCOUNTING PRONOUNCEMENTS 18
7. CASH AND CASH EQUIVALENTS 19
8. DUE FROM OTHER BANKS 20
9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES 22
10. INVESTMENTS IN DEBT SECURITIES 39
11. INVESTMENTS IN EQUITY SECURITIES 39
12. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES 39
13. INVESTMENT PROPERTY 40
14. PREMISES, EQUIPMENT AND INTANGIBLE ASSETS 41
15. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE 42
16. OTHER ASSETS 42
17. DUE TO OTHER BANKS 43
18. CUSTOMER ACCOUNTS 43
19. OTHER BORROWED FUNDS 44
20. SUBORDINATED DEBT 45
21. OTHER LIABILITIES 45
22. SHARE CAPITAL 45
23. INTEREST INCOME AND EXPENSE 46
24. FEE AND COMMISSION INCOME AND EXPENSES 46
25. OTHER OPERATING INCOME 46
26. ADMINISTRATIVE AND OTHER OPERATING EXPENSES 47
27. INCOME TAXES 47
28. EARNINGS PER SHARE 48
29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES 49
30. BUSINESS COMBINATIONS 49
31. SEGMENT ANALYSIS 50
32. RISK MANAGEMENT POLICIES 50
33. COMMITMENTS AND CONTINGENCIES 60
34. FAIR VALUE 63
35. MANAGEMENT OF CAPITAL 64
36. DERIVATIVE FINANCIAL INSTRUMENTS 65
37. RELATED PARTY TRANSACTIONS 65
38. EVENTS AFTER THE END OF THE REPORTING PERIOD 68
39. ABBREVIATIONS 68

JOINT STOCK COMMERCIAL "ALOQABANK" AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in millions of Uzbek Soums)

	Notes	31 December 2025	31 December 2024 (restated)*
ASSETS			
Cash and cash equivalents	7	3,169,017	2,582,246
Due from other banks	8	965,230	217,554
Loans and advances to customers	9	19,064,825	13,041,918
Investment in debt securities	10	3,113,220	2,178,373
Investments in equity securities	11	234,237	103,126
Investment in associates and joint ventures	12	13,388	59,909
Investment property	13	343,927	-
Premises, equipment and right of use assets	14	2,956,506	2,798,194
Intangible assets	14	20,920	31,046
Deferred income tax asset	27	95,529	40,269
Other financial assets	16	105,575	1,202,690
Other non-financial assets	16	1,023,298	315,911
Non-current assets held for sale	15	238,540	97,920
TOTAL ASSETS		**31,344,212**	**22,669,156**
LIABILITIES			
Due to other banks	17	3,843,010	2,141,157
Customer accounts	18	13,970,219	12,747,607
Other borrowed funds	19	8,249,409	4,139,368
Other financial liabilities	21	242,684	216,781
Other non-financial liabilities	21	34,790	151,316
Corporate income tax payable		-	1,500
Subordinated debt	20	1,513,089	171,731
TOTAL LIABILITIES		**27,853,201**	**19,569,460**
EQUITY			
Share capital	22	2,838,818	2,524,157
Retained earnings		638,288	574,599
Net assets attributable to the Bank's owners		**3,477,106**	**3,098,756**
Non-controlling interest		**13,905**	**940**
TOTAL EQUITY		**3,491,011**	**3,099,696**
TOTAL LIABILITIES AND EQUITY		**31,344,212**	**22,669,156**

* Comparative information has been restated as described further in Note 3.

Approved for issue and signed on behalf of the Management Board on 22 April 2026.

Irisbekova Kammuna
Acting Chairman of the Management Board

Qurbonov Odilbek
Chief Accountant

The notes set out on pages 5 to 68 form an integral part of these consolidated financial statements 1

JOINT STOCK COMMERCIAL "ALOQABANK" AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
(In millions of Uzbek Soums, except for earnings per share which are in Soums)

	Notes	2025	2024 (restated)*
Interest income calculated using the effective interest method	23	3,408,794	2,381,452
Other similar income	23	5,277	1,072
Interest and similar expense	23	(2,777,369)	(1,771,250)
Net margin on interest and similar income		**636,702**	**611,274**
Credit loss allowance for assets carried at amortised cost	9	(194,736)	(321,841)
Initial recognition adjustment on interest bearing assets	8,9	(283,650)	(13,378)
Net margin on interest and similar income after credit loss allowance and initial recognition adjustment		**158,316**	**276,055**
Fee and commission income	24	1,174,901	853,127
Fee and commission expense	24	(915,403)	(658,909)
Losses from modification of financial assets measured at amortised cost, that did not lead to derecognition		(1,544)	-
Foreign exchange translation (losses)/gains		(19,974)	70,583
Net gain from trading in foreign currencies		131,404	92,817
Other operating income	25	9,508	11,748
Gain on disposal of property and equipment	8	5,256	509,248
Gains less losses from securities at fair value through profit or loss		58,503	5,625
Revenue from contracts with customers		114,088	-
Cost of sales of constructed buildings sold to customers		(80,070)	-
Administrative and other operating expenses	26	(905,717)	(858,012)
Other impairment and provisions		(30,802)	(4,925)
Impairment of assets held for sale		(947)	(2,337)
Share of result of associates		(2,836)	(2)
(Loss)/profit before tax		**(305,317)**	**295,018**
Income tax credit / (expense)	27	111,430	(42,103)
(LOSS)/PROFIT FOR THE YEAR		**(193,887)**	**252,915**
Other comprehensive income			
Revaluation of premises upon transfer to investment properties	13	324,270	-
Tax effect		(64,854)	-
Other comprehensive income for the year		**259,416**	**-**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**65,529**	**252,915**
(Loss)/ profit is attributable to:			
- Owners of the Bank		(194,251)	252,306
- Non-controlling interest		364	609
(Loss)/ profit for the year		**(193,887)**	**252,915**
Total comprehensive income is attributable to:			
- Owners of the Bank		65,165	252,306
- Non-controlling interest		364	609
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**65,529**	**252,915**
Earnings per share for profit attributable to the owners of the Bank, basic and diluted (expressed in UZS per share)	29	(0.07)	0.12

* Comparative information has been restated as described further in Note 3.

Approved for issue and signed on behalf of the Management Board on 22 April 2026.

Irisbekova Kammuna
Acting Chairman of the Management Board

Qurbonov Odilbek
Chief Accountant

JOINT STOCK COMMERCIAL "ALOQABANK" AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(in millions of Uzbek Soums)

In millions of Uzbekistan Soums	Note	Attributable to owners of the Bank				Non-controlling interest	Total equity
		Share capital	Revaluation reserve for premises	Retained earnings	Total		
Balance at 1 January 2024		**1,197,178**	**-**	**1,200,177**	**2,397,355**	**331**	**2,397,686**
Profit / Total comprehensive income for the year		-	-	252,306	252,306	609	**252,915**
Shares issued	22	500,000	-	-	500,000	-	**500,000**
Capitalization of dividends	22	826,979	-	(826,979)	-	-	**-**
Dividends declared	22	-	-	(50,905)	(50,905)	-	**(50,905)**
Balance at 31 December 2024		**2,524,157**	**-**	**574,599**	**3,098,756**	**940**	**3,099,696**
Loss for the year		-	-	(194,251)	(194,251)	364	**(193,887)**
Other comprehensive income			259,416	-	259,416		**259,416**
Total comprehensive income for 2025			259,416	(194,251)	65,165	364	**65,529**
Shares issued	22	314,661	-	-	314,661	-	**314,661**
Dividends paid		-	-	(1,476)	(1,476)	-	**(1,476)**
Reclassification of revaluation reserve to retained earnings		-	(259,416)	259,416	-	-	**-**
Acquisition of non-controlling interest in subsidiaries		-	-	-	-	(276)	**(276)**
Derecognition of non-controlling interest from discontinued operations		-	-	-	-	(123)	**(123)**
Non-controlling interest arising on acquisition of subsidiary		-	-	-	-	13,000	**13,000**
Balance at 31 December 2025		**2,838,818**	**-**	**638,288**	**3,477,106**	**13,905**	**3,491,011**

Approved for issue and signed on behalf of the Management Board on 22 April 2026.

Irisbekova Kamiluna
Acting Chairman of the Management Board

Qurbonov Odilbek
Chief Accountant

The notes set out on pages 5 to 68 form an integral part of condensed consolidated financial information

JOINT STOCK COMMERCIAL "ALOQABANK" AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions of Uzbek Soums)

	Notes	2025	2024 (restated)*
Cash flows from operating activities			
Interest income received calculated using the effective interest method		3,132,304	2,202,253
Other similar income received		5,277	1,072
Interest paid		(2,654,454)	(1,840,657)
Fees and commission received		1,156,980	854,003
Fees and commission paid		(887,311)	(671,287)
Net gain from trading in foreign currencies		131,404	92,817
Other operating income received		4,640	9,680
Revenue from contracts with customers		114,088	-
Staff costs paid		(422,635)	(394,519)
Administrative and other operating expenses paid		(395,372)	(238,089)
Income tax paid		(10,184)	(68,813)
Cash flows from / (used in) operating activities before changes in operating assets and liabilities		**174,737**	**(53,540)**
Net (increase) / decrease in:			
- due from banks		(1,016,511)	453,152
- loans to customers		(6,548,210)	(2,832,856)
- other assets		(784,931)	(79,452)
- investments in equity securities at fair value through profit or loss		(72,608)	(57,804)
Net (decrease) / increase in:			
- due to other banks		1,720,268	894,209
- customer accounts		1,290,822	4,140,879
- other liabilities		(69,746)	(765)
Net cash (used in) / from operating activities		**(5,306,179)**	**2,463,823**
Cash flows from investing activities			
Acquisition of investments in debt securities carried at amortized cost		(1,706,100)	(2,044,653)
Proceeds from redemption of debt securities carried at amortized cost		839,150	142,815
Purchase of premises, equipment and intangible assets		(225,195)	(584,287)
Proceeds from disposal of premises, equipment and intangible assets		973,906	1,363
Acquisition of subsidiary, net of cash acquired		-	(50,997)
Acquisition of associate		(8,486)	-
Proceeds from sale of associates		-	590
Dividends received from associates		8,367	1,900
Net cash used in investing activities		**(118,358)**	**(2,533,269)**
Cash flows from financing activities			
Issue of ordinary shares		514,661	300,000
Acquisition of non-controlling interest in subsidiaries		(276)	-
Proceeds from due to other banks	28	5,000	92,208
Repayment of due to other banks	28	-	(25,086)
Proceeds from other borrowed funds	28	5,575,213	2,259,308
Repayment of other borrowed funds	28	(1,322,552)	(1,408,295)
Repayment of principal of lease liabilities	28	(24,729)	(10,587)
Proceeds from subordinated debt	28	1,300,395	-
Repayment of subordinated debt	28	(3,136)	-
Dividends paid to shareholders	28	(2,274)	(50,107)
Net cash from financing activities		**6,042,302**	**1,157,441**
Effect of exchange rate changes on cash and cash equivalents		**(30,994)**	**19,950**
Net increase in cash and cash equivalents		**586,771**	**1,107,945**
Cash and cash equivalents at the beginning of the year	7	2,582,246	1,474,301
Cash and cash equivalents at the end of the year	7	**3,169,017**	**2,582,246**

* Comparative information has been restated as described further in Note 3.

Approved for issue and signed on behalf of the Management Board on 22 April 2026.

Irisbekova Kammuna
Acting Chairman of the Management Board

Qurbonov Odilbek
Chief Accountant

1. INTRODUCTION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS Accounting Standards") for the year ended 31 December 2025 for Joint Stock Commercial "Aloqabank" (the "Bank") and its subsidiaries (the "Group").

JSC "Aloqabank" ("the Bank") was incorporated in 1994 and is domiciled in the Republic of Uzbekistan.

Principal activity. The Bank's principal business activity is commercial and retail banking operations within the Republic of Uzbekistan. The Bank operates under the license issued by the Central Bank of the Republic of Uzbekistan on banking operations No.48 dated 9 July 2024 (replaced license No.48 dated 25 December 2021). The Bank is also involved in commercial operations with securities, foreign currencies and originating loans and guarantee origination. The Bank accepts deposits from the public and issues loans, transfers payments in the Republic of Uzbekistan and abroad, and provides banking services for its commercial and retail customers.

The Bank operates from its Head office located in Tashkent and 91 (2024:94) regional banking service centers, of which 15 are regional large banking service centers (2024:15) and 75 are small banking service centers (2024:79) located throughout the Republic of Uzbekistan.

As of 31 December 2025 Fitch rating agency affirmed for the Bank the following ratings:

- Long-term issuer default rating: BB (2024:BB-);
- Short-term issuer default rating: B (2024:B);
- Government support rating: BB (2024:BB-);
- Local currency short term issuer default rating: B (2024:B);
- Viability rating: B (2024:B);
- Local currency long term issuer default rating: BB (2024:BB-)

The registered address and place of business. The Bank's registered address is Ukchi st.2, Shaykhontohur district, Tashkent 100066, Republic of Uzbekistan.

Shareholders. On 31 December 2025 and 31 December 2024, the interest of the shareholders in the Bank's share capital was:

	31 December 2025	31 December 2024
Fund for Reconstruction and Development of the Republic of Uzbekistan	55.13%	49.53%
Xaydarov Akrom Adxamovich	17.65%	15.61%
JSC "Uzbektelecom"	15.70%	17.66%
Fund for Development of ICT (AKTRJ)	4.49%	5.05%
Ministry of Economy and Finance of Republic of Uzbekistan	3.08%	3.46%
Center of Electromagnetic Compatibility	1.50%	1.60%
Other shareholders	2.45%	7.09%
Total	**100%**	**100%**

The Bank is ultimately controlled by the Government of the Republic of Uzbekistan through the Fund for Reconstruction and Development of the Republic of Uzbekistan and Ministry of Economy and Finance of Republic of Uzbekistan.

In accordance with the Resolution of the President of the Republic of Uzbekistan No. PQ-62 dated 14 February 2025, the Fund for Reconstruction and Development of the Republic of Uzbekistan contributed an additional shares of UZS 314,661 million to the charter of JSC "Aloqabank" on 27 June 2025, and in accordance with this resolution, it is planned to contribute additional funds in 2026.

Subsidiaries and associates. As at 31 December 2025 and 31 December 2024, the Bank's subsidiaries, associates and joint ventures comprised the following:

Name	Ownership 31 December 2025	Ownership 31 December 2024	Year of incorporation	Industry	Country
Bank's direct interest in subsidiaries:					
"ALOQA FINANCE FACTORING" LLC	100%	100%	2024	Factoring services	Uzbekistan
"ALOQAVENTURES " LLC	100%	100%	2021	Venture capital	Uzbekistan
"ALOQAVENTURES-2 " LLC	100%	-	2025	Venture capital	Uzbekistan
"ALOQA AKTIV" LLC	100%	100%	2018	Investment	Uzbekistan
"ALOQA AKTIV FARG'ONA" LLC	100%	-	2025	Investment	Uzbekistan
"ALOQLIZING" LLC" LLC	55%	55%	2017	Leasing	Uzbekistan
Bank's indirect interest in subsidiaries via Aloqa Aktiv LLC:					
"ZARBDOR AKTIV" LLC	100%	100%	2024	Agriculture	Uzbekistan
"CHUST POYAFZAL" LLC	100%	99.5%	2024	Leather/ Production	Uzbekistan
"SIRT FAOL MODDALAR" LLC	-	81.3%	2019	Chemistry/ Research	Uzbekistan
"JOMBOY – AGRO STAR" LLC	86.7%	-	2025	Agriculture	Uzbekistan
"TOSHKENT AGRO STAR" LLC	86.7%	-	2025	Agriculture	Uzbekistan
Bank's interest in associates:					
"O'ZBEKISTON POCHTASI" JSC	-	29%	2021	Postal services	Uzbekistan
"ALOQA FINANCE DEVELOPMENT MIKROMOLIYA TASHKILOTI"	20%	-	2025	Finance	Uzbekistan
Bank's indirect interest in associates via Aloqaventures LLC:					
"PRO-TOK" LLC	20%	20%	2023	Programming services	Uzbekistan
"Mohirlar xizmati" LLC	20%	25%	2023	IT- outsourcing services	Uzbekistan
"EDU MARKETS" LLC	33%	33%	2022	IT Education	Uzbekistan
"CRADLE VISION TECH" LLC	20%	20%	2022	Programming services	Uzbekistan
Bank's interest in Joint ventures:					
"IT-BILIMLARNI RIVOJLANTIRISH MARKAZI" LLC	49%	49%	2021	Educational facility	Uzbekistan
"STARUP GARAGE" LLC	49%	-	2025	Educational facility	Uzbekistan

As at 31 December 2025, the Bank expanded its group structure through the establishment of several new wholly owned subsidiaries as part of its strategic development initiatives. These include "Aloqa Aktiv Farg'ona" LLC, registered on 9 April 2025 and engaged in residential real estate development; "Aloqa Ventures-2" LLC, registered on 28 January 2025, which focuses on venture capital investments; and "Aloqa Finance Development Mikromoliya Tashkiloti" LLC, registered on 29 January 2025, which provides microfinance services to small and medium-sized enterprises and individuals. The Bank holds a 100% ownership interest in each of these entities.

During 2025, the Bank's investment in its associate "O'zbekiston Pochtasi" JSC was transferred to the Uzbekistan State Assets Management Agency ("UzSAMA") in accordance with the Decree of the President of the Republic of Uzbekistan No. DP-70. Refer to Note 16. Furthermore, the Bank's indirect subsidiary "SIRT FAOL MODDALAR" LLC, held through "Aloqa Aktiv" LLC, was liquidated pursuant to a resolution of the Cabinet of Ministers.

2. OPERATING ENVIRONMENT OF THE GROUP

Republic of Uzbekistan. The Uzbekistan economy displays characteristics of an emerging market, including but not limited to, a currency that is not freely convertible outside of the country and a low level of liquidity in debt and equity markets. Also, the banking sector in Uzbekistan is particularly impacted by local political, legislative, fiscal and regulatory developments. The largest Uzbek banks are state-controlled and act as an arm of the Government to develop the country's economy. The Government distributes funds from the country's budget, which flow through the banks to various government agencies, and other state- and privately-owned entities.

Uzbekistan experienced the following key economic indicators in 2025:

- Inflation: 7.3% (2024: 9.8%)
- GDP growth 6.8% (2024: 6.5%).
- Official exchange rates: 31 December 2025: USD 1 = UZS 12,025.33 (31 December 2024: USD 1 = UZS 12,920.48).
- Central Bank refinancing rate: 14% (2024: 13.5%).

On 26 March 2025, the Central Bank of Uzbekistan increased refinancing rate from 13.5% to 14%.

In June 2025, Fitch international rating agency upgraded the Republic of Uzbekistan's long-term foreign sovereign credit rating for foreign and local currency liabilities at the BB level. The outlook was Stable.

According to Central bank of Uzbekistan in 2025 inflation rate decreased year-on-year from 10.6% to 7.3% over the same period last year.

Uzbekistan is currently taking significant steps to join the World Trade Organization, which may significantly change market rules for local players and open up new opportunities to participants from outside of Uzbekistan. The process may require significant changes in national legislation.

Influence of geopolitical events in the world. In February 2022, due to the conflict between the Russian Federation and Ukraine, numerous sanctions were announced against the Russian Federation by most Western countries. These sanctions are intended to have a negative economic impact on the Russian Federation. Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility in the currency markets, as well as a volatility of UZS against the US Dollar and Euro, however, this volatility stabilized by the end of 2022 and remained consistent throughout 2023, 2024 and 2025.

For the purpose of managing the country risk, the Bank controls transactions with counterparties within the limits set by the Bank's collegial body, which are reviewed regularly. Management of the Group is monitoring developments in the economic, political, and geopolitical situation and taking measures, it considers necessary to support the sustainability and development of the Group's business for the foreseeable future. However, the consequences of these events and related future changes may have a significant impact on the Group's operations.

Climate change. The Group is dedicated to the enhancement of green corporate financial services and social projects, strategically expanding the proportion of energy efficiency projects and projects of youth in its lending operation and attracting aimed resources for them. Funding for these projects was attracted from a diverse range of international and national organizations. Furthermore, Group has invested in the company specializing in the production of electric vehicle charging stations.

As part of its strategy, the Group has expanded its participation in green lending activities, including financing for renewable energy solutions. In particular, the Bank has attracted targeted funding from the Central Bank of Uzbekistan ("CBU") in the amount of UZS 21,056 million to support energy efficiency projects. These funds are primarily utilized to provide loans to individuals for the acquisition and installation of solar panels.

In addition to its lending activities, the Group has made strategic equity investments in environmentally focused businesses. Through its subsidiary, "Aloqaventures" LLC, the Group holds a 20% equity interest in "PRO TOK" LLC, a company specializing in the manufacturing, installation and servicing of electric vehicle (EV) charging stations.

3. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS Accounting Standards"). These consolidated financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments at fair value, and by the revaluation of financial instruments categorised at fair value through profit or loss ("FVTPL"). The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

These consolidated financial statements are directed to primary users, being investors who lend or provide equity capital to the reporting entity. These consolidated financial statements assume that the primary users have a reasonable knowledge of business and economic activities and review and analyse the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena reported in these consolidated financial statements.

These consolidated financial statements aim disclosing only information that management considers is material for the primary users. Management seeks not to reduce the understandability of these consolidated financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

The effect of restatement of prior year figures. In 2024, the Group discovered the following errors which resulted in restatements of the prior year financial statements:

a) Incorrect elimination of output Value Added Tax ("VAT") liability regarding the disposal of IT Park building. In December 2024, the Bank signed a contract to sell its headquarters located in the IT Park district to a state-owned company, JSC Uztelecom (17.66% shareholder of the Bank). Following this transaction, the Bank recognized a receivable from the counterparty on the disposal with the amount of UZS 966,055 million based on the headquarters building handover act dated 27 December 2024. However, in IFRS accounts, the Bank incorrectly eliminated output VAT impact on this transaction of UZS 107,948 million (UZS 103,506 million from receivables and 4,442 million from uncompleted part of the building, which were transferred to JSC Uztelecom under novation agreement) against the receivable balance above. The Bank restated its 2024 balances for this VAT amount by grossing up the receivable from the disposal included within Other financial assets and recognising VAT payable amount due to the state included within Other non-financial liabilities.

b) Incorrect classification of inventory as construction in progress. The Bank, through its investment management subsidiary, Aloqa Aktiv LLC, developed and constructed hotels in several tourist locations and small industrial zones in Uzbekistan during 2024. These constructions were intended for sale to private investors upon completion and should have been recognized as inventory under IAS 2. However, the Bank originally classified them as construction in progress within Premises and equipment as of 31 December 2024. Consequently, the Bank restated its 2024 balances by reclassifying UZS 134,029 million from Premises and equipment to inventory within Other non-financial assets.

c) Incorrect netting of loss on disposals from repossessed assets with gain on sale of own use premises and equipment. In 2024, the Bank presented (i) losses from sale of repossessed assets and (ii) gains on disposal of own use premises and equipment on a net basis within other operating income. The Bank restated its 2024 financial results by reclassifying losses of UZS 104,641 million from Other operating income to Administrative and other operating expenses, since the nature these items is different and, hence, the gains and losses should not be offset.

d) Incorrect presentation of new debt security investments and redemptions in the consolidated statement of cash flows. The Bank incorrectly presented gross amounts of new debt security investments and redemption in 2024 financial statements, thus the Bank restated consolidated statement of cash flows by reducing both acquisition and redemption of investment in debt securities by UZS 76,172 million.

e) Incorrect presentation of Premises, equipment and intangible assets movement schedule in the notes to the consolidated financial statements and presentation of business combination in the consolidated statement of cash flows. In 2024, the Bank incorrectly presented the IT Park building and related equipment as an addition to Premises and equipment in spite of the fact that part of this building and related equipment was already recognized in prior reporting periods; adjustments were needed to reflect transfer of these amounts from construction in progress to buildings as well as reduce buildings and equipment additions in Note 14. Additionally, Premises and equipment acquired through the acquisition of a subsidiary (Chust Poyafzal LLC) was mistakenly recorded as additions instead of acquisition through business combinations. These errors led to a restatement of the Premises and equipment movement disclosure, reclassifying additions, transfers and business combinations into the appropriate categories.

Moreover, acquisition of a subsidiary for a net cash consideration of UZS 50,997 million was not separately presented as investing cash flow in the consolidated cash flow statement. Instead, the Bank incorrectly allocated the payment into purchases of premises and equipment in investing cash flows and proceeds from the other borrowed funds within financing cash flows. This error led to restatement of the consolidated statement of cash flows.

f) Incorrect recognition of cash on hand balances. The Bank did not correctly adjust cash in ATM balances for withdrawal transactions indicated as cut-off due to late receipt of clearance files from card processing companies. The Bank restated consolidated statement of financial position by decreasing cash and cash equivalents and customer accounts by UZS 32,816 million.

The effect of restatement for correction of errors on the consolidated statement of financial position, and consolidated statement of cash flows for the year ended 31 December 2024 is as follows:

In millions of Uzbekistan Soums	*Ref*	As originally presented	Effect of error correction	As restated for the year ended 31 December 2024
Consolidated statement of financial position				
Cash and cash equivalents	*f*	2,615,062	(32,816)	2,582,246
Premises, equipment and right of use assets	*b*	2,932,223	(134,029)	2,798,194
Other financial assets	*a*	1,094,742	107,948	1,202,690
Other non-financial assets	*b*	181,882	134,029	315,911
Total assets		22,594,024	75,132	22,669,156
Liabilities				
Customer accounts	*f*	12,780,423	(32,816)	12,747,607
Other non-financial liabilities	*a*	43,368	107,948	151,316
Total liabilities		19,494,328	75,132	19,569,460
Consolidated statement of profit or loss and other comprehensive income				
Other operating income	*c*	421,980	104,641	526,621
Administrative and other operating expenses	*c*	(753,371)	(104,641)	(858,012)
Profit for the year		252,915	-	252,915

In millions of Uzbekistan Soums	*Ref*	As originally presented	Effect of error correction	As restated for the year ended 31 December 2024
Consolidated statement of cash flows				
Other operating income received	*e*	9,848	(168)	9,680
Administrative and other operating expenses paid	*c*	(238,784)	695	(238,089)
Cash flows from operating activities before changes in operating assets and liabilities		(54,067)	527	(53,540)
Net increase in loans to customers	*e*	(2,785,834)	(47,022)	(2,832,856)
Net decrease/(increase) in other assets	*a,b*	(454)	(78,998)	(79,452)
Net increase in customer accounts	*f*	4,173,695	(32,816)	4,140,879
Net (decrease)/increase in other liabilities	*a*	(4,122)	3,357	(765)
Net cash from/(used in) operating activities		2,618,775	(154,952)	2,463,823
Acquisition of investments in debt securities carried at amortised cost	*d*	(2,120,825)	76,172	(2,044,653)
Proceeds from redemption of debt securities carried at amortised cost	*d*	218,987	(76,172)	142,815
Purchase of premises, equipment and intangible assets	*b,e*	(774,479)	190,192	(584,287)
Proceeds from disposal of premises, equipment and intangible assets	*e*	18,126	(16,763)	1,363
Acquisition of subsidiary net of cash acquired	*e*	-	(50,997)	(50,997)
Net cash used in investing activities		(2,655,701)	122,432	(2,533,269)
Proceeds from other borrowed funds	*e*	2,259,604	(296)	2,259,308
Net cash from financing activities	*e*	1,157,737	(296)	1,157,441
Cash and cash equivalents at the end of the year		2,615,062	(32,816)	2,582,246

Basic and diluted earnings per ordinary share for the prior year from continuing operations have not been restated since the restatement did not impact financial results.

Going concern. Management prepared these consolidated financial statements on a going concern basis. Refer to Note 4 for critical judgements and key sources of estimation uncertainty.

Consolidated Financial Statements. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless the cost cannot be recovered. The Bank and all of its subsidiaries use uniform accounting policies consistent with the Group's policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests that are not owned, directly or indirectly, by the Bank. Non-controlling interest forms a separate component of the Group's equity.

Associates. Associates are entities over which the Group has significant influence (directly or indirectly), but not control, generally accompanying a shareholding of between 20 and 50 percent of the voting rights.

Investments in associates are accounted for using the equity method of accounting, and are initially recognised at cost. The carrying amount of associates includes goodwill identified on acquisition less accumulated credit losses, if any. Dividends received from associates reduce the carrying value of the investment in associates. Other post-acquisition changes in Group's share of net assets of an associate are recognised as follows: (i) the Group's share of profits or losses of associates is recorded in the consolidated profit or loss for the year as share of result of associates, (ii) the Group's share of other comprehensive income is recognised in other comprehensive income and presented separately, (iii); all other changes in the Group's share of the carrying value of net assets of associates are recognised in profit or loss within the share of result of associates. However, when the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Joint ventures. Interests in joint ventures are accounted for using the equity method (see above), after initially being recognised at cost in the consolidated statement of financial position.

Financial instruments – key measurement terms. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best

evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the quantity held by the entity. This is the case even if a market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees, are used to measure fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period. Refer to Note 33.

Financial instruments – initial recognition. Financial instruments at FVTPL are initially recorded at fair value. All other financial instruments are initially recorded at fair value adjusted for transaction costs. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets. After the initial recognition, an ECL allowance is recognised for financial assets measured at AC and investments in debt instruments measured at FVOCI, resulting in an immediate accounting loss.

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date on which the Group commits to deliver a financial asset. All other purchases are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets – classification and subsequent measurement – measurement categories. The Group classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC. The classification and subsequent measurement of debt financial assets depends on: (i) the Group's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

Financial assets – classification and subsequent measurement – business model. The business model reflects how the Group manages the assets in order to generate cash flows – whether the Group's objective is: (i) solely to collect the contractual cash flows from the assets ("hold to collect contractual cash flows",) or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets ("hold to collect contractual cash flows and sell") or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of "other" business model and measured at FVTPL.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the Group undertakes to achieve the objective set out for the portfolio available at the date of the assessment. Factors considered by the Group in determining the business model include the purpose and composition of a portfolio, past experience on how the cash flows for the respective assets were collected, how risks are assessed and managed, how the assets' performance is assessed and how managers are compensated.

Financial assets – classification and subsequent measurement – cash flow characteristics. Where the business model is to hold assets to collect contractual cash flows or to hold contractual cash flows and sell, the Group assesses whether the cash flows represent solely payments of principal and interest ("SPPI"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are consistent with the SPPI feature. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for credit risk, time value of money, other basic lending risks and profit margin. The Group did not change its business model during the current and comparative period and did not make any reclassifications.

Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the financial asset is classified and measured at FVTPL. The SPPI assessment is performed on initial recognition of an asset and it is not subsequently reassessed.

Financial assets impairment – credit loss allowance for ECL. The Group assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVOCI and for the exposures arising from loan commitments and financial guarantee contracts. The Group measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased amount is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

Debt instruments measured at AC are presented in the consolidated statement of financial position net of the allowance for ECL. For loan commitments and financial guarantees, a separate provision for ECL is recognised as a liability in the consolidated statement of financial position.
The Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible

within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to Note 31 for a description of how the Group determines when a SICR has occurred. If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Group's definition of credit impaired assets and definition of default is explained in Note 31. For financial assets that are purchased or originated credit-impaired ("POCI Assets"), the ECL is always measured as a Lifetime ECL. Note 31 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Financial assets – write-off. Financial assets are written-off, in whole or in part, when the Group exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Group may write-off financial assets that are still subject to enforcement activity when the Group seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets – derecognition. The Group derecognises financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the Group has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement while (i) also transferring substantially all risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership, but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose restrictions on the sale.

Financial liabilities – measurement categories. Financial liabilities are classified as subsequently measured at AC, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

Financial liabilities – derecognition. Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

An exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners.

Cash and cash equivalents. Cash and cash equivalents are items which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include deposits and all interbank placements with original maturities of less than three months. Funds restricted for a period of more than three months on origination are excluded from cash and cash equivalents. Effective from 1 July 2024, the CBU revised the regulatory framework governing the maintenance of obligatory reserve. Under the revised approach, commercial banks of the Republic of Uzbekistan are required to maintain 100% averaging of obligatory reserve within their correspondent accounts with the Central Bank (Note 7), thus from 1 July 2024, these amounts are considered as part of cash and cash equivalents. Cash and cash equivalents are carried at amortised cost.

Due from other banks. Amounts due from other banks are recorded when the Group advances money to counterparty banks with no intention of trading the resulting unquoted non-derivative receivable due on fixed or determinable dates. Amounts due from other banks are carried at amortised cost.

Investments in debt securities. Based on the business model and the cash flow characteristics, the Group classifies investments in debt securities as carried at AC, FVOCI or FVTPL. Debt securities are carried at AC if they are held for collection of contractual cash flows and where those cash flows represent SPPI, and if they are not voluntarily designated at FVTPL in order to significantly reduce an accounting mismatch.

Investments in equity securities. Financial assets that meet the definition of equity from the issuer's perspective, i.e. instruments that do not contain a contractual obligation to pay cash and that evidence a residual interest in the issuer's net assets, are considered as investments in equity securities by the Group. Investments in equity securities are measured at FVTPL. Dividends continue to be recognised in profit or loss when the Group's right to receive payments is established except when they represent a recovery of an investment rather than a return on such investment.

Loans and advances to customers. Loans and advances to customers are recorded when the Group advances money to purchase or originate an unquoted non-derivative receivable from a customer due on fixed or determinable dates and has no intention of trading the receivable. Loans and advances to customers are carried at amortised cost less ECL.

Repossessed collateral. Repossessed collateral represents financial and non-financial assets acquired by the Group in settlement of overdue loans. The assets are initially recognised at fair value when acquired and included in premises and equipment, other financial assets, investment properties or inventories within other assets depending on their nature

and the Group's intention in respect of recovery of these assets, and are subsequently remeasured and accounted for in accordance with the accounting policies for these categories of assets.

Loan commitments. The Group issues commitments to provide loans. These commitments are irrevocable or revocable only in response to a material adverse change. Such commitments are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight line basis over the life of the commitment, except for commitments to originate loans if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination; such loan commitment fees are deferred and included in the carrying value of the loan on initial recognition. At the end of each reporting period, the commitments are measured at (i) the remaining unamortised balance of the amount at initial recognition, plus (ii) the amount of the loss allowance determined based on the expected credit loss model, unless the commitment is to provide a loan at a below market interest rate, in which case the measurement is at the higher of these two amounts. The carrying amount of the loan commitments represents a liability. For contracts that include both a loan and an undrawn commitment and where the Group cannot separately distinguish the ECL on the undrawn loan component from the loan component, the ECL on the undrawn commitment is recognised together with the loss allowance for the loan. To the extent that the combined ECLs exceed the gross carrying amount of the loan, they are recognised as a liability.

Note 31 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Financial guarantees. Financial guarantees require the Group to make specified payments to reimburse the holder of the guarantee for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantees are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight-line basis over the life of the guarantee. At the end of each reporting period, the guarantees are measured at the higher of (i) the amount of the loss allowance for the guaranteed exposure determined based on the expected loss model and (ii) the remaining unamortised balance of the amount at initial recognition. In addition, an ECL loss allowance is recognised for fees receivable that are recognised in the statement of financial position as an asset. Note 31 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Premises and equipment. Premises and equipment are stated at cost less accumulated depreciation and provision for impairment, where required.

Costs of minor repairs and day-to-day maintenance are expensed when incurred. Costs of replacing major parts or components of premises and equipment items are capitalised, and the replaced part is retired.

At the end of each reporting period management assesses whether there is any indication of impairment of premises and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in profit or loss for the year. An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

Gains and losses on disposals determined by comparing proceeds with carrying amount are recognised in profit or loss for the year (within other operating income or expenses).

Depreciation. Construction in progress is not depreciated. Depreciation on other items of premises and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives and the majority of the Bank's buildings are depreciated over 50 years but the Bank's new headquarter building is depreciated over 100 years, reflecting its expected economic life, construction quality and long-term strategic use:

	Useful lives in years
Buildings	50 to 100
Office and computer equipment	5-10
Right-of-use assets	1-5

The residual value of an asset is the estimated amount that the Group would currently obtain from disposal of the asset less the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets. The Group's intangible assets have definite useful lives and primarily comprise capitalised computer software. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring them to use. All other costs associated with computer software, e.g. its maintenance, are expensed when incurred. Capitalised computer software is amortised on a straight-line basis over expected useful lives of five years.

Capitalisation of borrowing costs. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that is not carried at fair value and that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset), form part of the cost of that asset. Other borrowing costs are recognised as an expense using the effective interest method. The Group capitalises borrowing costs that would have been avoided if it had not made capital expenditure on qualifying assets. The commencement date for capitalisation is when (a) the Group incurs expenditures for the qualifying asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale. Capitalisation ceases when all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Investment property. Investment property is property held by the Group (owned or held as a right-of-use asset under a lease) to earn rental income or for capital appreciation, or both and which is not occupied by the Group. Investment property includes assets under construction for future use as investment property.

Investment property is initially recognised at cost, including transaction costs, and subsequently remeasured at fair value updated to reflect market conditions at the end of the reporting period. Fair value of investment property is the price that would be received from sale of the asset in an orderly transaction, without deduction of any transaction costs.

The Bank engages independent, professionally qualified valuers with relevant experience in the location and category of the investment property at least once every three years. In the intervening reporting periods, fair values are assessed by management based on valuation techniques (market comparable approaches, discounted cash flow models and other valuation methods) supported by observable market data and updated assumptions. Independent external valuers are also engaged more frequently where there are significant changes in market conditions, economic environment, or specific circumstances affecting the property that could materially impact its fair value. Management believes that the fair values determined at each reporting date are reasonable and reflective of current market conditions.

Non-current assets held for sale. Non-current assets and disposal groups, which may include both non-current and current assets, are classified in the statement of financial position as "Non-current assets held for sale" if their carrying amount will be recovered principally through a sale transaction, including loss of control of a subsidiary holding the assets, within twelve months after the end of the reporting period. Assets are reclassified when all of the following conditions are met: (a) the assets are available for immediate sale in their present condition; (b) the Group's management approved and initiated an active programme to locate a buyer; (c) the assets are actively marketed for sale at a reasonable price; (d) the sale is expected within one year and (e) it is unlikely that significant changes to the plan to sell will be made or that the plan will be withdrawn. Non-current assets or disposal groups classified as held for sale in the current period's statement of financial position are not reclassified or re-presented in the comparative statement of financial position to reflect the classification at the end of the current period.

Due to other banks. Amounts due to other banks are recorded when money or other assets are advanced to the Group by counterparty banks. The non-derivative liability is carried at AC. If the Group purchases its own debt, the liability is removed from the consolidated statement of financial position and the difference between the carrying amount of the liability and the consideration paid is included in gains or losses arising from retirement of debt.

Repurchase agreement. The Group's repurchase agreements (referred to as "repo") are the transactions in which a transferor transfers a financial asset (typically a high-quality debt security) to a transferee in exchange for cash. The Group, simultaneously, enters into an agreement to reacquire the security on a specified future date for an amount equal to the cash received plus interest. These repos are accounted for as secured borrowings.

Customer accounts. Customer accounts are non-derivative liabilities to individuals, state or corporate customers and are carried at AC.

Other borrowed funds. Other borrowed funds include borrowings from government and non-government funds and financial institutions and are carried at AC.

Subordinated debt. Subordinated debt can only be paid in the event of a liquidation after the claims of other higher priority creditors have been met. Subordinated debt is carried at AC.

Income taxes. Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Share capital. Ordinary shares and non-redeemable preference shares with discretionary dividends are both classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity.

Preference shares which carry a mandatory coupon or are redeemable on a specific date or at the option of the shareholder are classified as financial liabilities and are presented in other borrowed funds. The dividends on these preference shares are recognised as interest expense on an AC basis, using the effective interest method.

Interest income and expense recognition. Interest income and expense are recorded for all debt instruments on an accrual basis using the effective interest method. This method defers, as part of interest income or expense, all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Interest income on lease receivables calculated at nominal interest rate is presented within 'other similar income' line in profit or loss.

Fees integral to the effective interest rate include origination fees received or paid by the entity relating to the creation or acquisition of a financial asset or issuance of a financial liability, for example fees for evaluating creditworthiness, evaluating and recording guarantees or collateral, negotiating the terms of the instrument and for processing transaction documents. Commitment fees received by the Group to originate loans at market interest rates are integral to the effective interest rate if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination.

Fee and commission income. Fee and commission income is recognised over time on a straight-line basis as the services are rendered, when the customer simultaneously receives and consumes the benefits provided by the Group's performance. Such income includes recurring fees for account maintenance, account servicing fees, account subscription fees. Variable fees are recognised only to the extent that management determines that it is highly probable that a significant reversal will not occur.

Other fee and commission income is recognised at a point in time when the Group satisfies its performance obligation, usually upon execution of the underlying transaction. The amount of fee or commission received or receivable represents the transaction price for the services identified as distinct performance obligations.

Such income includes purchase of foreign currencies on behalf of a customer, fees for processing payment transactions, fees for cash settlements, collection or cash disbursements. Loan syndication fees are recognised as income when the syndication has been completed and the Group retains no part of the loan package for itself, or retains a part at the same effective interest rate as for the other participants.

Sales and purchases of foreign currencies and currency conversion. The Group sells and purchases foreign currencies in the cash offices and through the bank accounts, as well as exchanges foreign currencies. The transactions are performed at the exchange rates established by the Group, which are different from the official spot exchange rates at the particular dates.

The differences between the official rates and Group rates are recognised as gains less losses from trading in foreign currencies at a point in time when a particular performance obligation is satisfied.

Revenue. Revenue is recognised in the amount of transaction price. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts collected on behalf of third parties.

Contracts with customers typically include a single performance obligation, being the transfer of a completed and identifiable non-residential building or individual unit to the customer. Revenue is recognised at a point in time, when control of the property is transferred to the customer.

Revenue is recognised net of value added taxes and other similar mandatory payments.

Foreign currency translation. The functional currency of each of the Group's consolidated entities is the currency of the primary economic environment in which the entity operates. The functional currency of the Bank and its subsidiaries, and the Group's presentation currency, is the national currency of Republic of Uzbekistan ("UZS").

Monetary assets and liabilities are translated into each entity's functional currency at the official exchange rate of the Central Bank of Uzbekistan at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities into each entity's functional currency at year-end official exchange rates of the Central Bank of Uzbekistan, are recognised in profit or loss for the year (as foreign exchange translation gains less losses). Translation at year-end rates does not apply to non-monetary items that are measured at historical cost.

Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined.

Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.

Loans between group entities and related foreign exchange gains or losses are eliminated upon consolidation.

At 31 December 2025 the principal rate of exchange used for translating foreign currency balances was USD 1 = UZS 12,025.33 (2024: USD 1 = UZS 12,920.48) and EUR 1 = UZS 14,162.23 (2024: EUR 1 = UZS 13,436.01).

Offsetting. Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts, and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances: (i) in the normal course of business, (ii) the event of default and (iii) the event of insolvency or bankruptcy.

Earnings per share. Preference shares are not redeemable, and are considered to be participating shares. Earnings per share are determined by dividing the profit or loss attributable to owners of the Bank by the weighted average number of participating shares outstanding during the reporting year.

Staff costs and related contributions. Wages, salaries, contributions to the Republic of Uzbekistan state pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by employees. The Group has no legal or constructive obligation to make pension or similar benefit payments beyond the payments to the statutory defined contribution scheme.

Segment reporting. Segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker. Segments whose revenue, result or assets are ten percent or more of all the segments are reported separately.

Presentation of statement of financial position in order of liquidity. The Group does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the statement of financial position. Instead, assets and liabilities are presented in order of their liquidity. Refer to Note 31 for analysis of financial instruments by expected maturity.

The following table provides information on non-financial assets and liabilities amounts expected to be recovered or settled before and after twelve months after the reporting period for items that are not analysed in Note 31.

	31 December 2025			31 December 2024		
	Amounts expected to be recovered or settled			Amounts expected to be recovered or settled		
In millions of Uzbekistan Soums	Within 12 months after the reporting period	Beyond 12 months after the reporting period	Total	Within 12 months after the reporting period	Beyond 12 months after the reporting period	Total
NON-FINANCIAL ASSETS						
Investment in associates	-	13,388	**13,388**	-	59,909	**59,909**
Investment property	-	343,927	**343,927**	-	-	**-**
Premises, equipment, intangible assets and right of use assets	-	2,977,426	**2,977,426**	-	2,798,194	**2,798,194**
Deferred income tax asset	-	95,529	**95,529**	-	40,269	**40,269**
Non - current assets held for sale	-	238,540	**238,540**	-	97,920	**97,920**
Other non-financial assets	1,023,298	-	**1,023,298**	315,911	-	**315,911**
TOTAL NON-FINANCIAL ASSETS	**1,023,298**	**3,668,810**	**4,692,108**	**315,911**	**2,996,292**	**3,312,203**
NON-FINANCIAL LIABILITIES						
Other non-financial liabilities	34,790	-	**34,790**	151,316	-	**151,316**
Corporate income tax payable	-	-	**-**	1,500	-	**1,500**
TOTAL NON-FINANCIAL LIABILITIES	**34,790**	**-**	**34,790**	**152,816**	**-**	**152,816**

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group makes estimates and assumptions that affect the amounts recognised in the consolidated financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year are explained below.

Going concern. Management prepared these consolidated financial statements on a going concern basis. In making this judgement, management considered the Group's financial position, current intentions, profitability of operations and access to financial resources, and analysed the impact of recent macro-economic developments on future operations of the Group.

As at 31 December 2025, the Group's short-term liquidity maturity gap is negative. However, as at 31 December 2025, the Bank's liquidity position was in compliance with the liquidity prudential ratios set out by the CBU. Management regularly performs stress tests to assess the potential outcomes due to liquidity mismatches and evaluates results to prepare action plans. In addition, the CBU monitors Bank's compliance with prudential ratios. A significant portion of these customer demand accounts are of large state-controlled telecommunication entities which are either the Group's shareholders or related entities under common control and the past experience of the Group indicate to Management that these customer accounts provide a long-term and stable source of funding for the Group. Total negative liquidity gap with maturity up to 1 year is comprised of UZS 4,832,506 million which includes short term deposits from the state-controlled entities in the amount of UZS 2,383,065 million. The Management of the Group believes that the negative short-term liquidity gap outlined above combined with the factors below do not raise a concern over the Group's ability to continue as a going concern:

• The Bank is one of the largest and stable state-owned banks with 91 regional banking service centers all over Uzbekistan and employs more than 1,900 employees. The government continuously supports the state-owned banks and implement various state programs in order to support the national economy through lendings. The Bank is

strategically important to the government as the Bank invests intensely in telecommunication and IT sector of the economy, providing specialised access to finance for the new start-up companies and SMEs. As at 31 December 2025, borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan and the Uzbekistan Fund for Reconstruction and Development amounted to UZS 2,088,523 million and UZS 763,660 million, respectively (2024: UZS 1,532,028 million and UZS 709,818 million).

• During 2025, the Group has issued additional shares in the amount of UZS 314,661 million;

• In 2025, according to decree of President of Uzbekistan PP-62 at 14 February 2025, subordinated debt was attracted UZS 1,300,395 million from Uzbekistan Fund for Reconstruction and Development, remaining amount UZS 325,099 million was received subsequently.

• In addition, during 2025 the Group has received additional financing from international financial institutions under existing credit lines and new agreements, including financing from Olam Global Agri Treasury Pte. Ltd., Mopane Securities Plc, Oyak Anker Bank Gmbh, Bank Sinopac, Caixabank S.A., Mashreqbank Psc, Alubaf Arab International Bank B.S.C., First Abu Dhabi Bank Pjsc.

• In 2025, Fitch rating agency has affirmed a positive outlook on all ratings of the Bank, including the long-term counterparty risk rating in foreign currency (BB) and the long-term deposit ratings in both foreign and local currency (BB).

Valuation of investment properties using comparables approach. Humson Buloq sanatorium, classified as investment property is stated at its fair value based on reports prepared by independent, professionally qualified valuers at the end of reporting period. The comparables approach was used in the valuation. The comparables approach represents a set of methods for determining fair value based on a comparison of the appraised asset with analogous objects for which pricing information is available.

The report on the valuation of investment property prepared by independent, professionally qualified valuers, as well as the methods applied in preparing the report, were reviewed by the Bank's management, and the information contained in the report was accepted. Notwithstanding the above, management considers that the valuation of its investment properties is currently subject to an increased degree of judgement and an increased likelihood that actual proceeds on a sale may differ from the carrying value.

ECL measurement. Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as models of macro-economic scenarios.

For the purpose of measurement of ECL the Group uses supportable forward-looking information, including forecasts of macroeconomic variables. The Group incorporates forward-looking information into a measurement of ECL when there is a statistically proven correlation between the macro-economic variables and defaults. As at the reporting date the Group has obtained quarterly values for macroeconomic variables: inflation, exchange rates and gold prices, aligned them with quarterly default rates across all loan portfolios and performed statistical tests for correlation considering different time lags. As at the reporting date, statistical tests have not established a significant correlation between variables and defaults. The Management updates its statistical tests for correlation as at each reporting date.

The Group used supportable forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model. The most significant forward-looking assumptions that correlate with ECL level and their assigned weights were as follows at 31 December 2025:

Variable	Scenario	Assigned weight	Assumption for: 2026	2027
Consumer Price Index	Optimistic	23.81%	5.08%	3.68%
	Base	52.38%	6.80%	5.40%
	Pessimistic	23.81%	8.52%	7.12%
Exchange rate growth 1 USD to UZS (Average)	Optimistic	14.29%	-6.44%	0.32%
	Base	57.14%	-2.15%	4.60%
	Pessimistic	28.57%	2.14%	8.89%
Exchange rate growth 1 USD to UZS (End of the period)	Optimistic	14.29%	-0.87%	-1.08%
	Base	61.90%	4.71%	4.50%
	Pessimistic	23.81%	10.30%	10.08%
Gold value in national valuation growth rate	Optimistic	23.81%	32.18%	30.53%
	Base	66.67%	26.60%	24.94%
	Pessimistic	9.52%	21.02%	19.36%

The assumptions and assigned weights were as follow at 31 December 2024

Variable	Scenario	Assigned weight	Assumption for: 2025	2026
Consumer Price Index.	Optimistic	14,29%	6,97%	6,32%
	Base	66,67%	8,69%	8,04%
	Pessimistic	19,05%	10,41%	9,76%
Exchange rate growth 1 USD to UZS (Average)	Optimistic	28,57%	0,70%	0,72%
	Base	47,62%	3,85%	3,87%
	Pessimistic	23,81%	6,99%	7,02%
Exchange rate growth 1 USD to UZS (End of the period)	Optimistic	19,05%	1,06%	0,39%
	Base	61,90%	5,09%	4,43%
	Pessimistic	19,05%	9,12%	8,46%
Gold value in national valuation growth rate	Optimistic	19,05%	8,51%	1,30%
	Base	61,90%	4,48%	-2,73%
	Pessimistic	19,05%	0,45%	-6,77%

Significant increase in credit risk ("SICR"). In order to determine whether there has been a significant increase in credit risk, the Group compares the risk of a default occurring over the life of a financial instrument at the end of the reporting date with the risk of default at the date of initial recognition.

The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting period. The Group considers all reasonable and supportable forward-looking information available without undue cost and effort and incorporated appropriate forward-looking information into the credit risk assessment, either at an individual instrument, or on a portfolio level. The SICR criteria remained unchanged and are consistent with last year-end consolidated financial statement.

ECL is measured as an allowance equal to 12-month ECL for Stage 1 assets, or lifetime ECL for Stage 2 assets or Stage 3 assets. An asset moves to Stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitatively and quantitatively reasonable and supportable forward-looking information.

For treasury operations, the Group calculates ECL on a financial asset based not only on the current estimates of the credit quality of the counterparty/issuer at the reporting date, but also taking into account possible deterioration of the financial condition due to the adverse macroeconomic factors of the counterparty's/issuer's environment in the future. In particular, the level of ECL for treasury operations is affected by the rating outlook (positive, stable, negative) assigned by international rating agencies, which affects the probability of default ("PD").

For loans to customers, the calculation of ECL takes into account the possible estimated effects of changes in macroeconomic parameters on forecasted cash flows, migration of collective loans and collateral coverage. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience.

A change in the weight assigned to base forward looking macro-economic set of assumptions by 10% towards the immediate downside level assumptions would result in an increase in ECL by UZS 15,563 million at 31 December 2025 (31 December 2024: by UZS 7,647 million). A corresponding change towards the upside assumptions would result in a decrease in ECL by UZS 15,563 million at 31 December 2025 (31 December 2024: by UZS 7,647 million).

A 10% increase or decrease in PD estimates would result in an increase or decrease in total expected credit loss allowances of UZS 18,494 million at 31 December 2025 (31 December 2024: increase or decrease of UZS 9,554 million). A 10% increase or decrease in LGD estimates would result in an increase or decrease in total expected credit loss allowances of UZS 46,836 million at 31 December 2025 (31 December 2024: increase or decrease of UZS 28,214 million).

Should ECL on all loans and advances to customers be measured at lifetime ECL (that is, including those that are currently in Stage 1 measured at 12-months ECL), the expected credit loss allowance would be higher by UZS 873,520 million as of 31 December 2025 (31 December 2024: higher by UZS 406,166 million).

Other borrowed funds. The Group obtains long-term financing from government, state and international financial institutions at interest rates at which such institutions ordinarily lend in emerging markets, and which may be lower than rates at which the Group could source the funds from local lenders. As a result of this financing, the Group is able to advance funds to specific customers at advantageous rates. The Management has considered whether gains or losses should arise on initial recognition of these instruments, and its judgment is that these funds are at the market rates and no initial recognition gains or losses should arise. In making this judgment the Management also considered that these instruments are a separate market sector.

Initial recognition adjustment on interest bearing assets. The Group places interest-bearing funds with related party banks, which are classified as financial assets measured at amortised cost under IFRS 9. At initial recognition, such placements are required to be measured at fair value. Management applies judgement in assessing whether the contractual interest rates reflect market terms. Where placements are entered into at below-market interest rates, the transaction price is assessed not to represent fair value. In these cases, fair value is determined using discounted cash flow techniques applying an estimated market interest rate for comparable instruments.

The resulting difference between the transaction price and fair value is recognised immediately in profit or loss as a day one loss. This judgement is sensitive to assumptions regarding market interest rates, comparability of instruments and credit risk. Subsequent measurement is at amortised cost using the effective interest method.

5. ADOPTION OF NEW AND REVISED STANDARDS

The following amendments became effective from 1 January 2025:

Amendments to IAS 21 Lack of Exchangeability (Issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The amendments to IAS 21 do not provide detailed requirements on how to estimate the spot exchange rate. Instead, they set out a framework under which an entity can determine the spot exchange rate at the measurement date. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences. The application of the above amendments had no significant impact on the Group's consolidated financial statements.

6. NEW ACCOUNTING PRONOUNCEMENTS

Certain new standards and interpretations have been issued that are mandatory for the annual periods beginning on or after 1 January 2026 or later, and which the Group has not early adopted.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (Issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (Issued on 9 May 2024, then amended on 21 August 2025 and effective for annual periods beginning on or after 1 January 2027). IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. The Group is not eligible to apply the reduced disclosure requirements introduced by this standard.

IFRS 14, Regulatory Deferral Accounts (Issued on 30 January 2014). IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard. This standard will be effective from a date that is yet to be determined by the IASB.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary. In 2015, the IASB decided to postpone the effective date of these amendments indefinitely.

Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (Issued on 18 December 2024 and effective from 1 January 2026). The IASB has issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures. The amendments include: (a) clarifying the application of the 'own-use' requirements; (b) relaxing certain hedge accounting requirements if these contracts are used as hedging instruments; and (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on financial performance and cash flows.

Annual Improvements to IFRS Accounting Standards (Issued in July 2024 and effective from 1 January 2026). IFRS 1 was clarified that a hedge should be discontinued upon transition to IFRS Accounting Standards if it does not meet the 'qualifying criteria', rather than 'conditions' for hedge accounting, in order to resolve a potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9. IFRS 7 requires disclosures about a gain or loss on derecognition relating to financial assets in which the entity has a continuing involvement, including whether fair value measurements included 'significant unobservable inputs'. This new phrase replaced reference to 'significant inputs that were not based on observable market data'. The amendment makes the wording consistent with IFRS 13. In addition, certain IFRS 7 implementation guidance examples were clarified and text added that the examples do not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. IFRS 16 was amended to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9 guidance to recognise any resulting gain or loss in profit or loss. This clarification applies to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. In order to resolve an inconsistency between IFRS 9 and IFRS 15, trade receivables are now required to be initially recognised at 'the amount determined by applying IFRS 15' instead of at 'their transaction price (as defined in IFRS 15)'. IFRS 10 was amended to use less conclusive language when an entity is a 'de-facto agent' and to clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de-facto agent. IAS 7 was corrected to delete references to 'cost method' that was removed from IFRS Accounting Standards in May 2008 when the IASB issued amendment 'Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'.

The Group is currently assessing the impact of the amendments on its financial statements.

7. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024 (restated)
Cash balances with the CBU	1,112,978	1,512,250
Correspondent accounts and overnight placements with other banks	1,551,348	557,083
Cash on hand	464,399	477,209
Placements with other banks with original maturity of less than three months	41,156	35,794
Less credit loss allowance	(864)	(90)
Total cash and cash equivalents	**3,169,017**	**2,582,246**

The table below discloses the credit quality of cash and cash equivalents balances based on credit risk grades at 31 December 2025:

	Cash balances with the CBU (other than mandatory reserve deposits)	Correspondent accounts and overnight placements with other banks	Placements with other banks with original maturity of less than three months	Total
- BBB- to AAA+ rated	-	28,680	-	**28,680**
- BB- to BB+ rated	1,112,978	1,504,471	41,156	**2,658,605**
- B- to B+ rated	-	15,104	-	**15,104**
Unrated	-	3,093	-	**3,093**
Less credit loss allowance	(66)	(796)	(2)	**(864)**
Total cash and cash equivalents, excluding cash on hand	**1,112,912**	**1,550,552**	**41,154**	**2,704,618**

The credit quality of cash and cash equivalents at 31 December 2024 was as follows:

	Cash balances with the CBU (other than mandatory reserve deposits)	Correspondent accounts and overnight placements with other banks	Placements with other banks with original maturity of less than three months	Total
- BBB- to AAA+ rated	-	64,231	-	**64,231**
- BB- to BB+ rated	1,512,250	472,800	25,794	**2,010,844**
- B- to B+ rated	-	20,052	10,000	**30,052**
Less credit loss allowance	(45)	(32)	(13)	**(90)**
Total cash and cash equivalents, excluding cash on hand	**1,512,205**	**557,051**	**35,781**	**2,105,037**

The country rating was applied for the cash balances with CBU. The credit rating is based on the rating agency Fitch (if available) or the rating agencies Moody's and Standard & Poor's, which are converted to the nearest equivalent value in Fitch rating scale. Unrated cash and cash equivalents are placed with local and foreign financial institutions that do not have external credit ratings. For the purpose of ECL measurement, these exposures are internally assigned a credit rating equivalent to "CC". Cash and cash equivalents balances are included in Stage 1. Interest rate analysis of cash and cash equivalents is disclosed in Note 31. Information on related party balances is disclosed in Note 36.

The following tables explain the changes in the credit loss allowance and gross carrying amount of cash and cash equivalents between the beginning and the end of the annual period due to these factors:

In millions of Uzbekistan Soums	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 1 January 2025	**(90)**	**2,582,336**
New originated or purchased	(864)	3,200,875
Derecognised during the period	90	(2,582,336)
Foreign exchange translation and other movements	-	(30,994)
At 31 December 2025	**(864)**	**3,169,881**

In millions of Uzbekistan Soums	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 1 January 2024	**(6,254)**	**1,480,555**
New originated or purchased	(322)	1,128,401
Derecognised during the period	6,486	(80,109)
Foreign exchange translation and other movements	-	53,489
At 31 December 2024	**(90)**	**2,582,336**

At 31 December 2025 the Group had one counterparty bank (2024: two banks) was 10% of aggregated cash and cash equivalent balances (or UZS 316,918 million). The total aggregate amount of these balances was UZS 1,029,653 million (2024: UZS 1,959,469 million) or 32% of the cash and cash equivalents (2024: 75.9%).

Interest rate analysis of cash and cash equivalents is disclosed in Note 31. Information on related party balances is disclosed in Note 36.

8. DUE FROM OTHER BANKS

	31 December 2025	31 December 2024
Long term loans to other banks	771,918	-
Restricted cash	45,671	55,624
Placements with other banks with original maturities of more than three months	156,934	166,111
Less credit loss allowance	(9,293)	(4,181)
Total due from other banks	**965,230**	**217,554**

The majority of restricted cash represents security deposits with global payment networks placed by the Group. The Group does not have the right to use these funds for the purpose of funding its own activities.

At 31 December 2025 the Group had balances with one counterparty bank (2024: four banks) with aggregated amounts above UZS 85,131 million. The total aggregate amount of these deposits was UZS 770,182 million (2024: UZS 144,881 million) or 80% of the total amount due from other banks (2024: 67%).

During 2025, loss on initial recognition of due from other banks at rates below market in the amount of UZS 260,522 million (2024: nil) has been recorded in profit or loss for the year.

The table below discloses the credit quality of due from banks balances based on credit risk grades at 31 December 2025.

	Long term loans to other banks	Placements with other banks with original maturities of more than three months	Restricted cash	Total
- BBB- to AAA+ rated	-	-	45,435	**45,435**
- BB- to BB+ rated	771,918	131,852	155	**903,925**
- B- to B+ rated	-	1,005	80	**1,085**
Unrated	-	24,077	1	**24,078**
Less credit loss allowance	(3,196)	(6,097)	(0,3)	**(9,293)**
Total due from other banks	**768,722**	**150,837**	**45,671**	**965,230**

Analysis by credit quality of due from other banks outstanding at 31 December 2024 is as follows:

	Long term loans to other banks	Placements with other banks with original maturities of more than three months	Restricted cash	Total
- BBB- to AAA+ rated	-	-	52,378	**52,378**
- BB- to BB+ rated	-	96,452	55	**96,507**
- B- to B+ rated	-	69,659	50	**69,709**
Unrated	-	-	3,141	**3,141**
Less credit loss allowance	-	(1,025)	(3,156)	**(4,181)**
Total due from other banks	**-**	**165,086**	**52,468**	**217,554**

The country rating was applied for the balances with CBU. The credit rating is based on the rating agency Fitch (if available) or the rating agencies Moody's and Standard & Poor's, which are converted to the nearest equivalent value in Fitch rating scale. Amounts due from other banks that do not have external credit ratings relate to placements with local and foreign financial institutions. In the absence of external ratings, these exposures are assigned an internal credit rating equivalent to "CC" for ECL measurement purposes. Information on related party balances is disclosed in Note 36. Information on fair value of due from other banks is disclosed in Note 33. As at 31 December 2025 for the purpose of ECL measurement due from other banks balances are included in Stage 1.

The following tables discloses the changes in the credit loss allowance and gross carrying amount for due from banks between the beginning and the end of the reporting periods:

	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 1 January 2025	**4,181**	**221,735**
New originated or purchased	9,293	1,003,524
Derecognised during the period	(4,181)	(221,735)
Foreign exchange translation and other movements	-	(29,001)
At 31 December 2025	**9,293**	**974,523**

	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 1 January 2024	**4,922**	**660,738**
New originated or purchased	2,572	75,750
Derecognised during the period	(3,313)	(535,449)
Foreign exchange translation and other movements	-	20,696
At 31 December 2024	**4,181**	**221,735**

During 2025, a loss on initial recognition of due from other banks at rates below market in the amount of UZS 260,523 million (2024: nil) has been recorded in profit or loss for the year.

The Group sold its former headquarters in IT Park area to JSC "Uzbektelecom", one of the shareholders of the Group and related party, on 27 December 2024, and derecognized the building based on act of acceptance with the purchasing party. As a result, the Group recognized gain on disposal of UZS 508,158 million in 2024 and receivable balance of UZS 966,055 million. In February 2025, the Group made an interbank placement mentioned above at below market, which was subsequently disbursed to JSC "Uzbektelecom" as a loan. JSC "Uzbektelecom" fully settled the receivable balance from sale of IT Park headquarters in 2025. The Group recognized initial recognition loss of UZS 260,523 million from this placement. The whole scheme of sale and subsequent settlement was formed based on government decisions made in December 2024. The instructions were not legally binding, and there was no obligation to issue the loan at below-market rate in 2024, and this is why the day-one loss is only booked in 2025.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES

Loans and advances to customers including finance lease receivables comprise:

	31 December 2025	31 December 2024
Gross carrying amount of loans and advances to customers at AC	19,577,898	13,465,306
Less: credit loss allowance	(513,073)	(423,388)
Total carrying amount of loans and advances to customers, including finance lease receivable at AC	**19,064,825**	**13,041,918**

Gross carrying amount and credit loss allowance amount for loans and advances to customers at AC by classes at 31 December 2025 and 31 December 2024 are disclosed in the table below:

	31 December 2025		
	Gross carrying amount	Credit loss allowance	Carrying amount
Loans to corporate customers			
Large loans	12,788,435	(263,118)	12,525,317
Micro loans	260,231	(4,393)	255,838
Loans to individuals			
Car loans	2,261,477	(142,101)	2,119,376
Consumer loans	1,628,530	(49,627)	1,578,903
Retail mortgage	1,557,299	(27,446)	1,529,853
Agro and micro retail	1,081,926	(26,388)	1,055,538
Total loans and advances to customers, including finance lease receivable at AC	**19,577,898**	**(513,073)**	**19,064,825**

	31 December 2024		
	Gross carrying amount	Credit loss allowance	Carrying amount
Loans to corporate customers			
Large loans	8,644,686	(271,726)	8,372,960
Micro loans	96,973	(357)	96,616
Loans to individuals			
Car loans	2,311,145	(122,651)	2,188,494
Retail mortgage	1,065,728	(7,125)	1,058,603
Consumer loans	833,437	(13,471)	819,966
Agro and micro retail	513,337	(8,058)	505,279
Total loans and advances to customers, including finance lease receivable at AC	**13,465,306**	**(423,388)**	**13,041,918**

More detailed explanation of classes of loans is provided below:

- Large loans – loans issued to commercial entities under the standard terms, mainly for working capital financing and for capital expenditures. Loans are considered to be large, if gross loan amount is higher than UZS 150 million as at reporting date.
- Micro loans – all loans, which are not classified as large loans, issued to legal entities. These loans are provided for working capital financing and for capital expenditures;
- Car loans – loans issued to individuals for purchase of vehicles;
- Consumer loans – loans issued to individuals for purchase of consumer products and all other loans issued to individuals other than those explained above.
- Retail mortgage – loans issued to individuals for purchase of real estate or property;
- Agro and micro retail – loans issued to individuals and private entrepreneurs as micro loans.

During 2025, a loss on initial recognition of loans at rates below market in the amount of UZS 23,128 million (2024: UZS 13,387 million) has been recorded in profit or loss for the year.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

The following tables disclose the changes in the credit loss allowance and gross carrying amount for loans and advances to customers including finance lease receivables carried at amortized cost between the beginning and the end of the reporting period:

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Large loans								
At 1 January 2025	**26,411**	**52,433**	**192,882**	**271,726**	**6,340,473**	**1,598,609**	**705,604**	**8,644,686**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(1,635)	1,635	-	-	(415,702)	415,702	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(4,008)	(9,798)	13,806	-	(458,115)	(227,285)	685,400	-
- from Stage 3 to Stage 2 and Stage 1	2,143	47,192	(49,335)	-	6,687	103,270	(109,957)	-
New originated or purchased	58,861			**58,861**	7,290,725			**7,290,725**
Derecognised during the period	(5,430)	(4,478)	(26,570)	**(36,478)**	(2,118,002)	(159,905)	(69,004)	**(2,346,911)**
Changes in gross value of financial assets	-	-	-	-	(98,206)	(641,107)	(112,591)	**(851,904)**
Changes to ECL measurement model assumptions and other movements*	(11,229)	(21,778)	1,005	**(32,002)**	-	-	-	-
Changes in accrued interest	893	3,091	5,588	**9,572**	124,900	51,248	28,403	**204,551**
Total movements with impact on credit loss allowance charge for the period	**39,595**	**15,864**	**(55,506)**	**(47)**	**4,332,287**	**(458,077)**	**422,251**	**4,296,461**
Movements without impact on credit loss allowance charge for the period:								
FX and other movements	(407)	(3,094)	(2,353)	**(5,854)**	(48,739)	(50,688)	(49,060)	**(148,487)**
Write-off	-	-	(2,681)	**(2,681)**	-	-	(2,681)	**(2,681)**
Modification of contractual cash flows	-	(26)	-	**(26)**	-	(1,544)	-	**(1,544)**
At 31 December 2025	**65,599**	**65,177**	**132,342**	**263,118**	**10,624,021**	**1,088,300**	**1,076,114**	**12,788,435**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Micro loans								
At 1 January 2025	**277**	**5**	**75**	**357**	**96,639**	**181**	**153**	**96,973**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(14)	14	-	-	(4,710)	4,710	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(15)	(1)	16	-	(4,488)	(31)	4,519	-
- from Stage 3 to Stage 2 and Stage 1	-	-	-	-	-	-	-	-
New originated or purchased	2,291			2,291	182,280			182,280
Derecognised during the period	(37)	(1)	-	(38)	(14,790)	(46)	-	(14,836)
Changes in gross value of financial assets	-	-	-	-	(16,015)	6,371	3,809	(5,835)
Changes to ECL measurement model assumptions and other movements*	(2,024)	239	4,910	3,125	-	-	-	-
Changes in accrued interest	5	13	416	434	2,130	502	796	3,428
Total movements with impact on credit loss allowance charge for the period	**206**	**264**	**5,342**	**5,812**	**144,407**	**11,506**	**9,124**	**165,037**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(1,776)	(1,776)	-	-	(1,776)	(1,776)
FX and other movements	-	-	-	-	(3)	-	-	(3)
At 31 December 2025	**483**	**269**	**3,641**	**4,393**	**241,043**	**11,687**	**7,501**	**260,231**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Car loans								
At 1 January 2025	**2,669**	**3,654**	**116,328**	**122,651**	**1,975,022**	**65,049**	**271,074**	**2,311,145**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(137)	137	-	-	(45,326)	45,326	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(360)	(2,419)	2,779	-	(74,003)	(42,280)	116,283	-
- from Stage 3 to Stage 2 and Stage 1	5,405	785	(6,190)	-	12,927	2,164	(15,091)	-
New originated or purchased	16,010			**16,010**	1,022,702			**1,022,702**
Derecognised during the period	(476)	(278)	(5,670)	**(6,424)**	(418,048)	(5,177)	(13,892)	**(437,117)**
Changes in gross value of financial assets	-	-	-	-	(474,161)	(4,940)	(98,314)	**(577,415)**
Changes to ECL measurement model assumptions and other movements*	(11,399)	6,842	72,765	**68,208**	-	-	-	-
Changes in accrued interest	97	474	27,395	**27,966**	6,426	3,231	18,815	**28,472**
Total movements with impact on credit loss allowance charge for the period	**9,140**	**5,541**	**91,079**	**105,760**	**30,517**	**(1,676)**	**7,801**	**36,642**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(86,310)	**(86,310)**	-	-	(86,310)	**(86,310)**
At 31 December 2025	**11,809**	**9,195**	**121,097**	**142,101**	**2,005,539**	**63,373**	**192,565**	**2,261,477**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Retail mortgage								
At 1 January 2025	**3,668**	**1,214**	**2,243**	**7,125**	**1,047,931**	**12,005**	**5,792**	**1,065,728**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(109)	109	-	-	(14,698)	14,698	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(147)	(261)	408	-	(18,687)	(3,202)	21,889	-
- from Stage 3 to Stage 2 and Stage 1	855	377	(1,232)	-	2,376	984	(3,360)	-
New originated or purchased	11,248			**11,248**	590,740			**590,740**
Derecognised during the period	(168)	(102)	(574)	**(844)**	(47,008)	(1,021)	(1,293)	**(49,322)**
Changes in gross value of financial assets	-	-	-	-	(72,275)	2,896	10,955	**(58,424)**
Changes to ECL measurement model assumptions and other movements*	(10,631)	1,236	16,771	**7,376**	-	-	-	-
Changes in accrued interest	16	58	2,688	**2,762**	3,718	640	4,440	**8,798**
Total movements with impact on credit loss allowance charge for the period	**1,064**	**1,417**	**18,061**	**20,542**	**444,166**	**14,995**	**32,631**	**491,792**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(221)	**(221)**	-	-	(221)	**(221)**
At 31 December 2025	**4,732**	**2,631**	**20,083**	**27,446**	**1,492,097**	**27,000**	**38,202**	**1,557,299**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Consumer loans								
At 1 January 2025	**2,468**	**671**	**10,332**	**13,471**	**796,442**	**16,732**	**20,263**	**833,437**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(90)	90	-	-	(14,948)	14,948	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(265)	(334)	599	-	(27,800)	(8,074)	35,874	-
- from Stage 3 to Stage 2 and Stage 1	929	399	(1,328)	-	1,914	981	(2,895)	-
New originated or purchased	29,127			29,127	1,195,382			1,195,382
Derecognised during the period	(484)	(142)	(1,941)	(2,567)	(205,470)	(4,018)	(3,989)	(213,477)
Changes in gross value of financial assets	-	-	-	-	(274,967)	54,048	6,873	(214,046)
Changes to ECL measurement model assumptions and other movements*	(23,089)	4,247	26,272	7,430	-	-	-	-
Changes in accrued interest	178	380	4,891	5,449	17,898	5,914	6,705	30,517
Total movements with impact on credit loss allowance charge for the period	**6,306**	**4,640**	**28,493**	**39,439**	**692,009**	**63,799**	**42,568**	**798,376**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(3,283)	(3,283)	-	-	(3,283)	(3,283)
At 31 December 2025	**8,774**	**5,311**	**35,542**	**49,627**	**1,488,451**	**80,531**	**59,548**	**1,628,530**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Agro and micro retail								
At 1 January 2025	**4,928**	**460**	**2,670**	**8,058**	**502,600**	**4,381**	**6,356**	**513,337**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(99)	99	-	-	(8,982)	8,982	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(166)	(195)	361	-	(9,516)	(1,677)	11,193	-
- from Stage 3 to Stage 2 and Stage 1	287	196	(483)	-	848	486	(1,334)	-
New originated or purchased	18,076			**18,076**	796,042			**796,042**
Derecognised during the period	(969)	(39)	(866)	**(1,874)**	(110,490)	(660)	(2,069)	**(113,219)**
Changes in gross value of financial assets	-	-	-	-	(152,145)	10,570	15,003	**(126,572)**
Changes to ECL measurement model assumptions and other movements*	(16,897)	1,037	15,560	**(300)**	-	-	-	-
Changes in accrued interest	45	88	3,019	**3,152**	7,237	1,183	4,662	**13,082**
Total movements with impact on credit loss allowance charge for the period	**277**	**1,186**	**17,591**	**19,054**	**522,994**	**18,884**	**27,455**	**569,333**
Movements without impact on credit loss allowance charge for the period:								
FX and other movements	-	-	-	-	(20)	-	-	**(20)**
Write-offs	-	-	(724)	**(724)**	-	-	(724)	**(724)**
At 31 December 2025	**5,205**	**1,646**	**19,537**	**26,388**	**1,025,574**	**23,265**	**33,087**	**1,081,926**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Large loans								
At 1 January 2024	**29,737**	**47,775**	**45,375**	**122,887**	**4,765,454**	**1,848,724**	**609,601**	**7,223,779**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(3,128)	3,128	-	-	(459,926)	459,926	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(1,403)	(7,575)	8,978	-	(191,685)	(405,214)	596,899	-
- from Stage 3 to Stage 2 and Stage 1	4,128	4,500	(8,628)	-	21,783	77,813	(99,596)	-
New originated or purchased	35,297	-	-	**35,297**	4,053,073	-	-	**4,053,073**
Derecognised during the period	(9,179)	(2,960)	(29,478)	**(41,617)**	(1,488,213)	(103,418)	(434,870)	**(2,026,501)**
Changes in gross value of financial assets	-	-	-	-	(520,114)	(323,394)	802	**(842,706)**
Changes to ECL measurement model assumptions and other movements*	(29,488)	7,096	194,537	**172,145**	-	-	-	-
Changes in accrued interest	368	311	16,390	**17,069**	52,035	16,925	55,614	**124,574**
Total movements with impact on credit loss allowance charge for the period	**(3,405)**	**4,500**	**181,799**	**182,894**	**1,466,953**	**(277,362)**	**118,849**	**1,308,440**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(34,872)	**(34,872)**	-	-	(34,872)	**(34,872)**
FX and other movements	79	158	580	**817**	108,066	27,247	12,026	**147,339**
At 31 December 2024	**26,411**	**52,433**	**192,882**	**271,726**	**6,340,473**	**1,598,609**	**705,604**	**8,644,686**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Micro loans								
At 1 January 2024	**140**	**-**	**154**	**294**	**20,983**	**-**	**812**	**21,795**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	-	-	-	-	(50)	50	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	-	-	-	-	-	-	-	-
- from Stage 3 to Stage 2 and Stage 1	-	-	-	-	-	-	-	-
New originated or purchased	324	-	-	**324**	84,670	-	-	**84,670**
Derecognised during the period	(44)	-	(154)	**(198)**	(6,518)	-	(812)	**(7,330)**
Changes in gross value of financial assets	-	-	-	-	(3,148)	125	861	**(2,162)**
Changes to ECL measurement model assumptions and other movements*	(145)	5	789	**649**	-	-	-	-
Changes in accrued interest	2	-	7	**9**	702	6	13	**721**
Total movements with impact on credit loss allowance charge for the period	**137**	**5**	**642**	**784**	**75,656**	**181**	**62**	**75,899**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(721)	**(721)**	-	-	(721)	**(721)**
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2024	**277**	**5**	**75**	**357**	**96,639**	**181**	**153**	**96,973**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Car loans								
At 1 January 2024	**4,545**	**701**	**2,923**	**8,169**	**1,684,782**	**14,931**	**8,821**	**1,708,534**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(87)	87	-	-	(19,049)	19,049	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(221)	(187)	408	-	(31,849)	(4,174)	36,023	-
- from Stage 3 to Stage 2 and Stage 1	538	95	(633)	-	1,623	286	(1,909)	-
New originated or purchased	102,837	-	-	**102,837**	1,254,976	-	-	**1,254,976**
Derecognised during the period	(803)	(181)	(1,693)	**(2,677)**	(309,836)	(3,584)	(5,108)	**(318,528)**
Changes in gross value of financial assets	-	-	-	-	(616,472)	35,481	204,524	**(376,467)**
Changes to ECL measurement model assumptions and other movements*	(104,144)	3,127	118,271	**17,254**	-	-	-	-
Changes in accrued interest	4	12	2,184	**2,200**	10,847	3,060	33,855	**47,762**
Total movements with impact on credit loss allowance charge for the period	**(1,876)**	**2,953**	**118,537**	**119,614**	**290,240**	**50,118**	**267,385**	**607,743**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(5,132)	**(5,132)**	-	-	(5,132)	**(5,132)**
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2024	**2,669**	**3,654**	**116,328**	**122,651**	**1,975,022**	**65,049**	**271,074**	**2,311,145**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Retail mortgage								
At 1 January 2024	**4,722**	**873**	**4,397**	**9,992**	**657,965**	**11,607**	**13,268**	**682,840**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(120)	120	-	-	(7,079)	7,079	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(22)	(107)	129	-	(2,550)	(1,193)	3,743	-
- from Stage 3 to Stage 2 and Stage 1	2,032	627	(2,659)	-	5,708	1,997	(7,705)	-
New originated or purchased	1,687	-	-	**1,687**	453,228	-	-	**453,228**
Derecognised during the period	(251)	(159)	(1,169)	**(1,579)**	(29,785)	(1,639)	(3,734)	**(35,158)**
Changes in gross value of financial assets	-	-	-	-	(36,222)	(5,895)	1,334	**(40,783)**
Changes to ECL measurement model assumptions and other movements*	(4,408)	(140)	2,731	**(1,817)**	-	-	-	-
Changes in accrued interest	28	-	69	97	6,666	49	141	6,856
Total movements with impact on credit loss allowance charge for the period	**(1,054)**	**341**	**(899)**	**(1,612)**	**389,966**	**398**	**(6,221)**	**384,143**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(1,255)	**(1,255)**	-	-	(1,255)	**(1,255)**
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2024	**3,668**	**1,214**	**2,243**	**7,125**	**1,047,931**	**12,005**	**5,792**	**1,065,728**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Consumer loans								
At 1 January 2024	**3,306**	**409**	**4,861**	**8,576**	**680,450**	**7,827**	**14,669**	**702,946**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(49)	49	-	-	(5,686)	5,686	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(149)	(111)	260	-	(11,394)	(2,098)	13,492	-
- from Stage 3 to Stage 2 and Stage 1	166	246	(412)	-	532	748	(1,280)	-
New originated or purchased	5,572	-	-	**5,572**	470,160	-	-	**470,160**
Derecognised during the period	(681)	(195)	(3,887)	**(4,763)**	(133,507)	(3,780)	(11,687)	**(148,974)**
Changes in gross value of financial assets	-	-	-	-	(216,639)	7,565	12,945	**(196,129)**
Changes to ECL measurement model assumptions and other movements*	(5,700)	270	19,331	**13,901**	-	-	-	-
Changes in accrued interest	3	3	90	**96**	12,526	784	2,035	**15,345**
Total movements with impact on credit loss allowance charge for the period	**(838)**	**262**	**15,382**	**14,806**	**115,992**	**8,905**	**15,505**	**140,402**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(9,911)	**(9,911)**	-	-	(9,911)	**(9,911)**
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2024	**2,468**	**671**	**10,332**	**13,471**	**796,442**	**16,732**	**20,263**	**833,437**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Agro and micro retail								
At 1 January 2024	**5,264**	**193**	**859**	**6,316**	**295,005**	**4,129**	**2,593**	**301,727**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(44)	44	-	-	(2,440)	2,440	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(72)	(78)	150	-	(4,024)	(411)	4,435	-
- from Stage 3 to Stage 2 and Stage 1	-	-	-	-	-	-	-	-
New originated or purchased	5,058	-	-	5,058	355,383	-	-	355,383
Derecognised during the period	(781)	(64)	(491)	(1,336)	(43,749)	(1,479)	(1,445)	(46,673)
Changes in gross value of financial assets	-	-	-	-	(100,632)	(454)	1,598	(99,488)
Changes to ECL measurement model assumptions and other movements*	(4,534)	346	3,247	(941)	-	-	-	-
Changes in accrued interest	37	19	228	284	3,057	156	498	3,711
Total movements with impact on credit loss allowance charge for the period	**(336)**	**267**	**3,134**	**3,065**	**207,595**	**252**	**5,086**	**212,933**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(1,323)	(1,323)	-	-	(1,323)	(1,323)
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2024	**4,928**	**460**	**2,670**	**8,058**	**502,600**	**4,381**	**6,356**	**513,337**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage, that the loans could be assigned to throughout the reporting period.

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

The credit quality of loans to customers carried at amortised cost is as follows at 31 December 2025:

	Stage	Standard grade	Sub-Standard grade	Un-satisfac-tory	Doubtful	Hope-less	Gross carrying amount	Credit loss allowance	Total
Large loans	Stage 1	10,624,021	-	-	-	-	**10,624,021**	(65,599)	**10,558,422**
	Stage 2	-	1,088,300	-	-	-	**1,088,300**	(65,177)	**1,023,123**
	Stage 3	-	-	772,036	31,890	272,188	**1,076,114**	(132,342)	**943,772**
Micro loans	Stage 1	241,043	-	-	-	-	**241,043**	(483)	**240,560**
	Stage 2	-	11,687	-	-	-	**11,687**	(269)	**11,418**
	Stage 3	-	-	4,573	2,928	-	**7,501**	(3,641)	**3,860**
Car loans	Stage 1	2,005,539	-	-	-	-	**2,005,539**	(11,809)	**1,993,730**
	Stage 2	-	63,373	-	-	-	**63,373**	(9,195)	**54,178**
	Stage 3	-	-	52,648	68,512	71,405	**192,565**	(121,097)	**71,468**
Consumer loans	Stage 1	1,488,451	-	-	-	-	**1,488,451**	(8,774)	**1,479,677**
	Stage 2	-	80,531	-	-	-	**80,531**	(5,311)	**75,220**
	Stage 3	-	-	48,466	10,323	759	**59,548**	(35,542)	**24,006**
Retail mortgage	Stage 1	1,492,097	-	-	-	-	**1,492,097**	(4,732)	**1,487,365**
	Stage 2	-	27,000	-	-	-	**27,000**	(2,631)	**24,369**
	Stage 3	-	-	20,943	15,356	1,903	**38,202**	(20,083)	**18,119**
Agro and micro retail	Stage 1	1,025,574	-	-	-	-	**1,025,574**	(5,205)	**1,020,369**
	Stage 2	-	23,265	-	-	-	**23,265**	(1,646)	**21,619**
	Stage 3	-	-	20,555	11,309	1,223	**33,087**	(19,537)	**13,550**
Total		**16,876,725**	**1,294,156**	**919,221**	**140,318**	**347,478**	**19,577,898**	**(513,073)**	**19,064,825**

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

The credit quality of loans to customers carried at amortized cost is as follows at 31 December 2024:

	Stage	Standard grade	Sub-Standard grade	Un-satisfac-tory	Doubtful	Hope-less	Gross carrying amount	Credit loss allowance	Total
	Stage 1	6,340,473	-	-	-	-	**6,340,473**	(26,411)	**6,314,062**
Large loans	Stage 2	-	1,598,609	-	-	-	**1,598,609**	(52,433)	**1,546,176**
	Stage 3	-	-	66,158	625,655	13,791	**705,604**	(192,882)	**512,722**
	Stage 1	96,639	-	-	-	-	**96,639**	(277)	**96,362**
Micro loans	Stage 2	-	181	-	-	-	**181**	(5)	**176**
	Stage 3	-	-	-	153	-	**153**	(75)	**78**
	Stage 1	1,975,022	-	-	-	-	**1,975,022**	(2,669)	**1,972,353**
Car loans	Stage 2	-	65,049	-	-	-	**65,049**	(3,654)	**61,395**
	Stage 3	-	-	-	141,889	129,185	**271,074**	(116,328)	**154,746**
	Stage 1	796,442	-	-	-	-	**796,442**	(2,468)	**793,974**
Consumer loans	Stage 2	-	16,732	-	-	-	**16,732**	(671)	**16,061**
	Stage 3	-	-	-	12,251	8,012	**20,263**	(10,332)	**9,931**
	Stage 1	1,047,931	-	-	-	-	**1,047,931**	(3,668)	**1,044,263**
Retail mortgage	Stage 2	-	12,005	-	-	-	**12,005**	(1,214)	**10,791**
	Stage 3	-	-	-	5,792	-	**5,792**	(2,243)	**3,549**
	Stage 1	502,600	-	-	-	-	**502,600**	(4,928)	**497,672**
Agro and micro retail	Stage 2	-	4,381	-	-	-	**4,381**	(460)	**3,921**
	Stage 3	-	-	-	6,356	-	**6,356**	(2,670)	**3,686**
Total		**10,759,107**	**1,696,957**	**66,158**	**792,096**	**150,988**	**13,465,306**	**(423,388)**	**13,041,918**

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

Economic sector risk concentrations within the loans and advances to customers including finance lease receivables are as follows:

	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Individuals	6,529,232	33%	4,260,132	32%
Manufacturing	4,193,530	22%	4,737,791	35%
Trade	3,422,674	18%	1,675,117	13%
Construction	2,541,395	13%	456,679	3%
Services	1,205,365	6%	661,024	5%
Transportation	649,213	3%	580,428	4%
Agriculture	397,843	2%	305,307	2%
Communication	371,299	2%	476,626	4%
Other	267,347	1%	312,202	2%
Gross loans and advances to customers, including finance lease receivable	**19,577,898**	**100%**	**13,465,306**	**100%**

At 31 December 2025 the Group had four borrowers whose loan balance individually exceed 10% of group's equity (2024: four borrowers) with the total aggregate loan amounts UZS 1,995,783 million (31 December 2024: UZS 1,606,545 million) or 10.2% of the gross loan portfolio (2024: 11.93%).

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period. Information about collateral and other credit enhancements as at 31 December 2025 are as follows:

	Loans to corporate customers		*Loans to individuals*			
	Large Loans	Micro loans	Car loans	Consumer loans	Retail mortgage	Agro and micro retail
Unsecured Loans:	3,797	33,164	1,770	10,097	1,039	45,672
Loans with other credit enhancement:						
- letter of surety	3,287,220	17,786	245,581	301,021	295,802	85,218
- insurance policy	1,998,681	80,302	387,711	1,193,964	23,424	372,221
Loans collateralized by:						
- real estate	4,447,166	9,634	322	4,287	1,208,545	152,423
- cash deposit	140,082	100,992	28	-	73	49,278
- motor vehicle	929,897	12,954	1,483,964	69,440	290	350,658
- equipment	1,196,798	45	-	-	-	14
- other	521,676	961	-	94	680	54
Collateralized loans	7,235,619	124,586	1,484,314	73,821	1,209,588	552,427
Loans and advances to customers	**12,525,317**	**255,838**	**2,119,376**	**1,578,903**	**1,529,853**	**1,055,538**

Information about collateral and other credit enhancements as at 31 December 2024 are as follows:

	Loans to corporate customers		*Loans to individuals*			
In millions of Uzbekistan Soums	Large entities	Micro entities	Car loans	Consumer loans	Retail mortgage	Agro and micro retail
Unsecured Loans:	35,950	36,116	-	29	585	50,349
Loans with other credit enhancement:						
- letter of surety	3,458,804	10,820	495,731	384,084	328,088	44,553
- insurance policy	551,874	4,754	270,113	402,282	5,606	118,798
Loans collateralized by:						
- real estate	2,933,196	5,029	445	1,556	723,892	38,564
- cash deposit	198,479	25,217	129	-	90	7,787
- motor vehicle	372,726	7,858	1,422,076	31,905	342	243,119
- equipment	6,089	-	-	-	-	-
- other	815,842	6,822	-	110	-	2,109
Collateralized loans	4,326,332	44,926	1,422,650	33,571	724,324	291,579
Loans and advances to customers	**8,372,960**	**96,616**	**2,188,494**	**819,966**	**1,058,603**	**505,279**

9. LOANS AND ADVANCES TO CUSTOMERS INCLUDING FINANCE LEASE RECEIVABLES (Continued)

The extent to which collateral and other credit enhancements mitigate credit risk for financial assets carried at amortised cost that are credit impaired, is presented by disclosing collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed carrying value of the asset ("over-collateralised assets") and (ii) those assets where collateral and other credit enhancements are less than the carrying value of the asset ("under-collateralised assets"). The effect of collateral for loans at 31 December 2025.

	Over-collateralised Assets		Under-collateralised Assets	
In millions of Uzbekistan Soums	Carrying value of the assets	Fair value of collateral accepted by the Bank	Carrying value of the assets	Fair value of collateral accepted by the Bank
Credit impaired assets:				
Loans to corporate customers				
Large loans	943,723	5,745,461	49	40
Micro loans	2,312	6,474	1,548	499
Loans to individuals				
Car loans	71,178	358,880	290	-
Consumer loans	23,958	106,685	47	-
Retail mortgage	17,857	62,813	263	-
Agro and micro retail	13,189	61,303	361	-
Loans and advances to customer	**1,072,217**	**6,341,616**	**2,558**	**539**

The effect of collateral for loans at 31 December 2024:

	Over-collateralised Assets		Under-collateralised Assets	
In millions of Uzbekistan Soums	Carrying value of the assets	Fair value of collateral accepted by the Bank	Carrying value of the assets	Fair value of collateral accepted by the Bank
Credit impaired assets:				
Loans to corporate customers				
Large loans	512,721	2,367,175	-	-
Micro loans	-	-	79	-
Loans to individuals				
Car loans	154,746	480,872	-	-
Consumer loans	9,931	36,374	-	-
Retail mortgage	3,550	12,668	-	-
Agro and micro retail	3,593	17,552	92	-
Loans and advances to customer	**684,541**	**2,914,641**	**171**	**-**

The outstanding contractual amounts of loans and advances to customers written off that are still subject to enforcement activity was as follows at 31 December 2025 and 31 December 2024:

	31 December 2025	31 December 2024
Loans to corporate customers		
Large loans	2,681	34,872
Micro loans	1,776	721
Loans to individuals		
Car loans	86,310	5,132
Retail mortgage	221	1,255
Consumer loans	3,283	9,911
Agro and micro retail	725	1,323
Total	**94,996**	**53,214**

The Group's policy is to complete legal enforcement steps that were initiated even though the loans were written off as there is no reasonable expectation of recovery.

As at 31 December 2025 and 31 December 2024, none of the loans and advances to customers were pledged as collateral against borrowings of the Group.

Interest rate analysis of loans and advances to customers is disclosed in Note 31. Information on related party balances is disclosed in Note 36.

10. INVESTMENTS IN DEBT SECURITIES

Investment in debt securities measured at amortised cost:

	31 December 2025	31 December 2024
Uzbekistan government bonds	3,073,857	2,191,091
Corporate bonds	49,902	-
Gross investment in debt securities	**3,123,759**	**2,191,091**
Credit loss allowance	(10,539)	(12,718)
Total investments in debt securities (carrying value)	**3,113,220**	**2,178,373**

Investment in debt securities mainly comprises of Uzbekistan government bonds up to three years maturity. In addition, the Group invested into corporate bonds issued by local companies during the period ended on 31 December 2025. Investment in debt securities is accounted at amortised cost since business model is "hold to collect" and SPPI test was passed.

As at 31 December 2025 and 31 December 2024, investment in debt securities was in Stage 1 and there were no movements between stages. The debt securities at AC as at 31 December 2025 are not collateralised (2024: not collateralised).

As at 31 December 2025, Uzbekistan government bonds in the amount of UZS 1,190,265 million (2024: UZS 801,459 million) were pledged to attract short term financing obtained from commercial banks of Uzbekistan under repo agreements without right to sell or repledge in Note 17. Refer to Note 33 for the estimated fair value of investments in debt securities.

11. INVESTMENTS IN EQUITY SECURITIES

The Group designated investments disclosed in the following table as equity securities at FVTPL. Equity securities at FVTPL represent securities held for trading and other equity securities for which FVOCI election was not made on initial recognition. As at 31 December 2025, investment in equity securities include equity securities of domestic companies that the Group accounts for at FVTPL with a carrying value of UZS 234,237 million (2024: UZS 103,126 million). Refer to Note 33 for information on the estimation of the fair value of investments in equity securities.

The tables below disclose investments in equity securities at 31 December 2025 and 31 December 2024 by measurement categories and classes:

In millions of Uzbekistan Soums	31 December 2025	31 December 2024
Corporate shares	234,237	103,126
Total investments in equity securities at FVTPL	**234,237**	**103,126**

12. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The Group's interests in its principal associates and joint venture were as follows:

Name	Principal activity	Place of business	31 December 2025		31 December 2024	
			% ownership interest held	Carrying amount	% ownership interest held	Carrying amount
"Startup Garage" LLC	IT-Education services	Uzbekistan	49%	4,090	-	-
IT bilimlarni rivojlantirish markazi (Joint control)	Educational facility	Uzbekistan	49%	4,731	49%	5,171
"Edu Markets" LLC	IT	Uzbekistan	33%	396	33%	460
"Mohirlar xizmati" LLC	IT-outsourcing services	Uzbekistan	20%	912	25%	1,139
"Cradle Vision Tech" LLC	IT	Uzbekistan	20%	471	20%	687
"Aloqa Finance Development Mikromoliya	Financing	Uzbekistan	20%	1,291	-	-
"Pro-Tok" LLC	Network of charging stations	Uzbekistan	20%	1,497	20%	1,566
"O'zbekiston Pochtasi" JSC	Postal services	Uzbekistan	-	-	29%	50,886
Total investment in associates and JV				**13,388**		**59,909**

During the reporting period, the Group established a new joint venture, "Startup Garage" LLC, as well as a new associate company, referred to as "Aloqa Finance Development Mikromoliya Tashkiloti". In accordance with DP-70 *"On the privatisation program for 2025"* dated 21 April 2025, the shares held in 'O'zbekiston Pochtasi' JSC were transferred to the State Assets Management Agency (UzSAMA) for subsequent sale.

The table below summarises the movements in the carrying amount of the Group's investment in associates and joint ventures.

In millions of Uzbekistan Soums	2025	2024
Carrying amount at 1 January	**59,909**	**60,501**
Fair value of net assets of associate acquired	8,486	-
Contribution to share capital of associate/joint venture	-	583
Share of profit of associates/joint ventures	(2,836)	(2)
Impairment of investments in associates	(993)	-
Disposal of an associate/joint ventures	(51,178)	(1,173)
Carrying amount at 31 December	**13,388**	**59,909**

13. INVESTMENT PROPERTY

In millions of Uzbekistan Soums	2025	2024
Investment properties at fair value at 1 January	-	-
Transfer from premises	19,657	-
Fair value gains	324,270	-
Investment properties at fair value at 31 December	**343,927**	-

During the reporting period, the Group transferred certain property from owner-occupied premises to investment property following the cessation of own use (upon vacating the premises). At the date of transfer, the property was measured at fair value. The resulting revaluation gain was accounted for in accordance with IAS 16 and recognised in other comprehensive income, net of applicable deferred tax, and accumulated in reserve for premises. The property is subsequently accounted for under IAS 40.

Investment property is property held by the Group (owned or held as a right-of-use asset under a lease) to earn rental income or for capital appreciation, or both and which is not occupied by the Group. Investment property includes assets under construction for future use as investment property.

Investment property is initially recognised at cost, including transaction costs, and subsequently remeasured at fair value updated to reflect market conditions at the end of the reporting period. Fair value of investment property is the price that would be received from sale of the asset in an orderly transaction, without deduction of any transaction costs.

Fair value of the Group's investment property is determined based on reports of independent appraisers, who hold a recognised and relevant professional qualification and who have recent experience in valuation of property of similar location and category.

14. PREMISES, EQUIPMENT AND INTANGIBLE ASSETS

As at 31 December 2025 and 31 December 2024, premises and equipment of the Group were not pledged.

	Building, premises and land	Office and computer equipment	Construction in progress and advances	Terminals under operating lease	Total premises and equipment	Intangible assets	Right of use assets	Total
Carrying amount at 31 December 2023	**309,338**	**168,288**	**1,956,575**	**2,863**	**2,437,064**	**44,750**	**10,396**	**2,492,210**
Acquisitions through business combinations	-	16,750	27,092	-	**43,842**	-	-	**43,842**
Additions	14,601	56,958	459,346	2	**530,907**	1,428	-	**532,335**
Capitalised borrowing costs	-	-	177,372	-	**177,372**	-	-	**177,372**
Net transfers	116,084	(222)	(116,084)	222	**-**	-	-	**-**
Disposals	(310,426)	(40,455)	-	-	**(350,881)**	(130)	-	**(351,011)**
Write-off	(47)	(192)	-	-	**(239)**	-	(119)	**(358)**
Depreciation/ amortisation charge	(6,968)	(38,138)	-	(1,678)	**(46,784)**	(15,002)	(3,364)	**(65,150)**
Carrying amount at 31 December 2024 (restated)	**122,582**	**162,989**	**2,504,301**	**1,409**	**2,791,281**	**31,046**	**6,913**	**2,829,240**
Cost at 31 December 2024	150,744	319,410	2,504,301	18,076	**2,992,531**	79,464	18,780	**3,090,775**
Accumulated depreciation/ Amortization	(28,162)	(156,421)	-	(16,667)	**(201,250)**	(48,418)	(11,867)	**(261,535)**
Carrying amount at 31 December 2024 (restated)	**122,582**	**162,989**	**2,504,301**	**1,409**	**2,791,281**	**31,046**	**6,913**	**2,829,240**
Additions	45,794	52,896	124,984	8	**223,682**	4,090	21,909	**249,681**
Net transfers	2,588,762	(1,138)	(2,588,762)	1,138	**-**	-	-	**-**
Reclassification to investment property	(19,657)	-	-	-	**(19,657)**	-	-	**(19,657)**
Disposals	-	(2,595)	-	-	**(2,595)**	-	-	**(2,595)**
Write-off	(1,378)	-	-	-	**(1,378)**	-	-	**(1,378)**
Depreciation/ amortisation charge	(8,926)	(46,050)	-	(1,043)	**(56,019)**	(14,216)	(7,630)	**(77,865)**
Carrying amount at 31 December 2025	**2,727,177**	**166,102**	**40,523**	**1,512**	**2,935,314**	**20,920**	**21,192**	**2,977,426**
Cost at 31 December 2025	2,764,045	368,573	40,523	19,222	**3,192,363**	83,554	40,689	**3,316,606**
Accumulated depreciation/amortisation	(36,868)	(202,471)	-	(17,710)	**(257,049)**	(62,634)	(19,497)	**(339,180)**
Carrying amount at 31 December 2025	**2,727,177**	**166,102**	**40,523**	**1,512**	**2,935,314**	**20,920**	**21,192**	**2,977,426**

During 2025, the Group moved into a new headquarters in "Tashkent City" international business center and recognized construction in progress as buildings, with the capitalization of borrowing costs discontinued. The Group leases offices for its regional service centres. Rental contracts are typically made for fixed periods of 12 months to 5 years but may have extension options. All leases are recognised as a right-of-use asset and a corresponding liability (Note 21) from the date when the leased asset becomes available for use by the Group. The depreciation charge for PPE is disclosed under Note 26 Administrative and Other Operating Expenses, where an explanation has also been provided. A cross-reference has been included accordingly. The Group leased payment terminals to its customers under operating lease arrangements for 2-3 years.

15. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Major classes of non-current assets classified as held for sale (or disposal groups) are as follows:

	31 December 2025	31 December 2024
Buildings held for sale	206,931	66,892
Vehicles held for sale	22,084	-
Equipment held for sale	9,525	31,028
Total non-current assets classified as held for sale	**238,540**	**97,920**

Non-current assets held for sale comprise property, vehicles and equipment that are not used in the Group's core banking operations and which management has committed to dispose of. These assets mainly arise from collateral repossessed following borrower defaults.

These assets are classified as held for sale as their carrying amounts are expected to be recovered principally through sale. They are measured at the lower of their carrying amount and fair value less costs of disposal. Gains or losses arising from disposal are recognized in profit or loss under other operating income or expenses.

16. OTHER ASSETS

	31 December 2025	31 December 2024 (restated)
Other financial assets		
Receivables from transferring of associates	51,188	-
Receivable from money transfer systems	14,685	17,699
Commission receivable from customers	15,008	739
Non-interest income receivables	733	16,194
Receivables from sale of office building in IT Park	-	966,055
Receivables from shareholders	-	200,000
Other	24,410	2,283
Less: credit loss allowance	(449)	(280)
Total other financial assets	**105,575**	**1,202,690**
Other non-financial assets		
Inventory	442,131	138,659
Advances paid for inventory purchase	294,630	-
Prepayment for taxes other than income tax	112,906	27,816
Repossessed assets on Loans and leasing	95,468	59,063
Prepaid expenses	47,016	46,838
Prepayment for income tax	30,243	-
Prepayments for premises and equipment	-	44,417
Other	904	4,043
Less: allowance for impairment	-	(4,925)
Total other non-financial assets	**1,023,298**	**315,911**
Total other assets	**1,128,873**	**1,518,601**

Inventory and prepayment for inventory balances mostly consist of non-residential buildings such as hotels, restaurants, and shops that were constructed according to government directives aimed at developing tourism and manufacturing infrastructure in specific areas of Uzbekistan. The Group fulfilled these government instructions through its investment management subsidiaries, Aloqa Aktiv LLC and Aloqa Aktiv Farg'ona. Since the Group plans to sell these buildings after completion, both the constructions and related prepayments have been classified as inventory and prepayment for inventory by the Group's management.

In millions of Uzbekistan Soums	Stage 1	Stage 2	Stage 3	Total
ECL at 1 January 2025	**(280)**	**-**	**-**	**(280)**
ECL charge	(449)	-	-	**(449)**
Financial assets derecognised during the period	280	-	-	**280**
ECL at 31 December 2025	**(449)**	**-**	**-**	**(449)**

In millions of Uzbekistan Soums	Stage 1	Stage 2	Stage 3	Total
ECL at 1 January 2024	**(2,305)**	**-**	**-**	**(2,305)**
ECL charge	(280)	-	-	**(280)**
Financial assets derecognised during the period	2,305	-	-	**2,305**
ECL at 31 December 2024	**(280)**	**-**	**-**	**(280)**

Information on related party balances is disclosed in Note 36.

17. DUE TO OTHER BANKS

	31 December 2025	31 December 2024
Payables under REPO agreement	1,190,265	801,459
Long - term placements of other domestic banks	2,370,276	937,715
Correspondent accounts with other banks	211,658	221,983
Short-term placements of other domestic banks	70,811	180,000
Total due to other banks	**3,843,010**	**2,141,157**

As at 31 December 2025, short-term funds attracted under REPO agreements went up to meet short-term financing needs of the Group. The Group used its investments in government bonds as a collateral for such deals.

Refer to Note 33 for the disclosure of the fair value of each class of amounts due to other banks. Interest rate analysis of due to other banks is disclosed in Note 31. Information on related party balances is disclosed in Note 36.

18. CUSTOMER ACCOUNTS

	31 December 2025	31 December 2024 (restated)
State and public organisations		
- Term deposits	2,561,278	3,151,893
- Current/settlement accounts	1,200,417	833,973
Other legal entities		
- Term deposits	1,965,985	1,694,565
- Current/settlement accounts	2,063,351	1,977,548
Individuals		
- Term deposits	4,803,445	3,945,520
- Current/settlement accounts	1,375,743	1,144,108
Total customer accounts	**13,970,219**	**12,747,607**

Economic sector concentrations within customer accounts are as follows:

	31 December 2025		31 December 2024 (restated)	
	Amount	%	Amount	%
Private individuals	6,179,188	44%	5,089,628	40%
Financial sector	1,543,126	11%	2,324,784	18%
Special funds	2,291,945	16%	2,297,752	18%
Other government entities	1,098,292	8%	1,060,388	8%
Services	1,142,004	8%	901,068	7%
Manufacturing	697,790	5%	156,611	1%
Communication and transport	271,835	2%	398,997	3%
Construction	218,180	2%	88,711	1%
Trade	291,807	2%	173,714	2%
Other	236,052	2%	255,954	2%
Total customer accounts	**13,970,219**	**100%**	**12,747,607**	**100%**

As at 31 December 2025, the Group had four customers (2024: six customers) with a total balance UZS 2,981,182 million comprising 21.34% of total customer accounts (2024: UZS 3,893,387 million comprising 30.54% of total customer accounts), which individually exceeded 10% of the Group's equity.

Special funds in the customer accounts represent funds of the government related non-profit organizations that are set aside or allocated for a particular government purpose or requirement which are intended to meet specific needs or obligations of the government before the community.

19. OTHER BORROWED FUNDS

	31 December 2025	31 December 2024
Borrowings from international financial institutions	4,540,928	1,315,976
Borrowings from domestic financial institutions	3,687,305	2,790,076
Borrowings from Central Bank of Uzbekistan ("CBU")	21,176	33,316
Total other borrowed funds	**8,249,409**	**4,139,368**

During 2025 Bank has attracted new credit lines included the following balances:

- In 2025 Aloqabank attracted funds of Olam Global Agri Treasury Pte. Ltd. with contractual amount of USD 50 million. Sum equivalent of balance at 31 December 2025 is UZS 610,285 million.
- In February of 2025 Aloqabank attracted funds of Mopane Securities PLC. with contractual amount of USD 50 million. USD 20,00 million of funds has been received during 2025 and the other part can be obtained later. Sum equivalent of balance at 31 December 2025 is UZS 240,507 million.
- In 2025, The Bank has attracted funds from Bank Sinopac with guarantee of Asian Development Bank (ADB) in total amount of almost USD 60 million (in UZS 710,116 million).
- In June 2025, the Bank has attracted funds from Kreditanstalt Fur Wiederaufbau Ipex-Bank GmbH with contractual amount of USD 15 million (in UZS 180,380 million).
- During 2025 USD 56 million amount has been attracted through Mashreqbank PSC and the bank obtained almost 30,00 million USD of it (in UZS 349,930 million). The other USD 17 million can be obtained.
- In the second half of 2025 Aloqabank attracted funds from Alubaf Arab International Bank B.S.C. with contractual amount of USD 10 million (in UZS 120,253 million).
- In December 2025 the Bank has attracted funds from First Abu Dhabi Bank with contractual amount of USD 30 million. Sum equivalent of balance at 31 December 2025 is UZS 360,760 million.
- In the second half of 2025 Aloqabank attracted funds from Banca Popolare Di Sondrio with contractual amount of USD 20,50 million. Sum equivalent of balance at 31 December 2025 is UZS 246,519 million.

As at 31 December 2025 borrowings from international financial institutions included the following significant balances:

- In December 2024, the Bank has attracted funds from Cargill Financial Services International, Inc. with contractual amount of USD 14 million (in UZS 180,887 million) and another USD 16 million (in UZS 206,727 million) in May 2025. As at 31 December 2025, the balance of the borrowing is UZS 986,005 million.
- EUR denominated borrowings were attracted from Commerzbank to finance import of goods from OECD countries to Uzbekistan by Uzbek companies. As at 31 December 2025, the balance of the borrowing is UZS 445,992 million (2024: UZS 485,147 million).

As at 31 December 2025 borrowings from domestic financial institutions included the following significant balances:

- UZS denominated borrowing from Uzbekistan Fund for Reconstruction and Development was obtained in 2020, 2021, 2023, 2024 and 2025 for the financing of projects in services sector and project of young entrepreneurs. Borrowings will mature from 2027 to 2034. The balance of the borrowings of 31 December 2025 is UZS 763,660 million (2024: UZS 528,931 million).
- In 2020-2021 JICA (Japan International Cooperation Agency) provided credit line in US dollars (USD) and Uzbek soums to finance agricultural projects with contractual amount of JPY 540,000,000 equivalent to the Bank. The balance of the borrowing as of 31 December 2025 is UZS 55,927 million (2024: UZS 60,090 million) in USD and UZS 3,600 million (2024: UZS 3,600 million) in UZS maturing by December 2044. In addition, balance of JICA increase under agreement JICA-UZB-P-F-1 for amount USD 9 million. The balance of the borrowing as of 31 December 2025 in UZS 75,735 million maturing by December 2037.
- The Bank has funds attracted from the Ministry of Finance of the Republic of Uzbekistan during the period 2018–2025, with their total outstanding balance in UZS 1,450,062 (2024: UZS 1,532,027) as of 31 December 2025.

As of 31 December 2025, and 31 December 2024 and throughout the years then ended, the Group was in compliance with all covenants on the above loan facilities.

The maturity analysis is disclosed in Note 31. Refer to Note 33 for disclosure of the fair value of other borrowed funds and Note 36 for information on related party balances.

20. SUBORDINATED DEBT

	31 December 2025	31 December 2024
Subordinated debt	1,513,089	171,731
Total subordinated debt	**1,513,089**	**171,731**

During reporting period, the Group attracted subordinated debt financing from UFRD based on Presidential Decree No.62 dated 14 February 2025 "On measures to develop youth entrepreneurship and ensuring employment" with amount of UZS 1,300,395 million and interest rate of CBU refinancing rate (14% as of reporting date). Refer to Note 33 for the disclosure of the fair value of subordinated debt and Note 36 for information on related party balances.

21. OTHER LIABILITIES

	31 December 2025	31 December 2024 (restated)
Other financial liabilities		
Accounts payable for services	109,471	81,379
Accounts payable for construction	88,328	85,751
Lease liabilities	22,958	12,435
Liabilities on money transfers of individuals	9,731	17,277
Provision for Bank's guarantees and letters of credit	2,823	2,522
Dividends payable	-	798
Other	9,373	7,734
Total other financial liabilities at AC	**242,684**	**207,896**
Other financial liabilities at FVTPL		
Derivatives	-	8,885
Total other financial liabilities	**242,684**	**216,781**
Other non-financial liabilities		
Settlements with employees	19,737	39,679
Other tax payables	4,025	108,019
Other	11,028	3,618
Total other non-financial liabilities	**34,790**	**151,316**
Total other liabilities	**277,474**	**368,097**

Accounts payable for services mainly comprise balances payable to payment service organizations and other service providers. These balances are non-interest bearing and are short-term in nature.

22. SHARE CAPITAL

	Number of outstanding shares, in millions	Ordinary shares	Preference shares	Share premium	Total
At 1 January 2024	**9,845**	**1,191,013**	**2,253**	**3,912**	**1,197,178**
Stock split effect	1,181,399	-	-	-	-
Issue of new shares	500,000	500,000	-	-	500,000
Capitalization of dividends	826,979	825,542	1,437	-	826,979
At 31 December 2024	**2,518,223**	**2,516,555**	**3,690**	**3,912**	**2,524,157**
Issue of new shares	314,661	314,661	-	-	314,661
At 31 December 2025	**2,832,884**	**2,831,216**	**3,690**	**3,912**	**2,838,818**

In 2025, the Group issued new ordinary shares to UFRD based on Presidential Decree No.62 dated 14 February 2025 "On measures to develop youth entrepreneurship and ensuring employment" with amount of UZS 314,661 million (nominal value – 1 UZS per share).

As at 31 December 2025, the total authorised number of ordinary shares is 3,214,533 thousand shares (2024: 2,753,845 millions shares), with a par value of UZS 1 per share (2024: UZS 1 per share). All issued ordinary shares are fully paid. Each ordinary share carries one vote. Each ordinary share carries equal right to participate in profits and obtain dividends, as declared from time to time by the general shareholders meeting, and to participate in net assets upon the entity's liquidation. The total authorized number of preference shares is 3,690 million shares (2024: 3,690 million shares), with a par value of UZS 1 per share (2024: UZS 1 per share).

In accordance with decision of Supervisory Board #92 dd 3 December 2024,the Group has issued new ordinary shares in the amount of UZS 500,000 million, of which UZS 200,000 million was paid subsequently in 2025.

At the Shareholders' meeting in August 2024, the Group declared dividends in respect of the results of 2023 in the amount of UZS 870,504 million on ordinary shares and preference shares, of which UZS 826,979 million was capitalized to Share Capital proportionally to each shareholder and the remaining UZS 43,525 million was allocated to tax on dividends. The shareholders has announced stock split of 1 to 121, thereby reducing the nominal value from UZS 121 to UZS 1 per share. In November 2024, the Group declared dividends in the amount of UZS 7,380 million on preference shares, and 1,437 million UZS amount out of total preference shares was capitalized.

Minimum annual dividends on preference shares are fixed at 40% of the nominal value and rank above ordinary dividends.

23. INTEREST INCOME AND EXPENSE

	2025	2024
Interest income calculated using the effective interest method		
Loans and advances to customers	2,856,198	2,075,923
Debt securities	405,039	264,203
Due from other banks	147,557	41,326
Total interest income calculated using effective interest method	**3,408,794**	**2,381,452**
Other similar income	5,277	1,072
Total interest income	**3,414,071**	**2,382,524**
Interest and other similar expenses		
Customer accounts	1,973,442	1,424,211
Other borrowed funds	493,337	175,256
Due to other banks	170,311	148,599
Subordinated debt	133,281	15,471
Lease liabilities	6,998	7,713
Total interest and other similar expenses	**2,777,369**	**1,771,250**
Net margin on interest and similar income	**636,702**	**611,274**

24. FEE AND COMMISSION INCOME AND EXPENSES

	2025	2024
Settlement transactions	1,022,269	737,224
Cash transactions	58,245	35,208
International money transfers	35,910	35,756
Guarantees and letters of credit issued	21,917	29,212
Foreign currency conversion services	3,427	2,603
Other	33,133	13,124
Total fee and commission income	**1,174,901**	**853,127**
Settlement transactions	887,182	619,534
Cash transactions	5,996	7,082
Foreign currency conversion services	2,623	436
Transactions with securities	2,121	1,584
Other	17,481	30,273
Total fee and commission expense	**915,403**	**658,909**
Net fee and commission income	**259,498**	**194,218**

25. OTHER OPERATING INCOME

	2025	2024 (restated)
Dividend income	8,367	1,900
Rental income from renting card transaction terminals of the Bank	-	6,587
Other	1,141	3,261
Total other operating income	**9,508**	**11,748**

26. ADMINISTRATIVE AND OTHER OPERATING EXPENSES

	2025	2024 (restated)
Staff costs	402,693	371,366
Depreciation of premises and equipment	77,865	65,150
Repairs and maintenance	74,823	47,223
Membership fees	64,123	55,759
Charity and sponsorship expenses	48,255	53,038
Loss on disposal of assets	31,889	104,641
Security service costs	30,415	25,795
Advertising costs	28,546	24,296
Taxes other than income tax	27,873	7,519
Communication expenses	20,280	12,545
Office supplies	19,008	21,447
Professional services	15,284	22,035
Insurance expenses	10,164	6,244
Short term rent expenses	9,257	2,600
Fines and penalties	2,165	-
Business trip and travel expenses	6,105	5,967
Representation expenses	5,405	8,662
Utility expenses	3,608	-
Fuel expenses	2,448	-
Other	25,511	23,725
Total administrative and other operating expenses	**905,717**	**858,012**

Staff costs. Wages, salaries, contributions to the state pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Group. The Group has no legal or constructive obligation to make pension or similar benefit payments beyond the payments to the statutory defined contribution scheme.

Included in staff costs are statutory pension contributions of UZS 40,623 million (2024: UZS 37,799 million).

27. INCOME TAXES

(a) Components of income (benefit)/tax expense

	31 December 2025	31 December 2024
Current tax expense	8,684	32,070
Deferred tax (credit) / expense:	(55,260)	10,033
- *Deferred tax (credit) / expense:*	(120,114)	10,033
- *Deferred tax expense relating to the components of other comprehensive income*	64,854	-
Total income tax (credit) / expense through profit or loss and other comprehensive income	**(46,576)**	**42,103**

(b) Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate

The income tax rate applicable to the majority of the Group's 2025 income is 20% (2024: 20%). A reconciliation between the expected and the actual taxation charge is provided below.

	31 December 2025	31 December 2024
Profit before tax	**(305,371)**	**295,018**
Theoretical tax charge at the applicable statutory rate - 20% (2024: 20%)	(61,063)	59,004
- Non-deductible expenses (donations and charities, employee benefits and other non-deductible expenses)	25,395	34,245
- Tax exempt income (income on government securities)	(83,326)	(53,795)
- Other	7,564	2,649
Income tax expense for the reporting period	**(111,430)**	**42,103**
Income tax expense relating to the components of other comprehensive income	64,854	-
Total income tax (credit) / expense through profit or loss and other comprehensive income	**(46,576)**	**42,103**

(c) Deferred taxes analysed by type of temporary difference

Differences between IFRS and statutory taxation regulations in Uzbekistan give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences is detailed below.

In millions of Uzbekistan Soums	2025	(Charged)/ credited to profit or loss	Charged to other comprehensive income	2024	(Charged)/ credited to profit or loss	2023
Tax effect of deductible/(taxable) temporary differences						
Loans and advances to customers	99,741	65,583	-	34,158	9,991	24,167
Due from banks	2,875	560	-	2,315	(158)	2,473
Premises, equipment and intangible assets	(454)	551	-	(1,005)	(7,057)	6,052
Fair value gains on investments in equity securities	(11,594)	(11,594)	-	-	-	-
Premises and equipment and intangible assets	(64,854)	-	(64,854)			
Recognition of impairment loss on investment in associate	-	837	-	(837)	(1,125)	288
Investment in debt securities: recognition of interest income using EIR method	890	479	-	411	393	18
Other assets	(3,950)	(4,458)	-	508	939	(431)
Accrual of commission expense	15,961	16,258	-	(297)	(2,099)	1,802
Other borrowed funds	295	295	-	-	(348)	348
Loss on initial recognition from interbank placement at below market terms	47,120	47,120	-	-	-	-
Difference due to accruals of bonuses and reserve for unused vacations	9,499	4,483	-	5,016	(10,569)	15,585
Net deferred tax asset/(liability)	**95,529**	**120,114**	**(64,854)**	**40,269**	**(10,033)**	**50,302**
Recognised deferred tax asset	176,381	136,166	-	43,491	12,248	50,733
Recognised deferred tax liability	(80,852)	(16,052)	(64,854)	(3,222)	(22,281)	(431)
Net deferred tax asset	**95,529**	**120,114**	**(64,854)**	**40,269**	**(10,033)**	**50,302**

28. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit or loss attributable to owners of the Bank by the weighted average number of ordinary shares in issue during the year, excluding treasury shares. The Bank has no dilutive potential ordinary shares; therefore, the diluted earnings per share equal the basic earnings per share. Earnings per share are calculated as follows:

	2025	2024
Profit /(loss) for the year attributable to the ordinary shareholders of the Bank	(194,251)	252,306
Less undistributed profit or loss for the year attributable to preference shareholders based on terms of the shares	(1,476)	(7,380)
Profit/(loss) for the year attributable to the ordinary shareholders of the Bank	(195,727)	244,926
Weighted average number of ordinary shares in issue (millions)	2,787,191	2,054,004
Total basic and diluted earnings per share attributable to the owners of the bank (expressed in UZS per share)	**(0.07)**	**0.12**

29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below sets out movements in the Group's liabilities from financing activities for each of the periods presented. The items of these liabilities are those that are reported as financing activities in the statement of cash flows.

	Liabilities arising from financing activities					
in millions of Uzbekistan Soums	Other borrowed funds	Subordinated debt	Lease liabilities	Due to other banks	Dividends paid	Total
Liabilities arising from financing activities at 1 January 2024	**3,230,591**	**160,342**	**15,310**	**-**	**-**	**3,406,243**
Proceeds from liabilities	2,259,308	-	-	92,208	-	2,351,516
Repayment of liabilities	(1,408,295)	-	(10,587)	(25,086)	-	(1,443,968)
Business combinations	296	-	-	-	-	296
Foreign exchange adjustments	59,965	7,559	-	-	-	67,524
Accrual of interest	175,256	15,471	7,712	11,859	-	210,298
Interest paid	(177,753)	(11,641)	-	(11,823)	-	(201,217)
Dividends declared	-	-	-	-	877,884	877,884
Capitalization of dividends	-	-	-	-	(826,979)	(826,979)
Dividends paid	-	-	-	-	(50,107)	(50,107)
Liabilities arising from financing activities at 1 January 2025	**4,139,368**	**171,731**	**12,435**	**67,158**	**798**	**4,391,490**
Proceeds from liabilities	5,575,213	1,300,395	28,255	5,000	1,476	6,910,339
Repayment of liabilities	(1,322,552)	(3,136)	(24,729)	-	(2,274)	(1,352,691)
Foreign exchange adjustments	(204,400)	(11,209)	-	-	-	(215,609)
Accrual of interest	492,265	134,353	6,997	17,599	-	651,214
Interest paid	(430,485)	(79,045)		(17,641)	-	(527,171)
Liabilities arising from financing activities at 31 December 2025	**8,249,409**	**1,513,089**	**22,958**	**72,116**	**-**	**9,857,572**

30. BUSINESS COMBINATIONS

Business combinations. The acquisition method of accounting is used to account for the acquisition of subsidiaries. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued and liabilities incurred or assumed, including the fair value of assets or liabilities from contingent consideration arrangements, but excludes acquisition related costs such as advisory, legal, valuation and similar professional services. Transaction costs related to the acquisition of and incurred for issuing equity instruments are deducted from equity; transaction costs incurred for issuing debt as part of the business combination are deducted from the carrying amount of the debt and all other transaction costs associated with the acquisition are expensed.

On 20 March 2024 the Group acquired 99.5% of the share capital of "Chust Poyafzal" LLC through its subsidiary "Aloqa Aktiv" LLC and obtained control through its ability to cast a majority of votes in the general meeting of shareholders.

Details of the assets and liabilities acquired are as follows:

in millions of Uzbekistan Soums	Note	Attributed fair value
Cash and cash equivalents		3
Construction in progress and office equipment		43,842
Advances paid		5,327
Other current assets		2,913
Accounts payable		(996)
Other current liabilities		(89)
Fair value of identifiable net assets of subsidiary		**51,000**
Total purchase consideration and previously held interest in the acquiree		**51,000**
Less: Cash and cash equivalents of subsidiary acquired		(3)
Outflow of cash and cash equivalents on acquisition		**(50,997)**

31. SEGMENT ANALYSIS

The Group provides mainly banking services in the Republic of Uzbekistan. The Group identifies the segment in accordance with the criteria set in IFRS 8 "Operating Segments" and based on the way the operations of the Group are regularly reviewed by the chief operating decision maker to analyse performance and allocate resources among business units of the Group.

The chief operating decision-maker ("CODM") has been determined as the Group's Chairman of the Management Board. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM regularly uses financial information based on the IFRS and profit before tax in accordance with the IFRS for operational decision-making and resource allocation.The Management has determined that the Group as a whole operates as a single operating segment being banking services based on the internal reports internal reports reviewed by CODM.

32. RISK MANAGEMENT POLICIES

The risk management function within the Group is carried out with respect to financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk. The primary function of financial risk management is to establish risk limits and to ensure that any exposure to risk stays within these limits. The operational and legal risk management functions are intended to ensure the proper functioning of internal policies and procedures in order to minimise operational and legal risks.
Risk management activities of the Bank are carried out in accordance with requirements of the Central Bank of the Republic of Uzbekistan on risk management and corporate governance in commercial banks, as well as internal Policies of the Group on risk management and limits.

Credit risk. The Group exposes itself to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.

Exposure to credit risk arises as a result of the Group's lending and other transactions with counterparties, giving rise to financial assets and off-balance sheet credit-related commitments.

The Group's maximum exposure to credit risk is reflected in the carrying amounts of financial assets on the consolidated statement of financial position. For guarantees and commitments to extend credit, the maximum exposure to credit risk is the amount of the commitment. The credit risk is mitigated by collateral and other credit enhancements.

Risk limits control and mitigation policies. The Group manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and groups, and to industries.
The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary.

Limits on the level of credit risk by product, industry sector and by country are approved quarterly by the Group Council.

Where appropriate, and in the case of most loans, the Group obtains collateral and corporate and personal guarantee. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below.

(a) ***Limits.*** The Group established a number of credit committees which are responsible for approving credit limits for individual borrowers:

On credit instruments and transactions carried out in domestic currency:
- up to UZS 2,000 million loans – under the underwriter's decision
- loans above UZS 2,000 million and less than UZS 5,000 million – based on a positive decision of the RCSC's Credit Commissions;
- loans higher than UZS 5,000 million and up to 15 (fifteen) percent of the Bank's net assets – based on a decision of the Bank Credit Committee;
- loans accounting for 15 (fifteen) percent to 50 (fifty) percent of the Bank's net assets – based on a decision of the Bank Supervisory Board;
- in the cases specified by the current legislation – based on a decision made at the General Meeting of the Bank Shareholders.

On credit instruments and transactions carried out in foreign currency:
- loans up to USD 200,000 (two hundred thousand) equivalent - under the underwriter's decision;
- loans above USD 200 000 (two hundred thousand) equivalent and less than USD 500,000 (five hundred thousand) equivalent - based on a positive decision of the RCSC's Credit Commissions;
- loans above USD 500,000 (five hundred thousand) equivalent and up to 15 (fifteen) percent of the Bank's net asset - based on a decision of the Bank Credit Committee;
- loans accounting for 15 (fifteen) percent equivalents to 50 (fifty) percent equivalent of the Bank's net assets - based on a decision of the Bank Supervisory Board;

- in the cases specified by the current legislation - based on a decision made at the General Meeting of the Bank Shareholders.

Loan applications, along with financial analysis of loan applicant which includes liquidity, profitability, interest coverage and debt service coverage ratios, originated by the relevant client relationship managers are passed on to the relevant credit committee or Group Council for approval of credit limit.

(b) Collateral. The Group employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation.

Collateral before being accepted by the Group is thoroughly analysed and physically verified, where applicable. Debt securities, treasury and other eligible bills are generally unsecured.

The principal collateral types for loans and advances are:

- Cash deposits;
- Motor vehicle;
- Guarantees of large state controlled organisations;
- Letter of surety of large state controlled organisations;
- Residential house;
- Equipment;
- Building; and
- Insurance policy of large state companies.

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured.

(c) Concentration of risks of financial assets with credit risk exposure. The Group's management focuses on concentration risk:

- The maximum risk to single borrower of group of affiliated borrowers shall not exceed 25 percent of the Bank's tier 1 capital. (Refer to the Notes 4 and 31);
- Total amount of unsecured credits shall not exceed 5 percent of Bank's tier 1 capital;
- Total amount of all large credits cannot exceed Bank's tier 1 capital by more than 5 times; and
- Total loan amount to related party shall not exceed 50 percent Bank's tier 1 capital.

In order to monitor credit risk exposures, weekly reports are produced by the credit department's officers based on a structured analysis focusing on the customer's business and financial performance, which includes overdue balances, disbursements and repayments, outstanding balances and maturity of loan and as well as grade of loan and collateral. Any significant exposures against customers with deteriorating creditworthiness are reported to and reviewed by the management daily. Management monitors and follows up past due balances.

Credit risk grading system. For measuring credit risk and grading financial instruments by the amount of credit risk, the Group applies two approaches – an Internal Risk-Based (IRB) rating system or risk grades estimated by external international rating agencies (Standard & Poor's - "S&P", Fitch, Moody's).

The Group's internal credit rating grades are as follows:

Standard	1	Timely repayment of "standard" loans is not in doubt. The borrower is a financially stable company, which has an adequate capital level, high level profitability and sufficient cash flow to meet its all existing obligations, including present debt. When assessing the reputation of the borrower such factors as the history of previous repayments, marketability of collateral (movable and immovable property guarantee) are taken into consideration.
Substandard	2	As a whole, the financial position of a borrower is stable, but some unfavorable circumstances or tendencies are present, which, if not disposed of, raise some doubts about the borrower's ability to repay on time. "Standard" loans with insufficient information in the credit file or missing information on collateral could be also classified as "Substandard" loans.
Unsatisfactory	3	"Unsatisfactory" loans have obvious shortcomings, which make doubtful the repayment of the loan under the terms, envisaged by the initial agreement. For loans classified as "Unsatisfactory", the primary source of repayment is not sufficient and the Bank has to seek additional loan repayment sources, such as the sale of collateral.
Doubtful	4	"Doubtful" are loans which, in addition to having the characteristics of "Unsatisfactory" loans, have additional shortcomings, which make it doubtful that the loan will be repaid in full under the existing circumstances. The probability of incurring loss in respect of such loans is high

Bad loans	5	Loans classified as "hopeless" are considered uncollectible and have such a little value that their continuance as assets of the Bank is not worth. This classification does not mean that the loans have absolutely no likelihood of recovery, but rather means that the Bank should cease recognising such loans and make efforts to get rid of such debt through selling collateral or make every effort to collect the outstanding loan

Unsatisfactory, Doubtful and Hopeless are classified as impaired loans. Group used those classification also for Other financial assets.

External ratings are assigned to counterparties by independent international rating agencies, such as S&P, Moody's and Fitch. These ratings are publicly available. Such ratings and the corresponding range of probabilities of default ("PD") are applied for the following financial instruments: interbank placements and investments in debt securities.

Expected credit loss (ECL) measurement. ECL is a probability-weighted estimate of the present value of future cash shortfalls (i.e., the weighted average of credit losses, with the respective risks of default occurring in a given time period used as weights). An ECL measurement is unbiased and is determined by evaluating a range of possible outcomes. ECL measurement is based on four components used by the Group: Probability of Default ("PD"), Exposure at Default ("EAD"), Loss Given Default ("LGD") and Discount Rate.

EAD is an estimate of exposure at a future default date, taking into account expected changes in the exposure after the reporting period, including repayments of principal and interest, and expected drawdowns on committed facilities. The EAD on credit related commitments is estimated using Credit Conversion Factor ("CCF"). CCF is a coefficient that shows the probability of conversion of the committed amounts to an on-balance sheet exposure within a defined period. The Group's management estimates that 12-month and lifetime CCFs are materially the same. PD is an estimate of the likelihood of default to occur over a given time period. LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of the EAD. The expected losses are discounted to present value at the end of the reporting period. The discount rate represents the effective interest rate ("EIR") for the financial instrument or an approximation thereof.

Expected credit losses are modelled over a 12-month period for instruments without a significant increase in credit risk (i.e., Stage 1), and over the instrument's lifetime for those with a significant increase in credit risk or credit-impaired instruments. The lifetime period is equal to the remaining contractual period to maturity of debt instruments, adjusted for expected prepayments, if any.

For loan commitments and financial guarantee contracts, it is the contractual period over which an entity has a present contractual obligation to extend credit.

Management models Lifetime ECL, that is, losses that result from all possible default events over the remaining lifetime period of the financial instrument. The 12-month ECL, represents a portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting period, or remaining lifetime period of the financial instrument if it is less than a year.

The ECLs that are estimated by management for the purposes of these financial statements are point-in-time estimates, rather than through-the-cycle estimates that are commonly used for regulatory purposes. The estimates consider forward looking information, that is, ECLs reflect probability weighted development of key macroeconomic variables that have an impact on credit risk.

The main indicators that a debt financial instrument is credit-impaired (Stage 3) include:

For corporate and private individual borrowers and other financial instruments, except for inter-bank operations:

- the borrower is more than 90 days past due on its contractual payments;
- loan restructuring with signs of financial difficulties;
- presence of an event of impairment (default) at the reporting date, which affected the classification of other financial instruments of the debtor in the Bank as Stage 3;
- initiation/presence of legal proceedings on the borrower's debt to the Bank (bank being both as a plaintiff and a defendant).

For inter-bank operations:
- external rating of CC or below as of the reporting date;
- the borrower is more than 30 days past due on its contractual payments;
- negative information on the issuer/counterparty, including liquidation, restructuring, or reorganization due to inability to meet obligations, or catastrophic events leading to suspended operations;
- purchased or originated credit-impaired financial asset (POCI);
- cross-default on other obligations of the issuer/counterparty.

For purposes of disclosure, the Group fully aligned the definition of default with the definition of credit-impaired assets.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of three months. This period of three months has been determined based on an analysis that considers the likelihood of a financial instrument returning to default status after curing by using different possible definitions of cures.

The assessment whether or not there has been a significant increase in credit risk ("SICR") since initial recognition is performed on an individual basis. For loans issued to individuals and corporate entities and interbank loans at AC, SICR is assessed by monitoring the triggers stated below. The criteria used to identify an SICR are monitored and reviewed periodically for appropriateness by the Group's Risk Management Department. The presumption, being that there have been significant increases in credit risk since initial recognition when financial assets are more than 30 days past due, has not been rebutted.

The main factors either of which indicates that a significant increase in credit risk occurred are:

For loans issued to legal entities:
- the borrower is more than 30 days past due on its contractual payments;
- restructuring of loans, excluding clients classified as credit-impaired;
- availability of one or several alarms according to the list of alarms.

For loans to individuals and individual entrepreneurs:
- the borrower is more than 30 days past due on its contractual payments;
- restructuring of loans, excluding clients classified as credit-impaired.

For interbank operations:
- credit rating downgrade by 1-3 notches depending on the credit rating at initial recognition;
- payment delay of interest (coupon) and/or principal by more than 1 day (excluding technical delays);
- negative information about the issuer/counterparty from internal or external sources, not indicative of impairment.

The level of ECL that is recognised in these consolidated financial statements depends on whether the credit risk of the borrower has increased significantly since initial recognition. This is a three-stage model for ECL measurement. A financial instrument that is not credit-impaired on initial recognition and its credit risk has not increased significantly since initial recognition has a credit loss allowance based on 12-month ECLs (Stage 1). If a SICR since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired and the loss allowance is based on lifetime ECLs. If a financial instrument is credit-impaired, the financial instrument is moved to Stage 3 and loss allowance is based on lifetime ECLs.

The consequence of an asset being in Stage 3 is that the entity ceases to recognise interest income based on gross carrying value and applies the asset's effective interest rate to the carrying amount, net of ECL, when calculating interest income. If there is evidence that the SICR criteria are no longer met, the instrument is transferred back to Stage 1. If an exposure has been transferred to Stage 2 based on a qualitative indicator, the Group monitors whether that indicator continues to exist or has changed.

ECL for POCI financial assets is always measured on a lifetime basis. The Group therefore only recognises the cumulative changes in lifetime expected credit losses.

The Group has three approaches for ECL measurement: (i) assessment on an individual basis; (ii) assessment on a collective basis, an; (iii) assessment based on external ratings. The Group performed individual assessment of ECL for Stage 3 borrowers with the outstanding loans receivables which are above 1% of total regulatory capital of the Bank at reporting period date. As at 31 December 2024, the management assesses that threshold of UZS 34,000 million is appropriate given the size of loan portfolio and internal risk assessment procedures. The Group performs an assessment on a collective basis for the remaining loans, such as corporate and individual loans, which are not considered to be individually significant and classified in Stage 3. The Group performs assessments based on external ratings for interbank loans. ECL assessment on an individual basis is performed based on determination one of the following repayment strategies:

- "Restructuring" strategy: restructuring the loan, revising credit conditions and developing an action plan that can allow the borrower to repay the loan;
- Strategy "Realization of collateral": liquidation of a loan by selling collateral.

The choice of the most appropriate strategy is determined based on the individual situation of the borrower, its availability and consent to cooperation, the availability of opportunities to restore activity, production or the possibility of eliminating the causes that caused losses and the inability to service the debt, the availability of funds from other business lines of the borrower, value, condition of pledges regarding debt and other factors.

When assessment is performed on a collective basis, the Group analyses its exposures by segments determined on the basis of shared credit risk characteristics, such that exposures within a group have homogeneous or similar risks. The key shared credit characteristics considered are: type of customer (such as corporate or individual), product type (car loans, consumer loans etc.). The different segments also reflect differences in credit risk parameters such as PD and LGD. The appropriateness of groupings is monitored and reviewed on a periodic basis by the Risk Management Department.

In general, ECL is the sum of the multiplications of the following credit risk parameters: EAD, PD and LGD, that are defined as explained above, discounted to present value using the instrument's effective interest rate. The ECL is determined by predicting credit risk parameters (EAD, PD and LGD) for each future year over the 12-months or lifetime period for each individual exposure or collective segment. These three components are multiplied together to calculate an ECL for each future period, which is then discounted back to the reporting date and summed up. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

As at 31 December 2024, the modification of the terms and conditions of the renegotiated loans and advances to customers was not substantial and did not result in their derecognition. The Group classified them within Stage 2 and 3 and did not change their allowance for impairment from lifetime to 12-month ECLs.

Forward-looking information incorporated in the ECL models. The assessment of SICR and the calculation of ECLs both incorporate unbiased and supportable forward-looking information. The Group identified certain key economic variables that correlate with developments in credit risk and ECLs. Forecasts of economic variables (optimistic, basic, pessimistic scenario) are provided by the Group's and provide the best estimate of the expected macro-economic development over the next two years. The impact of the relevant economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact that the changes in these variables historically had on the default rates and on the components of LGD and EAD.
In addition to the base economic scenario, the Group's also provides other possible scenarios along with scenario weightings. The number of other scenarios used is set based on the analysis of each major product type to ensure that non-linearities are captured. The number of scenarios and their attributes are reassessed at each reporting date. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking into account the range of possible outcomes of which each chosen scenario is representative.

As with any economic forecast, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty, and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The key principles of calculating the credit risk parameters. Two types of PDs are used for calculating ECLs: 12-month PD and lifetime PD. 12-month PD is based on the averaging of historical migration matrices and default data, adjusted for supportable forward-looking information. Lifetime PD and lifetime migration matrices are derived through matrix multiplication (Markov chain methodology) and further adjusted for forward-looking information when available. PDs are modelled separately based on the characteristics of each portfolio segment and product type, taking into account differences in risk profiles and behavior patterns.

LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by the type of counterparty, type of the exposure (impaired or non-impaired), and the availability of collateral.

For the reporting period, the Group calculated LGD based on historical recovery statistics of defaulted loans. The Group differentiates between not credit-impaired and credit-impaired instruments, taking into account the diminishing recoveries after default over time. LGD is determined separately for corporate entities and private individuals, reflecting differences in their risk and recovery profiles.

ECL measurement for financial guarantees and loan commitments. The ECL measurement for these instruments includes the same steps as described above for on-balance sheet exposures and differs with respect to EAD calculation. The EAD is a product of credit conversion factor ("CCF") and amount of the commitment. CCF for undrawn credit lines of corporate customers, credit cards issued to individuals and for financial guarantees is defined based on statistical analysis of past exposures at default.

Principles of assessment based on external ratings. Certain exposures have external credit risk ratings and these are used to estimate credit risk parameters PD and LGD from the default and recovery statistics published by the respective rating agencies.

Market risk. The Group takes on exposure to market risks. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The Group manages its market risk through risk-based limits established by the Group Supervisory Board on the value of risk that may be accepted. The risk-based limits are subject to review by the Group Council on a quarterly basis.

Overall Group's position is split between Corporate and Retail banking positions. The exposure of Corporate and Retail banking operations to market risk is managed through the system of limits monitored by the Treasury Department on a daily basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Currency risk. Currency risk. In respect of currency risk, management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The table below summarises the Group's exposure to foreign currency exchange rate risk at the end of the reporting period:

	Monetary financial assets	Monetary financial liabilities	Derivatives	Net balance sheet position
31 December 2025				
UZS	17,428,408	19,083,477	-	(1,655,069)
US Dollars	8,348,316	8,098,975	-	249,341
Euros (EUR)	574,210	586,096	-	(11,886)
Other	66,933	49,863	-	17,070
Total	**26,417,867**	**27,818,411**	**-**	**(1,400,544)**
31 December 2024				
UZS	14,354,148	(14,372,937)	-	(18,789)
US Dollars	4,235,566	(4,380,824)	(8,888)	(154,146)
Euros (EUR)	576,127	(618,666)	-	(42,539)
Other	56,940	(35,332)	3	21,611
Total	**19,222,781**	**(19,407,759)**	**(8,885)**	**(193,863)**

The following table presents sensitivities of profit and loss to reasonably possible changes in exchange rates applied at the end of reporting period, with all other variables held constant:

	At 31 December 2025 Impact on profit or loss	At 31 December 2024 Impact on profit or loss
US Dollars strengthening by 7% (2024: 5%)	17,275	(7,707)
US Dollars weakening by 7% (2024: 5%)	(17,275)	7,707
EUR strengthening by 5% (2024: weakening by 2%)	(642)	(851)
EUR weakening by 5% (2024: strengthening by 2%)	642	851

Rates used for the above sensitivity analysis are based on the actual change of foreign exchange rates for respective currencies during each year. The exposure was calculated only for monetary balances denominated in currencies other than the functional currency of the respective entity of the Group. Impact on equity would be the same as impact on statement of profit or loss and other comprehensive income.

Interest rate risk. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken.

The table below summarizes the Group's exposure to interest rate risks. The table presents the aggregated amounts of the Group's floating rate of financial assets and liabilities at carrying amounts:

	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
31 December 2025					
Total financial assets	170,544	761,517	280,597	868,173	**2,080,831**
Total financial liabilities	74,295	60,229	67,927	2,322,459	**2,524,910**
Net interest sensitivity gap at 31 December 2025	**(96,249)**	**(701,288)**	**(212,670)**	**1,454,286**	**444,079**
31 December 2024					
Total financial assets	7,362	50,588	66,918	892,113	**1,016,981**
Total financial liabilities	(7,692)	(702,845)	(283,846)	(983,172)	**(1,977,555)**
Net interest sensitivity gap at 31 December 2024	**(330)**	**(652,257)**	**(216,928)**	**(91,059)**	**(960,574)**

As at 31 December 2025, if interest rates at that date had been 21 basis points lower (2024: 110 basis points lower) with all other variables held constant, net profit for the year would have been UZS 933 million (2024: UZS 8,458 million) higher. If interest rates at that date had been 21 basis points higher (2024: 110 basis points higher) with all other variables held constant, net profit for the year would have been UZS 933 million (2024: UZS 8,458 million) lower.

Financial liabilities with a floating rate comprise of other borrowed funds and subordinated debt, of which 26% (2024: 48%) are at floating rates.

	2025				2024			
In % p.a.	UZS	USD	EUR	Other	UZS	USD	EUR	Other
Assets								
Cash and cash equivalents	-	-	-	13%	11.5%-19%	-	-	18%
Due from other banks	0%-19%	0%-9,5%	-	0%-18%	0%-19%	0%-9.5%	-	0%-18%
Investment in debt securities	15%-23.5%	-	-	-	15%-16.81%	-	-	-
Loans and advances to customers	14%-35%	3%-15%	4%-6%	-	0%-34%	3%-16%	6%	-
Liabilities								
Due to other banks	3%-19.5%	5.5%-10%	4.2%	-	3%-20%	6.5%-10%	-	-
Customer accounts	0%-26%	0%-9%	-	-	0%-30%	0%-7%	-	-
Other borrowed funds	0%-20%	2%-11.25%	3.02%-3.24%	-	0%-18.5%	0%-9.54%	1.87%-11.4%	6.25%
Subordinated debt	14%	4.3%-5.79%	-	-	-	4.3%-6.07%	-	-
Lease liablities	22.18%	-	-	-	22.69%	-	-	-

The sign "-" in the table above means that the Group does not have the respective interest bearing assets or liabilities in the corresponding currency.

Other price risk. The Group is exposed to prepayment risk through providing fixed rate loans, including mortgages, which give the borrower the right to early repay the loans. The Group's current year profit or loss and equity at the current reporting date would not have been significantly impacted by changes in prepayment rates because such loans are carried at amortised cost and the prepayment right is at or close to the amortised cost of the loans and advances to customers (2024: no material impact). The Group is exposed to equity price risk mainly in respect of unquoted private equity investments. A minor portion of equity instruments comprises shares in locally listed entities which are not actively traded.

Geographical risk concentration. The geographical concentration of the Group's financial assets and liabilities at 31 December 2025 is set out below:

	Uzbekistan	OECD	Non-OECD	Russia	Total
Assets					
Cash and cash equivalents	3,088,323	26,320	4,700	49,674	3,169,017
Due from other banks	919,795	39,991	5,444	0	965,230
Loans and advances to customers	19,064,825	-	-	-	19,064,825
Investment in debt securities	3,113,220	-	-	-	3,113,220
Investments in equity securities	234,237	-	-	-	234,237
Other financial assets	104,858	717	-	-	105,575
Total financial assets	**26,525,258**	**67,028**	**10,144**	**49,674**	**26,652,104**
Liabilities					
Due to other banks	3,640,205	2,030	136,379	64,396	3,843,010
Customer accounts	13,970,219	-	-	-	13,970,219
Other borrowed funds	3,708,481	2,370,850	2,170,078	-	8,249,409
Subordinated debt	1,513,089	-	-	-	1,513,089
Other financial liabilities	233,486	1,202	-	7,997	242,685
Total financial liabilities	**23,065,480**	**2,374,082**	**2,306,457**	**72,393**	**27,818,412**
Net balance sheet position as 31 December 2025	**3,459,778**	**(2,307,054)**	**(2,296,313)**	**(22,719)**	**(1,166,308)**
Credit related commitments (Note 32)	**2,167,918**	-	-	-	**2,167,918**

The Group maintains a correspondent account with JSC "Asia Invest Bank", which is located in the Russian Federation and is a subsidiary of the JSC "National Bank of foreign economy of activity of Republic of Uzbekistan" which is state owned bank of Republic of Uzbekistan. JSC "Asia Invest Bank" is not subject to international sanctions, and there are no restrictions or limitations on transactions or operations conducted with this Bank. The Group monitors geopolitical developments and assesses related risks.

The geographical concentration of the Group's financial assets and liabilities at 31 December 2024 is set out below:

	Uzbekistan	OECD	Non-OECD	Russia	Total
Assets					
Cash and cash equivalents	2,478,877	48,217	21,372	33,780	2,582,246
Due from other banks	196,446	21,108	-	-	217,554
Loans and advances to customers	13,041,918	-	-	-	13,041,918
Investment in debt securities	2,178,373	-	-	-	2,178,373
Investments in equity securities	103,126	-	-	-	103,126
Other financial assets	1,202,690	-	-	-	1,202,690
Total financial assets	**19,201,430**	**69,325**	**21,372**	**33,780**	**19,325,907**
Liabilities					
Due to other banks	1,980,685	523	85,111	74,838	2,141,157
Customer accounts	12,747,607	-	-	-	12,747,607
Other borrowed funds	2,823,392	1,298,517	17,459	-	4,139,368
Subordinated debt	171,731	-	-	-	171,731
Other financial liabilities	216,781	-	-	-	216,781
Total financial liabilities	**17,940,196**	**1,299,040**	**102,570**	**74,838**	**19,416,644**
Net balance sheet position as 31 December 2024	**1,261,234**	**(1,229,715)**	**(81,198)**	**(41,058)**	**(90,737)**
Credit related commitments (Note 32)	**1,844,421**	-	-	-	**1,844,421**

Other risk concentrations. Management monitors and discloses concentrations of credit risk by obtaining reports listing exposures to borrowers with aggregated loan balances in excess of 10% of net assets. Refer to Note 9.

Liquidity risk. Liquidity risk is defined as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group is exposed to daily calls on its available cash resources from overnight deposits, current accounts, maturing deposits, loan draw downs, guarantees. The Group does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. Liquidity risk is managed by the Resources Management Committee of the Group.

The Group seeks to maintain a stable funding base comprising primarily amounts due to other banks, corporate and retail customer deposits and invest the funds in inter-bank placements of liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements. The liquidity management of the Group requires considering the level of liquid assets necessary to settle obligations as they fall due; maintaining access to a range of funding sources; maintaining funding contingency plans and monitoring balance sheet liquidity ratios against regulatory requirements. The Group calculates liquidity ratios on a monthly basis in accordance with the requirement of the Central Bank of Uzbekistan. These ratios are calculated using figures based on National Accounting Standards.

The Treasury Department receives information about the liquidity profile of the financial assets and liabilities.The Treasury Department then provides for an adequate portfolio of short-term liquid assets, largely made up of short-term liquid trading securities, deposits with banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Group as a whole. The daily liquidity position is monitored and regular liquidity stress testing under a variety of scenarios covering both normal and more severe market conditions is performed by the Treasury Department.

The table below shows liabilities at 31 December 2025 by their remaining contractual maturity. The amounts of liabilities disclosed in the maturity table are the contractual undiscounted cash flows. These undiscounted cash flows differ from the amount included in the statement of financial position because the statement of financial position amount is based on discounted cash flows. Financial derivatives are included at the contractual amounts to be paid or received, unless the Group expects to close the derivative position before its maturity date in which case the derivatives are included based on the expected cash flows. The undiscounted maturity analysis of financial instruments at 31 December 2025 is as follows:

	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Liabilities					
Due to other banks	2,245,794	412,875	115,215	1,432,072	**4,205,956**
Customer accounts	5,134,004	2,852,820	3,015,785	8,034,586	**19,037,195**
Other borrowed funds	230,537	2,269,900	1,275,797	7,851,795	**11,628,029**
Subordinated debt	75,989	84,837	99,311	2,650,669	**2,910,806**
Other financial liabilities	229,805	9,261	10,386	4,683	**254,135**
Guarantees issued	708,010	-	-	-	**708,010**
Import credit lines	80,215	-	-	-	**80,215**
Undrawn credit lines	1,379,693	-	-	-	**1,379,693**
Total potential future payments for financial obligations	**10,084,047**	**5,629,693**	**4,516,494**	**19,973,805**	**40,204,039**

The undiscounted maturity analysis of financial instruments at 31 December 2024 is as follows:

	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Liabilities					
Due to other banks	1,230,525	271,116	575,144	260,745	**2,337,530**
Customer accounts	4,395,123	2,410,339	3,080,281	6,294,687	**16,180,430**
Other borrowed funds	56,282	1,043,671	758,432	4,214,384	**6,072,769**
Subordinated debt	1,120	5,810	10,690	288,148	**305,768**
Other financial liabilities	209,284	12,516	4,187	7,693	**233,680**
Guarantees issued	835,571	-	-	-	**835,571**
Import credit lines	-	-	193,365	-	**193,365**
Undrawn credit lines	815,485	-	-	-	**815,485**
Total potential future payments for financial obligations	**7,543,390**	**3,743,452**	**4,622,099**	**11,065,657**	**26,974,598**

The total outstanding contractual amount of commitments to extend credit as included in the above maturity table does not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded.

When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the reporting date. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period. Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment disclosed in the below maturity analysis, because the Group does not generally expect the third party to draw funds under the agreement. The total outstanding contractual amount of commitments to extend credit as included in the above maturity table does not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded.

Customer accounts are classified in the below analysis based on contractual maturities. However, in accordance with Uzbekistan Civil Code, individuals have a right to withdraw their deposits prior to maturity if they forfeit their right to accrued interest.

The Group does not use the above maturity analysis based on undiscounted contractual maturities of assets, liabilities and contingent liabilities to manage liquidity. Instead, the Group monitors expected maturities and the resulting expected liquidity gap as at 31 December 2025 as follows:

	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Assets					
Cash and cash equivalents	3,169,017	-	-	-	3,169,017
Due from other banks	65,908	5,942	16,997	876,383	965,230
Loans and advances to customers	950,417	4,301,244	3,291,937	10,521,227	19,064,825
Investment in debt securities	776,182	109,485	121,319	2,106,234	3,113,220
Investments in equity securities	-	-	-	234,237	234,237
Other financial assets	105,575	-	-	-	105,575
Total assets	**5,067,099**	**4,416,671**	**3,430,253**	**13,738,081**	**26,652,104**
Liabilities					
Due to other banks	2,217,228	324,888	12,357	1,288,537	3,843,010
Customer accounts	4,973,492	2,160,945	2,393,063	4,442,719	13,970,219
Other borrowed funds	173,774	1,999,770	1,015,453	5,060,412	8,249,409
Subordinated debt	59,137	5,019	5,019	1,443,914	1,513,089
Other financial liabilities	221,417	7,695	9,354	4,218	242,684
Guarantees issued	708,010	-	-	-	708,010
Import credit lines	80,215	-	-	-	80,215
Undrawn credit lines	1,379,693	-	-	-	1,379,693
Total potential future payments for financial obligations	**9,812,966**	**4,498,317**	**3,435,246**	**12,239,800**	**29,986,329**
Net liquidity gap	**(4,745,867)**	**(81,646)**	**(4,993)**	**1,498,281**	**(3,334,225)**
Cumulative liquidity gap at 31 December 2025	**(4,745,867)**	**(4,827,513)**	**(4,832,506)**	**(3,334,225)**	

The Group's expected liquidity gap is negative as at 31 December 2025. Management regularly performs stress tests to assess the potential outcomes due to liquidity mismatches and evaluates results to prepare action plans. In addition, Central Bank monitors Bank's compliance with prudential ratios.

The prudential ratios include Liquidity coverage ratio, and the Bank's liquidity position was in compliance with the required minimum as at 31 December 2025.

Management believes that in spite of a substantial portion of customer accounts is on demand, the fact that significant portion of these customer accounts are of large state controlled telecommunication entities which are either the Group's shareholders or related entities under common control and the past experience of the Group, indicate that these customer accounts provide a long-term and stable source of funding for the Group. Refer to Note 4 for critical judgements and key sources of estimation uncertainty.

The maturity analysis of financial instruments at 31 December 2024 is as follows:

	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Assets					
Cash and cash equivalents	2,582,246	-	-	-	**2,582,246**
Due from other banks	31,121	32,180	-	154,253	**217,554**
Loans and advances to customers	721,335	2,763,474	2,153,492	7,403,617	**13,041,918**
Investment in debt securities	-	491,509	376,087	1,310,777	**2,178,373**
Investments in equity securities	-	-	-	103,126	**103,126**
Other financial assets	1,202,690	-	-	-	**1,202,690**
Total assets	**4,537,392**	**3,287,163**	**2,529,579**	**8,971,773**	**19,325,907**
Liabilities					
Due to other banks	1,217,971	228,940	532,351	161,895	**2,141,157**
Customer accounts	4,239,404	1,727,314	2,501,651	4,279,238	**12,747,607**
Other borrowed funds	30,469	923,917	634,144	2,550,838	**4,139,368**
Subordinated debt	-	3,829	-	167,902	**171,731**
Other financial liabilities	207,896	8,885	-	-	**216,781**
Guarantees issued	835,571	-	-	-	**835,571**
Import credit lines	-	-	193,365	-	**193,365**
Undrawn credit lines	815,485	-	-	-	**815,485**
Total potential future payments for financial obligations	**7,346,796**	**2,892,885**	**3,861,511**	**7,159,873**	**21,261,065**
Net liquidity gap	**(2,809,404)**	**394,278**	**(1,331,932)**	**1,811,900**	**(1,935,158)**
Cumulative liquidity gap at 31 December 2024	**(2,809,404)**	**(2,415,126)**	**(3,747,058)**	**(1,935,158)**	

The above analysis is based on remaining maturities.

33. COMMITMENTS AND CONTINGENCIES

Legal proceedings. From time to time and in the normal course of business, claims against the Group are received. On the basis of its own estimates and both internal and external professional advice Management is of the opinion that no material losses will be incurred in respect of claims and accordingly no provision has been made in these consolidated financial statements.

Compliance with covenants. The Group is subject to certain covenants primarily relating to its borrowings. Non-compliance with such covenants may result in negative consequences for the Group including early repayment of borrowings. Management believes that the Group was in compliance with covenants at 31 December 2025 and 31 December 2024.

Covenants of the Bank's loan agreements with ICD. The Group is subject to certain covenants in regards to its Line of Financing Agreement with Islamic Corporation for the Development of the Private Sector (the "ICD") with the purpose to finance investment projects of small and medium sized enterprises within the Republic of Uzbekistan. The Bank has the authority to act as the ICD's agent to utilize the line of financing not exceeding USD 30,000 thousand (in UZS equivalent: UZS 360,759 million) for the purpose of investing in the ICD's eligible projects and thus the outstanding balances are accounted for in the credit related commitments under guarantees issued.

Covenants of the Bank's loan agreements with ITFC. The Group is subject to certain covenants in regards to its Line of Trade Financing Agreement with International Islamic Trade Finance Corporation (the "ITFC") with the purpose to finance investment projects of small and medium sized enterprises within the Republic of Uzbekistan. The Bank has the authority to act as the ITFC's agent to utilize the line of financing not exceeding USD 20,000 thousand (in UZS equivalent: UZS 240,506 million) for the purpose of investing in the ITFC's eligible projects and thus the outstanding balances are accounted for in the credit-related commitments under guarantees issued.

Credit related commitments. The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit, which represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by the Group on behalf of a customer authorizing a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions, are collateralized by the underlying shipments of goods to which they relate or cash deposits and, therefore, carry less risk than a direct borrowing.

Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments, if the unused amounts were to be drawn down. However, the likely amount of loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards.

The Group monitors the term to maturity of credit related commitments, because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments. Outstanding credit related commitments are as follows:

	Note	31 December 2025	31 December 2024
Guarantees issued		708,010	835,645
Letters of credit		80,215	195,297
Loan commitments		1,379,693	817,164
Total gross credit related commitments		**2,167,918**	**1,848,106**
Less: Provision for guarantees issued	21	(371)	(74)
Less: Provision for letter of credits	21	-	(769)
Less: Provision for loan commitments	21	(2,452)	(1,679)
Less: Commitment collateralized by cash deposits		(51,767)	(92,763)
Total credit related commitments, net of provision and cash covered exposures		**2,113,328**	**1,752,821**

The quality of contingencies and commitments for 2025:

	Loan commitments			Guarantees issued			Letters of credit			TOTAL
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross amount as at 31 December 2024	**817,164**	**-**	**-**	**749,274**	**86,371**	**-**	**195,297**	**-**	**-**	**1,848,106**
- Transfer from stage 1	(6,660)	-	6,660	-	-	-	-	-	-	-
- Transfer from stage 2	-	-	-	79,612	(79,612)	-	-	-	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	-	-	-
Changes due to modifications that did not result in derecognition	(173,681)	-	(648)	(89,357)	-	-	-	-	-	(263,686)
New issued or acquired	1,302,176	704	2,876	342,504	-	-	80,215	-	-	1,728,475
Matured or derecognized (except for write off)	(566,794)	-	-	(340,164)	(6,759)	-	(195,297)	-	-	(1,109,014)
Foreign exchange differences	(2,104)	-	-	(33,859)	-	-	-	-	-	(35,963)
Gross amount as at 31 December 2025	**1,370,101**	**704**	**8,888**	**708,010**	**-**	**-**	**80,215**	**-**	**-**	**2,167,918**

	Loan commitments			Guarantees issued			Letters of credit			
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance for ECL as at 31 December 2024	**1,679**	**-**	**-**	**69**	**5**	**-**	**769**	**-**	**-**	**2,522**
- Transfer from stage 1	-	-	-	-	-	-	-	-	-	-
- Transfer from stage 2	-	-	-	5	(5)	-	-	-	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	-	-	-
Changes due to modifications that did not result in derecognition	(323)	-	483	166	-	-	-	-	-	326
New issued or acquired	1,831	3	83	144	-	-	-	-	-	2,061
Matured or derecognized (except for write off)	(1,300)	-	-	(8)	-	-	(769)	-	-	(2,077)
Foreign exchange differences	(4)	-	-	(5)	-	-	-	-	-	(9)
Loss allowance for ECL as at 31 December 2025	**1,883**	**3**	**566**	**371**	**-**	**-**	**-**	**-**	**-**	**2,823**

The quality of contingencies and commitments for 2024:

	Loan commitments			Guarantees Issued			Letters of credit			TOTAL
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross amount as at 31 December 2023	**278,162**	**48,975**	**2**	**622,190**	**-**	**-**	**161,237**	**-**	**-**	**1,110,566**
- Transfer from stage 1	-	-	-	(86,371)	86,371	-	-	-	-	-
- Transfer from stage 2	14,376	(14,376)	-	-	-	-	-	-	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	-	-	-
New issued or acquired	804,092	-	-	461,116	-	-	186,568	-	-	1,451,776
Matured or derecognized (except for write off)	(279,466)	(34,599)	(2)	(247,661)	-	-	(152,508)	-	-	(714,236)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
Gross amount as at 31 December 2024	**817,164**	**-**	**-**	**749,274**	**86,371**	**-**	**195,297**	**-**	**-**	**1,848,106**

	Loan commitments			Guarantees Issued			Letters of credit		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL
Loss allowance for ECL as at 31 December 2023	**1,582**	**608**	**1**	**61**	**-**	**-**	**577**	**-**	**-**	**2,829**
- Transfer from stage 1	-	-	-	(5)	5	-	-	-	-	-
- Transfer from stage 2	86	(86)	-	-	-	-	-	-	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	-	-	-
New issued or acquired	1,662	-	-	50	-	-	738	-	-	2,450
Matured or derecognized (except for write off)	(1,651)	(522)	(1)	(37)	-	-	(546)	-	-	(2,757)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
Loss allowance for ECL as at 31 December 2024	**1,679**	**-**	**-**	**69**	**5**	**-**	**769**	**-**	**-**	**2,522**

34. FAIR VALUE

IFRS defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a measurement date.
Fair value measurements are analyzed by level in the fair value hierarchy as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Management applies judgement in categorizing financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.Financial assets and financial liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurements. The Management's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy.

The Group considers that the accounting estimate related to the valuation of financial instruments where quoted markets prices are not available is a key source of estimation uncertainty because: (i) it is highly susceptible to changes from year to year, as it requires the Management to make assumptions about interest rates, volatility, exchange rates, the credit rating of the counterparty, valuation adjustments and specific features of transactions and (ii) the impact that recognizing a change in the valuations would have on the assets reported on the consolidated statement of financial position, as well as, the related profit or loss reported on the consolidated statement of profit or loss, could be material.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting year. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Fair value as at					
Financial assets/financial liabilities	**31 December 2025**	**31 December 2024**	**Fair value hierarchy**	**Valuation model(s) and key input(s)**	**Significant unobservable input(s)**	**Relationship of unobservable inputs to fair value**
- JSC Uztelecom	12,721	9,168	Level 1	Quoted bid prices in local stock exchange	N/A	N/A
- JSC Alskom	7,950	5,387	Level 1	Quoted bid prices in local stock exchange	N/A	N/A
Investment property	343,927	-	Level 3	Market comparables approach	Price per sq.m., demolition costs	The higher price/the smaller cost - higher fair value
- Other investments in equity securities	213,566	88,571	Level 3	Market and Replacement cost approach	Discount rate, future cash flows	The greater discount- the smaller fair value
- Other financial liabilities	-	8,885	Level 2	Discounted cash flows. Discount rate estimated based on constructed build up curves	Discount rate	The greater discount- the smaller fair value

Other investments in equity securities are those without quoted market prices in an active market, mainly represented by venture investments made by two venture investment subsidiaries of the Bank, Aloqa Ventures and Aloqa Ventures-2 LLC. The Management have used the Asset based valuation approach focused on investment company's net assets value (NAV) and dividend discount model for calculation of FV amount of equity securities. For dividend discount model, the Management built its expectation based on previous experience of dividends received on financial assets at fair value through profit and loss over multiple years, and accordingly calculated the value of using the average rate of return on investments. The Management believes that such approach accurately reflects the fair value of these securities, given they are not traded. Such financial instruments were categorized as Level 3.

Fair value of investment property is assessed by management based on valuation techniques namely market comparables approach supported by observable market data and updated assumptions. Independent external valuers are engaged in determination of investment property fair value. Key unobservable inputs include adjusted unit prices ranging from

UZS 4,222,935 to 4,844,043 per square meter. The valuation incorporates adjustments for location. A 5% change in adjusted unit prices would result in an approximately 5% change in fair value.

Management believes that the fair values determined at each reporting date are reasonable and reflective of current market conditions.

Fair values analyzed by level in the fair value hierarchy and carrying value of assets and liabilities not measured at fair value at 31 December 2025 are as follows:

	Level 1	Level 2	Level 3	Carrying value
Cash and cash equivalents	3,169,017	-	-	3,169,017
Due from other banks	-	965,230	-	965,230
Loans and advances to customers, including finance lease receivables	-	-	19,064,825	19,064,825
Investment in debt securities	-	-	3,113,220	3,113,220
Other financial assets	-	-	105,575	105,575
TOTAL	**3,169,017**	**965,230**	**22,283,620**	**26,417,867**
	Level 1	**Level 2**	**Level 3**	**Carrying value**
Due to other banks	-	211,658	3,631,352	3,843,010
Customer accounts	-	4,639,511	9,330,708	13,970,219
Other borrowed funds	-	8,249,409	-	8,249,409
Subordinated debt	-	-	1,513,089	1,513,089
Other financial liabilities	-	-	230,295	230,295
TOTAL	**-**	**13,100,578**	**14,705,444**	**27,806,022**

Fair values analyzed by level in the fair value hierarchy and carrying value of assets and liabilities not measured at fair value at 31 December 2024 are as follows:

	Level 1	Level 2	Level 3	Carrying value
Cash and cash equivalents	2,582,246	-	-	**2,582,246**
Due from other banks	-	217,554	-	**217,554**
Loans and advances to customers, including finance lease receivables	-	-	13,041,918	**13,041,918**
Investment in debt securities	-	-	2,178,373	**2,178,373**
Other financial assets	-	-	1,202,690	**1,202,690**
TOTAL	**2,582,246**	**217,554**	**16,422,981**	**19,222,781**
	Level 1	**Level 2**	**Level 3**	**Carrying value**
Due to other banks	-	221,983	1,919,174	**2,141,157**
Customer accounts	-	3,955,629	8,791,978	**12,747,607**
Other borrowed funds	-	4,139,368	-	**4,139,368**
Subordinated debt	-	-	171,731	**171,731**
Other financial liabilities	-	8,885	207,896	**216,781**
TOTAL	**-**	**8,325,865**	**11,090,779**	**19,416,644**

35. MANAGEMENT OF CAPITAL

The Group manages regulatory capital as Group's capital. The Group's objectives when managing capital are to comply with the capital requirements set by the CBU, and to safeguard the Group's ability to continue as a going concern. Compliance with capital adequacy ratios set by the CBU is monitored monthly with reports outlining their calculation reviewed and signed by the Chairman and Chief Accountant.

Under the current capital requirements set by the CBU, banks are required to maintain capital ratios. The actual ratios presented below are derived from information provided internally to key management personnel and submitted to the CBU, which were prepared using statutory (unaudited) figures:

- Ratio of regulatory capital to risk weighted assets ("Regulatory capital ratio") above a prescribed minimum level of 13% (31 December 2024: 13%). Actual ratio as at 31 December 2025: 14.1% (31 December 2024: 13.9%);
- Ratio of Group's tier 1 capital to risk weighted assets ("Capital adequacy ratio") above a prescribed minimum level of 10% (31 December 2024: 10%). Actual ratio as at 31 December 2025: 10.1% (31 December 2024: 11.8%); and
- Ratio of Group's tier 1 capital to total assets less intangibles ("Leverage ratio") above a prescribed minimum level of 6% (31 December 2024: 6%). Actual ratio as at 31 December 2025: 10.0% (31 December 2024: 11.1%).

- Ratio of Group's core tier 1 capital to liquid assets ("CET1") above a prescribed minimum level of 8% (31 December 2024: 8%). Actual ratio as at 31 December: 10.1% (31 December 2024: 11.8%);

Based on information provided internally to key management, the Group and the Bank have complied with all externally imposed capital requirements throughout the reporting period.

Based on information provided internally to key management, total capital based on the Group's reports prepared under CBU Instructions and related instructions comprises:

	31 December 2025	31 December 2024
Tier 1 capital	3,590,485	2,887,339
Tier 2 capital	1,436,356	512,004
Total regulatory capital	**5,026,841**	**3,399,343**
Risk - weighted assets	**35,558,568**	**24,385,947**
Capital adequacy ratio	10.1%	11.8%
Regulatory capital ratio	14.1%	13.9%

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, preference shares, retained earnings excluding current year profit and less intangible assets and investment into unconsolidated entities excluding investments made to green energy companies. The other component of regulatory capital is Tier 2 capital, which includes current year profit, general reserves created for assets classified as standard and subordinated debt balances adjusted based on remaining maturity.

36. DERIVATIVE FINANCIAL INSTRUMENTS

The table below sets out fair values, at the end of the reporting period, of currencies receivable or payable under foreign exchange forward and swap contracts entered into by the Group. The table reflects gross positions before the netting of any counterparty positions (and payments) and covers the contracts with settlement dates after the end of the respective reporting period. The contracts are short term in nature:

	31 December 2025		31 December 2024	
	Contracts with positive fair value	Contracts with negative fair value	Contracts with positive fair value	Contracts with negative fair value
Foreign exchange swaps: fair values, at the end of the reporting period, of				
- CNY receivable on settlement (+)	-	-	-	176,316
- USD payable on settlement (-)	-	-	-	(183,337)
- USD receivable on settlement (+)	-	-	-	174,449
- CNY payable on settlement (-)	-	-	-	(176,313)
Net fair value of foreign exchange swaps	**-**	**-**	**-**	**(8,885)**

37. RELATED PARTY TRANSACTIONS

Parties are generally considered to be related if the parties are under common control or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. The Group applies a disclosure exemption regarding Government-related entities, where the same Government has control or joint control of, or significant influence over, both the Group and the other entities, disclosed as "entities under common control".

- "Immediate parent company" and "Other significant shareholders" – legal entities - shareholders which have a significant influence to the Group through Government;
- "Key management personnel" – members of the Management Board and the Supervisory Board of the Bank;
- "Entities under common control" – entities that are controlled, jointly controlled or significantly influenced by the Government.

The Government of the Republic of Uzbekistan, acting through the Funds for Reconstruction and Development and the Ministry of Economy and Finance of the Republic of Uzbekistan, indirectly controls the Group. The Group enters into banking transactions with Government-related entities including but not limited to lending, attracting deposits, cash settlements, obtaining borrowings etc. Transactions with related parties are settled on an arm's-length basis and recognized in the financial statements according to the same accounting policy as for similar transactions with unrelated parties.

The Group considers that the tax accruals and payments is part of government fiscal policy and therefore does not provide additional useful information for the users of the financial statements. For details please refer to Note 27.

At 31 December 2025, the outstanding balances with related parties were as follows:

	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Cash and cash equivalents	-	-	-	1,306,963	-	-	**1,306,963**
Due from other banks (contractual interest rate: 0%-10%)	-	-	-	893,461	-	-	**893,461**
Loans and advances to customers (contractual interest rate: 11.5%-29%)	-	223,013	54,847	-	155	20,898	**298,913**
Credit loss allowance	-	1,304	161	-	-	152	**1,617**
Investment in debt securities (contractual interest rate: 15%-16.5%)	-	3,064,370	-	-	-	-	**3,064,370**
Other assets	-	-		-	-	51,188	**51,188**
Due to other banks (contractual interest rate: 0%-19.5%)	-	-	-	2,165,640	-	-	**2,165,640**
Customer accounts (contractual interest rate: 6%-23%)	-	1,186,579	116,806	-	2,789	70	**1,306,244**
Other borrowed funds (contractual interest rate: 0%-14%)	771,271	2,111,538	-	-	-	-	**2,882,809**
Subordinated loans (contractual interest rate: 4.3%-14%)	1,356,258	156,831	-	-	-	-	**1,513,089**

The income and expenses with related parties for 31 December 2025 were as follows:

	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Interest income	-	423,270	16,240	131,965	65	27,951	**599,491**
Interest expense	177,098	486,629	18,255	97,432	845	-	**780,259**
Fee and commission income	-	2,650	1,775	-	-	19	**4,444**
Initial recognition adjustment on interest bearing assets	-	-	-	260,522	-	-	**260,522**
Salaries and other benefits	-	-	-	-	7,374	-	**7,374**
Social security costs	-	-	-	-	885	-	**885**

At 31 December 2024, the outstanding balances with related parties were as follows:

In millions of Uzbekistan Soums	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Cash and cash equivalents	-	-	-	1,971,055	-	-	**1,971,055**
Due from other banks	-	-	-	78,654	-	-	**78,654**
Loans and advances to customers (contractual interest rate: 1%-30%)	-	390,091	63,161	434,682	40	57,793	**945,767**
Credit loss allowance	-	(1,796)	(276)	(4,982)	-	(1,587)	**(8,641)**
Investment in debt securities	-	2,178,373	-	-	-	-	**2,178,373**
Other assets		899,568	-	-	-	-	**899,568**
Due to other banks (contractual interest rate: 6.5%-18%)	-	-	-	804,580	-	-	**804,580**
Customer accounts (contractual interest rate: 2%-22%)	-	1,418,697	77,301	2,567,169	10,293	-	**4,073,460**
Other borrowed funds (contractual interest rate: 0%-14.5%)	714,772	1,537,253	-	571,367	-	-	**2,823,392**
Subordinated loans (contractual interest rate: 4.3%-6.07%)		171,731	-	-	-	-	**171,731**

The income and expenses with related parties for ended 31 December 2024 were as follows:

	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Interest income	-	337,944	5,576	78,642	41	19,923	**442,126**
Interest expense	44,143	140,246	-	1,131,022	452	-	**1,315,863**
Gain on disposal of property and equipment	-	-	-	508,158	-	-	**508,158**
Fee and commission income	-	3,278	1,106	-	-	15	**4,399**
Salaries and other benefits	-	-	-	-	10,642	-	**10,642**
Social security costs	-	-	-	-	1,269	-	**1,269**

Key management compensation is presented below:

	31 December 2025	31 December 2024
Salaries	5,162	7,449
Other benefits	2,212	3,193
Social security contributions	885	1,269

The Uzbekistan government has control over the Group. The Group decided to apply the exemption from disclosure of individually insignificant transactions and balances with the government and parties that are related to the entity because the Uzbek state has control, joint control or significant influence over such party.

38. EVENTS AFTER THE END OF THE REPORTING PERIOD

Management has assessed events occurring after the reporting period up to the date of authorization of these consolidated financial statements. No material adjusting or non-adjusting events have occurred after the reporting period that would require adjustment to, or disclosure in, these consolidated financial statements.

Subsequent to the reporting date, management of the Group has been monitoring developments related to the conflict in the Middle East, including risks associated with the Strait of Hormuz and the resulting volatility in global financial and commodity markets, and is assessing their potential impact on the Group. However, as at the date of approval of these consolidated financial statements, no material impacts have been identified.

39. ABBREVIATIONS

The list of the abbreviations used in these consolidated financial statements is provided below:

Abbreviation	Full name
AC	Amortised Cost
CET1	Common Equity Tier 1
EAD	Exposure at Default
ECL	Expected Credit Loss
EIR	Effective Interest Rate
FVOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
FX, Forex	Foreign Currency Exchange
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standard
LGD	Loss Given Default
PD	Probability of Default
SICR	Significant Increase in Credit Risk
UFRD	Uzbekistan Fund for Reconstruction and Development

JOINT - STOCK COMMERCIAL "ALOQABANK"

Consolidated Financial Statements and Independent Auditor's Report

31 December 2023

CONTENTS

Independent Auditor's Report

Consolidated Financial Statements

Consolidated Statement of Financial Position 1
Consolidated Statement of Profit or Loss and Other Comprehensive Income 2
Consolidated Statement of Changes in Equity 3
Consolidated Statement of Cash Flows 4

Notes to the Consolidated Financial Statements

1 Introduction 5
2 Operating Environment of the Group 6
3 Material Accounting Policies information 7
4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies 16
5 Adoption of New or Revised Standards and Interpretations 19
6 New Accounting Pronouncements 19
7 Cash and Cash Equivalents 20
8 Due from Other Banks 21
9 Loans and Advances to Customers 23
10 Investment in Debt Securities 39
11 Investment in Equity Securities 39
12 Investment in Associates and Joint Ventures 40
13 Other Assets 42
14 Premises, Equipment, Intangible Assets and Right of use Assets 43
15 Due to Other Banks 44
16 Customer Accounts 44
17 Other Borrowed Funds 45
18 Other Liabilities 46
19 Subordinated Debt 46
20 Share Capital 46
21 Interest Income and Expense 47
22 Fee and Commission Income and Expense 47
23 Other Operating Income 48
24 Administrative and Other Operating Expenses 48
25 Income Taxes 48
26 Reconciliation of Liabilities Arising from Financing Activities 49
27 Earnings per Share 50
28 Segment Analysis 50
29 Financial Risk Management 50
30 Management of Capital 62
31 Contingencies and Commitments 63
32 Derivative Financial Instruments 67
33 Fair Value Disclosures 67
34 Presentation of Financial Instruments by Measurement Category 69
35 Related Party Transactions 70
36 Events after the End of the Reporting Period 72
37 Abbreviations 72

pwc

Independent Auditor's Report

To the Shareholders and the Supervisory Board of Joint - stock commercial "Aloqabank":

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Joint - stock commercial "Aloqabank" (the "Bank") and its subsidiaries (together – the "Group") as at 31 December 2023, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Code of Professional Ethics for Auditors of Uzbekistan and auditor's independence requirements that are relevant to our audit of the consolidated financial statements in the Republic of Uzbekistan. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the Code of Professional Ethics for Auditors of Uzbekistan.

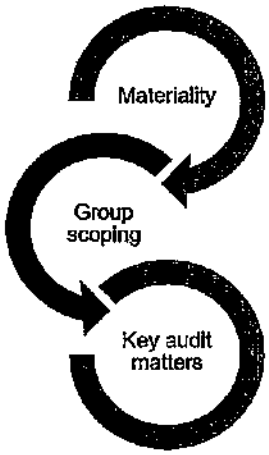
Suhrab Azimev
General Director/Certified Auditor

Audit Organization "PricewaterhouseCoopers" LLC
88A, prospekt Mustaqillik, Mirzo-Ulugbek district, Tashkent 100000, Republic of Uzbekistan
T: +998 78 120 6101, www.pwc.com/uz

pwc

Our audit approach

Overview



- Overall Group materiality: Uzbek Soums ("UZS") 23,300 million, which represents approximately 5% of profit before tax for the year 2023.

- We performed full scope audit procedures on the financial statements of the Bank and selected audit procedures on the material balances and transactions of the subsidiaries included in the consolidated financial statements of the Group.

- Assessment of expected credit loss (ECL) allowance for loans and advances to customers in accordance with IFRS 9, Financial Instruments.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the consolidated financial statements as a whole.

Overall Group materiality	UZS 23,300 million
How we determined it	We determined overall materiality as being 5% of the profit before tax for the year 2023
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark. We chose the 5% threshold as in our professional experience this is a widely accepted quantitative measure for this benchmark.

Suhrab Azimov
General Director/Certified Auditor

pwc

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of expected credit loss (ECL) allowance for loans and advances to customers in accordance with IFRS 9, *Financial Instruments* We considered assessment of ECL allowance for loans and advances to customers as a key audit matter due to the significance of ECL allowance and a complex financial reporting standard, which requires significant judgment to determine the ECL allowance. Key areas of judgement and sources of estimation uncertainty included: • Classification of loans and advances to customers into stages in accordance with IFRS 9; • Key estimates and modelling assumptions used to estimate key risk parameters – probability of default and loss given default; and • Estimated future cashflows for loans that were assessed on an individual basis. Note 3 "Material Accounting Policies Information", Note 4 "Critical Accounting Estimates, and Judgements in Applying Accounting Policies", Note 9 "Loans and Advances to Customers" and Note 29 "Financial Risk Management" to the consolidated financial statements provide detailed information on the credit loss allowance.	In assessing the ECL allowance we have performed the following audit procedures: • We involved auditor's expert to review the methodology and models for ECL provision allowance developed by the Group in order to evaluate its compliance with IFRS 9 requirements. We focused our procedures on: default definition, factors for determining "significant increase in credit risk", classification of the loans and advances to customers to stages, and estimation of key risk parameters. • We used sampling to evaluate and test the design and operating effectiveness of controls over the processes that identify overdue loans. • On a sample basis we tested segmentation and analysed significant loans and advances to corporate customers, which had not been identified by management as either having had a significant increase in credit risk or defaulted, and formed our own judgement as to whether that was appropriate. • We tested the assumptions, inputs and formulae used in ECL models for the assessment of collective allowance. This included assessing the appropriateness of model design and verifying the formulae used in calculation of the probability of default and loss given default.

Suhrab Azimov
General Director/Certified Auditor

Key audit matter	How our audit addressed the key audit matter
	• To verify data accuracy and quality, on a sample basis, we tested the data used in the ECL calculation by reconciling to source data, e.g., loan portfolio, loan agreements, collateral agreements, • We performed detailed analytical procedures over the ECL calculation disaggregated by stages, segments, currency, and years to maturity. • For those loans assessed individually, on a sample basis, we assessed the Group's estimation of expected future cash flows in various scenarios and key assumptions, including the timing of collateral collection and realisable value of collateral. We assessed the relevance of the scenarios used and their probability, and calculation of the present value of cash flows. • We assessed the accuracy and appropriateness of disclosures in accordance with IFRS 7.

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group consists of the Bank, five subsidiaries, six associates and one joint venture. Our audit procedures included full scope audit of the Bank's financial statements. The Bank represents about 99% of the Group's total assets and total comprehensive income for the year ended 31 December 2023. In respect of subsidiaries, we focused our audit work on the balances and transactions that were significant for the Group.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Suhrab Azimov
General Director/Certified Auditor

pwc

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Suhrab Azimov
General Director/Certified Auditor

pwc

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Report of findings from procedures performed in accordance with the requirements of the Law No. 580, dated 5 November 2019, On Banks and Banking Activity

Management is responsible for the Bank's compliance with prudential ratios and for maintaining internal controls and organizing risk management systems in accordance with the requirements established by the Central Bank of the Republic of Uzbekistan.

In accordance with Article 74 of the Law No. 580, dated 5 November 2019, On Banks and Banking Activity (the "Law"), we have performed procedures to check:

- the Bank's compliance with prudential ratios as at 31 December 2023 established by the Central Bank of the Republic of Uzbekistan;
- whether the elements of the Bank's internal control and organization of its risk management systems comply with the requirements established by the Central Bank of the Republic of Uzbekistan.

These procedures were selected based on our judgment, and were limited to the analysis, inspection of documents, comparison of the Bank's internal policies, procedures and methodologies with the applicable requirements established by the Central Bank of the Republic of Uzbekistan, and recalculations, comparisons and reconciliations of numerical data and other information.

We have not performed any procedures on the accounting records maintained by the Group, other than those which we considered necessary to enable us to express an opinion as to whether the Group's consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the IFRS Accounting Standards.

Our findings from the procedures performed are reported below.

Based on our procedures with respect to the Bank's compliance with the prudential ratios established by the Central Bank of the Republic of Uzbekistan, we found that the Bank's prudential ratios, as at

Suhrab Azimov
General Director/Certified Auditor

pwc

31 December 2023, were within the limits established by the Central Bank of the Republic of Uzbekistan except for the following prudential ratios:

- Maximum exposure to a single borrower or group of related borrowers to Tier 1 Capital;
- Maximum exposure to a real estate investment ratio.

Based on our procedures with respect to whether the elements of the Bank's internal control and organization of its risk management systems comply with the requirements established by the Central Bank of the Republic of Uzbekistan, we found that:

- As at 31 December 2023, the Bank's internal audit function was subordinated to, and reported to, the Supervisory Board, and the risk management function was not subordinated to, and did not report to, divisions taking relevant risks in accordance with the regulations and recommendations issued by the Central Bank of the Republic of Uzbekistan.
- The frequency of reports prepared by the Bank's internal audit function during 2023 was in compliance with the requirements of the Central Bank of the Republic of Uzbekistan. The reports were approved by the Bank's Supervisory Board and included observations made by the Bank's internal audit function in respect of internal control systems;
- As at 31 December 2023 the Bank has the established Information security function as required by the Central Bank of the Republic of Uzbekistan, and the Information security policy was approved by the Bank's management board. Information security function was subordinated to, and reported directly to, the Chairman of the Management Board.
- Reports by the Bank's Information security function to the Chairman of the Management Board during 2023 included assessment and analysis of information security risks, and results of actions to manage such risks.
- The Bank's internal documentation, effective on 31 December 2023, establishing the procedures and methodologies for identifying and managing the Bank's significant risks: credit risk, liquidity risk, market risk, operating risk, fraud risk, compliance risk, business disruptions and system failures/IT risk, and for stress-testing, was approved by the authorised management bodies of the Bank in accordance with the regulations and recommendations issued by the Central Bank of the Republic of Uzbekistan.
- As at 31 December 2023, the Bank maintained a system for reporting on the Bank's significant risks, and on the Bank's capital to the Central Bank of Uzbekistan.
- The frequency of reports prepared by the Bank's risk management and internal audit functions during 2023, which cover the Bank's significant risks management, was in compliance with the Bank's internal documentation. The reports included observations made by the Bank's risk management and internal audit functions as to their assessment of the Bank's significant risks, risk management system and recommendations for improvement.

Suhrab Azimov
General Director/Certified Auditor

- As at 31 December 2023, the Supervisory Board and Executive Management of the Bank had responsibility for monitoring the Bank's compliance with the risk limits and capital adequacy ratios established in the Bank's internal documentation. In order to monitor the effectiveness of the Bank's risk management procedures and their consistent application during 2023, the Supervisory Board and Executive Management of the Bank periodically discussed the reports prepared by the risk management and internal audit functions, and considered the proposed corrective actions.

Procedures with respect to elements of the Bank's internal control and organization of its risk management systems were performed solely for the purpose of examining whether these elements, as prescribed in the Law and as described above, comply with the requirements established by the Central Bank of the Republic of Uzbekistan.

Suhrab Azimov
General Director/Certified Auditor
Certificate of auditor No. 05338
dated 7 November 2015 issued by
the Ministry of Finance of Uzbekistan

Certificate of auditor No. 28
dated 25 August 2023 issued by
the Central Bank of Uzbekistan

Audit Organization "PricewaterhouseCoopers" LLC
Audit Organization "PricewaterhouseCoopers" LLC
Tashkent, Uzbekistan
21 June 2024

In millions of Uzbekistan Soums	Notes	31 December 2023	31 December 2022
ASSETS			
Cash and cash equivalents	7	1,474,301	3,064,125
Due from other banks	8	655,816	531,145
Loans and advances to customers	9	10,485,387	9,639,426
Investment in debt securities	10	217,796	790,596
Investment in equity securities	11	39,697	8,790
Investment in associates and joint ventures	12	60,501	58,781
Premises, equipment, and right of use assets	14	2,447,460	1,539,065
Intangible assets	14	44,750	57,756
Deferred income tax asset	25	50,302	28,325
Other financial assets	13	40,236	36,287
Other non-financial assets	13	261,920	112,002
TOTAL ASSETS		**15,778,166**	**15,866,298**
LIABILITIES			
Due to other banks	15	1,144,772	3,029,967
Customer accounts	16	8,518,726	7,639,532
Other borrowed funds	17	3,230,591	3,092,628
Other financial liabilities	18	223,770	93,905
Other non-financial liabilities	18	64,036	32,945
Corporate income tax liabilities		38,243	32,457
Subordinated debt	19	160,342	145,875
TOTAL LIABILITIES		**13,380,480**	**14,067,309**
EQUITY			
Share capital	20	1,197,178	956,989
Retained earnings		1,200,177	841,044
Net assets attributable to the Bank's owners		**2,397,355**	**1,798,033**
Non-controlling interest		**331**	**956**
TOTAL EQUITY		**2,397,686**	**1,798,989**
TOTAL LIABILITIES AND EQUITY		**15,778,166**	**15,866,298**

Approved for issue and signed on behalf of the Board of Management on 21 June 2024.

Irisbekova Kammuna
Acting Chairman of the Board

Odilbek Qurbonov
Acting Chief Accountant

In millions of Uzbekistan Soums	Notes	2023	2022
Interest income calculated using the effective interest method	21	1,939,857	1,508,798
Other similar income	21	2,205	1,315
Interest and similar expense	21	(1,290,102)	(957,798)
Net margin on interest and similar income		**651,960**	**552,315**
Credit loss allowance for assets carried at amortised cost	7,8,9,10,13	(129,561)	(47,561)
Net margin on interest and similar income after credit loss allowance		**522,399**	**504,754**
Fee and commission income	22	690,627	422,626
Fee and commission expense	22	(514,089)	(270,848)
Foreign exchange translation gains less losses		66,341	19,840
Net gain from trading in foreign currencies		89,708	72,389
Other operating income	23	261,229	8,059
Administrative and other operating expenses	24	(650,358)	(491,707)
Share of result from associates and JV	12	(553)	275
Profit before tax		**465,304**	**265,388**
Income tax expense	25	(106,796)	(68,182)
Profit for the year		**358,508**	**197,206**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**358,508**	**197,206**
Profit is attributable to:			
- Owners of the Bank		359,133	197,781
- Non-controlling interest		(625)	(575)
Profit for the year		**358,508**	**197,206**
Total comprehensive income is attributable to:			
- Owners of the Bank		359,133	197,781
- Non-controlling interest		(625)	(575)
Total comprehensive income for the year		**358,508**	**197,206**
Earnings per share for profit attributable to the owners of the Bank, basic and diluted (expressed in UZS per share)	27	40	25

In millions of Uzbekistan Soums	Note	Attributable to owners of the Bank			Non-controlling interest	Total equity
		Share capital	Retained earnings	Total		
Balance at 1 January 2022		**959,519**	**643,263**	**1,602,782**	**1,531**	**1,604,313**
Profit for the year		-	197,781	197,781	(575)	**197,206**
Total comprehensive income for the year		-	197,781	197,781	(575)	**197,206**
Acquisition of own shares (Note 21)	20	(2,530)	-	(2,530)	-	**(2,530)**
Balance at 31 December 2022		**956,989**	**841,044**	**1,798,033**	**956**	**1,798,989**
Profit for the year		-	359,133	359,133	(625)	**358,508**
Total comprehensive income for the year		-	359,133	359,133	(625)	**358,508**
Shares issue (Note 21)	20	240,189	-	240,189	-	**240,189**
Balance at 31 December 2023		**1,197,178**	**1,200,177**	**2,397,355**	**331**	**2,397,686**

In millions of Uzbekistan Soums	Notes	2023	2022
Cash flows from operating activities			
Interest income received calculated using the effective interest method		1,898,795	1,461,741
Other similar income received		2,205	1,315
Interest paid calculated using the effective interest method		(1,322,447)	(965,506)
Fees and commission received		692,771	422,626
Fees and commission paid		(487,583)	(270,848)
Net gains from trading in foreign currencies		89,708	72,389
Other operating income received		5,258	7,229
Staff costs paid		(368,233)	(309,394)
Administrative and other operating expenses paid		(165,479)	(147,562)
Income tax paid		(122,987)	(45,857)
Cash flows from operating activities before changes in operating assets and liabilities		**222,008**	**226,133**
Net (increase) / decrease in:			
- due from other banks		70,586	(99,449)
- loans and advances to customers		(529,392)	(1,125,226)
- other assets		(145,857)	14,320
- investments in equity securities at fair value through profit or loss		(30,907)	(5,792)
Net (decrease) / increase in:			
- due to other banks		(1,992,881)	1,322,722
- customer accounts		710,155	652,576
- other liabilities		(49,832)	25,005
Net cash (used in)/from operating activities		**(1,746,120)**	**1,010,289**
Cash flows from investing activities			
Acquisition of investments in debt securities carried at amortised cost		(1,066,403)	(2,195,805)
Proceeds from redemption of debt securities carried at amortised cost		1,645,801	1,815,160
Acquisition of premises, equipment and intangible assets	14	(707,618)	(467,042)
Proceeds from disposal of premises, equipment and intangible assets	23	111,000	-
Acquisition of associates		(2,273)	(1,107)
Net cash used in investing activities		**(19,493)**	**(848,794)**
Cash flows from financing activities			
Proceeds from share issue	20	240,189	-
Proceeds from other borrowed funds	26	1,131,889	4,516,114
Repayment of other borrowed funds	26	(1,250,411)	(3,630,308)
Repayment of principal of lease liabilities	26	(1,912)	(1,343)
Net cash from financing activities		**119,755**	**884,463**
Effect of exchange rate changes on cash and cash equivalents		**56,034**	**34,412**
Net (decrease)/increase in cash and cash equivalents		**(1,589,824)**	**1,080,370**
Cash and cash equivalents at the beginning of the year	7	3,064,125	1,983,755
Cash and cash equivalents at the end of the year	7	**1,474,301**	**3,064,125**

1 Introduction

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS Accounting Standards") for the year ended 31 December 2023 for Joint - stock commercial "Aloqabank" (the "Bank") and its subsidiaries (the "Group").

The Bank was incorporated in October 1994 and is domiciled in the Republic of Uzbekistan.

Principal activity. The Bank's principal business activity is commercial and retail banking operations within the Republic of Uzbekistan. The Bank operates under the license issued by the Central Bank of the Republic of Uzbekistan on banking operations No.48 dated 25 December 2021 (replaced license No.48 dated 21 October 2017). The Bank is also involved in commercial operations with securities, foreign currencies and originating loans and guarantee origination. The Bank accepts deposits from the public and issues loans, transfers payments in the Republic of Uzbekistan and abroad, and provides banking services for its commercial and retail customers.

The Bank operates from its Head office located in Tashkent and 88 (2022:88) regional banking service centres. Out of which 14 regional complex banking service centres (2022:14) and 74 small banking service centres (2022:74) throughout the Republic of Uzbekistan.

As of 31 December 2023 Moody's rating agency affirmed for the Bank the following ratings:

- Long-term counterparty risk rating in the foreign currency: Ba3 (2022:Ba3);
- Long term deposit in the foreign currency: B1 (2022:B1);
- Baseline Credit Assessment: B2 (2022:B2).

The registered address and place of business. The Bank's registered address is 4A, Muminov street, Mirzoulugbek district, Tashkent 100060, Republic of Uzbekistan.

Presentation currency. These consolidated financial statements are presented in Uzbekistan Soums ("UZS"), unless otherwise stated.

Shareholders. At 31 December, the interest of the shareholders in the Bank's share capital was:

Shareholders	2023	2022
Uzbekistan Fund for Reconstruction and Development	61.80%	77.20%
JSC "Uzbektelecom"	22.03%	2.34%
Fund for Development of ICT (AKTRJ)	6.30%	7.87%
Ministry of Finance of Republic of Uzbekistan	4.32%	5.40%
Center of Electromagnetic Compatibility	2.11%	2.63%
Tashkent State University of Information Technologies	0.64%	0.79%
JSC "Alskom" Insurance Company	0.80%	0.99%
"Mekhnat Pivo" LLC	0.47%	0.59%
Other shareholders	1.53%	2.19%
Total	**100%**	**100%**

The Bank is ultimately controlled by the Government of Uzbekistan through the Uzbekistan Fund for Reconstruction and Development and Ministry of Finance.

1 Introduction (Continued)

Subsidiaries and associates. As at 31 December 2023 and 31 December 2022, the Bank's subsidiaries and associates comprised the following:

Name	Ownership 31 December 2023	Ownership 31 December 2022	Year of incorporation	Industry	Country
Bank's direct interest in subsidiaries:					
"ALOQALIZING" LLC	55%	55%	2017	Leasing	Uzbekistan
"ALOQA AKTIV" LLC	100%	100%	2018	Investment	Uzbekistan
"ALOQAVENTURES" LLC	100%	100%	2021	Venture capital	Uzbekistan
Bank's indirect interest in subsidiaries via Aloqaactive LLC:					
"BIOAZOT IGBR" LLC	98%	98%	2018	Biology/ Research	Uzbekistan
"SIRT FAOL MODDALAR" LLC	81%	81%	2019	Chemistry/ Research	Uzbekistan
Bank's interest in associates:					
"O'ZBEKISTON POCHTASI" JSC	29%	29%	2021	Postal services	Uzbekistan
"UZDIGITAL TV" LLC	20%	20%	2011	Media	Uzbekistan
Bank's indirect interest in associates via Aloqaventures LLC:					
«EDU MARKETS» LLC	33%	33%	2022	Programming services	Uzbekistan
«CRADLE VISION TECH» LLC	20%	20%	2022	Programming services	Uzbekistan
"PRO-TOK" LLC	20%	-	2023	Network of charging stations	Uzbekistan
"Mohirlar xizmati" LLC	25%	-	2023	IT-outsourcing services	Uzbekistan
Bank's interest in Joint ventures:					
"IT-BILIMLARNI RIVOJLANTIRISH MARKAZI" LLC	49%	49%	2021	Educational facility	Uzbekistan

In 2022, "Aloqaventures" LLC established two new IT service entities, namely "Edu Markets" LLC and "Cradle vision tech" LLC, with ownership stakes of 33% and 20% respectively. In 2023, Group invested in two new associates namely "PRO-TOK" LLC and "Mohirlar xizmati" LLC, with ownership stakes of 20% and 25% respectively.

Abbreviations. A glossary of various abbreviations used in this document is included in Note 37.

2 Operating Environment of the Group

Republic of Uzbekistan. The Uzbekistan economy displays characteristics of an emerging market, including but not limited to, a currency that is not freely convertible outside of the country and a low level of liquidity in debt and equity markets. Also, the banking sector in Uzbekistan is particularly impacted by local political, legislative, fiscal and regulatory developments. The largest Uzbek banks are state-controlled and act as an arm of Government to develop the country's economy. The Government distributes funds from the country's budget, which flow through the banks to various government agencies, and other state and privately owned entities. Economic stability in Uzbekistan is largely dependent upon the effectiveness of economic measures undertaken by the Government, together with other legal, regulatory and political developments, all of which are beyond the Group's control.
The Group's financial position and operating results will continue to be affected by future political and economic developments in Uzbekistan including the application and interpretation of existing and future legislation and tax regulations which greatly impact Uzbek financial markets and the economy overall.

2 Operating Environment of the Group (Continued)

Management is unable to predict all developments which could have an impact on the banking sector generally and on the financial position of the Bank in particular.

Uzbekistan experienced the following key economic indicators in 2023:

- Inflation: 8.8%[1] (2022: 12.3%);
- GDP growth 6%[1] (2022: 5.7%);
- Official exchange rates: 31 December 2023: USD 1 = UZS 12,338.77[2] (31 December 2022: USD 1 = UZS 11,225.46);
- Central Bank refinancing rate –14% (2022: 15%).

Influence of geopolitical events in the world. In February 2022, due to the conflict between the Russian Federation and Ukraine, numerous sanctions were announced against the Russian Federation by most Western countries. These sanctions are intended to have a negative economic impact on the Russian Federation. Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility in the currency markets, as well as a volatility of UZS against the US dollar and euro. Conflict between the Russian Federation and Ukraine is still ongoing in 2023 year.

During 2023 the UZS weakened against the USD by 9.7% per annum (2022: weakened 7% per annum).

In order to reduce the impact of the external environment on the economy of the Republic of Uzbekistan, on 17 March 2023, the Board of the Central Bank of the Republic of Uzbekistan decreased the CBU refinancing rate down to 14%.

The Group continues to assess the effect of these events and changes in economic conditions on its operations, financial position and financial performance. The future effects of the current economic situation taking into consideration the sanctions to the Russian government and the above measures are difficult to predict, and management's current expectations and estimates could differ from actual results.

3 Material Accounting Policies information

Basis of preparation. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS® Accounting Standards") as issued by the IASB®. These consolidated financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value, and by the revaluation of financial instruments categorised at fair value through profit or loss ("FVTPL"). Material accounting policies information applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Going concern. Management prepared these consolidated financial statements on a going concern basis. Refer to Note 4 for uncertainties relating to events and conditions that may cast a significant doubt upon the Group's ability to continue as a going concern.

Consolidated financial statements. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless the cost cannot be recovered. The Bank and all of its subsidiaries use uniform accounting policies consistent with the Group's policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests that are not owned, directly or indirectly, by the Bank. Non-controlling interest forms a separate component of the Group's equity.

Associates. Associates are entities over which the Group has significant influence (directly or indirectly), but not control, generally accompanying a shareholding of between 20 and 50 percent of the voting rights.

[1] Source: The State Committee of the Republic of Uzbekistan on Statistics (www.stat.uz)
[2] Source: Central Bank of Uzbekistan (www.Central Bank of Uzbekistan.uz)

3 Material Accounting Policies information (Continued)

Investments in associates are accounted for using the equity method of accounting, and are initially recognised at cost. The carrying amount of associates includes goodwill identified on acquisition less accumulated credit losses, if any. Dividends received from associates reduce the carrying value of the investment in associates. Other post-acquisition changes in Group's share of net assets of an associate are recognised as follows: (i) the Group's share of profits or losses of associates is recorded in the consolidated profit or loss for the year as share of result of associates, (ii) the Group's share of other comprehensive income is recognised in other comprehensive income and presented separately, (iii); all other changes in the Group's share of the carrying value of net assets of associates are recognised in profit or loss within the share of result of associates. However, when the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Joint ventures. Interests in joint ventures are accounted for using the equity method (see above), after initially being recognised at cost in the consolidated balance sheet.

Financial instruments – key measurement terms. *Fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the quantity held by the entity. This is the case even if a market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees, are used to measure fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period. Refer to Note 33.

Financial instruments – Initial recognition. Financial instruments at FVTPL are initially recorded at fair value. All other financial instruments are initially recorded at fair value adjusted for transaction costs. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets. After the initial recognition, an ECL allowance is recognised for financial assets measured at AC and investments in debt instruments measured at FVOCI, resulting in an immediate accounting loss.

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date on which the Group commits to deliver a financial asset. All other purchases are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets – classification and subsequent measurement – measurement categories. The Group classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC. The classification and subsequent measurement of debt financial assets depends on: (i) the Group's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

Financial assets – classification and subsequent measurement – business model. The business model reflects how the Group manages the assets in order to generate cash flows – whether the Group's objective is: (i) solely to collect the contractual cash flows from the assets ("hold to collect contractual cash flows",) or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets

3 Material Accounting Policies information (Continued)

("hold to collect contractual cash flows and sell") or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of "other" business model and measured at FVTPL.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the Group undertakes to achieve the objective set out for the portfolio available at the date of the assessment. Factors considered by the Group in determining the business model include the purpose and composition of a portfolio, past experience on how the cash flows for the respective assets were collected, how risks are assessed and managed, how the assets' performance is assessed and how managers are compensated. Refer to Note 4 for critical judgements applied by the Group in determining the business models for its financial assets.

Financial assets – classification and subsequent measurement – cash flow characteristics. Where the business model is to hold assets to collect contractual cash flows or to hold contractual cash flows and sell, the Group assesses whether the cash flows represent solely payments of principal and interest ("SPPI"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are consistent with the SPPI feature. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for credit risk, time value of money, other basic lending risks and profit margin. The Group did not change its business model during the current and comparative period and did not make any reclassifications.

Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the financial asset is classified and measured at FVTPL. The SPPI assessment is performed on initial recognition of an asset and it is not subsequently reassessed. Refer to Note 4 for critical judgements applied by the Group in performing the SPPI test for its financial assets.

Financial assets impairment – credit loss allowance for ECL. The Group assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVOCI and for the exposures arising from loan commitments and financial guarantee contracts. The Group measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

Debt instruments measured at AC are presented in the consolidated statement of financial position net of the allowance for ECL. For loan commitments and financial guarantees, a separate provision for ECL is recognised as a liability in the consolidated statement of financial position.

The Group applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to Note 29 for a description of how the Group determines when a SICR has occurred. If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Group's definition of credit impaired assets and definition of default is explained in Note 29. For financial assets that are purchased or originated credit-impaired ("POCI Assets"), the ECL is always measured as a Lifetime ECL. Note 29 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

As an exception, for certain financial instruments, such as credit cards, that may include both a loan and an undrawn commitment component, the Group measures expected credit losses over the period that the Group is exposed to credit risk, that is, until the expected credit losses would be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period. This is because contractual ability to demand repayment and cancel the undrawn commitment does not limit the exposure to credit losses to such contractual notice period.

3 Material Accounting Policies information (Continued)

Financial assets – write-off. Financial assets are written-off, in whole or in part, when the Group exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Group has specified criteria for writing-off the unrecoverable balances in its loan business. Write-off triggers may result from decisions about no enforcement due to worthlessness of the claim/collateral or generally from assessment that the receivable is economically lost.

Financial assets – derecognition. The Group derecognises financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the Group has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement while (i) also transferring substantially all risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership, but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose restrictions on the sale.

Financial liabilities – measurement categories. Financial liabilities are classified as subsequently measured at AC, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

Financial liabilities – derecognition. Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

An exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners.

Cash and cash equivalents. Cash and cash equivalents are items which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include deposits with the CBU except mandatory reserve deposits held with CBU and all interbank placements with original maturities of less than three months. Funds restricted for a period of more than three months on origination are excluded from cash and cash equivalents. Cash and cash equivalents are carried at amortised cost.

Due from other banks. Amounts Amounts due from other banks are recorded when the Group advances money to counterparty banks with no intention of trading the resulting unquoted non-derivative receivable due on fixed or determinable dates. Amounts due from other banks are carried at amortised cost.

Investments in debt securities. Based on the business model and the cash flow characteristics, the Group classifies investments in debt securities as carried at AC, FVOCI or FVTPL. Debt securities are carried at AC if they are held for collection of contractual cash flows and where those cash flows represent SPPI, and if they are not voluntarily designated at FVTPL in order to significantly reduce an accounting mismatch.

Investments in equity securities. Financial assets that meet the definition of equity from the issuer's perspective, i.e. instruments that do not contain a contractual obligation to pay cash and that evidence a residual interest in the issuer's net assets, are considered as investments in equity securities by the Group. Investments in equity securities are measured at FVTPL. Dividends continue to be recognised in profit or loss when the Group's right to receive payments is established except when they represent a recovery of an investment rather than a return on such investment.

3 Material Accounting Policies information (Continued)

Loans and advances to customers. Loans and advances to customers are recorded when the Group advances money to purchase or originate an unquoted non-derivative receivable from a customer due on fixed or determinable dates and has no intention of trading the receivable. Loans and advances to customers are carried at amortised cost.

Repossessed collateral. Repossessed collateral represents financial and non-financial assets acquired by the Group in settlement of overdue loans. The assets are initially recognised at fair value when acquired and included in premises and equipment, other financial assets, investment properties or inventories within other assets depending on their nature and the Group's intention in respect of recovery of these assets, and are subsequently remeasured and accounted for in accordance with the accounting policies for these categories of assets.

Loan commitments. The Group issues commitments to provide loans. These commitments are irrevocable or revocable only in response to a material adverse change. Such commitments are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight line basis over the life of the commitment, except for commitments to originate loans if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination; such loan commitment fees are deferred and included in the carrying value of the loan on initial recognition. At the end of each reporting period, the commitments are measured at (i) the remaining unamortised balance of the amount at initial recognition, plus (ii) the amount of the loss allowance determined based on the expected credit loss model, unless the commitment is to provide a loan at a below market interest rate, in which case the measurement is at the higher of these two amounts. The carrying amount of the loan commitments represents a liability. For contracts that include both a loan and an undrawn commitment and where the Group cannot separately distinguish the ECL on the undrawn loan component from the loan component, the ECL on the undrawn commitment is recognised together with the loss allowance for the loan. To the extent that the combined ECLs exceed the gross carrying amount of the loan, they are recognised as a liability.

Note 29 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Financial guarantees. Financial guarantees require the Group to make specified payments to reimburse the holder of the guarantee for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantees are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight-line basis over the life of the guarantee. At the end of each reporting period, the guarantees are measured at the higher of (i) the amount of the loss allowance for the guaranteed exposure determined based on the expected loss model and (ii) the remaining unamortised balance of the amount at initial recognition. In addition, an ECL loss allowance is recognised for fees receivable that are recognised in the statement of financial position as an asset. Note 29 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Premises and equipment. Premises and equipment are stated at cost less accumulated depreciation and provision for impairment, where required.

Costs of minor repairs and day-to-day maintenance are expensed when incurred. Costs of replacing major parts or components of premises and equipment items are capitalised, and the replaced part is retired.

At the end of each reporting period management assesses whether there is any indication of impairment of premises and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in profit or loss for the year. An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

Gains and losses on disposals determined by comparing proceeds with carrying amount are recognised in profit or loss for the year (within other operating income or expenses).

Depreciation. Land and construction in progress are not depreciated. Depreciation on other items of premises and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives:

3 Material Accounting Policies Information (Continued)

	Useful lives in years
Buildings	50
Office and computer equipment	5-10
Right-of-use assets	1-5

The residual value of an asset is the estimated amount that the Group would currently obtain from disposal of the asset less the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at №the end of each reporting period.

Intangible assets. The Group's intangible assets have definite useful lives and primarily comprise capitalised computer software. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring them to use. All other costs associated with computer software, e.g. its maintenance, are expensed when incurred. Capitalised computer software is amortised on a straight-line basis over expected useful lives of five years.

Capitalisation of borrowing costs. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that is not carried at fair value and that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset), form part of the cost of that asset. Other borrowing costs are recognised as an expense using the effective interest method. The Group capitalises borrowing costs that would have been avoided if it had not made capital expenditure on qualifying assets. The commencement date for capitalisation is when (a) the Group incurs expenditures for the qualifying asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale. Capitalisation ceases when all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Due to other banks. Amounts due to other banks are recorded when money or other assets are advanced to the Group by counterparty banks. The non-derivative liability is carried at AC. If the Group purchases its own debt, the liability is removed from the consolidated statement of financial position and the difference between the carrying amount of the liability and the consideration paid is included in gains or losses arising from retirement of debt.

Customer accounts. Customer accounts are non-derivative liabilities to individuals, state or corporate customers and are carried at AC.

Other borrowed funds. Other borrowed funds include borrowings from government and non-government funds and financial institutions and are carried at AC.

Subordinated debt. Subordinated debt can only be paid in the event of a liquidation after the claims of other higher priority creditors have been met. Subordinated debt is carried at AC.

Foreign currency swaps. Foreign currency swaps are carried at their fair value.

The Group enters into offsetting loans with its counterparty banks to exchange currencies. Such loans, while legally separate, are aggregated and accounted for as a single derivative financial instrument (currency swap) on a net basis where (i) the loans are entered into at the same time and in contemplation of one another, (ii) they have the same counterparty, (iii) they relate to the same risk and (iv) there is no apparent business purpose for structuring the transactions separately that could not also have been accomplished in a single transaction.

All derivative instruments are carried as assets when fair value is positive, and as liabilities when fair value is negative. Changes in the fair value of derivative instruments are included in profit or loss for the year (gains less losses on derivatives). The Group does not apply hedge accounting.

Income taxes. Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

3 Material Accounting Policies information (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Share capital. Ordinary shares and non-redeemable preference shares with discretionary dividends are both classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity.

Preference shares which carry a mandatory coupon or are redeemable on a specific date or at the option of the shareholder are classified as financial liabilities and are presented in other borrowed funds. The dividends on these preference shares are recognised as interest expense on an AC basis, using the effective interest method.

Interest income and expense recognition. Interest income and expense are recorded for all debt instruments on an accrual basis using the effective interest method. This method defers, as part of interest income or expense, all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Interest income on lease receivables calculated at nominal interest rate is presented within 'other similar income' line in profit or loss.

Fees integral to the effective interest rate include origination fees received or paid by the entity relating to the creation or acquisition of a financial asset or issuance of a financial liability, for example fees for evaluating creditworthiness, evaluating and recording guarantees or collateral, negotiating the terms of the instrument and for processing transaction documents. Commitment fees received by the Group to originate loans at market interest rates are integral to the effective interest rate if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination.

Fee and commission income. Fee and commission income is recognised over time on a straight-line basis as the services are rendered, when the customer simultaneously receives and consumes the benefits provided by the Group's performance. Such income includes recurring fees for account maintenance, account servicing fees, account subscription fees. Variable fees are recognised only to the extent that management determines that it is highly probable that a significant reversal will not occur.

Other fee and commission income is recognised at a point in time when the Group satisfies its performance obligation, usually upon execution of the underlying transaction. The amount of fee or commission received or receivable represents the transaction price for the services identified as distinct performance obligations.

Such income includes purchase of foreign currencies on behalf of a customer, fees for processing payment transactions, fees for cash settlements, collection or cash disbursements. Loan syndication fees are recognised as income when the syndication has been completed and the Group retains no part of the loan package for itself, or retains a part at the same effective interest rate as for the other participants.

Sales and purchases of foreign currencies and currency conversion. The Group sells and purchases foreign currencies in the cash offices and through the bank accounts, as well as exchanges foreign currencies. The transactions are performed at the exchange rates established by the Group, which are different from the official spot exchange rates at the particular dates.

The differences between the official rates and Group rates are recognised as gains less losses from trading in foreign currencies at a point in time when a particular performance obligation is satisfied.

Foreign currency translation. The functional currency of each of the Group's consolidated entities is the currency of the primary economic environment in which the entity operates. The functional currency of the Bank and its subsidiaries, and the Group's presentation currency, is the national currency of Republic of Uzbekistan ("UZS").

3 Material Accounting Policies Information (Continued)

Monetary assets and liabilities are translated into each entity's functional currency at the official exchange rate of the Central Bank of Uzbekistan at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities into each entity's functional currency at year-end official exchange rates of the Central Bank of Uzbekistan, are recognised in profit or loss for the year (as foreign exchange translation gains less losses). Translation at year-end rates does not apply to non-monetary items that are measured at historical cost.

Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined.

Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.

Loans between group entities and related foreign exchange gains or losses are eliminated upon consolidation.

At 31 December 2023 the principal rate of exchange used for translating foreign currency balances was USD 1 = UZS 12,338.77 (2022: USD 1 = UZS 11,225.46) and EUR 1 = UZS 13,731.82 (2022: EUR 1 = UZS 11,961.85).

Offsetting. Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts, and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances: (i) in the normal course of business, (ii) the event of default and (iii) the event of insolvency or bankruptcy.

Earnings per share. Preference shares are not redeemable, and are considered to be participating shares. Earnings per share are determined by dividing the profit or loss attributable to owners of the Bank by the weighted average number of participating shares outstanding during the reporting year.

Staff costs and related contributions. Wages, salaries, contributions to the Republic of Uzbekistan state pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by employees. The Group has no legal or constructive obligation to make pension or similar benefit payments beyond the payments to the statutory defined contribution scheme.

Segment reporting. Segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker. Segments whose revenue, result or assets are ten percent or more of all the segments are reported separately.

3 Material Accounting Policies information (Continued)

Presentation of statement of financial position in order of liquidity. The Group does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the statement of financial position. Instead, assets and liabilities are presented in order of their liquidity. Refer to Note 29 for analysis of financial instruments by expected maturity. The following table provides information on non financial assets and liabilities amounts expected to be recovered or settled before and after twelve months after the reporting period for items that are not analysed in Note 29.

	31 December 2023			31 December 2022		
	Amounts expected to be recovered or settled			Amounts expected to be recovered or settled		
In millions of Uzbekistan Soums	Within 12 months after the reporting period	Beyond 12 months after the reporting period	Total	Within 12 months after the reporting period	Beyond 12 months after the reporting period	Total
ASSETS						
Investment in associates	-	60,501	60,501	-	58,781	58,781
Premises, equipment intangible assets and right of use assets	-	2,492,210	2,492,210	-	1,596,821	1,596,821
Deferred income tax asset	-	50,302	50,302	-	28,325	28,325
Other non-financial assets	260,154	1,766	261,920	110,421	1,581	112,002
TOTAL ASSETS	**260,154**	**2,604,779**	**2,864,933**	**110,421**	**1,685,508**	**1,795,929**
LIABILITIES						
Other non-financial liabilities	64,036	-	64,036	32,945	-	32,945
Corporate income tax payable	38,243	-	38,243	32,457	-	32,457
TOTAL LIABILITIES	**102,279**	**-**	**102,279**	**65,402**	**-**	**65,402**

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies

The Group makes estimates and assumptions that affect the amounts recognised in the consolidated financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Going concern. Management prepared these consolidated financial statements on a going concern basis. In making this judgement management considered the Group's financial position, current intentions, profitability of operations and access to financial resources, and analysed the impact of recent macro-economic developments on future operations of the Group.

- As at 31 December 2023 the loan balances provided to one borrower exceeded CBU set maximum 25% of the Bank's Tier 1 Capital. The loan was provided in accordance with the government instructions to support the textile industry. The Bank subsequently, communicated this information to the CBU and agreed to action plan to resolve the breach by 1 October 2024. As of the date of issuing the Group's consolidated financial statements, the exposure to this borrower had reduced to 26% of the Tier 1 Capital.
- As at 31 December 2023, the ratio of the Bank's all investments in real estate to the Bank's Tier 1 Capital exceeded CBU set maximum of 100%. The Bank communicated this information to the CBU and agreed to action plan to resolve the breach by 31 December 2024. The substantial investment in real estate relates to the construction of the Bank's new office building located in Tashkent city which is carried out in accordance with government instructions. In February 2024 it was decided that the Bank should sell the new office building. Once sold the Bank will be in compliance with this ratio. Information on Events after the end of the reporting period is disclosed in Note 36.
- As at 31 December 2023 the Group's short term liquidity maturity gap is negative. However, the, Bank's liquidity position was in compliance with the liquidity prudential ratios set out by CBU as at 31 December 2023. Management regularly performs stress tests to assess the potential outcomes due to liquidity mismatches and evaluates results to prepare action plans. In addition, Central Bank monitors Bank's compliance with prudential ratios.

  A significant portion of these customer demand accounts are of large state controlled telecommunication entities which are either the Group's shareholders or related entities under common control and the past experience of the Group, indicate to Management that these customer accounts provide a long-term and stable source of funding for the Group.

In management's assessment the above mentioned events do not indicate a material uncertainty with regards to going concern. In particular the management considers the following in coming to its conclusion:

- The Bank is one of the largest and stable state-owned banks with 88 branches all over Uzbekistan and employs more than 1,700 employees. The government continuously supports its Banks and implement various government programs on order to support country economy with lendings. The Bank is strategically important to the government as Bank invests intensely in telecommunication and IT sector of the economy, providing specialised access to finance for the new start-up companies and SMEs.
- The Bank has engaged with the Regulator where any breaches have arisen, establishing open and transparent communication throughout the process, notifying them of the identified issues and shared the corrective action plan following guidance and clarification obtained from the Regulator. The Bank management is continuosly monitoring and reporting to track the progress of such actions to ensure ongoing compliance with regulatory norms and keeps the Regulator updated on progress made in addressing the issues. The Bank expects to rectify the current normative breaches within the timetable agreed with the Regulator.
- During 2023 share of JSC Uzbektelecom increased to 22.03% of ownership (2022: 2.34%) by purchasing of shares amounted UZS 240,189 million (Note 20).
- In 2023, Moody's rating agency has affirmed a positive outlook on all ratings of the Bank, including the long-term counterparty risk rating in foreign currency (Ba3) and the long-term deposit ratings in both foreign and local currency (B1). Moreover, the Bank's profitability has shown a steady upward trend, which is expected to contribute to further capital growth in the coming years. Notably, the Group

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

recorded a net profit of approximately UZS 358,508 million in 2023, reflecting a significant 82% increase compared to the previous year.

ECL measurement. Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs. Details of ECL measurement methodology are disclosed in Note 29. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as models of macro-economic scenarios. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience.

The Group used following forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model. The forward-looking assumptions that correlate with ECL level and their assigned weights were as follows at 31 December 2023:

Variable	Scenario	Assigned weight	Assumption for: 2024	2025	2026
GDP Growth rate	Scenario 1	25%	5.21%	6.46%	5.49%
	Base	50%	4.54%	7.04%	8.25%
	Scenario 3	25%	7.16%	8.33%	7.35%
Inflation	Scenario 1	25%	10.00%	9.90%	9.90%
	Base	50%	10.70%	9.30%	7.10%
	Scenario 3	25%	8.00%	8.00%	8.00%
Unemployment rate	Scenario 1	25%	9.00%	9.00%	9.00%
	Base	50%	7.85%	7.35%	6.85%
	Scenario 3	25%	9.20%	9.20%	9.20%
Export Growth rate	Scenario 1	25%	20.10%	16.60%	16.60%
	Base	50%	20.29%	16.78%	12.52%
	Scenario 3	25%	15.60%	4.20%	4.70%
Import Growth rate	Scenario 1	25%	17.80%	16.50%	16.50%
	Base	50%	17.72%	16.45%	14.48%
	Scenario 3	25%	12.52%	4.64%	5.35%

4 Critical Accounting Estimates, and Judgements In Applying Accounting Policies (Continued)

The assumptions and assigned weights were as follows at 31 December 2022:

Variable	Scenario	Assigned weight	Assumption for: 2023	2024	2025
GDP Growth rate	Scenario 1	25%	4.06%	5.02%	5.11%
	Base	50%	4.22%	4.65%	4.73%
	Scenario 3	25%	4.66%	4.93%	5.09%
Inflation	Scenario 1	25%	10.90%	9.60%	9.60%
	Base	50%	11.40%	7.48%	5.60%
	Scenario 3	25%	11.00%	8.00%	8.00%
Unemploy-ment rate	Scenario 1	25%	10.00%	9.25%	9.00%
	Base	50%	9.75%	9.25%	8.75%
	Scenario 3	25%	9.20%	9.20%	9.20%
Export Growth rate	Scenario 1	25%	16.10%	14.80%	14.80%
	Base	50%	18.94%	13.29%	13.74%
	Scenario 3	25%	2.00%	2.20%	2.20%
Import Growth rate	Scenario 1	25%	15.60%	16.20%	16.20%
	Base	50%	14.95%	17.00%	14.93%
	Scenario 3	25%	5.60%	5.60%	5.60%

The Management analyzed forward-looking information and assessed that effect of macro was not significant as at 31 December 2023 and 2022. The Management updates its statistical tests for correlation as at each reporting date.

A 10% increase (or decrease) in PD estimates at 31 December 2023 would result in an increase (or decrease) in total expected credit loss allowances of UZS 9,424 million (at 31 December 2022: UZS 6,713 million). A 10% increase (or decrease) in LGD estimates at 31 December 2023 would result in an increase (or decrease) in total expected credit loss allowances of UZS 14,078 million (at 31 December 2022: UZS 10,129 million).

Significant increase in credit risk ("SICR"). In order to determine whether there has been a significant increase in credit risk, the Group compares the risk of a default occurring over the life of a financial instrument at the end of the reporting date with the risk of default at the date of initial recognition. The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting period. The Group considers all reasonable and supportable forward looking information available without undue cost and effort, which includes a range of factors, including behavioural aspects of particular customer portfolios. The Group identifies behavioural indicators of increases in credit risk prior to delinquency and incorporated appropriate forward looking information into the credit risk assessment, either at an individual instrument, or on a portfolio level. Refer to Note 29 for further details.

Should ECL on all loans and advances to customers be measured at lifetime ECL (that is, including those that are currently in Stage 1 measured at 12-months ECL), the expected credit loss allowance would be higher by UZS 101,109 million as of 31 December 2023 (31 December 2022: higher by UZS 101,658 million).

Fair value of derivatives and certain other instruments. Information about fair values of instruments that were valued using assumptions that are not based on observable market data is disclosed in Note 33.

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

Other borrowed funds. The Group obtains long term financing from government, state and international financial institutions at interest rates at which such institutions ordinarily lend in emerging markets and which may be lower than rates at which the Group could source the funds from local lenders. As a result of this financing, the Group is able to advance funds to specific customers at advantageous rates. Management has considered whether gains or losses should arise on initial recognition of these instruments and its judgement is that these funds and the related lending are at the market rates and no initial recognition gains or losses should arise. In making this judgement management also considered that these instruments are a separate market sector.

Tax legislation. Uzbekistan tax, currency and customs legislation is subject to varying interpretations. Refer to Note 25.

5 Adoption of New or Revised Standards and Interpretations

The following amended standards became effective from 1 January 2023, but did not have any material impact on the Group:

IFRS 17 "Insurance Contracts" (issued on 18 May 2017 and effective for annual periods beginning on or after 1 January 2023), including amendments (issued on 25 June 2020 and effective for annual periods beginning on or after 1 January 2023).

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting policies (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023). The amendments resulted in changes in presentation of these consolidated financial statements, primarily by removing accounting policies that do not represent material accounting policy information.

Amendments to IAS 8: Definition of Accounting Estimates (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023). The adoption of the amendments did not have a material impact on these consolidated financial statements.

Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12 (issued on 7 May 2021 and effective for annual periods beginning on or after 1 January 2023). The adoption of the amendments did not have a material impact on these consolidated financial statements.

Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (issued 23 May 2023). The adoption of the amendments did not have a material impact on these consolidated financial statements.

6 New Accounting Pronouncements

Certain new standards and interpretations have been issued that are mandatory for the annual periods beginning on or after 1 January 2024 or later, and which the Group has not early adopted.

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024).

Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024).

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023).

IFRS 18 Presentation and Disclosure in Financial Statements (issued in April 2024 and effective for annual periods beginning on or after 1 January 2027).

IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued in May 2024 and effective for annual periods beginning on or after 1 January 2027).

Unless otherwise described above, the new standards and interpretations are not expected to affect significantly the Group's consolidated financial statements.

7 Cash and Cash Equivalents

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
Cash balances with the CBU (other than mandatory reserves Note 8)	719,272	1,546,020
Cash on hand	427,420	474,202
Correspondent accounts and overnight placements with other banks	333,863	494,760
Placements with other banks with original maturity of less than three months	-	552,891
Less credit loss allowance	(6,254)	(3,748)
Total cash and cash equivalents	**1,474,301**	**3,064,125**

The table below discloses the credit quality of cash and cash equivalents balances based on credit risk grades at 31 December 2023.

In millions of Uzbekistan Soums	Cash balances with the CBU	Correspondent accounts and overnight placements	Placements with other banks with original maturity of less than three months	Total
- BBB- to AAA+ rated	-	54,213	-	**54,213**
- BB- to BB+ rated	719,272	218,055	-	**937,327**
- B- to B+ rated	-	58,569	-	**58,569**
Unrated	-	3,026	-	**3,026**
Less credit loss allowance	(3,911)	(2,343)	-	**(6,254)**
Total cash and cash equivalents, excluding cash on hand	**715,361**	**331,520**	**-**	**1,046,881**

The correspondent accounts and overnight placements with no available credit quality i.e., unrated were rated "C" by the Group for the financial reporting purposes.

The credit quality of cash and cash equivalents balances at 31 December 2022, was as follows:

In millions of Uzbekistan Soums	Cash balances with the CBU	Correspondent accounts and overnight placements	Placements with other banks with original maturity of less than three months	Total
- BBB- to AAA+ rated	-	141,068	-	**141,068**
- BB- to BB+ rated	1,546,020	286,847	112,254	**1,945,121**
- B- to B+ rated	-	56,406	430,637	**487,043**
- C to CCC+ rated	-	10,439	10,000	**20,439**
Less credit loss allowance	-	(1,116)	(2,632)	**(3,748)**
Total cash and cash equivalents, excluding cash on hand	**1,546,020**	**493,644**	**550,259**	**2,589,923**

The country rating was applied for the cash balances with CBU. The credit rating is based on the rating agency Standard & Poor's (if available) or the rating agencies Moody's and Fitch, which are converted to the nearest equivalent value in Standard & Poor's rating scale.For the purpose of ECL measurement cash and cash equivalents balances are included in Stage 1. Refer to Note 29 for the ECL measurement approach. Interest rate analysis of cash and cash equivalents is disclosed in Note 29. Information on related party balances is disclosed in Note 35.

7 Cash and Cash Equivalents (Continued)

The following tables explain the changes in the credit loss allowance and gross carrying amount of cash and cash equivalents between the beginning and the end of the annual period due to these factors:

In millions of Uzbekistan Soums	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 31 December 2022	**(3,748)**	**3,067,873**
New originated or purchased	(6,254)	252,496,188
Derecognised during the period	3,748	(254,139,540)
Foreign exchange translation and other movements	-	56,034
At 31 December 2023	**(6,254)**	**1,480,555**

In millions of Uzbekistan Soums	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 31 December 2021	**(362)**	**1,984,117**
New originated or purchased	(3,748)	245,687,544
Derecognised during the period	362	(244,638,200)
Foreign exchange translation and other movements	-	34,412
At 31 December 2022	**(3,748)**	**3,067,873**

8 Due from Other Banks

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
Placements with other banks with original maturities of more than three months	339,407	425,638
Short term loans to other banks	156,864	-
Mandatory reserves with CBU	94,085	74,896
Security deposit	70,382	33,013
Less credit loss allowance	(4,922)	(2,402)
Total due from other banks	**655,816**	**531,145**

Security deposit represents cash collateral for operations with international payment systems (VISA, Union pay, Mastercard and other) and the balances with Russian banks, which were banned from SWIFT during 2022 and remaing amount is UZS 3,678 million (2022: UZS 5,515 million).

The table below discloses the credit quality of due from banks balances based on credit risk grades at 31 December 2023.

In millions of Uzbekistan Soums	Mandatory cash balances with CBU	Placements with other banks	Short Term Loans To Other Banks	Security deposit	Total
- BBB- to AAA+ rated	-	-	-	66,704	**66,704**
- BB- to BB+ rated	94,085	108,801	156,864	55	**359,805**
- B- to B+ rated	-	230,606	-	50	**230,656**
Unrated	-	-	-	3,573	**3,573**
Less credit loss allowance	(512)	(3,008)	(853)	(549)	**(4,922)**
Total due from other banks	**93,573**	**336,399**	**156,011**	**69,833**	**655,816**

8 Due from Other Banks (Continued)

Analysis by credit quality of amounts due from other banks outstanding at 31 December 2022, is as follows:

In millions of Uzbekistan Soums	Mandatory cash balances with CBU	Placements with other banks	Short Term Loans To Other Banks	Security deposit	Total
- BBB- to AAA+ rated	-	-	-	16,506	**16,506**
- BB- to BB+ rated	74,896	132,134	-	5,656	**212,686**
- B- to B+ rated	-	293,504	-	100	**293,604**
- C- to CCC+ rated	-	-	-	10,751	**10,751**
Less credit loss allowance	-	(1,791)	-	(611)	**(2,402)**
Total due from other banks	**74,896**	**423,847**	**-**	**32,402**	**531,145**

The country rating was applied for the balances with CBU. The credit rating is based on the rating agency Standard & Poor's (if available) or the rating agencies Moody's and Fitch, which are converted to the nearest equivalent value in Standard & Poor's rating scale.

The following tables explain the changes in the credit loss allowance of due from other banks between the beginning and the end of the annual period:

	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 31 December 2022	**(2,402)**	**533,547**
New originated or purchased	(4,922)	908,250
Derecognised during the period	2,402	(806,101)
Foreign exchange translation and other movements	-	25,042
At 31 December 2023	**(4,922)**	**660,738**

	Credit loss allowance (Stage1)	Gross carrying amount (Stage1)
At 31 December 2021	**(4,545)**	**428,561**
New originated or purchased	(2,402)	2,066,316
Derecognised during the period	4,545	(1,967,132)
Foreign exchange translation and other movements	-	5,802
At 31 December 2022	**(2,402)**	**533,547**

Refer to Note 33 for the estimated fair value of each class of amounts due from other banks. Interest rate analysis of due from other banks is disclosed in Note 29. Information on related party balances is disclosed in Note 35.

9 Loans and Advances to Customers

In millions of Uzbekistan Soums	2023	2022
Gross carrying amount of loans and advances to customers at AC	10,641,621	9,771,976
Finance lease receivable	-	9,874
Less: credit loss allowance	(156,234)	(142,424)
Total carrying amount of loans and advances to customers at AC	**10,485,387**	**9,639,426**

Gross carrying amount and credit loss allowance amount for loans and advances to customers at AC by classes at 31 December 2023 and 31 December 2022 are disclosed in the table below:

	31 December 2023		
In millions of Uzbekistan Soums	**Gross carrying amount**	**Credit loss allowance**	**Carrying amount**
Loans and advances to corporate customers			
Large loans	7,223,779	(122,887)	7,100,892
Micro loans	21,795	(294)	21,501
Loans to individuals			
Car loan	1,708,534	(8,169)	1,700,365
Consumer	702,946	(8,576)	694,370
Mortgage	682,840	(9,992)	672,848
Retail micro&Retail agro	301,727	(6,316)	295,411
Total loans and advances to customers at AC	**10,641,621**	**(156,234)**	**10,485,387**

	31 December 2022		
In millions of Uzbekistan Soums	**Gross carrying amount**	**Credit loss allowance**	**Carrying amount**
Loans and advances to corporate customers			
Large loans	7,192,750	(103,095)	7,089,655
Micro loans	24,705	(531)	24,174
Loans to individuals			
Car loan	1,370,890	(5,228)	1,365,662
Consumer	500,906	(12,537)	488,369
Mortgage	554,128	(18,250)	535,878
Retail micro&Retail agro	138,471	(2,783)	135,688
Total loans and advances to customers at AC	**9,781,850**	**(142,424)**	**9,639,426**

More detailed explanation of classes of loans is provided below:

- Large loans – loans issued to commercial entities under the standard terms, mainly for working capital financing and for capital expenditures. Loans are considered to be large, if gross loan amount is higher than UZS 150 million as at reporting date.
- Micro loans – all loans, which are not classified as large loans, issued to legal entities. These loans are provided for working capital financing and for capital expenditures;
- Car loans – loans issued to individuals for purchase of automobiles;
- Consumer loans – loans issued to individuals for purchase of consumer products and all other loans issued to individuals other than those explained above.
- Retail Mortgage – loans issued to individuals for purchase of real estate or property;
- Agro and micro retail – loans issued to individuals and private entrepreneurs as micro loans.

9 Loans and Advances to Customers (Continued)

The following table discloses the changes in the credit loss allowance and gross carrying amount for loans and advances to customers carried at amortised cost between the beginning and the end of the reporting period:

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Large loans								
At 1 January 2023	32,523	22,235	48,337	**103,095**	5,378,239	916,506	898,005	**7,192,750**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(33,873)	33,873	-	-	(1,242,335)	1,242,335	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(18,964)	(3,015)	21,979	-	(196,073)	(180,594)	376,667	-
- from Stage 3 to Stage 2 and Stage 1	337	7,494	(7,831)	-	56,233	421,591	(477,824)	-
New originated or purchased	10,909	-	-	**10,909**	1,797,623	-	-	**1,797,623**
Derecognised during the period	(3,440)	(7,565)	(5,730)	**(16,735)**	(1,200,156)	(623,583)	(70,653)	**(1,894,392)**
Changes to ECL measurement model assumptions and other movements*	40,760	(9,828)	105,840	**136,772**	-	-	-	-
Changes in accrued interest	210	936	(774)	**372**	22,067	40,101	(9,476)	**52,692**
Total movements with impact on credit loss allowance charge for the period	**(4,081)**	**21,895**	**113,484**	**131,318**	**(762,641)**	**899,850**	**(181,286)**	**(44,077)**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(117,759)	**(117,759)**	-	-	(117,759)	**(117,759)**
FX and other movements	1,275	3,645	1,313	**6,233**	149,856	32,368	10,641	**192,865**
At 31 December 2023	**29,737**	**47,775**	**45,375**	**122,887**	**4,765,454**	**1,848,724**	**609,601**	**7,223,779**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Micro loans								
At 1 January 2023	119	-	412	**531**	19,743	-	4,962	**24,705**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	-	-	-	-	-	-	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	-	-	-	-	-	-	-	-
- from Stage 3 to Stage 2 and Stage 1	-	-	-	-	3	-	(3)	-
New originated or purchased	83	-	-	**83**	12,468	-	-	**12,468**
Derecognised during the period	(24)	-	(276)	**(300)**	(11,283)	-	(3,908)	**(15,191)**
Changes to ECL measurement model assumptions and other movements*	(38)	-	18	**(20)**	-	-	-	-
Changes in accrued interest	-	-	-	-	52	-	(239)	**(187)**
Total movements with impact on credit loss allowance charge for the period	**21**	-	**(258)**	**(237)**	**1,240**	-	**(4,150)**	**(2,910)**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2023	**140**	-	**154**	**294**	**20,983**	-	**812**	**21,795**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Car loans								
At 1 January 2023	3,132	342	1,754	5,228	**1,362,055**	4,222	4,613	**1,370,890**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(147)	147	-	-	**(3,817)**	3,817	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(1,066)	(174)	1,240	-	**(3,217)**	(524)	3,741	-
- from Stage 3 to Stage 2 and Stage 1	1	2	(3)	-	**502**	7,189	(7,691)	-
New originated or purchased	2,332	-	-	2,332	**813,623**	-	-	**813,623**
Derecognised during the period	(399)	(54)	(720)	(1,173)	**(490,383)**	(123)	(926)	**(491,432)**
Changes to ECL measurement model assumptions and other movements*	668	415	(8,042)	(6,959)	-	-	-	-
Changes in accrued interest	24	23	8,694	8,741	**6,019**	350	9,084	**15,453**
Total movements with impact on credit loss allowance charge for the period	**1,413**	**359**	**1,169**	**2,941**	**322,727**	**10,709**	**4,208**	**337,644**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2023	**4,545**	**701**	**2,923**	**8,169**	**1,684,782**	**14,931**	**8,821**	**1,708,534**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

In millions of Uzbekistan Soums	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Consumer loans								
At 1 January 2023	2,330	342	9,865	**12,537**	468,433	6,531	25,942	**500,906**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(50)	50	-	-	(1,266)	1,266	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(1,412)	(180)	1,592	-	(4,262)	(543)	4,805	-
- from Stage 3 to Stage 2 and Stage 1	6	12	(18)	-	874	1,447	(2,321)	-
New originated or purchased	2,429	-	-	2,429	491,658	-	-	491,658
Derecognised during the period	(499)	(84)	(2,929)	(3,512)	(284,270)	(300)	(15,098)	(299,668)
Changes to ECL measurement model assumptions and other movements*	449	252	(4,094)	(3,393)	-	-	-	-
Changes in accrued interest	53	17	445	515	9,283	(574)	1,341	10,050
Total movements with impact on credit loss allowance charge for the period	976	67	(5,004)	(3,961)	212,017	1,296	(11,273)	202,040
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2023	3,306	409	4,861	**8,576**	680,450	7,827	14,669	**702,946**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Retail mortgage								
At 1 January 2023	3,602	377	14,271	**18,250**	513,835	2,763	37,530	**554,128**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(349)	349	-	-	(3,732)	3,732	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(1,344)	-	1,344	-	(4,057)	-	4,057	-
- from Stage 3 to Stage 2 and Stage 1	77	175	(252)	-	9,686	5,686	(15,382)	-
New originated or purchased	2,276	-	-	**2,276**	297,370	-	-	**297,370**
Derecognised during the period	(95)	(19)	(1,052)	**(1,166)**	(159,800)	(372)	(14,625)	**(174,797)**
Changes to ECL measurement model assumptions and other movements*	511	(8)	(10,474)	**(9,971)**	-	-	-	-
Changes in accrued interest	44	(1)	560	**603**	4,663	(212)	1,688	**6,139**
Total movements with impact on credit loss allowance charge for the period	1,120	496	(9,874)	**(8,258)**	144,130	8,844	(24,262)	**128,712**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2023	**4,722**	**873**	**4,397**	**9,992**	**657,965**	**11,607**	**13,268**	**682,840**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Agro and micro retail								
At 1 January 2023	2,133	3	647	**2,783**	136,666	104	1,701	**138,471**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(192)	192	-	-	(4,120)	4,120	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(728)	(3)	731	-	(2,197)	(11)	2,208	-
- from Stage 3 to Stage 2 and Stage 1	12	1	(13)	-	697	6	(703)	-
New originated or purchased	4,208	-	123	4,331	235,841	-	370	**236,211**
Derecognised during the period	(216)	-	(82)	(298)	(73,691)	(28)	(1,194)	**(74,913)**
Changes to ECL measurement model assumptions and other movements*	14	(2)	(617)	(605)	-	-	-	-
Changes in accrued interest	33	2	70	105	1,809	(62)	211	**1,958**
Total movements with impact on credit loss allowance charge for the period	**3,131**	**190**	**212**	**3,533**	**158,339**	**4,025**	**892**	**163,256**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2023	**5,264**	**193**	**859**	**6,316**	**295,005**	**4,129**	**2,593**	**301,727**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Large loans								
At 1 January 2022	58,834	7,972	41,577	**108,383**	5,907,246	354,377	769,930	**7,031,553**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(8,139)	8,139	-	-	(822,363)	822,363	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(2,913)	(396)	3,309	-	(243,213)	(156,096)	399,309	-
- from Stage 3 to Stage 2 and Stage 1	67	3,871	(3,938)	-	11,069	89,617	(100,686)	-
New originated or purchased	16,625	-	-	**16,625**	2,764,800	-	-	**2,764,800**
Derecognised during the period	(9,486)	(1,196)	(10,711)	**(21,393)**	(2,289,076)	(199,256)	(170,887)	**(2,659,219)**
Changes to ECL measurement model assumptions and other movements*	(22,585)	3,772	59,082	**40,269**	-	-	-	-
Changes in accrued interest	118	73	4,131	**4,322**	14,429	5,501	45,452	**65,382**
Total movements with impact on credit loss allowance charge for the period	**(26,313)**	**14,263**	**51,873**	**39,823**	**(564,354)**	**562,129**	**173,188**	**170,963**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	(45,113)	**(45,113)**	-	-	(45,113)	**(45,113)**
FX and other movements	2	-	-	**2**	35,347	-	-	**35,347**
At 31 December 2022	32,523	22,235	48,337	**103,095**	5,378,239	916,506	898,005	**7,192,750**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Micro loans								
At 1 January 2022	301	40	2,129	**2,470**	44,462	565	6,882	**51,909**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	-	-	-	-	-	-	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(9)	-	9	-	(1,569)	-	1,569	-
- from Stage 3 to Stage 2 and Stage 1	-	-	-	-	(50)	-	50	-
New originated or purchased	66	-	(66)	-	2,958	-	(2,958)	-
Derecognised during the period	(70)	(14)	(773)	**(857)**	(25,956)	(565)	(1,040)	**(27,561)**
Changes to ECL measurement model assumptions and other movements*	(169)	(26)	(922)	**(1,117)**	-	-	-	-
Changes in accrued interest	-	-	35	**35**	(102)	-	459	**357**
Total movements with impact on credit loss allowance charge for the period	**(182)**	**(40)**	**(1,717)**	**(1,939)**	**(24,719)**	**(565)**	**(1,920)**	**(27,204)**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2022	119	-	412	**531**	19,743	-	4,962	**24,705**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Car loans								
At 1 January 2022	571	274	2,354	**3,199**	346,990	8,877	11,746	**367,613**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(2)	2	-	-	(714)	714	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(5)	(13)	18	-	(1,652)	(170)	1,822	-
- from Stage 3 to Stage 2 and Stage 1	(5)	(5)	10	-	(4,272)	(565)	4,837	-
New originated or purchased	2,772	-	-	**2,772**	1,221,186	-	-	**1,221,186**
Derecognised during the period	(154)	(119)	(931)	**(1,204)**	(200,978)	(4,640)	(13,754)	**(219,372)**
Changes to ECL measurement model assumptions and other movements*	(49)	202	305	**458**	-	-	-	-
Changes in accrued interest	4	1	(2)	**3**	1495	6	(38)	**1,463**
Total movements with impact on credit loss allowance charge for the period	**2,561**	**68**	**(600)**	**2,029**	**1,015,065**	**(4,655)**	**(7,133)**	**1,003,277**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2022	3,132	342	1,754	**5,228**	1,362,055	4,222	4,613	**1,370,890**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Consumer loans								
At 1 January 2022	1,984	229	4,406	**6,619**	527,660	9,755	21,405	**558,820**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(40)	40	-	-	(3,786)	3,786	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(86)	(91)	177	-	(11,086)	(1,767)	12,853	-
- from Stage 3 to Stage 2 and Stage 1	(6)	(6)	12	-	(4,682)	(623)	5,305	-
New originated or purchased	1,316	-	-	**1,316**	279,395	-	-	**279,395**
Derecognised during the period	(289)	(52)	(1,233)	**(1,574)**	(321,935)	(4,727)	(14,432)	**(341,094)**
Changes to ECL measurement model assumptions and other movements*	(568)	216	6,179	**5,827**	-	-	-	-
Changes in accrued interest	19	6	324	**349**	2,867	107	811	**3,785**
Total movements with impact on credit loss allowance charge for the period	**346**	**113**	**5,459**	**5,918**	**(59,227)**	**(3,224)**	**4,537**	**(57,914)**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2022	2,330	342	9,865	**12,537**	468,433	6,531	25,942	**500,906**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Retail mortgage								
At 1 January 2022	1,629	651	5,440	**7,720**	356,205	11,722	27,882	**395,809**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(8)	8	-	-	(1,627)	1,627	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(99)	(185)	284	-	(19,314)	(2,564)	21,878	-
- from Stage 3 to Stage 2 and Stage 1	(38)	(28)	66	-	(5,443)	(171)	5,614	-
New originated or purchased	1,357	23	-	**1,380**	214,477	218	-	**214,695**
Derecognised during the period	(87)	(14)	(675)	**(776)**	(32,683)	(8,110)	(18,538)	**(59,331)**
Changes to ECL measurement model assumptions and other movements*	828	(84)	8,888	**9,632**	-	-	-	-
Changes in accrued interest	20	6	268	**294**	2,220	41	694	**2,955**
Total movements with impact on credit loss allowance charge for the period	**1,973**	**(274)**	**8,831**	**10,530**	**157,630**	**(8,959)**	**9,648**	**158,319**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2022	3,602	377	14,271	**18,250**	513,835	2,763	37,530	**554,128**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

	Credit loss allowance				Gross carrying amount			
In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit impaired)	Total
Agro and micro retail								
At 1 January 2022	1,122	303	2,814	**4,239**	100,579	4,057	11,803	**116,439**
Movements with impact on credit loss allowance charge for the period:								
Transfers:								
- to lifetime (from Stage 1 to Stage 2)	(1)	1	-	-	(104)	104	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(19)	(51)	70	-	(1,485)	(9)	1,494	-
- from Stage 3 to Stage 2 and Stage 1	(15)	-	15	-	(991)	-	991	-
New originated or purchased	1,593	-	-	**1,593**	102,059	-	-	**102,059**
Derecognised during the period	(244)	(63)	(454)	**(761)**	(63,335)	(4,046)	(12,689)	**(80,070)**
Changes to ECL measurement model assumptions and other movements*	(303)	(187)	(1,837)	**(2,327)**	-	-	-	-
Changes in accrued interest	-	-	39	**39**	(57)	(2)	102	**43**
Total movements with impact on credit loss allowance charge for the period	**1,011**	**(300)**	**(2,167)**	**(1,456)**	**36,087**	**(3,953)**	**(10,102)**	**22,032**
Movements without impact on credit loss allowance charge for the period:								
Write-offs	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
At 31 December 2022	2,133	3	647	**2,783**	136,666	104	1,701	**138,471**

* The line "Changes to ECL measurement model assumptions and other movements" under columns related to Credit Loss Allowance represents changes in risk parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new loans originated during the reporting period from Stage 1 to other stages. Due to current technical limitations the Group presented changes in EAD and risk parameters in one line. The information on transfers above reflects the migration of loans from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at reporting date. This information does not reflect the intermediate stage that the loans could be assigned to throughout the reporting period.

9 Loans and Advances to Customers (Continued)

The credit quality of loans to customers carried at amortised cost is as follows at 31 December 2023:

31 December 2023, (In millions of UZS)	Stage of Asset	Standard grade	Sub-Standard grade	Un-satisfac-tory	Doubtful	Bad loans	Gross carrying amount	Credit loss allowance	Total
Large loans	Stage 1	4,765,454	-	-	-	-	4,765,454	(29,737)	4,735,717
	Stage 2	-	1,681,173	167,551	-	-	1,848,724	(47,775)	1,800,949
	Stage 3	-	-	-	595,052	14,549	609,601	(45,375)	564,226
Micro loans	Stage 1	20,983	-	-	-	-	20,983	(140)	20,843
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	-	-	-	738	74	812	(154)	658
Car loans	Stage 1	1,684,782	-	-	-	-	1,684,782	(4,545)	1,680,237
	Stage 2	-	3,072	11,859	-	-	14,931	(701)	14,230
	Stage 3	-	-	-	8,821	-	8,821	(2,923)	5,898
Consumer loans	Stage 1	680,450	-	-	-	-	680,450	(3,306)	677,144
	Stage 2	-	7,827	-	-	-	7,827	(409)	7,418
	Stage 3	-	-	-	5,003	9,666	14,669	(4,861)	9,808
Retail mortgage	Stage 1	657,965	-	-	-	-	657,965	(4,722)	653,243
	Stage 2	-	8,248	3,359	-	-	11,607	(873)	10,734
	Stage 3	-	-	-	13,268	-	13,268	(4,397)	8,871
Agro and micro retail	Stage 1	295,005	-	-	-	-	295,005	(5,264)	289,741
	Stage 2	-	3,515	614	-	-	4,129	(193)	3,936
	Stage 3	-	-	-	1,860	733	2,593	(859)	1,734
Total		**8,104,639**	**1,703,835**	**183,383**	**624,742**	**25,022**	**10,641,621**	**(156,234)**	**10,485,387**

The credit quality of loans to customers carried at amortised cost is as follows at 31 December 2022:

31 December 2022, (In millions of UZS)	Stage of Asset	Standard grade	Sub-Standard grade	Un-satisfac-tory	Doubtful	Bad loans	Gross carrying amount	Credit loss allowance	Total
Large loans	Stage 1	5,378,239	-	-	-	-	5,378,239	(32,523)	5,345,716
	Stage 2	-	916,506	-	-	-	916,506	(22,235)	894,271
	Stage 3	-	-	-	898,005	-	898,005	(48,337)	849,668
Micro loans	Stage 1	19,743	-	-	-	-	19,743	(119)	19,624
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	-	-	-	2,548	2,414	4,962	(412)	4,550
Car loans	Stage 1	1,352,908	9,147	-	-	-	1,362,055	(3,132)	1,358,923
	Stage 2	-	4,222	-	-	-	4,222	(342)	3,880
	Stage 3	-		-	4,613	-	4,613	(1,754)	2,859
Consumer loans	Stage 1	457,726	10,707	-	-	-	468,433	(2,330)	466,103
	Stage 2	-	6,531	-	-	-	6,531	(342)	6,189
	Stage 3	-	-	-	11,138	14,804	25,942	(9,865)	16,077
Retail mortgage	Stage 1	504,749	9,086	-	-	-	513,835	(3,602)	510,233
	Stage 2		2,763	-	-	-	2,763	(377)	2,386
	Stage 3	-	-	-	37,530	-	37,530	(14,271)	23,259
Agro and micro retail	Stage 1	136,666	-	-	-	-	136,666	(2,133)	134,533
	Stage 2	-	104	-	-	-	104	(3)	101
	Stage 3	-	-	-	-	1,701	1,701	(647)	1,054
Total		**7,850,031**	**959,066**	**-**	**953,834**	**18,919**	**9,781,850**	**(142,424)**	**9,639,426**

9 Loans and Advances to Customers (Continued)

Economic sector risk concentrations within the customer loan portfolio are as follows:

	31 December 2023		31 December 2022	
In millions of Uzbekistan Soums	Amount	%	Amount	%
Manufacturing	4,728,541	44	4,416,114	45
Individuals	2,947,892	28	2,564,395	26
Services	772,942	7	691,690	7
Trade	638,925	6	790,068	8
Communication	577,000	5	547,390	6
Construction	492,382	5	325,258	3
Agriculture	213,731	2	179,352	2
Transportation	194,744	2	166,995	2
Other	75,464	1	100,588	1
Gross loans and advances to customers	**10,641,621**	**100**	**9,781,850**	**100**

At 31 December 2023 the Group had 4 borrowers (2022: 5 borrowers) with aggregated loan amounts individually exceeding 10% of Group's equity. The total aggregate amount of these loans was UZS 2,092,097 million (2022: UZS 2,002,211 million) or 20% of the gross loan portfolio (2022: 20%).

Two borrower are state owned entities with loans amounted of UZS 1,061,032 million, which are collaterised by future cashflow from sale of precious metals amounted UZS 370,000 million, real estate amounted UZS 578,000 million, cash deposit amounted UZS 326,000 million, letters of surety amounted UZS 483,791 million. Total colletarised amount UZS 1,757,791 million.

One private entity with loans amounted of UZS 326,067 million, which are collaterised by real estate amounted UZS 568,000 million, letters of surety from owners amounted UZS 1,483,047 million. Total colletarised amount UZS 2,051,047 million.

One entity controlled by foreign capital, its loans amounted of UZS 703,067 million, which are collaterised by real estate amounted UZS 691,000 million, letters of surety from owners amounted UZS 709,000 million. Total colletarised amount UZS 1,400,149 million.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

CBU prudential ratio requires not to lend to more than 25% of Tier 1 capital to one borrower or the group of borrowers. Loans issued to one of the entity controlled by foreign capital breached the ratio, for details refer to Note 4.

Description of collateral held for loans carried at amortised cost is as follows at 31 December 2023:

	Loans to corporate customers		*Loans to individuals*			
In millions of Uzbekistan Soums	Large entities	Micro entities	Car loans	Consumer loans	Retail mortgage	Agro and micro retail
Unsecured Loans:	307,280	1	-	3,626	-	-
Loans with other credit enhancement:						
- letter of surety	2,446,288	7,122	447,286	632,452	282,204	2,645
- insurance policy	356,557	4,996	204,966	48,425	5,842	103,919
Loans collateralized by:						
- real estate	2,468,881	2,530	447	194	372,281	11,396
- cash deposit	227,375	-	298	-	109	1
- motor vehicle	378,306	5,831	649,401	277	369	177,383
- equipment	746	-	-	-	-	-
- other	915,459	1,021	397,967	9,396	12,043	67
Collateralized loans	3,990,767	9,382	1,048,113	9,867	384,802	188,847
Loans and advances to customers	**7,100,892**	**21,501**	**1,700,385**	**694,370**	**672,848**	**295,411**

9 Loans and Advances to Customers (Continued)

Description of collateral held for loans carried at amortised cost is as follows at 31 December 2022:

	Loans to corporate customers		*Loans to individuals*			
In millions of Uzbekistan Soums	**Large entities**	**Micro entities**	**Car loans**	**Consumer loans**	**Retail mortgage**	**Agro and micro retail**
Unsecured Loans:	593,181	1,008	40,985	25,345	4,147	-
Loans with other credit enhancement:						
- letter of surety	2,119,645	5,170	500,919	452,727	209,110	3,488
- insurance policy	262,873	7,790	247,355	8,606	6,159	36,373
Loans collateralized by:						
- real estate	2,627,994	3,572	420	325	316,162	10,007
- cash deposit	252,403	-	1,339	-	133	11
- motor vehicle	304,570	6,533	574,644	1,366	167	85,657
- equipment	9,926	-	-	-	-	-
- other	919,063	101	-	-	-	152
Collateralized loans	4,113,956	10,206	576,403	1,691	316,462	95,827
Loans and advances to customers	**7,089,666**	**24,174**	**1,365,662**	**488,369**	**535,878**	**135,688**

The extent to which collateral and other credit enhancements mitigate credit risk for financial assets carried at amortised cost that are credit impaired, is presented by disclosing collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed carrying value of the asset ("over-collateralised assets") and (ii) those assets where collateral and other credit enhancements are less than the carrying value of the asset ("under-collateralised assets"). The effect of collateral for loans at 31 December 2023 is as follows:

	Over-collateralised assets		**Under-collateralised assets**	
In millions of Uzbekistan Soums	Carrying value of assets	Fair value of collateral accepted by the Bank	Carrying value of assets	Fair value of collateral accepted by the Bank
Loans and advances to corporate customers				
Large loans	514,613	1,824,178	49,613	11,300
Micro loans	658	4,753	-	-
Loans to individuals				
Car loans	5,898	31,230	-	-
Consumer loans	9,768	21,515	40	-
Retail mortgage	8,871	33,673	-	-
Agro and micro retail	1,734	6,827	-	-
Loans and advances to customers	**541,542**	**1,922,176**	**49,653**	**11,300**

The effect of collateral at 31 December 2022 as follows:

	Over-collateralised assets		**Under-collateralised assets**	
In millions of Uzbekistan Soums	Carrying value of assets	Fair value of collateral accepted by the Bank	Carrying value of assets	Fair value of collateral accepted by the Bank
Loans and advances to corporate customers				
Large loans	805,591	2,184,445	44,077	-
Micro loans	2,708	6,025	1,842	1,054
Loans to individuals				
Car loans	22,618	89,058	641	100
Consumer loans	15,176	47,350	901	25
Retail mortgage	2,859	18,962	-	-
Agro and micro retail	1,054	6,280	-	-
Loans and advances to customers	**850,006**	**2,352,120**	**47,461**	**1,179**

9 Loans and Advances to Customers (Continued)

The values of collateral considered in this disclosure are after a valuation haircut applied to consider liquidity and quality of the pledged assets.
The outstanding contractual amounts of loans and advances to customers written off that are still subject to enforcement activity was as follows at 31 December 2023 and 31 December 2022:

In millions of Uzbekistan Soums	2023	2022
Loans to corporate customers		
Large loans	113,055	56,814
Micro loans	2,920	1,085
Loans to individuals		
Car loans	1,237	903
Retail mortgage	4,172	9,535
Consumer loans	3,934	6,510
Agro and micro retail	6,408	527
Total	**131,726**	**75,374**

The Group's policy is to complete legal enforcement steps that were initiated even though the loans were written off as there is no reasonable expectation of recovery.

10 Investment in Debt Securities

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
CBU Bonds	218,987	444,145
Uzbekistan government bonds	-	347,242
Total investments in debt securities at 31 December (gross carrying value)	**218,987**	**791,387**
Credit loss allowance	(1,191)	(791)
Total investments in debt securities at 31 December (carrying value)	**217,796**	**790,596**

Investment in debt securities comprise bonds of Uzbek government and Central Bank of Uzbekistan (Standard & Poor's credit rating for Uzbekistan stands at BB- with a stable outlook) with 16.5% interest rate and up to two years maturity. Investment in debt securities are accounted at amortised cost since business model is "hold to collect" and SPPI test was passed.

All investments in debt securities were in stage 1 as of 31 December 2023 and 31 December 2022 and there were no movements between stages.

As at 31 December 2022 the Bonds of Central Bank of Uzbekistan and Uzbek government for UZS 791,387 million are pledged to attract short term financing obtained from Central Bank of Uzbekistan under overnight repo agreements without right to sell or repledge.

Refer to Note 33 for the estimated fair value of investments in debt securities.

11 Investment in Equity Securities

Investments in equity securities at FVTPL. The Group designated investments disclosed in the following table as equity securities at FVTPL. Equity securities at FVTPL represent securities held for trading and other equity securities for which FVOCI election was not made on initial recognition.

At 31 December 2023 securities at FVTPL include equity securities with a carrying value of UZS 39 697 million (2022: UZS 8 790 million). Due to the nature of the local financial markets, it is not possible to obtain current market value for these investments. For these investments, fair value is estimated by reference to the discounted operating cash flows of the investee. Refer to Note 33 for the estimated fair value of investments in equity securities.

12 Investment in Associates and Joint Ventures

The table below summarises the movements in the carrying amount of the Group's investment in associates and joint ventures.

In millions of Uzbekistan Soums	2023	2022
Carrying amount at 1 January	**58,781**	**57,400**
Contribution to share capital of associate/joint venture	2,273	1,143
Share of (loss)/profit of associates/joint ventures	(553)	275
Dividends from associates/joint ventures	-	(37)
Carrying amount at 31 December	**60,501**	**58,781**

The Group's interests in its principal associates and joint venture were as follows:

Name	Principal activity	Place of business	31 December 2023		31 December 2022	
			% ownership interest held	Carrying amount	% ownership interest held	Carrying amount
"O'ZBEKISTON POCHTASI" SC	Postal services	Uzbekistan	29%	50,635	29%	50,398
IT bilimlarni rivojlantirish markazi (Joint control)	Educational facility	Uzbekistan	49%	6,906	49%	7,209
"PRO-TOK" LLC	Network of charging stations	Uzbekistan	20%	1,617	-	-
"Mohirlar xizmati" LLC	IT-outsourcing services	Uzbekistan	25%	522	-	-
"EDU MARKETS" LLC	IT	Uzbekistan	33%	467	33%	427
"CRADLE VISION TECH" LLC	IT	Uzbekistan	20%	354	20%	557
"UZDIGITAL TV" LLC	Internet TV	Uzbekistan	20%	-	20%	190
Total investment in associates and JV				**60,501**		**58,781**

During 2023, two new associates "PRO-TOK" LLC and "Mohirlar xizmati" LLC were newly establieshed by the subsidiary of the bank, "ALOQAVENTURES" LLC.

12 Investment in Associates and Joint Ventures (Continued)

Summarised financial information of each material associate is as follows at 31 December 2023 and for the year then ended:

In millions of Uzbekistan Soums	"UZDIGITAL TV" LLC	"O'ZBEKISTON POCHTASI" JSC	"EDU MARKETS" LLC	"CRADLE VISION TECH" LLC	"PRO-TOK" LLC	"MOHIRLAR XIZMATI" LLC	IT-BILIMLARNI RIVOJLANTIRISH MARKAZI (JV)	Total associates and joint ventures
Current assets	15,038	202,206	1,420	1,897	1,422	670	97,781	320,434
Non-current assets	27,297	101,497	47	-	-	-	8,411	137,252
Current liabilities	(36,401)	(100,735)	65	(127)	(105)	(79)	(432)	(137,814)
Non-current liabilities	(10,657)	(72,864)	-	-	-	-	(91,667)	(175,188)
Net assets	**(4,723)**	**130,104**	**1,532**	**1,770**	**1,317**	**591**	**14,093**	**144,684**
Group's share in %	20%	29%	33%	20%	20%	25%	49%	
Group's share in UZS'm	-	38,186	467	354	264	148	6,906	46,325
Goodwill	-	12,449	-	-	1,353	374	-	14,176
Carrying amount	**-**	**50,635**	**467**	**354**	**1,617**	**522**	**6,906**	**60,501**
Revenue	86,929	381,903	473	-	284	-	16	469,605
Profit or loss from continuing operations	(17,439)	807	120	(1,015)	(364)	(243)	(1,006)	(19,140)
Total comprehensive income	(17,439)	807	120	(1,015)	(364)	(243)	(1,006)	(19,140)

Summarised financial information of each material associate is as follows at 31 December 2022 :

In millions of Uzbekistan Soums	"UZDIGITAL TV" LLC	"O'ZBEKISTON POCHTASI" JSC	"EDU MARKETS" LLC	"CRADLE VISION TECH" LLC	"PRO-TOK" LLC	"MOHIRLAR XIZMATI" LLC	IT-BILIMLARNI RIVOJLANTIRISH MARKAZI (JV)	Total associates and joint ventures
Current assets	12,045	173,129	1,309	3,346	n/a	n/a	65,619	255,448
Non-current assets	24,301	95,606	-	-	n/a	n/a	119	120,026
Current liabilities	(29,100)	(90,243)	(15)	(561)	n/a	n/a	(1,026)	(120,945)
Non-current liabilities	(6,296)	(48,236)	-	-	n/a	n/a	(50,000)	(104,532)
Net assets	**950**	**130,256**	**1,294**	**2,785**	**n/a**	**n/a**	**14,712**	**149,997**
Group's share in %	20%	29%	33%	20%	n/a	n/a	49%	
Group's share in UZS'm	190	37,774	427	557	n/a	n/a	7,209	46,157
Goodwill	-	12,624		-	n/a	n/a	-	12,624
Carrying amount	**190**	**50,398**	**427**	**557**	**n/a**	**n/a**	**7,209**	**58,781**
Revenue	69,746	298,727	1	-	n/a	n/a	-	368,474
Profit or loss from continuing operations	(10,615)	719	(358)	(13)	n/a	n/a	4,712	(5,555)
Total comprehensive income	(10,615)	719	(358)	(13)	n/a	n/a	4,712	(5,555)

13 Other Assets

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
Other financial assets at AC		
Non-interest income receivables	19,766	21,643
Receivable from money transfer systems	14,921	8,033
Commission receivable from customers	821	7,131
Other	3,428	950
Less: credit loss allowance	(2,305)	(1,470)
Total other financial assets at AC	**36,631**	**36,287**
Other financial assets at FVTPL		
Derivatives (Note 33)	3,605	-
Total other financial assets at FVTPL	**3,605**	**-**
Total other financial assets	**40,236**	**36,287**
Other non-financial assets		
Repossessed assets on loans and leasing	141,765	75,203
Prepaid expenses	86,101	25,242
Prepayment for taxes other than income tax	27,898	3,042
Inventory	3,935	5,638
Prepayments for premises and equipment	1,766	1,581
Other	455	1,296
Total other non-financial assets	**261,920**	**112,002**
Total other assets	**302,156**	**148,289**

Repossessed collateral represents real estate assets and equipment acquired by the Group in settlement of overdue loans. The assets received were measured at the lower of their carrying amount and fair value less costs to sell. The Group expects to dispose of the assets in the foreseeable future.

All of the above assets are expected to be recovered less than twelve months after the year-end. Other financial assets were included in Stage 1 for ECL measurement purposes, and were not past due.

Information on related party balances is disclosed in Note 35.

An analysis of changes in the ECLs for other financial assets for the year ended 31 December 2023 is as follows:

In millions of Uzbekistan Soums	Stage 1	Stage 3	Total
ECL at 1 January 2023	**(1,470)**	**-**	**(1,470)**
ECL charge	(2,305)	-	**(2,305)**
Financial assets derecognised during the period	1,470		**1,470**
ECL at 31 December 2023	**(2,305)**	**-**	**(2,305)**

An analysis of changes in the ECLs for other financial assets for the year ended 31 December 2022 is as follolows:

In millions of Uzbekistan Soums	Stage 1	Stage 3	Total
ECL at 1 January 2022	**(3,497)**	**(2,017)**	**(5,514)**
ECL charge	(1,470)	-	**(1,470)**
Financial assets derecognised during the period	3,497	2,017	**5,514**
ECL at 31 December 2022	**(1,470)**	**-**	**(1,470)**

14 Premises, Equipment, Intangible Assets and Right of use Assets

In millions of Uzbekistan Soums	Buildings, Premises and Land	Office and computer equipment	Construction in progress and advances	Terminals under operating lease	Total premises and equipment	Intangible Assets	Right-of-use Assets	Total
Carrying amount at 1 January 2022	**127,386**	**92,968**	**829,753**	**3,847**	**1,053,954**	**53,780**	**11,801**	**1,119,535**
Additions	550	10,115	465,796	3,062	479,523	16,272	2,387	498,182
Capitalised borrowing costs	-	-	49,133	-	49,133	-	-	49,133
Net transfers	4,991	(1,672)	(3,319)	-	-	-	-	-
Disposals	(23,150)	1,293	(237)	-	(22,094)	(5,356)	-	(27,450)
Depreciation/ amortization charge	(2,606)	(27,996)	-	(2,279)	(32,881)	(6,940)	(2,758)	(42,579)
Carrying amount at 31 December 2022	**107,171**	**74,708**	**1,341,126**	**4,630**	**1,527,635**	**57,756**	**11,430**	**1,596,821**
Cost at 31 December 2022	124,585	168,648	1,341,126	17,679	1,652,038	76,335	16,548	1,744,921
Accumulated depreciation/ amortisation	(17,414)	(93,940)	-	(13,049)	(124,403)	(18,579)	(5,118)	(148,100)
Carrying amount at 31 December 2022	**107,171**	**74,708**	**1,341,126**	**4,630**	**1,527,635**	**57,756**	**11,430**	**1,596,821**
Additions	23,690	119,489	660,263	173	803,615	1,831	2,351	807,797
Capitalised borrowing costs	-	-	149,897	-	149,897	-	-	149,897
Net transfers	194,711	-	(194,711)	-	-	-	-	-
Disposals	(12,454)	(1,566)	-	-	(14,020)	-	-	(14,020)
Depreciation/ amortization charge	(3,780)	(24,343)	-	(1,940)	(30,063)	(14,837)	(3,385)	(48,285)
Carrying amount at 31 December 2023	**309,338**	**168,288**	**1,956,575**	**2,863**	**2,437,064**	**44,750**	**10,396**	**2,492,210**
Cost at 31 December 2023	330,532	286,571	1,956,575	17,852	2,591,530	78,166	18,899	2,688,595
Accumulated depreciation/ amortisation	(21,194)	(118,283)	-	(14,989)	(154,466)	(33,416)	(8,503)	(196,385)
Carrying amount at 31 December 2023	**309,338**	**168,288**	**1,956,575**	**2,863**	**2,437,064**	**44,750**	**10,396**	**2,492,210**

Construction in progress mainly consist of works performed by contractor in the amount of UZS 1,332,576 million (2022: UZS 802,935 million) and prepayments in the amount of UZS 35,702 million (2022: UZS 6,131 million) for construction of head quarter office in International business center "Tashkent City" in accordance with Investment agreement between the Bank and Shanghai Construction Group Co . The line also includes prepayment in the amount of UZS 129,807 million (2022: UZS 280,111 million) for the construction of a modern office building at the territory of the technological park (IT) in Tashkent.

The Group leases offices for its regional service centres. Rental contracts are typically made for fixed periods of 12 months to 5 years, but may have extension options. All leases are recognised as a right-of-use asset and a corresponding liability (Note 18) from the date when the leased asset becomes available for use by the Group.

The Group leased payment terminals to its customers under operating lease arrangements for 2-3 years.

The Group capitalised borrowing cost as Construction of new premises. Total capitalised cost as at 31 December 2023 UZS 242,972 million (31 December 2022: UZS 92,206 million) Capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year, in this case 5.09% (2022 – 3.30%).

15 Due to Other Banks

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
Long - term placements of other domestic banks	609,083	582,798
Short - term placements of other domestic banks	345,549	645,466
Term placements of foreign banks	190,140	980,939
Sale and repurchase agreement with CBU	-	820,764
Total due to other banks	**1,144,772**	**3,029,967**

Refer to Note 33 for the disclosure of the fair value of each class of amounts due to other banks. Interest rate analysis of due to other banks is disclosed in Note 29. Information on related party balances is disclosed in Note 35.

16 Customer Accounts

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
State and public organisations		
- Term deposits	1,919,445	2,546,037
- Current/settlement accounts	677,531	612,383
Other legal entities		
- Term deposits	1,547,847	1,293,871
- Current/settlement accounts	1,208,486	1,517,425
Individuals		
- Term deposits	2,380,521	1,091,216
- Current/settlement accounts	784,896	578,600
Total customer accounts	**8,518,726**	**7,639,532**

Economic sector concentrations within customer accounts are as follows:

	2023		2022	
In millions of Uzbekistan Soums	Amount	%	Amount	%
Private individuals	3,165,417	37%	1,669,816	22%
Special funds	1,594,153	19%	1,309,618	17%
Financial sector	1,485,752	17%	2,142,205	28%
Other government entities	779,651	9%	686,029	9%
Services	623,482	7%	677,362	9%
Communication and transport	249,204	3%	277,451	4%
Manufacturing	202,417	2%	160,827	2%
Construction	173,657	2%	118,892	2%
Trade	143,418	2%	187,048	2%
Other	101,575	2%	410,284	5%
Total customer accounts	**8,518,726**	**100%**	**7,639,532**	**100%**

At 31 December 2023, the Group had 5 customers (2022: 6 customers) with aggregate balance of UZS 2,599,191 million (2022: UZS 3,235,103 million), which individually exceed 10% of Group equity.
At 31 December 2023, included in customer accounts are deposits of UZS 78,405 million (2022: UZS 216,881 million) held as collateral for irrevocable commitments under import letters of credit. Refer to Note 33 for the disclosure of the fair value of each class of customer accounts. Interest rate analysis of customer accounts is disclosed in Note 29. Information on related party balances is disclosed in Note 35.

Special funds in the customer accounts represent funds of the government related non-profit organzations that are set aside or allocated for a particular government purpose or requirement which are intended to meet specific needs or obligations of the government before the community.

17 Other Borrowed Funds

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
Borrowings from international financial institutions	1,305,179	2,272,399
Borrowings from domestic financial institutions	1,876,202	820,229
Borrowings from Central Bank of Uzbekistan ("CBU")	49,210	-
Total other borrowed funds	**3,230,591**	**3,092,628**

As at 31 December 2023 borrowings from international financial institutions included the following significant balances:

- In 2022 Aloqabank attracted funds of Banco Popolare di Sondrio with guarantee of Asian Development Bank (ADB) and insurance of SACE (export credit agency) in USD and EUR. The balance of borrowing as of 31 December 2023 is UZS 385,585 million (2022: UZS 325,883 million) with interest rate of 4.25% on average for USD loans and 2.90% for EUR loans.
- In 2020-2021 JICA (Japan International Cooperation Agency) provided credit line in US dollars (USD) and Uzbek soums to finance agricultural projects with agreement amount of JPY 540,000,000 equivalent to the Bank. The balance of the borrowing as of 31 December 2023 is UZS 57,385 million (2022: UZS 55,909 million) in USD and UZS 3,600 million (2022: UZS 3,600 million) in UZS maturing by December 2044 with average interest rate of 5% for USD loans and 15% for UZS per annum.
- In 2019 Exim Bank of China has provided financing line to the National Bank of Uzbekistan (NBU) to finance various investment projects in Uzbekistan. The NBU on-lent a part of this loan of USD 10,000,000 to the Bank. The balance of the borrowing as of 31 December 2023 is UZS 20,565 million (2022: UZS 57,994 million) and it matures by April 2024 with interest rate of SOFR 6m+4% per annum.
- In 2018 International Development Association (IDA) provided financing to the Republic of Uzbekistan for the development of livestock sector of agriculture. The government of Uzbekistan on-lent a part of this loan of USD 10,000,000 to the Bank. In 2022, part of the loan, USD 2,970,000 was reregistered as subordinated debt . The balance of the borrowing as of 31 December 2023 is UZS 74,403 million (2022: UZS 75,769 million) and it matures by May 2037 with interest rate of 4.3% per annum.
- In 2023 on 4 June Aloqabank attracted funds from Mashreqbank with agreement amount of USD 10,6 million. The balance of the borrowing as of 31 December 2023 is UZS 131,361 million and it matures by November 2024 with interest rate of SOFR+Fixed % per annum.
- USD and EUR denominated borrowings were attracted from Commerzbank to finance import of goods from OECD countries to Uzbekistan by Uzbek companies. The balance of the borrowing as of 31 December 2023 is UZS 564,504 million (2022: UZS 535,607 million) with interest rate from EURIBOR+0.9% to EURIBOR+1.3% and SOFR 6m+3.05% per annum respectively.
- In October 2023 the Group attracted funds from International Financial Club with agreement amount of CNY 100 million. The balance of the borrowing as of 31 December 2023 is UZS 173,600 million (2022:Nil) and it matures by April 2025 with fixed interest rate of 6.25% per annum.

As at 31 December 2023 borrowings from domestic financial institutions included the following significant balances:

- UZS denominated borrowing from Uzbekistan Fund for Reconstruction and Development (Immediate parent company of the Bank) for the amount of UZS 285,400 million was obtained in 2018, 2020, 2021 and 2023 for the financing of projects in services sector and project of young entrepreneurs. Borrowings will mature by June 2027, June and November 2028, June 2033 and issued with interest rate of Central Bank of Uzbekistan refinancing rate minus 4%, 7% and 0% per annum respectively. The balance of the borrowings of 31 December 2023 is UZS 576,370 million (2022: UZS 285,400 million).
- UZS denominated borrowing from Ministry of Finance of Republic of Uzbekistan for the initial amount of UZS 63,022 million was obtained in 2018, 2020 and 2022 for the financing of projects on construction of kindergardens. Borrowing matures by 2029, 2033, 2035 and 2042 and issued with interest rate of 0% and 6% per annum respectively. The balance of the borrowing as of 31 December 2023 is UZS 36,183 million (2022: UZS 58,801 million).

As of 31 December 2023 and 2022 and throughout the years then ended, the Group was in compliance with all covenants on the above loan facilities.

18 Other Liabilities

Other liabilities comprise the following:

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
Other financial liabilities		
Accounts payable for construction	107,373	-
Accounts payable for services	64,378	14,494
Liabilities on money transfers of individuals	24,814	54,172
Lease liabilities	15,310	13,474
Provision for Bank's guarantees and letters of credit	2,829	4,865
Other	9,066	6,900
Total other financial liabilities	**223,770**	**93,905**
Other non-financial liabilities		
Settlements with employees	62,832	30,855
Other tax payable	-	2,037
Other	1,204	53
Total other non-financial liabilities	**64,036**	**32,945**
Total other liabilities	**287,806**	**126,850**

Refer to Note 33 for disclosure of the fair value of other financial liabilities. Information on related party balances is disclosed in Note 35.

19 Subordinated Debt

In 2022, part of the loans, borrowed from IBRD and IDA through the Republic of Uzbekistan in the amount of USD 10,025,000 and USD 2,970,000 were reregistered as subordinated debt. Interest rates are 2.62% and 4.30% per annum respectively and will mature on May 2037 and September 2042. The debt ranks after all other creditors in the case of liquidation. The balance of the borrowing as of 31 December 2023 is UZS 160,342 million (31 December 2022: 145,875 million).
Refer to Note 33 for the disclosure of the fair value of subordinated debt. Interest rate analysis of subordinated debt is disclosed in Note 29. Information on related party balances is disclosed in Note 35.

20 Share Capital

In millions of Uzbekistan Soums except for number of shares	Number of outstanding shares, in millions	Ordinary shares	Preference shares	Share premium	Total
At 1 January 2022	**7,881**	**953,354**	**2,253**	**3,912**	**959,519**
Acquisition of own shares	(21)	(2,530)	-	-	**(2,530)**
At 31 December 2022	**7,860**	**950,824**	**2,253**	**3,912**	**956,989**
Issue of new shares	1,985	240,189	-	-	240,189
At 31 December 2023	**9,845**	**1,191,013**	**2,253**	**3,912**	**1,197,178**

In 2022, on the basis of Presidential Decree No. 168 dated 18 March 2022, the owners decided to exchange their shares in the Bank for the Bank's 6% investment in equity instruments in Uzcard LLC for the amount of UZS 2,530 million. The fair value of the instruments approximates the nominal amount of these shares acquired by the Bank. In 2023, JSC Uzbektelecom purchased 1,985 million shares for UZS 240,189 million.

The total authorised number of ordinary shares is 22,780 million shares (2022: 22,759 million shares), with a par value of UZS 121 per share (2022: UZS 121 per share).

The total outstanding number of ordinary shares is 9,827 million shares (2022: 7,842 million shares), with a par value of UZS 121 per share (2022: UZS 121 per share). All issued ordinary shares are fully paid. Each ordinary share carries one vote.

The total authorised number of preference shares is 26 million shares (2022: 26 million shares), with a par value of UZS 121 per share (2022: UZS 121 per share).

20 Share Capital (Continued)

The total outstanding number of preference shares is 18 million shares (2022: 18 million shares), with a par value of UZS 121 per share (2022: UZS 121 per share). All issued preference shares are fully paid. Preference shares are entitled to receive dividend at amount of 40 percent of nominal amount at least regardless of the profitability of the bank.

Share premium represents the excess of contributions received over the nominal value of shares issued.

21 Interest Income and Expense

In millions of Uzbekistan Soums	2023	2022
Interest income calculated using the effective interest method		
Loans and advances to customers	1,805,158	1,393,354
Debt securities	91,311	77,484
Due from other banks	43,388	37,960
Total interest income calculated using effective interest rate method	**1,939,857**	**1,508,798**
Other similar income		
Other	2,205	1,315
Total other similar income	**2,205**	**1,315**
Total interest income	**1,942,062**	**1,510,113**
Interest expense on financial liabilities calculated using the effective interest method		
Customer accounts	930,049	642,352
Due to other banks	189,278	196,461
Other borrowed funds	167,027	116,201
Lease liablities	3,748	2,784
Total interest expense calculated using the effective interest method	**1,290,102**	**957,798**
Net margine on interest and similar income	**651,960**	**552,315**

22 Fee and Commission Income and Expense

Fee and commission income and expense for 2023 and 2022 as follows

In millions of Uzbekistan Soums	2023	2022
Fee and commission income not relating to financial Instruments at FVTPL		
Settlement transactions	582,343	326,992
International money transfers	40,778	46,128
Cash transactions	39,659	28,485
Guarantees and letters of credit issued	15,501	11,668
Foreign currency conversion services	2,061	1,814
Other	10,285	7,539
Total fee and commission income	**690,627**	**422,626**
Fee and commission expense not relating to financial Instruments at FVTPL		
Settlement transactions	398,100	209,364
Domestic payment systems	90,347	39,297
Foreign currency conversion services	3,486	8,734
Cash transactions	4,025	3,567
Transactions with securities	1,341	474
Other	16,790	9,412
Total fee and commission expense	**514,089**	**270,848**
Net fee and commission income	**176,538**	**151,778**

*The table was revised to align with 2023 presentation.

22 Fee and Commission Income and Expense (Continued)

Significant increase in income and expense from settlement transactions is due to growth in use of online payment applications and the Group is one of the largest partner of companies by servicing transit and current accounts.

23 Other Operating Income

In millions of Uzbekistan Soums	2023	2022
Gain on disposal of property and equipment	252,622	831
Rental income from renting card transaction terminals of the Bank	2,091	1,284
Dividend income	674	955
Gains less losses from equity securities at fair value through profit or loss	223	284
Other	5,619	4,705
Total other operating income	**261,229**	**8,059**

During 2023, Group sold its building located at Amir Temur avenue, 4, Tashkent used for operations of its Head Office and recognized gain in the amount of UZS 241,700 million from sale.

24 Administrative and Other Operating Expenses

In millions of Uzbekistan Soums	2023	2022
Staff costs	400,210	304,420
Charity and sponsorship expenses	48,622	39,076
Depreciation of premises and equipment	48,285	42,579
Membership fees	34,011	11,391
Security service costs	23,407	19,239
Advertising costs	16,560	5,259
Office supplies	14,213	10,920
Repairs and maintenance	11,036	5,337
Professional services	9,804	12,918
Communication expenses	8,484	6,731
Representation expenses	5,268	1,114
Taxes other than income tax	5,247	15,253
Short-term rent expenses	5,152	1,563
Business trip and travel expenses	4,008	3,224
Other	16,051	12,683
Total administrative and other operating expenses	**650,358**	**491,707**

Staff costs contain statutory pension contributions of UZS 40,465 million (2022: UZS 31,073 million).
The fee for the non-audit services provided by the auditor's of the Group's net of VAT for 2023 is UZS 128,800 million, (2022: Nil). The audit services fees net of VAT is included in Professional services line of the table above and amounted UZS 2,760,000 million (2022: UZS 1,723,000 million).

25 Income Taxes

(a) Components of income tax expense / (benefit)

Income tax expense comprises the following:

In millions of Uzbekistan Soums	2023	2022
Current tax charge	128,773	78,737
Deferred tax (credit) / charge	(21,977)	(10,555)
Total income tax expense for the year	**106,796**	**68,182**

(b) Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate

The income tax rate applicable to the majority of the Group's 2023 income is 20% (2022: 20%). A reconciliation between the expected and the actual taxation charge is provided below.

In millions of Uzbekistan Soums	2023	2022
Profit before tax	**465,304**	**265,388**
Theoretical tax charge at the applicable statutory rate - 20% (2022: 20%)	93,061	53,078
- Non deductible expenses	20,388	23,611
- Tax exempt income	(20,779)	(15,654)
- Other	14,126	7,147
Income tax expense for the year	**106,796**	**68,182**

25 Income Taxes (Continued)

Non-deductible expenses in the table include 20% of the statutory ECL charge for UZS 5,871 million (2022: 6,098 million), and non-deductible charity and donation exceeding the tax code regulation limit make up the rest. Tax-exempt income in the table above consists of interest income from government bonds and CBU bonds, totaling UZS 18,122 million (2022: UZS 15,852 million), and remaining 20% of the recovery of statutory ECL provisions.

(c) Deferred taxes analysed by type of temporary difference

Differences between IFRS and statutory taxation regulations in Uzbekistan give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences is detailed below.

In millions of Uzbekistan Soums	2023	(Charged)/ credited to profit or loss	2022	(Charged)/ credited to profit or loss	2021
Tax effect of deductible/(taxable) temporary differences					
Loans and advances	24,167	20,881	3,286	3,695	(409)
Due from banks ECL	2,473	1,085	1,388	1,388	-
Premises, equipment and intangible assets	6,052	(6,194)	12,246	2,916	9,330
Recognition of impairment loss from the investment in associate	288	288	-	(597)	597
Investment in debt securities: recognition of interest income using EIR method	18	(140)	158	158	-
Other assets	(431)	(1,303)	872	671	201
Customer accounts overcharged commission income	1,802	(938)	2,740	2,740	-
Other borrowed funds	348	174	174	174	-
Difference due to accruals of bonuses and reserve for unused vacations	15,585	8,124	7,461	(590)	8,051
Net deferred tax asset/(liability)	**50,302**	**21,977**	**28,325**	**10,555**	**17,770**
Recognised deferred tax asset	50,733	30,552	28,325	11,742	18,179
Recognised deferred tax liability	(431)	(8,575)	-	(1,187)	(409)
Net deferred tax asset/(liability)	**50,302**	**21,977**	**28,325**	**10,555**	**17,770**

26 Reconciliation of Liabilities Arising from Financing Activities

The table below sets out movements in the Group's liabilities from financing activities for each of the periods presented. The items of these liabilities are those that are reported as financing activities in the statement of cash flows.

	Liabilities from financing activities			
In millions of Uzbekistan Soums	Other borrowed funds	Subordinated debt	Lease liabilities	Total
Liabilities from financing activities at 1 January 2022	**2,281,503**	**-**	**13,592**	**2,295,095**
New leases recognized	-	-	2,387	**2,387**
Proceeds from liabilities	4,516,114	-	-	**4,516,114**
Repayment of liabilities	(3,630,308)	-	(4,343)	**(3,634,651)**
Foreign exchange adjustments	84,284	2,280	-	**86,564**
Reclassification other borrowings to subordinated debt	(143,227)	143,227	-	**-**
Accrual of interest	25,863	4,308	1,838	**32,009**
Interest paid	(41,601)	(3,940)	-	**(45,541)**
Liabilities from financing activities at 1 January 2023	**3,092,628**	**145,875**	**13,474**	**3,251,977**
Proceeds from liabilities	1,131,889	-	-	**1,131,889**
Repayment of liabilities	(1,250,411)	-	(1,912)	**(1,252,323)**
Foreign exchange adjustments	233,908	12,537	-	**246,445**
Accrual of interest	163,957	3,070	3,748	**170,775**
Interest paid	(141,380)	(1,140)	-	**(142,520)**
Liabilities from financing activities at 31 December 2023	**3,230,591**	**160,342**	**15,310**	**3,406,243**

27 Earnings per Share

Basic earnings per share are calculated by dividing the profit or loss attributable to owners of the Bank by the weighted average number of ordinary shares in issue during the year, excluding treasury shares. The Bank has no dilutive potential ordinary shares; therefore, the diluted earnings per share equal the basic earnings per share. Earnings per share are calculated as follows:

In millions of Uzbekistan Soums	31 December 2023	31 December 2022
Profit or loss for the year attributable to the ordinary shareholders of the Bank	359,133	197,781
Weighted average number of ordinary shares in issue (thousands)	8,888,087	7,852,411
Total basic and diluted earnings per share attributable to the owners of the bank (expressed in UZS per share)	40	25

28 Segment Analysis

The Group made changes to its segment reporting structure in 2022. As a result, the Group's retail and corporate operations have been integrated, and their performance is no longer measured separately. Instead, they are now reported as a single segment.

The Group provides mainly banking services in the Republic of Uzbekistan. The Group identifies the segment in accordance with the criteria set in IFRS 8 "Operating Segments" and based on the way the operations of the Group are regularly reviewed by the chief operating decision maker to analyse performance and allocate resources among business units of the Group.

The chief operating decision-maker ("CODM") has been determined as the Group's Chairman of the Management Board. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM regularly uses financial information based on the IFRS and profit before tax in accordance with the IFRS for operational decision-making and resource allocation.

The Management has determined a single operating segment being banking services based on the internal reports and the following factors were considered upon changing in the segment reporting:

Simplification: By consolidating the two segments into a single segment and measuring the performance based on IFRS profit before tax, the Group can simplify its financial reporting process. This reduces complexity, streamline disclosures, and make it easier for stakeholders to understand the financial performance of the Group as a whole.

Cost and Resource Efficiency: Maintaining separate segment reporting requires additional resources and costs for data collection, analysis, and reporting. By moving to a single segment, the Group can potentially reduce these expenses and allocate resources more efficiently.

29 Financial Risk Management

The risk management function within the Group is carried out with respect to financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk. The primary function of financial risk management is to establish risk limits and to ensure that any exposure to risk stays within these limits. The operational and legal risk management functions are intended to ensure the proper functioning of internal policies and procedures in order to minimise operational and legal risks.

Risk management activities of the Bank are carried out in accordance with requirements of the Central Bank of the Republic of Uzbekistan on risk management and corporate governance in commercial banks, as well as internal Policies of the Group on risk management and limits.

Credit risk. The Group exposes itself to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.

29 Financial Risk Management (Continued)

Exposure to credit risk arises as a result of the Group's lending and other transactions with counterparties, giving rise to financial assets and off-balance sheet credit-related commitments.

The Group's maximum exposure to credit risk is reflected in the carrying amounts of financial assets on the consolidated statement of financial position. For guarantees and commitments to extend credit, the maximum exposure to credit risk is the amount of the commitment. The credit risk is mitigated by collateral and other credit enhancements.

Risk limits control and mitigation policies. The Group manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and groups, and to industries.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product, industry sector and by country are approved quarterly by the Group Council.

Where appropriate, and in the case of most loans, the Group obtains collateral and corporate and personal guarantee.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below.

(a) Limits. The Group established a number of credit committees which are responsible for approving credit limits for individual borrowers:

On credit instruments and transactions carried out in domestic currency:

- up to UZS 2,000 million loans – under the underwriter's decision
- loans above UZS 2,000 million and less than UZS 5,000 million – based on a positive decision of the RCSC's Credit Commissions;
- loans higher than UZS 5,000 million and up to 15 (fifteen) percent of the Bank's net assets – based on a decision of the Bank Credit Committee;
- loans accounting for 15 (fifteen) percent to 50 (fifty) percent of the Bank's net assets – based on a decision of the Bank Supervisory Board;
- in the cases specified by the current legislation – based on a decision made at the General Meeting of the Bank Shareholders.

On credit instruments and transactions carried out in foreign currency:

- loans up to USD 200,000 (two hundred thousand) equivalent - under the underwriter's decision;
- loans above USD 200 000 (two hundred thousand) equivalent and less than USD 500,000 (five hundred thousand) equivalent - based on a positive decision of the RCSC's Credit Commissions;
- loans above USD 500,000 (five hundred thousand) equivalent and up to 15 (fifteen) percent of the Bank's net asset - based on a decision of the Bank Credit Committee;
- loans accounting for 15 (fifteen) percent equivalent to 50 (fifty) percent equivalent of the Bank's net assets - based on a decision of the Bank Supervisory Board;
- in the cases specified by the current legislation - based on a decision made at the General Meeting of the Bank Shareholders.

Loan applications, along with financial analysis of loan applicant which includes liquidity, profitability, interest coverage and debt service coverage ratios, originated by the relevant client relationship managers are passed on to the relevant credit committee or Group Council for approval of credit limit.

(b) Collateral. The Group employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation.

Collateral before being accepted by the Group is thoroughly analysed and physically verified, where applicable. Debt securities, treasury and other eligible bills are generally unsecured.

29 Financial Risk Management (Continued)
The principal collateral types for loans and advances are:

- Cash deposits;
- Motor vehicle;
- Guarantees of large state controlled organisations;
- Letter of surety of large state controlled organisations;
- Residential house;
- Equipment;
- Building; and
- Insurance policy of large state companies.

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured.

(c) Concentration of risks of financial assets with credit risk exposure. The Group's management focuses on concentration risk:

- The maximum risk to single borrower of group of affiliated borrowers shall not exceed 25 percent of the Bank's tier 1 capital. (Refer to the Notes 4 and 30 for the details of the breach of prudential normatives);
- Total amount of unsecured credits shall not exceed 5 percent of Bank's tier 1 capital;
- Total amount of all large credits cannot exceed Bank's tier 1 capital by more than 8 times; and
- Total loan amount to related party shall not exceed Bank's tier 1 capital.

In order to monitor credit risk exposures, weekly reports are produced by the credit department's officers based on a structured analysis focusing on the customer's business and financial performance, which includes overdue balances, disbursements and repayments, outstanding balances and maturity of loan and as well as grade of loan and collateral. Any significant exposures against customers with deteriorating creditworthiness are reported to and reviewed by the management daily. Management monitors and follows up past due balances.

Credit risk grading system. For measuring credit risk and grading financial instruments by the amount of credit risk, the Group applies two approaches – an Internal Risk-Based (IRB) rating system or risk grades estimated by external international rating agencies (Standard & Poor's - "S&P", Fitch, Moody's).

The Group's internal credit rating grades are as follows:

Standard	1	Timely repayment of "standard" loans is not in doubt. The borrower is a financially stable company, which has an adequate capital level, high level profitability and sufficient cash flow to meet its all existing obligations, including present debt. When assessing the reputation of the borrower such factors as the history of previous repayments, marketability of collateral (movable and immovable property guarantee) are taken into consideration.
Substandard	2	As a whole, the financial position of a borrower is stable, but some unfavorable circumstances or tendencies are present, which, if not disposed of, raise some doubts about the borrower's ability to repay on time. "Standard" loans with insufficient information in the credit file or missing information on collateral could be also classified as "Substandard" loans.
Unsatisfactory	3	"Unsatisfactory" loans have obvious shortcomings, which make doubtful the repayment of the loan under the terms, envisaged by the initial agreement. For loans classified as "Unsatisfactory", the primary source of repayment is not sufficient and the Bank has to seek additional loan repayment sources, such as the sale of collateral.
Doubtful	4	"Doubtful" are loans which, in addition to having the characteristics of "Unsatisfactory" loans, have additional shortcomings, which make it doubtful that the loan will be repaid in full under the existing circumstances. The probability of incurring loss in respect of such loans is high

29 Financial Risk Management (Continued)

Bad loans	5	Loans classified as "hopeless" are considered uncollectible and have such a little value that their continuance as assets of the Bank is not worth. This classification does not mean that the loans have absolutely no likelihood of recovery, but rather means that the Bank should cease recognising such loans and make efforts to get rid of such debt through selling collateral or make every effort to collect the outstanding loan

Unsatisfactory, Doubtful and Hopeless are classified as impaired loans. Group used those classification also for Other financial assets.

External ratings are assigned to counterparties by independent international rating agencies, such as S&P, Moody's and Fitch. These ratings are publicly available. Such ratings and the corresponding range of probabilities of default ("PD") are applied for the following financial instruments: interbank placements and investments in debt securities.

Expected credit loss (ECL) measurement. ECL is a probability-weighted estimate of the present value of future cash shortfalls (i.e., the weighted average of credit losses, with the respective risks of default occurring in a given time period used as weights). An ECL measurement is unbiased and is determined by evaluating a range of possible outcomes. ECL measurement is based on four components used by the Group: Probability of Default ("PD"), Exposure at Default ("EAD"), Loss Given Default ("LGD") and Discount Rate.

EAD is an estimate of exposure at a future default date, taking into account expected changes in the exposure after the reporting period, including repayments of principal and interest, and expected drawdowns on committed facilities. The EAD on credit related commitments is estimated using Credit Conversion Factor ("CCF"). CCF is a coefficient that shows the probability of conversion of the committed amounts to an on-balance sheet exposure within a defined period. The Group's management estimates that 12-month and lifetime CCFs are materially the same. PD is an estimate of the likelihood of default to occur over a given time period. LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of the EAD. The expected losses are discounted to present value at the end of the reporting period. The discount rate represents the effective interest rate ("EIR") for the financial instrument or an approximation thereof.

Expected credit losses are modelled over instrument's *lifetime period*. The *lifetime period* is equal to the remaining contractual period to maturity of debt instruments, adjusted for expected prepayments, if any.

For loan commitments and financial guarantee contracts, it is the contractual period over which an entity has a present contractual obligation to extend credit.

Management models *Lifetime ECL*, that is, losses that result from all possible default events over the remaining lifetime period of the financial instrument. The *12-month ECL*, represents a portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting period, or remaining *lifetime period* of the financial instrument if it is less than a year.

The ECLs that are estimated by management for the purposes of these financial statements are point-in-time estimates, rather than through-the-cycle estimates that are commonly used for regulatory purposes. The estimates consider *forward looking information*, that is, ECLs reflect probability weighted development of key macroeconomic variables that have an impact on credit risk.

The main signs of debt financial instrument being credit-impaired (stage 3):

For corporate and private individual borrowers and other financial instruments, except for inter-bank operations:

- the borrower is more than 90 days past due on its contractual payments;
- recognition of the borrower's debt as "hopeless" according to the credit quality classification of the Central Bank of Uzbekistan;
- presence of an event of impairment (default) at the reporting date, which affected the classification of other financial instruments of the debtor in the Bank as Stage 3;

29 Financial Risk Management (Continued)

- initiation/presence of legal proceedings on the borrower's debt to the Bank (bank being both as a plaintiff and a defendant).

For Inter-bank operations:

- the borrower is more than 7 days past due on its contractual payments;
- recognition of the borrower's debt as "hopeless" according to the credit quality classification of the Central Bank of Uzbekistan;
- presence of an event of impairment (default) at the reporting date, which affected the classification of other financial instruments of the debtor in the Bank as Stage 3.
- for non-resident banks – a downgrade of an international credit agency by 2 or more points from the date of comparison, or a recall of all international credit ratings of a debtor bank

For purposes of disclosure, the Group fully aligned the definition of default with the definition of credit-impaired assets.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis that considers the likelihood of a financial instrument returning to default status after curing by using different possible definitions of cures.

The assessment whether or not there has been a significant increase in credit risk ("SICR") since initial recognition is performed on an individual basis and on a portfolio basis. For loans issued to individuals and corporate entities and interbank loans at AC, SICR is assessed on an individual basis by monitoring the triggers stated below. The criteria used to identify an SICR are monitored and reviewed periodically for appropriateness by the Group's Risk Management Department. The presumption, being that there have been significant increases in credit risk since initial recognition when financial assets are more than 30 days past due, has not been rebutted.

The main factors either of which indicates that a significant increase in credit risk occurred are:

For loans issued to legal entities and individual entrepreneurs:

- the borrower is more than 30 days past due on its contractual payments;
- property disputes between beneficiaries, each owning more than 20% of the share (shares) of the Debtor in an amount exceeding 30% of the amount owed, corporate conflict between beneficiaries
- decrease of the borrower's credit quality class compared to its class as at the date of comparison by 2 or more points and / or to the level of "unsatisfactory";
- property disputes between beneficiaries, each owning more than 20% of the share (shares) of the Debtor in an amount exceeding 30% of the amount owed, corporate conflict between beneficiaries;
- availability of one or several alarms according to the list of alarms;
- debt restructuring caused by the deterioration of the debtor's financial condition, the terms of which imply:

  - Provision of deferment of interest repayment for a period not exceeding 90 days and / or

  - change of the repayment schedule of the principal debt, in which the total payments in the next 12 months are reduced by no more than 50% in comparison with the initial repayment schedule and / or

  - Extension of the loan agreement by no more than 12 months compared with the original maturity assignment to Stage 2 of borrower's other financial instruments in the Bank (due to the presence of a SICR event), provided that the date of assignment to Stage 2 of these instruments is later than the date of initial recognition of the analyzed financial instrument

For loans to Individuals:

- the borrower is more than 30 days past due on its contractual payments;
- decrease of the credit classification of the borrower to the level of "unsatisfactory"
- debt restructuring caused by the deterioration of the debtor's financial condition, the terms of which imply:

29 Financial Risk Management (Continued)

- Provision of deferment of interest repayment for a period not exceeding 90 days and / or

- change of the repayment schedule of the principal debt, in which the total payments in the next 12 months are reduced by no more than 50% in comparison with the initial repayment schedule and/or

- Extension of the loan agreement by no more than 12 months compared with the original maturity

For interbank operations:

- delay of payment obligations for a period of more than 36 hours;
- for resident banks - downgrading of the credit quality of a debtor bank from the date of comparison of recognition by 2 or more points (according to the international and / or national credit rating);
- for non-resident banks - a downgrade of an international credit agency by 2 or more points from the date of comparison, or a withdrawal of the international credit rating of a debtor bank (except when a non-resident bank has more than one international credit rating)
- assignment to Stage 2 of the debtor's other financial instruments in the Bank (due to the presence of a SICR event), provided that the date of assignment to Stage 2 of these instruments is later than the date of recognition of the financial instruments being analysed.

The level of ECL that is recognised in these consolidated financial statements depends on whether the credit risk of the borrower has increased significantly since initial recognition. This is a three-stage model for ECL measurement. A financial instrument that is not credit-impaired on initial recognition and its credit risk has not increased significantly since initial recognition has a credit loss allowance based on 12-month ECLs (Stage 1). If a SICR since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired and the loss allowance is based on lifetime ECLs. If a financial instrument is credit-impaired, the financial instrument is moved to Stage 3 and loss allowance is based on lifetime ECLs.

The consequence of an asset being in Stage 3 is that the entity ceases to recognise interest income based on gross carrying value and applies the asset's effective interest rate to the carrying amount, net of ECL, when calculating interest income. If there is evidence that the SICR criteria are no longer met, the instrument is transferred back to Stage 1. If an exposure has been transferred to Stage 2 based on a qualitative indicator, the Group monitors whether that indicator continues to exist or has changed.

ECL for POCI financial assets is always measured on a lifetime basis. The Group therefore only recognises the cumulative changes in lifetime expected credit losses.

The Group has three approaches for ECL measurement: (i) assessment on an individual basis; (ii) assessment on a portfolio basis: internal ratings are estimated according to the Resolution of the Board of the Central Bank of Uzbekistan 2696 "Approval of the regulation on the procedure for classification of the quality of assets and the formation of provisions to cover the possible losses on assets, as well as their use in commercial banks". but the same credit risk parameters (e.g. PD, LGD) will be applied during the process of ECL calculations for the same credit risk ratings and homogeneous segments of the loan portfolio; and. (iii) assessment based on external ratings. The Group performed individual assessment of ECL for borrowers with the outstanding loans receivables above UZS 20,000 million in Stage 3 only. The management assesses that threshold of UZS 20,000 million is appropriate given the size of loan portfolio and internal risk assessment procedures. These loans are excluded from historical data used for collective assessment that does not contradict IFRS 9. The Group performs an assessment on a portfolio basis for the remaining loans, such as corporate and individual loans, which are not considered to be individually significant. This approach stratifies the loan pool into homogeneous segments based on borrower-specific information, such as delinquency status, the historical data on losses, location and other predictive information.

The Group performs assessments based on external ratings for interbank loans

ECL assessment on an individual basis is performed by weighting the estimates of credit losses for different possible outcomes against the probabilities of each outcome. The Group defines at least two possible outcomes for each assessed loan, one of which leads to a credit loss even if the probability of such a scenario may be very low. Individual assessment is primarily based on the expert judgement of experienced officers from the loan and risk management departments. Expert judgements are regularly tested in order to decrease the difference between estimates and actual losses.

29 Financial Risk Management (Continued)

When assessment is performed on a portfolio basis, the Group determines the staging of the exposures and measures the loss allowance on a collective basis. The Group analyses its exposures by segments determined on the basis of shared credit risk characteristics, such that exposures within a group have homogeneous or similar risks. The key shared credit characteristics considered are: type of customer (such as corporate or individual), product type (car loans, consumer loans etc.). The different segments also reflect differences in credit risk parameters such as PD and LGD. The appropriateness of groupings is monitored and reviewed on a periodic basis by the Risk Management Department.

In general, ECL is the sum of the multiplications of the following credit risk parameters: EAD, PD and LGD, that are defined as explained above, and discounted to present value using the instrument's effective interest rate. The ECL is determined by predicting credit risk parameters (EAD, PD and LGD) for each future year during the lifetime period for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has been repaid or defaulted in an earlier month). This effectively calculates an ECL for each future period, that is then discounted back to the reporting date and summed up. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The key principles of calculating the credit risk parameters. Two types of PDs are used for calculating ECLs: 12-month and lifetime PD. An assessment of a 12-month PD is based on the latest available historic default data and adjusted for supportable forward-looking information when appropriate. Lifetime PDs represent the estimated probability of a default occurring over the remaining life of the financial instrument and it is a sum of the 12 months PDs over the life of the instrument. The Group uses different statistical approaches depending on the segment and product type to calculated lifetime PDs, such as the extrapolation of 12-month PDs based on migration matrixes (Markov chain), developing lifetime PD curves based on the historical default data.

LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by the type of counterparty, type and seniority of the claim, and the availability of collateral or other credit support. The 12-month and lifetime LGDs are determined based on the factors that impact the expected recoveries after a default event. The approach to LGD measurement can be divided into three possible approaches:

- measurement of LGD based on the specific characteristics of the collateral;
- calculation of LGD on a portfolio basis based on recovery statistics; or
- individually defined LGD depending on different factors and scenarios.

The Group calculates LGD based on recovery statistics of defaulted loans. LGD is calculated for corporate entities and private individuals separately, as their risk and recovery profiles are considered to be different.

ECL measurement for financial guarantees and loan commitments. The ECL measurement for these instruments includes the same steps as described above for on-balance sheet exposures and differs with respect to EAD calculation. The EAD is a product of credit conversion factor ("CCF") and amount of the commitment. CCF for undrawn credit lines of corporate customers, credit cards issued to individuals and for financial guarantees is defined based on statistical analysis of past exposures at default.

Principles of assessment based on external ratings. Certain exposures have external credit risk ratings and these are used to estimate credit risk parameters PD and LGD from the default and recovery statistics published by the respective rating agencies.

Market risk. The Group takes on exposure to market risks. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The Group manages its market risk through risk-based limits established by the Group Supervisory Board on the value of risk that may be accepted. The risk-based limits are subject to review by the Group Council on a quarterly basis. Overall Group's position is split between Corporate and Retail banking positions. The exposure of Corporate and Retail banking operations to market risk is managed through the system of limits monitored by the Treasury Department on a daily basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

29 Financial Risk Management (Continued)

Currency risk. In respect of currency risk, management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily
The table below summarises the Group's exposure to foreign currency exchange rate risk at the end of the reporting period:

In millions of Uzbekistan Soums	Monetary financial assets	Monetary financial liabilities	Derivatives	Net balance sheet position
2023				
UZS	8,149,402	(8,570,064)	-	(420,662)
US Dollars	4,090,161	(3,894,419)	(167,155)	28,587
Euros (EUR)	649,561	(614,351)	-	35,210
Swiss francs (CHF)	896	-	-	896
Chineese Yuan (CNY)	-	(175,469)	170,760	(4,709)
Other	19,608	(23,898)	-	(4,290)
Total	**12,909,628**	**(13,278,201)**	**3,605**	**(364,968)**
2022				
UZS	8,791,621	(8,167,678)	-	623,943
US Dollars	4,741,943	(5,281,737)	-	(539,794)
Euros (EUR)	503,607	(520,446)	-	(16,839)
Swiss francs (CHF)	409	(412)	-	(3)
Other	32,789	(31,634)	-	1,155
Total	**14,070,369**	**(14,001,907)**	**-**	**68,462**

The following table presents sensitivities of profit or loss and equity to reasonably possible changes in exchange rates applied at the end of the reporting period relative to the functional currency of the respective Group entities, with all other variables held constant:

In millions of Uzbekistan Soums	At 31 December 2023 Impact on profit or loss and equity	At 31 December 2022 Impact on profit or loss and equity
US Dollars strengthening by 10% (2022: 10%)	2,859	(53,979)
US Dollars weakening by 10% (2022: 10%)	(2,859)	53,979
EUR strengthening by 10% (2022: weakening by 10%)	3,521	(1,684)
EUR weakening by 10% (2022: strengthening by 10%)	(3,521)	1,684

Rates used for the above sensitivity analysis are based on the actual change of foreign exchange rates for respective currencies during each year. The exposure was calculated only for monetary balances denominated in currencies other than the functional currency of the respective entity of the Group.

Interest rate risk. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken.

The table below summarises the Group's exposure to interest rate risks. The table presents the aggregated amounts of the Group's financial assets and liabilities at carrying amounts, categorised by the earlier of contractual interest repricing or maturity dates.

29 Financial Risk Management (Continued)

In millions of Uzbekistan Soums	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
31 December 2023					
Total financial assets	34,387	97,859	107,433	1,038,696	**1,278,375**
Total financial liabilities	(272,140)	(120,667)	(231,668)	(897,003)	**(1,521,478)**
Net interest sensitivity gap at 31 December 2023	**(237,753)**	**(22,808)**	**(124,235)**	**141,693**	**(243,103)**
31 December 2022					
Total financial assets	188,340	197,757	141,255	414,349	**941,701**
Total financial liabilities	(22,890)	(256,256)	(120,357)	(646,639)	**(1,046,142)**
Net interest sensitivity gap at 31 December 2022	**165,450**	**(58,499)**	**20,898**	**(232,290)**	**(104,441)**

Financial assets with floating interest rates. At 31 December 2023, if:

- interest rates at that dates had been 200 basis points lower (2022: 200 basis points lower) with all other variables held constant, interest income for the year would have been UZS 25,568 million (2022: UZS 18,834 million) lower.
- if interest rates at that dates had been 200 basis points higher (2022: 200 basis points higher) with all other variables held constant, interest income for the year would have been UZS 25,568 million (2022: UZS 18,834 million) higher

Financial liabilities with floating interest rates. At 31 December 2023, if:

- If interest rates had been 200 basis points lower (2022: 200 basis points lower), with all other variables held constant, interest expense would have been UZS 30,430 million (2022: UZS 20,923 million) lower.
- If interest rates had been 200 basis points higher (2022: 200 basis points lower), with all other variables held constant, interest expense would have been UZS 30,430 million (2022: UZS 20,923 million) lower.

Financial liabilities with a floating rate comprise of other borrowed funds and Subordinated Debts, of which 45% (2022: 34%) are at floating rates. Amounts denominated in USD represent 62% of population and amounts denominated in EUR represents 38% of population.
The table below summarises interest rates at the respective reporting date based on reports reviewed by key management personnel.

	2023				2022	
In % p.a.	UZS	USD	EUR	Other	UZS	USD
Assets						
Cash and cash equivalents	-	-	-	-	0%-14%	4%-5%
Due from other banks	0%-10%	0%-4%	-	-	10%	0%-4%
Investment in debt securities	16.5%	-	-	-	0%-16.5%	-
Loans and advances to customers	1%-37%	3%-16%	5%-11%	-	1-36,5%	3-13%
Liabilities						
Due to other banks	3%-19%	5.25%-9%	-	-	0%-20%	3.25%-6.5%
Customer accounts	0%-30%	0%-6.5%	-	-	0%-30%	0%-6%
Other borrowed funds	0%-15%	2%-10.09%	4.78%-5.34%	6.25%	0-13%	2-15%
Subordinated debt	-	4.3%-6.07%	-	-	-	3-4%
Lease liabilities	24.07%	-	-	-	22.48%	-

The sign "-" in the table above means that the Group does not have the respective interest bearing assets or liabilities in the corresponding currency.

Other price risk. The Group is exposed to prepayment risk through providing fixed rate loans, including mortgages, which give the borrower the right to early repay the loans. The Group's current year profit or loss and equity at the current reporting date would not have been significantly impacted by changes in prepayment rates because such loans are carried at amortised cost and the prepayment right is at or close to the amortised cost of the loans and advances to customers (2021: no material impact). The Group has no significant exposure to equity price risk.

29 Financial Risk Management (Continued)

Geographical risk concentrations. The geographical concentration of the Group's financial assets and liabilities at 31 December 2023 is set out below:

In millions of Uzbekistan Soums	Uzbekistan	OECD	Non-OECD	Russia	Total
Assets					
Cash and cash equivalents	1,318,116	54,350	2,417	99,418	1,474,301
Due from other banks	586,087	2,467	64,223	3,039	655,816
Loans and advances to customers	10,485,387	-	-	-	10,485,387
Investment in debt securities	217,796	-	-	-	217,796
Investments in equity securities	39,697	-	-	-	39,697
Other financial assets	40,236	-	-	-	40,236
Total financial assets	**12,687,319**	**56,817**	**66,640**	**102,457**	**12,913,233**
Liabilities					
Due to other banks	954,632	607	75,012	114,521	1,144,772
Customer accounts	8,518,726	-	-	-	8,518,726
Other borrowed funds	1,925,412	730,266	399,444	175,469	3,230,591
Subordinated debt	160,342	-	-	-	160,342
Other financial liabilities	223,770	-	-	-	223,770
Total financial liabilities	**11,782,882**	**730,873**	**474,456**	**289,990**	**13,278,201**
Net balance sheet position as 31 December 2023	**904,437**	**(674,056)**	**(407,816)**	**(187,533)**	**(364,968)**
Credit related commitments (Note 31)	**1,110,566**	**-**	**-**	**-**	**1,110,566**

The geographical concentration of the Group's financial assets and liabilities at 31 December 2022 is set out below:

In millions of Uzbekistan Soums	Uzbekistan	OECD	Non-OECD	Russia	Total
Assets					
Cash and cash equivalents	2,840,545	133,294	11,988	78,298	3,064,125
Due from other banks	504,492	2,245	14,259	10,149	531,145
Loans and advances to customers	9,639,426	-	-	-	9,639,426
Investment in debt securities	790,596	-	-	-	790,596
Investments in equity securities	8,790				8,790
Other financial assets	36,287	-	-	-	36,287
Total financial assets	**13,820,136**	**135,539**	**26,247**	**88,447**	**14,070,369**
Liabilities					
Due to other banks	2,049,028	607	27,788	952,544	3,029,967
Customer accounts	7,639,532	-	-	-	7,639,532
Other borrowed funds	820,228	1,026,264	-	1,246,136	3,092,628
Subordinated debt	145,875	-	-	-	145,875
Other financial liabilities	93,905	-	-	-	93,905
Total financial liabilities	**10,748,568**	**1,026,871**	**27,788**	**2,198,680**	**14,001,907**
Net balance sheet position as 31 December 2022	**3,071,568**	**(891,332)**	**(1,541)**	**(2,110,233)**	**68,462**
Credit related commitments (Note 31)	**1,411,330**	**-**	**-**	**-**	**1,411,330**

Other risk concentrations. Management monitors and discloses concentrations of credit risk by obtaining reports listing exposures to borrowers with aggregated loan balances in excess of 10% of net assets. Refer to Note 9.

Liquidity risk. Liquidity risk is defined as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group is exposed to daily calls on its available cash resources from overnight deposits, current accounts, maturing deposits, loan draw downs, guarantees and from margin and other calls on cash settled derivative instruments. The Group does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. Liquidity risk is managed by the Resources Management Committee of the Group.

29 Financial Risk Management (Continued)

The Group seeks to maintain a stable funding base comprising primarily amounts due to other banks, corporate and retail customer deposits and invest the funds in inter-bank placements of liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements.

The liquidity management of the Group requires considering the level of liquid assets necessary to settle obligations as they fall due; maintaining access to a range of funding sources; maintaining funding contingency plans and monitoring balance sheet liquidity ratios against regulatory requirements. The Group calculates liquidity ratios on a monthly basis in accordance with the requirement of the Central Bank of Uzbekistan. These ratios are calculated using figures based on National Accounting Standards.

The Treasury Department receives information about the liquidity profile of the financial assets and liabilities. The Treasury Department then provides for an adequate portfolio of short-term liquid assets, largely made up of short-term liquid trading securities, deposits with banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Group as a whole.

The daily liquidity position is monitored and regular liquidity stress testing under a variety of scenarios covering both normal and more severe market conditions is performed by the Treasury Department.

The table below shows liabilities at 31 December 2023 by their remaining contractual maturity. The amounts of liabilities disclosed in the maturity table are the contractual undiscounted cash flows. These undiscounted cash flows differ from the amount included in the statement of financial position because the statement of financial position amount is based on discounted cash flows. Financial derivatives are included at the contractual amounts to be paid or received, unless the Group expects to close the derivative position before its maturity date in which case the derivatives are included based on the expected cash flows.

When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the reporting date. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

Liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment disclosed in the below maturity analysis, because the Group does not generally expect the third party to draw funds under the agreement. The total outstanding contractual amount of commitments to extend credit as included in the above maturity table does not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded.

Customer accounts are classified in the below analysis based on contractual maturities. However, in accordance with Uzbekistan Civil Code, individuals have a right to withdraw their deposits prior to maturity if they forfeit their right to accrued interest.

The maturity analysis of financial instruments at 31 December 2023 is as follows:

In millions of Uzbekistan Soums	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Liabilities					
Due to other banks	160,849	674,028	19,035	430,733	**1,284,645**
Customer accounts	2,959,888	1,549,514	2,151,381	4,059,419	**10,720,202**
Other borrowed funds	356,151	515,103	608,140	2,013,066	**3,492,460**
Subordinated debt	771	3,533	4,504	246,265	**255,073**
Other financial liabilities	209,178	3,513	4,211	11,982	**228,884**
Guarantees issued	622,190	-	-	-	**622,190**
Import credit lines	161,237	-	-	-	**161,237**
Undrawn credit lines	327,139	-	-	-	**327,139**
Total potential future payments for financial obligations	**4,797,403**	**2,745,691**	**2,787,271**	**6,761,465**	**17,091,830**

29 Financial Risk Management (Continued)

The maturity analysis of financial instruments at 31 December 2022 is as follows:

In millions of Uzbekistan Soums	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Liabilities					
Due to other banks	1,004,220	333,438	1,188,004	637,731	**3,163,393**
Customer accounts	3,209,056	1,836,283	1,688,736	2,180,080	**8,914,155**
Other borrowed funds	928,573	722,812	504,059	1,133,412	**3,288,856**
Subordinated debt	377	1,778	2,143	221,465	**225,763**
Other financial liabilities	80,974	2,689	3,149	12,162	**98,974**
Guarantees issued	326,918	-	-	-	**326,918**
Import credit lines	360,092	-	-	-	**360,092**
Undrawn credit lines	724,320	-	-	-	**724,320**
Total potential future payments for financial obligations	**6,634,530**	**2,897,000**	**3,386,091**	**4,184,850**	**17,102,471**

The Group does not use the above maturity analysis based on undiscounted contractual maturities of assets, liabilities and contingent liabilities to manage liquidity. Instead, the Group monitors expected maturities and the resulting expected liquidity gap as at 31 December 2023 as follows:

In millions of Uzbekistan Soums	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Assets					
Cash and cash equivalents	1,474,301	-	-	-	1,474,301
Due from other banks	178,452	259,717	65,024	152,623	655,816
Loans and advances to customers	811,978	1,951,181	1,533,529	6,188,699	10,485,387
Investment in debt securities	72,652	-	72,637	72,507	217,796
Investments in equity securities	-	-	-	39,697	39,697
Other financial assets	36,631	-	-	3,605	40,236
Total assets	**2,574,014**	**2,210,898**	**1,671,190**	**6,457,131**	**12,913,233**
Liabilities					
Due to other Banks	153,373	653,769	-	337,630	1,144,772
Customer accounts	2,865,908	1,136,985	1,780,996	2,734,837	8,518,726
Other borrowed funds	332,921	220,297	346,519	2,330,854	3,230,591
Subordinated debt	-	-	-	160,342	160,342
Other financial liabilities	223,770	-	-	-	223,770
Guarantees issued	622,190	-	-	-	622,190
Import credit lines	161,237	-	-	-	161,237
Undrawn credit lines	327,139	-	-	-	327,139
Total liabilities	**4,686,538**	**2,011,051**	**2,127,515**	**5,563,663**	**14,388,767**
Net liquidity gap	**(2,112,524)**	**199,847**	**(456,325)**	**893,468**	**(1,475,534)**
Cumulative liquidity gap at 31 December 2023	**(2,112,524)**	**(1,912,677)**	**(2,369,002)**	**(1,475,534)**	

The Group's expected liquidity gap is negative as at 31 December 2023. Management regularly performs stress tests to assess the potential outcomes due to liquidity mismatches and evaluates results to prepare action plans. In addition, Central Bank monitors Bank's compliance with prudential ratios.

The prudential ratios include Liquidity coverage ratio, and the Bank's liquidity position was in compliance with the required minimum as at 31 December 2023.

Management believes that in spite of a substantial portion of customer accounts is on demand, the fact that significant portion of these customer accounts are of large state controlled telecommunication entities which are either the Group's shareholders or related entities under common control and the past experience of the Group, indicate that these customer accounts provide a long-term and stable source of funding for the Group.

29 Financial Risk Management (Continued)

The maturity analysis of financial instruments at 31 December 2022 is as follows:

In millions of Uzbekistan Soums	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Assets					
Cash and cash equivalents	3,064,125	-	-	-	3,064,125
Due from other banks	109,905	55,804	-	365,436	531,145
Loans and advances to customers	979,402	1,798,737	1,590,488	5,270,799	9,639,426
Investment in debt securities	-	639,668	100,909	50,019	790,596
Investments in equity securities	-	-	-	8,790	8,790
Other financial assets	36,287	-	-	-	36,287
Total assets	**4,189,719**	**2,494,209**	**1,691,397**	**5,695,044**	**14,070,369**
Liabilities					
Due to other Banks	987,726	294,082	1,165,361	582,798	3,029,967
Customer accounts	3,144,996	1,554,165	1,511,579	1,428,792	7,639,532
Other borrowed funds	918,606	685,653	469,554	1,018,815	3,092,628
Subordinated debt	-	-	-	145,875	145,875
Other financial liabilities	80,740	1,631	2,052	9,482	93,905
Guarantees issued	326,918	-	-	-	326,918
Import credit lines	360,092	-	-	-	360,092
Undrawn credit lines	724,320	-	-	-	724,320
Total liabilities	**6,543,398**	**2,535,531**	**3,148,546**	**3,185,762**	**15,413,237**
Net liquidity gap	**(2,353,679)**	**(41,322)**	**(1,457,149)**	**2,509,282**	**(1,342,868)**
Cumulative liquidity gap at 31 December 2022	**(2,353,679)**	**(2,395,001)**	**(3,852,150)**	**(1,342,868)**	

30 Management of Capital

The Group's objectives when managing capital are (i) to comply with the capital requirements set by the Central Bank of Uzbekistan, and (ii) to safeguard the Group's ability to continue as a going concern. Compliance with capital adequacy ratios set by the Central Bank of Uzbekistan is monitored monthly with reports outlining their calculation reviewed and signed by the Chairman and Chief Accountant.

Under the current capital requirements set by the Central Bank of Uzbekistan, banks have to maintain ratios of:

- Ratio of regulatory capital to risk weighted assets ("Regulatory capital ratio") above the prescribed minimum level of 13 percent (2022: 13 percent);
- Ratio of Bank's tier 1 capital to risk weighted assets ("Capital adequacy ratio") above the prescribed minimum level of 10 percent (2022: 10 percent);
- Ratio of Bank's tier 1 main capital to risk weighted assets ("Main capital adequacy ratio") above the prescribed minimum level of 8 percent (2022: 8 percent);
- Ratio of Bank's tier 1 capital to total assets less intangibles ("Leverage ratio") above the prescribed minimum level of 6 percent (2022: 6 percent).

Based on information provided internally to key management personnel, the Group is in compliance with the above ratios of regulatory capital and tier 1 capital to risk weighted assets at 31 December 2023 and was not in compliance with these ratios as at 31 December 2022. Total capital is based on the Group's reports prepared under Uzbekistan Accounting Legislation and related instructions and comprises:

In millions of Uzbekistan Soums	31 December 2023 (unaudited)	31 December 2022 (unaudited)
Tier 1 capital	2,030,476	1,463,720
Tier 2 capital	872,149	481,291
Total regulatory capital	**2,902,625**	**1,945,011**
Risk - weighted assets	**17,647,513**	**15,578,589**
Capital adequacy ratio	11.5%	9.4%
Regulatory capital ratio	16.4%	12.5%

30 Management of Capital (Continued)

As at 31 December 2023 the balances provided to one of the borrower exceeded CBU set maximum 25% of the Bank's Tier 1 Capital. This in turn resulted in non-compliance with the "Maximum exposure to a single borrower or group of related borrowers to Tier 1 Capital" ratio. Bank subsequently, communicated this information to Regulator. The loan was provided in accordance with the government instructions to support textile industry. Additionally, as of the date of issuing the Group's consolidated financial statements, the maximum exposure to a single borrower or a group of related borrowers stood at 26% of the Tier 1 Capital

As at 31 December 2023, the ratio of Bank's all investment amounts in real estate to the Bank's Tier 1 Capital exceeded CBU set maximum 100%. Which in turn resulted in non-compliance with the "Maximum exposure to a real estate investment" ratio. Bank subsequently, communicated this information to Regulator. The substantial investment in real estate relates to the construction of the Bank's new office building located in Tashkent city which is carried out in accordance with government instructions. Currently, the Bank is planning to sell of the new bank office building. Information on Events after the end of the reporting period is disclosed in Note 36.

31 Contingencies and Commitments

Legal proceedings. From time to time and in the normal course of business, claims against the Group are received. On the basis of its own estimates and both internal and external professional advice Management is of the opinion that no material losses will be incurred in respect of claims and accordingly no provision has been made in these consolidated financial statements.

Tax legislation. Uzbek tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activity of the Group may be challenged by the relevant regional and federal authorities. Recent events within the Uzbekistan suggest that the tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

Management believes that its interpretation of the relevant legislation is appropriate and the Group's tax, currency legislation and customs positions will be sustained. Accordingly, at 31 December 2023 no provision for potential tax liabilities had been recorded (2022: Nil). The Group estimates that it has no potential obligations from exposure to other than remote tax risks (2022: Nil).

Capital expenditure commitments. At 31 December 2023 the Group has contractual capital expenditure commitments in respect of construction of its Head quarter office in International business center "Tashkent City" (Note 14) for the amount of UZS 337,439 million (2022: UZS 522,412 million). The Group has already allocated the necessary resources in respect of these commitments. The Group believes that future net income and funding will be sufficient to cover these and any similar commitments.

Covenants of the Bank's loan agreements with ICD. The Group is subject to certain covenants in regards to its Line of Financing Agreement with Islamic Corporation for the Development of the Private Sector (the "ICD") with the purpose to finance investment projects of small and medium sized enterprises within the Republic of Uzbekistan. The Bank has the authority to act as the ICD's agent to utilize the line of financing not exceeding USD 30,000 thousand for the purpose of investing in the ICD's eligible projects and thus the outstanding balances are accounted for in the credit related commitments under guarantees issued. Guarantees related commitments for total outstanding amount of UZS 197,297 million were appropriately disclosed in Note 29.

Covenants of the Bank's loan agreements with ITFC. The Group is subject to certain covenants in regards to its Line of Trade Financing Agreement with International Islamic Trade Finance Corporation (the "ITFC") with the purpose to finance investment projects of small and medium sized enterprises within the Republic of Uzbekistan. The Bank has the authority to act as the ITFC's agent to utilize the line of financing not exceeding USD 15,000 thousand for the purpose of investing in the ICD's eligible projects and thus the outstanding balances are accounted for in the credit related commitments under guarantees issued. Guarantes related commitments for total outstanding amount of UZS 117,218 million were appropriately disclosed in Note 29.

31 Contingencies and Commitments (Continued)

As of 31 December 2023, the Group was in breach of CBU covenants "Maximum exposure to a single borrower or group of related borrowers to Tier 1 Capital" and "Maximum exposure to a real estate investment" (Note 4 and 30).

Management believes that the Group is in compliance with all other covenants at 31 December 2023.

Credit related commitments. The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit, which represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by the Group on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions, are collateralised by the underlying shipments of goods to which they relate or cash deposits and, therefore, carry less risk than a direct borrowing.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments, if the unused amounts were to be drawn down. However, the likely amount of loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards.

The Group monitors the term to maturity of credit related commitments, because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.Outstanding credit related commitments are as follows:

In millions of Uzbekistan Soums	Note	31 December 2023	31 December 2022
Guarantees issued		622,190	326,918
Import credit lines		161,237	360,092
Undrawn credit lines		327,139	724,320
Total gross credit related commitments		**1,110,566**	**1,411,330**
Less: Provision for guarantees issued	18	(61)	(31)
Less: Provision for letter of credits	18	(577)	(1,762)
Less: Provision for loan commitments	18	(2,191)	(3,072)
Less: Commitment collateralised by cash deposits		(78,405)	(216,881)
Total credit related commitments, net of provision and cash covered exposures		**1,029,332**	**1,189,584**

31 Contingencies and Commitments (Continued)

The quality of contigiencies and commitments for 2023:

	Loan commitments			Guarantees issued			Letters of credit			TOTAL
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross amount as at 31 December 2022	**708,339**	**12,798**	**3,183**	**326,918**	**-**	**-**	**184,037**	**176,055**	**-**	**1,411,330**
- Transfer from stage 1	(48,977)	48,975	2	-	-	-	-	-	-	-
- Transfer from stage 2	-	-	-	-	-	-	9,691	(9,691)	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	-	-	-
New assets issued or acquired	14,888	-	-	538,072	-	-	38,216	-	-	591,176
Matured or derecognized assets (except for write off)	(396,088)	(12,798)	(3,183)	(242,800)	-	-	(70,707)	(166,364)	-	(891,940)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
Gross amount as at 31 December 2023	**278,162**	**48,975**	**2**	**622,190**	**-**	**-**	**161,237**	**-**	**-**	**1,110,566**

	Loan commitments			Guarantees issued			Letters of credit			TOTAL
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance for ECL as at 31 December 2022	**2,060**	**93**	**919**	**31**	**-**	**-**	**120**	**1,642**	**-**	**4,865**
- Transfer from stage 1	(609)	608	1	-	-	-	-	-	-	-
- Transfer from stage 2	-	-	-	-	-	-	339	(339)	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	-	-	-
New assets issued or acquired	389	-	-	44	-	-	238	-	-	671
Matured or derecognized assets (except for write off)	(258)	(93)	(919)	(14)	-	-	(120)	(1,303)	-	(2,707)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
Loss allowance for ECL as at 31 December 2023	**1,582**	**608**	**1**	**61**	**-**	**-**	**577**	**-**	**-**	**2,829**

31 Contingencies and Commitments (Continued)

The quality of contigiencies and commitments for 2022:

	Loan commitments			Guarantees issued			Letters of credit			TOTAL
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross amount as at 1 January 2021	**717,987**	**887**	**5,788**	**243,690**	**-**	**-**	**514,564**	**66,870**	**1,009**	**1,550,795**
- Transfer from stage 1	(3,832)	1,175	2,657	-	-	-	(564)	564	-	-
- Transfer from stage 2	88	(211)	123	-	-	-	19,582	(19,582)	-	-
- Transfer from stage 3	505	-	(505)	-	-	-	-	-	-	-
New assets issued or acquired	503,429	-	-	181,680	-	-	257,748	154,785	-	1,097,642
Matured or derecognized assets (except for write off)	(509,838)	10,947	(4,880)	(98,452)	-	-	(607,293)	(26,582)	(1,009)	(1,237,107)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
Gross amount as at 31 December 2022	**708,339**	**12,798**	**3,183**	**326,918**	**-**	**-**	**184,037**	**176,055**	**-**	**1,411,330**

	Loan commitments			Guarantees issued			Letters of credit			TOTAL
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	12-month ECL	Lifetime ECL	Lifetime ECL	
Loss allowance for ECL as at 31 December 2021	**5,156**	**23**	**975**	**-**	**-**	**-**	**2,563**	**460**	**231**	**9,408**
- Transfer from stage 1	(382)	4	378	-	-	-	(8)	8	-	-
- Transfer from stage 2	-	(36)	36	-	-	-	159	(159)	-	-
- Transfer from stage 3	2	-	(2)	-	-	-	-	-	-	-
New assets issued or acquired	2,185	-	-	45	-	-	152	1,458	-	3,840
Matured or derecognized assets (except for write off)	(4,901)	102	(468)	(14)	-	-	(2,746)	(125)	(231)	(8,383)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
Loss allowance for ECL as at 31 December 2022	**2,060**	**93**	**919**	**31**	**-**	**-**	**120**	**1,642**	**-**	**4,865**

32 Derivative Financial Instruments

The table below sets out fair values, at the end of the reporting period, of currencies receivable or payable under foreign exchange forward and swap contracts entered into by the Group. The table reflects gross positions before the netting of any counterparty positions (and payments) and covers the contracts with settlement dates after the end of the respective reporting period. The contracts are short term in nature:

	31 December 2023		31 December 2022	
	Contracts with positive fair value	Contracts with negative fair value	Contracts with positive fair value	Contracts with negative fair value
Foreign exchange swaps: fair values, at the end of the reporting period, of				
- CNY receivable on settlement (+)	170,760	-	-	-
- USD payable on settlement (-)	(167,155)	-	-	-
Net fair value of foreign exchange swaps	**3,605**	**-**	**-**	**-**

33 Fair Value Disclosures

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

Financial assets/financial liabilities	Fair value as at		Fair value hierarchy	Valuation model(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 December 2023	31 December 2022				
Investments in debt securities	39,697	8,790	Level 3	Discounted cash flows. Discount rate estimated based on CBU refinancing rate	Discount rate, future cash flows	The greater discount- the smaller fair value
Other financial assets	3,605	-	Level 3	Discounted cash flows. Discount rate estimated based on constructed build up curves	Discount rate	The greater discount- the smaller fair value

The fair value of the equity instruments at fair value through profit or loss was determined as the present value of future dividends by assuming dividend growth rate of zero per annum. The Management built its expectation based on previous experience of dividends received on financial assets at fair value through other comprehensive income over multiple years, and accordingly calculated the value of using the average rate of return on investments. The Management believes that this approach accurately reflects the fair value of these securities, given they are not traded. Such financial instruments were categorised as Level 3.

33 Fair Value Disclosures (Continued)

Fair values analysed by level in the fair value hierarchy and carrying value of assets and liabilities not measured at fair value at 31 December 2023 are as follows:

In millions of Uzbekistan Soums	Level 1	Level 2	Level 3	Carrying value
Cash and cash equivalents	427,420	1,046,881	-	1,474,301
Due from other banks	-	249,584	406,232	655,816
Loans and advances to customers	-	-	10,485,387	10,485,387
Investment in debt securities	-	-	217,796	217,796
Investments in equity securities	-	-	39,697	39,697
Other financial assets	-	-	40,236	40,236
TOTAL	**427,420**	**1,296,465**	**11,189,348**	**12,913,233**

In millions of Uzbekistan Soums	Level 1	Level 2	Level 3	Carrying value
Due to other banks	-	1,144,772	-	1,144,772
Customer accounts	-	2,670,913	5,847,813	8,518,726
Other borrowed funds	-	-	3,230,591	3,230,591
Subordinated debt	-	-	160,342	160,342
Other financial liabilities	-	-	223,770	223,770
TOTAL	**-**	**3,815,685**	**9,462,516**	**13,278,201**

Fair values analysed by level in the fair value hierarchy and carrying value of assets and liabilities not measured at fair value at 31 December 2022 are as follows

In millions of Uzbekistan Soums	Level 1	Level 2	Level 3	Carrying value
Cash and cash equivalents	474,202	2,589,923	-	3,064,125
Due from other banks	-	74,896	456,249	531,145
Loans and advances to customers	-	-	9,639,426	9,639,426
Investment in debt securities	-	-	790,596	790,596
Investments in equity securities	-	-	8,790	8,790
Other financial assets	-	-	36,287	36,287
TOTAL	**474,202**	**2,664,819**	**10,931,348**	**14,070,369**

In millions of Uzbekistan Soums	Level 1	Level 2	Level 3	Carrying value
Due to other banks	-	3,029,967	-	3,029,967
Customer accounts	-	2,708,408	4,931,124	7,639,532
Other borrowed funds	-	-	3,092,628	3,092,628
Subordinated debt	-	-	145,875	145,875
Other financial liabilities	-	-	93,905	93,905
TOTAL	**-**	**5,738,375**	**8,263,532**	**14,001,907**

Financial asset at fair value through profit and loss are equity securities and equity investments, registered in Uzbekistan and not publicly traded. Due to the nature of the local financial markets, it is not possible to obtain current market value for these investments. For these investments, fair value is estimated by reference to the discounted operating cash flows or dividends from the investee.

The fair values in level 2 and level 3 of fair value hierarchy were estimated using the discounted cash flows valuation technique. The fair value of floating rate instruments that are not quoted in an active market was estimated to be equal to their carrying amount. The fair value of unquoted fixed interest rate instruments was estimated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. For assets, the Group used assumptions about counterparty's incremental borrowing rate and prepayment rates. Liabilities were discounted at the Group's own incremental borrowing rate. Liabilities due on demand were discounted from the first date that the amount could be required to be paid by the Group.

The Group's liabilities to its customers are subject to deposit guaranteeing scheme as described in Note 1. The fair value of these liabilities reflects these credit enhancements.

34 Presentation of Financial Instruments by Measurement Category

For the purposes of measurement, IFRS 9 "Financial Instruments" classifies financial assets into the following categories: (a) financial assets at FVTPL; (b) debt instruments at FVOCI, (c) equity instruments at FVOCI and (c) financial assets at AC. Financial assets at FVTPL have two sub-categories: (i) assets mandatorily measured at FVTPL, and (ii) assets designated as such upon initial recognition or subsequently.

The following table provides a reconciliation of financial assets with these measurement categories as of 31 December 2023:

In millions of Uzbekistan Soums	Amortised Cost	FVTPL	Total
Cash and cash equivalents	1,474,301	-	1,474,301
Due from other banks	655,816	-	655,816
Loans and advances to customers	10,485,387	-	10,485,387
Investment in debt securities	217,796	-	217,796
Investments in equity securities	-	39,697	39,697
Other financial assets	36,631	3,605	40,236
Total financial assets at 31 December 2023	**12,869,931**	**43,302**	**12,913,233**

The following table provides a reconciliation of financial assets with measurement categories at 31 December 2022:

In millions of Uzbekistan Soums	Amortised Cost	FVTPL	Total
Cash and cash equivalents	3,064,125	-	3,064,125
Due from other banks	531,145	-	531,145
Loans and advances to customers	9,639,426	-	9,639,426
Investment in debt securities	790,596	-	790,596
Investments in equity securities	-	8,790	8,790
Other financial assets	36,287	-	36,287
Total financial assets at 31 December 2022	**14,061,579**	**8,790**	**14,070,369**

As of 31 December 2023 and 31 December 2022, all of the Group's financial liabilities except for derivatives were carried at AC. Derivatives are carried at FVTPL.

35 Related Party Transactions

Parties are generally considered to be related if the parties are under common control, or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

The Group considers that the tax accruals and payments is part of government fiscal policy and therefore does not provide additional useful information for the users of the financial statements. For details please refer to Note 25.

At 31 December 2023, the outstanding balances with related parties were as follows:

In millions of Uzbekistan Soums	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Cash and cash equivalents	-	-	-	108,919	-	-	**108,919**
Due from other banks	-	-	-	131,840	-	-	**131,840**
Loans and advances to customers (contractual interest rate: 5.85%-36%)	-	682,603	8,451	-	83	120,289	**811,426**
Credit loss allowance	-	(4,097)	(51)	-	(1)	(722)	**(4,871)**
Investment in debt securities	-	-	-	217,796	-	-	**217,796**
Other assets	-	5	5	3,695	-	-	**3,705**
Due to other banks (contractual interest rate: 3-19%)	-	-	-	769,377	-	-	**769,377**
Customer accounts (contractual interest rate: 2-22%)	-	1,579,920	73,457	943,407	33	159	**2,596,976**
Other borrowed funds (contractual interest rate: 2%-15%)	405,869	619,093	-	21,415	-	-	**1,046,377**

The income and expense items with related parties for 2023 were as follows:

In millions of Uzbekistan Soums	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Interest income	-	122,071	1,404	15,452	40	57,369	**196,336**
Interest expense	36,943	252,419	6,643	91,027	750	-	**387,782**
Fee and commission income	-	4,753	919	-	-	37	**5,709**
Salaries and other benefits	-	-	-	-	12,179	-	**12,179**
Social security costs	-	-	-	-	1,396	-	**1,396**

35 Related Party Transactions (Continued)

At 31 December 2022, the outstanding balances with related parties were as follows:

In millions of Uzbekistan Soums	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Cash and cash equivalents	-	-	-	692,666	-	-	**692,666**
Due from other banks	-	-	-	252,533	-	-	**252,533**
Loans and advances to customers (contractual interest rate: 5.85-28%)	-	-	-	-	-	265,650	**265,650**
Credit loss allowance	-	-	-	-	-	(527)	**(527)**
Investment in debt securities	-	-	-	790,596	-	-	**790,596**
Due to other banks (contractual interest rate: 3-18%)	-	-	-	953,415	-	-	**953,415**
Customer accounts (contractual interest rate: 2-21%)	-	1,816,367	46,800	1,295,253	-	-	**3,158,420**
Other borrowed funds (contractual interest rate: 3%-14%)	286,417	507,185	-	57,994	-	-	**851,596**

The income and expense items with related parties for 2022 were as follows:

In millions of Uzbekistan Soums	Immediate parent company	Other significant shareholders	Associates	Entities under common control	Key management personnel	Other related parties	Total
Interest income	-	2,509	-	22,799	-	21,850	**47,158**
Interest expense	26,251	64,134	-	38,826	-	-	**129,211**
Fee and commission income	-	-	1,086	-	-	-	**1,086**

Transactions with the state also include taxes which are detailed in Note 24. Key management compensation is presented below:

In millions of Uzbekistan Soums	2023	2022
Salaries	549	371
Other benefits	11,630	7,935
Social security contributions	1,396	952
Salaries payable	-	45
Bonuses payable	1,772	156

35 Related Party Transactions (Continued)

The Uzbekistan government has control over the Group. The Group decided to apply the exemption from disclosure of individually insignificant transactions and balances with the government and parties that are related to the entity because the Uzbek state has control, joint control or significant influence over such party.

The Group lends to and received deposits from a large number of government related entities. Such loans and deposits are individually insignificant and are generally entered into on an arm's length basis.

36 Events after the End of the Reporting Period

The plan to sell Bank's building located in Tashkent city. In accordance with the Uzbekistan government resolution dated February 28, 2024 No.114-F/9, it was decided on valuation and subsequent sale of the new bank office building located in"Tashkent city" to a potential investor. Assistance in valuation to be executed with the involvement of an international experts from the "Big Four" companies. As of date of issue of the financial statements construction still in progress, which includes a 26-storey Class A bank office building in the Tashkent City International Business Center and expected to be completed in 2024.As at 31 December 2023, the amount of the capitalization in construction in progress is UZS 1,332,576 million.

37 Abbreviations

The list of the abbreviations used in these consolidated financial statements is provided below:

Abbreviation	Full name
AC	Amortised Cost
CCF	Credit Conversion Factor
CBU	Central Bank of Republic of Uzbekistan
EAD	Exposure at Default
ECL	Expected Credit Loss
EIR	Effective interest rate
FVOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
FX, Forex	Foreign Currency Exchange
IFRS	IFRS® Accounting Standards
LGD	Loss-Given Default
PD	Probability of Default
POCI financial assets	Purchased or Originated Credit-Impaired financial assets
SICR	Significant Increase in Credit Risk
SPPI	Solely Payments of Principal and Interest
SPPI test	Assessment whether the financial instruments' cash flows represent Solely Payments of Principal and Interest

THE ISSUER

Joint-Stock Commercial "Aloqabank"
Shaykhontohur district, Ukchi Street 2
Tashkent 100011
Republic of Uzbekistan

JOINT BOOKRUNNERS AND JOINT LEAD MANAGERS

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Abu Dhabi Commercial Bank PJSC
Shk. Zayed Street,
P. O. Box: 939,
Abu Dhabi
United Arab Emirates

First Abu Dhabi Bank PJSC
FAB Building
Khalifa Business Park – Al Qurm District
P.O. Box 6316,
Abu Dhabi
United Arab Emirates

Mashreqbank psc
Mashreqbank Global Headquarters
Al Umniyati Street
Burj Khalifa Community
P.O. Box 1250, Dubai
United Arab Emirates

CONSULTANT

Finasia Capital Ltd.
107 Mustaqillik avenue,
Mirzo Ulug'bek district,
Tashkent, 100192,
Republic of Uzbekistan

LEGAL ADVISORS

To the Issuer

as to English law
Dentons Europe LLP
One Fleet Place
London EC4P 4GD
United Kingdom

as to United States law
Dentons UK and Middle East LLP
One Fleet Place
London EC4M 7WS
United Kingdom

as to Uzbek law
Dentons Tashkent
58-a Bobur Street
Tashkent, 100022
Republic of Uzbekistan

To the Trustee

as to English law
Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

To the Joint Bookrunners

as to English and United States law
White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom

as to Uzbek law
Kosta Legal
18 Anhor Buyi Street
100011 Tashkent
Uzbekistan

TRUSTEE

Citibank, N.A., London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

REGISTRAR

Citibank Europe PLC
1 North Wall Quay
Dublin 1
Ireland

PRINCIPAL PAYING AGENT AND TRANSFER AGENT

Citibank, N.A. London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

AUDITORS TO THE ISSUER

Audit Organization "PricewaterhouseCoopers LLC"
88A, prospekt Mustaqillik,
Mirzo-Ulugbek district
Tashkent 100000
Republic of Uzbekistan