

# Consolidated financial statements and independent auditor's report

*for the year ended 31 December 2025*



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**Statement of management's responsibilities for the preparation and approval of the consolidated financial statements for the year ended 31 December 2025**

Management is responsible for the preparation of the consolidated financial statements that present fairly the financial position of Joint Stock Commercial "Xalq Bank" and its subsidiaries (together referred to as "the Group") as at 31 December 2025 and the results of its operations, cash flows and changes in shareholders' equity for the year then ended, in compliance with International Financial Reporting Standards ("IFRS").

In preparing the consolidated financial statements, management is responsible for:

- ▶ Properly selecting and applying accounting policies;
- ▶ Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- ▶ Providing additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's consolidated financial position and financial performance; and
- ▶ Making an assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- ▶ Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Group;
- ▶ Maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated statement of financial position of the Group, and which enable them to ensure that the consolidated financial statements of the Group comply with IFRS;
- ▶ Maintaining statutory accounting records in compliance with legislation and accounting policies of the Republic of Uzbekistan;
- ▶ Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- ▶ Preventing and detecting fraud and other irregularities.

The consolidated financial statements of the Group for the year ended 31 December 2025 were approved by the management on 30 April 2026.

**On behalf of the management:**

**Khasanjon Akhmedov**  
Acting Chairman of the Management Board

30 April 2026

Tashkent, Uzbekistan



**Ruslan Sabirov**  
Chief Accountant

30 April 2026

## Independent auditor's report

To the Shareholders and Supervisory Board of Joint-stock commercial "Xalq Bank" of the Republic of Uzbekistan

### Report on the audit of the consolidated financial statements

#### **Opinion**

We have audited the consolidated financial statements of Joint-stock commercial "Xalq Bank" of the Republic of Uzbekistan (hereinafter, the "Bank") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

#### **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 are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Uzbekistan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
<p><b>Allowance for impairment of loans to customers</b></p> <p>Given the significance of the allowance for impairment of loans to customers to the Group's financial position, the complexity and judgments related to the estimation of expected credit losses ("ECL") under IFRS 9 Financial Instruments ("IFRS 9"), we considered this area as a key audit matter.</p> <p>The Group exercises significant judgment and applies estimation techniques to determine probability of default, projected exposure at default and loss arising at default, considering observed historical data, current economic situation and available forward-looking information. The calculation of ECL for financial assets on an individual basis requires scenario analysis of the estimated future cash flows considering current and projected financial performance of the borrowers and value of collateral.</p> <p>Information on the allowance for impairment of loans and the management's approach to assessing the allowance for impairment of loans and managing credit risk is disclosed in Notes 4 and 22 to the consolidated financial statements.</p>	<p>Our audit procedures, among others, comprised the following:</p> <ul style="list-style-type: none"> <li>➤ we evaluated the methodology developed by the Group for the calculation of ECL on loans to customers;</li> <li>➤ we tested input data used for the calculation of ECL;</li> <li>➤ we tested controls over the customer lending process;</li> <li>➤ we tested controls over identification of overdue debts;</li> <li>➤ we considered the Group's definition of default and criteria for significant increase in credit risk and consistency of their application in accordance with the methodology;</li> <li>➤ we tested information produced by the Group and used in development of assumptions in the calculation of ECL. We analysed indicators such as default, significant increase in credit risk, probability of default, loss given defaults, recoveries and</li> <li>➤ macroeconomic indicators, which directly affect the amounts of allowance for impairment of loans and advances to customers;</li> <li>➤ we assessed the disclosures in the consolidated financial statements on the allowance for impairment of loans to customers, including disclosures related to significant estimates, credit risk and judgements.</li> </ul>

### ***Other information included in the Group's 2025 Annual Report***

Other information consists of the information included in the Group's 2025 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2025 Annual Report 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 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 when it becomes available 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.

### ***Responsibilities of management and the Supervisory Board 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.

The Supervisory Board is responsible for overseeing the Group's financial reporting process.



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### ***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 skepticism 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 the Supervisory Board 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 the Supervisory Board 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 the Supervisory Board, 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 findings from procedures performed in accordance with the requirements of Law No. LRU-580 dated 5 November 2019 On Banks and Banking Activity**

Management of the Group 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 Law No. LRU-580 dated 5 November 2019 *On Banks and Banking Activity* (the "Law"), we have performed procedures to determine:

- whether as at 31 December 2025 the Bank complied with prudential ratios 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.

Our findings from the procedures performed are reported below.



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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 31 December 2025, were within the limits established by the Central Bank of the Republic of Uzbekistan.

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 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Based on our procedures with respect to the compliance of the elements of the Group's internal control and organization of its risk management systems with the requirements established by the Central Bank of the Republic of Uzbekistan, we found that:

- as at 31 December 2025, 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;
- the frequency of reports prepared by the Bank's internal audit function during 2025 was in compliance with the requirements of the Central Bank of the Republic of Uzbekistan. The reports were approved by the Supervisory Board and included observations made by the Bank's internal audit function in respect of internal control systems;
- as at 31 December 2025, the Bank established Information security function, 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 2025 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 2025, establishing the procedures and methodologies for identifying and managing credit risk, market risk, liquidity risk, operational risk, country risk, legal risk, reputational risk, fraud risk(hereinafter "significant risks"), and for stress-testing, was approved by the authorised management bodies of the Bank;
- as at 31 December 2025, the Bank maintained a system for reporting on the Bank's significant risks, and on the Bank's capital;
- the frequency of reports prepared by the Bank's risk management and internal audit functions during 2025, 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 and risk management system, and recommendations for improvement;



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- as at 31 December 2025, 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 2025, the Supervisory Board and executive management bodies 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.

The partner in charge of the audit resulting in this independent auditor's report is Ruslan Khorovshvili.

Tashkent, Uzbekistan

30 April 2026

Ruslan Khorovshvili  
Engagement Partner



On behalf of Audit Company "Ernst & Young" LLC  
Certificate authorizing audit of banks registered by the Central Bank of the Republic of Uzbekistan under No.11 dated 22 July 2019

Mukhammadyokubkhujja Sharafitdinkhodjaev  
General Director / Qualified Auditor

Auditor's qualification certificate authorizing audit of banks No.39 dated 7 March 2025 issued by the Central Bank of the Republic of Uzbekistan

**Consolidated statement of financial position**

**as at 31 December 2025**

(millions of Uzbek soums)

	Notes	31 December 2025	31 December 2024
<b>Assets</b>			
Cash and cash equivalents	3	2 700 007	4 171 841
Amounts due from credit institutions	3	2 745 351	2 032 141
Loans to customers	4	31 796 491	26 822 670
Investment securities	5	10 989 937	8 405 621
<i>including pledged under REPO</i>		600 288	2 102 550
Property and equipment and intangible assets	6	1 344 741	1 112 835
Insurance assets		547	814
Deferred income tax assets	7	-	1 026 919
Other assets	9	626 482	229 664
Repossessed assets	10	625 605	776 429
<b>Total assets</b>		<b>50 829 161</b>	<b>44 578 934</b>
<b>Liabilities</b>			
Amounts due to credit institutions	11	354 326	3 032 676
Amounts due to customers	12	8 203 079	8 252 126
Other borrowed funds	13	22 417 590	16 549 839
Subordinated loans	14	160 711	188 171
Accumulated pension fund liabilities	15	9 931 690	8 556 158
Insurance liabilities		98 641	75 930
Other liabilities	9	330 856	196 093
<b>Total liabilities</b>		<b>41 496 893</b>	<b>36 850 993</b>
<b>Equity</b>			
Share capital	16	11 517 308	9 597 308
Other component of equity	16	-	1 570 000
Accumulated deficit		(2 185 040)	(3 439 367)
<b>Total equity</b>		<b>9 332 268</b>	<b>7 727 941</b>
<b>Total equity and liabilities</b>		<b>50 829 161</b>	<b>44 578 934</b>

Signed and authorised for release on behalf of the Management Board of the Bank

Khasanjon Akhmedov



Acting Chairman of the Management Board

Ruslan Sabirov



Chief Accountant



30 April 2026

**Consolidated statement of comprehensive income**  
**for the year ended 31 December 2025**

(millions of Uzbek soums)

	Notes	2025	2024
Interest income calculated at the effective interest rate	18	7 264 490	5 832 922
Interest expense calculated at the effective interest rate	18	(3 011 062)	(2 272 763)
<b>Net interest income</b>		<b>4 253 428</b>	<b>3 560 159</b>
Reversal of credit loss /(credit loss expense) on interest bearing assets	8	993 123	(535 771)
<b>Net interest income after reversal of credit loss/ (credit loss expense)</b>		<b>5 246 551</b>	<b>3 024 388</b>
Distribution of income to the participants of accumulated pension fund and to the reserve fund	15	(1 349 512)	(1 184 270)
Fee and commission income	19	1 267 558	933 784
Fee and commission expense	19	(574 825)	(344 103)
<i>Net gains/(losses) from foreign currencies:</i>			
- dealing		74 935	88 366
- translation differences		(7 314)	(8 412)
Dividend income		10 678	3 589
Change in value of repossessed assets	10	26 616	(49 490)
Other income	20	222 169	242 230
Other impairment and provisions		(49 512)	(5 334)
Loss on sale of repossessed assets		(244 592)	(38 261)
Income from insurance activities		57 524	73 480
Expenses incurred from insurance activities		(105 516)	(85 558)
Personnel and other operating expenses	21	(2 288 750)	(1 869 220)
<b>Net non-interest expense</b>		<b>(2 960 541)</b>	<b>(2 243 199)</b>
<b>Income before income tax expense</b>		<b>2 286 010</b>	<b>781 189</b>
Income tax expense	7	(1 028 676)	(100 551)
<b>Income for the year</b>		<b>1 257 334</b>	<b>680 638</b>
Other comprehensive income/ (loss)		-	-
<b>Total comprehensive income for the year</b>		<b>1 257 334</b>	<b>680 638</b>
Total basic and diluted earnings per common share (UZS per share)	16	111	72

Signed and authorised for release on behalf of the Management Board of the Bank

Khasanjon Akhmedov



Acting Chairman of the Management Board

Ruslan Sabirov



Chief Accountant



30 April 2026

**Consolidated statement of changes in equity  
for the year ended 31 December 2025**

(millions of Uzbek Soums)

	Notes	Share capital	Other component of equity	Accumulated deficit	Total equity
<b>1 January 2024</b>		<b>7 748 302</b>	-	<b>(4 114 293)</b>	<b>3 634 009</b>
Income for the year		-	-	680 638	680 638
Shareholder contribution	16	-	1 570 000	-	1 570 000
Repayment of dividends		-	-	(5 712)	(5 712)
Issuance of share capital	16	1 849 006	-	-	1 849 006
<b>31 December 2024</b>		<b>9 597 308</b>	<b>1 570 000</b>	<b>(3 439 367)</b>	<b>7 727 941</b>
Income for the year		-	-	1 257 334	1 257 334
Repayment of dividends		-	-	(3 007)	(3 007)
Issuance of share capital	16	1 920 000	(1 570 000)	-	350 000
<b>31 December 2025</b>		<b>11 517 308</b>	-	<b>(2 185 040)</b>	<b>9 332 268</b>

Signed and authorised for release on behalf of the Management Board of the Bank

Khasanjon Akhmedov




Acting Chairman of the Management Board

Ruslan Sabirov



Chief Accountant

30 April 2026

**Consolidated statement of cash flows**  
**for the year ended 31 December 2025**

(millions of Uzbek Soums)

	Notes	2025	2024
<b>Cash flows from operating activities</b>			
Interest received		7 136 955	6 403 718
Interest paid		(2 693 016)	(2 036 074)
Fee and commission received		1 283 262	944 369
Fee and commission paid		(479 070)	(344 103)
Insurance operations income received		57 525	73 480
Insurance operations expense paid		(82 805)	(85 558)
Net receipt from trading in foreign currencies		74 935	79 661
Other operating income received		222 168	73 396
Staff costs paid		(1 471 749)	(1 188 519)
Administrative and other operating expenses paid		(626 801)	(468 835)
Income tax paid		(1 757)	(1 216)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>		<b>3 419 647</b>	<b>3 450 319</b>
<i>Net (increase)/decrease in operating assets</i>			
Amounts due from credit institutions		(785 765)	523 338
Loans to customers		(4 284 740)	(6 540 789)
Insurance assets		267	838
Repossessed assets		85 122	-
Other assets		(561 625)	(64 893)
<i>Net increase/(decrease) in operating liabilities</i>			
Amounts due to credit institutions		(2 673 765)	354 164
Amounts due to customers		(231 100)	2 155 059
Accumulated pension fund liabilities	15	27 033	6 000
Insurance liabilities		-	30 422
Other liabilities		38 846	(44 410)
<b>Net cash flows from operating activities</b>		<b>(4 966 080)</b>	<b>(129 952)</b>
<b>Cash flows from investing activities</b>			
Purchase of investment securities		(56 575 191)	(9 525 689)
Proceeds from redemption of investment securities		54 120 900	5 369 750
Purchase of property and equipment		(409 951)	(332 907)
Proceeds from sale of property and equipment		36 015	220 375
Dividend income received		10 678	3 589
<b>Net cash used in investing activities</b>		<b>(2 817 549)</b>	<b>(4 264 882)</b>

**Consolidated statement of cash flows  
for the year ended 31 December 2025**

(millions of Uzbek Soums)

	Notes	2025	2024
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital	16	350 000	700 000
Repayment of dividends		(3 007)	(5 712)
Redemption of subordinated debt	27	(25 386)	(66 796)
Proceeds from other borrowed funds	27	8 704 575	6 564 510
Repayment of other borrowed funds	27	(2 671 331)	(1 561 135)
<b>Net cash from financing activities</b>		<b>6 354 851</b>	<b>5 630 867</b>
Effect of changes in foreign exchange rates on cash and cash equivalents			
		(44 076)	28 726
Effect of expected credit losses on cash and cash equivalents	8	1 020	1 570
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1 471 834)</b>	<b>1 266 329</b>
Cash and cash equivalents, beginning			
		4 171 841	2 905 512
<b>Cash and cash equivalents, ending</b>	3	<b>2 700 007</b>	<b>4 171 841</b>

Signed and authorised for release on behalf of the Management Board of the Bank

Khasanjon Akhmedov



Acting Chairman of the Management Board

Ruslan Sabirov



Chief Accountant



30 April 2026

(millions of Uzbek Soums)

## 1. Principal activities

Xalq Bank Group (hereinafter – the “Group”) includes:

- Joint Stock Commercial Xalq Bank (hereinafter – the “Bank”), which is a parent company and
- Xalq Sugurta LLC
- Xalq Leasing LLC
- Xalq Factoring LLC
- Xalq Microfinance Organization LLC
- Perfect Capital Investment LLC (hereinafter – the “Subsidiaries”)

Xalq Sugurta LLC was established in accordance with the legislation of the Republic of Uzbekistan on May 16, 2011. The company is registered at the address: Rustaveli st., 9, Tashkent, Republic of Uzbekistan. The main activity of the company is insuring activities. The charter capital of the company is UZS 80 000 million.

Xalq Leasing LLC was established in accordance with the legislation of the Republic of Uzbekistan on October 25, 2023. The company is registered at the address: Katortol st., 46, Tashkent, Republic of Uzbekistan. The main activity of the company is leasing activities. As of the date of incorporation, the Company’s charter capital amounted to UZS 10 000 million.

Xalq Factoring LLC was incorporated under the laws of the Republic of Uzbekistan on 27 December 2024. The Company is registered at: 6A Bunyodkor, Kamolon MCA, Tashkent, Republic of Uzbekistan. The Company’s principal activity is the provision of factoring services. As of the date of incorporation, the Company’s charter capital amounted to UZS 5 000 million.

Xalq Microfinance Organization LLC was incorporated under the laws of the Republic of Uzbekistan on 27 December 2024. The Company is registered at: 10, 16-Quarter, Fidokor MCA, Tashkent, Republic of Uzbekistan. The Company’s principal activity is the provision of microfinance services. As of the date of incorporation, the Company’s charter capital amounted to UZS 2 000 million.

Perfect Capital Investment LLC was incorporated under the laws of the Republic of Uzbekistan on 21 February 2025. The Company is registered at: 16 District, 10, Fidokor MCA, Tashkent, Republic of Uzbekistan. The Company’s principal activity is the implementation of state initiatives aimed at completing real estate construction projects. As of the date of incorporation, the Company’s charter capital amounted to UZS 400 000 million.

As at 31 December, the following shareholders own the issued shares of the Bank:

<b>Shareholder</b>	<b>2025, %</b>	<b>2024, %</b>
The Fund for Reconstruction and Development of the Republic of Uzbekistan	66,02	79,23
JSC National Investment Fund of the Republic of Uzbekistan	30,00	-
The Ministry of Economy and Finance of the Republic of Uzbekistan	3,98	20,77
<b>Total</b>	<b>100</b>	<b>100</b>

The ultimate shareholder and controlling party of the Bank is the Government of the Republic of Uzbekistan.

State Commercial Xalq Bank was formed by the Decree of the Government of the Republic of Uzbekistan dated October 4, 1995. Based on the Decree of the President of the Republic of Uzbekistan No. PD-4720 dated April 24, 2015 “On measures to introduce modern methods of corporate governance in joint-stock companies”, the name of the Bank was renamed to “Xalq bank”. The Bank conducts banking operations under the License №25 as of December 25, 2021 issued by the Central Bank of the Republic of Uzbekistan (hereinafter – the “CBU”).

The Bank is the only bank in the Republic of Uzbekistan that has the right to receive, accumulate and manage the accumulated pension funds of individuals in accordance with the Law of the Republic of Uzbekistan No. 702-II “On the accumulated pension fund” dated December 2, 2004.

(millions of Uzbek Soums)

## 1. Principal activities (continued)

Since 1 July 2017 in accordance with the Decree of the President of the Republic of Uzbekistan No. PD-2826 dated March 13, 2017 “On measures on improvement of state pensions and social securities distribution”, the Bank is the only bank in the Republic of Uzbekistan that has the right to distribute state pensions and social securities to citizens.

The Bank has the widest branch network in the Republic of Uzbekistan, including 228 banking service centers (31 December 2024: 236 banking service centers) in all 14 regions of the country. All branches of the Bank were reorganized into banking service centers in 2023. The Bank employs more than 6,9 thousand people (31 December 2024: more than 7,3 thousand).

Since 2019 the Bank has been involved in subsidized lending under government programs for family business development. Besides the Bank is the main or the only lender in various social programs aimed at socially responsible lending: women in business, youth is our future, low-income families support, etc.

The Bank conducts a significant share of operations with the government (the CBU and the Ministry of Economy and Finance of the Republic of Uzbekistan) and government-related financial institutions including investments in debt securities, REPO transactions, other lending and borrowing operations. The Bank also provides services to corporate clients and local and international financial institutions including corporate lending, letter of credit settlement schemes participation, interbank placements and borrowings.

The Bank’s main office and registered legal address is Katartol street 46, Chilanzar district, Tashkent.

The Bank and its subsidiaries are consolidated into these financial statements (“the Consolidated Financial statements”). These consolidated financial statements were authorised for issue by the Management Board of the Group on 30 April 2026.

## 2. Basis of preparation

### (a) General

These consolidated financial statements have been prepared in accordance with IFRS accounting standards (“IFRS”).

These consolidated financial statements have been prepared on the assumption that the Group is a going concern and will continue in operation for the foreseeable future.

The Group maintains its accounting records in accordance with the respective laws of the Republic of Uzbekistan. These consolidated financial statements have been prepared from statutory accounting records and have been adjusted to conform to IFRS.

The Group presents its consolidated statement of financial position broadly in decreasing order of liquidity. An analysis regarding recovery or settlement within 12 months after the statement of financial position date (current) and more than 12 months after the statement of financial position date (non-current) is presented in Note 24.

### (b) Economic environment in the Republic of Uzbekistan

The Group operates in the Republic of Uzbekistan. The economy of Uzbekistan shows the characteristic features inherent in emerging markets. The legal, tax and administrative systems are subject to frequent changes and are subject to varying interpretations.

During 2024–2025, Uzbekistan’s economy demonstrated high resilience to external challenges. The impact of external economic risks was offset by a significant increase in foreign exchange earnings: by the end of 2025, exports grew by 24%, reaching USD 33.8 billion, while cross-border remittances rose by 27.2%, totaling a record USD 18.9 billion.

(millions of Uzbek Soums)

## 2. Basis of preparation (continued)

Despite ongoing global economic uncertainty, domestic factors and a surge in foreign direct investment (a 46.9% increase) accelerated macroeconomic performance. Economic growth reached 7.7% in 2025 (compared to 6.5% in 2024), marking the highest growth rate in the last five years.

Inflation fell to 7.3% by the end of 2025, aligning with the target corridor of 7–8% and representing a nine-year low. For 2026, inflation targets remain at 5–6% as part of the ongoing inflation targeting strategy.

The banking sector of the Republic of Uzbekistan has completed the main phase of the "Banking System Reform Strategy for 2020–2025." As of year-end 2025, a key transformation milestone was achieved: the share of private and foreign bank assets in the system's total assets reached 62% (up from 35% in 2023–2024). This qualitative shift was driven by the completed privatization of several major state-owned banks and the active expansion of digital financial institutions.

Nevertheless, state-owned institutions undergoing pre-privatization preparation maintain a presence in the sector. Competition in the retail and small and medium-sized enterprise (SME) segments has intensified, encouraging banks to transition from targeted state lending to market-based funding models.

**Asset Quality and Currency Risks:** According to official statistics from the Central Bank of the Republic of Uzbekistan, the credit portfolio quality across the system remained stable. The non-performing loan ratio (NPL 90+ under national standards) stood in the range of 2.6–3.2% at the end of 2025. Despite external volatility, systemic risks were mitigated by adequate capitalization levels and the regulator's prudential measures.

Structural dependence on foreign currency continues to decline. As a result of de-dollarization measures and the development of the domestic capital market, the share of foreign currency assets in the total portfolio dropped below 40%. The relative stabilization of the national currency exchange rate in the second half of 2025 supported borrowers with foreign currency obligations and reduced pressure on banks' credit risk indicators.

These consolidated financial statements reflect the Group's management's assessment of the possible impact of the current business environment on the results of operations and financial position of the Group. Subsequent developments in the operating environment may differ from management's estimate.

### (c) Functional and presentation currency

The functional currency of the Bank and its subsidiaries is the Uzbek Soum ("UZS"), which, being the national currency of the Republic of Uzbekistan, best reflects the economic substance of most of the Group's transactions and related liabilities affecting its operations.

These consolidated financial statements are presented in millions of UZS unless otherwise indicated.

(millions of Uzbek Soums)

## 2. Basis of preparation (continued)

### (d) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except for financial instruments measured at fair value through other comprehensive income.

### (e) Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Key estimates and assumptions about future events and other principal sources of uncertainty as at the date of the consolidated financial statements that could cause significant adjustments to the carrying amounts of assets and liabilities include:

- Notes 4 and 22: estimation of credit loss allowances on financial instruments. Credit loss allowances for financial instruments are measured at either 12-month expected credit losses (ECL) or lifetime ECL, depending on whether there has been a significant increase in credit risk (SICR) from the date of initial recognition of that financial instrument. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. In addition, large-scale business disruptions may give rise to liquidity issues for some entities and consumers (e.g. armed conflict in Ukraine, etc.). Besides ECL models involve the inclusion of forward-looking information.

- Notes 4 and 13: estimation of fair values of preferential borrowings and related lending programs at initial recognition. The Group obtains long term financing from government 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 judgment 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 judgment management also considered that these instruments are a separate market sector.

- Note 7: recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.

### (f) Change in accounting policy

Material accounting policies are disclosed in Note 29.

A number of amendments to standards became effective for annual periods beginning 1 January 2025 and did not have a material impact on the Group's consolidated financial statements.

(millions of Uzbek Soums)

### 3. Cash and cash equivalents and amounts due from credit institutions

As at 31 December 2025 and 2024 cash and cash equivalents comprise:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash on hand	1 482 605	2 289 243
Current accounts with the Central Bank	340 026	613 045
Amounts due from credit institutions:		
- current accounts	224 318	723 864
- term deposits with a maturity of three months or less from the date of placement	653 879	547 530
<b>Cash and cash equivalents before impairment allowance</b>	<b>2 700 828</b>	<b>4 173 682</b>
Less impairment allowance	(821)	(1 841)
<b>Cash and cash equivalents after impairment allowance</b>	<b>2 700 007</b>	<b>4 171 841</b>

Cash and cash equivalents are neither impaired nor overdue and classified in Stage 1.

As at 31 December 2025 and 2024 amounts due from credit institutions comprise:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Term deposits with a maturity of more than three months from the date of placement	2 762 772	2 053 608
<b>Amounts due from credit institutions before impairment allowance</b>	<b>2 762 772</b>	<b>2 053 608</b>
Less impairment allowance	(17 421)	(21 467)
<b>Amounts due from credit institutions after impairment allowance</b>	<b>2 745 351</b>	<b>2 032 141</b>

As at 31 December 2025 amortized cost of amounts due from credit institutions classified in Stage 1 equals to UZS 2 745 351 million (31 December 2024: Stage 1 - UZS 2 032 141 million).

As at 31 December 2025 credit quality of amounts due from credit institutions, except of balances due from the CBU, is presented below:

	<b>Current accounts</b>	<b>Term deposits</b>
<b>Credit rating</b>		
AAA-A	102 027	42 513
BBB-BB	109 339	3 301 955
B	-	72 183
Not rated	12 952	-
<b>Before impairment allowance</b>	<b>224 318</b>	<b>3 416 651</b>
Less impairment allowance	(341)	(17 741)
<b>After impairment allowance</b>	<b>223 977</b>	<b>3 398 910</b>

(millions of Uzbek Soums)

### 3. Cash and cash equivalents and amounts due from credit institutions (continued)

As at 31 December 2024 credit quality of amounts due from credit institutions, except for balances due from the CBU, is presented below:

	<u>Current accounts</u>	<u>Term deposits</u>
<b>Credit rating</b>		
AAA-A	361 423	532 414
BBB-BB	32 945	1 388 504
B	19 724	618 031
Not rated	309 772	62 189
<b>Before impairment allowance</b>	<b>723 864</b>	<b>2 601 138</b>
Less impairment allowance	(1 403)	(21 494)
<b>After impairment allowance</b>	<b><u>722 461</u></b>	<b><u>2 579 644</u></b>

As at 31 December 2025, amortized cost of term deposits with a maturity of more than three months from the date of placement in the amount of UZS 2 297 937 million or 83,70% of total funds due from credit institutions (31 December 2024: UZS 1 893 616 million or 93,18%) represents funds due from five credit institutions, excluding funds from the CBU.

(millions of Uzbek Soums)

#### 4. Loans to customers

As at 31 December 2025 and 2024 loans to customers comprise the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Loans to corporate clients</b>		
Private companies	9 979 293	8 404 121
State-owned companies	234 883	1 305 810
<b>Loans to corporate clients before impairment allowance</b>	<b>10 214 176</b>	<b>9 709 931</b>
Less impairment allowance (ECL)	(970 443)	(3 164 417)
<b>Loans to corporate clients after impairment allowance</b>	<b>9 243 733</b>	<b>6 545 514</b>
<b>Loans to individuals</b>		
Social lending programs, except for mortgage, and other loans	10 724 908	10 341 768
Mortgage loans	10 642 023	9 197 906
Education loans	2 410 672	1 939 439
Consumer loans	126 825	184 041
Credit card loans	20 186	75 099
Auto loans	81 771	77 041
<b>Loans to individuals before impairment allowance</b>	<b>24 006 385</b>	<b>21 815 294</b>
Less impairment allowance (ECL)	(1 453 627)	(1 538 138)
<b>Loans to individuals after impairment allowance</b>	<b>22 552 758</b>	<b>20 277 156</b>
<b>Total loans to customers before impairment allowance</b>	<b>34 220 561</b>	<b>31 525 225</b>
Less impairment allowance (ECL)	(2 424 070)	(4 702 555)
<b>Total loans to customers after impairment allowance</b>	<b>31 796 491</b>	<b>26 822 670</b>
<b>ECL, %</b>	<b>7,08%</b>	<b>14,92%</b>

(i) *Loans to corporate clients – Private companies*

An analysis of changes in the gross carrying amount and corresponding ECL in relation to loans issued to private companies during the year ended 31 December 2025 is as follows:

<b>Private companies</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Gross carrying amount as at 1 January 2025</b>	<b>3 474 887</b>	<b>1 470 735</b>	<b>3 458 499</b>	<b>8 404 121</b>
Originated	5 464 234	-	-	<b>5 464 234</b>
Derecognized	(1 181 441)	(447 441)	(532 324)	<b>(2 161 206)</b>
To stage 1	1 195 982	(703 230)	(492 752)	-
To stage 2	(554 309)	779 417	(225 108)	-
To stage 3	(373 742)	(99 894)	473 636	-
Written-off	-	-	(1 592 317)	<b>(1 592 317)</b>
Unwinding effect	-	-	104 348	<b>104 348</b>
Foreign currency exchange rate effect	(140 245)	(27 022)	(72 620)	<b>(239 887)</b>
<b>31 December 2025</b>	<b>7 885 366</b>	<b>972 565</b>	<b>1 121 362</b>	<b>9 979 293</b>

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

Private companies	Stage 1	Stage 2	Stage 3	Total
<b>ECL as at 1 January 2025</b>	<b>198 302</b>	<b>401 987</b>	<b>2 543 805</b>	<b>3 144 094</b>
Originated	137 493	-	-	<b>137 493</b>
Derecognized	(21 558)	(38 240)	(76 916)	<b>(136 714)</b>
To stage 1	544 230	(251 660)	(292 570)	-
To stage 2	(44 336)	185 612	(141 276)	-
To stage 3	(30 576)	(32 660)	63 236	-
Written-off	-	-	(1 592 317)	<b>(1 592 317)</b>
Received previously written-off	-	-	510 108	<b>510 108</b>
ECL remeasurement	(625 067)	(29 033)	(464 338)	<b>(1 118 438)</b>
Unwinding effect	-	-	104 348	<b>104 348</b>
Foreign currency exchange rate effect	(14 503)	(8 309)	(59 860)	<b>(82 672)</b>
<b>31 December 2025</b>	<b>143 985</b>	<b>227 697</b>	<b>594 220</b>	<b>965 902</b>

An analysis of changes in the gross carrying amount and corresponding ECL in relation to loans issued to private companies during the year ended 31 December 2024 is as follows:

Private companies	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount as at 1 January 2024</b>	<b>3 048 053</b>	<b>1 831 634</b>	<b>4 683 005</b>	<b>9 562 692</b>
Originated	2 492 886	-	-	<b>2 492 886</b>
Derecognised	(1 180 583)	(446 130)	(949 770)	<b>(2 576 483)</b>
To stage 1	354 538	(177 826)	(176 712)	-
To stage 2	(524 473)	694 962	(170 489)	-
To stage 3	(746 576)	(444 648)	1 191 224	-
Written-off	-	-	(1 396 768)	<b>(1 396 768)</b>
Unwinding effect	-	-	273 815	<b>273 815</b>
Foreign currency exchange rate effect	31 042	12 743	4 194	<b>47 979</b>
<b>31 December 2024</b>	<b>3 474 887</b>	<b>1 470 735</b>	<b>3 458 499</b>	<b>8 404 121</b>

Private companies	Stage 1	Stage 2	Stage 3	Total
<b>ECL as at 1 January 2024</b>	<b>162 865</b>	<b>559 951</b>	<b>2 432 822</b>	<b>3 155 638</b>
Originated	271 278	-	-	<b>271 278</b>
Derecognised	(129 243)	(24 068)	(921 773)	<b>(1 075 084)</b>
To stage 1	183 870	(81 940)	(101 930)	-
To stage 2	(55 187)	167 765	(112 578)	-
To stage 3	(157 732)	(168 209)	325 941	-
Written-off	-	-	(1 396 768)	<b>(1 396 768)</b>
Received previously written-off	-	-	764 700	<b>764 700</b>
ECL remeasurement	(80 486)	(53 466)	1 279 927	<b>1 145 975</b>
Unwinding effect	-	-	273 815	<b>273 815</b>
Foreign currency exchange rate effect	2 937	1 954	(351)	<b>4 540</b>
<b>31 December 2024</b>	<b>198 302</b>	<b>401 987</b>	<b>2 543 805</b>	<b>3 144 094</b>

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

An analysis of credit quality of loans issued to private companies as at 31 December 2025 is as follows:

Private companies	Stage 1	Stage 2	Stage 3	Total
not overdue	6 548 788	236 804	215 451	<b>7 001 043</b>
overdue for less than 30 days	1 290 370	107 728	188 991	<b>1 587 089</b>
overdue for 30-89 days	46 208	626 558	96 875	<b>769 641</b>
overdue for 90-179 days	-	1 475	125 504	<b>126 979</b>
overdue for more than 180 days	-	-	494 541	<b>494 541</b>
<b>Loans to private companies before allowance for impairment</b>	<b>7 885 366</b>	<b>972 565</b>	<b>1 121 362</b>	<b>9 979 293</b>
ECL	(143 985)	(227 697)	(594 220)	<b>(965 902)</b>
<b>Loans to private companies after allowance for impairment</b>	<b>7 741 381</b>	<b>744 868</b>	<b>527 142</b>	<b>9 013 391</b>
<b>ECL, %</b>	<b>1,83%</b>	<b>23,41%</b>	<b>52,99%</b>	<b>9,68%</b>

An analysis of credit quality of loans issued to private companies as at 31 December 2024 is as follows:

Private companies	Stage 1	Stage 2	Stage 3	Total
not overdue	2 678 636	242 022	663 631	<b>3 584 289</b>
overdue for less than 30 days	796 251	159 133	157 417	<b>1 112 801</b>
overdue for 30-89 days	-	1 069 580	167 621	<b>1 237 201</b>
overdue for 90-179 days	-	-	263 316	<b>263 316</b>
overdue for more than 180 days	-	-	2 206 514	<b>2 206 514</b>
<b>Loans to private companies before allowance for impairment</b>	<b>3 474 887</b>	<b>1 470 735</b>	<b>3 458 499</b>	<b>8 404 121</b>
ECL	(198 302)	(401 987)	(2 543 805)	<b>(3 144 094)</b>
<b>Loans to private companies after allowance for impairment</b>	<b>3 276 585</b>	<b>1 068 748</b>	<b>914 694</b>	<b>5 260 027</b>
<b>ECL, %</b>	<b>5,71%</b>	<b>27,33%</b>	<b>73,55%</b>	<b>37,41%</b>

#### (ii) Loans to corporate clients – State-owned companies

An analysis of changes in the gross carrying amount and corresponding ECL in relation to loans issued to private companies during the year ended 31 December 2025 is as follows:

State-owned companies	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount as at 1 January 2025</b>	<b>1 305 755</b>	-	<b>55</b>	<b>1 305 810</b>
Originated	734	-	-	<b>734</b>
Derecognized	(1 037 640)	-	(1 423)	<b>(1 039 063)</b>
To stage 1	-	-	-	-
To stage 3	-	-	-	-
Unwinding effect	-	-	1 422	<b>1 422</b>
Foreign currency exchange rate effect	(34 020)	-	-	<b>(34 020)</b>
<b>31 December 2025</b>	<b>234 829</b>	-	<b>54</b>	<b>234 883</b>
<b>ECL as at 1 January 2025</b>	<b>20 290</b>	-	<b>33</b>	<b>20 323</b>
Originated	4	-	-	<b>4</b>
Derecognized	(3 926)	-	(1 418)	<b>(5 344)</b>
To stage 1	-	-	-	-
ECL remeasurement	(11 272)	-	-	<b>(11 272)</b>
Unwinding effect	-	-	1 422	<b>1 422</b>
Foreign currency exchange rate effect	(592)	-	-	<b>(592)</b>
<b>31 December 2025</b>	<b>4 504</b>	-	<b>37</b>	<b>4 541</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

An analysis of changes in the gross carrying value and corresponding ECL in relation to loans issued to state companies during the year ended 31 December 2024 is as follows:

State-owned companies	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount as at 1 January 2024</b>	<b>264 210</b>	<b>3</b>	<b>425 545</b>	<b>689 758</b>
Originated	832 143	-	-	832 143
Derecognized	(84 692)	(3)	(176 762)	(261 457)
To stage 1	265 759	-	(265 759)	-
To stage 3	-	-	-	-
Unwinding effect	-	-	17 031	17 031
Foreign currency exchange rate effect	28 335	-	-	28 335
<b>31 December 2024</b>	<b>1 305 755</b>	<b>-</b>	<b>55</b>	<b>1 305 810</b>

State-owned companies	Stage 1	Stage 2	Stage 3	Total
<b>ECL as at 1 January 2024</b>	<b>13 784</b>	<b>-</b>	<b>267 986</b>	<b>281 770</b>
Originated	5 085	-	-	5 085
Derecognized	(326)	(1)	(14 171)	(14 498)
To stage 1	245 510	-	(245 510)	-
ECL remeasurement	(246 445)	1	(25 303)	(271 747)
Unwinding effect	-	-	17 031	17 031
Foreign currency exchange rate effect	2 682	-	-	2 682
<b>31 December 2024</b>	<b>20 290</b>	<b>-</b>	<b>33</b>	<b>20 323</b>

An analysis of credit quality of loans issued to state-owned companies as at 31 December 2025 is as follows:

State-owned companies	Stage 1	Stage 2	Stage 3	Total
not overdue	231 604	-	-	231 604
overdue for less than 30 days	3 225	-	-	3 225
overdue for more than 180 days	-	-	54	54
<b>Loans to state-owned companies before allowance for impairment</b>	<b>234 829</b>	<b>-</b>	<b>54</b>	<b>234 883</b>
ECL	(4 504)	-	(37)	(4 541)
<b>Loans to state-owned companies after allowance for impairment</b>	<b>230 325</b>	<b>-</b>	<b>17</b>	<b>230 342</b>
<b>ECL, %</b>	<b>1,92%</b>	<b>-</b>	<b>68,52%</b>	<b>1,93%</b>

An analysis of credit quality of loans issued to state-owned companies as at 31 December 2024 is as follows:

State-owned companies	Stage 1	Stage 2	Stage 3	Total
not overdue	1 300 549	-	-	1 300 549
overdue for less than 30 days	5 206	-	-	5 206
overdue for more than 180 days	-	-	55	55
<b>Loans to state-owned companies before allowance for impairment</b>	<b>1 305 755</b>	<b>-</b>	<b>55</b>	<b>1 305 810</b>
ECL	(20 290)	-	(33)	(20 323)
<b>Loans to state-owned companies after allowance for impairment</b>	<b>1 285 465</b>	<b>-</b>	<b>22</b>	<b>1 285 487</b>
<b>ECL, %</b>	<b>1,55%</b>	<b>0,00%</b>	<b>60,00%</b>	<b>1,56%</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

##### (iii) Loans to individuals

An analysis of changes in the gross carrying value and corresponding ECL in relation to loans issued to individuals during the year ended 31 December 2025 is as follows:

Loans to individuals	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount as at 1 January 2025</b>	<b>18 742 171</b>	<b>2 201 480</b>	<b>871 643</b>	<b>21 815 294</b>
Originated	8 010 930	-	-	<b>8 010 930</b>
Derecognized	(4 663 293)	(669 758)	(259 429)	<b>(5 592 480)</b>
To stage 1	533 824	(490 060)	(43 764)	-
To stage 2	(1 751 993)	1 838 085	(86 092)	-
To stage 3	(166 742)	(244 142)	410 884	-
Written-off	-	-	(309 394)	<b>(309 394)</b>
Unwinding effect	-	-	82 035	<b>82 035</b>
<b>31 December 2025</b>	<b>20 704 897</b>	<b>2 635 605</b>	<b>665 883</b>	<b>24 006 385</b>

Loans to individuals	Stage 1	Stage 2	Stage 3	Total
<b>ECL as at 1 January 2025</b>	<b>300 499</b>	<b>739 055</b>	<b>498 584</b>	<b>1 538 138</b>
Originated	216 162	-	-	<b>216 162</b>
Derecognized	(30 652)	(52 874)	(73 081)	<b>(156 607)</b>
To stage 1	271 977	(238 839)	(33 138)	-
To stage 2	(169 294)	226 255	(56 961)	-
To stage 3	(22 743)	(81 255)	103 998	-
Written-off	-	-	(309 394)	<b>(309 394)</b>
Received previously written-off	-	-	314 638	<b>314 638</b>
ECL remeasurement	(380 099)	260 772	(112 018)	<b>(231 345)</b>
Unwinding effect	-	-	82 035	<b>82 035</b>
<b>31 December 2025</b>	<b>185 850</b>	<b>853 114</b>	<b>414 663</b>	<b>1 453 627</b>

An analysis of changes in the gross carrying value and corresponding ECL in relation to loans issued to individuals during the year ended 31 December 2024 is as follows:

Loans to Individuals	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying value as at 1 January 2024</b>	<b>13 248 013</b>	<b>2 037 136</b>	<b>664 043</b>	<b>15 949 192</b>
Originated	9 938 596	-	-	<b>9 938 596</b>
Derecognized	(3 074 745)	(607 940)	(189 891)	<b>(3 872 576)</b>
To stage 1	634 517	(571 408)	(63 109)	-
To stage 2	(1 636 964)	1 682 064	(45 100)	-
To stage 3	(367 246)	(338 372)	705 618	-
Written-off	-	-	(262 217)	<b>(262 217)</b>
Unwinding effect	-	-	62 299	<b>62 299</b>
<b>31 December 2024</b>	<b>18 742 171</b>	<b>2 201 480</b>	<b>871 643</b>	<b>21 815 294</b>

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

Loans to Individuals	Stage 1	Stage 2	Stage 3	Total
<b>ECL as at 1 January 2024</b>	<b>339 304</b>	<b>717 938</b>	<b>364 791</b>	<b>1 422 033</b>
Originated	428 331	-	-	428 331
Derecognized	(20 302)	(35 280)	(387 108)	(442 690)
To stage 1	348 259	(301 862)	(46 397)	-
To stage 2	(269 860)	302 307	(32 447)	-
To stage 3	(75 939)	(133 888)	209 827	-
Written-off	-	-	(262 217)	(262 217)
Received previously written-off	-	-	337 040	337 040
ECL remeasurement	(449 294)	189 840	252 796	(6 658)
Unwinding effect	-	-	62 299	62 299
<b>31 December 2024</b>	<b>300 499</b>	<b>739 055</b>	<b>498 584</b>	<b>1 538 138</b>

An analysis of credit quality of loans issued to individuals by types of loans as at 31 December 2025 is as follows:

Social lending programs, except for mortgage, and other loans	Stage 1	Stage 2	Stage 3	Total
not overdue	7 575 276	-	38 733	7 614 009
overdue for less than 30 days	1 157 441	-	1 999	1 159 440
overdue for 30-89 days	1 251	1 538 970	9 435	1 549 656
overdue for 90-179 days	-	9 302	94 453	103 755
overdue for more than 180 days	-	-	298 048	298 048
<b>Loans before allowance for impairment</b>	<b>8 733 968</b>	<b>1 548 272</b>	<b>442 668</b>	<b>10 724 908</b>
ECL	(146 574)	(412 379)	(271 426)	(830 379)
<b>Loans after allowance for impairment</b>	<b>8 587 394</b>	<b>1 135 893</b>	<b>171 242</b>	<b>9 894 529</b>
<b>ECL, %</b>	<b>1,68%</b>	<b>26,63%</b>	<b>61,32%</b>	<b>7,74%</b>

Mortgage loans	Stage 1	Stage 2	Stage 3	Total
not overdue	8 732 119	-	10 029	8 742 148
overdue for less than 30 days	710 999	-	607	711 606
overdue for 30-89 days	2 640	1 024 106	3 104	1 029 850
overdue for 90-179 days	-	1 476	15 372	16 848
overdue for more than 180 days	-	-	141 571	141 571
<b>Loans before allowance for impairment</b>	<b>9 445 758</b>	<b>1 025 582</b>	<b>170 683</b>	<b>10 642 023</b>
ECL	(24 739)	(427 586)	(110 389)	(562 714)
<b>Loans after allowance for impairment</b>	<b>9 421 019</b>	<b>597 996</b>	<b>60 294</b>	<b>10 079 309</b>
<b>ECL, %</b>	<b>0,26%</b>	<b>41,69%</b>	<b>64,67%</b>	<b>5,29%</b>

Education loans	Stage 1	Stage 2	Stage 3	Total
not overdue	2 281 321	-	2 685	2 284 006
overdue for less than 30 days	69 515	-	154	69 669
overdue for 30-89 days	406	50 600	242	51 248
overdue for 90-179 days	-	179	1 760	1 939
overdue for more than 180 days	-	-	3 810	3 810
<b>Loans before allowance for impairment</b>	<b>2 351 242</b>	<b>50 779</b>	<b>8 651</b>	<b>2 410 672</b>
ECL	(13 448)	(10 790)	(6 166)	(30 404)
<b>Loans after allowance for impairment</b>	<b>2 337 794</b>	<b>39 989</b>	<b>2 485</b>	<b>2 380 268</b>
<b>ECL, %</b>	<b>0,57%</b>	<b>21,25%</b>	<b>71,27%</b>	<b>1,26%</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

Consumer loans, credit card loans, auto loans	Stage 1	Stage 2	Stage 3	Total
not overdue	164 298	-	16 619	180 917
overdue for less than 30 days	8 313	-	38	8 351
overdue for 30-89 days	1 318	10 946	152	12 416
overdue for 90-179 days	-	26	2 412	2 438
overdue for more than 180 days	-	-	24 660	24 660
<b>Loans before allowance for impairment</b>	<b>173 929</b>	<b>10 972</b>	<b>43 881</b>	<b>228 782</b>
ECL	(1 089)	(2 359)	(26 682)	(30 130)
<b>Loans after allowance for impairment</b>	<b>172 840</b>	<b>8 613</b>	<b>17 199</b>	<b>198 652</b>
<b>ECL, %</b>	<b>0,63%</b>	<b>21,50%</b>	<b>60,81%</b>	<b>13,17%</b>

An analysis of credit quality of loans issued to individuals by types of loans as at 31 December 2024 is as follows:

Social lending programs, except for mortgage, and other loans	Stage 1	Stage 2	Stage 3	Total
not overdue	7 352 698	-	4 353	7 357 051
overdue for less than 30 days	1 058 213	-	86	1 058 299
overdue for 30-89 days	-	1 366 684	130	1 366 814
overdue for 90-179 days	-	303	158 309	158 612
overdue for more than 180 days	-	-	400 992	400 992
<b>Loans before allowance for impairment</b>	<b>8 410 911</b>	<b>1 366 987</b>	<b>563 870</b>	<b>10 341 768</b>
ECL	(170 663)	(349 854)	(317 423)	(837 940)
<b>Loans after allowance for impairment</b>	<b>8 240 248</b>	<b>1 017 133</b>	<b>246 447</b>	<b>9 503 828</b>
<b>ECL, %</b>	<b>2,03%</b>	<b>25,59%</b>	<b>56,29%</b>	<b>8,10%</b>

Mortgage loans	Stage 1	Stage 2	Stage 3	Total
not overdue	7 390 405	-	3 602	7 394 007
overdue for less than 30 days	781 062	-	423	781 485
overdue for 30-89 days	-	782 038	378	782 416
overdue for 90-179 days	-	1 189	128 035	129 224
overdue for more than 180 days	-	-	110 774	110 774
<b>Loans before allowance for impairment</b>	<b>8 171 467</b>	<b>783 227</b>	<b>243 212</b>	<b>9 197 906</b>
ECL	(103 412)	(375 908)	(147 086)	(626 406)
<b>Loans after allowance for impairment</b>	<b>8 068 055</b>	<b>407 319</b>	<b>96 126</b>	<b>8 571 500</b>
<b>ECL, %</b>	<b>1,27%</b>	<b>47,99%</b>	<b>60,48%</b>	<b>6,81%</b>

Education loans	Stage 1	Stage 2	Stage 3	Total
not overdue	1 848 094	-	234	1 848 328
overdue for less than 30 days	49 644	-	-	49 644
overdue for 30-89 days	-	31 744	-	31 744
overdue for 90-179 days	-	59	5 294	5 353
overdue for more than 180 days	-	-	4 370	4 370
<b>Loans before allowance for impairment</b>	<b>1 897 738</b>	<b>31 803</b>	<b>9 898</b>	<b>1 939 439</b>
ECL	(22 760)	(10 276)	(4 288)	(37 324)
<b>Loans after allowance for impairment</b>	<b>1 874 978</b>	<b>21 527</b>	<b>5 610</b>	<b>1 902 115</b>
<b>ECL, %</b>	<b>1,20%</b>	<b>32,31%</b>	<b>43,32%</b>	<b>1,92%</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

<b>Consumer loans. credit card loans. auto loans</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
not overdue	239 548	-	28 559	<b>268 107</b>
overdue for less than 30 days	22 507	-	187	<b>22 694</b>
overdue for 30-89 days	-	19 432	86	<b>19 518</b>
overdue for 90-179 days	-	31	9 655	<b>9 686</b>
overdue for more than 180 days	-	-	16 176	<b>16 176</b>
<b>Loans before allowance for impairment</b>	<b>262 055</b>	<b>19 463</b>	<b>54 663</b>	<b>336 181</b>
ECL	(3 664)	(3 017)	(29 787)	<b>(36 468)</b>
<b>Loans after allowance for impairment</b>	<b>258 391</b>	<b>16 446</b>	<b>24 876</b>	<b>299 713</b>
<b>ECL, %</b>	<b>1,40%</b>	<b>15,50%</b>	<b>54,49%</b>	<b>10,85%</b>

The contractual amount of loans to customers measured at amortized cost that were written off during the year ended 31 December 2025, but are still subject to enforcement activity, amounted to UZS 1 901 711 million (2024: UZS 1 658 985 million).

##### (iv) Modified and restructured loans

The Group derecognizes a loan to a customer when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognized loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCL.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

The table below includes Stage 2 and Stage 3 assets that were renegotiated during the period and are therefore recorded as restructured.

	<b>2025</b>	<b>2024</b>
<b>Loans to customers modified during the period</b>		
Amortized cost before modification	507 550	571 967
<b>Loans to customers modified since initial recognition</b>		
Gross carrying amount of loans to customers for which ECL allowance has changed to 12-month ECL measurement	423 690	176 876

During the years ended 31 December 2025 and 2024, the Group modified the terms of a number of loan agreements, primarily involving the extension of maturity dates (prolongation) while maintaining market interest rates. As these modifications did not result in a significant change in expected cash flows, the Group did not recognize any significant modification gains or losses in the statement of comprehensive income for the years ended 31 December 2025 and 2024, respectively.

##### (v) Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented by the Group regarding the acceptability of types of collateral and valuation parameters.

Information about collateral held by the Group against the loans as at 31 December 2025 and 2024 is presented further. Amounts presented in the tables below reflect the gross carrying amounts of the financial assets without the effect of overcollateralisation, calculated using the value of collateral determined at the date of the loan inception, and it does not necessarily reflect the fair value of the collateral. If the loan is partially secured, then the unsecured portion of the loan is disclosed in the "Unsecured" category.

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

Guarantees and sureties are represented by both guarantees and sureties of legal entities and individuals, and state and regional administrations.

Mortgage loans to individuals are secured by real estate or by certificates of insurance and sureties of the construction companies prior registration of properties.

<b>31 December 2025</b>	<b>Private companies</b>	<b>State-owned companies</b>	<b>Individuals</b>	<b>Total</b>
Cash deposit	468 331	110	16	<b>468 457</b>
Real estate	5 134 119	4 016	9 936 439	<b>15 074 574</b>
Vehicles	434 007	57 771	503 244	<b>995 022</b>
Equipment	267 167	-	-	<b>267 167</b>
Guarantees and sureties	2 006 837	40 132	3 814 775	<b>5 861 744</b>
Certificates of insurance	582 804	-	1 358 094	<b>1 940 898</b>
Other	70 286	132 854	516 671	<b>719 811</b>
Unsecured	1 015 742	-	7 877 146	<b>8 892 888</b>
<b>Loans to clients before impairment allowance</b>	<b>9 979 293</b>	<b>234 883</b>	<b>24 006 385</b>	<b>34 220 561</b>

<b>31 December 2024</b>	<b>Private companies</b>	<b>State-owned companies</b>	<b>Individuals</b>	<b>Total</b>
Real estate	2 761 285	6 298	8 804 890	<b>11 572 473</b>
Vehicles	321 054	65 755	200 136	<b>586 945</b>
Equipment	238 102	-	-	<b>238 102</b>
Guarantees and sureties	2 911 095	129 106	2 905 684	<b>5 945 885</b>
Certificates of insurance	971 881	101	1 447 644	<b>2 419 626</b>
Other	111 170	1 104 550	15	<b>1 215 735</b>
Unsecured	1 089 534	-	8 456 925	<b>9 546 459</b>
<b>Loans to clients before impairment allowance</b>	<b>8 404 121</b>	<b>1 305 810</b>	<b>21 815 294</b>	<b>31 525 225</b>

During the preparation of the 2025 financial statements, the Group changed classification of certain loans. Accordingly, the corresponding comparative information for 2024 has been reclassified to comply with this presentation. The reclassification had no impact on the figures presented in the consolidated statement of financial position and the consolidated statement of comprehensive income for 2024.

During 2025 and 2024 the Group received financial and non-financial assets by taking possession over collateral it held as security and calling on similar credit enhancements. As at 31 December 2025 repossessed collateral amounted to UZS 625 605 million (2024: UZS 776 429 million) (Note 10). The management of the Group expects to dispose of these assets within 12 months period through public auctions.

(millions of Uzbek Soums)

#### 4. Loans to customers (continued)

Information about types of collateral held as security for loans to customers that are credit impaired as at 31 December 2025 and 2024 is presented below.

<b>31 December 2025</b>	<b>Private companies</b>	<b>State-owned companies</b>	<b>Individuals</b>	<b>Total</b>
Cash deposit	917	-	-	<b>917</b>
Real estate	170 372	17	61 688	<b>232 077</b>
Vehicles	15 571	-	790	<b>16 361</b>
Equipment	20 088	-	-	<b>20 088</b>
Guarantees and sureties	141 534	-	19 157	<b>160 691</b>
Certificates of insurance	57 129	-	18 702	<b>75 831</b>
Other	567	-	2 848	<b>3 415</b>
Unsecured	120 964	-	148 035	<b>268 999</b>
<b>Credit-impaired (Stage 3) loans to customers after impairment allowance</b>	<b>527 142</b>	<b>17</b>	<b>251 220</b>	<b>778 379</b>

<b>31 December 2024</b>	<b>Private companies</b>	<b>State-owned companies</b>	<b>Individuals</b>	<b>Total</b>
Real estate	406 759	22	92 422	<b>499 203</b>
Vehicles	35 762	-	84	<b>35 846</b>
Equipment	30 481	-	-	<b>30 481</b>
Guarantees and sureties	293 085	-	33 889	<b>326 974</b>
Certificates of insurance	110 474	-	31 587	<b>142 061</b>
Other	20	-	2	<b>22</b>
Unsecured	38 113	-	215 075	<b>253 188</b>
<b>Credit-impaired (Stage 3) loans to customers after impairment allowance</b>	<b>914 694</b>	<b>22</b>	<b>373 059</b>	<b>1 287 775</b>

During the preparation of the 2025 financial statements, the Group changed classification of certain Stage 3 loans. Accordingly, the corresponding comparative information for 2024 has been reclassified to comply with this presentation. The reclassification had no impact on the figures presented in the consolidated statement of financial position and the consolidated statement of comprehensive income for 2024.

The Group does not incorporate collateral value in its ECL estimation models for collective assessment of homogeneous loans, however the value of collateral is accounted for when estimating ECL for credit-impaired individually significant loans to corporate customers (see Note 22).

(vi) *Concentration of loans to customers*

Loans are disbursed to corporate clients operating in the following industry sectors:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Manufacturing	2 583 172	5 221 911
Service, Transport and Communication	2 397 967	1 937 552
Trade	2 291 078	1 091 683
Agriculture	1 782 053	952 780
Construction	677 258	287 669
Other	482 648	218 336
<b>Loans to corporate clients before impairment allowance</b>	<b>10 214 176</b>	<b>9 709 931</b>
Less impairment allowance	(970 443)	(3 164 417)
<b>Loans to corporate clients after impairment allowance</b>	<b>9 243 733</b>	<b>6 545 514</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 5. Investment securities

As at 31 December 2025 and 2024 investment securities comprise:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Bonds measured at amortised cost</b>		
<i>Unpledged</i>		
the CBU	1 301 259	1 795 034
the Ministry of Economy and Finance of the Republic of Uzbekistan	7 037 781	4 180 033
Corporate bonds	2 023 710	303 135
<i>Pledged under "REPO" transactions and similar transactions</i>		
the CBU	-	101 055
the Ministry of Economy and Finance of the Republic of Uzbekistan	600 288	2 001 495
<b>Bonds measured at amortised cost before impairment allowance</b>	<b>10 963 038</b>	<b>8 380 752</b>
Less impairment allowance	(112 832)	(71 427)
<b>Bonds measured as amortised cost after impairment allowance</b>	<b>10 850 206</b>	<b>8 309 325</b>
Equity securities measured at FVOCI	139 731	96 296
<b>Investment securities</b>	<b>10 989 937</b>	<b>8 405 621</b>

As at 31 December 2025 and 2024 bonds measured at amortized cost are classified to Stage 1.

Corporate bonds are bonds of government-related entities.

Equity securities are represented by minor shares (up to 9,65%) of government related entities.

As at 31 December 2025, securities in the amount of UZS 521 589 million) (31 December 2024: UZS 512 929 million) had been transferred but did not qualify for derecognition due to the existence of a total return swap agreement covering all cash flows.

(millions of Uzbek Soums)

## 6. Property and equipment and intangible assets

The movements in property and equipment were as follows:

	Note	Buildings and premises	Construction in progress	Furniture and equipment	Intangible assets and others	Total
<b>Cost</b>						
<b>1 January 2024</b>		<b>412 040</b>	<b>320 962</b>	<b>862 133</b>	<b>36 169</b>	<b>1 631 304</b>
Additions		237	108 896	209 274	14 500	<b>332 907</b>
Transfers		33 034	(31 576)	(4 170)	2 712	-
Disposals and write-offs		(32 246)	(39 529)	(50 462)	(75)	<b>(122 312)</b>
<b>31 December 2024</b>		<b>413 065</b>	<b>358 753</b>	<b>1 016 775</b>	<b>53 306</b>	<b>1 841 899</b>
Additions		127 912	117 221	171 953	29 220	<b>446 306</b>
Transfers		31 555	(40 533)	(4 892)	13 870	-
Disposals and write-offs		(45 540)	(315)	(65 389)	(5 850)	<b>(117 094)</b>
<b>31 December 2025</b>		<b>526 992</b>	<b>435 126</b>	<b>1 118 447</b>	<b>90 546</b>	<b>2 171 111</b>
<b>Accumulated depreciation</b>						
<b>1 January 2024</b>		<b>(88 803)</b>	-	<b>(475 128)</b>	<b>(17 173)</b>	<b>(581 104)</b>
Charge for the year		(23 580)	-	(160 140)	(5 831)	<b>(189 551)</b>
Transfers		(464)	-	464	-	-
Disposals and write-offs		9 574	-	31 984	33	<b>41 591</b>
<b>31 December 2024</b>		<b>(103 273)</b>	-	<b>(602 820)</b>	<b>(22 971)</b>	<b>(729 064)</b>
Charge for the year		(23 258)	-	(146 755)	(8 372)	<b>(178 385)</b>
Transfers		(1 787)	-	1 787	-	-
Disposals and write-offs		18 235	-	62 844	-	<b>81 079</b>
<b>31 December 2025</b>		<b>(110 083)</b>	-	<b>(684 944)</b>	<b>(31 343)</b>	<b>(826 370)</b>
<b>Net book value</b>						
<b>31 December 2024</b>		<b>309 792</b>	<b>358 753</b>	<b>413 955</b>	<b>30 335</b>	<b>1 112 835</b>
<b>31 December 2025</b>		<b>416 909</b>	<b>435 126</b>	<b>433 503</b>	<b>59 203</b>	<b>1 344 741</b>

## 7. Taxation

The corporate income tax expense comprises:

	2025	2024
Current income tax expense	1 757	1 216
Deferred income tax expense	1 026 919	99 335
<b>Income tax expense</b>	<b>1 028 676</b>	<b>100 551</b>

The Group measures and records its current income tax payable and its tax bases in its assets and liabilities in accordance with the tax regulations of the Republic of Uzbekistan, where the Group operates, which may differ from IFRS.

The Group is subject to certain permanent tax differences due to the non-tax deductibility of certain expenses and certain income being treated as non-taxable for tax purposes.

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 7. Taxation (continued)

Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Temporary differences as at 31 December 2025 and 2024 relate mostly to different methods/timing of income and expense recognition as well as to temporary differences generated by tax – book bases' differences for certain assets. The corporate income tax rate applicable to the majority of the Group's income comprised 20% for 2025 and 2024, respectively.

The effective income tax rate differs from the statutory income tax rates. A reconciliation of the income tax expense based on statutory rates with actual is as follows:

	<b>2025</b>	<b>2024</b>
<b>Income before tax</b>	<b>2 286 010</b>	<b>781 189</b>
Statutory tax rate	20%	20%
<b>Theoretical income tax expense at the statutory rate</b>	<b>457 202</b>	<b>156 238</b>
Non-taxable income received from placing accumulated pension funds	(260 175)	(191 668)
Allowance for deferred tax asset	712 689	-
Unrecognized deferred tax asset	102 773	126 961
Non-deductible expenditures	16 187	9 020
<b>Income tax expense</b>	<b>1 028 676</b>	<b>100 551</b>

Deferred tax assets and liabilities as at 31 December 2025 and 2024 and their movements for the respective years then ended comprise:

Tax effect of deductible temporary differences	Origination and reversal of temporary differences			Origination and reversal of temporary differences	
	1 January 2024	In profit or loss	31 December 2024	In profit or loss	31 December 2025
Cash and cash equivalents	4 342	(3 974)	368	(204)	164
Amounts due from credit institutions	2 263	221	2 484	(724)	1 760
Loans to customers	755 641	(54 196)	701 445	(319 452)	381 993
Investment securities	5 016	9 263	14 279	8 287	22 566
Property and equipment	505	(505)	-	(408)	(408)
Other assets	17 514	4 790	22 304	8 797	31 101
Other liabilities	6 520	13 157	19 677	(13 639)	6 038
Tax losses carried forward to future periods	437 368	-	437 368	-	437 368
<b>Deferred tax asset, gross amount</b>	<b>1 229 169</b>	<b>(31 244)</b>	<b>1 197 925</b>	<b>(317 343)</b>	<b>880 582</b>
Unrecognized deferred tax asset	(120 420)	(6 541)	(126 961)	24 188	(102 773)
<b>Deferred tax asset</b>	<b>1 108 749</b>	<b>(37 785)</b>	<b>1 070 964</b>	<b>(293 155)</b>	<b>777 809</b>
<b>Taxable temporary differences</b>					
Repossessed assets	17 505	(61 550)	(44 045)	(21 075)	(65 120)
<b>Deferred tax liability</b>	<b>17 505</b>	<b>(61 550)</b>	<b>(44 045)</b>	<b>(21 075)</b>	<b>(65 120)</b>
<b>Deferred tax asset</b>	<b>1 126 254</b>	<b>(99 335)</b>	<b>1 026 919</b>	<b>(314 230)</b>	<b>712 689</b>
<b>Allowance for deferred tax asset</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(712 689)</b>	<b>(712 689)</b>
<b>Deferred tax asset, net of allowance</b>	<b>1 126 254</b>	<b>(99 335)</b>	<b>1 026 919</b>	<b>(1 026 919)</b>	<b>-</b>

In accordance with IAS 12 deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which temporary differences and tax losses can be utilized.

(millions of Uzbek Soums)

## 7. Taxation (continued)

As at 31 December 2025, the Group performed a detailed assessment of the recoverability of previously recognized assets. Based on updated financial forecasts, management concluded that the "probable" criteria for generating taxable profit in the foreseeable future is not met. Accordingly, the Group has recognized a 100% allowance against its net deferred tax assets as at 31 December 2025.

As a result of these adjustments, the net balance of the deferred tax asset in the consolidated statement of financial position as at 31 December 2025 amounted to zero (31 December 2024: UZS 1 026 919 million).

The total amount of unrecognized deferred tax assets, for which the Group retains the right to future deductions, amounted to UZS 815 461 million at the reporting date. This amount includes the effect of unused tax losses carried forward from previous years in the amount of UZS 437 368 million. In accordance with the tax legislation of the Republic of Uzbekistan, such tax losses may be carried forward indefinitely. The Group will recognize these assets in future periods when the criteria for their recognition under IAS 12 are met.

(millions of Uzbek Soums)

## 8. Credit loss expense

The table below shows the ECL charges on financial assets for the years ended 31 December 2025 and 2024:

	<b>Cash and cash equivalents</b>	<b>Amounts due from credit institutions</b>	<b>Bonds measured at amortised cost</b>	<b>Loans and advances to customers</b>	<b>Other financial assets</b>	<b>Total</b>
<b>1 January 2024</b>	<b>3 411</b>	<b>22 318</b>	<b>25 104</b>	<b>4 859 441</b>	<b>7 017</b>	<b>4 917 291</b>
Credit loss expense (recovery)	(1 570)	1 399	46 323	399 177	90 442	535 771
Write-off	-	(2 250)	-	(1 658 985)	(97 459)	(1 758 694)
Received previously written-off	-	-	-	1 101 740	-	1 101 740
Foreign currency exchange rate effect	-	-	-	1 182	-	1 182
<b>31 December 2024</b>	<b>1 841</b>	<b>21 467</b>	<b>71 427</b>	<b>4 702 555</b>	<b>-</b>	<b>4 797 290</b>
Credit loss expense (recovery)	(1 020)	(4 046)	41 405	(1 118 256)	88 794	(993 123)
Write-off	-	-	-	(1 901 711)	(88 794)	(1 990 505)
Received previously written-off	-	-	-	824 746	-	824 746
Foreign currency exchange rate effect	-	-	-	(83 264)	-	(83 264)
<b>31 December 2025</b>	<b>821</b>	<b>17 421</b>	<b>112 832</b>	<b>2 424 070</b>	<b>-</b>	<b>2 555 144</b>

(millions of Uzbek Soums)

## 9. Other assets and liabilities

As at 31 December 2025 and 2024 other assets comprise the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Other financial assets</b>		
Commission receivables	2 600	2 617
Receivables from employees	561	1 453
Settlements with individuals for money transfers	4 798	20 485
Other	47 900	15 738
<b>Other financial assets before allowance for impairment</b>	<b>55 859</b>	<b>40 293</b>
Less allowance for impairment	-	-
<b>Other financial assets after allowance for impairment</b>	<b>55 859</b>	<b>40 293</b>
<b>Other non-financial assets</b>		
Prepayments for materials, services and PPE	134 562	138 086
Real estate held for sale	428 326	-
Other	38 029	71 626
<b>Other non-financial assets before allowance for impairment</b>	<b>600 917</b>	<b>209 712</b>
Less allowance for impairment	(30 294)	(20 341)
<b>Other non-financial assets after allowance for impairment</b>	<b>570 623</b>	<b>189 371</b>
<b>Other assets</b>	<b>626 482</b>	<b>229 664</b>

As at 31 December 2025, Other Assets include real estate properties intended for resale totaling UZS 428 326 million (2024: nil). These assets arose from the activities of the subsidiary Perfect Capital Investment LLC, which was established by the Group in 2025 to implement state initiatives aimed at completing real estate construction projects.

The Group's management has elected not to present these assets as a separate line item in the consolidated statement of financial position due to their immateriality to the Group's overall balance sheet structure as of the current reporting date.

This category of assets comprises:

- Construction in progress (costs related to the construction of residential buildings and a hotel complex).
- Completed real estate units awaiting cadastral registration and subsequent transfer to buyers.

In accordance with IAS 2 these assets are measured at the lower of cost or net realizable value. As of the reporting date, the net realizable value exceeds the carrying amount.

The real estate properties are partially encumbered by obligations under contracts with customers in the amount of UZS 70 029 million, representing advances received (see "Other Liabilities"). Revenue from these properties will be recognized at the point in time when control is transferred to the buyers, which is expected to occur within 12 months after the reporting date.

(millions of Uzbek Soums)

## 9. Other assets and liabilities (continued)

As at 31 December 2025 and 2024 other liabilities comprise the following:

	31 December 2025	31 December 2024
<b>Other financial liabilities</b>		
Payables to employees	49 988	39 940
Accounts payable	120 910	46 250
Other	17 604	12 974
<b>Total other financial liabilities</b>	<b>188 502</b>	<b>99 164</b>
<b>Other non-financial liabilities</b>		
Taxes payable, other than income tax	51 522	43 591
Lottery obligations	6 458	7 988
Advances received from customers	70 029	-
Other	11 804	33 142
<b>Total other non-financial liabilities</b>	<b>139 813</b>	<b>84 721</b>
Allowance for credit related liabilities and financial guarantees	2 541	12 208
<b>Other liabilities</b>	<b>330 856</b>	<b>196 093</b>

## 10. Repossessed assets

As at 31 December 2025 and 2024 repossessed assets comprise the following:

	31 December 2024	31 December 2024
Non-residential premises	497 018	673 958
Residential buildings	91 797	47 902
Transport	15 758	37 608
Equipment	21 032	16 961
<b>Repossessed assets</b>	<b>625 605</b>	<b>776 429</b>

Over the next 12 months, the Bank expects to sell the property it owns, accepted to repay the loans. The bank is actively searching for buyers. The Group measures repossessed assets at the lower of their carrying amount and fair value less costs to sell. The amount of income for changing the value of such assets for the year ended at 31 December 2025 amounted to UZS 26 616 million (31 December 2024: UZS 49 490 million of expense).

## 11. Amounts due to credit institutions

As at 31 December 2025 and 2024 amounts due to credit institutions comprise the following:

	31 December 2025	31 December 2024
Term deposits	335 879	1 372 922
REPO transactions with the CBU	-	1 280 229
REPO transactions with the banks	-	238 002
Correspondent accounts and other placements	18 447	141 523
<b>Amounts due to credit institutions</b>	<b>354 326</b>	<b>3 032 676</b>

As at 31 December 2025, funds in the amount of UZS 333 426 million or 94,10% of total funds due to credit institutions (31 December 2024: UZS 1 501 212 million or 49,50%) represent funds held by five credit institutions, excluding funds from the CBU.

Securities pledged or sold under REPO transactions are transferred to a third party and the Group receives cash. REPO transactions are carried out on terms that are generally accepted for standard lending, borrowing and lending of securities. The Group has determined that it retains substantially all the risks and rewards of ownership of these securities and therefore does not derecognize them (Note 5).

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 12. Amounts due to customers

As at 31 December 2025 and 2024 amounts due to customers comprise the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<i>State and public organizations</i>		
- current accounts	89 708	34 247
- term deposits	243 915	1 927 525
<i>Other legal entities</i>		
- current accounts	1 376 118	1 002 237
- term deposits	38 273	242 098
<i>Individuals</i>		
- current accounts	3 355 476	2 994 635
- term deposits	3 099 589	2 051 384
<b>Amounts due to customers</b>	<b>8 203 079</b>	<b>8 252 126</b>
Held as security against letters of credit	41 038	-

As at 31 December 2025, amounts due to customers of UZS 292 697 million (3,57% of total due to customers) were due to the ten largest customers (31 December 2024: UZS 2 189 575 million (26,53%)).

(millions of Uzbek Soums)

### 13. Other borrowed funds

As at 31 December 2025 and 2024 other borrowed funds comprise the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Ministry of Economy and Finance of the Republic of Uzbekistan	15 083 048	12 003 873
Fund for Reconstruction and Development of the Republic of Uzbekistan	2 399 966	2 134 218
MASHREQBANK PSC., DUBAI AE	1 223 218	-
JSC Entrepreneurship Development Company	697 359	22 109
FIRST ABU DHABI BANK	647 307	-
ICBC Standard Bank Plc	386 391	395 574
JSC Uzbekistan Mortgage Refinancing Company	365 450	373 338
Olam Global Agri Treasury Pte. Ltd.	280 739	-
"HAMROH" Women's Entrepreneurship Support Company LLC	263 453	-
JSCB Business Development Bank	230 595	230 595
Cargill Financial Services International, Inc	212 573	255 941
COMMERCIAL BANK OF DUBAI	197 454	-
NEXENT BANK	120 703	-
HUNGARIAN EXPORT-IMPORT BANK PRIVATE LIMITED COMPANY	94 558	125 691
Central Bank of the Republic of Uzbekistan	82 872	150 000
JSC Trade Development Company	25 441	-
Ministry of Employment and Poverty Reduction of the Republic of Uzbekistan	11 029	31 487
ODDO BHF AKTIENGESELLSCHAFT DE	8 622	25 661
Fund for Support of Farmers, Dehkan Farms and Owners of Household Lands	4 008	501 619
Public Fund for Support of Women and Family	-	216 771
Export Promotion Agency under the Ministry of Investment and Foreign Trade of the Republic of Uzbekistan	-	50 270
Others	82 804	32 692
<b>Other borrowed funds</b>	<b>22 417 590</b>	<b>16 549 839</b>

Other borrowed funds comprise financing received from different government agencies and international and local financial institutions to further finance different programs and for specific purposes.

As at 31 December 2025 and 2024 the balance due to the Ministry of Economy and Finance of the Republic of Uzbekistan includes:

- Funds under the refinancing program with International Bank of Reconstruction and Development (IBRD) comprising three loan agreements nominated in USD and UZS, which had issue dates between 15 January 2016 - 30 June 2018, maturity dates between 5 March 2034 - 15 May 2043 with the principal being repaid semi-annually starting from 15 September 2019 - 15 September 2023. Funds were attracted for the purpose of developing horticultural and livestock sectors in the Republic of Uzbekistan.
- Funds based on the On-lending Agreement dated 10 February 2020 No. L3823 (COL)-UZB. The Ministry of Economy and Finance of the Republic of Uzbekistan provided the Group with funds under refinancing program with the Asian Development Bank (Loan agreement dated 13 November 2019 between the Asian Development Bank and the Republic of Uzbekistan represented by the Ministry of Economy and Finance of the Republic of Uzbekistan) for the project of livestock value chain development in the Republic of Uzbekistan with a maturity date of 5 June 2030 with principal being repaid semi-annually starting from 2023. The agreement provides financial and non-financial covenants. The amount of obligations as at 31 December 2025 was UZS 329 493 million (2024: UZS 402 640 million). The Group does not expect a breach of these covenants within 12 months after the reporting date.
- Pursuant to the subsidiary loan agreement dated 17 March 2025 under project 4488-UZB, the Ministry of Economy and Finance of the Republic of Uzbekistan provided the Group with funds under a refinancing program with the Asian Development Bank. These funds were allocated as part of the "Inclusive Finance Sector Development – Financial Intermediation" project in the Republic of Uzbekistan.

(millions of Uzbek Soums)

### 13. Other borrowed funds (continued)

The loan has a final maturity date of 15 June 2039, with principal repayments due semi-annually starting from 15 January 2028. The agreement includes both financial and non-financial covenants. The Group does not expect any breaches of these covenants within 12 months after the reporting date.

- Funds under the refinancing program with International Development Association of World Bank consisting of four loan agreements nominated in USD and UZS, which had issue dates between 24 June 2014 - 26 February 2024, maturity dates between 5 March 2032 - 15 September 2040 with the principal being repaid semi-annually starting from 15 September 2017 - 15 November 2022. *Funds were attracted for developing livestock sector and financing of agricultural investment projects in the Republic of Uzbekistan, and within the project on adaptation to climate changes and mitigation of consequences to the Aral Lake.*

- Resources under the refinancing program with Japan International Cooperation Agency (JICA) comprising the loan agreement nominated in USD and partially converted in UZS in 2022, signed on 15 June 2020, maturing on 10 December 2044 - 20 December 2044 with the principal being repaid semi-annually starting from 2026. *Funds were attracted for the development of the project of horticultural value chain in the Republic of Uzbekistan.*

- Financing under the refinancing program with International Fund for Agricultural Development is formed in accordance with three loan agreements nominated in USD, which had issue dates between 27 June 2014 - 19 July 2022, maturity dates between 5 September 2033 - 6 September 2044 with the principal being repaid semi-annually starting from 15 November 2020-15 May 2023. *Funds were attracted for the purpose of livestock sector development in the Republic of Uzbekistan.*

- Financing under the refinancing program with the French Development Agency, attracted in July 2022 in UZS maturing on 5 April 2032 with the principal being repaid semi-annually starting from 2025. *Funds were attracted for the purpose of financing the sustainable development of the livestock sector in the Republic of Uzbekistan.*

- Long-term funds attracted directly from the Ministry of Economy and Finance of the Republic of Uzbekistan in UZS for various social lending purposes: *financing of mortgage retail loans, livestock industry development, educational loans.*

As at 31 December 2025, the balance due to the Fund for Reconstruction and Development of the Republic of Uzbekistan comprises several loan agreements nominated in UZS and USD, which were concluded between 12 January 2018 - 25 June 2025, have maturity dates between 25 June 2027 - 10 September 2034 with the principal being repaid semi-annually starting from 2021 (31 December 2024: several loan agreements nominated in UZS and USD, which were concluded between 12 January 2018 - 10 September 2024, have maturity dates between 25 June 2027 - 22 September 2024 with the principal being repaid semi-annually starting from 2021). *Funds were attracted within different state support programs, among which are "Each family is an entrepreneur", provision of microloans to women and young people, financing projects in Samarkand region.*

As at 31 December 2025, the balance due to the CBU consists of several loan agreements nominated in UZS, which were concluded between 18 October 2022 - 15 December 2025 for the three-year term with the principal being repaid monthly starting from 2023 (31 December 2024: several loan agreements nominated in UZS, signed on 18 October 2022 and 13 July 2023 for the three-year term with the principal being repaid monthly starting from 2022). *As at 31 December 2025 funds are provided for the purpose of lending within the social program "Each family is an entrepreneur", as well as for refinancing the purchase of renewable energy sources. (31 December 2024: funds are provided solely for the purpose of lending within the social program "Each family is an entrepreneur").*

As at 31 December 2025, the balance due to the Fund for Support of Farms, Dehkan Farms and Owners of Household Lands comprises several loan agreements nominated in UZS, which were concluded between 24 January 2022 - 27 May 2025, maturing on 24 January 2025 - 31 July 2032 with the principal being repaid semi-annually (31 December 2024: several loan agreements nominated in UZS, which were concluded between 24 January 2022 - 8 July 2022, maturing on 24 January 2025 - 7 July 2029 with the principal being repaid semi-annually). *Funds were attracted solely for the purpose of lending within the social program "Support for Farmers and Dehkan Farms".*

(millions of Uzbek Soums)

### 13. Other borrowed funds (continued)

During 2025, the borrowed funds from the Public Fund for Support of Women and Families were transferred to "HAMROH" Women's Entrepreneurship Support Company LLC. As of 31 December 2025, the outstanding balance consists of several loan agreements denominated in UZS. These agreements were entered into between 27 April 2022 and 19 December 2025, with maturity dates ranging from 31 January 2027 to 30 June 2032, and monthly principal repayments commencing in 2022 (as at 31 December 2024: loan agreements denominated in UZS, entered into between 22 April 2022 and 25 December 2024, with maturity dates ranging from 10 May 2025 to 24 December 2031, and monthly principal repayments commencing in 2022). *The funds were raised to finance various initiatives and education for women and families in distressed social and financial conditions.*

As at 31 December 2025, the debt to ICBC Standard Bank Plc represents obligations under all-cash flow credit default swap agreements entered into in 2024. These agreements expire in 2026 and 2027. These agreements were entered into for the purpose of raising additional financing. The agreement provides for non-financial covenants. The Group does not expect any breaches of these covenants within 12 months after the reporting date.

In April 2022, the Group attracted loan facility from HUNGARIAN EXPORT-IMPORT BANK PRIVATE LIMITED COMPANY nominated in EUR maturing in April 2028 *for the purpose of ATM machines acquisition.*

As at 31 December 2025, the balance due to Cargill Financial Services International, Inc consists of a loan agreement denominated in EUR, which was concluded on 24 March 2025 with a maturity date at 25 March 2027 with a one-time repayment of the principal at the end of the period. *The funds were raised to finance trade (import) contracts of the bank's clients (legal entities).*

As at 31 December 2025, the balance due to JSCB Business Development Bank consists of a loan agreement denominated in UZS, which was concluded on 7 June 2024 for a seven-year term with a two-year grace period, with repayment of the principal every six months, starting from 2026. *The funds were raised within the framework of the financial and institutional support program for the development of small businesses in accordance with the Resolution of the President of the Republic of Uzbekistan dated September 14, 2023 No. PD-306.*

As at 31 December 2025, the outstanding balance due to MASHREQBANK PSC., DUBAI AE consists of a loan agreement denominated in USD, entered into on 26 September 2025, with a maturity date of 26 September 2026 and a bullet principal repayment at the end of the term. The funds were raised for general corporate purposes. The agreement provides financial and non-financial covenants. The Group does not expect any breaches of covenants within 12 months after the reporting date.

As at 31 December 2025, the outstanding balance due to JSC "Entrepreneurship Development Company" consists of several loan agreements denominated in Uzbek Soums, entered into between 12 February 2024 and 24 October 2025, with maturity dates ranging from 17 April 2030 to 17 December 2030 and monthly principal repayments. *The funds were raised under Presidential Decree No. PD-312 dated 9 September 2024 on improving the comprehensive program for continuous support of small businesses.*

As at 31 December 2025, the outstanding balance due to FIRST ABU DHABI BANK consists of several loan agreements denominated in USD, entered into between 24 June 2025 and 12 December 2025, with maturity dates ranging from 25 May 2026 to 10 June 2026 and bullet principal repayments at the end of the term. *The funds were raised for general corporate purposes.*

In accordance with the provisions of Presidential Decree PD-22, the management structure of financial assets in the agricultural sector has undergone significant changes. The majority of the funds from the Fund for Support of Farmers, Dehkan Farms and Owners of Household Lands were transferred to the management of the Ministry of Economy and Finance of the Republic of Uzbekistan.

The remaining credit lines also consisted of funds attracted to financing different state support programs and own commercial objectives of the Group.

(millions of Uzbek Soums)

## 14. Subordinated loans

In 2022 the Group borrowed from the Ministry of Economy and Finance of the Republic of Uzbekistan a subordinated loan in the amount of UZS 540 000 million with an interest rate of 11% maturing in 2027. In 2024, the subordinated loan was fully settled through subscription with the Bank's shares in accordance with the Resolution of the President of the Republic of Uzbekistan No. PD-149 dated April 2, 2024. As at 31 December 2024, prior to the completion of official registration, this amount was reflected in the other component of equity (Note 16). As of 31 December 2025, this amount was registered within Share capital.

As at 31 December 2025 subordinated loans comprise loans from the Ministry of Economy and Finance of the Republic of Uzbekistan in the total amount of UZS 160 711 million (31 December 2024: UZS 188 171 million) which were received in 2017 and 2018 with interest rates of 3% and 12% p.a. maturing in 15 years.

In case of liquidation subordinated loans rank after settlement of all other creditors' claims.

## 15. Accumulated pension fund liabilities

According to the Law of the Republic of Uzbekistan №702-II dd. 2 December 2004 "On accumulated pension savings of the citizens" (hereinafter – "the Law") pension savings of participants are accumulated with the Bank.

Participation in the saving pension system is mandatory for all employers and employees unless otherwise required by law. The Law stipulates that the Bank keeps detailed accounting for each participant (employee) of the pension plan based on application of the participant. The State guarantees each participant of the pension plan the safe-keeping and distribution of pension savings. In accordance with the law, accounting and storage of an individual savings pension account is carried out only in the Bank.

Under the Law pension savings are formed with:

- mandatory contributions of employers (0.1%);
- voluntary contributions from both employers and employees;
- "interest" accrued on individual pension accounts – the Bank must annually accrue "interest" on the outstanding amount of accumulated pension funds in the amount not less than inflation rate which is determined by the Bank and approved by the Ministry of Economy and Finance and the CBU;
- other funds are not contradictory to the law.

Pension savings are used for payments of pensions and cannot be used for any other purpose not related to the accumulated pension system. Participant of the system has rights to receive payments from the individual pension account when eligible (once or by monthly instalments at the request of a participant), to receive information on the balance of individual account and to leave the balance as precept. The Bank is entitled to receive margin from income on investing pension system funds. The margin rate in 2025 was set by the Ministry of Economy and Finance at 1% and the amount of the margin amounted to UZS 13 700 million (the margin rate in 2024 was set at 1% and the amount of margin amounted to UZS 11 900 million).

(millions of Uzbek Soums)

## 15. Accumulated pension fund liabilities (continued)

Movement of pension savings for the years ended 31 December 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
<b>Balance as at 1 January</b>	<b>8 556 158</b>	<b>7 383 658</b>
<i>Contributions:</i>		
- mandatory contributions of employers (0.1%)	493 407	366 115
- voluntary contributions of participants	23 768	1 485
<i>Distributions:</i>		
- payments of pensions to participants	(477 777)	(361 600)
- refunds to employers	(12 365)	-
<i>Distribution of income to the participants:</i>		
- for the current financial year, including coverage of prior years' deficit, if applicable	770 799	763 800
<i>interest rate</i>	10,0%	9,8%
<i>Distribution of income to the reserve fund:</i>	577 700	402 700
<b>Balance as at 31 December</b>	<b>9 931 690</b>	<b>8 556 158</b>

According to the resolution of the Ministry of Economy and Finance and the CBU dated 25 December 2021 "On the order of placement of accumulated pension system's funds in financial instruments", the Bank should place pension system funds into the following financial instruments:

- not less than 60% - government debt securities and corporate debt securities of companies refinancing mortgage;
- not more than 20% - corporate debt securities of companies with an external rating not lower than the sovereign one;
- not more than 19% - deposits of commercial banks with an external rating not lower than the sovereign one;
- not more than 0,5% should be kept at the correspondent account to meet obligations on pensions payments.

As at 31 December 2025 and 2024 pension savings are invested into the following financial instruments:

	<b>31 December 2025</b>		<b>31 December 2024</b>	
	<b>Carrying amount</b>	<b>WAEIR**</b>	<b>Carrying amount</b>	<b>WAEIR**</b>
Debt securities of government and Mortgage refinancing company of Uzbekistan	7 570 688	15,07%	5 697 353	17,48%
Corporate debt securities	289 249	19,98%	140 000	19,79%
Term deposits in credit institutions	1 099 803	13,29%	1 463 791	13,72%
Loans to customers*	236	32,14%	117 004	26,62%
	<b>8 959 976</b>		<b>7 418 148</b>	

\*placements in loans to customers and term deposits of credit institutions were made prior to introduction of the resolution

\*\*Weighted average rate on invested funds

Interest income calculated at the effective interest rate on pension savings' financial assets for the year ended 31 December 2025 equals to UZS 1 373 700 million (2024: UZS 1 189 200 million). The difference between the amounts earned from the placement of pension funds and distributed to pension accounts forms the reserve fund, which is to be directed to indexation of balances of individual pension accounts in future periods in case of deficit in the amounts earned, i.e. when the amounts that will be earned from the placement of pension funds will be lower than those to be distributed to pension accounts. As at 31 December 2025 carrying amount of the reserve fund, included in accumulated pension fund liabilities balance, equals to UZS 1 406 169 million (31 December 2024: UZS 828 469 million).

(millions of Uzbek Soums)

## 15. Accumulated pension fund liabilities (continued)

During the preparation of the consolidated financial statements for 2025, the Group revised the presentation of pension savings invested in financial instruments. As a result, comparative information for 2024 has been reclassified to align with the current period presentation. The reclassification did not have any impact on the figures presented in the consolidated statement of financial position or the consolidated statement of comprehensive income for 2024.

Under the terms of operating the accumulated pension plan derived from the legislation the Group is not exposed to a significant insurance risk from operating the fund, and the Group does not guarantee any additional benefits from the plan to the participants except of those presumed by the legislation.

## 16. Equity

As at 31 December 2025 the number of authorised ordinary shares is 11 517 308 144 with a nominal value per share of UZS 1 000 (31 December 2024: 9 597 308 144 authorised ordinary shares with a nominal value per share of UZS 1 000). All authorised shares have been issued and fully paid.

According to the Decree of the President No. 3694 dated 4 May 2018, the Bank was granted tax incentives in respect of certain taxes until 1 January 2023. In 2024, the Bank capitalized accumulated tax amounts totaling UZS 12 006 million into share capital as a contribution from the Ministry of Economy and Finance.

In 2024, according to the Presidential Decree №PD-149 dated 2 April 2024, the Group's share capital was increased by UZS 1 837 000 million through the settlement of outstanding obligations to the Fund for Reconstruction and Development of the Republic of Uzbekistan into equity.

According to the Resolution of the President of the Republic of Uzbekistan No. PD-149 dated 2 April 2024, the Ministry of Economy and Finance allocated UZS 1 570 000 million to increase the share capital of the Bank, of which UZS 700 000 million was contributed in cash, 540 000 million soums was settled through the conversion of a subordinated loan (Note 14) and UZS 330 000 million was settled through the conversion of other borrowed funds to the Ministry of Economy and Finance. As at 31 December 2024, prior to the completion of official registration, this amount is reflected in the other component of capital.

In 2025, based on an agreement with the Ministry of Economy and Finance of the Republic of Uzbekistan, the share capital of Bank was increased by a total amount of UZS 1 920 000 million. Of which, UZS 1 570 000 million was transferred from other components of equity, and UZS 350 000 million was contributed in cash. As a result of the share capital increase, 1 920 000 000 ordinary shares were issued with a nominal value of UZS 1 000.

### Earnings per share

The Group does not have potentially dilutive ordinary shares, so diluted earnings per share are equal to basic earnings per share.

	<b>31 December 2025</b>	<b>31 December 2024</b>
Income attributable to shareholders of the Group	1 257 334	680 638
Weighted average number of common shares (millions)	11 342	9 458
<b>Basic and diluted earnings per share in UZS</b>	<b>111</b>	<b>72</b>

The Group's distributable reserves to shareholders are limited to the amount of its reserves as reflected in its statutory financial statements. Undistributable reserves are represented by a reserve fund, which is created in accordance with legal requirements to cover general risks, including future losses and other unexpected risks or contingencies. In the consolidated statement of financial position, undistributable reserves are included in accumulated deficit.

(millions of Uzbek Soums)

## 17. Commitments and contingencies

### Legal

In the ordinary course of business, the Group is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial condition or the results of future operations of the Group.

### Taxation

Uzbekistan currently has a number of laws related to various taxes imposed by both state and regional governmental authorities. Implementing regulations are often unclear or non-existent and few precedents have been established. Often, differing opinions regarding legal interpretation exist both among and within government ministries and organisations (like the State Tax Committee and its various inspectorates) thus creating uncertainties and areas of conflict. Tax declarations, together with other legal compliance areas (as examples, customs and currency control matters) are subject to review and investigation by a number of authorities that are empowered by law to impose extremely severe fines, penalties and interest charges. These facts create tax risks in Uzbekistan substantially more significant than typically found in countries with more developed tax systems. Management believes that the Group is in substantial compliance with the tax laws affecting its operations. However, the risk remains that relevant authorities could take differing positions with regard to interpretive issues. As at 31 December 2025 management believes that its interpretation of the relevant legislation is appropriate and that the Group's tax, currency and customs positions will be sustained.

### Commitments and contingencies

In the normal course of business, the Group is a party to financial instruments with off-balance sheet risk in order to meet the needs of its customers. These instruments, involving varying degrees of credit risk, are not reflected in the consolidated statement of financial position.

The Group uses the same credit control and management policies in undertaking off-balance sheet commitments as it does for on-balance operations.

As at 31 December 2025 and 2024, the Group's commitments and contingencies comprised the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Credit related commitments</b>		
Letters of credit	41 038	-
Undrawn loan commitments	346 800	412 564
<b>Commitments and contingencies</b>	<b>387 838</b>	<b>412 564</b>
Provision for ECL for credit related commitments	(2 540)	(12 208)
Deposits held as securities against letters of credit	41 038	-

As at 31 December 2025 commitments and contingencies in the amount of UZS 342 523 million are allocated to Stage 1, UZS 3 384 million – to Stage 2, UZS 893 million – to Stage 3 (31 December 2024: UZS 323 274 million – to Stage 1, UZS 51 440 million – to Stage 2, UZS 37 850 million – to Stage 3).

<b>Undrawn loan commitments, ECL</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>1 January 2024</b>	<b>5 572</b>	<b>8 022</b>	<b>-</b>	<b>13 594</b>
Credit loss recovery	343	(1 729)	-	<b>(1 386)</b>
<b>31 December 2024</b>	<b>5 915</b>	<b>6 293</b>	<b>-</b>	<b>12 208</b>
Credit loss recovery	(3 536)	(6 132)	-	<b>(9 668)</b>
<b>31 December 2025</b>	<b>2 379</b>	<b>161</b>	<b>-</b>	<b>2 540</b>

(millions of Uzbek Soums)

## 18. Net interest income

Net interest income for the years ended 31 December 2025 and 2024 comprises:

	<b>2025</b>	<b>2024</b>
Loans to customers	5 191 415	4 339 320
Investment securities	1 533 863	1 057 504
Amounts due from credit institutions	510 096	431 584
Other	29 116	4 514
<b>Interest revenue calculated using effective interest rate</b>	<b>7 264 490</b>	<b>5 832 922</b>
Other borrowed funds	(2 183 943)	(1 533 781)
Amounts due to customers	(753 240)	(473 196)
Amounts due to credit institutions	(64 090)	(228 574)
Subordinated loans	(9 789)	(37 212)
<b>Interest expense calculated using effective interest rate</b>	<b>(3 011 062)</b>	<b>(2 272 763)</b>
<b>Net interest income</b>	<b>4 253 428</b>	<b>3 560 159</b>

## 19. Net fee and commission income

Net fee and commission income for the years ended 31 December 2025 and 2024 comprises:

	<b>2025</b>	<b>2024</b>
Income received for intermediary services for bank cards	567 990	354 263
Agency fee and commission income	232 093	163 831
Settlement operations	221 304	166 751
Social pension distribution income	149 583	176 904
Cash transactions	41 669	27 163
Terminal operations	28 755	11 803
Foreign settlement operations	16 250	29 751
Other	9 914	3 318
<b>Fee and commission income</b>	<b>1 267 558</b>	<b>933 784</b>
Expense paid for intermediary services for bank cards	(487 614)	(253 711)
Cash collection services	(40 338)	(34 215)
Settlement operations	(19 529)	(27 384)
Securities commissions	(4 031)	(5 364)
Other	(23 313)	(23 429)
<b>Fee and commission expense</b>	<b>(574 825)</b>	<b>(344 103)</b>
<b>Net fee and commission income</b>	<b>692 733</b>	<b>589 681</b>

In 2025, the Bank revised the classification of certain types of fee and commission income and expenses to ensure a more appropriate presentation of its performance. Consequently, comparative figures for the year ended 31 December 2024 have been reclassified to conform to the current period's presentation. This reclassification had no impact on the total net fee and commission income, net profit, or the Bank's equity for the prior period.

## 20. Other income

Other income for 2025 includes profit from the sale of repossessed property in the amount of UZS 164 892 million (2024: UZS 207 721 million), as well as other types of income.

(millions of Uzbek Soums)

## 21. Personnel and other operating expenses

Personnel and other operating expenses comprise:

	<b>2025</b>	<b>2024</b>
Salaries and bonuses	1 338 340	1 089 018
Social security costs	143 457	121 817
<b>Personnel expenses</b>	<b>1 481 797</b>	<b>1 210 835</b>
Depreciation	180 152	189 551
Utility and maintenance expense	214 267	222 850
<b>Expenses related to property and equipment</b>	<b>394 419</b>	<b>412 401</b>
<b>Other operating expenses</b>	<b>412 534</b>	<b>245 984</b>
<b>Total operating expenses</b>	<b>2 288 750</b>	<b>1 869 220</b>

## 22. Corporate governance and risk management

### Corporate governance

The Bank established and maintains a comprehensive corporate governance system, which includes its shareholders, the Supervisory Board (including five of its committees), the Management Board (including two of its committees) the Internal Control and Compliance Department and the Internal Audit Department.

*The Supervisory Board* is represented by members with international banking and financial services experience. The Supervisory Board of the Bank represents interests of the shareholders and investors of the Bank and determines the main directions of the Bank's development. There are four independent members in the Supervisory Board.

There are five committees operating under the Supervisory Board:

- *Audit and Anti-Corruption Committee* - the main goal of the Committee is to assist the Supervisory Board in fulfilling its oversight responsibilities: to ensure the reliability and efficiency of the internal control and risk management systems, the independence of the Compliance Service, and compliance with the law of the Republic of Uzbekistan and internal regulatory documents, as well as making recommendations for the Supervisory Board on developing of priority areas of the Bank operations and improving and enhancing the risk management and internal control systems.
- *Strategy and Investment Committee* - the main goal of the Committee is to support the Supervisory Board in its oversight responsibilities relating to the Bank's strategy development, business and organisation development plans, major financing and investment proposals and other material issues that affect the Bank's operations and business activities. The Committee advises on establishment of the processes of planning, implementing, assessing and adjusting the business strategy.
- *Remuneration and HR Committee* - the main goal of the Committee is to ensure that the Bank complies with the HR policy and strategy, and the internal remuneration system with regards to the laws and regulations of the Republic of Uzbekistan, internal control rules, the levels of accepted risks and risk appetite, as well as the long-term strategy and financial results. The Committee assists the Bank in implementation of effective methods and practices of HR management and motivation.
- *Corporate Governance, Nominations and Ethics Committee* - the main goal of the Committee is to assist the Supervisory Board in fulfilling its oversight responsibilities with regard to assessing all aspects of the Bank's corporate governance practices and any relevant governance issues, including opportunities for improving the governance framework, and make recommendations to the Supervisory Board with respect to any changes in the Bank's governance practices.

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

- *Risk Management Committee* - the main goal of the Committee is to assist the Supervisory Board in fulfilling its oversight responsibilities with regard to the Bank's risk governance framework (RGF) and risk appetite statement (RAS) to ensure that Supervisory Board's decisions enable the Bank to build an efficient risk management system.

The *Management Board* comprises of experienced and trained professionals with a proven track record of achieving growth and meeting financial performance targets, and with an experience in Uzbekistan's banking market and a strong understanding of the local financial services sector. Management Board is responsible for the operating management of the Bank.

### Risk management

#### *Risk management structure*

The presence of an efficient and modern risk management system integrated into all areas of the Bank's activities is one of the essential conditions for successful operation. The development and implementation of effective control procedures is the most important component of the risk management system, which is necessary for making balanced decisions in terms of risks and profitability at all levels of management. During recent years management of the Group focused on improvement of risk management system and implementation of effective control procedures in all key areas of the Bank's operations.

The principal risk management bodies of the Bank are:

- the Supervisory Board and the Risk Management Committee under the Supervisory Board;
- the Management Board and the committees operating under it: Asset & Liability Management Committee and Credit Committee;
- the Risk Management Department under the leadership of the Chief Risk Officer;
- the Internal Control and Compliance Department and the Internal Audit Department.

The Bank's risk management structure is based upon the principle of three lines of defense. The banking business units and financial and operating functions represent the first line of defense and are responsible for ensuring adherence to the Bank's policies and procedures on a day-to-day basis. The Risk Management Department under the leadership of the Chief Risk Officer represents the second line of defense and is responsible for monitoring and coordinating the business units and financial and operational functions. The Risk Management Department reports to the Management Board and the Supervisory Board. The Internal Audit Department represents the third line of defense. The Internal Audit Department reports to the Supervisory Board (through the Audit Committee of the Supervisory Board) and is responsible for reviewing and ensuring the integrity of the risk management processes at the Bank.

Risk is inherent in the Group's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk, the latter being subdivided into trading and non-trading risks. It is also subject to operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Group's strategic planning process.

#### *Risk measurement and reporting systems*

The Group's risks are measured using a method which reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Group also runs worst case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

Monitoring and controlling risks are primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries. In addition, the Group monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyze, control and identify early risks. This information is presented and explained to the Management Board, the Risk Management Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, liquidity ratios and risk profile changes. On a monthly basis detailed reporting of industry, customer and types of products take place. Senior management assesses the appropriateness of the allowance for expected credit losses on a recurring basis.

### *Excessive risk concentration*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risks, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

### **Credit risk**

Credit risk is the risk that the Group will incur a loss because its customers, clients or counterparties failed to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

During 2025 the Group continued to apply the credit risk management initiatives implemented in 2024, among which are:

- A separate Complex for working with problem loans was created in 2024, continued to operate. Within it, separate divisions were organized for analyzing problem loans in 2024, working with loans to individuals (Field Collection) and Hard collection;
- The Soft collection system was improved in 2024, continued to operate, including the implementation of grouping of borrowers by disciplined behavior, optimization of the interval of calls and SMS.
- A mechanism for automatically removing overdue debt on loans and interest from any plastic cards of the borrower and guarantor for loans to individuals, introduced in 2024, remained in operation;
- A system for monitoring collateral was implemented in 2024, continued to operate;
- The "Department for assessing collateral" was created within the structure of the Risk Management Department in 2024, continued its operations, including a mechanism for obtaining an opinion from appraisers of this department;
- An online loans which were launched in the bank's mobile application in 2024, continued to operate - Xazna, access to which can be obtained remotely, without the human factor and without visiting the bank. Scoring is carried out automatically.

### *Credit-related commitments risks*

The Group makes available to its customers guarantees which may require that the Group make payments on their behalf. Such payments are collected from customers based on the terms of the letter of credit. They expose the Bank to similar risks to loans and these are mitigated by the same control processes and policies.

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

### Impairment assessment

The Group calculates ECL based on several probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are as follows:

PD	The <i>Probability of Default</i> is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.
EAD	The <i>Exposure at Default</i> is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
LGD	The <i>Loss Given Default</i> is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process, the Group groups its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

Stage 1:	When loans are first recognised, the Group recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
Stage 2:	When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3:	Loans considered credit-impaired. The Group records an allowance for the LTECL.
POCI:	Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest revenue is subsequently recognised based on a credit-adjusted EIR. ECL are only recognised or released to the extent that there is a subsequent change in the lifetime expected credit losses.

### Significant increase in credit risk

In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk using following criteria:

- ▶ The principal and/or interest on loans to customers are past due for 31-90 days;
- ▶ Loans to corporate customers, the terms of which have been renegotiated since initial recognition, while the volume of repayments of the renegotiated debt on a semi-annual basis is more than 25%;
- ▶ Loans to customers with 2 prolongations during the last 12 months;

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

- ▶ Loans to customers that were credit-impaired at the end of the previous quarter and that at the end of the current quarter have indicators for Stage 1 or 2;
- ▶ Delay in payment of accrued interest (coupon) and/or principal debt for more than 1 day, except for technical delays due from banks and investment debt securities;
- ▶ External rating decreases for 2 steps;
- ▶ For financial instruments rated 'CCC+' or lower at the reporting date on the S&P Global Ratings scale.

### Definition of default

Loans to customers are classified in Stage 3 for which one or more default events have occurred that have an adverse effect on the estimated future cash flows of that financial instrument. Loans to customers classified in Stage 3 are credit-impaired or non-performing (NPL). The Bank applies the following default criteria for loans to customers:

- ▶ Loans to customers for which the number of days of delay on principal or interest as of the reporting date is more than 90 days;
- ▶ Loans to customers in the category "4 - doubtful" and "5 - bad" in accordance with the Regulations on the classification procedure of the CBU;
- ▶ Loans to corporate customers, the terms of which have been renegotiated since initial recognition, while the volume of repayments of the renegotiated debt on a semi-annual basis is less than 25%;
- ▶ Loans to customers for which there is a court decision or litigation is underway;
- ▶ The presence of debt on off-balance accounts for the principal debt and/or accrued interest;
- ▶ Loans to customers with 3 prolongations during the last 12 months;
- ▶ A purchased or originated credit-impaired financial asset (POCI).

Additionally, for individually significant corporate customers, the following factors may be taken into account when classifying debt into one or another Stage:

- ▶ The nature and reason for the granted restructuring: in the case of granting the first restructuring and in the presence of a stable financial position of the borrower, it can be concluded that there are no signs of SICR or default. A similar conclusion can be made when granting restructuring by decision of higher authorities;
- ▶ Other qualitative information that would more appropriately classify the debt according to its inherent level of credit risk, for example:
  - i. violation by the borrower of covenants,
  - ii. significant negative information about the activities of the borrower, including in the media,
  - iii. presence of signs of probable non-payment by the borrower,
  - iv. downgrading of the external credit rating (if any) by 2 or more notches,
  - v. reduction of financial support from the state, parent organization or other affiliated organization,
  - vi. significant deterioration in the quality or condition of the collateral, significant financial difficulties of the guarantor or guarantor.

The Bank applies the following default criteria for other financial instruments:

- ▶ Issuers with a rating of "D" at the reporting date;
- ▶ Negative information about the issuer/counterparty: liquidation, restructuring or other reorganization of the issuer/counterparty related to its inability to pay its obligations, catastrophic events as a result of which the issuer/counterparty's activities are suspended;
- ▶ Delay in accrued interest (coupon) and/or principal debt for more than 30 days.
- ▶ Purchased or originated credit-impaired financial asset (POCI);
- ▶ Cross-default event on other obligations of the issuer/counterparty.

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

*Grouping financial assets measured on a collective basis*

For the purpose of ECL calculation loans issued to customers are grouped into:

- loans issued to individuals,
- loans issued to corporate clients.

Loans to corporate customers are, in turn, grouped into homogeneous and individually significant.

For the purpose of determining the list of individually significant loans as of the reporting date, if there are several loan agreements between the Bank and the borrower, the debts under all existing agreements of such a borrower are summed up.

Individually significant borrower – a borrower whose gross carrying amount as of the reporting date exceeds materiality level. Materiality level - 2% of the amount of equity as of the reporting date, calculated in accordance with the statutory accounting rules. The materiality level is analyzed at least once a year to assess its adequacy and applicability, and based on the results of such an analysis, the materiality level may be revised.

Calculation of reserves for ECL is carried out:

- on an individual basis for credit-impaired individually significant loans to corporate customers;
- on a collective basis for other loans issued to customers.

*Forward-looking information and multiple economic scenarios*

The Group incorporates forward-looking information into measurement of ECL when there is a statistically proven correlation between the macro-economic variables and the NPL. As at the reporting dates, statistical tests demonstrated correlation between the GDP rate and default rates, the appropriate adjustment to ECL calculation has been made, accordingly. The management updates its statistical tests for correlation as at each reporting date.

See Note 8 for more detailed information with respect to the allowance for impairment of loans to customers.

Financial guarantees, letters of credit and loan commitments are assessed and a provision for expected credit losses is calculated in similar manner as for loans.

The geographical concentration of Group's financial assets and liabilities is set out below:

				<b>31 December 2025</b>
	<b>Republic of Uzbekistan</b>	<b>OECD</b>	<b>CIS and other foreign countries</b>	<b>Total</b>
<b>Assets</b>				
Cash and cash equivalents	2 525 249	92 885	81 873	<b>2 700 007</b>
Amounts due from credit institutions	2 701 643	1 202	42 506	<b>2 745 351</b>
Loans to customers	31 796 491	-	-	<b>31 796 491</b>
Investment securities	10 989 937	-	-	<b>10 989 937</b>
Other financial assets	55 859	-	-	<b>55 859</b>
	<b>48 069 179</b>	<b>94 087</b>	<b>124 379</b>	<b>48 287 645</b>
<b>Liabilities</b>				
Amounts due to credit institutions	341 123	-	13 203	<b>354 326</b>
Amounts due to customers	8 203 079	-	-	<b>8 203 079</b>
Other borrowed funds	19 244 070	438 410	2 735 110	<b>22 417 590</b>
Subordinated loans	160 711	-	-	<b>160 711</b>
Accumulated pension fund liabilities	9 931 690	-	-	<b>9 931 690</b>
Other financial liabilities	188 502	-	-	<b>188 502</b>
	<b>38 069 175</b>	<b>438 410</b>	<b>2 748 313</b>	<b>41 255 898</b>
<b>Net assets/(liabilities)</b>	<b>10 000 004</b>	<b>(344 323)</b>	<b>(2 623 934)</b>	<b>7 031 747</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

**22. Corporate governance and risk management (continued)**

				31 December 2024
	Republic of Uzbekistan	OECD	CIS and other foreign countries	Total
<b>Assets</b>				
Cash and cash equivalents	3 192 712	913 421	65 708	4 171 841
Amounts due from credit institutions	1 977 702	1 292	53 147	2 032 141
Loans to customers	26 822 670	-	-	26 822 670
Investment securities	8 405 621	-	-	8 405 621
Other financial assets	40 293	-	-	40 293
	<b>40 438 998</b>	<b>914 713</b>	<b>118 855</b>	<b>41 472 566</b>
<b>Liabilities</b>				
Amounts due to credit institutions	3 018 488	-	14 188	3 032 676
Amounts due to customers	8 252 126	-	-	8 252 126
Other borrowed funds	15 745 016	409 249	395 574	16 549 839
Subordinated loans	188 171	-	-	188 171
Accumulated pension fund liabilities	8 556 158	-	-	8 556 158
Other financial liabilities	99 164	-	-	99 164
	<b>35 859 123</b>	<b>409 249</b>	<b>409 762</b>	<b>36 678 134</b>
<b>Net assets/(liabilities)</b>	<b>4 579 875</b>	<b>505 464</b>	<b>(290 907)</b>	<b>4 794 432</b>

**Liquidity risk and funding management**

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily regularly. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure additional funding if required.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow. The Group also has committed lines of credit that it can assess to meet liquidity needs. In addition, the Group maintains a cash deposit (obligatory reserve) with the CBU, the amount of which depends on the level of customer funds attracted.

*Analysis of financial liabilities by remaining contractual maturities*

The tables below summarise the maturity profile of the Group's financial liabilities at 31 December based on contractual undiscounted repayment obligations. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that many customers will not request repayment on the earliest date the Group could be required to pay and the table does not reflect the expected cash flows indicated by the Group's deposit retention history.

31 December 2025	up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
<b>Financial liabilities</b>					
Amounts due to credit institutions	24 414	13 778	203 205	258 547	499 944
Amounts due to customers	5 372 142	2 024 299	1 319 002	29 087	8 744 530
Other borrowed funds	1 133 856	4 866 379	13 816 673	19 535 506	39 352 414
Subordinated loans	7 028	21 063	102 503	96 576	227 170
Other liabilities	188 502	-	-	-	188 502
Letters of credit	11 360	29 677	-	-	41 037
Undrawn loan commitments	346 800	-	-	-	346 800
<b>Total undiscounted financial liabilities</b>	<b>7 084 102</b>	<b>6 955 196</b>	<b>15 441 383</b>	<b>19 919 716</b>	<b>49 400 397</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

<b>31 December 2024</b>	<b>1 to 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>Financial liabilities</b>					
Amounts due to credit institutions	2 533 981	68 596	296 495	395 528	<b>3 294 600</b>
Amounts due to customers	4 148 122	2 308 931	2 327 796	397 141	<b>9 181 990</b>
Other borrowed funds	423 176	1 855 561	3 791 579	32 768 472	<b>38 838 788</b>
Subordinated loans	7 623	9 937	51 670	240 010	<b>309 240</b>
Other liabilities	99 164	-	-	-	<b>99 164</b>
Undrawn loan commitments	412 564	-	-	-	<b>412 564</b>
<b>Total undiscounted financial liabilities</b>	<b>7 624 630</b>	<b>4 243 025</b>	<b>6 467 540</b>	<b>33 801 151</b>	<b>52 136 346</b>

Apart from the financial liabilities disclosed in the tables above, the Group also has accumulated pension fund liabilities with the carrying values of UZS 9 931 690 million and UZS 8 556 158 million as at 31 December 2025 and 2024, accordingly. Participants of the pension system are eligible to receive payments from the individual pension accounts upon achievement of retirement age, disability or loss of breadwinner. The Group invests pension funds in various categories of liquid financial assets as part of managing the liquidity risk associated with these liabilities (Note 15).

The Group's all commitments and contingencies are considered to be as on demand due to the fact that according to contractual terms they can be allocated to the earliest period in which they can be called. The Group expects that not all of the contingent liabilities or commitments will be drawn before expiry of the commitments.

The Group's capability to repay its liabilities relies on its ability to realize an equivalent amount of assets within the same period of time.

The Group has received significant funds from the Uzbekistan Fund for Reconstruction and Development, the Ministry of Economy and Finance of the Republic of Uzbekistan, JSC "Uzbekistan Mortgage Refinancing Company", MASHREQBANK PSC., DUBAI AE, JSC "Entrepreneurship Development Company", and FIRST ABU DHABI BANK, which are included in other borrowed funds. Any significant withdrawal of these funds would have an adverse effect on the Group's operations. Management believes that this level of funding will be maintained for the foreseeable future and that, in the event of a withdrawal, the Group would receive sufficient prior notice to enable it to realize its liquid assets and ensure timely repayment.

The maturity analysis does not reflect the historical stability of current accounts. Their liquidation has historically taken place over a longer period than indicated in the tables above. These balances are included in amounts due in less than three months in the tables above.

### Market risk

Market risk is the risk that the Group's earnings or capital or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices. Market risk covers interest rate risk, currency risk, credit spreads, and equity prices that the Group is exposed to. There have been no changes as to the way the Group measures risk or to the risk it is exposed or the manner in which these risks are managed and measured.

The Group is exposed to interest rate risks as it borrows funds at both fixed and floating rates. The risk is managed by the Group, maintaining an appropriate mix between fixed and floating rate borrowings.

The Treasury Department also manages interest rate and market risks by matching the Group's interest rate position, which provides the Group with a positive interest margin. The Treasury Department conducts monitoring of the Group's current financial performance, estimates the Group's sensitivity to changes in interest rates and its influence on the Group's profitability.

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

### Market risk – non-trading

#### Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The following table demonstrates the sensitivity to a change in floating interest rates by 100 basis points, with all other variables held constant, of the Group's consolidated statement of profit or loss.

The sensitivity of the consolidated statement of comprehensive income is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate non-trading financial assets and financial liabilities held at 31 December.

<b>Sensitivity of net interest income 2025</b>	<b>Increase in basis point (SOFR, Principal rate of the CBU) +100</b>	<b>Decrease in basis point (SOFR, Principal rate of the CBU) -100</b>
Financial assets	5 360	(84 562)
Financial liabilities	(46 872)	120 265

<b>Sensitivity of net interest income 2024</b>	<b>Increase in basis point (SOFR, Principal rate of the CBU) +100</b>	<b>Decrease in basis point (SOFR, Principal rate of the CBU) -100</b>
Financial assets	7 652	(76 787)
Financial liabilities	(12 296)	76 561

During the preparation of the 2025 financial statements, the Group identified that certain loans to customers with floating interest rates had been omitted from the calculation model for the prior period, and the sensitivity for the corresponding financial liabilities had been incorrectly calculated. The Group has adjusted these figures by correcting the corresponding comparative data for 2024. This adjustment affected only the disclosure of qualitative and quantitative information in this note and had no impact on the consolidated statement of financial position or the consolidated statement of comprehensive income for 2024.

The observed asymmetry in sensitivity indicators (limited impact when rates rise and significant impact when they fall) is driven by specific contractual terms of several floating-rate instruments. According to these terms:

- In a rising interest rate environment, these financial assets and liabilities are subject to interest rate caps. This limits the potential growth of interest income and expense in a +100 bps scenario, resulting in minimal sensitivity values.
- In a falling interest rate environment, there is a proportional decrease in rates for both assets and liabilities, which leads to a more significant impact on performance indicators in a -100 bps scenario.

#### Currency risk

Currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The Treasury Department controls currency risk by managing the open currency position on the estimated basis of UZS devaluation and other macroeconomic indicators, which gives the Group an opportunity to minimize losses from significant currency rates fluctuations towards its national currency. The Treasury Department performs daily monitoring of the Group's open currency position with the aim to match the requirements of the Central Bank of the Republic of Uzbekistan.

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

The Group's exposure to foreign currency exchange rate risk is presented in the table below:

	UZS	USD	EURO	Other Currency	2025
<b>Financial assets</b>					
Cash and cash equivalents	1 824 998	692 295	173 083	9 631	<b>2 700 007</b>
Amounts due from credit institutions	2 515 000	230 351	-	-	<b>2 745 351</b>
Loans to customers	27 948 046	3 675 001	173 444	-	<b>31 796 491</b>
Investment securities	9 876 482	1 113 455	-	-	<b>10 989 937</b>
Other financial assets	50 828	5 031	-	-	<b>55 859</b>
<b>Total financial assets</b>	<b>42 215 354</b>	<b>5 716 133</b>	<b>346 527</b>	<b>9 631</b>	<b>48 287 645</b>
<b>Financial liabilities</b>					
Amounts due to credit institutions	336 586	17 729	10	1	<b>354 326</b>
Amounts due to customers	8 017 700	140 745	39 269	5 365	<b>8 203 079</b>
Other borrowed funds	16 295 540	5 806 297	315 753	-	<b>22 417 590</b>
Subordinated loans	160 711	-	-	-	<b>160 711</b>
Accumulated pension fund liabilities	9 931 690	-	-	-	<b>9 931 690</b>
Other financial liabilities	188 502	-	-	-	<b>188 502</b>
<b>Total financial liabilities</b>	<b>34 930 729</b>	<b>5 964 771</b>	<b>355 032</b>	<b>5 366</b>	<b>41 255 898</b>
<b>Open balance sheet position</b>	<b>7 284 625</b>	<b>(248 638)</b>	<b>(8 505)</b>	<b>4 265</b>	<b>7 031 747</b>
	UZS	USD	EURO	Other Currency	2024
<b>Financial assets</b>					
Cash and cash equivalents	2 063 186	1 967 352	126 879	14 424	<b>4 171 841</b>
Amounts due from credit institutions	1 978 723	53 418	-	-	<b>2 032 141</b>
Loans to customers	24 127 417	2 508 738	186 515	-	<b>26 822 670</b>
Investment securities	8 405 621	-	-	-	<b>8 405 621</b>
Other financial assets	18 267	22 026	-	-	<b>40 293</b>
<b>Total financial assets</b>	<b>36 593 214</b>	<b>4 551 534</b>	<b>313 394</b>	<b>14 424</b>	<b>41 472 566</b>
<b>Financial liabilities</b>					
Amounts due to credit institutions	2 081 845	950 821	10	-	<b>3 032 676</b>
Amounts due to customers	7 562 163	685 766	2 496	1 701	<b>8 252 126</b>
Other borrowed funds	12 543 943	3 598 603	407 293	-	<b>16 549 839</b>
Subordinated loans	188 171	-	-	-	<b>188 171</b>
Accumulated pension fund liabilities	8 556 158	-	-	-	<b>8 556 158</b>
Other financial liabilities	99 164	-	-	-	<b>99 164</b>
<b>Total financial liabilities</b>	<b>31 031 444</b>	<b>5 235 190</b>	<b>409 799</b>	<b>1 701</b>	<b>36 678 134</b>
<b>Open balance sheet position</b>	<b>5 561 770</b>	<b>(683 656)</b>	<b>(96 405)</b>	<b>12 723</b>	<b>4 794 432</b>

The table below indicates the currencies to which the Group had significant exposure as at 31 December on its monetary assets and liabilities. The analysis calculates the effect of movement of the currency rate by 20% against the UZS, with all other variables held constant on the consolidated statement of profit or loss. The effect on equity does not differ from the effect on the consolidated statement of profit or loss. A negative amount in the table reflects a potential net reduction in the consolidated statement of comprehensive income or equity (before tax), while a positive amount reflects a net potential increase.

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 22. Corporate governance and risk management (continued)

Currency	Change in currency rate, % 2025	Effect on income for the year 2025	Change in currency rate, % 2024	Effect on income for the year 2024
USD	+10.88%	(27 052)	+20.00%	(136 731)
EURO	+18.52%	(1 575)	+20.00%	(19 281)
USD	-6.04%	15 007	-20.00%	136 731
EURO	-1.44%	122	-20.00%	19 281

### 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 Group cannot expect to eliminate all operational risks, but a control framework and monitoring and responding to potential risks could be effective tools to manage the risks. Controls should include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

## 23. Fair value measurements

### Fair value measurement procedures

The Group establishes policies and procedures for periodic review of the fair value of material assets and liabilities. For non-recurring fair value measurements, the Group can involve external valuers.

### Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(millions of Uzbek Soums)

**23. Fair value measurements (continued)**

At 31 December 2025	Fair value measurement using			Total
	Level 1	Level 2	Level 3	
<b>Assets measured at fair value</b>				
Investment securities - equity securities at FVOCI	-	-	139 731	<b>139 731</b>
<b>Assets for which fair values are disclosed</b>				
Amounts due from credit institutions	-	2 731 104	-	<b>2 731 104</b>
Investment securities measured at amortised cost	-	10 909 512	-	<b>10 909 512</b>
Loans to customers	-	-	31 420 033	<b>31 420 033</b>
<b>Liabilities for which fair values are disclosed</b>				
Amounts due to credit institutions	-	363 902	-	<b>363 902</b>
Amounts due to customers	-	-	8 550 349	<b>8 550 349</b>
Other borrowed funds	-	-	21 765 218	<b>21 765 218</b>
Subordinated loans	-	-	162 357	<b>162 357</b>
<b>At 31 December 2024</b>				
	Fair value measurement using			Total
	Level 1	Level 2	Level 3	
<b>Assets measured at fair value</b>				
Investment securities - equity securities at FVOCI	-	-	96 296	<b>96 296</b>
<b>Assets for which fair values are disclosed</b>				
Amounts due from credit institutions	-	1 930 492	-	<b>1 930 492</b>
Investment securities measured at amortised cost	-	8 317 858	-	<b>8 317 858</b>
Loans to customers	-	-	26 792 029	<b>26 792 029</b>
<b>Liabilities for which fair values are disclosed</b>				
Amounts due to credit institutions	-	3 043 798	-	<b>3 043 798</b>
Amounts due to customers	-	-	7 976 466	<b>7 976 466</b>
Other borrowed funds	-	-	16 173 781	<b>16 173 781</b>
Subordinated loans	-	-	139 262	<b>139 262</b>

(millions of Uzbek Soums)

## 23. Fair value measurements (continued)

### Fair value of financial assets and liabilities not carried at fair value

Set out below is a comparison by class of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the consolidated statement of financial position. The table does not include the fair values of non-financial assets and non-financial liabilities.

	2025			2024		
	Carrying value	Fair value	Unrecognised gain/(loss)	Carrying value	Fair value	Unrecognised gain/(loss)
<b>Financial assets</b>						
Amounts due from credit institutions	2 745 351	2 731 104	(14 247)	2 032 141	1 930 492	(101 649)
Loans to customers	31 796 491	31 420 033	(376 458)	26 822 670	26 792 029	(30 641)
Investment securities - debt securities at amortised cost	10 850 206	10 909 512	59 306	8 309 325	8 317 858	8 533
<b>Financial liabilities</b>						
Amounts due to credit institutions	354 326	363 902	(9 576)	3 032 676	3 043 798	(11 122)
Amounts due to customers	8 203 079	8 550 349	(347 270)	8 252 126	7 976 466	275 660
Other borrowed funds	22 417 590	21 765 218	652 372	16 549 839	16 173 781	376 058
Subordinated loans	160 711	162 357	(1 646)	188 171	139 262	48 909
<b>Total unrecognised change in fair value</b>			<b>(37 519)</b>			<b>565 748</b>

### Valuation techniques and assumptions

The following describes the methodologies and assumptions used to determine fair values for assets and liabilities recorded at fair value in the financial statements and those items that are not measured at fair value in the consolidated statement of financial position, but whose fair value is disclosed.

#### Assets for which fair value approximates carrying value

For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that the carrying amounts approximate their fair value. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

#### Financial assets and financial liabilities carried at amortized cost

Fair value of the quoted notes and bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans to customers, customer deposits, amounts due from credit institutions and amounts due to the CBU and credit institutions and other financial assets and liabilities, estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

(millions of Uzbek Soums)

## 24. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities based on their contractual terms. See Note 22 for the Group's contractual undiscounted repayment obligations.

	<b>31 December 2025</b>		
	<b>Within one year</b>	<b>More than one year, overdue or no stated maturity</b>	<b>Total</b>
Cash and cash equivalents	2 700 007	-	<b>2 700 007</b>
Amounts due from credit institutions	1 747 501	997 850	<b>2 745 351</b>
Loans to customers	6 935 379	24 861 112	<b>31 796 491</b>
Investment securities	4 130 779	6 859 158	<b>10 989 937</b>
Property and equipment	-	1 344 741	<b>1 344 741</b>
Insurance assets	547	-	<b>547</b>
Other assets	626 482	-	<b>626 482</b>
Repossessed assets	625 605	-	<b>625 605</b>
<b>Total</b>	<b>16 766 300</b>	<b>34 062 861</b>	<b>50 829 161</b>
Amounts due to credit institutions	37 500	316 826	<b>354 326</b>
Amounts due to customers	7 180 950	1 022 129	<b>8 203 079</b>
Other borrowed funds	4 023 982	18 393 608	<b>22 417 590</b>
Subordinated loans	19 330	141 381	<b>160 711</b>
Accumulated pension fund liabilities	477 780	9 453 910	<b>9 931 690</b>
Insurance liabilities	9 369	89 272	<b>98 641</b>
Other liabilities	330 856	-	<b>330 856</b>
<b>Total</b>	<b>12 079 767</b>	<b>29 417 126</b>	<b>41 496 893</b>
<b>Net</b>	<b>4 686 533</b>	<b>4 645 735</b>	<b>9 332 268</b>

  

	<b>31 December 2024</b>		
	<b>Within one year</b>	<b>More than one year, overdue or no stated maturity</b>	<b>Total</b>
Cash and cash equivalents	4 171 841	-	<b>4 171 841</b>
Amounts due from credit institutions	1 382 581	649 560	<b>2 032 141</b>
Loans to customers	3 233 678	23 588 992	<b>26 822 670</b>
Investment securities	4 474 110	3 931 511	<b>8 405 621</b>
Property and equipment	-	1 112 835	<b>1 112 835</b>
Deferred income tax assets	-	1 026 919	<b>1 026 919</b>
Insurance assets	814	-	<b>814</b>
Other assets	229 664	-	<b>229 664</b>
Repossessed assets	776 429	-	<b>776 429</b>
<b>Total</b>	<b>14 269 117</b>	<b>30 309 817</b>	<b>44 578 934</b>
Amounts due to credit institutions	2 591 765	440 911	<b>3 032 676</b>
Amounts due to customers	6 269 994	1 982 132	<b>8 252 126</b>
Other borrowed funds	624 041	15 925 798	<b>16 549 839</b>
Subordinated loans	4 371	183 800	<b>188 171</b>
Accumulated pension fund liabilities	289 860	8 266 298	<b>8 556 158</b>
Insurance liabilities	2 906	73 024	<b>75 930</b>
Other liabilities	196 093	-	<b>196 093</b>
<b>Total</b>	<b>9 979 030</b>	<b>26 871 963</b>	<b>36 850 993</b>
<b>Net</b>	<b>4 290 087</b>	<b>3 437 854</b>	<b>7 727 941</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 25. Related party disclosures

In accordance with IAS 24 *Related Party Disclosures*, parties are considered to be related if one party has the ability to control the other party or 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.

Related parties may enter into transactions which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties.

### Transactions with government-related entities

The Group recognises the following categories of related parties:

- *Shareholders* - the government of the Republic of Uzbekistan, acting through the FRDU, JSC National Investment Fund of the Republic of Uzbekistan and the Ministry of Economy and Finance of the Republic of Uzbekistan controls over the Group.
- *Government related entities* - the Government of the Republic of Uzbekistan, directly and indirectly controls and has significant influence over a large number of entities through its government agencies and other organizations.

The Group enters into banking transactions with these entities including but not limited to lending, deposit taking, cash settlement, foreign exchange, providing guarantees, as well as securities transactions. These transactions comprise a large portion of the Group's transactions.

- *Key management personnel*, including members of the Supervisory Board and the Management Board.

Transactions between the Bank and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and related parties are disclosed below.

(millions of Uzbek Soums)

## 25. Related party disclosures (continued)

The outstanding balances of related party transactions are as follows:

	2025				2024			
	Shareholders	Government related entities	Key management personnel	Total per financial statement caption	Shareholders	Government related entities	Key management personnel	Total per financial statement caption
Cash and cash equivalents, gross	-	755 544	-	<b>2 700 828</b>	-	661 203	-	<b>4 173 682</b>
ECL for Cash and cash equivalents	-	(281)	-	<b>(821)</b>	-	(443)	-	<b>(1 841)</b>
Due from credit institutions, gross	-	1 831 282	-	<b>2 762 772</b>	-	1 382 383	-	<b>2 053 608</b>
ECL for Due from credit institutions	-	(4 785)	-	<b>(17 421)</b>	-	(6 664)	-	<b>(21 467)</b>
Investment securities, gross	8 731 991	2 351 693	-	<b>11 102 769</b>	6 181 528	2 295 520	-	<b>8 477 048</b>
ECL for Investment securities	(31 065)	(79 659)	-	<b>(112 832)</b>	(35 391)	(36 036)	-	<b>(71 427)</b>
Loans to customers, gross	-	234 883	465	<b>34 220 561</b>	-	1 305 810	273	<b>31 525 225</b>
ECL for loans to customers	-	(4 541)	(3)	<b>(2 424 070)</b>	-	(20 323)	-	<b>(4 702 555)</b>
Due to credit institutions	-	331 232	-	<b>354 326</b>	-	1 830 812	-	<b>3 032 676</b>
Due to customers	150 104	50 040	257	<b>8 203 079</b>	1 476 089	795 958	325	<b>8 252 126</b>
Other borrowed funds	17 483 014	1 470 725	-	<b>22 417 590</b>	14 138 091	1 606 926	-	<b>16 549 839</b>
Subordinated loans	160 711	-	-	<b>160 711</b>	188 171	-	-	<b>188 171</b>
Letters of credit	-	-	-	<b>41 038</b>	-	-	-	<b>-</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 25. Related party disclosures (continued)

The income and expense arising from related party transactions are as follows:

	2025				2024			
	Shareholders	Government related entities	Key management personnel	Total per financial statement caption	Shareholders	Government related entities	Key management personnel	Total per financial statement caption
Interest income on loans	-	29 108	92	<b>5 191 415</b>	-	209 240	129	<b>4 339 320</b>
Interest income on investments securities	1 015 370	99 883	-	<b>1 533 863</b>	1 000 454	31 603	-	<b>1 057 504</b>
Interest income on due from credit institutions	-	249 707	-	<b>510 096</b>	-	284 733	-	<b>431 584</b>
Impairment charge for loans	-	(15 910)	-	<b>(1 118 256)</b>	-	261 448	-	<b>(538 411)</b>
Interest expense on other borrowed funds	(1 837 226)	(204 352)	-	<b>(2 183 943)</b>	(1 317 636)	(135 232)	-	<b>(1 533 781)</b>
Interest expense on deposits	(19 989)	-	-	<b>(753 240)</b>	(110 598)	(24 737)	(57)	<b>(473 196)</b>
Interest expense on due to credit institutions	-	(189)	-	<b>(64 090)</b>	-	(65 452)	-	<b>(228 574)</b>
Interest expense on subordinated loans	(9 789)	-	-	<b>(9 789)</b>	(37 212)	-	-	<b>(37 212)</b>
Fee and commission income	149 583	-	-	<b>1 267 558</b>	176 904	-	-	<b>933 784</b>
Fee and commission expense	-	(40 338)	-	<b>(574 825)</b>	-	(34 215)	-	<b>(344 103)</b>
Operating expenses	-	(120 877)	-	<b>(2 288 750)</b>	-	(131 229)	-	<b>(1 869 220)</b>
Salaries and other benefits	-	-	(9 180)	<b>(1 338 340)</b>	-	-	(8 521)	<b>(1 089 018)</b>
Social Security Costs	-	-	(1 092)	<b>(143 457)</b>	-	-	(1 014)	<b>(121 817)</b>

The accompanying notes are an integral part of these consolidated financial statements

(millions of Uzbek Soums)

## 26. Segment reporting

The group's activities represent a single reporting segment.

The Group provides banking services primarily in the Republic of Uzbekistan. The Group identifies a segment in accordance with the criteria set out in IFRS 8 Operating Segments and based on the Group's type of activity, is regularly reviewed by the chief operating decision maker to review performance and allocate resources among the Group's business units.

The Chairman of the Group's Management Board was identified as the main person making operational decisions.

The Chairman of the Group Management Board reviews the group's internal reporting to assess performance and resource allocation. Based on these internal reports, management has identified a single operating segment as Banking Services.

Basically, all operating activities and assets of the Group are located in the territory of the Republic of Uzbekistan.

Interest income from investments in government securities for 2025 amounted to 19% of total interest income and amounted to UZS 1 396 074 million (2024: 17% and UZS 1 018 719 million).

## 27. Changes in liabilities arising from financing activities

	Notes	Other borrowed funds	Subordinated loans	Total liabilities from financing activities
<b>Carrying amount at 31 December 2023</b>		<b>13 541 541</b>	<b>790 562</b>	<b>14 332 103</b>
Proceeds from issue		6 564 510	-	<b>6 564 510</b>
Redemption		(1 561 135)	(66 796)	<b>(1 627 931)</b>
Foreign currency translation		152 116	-	<b>152 116</b>
Conversion into shares	16	(2 167 000)	(540 000)	<b>(2 707 000)</b>
Other		19 807	4 405	<b>24 212</b>
<b>Carrying amount at 31 December 2024</b>		<b>16 549 839</b>	<b>188 171</b>	<b>16 738 010</b>
Proceeds from issue		8 704 575	-	<b>8 704 575</b>
Redemption		(2 671 331)	(25 386)	<b>(2 696 717)</b>
Foreign currency translation		(293 280)	-	<b>(293 280)</b>
Other		127 787	(2 074)	<b>125 713</b>
<b>Carrying amount at 31 December 2025</b>		<b>22 417 590</b>	<b>160 711</b>	<b>22 578 301</b>

The "Other" line includes the effect of accrued but not yet paid interest on bonds issued, other borrowed funds and subordinated loans. The Group classifies interest paid as cash flows from operating activities.

(millions of Uzbek Soums)

## 28. Capital management

The Group manages regulatory capital as the Bank's capital. The Group's objectives when managing capital are to comply with the capital requirements set by the CBU, to safeguard the Bank's ability to continue as a going concern, to ensure stable growth corresponding to the strategic goals of the Group.

Compliance with capital adequacy ratios set by the CBU is monitored monthly with reports outlining their calculation reviewed and signed by the Chairman and the Chief Accountant. Under the current capital requirements set by the CBU, banks have to maintain ratios of:

- Ratio of regulatory capital to risk weighted assets ("Regulatory capital ratio") above a prescribed minimum level of 13,00% (31 December 2024: 13,00%). Actual ratio as at 31 December 2025: 22,20% (31 December 2024: 19,39%).
- Ratio of Bank's tier 1 capital to risk weighted assets ("Capital adequacy ratio") above a prescribed minimum level of 10,00% (31 December 2024: 10,00%). Actual ratio as at 31 December 2025: 20,00% (31 December 2024: 18,01%).
- Ratio of Bank's tier 1 capital to total assets less intangibles ("Leverage ratio") above a prescribed minimum level of 6,00% (31 December 2024: 6,00%). Actual ratio as at 31 December 2025: 18,40% (31 December 2024: 15,25%).

Total capital is based on the Group's reports prepared under Uzbekistan Accounting Legislation and related instructions and comprises:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Tier 1	9 881 225	7 455 986
Tier 2	1 084 055	568 777
<b>Total regulatory capital</b>	<b>10 965 280</b>	<b>8 024 763</b>

Regulatory capital consists of Tier 1 capital, which comprises share capital and retained earnings excluding current year's profit under local accounting principles and less intangible assets. The other component of regulatory capital is Tier 2 capital, which includes current year profit under the local accounting principles, unamortized part of subordinated loan and general allowance for impairment.

(millions of Uzbek Soums)

## 29. Material information on accounting policies

### (a) Financial instruments

#### (i) Initial recognition of financial instruments

All regular purchases and sales of financial assets and liabilities are recognized on the trade date i.e. the date that the Group commits to purchase the asset or liability.

#### (ii) Classification and measurement of financial instruments

##### *Financial assets*

At initial recognition a financial asset is classified as:

- measured at amortized cost
- measured at fair value through other comprehensive income (FVOCI)
- measured at fair value through profit or loss (FVTPL)

In general circumstances classification of financial assets depends on the business model for managing the instruments and on whether the contractual terms of financial asset are solely payments of principal and interest on the principal amount outstanding (the SPPI criterion).

The Group measures the following categories of financial assets at amortized cost:

- cash and cash equivalents;
- amounts due from credit institutions;
- debt investment securities;
- loans to customers;
- other financial assets.

The Group measures the following categories of financial assets at FVOCI:

- equity investment securities.

The Group does not have financial assets measured at FVTPL.

##### *Financial liabilities*

The Group classifies financial liabilities except for financial guarantee contracts, undrawn loan commitments and accumulated pension funds at amortized cost.

##### *REPO transactions*

Agreements to sell securities with an obligation to repurchase them ("direct REPO") are recorded as financing transactions.

### (b) Impairment of financial instruments

The Group recognizes allowances for expected credit losses (ECL) for the following financial instruments:

- debt financial assets measured at amortized cost or FVOCI;
- financial guarantee contracts;
- undrawn loan commitments.

The ECL measurement model is described in Note 22 of the 'Credit Risk' section.

### (c) Write-off of Financial Assets

Financial assets are written off (either partially or fully) when the Bank has no reasonable expectations of their recovery. A write-off constitutes a derecognition event in accordance with IFRS 9.

The Bank decides to write off the gross carrying amount of a loan against the accumulated allowance for Expected Credit Losses (ECL) upon meeting one or more of the following criteria:

- No reasonable expectations of recovery: The existence of a deep delinquency in principal and interest payments (generally exceeding 365 days), during which the borrower has made no repayments, indicating an inability or refusal to fulfill obligations.

(millions of Uzbek Soums)

## 29. Material information on accounting policies (continued)

- Exhaustion of recovery efforts: The Bank has completed all reasonably available legal and out-of-court collection procedures, including litigation, and further actions are deemed economically unfeasible.
- Inability to realize collateral: It is established that recovery through the sale of collateral is impossible or extremely difficult due to external circumstances beyond the Bank's control (including legal, regulatory, or other factors).
- Cash flow assessment: The Bank's conclusion that expected future cash flows from the asset (including proceeds from collateral) are immaterial or zero.

A write-off is performed by reducing the gross carrying amount of the financial asset while simultaneously utilizing the corresponding amount of the accumulated allowance for ECL. If, at the time of the write-off, the accumulated allowance is less than the gross carrying amount of the asset, the difference is first recognized as an impairment charge in the statement of profit or loss, followed by the full or partial write-off of the asset.

While a write-off reflects the lack of reasonable expectations of recovery from an accounting perspective, it does not necessarily result in the cessation of the Bank's legal enforcement activities. In accordance with IFRS 7 requirements, the Bank discloses information regarding the amounts of written-off assets that are still subject to enforcement activity. Such actions may continue until the legal rights of claim expire or the borrower is liquidated, aiming to maximize any possible recovery despite the lack of reasonable expectations of such recovery at the date of the write-off.

### (d) Taxation

The amount of income tax includes the amount of current tax and the amount of deferred tax. Income tax is recognized in profit or loss, with the exception of amounts relating to transactions recognized in other comprehensive income or transactions with shareholders recognized directly in equity, and which, respectively, are recognized in other comprehensive income or directly in equity.

The Group's operations in the Republic of Uzbekistan are also subject to a number of other taxes. Such taxes (other than VAT receivable) are recognized in profit or loss as part of administrative expenses.

### (e) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, correspondent accounts with the CBU, excluding obligatory reserves, and

amounts due from credit institutions that mature within ninety days of the date of origination and are free from contractual encumbrances.

### (f) Property and equipment

Property and equipment are carried at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and any accumulated impairment.

The Group capitalizes borrowing costs eligible for capitalization as a part of the cost of the qualifying assets. When determining the amount of borrowing cost eligible for capitalization the Group applies a capitalization rate to the expenditures on the qualifying asset. The capitalization rate is the weighted average of the borrowing costs applicable to the general-purpose borrowings of the Group that are outstanding during the period.

Depreciation is calculated on a straight-line basis over the following estimated useful lives:

- |                           |               |
|---------------------------|---------------|
| - Buildings and premises  | 10-20 years   |
| - Furniture and equipment | 2,5-6,5 years |
| - Other                   | 6,5 years     |

(millions of Uzbek Soums)

## 29. Material information on accounting policies (continued)

### (g) Transactions with the shareholders

Transactions with shareholders of the Group may include various contributions and distributions other than equity contributions or dividend payments. Such transactions are accounted for in equity and presented in the consolidated statement of changes in equity for the reporting period separately from other transactions. Distributions in-kind are accounted for at carrying value of assets distributed, contributions in-kind – at fair value of assets contributed.

### (h) Financial guarantee contracts and undrawn loan commitments

Financial liabilities recognized in respect of financial guarantee contracts and undrawn loan commitments are included in other liabilities.

## 30. Events after the reporting period

On 25 February 2026, Presidential Decree No. PD-74 was adopted, according to which the shareholding in JSC "Xalq Bank" currently held by JSC "National Investment Fund of the Republic of Uzbekistan" is to be transferred to the Ministry of Economy and Finance of the Republic of Uzbekistan.

In February 2026 Fitch Ratings affirmed Long Term/Short Term Issuer Default Ratings at BB/B with stable outlooks and Moody's Ratings assigned Ba3 long-term deposit ratings to JSC Xalq Banki with positive outlook.