



PKF MAK ALYANS LLC

JOINT-STOCK COMMERCIAL BANK  
**“MICROCREDITBANK”**

CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025 AND  
INDEPENDENT AUDITORS' REPORT

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## Management's Statement of responsibility for the preparation and approval of the consolidated financial statements as at 31 December 2025

The Group's management is responsible for the preparation of consolidated financial statements that present fairly, in all material respects, the financial position of Joint-Stock Commercial Bank "Microcreditbank" (hereinafter referred to as the "Bank") and its subsidiaries (hereinafter referred to as the "Group") as at 31 December 2025, as well as its results of operations, cash flows and changes in equity for the year then ended, in accordance with International Financial Reporting Standards ("IFRS").


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

- ⇒ ensuring the correct selection and application of accounting policy principles;
- ⇒ presentation of information, including accounting policies, in a form that ensures that such information is relevant, reliable, comparable and understandable;
- ⇒ compliance with IFRS requirements, as well as disclosure of additional information in cases where compliance with IFRS requirements is insufficient for users of the financial statements to understand the impact that certain transactions, as well as other events or conditions have on the financial position and financial performance of the Group;
- ⇒ and an assessment of the Group's ability to continue its activities for the foreseeable future.

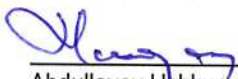
The Management is also responsible for:

- ⇒ development, implementation and maintenance of an effective and reliable internal control system and organization of the risk management system in the Group;
- ⇒ keeping records in a form that discloses and explains the Group's transactions and provides information with reasonable accuracy as at any date about the Group's financial position and ensures that the Group's consolidated financial statements comply with IFRS requirements;
- ⇒ accounting in accordance with the legislation and accounting standards of the Republic of Uzbekistan;
- ⇒ taking all reasonable steps to safeguard the Group's assets;
- ⇒ identification and prevention of financial and other abuses;
- ⇒ compliance by the Bank with prudential standards as of the reporting date, in accordance with the requirements imposed by the Central Bank of the Republic of Uzbekistan.

These consolidated financial statements of the Group as at 31 December 2025 were approved for issuance by management on 14 May 2026.

  
Djumaniyazov Ikram Karimbayevich  
Acting Chairman of the Management Board  
Tashkent, Uzbekistan



  
Abdullayev Uchkun Ashirovich  
Chief Accountant  
Tashkent, Uzbekistan

## Independent auditor's report

### To the shareholders and the Supervisory Board of JSCB "Microcreditbank"

#### Auditor's opinion

We have audited the consolidated financial statements of Joint-Stock Commercial Bank "Microcreditbank" (hereinafter referred to as the "Bank") and its subsidiaries (hereinafter referred to as the "Group"), consisting of the consolidated statement of financial position as at 31 December 2025 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity (hereinafter referred to as the "Bank") for the year then ended, as well as notes to the consolidated financial statements, including a summary of significant accounting policies.

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

#### Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under these standards are described further in the section entitled "Auditor's Responsibility for the Audit of the Consolidated Financial Statements" of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to form the basis for expressing our opinion.

#### Independence and quality control

We are independent of the audited entity and comply with the ethical requirements of the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (including the International Independence Standards) (IESBA Code) and the independence requirements in Part 4A of the IESBA Code and the ethical requirements of the Code of Professional Ethics for Auditors of the Republic of Uzbekistan regarding our audit of financial statements in Uzbekistan. We have also fulfilled other obligations in accordance with these requirements of professional ethics.

Our organization applies the International Standard for Quality Management (ISQM) 1 "Quality Management in Audit Organizations Conducting Audits or Review of Financial Statements, as well as Performing Other Assurance Engagements or Related Service Engagements" and therefore maintains a comprehensive quality control system, including those supported by documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PKF MAK ALYANS is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

PKF MAK ALYANS является членом PKF Global, сети фирм-членов PKF International Limited, каждая из которых является отдельным и независимым юридическим лицом и не несет никакой ответственности за действия или бездействие отдельных членов или фирм-корреспондентов.



## Materiality

The audit is intended to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. Misrepresentations can occur as a result of fraud or errors. They are considered material if it is reasonable to expect, individually or in combination, that they will affect users' economic decisions based on those consolidated financial statements. The determination of the scope of our audit was influenced by our application of materiality.

When planning the audit, we determined the materiality and assessed the risks of material misstatement of the consolidated financial statements. In particular, we examined areas in which management made subjective judgements, for example, with respect to significant accounting estimates, which included the application of assumptions and consideration of future events with which, by their nature, uncertainty is associated. As with all audits, we also considered the risk of management circumventing internal control, including, but not limited to, assessing whether there is an indication of management bias that creates a risk of material misstatement due to fraud.

Based on our professional judgment, we have established certain quantitative thresholds for materiality, including materiality at the level of the Group's consolidated financial statements as a whole, as set out in the table below. Using these values, and taking into account qualitative factors, we have determined the scope of our audit and the nature, timing and extent of our audit procedures, and have assessed the effect of misstatement (aggregate and individual), if any, on the consolidated financial statements as a whole.

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Materiality at the level of the Group's consolidated financial statements as a whole	9,224.6 million soums
Determination of the level of materiality	We have defined materiality as a whole at 5% of profit before tax.
Justification of the applied level of materiality	We have used the amount of profit before tax as the basis for calculating the level of materiality because, in our opinion, this indicator is most often used by users of financial statements and is considered a generally recognized indicator. We have defined the figure as 5% because, based on our professional experience, this indicator is a generally accepted quantitative measurement in relation to this basis for calculation.

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## Key audit issues

Key audit matters are those matters that, in our professional judgment, would be of the greatest importance for the audit of the consolidated financial statements for the reporting period. These matters have been considered in the context of our audit of the consolidated financial statements as a whole and in forming our opinion on those statements, and we do not express a separate opinion on these matters.

Key audit issue	What audit procedures were performed
<p><b>Provision for credit losses on loans to customers and credit liabilities</b></p> <p>Due to the materiality of the provision for credit losses on loans to customers and credit liabilities for the Bank's financial position, as well as due to the complexity and necessity of applying judgments regarding the measurement of expected credit losses in accordance with the new standard IFRS 9 "Financial Instruments", this issue is one of the key audit issues.</p> <p>The calculation of expected credit losses includes estimation methodologies that use significant unobservable inputs and factors, such as internal credit ratings, as well as complex statistical modelling and expert judgment. These methods are used to determine the probability of default based on available historical data and external information.</p> <p>Information on the provision for expected credit losses in respect of loans to customers and credit liabilities is disclosed in Notes 10 and 30 to the consolidated financial statements.</p>	<p>In the course of our audit, we paid particular attention to: assessing the credit risk models and assumptions used to determine key provisioning parameters and expected credit losses on the portfolio; Evaluating management's judgment regarding the identification of a significant increase in credit risk on a portfolio basis.</p> <p>We assessed the reasonableness of the credit risk factors and the thresholds selected by management to determine a significant increase in credit risk on a portfolio basis.</p> <p>In testing portfolio-based impairment, we analysed the underlying statistical models, key inputs and assumptions, as well as forward-looking information used in calculating expected credit losses.</p> <p>We have reviewed the results of the Bank's subsequent testing of the models used for the purposes of IFRS 9.</p>
<p><b>Measurement of loans and advances to customers measured at fair value through profit or loss</b></p> <p>We focused on this issue due to the materiality of the amount and the subjective nature of the measurement of loans and advances to customers measured at fair value through profit or loss.</p> <p>The fair value of these loans is assessed using sophisticated valuation models that use unobservable data from the market, including data reflecting customer credit quality, interest rate curves and volatility curves.</p> <p>Notes 10 and 30 to the consolidated financial statements provide detailed information on the measurement of loans and advances to customers measured at fair value through profit or loss.</p>	<p>In the course of our audit, we paid special attention to the assessment of the key methods, formulas and source of information used by the Bank for their compliance with IFRS requirements.</p> <p>We tested the scoring models for the loans we chose. Our work included assessing whether the models and the data used were acceptable, repeating individual calculations, and various analytical and other procedures.</p>

## Other information

The Group's management is responsible for other information. Other information is information in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. We anticipate that the Annual Report will be submitted to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not apply to other information, and we do not provide a conclusion with assurance as to any form of such information.

In connection with our audit of the consolidated financial statements, it is our responsibility to review the above other information when it becomes available, and to consider whether there are material inconsistencies between the other information and the consolidated financial statements or our knowledge obtained in the course of the audit, or whether the other information contains other material misstatements.

If, based on our work, we conclude that other information contains material misstatement, we are required to inform those charged with governance.

### **Responsibilities of management and those charged with governance with respect to the consolidated financial statements**

The Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS and for the internal control that management considers necessary to prepare consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, for disclosing going concern, as appropriate, and for reporting on a going concern basis, unless management intends to liquidate the Group, cease operations or has no other effective means to dissolve the Group, alternative other than liquidation or termination of activities.

Those responsible for the Group's corporate governance are responsible for overseeing the preparation of the entity's consolidated financial statements.

### **Auditor's responsibility for the audit of the consolidated financial statements**

Our objective is to obtain reasonable assurance that the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to prepare an auditor's report that reflects our opinion. Reasonable assurance is a high degree of assurance, but it is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect material misstatement, if any. Misstatements may result from fraud or error and are considered material if it can reasonably be expected that, individually or in the aggregate, they may affect the economic decisions made by users on the basis of these consolidated financial statements.

As part of an audit conducted in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we perform the following:

- ⇒ identify and assess the risks of material misstatement of the consolidated financial statements due to fraud or errors; develop and conduct audit procedures in response to these risks; obtain audit evidence that is sufficient and appropriate to form the basis for expressing our opinion. The risk of failure to detect material misstatement due to fraud is higher than the risk of failure to detect material misstatement due to error, as fraudulent acts may include collusion, forgery, willful omission, misrepresentation of information or bypassing internal control;
- ⇒ gain an understanding of the internal control framework relevant to the audit in order to develop audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control system;
- ⇒ assess the appropriateness of the accounting policies applied, the reasonableness of accounting estimates and related disclosures prepared by the Group's management;
- ⇒ conclude on the appropriateness of management's application of the going concern assumption and, based on the audit evidence obtained, conclude whether there is material uncertainty due to events or conditions that may raise significant doubts about the Group's ability to continue as a going concern. If we conclude that there is material uncertainty, we shall draw attention in our auditor's report to the relevant disclosures in the consolidated financial statements or, if such disclosures are inappropriate, modify our opinion. Our conclusions are based on audit evidence obtained prior to the date of our auditor's report. However, future events or conditions may cause the Unit to lose its ability to continue its activities as usual;

⇒ evaluate the overall presentation, structure and content, including disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that can be presented fairly;

⇒ obtain sufficient appropriate audit evidence relating to the financial information of entities or activities within the Group to express an opinion on the consolidated financial statements. We are responsible for leading, supervising and auditing the Group. We remain fully responsible for our audit opinion.

We communicate with those responsible for the Group's corporate governance, informing them, among other things, of the planned scope and timing of the audit, as well as material audit observations, including significant deficiencies in internal control that we identify during the audit process.

We also provide those charged with governance with a statement that we have complied with all relevant ethical requirements for independence and have informed them of all relationships and other matters that can reasonably be considered to have an impact on the auditor's independence and, where appropriate, of appropriate safeguards.

Of the matters that we brought to the attention of those charged with governance, we identified the issues that were most significant for the audit of the consolidated financial statements for the current period and, therefore, are key audit issues. We describe these matters in our auditor's report unless public disclosure of these matters is prohibited by law or regulation, or when, in very rare cases, we conclude that information about a matter should not be reported in our report because it can reasonably be assumed that the adverse effects of communicating such information will outweigh the public benefit of communicating it.

## **Report on Other Legal and Regulatory Requirements**

### **Report on the results of the audit in accordance with the requirements of the Law of the Republic of Uzbekistan dated November 05, 2019 No LRU-580 "On Banks and Banking Activities".**

The Bank's management is responsible for the Bank's compliance with the prudential standards established by the Central Bank of the Republic of Uzbekistan (hereinafter referred to as the "Central Bank"), as well as for the compliance of internal control and organization of the Bank's risk management systems with the requirements imposed by the Central Bank.

In accordance with Article 74 of the Law of the Republic of Uzbekistan dated November 05, 2019 No LRU-580 "On Banks and Banking Activities", we carried out procedures to verify the Bank's compliance as of 31 December 2025 with the prudential standards established by the Central Bank of the Republic of Uzbekistan and the compliance of the elements of internal control and the organization of the Bank's risk management systems with the requirements imposed by the Central Bank of the Republic of Uzbekistan.

These procedures were selected on the basis of our judgment and were limited to analysis, study of documents, comparison of internal policies, procedures and methodologies approved by the Bank with the requirements imposed by the Central Bank of the Republic of Uzbekistan, as well as recalculation, comparison and reconciliation of numerical indicators and other information.

We reflected the results of our procedures in terms of the Bank's compliance with the prudential liquidity standards established by the Central Bank of the Republic of Uzbekistan in a separate report.

As a result of the procedures carried out by us in terms of compliance of the elements of internal control and the organization of the Bank's risk management systems with the requirements imposed by the Central Bank of the Republic of Uzbekistan, we have established that:

⇒ as of 31 December 2025: i) the Internal Audit Department is subordinate to and accountable to the Supervisory Board of the Bank; ii) the Internal Control and Sanctions Compliance Department, the Risk Management Department, the Security and Information Protection Department, and the Anti-Corruption Control Department are subordinate to and accountable to the Chairman of the Management Board;

⇒ the frequency of submission of reports by the relevant services of the Bank during 2025 met the requirements of the Central Bank of the Republic of Uzbekistan. These reports were approved by the Bank's Supervisory Board and included information on the observations of the Bank's Internal Audit Department regarding the Bank's internal control system;

⇒ as of 31 December 2025, the Bank established the Security and Information Protection Department, and the Department's policy was approved by the Bank's decision. The Information Security Department reports directly to the Chairman of the Management Board of the Bank. However, in accordance with the requirements of the O'zMts 816:2025 "Information Security, Cybersecurity and Privacy Protection" standard, there was a need to update the Information Security Policy in accordance with the standard. The draft version of this policy is aimed at coordination with the State Unitary Enterprise "Center for Cybersecurity" with a cover letter for No 04-22-01/4928 dated December 10, 2025

⇒ The Bank's internal documentation effective as of 31 December 2025 establishing the methodologies for identifying and managing credit risk, market risk, liquidity risk, operational risk and country risk (hereinafter referred to as "risks significant to the Bank"), as well as for conducting stress testing, has been approved by the Bank's authorised management bodies;

⇒ as of 31 December 2025, the Bank maintained a reporting system on risks significant to the Bank, as well as on the Bank's equity;

⇒ the frequency of reports prepared by the Bank's Risk Management Department during 2025 on the management of risks significant to the Bank were in line with the Bank's internal documents. These reports included information on the observations of the Bank's Risk Management Department regarding their assessment of significant risks for the Bank and the risk management system, as well as recommendations for improvement;

⇒ The Department of Internal Control and Sanctions Compliance carries out control measures to counter money laundering through an automated system (iABS, World-Check One, SWIFT Transaction Screening) for individuals and legal entities included in the list of sanctions announced by the authorized bodies of the Republic of Uzbekistan, foreign states and international organizations.

⇒ The Bank's management makes decisions based on regular and substantiated information and materials provided by the internal control system, and constantly monitors compliance with the requirements of the Internal Control Rules for Combating Money Laundering.

⇒ as of 31 December 2025, the powers of the Supervisory Council and its executive management bodies include monitoring the Bank's compliance with the risk and capital adequacy limits established by the Bank's internal documents. In order to monitor the effectiveness of the Bank's risk management procedures and the consistency of their application during 2025, the Bank's Supervisory Council and its executive management bodies periodically discussed reports prepared by the Bank's Risk Management Department and considered proposed measures to eliminate deficiencies.

Procedures in relation to the elements of internal control and organization of the Bank's risk management systems were carried out by us solely for the purpose of verifying the compliance of these elements specified in the Law and described above with the requirements imposed by the Central Bank of the Republic of Uzbekistan.



**Ravshan Asfandiyarov**  
General Director

Auditor Qualification Certificate  
No 05048 dated 25 August 2012

Auditor Qualification Certificate  
for the right to conduct audits of banks  
No 41 dated 11 March 2025



**Alimjon Isakov**  
Head of the Audit Group

Auditor Qualification Certificate  
No 04475 dated 05 December 2007

Auditor Qualification Certificate  
for the right to conduct audits of banks  
No 26 dated 14 April 2023

**Audit Company "PKF MAK ALYANS" LLC**

**14 May 2026**

**22, Aviasozlar street, 1st passage, Tashkent, Uzbekistan.**

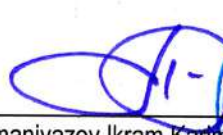
Joint-Stock Commercial Bank "Microcreditbank" and its subsidiaries

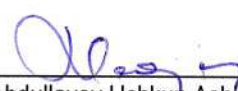
Consolidated statement of financial position

(in millions of UZS)

Articles	Note	31 December 2025	31 December 2024
<b>ASSETS</b>			
Cash and cash equivalents	7	3 981 280	2 811 872
Funds in credit institutions	8	748 010	87 770
Investment financial assets	9	604 079	211 631
Loans and advances to customers:	10	22 806 338	19 416 106
Less: Provisions for possible losses	10	(854 370)	(1 180 763)
Net loans and advances to customers	10	21 951 968	18 235 343
Investment in an associate	11	28 127	-
Investment Property		-	183 015
Advance payments of income tax		90 495	37 058
Deferred tax assets	25	19 209	140 771
Fixed assets and intangible assets	12	2 029 873	1 556 420
Non-current assets held for sale	13	1 023 822	473 617
Other assets	14	492 388	113 861
<b>TOTAL ASSETS</b>		<b><u>30 969 251</u></b>	<b><u>23 851 358</u></b>
<b>LIABILITIES</b>			
Funds of other banks	15	1 065 094	1 580 764
Customer Funds	16	7 029 219	7 603 288
Other borrowings	17	15 717 654	9 366 548
Subordinated debt	18	703 058	689 296
Other liabilities	19	183 469	510 133
<b>Total Liabilities</b>		<b><u>24 698 494</u></b>	<b><u>19 750 029</u></b>
<b>EQUITY</b>			
Share capital	20	7 145 473	5 117 621
Retained earnings / (uncovered loss) and funds		(900 816)	(1 016 292)
Non-controlling interest		26 100	-
<b>Total equity</b>		<b><u>6 270 757</u></b>	<b><u>4 101 329</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>30 969 251</u></b>	<b><u>23 851 358</u></b>

Approved and signed on behalf of the Group's management on 14 May 2026.

  
Djumaniyazov Ikram Karimbayevich  
Acting Chairman of the Management Board

  
Abdullayev Uchkun Ashirovich  
Chief Accountant

The notes to the financial statements on pages 14 to 80 are an integral part of these statements.  
See the report of independent auditors on pages 4 - 9.

Joint-Stock Commercial Bank "Microcreditbank" and its subsidiaries

Consolidated statement of profit or loss and other comprehensive income

(in millions of UZS)

Articles	Note	for 2025	for 2024
Interest income	21	3 758 224	2 985 555
Interest expense	21	(2 798 794)	(2 201 645)
<b>Net interest income</b>		<b>959 430</b>	<b>783 910</b>
Recovery / (Creation) of Provision for credit losses on debt financial assets	7,8,10,14,19	50 852	(901 994)
<b>Net interest income / (expenses) after change in provision for credit losses</b>		<b>1 010 282</b>	<b>(118 084)</b>
Fee and commission income	22	317 291	261 880
Commission costs	22	(132 608)	(125 919)
Net profit from foreign exchange operations		26 206	25 649
Share of loss of the associate		(6 325)	
Net profits/(expenses) from initial recognition of financial instruments		(64 383)	34 688
Creation of a provision for credit losses on credit liabilities		-	(30 118)
Recovery / (creation) of a provision for other assets		7 451	(112 182)
Other operating income	23	97 456	38 911
Staff and other operating expenses	24	(1 110 172)	(1 023 157)
<b>Profit / (loss) before tax</b>		<b>145 198</b>	<b>(1 048 332)</b>
Income tax savings/(expenses)	25	(103 087)	87 004
<b>Profit / (loss) for the year</b>		<b>42 111</b>	<b>(961 328)</b>
<b>Other comprehensive income</b>			
Securities at fair value through other comprehensive income – equity instruments	9	25 894	-
Income tax related to equity instruments	25	(5 180)	-
Revaluation of the building	12	65 814	204 114
Income tax related to the revaluation of a building	25	(13 163)	(40 823)
<b>Total comprehensive income / (loss) for the year</b>		<b>115 476</b>	<b>(798 037)</b>

Approved and signed on behalf of the Group's management on 14 May 2026.

Djumaniyazov Ikram Karimbayevich  
Acting Chairman of the Management Board

Abdullayev Uchkun Ashirovich  
Chief Accountant

The notes to the financial statements on pages 14 to 80 are an integral part of these statements.  
See the report of independent auditors on pages 4 - 9.

Joint-Stock Commercial Bank "Microcreditbank" and its subsidiaries

Consolidated statement of cash flows

(in millions of UZS)

Articles	for 2025	for 2024
<b>Cash flows from operating activities</b>		
Interest received	3 072 044	2 711 442
Interest paid	(2 745 993)	(2 186 298)
Commissions received	305 416	261 880
Commissions paid	(132 608)	(125 919)
Net income received from transactions in foreign currency	75 692	25 649
Other operating income received	9 364	38 911
Paid personnel costs	(470 260)	(563 599)
Other operating expenses paid	(551 396)	(363 896)
Income tax paid	(40 711)	-
<b>Cash flows from operating activities to</b>		
<b>Changes in operating assets and liabilities</b>	<u>(478 452)</u>	<u>(201 830)</u>
<b>Changes in operating assets (increase) / decrease</b>		
Required reserves at the Central Bank	-	47 399
Funds in credit institutions	(627 548)	(22 601)
Loans and advances to customers	(3 335 205)	(3 654 916)
Other assets	11 888	(36 190)
<b>Changes in operating liabilities increase/(decrease)</b>		
Funds of other banks	(524 716)	196 237
Customer Funds	(643 941)	1 322 993
Other liabilities	(90 145)	159 270
<b>Net cash flow from operating activities</b>	<u>(5 688 119)</u>	<u>(2 189 638)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(373 028)	(207 000)
Sale / (Acquisition) of Investment Property	183 015	(68 765)
Acquisition of fixed assets and intangible assets	(783 172)	(463 044)
Revenue from the sale of fixed assets	81 514	108 243
Dividends received	6 578	921
<b>Net cash flow from investing activities</b>	<u>(885 093)</u>	<u>(629 645)</u>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of shares	1 677 770	1 321 557
Redemption of debt securities	-	(70 400)
Received other borrowings	6 065 186	2 810 064
Dividends paid	(2)	(288)
<b>Net cash flow from financing activities</b>	<u>7 742 954</u>	<u>4 060 933</u>
Impact of exchange rate changes on cash and cash equivalents	-	23 684
Impact of expected credit losses on cash and cash equivalents	(334)	513
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>1 169 408</u>	<u>1 265 847</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u>2 811 872</u>	<u>1 546 025</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>3 981 280</u>	<u>2 811 872</u>

The notes to the financial statements on pages 14 to 80 are an integral part of these statements.  
See the report of independent auditors on pages 4 - 9.

Joint-Stock Commercial Bank "Microcreditbank" and its subsidiaries

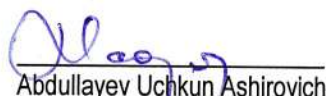
Consolidated statement of changes in equity

(in millions of UZS)

Articles	Share capital	Retained earnings / (accumulated loss) and funds	Non-controlling share	Total Change in equity
<b>Balance as of 01 January 2024</b>	<b>3 796 064</b>	<b>(217 967)</b>	-	<b>3 578 097</b>
Increase in share capital	1 321 557	-	-	1 321 557
Dividends paid	-	(288)	-	(288)
Net profit / (accumulated loss) for the year	-	(961 328)	-	(961 328)
Other comprehensive income	-	163 291	-	163 291
<b>Balance as of 31 December 2024</b>	<b>5 117 621</b>	<b>(1 016 292)</b>	-	<b>4 101 329</b>
Increase in share capital	2 027 852	-	-	2 027 852
Dividends paid	-	-	-	-
Net profit for the year	-	42 111	-	42 111
Other comprehensive income	-	73 365	-	73 365
Acquisition of a non-controlling interest	-	-	26 100	26 100
<b>Balance as at 31 December 2025</b>	<b>7 145 473</b>	<b>(900 816)</b>	<b>26 100</b>	<b>6 270 757</b>

Approved and signed on behalf of the Group's management on 14 May 2026.


  
 Djumaniyozov Kram Karimbayevich  
 Acting Chairman of the Management Board


  
 Abdullayev Uchkun Ashirovich  
 Chief Accountant

## 1. Main activities

The bank was registered in May 2006 in accordance with the Decree of the President of the Republic of Uzbekistan on the basis of the former Joint-Stock Commercial Bank "Tadbirkor". The Bank was established in the Republic of Uzbekistan in order to promote the development of small businesses, private entrepreneurship and farming, family businesses, especially in order to further expand the provision of financial resources by providing access to microfinance services to the general population, especially in rural areas. The main owner of the Bank is the Government of the Republic of Uzbekistan, through the Ministry of Economy and Finance of the Republic of Uzbekistan.

The Bank is registered to carry out banking activities in accordance with the legislation of the Republic of Uzbekistan and carries out its main activities on the basis of a license to carry out banking operations, including transactions in foreign currency, issued by the Central Bank of the Republic of Uzbekistan for No 37 dated March 02, 2024.

The main activity of the Bank is to carry out commercial banking operations, operations with securities, foreign currency, provision of loans and guarantees. The Bank accepts deposits from the population and issues loans, makes payments on the territory of the Republic of Uzbekistan and abroad, as well as provides other banking services to legal entities and individuals.

The Bank participates in the state deposit insurance program approved by the Law of the Republic of Uzbekistan No360-P "On Guarantees of Protection of Citizens' Deposits in Banks" dated April 05, 2002, which guarantees the payment of 100% compensation on deposits, regardless of the amount of the deposit in case of revocation of the bank's license. The Bank is also a member of the Association of Banks of Uzbekistan, the Republican Currency Exchange, the Republican Stock Exchange "Tashkent".

As of 31 December 2025, the Bank carries out banking activities through the Head Office and has 128 banking service centers in the Republic of Uzbekistan.

Legal and actual address of the Head Office of the Bank: 4, Amir Temur Street, 100047, Mirabad district, Tashkent city, Republic of Uzbekistan.

The average number of employees as of the reporting date was 3 363 people (2024: 3 341 people).

The Bank's shareholder structure is presented in the following table:

NAME OF THE SHAREHOLDER	OWNERSHIP SHARE	
	31 DECEMBER 2025	31 DECEMBER 2024
MINISTRY OF ECONOMY AND FINANCE OF THE REPUBLIC OF UZBEKISTAN	50,4%	55,7%
FUND FOR RECONSTRUCTION AND DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN	49,1%	43,6%
SHAREHOLDERS OWNING LESS THAN 1% OF THE BANK'S SHARE CAPITAL	0,5%	0,7%
<b>TOTAL</b>	<b>100,0%</b>	<b>100,0%</b>

As of 31 December 2025 (2024 too), the Bank is under the actual control of the Government of the Republic of Uzbekistan.

### **Subsidiary of the Bank**

In 2024, the Bank established "MKB KASANA INVEST GROUP" LLC (hereinafter referred to as the "Subsidiary"), in accordance with the legislation of the Republic of Uzbekistan, where the ownership share is 100%. The main activity of the Subsidiary is the provision of information and consulting services for the implementation and financing of projects in the financial market, including banks.

In 2025, the Bank established "MKB FAKTORING TASHKILOTI" LLC (hereinafter referred to as the "Subsidiary"), in accordance with the legislation of the Republic of Uzbekistan, where the ownership share is 100%. The main activity of the Subsidiary is the organization of factoring services.

## 2. Operating environment in which the Group operates

The economy of the Republic of Uzbekistan has some features inherent in emerging markets: among them a low level of liquidity in the markets of debt and equity securities and the lack of free convertibility of the national currency outside Uzbekistan. In addition, the banking sector in the Republic of Uzbekistan is particularly vulnerable to political, legal, financial and regulatory transformations. Large state-owned banks of the Republic of Uzbekistan act as representatives of the state in the development of the country's economy. The government allocates funds from the country's budget, which go through banks to various government agencies and other public and private companies.

In 2025, the Government of the Republic of Uzbekistan continued to implement socio-economic reforms, market liberalization with an emphasis mainly on attracting foreign direct investment. In this regard, the laws and regulations governing doing business in the Republic of Uzbekistan began to change rapidly. The prospects for economic stability and the future direction of the development of the Republic of Uzbekistan largely depend on the effectiveness of the economic, financial and monetary measures taken by the Government, as well as on the development of the legislative and regulatory framework and the political situation, which are beyond the control of the Group.

During 2025, the Government of the Republic of Uzbekistan has done work to further increase the level of capitalization of the domestic banking system, strengthen its liquidity and stability. In particular, the total capital of commercial banks as of January 1, 2026 is 135.3 trillion soums, (at the end of 2024: 114.8 trillion soums). At the moment, the total volume of attracted deposits of commercial banks amounted to 417.3 trillion soums (at the end of 2024: 308.7 trillion soums). The total volume of credit investments amounted to 604.0 trillion UZS (at the end of 2024: 533.1 trillion UZS), as well as the total volume of assets increased and amounted to 924.8 trillion UZS (at the end of 2024: 769.3 trillion UZS).

In Uzbekistan, the following main economic indicators were observed for the period of 12 months of 2025:

- ⇒ Gross domestic product (GDP) growth: 7.7% (2024: 6.5%);
- ⇒ Refinancing rate of the Central Bank of the Republic of Uzbekistan: 14.0% (in 2024: 13.5%);
- ⇒ Inflation rate not more than: 7.3% (at the end of 2024: 9.8%);
- ⇒ Official exchange rate: 31 December 2025: 1 US dollar = 12 025.33 UZS; 1 Euro = 14 162.23 UZS (31 December 2024: 1 US dollar = 12 920.48 UZS; 1 Euro = 13 436.01 UZS);

At the moment, the Group's management is monitoring developments in the current environment and taking the measures it deems necessary to support the sustainability and development of the Group's business for the foreseeable future. However, the impact of further economic changes on the Group's future operations and financial position is difficult to determine at this stage.

The accompanying consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) reflect management's assessment of the impact of economic conditions in the Republic on the Group's operations and financial position. Future economic conditions may differ from management's estimates.

### **Geopolitical developments**

As a result of the conflict between the Russian Federation and Ukraine, many countries have imposed and continue to impose new sanctions against certain Russian entities and Russian citizens. Sanctions were also imposed on the Republic of Belarus. These sanctions are aimed at having a negative economic impact on the Russian Federation.

This conflict has affected some export-import operations of legal entities in Uzbekistan, there is an increase in volatility in the stock and currency markets, import and export restrictions, the availability of local resources, materials and services will directly affect companies that are active or have significant ties with the Russian Federation, the Republic of Belarus or Ukraine. However, the consequences of the current situation can directly or indirectly affect not only companies that are directly related to the countries involved in the conflict.

In order to minimize the impact on consumers, the Government of Uzbekistan has adopted relevant regulatory documents. After a certain decrease in the degree of influence of the external situation caused by the geopolitical events around Ukraine and Russia on the economy of the Republic of Uzbekistan, the Board of the Central Bank of the Republic of Uzbekistan reduced the refinancing rate of the Central Bank of the Republic of Uzbekistan to 14.0%.

In order to manage country risk, the Group assesses the impact of these events and changes in economic conditions on its operations, financing, position and financial results, and monitors transactions with counterparties within the limits set by the Group's collegial body, which are reviewed regularly.

### **Impact of climate change**

The Group and its clients are exposed to physical risks associated with climate change and transition risks. Physical risks arise from weather events such as hurricanes, floods, wildfires, and long-term changes in climate conditions, such as sharp and sustained temperature increases, droughts, rising sea levels, and others. Transition risks may arise from changes in a zero-zero economy, such as changes in laws and regulations, litigation due to a failure to mitigate or adapt, and changes in supply and demand for certain goods, products and services due to changes in consumer behaviour and investor needs.

Management believes that it is not currently possible to unambiguously include climate risk factors in the measurement of expected credit losses. However, the Group is closely monitoring relevant developments in this area and considers that climate-related risks do not currently have a significant impact. By analysing the exposure of counterparties to climate risks, the Group understands that, in general, physical or transition risks associated with climate change will not have a material impact on the Group's counterparties.

### 3. Reporting Basics

These consolidated financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards (hereinafter referred to as "IFRS") for the year ended 31 December 2025 for Joint-Stock Commercial Bank "Microcreditbank" (hereinafter referred to as the "Bank") and its subsidiary (hereinafter referred to as the "Group") on the basis of historical cost accounting rules, adjusted for the initial recognition of financial instruments at fair value and measured at fair value through profit or loss and at fair value through other comprehensive income. The accounting policies used in the preparation of these consolidated financial statements are presented below.

The Group maintains records in accordance with the requirements of the current legislation of the Republic of Uzbekistan. These consolidated financial statements have been prepared on the basis of these accounting records with adjustments necessary to bring them into compliance with IFRS in all material respects.

#### 3.1. Functional and Presentation Currency

The national currency of the Republic of Uzbekistan is the "Uzbek soum" (hereinafter referred to as the UZS). The Uzbek soum has been selected as the functional currency and the currency in which these consolidated financial statements are presented.

All consolidated financial statements have been rounded to the nearest million.

#### 3.2. Currency Transactions

Foreign currencies, especially the US dollar and the Euro, play a significant role in determining the economic parameters of many economic transactions carried out in the Republic of Uzbekistan. The table below shows the exchange rates of the Uzbek soum against the US dollar and the Euro set by the Central Bank of the Republic of Uzbekistan (hereinafter referred to as the "Central Bank of the Republic of Uzbekistan").

DATE	US DOLLAR	EURO
31 DECEMBER 2025	12 025,33	14 162,23
31 DECEMBER 2024	12 920,48	13 436,01

#### 4. Important Evaluations and Professional Judgments

The preparation of consolidated financial statements in accordance with IFRS requires management to apply judgments, assumptions and estimates that affect the application of accounting policies and the recognition of the amounts of assets and liabilities, income and expenses in the consolidated financial statements. Accounting estimates and related assumptions are based on historical experience and other applicable factors necessary to determine the carrying amounts of assets and liabilities. Although estimates are based on management's best knowledge of the current situation, actual results may ultimately differ significantly from accepted estimates.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities in the following financial year. Estimates and assumptions are continuously reviewed on the basis of management's experience and other factors, including expectations about future events that management believes are reasonable in light of current circumstances. In applying accounting policies, management also uses professional judgment and evaluation. The judgement that has the most material effect on the amounts reported in the consolidated financial statements and the estimates that may result in material adjustments to the carrying amounts of assets and liabilities during the next financial year include:

##### **Classification of financial assets.**

An assessment of the business models that apply to assets and an assessment of whether the contractual terms of a financial asset are solely for the payment of principal and interest on principal is disclosed in Note 6.

##### **Measurement of the provision for expected credit losses.**

Measuring the provision for expected credit losses for financial assets measured at amortised cost and at fair value through other comprehensive income (FVTOCI) is an area that requires the use of sophisticated models and significant assumptions about future economic conditions and credit behaviour (e.g., the probability of counterparty default and resulting losses). A number of significant judgements are also necessary when applying accounting requirements to measure expected credit losses, such as:

- ⇒ Determination of criteria for a significant increase in credit risk;
- ⇒ Selection of appropriate models and assumptions for measuring expected credit losses;
- ⇒ Establishing the number and relative weights of possible future scenarios for each type of product/market and the corresponding expected credit loss; and
- ⇒ Creation of groups of similar financial assets for the purpose of estimating expected credit losses.

The provision for credit losses on financial instruments is influenced by a number of factors, which are set out below:

- ⇒ Transfers and related measurement of the credit loss allowance between Stage 1 (12-month expected credit losses) and Stages 2 (Lifetime Expected Credit Losses - Unimpaired Assets) or 3 (Lifetime Expected Credit Losses - Impaired Assets) due to the fact that the balances have experienced a significant increase (or decrease) in credit risk within the same Stage or impairment during the period followed by an increase (or downgrade) from the expected credit losses for 12 months before the expected lifetime credit losses;
- ⇒ Making additional allowances for newly recognised or purchased financial instruments during the period, as well as reversing them in respect of financial instruments that were derecognised during the period;
- ⇒ The impact on the estimate of expected credit losses of changes in the probability of default, debt at default and loss in the event of default during the period arising from regular updates of the model inputs;

- ⇒ The effect on the measurement of expected credit losses of changes in contractual interest requirements, taking into account the effect of time, since expected credit losses are measured on the basis of current present value;
- ⇒ Financial assets that were derecognised during the period and write-offs/reversals of allowances relating to assets that were written off/reversed during the period;
- ⇒ Sales of subsidiaries and reclassifications to discontinued operations and assets held for sale;
- ⇒ The impact of changes in exchange rates when translating assets denominated in foreign currency and other movements.

Information on the inputs, assumptions, valuation methods and judgements used in measuring expected credit losses is described in detail in Notes 6 and 30.

Definitions of terms related to the measurement of expected credit losses are provided in Note 30.

### **Fair value of financial instruments**

The fair value of financial instruments for which there is no quotation in an active market is determined using various valuation techniques. Where valuation methodologies (e.g., models) are used to determine fair value, they are approved and regularly reviewed by qualified employees who are independent of the department/unit applying these methodologies. All models are certified before they are used; Models are also adjusted to reflect actual data and comparative market prices. Within the framework of a valid model, only observable data are used, but areas such as credit risk (both own and counterparty risk), variability and correlation require management to make estimates. Changes in assumptions for these factors may affect fair value reported in the consolidated financial statements, described in more detail in Note 28.

## **5. Transition to new or revised standards and interpretations**

Every year, the IASB updates international financial reporting standards: it issues both new documents and additions to existing standards. Here are a few changes that are mandatory to apply in the financial statements for the annual period beginning 01 January 2025:

**Amendments to IFRS 7 and IFRS 9 - Classification and Measurement of Financial Instruments** are the most significant change for financial statements in 2025.

- Settlement date accounting: Clarified the rules for derecognition of financial liabilities repaid through electronic payment systems. Now it is easier for companies to determine the moment of debt "write-off" if the payment has been initiated, but has not yet been credited.
- Cash flow characteristics (SPPI test): Additional explanations are provided for assets with "environmental" or "social" indicators (ESG-linked tools). Clarified how such conditions affect valuation at amortised cost.
- Risk disclosure: New disclosure requirements have been introduced for instruments with contingent payout characteristics.

**Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates** are effective from 01 January 2025. These amendments introduce rules for situations where a currency cannot be exchanged for another at the official exchange rate (e.g., due to sanctions or strict exchange controls).

**Amendments to IFRS 16 Sale and Leaseback Liability** - These amendments became mandatory a little earlier, but in 2025 they remain critical for the correct accounting of variable payments in Sale and Leaseback transactions in order not to recognize "fictitious" profits.

**IFRS 18 Presentation and Disclosure of Information in Financial Statements** - The standard has already been issued and will replace IAS 1. It is mandatory from 2027, but in 2025 companies are actively starting the transition process and can apply it ahead of schedule. It completely changes the structure of the Income Statement (the categories of operating, investing and financing activities are introduced).

**IFRS 19 Subsidiaries Without Public Accountability: Disclosures** is a new standard that allows qualified subsidiaries to apply IFRS with a significantly reduced number of disclosures in notes. Available for periods beginning on January 1, 2025.

**Annual Improvements to IFRS Financial Reporting Standards (Volume 11)** - Issued in July 2024, effective from 01 January 2026 with the possibility of early application. Contain clarifications and corrections to various standards aimed at eliminating inconsistencies and improving understanding of requirements (IAS 7 – Cost Accounting, IFRS 9 – Derecognition of Lease Liabilities and Transaction Price, IFRS 10 – Definition of a "de facto agent", IFRS – Disclosure of deferred difference between fair value and transaction price, gain or loss on derecognition, credit risk, IFRS – Hedge Accounting by a first-time adopter).

**IFRS S1 and S2 Sustainability Standards** - The International Sustainability Standards Board (ISSB) continues to work on the implementation of IFRS S1 and S2 standards related to sustainability and climate risk disclosures. These standards are becoming increasingly relevant to companies seeking sustainability transparency.

IFRS S1 and S2 sustainability standards. In June 2023, the IASB issued two new sustainability standards for the first time: IFRS S1 General Requirements for Sustainability-Related Financial Disclosures and IFRS S2 Climate-Related Disclosures. They establish disclosure requirements for risks and opportunities related to sustainability and climate change that may affect an enterprise's cash flows, access to finance or cost of capital.

These two standards are the first steps in realizing the vision of the International Standards Board for Sustainable Development (ISSB) to create a global framework for sustainability reporting. First of all, they are focused on investors and provide a clear idea of what kind of reporting companies must provide in order to meet the needs of global capital markets.

⇒ IFRS S1 contains a number of disclosure requirements to enable companies to communicate to investors the risks and opportunities associated with sustainability in the short, medium and long term.

⇒ IFRS S2 sets out requirements for climate-related disclosures and is intended for use with IFRS S1.

The standards came into force on January 01, 2024. They will be implemented in stages: in the first year, companies will be able to limit themselves to disclosing information on climate risks under IFRS S2, and from the second year they will have to publish data in accordance with the requirements of IFRS S1. During the transition period, the ISSB plans to establish a working group to support companies applying the new standards.

Since 2021, Uzbekistan has also switched to IFRS. According to the Decree of the President of the Republic of Uzbekistan dated February 24, 2020 No PP-4611 "On additional measures for the transition to international financial reporting standards", large taxpayers are the first to organize accounting under IFRS: joint-stock companies, commercial banks, insurance organizations and legal entities. They must prepare financial statements in accordance with IFRS, starting from the results of 2021.

Accordingly, accountants and financial specialists who are in one way or another related to these categories of enterprises need to learn how to work with IFRS reporting. And also understand the nuances of transformation and consolidation of financial statements according to international standards in order to be a valuable specialist in the enterprise.

In management's opinion, the application of the above standards and interpretations will not materially affect the Group's consolidated financial statements during the period of initial application. The Group does not disclose new standards and interpretations that do not apply to the Group's operations or that will not materially affect the Group's consolidated financial statements.

### **Using estimates and assumptions**

The preparation of consolidated financial statements in accordance with IFRS involves the use by management of estimates and assumptions that affect the amounts of assets and liabilities, income and expenses and the disclosure of contingent assets and liabilities during the next financial period. Because of the uncertainties inherent in such estimates, actual results presented in future reporting periods may be based on amounts that differ from those estimates.

### **The going concern principle**

The Management has prepared these consolidated financial statements on a going concern basis. These consolidated financial statements do not include any adjustments that would be necessary due to economic uncertainty.

Possible adjustments may be made to the Group's consolidated financial statements when the need to reflect them becomes evident and it becomes possible to reliably assess their quantitative significance.

The Group believes that cash from current operating activities will be sufficient to meet current liabilities and to finance its current operating activities.

### **Initial recognition of financial instruments**

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to a contract in respect of the relevant financial instrument. The Group accounts for acquisitions and disposals of financial assets and liabilities on standard terms at the settlement date. All financial assets are measured initially at fair value. Costs directly attributable to the acquisition or issuance are added to the original cost, except for financial assets that are remeasured at fair value through profit or loss.

### **Fair value of financial instruments**

If the fair value of financial assets and financial liabilities recognised in the statement of financial position cannot be determined from prices in an active market, it is determined from the market prices of similar financial instruments or from different valuation models that include mathematical models. The inputs for such models are determined based on the observed market or judgment. Judgment is made taking into account factors such as the time value of money, the level of credit risk, the volatility of the instrument, the level of market risk, and other applicable factors.

### **Functional and Presentation Currency**

The consolidated financial statements are presented in the currency of the Republic of Uzbekistan (Uzbek soum), which is the functional currency of the Group and the presentation currency, and which reflects the real economic substance of its main operations. The financial information in the consolidated financial statements has been rounded to the nearest one million Uzbek soums.

The Uzbek soum is not a convertible currency outside the Republic of Uzbekistan. Changes in the policy of the Government of Uzbekistan regarding the regulation of the Uzbek soum may have an impact on the financial position and results of banking activities.

## 6. Significant Accounting Policies

### 6.1. Fair value measurement

Fair value is the price that would have been received on the sale of an asset or paid on the transfer of a liability in an ordinary transaction between market participants at the valuation date in the main market or, in its absence, in the most favourable market to which the Group has access at that date. The fair value of an obligation reflects the risk of non-fulfillment.

To the extent possible, the Group measures the fair value of an instrument using quotes for that instrument in an active market. A market is considered active if quotes are readily available and reflect actual and regular transactions between independent market participants.

In the absence of current quotations in an active market, the Group uses valuation methods that make maximum use of observable inputs and minimize the use of unobservable inputs. The valuation methods chosen include all factors that market participants would have taken into account in the circumstances.

The best evidence of the fair value of a financial instrument at initial recognition is usually the transaction price, that is, the fair value of the consideration paid or received. If the Group determines that the fair value at initial recognition is different from the transaction price and the fair value is not supported by current quotations in an active market for a similar asset or liability and is not based on valuation methods that use only observable inputs, the financial instrument is initially measured at fair value adjusted to defer recognition of the difference between the transaction price and fair value cost. After initial recognition, the difference shall be amortised in profit or loss over the life of the instrument, but no later than when the measurement is fully confirmed by the observable inputs or when the transaction is completed.

If the transaction price in an inactive market differs from the fair value of current market transactions in the observed market for the same instrument, or is based on a valuation methodology whose inputs include only information from the observed markets, the Group immediately recognises the difference between the transaction price and the fair value ("First Day Earnings") in profit or loss. In the case of non-observable information, the difference between the transaction price and the value determined on the basis of the model is recognised in profit or loss only if the inputs become observable or if the financial instrument is derecognised.

If an asset or liability measured at fair value has a bid price and a bid price, assets and long positions are measured on the basis of the bid price, and liabilities and short positions are measured on the basis of the bid price.

### 6.2. Effective interest rate (discount method)

**The effective interest method** is the reduction of all future cash flows expected on a financial asset or financial liability to the present value at the date the asset or liability arises at the discount rate.

The discounting method is used by the Group to determine the amortised cost of financial instruments.

**The discount rate** is the effective interest rate or market interest rate at which all future cash flows of a financial instrument are reduced to their present value.

Discounting of cash flows on financial assets and liabilities is based on future cash flows expected at the actual rate under the contract and the corresponding discount factor determined on the basis of the discount rate.

In the event that the cash flows of a financial instrument are expected for more than one period (interest income or expenses are accrued more than once on certain dates during the life of the financial instrument and/or the principal amount is repaid in installments), the calculation of future cash flows, the discount ratio and the discounted amounts of these flows is carried out for each such period. The present present value of the financial instrument at the date of its occurrence is then the sum of the discounted future flows of the instrument for each period.

The **effective interest rate** is applied to the gross carrying amount of the financial instrument. The effective interest rate, adjusted for credit risk, is applied to the acquired or credit-impaired financial assets.

For financial assets that are subsequently credit-impaired are also applied to amortised cost. If the credit risk of a credit-impaired financial asset subsequently decreases to such an extent that the asset ceases to be such, the effective interest rate shall be applied to the gross carrying amount of the financial instrument from the next reporting period.

The calculation of the effective interest rate includes the costs of the transaction, as well as the fees and amounts paid or received, which are an integral part of the effective interest rate. Transaction costs include additional costs directly attributable to the acquisition or issuance of a financial asset or liability.

### 6.3. Amortised cost of a financial instrument

The **amortised cost** of a financial instrument at the end of each reporting period is a measure calculated as the amortised cost of that instrument at the end of the previous reporting period, plus or minus the amount of depreciation, which is the difference between the cash flows for that reporting period, calculated at the effective interest rate, and the cash flows actually received or paid for that period.

In determining the amount of depreciation, the cash flows of a financial instrument include:

- ⇒ movement of the principal amount issued/received;
- ⇒ interest income or expenses;
- ⇒ additional commissions received/paid at the time of disbursement/attraction of a loan (such as fees for organizing and issuing a loan, considering a loan application, opening and maintaining a loan account, etc.) or issuing a debt obligation (for example, bonds);
- ⇒ other commissions subject to reliable assessment, the payment of which is a prerequisite for the issuance of a loan / issuance of obligations or will be made on a regular basis in accordance with the terms of the agreement.

Interest income and expenses on financial instruments recognised at initial recognition at cost are recognised in the income statement on the basis of the actual rate under the contract.

If a financial instrument has a new fair value for initial recognition, interest income or expense is calculated and recognised on the basis of the market interest rate used to determine the new fair value of the financial instrument, which subsequently becomes the effective interest rate on the instrument.

For floating rate financial instruments, the effective interest rate for discounting cash flows is used until the next floating rate revision date at market rates until the maturity date of the financial instrument.

Interest income and expenses on financial instruments, the amortised cost of which is calculated by discounting flows at the effective interest rate, are calculated based on the new initial cost of the financial instrument at the effective interest rate.

### 6.4. Financial assets and liabilities

In accordance with IFRS 9, financial assets are classified as subsequently measured:

- ⇒ at amortized cost;
- ⇒ at fair value through other comprehensive income;
- ⇒ at fair value through profit or loss, depending on:
  - the business model used to manage financial assets;
  - characteristics of the financial asset related to the cash flows provided for under the contract.

**The business models** used by the Group are defined by key management personnel and describe the ways in which the Group manages its financial assets in order to generate cash flows.

**Financial assets are measured at amortised cost** when the following conditions are met:

- ⇒ the financial asset is held as part of a business model that aims to retain it in order to collect contractual cash flows;
- ⇒ the contractual terms provide for the receipt of cash flows on certain dates, which are exclusively payments on account of the principal amount of the debt and interest on the outstanding part of the principal amount of the debt.

Cash flows, which are exclusively payments on account of the principal amount of debt and interest on the outstanding part of the principal amount of the debt, are characterized by the following features:

- ⇒ the principal amount of debt is the fair value of the financial asset at initial recognition;
- ⇒ interest includes only reimbursement for the time value of money, for credit risk with respect to principal remaining outstanding for a period of time, and for other ordinary risks (e.g., liquidity) and costs (in particular administrative) associated with lending.

In some cases, the element of the time value of money contains compensation for other risks and costs, i.e., it is modified. In this case, the Group makes a qualitative or, if necessary, quantitative assessment of the significance of the effect of the modified time value of money.

**Financial assets are measured at fair value through other comprehensive income** if the following conditions are met:

- ⇒ A financial asset is held in a business model that aims to both hold to collect contractual cash flows and sell financial assets.
- ⇒ The contractual terms provide for the receipt of cash flows on certain dates, which are exclusively payments on account of the principal amount of the debt and interest on the outstanding part of the principal amount of the debt.

**Financial assets are measured at fair value through profit or loss** if they are acquired as part of a business model that aims to sell and if they do not meet the criteria for measurement at amortised cost or at fair value through other comprehensive income.

In accordance with IFRS 9, **financial liabilities are classified as after-measured at amortised cost**, except for:

- ⇒ financial liabilities measured at fair value through profit or loss;
- ⇒ financial liabilities that arise when the transfer of a financial asset does not meet the derecognition requirements or when the continuing involvement accounting principle applies;
- ⇒ financial guarantee agreements;
- ⇒ obligations to provide loans at an interest rate below the market rate;
- ⇒ contingent consideration resulting from a business combination.

### **Business Model Evaluation**

The Group assesses the purpose of the business model in which the asset is held at the portfolio level because this best reflects the way the business is managed and the way in which the information is presented to management. The information analyzed includes:

- ⇒ Policies and objectives established for portfolio management and the implementation of those policies. In particular, whether the management strategy is focused on generating interest income provided for in the contract, maintaining a certain structure of interest rates, ensuring that the maturities of financial assets correspond to the maturities of financial liabilities used to finance these assets, or the realization of cash flows through the sale of assets.

- ⇒ How the performance of the portfolio is evaluated and how this information is communicated to the Group's management.
- ⇒ Risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- ⇒ How the managers responsible for managing the portfolio are remunerated (e.g., whether the remuneration depends on the fair value of those assets or on the contractual cash flows derived from the assets).
- ⇒ Frequency, volume and timing of sales in past periods, the reasons for such sales, as well as expectations regarding the future level of sales. However, information on sales levels is not considered in isolation, but as part of a single holistic analysis of how the Group's stated objective of managing financial assets is achieved and how cash flows are realized.

Financial assets held for trading or managed and measured on the basis of fair value are measured at fair value through profit or loss because they are not held either for the purpose of collecting contractual cash flows, or for the purpose of both obtaining contractual cash flows and selling financial assets.

Assessing whether the cash flows provided for in the contract are solely principal and interest payments.

For the purposes of this valuation, "principal" is defined as the fair value of a financial asset at initial recognition. "Interest" is defined as consideration for the time value of money, for credit risk with respect to principal remaining outstanding over a period of time, and for other major risks and costs associated with lending (e.g., liquidity risk and administrative costs), and also includes profit margins.

In assessing whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding (the "SPPI criterion"), the Group analyses the contractual terms of the financial instrument. This includes assessing whether the terms of the contract for the financial asset include a condition that may change the timing or amount of the cash flows under the contract so that the financial asset will not satisfy the requirement being analysed.

In conducting the assessment, the Panel takes into account:

- ⇒ contingencies that may change the timing or amount of cash flows;
- ⇒ conditions that have the effect of leverage;
- ⇒ conditions for early repayment and prolongation of the validity period;
- ⇒ conditions that limit the Group's claims to cash flows from certain assets (e.g., non-recourse assets);
- ⇒ conditions that result in a change in the compensation for the time value of money – for example, a revision of interest rates on a periodic basis.

The Group has determined that for a portfolio of long-term loans issued at a fixed interest rate, for which the Group has the right to revise the interest rate in the event of a change in the refinancing rate set by the Central Bank of the Republic of Uzbekistan, and for which borrowers have the right to either agree to the revised rate or repay the loan at a nominal value reduced by the amount of principal payments and increased by the amount of accrued, but unpaid interest, without penalty, the contractual cash flows on these loans are solely principal and interest payments, as this right causes the interest rate to change in such a way that the interest represents consideration for the time value of the money, credit risk, other major risks associated with lending and costs associated with the principal amount remaining outstanding. As such, the Group views these loans as floating rate loans in nature.

#### **General principles of initial valuation of financial instruments**

Financial instruments (financial assets and financial liabilities) are recognised in the Group's accounting records if the Group becomes a party to the contract in respect of the financial instrument.

With the exception of trade receivables (which do not contain a significant funding component) and a financial asset or financial liability measured at fair value through profit or loss, financial instruments are initially recognised at fair value, increased or diminished in the case of the financial asset or financial liability, by the amount of transaction costs that are directly attributable to the acquisition or issuance of the financial asset financial liability. The best evidence of the fair value of a financial instrument at initial recognition is generally the transaction price.

Trade receivables that do not contain a significant financing component are measured at initial recognition at the transaction price.

If there is no actual contract rate for a financial instrument or if it deviates materially from the market rate for that (similar/similar) instrument at the date it is incurred, the new fair value of the financial instrument is determined for initial recognition. At the same time:

⇒ In the absence of information on market rates for a given financial instrument (or if they cannot be determined with a sufficient degree of certainty), the actual rate under the contract in respect of this instrument is subject to comparison with market rates for transactions in similar/similar financial instruments;

⇒ The deviation of the actual rate under the contract from the market rate for this or a similar/similar financial instrument as of the date of its occurrence is considered material. The decision on materiality is made on the basis of the professional judgments of the responsible persons, taking into account the content and features of the relevant transaction.

The new fair value of a financial instrument for initial recognition is determined by the market interest rate discounting method and is the fair value of that instrument at the date it is incurred, ie the present value of all future (expected) cash flows of the instrument at the date of its inception discounted at the market interest rate on that or a similar/similar financial instrument. The difference between the actual costs at the date of inception of a financial instrument and its new initial cost, depending on the reason for its occurrence, may be recognised in equity, income statement or other assets/liabilities of the Group.

The market interest rate on a given financial instrument or other similar/similar financial instruments is determined on the basis of available internal and external sources of information, depending on the type and nature of the financial instrument, and can be determined/calculated based on:

⇒ from well-known interest rates published or posted in the information systems of [www.cbu.uz](http://www.cbu.uz) (official website of the Central Bank of the Republic of Uzbekistan) or state authorities and management on the Internet;

⇒ from the refinancing rate of the Central Bank of the Republic of Uzbekistan for the corresponding period.

In particular, when determining the market rate on consumer lending agreements, the Group uses information published by the Central Bank of the Republic of Uzbekistan on the full cost of consumer credit, determining the range of market rates as: the upper limit of the range is the rate of the cost of consumer credit and the lower limit of the range is the refinancing rate of the Central Bank of the Republic of Uzbekistan for the relevant period.

### **Reclassification**

The classification of financial assets after initial recognition does not change except in the period following the Group's change in its financial asset management business model. The Group shall reclassify financial assets only if it has changed the business model used to manage those financial assets. Such changes are expected to occur very rarely. Such changes should be determined by the Group's top management as a consequence of external or internal changes and should be significant to the Group's operations and obvious to external parties. Accordingly, a change in the purpose of the Group's business model may occur if and only when the Group commences or ceases to carry out an activity that is significant in relation to its operations; for example, in the event that the Group acquires, disposes of or terminates a business.

The classification of financial liabilities after initial recognition is not subject to change.

### **Derecognition of financial instruments**

A financial asset is derecognised only when:

- ⇒ contractual rights to the cash flows from that financial asset expire, or
- ⇒ the Group transfers a financial asset and the transfer satisfies the derecognition requirements.

In the event of a material modification to a financial asset, the Group derecognises it and recognises a new asset. The Group determines the criteria for material modification as:

- ⇒ change in the currency of the financial instrument;
- ⇒ change of a fixed interest rate to a floating interest rate and vice versa;
- ⇒ replacement of the debtor.

Derecognition of a financial liability is made only if it is extinguished, that is, when the obligation specified in the contract is fulfilled, canceled or expired.

### **The transfer of a financial asset means:**

- ⇒ the transfer of contractual rights to receive the cash flows from that financial asset to another party, or
- ⇒ retaining contractual rights to receive cash flows from a financial asset while assuming contractual obligations to pay those cash flows to one or more recipients under the contract.

When transferring a financial asset, the degree of risks and rewards associated with owning the financial asset is assessed. In this case:

- ⇒ if the Group transfers substantially all the risks and rewards associated with ownership of a financial asset, it derecognises the financial asset and recognises separately as assets or liabilities those rights and liabilities that are created or retained on the transfer.
- ⇒ if the Group retains substantially all the risks and rewards associated with holding a financial asset, it continues to recognise the financial asset;
- ⇒ if the Group does not transfer or retain substantially all of the risks and rewards associated with ownership of a financial asset, it shall determine whether control of the financial asset is retained. And in this case:
  - if the Group does not retain control, it derecognises the financial asset and recognises separately as an asset or liability those rights and obligations that are created or retained by the transfer.
  - if the Group retains control, it continues to recognise a financial asset to the extent that it continues to be involved in that financial asset.

When derecognition, the difference between the carrying amount of the financial asset transferred to the other party (measured at the derecognition date) and the amount of funds received or due in exchange for that asset, less liabilities assumed at the same time, shall be recognized in the income statement for the reporting period.

A material changes in the terms of a financial liability (regardless of the reasons for the change), including an exchange of liabilities with materially different terms, is accounted for as the settlement of the old liability and the recognition of a new one, with the difference between them reflected in the income statement. A material change is a change in which the present present value of cash flows in accordance with the new conditions differs from the current present value of the remaining cash flows of the original financial liability by 5% or more.

When derecognition, the difference between the carrying amount of the financial liability liquidated or transferred to another party, including the related under-amortised part of the actual costs, and the amount of consideration paid for it shall be recognized in the income statement for the reporting period.

### Impairment

The Group recognises an provision for expected credit losses on the following financial instruments not measured at fair value through profit or loss:

- ⇒ loans to customers;
- ⇒ debt investment securities;
- ⇒ net investment in financial leasing;
- ⇒ issued financial guarantee agreements; and
- ⇒ issued loan obligations.

The Group recognises provisions for expected credit losses in an amount equal to lifetime expected credit losses, except for the following instruments, for which the amount of the provision will be equal to 12-month expected credit losses:

- ⇒ debt investment securities with low credit risk as of the reporting date; and
- ⇒ other financial instruments (other than net investments in financial leases) for which credit risk has not increased significantly since their initial recognition.

The Group believes that a debt security has a low credit risk if its credit rating meets the globally accepted rating definition of "investment quality".

12-month expected credit losses are the part of expected credit losses due to events of default on a financial instrument that are possible within 12 months after the reporting date.

### Estimating expected credit losses

Expected credit losses are an estimate of credit losses weighted by the degree of probability of default. They are evaluated as follows:

- ⇒ **for financial assets that are not credit-impaired at the reporting date:** as the present value of all expected cash shortfalls (ie the difference between the cash flows contractually due to the Group and the cash flows that the Group expects to receive);
- ⇒ **for financial assets that are credit-impaired at the reporting date:** as the difference between the gross carrying amount of the assets and the present value of estimated future cash flows;
- ⇒ **in respect of the unused portion of loan commitments,** how to calculate the difference between the contractual cash flows due to the Group under the contract if the borrower exercises its right to receive a loan and the cash flows that the Group expects to receive if the loan is issued; and
- ⇒ **in respect of financial guarantee contracts,** as the present value of the expected payments to the holder of the contract to compensate for the credit loss suffered by the holder less the amounts that the Group expects to recover.

### Restructured financial assets

In the event that the terms of a financial asset are revised or modified by agreement of the parties, or an existing financial asset is replaced by a new one due to the borrower's financial difficulties, an assessment is made to determine whether the financial asset should be derecognised and the expected credit losses are assessed as follows:

- ⇒ If the expected restructuring does not result in the derecognition of the existing asset, the expected cash flows of the modified financial asset are included in the calculation of the cash shortfall on the existing asset.
- ⇒ If the expected restructuring results in the derecognition of an existing asset, the expected fair value of the new asset is treated as the final cash flow of the existing asset at the time it is derecognised. This amount is included in the calculation of the cash shortfall on the existing financial asset that is discounted from the expected derecognition date to the reporting date using the original effective interest rate on the existing financial asset.

### Credit-impaired financial assets

At each reporting date, the Group assesses financial assets carried at amortised cost and debt financial assets carried at fair value through other comprehensive income for credit impairment. A financial asset is "credit-impaired" when it defaults.

### Provision for expected credit losses

The amounts of the loan loss allowance are presented in the statement of financial position as follows:

- ⇒ financial assets measured at amortised cost: as a decrease in the gross carrying amount of these assets;
- ⇒ loan obligations and financial guarantee agreements: in general, as a reserve;
- ⇒ if a financial instrument contains both a claimed and an unclaimed component and the Group is unable to determine the expected credit losses on the assumed loan obligation separately from the expected credit losses on the part already claimed (the loan issued): The Group presents a total loss allowance for both components. The aggregate amount is presented as a decrease in the gross book value of the claimed part (the loan issued). Any excess of the loss allowance over the gross carrying amount of the loan issued is presented as a provision; and
- ⇒ Debt instruments measured at fair value through other comprehensive income: loss allowance is not recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the amount of the loss allowance is disclosed and recognised as part of the allowance for changes in fair value.

### Write-offs

Loans and debt securities are subject to write-off (partially or in full) when there is no reasonable expectation of their repayment. Typically, this is the case when the Group determines that the borrower does not have assets or sources of income that can generate cash flows sufficient to settle the amounts of debt to be written off. However, with respect to financial assets that have been written off, the Group may continue to carry out debt collection activities in accordance with the recovery policy.

### Cash and cash equivalents

Cash and cash equivalents are items that are readily convertible into a specified amount of cash and are subject to slight changes in value. Cash and cash equivalents include all interbank deposits, overnight deposits and reverse repo agreements with other banks with an initial maturity of up to one business day, are excluded from cash and cash equivalents in both the statement of financial position and the statement of cash flows. Cash and cash equivalents are carried at amortised cost because (i) they are held to collect contractual cash flows and those cash flows are exclusively payments of principal and interest, and (ii) they are not measured at fair value through profit or loss. Conditions imposed solely by law (e.g., debt conversion provisions in equity in some countries) do not affect the results of the SPPI test unless they are included in the terms of the contract and would apply even if the law were subsequently changed.

Disbursements or receipts presented in the statement of cash flows represent transfers of cash and cash equivalents to the Group, including amounts accrued or credited to the Group's current accounts of the Group's counterparties, such as interest income on a loan or principal recovered from a customer's current account, interest payments or loans issued, credited to the client's current account, representing cash or its equivalent from the client's point of view.

### Required reserves in accounts with the Central Bank of the Republic of Uzbekistan

Required reserves in accounts with the Central Bank of the Republic of Uzbekistan are carried at amortised cost and represent funds deposited with the Central Bank of the Republic of Uzbekistan that do not accrue interest and are not intended to finance the Group's day-to-day operations. Consequently, they are excluded from cash and cash equivalents for the purposes of preparing the statement of cash flows.

### **Bank Card Payments**

The initial recognition of pending settlements on bank cards occurs when there is a legal right to receive or a legal obligation to pay funds in accordance with the terms of the contract. Pending bank card settlements are recorded at amortised cost.

### **Funds in banks**

Funds from other banks are recognised when the Group provides cash to counterparty banks in advance payments. Funds from other banks are carried at amortised cost if (i) they are held to collect contractual cash flows and those cash flows are solely principal and interest payments, and (ii) they are not classified as measured at fair value through profit or loss.

### **Loans and advances to customers**

Loans and advances to customers presented in the statement of financial position include:

- ⇒ loans and advances to customers measured at amortised cost; they are initially measured at fair value taking into account the incremental direct costs of the transaction, and then at amortised cost using the effective interest method;
- ⇒ loans and advances to customers, assessed according to the FVTPL on a mandatory basis; Such loans are measured at fair value with immediate recognition of changes in their value in profit or loss. and
- ⇒ finance lease receivables.

When the Group acquires a financial asset and at the same time enters into an agreement to resell the asset (or substantially similar asset) at a fixed price at a future date, the arrangement is accounted for as a loan or advance and the underlying asset is not recognised in the Group's financial statements.

### **Collateral received in ownership for non-payment**

Collateral received for non-payment represents the financial and non-financial assets received by the Group in the settlement of overdue loans. These assets are initially recognised at fair value on receipt and included in property, plant and equipment, other financial assets, investment property or inventories in other assets, depending on their nature and the Group's intention to recover these assets, and are subsequently remeasured and accounted for in accordance with the accounting policies for these asset categories.

If the receipt of collateral for non-payment results in the acquisition of control of the business, the business combination is accounted for using the acquisition method, with the fair value of the settled loan representing the cost of acquisition. The accounting policy for associates applies to shares received for non-payment when the Group acquires significant influence but no control. The value of the associate is equal to the fair value of the loan settled by taking ownership of the pledged shares.

### **Investments in debt securities.**

Based on its business model and cash flow characteristics, the Group classifies investments in debt securities as measured at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss. Debt securities are carried at amortised cost if they are held to obtain contractual cash flows, these cash flows are solely payments of principal and interest and are not defined as measured at fair value through profit or loss on a voluntary basis in order to significantly reduce the accounting discrepancy.

Debt securities are carried under the FVTOCI if they are held for contractual cash flows and for sale, are only principal and interest payments, and are not designated at fair value through profit or loss. Interest income on these assets is calculated using the effective interest method and is recognised in profit or loss. An allowance for impairment determined on the basis of the expected credit loss model is recognised in profit or loss for the year. All other changes in carrying amount are recognised in other comprehensive income. When a debt security is derecognised, the comprehensive gain or loss previously recognised in other comprehensive income is reclassified from other comprehensive income to profit or loss.

If investments in debt securities do not qualify for amortised cost or fair value through other comprehensive income, they are carried at fair value through profit or loss. The Group may also designate investments in debt securities unconditionally at fair value through profit or loss at initial recognition if the use of this capability significantly reduces the accounting mismatch between financial assets and liabilities recognised or measured using different accounting methods.

### **Investments in equity securities**

Financial assets that meet the definition of equity from an issuer's point of view, i.e., instruments that do not contain a contractual obligation to pay cash and show that there is a residual interest in the issuer's net assets, are treated by the Group as investments in equity securities. Investments in equity securities are measured at fair value through profit or loss, unless the Group unconditionally elects to classify the equity investments at fair value through other comprehensive income at initial recognition. It is the Group's policy to designate equity investments at fair value through other comprehensive income when those investments are held for purposes other than investment income. If fair value measurement is chosen through other comprehensive income, fair value revaluation gains and losses are recognised in other comprehensive income and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses and their reversary, if any, are not measured separately from other changes in fair value. Dividends continue to be recognised in profit or loss when the Group's right to receive payments is established, unless they represent a reimbursement of an investment rather than a return on such investment.

### **Derivative financial instruments**

Derivative financial instruments, including forward and futures contracts, options contracts and swap transactions, are carried at fair value. All derivatives are accounted for as assets if the fair value of the instruments is positive and as liabilities if their fair value is negative. Changes in the fair value of foreign exchange derivative financial instruments are included in the income statement as "Income less expenses / (expenses less income) on transactions with foreign currency, foreign exchange derivatives and from revaluation of foreign currency". Changes in the fair value of derivative financial instruments with precious metals are classified as "income less expenses / (expenses less income) on transactions with precious metals, derivative financial instruments with precious metals and from the revaluation of accounts in precious metals"; changes in the fair value of derivatives with securities, interest rate derivatives and other derivative financial instruments to "income less expenses / (expenses less income) on transactions with other derivative financial instruments".

### **Fixed assets**

Fixed assets are carried at cost or at revalued cost as described below, less accumulated depreciation and allowance for impairment (if any).

Profits and losses arising from the disposal of fixed assets are determined on the basis of their residual value and are recorded as operating expenses in the statement of comprehensive income.

Repair and maintenance costs are reported in the statement of comprehensive income when they are incurred.

Construction in progress is accounted for at cost less an allowance for impairment.

Upon completion of construction, assets are transferred to property, plant and equipment and are recorded at book value at the time of transfer. Construction in progress is not subject to depreciation until the asset is put into operation.

### **Intangible assets**

The Group's intangible assets, other than goodwill, have a certain useful life and mainly include capitalized software, as well as intangible assets acquired as a result of a combination of companies (for example, a customer base and a trademark). Acquired and recognised intangible assets are capitalized on the basis of the costs incurred to acquire and introduce those assets. After initial recognition, intangible assets are carried at cost less any accumulated depreciation and any accumulated impairment losses. Intangible assets are depreciated on a straight-line basis and are measured for impairment if there is evidence that the assets are impaired.

### Depreciation

Depreciation of a fixed asset begins from the moment it is put into operation. Depreciation is calculated using the straight-line method over the following useful lives of assets:

- ⇒ Buildings - 20 years;
- ⇒ Office and computer equipment - from 5 to 10 years;
- ⇒ Vehicles - 5 years;
- ⇒ Intangible assets – 5 years.

Land has an unlimited useful life and is not subject to depreciation.

At the end of its useful life, the residual value of an asset is the estimated amount that the Group would receive at present if the asset were to be sold, less the estimated cost of disposal if the condition and age of the asset were consistent with the age and condition that the asset would have at the end of its useful life. The residual value of assets and their useful lives are reviewed and, if necessary, adjusted at the end of the reporting period.

### Operating lease

When the Group acts as a lessee and all risks and gains from ownership of the leased items are not transferred by the Group's lessor, the total amount of payments under operating leases is recognised in profit or loss accounts on a straight-line basis over the lease term. When assets are transferred to operating leases, lease payments receivable are recognised as lease income in operating lease income in the income statement using the straight-line write-off method over the lease term.

### Financial lease

In a finance lease, all the risks and rewards associated with ownership of the asset are transferred. Where the Group is a lessor, the Group accounts lease receivables in an amount equal to the net investment in the lease from the commencement date of the lease term. Finance income is calculated according to a scheme that reflects a constant periodic rate of return on the current value of net investments. Initial direct costs are included in the cost at the initial recognition of lease payments. Net investments in finance leases are recorded in loans and advances to customers.

### Finance lease liabilities

When the Group acts as a lessee and all risks and rewards of ownership are transferred to the Group, the leased assets are accounted for in property, plant and equipment from the date the lease relationship arises at the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is charged partly to the repayment of the obligation and partly to finance expenses in order to ensure a constant interest rate on the balance of the finance lease debt. The corresponding lease liabilities less future finance costs are included in the item "Other borrowings". Interest expense is recognised in profit or loss for the year over the lease term using the effective interest method. Assets acquired under a finance lease are amortised over their useful lives or, if the Group is not reasonably certain that it will acquire ownership at the end of the lease term, over a shorter lease term.

### Discontinued operations

A discontinued operation is a component of the Group that has been sold or classified as held for sale and (i) represents a separate significant line of business or a geographical area of business; (ii) is part of a single coordinated plan for the disposal of a single significant business or geographic area of operation; or (iii) is a subsidiary acquired solely for the purpose of subsequent resale. Revenue from discontinued operations is recognised separately from continuing operations with appropriate re-disclosures of comparative information.

### Financial liabilities

The Group classifies its financial liabilities other than financial guarantees and loan liabilities as measured at amortised cost or FVTPL.

### **Derecognition of financial liabilities**

Financial liabilities are derecognised when they are settled (i.e., when the obligation specified in the contract is fulfilled or terminated or when it expires).

### **Financial liabilities at fair value through profit or loss**

The Group may designate certain liabilities as measured at fair value through profit or loss at initial recognition. Profits and losses on such liabilities are presented in profit or loss other than the amount of changes in fair value that are attributable to changes in the liability's credit risk (defined as the amount that is not attributable to changes in market conditions that give rise to market risk) that is recognised in other comprehensive income and is not subsequently reclassified to profit or loss. This is possible if such a view does not create or exacerbate the accounting discrepancy. In this case, gains and losses related to changes in the credit risk of the liability are also recognised in profit or loss.

### **Funds of banks**

Banks' funds are accounted for starting from the moment the Group issues cash or other assets by counterparty banks. Banks' funds are non-derivative financial liabilities and are carried at amortised cost or at the FVTPL.

### **Customer Funds**

Funds of individuals and corporate customers include non-derivative financial liabilities to individuals and corporate clients (including government agencies and companies controlled by the state) and are carried at amortised cost or at the AC of the FVTPL.

### **Debt securities issued**

Debt securities issued include promissory notes, certificates of deposit and savings certificates, as well as other debt instruments issued by the Group. Debt securities issued, other than equity participations described below, are carried at amortised cost. If the Group buys back its own debt securities, they are excluded from the statement of financial position and the difference between the current value of the liability and the amount paid is included in other operating income in the income statement.

### **Other borrowings**

Other borrowings are represented by syndicated loans raised by the Group in the financial markets, as well as trade finance transactions. Other borrowings are carried at amortised cost.

### **Loan commitments**

The Group issues loan commitments. Such liabilities represent irrevocable obligations or liabilities that can only be withdrawn in response to material adverse changes. Such liabilities are initially carried at fair value, usually evidenced by the amount of interest received. This amount is amortised on a straight-line basis over the life of the obligation, except for the obligation to extend loans, in where it is probable that the Group will enter into a specific loan agreement and do not plan to implement the loan within a short period of time after it has been disbursed; Such fee and commission income related to the loan obligation is accounted for as deferred income and included in the carrying amount of the loan at initial recognition. At the end of each reporting period, liabilities are measured as (i) the unamortised balance of the amount at initial recognition plus (ii) the amount of the contingent allowance determined on the basis of the expected credit loss model, if the liability is not to extend a loan at an interest rate below the market rate, then the amount of the liability is equal to the higher of the two amounts. The carrying amount of the loan liabilities is obligation. For contracts that include a loan and an unused liability, if the Group is unable to separately identify the expected credit losses for the unused credit component and the loan component, the expected credit losses on the unused liability are recognised together with the loan loss allowance. Expected credit losses in the amount of the excess of total expected credit losses over the gross carrying amount of the loan are recognised as a liability.

### **Financial guarantees**

Financial guarantees require the Group to make certain payments to reimburse the guarantor for losses incurred in the event that the debtor fails to make timely payment under the original or modified terms of the debt instrument.

Financial guarantees are initially measured at fair value, usually supported by the amount of interest received. This amount is amortised on a straight-line basis over the life of the guarantee. At the end of each reporting period, liabilities are measured at the higher of (i) the amount of the allowance for losses on the guarantee determined using the expected credit loss model, and (ii) the remaining unamortised balance of the amount recognised at initial recognition. In addition, a provision for expected credit losses is recognised for interest receivables that are recognised as an asset in the statement of financial position.

### **Guarantees for the performance of liabilities**

Performance guarantees are contracts that provide for compensation if the other party to the contract fails to perform its contractual obligation. In addition to credit risk, these contracts transfer the non-financial risk of non-performance of the contractual obligation. Performance guarantees are initially recognised at fair value, usually confirmed by the amount of interest received during the term of the contract. At the end of each reporting period, performance guarantee contracts are measured at the higher of (i) the unamortised balance of the initial recognition amount; and (ii) the amount of loss for the liability determined on the basis of the expected loss model. Where the Group has a contractual right to apply to the customer for reimbursement of amounts paid to settle performance guarantee contracts, those amounts shall be recognised as an asset after the loss compensation is transferred to the beneficiary under the guarantee. These payments are recognised as fee and commission income in profit or loss.

### **Accounts payable and other payables**

Trade and other payables are accrued if the counterparty has fulfilled its contractual obligations and are carried at amortised cost.

### **Authorized capital**

Ordinary shares and non-redeemable shares are recognised in equity. Third-party service costs directly attributable to the issuance of new shares, except in the case of a business combination, are recognised in equity as a reduction in the amount received from the issue. The excess of the fair value of the proceeds received over the nominal value of the shares issued is recognised as additional capital.

### **Dividends**

Dividends are recognised as liabilities and are deducted from equity at the end of the reporting period only if they are declared up to and including the end of the reporting period. Information on dividends is disclosed in a note on events that occurred after the end of the reporting period, if they were declared after the end of the reporting period. Payment of dividends and other distribution of profits is carried out on the basis of the net profit of the current year according to the financial statements prepared in accordance with the legislation of the Republic of Uzbekistan.

Once approved by the general meeting of shareholders, dividends are recognised in the consolidated financial statements as a distribution of profits.

### **Earnings per share**

Earnings per share are determined by dividing the profit or loss attributable to the holders of the Group's shares by the weighted average number of shares outstanding during the reporting period.

### **Interest income and expenses calculated using the effective interest rate method**

Interest income and expense on all debt instruments measured at amortised cost and measured at fair value through other comprehensive income are recognised on an accrual basis using the effective interest method.

Such calculation includes in interest income and expenses all commissions and payments paid and received by the parties to the contract and forming an integral part of the effective interest rate, transaction costs, as well as all other premiums or discounts.

Fees related to the effective interest rate include fees received or paid by an entity in connection with the formation or acquisition of a financial asset or the issuance of a financial liability (eg fees for assessing creditworthiness, assessing or accounting for guarantees or collateral, for settling the terms of the instrument and for processing transaction documents).

Fees on the obligation received by the Group for making a loan at market rates are an integral part of the effective interest rate if it is probable that the Group will enter into a specific loan agreement and does not plan to sell the loan within a short period of time after it is disbursed. The Group does not classify a credit obligation as a financial liability measured at fair value through profit or loss.

For credit impaired financial assets created or acquired, the effective interest rate is the rate that discounts the expected cash flows (including initial expected credit losses) to the fair value at initial recognition (usually corresponding to the acquisition price). As a result, the effective interest rate is adjusted for credit risk.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except:

- ⇒ financial assets that have become impaired (Stage 3) and for which interest income is calculated by applying an effective interest rate to their amortised cost (less provision for expected credit losses);
- ⇒ credit-impaired financial assets created or acquired, for which the original effective interest rate, adjusted for credit risk, is applied to amortised cost.

#### **Fee and commission income and expenses**

Fee and commission income and expenses that are an integral part of the effective interest rate on a financial asset or liability are included in the calculation of the effective interest rate.

A contract with a customer that results in the recognition of a financial instrument in the Group's consolidated financial statements may be partly within the scope of IFRS 9 and partly within the scope of IFRS 15. In this case, the Group first applies the requirements of IFRS 9 to separate and account for the part of the contract that is within the scope of IFRS 9 and then applies IFRS 15 to the remainder.

The Group recognises other fee and commission income when or to the extent that it fulfils its obligation to perform under the contract by providing a service to the customer.

#### **Other interest income and expenses**

Other interest income and expenses represent interest income and expenses on debt instruments measured at the FVTPL and are carried on an accrual basis using the nominal interest rate.

#### **Taxation**

Income tax expense includes current and deferred taxes and is recorded in the income statement and other comprehensive income. Taxation expenses are reflected in the financial statements in accordance with the requirements of the current legislation of the Republic of Uzbekistan.

Current tax payments are calculated on the basis of taxable profit for the year using the income tax rates in effect during the reporting period.

Current tax amounts are funds payable to the budget or refunded from the budget in connection with taxable profits or losses of the current or previous period. If the consolidated financial statements are allowed to be issued prior to the filing of the relevant tax returns, the tax amounts reflected therein are based on estimates.

Deferred income tax is calculated using the book assets and liabilities method in respect of all tax losses to be carried forward and temporary differences between the taxable basis of assets and liabilities and their carrying amounts for the purposes of the consolidated financial statements.

Deferred tax amounts are measured at tax rates that are actually effective at the end of the reporting period or that are expected to apply during the period of reversal of temporary differences or uses carried forward from prior tax losses. Deferred tax assets and liabilities are set off against each other if there is a legally enforceable right to offset current tax assets and liabilities. Deferred tax assets in respect of deductible temporary differences and tax losses are recognised to the extent that it is probable that sufficient taxable profit will be available against which the deductions can be used. Management judgement is required to determine the amount of deferred tax assets that can be recognised in the consolidated financial statements based on the likely timing and amount of future taxable profit and future tax planning strategies.

In addition, the Republic of Uzbekistan has various operating taxes applicable to the Group. These taxes are recognised in the income statement and other comprehensive income as operating expenses.

### Offsetting

Financial assets and liabilities are offset and the net present value is recognised in the statement of financial position only when there is a statutory right to offset the amounts recognised and there is an intention either to offset or to realise the asset and settle the liability at the same time. The right to offset **(a)** must not be conditional on a future event and **(b)** shall be valid in all of the following circumstances: **(i)** in the ordinary course of business, **(ii)** in the event of default, and **(iii)** in the event of insolvency or bankruptcy.

### Employee remuneration and social security contributions

On the territory of the Republic of Uzbekistan, the Group makes deductions for the unified social tax. These deductions are also reflected on an accrual basis. The unified social tax includes contributions to the Pension Fund. The Group does not have its own pension scheme. Salary, state pension and social insurance contributions, paid annual leave and sick leave, bonuses and non-cash benefits are accrued as the relevant services are provided by the Group's employees.

### Segment Information

Operating segments are identified on the basis of internal reports on the Group's components, which are regularly reviewed by the Chief Operating Decision Officer in order to allocate resources to the segments and assess their performance.

The Group assesses information on reportable segments in accordance with IFRS. A reportable operating segment is allocated when one of the following quantitative requirements is met:

- ⇒ its revenue from sales to external customers and from operations with other segments is at least 10 percent of the total revenue - external and internal - of all operating segments; or
- ⇒ the absolute measure of profit or loss is at least 10 per cent of the greater of **(i)** the aggregate profit of all operating segments that did not show a loss and **(ii)** the aggregate loss of all operating segments that showed a loss; or
- ⇒ Its assets account for at least 10 percent of the total assets of all operating segments.
- ⇒ its assets and liabilities amount to at least 10 percent of the total capital.

In the event that the total external sales revenue shown by operating segments is less than 75 per cent of the entity's revenues, additional operating segments are recognised as reportable segments (even if they do not meet the quantitative criteria set out above) until at least 75 per cent of the Group's revenue is included in the reported segments.

### Foreign currency

Transactions in foreign currencies are initially translated into functional currency at the exchange rate of the Central Bank of the Republic of Uzbekistan effective on the date of the transaction. Gains and losses arising from the translation of transactions in foreign currencies are reflected in the income statement in the line income less expenses from the revaluation of foreign currency. Non-monetary items recorded at actual cost in foreign currency are translated at the exchange rate of the Central Bank of the Republic of Uzbekistan effective on the date of the transaction. Non-monetary items carried at fair value in a foreign currency are translated at the exchange rate in effect at the date of fair value.

At the date of the consolidated financial statements, the Group's assets and liabilities whose functional currency differs from the presentation currency of the Group are translated into UZS at the exchange rate prevailing at the reporting date and their income statements are translated at the weighted average annual rate. Exchange differences arising from such translation are recognised in other comprehensive income. On the disposal of a subsidiary or associate whose functional currency is different from the presentation currency of the Group, the total amount recognised in other comprehensive income attributable to that entity is reclassified from other comprehensive income to profit or loss for the reporting period.

Gold, silver and other precious metals are recorded in accordance with the purchase rates officially established by the Central Bank of Uzbekistan. Changes in purchase prices of the Central Bank of the Republic of Uzbekistan are accounted for as exchange differences in income less foreign currency revaluation expenses in the statement of comprehensive income.

### Transactions with related parties

The Group conducts transactions with related parties. The parties are considered to be related, including if one of them has the ability to control the other, together with the other party is under common control, is under the joint control of the other party and the third party, or can have a significant influence on the other party's financial and operational decisions.

## 7. Cash and cash equivalents

	31 December 2025	31 December 2024
Cash and cash equivalents measured at amortised cost	3 981 280	2 811 872
<b>Total cash and cash equivalents</b>	<b><u>3 981 280</u></b>	<b><u>2 811 872</u></b>

### Cash and cash equivalents measured at amortised cost

Cash on hand	703 551	874 095
Balances of funds on current accounts with the Central Bank of the Republic of Uzbekistan	584 034	496 126
Balances of funds on current accounts in other banks	2 694 029	1 442 540
Provision for credit losses	(334)	(889)
<b>Total cash and cash equivalents measured at amortised cost</b>	<b><u>3 981 280</u></b>	<b><u>2 811 872</u></b>

As of 31 December 2025, the Group had balances on accounts and deposits with two banks, whose cash balances exceed 10% of the Group's equity. The aggregate amount of these funds amounted to UZS 1,998,007 million (in 2024, respectively, in the two banks in the amount of 1 077 836 million UZS).

The table below provides an analysis of the credit quality of cash and cash equivalents measured at amortised cost based on credit ratings as at 31 December 2025. A description of the Group's credit risk classification system is provided in Note 30. The carrying amount of cash and cash equivalents balances as at 31 December 2025 in the table below also represents the Group's maximum exposure to credit risk for these assets:

	Low credit risk	Medium credit risk	Total
Balances of funds on current accounts with the Central Bank of the Republic of Uzbekistan	584 034	-	584 034
Balances of funds on current accounts in other banks	2 607 175	86 854	2 694 029
Provision for credit losses	(83)	(251)	(334)
<b>Total cash and cash equivalents measured at amortised cost, other than cash on hand</b>	<b><u>3 191 126</u></b>	<b><u>86 603</u></b>	<b><u>3 277 729</u></b>

The table below provides an analysis of the credit quality of cash and cash equivalents measured at amortised cost based on credit ratings as at 31 December 2024:

	Low credit risk	Medium credit risk	Total
Balances of funds on current accounts with the Central Bank of the Republic of Uzbekistan	496 126	-	496 126
Balances of funds on current accounts in other banks	1 439 612	2 928	1 442 540
Provision for credit losses	(885)	(4)	(889)
<b>Total cash and cash equivalents measured at amortised cost, other than cash on hand</b>	<b><u>1 934 853</u></b>	<b><u>2 924</u></b>	<b><u>1 937 777</u></b>

The values of credit ratings in the table above are determined based on the rating scale of international rating agencies.

The table below provides a reconciliation of the opening balances of the current account loss reserve with other banks carried at amortised cost by category. The approach to estimating expected credit losses is disclosed in Note 30.

	Stage 1 12-month expected credit losses	Stage 2 Lifetime Expected Credit Losses – Unimpaired Assets	Total
Balance as of 01 January 2024	<u>1 312</u>	<u>90</u>	<u>1 402</u>
Restoration of provision for credit losses	(423)	(90)	(513)
Balance as of 31 December 2024	<u>889</u>	-	<u>889</u>
Restoration of provision for credit losses	(555)	-	(555)
Balance as at 31 December 2025	<u>334</u>	-	<u>334</u>

#### 8. Due from credit institutions

	31 December 2025	31 December 2024
Due from credit institutions at amortised cost	748 010	87 770
<b>Total due from credit institutions</b>	<u><u>748 010</u></u>	<u><u>87 770</u></u>

#### Funds from credit institutions measured at amortised cost

Term deposits with other banks for a period of more than 90 days	771 534	88 945
Limited Use Funds	1 078	-
Provision for credit losses	(24 602)	(1 175)
<b>Total cash and cash equivalents measured at amortised cost</b>	<u><u>748 010</u></u>	<u><u>87 770</u></u>

The table below provides an analysis of due from credit institutions as at 31 December 2025, which also reflects the Group's maximum exposure to credit risk for these assets:

	Low credit risk	Medium credit risk	Total
Term deposits with other banks for a period of more than 90 days	303 583	467 951	771 534
Limited Use Funds	1 078	-	1 078
Provision for credit losses	(1 190)	(23 412)	(24 602)
<b>Total due from other banks, measured at amortized cost</b>	<u><u>303 471</u></u>	<u><u>444 539</u></u>	<u><u>748 010</u></u>

The table below provides an analysis of due from credit institutions as at 31 December 2024, which also reflects the Group's maximum exposure to credit risk for these assets:

	Low credit risk	Medium credit risk	Total
Term deposits with other banks for a period of more than 90 days	71 811	17 134	88 945
Provision for credit losses	(312)	(863)	(1 175)
<b>Total due from other banks, measured at amortized cost</b>	<b><u>71 499</u></b>	<b><u>16 271</u></b>	<b><u>87 770</u></b>

The values of credit ratings in the table above are determined based on the rating scale of international rating agencies.

The table below provides a reconciliation of the opening balances of the allowance for losses on funds from credit institutions carried at amortised cost, broken down by relevant categories. The approach to estimating expected credit losses is disclosed in Note 30.

	Stage 1 12-month expected credit losses	Total
<b>Balance as of 01 January 2024</b>	<b><u>1 142</u></b>	<b><u>1 142</u></b>
Provision for credit losses	33	33
<b>Balance as of 31 December 2024</b>	<b><u>1 175</u></b>	<b><u>1 175</u></b>
Provision for credit losses	23 427	23 427
<b>Balance as at 31 December 2025</b>	<b><u>24 602</u></b>	<b><u>24 602</u></b>

## 9. Investment Financial Assets

	31 December 2025	31 December 2024
Securities measured at amortized cost	525 860	211 677
Reserve for possible losses on securities	(2 268)	(153)
Securities measured at fair value through other comprehensive income – equity instruments	80 487	107
<b>Total investment financial assets</b>	<b><u>604 079</u></b>	<b><u>211 631</u></b>

### Securities measured at amortized cost

Government bonds	108 170	45 879
Bonds of the Central Bank of the Republic of Uzbekistan	407 300	155 408
Other debt securities	10 390	10 390
Reserve for possible losses on securities	(2 268)	(153)
<b>Total securities measured at fair value through profit or loss</b>	<b><u>523 592</u></b>	<b><u>211 524</u></b>

**Securities measured at fair value through other comprehensive income – equity instruments**

	31 December 2025	31 December 2024
JSC "Uzbekistan Mortgage Refinancing Company"	60 213	-
"UNITED VENTURES" LLC	3 337	-
Credit Bureau "Credit Information Analysis Center" LLC	16 937	-
<b>Total Securities Measured at Fair Value through Other Comprehensive Income – Equity Instruments</b>	<b><u>80 487</u></b>	<b><u>-</u></b>

**10. Loans and advances to customers**

	31 December 2025	31 December 2024
Loans and advances to customers measured at amortised cost	21 443 561	17 236 151
Loans and advances to customers measured at fair value through profit or loss	1 362 777	999 192
<b>Total loans and advances to customers</b>	<b><u>22 806 338</u></b>	<b><u>18 235 343</u></b>

**Loans and advances to customers measured at amortised cost**

The table below shows the structure of the concentration of the loan portfolio by sector of the economy as of 31 December 2025.

	Gross Book Value	Provision for credit losses	Book value
Individuals	9 553 656	(305 002)	9 248 654
Industry	4 038 939	(187 325)	3 851 614
Agriculture and food industry	4 148 960	(197 995)	3 950 965
Trade	1 455 305	(77 089)	1 378 216
Construction	1 430 107	(45 642)	1 384 465
Services	593 446	(35 473)	557 973
Transport and communications	223 148	(5 844)	217 304
<b>Total loans and advances to customers measured at amortised cost</b>	<b><u>21 443 561</u></b>	<b><u>(854 370)</u></b>	<b><u>20 589 191</u></b>

The table below shows the structure of the concentration of the loan portfolio by sector of the economy as of 31 December 2024.

	Gross Book Value	Provision for credit losses	Book value
Individuals	7 545 297	(469 729)	7 075 568
Industry	3 937 964	(276 795)	3 661 169
Agriculture and food industry	3 365 968	(208 777)	3 157 191
Trade	1 496 243	(128 051)	1 368 192
Construction	1 246 718	(42 582)	1 204 136
Services	593 025	(46 734)	546 291
Transport and communications	231 699	(8 095)	223 604
<b>Total loans and advances to customers measured at amortised cost</b>	<b><u>18 416 914</u></b>	<b><u>(1 180 763)</u></b>	<b><u>17 236 151</u></b>

As at 31 December 2025, the Group did not have a loan balance exceeding 10% of the Group's equity, but as at 31 December 2024, the Group had a loan balance for two borrowers with loan balances exceeding 10% of the Group's equity. The amount of these loans amounted to 787,930 million UZS.

The tables below provide an analysis of the credit quality of loans and advances to customers measured at amortised cost provided by the Group as at 31 December 2025. With a description of the terms 12-month expected credit losses, lifetime expected credit losses, see Note 30. The analysis of the credit quality of loans and advances to customers presented in the tables below is based on the borrower credit quality scale developed by the Group.

Loans and advances to customers measured at amortised cost SUMMARY for 2025	Stage 1 12-month Expected credit losses	Stage 2 Lifetime Expected Credit Losses – Unimpaired Assets	Stage 3 Lifetime Expected Credit Losses – Impaired Assets	Total
Minimal credit risk	10 137 016	1 932 622	302 025	12 371 663
Low credit risk	1 746 084	1 893 811	456 265	4 096 160
Medium credit risk	1 415 691	737 602	621 228	2 774 521
High credit risk	73 529	294 267	901 604	1 269 400
Default loans		566 953	364 864	931 817
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>13 372 320</u></b>	<b><u>5 425 255</u></b>	<b><u>2 645 986</u></b>	<b><u>21 443 561</u></b>
Provision for credit losses	(149 168)	(378 018)	(327 184)	(854 370)
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>13 223 152</u></b>	<b><u>5 047 237</u></b>	<b><u>2 318 802</u></b>	<b><u>20 589 191</u></b>

Legal entities for 2025	Stage 1 12-month expected credit losses	Stage 2 Lifetime Expected Credit Losses – Unimpaired Assets	Stage 3 Lifetime Expected Credit Losses – Impaired Assets	Total
Minimal credit risk	4 191 390	1 233 618	207 008	5 632 016
Low credit risk	913 995	1 584 336	326 163	2 824 494
Medium credit risk	1 287 119	365 187	316 026	1 968 332
High credit risk	14 130	100 581	577 066	691 777
Default loans	-	566 953	206 331	773 284
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>6 406 634</u></b>	<b><u>3 850 675</u></b>	<b><u>1 632 594</u></b>	<b><u>11 889 903</u></b>
Provision for credit losses	(96 774)	(298 677)	(153 917)	(549 368)
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>6 309 860</u></b>	<b><u>3 551 998</u></b>	<b><u>1 478 677</u></b>	<b><u>11 340 535</u></b>

Individuals for 2025	Stage 1 12-month expected credit losses	Stage 2 Lifetime Expected Credit Losses – Unimpaired Assets	Stage 3 Lifetime Expected Credit Losses – Impaired Assets	Total
Minimal credit risk	5 945 626	699 004	95 017	6 739 647
Low credit risk	832 089	309 474	130 101	1 271 664
Medium credit risk	128 572	372 416	305 202	806 190
High credit risk	59 399	193 686	324 538	577 623
Default loans	-	-	158 534	158 534
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>6 965 686</u></b>	<b><u>1 574 580</u></b>	<b><u>1 013 392</u></b>	<b><u>9 553 658</u></b>
Provision for credit losses	(52 395)	(79 340)	(173 267)	(305 002)
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>6 913 291</u></b>	<b><u>1 495 240</u></b>	<b><u>840 125</u></b>	<b><u>9 248 656</u></b>

The tables below provide an analysis of the credit quality of loans and advances to customers measured at amortised cost provided by the Group as at 31 December 2024.

<b>Loans and advances to customers measured at amortised cost SUMMARY for 2024</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Minimal credit risk	9 433 285	3 226 964	534 142	<b>13 194 391</b>
Low credit risk	857 895	1 147 597	530 271	<b>2 535 763</b>
Medium credit risk	493 935	313 096	381 099	<b>1 188 130</b>
High credit risk	79 046	73 048	1 162 514	<b>1 314 608</b>
Default loans	-	-	184 022	<b>184 022</b>
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>10 864 161</u></b>	<b><u>4 760 705</u></b>	<b><u>2 792 048</u></b>	<b><u>18 416 914</u></b>
Provision for credit losses	(177 928)	(486 806)	(516 029)	<b>(1 180 763)</b>
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>10 686 233</u></b>	<b><u>4 273 899</u></b>	<b><u>2 276 019</u></b>	<b><u>17 236 151</u></b>

<b>Legal entities for 2024</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Minimal credit risk	4 466 154	2 255 919	470 383	<b>7 192 456</b>
Low credit risk	434 883	856 275	461 569	<b>1 752 727</b>
Medium credit risk	409 938	159 496	216 434	<b>785 868</b>
High credit risk	48 909	24 639	924 581	<b>998 129</b>
Default loans	-	-	142 437	<b>142 437</b>
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>5 359 884</u></b>	<b><u>3 296 329</u></b>	<b><u>2 215 404</u></b>	<b><u>10 871 617</u></b>
Provision for credit losses	(81 368)	(316 900)	(312 767)	<b>(711 034)</b>
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>5 278 516</u></b>	<b><u>2 979 429</u></b>	<b><u>1 902 637</u></b>	<b><u>10 160 583</u></b>

<b>Individuals for 2024</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Minimal credit risk	4 967 131	971 045	63 759	<b>6 001 935</b>
Low credit risk	423 012	291 322	68 702	<b>783 036</b>
Medium credit risk	83 997	153 600	164 665	<b>402 262</b>
High credit risk	30 137	48 409	237 933	<b>316 479</b>
Default loans	-	-	41 585	<b>41 585</b>
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>5 504 277</u></b>	<b><u>1 464 376</u></b>	<b><u>576 644</u></b>	<b><u>7 545 297</u></b>
Provision for credit losses	(96 561)	(169 906)	(203 262)	<b>(469 729)</b>
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>5 407 716</u></b>	<b><u>1 294 470</u></b>	<b><u>373 382</u></b>	<b><u>7 075 568</u></b>

The tables below provide an analysis of the movement of the Provision for credit losses on loans and advances to customers measured at amortised cost as at 31 December 2025.

Summary for 2025	Stage 1	Stage 2	Stage 3	Total
<b>Reserve balance at the beginning of the period</b>	<b><u>177 928</u></b>	<b><u>486 806</u></b>	<b><u>516 029</u></b>	<b><u>1 180 763</u></b>
Transfer to Stage 1	(165 921)	118 884	47 037	-
Transfer to Stage 2	82 590	(177 479)	94 889	-
Transfer to Stage 3	17 609	25 936	(43 545)	-
Net expense from the creation / (restoration) of the credit loss allowance within one stage	36 962	(76 129)	(287 226)	<b>(326 393)</b>
- including for new loans issued	(11 853)	(27 352)	(18 437)	<b>(57 642)</b>
<b>Reserve balance at the end of the period</b>	<b><u>149 168</u></b>	<b><u>378 018</u></b>	<b><u>327 184</u></b>	<b><u>854 370</u></b>

Legal entities for 2024	Stage 1	Stage 2	Stage 3	Total
<b>Reserve balance at the beginning of the period</b>	<b><u>81 368</u></b>	<b><u>316 900</u></b>	<b><u>312 766</u></b>	<b><u>711 034</u></b>
Transfer to Stage 1	(91 584)	67 279	24 305	-
Transfer to Stage 2	28 407	(81 124)	52 717	-
Transfer to Stage 3	9 205	20 141	(29 346)	-
Net expense from the creation / (restoration) of the credit loss allowance within one stage	69 378	(24 519)	(206 525)	<b>(161 666)</b>
- including for new loans issued	(4 831)	(17 635)	(4 975)	<b>(27 441)</b>
<b>Reserve balance at the end of the period</b>	<b><u>96 774</u></b>	<b><u>298 677</u></b>	<b><u>153 917</u></b>	<b><u>549 368</u></b>

Individuals for 2024	Stage 1	Stage 2	Stage 3	Total
<b>Reserve balance at the beginning of the period</b>	<b><u>96 561</u></b>	<b><u>169 906</u></b>	<b><u>203 262</u></b>	<b><u>469 729</u></b>
Transfer to Stage 1	(74 337)	51 606	22 731	-
Transfer to Stage 2	54 183	(96 356)	42 173	-
Transfer to Stage 3	8 404	5 794	(14 198)	-
Net expense from the creation / (restoration) of the credit loss allowance within one stage	(32 416)	(51 609)	(80 702)	<b>(164 727)</b>
- including for new loans issued	(7 022)	(9 717)	(13 462)	<b>(30 201)</b>
<b>Reserve balance at the end of the period</b>	<b><u>52 395</u></b>	<b><u>79 341</u></b>	<b><u>173 266</u></b>	<b><u>305 002</u></b>

The tables below provide an analysis of the movement of the Provision for credit losses on loans and advances to customers accounted at amortised cost as at 31 December 2024.

Summary for 2024	Stage 1	Stage 2	Stage 3	Total
<b>Reserve balance at the beginning of the period</b>	<b><u>91 300</u></b>	<b><u>342 322</u></b>	<b><u>657 041</u></b>	<b><u>1 090 663</u></b>
Transfer to Stage 1	(26 547)	14 146	12 401	-
Transfer to Stage 2	135 397	(218 549)	83 152	-
Transfer to Stage 3	2 994	222 478	(225 472)	-
Net expense from the creation / (restoration) of the credit loss allowance within one stage	(25 216)	126 409	(11 093)	<b>90 100</b>
- including for new loans issued	119 340	202 141	47 238	<b>368 719</b>
<b>Reserve balance at the end of the period</b>	<b><u>177 928</u></b>	<b><u>486 806</u></b>	<b><u>516 029</u></b>	<b><u>1 180 763</u></b>

Legal entities for 2024	Stage 1	Stage 2	Stage 3	Total
<b>Reserve balance at the beginning of the period</b>	<b><u>40 120</u></b>	<b><u>268 323</u></b>	<b><u>399 423</u></b>	<b><u>707 866</u></b>
Transfer to Stage 1	(12 829)	6 126	6 703	-
Transfer to Stage 2	110 505	(180 315)	69 810	-
Transfer to Stage 3	477	218 737	(219 214)	-
Net expense from the creation / (restoration) of the credit loss allowance within one stage	(56 905)	4 029	56 044	<b>3 168</b>
- including for new loans issued	39 661	90 681	9 358	<b>139 700</b>
<b>Reserve balance at the end of the period</b>	<b><u>81 368</u></b>	<b><u>316 900</u></b>	<b><u>312 766</u></b>	<b><u>711 034</u></b>

Individuals for 2024	Stage 1	Stage 2	Stage 3	Total
<b>Reserve balance at the beginning of the period</b>	<b><u>51 180</u></b>	<b><u>73 999</u></b>	<b><u>257 618</u></b>	<b><u>382 797</u></b>
Transfer to Stage 1	(13 718)	8 020	5 698	-
Transfer to Stage 2	24 892	(38 234)	13 342	-
Transfer to Stage 3	2 517	3 741	(6 258)	-
Net expense from the creation / (restoration) of the credit loss allowance within one stage	31 690	122 380	(67 138)	<b>86 932</b>
- including for new loans issued	79 679	111 460	37 880	<b>229 019</b>
<b>Reserve balance at the end of the period</b>	<b><u>96 561</u></b>	<b><u>169 906</u></b>	<b><u>203 262</u></b>	<b><u>469 729</u></b>

The table below provides information on the credit quality of loans and advances to customers as of 31 December 2025:

Loans and advances to customers	Loans to legal entities	Loans to individuals	Total
Neither past due nor impaired	8 624 426	6 981 851	15 606 277
<b><u>Overdue</u></b>			
- with a delay in payment of less than 30 days	1 347 065	1 302 063	2 649 128
- with a delay in payment from 31 to 90 days	961 573	763 592	1 725 165
- with a delay in payment from 91 to 180 days	259 184	84 341	343 525
- with a delay in payment of more than 181 days	697 655	421 811	1 119 466
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>11 889 903</u></b>	<b><u>9 553 658</u></b>	<b><u>21 443 561</u></b>
Provision for credit losses	(549 368)	(305 002)	(854 370)
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>11 340 535</u></b>	<b><u>9 248 656</u></b>	<b><u>20 589 191</u></b>

The table below provides information on the credit quality of loans and advances to customers as of 31 December 2024:

Loans and advances to customers	Loans to legal entities	Loans to individuals	Total
Neither past due nor impaired	6 305 925	6 234 365	12 540 290
<b><u>Overdue</u></b>			
- with a delay in payment of less than 30 days	2 351 709	385 372	2 737 081
- with a delay in payment from 31 to 90 days	859 634	510 424	1 370 058
- with a delay in payment from 91 to 180 days	235 422	120 333	355 755
- with a delay in payment of more than 181 days	1 118 927	294 803	1 413 730
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>10 871 617</u></b>	<b><u>7 545 297</u></b>	<b><u>18 416 914</u></b>
Provision for credit losses	(711 034)	(469 729)	(1 180 763)
<b>Total loans and advances to customers measured at amortised cost less provision</b>	<b><u>10 160 583</u></b>	<b><u>7 075 568</u></b>	<b><u>17 236 151</u></b>

**Loans and advances to customers measured at fair value through profit or loss**

The table below shows the structure of the concentration of the loan portfolio by sectors of the economy:

	31 December 2025	31 December 2024
Agriculture and food industry	399 841	83 882
Industry	377 970	190 137
Services	246 423	153 134
Individuals	161 067	422 441
Trade	136 445	100 279
Construction	30 502	28 390
Transport and communications	10 529	20 929
<b>Total loans and advances to customers measured at fair value through profit or loss</b>	<b><u>1 362 777</u></b>	<b><u>999 192</u></b>

The following tables provide an analysis of the credit quality of loans and advances to customers measured at fair value through profit or loss provided by the Group as at 31 December 2025 and 2024 using the borrower credit quality scale developed by the Group for loans and advances accounted at amortised cost:

for 2025	Commercial loans of legal entities	Consumer and other loans to individuals	Total
Minimal credit risk	476 154	57 907	534 061
Low credit risk	338 852	56 913	395 765
Medium credit risk	161 481	18 991	180 472
High credit risk	203 840	24 760	228 600
Default loans	21 382	2 497	23 879
<b>Total loans and advances to customers measured at fair value through profit or loss</b>	<b><u>1 201 709</u></b>	<b><u>161 068</u></b>	<b><u>1 362 777</u></b>

for 2024	Commercial loans of legal entities	Consumer and other loans to individuals	Total
Minimal credit risk	425 852	265 419	691 271
Low credit risk	43 460	57 174	100 634
Medium credit risk	40 634	47 161	87 795
High credit risk	65 780	49 459	115 239
Default loans	1 025	3 228	4 253
<b>Total loans and advances to customers measured at fair value through profit or loss</b>	<b><u>576 751</u></b>	<b><u>422 441</u></b>	<b><u>999 192</u></b>

The table below provides information on the credit quality of loans and advances to customers as of 31 December 2025:

Loans and advances to customers	Loans to legal entities	Loans to individuals	Total
Neither past due nor impaired	663 423	65 372	728 795
<b><u>Overdue</u></b>			
- with a delay in payment of less than 30 days	167 120	17 270	184 390
- with a delay in payment from 31 to 90 days	41 521	7 966	49 487
- with a delay in payment from 91 to 180 days	106 632	28 293	134 925
- with a delay in payment of more than 181 days	223 013	42 167	265 180
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>1 201 709</u></b>	<b><u>161 068</u></b>	<b><u>1 362 777</u></b>

The table below provides information on the credit quality of loans and advances to customers as of 31 December 2024:

Loans and advances to customers	Loans to legal entities	Loans to individuals	Total
Neither past due nor impaired	363 276	243 824	607 100
<b><u>Overdue</u></b>			
- with a delay in payment of less than 30 days	60 949	34 513	95 462
- with a delay in payment from 31 to 90 days	54 228	66 413	120 641
- with a delay in payment from 91 to 180 days	9 116	20 407	29 523
- with a delay in payment of more than 181 days	89 182	57 284	146 466
<b>Total loans and advances to customers measured at amortised cost before provisions</b>	<b><u>576 751</u></b>	<b><u>422 441</u></b>	<b><u>999 192</u></b>

#### 11. Investment in associates

	31 December 2025	31 December 2024
JV LLC Microfinance Organization "UNA MOLIYA"	18 170	-
"Zarbdor Invest" LLC	9 957	-
<b>Total investments in associates</b>	<b><u>28 127</u></b>	<b><u>-</u></b>

## 12. Fixed assets and intangible assets

The following information is provided on the value of fixed assets and intangible assets as of 31 December 2025.

	Buildings and structures	Office & Computer Equipment	Right-of-use assets	Construction in progress	Total Fixed Assets	Intangible assets	Total
<b>Cost or Valuation</b>							
as of 01 January 2025	1 202 835	384 448	55 105	86 443	1 728 831	36 075	1 764 906
Receipts	6 226	293 609	-	350 909	650 744	5 608	656 352
Disposal and write-off	(56 871)	(38 073)	(41 765)	(83 018)	(219 727)	(19 725)	(239 452)
Revaluation	65 814	-	-	-	65 814	-	65 814
Transfer or relocation	2 275	(310)	325	(3 066)	(776)	776	-
as of 31 December 2025	<u>1 220 279</u>	<u>639 674</u>	<u>13 665</u>	<u>351 268</u>	<u>2 224 886</u>	<u>22 734</u>	<u>2 247 620</u>
<b>Accumulated depreciation</b>							
as of 01 January 2025	-	(184 293)	(7 315)	-	(191 608)	(16 878)	(208 486)
Depreciation charges	(34 550)	(33 114)	(4 536)	-	(72 200)	(11 288)	(83 488)
Disposal and write-off	31 158	18 839	7 343	-	57 340	18 568	75 908
Revaluation	(1 681)	-	-	-	(1 681)	-	(1 681)
Transfer or relocation	18	(2 582)	(28)	-	(2 592)	2 592	-
as of 31 December 2025	<u>(5 055)</u>	<u>(201 150)</u>	<u>(4 536)</u>	<u>-</u>	<u>(210 741)</u>	<u>(7 006)</u>	<u>(217 747)</u>
<b>Book value</b>							
as of 01 January 2025	<u>1 202 835</u>	<u>200 155</u>	<u>47 790</u>	<u>86 443</u>	<u>1 537 223</u>	<u>19 197</u>	<u>1 556 420</u>
as of 31 December 2025	<u>1 215 224</u>	<u>438 524</u>	<u>9 129</u>	<u>351 268</u>	<u>2 014 145</u>	<u>15 728</u>	<u>2 029 873</u>

The following is information on the value of fixed assets and intangible assets as of 31 December 2024.

	Buildings and structures	Office & Computer Equipment	Right-of-use assets	Construction in progress	Total Fixed Assets	Intangible assets	Total
<b>Cost or Valuation</b>							
as of 01 January 2024	880 580	354 595	95 978	118 733	1 449 886	20 515	1 470 401
Receipts	158 075	86 983	49 991	152 422	447 471	15 573	463 044
Disposal and write-off	(8 995)	(54 422)	(91 115)	(184 712)	(339 244)	-	(339 244)
Revaluation	170 705	-	-	-	170 705	-	170 705
Transfer or relocation	2 470	(2 708)	251	-	13	(13)	-
as of 31 December 2024	<u>1 202 835</u>	<u>384 448</u>	<u>55 105</u>	<u>86 443</u>	<u>1 728 831</u>	<u>36 075</u>	<u>1 764 906</u>
<b>Accumulated depreciation</b>							
as of 01 January 2024	-	(143 604)	(13 052)	-	(156 656)	(7 361)	(164 017)
Depreciation charges	(35 263)	(53 134)	(7 087)	-	(95 484)	(9 517)	(105 001)
Disposal and write-off	2 843	11 306	12 974	-	27 123	-	27 123
Revaluation	33 409	-	-	-	33 409	-	33 409
Transfer or relocation	(989)	1 139	(150)	-	-	-	-
as of 31 December 2024	<u>-</u>	<u>(184 293)</u>	<u>(7 315)</u>	<u>-</u>	<u>(191 608)</u>	<u>(16 878)</u>	<u>(208 486)</u>
<b>Book value</b>							
as of 01 January 2024	<u>880 580</u>	<u>210 991</u>	<u>82 926</u>	<u>118 733</u>	<u>1 293 230</u>	<u>13 154</u>	<u>1 306 384</u>
as of 31 December 2024	<u>1 202 835</u>	<u>200 155</u>	<u>47 790</u>	<u>86 443</u>	<u>1 537 223</u>	<u>19 197</u>	<u>1 556 420</u>

### 13. Non-current assets held for sale

	31 December 2025	31 December 2024
Mortgaged property recovered under loans and leasing	1 023 822	493 820
Allowance for impairment	-	(20 203)
<b>Total non-current assets held for sale</b>	<b><u>1 023 822</u></b>	<b><u>473 617</u></b>

### 14. Other assets

#### Other financial assets

Commission income receivable	39 524	29 573
Receivables from remittances	11 664	21 394
Settlements with bank employees	1 901	-
Provision for credit losses	(11 323)	(7 856)
<b>Total other financial assets</b>	<b><u>41 766</u></b>	<b><u>43 111</u></b>

#### Other non-financial assets

Prepayments for services	26 183	45 840
Prepayment for equipment and goods	382 129	15 889
Other non-financial assets	42 310	41 159
Provision for credit losses	-	(32 138)
<b>Total other financial assets</b>	<b><u>450 622</u></b>	<b><u>70 750</u></b>
<b>Total other assets</b>	<b><u>492 388</u></b>	<b><u>113 861</u></b>

The table below provides a reconciliation of the opening balances of the credit loss allowance for other financial assets, broken down by category. The approach to estimating expected credit losses is disclosed in Note 30.

	Stage 1	Stage 2	Stage 3	Total
<b>Amount of allowance for expected credit loss as at 01 January 2024</b>	<b><u>2 577</u></b>	<b><u>121</u></b>	<b><u>2 010</u></b>	<b><u>4 708</u></b>
Net creation / (restoration) of provision for expected credit loss	198	50	2 900	3 148
<b>Amount of allowance for expected credit loss as at 31 December 2024</b>	<b><u>2 775</u></b>	<b><u>171</u></b>	<b><u>4 910</u></b>	<b><u>7 856</u></b>
Net creation / (restoration) of provision for expected credit loss	(2 138)	(170)	5 775	3 467
<b>Amount of allowance for expected credit loss as at 31 December 2025</b>	<b><u>637</u></b>	<b><u>1</u></b>	<b><u>10 685</u></b>	<b><u>11 323</u></b>

## 15. Funds of other banks

	31 December 2025	31 December 2024
Funds of other banks at amortised cost	1 065 094	1 580 764
<b>Total funds of other banks</b>	<b><u>1 065 094</u></b>	<b><u>1 580 764</u></b>

### Funds of other banks at amortised cost

Term deposits of banks	1 065 094	1 569 451
To be paid to other banks	-	11 313
<b>Total funds of other banks measured at amortised cost</b>	<b><u>1 065 094</u></b>	<b><u>1 580 764</u></b>

As at 31 December 2025, the Group did not hold funds from other banks with more than 10% of the Group's capital, but as at 31 December 2024, the Group had funds from other banks with one bank each with more than 10% of the Group's capital. The balance of this bank is 486,427 million UZS.

## 16. Customer Deposits

### State and public organizations:

- Demand deposits	28 816	450 784
- Term deposits	2 796 705	3 398 237

### Other legal entities:

- Demand deposits	547 631	599 107
- Term deposits	400 874	553 983

### Individuals:

- Demand deposits	360 301	391 413
- Term deposits	2 894 892	2 209 764
<b>Total customer funds</b>	<b><u>7 029 219</u></b>	<b><u>7 603 288</u></b>

In accordance with the legislation of the Republic of Uzbekistan, the Bank is obliged to issue the amount of the deposit of an individual at the first request of the depositor. In cases when a term deposit is returned to the depositor at his request before the expiration of the term, interest on the deposit is paid in the amount corresponding to the amount of interest paid by the Bank on demand deposits, unless the agreement provides for a different amount of interest.

**17. Other borrowed funds**

	31 December 2025	31 December 2024
Other borrowings measured at amortised cost	14 115 114	7 684 880
Other borrowings at fair value through profit or loss	1 602 540	1 681 668
<b>Total funds of other banks</b>	<b><u>15 717 654</u></b>	<b><u>9 366 548</u></b>

**Other borrowings measured at amortised cost**

Borrowing from other creditors	8 412 602	5 159 011
Borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan	3 332 851	742 894
Borrowings from other banks	1 421 329	1 400 905
Borrowings from extra-budgetary funds	607 288	216 520
Borrowings from non-bank financial institutions	253 299	68 865
Borrowings from the Central Bank of the Republic of Uzbekistan	87 745	96 685
<b>Total other borrowings measured at amortised cost</b>	<b><u>14 115 114</u></b>	<b><u>7 684 880</u></b>

**Other borrowings at fair value through profit or loss**

Borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan	1 070 368	987 854
Borrowing from other creditors	477 753	264 175
Borrowings from other banks	20 612	39 807
Borrowings from extra-budgetary funds	19 106	217 069
Borrowings from non-bank financial institutions	14 701	139 430
Borrowings from the Central Bank of the Republic of Uzbekistan	-	33 333
<b>Total other borrowings measured at amortised cost</b>	<b><u>1 602 540</u></b>	<b><u>1 681 668</u></b>

**18. Subordinated debt**

Ministry of Economy and Finance of the Republic of Uzbekistan	703 058	689 296
<b>Total subordinated debts</b>	<b><u>703 058</u></b>	<b><u>689 296</u></b>

**19. Other Liabilities**

	31 December 2025	31 December 2024
<b><u>Other financial liabilities</u></b>		
Accounts payable	120 634	15 840
Finance lease liabilities	11 542	46 806
Share Subscription Deposits	1 146	351 228
Accrued staff compensation costs	994	1 159
Dividends payable	296	298
Other financial liabilities	3 659	11 025
<b>Total other financial liabilities</b>	<b><u>138 271</u></b>	<b><u>426 356</u></b>
<b><u>Other non-financial liabilities</u></b>		
Taxes payable, except for income tax	31 869	29 098
Provision for credit losses on credit and other liabilities	6 430	52 436
Deferred fee and commission income	2	1 926
Other non-financial liabilities	6 897	317
<b>Total other financial liabilities</b>	<b><u>45 198</u></b>	<b><u>83 777</u></b>
<b>Total other liabilities</b>	<b><u>183 469</u></b>	<b><u>510 133</u></b>

The table below shows the movement of the provision for credit losses on credit liabilities and other contingent liabilities.

	Guarantees issued	Loan commitment and undrawn credit lines	Total
<b>Amount of allowance for expected credit loss as at 01 January 2024</b>	<b><u>9 676</u></b>	<b><u>12 642</u></b>	<b><u>22 318</u></b>
Net creation / (restoration) of provision for expected credit loss	(4 301)	34 419	30 118
<b>Amount of allowance for expected credit loss as at 31 December 2024</b>	<b><u>5 375</u></b>	<b><u>47 061</u></b>	<b><u>52 436</u></b>
Net creation / (restoration) of provision for expected credit loss	1 055	(47 061)	(46 006)
<b>Amount of allowance for expected credit loss as at 31 December 2025</b>	<b><u>6 430</u></b>	<b><u>-</u></b>	<b><u>6 430</u></b>

## 20. Share capital

	Number of shares, pieces	Ordinary shares, million UZS	Impact of hyperinflation	Total
Balance as of 01 January 2024	<u>3 554 238 812</u>	<u>3 795 783</u>	<u>281</u>	<u>3 796 064</u>
Issue of new shares	1 237 412 921	1 321 557	-	1 321 557
Balance as of 31 December 2024	<u>4 791 651 733</u>	<u>5 117 340</u>	<u>281</u>	<u>5 117 621</u>
Issue of new shares	1 898 737 889	2 027 852	-	2 027 852
Balance as at 31 December 2025	<u>6 690 389 622</u>	<u>7 145 192</u>	<u>281</u>	<u>7 145 473</u>

The issued share capital of the Group as of 31 December 2025 is amounted to 7 145 192 million UZS (in 2024, respectively 5 117 340 million UZS). The nominal value of one share of the Group is 1 068 UZS.

Preferred shares are not redeemable and have priority over ordinary shares in the event of liquidation of the Bank. Preference shares give holders the right to participate in the General Meeting of Shareholders, but do not grant the right to vote, except in cases when decisions are made regarding the reorganization and liquidation of the Bank, and in cases when amendments to the Bank's Charter are proposed to restrict the rights of holders of preferred shares.

Only the accumulated retained earnings of the Bank can be distributed as dividends in accordance with the financial statements prepared in accordance with the accounting rules of the Republic of Uzbekistan. In accordance with the legislation of the Republic of Uzbekistan, retained earnings are the profit of the current year and previous years, remaining at the disposal of the Bank after the payment of dividends, taxes and deductions to various funds.

## 21. Interest income and expenses

	31 December 2025	31 December 2024
<b><u>Interest income calculated at the effective interest rate</u></b>		
- for loans and advances to customers	3 527 344	2 669 309
- on funds in other banks	67 974	38 343
- cash and cash equivalents	29 552	32 722
- on investment financial assets	48 078	14 101
<b>Total interest income calculated at the effective interest rate</b>	<b><u>3 672 948</u></b>	<b><u>2 754 475</u></b>
<b><u>Other interest income</u></b>		
- for loans and advances to customers	47 919	88 827
- on funds in other banks	48	36
- on other assets	37 309	142 217
<b>Total other interest income</b>	<b><u>85 276</u></b>	<b><u>231 080</u></b>
<b><u>Interest expense calculated at the effective interest rate</u></b>		
- at the expense of clients	(1 349 731)	(1 098 463)
- for other borrowed funds	(1 135 320)	(674 659)
- at the expense of other banks	(139 949)	(220 302)
- on debt securities issued	-	(8 054)
<b>Total interest expense calculated at the effective interest rate</b>	<b><u>(2 625 000)</u></b>	<b><u>(2 001 478)</u></b>
<b><u>Other interest expense</u></b>		
- for other borrowed funds	(139 789)	(192 246)
- for lease liabilities	(2 413)	(7 560)
- for other liabilities	(31 592)	(361)
<b>Total other interest expense</b>	<b><u>(173 794)</u></b>	<b><u>(200 167)</u></b>
<b>Net interest income</b>	<b><u>959 430</u></b>	<b><u>783 910</u></b>

## 22. Fee and commission income and expenses

	31 December 2025	31 December 2024
<b><u>Fee and commission income</u></b>		
- on documentary operations	177 392	150 389
- on settlement transactions	95 388	81 906
- on settlement transactions in foreign currency	35 364	24 728
- for other transactions	9 147	4 857
<b>Total fee and commission income</b>	<b><u>317 291</u></b>	<b><u>261 880</u></b>
<b><u>Commission costs</u></b>		
- on settlement transactions	(69 734)	(31 015)
- for transactions with bank cards	(26 826)	(42 862)
- on documentary operations and other credit liabilities	(22 908)	(21 727)
- on settlement transactions in foreign currency	(3 968)	(10 361)
- other	(9 172)	(19 954)
<b>Total commission expenses</b>	<b><u>(132 608)</u></b>	<b><u>(125 919)</u></b>
<b>Net fee and commission income</b>	<b><u>184 683</u></b>	<b><u>135 961</u></b>

## 23. Other operating income

Income from the sale of collateral	81 514	23 424
Dividend income and investment returns	6 578	921
Reimbursement of written-off assets	4 247	-
Income from the lease of fixed assets	48	1 508
Other	5 069	13 058
<b>Total other operating income</b>	<b><u>97 456</u></b>	<b><u>38 911</u></b>

## 24. Personnel and other operating expenses

	31 December 2025	31 December 2024
Salaries and bonuses to employees	(597 474)	(467 656)
Unified social payment	(61 203)	(60 083)
Other employee benefits	(26 136)	(35 860)
<b>Staff costs</b>	<b><u>(684 813)</u></b>	<b><u>(563 599)</u></b>
Depreciation of fixed assets and intangible assets	(85 169)	(95 662)
Payment for security services	(74 389)	(78 534)
Insurance costs	(51 033)	(81 458)
Taxes (other than income tax) and licenses	(45 319)	(25 070)
Membership fees	(30 925)	(29 782)
Charity and sponsorship expenses	(21 814)	(28 549)
Stationery expenses	(18 505)	(6 759)
Repair and maintenance costs	(12 973)	(12 931)
Hospitality	(11 977)	(2 216)
Travel and travel expenses	(10 295)	(8 531)
Utility costs	(10 170)	(10 410)
Communication costs	(9 206)	(10 080)
Rental costs	(9 072)	(8 374)
Payment for professional services	(6 754)	(4 067)
Advertising costs	(4 726)	(5 306)
Vehicle maintenance costs	(3 843)	(4 600)
Loss from the sale of fixed assets	(1 814)	(10 796)
Other expenses	(17 375)	(36 433)
<b>Total other operating expenses</b>	<b><u>(425 359)</u></b>	<b><u>(459 558)</u></b>
<b>Total personnel costs and other operating expenses</b>	<b><u>(1 110 172)</u></b>	<b><u>(1 023 157)</u></b>

## 25. Income tax

Income tax as at 31 December 2025 amounted to 121 430 million UZS (at the end of 2024, respectively (46 181) million UZS). The current income tax rate applicable to the Bank's profit for 2025 is 20% (20% at the end of 2024, respectively).

Income tax expenses include the following components:

	31 December 2025	31 December 2024
Current income tax expenses	(132)	-
Deferred tax assets	121 562	(46 181)
<b>Income tax expenses for the year</b>	<b><u>121 430</u></b>	<b><u>(46 181)</u></b>

The Bank makes tax calculations for the current period on the basis of tax accounting carried out in accordance with the requirements of the tax legislation of the Republic of Uzbekistan, which may differ from IFRS. Due to the fact that some types of expenses are not taken into account for tax purposes, the Bank has certain temporary differences between the current value of assets and liabilities for financial reporting and tax purposes.

Deferred taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount determined for tax purposes.

Temporary differences as at 31 December 2025 are mainly related to different methods of accounting for income and expenses, as well as the book value of certain assets.

The following is information on the tax effect of temporary differences for 2025:

	31 December 2025	(Attributed) / Reversed to profit or loss accounts	31 December 2024
<b>Tax effects of temporary differences that reduce / (increase) the tax base</b>			
Cash and cash equivalents	1 731	1 530	201
Funds in credit institutions	4 920	4 457	463
Loans and advances to customers	87 685	(142 262)	229 947
Investment financial assets	(1 006)	(994)	(12)
Fixed assets and intangible assets	(5 352)	47 971	(53 323)
Other borrowings	(67 152)	(2 854)	(64 298)
Other assets	(6 089)	(17 252)	11 163
Assets held for sale	2 550	2 550	-
Customer Funds	(2 252)	(2 252)	
Other liabilities	4 174	(12 456)	16 630
<b>Net deferred tax assets / (liabilities)</b>	<b><u>19 209</u></b>	<b><u>(121 562)</u></b>	<b><u>140 771</u></b>
Recognised deferred tax assets	101 060	56 508	258 404
Deferred tax liability recognised	(81 851)	(178 070)	(117 633)
<b>Net deferred tax assets / (liabilities)</b>	<b><u>19 209</u></b>	<b><u>(121 562)</u></b>	<b><u>140 771</u></b>

## 26. Contingent liabilities

### 26.1. Insurance

The Group did not fully insure property, plant and equipment, cease of operations or third-party liability for property or environmental damage arising from equipment failure or in connection with the Group's core business. Until the Group is able to obtain adequate insurance coverage, there is a risk that the loss or damage of assets could have a material adverse effect on the Group's operations and financial condition.

### 26.2. Legal Issues

In the ordinary course of business, the Group is the subject of lawsuits and claims. In management's opinion, the likely liabilities, if any, arising from such claims or claims will not have a material adverse effect on the Group's future financial position or performance.

### 26.3. Tax Legislation

Tax and customs legislation, as well as legislation in the field of currency regulation of the Republic of Uzbekistan allow for the possibility of different interpretations and are subject to frequent changes. Moreover, regulations issued by different government agencies may contradict each other, and management's interpretation of the legislation as applied to the Group's operations and activities may be challenged by the relevant authorities. Uzbek tax authorities may take a tougher stance when interpreting legislation and assessing charges, and there is a possibility that transactions and activities that have not been challenged in the past will be challenged. As a result, significant amounts of additional taxes, fines and penalties may be charged. Tax periods remain open for inspection by the relevant tax authorities for the payment of taxes for a period of five calendar years. preceding the year for which the audit is carried out. In some cases, inspections may cover longer periods.

Management of the Group believes that its interpretation of the relevant legislation is correct and that the Group's tax, foreign exchange and customs positions will be confirmed. Accordingly, as at 31 December 2025 and 31 December 2024, Management has not made a provision for potential tax liabilities. In the Group's assessment, there are no potential tax liabilities, except for unlikely ones.

### 26.4. Credit liabilities

The main purpose of these instruments is to ensure that funds are provided to clients as needed. Guarantees and letters of guarantee, which represent the Group's irrevocable undertakings to make payments in the event of a customer's default to third parties, carry the same level of credit risk as loans. Documentary and Commodity Credits, which are written undertakings by the Group to make payments on behalf of customers up to a specified amount subject to certain conditions, are secured by appropriate deliveries of goods or cash deposits and are therefore less risky than direct lending.

In addition to credit obligations, the Group issues guarantees for the proper performance of obligations. Guarantees of proper performance of obligations are insurance contracts that provide compensation in the event of the inability of the other party to fulfill a contractual obligation. Such contracts, in addition to credit risk, transfer non-financial risk of default.

The risk under contracts to ensure the proper performance of obligations consists in the probability of the occurrence of an insured event (that is, non-fulfillment of contractual obligations by the other party). The Group's main risks are significant changes in the frequency and amount of payments arising under such contracts compared to the forecast. The Group uses historical data and statistical methods to forecast the volume of such payments. Claims must be submitted before the expiry of the contract, and most claims are subject to settlement in the short term. This enables the Group to provide a high degree of certainty regarding planned payments and, as a result, future cash flows. The Group manages such risks by constantly monitoring the level of payments for such products and is able to adjust commissions in the future based on the experience of changing insurance claims payments. The Panel has a claim processing process that includes the right to review claims and reject fraudulent or non-compliant claims.

The table below presents credit liabilities and guarantees of proper performance of obligations:

	<u>31 December</u> <u>2025</u>	<u>31 December</u> <u>2024</u>
Unused credit lines	906 972	1 107 222
Guarantees issued	445 106	609 647
Letters of credit	93 125	326 812
<b>Total credit liabilities before provision for credit losses</b>	<b><u>1 445 203</u></b>	<b><u>2 043 681</u></b>
Cash coverage	(4 846)	-
Expected provision for credit losses	(6 430)	(52 436)
<b>Total credit liabilities</b>	<b><u>1 433 927</u></b>	<b><u>1 991 245</u></b>

The movement of the provision for credit losses on credit liabilities and other contingent liabilities is presented in Note 19.

## 27. Related Party Transactions

For the purposes of preparing these consolidated financial statements, parties are considered related if they are under common control, or one of them has the ability to control the other or can have a material influence over the other party's financial and operational decisions, as set out in IAS 24 Related Party Disclosures. When considering all possible relationships with related parties, the content of such relationships is taken into account, and not only their legal form. In the opinion of the Management, the Bank's ultimate beneficiaries, direct shareholders, and the Bank's key management team can be considered related parties.

In the ordinary course of business, the Group conducts transactions with its major shareholders, managers and other parties. These operations include settlements, loans, deposits, guarantees, trade finance and foreign exchange transactions. It is the Group's policy that all transactions with related parties are subject to the same terms and conditions as transactions with independent parties.

The following table shows the balances of transactions with related parties:

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	Shareholders	Other related parties	Shareholders	Other related parties
<b><u>Assets</u></b>				
Cash and cash equivalents	-	571 702	-	771 823
Funds in credit institutions	-	3 986	-	7 499
Loans and advances to customers	-	96 023	-	96 023
Investment financial assets	108 170	10 390	45 841	10 328
<b><u>Liabilities</u></b>				
Funds of other banks	-	286 086	-	284 316
Customer Funds	2 349 050	-	1 484 713	-
Other borrowings	2 691 554	-	1 730 748	-
Subordinated debt	703 058	-	689 296	-

The table below shows the items of income and expenses from transactions with related parties:

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	Shareholders	Other related parties	Shareholders	Other related parties
Interest income calculated at the effective interest rate	13 835	16 621	6 880	16 781
Interest expense calculated at the effective interest rate	(589 868)	(25 241)	(342 272)	(38 651)
Staff and other operating expenses	(2 994)	(623 610)	(9 751)	(540 907)

## 28. Fair value

Fair value is defined as the price at which an instrument can be exchanged in an ongoing transaction between interested parties wishing to enter into a transaction on market terms, excluding a forced sale or liquidation. The best confirmation of fair value is the quotation of a financial instrument in an active market. As there is no liquid market for most of the Group's financial instruments, their fair value must be determined on the basis of prevailing market conditions and the specific risks associated with the particular instrument. The following estimates may not correspond to the amounts that the Group is able to obtain on the market sale of the entire available package of a particular instrument.

The Group uses the following hierarchy to determine and disclose the fair value of financial instruments, depending on the valuation methodologies:

- ⇒ **Level 1:** quoted (unadjusted) prices in active markets for identical assets and liabilities;
- ⇒ **Level 2:** Methodologies in which all inputs that materially affect fair value are directly or indirectly observable in the open market; and
- ⇒ **Level 3:** Methodologies that use inputs that have a significant effect on fair value that are not based on data observed in the open market.

The table below provides an analysis of assets accounted for at fair value by levels of the measurement hierarchy as at 31 December 2025:

	Level 1	Level 2	Level 3	Total
<b><u>Financial assets measured at fair value or revalued</u></b>				
Commercial loans of legal entities	-	1 201 709	-	1 201 709
Consumer and other loans to individuals	-	161 068	-	161 068
Securities measured at amortized cost	-	-	523 592	523 592
Securities measured at fair value through other comprehensive income – debt instruments	-	-	80 487	80 487

The table below provides an analysis of assets accounted for at fair value by levels of the measurement hierarchy as at 31 December 2024:

	Level 1	Level 2	Level 3	Total
<b><u>Financial assets measured at fair value or revalued</u></b>				
Commercial loans of legal entities	-	576 751	-	576 751
Consumer and other loans to individuals	-	422 441	-	422 441
Securities measured at amortized cost	-	-	211 524	211 524
Securities measured at fair value through other comprehensive income – debt instruments	-	-	107	107

The table below provides an analysis of assets carried at amortised cost accounted for at fair value by levels of the measurement hierarchy as at 31 December 2025:

	Level 1	Level 2	Level 3	Total
<b><u>Financial assets measured at amortised cost</u></b>				
Cash on hand	703 551	-	-	703 551
Balances of funds on current accounts with the Central Bank of the Republic of Uzbekistan	-	584 027	-	584 027
Balances of funds on current accounts in other banks	-	2 693 702	-	2 693 702
Term deposits with credit institutions placed for a period of more than 90 days	-	748 010	-	748 010
Commercial loans of legal entities	-	11 340 535	-	11 340 535
Consumer and other loans to individuals	-	9 248 656	-	9 248 656
Other financial assets	-	-	41 766	41 766

The table below provides an analysis of assets carried at amortised cost reported at fair value by levels of the valuation hierarchy as at 31 December 2024:

	Level 1	Level 2	Level 3	Total
<b><u>Financial assets measured at amortised cost</u></b>				
Cash on hand	874 095	-	-	874 095
Balances of funds on current accounts with the Central Bank of the Republic of Uzbekistan	-	495 807	-	495 807
Balances of funds on current accounts in other banks	-	1 441 970	-	1 441 970
Term deposits with credit institutions placed for a period of more than 90 days	-	87 770	-	87 770
Commercial loans of legal entities	-	10 160 583	-	10 160 583
Consumer and other loans to individuals	-	7 075 568	-	7 075 568
Other financial assets	-	-	43 111	43 111

The table below shows the fair value measurement of the Group's financial liability classes by level in the fair value source hierarchy as at 31 December 2025:

	Level 1	Level 2	Level 3	Total
<b><u>Financial liabilities measured at fair value or revalued</u></b>				
Borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan	-	-	1 070 368	<b>1 070 368</b>
Borrowing from other creditors	-	-	477 753	<b>477 753</b>
Borrowings from other banks	-	-	20 612	<b>20 612</b>
Borrowings from extra-budgetary funds	-	-	19 106	<b>19 106</b>
Borrowings from non-bank financial institutions	-	-	14 701	<b>14 701</b>
Borrowings from the Central Bank of the Republic of Uzbekistan	-	-	-	-

The table below provides an estimate of the fair value of the Group's financial liability classes by level in the fair value source hierarchy as at 31 December 2024:

	Level 1	Level 2	Level 3	Total
<b><u>Financial liabilities measured at fair value or revalued</u></b>				
Borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan	-	-	987 854	<b>987 854</b>
Borrowing from other creditors	-	-	264 175	<b>264 175</b>
Borrowings from other banks	-	-	39 807	<b>39 807</b>
Borrowings from extra-budgetary funds	-	-	217 069	<b>217 069</b>
Borrowings from non-bank financial institutions	-	-	139 430	<b>139 430</b>
Borrowings from the Central Bank of the Republic of Uzbekistan	-	-	33 333	<b>33 333</b>

The following table provides an analysis of liabilities carried at amortised cost accounted for at fair value by levels of the measurement hierarchy as at 31 December 2025:

	Level 1	Level 2	Level 3	Total
<b><u>Financial liabilities measured at amortised cost</u></b>				
Term deposits of banks	1 065 094	-	-	1 065 094
Demand deposits	-	936 748	-	936 748
Term deposits	-	-	6 092 471	6 092 471
Borrowing from other creditors	-	-	8 412 602	8 412 602
Borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan	-	-	3 332 851	3 332 851
Borrowings from other banks	-	-	1 421 329	1 421 329
Borrowings from extra-budgetary funds	-	-	607 288	607 288
Borrowings from non-bank financial institutions	-	-	253 299	253 299
Borrowings from the Central Bank of the Republic of Uzbekistan	-	-	87 745	87 745
Subordinated debt	-	-	703 058	703 058
Other financial liabilities	-	-	138 271	138 271

The following table provides an analysis of liabilities carried at amortised cost accounted for at fair value by levels of the measurement hierarchy as at 31 December 2024:

	Level 1	Level 2	Level 3	Total
<b><u>Financial liabilities measured at amortised cost</u></b>				
Term deposits of banks	1 580 764	-	-	1 580 764
Demand deposits	-	1 441 304	-	1 441 304
Term deposits	-	-	6 161 984	6 161 984
Borrowing from other creditors	-	-	5 159 011	5 159 011
Borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan	-	-	742 894	742 894
Borrowings from other banks	-	-	1 400 905	1 400 905
Borrowings from extra-budgetary funds	-	-	216 520	216 520
Borrowings from non-bank financial institutions	-	-	68 865	68 865
Borrowings from the Central Bank of the Republic of Uzbekistan	-	-	96 685	96 685
Subordinated debt	-	-	689 296	689 296
Other financial liabilities	-	-	426 356	426 356

Fair value measurements at Level 2 and Level 3 of the fair value hierarchy were performed using a discounted cash flow model. The fair value of floating rate derivatives that are not quoted in an active market has been assumed to be equal to the carrying amount. The fair value of fixed-rate instruments that are not quoted in an active market has been estimated on the basis of estimated future cash flows discounted using current borrowing market interest rates for new instruments with similar credit risk and maturities.

For assets, the Group used assumptions about the incremental rate on borrowed capital and the rates of early repayment of the counterparty. Liabilities are discounted at the rate of additional borrowings of the Group. The liabilities payable on demand were discounted, starting from the first day of the potential demand for the repayment of the Group's liabilities.

The Group's liabilities to customers are subject to the government's deposit insurance scheme, as described in Note 1. The fair value of these liabilities reflects these mechanisms for improving the quality of credit.

## 29. Capital Management

In capital management, the Group has the following objectives: compliance with capital requirements established by the Central Bank of the Republic of Uzbekistan and, in particular, the requirements of the deposit insurance system; ensuring the ability of the Group to function as a continuously operating organization and maintaining the capital base at the level necessary to ensure the capital adequacy ratio as required by the Central Bank of the Republic of Uzbekistan. Control over the implementation of the capital adequacy ratio established by the Central Bank of the Republic of Uzbekistan is carried out on a monthly basis according to forecast and actual data containing the relevant calculations, which are checked and endorsed by the Group's management.

The Group carries out capital management in order to comply with the regulatory capital requirements established by the Central Bank of the Republic of Uzbekistan and to ensure the continuation of activities as a continuously operating enterprise, maximizing the shareholder's profit by optimizing the ratio of borrowed funds to equity.

Control over the implementation of the capital adequacy ratio established by the Central Bank of the Republic of Uzbekistan is carried out with the help of monthly reports containing relevant calculations, which are checked and approved by the Chairman of the Management Board of the Group.

The Bank's capital calculation based on the Basel Capital Accord is as follows:

	<u>31 December</u> <u>2025</u>	<u>31 December</u> <u>2024</u>
Fully paid shares	7 145 473	5 117 621
Retained earnings / (uncovered loss)	(1 016 292)	(218 255)
Investment financial assets	(80 487)	(10 435)
<b>Tier 1 Adjusted Equity</b>	<b><u>6 048 694</u></b>	<b><u>4 888 931</u></b>
Net profit / (uncovered loss) for the current year	115 476	(798 037)
<b>Adjusted total amount of risk-based capital</b>	<b><u>6 164 170</u></b>	<b><u>4 090 894</u></b>
The amount of risk-weighted balance sheet and off-balance sheet assets	32 468 650	25 417 449
Operational risk	1 490 633	1 371 654
Market Risk	7 052	139 942
<b>Adjusted total risk-weighted assets</b>	<b><u>33 966 335</u></b>	<b><u>26 929 045</u></b>
<b>Tier 1 capital adequacy ratio</b>	<b>17,8%</b>	<b>18,2%</b>
<b>Capital adequacy ratio</b>	<b>18,1%</b>	<b>15,2%</b>

### 30. Risk Management

The Group manages risks in relation to financial risks (credit, market, currency, liquidity and interest rate risks), as well as operational and legal risks. The assessment of the risk assumed also serves as the basis for the optimal allocation of capital taking into account the risks, pricing of operations and assessment of the results of operations. The Group's management must ensure that internal policies and procedures are properly followed in order to minimise operational and legal risks.

#### 30.1. Credit risk

The Group assumes credit risk, namely the risk that the counterparty will not be able to repay the debt in full when due. The Group controls credit risk by setting limits per borrower or groups of related borrowers, as well as by industry segments. The Group regularly monitors such risks; The limits are reviewed annually.

**Risk reduction and limitation policy.** The Group manages, limits and controls the concentration of credit risk wherever it is established, in particular in relation to individual counterparties and groups, and in relation to industries. The Group controls credit risk by setting limits per borrower or group of related borrowers, as well as setting limits by geographical and industry segments. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet their obligations to repay interest and principal and, if necessary, by changing credit limits.

**Application of IFRS 9: Credit Risk. Expected Credit Loss Model and Provisioning Fundamentals.** The Group applies an expected credit loss model for the purpose of provisioning financial debt instruments, the key principle of which is to reflect in a timely manner the deterioration or improvement in the credit quality of debt financial instruments, taking into account current and forward-looking information. The amount of expected credit losses recognised as a provision for credit losses depends on the degree of deterioration in credit quality since the initial recognition of debt financial instruments tools.

Depending on the change in credit quality since initial recognition, the Group classifies financial instruments at one of the following stages:

- ⇒ **Stage 1** - 12-month expected credit losses - Debt financial instruments for which there has been no significant increase in credit risk and for which 12-month expected credit losses are calculated.
- ⇒ **Stage 2** - Lifetime Expected Credit Losses - Unimpaired Assets - Debt financial instruments with a significant increase in credit risk, but not impaired and for which expected credit losses over the life of the financial instrument are calculated.
- ⇒ **Stage 3** - Lifetime Expected Credit Losses - Impaired Assets - Impaired Debt Financial Instruments.

For impaired financial assets acquired or issued, the provision for credit losses is formed in the amount of cumulative changes in the amount of expected credit losses over the life of the instrument since the acquisition or loan.

**Factors indicating a significant increase in credit risk before the asset is recognized as impaired.** The main factors indicating a significant increase in credit risk before the asset is recognized as impaired are:

- ⇒ Overdue debts to the Group for a period of 31 to 90 days (inclusive);
- ⇒ Significant changes in external and internal credit ratings resulting from changes in credit risk compared to initial recognition;
- ⇒ Deterioration of the internal rating to the level at which the Group decides to refuse to provide a loan;
- ⇒ Identification of events that can affect solvency (revocation of the license, the presence of lawsuits, violation of the terms of credit documentation, etc.).

**The main signs of classifying a debt financial instrument as impaired (stage 3):**

- ⇒ The borrower is more than 90 days late in repayment of any debt owed to the Group;
- ⇒ Default restructuring of debt and/or financial liabilities on financial market operations and expected insolvency;
- ⇒ Other signs of insolvency, the identification of which leads to the assignment of default to the borrower (bankruptcy of the borrower, expected decision by the borrower to liquidate or terminate activities, probable non-repayment of debt by the borrower, etc.).

**Restoration of credit quality.** The improvement of the credit quality of the borrower, for which a significant increase in credit risk was identified at previous reporting dates, to the level of risk related to the first stage is determined on the basis of an assessment of the change in credit risk at the reporting date compared to the time of initial recognition.

Credit quality is restored from the impaired level to the level of risk related to the first stage if the impairment indicators are eliminated at the reporting date, as well as if there are no factors indicating a significant increase in credit risk as at the reporting date.

**Approach to provisioning for impaired assets acquired or issued.** To calculate the provision for credit losses in respect of impaired assets acquired or issued, the Group measures the cumulative changes in the amount of expected credit losses over the life of the instrument since the date of acquisition or issuance.

A financial asset is considered to be an acquired or impaired asset when it has one or more events that adversely affect the estimated future cash flows of that financial asset, in particular the observable data on the following events at the time of acquisition or issuance:

- ⇒ significant financial difficulties of the counterparty / issuer;
- ⇒ breaches of the terms of the contract, such as late payment;
- ⇒ the creditor's assignment to its counterparty/issuer due to economic reasons or contractual terms related to the financial difficulties of such counterparty/issuer and which the creditor would not otherwise provide;
- ⇒ the emergence of a probability of bankruptcy or other financial reorganization;
- ⇒ the disappearance of an active market for a given financial asset as a result of the issuer's financial difficulties;
- ⇒ the purchase or creation of a financial asset at a large discount that reflects the credit losses incurred.

**Valuation methods and method of formation of a provision for credit losses.** For the purpose of estimating expected credit losses, two methods are distinguished: at the transaction level or at the counterparty level. Transaction-level valuation is used for all debt financial instruments except those related to the Individuals segment.

Counterparty-level valuation is used for all debt financial instruments within the Individuals segment.

The main method of making allowances for credit losses, which is used at the group level, is provisioning on a collective basis. It is mandatory for financial instruments for which the debt is not material or for which there was no material increase in credit risk or impairment in the reporting period.

**Reserve financial assets on a case-by-case basis.** The amount of the provision for credit losses for each debt financial asset is based on an assessment of the weighted average expected credit losses under the scenarios under consideration.

- ⇒ The number of scenarios to be considered and their weights are determined on the basis of the methodology developed by the Panel, taking into account the current as well as reasonable forecast information, however, the number of scenarios under consideration cannot be less than two (including the 100% loss scenario) and the probability of their occurrence must be higher than zero.

⇒ The estimate of expected losses with an individual approach to provisioning takes into account the time value of money, as well as reasonable information about past, current and projected future economic conditions. The amount of the Provision for credit losses is determined as the difference between the gross carrying amount of the debt financial asset before deduction of the Provision for credit losses at the measurement date and its recoverable amount.

To estimate recoverable amount, a discounted cash flow method is used based on expected future payments on a debt financial asset (or other cash flows) using the effective interest rate as the discount rate. This assessment should take into account the following sources of cash inflows:

- ⇒ free cash flows from operating activities;
- ⇒ future amounts recoverable as a result of the sale of the pledge;
- ⇒ cash receipts from other sources - for example, as a result of court proceedings (except for the sale of collateral) or bankruptcy proceedings.

**Reserve financial assets on a collective basis.** Collective assessment of allowances for credit losses of debt financial assets is carried out on the basis of individual risk metrics (PD, LGD, EAD), which are assigned to each specific counterparty / issuer based on the analysis of financial and other information, and which are regularly monitored.

PD is the probability of default determined on the basis of the risk segment and the internal rating (or delinquency group) for the relevant period (12 months or Lifetime PD). Values are determined based on internal models as well as migration matrices (Markov chains). Calculations of the probability of default are adjusted taking into account forecast information. Probability of default (PD) indicators used by the Group, based on Moody's data for financial institutions. For corporate data on the main sectors of the economy and individuals, data published in the official websites of government agencies, the Central Bank of the Republic of Uzbekistan ([www.cbu.uz](http://www.cbu.uz)) and other sources are used. As forecast information, data on the quality of the loan portfolio of banks of previous periods, as well as current and expected changes in macroeconomic variables (for example, real GDP growth, inflation, growth of real disposable cash incomes of the population, etc.) are used.

The impact of these economic variables on the probability of default is determined using statistical regression analysis, and is calculated as the impact of these variables on the rate of default in past periods. The Group estimates expected credit losses for a period of 12 months (Stage 1) or the lifetime of the instrument, weighted by taking into account the probability of scenarios. These probability-weighted expected credit losses are determined by calculating each scenario against the appropriate expected credit loss model and multiplying them by the corresponding scenario weights.

The basic principle of segmentation for determining the probability of default (PD) for provisioning purposes suggests that debt financial instruments with a similar risk profile should be allocated to the same portfolio with the same level of risk. The risk segment is determined based on the specifics of the counterparty's/issuer's activities, country of residence, size and business model.

LGD is the level of losses on default, the estimated amount of losses as a result of default, based on the difference in the amounts of contractual cash flows receivable and cash flows that the creditor expects to receive, including as a result of collateral. As a rule, this value is expressed as a percentage of EAD. Values are determined using models developed from internal statistics.

EAD is the amount of a credit claim subject to the risk of default. The debt at the time of default is determined based on the expected payment schedule, which varies depending on the type of product. For products that are carried at amortised cost and loans with a lump sum at the time of default, determined on the basis of the amounts payable by the borrower under the contract over a 12-month period or over the lifetime of the financial instrument. This debt is also adjusted taking into account the expected overpayment by the borrower. Assumptions about early repayment or refinancing are also included in the calculation. For renewable products, debt at the time of default is projected by adding a "credit conversion ratio" to the current balance of funds used, which takes into account the expected use of the remaining limit at the time of default. These assumptions vary depending on the type of product, the current use of the limit and other behavioral characteristics of a particular borrower. Values are determined using models developed from internal statistics.

**Determination of the provision for credit losses for credit liabilities.** If a counterparty has current balance sheet liabilities, credit loss provisions for credit liabilities are measured in accordance with the approaches applied to the provision of balance sheet receivables of this counterparty, taking into account the credit conversion factor (CCF) determined both on the basis of statistical data and using Basel values. If the counterparty has only credit liabilities, the valuation of allowances at credit losses are realized depending on the amount of the liability, taking into account the CCF, on an individual or collective basis.

**Credit quality of financial instruments.** The classification of financial assets into five categories of credit risk is a summary of the credit quality of financial assets that are subject to IFRS 9.

- ⇒ "Minimum credit risk" means assets whose counterparties demonstrate a stable ability to meet financial obligations in a timely manner with a low probability of default.
- ⇒ "Low credit risk" is assets for which counterparties have a low probability of default and a high ability to meet financial obligations in a timely manner.
- ⇒ "Medium credit risk" - assets for which counterparties have a moderate probability of default, demonstrate an average ability to meet financial obligations in a timely manner and require more careful attention at the monitoring stage.
- ⇒ "High credit risk" - assets for which counterparties have a high probability of default require special attention at the monitoring stage.
- ⇒ "Default" - means assets that meet the definition of default by the available signs of impairment.

### 30.2. Market Risk

The Group assumes the market risk associated with open positions in interest, currency and equity instruments, which are subject to the risk of general and specific market changes. The Board sets limits on the level of risk accepted and monitors compliance with them on a daily basis. However, this approach does not prevent losses in excess of limits in the event of more significant changes in the market.

The objective of market risk management is to ensure that market risk exposure does not exceed acceptable parameters, while optimizing the return on the risk taken.

### 30.3. Other price risk

Due to the lack of an active market for equity instruments in the Republic of Uzbekistan, it is difficult to assess the Group's exposure to equity price risk. Most of the equity investments held by the Group are carried at cost and are periodically assessed for impairment, so the Group's exposure to equity risk is not expected to be material.

### 30.4. Geographical Risk

The table below provides an analysis of the geographical concentration of the Group's financial assets and liabilities as at 31 December 2025:

	Uzbekistan	OECD and FATF member countries	Other countries	Total
<b><i>Financial assets</i></b>				
Cash and cash equivalents	1 973 494	716 057	1 291 729	3 981 280
Funds in credit institutions	436 695	257 744	53 571	748 010
Loans and advances to customers	21 951 968	-	-	21 951 968
Investment financial assets	604 079	-	-	604 079
Other financial assets	35 973	2 258	3 535	41 766
<b>Total financial assets</b>	<b><u>25 002 209</u></b>	<b><u>976 059</u></b>	<b><u>1 348 835</u></b>	<b><u>27 327 103</u></b>
<b><i>Financial liabilities</i></b>				
Funds of other banks	1 065 094	-	-	1 065 094
Customer Funds	7 029 219	-	-	7 029 219
Other borrowings	10 425 843	5 076 026	215 785	15 717 654
Subordinated debt	703 058	-	-	703 058
Other financial liabilities	138 271	-	-	138 271
<b>Total financial liabilities</b>	<b><u>19 361 485</u></b>	<b><u>5 076 026</u></b>	<b><u>215 785</u></b>	<b><u>24 653 296</u></b>
<b>Net financial assets / (liabilities)</b>	<b>5 640 724</b>	<b>(4 099 967)</b>	<b>1 133 050</b>	<b>2 673 807</b>
<b>Credit liabilities</b>	<b>1 340 802</b>	<b>-</b>	<b>93 125</b>	<b>1 433 927</b>

The table below provides an analysis of the geographical concentration of the Group's financial assets and liabilities as at 31 December 2024:

	Uzbekistan	OECD and FATF member countries	Other countries	Total
<b><i>Financial assets</i></b>				
Cash and cash equivalents	2 217 970	576 339	17 563	2 811 872
Funds in credit institutions	59 315	28 455	-	87 770
Loans and advances to customers	18 235 343	-	-	18 235 343
Investment financial assets	211 631	-	-	211 631
Other financial assets	25 293	-	17 818	43 111
<b>Total financial assets</b>	<b>20 749 552</b>	<b>604 794</b>	<b>35 381</b>	<b>21 389 727</b>
<b><i>Financial liabilities</i></b>				
Funds of other banks	1 580 764	-	-	1 580 764
Customer Funds	7 603 288	-	-	7 603 288
Other borrowings	4 479 555	4 290 526	596 467	9 366 548
Subordinated debt	689 296	-	-	689 296
Other financial liabilities	426 356	-	-	426 356
<b>Total financial liabilities</b>	<b>14 779 259</b>	<b>4 290 526</b>	<b>596 467</b>	<b>19 666 252</b>
<b>Net financial assets / (liabilities)</b>	<b>5 970 293</b>	<b>(3 685 732)</b>	<b>(561 086)</b>	<b>1 723 475</b>
<b>Credit liabilities</b>	<b>1 664 433</b>	<b>-</b>	<b>326 812</b>	<b>1 991 245</b>

Assets, liabilities and liabilities of a credit nature are generally classified according to the country where the counterparty is located. Cash, funds in credit institutions are classified in accordance with the country of their physical location.

### 30.5. Currency Risk

The table below provides an overview of the Group's foreign currency risk at the end of the reporting period:

	Monetary Financial Assets	Monetary financial liabilities	Net balance sheet position
UZS	19 201 881	19 121 798	80 083
US dollars	6 247 907	3 935 595	2 312 312
EURO	1 655 372	1 593 876	61 496
Other	221 943	2 027	219 916
<b>Total for 2025</b>	<b><u>27 327 103</u></b>	<b><u>24 653 296</u></b>	<b><u>2 673 807</u></b>
UZS	15 541 993	13 638 687	1 903 306
US dollars	4 701 184	4 923 009	(221 825)
EURO	1 141 804	1 103 358	38 446
Other	4 746	1 198	3 548
<b>Total for 2024</b>	<b><u>21 389 727</u></b>	<b><u>19 666 252</u></b>	<b><u>1 723 475</u></b>

The Group assumes the risk associated with the impact of fluctuations in foreign exchange rates on its financial position and cash flows. The Supervisory Board sets limits on the level of risk assumed in terms of currencies and in general, both at the end of each day and within one day, and monitors compliance with them on a daily basis. The Group's treasury measures its foreign currency risk by analysing its net foreign exchange position denominated in the same currency and analyses the effect of the appreciation/impairment of the same currency in relation to the Uzbek soum on the Group's profit or loss.

The table below shows the changes in financial performance and comprehensive income resulting from possible changes in the exchange rates used at the end of the reporting period, while all other conditions remain unchanged. A reasonable possible change in the exchange rate for each currency is determined on the basis of the maximum limits of fluctuations, the rates changed by 10% compared to the current ones.

	31 December 2025	31 December 2024
Strengthening of the US dollar by 10%	231 231	(22 183)
Weakening of the US dollar by 10%	(231 231)	22 183
Strengthening of the EURO by 10%	6 150	3 845
Weakening of the EURO by 10%	(6 150)	(3 845)

The risk was calculated only for cash balances in currencies other than the Group's functional currency.

### 30.6. Liquidity risk

**Liquidity risk** is the risk that an entity will face difficulties in meeting financial obligations. The Group is exposed to risk due to the daily need to use available cash to settle overnight deposits, customer accounts, repay deposits, issue loans and loans, pay off guarantees and cash derivatives. The Group does not accumulate cash in the event of the need for a one-time fulfillment of all the above obligations, since, based on the accumulated experience, it is possible to predict with a sufficient degree of accuracy the level of funds required to fulfill these obligations. Liquidity risk is controlled by the Group's Treasury.

The Group strives to maintain a stable funding base, consisting mainly of funds from other banks, corporate deposits/retail deposits.

The Group's liquidity management requires an analysis of the level of liquid assets necessary to settle liabilities at maturity; ensuring access to various sources of financing; having plans in place in case of problems with financing and monitoring the compliance of liquidity standards with legal requirements. The Group calculates liquidity ratios on a monthly basis in accordance with the requirements of the Central Bank of the Republic of Uzbekistan.

As the Treasury receives information on financial assets and liabilities, it ensures that it has an adequate portfolio of short-term liquid assets, mainly consisting of short-term liquid trading securities, bank deposits and other interbank instruments, to maintain a sufficient level of liquidity for the Group as a whole.

The Treasury monitors the daily liquidity position and regularly conducts liquidity stress testing under various scenarios covering standard and more adverse market conditions.

The table below shows the distribution of liabilities by contractual terms remaining to maturity. The amounts of liabilities in the table represent the cash flows provided for in the contract, including the gross amount of finance lease liabilities, as well as financial guarantees. These undiscounted cash flows differ from the amounts shown in the statement of financial position because the amounts in the statement of financial position are based on discounted cash flows.

The table below illustrates the maturity analysis of non-derivative financial assets carried at carrying amount on a contractual maturity basis, except for assets that can be readily realised if there is a need for cash outflows related to financial liabilities. Such financial assets are included in the maturity analysis on the basis of the expected date of disposal. Impaired loans and borrowings are included in the table at carrying amount less allowance for impairment and based on expected terms of cash inflow.

In cases where the amount payable is not fixed, the amount in the table is determined based on the conditions prevailing at the end of the reporting period. Foreign currency payments are translated using the current exchange rate at the end of the reporting period.

The liquidity requirements for payments under guarantees and letters of credit are significantly lower than the amount of the corresponding obligations presented in the maturity analysis above, as the Group does not normally expect the funds under these obligations to be claimed by third parties. The total amount of contractual loan commitments included in the table above does not necessarily represent the amount of money that will need to be repaid in the future, as many of these obligations may not be claimed or terminated before they expire.

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(in millions of UZS)

The table below provides an analysis of liquidity risk as of 31 December 2025:

	On demand and less than 1 month	from 1 to 6 months	from 6 months to 1 year	More than 1 year	The term is not determined	Total
Cash and cash equivalents	625 262	66 176	-	-	-	691 438
Funds in credit institutions	3 487	600 796	47 985	77 009	-	729 277
Loans and advances to customers	999 470	1 461 009	1 702 428	17 596 574	-	21 759 481
Investment financial assets	398 276	125 316	-	-	-	523 592
<b>Total financial assets on which interest accrues</b>	<b><u>2 026 495</u></b>	<b><u>2 253 297</u></b>	<b><u>1 750 413</u></b>	<b><u>17 673 583</u></b>	<b><u>-</u></b>	<b><u>23 703 788</u></b>
Cash and cash equivalents	3 274 382	-	-	15 460	-	3 289 842
Funds in credit institutions	-	-	-	-	18 733	18 733
Loans and advances to customers	30 690	3 906	1 433	156 458	-	192 487
Investment financial assets	-	-	-	-	80 487	80 487
Other financial assets	41 766	-	-	-	-	41 766
<b>Total financial assets</b>	<b><u>5 373 333</u></b>	<b><u>2 257 203</u></b>	<b><u>1 751 846</u></b>	<b><u>17 845 501</u></b>	<b><u>99 220</u></b>	<b><u>27 327 103</u></b>
Funds of other banks	212 706	852 388	-	-	-	1 065 094
Customer Funds	3 389	59 443	1 240 060	4 789 579	-	6 092 471
Other borrowings	117 000	1 630 561	2 936 654	11 033 439	-	15 717 654
Subordinated debt	-	-	-	703 058	-	703 058
<b>Total financial liabilities on which interest accrues</b>	<b><u>333 095</u></b>	<b><u>2 542 392</u></b>	<b><u>4 176 714</u></b>	<b><u>16 526 076</u></b>	<b><u>-</u></b>	<b><u>23 578 277</u></b>
Customer Funds	572 440	1 437	5 140	357 731	-	936 748
Other financial liabilities	138 271	-	-	-	-	138 271
<b>Total financial liabilities</b>	<b><u>1 043 806</u></b>	<b><u>2 543 829</u></b>	<b><u>4 181 854</u></b>	<b><u>16 883 807</u></b>	<b><u>-</u></b>	<b><u>24 653 296</u></b>
<b>Difference Between Financial Assets and Liabilities</b>	<b>4 329 527</b>	<b>(286 626)</b>	<b>(2 430 008)</b>	<b>961 694</b>	<b>99 220</b>	<b>2 673 807</b>
<b>Difference between financial assets and liabilities that accrue interest</b>	<b>1 693 400</b>	<b>(289 095)</b>	<b>(2 426 301)</b>	<b>1 147 507</b>	<b>-</b>	<b>125 511</b>
<b>The difference between financial assets and liabilities on which interest accrues on an accrual basis</b>	<b>1 693 400</b>	<b>1 404 305</b>	<b>(1 021 996)</b>	<b>125 511</b>	<b>125 511</b>	<b>-</b>

The table below provides an analysis of liquidity risk as of 31 December 2024:

	On demand and less than 1 month	from 1 to 6 months	from 6 months to 1 year	More than 1 year	The term is not determined	Total
Funds in credit institutions	-	-	14 752	73 018	-	87 770
Loans and advances to customers	1 264 524	1 008 787	3 390 065	12 571 967	-	18 235 343
Investment financial assets	-	155 355	45 841	10 328	-	211 524
<b>Total financial assets on which interest accrues</b>	<b>1 264 524</b>	<b>1 164 142</b>	<b>3 450 658</b>	<b>12 655 313</b>	<b>-</b>	<b>18 534 637</b>
Cash and cash equivalents	2 811 872	-	-	-	-	2 811 872
Investment financial assets	107	-	-	-	-	107
Other financial assets	43 111	-	-	-	-	43 111
<b>Total financial assets</b>	<b>4 119 614</b>	<b>1 164 142</b>	<b>3 450 658</b>	<b>12 655 313</b>	<b>-</b>	<b>21 389 727</b>
Funds of other banks	216 882	540 930	224 053	598 899	-	1 580 764
Customer Funds	379 140	210 127	2 025 536	3 547 181	-	6 161 984
Other borrowings	374 828	223 380	2 061 469	6 706 871	-	9 366 548
Subordinated debt	-	-	-	689 296	-	689 296
<b>Total financial liabilities on which interest accrues</b>	<b>970 850</b>	<b>974 437</b>	<b>4 311 058</b>	<b>11 542 247</b>	<b>-</b>	<b>17 798 592</b>
Customer Funds	1 441 304	-	-	-	-	1 441 304
Other financial liabilities	426 356	-	-	-	-	426 356
<b>Total financial liabilities</b>	<b>2 838 510</b>	<b>974 437</b>	<b>4 311 058</b>	<b>11 542 247</b>	<b>-</b>	<b>19 666 252</b>
<b>Difference Between Financial Assets and Liabilities</b>	<b>1 281 104</b>	<b>189 705</b>	<b>(860 400)</b>	<b>1 113 066</b>	<b>-</b>	<b>1 723 475</b>
<b>Difference between financial assets and liabilities that accrue interest</b>	<b>293 674</b>	<b>189 705</b>	<b>(860 400)</b>	<b>1 113 066</b>	<b>-</b>	<b>736 045</b>
<b>The difference between financial assets and liabilities on which interest accrues on an accrual basis</b>	<b>293 674</b>	<b>483 379</b>	<b>(377 021)</b>	<b>736 045</b>	<b>736 045</b>	<b>-</b>

In the view of the Group's management, the mismatch in the terms of placement and maturity of assets and liabilities is a temporary factor. In banks, as a rule, there is no complete match for these positions, since transactions often have indefinite maturity dates and different nature.

The liquidity requirements for payments under guarantees and letters of credit are significantly lower than the amount of the corresponding liabilities, as the Group does not normally expect that funds under these obligations will be claimed by third parties. The total amount of contractual loan commitments does not necessarily represent the amount of money that will need to be repaid in the future, as many of these obligations may not be claimed or terminated before they expire.

### 30.7. Interest rate risk

The Group assumes the risk associated with the impact of fluctuations in market interest rates on its financial position and cash flows. Such fluctuations can increase the level of interest margins, but in the event of unexpected changes in interest rates, the interest margin can also decrease or cause losses.

The Group is exposed to interest rate risk, primarily as a result of its activities to provide loans at fixed interest rates: interest rates in amounts and for terms that differ from the amounts and terms of funds raised at fixed interest rates. In practice, interest rates are usually set for a short period. In addition, the interest rates fixed in the terms of contracts for both assets and liabilities are often revised by mutual agreement in accordance with the current market situation.

The Group monitors interest rates on financial instruments.

The table below shows the interest rates on financial instruments as of the reporting date:

Assets	31 December 2025		31 December 2024	
	Uzbek soums	US dollars	Uzbek soums	US dollars
Cash and cash equivalents	12%	3-8%	8%	4%
Funds in credit institutions	10%	2,8-10%	9,5-10%	4,2%
Loans and advances to customers	0,1-36%	0-16%	1-36%	0-16%
Investment financial assets	14%	-	13,5%	-
<b>Liabilities</b>				
Funds of other banks	3-18%	6-8%	3-19%	6%
Customer Funds	9-23%	0-9%	0-23%	0-8,5%
Other borrowings	0-20%	0-12%	0-20%	1,5-11,9%
Subordinated debt	2-13,5%	-	2-13,5%	-

### 31. Segment Information

The main format for providing information on the segments of the Group's activities is the presentation of information on operating segments, ancillary segments - on geographical segments.

All clients of the Group are residents of the Republic of Uzbekistan and all transactions and services are related to these customers.

#### 31.1. Operating segments

The Group operates in two main operating segments:

⇒ Individuals - provision of banking services to private clients and private entrepreneurs, maintenance of current accounts of private clients, acceptance of savings deposits and deposits, servicing of debit cards, provision of consumer loans and loans secured by real estate.

⇒ Legal entities - maintenance of current accounts, attraction of deposits, provision of loans and other lending services, without acceptance write-off of funds, transactions with foreign currency and derivative financial instruments.

Transactions between operating segments are carried out on ordinary commercial terms. Funds are reallocated between segments, which leads to a redistribution of financing costs taken into account in the calculation of operating income. Interest accrued on these funds is calculated based on the cost of raising the Group's capital. There are no other material income or expenses from transactions between operating segments.

Segment assets and liabilities represent assets and liabilities that make up the majority of the balance sheet, but exclude items such as debt taxation. Internal costs and transfer pricing adjustments are included in the results of the relevant segments. Revenue sharing agreements are used to reliably allocate revenue generated from external customers between segments.

The table below provides information on the segment concentration of assets and liabilities as at 31 December 2025:

	Individuals	Legal entities	Undistributed	Total
<b><u>Financial assets</u></b>				
Cash and cash equivalents	-	1 287 578	2 693 702	3 981 280
Funds in credit institutions	-	748 010	-	748 010
Loans and advances to customers	9 409 724	12 542 244	-	21 951 968
Investment financial assets	-	604 079	-	604 079
Other financial assets	7 695	34 071	-	41 766
<b>Total financial assets</b>	<b><u>9 417 419</u></b>	<b><u>15 215 982</u></b>	<b><u>2 693 702</u></b>	<b><u>27 327 103</u></b>
<b><u>Financial liabilities</u></b>				
Funds of other banks	-	1 065 094	-	1 065 094
Customer Funds	3 255 193	3 774 026	-	7 029 219
Other borrowings	-	15 717 654	-	15 717 654
Subordinated debt	-	703 058	-	703 058
Other financial liabilities	3 962	134 309	-	138 271
<b>Total financial liabilities</b>	<b><u>3 259 155</u></b>	<b><u>21 394 141</u></b>	<b><u>-</u></b>	<b><u>24 653 296</u></b>
<b>Net financial assets / (liabilities)</b>	<b>6 158 264</b>	<b>(6 178 159)</b>	<b>2 693 702</b>	<b>2 673 807</b>
<b>Credit liabilities</b>	<b>231 455</b>	<b>1 202 472</b>	<b>-</b>	<b>1 433 927</b>

The table below provides information on the segment concentration of assets and liabilities as of 31 December 2024:

	Individuals	Legal entities	Undistributed	Total
<b><u>Financial assets</u></b>				
Cash and cash equivalents	-	1 441 970	1 369 902	2 811 872
Funds in credit institutions	-	87 770	-	87 770
Loans and advances to customers	7 498 009	10 737 334	-	18 235 343
Investment financial assets	-	211 631	-	211 631
Other financial assets	17 818	25 293	-	43 111
<b>Total financial assets</b>	<b><u>7 515 827</u></b>	<b><u>12 503 998</u></b>	<b><u>1 369 902</u></b>	<b><u>21 389 727</u></b>
<b><u>Financial liabilities</u></b>				
Funds of other banks	-	1 580 764	-	1 580 764
Customer Funds	2 601 177	5 002 111	-	7 603 288
Other borrowings	-	9 366 548	-	9 366 548
Subordinated debt	-	689 296	-	689 296
Other financial liabilities	12 184	414 172	-	426 356
<b>Total financial liabilities</b>	<b><u>2 613 361</u></b>	<b><u>17 052 891</u></b>	<b><u>-</u></b>	<b><u>19 666 252</u></b>
<b>Net financial assets / (liabilities)</b>	<b>4 902 466</b>	<b>(4 548 893)</b>	<b>1 369 902</b>	<b>1 723 475</b>
<b>Credit liabilities</b>	<b>59 692</b>	<b>1 931 553</b>	<b>-</b>	<b>1 991 245</b>

### 32. Events after the reporting date

In the period between the reporting date and the date of signing of these consolidated financial statements, there were no events that had a material impact on the Group's financial position.