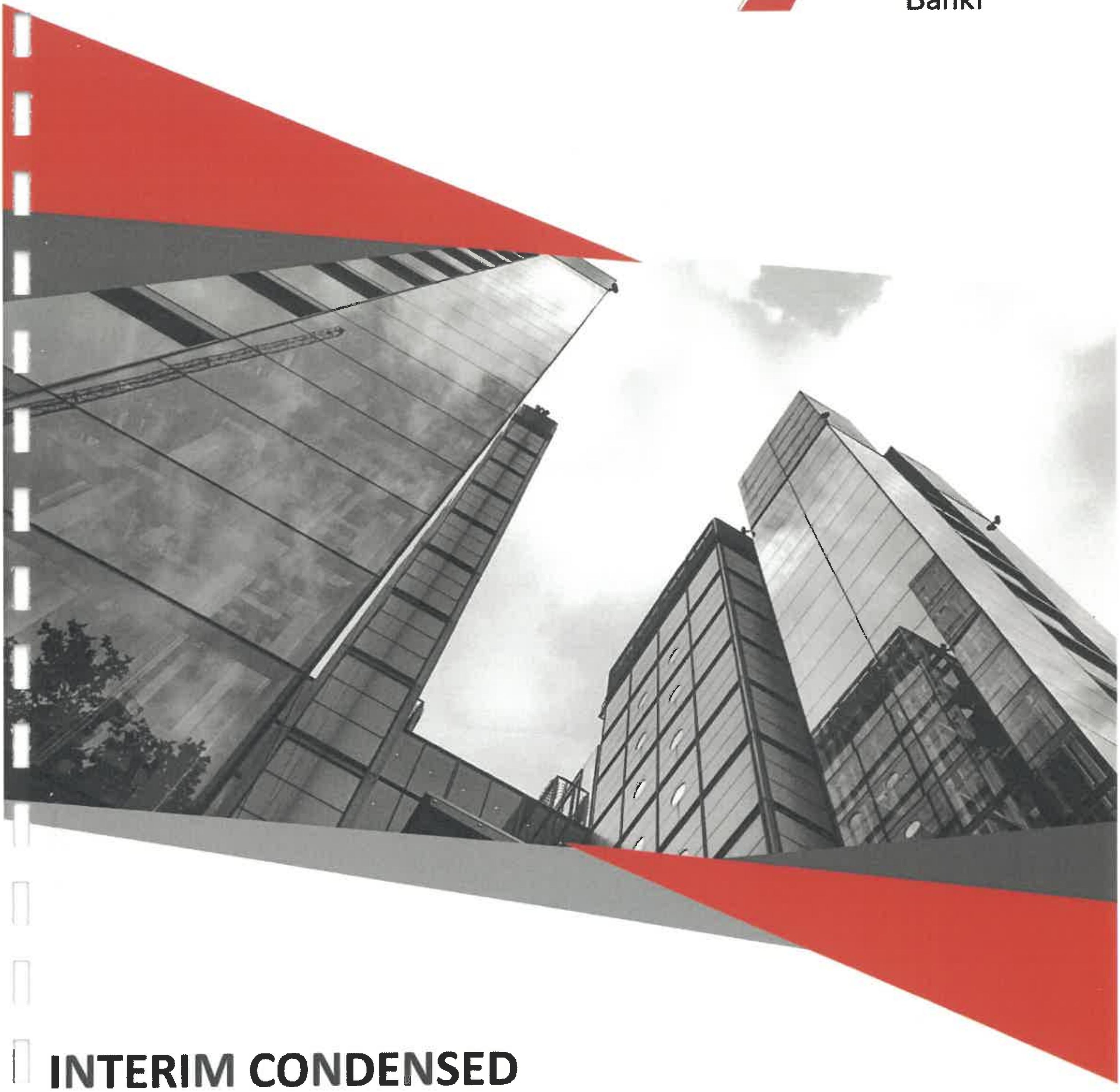
Biznesni
Rivojlantirish
Banki



INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS ENDED 30 JUNE 2024

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JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)

Management of Joint-Stock Commercial Bank "Business Development Bank" is responsible for the preparation of the interim condensed consolidated financial information that presents the consolidated financial position of Joint-Stock Commercial Bank "Business Development Bank" and its subsidiaries (collectively – "the Group") as at 30 June 2024, and the results of its operations, changes in equity and cash flows for the six months then ended, in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34").

In preparing the interim condensed consolidated financial information, management is responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IAS 34 are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's consolidated financial position and financial performance; and
- making an assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls, throughout the Group;
- maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated financial position of the Group, and which enable them to ensure that the interim condensed consolidated financial information of the Group comply with IAS 34;
- maintaining statutory accounting records in compliance with the legislation of the Republic of Uzbekistan;
- taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- preventing and detecting fraud and other irregularities.

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2024 (unaudited) was authorized for issue by the Management Board on 9 January 2025.

On behalf of the Management Board:

Biznesni rivojlantirish banki

Vokhidov Oybek Rozikovich **Acting Deputy Chairman of the Management Board**	**Takhirova Rano Oktyabrevna** **Chief Accountant**
9 January 2025 Tashkent, Uzbekistan	9 January 2025 Tashkent, Uzbekistan

"Deloitte & Touche"
Audit organization LLC
Business Center "Inkonel"
75, Mustakillik Avenue
Tashkent, 100000
Republic of Uzbekistan

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Shareholders and the Supervisory Board of Joint Stock Commercial Bank "Business Development Bank".

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Joint Stock Commercial Bank "Business Development Bank" and its subsidiaries (the "Group") as of 30 June 2024 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six months then ended and selected explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Turgunboy Tokhirov, Qualified Auditor/Engagement Partner

Deloitte.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

Audit Organisation "Deloitte & Touche" LLC is included in the register of audit organisations of the Ministry of Economy and Finance of the Republic of Uzbekistan dated 8 June 2021

Turgunboy Tokhirov

Qualified Auditor/Engagement Partner
Auditor qualification certificate authorizing audit of companies, #05422 dated 20 August 2016 issued by the Ministry of Economy and Finance of the Republic of Uzbekistan

Auditor qualification certificate authorizing audit of banks, #6/11 dated 29 March 2021 issued by the Central Bank of the Republic of Uzbekistan

Erkin Ayupov
Director
Audit Organisation "Deloitte & Touche" LLC

9 January 2025
Tashkent, Uzbekistan

JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

Interim Condensed Consolidated Statement of Financial Position
as at 30 June 2024 (unaudited)
(in millions of Uzbekistan Soums)

	Notes	30 June 2024 (unaudited)	31 December 2023
ASSETS			
Cash and cash equivalents	5	2,693,126	1,964,087
Due from other banks	6	3,876,336	1,880,717
Loans and advances to customers	7	19,816,097	20,187,662
Investment securities measured at amortised cost	8	1,488,210	1,486,963
Financial assets at fair value through other comprehensive income	9	108,855	56,502
Property and equipment	10	436,302	422,398
Intangible assets	10	17,568	19,746
Deferred income tax asset	22	409,610	469,263
Current income tax prepayment		44,380	25,177
Other assets	11	72,237	101,321
Assets classified as held for sale	12	133,869	66,029
TOTAL ASSETS		**29,096,590**	**26,679,865**
LIABILITIES AND EQUITY			
LIABILITIES			
Due to other banks	13	1,573,643	1,206,552
Customer accounts	14	5,512,910	5,916,366
Borrowings from government and international financial institutions	15	16,142,122	16,984,347
Debt securities in issue		50,173	86,799
Other liabilities	16	62,236	1,016,996
Subordinated debt	17	3,358,944	-
Total liabilities		**26,700,028**	**25,211,060**
EQUITY			
Share capital	18	3,004,707	1,861,514
Share premium		942	942
Retained earnings		(615,160)	(397,152)
Investment revaluation reserve		6,073	3,501
Total equity		**2,396,562**	**1,468,805**
TOTAL LIABILITIES AND EQUITY		**29,096,590**	**26,679,865**

On behalf of the Management Board:

"RESPUBLIKASI TOSHKENT ... BIZNESNI RIVOJLANTIRISH BANKI" AKSIYADORLIK TIJORAT BANKI
Biznesni rivojlantirish banki

Vokhidov Oybek Rozikovich
Acting Deputy Chairman of the Management Board

9 January 2025
Tashkent, Uzbekistan

Takhirova Rano Oktyabrevna
Chief Accountant

9 January 2025
Tashkent, Uzbekistan

JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 30 June 2024 (unaudited)
(in millions of Uzbekistan Soums)

	Notes	For the six months ended 30 June 2024 (unaudited)	30 June 2023 (unaudited)
Interest income	19	2,033,220	1,621,039
Interest expense	19	(1,062,876)	(920,758)
NET INTEREST INCOME		**970,344**	**700,281**
Provision for expected credit losses	25	(691,510)	(935,209)
Net loss on initial recognition of assets at rates below market rate		(22,706)	-
NET INTEREST INCOME/ (EXPENSE) AFTER PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS		**256,128**	**(234,928)**
Fee and commission income	20	104,149	92,013
Fee and commission expense	20	(29,275)	(21,914)
Net gain on foreign exchange operations		18,618	1,597
Other income		22,237	4,564
Gain on disposal of subsidiary		-	14,389
Impairment losses on other operations		(63,048)	(18,948)
NET NON-INTEREST INCOME		**52,681**	**71,701**
OPERATING INCOME		**308,809**	**(163,227)**
Operating expenses	21	(467,808)	(334,568)
LOSS BEFORE INCOME TAX		**(158,999)**	**(497,795)**
Income tax (expense)/benefit	22	(59,009)	105,459
LOSS FOR THE PERIOD		**(218,008)**	**(392,336)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Changes in the fair value of equity instruments classified as FVTOCI		3,216	(1,703)
Income tax relating to the equity instruments classified as FVTOCI		(644)	341
Other comprehensive (loss)/income for the period		**2,572**	**(1,362)**
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(215,436)**	**(393,698)**
Basic and diluted loss per ordinary share (expressed in UZS per share)	23	**(9)**	**(25)**

On behalf of the Management Board:

TOSHKENT SHAHAR "BIZNESNI RIVOJLANTIRISH BANKI" AKSIYADORLIK TIJORAT BANKI
Biznesni rivojlantirish banki

Vokhidov Oybek Rozikovich
Acting Deputy Chairman of the Management Board

9 January 2025
Tashkent, Uzbekistan

Takhirova Rano Oktyabrevna
Chief Accountant

9 January 2025
Tashkent, Uzbekistan

Interim Condensed Consolidated Statement of Changes in Equity
for the six months ended 30 June 2024 (unaudited)
(in millions of Uzbekistan Soums)

	Note	Share capital	Share premium	Retained earnings	Investment revaluation reserve	Total equity
31 December 2023		**1,861,514**	**942**	**(397,152)**	**3,501**	**1,468,805**
Loss for the period		-	-	(218,008)	-	(218,008)
Other comprehensive income for the period, net of income tax		-	-	-	2,572	2,572
Shares issued	18	1,143,193	-	-	-	1,143,193
30 June 2024 (unaudited)		**3,004,707**	**942**	**(615,160)**	**6,073**	**2,396,562**

	Share capital	Share premium	Retained earnings	Investment revaluation reserve	Total equity
31 December 2022	**1,859,887**	**942**	**39,425**	**3,791**	**1,904,045**
Loss for the period	-	-	(392,336)	-	(392,336)
Other comprehensive loss for the period	-	-	-	(1,362)	(1,362)
30 June 2023 (unaudited)	**1,859,887**	**942**	**(352,911)**	**2,429**	**1,510,347**

On behalf of the Management Board:

Vokhidov Oybek Rozikovich
Acting Deputy Chairman of the Management Board

9 January 2025
Tashkent, Uzbekistan

Takhirova Rano Oktyabrevna
Chief Accountant

9 January 2025
Tashkent, Uzbekistan

The notes on pages 8-53 form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2024 (unaudited)

(in millions of Uzbekistan Soums)

	Notes	For the six months ended 30 June 2024 (unaudited)	For the six months ended 30 June 2023 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest received		1,915,575	1,441,080
Interest paid		(1,060,422)	(903,626)
Fees and commission received		90,571	103,915
Fees and commission paid		(29,275)	(21,914)
Income received from trading in foreign currencies		13,231	2,244
Other income received		17,513	2,061
Staff costs paid		(294,672)	(202,464)
Operating expenses paid		(148,662)	(112,536)
Income tax paid		(19,203)	(56,148)
Cash flows from operating activities before changes in operating assets and liabilities		**484,656**	**252,612**
Net (increase)/decrease in:			
- due from other banks		(1,972,935)	337,024
- loans and advances to customers		(246,290)	(1,056,688)
- other assets		(28,210)	(24,327)
Net increase/(decrease) in:			
- due to other banks		346,541	(512,767)
- debt securities		(36,500)	20,000
- customer accounts		(399,519)	(394,397)
- other liabilities		(603)	10,931
Net cash used in operating activities		**(1,852,860)**	**(1,367,612)**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, equipment and intangible assets		(23,738)	(53,050)
Proceeds from sale of property and equipment		5,142	1,187
Acquisition of financial assets at fair value through other comprehensive income		(49,137)	(11,342)
Acquisition of Investment securities measured at amortised cost		(555,873)	(357,974)
Proceeds from disposal of Investment securities measured at amortised cost		561,442	329,403
Proceeds from disposal of subsidiary		-	51,597
Dividend income received		357	2,089
Net cash used in investing activities		**(61,807)**	**(38,090)**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issue of ordinary shares		217,785	-
Dividends paid		(12)	-
Proceeds from borrowings from government and international financial institutions	15	4,005,975	1,359,267
Repayment of borrowings from government and international financial institutions	15	(4,375,999)	(741,327)
Proceeds from subordinated debt		2,768,253	-
Net cash from financing activities		**2,616,002**	**617,940**
Effect of changes in foreign exchange rate on cash and cash equivalents		32,592	19,392
Effect of changes in expected credit losses		(4,888)	1,532
Net decrease in cash and cash equivalents		**729,039**	**(766,838)**
CASH AND CASH EQUIVALENTS at the beginning of the period	5	**1,964,087**	**2,046,066**
CASH AND CASH EQUIVALENTS at the end of the period	5	**2,693,126**	**1,279,228**

On behalf of the Management Board:

Vokhidov Oybek Rozikovich
Acting Deputy Chairman of the Management Board

9 January 2025
Tashkent, Uzbekistan

Takhirova Rano Oktyabrevna
Chief Accountant

9 January 2025
Tashkent, Uzbekistan

The notes on pages 8-53 form an integral part of this interim condensed consolidated financial information.

1. Introduction

On 29 September 2023, Joint-Stock Commercial Bank "Business Development Bank" ("the Bank") was created on the basis of the Joint-Stock Commercial Bank "Qishloq Qurilish Bank" with a priority focus on financing projects of small businesses and providing them with comprehensive services, in accordance with the Presidential Decree of the Republic of Uzbekistan #PD-292 dated 4 September 2023 "On measures to implement the tasks identified in the open dialogue of 2023 between the President of the Republic of Uzbekistan and entrepreneurs". The Bank is state controlled as a significant portion of its equity is owned by the Ministry of Economy and Finance of the Republic of Uzbekistan ("MOEF") and Fund for Reconstruction and Development of the Republic of Uzbekistan ("UFRD").

The Bank is a joint-stock company limited by shares and was set up in accordance with Uzbek regulations.

Principal activity.

The main objectives of the Bank are:

- implementation of logistic support for the process from the study of small businesses to financing and sustainable establishment of production;
- introduction of simplified lending system for small businesses with a positive credit history;
- introduction of the practice of "business mortgages" and development and master plans for regions that provide mortgages for communication facilities and infrastructure;
- business plan, financial reporting, export-import practice, property valuation, use of insurance and notary services, practical assistance to entrepreneurs in preparing documents and organizing free legal services;
- creation and operation of the "Business 24/7" system – a "single window" system that provides uninterrupted banking and consulting services to entrepreneurs in matters of market conditions and business organization;
- as a universal commercial bank that provides other comprehensive banking services to legal entities and individuals in the manner prescribed by law.

The Bank was granted a banking license #93 issued by the Central Bank of the Republic of Uzbekistan ("the CBU") on 30 September 2023.

The Bank participates in the state deposit insurance scheme, introduced by Uzbekistan Law #360-II "Guarantees for the protection of deposits of individuals in banks" dated 5 April 2002. On 28 November 2008, the President of the Republic of Uzbekistan issued Decree #PD-4057 stating that in case of withdrawal of a license, the State Deposit Insurance Fund guarantees repayment 100% of individual deposits regardless of the deposit amount.

As at 30 June 2024, the Bank's registered address was: 18A, Navoi str., Tashkent, 100011, the Republic of Uzbekistan.

(in millions of Uzbekistan Soums, unless otherwise indicated)

The Bank is a parent company of the Group which consists of the following subsidiaries consolidated in these financial statements:

		30 June 2024 (unaudited)		31 December 2023		
	Country	Share in company, %	Amount	Share in company, %	Amount	Industry
JSCB "Business Development Bank" direct interest in subsidiaries						
LLC "Small Business Development Fund"	Uzbekistan	100%	995,393	100%	30,000	Fund Management
LLC "Green-Energy-Service-Group"	Uzbekistan	100%	34,836	100%	34,836	Individual Services
LLC "Digital transformation center"	Uzbekistan	100%	10,000	100%	1,627	Financial Market Management
LLC "BRB-TECH"	Uzbekistan	100%	1,000	-	-	Innovative Technologies
JSCB "Business Development Bank" indirect interest in subsidiaries via LLC "Small Business Development Fund"						
LLC "Small business supporting centre of Bukhara region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Republic of Karakalpakstan"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Andijan region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Navoi region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Syrdarya region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Tashkent city"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Fergana region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Namangan region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Samarkand region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Tashkent region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Jizzakh region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Khorezm region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Kashkadarya region"	Uzbekistan	100%	20,000	-	-	Fund Management
LLC "Small business supporting centre of Surkhandarya region"	Uzbekistan	100%	20,000	-	-	Fund Management
Total investments in subsidiaries			**1,321,229**		**346,463**	

LLC "Green-Energy-Service Group" ("the Company") was established on 20 February 2023 as a limited liability company in accordance with the Presidential Decree No. PD-57 dated 16 February 2023 "On measures to accelerate the implementation of renewable energy sources and energy saving technologies in 2023". The Company's principal activity is focused on promoting green economy development goals. This involves introducing eco-friendly technologies across various sectors to encourage resource conservation, waste reduction, and renewable energy usage. The Company invests in innovative projects and startups, aiming to commercialize promising developments and facilitate technology transfer. Additionally, it supports projects aimed at energy conservation and financial incentives for technological modernization, fostering community engagement to boost economic activity in the green economy sector.

The Group founded a new subsidiary named "BRB-TECH" LLC with 100% ownership via investing UZS 1,000 million for authorized capital in accordance with the Presidential Decree of the Republic of Uzbekistan No. PD-366 on 9 April 2024.

(in millions of Uzbekistan Soums, unless otherwise indicated)

LLC "Small Business Development Fund" ("the Fund") was established on 5 October 2023 as a limited liability company in accordance with the Presidential Decree of the Republic of Uzbekistan No. PD-292 dated 4 September 2023 "On measures to implement the tasks identified in the open dialogue of 2023 between the President of the Republic of Uzbekistan and entrepreneurs". The Fund's principal activity is specialized in facilitating joint efforts with government departments, ministries, and banks to support small businesses. The Fund sets up small business assistance centers across regions funded jointly by the Bank.

The Group increased its investments into the Fund for the amount equivalent to UZS 695,393 million and subsequent after reporting period expand the share capital of the Fund up to UZS 1,000,000 million in accordance with the Presidential Decree of the Republic of Uzbekistan No. PD-306 on 14 September 2023 "On measures of financial and institutional support for small business development".

The Fund oversees 14 small business supporting centres ("Centres" or "the Centre") in the Republic of Karakalpakstan, regions, and Tashkent city, facilitating the development, financing, and implementation of business projects of small businesses, as well as providing them with consulting services. The Fund acts as a coordinator and facilitator, it ensures effective implementation of tasks assigned to the Bank and business development centres. Additionally, it maintains a "business platform" to streamline processes for lending and online coordination, enhancing overall efficiency in supporting small businesses.

Each centre specializes in a range of services vital for supporting small businesses. Centres offer practical training courses and establish certification systems to give entrepreneurs the necessary skills to develop and finance projects, expand the market reach, attract private investors, and create robust business plans.

Moreover, the Centres conduct thorough analyses and evaluations of project proposals, providing feedback to initiators who participate in the program. The Centres play a crucial role in identifying regional opportunities by analyzing entrepreneurship data and conducting social surveys to guide entrepreneurs in developing new business ventures.

In accordance with the Presidential Decree of the Republic of Uzbekistan No. PD-306 on 14 September 2023 "On measures of financial and institutional support for small business development", on 15 December 2023, LLC "Digital transformation center" was reorganized as a limited liability company and was fully transferred to the balance of the Fund. During 2024, LLC "Digital transformation center" capitalised profit earned for the year ended 31 December 2023 for increasing share capital by 8,373 UZS'mln.

Presentation currency. These interim condensed consolidated financial statements are presented in Uzbekistan Soums ("UZS"), unless otherwise stated.

As at 30 June 2024 (unaudited) and 31 December 2023, the following shareholders owned issued shares of the Bank:

	30 June 2024 (unaudited)	31 December 2023
Shareholders:		
Ministry of Economy and Finance of the Republic of Uzbekistan (MOEF)	53.14%	74.47%
Fund for Reconstruction and Development of the Republic of Uzbekistan (UFRD)	45.83%	23.87%
Others (individually holding less than 5% of the share capital of the Bank)	1.03%	1.66%
Total	**100.00%**	**100.00%**

The Group is ultimately controlled by the government of the Republic of Uzbekistan.

2. Operating environment of the Group

Emerging markets such as Uzbekistan are subject to different risks than more developed markets, including economic, political and social, and legal and legislative risks. Laws and regulations affecting businesses in Uzbekistan continue to change rapidly, tax and regulatory frameworks are subject to varying interpretations. The future economic direction of Uzbekistan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

Because Uzbekistan produces and exports gold in large volume, its economy is sensitive to the price of gold on the world market. During the six months of 2024, the gold price was subject to significant fluctuations with the average price of 2,271.31 USD per troy ounce (2023: 1,943 USD per troy ounce). For the same period the Uzbekistan's gross domestic product ("GDP") grew by 6.4% (2023: 6%). In the first half of 2024 inflation rate in the country increased to 10.6% per annum (2023: inflation was 8.8% per annum).

In June 2024, the Central Bank of the Republic of Uzbekistan has not revised the base rate which remained at 14% per annum. Subsequently, on 25 July 2024, the Central Bank of the Republic of Uzbekistan decreased the base rate by 0.5 percentage to 13.5% per annum. However, the uncertainty still exists related to future development of the geopolitical risks and their impact on the economy of Uzbekistan.

Management of the Group is monitoring developments in the economic, political, and geopolitical situation and taking measures it considers necessary to support the sustainability and development of the Bank's business for the foreseeable future. However, the consequences of these events and related future changes may have a significant impact on the Bank's operations.

3. Basis of presentation

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim condensed consolidated financial information is unaudited and does not include all the information and disclosures required in the annual financial statements. The Group omitted disclosures, which would substantially duplicate the information contained in its audited annual consolidated financial statements for the year ended 31 December 2023 prepared in accordance with International Financial Reporting Standards ("IFRS") accounting standards, such as accounting policies and details of accounts, which have not changed significantly in amount or composition. Additionally, the Group has provided disclosures where significant events have occurred subsequent to the issuance of the Group's annual consolidated financial statements for the year ended 31 December 2023 prepared in accordance with IFRS.

Management believes that the disclosure in this interim condensed consolidated financial information is adequate to make the information presented not misleading if this interim condensed consolidated financial information is read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023 prepared in accordance with IFRS. In management's opinion, this interim condensed consolidated financial information reflects all adjustments necessary to present the Group's financial position, results of operations, statements of changes in shareholders' equity and cash flows for the interim reporting periods.

Interim measurement period. Income tax expense is recognized in this condensed interim consolidated financial information based on the management's best estimate of the weighted average effective annual income tax rate expected for the full financial year. Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Going concern. This interim condensed consolidated financial information has been prepared assuming that the Group continues as a going concern, which contemplates that the Group will continue its operations for the foreseeable future.

The Group had a net loss of UZS 218,008 million for the period ended 30 June 2024 (unaudited). This mainly resulted due to creation of additional allowance for expected credit losses in the amount of UZS 691,510 million which was primarily driven by the higher probability of default and payment delays in loans and advances to customers. As a result, the Group has accumulated deficit in retained earnings account.

For the six months ended 30 June 2024 (unaudited), the Group had a cash outflow from operating activities mainly as a result of increasing of due from other banks balance by UZS 2,212,304 million as disclosed in Note 25. Cash flows stemming from proceeds from subordinated debt have been disclosed as a part of financing activity whereas the due from other banks considered part of operating activities in the consolidated statements of cash flows of the Group as well as outflow which led to negative cash flows in operating activities of the Group as a whole. As a result, the Group had operating cash outflow in the amount of UZS 1,852,860 million.

As at 30 June 2024 (unaudited), the Group was not in compliance with certain financial covenants stipulated in loan agreements with Islamic Corporation for the Development of the Private Sector (ICD), Asian Development Bank (ADB) via MOEF, International Fund for Agricultural Development (IFAD) via MOEF, International Islamic Trade Finance Corporation (ITFC) and KFW IPEX BANK, and classified these loans in the total principal amount of UZS 1,201,260 million as "Up to 1 month" category in the liquidity disclosure.

The Management believes that the Group will be able to continue as a going concern for the foreseeable future based on the following:

- The Group is a state-owned bank MOEF and UFRD as key shareholders, jointly holding 98.97% interest in the share capital of the Bank as at 30 June 2024 (31 December 2023: 98.34%). In accordance with the Presidential Decree of the Republic of Uzbekistan No. PD-336 on 14 September 2023 "On measures of financial and institutional support for small business development" ("PD-306"), starting from 1 October 2023, the Bank was determined to be the main base bank for the effective implementation and continuous development of the Comprehensive Program for Continuous Support of Small Businesses.
- The Bank plays a vital role as a government arm/vehicle to channel the State funds to the strategic sectors of the economy of Uzbekistan. Customer accounts being on demand comprise 43.8% of the total customer balance as at 30 June 2024 (unaudited). Whereas 60.7% of these demand deposits are placed by state-controlled entities which are either the Group's shareholders or its entities under common control and the past experience of the Group indicate that these customer accounts provide a long-term and stable source of funding for the Group.
- During the first half of 2024, the Group has attracted additional short-term and long-term financing from the government and international financial institutions for the total amount of equivalent to UZS 4,005,975 million in domestic and foreign currencies as disclosed in the consolidated statement of cash flows.
- In accordance with the PD-306, on 3 January 2024, the Group signed the agreement with the UFRD on providing subordinated debt in the amount of USD 225 million (UZS 2,768,253 million) for 15 years, including a five-year grace period with the interest rate at 5 percent per annum. Furthermore, the Group and MOEF signed additional agreement on recognizing remaining credit line ("On the construction of additional affordable housing for updated standard projects in rural areas") in the amount of UZS 533,090 million as a subordinated debt.

(in millions of Uzbekistan Soums, unless otherwise indicated)

As of 30 June 2024 (unaudited), the Group was not in compliance with the "norms on transactions with securities" and "bank-related parties and their corresponding risk indicators" prudential requirements set by the CBU. Temporary non-compliance occurred due to the increase of LLC "Small Business Development Fund" charter capital to UZS 995,393 million based on PD-306. In connection with these discrepancies, the Group communicated with the Executive Management of the Central Bank of the Republic of Uzbekistan, and no penalties or actions were applied to the Group. After the reporting period, as of 30 November 2024, the Group rectified breaches to the "norms on transactions with securities" and "bank-related parties and their corresponding risk indicators".

4. Critical accounting judgments and key sources of estimation uncertainty

In preparing this interim condensed consolidated financial information, the significant judgments made by the management in applying the Group's accounting policies and key sources of estimation uncertainty were consistent with those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2023 prepared in accordance with IFRS. There have been no changes to the basis upon which the significant accounting estimates have been determined compared with 31 December 2023.

5. Cash and cash equivalents

	30 June 2024 (unaudited)	31 December 2023
Cash on hand	715,914	725,170
Correspondent accounts and overnight placements with other banks	922,711	369,507
Placements with other banks with original maturities of less than three months	727,758	27,812
Cash balances with the CBU (other than mandatory reserve deposits)	332,966	842,827
Total cash and cash equivalents, gross	**2,699,349**	**1,965,316**
Less: Provision for expected credit losses	(6,223)	(1,229)
Total cash and cash equivalents	**2,693,126**	**1,964,087**

The analysis of credit quality and credit ratings of cash and cash equivalents is as follows:

	30 June 2024 (unaudited)	31 December 2023
Stage 1 (12 month ECL)		
Cash on hand	715,914	725,170
Aa2/AA	635,034	-
A1/A+	648,548	-
Baa1/BBB+	3,037	-
Ba2/BB	325	36
Ba3/BB-	681,867	1,232,643
B1/B+	4,624	1,833
B2/B	-	3,693
Total stage 1, gross	**2,689,349**	**1,963,375**
Stage 3 (Lifetime ECL)		
Not rated	10,000	1,941
Total stage 3, gross	**10,000**	**1,941**
Total cash and cash equivalents, gross	**2,699,349**	**1,965,316**
Less: Provision for expected credit losses	(6,223)	(1,229)
Total cash and cash equivalents	**2,693,126**	**1,964,087**

For the balances with the CBU, the quality categories are determined based on the Moody's sovereign rating – Ba3 stable (as at 31 December 2023: Ba3 stable).

Changes in credit quality of cash and cash equivalents during the six months ended 30 June 2024 (unaudited) are disclosed in Note 25. Information on related party balances is disclosed in Note 29.

(in millions of Uzbekistan Soums, unless otherwise indicated)

6. Due from other banks

	30 June 2024 (unaudited)	31 December 2023
Long term placements with other banks	1,712,163	150,061
Restricted cash	1,241,668	1,213,038
Short term placements with other banks with original maturities of more than three months	868,805	430,849
Mandatory reserve deposit held with CBU	78,298	89,615
Total due from other banks, gross	**3,900,934**	**1,883,563**
Less: Provision for expected credit losses	(24,598)	(2,846)
Total due from other banks	**3,876,336**	**1,880,717**

As at 30 June 2024 (unaudited), restricted cash in the amount of UZS 1,239,267 million (31 December 2023: UZS 1,209,241 million) represent balances held in current/settlement accounts of customers of "Digital Transformation Center" LLC. The Group does not have right to use these funds for the purposes of funding its own activities as part of these funds in the form of the deposit is blocked/limited in use due to participation in tenders.

The analysis of credit quality and credit ratings of due from other banks is presented in the table below:

	30 June 2024 (unaudited)	31 December 2023
Stage 1 (12 month ECL)		
Aa2/AA	188,868	-
A1/A+	90	-
A3/A-	440,714	247,163
Baa1/BBB+	238,582	185,401
Ba3/BB-	2,976,151	1,418,494
B1/B+	50	50
B2/B	55,842	31,829
Total stage 1, gross	**3,900,297**	**1,882,937**
Stage 3 (Lifetime ECL)		
Not rated	637	626
Total stage 3, gross	**637**	**626**
Total due from other banks, gross	**3,900,934**	**1,883,563**
Less: Provision for expected credit losses	(24,598)	(2,846)
Total due from other banks	**3,876,336**	**1,880,717**

For the balances with the CBU, the quality categories are determined based on the Moody's sovereign rating– Ba3 stable (as at 31 December 2023: Ba3 stable).

Changes in credit quality of due from other banks during the six months ended 30 June 2024 (unaudited) are disclosed in Note 25. The information on related party balances is disclosed in Note 29.

(in millions of Uzbekistan Soums, unless otherwise indicated)

7. Loans and advances to customers

The Group uses the following classification of loans and advances to customers by classes:

- Mortgages under the Program – mortgage loans issued to individuals under Housing for Integrated Rural Development Investment Program (Note 1);
- Loans to legal entities – loans issued to clients with legal form of ownership;
- Loans to individuals – loans issued to individuals, except for mortgages issued under Housing for Integrated Rural Development Investment Program, which comprise:
  - commercial mortgage loans;
  - consumer loans;
  - educational loans;
  - other
- Net investment in finance lease – loans issued to legal entities that meet the definition of finance lease.

	30 June 2024 (unaudited)	31 December 2023
Loans to legal entities	12,378,832	12,186,437
Loans to individuals	5,800,513	5,498,495
Mortgages under the Program	4,931,584	5,291,550
Net investment in financial lease	81,124	81,385
Total loans and advances to customers, gross	**23,192,053**	**23,057,867**
Less: Provision for expected credit losses	(3,375,956)	(2,870,205)
Total loans and advances to customers	**19,816,097**	**20,187,662**

Information on related party balances is disclosed in Note 29.

As at 30 June 2024 (unaudited), the Group had a single borrower with the aggregate gross carrying amount of loans comprising UZS 507,704 million (31 December 2023: UZS 493,551 million).

The table below summarizes carrying value of loans and advances to customers analysed by economic sector concentrations:

	30 June 2024 (unaudited)		31 December 2023	
	Amount	%	Amount	%
Individuals	10,732,097	46	10,790,045	47
Manufacturing	4,201,038	18	4,153,349	18
Trade	2,538,367	11	2,566,200	11
Agriculture	1,889,376	8	1,834,718	8
Construction	1,758,012	8	1,794,133	8
Services	1,292,596	6	1,141,088	5
Transport and communication	468,377	2	461,527	2
Other	312,190	1	316,807	1
Total loans and advances to customers, gross	**23,192,053**	**100**	**23,057,867**	**100**

Individuals comprise of the mortgages under the Program and loans to individuals.

(in millions of Uzbekistan Soums, unless otherwise indicated)

The analysis of credit quality of loans and advances to customers is presented in the table below:

	30 June 2024 (unaudited)	31 December 2023
Stage 1 (12-month ECL)	12,745,560	15,027,586
Stage 2 (Lifetime ECL)	4,889,137	3,466,625
Stage 3 (Lifetime ECL)	5,557,356	4,563,656
Total loans and advances to customers, gross	**23,192,053**	**23,057,867**
Less: Provision for expected credit losses	(3,375,956)	(2,870,205)
Total loans and advances to customers	**19,816,097**	**20,187,662**

The table below summarizes the carrying value of loans and advances to customers analysed by type of collateral obtained by the Group:

	30 June 2024 (unaudited)	31 December 2023
Unsecured loans:	1,179,895	516,044
Loans collateralised by pledge of:		
Real estate	17,041,105	17,876,396
Guarantees of third parties	1,850,210	2,076,460
Insurance policies	1,555,784	910,438
Equipment	847,546	825,788
Vehicles	701,557	776,954
Inventories	13,169	37,244
Cash deposit	415	397
Other	2,372	38,146
Total loans and advances to customers, gross	**23,192,053**	**23,057,867**
Less: Provision for expected credit losses	(3,375,956)	(2,870,205)
Total loans and advances to customers	**19,816,097**	**20,187,662**

Guarantees of third parties were not considered in computation of discounted cash flows in calculation of allowance for impairment of loans and advances to customers.

The table below summarizes the carrying value of the credit impaired loans and advances to customers (stage 3) analysed by type of collateral obtained by the Group:

	30 June 2024 (unaudited)	31 December 2023
Unsecured loans:	23,168	62,131
Loans collateralised by pledge of:		
Real estate	3,870,713	2,977,311
Guarantees of third parties	644,344	748,110
Insurance policies	481,398	324,206
Vehicles	327,772	247,295
Equipment and inventory	209,908	204,390
Other	53	213
Total Stage 3 (Lifetime ECL) loans and advances to customers, gross	**5,557,356**	**4,563,656**
Less: Provision for expected credit losses	(2,561,594)	(1,910,165)
Total Stage 3 (Lifetime ECL) loans and advances to customers	**2,995,762**	**2,653,491**

(in millions of Uzbekistan Soums, unless otherwise indicated)

Analysis of credit quality of loans and advances to customers outstanding as at 30 June 2024 (unaudited) is as follows:

	Mortgages under the Program	Loans to legal entities	Loans to individuals	Net investment in financial lease	Total
Collectively assessed					
Stage 1 (12-month ECL)					
Not past due	3,071,721	4,306,925	4,176,811	69,413	11,624,870
up to 30 days	430,927	515,093	174,670	-	1,120,690
Total collectively assessed stage 1 (12-month ECL), gross	**3,502,648**	**4,822,018**	**4,351,481**	**69,413**	**12,745,560**
Stage 2 (Lifetime ECL)					
Not past due	-	480,130	-	-	480,130
up to 30 days	510,877	1,857,866	583,790	-	2,952,533
31 to 60 days	243,709	282,974	109,756	398	636,837
61 to 90 days	168,459	559,382	91,796	-	819,637
Total collectively assessed stage 2 (Lifetime ECL), gross	**923,045**	**3,180,352**	**785,342**	**398**	**4,889,137**
Stage 3 (Lifetime ECL)					
Not past due	-	647,811	-	-	647,811
up to 30 days	135,068	143,934	233,943	-	512,945
31 to 60 days	82,975	51,952	77,681	-	212,608
61 to 90 days	66,798	124,304	67,163	-	258,265
91 to 180 days	79,611	371,626	75,412	1,096	527,745
Over 180 days	141,439	1,754,499	209,491	10,217	2,115,646
Total collectively assessed stage 3 (Lifetime ECL), gross	**505,891**	**3,094,126**	**663,690**	**11,313**	**4,275,020**
Total collectively assessed, gross	**4,931,584**	**11,096,496**	**5,800,513**	**81,124**	**21,909,717**
Individually impaired					
Stage 3 (Lifetime ECL)					
Not past due	-	470,254	-	-	470,254
up to 30 days	-	94,989	-	-	94,989
31 to 60 days	-	79,271	-	-	79,271
61 to 90 days	-	16,262	-	-	16,262
91 to 180 days	-	212,634	-	-	212,634
Over 180 days	-	408,926	-	-	408,926
Total individually impaired stage 3 (Lifetime ECL), gross	**-**	**1,282,336**	**-**	**-**	**1,282,336**
Total loans and advances to customers, gross	**4,931,584**	**12,378,832**	**5,800,513**	**81,124**	**23,192,053**
Provision for expected credit losses assessed on a collective basis stage 1 (12-month ECL)	(18,071)	(230,824)	(31,444)	(2,447)	(282,786)
Provision for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(37,356)	(452,787)	(41,383)	(50)	(531,576)
Provision for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(120,289)	(1,854,138)	(171,809)	(8,814)	(2,155,050)
Provision for expected credit losses determined on an individual basis stage 3 (Lifetime ECL)	-	(406,544)	-	-	(406,544)
Total provision for expected credit losses	**(175,716)**	**(2,944,293)**	**(244,636)**	**(11,311)**	**(3,375,956)**
Total loans and advances to customers	**4,755,868**	**9,434,539**	**5,555,877**	**69,813**	**19,816,097**

(in millions of Uzbekistan Soums, unless otherwise indicated)

As at 30 June 2024 (unaudited), loans to legal entities include restructured loans during the six months period in the gross amount of UZS 353,171 million (31 December 2023: UZS 493,551 million).

Analysis of credit quality of loans and advances to customers outstanding as at 31 December 2023 is as follows:

	Mortgages under the Program	Loans to legal entities	Loans to individuals	Net investment in financial lease	Total
Collectively assessed					
Stage 1 (12-month ECL)					
Not past due	3,961,052	5,587,800	4,387,148	70,491	14,006,491
up to 30 days	405,912	476,364	138,819	-	1,021,095
Total collectively assessed stage 1 (12-month ECL), gross	**4,366,964**	**6,064,164**	**4,525,967**	**70,491**	**15,027,586**
Stage 2 (Lifetime ECL)					
Not past due	-	1,108,436	-	-	1,108,436
up to 30 days	321,021	177,884	371,410	479	870,794
31 to 60 days	266,800	583,147	110,385	2,371	962,703
61 to 90 days	151,919	295,324	76,070	1,379	524,692
Total collectively assessed stage 2 (Lifetime ECL), gross	**739,740**	**2,164,791**	**557,865**	**4,229**	**3,466,625**
Stage 3 (Lifetime ECL)					
Not past due	-	637,380	-	-	637,380
up to 30 days	45,050	85,460	106,548	2,011	239,069
31 to 60 days	25,797	267,303	44,706	-	337,806
61 to 90 days	16,524	90,890	31,729	-	139,143
91 to 180 days	24,185	299,954	75,186	2,534	401,859
Over 180 days	73,290	1,039,676	156,494	2,120	1,271,580
Total collectively assessed stage 3 (Lifetime ECL), gross	**184,846**	**2,420,663**	**414,663**	**6,665**	**3,026,837**
Total collectively assessed, gross	**5,291,550**	**10,649,618**	**5,498,495**	**81,385**	**21,521,048**
Individually impaired					
Stage 3 (Lifetime ECL)					
Not past due	-	568,747	-	-	568,747
up to 30 days	-	38,279	-	-	38,279
31 to 60 days	-	306,990	-	-	306,990
61 to 90 days	-	154,189	-	-	154,189
91 to 180 days	-	175,260	-	-	175,260
Over 180 days	-	293,354	-	-	293,354
Total individually impaired stage 3 (Lifetime ECL), gross	**-**	**1,536,819**	**-**	**-**	**1,536,819**
Total loans and advances to customers, gross	**5,291,550**	**12,186,437**	**5,498,495**	**81,385**	**23,057,867**
Provision for expected credit losses assessed on a collective basis stage 1 (12-month ECL)	(22,872)	(388,478)	(29,947)	(2,300)	(443,597)
Provision for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(49,882)	(427,367)	(37,676)	(1,518)	(516,443)
Provision for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(45,538)	(1,309,366)	(114,047)	(4,249)	(1,473,200)
Provision for expected credit losses determined on an individual basis stage 3 (Lifetime ECL)	-	(436,965)	-	-	(436,965)
Total provision for expected credit losses	**(118,292)**	**(2,562,176)**	**(181,670)**	**(8,067)**	**(2,870,205)**
Total loans and advances to customers	**5,173,258**	**9,624,261**	**5,316,825**	**73,318**	**20,187,662**

(in millions of Uzbekistan Soums, unless otherwise indicated)

The components of net investment in finance lease receivables are as follows:

	30 June 2024 (unaudited)	31 December 2023
Amounts receivable under finance leases		
Less than one year	15,989	24,836
Year 1	20,007	17,390
Year 2	16,643	14,874
Year 3	15,769	14,173
Year 4	14,712	13,335
Year 5	4,788	4,339
Minimum lease payments	87,908	88,947
Less: unearned finance income	(6,784)	(7,562)
Net investment in finance lease (before impairment)	**81,124**	**81,385**
Recoverable within 12 months	12,822	21,702
Recoverable after 12 months	68,302	59,683
Net investment in finance lease (before impairment)	**81,124**	**81,385**
Less: Provision for expected credit losses	(11,311)	(8,067)
Net investment in finance lease	**69,813**	**73,318**

Net investment in finance lease is collateralised by the equipment leased. The Group is not permitted to sell or repledge the collateral in the absence of default by the lessee.

8. Investment securities measured at amortised cost

	30 June 2024 (unaudited)	31 December 2023
Government bonds	1,472,483	1,376,551
CBU Bonds	-	97,357
Corporate bonds	24,156	20,778
Total investment securities measured at amortised cost, gross	**1,496,639**	**1,494,686**
Less: Provision for expected credit losses	(8,429)	(7,723)
Total investment securities measured at amortised cost	**1,488,210**	**1,486,963**

As at 30 June 2024 (unaudited), government bonds from the Ministry of Economy and Finance of the Republic of Uzbekistan include a gross amount of UZS 552,756 million purchased during the six months period ended 30 June 2024.

For the balances with the CBU and the Ministry of Economy and Finance, the quality categories are determined based on Moody's sovereign rating Ba3 stable (as at 31 December 2023: Ba3 stable).

(in millions of Uzbekistan Soums, unless otherwise indicated)

9. Financial Assets at Fair Value Through Other Comprehensive Income

	Type of financial instrument	Share in %	30 June 2024 (unaudited)	31 December 2023
JSC "Uzbekistan Mortgage Refinancing Company"	equity instruments	6.6%	66,362	14,690
"Yashil Energiya" LLC	equity instruments	9.58%	34,469	34,473
JSC "O'ZBEKISTON POCHTASI"	equity instruments	2.93%	3,816	3,812
JSC "O'zagrolizing"	equity instruments	0.20%	168	170
Others	equity instruments	3.23 - 9.87%	4,040	3,357
Total financial assets at fair value through other comprehensive income			**108,855**	**56,502**

In accordance with the Presidential Decree of the Republic of Uzbekistan No. PD-394 "On measures to financially support the activities of JSC "Uzbekistan Mortgage Refinancing Company" dated 18 December 2023, the shareholders have been entrusted with contributing funds to the share capital of JSC "Uzbekistan Mortgage Refinancing Company" by issuing additional shares and placing them at nominal value in the prescribed manner. During six months of 2024, the Bank invested UZS 48,800 million, and proportionally the percentage of shares of the Bank is from 10% to 6.6% in total.

10. Property and equipment

As at 30 June 2024 (unaudited), the Group's additions comprise from acquisition of office and computer equipment amounting of UZS 56,782 million. A significant part of the acquisition is represented as ATM machines and computer equipment in the amount of UZS 41,935 million and UZS 3,305 million respectively.

As at 30 June 2024 (unaudited), fully depreciated assets amounted to UZS 97,285 million (31 December 2023: UZS 58,146 million).

As at 30 June 2024 (unaudited) and 31 December 2023, the Group did not pledge premises, equipment and intangible assets as collateral.

11. Other assets

	30 June 2024 (unaudited)	31 December 2023
Other financial assets:		
Receivables on money transfers	12,232	1,144
Commissions receivable from customers	2,615	1,129
Receivable from employees	1,039	192
Other receivables	-	1,679
Total other financial assets, gross	**15,886**	**4,144**
Less: Provision for expected credit losses	(1,768)	(303)
Total other financial assets	**14,118**	**3,841**
Other non-financial assets:		
Prepayments	45,818	31,195
Prepayments for office and computer equipment	3,650	38,091
Prepayment for construction services	2,849	2,451
Repossessed collateral	545	25,535
Other	5,257	208
Total other non-financial assets	**58,119**	**97,480**
Total other assets	**72,237**	**101,321**

Analysis by credit quality of other financial assets is as follows:

	30 June 2024 (unaudited)	31 December 2023
Stage 2 (Lifetime ECL)	4,497	4,144
Stage 3 (Lifetime ECL)	11,389	-
Total other financial assets, gross	**15,886**	**4,144**
Less: Provision for expected credit losses	(1,768)	(303)
Total other financial assets	**14,118**	**3,841**

The analysis by credit quality of other financial assets outstanding at 30 June 2024 (unaudited) is as follows:

In millions of Uzbekistan Soums	Commissions receivable from customers	Receivables on money transfers	Receivable from employees	Total
Collectively assessed				
Stage 2 (Lifetime ECL)				
Not past due	462	2,512	1,034	4,008
31 to 60 days	464	-	-	464
61 to 90 days	25	-	-	25
Total collectively assessed stage 2 (Lifetime ECL), gross	**951**	**2,512**	**1,034**	**4,497**
Stage 3 (Lifetime ECL)				
Not past due	-	9,720	-	9,720
91 to 180 days	1,623	-	-	1,623
Over 180 days	41	-	5	46
Total collectively assessed stage 3 (Lifetime ECL), gross	**1,664**	**9,720**	**5**	**11,389**
Total other financial assets, gross	**2,615**	**12,232**	**1,039**	**15,886**
Provision for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(100)	(6)	(27)	(133)
Provision for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(859)	(776)	-	(1,635)
Total provision for expected credit losses	**(959)**	**(782)**	**(27)**	**(1,768)**
Total other financial assets	**1,656**	**11,450**	**1,102**	**14,118**

(in millions of Uzbekistan Soums, unless otherwise indicated)

The analysis by credit quality of other financial assets outstanding at 31 December 2023 is as follows:

	Receivables on money transfers	Commissions receivable from customers	Receivable from employees	Other receivables	Total
Collectively assessed					
Stage 2 (Lifetime ECL)					
Not past due	1,144	1,129	192	1,679	4,144
Total collectively assessed stage 2 (Lifetime ECL), gross	**1,144**	**1,129**	**192**	**1,679**	**4,144**
Provision for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(19)	(107)	(18)	(159)	(303)
Total other financial assets, net	**1,125**	**1,022**	**174**	**1,520**	**3,841**

12. Assets classified as held for sale

	30 June 2024 (unaudited)	31 December 2023
Repossessed assets received as collateral from loans and advances to customers		
Real estate	127,031	62,601
Vehicles	6,838	3,428
Total repossessed assets classified as held for sale	**133,869**	**66,029**

13. Due to other banks

	30 June 2023 (unaudited)	31 December 2023
Short term placements of other banks	754,495	522,218
Long term placements of other banks	819,148	684,334
Total due to other banks	**1,573,643**	**1,206,552**

As at 30 June 2024 (unaudited), term deposits in the amount of UZS 1,005,419 million were provided by 2 domestic banks and 1 foreign bank (31 December 2023: UZS 565,604 million – 3 domestic banks).

(in millions of Uzbekistan Soums, unless otherwise indicated)

14. Customer accounts

	30 June 2024 (unaudited)	31 December 2023
State and public organizations		
- Current/settlement accounts	1,468,417	1,794,962
- Term deposits	479,156	880,121
Other legal entities		
- Current/settlement accounts	640,682	666,022
- Term deposits	1,184,504	830,406
Individuals		
- Current/settlement accounts	306,674	288,740
- Term deposits	1,433,477	1,456,115
Total customer accounts	**5,512,910**	**5,916,366**

Economic sector concentration is as follows:

	30 June 2024 (unaudited)		31 December 2023	
	Amount	%	Amount	%
Analysis by economic sector/customer type:				
State and public organisations	1,947,573	35	2,675,083	46
Individuals	1,740,151	32	1,744,855	29
Services	749,197	14	314,299	9
Finance sector	417,497	8	521,996	5
Manufacturing	256,951	5	237,760	4
Trade	238,692	4	127,567	4
Construction	129,825	2	252,881	2
Transport and communication	19,005	-	25,720	1
Agriculture	13,975	-	15,666	-
Others	44	-	539	-
Total customer accounts	**5,512,910**	**100**	**5,916,366**	**100**

As at 30 June 2024 (unaudited) and 31 December 2023, the Group had 10 customers with the total balance of UZS 2,528,369 million and UZS 2,526,605 million, respectively.

(in millions of Uzbekistan Soums, unless otherwise indicated)

15. Borrowings from government and international financial institutions

	30 June 2024 (unaudited)	31 December 2023
Ministry of Economy and Finance of the Republic of Uzbekistan (MOEF)	5,634,010	6,145,247
International Bank of Reconstruction and Development (IBRD) via MOEF	1,835,659	1,704,176
Asian Development Bank (ADB) via MOEF	1,674,267	1,767,958
Islamic Development Bank via MOEF	1,638,208	1,683,277
Fund for Reconstruction and Development of the Republic of Uzbekistan (UFRD)	1,307,113	913,412
Saudi Fund for Development via MOEF	517,758	548,771
European Investment Bank via Entrepreneurship Development Agency under the Ministry of Economic Development and Poverty Reduction	445,115	437,050
KFW IPEX BANK	393,986	460,938
Borrowings from Government	336,690	470,082
Bank World of Privilege	268,567	248,048
Cargill Financial Services International	258,676	254,839
Japan International Cooperation Agency (JICA)	238,829	233,991
International Development Association (IDA) via MOEF	201,806	207,178
JSC "Uzbekistan mortgage refinancing company"	198,984	236,135
JSC JSCB International Financial Club (IFC Bank)	195,280	193,492
National Bank for Foreign Economic Activity of Uzbekistan (NBU)	193,992	201,405
International Fund for Agricultural Development (IFAD) via MOF	153,836	143,148
COMMERZBANK AG	118,991	113,372
French Development Agency via State Committee for Veterinary and Livestock Development	89,529	89,658
JSC KDB Bank Uzbekistan	82,699	91,499
International Islamic Trade Finance Corporation (ITFC)	78,519	92,224
Islamic Corporation for the Development of the Private Sector (ICD)	74,933	120,621
Central Bank of Uzbekistan	33,219	54,443
JSCB "Asaka Bank"	32,203	38,139
Landesbank Hessen-Thüringen Girozentrale	29,523	29,074
JSCB "Uzbek Industrial and Construction Bank"	28,074	31,792
JSCMB "Ipoteka Bank"	24,900	30,058
JSCB "Aloqabank"	21,974	27,358
JSCB "Mikrokreditbank"	16,388	16,552
JSCB "Turonbank"	14,670	19,344
JSCB "Agrobank"	3,724	4,345
"Kamkombank" LLC	-	306,414
China Eximbank via NBU	-	42,811
Banka Kombëtare Tregtare SH.a	-	27,496
Total borrowings from government and international financial institutions	**16,142,122**	**16,984,347**

As at 30 June 2024 (unaudited), the Group was not in compliance with certain financial covenants stipulated in the following loan agreements where the Group is obliged to comply with the financial covenants in relation to the funds borrowed:

- Borrowings from the Islamic Corporation for the Development of the Private Sector (ICD). As a result of the non-compliance, the Group recognised liability of the outstanding principal amount of equivalent to UZS 74,933 million to ICD within the Borrowings from government and international financial institutions. The Group was in breach of a financial covenant of a "ratio of bad and doubtful loans to the aggregate of all loans in the Bank's loan portfolio.
- Borrowings from the International Islamic Trade Finance Corporation (ITFC). As a result of the non-compliance, the Group recognised liability in the outstanding principal amount of equivalent to UZS 78,519 million to ITFC within the Borrowings from government and international financial institutions. The Group was in breach of a financial covenant ratio of non-performing loans (stage 3 loans) against total gross loans; or the overdue ratio of loans overdue more than 90 days divided by total gross loans.
- Borrowings from Asian Development Bank provided through MOEF represent long-term loans with the total outstanding principal amount of equivalent to UZS 529,848 million maturing from August 2029 to March 2033, which are issued with interest rates from 3% to 14% under the Subsidiary Loan Agreements #2775-UZB dated 16 February 2012, 3039-UZB dated 11 October 2013, #3271-UZB dated 21 August 2015 and #L3823-UZB (COL) dated 13 November 2019. The Group was in breach of financial covenants of a "return on average assets ratio", a "maximum ratio of the value of non-performing loans (NPLs)" and breach "non-performing loans ratio (i.e. debts requiring 100% loan-loss provisioning as defined by the CBU)".
- Borrowings from the International Fund for Agricultural Development (IFAD) under the general agreement signed among the Bank, IFAD and MOEF. The total outstanding principal amount was equivalent to UZS 126,191 million. The Group was in breach of the followings financial covenants: 1) positive net profit for the current financial period and two previous financial period; 2) ratio of non-performing loans to the total loans portfolio (NPLs – a percentage of outstanding balance of all loans with a payment over 90 days late to gross amount of all loans as per accounting policies set by the CBU) and; 3) ratio of the outstanding balance of the loans issued under the credit line with over 30 days overdue to the gross outstanding balance of the loans issued under this credit line.
- Non-compliance has triggered cross default clauses stipulated in the credit facility agreement signed between the Bank and KFW IPEX BANK in the outstanding principal amount of equivalent to UZS 391,769 million. Under this credit facility agreement cross default events also give KFW IPEX BANK the right to demand prepayment of the loan advanced to the Bank.

As at 30 June 2024 (unaudited), in accordance with IFRS, the Group classified the long-term borrowings from these financial institutions as "Up to 1 month" in the total principal amount of equivalent to UZS 1,201,260 million.

The Group is proactively communicating with all above-mentioned financial institutions and adopted development strategy in relation to financial years 2024-2026 with a view of ensuring compliance with the covenants in the future.

The Group is proactively communicating with other financial institutions in order to obtain waiver letters and agree action plan for future cooperation.

The Group believes that the non-compliance with the above-mentioned financial covenants is not expected to result in a cash outflow for the Group (Note 3).

(in millions of Uzbekistan Soums, unless otherwise indicated)

16. Other liabilities

	30 June 2024 (unaudited)	31 December 2023
Other financial liabilities:		
Trade payables for goods and services received	21,026	29,774
Security Deposits on money transfers	7,792	6,293
Payable to "Guarantee fund of deposits of individuals"	4,075	4,195
Dividends payable	48	60
Deposit for stock subscription	-	925,408
Other	133	473
Total other financial liabilities	**33,074**	**966,203**
Other non-financial liabilities:		
Taxes other than income tax payable	11,113	17,031
Provision for credit related commitments	8,941	5,910
Accrued employee benefit costs	6,946	11,867
Obligatory payable to pension and other funds	416	668
Unearned Income	333	12,425
Other	1,413	2,892
Total other non-financial liabilities	**29,162**	**50,793**
Total other liabilities	**62,236**	**1,016,996**

On 31 January 2024, under the PD-306, the Group increased its share capital based on received funds for capital injection in the form of ordinary shares from the Fund for Reconstruction and Development of the Republic of Uzbekistan in the amount of equivalents to UZS 931,800 million as per the agreement for the subscription of ordinary shares #2 dated 30 November 2023.

17. Subordinated debt

	30 June 2024 (unaudited)	31 December 2023
Ministry of Economy and Finance of the Republic of Uzbekistan	537,747	-
Fund for Reconstruction and Development of the Republic of Uzbekistan	2,821,197	-
	3,358,944	-

In accordance with the PD-366, the Fund for Reconstruction and Development of the Republic of Uzbekistan was obligated to issue USD 225 million as a subordinated debt for 15 years, including a five-year grace period with the interest rate at 5 percent per annum. On 3 January 2024, the Group received the funds equivalent to UZS 2,768,253 million.

On 15 March 2024 and 1 May 2024, funds equivalent to UZS 310,047 million and UZS 223,044 million of the Ministry of Economy and Finance of the Republic of Uzbekistan originated as a result of the transfer of the borrowings previously allocated to "Qishloq Qurilish Bank" JSCB to turn them into subordinated debt in accordance with the PD-306 for 15 years, including a five-year grace period with the interest rate at 3 and 12 percent per annum, respectively.

18. Share capital

	Authorised shares	Ordinary shares	Preference shares	Total number of shares
31 December 2023	15,561,710,780	15,561,710,780	9,000,000	15,570,710,780
30 June 2024 (unaudited)	25,148,232,705	25,148,232,705	9,000,000	25,157,232,705

(in millions of Uzbekistan Soums, unless otherwise indicated)

The Group's share capital comprises the following:

	Ordinary shares	Preference shares	Share premium	Total
31 December 2023	**1,859,507**	**2,007**	**942**	**1,862,456**
30 June 2024 (unaudited)	**3,002,700**	**2,007**	**942**	**3,005,649**

As at 30 June 2024 (unaudited)	Nominal registered amount	Effect of hyperinflation	Share premium	Total
Share capital	3,000,000	4,707	942	3,005,649

In addition to the capital growth set out in Note 16, on 7 May 2024 the Group increased its share capital in accordance with the PD-306 and based on partially received funds for capital injection in the form of ordinary shares from the Ministry of Economy and Finance of the Republic of Uzbekistan in the amount of equivalents to UZS 100,000 million as per the agreement for the subscription of ordinary shares #1 dated 27 February 2024.

On 28 June 2024, under the PD-306, the Group increased its share capital based on expected remaining funds for capital injection in the form of ordinary shares from the Ministry of Economy and Finance of the Republic of Uzbekistan in the amount of equivalents to UZS 111,392 million as per the agreement for the subscription of ordinary shares #312/997 dated 28 June 2024.

19. Net interest income

	For the six months ended	
	30 June 2024 (unaudited)	30 June 2023 (unaudited)
Interest income comprises:		
Interest on loans and advances to customers	1,767,734	1,483,330
Interest on balances due from other banks	169,774	24,873
Interest income on investment securities measured at amortised cost	94,242	112,232
Interest on cash and cash equivalents	1,470	604
Total interest income	**2,033,220**	**1,621,039**
Interest expense comprises:		
Interest on borrowings from government and international financial institutions	(665,733)	(541,559)
Interest on term deposits of individuals	(141,312)	(135,163)
Interest on term deposits of state and other legal entities	(94,483)	(162,830)
Interest on subordinated debt	(85,434)	-
Interest on term deposits of other banks	(44,772)	(49,885)
Interest on debt securities in issue	(4,795)	(20,935)
Other interest expenses	(26,347)	(10,386)
Total interest expense	**(1,062,876)**	**(920,758)**
Net interest income	**970,344**	**700,281**

The total interest income and expense calculated using an effective interest rate method for financial assets measured at amortized cost are the same as disclosed above.

(in millions of Uzbekistan Soums, unless otherwise indicated)

20. Fee and commission income and expense

	For the six months ended	
	30 June 2024 (unaudited)	**30 June 2023 (unaudited)**
Fee and commission income:		
Settlements	84,665	68,143
International money transfers	11,201	14,316
Guarantees and letters of credit	3,873	4,730
SMS and internet banking	2,055	2,573
Foreign exchange operations	187	152
Other	2,168	2,099
Total fee and commission income	**104,149**	**92,013**
Fee and commission expense:		
Settlements	(21,120)	(14,825)
Cash collection services	(2,053)	(2,480)
Fee and commission expenses to other banks	(1,629)	(2,945)
Other	(4,473)	(1,664)
Total fee and commission expense	**(29,275)**	**(21,914)**
Net fee and commission income	**74,874**	**70,099**

21. Operating expenses

	For the six months ended	
	30 June 2024 (unaudited)	**30 June 2023 (unaudited)**
Staff costs	288,652	194,605
Depreciation and amortisation	45,280	33,455
Taxes other than income tax	38,781	27,604
Security services	24,175	21,666
Membership fees	12,356	11,155
Repair and maintenance	8,710	5,329
Charity and sponsorship	8,058	11,871
Business trip and travel expenses	6,884	3,011
Stationery and supplies	5,993	4,192
Advertising and Publicity	5,953	2,557
Rent expenses	3,211	1,793
Utilities	3,007	1,646
Professional services	2,611	4,317
Postage, telephone and fax	1,305	1,553
Fuel	1,217	919
Other operating expenses	11,615	8,895
Total operating expenses	**467,808**	**334,568**

(in millions of Uzbekistan Soums, unless otherwise indicated)

22. Income taxes

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

Income tax expense comprises the following:

	For the six months ended	
	30 June 2024 (unaudited)	**30 June 2023 (unaudited)**
Current income tax expense	-	22,147
Deferred tax (benefit)/expense	59,009	(127,606)
Income tax (benefit)/expense	**59,009**	**(105,459)**
Income tax relating to the equity instruments classified as FVTOCI	**644**	**(341)**

The Group is subject to certain permanent tax differences due to the non-tax deductibility of certain expenses and certain income being treated as non-taxable for tax purposes. Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Temporary differences as at 30 June 2024 (unaudited) and 30 June 2023 (unaudited) relate mostly to different methods/timing of income and expense recognition as well as to temporary differences generated by tax – book bases' differences for certain assets. The income tax rate applicable to the majority of the Group's income is 20%.

Relationships between tax expenses and accounting profit for the six months ended 30 June 2024 (unaudited) and 30 June 2023 (unaudited) are explained as follows:

	For the six months ended	
	30 June 2024 (unaudited)	**30 June 2023 (unaudited)**
IFRS loss before tax	**(158,999)**	**(497,795)**
Theoretical tax recovery at the applicable statutory rate - 20%	(31,800)	(99,559)
- Non-deductible expenses (employee compensation, representation and other non-deductible expenses)	2,018	4,047
- Tax law change for allowances for assets	36,021	12,880
- Tax exempt income	(26,177)	(24,098)
- Deferred tax asset not recognised on income tax losses	78,657	-
- Other	290	1,271
Income tax expense/(benefit)	**59,009**	**(105,459)**
Income tax relating to the equity instruments classified as FVTOCI	644	(341)
Total income tax expense/(benefit)	**59,653**	**(105,800)**

According to the article 304 of the Tax Code of the Republic of Uzbekistan, income from government bonds and other government securities of the Republic of Uzbekistan, as well as income on bonds issued abroad by the Republic of Uzbekistan and legal entities of the Republic of Uzbekistan are not considered as income for taxation purposes. For the six months 30 June 2024 (unaudited) and 30 June 2023 (unaudited), the income in the amount of UZS 130,528 million and UZS 112,232 million, respectively, derived from the purchase of bonds of the government and the CBU.

(in millions of Uzbekistan Soums, unless otherwise indicated)

Temporary differences as at 30 June 2024 (unaudited) comprise:

	30 June 2024 (unaudited)	**Credited to Other compre-hensive income**	**(Debited) / credited to profit or loss**	**31 December 2023**
Tax effect of deductible/(taxable) temporary differences				
Cash and cash equivalents	1,245	-	999	246
Due from other banks	4,920	-	4,351	569
Loans and advances to customers	374,426	-	(82,531)	456,957
Investment securities measured at amortised cost	6,070	-	7,831	(1,761)
Financial assets at fair value through other comprehensive income	(1,518)	(644)	-	(874)
Property and equipment	663	-	113	550
Intangible assets	93	-	(78)	171
Other assets	2,009	-	(544)	2,553
Assets classified as held for sale	19,357	-	13,037	6,320
Other liabilities	3,447	-	(738)	4,185
Borrowings from government and international financial institutions	(1,102)	-	(1,449)	347
Net deferred income tax asset	**409,610**	**(644)**	**(59,009)**	**469,263**
Recognised deferred tax asset	412,230	-	(62,851)	469,790
Recognised deferred tax liability	(2,620)	(644)	3,842	(527)
Net deferred income tax asset	**409,610**	**(644)**	**(59,009)**	**469,263**

(in millions of Uzbekistan Soums, unless otherwise indicated)

Temporary differences as at 30 June 2023 (unaudited) comprise:

	30 June 2023 (unaudited)	**Debited to Other compre hensive income**	**(Debited)/ credited to profit or loss**	**31 December 2022**
Tax effect of deductible/(taxable) temporary differences				
Cash and cash equivalents	179	-	(306)	485
Due from other banks	300	-	(196)	496
Loans and advances to customers	413,587	-	126,507	287,080
Investment securities measured at amortised cost	662	-	(1,552)	2,214
Financial assets at fair value through other comprehensive income	(606)	341	-	(947)
Property and equipment	767	-	164	603
Intangible assets	41	-	(24)	65
Other assets	446	-	152	294
Assets classified as held for sale	3,438	-	3,438	-
Other liabilities	3,746	-	(631)	4,377
Borrowings from government and international financial institutions	(1,453)	-	54	(1,507)
Net deferred income tax asset	**421,107**	**341**	**127,606**	**293,160**
Recognised deferred tax asset	423,166	-	130,315	294,107
Recognised deferred tax liability	(2,059)	341	(2,709)	(947)
Net deferred income tax asset	**421,107**	**341**	**127,606**	**293,160**

23. Earnings per shares

Basic earnings per share are calculated by dividing the profit or loss attributable to shareholders of the Bank by the weighted average number of ordinary shares in issue during the period, excluding treasury shares.

The Bank has no dilutive potential ordinary shares; therefore, the diluted earnings per share equal the basic earnings per share. Earnings per share are calculated as follows:

	For the six months ended	
	30 June 2024 (unaudited)	**30 June 2023 (unaudited)**
Profit for the period attributable to preference shares	268	268
Loss for the period attributable to ordinary shareholders	(191,973)	(392,604)
Loss for the period attributable to the owners	**(191,705)**	**(392,336)**
Weighted average number of preference shares in issue (millions)	9	9
Weighted average number of ordinary shares in issue (millions)	21,150	15,548
Basic and diluted losses per ordinary share (expressed in UZS per share)	**(9)**	**(25)**

24. Segment reporting

The Group's operations are single reportable segment.

The Group provides mainly banking services in the Republic of Uzbekistan. The Group identifies the segment in accordance with the criteria set in IFRS 8 "Operating Segments" and based on the way the operations of the Group are regularly reviewed by the chief operating decision maker to analyse performance and allocate resources among business units of the Group.

The chief operating decision-maker ("CODM") has been determined as the Group's Chairman of the Management Board. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The Management has determined a single operating segment being banking services based on these internal reports.

25. Financial risk management

Risk management is fundamental to the Group's banking business and is an essential element of the Group's operations. The main risks inherent to the Group's operations are those related to credit risk, liquidity risk and market/currency risk.

The Group's significant policies and procedures related to financial risk management has not changed during six months ended 30 June 2024 (unaudited) and are disclosed in the annual consolidated financial statements for the year ended 31 December 2023.

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

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of the Group's internal credit rating system, which assigns each counterparty a risk rating. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Credit quality of financial assets

The tables below present information about the significant changes in the gross carrying amount of financial assets during the period that contributed to changes in the loss allowance during the six months ended 30 June 2024 (unaudited) and 31 December 2023:

	Cash and cash equivalents (Note 5)		Due from other banks (Note 6)		Loans and advances to customers (Note 7)			Investment securities measured at amortised cost (Note 8)	Other financial assets (Note 11)		Credit related commitments (Note 27)		Total
In millions of Uzbekistan Soums	Stage 1 12-month ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 3 Lifetime ECL	
Gross carrying amount as at 31 December 2023	**1,963,375**	**1,941**	**1,882,937**	**626**	**15,027,586**	**3,466,625**	**4,563,655**	**1,494,686**	**4,144**	**-**	**590,141**	**-**	**28,995,716**
Changes in the gross carrying amount													
- Transfer from stage 1	-	-	-	-	(3,069,041)	3,069,041	-	-	-	-	(22,993)	22,993	-
- Transfer from stage 2	-	-	-	-	626,573	(2,945,494)	2,318,921	-	(11,389)	11,389	-	-	-
- Transfer from stage 3	-	-	-	-	-	1,178,739	(1,178,739)	-	-	-	-	-	-
- Changes in EAD*	(674,352)	8,027	(6,948)	11	(1,305,962)	164,204	127,631	13,387	(822)	-	(180,782)	(9)	**(1,855,615)**
New assets issued or acquired	1,400,950	-	2,212,304	-	2,180,486	-	-	555,873	14,893	-	297,458	-	**6,661,964**
Matured or derecognized assets (except for write off)	(33,290)	-	(215,025)	-	(785,596)	(86,833)	(155,572)	(567,725)	(3,200)	-	(157,080)	-	**(2,004,321)**
Written off assets	-	-	-	-	-	-	(168,417)	-	-	-	-	-	**(168,417)**
Foreign exchange differences	32,666	32	27,029	-	71,514	42,855	49,877	418	871	-	1,927	9	**227,198**
Gross carrying amount as at 30 June 2024 (unaudited)	**2,689,349**	**10,000**	**3,900,297**	**637**	**12,745,560**	**4,889,137**	**5,557,356**	**1,496,639**	**4,497**	**11,389**	**528,671**	**22,993**	**31,856,525**
Loss allowance as at 30 June 2024 (unaudited)	**(44)**	**(6,179)**	**(24,412)**	**(186)**	**(282,786)**	**(531,576)**	**(2,561,594)**	**(8,429)**	**(133)**	**(1,635)**	**(8,167)**	**(774)**	**(3,425,915)**

*The line "Changes in EAD" represents changes in the gross carrying amount of financial assets measured at amortised cost issued in prior periods, which have not been fully repaid during six months ended 30 June 2024 (unaudited), and transfers of new issued financial assets measured at amortised cost between stages.

In millions of Uzbekistan Soums	Cash and cash equivalents (Note 5) Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Due from other banks (Note 6) Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Loans and advances to customers (Note 7) Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Investment securities measured at amortised cost (Note 8) Stage 1 12-month ECL	Other financial assets (Note 11) Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Credit related commitments (Note 27) Stage 1 12-month ECL	Total
Gross carrying amount as at 31 December 2022	**2,044,748**	**-**	**3,743**	**614,738**	**-**	**-**	**14,957,332**	**2,411,808**	**3,523,277**	**1,254,512**	**13,873**	**4,115**	**288,327**	**25,116,473**
Changes in the gross carrying amount														
- Transfer from stage 1	(1)	1	-	(562)	562	-	(2,933,096)	2,933,096	-	-	-	-	-	-
- Transfer from stage 2	-	(1)	1	-	(562)	562	996,068	(3,245,753)	2,249,685	-	-	-	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	1,223,221	(1,223,221)	-	220	(220)	-	-
- Changes in EAD*	287,020	-	(1,931)	(50,028)	-	64	(1,730,422)	168,621	391,142	7,998	(4,928)	(1,446)	(45,367)	**(979,277)**
New assets issued or acquired	212,015	-	-	1,673,452	-	-	5,549,364	-	-	718,028	3,607	-	534,895	**8,691,361**
Matured or derecognized assets (except for write off)	(655,373)	-	(9)	(384,613)	-	-	(2,117,033)	(143,625)	(384,882)	(489,116)	(13,511)	(3,898)	(208,773)	**(4,400,833)**
Written off assets	-	-	-	-	-	-	-	-	(158,646)	-	-	-	-	**(158,646)**
Foreign exchange differences	74,966	-	137	29,950	-	-	305,373	119,257	166,301	3,264	4,883	1,449	21,059	**726,639**
Gross carrying amount as at 30 June 2023 (unaudited)	**1,963,375**	**-**	**1,941**	**1,882,937**	**-**	**626**	**15,027,586**	**3,466,625**	**4,563,656**	**1,494,686**	**4,144**	**-**	**590,141**	**28,995,717**
Loss allowance as at 31 December 2023	**(30)**	**-**	**(1,199)**	**(2,534)**	**-**	**(312)**	**(443,597)**	**(516,443)**	**(1,910,165)**	**(7,723)**	**(303)**	**-**	**(5,910)**	**(2,888,216)**

*The line "Changes in EAD" represents changes in the gross carrying amount of financial assets measured at amortised cost issued in prior periods, which have not been fully repaid during six months ended 31 December 2023, and transfers of new issued financial assets measured at amortised cost between stages.

In millions of Uzbekistan Soums	Cash and cash equivalents (Note 5)		Due from other banks (Note 6)		Loans and advances to customers (Note 7)			Investment securities measured at amortised cost (Note 8)	Other financial assets (Note 11)		Credit related commitments (Note 27)		Total
	Stage 1 12-month ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	
Loss allowance for ECL as at 31 December 2023	**30**	**1,199**	**2,534**	**312**	**443,597**	**516,443**	**1,910,165**	**7,723**	**303**	**-**	**5,910**	**-**	**2,888,216**
Changes in the gross carrying amount													
- Transfer from stage 1	-	-	-	-	(114,365)	114,365	-	-	-	-	(774)	774	-
- Transfer from stage 2	-	-	-	-	69,667	(340,837)	271,170	-	(1,635)	1,635	-	-	-
- Transfer from stage 3	-	-	-	-	-	330,681	(330,681)	-	-	-	-	-	-
- Changes in EAD*	(14)	4,874	8,904	(131)	(208,419)	(79,740)	937,505	(1,842)	130	-	5,874	(13)	**667,128**
New assets issued or acquired	29	-	13,575	-	115,204	-	-	3,967	1,405	-	1,215	-	**135,395**
Matured or derecognized assets (except for write off)	(1)	-	(611)	-	(22,679)	(12,393)	(69,622)	(1,422)	(220)	-	(4,065)	-	**(111,013)**
Recovery / (write off)		-	-	-	-	-	(168,417)	-	-	-	-	-	**(168,417)**
Foreign exchange differences	-	106	10	5	219	3,057	11,474	3	150	-	7	13	**14,606**
Loss allowance for ECL as at 30 June 2024 (unaudited)	**44**	**6,179**	**24,412**	**186**	**282,786**	**531,576**	**2,561,594**	**8,429**	**133**	**1,635**	**8,167**	**774**	**3,425,915**

*"Changes in EAD" are attributable to changes in parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new financial assets measured at amortised cost originated during the reporting period from Stage 1 to other stages.

	Cash and cash equivalents			Due from other banks			Loans and advances to customers			Investment securities measured at amortised cost	Other financial assets		Credit related commitments		Total
In millions of Uzbekistan Soums	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 3 Lifetime ECL	
Loss allowance for ECL as at 31 December 2022	**45**	**-**	**2,380**	**2,482**	**-**	**-**	**200,025**	**273,754**	**1,163,586**	**7,842**	**773**	**2,349**	**3,604**	**1,206**	**1,656,840**
Changes in the gross carrying amount															
- Transfer from stage 1	(1)	1		(11)	11	-	(56,757)	56,757	-	-	-	-	-	-	-
- Transfer from stage 2	-	(1)	1	-	(11)	11	107,472	(246,834)	139,362	-	-	-	-	-	-
- Transfer from stage 3	-	-	-	-	-	-	-	277,847	(277,847)	-	84	(84)	-	-	-
- Changes in EAD*	7	-	(1,176)	(1,087)	-	301	(33,901)	157,101	1,124,179	(1,350)	(90)	(113)	498	-	**1,244,362**
New assets issued or acquired	(22)	-	(6)	1,482	-	-	262,248	-	-	2,745	254	-	4,507	-	**271,253**
Matured or derecognized assets (except for write off)	-	-	-	(343)	-	-	(40,092)	(14,796)	(112,256)	(1,514)	(755)	(2,265)	(2,732)	(1,206)	**(174,781)**
Write off	-	-	-	-					(158,646)	-	-				**(158,646)**
Foreign exchange differences	1	-	-	1	-	-	4,602	12,614	31,787	-	37	113	33	-	**49,188**
Loss allowance for ECL as at 31 December 2023	**30**	**-**	**1,199**	**2,534**	**-**	**312**	**443,597**	**516,443**	**1,910,165**	**7,723**	**303**	**-**	**5,910**	**-**	**2,888,216**

*"Changes in EAD" are attributable to changes in parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new financial assets measured at amortised cost originated during the reporting period from Stage 1 to other stages.

(in millions of Uzbekistan Soums, unless otherwise indicated)

Geographical risk. Control over the risk related to changes in the legislation and regulatory arena and assessment of their influence on the Group's activity is carried out by all participants of risk management process within their authorities and responsibilities. This approach allows the Group to minimize potential losses from the investment climate fluctuations in the Republic of Uzbekistan. Risk oversight committee sets country limits, assessment and control over the concentration risk is carried out by Risk management.

The geographical concentration of the Group's financial assets and liabilities at 30 June 2024 (unaudited) is set out below:

	Uzbekistan	OECD	non-OECD	Total
FINANCIAL ASSETS				
Cash and cash equivalents	1,364,949	1,291,624	36,553	2,693,126
Due from other banks	3,008,018	867,866	452	3,876,336
Loans and advances to customers	19,816,097	-	-	19,816,097
Investment securities measured at amortised cost	1,488,210	-	-	1,488,210
Financial assets at fair value through other comprehensive income	108,855	-	-	108,855
Other financial assets	2,668	2,859	8,591	14,118
TOTAL FINANCIAL ASSETS	**25,788,797**	**2,162,349**	**45,596**	**27,996,742**
FINANCIAL LIABILITIES				
Due to other banks	1,202,841	350,349	20,453	1,573,643
Customer accounts	5,512,910	-	-	5,512,910
Borrowings from government and international financial institutions	7,928,640	3,765,950	4,447,532	16,142,122
Debt securities in issue	50,173	-	-	50,173
Other financial liabilities	26,294	1,130	5,650	33,074
Subordinated debt	3,358,944	-	-	3,358,944
TOTAL FINANCIAL LIABILITIES	**18,079,802**	**4,117,429**	**4,473,635**	**26,670,866**
NET POSITION	**7,708,995**	**(1,955,080)**	**(4,428,039)**	

All financial assets and liabilities from OECD countries comprise banking institutions of Germany, France, Turkey, Japan, European Union countries, and United States of America; non-OECD countries comprise banking institutions of Russia, Saudi Arabia and Kazakhstan.

(in millions of Uzbekistan Soums, unless otherwise indicated)

The geographical concentration of the Group's financial assets and liabilities at 31 December 2023 is set out below:

	Uzbekistan	OECD	non-OECD	Total
FINANCIAL ASSETS				
Cash and cash equivalents	1,716,340	2,573	245,174	1,964,087
Due from other banks	1,448,033	186,991	245,693	1,880,717
Loans and advances to customers	20,187,662	-	-	20,187,662
Investment securities measured at amortised cost	1,486,963	-	-	1,486,963
Financial assets at fair value through other comprehensive income	56,502	-	-	56,502
Other financial assets	2,717	935	189	3,841
TOTAL FINANCIAL ASSETS	**24,898,217**	**190,499**	**491,056**	**25,579,772**
FINANCIAL LIABILITIES				
Due to other banks	726,200	194,336	286,016	1,206,552
Customer accounts	5,916,366	-	-	5,916,366
Borrowings from government and international financial institutions	8,279,816	3,700,918	5,003,613	16,984,347
Debt securities in issue	86,799	-	-	86,799
Other financial liabilities	952,526	370	13,307	966,203
TOTAL FINANCIAL LIABILITIES	**15,961,707**	**3,895,624**	**5,302,936**	**25,160,267**
NET POSITION	**8,936,510**	**(3,705,125)**	**(4,811,880)**	

The following table details credit ratings of financial assets held by the Group as at 30 June 2024 (unaudited):

	From AAA to A	From A- to CCC-	<CCC-	Not rated	CBU	Total
Cash and cash equivalents	1,283,582	350,664		725,914	332,966	**2,693,126**
Due from other banks	440,736	3,356,850	-	452	78,298	**3,876,336**
Loans and advances to customers	-	-	-	19,816,097	-	**19,816,097**
Investment securities measured at amortised cost	-	1,488,210	-	-	-	**1,488,210**
Financial assets at fair value through other comprehensive income	-	-	-	108,855	-	**108,855**
Other financial assets	-	6,303	-	7,815	-	**14,118**
Commitments and contingencies	-	-	-	540,119	-	**540,119**

(in millions of Uzbekistan Soums, unless otherwise indicated)

The following table details credit ratings of financial assets held by the Group as at 31 December 2023:

	From AAA to A	From A- to CCC-	<CCC-	Not rated	CBU	Total
Cash and cash equivalents	-	395,367	742	725,170	842,808	**1,964,087**
Due from other banks	247,093	1,543,755	-	314	89,555	**1,880,717**
Loans and advances to customers	-	-	-	20,187,662	-	**20,187,662**
Investment securities measured at amortised cost	-	1,389,736	-	-	97,227	**1,486,963**
Financial assets at fair value through other comprehensive income	-	-	-	56,502	-	**56,502**
Other financial assets	-	935	-	2,906	-	**3,841**
Commitments and contingencies	236,490	-	-	347,027	-	**583,517**

For the balances with CBU, the quality categories are determined based on the Moody's sovereign rating – Ba3 stable (as at 31 December 2023: Ba3 stable).

The Group enters number of transactions where the counterparties are not rated by international rating agencies.

The Group has developed internal models, which allow it to determine the rating of counterparties. A methodology to determine ratings of borrowers has been developed in the Group to assess corporate borrowers. This method allows for calculation and assignment/confirmation of a borrower's rating and rating of collateral for a loan. The system is based on a scoring model depending on key performance indicators of the borrower with the possibility of insignificant expert adjustments in case of insufficient objectivity of the benchmark.

The method provides for the rating assignment on the basis of the following criteria groups: market indicators of the borrower, credit history, transparency and reliability of information, information on business and business environment, relations of the Group and the borrower, financial situation of the borrower, business activity, and collateral provided. The financial situation and business activity are the most important criteria. Therefore, the scoring model provides for overall assessment of the borrower and the loan. A model of the borrower's scoring assessment has been developed in the Group to assess and decide on loans to small and medium-sized businesses. The scoring model is developed relating to standard loan products and includes key performance indicators of borrowers: financial situation, relations with the borrower, management quality, target use, location, credit history, collateral, etc. The scoring assessment based on the borrower's parameters is one of the main factors for the decision-making process relating to loans. A methodology of evaluation of borrowers-individuals is based on following criteria: education, occupancy, financial position, credit history, property owned by the borrower. Based on information obtained the maximum limit of a loan is calculated.

The maximum limit of a loan is calculated using a ratio of debt pressure on a borrower. The Group applies internal methodologies to specific corporate loans and groups of retail loans. The scoring methodologies are tailor-made for specific products and are applied at various stages over the life of the loan. As a result, it is not possible to make a cross-product score comparison which would agree to the outstanding balance of loans and advances to customers per the consolidated statement of financial position. As such, more detailed information is not being presented.

Financial assets other than loans and advances to customers are graded according to the current credit rating they have been issued by an internationally regarded agency such as Fitch, Standard & Poor's and Moody's. The highest possible rating is AAA. Investment grade financial assets have ratings from AAA to BBB. Financial assets which have ratings lower than BBB are classed as speculative grade.

Renegotiated loans and advances. Loans and advances to customers are generally renegotiated either as part of an ongoing customer relationship or in response to an adverse change in the circumstances of the borrower. Once the terms have been renegotiated any impairment is measured using the original effective interest rate as calculated before the modification of terms and loans are no longer considered past due. Unless there were no indicators of significant increase in credit risk as at reporting date and loans have been repaid for 25% or more of principal amount from the date of restructuring, restructuring, though being considered as not overdue, will be automatically classified as credit-impaired (Stage 3). Loans continue to be subject to an individual or collective impairment assessment. The banking industry is generally exposed to credit risk through its financial assets and contingent liabilities. Credit risk exposure of the Group is concentrated within the Republic of Uzbekistan. The exposure is monitored on a regular basis to ensure that the credit limits and credit worthiness guidelines established by the Group risk management policy are not breached.

Liquidity risk. Liquidity risk refers to the availability of sufficient funds to meet deposits withdrawals and other financial commitments associated with financial instruments as they actually fall due. The Treasury Department controls these types of risks by means of maturity analysis, determining the Group's strategy for the next financial periods. Current liability is managed by the Treasury Department, which deals in the money markets for current liquidity and cash flow optimization. In order to manage liquidity risk, the Group performs daily monitoring of future expected cash flows on customers' and banking operations, which is a part of assets/liabilities management process. The Board of Management of the Group sets limits on the minimum proportion of maturing funds available to meet deposit withdrawals and on the minimum level on interbank and other borrowing facilities that should be in place to cover withdrawals at unexpected levels of demand. An analysis of the liquidity risk is presented in the following table.

(in millions of Uzbekistan Soums, unless otherwise indicated)

The presentation of balances below is based upon the information provided internally to key management personnel of the entity as at 30 June 2024 (unaudited):

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Maturity undefined	Total
FINANCIAL ASSETS						
Cash and cash equivalents	738,233	-	-	-	-	738,233
Due from other banks	18,817	763,118	268,150	1,496,926	1,231,546	3,778,557
Loans and advances to customers	1,619,127	2,910,145	2,466,848	11,859,005	580,302	19,435,427
Investment securities measured at amortised cost	190,800	288,714	329,000	618,656	-	1,427,170
Total interest-bearing financial assets	**2,566,977**	**3,961,977**	**3,063,998**	**13,974,587**	**1,811,848**	**25,379,387**
Cash and cash equivalents	1,954,893	-	-	-	-	1,954,893
Due from other banks	97,743	36	-	-	-	97,779
Loans and advances to customers	21,858	98,618	98,985	76,390	84,819	380,670
Investment securities measured at amortised cost	23,074	37,966	-	-	-	61,040
Financial assets at fair value through other comprehensive income	108,855	-	-	-	-	108,855
Other financial assets	14,118	-	-	-	-	14,118
Total financial assets	**4,787,518**	**4,098,597**	**3,162,983**	**14,050,977**	**1,896,667**	**27,996,742**
FINANCIAL LIABILITIES						
Due to other banks	-	979,063	155,634	431,103	-	1,565,800
Customer accounts	402,821	1,471,353	932,834	673,149	-	3,480,157
Borrowings from government and international financial institutions	1,047,810	803,938	1,041,709	12,698,206	-	15,591,663
Debt securities in issue	-	30,000	20,000	-	-	50,000
Subordinated debt	-	-	-	3,350,031	-	3,350,031
Total interest-bearing financial liabilities	**1,450,631**	**3,304,354**	**2,130,177**	**17,152,489**	**-**	**24,037,651**
Due to other banks	7,843	-	-	-	-	7,843
Customer accounts	793,478	7	-	-	1,239,268	2,032,753
Borrowings from government and international financial institutions	358,128	64,707	34,561	93,063	-	550,459
Debt securities in issue	173	-	-	-	-	173
Other financial liabilities	33,074	-	-	-	-	33,074
Credit related commitments	367,410	584	54,935	117,190	-	540,119
Subordinated debt	8,913	-	-	-	-	8,913
Total financial liabilities	**3,019,650**	**3,349,652**	**2,239,673**	**17,362,742**	**1,239,268**	**27,210,985**
Interest sensitivity gap	1,116,346	677,623	913,821	(3,177,902)	1,811,848	1,341,736
Cumulative interest sensitivity gap	**1,116,346**	**1,793,969**	**2,707,790**	**(470,112)**	**1,341,736**	
Liquidity gap	1,767,868	748,945	923,310	(3,311,765)	657,399	785,757
Cumulative liquidity gap	**1,767,868**	**2,516,813**	**3,440,123**	**128,358**	**785,757**	

(in millions of Uzbekistan Soums, unless otherwise indicated)

The presentation of balances below is based upon the information provided internally to key management personnel of the entity as at 31 December 2023:

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Maturity undefined	Total
FINANCIAL ASSETS						
Cash and cash equivalents	23,635	-	-	-	-	23,635
Due from other banks	188,987	29,421	271,797	88,249	1,210,452	1,788,906
Loans and advances to customers	1,017,787	1,965,818	1,763,536	14,260,785	579,441	19,587,367
Investment securities measured at amortised cost	19,713	605,568	363,919	443,802	-	1,433,002
Total interest-bearing financial assets	**1,250,122**	**2,600,807**	**2,399,252**	**14,792,836**	**1,789,893**	**22,832,910**
Cash and cash equivalents	1,940,452	-	-	-	-	1,940,452
Due from other banks	91,811	-	-	-	-	91,811
Loans and advances to customers	62,426	169,618	112,147	235,362	20,742	600,295
Investment securities measured at amortised cost	-	11,166	20,342	22,453	-	53,961
Financial assets at fair value through other comprehensive income	56,502	-	-	-	-	56,502
Other financial assets	3,841	-	-	-	-	3,841
Total financial assets	**3,405,154**	**2,781,591**	**2,531,741**	**15,050,651**	**1,810,635**	**25,579,772**
FINANCIAL LIABILITIES						
Due to other banks	25,732	488,552	334,996	345,487	-	1,194,767
Customer accounts	545,355	1,358,151	900,122	853,135	-	3,656,763
Borrowings from government and international financial institutions	1,149,465	1,013,067	841,691	13,394,598	-	16,398,821
Debt securities in issue	36,500	-	30,000	20,000	-	86,500
Total interest-bearing financial liabilities	**1,757,052**	**2,859,770**	**2,106,809**	**14,613,220**	**-**	**21,336,851**
Due to other banks	11,785	-	-	-	-	11,785
Customer accounts	2,259,403	-	200	-	-	2,259,603
Borrowings from government and international financial institutions	301,875	26,454	64,875	192,322	-	585,526
Debt securities in issue	299	-	-	-	-	299
Other financial liabilities	966,203	-	-	-	-	966,203
Credit related commitments	341,329	18,999	84,025	139,164	-	583,517
Total financial liabilities	**5,637,946**	**2,905,223**	**2,255,909**	**14,944,706**	**-**	**25,743,784**
Interest sensitivity gap	(506,930)	(258,963)	292,443	179,616	1,789,893	
Cumulative interest sensitivity gap	**(506,930)**	**(765,893)**	**(473,450)**	**(293,834)**	**1,496,059**	
Liquidity gap	(2,232,792)	(123,632)	275,832	105,945	1,810,635	
Cumulative liquidity gap	**(2,232,792)**	**(2,356,424)**	**(2,080,592)**	**(1,974,647)**	**(164,012)**	

(in millions of Uzbekistan Soums, unless otherwise indicated)

Interest rate risk. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken. The table above summarises the Group's exposure to interest rate risks. The table presents the aggregated amounts of the Group's financial assets and liabilities at carrying amounts, categorised by the maturity dates.

In the table above, the terms to maturity correspond to the contractual terms. However, individuals are entitled to terminate the deposit agreement ahead of schedule according to effective laws and entitled for the full deposit amount.

As at 30 June 2024 (unaudited), if interest rates at that date had been 165 basis points lower (2023: 165 basis points lower) with all other variables held constant, profit for the year would have been UZS 43,862 million higher (2023: UZS 19,395 million higher).

If interest rates had been 165 basis points higher (2023: 165 basis points higher), with all other variables held constant, profit would have been UZS 43,862 million lower (2023: UZS 19,395 million lower).

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

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

The undiscounted maturity analysis of financial liabilities as at 30 June 2024 (unaudited) is as follows:

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Total
Interest-bearing financial liabilities					
Due to other banks	-	1,017,386	183,396	438,946	**1,639,728**
Customer accounts	402,821	1,633,719	1,025,355	712,487	**3,774,382**
Borrowings from government and international financial institutions	1,252,484	1,411,936	1,607,806	22,499,290	**26,771,516**
Debt securities in issue	591	33,615	20,513	-	**54,719**
Subordinated debt	-	-	-	5,003,184	**5,003,184**
Total interest-bearing financial liabilities	**1,655,896**	**4,116,656**	**2,817,070**	**28,653,907**	**37,243,529**
Non-interest-bearing financial liabilities and commitments					
Due to other banks	7,843	-	-	-	**7,843**
Customer accounts	793,478	7	-	1,239,268	**2,032,753**
Borrowings from government and international financial institutions	358,128	64,707	34,561	93,063	**550,459**
Debt securities in issue	173	-	-	-	**173**
Other financial liabilities	33,074	-	-	-	**33,074**
Credit related commitments	367,410	584	54,935	117,190	**540,119**
Subordinated debt	8,913	-	-	-	**8,913**
Total non-interest-bearing financial liabilities and commitments	**1,569,019**	**65,298**	**89,496**	**1,449,521**	**3,173,334**
Total financial liabilities and commitments	**3,224,915**	**4,181,954**	**2,906,566**	**30,103,428**	**40,416,863**

(in millions of Uzbekistan Soums, unless otherwise indicated)

The undiscounted maturity analysis of financial liabilities as at 31 December 2023 is as follows:

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Total
Interest-bearing financial liabilities					
Due to other banks	31,403	510,872	353,119	356,655	**1,252,049**
Customer accounts	553,834	1,558,432	992,840	926,035	**4,031,141**
Borrowings from government and international financial institutions	1,339,957	1,350,793	1,404,944	23,960,212	**28,055,906**
Debt securities in issue	37,155	3,723	34,073	20,819	**95,770**
Total interest-bearing financial liabilities	**1,962,349**	**3,423,820**	**2,784,976**	**25,263,721**	**33,434,866**
Non-interest-bearing financial liabilities and commitments					
Due to other banks	11,785	-	-	-	**11,785**
Customer accounts	2,259,403	-	200	-	**2,259,603**
Borrowings from government and international financial institutions	301,875	26,454	64,875	192,322	**585,526**
Debt securities in issue	299	-	-	-	**299**
Other financial liabilities	966,203	-	-	-	**966,203**
Credit related commitments	341,329	18,999	84,025	139,164	**583,517**
Total non-interest-bearing financial liabilities and commitments	**3,880,894**	**45,453**	**149,100**	**331,486**	**4,406,933**
Total financial liabilities and commitments	**5,843,243**	**3,469,273**	**2,934,076**	**25,595,207**	**37,841,799**

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

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

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

The majority of the Group's loan contracts and other financial assets and liabilities that bear interest which contains clauses enabling the interest rate to be changed at the option of the lender. The Group monitors its interest rate margin and consequently does not consider itself exposed to significant interest rate risk or consequently cash flow risk.

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

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

(in millions of Uzbekistan Soums, unless otherwise indicated)

The Group's exposure to foreign currency exchange rate risk at 30 June 2024 (unaudited) is presented in the table below:

	UZS	USD	EUR	Other	Total
FINANCIAL ASSETS					
Cash and cash equivalents	831,965	1,603,823	122,901	134,437	2,693,126
Due from other banks	3,007,402	428,288	-	440,646	3,876,336
Loans and advances to customers	14,755,292	4,445,756	615,049	-	19,816,097
Investment securities measured at amortised cost	1,466,618	21,592	-	-	1,488,210
Financial assets at fair value through other comprehensive income	108,855	-	-	-	108,855
Other financial assets	2,919	9,962	1,237	-	14,118
TOTAL FINANCIAL ASSETS	**20,173,051**	**6,509,421**	**739,187**	**575,083**	**27,996,742**
FINANCIAL LIABILITIES					
Due to other banks	681,252	750,766	141,625	-	1,573,643
Customer accounts	4,742,302	764,216	4,659	1,733	5,512,910
Borrowings from government and international financial institutions	11,526,717	3,609,058	542,500	463,847	16,142,122
Debt securities in issue	50,173	-	-	-	50,173
Other financial liabilities	26,294	6,780	-	-	33,074
Subordinated debt	537,747	2,821,197	-	-	3,358,944
TOTAL FINANCIAL LIABILITIES	**17,564,485**	**7,952,017**	**688,784**	**465,580**	**26,670,866**
NET BALANCE SHEET POSITION	**2,608,566**	**(1,442,596)**	**50,403**	**109,503**	

The Group's exposure to foreign currency exchange rate risk at 31 December 2023 is presented in the table below:

	UZS	USD	EUR	Other	Total
FINANCIAL ASSETS					
Cash and cash equivalents	802,818	956,080	10,294	194,895	1,964,087
Due from other banks	1,447,427	186,197	-	247,093	1,880,717
Loans and advances to customers	14,651,936	5,032,257	503,469	-	20,187,662
Investment securities measured at amortised cost	1,452,105	34,858	-	-	1,486,963
Financial assets at fair value through other comprehensive income	56,502	-	-	-	56,502
Other financial assets	2,327	1,514	-	-	3,841
TOTAL FINANCIAL ASSETS	**18,413,115**	**6,210,906**	**513,763**	**441,988**	**25,579,772**
FINANCIAL LIABILITIES					
Due to other banks	17,000	1,141,492	48,060	-	1,206,552
Customer accounts	5,178,183	725,563	5,883	6,737	5,916,366
Borrowings from government and international financial institutions	11,555,463	4,077,546	603,384	747,954	16,984,347
Debt securities in issue	86,799	-	-	-	86,799
Other financial liabilities	27,118	939,085	-	-	966,203
TOTAL FINANCIAL LIABILITIES	**16,864,563**	**6,883,686**	**657,327**	**754,691**	**25,160,267**
NET BALANCE SHEET POSITION	**1,548,552**	**(672,780)**	**(143,564)**	**(312,703)**	

The following table presents sensitivities of profit or loss and equity to reasonably possible changes in exchange rates applied at the reporting date relative to the functional currency of the respective entities, with all other variables held constant:

(in millions of Uzbekistan Soums, unless otherwise indicated)

	For the six months ended 30 June 2024 (unaudited)	For the year ended 31 December 2023
	Impact on profit or loss	Impact on profit or loss
US Dollars strengthening by 15% (2023: 15%)	(216,389)	(80,272)
US Dollars weakening by 15% (2023: 15%)	216,389	80,272
Euro strengthening by 15% (2023: 15%)	7,560	(6,521)
Euro weakening by 15% (2023: 15%)	(7,560)	6,521

The exposure was calculated only for monetary balances denominated in currencies other than the functional currency of the respective entity of the Group.

The exposure calculated only for monetary balances denominated in currencies other than the functional currency of the Group. Impact on equity would be the same as impact on statement of comprehensive income.

Limitations of sensitivity analysis. The above tables demonstrate the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

The sensitivity analyses do not take into consideration that the Group's assets and liabilities are actively managed. Additionally, the financial position of the Group may vary at the time that any actual market movement occurs. For example, the Group's financial risk management strategy aims to manage the exposure to market fluctuations. As investment markets move past various trigger levels, management actions could include selling investments, changing investment portfolio allocation and taking other protective action. Consequently, the actual impact of a change in the assumptions may not have any impact on the liabilities, whereas assets are held at market value on the statement of financial position. In these circumstances, the different measurement bases for liabilities and assets may lead to volatility in equity. Other limitations in the above sensitivity analyses include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty; and the assumption that all interest rates move in an identical fashion. The Bank monitors interest rates for its financial instruments.

Other price risk. The Bank is exposed to prepayment risk through providing loans, including mortgages, which give the borrower the right to early repay the loans. The Bank's current year profit or loss and equity at the current reporting date would not have been significantly impacted by changes in prepayment rates because such loans are carried at amortised cost and the prepayment right is at or close to the amortised cost of the loans and advances to customers (2023: no material impact). The Bank has no significant exposure to equity price risk.

Climate-related risk. The Group and its customers may face significant climate-related risks in the future. These risks include the threat of financial loss and adverse non-financial impacts that encompass the political, economic and environmental responses to climate change. The key sources of climate risks have been identified as physical and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels and risks. Transition risks may arise from the adjustments to a net-zero economy, e.g., changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand. These risks are receiving increasing regulatory, political and societal scrutiny, both within the country and internationally. While certain physical risks may be predictable, there are significant uncertainties as to the extent and timing of their manifestation.
For transition risks, uncertainties remain as to the impacts of the impending regulatory and policy shifts, changes in consumer demands and supply chains.

(in millions of Uzbekistan Soums, unless otherwise indicated)

Management believes that it is currently not possible to explicitly incorporate climate risk factors in the Group's risk framework, including ECL measurement. Existing scenarios, forecasts, and estimates are covering only the long-term horizon well beyond the maturity of the existing portfolios. Such scenarios are also high-level, and attribution to specific borrowers without additional data would be highly arbitrary. To address the information gap for detailed, borrower-specific data, the Group is collecting information to perform a robust assessment of the risks specific of its borrowers. The Group is planning to enhance its credit risk scoring models to incorporate such information in the PD and LGD measurement in the future.

26. Management of capital

The Bank's objectives when managing capital are (i) to comply with the capital requirements set by the CBU, and (ii) to safeguard the Bank's ability to continue as a going concern. Compliance with capital adequacy ratios set by the CBU is monitored monthly with reports outlining their calculation reviewed and signed by the Chairman and Chief Accountant.

Under the current capital requirements set by the CBU, banks have to maintain ratios of:

		Prescribed minimum level	30 June 2024 (unaudited)	31 December 2023 (unaudited)
Regulatory capital ratio	Ratio of regulatory capital to risk weighted assets	0.13	0.229	0.132
Capital adequacy ratio	Ratio of Bank's tier 1 capital to risk weighted assets	0.100	0.129	0.114
Capital adequacy ratio	Ratio of Bank's main tier 1 capital to risk weighted assets	0.080	0.129	0.114
Leverage ratio	Ratio of Bank's tier 1 capital to total assets less intangibles	0.060	0.128	0.104

The following table analyses the Group's regulatory capital resources for capital adequacy purposes in accordance with the requirements set by the CBU:

	30 June 2024 (unaudited)	31 December 2023 (unaudited)
Tier 1 capital	3,883,494	2,926,395
Tier 2 capital	3,000,229	442,160
Total regulatory capital	**6,883,723**	**3,368,555**
Risk - weighted assets	**30,085,894**	**25,615,034**

27. Commitments and contingencies

Credit related commitments. The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit, which represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by the Bank on behalf of a customer authorizing a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions, are collateralized by the underlying shipments of goods to which they relate or cash deposits and therefore carry less risk than a direct borrowing. Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards.

(in millions of Uzbekistan Soums, unless otherwise indicated)

The Bank monitors the term to maturity of credit related commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

As at 30 June 2024 (unaudited) and 31 December 2023, the nominal or contract amounts were:

	30 June 2024 (unaudited)	31 December 2023
Commitments on unused credit lines	357,971	303,896
Guarantees issued	168,601	249,281
Letters of credit and other transaction related contingent obligations	25,092	36,964
Total credit related commitments, gross	**551,664**	**590,141**
Cash coverage	(2,604)	(714)
Less: Provision for expected credit losses	(8,941)	(5,910)
Total credit related commitments	**540,119**	**583,517**

Extension of loans to customers within credit line limits is approved by the Group on a case-by-case basis and depends on borrowers' financial performance, debt service and other conditions.

The total outstanding contractual amount of undrawn credit lines, letters of credit, and guarantees does not necessarily represent future cash requirements, as these financial instruments may expire or terminate without being funded.

Lease commitments – the Group had no material lease commitments outstanding as at 30 June 2024 (unaudited) and 31 December 2023.

Legal proceedings – From time to time and in the normal course of business, claims against the Group can be received from customers and counterparties. Management is of the opinion that no material unaccrued losses will be incurred by the Group and accordingly no provision has been made in these consolidated financial statements.

Taxation. Provisions of the Uzbek tax legislation are sometimes inconsistent and may have more than one interpretation, which allows the Uzbek tax authorities to take decisions based on their own arbitrary interpretation of these provisions.

In practice, the Uzbek tax authorities often interpret the tax legislation not in favour of the taxpayers, who have to resort to court proceeding to defend their position against the tax authorities. It should be noted that the Uzbek tax authorities can use the clarifications issued by the judicial bodies that have introduced the concept of "unjustified tax benefit", "primary commercial goal of transaction" and the criteria of "commercial purpose (substance) of transaction". Such uncertainty could, in particular, be attributed to tax treatment of financial instruments and determination of market price of transactions for transfer pricing purposes. It could also lead to temporary taxable differences occurred due to loan impairment provisions and income tax liabilities being treated by the tax authorities as understatement of the tax base. The management of the Group is confident that applicable taxes have all been accrued and, consequently, creation of respective provisions is not required. Generally, taxpayers are subject to tax audits with respect to three calendar years preceding the year of the audit. However, completed audits do not exclude the possibility of subsequent additional tax audits performed by upper-level tax inspectorates reviewing the results of tax audits of their subordinate tax inspectorates. Also according to the clarification of the Country Constitutional Court the statute of limitation for tax liabilities may be extended beyond the five year term set forth in the tax legislation, if a court determines that the taxpayer has obstructed or hindered a tax inspection.

28. Fair value of financial instruments

IFRS defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a measurement date.

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level 2 measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level 3 measurements are valuations not based on observable market data (that is, unobservable inputs). The Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

(a) Recurring fair value measurements

Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period. The level in the fair value hierarchy into which the recurring fair value measurements are categorised are as follows:

	Fair value as at 30 June 2024 (unaudited)	Fair value as at 31 December 2023	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Financial assets at fair value through other comprehensive income (equity instruments)	108,855	56,502	Level 3	Discounted cash flows of future expected dividends. Discount rate estimated based on unobservable internally generated historical dividend received rates	Discount rate	The greater discount - the smaller fair value

The Group considers that the accounting estimate related to the valuation of financial instruments where quoted markets prices are not available is a key source of estimation uncertainty because: (i) it is highly susceptible to changes from year to year, as it requires the Management to make assumptions about interest rates, volatility, exchange rates, the credit rating of the counterparty, valuation adjustments and specific features of transactions and (ii) the impact that recognising a change in the valuations would have on the assets reported on the consolidated statement of financial position, as well as, the related other comprehensive income.

The fair value of the equity instruments at fair value through other comprehensive income were determined as the present value of future dividends by assuming dividend growth rate of zero per annum. The Management built its expectation based on previous experience of dividends received on financial assets at fair value through other comprehensive income over multiple years, and accordingly calculated the value of using the average rate of return on investments. The Management believes that this approach accurately reflects the fair value of these securities, given they are not traded. Such financial instruments were categorised as Level 3.

(in millions of Uzbekistan Soums, unless otherwise indicated)

(b) Assets and liabilities not measured at fair value but for which fair value is disclosed

Fair values analysed by level in the fair value hierarchy and carrying value of assets not measured at fair value are as follows:

	30 June 2024 (unaudited)				31 December 2023			
	Level 2 fair value	Level 3 fair value	Total fair value	Carrying value	Level 2 fair value	Level 3 fair value	Total fair value	Carrying value
Loans and advances to customers	-	19,831,284	19,831,284	19,816,097	-	20,306,299	20,306,299	20,187,662
Due from other banks	-	3,851,220	3,851,220	3,876,336	-	1,871,131	1,871,131	1,880,717
Investment securities measured at amortised cost	-	1,630,381	1,630,381	1,488,210	-	1,552,711	1,552,711	1,486,963
Due to other banks	-	1,567,131	1,567,131	1,573,643	-	1,202,483	1,202,483	1,206,552
Customer accounts	5,514,095	-	5,514,095	5,512,910	5,915,624	-	5,915,624	5,916,366
Borrowings from government and international financial institutions	-	16,475,054	16,475,054	16,142,122	-	17,865,324	17,865,324	16,984,347

Except as detailed in the above table, the management considers that the carrying values of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

As at 30 June 2024 (unaudited) and 31 December 2023, the Group determined fair value for some of its financial assets and liabilities using the discounted cash flow model by applying statistical bulletin prepared by the CBU, which became open to public starting 2019. Such financial instruments were categorised as Level 2.

For those financial instruments where interest rates were not directly available in the CBU statistical bulletin, the Management used discounted cash flow model by applying market interest rates based on the rates of the deals concluded towards the end of the reporting period, thereby, categorizing such instruments as Level 3.

29. Transactions with related parties

Parties are generally considered to be related if the parties are under common control, or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Transactions between the Bank and its subsidiary, which is a related party to the Bank, have been eliminated on consolidation and are not disclosed in this note. Terms, conditions and amounts of related party transactions are usually same as those between unrelated parties. Transactions with related parties are settled on an arm's-length basis and recognised in the financial statements according to the same accounting policy as for similar transactions with unrelated parties.

Details of transactions between the Group and other related parties are disclosed below:

	30 June 2024 (unaudited)		31 December 2023	
	Related party balances	Total category as per financial statements caption	Related party balances	Total category as per financial statements caption
Cash and cash equivalents				
- entities under common control	580,424	2,693,126	969,584	1,964,087
Due from other banks				
- entities under common control	1,706,024	3,876,336	197,210	1,880,717
Loans and advances to customers				
- entities under common control	135,823	19,816,097	193,068	20,187,662
Investment securities measured at amortised cost				
- shareholders	1,464,243	1,488,210	1,369,124	1,486,963
- entities under common control	20,871	1,488,210	117,839	1,486,963
Current income tax prepayment				
- entities under common control	44,380	44,380	25,177	25,177
Other assets				
- entities under common control	10,040	72,237	4,101	101,321
Due to other banks				
- entities under common control	511,366	1,573,643	714,279	1,206,552
Borrowings from government and international financial institutions				
- shareholders	6,941,123	16,142,122	7,058,659	16,984,347
- entities under common control	879,918	16,142,122	1,075,210	16,984,347
Customer accounts				
- shareholders	4,000	5,512,910	195,270	5,916,366
- entities under common control	1,943,573	5,512,910	2,479,813	5,916,366
Other liabilities				
- shareholders	48	62,236	925,468	1,016,996
- entities under common control	21,494	62,236	4,690	1,016,996
Subordinated debt				
- shareholders	3,358,944	3,358,944	-	-

	For the six months ended 30 June 2024 (unaudited)		For the six months ended 30 June 2023 (unaudited)	
In millions of Uzbekistan Soums	Related party balances	Total category as per financial statements caption	Related party balances	Total category as per financial statements caption
Interest income				
- shareholders	89,455	2,033,220	-	1,621,039
- entities under common control	82,210	2,033,220	147,638	1,621,039
Interest expense				
- shareholders	(434,946)	(1,062,876)	(29,256)	(920,758)
- entities under common control	(160,400)	(1,062,876)	(448,186)	(920,758)
Fee and commission income				
- entities under common control	1,371	104,149	776	92,013
Fee and commission expense				
- entities under common control	(5,613)	(29,275)	(6,891)	(21,914)
Operating expenses				
- entities under common control	(2,534)	(467,808)	(21,945)	(334,568)
- key management personnel	(3,783)	(467,808)	(7,758)	(334,568)
Income tax benefit				
- entities under common control	(59,009)	(59,009)	105,459	105,459

30. Subsequent events

During July-December 2024, in accordance with the PD-122 "On additional measures to support the establishment and development of women's entrepreneurship" on 7 March 2024, the Fund for Reconstruction and Development of the Republic of Uzbekistan provided resources in the total amount of UZS 408,831 million with the interest rate of 14% per annum.

During August-December 2024, the Bank attracted long-term deposits from the resident commercial banks in the total amount of UZS 1,166,024 million for 2 years with the interest rate of 15% per annum.

During August-December 2024, the Bank placed long-term deposits to the resident commercial banks in the total amount of UZS 1,930,575 million for 7 years with the interest rate at the CBU base rate by using funds received from the Fund for Reconstruction and Development of the Republic of Uzbekistan as a subordinated debt for financing projects within the framework of the Comprehensive Program for Continuous Support of Small Businesses under #PD-306.

On 6 September 2024, BRB-Capital LLC was re-created on the basis of Green-Energy-Service Group LLC with the additional focus on the construction of touristic complex in Khiva and hotels, in accordance with the Cabinet of Ministers Orders No. 327/21 dated 11 June 2024, and No. 369/21 dated 1 August 2024. To be in line with the orders, during September-December 2024, the share capital of BRB-Capital LLC has been increased in total by UZS 75,500 million based on received funds from the Bank.

During September-December 2024, in accordance with the decision dated 25 December 2023 No.680 "On additional measures for issuing loans to cover costs of growing cotton raw materials and their realization" of the Cabinet of Ministers of the Republic of Uzbekistan, the Ministry of Economy and Finance of the Republic of Uzbekistan provided resources in the amount of UZS 165,775 million with the interest rate of 8% per annum.

On 23 February 2024, the US imposed sanctions against JSC JSCB International Financial Club and included in the SDN list. On 27 December 2024, the Group fully repaid its obligations amounting to RUB 1,531 million (UZS 195,021 million) through World of Privilege Bank LLC.

On 11 October 2024, under the Presidential Decree of the Republic of Uzbekistan #PD-312 dated 7 September 2024 "On measures to improve the Comprehensive Program of Continuous Support for Small Businesses" 14 small business supporting centres and LLC "Digital transformation center" were transferred to the Bank's direct interest as subsidiaries by reducing the share of the Bank in the share capital of the Fund. In 2025, under #PD-312 the Fund is expected to be fully transferred to the Ministry of Economy and Finance of the Republic of Uzbekistan.

On 27 November 2024, in accordance with the protocol of the Council Board of the Bank No.26 dated 2 October 2024, the share capital of LLC "BRB-TECH" has been increased by UZS 12,000 million for the purpose to develop professional staff, expand activities of the company, and ensure full operational capability based on received funds from the Bank.

On 3 December 2024, under the PD-306, the Group increased its share capital based on withdrawn funds provided by the Fund for Reconstruction and Development of the Republic of Uzbekistan as a subordinated debt for capital injection in the form of ordinary shares in the amount of USD 125 million equivalents to UZS 1,600,476 million as per the agreement for the subscription of ordinary shares #3 dated 27 September 2024.

On 13 December 2024, the Group increased its share capital in accordance with the PD-312 and based on partially received funds for capital injection in the form of ordinary shares from the Ministry of Economy and Finance of the Republic of Uzbekistan in the amount of equivalents to UZS 600,000 million as per the agreement to enter a share purchase and sale transaction #2 dated 28 November 2024.

On 27 December 2024, the Group received the remaining funds under the PD-312 in the form of deposit for stock subscription by the Ministry of Economy and Finance of the Republic of Uzbekistan in the amount of equivalents to UZS 488,607 million for the purpose to increase its ownership in the share capital of the Bank, which in 2025 will be transferred for capital injection into the share capital.