



JSCB BUSINESS
DEVELOPMENT
BANK

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
AND INDEPENDENT AUDITOR'S REPORT**

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JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Management of Joint-Stock Commercial Bank "Business Development Bank" is responsible for the preparation of the consolidated financial statements that present fairly the financial position of Joint-Stock Commercial Bank "Business Development Bank" and its subsidiaries (collectively – "the Group") as at 31 December 2025, and the related consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year ended, and of material accounting policies and notes to the consolidated financial statements (the "consolidated financial statements") in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

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

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosure when compliance with the specific requirements in IFRS Accounting Standards 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 consolidated financial statements of the Group comply with IFRS Accounting Standards;
- maintaining statutory accounting records in compliance with the legislation of the Republic of Uzbekistan and accounting policies of the Group;
- taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- preventing and detecting fraud and other irregularities.

The consolidated financial statements for the year ended 31 December 2025 were approved by the Management Board of the Group on 21 May 2026.

On behalf of the Management Board:



Annaklichev Sakhi Saparmukhamedovich
Acting Chairman of the Management Board
21 May 2026
Tashkent, Uzbekistan


Takhirova Rano Oktyabreva
Chief Accountant
21 May 2026
Tashkent, Uzbekistan



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Infinity Business Center, 39B
Istiqbol Street, Yashnabad District
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Independent Auditors' Report

To the Shareholders of Joint Stock Commercial Bank “Business Development Bank”

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Joint Stock Commercial Bank “Business Development Bank” (the “Bank”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated financial statements in the Republic of Uzbekistan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial

Audited entity: Joint Stock Commercial Bank «Business Development Bank».

Registered by the Central Bank of the Republic of Uzbekistan on 1 March 1997 № 5.

Tashkent, the Republic of Uzbekistan.

AO «KPMG Audit» LLC, a company incorporated under the Laws of the Republic of Uzbekistan, and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registration № in the Unified State Register of Enterprises 011887-10

statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Expected credit losses (“ECL”) on loans and advances to customers	
Please refer to the Note 8 in the consolidated financial statements.	
The key audit matter	How the matter was addressed in our audit
<p>Loans to customers represent 63% of the Group’s total assets and are measured net of ECL, which is subject to regular reassessment and is sensitive to the assumptions applied.</p> <p>The Group applies an ECL model that requires management to exercise significant judgement and make assumptions in the following key areas:</p> <ul style="list-style-type: none"> - timely identification of a significant increase in credit risk and default events for loans to customers (allocation to Stages 1, 2 and 3 in accordance with IFRS 9); - estimation of the probability of default (“PD”) and loss given default (“LGD”); - projection of expected cash flows for loans to customers classified as Stage 3. <p>Due to the significant volume of loans to customers measured at amortised cost, as well as the inherent uncertainty associated with the estimation of the allowance for expected credit losses, this matter is considered to be a key audit matter.</p>	<p>We assessed key aspects of the Bank’s methodology and accounting policies relating to the estimation of ECL for compliance with the requirements of IFRS 9, with the involvement of our internal financial risk management specialists.</p> <p>To evaluate the reasonableness of management judgements and assumptions applied in the ECL calculation, we performed the following procedures:</p> <ul style="list-style-type: none"> - For a sample of corporate loans for which potential changes in the estimate of ECL could have a material impact on the consolidated financial statements, we assessed the appropriateness of their classification across stages of credit risk. As part of this work, we evaluated the financial and non-financial information used by the Group, as well as key assumptions and judgements applied; - For loans classified in Stages 1, 2 and 3, for which the Group estimates ECL on a collective basis, we tested the design and implementation of the relevant models and assessed their methodological appropriateness; - We tested, on a sample basis, the accuracy of key input data used in the calculation of PD, LGD and EAD, including the timely and accurate recording of delinquencies and repayments in the relevant systems, by reference to underlying documentation. - We performed an independent recalculation of PD, LGD and EAD and compared the results with those applied by the Group. - For individually assessed corporate loans classified in Stage 3, we critically evaluated the assumptions



	<p>applied by the Group in forecasting future cash flows, including the valuation of collateral and the expected timing of its realisation, based on our understanding and available market information.</p> <p>We also assessed the overall predictive performance of the Group’s ECL model by comparing assumptions applied as at 1 January 2025 with actual outcomes observed during 2025.</p> <p>In addition, we evaluated whether the disclosures in the consolidated financial statements appropriately reflect the Group’s exposure to credit risk.</p>
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Other Matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2024 were audited by other auditors who expressed an unmodified opinion on those statements on 12 June 2025.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.]

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report of findings from procedures performed in accordance with the requirements of the Law No. 580, dated 5 November 2019, On Banks and Banking Activity

Management is responsible for the Bank’s compliance with prudential ratios established by the Central bank of the Republic of Uzbekistan and for maintaining internal controls and organizing risk management systems of the Bank in accordance with the requirements established by the Central bank of the Republic of Uzbekistan.

In accordance with Article 74 of the Law No. 580, dated 5 November 2019 *On Banks and Banking Activity* (the “Law”), we have performed procedures to check:

- the Bank’s compliance with prudential ratios as at 31 December 2025 established by the Central Bank of the Republic of Uzbekistan;
- whether the elements of the Bank’s internal control and organization of its risk management systems comply with the requirements established by the Central Bank of the Republic of Uzbekistan.

These procedures were selected based on our judgment and were limited to the analysis, inspection of documents, comparison of the Bank’s internal policies, procedures and methodologies with the applicable requirements established by the Central bank of the Republic of Uzbekistan, and recalculations, comparisons and reconciliations of numerical data and other information. Our findings from the procedures performed are reported below.

Based on our procedures with respect to the Bank’s compliance with the prudential ratios established by the Central bank of the Republic of Uzbekistan, we found that the Bank’s prudential ratios as at 31 December 2025 were within the limits established by the Central bank of the Republic of Uzbekistan.

We have not performed any procedures on the accounting records maintained by the Bank, other than those which we considered necessary to enable us to express an opinion as to whether the Group’s consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the IFRS Accounting Standards.

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

- as at 31 December 2025 the Bank’s internal audit function was subordinated to, and reported to, the Supervisory Board, and the risk management function was not subordinated to, and did not report to, divisions taking relevant risks in accordance with the regulations and recommendations issued by the Central bank of the Republic of Uzbekistan;
- the frequency of reports prepared by the Bank’s internal audit function during 2025 was in compliance with the requirements of the Central bank of the Republic of Uzbekistan. The reports were approved by the Bank’s Supervisory Board and included observations made by the Bank’s internal audit function in respect of the Bank’s internal control systems;
- as at 31 December 2025 the Bank established Information security function as required by the Central bank of the Republic of Uzbekistan, and the information security policy was approved by the Bank’s Management board. Information security function was subordinated to and reported directly to the Chairman of the Management board;
- Reports by the Bank’s Information security function to the Chairman of the Management board during 2025 included assessment and analysis of information security risks, and results of actions to manage such risks;

- the Bank’s internal documentation, effective on 31 December 2025 establishing the procedures and methodologies for identifying and managing the Bank’s significant risks and for stress-testing, was approved by the authorised management bodies of the Bank in accordance with the regulations and recommendations issued by the Central bank of the Republic of Uzbekistan;
- as at 31 December 2025, the Bank maintained a system for reporting on the Bank’s significant risks and on the Bank’s capital;
- the frequency of reports prepared by the Bank’s risk management and internal audit functions during 2025, which cover the Bank’s risk management, was in compliance with the Bank’s internal documentation. The reports included observations made by the Bank’s risk management and internal audit functions as to their assessment of the Bank’s significant risks, and recommendations for improvement;
- as at 31 December 2025 the Supervisory Board and Executive Management of the Bank had responsibility for monitoring the Bank’s compliance with the risk limits and capital adequacy ratios established in the Bank’s internal documentation. In order to monitor the effectiveness of the Bank’s risk management procedures and their consistent application during 2025, the Supervisory Board and Executive Management of the Bank periodically discussed the reports prepared by the risk management and internal audit functions, and considered the proposed corrective actions.

Procedures with respect to elements of the Bank’s internal control and organization of its risk management systems were performed solely for the purpose of examining whether these elements, as prescribed in the Law and as described above, comply with the requirements established by the Central bank of the Republic of Uzbekistan.

The engagement partner on the audit resulting in this independent auditors’ report is:

Kouznetsov A.A.
Engagement Partner
AO “KPMG Audit” LLC



Qualification certificate of bank
Auditor #35 issued 28 November 2023
by the Central Bank of
The Republic of Uzbekistan

Tashkent, Uzbekistan
21 May 2026

Saidov S.K.
General Director
AO “KPMG Audit” LLC



JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

Consolidated Statement of Financial Position

as at 31 December 2025

(in millions of Uzbekistan Soums)

	Notes	31 December 2025	31 December 2024
ASSETS			
Cash and cash equivalents	6	3,248,220	2,341,951
Reverse REPO transactions		-	300,885
Due from other banks	7	6,144,217	4,920,967
Loans and advances to customers	8	24,225,171	20,832,763
Investment securities measured at amortised cost, unpledged	9	1,781,001	1,828,215
Investment securities measured at amortised cost, pledged under REPO transaction	9	564,898	-
Financial assets at fair value through other comprehensive income	10	155,221	117,614
Property and equipment	11	889,487	643,841
Intangible assets	11	18,612	24,664
Deferred income tax asset	27	236,574	247,825
Current income tax prepayment		51,631	27,382
Other assets	12	534,463	89,338
Assets classified as held for sale	13	383,250	221,350
TOTAL ASSETS		38,232,745	31,596,795
LIABILITIES AND EQUITY			
LIABILITIES			
Due to other banks	14	1,451,956	2,917,994
REPO transactions	15	453,466	-
Customer accounts	16	10,686,795	6,462,612
Borrowings from government and international financial institutions	17	19,930,319	17,054,222
Debt securities in issue		-	20,079
Other liabilities	19	116,563	588,118
Subordinated debt	20	1,812,555	1,811,095
Total liabilities		34,451,654	28,854,120
EQUITY			
Share capital	21	5,693,791	5,205,183
Share premium	21	942	942
Accumulated deficit		(1,944,670)	(2,475,342)
Investment revaluation reserve		11,149	11,892
Net assets attributable to the Bank's owners		3,761,212	2,742,675
Non-controlling interests		19,879	-
Total equity		3,781,091	2,742,675
TOTAL LIABILITIES AND EQUITY		38,232,745	31,596,795

On behalf of the Management Board:

Annaklichev Sakhi Saparmukhamedovich
Acting Chairman of the Management Board

21 May 2026
Tashkent, Uzbekistan

Takhirova Rano Oktyabreva
Chief Accountant

21 May 2026
Tashkent, Uzbekistan


The notes on pages 13-76 form an integral part of these consolidated financial statements.

JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2025 (in millions of Uzbekistan Soums)

	Notes	2025	2024
Interest income	22	4,699,519	4,473,647
Interest expense	22	(3,275,829)	(2,417,950)
NET INTEREST INCOME		1,423,690	2,055,697
Recovery/ (Allowance) for expected credit losses	30	163,330	(2,311,510)
NET INTEREST INCOME /(EXPENSE) AFTER PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS		1,587,020	(255,813)
Fee and commission income	23	348,142	260,539
Fee and commission expense	23	(105,500)	(83,187)
Net gain on foreign exchange operations	24	137,135	68,316
Other income	25	36,026	33,465
Loss on disposal of subsidiary		-	(2,769)
Net loss on initial recognition of assets and liabilities at rates below market		(14,115)	-
Net gain from modification of financial assets	8	38,584	-
Recovery/(Impairment) losses on other operations	13	34,362	(58,621)
NET NON-INTEREST INCOME		474,634	217,743
OPERATING INCOME/(LOSS)		2,061,654	(38,070)
Operating expenses	26	(1,490,164)	(1,110,514)
PROFIT/(LOSS) BEFORE INCOME TAX		571,490	(1,148,584)
Income tax expense	27	(40,672)	(219,337)
PROFIT/(LOSS) FOR THE YEAR		530,818	(1,367,921)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Changes in the fair value of equity instruments classified as FVTOCI		(929)	10,494
Income tax benefit/(expense) relating to the equity instruments classified as FVTOCI		186	(2,103)
Other comprehensive (loss)/ income for the year		(743)	8,391
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		530,075	(1,359,530)
Profit/(Loss) attributable to:			
- Owners of the Bank		530,940	(1,359,530)
- Non-controlling interests		(122)	-
PROFIT/(LOSS) FOR THE YEAR		530,818	(1,359,530)
Total comprehensive income/(loss) for the year attributable to:			
- Owners of the Bank		530,197	(1,359,530)
- Non-controlling interests		(122)	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		530,075	(1,359,530)
Basic and diluted losses per ordinary share (expressed in UZS per share)		11	(62)

On behalf of the Management Board:


Annaklichev Sakhi Saparmukhamedovich
Acting Chairman of the Management Board
21 May 2026
Tashkent, Uzbekistan


Takhirova Rano Oktyabreva
Chief Accountant
21 May 2026
Tashkent, Uzbekistan

The notes on pages 13-76 form an integral part of these consolidated financial statements.

JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

**Consolidated Statement of Changes in Equity
for the year ended 31 December 2025
(in millions of Uzbekistan Soums)**

	Note	Attributable to the Bank's owners				Non-controlling interests	Total equity
		Share capital	Share premium	Accumulated deficit	Investment revaluation reserve		
31 December 2023		1,861,514	942	(397,152)	3,501	-	1,468,805
Loss for the year		-	-	(1,367,921)	-	-	(1,367,921)
Other comprehensive income for the year, net of income tax		-	-	-	8,391	-	8,391
Transfer of subsidiary		-	-	(710,000)	-	-	(710,000)
Shares issued	21	3,343,669	-	-	-	-	3,343,669
Dividends declared - preference shares		-	-	(269)	-	-	(269)
31 December 2024		5,205,183	942	(2,475,342)	11,892	-	2,742,675
Profit/(Loss) for the year		-	-	530,940	-	(122)	530,818
Other comprehensive loss for the year, net of income tax		-	-	-	(743)	-	(743)
Shares issued	21	488,608	-	-	-	-	488,608
Non-controlling interest arising on establishment of a subsidiary		-	-	-	-	20,001	20,001
Dividends declared - preference shares		-	-	(268)	-	-	(268)
31 December 2025		5,693,791	942	(1,944,670)	11,149	19,879	3,781,091

On behalf of the Management Board:


Annaklichev Sakhi Saparmukhamedovich
Acting Chairman of the Management Board


Takhirova Rano Oktyabrevna
Chief Accountant

21 May 2026
Tashkent, Uzbekistan

21 May 2026
Tashkent, Uzbekistan

JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"**Consolidated Statement of Cash Flows****for the year ended 31 December 2025***(in millions of Uzbekistan Soums)*

	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest received		4,768,111	4,116,134
Interest paid		(3,182,454)	(2,393,200)
Fees and commissions received		194,856	235,634
Fees and commissions paid		(105,500)	(83,187)
Income received from trading in foreign currencies		147,890	51,897
Other income received		9,210	9,797
Staff costs paid		(992,001)	(684,538)
Operating expenses paid		(425,314)	(341,294)
Income tax paid		(53,484)	(2,205)
Cash flows from operating activities before changes in operating assets and liabilities		361,313	909,038
Net (increase)/decrease in:			
- Reverse REPO transactions		300,885	(300,885)
- due from other banks		(1,122,243)	(3,722,373)
- loans and advances to customers		(3,657,158)	(2,679,198)
- other assets		(6,765)	(17,382)
Net increase/(decrease) in:			
- due to other banks		(1,489,981)	1,646,458
- REPO transactions		487,256	-
- debt securities		(20,000)	(66,500)
- customer accounts		4,359,032	519,317
- other liabilities		24,791	(943,068)
Net cash used in operating activities		(762,870)	(4,654,593)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, equipment and intangible assets		(732,016)	(288,950)
Proceeds from sale of property and equipment		23,379	14,506
Acquisition of financial assets at fair value through other comprehensive income		(38,536)	(50,618)
Acquisition of investment securities measured at amortised cost		(1,724,359)	(1,279,824)
Proceeds from maturity of investment securities measured at amortised cost		1,218,127	931,482
Dividend income received		8,053	9,997
Net cash used in investing activities		(1,245,352)	(663,407)


The notes on pages 13-76 form an integral part of these consolidated financial statements.

JOINT-STOCK COMMERCIAL BANK "BUSINESS DEVELOPMENT BANK"

Consolidated Statement of Cash Flows
for the year ended 31 December 2025 (continued)
(in millions of Uzbekistan Soums)

	Notes	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issue of ordinary shares		-	2,231,800
Dividends paid		(299)	(298)
Non-controlling interest arising on establishment of a subsidiary		20,001	-
Proceeds from borrowings from government and international financial institutions	18	9,625,579	6,434,305
Repayment of borrowings from government and international financial institutions	18	(6,589,688)	(5,832,004)
Proceeds from subordinated debt	18	-	2,792,425
Net cash from financing activities		3,055,593	5,626,228
Effect of changes in foreign exchange rate on cash and cash equivalents		(141,096)	68,404
Effect of changes in expected credit losses		(5)	1,232
Net increase in cash and cash equivalents		906,270	377,864
CASH AND CASH EQUIVALENTS at the beginning of the year		2,341,951	1,964,087
CASH AND CASH EQUIVALENTS at the end of the year		3,248,220	2,341,951
Non-cash transactions			
Transfer of subsidiary		-	710,000
Repossessed assets/Assets held for sale	13	127,537	155,321
Write off loans	8, 30	2,961,431	432,184

On behalf of the Management Board:


Annaklichev Sakhi Saparmukhamedovich
Acting Chairman of the Management Board

21 May 2026
Tashkent, Uzbekistan


Takhirova Rano Oktyabrevna
Chief Accountant

21 May 2026
Tashkent, Uzbekistan

JOINT-STOCK COMMERCIAL BANK “BUSINESS DEVELOPMENT BANK”

Notes to the Consolidated Financial Statements

for year ended 31 December 2025

(in millions of Uzbekistan Soums, unless otherwise indicated)

1. General information

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 Group 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.

As at 31 December 2025, the Bank's registered address was: 18A, Navoi str., Tashkent, 100011, the Republic of Uzbekistan.

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

	Country	31 December	31 December	Industry
		2025	2024	
		Share in company, %	Share in company, %	
LLC "BRB Capital"	Uzbekistan	100%	100%	Construction
LLC "BRB-TECH"	Uzbekistan	100%	100%	Innovative Technologies
LLC "BRB FAKTORING FAKTORING TASHKILOTI"	Uzbekistan	100%	-	Financial Services
LLC "BIZNESNI RIVOJLANTIRISH MIKROMOLIYA TASHKILOTI"	Uzbekistan	100%	-	Financial Services Financial Market
LLC "Digital transformation center"	Uzbekistan	100%	100%	Management
LLC "Small business supporting centre of Bukhara region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Republic of Karakalpakstan"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Andijan region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Navoi region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Syrdarya region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Tashkent city"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Fergana region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Namangan region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Samarkand region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Tashkent region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Jizzakh region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Khorezm region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Kashkadarya region"	Uzbekistan	100%	100%	Fund Management
LLC "Small business supporting centre of Surkhandarya region"	Uzbekistan	100%	100%	Fund Management
<i>JSCB "Business Development Bank" indirect interest in subsidiaries via LLC "BRB Capital"</i>				
LLC "BRB-INVEST DEVELOPMENT"	Uzbekistan	99.99%	99.99%	Construction
LLC "CHIMGAN APARTMENT"	Uzbekistan	100%	-	Construction
LLC "ELITE HOMES RENOVATIONS"	Uzbekistan	100%	-	Construction
LLC "NAMANGAN ELITE HOMES"	Uzbekistan	99.99%	-	Construction
LLC "OLD CITY GUEST HOUSE"	Uzbekistan	99.99%	-	Construction
<i>JSCB "Business Development Bank" indirect interest in subsidiaries via LLC "BRB FAKTORING FAKTORING TASHKILOTI"</i>				
LLC "Yangiyo'l - Agro Star"	Uzbekistan	50.1%	-	Agriculture

In accordance with the Resolution of the President of the Republic of Uzbekistan No.364 dated 30 August 2022 "On measures to implement the tasks set during the President's 2022 open dialogue with entrepreneurs" and No.109 dated 4 March 2024 "On priority measures for implementing reforms in 2024 in accordance with the key directions of the "Uzbekistan-2030" strategy", the Group created a new subsidiaries via investing UZS 5,000 million in to the share capital of LLC "BRB FAKTORING FAKTORING TASHKILOTI" and LLC "BIZNESNI RIVOJLANTIRISH MIKROMOLIYA TASHKILOTI".

In accordance with the Resolution of the President of the Republic of Uzbekistan No.57 dated 14 February 2025 "On the organization of the activities of the company "UZAGROSTAR XOLDING" the Group funded a new subsidiary via investing UZS 20,100 million or 50.1% (total share capital UZS 40,100 million) with the aim of activities associated with the cultivation, storage, processing, packaging and transportation of certain types of products, as well as the distribution and implementation of new technologies and approaches.

In accordance with the Resolution of the President of the Republic of Uzbekistan No.3080 dated 23 June 2017 "On measures to establish the Center of Islamic Civilization under the Cabinet of Ministers of the Republic of Uzbekistan" and the Resolution of the Cabinet of Ministers "On accelerating the construction of the Islamic Civilization Center in Tashkent and the reconstruction of Korasaroy Street" dated 12 February 2025, the Group

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established a second-tier subsidiary LLC “OLD CITY GUEST HOUSE” through the participation of LLC “BRB-Capital”.

In accordance with the Resolution of the President of the Republic of Uzbekistan No.17 dated 27 January 2025 “On measures to further develop the housing construction sector and improve mechanisms for regulating the construction of residential and non-residential facilities on the basis of equity participation”, particularly, construction of the “New Uzbekistan” residential complex in Namangan city and other large-scale renovation projects in Kokand city, the Group created a new subsidiary via investing UZS 150,000 million in LLC “ELITE HOMES RENOVATIONS” and LLC “NAMANGAN ELITE HOMES” through the participation of LLC “BRB-Capital”.

In accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No.911 dated 30 December 2024, the Bank was approved as the one of commercial banks participating as investors in the financing of tourism facilities within “Chimyon” international resort area by creating a new subsidiary LLC “CHIMGAN APARTMENT” via investing UZS 88,000 million through the participation of LLC “BRB-Capital”.

Presentation currency. These consolidated financial statements are presented in Uzbekistan Soums (“UZS”) and rounded to the nearest million, unless otherwise stated.

As at 31 December 2025 and 31 December 2024, the following shareholders owned issued shares of the Bank:

	31 December 2025	31 December 2024
Shareholders:		
Fund for Reconstruction and Development of the Republic of Uzbekistan (UFRD)	52.30%	57.22%
Ministry of Economy and Finance of the Republic of Uzbekistan (MOEF)	47.16%	42.19%
Others (individually holding less than 5% of the share capital of the Bank)	0.54%	0.59%
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, while 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 global gold price, which fluctuated significantly in 2025, averaging 3,417 US Dollar per troy ounce (2024: 2,388 US Dollar per troy ounce). For the same period the Uzbekistan’s gross domestic product (“GDP”) grew by 7.7% (2024: 6.5%). Inflation in the country increased to 5.7% per annum in 2025 (2024: 9.8%). Source - statistical bulletin of the CBU.

Uzbekistan is currently taking significant steps to join the World Trade Organization, which may significantly change market rules for local players and open up new opportunities as for the local players as well as to participants from outside of Uzbekistan. The process may require significant changes in national legislation.

In March 2025, the Central Bank of the Republic of Uzbekistan decided to raise the policy rate by 0.5 percentage points to 14 percent per annum and which remained unchanged till the end of 2025. However, the uncertainty still exists related to future development of the geopolitical risks and their impact on the economy of Uzbekistan.

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

Influence of geopolitical events in the world.

In February 2022, due to the conflict between the Russian Federation and Ukraine, numerous sanctions were announced against the Russian Federation by most Western countries. These sanctions are intended to have a negative economic impact on the Russian Federation. This conflict affected some export-import operations of the Uzbekistan's legal entities; there has been increased volatility in the export-import operations. In order to minimize the impact on consumers, the Government of Uzbekistan adopted the relevant regulatory Documents.

After some decrease in the degree of influence of the external environment due to geopolitical events around Ukraine and Russia on the economy of the Republic of Uzbekistan, on March 24, 2025, the Board of the Central Bank of the Republic of Uzbekistan increased the CBU refinancing rate by 0.5% to 14%.

For the purpose of managing the country risk, the Group controls transactions with counterparties within the limits set by the Group's collegial body, which are reviewed regularly. The Group continues to assess the effect of these events and changes in economic conditions on its operations, financial position and financial performance.

Ongoing geopolitical tensions in the Middle East, including developments related to Iran, may further disrupt regional trade routes and logistics and could deteriorate supply chains, potentially increasing costs and volatility for the Group and its customers.

Basis of accounting

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

The consolidated financial statements have been prepared under the historical cost convention, except financial instruments measured at fair value through other comprehensive income (FVOTCI). The principal accounting policies applied in the preparation of these consolidated financial statements are set in this section. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Going concern

The management have at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Group has applied the going concern basis of accounting in preparing the consolidated financial statements.

The Group had net profit of UZS 530,818 million and net loss of UZS 1,367,921 million for the year ended 31 December 2025 and 2024, respectively. Net profit for the year ended 31 December 2025 mainly achieved due to significant decrease of ECL rate for loans and advances to customers to 6.4% as at 31 December 2025 (31 December 2024: 18.5%) as disclosed in Note 30.

For the year ended 31 December 2025, the Group had a cash outflow from operating activities mainly as a result of increasing of loans and advances to customers by UZS 3,657,158 million (31 December 2024: UZS 2,679,198 million) as disclosed in Note 30. Although cash flows derived from customer accounts amounted UZS 4,359,032 million as at 31 December 2025 (31 December 2024: UZS 519,317), net decrease in due to other banks by UZS 1,489,981 million and increase in due from other banks by UZS 1,122,243 million resulted in operating cash outflow in the amount of UZS 762,871 million (31 December 2024: UZS 4,654,593 million).

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As at 31 December 2025, the Group was not in compliance with certain financial covenants stipulated in loan agreements with International Fund for Agricultural Development (IFAD) via MOEF in the amount of UZS 163,502 million (Note 17).

During 2025, the Group restructured loans and advances to customers with gross carrying amount of 1,113,603 million to later periods (31 December 2024: UZS 990,956 million) which resulted in modification gain, recognized in statement of profit loss in the amount of UZS 38,584 million (2024: UZS 11,004 million) as disclosed in Note 8

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 with the MOEF and UFRD as key shareholders, jointly holding 99.46% interest in the share capital of the Bank as at 31 December 2025 (31 December 2024: 99.41%). 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” (“PD-306”), starting from 1 October 2023, the Bank was designated as the main bank for the effective implementation and continuous improvement of the Comprehensive Program for Continuous Support of Small Businesses.
- According to the PD-306 and PD-312 “On measures to improve the comprehensive program of continuous support for small businesses”, the Group received UZS 488,608 million as a capital contribution to the share capital as disclosed in Note 21.
- 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 of state and public organizations comprise 38.4% of the total customer balance as at 31 December 2025. Moreover, 18.1% of these demand deposits are placed by state-controlled entities which are either the Group’s shareholders or 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 as disclosed in Note 16.
- During 2025, 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 9,625,579 million and repaid UZS 6,589,688 in domestic and foreign currencies as disclosed in the consolidated statement of cash flows and disclosed in Note 17 and 18.

As at 31 December 2025, the Group was in compliance with all prudential requirements set by the CBU.

3. Material accounting policy information

Basis of consolidation.

The consolidated financial statements incorporate the financial statements of the parent company and entities controlled by the Group made up to 31 December each year. Control is achieved when the Group:

- has the power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group’s voting rights in an investee are sufficient to give it power, including:

- the size of the Group’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- potential voting rights held by the Group, other vote holders or other parties

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- rights arising from other contractual arrangements
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group’s accounting policies. The Bank and all of its subsidiaries use uniform accounting policies consistent with the Group’s policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Disposals of subsidiaries, associates or joint ventures. When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are recycled to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss, where appropriate.

Recognition and measurement of financial instruments

The Group recognises financial assets and liabilities on its consolidated statement of financial position when it becomes a party to the contractual obligations of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. The accounting policies for subsequent re-measurement of these items are disclosed in the respective accounting policies set out below.

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at FVTPL. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognized immediately in profit or loss.

All recognized financial assets that are within the scope of IFRS 9 Financial Instruments (“IFRS 9”) are required to be subsequently measured at amortised cost or fair value on the basis of the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- Retention of an asset to obtain the cash flows stipulated by the contract. This business model suggests financial asset management aims to realize cash flows by receiving principal and interest payments over

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the life of the financial instrument. Within the framework of this business model, holding a financial asset to maturity is a priority, but early disposal is not prohibited.

- Retention of an asset with a view for obtaining contractual cash flows and sale of financial assets. This business model assumes that the management of financial assets is aimed at both obtaining contractual cash flows and sale of financial assets. Within the framework of this business model, the receipt of cash from the sale of a financial asset is a priority, which is characterized by a greater frequency and volume of sales compared to "holding an asset to receive contractual cash flows" business model.
- Retention of an asset for other purposes. Within the framework of this business model, financial assets can be managed with the following purposes:
 - management with a view to selling cash flows through the sale of financial assets;
 - a portfolio, which management and performance is measured on a fair value basis;
 - a portfolio, which matches the definition of held for trading. Financial assets are deemed to be held for trading if they were acquired mainly with a view to subsequent disposal in the near future (up to 180 days), gaining short-term profit, or represent derivative financial instruments (except for a financial guarantee or derivative financial instrument that was designated as a hedging instrument).

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

- loans and advances to customer are classified as assets at amortised cost are contained within the framework of a business model which aims to receive cash flows exclusively for repayment of unpaid interest and principal stipulated by loan agreement and that have contractual cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding;
- balances on correspondent accounts, interbank loans/deposits are classified, as a rule, as assets, estimated at amortised cost, since they are managed within the framework of a business model, which aims to receive cash flows stipulated by the contract, and that have contractual cash flows that are SPPI;
- debt securities may be classified into any of the three classification categories, taking into account the selected business model and compliance with the SPPI criterion;
- equity securities are generally classified as instruments at fair value through other comprehensive income;

Financial assets measured at amortised cost or financial assets at fair value through other comprehensive income (“FVTOCI”).

The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Group’s business model for managing the asset.

For a debt financial asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is performed at the date of initial application of IFRS 9 to determine the classification of a financial asset. The business model is applied retrospectively to all financial assets existing at the date of initial application of IFRS 9. The Group determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular

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business objective. The Group’s business model does not depend on management’s intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

At initial recognition of a financial asset, the Group determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current reporting period, the Group has not identified a change in its business models.

When a debt instrument measured at FVTOCI is derecognized, the cumulative gain/loss previously recognized in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss but transferred within equity. Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

The Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter (“12 Months ECL”). If the Group identifies a significant increase in credit risk (“SICR”) since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any (“Lifetime ECL”). If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Group's definition of credit impaired assets and definition of default is explained further.

Expected credit loss (ECL) measurement - definitions

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset’s effective interest rate.

The key inputs used for measuring ECL are:

- Probability of default (PD) – an estimate of exposure at a future default date, taking into account expected changes in exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities;
- Loss given default (LGD) – an estimate of the likelihood of default to occur over a given time period;
- Exposure at default (EAD) – is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities; and
- Discount Rate - a tool to discount an expected loss from the present value at the reporting date. The discount rate represents the effective interest rate (EIR) for the financial instrument or an approximation thereof.

Calculation of financial assets impairment was made taking into account the following factors:

- In order to calculate the expected credit losses, the Group performs loan assessment on an individual basis and on a collective basis depending on general credit risk features;
- Expected credit losses represent estimates of expected credit losses weighted at probability of a default and calculated as present value of all expected losses in amounts due. Calculations are based on justified and verified information, which may be received without any significant costs or efforts. Calculation of the present value of the expected future cash flows of the secured financial asset reflects the cash flow that may result from foreclosure, less the cost of obtaining and selling collateral. The allowance is based on the Group's own experience in assessing losses and the Management assumptions about the level of

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losses likely to be recognised on assets in each category of a credit risk, based on debt servicing capabilities and borrower's credit track record;

- Impairment for treasury operations (investments in debt securities, reverse repurchase transactions, interbank loans and deposits, correspondent account transactions, accounts receivable under treasury transactions) is calculated taking into account the counterparty's rating, probability of default, duration of a transaction and the extent of loss in case of a default;
- Assets classified at fair value through profit or loss are not subject to impairment under IFRS 9.

The estimated credit losses for treasury operations are estimated on an individual basis.

ECL for collective assessment of credit losses

For collective assessment of credit losses, loans and advances to customers are segmented by dividing the portfolio of assets into segments based on their credit risk characteristics and are classified by criteria for determining the transition between Stages 1, 2 and 3. As of each reporting date, the Group assesses the significance of changes in credit risk for financial instruments from the moment of initial recognition and classifies them into the appropriate Stages depending on the level of credit risk.

- Stage 1 classifies financial instruments that, in accordance with IFRS 9 (clause 5.5.10) upon initial recognition had no signs of impairment and the risk of which has not increased significantly since the date of acquisition. For financial instruments classified in Stage 1, expected losses are defined as the 12-month expected credit losses following the recognition date, or reporting date, in the absence of a significant increase in credit risk financial instrument from the moment of its initial recognition.
- Stage 2 classifies financial instruments for which there has been a significant increase in credit risk since initial recognition. The increase in credit risk is determined for each financial instrument individually according to the transition criteria but not limited to them.
- Stage 3 classifies financial instruments for which one or more impairment events, that had a negative impact on the estimated future cash flows of such financial instrument, took place.
- POCI: Purchased or originated credit-impaired (POCI) assets are financial assets that are credit-impaired at initial recognition. At initial recognition, POCI assets are measured at fair value, and interest income is subsequently recognised using a credit-adjusted effective interest rate. The loss allowance for expected credit losses is recognised or derecognised only to the extent that there is a subsequent change in the lifetime expected credit losses.

To achieve a greater level of detail in assessing credit risk, the Group uses a larger number of categories - 5 Buckets. In this case, 1st and 2nd Buckets correspond Stages 1, 3rd and 4th Buckets correspond to Stage 2, and 5th Bucket corresponds to Stage 3. Below is a list of criteria for determining classification and transition between Buckets. The presence of at least one criterion is sufficient to change the classification to reflect an increase in credit risk

- Bucket 1: loans for which there is no SICR for which the number of days overdue on the principal debt or by interest is from 0 days to 15 days, inclusive. All loans are classified into Bucket 1 upon initial recognition and remain in Bucket 1 unless a significant increase in the level of credit risk has been identified or until factors indicating a significant increase are identified.
- Bucket 2: loans for which there is no SICR. Loans for which no significant increase in the level of credit risk has been identified, for which the number of days overdue on the principal debt or by interest is from 16 days to 30 days, inclusive.
- Bucket 3: loans for which SICR occurred.
 - Loans for which the number of days of delay on the principal or interest is from 31 days to 60 days, inclusive;
 - Loans in the “substandard” category according to the Regulations on the CBU classification procedure;

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- Loans for which there were signs of loan loss as of the end the previous quarter due to the presence of one or more criteria moving to Bucket 4 and which as of the end of the current quarter (the “recovery” period is one quarter before the reporting quarter) do not have signs of credit quality deterioration;
- Loans that were restructured for less than 4 quarters before the reporting date (except for loans restructured not because of the deterioration in the borrowers’ creditworthiness or restricted because of the decision of the higher authority).
- Bucket 4: loans for which SICR occurred.
 - Loans for which the number of days overdue on the principal debt or by interest is from 61 days to 90 days, inclusive;
 - Loans that were credit-impaired at the end of previous quarter due to a “curing period” and which as at the end of reporting quarter have signs of Bucket 1, 2 or 3.
- Bucket 5: Credit impaired loans.
 - Loans for which the maximum number of days overdue on the principal debt or interest is more than 90 days;
 - Loans in the categories of “unsatisfactory”, “doubtful” and “Bad” according to the Regulations on the CBU classification procedure;
 - Loans that were restructured for less than 2 quarters before the reporting date (except for loans restructured not because of the deterioration in the borrowers’ creditworthiness or restructured because of the decision of the higher authority);
 - Loans with a court decision or ongoing court proceedings;
 - Loans for which the term of the agreement has expired, but the borrower has not fully repaid the debt according to the payment schedule;

ECL for individually significant borrowers

An asset is assessed for impairment on an individual basis if the total debt of the borrower at the reporting date exceeds the materiality level. The level of materiality is determined as 1% of arithmetic average of the Group's total regulatory capital per National accounting standards for the current and previous years. The materiality level is analyzed at least once a year to assess its adequacy, as well as applicability, and based on the results of such analysis, the materiality level may be revised. At each reporting date, Accounting and Financial Management Department determines a list of individually significant borrowers. For the purposes of determining this list, all debt owed by the borrower is considered in aggregate, that is, if the borrower has obligations under several loan agreements that were issued for different purposes, then the debt is defined as the sum of obligations under all of its agreements.

Risk Management Department (RMD), together with the relevant credit departments and the Loan Portfolio Monitoring Department, assesses whether there are signs of a significant increase in credit risk and impairment for each individually significant asset. Based on the results of the assessment at each reporting date, the RMD fills out a questionnaire for each individually significant borrower with the necessary explanations and comments to identify signs of a significant increase in credit risk. The questionnaire is being filled out based on the loan portfolio and information contained in monitoring reports and other information in the loan folder.

After determining whether there are signs of a significant increase in credit risk, as well as impairment, depending on the results of such analysis, the Group classifies the asset in question into one of the following stages:

- Stage 1: “Loans with low credit risk”. All loans are classified as Stage 1 upon initial recognition and remain in Stage 1, if no significant increase in the level of credit risk has been identified.
- Stage 2: “Loans for which there has been an increase in credit risk”.
 - Violations of the terms of the contract, such as late payment from 31 to 90 calendar days as of the reporting date;

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- loans in the “substandard” category according to the Regulations on the classification procedure of the CBU;
- The existence of significant financial difficulties for the borrower, as well as a significant actual or expected change in the results of the borrower's operational activities. The criterion is a decrease in the borrower's financial condition to the 3rd class (according to the internal policies of the bank) and net profit in the borrower's existing latest financial statements. The borrower's financial status class is determined based on calculations of economic indicators such as return rates, liquidity, autonomy, asset turnover, and net sales profitability;
- If the borrower has an external credit rating, actual or expected (based on reasonable and verifiable information) reduction in external the borrower's credit rating by 2 or more notches;
- according to the latest monitoring report, for a significant loan there is a significant (by more than 50% of the amount of collateral at the date of initial recognition) decrease in the value of collateral for the loan, not related to commercial reasons;
- If auditor's report on the borrower's financial statements includes paragraph on material uncertainty related to going concern;
- Stage 3: “Credit-Impaired Loans”.
 - Violation of the terms of the contract, such as default or late payment by 90 calendar days or more;
 - Loans in the categories of “unsatisfactory”, “doubtful” and “Bad” according to the Regulations on the CBU classification procedure;
 - The existence of significant financial difficulties for the borrower, as well as a significant actual or expected change in the results of the borrower's operational activities. The criterion is a decrease in the borrower's financial condition to the 3rd class (according to the internal policies of the bank) and net loss in the borrower's existing latest financial statements. The borrower's financial status class is determined based on calculations of economic indicators such as return rates, liquidity, autonomy, asset turnover, and net sales profitability. Such indicators are considered together with other qualitative and quantitative factors in determining whether the exposure is credit-impaired.
 - Loans that were restructured for less than 2 quarters before the reporting date (except for loans restructured not because of the deterioration in the borrowers’ creditworthiness or restricted because of the decision of the higher authority);
 - Lack of communication with the borrower, as well as lack of information allowing to determine the financial condition of the borrower over the past 12 months;
 - If there is an external credit rating, the borrower's rating is reduced to the rating “CC” and below, assigned by rating agencies;
 - Availability of information about the death of an individual borrower;
 - Purchase or origination of a financial instrument with a large discount, which reflects the incurred credit losses (classified as purchased or originated credit impaired assets upon initial recognition);
 - Available information in open sources (stat.uz; org.uz) on the declaration of a borrower as bankrupt in accordance with the legislation of the Republic of Uzbekistan;
 - Revocation of a license or other title document for the conducting activities;
 - Disappearance of the active market for the given financial asset.
 - Existence of ongoing court proceedings or a court decision;

The amount of expected credit losses for loans that are classified in Stage 1 and in Stage 2 is determined on a collective basis.

For each individually significant borrower in Stage 3, one of the following repayment strategies is determined:

- “Restructuring” strategy: restructuring the loan, revising credit conditions and developing an action plan that can allow the borrower to repay the loan;
- Strategy “Realization of collateral”: liquidation of a loan by selling collateral.

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The choice of the most appropriate strategy is determined based on the individual situation of the borrower, its availability and consent to cooperation, the availability of opportunities to restore activity, production or the possibility of eliminating the causes that caused losses and the inability to service the debt, the availability of funds from other business lines of the borrower, value, condition of pledges regarding debt and other factors. In the event that the borrower incurs losses and the Group has no evidence of other sources of income and funds to service the debt, the strategy for selling collateral for the borrower is chosen.

Cash and cash equivalents. Cash and cash equivalents are items which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include deposits with CBU and all interbank placements with original maturities of less than three months. Funds with maturities for a period of more than three months on origination are excluded from cash and cash equivalents. Cash and cash equivalents are carried at amortised cost.

Effective 1 July 2024, the Central Bank of the Republic of Uzbekistan has implemented a revised framework allowing 100% of the mandatory reserves to be maintained in the Bank’s correspondent account with the Central Bank under an averaging mechanism which permits daily balance fluctuations provided the average meets regulatory thresholds. Under the previous rules, the commercial banks were required to hold only 80% of the mandatory reserves within their correspondent accounts with the Central Bank, while the remaining 20% was held in a specifically designated account with the Central Bank, which was unavailable for use in ordinary operating activities of the Bank and was presented under due from banks.

Due from other banks. Amounts due from other banks are recorded when the Group advances money to counterparty Banks with no intention of trading the resulting unquoted non-derivative receivable due on fixed or determinable dates. Amounts due from other Banks are carried at amortised cost.

Mandatory cash balances with CBU are carried at amortised cost and represent non-interest-bearing mandatory reserve deposits which are not available to finance the Group’s day-to-day operations, and hence are not considered as part of cash and cash equivalents for the purposes of the statement of cash flows.

Loans and advances to customers. Loans and advances to customers are recorded when the Group advances money to purchase or originate an unquoted non-derivative receivable from a customer due on fixed or determinable dates and has no intention of trading the receivable. Loans and advances to customers are carried at amortised cost.

Investments securities measured at amortised cost. Based on the business model and the cash flow characteristics, the Group classifies investments securities at amortised cost. Debt securities are carried at amortised cost if they are held for collection of contractual cash flows and where those cash flows represent SPPI, and if they are not voluntarily designated at FVTPL in order to significantly reduce an accounting mismatch.

Equity instruments at FVOCI

The Group may, on initial recognition, irrevocably designate certain investments in equity instruments that are not held for trading as measured at fair value through other comprehensive income (FVOCI). These instruments are initially recognised at fair value, including directly attributable transaction costs, and are subsequently remeasured at fair value at each reporting date. Changes in fair value are recognised in other comprehensive income and accumulated within equity in the FVOCI reserve; such gains or losses are not subsequently reclassified to profit or loss upon disposal, but may be transferred within equity. Dividend income is recognised in profit or loss when the Group’s right to receive payment is established, provided that such dividends represent a return on investment rather than a recovery of cost. Equity instruments are not subject to impairment assessment under IFRS 9.

Property and equipment. Property and equipment are stated at cost less accumulated depreciation and allowance for impairment, where required. Costs of minor repairs and maintenance are expensed when incurred. Cost of replacing major parts or components of property and equipment items are capitalised and the replaced part is retired.

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At the end of each reporting period management assesses whether there is any indication of impairment of property and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset’s fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in profit or loss for the year. An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset’s value in use or fair value less costs to sell.

Depreciation. Construction in progress is not depreciated. Depreciation of property and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives:

	<u>Useful lives in years</u>
Building and premises	20
Office and computer equipment	5-10

The residual value of an asset is the estimated amount that the Group would currently obtain from disposal of the asset less the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The residual value of an asset is nil if the Group expects to use the asset until the end of its physical life. The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each end of the reporting period.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Assets classified as held for sale. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Assets held for sale are measured at the lower of carrying amount and fair value less cost to sell.

Due to other banks. Amounts due to other banks are recorded when money or other financial instruments are advanced to the Group by counterparty banks. The non-derivative liability is carried at amortised cost. If the Group purchases its own debt, the liability is removed from the consolidated statement of financial position and the difference between the carrying amount of the liability and the consideration paid is included in gains or losses arising from early retirement of debt.

Customer accounts. Customer accounts are non-derivative liabilities to individuals, state or corporate customers and are carried at amortised cost.

Income taxes. Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax credit comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if

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the consolidated financial statements are authorised prior to filing relevant tax returns. Taxes other than on income are recorded within administrative and other operating expenses. Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilised. Deferred tax assets and liabilities are netted only within the individual companies of the Group.

Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilised.

Deferred income tax is not recognised on post-acquisition retained earnings and other post-acquisition movements in reserves of subsidiaries where the Group controls the subsidiary’s dividend policy, and it is probable that the difference will not reverse through dividends or otherwise in the foreseeable future.

Subordinated debt. In case of liquidation subordinated debt can only be paid after the claims of other higher priority creditors have been met. Subordinated debt is carried at amortised cost.

Share capital. Ordinary shares and non-redeemable preference shares with discretionary dividends are both classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity.

Income and expense recognition. Interest income and expense are recorded for all debt instruments on an accrual basis using the effective interest method. This method defers, as part of interest income or expense, all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

For credit-impaired financial assets, the interest income is calculated by applying the effective interest rate (“EIR”) to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Commitment fees received by the Group to originate loans at market interest rates are integral to the effective interest rate if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination. The Group does not designate loan commitments as financial liabilities at fair value through profit or loss.

When loans and other debt instruments become impaired, they are written down to the present value of expected cash inflows and interest income is thereafter recorded for the unwinding of the present value discount based on the asset’s effective interest rate which was used to measure the impairment loss.

All other fees, commissions and other income and expense items are generally recorded on an accrual basis by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Loan syndication fees are recognised as income when the syndication has been completed and the Group retains no part of the loan package for itself or retains a part at the same effective interest rate as for the other participants.

Commissions and fees arising from negotiating or participating in the negotiation of a transaction for a third party, such as the acquisition of loans, shares or other securities or the purchase or sale of businesses, and which are earned on execution of the underlying transaction, are recorded on its completion. Portfolio and other management advisory and service fees are recognised based on the applicable service contracts, usually on a time-proportion basis. Asset management fees relating to investment funds are recorded rateably over

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the period that the service is provided. The same principle is applied for wealth management, financial planning and custody services that are continually provided over an extended period of time.

Borrowings from government and international financial institutions. These funds include borrowings from government and nongovernment funds and financial institutions and are carried at amortised cost.

The Group obtains long term financing from government and other international financial institutions at interest rates at which such institutions ordinarily lend in emerging markets, and which may be lower than rates at which the Group could source the funds from local lenders. As a result of such financing, the Group is able to advance funds in the form of mortgage loans to specific customers at advantageous rates. Management has considered whether gains or losses should arise on initial recognition of such instruments. As the transactions are with unrelated parties, management’s judgement is that these funds and the related lending are at the market rates and no initial recognition gains or losses should arise. In making this judgement management also considered that these instruments are a separate market segment.

Offsetting. Financial assets and liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts, and there is an intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances: (i) in the normal course of business, (ii) the event of default and (iii) the event of insolvency or bankruptcy.

Foreign currency translation. The functional currency of the Group, which is the currency of the primary economic environment in which the Group operates, and the Group’s presentation currency is the national currency of the Republic of Uzbekistan, Uzbekistan Soums (“UZS”).

Monetary assets and liabilities are translated into Group’s functional currency at the official exchange rate of CBU at the end of respective reporting period. Foreign exchange gains and losses resulting from the settlement of the transactions and from the translation of monetary assets and liabilities into Group’s functional currency at year-end official exchange rates of CBU are recognised in profit or loss for the year. Translation at the year-end rates does not apply to non-monetary items that are measured at historical cost. Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined.

Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.

At 31 December 2025, the principle rate of exchange used for translating foreign currency balances was USD 1 = UZS 12,025.33 (2024: UZS 12,920.48), EUR 1 = UZS 14,162.23 (2024: UZS 13,436.0). Exchange restrictions and controls exist over the conversion of UZS into other currencies. The UZS is not a freely convertible currency outside of Uzbekistan.

Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined.

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.

Presentation of statement of financial position in order of liquidity. The Group does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the statement of financial position. Instead, assets and liabilities are presented in order of their liquidity. Refer to Note 29 for analysis of financial instruments by their maturity.

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4. Significant accounting judgments and estimates

The Group makes estimates and assumptions that affect the amounts recognised in the consolidated financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year are explained below.

Measurement of allowance for expected credit losses (“ECL”). Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default (“PD”), exposure at default (“EAD”), and loss given default (“LGD”), as well as models of macroeconomic scenarios. Details of ECL measurement methodology are disclosed in Note 3. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience.

For the purpose of measurement of ECL of loans and advances to customers the Group used the following variables:

<i>Economic sector</i>	2025		2024	
	LGD used for Stage 1 and 2	The weighted average LGD used for Stage 3	LGD used for Stage 1 and 2	The weighted average LGD used for Stage 3
Services	33.3%	57.8%	26.7%	65.5%
Agriculture	30.9%	49.7%	30.6%	69.6%
Manufacturing	23.0%	45.0%	26.9%	58.5%
Individuals	19.3%	42.6%	21.8%	32.1%
Trade	17.4%	35.2%	29.0%	64.8%
Construction	9.1%	32.2%	31.8%	63.8%
Transport and communication	12.6%	55.5%	36.5%	66.6%
Other	44.1%	74.7%	26.6%	70.8%

<i>Economic sector</i>	2025		2024	
	Stage 1	Stage 2	Stage 1	Stage 2
Range of PD:				
Construction	0.7%-34%	7-62%	23.2%	55.6%
Agriculture	0.4-23%	8-63%	18.5%	51.7%
Manufacturing	0.4-25%	8-63%	16.6%	49.3%
Trade	0.4-24%	8-60%	18.3%	50.7%
Transport and communication	1.1-21%	13-62%	17.9%	48.8%
Services	0.3-21%	23-60%	17.9%	48.8%
Individuals	5-12%	14-72%	21.8%	32.1%
Other	5-22%	28-54%	8.4%	37.3%

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The Group’s internal credit rating system used for the purpose of measurement of ECL of loans and advances to customers:

<i>As at 31 December 2025</i>	Standard	Sub-standard	Unsatisfactory	Doubtful	Bad	Total
Stage 1 (12-month ECL)	20,918,577	-	-	-	-	20,918,577
Stage 2 (Lifetime ECL)	1,874,938	974,931	-	-	-	2,849,869
Stage 3 (Lifetime ECL)	551,207	16,843	644,189	499,192	420,523	2,115,111

<i>As at 31 December 2024</i>	Standard	Sub-standard	Unsatisfactory	Doubtful	Bad	Total
Stage 1 (12-month ECL)	12,517,172	-	-	-	-	12,517,172
Stage 2 (Lifetime ECL)	5,146,622	1,934,763	-	-	-	7,081,385
Stage 3 (Lifetime ECL)	150	1,075,144	736,552	2,043,393	2,114,466	5,969,705

For the carrying amount of the allowance for ECL of loans and advances to customers refer to Notes 8 and 30.

Significant increase of credit risk. In order to determine whether there has been a significant increase in credit risk, the Group compares the risk of a default occurring over the life of a financial instrument at the end of the reporting date with the risk of default at the date of initial recognition.

The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting period. The Group considers all reasonable and supportable forward-looking information available without undue cost and effort and incorporated appropriate forward-looking information into the credit risk assessment, either at an individual instrument, or on a portfolio level.

As explained in Note 3, ECL is measured as an allowance equal to 12-month ECL for Stage 1 assets, or lifetime ECL assets for Stage 2 or Stage 3 assets. An asset moves to Stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

For treasury operations, the Group calculates ECL on a financial asset based not only on the current estimates of the credit quality of the counterparty/issuer at the reporting date but also taking into account possible deterioration of the financial condition due to the adverse macroeconomic factors of the counterparty's/issuer's environment in the future. In particular, the level of ECL for treasury operations is affected by the rating outlook (positive, stable, negative) assigned by international rating agencies, which affects the probability of default (“PD”).

For loans to customers, the calculation of ECL takes into account the possible estimated effects of changes in macroeconomic parameters on forecasted cash flows, migration of collective loans and collateral coverage. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience.

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing historical data over the past 5 years. No significant relationship between PD and macroeconomic variables has been identified; accordingly, no material macroeconomic adjustments to PD are applied.

A 5% increase or decrease in PD estimates would result in an increase or decrease in total expected credit loss allowances of UZS 246,723 million at 31 December 2025 (2024: increase or decrease of UZS 271,666 million).

The changes are applied in isolation for illustrative purposes and are applied to inputs (PD and LGD) that are used to develop the estimate of expected credit losses.

Deferred income tax asset recognition. The recognised deferred tax asset represents income taxes recoverable through future deductions from taxable profits and is recorded in the statement of financial position. Deferred income tax assets are recorded to the extent that realisation of the related tax benefit is

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probable. The future taxable profits and the amount of tax benefits that are probable in the future are based on a medium-term business plan prepared by management and extrapolated results thereafter. The business plan is based on management expectations that are believed to be reasonable under the circumstances. Key assumptions in the business plan are: the Group is expecting to achieve stable growth in net profit during following years and has already achieved positive financial result in 2025.

Tax legislation. Uzbekistan tax, currency and customs legislation is subject to varying interpretations. Refer to Note 27.

Fair value measurement and valuation process. In estimating the fair value of a financial asset or a liability, the Group uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the Group uses valuation models to determine the fair value of its financial instruments. Refer to Note 33 for more details on fair value measurement.

5. Application of new and revised International Financial Reporting Standards (IFRSs)

Lack of Exchangeability (Amendment to IAS 21, The Effects of Changes in Foreign Exchange Rates) is effective 1 January 2025. The given amendment was reviewed by the Group’s management but did not have a significant effect on the consolidated financial statements of the Group.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New or revised standard or interpretation	Applicable to annual reporting periods beginning on or after
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures)	1 January 2026
IFRS 18 – Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group is currently assessing the possible impact of IFRS 18. Until the Group has completed its review, it is not possible to make a reasonable estimate of the financial impact.

The Group does not expect that the application of IFRS 19 and the amendments to IFRS 9 and 21 will have a material impact on the Group's consolidated financial statements in future periods.

6. Cash and cash equivalents

	31 December 2025	31 December 2024
Cash on hand	762,508	858,102
Cash balances with the CBU	982,539	657,092
Correspondent accounts and overnight placements with other banks	1,168,685	824,861
Placements with other banks with original maturities of less than three months	334,551	1,953
Total cash and cash equivalents, gross	3,248,283	2,342,008
Less: Allowance for expected credit losses	(63)	(57)
Total cash and cash equivalents, net	3,248,220	2,341,951

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

	31 December 2025	31 December 2024
Stage 1 (12-month ECL)		
Cash on hand	762,508	858,102
Aa2	605,059	439,192
A1	510,755	994
Baa1	284,117	257
Ba2	1,072,290	-
Ba3	3,258	779,446
B1	9,528	5,357
B2	695	258,660
B3	59	-
Total stage 1, gross	3,248,269	2,342,008
Stage 3 (Lifetime ECL)		
Not rated	14	-
Total stage 3, gross	14	-
Total cash and cash equivalents, gross	3,248,283	2,342,008
Less: Allowance for expected credit losses	(63)	(57)
Total cash and cash equivalents, net	3,248,220	2,341,951

For the balances with the CBU, the quality categories are determined based on the Moody’s sovereign rating – Ba2 stable (31 December 2024: Ba3 stable).

The quality categories of balances of JSCB “Asia-Invest Bank” are determined based on the credit rating of its parent company – the National Bank for Foreign Economic Activity of the Republic of Uzbekistan – Ba2 stable (31 December 2024: Ba3 stable). If “extremely weak creditworthiness” of credit ratings were used, an additional UZS 17 million of expected credit loss would have been recognized.

Changes in credit quality of cash and cash equivalents during the year are disclosed in Note 30. Information on related party balances is disclosed in Note 34.

7. Due from other banks

	31 December 2025	31 December 2024
Short term placements with other banks with original maturities of more than three months	760,272	860,445
Long term placements with other banks	3,405,954	2,774,500
Mandatory reserve deposit held with CBU	-	378
Restricted cash	2,055,928	1,318,541
Total due from other banks, gross	6,222,154	4,953,864
Less: Allowance for expected credit losses	(77,937)	(32,897)
Total due from other banks, net	6,144,217	4,920,967

As at 31 December 2025, restricted cash in the amount of UZS 2,055,928 million (31 December 2024: UZS 1,318,541 million) represents 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 purpose 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:

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	31 December 2025	31 December 2024
Stage 1 (12-month ECL)		
A1	237,540	-
A3	836,712	714,410
Baa1	18,228	-
Ba2	2,496,154	-
Ba3	74,286	4,027,611
B1	1,953	133,157
B2	6,000	76,131
B3	2,548,981	1,900
Total stage 1, gross	6,219,854	4,953,209
Stage 3 (Lifetime ECL)		
Not rated	2,300	655
Total stage 3, gross	2,300	655
Total due from other banks, gross	6,222,154	4,953,864
Less: Allowance for expected credit losses	(77,937)	(32,897)
Total due from other banks	6,144,217	4,920,967

Changes in credit quality of due from other banks for the year are disclosed in Note 30. The information on related party balances is disclosed in Note 34.

8. Loans and advances to customers

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

- Loans to legal entities – loans issued to clients with legal form of ownership
- Loans to individuals – loans issued to individuals, which comprise:
 - mortgage loans issued to individuals under Housing for Integrated Rural Development Investment Program
 - commercial mortgage loans
 - consumer loans
- Net investment in finance lease – loans issued to legal entities that meet the definition of finance lease.

	31 December 2025	31 December 2024
Loans to individuals	14,162,190	11,965,321
Loans to legal entities	11,650,594	13,523,560
Net investment in financial lease	70,773	79,381
Total loans and advances to customers, gross	25,883,557	25,568,262
Less: Allowance for expected credit losses	(1,658,386)	(4,735,499)
Total loans and advances to customers	24,225,171	20,832,763

Information on related party balances is disclosed in Note 34.

As at 31 December 2025, the Group had three largest borrowers with the aggregate gross carrying amount of loans comprising UZS 1,418, 207 million and each comprises over 10% of equity (31 December 2024: 3 borrowers with UZS 1,601,136 million).

Loans to individuals comprise:

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	31 December 2025	31 December 2024
Commercial mortgage loans	6,995,655	5,681,266
Mortgage loans under the Program	3,821,704	4,572,917
Consumer loans	3,344,831	1,711,138
Total loans and advances to customers, gross	14,162,190	11,965,321
Less: Allowance for expected credit losses	(556,222)	(838,589)
Total loans and advances to customers	13,605,968	11,126,732

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

	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Individuals	14,162,190	55	11,965,321	47
Manufacturing	4,657,430	18	4,935,238	18
Trade	2,737,611	10	2,917,040	11
Construction	1,517,868	6	1,451,006	8
Agriculture	1,203,697	5	2,471,186	8
Services	1,091,049	4	1,349,100	5
Transport and communication	374,741	1	419,659	2
Other	138,971	1	59,712	1
Total loans and advances to customers, gross	25,883,557	100	25,568,262	100

If individually assessed loans were assessed without consideration of collateral, expected credit loss would have been UZS 216,261 million more (2024: 762,896 million more).

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

	31 December 2025	31 December 2024
Stage 1 (12-month ECL)	20,918,577	12,517,172
Stage 2 (Lifetime ECL)	2,849,869	7,081,385
Stage 3 (Lifetime ECL)	2,115,111	5,969,705
Total loans and advances to customers, gross	25,883,557	25,568,262
Less: Allowance for expected credit losses	(1,658,386)	(4,735,499)
Total loans and advances to customers	24,225,171	20,832,763

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

	31 December 2025	31 December 2024
Unsecured loans:	1,159,992	1,986,597
Loans collateralised by pledge of:		
Real estate	15,162,191	16,777,357
Insurance policies	4,508,884	2,180,658
Guarantees of third parties	3,194,514	2,794,635
Vehicles	699,716	920,973
Equipment	641,841	859,811
Cash deposit	177,998	3,812
Inventories	261,212	12,348
Other	76,209	32,071
Total loans and advances to customers, gross	25,883,557	25,568,262
Less: Allowance for expected credit losses	(1,658,386)	(4,735,499)
Total loans and advances to customers, net	24,225,171	20,832,763

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Guarantees of third parties were not considered in computation of discounted cash flows in calculation of allowance of expected credit losses 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:

	31 December 2025	31 December 2024
Unsecured loans:	218,770	373,867
Loans collateralised by pledge of:		
Real estate	934,481	3,781,372
Insurance policies	502,761	528,274
Equipment and inventory	192,357	219,419
Guarantees of third parties	162,232	735,512
Vehicles	86,376	306,157
Cash deposit	17,534	-
Other	600	25,104
Total Stage 3 (Lifetime ECL) loans and advances to customers, gross	2,115,111	5,969,705
Less: Allowance for expected credit losses	(922,363)	(3,211,920)
Total Stage 3 (Lifetime ECL) loans and advances to customers	1,192,748	2,757,785

Loans and advances to customers that had been written off during the year ended 31 December 2025 in the amount of UZS 2,961,431 million (31 December 2024: 432,184 million) are still subject to enforcement activity.

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Analysis of credit quality of loans and advances to customers outstanding as at 31 December 2025 is as follows:

	Loans to individuals	Loans to legal entities	Net investment in financial lease	Total
Collectively assessed				
<i>Stage 1 (12-month ECL)</i>				
Not past due	10,096,357	5,319,256	69,234	15,484,847
Up to 30 days	2,150,350	3,283,380	-	5,433,730
Total collectively assessed stage 1 (12-month ECL), gross	12,246,707	8,602,636	69,234	20,918,577
<i>Stage 2 (Lifetime ECL)</i>				
Not past due	156,422	226,542	-	382,964
Up to 30 days	678,791	825,879	-	1,504,670
31 to 60 days	226,018	98,236	-	324,254
61 to 90 days	426,299	211,682	-	637,981
Total collectively assessed stage 2 (Lifetime ECL), gross	1,487,530	1,362,339	-	2,849,869
<i>Stage 3 (Lifetime ECL)</i>				
Not past due	2,219	42,264	-	44,483
Up to 30 days	11,498	155,253	-	166,751
31 to 60 days	1,352	4,069	-	5,421
61 to 90 days	841	20,360	-	21,201
91 to 180 days	133,597	550,432	906	684,935
Over 180 days	278,446	588,510	633	867,589
Total collectively assessed stage 3 (Lifetime ECL), gross	427,953	1,360,888	1,539	1,790,380
Total collectively assessed, gross	14,162,190	11,325,863	70,773	25,558,826
Individually impaired				
<i>Stage 3 (Lifetime ECL)</i>				
Not past due	-	119,513	-	119,513
Up to 30 days	-	59,727	-	59,727
Over 180 days	-	145,491	-	145,491
Total individually impaired stage 3 (Lifetime ECL), gross	-	324,731	-	324,731
Total loans and advances to customers, gross	14,162,190	11,650,594	70,773	25,883,557
Allowance for expected credit losses assessed on a collective basis stage 1 (12-month ECL)	(205,887)	(237,697)	(2,132)	(445,716)
Allowance for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(163,162)	(127,145)	-	(290,307)
Allowance for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(187,173)	(625,429)	(1,291)	(813,893)
Allowance for expected credit losses determined on an individual basis stage 3 (Lifetime ECL)	-	(108,470)	-	(108,470)
Total allowance for expected credit losses	(556,222)	(1,098,741)	(3,423)	(1,658,386)
Total loans and advances to customers	13,605,968	10,551,853	67,350	24,225,171

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Analysis of credit quality of loans and advances to customers outstanding as at 31 December 2024 is as follows:

	Loans to individuals	Loans to legal entities	Net investment in financial lease	Total
Collectively assessed				
<i>Stage 1 (12-month ECL)</i>				
Not past due	8,075,431	3,552,834	564	11,628,829
Up to 30 days	682,379	205,964	-	888,343
Total collectively assessed stage 1 (12-month ECL), gross	8,757,810	3,758,798	564	12,517,172
<i>Stage 2 (Lifetime ECL)</i>				
Not past due	229,070	1,506,161	-	1,736,131
Up to 30 days	1,055,534	1,155,026	69,171	2,279,731
31 to 60 days	370,505	794,919	-	1,165,424
61 to 90 days	255,333	1,644,484	283	1,900,100
Total collectively assessed stage 2 (Lifetime ECL), gross	1,911,342	5,100,590	69,454	7,081,386
<i>Stage 3 (Lifetime ECL)</i>				
Not past due	25,277	49,842	-	75,119
Up to 30 days	99,192	185,249	-	284,441
31 to 60 days	308,077	145,888	-	453,965
61 to 90 days	102,164	308,269	-	410,433
91 to 180 days	316,561	367,095	-	683,656
Over 180 days	444,897	2,033,112	9,363	2,487,372
Total collectively assessed stage 3 (Lifetime ECL), gross	1,296,168	3,089,455	9,363	4,394,986
Total collectively assessed, gross	11,965,320	11,948,843	79,381	23,993,544
Individually impaired				
<i>Stage 3 (Lifetime ECL)</i>				
Not past due	-	192,984	-	192,984
Up to 30 days	-	42,546	-	42,546
31 to 60 days	-	132,223	-	132,223
61 to 90 days	-	262,697	-	262,697
91 to 180 days	-	138,684	-	138,684
Over 180 days	-	805,584	-	805,584
Total individually impaired stage 3 (Lifetime ECL), gross	-	1,574,718	-	1,574,718
Total loans and advances to customers, gross	11,965,320	13,523,561	79,381	25,568,262
Allowance for expected credit losses assessed on a collective basis stage 1 (12-month ECL)	(164,997)	(158,388)	(26)	(323,411)
Allowance for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(234,078)	(957,196)	(8,894)	(1,200,168)
Allowance for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(439,514)	(1,952,559)	(8,025)	(2,400,098)
Allowance for expected credit losses determined on an individual basis stage 3 (Lifetime ECL)	-	(811,822)	-	(811,822)
Total allowance for expected credit losses	(838,589)	(3,879,965)	(16,945)	(4,735,499)
Total loans and advances to customers	11,126,731	9,643,596	62,436	20,832,763

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The table below provides information on financial assets that were modified while they had a loss allowance measured at an amount equal to lifetime ECL:

Financial assets modified during the period	2025	2024
Amortised cost before modification	1,113,603	990,956
Net gain from modification of financial assets	38,584	11,004
	2025	2024
Financial assets modified since initial recognition		
Gross carrying amount of financial assets previously modified for which loss allowance has changed during the period to an amount equal to 12-month ECL from lifetime	665,246	9,001

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

	31 December 2025	31 December 2024
Amounts receivable under finance leases		
Less than one year	22,023	27,974
Year 2	21,178	17,828
Year 3	20,750	17,173
Year 4	6,900	16,421
Year 5	-	5,350
Minimum lease payments	70,851	84,746
Less: unearned finance income	(78)	(5,365)
Net investment in finance lease (before impairment)	70,773	79,381
Recoverable within 12 months	18,607	25,488
Recoverable after 12 months	52,166	53,893
Net investment in finance lease (before impairment)	70,773	79,381
Less: Allowance for expected credit losses	(3,423)	(16,945)
Net investment in finance lease	67,350	62,436

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

9. Investment securities measured at amortised cost

	31 December 2025	31 December 2024
Government bonds	2,170,915	1,648,684
CBU Bonds	100,237	132,288
Corporate bonds	82,487	57,543
Total investment securities measured at amortised cost, gross	2,353,639	1,838,515
Less: Allowance for expected credit losses	(7,740)	(10,300)
Total investment securities measured at amortised cost	2,345,899	1,828,215

As at 31 December 2025, the corporate bonds include bonds issued by JSC “Mortgage Refinancing Company of Uzbekistan”, represented in UZS maturing the earliest in October 2026, and the latest in March 2028, which are issued with effective interest rates ranging from 19.25% to 20.09% per annum. These debt securities were primarily rated Ba2 by Moody’s, indicating a moderate level of credit risk.

In addition, the government bonds include Eurobonds issued by the MOEF with the effective interest rate 5.38% per annum and remaining maturity from 3-8 years as at 31 December 2025.

For the balances with the CBU and the Ministry of Economy and Finance, the quality categories are determined based on the Moody’s sovereign rating – Ba2 stable (31 December 2024: Ba3 stable).

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10. Financial Assets at Fair Value Through Other Comprehensive Income

The following table shows investments in equity securities for which the Group has elected to present changes in fair value in other comprehensive income. The election was made because these securities are held for strategic relationships and partnership.

	Type of financial instrument (unquoted)	Share in %	31 December 2025	31 December 2024
JSC "Uzbekistan Mortgage Refinancing Company"	equity instruments	6.59%	102,722	71,624
Yashil Energiya LLC	equity instruments	9.58%	35,021	34,961
“CREDIT BUREAU” CREDIT INFORMATION ANALYSIS CENTER” LLC	equity instruments	3.23%	14,217	6,837
“UNITED VENTURES” LLC	equity instruments	14.29%	2,834	-
JSC “O‘ZBEKISTON POCHTASI”	equity instruments	2.93%	427	4,192
Total financial assets at fair value through other comprehensive income			155,221	117,614

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 Bank invested an additional UZS 26,200 million in the company’s authorized capital, while maintaining its ownership stake unchanged.

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11. Property and equipment and intangible assets

	Buildings and Premises	Office and computer equipment	Construction in progress	Total Property and equipment	Intangible assets	Total
At cost						
31 December 2023	232,416	357,255	56,077	645,748	33,982	679,730
Additions	2,470	79,034	240,251	321,755	5,143	326,898
Transfers	49,246	(2,817)	(52,046)	(5,617)	5,617	-
Disposals	-	(1,013)	-	(1,013)	(509)	(1,522)
31 December 2024	284,132	432,459	244,282	960,873	44,233	1,005,106
Additions	242	226,719	115,691	340,489	4,071	346,723
Transfers	381,031	(135,655)	(245,608)	(232)	232	-
Disposals	(505)	(20,454)	(964)	(21,923)	(5,718)	(27,641)
31 December 2025	664,900	503,069	113,401	1,279,207	42,818	1,324,188
Accumulated depreciation						
31 December 2023	48,962	174,388	-	223,350	14,236	237,586
Charge for the year (Note 26)	12,398	81,911	-	94,309	5,393	99,702
Transfers	(321)	296	-	(25)	25	-
Disposals	-	(602)	-	(602)	(85)	(687)
31 December 2024	61,039	255,993	-	317,032	19,569	336,601
Charge for the year (Note 25)	24,283	70,615	-	94,898	7,615	102,513
Transfers	272	(272)	-	-	-	-
Disposals	(321)	(19,726)	-	(20,047)	(2,978)	(23,025)
31 December 2025	85,273	306,610	-	391,883	24,206	416,089
Net book value						
31 December 2023	183,454	182,867	56,077	422,398	19,746	442,144
31 December 2024	223,093	176,466	244,282	643,841	24,664	668,505
31 December 2025	579,627	196,459	113,401	889,487	18,612	908,099

Intangible assets comprise software licenses acquired for conducting its operations.

As at 31 December 2025, the Group acquired building for the amount of UZS 378,524 million that intended to be used as a head office.

As at 31 December 2025, the construction in progress includes UZS 65,460 million and UZS 42,497 million of the construction of residential and non-residential facilities as disclosed in Note 1.

A part of the acquisition of office and computer equipment is represented as vehicles and database server in the amount of UZS 19,265 million and UZS 13,916 million respectively.

As at 31 December 2025, fully depreciated assets amounted to UZS 129,708 million (31 December 2024: UZS 122,853 million).

As at 31 December 2025 and 31 December 2024, the Group did not pledge premises, equipment and intangible assets as collateral.

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12. Other assets

	31 December 2025	31 December 2024
Other financial assets		
Commissions receivable from customers	20,211	15,766
Receivables on money transfers	16,858	18,697
Receivable from employees	849	1,084
Total other financial assets, gross	37,918	35,547
Less: Allowance for expected credit losses	(1,501)	(5,363)
Total other financial assets	36,417	30,184
Other non-financial assets:		
Prepayments for construction services	369,948	146
Prepayments	103,234	43,244
Prepayment for Building and Premises	27,440	-
Repossessed collateral	-	10,352
Prepayments for office and computer equipment	-	2,448
Other	6,925	2,964
Total other non-financial assets	498,046	59,154
Total other assets	534,463	89,338

As at 31 December 2025, the prepayments for construction services comprise of advance payments for the construction of residential and non-residential facilities as disclosed in Note 1.

As at 31 December 2025, prepayments mainly comprise from prepaid expenses of UZS 63,406 million made to several insurance companies to insure loans from credit default that were issued under the PD-306 “On measures to provide financial and institutional support for the development of small businesses” dated 14 September 2023.

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

	31 December 2025	31 December 2024
Stage 1 (12-month ECL)	35,174	-
Stage 2 (Lifetime ECL)	938	26,795
Stage 3 (Lifetime ECL)	1,806	8,752
Total other financial assets, gross	37,918	35,547
Less: Allowance for expected credit losses	(1,501)	(5,363)
Total other financial assets	36,417	30,184

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The analysis by credit quality of other financial assets outstanding at 31 December 2025 is as follows:

	Commissions receivable from customers	Receivables on money transfers	Receivable from employees	Total
Collectively assessed				
<i>Stage 1 (12-month ECL)</i>				
Not past due	11,560	16,858	750	29,168
Up to 30 days	5,927	-	79	6,006
Total collectively assessed stage 1 (12-month ECL), gross	17,487	16,858	829	35,174
<i>Stage 2 (Lifetime ECL)</i>				
31 to 60 days	857	-	9	866
61 to 90 days	70	-	2	72
Total collectively assessed stage 2 (Lifetime ECL), gross	927	-	11	938
<i>Stage 3 (Lifetime ECL)</i>				
91 to 180 days	359	-	9	368
Over 180 days	1,438	-	-	1,438
Total collectively assessed stage 3 (Lifetime ECL), gross	1,797	-	9	1,806
Total other financial assets, gross	20,211	16,858	849	37,918
Allowance for expected credit losses assessed on a collective basis stage 1 (12-month ECL)	(605)	(264)	(25)	(894)
Allowance for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(119)	-	-	(119)
Allowance for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(486)	-	(2)	(488)
Total allowance for expected credit losses	(1,210)	(264)	(27)	(1,501)
Total other financial assets	19,001	16,594	822	36,417

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The analysis by credit quality of other financial assets outstanding at 31 December 2024 is as follows:

	Commissions receivable from customers	Receivables on money transfers	Receivable from employees	Total
Collectively assessed				
<i>Stage 2 (Lifetime ECL)</i>				
Not past due	13,494	10,896	208	24,598
up to 30 days	718	-	838	1,556
31 to 60 days	284	-	-	284
61 to 90 days	357	-	-	357
Total collectively assessed stage 2 (Lifetime ECL), gross	14,853	10,896	1,046	26,795
<i>Stage 3 (Lifetime ECL)</i>				
Not past due	-	7,801	-	7,801
91 to 180 days	786	-	-	786
Over 180 days	127	-	38	165
Total collectively assessed stage 3 (Lifetime ECL), gross	913	7,801	38	8,752
Total other financial assets, gross	15,766	18,697	1,084	35,547
Allowance for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(1,712)	(108)	(58)	(1,878)
Allowance for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(488)	(2,996)	(1)	(3,485)
Total allowance for expected credit losses	(2,200)	(3,104)	(59)	(5,363)
Total other financial assets	13,566	15,593	1,025	30,184

13. Assets classified as held for sale

	31 December 2025	31 December 2024
<i>Repossessed assets received as collateral from loans and advances to customers</i>		
Real estate	374,296	208,867
Vehicles	8,954	12,483
Total assets classified as held for sale	383,250	221,350

In 2025 and 2024, the Group recognised recovery and impairment losses on assets classified as held for sale in the amount of UZS 34,362 million and UZS 58,621 million, respectively.

14. Due to other banks

	31 December 2025	31 December 2024
Short term placements of other banks	935,948	1,203,135
Long term placements of other banks	516,008	1,714,859
Total due to other banks	1,451,956	2,917,994

As at 31 December 2025, term deposits in the amount of UZS 1,134,383 million were provided by 2 domestic banks and 1 foreign bank (31 December 2024: UZS 882,992 million – 2 domestic banks and 1 foreign bank).

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15. REPO transactions

The Group entered into collateralized funding transactions with ICBC Standard Bank using specified 12 government bonds as the underlying referenced instruments. Each transaction relates to a defined number and nominal amount of government bonds and includes agreed contractual settlement terms, maturities, and funding rates.

Based on management’s assessment of the economic substance of these arrangements, the transactions are presented as secured financing transactions. Accordingly, the Bank continues to recognize the relevant government bonds and/or related exposure, while the funding received is recognized as a financial liability and presented within securities sold under REPO transactions.

As at the reporting date, the fair value of the government bonds pledged under these arrangements amounted to UZS 564,898 million.

16. Customer accounts

	31 December 2025	31 December 2024
State and public organizations		
- Current/settlement accounts	1,918,507	1,557,351
- Term deposits	2,149,726	1,153,580
Other legal entities		
- Current/settlement accounts	2,055,130	1,100,209
- Term deposits	351,500	378,208
Individuals		
- Current/settlement accounts	404,283	385,176
- Term deposits	3,807,649	1,888,088
Total customer accounts	10,686,795	6,462,612

Economic sector concentration is as follows:

	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Analysis by economic sector/customer type:				
Individuals	4,211,932	40	2,273,264	35
State and public organisations	4,068,233	38	2,710,931	42
Manufacturing	1,069,839	10	564,655	9
Services	396,784	4	322,225	5
Construction	372,728	3	231,089	4
Trade	300,152	3	179,559	3
Finance sector	198,259	2	149,917	2
Agriculture	24,507	-	16,434	-
Transport and communication	39,776	-	14,515	-
Others	4,585	-	23	-
Total customer accounts	10,686,795	100	6,462,612	100

As at 31 December 2025 and 31 December 2024, the Group had top 10 customers with the total balance of UZS 3,145,818 million and UZS 2,500,733 million, respectively.

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17. Borrowings from government and international financial institutions

	31 December 2025	31 December 2024
Ministry of Economy and Finance of the Republic of Uzbekistan (MOEF)	6,772,170	5,932,625
International Bank of Reconstruction and Development (IBRD) via MOEF	1,938,732	2,045,285
Islamic Development Bank via MOEF	1,544,092	1,612,663
Asian Development Bank (ADB) via MOEF	1,463,913	1,583,359
Borrowings from Government	1,248,935	734,359
Uzbekistan Fund for Reconstruction and Development (UFRD)	1,275,417	1,531,192
Cargill Financial Services International	1,135,714	258,650
Bank World of Privilege	705,673	532,392
Saudi Fund for Development via MOEF	430,323	486,719
European Investment Bank via Entrepreneurship Development Agency under the Ministry of Economic Development and Poverty Reduction	427,577	458,208
KFW IPEX BANK	330,913	370,250
MASHREQBANK PSC.	329,919	-
COMMERZBANK AG	310,863	85,788
Japan International Cooperation Agency (JICA) via MOEF	228,128	245,942
AKA AUSFUHRKREDIT-GESELLSCHAFT MBH DE	194,209	-
International Fund for Agricultural Development (IFAD) via MOEF	187,321	208,587
JSC "Uzbekistan mortgage refinancing company"	173,928	184,637
International Development Association (IDA) via MOEF	167,020	198,346
French Development Agency via State Committee for Veterinary and Livestock Development	151,654	89,420
COMMERCIAL BANK OF DUBAI, AE	148,491	-
JSC KDB Bank Uzbekistan	132,504	85,623
AJMAN BANK PJSC	121,557	-
Nexent Bank	120,832	-
RAIFFEISEN BANK INTERNATIONAL AG VIENNA AT	82,615	-
AKTIF YATIRIM BANKASI A.S.	71,383	-
INTERNATIONAL BANK FOR ECONOMIC CO-OPERATION	63,630	-
ODDO BHF SE	55,060	-
The Central Bank of the Republic of Uzbekistan	46,288	29,893
JSCB "Uzbek Industrial and Construction Bank"	16,920	24,356
JSCB "Mikrokreditbank"	15,896	16,224
JSCB "Asaka Bank"	14,306	26,243
JSCMB "Ipoteka Bank"	9,432	19,745
JSCB "Aloqabank"	5,834	16,596
National Bank for Foreign Economic Activity of Uzbekistan (NBU)	5,585	186,758
JSCB "Agrobank"	1,862	3,104
International Islamic Trade Finance Corporation (ITFC)	976	41,899
JSCB "Turonbank"	647	9,996
Islamic Corporation for the Development of the Private Sector (ICD)	-	35,363
Total borrowings from government and international financial institutions	19,930,319	17,054,222

As at 31 December 2025, borrowings from the Ministry of Economy and Finance of the Republic of Uzbekistan represented in UZS denominated long-term loans, maturing the earliest in January 2026, and the latest in June 2045, which are issued with interest rates ranging from 0% to 14% per annum. The purpose of borrowed funds is the construction of residential housing units in rural areas.

Borrowings from International Bank for Reconstruction and Development provided through the Ministry of Economy and Finance of the Republic of Uzbekistan represented in USD and UZS denominated long-term loans (which can be obtained in UZS and USD equivalent), maturing the earliest in June 2030 and the latest in October 2043, which are issued with an interest rate ranging from 3% to 7.9% per annum for the USD

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denominated loans and 14% per annum for the UZS denominated loans. Loans were borrowed to finance the development of fruits and vegetables sector in Uzbekistan.

Borrowings from Islamic Development Bank provided through the Ministry of Economy and Finance of the Republic of Uzbekistan represented in UZS denominated long-term loan, maturing the earliest in December 2027 and the latest in December 2043, which are issued with interest rates ranging from 4%-11% per annum. Loans were borrowed with the purpose of construction of residential housing units in rural areas of Tashkent, Fergana and Samarkand regions.

Borrowings from Asian Development Bank provided through the Ministry of Economy and Finance of the Republic of Uzbekistan represented UZS denominated long-term loans, maturing the earliest in August 2029 and the latest in July 2039, which are issued with interest rates from 3% to 14% per annum. Loans were borrowed to finance mortgages issued to individuals under Housing for Integrated Rural Development Investment Program.

Borrowings from Fund for Reconstruction and Development of the Republic of Uzbekistan represented in USD and UZS denominated long-term loans, maturing the earliest in July 2026 and the latest in December 2038, which are issued with an interest rate ranging from 7% to 14% per annum for UZS denominated loans and ranging from 5% to 7.58% per annum for the USD denominated loans. Loans were borrowed to finance socially important sectors of economy such as development of family entrepreneurship and related service sector (excluding projects for the development of the financial sector and cases of replenishment of working capital in that sector).

As at 31 December 2025, the Group was not in compliance with certain financial covenants stipulated in the loan agreements signed among the Bank, IFAD and MOEF. The total outstanding principal amount was equivalent to UZS 163,502 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 loan's portfolio 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. According to these loans agreement the breach of the covenants does not trigger accelerated repayment of the loan, thus these loans are classified at their contractual maturities in the liquidity tables.

As at 31 December 2024, 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 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 41,899 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 489,364 million maturing from August 2029 to March 2033, which are issued with interest rates from 3% to 13.5% 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.

- 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 181,427 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 loan's portfolio 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.

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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 364,585 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 31 December 2024, 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 1,077,275 million.

18. Net debt reconciliation

	Borrowings from government and international financial	
	institutions	Subordinated debt
Carrying amount as at 31 December 2023	16,984,347	-
Proceeds from issue	6,434,305	2,792,425
Redemption	(5,832,004)	-
Transfer to share capital	-	(1,600,476)
Transfer to subordinated debt	(533,090)	533,090
Off balance sheet liabilities derecognised	(135,583)	-
Interest accrued	1,432,284	184,798
Interest paid	(1,423,028)	(185,474)
Foreign currency translation	126,991	86,732
Carrying amount as at 31 December 2024	17,054,222	1,811,095
Proceeds from issue	9,625,579	-
Redemption	(6,589,688)	-
Off balance sheet liabilities derecognised	(76,286)	-
Interest accrued	1,829,467	214,233
Interest paid	(1,708,224)	(212,773)
Foreign currency translation	(204,751)	-
Carrying amount as at 31 December 2025	19,930,319	1,812,555

Due to breach of certain covenants of ITFC and ICD, the Group recognized off-balance sheet liabilities in the balance sheet previously. Current period changes in these liabilities disclosed in "off balance sheet liabilities derecognised" line above.

19. Other liabilities

	31 December 2025	31 December 2024
Other financial liabilities:		
Trade payables for goods and services received	25,795	28,032
Security Deposits on money transfers	10,550	6,633
Payable to "Guarantee fund of deposits of individuals"	6,161	5,520
Deposit for stock subscription	-	488,607
Dividends payable	-	31
Other	104	186
Total other financial liabilities	42,610	529,009
Other non-financial liabilities:		
Taxes other than income tax payable	34,528	22,476
Accrued employee benefit costs	23,884	4,955
Allowance for credit related commitments	3,050	25,883
Unearned Income	1,277	2,157
Obligatory payable to pension and other funds	1,179	858
Other	10,035	2,780
Total other non-financial liabilities	73,953	59,109
Total other liabilities	116,563	588,118

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20. Subordinated debt

	31 December 2025	31 December 2024
Ministry of Economy and Finance of the Republic of Uzbekistan	537,947	537,329
Uzbekistan Fund for Reconstruction and Development (UFRD)	1,274,608	1,273,766
Total subordinated debt	1,812,555	1,811,095

21. Share capital

Number of shares	Authorised shares	Ordinary shares	Preference shares	Total number of shares
31 December 2024	43,600,863,731	43,600,863,731	9,000,000	43,609,863,731
New shares issued	4,097,335,517	4,097,335,517	-	4,097,335,517
31 December 2025	47,698,199,248	47,698,199,248	9,000,000	47,707,199,248

The Group’s share capital comprises the following:

	Ordinary shares	Preference shares	Share premium	Total
31 December 2024	5,203,176	2,007	942	5,206,125
31 December 2025	5,691,784	2,007	942	5,694,733

The share capital comprises ordinary and preference shares with a fixed nominal (par) value per share amounted to UZS 119.25 as defined in the Bank’s charter.

Dividends were declared and paid on preference shares in accordance with their terms. The dividend per preference share amounted to UZS 29,8 (2024: UZS 29,8).

	Nominal registered amount	Effect of hyperinflation	Share premium	Total
Share capital and share premium	5,689,084	4,707	942	5,694,733

22. Net interest income

	2025	2024
Interest income comprises:		
Interest on loans and advances to customers	3,649,698	3,639,777
Interest on balances due from other banks	729,014	523,736
Interest income on investment securities measured at amortised cost	300,611	293,690
Interest income balances securities purchased under reverse REPO transactions	8,242	10,325
Interest on cash and cash equivalents	11,954	6,119
Total interest income	4,699,519	4,473,647
Interest expense comprises:		
Interest on borrowings from government and international financial institutions	(1,829,467)	(1,432,284)
Interest on term deposits of individuals	(581,525)	(299,698)
Interest on term deposits of state and other legal entities	(303,486)	(252,590)
Interest on term deposits of other banks	(256,262)	(180,485)
Interest on subordinated debt	(214,233)	(184,798)
Interest on demand deposits of state and other legal entities	(90,047)	(59,350)
Interest on debt securities in issue	(809)	(8,745)
Total interest expense	(3,275,829)	(2,417,950)
Net interest income	1,423,690	2,055,697

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23. Fee and commission income and expense

	2025	2024
Fee and commission income:		
Settlements	272,994	211,722
International money transfers	45,314	26,811
Guarantees and letters of credit	13,273	9,445
Income from intermediary services on bank cards	6,720	4,363
SMS and internet banking	5,015	6,387
Foreign exchange operations	812	625
Other	4,014	1,186
Total fee and commission income	348,142	260,539
Fee and commission expense:		
Settlements	(57,638)	(56,583)
Information services	(20,442)	(10,862)
Cash collection services	(17,424)	(6,628)
To other banks	(3,901)	(3,617)
Other	(6,095)	(5,497)
Total fee and commission expense	(105,500)	(83,187)
Net fee and commission income	242,642	177,352

Commission income from contracts with customers is measured based on the consideration specified in the contract. The Group recognizes revenue when it satisfies its performance obligations by providing services to customers. The following table provides information about the nature and timing of contractual obligations with customers, including key payment terms and related accounting policies for revenue recognition.

Type of service	Character and terms of performance of obligations, including material terms of payment	Revenue recognition in accordance with IFRS 15
Retail and corporate services	The Group provides banking services to retail and corporate customers, including settlements, intermediary services on bank cards, international money transfers, guarantees and letters of credit, sms and internet banking, foreign exchange operations and others. Fees are charged at set rates at the time of the transaction or by debiting the relevant commission amounts from the customer’s account on a monthly basis at fixed rates reviewed monthly by the bank manager.	Fees and commissions for services rendered on maintaining accounts, issuing guarantees and letters of credit are recognized as the services are rendered. Commission fees for intermediary services on bank cards, international money transfers, foreign exchange operations, sms and internet banking are recognized when the respective transactions (operations) are performed.

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24. Net Gain on Foreign Operations

	2025	2024
Translation differences, net	(10,755)	16,419
Dealing transactions, net	147,890	51,897
Total net gain on foreign exchange operations	137,135	68,316

25. Other income

	2025	2024
Gain on disposal of premises and equipment	18,763	13,671
Dividend income	8,053	9,997
Income from rental of plastic card terminals	153	228
Other	9,057	9,569
Total other income	36,026	33,465

26. Operating expenses

	2025	2024
Staff costs	1,011,486	676,924
Depreciation and amortisation (Note 11)	102,513	99,702
Taxes other than income tax and licenses	82,734	95,997
Membership fees	48,412	25,832
Professional services	44,131	29,929
Security services	37,205	44,942
Advertising and Publicity	28,180	18,273
Charity and sponsorship	27,466	23,392
Business trip and travel expenses	22,121	15,437
Stationery and supplies	20,936	16,072
Repair and maintenance	18,144	28,423
Rent expenses	15,012	7,610
Other Insurance expenses	10,171	333
Postage, telephone and fax	7,938	6,085
Utilities	7,238	6,969
Fuel	3,185	2,369
Fines and penalties incurred	245	16
Other operating expenses	3,047	12,209
Total operating expenses	1,490,164	1,110,514

Included in staff costs are statutory social security contributions of UZS 26,297 million (2024: UZS 66,346 million).

Expenses for professional services above include UZS 3,200 million (2024: UZS 3,200 million) and UZS 800 million (30 June 2024: UZS 820 million) for audit of the Group’s consolidated financial statements for the year ended 31 December 2025 and Review of the Group’s consolidated financial information for the six-month period ended 30 June 2025, respectively.

Non-audit fees of UZS 950 million were incurred in relation to specialized advisory engagements such as the implementation of ESG and Sustainable Development policies, diagnostic of the Internal Audit Function for compliance with the new Global Internal Audit Standards, an independent assessment of the AML/CFT and Sanctions Compliance framework at the Bank.

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27. 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:

	31 December 2025	31 December 2024
Current income tax expense	29,233	-
Deferred tax expense	11,439	219,337
Income tax expense	40,672	219,337
Income tax expense relating to the equity instruments classified as FVTOCI	(186)	2,103

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 31 December 2025 and 31 December 2024 relate mostly to different methods/timing of income and expense recognition as well as to temporary differences generated by tax – book bases’ differences for certain assets. The income tax rate applicable to the majority of the Group’s income is 20%.

Relationships between tax expenses and accounting profit for the year ended 31 December 2025 and 31 December 2024 are explained as follows:

	2025	2024
IFRS income/(loss) before tax	571,490	(1,148,584)
Theoretical tax expense/(recovery) at the applicable statutory rate - 20%	114,298	(229,717)
- Recognition of previously unrecognized tax losses	(30,306)	-
- Current-year losses for which no deferred tax asset is recognised	-	367,111
- Non-deductible expenses (employee compensation, representation and other non-deductible expenses)	10,535	9,287
- Expenses for forming of reserve funds	57,177	128,837
- Tax exempt income	(115,811)	(59,015)
- Other	4,779	2,834
Income tax expense	40,672	219,337
Income tax expense/(benefit) relating to the equity instruments classified as FVTOCI	(186)	2,103
Total income tax expense/(benefit)	40,486	221,440

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.

As at 31 December 2025, the Group had accumulated tax losses carried forward amounting to UZS 1,715,359 million (31 December 2024: UZS 1,866,825 million), which may be utilized to offset future taxable profits in accordance with the tax legislation of the Republic of Uzbekistan. These losses relate to the bank and may not be used to offset taxable income elsewhere in the Group. The bank has neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognize deferred tax assets on the tax losses carried forward.

Temporary differences as at 31 December 2025 comprise:

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	31 December 2025	Debited to Other comprehensive income	(Debited)/ credited to profit or loss	31 December 2024
Tax effect of deductible/(taxable) temporary differences				
Cash and cash equivalents	(407)	-	(418)	11
Securities purchased under REPO transactions	-	-	(1)	1
Due from other banks	15,587	-	9,008	6,579
Loans and advances to customers	197,225	-	(26,106)	223,331
Investment securities measured at amortised cost	3,508	-	11,546	(8,039)
Financial assets at fair value through other comprehensive income	(2,791)	186	-	(2,977)
Property and equipment	2,414	-	261	2,153
Intangible assets	(237)	-	(332)	95
Other assets	1,019	-	389	630
Assets classified as held for sale	13,148	-	(6,145)	19,292
Due to other banks	3,302	-	3,302	-
Customer accounts	318	-	318	-
Other liabilities	7,265	-	(1,470)	8,735
Borrowings from government and international financial institutions	(2,460)	-	(474)	(1,986)
Subordinated debt	(1,317)	-	(1,317)	-
Net deferred income tax asset	236,574	186	(11,439)	247,825
Recognised deferred tax asset	239,871	-	(8,106)	252,788
Recognised deferred tax liability	(3,297)	186	(3,333)	(4,963)
Net deferred income tax asset	236,574	186	(11,439)	247,825

Temporary differences as at 31 December 2024 comprise:

	31 December 2024	Debited to Other comprehensive income	(Debited)/ credited to profit or loss	31 December 2023
Tax effect of deductible/(taxable) temporary differences				
Cash and cash equivalents	11	-	(235)	246
Securities purchased under REPO transactions	1	-	1	-
Due from other banks	6,579	-	6,010	569
Loans and advances to customers	223,331	-	(233,626)	456,957
Investment securities measured at amortised cost	(8,039)	-	(6,278)	(1,761)
Financial assets at fair value through other comprehensive income	(2,977)	(2,103)	-	(874)
Property and equipment	2,153	-	1,603	550
Intangible assets	95	-	(76)	171
Other assets	630	-	(1,923)	2,553
Assets classified as held for sale	19,292	-	12,970	6,320
Other liabilities	8,735	-	4,550	4,185
Borrowings from government and international financial institutions	(1,986)	-	(2,333)	347
Net deferred income tax asset	247,825	(2,103)	(219,337)	469,263
Recognised deferred tax asset	252,788	-	(224,951)	469,790
Recognised deferred tax liability	(4,963)	(2,103)	5,614	(527)
Net deferred income tax asset	247,825	(2,103)	(219,337)	469,263

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28. 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:

	2025	2024
Profit for the period attributable to preference shares	268	269
Profit/(Loss) for the period attributable to ordinary shareholders	530,672	(1,368,190)
Profit/(Loss) for the period attributable to the owners	530,940	(1,367,921)
Weighted average number of preference shares in issue (millions)	9	9
Weighted average number of ordinary shares in issue (millions)	47,058	22,043
Basic and diluted losses per ordinary share (expressed in UZS per share)	11	(62)

29. Segment reporting

The Group's operations are single reportable segment.

The Group provides mainly banking services in the Republic of Uzbekistan. Almost entire amount of revenue from third parties is generated from entities in 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.

30. 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.

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.

JOINT-STOCK COMMERCIAL BANK “BUSINESS DEVELOPMENT BANK”

Notes to the Consolidated Financial Statements for year ended 31 December 2025 (continued)

(in millions of Uzbekistan Soums, unless otherwise indicated)

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 year ended 31 December 2025 and 31 December 2024:

	Cash and cash equivalents (Note 6)		Reverse REPO transactions	Due from other banks (Note 7)		Loans and advances to customers (Note 8)			Investment securities measured at amortised cost (Note 9)	Other financial assets (Note 12)			Credit related commitments (Note 31)		Total
	Stage 1 (12-month ECL)	Stage 3 (Lifetime ECL)	Stage 1 (12-month 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 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 2024	2,342,008	-	300,891	4,953,209	655	12,517,172	7,081,385	5,969,705	1,838,515	-	26,795	8,752	782,650	13,257	35,834,994
Changes in the gross carrying amount															
- Transfer from stage 1	(14)	-	-	(1,690)	1,690	(871,486)	871,486	-	-	(1,577)	1,577	-	-	-	-
- Transfer from stage 2	-	14	-	-	-	4,944,223	(5,990,046)	1,045,823	-	20,840	(21,510)	670	-	-	-
- Transfer from stage 3	-	-	-	-	-	-	1,780,476	(1,780,476)	-	7,802	1	(7,803)	-	-	-
- Changes in EAD*	55,149	-	-	19,696	(45)	(2,207,289)	229,241	87,800	11,353	-	10,775	4,083	(25,905)	-	(2,220,358)
New assets issued or acquired	1,250,292	-	-	3,278,073	-	8,631,160	-	-	1,724,359	8,109	-	-	322,681	-	15,012,857
Matured or derecognized assets (except for write off)	(258,071)	-	(300,891)	(2,133,262)	-	(1,966,733)	(1,049,993)	(265,630)	(1,218,127)	-	(5,397)	(204)	(719,531)	(13,257)	(7,324,780)
Written off assets	-	-	-	-	-	-	-	(2,961,431)	-	-	-	-	-	-	(2,961,431)
Unwinding of discount	-	-	-	-	-	-	-	96,873	-	-	-	-	-	-	96,873
Foreign exchange Differences	(141,095)	-	-	103,828	-	(128,470)	(72,680)	(77,553)	(1,744)	-	(11,303)	(3,692)	5,276	-	(327,433)
Gross carrying amount as at 31 December 2025	3,248,269	14	-	6,219,854	2,300	20,918,577	2,849,869	2,115,111	2,353,639	35,174	938	1,806	365,171	-	38,110,722
Loss allowance as at 31 December 2025	(63)	-	-	(76,006)	(1,931)	(445,716)	(290,307)	(922,363)	(7,740)	(894)	(119)	(488)	(3,050)	-	(1,748,677)

*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 the year ended 31 December 2025.

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Notes to the Consolidated Financial Statements for year ended 31 December 2025 (continued)

(in millions of Uzbekistan Soums, unless otherwise indicated)

	Cash and cash equivalents (Note 6)		Reverse REPO transactions	Due from other banks (Note 7)		Loans and advances to customers (Note 8)			Investment securities measured at amortised cost (Note 9)	Other financial assets (Note 12)		Credit related commitments (Note 31)		Total
	Stage 1 (12-month ECL)	Stage 3 (Lifetime ECL)	Stage 1 (12-month 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	4,563,656	1,494,686	4,144	-	590,141	-	28,995,717
Changes in the gross carrying amount														
- Transfer from stage 1	-	-	-	-	-	(4,941,809)	4,941,809	-	-	-	-	(13,257)	13,257	-
- Transfer from stage 2	-	-	-	-	-	691,462	(3,104,860)	2,413,398	-	(8,752)	8,752	-	-	-
- Transfer from stage 3	1,941	(1,941)	-	-	-	-	912,928	(912,928)	-	-	-	-	-	-
- Changes in EAD*	(19,913)	-	-	(42,657)	29	(2,767,342)	924,702	556,186	10,496	(3,977)	-	(229,231)	(199)	(1,571,906)
New assets issued or acquired	706,917	-	300,891	4,870,164	-	6,358,481	-	-	1,279,824	35,056	-	648,112	-	14,199,445
Matured or derecognized assets (except for write off)	(378,776)	-	-	(1,763,061)	-	(1,906,272)	(204,109)	(305,903)	(947,764)	(3,693)	-	(233,376)	-	(5,742,954)
Written off assets	-	-	-	-	-	-	-	(432,184)	-	-	-	-	-	(432,184)
Foreign exchange differences	68,464	-	-	5,826	-	55,066	144,290	87,480	1,273	4,017	-	20,261	199	386,876
Gross carrying amount as at 31 December 2024	2,342,008	-	300,891	4,953,209	655	12,517,172	7,081,385	5,969,705	1,838,515	26,795	8,752	782,650	13,257	35,834,994
Loss allowance as at 31 December 2024	(57)	-	(6)	(32,661)	(236)	(323,411)	(1,200,168)	(3,211,920)	(10,300)	(1,878)	(3,485)	(25,437)	(446)	(4,810,005)

*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 the year ended 31 December 2024.

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Notes to the Consolidated Financial Statements for year ended 31 December 2025 (continued)

(in millions of Uzbekistan Soums, unless otherwise indicated)

	Cash and cash equivalents (Note 6)	Reverse REPO transactions	Due from other banks (Note 7)		Loans and advances to customers (Note 8)			Investment securities measured at amortised cost (Note 9)	Other financial assets (Note 12)			Credit related commitments (Note 31)		Total
	Stage 1 (12-month ECL)	Stage 1 (12-month 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 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 2024	57	6	32,661	236	323,411	1,200,168	3,211,920	10,300	-	1,878	3,485	25,437	446	4,810,005
Changes in ECL														
- Transfer from stage 1	-	-	(1,033)	1,033	(26,137)	26,137	-	-	111	(111)	-	-	-	-
- Transfer from stage 2	-	-	-	-	1,017,578	(1,154,593)	137,015	-	1,254	(1,027)	(227)	-	-	-
- Transfer from stage 3	-	-	-	-	-	651,245	(651,245)	-	2,996	-	(2,996)	-	-	-
- Changes in ECL*	(40)	-	(9,429)	662	(1,128,683)	(252,718)	1,288,409	(6,156)	(3,627)	(61)	346	265	-	(111 032)
New assets issued or acquired	52	-	65,619	-	330,209	-	-	4,984	160	-	-	2,784	-	403,808
Matured or derecognized assets (except for write off)	(7)	(6)	(11,810)	-	(67,952)	(177,622)	(170,774)	(1,374)	-	(560)	(120)	(25,436)	(446)	(456,107)
Unwinding of discount	-	-	-	-	-	-	96,873	-	-	-	-	-	-	96,873
Written off assets	-	-	-	-	-	-	(2,961,431)	-	-	-	-	-	-	(2,961,431)
Foreign exchange differences	1	-	(2)	-	(2,710)	(2,310)	(28,405)	(14)	-	-	-	-	-	(33,439)
Loss allowance for ECL as at 31 December 2025	63	-	76,006	1,931	445,716	290,307	922,363	7,740	894	119	488	3,050	-	1,748,677

*“Changes in ECL” are attributable to changes in parameters (PD, LGD), changes in ECL 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.

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(in millions of Uzbekistan Soums, unless otherwise indicated)

	Cash and cash equivalents (Note 6)	Reverse REPO transactions	Due from other banks (Note 7)	Loans and advances to customers (Note 8)			Investment securities measured at amortised cost (Note 9)	Other financial assets (Note 12)			Credit related commitments (Note 31)		Total	
	Stage 1 (12- month ECL)	Stage 3 (Lifetime ECL)	Stage 1 (12-month 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)	
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 ECL														
- Transfer from stage 1	-	-	-	-	-	(290,613)	290,613	-	-	-	-	(446)	446	-
- Transfer from stage 2	-	-	-	-	-	70,124	(341,911)	271,787	-	(3,485)	3,485	-	-	-
- Transfer from stage 3	1,200	(1,200)	-	-	-	-	262,652	(262,652)	-	-	-	-	-	-
- Changes in ECL*	(1,231)	-	-	(319)	(91)	(241,459)	493,848	1,826,810	(987)	30	-	5,686	17	2,082,304
New assets issued or acquired	7	-	6	31,999	-	391,343	-	-	6,904	5,036	-	19,023	-	454,318
Matured or derecognized assets (except for write off)	(8)	-	-	(1,552)	-	(53,000)	(30,292)	(131,892)	(3,351)	(262)	-	(4,755)	-	(225,112)
Write off assets	-	-	-	-	-	-	-	(432,184)	-	-	-	-	-	(432,184)
Foreign exchange differences	59	1	-	(1)	15	3,419	8,815	29,886	11	256	-	19	(17)	42,463
Loss allowance for ECL as at 31 December 2024	57	-	6	32,661	236	323,411	1,200,168	3,211,920	10,300	1,878	3,485	25,437	446	4,810,005

*“Changes in ECL” are attributable to changes in parameters (PD, LGD), changes in ECL 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.

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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 31 December 2025 is set out below:

	Uzbekistan	OECD	non-OECD	Total
FINANCIAL ASSETS				
Cash and cash equivalents	1,790,942	1,403,105	54,173	3,248,220
Due from other banks	5,051,688	1,092,292	237	6,144,217
Loans and advances to customers	24,225,171	-	-	24,225,171
Investment securities measured at amortised cost	2,345,899	-	-	2,345,899
Financial assets at fair value through other comprehensive income	155,221	-	-	155,221
Other financial assets	19,823	6,370	10,224	36,417
TOTAL FINANCIAL ASSETS	33,588,744	2,501,767	64,634	36,155,145
FINANCIAL LIABILITIES				
Due to other banks	640,253	636,667	175,036	1,451,956
REPO transactions	-	453,466	-	453,466
Customer accounts	10,686,795	-	-	10,686,795
Borrowings from government and international financial institutions	9,719,724	5,402,020	4,808,575	19,930,319
Other financial liabilities	32,060	722	9,828	42,610
Subordinated debt	1,812,555	-	-	1,812,555
TOTAL FINANCIAL LIABILITIES	22,891,387	6,492,875	4,993,439	34,359,762
NET POSITION	10,697,357	(3,991,108)	(4,928,805)	

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

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(in millions of Uzbekistan Soums, unless otherwise indicated)

The geographical concentration of the Group’s financial assets and liabilities at 31 December 2024 is set out below:

	Uzbekistan	OECD	non-OECD	Total
FINANCIAL ASSETS				
Cash and cash equivalents	1,857,746	442,795	41,410	2,341,951
Securities purchased under reverse REPO transactions	300,885	-	-	300,885
Due from other banks	4,206,243	714,304	420	4,920,967
Loans and advances to customers	20,832,763	-	-	20,832,763
Investment securities measured at amortised cost	1,828,215	-	-	1,828,215
Financial assets at fair value through other comprehensive income	117,614	-	-	117,614
Other financial assets	14,591	6,133	9,460	30,184
TOTAL FINANCIAL ASSETS	29,158,057	1,163,232	51,290	30,372,579
FINANCIAL LIABILITIES				
Due to other banks	2,201,404	526,686	189,904	2,917,994
Customer accounts	6,462,612	-	-	6,462,612
Borrowings from government and international financial institutions	8,887,146	3,874,646	4,292,430	17,054,222
Debt securities in issue	20,079	-	-	20,079
Other financial liabilities	522,548	1,163	5,298	529,009
Subordinated debt	1,811,095	-	-	1,811,095
TOTAL FINANCIAL LIABILITIES	19,904,884	4,402,495	4,487,632	28,795,011
NET POSITION	9,253,173	(3,239,263)	(4,436,342)	

The following table details credit ratings of financial assets held by the Group as at 31 December 2025:

	From AAA to A3	From Baa1 to Baa3	From Ba1 to B3	Not rated	CBU	Total
Cash and cash equivalents	1,115,798	284,104	103,268	762,522	982,528	3,248,220
Due from other banks	1,074,064	18,228	5,051,030	895	-	6,144,217
Loans and advances to customers	-	-	709,952	23,515,219	-	24,225,171
Investment securities measured at amortised cost	-	-	2,214,718	-	131,181	2,345,899
Financial assets at fair value through other comprehensive income	-	-	-	155,221	-	155,221
Other financial assets	-	2,245	4,168	30,004	-	36,417
Commitments and contingencies	-	-	-	362,121	-	362,121

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The following table details credit ratings of financial assets held by the Group as at 31 December 2024:

	From AAA to A3	From Baa1 to Baa3	From Ba1 to B3	From Caa1 to D	Not rated	CBU	Total
Cash and cash equivalents	440,186	257	386,329	-	858,102	657,077	2,341,951
REPO transactions	-	-	300,885	-	-	-	300,885
Due from other banks	714,304	-	4,206,243	-	420	-	4,920,967
Loans and advances to customers	-	-	561,266	-	20,271,497	-	20,832,763
Investment securities measured at amortised cost	-	-	1,695,927	-	-	132,288	1,828,215
Financial assets at fair value through other comprehensive income	-	-	-	-	117,614	-	117,614
Other financial assets	-	5,200	1,951	2,020	21,013	-	30,184
Commitments and contingencies	-	-	-	-	768,508	-	768,508

For the balances with CBU, the quality categories are determined based on the Moody’s sovereign rating – Ba2 stable (31 December 2024: Ba3 stable).

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

Financial assets other than loans and advances to customers are graded according to the current credit rating they have been issued by internationally regarded agencies 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.

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.

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 Treasury Department also manages interest rate 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.

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(in millions of Uzbekistan Soums, unless otherwise indicated)

As at 31 December 2025, if interest rates at that date had been 165 basis points lower (2024: 165 basis points lower) with all other variables held constant, profit for the year would have been UZS 71,984 million higher (2024: UZS 43,862 million higher).

If interest rates had been 165 basis points higher (2024: 165 basis points higher) with all other variables held constant, profit would have been UZS 71,984 million lower (2024: UZS 43,862 million lower).

The table below summarises nominal interest rates based on reports reviewed by key management personnel as at 31 December 2025 and 31 December 2024:

	2025			2024		
	UZS	USD	EUR	UZS	USD	EUR
Assets						
Cash and cash equivalents	0-12%	0-3.57%	0-1.85%	11.5-18%	-	-
Reverse REPO transactions	-	-	-	14%	-	-
Due from other banks	0-23%	0-4%	0-5%	0-23%	0-5.35%	-
Loans and advances to customers	0-54%	0-18.07%	4.79-14%	0-45.7%	0.95-15%	2.75-10%
Investment securities measured at amortised cost	14-19%	5.38%	-	15-22%	5.38%	-
Liabilities						
Due to other banks	16-21%	0-8.5%	-	16-21%	6.5-9.5%	5-6.5%
Debt securities in issue	-	-	-	18%	-	-
Customer accounts						
Individuals						
- term deposits	0-28%	4-6%	-	0-28%	0-6%	-
Legal entities						
- current/demand accounts	0-12%	-	-	0-12%	-	-
- term deposits	14-20%	5-9%	3%	14-20%	5-9%	6%
Borrowings from government and international financial institutions						
- borrowings from the Ministry of Finance of Uzbekistan	0-14%	-	-	0-14%	5.88%	-
- term borrowings from international financial institutions	3-14%	0-10.8%	2.9-7.97%	3-13.5%	2.5-11.14%	3.2-7.02%
- term borrowings from domestic financial institutions	3-18%	2-8.9%	-	3-18%	2-9.55%	-
Subordinated debt	3-14%	-	-	3-14%	-	-

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.

JOINT-STOCK COMMERCIAL BANK “BUSINESS DEVELOPMENT BANK”**Notes to the Consolidated Financial Statements****for year ended 31 December 2025 (continued)***(in millions of Uzbekistan Soums, unless otherwise indicated)*

The Group’s exposure to foreign currency exchange rate risk at 31 December 2025 is presented in the table below:

	UZS	USD	EUR	Other	Total
FINANCIAL ASSETS					
Cash and cash equivalents	1,363,074	1,330,777	494,197	60,172	3,248,220
Due from other banks	5,051,093	19,125	322,680	751,319	6,144,217
Loans and advances to customers	19,058,069	4,120,617	1,040,710	5,775	24,225,171
Investment securities measured at amortised cost	2,322,475	23,424	-	-	2,345,899
Financial assets at fair value through other comprehensive income	155,221	-	-	-	155,221
Other financial assets	19,816	15,468	1,133	-	36,417
TOTAL FINANCIAL ASSETS	27,969,748	5,509,411	1,858,720	817,266	36,155,145
FINANCIAL LIABILITIES					
Due to other banks	881,103	538,891	6	31,956	1,451,956
REPO transactions	180,251	273,215	-	-	453,466
Customer accounts	9,627,729	1,056,459	990	1,557	10,686,795
Borrowings from government and international financial institutions	13,464,994	3,806,703	1,889,318	769,304	19,930,319
Other financial liabilities	32,057	5,895	-	4,658	42,610
Subordinated debt	1,812,555	-	-	-	1,812,555
TOTAL FINANCIAL LIABILITIES	25,998,749	5,681,163	1,890,314	807,475	34,377,701
NET BALANCE SHEET POSITION	1,970,999	(171,752)	(31,594)	9,791	

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Notes to the Consolidated Financial Statements

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The Group’s exposure to foreign currency exchange rate risk at 31 December 2024 is presented in the table below:

	UZS	USD	EUR	Other	Total
FINANCIAL ASSETS					
Cash and cash equivalents	1,064,763	1,248,885	13,828	14,475	2,341,951
Securities purchased under reverse REPO transactions	300,885	-	-	-	300,885
Due from other banks	4,076,366	143,825	-	700,776	4,920,967
Loans and advances to customers	16,271,902	4,016,177	544,684	-	20,832,763
Investment securities measured at amortised cost	1,799,248	28,967	-	-	1,828,215
Financial assets at fair value through other comprehensive income	117,614	-	-	-	117,614
Other financial assets	19,127	9,035	2,022	-	30,184
TOTAL FINANCIAL ASSETS	23,649,905	5,446,889	560,534	715,251	30,372,579
FINANCIAL LIABILITIES					
Due to other banks	571,314	2,157,740	188,940	-	2,917,994
Customer accounts	5,663,337	794,468	4,453	354	6,462,612
Borrowings from government and international financial institutions	12,446,905	3,618,856	456,038	532,423	17,054,222
Debt securities in issue	20,079	-	-	-	20,079
Other financial liabilities	522,547	6,332	-	130	529,009
Subordinated debt	1,811,095	-	-	-	1,811,095
TOTAL FINANCIAL LIABILITIES	21,035,277	6,577,396	649,431	532,907	28,795,011
NET BALANCE SHEET POSITION					
	2,614,628	(1,130,507)	(88,897)	182,344	

The following table presents sensitivities of profit or loss before tax 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:

<i>In millions of Uzbekistan Soums</i>	2025	2024
	Impact on profit or loss	Impact on profit or loss
US Dollars strengthening by 15% (2024: 15%)	(25,763)	(169,576)
US Dollars weakening by 15% (2024: 15%)	25,763	169,576
Euro strengthening by 15% (2024: 15%)	(4,739)	(13,335)
Euro weakening by 15% (2024: 15%)	4,739	13,335

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.

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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 (2024: 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.

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.

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.

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The presentation of balances below is based upon the contractual cash flow as at 31 December 2025:

	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	910,430	-	-	-	-	910,430
Due from other banks	117,817	732,824	1,078,296	2,217,518	-	4,146,455
Loans and advances to customers	704,389	2,607,775	2,463,466	18,023,376	-	23,799,006
Investment securities measured at amortised cost	166,731	441,909	221,822	1,515,437	-	2,345,899
Total interest-bearing financial assets	1,899,367	3,782,508	3,763,584	21,756,331	-	31,201,790
Cash and cash equivalents	2,337,790	-	-	-	-	2,337,790
Due from other banks	-	-	-	-	1,997,762	1,997,762
Loans and advances to customers	13,332	53,990	44,520	314,323	-	426,165
Financial assets at fair value through other comprehensive income	-	-	-	-	155,221	155,221
Other financial assets	36,417	-	-	-	-	36,417
Total financial assets	4,286,906	3,836,498	3,808,104	22,070,654	2,152,983	36,155,145
FINANCIAL LIABILITIES						
Due to other banks	18,797	415,020	871,572	20,000	-	1,325,389
REPO transactions	53,450	250,060	149,956	-	-	453,466
Customer accounts	1,401,605	2,383,494	2,388,258	1,129,142	-	7,302,499
Borrowings from government and international financial institutions	674,996	1,737,337	1,603,195	15,690,591	-	19,706,119
Subordinated debt	12,404	-	-	1,800,151	-	1,812,555
Total interest-bearing financial liabilities	2,161,252	4,785,911	5,012,981	18,639,884	-	30,600,028
Due to other banks	126,567	-	-	-	-	126,567
Customer accounts	1,325,936	2,000	2,435	11	2,053,914	3,384,296
Borrowings from government and international financial institutions	10,141	45,824	52,454	115,781	-	224,200
Other financial liabilities	42,610	-	-	-	-	42,610
Credit related commitments	362,121	-	-	-	-	362,121
Total financial liabilities	4,028,627	4,833,735	5,067,870	18,755,676	2,053,914	34,739,822
Interest sensitivity gap	(261,885)	(1,003,403)	(1,249,397)	3,116,447	-	601,762
Cumulative interest sensitivity gap	(261,885)	(1,265,288)	(2,514,685)	601,762	601,762	
Liquidity gap	258,279	(997,237)	(1,259,766)	3,314,978	99,069	1,415,323
Cumulative liquidity gap	258,279	(738,958)	(1,998,724)	1,316,254	1,415,323	

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The presentation of balances below is based upon the information provided internally to key management personnel of the entity as at 31 December 2024:

	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	241,946	-	-	-	-	241,946
Reverse REPO transactions	300,885	-	-	-	-	300,885
Due from other banks	28,200	463,924	684,331	2,382,249	-	3,558,704
Loans and advances to customers	1,128,331	2,359,140	1,875,144	15,213,859	-	20,576,474
Investment securities measured at amortised cost	61,661	581,172	424,799	712,442	-	1,780,074
Total interest-bearing financial assets	1,761,023	3,404,236	2,984,274	18,308,550	-	26,458,083
Cash and cash equivalents	2,100,005	-	-	-	-	2,100,005
Due from other banks	54,226	-	-	-	1,308,037	1,362,263
Loans and advances to customers	78,706	64,323	16,900	96,360	1,505	257,794
Investment securities measured at amortised cost	10,212	37,929	-	-	-	48,141
Financial assets at fair value through other comprehensive income	-	-	-	-	117,614	117,614
Other financial assets	30,184	-	-	-	-	30,184
Total financial assets	4,034,356	3,506,488	3,001,174	18,404,910	1,427,156	30,374,084
FINANCIAL LIABILITIES						
Due to other banks	-	1,028,828	1,211,056	666,024	-	2,905,908
Customer accounts	917,841	830,564	1,167,210	1,145,261	-	4,060,876
Borrowings from government and international financial institutions	964,071	945,481	1,265,059	13,325,037	-	16,499,648
Debt securities in issue	79	20,000	-	-	-	20,079
Subordinated debt	12,054	-	-	1,799,041	-	1,811,095
Total interest-bearing financial liabilities	1,894,045	2,824,873	3,643,325	16,935,363	-	25,297,606
Due to other banks	12,086	-	-	-	-	12,086
Customer accounts	1,083,915	-	-	1,501	1,316,320	2,401,736
Borrowings from government and international financial institutions	303,306	51,675	89,766	109,827	-	554,573
Other financial liabilities	529,009	-	-	-	-	529,009
Credit related commitments	768,508	-	-	-	-	768,508
Total financial liabilities	4,590,869	2,876,548	3,733,091	17,046,691	1,316,320	29,563,519
Interest sensitivity gap	(133,022)	579,363	(659,051)	1,373,187	-	-
Cumulative interest sensitivity gap	(133,022)	446,341	(212,710)	1,160,477	1,160,477	-
Liquidity gap	(556,513)	629,940	(731,917)	1,358,219	110,836	-
Cumulative liquidity gap	(556,513)	73,427	(658,490)	699,729	810,565	-

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 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

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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 of 31 December 2025 is as follows:

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Maturity undefined	Total
Interest-bearing financial liabilities						
Due to other banks	35,588	475,943	894,010	20,105	-	1,425,646
REPO transactions	57,336	267,052	155,357	-	-	479,745
Customer accounts	1,496,998	2,419,155	2,614,138	1,199,994	-	7,730,285
Borrowings from government and international financial institutions	691,318	2,266,721	2,366,587	27,904,690	-	33,229,316
Subordinated debt	12,405	-	-	3,477,180	-	3,489,585
Total interest-bearing financial liabilities	2,293,645	5,428,871	6,030,092	32,601,969	-	46,354,577
Non-interest-bearing financial liabilities and commitments						
Due to other banks	126,567	-	-	-	-	126,567
Customer accounts	1,325,936	2,000	2,435	11	2,053,914	3,384,296
Borrowings from government and international financial institutions	10,141	45,824	52,454	115,781	-	224,200
Other financial liabilities	42,610	-	-	-	-	42,610
Credit related commitments	362,121	-	-	-	-	362,121
Total non-interest- bearing financial liabilities and commitments	1,867,375	47,824	54,889	115,792	2,053,914	4,139,794
Total financial liabilities and commitments	4,161,020	5,476,695	6,084,981	32,717,761	2,053,914	50,494,371

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The undiscounted maturity analysis of financial liabilities as at 31 December 2024 is as follows:

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Maturity undefined	Total
Interest-bearing financial liabilities						
Due to other banks	-	1,130,406	1,294,698	679,025	-	3,104,129
Customer accounts	932,349	1,056,225	1,309,509	1,273,757	-	4,571,840
Borrowings from government and international financial institutions	1,012,206	1,408,721	1,913,598	23,742,620	-	28,077,145
Debt securities in issue	79	20,513	-	-	-	20,592
Subordinated debt	12,054	-	-	3,699,416	-	3,711,470
Total interest-bearing financial liabilities	1,956,688	3,615,865	4,517,805	29,394,818	-	39,485,176
Non-interest-bearing financial liabilities and commitments						
Due to other banks	12,086	-	-	-	-	12,086
Customer accounts	1,083,915	-	1,500	-	1,316,321	2,401,736
Borrowings from government and international financial institutions	303,306	51,675	89,766	109,827	-	554,574
Other financial liabilities	529,009	-	-	-	-	529,009
Credit related commitments	768,508	-	-	-	-	768,508
Total non-interest- bearing financial liabilities and commitments	2,696,824	51,675	91,266	109,827	1,316,321	4,265,913
Total financial liabilities and commitments	4,653,512	3,667,540	4,609,071	29,504,645	1,316,321	43,751,089

Offsetting financial assets and financial liabilities

The disclosures set out in the following tables include financial assets and financial liabilities that:

- are offset in the Group’s statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the statement of financial position.

Information relating to financial instruments such as loans and deposits is not included in the tables below unless they are offset in the consolidated statement of financial position.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements as at 31 December 2025:

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	Gross amounts of recognized financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related amounts not offset in the statement of financial position			Net amount
	Gross amounts of recognized financial assets		Financial instruments (including non-cash collateral)	Cash collateral received		
Accounts payable related to REPO transactions	(453,466)	–	(453,466)	564,898	–	–
Total financial assets	(453,466)	–	(453,466)	564,898	–	–

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Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements as at 31 December 2024:

	Gross amounts of recognized financial liabilities offset in the statement of financial assets	Net amounts of financial assets presented in the statement of financial position	Related amounts not offset in the statement of financial position			Net amount
			Financial instruments (including non-cash collateral)	Cash collateral received		
Accounts receivable under reverse REPO transactions	300,885	–	300,885	(300,885)	–	–
Total financial assets	300,885	–	300,885	(300,885)	–	–

31. 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. As at 31 December 2025 and 2024 the Bank was in compliance with prudential ratios.

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

		Prescribed minimum level	31 December 2025 (unaudited)	31 December 2024 (unaudited)
Regulatory capital ratio	Ratio of regulatory capital to risk weighted assets	0.13	0.175	0.185
Capital adequacy ratio	Ratio of Bank’s tier 1 capital to risk weighted assets	0.1	0.128	0.136
Capital adequacy ratio	Ratio of Bank’s main tier 1 capital to risk weighted assets	0.08	0.128	0.136
Leverage ratio	Ratio of Bank’s tier 1 capital to total assets less intangibles	0.06	0.118	0.127

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

	31 December 2025 (unaudited)	31 December 2024 (unaudited)
Tier 1 capital	4,764,551	4,229,276
Tier 2 capital	1,740,445	1,537,098
Total regulatory capital	6,504,996	5,766,374
Risk - weighted assets	34,048,850	31,180,269

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32. 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. 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 31 December 2025 and 31 December 2024, the nominal or contract amounts were:

	31 December 2025	31 December 2024
Financial credit related commitments		
Commitments on unused credit lines	320,621	423,610
Guarantees issued	22,930	156,924
Letters of credit and other transaction related contingent obligations	21,620	215,373
Total financial credit related commitments, gross	365,171	795,907
Cash coverage	-	(1,516)
Less: Allowance for expected credit losses	(3,050)	(25,883)
Total financial credit related commitments	362,121	768,508
Non-financial credit related commitments		
Guarantees issued	606,160	-
Total non-financial credit related commitments	606,160	-
Total credit related commitments	968,281	

Analysis by credit quality of financial credit related commitments is as follows:

	31 December 2025	31 December 2024
Stage 1 (12-month ECL)	365,171	782,650
Stage 3 (Lifetime ECL)	-	13,257
Total Financial credit related commitments, gross	365,171	795,907
Cash coverage	-	(1,516)
Less: Allowance for expected credit losses	(3,050)	(25,883)
Total Financial credit related commitments	362,121	768,508

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.

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Lease commitments – the Group had no material lease commitments outstanding as at 31 December 2025 and 31 December 2024.

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.

33. 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:

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<i>FVTOCI</i>	Fair value as at 31 December 2025	Fair value as at 31 December 2024	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs	Sensitivity of fair value to changes in unobservable inputs
Equity investments – market multiples (EV/EBITDA)	49,238	41,798	Level 3	Market multiples valuation techniques. The fair value was determined by applying EV/EBITDA multiples derived from comparable companies to relevant financial metrics of the investees.	EV/EBITDA multiple of 21.76x	The fair value as at the reporting date is based on an EV/EBITDA multiple of 21.76x. A reasonably possible change of this input to 16.87x would result in a decrease in fair value of 24,424
Equity investment – market multiples (P/BV)	102,722	71,624	Level 3	Market multiples valuation technique. The fair value was determined by applying a P/BV multiple derived from comparable companies to the investee’s book value.	P/BV multiple of 0.95x	The fair value as at the reporting date is based on a P/BV multiple of 0.95x. A reasonably possible change of this input to 0.80x would result in a decrease in fair value of 16,080
Equity investment – direct capitalization (FCFF)	427	4,192	Level 3	Direct capitalization method. The fair value was determined by capitalizing forecast free cash flows to the firm using an appropriate capitalization rate.	Capitalization rate of 18.2%.	The fair value as at the reporting date is based on a capitalization rate of 18.2%. A reasonably possible increase of the capitalization rate to 21.3% would result in a decrease in fair value of 220
Equity investment – net asset value (NAV)	2,834	-	Level 3	Net asset value approach. The fair value was determined based on the investee’s adjusted net asset value.	Adjusted net asset values of the investee, determined based on management judgement (4.46%)	The sensitivity analysis has been performed by increasing and decreasing significant unobservable input by 1%. A reasonably possible change in the adjustment by ±1% would result in change in the fair value of the investment in the amount of (636)/636
Total financial assets at fair value through other comprehensive income	155,211	117,614				

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The fair value of equity instruments at fair value through other comprehensive income disclosed in Note 10 was determined using a combination of valuation techniques, including EV/EBITDA, price-to-book value (P/BV), net asset value (NAV) and discounted cash flow models based on free cash flows to the firm (FCFF). For the income-based approaches, expected future cash flows or dividend streams were estimated and discounted to their present value. For market-based approaches, observable multiples derived from comparable companies were applied, adjusted where necessary to reflect differences in size, risk profile and market conditions. Management developed its assumptions based on historical experience of returns on similar investments and market data available at the reporting date. Management believes that the selected valuation techniques and assumptions appropriately reflect the fair value of these securities. Accordingly, these financial instruments have been classified as Level 3 in the fair value hierarchy.

The table below presents information about the significant changes in the fair value measurements:

	JSC "Uzbekistan Mortgage Refinancing Company"	"Yashil Energiya" LLC	"CREDIT BUREAU" CREDIT INFORMATION ANALYSIS CENTER" LLC	JSC "O"ZBEKISTON POCHTASI"	"UNITED VENTURES" LLC	Total
As at 31 December 2023	14,690	34,473	3,527	3,812	-	56,502
Purchases	49,077	-	1,541	-	-	50,618
Remeasurement profit recognised in other comprehensive income	7,857	488	1,769	380	-	10,494
As at 31 December 2024	71,624	34,961	6,837	4,192	-	117,614
Purchases	26,200	-	-	336	12,000	38,536
Remeasurement profit/ (loss) recognised in other comprehensive income	4,898	60	7,380	(3,765)	(9,166)	(929)
As at 31 December 2025	102,722	35,021	14,217	427	2,834	155,221

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.

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(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:

	31 December 2025				31 December 2024			
	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	-	24,195,213	24,195,213	24,225,171	-	20,671,058	20,671,058	20,832,763
Due from other banks	6,121,376	-	6,121,376	6,144,217	-	-	4,991,921	4,920,967
Investment securities measured at amortised cost	2,177,203	-	2,177,203	2,345,899	-	-	1,946,758	1,828,215
Due to other banks	1,470,081	-	1,470,081	1,451,956	-	-	2,954,004	2,917,994
Customer accounts	10,591,408	-	10,591,408	10,686,795	5,708,194	-	6,513,113	6,462,612
Borrowings from government and international financial institutions	-	19,930,319	19,930,319	19,930,319	-	17,311,270	17,311,270	17,054,222
Subordinated debt	-	1,798,312	1,798,312	1,812,555	-	1,789,937	1,789,937	1,811,095

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 31 December 2025 and 31 December 2024, 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.

34. 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.

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

	31 December 2025		31 December 2024	
	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	1,072,258	3,248,220	775,087	2,341,951
Reverse REPO transactions				
- entities under common control	-	-	300,885	300,885
Due from other banks				
- entities under common control	2,551,315	6,144,217	2,559,740	4,920,967
Loans and advances to customers				
- key management personnel	1,625	24,219,629	276	20,832,763
- entities under common control	754,544	24,219,629	847,399	20,832,763
Allowance for ECL				
- key management personnel	(47)	(1,658,096)	(14)	(4,735,499)
- entities under common control	(9,982)	(1,658,096)	(5,440)	(4,735,499)
Investment securities measured at amortised cost				
- shareholders	2,163,552	2,345,899	1,639,008	1,828,215
- entities under common control	182,347	2,345,899	132,082	1,828,215
Current income tax prepayment				
- entities under common control	51,631	51,631	27,382	27,382
Other assets				
- entities under common control	1,553	516,524	13,647	89,338
Due to other banks				
- entities under common control	640,253	1,451,956	779,250	2,917,994
Borrowings from government and international financial institutions				
- shareholders	8,047,588	19,912,380	7,463,817	17,054,222
- entities under common control	1,530,201	19,912,380	1,232,166	17,054,222
Customer accounts				
- shareholders	1,146,901	10,686,795	73,773	6,462,612
- key management personnel	3,984	10,686,795	1,884	6,462,612
- entities under common control	2,921,334	10,686,795	2,637,158	6,462,612
Other liabilities				
- shareholders	-	116,563	488,638	588,118
- entities under common control	6,003	116,563	16,079	588,118
Subordinated debt				
- shareholders	1,812,555	1,812,555	1,811,095	1,811,095

Analysis by credit quality of loans and advances to customers issued to entities under common control:

	31 December 2025	31 December 2024
Stage 1 (12-month ECL)	764,500	846,811
Stage 3 (Lifetime ECL)	-	588
Total other financial assets, gross	764,500	847,399
Less: Allowance for expected credit losses	(9,982)	(30,986)
Total other financial assets	754,518	624,163

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	2025		2024	
	Related party balances	Total category as per financial statements caption	Related party balances	Total category as per financial statements caption
Interest income				
- <i>shareholders</i>	288,338	4,699,519	249,823	4,473,647
- <i>entities under common control</i>	589,769	4,699,519	300,398	4,473,647
Interest expense				
- <i>shareholders</i>	(967,671)	(3,275,829)	(940,512)	(2,417,950)
- <i>entities under common control</i>	(539,750)	(3,275,829)	(377,671)	(2,417,950)
Provision for ECL				
- <i>Provision for ECL on entities under common control</i>	(4,542)	163,620	(63)	(2,311,510)
Fee and commission income				
- <i>entities under common control</i>	64,736	348,142	3,112	260,539
Fee and commission expense				
- <i>entities under common control</i>	(61,375)	(105,500)	(12,343)	(83,187)
Operating expenses				
- <i>entities under common control</i>	(1,410)	(1,490,164)	(31,216)	(1,110,514)
Staff costs				
- <i>key management personnel</i>	(9,721)	(1,011,486)	(8,506)	(676,924)
Income tax benefit/(expense)				
- <i>entities under common control</i>	(39,563)	(39,563)	(219,337)	(219,337)

35. Subsequent events

In accordance with the Presidential Decree No.17 dated 4 February 2026 “On the first measures to develop local production and industrial cooperation on the basis of a new system” and the Resolution No.42 “On measures to organize the activities of the Agency for Industrial Cooperation and State Procurement” LLC “Digital Transformation Center” was transferred to the Agency for Industrial Cooperation and State Procurement by reducing the share of MOEF in the Bank’s authorized capital in the amount of UZS 144,200 million.