

**JOINT STOCK COMMERCIAL BANK  
QISHLOQ QURILISH BANK**



**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION (UNAUDITED) FOR  
THE SIX MONTHS ENDED 30 JUNE 2022**



**QISHLOQQURILISHBANK**

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**STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL  
OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)**

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Management is responsible for the preparation of the interim condensed consolidated financial information that presents the consolidated financial position of JSCB "Qishloq Qurilish Bank" ("the Bank") and its subsidiary (collectively – "the Group") as at 30 June 2022, the results of its operations, changes in equity and cash flows for the six months then ended, in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34").

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

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

Management is also responsible for:

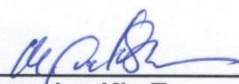
- designing, implementing and maintaining an effective and sound system of internal controls, throughout the Group;
- maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated financial position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

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2022 (unaudited) was authorized for issue by the Management Board on 10 November 2022.

  
**Muratov A. A.**  
**Chairman of the Management Board**

10 November 2022  
Tashkent, Uzbekistan



  
**Makhmudov Kh. T.**  
**Chief Accountant**

10 November 2022  
Tashkent, Uzbekistan



## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the Shareholders of Joint Stock Commercial Bank "Qishloq Qurilish Bank"

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Joint Stock Commercial Bank "Qishloq Qurilish Bank" and its subsidiary ("the Group") as at 30 June 2022 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six months then ended, and selected explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

### Scope of Review

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



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Turgunboy Tokhirov, Qualified Auditor/Engagement Director

## Conclusion

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



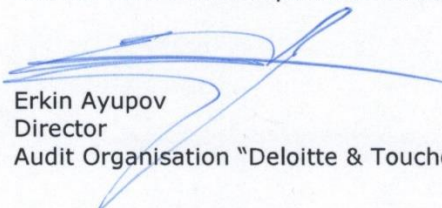
Audit Organisation "Deloitte & Touche" LLC is included in the register of audit organisations of the Ministry of Finance of the Republic of Uzbekistan dated 8 June 2021

  
Turgunboy Tokhirov

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

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

10 November 2022  
Tashkent, Uzbekistan

  
Erkin Ayupov  
Director  
Audit Organisation "Deloitte & Touche" LLC




**JOINT-STOCK COMMERCIAL BANK "QISHLOQ QURILISH BANK"**  
**Interim Condensed Consolidated Statement of Financial Position**  
**as at 30 June 2022 (unaudited)**  
*(in millions of Uzbekistan Soums)*

	Notes	30 June 2022 (unaudited)	31 December 2021
<b>ASSETS</b>			
Cash and cash equivalents	5	1,193,019	1,311,121
Due from other banks	6	285,880	362,799
Loans and advances to customers	7	18,051,134	16,885,058
Investment securities measured at amortised cost	8	946,827	787,552
Financial assets at fair value through other comprehensive income		17,100	15,925
Property and equipment	9	320,385	325,777
Intangible assets		8,979	3,116
Deferred income tax asset	18	221,771	147,358
Current income tax prepayment		14,947	30,862
Other assets	10	116,830	75,321
<b>TOTAL ASSETS</b>		<b>21,176,872</b>	<b>19,944,889</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Due to other banks	11	1,042,484	1,401,962
Customer accounts	12	4,311,493	4,169,128
Borrowings from government and international financial institutions	13	13,609,901	12,131,007
Debt securities in issue		84,403	94,456
Other liabilities		58,346	42,073
<b>Total liabilities</b>		<b>19,106,627</b>	<b>17,838,626</b>
<b>EQUITY</b>			
Share capital		1,859,887	1,859,887
Share premium		942	942
Retained earnings		207,817	244,828
Investment revaluation reserve		1,421	481
Other reserves		178	125
<b>Total equity</b>		<b>2,070,245</b>	<b>2,106,263</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>21,176,872</b>	<b>19,944,889</b>

Approved for issue and signed on 10 November 2022.

  
**Muratov A. A.**  
Chairman of the Management Board



  
**Makhmudov Kh. T.**  
Chief Accountant

**JOINT-STOCK COMMERCIAL BANK "QISHLOQ QURILISH BANK"**

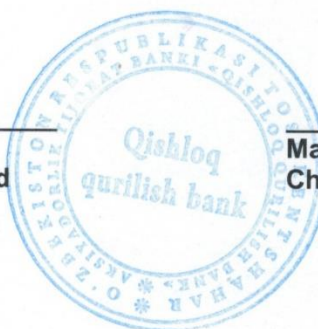
**Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 30 June 2022 (unaudited)**

(in millions of Uzbekistan Soums)

		For the six months ended	
		30 June 2022	30 June 2021
		(unaudited)	(unaudited)
Notes			
	15	1,200,275	832,395
Interest income			
	15	(703,137)	(477,360)
Interest expense			
<b>NET INTEREST INCOME</b>		<b>497,138</b>	<b>355,035</b>
Provision for expected credit losses	21	(296,993)	(339,198)
<b>NET INTEREST INCOME AFTER PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS</b>		<b>200,145</b>	<b>15,837</b>
Fee and commission income	16	76,500	62,490
Fee and commission expense	16	(14,967)	(10,922)
Net gain on foreign exchange operations		14,190	9,714
Other income		2,216	4,153
Impairment losses on other operations	10	(4,450)	-
Income from insurance operations		7,842	7,264
Expense from insurance operations		(6,213)	(4,462)
Change in insurance reserves, net		(7,885)	(4,267)
<b>NET NON-INTEREST INCOME</b>		<b>67,233</b>	<b>63,970</b>
<b>OPERATING INCOME</b>		<b>267,378</b>	<b>79,807</b>
Operating expenses	17	(316,847)	(181,369)
<b>LOSS BEFORE INCOME TAX</b>		<b>(49,469)</b>	<b>(101,562)</b>
Income tax benefit	18	12,645	22,654
<b>LOSS FOR THE PERIOD</b>		<b>(36,824)</b>	<b>(78,908)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Changes in the fair value of equity instruments classified as FVTOCI		1,175	-
Income tax relating to the equity instruments classified as FVTOCI		(235)	-
<b>Other comprehensive income for the period</b>		<b>940</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(35,884)</b>	<b>(78,908)</b>
<b>Basic and diluted losses per ordinary share (expressed in UZS per share)</b>	19	<b>(2)</b>	<b>(5)</b>

Approved for issue and signed on 10 November 2022.

Muratov A. A.  
Chairman of the Management Board



Makhmudov Kh. T.  
Chief Accountant



**JOINT-STOCK COMMERCIAL BANK "QISHLOQ QURILISH BANK"**  
**Interim Condensed Consolidated Statement of Changes in Equity**  
**for the six months ended 30 June 2022 (unaudited)**


(in millions of Uzbekistan Soums)

	Share capital	Share premium	Retained earnings	Investment revaluation reserve	Other reserves	Total equity
<b>31 December 2021</b>	<b>1,859,887</b>	<b>942</b>	<b>244,828</b>	<b>481</b>	<b>125</b>	<b>2,106,263</b>
Loss for the period	-	-	(36,824)	-	-	(36,824)
Other comprehensive income for the period, net of income tax	-	-	-	940	-	940
Change in other insurance reserves	-	-	(53)	-	53	-
Dividends declared - preference shares	-	-	(134)	-	-	(134)
<b>30 June 2022 (unaudited)</b>	<b>1,859,887</b>	<b>942</b>	<b>207,817</b>	<b>1,421</b>	<b>178</b>	<b>2,070,245</b>


  

	Share capital	Share premium	Retained earnings	Other reserves	Total equity
<b>31 December 2020</b>	<b>1,859,887</b>	<b>942</b>	<b>231,724</b>	<b>125</b>	<b>2,092,678</b>
Loss for the period	-	-	(78,908)	-	(78,908)
Change in other insurance reserves	-	-	(90)	90	-
<b>30 June 2021 (unaudited)</b>	<b>1,859,887</b>	<b>942</b>	<b>152,726</b>	<b>215</b>	<b>2,013,770</b>

Approved for issue and signed on 10 November 2022.

  
**Muratov A. A.**  
**Chairman of the Management Board**




  
**Makhmudov Kh. T.**  
**Chief Accountant**



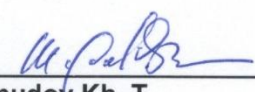
**JOINT-STOCK COMMERCIAL BANK "QISHLOQ QURILISH BANK"**  
**Interim Condensed Consolidated Statement of Cash Flows**  
**for the six months ended 30 June 2022 (unaudited)**  
*(in millions of Uzbekistan Soums)*

		<b>For the six months ended</b>	
	<b>Notes</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Interest received		1,178,181	791,382
Interest paid		(662,513)	(472,009)
Fees and commissions received		69,569	63,841
Fees and commissions paid		(14,967)	(10,922)
Income received from trading in foreign currencies		17,693	10,606
Income from insurance operations received		7,842	7,264
Expense from insurance operations paid		(6,213)	(4,462)
Other income received		1,333	2,031
Staff costs paid		(190,304)	(120,782)
Operating expenses paid		(91,022)	(61,236)
Income tax paid		(46,088)	(8,118)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>		<b>263,511</b>	<b>197,595</b>
<b>Net (increase)/decrease in:</b>			
- due from other banks		80,626	83,121
- loans and advances to customers		(1,421,485)	(1,116,780)
- other assets		(4,193)	33,019
<b>Net increase/(decrease) in:</b>			
- due to other banks		(353,658)	(151,464)
- debt securities		(10,000)	27,500
- customer accounts		176,313	547,906
- other liabilities		9,666	(8,692)
<b>Net cash used in operating activities</b>		<b>(1,259,220)</b>	<b>(387,795)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, equipment and intangible assets		(65,519)	(46,178)
Proceeds from sale of property and equipment		927	4,001
Acquisition of Investment securities measured at amortised cost		(719,459)	(306,229)
Proceeds from disposal of Investment securities measured at amortised cost		571,940	1,019
Dividend income received		632	-
<b>Net cash used in investing activities</b>		<b>(211,479)</b>	<b>(347,387)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Dividends paid		(4)	(25)
Proceeds from borrowings from government and international financial institutions		2,914,187	1,377,625
Repayment of borrowings from government and international financial institutions		(1,560,991)	(342,196)
<b>Net cash from financing activities</b>		<b>1,353,192</b>	<b>1,035,404</b>
Effect of changes in foreign exchange rate on cash and cash equivalents		3,108	3,630
Effect of changes in expected credit losses		(3,703)	(24)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(118,102)</b>	<b>303,828</b>
<b>CASH AND CASH EQUIVALENTS at the beginning of the period</b>	<b>5</b>	<b>1,311,121</b>	<b>1,050,036</b>
<b>CASH AND CASH EQUIVALENTS at the end of the period</b>	<b>5</b>	<b>1,193,019</b>	<b>1,353,864</b>

Approved for issue and signed on 10 November 2022.

  
**Muratov A. A.**  
**Chairman of the Management Board**



  
**Makhmudov Kh. T.**  
**Chief Accountant**

## JOINT-STOCK COMMERCIAL BANK "QISHLOQ QURILISH BANK"

### **Selected Explanatory Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2022 (unaudited)** (in millions of Uzbek Soums, unless otherwise indicated)

#### 1. Introduction

Joint-Stock Commercial Bank "Qishloq Qurilish Bank" ("the Bank") was incorporated on 30 March 2009 in Tashkent, the Republic of Uzbekistan under the Resolution of the President of the Republic of Uzbekistan dated 30 March 2009. The Bank was established on the base of the former OJSC "Gallabank", which was incorporated on 2 August 1994 in Tashkent, the Republic of Uzbekistan. The Bank is state controlled as a significant portion of its equity is owned by the Ministry of Finance of the Republic of Uzbekistan ("MOF") and Uzbekistan Fund for Reconstruction and Development ("UFRD").

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

**Principal activity.** The Bank's principal activity is commercial and retail banking operations within the Republic of Uzbekistan, as well as foreign exchange dealing on international foreign currency markets. The Bank was granted a new banking license #77 issued by the Central Bank of Uzbekistan ("CBU") on 25 December 2021.

A significant portion of the Bank's activities are related to its role as a Government agent in improving the living conditions of the rural population and financing construction in villages, acceleration of the development of the industrial and social infrastructure in the rural areas by issuing long-term mortgage loans to residents living in such areas and other sectors of economy such as agricultural, food, export and etc.. These activities represent a significant part of the Bank's assets, funding sources and income generation and carried out in accordance with the Loan Agreements between the Asian Development Bank, Saudi Fund for Development, International Bank of Reconstruction and Development and the Government of the Republic of Uzbekistan on Housing for Integrated Rural Development Investment Program (the "Program") and development of other sectors of Uzbekistan's economy.

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

The Bank operates through its Head Office in Tashkent, Republic of Uzbekistan, and 43 branches within Uzbekistan (31 December 2021: 43 branches).

As at 30 June 2022, the Bank's registered address was: 18A, Navoi str., Tashkent, 100011, Republic of Uzbekistan.

On 3 July 2019, the Bank established an insurance company "Perfect Insurance" LLC with 100 percent ownership. As at 30 June 2022 (unaudited) and 31 December 2021, the company was a single subsidiary of the Bank.

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

As at 30 June 2022 (unaudited) and 31 December 2021, the following shareholders owned issued shares of the Bank:

	30 June 2022 (unaudited)	31 December 2021
<b>Shareholders:</b>		
Ministry of Finance of the Republic of Uzbekistan	74.07%	74.07%
Uzbekistan Fund for Reconstruction and Development	23.89%	23.89%
Others (individually holding less than 5% of the share capital of the Group)	2.04%	2.04%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

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

The primary activities of the Group are deposit taking, lending, providing payments and settlement services, transactions with foreign currencies and securities, providing finance leases and activities in financial services and insurance. The Group operates in industries where significant seasonal or cyclical variations in operating income are not experienced during the financial year. However, since the results of the Group's operations closely relate to and depend on changing market conditions, the results of the Group's



***Selected Explanatory Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2022 (unaudited)***  
*(in millions of Uzbek Soums, unless otherwise indicated)*

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operations for the interim period are not necessarily indicative of the results for the year ending 31 December 2022.

## **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. During 2018-2021, the government of Uzbekistan remained committed to carry out social-economic reforms started in 2016 and liberalization of the market with an emphasis predominantly on broadening the export potential and improvement of business climate of Uzbekistan to attract foreign direct investment. As a result, laws and regulations, including tax and regulatory frameworks, affecting businesses in Uzbekistan started to change rapidly. The future economic direction of the Republic of Uzbekistan heavily depends on the new fiscal and monetary policies the government plans to adopt during the on-going reforms, together with developments in the legal, regulatory, and political environment.

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

In addition to that, starting from early 2020 a new coronavirus disease (COVID-19) has begun rapidly spreading all over the world resulting in announcement of the pandemic status by the World Health Organization in March 2020. Responses put in place by many countries to contain the spread of COVID-19 are resulting in significant operational disruption for many companies and have significant impact on global financial markets. As the situation is rapidly evolving it had a significant effect on business of many companies across a wide range of sectors, including, but not limited to such impacts as disruption of business operations as a result of interruption of production or closure of facilities, supply chain disruptions, quarantines of personnel, reduced demand and difficulties in raising financing.

Moreover, in March 2022, the Uzbekistan Soum depreciated against major foreign currencies amid the external geopolitical situation. In order to reduce the negative impact of external factors on the economy of Uzbekistan, on 17 March 2022 the Central Bank of the Republic of Uzbekistan raised the base rate from 14% to 17% per annum. On 10 June 2022, the base rate was decreased to 15% and interventions on the currency market were performed to support the Uzbekistan Soum exchange rate against foreign currencies. However, there is uncertainty related to the future developments of geopolitical risks and their impact on the economy of the Republic of Uzbekistan.

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

## **3. Significant accounting policies**

### ***Basis of preparation.***

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

The interim condensed consolidated financial information is unaudited and does not include all the information and disclosures required in the annual financial statements. The Group omitted disclosures, which would substantially duplicate the information contained in its audited annual consolidated financial statements for the year ended 31 December 2021 prepared in accordance with International Financial Reporting Standards (“IFRS”), such as accounting policies and details of accounts, which have not changed significantly in amount or composition. Additionally, the Group has provided disclosures where significant events have occurred subsequent to the issuance of the Group's annual consolidated financial statements for the year ended 31 December 2021 prepared in accordance with IFRS. Management believes that the disclosures in this interim condensed consolidated financial information is adequate to make the information presented not misleading if this interim condensed consolidated financial information is read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2021 prepared in accordance with IFRS. In management's opinion, this interim condensed consolidated financial information reflects all adjustments necessary to present the Group's financial

***Selected Explanatory Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2022 (unaudited)***  
*(in millions of Uzbek Soums, unless otherwise indicated)*

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position, results of operations, statements of changes in shareholders' equity and cash flows for the interim reporting periods.

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

The following amended standards and interpretations became effective for the Group from 1 January 2022, but did not have any significant impact on the Group's interim condensed consolidated financial information for the six months ended 30 June 2022:

- *Amendments to IAS 16 - Property, Plant and Equipment — Proceeds before Intended Use;*
- *Annual Improvements to IFRS Standards 2018–2020 (May 2020);*
- *Amendments to IFRS 3 (May 2020) - Reference to the Conceptual Framework;*
- *Amendments to IAS 37 (May 2020) - Onerous Contracts - Cost of Fulfilling a Contract.*

The Group did not early adopt any other standards, amendments or interpretations that have been issued and are not yet effective.

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

The Group's activities continue to be affected by the uncertainty and instability of the current economic environment. The financial position and the results of the Group continue to be significantly impacted by the reforms of the new government, including those directed at increasing living standards, incomes, and job opportunities in rural regions.

The Group had a net loss of UZS 36,824 million for the period ended 30 June 2022 (unaudited). This mainly resulted due to creation of additional allowance for expected credit losses in the amount of UZS 296,993 million which was primarily driven by the higher probability of default and payment delays in loans and advance to customers.

For the six months ended 30 June 2022 (unaudited), the Group had a cash outflow from operating activities mainly as a result of on-lending the funds received from international financial institutions and the government to finance state and investment projects increasing the loans and advances to customers by UZS 4,459,674 million or 23.2% of total gross loans and advances to customers (30 June 2021 (unaudited): UZS 2,311,028 million or 15.3%) as disclosed in Note 21. Cash flows stemming from the borrowings from government and international financial institutions has been disclosed as a part of financing activity whereas the loans and advances to customers considered part of operating activities in the consolidated cash flow statements of the Group which lead to negative cash flows in operating activities of the Group as a whole. As a result, the Group had operating cash outflow in the amount of UZS 1,259,220 million.

As at 30 June 2022 (unaudited), the Group was not in compliance with certain financial covenants stipulated in loan agreements with Islamic Corporation for the Development of the Private Sector (ICD), Asian Development Bank (ADB) provided through the Ministry of Finance of the Republic of Uzbekistan (the “Ministry of Finance” or “MOF”), International Fund for Agricultural Development (IFAD) via MOF, Banka Kombëtare Tregtare SH.a, International Islamic Trade Finance Corporation (ITFC) and KfW IPEX BANK, and classified these loans in the total amount of UZS 1,897,622 million as “Up to 1 month” category, as a result of the non-compliance with the covenants the cumulative liquidity gap up to 30 days comprised UZS 1,341,715 million, as discussed in detail in Notes 13 and 21.

As the Group is ultimately controlled by the government and Group's main activities are related to its role as a Government agent in improving the living conditions of the rural population and financing construction in villages, accelerating the development of the industrial and social infrastructure in the rural areas by issuing long-term mortgage loans to residents living in such areas, and profit-seeking is not primary goal of the Group. The Management believes that the Group will be able to continue as a going concern for the foreseeable future based on the following:



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- The Group is considered as a government bank with the Ministry of Finance of the Republic of Uzbekistan and Uzbekistan Fund for Reconstruction and Development as key stakeholders, jointly holding 97.96% interest in the charter capital. The Group is a strategic financial institution of the Republic of Uzbekistan in rural development. Hence, the Group is extensively engaged by the State in implementing key social and economic welfare improvement projects, in particular, narrowing the rural-urban income disparities through constructing affordable and modern housing for the rural population throughout the country (low-income families, military servants and others), setting up related infrastructure, and expanding opportunities for entrepreneurs to develop business in rural areas. As a result, management is expecting the Government to continue to support the Group and considers that all operations will proceed in the normal course of business, with the State retaining the strategic control for the foreseeable future.
- The Bank plays a vital role as a government arm/vehicle to channel the government funds to the strategic sectors of the economy of Uzbekistan. Customer accounts being on demand comprise 23% of the total customer accounts balance as at 30 June 2022 (unaudited). 29% of these demand deposits are placed by government controlled entities which are either the Group's shareholders or its entities under common control and the past experience of the Group indicate that these customer accounts provide a long-term and stable source of funding for the Group.
- During the first half of 2022, 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 2,914,187 million in domestic and foreign currencies as disclosed in the Consolidated statement of cash flows.
- Continued support by the government of the Republic of Uzbekistan, subsequent to the reporting date, the Group attracted additional long-term purpose loans and short-term deposits from the Ministry of Finance, in the amount of UZS 470,000 million and UZS 275,000 million, respectively, and long-term loans from Uzbekistan Fund for Reconstruction and Development in the total amount of UZS 84,970 million and National Bank for Foreign Economic Activity of Uzbekistan in the total amount of USD 15 million (UZS 162,904 million) as described in Note 26.
- The Management regularly assesses the stability of its customer accounts funding base, in particular with respect to that of non-state entities, based on past performance and analysis of the events subsequent to the reporting date. Management believes that the customers intend to hold their term deposits with the Group, and that this source of funding will remain at a similar level for the foreseeable future.
- The Group is expected to generate a profit for the year ended 31 December 2022.
- The Management of the Group is of the view that through their contingency plans the Group will be able to attract resources sufficient to cover any potential negative liquidity gap.
  - Attraction of long-term deposits of State funds under the Ministry of Finance- Pension Fund, State Deposit insurance funds and others;
  - Attraction of budgetary funds up to one year through weekly electronic bidding platform run by State Treasury under the Ministry of Finance;
  - Utilization of CBU's short-term liquidity loans;
  - Attraction of deposits from inter-bank money markets within the limits set by local commercial banks.

As at 30 June 2022 (unaudited), the Group was in compliance with all prudential requirements set by CBU as disclosed in Note 13. The Management of the Group is engaged to improve its prudential requirements set by CBU by increasing the quality of its assets and attracting new subordinated debts from government.

#### **4. Critical accounting judgments and key sources of estimation uncertainty**

In preparing this interim condensed consolidated financial information, the significant judgments made by the management in applying the Group's accounting policies and key sources of estimation uncertainty were consistent with those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2021 prepared in accordance with IFRS. There have been no changes to the basis upon which the significant accounting estimates have been determined compared with 31 December 2021.

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**5. Cash and cash equivalents**

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Cash on hand	486,370	282,428
Cash balances with the CBU (other than mandatory reserve deposits)	538,448	745,051
Correspondent accounts and overnight placements with other banks	171,905	218,445
Placements with other banks with original maturities of less than three months	-	65,198
<b>Total cash and cash equivalents, gross</b>	<b>1,196,723</b>	<b>1,311,122</b>
Less – Provision for expected credit losses	(3,704)	(1)
<b>Total cash and cash equivalents</b>	<b>1,193,019</b>	<b>1,311,121</b>

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

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
<b>Stage 1 (12 month ECL)</b>		
Cash on hand	486,370	282,428
A1	53,307	219
Baa3	-	1,483
Ba1	-	127
B+	11,633	-
Ba3	-	4,267
B1	87,721	870,549
B	-	16,181
BB-	547,292	64,288
B2	4,440	71,580
<b>Total stage 1, gross</b>	<b>1,190,763</b>	<b>1,311,122</b>
<b>Stage 3 (Lifetime ECL)</b>		
Not rated	5,960	-
<b>Total stage 3, gross</b>	<b>5,960</b>	<b>-</b>
<b>Total cash and cash equivalents, gross</b>	<b>1,196,723</b>	<b>1,311,122</b>
Less: Provision for expected credit losses	(3,704)	(1)
<b>Total cash and cash equivalents</b>	<b>1,193,019</b>	<b>1,311,121</b>

As at 30 June 2022 (unaudited), cash and cash equivalents balances in stage 3 (Lifetime ECL) represent correspondent accounts and overnight placements with Russian commercial banks whose credit ratings were withdrawn by credit rating agencies.

For the balances with CBU, the quality categories are determined based on the sovereign rating BB-/ B (as at 31 December 2021: BB-/ B) set by international rating agencies.

Changes in credit quality of cash and cash equivalents during the six months ended 30 June 2022 (unaudited) are disclosed in Note 21. Information on related party balances is disclosed in Note 25.

**6. Due from other banks**

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Short term placements with other banks with original maturities of more than three months	4,400	126,486
Long term placements with other banks	194,616	165,636
Mandatory reserve deposit held with CBU	88,150	72,689
Restricted cash	1,413	1,658
<b>Total due from other banks, gross</b>	<b>288,579</b>	<b>366,469</b>
Less: Provision for expected credit losses	(2,699)	(3,670)
<b>Total due from other banks</b>	<b>285,880</b>	<b>362,799</b>



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Restricted cash represents balances on correspondent accounts with foreign and local banks placed by the Group in respect of Letters of Credit and payment systems. The Group does not have the right to use these funds for the purposes of funding its own activities.

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

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
<b>Stage 1 (12 month ECL)</b>		
BB-	133,982	51,641
B1	112,892	208,239
B+	553	-
B2	33,013	8,901
B	7,257	60,942
B3	50	50
B-	-	21,676
Not rated	543	9,212
<b>Total stage 1, gross</b>	<b>288,290</b>	<b>360,661</b>
<b>Stage 3 (Lifetime ECL)</b>		
B1	-	5,520
Not rated	289	288
<b>Total stage 3, gross</b>	<b>289</b>	<b>5,808</b>
<b>Total due from other banks, gross</b>	<b>288,579</b>	<b>366,469</b>
Less: Provision for expected credit losses	(2,699)	(3,670)
<b>Total due from other banks</b>	<b>285,880</b>	<b>362,799</b>

For the balances with CBU, the quality categories are determined based on the sovereign rating BB-/ B (as at 31 December 2021: BB-/ B) set by international rating agencies.

Changes in credit quality of due from other banks during the six months ended 30 June 2022 (unaudited) are disclosed in Note 21. Information on related party balances is disclosed in Note 25.

## **7. Loans and advances to customers**

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

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

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<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Loans to legal entities	9,302,909	8,622,763
Mortgages under the Program	6,189,405	6,214,634
Loans to individuals	3,613,362	2,849,780
Net investment in financial lease	126,559	89,093
<b>Total loans and advances to customers, gross</b>	<b>19,232,235</b>	<b>17,776,270</b>
Less: Provision for expected credit losses	(1,181,101)	(891,212)
<b>Total loans and advances to customers</b>	<b>18,051,134</b>	<b>16,885,058</b>

Information on related party balances is disclosed in Note 25.

As at 30 June 2022 (unaudited), the Group had a single borrower with the aggregate principal balance of loans comprising UZS 250,874 million (31 December 2021: UZS 280,970 million).

NPLs are loans in which the borrower is in default due to the fact that they have not made the scheduled payments for 90 days or more. The following table presents information about NPLs as at 30 June 2022 (unaudited) and 31 December 2021:

	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Non-performing loans ( <i>in millions of Uzbekistan Soums</i> )	1,762,980	1,367,104
Non-performing loans ratio (Non-performing loans balance divided by the gross loan portfolio)	9.17%	7.69%
NPL coverage ratio (total allowance for expected credit losses on loans and advances to customers divided by non-performing loans balance)	67%	65%

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

	<b>30 June 2022 (unaudited)</b>		<b>31 December 2021</b>	
<i>In millions of Uzbekistan Soums</i>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
Individuals	9,802,767	51	9,064,414	51
Manufacturing	2,689,108	14	2,419,305	14
Trade	2,368,823	12	2,379,943	13
Construction	1,517,896	8	1,125,638	6
Agriculture	1,190,404	6	1,356,796	8
Services	957,416	5	947,800	5
Transport and communication	421,476	3	423,225	3
Other	284,345	1	59,149	-
<b>Total loans and advances to customers, gross</b>	<b>19,232,235</b>	<b>100</b>	<b>17,776,270</b>	<b>100</b>

Individuals comprise of the Mortgages under the Program and Loans to individuals.

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

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Stage 1 (12-month ECL)	14,723,667	14,508,167
Stage 2 (Lifetime ECL)	1,912,543	1,329,925
Stage 3 (Lifetime ECL)	2,596,025	1,938,178
<b>Total loans and advances to customers, gross</b>	<b>19,232,235</b>	<b>17,776,270</b>
Less: Provision for expected credit losses	(1,181,101)	(891,212)
<b>Total loans and advances to customers</b>	<b>18,051,134</b>	<b>16,885,058</b>

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

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Unsecured loans:	962,467	1,084,412
<b>Loans collateralised by pledge of:</b>		
Real estate	14,752,133	13,306,833
Guarantees of third parties	1,760,059	1,587,225
Vehicles	765,423	825,520
Equipment	463,825	427,707
Insurance policies	432,491	538,652
Inventories	74,508	2,458
Cash deposit	822	2,167
Other	20,507	1,296
<b>Total loans and advances to customers, gross</b>	<b>19,232,235</b>	<b>17,776,270</b>
Less: Provision for expected credit losses	(1,181,101)	(891,212)
<b>Total loans and advances to customers</b>	<b>18,051,134</b>	<b>16,885,058</b>

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

Construction of houses under the Program normally takes twelve months to complete. Qishloq Qurilish Invest (“QQI”) is an engineering company that possesses ownership rights over the construction in progress until its full completion. Until the construction of houses is complete and the borrowers acquire ownership rights, such mortgages issued by the Group are considered as unsecured. Management has conducted an assessment to ensure that no factors exist that could prevent these properties being registered as collateral for mortgages issued by the Group. The construction of these houses is expected to be completed by the end of 2023. The management of the Group believes that the temporary absence of the pledge on these mortgages does not significantly increase the Group’s credit risk, since QQI is an entity under the common control of the Group’s shareholders. In addition, this program is under supervision of the Government of the Republic of Uzbekistan due to its strategic importance in social policy.

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:

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Unsecured loans:	124,712	74,010
<b>Loans collateralised by pledge of:</b>		
Real estate	1,711,071	1,262,305
Guarantees of third parties	344,299	282,533
Vehicles	198,628	164,613
Insurance policies	116,579	113,625
Equipment and inventory	100,578	40,479
Cash deposit	156	355
Other	2	258
<b>Total Stage 3 (Lifetime ECL) loans and advances to customers, gross</b>	<b>2,596,025</b>	<b>1,938,178</b>
Less: Provision for expected credit losses	(952,510)	(680,964)
<b>Total Stage 3 (Lifetime ECL) loans and advances to customers</b>	<b>1,643,515</b>	<b>1,257,214</b>



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Analysis of credit quality of loans and advances to customers outstanding as at 30 June 2022 (unaudited) is as follows:

	<b>Mortgages under the Program</b>	<b>Loans to legal entities</b>	<b>Loans to individuals</b>	<b>Net investment in financial lease</b>	<b>Total</b>
<i>In millions of Uzbekistan Soums</i>					
<b>Collectively assessed</b>					
<i>Stage 1 (12-month ECL)</i>					
Not past due	4,450,210	5,804,230	2,744,143	59,614	13,058,197
up to 30 days	751,612	447,753	414,979	51,126	1,665,470
<b>Total collectively assessed stage 1 (12-month ECL), gross</b>	<b>5,201,822</b>	<b>6,251,983</b>	<b>3,159,122</b>	<b>110,740</b>	<b>14,723,667</b>
<i>Stage 2 (Lifetime ECL)</i>					
Not past due	21,301	507,359	67,979	880	597,519
up to 30 days	1,051	25,419	8,227	-	34,697
31 to 60 days	353,167	394,799	107,286	5,699	860,951
61 to 90 days	202,594	170,926	45,856	-	419,376
<b>Total collectively assessed stage 2 (Lifetime ECL), gross</b>	<b>578,113</b>	<b>1,098,503</b>	<b>229,348</b>	<b>6,579</b>	<b>1,912,543</b>
<i>Stage 3 (Lifetime ECL)</i>					
Not past due	162	268,835	3,566	1,127	273,690
up to 30 days	119	18,798	199	-	19,116
31 to 60 days	165	15,163	153	-	15,481
61 to 90 days	895	95,943	1,898	-	98,736
91 to 180 days	243,160	402,369	69,241	198	714,968
Over 180 days	164,969	556,892	149,835	7,915	879,611
<b>Total collectively assessed stage 3 (Lifetime ECL), gross</b>	<b>409,470</b>	<b>1,358,000</b>	<b>224,892</b>	<b>9,240</b>	<b>2,001,602</b>
<b>Total collectively assessed, gross</b>	<b>6,189,405</b>	<b>8,708,486</b>	<b>3,613,362</b>	<b>126,559</b>	<b>18,637,812</b>
<b>Individually impaired</b>					
<i>Stage 3 (Lifetime ECL)</i>					
Not past due	-	205,362	-	-	205,362
up to 30 days	-	101,674	-	-	101,674
31 to 60 days	-	82,986	-	-	82,986
61 to 90 days	-	36,000	-	-	36,000
91 to 180 days	-	62,535	-	-	62,535
Over 180 days	-	105,866	-	-	105,866
<b>Total individually impaired stage 3 (Lifetime ECL), gross</b>	<b>-</b>	<b>594,423</b>	<b>-</b>	<b>-</b>	<b>594,423</b>
<b>Total loans and advances to customers, gross</b>	<b>6,189,405</b>	<b>9,302,909</b>	<b>3,613,362</b>	<b>126,559</b>	<b>19,232,235</b>
Provision for expected credit losses assessed on a collective basis stage 1 (12-month ECL)	(10,565)	(103,863)	(12,797)	(1,568)	(128,793)
Provision for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(12,314)	(78,646)	(8,555)	(283)	(99,798)
Provision for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(51,606)	(615,817)	(72,958)	(4,096)	(744,477)
Provision for expected credit losses determined on an individual basis stage 3 (Lifetime ECL)	-	(208,033)	-	-	(208,033)
<b>Total provision for expected credit losses</b>	<b>(74,485)</b>	<b>(1,006,359)</b>	<b>(94,310)</b>	<b>(5,947)</b>	<b>(1,181,101)</b>
<b>Total loans and advances to customers</b>	<b>6,114,920</b>	<b>8,296,550</b>	<b>3,519,052</b>	<b>120,612</b>	<b>18,051,134</b>

As at 30 June 2022 (unaudited), loans to legal entities include restructured loans during the year in the total outstanding amount of UZS 1,057,855 million comprising the loans with the outstanding amount of UZS 797,529 million which only accrued interests were restructured and the loans with the outstanding

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amount of UZS 260,326 million which only principal repayments were restructured (31 December 2021: accrued interests were restructured for the total outstanding loans amount UZS 6,119,856 million).

Analysis of credit quality of loans and advances to customers outstanding as at 31 December 2021 is as follows:

	<b>Mortgages under the Program</b>	<b>Loans to legal entities</b>	<b>Loans to individuals</b>	<b>Net investment in financial lease</b>	<b>Total</b>
<i>In millions of Uzbekistan Soums</i>					
<b>Collectively assessed</b>					
<i>Stage 1 (12-month ECL)</i>					
Not past due	4,789,541	6,276,737	2,256,678	82,738	13,405,694
up to 30 days	619,430	293,005	189,639	399	1,102,473
<b>Total collectively assessed stage 1 (12-month ECL), gross</b>	<b>5,408,971</b>	<b>6,569,742</b>	<b>2,446,317</b>	<b>83,137</b>	<b>14,508,167</b>
<i>Stage 2 (Lifetime ECL)</i>					
Not past due	176,345	173,606	79,243	7	429,201
up to 30 days	51,512	41,835	15,231	-	108,578
31 to 60 days	237,886	212,961	51,352	-	502,199
61 to 90 days	113,854	148,045	28,048	-	289,947
<b>Total collectively assessed stage 2 (Lifetime ECL), gross</b>	<b>579,597</b>	<b>576,447</b>	<b>173,874</b>	<b>7</b>	<b>1,329,925</b>
<i>Stage 3 (Lifetime ECL)</i>					
Not past due	11,520	191,957	27,460	-	230,937
up to 30 days	4,184	12,382	128	-	16,694
31 to 60 days	1,539	6,523	520	-	8,582
61 to 90 days	1,095	51,232	196	-	52,523
91 to 180 days	139,914	256,315	63,963	2,690	462,882
Over 180 days	67,814	361,630	137,322	3,259	570,025
<b>Total collectively assessed stage 3 (Lifetime ECL), gross</b>	<b>226,066</b>	<b>880,039</b>	<b>229,589</b>	<b>5,949</b>	<b>1,341,643</b>
<b>Total collectively assessed, gross</b>	<b>6,214,634</b>	<b>8,026,228</b>	<b>2,849,780</b>	<b>89,093</b>	<b>17,179,735</b>
<b>Individually impaired</b>					
<i>Stage 3 (Lifetime ECL)</i>					
Not past due	-	225,056	-	-	225,056
up to 30 days	-	1,056	-	-	1,056
31 to 60 days	-	8,937	-	-	8,937
61 to 90 days	-	27,289	-	-	27,289
91 to 180 days	-	173,086	-	-	173,086
Over 180 days	-	161,111	-	-	161,111
<b>Total individually impaired stage 3 (Lifetime ECL), gross</b>	<b>-</b>	<b>596,535</b>	<b>-</b>	<b>-</b>	<b>596,535</b>
<b>Total loans and advances to customers, gross</b>	<b>6,214,634</b>	<b>8,622,763</b>	<b>2,849,780</b>	<b>89,093</b>	<b>17,776,270</b>
Allowance for expected credit losses assessed on a collective basis stage 1 (12-month ECL)	(11,422)	(118,255)	(14,022)	(1,350)	(145,049)
Allowance for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(17,215)	(40,160)	(7,824)	-	(65,199)
Allowance for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(38,445)	(429,758)	(70,522)	(5,450)	(544,175)
Allowance for expected credit losses determined on an individual basis stage 3 (Lifetime ECL)	-	(136,789)	-	-	(136,789)
<b>Total allowance for expected credit losses</b>	<b>(67,082)</b>	<b>(724,962)</b>	<b>(92,368)</b>	<b>(6,800)</b>	<b>(891,212)</b>
<b>Total loans and advances to customers</b>	<b>6,147,552</b>	<b>7,897,801</b>	<b>2,757,412</b>	<b>82,293</b>	<b>16,885,058</b>

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

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
<b>Amounts receivable under finance leases</b>		
Less than one year	28,676	47,355
Year 1	47,664	34,227
Year 2	32,946	20,302
Year 3	23,173	14,902
Year 4	9,114	2,172
Year 5	6,569	-
Onwards	8,469	-
Minimum lease payments	156,611	118,958
Less: unearned finance income	(30,052)	(29,865)
<b>Net investment in finance lease (before impairment)</b>	<b>126,559</b>	<b>89,093</b>
Recoverable within 12 months	20,342	32,728
Recoverable after 12 months	106,217	56,365
<b>Net investment in finance lease (before impairment)</b>	<b>126,559</b>	<b>89,093</b>
Less: Provision for expected credit losses	(5,947)	(6,800)
<b>Net investment in finance lease</b>	<b>120,612</b>	<b>82,293</b>

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

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average effective interest rate contracted as at 30 June 2022 (unaudited) and 31 December 2021 is approximately 20.8% and 21.87% per annum, respectively.

**8. Investment securities measured at amortised cost**

	<b>Currency</b>	<b>Annual coupon/ interest rate %</b>	<b>Maturity date month/year</b>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
<i>In millions of Uzbekistan Soums</i>					
CBU Bonds	UZS	14%	Jul - Aug 2022 Aug 2022 - Jan 2032	214,528	312,993
Government bonds	UZS	14%		734,879	476,350
Corporate bonds	UZS	18%	June 2027	2,051	2,037
<b>Total investment securities measured at amortised cost, gross</b>				<b>951,458</b>	<b>791,380</b>
Less: Provision for expected credit losses				(4,631)	(3,828)
<b>Total investment securities measured at amortised cost</b>				<b>946,827</b>	<b>787,552</b>

As at 30 June 2022 (unaudited), the Group has purchased government bonds from the Central Bank with a total value of UZS 214,528 million and the additional acquisition to the existing bonds from the Ministry of Finance with a total value of UZS 504,931 million.

For the balances with CBU, the quality categories are determined based on the sovereign rating BB-/ B (as at 31 December 2021: BB-/ B) set by international rating agencies.



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## 9. Property, equipment and intangible assets

As at 30 June 2022 (unaudited), the Group's additions comprise from acquisition of office and computer equipment amounting of UZS 27,518 million and, buildings and premises amounting of UZS 5,824 million.

As at 30 June 2022 (unaudited), construction in progress comprises UZS 8,694 million. A significant part of construction in progress balances is represented by 3 branch building as follows:

- Margilan branch
- Tashkent branch
- Kogon branch

As at 30 June 2022 (unaudited), fully depreciated assets amounted to UZS 27,755 million (31 December 2021: UZS 20,809 million).

As at 30 June 2022 (unaudited) and 31 December 2021, the Group did not pledge premises, equipment and intangible assets as collateral.

## 10. Other assets

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
<b>Other financial assets</b>		
Receivables on money transfers	31,979	6,678
Receivables on post-financing arrangements	15,447	12,100
Commissions receivable from customers	8,599	3,119
Receivable from employees	409	145
Other receivables	2,342	2,129
<b>Total other financial assets, gross</b>	<b>58,776</b>	<b>24,171</b>
Less: Provision for expected credit losses	(14,360)	(9,194)
<b>Total other financial assets</b>	<b>44,416</b>	<b>14,977</b>
<b>Other non-financial assets:</b>		
Prepayments	44,803	9,627
Reposessed collateral	22,050	46,221
Prepayment for construction services	4,048	2,531
Insurance assets	814	841
Other	699	1,124
<b>Total other non-financial assets</b>	<b>72,414</b>	<b>60,344</b>
<b>Total other assets</b>	<b>116,830</b>	<b>75,321</b>

The balance of receivables on post-financing arrangements represents receivables from customers for the letter of credits issued on the basis of post-financing with the effective commencement date at the reporting date.

As at 30 June 2022 (unaudited), reposessed collateral comprises construction in progress with a carrying value of UZS 22,050 million obtained from the loan issued to a single customer.

As at 30 June 2022 (unaudited), prepayments mainly include advances for the acquisition of automated teller and deposit machines, queue management system and vacuum Banknote Sealers in the total amount of UZS 25,499 million.

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

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>	<b>31 December 2021</b>
Stage 2 (Lifetime ECL)	43,808	14,528
Stage 3 (Lifetime ECL)	14,968	9,643
<b>Total other financial assets, gross</b>	<b>58,776</b>	<b>24,171</b>
Less: Provision for expected credit losses	(14,360)	(9,194)
<b>Total other financial assets</b>	<b>44,416</b>	<b>14,977</b>

As at 30 June 2022 (unaudited) and 31 December 2021, other financial assets in stage 3 comprising only the receivables on post-financing arrangements, are fully collateralised by equipment.

The analysis by credit quality of other financial assets outstanding at 30 June 2022 (unaudited) is as follows:

<i>In millions of Uzbekistan Soums</i>	<b>Receivables on post- financing arrangements</b>	<b>Receivables on money transfers</b>	<b>Commissions receivable from customers</b>	<b>Receivable from employees</b>	<b>Other receivables</b>	<b>Total</b>
<b>Collectively assessed</b>						
<i>Stage 2 (Lifetime ECL)</i>						
Not past due	-	31,979	860	125	1,297	34,261
up to 30 days	809	-	3,835	132	653	5,429
31 to 60 days	-	-	2,752	22	147	2,921
61 to 90 days	-	-	731	-	222	953
<b>Total collectively assessed stage 2 (Lifetime ECL), gross</b>	<b>809</b>	<b>31,979</b>	<b>8,422</b>	<b>279</b>	<b>2,319</b>	<b>43,808</b>
<i>Stage 3 (Lifetime ECL)</i>						
91 to 180 days	304	-	152	-	23	479
Over 180 days	14,334	-	25	130	-	14,489
<b>Total collectively assessed stage 3 (Lifetime ECL), gross</b>	<b>14,638</b>	<b>-</b>	<b>177</b>	<b>130</b>	<b>23</b>	<b>14,968</b>
<b>Total other financial assets, gross</b>	<b>15,447</b>	<b>31,979</b>	<b>8,599</b>	<b>409</b>	<b>2,342</b>	<b>58,776</b>
Provision for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(11)	(2,200)	(367)	(12)	(71)	(2,661)
Provision for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(11,595)	-	(39)	(62)	(3)	(11,699)
<b>Total provision for expected credit losses</b>	<b>(11,606)</b>	<b>(2,200)</b>	<b>(406)</b>	<b>(74)</b>	<b>(74)</b>	<b>(14,360)</b>
<b>Total other financial assets</b>	<b>3,841</b>	<b>29,779</b>	<b>8,193</b>	<b>335</b>	<b>2,268</b>	<b>44,416</b>

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The analysis by credit quality of other financial assets outstanding at 31 December 2021 is as follows:

<i>In millions of Uzbekistan Soums</i>	Receivables on post- financing arrangements	Receivables on money transfers	Commissions receivable from customers	Receivable from employees	Other receivables	Total
<b>Collectively assessed</b>						
<i>Stage 2 (Lifetime ECL)</i>						
Not past due	-	6,678	-	-	1,115	7,793
up to 30 days	423	-	2,479	13	788	3,703
31 to 60 days	421	-	35	2	4	462
61 to 90 days	2,291	-	135	130	14	2,570
<b>Total collectively assessed stage 2 (Lifetime ECL), gross</b>	<b>3,135</b>	<b>6,678</b>	<b>2,649</b>	<b>145</b>	<b>1,921</b>	<b>14,528</b>
<i>Stage 3 (Lifetime ECL)</i>						
91 to 180 days	8,965	-	119	-	-	9,084
Over 180 days	-	-	351	-	208	559
<b>Total collectively assessed stage 3 (Lifetime ECL), gross</b>	<b>8,965</b>	<b>-</b>	<b>470</b>	<b>-</b>	<b>208</b>	<b>9,643</b>
<b>Total other financial assets, gross</b>	<b>12,100</b>	<b>6,678</b>	<b>3,119</b>	<b>145</b>	<b>2,129</b>	<b>24,171</b>
Allowance for expected credit losses assessed on a collective basis stage 2 (Lifetime ECL)	(236)	(9)	(385)	(21)	(277)	(928)
Allowance for expected credit losses assessed on a collective basis stage 3 (Lifetime ECL)	(8,060)	-	(168)	-	(38)	(8,266)
<b>Total allowance for expected credit losses</b>	<b>(8,296)</b>	<b>(9)</b>	<b>(553)</b>	<b>(21)</b>	<b>(315)</b>	<b>(9,194)</b>
<b>Total other financial assets</b>	<b>3,804</b>	<b>6,669</b>	<b>2,566</b>	<b>124</b>	<b>1,814</b>	<b>14,977</b>

**11. Due to other banks**

<i>In millions of Uzbekistan Soums</i>	30 June 2022 (unaudited)	31 December 2021
Short term placements of other banks	221,126	501,682
Long term placements of other banks	821,358	900,280
<b>Total due to other banks</b>	<b>1,042,484</b>	<b>1,401,962</b>

As at 30 June 2022 (unaudited) and 31 December 2021, term deposits in the amount of UZS 515,334 million (49%) and UZS 946,504 million (68%) were provided by 10 domestic banks.

**12. Customer accounts**

<i>In millions of Uzbekistan Soums</i>	30 June 2022 (unaudited)	31 December 2021
<b>State and public organizations</b>		
- Current/settlement accounts	287,885	338,110
- Term deposits	1,615,733	1,586,501
<b>Other legal entities</b>		
- Current/settlement accounts	493,907	650,239
- Term deposits	622,241	550,224
<b>Individuals</b>		
- Current/settlement accounts	211,906	196,154
- Term deposits	1,079,821	847,900
<b>Total customer accounts</b>	<b>4,311,493</b>	<b>4,169,128</b>



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Economic sector concentration is as follows:

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (unaudited)</b>		<b>31 December 2021</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Analysis by economic sector/customer type:</b>				
State and public organisations	1,903,618	45	1,924,611	47
Individuals	1,291,727	30	1,044,054	25
Finance sector	562,299	13	455,619	11
Construction	316,963	7	380,394	9
Services	78,228	2	81,996	2
Manufacturing	74,609	2	144,350	3
Trade	60,425	1	90,682	2
Agriculture	13,565	-	19,701	-
Transport and communication	9,667	-	27,505	1
Others	392	-	216	-
<b>Total customer accounts</b>	<b>4,311,493</b>	<b>100</b>	<b>4,169,128</b>	<b>100</b>

As at 30 June 2022 (unaudited) and 31 December 2021, the Group had 10 customers with the total balance of UZS 1,978,043 million and UZS 1,980,244 million, respectively.

As at 30 June 2022 (unaudited) and 31 December 2021, customer accounts amounting to UZS 14,483 million and UZS 14,719 million, respectively, were used as collateral for letters of credit and other similar products issued by the Group as disclosed in Note 23.

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**13. Borrowings from government and international financial institutions**

	Currency	Nominal interest rate	30 June 2022 (unaudited)	31 December 2021
<i>In millions of Uzbekistan Soums</i>				
Ministry of Finance of the Republic of Uzbekistan (MOF)	USD, UZS	0-13%	4,836,109	3,832,651
Asian Development Bank (ADB) via MOF	USD, UZS	3-14%	2,024,632	2,054,284
Islamic Development Bank via MOF	UZS	3-4%	1,770,220	1,606,830
International Bank of Reconstruction and Development (IBRD) via MOF	USD, UZS	1.19-14%	1,195,385	1,031,594
Saudi Fund for Development via MOF	UZS	4%	590,579	575,229
Uzbekistan Fund for Reconstruction and Development (UFRD)	USD, UZS	0-10%	585,855	615,120
Borrowings from Government	UZS	0-20%	309,247	225,833
JSC JSCB International Financial Club (IFC Bank)	USD	3.30-4.75%	300,447	309,898
International Development Association (IDA) via MOF	USD, UZS	Libor 6 m - 4.3%, 14%	206,224	201,119
Japan International Cooperation Agency (JICA)	USD	5%	205,793	205,292
China Eximbank via NBU	USD	Libor 6 m - 4%	147,082	183,411
JSC "AK BARS"	USD	4.55-4.9%	185,976	131,780
JSC "Uzbekistan mortgage refinancing company"	UZS	12.5-13%	173,067	130,018
National Bank for Foreign Economic Activity of Uzbekistan (NBU)	UZS	10-18%	137,924	51,318
KFW IPEX BANK	USD	1.25-3%	137,358	99,173
JSC KDB Bank Uzbekistan	USD	6.00%	106,169	108,930
International Islamic Trade Finance Corporation (ITFC)	USD	-	104,012	-
Banka Kombëtare Tregtare SH.a	USD	Libor 6 m - 4.1%	93,835	116,963
International Fund for Agricultural Development (IFAD) via MOF	USD, UZS	1.9-14%	93,449	86,522
JSC SB Alfa-Bank	USD	2.75%	72,011	70,880
COMMERZBANK AG	EUR, USD	1.5-3.89%	51,547	59,198
JSCB "Asaka Bank"	UZS	3-10%	54,506	53,244
JSCMB "Ipoteka Bank"	UZS	10%	45,030	43,375
JSCB "Uzbek Industrial and Construction Bank"	UZS	5-10%	44,081	41,374
JSCB "Aloqabank"	UZS	10%	41,444	39,276
JSCB "Turonbank"	UZS	10%	33,021	31,298
JSCB "Mikrokreditbank"	UZS	10%	26,826	30,294
Islamic Corporation for the Development of the Private Sector (ICD)	USD	-	20,820	21,989
JSC "Xalq Banki"	UZS	3%	7,704	11,664
JSCB "Agrobank"	UZS	10%	5,586	5,586
International Bank for Economic Co-operation	EUR	4.3%	3,962	4,364
PJSC CREDIT BANK OF MOSCOW	USD	4.7%	-	152,500
<b>Total borrowings from government and international financial institutions</b>			<b>13,609,901</b>	<b>12,131,007</b>

As at 30 June 2022 (unaudited), the Group was not in compliance with certain financial covenants stipulated in the following loan agreements:

- Borrowings from the Islamic Corporation for the Development of the Private Sector (ICD). As a result of the non-compliance, the Group recognised liability in the amount of equivalent to UZS 20,820 million to ICD within the Borrowings from government and international financial institutions. The Group was in financial covenant breach of a maximum ratio of the value of non-performing loans to the total value of loans outstanding (NPLs ratio).

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- Borrowings from International Islamic Trade Finance Corporation (ITFC). As a result of the non-compliance, the Group recognised liability in the amount of equivalent to UZS 104,012 million to ITFC within the Borrowings from government and international financial institutions. The Group was in financial covenant breach of a maximum ratio of the value of non-performing loans to the total value of loans outstanding (NPLs ratio).
- Borrowings from Asian Development Bank provided through the Ministry of Finance represent long-term loans for the total outstanding amount of equivalent to UZS 1,474,913 million maturing on June 2030 and May 2035 which are issued with interest rates from 3% to 14% under the Subsidiary Loan Agreements 3535-UZB dated 17 July 2017 and L3823-UZB (COL) dated 13 November 2019. The Group was in financial covenants breach of a return on average assets ratio, a maximum ratio of the value of non-performing loans to the total value of loans outstanding (NPLs ratio) and cost-income ratio.
- Borrowings from International Fund for Agricultural Development (IFAD) under the general agreement signed among the Bank, IFAD and MOF in the total outstanding amount of equivalent to UZS 68,160 million. The Group was in financial covenants breach of a maximum ratio of the value of non-performing loans to the total value of loans outstanding (NPLs ratio).
- Borrowings from Kombëtare Tregtare SH.a provided through Ministry of Finance represent long-term loan for the total outstanding amount of equivalent to UZS 93,088 million, maturing in January 2024, which are issued with an interest rate ranging from six-month LIBOR to 4.1% per annum. The Group was in covenant breach of a maximum ratio of the value of non-performing loans to the total value of loans outstanding (NPLs ratio).
- Non-compliance has triggered cross default clauses stipulated in the credit facility agreement signed between the Bank and KFW IPEX BANK in the outstanding amount of equivalent to UZS 136,629 million. Under this credit facility agreement cross default events also give KFW IPEX BANK the right to demand prepayment of the loan advanced to the Bank.

As at 30 June 2022 (unaudited), in accordance with IFRS, the Group classified the long-term borrowings including their accrued interest from these financial institutions as “Up to 1 month” in the total amount of equivalent to UZS 1,897,622 million.

The Bank is proactively communicating with all above mentioned financial institutions on establishing a strategic action plan in relation to financial years 2022-2023 with a view of ensuring compliance with the covenants in the future.

The Management of the Group is also in the process of discussion with all abovementioned financial institutions to get waiver and action plan to fix these breaches in future reporting periods.

The Group believes that the non-compliance with the abovementioned financial covenants is not expected to adversely affect the financial condition and results of the Group (Note 3), except the negative effect on cumulative liquidity gap.

As at 30 June 2022 (unaudited), the Group fulfilled all financial covenants set by Central Bank Uzbekistan (“prudential covenants”). The Management of the Group is engaged to improve its prudential requirements set by CBU by increasing the quality of its assets and attracting new subordinated debts from government.

#### **14. Net debt reconciliation**

	1 January 2022	Net financing cash flows	Interest paid	Interest accrued (Note 15)	Non-cash changes Off balance sheet liabilities recognised (Note 13)	Foreign exchange rate adjust- ments	30 June 2022 (unaudited)
<i>In millions of Uzbekistan Soums</i>							
Borrowings from government and international financial institutions (note 13)	12,131,007	1,353,196	(339,716)	377,539	104,012	(16,137)	13,609,901



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<i>In millions of Uzbekistan Soums</i>	1 January 2021	Net financing cash flows	Interest paid	Non-cash changes			31 December 2021
				Interest accrued (Note 20)	Off balance sheet liabilities recognised (Note 15)	Foreign exchange rate adjust- ments	
Borrowings from government and international financial institutions (Note 15)	9,283,058	2,727,120	(466,990)	492,543	21,989	73,287	12,131,007

**15. Net interest income**

<i>In millions of Uzbekistan Soums</i>	For the six months ended	
	30 June 2022 (unaudited)	30 June 2021 (unaudited)
<b>Interest income comprises:</b>		
Interest on loans and advances to customers	1,120,906	798,800
Interest income on investment securities measured at amortised cost	63,981	22,870
Interest on balances due from other banks	14,604	9,926
Interest on cash and cash equivalents	784	799
<b>Total interest income</b>	<b>1,200,275</b>	<b>832,395</b>
<b>Interest expense comprises:</b>		
Interest on borrowings from government and international financial institutions	(377,539)	(207,807)
Interest on term deposits of state and other legal entities	(147,502)	(133,452)
Interest on term deposits of individuals	(80,240)	(60,327)
Interest on term deposits of other banks	(69,683)	(55,792)
Interest on debt securities in issue	(9,334)	(7,003)
Other interest expenses	(18,839)	(12,979)
<b>Total interest expense</b>	<b>(703,137)</b>	<b>(477,360)</b>
<b>Net interest income</b>	<b>497,138</b>	<b>355,035</b>

The total interest income calculated using the EIR method for financial assets measured at amortized cost. The interest income on net investment in finance lease included in interest on loans and advances to customers.

**16. Fee and commission income and expense**

<i>In millions of Uzbekistan Soums</i>	For the six months ended	
	30 June 2022 (unaudited)	30 June 2021 (unaudited)
<b>Fee and commission income:</b>		
Settlements	58,249	46,572
International money transfers	8,163	5,089
Guarantees and letters of credit	5,780	3,806
SMS and internet banking	2,698	872
Foreign exchange operations	507	4,433
Other	1,103	1,718
<b>Total fee and commission income</b>	<b>76,500</b>	<b>62,490</b>
<b>Fee and commission expense:</b>		
Settlements	(7,806)	(6,480)
Fee and commission expenses to other banks	(4,185)	(1,467)
Cash collection services	(2,401)	(2,292)
Other	(575)	(683)
<b>Total fee and commission expense</b>	<b>(14,967)</b>	<b>(10,922)</b>
<b>Net fee and commission income</b>	<b>61,533</b>	<b>51,568</b>

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(in millions of Uzbek Soums, unless otherwise indicated)**17. Operating expenses**

<i>In millions of Uzbekistan Soums</i>	<b>For the six months ended</b>	
	<b>30 June 2022 (unaudited)</b>	<b>30 June 2021 (unaudited)</b>
Staff costs	195,061	106,919
Depreciation and amortisation	27,679	16,188
Taxes other than income tax	23,968	15,888
Security services	18,793	12,296
Professional services	11,873	2,491
Charity and sponsorship	10,823	6,337
Membership fees	7,088	3,259
Stationery and supplies	4,760	3,107
Repair and maintenance	3,829	4,022
Business trip and travel expenses	2,885	1,954
Rent expenses	1,774	1,135
Advertising and Publicity	1,728	1,445
Utilities	1,469	1,527
Postage, telephone and fax	1,115	969
Fuel	862	561
Other operating expenses	3,140	3,206
<b>Total operating expenses</b>	<b>316,847</b>	<b>181,369</b>

**18. 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:

<i>In millions of Uzbekistan Soums</i>	<b>For the six months ended</b>	
	<b>30 June 2022 (unaudited)</b>	<b>30 June 2021 (unaudited)</b>
Current income tax expense	62,003	23,309
Deferred tax benefit	(74,648)	(45,963)
<b>Income tax benefit</b>	<b>(12,645)</b>	<b>(22,654)</b>
<b>Income tax relating to the equity instruments classified as FVTOCI</b>	<b>235</b>	<b>-</b>

The Group is subject to certain permanent tax differences due to the non-tax deductibility of certain expenses and certain income being treated as non-taxable for tax purposes. Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Temporary differences as at 30 June 2022 (unaudited) and 30 June 2021 (unaudited) relate mostly to different methods/timing of income and expense recognition as well as to temporary differences generated by tax – book bases’ differences for certain assets. The income tax rate applicable to the majority of the Group’s income is 20%.

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Relationships between tax expenses and accounting profit for the six months ended 30 June 2022 (unaudited) and 30 June 2021 (unaudited) are explained as follows:

<i>In millions of Uzbekistan Soums</i>	For the six months ended	
	30 June 2022 (unaudited)	30 June 2021 (unaudited)
<b>IFRS loss before tax</b>	<b>(49,469)</b>	<b>(101,562)</b>
Theoretical tax recovery at the applicable statutory rate - 20%	(9,894)	(20,312)
- Non-deductible expenses (employee compensation, representation and other non-deductible expenses)	2,710	2,138
- Tax law change for allowances for assets	5,010	-
- Tax exempt income	(10,993)	(4,660)
- Other	522	180
<b>Income tax benefit</b>	<b>(12,645)</b>	<b>(22,654)</b>
Income tax relating to the equity instruments classified as FVTOCI	235	-
<b>Total income tax benefit</b>	<b>(12,410)</b>	<b>(22,654)</b>

According to 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 international bonds issued by the Republic of Uzbekistan and legal entities of the Republic of Uzbekistan are not considered as income for taxation purposes. Tax exempt income includes the interest income from such government securities for the six months ended 30 June 2022 (unaudited) and 30 June 2021 (unaudited) in the amount of UZS 63,981 million and UZS 22,870 million, derived from the purchase of Government bonds from the Ministry of finance and Central Bank of the Republic of Uzbekistan, respectively.

Temporary differences as at 30 June 2022 (unaudited) comprise:

	30 June 2022 (unaudited)	Debited to Other compre hensive income	(Debited)/ credited to profit or loss	31 December 2021
<i>In millions of Uzbekistan Soums</i>				
<b>Tax effect of deductible/(taxable) temporary differences</b>				
Cash and cash equivalents	741	-	741	-
Due from other banks	540	-	(194)	734
Loans and advances to customers	215,533	-	76,629	138,904
Investment securities measured at amortised cost	1,750	-	-	1,750
Financial assets at fair value through other comprehensive income	(355)	(235)	-	(120)
Property and equipment	497	-	(81)	578
Intangible assets	6	-	(1)	7
Other assets	1,139	-	(4,643)	5,782
Other liabilities	2,979	-	1,761	1,218
Due to other banks	325	-	325	-
Borrowings from government and international financial institutions	(1,384)	-	111	(1,495)
<b>Net deferred income tax asset</b>	<b>221,771</b>	<b>(235)</b>	<b>74,648</b>	<b>147,358</b>
Recognised deferred tax asset	222,126	-	79,567	148,973
Recognised deferred tax liability	(355)	(235)	(4,919)	(1,615)
<b>Net deferred income tax asset</b>	<b>221,771</b>	<b>(235)</b>	<b>74,648</b>	<b>147,358</b>

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Temporary differences as at 30 June 2021 (unaudited) comprise:

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2021 (unaudited)</b>	<b>(Debited)/ credited to profit or loss</b>	<b>31 December 2020</b>
<b>Tax effect of deductible/(taxable) temporary differences</b>			
Cash and cash equivalents	11	5	6
Due from other banks	387	(1,159)	1,546
Loans and advances to customers	119,730	51,889	67,841
Investment securities measured at amortised cost	452	154	298
Property and equipment	570	91	479
Intangible assets	4	(4)	8
Other assets	1,590	(3,722)	5,312
Other liabilities	4,334	(2,189)	6,523
Borrowings from government and international financial institutions	(1,399)	898	(2,297)
<b>Net deferred income tax asset</b>	<b>125,679</b>	<b>45,963</b>	<b>79,716</b>
Recognised deferred tax asset	127,078	53,037	82,013
Recognised deferred tax liability	(1,399)	(7,074)	(2,297)
<b>Net deferred income tax asset</b>	<b>125,679</b>	<b>45,963</b>	<b>79,716</b>

## 19. 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:

<i>In millions of Uzbekistan Soums</i>	<b>For the six months ended</b>	
	<b>30 June 2022 (unaudited)</b>	<b>30 June 2021 (unaudited)</b>
Profit for the period attributable to preference shares	268	268
Loss for the period attributable to ordinary shareholders	(37,092)	(79,176)
<b>Loss for the period attributable to the owners</b>	<b>(36,824)</b>	<b>(78,908)</b>
Weighted average number of preference shares in issue (millions)	9	9
Weighted average number of ordinary shares in issue (millions)	15,024	15,024
<b>Basic and diluted losses per ordinary share (expressed in UZS per share)</b>	<b>(2)</b>	<b>(5)</b>

## 20. Segment reporting

The Group's operations are single reportable segment.

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

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

## **21. Financial risk management**

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

The Group's significant policies and procedures related to financial risk management has not changed in the during six months ended 30 June 2022 (unaudited) and are disclosed in the annual consolidated financial statements for the year ended 31 December 2021.

**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.



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## Selected Explanatory Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2022 (unaudited) (in millions of Uzbek 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 six months ended 30 June 2022 (unaudited):

	Cash and cash equivalents (Note 5)			Due from other banks (Note 6)			Loans and advances to customers (Note 7)			Investment securities measured at amortised cost (Note 8)	Other financial assets (Note 10)			Credit related commitments (Note 23)			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL		
<i>In millions of Uzbekistan Soums</i>																	
Gross carrying amount as at 31 December 2021	1,311,122	-	-	360,661	-	5,808	14,508,167	1,329,925	1,938,178	791,380	14,528	9,643	339,484	-	1,830	20,610,726	
Changes in the gross carrying amount																	
- Transfer from stage 1	(21,921)	21,921	-	-	-	-	(2,131,961)	2,131,961	-	-	-	-	-	-	-	-	
- Transfer from stage 2	-	(21,921)	21,921	5,520	(5,520)	-	811,998	(2,027,597)	1,215,599	-	(14,895)	14,895	-	-	-	-	
- Transfer from stage 3	-	-	-	-	5,520	(5,520)	-	509,285	(509,285)	-	247	(247)	-	-	-	-	
- Changes in EAD*	(24,631)	-	(15,970)	43,190	-	1	(1,194,186)	181,340	246,162	-	22,499	(1,769)	86,213	-	-	(657,151)	
New assets issued or acquired	188,559	-	9	9,763	-	-	4,459,674	-	-	719,459	25,971	-	126,719	-	-	5,530,154	
Matured or derecognized assets (except for write off)	(265,474)	-	-	(133,596)	-	-	(1,700,124)	(207,567)	(287,795)	(559,381)	(7,260)	(9,358)	(298,464)	-	(1,830)	(3,470,849)	
Foreign exchange differences	3,108	-	-	2,752	-	-	(29,901)	(4,804)	(6,834)	-	2,718	1,804	224	-	-	(30,933)	
Gross carrying amount as at 30 June 2022 (unaudited)	1,190,763	-	5,960	288,290	-	289	14,723,667	1,912,543	2,596,025	951,458	43,808	14,968	254,176	-	-	21,981,947	
Loss allowance as at 30 June 2022 (unaudited)	(55)	-	(3,649)	(2,521)	-	(178)	(128,793)	(99,798)	(952,510)	(4,631)	(2,661)	(11,699)	(1,275)	-	-	(1,207,770)	

\*The line “Changes in EAD” represents changes in the gross carrying amount of financial assets measured at amortised cost issued in prior periods, which have not been fully repaid during six months ended 30 June 2022 (unaudited), and transfers of new issued financial assets measured at amortised cost between stages.

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## Selected Explanatory Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2022 (unaudited) (in millions of Uzbek Soums, unless otherwise indicated)

	Cash and cash equivalents (Note 5)			Due from other banks (Note 6)			Loans and advances to customers (Note 7)			Investment securities measured at amortised cost (Note 8)	Other financial assets (Note 10)		Credit related commitments (Note 23)			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	
<i>In millions of Uzbekistan Soums</i>																
Loss allowance for ECL as at 31 December 2021	1	-	-	15	-	3,655	145,049	65,199	680,964	3,828	928	8,266	3,255	-	1,206	912,366
Changes in the gross carrying amount																
- Transfer from stage 1	(1)	1	-	-	-	-	(29,959)	29,959	-	-	-	-	-	-	-	-
- Transfer from stage 2	-	(1)	1	3,476	(3,476)	-	68,861	(101,483)	32,622	-	(11,632)	11,632	-	-	-	-
- Transfer from stage 3	-	-	-	-	3,476	(3,476)	-	117,134	(117,134)	-	50	(50)	-	-	-	-
- Changes in EAD*	40	-	3,642	(1,058)	-	(1)	(119,577)	428	463,605	-	2,111	36	455	-	-	349,681
New assets issued or acquired	15	-	6	92	-	-	83,370	-	-	3,214	12,040	-	334	-	-	99,071
Matured or derecognized assets (except for write off)	-	-	-	(4)	-	-	(18,868)	(11,368)	(106,107)	(2,411)	(837)	(8,185)	(2,773)	-	(1,206)	(151,759)
Foreign exchange differences	-	-	-	-	-	-	(83)	(71)	(1,440)	-	1	-	4	-	-	(1,589)
Loss allowance for ECL as at 30 June 2022 (unaudited)	55	-	3,649	2,521	-	178	128,793	99,798	952,510	4,631	2,661	11,699	1,275	-	-	1,207,770

\*“Changes in EAD” are attributable to changes in parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new financial assets measured at amortised cost originated during the reporting period from Stage 1 to other stages. The information on transfers above reflects the migration of financial assets measured at amortised cost from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at the reporting date. This information does not reflect the intermediate stage that the financial assets measured at amortised cost could be assigned to throughout the reporting period.

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The tables below present information about the significant changes in the gross carrying amount of financial assets during the period that contributed to changes in the loss allowance during the six months ended 30 June 2021 (unaudited):

	Cash and cash equivalents	Due from other banks			Loans and advances to customers			Investment securities measured at amortised cost	Other financial assets			Credit related commitments		Total
	Stage 1 12-month ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL		
<i>In millions of Uzbekistan Soums</i>														
Gross carrying amount as at 31 December 2021	1,050,066	409,458	25,191	-	12,369,252	333,434	1,165,811	207,613	5,764	65,061	522,670	865	16,155,185	
Changes in the gross carrying amount														
- Transfer from stage 1	-	-	-	-	(1,894,483)	1,894,483	-	-	-	-	-	-	-	
- Transfer from stage 2	-	-	(2,091)	2,091	256,354	(1,311,608)	1,055,254	-	(2,619)	2,619	-	-	-	
- Transfer from stage 3	-	-	-	-	-	289,057	(289,057)	-	780	(780)	-	-	-	
- Changes in EAD*	40,668	30,110	-	(151)	(819,173)	176,264	22,368	-	(11,098)	27,088	(213,018)	(865)	(747,807)	
New assets issued or acquired	259,590	205,785			2,311,028	-	-	306,644	37,023	-	484,569	-	3,604,639	
Matured or derecognized assets (except for write off)	(36)	(295,376)	(23,100)	-	(483,473)	(7,991)	(51,350)	(1,027)	(3,135)	(63,496)	(166,885)	-	(1,095,869)	
Foreign exchange differences	3,631	1,588	-	-	34,142	2,267	4,952	-	287	198	2,573	-	49,638	
Gross carrying amount as at 30 June 2021 (unaudited)	1,353,919	351,565	-	1,940	11,773,647	1,375,906	1,907,978	513,230	27,002	30,690	629,909	-	17,965,786	
Loss allowance as at 30 June 2021 (unaudited)	(55)	(728)	-	(1,209)	(90,518)	(82,229)	(612,629)	(2,260)	(1,139)	(12,500)	(1,056)	-	(804,323)	

\*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 period ended 30 June 2021 (unaudited), and transfers of new issued financial assets measured at amortised cost between stages.

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	Cash and cash equivalents	Due from other banks				Loans and advances to customers			Investment securities measured at amortised cost	Other financial assets			Credit related commitments		Total
	Stage 1 12-month ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Stage 1 12-month ECL	Stage 2 Lifetime ECL			
In millions of Uzbekistan Soums															
Loss allowance for ECL as at 31 December 2021	30	947	6,784	-	77,214	22,700	315,630	1,491	957	38,264	579	9	464,605		
Changes in the gross carrying amount															
- Transfer from stage 1	-	-	-	-	(35,596)	35,596	-	-	-	-	-	-	-	-	
- Transfer from stage 2	-	-	(3)	3	38,130	(76,620)	38,490	-	(38)	38	-	-	-	-	
- Transfer from stage 3	-	-	-	-	-	56,042	(56,042)	-	301	(301)	-	-	-	-	
- Changes in EAD*	15	(335)	-	1,206	(38,363)	45,186	332,958	(3)	(12,527)	12,817	(1)	-	340,953		
New assets issued or acquired	9	248			51,732	-	-	772	12,406	-	805	-	65,972		
Matured or derecognized assets (except for write off)	-	(132)	(6,781)	-	(2,730)	(693)	(18,685)	-	-	(38,370)	(327)	(9)	(67,727)		
Foreign exchange differences	1	-	-	-	131	18	278	-	40	52	-	-	520		
Loss allowance for ECL as at 30 June 2021 (unaudited)	55	728	-	1,209	90,518	82,229	612,629	2,260	1,139	12,500	1,056	-	804,323		

\*“Changes in EAD” are attributable to changes in parameters (PD, LGD), changes in EAD and adjustment of ECL due to transfer to new stages, as well as transfers of ECL on new financial assets measured at amortised cost originated during the reporting period from Stage 1 to other stages. The information on transfers above reflects the migration of financial assets measured at amortised cost from their initial stage (or the stage as at the beginning of the reporting date) to the stage they were in as at the reporting date. This information does not reflect the intermediate stage that the financial assets measured at amortised cost could be assigned to throughout the reporting period.

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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 30 June 2022 (unaudited) is set out below:

<i>In millions of Uzbekistan Soums</i>	<b>Uzbekistan</b>	<b>OECD</b>	<b>non-OECD</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents	1,089,268	53,305	50,446	1,193,019
Due from other banks	285,338	-	542	285,880
Loans and advances to customers	18,051,134	-	-	18,051,134
Investment securities measured at amortised cost	946,827	-	-	946,827
Financial assets at fair value through other comprehensive income	17,100	-	-	17,100
Other financial assets	14,636	4,174	25,606	44,416
<b>TOTAL FINANCIAL ASSETS</b>	<b>20,404,303</b>	<b>57,479</b>	<b>76,594</b>	<b>20,538,376</b>
<b>FINANCIAL LIABILITIES</b>				
Due to other banks	515,334	-	527,150	1,042,484
Customer accounts	4,311,493	-	-	4,311,493
Borrowings from government and international financial institutions	6,671,954	1,870,723	5,067,224	13,609,901
Debt securities in issue	84,403	-	-	84,403
Other financial liabilities	7,161	1,162	5,196	13,519
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>11,590,345</b>	<b>1,871,885</b>	<b>5,599,570</b>	<b>19,061,800</b>
<b>NET POSITION</b>	<b>8,813,958</b>	<b>(1,814,406)</b>	<b>(5,522,976)</b>	

The geographical concentration of the Group's financial assets and liabilities at 31 December 2021 is set out below:

<i>In millions of Uzbekistan Soums</i>	<b>Uzbekistan</b>	<b>OECD</b>	<b>non-OECD</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents	1,276,108	219	34,794	1,311,121
Due from other banks	362,257	-	542	362,799
Loans and advances to customers	16,885,058	-	-	16,885,058
Investment securities measured at amortised cost	787,552	-	-	787,552
Financial assets at fair value through other comprehensive income	15,925	-	-	15,925
Other financial assets	8,308	5,305	1,364	14,977
<b>TOTAL FINANCIAL ASSETS</b>	<b>19,335,208</b>	<b>5,524</b>	<b>36,700</b>	<b>19,377,432</b>
<b>FINANCIAL LIABILITIES</b>				
Due to other banks	946,504	-	455,458	1,401,962
Customer accounts	4,169,128	-	-	4,169,128
Borrowings from government and international financial institutions	5,219,981	1,799,861	5,111,165	12,131,007
Debt securities in issue	94,456	-	-	94,456
Other financial liabilities	7,084	83	-	7,167
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>10,437,153</b>	<b>1,799,944</b>	<b>5,566,623</b>	<b>17,803,720</b>
<b>NET POSITION</b>	<b>8,898,055</b>	<b>(1,794,420)</b>	<b>(5,529,923)</b>	

All financial assets and liabilities from OECD countries comprise banking institutions of Germany and United States of America; non-OECD countries comprise banking institutions of Russia, Serbia, China and Lithuania.



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**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.

The presentation of balances below is based upon the information provided internally to key management personnel of the entity as at 30 June 2022 (unaudited):

<i>In millions of Uzbekistan Soums</i>	<b>Up to 1 month</b>	<b>1 month to 6 months</b>	<b>6 months to 1 year</b>	<b>Over 1 year</b>	<b>Maturity undefined</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>						
Cash and cash equivalents	14,020	-	-	-	-	14,020
Due from other banks	-	22,231	26,683	147,825	-	196,739
Loans and advances to customers	564,157	2,013,837	1,814,645	13,066,183	196,666	17,655,488
Investment securities measured at amortised cost	192,185	224,092	119,405	395,049	-	930,731
Other financial assets	1,342	2,499	-	-	-	3,841
<b>Total interest-bearing financial assets</b>	<b>771,704</b>	<b>2,262,659</b>	<b>1,960,733</b>	<b>13,609,057</b>	<b>196,666</b>	<b>18,800,819</b>
Cash and cash equivalents	1,178,999	-	-	-	-	1,178,999
Due from other banks	212	-	-	88,929	-	89,141
Loans and advances to customers	77,006	191,734	29,138	87,231	10,537	395,646
Investment securities measured at amortised cost	3,086	12,917	-	93	-	16,096
Financial assets at fair value through other comprehensive income	17,100	-	-	-	-	17,100
Other financial assets	36,477	4,005	93	-	-	40,575
<b>Total financial assets</b>	<b>2,084,584</b>	<b>2,471,315</b>	<b>1,989,964</b>	<b>13,785,310</b>	<b>207,203</b>	<b>20,538,376</b>
<b>FINANCIAL LIABILITIES</b>						
Due to other banks	98,923	343,300	255,107	339,763	-	1,037,093
Customer accounts	347,624	1,206,800	1,379,256	624,923	-	3,558,603
Borrowings from government and international financial institutions	1,772,790	472,777	402,967	10,444,451	-	13,092,985
Debt securities in issue	-	10,000	-	74,100	-	84,100
<b>Total interest-bearing financial liabilities</b>	<b>2,219,337</b>	<b>2,032,877</b>	<b>2,037,330</b>	<b>11,483,237</b>	<b>-</b>	<b>17,772,781</b>
Due to other banks	5,391	-	-	-	-	5,391
Customer accounts	752,890	-	-	-	-	752,890
Borrowings from government and international financial institutions	269,335	23,172	131,217	93,192	-	516,916
Debt securities in issue	303	-	-	-	-	303
Other financial liabilities	13,519	-	-	-	-	13,519
Credit related commitments	165,524	24,054	48,840	-	-	238,418
<b>Total financial liabilities</b>	<b>3,426,299</b>	<b>2,080,103</b>	<b>2,217,387</b>	<b>11,576,429</b>	<b>-</b>	<b>19,300,218</b>
Interest sensitivity gap	(1,447,633)	229,782	(76,597)	2,125,820	196,666	1,028,038
<b>Cumulative interest sensitivity gap</b>	<b>(1,447,633)</b>	<b>(1,217,851)</b>	<b>(1,294,448)</b>	<b>831,372</b>	<b>1,028,038</b>	
Liquidity gap	(1,341,715)	391,212	(227,423)	2,208,881	207,203	1,238,158
<b>Cumulative liquidity gap</b>	<b>(1,341,715)</b>	<b>(950,503)</b>	<b>(1,177,926)</b>	<b>1,030,955</b>	<b>1,238,158</b>	

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Loans and advances to customers and borrowings from government and international financial institutions disclosed as non-interest-bearing financial assets and liabilities represent the accrued interest during the year, including zero rate educational loans and zero rate borrowings received from the Government under the Presidential Decree #PP 3651 dated 5 April 2018, respectively.

The negative cumulative liquidity gap above between financial assets and liabilities up to 1 month is caused due to classification of certain loans provided by the government and international financial institutions and credit related commitments as “Up to 1 month” category as discussed below:

- As at 30 June 2022 (unaudited), the Group was not in compliance with certain financial covenants stipulated in loan agreements ICD, ADB via MOF, IFAD via MOF, Banka Kombëtare Tregtare SH.a, ITFC and KFW IPEX BANK, and classified these loans including their accrued interest in the total amount of UZS 1,897,622 million as “Up to 1 month” category as a result of the non-compliance.
- As at 30 June 2022 (unaudited) and 31 December 2021, guarantees issued in USD in the amount of equivalent to UZS 85,144 million and UZS 128,219 million, and the commitments on unused credit lines in the amount of equivalent to UZS 76,127 million and UZS 58,466 million are assumed to be due immediately in all cases, respectively.

The Management of the Group is of the view that through their contingency plans the Group will be able to attract resources sufficient to cover any potential negative liquidity gap.

- Attraction of long-term deposits of State funds under the Ministry of Finance- Pension Fund, State Deposit insurance funds and others;
- Attraction of budgetary funds up to one year through weekly electronic bidding platform run by State Treasury under the Ministry of Finance;
- Utilization of CBU's short-term liquidity loans;
- Attraction of deposits from inter-bank money markets within the limits set by local commercial banks.

**JOINT-STOCK COMMERCIAL BANK “QISHLOQ QURILISH BANK”**

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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 2021:

<i>In millions of Uzbekistan Soums</i>	<b>Up to 1 month</b>	<b>1 month to 6 months</b>	<b>6 months to 1 year</b>	<b>Over 1 year</b>	<b>Maturity undefined</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>						
Cash and cash equivalents	200,000	65,025	-	-	-	265,025
Due from other banks	44,999	97,181	16,674	129,232	-	288,086
Loans and advances to customers	369,183	1,905,159	1,881,995	12,334,434	128,829	16,619,600
Investment securities measured at amortised cost	113,706	449,305	61,334	159,676	-	784,021
Other financial assets	-	728	3,075	-	-	3,803
<b>Total interest-bearing financial assets</b>	<b>727,888</b>	<b>2,517,398</b>	<b>1,963,078</b>	<b>12,623,342</b>	<b>128,829</b>	<b>17,960,535</b>
Cash and cash equivalents	1,045,924	172	-	-	-	1,046,096
Due from other banks	74,553	104	43	13	-	74,713
Loans and advances to customers	27,217	137,522	83,956	161	16,602	265,458
Investment securities measured at amortised cost	3,531	-	-	-	-	3,531
Financial assets at fair value through other comprehensive income	15,925	-	-	-	-	15,925
Other financial assets	10,427	712	25	10	-	11,174
<b>Total financial assets</b>	<b>1,905,465</b>	<b>2,655,908</b>	<b>2,047,102</b>	<b>12,623,526</b>	<b>145,431</b>	<b>19,377,432</b>
<b>FINANCIAL LIABILITIES</b>						
Due to other banks	84,188	324,317	369,918	618,018	-	1,396,441
Customer accounts	707,835	987,816	1,118,305	582,828	-	3,396,784
Borrowings from government and international financial institutions	1,926,547	401,458	472,937	9,030,864	-	11,831,806
Debt securities in issue	-	-	20,000	74,100	-	94,100
<b>Total interest-bearing financial liabilities</b>	<b>2,718,570</b>	<b>1,713,591</b>	<b>1,981,160</b>	<b>10,305,810</b>	<b>-</b>	<b>16,719,131</b>
Due to other banks	5,521	-	-	-	-	5,521
Customer accounts	772,344	-	-	-	-	772,344
Borrowings from government and international financial institutions	131,791	2,567	64,198	100,645	-	299,201
Debt securities in issue	356	-	-	-	-	356
Other financial liabilities	7,167	-	-	-	-	7,167
Credit related commitments	239,306	81,891	937	-	-	322,134
<b>Total financial liabilities</b>	<b>3,875,055</b>	<b>1,798,049</b>	<b>2,046,295</b>	<b>10,406,455</b>	<b>-</b>	<b>18,125,854</b>
Interest sensitivity gap	(1,990,682)	803,807	(18,082)	2,317,532	128,829	1,241,404
<b>Cumulative interest sensitivity gap</b>	<b>(1,990,682)</b>	<b>(1,186,875)</b>	<b>(1,204,957)</b>	<b>1,112,575</b>	<b>1,241,404</b>	
Liquidity gap	(1,969,590)	857,859	807	2,217,071	145,431	1,251,578
<b>Cumulative liquidity gap</b>	<b>(1,969,590)</b>	<b>(1,111,731)</b>	<b>(1,110,924)</b>	<b>1,106,147</b>	<b>1,251,578</b>	

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

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

The Treasury Department also manages interest rate and market risks by matching the Group's interest rate position, which provides the Group with a total cumulative positive interest margin. The Treasury

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Department conducts monitoring of the Group's current financial performance, estimates the Group's sensitivity to changes in interest rates and its influence on the Group's profitability.

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

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

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

The Group's exposure to foreign currency exchange rate risk at 30 June 2022 (unaudited) is presented in the table below:

<i>In millions of Uzbekistan Soums</i>	UZS	USD	EUR	Other	Total
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	503,514	583,670	68,220	37,615	1,193,019
Due from other banks	284,629	1,251	-	-	285,880
Loans and advances to customers	13,810,440	4,017,141	223,553	-	18,051,134
Investment securities measured at amortised cost	946,827	-	-	-	946,827
Financial assets at fair value through other comprehensive income	17,100	-	-	-	17,100
Other financial assets	10,200	34,216	-	-	44,416
<b>TOTAL FINANCIAL ASSETS</b>	<b>15,572,710</b>	<b>4,636,278</b>	<b>291,773</b>	<b>37,615</b>	<b>20,538,376</b>
<b>FINANCIAL LIABILITIES</b>					
Due to other banks	123,224	887,362	-	31,898	1,042,484
Customer accounts	3,588,195	708,887	12,062	2,349	4,311,493
Borrowings from government and international financial institutions	9,962,458	3,328,509	318,934	-	13,609,901
Debt securities in issue	84,403	-	-	-	84,403
Other financial liabilities	7,161	6,358	-	-	13,519
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>13,765,441</b>	<b>4,931,116</b>	<b>330,996</b>	<b>34,247</b>	<b>19,061,800</b>
<b>NET BALANCE SHEET POSITION</b>	<b>1,807,269</b>	<b>(294,838)</b>	<b>(39,223)</b>	<b>3,368</b>	

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The Group's exposure to foreign currency exchange rate risk at 31 December 2021 is presented in the table below:

<i>In millions of Uzbekistan Soums</i>	UZS	USD	EUR	Other	Total
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	561,894	690,753	55,091	3,383	1,311,121
Due from other banks	233,411	129,388	-	-	362,799
Loans and advances to customers	12,874,309	3,789,244	221,505	-	16,885,058
Investment securities measured at amortised cost	787,552	-	-	-	787,552
Financial assets at fair value through other comprehensive income	15,925	-	-	-	15,925
Other financial assets	4,488	10,489	-	-	14,977
<b>TOTAL FINANCIAL ASSETS</b>	<b>14,477,579</b>	<b>4,619,874</b>	<b>276,596</b>	<b>3,383</b>	<b>19,377,432</b>
<b>FINANCIAL LIABILITIES</b>					
Due to other banks	455,620	946,342	-	-	1,401,962
Customer accounts	3,476,913	680,609	11,590	16	4,169,128
Borrowings from government and international financial institutions	8,705,256	3,126,970	298,781	-	12,131,007
Debt securities in issue	94,456	-	-	-	94,456
Other financial liabilities	7,084	83	-	-	7,167
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>12,739,329</b>	<b>4,754,004</b>	<b>310,371</b>	<b>16</b>	<b>17,803,720</b>
<b>NET BALANCE SHEET POSITION</b>	<b>1,738,250</b>	<b>(134,130)</b>	<b>(33,775)</b>	<b>3,367</b>	

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

<i>In millions of Uzbekistan Soums</i>	For the six months ended 30 June 2022 (unaudited)	For the year ended 31 December 2021
	Impact on profit or loss	Impact on profit or loss
US Dollars strengthening by 15% (2021: 15%)	(44,226)	(20,120)
US Dollars weakening by 15% (2021: 15%)	44,226	20,120
Euro strengthening by 15% (2021: 15%)	(5,883)	(5,066)
Euro weakening by 15% (2021: 15%)	5,883	5,066

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.

**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 Group's exposure to interest rate risks presents the aggregated amounts of the Group's financial assets and liabilities at carrying amounts, categorised by the maturity dates.

As at 30 June 2022 (unaudited), if interest rates at that date had been 39 basis points lower (31 December 2021: 165 basis points lower) with all other variables held constant, profit for the period would have been UZS 300 million higher (profit for the year ended 31 December 2021: UZS 8,275 million higher).

If interest rates had been 39 basis points higher (2020: 165 basis points higher), with all other variables held constant, profit would have been UZS 300 million lower (profit for the year ended 31 December 2021: UZS 8,275 million lower).

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



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The undiscounted maturity analysis of financial liabilities at 30 June 2022(unaudited) is as follows:

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Total
<i>In millions of Uzbekistan Soums</i>					
<b>Interest-bearing financial liabilities</b>					
Due to other banks	104,955	363,615	267,882	371,807	<b>1,108,259</b>
Customer accounts	390,560	1,376,514	1,489,755	669,271	<b>3,926,100</b>
Borrowings from government and international financial institutions	1,772,790	705,389	761,551	16,869,291	<b>20,109,021</b>
Debt securities in issue	1,647	16,197	7,052	81,063	<b>105,959</b>
<b>Total interest-bearing financial liabilities</b>	<b>2,269,952</b>	<b>2,461,715</b>	<b>2,526,240</b>	<b>17,991,432</b>	<b>25,249,339</b>
<b>Non-interest-bearing financial liabilities and commitments</b>					
Due to other banks	5,391	-	-	-	<b>5,391</b>
Customer accounts	752,890	-	-	-	<b>752,890</b>
Borrowings from government and international financial institutions	269,335	23,172	131,217	93,192	<b>516,916</b>
Debt securities in issue	303	-	-	-	<b>303</b>
Other financial liabilities	13,519	-	-	-	<b>13,519</b>
Credit related commitments	165,524	24,054	48,840	-	<b>238,418</b>
<b>Total non-interest-bearing financial liabilities and commitments</b>	<b>1,206,962</b>	<b>47,226</b>	<b>180,057</b>	<b>93,192</b>	<b>1,527,437</b>
<b>Total financial liabilities and commitments</b>	<b>3,476,914</b>	<b>2,508,941</b>	<b>2,706,297</b>	<b>18,084,624</b>	<b>26,776,776</b>

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

The undiscounted maturity analysis of financial liabilities at 31 December 2021 is as follows:

	Up to 1 month	1 month to 6 months	6 months to 1 year	Over 1 year	Total
<i>In millions of Uzbekistan Soums</i>					
<b>Interest-bearing financial liabilities</b>					
Due to other banks	95,243	361,826	397,641	663,776	<b>1,518,486</b>
Customer accounts	744,126	1,112,196	1,204,056	626,459	<b>3,686,837</b>
Borrowings from government and international financial institutions	1,942,284	652,628	711,770	12,775,684	<b>16,082,366</b>
Debt securities in issue	1,735	6,628	26,996	87,031	<b>122,390</b>
<b>Total interest-bearing financial liabilities</b>	<b>2,783,388</b>	<b>2,133,278</b>	<b>2,340,463</b>	<b>14,152,950</b>	<b>21,410,079</b>
<b>Non-interest-bearing financial liabilities and commitments</b>					
Due to other banks	5,521	-	-	-	<b>5,521</b>
Customer accounts	772,344	-	-	-	<b>772,344</b>
Borrowings from government and international financial institutions	131,791	2,567	64,198	100,645	<b>299,201</b>
Debt securities in issue	356	-	-	-	<b>356</b>
Other financial liabilities	7,167	-	-	-	<b>7,167</b>
Credit related commitments	239,306	81,891	937	-	<b>322,134</b>
<b>Total non-interest-bearing financial liabilities and commitments</b>	<b>1,156,485</b>	<b>84,458</b>	<b>65,135</b>	<b>100,645</b>	<b>1,406,723</b>
<b>Total financial liabilities and commitments</b>	<b>3,939,873</b>	<b>2,217,736</b>	<b>2,405,598</b>	<b>14,253,595</b>	<b>22,816,802</b>

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## 22. Management of capital

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

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

		Prescribed minimum level	30 June 2022 (unaudited)	31 December 2021 (unaudited)
Regulatory capital ratio	Ratio of regulatory capital to risk weighted assets	0.13	0.135	0.144
Capital adequacy ratio	Ratio of Bank's tier 1 capital to risk weighted assets	0.1	0.113	0.122
Capital adequacy ratio	Ratio of Bank's main tier 1 capital to risk weighted assets	0.08	0.113	0.122
Leverage ratio	Ratio of Bank's tier 1 capital to total assets less intangibles	0.06	0.111	0.117

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

<i>In millions of Uzbekistan Soums</i>	30 June 2022 (unaudited)	31 December 2021 (unaudited)
Tier 1 capital	2,501,601	2,509,980
Tier 2 capital	486,947	458,146
<b>Total regulatory capital</b>	<b>2,988,548</b>	<b>2,968,126</b>
<b>Risk - weighted assets</b>	<b>22,076,897</b>	<b>20,625,612</b>

## 23. 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.

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As at 30 June 2022 (unaudited) and 31 December 2021, the nominal or contract amounts were:

<i>In millions of Uzbekistan Soums</i>	<b>30 June 2022 (Unaudited)</b>	<b>31 December 2021</b>
Guarantees issued	149,367	268,129
Commitments on unused credit lines	76,127	58,466
Letters of credit and other transaction related contingent obligations	14,483	14,719
Letters of credit, post-financing with commencement after reporting period end	14,199	-
<b>Total credit related commitments, gross</b>	<b>254,176</b>	<b>341,314</b>
Cash coverage	(14,483)	(14,719)
Less: Provision for expected credit losses	(1,275)	(4,461)
<b>Total credit related commitments</b>	<b>238,418</b>	<b>322,134</b>

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.

## 24. 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:

<i>In millions of Uzbekistan Soums</i>	<b>Fair value as at 30 June 2022 (unaudited)</b>	<b>Fair value as at 31 December 2021</b>	<b>Fair value hierarchy</b>	<b>Valuation technique(s) and key input(s)</b>	<b>Signifi- cant unobser- vable input(s)</b>	<b>Relationship of unobservable inputs to fair value</b>
Financial assets at fair value through other comprehensive income (equity instruments)	17,100	15,925	Level 3	Discounted cash flows of future expected dividends. Discount rate estimated based on unobservable internally generated historical dividend received rates	Discount rate	The greater discount - the smaller fair value

The Group considers that the accounting estimate related to the valuation of financial instruments where quoted markets prices are not available is a key source of estimation uncertainty because: (i) it is highly susceptible to changes from year to year, as it requires the Management to make assumptions about

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interest rates, volatility, exchange rates, the credit rating of the counterparty, valuation adjustments and specific features of transactions and (ii) the impact that recognising a change in the valuations would have on the assets reported on the consolidated statement of financial position, as well as, the related other comprehensive income.

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

**(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:

In millions of Uzbekistan Soums	30 June 2022 (Unaudited)				31 December 2021			
	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	-	16,735,548	16,735,548	18,051,134	-	16,344,638	16,344,638	16,885,058
Due from other banks	-	213,772	213,772	285,880	-	356,694	356,694	362,799
Due to other banks	-	1,073,747	1,073,747	1,042,484	-	1,395,787	1,395,787	1,401,962
Customer accounts	4,322,217	-	4,322,217	4,311,493	4,210,728	-	4,210,728	4,169,128
Borrowings from government and international financial institutions	-	13,908,873	13,908,873	13,609,901	-	12,292,164	12,292,164	12,131,007

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

As at 30 June 2022 (unaudited) and 31 December 2021, the Group determined fair value for some of its financial assets and liabilities using the discounted cash flow model by applying CBU statistical bulletin, 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.

**25. 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.

**JOINT-STOCK COMMERCIAL BANK “QISHLOQ QURILISH BANK”**

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(in millions of Uzbek Soums, unless otherwise indicated)

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

	<b>30 June 2022 (unaudited)</b>		<b>31 December 2021</b>	
	<b>Related party balances</b>	<b>Total category as per financial statements caption</b>	<b>Related party balances</b>	<b>Total category as per financial statements caption</b>
<i>In millions of Uzbekistan Soums</i>				
<b>Cash and cash equivalents</b>				
- entities under common control	636,332	1,193,019	934,836	1,311,121
<b>Due from other banks</b>				
- entities under common control	282,045	285,880	329,152	362,799
<b>Loans and advances to customers</b>				
- key management personnel	-	18,051,134	-	16,885,058
- entities under common control	539,702	18,051,134	616,161	16,885,058
<b>Investment securities measured at amortised cost</b>				
- shareholders	730,304	946,827	473,714	787,552
- entities under common control	214,510	946,827	311,813	787,552
<b>Current income tax prepayment</b>				
- entities under common control	14,947	14,947	30,862	30,862
<b>Other assets</b>				
- entities under common control	1,458	116,830	1,238	75,321
<b>Due to other banks</b>				
- entities under common control	571,512	1,042,484	795,222	1,401,962
<b>Borrowings from government and international financial institutions</b>				
- shareholders	5,421,964	13,609,901	4,447,771	12,131,007
- entities under common control	878,436	13,609,901	663,280	12,131,007
<b>Customer accounts</b>				
- shareholders	973,779	4,311,493	1,007,097	4,169,128
- key management personnel	-	4,311,493	-	4,169,128
- entities under common control	929,839	4,311,493	917,514	4,169,128
<b>Other liabilities</b>				
- shareholders	247	58,346	100	42,073
- entities under common control	3,043	58,346	456	42,073

	<b>For the six months ended 30 June 2022 (unaudited)</b>		<b>For the six months ended 30 June 2021 (unaudited)</b>	
	<b>Related party balances</b>	<b>Total category as per financial statements caption</b>	<b>Related party balances</b>	<b>Total category as per financial statements caption</b>
<i>In millions of Uzbekistan Soums</i>				
<b>Interest income</b>				
- shareholders	42,958	1,200,275	2,804	832,395
- entities under common control	88,722	1,200,275	42,077	832,395
<b>Interest expense</b>				
- shareholders	(195,169)	(703,137)	(74,818)	(477,360)
- entities under common control	(187,664)	(703,137)	(144,418)	(477,360)
<b>Fee and commission income</b>				
- entities under common control	695	76,500	638	62,490
<b>Fee and commission expense</b>				
- entities under common control	(3,864)	(14,967)	(4,538)	(10,922)
<b>Operating expenses</b>				
- entities under common control	(41,008)	(316,847)	(15,155)	(181,369)
- key management personnel	(4,911)	(316,847)	(1,680)	(181,369)
<b>Income tax benefit</b>				
- entities under common control	12,645	12,645	22,654	22,654



**26. Subsequent events**

Subsequent to the reporting date, during July - September 2022:

- the Ministry of finance provided further long-term loans in the total amount of UZS 470,000 million with maturities earliest July and latest September 2042 with the annual interest rate of 13% for supporting of mortgage lending of the population of Uzbekistan under the Presidential Decrees #UP-6186 “On additional measures to provide the population with housing through the provision of mortgage loans based on market principles” dated 11 March 2021 and #UP-6186 “On additional measures to improve mortgage lending mechanisms” dated 28 November 2019.
- Uzbekistan Fund for Reconstruction and Development provided further long-term loans in the amount of UZS 84,970 million, maturing June 2029, which are issued with an interest rate ranging from 10% per annum. 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).
- Islamic Development Bank provided through the Ministry of Finance further long-term loans in the total amount of UZS 53,574 million for 19 years period with an annual interest rate of 4% for the construction purpose of residential housing units in rural areas of Andijan, Jizzakh, Navoi, Namangan and Sirdarya regions, under the Presidential Decree #PP-2859 dated 30 March 2017 “On measures to implement the program for the construction of affordable residential houses according to updated standard forms in rural areas for 2017-2021 with the participation of the Islamic Development Bank”.
- International Bank of Reconstruction and Development (IBRD) via MOF provided further long-term loans in the total amounts of UZS 1,300 million and USD 3 million with interest rates CBU refinancing rate and 6 months LIBOR, respectively, maturing the earliest in January 2032 and the latest in October 2043. The loans were borrowed to finance the development of the Agricultural sector in Uzbekistan.
- International Fund for Agricultural Development (IFAD) provided through the Ministry of Finance further funds in the total amounts of UZS 3,820 million and USD 1,202 million, maturing the earliest in September 2034 and the latest in June 2044, which are issued with an interest rate CBU refinancing rate for the UZS denominated loans and 2.9% per annum for the USD denominated loans. The loans were attracted to finance the Modernisation and Diversification of the Agricultural sector in Uzbekistan.
- Asian Development Bank provided through the Ministry of Finance further long-term loans in the total amount of UZS 11,500 million, maturing June 2030, which are issued with an annual interest rate of 16%, under the Subsidiary Loan Agreements L3823-UZB (COL) dated 13 November 2019. The loans were borrowed to finance the Agricultural and Food Industries of Uzbekistan.
- Additionally, the Ministry of Finance placed short-term deposits in the Bank in the total amount of UZS 275,000 million with an annual interest rate of 17%.

On July 2022, the French Development Agency through the State Veterinary Committee of the Republic of Uzbekistan provided long-term loans in the total amount of UZS 87,712 million with an annual interest rate of 16% maturing April 2032 for financing Agricultural sector of Uzbekistan under the agreement #CUZ dated 7 July 2022 signed among the French Development Agency, the State Veterinary Committee of the Republic of Uzbekistan and the Bank.

On August 2022, the JSC Gazprombank placed short-term interbank deposits in the total amount of USD 200 million with an annual interest rate of 2.55% maturing November 2022.

On August 2022, National Bank for Foreign Economic Activity of Uzbekistan placed long-term deposits in the total amount of USD 15 million (UZS 162,904 million) with an annual interest rate of 5.25% maturing February 2024.