



KDB Bank Uzbekistan

**JOINT-STOCK COMPANY
“KDB BANK UZBEKISTAN”**

**Financial Statements and
Independent Auditor’s Report**

31 December 2025

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Independent Auditor’s Report

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Independent Auditor's Report

To Shareholders and the Supervisory Board of Joint-Stock Company "KDB Bank Uzbekistan"

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Joint-Stock Company "KDB Bank Uzbekistan" (the "Bank") as at 31 December 2025, and the Bank's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Bank's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

Independence

We are independent of the Bank in accordance with the Code of Professional Ethics for Auditors of Uzbekistan and auditor's independence requirements in the Law on Banks and Banking Activity that are relevant to audits of financial statements of banks in the Republic of Uzbekistan, and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Code of Professional Ethics for Auditors of Uzbekistan and the IESBA Code.



Suhrab Azimov
General Director / Certified Auditor



Our audit approach

Overview

Materiality	Overall Bank materiality: UZS 38,200 million, which represents approximately 5% of profit before tax.
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Key audit matters	Assessment of expected credit loss (ECL) allowance for loans and advances to customers in accordance with IFRS 9, Financial Instruments.
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As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Bank, the accounting processes and controls, and the industry in which the Bank operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the financial statements as a whole.

Overall Bank materiality	31 December 2025: UZS 38,200 million
How we determined it	We determined overall materiality as being approximately 5% of profit before tax
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Bank is most commonly measured by users and is a generally accepted benchmark. We chose 5%, which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

Suhrab Azimov
General Director / Certified Auditor

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="133 683 713 761">Assessment of expected credit loss (ECL) allowance for loans and advances to customers in accordance with IFRS 9, <i>Financial Instruments</i></p> <p data-bbox="133 772 713 940">(refer to Note 3 "Material Accounting Policy Information", Note 4 "Critical Accounting Estimates, and Judgements in Applying Accounting Policies", Note 10 "Loans and Advances to Customers" and Note 21 "Financial Risk Management" to the financial statements).</p> <p data-bbox="133 952 713 1265">We considered assessment of ECL allowance for loans and advances to customers as a key audit matter due to the significance of gross carrying amount of loans and advances to customers measured at amortized cost, amounting to UZS 2,829,323 million (22% of the Bank's total asset), the related ECL allowance of UZS 10,267 million and a complexity of the applicable financial reporting standards, which require significant judgment in determining the ECL allowance.</p> <p data-bbox="133 1276 713 1332">Key areas of judgement and sources of estimation uncertainty included:</p> <ul data-bbox="133 1355 713 1489" style="list-style-type: none"> • Classification of loans and advances to customers into stages in accordance with IFRS 9; • Assumptions used to estimate key risk parameters – probability of default and loss given default. 	<p data-bbox="744 683 1483 750">In assessing the ECL allowance we have performed the following audit procedures:</p> <ul data-bbox="744 761 1483 1550" style="list-style-type: none"> • We focused our procedures on: default definition, factors for determining significant increase in credit risk, classification of the loans and advances to customers to stages, and estimation of key risk parameters. • We used sampling to evaluate and test the design and operating effectiveness of controls over the processes that identify overdue loans. • On a sample basis we tested segmentation and analysed significant loans and advances to corporate customers, which had not been identified by management as either having had a significant increase in credit risk or defaulted, and formed our own judgement as to whether that was appropriate. • We tested the assumptions, inputs and formulae used in ECL models for the assessment of collective allowance. This included assessing the appropriateness of model design and verifying the application of certain predetermined default parameters used in calculation of the probability of default and loss given default. • To verify data accuracy and quality, on a sample basis, we tested the data used in the ECL calculation by reconciling to source data, e.g., loan portfolio, loan agreements, collateral agreements. • We assessed the accuracy and appropriateness of disclosures in accordance with IFRS 7.



Suhrab Azimov
General Director / Certified Auditor



Responsibilities of management and those charged with governance for the financial statements

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

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

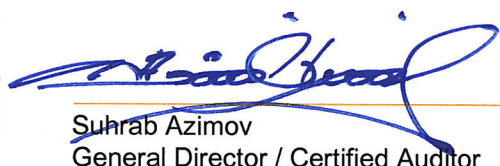
Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Suhrab Azimov
General Director / Certified Auditor

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

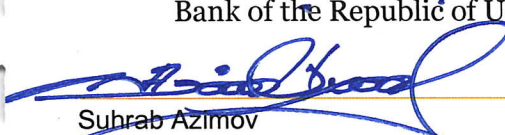
Report on other legal and regulatory requirements

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

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

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

- the Bank's compliance with prudential ratios as at 31 December 2025 established by the Central Bank of the Republic of Uzbekistan;



Suhrab Azimov
General Director / Certified Auditor



- whether the elements of the Bank's internal control and organization of its risk management systems comply with the requirements established by the Central Bank of the Republic of Uzbekistan.

These procedures were selected based on our judgment, and were limited to the analysis, inspection of documents, comparison of the Bank's internal policies, procedures and methodologies with the applicable requirements established by the Central Bank of the Republic of Uzbekistan, and recalculations, comparisons and reconciliations of numerical data and other information.

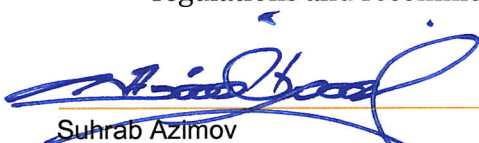
We have not performed any procedures on the accounting records maintained by the Bank, other than those which we considered necessary to enable us to express an opinion as to whether the Bank's financial statements present fairly, in all material respects, the financial position of the Bank as at 31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

Our findings from the procedures performed are reported below.

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

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

- As at 31 December 2025, the Bank's internal audit function was subordinated to, and reported to, the Supervisory Board, and the risk management function was not subordinated to, and did not report to, divisions taking relevant risks in accordance with the regulations and recommendations issued by the Central Bank of the Republic of Uzbekistan.
- The frequency of reports prepared by the Bank's internal audit function during 2025 was in compliance with the requirements of the Central Bank of the Republic of Uzbekistan. The reports were approved by the Bank's Supervisory Board and included observations made by the Bank's internal audit function in respect of internal control systems.
- As at 31 December 2025 the Bank has the established Information security function as required by the Central Bank of the Republic of Uzbekistan, and the information security policy was approved by the Bank's management board. Information security function was subordinated to, and reported directly to, the Chairman of the management board.
- Reports by the Bank's Information security function to the Chairman of the management board during 2025 included assessment and analysis of information security risks, and results of actions to manage such risks.
- The Bank's internal documentation, effective on 31 December 2025, establishing the procedures and methodologies for identifying and managing the Bank's significant risks, and for stress-testing, was approved by the authorised management bodies of the Bank in accordance with the regulations and recommendations issued by the Central Bank of the Republic of Uzbekistan.



Suhrab Azimov
General Director / Certified Auditor



- As at 31 December 2025, the Bank maintained a system for reporting on the Bank's significant risks, and on the Bank capital.
- The frequency of reports prepared by the Bank's risk management and internal audit functions during 2025, which cover the Bank's significant risks management, was in compliance with the Bank's internal documentation. The reports included observations made by the Bank's risk management and internal audit functions as to their assessment of the Bank's significant risks, risk management system and recommendations for improvement.
- As at 31 December 2025, the Supervisory Board and Executive Management of the Bank had responsibility for monitoring the Bank's compliance with the risk limits and capital adequacy ratios established in the Bank's internal documentation. In order to monitor the effectiveness of the Bank's risk management procedures and their consistent application during 2025, the Supervisory Board and Executive Management of the Bank periodically discussed the reports prepared by the risk management and internal audit functions and considered the proposed corrective actions.

Procedures with respect to elements of the Bank's internal control and organization of its risk management systems were performed solely for the purpose of examining whether these elements, as prescribed in the Law and as described above, comply with the requirements established by the Central Bank of the Republic of Uzbekistan. We do not express a separate opinion on Bank's internal control and organization of its risk management systems.

The engagement partner on the audit resulting in this independent auditor's report is Suhrab Azimov.

Suhrab Azimov
General Director / Certified Auditor
Certificate of auditor No. 05338
dated 7 November 2015 issued by
the Ministry of Finance of Uzbekistan


Certificate of auditor No. 28
dated 25 August 2023 issued by
the Central Bank of Uzbekistan

Audit Organization "PricewaterhouseCoopers" LLC
Audit Organization "PricewaterhouseCoopers" LLC
Tashkent, Uzbekistan
12 May 2026

JOINT-STOCK COMPANY "KDB BANK UZBEKISTAN"
Statement of Financial Position

<i>In millions of Uzbekistan Soums</i>	Note	31 December 2025	31 December 2024
ASSETS			
Cash and cash equivalents	7	8,665,373	6,015,623
Due from other banks	8	665,317	777,917
Loans and advances to customers	10	2,819,056	2,678,124
Investment in debt securities	9	845,090	607,054
Current income tax prepayment		3,187	1,981
Deferred income tax asset	20	1,761	1,657
Premises and equipment	12	75,072	50,713
Intangible assets	12	18,913	17,080
Investment property		-	355
Other assets	11	23,717	20,339
TOTAL ASSETS		13,117,486	10,170,843
LIABILITIES			
Due to other banks	13	3,117,299	2,875,765
Customer accounts	14	7,429,403	5,377,877
Other liabilities	15	18,899	19,241
TOTAL LIABILITIES		10,565,601	8,272,883
EQUITY			
Share capital	16	506,361	506,361
Retained earnings		2,041,799	1,390,715
Revaluation reserve for securities at FVOCI		3,725	884
TOTAL EQUITY		2,551,885	1,897,960
TOTAL LIABILITIES AND EQUITY		13,117,486	10,170,843

Authorized for issue and signed on 12 May 2026.


 Joo Dong Bin
 Chairman of the Board




 Abrorjon Juraev
 Chief Accountant

JOINT-STOCK COMPANY “KDB BANK UZBEKISTAN”
Statement of Profit or Loss and Other Comprehensive Income

<i>In millions of Uzbekistan Soums</i>	Note	2025	2024
Interest income calculated using the effective interest method	17	951,197	765,746
Interest expense	17	(171,442)	(124,632)
Net interest margin and similar income		779,755	641,114
Credit loss allowance for assets carried at amortised cost	7,8,10, 11,15	(1,011)	(9,770)
Net interest margin and similar income after credit loss allowance		778,744	631,344
Fee and commission income	18	88,787	74,229
Fee and commission expense	18	(21,434)	(19,122)
Gains less losses from trading in foreign currencies		155,272	95,548
Foreign exchange translation gains less losses		(28,277)	2,786
Other operating income		3,998	2,565
Administrative and other operating expenses	19	(185,903)	(160,657)
Profit before tax		791,187	626,693
Income tax expense	20	(101,265)	(102,963)
PROFIT FOR THE YEAR		689,922	523,730
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Debt securities at fair value through other comprehensive income:			
- Gains less losses arising during the year	9	2,841	884
Other comprehensive income for the year		2,841	884
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		692,763	524,614

JOINT-STOCK COMPANY “KDB BANK UZBEKISTAN”
Statement of Changes in Equity

<i>In millions of Uzbekistan Soums</i>	Note	Share capital	Retained earnings	Revaluation reserve for securities at FVOCI	Total Equity
Balance at 1 January 2024		506,361	866,985	-	1,373,346
Profit for the year		-	523,730	-	523,730
Other comprehensive income	9	-	-	884	884
Total comprehensive income for 2024		-	523,730	884	524,614
Balance at 31 December 2024		506,361	1,390,715	884	1,897,960
Profit for the year		-	689,922	-	689,922
Other comprehensive income	9	-	-	2,841	2,841
Total comprehensive income for 2025		-	689,922	2,841	692,763
Dividends paid		-	(38,838)	-	(38,838)
Balance at 31 December 2025		506,361	2,041,799	3,725	2,551,885

JOINT-STOCK COMPANY “KDB BANK UZBEKISTAN”
Statement of Cash Flows

<i>In millions of Uzbekistan Soums</i>	Note	2025	2024
Cash flows from operating activities			
Interest income received calculated using the effective interest method, excluding interest income on investments in debt securities		696,692	615,626
Interest paid calculated using the effective interest method		(182,738)	(102,726)
Fees and commissions received		88,787	74,229
Fees and commissions paid		(21,434)	(19,122)
Income received from trading in foreign currencies		155,272	95,548
Other operating income received		4,027	4,607
Staff costs paid		(124,334)	(110,963)
Administrative and other operating expenses paid		(46,376)	(32,123)
Income tax paid		(102,575)	(105,728)
Cash flows from operating activities before changes in operating assets and liabilities		467,321	419,348
<i>Net (increase)/decrease in:</i>			
- due from other banks		64,879	127,595
- loans and advances to customers		(297,024)	(594,625)
- other assets		(13,140)	(10,862)
<i>Net increase/(decrease) in:</i>			
- due to other banks		441,762	1,530,299
- customer accounts		2,373,759	(1,227,203)
- other liabilities		(2,107)	(5,709)
Net cash from operating activities		3,035,450	238,843
Cash flows from investing activities			
Interest income received on investments in debt securities		239,059	148,724
Acquisition of investments in debt securities at fair value through other comprehensive income		(33,434,161)	(2,311,998)
Proceeds from redemption of debt securities at fair value through other comprehensive income		33,220,860	2,082,273
Acquisition of premises and equipment and intangible assets		(39,450)	(6,402)
Net cash used in investing activities		(13,692)	(87,403)
Cash flows from financing activities			
Dividends paid		(38,838)	-
Net cash used in financing activities		(38,838)	-
Effect of exchange rate changes on cash and cash equivalents		(333,170)	153,105
Net increase in cash and cash equivalents		2,649,750	304,545
Cash and cash equivalents at the beginning of the year	7	6,015,623	5,711,078
Cash and cash equivalents at the end of the year	7	8,665,373	6,015,623

The notes set out on pages 5 to 47 form an integral part of these financial statements.

1 Introduction

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB (“IFRS Accounting Standards”) for the year ended 31 December 2025 for Joint-Stock Company “KDB Bank Uzbekistan” (the “Bank”).

The Bank was incorporated and is domiciled in the Republic of Uzbekistan. The Bank is a joint stock company limited by shares and was set up in accordance with regulations of the Republic of Uzbekistan. As of 31 December 2025, and 31 December 2024 the Bank’s immediate and ultimate controlling parent company was Korean Development Bank, which is ultimately controlled by the Republic of Korea.

Principal activity. The Bank’s principal business activity is commercial and retail banking operations in the Republic of Uzbekistan. The Bank has operated under the full banking licence No.5 re-issued by the Central Bank of the Republic of Uzbekistan (“the CBU”) dated 25 December 2021. The Bank participates in the state deposit insurance scheme, which was introduced by Law No. 1031 “On guarantees for the protection of deposits in banks” dated 18 February 2025. The Deposit Guarantee Agency guarantees repayment of deposits up to 200 million Uzbekistan Soums per depositor in a single bank in the event of a bank’s liquidation.

The Bank conducts its operations from its head office located in Tashkent along with one branch (2024: one branch). The Bank had 249 employees at 31 December 2025 (2024: 246 employees).

Registered address and place of business. The Bank’s registered address is: 3, Bukhoro Street, 100047, Tashkent, Republic of Uzbekistan.

Presentation currency. These financial statements are presented in millions of Uzbekistan Soums (“UZS”), unless otherwise stated.

Abbreviations. A glossary of various abbreviations used in this document is included in Note 27.

2 Operating Environment of the Bank

Republic of Uzbekistan. The Uzbekistan economy displays characteristics of an emerging market, including but not limited to, a currency that is not freely convertible outside of the country and a low level of liquidity in debt and equity markets. Also, the banking sector in Uzbekistan is particularly impacted by local political, legislative, fiscal and regulatory developments. The largest Uzbek banks are state-controlled and act as an arm of Government to develop the country’s economy. The Government distributes funds from the country’s budget, which flow through the banks to various government agencies, and other state- and privately-owned entities. Economic stability in Uzbekistan is largely dependent upon the effectiveness of economic measures undertaken by the Government, together with other legal, regulatory and political developments, all of which are beyond the Bank’s control. The Bank’s financial position and operating results will continue to be affected by future political and economic developments in Uzbekistan including the application and interpretation of existing and future legislation and tax regulations which greatly impact Uzbek financial markets and the economy overall.

The Bank’s Management is unable to predict all developments which could have an impact on the banking sector and consequently what effect, if any, they could have on the future financial position of the Bank.

- Inflation: 7.3% (2024: 9.8%)
- Official exchange rates: 31 December 2025: USD 1 = UZS 12,025.33 (31 December 2024: USD 1 = UZS 12,920.48).
- GDP growth: 7.7% (2024: 6.5%).
- Central Bank refinancing rate – 14.0% (2024: 13.5%).

Source: *Central Bank of Uzbekistan.*

2 Operating Environment of the Bank (continued)

The long-term effects of the current economic situation are difficult to predict and management’s current expectations and estimates could differ from the actual results.

Geopolitical events in the world. External events such as natural disasters and geopolitical events such as the Ukraine-Russia and other conflicts and inflation are just a few of the major global issues driving global economic uncertainty today. This evolving uncertainty creates a variety of issues and risks, including changes in consumer demand, disrupted supply chains, staff shortages, increased market volatility and changes in the way entities operate. It also creates the potential for additional accounting and disclosure implications.

These geopolitical events affected some export-import operations of the local entities. However, since the Bank’s customers’ principal activities are within the Republic of Uzbekistan, these developments did not significantly impact on the operations of the Bank.

For the purpose of managing the country risk, the Bank controls transactions with counterparties within the limits set by the Bank’s Supervisory board, which are reviewed regularly. The Bank continues to assess the effect of these events and changes in economic conditions on its operations, financial position and financial performance. The future effects of the current economic situation and the above measures are difficult to predict and management’s current expectations and estimates could differ from actual results. The management is taking necessary measures to ensure sustainability of the Bank’s operations and to support its employees.

3 Material Accounting Policy Information

Basis of preparation. These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB (“IFRS Accounting Standards”) under the historical cost convention, as modified by the initial recognition of financial instruments at fair value, financial instruments categorised at fair value through other comprehensive income (“FVOCI”). The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. Refer to Note 5.

Financial instruments – key measurement terms. *Fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the quantity held by the entity. This is the case even if a market’s normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price. The price within the bid-ask spread that is most representative of fair value in the circumstances was used to measure fair value, which management considers is the last trading price on the reporting date. The quoted market price used to value financial assets is the current bid price; the quoted market price for financial liabilities is the current asking price.

Valuation techniques such as discounted cash flow models or models based on recent arm’s length transactions or consideration of financial data of the investees, are used to measure fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two 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 three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period. Refer to Note 24.

3 Material Accounting Policy Information (Continued)

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

Amortised cost (“AC”) is the amount at which the financial instrument was recognised at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any allowance for expected credit losses. Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest method.

Accrued interest income and accrued interest expense, including both accrued coupon and amortised discount or premium (including fees deferred at origination, if any), are not presented separately and are included in the carrying values of related items in the statement of financial position.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a shorter period, if appropriate, to the gross carrying amount of the financial instrument.

The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount, which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate. For assets that are purchased or originated credit impaired (“POCI”) at initial recognition, the effective interest rate is adjusted for credit risk, i.e. it is calculated based on the expected cash flows on initial recognition instead of contractual payments.

Financial instruments – initial recognition. Financial instruments at FVTPL are initially recorded at fair value. All other financial instruments are initially recorded at fair value adjusted for transaction costs. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets. After the initial recognition, an ECL allowance is recognised for financial assets measured at AC and investments in debt instruments measured at FVOCI, resulting in an immediate accounting loss.

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention (“regular way” purchases and sales) are recorded at trade date, which is the date on which the Bank commits to deliver a financial asset. All other purchases are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets – classification and subsequent measurement – measurement categories. The Bank classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC. The classification and subsequent measurement of debt financial assets depends on: (i) the Bank’s business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

Financial assets – classification and subsequent measurement – business model. The business model reflects how the Bank manages the assets in order to generate cash flows – whether the Bank’s objective is: (i) solely to collect the contractual cash flows from the assets (“hold to collect contractual cash flows”), or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets (“hold to collect contractual cash flows and sell”) or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of “other” business model and measured at FVTPL.

3 Material Accounting Policy Information (Continued)

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the Bank undertakes to achieve the objective set out for the portfolio available at the date of the assessment. Factors considered by the Bank in determining the business model include the purpose and composition of a portfolio, past experience on how the cash flows for the respective assets were collected, how risks are assessed and managed, how the assets' performance is assessed and how managers are compensated. Refer to Note 4 for critical judgements applied by the Bank in determining the business models for its financial assets.

Financial assets – classification and subsequent measurement – cash flow characteristics. Where the business model is to hold assets to collect contractual cash flows or to hold contractual cash flows and sell, the Bank assesses whether the cash flows represent solely payments of principal and interest (“SPPI”). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are consistent with the SPPI feature. In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for credit risk, time value of money, other basic lending risks and profit margin.

Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the financial asset is classified and measured at FVTPL. The SPPI assessment is performed on initial recognition of an asset and it is not subsequently reassessed. Refer to Note 4 for critical judgements applied by the Bank in performing the SPPI test for its financial assets.

Financial assets impairment – credit loss allowance for ECL. The Bank assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVOCI and for the exposures arising from loan commitments and financial guarantee contracts. The Bank measures ECL and recognises credit loss allowance at each reporting date.

Debt instruments measured at AC are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantees, a separate provision for ECL is recognised as a liability in the statement of financial position. For debt instruments at FVOCI, changes in amortised cost, net of allowance for ECL, are recognised in profit or loss and other changes in carrying value are recognised in OCI as gains less losses on debt instruments at FVOCI.

The Bank applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter (“12 Months ECL”). If the Bank identifies a significant increase in credit risk (“SICR”) since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any (“Lifetime ECL”). Refer to Note 21 for a description of how the Bank determines when a SICR has occurred. If the Bank determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Bank's definition of credit impaired assets and definition of default is explained in Note 21. For financial assets that are purchased or originated credit-impaired (“POCI Assets”), the ECL is always measured as a Lifetime ECL. Note 21 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Bank incorporates forward-looking information in the ECL models.

Financial assets – derecognition. The Bank derecognises financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the Bank has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement while (i) also transferring substantially all risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership, but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose restrictions on the sale.

Financial liabilities – measurement categories. Financial liabilities are classified as subsequently measured at AC, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

3 Material Accounting Policy Information (Continued)

Financial liabilities – derecognition. Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

Cash and cash equivalents. Cash and cash equivalents include deposits with the Central Bank of Uzbekistan (the “CBU”) and all interbank placements with original maturities of less than three months. Funds restricted for a period of more than three months on origination are excluded from cash and cash equivalents, both in the statement of financial position and for the purposes of the statement of cash flows. Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

The payments or receipts presented in the statement of cash flows represent transfers of cash and cash equivalents by the Bank, including amounts charged or credited to current accounts of the Bank’s counterparties held with the Bank, such as loan interest income or principal collected by charging the customer’s current account or interest payments or disbursement of loans credited to the customer’s current account, which represents cash or cash equivalent from the customer’s perspective.

Effective from 1 July 2024, the CBU revised the regulatory framework governing the maintenance of obligatory reserve. Under the revised approach, commercial banks of the Republic of Uzbekistan are required to maintain obligatory reserve within their correspondent accounts with the Central Bank (Note 7). The Bank is permitted to meet the mandatory reserve requirement through varying daily balances in its correspondent account, provided that the average balance maintained over the reporting period is not lower than the required reserve level determined at the beginning of the period. Thus from 1 July 2024, these amounts are considered as part of cash and cash equivalents.

Due from other banks. Amounts due from other banks are recorded when the Bank advances money to counterparty banks. Amounts due from other banks are carried at AC when: (i) they are held for the purposes of collecting contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

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

Debt securities are carried at FVOCI if they are held for collection of contractual cash flows and for selling, where those cash flows represent SPPI, and if they are not designated at FVTPL. Interest income from these assets is calculated using the effective interest method and recognised in profit or loss. An impairment allowance estimated using the expected credit loss model is recognised in profit or loss for the year. All other changes in the carrying value are recognised in OCI. When the debt security is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from OCI to profit or loss.

Investments in debt securities are carried at FVTPL if they do not meet the criteria for AC or FVOCI. The Bank may also irrevocably designate investments in debt securities at FVTPL on initial recognition if applying this option significantly reduces an accounting mismatch between financial assets and liabilities being recognised or measured on different accounting bases.

Loans and advances to customers. Loans and advances to customers are recorded when the Bank advances money to purchase or originate a loan due from a customer. Based on the business model and the cash flow characteristics, the Bank classifies loans and advances to customers into one of the following measurement categories: (i) AC: loans that are held for collection of contractual cash flows and those cash flows represent SPPI and loans that are not voluntarily designated at FVTPL, and (ii) FVTPL: loans that do not meet the SPPI test or other criteria for AC or FVOCI are measured at FVTPL.

Impairment allowances are determined based on the forward-looking ECL models. Note 21 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Bank incorporates forward-looking information in the ECL models.

3 Material Accounting Policy Information (Continued)

Premises and equipment. Premises and equipment are stated at cost less accumulated depreciation and provision for impairment, where required.

Costs of minor repairs and day-to-day maintenance are expensed when incurred. Costs of replacing major parts or components of premises and equipment items are capitalised, and the replaced part is retired.

Leasehold improvements are alterations made to rented properties by the Bank to customise it to its particular business needs and preferences. The improvements that are specialised to the Bank’s intended use of the property are treated as own assets for accounting purposes.

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

Gains and losses on disposals determined by comparing proceeds with carrying amount are recognised in profit or loss for the year (within other operating income or expenses).

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

	Useful lives in years
Building and leasehold improvements	5 to 20
Transport	5
Furniture and fixtures	5 to 12
Office and computer equipment	5 to 12
Right-of-use assets	3

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

Due to other banks. Amounts due to other banks are recorded when money or other assets are advanced to the Bank by counterparty banks. The non-derivative liability is carried at AC.

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

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

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if the financial statements are authorised prior to filing relevant tax returns. Taxes other than on income are recorded within administrative and other operating expenses.

Deferred income tax is provided using the balance sheet liability method for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilised.

3 Material Accounting Policy Information (Continued)

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

Dividends. Dividends are recorded in equity in the period in which they are declared. Any dividends declared after the end of the reporting period and before the financial statements are authorised for issue, are disclosed in the subsequent events note. The Bank distributes dividends based on audited financial statements, prepared in accordance with IFRS, taking into account requirements of the existing legislation of the Republic of Uzbekistan.

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

Fees integral to the effective interest rate include origination fees received or paid by the Bank relating to the creation or acquisition of a financial asset or issuance of a financial liability, for example fees for evaluating creditworthiness, evaluating and recording guarantees or collateral, negotiating the terms of the instrument and for processing transaction documents. Commitment fees received by the Bank to originate loans at market interest rates are integral to the effective interest rate if it is probable that the Bank will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination. The Bank does not designate loan commitments as financial liabilities at FVTPL.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for (i) financial assets that have become credit impaired (Stage 3), for which interest revenue is calculated by applying the effective interest rate to their AC, net of the ECL provision, and (ii) financial assets that are purchased or originated credit impaired, for which the original credit-adjusted effective interest rate is applied to the AC.

Fee and commission income. Fee and commission income is recognised over time on a straight-line basis as the services are rendered, when the customer simultaneously receives and consumes the benefits provided by the Bank’s performance. Such income includes recurring fees for account maintenance, account servicing fees, account subscription fees, premium service package fees, etc. Variable fees are recognised only to the extent that management determines that it is highly probable that a significant reversal will not occur. Other fee and commission income is recognised at a point in time when the Bank satisfies its performance obligation, usually upon execution of the underlying transaction. The amount of fee or commission received or receivable represents the transaction price for the services identified as distinct performance obligations. Such income includes fees for arranging a sale or purchase of foreign currencies on behalf of a customer, fees for processing payment transactions, fees for cash settlements, collection or cash disbursements.

Commission income from contracts with customers is estimated based on the remuneration specified in the contract. The Bank recognizes revenue when it transfers control of a service to a customer. The following table provides information on the nature and timing of obligations under contracts with customers, including the main terms of payment and the relevant accounting policies for revenue recognition.

Type of service	The nature and timing of obligations, including the essential terms of payment	Revenue recognition in accordance with IFRS 15
Retail and corporate services	The Bank provides banking services to retail and corporate clients, including operations with debit cards, settlement transactions, and cash operations related to account servicing, services for issuing guarantees and letters of credit. The commission is charged at the established rates at the time of the transaction or by debiting the corresponding commission amounts from the client's account on a monthly basis at fixed rates reviewed monthly by the bank manager.	Fees for guarantees and letters of credit are recognized as the services are rendered over time. The commission for transactions on debit cards, settlement and cash transactions is recognized at the time of the relevant transactions (operations).

3 Material Accounting Policy Information (Continued)

Sales and purchases of foreign currencies and currency conversion. The Bank sells and purchases foreign currencies in the cash offices and through the bank accounts, as well as exchanges foreign currencies. The transactions are performed at the exchange rates established by the Bank, which are different from the official spot exchange rates at the particular dates. The differences between the official rates and Bank rates are recognised as gains less losses from trading in foreign currencies at a point in time when a particular performance obligation is satisfied.

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

Monetary assets and liabilities are translated into each Bank’s functional currency at the official exchange rate of the CBU at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities into each

Bank’s functional currency at year-end official exchange rates of the CBU, are recognised in profit or loss for the year (as foreign exchange translation gains less losses). Translation at year-end rates does not apply to non-monetary items that are measured at historical cost.

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

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

At 31 December 2025, the principal rate of exchange used for translating foreign currency balances was USD 1 = UZS 12,025.33 (2024: USD 1 = UZS 12,920.48) and EUR 1 = UZS 14,162.23 (2024: Euro 1 = UZS 13,436.01).

Staff costs and related contributions. Wages, salaries, contributions to the Uzbekistan state pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Bank. The Bank has no legal or constructive obligation to make pension or similar benefit payments beyond the payments to the statutory defined contribution scheme.

Presentation of statement of financial position in order of liquidity. The Bank does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the statement of financial position. Instead, assets and liabilities are presented in order of their liquidity. Refer to Note 21 for analysis of financial instruments by their maturity.

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies

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

ECL measurement. Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs. Details of ECL measurement methodology are disclosed in Note 21. The following components have a major impact on credit loss allowance:

- segmentation of financial assets for the ECL assessment purposes;
- determination of a level of ECL assessment on an individual instrument basis or on a collective basis;

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

- definition of default applied by the Bank;
- development and application of credit grading models, which assigns PDs to the individual credit risk grades;
- development and application of internal models used to estimate exposure at default ("EAD") for financial instruments and credit related commitments;
- application of loss given default ("LGD");
- criteria for assessing if there has been a significant increase in credit risk;

The Bank considers forward-looking information for measurement of ECL. Taking into account that currently the Bank does not have history of defaults, the Bank has no ability to develop models for the purpose of statistical determination of correlation between macroeconomic factors and default rate for loan portfolio.

When the Bank has appropriate statistical information to develop models of credit portfolio quality sensitivity to macroeconomic factors several scenarios are to be analysed and several sets of adjusting factors are to be applied for the purpose of ECL calculations.

A 10% increase or decrease in PD estimates at 31 December 2025 would result in an increase or decrease in total expected credit loss allowances of UZS 1,027 million (2024: UZS 1,961 million).

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

The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting period. The Bank considers all reasonable and supportable forward-looking information available without undue cost and effort, which includes a range of factors, including behavioural aspects of particular customer portfolios. The Bank identifies behavioural indicators of increases in credit risk prior to delinquency and incorporated appropriate forward-looking information into the credit risk assessment, either at an individual instrument, or on a portfolio level. Refer to Note 21.

Should ECL on all loans and advances to customers be measured at lifetime ECL (that is, including those that are currently in Stage 1 measured at 12-months ECL), the expected credit loss allowance would be higher by UZS 2,519 million as of 31 December 2025 (31 December 2024: higher by UZS 13,894 million).

Business model assessment. The business model drives classification of financial assets. Management applied judgement in determining the level of aggregation and portfolios of financial instruments when performing the business model assessment. When assessing sales transactions, the Bank considers their historical frequency, timing and value, reasons for the sales and expectations about future sales activity. Sales transactions aimed at minimising potential losses due to credit deterioration are considered consistent with the "hold to collect" business model. Other sales before maturity, not related to credit risk management activities, are also consistent with the "hold to collect" business model, provided that they are infrequent or insignificant in value, both individually and in aggregate. The Bank assesses significance of

sales transactions by comparing the value of the sales to the value of the portfolio subject to the business model assessment over the average life of the portfolio. In addition, sales of financial asset expected only in stress case scenario, or in response to an isolated event that is beyond the Bank's control, is not recurring and could not have been anticipated by the Bank, are regarded as incidental to the business model objective and do not impact the classification of the respective financial assets.

The "hold to collect and sell" business model means that assets are held to collect the cash flows, but selling is also integral to achieving the business model's objective, such as, managing liquidity needs, achieving a particular yield, or matching the duration of the financial assets to the duration of the liabilities that fund those assets.

The residual category includes those portfolios of financial assets, which are managed with the objective of realising cash flows primarily through sale, such as where a pattern of trading exists. Collecting contractual cash flow is often incidental for this business model.

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

Assessment whether cash flows are solely payments of principal and interest (“SPPI”). Determining whether a financial asset’s cash flows are solely payments of principal and interest required judgement. In making this judgement, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank’s claim to the cash flows from specified assets (e.g. non-recourse financing);
- features that modify consideration of the time value of money element (e.g. periodical reset of interest rates);

The time value of money element may be modified, for example, if a contractual interest rate is periodically reset but the frequency of that reset does not match the tenor of the debt instrument’s underlying base interest rate, for example a loan pays three months interbank rate but the rate is reset every month. The effect of the modified time value of money was assessed by comparing relevant instrument’s cash flows against a benchmark debt instrument with SPPI cash flows, in each period and cumulatively over the life of the instrument.

In case of a scenario with cash flows that significantly differ from the benchmark, the assessed instrument’s cash flows are not SPPI and the instrument is then carried at FVTPL.

The Bank identified and considered contractual terms that change the timing or amount of contractual cash flows. The SPPI criterion is met if a loan allows early settlement and the prepayment amount substantially represents principal and accrued interest, plus a reasonable additional compensation for the early termination of the contract. The asset’s principal is the fair value at initial recognition less subsequent principal repayments, i.e. instalments net of interest determined using the effective interest method. As an exception to this principle, the standard also allows instruments with prepayment features that meet the following condition to meet SPPI: (i) the asset is originated at a premium or discount, (ii) the prepayment amount represents contractual par amount and accrued interest and a reasonable additional compensation for the early termination of the contract, and (iii) the fair value of the prepayment feature is immaterial at initial recognition.

The Bank considered the examples provided in the standard and concluded that features arising solely from legislation that are not included in the contract text (such as debt-to-equity conversion provisions in some countries), i.e., that would no longer be applicable in the event of a change in legislation, should not be considered when assessing whether cash flows meet the criteria for solely payments of principal and interest. The instruments that failed the SPPI test are measured at FVTPL.

Tax legislation. Uzbekistan tax, currency and customs legislation is subject to varying interpretations. Refer to Note 20.

5 Adoption of New or Revised Standards and Interpretations

The following amendments became effective from 1 January 2025:

Amendments to IAS 21 Lack of Exchangeability (Issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The amendments to IAS 21 do not provide detailed requirements on how to estimate the spot exchange rate. Instead, they set out a framework under which an entity can determine the spot exchange rate at the measurement date. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences. The application of the above amendments had no significant impact on the Bank’s financial statements.

6 New Accounting Pronouncements

Certain new standards and interpretations have been issued that are mandatory for the annual periods beginning on or after 1 January 2026 or later, and which the Bank has not early adopted

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The Bank is currently assessing the impact of the amendments on its financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The Bank is currently assessing the impact of the amendments on its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (Issued on 9 May 2024, then amended on 21 August 2025 and effective for annual periods beginning on or after 1 January 2027). IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. The Bank is currently assessing the impact of the amendments on its financial statements.

IFRS 14, Regulatory Deferral Accounts (issued on 30 January 2014). IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard. This standard will be effective from a date that is yet to be determined by the IASB.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary. In 2015, the IASB decided to postpone the effective date of these amendments indefinitely.

6 New Accounting Pronouncements (Continued)

Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (Issued on 18 December 2024 and effective from 1 January 2026). The IASB has issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company’s performance. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9, *Financial Instruments*, and IFRS 7, *Financial Instruments: Disclosures*. The amendments include: (a) clarifying the application of the ‘own-use’ requirements; (b) relaxing certain hedge accounting requirements if these contracts are used as hedging instruments; and (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on financial performance and cash flows. The Bank is currently assessing the impact of the amendments on its financial statements.

Annual Improvements to IFRS Accounting Standards (Issued in July 2024 and effective from 1 January 2026). IFRS 1 was clarified that a hedge should be discontinued upon transition to IFRS Accounting Standards if it does not meet the ‘qualifying criteria’, rather than ‘conditions’ for hedge accounting, in order to resolve a potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9. IFRS 7 requires disclosures about a gain or loss on derecognition relating to financial assets in which the entity has a continuing involvement, including whether fair value measurements included ‘significant unobservable inputs’. This new phrase replaced reference to ‘significant inputs that were not based on observable market data’. The amendment makes the wording consistent with IFRS 13. In addition, certain IFRS 7 implementation guidance examples were clarified and text added that the examples do not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. IFRS 16 was amended to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9 guidance to recognise any resulting gain or loss in profit or loss. This clarification applies to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. In order to resolve an inconsistency between IFRS 9 and IFRS 15, trade receivables are now required to be initially recognised at ‘the amount determined by applying IFRS 15’ instead of at ‘their transaction price (as defined in IFRS 15)’. IFRS 10 was amended to use less conclusive language when an entity is a ‘de-facto agent’ and to clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de-facto agent. IAS 7 was corrected to delete references to ‘cost method’ that was removed from IFRS Accounting Standards in May 2008 when the IASB issued amendment ‘Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate’. The Bank is currently assessing the impact of the amendments on its financial statements.

7 Cash and Cash Equivalents

<i>In millions of Uzbekistan Soums</i>	31 December 2025	31 December 2024
Cash balances with the CBU	3,638,039	1,947,232
Correspondent accounts and overnight placements with other banks	2,505,092	2,102,373
Placements with other banks with original maturities of less than three months	1,371,497	1,698,732
Reverse sale and repurchase agreements with other banks with original maturities of less than three months	903,806	-
Cash on hand	246,989	267,624
Less credit loss allowance	(50)	(338)
Total cash and cash equivalents	8,665,373	6,015,623

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7 Cash and Cash Equivalents (Continued)

The table below discloses the credit quality of cash and cash equivalents balances based on credit risk ratings at 31 December 2025.

	Cash balances with the CBU	Correspon- dent accounts and overnight placements with other banks	Placements with other banks with original maturities of less than three months	Reverse sale and repurchase agreements with other banks with original maturities of less than three months	Total
<i>In millions of Uzbekistan Soms</i>					
- BBB- to AA- rated	-	2,461,496	1,371,497	-	3,832,993
- BB- to BB+ rated	3,638,039	42,674	-	-	3,680,713
- B- to B+ rated	-	145	-	903,806	903,951
- Not rated	-	777	-	-	777
Less credit loss allowance	-	(10)	(40)	-	(50)
Total cash and cash equivalents, excluding cash on hand	3,638,039	2,505,082	1,371,457	903,806	8,418,384

The credit quality of cash and cash equivalents balances based on credit risk ratings at 31 December 2024 is as follows.

	Cash balances with the CBU)	Correspon- dent accounts and overnight placements with other banks	Placements with other banks with original maturities of less than three months	Total
<i>In millions of Uzbekistan Soms</i>				
- BBB- to A+ rated	-	1,954,971	1,333,825	3,288,796
- BB- to BB+ rated	1,947,232	147,112	121,716	2,216,060
- B- to B+ rated	-	157	243,191	243,348
- Not rated	-	133	-	133
Less credit loss allowance	-	(11)	(327)	(338)
Total cash and cash equivalents, excluding cash on hand	1,947,232	2,102,362	1,698,405	5,747,999

For the purpose of ECL measurement cash and cash equivalents balances are included in Stage 1. Refer to Note 21 for the ECL measurement approach.

At 31 December 2025 and 2024, the Bank’s largest five balances with counterparty banks, other than CBU, comprised a total amount of UZS 3,065,513 million and UZS 2,451,414 million, or 35% and 41% of the total amount of the cash and cash equivalents respectively.

Interest rate analysis of cash and cash equivalents is disclosed in Note 21. Information on related party balances is disclosed in Note 26.

8 Due from Other Banks

<i>In millions of Uzbekistan Soums</i>	31 December 2025	31 December 2024
Loans to other banks	661,181	711,068
Placements with other banks with original maturities of more than three months	-	62,615
Restricted cash	7,766	7,941
Less credit loss allowance	(3,630)	(3,707)
Total due from other banks	665,317	777,917

At 31 December 2025 and 2024, the Bank’s largest five balances with counterparty banks other than CBU comprised a total amount of UZS 548,078 million and UZS 663,831 million or 82% and 85% of the total amount due from other banks respectively.

The majority of restricted cash represents security deposits with global payment networks placed by the Bank. The Bank does not have the right to use these funds for the purpose of funding its own activities.

The following table contains an analysis of due from other banks balances by credit quality at 31 December 2025 based on credit risk grades assigned by international credit rating agencies.

<i>In millions of Uzbekistan Soums</i>	Loans to Other Banks	Restricted cash	Total
- BBB- to AA rated	-	7,661	7,661
- BB- to BB+ rated	252,465	55	252,520
- B- to B+ rated	408,716	50	408,766
Less credit loss allowance	(3,627)	(3)	(3,630)
Total due from other banks	657,554	7,763	665,317

The following table contains an analysis of due from other banks balances by credit quality at 31 December 2024 based on credit risk grades assigned by international credit rating agencies.

<i>In millions of Uzbekistan Soums</i>	Placements with other banks with original maturities of more than three months	Loans To Other Banks	Restricted cash	Total
- BBB- to AA rated	-	-	7,886	7,886
- BB- to BB+ rated	-	425,448	55	425,503
- B- to B+ rated	62,615	285,620	-	348,235
Less credit loss allowance	(29)	(3,676)	(2)	(3,707)
Total due from other banks	62,586	707,392	7,939	777,917

Refer to Note 21 for the description of credit risk grading system used by the Bank and the approach to ECL measurement, including the definition of default and SICR as applicable to due from other banks balances. For the purpose of ECL measurement due from other banks balances are included in Stage 1. The carrying amount of due from other banks balances at 31 December 2024 above also represents the Bank's maximum exposure to credit risk on these assets.

8 Due from Other Banks (Continued)

No transfers between stages occurred in the period. The credit loss allowance for due from other banks recognised in 2025 year is impacted by a variety of factors, as described below:

- additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular update of inputs to ECL models;
- foreign exchange translations of assets denominated in foreign currencies and other movements; and

Refer to Note 24 for the estimated fair value of each class of amounts due from other banks. Interest rate analysis of due from other banks is disclosed in Note 21. Information on related party balances is disclosed in Note 26.

9 Investments in Debt Securities

The balance of the debt securities at FVOCI at 31 December 2025 and 2024, represents the investments in the bonds of the Central Bank and Ministry of Economy and Finance of Uzbekistan.

As of 31 December 2025 and December 31, 2024, all debt securities at FVOCI categorized as Stage 1 for purposes of estimating the allowance for expected credit losses. Refer to Note 21 for the description of credit risk grading system used by the Bank and the approach to ECL measurement, including the definition of default and SICR as applicable to debt securities at FVOCI. The carrying amount of debt securities at FVOCI at 31 December 2025 described in financial position also represents the Bank's maximum exposure to credit risk on these assets. The debt securities at FVOCI as at 31 December 2025 and 31 December 2024 are not collateralised.

10 Loans and Advances to Customers

<i>In millions of Uzbekistan Soums</i>	31 December 2025	31 December 2024
Gross carrying amount of loans and advances to customers at AC	2,829,323	2,687,516
Less credit loss allowance	(10,267)	(9,392)
Total carrying amount of loans and advances to customers at AC	2,819,056	2,678,124

The carrying amount presented in the statement of financial position best represents the Bank's maximum exposure to credit risk arising from loans and advances to customers.

Gross carrying amount and credit loss allowance amount for loans and advances to customers at AC by classes at 31 December 2025 and 31 December 2024 are disclosed in the table below:

<i>In millions of Uzbekistan Soums</i>	31 December 2025			31 December 2024		
	Gross carrying amount	Credit loss allowance	Carrying amount	Gross carrying amount	Credit loss allowance	Carrying amount
<i>Loans to legal entities</i>	2,820,537	(10,188)	2,810,349	2,675,650	(9,285)	2,666,365
<i>Loans to individuals</i>	8,786	(79)	8,707	11,866	(107)	11,759
Total loans and advances to customers at AC	2,829,323	(10,267)	2,819,056	2,687,516	(9,392)	2,678,124

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10 Loans and Advances to Customers (Continued)

As of 31 December 2025, loans to individuals include mortgage loans for UZS 7,874 million (31 December 2024: UZS 11,190 million).

The following tables disclose the changes in the credit loss allowance and gross carrying amount for loans and advances to customers carried at amortised cost between the beginning and the end of the reporting and comparative periods.

<i>In millions of Uzbekistan Soums</i>	Credit loss allowance		Gross carrying amount	
	Stage 1 (12-months ECL)	Total	Stage 1 (12-months ECL)	Total
Loans to legal entities				
At 1 January 2025	9,285	9,285	2,675,650	2,675,650
<i>Movements affecting credit loss allowance charge for the period:</i>				
New originated or purchased and other changes	11,319	11,319	1,817,257	1,817,257
Derecognised during the period	(10,416)	(10,416)	(1,672,370)	(1,672,370)
Total movements affecting credit loss allowance charge for the period	903	903	144,887	144,887
At 31 December 2025	10,188	10,188	2,820,537	2,820,537

<i>In millions of Uzbekistan Soums</i>	Credit loss allowance		Gross carrying amount	
	Stage 1 (12-months ECL)	Total	Stage 1 (12-months ECL)	Total
Loans to individuals				
At 1 January 2025	107	107	11,866	11,866
<i>Movements affecting credit loss allowance charge for the period:</i>				
New originated or purchased	8	8	846	846
Derecognised during the period	(36)	(36)	(3,926)	(3,926)
Total movements affecting credit loss allowance charge for the period	(28)	(28)	(3,080)	(3,080)
At 31 December 2025	79	79	8,786	8,786

10 Loans and Advances to Customers (Continued)

<i>In millions of Uzbekistan Soums</i>	Credit loss allowance		Gross carrying amount	
	Stage 1 (12-months ECL)	Total	Stage 1 (12-months ECL)	Total
Loans to legal entities				
At 1 January 2024	1,175	1,175	1,983,424	1,983,424
<i>Movements affecting credit loss allowance charge for the period:</i>				
New originated or purchased	8,387	8,387	1,247,315	1,247,315
Derecognised during the period	(277)	(277)	(555,089)	(555,089)
Total movements affecting credit loss allowance charge for the period	8,110	8,110	692,226	692,226
At 31 December 2024	9,285	9,285	2,675,650	2,675,650

<i>In millions of Uzbekistan Soums</i>	Credit loss allowance		Gross carrying amount	
	Stage 1 (12-months ECL)	Total	Stage 1 (12-months ECL)	Total
Loans to individuals				
At 1 January 2024	143	143	14,284	14,284
<i>Movements affecting credit loss allowance charge for the period:</i>				
New originated or purchased	10	10	1,103	1,103
Derecognised during the period	(46)	(46)	(3,521)	(3,521)
Total movements affecting credit loss allowance charge for the period	(36)	(36)	(2,418)	(2,418)
At 31 December 2024	107	107	11,866	11,866

The credit loss allowance for loans and advances to customers recognised in the period is impacted by a variety of factors, details of ECL measurement are provided in Note 21. The main movements in the table are described below:

- additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments derecognised during the period;
- foreign exchange translations of assets denominated in foreign currencies and other movements;

The following tables contain analyses of the credit risk exposure of loans and advances to customers measured at AC and for which an ECL allowance is recognised. The carrying amount of loans and advances to customers below also represents the Bank's maximum exposure to credit risk on these loans.

10 Loans and Advances to Customers (Continued)

The credit quality of loans to corporate customers carried at amortised cost is as follows at 31 December 2025:

<i>In millions of Uzbekistan Soums</i>	Stage 1 (12-months ECL)	Total
Loans to legal entities	2,820,537	2,820,537
- Excellent	2,474,446	2,474,446
- Good	345,082	345,082
- Satisfactory	1,009	1,009
Gross carrying amount	2,820,537	2,820,537
Credit loss allowance	(10,188)	(10,188)
Carrying amount	2,810,349	2,810,349
Loans to individuals	8,786	8,786
- Excellent	8,786	8,786
Gross carrying amount	8,786	8,786
Credit loss allowance	(79)	(79)
Carrying amount	8,707	8,707

The credit quality of loans to corporate customers carried at amortised cost is as follows at 31 December 2024:

<i>In millions of Uzbekistan Soums</i>	Stage 1 (12-months ECL)	Total
Loans to legal entities	2,675,650	2,675,650
- Excellent	2,569,052	2,569,052
- Good	100,626	100,626
- Satisfactory	5,972	5,972
Gross carrying amount	2,675,650	2,675,650
Credit loss allowance	(9,285)	(9,285)
Carrying amount	2,666,365	2,666,365
Loans to individuals	11,866	11,866
- Excellent	11,866	11,866
Gross carrying amount	11,866	11,866
Credit loss allowance	(107)	(107)
Carrying amount	11,759	11,759

For description of the credit risk grading used in the tables above refer to Note 21.

10 Loans and Advances to Customers (Continued)

Economic sector risk concentrations within the customer loan portfolio are as follows:

<i>In millions of Uzbekistan Soums</i>	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Trade and services	1,218,213	43%	1,025,303	38%
Production	759,734	27%	616,316	23%
Mining	588,632	21%	826,003	31%
Agriculture	253,958	9%	208,028	8%
Individuals	8,786	0%	11,866	0%
Total loans and advances to customers carried at AC	2,829,323	100%	2,687,516	100%

At 31 December 2025, the Bank's largest five borrowers comprised a total amount of UZS 1,238,202 million (2024: UZS 1,302,441 million) or 44% of the gross loan portfolio (2024: 49%).

The Bank's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Bank since the prior period. Description of collateral held for loans to corporate customers carried at amortised cost is as follows at 31 December 2025:

<i>In millions of Uzbekistan Soums</i>	Loans to legal entities	Loans to individuals	Total
Loans guaranteed by other parties	489,894	229	490,123
Loans collateralised by:			
- real estate	1,315,123	7,711	1,322,834
- equipment and inventory	347,957	-	347,957
- motor vehicle	9,105	-	9,105
- insurance	537,886	846	538,732
- unsecured loans	120,575	-	120,575
Total carrying value loans and advances to customers at AC (amount representing exposure to credit risk for each class of loans at AC)	2,820,540	8,786	2,829,326

The quality of collateral securing loans guaranteed by other parties is represented by the level "excellent" according to the internal rating system and solvency grades determined by the Bank.

The collateral analysis for loans to corporate customers measured at amortized cost as of 31 December 2024 is as follows:

<i>In millions of Uzbekistan Soums</i>	Loans to legal entities	Loans to individuals	Total
Loans guaranteed by other parties	316,238	259	316,497
Loans collateralised by:			
- real estate	1,554,986	11,027	1,566,013
- equipment and inventory	402,837	-	402,837
- motor vehicle	12,222	-	12,222
- insurance	335,151	580	335,731
- unsecured loans	54,216	-	54,216
Total carrying value loans and advances to customers at AC (amount representing exposure to credit risk for each class of loans at AC)	2,675,650	11,866	2,687,516

10 Loans and Advances to Customers (Continued)

The extent to which collateral and other credit enhancements mitigate credit risk for financial assets carried at amortised cost that are credit impaired, is presented by disclosing collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed carrying value of the asset (“over-collateralised assets”) and (ii) those assets where collateral and other credit enhancements are less than the carrying value of the asset (“under-collateralised assets”).

The effect of collateral on unimpaired assets at 31 December 2025 is as follows.

<i>In millions of Uzbekistan Soums</i>	Over-collateralised Assets		Under-collateralised assets	
	Carrying value of the assets	Value of collateral	Carrying value of the assets	Value of collateral
Loans to legal entities carried at AC	2,578,819	5,241,985	241,718	120,253
Loans to individuals carried at AC	8,786	21,259	-	-
Total carrying value loans and advances to customers at AC	2,587,605	5,263,244	241,718	120,253

The effect of collateral on unimpaired assets at 31 December 2024 is as follows.

<i>In millions of Uzbekistan Soums</i>	Over-collateralised Assets		Under-collateralised Assets	
	Carrying value of the assets	Value of collateral	Carrying value of the assets	Value of collateral
Loans to legal entities	2,491,297	4,763,591	184,353	129,205
Loans to individuals	11,866	24,733	-	-
Total carrying value loans and advances to customers at AC	2,503,163	4,788,324	184,353	129,205

The values of collateral considered in this disclosure are after a valuation haircut applied to consider liquidity and quality of the pledged assets. Refer to Note 24 for the estimated fair value of each class of loans and advances to customers. Interest rate analysis of loans and advances to customers is disclosed in Note 21. Information on related party balances is disclosed in Note 26.

11 Other Assets

<i>In millions of Uzbekistan Soums</i>	31 December 2025	31 December 2024
<i>Other financial assets at AC</i>		
Clearing account for card operations and other settlements	12,838	10,637
Accrued income receivable	177	206
Less credit loss allowance	(2)	(2)
Total other financial assets at AC	13,013	10,841
<i>Other non-financial assets</i>		
Prepaid expenses	8,206	6,871
Prepayments to suppliers	142	179
Other	2,356	2,448
Total other non-financial assets	10,704	9,498
Total other assets	23,717	20,339

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12 Premises, Equipment and Intangible Assets

<i>In millions of Uzbekistan Soums</i>		Premises	Office and computer equipment	Total premises and equipment	Intangible assets	Total
	Note					
Cost at 1 January 2024		47,581	51,939	99,520	37,348	136,868
Additions		2,389	2,820	5,209	1,331	6,540
Disposals		-	(1,730)	(1,730)	(274)	(2,004)
Cost at 31 December 2024		49,970	53,029	102,999	38,405	141,404
Accumulated depreciation at 1 January 2024		13,627	30,825	44,452	16,816	61,268
Depreciation/ amortisation charge	19	2,485	7,018	9,503	4,769	14,272
Disposals		-	(1,669)	(1,669)	(260)	(1,929)
Accumulated depreciation at 31 December 2024		16,112	36,174	52,286	21,325	73,611
Carrying amount at 31 December 2023		33,954	21,114	55,068	20,532	75,600
31 December 2024		33,858	16,855	50,713	17,080	67,793
Cost at 1 January 2025		49,970	53,029	102,999	38,405	141,404
Additions		-	32,836	32,836	6,657	39,493
Transfers		(195)	195	-	-	-
Transfer from investment property to Buildings and premises		1,262	-	1,262	-	1,262
Disposals		-	(1,295)	(1,295)	-	(1,295)
Cost at 31 December 2025		51,037	84,765	135,802	45,062	180,864
Accumulated depreciation at 1 January 2025		16,112	36,174	52,286	21,325	73,611
Depreciation/ amortisation charge	19	2,529	6,260	8,789	4,824	13,613
Transfer from investment property to Buildings and premises		938	-	938	-	938
Disposals		-	(1,283)	(1,283)	-	(1,283)
Accumulated depreciation at 31 December 2025		19,579	41,151	60,730	26,149	86,879
Carrying amount at 31 December 2024		33,858	16,855	50,713	17,080	67,793
31 December 2025		31,458	43,614	75,072	18,913	93,985

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13 Due to Other Banks

<i>In millions of Uzbekistan Soums</i>	31 December 2025	31 December 2024
Long-term placements of other banks	2,677,626	1,550,458
Short-term placements of other banks	421,127	1,292,306
Interest payable on placements of other banks	12,275	23,870
Correspondent accounts	6,271	9,131
Total due to other banks	3,117,299	2,875,765

At 31 December 2025 and 2024, the Bank’s largest balances with three counterparty banks amounted to UZS 3,110,788 million and one counterparty bank amounted to UZS 2,866,788 million, respectively.

Refer to Note 24 for the disclosure of the fair value of each class of amounts due to other banks. Interest rate analysis of due to other banks is disclosed in Note 21. Information on related party balances is disclosed in Note 26.

14 Customer Accounts

<i>In millions of Uzbekistan Soums</i>	31 December 2025	31 December 2024
Private and legal entities:		
- Current/settlement accounts	5,840,611	3,992,285
- Term deposits	711,594	1,472
State and public organizations		
- Current/settlement accounts	162,925	633,860
Individuals		
- Current/demand accounts	714,273	750,260
Total customer accounts	7,429,403	5,377,877

Economic sector concentrations within customer accounts are as follows:

<i>In millions of Uzbekistan Soums</i>	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Production	2,883,071	39	919,232	17
Services	1,990,466	27	902,404	17
Individuals	714,273	10	750,260	14
Oil & gas	588,999	8	1,414,086	26
Trade	373,394	5	800,674	15
Mining	215,261	3	40,552	1
Telecommunication	15,420	0	7,567	0
Other	648,519	8	543,102	10
Total customer accounts	7,429,403	100	5,377,877	100

At 31 December 2025, the Bank’s largest three customer balances represented an aggregate amount of UZS 2,282,126 million (31 December 2024: UZS 1,457,531 million balances of other three customers) or 31% (2024: 27%) of total customer accounts.

At 31 December 2025 included in customer accounts are deposits of UZS 351,801 million (31 December 2024: UZS 433,149 million) held as collateral against issued guarantees, letters of credit and loans. Refer to Note 23. Refer to Note 24 for the disclosure of the fair value of each class of customer accounts. Interest rate analysis of customer accounts is disclosed in Note 21. Information on related party balances is disclosed in Note 26.

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15 Other Liabilities

Other financial liabilities comprise the following:

<i>In millions of Uzbekistan Soums</i>	Note	31 December 2025	31 December 2024
<i>Other financial liabilities at AC</i>			
Payables to suppliers		4,552	4,702
Total other financial liabilities at AC		4,552	4,702
<i>Other non-financial liabilities</i>			
Accrued salaries		11,458	10,381
Taxes other than on income tax payable		934	672
Provision for guarantees and loan commitments	23	808	307
Deferred income		577	614
Other		570	2,565
Total other non-financial liabilities		14,347	14,539
Total other liabilities		18,899	19,241

Taxes payable other than income tax mainly represent social tax related to payroll, value added tax and taxes payable. Refer to Note 24 for disclosure of the fair value of each class of other financial liabilities.

Refer to Note 23 for analysis of exposure from financial guarantees and loan commitments by credit risk grades.

16 Share Capital

<i>In millions of Uzbekistan Soums except for number of shares</i>	Number of outstanding shares in thousands	Nominal value	Ordinary shares	Total
At 1 January 2024	3,406,858	148.63	506,361	506,361
At 31 December 2024	3,406,858	148.63	506,361	506,361
At 31 December 2025	3,406,858	148.63	506,361	506,361

The total authorised number of ordinary shares is 3,406,858 thousand shares (2024: 3,406,858 thousand shares), with a par value of UZS 148.63 per share (2024: UZS 148.63 per share). All issued ordinary shares are fully paid.

In accordance with legislation of Republic of Uzbekistan, the Bank distributes profits as dividends or transfers them to reserves on the basis of financial statements prepared in accordance with IFRS financial reporting standards issued by the International Accounting Standards Board ("IFRS financial reporting standards").

During 2025, the Bank declared and paid dividends amounting UZS 38,838 million in the amount of UZS 11.4 per share on its shares. In 2024, no dividends were declared and/or paid.

JOINT-STOCK COMPANY “KDB BANK UZBEKISTAN”
Notes to the Financial Statements – 31 December 2025

17 Interest Income and Expense

<i>In millions of Uzbekistan Soums</i>	2025	2024
Interest income calculated using the effective interest method		
Loans and advances to customers at AC	301,799	259,044
Due from other banks at AC	388,445	370,989
Investment in debt securities at FVOCI	260,953	135,713
Total interest income calculated using the effective interest method	951,197	765,746
Interest and other similar expense		
Term placements of other banks	(131,402)	(103,386)
Demand deposits of legal entities	(40,040)	(21,246)
Total interest expense	(171,442)	(124,632)
Net margin on interest income	779,755	641,114

18 Fee and Commission Income and Expense

<i>In millions of Uzbekistan Soums</i>	2025	2024
Fee and commission income		
- Settlement transactions	55,132	45,807
- Servicing debit cards	13,865	10,330
- Cash transactions	11,757	9,315
- Financial guarantees and letter of credits issued (Note 24)	5,400	6,844
- Other	2,633	1,933
Total fee and commission income	88,787	74,229
Fee and commission expense		
- Settlement transactions	10,784	10,358
- Servicing debit cards	10,398	8,525
- Cash collection	252	239
Total fee and commission expense	21,434	19,122
Net fee and commission income	67,353	55,107

19 Administrative and Other Operating Expenses

<i>In millions of Uzbekistan Soums</i>	Note	2025	2024
Staff costs		125,631	112,480
Depreciation and amortization	12	13,613	14,335
Membership fees		7,736	6,429
Taxes other than income taxes		7,751	4,752
Annual software licenses and other periodicals		7,564	1,747
Postage, telephone and fax expenses		4,270	4,129
Professional services		3,150	3,883
Security expenses		3,616	3,200
Repair and maintenance		2,838	2,223
Representation and entertainment		2,746	2,103
Stationery and office supplies		1,603	1,536
Utilities		1,337	1,034
Travel expenses		1,382	952
Fuel expenses		239	202
Other		2,427	1,652
Total administrative and other operating expenses		185,903	160,657

Included in staff costs are statutory pension contributions of UZS 9,804 million (2024: UZS 8,810 million).

20 Income Taxes

(a) Components of income tax expense / (benefit)

Income tax expense recorded in profit or loss for the year comprises the following:

<i>In millions of Uzbekistan Soums</i>	2025	2024
Current tax	101,369	103,747
Deferred tax credit	(104)	(784)
Income tax expense for the year	101,265	102,963

(b) Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate

The income tax rate applicable to the Bank’s 2025 income is 20% (2024: 20%). A reconciliation between the expected and the actual taxation charge is provided below.

<i>In millions of Uzbekistan Soums</i>	2025	2024
Profit before tax	791,187	626,693
Theoretical tax charge at statutory rate (2025: 20%; 2024: 20%)	158,237	125,339
Tax effect of items which are not deductible or assessable for taxation purposes:		
- Income which is exempt from taxation	(61,805)	(26,493)
- Non-deductible expenses	4,833	4,117
Income tax expense for the year	101,265	102,963

(c) Deferred taxes analysed by type of temporary difference

Differences between IFRS and statutory taxation regulations in Uzbekistan give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences is detailed below.

<i>In millions of Uzbekistan Soums</i>	1 January 2024	Credited/ (charged) to profit or loss	1 January 2025	Credited/ (charged) to profit or loss	31 December 2025
Tax effect of deductible/(taxable) temporary differences					
Premises and equipment: (temporary difference due to statutory revaluation)	49	(16)	33	-	33
Credit loss allowance of loans	210	414	624	(136)	488
Accruals	614	386	1,000	240	1,240
Net deferred tax asset	873	784	1,657	104	1,761
Recognised deferred tax asset	873	784	1,657	104	1,761
Net deferred tax asset	873	784	1,657	104	1,761

21 Financial Risk Management

The risk management function within the Bank is carried out with respect to financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk. The primary function of financial risk management is to establish risk limits and to ensure that any exposure to risk stays within these limits. The operational and legal risk management functions are intended to ensure the proper functioning of internal policies and procedures in order to minimise operational and legal risks.

Credit risk. The Bank exposes itself to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.

Exposure to credit risk arises as a result of the Bank’s lending and other transactions with counterparties, giving rise to financial assets and off-balance sheet credit-related commitments.

The Bank’s maximum exposure to credit risk is reflected in the carrying amounts of financial assets in the statement of financial position. For financial guarantees issued, commitments to extend credit, undrawn credit lines and export/import letters of credit, the maximum exposure to credit risk is the amount of the commitment.

Credit risk management. Credit risk is one of the most material risks for the Bank’s business. Therefore, management carefully manages its exposure to credit risk.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Limits on the level of credit risk by product and industry sector are approved regularly by management. Such risks are monitored on a revolving basis and are subject to an annual, or more frequent, review.

The Bank 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 using the Bank’s internal credit rating system, which assigns each counterparty a risk rating. The credit quality review process aims to allow the Bank to assess the potential loss as a result of the risks to which it is exposed and take corrective action. Clients of the Bank are segmented into five rating classes as per below table.

Credit risk grading system. The Bank applies two approaches – an Internal Risk-Based (IRB) rating system for grading loans to customers and risk grades estimated by external international rating agencies (Standard & Poor’s – “S&P”, Fitch, Moody’s) for cash and cash equivalents and due from banks. The following table provides information about the credit risk levels for loans and advances to customers:

Scale of credit risk for loans and advances to customers	Internal ratings to assess loans and advances to customers	PD rates ranges
Excellent	AAA to A-	0.94 -1.19%
Good	BBB+ to BBB-	1.20%
Satisfactory	BB+ to B-	4.02 - 16.74%
Special monitoring	CCC+ to C	37.18%
Default	D-I, D-II	100%

Each scale of credit risk for loans and advances to customers grade is assigned a specific degree of creditworthiness:

- *Excellent* – strong credit quality with low expected credit risk;
- *Good* – adequate credit quality with a moderate credit risk;
- *Satisfactory* – moderate credit quality with a satisfactory credit risk;
- *Special monitoring* – facilities that require closer monitoring and remedial management; and
- *Default* – facilities in which a default has occurred.

21 Financial Risk Management (Continued)

Information on credit risk levels based on the assessment of external international rating agencies for cash and due from banks:

Ratings of external international rating agencies (S&P)	Probability of default interval (for 12 months) for cash and due from banks
AA - BB+	0.04% - 0.41%
BB - B+	0.83% - 1.17%
B, B-	2.60% - 3.38%
CCC+ - CCC-	4.02% - 16.74%
C, D-I, D-II	100%

The IRB system is designed internally and ratings are estimated by management. Various credit-risk estimation techniques are used by the Bank depending on the class of the asset. There are three commonly used types of such systems:

- *Model-based* – In this system, credit risk ratings are assigned by internally developed statistical models with the limited involvement of credit officers. Statistical models include qualitative and quantitative information that shows the best predictive power based on historical data on defaults.
- *Expert judgement-based* – In this system, credit risk ratings are assigned subjectively by experienced credit officers based on internally developed methodology and different qualitative and quantitative factors. This approach is based on expert methodology and judgements rather than on sophisticated statistical models.
- *Hybrid* – This rating system is a combination of the two systems above. It is developed by using historical data combined with expert input.

The Bank applies IRB systems for measuring credit risk for assessment of SICR on corporate loans..

The rating models are regularly reviewed by the Credit Risk Department, once historical default statistics is available rating models will be updated accordingly. Despite the method used, the Bank regularly validates the accuracy of ratings estimates and appraises the predictive power of the models.

External ratings are assigned to counterparties by independent international rating agencies, such as S&P, Moody’s and Fitch. These ratings are publicly available. Such ratings and the corresponding range of probabilities of default (“PD”) are applied for the following financial instruments: interbank placements and corresponding accounts with other banks.

Expected credit loss (ECL) measurement. ECL is a probability-weighted estimate of the present value of future cash shortfalls (i.e., the weighted average of credit losses, with the respective risks of default occurring in a given time period used as weights). An ECL measurement is unbiased and is determined by evaluating a range of possible outcomes. ECL measurement is based on four components used by the Bank: Probability of Default (“PD”), Exposure at Default (“EAD”), Loss Given Default (“LGD”) and Discount Rate.

EAD is an estimate of exposure at a future default date, taking into account expected changes in the exposure after the reporting period, including repayments of principal and interest, and expected drawdowns on committed facilities. The EAD on credit related commitments is estimated using Credit Conversion Factor (“CCF”). CCF is a coefficient that shows the probability of conversion of the committed amounts to an on-balance sheet exposure within a defined period. The Bank’s management estimates that 12-month and lifetime CCFs are materially the same. PD an estimate of the likelihood of default to occur over a given time period. LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from

21 Financial Risk Management (Continued)

any collateral. It is usually expressed as a percentage of the EAD. Taking into account that currently the Bank does not have history of defaults, the Bank has developed the models for assessment of ECL using PD and LGD statistics specified in Moody's reports. The expected losses are discounted to present value at the end of the reporting period. The discount rate represents the effective interest rate ("EIR") for the financial instrument or an approximation thereof.

Expected credit losses are modelled over instrument's *lifetime period*. The *lifetime period* is equal to the remaining contractual period to maturity of debt instruments, adjusted for expected prepayments, if any. For loan commitments and financial guarantee contracts, it is the contractual period over which Bank has a present contractual obligation to extend credit.

Management models *Lifetime ECL*, that is, losses that result from all possible default events over the remaining lifetime period of the financial instrument. The *12-month ECL*, represents a portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting period, or remaining *lifetime period* of the financial instrument if it is less than a year.

The ECLs that are estimated by management for the purposes of these financial statements are point-in-time estimates, rather than through-the-cycle estimates that are commonly used for regulatory purposes.

For purposes of measuring PD, the Bank defines default for corporate and individual entrepreneurs, other than banks as a situation when the exposure meets one or more of the following criteria:

- the borrower is more than 90 days past due on its contractual payments;
- the bankruptcy proceedings initiated or the debtor declared bankrupt;
- the exposure to the Debtor classified as 'bad debt' in accordance with the CBU classification;
- the occurrence of an event of impairment (default) on the reporting date that affected classification of other financial instruments of the debtor to Stage 3
- the restructuring caused by financial difficulty of the debtor on the following conditions:
 - grace period on interest for over 90 days; and/or
 - changes in the principal repayment schedule when cumulative instalments over the next 12 months are reduced by more than 50% from the original repayment schedule; and/or
 - extension of maturity of the loan by more than 12 months compared to the original maturity; and/or
 - revision of the principal or interest repayment schedule and/or the interest rate if the resulting present value of contractual cash flows under the modified contracts is more than 10% lower than the present value of the original contractual cash flows.

For purposes of disclosure, the Bank fully aligned the definition of default with the definition of credit-impaired assets. The default definition stated above is applied to all types of financial assets of the Bank.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six month. This period of six months has been determined based on an analysis that considers the likelihood of a financial instrument returning to default status after curing by using different possible definitions of cures.

The assessment whether or not there has been a significant increase in credit risk ("SICR") since initial recognition is performed on an individual basis and on a portfolio basis. For loans issued to corporate entities, interbank loans and debt securities at AC or at FVOCI, SICR is assessed on an individual basis by monitoring the triggers stated below. For loans issued to corporate and individual borrowers, other financial assets, SICR is assessed either on a portfolio basis or an individual basis, depending on the existence of scoring models. The criteria used to identify an SICR are monitored and reviewed periodically for appropriateness by the Bank's Risk Management Department. There is a presumption that there have been significant increases in credit risk since initial recognition when financial assets are more than 30 days past due.

21 Financial Risk Management (Continued)

No assessment of SICR events is performed for financial instruments designated to low credit risk instruments.

The Bank defines financial instruments as low credit risk instruments based on the instrument default risk rather than on the ECL level. Therefore, financial assets may not be designated to the risk instruments only on the basis of the high level of collateralisation.

The Bank defines the following financial instruments as low credit risk assets and classifies them to Stage 1 (if no default/impairment indications exist):

- placements on the correspondent account with the Central Bank of the Republic of Uzbekistan;
- placements on correspondent accounts with non-resident banks with the investment grade assigned by international rating agencies as at the reporting date;
- securities issued by the Central Bank of the Republic of Uzbekistan;
- securities issued by central executive authorities of the Republic of Uzbekistan (i.e. government treasury bonds of the Republic of Uzbekistan).

Where any asset designated to low credit risk instruments experiences the event of impairment (default), this asset shall not be classified to low credit risk instruments. Where the events of impairment (default) exist for an individual issuer of financial instruments designated to low credit risk instruments, all instruments of this issuer should be removed from the list of low credit risk instruments and reclassified appropriately.

The Bank considers a financial instrument to have experienced an SICR when one or more of the following quantitative, qualitative or backstop criteria have been met.

For loans issued to legal entities:

- The debtor's credit quality downgraded from the grade as of the comparison date by 2 or more notches;
- The contractual payments for the financial instrument are more than 30 days past due;
- The property disputes between the debtor's beneficiaries in the amount in excess of 30% of the exposure, corporate conflict between beneficiaries;
- The criminal charges brought against management or owner of the debtor;
- The assessment of the debtor's accounts that could result in liquidity issues;
- The debtor is not available at registered address;
- The collateral provider's title to collateral is challenged in court for one or more assets pledged as collateral to the Bank;
- Debtor and/or surety/guarantee provider challenges agreements with the Bank;
- Classification of the debtor's other financial instruments with the Bank to Stage 2 (due to a SICR event) provided that the date of classification to Stage 2 for those instruments is later than the initial recognition date of the financial instrument assessed;
- The restructuring caused by the reduction of the interest rate on the loan to the below-market level, however not lower than the Bank's cost of funding.

21 Financial Risk Management (Continued)

For other banks:

- Contractual payments are more than 10 days past due;
- For resident banks - the debtor bank's credit quality downgraded from the comparison/recognition date by 2 or more notches;
- For non-resident banks - the rating assigned by an international credit rating agency downgraded by 2 or more notches from the comparison date or withdrawn by the international credit rating agency;
- Classification of the debtor's other financial instruments with the Bank to Stage 2 (due to a SICR event) provided that the date of classification to Stage 2 for those instruments is later than the recognition date of the financial instrument analysed.

The level of ECL that is recognised in these financial statements depends on whether the credit risk of the borrower has increased significantly since initial recognition. This is a three-stage model for ECL measurement. Stage 1- for a financial instrument that is not credit-impaired on initial recognition and its credit risk has not increased significantly since initial recognition has a credit loss allowance based on 12-month ECLs.

Stage 2 - If a SICR since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired and the loss allowance is based on lifetime ECLs. Stage 3 - If a financial instrument is credit-impaired, the financial instrument is moved to Stage 3 and loss allowance is based on lifetime ECLs. The consequence of an asset being in Stage 3 is that the entity ceases to recognise interest income based on gross carrying value and applies the asset's effective interest rate to the carrying amount, net of ECL, when calculating interest income.

If there is evidence that the SICR criteria are no longer met, the instrument is transferred back to Stage 1. If an exposure has been transferred to Stage 2 based on a qualitative indicator, the Bank monitors whether that indicator continues to exist or has changed.

ECL for POCI financial assets is always measured on a lifetime basis. The Bank therefore only recognises the cumulative changes in lifetime expected credit losses.

The Bank has three approaches for ECL measurement: (i) assessment on an individual basis; (ii) assessment on a portfolio basis: internal ratings are estimated on an individual basis but the same credit risk parameters (e.g. PD, LGD) will be applied during the process of ECL calculations for the same credit risk ratings and homogeneous segments of the loan portfolio; and (iii) assessment based on external ratings. The Bank performs an assessment on a portfolio basis for loans issued to corporate customers and loans to individuals.

The Bank performs assessments based on external ratings for interbank loans, debt securities issued by banks.

ECL assessment on an individual basis is performed by weighting the estimates of credit losses for different possible outcomes against the probabilities of each outcome. The Bank defines at least two possible outcomes for each assessed loan, one of which leads to a credit loss even if the probability of such a scenario may be very low. Individual assessment is primarily based on the expert judgement of experienced officers from the Credit and Risk Management Department. Expert judgements are regularly tested in order to decrease the difference between estimates and actual losses.

When assessment is performed on a portfolio basis, the Bank determines the staging of the exposures and measures the loss allowance on a collective basis. The Bank analyses its exposures by segments determined on the basis of shared credit risk characteristics, such that exposures within a group have homogeneous or similar risks. The key shared credit characteristics considered are: product type, credit

21 Financial Risk Management (Continued)

risk rating. The different segments also reflect differences in credit risk parameters such as PD and LGD. The appropriateness of groupings is monitored and reviewed on a periodic basis by the Risk Management Department.

In general, ECL is the sum of the multiplications of the following credit risk parameters: EAD, PD and LGD, that are defined as explained above, and discounted to present value using the instrument's effective interest rate. The ECL is determined by predicting credit risk parameters (EAD, PD and LGD) for each future year during the lifetime period for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has been repaid or defaulted in an earlier month). This effectively calculates an ECL for each future period, that is then discounted back to the reporting date and summed up. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The key principles of calculating the credit risk parameters. The EADs are determined based on the expected payment profile, that varies by product type. EAD is based on the contractual repayments owed by the borrower over a 12-month or lifetime basis for amortising products and bullet repayment loans. This will also be adjusted for any expected overpayments made by a borrower. Early repayment or refinancing assumptions are also incorporated into the calculation. For revolving products, the EAD is predicted by taking the current drawn balance and adding a "credit conversion factor" that accounts for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type, current limit utilisation and other borrower-specific behavioural characteristics.

An assessment of a 12-month PD is based on the expert judgment and adjusted for supportable forward-looking information when appropriate. At the date of preparation of this financial statements Bank has no sufficient data for development of statistical models for ECL assessment.

LGd represents the Bank's expectation of the extent of loss on a defaulted exposure.

The Bank applies LGD based on recovery statistics as per Moody's report on Recovery and Defaults. LGD is calculated on a collective basis based on the latest available recovery statistics for the remainder of the corporate loan portfolio and for retail secured and unsecured products.

ECL measurement for financial guarantees and loan commitments. The ECL measurement for these instruments includes the same steps as described above for on-balance sheet exposures and differs with respect to EAD calculation. The EAD is a product of credit conversion factor ("CCF") and amount of the commitment ("*ExOff*"). CCF for undrawn credit lines of corporate customers, credit cards issued to individuals and for financial guarantees is defined based on Regulatory risk-weight criteria for loan commitments.

Principles of assessment based on external ratings. Certain exposures have external credit risk ratings and these are used to estimate credit risk parameters PD and LGD from the default and recovery statistics published by the respective rating agencies. This approach is applied to interbank loans, deposits and balances on correspondent accounts, as well as debt securities issued by other banks.

Forward-looking information incorporated in the ECL models. During the assessment of SICR and the calculation of ECLs Bank considers forward-looking information. Taking into account that currently the Bank does not have history of defaults, the Bank has no ability to develop models for the purpose of statistical determination of correlation between macroeconomic factors and default rate for loan portfolio. Till the time when respective statistical data becomes available estimation of impact of macroeconomic factors on PD rates for corporate portfolio and LR for retail portfolio is to be made using the Bank's professional judgement. When the Bank has appropriate statistical information to develop models of credit portfolio quality sensitivity to macroeconomic factors several scenarios are to be analysed and several sets of adjusting factors are to be applied for the purpose of ECL calculations.

21 Financial Risk Management (Continued)

The Bank regularly reviews its methodology and assumptions to reduce any difference between the estimates and the actual loss of credit. Such back testing is performed at least once a year.

The results of back testing the ECL measurement methodology are communicated to Bank Management and further steps for tuning models and assumptions are defined after discussions between authorised persons.

Market risk. The Bank takes on exposure to market risks. Market risks arise from open positions in (a) currency, (b) interest rates and (c) equity products, all of which are exposed to general and specific market movements. Management sets limits on the value of risk that may be accepted, which is monitored on a daily basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Currency risk. In respect of currency risk, management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The table below summarises the Bank’s exposure to foreign currency exchange rate risk at the end of the reporting period:

<i>In millions of Uzbekistan Soums</i>	At 31 December 2025			At 31 December 2024		
	Monetary financial assets	Monetary financial liabilities	Net position	Monetary financial assets	Monetary financial liabilities	Net position
Uzbekistan Soums	5,934,384	(3,474,747)	2,459,637	3,434,365	(1,580,181)	1,854,184
US Dollars	5,802,402	(5,807,519)	(5,117)	5,932,683	(5,953,535)	(20,852)
Euros	643,321	(642,838)	483	425,733	(425,302)	431
Chinese Yuan	563,404	(557,661)	5,743	287,965	(286,399)	1,566
Japanese Yen	38,718	(38,348)	370	61	(30)	31
Other	25,620	(30,141)	(4,521)	8,752	(12,897)	(4,145)
Total	13,007,849	(10,551,254)	2,456,595	10,089,559	(8,258,344)	1,831,215

The Bank takes on exposure to the effect of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. In respect of currency risk, the Supervisory Board sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily. The Bank’s Treasury Department measures its currency risk by matching financial assets and liabilities denominated in same currency and analyses effect of actual annual appreciation/depreciation of that currency against Uzbekistan Soums to the profit and loss of the Bank.

The following table presents sensitivities of profit and loss to reasonably possible changes in exchange rates applied at the balance sheet date, with all other variables held constant. The exposure was calculated only for monetary balances denominated in currencies other than the functional currency of the Bank:

<i>In millions of Uzbekistan Soums</i>	At 31 December 2025	At 31 December 2024
	Impact on profit or loss	Impact on profit or loss
US Dollar strengthening by 10% (2024: strengthening by 10%)	(512)	(2,085)
US Dollar weakening by 10% (2024: weakening by 10%)	512	2,085
Euro strengthening by 10% (2024: strengthening by 10%)	48	43
Euro weakening by 10% (2024: weakening by 10%)	(48)	(43)

Interest rate risk. The Bank 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.

21 Financial Risk Management (Continued)

The table below summarises the Bank’s exposure to interest rate risks. The table presents the aggregated amounts of the Bank’s financial assets and liabilities at carrying amounts, categorised by the earlier of contractual interest repricing or maturity dates:

<i>In millions of Uzbekistan Soums</i>	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	More than 1 year	Total
31 December 2025					
Total financial assets	8,960,151	2,053,638	585,828	1,408,232	13,007,849
Total financial liabilities	(7,636,878)	(2,470,376)	-	(444,000)	(10,551,254)
Net interest sensitivity gap at 31 December 2025	1,323,273	(416,738)	585,828	964,232	2,456,595
31 December 2024					
Total financial assets	6,192,994	2,247,949	742,054	906,562	10,089,559
Total financial liabilities	(6,701,024)	(1,557,320)	-	-	(8,258,344)
Net interest sensitivity gap at 31 December 2024	(508,030)	690,629	742,054	906,562	1,831,215

Changes in interest rates impact primarily loans and borrowings by changing either their fair value (fixed interest rate debt) or their future cash flows (variable rate debt). The Bank monitors interest rates on financial instruments.

An increase in interest rates by 1% for financial instruments at FVOCI, would result in a decrease in other comprehensive income for 2025 year of 2,922 million UZS (2024: 2,190 million UZS). A 1% decrease in interest rates would have an opposite effect: increase in other comprehensive income for 2025 year of 2,992 million UZS (2024: 2,383 million UZS).

At the reporting date the interest rate profile of the Bank’s interest-bearing financial instruments was as follows:

<i>In millions of Uzbekistan Soums</i>	Carrying amount	
	31 December 2025	31 December 2024
Fixed rate instruments		
Financial assets	6,992,323	5,599,233
Financial liabilities	(1,507,997)	(1,738,650)
	5,484,326	3,860,583
Variable rate instruments		
Financial assets	1,124,980	1,290,383
Financial liabilities	(2,677,626)	(1,550,458)
	(1,552,646)	(260,075)

The table below summarises interest rates at the respective reporting date based on reports reviewed by key management personnel:

<i>In % p.a.</i>	2025			2024		
	UZS	USD	Euro	UZS	USD	Euro
Assets						
Cash and cash equivalents	11.5-18.5%	3.28-7%	1.75-5%	11.5-18.5%	4.0 - 8%	2.78-5%
Investments in debt securities	13.7-16.8%	-	-	14.9-16.8%	-	-
Due from other banks	18.5-21%	0-8.8%	-	14 - 19%	0 – 9.3%	-
Loans and advances to customers	9 - 23%	6-10.83%	5.1-8.6%	9 - 23%	6 – 10.5%	5.1-8.6%
Liabilities						
Due to other banks	-	3.3-5.3%	2.2-2.71%	-	0 - 5.3%	-
Customer accounts	0-14%	0-3.1%	-	0-6.0%	0 – 3.1%	-

The sign “-“ in the table above means that the Bank does not have the respective assets or liabilities in the corresponding currency.

21 Financial Risk Management (Continued)

Geographical risk concentrations. The geographical concentration of the Bank’s financial assets and liabilities at 31 December 2025 is set out below:

<i>In millions of Uzbekistan Soums</i>	Uzbekistan	OECD	Non-OECD	Total
Financial assets				
Cash and cash equivalents	4,831,622	2,159,808	1,673,943	8,665,373
Due from other banks	657,658	-	7,659	665,317
Loans and advances to customers	2,819,056	-	-	2,819,056
Investments in debt securities	845,090	-	-	845,090
Other financial assets	13,013	-	-	13,013
Total financial assets	9,166,439	2,159,808	1,681,602	13,007,849
Financial liabilities				
Due to other banks	250,924	2,866,375	-	3,117,299
Customer accounts	6,135,612	392,508	901,283	7,429,403
Other financial liabilities	4,552	-	-	4,552
Total financial liabilities	6,391,088	3,258,883	901,283	10,551,254
Net position in on-balance sheet financial instruments	2,775,351	(1,099,075)	780,319	2,456,595
Credit related commitments (Note 23)	851,287	44,807	-	896,094

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

<i>In millions of Uzbekistan Soums</i>	Uzbekistan	OECD	Non-OECD	Total
Financial assets				
Cash and cash equivalents	2,726,715	2,314,632	974,276	6,015,623
Due from other banks	770,032	-	7,885	777,917
Loans and advances to customers	2,678,124	-	-	2,678,124
Investments in debt securities	607,054	-	-	607,054
Other financial assets	10,841	-	-	10,841
Total financial assets	6,792,766	2,314,632	982,161	10,089,559
Financial liabilities				
Due to other banks	9,390	2,866,375	-	2,875,765
Customer accounts	4,563,493	284,486	529,898	5,377,877
Other financial liabilities	4,702	-	-	4,702
Total financial liabilities	4,577,585	3,150,861	529,898	8,258,344
Net position in on-balance sheet financial instruments	2,215,181	(836,229)	452,263	1,831,215
Credit related commitments (Note 23)	664,833	48,141	-	712,974

21 Financial Risk Management (Continued)

Cash and cash equivalents, due from other banks and due to other banks in OECD countries include accounts in German, Korean and US banks.

Cash and cash equivalents, due from other banks and due to other banks in non-OECD countries include accounts in banks of Malaysia, Hong Kong, China, Singapore, United Arab Emirates and Russia.

Assets, liabilities and credit related commitments have generally been based on the country in which the counterparty is located. Cash on hand, due from other banks have been allocated based on the country in which they are physically held.

Liquidity risk. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Bank is exposed to daily calls on its available cash resources from overnight deposits, current accounts, maturing deposits, loan draw-downs, guarantees and from margin and other calls on cash-settled derivative instruments. The Bank does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. Liquidity risk is managed by Liquidity Management Committee of the Bank.

The Bank seeks to maintain a stable funding base primarily consisting of amounts due to other banks, corporate and retail customer deposits. The Bank invests the funds in inter-bank placements of liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements.

The liquidity management of the Bank requires considering the level of liquid assets necessary to settle obligations as they fall due; maintaining access to a range of funding sources; maintaining funding contingency plans and monitoring balance sheet liquidity ratios against regulatory requirements. The Bank calculates liquidity ratios on a monthly basis in accordance with the requirement of the Central Bank of Uzbekistan. These ratios are (ratios are calculated using figures based on National Accounting Standards) as at 31 December 2025:

- Liquidity coverage ratio (not to be less than 1.0), which is calculated as the ratio of high liquid assets to net outflow within 30 days; the ratio was 9.73 at 31 December 2025 (31 December 2024: 8.53);
- Net stable funding ratio (not to be less than 1.0), which is calculated as the ratio of available stable funding to required stable funding; the ratio was 2.67 at 31 December 2025 (31 December 2024: 2.07);
- Total assets to high liquid assets ratio (not to be less than 0.1); the ratio was 0.62 at 31 December 2025 (31 December 2024: 0.47).

The Treasury Department receives information about the liquidity profile of the financial assets and liabilities. The Treasury Department then provides for an adequate portfolio of short-term liquid assets, largely made up of short-term liquid trading securities, deposits with banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole.

The daily liquidity position is monitored and regular liquidity stress testing under a variety of scenarios covering both normal and more severe market conditions is performed by the Treasury Department.

The table below shows liabilities at 31 December 2025 by their remaining contractual maturity. The amounts of liabilities disclosed in the maturity table are the contractual undiscounted cash flows, including gross loan commitments and financial guarantees. Such undiscounted cash flows differ from the amount included in the statement of financial position because the amount in the statement of financial position is based on discounted cash flows.

The table below shows the maturity analysis of non-derivative financial assets carried at carrying amounts based on their contractual maturities. Impaired loans and borrowings are included in the table at their carrying amounts less allowance for impairment and based on the expected timing of cash inflows.

When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the reporting date. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

21 Financial Risk Management (Continued)

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 Bank 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 below maturity table does not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded.

The maturity analysis of financial instruments at 31 December 2025 is as follows:

<i>In millions of Uzbekistan Soums</i>	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Assets					
Cash and cash equivalents	8,462,999	206,446	-	-	8,669,445
Due from other banks	12,411	187,882	156,967	383,576	740,836
Loans and advances to customers	65,552	238,029	364,429	2,763,538	3,431,548
Investments in debt securities	392,000	311,281	11,158	183,842	898,281
Other financial assets	13,013	-	-	-	13,013
Total	8,945,975	943,638	532,554	3,330,956	13,753,123
Liabilities					
Due to other banks	433,513	55,487	892,712	1,929,364	3,311,076
Customer accounts	6,779,965	237,950	31,335	449,109	7,498,359
Other financial liabilities	4,552	-	-	-	4,552
Import letter of credit	350,214	-	-	-	350,214
Gross loan commitments	389,199	-	-	-	389,199
Financial guarantees	156,681	-	-	-	156,681
Total potential future payments for financial obligations	8,114,124	293,437	924,047	2,378,473	11,710,081
Liquidity gap arising from financial instruments	831,851	650,201	(391,493)	952,483	2,043,042

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21 Financial Risk Management (Continued)

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

<i>In millions of Uzbekistan Soums</i>	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
Assets					
Cash and cash equivalents	5,771,465	251,504	-	-	6,022,969
Due from other banks	96,662	245,405	213,931	286,213	842,211
Loans and advances to customers	104,265	714,811	852,386	1,353,200	3,024,662
Investments in debt securities	252,000	185,000	191,700	-	628,700
Other financial assets	10,841	-	-	-	10,841
Total	6,235,233	1,396,720	1,258,017	1,639,413	10,529,383
Liabilities					
Due to other banks	1,323,520	41,488	41,666	1,642,001	3,048,675
Customer accounts	5,376,405	1,472	-	-	5,377,877
Other financial liabilities	4,702	-	-	-	4,702
Import letter of credit	431,677	-	-	-	431,677
Gross loan commitments	141,084	-	-	-	141,084
Financial guarantees	140,213	-	-	-	140,213
Total potential future payments for financial obligations	7,417,601	42,960	41,666	1,642,001	9,144,228
Liquidity gap arising from financial instruments	(1,182,368)	1,353,760	1,216,351	(2,588)	1,385,155

Customer accounts are classified in the above analysis based on contractual maturities. However, in accordance with Uzbekistan Civil Code, individuals have a right to withdraw their deposits prior to maturity if they forfeit their right to accrued interest.

The Bank does not use the above maturity analysis based on undiscounted contractual maturities of liabilities to manage liquidity. Instead, the Bank monitors expected maturities at December 31 2024 and the resulting expected liquidity gap as follows:

<i>In millions of Uzbekistan Soums</i>	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 12 months	Total
At 31 December 2025					
Financial assets	8,915,913	812,262	399,481	2,880,193	13,007,849
Financial liabilities	7,215,992	213,636	841,773	2,279,853	10,551,254
Net liquidity gap based on expected maturities	1,699,921	598,626	(442,292)	600,340	2,456,595
At 31 December 2024					
Financial assets	6,202,105	1,263,373	1,140,517	1,483,564	10,089,559
Financial liabilities	6,701,024	6,862	-	1,550,458	8,258,344
Net liquidity gap based on expected maturities	(498,919)	1,256,511	1,140,517	(66,894)	1,831,215

21 Financial Risk Management (Continued)

The matching and/or controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank. It is unusual for banks ever to be completely matched since business transacted is often of an uncertain term and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Bank and its exposure to changes in interest and exchange rates.

Management believes that in spite of a substantial portion of customer accounts being on demand, diversification of these deposits by number and type of depositors, and the past experience of the Bank indicates that these customer accounts provide a long-term and stable source of funding for the Bank.

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 Bank’s Chairman and Chief Accountant.

Under the current capital requirements set by the Central Bank of Uzbekistan, banks have to maintain a ratio:

- Ratio of regulatory capital to risk weighted assets (“Regulatory capital ratio”) above a prescribed minimum level of 13 % (31 December 2024: 13%);
- Ratio of Bank’s tier 1 capital to risk weighted assets (“Capital adequacy ratio”) above a prescribed minimum level of 10% (31 December 2024: 10%); and
- Ratio of Bank’s tier 1 capital to total assets less intangibles (“Leverage ratio”) above a prescribed minimum level of 6% (31 December 2024: 6%).

According to information provided internally to key management personnel, the Bank complied with the above ratios at 31 December 2025 and 2024.

Total capital is based on the Bank’s reports prepared under Uzbekistan Accounting Legislation and related instructions and according to information provided internally to key management personnel comprises:

<i>In millions of Uzbekistan Soums</i>	2025	2024
Tier 1 capital	1,799,217	1,311,190
Tier 2 capital	759,878	591,490
Total regulatory capital	2,559,095	1,902,680
Risk - weighted assets	5,502,185	5,170,038
Assets for calculating leverage	13,977,501	10,849,953
Regulatory capital ratio	46.5%	36.8%
Tier 1 Capital adequacy ratio	32.7%	25.4%
Leverage ratio	12.9%	12.1%

Regulatory capital consists of Tier 1 capital and Tier 2 capital. Tier 1 capital comprises share capital, retained earnings, excluding current year profit, less intangible assets. Tier 2 capital includes current year profit, provision for probable loss on standard assets in the amount not exceeding 1.25% of Risk-weighted assets and other adjustments.

23 Contingencies and Commitments

Legal proceedings. From time to time and in the normal course of business, claims against the Bank are received. On the basis of its own estimates and both internal and external professional advice Management is of the opinion that no material losses will be incurred in respect of claims and accordingly no provision has been made in these financial statements.

Tax contingencies. Uzbek tax, currency and customs legislation are subject to varying interpretations can occur frequently. Management’s interpretation of legislation as applied to the transactions and activity of the Bank may be challenged by the relevant regional and federal authorities. Recent events within the Uzbekistan suggest that the tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

Management believes that its interpretation of the relevant legislation is appropriate and the Bank’s tax, currency legislation and customs positions will be sustained. Accordingly, at 31 December 2025 and 31 December 2024 no provision for potential tax liabilities had been recorded. The Bank estimates that it has no potential obligations from exposure to other than remote tax risks.

Capital expenditure commitments. The Bank had no material capital commitments outstanding at 31 December 2025 and 31 December 2024.

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 authorising a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions, are collateralised 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 authorisations 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, if the unused amounts were to be drawn down. 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.

Outstanding credit related commitments are as follows:

<i>In millions of Uzbekistan Soums</i>	Note	2025	2024
Import letters of credit		350,214	431,677
Undrawn credit lines		389,199	141,083
Financial guarantees issued		156,681	140,214
Total gross credit related commitments		896,094	712,974
Less: Provision for loan commitments, guarantees and letters of credit	15	(808)	(307)
Less: Commitments collateralised by cash deposits		(351,801)	(433,149)
Total credit related commitments, net of provision and cash covered exposures		543,485	279,518

23 Contingencies and Commitments (Continued)

Credit related commitments are denominated in currencies as follows:

<i>In millions of Uzbekistan Soums</i>	2025	2024
US Dollars	540,740	444,830
Euros	194,367	173,844
Uzbekistan Soums	160,987	94,300
Total gross credit related commitments	896,094	712,974

For the purpose of ECL measurement, credit related commitments are included in Stage 1. The credit quality of loan commitments and issued financial guarantees as of December 31, 2025 and December 31, 2024 is presented in the table below.

<i>In millions of Uzbekistan Soums</i>	31 December 2025		31 December 2024	
	Stage 1 (12-months ECL)	Total	Stage 1 (12-months ECL)	Total
- Excellent	364,229	364,229	238,271	238,271
- Good	167,541	167,541	53,719	53,719
- Satisfactory	364,324	364,324	420,984	420,985
Total gross credit related commitments	896,094	896,094	712,974	712,974
Valuation allowance for credit losses	(808)	(808)	(307)	(307)
Total credit related commitments, net of allowance	895,286	895,286	712,667	712,667

Refer to Note 21 for the description of credit risk grading system used by the Bank and the approach to ECL measurement, including the definition of default and SICR for debt securities measured at amortized cost.

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 Disclosures

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two 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 three measurements are valuations not based on observable market data (that is, unobservable inputs). 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.

24 Fair Value Disclosures (Continued)

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 and liabilities not measured at fair value are as follows:

<i>In millions of Uzbekistan Soums</i>	31 December 2025				31 December 2024			
	Level 1 fair value	Level 2 fair value	Level 3 fair value	Total fair value	Level 1 fair value	Level 2 fair value	Level 3 fair value	Total fair value
ASSETS								
Cash and cash equivalents	246,989	8,418,384	-	8,665,373	267,624	5,747,999	-	6,015,623
Due from other banks	-	665,317	-	665,317	-	777,917	-	777,917
Loans and advances to customers at AC	-	-	2,819,056	2,819,056	-	-	2,678,124	2,678,124
Other financial assets	-	-	13,013	13,013	-	-	10,841	10,841
TOTAL ASSETS	246,989	9,083,701	2,832,069	12,162,759	267,624	6,525,916	2,688,965	9,482,505
LIABILITIES								
Due to other banks	-	3,117,299	-	3,117,299	-	2,875,765	-	2,875,765
Customer accounts	-	6,717,809	711,594	7,429,403	-	5,377,877	-	5,377,877
Other financial liabilities	-	-	4,552	4,552	-	-	4,702	4,702
TOTAL LIABILITIES	-	9,835,108	716,146	10,551,254	-	8,253,642	4,702	8,258,344

Investments in debt securities measured at fair value through other comprehensive income are classified as level 2. The fair values in Level 2 and Level 3 of fair value hierarchy were estimated using the discounted cash flows valuation technique. The fair value of floating rate financial instruments that are not quoted in an active market was estimated to be equal to their carrying amount. The fair value of unquoted fixed interest rate instruments was estimated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

Liabilities were discounted at the Bank’s own incremental borrowing rate. Liabilities due on demand were discounted from the first date that the amount could be required to be paid by the Bank. The Bank’s liabilities to its customers are subject to state deposit insurance scheme as described in Note 1. The fair value of these liabilities reflects these credit enhancements.

25 Presentation of Financial Instruments by Measurement Category

For the purposes of measurement, IFRS 9 “Financial Instruments” classifies financial assets into the following categories: (a) financial assets at FVTPL; (b) debt instruments at FVOCI, (c) equity instruments at FVOCI and (c) financial assets at AC. Financial assets at FVTPL have two sub-categories: (i) assets mandatorily measured at FVTPL, and (ii) assets designated as such upon initial recognition or subsequently. In addition, finance lease receivables form a separate category.

As of 31 December 2025, and 31 December 2024, all of the Bank’s financial assets and financial liabilities were carried at AC, apart from debt instruments which were carried at FVOCI.

26 Related Party Transactions

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.

At 31 December 2025, the outstanding balances with related parties were as follows:

	Parent company	Other share- holders	Entities under common control	Key manage- ment personnel
<i>In millions of Uzbekistan Soums</i>				
Cash and cash equivalents	-	39,580	120,566	-
Credit loss allowance	-	-	-	-
Due to banks (contractual interest rate: 2.6 – 5.3%)	2,475,717	-	213,377	-
Customer accounts (contractual interest rate: 0%)	-	-	-	443

The income and expense items with related parties for 2025 were as follows:

	Parent company	Other share- holders	Entities under common control	Key manage- ment personnel
<i>In millions of Uzbekistan Soums</i>				
Interest income on term placements of other banks	-	-	653	-
Interest expense on term placements of other banks	128,163	-	2,441	-
Salaries and other benefits	-	-	-	22,226
Social security costs	-	-	-	329

At 31 December 2024, the outstanding balances with related parties were as follows:

	Parent company	Other share- holders	Entities under common control	Key manage- ment personnel
<i>In millions of Uzbekistan Soums</i>				
Cash and cash equivalents	-	21,606	130,035	-
Credit loss allowance	-	-	-	-
Due to banks (contractual interest rate: 5.02 – 6.32%)	2,866,375	-	-	-
Customer accounts (contractual interest rate: 0%)	-	-	-	658

The income and expense items with related parties for 2024 were as follows:

	Parent company	Other share- holders	Entities under common control	Key manage- ment personnel
<i>In millions of Uzbekistan Soums</i>				
Interest income on term placements of other banks	-	-	826	-
Interest expense on term placements of other banks	103,385	-	-	-
Salaries and other benefits	-	-	-	20,146
Social security costs	-	-	-	309

26 Related Party Transactions (Continued)

Key management compensation is presented below:

<i>In millions of Uzbekistan Soums</i>	2025		2024	
	Expense	Accrued liability	Expense	Accrued liability
<i>Short-term benefits:</i>				
- Salaries	14,929	2,650	14,416	2,061
- Short-term bonuses	3,576	1,809	3,625	2,481
- Benefits in-kind	3,721	561	2,105	804
Total	22,226	5,020	20,146	5,346

Short-term bonuses fall due wholly within twelve months after the end of the period in which management rendered the related services.

27 Events after the End of the Reporting Period

In April 2026, the Bank obtained long-term borrowings amounting to USD 80 million from foreign financial institutions with a contractual maturity of three years. The proceeds were raised to support the Bank's liquidity management and general operational requirements.

This event is considered a non-adjusting event after the reporting period and, accordingly, has not resulted in adjustments to the financial statements as at the reporting date.

28 Abbreviations

The list of the abbreviations used in these financial statements is provided below:

Abbreviation	Full name
AC	Amortised Cost
CCF	Credit Conversion Factor
CBU	Central Bank of the Republic of Uzbekistan
EAD	Exposure at Default
ECL	Expected Credit Loss
EIR	Effective interest rate
FVOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
FX, Forex	Foreign Currency Exchange
IFRS	International Financial Reporting Standard
IRB system	Internal Risk-Based system
L&R	Loans and Receivables
LGD	Loss Given Default
LR	Loss Rate
PD	Probability of Default
POCI financial assets	Purchased or Originated Credit-Impaired financial assets
ROU asset	Right of use asset
SICR	Significant Increase in Credit Risk
SPPI	Solely Payments of Principal and Interest
SPPI test	Assessment whether the financial instruments' cash flows represent Solely Payments of Principal and Interest