Consolidated Financial Statements and Independent Auditor's Report

Joint Stock Commercial Bank with Foreign capital "Hamkorbank"

31 December 2024

CONTENTS

Independent Auditor's Report

To the Shareholders and the Supervisory Board of the Joint-Stock Commercial Bank with Foreign Capital "Hamkorbank":

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Joint-Stock Commercial Bank with Foreign Capital "Hamkorbank" (the "Bank") and its subsidiaries (together – the "Group") as at 31 December 2024, and Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated 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 consolidated 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 Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Code of Professional Ethics for Auditors of Uzbekistan and auditor's independence requirements that are relevant to our audit of the consolidated financial statements in the Republic of Uzbekistan. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the Code of Professional Ethics for Auditors of Uzbekistan.

Suhrab Azimov
General Director / Certified Auditor

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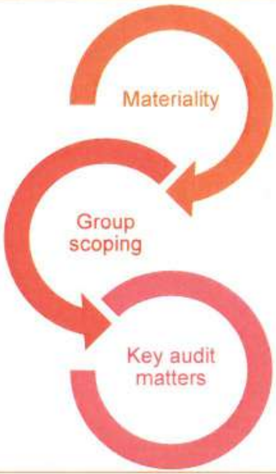
Our audit approach

Overview



- Overall Group materiality: UZS 92,800 million, which represents 5% of profit before tax.

- We performed full scope audit procedures on the financial statements of the Bank and selected audit procedures on the material balances and transactions of the subsidiaries included in the consolidated financial statements of the Group.

- The expected credit loss (ECL) allowance for loans and advances to customers, including finance lease receivables in accordance with IFRS 9, Financial Instruments.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated 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.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated 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 consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated 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 consolidated financial statements as a whole.

Overall Group materiality	UZS 92,800 million
How we determined it	We determined overall materiality as being 5% of the 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 Group is most commonly measured by users, and is a generally accepted benchmark. We chose 5% threshold as in our professional experience this is a widely accepted quantitative measure for this benchmark.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial 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
The ECL allowance for loans and advances to customers, including finance lease receivables in accordance with IFRS 9, Financial Instruments. We considered the ECL allowance for loans and advances to customers as a key audit matter due to the significance of loans and advances to customers balance and the complexity of IFRS 9 ECL calculations, which require significant judgment to determine the ECL allowance and is characterized by high estimation uncertainty. Key areas of judgement and sources of estimation uncertainty included: • Classification of loans and advances to customers into stages in accordance with IFRS 9 and division of borrowers into (i) collectively assessed, which were assessed with ECL model, and (ii) individually assessed, which were assessed by estimating future cash flows; • Key estimates and modelling assumptions used to estimate key risk parameters – exposure at default, probability of default and loss given default; • Estimated future cashflows including recoverable values of collateral where applicable for loans that were assessed on an individual basis.	Given the significance to the Group of the loans advanced by the Bank, the following relates to our procedures on the Bank. In assessing the ECL allowance we have performed, among others, the following audit procedures: • We assessed the methodology and models for calculation of ECL allowance developed by the Bank in order to evaluate their compliance with IFRS 9 requirements. We focused our procedures on default definition, factors for determining a "significant increase in credit risk", classification of the loans and advances to customers to stages, and estimation of key risk parameters. • On a sample basis we evaluated and tested the design and operational effectiveness of the controls on the processes that identify overdue loans. • On a sample basis we analysed the significant loans and advances to corporate clients, including state and municipal organisations, 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. • For all other loans, on a sample basis we tested segmentation and allocation to stages of corporate loans and loans to individuals. For loans assessed based on collective assessment, our testing procedures included: • On a sample basis we tested the assumptions, inputs and formulas used in ECL model for collective provision assessment. This included recalculating the probability of default and loss given default amounts used in the model.

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General Director / Certified Auditor

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Key audit matter	How our audit addressed the key audit matter
Note 3 "Basis of Preparation", Note 4 "Sources of Estimation Uncertainty and Judgements in Applying Accounting Policies", Note 10 "Loans and Advances to Customers, including Finance Lease Receivables" as well as Note 31 "Financial Risk Management" to the consolidated financial statements provide detailed information on the expected credit loss allowance.	• To verify data accuracy and quality, on a sample basis, we tested the data used in the ECL calculation by reconciling to source data, for example, loan portfolios, loan agreements, and collateral agreements. • We performed detailed analytical procedures over the ECL calculation disaggregated by stages, segments, currency and years to maturity. • For loans assessed on an individual basis, on a sample basis, we assessed expected cash flows estimated by the Bank in the various different recovery scenarios determined by the Bank and key assumptions, including the existence, timing of collection and realisable value of collateral. We assessed the relevance of the scenarios used and the probabilities assigned to them by the Bank, and the calculation of the present value of the cash flows. • We critically assessed the appropriateness of incorporation of forward-looking information in the ECL by comparing forecasted macro-economic variables to the external sources. • We assessed the accuracy and completeness of the disclosures in accordance with IFRS 9.

How we tailored our Group audit scope

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

The Group consists of the Bank and five subsidiaries and accounting records are maintained by a centralized accounting team for the entire Group. Our audit procedures included full scope audit of the Bank. The Bank represents more than 99% of the Group's total assets and 98% of the Group's total comprehensive income for the year ended 31 December 2024. In respect of subsidiaries, we focused our audit work on the balances and transactions of each subsidiary that were significant for the Group.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information, and we do not and will not express any form of assurance conclusion thereon.

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General Director / Certified Auditor

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

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

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 2024 established by the Central Bank of the Republic of Uzbekistan;

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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 Group, other than those which we considered necessary to enable us to express an opinion as to whether the Group's consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Our findings from the procedures performed are reported below.

Based on our procedures with respect to the Bank's compliance with the prudential ratios established by the Central Bank of the Republic of Uzbekistan, we found that the Bank's prudential ratios, as at 31 December 2024, were within the limits established by the Central Bank of the Republic of Uzbekistan.

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

- as at 31 December 2024, 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 2024 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 2024 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 2024 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 2024, establishing the procedures and methodologies for identifying and managing the Bank's significant risks, and for stress-testing, was approved by the authorised management bodies of the Bank in accordance with the regulations and recommendations issued by the Central Bank of the Republic of Uzbekistan;

- as at 31 December 2024, the Bank maintained a system for reporting on the Bank's significant risks, and on the Bank capital;

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- the frequency of reports prepared by the Bank's risk management and internal audit functions during 2024, 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 2024, 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 2024, 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.

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 April 2025

In millions of Uzbekistan Soums	Note	31 December 2024	31 December 2023
ASSETS			
Cash and cash equivalents	7	5,123,671	2,874,372
Due from other banks	8	1,310,166	188,928
Investments in debt securities	9	2,264,939	1,339,015
Investments in equity securities		25,566	4,322
Derivative financial instruments	33, 34	29,553	3,930
Loans and advances to customers, including finance lease receivables	10	19,264,100	15,929,787
Premises and equipment	12	485,035	382,854
Intangible assets	12	35,737	30,212
Right of use assets	13	55,772	69,715
Current income tax prepayment	26	20,577	31,434
Other assets	11	325,131	298,150
TOTAL ASSETS		**28,940,247**	**21,152,719**
LIABILITIES			
Due to other banks	14	1,171,127	239,227
Customer accounts	15	11,420,464	7,661,735
Debt securities in issue	16	69,466	22,345
Other borrowed funds	17	9,988,155	8,405,690
Subordinated debt	20	441,604	502,173
Lease liabilities	13	68,631	73,681
Other financial liabilities	18	55,151	30,944
Deferred income tax liability	26	60,077	43,251
Other liabilities	18	125,020	117,938
TOTAL LIABILITIES		**23,399,695**	**17,096,984**
EQUITY			
Share capital	21	648,803	325,479
Share premium	21	77,751	77,751
Retained earnings	21	4,804,459	3,646,024
Other reserves		9,539	6,481
TOTAL EQUITY		**5,540,552**	**4,055,735**
TOTAL LIABILITIES AND EQUITY		**28,940,247**	**21,152,719**

Approved for issue and signed on behalf of Management Board on 12 April 2025.

Juraev B
Chairman of the Management Board

Mamasaliev Sh
Chief Financial Officer

In millions of Uzbekistan Soums	Note	2024	2023
Interest income calculated using the effective interest method	22	4,431,196	3,208,627
Other similar income	22	85,498	48,124
Interest expense	22	(2,351,280)	(1,518,535)
Other similar expense	22	(27,377)	(29,971)
Net margin on interest and similar income		**2,138,037**	**1,708,245**
Credit loss allowance for assets carried at amortised cost	7,8,9,10, 11	(104,528)	60,989
Net margin on interest and similar income after credit loss allowance		**2,033,509**	**1,769,234**
Fee and commission income	23	791,169	590,292
Fee and commission expense	23	(277,110)	(157,224)
Gains less losses from securities at fair value through profit or loss		(1,299)	(335)
Gains less losses from trading in foreign currencies		647,673	370,657
Gains less losses from financial derivative	33, 34	39,954	4,228
Gains less losses from foreign exchange translation		(1,300)	12,943
Other operating income	24	52,731	49,966
Administrative and other operating expenses	25	(1,428,722)	(1,134,294)
Profit before tax		**1,856,605**	**1,505,467**
Income tax expense	26	(351,771)	(291,262)
PROFIT FOR THE PERIOD		**1,504,834**	**1,214,205**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Debt securities at fair value through other comprehensive expenses:			
- Gains less losses arising during the period		3,823	7,119
Income tax recorded directly in other comprehensive income		(765)	(1,424)
Other comprehensive income for the period		3,058	5,695
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**1,507,892**	**1,219,900**
Retrospective adjustments on earnings per share for profit attributable to the owners of the Bank, basic and diluted (expressed in UZS per share)	30	**12.1**	**9.8**

In millions of Uzbekistan Soums	**Share capital**	**Share premium**	**Revalua-tion reserve for securities at FVOCI**	**Retained earnings**	**Total**
Balance at 1 January 2023	**109,929**	**77,751**	**786**	**2,659,725**	**2,848,191**
Profit for the year	-	-	-	1,214,205	**1,214,205**
Other comprehensive income	-	-	5,695	-	**5,695**
Total comprehensive income for 2023	**-**	**-**	**5,695**	**1,214,205**	**1,219,900**
Dividends declared (Note 27)	-	-	-	(12,356)	**(12,356)**
Share issue	215,550	-	-	(215,550)	**-**
Balance at 31 December 2023	**325,479**	**77,751**	**6,481**	**3,646,024**	**4,055,735**
Profit for the year	-	-	-	1,504,834	**1,504,834**
Other comprehensive income	-	-	3,058	-	**3,058**
Total comprehensive income for 2024	**-**	**-**	**3,058**	**1,504,834**	**1,507,892**
Share issue	323,324	-	-	(323,324)	**-**
Dividends declared (Note 27)	-	-	-	(23,075)	**(23,075)**
Balance at 31 December 2024	**648,803**	**77,751**	**9,539**	**4,804,459**	**5,540,552**

In millions of Uzbekistan Soums	Note	2024	2023
Cash flows from operating activities			
Interest income received calculated using the effective interest method received		4,396,384	3,141,045
Other similar Interest received		84,107	47,110
Interest paid calculated using the effective interest method		(2,202,236)	(1,425,512)
Other similar Interest paid		(27,377)	(39,038)
Fees and commissions received		786,075	591,351
Fees and commissions paid		(277,110)	(157,224)
Income received from trading in foreign currencies		647,673	370,657
Income received from financial derivatives		14,283	27,712
Other operating income received		53,257	49,833
Personnel expenses paid		(1,015,945)	(781,144)
Other operating expenses paid		(313,716)	(250,426)
Income tax paid		(323,037)	(304,432)
Cash flows from operating activities before changes in operating assets and liabilities		**1,822,358**	**1,269,932**
Net (increase) / decrease in:			
- Investments in debt securities at fair value through profit or loss		52	(22,854)
- Investments in equity securities at fair value through profit or loss		(21,244)	(62)
- Due from other banks		(1,067,429)	69,067
- Loans and advances to customers, including finance lease receivables		(3,227,494)	(3,883,476)
- Other assets		(37,128)	(214,534)
Net increase / (decrease) in:			
- Due to other banks		895,423	(316,679)
- Customer accounts		3,627,913	778,462
- Other liabilities		23,646	17,878
Net cash from (used in) operating activities		**2,016,097**	**(2,302,266)**
Cash flows from investing activities			
Acquisition of premises and equipment	12	(172,384)	(162,470)
Acquisition of intangible assets	12	(18,573)	(11,652)
Proceeds from disposal of premises and equipment	12	15,497	13,108
Acquisition of debt securities at fair value through other comprehensive income	9	(4,052,303)	(2,863,881)
Proceeds from redemption of debt securities at fair value through other comprehensive income	9	3,111,793	2,920,227
Acquisition of investments in debt securities carried at amortised cost	9	(21,469)	-
Proceeds from redemption of debt securities carried at amortised cost	9	50,103	70,780
Net cash used in investing activities		**(1,087,336)**	**(33,888)**
Cash flows from financing activities			
Proceeds from debt securities in issue	28	41,330	22,045
Repayment of debt securities in issue	28	(300)	(350)
Proceeds from other borrowed funds	28	3,564,760	2,919,293
Repayment of other borrowed funds	28	(2,217,099)	(1,164,443)
Proceeds from subordinated debt	28	56,700	60,891
Repayment of subordinated debt	28	(136,876)	(11,446)
Repayment of principal of lease liabilities	28	(5,050)	(14,704)
Dividends paid	27	(21,580)	(11,440)
Net cash from financing activities		**1,281,885**	**1,799,846**
Effect of exchange rate changes on cash and cash equivalents		**48,583**	**75,636**
Effect of expected credit losses on cash and cash equivalents		**(9,930)**	**(4,449)**
Net increase(/decrease) in cash and cash equivalents		**2,249,299**	**(465,121)**
Cash and cash equivalents at the beginning of the year	7	2,874,372	3,339,493
Cash and cash equivalents at the end of the year	7	**5,123,671**	**2,874,372**

1 Introduction

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards of Accounting for the year ended 31 December 2024 for Joint Stock Commercial Bank with Foreign capital "Hamkorbank" (the "Bank") and its subsidiaries (the "Group").

The Bank was incorporated on 31 August 1991 under the laws of the Republic of Uzbekistan. The Bank operates under a general banking license issued by the Central Bank of Uzbekistan (the "CBU") on 29 July 2000, which was renewed by the CBU on 25 December 2021. As of 31 December 2024, and 2023 the Bank was ultimately controlled by Mr. Ibragimov Ikram.

Principal activity. The Bank accepts deposits from the public and extends credit, transfers payments in Uzbekistan and abroad, exchanges currencies and provides other banking services to its commercial and retail customers. The Bank's lending activity is primarily focused on individuals, and small and medium enterprises and individual entrepreneurs. As at 31 December 2024 the Bank conducts its operations from its Head Office located in Andijan, Uzbekistan. At 31 December 2024 164 banking services centres operate (31 December 2023: 156 banking services centres) throughout the country.

The Bank participates in the state deposit insurance program. The State Deposit Insurance Fund guarantees repayment of 100% of deposits of individuals in case of revocation of the CBU banking license.

Registered address and place of business. The Bank's registered legal address is 85 Bobur Ave., Andijan, Republic of Uzbekistan, 170119.

Presentation currency. The functional currency of the Bank, which is the currency of the primary economic environment in which the Bank operates, and the Bank's presentation currency is the national currency of the Republic of Uzbekistan, Uzbek Soum ("UZS"). These consolidated financial statements are presented in millions of Uzbekistan Soums ("UZS"), unless otherwise indicated.

The shareholders of the Bank were as follows:

Shareholders	**31 December 2024**	**31 December 2023**
Individuals		
Ibragimov Ikram	59.21%	59.21%
	59.21%	**59.21%**
Legal entities		
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden n.v. (FMO)	14.55%	14.55%
ResponsAbility Participations Aktiengesellschaft	10.53%	10.53%
International Finance Corporation	7.28%	7.28%
Responsability Sicav (lux) micro and SME finance leaders	2.68%	2.68%
Motanak Capital Management Pte. Ltd	1.21%	1.21%
	36.25%	**36.25%**
Others, individually owning less than 1%	4.54%	4.54%
Total	**100.00%**	**100.00%**

Subsidiaries. These consolidated financial statements include the following subsidiaries (domiciled in Uzbekistan):

Subsidiaries	**Ownership 31 December 2024**	**Ownership 31 December 2023**	**Year of incorporation**	**Industry**
Hamkor Invest Lizing LLC	100%	100%	2011	Leasing
Hamkormazlizing LLC	100%	100%	2008	Leasing
Hamkor Sugurta JSC	100%	100%	2009	Insurance
HB Capital LLC	100%	100%	2007	Depository
Partner Business Lizing LLC (merged with Hamkor Maz Lizing LLC)	0%	100%	2014	Leasing
Istiklol Nikhollari LLC (Subsidiary of Hamkor Invest Lizing LLC)	100%	100%	2014	Education

Abbreviations. A glossary of various abbreviations used in this document is included in Note 37.

2 Operating Environment of the Group

***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 the 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.

Uzbekistan experienced following key economic indicators in 2024:

- Inflation(www.cbu.uz) : 9.8% (2023: 8.8%)
- GDP growth (www.stat.uz) 6.5% (2023: 6%).
- Central Bank refinancing rate (www.cbu.uz) – 13.5% (2023: 14%).

At 31 December 2024, the principal rate of exchange used for translating foreign currency balances was USD 1 = UZS 12,920.48 (31 December 2023: USD 1 = UZS 12,338.77). The average rate of exchange used for translating income and expenses was USD 1 = UZS 12,651.5 (2023: USD 1 = UZS 11,738.1).

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

After some decrease in the degree of influence of the external environment due to geopolitical events around Ukraine and Russia on the economy of the Republic of Uzbekistan, on March 17, 2023, the Board of the Central Bank of the Republic of Uzbekistan decreased the CBU refinancing rate by 1% to 14%. On July 26, 2024, the Board of the Central Bank of the Republic of Uzbekistan set the CBU refinancing rate at 13.5%.

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

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.

For the purpose of measurement of expected credit losses ("ECL") the Group uses supportable forward-looking information, including forecasts of macroeconomic variables. As with any economic forecast, however, the projections and likelihoods of their occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different from those projected. Note 3 provides more information on how the Group incorporated forward-looking information in the ECL models.

3 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards accounting standards as issued by the IASB ("IFRS Accounting Standards").

These consolidated financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments at fair value, and by the revaluation of financial instruments categorised at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI"). The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. Refer to Note 5.

These consolidated financial statements are directed to primary users, being investors who lend or provide equity capital to the reporting entity. These consolidated financial statements assume that the primary users have a reasonable knowledge of business and economic activities and review and analyse the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena reported in these consolidated financial statements.

3 Basis of preparation (Continued)

These consolidated financial statements aim disclosing only information that management considers is material for the primary users. Management seeks not to reduce the understandability of these consolidated financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

Going concern. Management prepared these consolidated financial statements on a going concern basis.

Consolidated financial statements. These consolidated financial statements present financial information of the Bank and its subsidiaries. Subsidiaries are those investees, including structured entities, that the Group controls because the Group has power to direct relevant activities of the investees that significantly affect their returns, (ii) has exposure, or rights, to variable returns from its involvement with the investees, and (iii) has the ability to use its power over the investees to affect the amount of investor's returns. Subsidiaries are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

Presentation of statement of financial position in order of liquidity. The Group does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the statement of financial position. Instead, assets and liabilities are presented in order of their liquidity. Refer to Note 31 for analysis of financial instruments by their maturity. The following table provides information on amounts expected to be recovered or settled before and after twelve months after the reporting period for items that are not analysed in Note 31.

	31 December 2024			31 December 2023		
	Amounts expected to be recovered or settled			Amounts expected to be recovered or settled		
In millions of Uzbekistan Soums	Within 12 months after the reporting period	After 12 months after the reporting period	Total	Within 12 months after the reporting period	After 12 months after the reporting period	Total
Assets						
Current income tax prepayment	20,577	-	20,577	31,434	-	31,434
Intangible assets	-	35,737	35,737	-	30,212	30,212
Premises and equipment	-	485,035	485,035	-	382,864	382,864
Right of use assets	13,943	41,829	55,772	13,943	55,772	69,715
Other assets	322,081	-	322,081	291,686	-	291,686
Liabilities						
Deferred income tax liability	-	60,077	60,077	-	43,251	43,251
Other liabilities	125,020	-	125,020	117,938	-	117,938

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 Group. 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.

Financial instruments – initial recognition. Financial instruments at FVTPL are initially recorded at fair value.

The Group uses discounted cash flow valuation techniques to determine the fair value of currency swaps that are not traded in an active market. Differences may arise between the fair value at initial recognition, which is considered to be the transaction price, and the amount determined at initial recognition using a valuation technique with level 3 inputs.

Financial assets – classification and subsequent measurement – measurement categories. The Group classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC.

Financial assets – classification and subsequent measurement – business model. The business model reflects how the Group manages the assets in order to generate cash flows – whether the Group'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 Basis of preparation (Continued)

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 Group 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 Group 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 Group in performing the SPPI test for its financial assets.

Financial assets impairment – credit loss allowance for ECL. The Group 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 Group measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

Debt instruments measured at AC are presented in the consolidated 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 consolidated 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 Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to Note 31 for a description of how the Group determines when a SICR has occurred. If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

The Group's definition of credit impaired assets and definition of default is explained in Note 31. Note 31 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Financial assets – derecognition. The Group derecognises financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the Group 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.

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 are items which are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include 100 percent of mandatory reserve deposits (Group can use this amount for liquidity at any time but should maintain a minimum average daily amount during the month) with 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.

3 Basis of preparation (Continued)

Due from other banks. Amounts due from other banks are recorded when the Group 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 Group 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.

Loans and advances to customers. Loans and advances to customers are recorded when the Group advances money to purchase or originate a loan due from a customer. Based on the business model and the cash flow characteristics, the Group classifies loans and advances to customers into one of the following measurement categories: at 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.

Impairment allowances are determined based on the forward-looking ECL models. Note 31 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Financial guarantees. Financial guarantees require the Group to make specified payments to reimburse the holder of the guarantee for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantees are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight-line basis over the life of the guarantee. At the end of each reporting period, the guarantees are measured at the higher of (i) the amount of the loss allowance for the guaranteed exposure determined based on the expected loss model and (ii) the remaining unamortised balance of the amount at initial recognition.

Premises and equipment. Premises and equipment are stated at cost less accumulated depreciation and provision for impairment, where required. 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. Land and construction in progress are 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:

Types of assets	**Useful lives in years**
Premises	20
Office and computer equipment	2.5-5
Right-of-use assets	1-5
Leasehold improvements	5

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

Accounting for leases by the Group. The Group leases office premises. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is recognised at cost and depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

3 Basis of preparation (Continued)

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease.

If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs.

As an exception to the above, the Group accounts for short-term leases and leases of low value assets by recognising the lease payments (such as small spaces for ATM locations) as an operating expense on a straight-line basis.

Finance lease receivables. Where the Group is a lessor in a lease which transfers substantially all the risks and rewards incidental to ownership to the lessee, the assets leased out are presented as a finance lease receivable and carried at the present value of the future lease payments. Finance lease receivables are initially recognised at commencement (when the lease term begins) using a discount rate determined at inception (the earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease).

The difference between the gross receivable and the present value represents unearned finance income. This income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return. Incremental costs directly attributable to negotiating and arranging the lease are included in the initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term. Finance income from leases is recorded within in profit or loss.

Credit loss allowance is recognised in accordance with the general ECL model/using a simplified approach at lifetime ECL. The ECL is determined in the same way as for loans and advances measured at AC and recognised through an allowance account to write down the receivables' net carrying amount to the present value of expected cash flows discounted at the interest rates implicit in the finance leases.

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

Income taxes. Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax 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.

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.

3 Basis of preparation (Continued)

Fee and commission income. Fee and commission income is recognised over time on a straight-line basis as the services is rendered, when the customer simultaneously receives and consumes the benefits provided by the Group's performance. 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 Group 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.

Sales and purchases of foreign currencies and currency conversion. The Group 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 Group, which are different from the official spot exchange rates at the particular dates. The differences between the official rates and Group rates are recognised as [gains less losses from trading in foreign currencies] at a point in time when a particular performance obligation is satisfied.

4 Sources of Estimation Uncertainty and Judgements in Applying Accounting Policies

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

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 31. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), and loss given default ("LGD"), as well as models of macro-economic scenarios. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience. The Group used supportable forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model.

The most significant forward-looking assumptions that correlate with ECL level and their assigned weights were as follows at 31 December 2024:

Variable	**Scenario**	**Assigned weight**	**Assumption for:** 2025	2026	2027
Export Growth rate	Scenario1	25%	9.7%	10.9%	9.8%
	Base	50%	9.5%	9.6%	10.0%
	Scenario3	25%	6.4%	3.5%	4.6%
Changes of Fiscal balance (% of GDP)	Scenario1	25%	9.4%	3%	8%
	Base	50%	15.6%	22.6%	-0.7%
	Scenario3	25%	12.7%	11.9%	-1.9%
Changes of the Government's Debt (% of GDP)	Scenario1	25%	4.3%	0.3%	-0.36%
	Base	50%	3%	-4.3%	-3.8%
	Scenario3	25%	9%	14.5%	3.2%
Changes of the current account balance (% of GDP)	Scenario1	25%	13%	-9%	-1.4%
	Base	50%	14.8%	4.4%	9.2%
	Scenario3	25%	27.4%	-24.9%	3.2%

4 Sources of Estimation Uncertainty and Judgements in Applying Accounting Policies (Continued)

The assumptions and assigned weights were as follows at 31 December 2023:

Variable	Scenario	Assigned weight	Assumption for: 2024	2025	2026
Export Growth rate	Scenario1	25%	20.0%	17.0%	17.0%
	Base	50%	20.0%	17.0%	17.0%
	Scenario3	25%	20.0%	17.0%	17.0%
Import Growth rate	Scenario1	25%	17.8%	16.5%	16.5%
	Base	50%	17.7%	16.5%	14.5%
	Scenario3	25%	12.5%	14.5%	15.3%
GDP Growth rate	Scenario1	25%	7.1%	5.4%	6.3%
	Base	50%	7.2%	5.0%	7.7%
	Scenario3	25%	7.6%	7.4%	8.2%
CPI rate	Scenario1	25%	10.0%	9.9%	9.9%
	Base	50%	10.7%	9.3%	7.1%
	Scenario3	25%	10.0%	9.9%	9.9%

The main assumption related to the weighting of the scenarios was related to the reliability of the information, i.e. IMF is considered the most reliable and available information (information from IMF is easily accessible – usually publicly available). Since other sources are considered similar in terms of reliability and accessibility, management decided to allocate equally 25% for both scenarios 1 (e.g., World Bank) and 3 (S&P Global), while significant weight – 50% was allocated to scenario 2.

Changing the weightings in the aforementioned scenarios to 10%, 60%, and 30%, respectively, would lead to a decrease of UZS 20 million (compared to UZS 735 million increase as of 31 December 2023) in the overall ECL provision.

Significant increase in credit risk ("SICR"). In order to determine whether there has been a significant increase in credit risk, the Group compares the risk of a default occurring over the life of a financial instrument at the end of the reporting date with the risk of default at the date of initial recognition. The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting period. The Group considers all reasonable and supportable forward-looking information available without undue cost and effort, which includes a range of factors, including behavioural aspects of particular customer portfolios. The Group 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 (Note 31).

Analysis of the sensitivity. The Group performed the following analysis of the sensitivity of the level of ECL on change in PD, LGD and macroeconomic coefficient by 10%:

At 31 December 2024 *In millions of Uzbekistan Soums*	Increase (Decrease) in %	Sensitivity of ECL	Sensitivity of Equity
PD	+10%	9,505	(7,604)
	-10%	(9,505)	7,604
Macroeconomic coefficient	+10%	9,505	(7,604)
	-10%	(9,505)	7,604
LGD	+10%	6,880	(5,504)
	-10%	(6,880)	5,504

At 31 December 2023 *In millions of Uzbekistan Soums*	Increase (Decrease) in %	Sensitivity of ECL	Sensitivity of Equity
PD	+10%	5,676	(4,541)
	-10%	(5,676)	4,541
Macroeconomic coefficient	+10%	5,676	(4,541)
	-10%	(5,676)	4,541
LGD	+10%	4,534	(3,627)
	-10%	(4,534)	3,627

Initial recognition of related party transactions. In the normal course of business, the Group enters into transactions with its related parties. IFRS 9 requires initial recognition of financial instruments based on their fair values. Judgement is applied in determining if transactions are priced at market or non-market interest rates, where there is no active market for such transactions. The basis for judgement is pricing for similar types of transactions with unrelated parties and effective interest rate analysis. Terms and conditions of related party balances are disclosed in Note 35.

4 Sources of Estimation Uncertainty and Judgements in Applying Accounting Policies (Continued)

Changes in accounting estimates.

ECL measurement. The Group revised its accounting estimate under IFRS 9, the nature and amount of a change in an accounting estimate that has an effect on the current period or is expected to have an effect on future periods, as follows.

Prior years the Group used PDs for calculating ECLs: an assessment of a 12-month PD was based on the latest available historic default data, such as the extrapolation of 12-month PDs based on migration matrices, the Group developed lifetime PD curves based on the historical default data. For the current and future years, the Group has implemented and developed internal credit grading models, which assign PDs to the individual credit risk grades. Refer Note 31. The group also developed a number of forward-looking macroeconomic scenarios, which have been presented in this note. This accounting estimation changes did not significant impact to prior year financial statements (UZS 7,222 million would be increased ECL measurement for Loans and advances to customers, including financial lease receivables at AC).

5 Adoption of New or Revised Standards and Interpretations

The following amendments became effective from 1 January 2024:

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024). The amendments relate to the sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to subsequently measure liabilities arising from the transaction and in a way that it does not recognise any gain or loss related to the right of use that it retained. This means deferral of such a gain even if the obligation is to make variable payments that do not depend on an index or a rate.

Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024). These amendments clarify when liabilities are classified as either current or non-current. As most financial institutions, the Group presents its statement of financial position ordered by liquidity rather than classifying its assets and liabilities as current or non-current. Therefore, this amendment had no impact on these consolidated financial statements.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (Issued on 25 May 2023). In response to concerns of the users of financial statements about inadequate or misleading disclosure of financing arrangements, in May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require disclosure about entity's supplier finance arrangements (SFAs). These amendments require the disclosures of the entity's supplier finance arrangements that enable the users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. The purpose of the additional disclosure requirements is to enhance the transparency of the supplier finance arrangements. The amendments do not affect recognition or measurement principles but only disclosure requirements.

The application of the above amendments had no significant impact on the Group's consolidated 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 2025 or later, and which the Group has not early adopted.

Amendments to IAS 21 Lack of Exchangeability (Issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). The Group is currently assessing the impact of the amendments on its financial statements.

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). The Group 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). The Group is currently assessing the impact of the amendments on its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (Issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027). The Group is not eligible to apply the reduced disclosure requirements introduced by this standard.

6 New Accounting Pronouncements (Continued)

IFRS 14, Regulatory Deferral Accounts (issued on 30 January 2014). An entity that already presents IFRS financial statements is not eligible to apply the standard.

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). The Group 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). The Group is currently assessing the impact of the amendments on its financial statements.

Unless otherwise described above, the new standards and interpretations are not expected to affect significantly the Group's consolidated financial statements.

7 Cash and Cash Equivalents

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
Placements with other banks with original maturity of less than three months	3,102,480	897,200
Cash on hand	1,185,158	1,273,505
Cash balances with the CBU	409,389	358,910
Correspondent accounts and overnight placements with other banks	407,097	310,684
Receivables from financial institutions - related to Money transfers of individuals	36,762	41,358
Less – Credit loss allowance	(17,215)	(7,285)
Total cash and cash equivalents (carrying amount)	**5,123,671**	**2,874,372**

Cash balances with the CBU are maintained at a level to ensure compliance with the CBU liquidity ratio.

The following table discloses the changes in the credit loss allowance and gross carrying amount for cash and cash equivalents, excluding cash on hand, between the beginning and the end of the reporting period:

In millions of Uzbekistan Soums	**Credit loss allowance (Stage1)**	**Gross carrying amount (Stage1)**
Cash and cash equivalents, excluding Cash on hand		
At 1 January 2024	**(7,285)**	**1,608,152**
New originated or purchased	(17,215)	3,907,145
Derecognised during the period	7,285	(1,608,152)
Foreign exchange translation and other movements	-	48,583
At 31 December 2024	**(17,215)**	**3,955,728**

In millions of Uzbekistan Soums	**Credit loss allowance (Stage1)**	**Gross carrying amount (Stage1)**
Cash and cash equivalents, excluding Cash on hand		
At 1 January 2023	**(2,836)**	**1,774,601**
New originated or purchased	(7,285)	1,532,517
Derecognised during the period	2,836	(1,774,601)
Foreign exchange translation and other movements	-	75,635
At 31 December 2023	**(7,285)**	**1,608,152**

As at 31 December 2024 and 31 December 2023, for the purpose of ECL measurement cash and cash equivalents balances are included in Stage 1. There were no transitions between stages in 2024 and 2023. Refer to Note 31 for the ECL measurement approach.

7 Cash and Cash Equivalents (Continued)

The table below discloses the credit quality of cash and cash equivalents balances based on credit risk grades at 31 December 2024. Refer to Note 31 for the description of the Group's credit risk grading system

In millions of Uzbekistan Soums	**Cash balances with the CBU**	**Correspondent accounts and overnight placements with other banks**	**Receivables from financial institutions - related to Money transfers of individuals**	**Placements with other banks with original maturity of less than three months**	**Total**
- Excellent	409,389	191,452	-	1,093,556	**1,694,397**
- Good		206,285	-	2,008,924	**2,215,209**
- Special monitoring	-	9,360	36,762	-	**46,122**
Total cash and cash equivalents, excluding cash on hand	**409,389**	**407,097**	36,762	**3,102,480**	3,955,728

The credit quality of cash and cash equivalents balances based on credit risk grades at 31 December 2023 is as follows.

In millions of Uzbekistan Soums	**Cash balances with the CBU**	**Corresponde nt accounts and overnight placements with other banks**	**Receivables from financial institutions - related to Money transfers of individuals**	**Placements with other banks with original maturity of less than three months**	**Total**
- Excellent	358,910	142,933	-	207,865	**709,708**
- Good	-	158,374	-	689,335	**847,709**
- Special monitoring	-	9,377	41,358	**-**	**50,735**
Total cash and cash equivalents, excluding cash on hand	**358,910**	**310,684**	**41,358**	**897,200**	**1,608,152**

The financial instruments under special monitoring are related to Russian banks and financial institutions, which do not have external credit ratings.

The credit rating is based on the credit rating agency Standard & Poor's or the rating agencies Moody's and Fitch, which are converted to the nearest equivalent value on the Standard & Poor's rating scale. The financial instruments with not available credit quality i.e., unrated, as per methodology were rated C by the Group.

At 31 December 2024 the Group had 5 counterparty banks (2023: 3 counterparty bank) with cash and cash equivalent balances above UZS 200,000 million. The total aggregate amount of these balances was UZS 3,019,493 million (31 December 2023: UZS 1,248,768 million) or 79% of the cash and cash equivalents (2023: 78%). Refer to Note 34 for the disclosure of the fair value of cash and cash equivalents. Interest rate analysis and credit quality information are disclosed in Note 31.

8 Due from Other Banks

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
Placements with other banks with original maturities of more than three months	1,313,661	87,628
Mandatory reserve deposits with the CBU	-	87,631
Restricted cash in respect of security deposits	294	14,148
Less – Credit loss allowance	(3,789)	(479)
Total amounts due from other banks	**1,310,166**	**188,928**

8 Due from Other Banks (Continued)

The table below discloses the credit quality of due from other banks balances based on credit risk grades at 31 December 2024. For the purpose of ECL measurement due from other banks balances are included in Stage 1 due to absence of SICR and default criteria. Refer to Note 31 for the description of the Group's credit risk grading system.

The credit quality of due from other banks balances based on credit risk grades at 31 December 2024 is as follows.

In millions of Uzbekistan Soums	**Placements with other banks with original maturities of more than three months**	**Restricted cash in respect of security deposits**	**Total**
- Excellent	130,094	284	**130,378**
- Good	1,183,567	10	**1,183,577**
Gross carrying amount	**1,313,661**	**294**	**1,313,955**
Less – Credit loss allowance	(3,789)	-	**(3,789)**
Carrying amount	**1,309,872**	**294**	**1,310,166**

The credit quality of due from other banks balances based on credit risk grades at 31 December 2023 is as follows.

In millions of Uzbekistan Soums	**Mandatory reserve deposits with the CBU**	**Placements with other banks with original maturities of more than three months**	**Restricted cash in respect of security deposits**	**Total**
- Excellent	87,631	-	14,143	**101,774**
- Good	-	87,628	5	**87,633**
Gross carrying amount	**87,631**	**87,628**	**14,148**	**189,407**
Less – Credit loss allowance	-	(474)	(5)	**(479)**
Carrying amount	**87,631**	**87,154**	**14,143**	**188,928**

The following tables explain the changes in the credit loss allowance due from other banks between the beginning and the end of the annual period:

In millions of Uzbekistan Soums	**Credit loss allowance (Stage1)**	**Gross carrying amount (Stage1)**
Due from other banks		
At 1 January 2024	**(479)**	**189,407**
New originated or purchased	(3,789)	1,265,034
Derecognised during the period	479	(189,407)
Foreign exchange translation and other movements	-	48,921
At 31 December 2024	**(3,789)**	**1,313,955**

In millions of Uzbekistan Soums	**Credit loss allowance (Stage1)**	**Gross carrying amount (Stage1)**
Due from other banks		
At 1 January 2023	**(302)**	**278,334**
New originated or purchased	(479)	209,318
Derecognised during the period	302	(278,334)
Foreign exchange translation and other movements	-	(19,911)
At 31 December 2023	**(479)**	**189,407**

As at 31 December 2024 and 31 December 2023 due from other banks balances are not collateralised. Refer to Note 34 for the estimated fair value of due from other banks. Interest rate analysis is disclosed in Note 31. Information on related party balances is disclosed in Note 35.

9 Investments in Debt Securities

In millions of Uzbekistan Soums	31 December 2024	31 December 2023
Debt securities at FVOCI	2,008,275	1,067,109
Debt securities at AC	202,768	216,982
Debt securities designated as at FVTPL at initial recognition	53,896	54,925
Total investments in debt securities	**2,264,939**	**1,339,015**

(a) Investments in debt securities at FVOCI

The following table contains an analysis of debt securities at FVOCI by types:

In millions of Uzbekistan Soums	31 December 2024	31 December 2023
Central Bank of Uzbekistan	1,186,641	602,922
Ministry of Economy and finance of Uzbekistan	724,487	403,960
Corporate bonds	97,147	60,227
Debt securities at FVOCI	**2,008,275**	**1,067,109**

The table below contains an analysis of the credit risk exposure of debt securities measured at FVOCI at 31 December 2024, for which an ECL allowance is recognised, based on credit risk grades.

In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Total
Uzbekistan government bonds		
- Excellent	714,260	714,260
Total AC gross carrying amount	714,260	714,260
fair value adjustment	10,227	10,227
Carrying value (fair value)	**724,487**	**724,487**
Central Bank of Uzbekistan		
- Excellent	1,185,874	1,185,874
Total AC gross carrying amount	1,185,874	1,185,874
fair value adjustment	767	767
Carrying value (fair value)	**1,186,641**	**1,186,641**
Corporate bonds		
- Excellent	96,300	96,300
Total AC gross carrying amount	96,300	96,300
fair value adjustment	930	930
Less credit loss allowance	(83)	(83)
Carrying value (fair value)	**97,147**	**97,147**

The table below contains an analysis of the credit risk exposure of debt securities measured at FVOCI at 31 December 2023, for which an ECL allowance is recognised, based on credit risk grades.

In millions of Uzbekistan Soums	Stage 1 (12-months ECL)	Total
Uzbekistan government bonds		
- Excellent	402,013	402,013
Total AC gross carrying amount	402,013	402,013
fair value adjustment	1,947	1,947
Carrying value (fair value)	**403,960**	**403,960**
Central Bank of Uzbekistan		
- Excellent	602,380	602,380
Total AC gross carrying amount	602,380	602,380
fair value adjustment	542	542
Carrying value (fair value)	**602,922**	**602,922**
Corporate bonds		
- Excellent	54,615	54,615
Total AC gross carrying amount	54,615	54,615
fair value adjustment	5,612	5,612
Carrying value (fair value)	**60,227**	**60,227**

S&P Global Ratings affirmed Uzbekistan's long-term and short-term sovereign credit ratings in foreign and national currencies at "BB-/B" levels with a stable outlook. (2023: S&P Global Ratings affirmed the “BB-/B-” credit rating, the outlook is stable).

At 31 December 2024 debt securities at FVOCI with a carrying value of UZS 235,463 million have been pledged to third parties as collateral with respect to other borrowed funds (Mortgage refinancing company of Uzbekistan, refer to Note 15) (2023: UZS 120,095 million).

The counterparty is not allowed to sell further or repledge the investments

9 Investments in Debt Securities (Continued)

(b) Investments in debt securities at AC

The following table contains an analysis of debt securities at AC by credit quality at 31 December 2024 and discloses the balances by stages for the purpose of ECL measurement. The Group did not recognize any ECL for the bonds of the Government of Uzbekistan and Central Bank, as the LGD is NIL.

The carrying amount of debt securities at AC below represents the Group's maximum exposure to credit risk on these assets:

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
	Stage 1 (12-months ECL)	**Stage 1 (12-months ECL)**
Corporate bonds		
- Excellent	18,420	39,941
Gross carrying amount	**18,420**	**39,941**
Less credit loss allowance	(116)	(62)
Carrying amount	**18,304**	**39,879**
Uzbekistan government bonds		
- Excellent	62,327	60,477
Gross carrying amount	**62,327**	**60,477**
Less credit loss allowance	-	-
Carrying amount	**62,327**	**60,477**
Uzbekistan government Eurobonds		
- Excellent	122,137	116,625
Gross carrying amount	**122,137**	**116,625**
Less credit loss allowance	-	-
Carrying amount	**122,137**	**116,625**
Total investments in debt securities measured at AC (gross carrying amount)	**202,884**	**217,043**
Credit loss allowance	**(116)**	**(62)**
Total investments in debt securities measured at AC (carrying amount)	**202,768**	**216,981**

At 31 December 2024 debt securities at AC with a carrying value of UZS 6,300 million have been pledged to third parties as collateral with respect to other borrowed funds (Mortgage refinancing company of Uzbekistan) (2023: UZS 6,300 million). Refer to 17. The counterparty is not allowed to sell further or repledge the investments.

(c) Investments in debt securities at FVTPL

Debt securities are designated at FVTPL (Ministry of Economy and finance of Uzbekistan) by the Group represent securities held for trading and securities in a ‘held to sell’ business model. The debt securities at FVTPL are not collateralised.
Debt securities at FVTPL are carried at fair value, which also reflects any credit risk related write-downs and best represents Group’s maximum exposure to credit risk. The debt securities at FVTPL are not collateralised. Investment in debt securities are included in the standard grade that are equivalent to Moody’s rate of below Baa3 but above B3. Refer to Note 34 for the estimated fair value of investments in debt securities. Interest rate analysis is disclosed in Note 31.

10 Loans and Advances to Customers, including Finance Lease Receivables

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
Gross carrying amount of loans and advances to customers, including financial lease receivables at AC	19,504,758	16,099,708
Less credit loss allowance	(240,658)	(169,921)
Total carrying amount of loans and advances to customers, including financial lease receivables at AC	**19,264,100**	**15,929,787**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

Gross carrying amount and credit loss allowance amount for loans and advances to customers, including finance lease receivables at AC by classes at 31 December 2024 and 31 December 2023 are disclosed in the table below:

	At 31 December 2024			At 31 December 2023		
In millions of Uzbekistan soums	**Gross carrying amount**	**Credit loss allowance**	**Carrying amount**	**Gross carrying amount**	**Credit loss allowance**	**Carrying amount**
Car loans	2,767,409	(13,826)	2,753,583	3,778,423	(6,769)	3,771,654
Large corporate	5,062,450	(52,608)	5,009,842	3,732,198	(33,328)	3,698,870
SME	5,114,836	(25,177)	5,089,659	3,709,140	(19,006)	3,690,134
Consumer	3,415,236	(138,448)	3,276,788	1,994,033	(103,456)	1,890,577
Micro	1,602,996	(8,990)	1,594,006	1,605,532	(5,877)	1,599,655
Mortgage	1,541,831	(1,609)	1,540,222	1,280,382	(1,485)	1,278,897
Total loans and advances to customers, including financial lease receivables at AC	**19,504,758**	**(240,658)**	**19,264,100**	**16,099,708**	**(169,921)**	**15,929,787**

The Loans and advances to customers, including finance lease receivables carrying amount presented in the statement of financial position best represents the Group's maximum exposure to credit risk arising from Loans and advances to customers.

More detailed explanation of classes of loans to customers are provided below:

Type of borrower	Segment of borrower
Legal entities State and non-commercial organizations Individual entrepreneurs	Large corporate - The Loans and advances to large corporate customers of the Group. Large corporate means that the Loans and advances to one customer or customer's Group with more than UZS ten billion (or equivalents of this amount). And customer's annual turnover should be exceedingly more than UZS 60 billion. SME - the Loans and advances to small and medium enterprises (customers) of the Group. SME means that the Loans and advances to one customer or customer's Group with more than UZS 1.2 billion until UZS 10 billion (or equivalents of these amounts). And customer's annual turnover should be more than UZS 600 million (not exceed than UZS 60 billion). Micro - the Loans and advances to one customer or customer's Group with less than UZS 1.2 billion (or equivalent of this amount)
Individuals	Mortgage - long-term loan for the purchase or reconstruct of house or an apartment. Car loans - loan for the purchase of car, Consumer - loans given to individuals for the purchase of consumer goods (works, services). And other type loans also included for this segment.

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

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

In millions of Uzbekistan soums (Gross amount)	Stage1	Stage2	Stage3	Total
Car loans	**2,707,541**	**27,957**	**31,911**	**2,767,409**
Strong	2,687,591	25,481	-	2,713,072
Moderate	19,950	2,476	-	22,426
Default	-	-	31,911	31,911
Consumer	**3,240,716**	**58,654**	**115,866**	**3,415,236**
Strong	2,909,689	2,286	-	2,911,976
Moderate	317,480	46,852	-	364,331
Require closer monitoring	13,547	9,516	-	23,063
Default	-	-	115,866	115,866
Large corporate	**4,788,466**	**76,065**	**197,939**	**5,062,450**
Strong	4,510,871	35,487	-	4,546,358
Moderate	277,575	40,578	-	318,153
Default	-	-	197,939	197,939
Micro	**1,555,473**	**29,857**	**17,666**	**1,602,996**
Strong	1,393,105	11,659	-	1,404,764
Moderate	162,368	18,198	-	180,566
Default	-	-	17,666	17,666
Mortgage	**1,535,439**	**3,795**	**2,597**	**1,541,831**
Strong	1,526,807	3,162	-	1,529,969
Moderate	8,632	633	-	9,265
Default	-	-	2,597	2,597
SME	**4,971,525**	**107,053**	**36,258**	**5,114,836**
Strong	4,602,461	32,003	-	4,634,645
Moderate	368,883	75,050	-	443,933
Default	-	-	36,258	36,258
Total	**18,799,140**	**303,381**	**402,237**	**19,504,758**

For description of the credit risk grading used in the tables above refer to Note 31.

The credit quality of loans to corporate customers carried at amortised cost is as follows at 31 December 2023:

In millions of Uzbekistan soums (Gross amount)	Stage1	Stage2	Stage3	Total
Car loans	**3,760,814**	**10,221**	**7,388**	**3,778,423**
Strong	3,737,654	7,411	-	3,745,065
Moderate	23,161	2,647	-	25,808
Default	-	162	7,388	7,550
Consumer	**1,913,819**	**24,849**	**55,365**	**1,994,033**
Strong	1,497,571	750	-	1,498,321
Moderate	395,650	16,177	-	411,827
Require closer monitoring	20,598	7,895	-	28,493
Default	0	27	55,365	55,392
Large corporate	**3,637,678**	**56,246**	**38,274**	**3,732,198**
Strong	3,216,484	1,735	-	3,218,219
Moderate	421,194	54,511	-	475,705
Default	-	-	38,274	38,274
Micro	**1,578,318**	**12,750**	**14,464**	**1,605,532**
Strong	1,379,260	4,758	-	1,384,018
Moderate	199,058	7,992	-	207,050
Default	-	-	14,464	14,464
Mortgage	**1,278,675**	**784**	**923**	**1,280,382**
Strong	1,250,004	170	-	1,250,174
Moderate	28,671	614	-	29,285
Default	-	-	923	923
SME	**3,594,152**	**71,530**	**43,458**	**3,709,140**
Strong	3,222,400	17,726	-	3,240,126
Moderate	371,752	53,804	-	425,556
Default	-	-	43,458	43,458
Total	**15,763,456**	**176,380**	**159,872**	**16,099,708**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

The following tables disclose the changes in the credit loss allowance and gross carrying amount of Car loans at AC between the beginning and the end of the reporting and comparative periods:

Car loans	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2024	**3,760,814**	**10,221**	**7,388**	**3,778,423**
New originated or purchased	576,667	-	-	**576,667**
Derecognized during the period	(1,574,160)	(8,067)	(5,359)	**(1,587,586)**
Transfers from Stage 1	(57,248)	27,451	29,797	**-**
Transfers from Stage 2	963	(1,946)	983	**-**
Transfers from Stage 3	505	298	(803)	**-**
Write-offs	-	-	(95)	**(95)**
At 31 December 2024	**2,707,541**	**27,957**	**31,911**	**2,767,409**

Car loans	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2024	**4,329**	**125**	**2,315**	**6,769**
New originated or purchased	1,160	-	-	**1,160**
Derecognized during the period	(2,775)	(103)	(2,047)	**(4,925)**
Transfers from Stage 1	(6,949)	347	6,602	**-**
Transfers from Stage 2	7	(254)	247	**-**
Transfers from Stage 3	2	40	(42)	**-**
Net remeasurement of loss allowance	9,674	228	1,015	**10,917**
Write-offs	-	-	(95)	**(95)**
At 31 December 2024	**5,448**	**383**	**7,995**	**13,826**

Car loans	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2023	**1,408,670**	**2,210**	**1,680**	**1,412,560**
New originated or purchased	3,096,630	-	-	**3,096,630**
Derecognized during the period	(727,498)	(1,759)	(1,510)	**(730,767)**
Transfers from Stage 1	(17,395)	10,172	7,223	**-**
Transfers from Stage 2	396	(450)	54	**-**
Transfers from Stage 3	11	48	(59)	**-**
At 31 December 2023	**3,760,814**	**10,221**	**7,388**	**3,778,423**

Car loans	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2023	**304**	**4**	**146**	**454**
New originated or purchased	3,563	-	-	**3,563**
Derecognized during the period	(116)	(4)	(127)	**(247)**
Transfers from Stage 1	(687)	21	666	**-**
Transfers from Stage 2	1	(10)	9	**-**
Transfers from Stage 3	3	-	(3)	**-**
Net remeasurement of loss allowance	1,261	114	1,624	**2,999**
At 31 December 2023	**4,329**	**125**	**2,315**	**6,769**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

The following tables disclose the changes in the credit loss allowance and gross carrying amount of loans and advances to Mortgage at AC between the beginning and the end of the reporting and comparative periods:

Mortgage	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2024	**1,278,675**	**784**	**923**	**1,280,382**
New originated or purchased	369,386	-	-	**369,386**
Derecognized during the period	(107,607)	(174)	(156)	**(107,937)**
Transfers from Stage 1	(5,889)	3,538	2,351	**-**
Transfers from Stage 2	353	(353)	-	**-**
Transfers from Stage 3	521	-	(521)	**-**
At 31 December 2024	**1,535,439**	**3,795**	**2,597**	**1,541,831**

Mortgage	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2024	**1,290**	**10**	**185**	**1,485**
New originated or purchased	265	-	-	265
Derecognized during the period	(476)	(6)	(153)	(635)
Transfers from Stage 1	(442)	291	151	-
Transfers from Stage 2	2	(2)	-	-
Transfers from Stage 3	2	-	(2)	-
Net remeasurement of loss allowance	459	24	11	494
At 31 December 2024	**1,100**	**317**	**192**	**1,609**

Mortgage	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2023	**894,196**	**1,204**	**953**	**896,353**
New originated or purchased	459,510	-	-	**459,510**
Derecognized during the period	(74,699)	(55)	(727)	**(75,481)**
Transfers from Stage 1	(1,062)	580	482	**-**
Transfers from Stage 2	730	(945)	215	**-**
At 31 December 2023	**1,278,675**	**784**	**923**	**1,280,382**

Mortgage	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2023	**146**	**1**	**83**	**230**
New originated or purchased	463	-	-	**463**
Derecognized during the period	(11)	-	(83)	**(94)**
Transfers from Stage 1	(126)	8	118	**-**
Transfers from Stage 2	-	(31)	31	**-**
Net remeasurement of loss allowance	818	32	36	**886**
At 31 December 2023	**1,290**	**10**	**185**	**1,485**

At 31 December 2024 Mortgage loans to customers at AC with a carrying value of UZS 665,604 million (2023: UZS 667,594 million) was pledged to third parties as collateral with respect to other borrowed funds (Mortgage refinancing company of Uzbekistan). It refers in Note 17.

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

The following tables disclose the changes in the credit loss allowance and gross carrying amount of loans to Consumer at AC between the beginning and the end of the reporting and comparative periods:

Consumer	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2024	**1,913,819**	**24,849**	**55,365**	**1,994,033**
New originated or purchased	2,678,803	-	-	**2,678,803**
Derecognized during the period	(1,278,471)	(11,408)	(9,751)	**(1,299,630)**
Transfers from Stage 1	(76,921)	51,192	68,048	**42,319**
Transfers from Stage 2	2,405	(6,907)	4,502	**-**
Transfers from Stage 3	1,081	928	(2,009)	**-**
Write-offs 0	-	(289)	(289)	**(289)**
At 31 December 2024	**3,240,716**	**58,654**	**115,866**	**3,415,236**

Consumer	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2024	**58,294**	**2,430**	**42,732**	**103,456**
New originated or purchased	36,610	-	-	**36,610**
Derecognized during the period	(38,312)	(1,690)	(35,964)	**(75,966)**
Transfers from Stage 1	(36,809)	5,803	31,006	**-**
Transfers from Stage 2	412	(3,364)	2,952	**-**
Transfers from Stage 3	245	233	(478)	**-**
Net remeasurement of loss allowance	23,852	6,866	43,919	**74,637**
Write-offs 0	-	(289)	(289)	**(289)**
At 31 December 2024	**44,292**	**10,278**	**83,878**	**138,448**

Consumer	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2023	**1,600,975**	**14,002**	**23,821**	**1,638,798**
New originated or purchased	1,356,502	-	-	**1,356,502**
Derecognized during the period	(980,147)	(10,530)	(10,585)	**(1,001,262)**
Transfers from Stage 1	(65,588)	24,129	41,459	**-**
Transfers from Stage 2	1,821	(2,914)	1,093	**-**
Transfers from Stage 3	256	162	(418)	**-**
Write-offs	-	-	(5)	**(5)**
At 31 December 2023	**1,913,819**	**24,849**	**55,365**	**1,994,033**

Consumer	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2023	**45,820**	**1,372**	**21,844**	**69,036**
New originated or purchased	41,318	-	-	**41,318**
Derecognized during the period	(30,972)	(1,097)	(20,092)	**(52,161)**
Transfers from Stage 1	(8,599)	381	8,218	**-**
Transfers from Stage 2	95	(1,162)	1,067	**-**
Transfers from Stage 3	12	13	(25)	**-**
Net remeasurement of loss allowance	10,620	2,923	31,725	**45,268**
Write-offs	-	-	(5)	**(5)**
At 31 December 2023	**58,294**	**2,430**	**42,732**	**103,456**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

The following tables disclose the changes in the credit loss allowance and gross carrying amount of loans to Large corporate at AC between the beginning and the end of the reporting and comparative periods:

Large corporate	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2024	**3,637,678**	**56,246**	**38,274**	**3,732,198**
New originated or purchased	3,108,388	-	-	**3,108,388**
Derecognized during the period	(1,806,124)	(42,461)	(29,735)	**(1,878,320)**
Transfers from Stage 1	(248,779)	62,675	186,104	**-**
Transfers from Stage 2	1,631	(1,914)	283	**-**
Transfers from Stage 3	-	-	-	**-**
Foreign exchange adjustments	95,652	1,519	3,954	**101,125**
Write-offs -	0	(941)	(941)	
At 31 December 2024	**4,788,446**	**76,065**	**197,939**	**5,062,450**

Large corporate	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2024	**6,016**	**14,761**	**12,551**	**33,328**
New originated or purchased	7,444	-	-	**7,444**
Derecognized during the period	(4,422)	(2)	-	**(4,424)**
Transfers from Stage 1	(33,714)	2,755	30,959	**-**
Transfers from Stage 2	60	(114)	54	**-**
Transfers from Stage 3	0	0	0	**-**
Net remeasurement of loss allowance	35,870.00	(10,025.00)	(9,632.00)	**16,213**
Foreign exchange adjustments	215	142	631	**988**
Write-offs -	-	(941)	(941)	**(941)**
At 31 December 2024	**11,469**	**7,517**	**33,622**	**52,608**

Large corporate	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2023	**3,199,813**	**372,777**	**109,633**	**3,682,223**
New originated or purchased	1,844,829	-	-	**1,844,829**
Derecognized during the period	(1,773,662)	(193,501)	(103,515)	**(2,070,678)**
Transfers from Stage 1	(63,448)	39,356	24,092	**-**
Transfers from Stage 2	160,899	(166,543)	5,644	**-**
Transfers from Stage 3	409	-	(409)	**-**
Foreign exchange adjustments	268,838	4,157	2,829	**275,824**
At 31 December 2023	**3,637,678**	**56,246**	**38,274**	**3,732,198**

Large corporate	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2023	**2,399**	**13,503**	**58,227**	**74,129**
New originated or purchased	3,051	-	-	**3,051**
Derecognized during the period	(1,756)	(11,000)	(58,227)	**(70,983)**
Transfers from Stage 1	(20,604)	11,520	9,084	**-**
Transfers from Stage 2	195	(224)	29	**-**
Transfers from Stage 3	1	-	(1)	**-**
Net remeasurement of loss allowance	22,346	20	2,638	**25,004**
Foreign exchange adjustments	384	942	801	**2,127**
At 31 December 2023	**6,016**	**14,761**	**12,551**	**33,328**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

The following tables disclose the changes in the credit loss allowance and gross carrying amount of loans to SME at AC between the beginning and the end of the reporting and comparative periods:

SME	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2024	**3,594,152**	**71,530**	**43,458**	**3,709,140**
New originated or purchased	3,224,454	-	-	**3,224,454**
Derecognized during the period	(1,858,234)	(6,423)	(12,518)	**(1,877,175)**
Transfers from Stage 1	(55,143)	46,176	8,967	**-**
Transfers from Stage 2	6,361	(6,361)	-	**-**
Transfers from Stage 3	1,004	862	(1,866)	**-**
Foreign exchange adjustments	58,931	1,269	430	**60,630**
Write-offs -	-	(2,213)	(2,213)	**(2,213)**
At 31 December 2024	**4,971,525**	**107,053**	**36,258**	**5,114,836**

SME	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2024	**5,622**	**5,203**	**8,181**	**19,006**
New originated or purchased	8,401	-	-	**8,401**
Derecognized during the period	(3,566)	(129)	(2,396)	**(6,091)**
Transfers from Stage 1	(3,362)	1,619	1,743	**-**
Transfers from Stage 2	46	(46)	-	**-**
Transfers from Stage 3	2	40	(42)	**-**
Net remeasurement of loss allowance	5,724	(1,274)	1,457	**5,907**
Foreign exchange adjustments	85	37	45	**167**
Write-offs -	-	(2,213)	(2,213)	**(2,213)**
At 31 December 2024	**12,952**	**5,450**	**6,775**	**25,177**

SME	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2023	**2,450,298**	**59,885**	**44,659**	**2,554,842**
New originated or purchased	2,406,041	-	-	**2,406,041**
Derecognized during the period	(1,389,359)	(25,242)	(13,192)	**(1,427,793)**
Transfers from Stage 1	(64,951)	55,922	9,029	**-**
Transfers from Stage 2	20,881	(22,430)	1,549	**-**
Transfers from Stage 3	650	-	(650)	**-**
Foreign exchange adjustments	170,592	3,395	2,063	**176,050**
At 31 December 2023	**3,594,152**	**71,530**	**43,458**	**3,709,140**

SME	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2023	**872**	**156**	**3,979**	**5,007**
New originated or purchased	3,763	-	-	**3,763**
Derecognized during the period	(302)	(106)	(2,558)	**(2,966)**
Transfers from Stage 1	(5,988)	3,839	2,149	**-**
Transfers from Stage 2	42	(332)	290	**-**
Transfers from Stage 3	3	-	(3)	**-**
Net remeasurement of loss allowance	7,096	1,520	4,126	**12,742**
Foreign exchange adjustments	136	126	198	**460**
At 31 December 2023	**5,622**	**5,203**	**8,181**	**19,006**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

The following tables disclose the changes in the credit loss allowance and gross carrying amount of loans to Micro at AC between the beginning and the end of the reporting and comparative periods:

Micro	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2024	**1,578,318**	**12,750**	**14,464**	**1,605,532**
New originated or purchased	924,414	-	-	**924,414**
Derecognized during the period	(909,715)	(9,336)	(8,923)	**(927,974)**
Transfers from Stage 1	(40,472)	27,372	13,100	**-**
Transfers from Stage 2	932	(1,146)	214	**-**
Transfers from Stage 3	338	185	(523)	**-**
Foreign exchange adjustments	1,658	32	19	**1,709**
Write-offs -	-	(685)	(685)	**(685)**
At 31 December 2024	**1,555,473**	**29,857**	**17,666**	**1,602,996**

Micro	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2024	**2,977**	**62**	**2,838**	**5,877**
New originated or purchased	3,635	-	-	**3,635**
Derecognized during the period	(2,125)	(56)	(2,006)	**(4,187)**
Transfers from Stage 1	(1,969)	348	1,621	**-**
Transfers from Stage 2	17	(45)	28	**-**
Transfers from Stage 3	5	2	(7)	**-**
Net remeasurement of loss allowance	3,574	260	506	**4,340**
Foreign exchange adjustments	7	-	3	**10**
Write-offs -	-	(685)	(685)	**(685)**
At 31 December 2024	**6,121**	**571**	**2,298**	**8,990**

Micro	*Stage1*	*Stage2*	*Stage3*	*Total*
Gross carrying value as at 1 January 2023	**1,376,755**	**11,593**	**32,027**	**1,420,375**
New originated or purchased	1,127,850	-	-	**1,127,850**
Derecognized during the period	(922,197)	(5,176)	(24,210)	**(951,583)**
Transfers from Stage 1	(14,300)	7,345	6,955	**-**
Transfers from Stage 2	1,029	(1,110)	81	**-**
Transfers from Stage 3	395	27	(422)	**-**
Foreign exchange adjustments	8,786	71	81	**8,938**
Write-offs	-	-	(48)	**(48)**
At 31 December 2023	**1,578,318**	**12,750**	**14,464**	**1,605,532**

Micro	*Stage1*	*Stage2*	*Stage3*	*Total*
ECL as at 1 January 2023	**347**	**11**	**5,400**	**5,758**
New originated or purchased	2,128	-	-	**2,128**
Derecognized during the period	(196)	(11)	(5,000)	**(5,207)**
Transfers from Stage 1	(1,403)	27	1,376	**-**
Transfers from Stage 2	1	(10)	9	**-**
Transfers from Stage 3	1	-	(1)	**-**
Net remeasurement of loss allowance	2,091	45	1,095	**3,231**
Foreign exchange adjustments	8	-	7	**15**
Write-offs	-	-	(48)	**(48)**
At 31 December 2023	**2,977**	**62**	**2,838**	**5,877**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

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

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
Individuals and individual entrepreneurs	9,314,057	8,288,676
Trade and services	3,835,434	2,900,812
Manufacturing	3,578,562	2,612,812
Transportation	1,873,951	1,309,221
Construction	526,733	492,360
Agriculture	147,759	166,857
Other	228,262	328,970
Total loans and advances to customers, including financial lease receivables carried at AC	**19,504,758**	**16,099,708**

At 31 December 2024 the Group had 10 borrowers and their related parties (31 December 2023: 4 borrowers) with aggregated loan amounts above UZS 100,000 million. The total aggregate amount of these loans was UZS 2,044,850 million (31 December 2023: UZS 613,333 million) or 10.5% of the gross loan portfolio (31 December 2023: 3.8%).

The Group'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 Group since the prior period. Description of collateral held for loans to customers, including finance lease receivables carried at amortised cost is as follows at 31 December 2024:

In millions of Uzbekistan Soums	**Car loans**	**SME**	**Micro**	**Consumer**	**Mortgage**	**Large corporate**	**Total**
Loans guaranteed by other parties	504	370,803	29,765	911,515	292.00	1,410,087	**2,722,966**
Loans guaranteed by Insurance companies	349,993	293,195	155,477	161,772	90.00	372,054	**1,332,581**
Loans collateralised by:							
Motor vehicles	2,414,056	2,357,699	972,564	1,465,738	166	200,939	2,722,966
Real estate	-	1,958,322	418,961	39,917	1,541,273	2,095,893	1,332,581
Equipment	-	52,732	248	-	-	523,434	0
Cash deposit	-	40,313	1,164	708	-	238,586	7,411,162
Inventory	-	860	1,223	-	-	121,106	6,054,366
Other	-	-	-	133	-	67,703	576,414
Total	2,764,553	5,073,924	1,579,402	2,579,783	1,541,821	5,029,802	**18,569,285**
Unsecured exposures	2,856	40,912	23,594	835,453	10.00	32,648	**935,473**
Total carrying value loans and advances to customers, including financial lease receivables at AC:							
	2,767,409	**5,114,836**	**1,602,996**	**3,415,236**	**1,541,831**	**5,062,450**	**19,504,758**

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

Description of collateral held for loans to customers carried at amortised cost, including finance lease receivables is as follows at 31 December 2023:

In millions of Uzbekistan Soums	Car loans	SME	Micro	Consumer	Mortgage	Large corporate	Total
Loans guaranteed by other parties	394	266,586	18,746	999,796	433	1,058,418	**2,344,373**
Loans guaranteed by Insurance companies	467,553	242,263	53,641	30	242	170,784	**934,513**
Loans collateralised by:							
Motor vehicles	3,310,066	1,629,819	1,009,773	369,319	227	200,805	**6,520,009**
Real estate	-	1,462,167	520,052	15,259	1,279,480	1,622,472	**4,899,430**
Equipment	-	58,529	670	-	-	557,568	**616,767**
Cash deposit	-	25,769	1,188	365	-	85,660	**112,982**
Inventory	-	438	1,411	250	-	32,989	**35,088**
Total	**3,778,013**	**3,685,571**	**1,605,481**	**1,385,019**	**1,280,382**	**3,728,696**	**15,463,162**
Unsecured exposures	410	23,569	51	609,014	-	3,502	**636,546**
Total carrying value loans and advances to customers, including financial lease receivables at AC:							
	3,778,423	**3,709,140**	**1,605,532**	**1,994,033**	**1,280,382**	**3,732,198**	**16,099,708**

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 tables below provide such analysis at 31 December 2024 and 31 December 2023:

	Over-collateralised assets		**Under-collateralised assets**	
In millions of Uzbekistan Soums	**Carrying value of the assets**	**Value of collateral**	**Carrying value of the assets**	**Value of collateral**
Large corporate	197,939	768,311	-	-
SME	34,787	98,095	1,471	1,290
Car loans	31,579	45,242	332	253
Micro	17,666	34,437	-	-
Consumer	23,750	37,560	92,116	920
Mortgage	2,597	3,236	-	-
Total	**308,318**	**986,881**	**93,919**	**2,463**

	Over-collateralised assets		**Under-collateralised assets**	
In millions of Uzbekistan Soums	**Carrying value of the assets**	**Value of collateral**	**Carrying value of the assets**	**Value of collateral**
SME	43,458	131,485	-	-
Large corporate	37,333	91,696	941	-
Micro	14,069	30,516	394	354
Consumer	10,720	18,548	44,646	3,035
Car loans	7,386	9,329	2	-
Mortgage	923	1,193	-	-
Total	**113,889**	**282,767**	**45,983**	**3,389**

The Group obtains collateral valuation at the time of granting loans and generally updates it every one to three years, depending on the significance of the loan exposure. The values of collateral considered in this disclosure are after a valuation haircut of 20-50% applied to consider liquidity and quality of the pledged assets.

10 Loans and Advances to Customers, including Finance Lease Receivables (Continued)

Finance lease payments receivable (gross investment in the leases) and their present values are as follows:

In millions of Uzbekistan Soums	Not later than one year	From one year to five years	Total
Finance lease payments receivable at 31 December 2024	258,424	388,222	**646,646**
Unearned finance income	(63,487)	(63,308)	**(126,795)**
Credit loss allowance	(1,530)	(2,550)	**(4,080)**
Present value of lease payments receivable at 31 December 2024	**193,407**	**322,364**	**515,771**

In millions of Uzbekistan Soums	Not later than one year	From one year to five years	Total
Finance lease payments receivable at 31 December 2023	144,105	162,238	**306,343**
Unearned finance income	(33,878)	(25,982)	**(59,860)**
Credit loss allowance	(1,091)	(1,349)	**(2,440)**
Present value of lease payments receivable at 31 December 2023	**109,136**	**134,907**	**244,043**

Refer to Note 34 for the estimated fair value of each class of loans and advances to customers, including finance lease receivables. Interest rate analysis of loans and advances to customers is disclosed in Note 31. Information on related party balances is disclosed in Note 35.

11 Other Assets

In millions of Uzbekistan Soums	31 December 2024	31 December 2023
Prepayments for property and equipment under finance lease agreement	211,570	220,479
Prepayments to suppliers	37,419	25,843
Inventory	32,715	17,471
Repossessed collateral	19,099	11,586
Prepayments to suppliers for Construction in progress	12,593	13,253
Prepaid origination fee on Other borrowed fund	4,794	-
Settlements with employees	249	61
Other financial assets at AC	3,050	6,464
Other	3,642	2,993
Total other assets	**325,131**	**298,150**

In 2023, Hamkorbank launched BNPL (buy now and pay later) basis shariah compliant finance leases. The Bank make prepayments under finance lease agreements to the supplier(s) and keep the prepayment amounts until the arrival of lease object(s). Finance lease receivable is recognised when lease object(s) has(have) been transferred to the customer.

Repossessed collateral represents real estate assets, equipment, vehicles and other assets acquired by the Group in settlement of overdue loans. The Group expects to dispose of the assets in the foreseeable future. The repossessed all assets do not meet the definition of non-current assets held for sale and are classified as inventories in accordance with IAS 2 “Inventories”. The assets were initially recognised at fair value when acquired.

As at 31 December 2024, the total gross amount of other financial assets at AC was UZS 11,816 million (at 31 December 2023: UZS 7,480 million), for which UZS 8,766 million (at 31 December 2023: UZS 1,016 million) credit loss allowance was provided.

All of the above assets are expected to be recovered more than twelve months after the year-end, except for prepayments for services of UZS 14,999 million for the year ended 31 December 2024 (31 December 2023: UZS 10,941 million). Are those Information on related party balances is disclosed in Note 35.

12 Premises, Equipment and Intangible Assets

In millions of Uzbekistan Soums Cost	**Premises**	**Construc-tion in progress**	**Office and computer equipment**	**Payment terminals (under operating lease)**	**Total property and equipment**	**Intangible assets**	**Total**
31 December 2022	**217,530**	**-**	**244,826**	**22,986**	**485,342**	**60,082**	**545,424**
Additions	93,479	24,180	57,006	-	**174,665**	11,651	**186,316**
Capitalised borrowing costs	-	492	-	-	**492**	-	**492**
Disposals	(11,082)	-	(10,644)	(332)	**(22,058)**	(2,107)	**(24,165)**
Transfers	24,178	(24,672)	(639)	1,133	**-**	-	**-**
31 December 2023	**324,105**	**-**	**290,549**	**23,787**	**638,441**	**69,626**	**708,067**
Additions	7,176	63,509	110,090	1,591	**182,366**	18,573	**200,939**
Capitalised borrowing costs	-	3,987	-	-	**3,987**	-	**3,987**
Disposals	0	0	(22,958)	(310)	**(23,268)**	(49)	**(23,317)**
Transfers	23,629	(23,629)	(13,219)	13,219	**-**	-	**-**
31 December 2024	**354,910**	**43,867**	**364,462**	**38,287**	**801,526**	**88,150**	**889,676**

In millions of Uzbekistan Soums Accumulated depreciation	**Premises**	**Construc-tion in progress**	**Office and computer equipment**	**Payment terminals (under operating lease)**	**Total property and equipment**	**Intangible assets**	**Total**
1 January 2022	**41,780**	**-**	**144,047**	**14,132**	**199,959**	30,298	**230,257**
Charge for the year	10,943	-	49,162	4,475	**64,580**	11,222	**75,802**
Disposals	(3,056)	-	(5,643)	(253)	**(8,952)**	(2,106)	**(11,058)**
Transfers	-	-	52	(52)	**-**	-	**-**
31 December 2023	**49,667**	**-**	**187,618**	**18,302**	**255,587**	**39,414**	**295,001**
Charge for the year	15,854	-	50,349	4,283	**70,486**	13,044	**83,530**
Disposals	-	-	(9,301)	(281)	**(9,582)**	(45)	**(9,627)**
Transfers	-	-	336	(336)	**-**	-	**-**
31 December 2024	**65,521**	**-**	**229,002**	**21,968**	**316,491**	**52,413**	**368,904**
Net book value 31 December 2023	**274,438**	**-**	**102,931**	**5,485**	**382,854**	**30,212**	**413,066**
31 December 2024	**289,389**	**43,867**	**135,460**	**16,319**	**485,035**	**35,737**	**520,772**

As at December 31, 2023, and December 31, 2024, no property, plant, and equipment have been pledged as collateral to third parties, and there are no intangible assets with restricted titles.

Intangible assets mainly comprise customized computer software of the Bank, provided by third party vendors, with finite useful lives that amortized over 5 years.

Construction in progress consists mainly of construction and refurbishment of branch premises and equipment. Upon completion, assets are transferred to premises and equipment. Additions to construction in progress include capitalised borrowing costs of UZS 3,987 million (2023: UZS 492 million). The capitalisation rate was 17.28 % (2023: 17.20 %).

13 Right of Use Assets and Lease Liabilities

The Group leases various offices. Rental contracts are typically made for fixed periods of 5.5 years. All leases are recognised as a right-of-use asset and a corresponding liability from the date when the leased asset becomes available for use by the Group.

The right of use assets by class of underlying items is analysed as follows:

In thousands of Uzbekistan Soums	**Note**	**Buildings**
Carrying amount at 1 January 2023		**5,772**
Addition		75,524
Depreciation charge		(9,280)
Derecognition of the right of use asset		(2,301)
Carrying amount at 31 December 2023		**69,715**
Accumulated Depreciation		(13,943)
Carrying amount at 31 December 2024		**55,772**

Interest expense on lease liabilities was UZS 13,069 million (2023: UZS 6,536 million). Total cash outflow for leases in 2024 was UZS 5,050 million (2023: UZS 14,704 million).

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as collateral for borrowings.

Expenses relating to leases of low-value assets that are not shown as short-term leases are included in general and administrative expenses (Note 25). Related Party Transactions are disclosed in Note 35.

14 Due to Other Banks

In millions of Uzbekistan Soums	31 December 2024	31 December 2023
Term placements of other banks	777,160	61,777
Correspondent accounts and overnight placements of other banks	380,956	126,315
Security deposits of other financial institutions	13,011	51,135
Total due to other banks	**1,171,127**	**239,227**

Refer to Note 34 for the disclosure of the fair value of due to other banks. Interest rate analysis of due to other banks is disclosed in Note 31. Information on related party balances is disclosed in Note 35.

15 Customer Accounts

In millions of Uzbekistan Soums	31 December 2024	31 December 2023
Private and legal entities:		
- Current accounts	2,370,578	1,868,871
- Time deposits	2,323,635	1,371,073
Individuals:		
- Time deposits	5,288,439	3,392,550
- Current accounts	1,437,812	1,029,241
Total amounts due to customers	**11,420,464**	**7,661,735**

Economic sector concentrations within customer accounts are as follows:

	31 December 2024		31 December 2023	
In millions of Uzbekistan Soums	Amount	%	Amount	%
Individuals	6,726,251	59%	4,421,791	58%
Manufacturing	1,509,473	13%	1,056,298	14%
Trade and services	1,362,056	12%	1,165,597	15%
State and budgetary organizations	1,306,363	11%	514,910	7%
Construction	168,363	1%	216,826	3%
Non-governmental organizations	96,932	1%	106,414	1%
Other	251,026	2%	179,899	2%
Total customer accounts	**11,420,464**	**100%**	**7,661,735**	**100%**

At 31 December 2024, the Group had 17 customers (31 December 2023: 8 customers) with balances above UZS 50,000 million. The aggregate balance of these customers was UZS 2,177,366 million (31 December 2023: UZS 925,805 million) or 19% (31 December 2023: 12%) of total customer accounts.

At 31 December 2024, included in customer accounts are deposits of UZS 24,630 million (31 December 2023: UZS 38,607 million) held as collateral for irrevocable commitments under import letters of credit (Note 32). Refer to Note 34 for the disclosure of the fair value of customer accounts. Interest rate analysis of customer accounts is disclosed in Note 31. Information on related party balances is disclosed in Note 35.

16 Debt Securities in Issue

In millions of Uzbekistan Soums	31 December 2024	31 December 2023
Bonds issued on domestic market	69,466	22,045
Certificates of deposit	-	300
Total debt securities in issue	**69,466**	**22,345**

At 31 December 2024, the Group had debt securities in issue held by five counterparties (31 December 2023: two counterparties) with balances above UZS 5,000 million. The aggregate amount of these balances was UZS 60,800 million (31 December 2023: UZS 18,500 million) or 87.5% (31 December 2023: 83%) of total debt securities in issue.

Debt Securities issued at annual interest rate varying from 18-22%, with maturity dates starting from May 2025 until December 2026. Refer to Note 34 for the disclosure of the fair value of debt securities in issue. Interest rate analysis of debt securities in issue is disclosed in Note 31. Information on related party balances is disclosed in Note 35.

17 Other Borrowed Funds

In millions of Uzbekistan Soums	31 December 2024	31 December 2023
Nederlandse Finacierings - Maatschappij Voor Ontwikkelingsladen ("FMO")	1,621,337	923,178
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	914,542	458,684
Mortgage refinancing company of Uzbekistan	907,367	645,990
Blue Orchard Microfinance Fund	714,942	458,814
Ministry of Economy and finance of Uzbekistan	619,327	467,719
Asian Development Bank ("ADB")	584,290	901,538
ResponsAbility Investments AG	583,638	428,487
JICA	459,062	431,336
DEG - DEUTSCHE INVESTITIONS- UND ENTWICKLUNGSGESELLSCHAFT	425,721	416,692
IIV - Mikrofinanzfonds ("Mikrofinanzfonds")	399,749	428,856
Reconstruction and development fund of Republic of Uzbekistan	367,414	188,110
International Development Association ("IDA")	349,406	364,048
International Bank for Reconstruction and Development - World Bank	335,274	338,934
Symbiotics Sicav	324,995	685,651
Stucture of the Export Promotion Agency under the Ministry of Investment and Foreign Trade of the Republic of Uzbekistan	231,309	73,944
Frankfurt School	136,035	138,422
Microfinance Enhancement Facility SA	130,324	124,122
GLOBAL IMPACT INVESTMENTS	122,769	-
Microfinance Fund Triple Jump B.V. ("Triple Jump")	120,636	82,011
Bank Im Bistum Essen ("BIBS")	108,941	111,081
International Finance Corporation	99,115	168,353
International Fund for Agricultural Development ("IFAD")	94,723	6,330
AgRIF	64,369	65,449
Entrepreneurship Development Company	64,248	-
State Committee of Veterinary and livestock development of Uzbekistan	58,333	56,940
Others	150,289	441,001
Total other borrowed funds at AC	**9,988,155**	**8,405,690**

- Borrowings from "FMO" represent two UZS (18.24-19.56% p.a.), and six USD 7.2 p.a-3.5%+SOFR% p.a. denominated long-term loans maturing untill August 2027. The loans were borrowed to finance the development of microfinancing and SME.
- Borrowings from "European Bank for Reconstruction and Development" represent seven EUR (6-11% p.a.), six USD (10% until SOFR+6%), ten UZS (19.14-23.55%) denominated long-term loans maturing until July 2030. The loans were borrowed to finance the development of microfinancing and SME.
- Borrowings from "Mortgage refinancing company of Uzbekistan" represent twenty-five UZS (12-21.75% p.a) denominated long-term loans maturing until August 2042 These loans were borrowed to finance individuals to development of mortgages in Uzbekistan.
- Borrowings from "Blue Orchard Microfinance Fund" represent four USD (7.9%-SOFR+3.7 p.a.), one UZS (24%) denominated long-term loans maturing until July 2027. The loans were borrowed to finance the development of microfinancing and SME.
- Borrowings from "Ministry of Economy and Finance" represent fifty-nine UZS (0%-14%p.a.) denominated long-term loans maturing until July 2044. The loans were borrowed to finance education, mortgages and other government supported plans in Uzbekistan.
- Borrowings from "ADB" represent four USD denominated long-term loans maturing until November 2036 issued with interest rates ranging from 3% to SOFR plus 1% per annum. The loans were borrowed to finance small business sector of economy and agricultural sector.
- The Group has to comply with specific financial and non-financial covenants on obtained funds as at 31 December 2024, and current forecasts, including judgmental assumptions, do not indicate a breach of financial covenants. In addition, the group has sufficient headroom to enable it to conform to covenants on its existing borrowings at 31 December 2024. Information compliance on covenants is given in Note 32. As at 31 December 2024 and 31 December 2023, the Group has not breached covenants on Other borrowed funds. Information on maturity analysis and interest rate analysis of Other borrowed funds are given in Note 31. Refer to Note 34 for disclosure of the fair value of other borrowed funds. Information on related party balances is disclosed in Note 35.

18 Other Financial Liabilities

Other financial liabilities comprise the following:

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
Other financial liabilities at AC		
Plastic card transactions	16,847	8,818
Payable to State deposit insurance fund	16,091	11,186
Payable to suppliers	16,481	6,419
Dividends payable	2,425	929
Provisions for Commitments and contingencies	550	289
Other financial liabilities	2,419	2,917
Total other financial liabilities at AC	**54,813**	**30,558**
Other financial liabilities mandatorily measured at FVTPL		
Other derivative financial instruments	338	386
Total other financial liabilities at FVTPL	**338**	**386**
Total other financial liabilities	**55,151**	**30,944**

Refer to Note 32 for analysis of exposure from financial guarantees and loan commitments by credit risk grades.

19 Other Liabilities

Other liabilities comprise the following:

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
Insurance liability (IFRS 17):	46,888	40,488
-Insurance liability	*46,214*	*39,676*
- Insurance and reinsurance accounts payable	*674*	*812*
Payable to employees	37,113	38,625
Accrued unused vacation	23,129	22,560
Other tax liabilities	7,201	9,315
Unearned commission revenue	4,726	1,002
Advances received	915	2,782
Other non-financial liabilities	5,048	3,166
Total other liabilities	**125,020**	**117,938**

Insurance finance expenses is presented within ‘other similar expenses’ line in profit or loss (Note 22) and insurance services expenses were included in administrative and other operating expenses (Note 25).

20 Subordinated Debt

Subordinated debt of UZS 441,604 million (31 December 2023: UZS 502,173 million) carries a fixed interest rate of 6.2 % p.a. (in EUR), 7.5-12 % p.a. (in USD), 18.5% (in UZS) and matures between April 2024 and September 2030. The debt ranks after all other creditors in the case of liquidation.

The Group has to comply with specific financial and non-financial covenants on obtained funds as at 31 December 2024, and current forecasts, including judgmental assumptions, do not indicate a breach of financial covenants. In addition, the group has sufficient headroom to enable it to conform to covenants on its existing Subordinated debts at 31 December 2024. Information compliance on covenants is given in Note 32. As at 31 December 2024 and 31 December 2023, the Group has not breached covenants on Subordinated debts. Information on maturity analysis and interest rate analysis of subordinated debt are given in Note 31. Refer to Note 34 for disclosure of the fair value of Subordinated debts. Information on related party balances is disclosed in Note 35.

21 Share Capital

In millions of Uzbekistan Soums	**Number of outstanding shares (in million)**	**Ordinary shares**	**Share premium**	**Inflation adjustment**	**Preference shares**	**Total**
At 1 January 2023	**21,555**	**104,408**	**77,751**	**2,154**	**3,367**	**187,680**
New shares issued	43,110	208,816	-	-	6,734	215,550
At 31 December 2023	**64,665**	**313,224**	**77,751**	**2,154**	**10,101**	**403,230**
New shares issued	64,665	313,222	-	-	10,102	323,324
At 31 December 2024	**129,330**	**626,446**	**77,751**	**2,154**	**20,203**	**726,554**

The total authorised number of ordinary shares is 125,289 million shares (31 December 2023: 62,645 million shares), with a par value of UZS 5 per share (31 December 2023: UZS 5 per share). All issued ordinary shares are fully paid.

The total authorised number of preference shares is 4,041 million shares (31 December 2023: 2,020 million shares), with a par value of UZS 5 per share (31 December 2023: UZS 5 per share). All issued preference shares are fully paid.

The preferred shares are not redeemable and rank ahead of the ordinary shares in the event of the Group’s liquidation. Preference share dividends are discretionary and set at 30 % p.a. (2023: 30% p.a.) and rank above ordinary dividends.

Share premium represents the excess of contributions received over the nominal value of shares issued.

Retained earnings includes "General Purpose Fund" which was approved by decision of General meeting of shareholders of the Group: at 31 December 2024 – UZS 1,458,376 million (2023: UZS 1,458,376 million)

22 Interest Income and Expense

In millions of Uzbekistan Soums	**2024**	**2023**
Interest income calculated using the effective interest method		
Loans and advances to customers at AC	3,903,709	2,861,247
Debt securities at FVOCI	277,074	151,632
Due from other banks at AC	156,288	152,108
Cash and cash equivalents	74,669	25,153
Debt securities at AC	19,456	18,487
Total interest income calculated using the effective interest method	**4,431,196**	**3,208,627**
Other similar income		
Finance lease receivables	82,972	45,608
Investment in debt securities at FVPTL	2,526	2,516
Total other similar income	**85,498**	**48,124**
Total interest income	**4,516,694**	**3,256,751**
Interest and other similar expense		
Deposits of legal entities and individuals	1,238,822	742,529
Other borrowed funds	1,027,739	707,526
Subordinated debt	50,074	42,176
Due to other banks	28,282	25,010
Debt securities in issue	6,363	1,294
Total interest expense	**2,351,280**	**1,518,535**
Other similar expense		
Interest expenses from SWAP	1,014	13,265
Interest expense on lease liabilities	13,069	6,536
Other	13,294	10,170
Total other similar expense	**27,377**	**29,971**
Total interest expense	**2,378,657**	**1,548,506**
Net margin on interest and similar income	**2,138,037**	**1,708,245**

23 Fee and Commission Income and Expense

	2024					2023				
In millions of Uzbekistan Soums	**Retail banking**	**Corporate banking**	**Treasury**	**Other**	**Total**	**Retail banking**	**Corporate banking**	**Treasury**	**Other**	**Total**
Fee and commission income										
Fee and commission income not relating to financial instruments at FVTPL:										
-Settlement transactions	4,494	230,081	-	-	234,575	20,787	163,522	-	-	184,309
-Cash transactions	147,984	18,741	-	-	166,725	122,984	17,452	-	-	140,436
-International money transfers	199,075	53,410	-	-	252,485	81,321	44,703	-	-	126,024
-Plastic cards	74,426	-	-	-	74,426	80,783	1,093	-	-	81,876
-Agent fee from insurance companies	-	-	-	27,964	27,964	-	-	-	34,499	34,499
-Conversion operations	12,174	124	-	-	12,298	549	5,230	-	-	5,779
-Commission on guarantees	-	9,827	-	-	9,827	-	3,493	-	-	3,493
-Commission on letter of credits	-	232	-	-	232	-	1,120	-	-	1,120
-Other	9,786	2,851	-	-	12,637	2,901	9,855	-	-	12,756
Total fee and commission income	**447,939**	**315,266**	**-**	**27,964**	**791,169**	**309,325**	**246,468**	**-**	**34,499**	**590,292**
Fee and commission expense										
Fee and commission expense not relating to financial instruments at FVTPL:										
-Settlement transactions	12,166	40,479	101,687	17	154,349	4,603	28,749	48,737	-	82,089
-Plastic cards operations	57,251	319	-	-	57,570	37,028	751	-	-	37,779
-Cash collection services	-	12,188	25,444	-	37,632	-	3,489	18,806	-	22,295
-Conversion and purchase of foreign currency	-	4,808	-	346	5,154	288	3,336	-	-	3,624
-Collateral registry fees	-	2,782	-	-	2,782	-	2,792	-	-	2,792
-Credit bureau fees	-	1,617	-	-	1,617	-	1,453	-	-	1,453
-Other	3,337	9,952	213	4,504	18,006	3,105	3,691	207	189	7,192
Total fee and commission expense	**72,754**	**72,145**	**127,344**	**4,867**	**277,110**	**45,024**	**44,261**	**67,750**	**189**	**157,224**
Net fee and commission income/(expense)	**375,185**	**243,121**	**(127,344)**	**23,097**	**514,059**	**264,301**	**202,207**	**(67,750)**	**34,310**	**433,068**

24 Other Operating Income

In millions of Uzbekistan Soums	**2024**	**2023**
Insurance Service Revenue based on IFRS 17	26,176	22,816
Fines and penalties	9,519	9,813
Income from rent of office space and terminals	6,880	2,874
Income on depository services	3,105	2,480
Gain on disposal of premises and equipment	2,030	9,061
Dividend income from Investments in equity securities	1,939	1,069
Other	3,082	1,853
Total other operating income	**52,731**	**49,966**

25 Administrative and Other Operating Expenses

In millions of Uzbekistan Soums	**Note**	**2024**	**2023**
Staff costs		1,014,430	797,619
Depreciation and amortization		83,492	75,803
Repairs and maintenance		56,842	47,570
Membership fees and dues		56,265	40,407
Stationery		39,529	25,797
Security services		31,683	26,364
Professional services		28,345	27,562
Advertising and publicity		16,020	15,159
Taxes other than profit taxes		15,863	9,306
Depreciation of right use of assets		13,943	9,281
Low-value assets lease expense		11,838	8,552
Utilities		11,089	6,436
Postage, telephone and fax		10,455	5,303
Representation and Entertainment		8,410	6,374
Travel		6,292	4,346
Fuel		4,128	2,872
Fine and penalties		1,299	137
Charity		1,064	491
Other		17,735	24,915
Adminstrative and Other Operating expenses		**1,428,722**	**1,134,294**

Included in professional services in the table above are audit services of UZS 3,384 million (2023: UZS 2,572 million), including the audits of the Bank and its subsidiaries. Non-audit services fees (AUP and compliance for sanctions) were UZS 589 million in 2024 (2023: UZS 242 million).

**Staff costs were as follows:*

In millions of Uzbekistan Soums	**Note**	**2024**	**2023**
Salaries and bonuses		854,100	667,755
Social tax (Pension fund)		103,088	81,310
Other employee benefits		57,242	48,554
Staff costs		**1,014,430**	**797,619**

26 Income Taxes

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

Income tax expense comprises the following:

In millions of Uzbekistan Soums	**2024**	**2023**
Current tax	334,945	290,863
Deferred tax	16,826	399
Income tax expense for the year	**351,771**	**291,262**

26 Income Taxes (Continued)

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

The income tax rate applicable to the majority of the Group's 2024 income is 20% (2023: 20%). The income tax rate applicable to the majority of income of subsidiaries is 15% (2023: 15%). A reconciliation between the expected and the actual taxation charge is provided below.

In millions of Uzbekistan Soums	2024	2023
Profit before tax	**1,856,605**	**1,505,467**
Theoretical tax charge at the applicable statutory rate - 20% (2023: 20 %)	371,321	301,093
Non deductible expenses	46,858	32,332
Income which is exempt from taxation	(64,300)	(43,359)
Tax effect on consolidation of subsidiaries	(2,108)	1,196
Income tax expense for the period	**351,771**	**291,262**

Main exempt income represents income related to the investments in debt securities of Central bank of Uzbekistan and government bonds.

(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.

In millions of Uzbekistan Soums	31 December 2024	(Charged)/ credited to profit or loss	(Charged) to other compre-hensive income	31 December 2023	(Charged)/ credited to profit or loss	(Charged) to other compre-hensive income	1 January 2023
Tax effect of deductible/(taxable) temporary differences							
Loans to customers, including finance lease receivables	(57,797)	(19,651)	-	(38,146)	(3,497)	-	(34,649)
Property and equipment and intangible assets	1,659	790	-	869	(500)	-	1,369
Financial derivatives	(5,434)	(4,557)	-	(877)	1,053	-	(1,930)
IFRS 17 insurance	(585)	1,044	-	(1,629)	1,255	-	(2,884)
Other accruals	2,080	6,313	(765)	(3,468)	1,487	(1,424)	(3,531)
Net deferred tax asset/(Liability)	**(60,077)**	**(16,061)**	**(765)**	**(43,251)**	**(202)**	**(1,424)**	**(41,625)**
Recognised deferred tax asset	13,311	8,147	-	5,164	3,795	-	1,369
Recognised deferred tax liability	(73,388)	(24,208)	(765)	(48,415)	(3,997)	(1,424)	(42,994)
Net deferred tax liability	**(60,077)**	**(16,061)**	**(765)**	**(43,251)**	**(202)**	**(1,424)**	**(41,625)**

27 Dividends

In millions of Uzbekistan Soums	31 December 2024 Ordinary	31 December 2024 Preference	31 December 2023 Ordinary	31 December 2023 Preference
Dividends payable at 1 January	912	18	-	14
Dividends declared during the period	16,482	6,593	10,990	1,364
Dividends paid during the year	(15,043)	(6,537)	(10,078)	(1,360)
Dividends payable at 31 December	2,351	74	**912**	**18**
Dividends per share declared during the year (in UZS)	**0.25**	**1.50**	**-**	**1.50**
Nominal price of share in the declaring process (in UZS)	**5.00**	**5.00**	**5.00**	**5.00**

All dividends on shares are declared and paid in Uzbekistan Soums.

28 Reconciliation of Liabilities Arising from Financing Activities

The table below sets out movements in the Group's liabilities from financing activities for each of the periods presented. The items of these liabilities are those that are reported as financing activities in the statement of cash flows.

	Liabilities from financing activities				
In millions of Uzbekistan Soums	**Other borrowed funds**	**Debt securities issue**	**Subordinated debt**	**Lease liabilities**	**Total**
Net debt at 1 January 2023	**6,241,607**	**650**	**411,230**	**11,281**	**6,664,768**
Proceeds from the issue	2,919,293	22,045	60,891	75,524	3,077,753
Redemtion	(1,164,443)	(350)	(11,446)	(14,704)	(1,190,943)
Foreign currency translation	347,354	-	33,342	-	380,696
Other non-cash movements	61,879	-	8,156	1,580	71,615
Net debt at 31 December 2023	**8,405,690**	**22,345**	**502,173**	**73,681**	**9,003,889**
Proceeds from the issue	3,564,760	41,330	56,700	-	3,662,790
Redemtion	(2,217,099)	(300)	(136,876)	(5,050)	(2,359,325)
Foreign currency translation	127,736	-	19,431	-	147,167
Other non-cash movements	107,068	6,091	176	-	113,335
Net debt at 31 December 2024	**9,988,155**	**69,466**	**441,604**	**68,631**	**10,567,856**

29 Earnings per Share

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

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

In millions of Uzbekistan Soums	**2024**	**2023**
Profit for the year attributable to the shareholders of the Bank	1,504,834	1,214,205
Less preference dividends declared	(6,061)	(6,593)
Profit for the year attributable to the ordinary shareholders of the Bank	1,498,773	1,207,612
Retrospective adjustments on number of ordinary shares in issue (based on capitalisation of shares), (millions)	123,578	123,578
Retrospective adjustments on Basic and diluted earnings per ordinary share (expressed in UZS per share)	**12.1**	**9.8**

30 Segment Analysis

Operating segments are components that engage in business activities that earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the Group. The functions of CODM are performed by the Management Board of the Group.

(a) Description of products and services from which each reportable segment derives its revenue

The Group is organised on the basis of main business segments:

- Retail banking – representing private banking services, private customer current accounts, savings, deposits, investment savings products, custody, credit and debit cards, consumer loans and mortgages;
- Corporate banking – representing direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products;
- Treasury – Funding and centralised activities through borrowings, issues of debt securities, use of derivatives, investing liquid assets as short-term placements, corporate and government securities.

(b) Factors that management used to identify the reportable segments

The Group's segments are strategic business units that focus on different customers. They are managed separately because each business unit requires different marketing strategies and service level.
Segment financial information reviewed by the CODM includes loans to customers, including finance leases and excluding the Group's subsidiaries. Such financial information overlaps with segment analysis provided internally to the CODM. Management, therefore, applied the core principle of IFRS 8 "Operating Segments", in determining which of the overlapping financial information sets should form the basis of operating segments.

(c) Measurement of operating segment profit or loss, assets and liabilities

The CODM reviews financial information prepared in accordance with CBU instructions adjusted to meet the requirements of internal reporting. This financial information differs in certain aspects from International Financial Reporting Standards:

(i) the fair value changes in securities carried at FVOCI are reported within the segments' profits or losses rather than in other comprehensive income;

(ii) income taxes are not allocated to segments;

(iii) loan provisions are recognised based IFRS 9 and interpretations issued by the NBC, and can be different from provisions reported under IFRS;

(iv) commission income relating to lending is recognised immediately rather than deferred using the effective interest method; and

(v) Non-monetary assets, non-monetary liabilities and equity items arising from transactions prior to1 January 2006 were not restated in accordance with IAS 29 for the changes in the general purchasing power of the Uzbekistan Soum from the dates of the transactions until 31 December 2005;

(vi) Assets and liabilities are carried at amortised cost and not fair valued at initial recognition;

(vii) Commission income relating to lending is recognised immediately rather than deferred using the effective interest method.

The CODM evaluates performance of each segment based on net profit.

30 Segment Analysis (Continued)

(d) Information about reportable segment profit or loss, assets and liabilities

Segment information for the reportable segments for the period ended 31 December 2024 is set out below:

In millions of Uzbekistan Soums	Retail banking	Corporate banking	Treasury	Unallocated	Total
Cash and cash equivalents	-	-	2,688,592	-	2,688,592
Due from other banks	-	-	3,623,458	-	3,623,458
Investments in debt securities	-	-	2,262,619	-	2,262,619
Investments in equity securities	-	-	-	77,975	77,975
Derivative financial instruments	-	-	33,017	-	33,017
Loans and advances to customers, including finance lease receivables	7,480,818	11,367,720	-	-	18,848,538
Premises and equipment	-	-	-	475,616	475,616
Intangible assets	-	-	-	35,573	35,573
Current income tax prepayment	-	-	-	19,573	19,573
Other assets	-	-	-	643,265	643,265
Total reportable segment assets	**7,480,818**	**11,367,720**	**8,607,686**	**1,252,002**	**28,708,226**
Due to other banks	-	-	1,464,752	-	1,464,752
Customer accounts	6,583,149	5,445,710	-	-	12,028,859
Debt securities in issue	-	-	47,436	-	47,436
Other borrowed funds	-	-	9,322,094	-	9,322,094
Subordinated debt	-	-	427,702	-	427,702
Other liabilities	-	-	-	255,982	255,982
Total reportable segment liability	**6,583,149**	**5,445,710**	**11,261,984**	**255,982**	**23,546,825**
Capital expenditure	**-**	**-**	**-**	**204,926**	**204,926**

In millions of Uzbekistan Soums	Retail banking	Corporate banking	Treasury	Unallocated	Total
Interest income	2,117,483	1,806,262	511,619	-	4,435,364
Fee and commission income	447,339	313,308	-	28,023	788,670
Other operating income	47,992	66,979	-	8,364	123,335
Total revenues	**2,612,814**	**2,186,549**	**511,619**	**36,387**	**5,347,369**
Net gain on foreign currencies	465,271	135,033	55,370	2,823	658,497
Administrative and other operating expenses	(700,309)	(621,082)	(76,284)	(92,184)	(1,489,859)
Interest expense	(672,632)	(449,565)	(1,246,163)	-	(2,368,360)
Fee and commission expense	(79,827)	(82,293)	(158,259)	(8,332)	(328,711)
Income tax expense	(296,999)	(213,203)	170,788	11,459	(327,955)
Credit loss allowance	(36,370)	(28,006)	-	-	(64,376)
Segment result	**1,291,947**	**927,433**	**(742,929)**	**(49,847)**	**1,426,605**

30 Segment Analysis (Continued)

Segment information for the reportable segments for the period ended 31 December 2023 is set out below:

In millions of Uzbekistan Soums	Retail banking	Corporate banking	Treasury	Unallocated	Total
Cash and cash equivalents	-	-	2,048,582	-	2,048,582
Due from other banks	-	-	892,921	-	892,921
Investments in debt securities	-	-	1,340,076	-	1,340,076
Investments in equity securities	-	-	-	29,986	29,986
Derivative financial instruments	-	-	45,902	-	45,902
Loans and advances to customers, including finance lease receivables	6,901,522	8,693,663	-	-	15,595,185
Premises and equipment	-	-	-	364,778	364,778
Intangible assets	-	-	-	29,952	29,952
Current income tax prepayment	-	-	-	30,928	30,928
Other financial assets	140,972	134,140	7,839	-	282,951
Other assets	18,555	221,214	26,075	54,262	320,106
Total reportable segment assets	**7,061,049**	**9,049,017**	**4,361,395**	**509,906**	**20,981,367**
Due to other banks	-	-	436,028	-	436,028
Customer accounts	4,400,516	3,777,863	-	-	8,178,379
Debt securities in issue	-	-	300	-	300
Other borrowed funds	-	-	7,937,847	-	7,937,847
Subordinated debt	-	-	488,447	-	488,447
Other financial liabilities	68,659	16,565	51,783	-	137,007
Other liabilities	26	8,018	-	37,441	45,485
Total reportable segment liability	**4,469,201**	**3,802,446**	**8,914,405**	**37,441**	**17,223,493**
Capital expenditure	**-**	**-**	**-**	**186,809**	**186,809**

In millions of Uzbekistan Soums	Retail banking	Corporate banking	Treasury	Unallo-cated	Elimina-tions	Total
Interest income	1,423,593	1,442,494	351,142	-	-	3,217,229
Fee and commission income	309,140	245,421	34,499	-	-	589,060
Other operating income	26,805	32,876	-	18,262	-	77,943
Total revenues	**1,759,538**	**1,720,791**	**385,641**	**18,262**	**-**	**3,884,232**
Net gain on foreign currencies	236,895	102,176	17,469	7,140	-	363,680
Administrative and other operating expenses	(469,667)	(471,912)	(43,138)	(152,605)	-	(1,137,322)
Interest expense	(409,943)	(258,635)	(844,691)	-	-	(1,513,269)
Fee and commission expense	(53,072)	(60,310)	(90,317)	(861)	-	(204,560)
Income tax expense	(201,643)	(215,654)	109,753	24,443	-	(283,101)
Credit loss allowance	(7,270)	97,779	-	-	-	90,509
Segment result	**854,838**	**914,235**	**(465,283)**	**(103,621)**	**-**	**1,200,169**

30 Segment Analysis (Continued)

(e) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

The Board reviews financial information prepared based on local accounting standards adjusted to meet the requirements of internal reporting. Such financial information differs in certain aspects from International Financial Reporting Standards:

- Adjustment 1 “Deferral of commission and fees” – these adjustments relate to deferral of commission for financial guarantees, letters of credit and loan origination fees till the date of its settlement. There is no accounting consideration of the similar transaction costs in the segment reporting, and they are immediately recognized in the statement of profit and loss.

- Adjustment 2 “Recognition of expense/assets/liabilities in an incorrect period” – These adjustments related to additional provision on unused vacations, income tax, inventory write off and etc., as these are not accounted for in the segment reporting accounting policy.

- Adjustment 3 “Credit loss” – This adjustment represents additional charge or reverse on impairment on loan to customers, including finance lease receivables in accordance with IFRS 9. In the segment reporting accounting policy, “Credit loss” stipulates the impairment provision in accordance document #2696 of Central bank of Uzbekistan.

- Adjustment 4 “Property and equipment and Right of Use Assets and Liabilities” – This adjustment relates to reverse of statutory revaluation and capitalized capital expenditures in accordance with IAS 16 “Property, Plant and Equipment” and accounting for the contracts with lease components in accordance with IFRS 16, Leases.

- Adjustment 5 “Fair value adjustments” – This adjustment represents recognition at fair value of financial assets and liabilities, In the segment reporting accounting policy, financial assets and liabilities are recognised at cost.

- Adjustment 6 “Deferred tax asset/liability" – the adjustment relates to recognition of deferred tax asset in accordance with IAS 12 “Income Taxes” where is no such consideration in segment reporting.

- Adjustment 7 “Investments in subsidiaries and associates" – these adjustments represent accounting for investments in subsidiaries and associates and impairment allowance on investments in subsidiaries and associates.

30 Segment Analysis (Continued)

Reconciliation of assets and liabilities at 31 December 2024 and capital expenditure is as follows:

In millions of Uzbekistan Soums	Total amount for reportable segment	Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6	Adjustment 7	Reclassifi-cations and netting	Consoli-dation	As reported under IFRS
ASSETS											
Cash and cash equivalents	2,688,592	-	-	(14,698)	-	-	-	-	2,447,959	1,818	5,123,671
Investments in debt securities	2,262,619	-	-	(202)	-	470	-	-	-	2,052	2,264,939
Due from other banks	3,623,458	-	-	44,767	-	(192,876)	-	-	(2,260,327)	95,144	1,310,166
Investments in equity securities	77,975	-	-	-	-	-	-	-	-	(52,409)	25,566
Derivative financial instruments	33,017	-	-	-	-	(3,464)	-	-	-	-	29,553
Loans and advances to customers, including finance lease receivables	18,848,538	(84,933)	-	436,608	-	-	-	-	-	63,887	19,264,100
Premises and equipment	475,616	-	4,479	-	85	-	-	-	(18,602)	23,457	485,035
Right of use assets	-	-	-	-	55,772	-	-	-	-	-	55,772
Intangible assets	35,573	-	-	-	(1)	-	-	-	-	165	35,737
Current income tax prepayment	19,573	-	-	-	-	-	(2,526)	-	-	3,530	20,577
Other financial assets	308,492	1,055	-	1,813	-	-	-	-	(303,275)	(5,035)	3,050
Other assets	334,773	-	(1,759)	(8,410)	-	-	-	-	(17,008)	14,485	322,081
TOTAL ASSETS	**28,708,226**	**(83,878)**	**2,720**	**459,878**	**55,856**	**(195,870)**	**(2,526)**	**-**	**(151,253)**	**147,094**	**28,940,247**
LIABILITIES											
Due to other banks	1,464,752	-	-	-	-	(194,098)	-	-	(99,527)	-	1,171,127
Customer accounts	12,028,859	-	-	-	-	-	-	-	(602,572)	(5,823)	11,420,464
Debt securities in issue	47,436	-	-	-	-	-	-	-	-	22,030	69,466
Other borrowed funds	9,322,094	-	-	-	-	-	-	-	666,061	-	9,988,155
Subordinated debt	427,702	-	-	-	-	-	-	-	13,902	-	441,604
Deferred income tax liability	-	-	-	-	-	-	60,077	-	-	-	60,077
Lease liabilities	-	-	-	-	68,631	-	-	-	-	-	68,631
Other financial liabilities	157,872	-	6,813	(11,752)	-	(29,414)	-	-	(129,117)	60,749	55,151
Other liabilities	98,110	(239)	25,905	-	-	-	-	-	-	1,244	125,020
TOTAL LIABILITIES	**23,546,825**	**(239)**	**32,718**	**(11,752)**	**68,631**	**(223,512)**	**60,077**	**-**	**(151,253)**	**78,200**	**23,399,695**
Capital expenditure	**204,926**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**204,926**

30 Segment Analysis (Continued)

Reconciliation of profit and losses at 31 December 2024 is as follows:

In millions of Uzbekistan Soums	**Total amount for reportable segment**	**Adjustment 1**	**Adjustment 2**	**Adjustment 3**	**Adjustment 4**	**Adjustment 5**	**Adjustment 6**	**Adjustment 7**	**Reclassifications and netting**	**Consolidation**	**As reported under IFRS**
Interest income	4,435,364	(15,209)	-	(30,034)	-	(2,796)	-	-	84,847	44,522	4,516,694
Fee and commission income	788,670	1,092	-	-	-	-	-	-	1,513	(106)	791,169
Other operating income	123,335	-	-	-	-	-	(1,806)	-	(86,350)	17,552	52,731
Net gain/loss on foreign currencies	658,497	-	-	-	-	22,786	-	-	4,967	77	686,327
Net gain or loss from trading securities	-	-	-	-	-	(1,299)	-	-	-	-	(1,299)
Total revenues	**6,005,866**	**(14,117)**	**-**	**(30,034)**	**-**	**19,990**	**(1,806)**	**-**	**4,977**	**62,045**	**6,045,622**
Administrative and other operating expenses	(1,489,859)	-	(1,001)	776	4,640	-	1,806	-	89,457	(34,541)	(1,428,722)
Interest expense	(2,368,360)	-	3,987	-	(13,069)	2,796	-	-	9,995	(14,005)	(2,378,656)
Fee and commission expense	(328,711)	-	(5,130)	-	-	-	-	-	57,017	(286)	(277,110)
Income tax expense	(327,955)	-	-	-	-	-	(16,826)	-	-	(6,990)	(351,771)
Credit loss allowance	(64,376)	-	-	148,316	-	-	-	(26,733)	(161,446)	(290)	(104,529)
Segment result	**1,426,605**	**(14,117)**	**(2,144)**	**119,058**	**(8,429)**	**22,786**	**(16,826)**	**(26,733)**	**-**	**5,933**	**1,504,834**

30 Segment Analysis (Continued)

Reconciliation of assets and liabilities at 31 December 2023 and capital expenditure is as follows:

In millions of Uzbekistan Soums	**Total amount for reportable segment**	**Adjustment 1**	**Adjustment 2**	**Adjustment 3**	**Adjustment 4**	**Adjustment 5**	**Adjustment 6**	**Adjustment 7**	**Reclassifications and netting**	**Consolidation**	**As reported under IFRS**
ASSETS											
Cash and cash equivalents	2,048,582	-	-	(5,564)	-	-	-	-	831,478	(124)	2,874,372
Investments in debt securities	1,340,076	-	-	(62)	-	(2,053)	-	-	-	1,054	1,339,015
Due from other banks	892,921	-	-	20,912	-	(122,699)	-	-	(689,311)	87,105	188,928
Investments in equity securities	29,986	-	-	-	-	-	-	26,733	-	(52,397)	4,322
Derivative financial instruments	45,902	-	-	-	-	(41,972)	-	-	-	-	3,930
Loans and advances to customers, including finance lease receivables	15,595,185	(69,724)	-	349,656	-	-	-	-	-	54,670	15,929,787
Premises and equipment	364,778	-	492	-	(379)	-	-	-	(5,967)	23,930	382,854
Right of use assets	-	-	-	-	69,715	-	-	-	-	-	69,715
Intangible assets	29,952	-	-	-	(2)	-	-	-	-	262	30,212
Current income tax prepayment	30,928	-	-	-	-	-	(2,526)	-	-	3,032	31,434
Other financial assets	282,951	515	-	(789)	-	(6,928)	-	-	(270,665)	1,380	6,464
Other assets	320,106	-	(1,395)	(18,648)	-	-	-	-	(21,658)	13,281	291,686
TOTAL ASSETS	**20,981,367**	**(69,209)**	**(903)**	**345,505**	**69,334**	**(173,652)**	**(2,526)**	**26,733**	**(156,123)**	**132,193**	**21,152,719**
LIABILITIES											
Due to other banks	436,028	-	-	-	-	(123,539)	-	-	(73,262)	-	239,227
Customer accounts	8,178,379	-	-	-	-	-	-	-	(511,763)	(4,881)	7,661,735
Debt securities in issue	300	-	-	-	-	-	-	-	-	22,045	22,345
Other borrowed funds	7,937,847	-	-	-	-	-	-	-	467,843	-	8,405,690
Subordinated debt	488,447	-	-	-	-	-	-	-	13,726	-	502,173
Deferred income tax liability	-	-	-	-	-	-	43,251	-	-	-	43,251
Lease liabilities	-	-	-	-	73,681	-	-	-	-	-	73,681
Other financial liabilities	137,007	-	1,683	(7,067)	-	(52,444)	-	-	(103,791)	55,556	30,944
Other liabilities	45,485	313	25,267	-	-	-	-	-	51,124	(4,251)	117,938
TOTAL LIABILITIES	**17,223,493**	**313**	**26,950**	**(7,067)**	**73,681**	**(175,983)**	**43,251**	**-**	**(156,123)**	**68,469**	**17,096,984**
Capital expenditure	**186,808**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**186,808**

30 Segment Analysis (Continued)

Reconciliation of profit and losses at 31 December 2023 is as follows:

In millions of Uzbekistan Soums	Total amount for reportable segment	Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6	Adjustment 7	Reclassifications and netting	Consolidation	As reported under IFRS
Interest income	3,217,229	(12,090)	-	(10,588)	-	(17,228)	-	-	40,187	39,241	3,256,751
Fee and commission income	589,060	32	-	-	-	-	-	-	1,275	(75)	590,292
Other operating income	77,943	-	-	-	2,655	-	(170)	-	(61,412)	30,950	49,966
Net gain/loss on foreign currencies	363,680	-	-	-	-	(5,267)	-	-	29,463	(48)	387,828
Net gain or loss from trading securities	-	-	-	-	-	(335)	-	-	-	-	(335)
Total revenues	**4,247,912**	**(12,058)**	**-**	**(10,588)**	**2,655**	**(22,830)**	**(170)**	**-**	**9,513**	**70,068**	**4,284,502**
Administrative and other operating expenses	(1,137,322)	-	(8,111)	(1,601)	6,377	-	170	-	37,384	(31,191)	(1,134,294)
Interest expense	(1,513,269)	-	492	-	(6,536)	17,228	-	-	(35,380)	(11,041)	(1,548,506)
Fee and commission expense	(204,560)	-	30	-	-	-	-	-	47,495	(189)	(157,224)
Income tax expense	(283,101)	-	-	-	-	-	(2,925)	-	-	(5,236)	(291,262)
Credit loss allowance	90,509	-	-	22,698	-	-	-	9,233	(59,012)	(2,439)	60,989
Segment result	**1,200,169**	**(12,058)**	**(7,589)**	**10,509**	**2,496**	**(5,267)**	**(2,925)**	**9,233**	**-**	**19,972**	**1,214,205**

30 Segment Analysis (Continued)

(f) Geographical information

The geographic information analysis the Group's financial assets and liabilities by the domicile of the customers at 31 December 2024 as set out below:

In millions of Uzbekistan Soums	Uzbekistan	OECD	Non-OECD	Total
Assets				
Cash and cash equivalents	3,546,721	1,283,264	293,687	5,123,672
Due from other banks	1,179,861	130,305	-	1,310,166
Loans and advances to customers, including finance lease receivables	19,264,100	-	-	19,264,100
Investments in debt securities	2,264,939	-	-	2,264,939
Investments in equity securities	25,566	-	-	25,566
Derivative financial instruments	-	24,264	5,289	29,553
Other financial assets	3,050	-	-	3,050
Total financial assets	**26,284,237**	**1,437,832**	**298,976**	**28,021,045**
Liabilities				
Due to other banks	14,155	18,426	1,138,545	1,171,127
Customer accounts	11,361,077	8,508	50,878	11,420,464
Debt securities in issue	69,466	-	-	69,466
Other borrowed funds	2,322,114	7,081,751	584,290	9,988,155
Lease liabilities	68,631	-	-	68,631
Other financial liabilities	53,908	1,243	-	55,151
Subordinated debt	-	441,604	-	441,604
Total financial liabilities	**13,889,351**	**7,551,533**	**1,773,714**	**23,214,598**

The geographic information analysis the Group's financial assets and liabilities by the domicile of the customers at 31 December 2023 as set out below:

In millions of Uzbekistan Soums	Uzbekistan	OECD	Non-OECD	Total
Assets				
Cash and cash equivalents	2,381,777	348,078	144,517	2,874,372
Due from other banks	174,790	14,138	-	188,928
Loans and advances to customers, including finance lease receivables	15,929,787	-	-	15,929,787
Investments in debt securities	1,339,015	-	-	1,339,015
Investments in equity securities	4,322	-	-	4,322
Derivative financial instruments	-	3,930	-	3,930
Other financial assets	5,560	904	-	6,464
Total financial assets	**19,835,251**	**367,050**	**144,517**	**20,346,818**
Liabilities				
Due to other banks	8,326	10,998	219,903	239,227
Customer accounts	7,579,218	70,579	11,938	7,661,735
Debt securities in issue	22,345	-	-	22,345
Other borrowed funds	1,586,972	5,917,180	901,538	8,405,690
Lease liabilities	73,681	-	-	73,681
Other financial liabilities	29,867	1,077	-	30,944
Subordinated debt	-	502,173	-	502,173
Total financial liabilities	**9,300,409**	**6,502,007**	**1,133,379**	**16,935,795**

The Group's consolidated revenue comprises interest income, fee and commission income and other operating income which are concentrated on the domestic market with very limited and immaterial exposure to the external customers.

31 Financial Risk Management

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

Management believes that it is currently not possible to explicitly incorporate climate risk factors in the ECL measurement. Existing scenarios, forecasts, and estimates are covering only the long-term horizon well beyond the maturity of the existing portfolios. Such scenarios are also high-level, and attribution to specific borrowers without additional data would be highly arbitrary. To address the information gap for detailed, borrower-specific data, the Group had developed a questionnaire to collect climate-related information from its borrowers. The Group is collecting information to perform a robust assessment of physical and transition risks specific of its borrowers. The Group is planning to enhance its credit risk scoring models to incorporate such information in the PD and LGD measurement starting from 2025.

The risk management function. The risk management function within the Group 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 Group 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 Group's lending and other transactions with counterparties, giving rise to financial assets and off-balance sheet credit-related commitments.

The Group's maximum exposure to credit risk is reflected in the carrying amounts of financial assets in the consolidated 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 the single largest risk for the Group's business; management therefore carefully manages its exposure to credit risk.

The estimation of credit risk for risk management purposes is complex and involves the use of models, as the risk varies depending on market conditions, expected cash flows and the passage of time. The assessment of credit risk for a portfolio of assets entails further estimations of the likelihood of defaults occurring, the associated loss ratios and default correlations between counterparties.

Limits. The Group 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 Group established a number of credit committees that are responsible for approving credit limits for individual borrowers:

- The Bank Supervisory Board reviews and approves limits above 10% of the regulatory capital of the Bank and meets monthly;
- The Management Board of the Bank reviews and approves limits above UZS 15,000 million and meets weekly/daily;
- The credit committee of the Bank reviews and approves limits above UZS 5,000 million and meets weekly/daily.
- Until UZS 5,000 million, Underwriting department of the bank reviews and approves and meets daily.

31 Financial Risk Management (Continued)

Credit risk grading system. For measuring credit risk and grading financial instruments by the amount of credit risk, the Group applies two approaches – an Internal Risk-Based (IRB) rating system or risk grades estimated by external international rating agencies (Standard & Poor's – "S&P", Fitch, Moody's).

Internally defined master scale with a specified range of probabilities of default as disclosed in the table below:

Master scale credit rating	Corresponding internal ratings	Definitions of each master scale
AAA to A	*0-4%*	*Strong* - Strong credit quality with low expected credit risk;
BBB to B	*4-32%*	*Moderate* - Adequate credit quality with a moderate credit risk;
C to CD	*32-99.9%*	*Require closer monitoring* – Facilities that require special monitoring and remedial management; and
D – default	*100%*	*Default* - Facilities in which a default has occurred.

The IRB system is designed internally, and ratings are estimated by management. The Group applies IRB systems for measuring credit risk for the following financial assets: loans and finance lease receivables.

The rating models are regularly reviewed by the Risk management Department, back tested on actual default data and updated, if necessary. Despite the method used, the Group 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 investments in debt securities (government, corporate bonds (banks, financial entities)):

External master scale credit risk grade	Corresponding ratings of external international rating agencies (S&P)	Corresponding PD interval
Excellent	AAA to BB-	0,01% – 0,52%
Good	B+ to B-	0,53% – 3%
Special monitoring	CCC+ to C	3% – 99.9%
Default	C, D-I, D-II	100%

Each External master scale credit risk 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;
- *Special monitoring* – facilities that require closer monitoring and remedial management; and
- *Default* – facilities in which a default has occurred.

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 Group: Probability of Default ("PD"), Exposure at Default ("EAD"), Loss Given Default ("LGD") and Discount Rate. 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 commitment amounts to an on-balance sheet exposure within a defined period. 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 any collateral. It is usually expressed as a percentage of the EAD. 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 the Group has a present contractual obligation to extend credit.

31 Financial Risk Management (Continued)

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. The estimates consider *forward looking information,* that is, ECLs reflect probability weighted development of key macroeconomic variables that have an impact on credit risk.

Overdue days are defined as the number of consecutive days when the arrears of the customer facility are continuous and simultaneously above both (a) absolute threshold and (b) relative materiality threshold. For purposes of measuring PD, the Group defines default 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 borrower's debt or its portion at a loss due to credit deterioration;
- international rating agencies have classified the borrower in the default rating class;
- the borrower meets the unlikeliness-to-pay criteria listed below:
  - the borrower is deceased;
  - the borrower is insolvent;
  - the borrower is in breach of financial covenants;
  - it is becoming likely that the borrower will enter bankruptcy; and
  - the loans were purchased or originated at a deep discount that reflects the incurred credit losses.

For purposes of disclosure, the Group 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 Group.

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 two reporting period (six months). This period 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 Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12m ECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition.

The Group applies a qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the watch list, or the account becoming restructured due to credit event. In certain cases, the Bank may also consider that events explained in "Definition of default" section above are a significant increase in credit risk as opposed to a default. Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

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. 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 Group's Risk Management Department.

The Group decided not to use the low credit risk assessment exemption for investment grade financial assets. Hence, even assets of an investment grade are assessed whether there has been a SICR.

When estimating ECLs on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Loss given default. For lending assets, LGD values are assessed at least quarterly by account managers and reviewed and approved by the Group's credit risk department.

31 Financial Risk Management (Continued)

The credit risk assessment is based on a standardised LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The approach to LGD measurement can be divided into three possible approaches:

- calculation of LGD on a portfolio basis based on recovery statistics; or
- individually defined LGD depending on different factors and scenarios.

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 products. For the unsecured loans, Group applied specific discounts based on expert judgement.

Two types of PDs are used for calculating ECLs: 12-month and lifetime PD. An assessment of a 12-month PD is based on the latest available default data and adjusted for supportable forward-looking information when appropriate. Lifetime PDs represent the estimated probability of a default occurring over the remaining life of the financial instrument and it is a sum of the 12 months PDs over the life of the instrument.

LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by the type of counterparty, type and seniority of the claim, and the availability of collateral or other credit support. The 12-month and lifetime LGDs are determined based on the factors that impact the expected recoveries after a default event. The approach to LGD measurement can be divided into three possible approaches:

- measurement of LGD based on the specific characteristics of the collateral;
- calculation of LGD on a portfolio basis based on recovery statistics; or
- individually defined LGD depending on different factors and scenarios.

The Group calculates LGD based on specific characteristics of the collateral, such as projected collateral values, historical discounts on sales and other factors for loans secured by real estate, cash and liquid securities. 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 statistical analysis of past exposures at default. CCF for overdrafts is defined as 100% since the limits can be used by the customers at any time.

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 government and blue-chip corporate bonds exposures.

Forward-looking information and multiple economic scenarios. The Group identified certain key economic variables that correlate with developments in credit risk and ECLs., such as:

Export Growth rate
Changes of Fiscal balance (% of GDP)
Changes of the Government's Debt (% of GDP)
Changes of the current account balance – net of export and imports operations (% of GDP)

Forecasts of economic variables are provided by the Group's economics team and provide the best estimate of the expected macro-economic development over the next five years. After five years, a mean reversion approach is used, which means that economic variables tend to revert to a long run average rate (e.g. GDP). The impact of the relevant economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact that the changes in these variables historically had on the default rates and on the components of LGD and EAD.

As with any economic forecast, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty, and therefore the actual outcomes may be significantly different to those projected.

31 Financial Risk Management (Continued)

The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

Market risk. The Group 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 foreign currency exchange rate risk at the end of the reporting period:

In millions of Uzbekistan Soums	Monetary financial assets	Monetary financial liabilities	Derivative instruments	Net balance sheet position
31 December 2024				
UZS	17,573,043	(13,513,098)	607,972	4,667,917
USD	7,371,399	(7,415,222)	67,718	23,895
EUR	2,366,772	(2,000,650)	(202,895)	163,227
Other	926,808	(502,605)	(443,580)	(19,378)
Total	**28,238,021**	**(23,431,575)**	**29,215**	**4,835,661**
31 December 2023				
UZS	12,858,996	(9,633,281)	210,375	3,436,090
USD	6,251,945	(5,910,205)	(437,851)	(96,111)
EUR	1,150,069	(1,371,888)	136,428	(85,391)
Other	85,808	(20,421)	94,592.00	159,979
Total	**20,346,818**	**(16,935,795)**	**3,544**	**3,414,567**

Amounts disclosed in respect of derivatives represent the fair value, at the end of the reporting period, of the respective currency that the Group agreed to buy (positive amount) or sell (negative amount) before netting of positions and payments with the counterparty. The amounts by currency are presented gross as stated in Note 33. The net total represents the fair value of the currency derivatives. The above analysis includes only monetary assets and liabilities. Investments in equities and non-monetary assets are not considered to give rise to any material currency risk.

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

	At 31 December 2024		At 31 December 2023	
In millions of Uzbekistan Soums	Impact on profit or loss	Impact on equity	Impact on profit or loss	Impact on equity
US Dollars strengthening by 20%	4,779	3,823	(19,222)	(15,378)
US Dollars weakening by (20%)	(4,779)	(3,823)	19,222	15,378
EUR strengthening by 20%	32,645	26,116	(17,078)	(13,663)
EUR weakening by (20%)	(32,645)	(26,116)	17,078	13,663

Interest rate risk. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken.

31 Financial Risk Management (Continued)

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

In millions of Uzbekistan Soums	**Demand and less than 1 month**	**From 1 to 6 months**	**From 6 to 12 months**	**More than 1 year**	**Non-monetary**	**Total**
31 December 2024						
Total financial assets	5,801,721	6,900,263	3,835,099	11,483,962	919,202	28,940,247
Total financial liabilities	5,572,852	2,693,099	4,365,353	10,583,294	185,097	23,399,695
Net interest sensitivity surplus/(gap)	**228,869**	**4,207,164**	**(530,254)**	**900,668**	**734,105**	**5,540,552**

In millions of Uzbekistan Soums	**Demand and less than 1 month**	**From 1 to 6 months**	**From 6 to 12 months**	**More than 1 year**	**Non-monetary**	**Total**
31 December 2023						
Total financial assets	3,294,254	6,513,112	3,468,584	7,070,868	805,901	21,152,719
Total financial liabilities	3,209,769	4,252,693	2,786,074	6,687,259	161,189	17,096,984
Net interest sensitivity surplus	**84,485**	**2,260,419**	**682,510**	**383,609**	**644,712**	**4,055,735**

At 31 December 2024, if interest rates at that date had been 200 basis points changes (2023: 200) with all other variables held constant, profit for the year would have been as follows:

In millions of Uzbekistan Soums	**Increase in basis points**	**Sensitivity of net interest income**	**Sensitivity of Equity**
Assets/Liabilities		**At 31 December 2024**	
Loans and advances to customers	+200	385,282	308,226
Other borrowed funds	+200	(199,763)	(159,810)

In millions of Uzbekistan Soums	**Increase in basis points**	**Sensitivity of net interest income**	**Sensitivity of Equity**
Assets/Liabilities		**At 31 December 2023**	
Loans and advances to customers	+200	318,596	254,877
Other borrowed funds	+200	(168,114)	(134,491)

31 Financial Risk Management (Continued)

The Group monitors interest rates for its financial instruments. The table below summarises interest rates at the respective reporting date based on reports reviewed by key management personnel. For securities, the interest rates represent yields to maturity based on market quotations at the reporting date:

	31 December 2024				31 December 2023			
	UZS	**USD**	**EUR**	**Others**	**UZS**	**USD**	**EUR**	**Others**
Assets								
Cash and cash equivalents	0-16.5%	0-7.5%	0-10%	0-22%	-	0-9.5%	0-5.75%	-
Due from other banks	0-24%	5.33-9%	0-10%	-	0-24%	0-7%	-	-
Investments in Debt Securities	15-28%	3.7-3.9%	-	-	16-28%	3.7-5.75%	-	-
Loans and advances to customers	1-48%	4-14.6%	6-15%	-	1-48%	4-17.4%	4.8-14%	-
Other financial assets	-	-	-	-	-	-	-	-
Liabilities								
Due to other banks	-	-	0-1.6%	0-21%	-	-	-	0-19%
Customer accounts	0-24.3%	0-7%	0-6%	0-2%	0-24%	0-6%	0-2%	-
Debt securities in issue	18-22%	-	-	-	17.5-18%	-	-	-
Other borrowed funds	0-24%	2-11.4%	3.5-11%	-	0-21.3%	2-10.4%	3.5-8%	-
Subordinated debt	18.5%	7.5-12%	6.2%	-	18.5%	7.5-12%	6.2%	-
Lease liabilities	20.38%	-	-	-	20.38%	-	-	-
Other financial liablities	-	-	-	-	-	-	-	-

Liquidity risk. Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group 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 Group 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 the Asset/Liability Committee of the Bank.

The Group invests the funds in diversified portfolios of liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements.

The liquidity management of the Group requires consideration of 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 liquidity ratios against regulatory requirements. The Bank calculates liquidity ratios on a daily basis in accordance with the requirement of the Central Bank of Uzbekistan. These ratios are:

- Liquidity coverage ratio (LCR – min 100%), which is calculated as the ratio of highly Liquid Assets to expected net cash outflows in next 30 days. The ratio was 333% at 31 December 2024 (31 December 2023: 314%);

- Net stable financing ratio (NSFR – min 100%), which is calculated as the ratio of total equity and 100% of liabilities maturing after one year and 30% maturing before one year to 100% of assets maturing after one year and 30% of assets maturing before one year. The ratio was 121% 31 December 2024 (31 December 2023: 129%).

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 debt securities, cash and cash equivalents, due from other banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Group as a whole.

31 Financial Risk Management (Continued)

The table below shows liabilities at 31 December 2024 by their remaining contractual maturity. The amounts of liabilities disclosed in the maturity table are the contractual undiscounted cash flows, including gross finance lease obligations (before deducting future finance charges), 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. Financial derivatives are included at the contractual amounts to be paid or received, unless the Group expects to close the derivative position before its maturity date in which case the derivatives are included based on the expected cash flows. For the purposes of the maturity analysis, embedded derivatives are not separated from hybrid (combined) financial instruments.

The table below shows the maturity analysis of non-derivative financial assets at their carrying amounts and based on their contractual maturities, except for assets that are readily saleable if it should be necessary to meet cash outflows on financial liabilities. Such financial assets are included in the maturity analysis based on their expected date of disposal. Impaired loans are included at their carrying amounts net of impairment provisions and based on the expected timing of cash inflows. Derivatives are presented based on their contractual maturities.

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

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

In millions of Uzbekistan Soums	**Demand and less than 1 month**	**From 1 to 6 months**	**From 6 to 12 months**	**From 12 months to 5 years**	**Over 5 years**	**Total**
Assets						
Cash and cash equivalents	5,045,336	106,526	-	-	-	**5,151,862**
Due from other banks	7,591	456,563	393,785	600,624	-	**1,458,563**
Loans and advances to customers, including finance lease receivables	825,839	3,435,627	4,369,571	14,318,886	6,054,063	**29,003,986**
Investments in debt securities	91,212	1,584,269	330,825	384,646	157,430	**2,548,382**
Investments in equity securities	25,566	-	-	-	-	**25,566**
Derivative financial instruments	-	24,264	-	-	-	**24,264**
Other financial assets	3,050	-	-	-	-	**3,050**
Total	**5,998,594**	**5,607,248**	**5,094,180**	**15,304,157**	**6,211,493**	**38,215,673**
Liabilities						
Due to other banks	1,153,178	-	-	19,477	-	**1,172,655**
Customer accounts	4,075,277	1,687,653	3,415,085	3,410,751	7,074	**12,595,839**
Debt securities in issue	-	50,000	-	27,650	-	**77,650**
Other borrowed funds	292,365	1,214,088	1,202,506	6,369,288	3,626,927	**12,705,174**
Subordinated debt	-	53,747	-	344,886	203,066	**601,699**
Lease liabilities	1,730	8,650	10,380	78,120	-	**98,880**
Other financial liabilities	55,151	-	-	-	-	**55,151**
Financial Guarantees	638,355	-	-	-	-	**638,355**
Gross loan commitments	210,080	-	-	-	-	**210,080**
Total potential future payments for financial obligations	**6,426,136**	**3,014,138**	**4,627,971**	**10,250,172**	**3,837,067**	**28,155,483**
Liquidity (gap) / surplus arising from financial instruments	**(427,542)**	**2,593,111**	**466,209**	**5,053,985**	**2,374,426**	**10,060,190**

31 Financial Risk Management (Continued)

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

In millions of Uzbekistan Soums	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
Assets						
Cash and cash equivalents	2,517,668	371,071	-	-	-	**2,888,739**
Due from other banks	88,195	33,776	73,075	-	-	**195,046**
Loans and advances to customers, including finance lease receivables	1,196,336	5,214,506	4,028,846	10,337,181	3,468,697	**24,245,566**
Investments in debt securities	16,546	928,652	110,319	245,350	234,199	**1,535,066**
Investments in equity securities	4,322	-	-	-	-	**4,322**
Derivative financial instruments	-	3,930	-	-	-	**3,930**
Other financial assets	6,464	-	-	-	-	**6,464**
Total	**3,829,531**	**6,551,935**	**4,212,240**	**10,582,531**	**3,702,896**	**28,879,133**
Liabilities						
Due to other banks	126,730	104,105	-	10,227	-	**241,062**
Customer accounts	3,045,469	779,973	1,774,257	2,465,276	-	**8,064,975**
Debt securities in issue	-	-	338	31,889	-	**32,227**
Other borrowed funds	7,084	1,338,209	1,267,559	5,299,203	3,494,424	**11,406,479**
Subordinated debt	-	13,726	100,041	269,390	255,803	**638,960**
Lease liabilities	1,510	7,550	9,060	98,880	-	**117,000**
Other financial liabilities	30,944	-	-	-	-	**30,944**
Financial Guarantees	286,439	-	-	-	-	**286,439**
Gross loan commitments	113,247	-	-	-	-	**113,247**
Total potential future payments for financial obligations	**3,611,423**	**2,243,563**	**3,151,255**	**8,174,865**	**3,750,227**	**20,931,334**
Liquidity (gap) / surplus arising from financial instruments	**218,108**	**4,308,372**	**1,060,984**	**2,407,665**	**(47,330)**	**7,947,799**

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

In millions of UZS	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
At 31 December 2024						
Financial assets	5,945,456	5,224,146	4,269,280	10,954,320	1,627,844	**28,021,045**
Financial liabilities	5,572,852	2,883,567	4,174,885	8,660,940	1,922,356	**23,214,598**
Net liquidity gap based on expected maturities	**372,604**	**2,340,579**	**94,395**	**2,293,381**	**(294,512)**	**4,806,447**
At 31 December 2023						
Financial assets	3,494,706	4,925,603	3,961,624	6,891,622	1,073,263	**20,346,818**
Financial liabilities	3,209,769	2,600,580	2,881,488	6,379,003	1,864,956	**16,935,796**
Net liquidity (gap) / surplus based on expected maturities	**284,937**	**2,325,023**	**1,080,136**	**512,619**	**(791,693)**	**3,411,022**

32 Contingencies and Commitments

Legal proceedings. From time to time and in the normal course of business, claims against the Group may be 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 consolidated financial statements.

Tax contingencies. Uzbek tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activity of the Group 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 Group's tax, currency legislation and customs positions will be sustained. Accordingly, at 31 December 2024 no provision for potential tax liabilities had been recorded (2023: Nil). The Bank estimates that it has no potential obligations from exposure to other than remote tax risks (2023: Nil).

Capital expenditure commitments. At 31 December 2024, the Group has contractual capital expenditure commitments in respect of premises and equipment totalling UZS 16,133 million (2023: UZS 13,253 million).

Future cash outflows related to leases. Where the Group is a lessee, the future cash outflows, to which the Group is potentially exposed and that are not reflected in the lease liabilities at 31 December 2024 relate mainly to the leases of 81 buildings (2023: 72) service centres, with rent annually indexed by the Consumer Price Index; the lease liability related to such leases at 31 December 2024 is UZS 12,007 million and the lease terms are between 1 and 5 years (2023: the lease liability was UZS 9,476 million and the lease terms were between 1 and 5 years).

Compliance with covenants. The Group is subject to certain covenants primarily relating to its borrowings. Group's Management believes that the Group was in compliance with covenants at 31 December 2024 and 31 December 2023.

The composition of the Group's capital calculated in accordance with the Basel Accord is as follows:

In millions of Uzbekistan Soums	**31 December 2024**	**31 December 2023**
Tier 1 capital		
Share capital	648,803	325,479
Share premium	77,751	77,751
Retained earnings	4,804,459	3,646,024
Other comprehensive income	9,539	6,481
Total Tier 1 capital	**5,540,552**	**4,055,735**
Tier 2 capital		
Corrected subordinated debt for regulatory capital	238,532	273,141
Total Tier 2 capital	**238,532**	**273,141**
Total regulatory capital	**5,779,084**	**4,328,876**
Tier 1 capital ratio (CBU requirement: not less than 10%)	*16.7%*	*15.4%*
Regulatory capital ratio (CBU requirement: not less than 13%)	*17.4%*	*16.5%*

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 Group 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 Group on behalf of a customer authorising a third party to draw drafts on the Group 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.

32 Contingencies and Commitments (Continued)

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 Group 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 Group 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:

In millions of Uzbekistan Soums	***Note***	**31 December 2024**	**31 December 2023**
Undrawn credit lines		210,080	182,704
Import letters of credit	16	35,660	52,671
Total loan commitments		245,740	235,375
Financial guarantees issued		638,355	286,439
Less: Provision for financial guarantees		(34)	(1)
Less: Provision for loan commitments		(516)	(288)
Less: Commitment collateralised by cash deposits		(46,767)	(64,905)
Total credit related commitments, net of provision and cash covered exposures		**836,778**	**456,620**

An analysis of credit related commitments by credit quality based on credit risk grades at 31 December 2024 is as follows. All credit related commitments are graded as internal credit rating grades.

In millions of Uzbekistan Soums	**Stage 1**	**Total**
Issued financial guarantees		
- Strong	638,355	638,355
Unrecognised gross amount	**638,355**	**638,355**
Provision for financial guarantees	**(34)**	**(34)**

In millions of Uzbekistan Soums	**Stage1**	**Total**
Loan commitments		
- Strong	210,080	210,080
Unrecognised gross amount	**210,080**	**210,080**
Provision for loan commitments	**(488)**	**(488)**

An analysis of credit related commitments by credit quality based on credit risk grades at 31 December 2023 is as follows:

In millions of Uzbekistan Soums	**Stage 1**	**Total**
Issued financial guarantees		
- Strong	286,439	286,439
Unrecognised gross amount	**286,439**	**286,439**
Provision for financial guarantees	**(1)**	**(1)**

In millions of Uzbekistan Soums	**Stage 1**	**Total**
Loan commitments		
- Strong	182,704	182,704
Unrecognised gross amount	**182,704**	**182,704**
Provision for loan commitments	**(260)**	**(260)**

Refer to Note 31 for the description of credit risk grading system used by the Group and the approach to ECL measurement, including the definition of default and SICR as applicable to credit related commitments.

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. The fair value of credit related commitments was UZS 882,889 million at 31 December 2024 (2023: UZS 522,229 million).

32 Contingencies and Commitments (Continued)

Assets pledged and restricted. The Group had assets pledged as collateral with the following carrying value:

		31 December 2024		31 December 2023	
In thousands of EUR	**Notes**	**Asset pledged**	**Related liability**	**Asset pledged**	**Related liability**
Due from Other Banks	8	294	-	14,148	-
Investments in debt securities at AC	9, 18	6,300	6,300	6,300	6,300
Investments in debt securities at FVOCI	9, 18	235,463	235,463	120,095	120,095
Loans and advances to customers	10, 18	665,604	665,604	667,594	667,594
Total					

33 Derivative Financial Instruments

The table below sets out fair values, at the end of the reporting period, of currencies receivable or payable under foreign exchange forward and swap contracts entered into by the Group. The table reflects gross positions before the netting of any counterparty positions (and payments) and covers the contracts with settlement dates after the end of the respective reporting period. The contracts are short term in nature:

		31 December 2024		31 December 2023	
In millions of Uzbekistan Soums	***Note***	**Contracts with positive fair value**	**Contracts with negative fair value**	**Contracts with positive fair value**	**Contracts with negative fair value**
Cross-currency SWAPs					
UZS receivable on settlement (+)		536,263	-	87,234	-
USD receivable on settlement (+)		328,996	-	-	-
EUR receivable on settlement (+)		-	-	136,428	-
USD payable on settlement (+)		(517,610)	-	(224,276)	-
EUR payable on settlement (-)		(324,666)	-	-	-
Cross-currency interest rate SWAPs					
UZS receivable on settlement (+)		-	71,710	-	123,141
EUR receivable on settlement (+)		-	121,770	94,592	-
USD payable on settlement (+)		-	(193,818)	(90,048)	(123,527)
Foreign exchange forwards					
USD receivable on settlement (+)		450,150	-	-	-
RUB payable on settlement (-)		(443,580)	-	-	-
Net fair value of foreign exchange forwards and swaps	**31**	**29,553**	**(338)**	**3,930**	**(386)**

Foreign exchange derivative financial instruments entered into by the Group are generally traded in an over-the-counter market with professional market counterparties on standardised contractual terms and conditions.
Derivatives have potentially favourable (assets) or unfavourable (liabilities) conditions as a result of fluctuations in market interest rates, foreign exchange rates or other variables relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time. Information on related "Interest income and expense" is disclosed in Note 22.

34 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.

(a) Recurring fair value measurements

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

34 Fair Value Disclosures (Continued)

In millions of Uzbekistan Soums	31 December 2024	
Assets at fair value	**Level 2**	**Level 3**
FINANCIAL ASSETS		
Investments in debt securities	***2,062,171***	***-***
-Uzbekistan government bonds	724,487	-
-Central bank of Uzbekistan	1,186,641	-
-Corporate bonds	97,147	-
-Uzbekistan government Eurobonds	53,896	-
Investments in equity securities	***-***	***25,566***
- Corporate shares	-	25,566
Derivative financial assets	***-***	***29,553***
Total assets recurring fair value measurements	**2,062,171**	**55,119**
FINANCIAL LIABILITIES		
Other financial liabilities	***-***	***338***
TOTAL LIABILITIES WITH RECURRING FAIR VALUE MEASUREMENTS	**-**	**338**

In millions of Uzbekistan Soums	31 December 2023	
Assets at fair value	**Level 2**	**Level 3**
FINANCIAL ASSETS		
Investments in debt securities	***1,122,034***	***-***
-Uzbekistan government bonds	403,960	-
-Central bank of Uzbekistan	602,922	-
-Corporate bonds	60,227	-
-Uzbekistan government Eurobonds	54,925	-
Investments in equity securities	***-***	***4,322***
- Corporate shares	-	4,322
Cross-currency interest rate SWAP	***-***	***3,930***
Total assets recurring fair value measurements	**1,122,034**	**8,252**
FINANCIAL LIABILITIES		
Other financial liabilities	***-***	***386***
TOTAL LIABILITIES WITH RECURRING FAIR VALUE MEASUREMENTS	**-**	**386**

The description of valuation technique and description of inputs used in the fair value measurement for level 2 measurements at 31 December 2024:

In millions of UZS	**Fair value**	**Valuation technique**	**Inputs used**
ASSETS AT FAIR VALUE. FINANCIAL ASSETS			
Investments in debt securities	***2,062,171***		
-Uzbekistan government bonds	724,487	Discounted cash flows (“DCF”)	Government bonds yield curve
-Central bank of Uzbekistan	1,186,641	DCF	Central bank of Uzbekistan bonds yield curve
-Corporate bonds	97,147	DCF	Incremental borrowing rate
-Uzbekistan government Eurobonds	53,896	DCF	Government bonds yield curve
TOTAL RECURRING FAIR VALUE MEASUREMENTS AT LEVEL 2	***2,062,171***		

The description of valuation technique and description of inputs used in the fair value measurement for level 2 measurements at 31 December 2023:

In millions of UZS	**Fair value**	**Valuation technique**	**Inputs used**
ASSETS AT FAIR VALUE. FINANCIAL ASSETS			
Investments in debt securities	***1,122,034***		
-Uzbekistan government bonds	403,960	Discounted cash flows (“DCF”)	Government bonds yield curve
-Central bank of Uzbekistan	602,922	DCF	Central bank of Uzbekistan bonds yield curve
-Corporate bonds	60,227	DCF	Incremental borrowing rate
-Uzbekistan government Eurobonds	54,925	DCF	Government bonds yield curve
TOTAL RECURRING FAIR VALUE MEASUREMENTS AT LEVEL 2	***1,122,034***		

There were no changes in valuation technique for level 2 recurring fair value measurements during the year ended 31 December 2024 (2023: none).

34 Fair Value Disclosures (Continued)

Significant unobservable inputs and sensitivity of level 3 financial instruments measured at fair value to changes to key assumptions.

In millions of Uzbekistan Soums	Net amount	Valuation techniques	Unobserv-able input	Rang (weighted average)	Reasonable change	Sensitivity of fair value measu-rement
Financial instruments (*Interest rate Swaps*)						
31 December 2024	(338)	DCF	Credit spread	13.80%	± 10 %	± 5
31 December 2023	4,158	DCF	Credit spread	14.40%	± 10 %	± 60

The above tables disclose sensitivity to valuation inputs for financial assets and financial liabilities, if changing one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would change fair value significantly. For this purpose, significance was judged with respect to profit or loss, and total assets or total liabilities, or, when changes in fair value are recognised in other comprehensive income, total equity.

There were no changes in valuation technique for level 3 recurring fair value measurements during the year ended 31 December 2024 (2023: none).

A reconciliation of movements in Level 3 of the fair value hierarchy by class of instruments for the year ended 31 December 2024 and 31 December 2023 is as follows:

	Assets at FVTPL		**Financial derivative liabilities**
In millions of Uzbekistan Soums	**Investments in equity securities**	**Financial derivative assets**	
Fair value at 1 January 2024	**4,322**	**3,930**	**386**
Gains (losses) recognised in profit or loss for the period	-	17,840	22,114
Purchases	21,244	2,955,272	3,663,245
Sales or disposal	-	(2,947,489)	(3,685,407)
Fair value at 31 December 2024	**25,566**	**29,553**	**338**

	Assets at FVTPL		**Financial derivative liabilities**
In millions of Uzbekistan Soums	**Investments in equity securities**	**Financial derivative assets**	
Fair value at 1 January 2023	**4,260**	**27,028**	**-**
Gains (losses) recognised in profit or loss for the year	-	2,102	2,126
Purchases	415	2,043,919	2,067,221
Sales or disposal	(353)	(2,069,119)	(2,068,961)
Fair value at 31 December 2023	**4,322**	**3,930**	**386**

Gains or losses on level 3 financial instruments included in the profit or loss for the period comprise:

	31 December 2024		**31 December 2023**	
In millions of Uzbekistan Soums	**Realised (loss)**	**Unrealised gain**	**Realized (loss)**	**Unrealized gain**
Total gain or loss included for the period in the profit or loss	(1,014)	39,954	(13,265)	4,228

34 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 not measured at fair value at 31 December 2024 are as follows:

In millions of Uzbekistan Soums	Level 2	Level 3	Total fair value	Carrying value
Assets				
Due from other banks	1,366,148	-	**1,366,148**	**1,313,955**
- Term placements with other banks with original maturities of more than three months	1,365,854	-	1,365,854	**1,313,661**
-Restricted cash deposits	294	-	294	**294**
Investments in debt securities	181,354	-	**181,354**	**202,884**
-Uzbekistan government bonds	62,809	-	62,809	62,327
-Uzbekistan government Eurobonds	101,107	-	101,107	122,137
-Corporate bonds	17,438	-	17,438	18,420
Loans to customers, including finance lease receivables	-	20,434,216	20,434,216	**19,504,758**
-Micro	-	1,706,476	1,706,476	1,602,996
-SME	-	5,300,516	5,300,516	5,114,836
-Consumer	-	3,849,539	3,849,539	3,415,236
-Mortgage	-	1,541,831	1,541,831	1,541,831
-Car loans	-	2,998,771	2,998,771	2,767,409
-Large corporate	-	5,037,083	5,037,083	5,062,450
Other financial assets	-	11,816	**11,816**	**11,816**
LIABILITIES				
Due to other banks	-	1,164,491	**1,164,491**	**1,171,127**
-Correspondent accounts and overnight placements of other banks	-	380,695	380,695	380,956
-Term placements of other banks	-	776,788	776,788	777,160
-Security deposits of other financial institutions	-	7,008	7,008	13,011
Customer accounts	-	**11,799,457**	**11,799,457**	**11,420,464**
- Term deposits of individuals	-	5,340,761	5,340,761	5,288,439
- Current deposits of legal entities	-	2,370,578	2,370,578	2,370,578
- Term deposits of legal entities	-	2,650,306	2,650,306	2,323,635
- Current deposits of individuals	-	1,437,812	1,437,812	1,437,812
Debt securities in issue	-	**67,090**	**67,090**	**69,466**
- Bonds issued on domestic market	-	67,090	67,090	69,466
Other borrowed funds	-	10,861,128	10,861,128	9,988,155
- Term borrowings from companies, government and its companies	-	10,861,128	10,861,128	9,988,155
Subordinated debt	-	407,987	**407,987**	**441,604**
-Subordinated debt	-	407,987	407,987	441,604
Other financial liabilities	-	54,813	**54,813**	**54,813**
Credit related commitments	-	847,229	**847,229**	**848,435**
-Undrawn credit lines	-	208,874	208,874	210,080
-Financial guarantees issued	-	638,355	638,355	638,355
Total	**1,547,502**	**45,648,227**	**47,195,729**	**45,027,477**

34 Fair Value Disclosures (Continued)

Fair values analysed by level in the fair value hierarchy and carrying value of assets not measured at fair value at 31 December 2023 are as follows:

In millions of Uzbekistan Soums	Level 2	Level 3	Total fair value	Carrying value
Assets				
Due from other banks	105,634	-	**105,634**	**101,776**
- Term placements with other banks with original maturities of more than three months	91,499	-	91,499	**87,628**
-Restricted cash deposits	14,135	-	14,135	**14,148**
Investments in debt securities	210,498	-	**210,498**	**217,043**
-Uzbekistan government bonds	61,404	-	61,404	60,477
-Uzbekistan government Eurobonds	105,149	-	105,149	116,625
-Corporate bonds	43,945	-	43,945	39,942
Loans to customers, including finance lease receivables	-	16,812,025	16,812,025	**16,099,708**
-Micro	-	1,709,576	1,709,576	1,605,532
-SME	-	3,805,401	3,805,401	3,709,140
-Consumer	-	2,269,948	2,269,948	1,994,033
-Mortgage	-	1,199,802	1,199,802	1,280,382
-Car loans	-	4,091,969	4,091,969	3,778,423
-Large corporate	-	3,735,329	3,735,329	3,732,198
Other financial assets	-	7,480	**7,480**	**7,480**
LIABILITIES				
Due to other banks	-	233,490	**233,490**	**239,227**
-Correspondent accounts and overnight placements of other banks	-	126,295	126,295	126,315
-Term placements of other banks	-	61,895	61,895	61,777
-Security deposits of other financial institutions	-	45,300	45,300	51,135
Customer accounts	-	**7,659,701**	**7,659,701**	**7,661,735**
- Term deposits of individuals	-	3,396,819	3,396,819	3,392,550
- Current deposits of legal entities	-	1,868,871	1,868,871	1,868,871
- Term deposits of legal entities	-	1,364,770	1,364,770	1,371,073
- Current deposits of individuals	-	1,029,241	1,029,241	1,029,241
Debt securities in issue	-	22,345	**22,345**	**22,345**
- Deposit certificates	-	22,345	22,345	22,345
Other borrowed funds	-	7,890,913	7,890,913	8,405,690
- Term borrowings from companies, government and its companies	-	7,890,913	7,890,913	8,405,690
Subordinated debt	-	489,615	**489,615**	**502,173**
-Subordinated debt	-	489,615	489,615	502,173
Other financial liabilities	-	30,558	**30,558**	**30,558**
Credit related commitments	-	469,559	**469,559**	**469,143**
-Undrawn credit lines	-	183,119	183,119	182,704
-Financial guarantees issued	-	286,439	286,439	286,439
Total	**316,132**	**33,615,686**	**33,931,818**	**33,756,879**

34 Fair Value Disclosures (Continued)

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 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. For assets, the Group used assumptions about counterparty's incremental borrowing rate and prepayment rates. Liabilities were discounted at the Group'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 Group.

35 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.

The outstanding balances with related parties were as follows:

In millions of Uzbekistan Soums	*31 December 2024*			*31 December 2023*		
	Key management personnel	*Other significant shareholders*	*Other related parties*	*Key management personnel*	*Other signifiycant shareholders*	*Other related parties*
Right of use assets	-	55,772	-	-	69,715	-
Loans to customers (contractual interest rate: 17.5-18 % in UZS)	786	-	-	660	-	-
Customer accounts (contractual interest rate: 0.1-24% in UZS / 0- 7 % in USD)	2,769	78,587	1,162	1,145	36,912	1,719
Lease liabilities (contractual interest rate: 19.72–21.03 %)	-	68,631	-	-	73,681	-
Other borrowed funds (contractual interest rate: 15.8-21.3% in UZS / 4.1- 8.8 % in USD and EUR)		2,204,975	-	-	1,351,665	-
Debt Securities in Issue (contractual interest rate: 22% in UZS)	72	-	-	-	-	-
Other liabilities	205	-	-	829	-	63

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

In millions of Uzbekistan Soums	*2024*			*2023*		
	Key management personnel	*Other signifycant shareholders*	*Other related parties*	*Key management personnel*	*Other signifycant shareholders*	*Other related parties*
Interest income on loans	156	-	-	36	-	-
Interest expense on deposits	375	11,163	-	2	785	112
Interest expense on Debt Securities in Issue	9	-	-	-	-	-
Interest expense on borrowings	-	221,785	-	-	49,194	-
Interest expense on Lease liabilities	-	13,069	-	-	753	-
Fee and commission income	33	127	2	2	-	10
Salaries and other benefits	8,144	1,017	668	3,683	522	401
Social tax (pension fund)	977	122	80	439	63	48

36 Events after the End of the Reporting Period

Policy rate

At the meeting on March 20, 2025, the Board of the Central Bank decided to raise the policy rate from 24 March 2025 by 0.5 percentage points to 14 percent per annum.

36 Events after the End of the Reporting Period (Continued)

Other Borrowed Funds

The Group signed agreement on 15 August 2024 with the NEDERLANDSE FINANCIERINGS-MAATSCHAPPIJ VOOR ONTWIKKELINGSLANDEN N.V for a total amount to USD 100 million for a period of 36 months, out of which USD 25 million were received in March 2025; loans were borrowed to finance the development of microfinancing and SME, Women Entrepreneurs, and/or Youth Entrepreneurs.

The Group signed agreement on 28 March 2025 with INCOFIN CVSO for a total amount of 8 million EUR for a period of 36 months to finance the development of micro-entrepreneurs and SMEs.

The Group signed agreements at 26 March 2025 with the ResponsAbility SICAV (Lux) for a total amount to EUR 13 million for a period of 36 month and 2 million USD for a period of 18 months.

37 Abbreviations

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

Abbreviation	Full name
AC	Amortised Cost
CBU	The Central Bank of the Republic of Uzbekistan
CCF	Credit Conversion Factor
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
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
SME	Small and Medium-sized Enterprises
SPPI	Solely Payments of Principal and Interest
SPPI test	Assessment whether the financial instruments' cash flows represent Solely Payments of Principal and Interest
LRC	Liability for remaining coverage
LIC	Liability for incurred claims
CSM	Contractual service margin