

**JSC “NATIONAL BANK FOR FOREIGN ECONOMIC  
ACTIVITY OF THE REPUBLIC OF UZBEKISTAN”**

**Interim condensed consolidated  
financial statements**

*30 June 2022*

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## **Report on Review of Interim Financial Information**

To the Board of Directors of JSC “National Bank for Foreign Economic Activity of the Republic of Uzbekistan”

### **Introduction**

We have reviewed the accompanying interim condensed consolidated financial statements of Joint Stock Company “National Bank For Foreign Economic Activity of the Republic of Uzbekistan” and its subsidiaries, which comprise the interim consolidated statement of financial position as at 30 June 2022 and the related interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and selected explanatory notes (interim financial information). Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

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

## Conclusion

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

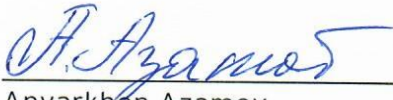
Tashkent, Uzbekistan

27 September 2022

*Foreign Enterprise Audit Company "Ernst & Young" LLC*

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Foreign Enterprise Audit Company "Ernst & Young" LLC  
Certificate authorizing audit of banks registered by  
the Central Bank of the Republic of Uzbekistan under #11  
dated 22 July 2019



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Anvarkhon Azamov

Qualified auditor

Auditor qualification certificate authorizing audit of banks  
#11/4 dated 11 May 2017 issued by the Central Bank of  
the Republic of Uzbekistan

Partner, Head of Uzbekistan Practice  
Foreign Enterprise Audit Company "Ernst & Young" LLC

**Interim consolidated statement of financial position**

**As at 30 June 2022**

(Millions of Uzbek Soums)

	Notes	30 June 2022 (unaudited)	31 December 2021
<b>Assets</b>			
Cash and cash equivalents	4	33,982,044	10,185,391
Amounts due from credit institutions	5	2,974,334	2,680,960
Derivative financial assets	6	52,208	-
Loans to customers	7	77,242,489	72,089,675
Investment securities	8	678,073	1,112,917
Investments in associates	9	348,479	345,610
Property and equipment	10	929,337	924,455
Deferred income tax assets		289,561	421,268
Other assets		386,038	471,937
<b>Total assets</b>		<b>116,882,563</b>	<b>88,232,213</b>
<b>Liabilities</b>			
Amounts due to the CBU	17	1,282,497	708,828
Amounts due to credit institutions	18	14,711,553	3,083,328
Amounts due to customers	19	40,259,425	22,243,551
Derivative financial liabilities	6	-	41,491
Debt securities issued	20	3,322,623	3,334,500
Other borrowed funds	21	40,309,563	43,376,477
Current income tax liabilities		93,595	8,571
Subordinated loans	22	1,616,623	1,612,487
Other liabilities		416,023	327,224
		<b>102,011,902</b>	<b>74,736,457</b>
<b>Equity</b>			
Share capital	23	12,627,799	12,209,351
Contribution from shareholders		126,096	126,096
Retained earnings		1,811,277	904,616
Other reserves		281,495	100,791
<b>Total equity attributable to shareholders of the Group</b>		<b>14,846,667</b>	<b>13,340,854</b>
Non-controlling interests		23,994	154,902
<b>Total equity</b>		<b>14,870,661</b>	<b>13,495,756</b>
<b>Total equity and liabilities</b>		<b>116,882,563</b>	<b>88,232,213</b>

Signed and authorized for  
release on behalf of the management Board of the Bank

Alisher Mirsoatov

Chairman of the Management Board

Bokhodir Rikhsiev

Chief Accountant

27 September 2022





**Interim consolidated statement of profit or loss**

**For the six months ended 30 June 2022**

(Millions of Uzbek Soums)

	Notes	For the six months ended 30 June (unaudited)	
		2022	2021
Interest income		3,654,404	2,794,901
Interest expense		(1,466,357)	(1,030,662)
<b>Net interest income</b>		<b>2,188,047</b>	<b>1,764,239</b>
Credit loss expense	12	(1,245,784)	(956,111)
Initial recognition adjustment on interest bearing assets		(75,048)	(4,700)
<b>Net interest income after credit loss expense and initial recognition of adjustment</b>		<b>867,215</b>	<b>803,428</b>
Fee and commission income	13	241,122	194,519
Fee and commission expense	13	(54,670)	(35,880)
Net gain from financial instruments at fair value through profit or loss		93,699	17,078
<i>Net gains/(losses) from foreign currencies:</i>			
- dealing	14	1,734,534	84,258
- translation differences		(86,229)	(9,019)
Share of profit of associates		62,269	(1,591)
Dividend income		680	2,998
Other income	15	47,574	56,462
Impairment of investments in associates		(21,999)	-
Other impairment and provisions		(25,558)	(1,785)
Personnel and other operating expenses	16	(697,799)	(554,646)
Revenue from non-banking activities		135,665	177,279
Costs of sales from non-banking activities		(56,983)	(77,475)
<b>Net non-interest income</b>		<b>1,372,305</b>	<b>(147,802)</b>
<b>Profit before income tax expense</b>		<b>2,239,520</b>	<b>655,626</b>
Income tax expense	11	(556,959)	(134,647)
<b>Profit for the period</b>		<b>1,682,561</b>	<b>520,979</b>
<b>Attributable to:</b>			
- shareholders of the Group		1,648,495	487,248
- non-controlling interests		34,066	33,731
		<b>1,682,561</b>	<b>520,979</b>

Signed and authorized for release on behalf of the Management Board of the Bank

Alisher Mirsoatov

Chairman of the Management Board

Bokhodir Rikhsiev

Chief Accountant

27 September 2022



**Interim consolidated statement of comprehensive income**

**For the six months ended 30 June 2022**

(Millions of Uzbek Soums)

	<i>For the six months ended 30 June (unaudited)</i>	
	<u>2022</u>	<u>2021</u>
<b>Profit for the period</b>	<b>1,682,561</b>	<b>520,979</b>
<b>Other comprehensive income</b>		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>		
Exchange differences on translation of foreign operations, net of tax	188,430	8,358
<b>Total other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>188,430</b>	<b>8,358</b>
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods</i>		
Gain on equity instruments at fair value through other comprehensive income	-	193
<b>Total other comprehensive income that will not be reclassified to profit or loss in subsequent periods</b>	<b>-</b>	<b>193</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>188,430</b>	<b>8,551</b>
<b>Total comprehensive income for the period</b>	<b>1,870,991</b>	<b>529,530</b>
<b>Attributable to:</b>		
- shareholders of the Bank	1,829,199	495,456
- non-controlling interests	41,792	34,074
	<b>1,870,991</b>	<b>529,530</b>

Signed and authorized for release on behalf of the Management Board of the Bank

Alisher Mirsoatov



Chairman of the Management Board

Bokhodir Rikhsiev

Chief Accountant

27 September 2022



## Interim consolidated statement of changes in equity

For the six months ended 30 June 2022

(Millions of Uzbek Soums)

### Attributable to shareholders of the Bank

Notes	Share capital	Contribution from shareholders	Retained earnings	Other reserves	Total	Non- controlling interests	Total equity
As at 1 January 2021	11,978,074	126,096	72,956	121,258	12,298,384	131,776	12,430,160
Net profit/(loss) for the year	-	-	487,248	-	487,248	33,731	520,979
Other comprehensive income	-	-	-	8,208	8,208	343	8,551
<b>Total Comprehensive income/(loss) for the year</b>	-	-	<b>487,248</b>	<b>8,208</b>	<b>495,456</b>	<b>34,074</b>	<b>529,530</b>
Diposal of subsidiary	-	-	-	-	-	(36,902)	(36,902)
<b>At 30 June 2021 (unaudited)</b>	<b>11,978,074</b>	<b>126,096</b>	<b>560,204</b>	<b>129,466</b>	<b>12,793,840</b>	<b>128,948</b>	<b>12,922,788</b>
As at 1 January 2022	12,209,351	126,096	904,616	100,791	13,340,854	154,902	13,495,756
Net profit/(loss) for the year	-	-	1,648,495	-	1,648,495	34,066	1,682,561
Other comprehensive income	-	-	-	180,704	180,704	7,726	188,430
<b>Total Comprehensive income/(loss) for the year</b>	-	-	<b>1,648,495</b>	<b>180,704</b>	<b>1,829,199</b>	<b>41,792</b>	<b>1,870,991</b>
<b>Dividends to shareholders of the Bank:</b>	<b>486,569</b>	-	<b>(547,252)</b>	-	<b>(60,683)</b>	-	<b>(60,683)</b>
Capitalization of Dividends	23	486,569	(486,569)	-	-	-	-
Paid Dividends	23	-	(60,683)	-	(60,683)	-	(60,683)
Tax paid on Capitalization of Dividends	23	-	(25,609)	-	(25,609)	-	(25,609)
Other distributions to the shareholders of the Bank	23	(68,121)	(168,973)	-	(237,094)	(178,704)	(415,798)
Diposal of subsidiary	26	-	-	-	-	6,004	6,004
<b>At 30 June 2022 (unaudited)</b>	<b>12,627,799</b>	<b>126,096</b>	<b>1,811,277</b>	<b>281,495</b>	<b>14,846,667</b>	<b>23,994</b>	<b>14,870,661</b>

Signed and authorized for release on behalf of the Management Board of the Bank

Alisher Mirsoatov

Chairman of the Management Board

Bokhodir Rikhsiev

Chief Accountant

27 September 2022



The accompanying selected explanatory notes on pages 7 to 31 are an integral part of these interim condensed consolidated financial statements.



**Interim consolidated statement of cash flows****For the six months ended 30 June 2022***(Millions of Uzbek Soums)*

	<i>Notes</i>	<i>For the six months ended 30 June (unaudited)</i>	
		<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>			
<b>Profit before income tax</b>		<b>2,239,520</b>	<b>655,626</b>
<i>Adjustments for:</i>			
Provision for impairment losses on interest bearing assets	12	1,245,784	956,111
Other impairment and provisions		25,558	1,785
Impairment of investments in associates		21,999	-
Initial recognition adjustment on interest bearing assets		75,048	4,700
Net unrealized loss on foreign exchange operations		(140,809)	17,299
Net gains from financial instruments at FVTPL		(93,699)	(17,078)
Depreciation and amortization		76,965	66,218
Gain from disposal of subsidiaries	15	(19,124)	(31,626)
Share of profit or loss from associates		(62,269)	1,591
Change in interest income accrual		(437,269)	(404,770)
Change in interest expenses accrual		83,514	47,748
Other non-cash accruals		78,517	22,773
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>		<b>3,093,735</b>	<b>1,320,377</b>
<i>Net (increase)/decrease in operating assets</i>			
Amounts due from credit institutions		(289,701)	(35,323)
Loans to customers		(6,688,670)	(1,971,101)
Other assets		61,764	(18,543)
<i>Net increase/(decrease) in operating liabilities</i>			
Amounts due to the CBU		655,087	(1,171,961)
Amounts due to credit institutions		11,628,225	22,095
Amounts due to customers		18,223,781	744,556
Other liabilities		63,568	(60,250)
<b>Net cash flows from (used in) operating activities before income tax</b>		<b>26,747,789</b>	<b>(1,170,150)</b>
Income tax paid		(340,228)	(162,708)
<b>Net cash from (used in) operating activities</b>		<b>26,407,561</b>	<b>(1,332,858)</b>

**Interim consolidated statement of cash flows (continued)**

	<i>For the six months ended</i>	
	<b>30 June (unaudited)</b>	
<b>Notes</b>	<b>2022</b>	<b>2021</b>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(2,343,625)	(373,238)
Proceeds from sale and redemption of investment securities	2,776,467	386,022
Purchase of investments in associates	(37,965)	(129,263)
Dividends received from associates and investments securities	-	2,998
Purchase of property and equipment	(251,587)	(76,372)
Proceeds from sale of property and equipment	4,998	43,790
Assets held for sale	-	9,112
<b>Net cash from (used in) investing activities</b>	<b>148,288</b>	<b>(136,951)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of debt securities	-	61,839
Redemption of debt securities issued	(19,053)	(14,138)
Proceeds from other borrowed funds	1,331,952	3,965,050
Repayment of other borrowed funds	(3,966,984)	(3,162,754)
Dividends paid to shareholders of the Bank	(86,292)	-
<b>Net cash (used in) from financial activities</b>	<b>(2,740,377)</b>	<b>849,997</b>
Effect of changes in foreign exchange rates on cash and cash equivalents	(12,345)	(64,514)
Effect of expected credit losses on cash and cash equivalents	12 (6,474)	(30)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>23,796,653</b>	<b>(684,356)</b>
Cash and cash equivalents, beginning	10,185,391	9,379,047
<b>Cash and cash equivalents, ending</b>	<b>4 33,982,044</b>	<b>8,694,691</b>
Interest received	3,217,135	2,390,131
Interest paid	1,382,843	(982,914)

Signed and authorized for release on behalf of the Management Board of the Bank

Alisher Mirsoatov



Chairman of the Management Board

Bokhodir Rikhsiev

Chief Accountant

27 September 2022

*(Millions of Uzbek Soums)***1. Principal activities**

The Joint Stock Company National Bank for Foreign Economic Activity of the Republic of Uzbekistan (the "Bank") is the parent company in the Group, it was formed by the Decree of the President of the Republic of Uzbekistan dated 7 September 1991 No. PD-244. The Bank is part of the banking system of the Republic of Uzbekistan and operates under a general banking license No. 22 reissued by the Central Bank of Uzbekistan ("CBU") on 25 December 2021.

The Bank services the Government of the Republic of Uzbekistan, accepts deposits from the public and extends credits, transfers payments in the Republic of Uzbekistan and abroad, exchanges currencies and provides other banking services to its commercial and retail customers. The main office of the Bank is located in Tashkent and it has 68 branches (2021:68) located in the territory of the Republic of Uzbekistan.

The Bank's registered legal address is 101 Amir Temur avenue, Tashkent, the Republic of Uzbekistan.

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

The following shareholders owned the issued shares of the Group:

<b>Shareholder</b>	<b>At 30 June 2022 (unaudited) %</b>	<b>At 31 December 2021 %</b>
The Fund for Reconstruction and Development of the Republic of Uzbekistan	59.3	59.3
The Ministry of Finance of the Republic of Uzbekistan	40.7	40.7
<b>Total</b>	<b>100</b>	<b>100</b>

The ultimate shareholder and ultimate controlling party of the Bank is the Government of the Republic of Uzbekistan.

These interim condensed consolidated financial statements were authorized for issue by the Management Board of the Group on 27 September 2022.

**2. Basis of preparation****General**

The interim condensed consolidated financial statements for the six months ended 30 June 2022 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2021.

**Influence of domestic political and 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. Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility in the stock and currency markets, as well as a significant volatility of UZS against the Ruble. On 18 March 2022, CBU made a decision to raise the refinancing rate to 17% per annum and then later on 10 June 2022 the refinancing rate was decreased to 16% per annum.

For the purpose of managing the country risk, the Bank controls transactions with counterparties within the limits set, 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 Group also monitors the activities of its Russian subsidiary – Asia Invest Bank, for any transactions with the financial institutions and entities, upon which sanctions were applied. In 2022 the activities of Asia Invest Bank were not significantly hindered by consequences of conflict between Russian and Ukraine and it remained profitable during this period.

*(Millions of Uzbek Soums)***2. Basis of preparation (continued)****Influence of domestic political and geopolitical events in the world (continued)**

As of 30 June 2022, the total assets of Asia Invest Bank, the largest subsidiary of the Bank located in Russia, comprised 3.5% of total assets of the Group. Asia Invest Bank was not under any sanctions during the reporting period and there were no limitations externally imposed upon transactions between the Bank and Asia Invest Bank.

**Changes in accounting policies**

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

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

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

**3. Segment reporting**

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

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

**4. Cash and cash equivalents**

Cash and cash equivalents comprise:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
Time deposits with credit institutions up to 90 days	20,587,191	55,654
Current accounts with the Central Banks	6,538,714	2,619,627
Current accounts with other credit institutions	5,768,741	6,559,234
Cash on hand	1,098,659	955,663
	<b>33,993,305</b>	<b>10,190,178</b>
Less – allowance for impairment	(11,261)	(4,787)
<b>Cash and cash equivalents</b>	<b>33,982,044</b>	<b>10,185,391</b>

All balances of cash equivalents are allocated to Stage 1. An analysis of changes in the ECL allowances during the six months ended 30 June 2022 is, as follows:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>30 June 2021</b> <b>(unaudited)</b>
<b>ECL allowance as at 1 January</b>	<b>4,787</b>	<b>90</b>
Changes in ECL	6,474	30
<b>At 30 June</b>	<b>11,261</b>	<b>120</b>



*(Millions of Uzbek Soums)***5. Amounts due from credit institutions**

Amounts due from credit institutions comprise:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
Time deposits for more than 90 days	2,419,549	2,299,428
Obligatory reserve with the Central Banks	598,357	423,075
	<b>3,017,906</b>	<b>2,722,503</b>
Less – allowance for impairment	(43,572)	(41,543)
<b>Amounts due from credit institutions</b>	<b>2,974,334</b>	<b>2,680,960</b>

All balances of due from credit institutions are allocated to Stage 1. An analysis of changes in the ECL allowances during the six months ended 30 June 2022 is as follows:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>30 June 2021</b> <b>(unaudited)</b>
<b>ECL allowance as at 1 January</b>	<b>41,543</b>	<b>28,881</b>
New assets originated or purchased	3,340	7,457
Assets repaid	(914)	(185)
Foreign exchange adjustments	(397)	202
<b>At 30 June</b>	<b>43,572</b>	<b>36,355</b>

**6. Derivative financial instruments**

	<b>30 June 2022</b> <b>(unaudited)</b>			<b>31 December 2021</b>		
	<b>Notional amount</b>	<b>Fair values</b>		<b>Notional Amount</b>	<b>Fair values</b>	
		<b>Asset</b>	<b>Liability</b>		<b>Asset</b>	<b>Liability</b>
<b>Foreign exchange contracts</b>						
Swaps – foreign	529,342	52,208	-	529,342	-	41,491
<b>Total derivative liabilities</b>	<b>529,342</b>	<b>52,208</b>	<b>-</b>	<b>529,342</b>	<b>-</b>	<b>41,491</b>

**7. Loans to customers**

Loans to customers comprise:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
<b>Corporate lending</b>		
Private companies	36,419,848	32,247,317
State companies	29,683,650	27,936,797
State budget or local authorities	8,175,977	8,994,185
Gross investment in finance lease	363,733	829,137
Non-banking financial institutions	157,729	141,269
<b>Total corporate lending</b>	<b>74,800,937</b>	<b>70,148,705</b>
<b>Loans to individuals</b>		
Mortgage loans	6,161,781	4,602,863
Car loans	941,194	914,053
Consumer loans	703,801	438,064
Agriculture loans	14,054	187,502
Education loans	73,946	65,664
<b>Total loans to individuals</b>	<b>7,894,776</b>	<b>6,208,146</b>
<b>Gross loans to customers</b>	<b>82,695,713</b>	<b>76,356,851</b>
Less: allowance for impairment	(5,453,224)	(4,267,176)
<b>Loans to customers</b>	<b>77,242,489</b>	<b>72,089,675</b>

*(Millions of Uzbek Soums)***7. Loans to customers (continued)**

An analysis of loans to customers at amortized cost allocated by stages is, as follows:

<b>30 June 2022 (unaudited)</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Private companies	26,067,040	7,085,764	3,267,044	<b>36,419,848</b>
State companies	29,026,851	422,638	234,161	<b>29,683,650</b>
State budget or local authorities	8,129,285	46,692	-	<b>8,175,977</b>
Gross investment in finance lease	363,733	-	-	<b>363,733</b>
Non-banking financial institutions	157,729	-	-	<b>157,729</b>
Loans to individuals	7,450,423	176,852	267,501	<b>7,894,776</b>
<b>Gross loans</b>	<b>71,195,061</b>	<b>7,731,946</b>	<b>3,768,706</b>	<b>82,695,713</b>
Less - Allowance for impairment	(1,941,881)	(1,816,045)	(1,695,298)	<b>(5,453,224)</b>
<b>Loans to customers</b>	<b>69,253,180</b>	<b>5,915,901</b>	<b>2,073,408</b>	<b>77,242,489</b>

<b>31 December 2021</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Private companies	27,472,569	1,892,695	2,882,053	<b>32,247,317</b>
State companies	27,361,573	362,856	212,368	<b>27,936,797</b>
State budget or local authorities	8,994,185	-	-	<b>8,994,185</b>
Gross investment in finance lease	829,137	-	-	<b>829,137</b>
Non-banking financial institutions	141,269	-	-	<b>141,269</b>
Loans to individuals	5,777,064	149,181	281,901	<b>6,208,146</b>
<b>Gross loans</b>	<b>70,575,797</b>	<b>2,404,732</b>	<b>3,376,322</b>	<b>76,356,851</b>
Less - Allowance for impairment	(2,516,121)	(486,825)	(1,264,230)	<b>(4,267,176)</b>
<b>Loans to customers</b>	<b>68,059,676</b>	<b>1,917,907</b>	<b>2,112,092</b>	<b>72,089,675</b>

**Allowance for impairment of loans to customers**

An analysis of changes in the ECL allowances in relation to loans issued to the private companies during the six months ended 30 June 2022 is, as follows:

<b>Private companies</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>ECL as at 1 January 2022</b>	<b>822,386</b>	<b>346,693</b>	<b>1,105,479</b>	<b>2,274,558</b>
New assets originated or purchased	167,986	-	-	<b>167,986</b>
Assets repaid	(21,797)	(1,778)	(65,653)	<b>(89,228)</b>
Transfers to Stage 1	205,798	(87,307)	(118,491)	-
Transfers to Stage 2	(292,773)	333,238	(40,465)	-
Transfers to Stage 3	(23,364)	(45,748)	69,112	-
Impact on period end ECL of exposures transferred between stages during the period	(17,741)	1,208,004	250,493	<b>1,440,756</b>
Net remeasurement of loss allowance	(11,030)	(23,831)	210,438	<b>175,577</b>
Foreign exchange adjustments	(4,260)	(3,618)	(4,813)	<b>(12,691)</b>
<b>At 30 June 2022 (unaudited)</b>	<b>825,205</b>	<b>1,725,653</b>	<b>1,406,100</b>	<b>3,956,958</b>

*(Millions of Uzbek Soums)***7. Loans to customers (continued)****Allowance for impairment of loans to customers (continued)**

An analysis of changes in the ECL allowances in relation to loans issued to the state companies during the six months ended 30 June 2022 is, as follows:

<b>State companies</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>ECL as at 1 January 2022</b>	<b>1,419,192</b>	<b>126,966</b>	<b>47,556</b>	<b>1,593,714</b>
New assets originated or purchased	83,039	-	-	<b>83,039</b>
Assets repaid	(2,382)	-	(51)	<b>(2,433)</b>
Transfers to Stage 1	30	-	(30)	-
Transfers to Stage 2	(7,456)	9,022	(1,566)	-
Transfers to Stage 3	(242)	(8)	250	-
Impact on period end ECL of exposures transferred between stages during the period	(29)	(7,637)	2,604	<b>(5,062)</b>
Net remeasurement of loss allowance	(607,722)	(53,663)	132,369	<b>(529,016)</b>
Foreign exchange adjustments	(12,492)	15	(725)	<b>(13,202)</b>
<b>At 30 June 2022 (unaudited)</b>	<b>871,938</b>	<b>74,695</b>	<b>180,407</b>	<b>1,127,040</b>

An analysis of changes in the ECL allowances in relation to loans issued to the state budget or local authorities during the six months ended 30 June 2022 is, as follows:

<b>State budget or local authorities</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>ECL as at 1 January 2022</b>	<b>185,510</b>	-	-	<b>185,510</b>
New assets originated or purchased	5,306	-	-	<b>5,306</b>
Transfers to Stage 2	(3,189)	3,189	-	-
Impact on period end ECL of exposures transferred between stages during the period	-	(2,918)	-	<b>(2,918)</b>
Net remeasurement of loss allowance	(58,306)	-	-	<b>(58,306)</b>
Foreign exchange adjustments	393	-	-	<b>393</b>
<b>At 30 June 2022 (unaudited)</b>	<b>129,714</b>	<b>271</b>	-	<b>129,985</b>

An analysis of changes in the ECL allowances in relation to loans issued to the gross investment in finance lease during the six months ended 30 June 2022 is, as follows:

<b>Gross investment in finance lease</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>ECL as at 1 January 2022</b>	<b>37,490</b>	-	-	<b>37,490</b>
Assets repaid	(78)	-	-	<b>(78)</b>
Net remeasurement of loss allowance	(28,918)	-	-	<b>(28,918)</b>
Foreign exchange adjustments	78	-	-	<b>78</b>
<b>At 30 June 2022 (unaudited)</b>	<b>8,572</b>	-	-	<b>8,572</b>

*(Millions of Uzbek Soums)***7. Loans to customers (continued)****Allowance for impairment of loans to customers (continued)**

An analysis of changes in the ECL allowances in relation to loans issued to the non-banking financial institutions in during the six months ended 30 June 2022 is, as follows:

<i><b>Non-banking financial institutions</b></i>	<i><b>Stage 1</b></i>	<i><b>Stage 2</b></i>	<i><b>Stage 3</b></i>	<i><b>Total</b></i>
<b>ECL as at 1 January 2022</b>	<b>4,491</b>	-	-	<b>4,491</b>
New assets originated or purchased	3,282	-	-	<b>3,282</b>
Assets repaid	(245)	-	-	<b>(245)</b>
Net remeasurement of loss allowance	(2,139)	-	-	<b>(2,139)</b>
<b>At 30 June 2022 (unaudited)</b>	<b>5,389</b>	-	-	<b>5,389</b>

An analysis of changes in the ECL allowances in relation to loans to individuals in during the six months ended 30 June 2022 is, as follows:

<i><b>Loans to Individuals</b></i>	<i><b>Stage 1</b></i>	<i><b>Stage 2</b></i>	<i><b>Stage 3</b></i>	<i><b>Total</b></i>
<b>ECL as at 1 January 2022</b>	<b>47,052</b>	<b>13,166</b>	<b>111,195</b>	<b>171,413</b>
New assets originated or purchased	57,638	-	-	<b>57,638</b>
Assets repaid	(1,927)	(411)	(13,239)	<b>(15,577)</b>
Transfers to Stage 1	25,104	(6,646)	(18,458)	-
Transfers to Stage 2	(2,473)	12,418	(9,945)	-
Transfers to Stage 3	(1,959)	(3,656)	5,615	-
Impact on period end ECL of exposures transferred between stages during the period	(23,005)	525	23,669	<b>1,189</b>
Net remeasurement of loss allowance	633	30	9,954	<b>10,617</b>
<b>At 30 June 2022 (unaudited)</b>	<b>101,063</b>	<b>15,426</b>	<b>108,791</b>	<b>225,280</b>

An analysis of changes in the ECL allowances in relation to loans issued to the state companies during the six months ended 30 June 2021 is, as follows:

<i><b>State companies</b></i>	<i><b>Stage 1</b></i>	<i><b>Stage 2</b></i>	<i><b>Stage 3</b></i>	<i><b>Total</b></i>
<b>ECL as at 1 January 2021</b>	<b>1,081,062</b>	<b>256,569</b>	<b>6,423</b>	<b>1,344,054</b>
New assets originated or purchased	118,365	-	-	<b>118,365</b>
Assets repaid	(40,370)	(4)	(11)	<b>(40,385)</b>
Transfers to Stage 1	189,202	(188,621)	(581)	-
Transfers to Stage 2	(82)	82	-	-
Transfers to Stage 3	(38)	-	38	-
Impact on period end ECL of exposures transferred between stages during the period	(102,523)	-	396	<b>(102,127)</b>
Net remeasurement of loss allowance	22,144	38,703	(109)	<b>60,738</b>
Foreign exchange adjustments	30,542	9,365	-	<b>39,907</b>
<b>At 30 June 2021 (unaudited)</b>	<b>1,298,302</b>	<b>116,094</b>	<b>6,156</b>	<b>1,420,552</b>



*(Millions of Uzbek Soums)***7. Loans to customers (continued)****Allowance for impairment of loans to customers at amortized cost (continued)**

An analysis of changes in the ECL allowances in relation to loans issued to the private companies during the six months ended 30 June 2021 is, as follows:

<i>Private companies</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
<b>ECL as at 1 January 2021</b>	<b>493,450</b>	<b>250,022</b>	<b>520,811</b>	<b>1,264,283</b>
New assets originated or purchased	114,775	-	-	114,775
Assets repaid	(5,904)	(20,893)	(11,328)	(38,125)
Transfers to Stage 1	176,685	(77,885)	(98,800)	-
Transfers to Stage 2	(68,580)	83,519	(14,939)	-
Transfers to Stage 3	(26,265)	(116,297)	142,562	-
Impact on period end ECL of exposures transferred between stages during the period	(139,183)	324,076	285,757	470,650
Net remeasurement of loss allowance	99,487	27,452	104,111	231,050
Foreign exchange adjustments	9,237	7,960	5,701	22,898
<b>At 30 June 2021 (unaudited)</b>	<b>653,702</b>	<b>477,954</b>	<b>933,875</b>	<b>2,065,531</b>

An analysis of changes in the ECL allowances in relation to loans issued to the state budget or local authorities during the six months ended 30 June 2021 is, as follows:

<i>State budget or local authorities</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
<b>ECL as at 1 January 2021</b>	<b>143,367</b>	<b>1,622</b>	-	<b>144,989</b>
New assets originated or purchased	2,299	-	-	2,299
Assets repaid	-	(766)	-	(766)
Transfers to Stage 2	(227)	227	-	-
Transfers to Stage 3	-	(855)	855	-
Impact on period end ECL of exposures transferred between stages during the period	-	148	28,870	29,018
Net remeasurement of loss allowance	17,365	(14)	-	17,351
Foreign exchange adjustments	1,449	12	-	1,461
<b>At 30 June 2021 (unaudited)</b>	<b>164,253</b>	<b>374</b>	<b>29,725</b>	<b>194,352</b>

An analysis of changes in the ECL allowances in relation to loans issued to the gross investment in finance lease during the six months ended 30 June 2021 is, as follows:

<i>Gross investment in finance lease</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
<b>ECL as at 1 January 2021</b>	<b>36,120</b>	-	-	<b>36,120</b>
Net remeasurement of loss allowance	5,344	-	-	5,344
Foreign exchange adjustments	542	-	-	542
<b>At 30 June 2021 (unaudited)</b>	<b>42,006</b>	-	-	<b>42,006</b>

An analysis of changes in the ECL allowances in relation to loans issued to the non-banking financial institutions in during the six months ended 30 June 2021 is, as follows:

<i>Non-banking financial institutions</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
<b>ECL as at 1 January 2021</b>	<b>2,691</b>	-	-	<b>2,691</b>
New assets originated or purchased	1,640	-	-	1,640
Assets repaid	(16)	-	-	(16)
Net remeasurement of loss allowance	(1,930)	-	-	(1,930)
Foreign exchange adjustments	5	-	-	5
<b>At 30 June 2022 (unaudited)</b>	<b>2,390</b>	-	-	<b>2,390</b>

*(Millions of Uzbek Soums)***7. Loans to customers (continued)****Allowance for impairment of loans to customers at amortized cost (continued)**

An analysis of changes in the ECL allowances in relation to loans to individuals in during the six months ended 30 June 2021 is, as follows:

<i>Loans to Individuals</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
<b>ECL as at 1 January 2021</b>	<b>60,766</b>	<b>42,045</b>	<b>114,220</b>	<b>217,031</b>
New assets originated or purchased	10,977	-	-	<b>10,977</b>
Assets repaid	(2,032)	(2,122)	(4,952)	<b>(9,106)</b>
Transfers to Stage 1	36,120	(11,941)	(24,179)	-
Transfers to Stage 2	(2,508)	15,428	(12,920)	-
Transfers to Stage 3	(2,486)	(21,892)	24,378	-
Impact on period end ECL of exposures transferred between stages during the period	(28,953)	(3,405)	81,370	<b>49,012</b>
Net remeasurement of loss allowance	1,009	5,185	15,769	<b>21,963</b>
<b>At 30 June 2021 (unaudited)</b>	<b>72,893</b>	<b>23,298</b>	<b>193,686</b>	<b>289,877</b>

**8. Investment securities**

Investment securities comprise:

	<i>30 June 2022 (unaudited)</i>	<i>31 December 2021</i>
<b>Debt securities at amortised cost</b>		
State bonds	580,279	1,007,493
Less: allowance for impairment	(4,880)	(2,878)
<b>Debt securities at amortised cost</b>	<b>575,399</b>	<b>1,004,615</b>
<b>Equity securities at FVOCI</b>		
Corporate shares	102,674	108,302
<b>Equity shares at FVOCI</b>	<b>102,674</b>	<b>108,302</b>
<b>Investment securities</b>	<b>678,073</b>	<b>1,112,917</b>

State bonds comprise debt securities issued by the Central Bank of the Republic of Uzbekistan at 15%-16% interest rate with original maturity of 1-4 months as at 30 June 2022. State bonds also includes euro bonds issued by Ministry of Finance of the Republic of Uzbekistan and JSC Uzbekneftegaz with interest rates 4%-5% and contractual maturity from 2 to 10 years as at June 2022.

Equity securities at FVOCI comprise equity investments in:

	<i>30 June 2022 (unaudited)</i>	<i>31 December 2021</i>
JSC Uzbekinvest	47,036	47,036
JSC Uzbek Korean Development bank	26,178	26,144
JSC Uzbekistan Mortgage Refinancing Company	10,000	10,000
JSC Post Office of Uzbekistan	10,000	10,000
JSC Uzmetskombinat	7,715	7,715
JSC Qurilishmasleasing	1,500	1,500
JSC Republican Currency Exchange	119	119
JSC Republican Stock Exchange Tashkent	-	2,838
O'yinchoqlar Fabrikasi LLC	-	1,688
Zominsoy Development Invest LLC	-	1,155
Other	126	107
<b>Equity securities at FVOCI</b>	<b>102,674</b>	<b>108,302</b>

*(Millions of Uzbek Soums)***8. Investment securities (continued)**

All balances of investment securities are allocated to Stage 1.

<b>Debt securities at amortised cost</b>	<b>30 June 2022</b> <b>(unaudited)</b>	<b>30 June 2021</b> <b>(unaudited)</b>
<b>ECLs as at 1 January</b>	<b>2,878</b>	<b>2,039</b>
Assets derecognised or matured (excluding write offs)	(2,644)	(794)
New assets purchased	4,646	-
<b>At 30 June</b>	<b>4,880</b>	<b>1,245</b>

**9. Investments in associates**

The following major associates are accounted for under the equity method:

<b>30 June 2022 (unaudited)</b>	<b>Ownership / voting, %</b>	<b>Principal place of business</b>	<b>Country of incorporation</b>	<b>Nature of activities</b>	<b>Carrying Value</b>
Samarkand Touristic Center LLC	40%	Samarkand	Uzbekistan	Tourism	165,295
JSC Uzbek Leasing International	42%	Tashkent	Uzbekistan	Leasing	74,180
Khorezm Invest Project LLC	33%	Khorezm	Uzbekistan	Invest project	30,106
Sherobod Textile Invest LLC	49%	Surkhandarya	Uzbekistan	Textile	25,145
Navro'z Bogi LLC	50%	Tashkent	Uzbekistan	Construction	17,000
Paxtakor Gold Textile LLC	36%	Jizzakh	Uzbekistan	Textile	10,704
Gazgan Stone Invest LLC	48%	Navoiy	Uzbekistan	Asset management	9,786
O'zbekim Otlari LLC	42%	Tashkent	Uzbekistan	Horse breeding	8,563
Samarkand Hospitality Partners LLC	25%	Samarkand	Uzbekistan	Hotel	7,500
Uzautotrans Service LLC	49%	Tashkent	Uzbekistan	Transportation	-
Other associates, individually immaterial		Other	Uzbekistan	Other	200
<b>Total carrying value of investments in associates</b>					<b>348,479</b>

<b>31 December 2021</b>	<b>Ownership / voting, %</b>	<b>Principal place of business</b>	<b>Country of incorporation</b>	<b>Nature of activities</b>	<b>Carrying Value</b>
Samarkand Touristic Center LLC	40%	Samarkand	Uzbekistan	Tourism	71,934
JSC Uzbek Leasing International	42%	Tashkent	Uzbekistan	Leasing	69,239
Avtomatlashtirilgan Transport To'lov Tizimi Operatori LLC	42%	Tashkent	Uzbekistan	Transportation	35,335
Navro'z Bogi LLC	50%	Tashkent	Uzbekistan	Construction	34,000
Khorezm Invest Project LLC	33%	Khorezm	Uzbekistan	Invest project	28,192
Shomanay Eco Teks LLC	24%	Karakalpakstan	Uzbekistan	Textile	23,784
Sherobod Textile Invest LLC	49%	Surkhandarya	Uzbekistan	Textile	21,102
O'zbekim Otlari LLC	42%	Tashkent	Uzbekistan	Horse breeding	17,126
Ostex Jizzakh LLC	48%	Zomin	Uzbekistan	Textile	16,246
Paxtakor Gold Textile LLC	36%	Jizzakh	Uzbekistan	Textile	10,704
Gazgan Stone Invest LLC	48%	Navoiy	Uzbekistan	Asset management	10,246
Samarkand Hospitality Partners LLC	25%	Samarkand	Uzbekistan	Hotel	7,500
Uzautotrans Service LLC	49%	Tashkent	Uzbekistan	Transportation	-
Other associates, individually immaterial		Other	Other	Other	201
<b>Total carrying value of investments in associates</b>					<b>345,610</b>

During the first half of 2022, the Group made additional investments to the Samarkand Touristic Center LLC and Khorezm Invest Project LLC in the amount of UZS 36,000 and UZS 1,914, respectively. These additional investments did not affect the share of ownership since the investments were made proportionately by all parties.

*(Millions of Uzbek Soums)***10. Property, plant and equipment**

The movements in property and equipment and right-of use assets were as follows:

	<i>Buildings and other real estate</i>	<i>Construction in progress</i>	<i>Furniture and equipment</i>	<i>Other</i>	<i>Total</i>
<b>At cost</b>					
<b>1 January 2021</b>	<b>417,610</b>	<b>263,031</b>	<b>1,302,715</b>	<b>24,395</b>	<b>2,007,751</b>
Additions	179	44,196	7,453	82	51,910
Acquisition of subsidiaries	24,461	-	-	-	24,461
Disposals and write-offs	(5,563)	(308)	(48,652)	(345)	(54,868)
Disposal of subsidiaries	(96,866)	(61,049)	(457,973)	(5,530)	(621,418)
Transfers	10,649	(13,068)	2,068	351	-
<b>30 June 2021 (unaudited)</b>	<b>350,470</b>	<b>232,802</b>	<b>805,611</b>	<b>18,953</b>	<b>1,407,836</b>
<b>1 January 2022</b>	<b>479,148</b>	<b>124,533</b>	<b>850,306</b>	<b>12,580</b>	<b>1,466,567</b>
Additions	34,214	16,403	199,813	2	250,432
Acquisition of subsidiaries	-	1,155	-	-	1,155
Disposals and write-offs	(5,031)	-	(4,864)	(135)	(10,030)
Disposal of subsidiaries	(59,644)	(41,528)	(103,648)	-	(204,820)
Transfers	12,044	(15,582)	3,538	-	-
<b>30 June 2022 (unaudited)</b>	<b>460,731</b>	<b>84,981</b>	<b>945,145</b>	<b>12,447</b>	<b>1,503,304</b>
<b>Accumulated depreciation</b>					
<b>1 January 2021</b>	<b>(220,336)</b>	<b>-</b>	<b>(389,810)</b>	<b>689</b>	<b>(609,457)</b>
Charge for the year	(7,570)	-	(58,224)	(424)	(66,218)
Disposals and write-offs	3,081	-	7,781	216	11,078
Disposal of subsidiaries	3,473	-	94,103	461	98,037
<b>30 June 2021 (unaudited)</b>	<b>(221,352)</b>	<b>-</b>	<b>(346,150)</b>	<b>942</b>	<b>(566,560)</b>
<b>Accumulated depreciation</b>					
<b>1 January 2022</b>	<b>(162,653)</b>	<b>-</b>	<b>(378,924)</b>	<b>(535)</b>	<b>(542,112)</b>
Charge for the year	(8,425)	-	(67,694)	(846)	(76,965)
Disposals and write-offs	272	-	4,644	116	5,032
Disposal of subsidiaries	21,511	-	18,567	-	40,078
<b>30 June 2022 (unaudited)</b>	<b>(149,295)</b>	<b>-</b>	<b>(423,407)</b>	<b>(1,265)</b>	<b>(573,967)</b>
<b>Net book value</b>					
<b>30 June 2021 (unaudited)</b>	<b>129,118</b>	<b>232,802</b>	<b>459,461</b>	<b>19,895</b>	<b>841,276</b>
<b>30 June 2022 (unaudited)</b>	<b>311,436</b>	<b>84,981</b>	<b>521,738</b>	<b>11,182</b>	<b>929,337</b>

**11. Taxation**

The corporate income tax expense comprises:

	<b>30 June 2022 (unaudited)</b>	<b>30 June 2021 (unaudited)</b>
Current income tax	425,252	123,397
Deferred tax charge - origination and reversal of temporary differences	131,707	11,250
<b>Income tax expense</b>	<b>556,959</b>	<b>134,647</b>



*(Millions of Uzbek Soums)***12. Credit loss expense**

The table below shows the ECL charges on financial instruments recorded in the consolidated statement of profit or loss for the six months period ended 30 June 2022:

	Note	30 June ended 2022 (unaudited)			Total
		Stage 1	Stage 2	Stage 3	
Cash and cash equivalents	4	6,474	-	-	6,474
Amounts due from credit institutions	5	2,029	-	-	2,029
Loans to customers at amortised cost	7	(557,959)	1,332,824	436,606	1,211,471
Debt securities measured at amortised cost	8	2,002	-	-	2,002
Other financial assets		(1,423)	-	-	(1,423)
Financial guarantees	23	19,299	-	-	19,299
Loan commitments	23	20,865	-	-	20,865
Letters of credit	23	(14,933)	-	-	(14,933)
<b>Total credit loss expense</b>		<b>(523,646)</b>	<b>1,332,824</b>	<b>436,606</b>	<b>1,245,784</b>

The table below shows the ECL charges on financial instruments recorded in the consolidated statement of profit or loss for the six months period ended 30 June 2021:

	Note	30 June ended 2021 (unaudited)			Total
		Stage 1	Stage 2	Stage 3	
Cash and cash equivalents	4	30	-	-	30
Amounts due from credit institutions	5	7,474	-	-	7,474
Loans to customers at amortised cost	7	374,315	50,125	516,287	940,727
Debt securities measured at amortised cost	8	(794)	-	-	(794)
Other financial assets		(3,483)	-	(4,884)	(8,367)
Financial guarantees	23	(5,199)	-	-	(5,199)
Loan commitments	23	31,341	-	-	31,341
Letters of credit	23	(9,101)	-	-	(9,101)
<b>Total credit loss expense</b>		<b>394,583</b>	<b>50,125</b>	<b>511,403</b>	<b>956,111</b>

**13. Net fee and commission income**

Net fee and commission income comprises:

	For the six months ended	
	30 June 2022 (unaudited)	30 June 2021 (unaudited)
Settlement operations	112,422	71,594
Cash operations	39,151	34,105
Foreign settlement operations	36,425	22,954
Operations with plastic cards	21,773	15,879
Letters of credit and guarantee issuance	19,853	23,017
Foreign currency exchange operations	956	20,284
Other	10,542	6,686
<b>Fee and commission income</b>	<b>241,122</b>	<b>194,519</b>
Settlement expenses	(14,000)	(11,651)
Operations with plastic cards	(25,051)	(9,084)
Cash collection services	(7,817)	(5,023)
Conversion expenses	(3,220)	(3,152)
Other	(4,582)	(6,970)
<b>Fee and commission expense</b>	<b>(54,670)</b>	<b>(35,880)</b>
<b>Net fee and commission income</b>	<b>186,452</b>	<b>158,639</b>

*(Millions of Uzbek Soums)***14. Net dealing gains from foreign currencies**

Net dealing gains from foreign currencies comprise gains generated from dealing operations with the Ruble due to the increased currency volatility and activities in the foreign exchange markets.

**15. Other income**

	<i>For the six months ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Gain on disposal of fixed assets	24,325	22,875
Rental Income	738	948
Fines and penalties	602	-
Gain from disposal of subsidiaries	19,124	31,626
Other	2,785	1,013
<b>Total other income</b>	<b>47,574</b>	<b>56,462</b>

**16. Personnel expense and other operating expenses**

*Personnel and other operating expenses comprise:*

	<i>For the six months ended</i>	
	<i>30 June 2022</i>	<i>30 June 2021</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Salaries and bonuses	363,088	304,087
Social security costs	41,309	32,556
<b>Personnel expenses</b>	<b>404,397</b>	<b>336,643</b>
Depreciation and amortization	76,966	66,218
Legal and consultancy	47,019	25,230
Security	34,768	24,256
Membership fee	29,874	17,632
Maintenance	20,122	16,589
Operating taxes	16,411	17,278
Charity and Sponsorship	14,790	18,078
Occupancy and rent	11,168	9,787
Office supplies	9,060	8,111
Communications	4,297	5,577
Transportation	1,944	1,266
Penalties incurred	840	1,100
Business travel and related expenses	647	499
Other	25,497	6,384
<b>Other operating expenses</b>	<b>293,402</b>	<b>218,003</b>
<b>Total operating expenses</b>	<b>697,799</b>	<b>554,646</b>

**17. Amounts due to Central Bank**

Amounts due to the Central Bank of the Republic of Uzbekistan and the Government comprise correspondent accounts of the Central Bank of the Republic of Uzbekistan.

*(Millions of Uzbek Soums)***18. Amounts due to credit institutions**

Amounts due to credit institutions comprise:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
Time deposits	10,119,646	588,366
Correspondent accounts with other banks	4,591,907	2,494,962
<b>Amounts due to Credit Institutions</b>	<b>14,711,553</b>	<b>3,083,328</b>

As of 30 June 2022 time deposits included UZS 7,733,134 of deposits from single foreign financial institution maturing in 2024 (31 December 2021 – nil).

**19. Amounts due to customers**

The amounts due to customers comprise:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
Current accounts	27,067,661	12,058,967
Time deposits	13,191,764	10,184,584
<b>Amounts due to customers</b>	<b>40,259,425</b>	<b>22,243,551</b>
Held as security against letters of credit	1,316,403	1,161,704

As at 30 June 2022 and 31 December 2021, customer accounts in the amount of UZS 26,690,374 and UZS 11,630,453 (66.3% and 52.3% of total customer accounts), respectively, were due to ten customers.

**20. Debt securities issued**

Debt securities issued comprise:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
Eurobonds	3,292,515	3,285,339
Certificates of deposit	30,108	49,161
<b>Debt securities issued</b>	<b>3,322,623</b>	<b>3,334,500</b>

In October 2020, the Group had issued Eurobonds in London Stock Exchange having aggregate nominal value of USD 300,000,000 (UZS 3,258,075) bearing annual interest rate of 4.85% and maturing in October 2025.

*(Millions of Uzbek Soums)***21. Other borrowed funds**

Other borrowed funds consisted of the following:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
Eximbank of China	10,548,637	11,149,236
China Development Bank Corporation	8,254,092	8,704,599
Ministry of Finance of the Republic of Uzbekistan	5,003,014	4,488,815
Fund for Reconstruction and Development of the Republic of Uzbekistan	3,210,577	3,467,706
State Development Corporation "VEB.RF"	2,406,335	2,381,773
Silk Road Fund	2,308,887	2,420,575
Natixis Bank	1,330,097	1,671,881
Deutsche Bank AG	1,338,285	1,475,310
Credit Suisse AG	1,142,598	1,223,872
Sumitomo Mitsui Banking Corporation	887,102	1,145,244
VTB Bank (EUROPE)	613,761	1,416,630
Landesbank Baden-Wuerttemberg	603,885	595,009
Eximbank of Korea	494,893	656,938
Islamic Development Bank	330,667	753,761
EXIMBANK OF RUSSIA	319,150	184,330
Baobab Securities Limited	288,184	288,321
European Bank for Reconstruction and Development	222,990	380,527
Commerzbank	142,572	170,129
Yoshlar-Kelajagimiz Fund	129,525	194,640
KEB Hana Bank	127,557	147,905
ASIAN INFRASTRUCTURE INVESTMENT BANK	119,307	-
Fund for Supporting Youth Entrepreneurship	87,331	43,192
Gazprombank JSC	81,065	106,470
Eximbank of Turkey	70,710	81,335
Uzbekistan Mortgage Refinancing Company	40,726	20,356
Agency for the Promotion of Export under the MIFT of the Republic of Uzbekistan	21,219	31,580
Central Bank of the Republic of Uzbekistan	-	42,570
Other	186,397	133,772
<b>Other borrowed funds</b>	<b>40,309,563</b>	<b>43,376,476</b>

As at 30 June 2022 the Group entered into multiple loan agreements and withdrew on existing agreements with the following creditors on the following terms:

- ▶ The Group received funds in the amount of USD 12,043,891 (the equivalent of UZS 134,522) from the Eximbank of China under the loan agreement dated August 2021 with a total commitment of USD 127,500,000.
- ▶ The Group entered into a new loan agreement with China Development Bank Corporation in December 2021 with a total commitment of USD 200,000,000 with the tenor of 10 years, including a 3-year grace period. The purpose of the loan agreement is to finance the projects with the participation of the Chinese suppliers. The drawdown commenced in 2022. The total amount utilized is USD 2,507,500 (the equivalent of UZS 27,332).
- ▶ The Group received funds in the amount of EUR 7,680,673 (the equivalent of UZS 94.975) from Landesbank Baden-Wuerttemberg under the individual loan agreement dated August 2021.
- ▶ Prior to the Russia – Ukraine conflict and sanction, the Group received funds in the amount of RUB 225,231,241 (the equivalent of UZS 32,266) from the Eximbank of Russia based of the loan agreement concluded in December 2020.
- ▶ In accordance with the loan agreement concluded in December 2021, Asian Infrastructure Investment Bank allocated to the Group USD 10,961,833 (the equivalent of UZS 123,669).
- ▶ The Group received funds in the amount of UZS 17,804 from the Fund for Reconstruction and Development of the Republic of Uzbekistan to finance the innovative, start-up business projects of youth under the Presidential Decree No. PP-6260 dated 13 July 2021.
- ▶ The Group entered into two individual loan agreements with Commerzbank AG on May and June 2022 with the total amount of EUR 37,395,000 to finance the investment projects in the textile industry.



*(Millions of Uzbek Soums)***21. Other Borrowed funds (continued)**

- ▶ On the basis of loan agreements concluded with the Ministry of Finance of the Republic of Uzbekistan (MoF) in December 2021, in January 2022 the Group received UZS 685,496 for financing projects in the education and production sectors. Also, in February under the existing loan agreements the Group redirected received funds from the MoF UZS 12,710 to the projects in food industry. To stimulate the PPP projects in the field of education UZS 16,656 were utilized under the loan agreements dated March, April and June of 2022.
- ▶ The Group utilized in total UZS 46,903 based on the loan agreement in May 2021. The funds were directed to finance the investment projects of young entrepreneurs in the "Youth Industrial and Entrepreneurial Zones".
- ▶ The Group received funds of IBRD in the amount of USD 5,867,500 (the equivalent of UZS 64,483) for the projects promoting energy efficiency in industrial spheres.
- ▶ On the basis of the loan agreement, concluded with the Uzbekistan Mortgage Refinancing Company, the Group utilized UZS 20,118 to provide mortgage loans to customers.
- ▶ The Group received funds in the amount of USD 1,950,000 (the equivalent of UZS 21,815) to finance export-oriented projects.

In 2022 the Group repaid loans in the total amount of 3,966,984 UZS under the loan agreements with Eximbank of Turkey, Eximbank of Korea, Eximbank of China, Central Bank of the Republic of Uzbekistan, Fund for Reconstruction and Development of the Republic of Uzbekistan, Fund for Supporting Youth Entrepreneurship, "Yoshlar-Kelajagimiz" Fund, Qashqadaryo Viloyat Hokimligi, Fund of Tashkent region Provision and Prosperity, Fund for Development of Children Sport, Ministry of Finance of the Republic of Uzbekistan, Islamic Development Bank, European Bank for Reconstruction and Development China Development Bank Corporation, Gazprombank JSC, VTB Bank (Europe), Agency for the Promotion of Export under the MIFT of the Republic of Uzbekistan Sumitomo Mitsui Banking Corporation, Raiffeisen Bank International AG, Natixis Bank, Landesbank Baden-Wuerttemberg KEB Hana Bank, Instituto de Credito Oficial, Deutsche Bank AG and Commerzbank.

**22. Subordinated loans**

Subordinated loans consisted of the following:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
International Bank for Reconstruction and Development	959,457	957,528
Ministry of Finance of the Republic of Uzbekistan	361,049	361,055
Asian Development Bank	296,117	293,904
<b>Subordinated loans</b>	<b>1,616,623</b>	<b>1,612,487</b>

**23. Equity**

At the Shareholders' meeting in January 2022, the Group declared dividends in respect of 2020 in the amount of UZS 512,178 on ordinary shares. UZS 486,569 of the declared dividends was capitalized to Share Capital in proportion to the size of share of shareholders. The Group paid the remaining UZS 25,609 as tax on capitalization of dividends.

At the Shareholders' meeting in May 2022, the Group declared dividends in respect of 2021 in the amount of UZS 60,683 on ordinary shares.

During the first half of 2022, based on the Presidential Decree №168 "On measures to further accelerate privatization processes of state assets", the Group transferred Common Republican Processing Center LLC, its subsidiary, and equity securities to "State Assets Management Agency". Furthermore, following the same Decree, the Group settled the 2021 transfer of Tashkent Palace New LLC, another subsidiary, for the decrease in Share capital. As a result of these transactions, the Group decreased Share capital for the amount of UZS 68,121, based on this Decree. The difference between the Net book value and the amount of transfer of Common Republican Processing Center LLC was recognized as a reduction in Retained Earnings (see Note 27).

**Other reserves**

Other reserve represents exchange difference arising from the translation of the financial statements of foreign subsidiary JSCB Asia Invest Bank.

*(Millions of Uzbek Soums)***24. Commitments and contingencies****Operating environment**

The disruption of the global supply chains, conflict between the Russian Federation and Ukraine as well as rising consumer demand for goods lead to significant inflationary pressure to the global economy in 2022, including soaring commodity prices.

Uzbekistan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Uzbekistan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the government.

Management of the Group is monitoring developments in the current environment and taking measures it considered necessary in order to support the sustainability and development of the Group's business in the current circumstances.

**Legal**

In the ordinary course of business, the Group is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial condition or the results of future operations of the Group.

**Taxation**

Uzbekistan currently has a number of laws related to various taxes imposed by both state and regional governmental authorities. Implementing regulations are often unclear or non-existent and few precedents have been established. Often, differing opinions regarding legal interpretation exist both among and within government ministries and organizations (like the State Tax Committee of the Republic of Uzbekistan and its various inspectorates) thus creating uncertainties and areas of conflict. Tax declarations, together with other legal compliance areas (as examples, customs and currency control matters) are subject to review and investigation by a number of authorities that are empowered by law to impose extremely severe fines, penalties and interest charges. These facts create tax risks in Uzbekistan substantially more significant than typically found in countries with more developed tax systems. Management believes that the Group is in substantial compliance with the tax laws affecting its operations. However, the risk remains that relevant authorities could take differing positions with regard to interpretive issues.

As at 30 June 2022 management believes that its interpretation of the relevant legislation is appropriate and that the Group's tax, currency and customs positions will be sustained.

In the normal course of business, the Group is a party to financial instruments with off-balance sheet risk in order to meet the needs of its customers. These instruments, involving varying degrees of credit risk, are not reflected in the consolidated statement of financial position.

The Group uses the same credit control and management policies in undertaking off-balance sheet commitments as it does for on-balance operations.

The risk-weighted amount is obtained by applying credit conversion factor and counterparty risk weightings according to the principles employed by the Basle Committee on Banking Supervision.

Group's commitments and contingencies comprised the following:

	<b>30 June 2022</b> <b>(unaudited)</b>	<b>31 December</b> <b>2021</b>
<b>Credit related commitments</b>		
Letters of credit	2,980,043	4,385,071
Undrawn loan commitments	6,505,291	5,926,392
Financial guarantees	2,029,752	1,374,355
	<b>11,515,086</b>	<b>11,685,817</b>
<b>Other commitments</b>		
Performance guarantees	200,118	285,294
	<b>200,118</b>	<b>285,294</b>
<b>Commitments and contingencies</b>	<b>11,715,204</b>	<b>11,971,111</b>
Provision for ECL for credit related commitments	(178,285)	(153,054)
Deposits held as securities against letters of credit	(1,316,403)	(1,161,704)

*(Millions of Uzbek Soums)***24. Commitments and contingencies (continued)**

All balances of commitments and contingencies are allocated to Stage 1. An analysis of changes in the ECL allowances during the six months ended 30 June 2022 is as follows:

<i>Undrawn loan commitments</i>	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>ECL allowance as at 1 January</b>	<b>47,945</b>	<b>11,146</b>
New exposures	56,615	37,901
Amounts paid	(27,323)	(9,165)
Changes to models and inputs used for ECL calculations	(8,427)	2,605
<b>At 30 June</b>	<b>68,810</b>	<b>42,487</b>
<i>Letters of credit</i>	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>ECL allowance as at 1 January</b>	<b>46,308</b>	<b>24,147</b>
New exposures	25,485	4,375
Amounts paid	(38,287)	(13,476)
Changes to models and inputs used for ECL calculations	(2,131)	-
<b>At 30 June</b>	<b>31,375</b>	<b>15,046</b>
<i>Financial guarantees</i>	<b>2022</b> <i>(unaudited)</i>	<b>2021</b> <i>(unaudited)</i>
<b>ECL allowance as at 1 January</b>	<b>58,801</b>	<b>40,548</b>
New exposures	36,976	377
Amounts paid	(19,713)	741
Changes to models and inputs used for ECL calculations	2,036	(6,317)
<b>At 30 June</b>	<b>78,100</b>	<b>35,349</b>

**25. Fair values of financial instruments****Fair value measurement procedures**

The Group's investment committee determines the policies and procedures for both recurring fair value measurement, such as investment securities and for non-recurring measurement, such as assets held for sale.

At each reporting date, the investment committee analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the investment committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The investment committee also compares each the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. On an interim basis, the investment committee present the valuation results to the audit committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

*(Millions of Uzbek Soums)***25. Fair values of financial instruments (continued)****Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- ▶ Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- ▶ Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- ▶ Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

The following table shows an analysis of financial instruments recorded at fair value measurement at the end of reporting period by level of the fair value hierarchy:

<i>At 30 June 2022 (unaudited)</i>	<i>Date of valuation</i>	<i>Fair value measurement using</i>			<i>Total</i>
		<i>Quoted prices in active markets (Level 1)</i>	<i>Significant observable inputs (Level 2)</i>	<i>Significant unobservable inputs (Level 3)</i>	
<b>Assets measured at fair value</b>					
Investment securities - equity securities at FVOCI	30-Jun-22	-	-	102,674	<b>102,674</b>
Derivative assets	30-Jun-22	-	-	52,208	<b>52,208</b>
<b>Assets for which fair values are disclosed</b>					
Cash and cash equivalents	30-Jun-22	33,982,044	-	-	<b>33,982,044</b>
Amounts due from credit institutions	30-Jun-22	-	2,983,756	-	<b>2,983,756</b>
Investment securities measured at amortised cost	30-Jun-22	-	580,884	-	<b>580,884</b>
Loans to customers	30-Jun-22	-	-	77,143,367	<b>77,143,367</b>
<b>Liabilities for which fair values are disclosed</b>					
Amounts due to CBU	30-Jun-22	1,282,497	-	-	<b>1,282,497</b>
Amounts due to credit institutions	30-Jun-22	-	14,720,790	-	<b>14,720,790</b>
Amounts due to customers	30-Jun-22	-	-	41,207,551	<b>41,207,551</b>
Debt securities issued	30-Jun-22	-	3,034,528	-	<b>3,034,528</b>
Other borrowed funds	30-Jun-22	-	-	38,682,192	<b>38,682,192</b>
Subordinated loans	30-Jun-22	-	-	1,588,010	<b>1,588,010</b>

*(Millions of Uzbek Soums)***25. Fair values of financial instruments (continued)****Fair value hierarchy (continued)**

<i>At 31 Decembet 2021</i>	<i>Date of valuation</i>	<i>Fair value measurement using</i>			<i>Total</i>
		<i>Quoted prices in active markets (Level 1)</i>	<i>Significant observable inputs (Level 2)</i>	<i>Significant unobservable inputs (Level 3)</i>	
<b>Assets measured at fair value</b>					
Investment securities - equity securities at FVOCI	31-Dec-21	-	-	108,301	<b>108,301</b>
<b>Assets for which fair values are</b>					
Cash and cash equivalents	31-Dec-21	10,185,391	-	-	<b>10,185,391</b>
Amounts due from credit institutions	31-Dec-21	-	-	2,689,453	<b>2,689,453</b>
amortised cost	31-Dec-21	-	-	1,014,191	<b>1,014,191</b>
Loans to customers	31-Dec-21	-	-	74,132,435	<b>74,132,435</b>

<i>At 31 Decembet 2021</i>	<i>Date of valuation</i>	<i>Fair value measurement using</i>			<i>Total</i>
		<i>Quoted prices in active markets (Level 1)</i>	<i>Significant observable inputs (Level 2)</i>	<i>Significant unobservable inputs (Level 3)</i>	
<b>Liabilities for which fair values are disclosed</b>					
Amounts due to CBU	31-Dec-21	708,828	-	-	<b>708,828</b>
Amounts due to credit institutions	31-Dec-21	-	-	3,085,264	<b>3,085,264</b>
Amounts due to customers	31-Dec-21	-	-	22,767,396	<b>22,767,396</b>
Derivative liabilities	31-Dec-21	-	-	41,491	<b>41,491</b>
Debt securities issued	31-Dec-21	-	3,334,500	-	<b>3,334,500</b>
Other borrowed funds	31-Dec-21	-	-	41,625,290	<b>41,625,290</b>
Subordinated loans	31-Dec-21	-	-	1,583,947	<b>1,583,947</b>

*Recurring fair value measurements*

The following is a description of the determination of fair value for recurring fair value measurements which are recorded using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments.

*Derivatives*

Derivatives valued using a valuation technique with market observable inputs are mainly interest rate swaps, currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.

Derivatives valued using a valuation technique with significant non-market observable inputs are primarily long dated option contracts. These derivatives are valued using the binomial models. The models incorporate various non-observable assumptions, which include market rate volatilities.

*(Millions of Uzbek Soums)***25. Fair values of financial instruments (continued)****Fair value hierarchy (continued)***Fair value of financial assets and liabilities not carried at fair value*

Set out below is a comparison by class of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the consolidated statement of financial position. The table does not include the fair values of non-financial assets and non-financial liabilities.

	<b>At 30 June 2022 (unaudited)</b>			<b>At 31 December 2021</b>		
	<b>Carrying value</b>	<b>Fair value</b>	<b>Unrecog- nised gain/(loss)</b>	<b>Carrying value</b>	<b>Fair value</b>	<b>Unrecog- nised gain/(loss)</b>
<b>Financial assets</b>						
Amounts due from credit institutions	2,974,334	2,983,756	9,422	2,680,960	2,689,453	8,493
Loans to customers	77,242,489	77,143,367	(99,122)	72,089,675	71,997,165	(92,510)
Investment securities - debt securities at amortised cost	575,399	580,884	5,485	1,004,615	1,014,191	9,576
<b>Financial liabilities</b>						
Amounts due to CBU	1,282,497	1,282,497	-	708,828	708,828	-
Amounts due to credit institutions	14,711,553	14,720,790	(9,237)	3,083,328	3,085,264	(1,936)
Amounts due to customers	40,259,425	41,207,551	(948,126)	22,243,551	22,767,396	(523,845)
Debt securities issued	3,322,623	3,034,528	288,095	3,334,500	3,334,500	-
Other borrowed funds	40,309,563	38,682,192	1,627,371	43,376,477	41,625,290	1,751,187
Subordinated loans	1,616,623	1,588,010	28,613	1,612,487	1,583,947	28,540
<b>Total unrecognised change in fair value</b>			<b>902,501</b>			<b>1,179,505</b>

*Investment securities*

Trading securities and investment securities valued using a valuation technique or pricing models primarily consist of unquoted equity and debt securities. These securities are valued using models which sometimes only incorporate data observable in the market and at other times use both observable and non-observable data. The non-observable inputs to the models include assumptions regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

Transfers between levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.



*(Millions of Uzbek Soums)***25. Fair values of financial instruments (continued)****Fair value hierarchy (continued)***Movements in level 3 financial instruments measured at fair value*

The following tables show a reconciliation of the opening and closing amount of Level 3 financial assets and liabilities which are recorded at fair value:

	<i>At 1 January 2022</i>	<i>Total gain recorded in profit or loss (unaudited)</i>	<i>Purchases (unaudited)</i>	<i>Sales (unaudited)</i>	<i>Settlements (unaudited)</i>	<i>At 30 June 2022 (unaudited)</i>
<b>Financial assets</b>						
Derivative financial instruments	-	93,699	-	-	(41,491)	52,208
Investment securities - equity securities at FVOCI	108,302	54	-	(4,527)	(1,156)	102,674
<b>Total level 3 financial assets</b>	<b>108,302</b>	<b>93,753</b>	<b>-</b>	<b>(4,527)</b>	<b>(42,647)</b>	<b>154,882</b>
<b>Financial liabilities</b>						
Derivative financial instruments	41,491	-	-	-	(41,491)	-
<b>Total level 3 financial liabilities</b>	<b>41,491</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(41,491)</b>	<b>-</b>
<b>Total net level 3 financial assets/(liabilities)</b>	<b>66,811</b>	<b>93,753</b>	<b>-</b>	<b>(4,527)</b>	<b>(1,156)</b>	<b>154,882</b>

During the six-months period ended 30 June 2022 and 2021, there were no transfers between the level of fair value hierarchy.

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

	<i>Six months ended 30 June 2022 (unaudited)</i>			<i>Year ended 31 December 2021</i>		
	<i>Realized gains</i>	<i>Unrealized gains</i>	<i>Total</i>	<i>Realized gains</i>	<i>Unrealized gains</i>	<i>Total</i>
Total gains included in the profit or loss for the period	-	93,699	<b>93,699</b>	-	(154,291)	<b>(154,291)</b>

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**25. Fair values of financial instruments (continued)****Fair value hierarchy (continued)**

The following table shows the quantitative information about significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy:

<i>30 June 2022 (unaudited)</i>	<i>Carrying amount</i>	<i>Valuation techniques</i>	<i>Unobservable input</i>	<i>Range (weighted average)</i>	<i>Sensitivity of the input to fair value</i>
<b>Derivative financial instruments</b>					
Foreign currency swaps	52,208	Discounted cash flow of dividend payments	Discount rate	13-17% (15%)	2% increase (decrease) in the discount rate would result in an increase (decrease) in fair value of the Derivative financial instruments by UZS 17,416 / (UZS 19,613)
<b>Investment securities measured at FVOCI</b>					
Equity securities	102,674	Discounted cash flow of dividend payments	Discount rate	13-17% (15%)	2% increase (decrease) in the discount rate would result in an increase (decrease) in fair value of the Investment securities measured at FVOCI by UZS 918 / (UZS 918)
<i>31 December 2021</i>	<i>Carrying amount</i>	<i>Valuation techniques</i>	<i>Unobservable input</i>	<i>Range (weighted average)</i>	<i>Sensitivity of the input to fair value</i>
<b>Derivative financial instruments</b>					
Foreign currency swaps	41,491	Discounted cash flow of dividend payments	Discount rate	12-16% (14%)	2% increase (decrease) in the discount rate would result in an increase (decrease) in fair value of the Derivative financial instruments by UZS 20,440 / (UZS 21,679)
<b>Investment securities measured at FVOCI</b>					
Equity securities	108,301	Discounted cash flow of dividend payments	Discount rate	12-16% (14%)	2% increase (decrease) in the discount rate would result in an increase (decrease) in fair value of the Investment securities measured at FVOCI by UZS 1,018 / (UZS 1,018)

**26. Related party disclosures**

In accordance with IAS 24, *Related Party Disclosures*, parties are considered to be related if one party has the ability to control the other party or 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.

Related parties may enter into transactions which unrelated parties might not, and transactions between related parties may not be affected on the same terms, conditions and amounts as transactions between unrelated parties.

**Transactions with government-related entities**

The Government of the Republic of Uzbekistan, acting through The Fund for Reconstruction and Development of the Republic of Uzbekistan and The Ministry of Finance of the Republic of Uzbekistan controls over the Group.

The Government of the Republic of Uzbekistan, directly and indirectly controls and has significant influence over a significant number of entities through its government agencies and other organizations (together referred to as "government-related entities"). The Group enters into banking transactions with these entities including but not limited to lending, deposit taking, cash settlement, foreign exchange, providing guarantees, as well as securities and derivative transactions. These transactions comprise a large portion of the Group's transactions.

Transactions between the Bank and its subsidiaries, which are related parties of the Bank, have been eliminated on consolidation and are not disclosed in this note and are excluded from the consolidated financial statements

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## 26. Related party disclosures (continued)

### Transactions with government-related entities (continued)

The outstanding balances of related party transactions are as follows:

	30 June 2022 (unaudited)				31 December 2021					
	Parent	Government controlled entities	Associates	Key management personnel	Total category as per financial statement caption	Parent	Government controlled entities	Associates	Key management personnel	Total category as per financial statement caption
Cash and cash equivalents	-	6,538,714	-	-	33,982,044	-	2,619,627	146,175	-	10,185,391
Due from credit institutions	-	592,096	-	-	2,974,334	-	1,350,859	-	-	2,680,960
Investment securities	-	526,528	-	-	678,073	-	1,112,916	-	-	1,112,917
Loans to customers	-	37,554,543	4,066,764	-	77,242,489	-	37,520,735	3,097,996	-	72,089,675
Allowance for impairment losses – loans to customers	-	(1,265,593)	(1,462,881)	-	(5,453,224)	-	(1,779,223)	(221,196)	-	(4,267,176)
Debt securities	-	12,000	-	-	3,322,623	-	14,900	-	-	3,334,500
Subordinated loans	-	1,616,623	-	-	1,616,623	-	1,612,487	-	-	1,612,487
Amounts due to CBU	-	1,282,497	-	-	1,282,497	-	708,828	-	-	708,828
Customer accounts	-	12,293,787	36,621	-	40,259,425	-	9,899,302	28,802	-	22,243,551
Due to credit institutions	-	2,086,533	-	-	14,711,553	-	1,273,216	12,827	-	3,083,328
Other borrowed funds	3,210,577	3,599,141	-	-	40,309,563	3,467,706	4,820,504	-	-	43,376,477
Guarantees	-	2,015,369	-	-	2,229,871	-	1,659,649	-	-	1,659,649
Letters of credit	-	2,125,172	-	-	2,980,043	-	4,385,071	-	-	4,385,071

The income and expense arising from related party transactions are as follows:

	30 June 2022 (unaudited)				For the six months ended 30 June 2021 (unaudited)					
	Parent	Government controlled entities	Associates	Key management personnel	Total category as per financial statement caption	Parent	Government controlled entities	Associates	Key management personnel	Total category as per financial statement caption
Interest income on loans	-	941,503	123,788	-	3,055,100	-	1,169,634	22,675	-	2,794,901
Impairment charge for loans	-	513,630	(1,241,685)	-	(1,245,784)	-	(125,861)	(28,938)	-	(956,111)
Interest expense on deposits	-	(284,632)	(488)	-	(536,407)	(3,593)	(120,428)	-	-	(320,004)
Amounts due to CBU	-	-	-	-	-	-	(12,987)	-	-	(12,987)
Interest expense on other borrowed funds	(29,242)	(22,881)	-	-	(673,068)	(53,822)	(2,123)	-	-	(592,596)
Fee and commission income	-	36,447	36,991	-	241,122	-	16,726	114	-	194,519
Fee and commission expense	(80)	(6,595)	(19)	-	(54,670)	-	(23,059)	(670)	-	(35,880)
Operating expenses	-	-	-	(3,441)	(443,251)	-	-	-	(3,487)	(218,003)
Salaries and other benefits	-	-	-	(3,072)	(363,088)	-	-	-	(3,113)	304,087
Social Security Costs	-	-	-	(369)	(41,309)	-	-	-	(374)	32,556

*(Millions of Uzbek Soums)***27. Subsidiaries**

The consolidated financial statements include the following major subsidiaries:

<b>Subsidiary</b>	<b>Principal place of business</b>	<b>Country of incorporation</b>	<b>Date of incorporation</b>	<b>Nature of activities</b>	<b>Ownership/voting, %</b>
<b>30 June 2022 (unaudited)</b>					
JSC NBU Invest Group	Tashkent	Uzbekistan	2008	Asset management	100%
NBU Samarkand Invest LLC	Samarkand	Uzbekistan	2017	Asset management	100%
NBU Gazgan Invest LLC	Navoiy	Uzbekistan	2017	Asset management	100%
Marmarobod LLC	Navoiy	Uzbekistan	2019	Manufacturing	100%
Invest Group Center LLC	Tashkent	Uzbekistan	1999	Office maintenance	100%
Royal Silk LLC	Andijan	Uzbekistan	2020	Textile	100%
NBU Bunyodkor Invest LLC	Tashkent	Uzbekistan	2017	Construction	100%
Zominsoy Development LLC	Jizzax	Uzbekistan	2021	Construction	100%
Zomin Ropeway LLC	Jizzax	Uzbekistan	2021	Service	100%
CJSC Asia Invest Bank	Moscow	Russia	1996	Banking	96%
Property Market LLC	Tashkent	Uzbekistan	2021	Trade service	96%
United National Company LLC	Tashkent	Uzbekistan	2018	Manufacturing	86%
<b>Subsidiary</b>	<b>Principal place of business</b>	<b>Country of incorporation</b>	<b>Date of incorporation</b>	<b>Nature of activities</b>	<b>Ownership/voting, %</b>
<b>31 December 2021</b>					
JSC NBU Invest Group	Tashkent	Uzbekistan	2008	Asset management	100%
NBU Samarkand Invest LLC	Samarkand	Uzbekistan	2017	Asset management	100%
NBU Gazgan Invest LLC	Navoiy	Uzbekistan	2017	Asset management	100%
NBU Bunyodkor Invest LLC	Tashkent	Uzbekistan	2017	Construction	100%
Marmarobod LLC	Navoiy	Uzbekistan	2019	Manufacturing	100%
Invest Group Center LLC	Tashkent	Uzbekistan	1999	Office maintenance	100%
Royal Silk LLC	Andijan	Uzbekistan	2020	Textile	100%
Property Market LLC	Tashkent	Uzbekistan	2021	Trade service	96%
CJSC Asia Invest Bank	Moscow	Russia	1996	Banking	96%
United National Company LLC	Tashkent	Uzbekistan	2018	Manufacturing	86%
Zarbdor Textile LLC	Jizzakh	Uzbekistan	2017	Textile	53%
Common Republican Processing Center LLC	Tashkent	Uzbekistan	2020	Payment processing	51%

**Disposal of subsidiaries***Disposal of Common Republican Processing Center LLC*

In May 2022, the Group has passed full 51% ownership in "Common Republican Processing Center" LLC to State Assets Management Agency. The transfer was made according to the Presidential Decree № 168 dated 18 March 2022.

*(Millions of Uzbek Soums)***27. Disposal of Subsidiaries (continued)**

The assets and liabilities of Common Republican Processing Center LLC as at the date of disposal were as follows:

<b>Assets</b>	
Cash and cash equivalents	9,659
Other assets	118,552
Property and equipment	101,243
Loans to customers	118,100
Investments in associates	39,599
	<u><b>387,153</b></u>
 <b>Liabilities</b>	
Other liabilities	13,292
Amounts due to credit institutions	381
	<u><b>13,673</b></u>

According to the Presidential Decree, in effect of this transaction, the share capital of the Bank was decreased by UZS 21,502. The Group also recognized decrease of UZS 168,973 in Retained earnings for the difference between the net book value and reduction in share capital.

*Disposal of Zarbdor Textile LLC*

In May 2022, the Group has disposed of its full 53% ownership in "Zarbdor Textile" LLC. The shares owned by the Group were sold to "Oq Saroy Textile" on instalment ending 5 June 2025.

The assets and liabilities of Zarbdor Textile LLC as at the date of disposal were as follows:

<b>Assets</b>	
Cash and cash equivalents	23
Other assets	5,401
Property and equipment	65,935
	<u><b>71,359</b></u>
 <b>Liabilities</b>	
Other liabilities	24,904
Amounts due to credit institutions	59,183
	<u><b>84,087</b></u>

As a result of this transaction, the Group recognized in gain on disposal of UZS 19,124.