

ANNUAL REPORT
of the issuer on the results of 2022

The issuer's body, approved the report: The Annual General Meeting of Shareholders of JSCB
“ASIA ALLIANCE BANK”

Date of the report approval: June 26, 2023

| | | |
|--|---|--|
| 1. | NAME OF THE ISSUER | |
| | Name in full | Joint-stock commercial bank “ASIA ALLIANCE BANK” |
| | Short name | AKB “ASIA ALLIANCE BANK” |
| | Ticker name | AABK |
| 2. | CONTACT DETAILS | |
| | Location: | 2a, Makhtumquli street, Tashkent, 100047, Republic of Uzbekistan |
| | Mailing address: | 2a, Makhtumquli street, Tashkent, 100047, Republic of Uzbekistan |
| | E-mail address: | info@aab.uz |
| | Official website: | aab.uz |
| 3. | BANK DETAILS | |
| | Name of the serving bank: | Tashkent Cash Settlement Centre, Central Bank of Uzbekistan |
| | Settlement account number: | 10301000200009055001 |
| | MFO | 09055 |
| 4. | REGISTRATION AND IDENTIFICATION NUMBERS ASSIGNED BY: | |
| | Registration authority: | License of the Central Bank of Uzbekistan for the implementation of banking operations No. 79 dated August 15, 2009 (re-registration No. 79 dated December 25, 2021). |
| | Bodies of the State Tax Service (TIN): | TIN of the Bank - 207018693 (State Tax Office of the Yashnabad district, Tashkent) |
| | The numbers assigned by the body of state statistical: | |
| | Form of ownership code | 144 |
| | National Classifier of Enterprises and Organisations | 22921172 |
| | All-Union Classifier of Economy Sectors | 64190 |
| | Symbols System for Administrative Territorial Formations | 1726290 |
| | INDICATORS OF THE FINANCIAL-ECONOMIC STATUS OF THE ISSUER | |
| | Return on share capital ratio | 53% |
| Current ratio of total solvency: | 381% | |
| Absolute liquidity ratio: | 76% | |
| Equity ratio of own funds: | 10% | |
| Debt to equity ratio of the issuer | 10% | |
| 6. | VOLUME OF ACCRUED INCOME ON SECURITIES IN THE REPORTING YEAR | |
| | For ordinary shares | |
| | In UZS per share: | 272,62 |
| | As a percentage to the nominal value of one share: | 109,05 |
| | On preferred shares | |
| | In UZS per share: | - |
| | In percentage to the nominal value of one share: | - |
| | On other securities | |
| In UZS per share: | 193 369,86 | |
| In percentage to the nominal value of one share: | 19,34% | |
| 7. | AVAILABLE INDEBTEDNESS ON PAYMENT OF INCOME ON SECURITIES | |
| | On ordinary shares | |
| | For the reporting period (in UZS): | - |
| | For the previous periods (in UZS): | - |
| | On preferred shares | |
| | For the reporting period (in UZS): | - |
| | For the previous periods (in UZS): | - |
| | On other securities | |
| | For the reporting period (in UZS): | - |
| For the previous periods (in UZS): | - | |

| CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD: | | | | | | |
|---|-----------------------|-------------------------------|------------------------------------|--|--------------------------------------|--|
| No | Date of changes | | Full name | Position | The issuer's body, made the decision | Elected (appointed)/ expelled (dismissed, expiration of the term of authorities) |
| | Date of decision made | Date of termination of duties | | | | |
| 1 | 11.07.2022 | 11.07.2022 | Baumeyer Stoyan | Private lawyer | General Meeting of Shareholders | Elected |
| 2 | 11.07.2022 | 11.07.2022 | Bekenov Sunatulla Khusanovich | Assistant to the head of the presidential Administration of the Republic of Uzbekistan | General Meeting of Shareholders | Elected |
| 3 | 11.07.2022 | 11.07.2022 | Gurko Alexander Olegovich | Member of the Board of Directors of JSC "GLONASS" | General Meeting of Shareholders | Elected |
| 4 | 11.07.2022 | 11.07.2022 | Mkrtchyan Ornella-Afina | Director of Gor Investment Limited | General Meeting of Shareholders | Elected |
| 5 | 11.07.2022 | 11.07.2022 | Abdukakhorov Ikram Abdukhalikovich | Member of the Supervisory Board of JSCB "ASIA ALLIANCE BANK" | General Meeting of Shareholders | Elected |
| 6 | 10.11.2022 | 10.11.2022 | Baumeyer Stoyan | Private lawyer | General Meeting of Shareholders | Expelled |
| 7 | 10.11.2022 | 10.11.2022 | Bekenov Sunatulla Khusanovich | Assistant to the head of the presidential Administration of the Republic of Uzbekistan | General Meeting of Shareholders | Expelled |
| 8 | 10.11.2022 | 10.11.2022 | Gurko Alexander Olegovich | Member of the Board of Directors of JSC "GLONASS" | General Meeting of Shareholders | Expelled |
| 9 | 10.11.2022 | 10.11.2022 | Mkrtchyan Ornella-Afina | Director of Gor Investment Limited | General Meeting of Shareholders | Expelled |
| 10 | 10.11.2022 | 10.11.2022 | Abdukakhorov Ikram Abdukhalikovich | Member of the Supervisory Board of JSCB "ASIA ALLIANCE BANK" | General Meeting of Shareholders | Expelled |
| 11 | 10.11.2022 | 10.11.2022 | Tyons Karsten Bodo | Financial consultant | General Meeting of Shareholders | Elected |
| 12 | 10.11.2022 | 10.11.2022 | Bekenov Sunatulla Khusanovich | Assistant to the head of the presidential Administration of the Republic of Uzbekistan | General Meeting of Shareholders | Elected |
| 13 | 10.11.2022 | 10.11.2022 | Gurko Alexander Olegovich | Member of the Board of Directors of JSC "GLONASS" | General Meeting of Shareholders | Elected |
| 14 | 10.11.2022 | 10.11.2022 | Mkrtchyan Ornella-Afina | Director of Gor Investment Limited | General Meeting of Shareholders | Elected |
| 15 | 10.11.2022 | 10.11.2022 | Abdukakhorov Ikram Abdukhalikovich | Member of the Supervisory Board of JSCB "ASIA ALLIANCE BANK" | General Meeting of Shareholders | Elected |
| CHANGES IN THE COMPOSITION OF THE EXECUTIVE BODY: | | | | | | |
| No | Date of changes | | Full name | Position | The issuer's body, made the decision | Elected (appointed)/ expelled (dismissed, expiration of the term of authorities) |
| | Date of decision made | Date of termination of duties | | | | |

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|---|------------|------------|------------------------------------|-------------------------------------|---------------------------------|----------|
| 1 | 11.07.2022 | 11.07.2022 | Khakimov Umidjon Abdukhalikovich | Acting Chairman of the Board | General Meeting of Shareholders | Expelled |
| 2 | 11.07.2022 | 11.07.2022 | Khazhimuratov Sherzod Yuldashevich | Acting Deputy Chairman of the Board | General Meeting of Shareholders | Expelled |
| 3 | 11.07.2022 | 11.07.2022 | Norkulov Obidjon Odilovich | Acting Deputy Chairman of the Board | General Meeting of Shareholders | Elected |
| 4 | 11.07.2022 | 11.07.2022 | Khodjaev Ravshanjon Rustamovich | Chief Accountant | General Meeting of Shareholders | Elected |
| 5 | 11.07.2022 | 11.07.2022 | Danielyan Gayane Feliksovna | Head of Legal Department | General Meeting of Shareholders | Elected |
| 6 | 11.07.2022 | 11.07.2022 | Sadirov Durbek Meylijonovich | Head of Treasury Department | General Meeting of Shareholders | Elected |
| 7 | 29.08.2022 | 29.08.2022 | Sadirov Durbek Meylijonovich | Head of Treasury Department | Supervisory Board | Expelled |
| 8 | 20.10.2022 | 20.10.2022 | Boltayev Ikhtiyor | Head of Treasury Department | Supervisory Board | Elected |

CHANGES IN THE COMPOSITION OF THE REVISION COMMISSION:

| No | Date of changes | | Full name | Position | The issuer's body, made the decision | Elected (appointed)/ expelled (dismissed, expiration of the term of authorities) |
|----|-----------------------|-------------------------------|----------------------------------|--|--------------------------------------|--|
| | Date of decision made | Date of termination of duties | | | | |
| 1 | 11.07.2022 | 11.07.2022 | Chebotareva Natalia Vladimirovna | Accountant at CONSULTING SOLUTIONS GROUP LLC | General Meeting of Shareholders | Expelled |
| 2 | 11.07.2022 | 11.07.2022 | Kuchkarov Diyar Alizhanovich | Director of Science Network Solution LLC | General Meeting of Shareholders | Expelled |
| 3 | 11.07.2022 | 11.07.2022 | Dzhioev Kazimir Lvovich | Advisor to the Director of ASIA POWER LLC | General Meeting of Shareholders | Expelled |

BASIC INFORMATION ON ADDITIONALLY ISSUED SECURITIES DURING THE REPORTING YEAR

| | | |
|----|--|---------------------------------|
| 9. | Issuer's body, made the decision on the issue: | General Meeting of Shareholders |
| | Type of security: | Simple share |
| | Number of securities: | 773 968 622 |
| | Nominal value of one security: | 250 sum |
| | Date of state registration of the issue: | November 26, 2022 |
| | Number of the state registration of the issue: | P0840-14 |
| | Method of placement: | Closed subscription |
| | Starting date of placement: | November 26, 2022 |
| | Ending date of placement: | November 26, 2022 |

ESSENTIAL FACTS IN ACTIVITIES OF THE ISSUER FOR THE REPORTING YEAR

| No | Name of essential fact | No. of essential fact | Date of occurrence of essential fact | Date of publication of essential fact |
|----|--|-----------------------|--------------------------------------|---------------------------------------|
| 1 | Decisions adopted by the issuer's supreme management body | 6 | 21.07.2022 | 25.07.2022 |
| 2 | Decisions adopted by the issuer's supreme management body | 6 | 23.09.2022 | 26.09.2022 |
| 3 | Decisions adopted by the issuer's supreme management body | 6 | 18.11.2022 | 22.11.2022 |
| 4 | Changes in the composition of supervisory board, revision commission or executive body | 8 | 21.07.2022 | 25.07.2022 |
| 5 | Changes in the composition of supervisory board, revision commission or executive body | 8 | 07.09.2022 | 08.09.2022 |
| 6 | Changes in the composition of supervisory board, revision commission or executive body | 8 | 28.10.2022 | 01.11.2022 |

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|----|--|----|------------|------------|
| 7 | Changes in the composition of supervisory board, revision commission or executive body | 8 | 18.11.2022 | 22.11.2022 |
| 8 | Concluding a transaction with an affiliate | 21 | 18.03.2022 | 25.03.2022 |
| 9 | Issue of securities | 25 | 26.10.2022 | 26.10.2022 |
| 6 | Accrual of income for securities | 32 | 12.04.2019 | 12.01.2022 |
| 7 | Accrual of income for securities | 32 | 12.04.2019 | 08.04.2022 |
| 8 | Accrual of income for securities | 32 | 12.04.2019 | 14.07.2022 |
| 9 | Accrual of income for securities | 32 | 23.09.2022 | 27.09.2022 |
| 10 | Accrual of income for securities | 32 | 12.04.2019 | 10.10.2022 |
| 10 | Changes in the list of affiliated entities | 36 | 21.01.2022 | 24.01.2022 |

BALANCE SHEET

| Categories | | thousand UZS |
|---|--|----------------------|
| Assets | | |
| 1. | Cash and other payment documents | 822 700 608 |
| 2. | Due from the Central Bank of the Republic of Uzbekistan | 1 857 757 114 |
| 3. | Due from other banks | 76 031 245 |
| 4. | Purchase and sale accounts | |
| | a. Securities | 776 024 000 |
| | b. Precious metals, coins, stones | |
| | c. Discount and premiums on securities | -28 227 218 |
| | d. Less: Provision for possible losses on purchase and sale accounts | |
| | e. Purchase and sale accounts, net | 747 796 782 |
| 5. | a. Investments | 2 658 143 |
| | b. Less: Provision for possible losses on investments | 1 040 571 |
| | c. Investments, net | 1 617 572 |
| 6. | Securities purchased under agreement with redemption | |
| 7. | Loans and leasing operations | |
| | a. Gross loans and leasing operations | 2 173 971 752 |
| | b. Leasing operations, Gross | |
| | c. Less: Provision for possible losses on loans and leasing | 37 554 459 |
| | d. Loans and leasing operations, net | 2 136 417 293 |
| 8. | a. Purchased promissory notes | |
| | b. Less: Provision for possible losses on purchased promissory notes | |
| | c. Purchased promissory notes, net | |
| 9. | Obligations of customers on financial instruments | |
| 10. | Fixed assets, net | 120 995 197 |
| 11. | Total accrued interest and non-interest income, net | 56 303 975 |
| 12. | Other own property of the bank | |
| | a. Investments in real estate | |
| | b. Other assets acquired during loan settlements | |
| | c. Less: Provision for possible losses on other own property of the bank | |
| | d. Net, other own property of the bank | 103 151 411 |
| 13. | Other assets | 188 234 173 |
| 14. | Total assets | 6 111 005 370 |
| Liabilities and shareholders' equity | | |
| Liabilities | | |
| 15. | Demand deposits | 3 291 133 810 |
| 16. | Savings deposits | |
| 17. | Fixed deposits | 1 664 886 254 |
| 18. | Due to the Central Bank of Uzbekistan | 400 299 |
| 19. | Due to other banks | 30 431 115 |
| 20. | Securities sold under agreement with subsequent redemption | |
| 21. | Loans and leasing operations due | 389 045 862 |
| 22. | Subordinated debt liabilities | |
| 23. | Accrued interest payable | 8 257 388 |
| 24. | Other liabilities | 156 126 400 |
| 25. | Total liabilities | 5 540 281 128 |
| Equity capital | | |

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| 26. Registered share capital | 380 268 579 |
| A. Shares - Ordinary | 380 268 579 |
| B. Shares - Preferred | |
| 27. Added capital | 4 014 492 |
| 28. Reserve capital | |
| a. General reserve fund | 41 469 613 |
| b. Reserves created on standart assets | |
| c. Reserve on devaluation | |
| d. Other reserves and funds | 8 384 877 |
| 29. Retained earnings | 136 586 681 |
| 30. Total Equity capital | 570 724 242 |
| 31. Total liabilities and equity capital | 6 111 005 370 |

| PROFIT AND LOSS STATEMENT | |
|---|--------------------|
| Categories | UZS thousand |
| 1. Interest income | |
| a. Interest income on accounts in the Central Bank of Uzbekistan | 5 120 548 |
| b. Interest income on the accounts in other banks | 7 406 455 |
| c. Interest income on the purchased promissory notes | |
| d. Interest income on investments | |
| e. Interest income on accounts of purchase and sale of securities | 102 774 378 |
| f. Interest income on liabilities of customers | |
| g. Interest income on liabilities of clients on unredeemed acceptances of the bank | |
| h. Percentage discount (discounts) and contributions on loans and leasing operations | 395 403 788 |
| i. Interest income under agreements on purchase of securities with redemption | 799 |
| j. Other interest income | 143 464 354 |
| k. Total interest income | 654 170 322 |
| 2. Interest expenses | |
| a. Interest expenses on demand deposits | 3 511 389 |
| b. Interest expense on savings deposits | |
| c. Interest expense on fixed deposits | 221 480 178 |
| d. Interest expense on accounts payable to the Central Bank of Uzbekistan | |
| e. Interest expense on accounts payable to other banks | 8 259 699 |
| f. Total interest expense on deposits | 233 251 266 |
| g. Interest expenses on loans payable | 10 554 213 |
| h. Interest expense on agreements for the sale of securities with subsequent repurchase | 2 950 543 |
| i. Other interest expense | 142 256 849 |
| j. Total interest expense on loans | 155 761 605 |
| k. Total interest expense | 389 012 871 |
| 3. Net interest income before assessment of possible losses on assets | 265 157 451 |
| a. Less: Assessment of possible losses on assets | 124 897 318 |
| b. Net interest income after assessment of possible losses on loans and leasing | 140 260 133 |
| 4. Interest-free income | |
| a. Income from commissions and fees for services | 195 297 846 |
| b. Profit in foreign currency | 259 267 688 |
| c. Profit from commercial operations | |
| d. Profit and dividends from investments | 1 728 815 |
| e. Other interest-free income | 100 197 822 |
| e. Total interest-free income | 556 492 171 |
| 5. Interest-free expenses | |
| a. Commission expenses and expenses for services | 87 367 180 |
| b. Losses in foreign currency | 115 625 557 |
| c. Losses on purchase and sales accounts | |
| d. Losses on investments | |
| e. Other interest-free expenses | 145 182 |
| f. Total interest-free expenses | 203 137 919 |
| 6. Net income before operating expenses | 493 614 385 |
| 7. Operating expenses | |
| a. Salaries and other expenses for employees | 162 566 725 |
| b. Rent and maintenance | 23 511 786 |
| c. Business trip and transport expenses | 2 087 964 |
| d. Administrative expenses | 10 139 543 |
| e. Representation and charity | 12 520 464 |
| f. Depreciation expenses | 26 143 199 |

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|-----|--|------------------------------------|--|--|---------------------------------------|--|---|
| | g. Insurance, taxes and other expenses | | | | | | 9 714 727 |
| | h. Total operating expenses | | | | | | 246 684 408 |
| | 8. Assessment of non-credit losses | | | | | | 11 464 056 |
| | 9. Net profit before taxes and other adjustments | | | | | | 235 465 922 |
| | a. Assessment of income tax | | | | | | 34 168 588 |
| | 10. Profit before amendments | | | | | | 201 297 334 |
| | a. Unforeseen income or loss, net | | | | | | |
| | b. Other adjustments to profit, net | | | | | | |
| | 11. Net profit (loss) | | | | | | 201 297 334 |
| | INFORMATION ON RESULTS OF AUDIT | | | | | | |
| 13. | Name of the audit organization: | | | Audit organization "Ernst & Young" LLC | | | |
| | Date of the license issue: | | | 22.07.2019 | | | |
| | License number: | | | 11 | | | |
| | Type of conclusion | | | Positive | | | |
| | Date of the audit report: | | | 14.04.2023 | | | |
| | Number of the audit report: | | | - | | | |
| | Full name of auditor (auditors) who conducted the audit: | | | Anvarkhon Azamov | | | |
| | Copy of the audit report: | | | Attached | | | |
| | LIST OF CONCLUDED MAJOR TRANSACTIONS IN THE REPORTING YEAR | | | | | | |
| 14. | No | Date of transaction | Name or full name of the counterparty | Subject of the transaction | Amount | Who the issuer is in the transaction (acquirer / alienator of goods and services) | |
| | - | - | - | - | - | - | |
| | LIST OF COCCLUDED TRANSACTIONS WITH AFFILIATED ENTITIES IN THE REPORTING YEAR | | | | | | |
| 15. | No | Date of transaction | Name or full name of counterparty | Subject of transaction | Amount | Issuer's body, made decision on transactions | Full formulation of decisions made on transactions |
| | 1 | March 18, 2022 | Subsidiary Enterprise "SIS-TRAVEL" | Issuance of a guarantee | 300 293 140,50 | Supervisory Board | Confirm the decision of the Bank's Board of Directors to issue a bank guarantee to Subsidiary Enterprise "SIS-TRAVEL" |
| | LIST OF AFFILIATED ENTITIES (As of the year ended December 31, 2022) | | | | | | |
| 16. | No | Full name | Location (place of residence) (state, region, city, district) | The basis on which they are recognized as affiliated entities | Date (onset of the ground (s)) | | |
| | 1 | Thons Carsten Bodo | Germany | Member of the Supervisory Board | 18.11.2022 | | |
| | 2 | Bekenov Sunatulla Khusanovich | Tashkent, Republic of Uzbekistan | Member of the Supervisory Board | 18.10.2021 | | |
| | 3 | Gurko Alexander Olegovich | Israel | Member of the Supervisory Board | 18.10.2021 | | |
| | 4 | Mkrtchyan Ornella-Athena | Republic of Cyprus | Member of the Supervisory Board | 18.10.2021 | | |
| | 5 | Abdukakhorov Ikram Abdukhalikovich | Tashkent, Republic of Uzbekistan | Member of the Supervisory Board | 18.10.2021 | | |
| | 6 | Khakimov Umidjon Abdukhalikovich | Tashkent, Republic of Uzbekistan | Chairman of the Management Board | 10.09.2020 | | |
| | 7 | Khajimuratov Sherzod Yuldashovich | Tashkent, Republic of Uzbekistan | Member of the Management Board | 10.09.2020 | | |
| | 8 | Norkulov Obidjon Odilovich | Tashkent, Republic of Uzbekistan | Member of the Management Board | 10.09.2020 | | |
| | 9 | Khodjaev Ravshanjon Rustamovich | Tashkent, Republic of Uzbekistan | Member of the Management Board | 10.09.2020 | | |
| | 10 | Danielyan Gayane Feliksovna | Tashkent, Republic of Uzbekistan | Member of the Management Board | 10.09.2020 | | |
| | 11 | Boltayev Ikhtiyor | Tashkent, Republic of Uzbekistan | Member of the Management Board | 28.10.2022 | | |

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| 12 | GOR INVESTMENT LIMITED | UK, London | A legal entity being owner of twenty or more percent of shares of the Bank | 05.08.2021 |
| 13 | ASIA ALLIANCE GROUP LLC | Tashkent city, Yashnabad district, Karasu st., no. 23 | A legal entity being owner of twenty or more percent of shares of the Bank | 05.08.2021 |
| 14 | “Absolut Leasing” SC LLC | 53A, Chilanzar str., Chilanzar district, Tashkent | Subsidiary company of the Bank | 15.04.2010 |
| 15 | «ECO-TECH GROUP» LLC | Tashkent, Mirzo Ulugbek district, Alay street, 23, apt. 23 | A legal entity being owner of twenty or more percent of shares of the Bank | 05.08.2021 |
| 16 | SCIENCE NETWORK SOLUTION LLC | Tashkent, Mirzo Ulugbek district, st. Olmachi d-17 | A legal entity whose twenty or more percent share in the Charter Fund (Charter Capital) is being possessed by that same person, who possesses twenty or more percent share in the Charter Fund (Charter Capital) of the Bank | 05.08.2021 |
| 17 | STEEL TECHNOLOGY LLC | Tashkent region, Almalik, Mustakillik st., no. 41 | A legal entity where duties of head of management board is carried by the same person and his/her close relatives who are members of management board of the Bank | 05.08.2021 |
| 18 | SWIFTYLOAN LLC | Tashkent city, Mirabad district, T. st. Shevchenko, d-36A | | 05.08.2021 |
| 19 | Subsidiary Enterprise "SIS-TRAVEL" | Tashkent, Yakkasaray district, U. Nasir st., 13a | | 05.08.2021 |
| 20 | SKB-ENERGETIKA ASBOB USKUNALARINI TAKOM B-CHA M.KONST.BYUROSI | Tashkent city, Shaykhantakhur district, Zulfiyahanim st., no. 12 | | 05.08.2021 |
| 21 | CENTER FOR YOUTH INITIATIVES LLC | Tashkent city, M. Ulugbek district, st. Durmon Yuli, d-40 | | 28.10.2021 |

Acting Chairman of the Management Board

Khakimov Umidjon Abdukhalikovich

Chief Accountant

Khodjaev Ravshanjon Rustamovich

Head of Treasury Department

Boltayev Ikhtiyor