

**Joint Stock Commercial Bank
"ASIA ALLIANCE BANK"
and its subsidiary**

**Consolidated financial statements
and independent auditor's report**

for the year ended 31 December 2024

STATEMENT OF MANAGEMENT ON RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

Management is responsible for the preparation of consolidated financial statements that reflect fairly the financial position of ASIA ALLIANCE BANK and its subsidiary (hereinafter referred to as the "Group") as of 31 December 2024 and the relevant consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, as well as the disclosure of the basic accounting policy principles and other notes to the consolidated financial statements (hereinafter referred to as "consolidated financial statements") in accordance with International Financial Reporting Standards (hereinafter referred to as "IFRS").

In preparing the consolidated financial statements, management is responsible for:

- ▶ Ensuring the correct selection and application of accounting policy principles;
- ▶ Presentation of information, including accounting policy data, in the form that ensures the relevance, reliability, comparability and understandability of such information;
- ▶ Disclosure of additional information in cases where compliance with IFRS requirements is not sufficient for users to understand the impact that certain transactions, as well as other events or conditions have on the financial position and financial performance of the Group; and
- ▶ Assessment of the Group's ability to continue operations for the foreseeable future.

Management is also responsible for:


- ▶ Development, implementation and maintenance of an effective and reliable internal control system at all enterprises of the Group;
- ▶ Keeping records in the manner that allows disclosing and explaining the transactions of the Group, as well as at any date providing information of sufficient accuracy about the consolidated financial position of the Group and ensuring compliance of the consolidated financial statements with IFRS;
- ▶ Accounting in accordance with the legislation and accounting standards of the Republic of Uzbekistan;
- ▶ Taking all reasonably possible measures to ensure the safety of the Group's assets; and
- ▶ Detection and prevention of fraud and other violations.

These consolidated financial statements for the year ended 31 December 2024 were approved by the Group Management Board as of 28 March 2025.

On behalf of the Board



Abduazimov U.A.
Chairman of the Board



Khodjaev R.R.
Chief Accountant

28 March 2025
Tashkent, Uzbekistan



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Supervisory Board of Joint-Stock Commercial Bank Asia Alliance Bank
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Asia Alliance Bank and its subsidiaries (hereinafter the Group), which comprise the consolidated statement of financial position as of 31 December 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

To the Shareholders and the Supervisory Board of Joint-Stock Commercial Bank Asia Alliance Bank. We conducted the audit in accordance with the International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Standards of Independence) (IESBA Code) adopted by the International Ethics Standards Board for Accountants (IESBA) and the ethical requirements applicable to our audit of the consolidated financial statements in Uzbekistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the SMSEB Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters

How the matter was addressed in the audit

Expected Credit Losses on Loans to Customers

The measurement of expected credit losses ("ECL") on loans to customers based on the requirements of IFRS 9 Financial Instruments ("IFRS 9") is a key area of management judgment.

The assessment of events that cause a significant increase in credit risk, the determination of the probability of default, the allocation of assets into the three impairment stages and the analysis of the criteria for transition between stages require significant professional judgment and the use of assumptions.

Calculating ECL involves the use of estimation techniques with unobservable inputs, including the determination of the probability of default, exposure at default and loss given default based on observable historical data adjusted for forward-looking information, including forecast macroeconomic parameters.

The use of different models and assumptions may result in material differences in the estimates of the impairment allowance for loans to customers. Due to the significance of the carrying amount of loans to customers to the Group's consolidated financial position and the complexities and judgements involved in estimating ECL, we considered this area a key audit matter.

Information about the ECL allowance and management's approach to estimating the allowance and managing credit risk is disclosed in Notes 3, 8 and 31 to the consolidated financial statements.

Our audit procedures included assessing the methodology developed by the Group for calculating ECL for loans to customers, reviewing controls over the customer lending process, including reviewing controls over recording past due debt, procedures for assessing events that cause a significant increase in credit risk for borrowers based on internal classification, and procedures for calculating the ECL allowance. We analyzed the consistency of judgments made by the Group's management in calculating the allowance for impairment of assets.

For the allowance calculated on a portfolio basis, we assessed the underlying models, key inputs and assumptions used by the Group to calculate ECL, as well as the loan stage allocation. We assessed management's judgments in determining whether there has been a significant increase in credit risk on an individual basis. For selected impaired loans, we analyzed the expected cash flows from the sale of collateral and repayment of cash. We recalculated the allowance for ECL. We analyzed the disclosures in the notes to the consolidated financial statements about the allowance for loans to customers.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the

European Union, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the results of the audit in accordance with the requirements of the Law of the Republic of Uzbekistan dated November 5, 2019 No. ZRU-580 "On banks and banking activities"

The Group's management is responsible for the Bank's compliance with prudential standards established by the Central Bank of the Republic of Uzbekistan, as well as for the compliance of the Bank's internal control and risk management systems with the requirements of the Central Bank of the Republic of Uzbekistan.

In accordance with Article 74 of the Law of the Republic of Uzbekistan dated November 5, 2019 No. ZRU-580 "On banks and banking activities" (hereinafter referred to as the "Law"), we carried out procedures to verify:

- compliance by the Bank as of December 31, 2024 with the prudential requirements established by the Central Bank of the Republic of Uzbekistan;
- compliance of elements of internal control and risk management systems of the Bank with the requirements of the Central Bank of the Republic of Uzbekistan.

The procedures we have selected were based on our judgment and were limited to analysis, examination of documents, comparison of the Bank's internal policies, procedures and methodologies approved by the Bank with the requirements of the Central Bank of the Republic of

Uzbekistan, as well as recalculation, comparison and reconciliation of numerical indicators and other information.

The results of the procedures we have performed are presented below.

As a result of the procedures we have performed in terms of the Bank's compliance with the prudential requirements established by the Central Bank of the Republic of Uzbekistan, we have established that the values of the Bank's prudential requirements as of December 31, 2024 were within the limits established by the Central Bank of the Republic of Uzbekistan.

We did not perform any procedures on the Group's accounting records, other than those procedures that we considered necessary for the purpose of expressing an opinion on whether the consolidated financial statements of the Group present fairly, in all material respects, its financial position as at 31 December 2024, and its consolidated financial performance and consolidated cash flows for 2024 in accordance with IFRS.

As a result of the procedures we performed regarding the compliance of the elements of internal control and the organization of the Group's risk management systems with the requirements of the Central Bank of the Republic of Uzbekistan, we determined that:

- as of 31 December 2024, the Internal Audit Service of the Bank is subordinated to and reports to the Supervisory Board of the Bank, and the risk management units of the Bank were not subordinated to and reported to the units accepting the relevant risks;
- the frequency of submission of reports by the Internal Audit Service of the Bank during 2024 complied with the requirements of the Central Bank of the Republic of Uzbekistan. These reports were approved by the Supervisory Board of the Bank and included information on the observations of the Internal Audit Service of the Bank in relation to the internal control system of the Bank;
- as of 31 December 2024, the Information Security Service was established in the Bank, and the information security policy was approved by the Management Board of the Bank. The Information Security Service reports to and reports directly to the Chairman of the Management Board of the Bank;
- the reports of the Information Security Service submitted to the Chairman of the Management Board of the Bank during 2024 contained an assessment and analysis of information security risks, as well as the results of measures taken to manage such risks;
- the Bank's internal documentation, effective as of December 31, 2024, establishing the methods for identifying and managing credit risk, market risk, liquidity risk, operational risk, country risk, legal risk, reputational risk, fraud risk (hereinafter referred to as "risks significant for the Bank"), as well as for conducting stress testing, has been approved by the authorized management bodies of the Bank;
- as of December 31, 2024, the Bank maintained a reporting system for risks significant for the Bank, as well as for the Bank's equity;

- the frequency of reports prepared by the Bank's risk management unit and the Bank's internal audit service during 2024 on matters of managing risks significant for the Bank, complied with the Bank's internal documents. These reports included information on the observations of the Bank's risk management unit and the Bank's Internal Audit Service regarding their assessment of risks significant for the Bank and the risk management system, as well as recommendations for improvement;
- as of December 31, 2024, the powers of the Bank's Supervisory Board and its executive management bodies include monitoring the Bank's compliance with the risk limits and capital adequacy established by the Bank's internal documents. In order to monitor the effectiveness of the risk management procedures applied in the Bank and the consistency of their application during 2024, the Bank's Supervisory Board and its executive management bodies periodically discussed reports prepared by the Bank's risk management unit and the Internal Audit Service and considered proposed measures to eliminate deficiencies.

The procedures regarding the elements of internal control and the organization of the Bank's risk management systems were carried out by us solely for the purpose of verifying the compliance of these elements specified in the Law and described above with the requirements imposed by the Central Bank of the Republic of Uzbekistan.

The partner responsible for the audit, based on the results of which this independent auditor's report was issued, is Anvar Azamov.

Tashkent, Uzbekistan

March 28, 2025

FE Audit Company "Ernst & Young" LLC

FE LLC "Ernst & Young" Audit Organization
Certificate for the right to conduct audit of banks registered
in the Central Bank of the Republic of Uzbekistan
No. 11 dated July 22, 2019

A. Azamov

Anvarkhon Azamov
Partner / Qualified auditor
Qualification certificate of an auditor for the right
to conduct audit of banks No. 25 dated March 29, 2023
issued by the Central Bank of the Republic of Uzbekistan


Consolidated statement of financial position

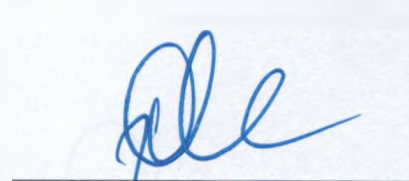
For the year ended 31 December 2024

(in million Uzbek soums)

	<i>Note.</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Assets			
Cash and cash equivalents	5	2,357,674	2,783,123
Amounts due from credit institutions	6	22,277	232,289
Trading and equity securities at FVTPL	7	618,548	683,450
Loans to customers	8	4,096,848	3,929,704
Property, plant and equipment	9	232,540	81,903
Intangible assets	9	52,444	33,931
Investment Properties	10	867	987
Assets held for sale	11	9,314	8,473
Current income tax assets		8,194	–
Deferred tax assets		18,882	13,678
Other assets	12	66,815	260,549
Total assets		7,484,403	8,028,087
Liabilities and Equity			
Liabilities			
Due to the Central Bank of Uzbekistan and the Government	13	53,925	61,884
Amount due to credit institutions	14	79,920	503,072
Other borrowed funds	17	514,397	468,957
Customer accounts	15	5,608,486	6,088,843
Debt securities issued	16	47,107	47,556
Other liabilities	12	77,413	48,379
Total liabilities		6,381,248	7,218,691
Equity			
Equity capital	19	660,263	536,776
Additional paid-in capital		3,920	3,920
Retained earnings		438,972	268,700
Total equity		1,103,155	809,396
Total equity and liabilities		7,484,403	8,028,087

On behalf of the Board


Abduazimov U.A.
Chairman of the Board


Khodjaev R.R.
Chief Accountant

28 March 2025
Tashkent, Uzbekistan

Consolidated statement of financial position

For the year ended 31 December 2024

(in million Uzbek soums)

	<i>Note.</i>	<i>2024</i>	<i>2023</i>
Interest income	20	992,165	674,581
Interest expense	20	(501,088)	(323,469)
Net interest income		491,077	351,112
Loss on initial recognition of interest-bearing assets		-	(5,540)
Credit loss expense	8	(7,619)	(12,508)
Net interest income after credit loss expenses		483,458	333,064
Fee and commission income	22	395,149	460,906
Fee and commission expense	22	(282,028)	(311,315)
Net gains/(losses) from financial instruments at fair value through profit or loss	23	5,548	(9,407)
Net gains/(losses) from currencies:			
- translation differences	21	(4,446)	(11,578)
- dealing	21	214,004	200,605
Other income	24	17,466	21,313
Non-interest income		345,693	350,524
Personal expenses	25	(225,879)	(164,298)
Depreciation and amortisation	25	(36,178)	(32,432)
Other operating expenses	25	(103,311)	(80,169)
Other impairment and provisions		(20,179)	(7,315)
Non-interest expenses		(385,547)	(284,214)
Profit before income tax expenses		443,604	399,374
Income tax expense	27	(68,340)	(62,007)
Net profit for the year		375,264	337,367
Total comprehensive income		375,264	337,367
Earnings per share:			
Basic and diluted, in relation to profit for the year attributable to ordinary holders of the parent	26	170	206

On behalf of the Board

Abduazimov U.A.
Chairman of the Board

Khodjaev R.R.
Chief Accountant

28 March 2025
Tashkent, Uzbekistan


Consolidated statement of changes in equity


For the year ended December 31, 2024

(in million Uzbek soums)

	<i>Authorised capital</i>	<i>Additional capital</i>	<i>Retained earnings</i>	<i>Total equity</i>
As of 31 December 2022	380,268	3,920	135,409	519,597
Total comprehensive income for the period	–	–	337,367	337,367
Capitalized dividends	156,508	–	(156,508)	–
Dividend tax	–	–	(7,824)	(7,824)
Dividend distribution	–	–	(39,744)	(39,744)
As of 31 December 2023	536,776	3,920	268,700	809,396
Total comprehensive income for the period	–	–	375,264	375,264
Capitalized dividends	123,487	–	(123,487)	–
Dividend tax	–	–	(8,936)	(8,936)
Dividend distribution	–	–	(72,569)	(72,569)
As of 31 December 2024	660,263	3,920	438,972	1,103,155

On behalf of the Board


Abduazimov U.A.
Chairman of the Board


Khodjaev R.R.
Chief Accountant

28 March 2025
Tashkent, Uzbekistan

Consolidated statement of cash flows
For the year ended December 31, 2024
(in million Uzbek soums)

	<i>Note</i>	<i>2024</i>	<i>2023</i>
Cash flows from operating activities			
Interest received		990,612	642,828
Interest paid		(510,403)	(325,515)
Fee and commission received		395,149	460,906
Fee and commission paid		(243,463)	(311,315)
Income received from trading in foreign currencies		214,004	189,027
Other operating income received		17,466	21,313
Staff costs paid		(216,613)	(164,298)
Administrative and other operating expenses paid		(102,314)	(80,169)
Income tax paid		(81,738)	(56,299)
Cash flows from operating activities before changes in operating assets and liabilities		462,700	376,478
Changes in operating assets and liabilities			
<i>(Increase)/ decrease in operating assets</i>			
Amounts due from credit institutions		240,063	(67,073)
Trading securities		54,568	94,638
Loans to customers		(99,873)	(1,513,120)
Other assets		7,670	92,624
<i>(Decrease)/ increase in liabilities</i>			
Amount due to credit institutions		(422,311)	415,885
Customer accounts		(583,837)	721,233
Other liabilities		(55,194)	(41,516)
Net cash inflow/(outflow) from operating activities		(396,214)	79,149
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets		(18,661)	(179,207)
Proceeds from disposal of property, plant and equipment		5,557	2,145
Net cash inflow/(outflow) from investing activities.		(13,104)	(177,062)
Cash flow from financing activities			
Proceeds from other borrowed funds		108,352	95,026
Proceeds from increase in amounts due to the Central Bank of the Republic of Uzbekistan and the Government		5,635	26,305
Repayment of other borrowed funds		(76,021)	(92,724)
Repayment of amounts due to the Central Bank of the Republic of Uzbekistan and the Government		(13,595)	(5,833)
Dividends paid on ordinary shares	<i>18</i>	(72,569)	(39,744)
Net cash inflow/(outflow) from investing activities.		(48,198)	(16,970)
Net increase/(decrease) in cash and cash equivalents		(457,516)	(114,883)
Effects of exchange rate changes on cash balances in foreign currency		32,373	118,158
Effect of expected credit losses on cash and cash equivalents		(306)	(769)
Cash and cash equivalents at the beginning of the period		2,783,123	2,780,617
Cash and cash equivalents at the end of the period	<i>5</i>	2,357,674	2,783,123
Non-cash items excluded from the consolidated statement of cash flows	<i>5</i>	(425,449)	2,506

On behalf of the Board

Abduazimov U.A.
Chairman of the Board

Khodjaev R.R.
Chief Accountant

28 March 2025
Tashkent, Uzbekistan

The accompanying notes on pages 5 to 58 are an integral part of these consolidated financial statements.