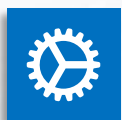




KDB Bank Uzbekistan

BUSINESS PLAN



FINANCIAL YEAR

2025

Contents

01

Business Environment & Outlook

Economic Outlook of Uzbekistan	3
Banking Sector of Uzbekistan	4

02

Business Plan & Management Strategies

Vision & Major Tasks 2025	5
Financial Growth Plan	6
Annual Budget & Details	10

03

Financial Projections

Consolidated Statements of Financial Position	12
Consolidated Statements of Income	13

Business Environment & Outlook

Economic Outlook of Uzbekistan

Review of 2024

- In 2024, the economy of Uzbekistan continued to demonstrate stability and steady growth. According to the National Committee of the Republic of Uzbekistan on Statistics, the gross domestic product of the country grew by 6.5% over the past year.
- Inflation stood at 9.8% in 2024 compared to 8.8% in 2023.
- Positive dynamics were observed in the area of attracting investments. Particularly, the volume of investments into fixed assets increased by 27.6%.
- The growth dynamics of the country's foreign trade activity slightly slowed down. In 2024, foreign trade turnover reached U\$ 65.8 bln with exports and imports totaling U\$ 26.9 bln and U\$ 38.9 bln, respectively.

Outlook for 2025¹

- Looking ahead to 2025, GDP growth is projected at 6% by the Ministry of Economy and Finance of Uzbekistan (MEF), 5.7% by the International Monetary Fund (IMF), and 5.8% by the World Bank (WB). These expectations are closely tied with the ongoing structural reforms aimed at enhancing value addition, labor productivity, reducing the shadow economy and attracting foreign investments.
- The Ministry of Economy and Finance of Uzbekistan is expecting the inflation rate to be at 7% in 2025.
- Foreign trade turnover in the country is expected to reach U\$ 71.2 bln in 2025 due to the favorable trade conditions and government measures to support exporters. Export volumes are projected at U\$ 30.4 bln while imports at U\$ 40.8 bln, resulting in a trade deficit of U\$ 10.4 bln.

Macroeconomic Indicators

Indicator	Unit	FY2022	FY2023	FY2024	FY2025 (P)
Real GDP growth	%	5.7	6.0	6.5	5.7-6.0
MEF	-	-	-	-	6.0
IMF	-	-	-	-	5.7
WB	-	-	-	-	5.8
Nominal GDP	U\$ bln	80.4	90.9	115	123
Inflation rate	%	12.3	8.8	9.8	7.0
Foreign trade turnover	U\$ bln	50.0	62.5	65.8	71.2
Goods: exports fob	U\$ bln	19.3	24.4	26.9	30.4
Goods: imports fob	U\$ bln	30.7	38.1	38.9	40.8
Trade balance	U\$ bln	-11.4	-13.7	-12.0	-10.4

Exchange rates

UZS / U\$	11,225.46	12,338.77	12,920.48	
UZS / U\$ (avg.)	11,051.22	11,737.16	12,652.69	13,250.00

¹Source: api.mf.uz; stat.uz; imf.org; adb.org; worldbank.org

Business Environment & Outlook

Banking Sector of Uzbekistan

Review of 2024

- According to the financial results of the commercial banks as of December 31, 2024, the aggregated total assets of the banking sector increased by 12.7% and reached U\$ 59.5 bln in U\$ equivalent. Also, the aggregated total capital of the commercial banks grew by 13.1% and amounted to U\$ 8.9 bln at the end of 2024.
- As of the end of 2024, the number of commercial banks in Uzbekistan composed 36, out of which 9 are the state-owned banks. The state-owned banks hold significant role with 65.4% of the aggregated total assets and 61.1% of the aggregated total capital of the entire banking sector.
- As of December 31, 2024, the aggregated total assets of banks are comprised of loans (66.9%), cash & due from banks (16.2%), securities (7.8%), and other assets (9.1%). On the other hand, the aggregated total liabilities & equity are comprised of deposits (40.1%), deposits and borrowings from financial institutions (36.1%), bonds (3.8%), other liabilities (5.1%) and equity (14.9%).

Outlook for 2025²

- The government continues the transformation and privatization process of state-owned banks in order to grow the share of private banks in the banking sector. The timeline for privatizing certain banks has been adjusted, with the new deadline set for the end of 2025.
- Despite these efforts the experts believe that the privatization process may take longer than anticipated since the banks historically focused on lending to certain industries, mainly to state-owned companies, and are now building a more diversified business model (including SMEs and retail).
- As per the analysis of S&P, in 2025, Uzbekistan's banking sector is expected to maintain low double-digit lending growth, primarily fueled by strong demand in the retail lending segment. Notably, this expansion is projected to occur without compromising asset quality, which is anticipated to remain stable.

Top 20 Banks of Uzbekistan³

Financial Summary for FY2024

(Unit: U\$ million)

Rank	Bank	Assets	Equity	Net Income	ROA*	ROE*
1	National Bank of Uzbekistan	10,455	1,460	136	1.3%	9.4%
2	UzPromStroyBank	6,780	776	103	1.6%	13.9%
3	Agro Bank	6,146	962	5	0.1%	0.6%
4	Asaka Bank	4,496	620	3	0.1%	0.6%
5	Ipoteka Bank	4,030	568	-19	-0.5%	-3.2%
6	Kapital Bank	3,666	404	91	2.6%	24.5%
7	Halq Bank	3,598	619	21	0.6%	3.9%
8	Business Development Bank	2,487	332	-176	-7.5%	-59.7%
9	Hamkor Bank	2,222	399	113	5.7%	32.0%
10	Mikrokredit Bank	1,822	275	-135	-8.0%	-45.5%
11	Aloqa Bank	1,800	239	15	1.0%	6.6%
12	Ipak Yuli Bank	1,792	278	72	4.6%	28.7%
13	Turon Bank	1,361	149	2	0.1%	1.2%
14	Orient Finance Bank	1,306	238	71	6.0%	33.9%
15	Invest Finance Bank	934	109	19	2.2%	18.6%
16	Trust Bank	841	226	64	7.9%	31.3%
17	KDB Bank Uzbekistan	784	142	42	5.6%	33.5%
18	Anor Bank	782	79	15	2.6%	23.7%
19	TBC Bank	754	194	27	4.8%	18.4%
20	Davr Bank	725	108	31	5.0%	32.4%

*Note: Return on Assets (ROA) and Return on Equity (ROE) are found dividing Net Income by the average of Total Assets and Total Equity in the beginning and end of 2024, respectively.

²Source: lex.uz

³Source: cbu.uz; Ahbor Rating (2025) Analytical review of the banking sector; S&P Global Ratings (2025) Central Asia and Caucasus Banking Outlook 2025

Business Plan & Management Strategies

VISION

Leading Financial Institution in CIS Region

MAJOR TASKS 2025

Business development



Development of new products

- Launch of Islamic Finance products
- Execution of new derivative deals



Promotion of card business

- Upgrade of technical infrastructure for VISA and local card systems to improve service quality, security and stability of card business



Improvement of service quality

- Improvement of quality and speed of standard banking services for corporate clients as well as their staff

Improvements in risk management and operations



Establishment of continuous inspection program

- Establishment of a systematic and structured monitoring framework that ensures continuous inspection of all banking operations in terms of operational risks



Adoption of comprehensive risk management solution

- Adoption of a modern and comprehensive business solution of a well-recognized fin-tech company considering the continuous widening of product range as well as the evolving regulatory agenda, cyber threats, and computation quantity & complexity



Upgrade of IT infrastructure

- Modernization of the bank's main data centre to ensure all IT-related banking products & services run smoothly

Business Plan & Management Strategies

Financial Growth Plan

Considering the current trend in the global financial market as well as the financial environment in Uzbekistan, the financial statements for FY2025 have been projected as follows.

Key Points of Projected Financial Statements

Unit: US\$ thousand, %

Items	2025		2024		
	Plan (A)	Growth (A-C)/C	Plan (B)	Execution (C)	Performance (C/B)
FINANCIAL POSITION					
Total Assets	854,241	8.9%	749,559	784,367	104.6%
Cash in Vault, Bank Deposits & M/M Placements, Repo investments	498,961	5.7%	459,849	471,956	102.6%
Loans	287,460	10.4%	235,000	260,471	110.8%
Securities	60,099	27.8%	47,062	47,021	99.9%
Other Assets	7,721	57.0%	7,648	4,919	64.3%
Total Liabilities	690,300	7.5%	627,450	642,108	102.3%
Customer Deposits	500,000	21.7%	502,000	410,700	81.8%
Interbank Borrowings	185,000	-15.9%	120,000	220,000	183.3%
Other Liabilities	5,300	-53.5%	5,450	11,408	209.3%
Total Equity	163,941	15.2%	122,109	142,259	116.5%
INCOME STATEMENT					
Net Interest Income	47,157	-6.3%	37,662	50,345	133.7%
Net Non-Interest Income	14,970	21.6%	12,310	12,306	100.0%
Provision against credit & other loss (Creation - / Return +)	(753)		(715)	91	
Net Operating Revenue	61,374	-2.2%	49,257	62,742	127.4%
Operating Expenses	(15,142)	24.3%	(14,411)	(12,177)	84.5%
Provision for on- and off-balance standard assets	(1,232)		(823)	(725)	
Net Income before Tax	45,000	-9.7%	34,023	49,840	146.5%
Net Income after Tax	37,350	-10.3%	27,218	41,641	153.0%
Ex. Rate: UZS/USD	14,327.50	10.9%	13,640.00	12,920.48	
Average Ex. Rate: UZS/USD	13,676.25	8.1%	13,020.00	12,652.69	

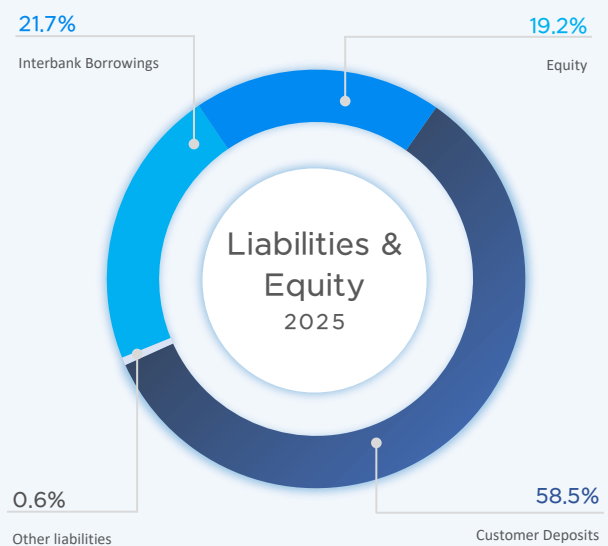
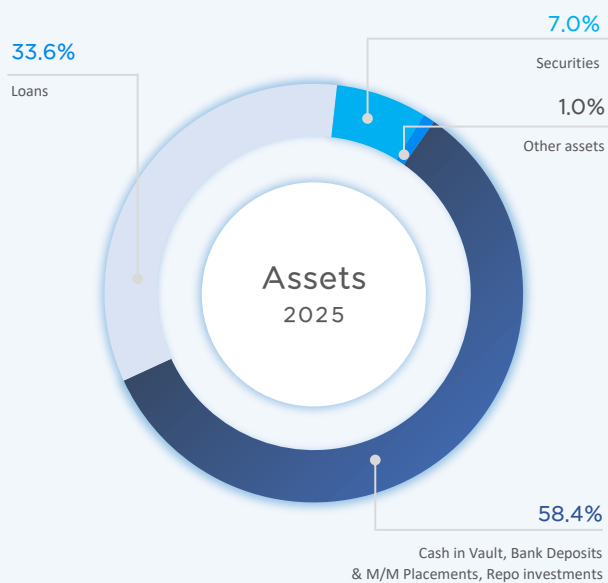
Note: The Business Plan is prepared in accordance with the local accounting standards. As the Uzbek Soum is the functional currency of Uzbekistan, all figures were initially calculated in UZS and subsequently converted into US\$ using the forecasted exchange rates (US\$ 1 = UZS 14,327.50 as of December 31, 2025 and US\$ 1 = 13,676.25 – average exchange rate for 2025) for presentation purposes only.

Notes to Key Points of Projected Financial Statements

According to the Business Plan, Total Assets are expected to reach U\$ 854.2 mln at the end of FY2025. This forecast is based on a comprehensive assessment of various factors, including economic trends and industry dynamics. On the other hand, Total Liabilities are expected to amount to U\$ 690.3 mln.

Key improvements in Projected Financial Position include:

- Increase in Operating Assets by U\$ 40.1 mln
- Increase in Customer Deposits by U\$ 89.3 mln
- Decrease in Interbank Borrowings by U\$ 35.0 mln
- Growth of Equity by U\$ 21.7 mln.



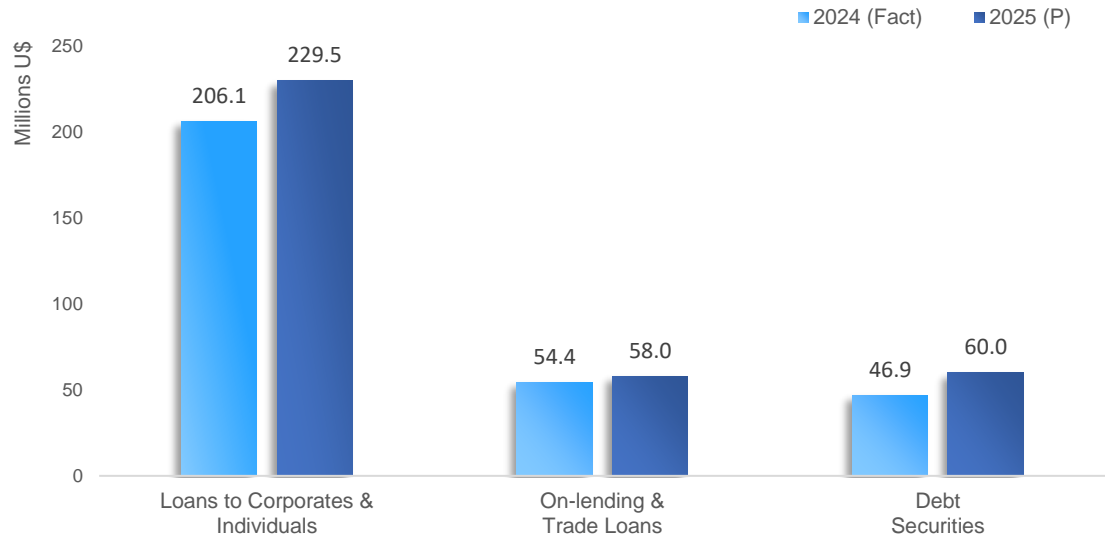
Operating assets

The Bank's Operating Assets consist of loans and investments in debt securities (bonds, treasury bills, etc.) issued by both local and foreign financial institutions and governments.

In 2025, the Bank plans to increase its Operating Assets by U\$ 40.1 mln (or 13.0% in U\$ equivalent) through the following:

- Increase in loans to corporates and individuals by U\$ 23.4 mln (or 11.4%);
- Increase in on-lending and trade loans to local banks by U\$ 3.6 mln (or 6.6%);
- Increase in investments in debt securities by U\$ 13.1 mln (or 27.9%).

Operating assets (2024 fact vs. 2025 plan)



Growth of Loans to Corporates & Individuals (▲ U\$ 23.4 mln)

In 2025, the Bank will enhance its efforts to attract corporate borrowers with strong market positions. As usual, the Bank will maintain a conservative approach when reviewing the financial performance and business plan of the borrowers before financing their projects.

Particularly, the Bank will mainly grant loans to the top manufacturing companies of mining & metallurgy, oil &

gas, beverages & food processing, cable products, construction materials, pharmaceuticals, textile, plastic goods, and paper & hygienic products industries with financially sound performance.

By the end of 2025, the loan portfolio to corporates & individuals is projected to reach U\$ 229.5 mln, compared to U\$ 206.1 mln at the end of 2024.

Growth of On-lending & Trade Loans (▲ U\$ 3.6 mln)

In 2020-2021, the Bank first introduced the on-lending & trade loans to local banks in order to support small business enterprises and trade finance activity in Uzbekistan. During the last four years, several local banks are granted with on-lending and trade loans.

The total outstanding amount of on-lending and trade loans at the end of 2024 constituted U\$ 54.4 mln. In 2025, the Bank plans to grow on-lending & trade loans up to U\$ 58.0 mln.

Investment in Debt Securities (▲ U\$ 13.1 mln)

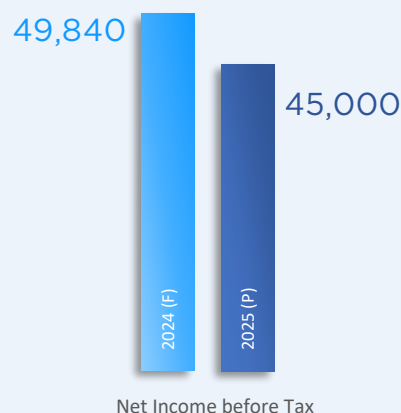
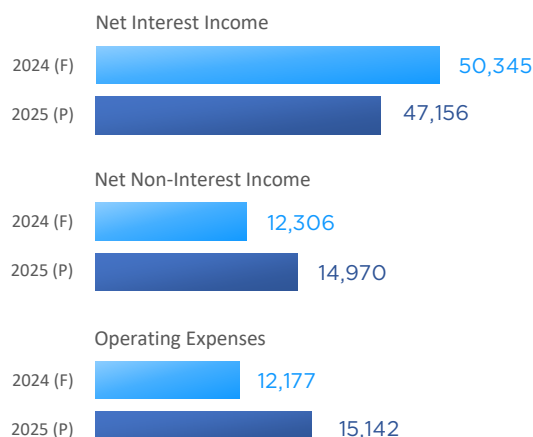
In 2024, the Bank invested in debt securities issued by the Central Bank of Uzbekistan, Ministry of Economy and Finance of the Republic of Uzbekistan, and by the U.S. Treasury. The total outstanding amount of the debt securities stood at U\$ 46.9 mln as of December 31, 2024.

In 2025, the Bank aims to expand investments in debt securities as part of its strategy to grow Operating Assets. At the end of 2025, the Bank's investments in debt securities are expected to reach U\$ 60.0 mln.

Profitability

Main indicators of Profitability (2024 fact vs. 2025 plan)

(Unit: U\$ ths)



Net Interest Income

In 2025, Net Interest Income is expected to decrease by U\$ 3,189 ths compared to 2024 due to the following main changes in interest income and expenses:

- Growth of interest income (▲ U\$ 7,075 ths) from Loans and Investments in Debt Securities in line with the expansion of Operating Assets;

- Decrease of interest income (▼ U\$ 4,537 ths) from Money Market Placements and Repo investments mainly due to an expected drop in money market interest rates;
- Growth of interest expenses (▲ U\$ 5,728 ths) due to higher costs associated with attracting customer deposits and securing additional interbank borrowings.

Net Non-Interest Income

Between 2017 and 2020, the Bank experienced a decline in Net Non-Interest Income, impacted by intense market competition and the effects of the pandemic. This downward trend resulted in a historical minimum of U\$ 4,462 ths in 2020.

However, since 2021, the Bank has been experiencing a positive shift in fee business with the Net Non-Interest

Income amounting to U\$ 6,728 ths in 2021, U\$ 9,879 ths in 2022, U\$ 12,664 ths in 2023 and U\$ 12,306 ths in 2024.

Given the current landscape of and expected trend in the market, the Bank plans to grow Net Non-Interest Income up to U\$ 14,970 ths in 2025 which is notably higher than in 2024 (▲ U\$ 2,664 ths).

Operating Expenses and Net Income before Tax

Operating Expenses of the Bank is expected to grow by U\$ 2,965 ths and reach U\$ 15,142 ths in 2025.

Consequently, despite the expected increase of interest & operating expenses and cuts in interest rates (Fed Funds Rate), the Bank optimistically plans to maximize its Net Income Before Tax up to U\$ 45,000 ths in 2025 compared to U\$ 49,840 ths in 2024.

Business Plan & Management Strategies

Annual Budget & Details

Operating Expenses

In 2025, the Bank's operating expenses are conservatively projected to grow by U\$ 2,965 ths (24.4%) in U\$ terms compared to 2024.

Operating Expenses (as well as Capital Expenditures) are expected to significantly increase in 2025 mainly due to:

- purchase of new IT-related hardware, software & licenses, and services (audit, consulting, etc.)
- noticeable increase in prices of several existing services (utility bills, expenses for guard services, fuel, communication expenses, SWIFT charges, audit & consulting fees, etc.).

(Unit: UZS million, U\$ thousand)

Items	Projection 2025		Actual 2024		Change in U\$		Remarks
	UZS	U\$	UZS	U\$	Amount	%	
Salary & Other Staff Cost	137,208	10,033	110,621	8,743	1,290	14.8%	Local & Foreign staff salaries and other staff related costs
Rent & Maintenance	19,099	1,397	10,527	832	565	67.9%	Payments for rent, guarding, repair & maintenance, utilities
Trip & Transportation	1,805	132	945	75	57	76.0%	Business trip, fuel expenses
Administrative Expenses	6,531	478	4,082	323	155	48.0%	Communication expenses, stationery & office supply expenses, subscription fees to periodicals
Representation & Membership Fees	10,509	768	8,681	686	82	12.0%	Membership fee to Deposit Guarantee Fund, charity, representation, entertainment, etc.
Depreciation & Amortization	22,484	1,644	14,329	1,132	512	45.2%	Depreciation of fixed assets and amortization of intangible assets
Other expenses	6,713	491	4,730	374	117	31.3%	Payments for insurance, audit, legal and other consulting services, to independent Supervisory Board members, taxes other than income tax, etc.
Reserve	2,735	200	157	12	188	1566.7%	Reserves for unforeseen expenses in case of urgent necessity
Total	207,084	15,142	154,072	12,177	2,965	24.3%	
Aver. Ex. Rate	13,676.25		12,652.69				

Capital Expenditures

(Unit: U\$ ths)

#	Major Expenses	Projection 2025
1	Improvement of IT	6,950
	- IT Infrastructure Improvement	5,550
	- IT Development (incl. Digital Banking Solutions)	1,400
2	Card Business	2,200
3	General Affairs (Vehicles, Furniture & Equipment)	350
	- Head office	300
	- Oybek Branch	50
	TOTAL	9,500

Improvement of IT

In 2025, the Bank is going to spend U\$ 6,950 ths to enhance its IT infrastructure and further digitalize its business. Particularly, U\$ 4,400 ths is allocated for procurement of IT equipment, U\$ 1,150 ths - for purchase of software & licenses, and U\$ 1,400 ths – for procurement of new / upgrade of existing IT applications (incl. digital banking solutions) such as Internet Banking, Management Information System, Intranet System, Mobile Banking, Compliance Management System, Risk Management System, and others.

Card Business

In 2025, the Bank plans to spend U\$ 2,200 ths for further development of Card Business, particularly U\$ 200 ths – to purchase new ATMs & POS-terminals, U\$ 1,800 ths – to upgrade technical infrastructure (hardware, software & licenses, new services & features) for VISA card system and U\$ 200 ths – for other purposes.

General Affairs (Vehicles, Furniture, Equipment)

In 2025, the Bank is planning to purchase new vehicles, furniture and equipment for the amount of U\$ 350 ths including U\$ 300 ths for the Head Office and U\$ 50 ths for Oybek Branch.