

**Creating
Opportunities**

**Investor
Presentation**

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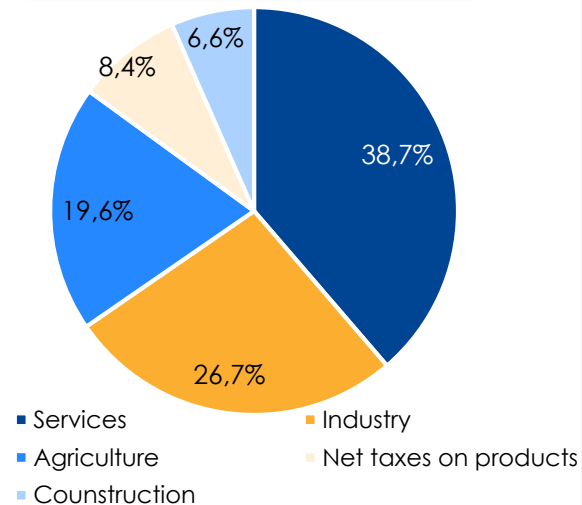
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Macroeconomic outlook

Steady growth despite global challenges

Macro Indicators	2019	2020	2021	2022 (forecast)
Population	33.3mln	34.6mln	34.8mln	35.0mln
GDP	UZS 511.8tn USD 57.9bn	UZS 580.2tn USD 55.2bn	UZS 734.5tn USD 69.2bn	UZS 840.0tn USD 74.2bn
GDP growth	5.6%	1.6%	7.4%	5.6%
Unemployment	5.9%	10.5%	9.6%	n/a
Official reserve assets, U.S.\$ bn	29.2	34.9	35.1	n/a
Foreign trade turnover, U.S.\$ bn	42.2	36.3	42.1	46.3

GDP composition, 1H'2022



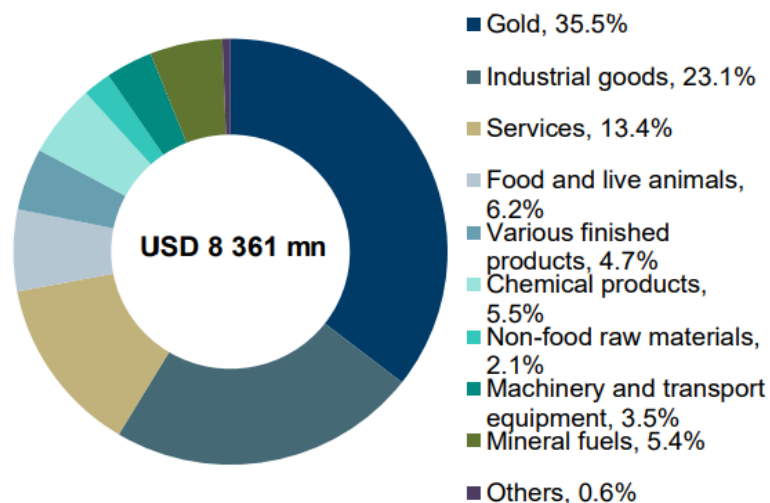
Economic review

- GDP growth - one of the highest in the CIS region
- Inflation rate (**9.8%**) - in line with targeting policy

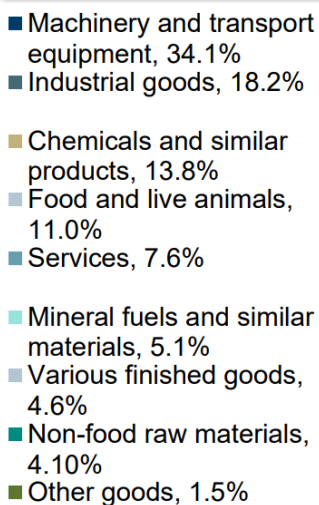
Regulatory policies

- Change in CAR methodology (Mar 2021)
- CBU Base rate:
 - Up from 14% to 17% (Mar 22);
 - Down to 15% (Jul 22)
- Cautious FX loan policy

Structure of Exports in 1H'2022



Structure of Imports in 1H'2022



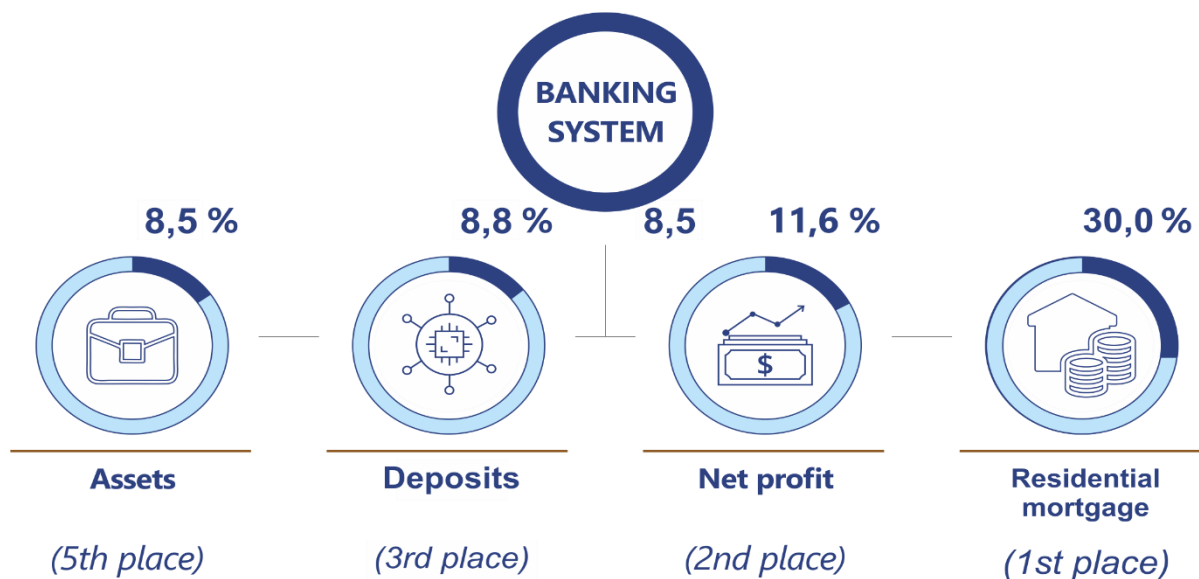
Market position

Solid position across key areas

Wide regional presence (39 branches, 400 points)



Ipoteka-bank's market share

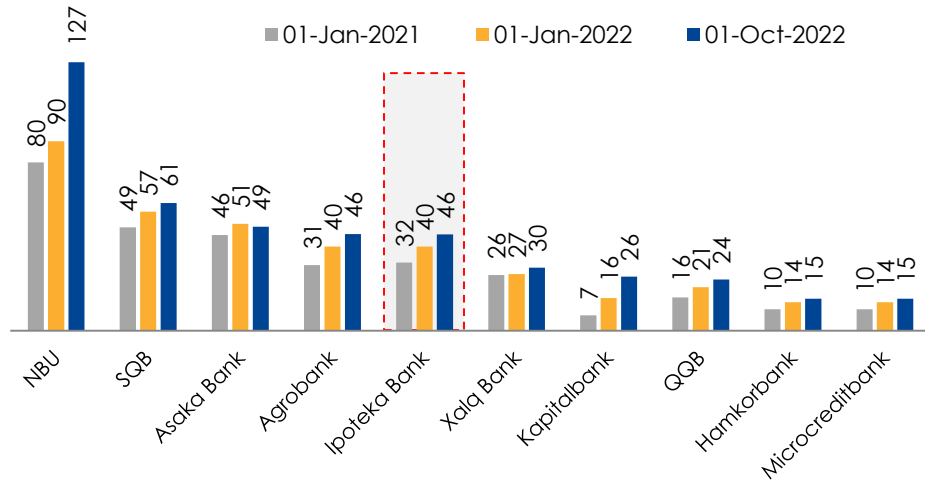


Key indicators

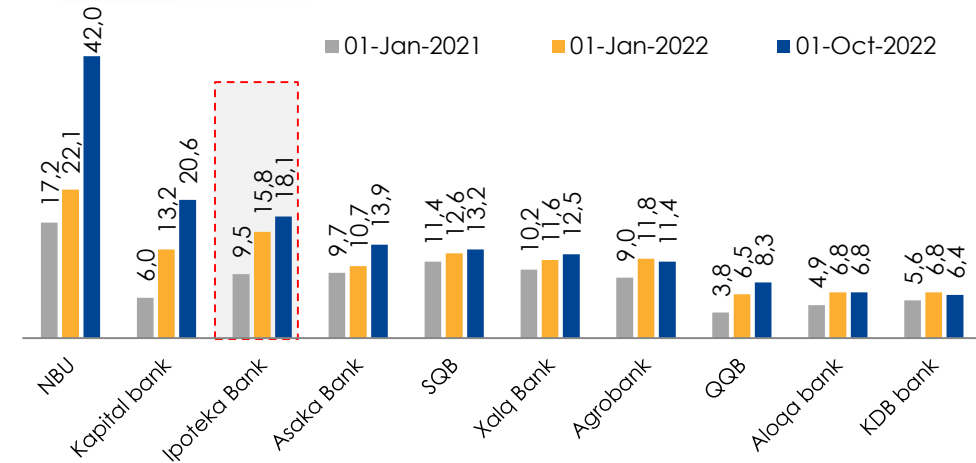
- RANKED 1ST** by mortgage loans (approx. 30% market share)
- RANKED 1ST** by ROE among state-owned banks
- LOWEST NPL (2.8%)** among state-owned banks
- 3rd largest deposit base** with **8.8%** market share
- 1.6 MILLION** clients served by 4,000 staff
- Net liquidity provider** T-bonds portfolio equiv. USD350 mln

Among the country's leading banks

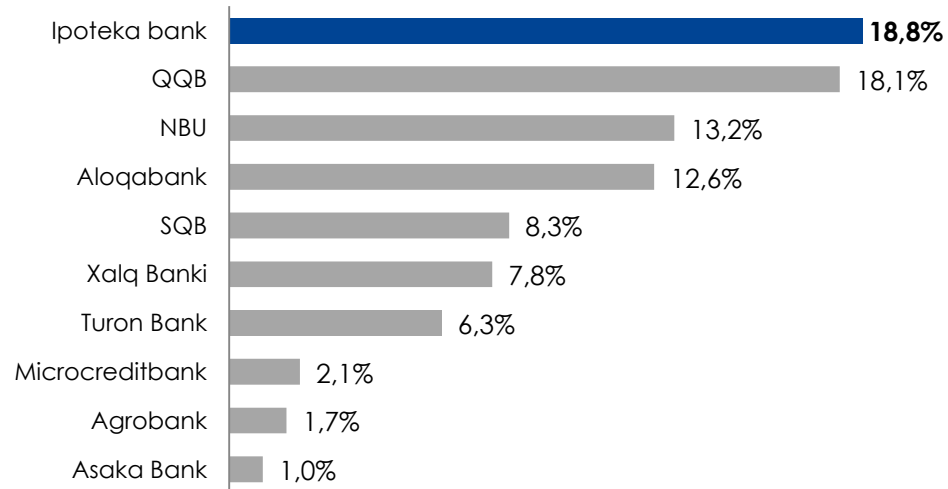
Top-10 banks by total assets, UZS tn



Top-10 banks by deposits, UZS tn

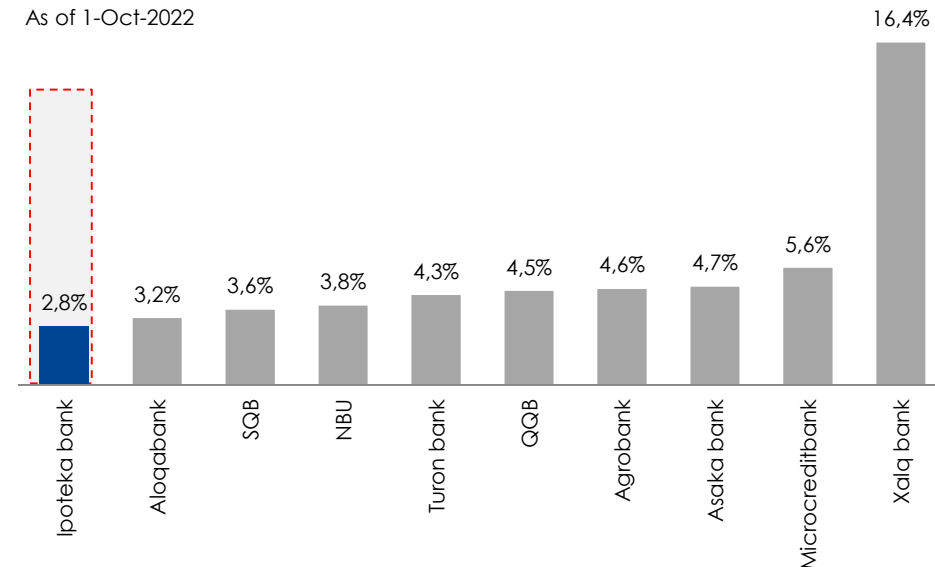


ROE of TOP-10 State banks as of 1-Oct-2022



Top-10 State banks by NPLs, %

As of 1-Oct-2022



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Ipoteka-bank at glance (IFRS data)

Secure portfolio, diversified funding base, stable profitability



Key financials, bn UZS

	01.01.2020	01.01.2021	01.01.2022	1H'2022
Total Assets	23,845	32,604	40,164	39,167
Total Loans	19,840	24,345	29,263	29,758
Total Capital	3,548	4,040	4,927	5,487
Net Interest Income	1,035	1,410	2,122	1,158
Total Operating Income	1,311	1,779	2,618	1,384
Net Profit (1H 2022)	339	405	887	560

Key performance indicators, %

	01.01.2020	01.01.2021	01.01.2022	1H'2022
Net Interest Margin (NIM)	5.2	5.8	7.0	6.9
Cost to Income Ratio (CIR)	47.2	37.4	34.2	32.7
Return on Average Equity (ROE)	13.1	10.7	19.8	(ann-d) 21.5
90+ dpd share in Total loans	1.9	2.5	4.4	4.6
Capital Adequacy (CAR)	25.6	17.0	14.4	14.4

Key characteristics

- One of the leading state banks
- Leader of the mortgage segment
- Diversified and secure portfolio
- Optimized funding supporting profitability
- Among top state banks to be privatized
- Credit ratings at sovereign level:

MOODY'S **B1** (Positive)

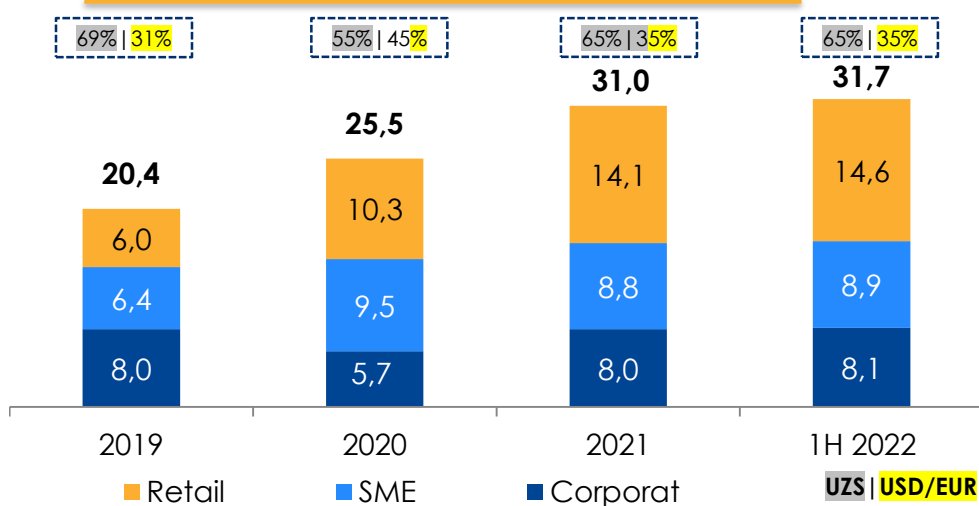
S&P Global
Ratings **BB-** (Stable)

FitchRatings **BB-** (Stable)

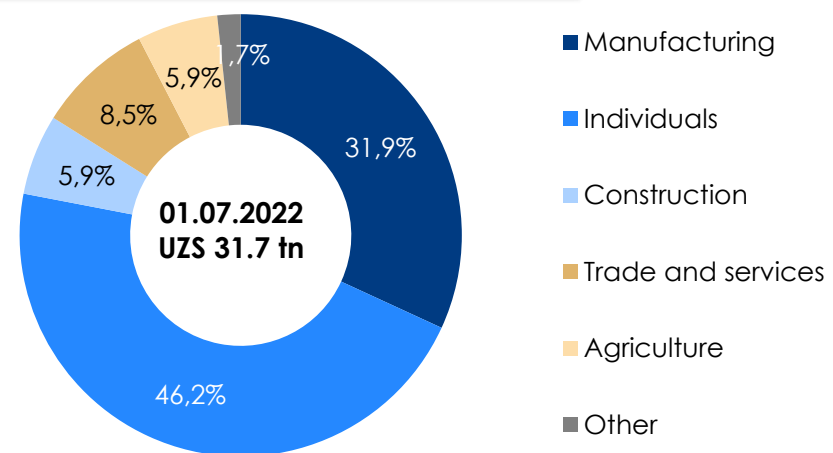
Loan portfolio overview (IFRS data)

Targeting towards well-balanced loan portfolio and leadership in retail market

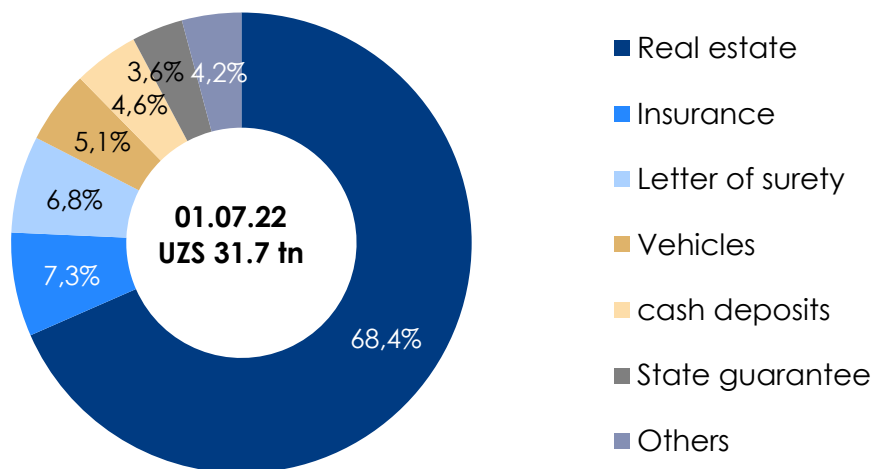
Gross loan portfolio by customer segment (tn. UZS)



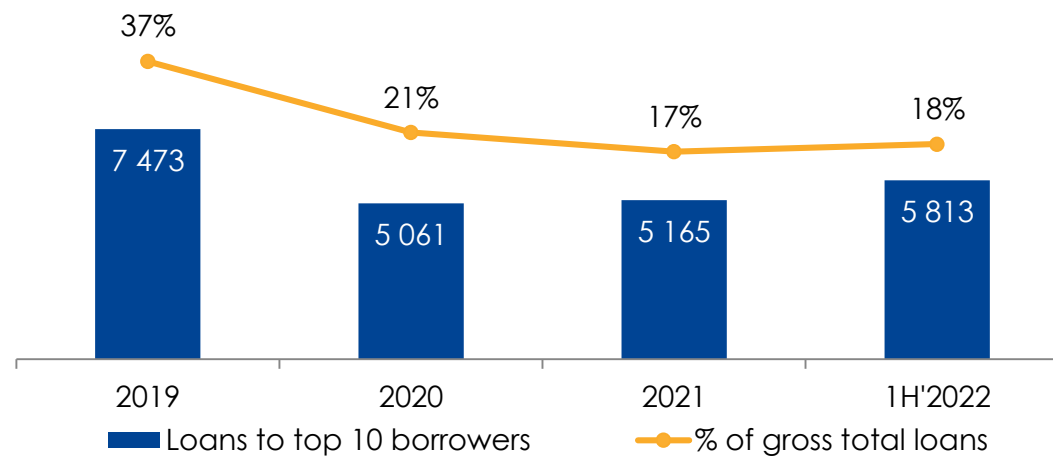
Gross loan portfolio by economic sector



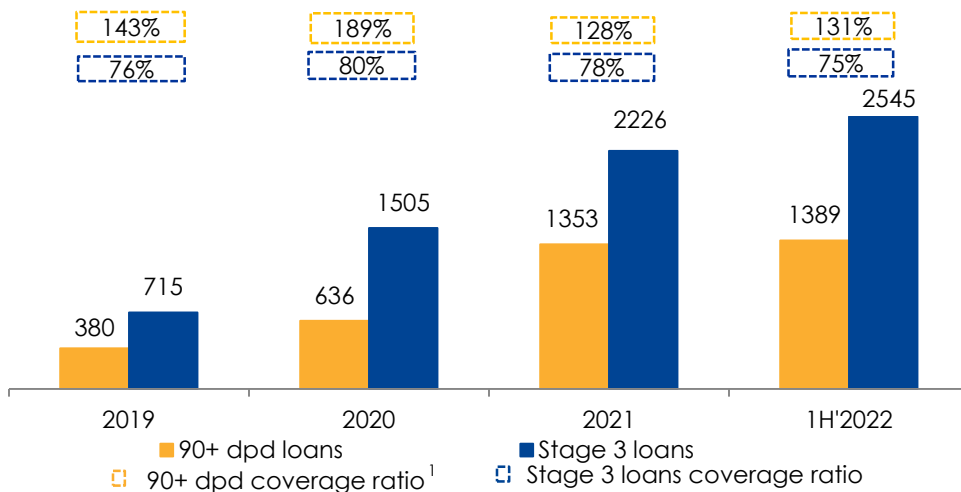
Gross loan portfolio by collateral type



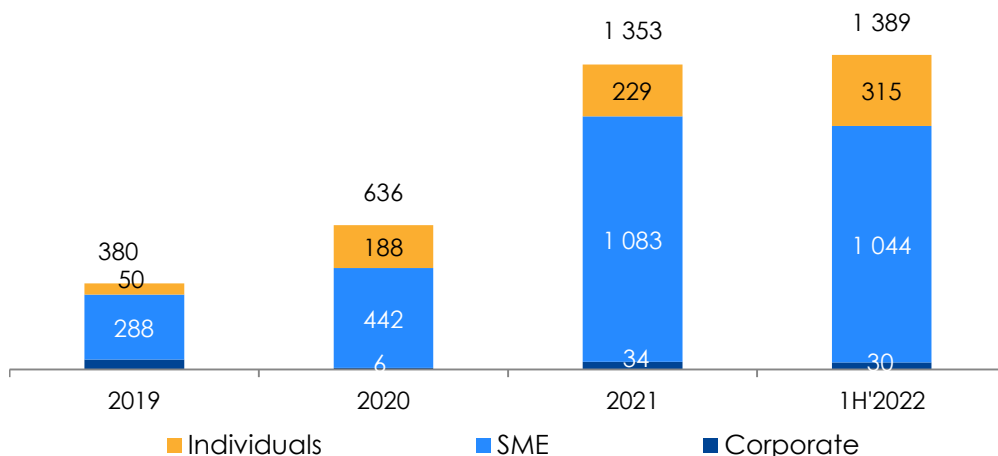
Top-10 borrowers, UZS bn



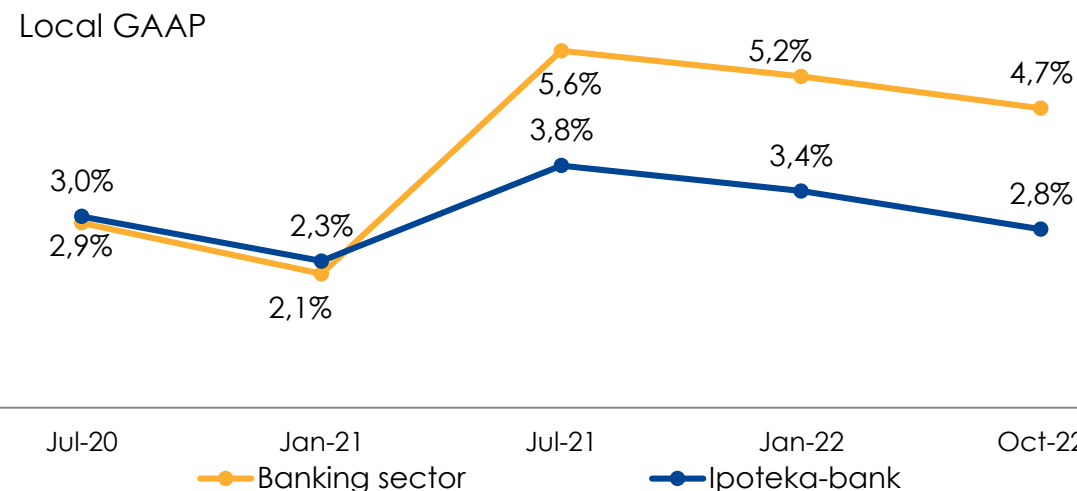
Problem loans dynamics, UZS bn



90+ dpd loans by customer segment, UZS bn



NPL (local GAAP)², Ipoteka-bank vs sector



- Better than market performance in NPL management
- Centralized loan collection: *soft, hard and legal phases*
- Maintaining Stage 3 levels under control
- Fully collateralized portfolio

1) 90+ dpd = Loans with overdue payments on principal loan amount and/or interest by more than 90 days.

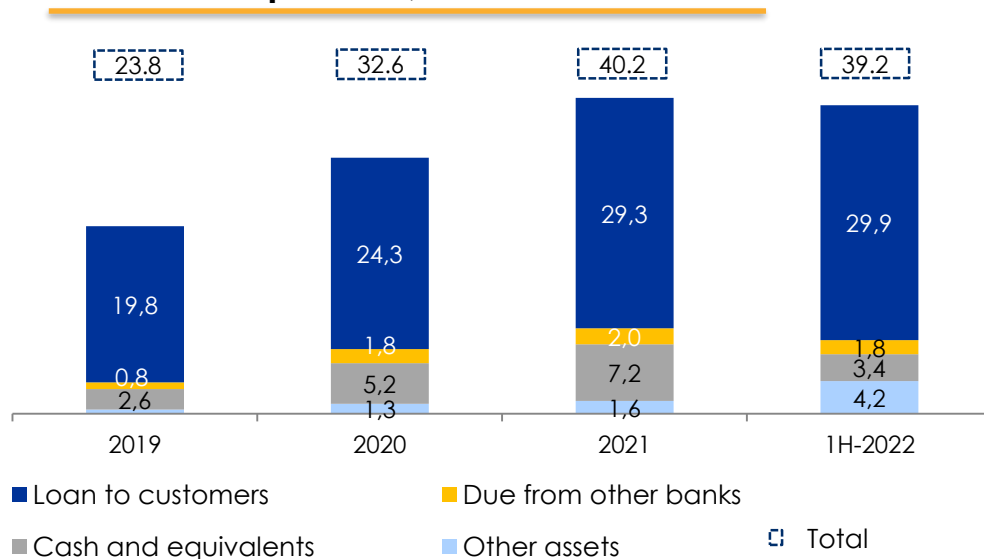
2) NPL Local GAAP = Loans in the category of "unsatisfactory", "doubtful" or "bad" in accordance with the CBU's classification procedure.

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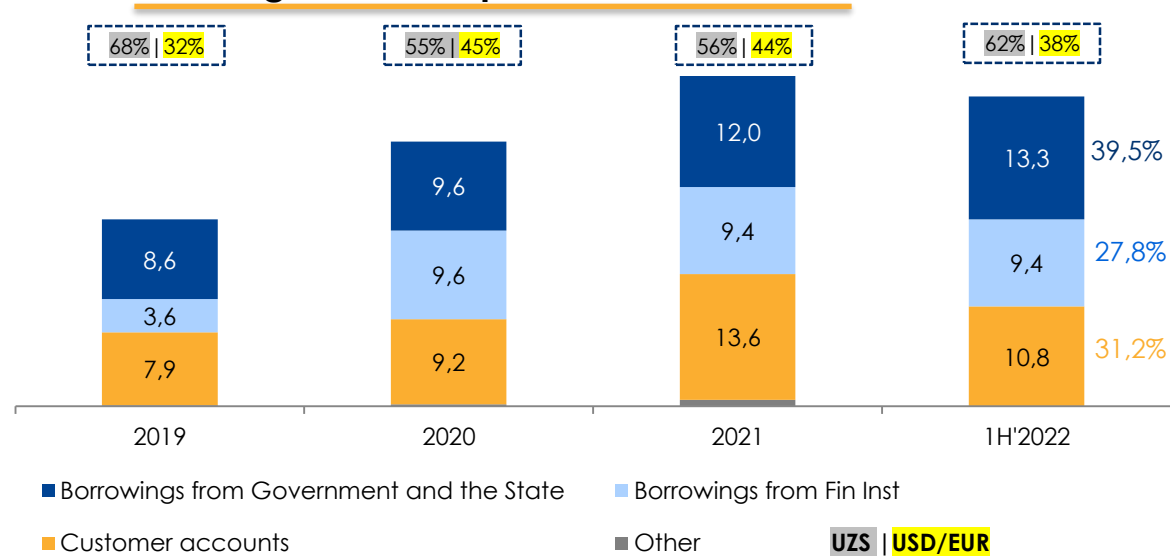
Balance sheet and funding base (IFRS data)

Optimization of the funding sources supporting profitability

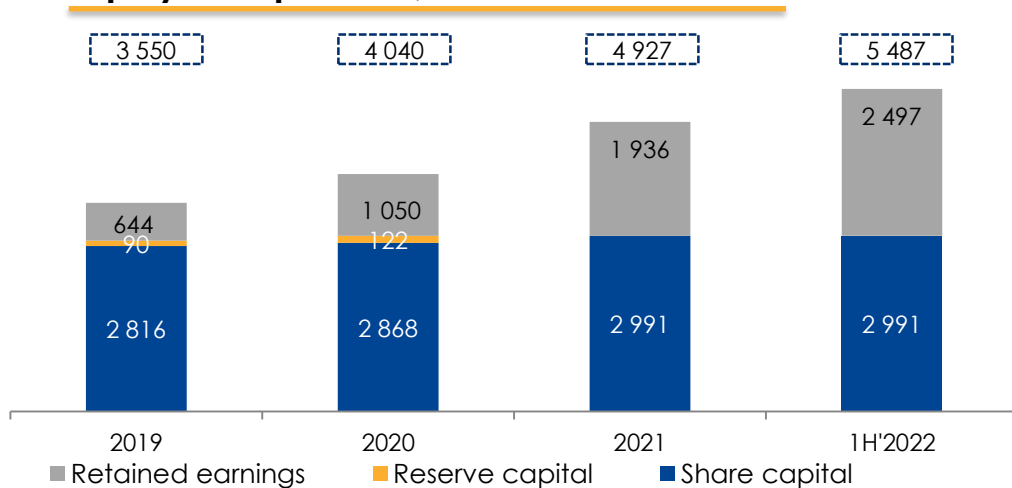
Assets' composition, in UZS



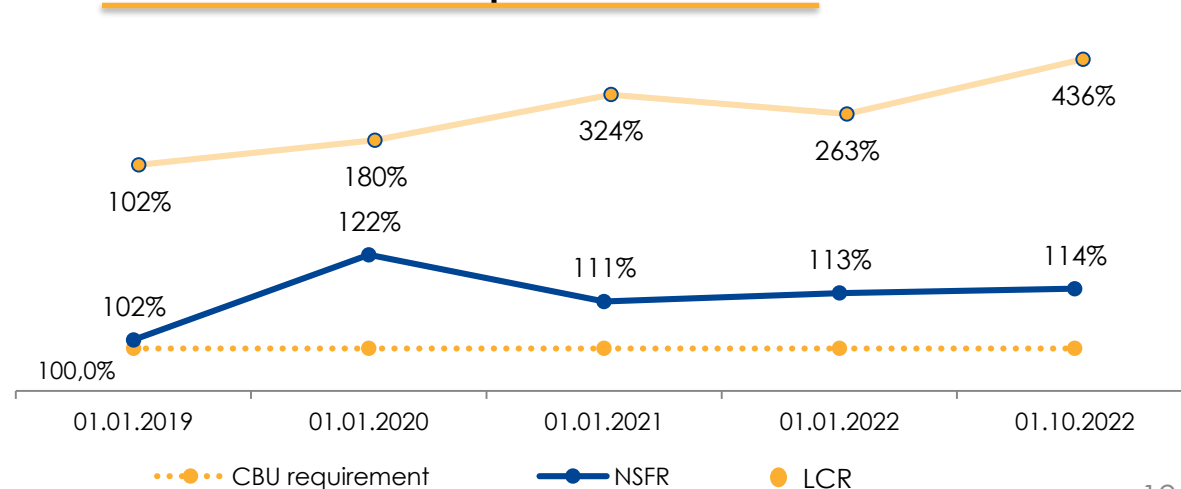
Funding base composition, in UZS



Equity composition, bn UZS



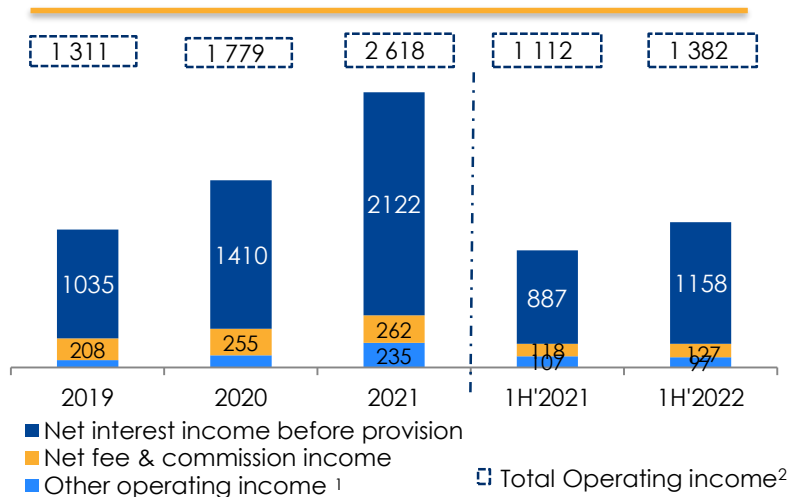
NSFR and LCR development



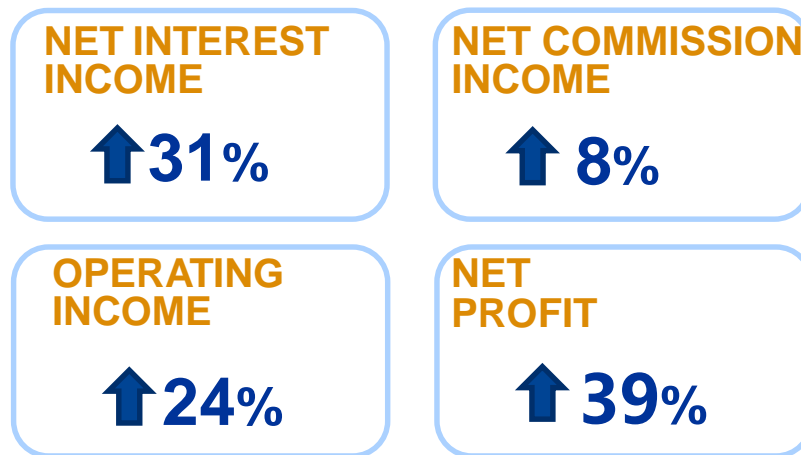
Operating income and efficiency (IFRS data)

Strong performance thanks to cost optimization

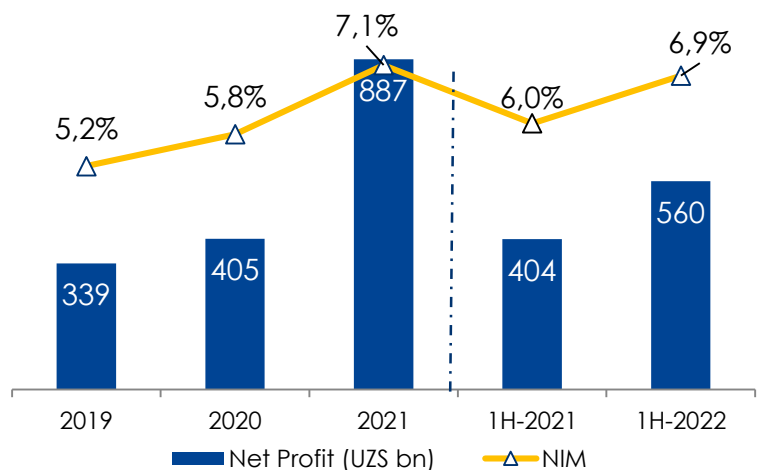
Operating income, UZS bn



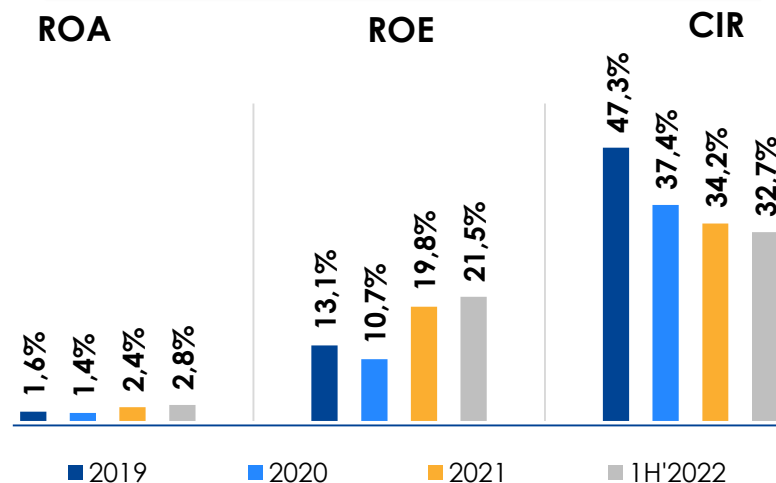
Income growth (1H2021 vs 1H2022)



Net profit and ROE



Efficiency ratios³



- Steady growth in operating income
 - stable and balanced indicators
- Higher NII and NIM
 - thanks to improving cost management and effective fund management

1) Other operating income includes net gain from foreign exchange translation, net gain from trading in foreign currencies, dividend income, other operating income and share of results from associates; 2) Total operating income is calculated as the sum of net interest income before provision, net F&C income and net gain from foreign exchange translation, net gain from trading in foreign currencies, dividend income, other operating income, share of results from associates; 3) Cost-to-income ratio is calculated as administrative and other operating expenses for the period divided by the sum of net interest income before provision for credit losses and net non-interest income (which comprises net fee and commission income, net gain/(loss) from trading in foreign currencies, net gain from foreign exchange translation, dividend income and other operating incomes) for the same period.

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Money transfers

Moderately
Low risk

Status

- ❑ Types of cross-border money transfers:
 - Traditional transfers (WU, MG, etc.)
 - Non-traditional transfers(thru mobile applications)

Measures

- ❑ Shifted settlement accounts to non-sanctioned locations and banks
- ❑ Amended existing agreements, higher collateral

Trade relations with Russia

Low risk

Status

- ❑ Export proceeds Russia (equivalent):
 - 2021 - USD127 mln; 2022 (Jan-Oct) – USD 139 mln.
- ❑ Top-10 exporters: sectors of metallurgy, textile, other.

Measures

- ❑ Clients were advised to use payment routes in compliance with sanctions (using compliant banks)
- ❑ Exporters seeking alternative distribution routes

Correspondent relations with Russia

Moderately
Low risk

Status

- ❑ Closure of accounts in SDN sanctioned banks (<USD50K)
- ❑ Balances are kept at minimum and actively managed

Measures

- ❑ Re-routed transactions to non-sanctioned banks (Raiffeisen, Asia Invest Bank)

Funding attracted from Russia

Low risk

Status

- ❑ Funding attracted from Russia:
 - Gazprombank

Measures

- ❑ To repay and stop new funding

- 1 Mortgage leader with diversified and fully collateralized portfolio
- 2 Solid performance indicators: profitability, liquidity, NPL
- 3 Focus on higher margin SME segment
- 4 Wide branch network with easy access to clients
- 5 Strong and reputable stakeholders (State, IFC, EBRD)
- 6 Shift to digital and commercialized banking

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