

CJSC "Kyrgyz Investment and Credit Bank"

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December, 2017 (inclusive)

KGS '000

| | 31.12.2017 | 31.12.2016 |
|--|-------------------|-------------------|
| ASSETS | | |
| Cash | 1 212 455 | 1 187 798 |
| Due from National Bank of Kyrgyz Republic | 4 312 690 | 4 509 391 |
| Due from banks | 5 894 756 | 7 249 208 |
| Provisions for losses on due from banks | (11 014) | 0 |
| Due from banks, net | 5 883 742 | 7 249 208 |
| Held to maturity securities | 5 271 247 | 1 853 258 |
| Amounts receivable under reverse repurchase agreements | 118 573 | 0 |
| Loans to banks and other financial institutions | 13 738 | 24 485 |
| Provisions for losses on loans to banks and other financial institutions | (289) | (505) |
| Loans to banks and other financial institutions, net | 13 449 | 23 980 |
| Loans to customers | 9 324 527 | 9 466 760 |
| Provisions for losses on loans to customers | (811 857) | (964 227) |
| Loans to customers, net | 8 512 669 | 8 502 534 |
| Fixed assets | 649 788 | 623 444 |
| Intangible assets | 159 140 | 140 811 |
| Investments in associate | 133 358 | 110 564 |
| Other assets | 870 041 | 659 386 |
| Total assets | 27 137 153 | 24 860 374 |
| LIABILITIES | | |
| Deposits and balances from banks and other financial institutions | 306 296 | 148 635 |
| Current accounts and deposits from customers | 18 079 189 | 15 476 202 |
| Current accounts and deposits of Government Agencies and local authorities of KR | 907 566 | 1 266 849 |
| Loans payable to National Bank of Kyrgyz Republic | 856 762 | 644 855 |
| Other borrowed funds | 1 388 428 | 2 126 792 |
| Subordinated Debt | 111 617 | 102 630 |
| Debt securities issued | 217 562 | 276 655 |
| Income tax payable | 8 704 | 0 |
| Other liabilities | 854 814 | 689 628 |
| Total liabilities | 22 730 938 | 20 732 246 |
| SHAREHOLDERS' FUNDS | | |
| Share capital | 1 204 691 | 1 211 527 |
| Share premium | 34 076 | 34 269 |
| Retained earnings and other reserves for general banking risks | 2 748 328 | 2 648 813 |
| Current year income/ loss | 294 818 | 109 957 |
| Cumulative translation reserve | (24 905) | (15 781) |
| Total equity attributable to Group shareholders | 4 257 009 | 3 988 784 |
| Non-controlling interest | 149 206 | 139 344 |
| Total equity | 4 406 215 | 4 128 128 |
| Total liabilities and equity | 27 137 153 | 24 860 374 |

For information:

| | | |
|--|-----------|----------|
| Reserves on foreclosed assets | (132 575) | (61 493) |
| Reserves on accrued interest on loans to customers and banks | (54 626) | (53 895) |

Chief accountant  Cholpon Suvanbekova

Chief Finance Officer  Mansoor Ali Halari

Chief Executive Officer  Kwang Young Choi



Financial report of CJSC 'Kyrgyz Investment and Credit Bank, as well as its appendixes can be obtained in Head Office, branches and sub-branches of CJSC "Kyrgyz Investment and Credit Bank".

Registered address of Head Office: 720040, Bishkek, Erkindik blvd., 21

CJSC "Kyrgyz Investment and Credit Bank"

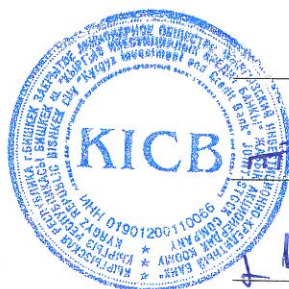
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

as at 31 December, 2017 (inclusive)

KGS '000

| | 31.12.2017 | 31.12.2016 |
|---|------------------|------------------|
| Interest income | 1 717 316 | 1 757 456 |
| Interest expense | (716 988) | (820 007) |
| Net interest income before impairment losses on interest bearing assets | 1 000 329 | 937 449 |
| Impairment losses on interest bearing assets | 150 888 | (178 242) |
| Net interest income | 1 151 216 | 759 207 |
| Fee and comission income | 317 036 | 273 071 |
| Fee and comission expense | (127 211) | (112 453) |
| Net foreign exchange income | 200 273 | 185 857 |
| Share of profit in associate | 26 020 | 9 428 |
| Other operating income | 40 621 | 45 280 |
| Impairment losses on other transactions | (167 236) | (59 235) |
| Net non-interest income | 289 502 | 341 948 |
| Reserves for non-income taxes | | |
| Operating income | 1 440 718 | 1 101 154 |
| Operating expense | (1 099 956) | (977 691) |
| Operating profit | 340 762 | 123 463 |
| Other non-operating income and expense | | |
| Profit before income tax | 340 762 | 123 463 |
| Income tax expense | (36 041) | (8 628) |
| Profit for the period | 304 722 | 114 835 |
| Foreign currency translation differences | (8 420) | 14 086 |
| Total comprehensive income for the period | 296 301 | 128 921 |
| Profit attributable to: | | |
| Equity holders of the Group | 294 818 | 109 957 |
| Non-controlling interest | 9 903 | 4 878 |
| | 304 722 | 114 835 |
| Total comprehensive income attributable to: | | |
| Equity holders of the Group | 280 802 | 116 459 |
| Non-controlling interest | 15 499 | 12 462 |
| | 296 301 | 128 921 |
| For information: | | |
| Profir per share of Equity holders of the Group | 2 | 1 |

Chief accountant



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Cholpon Suvanbekova

Chief Finance Officer

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Mansoor Ali Halari

Chief Executive Officer

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Kwang Young Choi

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CJSC "Kyrgyz Investment and Credit Bank"

CONSOLIDATED STATEMENT OF CASH FLOWS

as at 31 December, 2017 (inclusive)

KGS '000

| | 31.12.2017 | 31.12.2016 |
|--|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest receipts | 1 731 489 | 1 719 680 |
| Interest payments | (684 635) | (807 379) |
| Fee and commission receipts | 312 533 | 267 449 |
| Fee and commission payments | (177 045) | (117 071) |
| Net receipts from foreign exchange | 210 501 | 198 466 |
| Other income receipts | 45 123 | 48 341 |
| General and other administrative expenses | (810 295) | (864 077) |
| (Increase)/decrease in operating assets | | |
| Reverse repurchase agreements | (118 609) | 0 |
| Loans to customers | (154 648) | 1 604 991 |
| Other assets | (44 791) | 244 917 |
| Increase/(decrease) in operating liabilities | | |
| Deposits and balances from banks and other financial institutions | 153 869 | (881 640) |
| Current accounts and deposits from customers | 2 246 907 | 2 651 575 |
| Other liabilities | (6 106) | 225 359 |
| Net cash from/(used in) operating activities before income tax paid | 2 704 295 | 4 290 611 |
| Income tax paid | (20 180) | (4 417) |
| Cash flows from/(used in) operations | 2 684 115 | 4 286 194 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of investments in securities | (36 324 647) | (13 629 297) |
| Repayment of investments in securities | 32 891 560 | 12 562 076 |
| Purchases of property, equipment and intangible assets | (190 545) | (100 091) |
| Proceeds on sale of property, equipment and intangible assets | 0 | 320 |
| Cash flows from investing activities | (3 623 632) | (1 166 993) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Placement of debt securities issued | 145 743 | 139 615 |
| Redemption of debt securities issued | (207 346) | 0 |
| Repayment of subordinated debt | (4 433) | (4 221) |
| Receipt of other borrowed funds | 2 120 746 | 2 521 309 |
| Repayment of other borrowed funds | (2 674 312) | (3 320 445) |
| Proceeds on additional issue of shares by subsidiary that does not involve loss of control | 0 | 48 104 |
| Dividends paid | 0 | (63 152) |
| Cash flows (used in)/from financing activities | (619 601) | (678 790) |
| Net increase in cash and cash equivalents | (1 559 117) | 2 440 412 |
| Effect of changes in exchange rates on cash and cash equivalents | 32 622 | (1 182 218) |
| Cash and cash equivalents at the beginning of the year | 12 946 397 | 11 688 203 |
| Cash and cash equivalents at the end of the period | 11 419 901 | 12 946 397 |

Chief accountant



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Cholpon Suvanbekova

Chief Finance Officer

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Mansoor Ali Halari

Chief Executive Officer

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Kwang Young Choi

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CJSC "Kyrgyz Investment and Credit Bank"

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
as at 31 December, 2017 (inclusive)
KGS '000

| | Share capital | Share premium | Retained earnings and other reserves for general banking risks | Cumulative translation reserve | Total equity attributable to Group shareholders | Non-controlling interest | Total |
|---|------------------|---------------|--|--------------------------------|---|--------------------------|------------------|
| 31 December 2015 | 1 328 238 | 37 570 | 2 972 527 | (19 459) | 4 318 876 | 81 978 | 4 400 854 |
| Total comprehensive income | 0 | 0 | 109 957 | 0 | 109 957 | 0 | 109 957 |
| Foreign currency translation differences | (116 711) | (3 301) | (261 745) | 3 678 | (378 079) | 4 385 | (373 694) |
| Non-controlling interest | 0 | 0 | 0 | 0 | 0 | 4 878 | 4 878 |
| Change in non-controlling interest related to increase in share capital of subsidiary | 0 | 0 | 0 | 0 | 0 | 48 104 | 48 104 |
| Dividends paid | 0 | 0 | (61 970) | 0 | (61 970) | 0 | (61 970) |
| 31 December 2016 | 1 211 527 | 34 269 | 2 758 770 | (15 781) | 3 988 784 | 139 344 | 4 128 128 |
| Total comprehensive income | 0 | 0 | 294 818 | 0 | 294 818 | 0 | 294 818 |
| Foreign currency translation differences | (6 835) | (193) | (10 441) | (9 123) | (26 594) | (41) | (26 635) |
| Non-controlling interest | 0 | 0 | 0 | 0 | 0 | 9 903 | 9 903 |
| Dividends paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 December 2017 | 1 204 691 | 34 076 | 3 043 147 | (24 905) | 4 257 009 | 149 206 | 4 406 215 |

Chief accountant

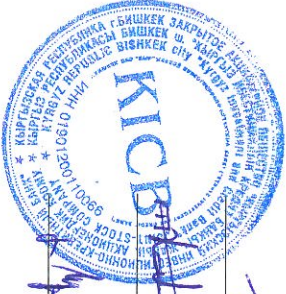
Cholpon Suvanbekova

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CJSC "Kyrgyz Investment and Credit Bank"

**INFORMATION ON COMPLIANCE WITH ECONOMIC STANDARDS
as at 31 December, 2017 (inclusive)**

| Title of economic standards and requirements | Specified value of ratios | The actual value of ratios |
|---|---------------------------|----------------------------|
| Maximum single exposure risk (K1.1) | not more than 20% | 11,2% |
| Maximum single exposure to one related party or group of related parties risk (K1.2) | not more than 15% | 0,1% |
| Maximum interbank placements risk (K1.3) | not more than 30% | 2,5% |
| Maximum interbank placements to one related bank or group of related banks (K1.4) | not more than 15% | 12,9% |
| Capital Adequacy ratio (K2.1) | not less than 12% | 28,2% |
| Capital Tier 1 Adequacy ratio (K2.2) | not less than 6% | 25,2% |
| Leverage ratio (K2.3) | not less than 8% | 15,6% |
| Liquidity ratio (K3.1) | not less than 45% | 79,5% |
| Total number of days with violation of open long FX position (K4.2) | not more than 10% | - |
| Total number of days with violation of open short FX position (K4.3) | not more than 10% | - |
| Capital buffer | not less than 20% | 28,2% |
| Total number of days with violation of open long FX position in precious metals (K4.5) | not more than 20% | not applicable |
| Total number of days with violation of open short FX position in precious metals (K4.6) | not more than 20% | not applicable |

Chief accountant



Cholpon Suvanbekova

Chief Finance Officer

Mansoor Ali Halari

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Kwang Young Choi