

**REPORT
OF FINANCIAL STATE
on December 31, 2017 (included)**

CJSC "BANK OF ASIA"

Country: Kyrgyzstan
Bishkek, Aytmatov Avenue, 303

Unit of measure: thousand som.

| № i/o | Name of items | on 31.12.2017 | on 31.12.2016 |
|-------------------------------|--|------------------|------------------|
| ASSETS | | | |
| 1 | Cash on hand | 274,297 | 301,102 |
| 2 | Cash at the corresponding account and other accounts in NBKR | 172,116 | 237,858 |
| 3 | Cash at banks | 153,619 | 111,525 |
| 4 | Securities held for trading | 0 | 33,115 |
| 5 | Securities available for sale | 256 | 322 |
| 6 | Securities held-to-maturity | 239,181 | 162,778 |
| 7 | Securities to financial institutions | 6,495 | 43,419 |
| 8 | Derivative financial instruments | 1,201,891 | 1,134,695 |
| 9 | Loans to customers | (62,529) | (77,462) |
| 10 | Allowance for impairment on loans, granted to financial institutions and customers | 1,145,857 | 1,100,652 |
| 11 | Loans to financial institutions and customers, net | 157,164 | 139,807 |
| 12 | Fixed and intangible assets, net | 38,717 | 18,580 |
| 13 | Long-term assets held for sale | | 0 |
| 14 | Other assets | 65,227 | 136,708 |
| 15 | TOTAL ASSETS | 2,246,435 | 2,242,447 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| 16 | Funds of financial institutions | 127,992 | 102,157 |
| 17 | Funds of clients | 1,233,650 | 1,250,537 |
| 18 | Government funds | 31,000 | 154,000 |
| 19 | Debt securities issued | 0 | 0 |
| 20 | Loans received | 128,846 | 243,260 |
| 21 | Loans received from NBKR | 160,679 | |
| 22 | Derivative financial instruments | 1,195 | 459 |
| 23 | Profit tax liabilities | 2,462 | 3,461 |
| 24 | Estimated reserves | 1,798 | 1,830 |
| 25 | Other liabilities | 50,637 | 36,639 |
| 26 | TOTAL LIABILITIES | 1,738,260 | 1,792,343 |
| EQUITY | | | |
| 27 | Common shares | 400,000 | 400,000 |
| 28 | Additional capital contributed by shareholders | 25,000 | 17,000 |
| 29 | Revaluation reserve for available-for-sale financial assets | (391) | (332) |
| 30 | Retained earnings | 83,567 | 33,436 |
| 31 | TOTAL EQUITY | 508,176 | 450,104 |
| 32 | TOTAL LIABILITIES AND EQUITY | 2,246,435 | 2,242,447 |

Chairman of the Board

Atakishieva Z.A.

Chief Accountant

Sartbaeva E.S.

Full financial statements can be found in all branches and savings banks of CJSC "Bank of Asia", as well as in the head office in: Bishkek, Aytmatova Avenue 303, FEZ "Bishkek"

or at the Bank's website: www.bankasia.kg

STATEMENT OF COMPREHENSIVE INCOME
on December 31, 2017 (included)

CJSC "BANK OF ASIA"

Country: Kyrgyzstan
 Bishkek, Aytmatov Avenue, 303

Unit of measure: thousand som.

| № i/o | Name of items | Reporting period 2017 | Previous period 2016 |
|-----------|---|--------------------------|-------------------------|
| 1 | Interest income | 262,712 | 269,060 |
| 2 | Interest expenses | (87,922) | (123,552) |
| 3 | Net interest income before formation / restoration of provision for impairment | 174,790 | 145,508 |
| 4 | The formation / recovery of provision for impairment of assets, for which interest is accrued | 14,575 | (32,576) |
| 5 | Net interest income | 189,365 | 112,932 |
| 6 | Income from received services and commissions | 86,613 | 80,319 |
| 7 | Fees for paid services and commissions | (12,344) | (9,970) |
| 8 | Net Income for Foreign Exchange Transactions | 45,206 | 57,922 |
| 9 | Net income from operations with securitiestrading portfolio | 0 | 0 |
| 10 | Other income | 6,220 | 12,178 |
| 11 | Formation / recovery of provision for impairment of assets, other than assets for which interest is accrued | (8,955) | (3,376) |
| 12 | Net non-interest income | 116,740 | 137,073 |
| 13 | Operating income | 306,106 | 250,005 |
| 14 | Operating expenses | (249,216) | (211,733) |
| 15 | Total operating profit | 56,889 | 38,272 |
| 16 | Other non-operating income and expenses | 0 | 0 |
| 17 | Profit before income tax | 56,889 | 38,272 |
| 18 | Income tax expense | (6,759) | (4,836) |
| 19 | Net profit (loss) for the period | 50,131 | 33,436 |
| 20 | Other comprehensive income | (59) | (46) |
| 21 | Total comprehensive income for the period | 50,072 | 33,390 |
| 22 | Earnings per share (KGS) | 125.33 | 91.00 |

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STATEMENT OF COMPREHENSIVE INCOME
on December 31, 2017 (included)

CJSC "BANK OF ASIA"

Country: Kyrgyzstan
 Bishkek, Aitmatov Avenue, 303

Unit of measure: thousand som.

| № i/o | Name of items | Reporting period 2017 | Previous period 2016 |
|-----------|--|-----------------------|----------------------|
| 1 | Interest on debt obligations | 29,998 | 18,986 |
| 2 | Interest on deposits in banks and other financial institutions | 371 | 841 |
| 3 | Interest on loans to banks and other FTD | 7,729 | 5,263 |
| 4 | Interest from REPO-agreement transactions | 105 | 77 |
| 5 | Interest on loans to customers | 224,267 | 243,736 |
| 6 | Interest on SWAP transactions | 242 | 157 |
| 7 | TOTAL: INTEREST INCOME | 262,712 | 269,060 |
| 8 | Interest on demand deposits of legal entities | (2,933) | (3,857) |
| 9 | Interest on savings deposits | (32,549) | (41,990) |
| 10 | Interest on term deposits of legal entities and the Social Fund of Kyrgyz Republic | (26,803) | (41,234) |
| 11 | Interest on deposits of banks and other financial institutions | (10,801) | (6,068) |
| 12 | Interest from REPO-agreement transactions | 0 | (57) |
| 13 | Interest on loans from the NBKR | (4,997) | (6,969) |
| 14 | Interest on long-term debt, interbank loans and other interest expenses | (9,567) | (23,332) |
| 15 | Interest expenses on SWAP operations | (272) | (45) |
| 16 | TOTAL: INTEREST EXPENSES | (87,922) | (123,552) |
| 17 | NET INTEREST INCOME BEFORE FORMATION / RESTORATION OF THE IMPAIRMENT FOR IMPAIRMENT | 174,790 | 145,508 |
| 18 | Formation / restoration of the reserve for impairment of interest-bearing assets | 14,575 | (32,576) |
| 19 | TOTAL: NET INTEREST INCOME | 189,365 | 112,932 |

| № п/п i/o | Наименование статей/Name of items | Reporting period 2017 | Previous period 2016 |
|--------------|---|--------------------------|----------------------|
| 20 | Income from received services and commissions | 86,613 | 80,319 |
| 21 | Expenses paid for services and commissions | (12,344) | (9,970) |
| 22 | Net Income on Foreign Exchange Transactions | 45,206 | 57,922 |
| 23 | Net income from operations with securities trading portfolio | 0 | 0 |
| 24 | Other income | 6,220 | 12,178 |
| 25 | Formation / recovery of provision for impairment of assets, other than assets for which interest is accrued | (8,955) | (3,376) |
| 26 | TOTAL: NET NON-INTEREST INCOME | 116,740 | 137,073 |
| 27 | TOTAL: OPERATING INCOME | 306,106 | 250,005 |
| 28 | Personnel costs | (137,774) | (112,915) |
| 29 | Expenses for depreciation of fixed assets and intangible assets | (17,232) | (13,760) |
| 30 | Other expenses for fixed assets, including rental and property tax | (28,666) | (28,913) |
| 31 | Administrative expenses | (62,949) | (53,882) |
| 32 | Expenses on loans and debts | (502) | (104) |
| 33 | Other operating expenses | (1,047) | (1,073) |
| 34 | Taxes except income and ownership taxes | (1,047) | (1,086) |
| 35 | TOTAL: OPERATING EXPENSES | (249,216) | (211,733) |
| 36 | TOTAL: OPERATING INCOME | 56,889 | 38,272 |
| 37 | Other non-operating income and expenses | 0 | 0 |
| 38 | TOTAL: PROFIT BEFORE INCOME TAX | 56,889 | 38,272 |
| 39 | Income tax expense | (6,759) | (4,836) |
| 40 | TOTAL: NET PROFIT (LOSS) FOR THE PERIOD | 50,131 | 33,436 |
| 41 | Other comprehensive income | (59) | (46) |
| 42 | TOTAL: COMPREHENSIVE INCOME FOR THE PERIOD | 50,072 | 33,390 |
| 43 | Earnings per share, som | 125.33 | 91.00 |

Chairman of the Board

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**REPORT
OF FINANCIAL STATE
on December 31, 2017 (included)**

CJSC "BANK OF ASIA"

Country: Kyrgyzstan

Bishkek, Aytmatov Avenue, 303

Unit of measure: thousand som.

| № i/o | | on December 31, 2017 | on December 31, 2016 |
|-----------|---|-------------------------|-------------------------|
| | Cash flows from operating activities : | | |
| 1 | Interest received | 259,949 | 266,932 |
| 2 | Interest paid | (91,007) | (132,557) |
| 3 | Commissions received | 85,745 | 80,262 |
| 4 | Commissions paid | (12,261) | (9,970) |
| 5 | Net receipts from foreign exchange operations | 46,415 | 58,142 |
| 6 | Other income | 4,586 | 12,201 |
| 7 | General and administrative expenses | (231,984) | (198,274) |
| | <i>(Increase) decrease in operating assets:</i> | | |
| 8 | Accounts and deposits in financial institutions | 10 | 167 |
| 9 | Loans to financial institutions | 36,716 | (38,520) |
| 10 | Loans to customers | (91,991) | 128,243 |
| 11 | Changes in mandatory reserves in the NBKR | 3,027 | 16,175 |
| 12 | Other assets | 84,564 | (22,021) |
| | <i>Increase (decrease) in operating liabilities:</i> | | |
| 13 | Funds of financial organizations | 25,590 | (47,079) |
| 14 | Loans from financial institutions | 47,453 | (85,087) |
| 15 | Customer accounts and deposits | (140,424) | 13,603 |
| 16 | Other liabilities | 4,715 | (4,817) |
| 17 | Paid income tax | (6,298) | (5,047) |
| 18 | Net cash from operating activities | 24,805 | 32,353 |
| | Cash flows from investing activities: | | |
| 19 | Acquisition of investment securities | (942,504) | (335,922) |
| 20 | Sale, redemption of investment securities | 906,151 | 221,369 |
| 21 | Purchase of fixed assets | (20,149) | (36,032) |
| 22 | Proceeds from sale of fixed assets | 190 | 0 |
| 23 | Net cash from investing activities | (56,312) | (150,585) |
| | Cash flows from financing activities: | | |
| 24 | Proceeds from issuance of promissory notes | 0 | 0 |
| 25 | Repayment of promissory notes | 0 | (75,899) |
| 26 | Proceeds from issue of shares | 0 | 0 |
| 27 | Proceeds to increase the supplementary capital | 8,000 | 11,299 |
| 28 | Dividends paid | 0 | 0 |
| 29 | Net cash from financing activities | 8,000 | (64,600) |
| 30 | Net increase (decrease) in cash and cash equivalents | (23,507) | (182,832) |
| 31 | Effect of currency fluctuations | (21,266) | (17,241) |
| 32 | Cash and cash equivalents at the beginning of the period | 541,169 | 741,242 |
| 33 | Cash and cash equivalents at the end of the period | 496,396 | 541,169 |

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STATEMENT OF CHANGES IN SHAREHOLDERS 'EQUITY
on December 31, 2017 (included)

CJSC "BANK OF ASIA"

Country: Kyrgyzstan
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Unit of measure: thousand som.

| No i/o | Name of item | Capital Stock | Additional capital | Revaluation reserve for available-for-sale financial assets | Retained earning | Total |
|-----------|-------------------------------------|----------------|--------------------|---|------------------|----------------|
| 1 | on December 31, 2015 | 335,624 | 0 | (286) | 70,077 | 405,415 |
| 2 | Issue of shares | 0 | 0 | 0 | 0 | 0 |
| 3 | Formation of additional capital | 64,376 | 17,000 | 0 | (70,077) | 11,299 |
| 4 | Declared dividends | 0 | 0 | 0 | 0 | 0 |
| 5 | Comprehensive income for the period | 0 | 0 | (46) | 33,436 | 33,390 |
| 6 | On December 31, 2016 | 400,000 | 17,000 | (332) | 33,436 | 450,104 |
| 7 | Issue of shares | 0 | 0 | 0 | 0 | 0 |
| 8 | Formation of additional capital | 0 | 8,000 | 0 | 0 | 8,000 |
| 9 | Declared dividends | 0 | 0 | 0 | 0 | 0 |
| 10 | Comprehensive income for the period | 0 | 0 | (59) | 50,131 | 50,072 |
| 11 | on December 31, 2017 | 400,000 | 25,000 | (391) | 83,567 | 508,176 |

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