

Заключения внешнего аудитора по результатам проверки финансовой деятельности банка

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Joint Stock Commercial Bank "Uzbek Industrial and Construction Bank"

Opinion

We have audited the consolidated financial statements of Joint Stock Commercial Bank "Uzbek Industrial and Construction Bank" and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 2020 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Uzbekistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA 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.

Why the matter was determined to be a key audit matter

How the matter was addressed in the audit

Assessment of expected credit losses on loans and advances to customers

As at 31 December 2020, loans and advances to customers represent UZS 38,959,958 million or 81% of total assets, net of allowance for expected credit losses ("ECL") of UZS 1,143,718 million assessed on a collective basis and UZS 758,997 million on an individual basis.

The collective assessment of ECL on loans and advances to customers is associated with the risk of inadequately collected historical data of the Group and its inconsistent application in the ECL models. Specifically, data on loans' maturity dates, outstanding balances, and status of arrears could be incomplete and/or inaccurate, which, as a consequence, could lead to inappropriate assumptions and inputs used in determining the risk factors such as probability of default (PD), loss given default (LGD), and exposure at default (EAD).

We updated our understanding of the credit risk management processes and ECL assessment and measurement, including identification of events leading to significant increase in credit risk ("SICR") and events of default.

We assessed reasonableness of the Group's assumptions in respect of loans' staging, probabilities of default and cash flows from defaulted loans, with the reference to the historical information and market forecasts. We also analysed the assumption related to allocation of borrowers in stages after completion of the forbearance program period provided to borrowers and performed the subsequent to year end analysis ("back testing") of the repayment of the loans.

We tested, on a sample basis, the accuracy and completeness of input data and other information used in

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In response to the COVID-19 pandemic, the Group has allowed borrowers to postpone monthly repayments of interest and/or principal on loans to later periods (the "forbearance program"). The implementation of this forbearance program and the unprecedented uncertainty over the economic implications created by the pandemic increased the subjectivity in assessment of ECL on loans and advances to customers.

While assessing the ECL on an individual basis, significant assumptions are used in determining whether a significant increase in credit risk or credit impairing events have occurred on loans since their initial recognition (migration between stage 1, 2 and 3). Additionally, the assessment of ECL requires an analysis of financial and non-financial data for estimating the future cash flows under different scenarios weighted for their probabilities. Information used for such analysis includes current financial performance of the borrower, forecasts of the industry trends, collateral value and costs and time required to sell the collateral.

Due to the significance of the loans and advances to customers' balance, and significant judgements in determining the key assumptions used in the assessment of expected credit losses, we identified this matter as a key audit matter.

Refer to Notes 3, 4 and 9 to the consolidated financial statements for the Group's accounting policy, critical accounting judgements and key sources of estimation uncertainty and disclosures of expected credit loss allowances.

the models, including principle balances, allocation of loans by days in arrears, and checked other parameters, such as delinquency of interest or principle, restructuring events, existence of litigation processes and statistics for recoveries of loans.

For collectively assessed loans, we challenged appropriateness of identification of significant increase in credit risk and classification of exposures into stages. For a sample of loans classified as stage 1 and stage 2, we challenged the Group's identification of SICR. For a sample of loans classified as stage 3 we challenged the Group's assessment of credit-impaired classification and whether relevant impairment events had been identified on a timely manner and whether the loans have been appropriately classified to the respective stage. We also analysed the determination of the loss given default used by the Group, including information on sale of collateral, statistics for recoveries of loans and the resultant arithmetical calculations.

For individually significant borrowers, we have challenged the Group's staging results and whether relevant impairment events had been identified on a timely basis, including overdue of interest or principal, restructuring events and certain financial performance indicators, in order to evaluate whether the loans have been appropriately classified to the respective stage.

To check appropriateness of ECL for individually significant loans in stage 3, we reviewed the Group's documentation in relation to credit assessment of the borrowers, challenged assumptions underlying ECL calculation, such as future cash flow projections, the valuation of collateral held and key assumptions applied.

We evaluated the adequacy and completeness of disclosures in the consolidated financial statements relating to the loans in accordance with IFRS requirements.

Other Information – Annual Report

Management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 IFRS, and for such internal control as management determines is necessary to enable the preparation of 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.

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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 skepticism 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.

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, related safeguards.

From the matters communicated with those charged with governance, we determine that matter that was of most significance in the audit of the consolidated financial statements of the current period, and are therefore the key audit matter. We describe this matter in our auditor's report unless the 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.

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License authorizing audit of companies registered by the Ministry of Finance of the Republic of Uzbekistan under #00776 dated 5 April 2019

Certificate authorizing audit of banks registered by the Central bank of the Republic of Uzbekistan under #3 dated 14 October 2013

3 June 2021
Tashkent, Uzbekistan

Erkin Ayupov
Qualified Auditor/Engagement Partner
Auditor qualification certificate authorizing audit of companies, #04830 dated 22 May 2010 issued by the Ministry of Finance of the Republic of Uzbekistan

Auditor qualification certificate authorizing audit of banks, #6/8 dated 25 January 2021 issued by the Central bank of the Republic of Uzbekistan

Director
"Deloitte & Touche" Audit Organisation LLC

Заключение независимого аудитора “Deloitte and Touche”

• Мнение

- «По нашему мнению, прилагаемая консолидированная финансовая отчетность **отражает достоверно во всех существенных отношениях финансовое положение Группы по состоянию на 31 декабря 2020 года, а также ее консолидированные финансовые результаты и консолидированное движение денежных средств за год, закончившийся на эту дату, в соответствии с Международными стандартами финансовой отчетности («МСФО»).**»

Заключение независимого аудитора “Deloitte and Touche”

- **Ключевые вопросы аудита**

Оценка ожидаемых кредитных убытков по кредитам и авансам выданным клиентам

- В ответ на пандемию COVID-19 Группа предоставила заемщикам возможность переносить ежемесячные выплаты процентов и / или основной суммы по кредитам на более поздние периоды («программа уступок»). Применение этой программы, а также беспрецедентная неопределенность экономических последствий, созданных пандемией, повысили субъективность оценки ожидаемых кредитных убытков по кредитам и авансам клиентам.
- В связи с существенностью остатков по кредитам и авансам выданным клиентам, и существенными суждениями при определении ключевых допущений используемых при оценке ожидаемых кредитных убытков, аудиторы определили **данный вопрос ключевым вопросом аудита**.
- Аудиторы оценили адекватность и полноту раскрытий по кредитам и авансам выданным клиентам, представленных в консолидированной финансовой отчетности, в соответствии с требованиями МСФО.

Корректировки согласно МСФО

	НСБУ	МСФО	(НСБУ-МСФО)	Причины
Процентные доходы	3 256 793	3 289 632	-32 839	Увеличение процентного дохода обусловлено корректировкой процентных доходов по реструктуризированным кредитам переведенных на капитал с ФРРУз в соответствии с МСФО (IFRS) 15/МСФО (IFRS) 9. Реклассификация пеней по кредитам на процентные доходы и добавление процентных доходов дочерних компаний ПСБ Капитал согласно МСФО (IFRS) 10.
Процентные расходы	-1 635 492	-1 667 555	32 063	Увеличение процентных расходов связано корректировкой процентных расходов по выпущенным Евробондам по эффективной процентной ставке и за счёт реклассификацией из других статей расходов.
Создание резерва по кредитным убыткам по кредитам и авансам выданным клиентам	-299 534	-1 200 998	901 464	Увеличение резервов в связи с ожидаемым кредитным убытком (резервом) в результате эффекта Covid-19 (все пересмотренные в связи с ковидом кредиты были тестированы на наличие признаков дефолта и определенная часть была переведена на худшие стадии, более 200 млрд. сум расхода по резервам из-за них), рассчитанным на основе методологии МСФО (IFRS) 9 который сильно отличается от расчетов НСБУ. На увеличение расхода по резервам также влиял резерв на кредиты крупного заемщика Эпсилон (сумма резерва 715 млрд) который отдельно отмечен в аудиторском отчете (42 стр. англ. языке/52 стр. русском языке).
Эффект первоначального признания активов, по которым начисляются проценты	-	-19 285	19 285	Увеличение затрат, связанных с первоначальным признанием убытков по выданным кредитам ниже рыночных процентных ставок МСФО (IFRS) 9.
Комиссионные доходы	383 998	401 784	-17 786	Положительная разница от признания комиссионных доходов в соответствующем периоде в соответствии с МСФО (IFRS) 15 по гарантиям и корректировки комиссионных доходов по эффективной процентной ставке по привлеченным ресурсам согласно МСФО (IFRS) 9.
Комиссионные расходы	-140 848	-81 461	-59 387	Уменьшение расходов за счет перераспределения комиссионных доходов в процентные доходы и соответствующие периоды по эффективной процентной ставке согласно МСФО (IFRS) 9. Реклассификация комиссий в другие группы расходов.
Чистые доходы от переоценки иностранной валюты	185 189	100 467	84 722	Снижение чистых доходов по валютным операциям за счет выделения реализованной прибыли от общей прибыли по валютным операциям в течение года.

Чистые доходы по операциям с иностранной валютой	3	72 569	-72 566	Увеличение чистых доходов по операциям с иностранной валютой в связи с разделением реализованной части покупки продажи валюты. Реализованная прибыль от признания FX.
Доходы от страховых операций	-	43 444	-43 444	Увеличение прибыли за счет требований МСФО 10, связанных с консолидацией дочерней страховой компании SQB Insurance.
Расходы от страховых операций	-	-17 713	17 713	Увеличение прибыли за счет требований МСФО (IFRS) 10, связанных с консолидацией дочерней страховой компании SQB Insurance.
Изменение страховых резервов, нетто	-	-26 103	26 103	Увеличение прибыли за счет требований МСФО (IFRS) 10, связанных с консолидацией дочерней страховой компании SQB Insurance.
Доходы по дивидендам	5 477	5 477	0	Нет изменений
Прочие операционные доходы	75 664	29 773	45 891	Снижение прочих операционных доходов из-за реклассификации из операционных доходов на другие доходные счета.
Резерв под обесценение прочих активов	-42 653	-12 323	-30 330	Уменьшения расходов по прочим активам из-за реклассификации резервов на резервы по кредитам.
Обесценение внеоборотных активов, предназначенных для продажи	-	7 233	-7 233	Создание резервов по активам предназначенных для продаже согласно МСФО (IFRS) 5.
Административные и прочие операционные расходы	-776 812	-790 447	13 635	Увеличение данной статьи расходов обусловлено реклассификацией из других расходов на админ./операционные расходы, а также добавление административных расходов всех дочерних предприятий (SQB Capital, SQB Insurance, SQB Securities, SCB Construction, PSB Industrial Investment).
Доля в убытках ассоциированных предприятий	-	- 12	12	Доля в убытке от ассоциированных компаний владеющей через SQB Capital согласно МСФО (IAS) 28.
Расходы по налогу на прибыль (Убыток) / прибыль за период от прекращенной деятельности	-213 786	-22 358	-191 428	Корректировка налога на прибыль согласно МСФО (IAS) 12 Налоги на прибыль исходя из размера чистой прибыли по МСФО и отложенных налогов.
Прочий совокупный доход за год	-	6 980	-6 980	Прибыль от прекращенной деятельности компаний Хоразм насли парранда и Технопарков.
ИТОГО СОВОКУПНЫЙ ДОХОД ЗА ГОД	797 999	119 993	678 006	