

**Rating Action: Moody's takes rating actions on 14 banks in Uzbekistan**

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08 Jul 2021

London, 08 July 2021 -- Moody's Investors Service ("Moody's") today took rating actions on 14 Uzbek banks (see list of affected entities below). These rating actions follow the change of outlook on the Government of Uzbekistan's B1 long-term issuer rating to positive from stable on 2 July 2021 and upward revision of the Uzbek banking system's Macro Profile to "Weak-" from "Very Weak+" given the improving operating conditions in the country.

Specifically, Moody's has:

(1) upgraded to b2 from b3 the Baseline Credit Assessment (BCA) and Adjusted BCA of National Bank of Uzbekistan (NBU), Qishloq Qurilish Bank (QQB) and Ziraat Bank Uzbekistan JSC (ZBU); affirmed the BCA and Adjusted BCA of Agrobank, Aloqabank JSC, Asia Alliance Bank (AAB), Hamkorbank, InFinBank (IFB), Ipak Yuli Bank, Ipoteka Bank and Savdogar Bank at b2; affirmed JSCB Tenge Bank's BCA at b3 and its Adjusted BCA at ba3; affirmed the BCA and Adjusted BCA of Asaka Bank and Kapitalbank JSCB at b3;

(2) upgraded the long-term local and foreign currency deposit ratings of QQB to B1 from B2; upgraded the long-term local and foreign currency deposit ratings of ZBU to B2 from B3; affirmed the long-term local and foreign currency deposit ratings of Agrobank, Aloqabank JSC, Asaka Bank, Ipoteka Bank and NBU at B1; AAB, Hamkorbank, IFB, Ipak Yuli Bank and Savdogar Bank at B2; Kapitalbank JSCB at B3; JSCB Tenge Bank's long-term local currency deposit rating at Ba3 and its long-term foreign currency deposit rating at B1.

(3) changed the outlooks on the long-term local and foreign currency deposit ratings of Agrobank, Aloqabank JSC, Asaka Bank, Hamkorbank, Ipoteka Bank, Kapitalbank JSCB and NBU to positive from stable; the outlooks on the long-term local and foreign currency deposit ratings of AAB, IFB, Savdogar Bank and ZBU were changed to stable from negative; the outlook on the long-term foreign currency deposit rating of JSCB Tenge Bank was changed to positive from stable, while the outlook on the bank's long-term local currency deposit rating remained stable; the outlooks on the long-term local and foreign currency deposit ratings of Ipak Yuli Bank and QQB remained stable.

(4) upgraded the long-term local and foreign currency Counterparty Risk Ratings (CRRs) and the long-term Counterparty Risk Assessments (CR Assessments) of ZBU; affirmed the long-term local and foreign currency Counterparty Risk Ratings (CRRs) and the long-term Counterparty Risk Assessments (CR Assessments) of the other banks;

(5) affirmed the short-term ratings and assessments of all fourteen banks.

A full list of affected ratings can be found at the end of this press release.

**RATINGS RATIONALE**

**CHANGE IN THE MACRO PROFILE TO 'WEAK-' FROM 'VERY WEAK+' REFLECTS IMPROVING OPERATING ENVIRONMENT IN UZBEKISTAN AND EXERTS UPWARD PRESSURE ON BANKS' RATINGS**

The rating actions take into account Moody's decision to change Uzbek banking system's Macro Profile to "Weak-" from "Very Weak+" to reflect the improvements in the operating environment for Uzbek banks, which will gradually translate into the improvement of the banks' standalone credit profiles, in particular, asset quality and profitability assessments. Lifting of most lockdowns in September 2020 led to the start of an economic recovery in the fourth quarter, making Uzbekistan one of the few countries globally that avoided a recession in 2020, with real GDP growth of 1.6% for the year. Moody's expects the country's economic growth to accelerate to 5.5% and 6.3% in 2021 and 2022, respectively, which will bolster the creditworthiness of the borrowers and help banks to restore their loan book quality and profitability in the next 12-18 months. These exert upward pressure on Uzbek banks' credit profiles.

**BANK-SPECIFIC FACTORS**

-- AAB

The affirmation of the bank's BCA and Adjusted BCA at b2 and long-term bank deposit ratings at B2, as well as the change of rating outlook to stable from negative, reflects the resilience of the bank's credit profile amidst the pandemic as well as Moody's expectations that the bank's solvency and liquidity metrics will remain broadly stable over the next 12-18 months.

The bank's share of problem loans (defined as Stage 3 and POCI lending) increased to 9.3% of gross loans as of year-end 2020 amid pandemic up from 4.7% reported as of year-end 2019. Moody's expects the problem loan ratio will not exceed 12% in the next 12-18 months while most of the restructured loans will return into payment schedule by the end of 2021. Moody's projects that AAB's capital adequacy, as measured by Tangible Common Equity (TCE) to risk-weighted asset (RWA) ratio, will remain broadly flat by the end of 2022 compared with 11.2% reported at the end of 2020 despite rapid loan book growth.

-- Agrobank

The affirmation of Agrobank's ratings and change in the outlooks on its long-term deposit ratings to positive from stable follow the sovereign rating action on Uzbekistan and the improvement of Uzbekistan's banking system's Macro Profile to "Weak-" from "Very Weak+."

Agrobank's b2 BCA is supported by stable funding, recovering profitability as well as its historically moderate level of loan book dollarisation. The substantial portion of Agrobank's credit exposures is insured or guaranteed, supporting the bank's overall asset quality. At the same time, Agrobank's BCA is constrained by the elevated level of problem loans of around 8% of gross loans at the end of 2020 and its very fast loan growth which exerts pressure on capital adequacy and liquidity.

The bank's deposit ratings benefit from one notch of uplift from the b2 BCA, due to a very high probability of support from the Government of Uzbekistan.

-- Aloqabank JSC

The affirmation of Aloqabank's ratings and change of the outlooks on its long-term deposit ratings to positive from stable follow the sovereign rating action on Uzbekistan and the improvement of Uzbekistan's banking system's Macro Profile to "Weak-" from "Very Weak+."

The bank's b2 BCA reflects its strong loss absorption, supported by solid capital buffers with tangible common equity/risk-weighted assets of around 18% as of year-end 2020 and robust profitability with Net Income to Tangible Asset ratio of 1.45% as of year-end 2020. It also reflects the bank's stable funding profile and limited reliance on market funding, yet at the same time the bank's BCA remains constrained by its modest liquidity buffer. The share of problem loans remains relatively low at around 3% of gross loans as of year-end 2020, however the coverage of problem loans by Loan Loss Reserves was also low at around 30%.

The bank's long-term deposit ratings benefit from one notch of uplift from the b2 BCA due to a high probability of support from the Government of Uzbekistan.

-- Asaka Bank

The affirmation of Asaka bank's BCA at b3 and long-term bank deposit ratings at B1, as well as the change of rating outlook to positive from stable, follow the sovereign rating action on Uzbekistan and the improvement of Uzbekistan's banking system's Macro Profile to "Weak-" from "Very Weak+."

The bank's b3 BCA has been supported by its capital position with TCE/RWA ratio of around 13% as of year-end 2020 and strengthening profitability. At the same time, the bank's BCA remains constrained by still high, albeit decreasing level of problem loans of around 6% of gross loans at the end 2020 and its modest liquidity buffer. As Asaka Bank significantly reduces its exposure to low-margin loans provided to large state-owned enterprises, Moody's expects the bank's profitability to gradually strengthen.

The bank's long-term deposit ratings benefit from two notches of uplift from its b3 BCA, due to a very high probability of support from the Government of Uzbekistan.

-- Hamkorbank

The affirmation of the bank's BCA and Adjusted BCA at b2 and long-term bank deposit ratings at B2, as well as the change of rating outlook to positive from stable, reflects sustained quality of the loan portfolio through pandemic and lockdowns as well as expected improvement of the bank's standalone credit profile in the next

12-18 months.

Despite its focus on small and mid-sized enterprises (SME) and unsecured consumer lending, the impact on Hamkorbank's loan book from pandemic and lockdowns has been moderate owing to strong underwriting standards. The share of problem loans increased to 7.0% of total loans as of year-end 2020 from 3.9% a year earlier. Moody's expects that problem loan ratio will not exceed 10% in the next 12-18 months amid partial migration of restructured loans into problem category. The bank's strong pre-provision profitability at 5.9% of tangible assets in 2020 as well as capital adequacy with TCE/RWA ratio at 15.9% at the end of 2020 are sufficient to absorb expected losses in the next 12-18 months.

-- IFB

The affirmation of IFB's BCA, Adjusted BCA at b2 and long-term bank deposit ratings at B2 reflects profitable and resilient performance of the bank in 2020 as well as Moody's expectations that the bank's creditworthiness will remain broadly stable over the next 12-18 months.

Although IFB has material exposure to SME accounting for 60% of its gross loans as of year-end 2020, its loan portfolio performed well. The bank's share of problem loans was only 2.3% of gross loans as of year-end 2020 up from 1.3% as of year-end 2019. This is largely attributed to IFB's moderate risk appetite as well as exposure to sectors which suffered very little from lockdowns (e.g. textile industry, agriculture, food production and processing). In Moody's view, the bank's moderate pre-provision profitability at 3.0% of tangible assets in 2020 as well as robust capital adequacy with TCE/RWA ratio of 13.5% at the end of 2020 are sufficient to absorb expected losses stemming from partial migration of restructured loans in the next 12-18 months.

-- Ipek Yuli Bank

The affirmation of Ipek Yuli Bank's ratings and assessments and maintaining stable outlooks on its long-term bank deposit ratings reflects the bank's vulnerable asset quality, which is counterbalanced by the bank's sustainable capital adequacy and solid pre-provision profitability. Ipek Yuli Bank's problem loans increased to 6.4% of total gross loans as of the end of 2020 from 5.0% a year earlier. Over the same period, the bank's TCE/RWA ratio improved to 15.2% from 12.09%, owing to the strong net interest income generation and high cost-efficiency.

-- Ipoteka Bank

The affirmation of Ipoteka bank's ratings and change in the outlooks on its long-term deposit ratings to positive from stable follow the sovereign rating action on Uzbekistan and the improvement of Uzbekistan's banking system's Macro Profile to "Weak-" from "Very Weak+".

The bank's b2 BCA reflects its strong loss absorption, supported by solid capital buffers with tangible common equity/risk-weighted assets of 14.8% as of year-end 2020 and robust profitability with Net Income to Tangible Asset ratio of 1.2% as of year-end 2020. In Moody's view, the bank has a good revenue generation capacity to absorb additional credit losses with the pre-provision income to risk weighted assets ratio at 5.2% in 2020. At the same time, the bank's BCA remains constrained by the elevated level of problem loans which stood at around 6% of gross loans at the end 2020, modest liquidity buffer which will likely to moderate over the next 12-18 months to around 15% of total assets as a result of lending growth.

The bank's long-term deposit ratings benefit from one notch of uplift from BCA, due to a very high probability of support from the Government of Uzbekistan.

-- JSCB Tenge Bank

The change of the outlook on JSCB Tenge Bank's long-term foreign currency bank deposit rating to positive from stable reflects the positive outlook on Uzbekistan's B1 long-term issuer and senior unsecured debt ratings.

The affirmation of JSCB Tenge Bank's BCA of b3 and Adjusted BCA of ba3, as well as its long-term local currency bank deposit rating of Ba3 and long-term foreign currency bank deposit rating of B1 reflects the bank's good asset quality to date, its ample capital and liquidity buffers, as well as a very high probability of support from JSCB Tenge Bank's parent, Halyk Savings Bank of Kazakhstan (Baa3 positive bank deposit rating, ba2 BCA), which results in a three-notch rating uplift of JSCB Tenge Bank's Adjusted BCA of ba3 from its BCA of b3. At the same time, JSCB Tenge Bank's BCA is constrained by lack of business diversification, very fast loan growth and modest profitability.

-- Kapitalbank JSCB

The affirmation of the bank's BCA and Adjusted BCA at b3 and long-term bank deposit ratings at B3 reflects strong and profitable performance of Kapitalbank JSCB through pandemic. The change of outlook on its long-term bank deposit ratings to positive from stable is driven by expected improvement of the bank's solvency in the next 12-18 months amid improving operating environment.

Thanks to modest exposure to SME and unsecured consumer lending the bank's loan portfolio performed better than peers. The share of problem loans decreased to 4% of total loans as of year-end 2020 down from 6% a year earlier. However, the bank's loan book expanded by 50% in 2020 thus masking the fact that problem lending in absolute terms remained broadly unchanged. Moody's expects that the bank will be able to improve its capital adequacy with TCE/RWA ratio of 10.0% as of year-end 2020 to 12-13% in the next 12-18 months thanks to strong internal capital generation capacity.

-- NBU

The change of outlook on the long-term bank deposit ratings to positive from stable is driven by positive outlook on Uzbekistan's B1 sovereign ratings.

The upgrade of the bank's BCA and Adjusted BCA to b2 from b3 reflects resilient performance of loan portfolio through pandemic as well as NBU's moderate profitability and strong capital adequacy levels. The affirmation of the its long-term bank deposit ratings at B1 reflects improved creditworthiness of the bank, and Moody's assumption of a very high support from the government of Uzbekistan resulting in one notch of uplift from the bank's BCA of b2.

The bank's loan book performed well in 2020 as NBU's largest borrowers, in particular, state owned enterprises (SOEs) were largely insulated from pandemic and lockdowns or received the state support last year. The bank reported relatively low level of problem lending at 3.3% of gross loans as of year-end 2020 compared with 3.2% as of year-end 2019. Moody's considers its capital adequacy, as measured by TCE/RWA ratio at 19.0% as of year-end 2020 along with moderate pre-provision revenue, to be sufficient to absorb higher provisioning charges following the partial migration of restructured loans into problem lending in the next 12-18 months.

-- QQB

The upgrade of QQB's long-term deposit ratings to B1 from B2 is driven by the upgrade of its BCA and Adjusted BCA to b2 from b3 and follows the sovereign rating action on Uzbekistan and the improvement of the Uzbekistan banking system's Macro Profile to "Weak -" from "Very Weak+".

The upgrade of the bank's BCA also reflects QQB's strengthened capital and liquidity positions along with improving profitability. Moody's estimated that the bank's TCE/RWA ratio was 13.6% at the end 2020 increased from 10.47% at the end 2019 and the ratio will remain broadly stable at around 13% by YE 2022.

QQB's profitability is supported by the bank's consistently high net interest margin, which exceeds 4%, reflecting its access to low-cost government related funding and the bank's increasing focus on SME lending. However, the bank's bottom-line performance is constrained by its still-low operating efficiency, with a high cost-to-income ratio of above 50%. Moody's expect QQB's asset quality to remain stable over the next 12-18 months supported by stabilizing operating environment and the bank's high exposure to low-risk mortgages that accounted for 45% of its loan portfolio.

The bank's long-term deposit ratings benefit from one notch of uplift from its b2 BCA, due to a high probability of support from the Government of Uzbekistan.

-- Savdogar Bank

The affirmation of the bank's BCA and Adjusted BCA at b2, and the long-term bank deposit ratings at B2, as well as the change of rating outlook to stable from negative, reflects Moody's expectation that the asset quality and profitability deterioration will be short-lived and the bank will be able to maintain its solvency metrics in the next 12 to 18 months amid improving operating environment in Uzbekistan.

Savdogar Bank's exposure to SME and retail lending accounted for 66% and 17%, respectively, of its total gross loans as of year-end 2020. In Moody's view, the bank has a moderate revenue generation capacity to absorb additional credit losses with the pre-provision income to total assets ratio at 1.7% in 2020. Moody's

estimates that the bank's TCE/RWA ratio of 12.2% as of year-end 2020 may decline to 10% by the end of 2022, in the absence of capital injections.

- ZBU

The upgrade of ZBU's BCA and Adjusted BCA to b2 from b3 and its long-term bank deposit ratings to B2 from B3 and the change of the outlooks on its long-term deposit ratings to stable from negative reflects the improvement of the Uzbekistan's banking system's Macro Profile to "Weak-" from "Very Weak+".

ZBU's loss absorption buffer is strong, with the ratio of TCE/RWA of 32.3% as of year-end 2020. The bank's asset quality is also good, as problem loans (reported as Stage 3 loans under IFRS) and "high-credit-risk" loans (part of Stage 2) accounted for 0.15% and 0.69%, respectively, of the bank's total gross loans as of the same date. These strengths are counterbalanced by ZBU's small size and limited business diversification.

#### FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

An improvement of the asset quality metrics coupled with sustainable robust profitability and capital levels through the cycle may lead to an upgrade of the banks' BCA and deposit ratings in the next 12-18 months. Concurrently, the upgrade of Uzbekistan's sovereign rating could result in the upgrade of the long-term local and foreign currency deposit ratings of Agrobank, Aloqabank JSC, Asaka Bank, Ipoteka Bank, NBU, as well as the upgrade of the long-term foreign currency deposit rating of JSCB Tenge Bank.

Positive outlooks signal that rating downgrades are unlikely over the next 12-18 months. The rating outlooks could be changed to stable or negative if there were signs of erosion of the banks' financial fundamentals, namely asset quality, capitalisation and profitability, which are not currently expected. Concurrently, the ratings of Agrobank, Aloqabank JSC, Asaka Bank, Ipoteka Bank, NBU and QQB could be downgraded if the government of Uzbekistan appeared less likely to continue its support to these banks.

#### LIST OF AFFECTED RATINGS

Issuer: Aloqabank JSC

..Affirmations:

...Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

...Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

...Long-term Bank Deposits (Local and Foreign Currency), affirmed B1, outlook changed to Positive from Stable

...Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

...Long-term Counterparty Risk Assessment, affirmed B1(cr)

...Short-term Counterparty Risk Assessment, affirmed NP(cr)

...Baseline Credit Assessment, affirmed b2

...Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

...Outlook changed to Positive from Stable

Issuer: Agrobank

..Affirmations:

...Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

...Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

...Long-term Bank Deposits (Local and Foreign Currency), affirmed B1, outlook changed to Positive from Stable

...Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

...Long-term Counterparty Risk Assessment, affirmed B1(cr)

...Short-term Counterparty Risk Assessment, affirmed NP(cr)

...Baseline Credit Assessment, affirmed b2

...Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

...Outlook changed to Positive from Stable

Issuer: Asaka Bank

..Affirmations:

...Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

...Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

...Long-term Bank Deposits (Local and Foreign Currency), affirmed B1, outlook changed to Positive from Stable

...Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

...Long-term Counterparty Risk Assessment, affirmed B1(cr)

...Short-term Counterparty Risk Assessment, affirmed NP(cr)

...Baseline Credit Assessment, affirmed b3

...Adjusted Baseline Credit Assessment, affirmed b3

..Outlook Action:

...Outlook changed to Positive from Stable

Issuer: Asia Alliance Bank

..Affirmations:

...Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

...Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

...Long-term Bank Deposits (Local and Foreign Currency), affirmed B2, outlook changed to Stable from Negative

...Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

...Long-term Counterparty Risk Assessment, affirmed B1(cr)

...Short-term Counterparty Risk Assessment, affirmed NP(cr)

...Baseline Credit Assessment, affirmed b2

...Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

...Outlook changed to Stable from Negative

Issuer: Hamkorkbank

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Local and Foreign Currency), affirmed B2, outlook changed to Positive from Stable

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B1(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b2

....Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

....Outlook changed to Positive from Stable

Issuer: InFinBank

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Local and Foreign Currency), affirmed B2, outlook changed to Stable from Negative

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B1(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b2

....Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

....Outlook changed to Stable from Negative

Issuer: Ipak Yuli Bank

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Local and Foreign Currency), affirmed B2, outlook remains Stable

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B1(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b2

...Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

....Outlook remains Stable

Issuer: Ipoteka Bank

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Local and Foreign Currency), affirmed B1, outlook changed to Positive from Stable

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B1(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b2

....Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

....Outlook changed to Positive from Stable

Issuer: JSCB Tenge Bank

..Affirmations:

....Long-term Counterparty Risk Rating (Foreign Currency), affirmed B1

....Long-term Counterparty Risk Rating (Local Currency), affirmed Ba2

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Foreign Currency), affirmed B1, outlook changed to Positive from Stable

....Long-term Bank Deposits (Local Currency), affirmed Ba3, outlook remains Stable

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed Ba2(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b3

....Adjusted Baseline Credit Assessment, affirmed ba3

..Outlook Action:

....Outlook changed to Stable(m) from Stable

Issuer: Kapitalbank, JSCB

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B2

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Local and Foreign Currency), affirmed B3, outlook changed to Positive from Stable

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B2(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b3

....Adjusted Baseline Credit Assessment, affirmed b3

..Outlook Action:

....Outlook changed to Positive from Stable

Issuer: National Bank of Uzbekistan

..Upgrades:

....Baseline Credit Assessment, upgraded to b2 from b3

....Adjusted Baseline Credit Assessment, upgraded to b2 from b3

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Local and Foreign Currency), affirmed B1, outlook changed to Positive from Stable

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B1(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

..Outlook Action:

....Outlook changed to Positive from Stable

Issuer: Qishloq Qurilish Bank

..Upgrades:

....Long-term Bank Deposits (Local and Foreign Currency), upgraded to B1 from B2, outlook remains Stable

....Baseline Credit Assessment, upgraded to b2 from b3

....Adjusted Baseline Credit Assessment, upgraded to b2 from b3

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B1(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

..Outlook Action:

....Outlook remains Stable

Issuer: Savdogar Bank

..Affirmations:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed B1

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Long-term Bank Deposits (Local and Foreign Currency), affirmed B2, outlook changed to Stable from Negative

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Long-term Counterparty Risk Assessment, affirmed B1(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b2

....Adjusted Baseline Credit Assessment, affirmed b2

..Outlook Action:

....Outlook changed to Stable from Negative

Issuer: Ziraat Bank Uzbekistan JSC

..Upgrades:

....Long-term Counterparty Risk Ratings (Local and Foreign Currency), upgraded to B1 from B2

....Long-term Bank Deposits (Local and Foreign Currency), upgraded to B2 from B3, outlook changed to Stable from Negative

....Long-term Counterparty Risk Assessment, upgraded to B1(cr) from B2(cr)

....Baseline Credit Assessment, upgraded to b2 from b3

....Adjusted Baseline Credit Assessment, upgraded to b2 from b3

..Affirmations:

....Short-term Counterparty Risk Ratings (Local and Foreign Currency), affirmed NP

....Short-term Bank Deposits (Local and Foreign Currency), affirmed NP

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

..Outlook Action:

....Outlook changed to Stable from Negative

## PRINCIPAL METHODOLOGY

The principal methodology used in these ratings was Banks Methodology published in March 2021 and available at [https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC\\_1261354](https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_1261354) . Alternatively, please see the Rating Methodologies page on [www.moodys.com](http://www.moodys.com) for a copy of this methodology.

## REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and

Definitions can be found at: [https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC\\_79004](https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_79004).

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on [www.moodys.com](http://www.moodys.com).

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The ratings have been disclosed to the rated entity or its designated agent(s) and issued with no amendment resulting from that disclosure.

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