

**“NATIONAL BANK OF FOREIGN
ECONOMIC ACTIVITY OF THE
REPUBLIC OF UZBEKISTAN”
JOINT STOCK COMPANY**



**АКЦИОНЕРНОЕ ОБЩЕСТВО
«НАЦИОНАЛЬНЫЙ БАНК
ВНЕШНЕЭКОНОМИЧЕСКОЙ
ДЕЯТЕЛЬНОСТИ
РЕСПУБЛИКИ УЗБЕКИСТАН»**

**Minutes No. 8
OF THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS
OF THE “NATIONAL BANK OF FOREIGN ECONOMIC ACTIVITY OF THE
REPUBLIC OF UZBEKISTAN” JOINT STOCK COMPANY**

Address: Tashkent city, Amir Temur Avenue, Head
Office of National Bank for Uzbekistan, house 101

May 22, 2021

Working hours: 9:30-11:30

The annual general meeting of the shareholders of “National Bank of Foreign Economic Activity of the Republic of Uzbekistan” JSC (hereinafter - National Bank of Uzbekistan) on the results of 2020 was opened by Abdushukurov Jamshid Abdigalipovich, Director of the Department of State-Participated Commercial Banks Reform Coordination Department of the Ministry of Finance of the Republic of Uzbekistan, and announced the following.

According to the minutes of the meeting No. 17 dated 04.05.2021 of the Bank Supervisory Board, the Laws of the Republic of Uzbekistan «On the Regulation of Rights of Joint-Stock Companies and Shareholders'», «On Banks and Banking Activities» and the Charter of National Bank of Uzbekistan, a decision was made regarding the convocation of the annual general meeting of National Bank of Uzbekistan's shareholders on 22.05.2021.

In accordance with the procedures established by the current legislation, the notice on the date, place, and agenda of the general meeting was published on the Bank's official website on May 6, 2021, on the single portal of corporate information, as well as in the 97th issue of the “Halk Suzi” newspaper dated May 8, 2021 and the issue of the “Pravda Vostoka” newspaper No. 95 dated May 11, 2021 and sent to the e-mail addresses of the shareholders (by e-xat).

According to Article 61 of the Law “On Protection of the Rights of Joint Stock Companies and Shareholders” and the decision of the Supervisory Board, the date of formation of the list of shareholders who have the right to participate in the general meeting of shareholders was set as 19.05.2021.

The list of shareholders with the right to participate in the meeting of shareholders has been prepared for May 19, 2021.

As of May 19, 2021, the Authorized Fund of the Bank was 11 978 074 379 000 (*eleven trillion nine hundred seventy-eight billion seventy-four million three hundred seventy-nine thousand*) Soums that equals to a nominal value of 11 978 074 379 (*eleven billion nine hundred seventy-eight million seventy-four thousand three hundred seventy-nine*) pieces of 1,000 (one thousand) soums ordinary shares with the owner's name written on them.

Anvar Khalitov, chairman of the Enumeration Commission informed that the general meeting of shareholders was authorized (that it had a quorum).

It was reported that 2 (two) shareholders who were the owners of 11 978 074 379 ordinary shares with the right to participate in the annual general meeting as of 19.05.2021 were entered into the register of National Bank of Uzbekistan shareholders by the Enumeration Commission. In particular, the Ministry of Finance of the Republic of Uzbekistan owns 4 972 047 182 (41,5%) ordinary shares and the Fund for Reconstruction and Development of the Republic of Uzbekistan owns 7 006 027 197 (58,5%) ordinary shares.

The correct registration of the list of shareholders and the authorities of the representatives who have the right to participate in the General meeting on behalf of the shareholders were confirmed.

The Enumeration Commission reported that 2 shareholders owning 11 978 074 379 shares or 100.0 percent of the total voting shares and their representatives had registered to participate in the meeting, and the General meeting was authorized and had a quorum.

J. Abdushukurov, the chairman of the meeting, announced the opening of the annual general meeting of the shareholders of National Bank of Uzbekistan and informed that bank shareholders, members of the Bank's management and directors of the bank's responsible departments participated in the meeting.

General meeting of shareholders':

Chairman of the meeting: J. Abdushukurov, M. Norgitov

Secretary of the meeting: A. Khalitov.

The members of Enumeration Commission: A. Khalitov, D. Muminov, D. Mirzaev were elected.

The following issues are included in the agenda of the annual general meeting of shareholders:

1. Approval of the annual report of the bank on the results of 2020. Hearing the annual report of the Bank's Supervisory Board and Management, external audit reports.

2. Hearing the conclusion of the Bank Audit Commission.

3. Distribution of the bank's net profit in 2020.

4. To revise the clause 3 of the minutes of No. 3 dated July 11, 2020 of the annual general meeting of shareholders of National Bank of Uzbekistan JSC (the issue of distribution of bank profits for 2019), which was on the payment of the expected dividends part in monetary form to the Fund for Reconstruction and Development.

5. Approval of the decision to increase the charter capital of the bank and "Issuance of additional shares", and to adopt decisions regarding the amendments to the Charter of the Bank.

6. Election of Bank Supervisory Board members.

7. Election of the member of the bank audit commission.

8. To extend the employment contracts with the chairman and members of the bank's management for a period of one year.

9. Approval of the long-term development strategy of National Bank of Uzbekistan for 2021-2025, developed together with the "Mckinsey & Company" international consulting organization.

The working procedure of the General Rupture was determined as following:

The following regulations were established for reporting and information on issues included in the agenda, participating in negotiations, and voting:

- to give up to 10 minutes to hear the annual report of the Bank's Board and Management, the financial indicators achieved by the bank in 2020, the work done;

- to hear the conclusion of the bank inspection commission - up to 10 minutes;

- discussion of reports - up to 10 minutes;

- to discuss the issues on the agenda - up to 30 minutes;

- voting on agenda items - up to 5 minutes.

The order of voting on the issues included in the agenda was also determined.

On the **first issue on the agenda** – “Approval of the Bank's annual report on the results of 2020, the Annual Report of the Bank's Supervisory Board and Management, External Audit Reports”, the Chairman of the Bank's Management A. Mirsoatov made a speech, and the participants of the meeting were informed about the financial indicators achieved by the bank in 2020, he touched the detail on the works, achieved results and planned work in the process of transforming the bank in the future, as well as the indicators planned to be achieved in the future.

In particular, as of January 1, 2021, National Bank of Uzbekistan's total assets amounted to **79.9 trillion** Soums, and **99.5 percent** of the target was fulfilled. The received income was **7.6 trillion** Soums (the plan was fulfilled by 104%), and the net profit was **905.4 billion** soums (the plan was fulfilled by 101%).

As of the reporting date, the bank's loan portfolio amounted to **65.6 trillion** soums, and a total of **18.5 trillion** soums of loans were allocated during the last year.

According to the results of 2020, the return on assets was 1.6% (in 2019 it was 1.7%), the return on capital was 8.8% (in 2019 it was 17.7%), and the operational efficiency indicator was 35.7 % (in 2019 it was 38,3%).

National Bank of Uzbekistan fully complies with all regulatory requirements established by the Central Bank. In particular, as of 01.01.2021:

- capital adequacy ratio - 24.7% (norm - 13%);
- liquidity coverage ratio - 170,9% (norm - 100%);
- net sustainable financing ratio - 104.4 % (norm - 100%).

The member of the Inspection Commission F. Tulyaganov delivered a report regarding the **second issue on the agenda** – “Hearing the conclusion of the Bank Inspection Commission”. Including:

- The inspection commission inspected according to the Article 107 of the Law of the Republic of Uzbekistan on “Protection of the rights of joint stock companies and shareholders” and the “Charter on the Inspection Commission of “National Bank of Foreign Economic Activity of the Republic of Uzbekistan” Joint Stock Company approved by the minutes of the general meeting of the bank shareholders No. 1 dated December 25, 2019;

- that as of 01.01.2021, the bank has 69 branches, 26 mini-banks, 43 banking service centers and 63 cash desks organized outside the bank;

- He noted that the Bank's 2020 results were audited on the basis of International Financial Reporting Standards (IFRS) by “Ernst & Young” International Audit Organization.

Also, the chairman of the audit commission reported the assets, liabilities, bank liquidity indicators of the bank in detail.

The Chairman of the Audit Commission spoke about the bank's investment and loan portfolio and noted that there are investments in the bank's balance sheet that have not been profitable for several years, and it is necessary to create additional reserves based on the classification of loans in the bank's loan portfolio.

The director of the strategic development department of the bank, B. Alimov, gave an explanation regarding the **third issue on the agenda** – “Distribution of the net profit of bank in 2020”. He informed that this issue was initially discussed with the minutes of the Supervisory Board of the bank dated 04.05.2021, and the recommendations on this issue are presented in the handouts.

B. Alimov, Director of the Bank's Strategic Development Department, spoke about the report regarding the **fourth issue on the agenda** which was the payment of the part of the dividends to the Fund for Reconstruction and Development from the dividends that were expected to be paid in the form of cash payments to the shareholders listed in clause 3 of the minutes No. 3 dated July 11, 2020 (distribution of the profit of 2019) and emphasized the following:

According to the minutes of the shareholders of “National Bank of Uzbekistan” JSC dated July 11, 2020, **416.2 billion** soums were decided to be allocated to the shareholders, in accordance with their share, in the form of cash dividends, of which **243.5 billion soums** were allocated to the Fund for Reconstruction and Development, and **172.7 billion soums** - the Ministry of Finance.

According to the minutes of the meeting No. 03/1-1747 of the Prime Minister of the Republic of Uzbekistan dated August 25, 2020, the deadline for dividend payments to be paid to the Fund for Reconstruction and Development was extended until December 30, 2020, and based on the order of December 31, 2020, these payments (**243.5 billion Soums**) were directed to increase the Authorized Fund of the Bank.

B. Alimov, Director of the Bank's Strategic Development Department explained in detail the **fifth issue on the agenda** which was to make a decision on increasing the Authorized Fund of the Bank by placing and issuing additional shares, determining the procedure for placing the additional shares of the Bank and the conditions for putting them into circulation, and confirming the decision on the additional issuance of shares.

It was proposed to accept the decision according to the following:

To issue additional ordinary shares of “National Bank of Uzbekistan” JSC 231 276 583 (two hundred and thirty-one million two hundred and seventy-six thousand five hundred and eighty-three) pieces ordinary shares with nominal value of 1,000 (one thousand) Soums, the total value of which is 231 276 583,000 (two hundred and thirty-one billion, two hundred and seventy-six million five hundred and eighty three thousand) in undocumented form with the owner's name written on them.

The procedure and conditions for placement of additional issued shares of “National Bank of Uzbekistan” JSC is determined as following:

- shares from this issue will be placed in the Fund for Reconstruction and Development of the Republic of Uzbekistan by closed subscription;
- from the date of state registration, the shares in this issue will be posted within 60 (sixty) days;
- the shares of this issue will be placed on the non-organized stock market through the conclusion of civil-legal transactions;
- shares in this issue will be placed at 1000 (thousand) Soums;
- payment for the shares in this issue will be made from the bank's dividend account calculated at the end of 2019;

- in the event that this issuance is found to be unfulfilled, the means of payment accepted for the shares will be returned within 10 (ten) days from the day when this issuance was deemed to be unfulfilled.

The decision to issue additional shares of “National Bank of Uzbekistan” JSC to be approved and the Bank Management to be entrusted the implementation of the issues related to the introduction of amendments to the Charter of the joint-stock company and the state registration of the issued shares in the manner prescribed by the law.

Regarding the issues of the sixth and seventh of the agenda, i.e., the election of the members of the Supervisory Board and the Audit Commission, the head of the Bank's Corporate Management Service, A. Khalitov, gave information about the candidates suggested by the shareholders.

Regarding the eighth issue on the agenda, J. Abdushukurov, who is the chairman of the meeting, spoke and once again spoke about the financial indicators achieved by the chairman of the Bank's management and the members of the management in the operation of the bank in 2020, the work done, the achieved targets and the work planned in the future in the process of transforming the bank, as well as the promising indicators and emphasized that the issue of extending employment contracts concluded with Bank Management members for one year is included in the agenda.

Regarding the eighth item on the agenda, Director of the Bank's Strategic Development Department, B. Alimov, emphasized that an agreement was signed with the “Mckinsey & company” international consulting organization on January 18, 2021, in order to develop a program to transform the bank's activities that meet international standards and develop a long-term development strategy of the bank.

The presentation of “The long-term strategy for transformation of banking activities of the National Bank of Uzbekistan for 2021-2025” developed by “Mckinsey & company” consulting organization was held.

The annual general meeting of bank shareholders based on the results of consideration of the issues included in the agenda

DECIDED:

1. To approve the Bank's annual report on the results of 2020, the annual report of the Bank's Supervisory Board and Management, as well as the report of the “Ernst & Young” International Audit Organization.

Voted: 11 978 074 379 votes.

“FOR” - 0 vote, “AGAINST” - 0 vote, “NEUTRAL” - 0 vote.

2. To confirm the conclusion of the bank inspection commission. In accordance with the Charter of the audit commission of “National Bank of Uzbekistan” JSC, the members of the audit commission should be paid a remuneration for conducting an inspection on the investigation of the bank's activities in 2020.

Voted: 11 978 074 379 votes.

“FOR” - 0 vote, “AGAINST” - 0 vote, “NEUTRAL” - 0 vote.

3. To accept report that the net profit of the National Bank of Uzbekistan Management at the end of 2020 comprised **905 416 871 333.66** soums.

Divide the net profit in the following order:

- **45 270 844 113.23 Soums** for the formation of a general-purpose fund;

- **272 430 854 941.87 Soums** for the formation of standard assets reserve;
- to direct **75 536 979 646.98 Soums** based on order #1067fm dated September 18, 2017 of the Cabinet of Ministers of the Republic of Uzbekistan (equivalent to USD 4 527 398.54) and order #2799m dated August 26, 2020 (equivalent to USD 2 399 410.11) of the Administration of the President of the Republic of Uzbekistan, including **71 760 130 664.63 Soums** for legal service expenses, and **3 776 848 982.35 Soums** for tax payments.

- 512 178 192 631.58 soums should be added to the retained earnings account of the bank in the form of dividends by a special decision of the Extraordinary General meeting of Shareholders;
The deadline for making payments is 60 days from the date of acceptance of this decision.

Voted: 11 978 074 379 votes.

“FOR” - 0 vote, “AGAINST” - 0 vote, “NEUTRAL” - 0 vote.

4. According to the Annual General meeting of shareholders' minutes No.3 of July 11, 2020 of “National Bank of Uzbekistan” JSC to decide to transfer **243 449 035 217.39 soums** from the net profit of the bank in 2019 to the ***Fund for Reconstruction and Development***, in accordance with its share, in the form of cash dividends.

According to the order of the Prime Minister of the Republic of Uzbekistan on December 31, 2020, it is decided to direct these payments to increase the Authorized Fund of the Bank.

Taking into account the above, 231 276 583 Soums, including 12 172 452 217.39 Soums for tax payments to be allocated to increase the share of the Fund for Reconstruction and Development in the Authorized Fund of the Bank (by issuing additional shares).

5.1. To issue 23 1 276 583 (two hundred thirty one million two hundred seventy six thousand five hundred and eighty three) pieces of additional ordinary undocumented shares of “National Bank of Uzbekistan” JSC with the owner's name written on them with nominal value of 1,000 (one thousand) Soums, the total value of which is 231 276 583 000 (two hundred and thirty one billion two hundred and seventy six million five hundred and eighty-three thousand Soums).

5.2. The procedure and conditions for placement of additional issued shares of “National Bank of Uzbekistan” JSC shall be determined as follows:

1) Shares in this issue will be placed in the Fund for Reconstruction and Development of the Republic of Uzbekistan by closed subscription;

2) Shares in this issue will be placed within 60 (sixty) days from the date of state registration;

3) Shares in this issue will be placed on the stock market outside the unorganized stock exchange through the conclusion of civil-legal transactions;

4) Shares in this issue will be placed at 1000 (thousand) soums;

5) Payment for the shares in this issue will be made from the bank's dividend calculated at the end of 2019;

6) In the event that this issuance is found to be unfulfilled, the means of payment accepted for the shares shall be returned within 10 (ten) days from the day when this issuance is deemed to be unfulfilled.

5.3. The decision to issue additional shares of “National Bank of Uzbekistan” JSC to be approved and the implementation of the issues related to the amendments to the charter of the joint-stock company and the state registration of the issue of shares in the manner prescribed by law to be entrusted to the Bank Management.

Voted: 11 978 074 379 votes.

“FOR” - 0 vote, “AGAINST” - 0 vote, “NEUTRAL” - 0 vote.

6. According to the results of the cumulative voting procedure, the members of the Supervisory Board of the Bank to be elected in the following order:

	Surname, first name and patronymic of the elector	Position held	The number of votes received
1.	Nasritdinkhojayev Omonullah Zabikhullaevich	First Deputy Minister of Finance of the Republic of Uzbekistan	11 978 074 379
2.	Kholkhujayev Saidkakhor Muhammadkarim ugli	First Deputy Minister of Economic Development and Poverty Alleviation	11 978 074 379
3.	Norgitov Mukhiddin Juraboyevich	Director of Legal Service of the Reconstruction and Development Fund	11 978 074 379
4.	Muslimov Elbek	“Old Street Advisory Limited” (Great Britain), independent member*	11 978 074 379
5.	Mirzayev Mubin Mukhiddinovich	First Deputy Director of State Tax Committee	11 978 074 379

*Muslimov Elbek is an expert hired as an independent member of the Supervisory Board based on the assignment No. RA-1-Z015 dated 17.02.2020 of the Administration of the President of the Republic of Uzbekistan:

At least once a quarter, he participates directly in the process of managing the bank's general activities, i.e., the meeting of the Supervisory Board, as well as getting acquainted with the bank's reports remotely and giving necessary information on management issues;

The expenses of the salary are paid by the bank account and the annual remuneration amount is 12 thousand US Dollars (1000 US Dollars per month) and his living and transportation expenses (including air tickets to/from Uzbekistan from a foreign country) during his stay in Uzbekistan covered by bank;

He reviews Supervisory Board documents (minutes) remotely (provides conclusions via e-mail or recorded video conference) and signs their original copies in Uzbekistan.

The Head of the Bank's corporate management service, A. Khalitov, together with the members of the bank's Supervisory Board, to develop the work plan of the Supervisory Board for the rest of 2021.

7. The composition of the Bank Audit Commission to be elected as follows:

	Surname, first name and patronymic of commission member	Position held
1.	Abdushukurov Jamshid Abdigalipovich	Ministry of Finance, Director of Department
2.	Dosmatov Farkhod Muslimovich	Ministry of Finance, Deputy Director of Department
3.	Tulyaganov Farrukh Abdurasulovich	Fund for Reconstruction and Development, Head of Division
4.	Nurgaliev Farkhad Rashidovich	Head of the Fund for Reconstruction and Development

Voted: 11 978 074 379 votes.

«FOR» - 0 vote, «AGAINST» - 0 vote, «NEUTRAL» - 0 vote.

12. The employment contracts concluded with the chairman of the bank's management A. Mirsoatov and members of the management to be extended for a period of 1 (one) year.

Voted: 11 978 074 379 votes.

«FOR» - 0 vote, «AGAINST» - 0 vote, «NEUTRAL» - 0 vote.

13. The long-term development strategy of National Bank of Uzbekistan for the years 2021-2025, developed jointly with the «McKinsey & company» international consulting organization to be accepted for information and revised (taking into account the dividend policy of the Ministry of Finance for the shares of commercial banks with state participation).

Voted: 11 978 074 379 votes.

«FOR» - 0 vote, «AGAINST» - 0 vote, «NEUTRAL» - 0 vote.

Chairman of the annual general meeting of shareholders
of National Bank of Uzbekistan

J.A. Abdushkurov

Meeting Secretary,
Director of Bank Corporate Management Service

A.Yu. Khalitov