

OJSC "TAWHIDBANK"

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2019 (in thousands of Tajik somoni)

	Notes	For the year ended December 31, 2019	For the year ended December 31, 2018
Income from Islamic finance activities		12	-
Expenses from Islamic finance activities		(1)	-
NET INCOME FROM ISLAMIC FINANCING ACTIVITIES		11	-
Accrual of allowance for expected credit losses on Islamic finance activities		(66)	-
NET LOSS FROM ISLAMIC FINANCING ACTIVITIES		(55)	-
Interest income	5	1,482	3,092
Interest expenses	5	(760)	(918)
NET INTEREST INCOME BEFORE ACCRUAL OF ALLOWANCE FOR EXPECTED CREDIT LOSSES ON INTEREST BEARING ASSETS		722	2,174
Recovery /(accrual) of allowance for expected credit losses on loans to customers	8	6,622	(5,687)
NET INTEREST INCOME / (LOSS)		7,344	(3,513)
Commission income	6	16,224	12,313
Commission expenses	6	(1,833)	(2,250)
Net gain on foreign exchange operations	7	12,774	17,922
Accrual of allowance for impairment losses on other assets	9	(16,078)	(4,558)
Other income, net	10	304	(1,679)
NET NON - INTEREST INCOME		11,391	21,748
Operating expenses	11	(24,630)	(20,292)
LOSS BEFORE INCOME TAX		(5,950)	(2,057)
Income tax expenses	12	(1,361)	(445)
LOSS FOR THE YEAR		(7,311)	(2,502)
Other comprehensive income:		-	-
TOTAL COMPREHENSIVE LOSS		(7,311)	(2,502)
Loss per share		(1.2)	(0.50)

On behalf of the Management of the Bank

Sherali Zardov
General Director

Farrukh Davlatov
Financial Director

March 31, 2020
Dushanbe, Republic of Tajikistan

March 31, 2020
Dushanbe, Republic of Tajikistan

The notes on pages 11-56 form an integral part of the financial statements. The independent auditors' report is on pages 3-5.

OJSC "TAWHIDBANK"

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2019 (in thousands of Tajik somoni)

	Notes	December 31, 2019	December 31, 2018
ASSETS			
Cash and cash equivalents	13	44,055	22,666
Due from banks	14	14,585	12,737
Islamic finance receivables	15	660	-
Loans to customers	16	-	15,239
Investment in securities	17	35	41,550
Long-term assets held for sale	18	179	112
Property and equipment	19	15,114	14,875
Right-of-use assets	20	3,248	-
Intangible assets	21	5,646	184
Deferred tax asset	12	2,366	2,823
Other assets	22	16,290	20,820
TOTAL ASSETS		102,178	131,006
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and financial institutions	23	72	8,245
Customer accounts	24	18,662	32,635
Lease liabilities	20	3,509	-
Other liabilities	25	11,726	14,606
		33,969	55,486
EQUITY			
Share capital	26	65,000	50,000
General reserves		13,343	26,112
Accumulated loss		(10,134)	(592)
		68,209	75,520
TOTAL LIABILITIES AND EQUITY		102,178	131,006

On behalf of the Management of the Bank:

Sherali Zardov
General Director

March 31, 2020
Dushanbe, Republic of Tajikistan



Farrukh Davlatov
Financial Director

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OJSC "TAWHIDBANK"

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019**
(in thousands of Tajik somoni)

	Note	Share capital	Revaluation reserve of property and equipment	General reserves	Accumulated loss	Total
Balance at December 31, 2017	26	50,000	4,910	19,531	3,860	78,301
Effect from implementation of IFRS 9		-	-	-	(279)	(279)
Balance at January 1, 2018	26	50,000	4,910	19,531	3,581	78,022
Write-off of revaluation reserve of property and equipment		-	(4,910)	-	4,910	-
Transfer to the general reserves		-	-	6,581	(6,581)	-
Loss for the year		-	-	-	(2,502)	(2,502)
Balance at December 31, 2018	26	50,000	-	26,112	(592)	75,520
Transfer to the general reserves		-	-	2,231	(2,231)	-
Increase of share capital	26	15,000	-	(15,000)	-	-
Loss for the year		-	-	-	(7,311)	(7,311)
Balance at December 31, 2019	26	65,000	-	13,343	(10,134)	68,209

On behalf of the Management of the Bank:

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General Director

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Financial Director

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OJSC "TAWHIDBANK"

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2019 (in thousands of Tajik somoni)

	Notes	For the year ended December 31, 2019	For the year ended December 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES:			
Loss before income tax expenses		(5,950)	(2,057)
Adjustments for:			
Change in allowance for expected credit losses on loans to customers	8	6,622	(5,687)
Depreciation of property and equipment and amortization of intangible assets	11,19,21	4,305	2,881
Amortization of Right-of-use assets	11,20	428	-
Change in allowance for impairment of long-term assets, held for sale	9	216	103
Change in expected credit losses allowance for due from banks and money transfer systems	9	73	(220)
Change in bad debt allowance	9	16,075	4,690
Change in allowance on other assets	9	(286)	(15)
Change in allowance on Islamic finance receivables		66	-
Change in provision for unused vacation	11,25	112	(781)
Finance expense on lease obligations	5	561	-
Loss on disposal of property and equipment	10	85	1,389
Forex exchange differences	7	(591)	(779)
Net interest income, net	5	(1,283)	(2,174)
Cash flows before changes in operating assets and liabilities		20,433	(2,650)
Changes in operating assets and liabilities			
Decrease in due from banks		1,025	8,309
Increase in Islamic finance receivables		(726)	-
Decrease in loans to customers		7,390	7,855
(Increase)/decrease in other assets		(7,693)	2,492
Decrease in customer accounts		(14,600)	(8,268)
(Decrease)/Increase in due to banks and financial institutions		(8,448)	1,006
(Decrease)/Increase in other liabilities		(4,688)	6,372
Cash inflow from operating activities before taxation		(7,307)	15,116
Interest received		2,383	7,647
Interest paid		(605)	(1,622)
Income tax paid		(1,505)	(2,438)
Net cash (outflow)/inflow from operating activities		(7,034)	18,703

OJSC "TAWHIDBANK"

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED) (in thousands of Tajik somoni)

	Notes	For the year ended December 31, 2019	For the year ended December 31, 2018
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	19	(3,866)	(80)
Proceeds from disposal of property and equipment	10	44	-
Purchase of intangible assets	21	(5,825)	-
Sales/(purchase) of securities		41,908	(26,107)
Net cash (outflow)/inflow from investing activities		32,261	(26,187)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of lease liabilities	20	(167)	-
Net cash outflow from financing activities		(167)	-
Effect of changes in exchange rates on cash and cash equivalents		295	(523)
NET INCREASE/(DECREASE) OF CASH AND CASH EQUIVALENTS		25,060	(7,484)
CASH AND CASH EQUIVALENTS, at the beginning of the year	13	32,305	40,312
CASH AND CASH EQUIVALENTS, at the end of the year	13	57,660	32,305

On behalf of the Management of the Bank:


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General Director

March 31, 2020
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