NATIONAL BANK OF TAJIKISTAN

REVIEW OF FINANCIAL STABILITY OF THE BANKING SYSTEM OF THE REPUBLIC OF TAJIKISTAN[1] FOR THE THIRD QUARTER OF 2025

During the reporting period, financial position of the banking system reminded stable, and the main indicators of financial stability of credit institutions were ensured within the established standards.

Capital Adequacy. The capital adequacy ratio (K1-1) and the Tier1 capital adequacy ratio (K1-3) as the main indicators of the financial stability in the banking system, at the end of September 2025 exceeded the established limits by 11,8 percentage point (p.p.) and 8,8 p.p.,and accounted for 23,8% and 18,8%, respectively.

It should be noted that exceeding the minimum capital adequacy ratio helps mitigate potential financial losses and ensures the uninterrupted activities of the banking system.

Liquidity. The liquidity ratio (K2-1) at the system level complies with the prudential requirements (30%) and accounted for 82,0%. The liquidity rate for systemically important credit institutions also met the requirements of the minimum prudential rate (50%) and equaled 79,6%. The liquidity of the banking system in foreign currency accounted for 90,2%.

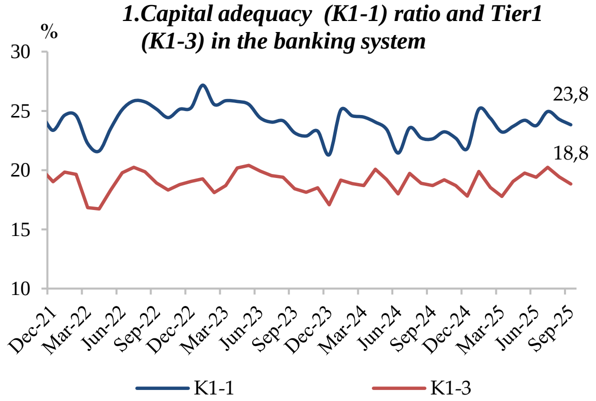
The high level of liquidity in the banking system contributes the timely fulfillment of short-term obligations and the conduct of financial transactions, and also ensuring stability in stressful situations.

Profitability. During the reporting period, indicators of return on assets and return on capital, as indicators of the efficiency of the banking system, had a stable trend and accounted for 6,1% and 33,2% respectively.

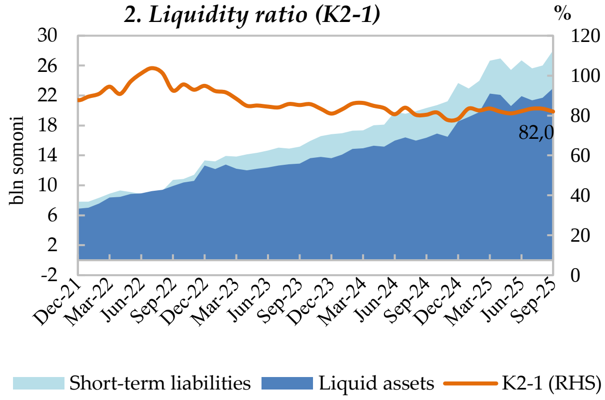
During the reporting period, net interest income increased by 34.3%, which contributed to the growth of the banking systems overall income.

The ratio of interest margin to gross income[2] in the banking system accounted 53,3 %.

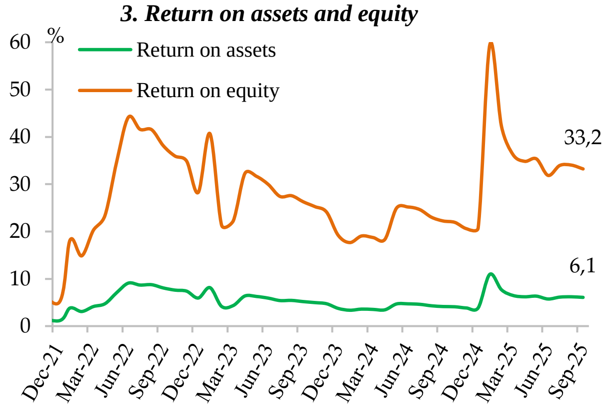
1.Capital adequacy (K1-1) ratio and Tier1 (K1-3) in the banking system



2. Liquidity ratio (K2-1)



3. Return on assets and equity



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[1] Banks and MCDO.
[2] According to Compilation Guide for Financial Soundness Indicators (by IMF)

The quality of the credit portfolio. The share of non-performing loans (NPL)[3] in the credit portfolio as a result of the effective measures taken compared to the same period of the previous year decreased by 6,3 p.p. and accounted for 6,7%. Also, according to international practice, NPLs are considered overdue for more than 90 days, which accounted to 3.3% in the country's banking system as of September 2025.

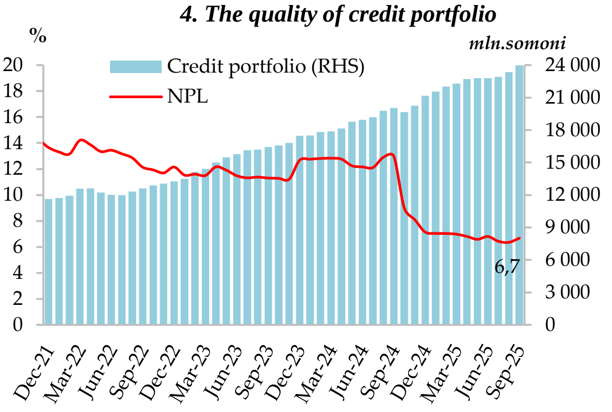
Over this period the loan loss provision fund indicator (LLPF) in relation to NPL equaled 103,1%.

As of September 31, 2025 the ratio of NPL without LLPF to regulatory capital (RC) accounted for -0,6% which indicates a low burden of NPL on capital.

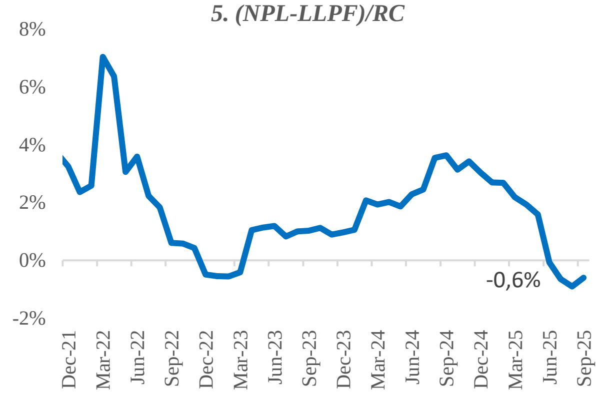
Foreign exchange risk. In the reporting period, the share of loans and deposits in foreign currency (FX) decreased by 9,0 p.p. and 0,7 p.p. compared to the end of September 2024 and equaled 21,6% and 39,1% respectively. The process of reducing dollarization indicates a decrease in foreign exchange risk and the impact of external factors on the banking system.

One of the ways to determine the vulnerability of the capital banking system to foreign exchange risk is the ratio of the total open currency position to regulatory capital, which shows the discrepancy between the open currency position of assets and liabilities. According to the analysis, the capital of the Tajikistan's banking system is relatively less vulnerable to foreign exchange risk, and as of the end of September 2025, above mentioned ratio accounted for 2,0%.

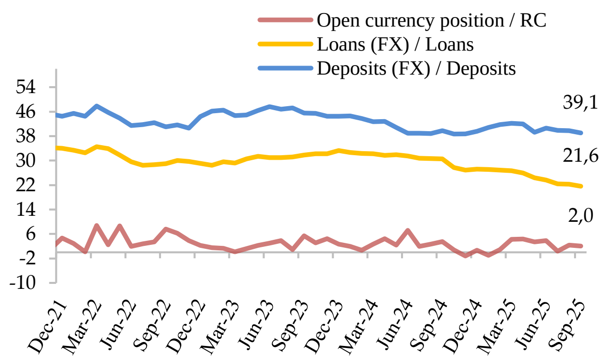
4. The quality of credit portfolio



5. (NPL-LLPF)/RC



6. Indicators of FX risk



Source: NBT calculations.

[3] Loans overdue by more than 30 days.