EURASIAN DEVELOPMENT BANK

Condensed Interim Financial Information (Unaudited)

For the six-month period ended 30 June 2024

EURASIAN DEVELOPMENT BANK

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Approved General Director
IAC Russell Bedford A+ Partners LLP
S.E. Kurmanbekova

REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL INFORMATION

To the Shareholders and Members of the Council of the Eurasian Development Bank

INTRODUCTION

We have reviewed the accompanying condensed interim financial information of Eurasian Development Bank (hereinafter - the Bank), which comprises the condensed interim statement of financial position on June 30, 2024, the condensed interim statement of profit or loss and other comprehensive income for the six months ended June 30, 2024, the condensed interim statement of changes in equity for the six months ended June 30, 2024, the condensed interim statement of cash flows for the six months ended June 30, 2024, as well as the notes to the condensed interim financial information.

The management of the Bank is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

Our responsibility is to form a conclusion on this condensed interim financial information based on our review.

SCOPE OF THE REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. The review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of the review is substantially less than an audit conducted in accordance with International Standards on Auditing and, therefore, the review does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Consequently, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information on June 30, 2024 and for the six months then ended is not prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

Bakyt Zhumadylov
Task Manager for the review inspection

Qualification certificate of auditor
No.MF-0001686 dated 30.06.2021.

Mikhail Bryukhanov
Assignment partner

Qualification certificate of auditor
No.06-000025 dated 20.12.2011.

Sholpanay Kudaibergenova
Director General
IAC Russell Bedford A+ Partners LLP

State license to engage
in auditing activities on the territory of
the Republic of Kazakhstan No.18013076, issued by the Internal
State Audit Committee of the Ministry of Finance of the Republic of Kazakhstan
on July 3, 2018.

August 15, 2024
Almaty, Kazakhstan

EURASIAN DEVELOPMENT BANK

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(in thousands of US Dollars)

	Note	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Interest income, calculated using the effective interest method:			
on Investment portfolio	4	140,834	136,720
on Treasury portfolio	4	147,581	63,859
Other interest income on Treasury portfolio	4	9,625	6,420
Interest expense	4	(183,046)	(134,049)
Net interest income		**114,994**	**72,950**
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	5	(94,907)	103,496
Net gain/(loss) on transactions in foreign currencies	6	82,835	(67,970)
Net realised loss on financial assets at fair value through other comprehensive income		(70)	(14,976)
Net gain/(loss) from modification, initial recognition and derecognition of financial instruments		15	(4,334)
Fee and commission income	7	10,428	10,912
Fee and commission expense		(1,741)	(2,402)
Net loss on trading with debt securities issued		-	(10)
Net other income		57	4
Net non-interest (expense)/income		**(3,383)**	**24,720**
Operating income before provision for expected credit losses		**111,611**	**97,670**
Recovery of expected credit losses on interest bearing assets	8	6,107	7,673
Recovery of/(provision for) expected credit losses on guarantees and letters of credit issued	8	10,927	(11,102)
Net operating income		**128,645**	**94,241**
Operating expenses	9	(28,515)	(27,610)
NET PROFIT		**100,130**	**66,631**

EURASIAN DEVELOPMENT BANK

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024 (CONTINUED)
(in thousands of US Dollars)

	Six-month period ended 30 June 2024 Unaudited	**Six-month period ended 30 June 2023 Unaudited**
OTHER COMPREHENSIVE INCOME/(LOSS):		
Treasury portfolio:		
Items that are or may be reclassified subsequently to profit or loss:		
Net unrealised (loss)/gain on revaluation of financial assets at fair value through other comprehensive income	(2,065)	6,111
Net realised loss on financial assets at fair value through other comprehensive income transferred to profit or loss	70	14,976
Items that are or may be reclassified subsequently to profit or loss	***(1,995)***	***21,087***
Items that may not be reclassified subsequently to profit or loss:		
Net realised loss on financial assets at fair value through other comprehensive income - equity instruments	-	6,241
Items that may not be reclassified subsequently to profit or loss	***-***	***6,241***
Total other comprehensive (loss)/gain on Treasury portfolio	**(1,995)**	**27,328**
Investment portfolio:		
Items that are or may be reclassified subsequently to profit or loss:		
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	(3,809)	(5,051)
Items that are or may be reclassified subsequently to profit or loss	***(3,809)***	***(5,051)***
Total other comprehensive loss on Investment portfolio	**(3,809)**	**(5,051)**
Total items that are or may be reclassified subsequently to profit or loss	***(5,804)***	***16,036***
Total items that may not be reclassified subsequently to profit or loss	***-***	***6,241***
OTHER COMPREHENSIVE (LOSS)/INCOME	**(5,804)**	**22,277**
TOTAL COMPREHENSIVE INCOME	**94,326**	**88,908**

Authorised by the Management of the Bank

15 August 2024
Almaty, Kazakhstan

EURASIAN DEVELOPMENT BANK

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024
(in thousands of US Dollars)

	Note	30 June 2024 Unaudited	31 December 2023
ASSETS			
Cash and cash equivalents	10	1,522,279	3,994,289
Financial assets at fair value through profit or loss:	11	330,004	285,546
in Treasury portfolio		*316,219*	*272,391*
in Investment portfolio		*13,785*	*13,155*
Loans and amounts due from financial institutions:	12	547,485	534,659
in Treasury portfolio		*383,327*	*492,314*
in Investment portfolio		*164,158*	*42,345*
Loans to customers	13	2,530,481	2,360,456
Financial assets at fair value through other comprehensive income:	14	1,237,372	672,042
in Treasury portfolio		*765,675*	*201,714*
in Investment portfolio		*471,697*	*470,328*
Debt securities at amortised cost	15	269,582	268,736
Investments in associates		24	24
Property and equipment		11,890	12,610
Intangible assets		4,208	4,275
Other assets	16	43,625	34,705
TOTAL ASSETS		**6,496,950**	**8,167,342**
LIABILITIES AND EQUITY			
LIABILITIES:			
Loans and deposits from financial institutions	17	829,931	3,090,997
Financial liabilities at fair value through profit or loss	11	209,371	199,091
Deposits from customers	18	324,323	140,195
Debt securities issued	19	2,922,907	2,661,484
Other liabilities	20	83,819	87,569
Total liabilities		**4,370,351**	**6,179,336**
EQUITY:			
Share capital:			
Authorised share capital	21	7,000,000	7,000,000
Less: callable share capital	21	(5,484,300)	(5,484,300)
Paid-in share capital	21	1,515,700	1,515,700
Reserve fund		146,220	146,220
Technical assistance fund reserve	22	23,731	23,731
Digital initiative fund reserve	22	872	872
Revaluation deficit for financial assets at fair value through other comprehensive income in Treasury portfolio		(20,599)	(18,604)
Revaluation deficit for financial assets at fair value through other comprehensive income in Investment portfolio		(13,078)	(9,269)
Retained earnings		473,753	329,356
Total equity		**2,126,599**	**1,988,006**
TOTAL LIABILITIES AND EQUITY		**6,496,950**	**8,167,342**

Authorised by the Management of the Bank

15 August 2024
Almaty, Kazakhstan

EURASIAN DEVELOPMENT BANK

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

(in thousands of US Dollars)

	Share capital									
	Authorised share capital	**Callable share capital**	**Paid-in share capital**	**Reserve fund**	**Technical assistance fund reserve**	**Digital initiative fund reserve**	**Revaluation deficit for financial assets at fair value through other comprehensive income in Treasury portfolio**	**Revaluation deficit for financial assets at fair value through other comprehensive income in Investment portfolio**	**Retained earnings**	**Total**
31 December 2022	**7,000,000**	**(5,484,300)**	**1,515,700**	**146,220**	**21,137**	**5,568**	**(61,959)**	**(3,520)**	**213,205**	**1,836,351**
Net profit (unaudited)	-	-	-	-	-	-	-	-	66,631	66,631
Other comprehensive income/(loss) (unaudited)	-	-	-	-	-	-	27,328	(5,051)	(6,241)	16,036
Total comprehensive income/(loss) (unaudited)	**-**	**-**	**-**	**-**	**-**	**-**	**27,328**	**(5,051)**	**60,390**	**82,667**
Allocation to Digital initiative fund reserve (unaudited)	-	-	-	-	-	(4,696)	-	-	-	(4,696)
Recognition of Digital initiative fund's assets (unaudited)	-	-	-	-	-	-	-	-	1,412	1,412
30 June 2023 (unaudited)	**7,000,000**	**(5,484,300)**	**1,515,700**	**146,220**	**21,137**	**872**	**(34,631)**	**(8,571)**	**275,007**	**1,915,734**
31 December 2023	**7,000,000**	**(5,484,300)**	**1,515,700**	**146,220**	**23,731**	**872**	**(18,604)**	**(9,269)**	**329,356**	**1,988,006**
Net profit (unaudited)	-	-	-	-	-	-	-	-	100,130	100,130
Other comprehensive loss (unaudited)	-	-	-	-	-	-	(1,995)	(3,809)	-	(5,804)
Total comprehensive (loss)/income (unaudited)	**-**	**-**	**-**	**-**	**-**	**-**	**(1,995)**	**(3,809)**	**100,130**	**94,326**
Recognition of Digital initiative fund's assets (unaudited)	-	-	-	-	-	-	-	-	532	532
Initial recognition of financial instruments (unaudited)	-	-	-	-	-	-	-	-	43,735	43,735
30 June 2024 (unaudited)	**7,000,000**	**(5,484,300)**	**1,515,700**	**146,220**	**23,731**	**872**	**(20,599)**	**(13,078)**	**473,753**	**2,126,599**

Authorised by the Management of the Bank

15 August 2024
Almaty, Kazakhstan

EURASIAN DEVELOPMENT BANK

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH ENDED 30 JUNE 2024
(in thousands of US Dollars)

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received on loans to customers	112,373	100,634
Interest received on loans and amounts due from financial institutions and cash equivalents	137,569	28,516
Interest received on financial assets at fair value through profit or loss	4,588	5,378
Interest received on financial assets at fair value through other comprehensive income	22,369	30,854
Interest received on debt securities at amortised cost	7,380	5,710
Interest paid on loans and deposits from financial institutions	(44,424)	(38,342)
Interest paid on financial liabilities at fair value through profit or loss	(1,891)	(1,099)
Interest paid on deposits from customers	(5,392)	(5,944)
Interest paid on debt securities issued	(82,122)	(83,999)
Fees and commissions received	10,067	9,112
Fees and commissions paid	(1,880)	(2,333)
Other income received	57	4
Operating expenses paid	(26,221)	(25,202)
Cash flows from operating activities before changes in operating assets and liabilities	**132,473**	**23,289**
Changes in operating assets		
(Increase)/decrease in financial assets at fair value through profit or loss	(127,455)	77,233
(Increase)/decrease in loans and amounts due from financial institutions	(2,944)	302,229
Increase in loans to customers	(167,447)	(161,198)
Increase in other assets	(2,070)	(11,257)
Changes in operating liabilities		
(Decrease)/increase in loans and deposits from financial institutions	(2,284,570)	453,459
Increase/(decrease) in deposits from customers	189,392	(119,782)
Increase in other liabilities	7,538	2,844
Cash flows (used in)/from operating activities	**(2,255,083)**	**566,817**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income, Treasury portfolio	(597,448)	(6,712,122)
Proceeds from sale and redemption of financial assets at fair value through other comprehensive income, Treasury portfolio	32,335	9,226,395
Proceeds from redemption of debt securities at amortised cost	-	28,813
Purchase of property, equipment and intangible assets	(1,409)	(424)
Cash flows (used in)/from investing activities	**(566,522)**	**2,542,662**

EURASIAN DEVELOPMENT BANK

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH ENDED 30 JUNE 2024 (CONTINUED)
(in thousands of US Dollars)

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of debt securities (Note 19)	555,618	392,278
Repayments of debt securities (Note 19)	(286,879)	(895,091)
Proceeds from loans from financial institutions (Note 17)	87,211	25,219
Repayments of loans from financial institutions (Note 17)	(47,047)	(34,561)
Repayment of lease liabilities	(1,851)	(1,435)
Cash flows from/(used in) financing activities	**307,052**	**(513,590)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(2,514,553)**	**2,595,889**
Cash and cash equivalents at the beginning of the period	3,994,289	1,279,281
Effect of changes in foreign exchange rate on cash and cash equivalents	42,543	(341,130)
Cash and cash equivalents at the end of the period (Note 10)	**1,522,279**	**3,534,040**

Authorised by the Management of the Bank

15 August 2024
Almaty, Kazakhstan

1 BACKGROUND

(a) Principal activities

Eurasian Development Bank ("the Bank") is an international organisation, which was established in accordance with the Agreement Establishing Eurasian Development Bank, entered into between the Russian Federation and the Republic of Kazakhstan on 12 January 2006 ("the Agreement on Incorporation"). The Agreement on Incorporation became effective on 16 June 2006, since its ratification by the Russian Federation and the Republic of Kazakhstan via adoption of relevant laws.

The Bank's membership is open to new participants such that other states and international organisations that have mutual objectives with the Bank. The strategic objective of the Bank is to promote the development of the market economy in its Member states, including their economic growth and the expansion of mutual trade and economic relations through investment activity. The Bank aims to assist Member states in integrating their economies and developing their infrastructure.

In December 2008, the Council of the Bank approved the accession of the Republic of Armenia, the Republic of Belarus and the Republic of Tajikistan to the Agreement on Incorporation.

On 3 April 2009, on 22 June 2009 and 21 June 2010 the Republic of Armenia, the Republic of Tajikistan and the Republic of Belarus, respectively, have fulfilled their respective appropriate domestic procedures related to the ratification of the Agreement on Incorporation of the Bank, made their contributions to the share capital and became Member states of the Bank.

On 28 June 2011, the Council of the Bank approved the accession of the Kyrgyz Republic to the Agreement on Incorporation of the Bank. The Kyrgyz Republic has fulfilled its respective appropriate domestic procedures related to the ratification of the Agreement on Incorporation, made its contribution to the share capital and became Member state of the Bank on 26 August 2011.

As at 30 June 2024, the following states were members of the Bank: the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation and the Republic of Tajikistan.

The Bank's principal activity is an engagement in investment activities for the benefit of socioeconomic development of the Member states. One of the Bank's primary functions is to provide financing for large infrastructure projects in the Member states, which it implements through the provision of loans and debt financing to private and public entities, investing in the equity of customers, participating in, or establishing, private equity funds, providing investment consulting, and providing other financial instruments. The Bank seeks to insure that all its projects are financially viable.

The headquarters of the Bank is located at: 220, Dostyk Avenue, Almaty, the Republic of Kazakhstan. Also the Bank has representative offices in Astana, Bishkek, Dushanbe, Minsk, Moscow, Yerevan and a branch office in St. Petersburg.

(in thousands of US dollars)

1 BACKGROUND, CONTINUED

(a) Principal activities, continued

In accordance with article 31 of the Charter of the Bank, which is an integral part of the Agreement on Incorporation, the Bank possesses immunity against any legal proceedings under the jurisdiction of its Member states, except in cases which do not result from the execution of its powers. Actions may be brought against the Bank only in a court of competent jurisdiction in the territory of a state in which the Bank has its principal or a branch office, a subsidiary bank or a representative office, or has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities. Property and assets of the Bank located in Member states shall be immune from search, requisition, attachment, confiscation, expropriation or any other form of taking or foreclosure unless and until a final judgment is delivered against the Bank. The Bank, its income, property, assets, and its operations and transactions carried out in accordance with the Charter of the Bank in the territory of Member states shall be exempt from all taxes, duties, levies or fees, except for charges for specific type of services.

As at 30 June 2024 and 31 December 2023, paid-in share capital of the Bank was owned as follows:

	30 June 2024 Unaudited %	31 December 2023 %
The Russian Federation	44.79	44.79
The Republic of Kazakhstan	37.29	37.29
The Republic of Belarus	5.21	5.21
The Republic of Tajikistan	4.25	4.25
The Republic of Armenia	4.23	4.23
The Kyrgyz Republic	4.23	4.23
Total	**100.00**	**100.00**

According to the Charter of the Bank, significant decisions like: accession of new Member states, changes in share capital of the Bank, liquidation/suspension of activity of the Bank must be approved by no less than 75% of votes. Also the Council of the Bank elects the Chairman and members of the Management Board and approves/disapproves investment risks, in case if: risk on the counterparty/the group of related counterparties is above 100 million US dollars; aggregate amount of large investment risks is above 300 percent of the Bank’s equity; the Bank invests in the non-member states economies; and payback period of investments exceeds 15 years. According to the Charter at least 75% of the shareholders must be present at the Council’s meeting. Thus for the decision making on key matters it is required to have ¾ of votes, requiring both the Russian Federation and the Republic of Kazakhstan to vote similarly on most of the key decision of the Council. The Bank does not have an ultimate controlling party. All six Member states have representatives in the Council of the Bank.

1 BACKGROUND, CONTINUED

(b) Business environment

The Bank's operations are primarily located in the Member states. Consequently, the Bank is exposed to the economic and financial markets of the Member states that display characteristics of emerging markets. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in the Member states. In particular, the ongoing geopolitical uncertainty, strengthening economic and financial restrictions against the Russian Federation by the United States, the European Union, the United Kingdom and some other states, and responsive restrictive measures by the Russian Federation against them create risks for the Bank's operating activities. The European Union, the United Kingdom, the United States and some other states have continued to impose sanctions on the Republic of Belarus, restricting the access to capital markets and imported goods, as well as reducing the country's export capacity. Sanction pressure has a negative impact on the economies of the Russian Federation and the Republic of Belarus and on the investment attractiveness of these states. These condensed interim financial statements reflect the Bank's management assessment of the impact of the Member states' business environment on the operations and financial position of the Bank. The future business environment may differ from the Bank's management assessment.

The global economy is experiencing a diverse range of growth patterns among major economies in the first half of 2024. After a period of overheating, the US economy is gradually moving towards a slowdown in GDP growth. In contrast, the Eurozone has seen a recovery in economic activity, but growth rates remain low. China's economy expanded by 5% in the first half of 2024. China's economic activity is largely driven by government investment in infrastructure and technological advancement. While inflation in developed countries is declining, the rate of decline has slowed. This is due to a shortage of labour and rising costs resulting from the fragmentation of the global economy. In the medium term, the economies of the United States and the Eurozone are expected to grow at a slower pace than in the 2010s, with inflation and interest rates rising at a faster rate than previously observed.

The aggregate GDP in the Bank region increased by 4.6% in the first half of 2024, following a 3.9% growth in 2023. High rates of economic activity persist in most Member states. In the Republic of Armenia, the Kyrgyz Republic and the Republic of Tajikistan, strong consumer demand, as well as increased exports of basic metals, have contributed to GDP growth rates of 10.4%, 8.1% and 8.2% in the first half of 2024, respectively. Domestic demand continues to grow in the Russian Federation and the Republic of Belarus on the back of rising household incomes and fiscal stimulus. By the end of the first half of 2024, the countries' GDP had grown by 4.7% and 5.0%, respectively. Economy of the Republic of Kazakhstan had grown by 3.3%, slowing down compared to the previous year due to negative effects from floods. By the end of 2024, the Bank expects the economies to maintain high growth rates.

The inflation picture in the region remains heterogeneous. In the Republic of Armenia, the Kyrgyz Republic and the Republic of Tajikistan, inflation has fallen below target. In the Republic of Belarus, the growth in the cost of the consumer basket is being restrained by price regulation. Meanwhile, in the Russian Federation and the Republic of Kazakhstan, inflation remains above target. Overall, the price growth rate in the Bank region was 7.8% in the first half of 2024, up from 7.2% in 2023. Over the medium term, aggregate inflation in the region will continue to decelerate due to higher interest rates and lower import price pressures.

1 BACKGROUND, CONTINUED

(b) Business environment, continued

In order to analyse and project the economic situation in Member states, the Bank uses an integrated model system comprising interrelated models of six states and the external sector. The tool allows the Bank to come up with consistent sets of forecasts of key macroeconomic indicators (GDP, inflation rate, foreign currency exchange rate, interest rate, budget deficit, money transfers) with projections being made on a quarterly basis.

The Bank plans to further refine macroeconomic forecasts and update models to assess the macroeconomic factors of the Member states on the financial results of the Bank.

2 BASIS OF PREPARATION

This condensed interim financial information has been prepared on the assumption that the Bank is a going concern and will continue in operation for the foreseeable future.

(a) Statement of compliance

This condensed interim financial information is prepared in accordance with International Accounting Standard IAS 34 Interim Financial Reporting. Accordingly, certain information and disclosures normally required to be included in the notes to the annual financial information have been omitted or condensed. This condensed interim financial information should be read in conjunction with the financial statements of the Bank for the year ended 31 December 2023, as this condensed interim financial information provides an update of previously reported financial statements.

The Bank operates in industries where significant seasonal or cyclical variations in operating income are not experienced during the financial year. However, since the results of the Bank's operations closely relate to and depend on changing market conditions, the results of the Bank's operations for the interim period are not necessarily indicative of the results for the year ending 31 December 2024.

These financial statements were authorised for issue on 15 August 2024 by the management of the Bank.

(b) Basis of measurement

This condensed interim financial information has been prepared on a historical cost basis except for financial instruments measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income.

(c) Functional and presentation currency

The functional currency of the Bank is the US dollar as it reflects the economic substance of the majority of underlying events and circumstances relevant to them.

The US dollar is also the presentation currency for the purposes of this condensed interim financial information.

2 BASIS OF PREPARATION, CONTINUED

(c) Functional and presentation currency, continued

The Bank considered the following factors in determining its functional currency: the Bank is an international organisation, share capital is formed in US dollars, funds from financing activities are generated mainly in US dollars, and the majority of the Bank's principal activities are conducted in US dollars.

Financial information presented in US dollars and all values are rounded to the nearest thousand, except when otherwise indicated.

(d) Use of estimates and judgements

In preparing this condensed interim financial information, the significant judgements made by management in applying the Bank's accounting policies and the key sources of estimation uncertainty were consistent with those that applied to the Bank's financial statements for 2023 prepared in accordance with IFRS.

3 SIGNIFICANT ACCOUNTING POLICIES

In preparing this condensed interim financial information the Bank applied the same accounting policies as those applied in the financial statements of the Bank for the year ended 31 December 2023.

(in thousands of US dollars)

4 NET INTEREST INCOME

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Interest income, calculated using the effective interest method, Investment portfolio:		
loans and amounts due from financial institutions	2,680	6,985
loans to customers	112,737	94,689
financial assets at fair value through other comprehensive income	25,417	35,046
Total interest income, calculated using the effective interest method, Investment portfolio	**140,834**	**136,720**
Interest income, calculated using the effective interest method, Treasury portfolio:		
cash and cash equivalents	135,359	20,483
financial assets at fair value through other comprehensive income	5,897	36,668
debt securities at amortised cost	6,325	6,708
Total interest income, calculated using the effective interest method, Treasury portfolio	**147,581**	**63,859**
Other interest income on Treasury portfolio:		
financial assets at fair value through profit or loss	9,625	6,420
Total other interest income on Treasury portfolio	**9,625**	**6,420**
Total interest income	**298,040**	**206,999**
Interest expense:		
loans and deposits from financial institutions	(47,593)	(42,812)
financial liabilities at fair value through profit or loss	(5,469)	(1,125)
deposits from customers	(5,516)	(5,911)
debt securities issued	(124,468)	(84,201)
Total interest expense	**(183,046)**	**(134,049)**
Net interest income	**114,994**	**72,950**

(in thousands of US dollars)

5 NET (LOSS)/GAIN ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Net gain/(loss) on debt instruments	3,948	(1,721)
Net (loss)/gain on derivative financial instruments	(99,485)	102,785
Net gain on equity instruments	-	1,146
Net gain on other financial instruments	630	1,286
Total net (loss)/gain on financial assets and liabilities at fair value through profit or loss	**(94,907)**	**103,496**

The Bank enters into most deals with derivative financial instruments with an aim to minimise possible gain/loss from foreign exchange revaluation of its on-balance sheet financial instruments. Consequently, the result of operations with derivative financial instruments should be considered in conjunction with the gain/loss on foreign currency revaluation (Note 6).

6 NET GAIN/(LOSS) ON TRANSACTIONS IN FOREIGN CURRENCIES

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Translation differences, net	75,870	(97,092)
Dealing, net	6,965	29,122
Total net gain/(loss) on transactions in foreign currencies	**82,835**	**(67,970)**

7 FEE AND COMMISSION INCOME

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Trust management fees	7,099	7,115
Credit related fees	3,263	3,503
Other fees and commissions	66	294
Total fee and commission income	**10,428**	**10,912**

(in thousands of US dollars)

8 PROVISION FOR EXPECTED CREDIT LOSSES

The table below represents provision for expected credit losses:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Reversal of/(provision for) expected credit losses on interest bearing assets:		
Cash and cash equivalents	556	(159)
Loans and amounts due from financial institutions:	8,494	(11,941)
in Treasury portfolio	*15,902*	*(12,956)*
in Investment portfolio	*(7,408)*	*1,015*
Loans to customers	(6,453)	19,444
Financial assets at fair value through other comprehensive income	2,660	780
in Treasury portfolio	*225*	*(439)*
in Investment portfolio	*2,435*	*1,219*
Debt securities at amortised cost	850	(451)
Total reversal of expected credit losses on interest bearing assets	**6,107**	**7,673**
Reversal of/(provision for) expected credit losses on guarantees and letters of credit issued	10,927	(11,102)
Total reversal of/(provision for) credit losses on guarantees and letters of credit issued	**10,927**	**(11,102)**
Total reversal of/(provision for) expected credit losses	**17,034**	**(3,429)**

The movements in provision for expected credit losses on cash and cash equivalents were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(570)	(142)
Net reversal/(charge)	556	(159)
Effect of foreign currency movements	(93)	11
End of the period (Note 10)	**(107)**	**(290)**

(in thousands of US dollars)

8 PROVISION FOR EXPECTED CREDIT LOSSES, CONTINUED

The movements in provision on loans and amounts due from financial institutions in the treasury portfolio were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(79,980)	(51,407)
Net reversal/(charge)	15,902	(12,956)
End of the period (Note 12)	**(64,078)**	**(64,363)**

The movements in provision for expected credit losses on loans and amounts due from financial institutions in the investment portfolio were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(77)	(1,756)
Net (charge)/reversal	(7,408)	1,015
Effect of foreign currency movements	(3)	167
End of the period (Note 12)	**(7,488)**	**(574)**

Table with details on stages is presented in the Note 12.

The movements in provision for expected credit losses on loans to customers were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(117,365)	(163,395)
Net (charge)/reversal	(6,453)	19,444
Write-offs	-	20,509
Effect of foreign currency movements	761	7,277
End of the period (Note 13)	**(123,057)**	**(116,165)**

Table with details on stages is presented in the Note 13.

(in thousands of US dollars)

8 PROVISION FOR EXPECTED CREDIT LOSSES, CONTINUED

The movements in provision for expected credit losses on debt financial assets at fair value through other comprehensive income in the treasury portfolio were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(2,597)	(3,586)
Net reversal/(charge)	225	(439)
Effect of foreign currency movements	-	5
End of the period	**(2,372)**	**(4,020)**

The movements in provision for expected credit losses on debt financial assets at fair value through other comprehensive income in the investment portfolio were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(6,706)	(10,939)
Net reversal	2,435	1,219
Effect of foreign currency movements	(156)	1,401
End of the period	**(4,427)**	**(8,319)**

The movements in provision for expected credit losses on debt securities at amortised cost were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(5,310)	(6,397)
Net reversal/(charge)	850	(451)
Effect of foreign currency movements	(1)	3
End of the period (Note 15)	**(4,461)**	**(6,845)**

(in thousands of US dollars)

8 PROVISION FOR EXPECTED CREDIT LOSSES, CONTINUED

The movements in provision for expected credit losses on guarantees and letters of credit issued were as follows:

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Beginning of the period	(17,387)	(13,555)
Net reversal/(charge)	10,927	(11,102)
Effect of foreign currency movements	(267)	1,625
End of the period (Note 23)	**(6,727)**	**(23,032)**

9 OPERATING EXPENSES

	Six-month period ended 30 June 2024 Unaudited	Six-month period ended 30 June 2023 Unaudited
Staff costs and other payments to employees	20,620	19,948
Depreciation and amortisation	1,488	1,482
Other operating expenses	6,407	6,180
Total operating expenses	**28,515**	**27,610**

Other operating expenses include expenses on premises, communication, maintenance of acquired systems and programs and other operating expenses.

10 CASH AND CASH EQUIVALENTS

	30 June 2024 Unaudited	31 December 2023
Cash on hand	144	43
Cash and balances with national (central) banks of Member states of the Bank	131,538	2,910,627
Correspondent accounts with financial institutions	205,116	692,956
Term and demand deposits in financial institutions	980,654	40,856
Loans under reverse repurchase agreements with maturity less than three months	204,934	350,377
	1,522,386	**3,994,859**
Less: provision for expected credit losses (Note 8)	(107)	(570)
Total cash and cash equivalents	**1,522,279**	**3,994,289**

As at 30 June 2024 and 31 December 2023 all cash and cash equivalents were classified within Stage 1 of credit quality assessment. There were no movements between the stages of credit quality assessment during the six-month periods ended 30 June 2024 and 30 June 2023.

(in thousands of US dollars)

10 CASH AND CASH EQUIVALENTS, CONTINUED

As at 30 June 2024 there was one financial institution with the outstanding balance over 10% of the Bank's equity (31 December 2023: three financial institutions).

There were no material non-cash transactions to disclose within the statement of cash flows.

As at 30 June 2024 the carrying value of loans under reverse repurchase agreements amounted to 204,934 thousand US dollars (31 December 2023: 350,377 thousand US dollars), fair value of collateral amounted to 208,337 thousand US dollars (31 December 2023: 440,689 thousand US dollars) with the external credit ratings "BBB" and "BBB-" (31 December 2023: "BBB").

The information on credit ratings according to the international rating scale, of counterparties with which the Bank had balances as at 30 June 2024 and 31 December 2023, is presented in the Note 27.

11 FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2024 Unaudited	**31 December 2023**
Financial instruments in treasury portfolio:		
Derivative financial instruments – assets	206,629	164,139
Debt instrument	109,590	108,252
Total in Treasury portfolio	**316,219**	**272,391**
Financial instruments in investment portfolio	13,785	13,155
Total in Investment portfolio	**13,785**	**13,155**
Total financial assets at fair value through profit or loss	**330,004**	**285,546**
Derivative financial instruments – liabilities	(209,371)	(199,091)
Total financial liabilities at fair value through profit or loss	**(209,371)**	**(199,091)**

Derivatives frequently involve a high degree of leverage and are highly volatile. A relatively small movement in the value of the asset, rate or index underlying a derivative contract may have a significant impact on the profit or loss of the Bank.

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded gross, is the amount (as a US dollar equivalent) of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year end and are indicative of neither the market risk nor the credit risk.

(in thousands of US dollars)

11 FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS, CONTINUED

	30 June 2024 Unaudited			31 December 2023		
	Notional amount	Net fair value Asset	Net fair value Liability	Notional amount	Net fair value Asset	Net fair value Liability
Derivative financial instruments:						
Foreign currency forward	3,136,653	200,654	(205,306)	4,271,354	161,849	(197,972)
Interest rate swap	52,479	3,935	(4,021)	22,258	44	(1,058)
Foreign currency interest rate swap	74,754	1,069	(44)	76,503	1,284	(61)
Foreign currency swap	73,808	971	-	103,699	962	-
		206,629	**(209,371)**		**164,139**	**(199,091)**

12 LOANS AND AMOUNTS DUE FROM FINANCIAL INSTITUTIONS

	30 June 2024 Unaudited	31 December 2023
Treasury portfolio:		
Amounts due from financial institutions	447,405	572,294
Less: provisions (Note 8)	(64,078)	(79,980)
Total in Treasury portfolio	**383,327**	**492,314**
Investment portfolio:		
Loans to financial institutions	171,646	42,422
Less: provision for expected credit losses (Note 8)	(7,488)	(77)
Total in Investment portfolio	**164,158**	**42,345**
Total loans and amounts due from financial institutions	**547,485**	**534,659**

The tables below summarise the movement of loans and amounts due from financial institutions in Investment portfolio between the stages of credit quality assessment during six months ended 30 June 2024 and 30 June 2023:

Unaudited	**Stage 1**	**Stage 2**	**Total**
Outstanding amount:			
As at 1 January 2024	42,422	-	42,422
Net issue	128,229	-	128,229
Net change in discounts/premiums	(80)	-	(80)
Effect of foreign currency movements	1,075	-	1,075
As at 30 June 2024	**171,646**	-	**171,646**
Provision for expected credit losses:			
As at 1 January 2024	(77)	-	(77)
Net charge	(7,408)	-	(7,408)
Effect of foreign currency movements	(3)	-	(3)
As at 30 June 2024	**(7,488)**	-	**(7,488)**
Total loans and amounts due from financial institutions	**164,158**	-	**164,158**

(in thousands of US dollars)

12 LOANS AND AMOUNTS DUE FROM FINANCIAL INSTITUTIONS, CONTINUED

Unaudited	**Stage 1**	**Stage 2**	**Total**
Outstanding amount:			
As at 1 January 2023	427,804	9,077	436,881
Net redemption	(303,177)	(4,356)	(307,533)
Transfer from Stage 2 to Stage 1	3,463	(3,463)	-
Net change in discounts/premiums	11	7	18
Effect of foreign currency movements	(13,630)	(1,265)	(14,895)
As at 30 June 2023	**114,471**	**-**	**114,471**
Provision for expected credit losses:			
As at 1 January 2023	(768)	(988)	(1,756)
Net reversal	313	702	1,015
Transfer from Stage 2 to Stage 1	(168)	168	-
Effect of foreign currency movements	49	118	167
As at 30 June 2023	**(574)**	**-**	**(574)**
Total loans and amounts due from financial institutions	**113,897**	**-**	**113,897**

As at 30 June 2024 and 31 December 2023 no loans and amounts due from financial institutions were past due.

The information on credit ratings on loans and amounts due from financial institutions is presented in the Note 27.

As at 30 June 2024 loans and amounts due from financial institutions include accrued interest income amounting to 1,326 thousand US dollars (31 December 2023: 487 thousand US dollars).

13 LOANS TO CUSTOMERS

	30 June 2024 Unaudited	**31 December 2023**
Stage 1 loans	2,321,833	2,159,720
Stage 2 loans	279,997	300,155
Stage 3 loans:		
not overdue	51,708	17,946
	2,653,538	**2,477,821**
Less: provision for expected credit losses (Note 8)	(123,057)	(117,365)
Total loans to customers	**2,530,481**	**2,360,456**

As at 30 June 2024 and 31 December 2023 there were no overdue loans to customers.

(in thousands of US dollars)

13 LOANS TO CUSTOMERS, CONTINUED

The tables below summarise the movement of loans to customers between the stages of credit quality assessment during the six-month periods ended 30 June 2024 and 30 June 2023:

Unaudited	Stage 1	Stage 2	Stage 3	Total
Outstanding amount:				
As at 1 January 2024	2,159,720	300,155	17,946	2,477,821
Net issue/(redemption)	185,928	(17,048)	(1,092)	167,788
Transfer from Stage 1 to Stage 3	(35,171)	-	35,171	-
Net change in discounts/premiums	685	(719)	242	208
Effect of foreign currency movements	10,671	(2,391)	(559)	7,721
As at 30 June 2024	**2,321,833**	**279,997**	**51,708**	**2,653,538**
Provision for expected credit losses:				
As at 1 January 2024	(50,569)	(57,074)	(9,722)	(117,365)
Net (change)/ reversal	(11,545)	4,930	162	(6,453)
Transfer from Stage 1 to Stage 3	20,213	-	(20,213)	-
Effect of foreign currency movements	(146)	606	301	761
As at 30 June 2024	**(42,047)**	**(51,538)**	**(29,472)**	**(123,057)**
Total loans to customers	**2,279,786**	**228,459**	**22,236**	**2,530,481**

Unaudited	Stage 1	Stage 2	Stage 3	Total
Outstanding amount:				
As at 1 January 2023	1,890,287	327,874	106,119	2,324,280
Net issue/(redemption)	242,611	(33,006)	(54,682)	154,923
Write-offs	-	-	(20,509)	(20,509)
Transfer from Stage 1 to Stage 2	(69,188)	69,188	-	-
Net change in discounts/premiums	(1,975)	(458)	1,655	(778)
Effect of foreign currency movements	(119,805)	5,948	(2,242)	(116,099)
As at 30 June 2023	**1,941,930**	**369,546**	**30,341**	**2,341,817**
Provision for expected credit losses:				
As at 1 January 2023	(55,703)	(47,760)	(59,932)	(163,395)
Net reversal/(change)	(2,388)	4,433	17,399	19,444
Write-offs	-	-	20,509	20,509
Transfer from Stage 1 to Stage 2	10,065	(10,065)	-	-
Effect of foreign currency movements	6,470	(847)	1,654	7,277
As at 30 June 2023	**(41,556)**	**(54,239)**	**(20,370)**	**(116,165)**
Total loans to customers	**1,900,374**	**315,307**	**9,971**	**2,225,652**

The Bank estimates expected credit losses for its loans to customers based on an analysis of the future cash flows and collateral realisation approach.

(in thousands of US dollars)

13 LOANS TO CUSTOMERS, CONTINUED

The table below summarises the amount of loans secured by type of collateral, rather than the fair value of the collateral itself:

	30 June 2024 Unaudited	31 December 2023
Loans collateralised by real estate, equipment and inventories	677,489	652,053
Loans collateralised by guarantees of:		
state entities	393,583	256,808
financial and commercial organisations	171,135	274,745
Loans collateralised by future cash inflows from clients' contracts	1,411,331	1,294,215
	2,653,538	**2,477,821**
Less: provision for expected credit losses (Note 8)	(123,057)	(117,365)
Total loans to customers	**2,530,481**	**2,360,456**

The table below presents the economic sector breakdown of the loans:

	30 June 2024 Unaudited	31 December 2023
Mining	1,025,334	1,008,750
Transport	779,887	604,725
Energy	397,154	481,419
Chemical industry	233,309	189,432
Agriculture	144,656	140,955
Infrastructure	16,537	17,946
Metallurgy	-	2,998
Other	56,661	31,596
	2,653,538	**2,477,821**
Less: provision for expected credit losses (Note 8)	(123,057)	(117,365)
Total loans to customers	**2,530,481**	**2,360,456**

As at 30 June 2024 loans to customers included accrued interest income amounting to 28,273 thousand US dollars (31 December 2023: 28,538 thousand US dollars). For the six-month period ended 30 June 2024, net unwinding effect (interest income on Stage 3 loans arose from discounting) resulted in gain of 60 thousand US dollars (30 June 2023: gain of 308 thousand US dollars)

The information on credit ratings on loans to customers is presented in the Note 27.

Concentration of loans to customers

As at 30 June 2024, the Bank has loans to two customers, whose balances exceed 10% of total equity of the Bank, and amount to 396,811 thousand US dollars and 300,842 thousand US dollars, respectively. The first customer is located in the Republic of Uzbekistan and has credit rating «BB-» according to Internal models, the second - in the Republic of Kazakhstan and has credit rating «B» according to Internal models.

As at 31 December 2023, the Bank has loans to three customers, whose balances exceed 10% of total equity of the Bank, and amount to 396,594 thousand US dollars, 299,967 thousand US dollars and 218,791 thousand US dollars, respectively. The first customer is located in the Republic of Uzbekistan and has credit rating «BB-» according to Internal models, the second - in the Republic of Kazakhstan and has credit rating «B» according to Internal models and the third – in the Russian Federation and has credit rating «B-» according to Internal models.

(in thousands of US dollars)

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 30 June 2024 and 31 December 2023 financial instruments at fair value through other comprehensive income consist of:

	30 June 2024 Unaudited	31 December 2023
Treasury portfolio:		
Debt instruments	765,675	201,714
Total in Treasury portfolio	**765,675**	**201,714**
Investment portfolio:		
Debt instruments	471,697	470,328
Total in Investment portfolio	**471,697**	**470,328**
Total financial assets at fair value through other comprehensive income	**1,237,372**	**672,042**

The table below presents the breakdown of the debt instruments in Treasury portfolio:

	30 June 2024 Unaudited		31 December 2023	
	Nominal interest rate	Fair value	Nominal interest rate	Fair value
Bonds issued by non-member state governments	0.00%	499,031	-	-
Bonds issued by financial institutions	0.00-1.26%	136,718	1.26%	36,952
Bonds issued by non-financial organisations	1.45-7.45%	88,046	1.45-20.20%	109,785
Bonds issued by governments of Member states of the Bank	7.20-10.50%	41,880	7.20-10.50%	54,977
		765,675		**201,714**

The table below summarises the distribution of debt financial instruments in Treasury portfolio between the stages of credit quality assessment as at 30 June 2024 and 31 December 2023:

	30 June 2024 Unaudited	31 December 2023
Stage 1	736,129	171,307
Stage 2	29,546	30,407
	765,675	**201,714**

(in thousands of US dollars)

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME, CONTINUED

During the six-month periods ended 30 June 2024 and 30 June 2023, there were no movements between the stages of debt financial instruments in Treasury portfolio

The table below presents the breakdown of the debt instruments in Investment portfolio:

	30 June 2024 Unaudited		31 December 2023	
	Nominal interest rate	**Fair value**	**Nominal interest rate**	**Fair value**
Bonds issued by non-financial organisations	7.80-21.75%	404,027	7.80-21.75%	404,743
Bonds issued by governments of Member states of the Bank	6.55-8.50%	47,666	6.55-8.50%	46,768
Bonds issued by financial institutions	8.00%	20,004	8.00%	18,817
		471,697		**470,328**

The table below summarises the distribution of debt financial instruments in Investment portfolio between the stages of credit quality assessment as at 30 June 2024 and 31 December 2023:

	30 June 2024 Unaudited	31 December 2023
Stage 1	452,935	452,387
Stage 2	18,762	17,941
	471,697	**470,328**

During the six-month periods ended 30 June 2024 and 30 June 2023, there were no movements between the stages of debt financial instruments in Investment portfolio.

As at 30 June 2024 debt instruments at fair value through other comprehensive income include accrued interest income amounting to 25,079 thousand US dollars (31 December 2023: 18,645 thousand US dollars).

(in thousands of US dollars)

15 DEBT SECURITIES AT AMORTISED COST

The table below presents the breakdown of the debt instruments at amortised cost in Treasury portfolio:

	30 June 2024 Unaudited		31 December 2023	
	Nominal interest rate	**Fair value**	**Nominal interest rate**	**Fair value**
Bonds issued by governments of Member states of the Bank	4.75-12.75%	130,169	4.75-12.75%	131,197
Bonds issued by non-financial organisations	2.63-4.85%	91,457	2.63-4.85%	90,508
Bonds issued by non-member state governments	1.50%	52,417	1.50%	52,341
		274,043		**274,046**
Less: provision for expected credit losses (Note 8)		(4,461)		(5,310)
Total debt securities at amortised cost		**269,582**		**268,736**

The table below summarises the distribution of debt securities at amortised cost in Treasury portfolio between the stages of credit quality assessment as at 30 June 2024 and 31 December 2023:

	30 June 2024 Unaudited	31 December 2023
Stage 1	177,785	175,390
Stage 2	96,258	98,656
	274,043	**274,046**
Less: provision for expected credit losses (Note 8)	(4,461)	(5,310)
Total debt securities at amortised cost	**269,582**	**268,736**

During the six-month periods ended 30 June 2024 and 30 June 2023 there was no movement between the stages.

As at 30 June 2024, debt securities at amortised cost include accrued interest income amounting to 1,663 thousand US dollars (31 December 2023: 1,663 thousand US dollars).

(in thousands of US dollars)

16 OTHER ASSETS

	30 June 2024 Unaudited	31 December 2023
Other financial assets:		
Receivables and accrued commission income	18,876	12,747
Total other financial assets	**18,876**	**12,747**
Other non-financial assets:		
Receivables and non-financial assets under Digital Initiative Fund's projects	8,841	8,253
Right-of-use assets	7,833	9,042
Prepaid expenses	1,890	1,850
Receivables under Technical Assistance Fund's projects	1,703	258
Other debtors	4,544	2,568
	24,811	**21,971**
Less: provision	(62)	(13)
Total other non-financial assets	**24,749**	**21,958**
Total other assets	**43,625**	**34,705**

17 LOANS AND DEPOSITS FROM FINANCIAL INSTITUTIONS

	30 June 2024 Unaudited	31 December 2023
Loans from financial institutions	609,366	555,765
Correspondent accounts of financial institutions	219,762	2,371,271
Short-term deposits from financial institutions	803	163,961
	829,931	**3,090,997**

The Bank has signed several loan agreements to receive financing from different financial institutions to fund its investment projects. Due to the terms of such agreements, the Bank shall comply with the covenants such as maintaining financial stability, non-payment clauses, cross-default, encumbrances, court proceedings and some others. As at 30 June 2024 and 31 December 2023, the Bank was in compliance with all assigned covenants.

As at 30 June 2024, loans and deposits from financial institutions included accrued interest payable amounting to 18,405 thousand US dollars (31 December 2023: 10,686 thousand US dollars).

The reconciliation of long-term loans from financial institutions movement to the statement of cash flows arising from financing activities is as follows:

	30 June 2024 Unaudited	30 June 2023 Unaudited
At the beginning of the period	555,765	522,556
Cash inflow	87,211	25,219
Cash outflow	(47,047)	(34,561)
Effect of foreign currency exchange and interest accrued movements	13,437	(14,256)
At the end of the period	**609,366**	**498,958**

(in thousands of US dollars)

18 DEPOSITS FROM CUSTMERS

The tables below present the breakdown of the deposits from customers:

	30 June 2024 Unaudited	31 December 2023
Term deposits	205,557	114,924
Current accounts	118,766	25,271
	324,323	**140,195**

As at 30 June 2024 and 31 December 2023, all deposits were from customers, based in the Member states of the Bank.

19 DEBT SECURITIES ISSUED

The table below presents the breakdown of the debt securities issued:

	30 June 2024 Unaudited	31 December 2023
Debt securities issued		
in US dollar	1,053,954	839,136
in Russian roubles	731,908	808,755
in Kazakhstani tenge	637,638	499,673
in Chinese yuan	262,149	268,077
in Euro	237,258	245,843
Total debt securities issued	**2,922,907**	**2,661,484**

In March 2024, the Bank placed discount bonds denominated in US dollars in the amount of 250,000 thousand US dollars with a maturity date in September 2027. At the initial recognition the difference between the nominal value and the fair value of bonds of 43,735 thousand US dollars was recognised in the Bank's equity.

During the six-month period ended 30 June 2024, the Bank placed on the Kazakhstan Stock Exchange bonds denominated in Kazakhstani tenge (one issue in the amount of 50 billion Kazakhstani tenge (111,069 thousand in US dollars equivalent)) and fourteen issues of discount bonds with total nominal value of 95 billion Kazakhstani tenge (195,424 thousand in US dollars equivalent) and the maturity up to 12 months.

During the first half of 2024, the Bank redeemed several issues of its bonds: one Russian rouble denominated issue for a total amount of 10 billion Russian roubles (110,868 thousand in US dollars equivalent), six Kazakhstani tenge denominated issues with a nominal value of 79 billion Kazakhstani tenge (176,011 thousand in US dollars equivalent), including short-term issues.

As at 30 June 2024, debt securities issued included accrued interest payable amounting to 71,335 thousand US dollars (31 December 2023: 46,599 thousand US dollars).

(in thousands of US dollars)

19 DEBT SECURITIES ISSUED, CONTINUED

The reconciliation of debt securities issued movement to cash flows arising from financing activities is as follows:

	30 June 2024 Unaudited	30 June 2023 Unaudited
At the beginning of the year	2,661,484	3,030,076
Cash inflow	555,618	392,278
Cash outflow	(286,879)	(895,091)
Interest accrued movement	(5,927)	(133,657)
Foreign exchange movement	(1,389)	(3,398)
At the end of the year	**2,922,907**	**2,390,208**

20 OTHER LIABILITIES

	30 June 2024 Unaudited	31 December 2023
Other financial liabilities:		
Lease liabilities	6,427	7,668
Prepayments for trust management service	2,168	1,351
Other	2,056	2,067
Tota other financial liabilities	**10,651**	**11,086**
Other non-financial liabilities:		
Payables to employees	35,657	35,869
Resources for Digital initiative fund's projects	10,394	11,632
Other prepayments	9,759	-
Resources for Technical assistance fund's projects	8,102	8,968
Provisions for expected credit losses on guarantees and letters of credit issued	6,727	17,387
Other	2,529	2,627
Tota other non-financial liabilities	**73,168**	**76,483**
Total other liabilities	**83,819**	**87,569**

21 SHARE CAPITAL

As at 30 June 2024 and 31 December 2023, the authorised share capital consists of 7,000,000 common shares with a nominal value of 1,000 US dollars each. One paid-in share represents one voting right. One paid-in share represents one voting right. Shares, payable on call, have a nominal value of 1,000 US dollars each. In accordance with the terms and conditions for subscription to additional shares, in case of the lack of monetary resources to perform its commitments and obligations, the Bank has the right to request payment of capital, payable on call, after initiating an extraordinary meeting of the Council of the Bank.

(in thousands of US dollars)

21 SHARE CAPITAL, CONTINUED

As at 30 June 2024 and 31 December 2023, the share capital of the Bank was allocated as follows:

	Authorised share capital	Callable share capital	Paid-in share capital
The Russian Federation	4,296,749	(3,617,900)	678,849
The Republic of Kazakhstan	2,374,451	(1,809,300)	565,151
The Republic of Belarus	133,300	(54,300)	79,000
The Republic of Tajikistan	66,100	(1,600)	64,500
The Republic of Armenia	64,700	(600)	64,100
The Kyrgyz Republic	64,700	(600)	64,100
	7,000,000	**(5,484,300)**	**1,515,700**

As at 30 June 2024 and 31 December 2023, the Bank's reserve fund comprised 146,220 thousand US dollars. The Bank has established a reserve fund that represents a segregation of a portion of its retained earnings. The Council of the Bank annually takes decision on the distribution of net profit to the reserve fund. Upon resolution of the Council of the Bank, profit is subject to distribution among the Bank's member only after the reserve fund reaches fifteen percent of the Bank's share capital. After that happens any such distributions could be made to participants proportionately based upon the number of the shares.

22 TECHNICAL ASSISTANCE FUND AND DIGITAL INITIATIVE FUND RESERVES

	Technical assistance fund reserve	Digital initiative fund reserve
31 December 2022	21,137	5,568
Transfer from Retained earnings to Digital initiative fund reserve (unaudited)	-	(4,696)
30 June 2023 (unaudited)	**21,137**	**872**
31 December 2023	**23,731**	**872**
30 June 2024 (unaudited)	**23,731**	**872**

The purpose of Technical assistance fund ("TAF") is to effectively assist to strategic objective of the Bank via financing events aimed for preparation and implementation of investment projects, supporting programs of regional integration, carrying out cross-state, interstate, industrial and innovation researches aimed at economic growth, development of market economies, expansion of mutual trade between Member states and other measures related to the mission of the Bank.

The purpose of Digital initiative fund ("DIF") is to assist the Bank's Member states in creating digital transformation tools and practices by integrating information resources and participating in the development and financing of projects, including those implemented under the EAEU digital agenda.

The Council of the Bank has decided to separate TAF and DIF reserves as individual parts of the equity of the Bank via transferring funds from retained earnings. After the Council of the Bank approves funding of specific TAF/DIF projects and programs, allocated sums are transferred from the equity reserve into liabilities.

(in thousands of US dollars)

22 TECHNICAL ASSISTANCE FUND AND DIGITAL INITIATIVE FUND RESERVES, CONTINUED

The amount of resources available for the TAF and the DIF programs and allocated for specific projects/programs are set by the Council of the Bank on a regular basis. The unused part of the reserves is accumulated and could be used in future periods.

23 COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Bank is a party to financial instruments with off-balance sheet risk in order to meet the needs of its customers. These instruments, involving varying degrees of credit risk, are not reflected in the statement of financial position.

The Bank's maximum exposure to credit loss under contingent liabilities and commitments to extend credit, in the event of non-performance by the other party where all counterclaims, collateral or security prove valueless, is represented by the contractual amounts of those instruments. As at 30 June 2024, the maximum credit risk exposure on unused credit lines on loans issuance amounts to 1,097,555 thousand US dollars (31 December 2023: 1,114,411 thousand US dollars).

The Bank uses the same credit control and management policies in undertaking off-balance sheet commitments as it does for on-balance operations.

As at 30 June 2024 and 31 December 2023 the nominal or contractual amounts are:

	30 June 2024 Unaudited Nominal Amount	31 December 2023 Nominal amount
Guarantees and letters of credit issued	224,882	425,689
Contingent liabilities on credit lines:		
on loans issuance	1,097,555	1,114,411
on guarantees and letters of credit issuance	167,503	246,222
Total contingent liabilities and credit commitments	**1,489,940**	**1,786,322**

The table below summarises the distribution of issued guarantees and letters of credit between the stages of credit quality assessment as at 30 June 2024:

	Stage 1	Stage 2	Total
Guarantees and letters of credit issued	171,532	53,350	224,882
Less: provision for expected credit losses (Note 8)	(2,052)	(4,675)	(6,727)
Total guarantees and letters of credit issued	**169,480**	**48,675**	**218,155**

(in thousands of US dollars)

23 COMMITMENTS AND CONTINGENCIES, CONTINUED

The table below summarises the distribution of issued guarantees and letters of credit between the stages of credit quality assessment as at 31 December 2023:

	Stage 1	Stage 2	Total
Guarantees and letters of credit issued	335,423	90,266	425,689
Less: provision for expected credit losses (Note 8)	(11,067)	(6,320)	(17,387)
Total guarantees and letters of credit issued	**324,356**	**83,946**	**408,302**

There were no movements between stage of credit quality assessment during the six-month period ended 30 June 2024. During the six-month period ended 30 June 2023 guarantees and letters of credit with outstanding amount of 76,884 thousand US dollars and 16,224 thousand US dollars of provision for expected credit losses were transferred from Stage 1 to Stage 2.

The Bank doesn’t create a provision for expected credit losses on unused credit lines on issuance of loans, guarantees and letters of credit, because there are no automatic issues on them. Whenever the Bank receives a request from a customer for a new loan tranche/guarantee or letter of credit, it is reviewed each time on an individual and independent basis. The procedure of issuing includes an updated review of current financial position of a customer by Credit and risk management department, Security and Compliance department, and Law department of the Bank and is similar to the procedure of initial approval of credit line. As the Bank on a regular basis declines part of the requests for new tranches/guarantees or letters of credit, the Bank considers that the new issue is debatable, and makes a provision for expected credit losses only after transfer of funds to the borrower within the loan commitments or issue of guarantees/letters of credit.

Fiduciary activities

The Bank provides trust services to Eurasian Fund for Stabilisation and Development (the “Fund”), whereby it holds and manages assets or invests funds received in various financial instruments as a Manager of Fund. The Bank is not responsible with its own property under obligations it has entered into on behalf of Fund Members within the scope of carrying out Fund operations, except in cases when by entering into such obligations the Bank has violated the provisions of Fund Documents.

(in thousands of US dollars)

24 TRANSACTIONS WITH RELATED PARTIES

Related parties and transactions with related parties are assessed in accordance with IAS 24 *"Related Party Disclosures"*. As discussed in the Note 1, the Bank's operations include the financing of projects within its Member states, which include projects undertaken by governmental entities. Accordingly, the Bank enters into numerous transactions with related parties as a result of its ownership by the Member states. The Bank decided not to apply the exemption from disclosure of individually insignificant transactions and balances with the government and parties that are related to the entity because the Member states have direct or indirect control over such party.

(a) Transactions with key management

The remuneration of key management personnel included in staff costs and other payments to employees (Note 9) was as follows:

	Six months ended 30 June 2024 Unaudited		Six months ended 30 June 2023 Unaudited	
	Transactions with key management	Total category as per financial statements caption	Transactions with key management	Total category as per financial statements caption
Staff costs and other payments to employees:				
Salary expenses and other compensation costs	3,065	18,588	4,430	17,445
Retirement savings plan expenses	268	2,032	258	2,503
Total	**3,333**	**20,620**	**4,688**	**19,948**

The outstanding balances as at 30 June 2024 and 31 December 2023 for transactions with the key management personnel are as follows:

	30 June 2024 Unaudited	31 December 2023
Condensed interim statement of financial position		
Short-term payments to employees	4,574	2,118
Retirement savings plan	3,226	2,805

(b) Transactions with other related parties

According to IAS 24 "*Related Party Disclosures*" other related parties of the Bank comprise the Russian Federation and the Republic of Kazakhstan, national companies and other organisations controlled by these Member states.

(in thousands of US dollars)

24 TRANSACTIONS WITH RELATED PARTIES, CONTINUED

(b) Transactions with other related parties, continued

The outstanding balances as at 30 June 2024 and 31 December 2023 with other related parties are as follows:

	30 June 2024 Unaudited	31 December 2023
Condensed interim statement of financial position		
ASSETS		
Cash and cash equivalents:	**109,468**	**2,835,061**
in US dollars	917	80
in Russian rouble	3,143	2,603,690
in Kazakhstani tenge	718	128,294
in Chinese yuan	104,717	103,366
less: provision for expected credit losses	(27)	(369)
Financial assets at fair value through profit or loss:		
in Treasury portfolio:	**310,243**	**207,768**
in US dollars	303,759	196,143
in Russian rouble	6,484	11,625
Loans and amounts due from financial institutions:		
in Investment portfolio:	**125,896**	**42,345**
in US dollars	90,336	-
in Russian rouble	29,324	33,585
in Kazakhstani tenge	6,389	8,837
less: provision for expected credit losses	(153)	(77)
Loans to customers:	**703,845**	**497,249**
in US dollars	250,064	102,384
in Russian rouble	276,231	196,638
in Kazakhstani tenge	72,984	77,332
in Chinese yuan	111,344	125,932
less: provision for expected credit losses	(6,778)	(5,037)
Financial assets at fair value through other comprehensive income:		
in Treasury portfolio:	**113,742**	**148,756**
in US dollars	67,623	84,970
in Russian rouble	24,394	25,343
in Kazakhstani tenge	21,725	38,443
Financial assets at fair value through other comprehensive income:		
in Investment portfolio:	**352,212**	**351,450**
in Russian rouble	48,912	47,645
in Kazakhstani tenge	303,300	303,805
Debt securities at amortised cost:	**115,825**	**116,347**
in US dollars	96,800	99,205
in Russian rouble	22,398	21,374
less: provision for expected credit losses	(3,373)	(4,232)
Other assets:	**17,103**	**11,074**
in US dollars	12,598	10,988
in Russian rouble	4,505	85
in Kazakhstani tenge	-	1

(in thousands of US dollars)

24 TRANSACTIONS WITH RELATED PARTIES, CONTINUED

(b) Transactions with other related parties, continued

	30 June 2024 Unaudited	31 December 2023
Condensed interim statement of financial position		
LIABILITIES		
Loans and deposits from financial institutions:	**363,746**	**2,278,943**
in Russian rouble	268,683	2,183,941
in Kazakhstani tenge	95,063	95,002
Financial liabilities at fair value through profit or loss:	-	**63,413**
in US dollars	-	63,308
in Russian rouble	-	105
Deposits from customers:	**143,113**	**41,581**
in US dollars	100,061	20
in Russian rouble	1,976	3,291
in Kazakhstani tenge	39,456	36,612
in Chinese yuan	1,620	1,658
Debt securities issued:	**1,414,686**	**1,056,112**
in US dollars	805,704	361,523
in Russian rouble	252,471	328,341
in Kazakhstani tenge	116,186	141,910
in Chinese yuan	240,325	224,338
Other liabilities:	**2,190**	**1,581**
in US dollars	2,168	1,367
in Russian rouble	6	186
in Kazakhstani tenge	16	14
in Euro	-	14
Guarantees received:	**490,526**	**328,958**
in US dollars	148,698	159,000
in Russian rouble	313,365	168,005
in Kazakhstani tenge	28,463	1,953
Contingent liabilities and credit commitments:	**541,851**	**607,604**
in US dollars	100,000	292,981
in Russian rouble	-	200,932
in Kazakhstani tenge	441,851	100,099
in Euro	-	13,592

(in thousands of US dollars)

24 TRANSACTIONS WITH RELATED PARTIES, CONTINUED

(b) Transactions with other related parties, continued

Profit or loss amounts from transactions with other related parties for the six-month periods ended 30 June 2024 and 30 June 2023 are as follows:

	Six months ended 30 June 2024 Unaudited	Six months ended 30 June 2023 Unaudited
Condensed interim statement of profit or loss		
Interest income, calculated using the effective interest method:		
on Investment portfolio	45,328	56,302
on Treasury portfolio	15,319	10,751
Other interest income on Treasury portfolio	5,289	5,406
Interest expense	(104,147)	(70,715)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	168,295	(198,385)
Net (loss)/gain on transactions in foreign currencies	(71,287)	3,312
Net realised loss on financial assets at fair value through other comprehensive income	(71)	(169)
Net gain/(loss) from modification, recognition and derecognition of financial instruments	13	(1,887)
Fee and commission income	7,245	6,194
Fee and commission expense	(784)	(345)
(Provision for)/recovery of expected credit losses on interest bearing assets	(156)	2,743
Net operating income / (loss)	**65,044**	**(186,793)**

(in thousands of US dollars)

25 SEGMENT REPORTING

Segment performance

The Bank operates in the Russian Federation, the Republic of Kazakhstan and other countries. In presenting geographical information the allocation of income/expenses is based on the geographical location of customers and assets.

Segment information on net operating income for geographical segments of the Bank for the six-month period ended 30 June 2024 is set out below:

30 June 2024 Unaudited	Russia	Kazakhstan	Belarus	Other Member states	Non-member states	Total
Interest income, calculated using the effective interest method:						
on Investment portfolio	22,704	87,195	6,128	3,774	21,033	140,834
on Treasury portfolio	99,729	39,339	172	879	7,462	147,581
Other interest income on Treasury portfolio	8,494	514	-	-	617	9,625
Interest expense	(93,079)	(51,369)	(1,974)	(55)	(36,569)	(183,046)
Net (loss)/ gain on financial assets and liabilities at fair value through profit or loss	(57,893)	(40,167)	3,336	-	(183)	(94,907)
Net gain on transactions in foreign currencies	20,808	4,590	1,093	3	56,341	82,835
Net realised loss on financial assets at fair value through other comprehensive income	(40)	(30)	-	-	-	(70)
Net gain from modification, recognition and derecognition of financial instruments	15	-	-	-	-	15
Fee and commission income	9,113	328	705	-	282	10,428
Fee and commission expense	(1,208)	(179)	(2)	(13)	(339)	(1,741)
Net other income	36	4	-	17	-	57
Recovery of/(provision for) expected credit losses on interest bearing assets	6,994	764	(3,812)	(13,784)	15,945	6,107
Recovery of/(provision for) of expected credit losses on guarantees and letters of credit issued	7,780	7	3,186	-	(46)	10,927
Net operating income / (loss)	**23,453**	**40,996**	**8,832**	**(9,179)**	**64,543**	**128,645**

(in thousands of US dollars)

25 SEGMENT REPORTING, CONTINUED

Segment performance, continued

Segment information for geographical segments of the Bank as at 30 June 2024 is set out below:

30 June 2024 Unaudited	**Russia**	**Kazakhstan**	**Belarus**	**Other Member states**	**Non-member states**	**Total**
Cash and cash equivalents	180,395	625,592	26,190	2,946	687,156	1,522,279
Financial assets at fair value through profit or loss:	321,480	6,484	971	-	1,069	330,004
in Treasury portfolio	*307,695*	*6,484*	*971*	-	*1,069*	*316,219*
in Investment portfolio	*13,785*	-	-	-	-	*13,785*
Loans and amounts due from financial institutions:	4,845	127,599	38,262	-	376,779	547,485
in Treasury portfolio	*4,845*	*1,703*	-	-	*376,779*	*383,327*
in Investment portfolio	-	*125,896*	*38,262*	-	-	*164,158*
Loans to customers	418,194	1,524,172	120,238	71,066	396,811	2,530,481
Financial assets at fair value through other comprehensive income:	137,158	445,707	18,758	-	635,749	1,237,372
in Treasury portfolio	*49,969*	*79,957*	-	-	*635,749*	*765,675*
in Investment portfolio	*87,189*	*365,750*	*18,758*	-	-	*471,697*
Debt securities at amortised cost	110,611	38,405	-	11,214	109,352	269,582
Investments in associates	1	23	-	-	-	24
Property, equipment and intangible assets	2,178	13,808	11	101	-	16,098
Other assets	37,761	2,052	279	442	3,091	43,625
Total assets	**1,212,623**	**2,783,842**	**204,709**	**85,769**	**2,210,007**	**6,496,950**
Total liabilities	**2,406,215**	**1,242,615**	**157,161**	**32,398**	**531,962**	**4,370,351**
Contingent liabilities and credit commitments, gross	**319,003**	**806,828**	**116,314**	**205,170**	**42,625**	**1,489,940**
Capital expenditure	**874**	**528**	**-**	**7**	**-**	**1,409**
Depreciation and amortisation	**332**	**1,124**	**2**	**30**	**-**	**1,488**

(in thousands of US dollars)

25 SEGMENT REPORTING, CONTINUED

Segment performance, continued

Segment information on net operating income for geographical segments of the Bank for the six-month period ended 30 June 2023 is set out below:

30 June 2023 Unaudited	**Russia**	**Kazakhstan**	**Belarus**	**Other Member states**	**Non-member states**	**Total**
Interest income, calculated using the effective interest method:						
on Investment portfolio	38,890	70,274	4,123	3,742	19,691	136,720
on Treasury portfolio	17,635	8,857	1,997	895	34,475	63,859
Other interest income on Treasury portfolio	4,743	663	-	1	1,013	6,420
Interest expense	(57,238)	(37,579)	(8,439)	(426)	(30,367)	(134,049)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	69,797	3,620	33,296	29	(3,246)	103,496
Net (loss)/gain on transactions in foreign currencies	(41,992)	5,149	(26,526)	(119)	(4,482)	(67,970)
Net realised gain/(loss) on financial assets at fair value through other comprehensive income	44	(141)	(417)	-	(14,462)	(14,976)
Net loss from modification, recognition and derecognition of financial instruments	(2,447)	(1,887)	-	-	-	(4,334)
Net loss on trading with debt securities issued	(10)	-	-	-	-	(10)
Fee and commission income	9,104	331	1,176	108	193	10,912
Fee and commission expense	(1,894)	(448)	(3)	(4)	(53)	(2,402)
Net other income	-	3	-	1	-	4
Recovery of/(provision for) expected credit losses on interest bearing assets	11,956	(6,331)	2,309	(127)	(134)	7,673
(Provision for)/recovery of expected credit losses on guarantees and letters of credit issued	(1,094)	51	(10,039)	1	(21)	(11,102)
Net operating income / (loss)	**47,494**	**42,562**	**(2,523)**	**4,101**	**2,607**	**94,241**

(in thousands of US dollars)

25 SEGMENT REPORTING, CONTINUED

Segment performance, continued

Segment information for geographical segments of the Bank as at 31 December 2023 is set out below:

	Russia	Kazakhstan	Belarus	Other Member states	Non-member states	Total
Cash and cash equivalents	3,613,255	239,616	73,698	40,267	27,453	3,994,289
Financial assets at fair value through profit or loss:	271,719	11,581	962	-	1,284	285,546
in Treasury portfolio	*258,564*	*11,581*	*962*	-	*1,284*	*272,391*
in Investment portfolio	*13,155*	-	-	-	-	*13,155*
Loans and amounts due from financial institutions:	4,427	47,269	-	-	482,963	534,659
in Treasury portfolio	*4,427*	*4,924*	-	-	*482,963*	*492,314*
in Investment portfolio	-	*42,345*	-	-	-	*42,345*
Loans to customers	518,085	1,266,830	101,993	76,954	396,594	2,360,456
Financial assets at fair value through other comprehensive income:	149,459	467,690	17,941	-	36,952	672,042
in Treasury portfolio	*66,027*	*98,735*	-	-	*36,952*	*201,714*
in Investment portfolio	*83,432*	*368,955*	*17,941*	-	-	*470,328*
Debt securities at amortised cost	112,299	37,454	-	10,887	108,096	268,736
Investments in associates	1	23	-	-	-	24
Property, equipment and intangible assets	2,447	14,299	13	126	-	16,885
Other assets	30,264	1,787	447	393	1,814	34,705
Total assets	**4,701,956**	**2,086,549**	**195,054**	**128,627**	**1,055,156**	**8,167,342**
Total liabilities	**4,297,056**	**874,385**	**383,341**	**47,043**	**577,511**	**6,179,336**
Contingent liabilities and credit commitments, gross	**811,767**	**561,388**	**178,636**	**199,138**	**35,393**	**1,786,322**
Capital expenditure, 30 June 2023 (unaudited)	**102**	**322**	**-**	**-**	**-**	**424**
Depreciation and amortisation, 30 June 2023 (unaudited)	**308**	**1,136**	**5**	**33**	**-**	**1,482**

Segment performance information is presented to the management of the Bank for decision making in the way it is disclosed above. The Bank believes that more detailed disclosure of segment information will not have significant impact on segment performance of the Bank.

External operating income, assets, liabilities and capital expenditure have generally been allocated based on the domicile of the counterparty. Tangible assets (premises and equipment) have been allocated based on the country in which they are physically held.

There were no loans to customers with interest income for the six-month periods ended 30 June 2024 and 30 June 2023, individually exceeding 10% of total interest income of the Bank for these periods.

26 FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Determining fair value

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale. The estimates presented herein are not necessarily indicative of the amounts the Bank could realise in a market exchange from the sale of its full holdings of a particular instrument.

The determination of fair value of financial assets and liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

(b) Valuation of financial instruments

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair value of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Bank determines fair value using valuation techniques.

Valuation techniques include net present value and discounted cash flow models and comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other observable information used in estimating discount rates, bond and equity prices and foreign currency exchange rates. The objective of valuation techniques is to determine fair value that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting in an arm's length transaction.

(in thousands of US dollars)

26 FAIR VALUE OF FINANCIAL INSTRUMENTS, CONTINUED

(b) Valuation of financial instruments, continued

The Bank uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives like interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

Instruments involving significant unobservable inputs are presented by certain securities for which there is no active market. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and prepayments and selection of appropriate discount rates.

The table below analyses financial instruments measured at fair value as at 30 June 2024 and 31 December 2023, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the condensed interim statement of financial position.

	Level 1	Level 2	Level 3	30 June 2024 Total Unaudited
Financial assets at fair value through profit or loss:				
in Treasury portfolio	10,359	305,860	-	316,219
in Investment portfolio	-	-	13,785	13,785
Financial assets at fair value through other comprehensive income:				
in Treasury portfolio	645,574	120,101	-	765,675
in Investment portfolio	67,670	404,027	-	471,697
Financial liabilities at fair value through profit or loss	-	(209,371)	-	(209,371)

	Level 1	Level 2	Level 3	31 December 2023 Total
Financial assets at fair value through profit or loss:				
in Treasury portfolio	15,523	256,868	-	272,391
in Investment portfolio	-	-	13,155	13,155
Financial assets at fair value through other comprehensive income:				
in Treasury portfolio	161,263	40,451	-	201,714
in Investment portfolio	110,524	359,804	-	470,328
Financial liabilities at fair value through profit or loss	-	(199,091)	-	(199,091)

(in thousands of US dollars)

26 FAIR VALUE OF FINANCIAL INSTRUMENTS, CONTINUED

(b) Valuation of financial instruments, continued

The following table shows reconciliation for fair value measurements in Level 3 of the fair value hierarchy for the six-month periods ended 30 June 2024 and 30 June 2023:

	Level 3	
	Six-months ended 30 June 2024 Unaudited	**Six-months ended 30 June 2023 Unaudited**
Financial assets at fair value through profit or loss		
Balance at the beginning of the period	13,155	16,339
Revaluation	630	(2,423)
Balance at the end of the period	**13,785**	**13,916**

The Bank uses "Discounted Cash Flow" approach to value the financial instruments at Level 3. Under any scenario the above estimate is sensitive to changes in the market parameters and future expectations and may result in a change of the carrying value of the financial instruments within a one-year horizon.

The tables below analyse the fair value of financial instruments that are not measured at fair value on a recurring basis (but fair value disclosures are required), as at 30 June 2024 and 31 December 2023:

	As at 30 June 2024 Unaudited				
	Level 1	**Level 2**	**Level 3**	**Total fair value**	**Total carrying amount**
Financial assets:					
Cash and cash equivalents	-	1,185,562	336,717	1,522,279	1,522,279
Loans and amounts due from financial institutions:					547,485
in Treasury portfolio	-	-	*383,327*	*383,327*	*383,327*
in Investment portfolio	-	-	*160,600*	*160,600*	*164,158*
Loans to customers	-	-	2,510,419	2,510,419	2,530,481
Debt securities at amortised cost	199,481	57,990	-	257,471	269,582
Other financial assets	-	-	18,876	18,876	18,876
Financial liabilities:					
Loans and deposits from financial institutions	-	-	735,777	735,777	829,931
Deposits from customers	-	-	309,173	309,173	324,323
Debt securities issued	-	467,772	2,359,294	2,827,066	2,922,907
Other financial liabilities	-	-	10,651	10,651	10,651

(in thousands of US dollars)

26 FAIR VALUE OF FINANCIAL INSTRUMENTS, CONTINUED

(b) Valuation of financial instruments, continued

				As at 31 December 2023	
	Level 1	**Level 2**	**Level 3**	**Total fair value**	**Total carrying amount**
Financial assets:					
Cash and cash equivalents	-	391,231	3,603,058	3,994,289	3,994,289
Loans and amounts due from financial institutions:	-	-	531,645	531,645	534,659
in Treasury portfolio	-	-	492,314	492,314	492,314
in Investment portfolio	-	-	39,331	39,331	42,345
Loans to customers	-	-	2,345,236	2,345,236	2,360,456
Debt securities at amortised cost	208,824	51,012	-	259,836	268,736
Other financial assets	-	-	12,747	12,747	12,747
Financial liabilities:					
Loans and deposits from financial institutions	-	-	3,030,134	3,030,134	3,090,997
Deposits from customers	-	-	128,917	128,917	140,195
Debt securities issued	-	463,465	2,088,807	2,552,272	2,661,484
Other financial liabilities	-	-	11,086	11,086	11,086

27 RISK MANAGEMENT

(a) Credit risk

Assets allocation in portfolios

The Bank separates its assets into two portfolios which are the investment portfolio and the treasury portfolio. The purpose of this separation is to provide management of the Bank with the information about the portfolios' assets structure as these portfolios pursue different aims of the Bank and are managed differently. The sources of credit risk are investment portfolio of the Bank, comprised mainly of loans/credit lines to borrowers and securities, and treasury portfolio, comprised mainly of cash and cash equivalents, securities, interbank loans, reverse REPO operations and derivative financial instruments.

Assets in investment portfolio pursue the strategic objectives of the Bank based on its mandate. These assets must conform with the Investment regulations, which set out the main principles that guide the Bank when considering investment projects. Origination and acquisition of these assets must be approved by the Credit Committee, the Management Board and, in certain cases, the Council of the Bank.

Assets in treasury portfolio are intended to protect equity of the Bank from the influence of risk factors, and to maintain sufficient level of liquidity. Assets in treasury portfolio are managed in accordance with the Investment declaration, the Market and liquidity risks management rules and other internal guidelines. These assets are managed by the Treasury department, overviewed and controlled by the Assets and Liabilities Management Committee ("ALMC"). The Committees of the Bank manage the credit risk through consideration and approval investment projects and limits, monitor realisation of projects and compliance with the limits, and take corrective actions where needed.

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(a) Credit risk, continued

Assets allocation in portfolios, continued

Information regarding each portfolio is presented below:

	Current investment portfolio	**Treasury portfolio**	**Unallocated**	**30 June 2024 Total Unaudited**
Cash and cash equivalents	-	1,522,279	-	1,522,279
Financial assets at fair value through profit or loss:	*13,785*	*316,219*	-	330,004
in Treasury portfolio	-	*316,219*	-	316,219
in Investment portfolio	*13,785*	-	-	13,785
Loans and amounts due from financial institutions:	164,158	383,327	-	547,485
in Treasury portfolio	-	*383,327*	-	383,327
in Investment portfolio	*164,158*	-	-	164,158
Loans to customers	2,530,481	-	-	2,530,481
Financial assets at fair value through other comprehensive income:	471,697	765,675	-	1,237,372
in Treasury portfolio	-	*765,675*	-	765,675
in Investment portfolio	*471,697*	-	-	471,697
Debt securities at amortised cost	-	269,582	-	269,582
Investments in associates	24	-	-	24
Property, equipment and intangible assets	-	-	16,098	16,098
Other assets	-	-	43,625	43,625
	3,180,145	**3,257,082**	**59,723**	**6,496,950**
Adjustment to CIP*	105,817	-	(105,817)	-
Total assets	**3,285,962**	**3,257,082**	**(46,094)**	**6,496,950**
Total liabilities	**-**	**754,260**	**3,616,091**	**4,370,351**
Contingent liabilities and credit commitments	1,489,940	-	-	-
Total current investment portfolio	**4,775,902**			

* According to the internal policies, the Bank allocates balance of current investment portfolio based on the nominal values, excluding provision for expected credit losses, accrued interest and unamortised premiums and discounts.

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(a) Credit risk, continued

Assets allocation in portfolios, continued

	Current investment portfolio	Treasury portfolio	Unallocated	31 December 2023 Total
Cash and cash equivalents	-	3,994,289	-	3,994,289
Financial assets at fair value through profit or loss:	13,155	272,391	-	285,546
in Treasury portfolio	-	*272,391*	-	*272,391*
in Investment portfolio	*13,155*	-	-	*13,155*
Loans and amounts due from financial institutions:	42,345	492,314	-	534,659
in Treasury portfolio	-	*492,314*	-	*492,314*
in Investment portfolio	*42,345*	-	-	*42,345*
Loans to customers	2,360,456	-	-	2,360,456
Financial assets at fair value through other comprehensive income:	470,328	201,714	-	672,042
in Treasury portfolio	-	*201,714*	-	*201,714*
in Investment portfolio	*470,328*	-	-	*470,328*
Debt securities at amortised cost	-	268,736	-	268,736
Investments in associates	24	-	-	24
Property, equipment and intangible assets	-	-	16,885	16,885
Other assets	-	-	34,705	34,705
	2,886,308	**5,229,444**	**51,590**	**8,167,342**
Adjustment to CIP*	100,364	-	(100,364)	-
Total assets	**2,986,672**	**5,229,444**	**(48,774)**	**8,167,342**
Total liabilities	**-**	**2,873,864**	**3,305,472**	**6,179,336**
Contingent liabilities and credit commitments	1,786,322	-	-	-
Total current investment portfolio	**4,772,994**			

Credit risk in the investment project financing

Risk management process during financing of investment projects consists of the following stages: risk identification, risk assessment, control and monitoring of risks.

At risk identification stage the Bank prepares a list of risks and their description. For these purposes the Bank defines following general list of risks that might affect the overall credit risk of an investment project:

- infrastructural risks;
- engineering and project risks;
- constructional and completion risks;
- resources supply risks;
- operational risks and risks related to effectiveness (technology, expenditure and management);
- industry risks;
- currency risks;
- interest rate risks;
- compliance risks;
- legal risks;
- social and ecological risks;
- country (political) risks.

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(a) Credit risk, continued

Credit risk in the investment project financing, continued

A further analysis of identified risks is conducted to determine the probability of risk events occurrence (risk level) and possible consequences (financial losses). Valuation of identified risks is based on Internal models, which include analysis of wide range of quantative and quality parameters. At this stage the Bank prepares individual counter measures for identified and evaluated risks (risk acceptance «as is», risk rejection, risk diminution, full or partial risk transfer) and sets up a list of covenants for early risk detection that is used for control and monitoring of risks.

At the project approval stage, based on the presentation and preliminary decision of the Credit Committee, either the Management Board or the Council of the Bank (in case if credit exposure on a single borrower or a group of related borrowers exceeds 100,000 thousand US dollars) within the limits of their powers, reviews and approves investment projects and makes decisions on any changes and addenda to the existing agreements.

At the stage of control and monitoring of risks the Bank keeps watch over parameters (covenants) which represent early risk change detection framework and on a regular basis revises risk level of investment projects. For this purpose, Internal models are used. In case of significant increase of risk level of investment projects, the Bank prepares risk reduction measures.

For classification of financial assets by credit ratings the Bank primarily uses external long-term credit rating of the borrower/issuer by international scale in currency assigned by international credit rating agencies. In case of absence or withdrawal of external credit rating, the Bank uses credit rating by international scale of the borrower/issuer estimated in accordance with Internal models.

The following tables show financial assets in the investment portfolio by Credit ratings, as at 30 June 2024:

Unaudited	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and amounts due from financial institutions:				
with credit ratings BBB+, BBB, BBB-	119,660	-	-	119,660
with credit ratings BB+, BB, BB-	6,389	-	-	6,389
with credit ratings CCC+, CCC, CCC-	45,597	-	-	45,597
	171,646	-	-	**171,646**
Less: provision for expected credit losses (Note 8)	(7,488)	-	-	(7,488)
Total loans and amounts due from financial institutions	**164,158**	-	-	**164,158**

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(a) Credit risk, continued

Credit risk in the investment project financing, continued

Unaudited	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans to customers:				
with credit ratings BBB+, BBB, BBB-	123,426	-	-	123,426
with credit ratings BB+, BB, BB-	609,913	-	-	609,913
with credit ratings B+, B, B-	1,424,996	243,513	-	1,668,509
with credit ratings CCC+, CCC, CCC-	163,498	36,484	-	199,982
with credit ratings CC, C, D	-	-	51,708	51,708
	2,321,833	**279,997**	**51,708**	**2,653,538**
Less: provision for expected credit losses (Note 8)	(42,047)	(51,538)	(29,472)	(123,057)
Total loans to customers	**2,279,786**	**228,459**	**22,236**	**2,530,481**

Unaudited	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Financial assets at fair value through other comprehensive income:				
with credit ratings BBB+, BBB, BBB-	125,722	-	-	125,722
with credit ratings BB+, BB, BB-	226,490	-	-	226,490
with credit ratings B+, B, B-	100,723	-	-	100,723
with credit ratings CCC+, CCC, CCC-	-	18,762	-	18,762
Total financial assets at fair value through other comprehensive income	**452,935**	**18,762**	**-**	**471,697**

The following tables show financial assets in the Investment portfolio by Credit ratings, as at 31 December 2023:

	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and amounts due from financial institutions:				
with credit ratings BBB+, BBB, BBB-	33,584	-	-	33,584
with credit ratings BB+, BB, BB-	8,837	-	-	8,837
with credit ratings CCC+, CCC, CCC-	1	-	-	1
	42,422	**-**	**-**	**42,422**
Less: provision for expected credit losses (Note 8)	(77)	-	-	(77)
Total loans and amounts due from financial institutions	**42,345**	**-**	**-**	**42,345**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans to customers:				
with credit ratings BBB+, BBB, BBB-	131,259	-	-	131,259
with credit ratings BB+, BB, BB-	524,053	-	-	524,053
with credit ratings B+, B, B-	1,332,456	257,137	-	1,589,593
with credit ratings CCC+, CCC, CCC-	171,952	43,018	-	214,970
with credit ratings CC, C, D	-	-	17,946	17,946
	2,159,720	**300,155**	**17,946**	**2,477,821**
Less: provision for expected credit losses (Note 8)	(50,569)	(57,074)	(9,722)	(117,365)
Total loans to customers	**2,109,151**	**243,081**	**8,224**	**2,360,456**

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(a) Credit risk, continued

Credit risk in the investment project financing, continued

	Stage 1	Stage 2	Stage 3	Total
Financial assets at fair value through other comprehensive income:				
with credit ratings BBB+, BBB, BBB-	124,780	-	-	124,780
with credit ratings BB+, BB, BB-	226,668	-	-	226,668
with credit ratings B+, B, B-	100,939	-	-	100,939
with credit ratings CCC+, CCC, CCC-	-	17,941	-	17,941
Total financial assets at fair value through other comprehensive income	**452,387**	**17,941**	**-**	**470,328**

As at 30 June 2024 weighted average credit rating of financial assets in the investment portfolio was «B+» (31 December 2023: «B+»).

Credit risk in the treasury portfolio

For credit risk management of financial assets in the treasury portfolio the Bank uses a system of limits for the structure of portfolio, different types of financial instruments and individual limits for counterparties/issuers. Structural limits are set by the Management Board, other limits are set by ALMC. In a process of setting limits, the Bank conducts necessary procedures (analysis) of acceptability of credit risk of potential counterparties/issuers.

At the stage of control and monitoring of risks the Bank keeps watch on limits and adjusts them if necessary.

The following tables detail the credit ratings of financial assets in the treasury portfolio of the Bank by credit ratings assigned by the international credit rating agencies as at 30 June 2024 and 31 December 2023:

	30 June 2024 Unaudited	31 December 2023
Cash and cash equivalents:		
with credit ratings AA+, AA, AA-	100,311	163
with credit ratings A+, A, A-	583,940	27,290
with credit ratings BBB+, BBB, BBB-	330,595	234,275
with credit ratings BB+, BB, BB-	261,907	1,512
with credit ratings B+, B, B-	7	38,821
with credit ratings CCC+, CCC, CCC-	3	-
with credit ratings CC, C, D	26,151	73,734
not rated	219,472	3,619,064
	1,522,386	**3,994,859**
Less: provision for expected credit losses (Note 8)	(107)	(570)
Total cash and cash equivalents	**1,522,279**	**3,994,289**

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(a) Credit risk, continued

Credit risk in the treasury portfolio, continued

	30 June 2024 Unaudited	31 December 2023
Financial assets at fair value through profit or loss:		
with credit ratings A+, A, A-	1,069	1,284
with credit ratings BBB+, BBB, BBB-	6,484	11,581
not rated	308,666	259,526
Total financial assets at fair value through profit or loss	**316,219**	**272,391**

	30 June 2024 Unaudited	31 December 2023
Loans and amounts due from financial institutions:		
with credit ratings AA+, AA, AA-	440,856	557,824
with credit ratings A+, A, A-	-	5,119
not rated	6,549	9,351
	447,405	**572,294**
Less: provisions (Note 8)	(64,078)	(79,980)
Total loans and amounts due from financial institutions	**383,327**	**492,314**

	30 June 2024 Unaudited	31 December 2023
Financial assets at fair value through other comprehensive income:		
with credit ratings AAA	49,842	-
with credit ratings AA+, AA, AA-	585,908	36,952
with credit ratings BBB+, BBB, BBB-	41,880	54,977
with credit ratings BB+, BB, BB-	38,077	43,759
not rated	49,968	66,026
Total financial assets at fair value through other comprehensive income	**765,675**	**201,714**

	30 June 2024 Unaudited	31 December 2023
Debt securities at amortised cost:		
with credit ratings AA+, AA, AA-	52,417	52,341
with credit ratings BBB+, BBB, BBB-	22,398	21,374
with credit ratings BB+, BB, BB-	16,063	16,148
with credit ratings B+, B, B-	69,051	67,512
not rated	114,114	116,671
	274,043	**274,046**
Less: provision for expected credit losses (Note 8)	(4,461)	(5,310)
Total debt securities at amortised cost	**269,582**	**268,736**

Financial assets in the treasury portfolio that have more than one credit rating are disclosed by the lowest of ratings.

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(a) Credit risk, continued

Maximum exposure

The maximum exposure to credit risk is generally reflected in the carrying amounts of debt financial assets on the condensed interim statement of financial position and unused credit lines. The impact of possible netting of assets and liabilities to reduce potential credit exposure is not significant.

The maximum exposure to credit risk from unused credit lines at the reporting date is presented in the Note 23.

(b) Market risk

Market risk covers interest rate risk, currency and price risks. In order to measure price and currency risks the Bank uses a Value-at-Risk (VAR) methodology. In order to measure interest rate risk the Bank assesses its sensitivity to changes in interest rates. The Bank uses a system of limits to manage these risks.

Interest rate sensitivity

An analysis of sensitivity of net profit and equity to changes in interest rates (repricing risk) based on a simplified scenario of a 300 basis point (bp) symmetrical fall or rise in all yield curves and positions of variable interest rate assets and liabilities existing as at 30 June 2024 and 30 June 2023 is as follows:

	30 June 2024 Unaudited		**30 June 2023 Unaudited**	
	Interest rate +3%	**Interest rate -3%**	**Interest rate +3%**	**Interest rate -3%**
Financial assets:				
Loans to customers	25,412	(25,412)	23,166	(23,166)
Loans and amounts due from financial institutions:				
in Investment portfolio	-	-	929	(929)
Financial liabilities:				
Loans and deposits from financial institutions	(2,498)	2,498	(2,650)	2,650
Net impact on profit and equity	**22,914**	**(22,914)**	**21,445**	**(21,445)**

An analysis of sensitivity of equity as a result of changes in the financial assets at fair value through other comprehensive income due to changes in interest rates based on positions existing as at 30 June 2024 and 30 June 2023, and a simplified scenario of a 300 bp symmetrical fall or rise in all yield curves is as follows:

	30 June 2024 Unaudited		**30 June 2023 Unaudited**	
	Interest rate +3%	**Interest rate -3%**	**Interest rate +3%**	**Interest rate -3%**
Financial assets at fair value through other comprehensive income:				
in Treasury portfolio	(38,433)	10,642	(25,980)	19,062
in Investment portfolio	(12,531)	114,913	(78,811)	87,863
Net impact on equity	**(50,964)**	**125,555**	**(104,791)**	**106,925**

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(b) Market risk, continued

Currency risk sensitivity

The Bank's exposure to foreign currency exchange rate risk is presented in the tables below:

Unaudited	US dollars	Kazakhstani tenge	Russian rouble	Euro	Chinese yuan	Other currencies	30 June 2024 Total
Financial assets	3,781,544	814,513	1,136,746	360,987	284,048	78,265	6,456,103
Financial liabilities	1,690,833	820,588	1,082,753	313,325	389,641	43	4,297,183
Open balance sheet position	**2,090,711**	**(6,075)**	**53,993**	**47,662**	**(105,593)**	**78,222**	**2,158,920**
Net spot and derivative financial instruments position	(11,415)	-	4,809	(32,634)	110,790	(75,804)	(4,254)
TOTAL OPEN POSITION	**2,079,296**	**(6,075)**	**58,802**	**15,028**	**5,197**	**2,418**	**2,154,666**

	US dollars	Kazakhstani tenge	Russian rouble	Euro	Chinese yuan	Other currencies	31 December 2023 Total
Financial assets	2,662,557	688,426	4,006,922	427,318	237,979	105,297	8,128,499
Financial liabilities	1,284,749	698,275	3,243,057	497,639	377,455	1,678	6,102,853
Open balance sheet position	**1,377,808**	**(9,849)**	**763,865**	**(70,321)**	**(139,476)**	**103,619**	**2,025,646**
Net spot and derivative financial instruments position	586,224	(5)	(740,228)	63,092	149,163	(104,752)	(46,506)
TOTAL OPEN POSITION	**1,964,032**	**(9,854)**	**23,637**	**(7,229)**	**9,687**	**(1,133)**	**1,979,140**

Impact on net profit and equity based on asset values as at 30 June 2024 and 31 December 2023:

	As at 30 June 2024 Unaudited							
	US dollars/ Russian rouble +15%	US dollars/ Russian rouble -15%	US dollars/ Kazakhstani tenge +15%	US dollars/ Kazakhstani tenge -15%	US dollars/ Euro +10%	US dollars/ Euro -10%	US dollars/ Chinese yuan +10%	US dollars/ Chinese yuan -10%
Impact on net profit	7,356	(7,356)	(911)	911	2,254	(2,254)	520	(520)
Impact on equity	7,356	(7,356)	(911)	911	2,254	(2,254)	520	(520)

	As at 31 December 2023							
	US dollars/ Russian rouble +15%	US dollars/ Russian rouble -15%	US dollars/ Kazakhstani tenge +15%	US dollars/ Kazakhstani tenge -15%	US dollars/ Euro +10%	US dollars/ Euro -10%	US dollars/ Chinese yuan +10%	US dollars/ Chinese yuan -10%
Impact on net profit	3,546	(3,546)	(1,479)	1,479	(1,084)	1,084	969	(969)
Impact on equity	3,546	(3,546)	(1,479)	1,479	(1,084)	1,084	969	(969)

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(c) Liquidity risk

Liquidity risk is a possibility of financial losses, emerging from insufficiency of funds to fulfil the Bank's financial obligations as they actually fall due. An analysis of the liquidity risk, based on the contractual dates of repayment of financial assets and liabilities, is presented in the following tables:

Unaudited	Weighted average effective interest rate	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	30 June 2024 Total
FINANCIAL ASSETS:							
Cash and cash equivalents	9.15%	1,185,562	-	-	-	-	1,185,562
Financial assets at fair value through profit or loss:		-	1,308	16	21,628	86,638	109,590
in Treasury portfolio	*14.74%*	-	*1,308*	*16*	*21,628*	*86,638*	*109,590*
Loans and amounts due from financial institutions:		-	2,268	142,386	19,504	-	164,158
in Investment portfolio	*6.53%*	-	*2,268*	*142,386*	*19,504*	-	*164,158*
Loans to customers	9.13%	6,744	81,182	648,299	1,244,393	549,863	2,530,481
Financial assets at fair value through other comprehensive income:		641,214	3,255	53,036	371,337	168,530	1,237,372
in Treasury portfolio	*5.14%*	*599,148*	*1,212*	*11,197*	*138,066*	*16,052*	*765,675*
in Investment portfolio	*9.83%*	*42,066*	*2,043*	*41,839*	*233,271*	*152,478*	*471,697*
Debt securities at amortised cost	4.83%	-	5,933	52,951	200,002	10,696	269,582
Total interest bearing financial assets		**1,833,520**	**93,946**	**896,688**	**1,856,864**	**815,727**	**5,496,745**
Cash and cash equivalents		336,717	-	-	-	-	336,717
Financial assets at fair value through profit or loss:		9,018	59,290	137,252	14,854	-	220,414
in Treasury portfolio		*9,018*	*59,290*	*137,252*	*1,069*	-	*206,629*
in Investment portfolio		-	-	-	*13,785*	-	*13,785*
Loans and amounts due from financial institutions:		-	-	383,327	-	-	383,327
in Treasury portfolio		-	-	*383,327*	-	-	*383,327*
Other financial assets		-	-	18,876	-	-	18,876
Total financial assets		**2,179,255**	**153,236**	**1,436,143**	**1,871,718**	**815,727**	**6,456,079**
FINANCIAL LIABILITIES:							
Loans and deposits from financial institutions	4.71%	244,736	50,726	172,246	236,524	125,699	829,931
Deposits from customers	4.68%	202,174	50,266	6,112	29,074	36,697	324,323
Debt securities issued*	8.85%	89,581	194,513	206,011	2,432,802	-	2,922,907
Other financial liabilities		3	389	1,593	4,442	-	6,427
Total interest bearing financial liabilities		**536,494**	**295,894**	**385,962**	**2,702,842**	**162,396**	**4,083,588**
Financial liabilities at fair value through profit or loss		13,757	58,319	137,251	44	-	209,371
Other financial liabilities		-	-	4,224	-	-	4,224
Total financial liabilities		**550,251**	**354,213**	**527,437**	**2,702,886**	**162,396**	**4,297,183**
Liquidity gap		**1,629,004**	**(200,977)**	**908,706**	**(831,168)**	**653,331**	

(in thousands of US dollars)

27 RISK MANAGEMENT, CONTINUED

(c) Liquidity risk, continued

	Weighted average effective interest rate	Up to 1 month	1 month to 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	31 December 2023 Total
FINANCIAL ASSETS:							
Cash and cash equivalents	4.11%	391,231	-	-	-	-	391,231
Financial assets at fair value through profit or loss:		-	1,308	22	8,616	98,306	108,252
in Treasury portfolio	*14.47%*	-	*1,308*	*22*	*8,616*	*98,306*	*108,252*
Loans and amounts due from financial institutions:		1	2,426	13,464	26,454	-	42,345
in Investment portfolio	*8.54%*	*1*	*2,426*	*13,464*	*26,454*	-	*42,345*
Loans to customers	9.19%	91,737	35,325	417,181	1,286,730	529,483	2,360,456
Financial assets at fair value through other comprehensive income:		11,655	19,241	57,412	379,312	204,422	672,042
in Treasury portfolio	*5.03%*	*11,655*	*16,860*	*695*	*120,691*	*51,813*	*201,714*
in Investment portfolio	*9.87%*	-	*2,381*	*56,717*	*258,621*	*152,609*	*470,328*
Debt securities at amortised cost	4.76%	-	837	5,921	251,761	10,217	268,736
Total interest bearing financial assets		**494,624**	**59,137**	**494,000**	**1,952,873**	**842,428**	**3,843,062**
Cash and cash equivalents		3,603,058	-	-	-	-	3,603,058
Financial assets at fair value through profit or loss:		18,212	63,426	81,217	14,439	-	177,294
in Treasury portfolio		*18,212*	*63,426*	*81,217*	*1,284*	-	*164,139*
in Investment portfolio		-	-	-	*13,155*	-	*13,155*
Loans and amounts due from financial institutions:		-	-	492,314	-	-	492,314
in Treasury portfolio		-	-	*492,314*	-	-	*492,314*
Other financial assets		-	-	12,747	-	-	12,747
Total financial assets		**4,115,894**	**122,563**	**1,080,278**	**1,967,312**	**842,428**	**8,128,475**
FINANCIAL LIABILITIES:							
Loans and deposits from financial institutions	1.47%	2,540,341	32,287	72,273	300,665	145,431	3,090,997
Deposits from customers	4.69%	84,647	-	325	27,993	27,230	140,195
Debt securities issued*	7.76%	12,356	15,989	529,289	2,103,850	-	2,661,484
Other financial liabilities		396	413	2,001	4,858	-	7,668
Total interest bearing financial liabilities		**2,637,740**	**48,689**	**603,888**	**2,437,366**	**172,661**	**5,900,344**
Financial liabilities at fair value through profit or loss		31,478	62,355	105,197	61	-	199,091
Other financial liabilities		-	-	3,418	-	-	3,418
Total financial liabilities		**2,669,218**	**111,044**	**712,503**	**2,437,427**	**172,661**	**6,102,853**
Liquidity gap		**1,446,676**	**11,519**	**367,775**	**(470,115)**	**669,767**	

*For the purpose of liquidity calculations, the maturity of debt securities issued is taken according to next put option dates (if any).

28 EVENTS AFTER THE REPORTING PERIOD

On 8 July 2024 the Bank redeemed its Eurobonds denominated in Kazakhstani tenge in the amount of 21 billion Kazakhstani tenge, equivalent to 43,913 thousand US dollars.

In July 2024, the Council of the Bank approved increase of the Bank's share capital to 8,534,366 thousand US dollars from 7,000,000 thousand US dollars. According to the Bank's Additional Capitalisation Program 2024-2026, shares for 725,000 thousand US dollars will be allocated to and paid by the existing Member states, shares for 200,000 thousand US dollars will be paid by possible new members of the Bank, and the callable share capital was increased by 609,366 thousand US dollars to 6,093,666 thousand US dollars from 5,484,300 thousand US dollars. Distribution of additionally issued shares to the Member states of the Bank and potential new members will be made in accordance with the subscription terms approved by the Council of the Bank.