

# **EURASIAN DEVELOPMENT BANK**

## **Interim Condensed Financial Information (Unaudited)**

For the six-month period ended 30 June 2022

**EURASIAN DEVELOPMENT BANK**

**TABLE OF CONTENTS**

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REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION	1
Interim condensed statement of profit or loss and other comprehensive income (unaudited)	2-3
Interim condensed statement of financial position (unaudited)	4
Interim condensed statement of changes in equity (unaudited)	5
Interim condensed statement of cash flows (unaudited)	6-7
Selected explanatory notes to the interim condensed financial information (unaudited)	8-60

## REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the Members of the Council and the Management Board of Eurasian Development Bank

### INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of Eurasian Development Bank as at 30 June 2022, and the related interim condensed statement of profit and loss and other comprehensive income, changes in equity and cash flows for the six months then ended, and selected explanatory notes.

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

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

### SCOPE OF 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.

A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, 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 interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

**Zhumadilov Bakyt, FCCA**

The engagement partner  
Auditor's qualification certificate No. KAF-0001686 dated 30.06.2021

**Bryukhanov Mikhail, FCCA, PhD in Accounting**

The assignment partner  
Auditor's qualification certificate No. 06-000025 dated 20.12.2011

«15» September 2022

### The auditor:

«IAC «Russell Bedford A+ Partners» LLP  
Audit state license №18013076, issued by Internal Government Audit Committee,  
Ministry of Finance of the Republic of Kazakhstan  
«03» July 2018

## EURASIAN DEVELOPMENT BANK

### INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

(in thousands of US Dollars)

	Note	Six-month period ended 30 June 2022 Unaudited	Six-month period ended 30 June 2021 Unaudited
Interest income, calculated using the effective interest method:			
on Investment portfolio	4	103,086	94,349
on Treasury portfolio	4	26,941	24,461
Other interest income on Treasury portfolio	4	7,030	3,412
Interest expense	4	(108,730)	(95,032)
<b>Net interest income</b>		<b>28,327</b>	<b>27,190</b>
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	5	(254,939)	30,003
Net gain/(loss) on transactions in foreign currencies	6	299,401	(23,976)
Net realised (loss)/gain on financial assets at fair value through other comprehensive income		(426)	8,891
Net loss from modification, recognition and derecognition of financial instruments		(437)	(675)
Loss from investments in associates	17	(395)	-
Net gain on trading with debt securities issued	21	49,217	-
Refund for management of Eurasian Fund for Stabilisation and Development	7	5,028	4,984
Fee and commission income	8	2,769	2,297
Fee and commission expense		(979)	(516)
Net other income		4	6
<b>Net non-interest income</b>		<b>99,243</b>	<b>21,014</b>
<b>Operating income before provision for expected credit losses</b>		<b>127,570</b>	<b>48,204</b>
(Provision for)/recovery of expected credit losses on interest bearing assets	9	(210,118)	4,364
Recovery of/(provision for) expected credit losses on guarantees and letters of credit issued	9	526	(32)
<b>Net operating (loss)/income</b>		<b>(82,022)</b>	<b>52,536</b>
Operating expenses	10	(23,680)	(23,182)
<b>NET (LOSS)/PROFIT</b>		<b>(105,702)</b>	<b>29,354</b>

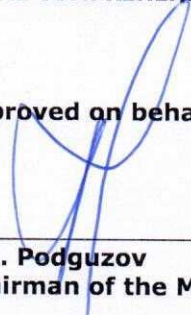
**EURASIAN DEVELOPMENT BANK**

**INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US Dollars)*

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
<b>OTHER COMPREHENSIVE (LOSS)/INCOME:</b>		
<b>Items that are or may be reclassified subsequently to profit or loss:</b>		
<b>Treasury portfolio:</b>		
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	(90,512)	(1,392)
Net realised loss/(gain) on financial assets at fair value through other comprehensive income transferred to profit or loss	429	(8,886)
<b>Other comprehensive loss on Treasury portfolio</b>	<b>(90,083)</b>	<b>(10,278)</b>
<b>Investment portfolio:</b>		
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	(6,319)	(6,121)
Net realised gain on financial assets at fair value through other comprehensive income transferred to profit or loss	(3)	(5)
<b>Other comprehensive loss on Investment portfolio</b>	<b>(6,322)</b>	<b>(6,126)</b>
<b>Total items that are or may be reclassified subsequently to profit or loss</b>	<b>(96,405)</b>	<b>(16,404)</b>
<b>OTHER COMPREHENSIVE LOSS</b>	<b>(96,405)</b>	<b>(16,404)</b>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME</b>	<b>(202,107)</b>	<b>12,950</b>

Approved on behalf of the Management of the Bank:

  
**N.R. Podguzov**  
 Chairman of the Management Board

15 September 2022  
 Almaty, Kazakhstan



  
**B.K. Mukhambetzhonov**  
 Deputy Chairman  
 of the Management Board

15 September 2022  
 Almaty, Kazakhstan

# EURASIAN DEVELOPMENT BANK

## INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

(in thousands of US Dollars)


	Note	30 June 2022 Unaudited	31 December 2021
<b>ASSETS</b>			
Cash and cash equivalents	11	3,216,587	430,280
Financial assets at fair value through profit or loss:	12	54,305	79,548
<i>in Treasury portfolio</i>		53,603	78,846
<i>in Investment portfolio</i>		702	702
Loans and amounts due from financial institutions:	13	499,695	594,008
<i>in Treasury portfolio</i>		378,884	-
<i>in Investment portfolio</i>		120,811	594,008
Loans to customers	14	1,814,983	1,636,108
Financial assets at fair value through other comprehensive income:	15	3,639,440	2,585,877
<i>in Treasury portfolio</i>		2,886,546	1,889,906
<i>in Investment portfolio</i>		752,894	695,971
Debt securities at amortised cost	16	478,851	408,680
Investments in associates	17	14,843	15,221
Property and equipment		10,315	10,667
Intangible assets		1,057	1,109
Other assets	18	33,525	46,697
<b>TOTAL ASSETS</b>		<b>9,763,601</b>	<b>5,808,195</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES:</b>			
Loans and deposits from banks	19	5,864,369	1,616,708
Financial liabilities at fair value through profit or loss	12	30,324	6,904
Deposits from customers	20	138,080	284,578
Debt securities issued	21	2,001,615	1,969,518
Other liabilities	22	68,226	69,256
<b>Total liabilities</b>		<b>8,102,614</b>	<b>3,946,964</b>
<b>EQUITY:</b>			
Share capital:			
Authorised share capital		7,000,000	7,000,000
Less: callable share capital		(5,484,300)	(5,484,300)
Paid-in share capital		1,515,700	1,515,700
Reserve fund		146,220	146,220
Technical assistance fund reserve	23	21,137	15,569
Digital initiative fund reserve	23	10,455	4,887
Revaluation deficit for financial assets at fair value through other comprehensive income in Treasury portfolio		(106,068)	(15,985)
Revaluation (deficit)/ reserve for financial assets at fair value through other comprehensive income in Investment portfolio		(458)	5,864
Retained earnings		74,001	188,976
<b>Total equity</b>		<b>1,660,987</b>	<b>1,861,231</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>9,763,601</b>	<b>5,808,195</b>

Approved on behalf of the Management of the Bank:

  
N.R. Podguzov  
Chairman of the Management Board

15 September 2022  
Almaty, Kazakhstan



  
B.K. Mukhambetzhonov  
Deputy Chairman  
of the Management Board

15 September 2022  
Almaty, Kazakhstan

# EURASIAN DEVELOPMENT BANK

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

(in thousands of US Dollars)

	Share capital			Reserve fund	Technical assistance fund reserve	Digital initiative fund reserve	Revaluation reserve/(deficit) for financial assets at fair value through other comprehensive income in Treasury portfolio	Revaluation reserve/(deficit) for financial assets at fair value through other comprehensive income in Investment portfolio	Retained earnings	Total
	Authorised share capital	Callable share capital	Paid-in share capital							
<b>31 December 2020</b>	<b>7,000,000</b>	<b>(5,484,300)</b>	<b>1,515,700</b>	<b>146,220</b>	<b>23,685</b>	<b>10,000</b>	<b>12,779</b>	<b>17,871</b>	<b>155,883</b>	<b>1,882,138</b>
Net profit (unaudited)	-	-	-	-	-	-	-	-	29,354	29,354
Other comprehensive loss (unaudited)	-	-	-	-	-	-	(10,278)	(6,126)	-	(16,404)
<b>Total comprehensive (loss)/ income (unaudited)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,278)</b>	<b>(6,126)</b>	<b>29,354</b>	<b>12,950</b>
Allocation of Technical assistance fund reserve (unaudited)	-	-	-	-	(8,116)	-	-	-	-	(8,116)
Allocation of Digital initiative fund reserve (unaudited)	-	-	-	-	-	(10,000)	-	-	-	(10,000)
<b>30 June 2021 (unaudited)</b>	<b>7,000,000</b>	<b>(5,484,300)</b>	<b>1,515,700</b>	<b>146,220</b>	<b>15,569</b>	<b>-</b>	<b>2,501</b>	<b>11,745</b>	<b>185,237</b>	<b>1,876,972</b>
<b>31 December 2021</b>	<b>7,000,000</b>	<b>(5,484,300)</b>	<b>1,515,700</b>	<b>146,220</b>	<b>15,569</b>	<b>4,887</b>	<b>(15,985)</b>	<b>5,864</b>	<b>188,976</b>	<b>1,861,231</b>
Net loss (unaudited)	-	-	-	-	-	-	-	-	(105,702)	(105,702)
Other comprehensive loss (unaudited)	-	-	-	-	-	-	(90,083)	(6,322)	-	(96,405)
<b>Total comprehensive loss (unaudited)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(90,083)</b>	<b>(6,322)</b>	<b>(105,702)</b>	<b>(202,107)</b>
Transfer to Technical assistance fund reserve (unaudited)	-	-	-	-	5,568	-	-	-	(5,568)	-
Transfer to Digital initiative fund reserve (unaudited)	-	-	-	-	-	5,568	-	-	(5,568)	-
Recognition of Digital initiative fund assets (unaudited)	-	-	-	-	-	-	-	-	1,863	1,863
<b>30 June 2022 (unaudited)</b>	<b>7,000,000</b>	<b>(5,484,300)</b>	<b>1,515,700</b>	<b>146,220</b>	<b>21,137</b>	<b>10,455</b>	<b>(106,068)</b>	<b>(458)</b>	<b>74,001</b>	<b>1,660,987</b>

Approved on behalf of the Management of the Bank:

**N.R. Podguzov**  
Chairman of the Management Board

15 September 2022  
Almaty, Kazakhstan



**B.K. Mukhambetzhonov**  
Deputy Chairman  
of the Management Board

15 September 2022  
Almaty, Kazakhstan

## EURASIAN DEVELOPMENT BANK

### INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH ENDED 30 JUNE 2022

(in thousands of US Dollars)

	Six-month period ended 30 June 2022 Unaudited	Six-month period ended 30 June 2021 Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received on loans to customers	69,325	60,648
Interest received on loans and amounts due from financial institutions and cash and cash equivalents	19,117	8,330
Interest received from financial assets at fair value through profit or loss	5,759	850
Interest received on financial assets at fair value through other comprehensive income	40,912	29,087
Interest received on debt securities at amortised cost	10,912	4,754
Interest paid on loans and deposits from banks	(26,493)	(14,308)
Interest paid on financial liabilities at fair value through profit or loss	(18,458)	(4,040)
Interest paid on deposits from customers	(7,602)	(10,227)
Interest paid on debt securities issued	(46,592)	(52,781)
Fees and commissions received	9,059	2,134
Fees and commissions paid	(858)	(391)
Other income received	4	6
Operating expenses paid	(24,864)	(22,696)
<b>Cash inflow from operating activities before changes in operating assets and liabilities</b>	<b>30,221</b>	<b>1,366</b>
<b>Changes in operating assets</b>		
(Increase)/decrease in financial assets at fair value through profit or loss	(206,065)	7,902
Decrease/(increase) in loans and amounts due from financial institutions	383,027	(31,482)
(Increase)/decrease in loans to customers	(28,839)	22,150
Decrease/(increase) in other assets	13,793	(1,984)
<b>Changes in operating liabilities</b>		
Increase in loans and deposits from banks	5,012,525	133,531
Decrease in deposits from customers	(152,620)	(31,065)
Increase/(decrease) in other liabilities	1,972	(946)
<b>Cash flows from operating activities</b>	<b>5,054,014</b>	<b>99,472</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(3,505,687)	(2,322,318)
Proceeds from sale and redemption of financial assets at fair value through other comprehensive income	2,108,149	2,170,079
Purchase of debt securities at amortised cost	(159,302)	(140,571)
Proceeds from redemption of debt securities at amortised cost	58,817	12,500
Purchase of property, equipment and intangible assets	(672)	(271)
<b>Cash flows used in investing activities</b>	<b>(1,498,695)</b>	<b>(280,581)</b>

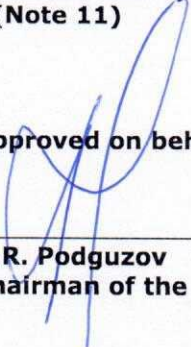
# EURASIAN DEVELOPMENT BANK

## INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US Dollars)

	Six-month period ended 30 June 2022 Unaudited	Six-month period ended 30 June 2021 Unaudited
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of debt securities (Note 21)	117,636	373,575
Repayments of debt securities (Note 21)	(231,821)	(251,409)
Proceeds from loans from banks and loans under repurchase agreements (Note 19)	14,913	515,800
Repayments of loans from banks and loans under repurchase agreements (Note 19)	(731,751)	(476,159)
<b>Cash flows (used in)/ from financing activities</b>	<b>(831,023)</b>	<b>161,807</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,724,296</b>	<b>(19,302)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>430,280</b>	<b>663,840</b>
Effect of changes in foreign exchange rate on cash and cash equivalents	62,011	769
<b>Cash and cash equivalents at the end of the period (Note 11)</b>	<b>3,216,587</b>	<b>645,307</b>

Approved on behalf of the Management of the Bank:

  
\_\_\_\_\_  
**N.R. Podguzov**  
Chairman of the Management Board

15 September 2022  
Almaty, Kazakhstan



  
\_\_\_\_\_  
**B.K. Mukhambetzhanov**  
Deputy Chairman  
of the Management Board

15 September 2022  
Almaty, Kazakhstan

# EURASIAN DEVELOPMENT BANK

## NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

*(in thousands of US dollars)*

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### 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 Member states 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 2022 and 31 December 2021, 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 Bishkek, Dushanbe, Minsk, Moscow, Nur-Sultan, Yerevan and a branch office in St. Petersburg.

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

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#### 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 its 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 as per this Charter in the territory of Member states shall be exempt from all taxes, duties, levies or fees, except charges for particular services.

As at 30 June 2022 and 31 December 2021 shares of the Bank were owned as follows:

	<u>%</u>
The Russian Federation	65.97
The Republic of Kazakhstan	32.99
The Republic of Belarus	0.99
The Republic of Tajikistan	0.03
The Republic of Armenia	0.01
The Kyrgyz Republic	<u>0.01</u>
<b>Total</b>	<b><u><u>100.00</u></u></b>

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 credit risks, in case if: risk on the counterparty/the group of related counterparties is above 100 million US dollars; aggregate amount of large investment projects 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  $\frac{3}{4}$  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.

## **EURASIAN DEVELOPMENT BANK**

### **NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

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#### **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 current geopolitical and economic situation, the introduction of severe restrictive economic and financial sanctions against the Russian Federation by the United States, the European Union and the United Kingdom, and responsive restrictive measures by the Russian Federation against them create risks for the operations conducted by the Bank. The European Union, the United Kingdom and the United States have also imposed sanctions on the Republic of Belarus, affecting most sectors of the economy and restricting the access of the Republic of Belarus to capital markets and imported goods. 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 countries. The interim condensed 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 events in the beginning of 2022 have almost nullified expectations of sustainable economic growth of world economy in near future. Energy, food and fertilizer prices hit multi-year highs, which only increased the inflation problem that worsened in 2021. Monetary regulators of the largest world economies are forced to respond to a massive price rally and have begun to tighten their policies. The escalation of geopolitical crisis has led to increase of uncertainty and breakdown of trade relations and production ties. As a result, the global economy is experiencing a combination of supply and demand shocks which could result in a recession in the EU and USA in 2022–2023.

The impact of geopolitical events in the first half of 2022 has led to increased volatility in the Russian financial market, including the exchange rate of the Russian rouble, as well as a significant increase in the country risk premium for the Russian Federation. The Bank believes that the Russian rouble peaked in the mid of 2022, driven by strong import cuts, capital flow restrictions and a shift away from fiscal rules. Uncertainty in future developments remains very high. The United States, the European Union, the United Kingdom and a number of other countries have imposed new sanctions on the Russian Federation, including sanctions on key export goods of the Russian Federation, sovereign Russian debt, restrictions on the supply of technological equipment and other imports to the Russian Federation, limitations for transactions in foreign currencies for a number of Russian financial institutions. Restrictions have been introduced for US residents on operations with shares and new debt of large Russian banks and organisations. Following the above sanctions, international rating agencies stopped assigning credit ratings to the Russian Federation and organisations based in the Russian Federation.

## **EURASIAN DEVELOPMENT BANK**

### **NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

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#### **1 BACKGROUND (CONTINUED)**

##### **(b) Business environment (continued)**

The economic situation in the Member states of the Bank in the first half of 2022 has developed in different directions. The effect of sanctions imposed on the Russian Federation and the Republic of Belarus led to a sharp reduction in economic activity in these Member states. According to the results of the first half of 2022, the GDP of Russia has decreased by 0.4%, and that of the Republic of Belarus by 4.2%. The economies are gradually adapting to the changes, but this process requires time. In the Republic of Kazakhstan, the Kyrgyz Republic and the Republic of Armenia economic activity in spring 2022 was on the rise. The GDP of the Republic of Kazakhstan for the six months of 2022 increased by 3.4%, of the Kyrgyz Republic - by 6.3%, of the Republic of Armenia - by 11.0% and of the Republic of Tajikistan - by 7.4%. According to the Bank's estimates, during the second half of 2022, GDP growth rates will slow down in the Republic of Kazakhstan, the Republic of Armenia, the Kyrgyz Republic and the Republic of Tajikistan due to the decreased levels of external demand for export goods and high domestic inflation.

Inflation in the Bank's operation region has increased from 8.5% in December 2021 to 15.3% in June 2022. This was a result of the difficulties with the supply, as well as a spike in inflation and devaluation expectations in February-March 2022. The acceleration of inflation has passed its peak in Russia, where by the end of 2022 a further downward correction of annual consumer price growth is expected - to 13% in December 2022 against the backdrop of weakening consumer demand. A slowdown in inflation by the end of 2022 is also possible in the Republic of Armenia due to the strengthening of the dram. In the Republic of Kazakhstan, the Republic of Belarus, the Kyrgyz Republic and the Republic of Tajikistan, price growth may continue to accelerate due to the domination of pro-inflationary factors: disruptions in global supply chains and high world commodity prices.

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 financial results of the Bank.

#### **2 BASIS OF PREPARATION**

This interim condensed 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 interim condensed 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 interim condensed financial information should be read in conjunction with the financial statements of the Bank for the year ended 31 December 2021, as this interim condensed financial information provides an update of previously reported financial statements.

## **EURASIAN DEVELOPMENT BANK**

### **NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

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## **2 BASIS OF PREPARATION (CONTINUED)**

### **(a) Statement of compliance (continued)**

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 2022.

These financial statements were authorised for issue on 15 September 2022 by the management of the Bank.

### **(b) Basis of measurement**

This interim condensed financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value, and by the revaluation financial instruments categorised at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI").

### **(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 the Bank.

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

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 is rounded to the nearest thousand.

### **(d) Use of estimates and judgements**

In preparing this interim condensed 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 annual financial statements for 2021 prepared in accordance with IFRS.

## **3 SIGNIFICANT ACCOUNTING POLICIES**

In preparing this interim condensed 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 2021.

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**4 NET INTEREST INCOME**

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
<b>Interest income, calculated using the effective interest method, Investment portfolio:</b>		
<i>Interest income on financial assets recorded at amortised cost</i>		
loans to customers	61,873	62,454
loans and amounts due from financial institutions	9,868	5,174
	<b>71,741</b>	<b>67,628</b>
<i>Interest income on financial assets recorded at fair value</i>		
financial assets at fair value through other comprehensive income	31,345	26,721
	<b>31,345</b>	<b>26,721</b>
<b>Total Interest income, calculated using the effective interest method, Investment portfolio</b>	<b>103,086</b>	<b>94,349</b>
<b>Interest income, calculated using the effective interest method, Treasury portfolio:</b>		
<i>Interest income on financial assets recorded at amortised cost</i>		
cash and cash equivalents	8,314	3,710
debt securities at amortised cost	5,719	3,772
	<b>14,033</b>	<b>7,482</b>
<i>Interest income on financial assets recorded at fair value</i>		
financial assets at fair value through other comprehensive income	12,908	16,979
	<b>12,908</b>	<b>16,979</b>
<b>Total Interest income, calculated using the effective interest method, Treasury portfolio</b>	<b>26,941</b>	<b>24,461</b>
<b>Other interest income on Treasury portfolio:</b>		
financial assets at fair value through profit or loss	7,030	3,412
<b>Total other interest income on Treasury portfolio</b>	<b>7,030</b>	<b>3,412</b>
<b>Total Interest income</b>	<b>137,057</b>	<b>122,222</b>
<b>Interest expense comprises:</b>		
<i>Interest expense on financial liabilities measured at amortised cost</i>		
debt securities issued	(54,281)	(55,301)
loans and deposits from banks	(27,751)	(23,919)
deposits from customers	(7,375)	(10,276)
<b>Total interest expense on financial liabilities measured at amortised cost</b>	<b>(89,407)</b>	<b>(89,496)</b>
<i>Interest expense on financial liabilities measured at fair value</i>		
financial liabilities at fair value through profit or loss	(19,323)	(5,536)
<b>Total interest expense on financial liabilities measured at fair value</b>	<b>(19,323)</b>	<b>(5,536)</b>
<b>Total interest expense</b>	<b>(108,730)</b>	<b>(95,032)</b>
<b>Net interest income</b>	<b>28,327</b>	<b>27,190</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
<b>Treasury portfolio:</b>		
Net (loss)/gain on derivative financial instruments	(250,599)	29,112
Net (loss)/gain on equity instruments	(4,657)	885
Net gain on debt instruments	317	6
<b>Total net (loss)/gain on financial assets and liabilities at fair value through profit or loss</b>	<b>(254,939)</b>	<b>30,003</b>

The Bank enters into most deals with derivative financial instruments with an aim to minimise the 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**

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Translation differences, net	290,152	(24,123)
Dealing, net	9,249	147
<b>Total net gain/(loss) on transactions in foreign currencies</b>	<b>299,401</b>	<b>(23,976)</b>

**7 REFUND FOR MANAGEMENT OF EURASIAN FUND FOR STABILISATION AND DEVELOPMENT**

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Refund for management of Eurasian Fund for Stabilisation and Development	5,028	4,984
<b>Total refund for management of Eurasian Fund for Stabilisation and Development</b>	<b>5,028</b>	<b>4,984</b>

The Bank provides trust services to Eurasian Fund for Stabilisation and Development (the "Fund") and manages operational activities of the Fund. The Bank has neither control nor significant influence over decision-making process of the Fund.

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 7 REFUND FOR MANAGEMENT OF EURASIAN FUND FOR STABILISATION AND DEVELOPMENT (CONTINUED)

As part of the Fund's resources management, based on the Fund Council's decisions and consistent with the Fund's documents, the Bank:

- performs operations with the accounts of the Fund;
- presents bills issued by the Member states for payment;
- concludes Agreements on the provision of Fund resources and disburses Fund's resources in accordance with the terms of such agreements;
- invests temporarily idle resources of the Fund;
- prepares annual Programme of activities, administrative budget, annual and financial reports;
- considers applications for the provision of financing from the Fund's resources, prepares appropriate appraisals drafts Agreements on the provision of Fund's resources;
- keeps records of the debts of the recipients of the Fund's resources; monitors and assesses the fulfillment of obligations under Agreements on the provision of Fund's resources;
- cooperates with Member states, the Expert Council, and the recipients of the Fund resources; and
- performs other necessary actions.

While performing its functions as the Asset Manager of the Fund, the Bank is guided solely by the interests of the Member states of the Fund and the goals of its foundation. In order to manage the Fund's resources and to fulfil the Fund Secretariat functions, the Fund Project Unit was established within the Bank. In close cooperation with structural divisions of the Bank, Member states and other international development institutes, the Unit is responsible for the preparation and implementation of all Fund projects.

#### 8 FEE AND COMMISSION INCOME

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Credit related fees	2,511	1,607
Other fees and commissions	258	690
<b>Total fee and commission income</b>	<b>2,769</b>	<b>2,297</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**9 PROVISION FOR EXPECTED CREDIT LOSSES**

The table below represents provision for expected credit losses:

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
<b>(Provision for)/recovery of expected credit losses on interest bearing assets:</b>		
Cash and cash equivalents	(820)	45
Loans and amounts due from financial institutions:	(40,367)	584
<i>in Treasury portfolio</i>	(34,273)	-
<i>in Investment portfolio</i>	(6,094)	584
Loans to customers	(93,515)	474
Financial assets at fair value through other comprehensive income:		
<i>in Treasury portfolio</i>	(38,670)	3,403
<i>in Investment portfolio</i>	(21,830)	(231)
<i>in Investment portfolio</i>	(16,840)	3,634
Debt securities at amortised cost	(36,746)	(142)
<b>Total (provision for)/ recovery of expected credit losses on interest bearing assets</b>	<b>(210,118)</b>	<b>4,364</b>
Recovery of/(provision for) expected credit losses on guarantees and letters of credit issued	526	(32)
<b>Total recovery of/(provision for) expected credit losses on guarantees and letters of credit issued</b>	<b>526</b>	<b>(32)</b>
<b>Total (provision for)/recovery of expected credit losses</b>	<b>(209,592)</b>	<b>4,332</b>

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	(3)	(45)
Net (charge)/recovery	(820)	45
Effect of foreign currency movements	(55)	(5)
<b>End of the period (Note 11)</b>	<b>(878)</b>	<b>(5)</b>

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	-	-
Net charge	(34,273)	-
<b>End of the period (Note 13)</b>	<b>(34,273)</b>	<b>-</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**9 PROVISION FOR EXPECTED CREDIT LOSSES (CONTINUED)**

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	(8,692)	(2,391)
Net (charge)/recovery	(6,094)	584
Write-offs	10,976	-
Effect of foreign currency movements	304	(6)
<b>End of the period (Note 13)</b>	<b>(3,506)</b>	<b>(1,813)</b>

Table with details on stages is presented in Note 13.

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	(73,896)	(72,891)
Net (charge)/recovery	(93,515)	474
Write-offs	10,662	-
Effect of foreign currency movements	(11,463)	889
<b>End of the period (Note 14)</b>	<b>(168,212)</b>	<b>(71,528)</b>

Table with details on stages is presented in Note 14.

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	(632)	(536)
Net charge	(21,830)	(231)
Effect of foreign currency movements	(13)	8
<b>End of the period</b>	<b>(22,475)</b>	<b>(759)</b>

**EURASIAN DEVELOPMENT BANK****NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)***(in thousands of US dollars)***9 PROVISION FOR EXPECTED CREDIT LOSSES (CONTINUED)**

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	(4,282)	(7,282)
Net (charge)/recovery	(16,840)	3,634
Effect of foreign currency movements	(19)	(67)
<b>End of the period</b>	<b>(21,141)</b>	<b>(3,715)</b>

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	(451)	(343)
Net charge	(36,746)	(142)
Effect of foreign currency movements	(14)	2
<b>End of the period (Note 16)</b>	<b>(37,211)</b>	<b>(483)</b>

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

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Beginning of the period	(5,719)	(488)
Net recovery/(charge)	526	(32)
Effect of foreign currency movements	(306)	(9)
<b>End of the period (Note 24)</b>	<b>(5,499)</b>	<b>(529)</b>

**EURASIAN DEVELOPMENT BANK****NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)***(in thousands of US dollars)***10 OPERATING EXPENSES**

	<b>Six-month period ended 30 June 2022 Unaudited</b>	<b>Six-month period ended 30 June 2021 Unaudited</b>
Staff costs and other payments to employees	18,718	17,983
Premises expenses	1,526	1,317
Depreciation and amortization	886	740
Professional services	483	697
Business trip expenses	371	604
Security	352	263
Communication expenses	261	463
Maintenance of acquired systems and programs	259	369
Business development expenses	233	384
Transportation expenses	136	113
Office, postal and printing expenses	82	78
Other	373	171
<b>Total operating expenses</b>	<b>23,680</b>	<b>23,182</b>

**11 CASH AND CASH EQUIVALENTS**

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
Cash and balances with national (central) banks of Member states of the Bank	317,475	1,296
Correspondent accounts with other banks	2,402,321	93,035
Term deposits in other banks	490,724	100,452
Loans under reverse repurchase agreements with maturity less than three months	6,945	235,500
	<b>3,217,465</b>	<b>430,283</b>
Less expected credit loss provisions (Note 9)	(878)	(3)
<b>Total cash and cash equivalents</b>	<b>3,216,587</b>	<b>430,280</b>

As at 30 June 2022 and 31 December 2021 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 period ended 30 June 2022 and 30 June 2021.

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**11 CASH AND CASH EQUIVALENTS (CONTINUED)**

The fair value of assets pledged and carrying amount of loans under reverse repurchase agreements as at 30 June 2022 and 31 December 2021 are as follows:

	<b>30 June 2022</b>		<b>31 December 2021</b>	
	<b>Carrying amount of loans</b>	<b>Fair value of collateral</b>	<b>Carrying amount of loans</b>	<b>Fair value of collateral</b>
With pledge credit ratings AA+, AA, AA-	-	-	50,011	49,872
With pledge credit ratings A+, A, A-	-	-	50,011	49,466
With pledge credit ratings BBB+, BBB, BBB-	6,945	7,328	135,478	130,394
	<b>6,945</b>	<b>7,328</b>	<b>235,500</b>	<b>229,732</b>
Less expected credit loss provisions	-	-	(1)	-
<b>Total loans under reverse repurchase agreements with maturity less than three months</b>	<b>6,945</b>		<b>235,499</b>	

**12 FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>Unaudited</b>	<b>2021</b>
Treasury portfolio:		
Debt instruments	22,437	16,221
Derivative financial instruments – assets	17,215	44,017
Equity instruments	13,951	18,608
<b>Total in Treasury portfolio</b>	<b>53,603</b>	<b>78,846</b>
Investment portfolio:		
Equity instruments	702	702
<b>Total in Investment portfolio</b>	<b>702</b>	<b>702</b>
<b>Financial assets at fair value through profit or loss</b>	<b>54,305</b>	<b>79,548</b>
Derivative financial instruments – liabilities	(30,324)	(6,904)
<b>Financial liabilities at fair value through profit or loss</b>	<b>(30,324)</b>	<b>(6,904)</b>

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 and are indicative of neither the market risk nor the credit risk.

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**12 FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)**

	30 June 2022 Unaudited			31 December 2021		
	Notional amount	Net fair value		Notional amount	Net fair value	
		Asset	Liability		Asset	Liability
<b>Derivative financial instruments:</b>						
Foreign currency interest rate swap	294,797	9,387	(23,640)	556,226	38,146	(2,639)
Foreign currency swap	690,537	2,082	(3,658)	243,427	3,496	(610)
Foreign currency forward	250,440	4,033	(324)	47,000	12	(546)
Interest rate swap	47,475	1,713	(2,702)	68,747	2,363	(3,109)
		<b>17,215</b>	<b>(30,324)</b>		<b>44,017</b>	<b>(6,904)</b>

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.

**13 LOANS AND AMOUNTS DUE FROM FINANCIAL INSTITUTIONS**

	30 June 2022 Unaudited	31 December 2021
Treasury portfolio:		
Amounts due from financial institutions	413,157	-
Less expected credit loss provisions (Note 9)	(34,273)	-
<b>Total in Treasury portfolio</b>	<b>378,884</b>	<b>-</b>
Investment portfolio:		
Loans to financial institutions	124,317	602,700
Less expected credit loss provisions (Note 9)	(3,506)	(8,692)
<b>Total in Investment portfolio</b>	<b>120,811</b>	<b>594,008</b>
<b>Total loans and amounts due from financial institutions</b>	<b>499,695</b>	<b>594,008</b>

As at 30 June 2022 amounts due from financial institutions in Treasury portfolio are comprised of funds due from the National Settlement Depository (JSC) of the Russian Federation (hereinafter – NSD). At the beginning of 2022 due to escalation of geopolitical tensions these funds were blocked on NSD account in Euroclear Bank S.A. in accordance with terms of EU sanctions. As at 30 June 2022 amount of funds of the Bank due from NSD blocked in Euroclear Bank S.A. totaled to 413,157 thousand US dollars.

Due to the fact that the Bank is an international organisation with immunity under the international law and uses its funds exclusively for its statutory goals, these funds can be unblocked in accordance with the decision of the authorised EU body. For these purpose, the Bank filed a request to the General Treasury Administration of Belgium through Euroclear Bank S.A. to confirm its status of the international organisation and unblock its accounts.

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 13 LOANS AND AMOUNTS DUE FROM FINANCIAL INSTITUTIONS (CONTINUED)

The Bank has full access and opportunity to manage other funds placed straightly (not via NSD) in Euroclear Bank S.A. Taking into consideration the absence of the indications of default of Euroclear Bank S.A. the Bank assumes that there is no credit risk relevant to the blocked accounts. Based on the aforementioned facts the Bank has recognised loss of 34,273 thousand US dollars as a result of temporary absence of access to blocked funds. This expected loss was calculated as a weighted average of possible time and cost of funding values till the unblocking.

The table below summarises 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 2022:

Unaudited	Stage 1	Stage 2	Total
<b>Outstanding amount:</b>			
As at 1 January 2022	589,811	12,889	602,700
Net redemption	(465,544)	(2,500)	(468,044)
Write-offs	(10,976)	-	(10,976)
Transfer from Stage 1 to Stage 2	(1,958)	1,958	-
Net change in discounts/premiums	-	(13)	(13)
Effect of foreign currency movements	(3,931)	4,581	650
<b>As at 30 June 2022</b>	<b>107,402</b>	<b>16,915</b>	<b>124,317</b>
<b>Allowance for expected credit losses:</b>			
As at 1 January 2022	(8,033)	(659)	(8,692)
Net charge	(4,969)	(1,125)	(6,094)
Write-offs	10,976	-	10,976
Transfer from Stage 1 to Stage 2	840	(840)	-
Effect of foreign currency movements	543	(239)	304
<b>As at 30 June 2022</b>	<b>(643)</b>	<b>(2,863)</b>	<b>(3,506)</b>
<b>Total loans and amounts due from financial institutions</b>	<b>106,759</b>	<b>14,052</b>	<b>120,811</b>

The table below summarises 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 2021:

Unaudited	Stage 1	Stage 2	Total
<b>Outstanding amount:</b>			
As at 1 January 2021	126,351	61,515	187,866
Net issue/(redemption)	44,645	(12,671)	31,974
Transfer from Stage 2 to Stage 1	7,938	(7,938)	-
Net change in discounts/premiums	-	61	61
Effect of foreign currency movements	(1,536)	(167)	(1,703)
<b>As at 30 June 2021</b>	<b>177,398</b>	<b>40,800</b>	<b>218,198</b>
<b>Allowance for expected credit losses:</b>			
As at 1 January 2021	(688)	(1,703)	(2,391)
Net (charge)/recovery	(8)	592	584
Transfer from Stage 2 to Stage 1	(104)	104	-
Effect of foreign currency movements	2	(8)	(6)
<b>As at 30 June 2021</b>	<b>(798)</b>	<b>(1,015)</b>	<b>(1,813)</b>
<b>Total loans and amounts due from financial institutions</b>	<b>176,600</b>	<b>39,785</b>	<b>216,385</b>

As at 30 June 2022 and 31 December 2021 no loans and amounts due from financial institutions were past due.

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**13 LOANS AND AMOUNTS DUE FROM FINANCIAL INSTITUTIONS (CONTINUED)**

The information on credit ratings on loans and amounts due from financial institutions is presented in the Note 28 (a).

As at 30 June 2022 loans and amounts due from financial institutions include accrued interest income amounting to 1,335 thousand US dollars (31 December 2021: 2,521 thousand US dollars).

**14 LOANS TO CUSTOMERS**

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
Stage 1 loans	1,564,402	1,565,649
Stage 2 loans	311,807	48,163
Stage 3 loans:		
not overdue	96,146	25,103
overdue less than 90 days	-	49,790
overdue more than 90 days	10,840	21,299
	<b>1,983,195</b>	<b>1,710,004</b>
Less expected credit loss provisions (Note 9)	(168,212)	(73,896)
<b>Total loans to customers</b>	<b>1,814,983</b>	<b>1,636,108</b>

As at 30 June 2022 and 31 December 2021 there were no overdue loans to customers in Stage 1 and Stage 2.

As at 30 June 2022 the Bank has one customer with loans overdue more than 90 days (31 December 2021: two customers) with outstanding balance of 10,840 thousand US dollars (31 December 2021: 21,299 thousand US dollars). As at 30 June 2022 and 31 December 2021 these loans were fully provisioned.

The table below summarises the movement of loans to customers between the stages of credit quality assessment during the six-month period ended 30 June 2022:

<b>Unaudited</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Outstanding amount:</b>				
As at 1 January 2022	1,565,649	48,163	96,192	1,710,004
Net issue/(redemption)	32,860	(11,088)	(11,160)	10,612
Write-offs	-	-	(10,662)	(10,662)
Transfer from Stage 1 to Stage 2	(282,665)	282,665	-	-
Transfer from Stage 2 to Stage 1	4,442	(4,442)	-	-
Net change in discounts/premiums	(1,126)	99	10,942	9,915
Effect of foreign currency movements	245,242	(3,590)	21,674	263,326
<b>As at 30 June 2022</b>	<b>1,564,402</b>	<b>311,807</b>	<b>106,986</b>	<b>1,983,195</b>
<b>Allowance for expected credit losses:</b>				
As at 1 January 2022	(16,235)	(2,084)	(55,577)	(73,896)
Net charge	(80,993)	(299)	(12,223)	(93,515)
Write-offs	-	-	10,662	10,662
Transfer from Stage 1 to Stage 2	59,404	(59,404)	-	-
Transfer from Stage 2 to Stage 1	(162)	162	-	-
Effect of foreign currency movements	(2,374)	150	(9,239)	(11,463)
<b>As at 30 June 2022</b>	<b>(40,360)</b>	<b>(61,475)</b>	<b>(66,377)</b>	<b>(168,212)</b>
<b>Total loans to customers</b>	<b>1,524,042</b>	<b>250,332</b>	<b>40,609</b>	<b>1,814,983</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**14 LOANS TO CUSTOMERS (CONTINUED)**

The table below summarises the movement of loans to customers between the stages of credit quality assessment during the six-month period ended 30 June 2021:

<b>Unaudited</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Outstanding amount:</b>				
As at 1 January 2021	1,961,400	91,292	118,897	2,171,589
Net issue/(redemption)	5,277	(13,285)	(16,979)	(24,987)
Transfer from Stage 1 to Stage 3	(346)	-	346	-
Transfer from Stage 2 to Stage 3	-	(48,097)	48,097	-
Net change in discounts/premiums	2,400	23	1,224	3,647
Effect of foreign currency movements	(24,996)	(404)	(2,597)	(27,997)
<b>As at 30 June 2021</b>	<b>1,943,735</b>	<b>29,529</b>	<b>148,988</b>	<b>2,122,252</b>
<b>Allowance for expected credit losses:</b>				
As at 1 January 2021	(21,159)	(10,740)	(40,992)	(72,891)
Net recovery/(charge)	2,005	1,950	(3,481)	474
Transfer from Stage 2 to Stage 3	-	6,306	(6,306)	-
Effect of foreign currency movements	265	131	493	889
<b>As at 30 June 2021</b>	<b>(18,889)</b>	<b>(2,353)</b>	<b>(50,286)</b>	<b>(71,528)</b>
<b>Total loans to customers</b>	<b>1,924,846</b>	<b>27,176</b>	<b>98,702</b>	<b>2,050,724</b>

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

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

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
Loans collateralised by real estate, equipment and inventories	638,652	610,231
Loans collateralised by guarantees:		
state entities	192,819	139,896
governments of the Member-states of the Bank	100,167	84,016
financial and commercial organisations	329,030	261,157
Loans collateralised by future cash inflows from clients' contracts	722,527	614,704
	<b>1,983,195</b>	<b>1,710,004</b>
Less expected credit loss provisions	(168,212)	(73,896)
<b>Total loans to customers</b>	<b>1,814,983</b>	<b>1,636,108</b>

**EURASIAN DEVELOPMENT BANK****NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)***(in thousands of US dollars)***14 LOANS TO CUSTOMERS (CONTINUED)**

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

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
Transport	750,960	670,497
Energy	630,912	545,023
Mining	170,922	148,985
Machinery	162,213	95,650
Chemical industry	89,645	68,007
Agriculture	74,555	66,198
Infrastructure	46,281	53,222
Metallurgy	14,035	25,553
Other	43,672	36,869
	<b>1,983,195</b>	<b>1,710,004</b>
Less expected credit loss provisions (Note 9)	(168,212)	(73,896)
<b>Total loans to customers</b>	<b>1,814,983</b>	<b>1,636,108</b>

As at 30 June 2022 loans to customers included accrued interest income amounting to 32,892 thousand US dollars (31 December 2021: 32,232 thousand US dollars). For the six-month period ended 30 June 2022, net unwinding effect (interest income on Stage 3 loans arose from discounting) resulted in loss of 270 thousand US dollars (30 June 2021: loss of 525 thousand US dollars).

The information on credit ratings on loans to customers is presented in the Note 28 (a).

**Concentration of loans to customers**

As at 30 June 2022, the Bank has loans to one customer, whose balance exceeds 10% of total equity of the Bank and amounts to 282,205 thousand US dollars. This customer is located in the Russian Federation and has credit rating «B-» according to methodology (models) of S&P Global Market Intelligence.

As at 31 December 2021, the Bank has loans to one customer, whose balance exceeds 10% of total equity of the Bank and amounts to 309,029 thousand US dollars. This customer is located in the Russian Federation and has credit rating «BBB-» according to methodology (models) of S&P Global Market Intelligence.

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**15 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

As at 30 June 2022 and 31 December 2021 financial instruments at fair value through other comprehensive income consist of:

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
Treasury portfolio:		
Debt instruments	2,872,620	1,871,331
Equity instruments	13,926	18,575
<b>Total in Treasury portfolio</b>	<b>2,886,546</b>	<b>1,889,906</b>
Investment portfolio:		
Debt instruments	752,894	695,971
<b>Total in Investment portfolio</b>	<b>752,894</b>	<b>695,971</b>
<b>Total financial assets at fair value through other comprehensive income</b>	<b>3,639,440</b>	<b>2,585,877</b>

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

	<b>30 June 2022 Unaudited</b>		<b>31 December 2021</b>	
	<b>Nominal interest rate</b>	<b>Fair value</b>	<b>Nominal interest rate</b>	<b>Fair value</b>
Bonds issued by foreign state governments	0.00-00.38%	1,390,421	0.00-1.75%	679,926
Bonds issued by financial institutions	0.00-5.95%	1,092,669	0.00-5.95%	481,072
Bonds issued by governments of Member-states of the Bank	1.13-10.50%	261,346	1.13-10.50%	414,625
Bonds issued by non-financial organisations	1.45-7.45%	128,184	0.00-8.75%	295,708
		<b>2,872,620</b>		<b>1,871,331</b>

The table below summarises the distribution of debt financial instruments in Treasury portfolio between the stages of credit quality assessment as at 30 June 2022 and 31 December 2021:

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
Stage 1	2,561,636	1,871,331
Stage 2	305,959	-
Stage 3	5,025	-
	<b>2,872,620</b>	<b>1,871,331</b>

During the six-month period ended 30 June 2022 financial instruments in Treasury portfolio with balance value of 305,959 thousand US dollars were moved from Stage 1 to Stage 2 and financial instrument with outstanding balance of 5,025 thousand US dollars was moved from Stage 1 to Stage 3 (30 June 2021: no movements between the stages).

As at 30 June 2022 debt instruments at fair value through other comprehensive income in Treasury portfolio include financial assets used as collateral for loans under repurchase agreements with fair value of 86,119 thousand US dollars (31 December 2021: 767,885 thousand US dollars) (Note 19).

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**15 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME  
(CONTINUED)**

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

	<b>30 June 2022 Unaudited</b>		<b>31 December 2021</b>	
	<b>Nominal interest rate</b>	<b>Fair value</b>	<b>Nominal interest rate</b>	<b>Fair value</b>
Bonds issued by non-financial organisations	4.38-11.50%	543,125	4.38-11.5%	546,781
Bonds issued by governments of Member- states of the Bank	5.40-8.65%	129,602	5.40-8.65%	92,229
Bonds issued by financial institutions	8.00-9.05%	80,167	8.00-9.05%	56,961
		<b>752,894</b>		<b>695,971</b>

The table below summarises the distribution of debt financial instruments in Investment portfolio between the stages of credit quality assessment as at 30 June 2022 and 31 December 2021:

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
Stage 1	632,076	695,967
Stage 2	120,818	-
Stage 3	-	4
	<b>752,894</b>	<b>695,971</b>

During the six-month period ended 30 June 2022 financial instruments in Investment portfolio with balance value of 120,818 thousand US dollars were moved from Stage 1 to Stage 2 (30 June 2021: 95,223 thousand US dollars were moved from Stage 2 to Stage 1).

As at 30 June 2022 debt instruments at fair value through other comprehensive income include accrued interest income amounting to 36,173 thousand US dollars (31 December 2021: 30,509 thousand US dollars).

**16 DEBT SECURITIES AT AMORTISED COST**

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

	<b>30 June 2022 Unaudited</b>		<b>31 December 2021</b>	
	<b>Nominal interest rate</b>	<b>Carrying value</b>	<b>Nominal interest rate</b>	<b>Carrying value</b>
Bonds issued by governments of Member- states of the Bank	4.25-12.75%	270,532	4.25-12.75%	253,455
Bonds issued by non-financial organisations	2.25-7.00%	193,420	2.25-6.66%	155,676
Bonds issued by foreign state governments	1.50%	52,110	-	-
		<b>516,062</b>		<b>409,131</b>
Less expected credit loss provisions (Note 9)		(37,211)		(451)
<b>Total debt securities at amortised cost</b>		<b>478,851</b>		<b>408,680</b>

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 16 DEBT SECURITIES AT AMORTISED COST (CONTINUED)

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 2022 and 31 December 2021:

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
Stage 1	200,354	409,131
Stage 2	299,173	-
Stage 3	16,535	-
	<b>516,062</b>	<b>409,131</b>
Less expected credit loss provisions	(37,211)	(451)
<b>Total debt securities at amortised cost</b>	<b>478,851</b>	<b>408,680</b>

During the six-month period ended 30 June 2022 financial instruments with outstanding balance of 299,173 thousand US dollars and with expected credit loss provision of 26,449 thousand US dollars were moved from Stage 1 to Stage 2, and financial instruments with outstanding balance of 16,535 thousand US dollars and with expected credit loss provision of 10,057 thousand US dollars were moved from Stage 1 to Stage 3 (30 June 2021: no movements between the stages).

As at 30 June 2022, debt securities at amortised cost include accrued interest income amounting to 3,363 thousand US dollars (31 December 2021: 2,130 thousand US dollars).

As at 30 June 2022, debt securities at amortised cost include financial assets used as collateral for loans under repurchase agreements with fair value of 91,373 thousand US dollars (31 December 2021: 211,773 thousand US dollars) (Note 19).

#### 17 INVESTMENTS IN ASSOCIATES

Associates of the Bank as at reporting date are set out below:

	<b>30 June 2022</b> <b>Unaudited</b>		<b>31 December</b> <b>2021</b>	
	<b>Ownership interest</b>	<b>Carrying value</b>	<b>Ownership interest</b>	<b>Carrying value</b>
<b>Investments in associates</b>				
Common shares of JSCB "NRBank" (JSC)	18.68%	14,819	18.68%	15,197
Common shares of other companies	-	24	-	24
		<b>14,843</b>		<b>15,221</b>

In December 2019, the Bank has purchased 18.68% share in Russia-based bank JSCB "NRBank" (JSC). The purchase price was based on the result of an external assessment of fair value of JSCB "NRBank" (JSC) conducted by an independent appraiser in October 2019.

During six months ended 30 June 2022 the Bank had recognised impairment loss on its investments in JSCB "NRBank" (JSC) of 395 thousand US dollars (30 June 2021: no impairment loss).

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 18 OTHER ASSETS

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
<b>Other financial assets:</b>		
Receivables and accrued commission income	20,905	14,164
Receivables on Donation agreement	-	23,823
<b>Total other financial assets</b>	<b>20,905</b>	<b>37,987</b>
<b>Other non-financial assets:</b>		
Receivables and other assets under Digital initiative fund's projects	5,427	2,179
Right-of-use asset	3,043	3,168
Prepaid expenses	2,339	1,310
Capital expenditure debtors	802	612
Value added tax reimbursable	113	164
Other debtors	984	1,338
	<b>12,708</b>	<b>8,771</b>
Less: allowance for impairment losses	(88)	(61)
<b>Total other non-financial assets</b>	<b>12,620</b>	<b>8,710</b>
<b>Total other assets</b>	<b>33,525</b>	<b>46,697</b>

Receivables and other assets under Digital initiative fund's (the "DIF") projects represent prepaid expenses for development of digital projects and received rights on intellectual property on DIF's projects.

In December 2020 the Bank acting as the Asset Manager of the Fund and Ministry of Finance of the Russian Federation have signed the Donation agreement (the "Agreement"). According to the Agreement Ministry of Finance of the Russian Federation finances construction and equipment of schools with Russian language education in the Republic of Tajikistan. Amount of donated funds is equal to the sum of actual expenses on realization of the project. In 2021 the Bank acting as the Asset Manager of the Fund has started construction of aforementioned schools and as at 31 December 2021 the outstanding balance of receivables on Donation agreement was equal to 23,823 thousand US dollars. As at 30 June 2022 there were no outstanding receivables on Donation agreement.

#### 19 LOANS AND DEPOSITS FROM BANKS

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
Correspondent accounts of banks	4,888,215	22,031
Loans from banks	593,947	602,306
Term deposits from banks	207,212	77,692
Loans under repurchase agreements	174,995	914,679
	<b>5,864,369</b>	<b>1,616,708</b>

**EURASIAN DEVELOPMENT BANK****NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)***(in thousands of US dollars)***19 LOANS AND DEPOSITS FROM BANKS (CONTINUED)**

The Bank has signed several loan agreements to receive financing from banks 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 2022 and 31 December 2021 the Bank was in compliance with all covenants.

The Bank concludes repurchase agreement operations in order to satisfy its need in liquidity.

The table below presents the breakdown of assets pledged and carrying amount of loans under repurchase agreements:

	<b>30 June 2022 Unaudited</b>		<b>31 December 2021</b>	
	<b>Carrying amount of loans</b>	<b>Fair value of collateral</b>	<b>Carrying amount of loans</b>	<b>Fair value of collateral</b>
Bonds issued by governments of Member-states of the Bank	174,995	177,492	371,115	401,414
Bonds issued by foreign state governments	-	-	502,394	528,579
Bonds issued by financial institutions	-	-	40,889	49,332
Bonds issued by non-financial organisations	-	-	281	333
<b>Total loans under repurchase agreements</b>	<b>174,995</b>	<b>177,492</b>	<b>914,679</b>	<b>979,658</b>

As at 30 June 2022, loans and deposits from banks included accrued interest payable amounting to 13,216 thousand US dollars (31 December 2021: 12,914 thousand US dollars).

The reconciliation of long-term loans from banks and loans under repurchase agreements movement to cash flows arising from financing activities is as follows:

	<b>30 June 2022 Unaudited</b>	<b>30 June 2021 Unaudited</b>
At the beginning of the period	1,371,504	1,348,400
Cash inflow	14,913	515,800
Cash outflow	(731,751)	(476,159)
Foreign exchange and interest accrued movement	(60,719)	(5,164)
<b>At the end of the period</b>	<b>593,947</b>	<b>1,382,877</b>

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 20 DEPOSITS FROM CUSTOMERS

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
Current accounts	103,455	134,482
Term deposits	34,625	150,096
	<b>138,080</b>	<b>284,578</b>

During 2018 the Council of the Bank has adopted a strategy for the period from 2018 to 2022. In accordance with this strategy, the Bank has started to provide settlement services to its customers. As at 30 June 2022 and 31 December 2021 all deposits were from corporate customers based in the Member-states of the Bank.

The table below present the breakdown of the deposits from customers by counterparty:

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
Current accounts:		
state-owned companies	18,905	80,202
private companies	84,550	54,279
Term deposits:		
private companies	34,302	17,033
state-owned companies	323	133,064
	<b>138,080</b>	<b>284,578</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**21 DEBT SECURITIES ISSUED**

				<b>30 June 2022</b>	<b>31 December</b>
				<b>Unaudited</b>	<b>2021</b>
<b>Debt securities issued and denominated in US dollars</b>					
Issue series	Next put option date	Due date	Interest rate, %		
Series 03	-	Sep 2022	4.767	443,482	508,893
w/o	-	Dec 2023	1.500	100,782	100,035
<b>Total debt securities issued and denominated in US dollars</b>				<b>544,264</b>	<b>608,928</b>
<b>Debt securities issued and denominated in Russian rouble</b>					
Issue series	Next put option date	Due date	Interest rate, %		
Series 001P-07	-	May 2024	5.900	191,095	134,609
Series 001P-05	-	Jun 2023	6.800	152,687	107,557
Series 001P-08	-	Nov 2024	11.500	133,709	-
Series 001P-04	-	Jan 2023	8.000	98,642	69,487
Series 001P-06	-	Apr 2023	7.600	96,543	68,023
Series 11	Aug 2023	Jan 2025	7.350	40,235	28,349
Series 10	-	Jan 2023	12.250	40,223	28,347
Series 001P-01	Jan 2023	Jul 2028	5.950	10,919	7,693
<b>Total debt securities issued and denominated in Russian rouble</b>				<b>764,053</b>	<b>444,065</b>
<b>Debt securities issued and denominated in Kazakhstani tenge</b>					
Issue series	Next put option date	Due date	Interest rate, %		
Series 01, programme 3	-	Aug 2022	11.000	92,907	95,488
w/o, EMTN programme	-	Jul 2024	10.000	46,491	51,298
Series 02, programme 3	-	Sep 2024	10.500	45,930	47,269
Series 03, programme 3	-	Nov 2024	10.600	45,445	46,729
Series 06, programme 2	-	Oct 2023	9.500	43,376	46,935
Series 03, programme 2	-	Nov 2022	9.700	43,136	46,671
Series 05, programme 2	-	May 2024	9.500	42,873	46,400
Series 09, programme 2	-	May 2024	9.500	42,873	46,400
Series 11, programme 2	-	May 2024	9.500	21,431	23,193
w/o	-	Jul 2022	9.646	21,153	21,901
Series 05, programme 1	-	Feb 2022	9.700	-	47,617
w/o	-	Jun 2022	9.548	-	22,074
w/o	-	Jan 2022	9.500	-	11,477
w/o	-	Feb 2022	9.826	-	11,391
w/o	-	Apr 2022	9.687	-	6,715
w/o	-	May 2022	9.921	-	6,660
<b>Total debt securities issued and denominated in Kazakhstani tenge</b>				<b>445,615</b>	<b>578,218</b>
<b>Debt securities issued and denominated in Euro</b>					
Issue series	Next put option date	Due date	Interest rate, %		
w/o, EMTN programme	-	Mar 2026	1.000	247,683	338,307
<b>Total debt securities issued and denominated in Euro</b>				<b>247,683</b>	<b>338,307</b>
<b>Total debt securities issued</b>				<b>2,001,615</b>	<b>1,969,518</b>

During March-June 2022 the Bank has repurchased own debt securities denominated in US dollars with maturity in September 2022 and the nominal value of 62,920 thousand US dollars, debt securities denominated in Euro maturing in March 2026 with the nominal value of 66,456 thousand US dollars and debt securities denominated in Kazakhstani tenge maturing in July 2024 with the nominal value of 1,059 thousand US dollars. As a result of these operations during the six-month period ended 30 June 2022 the Bank recognised gain on trading with debt securities issued of 49,217 thousand US dollars.

**EURASIAN DEVELOPMENT BANK****NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)***(in thousands of US dollars)***21 DEBT SECURITIES ISSUED (CONTINUED)**

As at 30 June 2022, debt securities issued included accrued interest payable amounting to 37,608 thousand US dollars (31 December 2021: 28,334 thousand US dollars).

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

	<b>30 June 2022</b> <b>Unaudited</b>	<b>30 June 2021</b> <b>Unaudited</b>
At the beginning of the period	1,969,518	1,719,552
Cash inflow	117,636	373,575
Cash outflow	(231,821)	(251,409)
Foreign exchange movement	142,477	(1,462)
Interest accrued movement	3,805	2,520
<b>At the end of the period</b>	<b>2,001,615</b>	<b>1,842,776</b>

**22 OTHER LIABILITIES**

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
<b>Other financial liabilities:</b>		
Prepaid refund on management of Eurasian Fund for Stabilisation and Development	7,757	3,966
Lease liabilities	3,001	2,569
Prepaid commissions for loans	1,823	2,471
Accrued commission payables	255	168
<b>Total other financial liabilities</b>	<b>12,836</b>	<b>9,174</b>
<b>Other non-financial liabilities:</b>		
Defined contribution plans: Retirement savings plan	21,099	20,970
Technical assistance fund resources for distribution as per Council's decision	11,158	11,687
Short-term payments to employees	9,187	10,421
DIF resources for distribution as per Council's decision	7,197	9,140
Expected credit loss provisions on contingent liabilities	5,499	5,719
Accrued administrative expenses	1,186	2,130
Other	64	15
<b>Total other non-financial liabilities</b>	<b>55,390</b>	<b>60,082</b>
<b>Total other liabilities</b>	<b>68,226</b>	<b>69,256</b>

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 23 TECHNICAL ASSISTANCE FUND AND DIGITAL INITIATIVE FUND RESERVES

	<b>Technical assistance fund reserve</b>	<b>Digital initiative fund reserve</b>
31 December 2020	23,685	10,000
Allocation of Technical assistance fund reserve	(8,116)	-
Transfer from Retained earnings to Digital initiative fund reserve	-	4,887
Allocation of Digital initiative fund reserve	-	(10,000)
31 December 2021	<u>15,569</u>	<u>4,887</u>
Transfer from Retained earnings to Technical assistance fund reserve (unaudited)	5,568	-
Transfer from Retained earnings to Digital initiative fund reserve (unaudited)	-	5,568
<b>30 June 2022 (unaudited)</b>	<b><u>21,137</u></b>	<b><u>10,455</u></b>

Purpose of the Technical assistance fund (the "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.

Purpose of the 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 (see Note 22).

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.

#### 24 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 risk 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. The Bank plans to fund these commitments primarily with debt securities issued. As at 30 June 2022 the maximum credit risk exposure on unused credit lines amounts to 1,056,075 thousand US dollars (31 December 2021: 1,222,498 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.

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 24 COMMITMENTS AND CONTINGENCIES (CONTINUED)

As at 30 June 2022 and 31 December 2021 the nominal or contractual amounts are:

	<b>30 June 2022 Unaudited Nominal amount</b>	<b>31 December 2021 Nominal amount</b>
Guarantees and letters of credit issued	171,799	127,111
Contingent liabilities:		
on loans and credit lines	1,056,075	1,222,498
on guarantees and letters of credit	104,863	180,316
<b>Total contingent liabilities and credit commitments</b>	<b>1,332,737</b>	<b>1,529,925</b>

The table below summarises the distribution of issued guarantees and letters of credit between the stages of credit quality assessment as at 30 June 2022 and 31 December 2021:

	<b>30 June 2022 Unaudited Stage 1</b>	<b>31 December 2021 Stage 1</b>
Guarantees and letters of credit issued	171,799	127,111
Less provision for expected credit losses (Note 9)	(5,499)	(5,719)
<b>Total guarantees and letters of credit issued</b>	<b>166,300</b>	<b>121,392</b>

No movements between stages of credit quality assessment were made during the six-month period ended 30 June 2022. During the six-month period ended 30 June 2021 guarantees and letters of credit issued with outstanding amount of 38,295 thousand US dollars and 317 thousand US dollars of expected credit loss provision were transferred from Stage 1 to Stage 2.

The Bank doesn't create an allowance for expected credit losses on commitments on loans and unused credit lines because there are no automatic issues within the loan commitments of the Bank. Whenever the Bank receives a request from a customer for a new loan tranche within unused credit lines, it is reviewed each time on an individual and independent basis. The procedure of issuing new tranches includes an updated review of current financial position of a customer by Credit risk, Compliance and Law Departments 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, the Bank considers that the issue of new loan tranches within its commitments is debatable, and makes an allowance for expected credit losses only after transfer of funds to the borrower.

#### **Fiduciary activities**

The Bank provides trust services to the Fund, whereby it holds and manages assets or invests funds received in various financial instruments as the Asset Manager of Fund.

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

#### 25 TRANSACTIONS WITH RELATED PARTIES

Related parties and transactions with related parties are assessed in accordance with IAS 24 "Related Party Disclosures". As discussed in 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 countries has control, joint control or significant influence over such party.

##### (a) Transactions with key management

The remuneration of key management personnel included in staff costs and other payments to employees (including accommodation cost of employees) (Note 10) was as follows:

	Six months ended 30 June 2022 Unaudited		Six months ended 30 June 2021 Unaudited	
	Transactions with key management	Total category as per financial statements caption	Transactions with key management	Total category as per financial statements caption
<b>Staff costs and other payments to employees:</b>				
Salary expenses and other compensation costs	4,333	17,935	3,504	16,285
Retirement savings plan expenses	307	783	365	1,698
<b>Total</b>	<b>4,640</b>	<b>18,718</b>	<b>3,869</b>	<b>17,983</b>

The outstanding balances as at 30 June 2022 and 31 December 2021 for transactions with the key management personnel are as follows:

	30 June 2022 Unaudited	31 December 2021
<b>Interim condensed statement of financial position</b>		
Short-term payments to employees	1,774	3,398
Retirement savings plan	2,119	1,715

##### (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, and the Fund. Russian Federation and Republic of Kazakhstan have significant influence over the Bank. At the same time Russian Federation and Republic of Kazakhstan have control over companies, which are related parties of the Bank.

The Bank did not use the exemption on disclosure of government related entities.

# EURASIAN DEVELOPMENT BANK

## NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

### 25 TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

#### (b) Transactions with other related parties (continued)

The outstanding balances as at 30 June 2022 and 31 December 2021 with other related parties are as follows:

	30 June 2022 Unaudited	31 December 2021
<b>Interim condensed statement of financial position</b>		
<b>ASSETS</b>		
Cash and cash equivalents:	<b>530,847</b>	<b>267,640</b>
in US dollars	478,718	117,104
in Russian rouble	46,024	13,872
in Kazakhstani tenge	6,112	136,562
in Euro	-	78
in other currencies	1	25
less expected credit losses	(8)	(1)
Financial assets at fair value through profit or loss:		
<i>in Treasury portfolio:</i>	<b>36,526</b>	<b>34,921</b>
in US dollars	14,005	18,635
in Russian rouble	22,521	16,286
Loans and amounts due from financial institutions:		
<i>in Investment portfolio:</i>	<b>83,858</b>	<b>72,469</b>
in US dollars	1,553	2,665
in Russian rouble	66,975	47,195
in Kazakhstani tenge	14,999	18,549
in Euro	1,320	4,271
less expected credit losses	(989)	(211)
Loans to customers:	<b>763,864</b>	<b>686,617</b>
in US dollars	33,237	39,233
in Russian rouble	493,510	329,120
in Kazakhstani tenge	19,549	22,609
in Euro	290,542	300,798
less expected credit losses	(72,974)	(5,143)
Financial assets at fair value through other comprehensive income:		
<i>in Treasury portfolio:</i>	<b>348,565</b>	<b>623,125</b>
in US dollars	212,002	351,878
in Russian rouble	65,508	46,046
in Kazakhstani tenge	41,900	143,932
in Euro	29,155	81,269
Financial assets at fair value through other comprehensive income:		
<i>in Investment portfolio:</i>	<b>671,764</b>	<b>621,384</b>
in US dollars	35,717	44,079
in Russian rouble	283,351	201,114
in Kazakhstani tenge	352,696	376,191
Debt securities at amortised cost:	<b>297,755</b>	<b>329,449</b>
in US dollars	234,893	271,741
in Russian rouble	57,936	25,734
in Euro	29,991	32,349
less expected credit losses	(25,065)	(375)
Investments in associates:	<b>14,819</b>	<b>15,197</b>
in US dollars	14,819	15,197
Other assets:	<b>8,938</b>	<b>9,840</b>
in US dollars	8,921	9,821
in Russian rouble	10	13
in Kazakhstani tenge	9	10
in Euro	6	4
less expected credit losses	(8)	(8)

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**25 TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

**(b) Transactions with other related parties (continued)**

	<b>30 June 2022</b>	<b>31 December</b>
	<b>Unaudited</b>	<b>2021</b>
<b>Interim condensed statement of financial position</b>		
<b>LIABILITIES</b>		
Loans and deposits from banks:	<b>2,703,028</b>	<b>206,386</b>
in US dollars	1,364,117	4,508
in Russian rouble	97,930	58,495
in Kazakhstani tenge	123,921	143,383
in Euro	1,117,050	-
in other currencies	10	-
Financial liabilities at fair value through profit or loss:	<b>1,830</b>	<b>1,689</b>
in US dollars	1,707	1,608
in Russian rouble	123	81
Deposits from customers:	<b>22,256</b>	<b>191,841</b>
in US dollars	2,631	3,880
in Russian rouble	15	53
in Kazakhstani tenge	19,610	187,908
Debt securities issued:	<b>629,298</b>	<b>562,767</b>
in Russian rouble	386,070	188,250
in Kazakhstani tenge	243,228	374,517
Other liabilities:	<b>8,813</b>	<b>4,973</b>
in US dollars	7,807	4,195
in Russian rouble	948	677
in Kazakhstani tenge	11	6
in Euro	47	95
<b>Guarantees received:</b>	<b>610,649</b>	<b>529,105</b>
in US dollars	-	44,296
in Russian rouble	471,110	349,688
in Kazakhstani tenge	25,040	29,525
in Euro	114,499	105,596
<b>Commitments:</b>	<b>595,153</b>	<b>665,134</b>
in US dollars	58,457	108,564
in Russian rouble	444,299	327,915
in Kazakhstani tenge	92,397	228,655

Profit or loss amounts from transactions with other related parties for the six-month periods ended 30 June 2022 and 30 June 2021 are as follows:

	<b>Six months</b>	<b>Six months</b>
	<b>ended</b>	<b>ended</b>
	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>Interim condensed statement of profit or loss</b>		
Interest income, calculated using the effective interest method:		
on Investment portfolio	52,795	40,654
on Treasury portfolio	15,515	18,666
Other interest income on Treasury portfolio	1,556	251
Interest expense	(36,297)	(32,589)
Net gain on financial assets and liabilities at fair value through profit or loss	10,165	5,274
Net gain/(loss) on transactions in foreign currencies	112,880	(13,056)
Net realised (loss)/gain on financial assets at fair value through other comprehensive income	(407)	8,813
Loss from investments in associates	(395)	-
Refund on management of Eurasian Fund for Stabilisation and Development	5,028	4,984
Fee and commission income	170	394
Fee and commission expense	(65)	(114)
(Provision for)/recovery of expected credit losses on interest bearing assets	(117,100)	3,705
<b>Net operating income</b>	<b>43,845</b>	<b>36,982</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**26 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 revenue is based on the geographical location of customers and assets.

Segment information for geographical segments of the Bank for the six-month period ended 30 June 2022 is set out below:

<b>30 June 2022 Unaudited</b>	<b>Russia</b>	<b>Kazakhstan</b>	<b>Belarus</b>	<b>Other Member states</b>	<b>Non- member states</b>	<b>Total</b>
Interest income, calculated using the effective interest method:						
on Investment portfolio	47,054	47,081	7,392	1,559	-	103,086
on Treasury portfolio	8,322	13,360	48	173	5,038	26,941
Other interest income on Treasury portfolio	875	681	-	-	5,474	7,030
Interest expense	(28,340)	(36,082)	(630)	(541)	(43,137)	(108,730)
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(193,603)	16,152	(24,163)	(7,034)	(46,291)	(254,939)
Net gain/(loss) on transactions in foreign currencies	280,255	(296)	18,868	1,131	(557)	299,401
Net realised (loss)/gain on financial assets at fair value through other comprehensive income	(6)	(402)	-	4	(22)	(426)
Net loss from modification, recognition and derecognition of financial instruments	(212)	-	-	-	(225)	(437)
Loss from investments in associates	(395)	-	-	-	-	(395)
Net gain on trading with debt securities issued	-	415	-	-	48,802	49,217
Refund on management of Eurasian Fund for Stabilisation and Development	5,028	-	-	-	-	5,028
Fee and commission income	248	932	1,361	-	228	2,769
Fee and commission expense	(648)	(77)	(3)	(5)	(246)	(979)
Net other income/(expense)	-	14	-	1	(11)	4
(Provision for)/recovery of expected credit losses on interest bearing assets	(197,938)	1,194	(12,152)	(864)	(358)	(210,118)
Recovery of/(provision for) expected credit losses on guarantees and letters of credit issued	39	(92)	579	-	-	526
<b>Net operating (loss)/income</b>	<b>(79,321)</b>	<b>42,880</b>	<b>(8,700)</b>	<b>(5,576)</b>	<b>(31,305)</b>	<b>(82,022)</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**26 SEGMENT REPORTING (CONTINUED)**

**Segment performance (continued)**

Segment information for geographical segments of the Bank as at 30 June 2022 is set out below:

<b>30 June 2022 Unaudited</b>	<b>Russia</b>	<b>Kazakhstan</b>	<b>Belarus</b>	<b>Other Member states</b>	<b>Non- member states</b>	<b>Total</b>
Cash and cash equivalents	244,461	495,804	279,155	555	2,196,612	3,216,587
Financial assets at fair value through profit or loss:						
<i>in Treasury portfolio</i>	19,777	22,596	491	399	11,042	54,305
<i>in Investment portfolio</i>	19,075	22,596	491	399	11,042	53,603
<i>in Investment portfolio</i>	702	-	-	-	-	702
Loans and amount due from financial institutions:						
<i>in Treasury portfolio</i>	388,330	83,892	514	24,907	2,052	499,695
<i>in Investment portfolio</i>	374,792	2,040	-	-	2,052	378,884
<i>in Investment portfolio</i>	13,538	81,852	514	24,907	-	120,811
Loans to customers	1,109,785	609,005	75,176	21,017	-	1,814,983
Financial assets at fair value through other comprehensive income:						
<i>in Treasury portfolio</i>	514,080	588,268	40,881	13,140	2,483,071	3,639,440
<i>in Treasury portfolio</i>	319,451	84,024	-	-	2,483,071	2,886,546
<i>in Investment portfolio</i>	194,629	504,244	40,881	13,140	-	752,894
Debt securities at amortised cost	279,202	84,827	-	10,025	104,797	478,851
Investments in associates	14,820	23	-	-	-	14,843
Property, equipment and intangible assets	851	10,303	15	203	-	11,372
Other assets	18,633	10,974	870	318	2,730	33,525
<b>Total assets</b>	<b>2,589,939</b>	<b>1,905,692</b>	<b>397,102</b>	<b>70,564</b>	<b>4,800,304</b>	<b>9,763,601</b>
<b>Total liabilities</b>	<b>4,875,453</b>	<b>690,953</b>	<b>1,185,822</b>	<b>115,391</b>	<b>1,234,995</b>	<b>8,102,614</b>
<b>Contingent liabilities and credit commitments, gross</b>	<b>593,373</b>	<b>331,065</b>	<b>193,892</b>	<b>214,407</b>	<b>-</b>	<b>1,332,737</b>
<b>Capital expenditure</b>	<b>116</b>	<b>295</b>	<b>11</b>	<b>60</b>	<b>-</b>	<b>482</b>
<b>Depreciation and amortisation</b>	<b>193</b>	<b>655</b>	<b>2</b>	<b>36</b>	<b>-</b>	<b>886</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**26 SEGMENT REPORTING (CONTINUED)**

**Segment performance (continued)**

Segment information for geographical segments of the Bank for the six-month period ended 30 June 2021 is set out below:

<b>30 June 2021 Unaudited</b>	<b>Russia</b>	<b>Kazakhstan</b>	<b>Belarus</b>	<b>Other Member states</b>	<b>Non- member states</b>	<b>Total</b>
Interest income, calculated using the effective interest method:						
on Investment portfolio	33,113	48,285	11,800	1,031	120	94,349
on Treasury portfolio	9,585	13,816	1	25	1,034	24,461
Other interest income on Treasury portfolio	243	8	-	-	3,161	3,412
Interest expense	(21,520)	(41,839)	(15)	(16)	(31,642)	(95,032)
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	5,465	17	-	(1)	24,522	30,003
Net gain/(loss) on transactions in foreign currencies	1,851	48	(3)	(1)	(25,871)	(23,976)
Net realised gain/(loss) on financial assets at fair value through other comprehensive income	9,070	(185)	4	3	(1)	8,891
Net loss from modification, recognition and derecognition of financial instruments	-	(675)	-	-	-	(675)
Refund on management of Eurasian Fund for Stabilisation and Development	4,984	-	--	-	-	4,984
Fee and commission income	689	487	800	1	320	2,297
Fee and commission expense	(124)	(50)	(1)	-	(341)	(516)
Net other income/(expense)	-	5	-	(1)	2	6
(Provision for)/recovery of expected credit losses on interest bearing assets	(2,235)	4,399	1,589	603	8	4,364
Provision for expected credit losses on guarantees and letters of credit issued	(8)	-	(24)	-	-	(32)
<b>Net operating income/(loss)</b>	<b>41,113</b>	<b>24,316</b>	<b>14,151</b>	<b>1,644</b>	<b>(28,688)</b>	<b>52,536</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**26 SEGMENT REPORTING (CONTINUED)**

**Segment performance (continued)**

Segment information for the main geographical segments of the Bank for the six-month period ended 31 December 2021 is set out below:

<b>31 December 2021</b>	<b>Russia</b>	<b>Kazakhstan</b>	<b>Belarus</b>	<b>Other Member states</b>	<b>Non-member states</b>	<b>Total</b>
Cash and cash equivalents	17,215	253,626	106	428	158,905	430,280
Financial assets at fair value through profit or loss:						
<i>in Treasury portfolio</i>	19,402	16,226	-	-	43,920	79,548
<i>in Investment portfolio</i>	18,700	16,226	-	-	43,920	78,846
<i>in Investment portfolio</i>	702	-	-	-	-	702
Loans and amounts due from financial institutions:						
<i>in Treasury portfolio</i>	107,314	65,645	381,812	39,237	-	594,008
<i>in Investment portfolio</i>	-	-	-	-	-	-
<i>in Investment portfolio</i>	107,314	65,645	381,812	39,237	-	594,008
Loans to customers	954,294	588,082	78,830	14,902	-	1,636,108
Financial assets at fair value through other comprehensive income:						
<i>in Treasury portfolio</i>	641,068	690,803	29,527	13,479	1,211,000	2,585,877
<i>in Treasury portfolio</i>	502,657	176,249	-	-	1,211,000	1,889,906
<i>in Investment portfolio</i>	138,411	514,554	29,527	13,479	-	695,971
Debt securities at amortised cost	355,825	52,855	-	-	-	408,680
Investments in associates	15,198	23	-	-	-	15,221
Property, equipment and intangible assets	929	10,663	6	178	-	11,776
Other assets	17,286	1,924	829	399	26,259	46,697
<b>Total assets</b>	<b>2,128,531</b>	<b>1,679,847</b>	<b>491,110</b>	<b>68,623</b>	<b>1,440,084</b>	<b>5,808,195</b>
<b>Total liabilities</b>	<b>685,114</b>	<b>1,050,223</b>	<b>6,593</b>	<b>20,416</b>	<b>2,184,618</b>	<b>3,946,964</b>
<b>Contingent liabilities and credit commitments, gross</b>	<b>640,751</b>	<b>378,324</b>	<b>332,466</b>	<b>178,384</b>	<b>-</b>	<b>1,529,925</b>
<b>Capital expenditure, 30 June 2021 (unaudited)</b>	<b>205</b>	<b>210</b>	<b>-</b>	<b>69</b>	<b>-</b>	<b>484</b>
<b>Depreciation and amortisation, 30 June 2021 (unaudited)</b>	<b>127</b>	<b>598</b>	<b>2</b>	<b>13</b>	<b>-</b>	<b>740</b>

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.

For the six-month periods ended 30 June 2022 and 2021, there were no loans to customers with interest income individually exceeding 10% of total interest income of the Bank.

## **EURASIAN DEVELOPMENT BANK**

### **NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

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## **27 FAIR VALUE OF FINANCIAL INSTRUMENTS**

### **(a) Determining fair values**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 as described in accounting policy. 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 arrive at a fair value determination 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.

**EURASIAN DEVELOPMENT BANK****NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)***(in thousands of US dollars)***27 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 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 2022 and 31 December 2021, 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 interim condensed statement of financial position:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>30 June 2022 Total Unaudited</b>
<b>Financial assets at fair value through profit or loss:</b>				
in Treasury portfolio:				
Debt instruments	22,437	-	-	22,437
Derivative financial instruments - assets	-	17,215	-	17,215
Equity instruments	13,951	-	-	13,951
in Investment portfolio:				
Equity instruments	-	-	702	702
<b>Financial assets at fair value through other comprehensive income:</b>				
in Treasury portfolio:				
Debt instruments	1,795,224	1,077,396	-	2,872,620
Equity instruments	13,926	-	-	13,926
in Investment portfolio:				
Debt instruments	186,281	566,613	-	752,894
<b>Financial liabilities at fair value through profit or loss:</b>				
Derivative financial instruments - liabilities	-	(30,324)	-	(30,324)

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**27 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Valuation of financial instruments (continued)**

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>30 December 2021 Total</u>
<b>Financial assets at fair value through profit or loss:</b>				
in Treasury portfolio:				
Derivative financial instruments - assets	-	44,017	-	44,017
Equity instruments	-	18,608	-	18,608
Debt instruments	-	16,221	-	16,221
in Investment portfolio:				
Equity instruments	-	-	702	702
<b>Financial assets at fair value through other comprehensive income:</b>				
in Treasury portfolio:				
Debt instruments	1,414,875	456,456	-	1,871,331
Equity instruments	18,575	-	-	18,575
in Investment portfolio:				
Debt instruments	260,066	435,901	4	695,971
<b>Financial liabilities at fair value through profit or loss:</b>				
Derivative financial instruments - liabilities	-	(6,904)	-	(6,904)

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 2022 and 30 June 2021:

	<u>Level 3</u>	
	<u>Six-months ended 30 June 2022 Unaudited</u>	<u>Six-months ended 30 June 2021 Unaudited</u>
<b>Financial assets at fair value through profit or loss</b>		
Balance at the beginning of the period	702	4,818
Redemption of instruments, net	-	(4,036)
<b>Balance at the end of the period</b>	<b>702</b>	<b>782</b>
<b>Financial assets at fair value through other comprehensive income</b>		
Balance at the beginning of the period	4	5
Revaluation	(4)	-
<b>Balance at the end of the period</b>	<b>-</b>	<b>5</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**27 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

**(b) Valuation of financial instruments (continued)**

The Bank uses different methodologies to value the assets at Level 3 such as a "Book Value to Equity multiplier" or "Discounted Cash Flow" approach. Under any scenario the above estimates are sensitive to changes in the market parameters and future expectations and may result in a change of the carrying value of the investments by 10 or more percent within a one-year horizon.

The Bank is a development financial organisation and, thus, most of the loans are unique and interest rates are specific for each project and thus are less sensitive to market fluctuations. The Bank and its customers have contractual rights to review interest rates according to changes on financial markets. Due to such changes in market environment (not credit-related) some of the financial instruments of the Bank had changes in interest rate and/or were modified.

				<b>As at 30 June 2022 Unaudited</b>	
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total fair value</b>	<b>Total carrying amount</b>
<b>Financial assets:</b>					
Cash and cash equivalents	-	497,668	2,718,919	3,216,587	3,216,587
Loans and amounts due from financial institutions:	-	-	494,674	494,674	499,695
<i>in Treasury portfolio</i>	-	-	378,884	378,884	378,884
<i>in Investment portfolio</i>	-	-	115,790	115,790	120,811
Loans to customers	-	-	1,714,210	1,714,210	1,814,983
Debt securities at amortised cost	456,890	-	-	456,890	478,851
Other financial assets	-	-	20,905	20,905	20,905
<b>Financial liabilities:</b>					
Loans and deposits from banks	-	-	5,795,737	5,795,737	5,864,369
Deposits from customers	-	-	133,369	133,369	138,080
Debt securities issued	-	1,905,811	-	1,905,811	2,001,615
Other financial liabilities	-	-	12,836	12,836	12,836
<b>As at 31 December 2021</b>					
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total fair value</b>	<b>Total carrying amount</b>
<b>Financial assets:</b>					
Cash and cash equivalents	-	335,950	94,330	430,280	430,280
Loans and amounts due from financial institutions:	-	-	597,863	597,863	594,008
<i>in Investment portfolio</i>	-	-	1,662,536	1,662,536	1,636,108
Loans to customers	-	-	-	-	-
Debt securities at amortised cost	-	455,231	-	455,231	408,680
Other financial assets	-	-	37,987	37,987	37,987
<b>Financial liabilities:</b>					
Loans and deposits from banks	-	-	1,594,569	1,594,569	1,616,708
Deposits from customers	-	-	282,592	282,592	284,578
Debt securities issued	-	1,968,301	-	1,968,301	1,969,518
Other financial liabilities	-	-	9,174	9,174	9,174

## **EURASIAN DEVELOPMENT BANK**

### **NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

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## **28 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 of loans/credit lines to borrowers and securities purchased within project activity, and Treasury portfolio, comprised of securities, inter-bank loans, reverse REPO operations and derivative financial instruments.

Assets in the 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 the Treasury portfolio are intended to protect the share capital of the Bank from the influence of risk factors, and also to maintain a sufficient level of liquidity. Assets in Treasury portfolio are managed in accordance with the Investment declaration, the Market and treasury risks and balance liquidity management rules and other internal guidelines regulation. 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, and control realisation of projects and limits execution, and take corrective actions where needed.

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**28 RISK MANAGEMENT (CONTINUED)**

**(a) Credit risk (continued)**

***Assets allocation in portfolios (continued)***

Information regarding each portfolio is presented below:

	<b>Current investment portfolio</b>	<b>Treasury Portfolio</b>	<b>Unallocated</b>	<b>30 June 2022 Total Unaudited</b>
Cash and cash equivalents	-	3,216,587	-	3,216,587
Financial assets at fair value through profit or loss:				
loss:	702	53,603	-	54,305
<i>in Treasury portfolio</i>	-	53,603	-	53,603
<i>in Investment portfolio</i>	702	-	-	702
Loans and amounts due from financial institutions:				
<i>in Treasury portfolio</i>	120,811	378,884	-	499,695
<i>in Investment portfolio</i>	-	378,884	-	378,884
<i>in Investment portfolio</i>	120,811	-	-	120,811
Loans to customers	1,814,983	-	-	1,814,983
Financial assets at fair value through other comprehensive income:				
<i>in Treasury portfolio</i>	752,894	2,886,546	-	3,639,440
<i>in Investment portfolio</i>	-	2,886,546	-	2,886,546
<i>in Investment portfolio</i>	752,894	-	-	752,894
Debt securities at amortised cost	-	478,851	-	478,851
Investments in associates	14,843	-	-	14,843
Property, equipment and intangible assets	-	-	11,372	11,372
Other assets	-	-	33,525	33,525
	<b>2,704,233</b>	<b>7,014,471</b>	<b>44,897</b>	<b>9,763,601</b>
Adjustment to CIP*	137,671	-	(137,671)	-
<b>Total assets</b>	<b>2,841,904</b>	<b>7,014,471</b>	<b>(92,774)</b>	<b>9,763,601</b>
<b>Total liabilities</b>	<b>-</b>	<b>5,438,826</b>	<b>2,663,788</b>	<b>8,102,614</b>
Contingent liabilities and credit commitments, gross	1,327,896	-	4,841	1,332,737
<b>Total current investment portfolio</b>	<b>4,169,800</b>			

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

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

## 28 RISK MANAGEMENT (CONTINUED)

### (a) Credit risk (continued)

#### Assets allocation in portfolios (continued)

	Current investment portfolio	Treasury Portfolio	Unallocated	31 December 2021 Total
Cash and cash equivalents	-	430,280	-	430,280
Financial assets at fair value through profit or loss:				
in Treasury portfolio	702	78,846	-	79,548
in Investment portfolio	-	78,846	-	78,846
in Investment portfolio	702	-	-	702
Loans and amounts due from financial institutions:				
in Treasury portfolio	594,008	-	-	594,008
in Investment portfolio	-	-	-	-
in Investment portfolio	594,008	-	-	594,008
Loans to customers	1,636,108	-	-	1,636,108
Financial assets at fair value through other comprehensive income:				
in Treasury portfolio	695,971	1,889,906	-	2,585,877
in Investment portfolio	-	1,889,906	-	1,889,906
in Investment portfolio	695,971	-	-	695,971
Debt securities at amortised cost	-	408,680	-	408,680
Investments in associates	15,221	-	-	15,221
Property, equipment and intangible assets	-	-	11,776	11,776
Other assets	-	-	46,697	46,697
	<b>2,942,010</b>	<b>2,807,712</b>	<b>58,473</b>	<b>5,808,195</b>
Adjustment to CIP*	46,804	-	(46,804)	-
<b>Total assets</b>	<b>2,988,814</b>	<b>2,807,712</b>	<b>11,669</b>	<b>5,808,195</b>
<b>Total liabilities</b>	<b>-</b>	<b>1,021,306</b>	<b>2,925,658</b>	<b>3,946,964</b>
Contingent liabilities and credit commitments, gross	1,523,835	-	6,090	1,529,925
<b>Total current investment portfolio</b>	<b>4,512,649</b>			

#### Credit risk in the investment project financing

The process of risk management in investment project financing consists of the following stages: risk identification, risk assessment, control and monitoring of risks.

At risk identification stage the Bank makes list of risks and their description. For these purposes the Bank defines following integrated list of risks that might affect the overall credit risk in investment project financing:

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

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

## 28 RISK MANAGEMENT (CONTINUED)

### (a) Credit risk (continued)

#### *Credit risk in the investment project financing (continued)*

A further analysis of identified risks is performed to determine the probability of risk events occurrence (risk level) and possible consequences (financial losses). Valuation of identified risks is based on internal methodology (models) and S&P Global Market Intelligence methodology (models). Each of methodologies includes analysis of wide range of quantitative and qualitative 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 associated borrowers exceeds 100 million US dollars) within the limits of their powers, reviews and approves investment projects and makes decisions on any changes and addenda to the existing loan agreements.

At the stage of control and monitoring of risks the Bank keeps watch over early risk detection covenants and on a regular and repetitive basis revises risk levels of investment projects. For this purpose, an internal methodology (models) and S&P Global Market Intelligence methodology (models) are used. In case of significant increase of risk levels of investment projects, the Bank prepares risk reduction measures.

For classification of financial assets by credit ratings set by international rating agency S&P Global Ratings the Bank uses credit rating estimated in accordance with S&P Global Market Intelligence methodology (models) for the borrower/issuer from real sector. And for the financial institution its external credit rating set by international credit rating agencies, or external credit rating of the guarantor or similar financial institution is used.

The following tables show financial assets in Investment portfolio (except investments in associates and financial assets at fair value through profit or loss) by credit ratings set by S&P Global Ratings as at 30 June 2022:

	Stage 1	Stage 2	Stage 3	Total
<b>Loans and amounts due from financial institutions:</b>				
with credit ratings BBB+, BBB, BBB-	66,975	-	-	66,975
with credit ratings BB+, BB, BB-	14,999	-	-	14,999
with credit ratings B+, B, B-	25,428	638	-	26,066
with credit ratings CCC+, CCC, CCC-	-	14,957	-	14,957
with credit ratings CC, C, D	-	1,320	-	1,320
	<b>107,402</b>	<b>16,915</b>	-	<b>124,317</b>
Less expected credit loss provisions	(643)	(2,863)	-	(3,506)
<b>Total loans and amounts due from financial institutions</b>	<b>106,759</b>	<b>14,052</b>	-	<b>120,811</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**28 RISK MANAGEMENT (CONTINUED)**

**(a) Credit risk (continued)**

***Credit risk in the investment project financing (continued)***

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Loans to customers:</b>				
with credit ratings BBB+, BBB, BBB-	43,472	-	-	43,472
with credit ratings BB+, BB, BB-	275,017	15,107	-	290,124
with credit ratings B+, B, B-	1,245,913	71,999	-	1,317,912
with credit ratings CCC+, CCC, CCC-	-	224,701	-	224,701
with credit ratings CC, C, D	-	-	106,986	106,986
	<b>1,564,402</b>	<b>311,807</b>	<b>106,986</b>	<b>1,983,195</b>
Less expected credit loss provisions	(40,360)	(61,475)	(66,377)	(168,212)
<b>Total loans to customers</b>	<b>1,524,042</b>	<b>250,332</b>	<b>40,609</b>	<b>1,814,983</b>
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Financial assets at fair value through other comprehensive income:</b>				
with credit ratings BBB+, BBB, BBB-	88,722	-	-	88,722
with credit ratings BB+, BB, BB-	388,413	-	-	388,413
with credit ratings B+, B, B-	154,941	80,167	-	235,108
with credit ratings CC, C, D	-	40,651	-	40,651
<b>Total financial assets at fair value through other comprehensive income</b>	<b>632,076</b>	<b>120,818</b>	<b>-</b>	<b>752,894</b>

The following tables show financial assets in Investment portfolio (except investments in associates and financial assets at fair value through profit or loss) by credit ratings set by S&P Global Ratings as at 31 December 2021:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Loans and amounts due from financial institutions</b>				
with credit ratings BBB+, BBB, BBB-	47,932	-	-	47,932
with credit ratings BB+, BB, BB-	113,120	-	-	113,120
with credit ratings B+, B, B-	428,759	12,889	-	441,648
	<b>589,811</b>	<b>12,889</b>	<b>-</b>	<b>602,700</b>
Less expected credit loss provisions	(8,033)	(659)	-	(8,692)
<b>Total loans and amounts due from financial institutions</b>	<b>581,778</b>	<b>12,230</b>	<b>-</b>	<b>594,008</b>
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Loans to customers:</b>				
with credit ratings BBB+, BBB, BBB-	462,958	-	-	462,958
with credit ratings BB+, BB, BB-	508,966	17,006	-	525,972
with credit ratings B+, B, B-	593,725	31,157	-	624,882
with credit ratings CC, C, D	-	-	96,192	96,192
	<b>1,565,649</b>	<b>48,163</b>	<b>96,192</b>	<b>1,710,004</b>
Less expected credit loss provisions	(16,235)	(2,084)	(55,577)	(73,896)
<b>Total loans to customers</b>	<b>1,549,414</b>	<b>46,079</b>	<b>40,615</b>	<b>1,636,108</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**28 RISK MANAGEMENT (CONTINUED)**

**(a) Credit risk (continued)**

***Credit risk in the investment project financing (continued)***

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Financial assets at fair value through other comprehensive income:</b>				
with credit ratings BBB+, BBB, BBB-	119,663	-	-	119,663
with credit ratings BB+, BB, BB-	420,271	-	-	420,271
with credit ratings B+, B, B-	156,033	-	-	156,033
with credit ratings CC, C, D	-	-	4	4
<b>Total financial assets at fair value through other comprehensive income</b>	<b>695,967</b>	<b>-</b>	<b>4</b>	<b>695,971</b>

As at 30 June 2022 average-weighted credit rating of financial assets in Investment portfolio was at «B» level in accordance with S&P Global Ratings (31 December 2021: «BB-» level).

***Credit risk in the treasury portfolio***

For credit risk management of financial assets in Treasury portfolio the Bank uses a system of limits for the whole structure of portfolio, for 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 quality of potential counterparties/issuers.

If available funds are placed in securities, the issuers of these securities must have an external long-term credit rating by international credit rating agencies not less than «BB-». If available funds are placed with a financial institution, such financial institution must have an external long-term credit rating by international credit rating agencies not less than «B». If funds are being placed with a financial institution subsidiary, it is not necessary for the financial institution subsidiary to have a credit rating provided that the parent of this financial institution has an external long-term credit rating by international credit rating agencies not less than «A».

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 Treasury portfolio of the Bank (except for equity instruments) according to S&P Global Ratings as at 30 June 2022 and 31 December 2021:

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
<b>Cash and cash equivalents:</b>		
with credit ratings AA+, AA, AA-	9,338	50,174
with credit ratings A+, A, A-	2,187,278	208,515
with credit ratings BBB+, BBB, BBB-	8,228	153,222
with credit ratings BB+, BB, BB-	2,890	15,154
with credit ratings B+, B, B-	238	455
with credit ratings CC+, CC, CC-	279,908	-
not rated	729,585	2,763
	<b>3,217,465</b>	<b>430,283</b>
Less expected credit loss provisions (Note 9)	(878)	(3)
<b>Total cash and cash equivalents</b>	<b>3,216,587</b>	<b>430,280</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**28 RISK MANAGEMENT (CONTINUED)**

**(a) Credit risk (continued)**

***Credit risk in the treasury portfolio (continued)***

	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
<b>Financial assets at fair value through profit or loss:</b>		
with credit ratings A+, A, A-	11,015	43,920
with credit ratings BBB+, BBB, BBB-	22,437	16,313
with credit ratings BB+, BB, BB-	126	5
with credit ratings B+, B, B-	405	-
with credit ratings CC+, CC, CC-	491	-
not rated	5,178	-
<b>Total financial assets at fair value through profit or loss</b>	<b>39,652</b>	<b>60,238</b>
	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
<b>Loans and amounts due from financial institutions</b>		
not rated	413,157	-
	<b>413,157</b>	-
Less expected credit loss provisions (Note 9)	(34,273)	-
<b>Total loans and amounts due from financial institutions</b>	<b>378,884</b>	-
	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
<b>Debt instruments at fair value through other comprehensive income:</b>		
with credit ratings AAA	299,461	25,044
with credit ratings AA+, AA, AA-	1,967,266	982,525
with credit ratings A+, A, A-	210,904	203,418
with credit ratings BBB+, BBB, BBB-	89,464	658,337
with credit ratings BB+, BB, BB-	-	2,007
not rated	305,525	-
<b>Total debt instruments at fair value through other comprehensive income</b>	<b>2,872,620</b>	<b>1,871,331</b>
	<b>30 June 2022 Unaudited</b>	<b>31 December 2021</b>
<b>Debt securities at amortised cost:</b>		
with credit ratings AA+, AA, AA-	52,110	-
with credit ratings BBB+, BBB, BBB-	52,348	397,872
with credit ratings BB+, BB, BB-	32,567	11,259
with credit ratings B+, B, B-	63,329	-
not rated	315,708	-
	<b>516,062</b>	<b>409,131</b>
Less expected credit loss provisions (Note 9)	(37,211)	(451)
<b>Total debt securities at amortised cost:</b>	<b>478,851</b>	<b>408,680</b>

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

**EURASIAN DEVELOPMENT BANK****NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)***(in thousands of US dollars)***28 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 in the interim condensed 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 on unused credit lines at the reporting date is presented in Note 24.

**(b) Market risk**

Market risk covers interest rate risk, currency and pricing 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 2022 and 30 June 2021 is as follows:

	<b>30 June 2022</b>		<b>30 June 2021</b>	
	<b>Unaudited</b>		<b>Unaudited</b>	
	<b>Interest rate</b>	<b>Interest rate</b>	<b>Interest rate</b>	<b>Interest rate</b>
	<b>+3%</b>	<b>-3%</b>	<b>+3%</b>	<b>-3%</b>
<b>Financial assets:</b>				
Loans and amounts due from financial institutions:				
in Investment portfolio	585	(585)	2,152	(1,732)
Loans to customers	16,602	(15,449)	20,621	(18,319)
<b>Financial liabilities:</b>				
Loans and deposits from banks	(2,717)	1,764	(2,503)	1,174
<b>Net impact on net profit and equity</b>	<b>14,470</b>	<b>(14,270)</b>	<b>20,270</b>	<b>(18,877)</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**28 RISK MANAGEMENT (CONTINUED)**

**(b) Market risk (continued)**

***Interest rate sensitivity (continued)***

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 2022 and June 2021, and a simplified scenario of a 300 bp symmetrical fall or rise in all yield curves is as follows:

	30 June 2022 Unaudited		30 June 2021 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	(71,310)	66,017	(74,664)	87,335
in Investment portfolio	(115,918)	104,649	(119,110)	110,900
<b>Net impact on equity</b>	<b>(187,228)</b>	<b>170,666</b>	<b>(193,774)</b>	<b>198,235</b>

***Currency risk sensitivity***

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

Unaudited	30 June 2022					Total
	US dollars	Kazakhstani tenge	Russian rouble	Euro	Other currencies	
Financial assets	5,457,370	621,950	1,666,637	1,646,279	347,373	9,739,609
Financial liabilities	4,031,420	648,069	1,219,965	1,950,778	196,992	8,047,224
<b>Open balance sheet position</b>	<b>1,425,950</b>	<b>(26,119)</b>	<b>446,672</b>	<b>(304,499)</b>	<b>150,381</b>	<b>1,692,385</b>
Net spot and derivative financial instruments position	238,687	21,027	(373,219)	250,976	(150,618)	(13,147)
<b>TOTAL OPEN POSITION</b>	<b>1,664,637</b>	<b>(5,092)</b>	<b>73,453</b>	<b>(53,523)</b>	<b>(237)</b>	<b>1,679,238</b>
	31 December 2021					Total
	US dollars	Kazakhstani tenge	Russian rouble	Euro	Other currencies	
Financial assets	2,480,715	964,934	1,099,472	1,151,403	91,185	5,787,709
Financial liabilities	843,393	949,812	864,872	990,513	238,292	3,886,882
<b>Open balance sheet position</b>	<b>1,637,322</b>	<b>15,122</b>	<b>234,600</b>	<b>160,890</b>	<b>(147,107)</b>	<b>1,900,827</b>
Net spot and derivative financial instruments position	334,027	(5,676)	(279,829)	(158,775)	149,202	38,949
<b>TOTAL OPEN POSITION</b>	<b>1,971,349</b>	<b>9,446</b>	<b>(45,229)</b>	<b>2,115</b>	<b>2,095</b>	<b>1,939,776</b>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

**28 RISK MANAGEMENT (CONTINUED)**

**(b) Market risk (continued)**

***Currency risk sensitivity (continued)***

Impact on net profit and equity based on asset values as at 30 June 2022 and 31 December 2021:

	As at 30 June 2022 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%
Impact on net profit	11,018	(11,018)	(764)	764	(5,352)	5,352
Impact on equity	11,018	(11,018)	(764)	764	(5,352)	5,352
	As at 31 December 2021					
	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%
Impact on net profit	(6,784)	6,784	1,417	(1,417)	212	(212)
Impact on equity	(6,784)	6,784	1,417	(1,417)	212	(212)

# EURASIAN DEVELOPMENT BANK

## NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

### 28 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 table:

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 2022 Total
<b>FINANCIAL ASSETS:</b>							
Cash and cash equivalents	1.08%	497,668	-	-	-	-	497,668
Financial assets at fair value through profit or loss:		-	-	16	-	22,421	22,437
<i>in Treasury portfolio</i>	7.88%	-	-	16	-	22,421	22,437
Loans and amounts due from financial institutions:		110	5,333	17,732	97,636	-	120,811
<i>in Investment portfolio</i>	8.09%	110	5,333	17,732	97,636	-	120,811
Loans to customers	8.00%	206,080	130,381	201,956	809,718	466,848	1,814,983
Financial assets at fair value through other comprehensive income:		1,080,678	1,026,922	264,298	818,074	435,542	3,625,514
<i>in Treasury portfolio</i>	1.47%	1,038,443	1,000,181	259,759	493,892	80,345	2,872,620
<i>in Investment portfolio</i>	8.80%	42,235	26,741	4,539	324,182	355,197	752,894
Debt securities at amortised cost	4.57%	-	22,253	44,824	283,753	128,021	478,851
<b>Total interest bearing financial assets</b>		<b>1,784,536</b>	<b>1,184,889</b>	<b>528,826</b>	<b>2,009,181</b>	<b>1,052,832</b>	<b>6,560,264</b>
Cash and cash equivalents		2,718,919	-	-	-	-	2,718,919
Financial assets at fair value through profit or loss:		5,625	1,461	13,951	10,831	-	31,868
<i>in Treasury portfolio</i>		5,625	759	13,951	10,831	-	31,166
<i>in Investment portfolio</i>		-	702	-	-	-	702
Loans and amounts due from financial institutions:		-	-	378,884	-	-	378,884
<i>in Treasury portfolio</i>		-	-	378,884	-	-	378,884
Financial assets at fair value through other comprehensive income:		-	-	13,926	-	-	13,926
<i>in Treasury portfolio</i>		-	-	13,926	-	-	13,926
Other financial assets		-	-	20,905	-	-	20,905
<b>Total financial assets</b>		<b>4,509,080</b>	<b>1,186,350</b>	<b>956,492</b>	<b>2,020,012</b>	<b>1,052,832</b>	<b>9,724,766</b>
<b>FINANCIAL LIABILITIES:</b>							
Loans and deposits from banks	4.25%	5,189,369	132,657	37,729	323,092	181,522	5,864,369
Deposits from customers	6.03%	103,455	2	12,451	17,101	5,071	138,080
Debt securities issued*	6.54%	30,494	542,144	442,413	986,564	-	2,001,615
Other financial liabilities	5.98%	78	835	1,227	861	-	3,001
<b>Total interest bearing financial liabilities</b>		<b>5,323,396</b>	<b>675,638</b>	<b>493,820</b>	<b>1,327,618</b>	<b>186,593</b>	<b>8,007,065</b>
Financial liabilities at fair value through profit or loss		3,982	23,537	-	2,805	-	30,324
Other financial liabilities		-	-	9,835	-	-	9,835
<b>Total financial liabilities</b>		<b>5,327,378</b>	<b>699,175</b>	<b>503,655</b>	<b>1,330,423</b>	<b>186,593</b>	<b>8,047,224</b>
<b>Liquidity gap</b>		<b>(818,298)</b>	<b>487,175</b>	<b>452,837</b>	<b>689,589</b>	<b>866,239</b>	

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

(in thousands of US dollars)

**28 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 2021 Total
<b>FINANCIAL ASSETS:</b>							
Cash and cash equivalents	1.72%	335,950	-	-	-	-	335,950
Financial assets at fair value through profit or loss:							
<i>in Treasury portfolio</i>	7.88%	-	-	15	-	16,206	16,221
<i>in Investment portfolio</i>		-	-	15	-	16,206	16,221
Loans and amounts due from financial institutions:							
<i>in Investment portfolio</i>	3.34%	216	40,688	71,751	481,353	-	594,008
<i>in Investment portfolio</i>		216	40,688	71,751	481,353	-	594,008
Loans to customers	7.17%	60,937	15,129	214,357	894,084	451,601	1,636,108
Financial assets at fair value through other comprehensive income:							
<i>in Treasury portfolio</i>	1.61%	134,785	210,532	781,041	820,047	620,897	2,567,302
<i>in Investment portfolio</i>	9.09%	134,785	206,908	745,969	611,708	171,961	1,871,331
Debt securities at amortised cost	2.15%	-	3,624	35,072	208,339	448,936	695,971
		62	20,080	39,439	166,415	182,684	408,680
<b>Total interest bearing financial assets</b>		<b>531,950</b>	<b>286,429</b>	<b>1,106,603</b>	<b>2,361,899</b>	<b>1,271,388</b>	<b>5,558,269</b>
Cash and cash equivalents		94,330	-	-	-	-	94,330
Financial assets at fair value through profit or loss:							
<i>in Treasury portfolio</i>		1,996	702	44,217	14,357	2,055	63,327
<i>in Investment portfolio</i>		1,996	-	44,217	14,357	2,055	62,625
<i>in Investment portfolio</i>		-	702	-	-	-	702
Financial assets at fair value through other comprehensive income:							
<i>in Treasury portfolio</i>		-	-	18,575	-	-	18,575
<i>in Treasury portfolio</i>		-	-	18,575	-	-	18,575
Other financial assets		-	-	37,987	-	-	37,987
<b>Total financial assets</b>		<b>628,276</b>	<b>287,131</b>	<b>1,207,382</b>	<b>2,376,256</b>	<b>1,273,443</b>	<b>5,772,488</b>
<b>FINANCIAL LIABILITIES:</b>							
Loans and deposits from banks	3.19%	119,584	159,496	275,298	882,878	179,452	1,616,708
Deposits from customers	6.97%	137,840	5,570	106,332	29,391	5,445	284,578
Debt securities issued*	5.97%	16,582	69,097	707,301	1,169,045	7,493	1,969,518
Other financial liabilities	6.88%	71	558	1,638	302	-	2,569
<b>Total interest bearing financial liabilities</b>		<b>274,077</b>	<b>234,721</b>	<b>1,090,569</b>	<b>2,081,616</b>	<b>192,390</b>	<b>3,873,373</b>
Financial liabilities at fair value through profit or loss		31	610	1,651	4,144	468	6,904
Other financial liabilities		-	-	6,605	-	-	6,605
<b>Total financial liabilities</b>		<b>274,108</b>	<b>235,331</b>	<b>1,098,825</b>	<b>2,085,760</b>	<b>192,858</b>	<b>3,886,882</b>
<b>Liquidity gap</b>		<b>354,168</b>	<b>51,800</b>	<b>108,557</b>	<b>290,496</b>	<b>1,080,585</b>	

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

## EURASIAN DEVELOPMENT BANK

### NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(in thousands of US dollars)

## 28 RISK MANAGEMENT (CONTINUED)

### (d) Financial ratios

The Council of the Bank has set financial ratios:

	<b>30 June 2022</b> <b>Unaudited</b>	<b>31 December</b> <b>2021</b>
Minimum amount of liquid assets in Treasury portfolio* required amount	955,968	979,657
<i>actual amount</i>	<u>1,596,992</u>	<u>1,464,715</u>
Financial leverage ratio should be less or equal to 300% of the Bank's equity	300.00%	300.00%
<i>actual ratio</i>	<u>153.65%</u>	<u>136.63%</u>

\* The Council of the Bank set the minimum level of liquid assets in treasury portfolio not less than 1-year projected net loan disbursements (loans disbursed less repayments and tied financing), if greater than zero, plus the annual cost of financial debt. This limit is reviewed on a quarterly basis.

The ALMC regularly monitors compliance of the Bank with the financial ratios set by the Council of the Bank.

## 29 EVENTS AFTER THE REPORTING PERIOD

On 6 July 2022 the Bank has acquired share in the equity of JSCB "NRBank" (JSC) of 81.32% through purchase of 1,241,645 ordinary shares and 137,377 preferred shares. Acquisition price amounted to 3,390,005 thousand Russian roubles which is equivalent to 61,579 thousand US dollars. As a result of the transaction the Bank gained control over JSCB "NRBank" (JSC), the share of the Bank in JSCB "NRBank" (JSC) has increased from 18.68% to 100.00%.

Management of the Bank is considering diversifying the product portfolio of both financial structures by expanding the range of products/services, additional operational services and by developing new competence centers.

The following table presents information on fair value of net assets of JSCB "NRBank" (JSC) and fair value of consideration transferred on acquisition date:

	<b>6 July 2022</b> <b>Unaudited</b>
<b>Consideration transferred:</b>	
<b>Cash</b>	<u><b>61,579</b></u>
<b>Fair value of share in JSCB "NRBank" (JSC) owned by the Bank before the acquisition</b>	<u><b>14,819</b></u>
Acquired assets and liabilities of JSCB "NRBank" (JSC):	
Cash and cash equivalents	50,153
Loans issued	34,458
Financial assets	22,515
Investment property	16,833
Other assets	21,243
<b>Total assets</b>	<u><b>145,202</b></u>
Amounts due to banks and clients	61,829
Other liabilities	5,693
<b>Total liabilities</b>	<u><b>67,522</b></u>
<b>Net assets</b>	<u><b>77,680</b></u>
<b>Income from acquisition of subsidiary</b>	<u><b>1,282</b></u>

**EURASIAN DEVELOPMENT BANK**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

*(in thousands of US dollars)*

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**29 EVENTS AFTER THE REPORTING PERIOD (CONTINUED)**

On 23 August 2022, the Bank issued Russian rouble bonds (series 003P-002) listed on the Moscow Exchange for a total amount of 43,000 million Russian roubles with a maturity date on 21 February 2023. In accordance with the terms of the issuance, the Russian rouble bonds bear an interest rate fixed at 8.60% per annum.

In August 2022, a lending agreement for the total amount of 43,000 million Russian roubles was signed with the development institute of the Republic of Kazakhstan.