IBEC

INTERNATIONAL BANK
FOR ECONOMIC CO-OPERATION

International Bank for Economic Co-operation

Interim condensed financial statements

30 June 2026
(together with report on review)

Contents

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Report on review of the interim financial information

To the Council of
International Bank for Economic Co-operation

Introduction

We have reviewed the accompanying interim condensed financial statements of International Bank for Economic Co-operation, which comprise of the interim statement of financial position as at 30 June 2026, the interim statement of profit or loss and other comprehensive income for the six month period then ended, interim statement of changes in equity for the six-month period then ended, and interim statement of cash flows for the six-month period then ended, and explanatory notes (interim financial information).

Management of the Bank is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim 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 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.

NEW CHALLENGES
NEW SOLUTIONS

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

Afanasieva Maria Alekseevna,
acting on behalf of B1 – Audit Limited Liability Company
on the basis of power of attorney dated 19 January 2026,
partner in charge of engagement resulting in this independent report
(main registration number 21906101463)

19 August 2026

Details of the auditor

Name: B1 – Audit Limited Liability Company
Record made in the State Register of Legal Entities on 5 December 2002, State Registration Number 1027739707203.
Address: 75 Sadovnicheskaya Embarkment, Moscow, 115035, Russia.
B1 – Audit Limited Liability Company is a member of Self-regulatory organization of auditors Association "Sodruzhestvo".
B1 – Audit Limited Liability Company is included in the control copy of the register of auditors and audit organizations, main registration number 21906101463.

Details of the entity

Name: International Bank for Economic Co-operation
Acting under the Intergovernmental Agreement for the Organization and Activities of IBEC, registered with the Secretariat of the United Nations on 20 August 1964 and the Statutes of IBEC, registered with the Secretariat of the United Nations on 20 August 1964 № 7388.
Address: GSP-6, 11 Masha Poryvaeva Street, Moscow, 107996, Russia.

Interim statement of financial position

as at 30 June 2026

(EUR thousand)

	Note	30 June 2026 (unaudited)	2025
Assets			
Cash and cash equivalents	4	52,314	63,069
Securities at fair value through profit or loss	5	6,750	10,020
Securities at fair value through other comprehensive income	6	274,916	243,361
Due from banks and financial institutions	7	23,194	76,140
Securities at amortized cost	8	70,960	85,148
Loans to corporate customers	9	139,581	180,721
Derivative financial assets	10	5,790	4,530
Property and equipment, intangible assets and right-of-use assets	11	49,984	50,581
Other assets	12	2,038	1,272
Total assets		**625,527**	**714,842**
Liabilities			
Due to financial institutions	13	70,303	145,349
Due to customers	14	131,678	113,703
Derivative financial liabilities	10	3,246	2,846
Debt financial instruments issued	15	177,648	209,448
Other liabilities	12	9,815	9,271
Total liabilities		**392,690**	**480,617**
Equity			
Paid-in capital	16	199,082	199,674
Revaluation reserve for securities at fair value through other comprehensive income		(8,407)	(3,010)
Revaluation reserve for property and equipment		22,914	22,914
Retained earnings less net profit for the period		15,239	11,692
Net profit for the period		4,009	2,955
Total equity		**232,837**	**234,225**
Total liabilities and equity		**625,527**	**714,842**
Off-balance sheet commitments			
Credit-related commitments	17	139,438	128,398

Andrei Borniakov — Chairman of the Board

Inna Zheleznova — Director of the Financial Department

19 August 2026

Interim statement of profit or loss and other comprehensive income
for the six months ended 30 June 2026

(EUR thousand)

	Note	For the six months ended 30 June (unaudited) 2026	2025
Interest income calculated using the EIR method		39,905	34,517
Other interest income		474	35
Interest expense		(33,486)	(29,797)
Net interest income	18	**6,893**	**4,755**
Allowance for expected credit losses from financial assets	22	(1,360)	(3,919)
Net interest income after allowance for expected credit losses		**5,533**	**836**
Fee and commission income		3,797	1,229
Fee and commission expense		(1,160)	(362)
Net fee and commission income	19	**2,637**	**867**
Net gains from operations with securities at fair value through profit or loss		392	601
Net gains from operations with securities at fair value through other comprehensive income	20	779	3,083
Net losses from operations with securities at amortized cost	8	(1)	(3)
Net gains (losses) from operations with derivative financial instruments and foreign currency			
- *Dealing*	10	*(3,619)*	*(63)*
- *Revaluation of currency items*		*5,027*	*(1,580)*
Lease income		1,272	1,149
Other banking income		181	637
Administrative and management expenses	21	(8,092)	(6,724)
Net losses from disposal of property and equipment		(1)	–
Other provisions	23	(76)	(108)
Other banking expenses		(23)	(34)
Profit (loss) for the period		**4,009**	**(1,339)**

The accompanying notes 1-29 are an integral part of these interim condensed financial statements.

Interim statement of profit or loss and other comprehensive income

for the six months ended 30 June 2026 (continued)

(EUR thousand)

		For the six months ended 30 June (unaudited)	
	Note	***2026***	***2025***
Other comprehensive (loss) income			
Items that are or may be subsequently reclassified to profit or loss			
Unrealized (losses) gains from operations with securities at fair value through other comprehensive income		(3,997)	20,610
Realized (gains) from operations with securities at fair value through other comprehensive income, reclassified to profit or loss	20	(497)	(3,162)
Change in allowance for expected credit losses		(903)	592
Total items that are or may be subsequently reclassified to profit or loss		**(5,397)**	**18,040**
Total other comprehensive (loss) income		**(5,397)**	**18,040**
Total comprehensive (loss) income for the period		**(1,388)**	**16,701**

Interim statement of changes in equity

for the six months ended 30 June 2026

(EUR thousand)

	Paid-in capital	*Revaluation reserve for securities at fair value through other comprehensive income*	*Revaluation reserve for property and equipment*	*Retained earnings*	*Total equity*
1 January 2026	**199,674**	**(3,010)**	**22,914**	**14,647**	**234,225**
Net profit for the period	**–**	**–**	**–**	**4,009**	**4,009**
Other comprehensive (loss) income					
Items that are or may be subsequently reclassified to profit or loss					
Unrealized (losses) from operations with securities at fair value through other comprehensive income	–	(3,997)	–	–	**(3,997)**
Realized (gains) from operations with securities at fair value through other comprehensive income, reclassified to profit or loss	–	(497)	–	–	**(497)**
Change in allowance for expected credit losses	–	(903)	–	–	**(903)**
Total items that are or may be subsequently reclassified to profit or loss	**–**	**(5,397)**	**–**	**–**	**(5,397)**
Total other comprehensive (loss)	**–**	**(5,397)**	**–**	**–**	**(5,397)**
Total comprehensive (loss) income for the period	**–**	**(5,397)**	**–**	**4,009**	**(1,388)**
Payments to the withdrawn countries (Note 16)	(592)	–	–	592	**–**
Obligations to the withdrawn countries (Note 16)	–	–	–	–	**–**
30 June 2026 (unaudited)	**199,082**	**(8,407)**	**22,914**	**19,248**	**232,837**

Interim statement of changes in equity

for the six months ended 30 June 2026 (continued)

(EUR thousand)

	Paid-in capital	*Revaluation reserve for securities at fair value through other comprehensive income*	*Revaluation reserve for property and equipment*	*Retained earnings*	*Total equity*
1 January 2025	**199,923**	**(23,656)**	**22,914**	**13,030**	**212,211**
Net loss for the period	**–**	**–**	**–**	**(1,339)**	**(1,339)**
Other comprehensive income (loss)					
Items that are or may be subsequently reclassified to profit or loss					
Unrealized gains from operations with securities at fair value through other comprehensive income	–	20,610	–	–	**20,610**
Realized (gains) from operations with securities at fair value through other comprehensive income, reclassified to profit or loss	–	(3,162)	–	–	**(3,162)**
Change in allowance for expected credit losses	–	592	–	–	**592**
Total items that are or may be subsequently reclassified to profit or loss	**–**	**18,040**	**–**	**–**	**18,040**
Total other comprehensive income	**–**	**18,040**	**–**	**–**	**18,040**
Total comprehensive income (loss) for the period	**–**	**18,040**	**–**	**(1,339)**	**16,701**
Payments to the withdrawn countries (Note 16)	(249)	–	–	249	**–**
Obligations to the withdrawn countries (Note 16)	–	–	–	(1,587)	**(1,587)**
30 June 2025 (unaudited)	**199,674**	**(5,616)**	**22,914**	**10,353**	**227,325**

Interim statement of cash flows

for the six months ended 30 June 2026

(EUR thousand)

		For the six months ended 30 June (unaudited)	
	Note	***2026***	***2025***
Cash flows from operating activities			
Profit (loss) for the period		**4,009**	**(1,339)**
Adjustments for:			
Accrued interest receivable		1,494	2,731
Accrued interest payable		1,954	5,578
Other accrued income receivable		(163)	(43)
Other accrued expenses payable		279	507
Depreciation and amortization	21	683	643
Allowance for expected credit losses from financial assets	22	1,360	3,919
Other provisions	23	76	108
Remeasurement of securities at fair value through profit or loss		(300)	(601)
Revaluation of currency items		(5,027)	1,580
Net (gains) from operations with securities at fair value through other comprehensive income	20	(779)	(3,083)
Net gains from disposal of property and equipment		1	–
Cash from operating activities before changes in operating assets and liabilities		**3,587**	**10,000**
(Increase) decrease in operating assets			
Securities at fair value through profit or loss		(7,194)	1
Due from banks and financial institutions		52,565	7,310
Loans to corporate customers		44,749	(18,373)
Other assets		(793)	(1,944)
Increase (decrease) in operating liabilities			
Due to financial institutions		(77,537)	38,912
Due to customers		13,441	11,831
Other liabilities		566	3,932
Net cash from operating activities		**29,384**	**51,669**
Cash flows from investing activities			
Sales of securities at fair value through profit or loss		10,987	–
Purchases of securities at fair value through other comprehensive income		(151,724)	(103,902)
Sales of securities at fair value through other comprehensive income		124,513	85,054
Purchases of securities at amortized cost		(2,179)	(19,250)
Proceeds from redemption of securities at amortized cost		20,059	12,166
Purchases of property and equipment		(87)	(156)
Net cash from (used in) investing activities		**1,569**	**(26,088)**

The accompanying notes 1-29 are an integral part of these interim condensed financial statements.

Interim statement of cash flows

for the six months ended 30 June 2026 (continued)

(EUR thousand)

		For the six months ended 30 June (unaudited)	
	Note	***2026***	***2025***
Cash flows from financing activities			
Proceeds from debt financial instruments issued	15	4,305	–
Redemption of debt financial instruments issued	15	(48,349)	(601)
Long-term financing repaid to banks		(1,687)	(1,357)
Payments on obligations to the withdrawn countries		(592)	(249)
Net cash used in financing activities		**(46,323)**	**(2,207)**
Net (decrease) increase in cash and cash equivalents before translation differences		**(15,370)**	**23,374**
Effect of changes in exchange rates on cash and cash equivalents		4,615	214
Net (decrease) increase in cash and cash equivalents		**(10,755)**	**23,588**
Cash and cash equivalents at 31 December preceding the reporting period	4	63,069	17,176
Cash and cash equivalents at 30 June of the reporting period	4	**52,314**	**40,764**
Additional information			
Interest received		41,873	37,283
Interest paid		(31,532)	(24,219)

(EUR thousand)

1. Principal activities of the Bank

The International Bank for Economic Co-operation (hereinafter, "IBEC" or the "Bank") was established in 1963 and is headquartered in Moscow, the Russian Federation.

The Bank is an international financial institution established and operating under the Intergovernmental Agreement on the Organization and Activities of IBEC (registered with the United Nations Secretariat on 20 August 1964) (hereinafter, the "Agreement") and the Statutes of IBEC.

The Bank's mission is to develop international supply chains in accordance with the needs of member countries through providing a full set of tools to the corporate sector and financial institutes to support trade operations.

In accordance with the Statutes of IBEC, the Bank is authorized to conduct a full range of banking operations in line with the Bank's aims and objectives, including:

- Opening and maintaining customer accounts, receiving and placing customer funds in accounts with the Bank, handling documents and performing import and export payment and settlement operations, performing conversion, arbitrage, cash, guarantee, documentary and factoring operations, and providing banking consulting and other services
- Attracting deposits and loans, issuing securities
- Granting loans and bank guarantees, placing deposits and other borrowings, financing capital investments, discounting promissory notes, purchasing and selling securities, participating in the capital of banks, financial and other institutions
- Other banking operations

As at 30 June 2026, members of the Bank are the following three countries (hereinafter, the "member countries"): the Socialist Republic of Vietnam, Mongolia and the Russian Federation (31 December 2025: three member countries: the Socialist Republic of Vietnam, Mongolia and the Russian Federation).

In accordance with Article 20 of the Statutes of IBEC, each member country has one vote irrespective of its share in the Bank's capital (Note 16).

Owing to the supranational status of the Bank, the restrictive measures imposed on the Russian Federation by the Council of the European Union, the United Kingdom of Great Britain and Northern Ireland, the USA, Australia, Canada, Japan, the Swiss Confederation and other countries do not extend to IBEC's financial transactions in Russia and abroad.

Separate Decree No. 738 of the President of the Russian Federation dated 15 October 2022 confirmed the international status of the Bank and its full exemption from any effects of restrictive counter-sanctions.

In the first half of 2026, the following credit rating activities took place in respect of IBEC:

- Analytical Credit Rating Agency (ACRA) affirmed IBEC's credit rating on the international scale at 'A-' with a Stable outlook and its credit rating on the national scale at 'AAA(RU)' with a Stable outlook, and also affirmed the ratings of IBEC's series 001P-02 (RU000A101RJ7), 002P-03 (RU000A108Q03) and 002P-04 (RU000A10CC99) bonds at 'AAA(RU)'. According to ACRA, IBEC's credit rating is based on a satisfactory business profile, strong capital adequacy and an adequate assessment of funding and liquidity. The agency also notes the high quality of the Bank's assets with a low level of bad debt.
- China Chengxin International Credit Rating (CCXI), a Chinese credit rating agency, assigned IBEC's credit rating at 'AAA' with a Stable outlook. In its rating report, CCXI notes the strengths of IBEC's credit profile, including its significant strategic role, clear strategic positioning, high level of capitalization, prudent liquidity management, and a very low level of bad debt.

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(EUR thousand)

2. Basis of preparation of financial statements

These interim condensed financial statements for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Bank's annual financial statements as at 31 December 2025.

Certain notes are included to explain events and transactions that are significant to understanding the changes in the Bank's financial position and performance, which have occurred since the date of the last annual financial statements.

The Bank has no subsidiaries or associates; therefore, the interim condensed financial statements have been prepared on a standalone basis.

The euro is the functional and presentation currency of the Bank's interim condensed financial statements. All amounts in the interim condensed financial statements are rounded to the nearest thousand euro.

The interim condensed financial statements are prepared on a going concern basis. Based on this premise, the Bank's Management Board considers the current intentions, operational profitability and available financial resources.

The interim condensed financial statements have been prepared under the historical cost convention, except for securities at fair value through profit or loss, securities at fair value through other comprehensive income, derivative financial instruments at fair value and a building recorded at a revalued amount.

Significant accounting estimates and professional judgments

In preparing these interim condensed financial statements, management has made professional judgments, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any changes in estimates are recognized in the reporting period in which the estimates are revised, as well as in any future periods affected.

To the extent that information was available as at 30 June 2026, the Bank recorded revised estimates of expected future cash flows in its measurement of expected credit losses (Note 22) and fair value measurement of financial instruments (Note 25).

Key significant accounting estimates and judgments used in applying accounting policies, are disclosed in the financial statements for the year ended 31 December 2025. Management did not identify any areas where new accounting estimates or judgments could be applied.

Changes in accounting policies

The material accounting policies and calculation methods used in the preparation of these interim condensed financial statements are consistent with those used and described in the Bank's annual financial statements for the year ended 31 December 2025 in *Significant accounting policies*, except for the new standards below that have been applied since 1 January 2026. The nature and the effect of these changes are disclosed below. The Bank has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Bank adopted several amendments that have become effective since 1 January 2026, but they do not have any effect on its interim condensed financial statements.

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(EUR thousand)

3. Adoption of new or revised standards, interpretations and reclassifications

Below are the amendments that became effective as at 1 January 2026:

- Amendments to IFRS 7 and IFRS 9 – *Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to IFRS 9 and IFRS 7 – *Contracts Referencing Nature-dependent Electricity*
- *Annual Improvements to IFRS Accounting Standards – Volume 11:*
  - *Cost Method* (Amendments to IAS 7)
  - *Derecognition of Lease Liabilities* (Amendments to IFRS 9)
  - *Determination of a 'de facto agent'* (Amendments to IFRS 10)
  - *Disclosure of Deferred Difference between Fair Value and Transaction Price* (Amendments to *Guidance on Implementing IFRS 7*)
  - *Gain or Loss on Derecognition* (Amendments to IFRS 7)
  - *Hedge Accounting by a First-time Adopter* (Amendments to IFRS 1)
  - *Introduction* (Amendments to *Guidance on implementing IFRS 7*)
  - *Credit Risk Disclosures* (Amendments to *Guidance on implementing IFRS 7*)
  - *Transaction Price* (Amendments to IFRS 9)

4. Cash and cash equivalents

Cash and cash equivalents comprise:

	30 June 2026 (unaudited)	***31 December 2025***
Cash on hand	2,174	2,264
Correspondent accounts with banks in IBEC member countries	25,833	34,600
Correspondent accounts with banks in other countries	24,301	26,211
Correspondent accounts with international financial institutions	12	–
Total cash and cash equivalents	**52,320**	**63,075**
Allowance for expected credit losses	(6)	(6)
Cash and cash equivalents less allowance for expected credit losses	**52,314**	**63,069**

As at 30 June 2026, balances with three major groups of counterparties amounted to EUR 26,780 thousand, or 53.41% of the total cash and cash equivalents other than cash on hand, less allowance for expected credit losses (31 December 2025: balances with three major groups of counterparties amounted to EUR 42,057 thousand, or 69.17% of the total cash and cash equivalents other than cash on hand, less allowance for expected credit losses).

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(EUR thousand)

4. Cash and cash equivalents (continued)

The table below shows an analysis of cash and cash equivalents (other than cash on hand), broken down by external ratings assigned by international rating agencies and, where external ratings are not available, by internal credit ratings:

	30 June 2026 (unaudited)	***31 December 2025***
Due from central banks	***373***	***2,218***
Correspondent accounts with banks		
Internationally rated		
From AAA to A-	*–*	*1*
From BBB+ to BB-	*6,204*	*19,243*
From B+ to B-	*11,785*	*30,515*
Internally rated only		
From AAA to A-	*5,318*	*8*
From BBB+ to BB-	*7,659*	*3,125*
From B+ to B-	*18,093*	*5,683*
From CCC+ to C	*709*	*13*
Unrated	*5*	*5*
Cash and cash equivalents (other than cash on hand)	**50,146**	**60,811**
Allowance for expected credit losses	(6)	(6)
Cash and cash equivalents (other than cash on hand) less allowance for expected credit losses	**50,140**	**60,805**

For the credit quality and interest rate risk of cash and cash equivalents, please refer to Note 24.

5. Securities at fair value through profit or loss

Securities at fair value through profit or loss comprise:

	30 June 2026 (unaudited)	***31 December 2025***
Held by the Bank		
Internally rated only		
Corporate bonds	2,415	5,085
From BBB+ to BB-	*1,951*	*5,085*
From B+ to B-	*464*	*–*
	2,415	**5,085**
Pledged under repurchase agreements		
Internally rated only		
Bonds of IBEC member countries	4,335	4,056
From BBB+ to BB-	*4,335*	*4,056*
Corporate bonds	–	879
From BBB+ to BB-	*–*	*879*
	4,335	**4,935**
Securities at fair value through profit or loss	**6,750**	**10,020**

Securities at fair value through profit or loss include securities pledged as collateral under repurchase agreements. As at 30 June 2026, the fair value of securities pledged as collateral under repurchase agreements amounted to EUR 4,335 thousand (31 December 2025: EUR 4,935 thousand). Under the terms of the agreements, the counterparty is required to return the transferred securities when the agreement expires (Note 13).

For the interest rate risk of securities at fair value through profit or loss, please refer to Note 24.

(EUR thousand)

6. Securities at fair value through other comprehensive income

Securities at fair value through other comprehensive income comprise:

	30 June 2026 (unaudited)	***31 December 2025***
Held by the Bank		
Internationally rated		
Eurobonds of other countries	6,925	6,744
From BBB+ to BB-	*6,925*	*6,744*
Corporate Eurobonds	3,075	8,055
From BBB+ to BB-	*3,075*	*3,055*
From B+ to B-	–	*5,000*
Internally rated only		
Corporate bonds	180,782	95,935
From BBB+ to BB-	*125,034*	*76,699*
From B+ to B-	*47,470*	*19,236*
From CCC+ to C	*8,278*	–
Bonds of IBEC member countries	50,176	30,151
From BBB+ to BB-	*50,176*	*30,151*
Bonds of banks	8,030	9,623
From BBB+ to BB-	*2,638*	*4,428*
From CCC+ to C	*5,392*	*5,195*
Corporate Eurobonds	6,057	6,580
From BBB+ to BB-	*6,057*	*6,580*
Eurobonds of international financial institutions	–	1,983
From BBB+ to BB-	–	*1,983*
	255,045	**159,071**
Pledged under repurchase agreements		
Internally rated only		
Bonds of IBEC member countries	19,871	32,567
From BBB+ to BB-	*19,871*	*32,567*
Corporate bonds	–	51,723
From BBB+ to BB-	–	*35,955*
From B+ to B-	–	*15,768*
	19,871	**84,290**
Securities at fair value through other comprehensive income	**274,916**	**243,361**

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(EUR thousand)

6. Securities at fair value through other comprehensive income (continued)

An analysis of changes in the gross carrying amount and changes in the allowance for expected credit losses from securities at fair value through other comprehensive income is presented below:

Securities at fair value through other comprehensive income	*Stage 1*	*Stage 2*	*Total*
Gross carrying amount at 1 January 2026	**220,752**	**22,609**	**243,361**
New originated or purchased assets	167,910	1,059	**168,969**
Transfer to Stage 1	835	(835)	**–**
Transfer to Stage 2	(8,960)	8,960	**–**
Change in fair value	(4,258)	251	**(4,007)**
Assets derecognized or redeemed (excluding write-offs)	(127,948)	(13,486)	**(141,434)**
Changes in currency exchange rates	7,470	557	**8,027**
Gross carrying amount at 30 June 2026 (unaudited)	**255,801**	**19,115**	**274,916**
Allowance for expected credit losses at 1 January 2026	**1,397**	**4,663**	**6,060**
New originated or purchased assets	872	–	**872**
Transfer to Stage 1	27	(27)	**–**
Transfer to Stage 2	(127)	127	**–**
Assets derecognized or redeemed (excluding write-offs)	(486)	(1,554)	**(2,040)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(43)	196	**153**
Changes in currency exchange rates	47	65	**112**
Allowance for expected credit losses at 30 June 2026 (unaudited)	**1,687**	**3,470**	**5,157**
Gross carrying amount at 1 January 2025	**167,375**	**18,995**	**186,370**
New originated or purchased assets	116,121	1,188	**117,309**
Transfer to Stage 2	(8,502)	8,502	**–**
Change in fair value	19,788	1,602	**21,390**
Assets derecognized or redeemed (excluding write-offs)	(97,003)	(1,591)	**(98,594)**
Changes in currency exchange rates	12,109	461	**12,570**
Gross carrying amount at 30 June 2025 (unaudited)	**209,888**	**29,157**	**239,045**
Allowance for expected credit losses at 1 January 2025	**1,148**	**5,236**	**6,384**
New originated or purchased assets	703	–	**703**
Transfer to Stage 2	(96)	96	**–**
Assets derecognized or redeemed (excluding write-offs)	(826)	(8)	**(834)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	252	498	**750**
Changes in currency exchange rates	131	(158)	**(27)**
Allowance for expected credit losses at 30 June 2025 (unaudited)	**1,312**	**5,664**	**6,976**

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(EUR thousand)

6. Securities at fair value through other comprehensive income (continued)

Corporate bonds denominated in Russian rubles and euros (31 December 2025: Russian rubles, euros and Chinese yuan) were issued by financial institutions and major companies of IBEC member countries for circulation in the domestic markets of the issuing countries and for trading on stock exchanges. Corporate bonds mature from August 2026 to May 2036 (31 December 2025: from February 2026 to December 2035), with coupon rates ranging from 1.85% to 22.25% p.a. (31 December 2025: from 1.85% to 26% p.a.).

Bonds of IBEC member countries are issued in Russian rubles and euros (31 December 2025: Russian rubles and euros) for circulation in the domestic markets and on the stock exchanges of the issuing countries, as well as for trading over the counter. These bonds mature from November 2027 to May 2041 (31 December 2025: from November 2027 to May 2041), with coupon rates ranging from 1.125% to 12.25% p.a. (31 December 2025: from 1.125% to 11.25% p.a.).

Bonds of banks are debt securities denominated in US dollars and Russian rubles (31 December 2025: US dollars and Russian rubles) and are intended for circulation in the domestic markets of the issuer's country. These bonds mature from September 2026 to August 2029 (31 December 2025: from September 2026 to August 2029), with coupon rates ranging from 3.875% to 17.61% p.a. (31 December 2025: from 3.875% to 19.25% p.a.).

Corporate Eurobonds are debt securities denominated in euros and US dollars (31 December 2025: euros and US dollars), issued by financial institutions and major companies of IBEC member countries and other countries for circulation in markets outside the issuer's country and for trading on stock exchanges. Corporate Eurobonds mature from February 2027 to January 2030 (31 December 2025: from February 2026 to January 2030), with coupon rates ranging from 1.5% to 2.95% p.a. (31 December 2025: from 1.5% to 5.15% p.a.).

Eurobonds of other countries are denominated in euros (31 December 2025: euros) and are traded on stock exchanges outside the issuing country. Eurobonds mature from December 2040 to September 2050 (31 December 2025: from December 2040 to September 2050), with coupon rates ranging from 1.375% to 2.625% p.a. (31 December 2025: from 1.375% to 2.625% p.a.).

Eurobonds of international financial institutions are traded on stock exchanges outside the issuing country. As at 30 June 2026, the Bank has no Eurobonds of international financial institutions (31 December 2025: denominated in euros, mature in March 2026 and bear a coupon rate of 1% p.a.).

Securities at fair value through other comprehensive income include securities pledged under repurchase agreements. As at 30 June 2026, their fair value amounted to EUR 19,871 thousand (31 December 2025: the fair value of securities pledged as collateral under repurchase agreements amounted to EUR 84,290 thousand). Under the terms of the agreements, the counterparty is required to return the transferred securities when the agreement expires (Note 13).

As at 30 June 2026, securities at fair value through other comprehensive income in the amount equivalent to EUR 6,057 thousand (31 December 2025: EUR 8,563 thousand) are restricted from use due to sanctions imposed on the depositories having custody of IBEC's securities. The Bank is taking all necessary steps to lift the restrictions on the use of these assets taking into account potential scenarios for each security individually. Accordingly, Bank has recognized an allowance for these securities in the amount of EUR 3,028 thousand (31 December 2025: EUR 4,282 thousand).

For the credit quality and interest rate risk of securities at fair value through other comprehensive income, please refer to Note 24.

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(EUR thousand)

7. Due from banks and financial institutions

Amounts due from banks and financial institutions comprise:

	30 June 2026 (unaudited)	*31 December 2025*
Loans issued to banks under trade financing	19,839	38,761
- To banks in IBEC member countries	*15,287*	*27,349*
- To banks in other countries	*4,552*	*11,412*
Due from financial institutions in member countries	3,404	3,817
Restricted cash	2,628	2,649
Short-term deposits with banks in member countries	–	19,010
Short-term deposits with financial institutions in member countries	–	9,706
Short-term deposits with banks in other countries	–	5,001
Total due from banks and financial institutions	**25,871**	**78,944**
Allowance for expected credit losses	(2,677)	(2,804)
Due from banks and financial institutions less allowance for expected credit losses	**23,194**	**76,140**

Restricted cash represents cash balances with the Bank's depository partners, which are restricted for use by foreign depositories. As at 30 June 2026, the Bank recognized an allowance of EUR 2,628 thousand for the entire amount of restricted cash (31 December 2025: EUR 2,649 thousand).

As at 30 June 2026, balances with three major counterparties amounted to EUR 17,731 thousand, or 76.45% of the total amount due from banks and financial institutions (31 December 2025: EUR 40,359 thousand or 53.01% of the total amount due from banks and financial institutions).

The table below shows an analysis of amounts due from banks and financial institutions, broken down by external ratings assigned by international rating agencies and, where external ratings are not available, by internal credit ratings:

	30 June 2026 (unaudited)	*31 December 2025*
Internationally rated		
From AAA to A-	*1,398*	*1,420*
From BBB+ to BB-	*4,552*	*8,221*
From B+ to B-	*15,287*	*28,700*
Internally rated only		
From BBB+ to BB-	*113*	*13,415*
From B+ to B-	*4,519*	*8,178*
From CCC+ to C	*2*	*19,010*
Total due from banks and financial institutions	**25,871**	**78,944**
Allowance for expected credit losses	(2,677)	(2,804)
Due from banks and financial institutions less allowance for expected credit losses	**23,194**	**76,140**

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(EUR thousand)

7. Due from banks and financial institutions (continued)

An analysis of changes in the gross carrying amount and changes in the allowance for expected credit losses from amounts due from banks and financial institutions is presented below:

Due from banks and financial institutions	***Stage 1***	***Stage 3***	***Total***
Gross carrying amount at 1 January 2026	**76,295**	**2,649**	**78,944**
New originated or purchased assets	177,520	115	**177,635**
Assets derecognized or redeemed (excluding write-offs)	(232,322)	(151)	**(232,473)**
Changes in currency exchange rates	1,750	15	**1,765**
Gross carrying amount at 30 June 2026 (unaudited)	**23,243**	**2,628**	**25,871**
Allowance for expected credit losses at 1 January 2026	**155**	**2,649**	**2,804**
New originated or purchased assets	163	60	**223**
Assets derecognized or redeemed (excluding write-offs)	(107)	(96)	**(203)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(165)	–	**(165)**
Changes in currency exchange rates	3	15	**18**
Allowance for expected credit losses at 30 June 2026 (unaudited)	**49**	**2,628**	**2,677**
Gross carrying amount at 1 January 2025	**46,013**	**2,919**	**48,932**
New originated or purchased assets	149,652	–	**149,652**
Assets derecognized or redeemed (excluding write-offs)	(159,242)	(201)	**(159,443)**
Changes in currency exchange rates	(1,048)	(40)	**(1,088)**
Gross carrying amount at 30 June 2025 (unaudited)	**35,375**	**2,678**	**38,053**
Allowance for expected credit losses at 1 January 2025	**271**	**2,919**	**3,190**
New originated or purchased assets	104	–	**104**
Assets derecognized or redeemed (excluding write-offs)	(100)	(201)	**(301)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(51)	–	**(51)**
Changes in currency exchange rates	(16)	(40)	**(56)**
Allowance for expected credit losses at 30 June 2025 (unaudited)	**208**	**2,678**	**2,886**

For the credit quality and interest rate risk of amounts due from banks and financial institutions, please refer to Note 24.

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(EUR thousand)

8. Securities at amortized cost

Securities at amortized cost comprise:

	30 June 2026 (unaudited)	***31 December 2025***
Held by the Bank		
Internally rated only		
Corporate bonds	62,484	51,663
From BBB+ to BB-	*55,458*	*45,815*
From B+ to B-	*6,056*	*5,848*
From CCC+ to C	*970*	*–*
Corporate Eurobonds	11,625	11,498
From B+ to B-	*11,625*	*11,498*
Digital rights	–	9,833
From B+ to B-	–	*9,833*
	74,109	**72,994**
Pledged under repurchase agreements		
Internally rated only		
Corporate bonds	–	15,346
From BBB+ to BB-	–	*15,346*
	–	**15,346**
Total securities at amortized cost	**74,109**	**88,340**
Allowance for expected credit losses	(3,149)	(3,192)
Securities at amortized cost less allowance for expected credit losses	**70,960**	**85,148**

Corporate Eurobonds and bonds are debt securities issued in euros and Russian rubles (31 December 2025: euros and Russian rubles) by financial institutions and major companies in IBEC member countries (31 December 2025: financial institutions and major companies of IBEC member countries) for circulation in both domestic and foreign markets relative to the issuer and for trading over the counter and on stock exchanges. Corporate Eurobonds mature in May 2027 (31 December 2025: May 2027) and bear a coupon rate of 2.2% p.a. (31 December 2025: 2.2% p.a.). Corporate bonds mature from August 2026 to July 2035 (31 December 2025: from February 2026 to July 2035), with coupon rates ranging from 13.5% to 25.25% p.a. (31 December 2025: from 12.4% to 25.5% p.a.).

Digital rights are rights to collect an amount equal to the nominal value and interest from an issuer at their maturity. As at 30 June 2026, the Bank has no digital rights (31 December 2025: digital rights were issued in Russian rubles with maturities in May 2026 and a coupon rate of 19% p.a.).

As at 30 June 2026, securities at amortized cost in the amount equivalent to EUR 5,012 thousand (31 December 2025: EUR 5,067 thousand) are restricted from use due to sanctions imposed on the depositories having custody of IBEC's securities. The Bank is taking all necessary steps to lift the restrictions on the use of these assets taking into account potential scenarios for each security individually. Accordingly, Bank has recognized an allowance for these securities in the amount of EUR 2,506 thousand (31 December 2025: EUR 2,534 thousand).

During the six months ended 30 June 2026 and six months ended 30 June 2025, the Bank sold no securities at amortized cost.

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(EUR thousand)

8. Securities at amortized cost (continued)

An analysis of changes in the gross carrying amount and changes in the allowance for expected credit losses from securities at amortized cost is presented below:

Securities at amortized cost	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Gross carrying amount at 1 January 2026	**77,725**	**10,505**	**110**	**88,340**
New originated or purchased assets	8,793	906	–	**9,699**
Transfer to Stage 2	(3,101)	3,101	–	**–**
Assets derecognized or redeemed (excluding write-offs)	(23,048)	(4,601)	–	**(27,649)**
Changes in currency exchange rates	3,135	584	–	**3,719**
Gross carrying amount at 30 June 2026 (unaudited)	**63,504**	**10,495**	**110**	**74,109**
Allowance for expected credit losses at 1 January 2026	**514**	**2,568**	**110**	**3,192**
New originated or purchased assets	44	–	–	**44**
Transfer to Stage 2	(75)	75	–	**–**
Assets derecognized or redeemed (excluding write-offs)	(72)	(3)	–	**(75)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(111)	81	–	**(30)**
Changes in currency exchange rates	9	9	–	**18**
Allowance for expected credit losses at 30 June 2026 (unaudited)	**309**	**2,730**	**110**	**3,149**
Gross carrying amount at 1 January 2025	**31,876**	**9,050**	**110**	**41,036**
New originated or purchased assets	23,994	195	–	**24,189**
Assets derecognized or redeemed (excluding write-offs)	(13,158)	(3,884)	–	**(17,042)**
Changes in currency exchange rates	5,161	(349)	–	**4,812**
Gross carrying amount at 30 June 2025 (unaudited)	**47,873**	**5,012**	**110**	**52,995**
Allowance for expected credit losses at 1 January 2025	**182**	**4,524**	**110**	**4,816**
New originated or purchased assets	176	–	–	**176**
Assets derecognized or redeemed (excluding write-offs)	(23)	(1,773)	–	**(1,796)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	50	(67)	–	**(17)**
Changes in currency exchange rates	28	(178)	–	**(150)**
Allowance for expected credit losses at 30 June 2025 (unaudited)	**413**	**2,506**	**110**	**3,029**

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(EUR thousand)

8. Securities at amortized cost (continued)

The Bank invests in debt securities issued by companies from the countries that were members of the Bank at the time of investment, acquired through the issuers' initial offerings. Such investments are classified as part of the Bank's credit and investment activities. This reflects the Bank's role in financing socially significant infrastructure projects in the countries that were members of the Bank at the time of investment, as well as supporting the development of small and medium-sized businesses. The table below shows these securities within the credit and investment portfolio.

	30 June 2026 (unaudited)	***31 December 2025***
Credit investment portfolio of securities	64,554	78,932
Securities purchased on capital markets	6,406	6,216
Securities at amortized cost	**70,960**	**85,148**

For the credit quality and interest rate risk of securities at amortized cost, please refer to Note 24.

9. Loans to corporate customers

Loans to corporate customers comprise:

	30 June 2026 (unaudited)	***31 December 2025***
Loans issued to legal entities from IBEC member countries	112,906	127,316
Loans for foreign trade purposes issued to legal entities from IBEC member countries	29,514	55,756
Loans issued to legal entities from other countries	7,497	7,339
Loans for foreign trade purposes issued to legal entities from other countries	521	521
Total loans to corporate customers	**150,438**	**190,932**
Allowance for expected credit losses	(10,857)	(10,211)
Loans to corporate customers less allowance for expected credit losses	**139,581**	**180,721**

Other countries refer to countries whose counterparties conduct business in dealings with the Bank's member countries or countries withdrawn from the Agreement on the Organization and Activities of IBEC in 2023.

Loans are issued to corporate customers operating in the following industry sectors:

	30 June 2026 (unaudited)		***31 December 2025***	
	Amount	***%***	***Amount***	***%***
Transport	31,629	22.66	33,710	18.65
Chemicals	30,361	21.75	29,705	16.44
Pharmaceuticals	27,191	19.48	39,231	21.71
Financial services	22,480	16.11	22,051	12.20
Investment – leasing	17,128	12.27	20,611	11.41
Logistics	10,792	7.73	11,120	6.15
Machine building	–	–	24,293	13.44
Total loans to corporate customers	**139,581**	**100**	**180,721**	**100**

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(EUR thousand)

9. Loans to corporate customers (continued)

As at 30 June 2026, balances with three major counterparties of the Bank accounted for EUR 80,743 thousand, or 57.85% of the Bank's total corporate loan portfolio less allowance for expected credit losses (31 December 2025: EUR 83,697 thousand, or 46.31% of the Bank's total corporate loan portfolio less allowance for expected credit losses).

Loans are issued to customers operating in the following countries:

	30 June 2026 (unaudited)	***31 December 2025***
Russian Federation	97,160	135,891
Mongolia	29,216	31,126
Socialist Republic of Vietnam	9,478	9,692
Republic of Poland	3,727	4,012
Total loans to corporate customers	**139,581**	**180,721**

The table below shows an analysis of loans to corporate customers, broken down by external ratings assigned by international rating agencies and, where external ratings are not available, by internal credit ratings:

	30 June 2026 (unaudited)	***31 December 2025***
Internally rated only		
From BBB+ to BB-	*45,038*	*85,421*
From B+ to B-	*89,520*	*60,353*
From CCC+ to C	*15,880*	*45,158*
Total loans to corporate customers	**150,438**	**190,932**
Allowance for expected credit losses	(10,857)	(10,211)
Loans to corporate customers less allowance for expected credit losses	**139,581**	**180,721**

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(EUR thousand)

9. Loans to corporate customers (continued)

An analysis of changes in the gross carrying amount and changes in the allowance for expected credit losses from loans to corporate customers is presented below:

Loans to corporate customers	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Gross carrying amount at 1 January 2026	**167,953**	**15,119**	**7,860**	**190,932**
New originated or purchased assets	113,173	240	298	**113,711**
Assets derecognized or redeemed (excluding write-offs)	(159,747)	–	(140)	**(159,887)**
Changes in currency exchange rates	5,682	–	–	**5,682**
Gross carrying amount at 30 June 2026 (unaudited)	**127,061**	**15,359**	**8,018**	**150,438**
Allowance for expected credit losses at 1 January 2026	**936**	**5,427**	**3,848**	**10,211**
New originated or purchased assets	733	93	68	**894**
Assets derecognized or redeemed (excluding write-offs)	(371)	–	(17)	**(388)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(645)	361	392	**108**
Changes in currency exchange rates	32	–	–	**32**
Allowance for expected credit losses at 30 June 2026 (unaudited)	**685**	**5,881**	**4,291**	**10,857**
Gross carrying amount at 1 January 2025	**123,446**	**25,442**	**521**	**149,409**
New originated or purchased assets	141,189	182	117	**141,488**
Transfer to Stage 3	–	(7,444)	7,444	**–**
Assets derecognized or redeemed (excluding write-offs)	(122,287)	(3,251)	(186)	**(125,724)**
Changes in currency exchange rates	10,432	–	–	**10,432**
Gross carrying amount at 30 June 2025 (unaudited)	**152,780**	**14,929**	**7,896**	**175,605**
Allowance for expected credit losses at 1 January 2025	**1,363**	**4,396**	**521**	**6,280**
New originated or purchased assets	825	420	1,017	**2,262**
Transfer to Stage 3	–	(714)	714	**–**
Assets derecognized or redeemed (excluding write-offs)	(366)	(185)	(464)	**(1,015)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(771)	(161)	2,390	**1,458**
Changes in currency exchange rates	131	–	–	**131**
Allowance for expected credit losses at 30 June 2025 (unaudited)	**1,182**	**3,756**	**4,178**	**9,116**

During the six months ended 30 June 2026 and six months ended 30 June 2025, the Bank assigned no loans to corporate customers.

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(EUR thousand)

9. Loans to corporate customers (continued)

Collateral and other credit enhancements

In accordance with its internal rules and procedures, the Bank accepts the following types of collateral from its borrowers:

- Guarantees from governments and regional authorities of IBEC member countries
- Bank guarantees
- Third-party guarantees
- Commercial real estate
- Liquid industrial equipment that is widely used, as well as and equipment that may be unique in exceptional circumstances
- Government securities and highly liquid corporate securities

When the Bank provides loans, the value of assets obtained as collateral must exceed the amount of the loan, accrued interest and any other payments due to the Bank over the entire term of the loan, as required by international law, the legislation of the Bank's jurisdiction, business customs, or the terms of the relevant contract or agreement.

The main types of collateral held for loans to corporate customers are as follows:

- Real estate mortgages
- Third-party guarantees
- Property rights

The Bank monitors the fair value of collateral and requests additional collateral when necessary in accordance with the underlying agreement.

Collateral held for loans to corporate customers comprises:

	30 June 2026 (unaudited)	***31 December 2025***
Loans secured by guarantees and sureties of third parties	97,013	133,031
Loans secured by pledge of (movable) property and property rights	42,568	47,690
Total loans to corporate customers	**139,581**	**180,721**

The information above reflects the net carrying amount of loans to corporate customers, which has been allocated based on the liquidity of the assets accepted as collateral.

During the six months ended 30 June 2026, the Bank did not modify loan terms for its corporate borrowers due to the geopolitical crisis that began in February 2022 (2025: modified the loan terms for one borrower). The impact of this modification is considered immaterial.

For the quality analysis and interest rate risk of loans to corporate customers, please refer to Note 24.

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(EUR thousand)

10. Derivative financial instruments

The Bank enters into derivative financial instruments for trading purposes. The fair values of claims and liabilities under foreign exchange and interest rate contracts as at the end of the reporting period by currency is presented in the table below. The table also shows the fair values of derivative financial instruments recognized in the interim statement of financial position as derivative financial assets or derivative financial liabilities. The table includes contracts with settlement dates after the end of the respective reporting period and reflects gross positions before the netting of any counterparty positions (and payments). A significant portion of the transactions is represented by short-term transactions.

	30 June 2026 (unaudited)			
	Notional amount		***Fair value***	
	Purchase (claim)	***Sale (liability)***	***Assets***	***Liabilities***
Foreign exchange swaps:				
- EUR / USD	8,153	8,417	–	264
- EUR / other currencies	43,601	44,639	–	1,038
- EUR / RUB	42,000	41,729	271	–
- RUB / other currencies	29,171	28,242	949	20
- RUB / USD	9,494	8,731	763	–
Interest rate swaps:				
- RUB / RUB	80,498	76,711	3,807	20
Interest rate swaps used as hedging instruments:				
- RUB / RUB	65,782	67,686	–	1,904
Net fair value of foreign exchange, interest rate swaps			**5,790**	**3,246**

	31 December 2025			
	Notional amount		***Fair value***	
	Purchase (claim)	***Sale (liability)***	***Assets***	***Liabilities***
Foreign exchange swaps:				
- EUR / USD	8,493	8,516	–	23
- EUR / other currencies	25,833	25,900	–	67
- EUR / RUB	19,987	19,587	400	–
- RUB / other currencies	12,054	12,154	–	100
- RUB / USD	17,537	16,927	610	–
Interest rate swaps:				
- RUB / RUB	30,665	27,145	3,520	–
- RUB / RUB	43,276	43,432	–	156
Interest rate swaps used as hedging instruments:				
- RUB / RUB	62,648	65,148	–	2,500
Net fair value of foreign exchange, interest rate swaps			**4,530**	**2,846**

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(EUR thousand)

10. Derivative financial instruments (continued)

Foreign exchange and interest rate derivative financial instruments entered into by the Bank are generally traded over the counter with professional market participants under standardized contracts. Derivative financial instruments may have either potentially favorable terms (and be recognized as assets) or potentially unfavorable terms (and be recognized as liabilities) as a result of fluctuations in market interest rates, foreign exchange rates or other variables related to these instruments. The aggregate fair value of derivative financial instruments may vary significantly over time.

As at 30 June 2026, net gains (losses) from operations with derivative financial instruments and foreign currency recorded in the interim statement of profit or loss and other comprehensive income include, among other items, trading in derivative financial instruments amounting to EUR (3,735) thousand (30 June 2025: EUR (1,417) thousand) and trading in foreign currencies amounting to EUR 1,074 thousand (30 June 2025: EUR 1,354 thousand).

Fair value hedges

As part of its risk management, the Bank identified a number of risk categories with the respective hedging strategies using derivative financial instruments. Using fair value hedge accounting allows the Bank to reduce fluctuations in the fair value of fixed rate financial assets, as if they were financial instruments with floating interest rates that depend on the respective base rates. For hedge accounting purposes, the Bank defines hedged risk as exposure to changes in the fair value of a recognized financial asset, liability or unrecognized firm commitment, or a specified portion of such financial assets, liabilities or firm commitments, that is attributable to particular risk and could affect profit or loss.

In 2025, an effective fair value hedge interconnection was established qualifying for fair value hedges for a hedged item. Below is information on a hedging instrument and hedged item as at 30 June 2026 (30 June 2025: there was no interconnection between hedging and fair value):

		30 June 2026 (unaudited)		*For the six months ended 30 June 2026 (unaudited)*	
		Carrying amount		*Income (expense)*	
Hedged item	***Hedging instrument***	***Hedged item***	***Hedging instrument***	***Hedged item***	***Hedging instrument***
Bonds issued	Interest rate swap	66,723	(1,904)	(197)	(362)

The effect in net gains (losses) from operations with derivative financial instruments and foreign currency on the interim statement of profit or loss and other comprehensive income is presented in the table below:

	For the six months ended 30 June (unaudited)	
Fair value hedges	***2026***	***2025***
Net gains (losses) from operations with derivative financial instruments		
- Effective portion of changes in the fair value of interest rate swaps	*(197)*	–
- Revaluation of the fair value of interest rate swaps recognized in profit or loss	*596*	–
- Dealing	(958)	–
Total	**(559)**	**–**

The hedge ratio is set at 1:1 and determined as the nominal value of principal of a hedged item divided by the nominal value of a hedging instrument. A hedging instrument is assumed to be fully used for hedging purposes throughout the entire life of a hedging relationship.

Throughout the entire life of a hedging relationship, an expected source of ineffectiveness may arise from mismatches in timing and amounts of cash flows included in calculation of the fair value of the hedging instrument and the hedged item.

As at 30 June 2026, the ineffective portion of hedging that arose under the hedging instrument and was recognized in profit or loss as net gains (losses) from operations with derivative financial instruments and foreign currency amounted to EUR (1,302) thousand (30 June 2025: there was no interconnection between hedging and fair value).

(EUR thousand)

11. Property and equipment, intangible assets and right-of-use assets

Movements in property and equipment for the six months ended 30 June 2026 were as follows:

30 June 2026 (unaudited)	*Note*	*Building*	*Office equipment and computer hardware*	*Furniture*	*Transport*	*Intangible assets and investments in intangible assets*	*Total*
Cost							
Balance at 1 January 2026		**75,995**	**1,776**	**697**	**510**	**3,358**	**82,336**
Additions		39	48	–	–	–	**87**
Disposals		–	(29)	(120)	–	–	**(149)**
Revaluation		–	–	–	–	–	**–**
Balance at 30 June 2026 (unaudited)		**76,034**	**1,795**	**577**	**510**	**3,358**	**82,274**
Accumulated depreciation							
Balance at 1 January 2026		**28,911**	**1,568**	**293**	**510**	**473**	**31,755**
Depreciation charges for the reporting period	22	529	48	17	–	89	**683**
Disposals		–	(28)	(120)	–	–	**(148)**
Revaluation		–	–	–	–	–	**–**
Balance at 30 June 2026 (unaudited)		**29,440**	**1,588**	**190**	**510**	**562**	**32,290**
Net book value							
Net book value at 1 January 2026		**47,084**	**208**	**404**	**–**	**2,885**	**50,581**
Net book value at 30 June 2026 (unaudited)		**46,594**	**207**	**387**	**–**	**2,796**	**49,984**

Movements in property and equipment for the six months ended 30 June 2025 were as follows:

30 June 2025 (unaudited)	*Note*	*Building*	*Office equipment and computer hardware*	*Furniture*	*Transport*	*Intangible assets and investments in intangible assets*	*Total*
Cost							
Balance at 1 January 2025		**75,936**	**1,665**	**392**	**510**	**2,976**	**81,479**
Additions		44	60	3	–	49	**156**
Disposals		–	–	–	–	–	**–**
Balance at 30 June 2025 (unaudited)		**75,980**	**1,725**	**395**	**510**	**3,025**	**81,635**
Accumulated depreciation							
Balance at 1 January 2025		**27,863**	**1,503**	**287**	**510**	**302**	**30,465**
Depreciation charges for the reporting period	21	520	39	2	–	82	**643**
Disposals		–	–	–	–	–	**–**
Balance at 30 June 2025 (unaudited)		**28,383**	**1,542**	**289**	**510**	**384**	**31,108**
Net book value							
Net book value at 1 January 2025		**48,073**	**162**	**105**	**–**	**2,674**	**51,014**
Net book value at 30 June 2025 (unaudited)		**47,597**	**183**	**106**	**–**	**2,641**	**50,527**

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(EUR thousand)

11. Property and equipment, intangible assets and right-of-use assets (continued)

If the building were measured using the cost model, the carrying amounts would be as follows:

	30 June 2026 (unaudited)	*31 December 2025*
Cost	**49,027**	**48,988**
Accumulated depreciation	(19,082)	(18,717)
Net book value	**29,945**	**30,271**

Revaluation of assets

In 2025 and for the six months ended 30 June 2026, the Bank engaged no independent appraiser to determine the fair value of the building. Management of the Bank performed an analysis and concluded that there were no significant changes in the real estate market and in the building condition in 2025 and for the six months ended 30 June 2026.

The fair value of the building is classified within Level 3 of the fair value hierarchy.

Part of the building is leased to third parties; however, the building is primarily intended for Bank's operational needs. The Bank classifies the building as an item of property and equipment because it cannot physically separate the leased premises and the leased area is insignificant.

The Bank expects to receive lease payments under operating leases after 30 June 2026 as follows: EUR 260 thousand within 30 days; EUR 1,021 thousand from 31 to 180 days, EUR 415 thousand from 181 days to one year, and EUR 95 thousand in more than one year.

12. Other assets and liabilities

Other assets comprise:

	Note	*30 June 2026 (unaudited)*	*31 December 2025*
Financial assets			
Settlements on securities		18,327	15,852
Receivables from financial and operational transactions		1,289	1,007
Consumer lending		366	313
Bank fees receivable from customers		5	4
Other		434	–
Allowance for expected credit losses from financial assets	23	(18,482)	(15,991)
Total financial assets less allowance for expected credit losses		**1,939**	**1,185**
Non-financial assets			
Inventories		99	87
Total non-financial assets		**99**	**87**
Total other assets		**2,038**	**1,272**

As at 30 June 2026, IBEC did not receive cash from redemption of a number of securities and paid coupon income totaling EUR 18,327 thousand, partly due to sanctions imposed on the depositories having custody of IBEC's securities (31 December 2025: EUR 15,852 thousand). As at 30 June 2026, the Bank made an allowance in the amount of EUR 18,327 thousand (31 December 2025: EUR 15,852 thousand).

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(EUR thousand)

12. Other assets and liabilities (continued)

Other liabilities comprise:

	Note	*30 June 2026 (unaudited)*	*31 December 2025*
Financial liabilities			
Obligations to the withdrawn countries	16	3,985	4,017
Advances received		2,883	1,087
Social security obligations		1,119	1,130
Settlements under financial and operational transactions		544	1,854
Other		319	–
Total financial liabilities		**8,850**	**8,088**
Non-financial liabilities			
Provision for unused vacation	23	500	516
Allowance for expected credit losses from credit-related commitments	17, 22	465	667
Total non-financial liabilities		**965**	**1,183**
Total other liabilities		**9,815**	**9,271**

13. Due to financial institutions

Amounts due to financial institutions comprise:

	30 June 2026 (unaudited)	*31 December 2025*
Long-term related financing from banks in IBEC member countries	26,940	28,663
Repurchase agreements	22,562	69,122
Deposits from banks in other countries	7,896	–
Deposits from banks in IBEC member countries	5,658	16,450
Correspondent accounts of banks in IBEC member countries	3,917	29,072
Correspondent accounts of banks in other countries	2,572	1,946
Correspondent accounts of international financial institutions	758	96
Due to financial institutions	**70,303**	**145,349**

As at 30 June 2026, balances due to three major counterparties amounted to EUR 57,402 thousand, or 81.65% of the total amount due to financial institutions (31 December 2025: EUR 89,789 thousand due to three major counterparties, or 61.77% of the total amount due to financial institutions).

As at 30 June 2026, the Bank entered into repurchase agreements with financial institutions in IBEC member countries, with securities pledged having a fair value, excluding allowances for expected credit losses, of EUR 24,206 thousand (31 December 2025: EUR 104,570 thousand) (Notes 5 and 6).

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(EUR thousand)

13. Due to financial institutions (continued)

Transferred financial assets not derecognized

The following table provides a summary of financial assets that were transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition:

	Note	*30 June 2026 (unaudited)*	*31 December 2025*
Carrying amount of transferred assets – securities at fair value through profit or loss	5	4,335	4,935
Carrying amount of transferred assets – securities at fair value through other comprehensive income	6	19,871	84,290
Carrying amount of transferred assets – securities at amortized cost	8	–	15,307
Carrying amount of associated liabilities – due to financial institutions		(22,562)	(69,122)

The Bank transfers securities under repurchase agreements to a third party for cash or other financial assets and does not derecognize them. In certain circumstances, when the value of the securities increases, the Bank may demand additional financing. If the value of the securities decreases, the Bank may be required to provide additional collateral in the form of securities or partially repay the cash received. The Bank has determined that it retains substantially all the risks and rewards of these securities – including credit risk, market risk, country risk and operational risk – and therefore has not derecognized them. In addition, the Bank recognized a financial liability for the cash received.

14. Due to customers

Amounts due to customers comprise:

	30 June 2026 (unaudited)	*31 December 2025*
Deposits of international organizations	104,968	84,618
Current accounts of organizations in IBEC member countries	13,035	15,877
Deposits of organizations in IBEC member countries	11,193	6,453
Current accounts of organizations in other countries	106	954
Deposits of organizations in other countries	–	3,404
Amounts due to the Fund	–	101
Other current accounts	2,376	2,296
Due to customers	**131,678**	**113,703**

As at 30 June 2026, balances due to three major customers of the Bank amounted to EUR 119,727 thousand, or 90.92% of the total amounts due to customers (31 December 2025: EUR 98,988 thousand, or 87.06% of the total amounts due to customers).

Amounts due to the Fund represent the amounts due to the International Fund for Technological Development held in a fiduciary capacity at the end of the reporting period.

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(EUR thousand)

14. Due to customers (continued)

An analysis of amounts due to customers, excluding other current accounts and amounts due to the Fund, by industry sector is as follows:

	30 June 2026 (unaudited)		***31 December 2025***	
	Amount	***%***	***Amount***	***%***
Insurance	116,213	89.88	90,704	81.49
Construction and development	9,394	7.27	9,866	8.86
Manufacturing	1,608	1.24	120	0.11
Trade	784	0.61	543	0.49
Transport	537	0.41	4,582	4.12
Investment – leasing	509	0.39	445	0.40
Pharmaceuticals	91	0.06	143	0.13
Financial services	48	0.04	79	0.07
Tourism	22	0.02	–	–
Power	18	0.01	17	0.02
Chemicals	8	0.01	131	0.12
Investment	6	0.01	6	0.01
Metals	–	–	4,256	3.82
Factoring	–	–	10	0.01
Other	64	0.05	404	0.35
Total due to customers	**129,302**	**100**	**111,306**	**100**

15. Debt financial instruments issued

Debt financial instruments issued comprise:

	30 June 2026 (unaudited)	***31 December 2025***
RUB-denominated bonds	165,269	198,459
Digital rights	12,379	10,989
Debt financial instruments issued	**177,648**	**209,448**

On 25 February 2026, IBEC issued digital rights totaling RUB 390 million (equivalent to EUR 4,306 thousand at the exchange rate as at the date of issue), maturing on 26 May 2026. Income from digital rights is calculated as the sum of income accrued daily during the estimated period based on the Bank of Russia's key rate plus a spread of 0.1% p.a., and was payable upon maturity. On 26 May 2026, IBEC repaid digital rights of this issue in full.

On 4 December 2025, IBEC issued digital rights totaling RUB 1 billion (equivalent to EUR 11,039 thousand at the exchange rate as at the date of issue), maturing on 4 December 2026. Income from digital rights is set at 17.7% p.a., and is payable upon maturity.

On 14 August 2025, IBEC issued bonds totaling RUB 6 billion (equivalent to EUR 64,248 thousand at the exchange rate as at the date of issue), maturing on 23 June 2035, with a call date in August 2028. The coupon on bonds was fixed for three years at 14.65% p.a., with the coupon payable on a monthly basis. For this issue, fair value hedge interconnection was established (Note 10).

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(EUR thousand)

15. Debt financial instruments issued (continued)

On 18 June 2024, IBEC issued bonds totaling RUB 5 billion (equivalent to EUR 58,240 thousand at the exchange rate as at the date of issue), maturing on 6 June 2034, with a call date in June 2026. The coupon on bonds was determined as the total income earned per each day of the coupon period based on the Bank of Russia's key rate plus a spread of 2.1% p.a., payable on a quarterly basis. Following the call, the Bank repurchased bonds in the amount of RUB 2.143 billion (equivalent to EUR 25,207 thousand at the exchange rate as at the call date). The bond coupon is calculated as the sum of income accrued daily during the coupon period based on the Bank of Russia's key rate plus a spread of 1.95% p.a., and is payable on a quarterly basis. As at 30 June 2026, the average coupon rate on the bonds of this issue was 16.2% p.a. and the volume of this bond issue outstanding in the market amounted to RUB 2,857 billion (equivalent to EUR 32,225 thousand at the exchange rate as at 30 June 2026) (31 December 2025: RUB 5 billion (equivalent to EUR 54,290 thousand at the exchange rate as at 31 December 2025)). The next call date is expected in March 2028.

On 18 December 2023, IBEC issued bonds totaling RUB 5.5 billion (equivalent to EUR 55,886 thousand at the exchange rate as at the date of issue), maturing on 14 December 2026. The bond coupon is calculated as the sum of income accrued daily during the coupon period based on the Bank of Russia's key rate plus a spread of 2.5% p.a., and is payable on a semi-annual basis. As at 30 June 2026, the average coupon rate on the bonds of this issue was 16.75% p.a.

On 15 June 2023, IBEC issued bonds totaling RUB 1.7 billion (equivalent to EUR 18,668 thousand at the exchange rate as at the date of issue), maturing on 2 June 2033, with a call date in June 2026. The coupon rate was fixed for three years at 10.75% p.a., with the coupon payable on a quarterly basis. Following the call, the Bank repurchased bonds in the amount of RUB 1.556 billion (equivalent to EUR 18,578 thousand at the exchange rate as at the call date). The coupon rate was set at 13.5% p.a., with a call date in March 2028. As at 30 June 2026, the volume of this bond issue outstanding in the market amounted to RUB 0.144 billion (equivalent to EUR 1,629 thousand at the exchange rate as at 30 June 2026) (31 December 2025: RUB 1.7 billion (equivalent to EUR 18,459 thousand at the exchange rate as at 31 December 2025)).

On 15 June 2020, IBEC issued bonds totaling RUB 5 billion (equivalent to EUR 63,675 thousand at the exchange rate as at the date of issue), maturing on 3 June 2030, with a call date in June 2024. The coupon rate was set at 6.20% p.a., with the coupon payable on a semi-annual basis. Following the call, the Bank repurchased bonds in the amount of RUB 4.769 billion (equivalent to EUR 50,294 thousand at the exchange rate as at the call date). The coupon rate was set at 16.40% p.a. with a call date in June 2025. Following the call, the Bank repurchased bonds in the amount of RUB 54.155 million (equivalent to EUR 602 thousand at the exchange rate as at the call date). The coupon rate was set at 16.40% p.a., with a call date in December 2027. As at 30 June 2026, the volume of this bond issue outstanding in the market amounted to RUB 0.176 billion (equivalent to EUR 1,990 thousand at the exchange rate as at 30 June 2026) (31 December 2025: RUB 0.176 billion (equivalent to EUR 1,915 thousand at the exchange rate as at 31 December 2025)).

On 9 October 2019, IBEC issued bonds totaling RUB 7 billion (equivalent to EUR 98,266 thousand at the exchange rate effective as at the date of issue), maturing on 26 September 2029, with a call date in October 2022. The coupon rate on the bonds was set at 7.90% p.a., with the coupon payable on a semi-annual basis. Following the call in October 2022, a secondary placement of part of the repurchased bonds was made in November 2022. The coupon rate was set at 10.25% p.a., with a call date in October 2023. Following the call in October 2023, a secondary placement of part of the repurchased bonds was made. The coupon rate was set at 13.25% p.a., with a call date in October 2025. Following the call, the Bank repurchased bonds in the amount of RUB 2.264 billion (equivalent to EUR 23,575 thousand at the exchange rate as at the call date). The coupon rate was set at 14.50% p.a., with a call date in October 2027. As at 30 June 2026, the volume of this bond issue outstanding in the market amounted to RUB 0.076 billion (equivalent to EUR 853 thousand at the exchange rate as at 30 June 2026) (31 December 2025: RUB 0.076 billion (equivalent to EUR 821 thousand at the exchange rate as at 31 December 2025)).

The Bank used the proceeds from debt financial instruments issued to expand its loan portfolio and build highly liquid assets portfolio. When those debt financial instruments were issued in currencies other than the euro and without natural hedging, and in the absence of a planned portfolio of new projects (performing assets), the Bank entered into cross-currency interest rate swaps to manage currency and interest rate risks (Note 10).

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(EUR thousand)

16. Equity

In accordance with the Agreement, the authorized capital of IBEC consists of equity contributions from IBEC member countries and amounts to EUR 400,000 thousand.

As at 30 June 2026 and 31 December 2025, the Bank's members were the following three countries: the Socialist Republic of Vietnam, Mongolia and the Russian Federation.

In 2023, the Republic of Poland, the Slovak Republic, the Czech Republic, Romania and the Republic of Bulgaria withdrew from the Agreement on the Organization and Activities of IBEC following prior notice.

On 24 January 2023, the IBEC Council comprising representatives of eight member countries at that time approved the key parameters for the settlement of mutual claims and liabilities with those countries, which were to form the basis for bilateral agreements on the final settlement of mutual claims and liabilities between IBEC and the governments of each country that withdrew in 2023. The settlement terms provide for gradual repayment of the paid-in capital contributions of the withdrawn countries through to 2042. Preserving the Bank's financial stability was recognized by the shareholders as one of the key priorities when developing the adopted settlement scenario.

On 22 November 2024, IBEC and the Republic of Poland signed an agreement on the final settlement of mutual claims and liabilities in connection with the Republic of Poland's withdrawal from the Agreement on the Organization and Activities of IBEC and from membership in IBEC. The agreement, which came into effect on 25 November 2024, provides for annual payments. As at 30 June 2026, IBEC made payments for 2026 totaling EUR 281 thousand (31 December 2025: EUR 77.1 thousand for 2025).

In accordance with IFRS, on 25 November 2024, IBEC recorded on its balance sheet a financial liability to the Republic of Poland at present value, calculated by discounting cash flows based on the scheduled gradual cash repayment of the paid-in portion of the authorized capital as set out in the bilateral agreement. The liability was recognized as a reduction in the Bank's retained earnings from prior years by EUR 1,884 thousand. On the dates when payments are made to the Republic of Poland and on a monthly basis thereafter, IBEC records changes in the amortized cost of the liability in accordance with IFRS 9. As at 30 June 2026, a result of EUR (286) thousand was recognized in the interim statement of profit or loss and other comprehensive income (31 December 2025: a result of EUR (512) thousand was recognized).

On 16 May 2025, IBEC and the Czech Republic signed an agreement on the final settlement of mutual claims and liabilities in connection with the Czech Republic's withdrawal from the Agreement on the Organization and Activities of IBEC and from membership in IBEC. The agreement came into effect on the date of signing and provides for annual payments. As at 30 June 2026, IBEC made payments for 2026 totaling EUR 311 thousand (31 December 2025: EUR 171.4 thousand for 2025).

In accordance with IFRS, on 16 May 2025, IBEC recorded on its balance sheet a financial liability to the Czech Republic at present value, calculated by discounting cash flows based on the scheduled gradual cash repayment of the paid-in portion of the authorized capital as set out in the bilateral agreement. The liability was recognized as a reduction in the Bank's retained earnings from prior years by EUR 1,587 thousand. On the dates when payments are made to the Czech Republic and on a monthly basis thereafter, IBEC records changes in the amortized cost of the liability in accordance with IFRS 9. As at 30 June 2026, a result of EUR (275) thousand was recognized in the interim statement of profit or loss and other comprehensive income (31 December 2025: a result of EUR (314) thousand was recognized).

In April-May 2026, IBEC and the Republic of Bulgaria signed a bilateral agreement on the final settlement of mutual claims and liabilities, which, however, as at 30 June 2026, was not ratified by the Republic of Bulgaria and therefore has not become effective.

As at 30 June 2026, no bilateral agreements had been signed between Romania and the Slovak Republic, with bilateral consultations ongoing between IBEC and the withdrawn countries on the draft bilateral agreements provided by the Bank.

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(EUR thousand)

16. Equity (continued)

The paid-in portion of the authorized capital of IBEC consists of the paid-in shares of the Bank's member countries, as well as contributions from the countries that withdrew from the Agreement on the Organization and Activities of IBEC in 2023 outstanding as at the date of the interim condensed financial statements (i.e., the Republic of Poland, the Slovak Republic, the Czech Republic, Romania, and the Republic of Bulgaria).

The paid-in portion of the authorized capital of IBEC as at 30 June 2026 amounted to EUR 199,082 thousand (31 December 2025: EUR 199,674 thousand). The allocation of shares in the Bank's paid-in share capital by country is set out below:

	30 June 2026 (unaudited)	*31 December 2025*
IBEC member countries	**106,605**	**106,605**
Russian Federation	103,179	103,179
Mongolia	2,668	2,668
Socialist Republic of Vietnam	758	758
Withdrawn countries	**92,477**	**93,069**
Czech Republic	26,201	26,512
Republic of Poland	23,581	23,862
Republic of Bulgaria	15,121	15,121
Romania	14,232	14,232
Slovak Republic	13,342	13,342
Total	**199,082**	**199,674**

17. Credit-related commitments

Credit-related commitments comprise the following:

	30 June 2026 (unaudited)	*31 December 2025*
Guarantees issued	139,903	129,065
Total credit-related commitments	**139,903**	**129,065**
Allowance for expected credit losses (Notes 12, 22)	(465)	(667)
Credit-related commitments	**139,438**	**128,398**

Guarantees represent an amount of the Bank's liability to make payments in the event that a customer is unable to meet its obligations to third parties.

When issuing guarantees or counter-guarantees, the Bank applies the same risk management policies and procedures as for lending to customers.

Credit-related commitments may be terminated without being performed partially or in full. Therefore, the above credit-related commitments do not represent an expected cash outflow.

Credit-related commitments are extended to customers engaged in transactions with the following countries:

	30 June 2026 (unaudited)	*31 December 2025*
Russian Federation	139,438	128,398
Total	**139,438**	**128,398**

(EUR thousand)

17. Credit-related commitments (continued)

An analysis of changes in the amount of commitments and changes in the allowance for expected credit losses from credit-related commitments is presented below:

Credit-related commitments	*Stage 1*	*Stage 2*	*Total*
Balance at 1 January 2026	**129,065**	**–**	**129,065**
New commitments	48,042	–	**48,042**
Commitments expired or settled	(42,717)	–	**(42,717)**
Changes in currency exchange rates	5,513	–	**5,513**
Balance at 30 June 2026 (unaudited)	**139,903**	**–**	**139,903**
Allowance for expected credit losses at 1 January 2026	**667**	**–**	**667**
New commitments	266	–	**266**
Commitments expired or settled	(149)	–	**(149)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(335)	–	**(335)**
Changes in currency exchange rates	16	–	**16**
Allowance for expected credit losses at 30 June 2026 (unaudited)	**465**	**–**	**465**
Balance at 1 January 2025	**91,178**	**–**	**91,178**
New commitments	39,735	–	**39,735**
Commitments expired or settled	(34,999)	–	**(34,999)**
Changes in currency exchange rates	12,310	–	**12,310**
Balance at 30 June 2025 (unaudited)	**108,224**	**–**	**108,224**
Allowance for expected credit losses at 1 January 2025	**849**	**–**	**849**
New commitments	589	–	**589**
Commitments expired or settled	(300)	–	**(300)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	(126)	–	**(126)**
Changes in currency exchange rates	112	–	**112**
Allowance for expected credit losses at 30 June 2025 (unaudited)	**1,124**	**–**	**1,124**

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(EUR thousand)

18. Interest income and interest expense

	For the six months ended 30 June (unaudited)	
	2026	**2025**
Interest income		
Interest income calculated using the EIR method		
Securities at fair value through other comprehensive income	16,744	13,674
Loans to corporate customers	12,286	12,161
Securities at amortized cost	7,520	5,010
Due from banks and financial institutions, including cash and cash equivalents	3,260	3,642
Other	95	30
Other interest income		
Securities at fair value through profit or loss	474	35
Total interest income	**40,379**	**34,552**
Interest expense		
Interest expense calculated using the EIR method		
Debt financial instruments issued	(18,025)	(14,899)
Due to customers	(8,497)	(8,190)
Due to financial institutions	(6,151)	(6,079)
Other	(813)	(629)
Total interest expense	**(33,486)**	**(29,797)**
Net interest income	**6,893**	**4,755**

19. Net fee and commission income

	For the six months ended 30 June (unaudited)	
	2026	**2025**
Cash and settlement operations	1,800	21
Documentary operations	1,320	997
Underwriting commission income	324	–
Loan servicing fees	154	147
Currency control	148	36
Account maintenance	51	28
Fee and commission income	**3,797**	**1,229**
Fee and commission expense	(1,160)	(362)
Net fee and commission income	**2,637**	**867**

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(EUR thousand)

20. Net gains from operations with securities at fair value through other comprehensive income

Net gains from operations with securities at fair value through other comprehensive income that are recorded in profit or loss comprise:

	For the six months ended 30 June (unaudited)	
	2026	**2025**
Result from disposal of debt securities		
Gains (losses) from revaluation of securities due to their disposal	497	(79)
Gains from operations with securities	282	3,162
Total net gains from operations with securities at fair value through other comprehensive income	**779**	**3,083**

Gains from the revaluation of securities at fair value through other comprehensive income due to their disposal during the six months ended 30 June 2026 were reclassified from other comprehensive income to net gains from operations with securities at fair value through other comprehensive income.

Unrealized (losses)/gains from securities at fair value through other comprehensive income during the six months ended 30 June 2026 amounted to EUR (3,997) thousand (30 June 2025: EUR 20,610 thousand).

21. Administrative and management expenses

	For the six months ended 30 June (unaudited)	
	2026	**2025**
Staff costs	5,792	4,443
Repair and maintenance of the building, equipment and apartments	691	632
Depreciation of property and equipment	683	643
Information and advisory expenses	113	166
Building security expenses	186	159
Other administrative and management expenses	627	681
Total administrative and management expenses	**8,092**	**6,724**

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(EUR thousand)

22. Allowances for expected credit losses

The tables below show losses (gains) associated with allowances for expected credit losses from financial assets recognized in profit or loss for the six months ended 30 June 2026 and the six months ended 30 June 2025:

30 June 2026 (unaudited)	***Note***	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Securities at fair value through other comprehensive income	6	343	(1,358)	–	**(1,015)**
Due from banks and financial institutions	7	(109)	–	(36)	**(145)**
Securities at amortized cost	8	(139)	78	–	**(61)**
Loans to corporate customers	9	(283)	454	443	**614**
Credit-related commitments	17	(218)	–	–	**(218)**
Other financial assets	12	–	–	2,185	**2,185**
		(406)	**(826)**	**2,592**	**1,360**

30 June 2025 (unaudited)	***Note***	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
Securities at fair value through other comprehensive income	6	129	490	–	**619**
Due from banks and financial institutions	7	(47)	–	(201)	**(248)**
Securities at amortized cost	8	203	(1,840)	–	**(1,637)**
Loans to corporate customers	9	(312)	74	2,943	**2,705**
Credit-related commitments	17	163	–	–	**163**
Other financial assets	12	–	1,791	526	**2,317**
		136	**515**	**3,268**	**3,919**

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(EUR thousand)

22. Allowances for expected credit losses (continued)

A reconciliation of the balances of the allowance for expected credit losses from financial assets as at 30 June 2026 and 30 June 2025 is presented below:

	Cash and cash equivalents	*Securities at fair value through other comprehensive income*	*Due from banks and financial institutions*	*Securities at amortized cost*	*Loans to corporate customers*	*Credit-related commitments*	*Other financial assets*	*Total*
Balance at 1 January 2026	**6**	**6,060**	**2,804**	**3,192**	**10,211**	**667**	**15,991**	**38,931**
New originated or purchased assets	1	872	223	44	894	266	2,023	**4,323**
Assets derecognized or redeemed (excluding write-offs)	(1)	(2,040)	(203)	(75)	(388)	(149)	(3)	**(2,859)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	–	153	(165)	(30)	108	(335)	165	**(104)**
Changes in currency exchange rates	–	112	18	18	32	16	306	**502**
Balance at 30 June 2026 (unaudited)	**6**	**5,157**	**2,677**	**3,149**	**10,857**	**465**	**18,482**	**40,793**
Balance at 1 January 2025	**5**	**6,384**	**3,190**	**4,816**	**6,280**	**849**	**12,506**	**34,030**
New originated or purchased assets	–	703	104	176	2,262	589	1,986	**5,820**
Assets derecognized or redeemed (excluding write-offs)	–	(834)	(301)	(1,796)	(1,015)	(300)	(4)	**(4,250)**
Changes in models and inputs used for ECL calculations, and as a result of transfers between Stages	–	750	(51)	(17)	1,458	(126)	335	**2,349**
Changes in currency exchange rates	–	(27)	(56)	(150)	131	112	(704)	**(694)**
Balance at 30 June 2025 (unaudited)	**5**	**6,976**	**2,886**	**3,029**	**9,116**	**1,124**	**14,119**	**37,255**

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(EUR thousand)

23. Other provisions

Movements in other provisions are presented below:

	Provision for unused vacation	***Total***
1 January 2026	**516**	**516**
Charge	76	**76**
Write-offs	(92)	**(92)**
30 June 2026 (unaudited)	**500**	**500**
1 January 2025	**417**	**417**
Charge	108	**108**
Write-offs	(22)	**(22)**
30 June 2025 (unaudited)	**503**	**503**

24. Risk management

Introduction

The Bank manages its risks through a process of ongoing identification, measurement and monitoring, subject to risk limits and other internal controls. The risk management process is critical to the Bank's stable ongoing activity. In the course of its principal activities, the Bank is exposed to the following financial risks: credit risk, liquidity risk and market risk. It is also subject to operational risks.

Risk management structure

The Council of the Bank, the Management Board of the Bank, the IBEC Credit Committee, the IBEC Asset, Liability and Risk Committee and the Risk Management Department are responsible for risk management. Each function of the Bank is responsible for the risks associated with its responsibilities.

Council of the Bank

The Council of the Bank is responsible for the overall risk management approach and for approving IBEC's risk management policy and other strategic documents regulating risk management principles and procedures.

Management Board of the Bank

The Management Board is the Bank's executive body responsible for implementing the risk management policy and other strategic documents governing risk management principles and procedures.

Credit Committee (CC)

The CC is a standing collegial advisory body to the IBEC's Management Board established to support the Board's lending and credit risk management activities in accordance with the Bank's goals and objectives. The CC reports to the Management Board of the Bank.

Asset, Liability and Risk Committee (ALRC)

The ALRC is a standing collegial advisory body to the IBEC's Management Board established to provide methodological support to the Board in preparing and implementing the Bank's current and long-term policies for asset and liability management, effective resource allocation, and risk management (for risks other than credit risk). The ALRC reports to the Bank's Management Board.

(EUR thousand)

24. Risk management (continued)

Risk management structure (continued)

Risk Management Department (RMD)

The RMD is an independent function of the Bank responsible for coordinating all risk management functions, performing independent banking risk assessment, developing and coordinating initiatives to improve the risk management system. The RMD is responsible for the implementation and maintenance of risk management procedures.

Internal Audit Department (IAD)

The IAD is responsible for reviewing the adequacy of risk management procedures and the Bank's compliance with the procedures. The IAD reports the results of its reviews, findings and recommendations to the Management Board of the Bank.

Risk measurement and reporting systems

The Bank's risk management policy is based on a reasonably conservative approach, which assumes that the Bank refrains from transactions involving a very high or uncertain level of risk, regardless of potential returns.

Risks are measured and managed on a comprehensive basis, whereby all existing risk factors and their relationships are considered. Monitoring and control of risks are based on the limits established by the Bank, as well as global risk appetite indicators. These limits reflect the Bank's business strategy and market environment, as well as the level of risk that the Bank is willing to accept.

Information compiled from all business lines is examined by the authorized Bank's functions and processed in order to analyze, control and identify risks on a timely basis. The Bank's functions prepare regular reports on their operations and communicate the current risk status to the RMD. The Bank's functions, in cooperation with the RMD, monitor the Bank's current risk exposure to customers, counterparties, transactions and portfolios, to ensure effective risk management. The relevant information is reported to the Management Board and the Council of the Bank.

Risk mitigation

As part of its overall risk management process, the Bank uses various risk limitation and mitigation methods, such as diversification, limitation, hedging, and aversion. The Bank accepts collateral against exposed operations to reduce its credit risk.

Excessive risk concentration

Concentrations arise when multiple counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographical region.

In order to avoid excessive risk concentration, the Bank's policies and credit procedures include specific guidelines for monitoring and forecasting the concentration level and maintaining a diversified portfolio.

Credit risk

Credit risk is the risk that the Bank will incur losses because its customers or counterparties fail to discharge their contractual obligations to the Bank in full or in part. The Bank manages credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring compliance with such limits.

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24. Risk management (continued)

Credit risk (continued)

All transactions exposed to credit risk are measured using the quantitative and qualitative analysis methods specified in the Bank's credit and risk management regulations. The Bank uses its internal methodology to assign internal credit ratings to its customers or counterparties. These credit ratings reflect the Bank's exposure to credit risk.

The Bank considers the credit ratings assigned by international rating agencies to manage the credit quality of its financial assets. If no external rating is available, the Bank determines its internal credit rating on the basis of the sovereign rating ceiling.

The Bank manages credit risk through regular analysis of the ability of its customers and counterparties to discharge their principal and interest repayment obligations. The Bank's customers/counterparties are regularly monitored; their financial positions are reviewed for compliance with the assigned internal credit ratings, and appropriate adjustments are made where necessary.

The credit quality review process allows the Bank to assess potential losses from risks to which it is exposed, and take appropriate mitigation actions. Credit risk is further mitigated through collateral, guarantees (including state guarantees) and corporate and individual sureties.

The maximum (total) exposure to credit risk is disclosed in Notes 4, 6-9, 12 and 17.

Risks associated with credit-related commitments

Credit risk on credit-related commitments refers to the possibility of a loss as a result of a party to the transaction failing to perform in accordance with the terms of the contract. Despite the fact that during the transaction, the Bank generally does not require funding to provide financing, these contracts expose the Bank to risks similar to those associated with loans, which are mitigated through the same assessment, limitation, monitoring and control procedures.

Definition of default

The Bank classifies a financial asset as a financial asset in default if:

- It is unlikely that the borrower will discharge its credit-related commitments in full, unless the Bank sells the collateral (if any), or
- The amount due from the borrower under any of the Bank's significant credit-related commitments is more than 90 days overdue (for legal entities)

In determining whether an event of default has occurred on the borrower's part, the Bank considers the following:

- Qualitative indicators (e.g., breach of covenants)
- Quantitative indicators (e.g., 'past due' status and nature of 'past due' amounts (whether it 'technical' or not) with the Bank combined with failure by the same counterparty to discharge another obligation), and
- Indicators independently designed by the Bank's internal functions or obtained from external sources

Significant increase in credit risk

When determining whether a significant increase in credit risk (i.e., risk of default) has occurred on a financial instrument since initial recognition, the Bank examines reasonable and supportable information that is up-to-date and available without undue cost or effort. This includes both quantitative and qualitative data, as well as analysis based on the Bank's historical experience, expert assessment of the quality of the financial instrument and available forward-looking information.

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24. Risk management (continued)

Credit risk (continued)

To determine whether there has been a significant increase in credit risk for a position exposed to credit risk, the Bank compares factors that include, but are not limited to, the following:

- Probability of default for the remaining period to maturity as at the reporting date, and
- Probability of default for the remaining period calculated at initial recognition of the position exposed to credit risk (adjusted, if applicable, for changes in early repayment expectations)

Assessing whether a significant increase in credit risk has occurred on a financial instrument since initial recognition involves determining the initial recognition date of the instrument.

The criteria for determining a significant increase in credit risk vary by portfolio and include both quantitative changes in probability of default and qualitative factors, such as a 'backstop' based on days past due.

The Bank determines that credit risk related to a position has increased significantly since the date of initial recognition if, among other things, the borrower's internal or external credit rating has deteriorated by two notches since that date. When determining whether a significant increase in credit risk has taken place, the Bank amortizes the expected credit loss amount for the remaining period to maturity to reflect the new maturity date.

The Bank can conclude, based on expert assessment of the credit quality and, where available, relevant historical experience that the credit risk associated with a financial instrument has increased significantly, if it is evidenced by certain qualitative indicators of a significant increase in credit risk that cannot be promptly and fully identified through a quantitative analysis.

For corporate lending, the Bank applies a criterion of more than 30 days past due as a 'backstop' indicator of a significant increase in credit risk since initial recognition. Days past due are counted from the first day on which the amount due was not received in full.

The Bank verifies the effectiveness of the criteria used to identify a significant increase in credit risk by way of regular reviews, in order to ensure that:

- The criteria help to identify a significant increase in credit risk before an event of default in respect of the position exposed to the credit risk takes place
- The average period between the date when a significant increase in credit risk was identified and the date when the event of default actually occurred is deemed reasonable
- Positions exposed to credit risk are not reclassified directly from the portfolio for which an allowance is recorded in the amount of 12-month expected credit losses (Stage 1) to the portfolio of credit-impaired assets (Stage 3)
- No unjustified volatility arises in the amount of the allowance for expected credit losses when positions exposed to credit risk are reclassified from the portfolio for which the allowance is recorded in the amount of 12-month expected credit losses (Stage 1) to the portfolio for which the allowance is recorded on a lifetime expected credit losses basis (Stage 2)

Credit risk levels (grades)

The Bank allocates each position exposed to credit risk between credit risk levels based on various data used in making default risk projections, as well as based on expert judgment on the transaction exposed to credit risk. The Bank uses these credit risk levels to identify whether a significant increase in credit risk occurred in accordance with IFRS 9. Credit risk levels are determined using qualitative and quantitative factors indicating the risk of default. These factors may vary depending on the nature of the position exposed to credit risk and the type of borrower.

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(EUR thousand)

24. Risk management (continued)

Credit risk (continued)

Credit risk levels are determined and calibrated in such a manner that the risk of default increases significantly as credit risk deteriorates (e.g. the difference between the risk of default at Level 1 and Level 2 of credit risk is less than the difference at Level 2 and Level 3 of credit risk).

Each position exposed to credit risk is classified to a certain level of credit risk at the date of initial recognition based on the information available about the client. Positions exposed to credit risk are constantly monitored, which may result in reclassification to another level of credit risk. Generally, monitoring includes the analysis of the following:

- Information obtained as a result of the regular analysis of the clients' data (e.g., audited financial statements, management accounts, budget estimates, forecasts and plans)
- Data obtained from credit rating agencies, media reports, information about changes in external credit ratings
- Quoted prices of issuer's bonds and credit default swaps, if available
- Actual and expected significant changes in the political, regulatory and technological environment where a borrower operates, or in its business
- Information about payments, including the status of overdue amounts
- Loan modification requests and consents received
- Current and projected changes in financial, economic and operating conditions

Creating a term structure of probability of default

For positions exposed to credit risk, credit risk levels are initial inputs for creating a term structure of probability of default. The Bank collects information on debt servicing and the level of default for positions exposed to credit risk that are analyzed depending on the jurisdiction, type of product and borrower, as well as the level of credit risk. For some portfolios, information received from external rating agencies may also be used.

The Bank uses statistical models to analyze collected data and generate estimates of the probability of default over the remaining period for positions exposed to credit risk, and determine how these are expected to change over time.

This analysis includes the determination and calibration of relationships between changes in probabilities of default and changes in macroeconomic factors, as well as in-depth analysis of the impact of certain other factors (e.g., forbearance experience) on the risk of default. The Bank identified and documented the key drivers of credit risk and expected credit losses for each portfolio of financial instruments and used the analysis of historical data to determine the interrelation between macroeconomic variables, credit risk and credit losses. These key drivers are forecasts of GDP and consumer price index depending on an asset macro-region.

For positions exposed to credit risk in certain industries and/or regions, the analysis may extend to relevant commodity and/or real estate prices, exchange rates, etc.

The Bank's approach to incorporating forward-looking information into this assessment is discussed below.

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(EUR thousand)

24. Risk management (continued)

Credit risk (continued)

Inputs for measuring expected credit losses

The key inputs used for measuring expected credit losses comprise term structures of the following variables:

- Probability of default (PD)
- Loss given default (LGD)
- Exposure at default (EAD)
- Credit conversion factor (CCF)
- Cash flows used to service debt under different scenarios (corporate lending)
- Credit ratings assigned by international and local rating agencies
- Share/index price volatility (for transactions with counterparty banks that do not have a credit rating from international rating agencies)

These indicators (except for cash flows) are derived from external statistical models and other historical data. They are adjusted to reflect forward-looking information.

Probability of default (PD) estimates are estimates at a certain date, which are calculated based on statistical rating models and assessed using measurement tools tailored to various counterparty categories and positions exposed to credit risk. A change in the credit quality rating of a counterparty or position exposed to credit risk will result in a change in estimates for the associated PD indicators. PDs are estimated by reference to the contractual maturities of positions exposed to credit risk and expectations for early repayment.

The allowance for corporate lending transactions is determined on the basis of measurement models approved by the Bank. One of the models used to measure expected credit losses is based on the determination of the difference between contractual and expected cash inflows to the Bank discounted at the initial effective interest rate and adjusted for the collateral level and recovery rate. Other models are based on the international ratings of the borrower/borrower's parent and the sovereign rating of the country where the borrower is located. Based on the measurement results, the Bank selects the most conservative calculation option in accordance with the model selection order determined in internal regulations.

Loss given default (LGD) is the amount of possible loss in the case of default that depends on the recovery rate. For corporate investment and speculative securities, the recovery rate is determined by reference to Moody's average historical rates. For interbank loans and deposits, the recovery rate is determined by reference to Moody's average historical recovery rates for unsecured bank loans.

Exposure at default (EAD) represents the expected amount of a position exposed to credit risk at the date when an event of default occurs. The Bank derives it from the current EAD and its potential changes permitted by the contract.

As described above, if the Bank uses the highest 12-month probability of default for financial assets for which credit risk has not increased significantly, the Bank will measure the expected credit losses considering the risk of default over the maximum contractual period (including any borrower's options to extend the term of the contract) over which it is exposed to credit risk, even when the Bank considers a longer period for risk management purposes. The maximum contractual period extends to the date at which the Bank has the right to require repayment of a loan issued or terminate a loan commitment.

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(EUR thousand)

24. Risk management (continued)

Credit risk (continued)

Forward-looking information

In accordance with IFRS 9, the Bank incorporates forward-looking information in its assessment of whether the credit risk of an instrument has increased significantly since initial recognition and in its measurement of expected credit losses. This assessment is based on external information as well. External information may include economic data and forecasts published by governmental bodies and monetary regulators in the countries where the Bank operates, and certain individual and scientific forecasts, information received from publicly available and specialized databases and information aggregators.

The Bank also carries out regular comprehensive applicability assessments and adjusts its approaches to determining representative scenarios, if necessary.

In these interim condensed financial statements, expected credit losses are recognized through an allowance account to write down the asset's carrying amount to the present value of expected cash flows discounted at the original effective interest rate of the financial asset. Uncollectible financial assets are written off against the allowance after all the necessary procedures for full or partial recovery have been completed and the ultimate loss amount has been determined.

Credit quality per class of financial assets

The Bank applies external and internal credit ratings to manage the credit quality of its financial assets.

The Bank measures its financial assets that do not have external credit ratings using the scale of internal credit ratings that are consistent with the ratings assigned by international rating agencies.

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(EUR thousand)

24. Risk management (continued)

Credit risk (continued)

The table below shows the credit quality of assets exposed to credit risk for three stages of impairment, with external ratings assigned by international rating agencies and internal credit ratings (if no external ratings are available) as at 30 June 2026:

	Stage 1	***Stage 2***	***Stage 3***	
	12-month ECL	***Lifetime ECL***	***Lifetime ECL***	***Total***
Cash and cash equivalents (other than cash on hand)				
Due from central banks	373	–	–	**373**
Correspondent accounts with internationally rated banks	17,989	–	–	**17,989**
Correspondent accounts with banks having internal credit ratings only	31,779	–	5	**31,784**
Total	**50,141**	**–**	**5**	**50,146**
Allowance for expected credit losses	(1)	–	(5)	**(6)**
Carrying amount	**50,140**	**–**	**–**	**50,140**
Securities at fair value through other comprehensive income				
Held by the Bank				
Internationally rated	6,925	3,075	–	**10,000**
Internally rated only	229,005	16,040	–	**245,045**
Carrying amount	**235,930**	**19,115**	**–**	**255,045**
Allowance for expected credit losses	**(1,647)**	**(3,470)**	**–**	**(5,117)**
Pledged under repurchase agreements				
Internally rated only	19,871	–	–	**19,871**
Carrying amount	**19,871**	**–**	**–**	**19,871**
Allowance for expected credit losses	**(40)**	**–**	**–**	**(40)**

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(EUR thousand)

24. Risk management (continued)

Credit risk (continued)

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	Total
Due from banks and financial institutions				
Internationally rated	19,839	–	1,398	**21,237**
Internally rated only	3,404	–	1,230	**4,634**
Total	**23,243**	**–**	**2,628**	**25,871**
Allowance for expected credit losses	(49)	–	(2,628)	**(2,677)**
Carrying amount	**23,194**	**–**	**–**	**23,194**
Securities at amortized cost				
Held by the Bank				
Internally rated only	63,504	10,495	110	**74,109**
Total	**63,504**	**10,495**	**110**	**74,109**
Allowance for expected credit losses	(309)	(2,730)	(110)	**(3,149)**
Carrying amount	**63,195**	**7,765**	**–**	**70,960**
Loans to corporate customers				
Internally rated only	127,061	15,359	8,018	**150,438**
Total	**127,061**	**15,359**	**8,018**	**150,438**
Allowance for expected credit losses	(685)	(5,881)	(4,291)	**(10,857)**
Carrying amount	**126,376**	**9,478**	**3,727**	**139,581**
Other financial assets				
Internationally rated	–	–	205	**205**
Internally rated only	1,943	–	18,273	**20,216**
Total	**1,943**	**–**	**18,478**	**20,421**
Allowance for expected credit losses	(4)	–	(18,478)	**(18,482)**
Carrying amount	**1,939**	**–**	**–**	**1,939**

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(EUR thousand)

24. Risk management (continued)

Credit risk (continued)

The table below shows the credit quality of assets exposed to credit risk for three stages of impairment, with external ratings assigned by international rating agencies and internal credit ratings (if no external ratings are available) as at 31 December 2025:

	Stage 1	***Stage 2***	***Stage 3***	
	12-month ECL	***Lifetime ECL***	***Lifetime ECL***	***Total***
Cash and cash equivalents (other than cash on hand)				
Due from central banks	2,218	–	–	**2,218**
Correspondent accounts with internationally rated banks	49,759	–	–	**49,759**
Correspondent accounts with banks having internal credit ratings only	8,829	–	5	**8,834**
Total	**60,806**	**–**	**5**	**60,811**
Allowance for expected credit losses	(1)	–	(5)	**(6)**
Carrying amount	**60,805**	**–**	**–**	**60,805**
Securities at fair value through other comprehensive income				
Held by the Bank				
Internationally rated	6,744	8,055	–	**14,799**
Internally rated only	129,718	14,554	–	**144,272**
Carrying amount	**136,462**	**22,609**	**–**	**159,071**
Allowance for expected credit losses	**(933)**	**(4,663)**	**–**	**(5,596)**
Pledged under repurchase agreements				
Internally rated only	84,290	–	–	**84,290**
Carrying amount	**84,290**	**–**	**–**	**84,290**
Allowance for expected credit losses	**(464)**	**–**	**–**	**(464)**

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(EUR thousand)

24. Risk management (continued)

Credit risk (continued)

	Stage 1	*Stage 2*	*Stage 3*	
	12-month ECL	***Lifetime ECL***	***Lifetime ECL***	***Total***
Due from banks and financial institutions				
Internationally rated	36,921	–	1,420	**38,341**
Internally rated only	39,374	–	1,229	**40,603**
Total	**76,295**	**–**	**2,649**	**78,944**
Allowance for expected credit losses	(155)	–	(2,649)	**(2,804)**
Carrying amount	**76,140**	**–**	**–**	**76,140**
Securities at amortized cost				
Held by the Bank				
Internally rated only	62,379	10,505	110	**72,994**
Total	**62,379**	**10,505**	**110**	**72,994**
Allowance for expected credit losses	(475)	(2,568)	(110)	**(3,153)**
Carrying amount	**61,904**	**7,937**	**–**	**69,841**
Pledged under repurchase agreements				
Internally rated only	15,346	–	–	**15,346**
Total	**15,346**	**–**	**–**	**15,346**
Allowance for expected credit losses	(39)	–	–	**(39)**
Carrying amount	**15,307**	**–**	**–**	**15,307**
Loans to corporate customers				
Internally rated only	167,953	15,119	7,860	**190,932**
Total	**167,953**	**15,119**	**7,860**	**190,932**
Allowance for expected credit losses	(936)	(5,427)	(3,848)	**(10,211)**
Carrying amount	**167,017**	**9,692**	**4,012**	**180,721**
Other financial assets				
Internationally rated	–	–	198	**198**
Internally rated only	1,188	–	15,790	**16,978**
Total	**1,188**	**–**	**15,988**	**17,176**
Allowance for expected credit losses	(3)	–	(15,988)	**(15,991)**
Carrying amount	**1,185**	**–**	**–**	**1,185**

As at 30 June 2026, all credit-related commitments excluding allowances for expected credit losses in the amount of EUR 139,903 thousand relate to Stage 1. As at 31 December 2025, all credit-related commitments excluding allowances for expected credit losses in the amount of EUR 129,065 thousand related to Stage 1. During the six months ended 30 June 2026 and 30 June 2025, there were no transfers between stages.

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(EUR thousand)

24. Risk management (continued)

Geographical risk

Information on risk concentration by geographical region is based on the geographical location of the Bank's counterparties. The table below shows risk concentration by geographical region as at 30 June 2026:

Country	*Cash and cash equivalents (other than cash on hand)*	*Securities at fair value through profit or loss held by the Bank*	*Securities at fair value through profit or loss pledged under repurchase agreements*	*Securities at fair value through other comprehensive income held by the Bank*	*Securities at fair value through other comprehensive income pledged under repurchase agreements*	*Due from banks and financial institutions*	*Securities at amortized cost held by the Bank*	*Loans to corporate customers*	*Derivative financial assets*	*Other financial assets*	*Total*	*Share, %*
Russian Federation	13,534	2,415	4,335	245,045	19,871	3,404	70,960	97,160	5,518	1,878	**464,120**	**80.96**
Mongolia	2,657	–	–	–	–	15,240	–	29,216	–	–	**47,113**	**8.22**
Socialist Republic of Vietnam	9,641	–	–	–	–	–	–	9,478	–	–	**19,119**	**3.34**
Romania	–	–	–	4,103	–	–	–	–	–	–	**4,103**	**0.72**
Republic of Poland	–	–	–	–	–	–	–	3,727	–	–	**3,727**	**0.65**
Czech Republic	–	–	–	3,075	–	–	–	–	–	–	**3,075**	**0.54**
Republic of Bulgaria	–	–	–	2,822	–	–	–	–	–	2	**2,824**	**0.49**
IFI[1]	12	–	–	–	–	–	–	–	–	–	**12**	**–**
Other countries	24,296	–	–	–	–	4,550	–	–	272	59	**29,177**	**5.08**
Total	**50,140**	**2,415**	**4,335**	**255,045**	**19,871**	**23,194**	**70,960**	**139,581**	**5,790**	**1,939**	**573,270**	**100**

Other countries, i.e., those conducting business, in particular, with the Bank's member countries, are represented by Uzbekistan, Armenia, China, Kazakhstan, Germany and Belgium.

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1 IFI stands for international financial funds and institutions.

(EUR thousand)

24. Risk management (continued)

Geographical risk (continued)

Information on risk concentration by geographical region is based on the geographical location of the Bank's counterparties. The table below shows risk concentration by geographical region as at 31 December 2025:

Country	*Cash and cash equivalents (other than cash on hand)*	*Securities at fair value through profit or loss held by the Bank*	*Securities at fair value through profit or loss pledged under repurchase agreements*	*Securities at fair value through other comprehensive income held by the Bank*	*Securities at fair value through other comprehensive income pledged under repurchase agreements*	*Due from banks and financial institutions*	*Securities at amortized cost held by the Bank*	*Securities at amortized cost pledged under repurchase agreements*	*Securities at amortized cost, digital rights*	*Loans to corporate customers*	*Derivative financial assets*	*Other financial assets*	*Total*	*Share, %*
Russian Federation	4,064	5,085	4,935	142,289	84,290	36,158	60,103	15,307	9,738	135,891	4,130	994	**502,984**	**75.99**
Mongolia	9,226	–	–	–	–	23,593	–	–	–	31,126	–	–	**63,945**	**9.66**
Socialist Republic of Vietnam	21,309	–	–	–	–	–	–	–	–	9,692	–	144	**31,145**	**4.71**
Republic of Poland	1	–	–	5,000	–	–	–	–	–	4,012	–	–	**9,013**	**1.36**
Romania	–	–	–	3,925	–	–	–	–	–	–	–	–	**3,925**	**0.59**
Czech Republic	–	–	–	3,055	–	–	–	–	–	–	–	–	**3,055**	**0.46**
Republic of Bulgaria	–	–	–	2,819	–	–	–	–	–	–	–	–	**2,819**	**0.43**
IFI[2]	–	–	–	1,983	–	–	–	–	–	–	–	–	**1,983**	**0.30**
Other countries	26,205	–	–	–	–	16,389	–	–	–	–	400	47	**43,041**	**6.50**
Total	**60,805**	**5,085**	**4,935**	**159,071**	**84,290**	**76,140**	**60,103**	**15,307**	**9,738**	**180,721**	**4,530**	**1,185**	**661,910**	**100**

Other countries, i.e., those conducting business, in particular, with the Bank's member countries, are represented by Uzbekistan, Armenia, China, Belarus and Kazakhstan.

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[2] IFI stands for international financial funds and institutions.

(EUR thousand)

24. Risk management (continued)

Liquidity risk and funding management

Liquidity risk is the risk that the Bank will not be able to meet its payment obligations as they fall due under normal or stress conditions. Liquidity risk occurs where the maturities of assets and liabilities do not match.

The Bank maintains necessary liquidity levels with the objective of ensuring that funds will be available at all times to honor all cash flow obligations as they become due. The Treasury plays the key role in managing the Bank's liquidity.

The tables below summarize the maturity profile of the Bank's financial liabilities as at 30 June 2026 and 31 December 2025 based on contractual undiscounted repayment obligations. The disclosures exclude IBEC's liabilities to the Republic of Poland and the Czech Republic maturing on 30 June 2042 that are included in "Other liabilities". The majority of payments are classified as "Over 365 days." Repayments that are subject to notice are treated as if notice were to be given immediately.

30 June 2026 (unaudited)	***On demand and less than 30 days***	***31 to 180 days***	***181 to 365 days***	***Over 365 days***	***Total gross amount of cash (inflow) outflow***	***Carrying amount***
Due to financial institutions	45,862	–	2,460	27,499	75,821	**70,303**
Due to customers	26,760	60,854	51,542	–	139,156	**131,678**
Debt financial instruments issued	815	84,934	7,827	120,086	213,662	**177,648**
Other liabilities	5,830	–	–	–	5,830	**5,830**
Gross settled derivative financial instruments						
- Inflow	*97,923*	*46,379*	*7,538*	*9,771*	*161,611*	***73,109***
- Outflow	*(99,692)*	*(42,844)*	*(5,391)*	*(11,243)*	*(159,170)*	***(69,863)***
Total	**77,498**	**149,323**	**63,976**	**146,113**	**436,910**	**388,705**

31 December 2025	***On demand and less than 30 days***	***31 to 180 days***	***181 to 365 days***	***Over 365 days***	***Total gross amount of cash (inflow) outflow***	***Carrying amount***
Due to financial institutions	33,202	86,509	2,430	29,911	152,052	**145,349**
Due to customers	27,403	49,284	43,917	–	120,604	**113,703**
Debt financial instruments issued	–	88,309	83,715	83,220	255,244	**209,448**
Other liabilities	5,254	–	–	–	5,254	**5,254**
Gross settled derivative financial instruments						
- Inflow	*67,179*	*25,819*	*11,193*	*13,572*	*117,763*	***152,221***
- Outflow	*(67,859)*	*(24,850)*	*(8,048)*	*(14,971)*	*(115,728)*	***(149,375)***
Total	**65,179**	**225,071**	**133,207**	**111,732**	**535,189**	**476,600**

The table below shows the contractual maturities of credit-related commitments, with all outstanding credit-related commitments included in the period that contains the earliest date on which the customer may demand performance:

	On demand and less than 1 month	***1 to 6 months***	***6 to 12 months***	***12 months to 5 years***	***Over 5 years***	***Total***
30 June 2026 (unaudited)	139,438	–	–	–	–	**139,438**
31 December 2025	128,398	–	–	–	–	**128,398**

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(EUR thousand)

24. Risk management (continued)

Classification of assets and liabilities by maturity

The tables below show the analysis of all financial assets and financial liabilities of the Bank as at 30 June 2026 and 31 December 2025 by contractual maturity.

Quoted debt securities being highly liquid securities that can be sold by the Bank in the short-term on an arm's length basis, measured at fair value through other comprehensive income and at fair value through profit or loss and are not pledged under repurchase agreements are classified as "On demand and less than 1 month." Securities at fair value through other comprehensive income and securities at fair value through profit or loss pledged under repurchase agreements are presented over the periods remaining from the reporting date to the expiry date of the relevant contractual obligations of the Bank.

30 June 2026 (unaudited)	*On demand and less than 1 month*	*1 to 6 months*	*6 to 12 months*	*12 months to 5 years*	*Over 5 years*	*Overdue*	*Excluded from analysis*[3]	*Total*
Cash and cash equivalents	52,314	–	–	–	–	–	–	**52,314**
Securities at fair value through profit or loss								
- Held by the Bank	*2,415*	–	–	–	–	–	–	***2,415***
- Pledged under repurchase agreements	*4,335*	–	–	–	–	–	–	***4,335***
Securities at fair value through other comprehensive income								
- Held by the Bank	*248,988*	–	–	–	–	–	*6,057*	***255,045***
- Pledged under repurchase agreements	*19,871*	–	–	–	–	–	–	***19,871***
Due from banks and financial institutions	7,948	7,554	7,692	–	–	–	–	**23,194**
Securities at amortized cost								
- Held by the Bank	–	*5,407*	*18,177*	*39,183*	*5,687*	–	*2,506*	***70,960***
Loans to corporate customers	19,738	57,828	20,014	33,461	–	8,540	–	**139,581**
Derivative financial assets	271	5,146	373	–	–	–	–	**5,790**
Other financial assets	1,573	15	–	351	–	–	–	**1,939**
Total financial assets	**357,453**	**75,950**	**46,256**	**72,995**	**5,687**	**8,540**	**8,563**	**575,444**
Due to financial institutions	45,541	–	1,864	22,898	–	–	–	**70,303**
Due to customers	26,710	58,065	46,903	–	–	–	–	**131,678**
Derivative financial liabilities	1,322	–	20	1,904	–	–	–	**3,246**
Debt financial instruments issued	544	74,235	–	102,869	–	–	–	**177,648**
Other financial liabilities	4,865	–	–	–	–	–	3,985	**8,850**
Total financial liabilities	**78,982**	**132,300**	**48,787**	**127,671**	**–**	**–**	**3,985**	**391,725**
Net position	**278,471**	**(56,350)**	**(2,531)**	**(54,676)**	**5,687**	**8,540**	**4,578**	**183,719**
Cumulative liquidity gap for financial instruments	**278,471**	**222,121**	**219,590**	**164,914**	**170,601**	**179,141**	**183,719**	**–**

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[3] The following assets are excluded from the liquidity risk analysis: restricted cash and securities of the Bank, including those subjects to sanctions imposed on depositories having custody of IBEC's securities due to limited ability to forecast their return date, as well as IBEC's liabilities to the Republic of Poland and the Czech Republic.

(EUR thousand)

24. Risk management (continued)

Classification of assets and liabilities by maturity (continued)

31 December 2025	On demand and less than 1 month	1 to 6 months	6 to 12 months	12 months to 5 years	Over 5 years	Overdue	Excluded from analysis[4]	Total
Cash and cash equivalents	63,069	–	–	–	–	–	–	**63,069**
Securities at fair value through profit or loss								
- Held by the Bank	*5,085*	–	–	–	–	–	–	***5,085***
- Pledged under repurchase agreements	–	*4,935*	–	–	–	–	–	***4,935***
Securities at fair value through other comprehensive income								
- Held by the Bank	*150,508*	–	–	–	–	–	*8,563*	***159,071***
- Pledged under repurchase agreements	–	*84,290*	–	–	–	–	–	***84,290***
Due from banks and financial institutions	39,817	33,323	3,000	–	–	–	–	**76,140**
Securities at amortized cost								
- Held by the Bank	–	*7,647*	*6,428*	*38,020*	*5,475*	–	*2,533*	***60,103***
- Pledged under repurchase agreements	–	*15,307*	–	–	–	–	–	***15,307***
- Digital rights	–	*9,738*	–	–	–	–	–	***9,738***
Loans to corporate customers	4,551	96,490	33,549	35,864	4,891	5,376	–	**180,721**
Derivative financial assets	400	4,127	3	–	–	–	–	**4,530**
Other financial assets	871	10	53	251	–	–	–	**1,185**
Total financial assets	**264,301**	**255,867**	**43,033**	**74,135**	**10,366**	**5,376**	**11,096**	**664,174**
Due to financial institutions	32,993	85,572	1,841	20,102	4,841	–	–	**145,349**
Due to customers	27,341	47,764	38,598	–	–	–	–	**113,703**
Derivative financial liabilities	190	–	156	2,500	–	–	–	**2,846**
Debt financial instruments issued	497	73,123	69,730	66,098	–	–	–	**209,448**
Other financial liabilities	4,071	–	–	–	–	–	4,017	**8,088**
Total financial liabilities	**65,092**	**206,459**	**110,325**	**88,700**	**4,841**	**–**	**4,017**	**479,434**
Net position	**199,209**	**49,408**	**(67,292)**	**(14,565)**	**5,525**	**5,376**	**7,079**	**184,740**
Cumulative liquidity gap for financial instruments	**199,209**	**248,617**	**181,325**	**166,760**	**172,285**	**177,661**	**184,740**	**–**

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimizing the return on risk. The Bank's Management Board sets limits on the level of risk that may be accepted and monitors compliance on a regular basis.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Bank is exposed to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such fluctuations but may also decrease or create losses in the event that unexpected movements occur.

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[4] The following assets are excluded from the liquidity risk analysis: restricted cash and securities of the Bank, including those subjects to sanctions imposed on depositories having custody of IBEC's securities due to limited ability to forecast their return date, as well as IBEC's liabilities to the Republic of Poland and the Czech Republic.

(EUR thousand)

24. Risk management (continued)

Interest rate risk (continued)

Interest rate risk is managed primarily by monitoring changes in interest rates. The sensitivity of the interim statement of profit or loss and other comprehensive income is the effect of hypothetical interest rate changes on net interest income for the reporting period, calculated based on non-trading financial assets and financial liabilities with floating interest rates as at 30 June 2026 and 31 December 2025. The sensitivity of equity to assumed changes in interest rates as at 30 June 2026 and 31 December 2025 was calculated by revaluing fixed-rate debt financial assets measured at fair value through other comprehensive income, assuming parallel shifts in the yield curve. The interest rate gap for major fixed-rate financial instruments is summarized as follows.

Interest rate sensitivity analysis

	30 June 2026 (unaudited)		***31 December 2025***	
	Profit or loss	***Equity***	***Profit or loss***	***Equity***
Parallel shift of minus 100 bps	**467**	**344**	**402**	**273**
EUR	(31)	(39)	(121)	(163)
USD	(1)	(21)	31	19
RUB	671	576	707	658
Other currencies	(172)	(172)	(215)	(241)
Parallel shift of plus 100 bps	**(467)**	**(344)**	**(402)**	**(273)**
EUR	31	39	121	163
USD	1	21	(31)	(19)
RUB	(671)	(576)	(707)	(658)
Other currencies	172	172	215	241

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(EUR thousand)

24. Risk management (continued)

Interest rate risk (continued)

Average interest rates

The following table shows weighted average interest rates for interest-bearing assets and liabilities as at 30 June 2026 and 31 December 2025. These interest rates are approximation of the yields to maturity of these assets and liabilities.

	30 June 2026 (unaudited)					***31 December 2025***				
	Average interest rate, %					***Average interest rate, %***				
	EUR	***USD***	***RUB***	***CNY***	***Other currencies***	***EUR***	***USD***	***RUB***	***CNY***	***Other currencies***
Interest-bearing assets										
Correspondent accounts with banks in IBEC member countries and other countries	1.13	0.80	14.29	0.27	2.85	1.01	–	–	0.36	3.00
Securities at fair value through profit or loss										
- Held by the Bank	*1.85*	–	*20.10*	–	–	–	–	*18.86*	–	–
- Pledged under repurchase agreements	*1.13*	–	–	–	–	*1.26*	–	–	–	–
Securities at fair value through other comprehensive income										
- Held by the Bank	*2.27*	*3.20*	*15.12*	–	–	*2.34*	*3.33*	*17.83*	*7.05*	–
- Pledged under repurchase agreements	*2.23*	–	*8.40*	–	–	*1.95*	–	*13.79*	–	–
Due from banks and financial institutions	11.16	–	16.00	6.61	–	5.40	–	16.48	7.25	–
Securities at amortized cost										
- Held by the Bank	*2.20*	–	*18.52*	–	–	*2.20*	–	*19.54*	–	–
- Pledged under repurchase agreements	–	–	–	–	–	–	–	*19.66*	–	–
- Digital rights	–	–	–	–	–	–	–	*19.00*	–	–
Loans to corporate customers	6.75	–	18.01	9.50	–	6.67	–	19.85	6.01	–
Consumer lending	3.00	–	–	–	–	3.00	–	–	–	–
Interest-bearing liabilities										
Due to financial institutions	2.58	–	13.47	4.00	–	2.52	–	16.28	4.00	–
Due to customers	3.00	3.00	14.62	–	–	2.91	0.07	16.43	–	–
Debt financial instruments issued	–	–	15.87	–	–	–	–	16.45	–	–

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(EUR thousand)

24. Risk management (continued)

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Management Board follows a conservative policy regarding foreign currency transactions, aiming to minimize open currency positions in order to reduce currency risk to an acceptable level. The Bank monitors its currency positions on a daily basis.

The table below shows a general analysis of the Bank's currency risk related to financial assets and liabilities as at 30 June 2026:

	Note	*EUR*	*USD*	*RUB*	*CNY*	*Other*	*Total*
Cash and cash equivalents		7,951	10,476	10,152	23,700	35	**52,314**
Securities at fair value through profit or loss							
- Held by the Bank		*931*	–	*1,484*	–	–	***2,415***
- Pledged under repurchase agreements		*4,335*	–	–	–	–	***4,335***
Securities at fair value through other comprehensive income							
- Held by the Bank		*47,273*	*6,584*	*201,188*	–	–	***255,045***
- Pledged under repurchase agreements		*15,118*	–	*4,753*	–	–	***19,871***
Due from banks and financial institutions		3,004	–	7,955	12,235	–	**23,194**
Securities at amortized cost							
- Held by the Bank		*8,912*	–	*62,048*	–	–	***70,960***
Loans to corporate customers		41,107	–	97,160	1,314	–	**139,581**
Other financial assets	12	432	3	822	59	623	**1,939**
Total financial assets		**129,063**	**17,063**	**385,562**	**37,308**	**658**	**569,654**
Due to financial institutions		27,118	44	40,964	2,177	–	**70,303**
Due to customers		2,354	235	127,579	1,510	–	**131,678**
Debt financial instruments issued		–	–	177,648	–	–	**177,648**
Other financial liabilities	12	5,103	273	3,418	56	–	**8,850**
Total financial liabilities		**34,575**	**552**	**349,609**	**3,743**	**–**	**388,479**
Net balance sheet position		**94,488**	**16,511**	**35,953**	**33,565**	**658**	**181,175**
Net off-balance sheet position		**93,754**	**(17,148)**	**(51,646)**	**(22,416)**	**–**	**2,544**
Net balance sheet and off-balance sheet position		**188,242**	**(637)**	**(15,693)**	**11,149**	**658**	**183,719**

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(EUR thousand)

24. Risk management (continued)

Currency risk (continued)

The table below shows a general analysis of the Bank's currency risk related to financial assets and liabilities as at 31 December 2025:

	Note	EUR	USD	RUB	CNY	Other	Total
Cash and cash equivalents		29,247	22,203	2,417	9,180	22	**63,069**
Securities at fair value through profit or loss							
- Held by the Bank		–	–	*5,085*	–	–	***5,085***
- Pledged under repurchase agreements		*4,935*	–	–	–	–	***4,935***
Securities at fair value through other comprehensive income							
- Held by the Bank		*45,539*	*6,857*	*103,605*	*3,070*	–	***159,071***
- Pledged under repurchase agreements		*42,033*	–	*42,257*	–	–	***84,290***
Due from banks and financial institutions		9,693	–	40,877	25,570	–	**76,140**
Securities at amortized cost							
- Held by the Bank		*8,750*	–	*51,353*	–	–	***60,103***
- Pledged under repurchase agreements		–	–	*15,307*	–	–	***15,307***
- Digital rights		–	–	*9,738*	–	–	***9,738***
Loans to corporate customers		43,402	–	111,597	25,722	–	**180,721**
Other financial assets	12	365	2	629	46	143	**1,185**
Total financial assets		**183,964**	**29,062**	**382,865**	**63,588**	**165**	**659,644**
Due to financial institutions		28,914	9	91,636	24,790	–	**145,349**
Due to customers		2,317	4,340	107,033	13	–	**113,703**
Debt financial instruments issued		–	–	209,448	–	–	**209,448**
Other financial liabilities	12	6,358	10	1,691	27	2	**8,088**
Total financial liabilities		**37,589**	**4,359**	**409,808**	**24,830**	**2**	**476,588**
Net balance sheet position		**146,375**	**24,703**	**(26,943)**	**38,758**	**163**	**183,056**
Net off-balance sheet position		**54,313**	**(25,443)**	**10,868**	**(38,054)**	**–**	**1,684**
Net balance sheet and off-balance sheet position		**200,688**	**(740)**	**(16,075)**	**704**	**163**	**184,740**

A weakening of the euro against the US dollar and the Russian ruble as at 30 June 2026 and 31 December 2025, would have resulted in an increase (decrease) in equity and profit (or loss) as shown in the table below. This analysis is based on foreign currency exchange rate variances that the Bank considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, particularly interest rates, remain constant. The effect on equity does not differ from the effect on the interim statement of profit or loss and other comprehensive income.

	30 June 2026 (unaudited)	31 December 2025
20% appreciation of USD against EUR	(127)	(148)
20% appreciation of RUB against EUR	(3,139)	(3,215)
20% depreciation of USD against EUR	127	148
20% depreciation of RUB against EUR	3,139	3,215

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(EUR thousand)

24. Risk management (continued)

Operational risk

Operational risk is the risk arising from system failures, human errors, fraud or external events. Operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. While the Bank cannot assume that all operational risks are completely eliminated, it can control and mitigate them through a control framework that monitors and responds appropriately to potential risks.

To reduce the negative impact of operational risks, the Bank collects and classifies data on operational risk events, maintains a risk event database, assesses and monitors risks, and prepares management reports. Concurrently, in accordance with its existing methodology, the Bank measures operational risk using the Basic Indicator Approach as recommended by Basel II.

25. Fair value measurement

Fair value measurements

The Bank has methods and procedures to perform recurring fair value measurements for securities at fair value through profit or loss, securities at fair value through other comprehensive income, and derivative financial instruments.

At each reporting date, the Bank analyzes changes in the value of assets and liabilities which are required to be re-measured or re-assessed in accordance with the Bank's accounting policies. Fair value measurement is performed using available market information (with application of additional professional judgment) and valuation techniques appropriate to a given asset or liability.

For significant assets, such as the Bank's building, independent external appraisers are engaged. The decision on whether to engage external appraisers is made annually by the Management Board of the Bank. Selection criteria include market knowledge, reputation, independence and adherence to professional standards. Together with the external appraisers, the Bank compares each change in the fair value of the building against relevant external sources to determine whether the change is reasonable. The results are presented to the Management Board and independent auditors of the Bank. This includes a discussion of key assumptions used in the valuation.

The fair value of the building is classified within Level 3 of the fair value hierarchy.

Fair value hierarchy

The Bank uses the following hierarchy for measuring and disclosing fair values of financial instruments:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: valuation techniques not based on observable market data, which use inputs that have a significant effect on the recorded fair value and that are not based on observable market data. If a fair value measurement uses observable inputs that require significant adjustment, the measurement is included in Level 3. The relevance of the inputs used is assessed for all fair value measurements.

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(EUR thousand)

25. Fair value measurement (continued)

Fair value hierarchy (continued)

Transfers between the levels of the fair value hierarchy are deemed to have been made as at the end of the reporting period.

The following tables show the analysis of financial instruments presented in the interim condensed financial statements at fair value by level of the fair value hierarchy as at 30 June 2026 and 31 December 2025:

	Fair value measurement using			
30 June 2026 (unaudited)	***Level 1 inputs***	***Level 2 inputs***	***Level 3 inputs***	***Total***
Assets measured at fair value				
Securities at fair value through profit or loss held by the Bank				
- *Corporate bonds*	*2,415*	–	–	***2,415***
Securities at fair value through profit or loss pledged under repurchase agreements				
- *Bonds of IBEC member countries*	*4,335*	–	–	***4,335***
Securities at fair value through other comprehensive income held by the Bank				
- *Corporate bonds*	*180,782*	–	–	***180,782***
- *Bonds of IBEC member countries*	*50,176*	–	–	***50,176***
- *Corporate Eurobonds*	–	*3,075*	*6,057*	***9,132***
- *Bonds of banks*	*8,030*	–	–	***8,030***
- *Eurobonds of other countries*	*6,925*	–	–	***6,925***
Securities at fair value through other comprehensive income pledged under repurchase agreements				
- *Bonds of IBEC member countries*	*19,871*	–	–	***19,871***
Derivative financial assets	–	*5,790*	–	**5,790**
Property and equipment – buildings	–	–	46,594	**46,594**
	272,534	**8,865**	**52,651**	**334,050**
Assets for which fair values are disclosed				
Cash and cash equivalents	52,314	–	–	**52,314**
Securities at amortized cost	70,960	–	–	**70,960**
Due from banks and financial institutions	–	–	23,194	**23,194**
Loans to corporate customers	–	–	139,581	**139,581**
Other financial assets	–	–	1,939	**1,939**
	123,274	**–**	**164,714**	**287,988**
Liabilities measured at fair value				
Derivative financial liabilities	–	3,246	–	**3,246**
Liabilities for which fair values are disclosed				
Due to financial institutions	–	–	70,303	**70,303**
Due to customers	–	–	131,678	**131,678**
Debt financial instruments issued	177,648	–	–	**177,648**
	177,648	**–**	**201,981**	**379,629**

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(EUR thousand)

25. Fair value measurement (continued)

Fair value hierarchy (continued)

31 December 2025	Fair value measurement using Level 1 inputs	Level 2 inputs	Level 3 inputs	Total
Assets measured at fair value				
Securities at fair value through profit or loss held by the Bank				
- Corporate bonds	*5,085*	–	–	***5,085***
Securities at fair value through profit or loss pledged under repurchase agreements				
- Bonds of IBEC member countries	*4,056*	–	–	***4,056***
- Corporate bonds	*879*	–	–	***879***
Securities at fair value through other comprehensive income held by the Bank				
- Corporate bonds	*95,935*	–	–	***95,935***
- Bonds of IBEC member countries	*30,151*	–	–	***30,151***
- Corporate Eurobonds	–	*8,055*	*6,580*	***14,635***
- Bonds of banks	*9,623*	–	–	***9,623***
- Eurobonds of other countries	*6,744*	–	–	***6,744***
- Eurobonds of international financial institutions	–	–	*1,983*	***1,983***
Securities at fair value through other comprehensive income pledged under repurchase agreements				
- Corporate bonds	*51,723*	–	–	***51,723***
- Bonds of IBEC member countries	*32,567*	–	–	***32,567***
Derivative financial assets	–	*4,530*	–	**4,530**
Property and equipment – buildings	–	–	47,084	**47,084**
	236,763	**12,585**	**55,647**	**304,995**
Assets for which fair values are disclosed				
Cash and cash equivalents	63,069	–	–	**63,069**
Securities at amortized cost	85,148	–	–	**85,148**
Due from banks and financial institutions	–	–	76,140	**76,140**
Loans to corporate customers	–	–	180,721	**180,721**
Other financial assets	–	–	1,185	**1,185**
	148,217	**–**	**258,046**	**406,263**
Liabilities measured at fair value				
Derivative financial liabilities	–	2,846	–	**2,846**
Liabilities for which fair values are disclosed				
Due to financial institutions	–	–	145,349	**145,349**
Due to customers	–	–	113,703	**113,703**
Debt financial instruments issued	209,448	–	–	**209,448**
	209,448	**–**	**259,052**	**468,500**

Derivative financial instruments

All derivative financial instruments are carried at fair value as assets when their fair value is positive and as liabilities when their fair value is negative. In accordance with IFRS 9, the fair value of an instrument at its origination is usually equal to the transaction price. If the transaction price differs from the amount determined at the origination of a financial instrument using valuation techniques, the difference is amortized on a straight-line basis over the life of the financial instrument.

Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps and currency swaps. The most frequently applied valuation techniques include swap pricing models using present value calculations. The techniques incorporate various inputs, including counterparties' creditworthiness, foreign exchange forward and spot rates and interest rate curves.

(EUR thousand)

25. Fair value measurement (continued)

Derivative financial instruments (continued)

Derivatives valued using valuation techniques with significant unobservable inputs are mainly long-term option contracts. These derivatives are valued using the binomial model. The techniques incorporate various non-observable assumptions, including market rate volatility.

Securities at fair value

Securities at fair value valued using a valuation technique consist of debt securities. Such assets are valued using models which incorporate either only observable market data or both observable and non-observable data. The unobservable inputs include assumptions regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

Transfers between Level 1 and Level 2

During the six months ended 30 June 2026 and 30 June 2025, there were no transfers from Level 1 to Level 2 and from Level 2 to Level 1.

Movements in Level 3 financial instruments

During the six months ended 30 June 2026 and 30 June 2025, there were no transfers from Level 1 to Level 3 and from Level 3 to Level 1.

During the six months ended 30 June 2026 and 30 June 2025, no financial instruments were added to Level 3 of the fair value hierarchy.

The following table shows a reconciliation of the opening and closing balances of Level 3 financial assets which are recorded at fair value for the period ended 30 June 2026:

	At 1 January 2026	*Total gains/ (losses) recorded in profit or loss*	*Total gains/ (losses) recorded in other comprehensive income*	*Purchases*	*Settlements*	*At 30 June 2026 (unaudited)*
Financial assets						
Securities at fair value through other comprehensive income	8,563	249	(308)	–	(2,447)	6,057
Property and equipment – building	47,084	(529)	–	39	–	46,594
Total Level 3 financial assets	**55,647**	**(280)**	**(308)**	**39**	**(2,447)**	**52,651**
Total net Level 3 financial assets	**55,647**	**(280)**	**(308)**	**39**	**(2,447)**	**52,651**

The following table shows a reconciliation of the opening and closing balances of Level 3 financial assets measured at fair value for the period ended 30 June 2025:

	At 1 January 2025	*Total gains/ (losses) recorded in profit or loss*	*Total gains/ (losses) recorded in other comprehensive income*	*Purchases*	*Settlements*	*At 30 June 2025 (unaudited)*
Financial assets						
Securities at fair value through other comprehensive income	8,672	66	(276)	–	–	8,462
Property and equipment – building	48,073	(520)	–	44	–	47,597
Total Level 3 financial assets	**56,745**	**(454)**	**(276)**	**44**	**–**	**56,059**
Total net Level 3 financial assets	**56,745**	**(454)**	**(276)**	**44**	**–**	**56,059**

(EUR thousand)

25. Fair value measurement (continued)

Fair value of financial assets and liabilities not recorded at fair value

As at 30 June 2026 and 31 December 2025, the fair value of financial assets and liabilities not carried at fair value in the interim statement of financial position did not differ significantly from their carrying amount. Financial assets and liabilities not recorded at fair value in the interim statement of financial position include amounts due from banks and financial institutions, loans to corporate customers, amounts due to financial institutions, amounts due to customers, debt financial instruments issued and securities measured at amortized cost.

26. Segment reporting

For the purposes of managing operating activities, making decisions on resource allocation and assessing performance, the Bank is organized into three operating segments based on its mission of assisting in developing market economic relations among business entities in IBEC member countries.

Development portfolio	Providing investment banking services, including corporate financing (except for impaired credit projects) and interbank financing to fund the foreign trade activities of companies from IBEC member countries, as well as investment in debt securities purchased at initial issuance from issuers based in the Bank's member countries with a view to support the operations of the Bank's member countries (including during the period of withdrawal of countries from the Agreement on the Organization and Activities of the International Bank for Economic Co-operation); raising corporate and interbank finance from counterparties based in member countries and from international financial institutions (IFIs) with the same shareholders as IBEC. If, at the time of a transaction, the company's country of exposure was a member country of the Bank, this transaction remains in the development portfolio up to the date of repayment, irrespective of whether the country has withdrawn from the Agreement on the Organization and Activities of the International Bank for Economic Co-operation.
Other banking activities	Providing investment banking services, including term interbank financing, as well as investments in debt securities (not included in the development portfolio), handling derivative financial instruments and foreign currency, managing liquidity, raising corporate and interbank finance from counterparties based in non-member countries (including during the period of withdrawal of countries from the Agreement on the Organization and Activities of the International Bank for Economic Co-operation), lending to corporate customers in the non-performing loan category, and trust management.
Other activities	Lease services and other activities.

Management monitors operating results of each segment separately to make decisions on allocation of resources and to assess their operating performance. Segment performance is measured based on operating profit or loss, which is calculated differently from operating profit or loss recorded in these interim condensed financial statements, as indicated in the table below.

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(EUR thousand)

26. Segment reporting (continued)

Income and expense by segment and profit for the six months ended 30 June 2026 and 30 June 2025, respectively, are shown in the table below:

Six months ended 30 June 2026 (unaudited)	***Development portfolio***	***Other banking activities***	***Other activities***	***Total***
Interest income calculated using the EIR method	34,334	5,564	7	**39,905**
Other interest income	104	370	–	**474**
Interest expense	(30,584)	(2,868)	(34)	**(33,486)**
Net interest income (expense)	**3,854**	**3,066**	**(27)**	**6,893**
Allowance for expected credit losses from financial assets	(727)	(633)	–	**(1,360)**
Net interest income (expense) after allowance for expected credit losses	**3,127**	**2,433**	**(27)**	**5,533**
Net fee and commission income (expense)	2,898	(261)	–	**2,637**
Net gains from operations with securities at fair value through profit or loss	66	326	–	**392**
Net gains (losses) from operations with securities at fair value through profit or loss	(89)	868	–	**779**
Net losses from operations with securities at amortized cost	(1)	–	–	**(1)**
Net gains (losses) from operations with derivative financial instruments and foreign currency	1,917	581	(1,090)	**1,408**
Lease income	–	–	1,272	**1,272**
Other banking income	1	8	172	**181**
Net losses from disposal of property and equipment	–	–	(1)	**(1)**
Other provisions	–	–	(76)	**(76)**
Other banking expenses	(17)	(6)	–	**(23)**
Segment profit	**7,902**	**3,949**	**250**	**12,101**

(continued on the next page)

(EUR thousand)

26. Segment reporting (continued)

Six months ended 30 June 2025 (unaudited)	***Development portfolio***	***Other banking activities***	***Other activities***	***Total***
Interest income calculated using the EIR method	29,276	5,237	4	**34,517**
Other interest income	–	35	–	**35**
Interest expense	(27,462)	(2,306)	(29)	**(29,797)**
Net interest income (expense)	**1,814**	**2,966**	**(25)**	**4,755**
Allowance for expected credit losses from financial assets	(1,380)	(2,539)	–	**(3,919)**
Net interest income (expense) after allowance for expected credit losses	**434**	**427**	**(25)**	**836**
Net fee and commission income (expense)	894	(27)	–	**867**
Net gains from operations with securities at fair value through profit or loss	–	601	–	**601**
Net gains from operations with securities at fair value through other comprehensive income	975	2,108	–	**3,083**
Net losses from operations with securities at amortized cost	(3)	–	–	**(3)**
Net (losses) gains from operations with derivative financial instruments and foreign currency	(4,256)	2,703	(90)	**(1,643)**
Lease income	–	–	1,149	**1,149**
Other banking income	4	158	475	**637**
Other provisions	–	–	(108)	**(108)**
Other banking expenses	(6)	(28)	–	**(34)**
Segment profit (loss)	**(1,958)**	**5,942**	**1,401**	**5,385**

The reconciliation of total segment profit with the Bank's profit is as follows:

	For the six months ended 30 June (unaudited)	
	2026	***2025***
Total segment profit (loss)	**12,101**	**5,385**
Unallocated administrative and management expenses	(8,092)	(6,724)
Profit (loss) for the period	**4,009**	**(1,339)**

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(EUR thousand)

26. Segment reporting (continued)

Assets and liabilities of the Bank's operating segments are presented in the table below:

	Development portfolio	*Other banking activities*	*Other activities*	*Total*
Segment assets				
30 June 2026 (unaudited)	413,018	161,040	51,469	**625,527**
31 December 2025	457,991	205,161	51,690	**714,842**

	Development portfolio	*Other banking activities*	*Other activities*	*Total*
Segment liabilities				
30 June 2026 (unaudited)	364,370	23,462	4,858	**392,690**
31 December 2025	433,929	40,892	5,796	**480,617**

	Development portfolio	*Other banking activities*	*Other activities*	*Total*
Credit-related commitments				
30 June 2026 (unaudited)	139,438	–	–	**139,438**
31 December 2025	128,398	–	–	**128,398**

During the six-month period ended 30 June 2026, the Bank had one external counterparty individually generating lease revenue of EUR 295 thousand, accounting for more than 20% of the Bank's income for the six months ended 30 June 2026 (30 June 2025: one external counterparty individually generating lease revenue of EUR 273 thousand, accounting for more than 20% of the Bank's income for the six months ended 30 June 2025).

The following tables present the Bank's revenue, by segment, from contracts with external customers for the six months ended 30 June 2026 and 30 June 2025, respectively:

Six months ended 30 June 2026 (unaudited)	*Development portfolio*	*Other banking activities*	*Other activities*	*Total*
Interest income	34,438	5,934	7	**40,379**
Fee and commission income	3,762	35	–	**3,797**
- Cash and settlement operations	*1,796*	*4*	–	***1,800***
- Documentary operations	*1,320*	–	–	***1,320***
- Underwriting commission income	*324*	–	–	***324***
- Loan servicing fees	*154*	–	–	***154***
- Currency control	*148*	–	–	***148***
- Account maintenance	*20*	*31*	–	***51***
Lease income	–	–	1,272	**1,272**
Total revenue from contracts with customers	**38,200**	**5,969**	**1,279**	**45,448**

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(EUR thousand)

26. Segment reporting (continued)

Six months ended 30 June 2025 (unaudited)	***Development portfolio***	***Other banking activities***	***Other activities***	***Total***
Interest income	29,276	5,272	4	**34,552**
Fee and commission income	1,192	37	–	**1,229**
- Documentary operations	*997*	–	–	***997***
- Loan servicing fees	*147*	–	–	***147***
- Currency control	*13*	*23*	–	***36***
- Account maintenance	*18*	*10*	–	***28***
- Cash and settlement operations	*17*	*4*	–	***21***
- Other	–	–	–	**–**
Lease income	–	–	1,149	**1,149**
Total revenue from contracts with customers	**30,468**	**5,309**	**1,153**	**36,930**

27. Related party transactions

For the purposes of these interim condensed financial statements, parties are considered related if one of them has control or significant influence over the strategic, financial or operational decisions of the other party, as defined by IAS 24, *Related Party Disclosures*. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions with the Bank's key management personnel

Remuneration to the key management personnel of the Bank for the six months ended 30 June 2026 amounted to EUR 988 thousand (30 June 2025: EUR 489 thousand). Contributions by key management personnel of the Bank to the Social Fund of the Russian Federation totaled EUR 120 thousand (30 June 2025: EUR 44 thousand). As at 30 June 2026 and 30 June 2025, there were no contributions to the Pension funds of IBEC member countries.

As at 30 June 2026 and 31 December 2025, the balances on accounts of the Bank's key management personnel were as follows:

	30 June 2026 (unaudited)	***31 December 2025***
Current accounts	48	32

Transactions with government-related companies

A government-related company is a company under control, joint control or significant influence of the government of an IBEC member country. The Bank carries out transactions with member countries that exercise significant influence on the Bank. In the ordinary course of business, the Bank also enters into contractual relations with government-related companies.

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(EUR thousand)

27. Related party transactions (continued)

Transactions with government-related entities (continued)

The table below discloses transactions with government-related companies:

Interim statement of financial position	*30 June 2026 (unaudited)*	*31 December 2025*
Assets		
Cash and cash equivalents	11,151	3,937
Securities at fair value through profit or loss	5,266	4,935
Securities at fair value through other comprehensive income	137,162	105,341
Due from banks and financial institutions	3,292	28,062
Securities at amortized cost	8,912	18,488
Loans to corporate customers	28,746	55,017
Derivative financial assets	5,518	4,130
Other assets	249	248
Liabilities		
Due to financial institutions	50,202	62,025
Due to customers	105,076	84,960
Derivative financial liabilities	1,943	2,756
Other liabilities	3,012	1,189
Off-balance sheet commitments		
Credit-related commitments	–	1,167

Amounts included in the interim statement of profit or loss and other comprehensive income for transactions with government-related companies for the six months ended 30 June 2026 and 30 June 2025 are as follows:

	For the six months ended 30 June (unaudited)	
Interim statement of profit or loss and other comprehensive income	*2026*	*2025*
Interest income calculated using the EIR method	9,698	7,427
Other interest income	34	34
Interest expense	(11,213)	(11,062)
(Allowance) reversal of allowance for expected credit losses from financial assets	953	(297)
Fee and commission income	2,080	17
Fee and commission expense	(161)	(23)
Net gains (losses) from operations with securities at fair value through profit or loss	262	601
Net gains (losses) from operations with securities at fair value through other comprehensive income	984	2,649
Net losses from operations with securities at amortized cost	(1)	(3)
Net gains from operations with derivative financial instruments and foreign currency	3,034	3,084
Lease income	620	511
Other banking income	35	37
Administrative and management expenses	(1,819)	(97)
Other banking expenses	86	–

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(EUR thousand)

28. Capital adequacy

The Bank manages capital adequacy to cover risks inherent in banking business. The adequacy of the Bank's capital is monitored using, among other measures, the methods, principles and ratios established by the Basel Capital Accord.

The primary objective of the Bank's capital management is to ensure that the Bank maintains the required level of capital adequacy in order to support its business.

The Bank's capital adequacy ratio approved by the Council of the Bank is established at not less than 25%.

The Bank manages its capital structure and makes adjustments to it when economic conditions and the risk characteristics of its activities change.

The Bank's capital adequacy ratio as at 30 June 2026 and 31 December 2025 was 41.2% and 37.1%, respectively.

The table below shows the composition of the Bank's capital computed in accordance with the Basel Accord (Basel II) as at 30 June 2026 and 31 December 2025.

	30 June 2026 (unaudited)	***31 December 2025***
Equity	232,837	234,225
Total equity	**232,837**	**234,225**
Risk-weighted assets		
Credit risk	433,247	510,861
Market risk	119,308	106,992
Operational risk	12,664	12,664
Total risk-weighted asмsets	**565,219**	**630,517**

29. Events after the reporting period

On 15 July 2026, a corporate customer in the Socialist Republic of Vietnam early repaid a loan provided in 2021 (as at 30 June 2026, the carrying amount of the loan, including allowances, totaled EUR 9,478 thousand, the loan was included in Stage 2 of impairment). The Bank's income resulted from the early repayment taking into account the reversal of previously created allowances amounted to EUR 3,501 thousand.