STATEMENT OF FINANCIAL POSITION* as at June 30, 2019

DEMIR KYRGYZ INTERNATIONAL BANK Bishkek, Chui Avenue 245

in thousand Soms

	June 30, 2019	December 31, 2018	June 30, 2018
SETS:			~~~~
Cash	1 167 969	1 452 697	1 473 808
Correspondent account at National Bank of Kyrgyz Republic	1 832 755	1 626 477	1 608 997
Accounts and deposits with other banks and financial institutions	7 640 830	6 221 323	6 726 440
Loans and advances to banks and other financial institutions	340 530	250 109	-
Security investments			
- held to maturity	964 779	1 111 291	667 003
- available-for-sale	49 784	14 974	2 437
Securities sold under agreement to repurchase	60 523	25	-
Gross Loans to customers	8 478 086	8 301 998	7 618 274
Minus: Impairement allowance	(206 388)	(174 738)	(213 712
Net loans to customers	8 271 698	8 127 260	7 404 562
Property and equipment	290 428	294 642	290 951
Intangible assets	95 686	92 289	82 039
Right-of-use asset	130 409	151 537	-
Others assets	786 429	706 899	681 856
TOTAL ASSETS	21 631 820	20 049 498	18 938 093
Deposits and balances from banks Current accounts and deposits from customers	13 510 18 082 540	38 701 16 725 821	19 257 16 199 286
, o			
Other borrowed funds	684 860 23 358	588 634 20 006	520 279 16 097
Current tax liability			
Deferred tax liability	7 880	15 886	4 463
Lease liability	169 125	190 373	
Other liabilities	218 759	189 416	207 808
TOTAL LIABILITIES	19 200 032	17 768 837	16 967 190
SHAREHOLDER'S EQUITY Share capital	600 000	600 000	600 000
Additionally paid-in capital	1	1	1
Revaluation reserves for available-for-sale financial assets	660	91	11
Retained earnings	1 831 127	1 680 569	1 370 891
TOTAL SHAREHOLDER'S EQUITY	2 431 788	2 280 661	1 970 903
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	21 631 820	20 049 498	18 938 093
F <u>or information:</u> Regulatory Impairment allowance for Loans to customers (as per NBKR)	(210 184)	(218 091)	(227 815
Regulatory Impairment allowance for Other financial assets (as per NBKR)	(5 333)	(7 933)	(3 983
Regulatory Impairment allowance for Other assets (as per NBKR)	(170 500)	(9 207)	(133 796

Acting General M Anastasiya Trofimushkina Chief Accoun Zulfiya Djakipova

STATEMENT OF COMPREHENSIVE INCOME as at June 30, 2019

DEMIR KYRGYZ INTERNATIONAL BANK

Bishkek, Chui Avenue 245

in thousand Soms

	June 30, 2019	December 31, 2018	June 30, 2018
Interest income	648 660	1 184 205	545 874
Interest expenses	(140 086)	(231 590)	(107 731)
NET INTEREST INCOME BEFORE PROVISION/RECOVERY OF PROVISION FOR IMPAIRMENT LOSSES ON INTEREST BEARING ASSETS	508 574	952 615	438 143
(Provision) / Recovery of provision for impairment losses on interest bearing assets	(35 846)	8 540	(37 892)
NET INTEREST INCOME	472 728	961 155	400 251
Net gain on foreign exchange operations	85 602	200 821	85 200
Fee and commission income Fee and commission expenses	229 303 (105 484)	431 903 (198 051)	201 397 (89 011)
Other income	556	8 948	558
NET NON-INTEREST INCOME	209 977	443 621	198 144
OPERATING INCOME	682 705	1 404 776	598 395
OPERATING EXPENSES	(468 913)	(876 933)	(427 676)
PROFIT BEFORE PROVISION FOR IMPAIREMENT LOSSES ON OTHER TRANSACTIONS AND INCOME TAX	213 792	527 843	170 719
(Provision) / Recovery of provision for impairment losses on other transactions	(47 882)	8 268	(26 661)
PROFIT BEFORE INCOME TAX	165 910	536 111	144 058
Income tax expenses	(15 352)	(57 363)	(13 824)
NET PROFIT	150 558	478 748	130 234
Net change in value of AFS	569	(32)	(112)
TOTAL COMPREHENSIVE INCOME	151 127	478 716	130 122
Earning per share, KGS	251	798	217

For information:

Net Profit as per Regulatory reports

182 687

408 380

119 828

Acting General Ne

Anastasiya Trofimushkina

Chief Accoun

Zulfiya Djakipova

Statement of changes in equity as at June 30, 2019

DEMIR KYRGYZ INTERNATIONAL BANK Bishkek, Chui Avenue 245

in thousand Soms

	Share Capital	Additional Paid in capital	Retained earnings	Revaluation reserve for AFS financial assets	Total equity
Balance as at December 31st, 2017	500 000	1	1 367 354	55	1 867 410
Adjustment on initial application of IFRS 9, net of tax		-	(26 697)	68	(26 629
Balance as at January 1st, 2018	500 000	1	1 340 657	123	1 840 781
Net Profit	-	12	130 234	12	130 234
Other comprehensive income: Net change in fair value of available-for -sale financial assets, net of income tax		0.00	-	(112)	(112)
Transactions with owners, recorded directed in equity: Shares issue	100 000	-	(100 000)		
Balance as at June 30th, 2018	600 000	1	1 370 891	11	1 970 903
Net Profit	12		348 514	12	348 514
Other comprehensive income: Net change in fair value of available-for -sale financial assets, net of income tax Transactions with owners, recorded directed in equity: Shares issue	-	-	-	80	80
Dividends paid	72	-	-	12	
Balance as at December 31st, 2018	600 000	1	1 719 405	91	2 319 497
Adjustment on initial application of IFRS 16, net of tax	-	-	(38 836)	, s <u>~</u>	(38 836
Balance as at January 1st, 2019	600 000	1	1 680 569	91	2 280 661
Net Profit	-	. =	150 558	1.5	150 558
Other comprehensive income: Net change in fair value of available-for -sale financial assets, net of income tax Transactions with owners, recorded directed in equity:	-	-	-	569	569
Shares issue	-	-	-	_	_
Balance as at June 30th, 2019	600 000	1	1 831 127	660	2 431 788

Acting General Anastasiya Trofimushkina Zulfiya Djakipova

CASH FLOW STATEMENT

as at June 30, 2019

DEMIR KYRGYZ INTERNATIONAL BANK Bishkek, Chui Avenue 245

in thousand Soms

Interest receipts		June 30, 2019	June 30, 2018
Interest payments	CASH FLOWS FROM OPERATING ACTIVITIES:		
Fee and commission receipts	Interest receipts	646 036	512 277
Fee and commission payments	Interest payments	(132 932)	(102 579
Net receipts from foreign exchange 89 249 89 378 648 Other procene receipts 593 648 648 648 648 62954 (263 373) 648 648 648 629 254 (263 373) 648 <t< td=""><td>Fee and commission receipts</td><td>229 303</td><td>201 397</td></t<>	Fee and commission receipts	229 303	201 397
Other income receipts 593 648 Other general administrative expenses payments (209 294) (283 730 Cash inflows from operating activities before changes in operating assets and liabilities 517 511 328 380 Changes in operating assets and liabilities (Increase) decrease in operating assets (67 690) (253 346 Loans and advances to banks (67 690) (791 882 Loans to customers (235 190) (791 882 Reverse REPO agreements (60 541) ————————————————————————————————————	Fee and commission payments	(105 484)	(89 011
Other general administrative expenses payments (209 254) (283 730) Cash inflows from operating activities before changes in operating assets and liabilities 517 511 328 380 Changes in operating assets and liabilities (Increase)/ decrease in operating assets Loans and advances to banks (67 690) (253 346 Loans to customers (255 199) (791 582 Reverse REPO agreements (60 541) 1 Other assets (83 515) (112 619 Increase/ (decrease) in operating liabilities (25 103) 8 597 Current accounts and deposits from customers 1 409 021 856 367 Other liabilities (143 890) (9 425 Cash inflow / outflow from operating activities before income tax 1 300 603 2 372 Income tax paid (20 006) (10 460 Net cash inflow / outflow from operating activities 1 280 597 1 5882 CASH FLOWS FROM INVESTING ACTIVITIES 243 473 2 19 18 Purchases of available-for-sale financial assets and investments in securities (127 533) 574 Net cash flows from investing activities 3 1 392 <t< td=""><td>Net receipts from foreign exchange</td><td>89 249</td><td>89 378</td></t<>	Net receipts from foreign exchange	89 249	89 378
Changes in operating activities before changes in operating assets and liabilities S17 511 328 380	Other income receipts	593	648
Changes in operating assets and liabilities	Other general administrative expenses payments	(209 254)	(283 730
Clarease decrease in operating assets	Cash inflows from operating activities before changes in operating assets and liabilities	517 511	328 380
Loans and advances to banks	Changes in operating assets and liabilities		
Loans to customers	(Increase)/ decrease in operating assets		
Reverse REPO agreements	Loans and advances to banks	(67 690)	(253 346
Other assets (93 515)	Loans to customers	(235 190)	(791 582
Increase/ (decrease) in operating liabilities Due to banks	Reverse REPO agreements	(60 541)	
Due to banks	Other assets	(93 515)	(112 619
Current accounts and deposits from customers 1 409 021 856 367 Other liabilities (143 890) (9 425 Cash inflow / outflow from operating activities before income tax 1 300 603 26 372 Income tax paid (20 006) (10 490 Net cash inflow / outflow from operating activities 1 280 597 15 882 CASH FLOWS FROM INVESTING ACTIVITIES 1 280 597 15 882 Purchases of available-for-sale financial assets and investments in securities (127 533) - Repayment of available-for-sale financial assets (23 4373) 21 918 Purchases of property and equipment and intangible assets (56 972) (45 845 Sales of property and equipment and intangible assets (27 576) 574 Net cash flows from investing activities 31 392 (23 353 ASH FLOW FROM FINANCIAL ACTIVITIES 178 896 240 84 Dividends paid - - Receipt of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 97 670 149 368 let increase / decrease in cash and cash equivalents (35 257) <t< td=""><td>Increase/ (decrease) in operating liabilities</td><td></td><td></td></t<>	Increase/ (decrease) in operating liabilities		
Other liabilities (143 890) (9 425 Cash inflow / outflow from operating activities before income tax 1 300 603 26 372 Income tax paid (20 006) (10 490 Net cash inflow / outflow from operating activities 1 280 597 15 882 CASH FLOWS FROM INVESTING ACTIVITIES Purchases of available-for-sale financial assets and investments in securities (127 533) - Repayment of available-for-sale financial assets 243 473 21 918 Purchases of property and equipment and intangible assets (56 972) (45 845 Sales of property and equipment and intangible assets (27 576) 574 Net cash flows from investing activities 31 392 (23 353 CASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid - Receipt of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 97 670 149 368 Net cash inflow from / outflow used in financial activities 1 409 659 141 897 Effect of changes in exchange rates on cash and cash equivalents (35 257) (68 521) Cash and cash equivalents at the beginning of the period 8 304 884<	Due to banks	(25 103)	8 597
Cash inflow / outflow from operating activities before income tax 1 300 603 26 372 Income tax paid (20 006) (10 490 Net cash inflow / outflow from operating activities 1 280 597 15 882 ASH FLOWS FROM INVESTING ACTIVITIES Purchases of available-for-sale financial assets and investments in securities (127 533) Repayment of available-for-sale financial assets 9 243 473 9 1918 Purchases of property and equipment and intangible assets (56 972) (45 845 Sales of property and equipment and intangible assets (27 576) 574 Net cash flows from investing activities 31 392 (23 353 ASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid Receipt of borrowed funds Repayments of borrowed funds Repayments of borrowed funds Repayments of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 1 409 659 141 897 effect of changes in exchange rates on cash and cash equivalents (35 257) (68 521 Sash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Current accounts and deposits from customers	1 409 021	856 367
Income tax paid (20 006) (10 490 Net cash inflow / outflow from operating activities 1 280 597 15 882 CASH FLOWS FROM INVESTING ACTIVITIES Purchases of available-for-sale financial assets and investments in securities (127 533) 21 918 Purchases of property and equipment and intangible assets (56 972) (45 845 53les of property and equipment and intangible assets (27 576) 574 Net cash flows from investing activities 31 392 (23 353) CASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid	Other liabilities	(143 890)	(9 425
Net cash inflow / outflow from operating activities ASH FLOWS FROM INVESTING ACTIVITIES Purchases of available-for-sale financial assets and investments in securities Repayment of available-for-sale financial assets Repayment of available-for-sale financial assets Purchases of property and equipment and intangible assets Purchases of property and equipment and intangible assets (56 972) (45 845 (27 576) 574 (27	Cash inflow / outflow from operating activities before income tax	1 300 603	26 372
Purchases of available-for-sale financial assets and investments in securities Purchases of available-for-sale financial assets Repayment of available-for-sale financial assets Purchases of property and equipment and intangible assets Sales of property and equipment and intangible assets (27 576) Net cash flows from investing activities CASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid Receipt of borrowed funds Repayments of borrowed funds Repayments of borrowed funds Net cash inflow from / outflow used in financial activities Purchases of available-for-sale financial activities (23 353) CASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid Receipt of borrowed funds Repayments of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities Profect of changes in cash and cash equivalents (35 257) (68 521 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Income tax paid	(20 006)	(10 490
Purchases of available-for-sale financial assets and investments in securities Repayment of available-for-sale financial assets Purchases of property and equipment and intangible assets Sales of property and equipment and intangible assets (27 576) Sales of property and equipment and intangible assets (27 576) Net cash flows from investing activities 31 392 (23 353 ASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid Receipt of borrowed funds Repayments of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 97 670 149 368 let increase / decrease in cash and cash equivalents (35 257) (68 521 cash and cash equivalents at the beginning of the period	Net cash inflow / outflow from operating activities	1 280 597	15 882
Repayment of available-for-sale financial assets Purchases of property and equipment and intangible assets Sales of property and equipment and intangible assets (27 576) Sales of property and equipment and intangible assets (27 576) Net cash flows from investing activities 31 392 (23 353 ASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid Receipt of borrowed funds Repayments of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 97 670 149 368 let increase / decrease in cash and cash equivalents (35 257) (68 521 cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	ASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment and intangible assets Sales of property and equipment and intangible assets (27 576) 574 Net cash flows from investing activities 31 392 (23 353 CASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid Receipt of borrowed funds Repayments of borrowed funds Repayments of borrowed funds Net cash inflow from / outflow used in financial activities Possible increase / decrease in cash and cash equivalents Effect of changes in exchange rates on cash and cash equivalents Cash and cash equivalents at the beginning of the period (45 845 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (27 576) 574 (28 845) 575 (38 896) 524 (81 226) (91 516 (91 516 (91	Purchases of available-for-sale financial assets and investments in securities	(127 533)	-
Sales of property and equipment and intangible assets Net cash flows from investing activities 23 353 CASH FLOW FROM FINANCIAL ACTIVITIES Dividends paid Receipt of borrowed funds Repayments of borrowed funds Net cash inflow from / outflow used in financial activities 149 368 Reter increase / decrease in cash and cash equivalents 1409 659 141 897 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Repayment of available-for-sale financial assets	243 473	21 918
Net cash flows from investing activities 31 392 (23 353 CASH FLOW FROM FINANCIAL ACTIVITIES 31 392 (23 353 Dividends paid - - Receipt of borrowed funds 178 896 240 884 Repayments of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 97 670 149 368 let increase / decrease in cash and cash equivalents 1 409 659 141 897 Effect of changes in exchange rates on cash and cash equivalents (35 257) (68 521 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Purchases of property and equipment and intangible assets	(56 972)	(45 845
Dividends paid Receipt of borrowed funds Repayments of borrowed funds Net cash inflow from / outflow used in financial activities Post increase / decrease in cash and cash equivalents Effect of changes in exchange rates on cash and cash equivalents Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the beginning of the period	Sales of property and equipment and intangible assets	(27 576)	574
Dividends paid Receipt of borrowed funds 178 896 240 884	Net cash flows from investing activities	31 392	(23 353
Receipt of borrowed funds Repayments of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 97 670 149 368 let increase / decrease in cash and cash equivalents 1 409 659 141 897 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	CASH FLOW FROM FINANCIAL ACTIVITIES		
Repayments of borrowed funds (81 226) (91 516 Net cash inflow from / outflow used in financial activities 97 670 149 368 Net increase / decrease in cash and cash equivalents 1 409 659 141 897 Effect of changes in exchange rates on cash and cash equivalents (35 257) (68 521 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Dividends paid	将到	
Net cash inflow from / outflow used in financial activities 97 670 149 368 Net increase / decrease in cash and cash equivalents 1 409 659 141 897 Effect of changes in exchange rates on cash and cash equivalents (35 257) (68 521 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Receipt of borrowed funds	178 896	240 884
Het increase / decrease in cash and cash equivalents 1 409 659 141 897 (68 521 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Repayments of borrowed funds	(81 226)	(91 516
Effect of changes in exchange rates on cash and cash equivalents (35 257) (68 521 Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Net cash inflow from / outflow used in financial activities	97 670	149 368
Cash and cash equivalents at the beginning of the period 8 304 884 7 302 507	Net increase / decrease in cash and cash equivalents	1 409 659	141 897
	Effect of changes in exchange rates on cash and cash equivalents	(35 257)	(68 521
Sash and cash equivalents at the end of the period 9 679 286 7 375 883	Cash and cash equivalents at the beginning of the period	8 304 884	7 302 507
	Cash and cash equivalents at the end of the period	9 679 286	7 375 883

Anastasiya Trofimushkina Zulfiya Djakipova

NBKR Normatives as at June 30, 2019

DEMIR KYRGYZ INTERNATIONAL BANK

Bishkek, Chui Avenue 245

Normatives & Requirements Definition	Limit	Actual
Maximum single exposure risk	not more than 20%	15,0%
Maximum single exposure to one related party or group of related parties risk	not more than 15%	0,4%
Maximum interbank placements risk	not more than 30%	23,7%
Maximum interbank placements to one related bank or group of related banks	not more than 15%	7,3%
Capital Adequacy ratio	not less than 12%	17,0%
Capital Tier 1 Adequacy ratio	not less than 6%	15,0%
Leverage ratio	not less than 8%	11,0%
Liquidity ratio	not less than 45%	53,4%
Total number of days with violation of open long FX position	not more than 10%	-
Total number of days with violation of open short FX position	not more than 10%	-
Capital buffer	not less than 24%	17,0%
Total number of days with violation of open long position in precious metals	not applicable	not applicable
Total number of days with violation of open short position in precious metals	not applicable	not applicable

Acting General Manager

Anastasiya Trofimushkina

Chief Accounta

Zulfiya Djakipova