



BANKA QENDRORE E REPUBLIKËS SË KOSOVËS
CENTRALNA BANKA REPUBLIKE KOSOVA
CENTRAL BANK OF THE REPUBLIC OF KOSOVO

CBK FINANCIAL STATEMENTS
/as at and for the second quarter of 2025/
-Unaudited interim report -

Department of Finance

CBK's Financial Statements for the second quarter of 2025

As defined by Law 03/L-209 “On the Central Bank of the Republic of Kosovo” (with initials CBK), as a reporting framework for the preparation of financial statements is the International Financial Reporting Standards, namely Article 58 of the aforementioned Law. These statements for the second quarter include the statement of financial position and the statement of comprehensive income, the statement of changes in capital and reserves (equity).

The CBK's financial year coincides with the calendar year, therefore, the date of report for the financial statements for the second quarter of 2025 is June 30, 2025.

Abbreviations used in this report:

- CBK – Central Bank of the Republic of Kosovo
- IMF – International Monetary Fund
- SDR – Special Drawing Rights
- SNP – Interbank Payment System
- ECB – European Central Bank
- EUR – Euro currency
- USD – American Dollar
- RFI (IFSH) – Rapid Financing Instrument
- SBA – Stand by arrangements

Statement of financial position

according to data with:

	Note	June 30, 2025	December 31, 2024
Assets			
Cash on hand	5	116,030,138.03	77,017,001.78
Current accounts	6	187,153,906.45	147,633,101.06
Securities	7	694,937,463.05	732,093,684.07
Placements in money market	8	622,476,014.89	506,806,118.27
Assets related to IMF	9	166,733,250.95	180,189,414.06
Property and equipment	10	3,889,942.48	4,178,677.11
Intangible assets	11	742,212.44	835,644.26
Other assets	12	2,700,122.42	2,673,413.05
Total assets		1,794,663,050.71	1,651,427,053.66
Liabilities			
Due to domestic commercial banks	13	624,751,131.73	656,260,393.33
Due to IMF-related accounts	14	178,272,078.65	190,554,491.73
Due to Governmental Institutions	15	756,390,304.66	575,251,205.59
Due to public and commercial institutions	16	110,525,961.49	104,610,963.52
Borrowings	17	1,280,009.00	1,484,213.81
Other domestic liabilities	18	7,295,462.91	2,868,882.69
Total liabilities		1,678,514,948.44	1,531,030,150.67
Capital and reserves			
Authorized capital	19	30,000,000.00	30,000,000.00
Reserve funds	20	74,980,114.13	58,780,315.47
Net result for the period		11,167,988.14	31,616,587.52
Total capital and reserves		116,148,102.27	120,396,902.99
Total liabilities, capital and reserves		1,794,663,050.71	1,651,427,053.66

The related disclosures, according to the notes on pages 6 to 26, are an integral part of these financial statements.

The financial statements and their respective disclosures have been approved by the decision-making bodies ¹on 29 August 2025, and were signed on their behalf by:

[Ahmet Ismaili]

Signed by:

Ahmet Ismaili

Governor

[Faton Ahmetaj]

Signed by:

Faton Ahmetaj

Director,

Department of Finance

¹According to Article 34 and 59 of Law No. 03/L –209 on the Central Bank of the Republic of Kosovo.

Statement of comprehensive income

	Note	June 30, 2025	June 30, 2024
Interest income			
Interest income		17,738,743.89	21,671,013.25
Interest expenses		(6,658,079.55)	(8,166,701.54)
Net interest income	21	11,080,664.34	13,504,311.71
Fee and commission income			
Fee and commission income		2,402,197.40	2,152,654.94
Fee and commission expenses		(660,074.05)	(576,803.72)
Net fee and commission income	22	1,742,123.35	1,575,851.22
Income from regulatory activity and other operating income			
Income from regulatory activity	23	4,449,801.77	3,964,931.12
Grant revenues	24	53,714.70	17,547.29
Other operating income	25	37,220.02	5,214.63
Operating income (21+22+23+24+25)		17,363,524.18	19,067,855.97
Administrative expenses			
Personnel expenses	26	(3,250,722.66)	(2,542,619.58)
Depreciation and amortization	10,11	(469,172.15)	(424,114.30)
General administrative expenses	27	(865,318.48)	(705,997.27)
Administrative expenses		(4,585,213.29)	(3,672,731.15)
Net result without exchange rate effect and provisions for expected credit losses		12,778,310.89	15,395,124.82
Net profit/(loss) on foreign exchange	28	(1,624,263.44)	250,810.90
Provision for expected credit losses [(net increase)/decrease]	4	13,940.69	(94,867.97)
Net result for the period		11,167,988.14	15,551,067.75

The notes from pages 6 to 26 are an integral part of these financial statements.

Statement of changes in equity (capital and reserves)

	Capital	Reserve fund	Revaluation reserves	Net result of the previous year (in the process of allocation)	Net Result (of the period)	Total
Balance at January 1, 2024	30,000,000.00	39,506,755.59	2,018,432.26	27,631,114.66	-	99,156,302.51
Transfer to reserve fund	-	17,490,638.10	(235,510.48)	(17,255,127.62)	-	-
Transfer to Treasury (MoF)	-	-	-	(10,375,987.04)	-	(10,375,987.04)
Total transactions required by law	-	17,490,638.10	(235,510.48)	(27,631,114.66)	-	(10,375,987.04)
Profit for the year	-	-	-	-	31,616,587.52	31,616,587.52
Adjustments during the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	31,616,587.52	31,616,587.52
Balance at December 31, 2024	30,000,000.00	56,997,393.69	1,782,921.78	-	31,616,587.52	120,396,902.99
Balance at January 1, 2025	30,000,000.00	56,997,393.69	1,782,921.78	31,616,587.52	-	120,396,902.99
Transfer to reserve fund	-	15,510,048.13	689,750.53	(16,199,798.66)	-	-
Treasury Transfer (MoF)	-	-	-	(15,416,788.86)	-	-
Total transactions required by law	-	15,510,048.13	689,750.53	(31,616,587.52)	-	(15,416,788.86)
Profit for the year	-	-	-	-	11,167,988.14	11,167,988.14
Adjustments during the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	11,167,988.14	11,167,988.14
Balance at June 30, 2025	30,000,000.00	72,507,441.82	2,472,672.31	-	11,167,988.14	116,148,102.27

The notes from pages 6 to 26 are an integral part of these financial statements.

Financial statements of the Central Bank of the Republic of Kosovo

1. Reporting Institution

The Central Bank of the Republic of Kosovo - CBK, which operates under Law No. 03/L-209 on the Central Bank of the Republic of Kosovo approved in July 2010, as well as the amendment/supplement on March 10, 2017, to Law No. 05/L-150.

2. Basis for preparation of financial statements

Reporting Framework

The financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS).

The basis of preparation

The financial statements are prepared on the basis of historical cost and harmonized according to the requirements of International Financial Reporting Standards (IFRS).

Functional and presentation currency

These financial statements are presented in EURO, which is the official functional currency of Kosovo. If values are expressed in other currencies, a corresponding note will be made where they are presented.

3. Accounting policies

The financial statements are prepared using the consistency of the accounting policies and it should be noted that there has not been any new policy or change in the applied accounting policies.

4. Financial risk management

Financial risk in the CBK is presented in the form of: liquidity risk, operational risk, credit risk and market risk. The greatest weight of financial risk in the CBK is mainly related to asset management and operational and quality activities of the regulator and is managed by the relevant organizational units, in accordance with legal acts approved by decision-making bodies such as the CBK Board and the Executive Board.

Based on the requirements of financial reporting standards, especially those covering credit risk, we are disclosing the elements of how credit and liquidity exposures are managed. The portfolio of exposures is in European Union countries and the United States of America with an investment grade credit rating (from “AAA to BB- “and/or “Aaa to Ba3”), exposure listed in the table – credit rating (page 7).

Financial risk management (continued)

The carrying values of credit risk exposure, divided by type and also expressed by the share in percentage with total exposure, are as follows:

June 30, 2025

Credit rating (S&P/ Moody's / Fitch)	Nostro accounts	Money market placements	Securities	Total carrying value	% of total weight
AAA/Aaa/AAA	123,924,924	230,308,083	161,615,589	515,848,597	34.27%
AA+/Aa1/AA+	5,272,270	5,888,065	141,853,419	153,013,754	10.17%
AA/Aa2/AA	133,129	40,299,818	-	40,432,947	2.69%
AA-/Aa3/AA-	10,387,828	30,006,500	93,736,358	134,130,687	8.91%
A+/A1/A+	12,541,327	134,077,260	39,152,552	185,771,138	12.34%
A/A2/A	21,281,787	60,027,867	15,467,110	96,776,763	6.43%
A-/A3/A-	12,640,892	105,275,878	30,126,019	148,042,788	9.84%
BBB/Baa2/BBB	-	6,696,458	-	6,696,458	0.44%
BBB-/Baa3/BBB-	1,028,498	10,010,028	36,131,832	47,170,358	3.13%
BB-/Ba3/BB-	-	-	177,275,465	177,275,465	11.78%
Total	187,210,655	622,589,957	695,358,342	1,505,158,954	100.00%

December 31, 2024

Credit rating (S&P/ Moody's / Fitch)	Nostro accounts	Money market placements	Securities	Total carrying value	% of total weight
AAA/Aaa/AAA	104,510,067	271,245,909	176,137,628	551,893,604	39.79%
AA+/Aa1/AA+	-	-	137,974,349	137,974,349	9.95%
AA/Aa2/AA	373,883	20,231,497	-	20,605,380	1.49%
AA-/Aa3/AA-	10,169,865	-	163,465,442	173,635,307	12.52%
A+/A1/A+	2,928,395	120,530,011	-	123,458,406	8.90%
A/A2/A	7,220,607	25,043,444	15,505,617	47,769,668	3.44%
A-/A3/A-	21,460,320	50,373,056	29,988,880	101,822,256	7.34%
BBB-/Baa3/BBB-	1,011,775	-	36,700,225	37,712,000	2.72%
BB-/Ba3/BB-	-	19,478,194	172,789,249	192,267,443	13.86%
Total	147,674,912	506,902,111	732,561,390	1,387,138,413	100.00%

Financial risk management (continued)

The following table presents the exposure values at the level of stages according to the requirements of IFRS 9. At the reporting date, there is no material change in credit risk since initial recognition and therefore all financial assets are in stage 1.

	June 30, 2025			December 31, 2024		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Current accounts with foreign banks	187,210,655	-	-	147,674,912	-	-
Securities (Treasury bills and government bonds)	622,589,942	-	-	732,561,391	-	-
Money market placements	695,358,337	-	-	506,902,110	-	-
Carrying value	1,505,158,954	-	-	1,387,138,413	-	-
Expected credit losses (ECL)	(591,570)	-	-	(605,510)	-	-
Net carrying value	1,504,567,384	-	-	1,386,532,903	-	-

The movements of ECL related to the financial assets that CBK has exposure to during the reporting period are as follows:

	2025			
	Stage 1	Stage 2	Stage 3	Total
ECL as at January 1, 2025	605,510.38	-	-	605,510.38
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
ECL increase/(decrease) for the year	(13,940.69)	-	-	(13,940.69)
Impact on year-end of ECL of exposures transferred between stages during the year	-	-	-	-
Unwind of discount (recognized in interest income)	-	-	-	-
Changes due to modifications not resulting in deregistration	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Balance at June 30, 2025:	591,569.69	-	-	591,569.69

Financial risk management (continued)

The movements of ECL related to the financial assets that the CBK had exposure to during 2024 are as follows:

	2024			
	Stage 1	Stage 2	Stage 3	Total
ECL as at January 1, 2024	512,251.10	-	-	512,251.10
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
ECL increase / (decrease) for the year	93,259.28	-	-	93,259.28
Impact on year-end of ECL of exposures transferred between stages during the year	-	-	-	-
Unwind of discounts (recognized in interest income)	-	-	-	-
Changes due to modifications not resulting in deregistration	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Balance at December 31, 2024:	605,510.38	-	-	605,510.38

Liquidity Risk Management (continued)
Carrying values according to remaining maturity

	Note	Net carried amount	Current assets			Long- term assets	
			less than 1 month	1-3 months	3 months - 1 year	1 - 5 years	over 5 years
June 30, 2025							
Assets							
Cash	7	116,030,138	116,030,138	-	-	-	-
Current accounts	8	187,153,906	187,153,906	-	-	-	-
Securities	9	694,937,463	30,803,984	33,715,288	152,062,189	471,727,399	6,628,603
Money market placements	10	622,476,015	392,179,699	180,296,992	49,999,324	-	-
IMF-related assets (accounts)	11	165,907,273	142,312,250	-	-	-	23,595,022
		1,786,504,795	868,479,978	214,012,280	202,061,514	471,727,399	30,223,625
Liabilities							
Due to domestic banks	13	(624,751,132)	(624,751,132)	-	-	-	-
Due to accounts related to IMF	14	(177,368,827)	(63,067)	-	-	-	(177,305,759)
Due to Governmental institutions	15	(756,390,305)	(756,390,305)	-	-	-	-
Due to public and commercial institutions	16	(110,525,961)	(110,525,961)	-	-	-	-
Borrowings	17	(1,280,009)	-	(106,667)	(106,667)	(853,339)	(213,335)
Other domestic liabilities	18	(760,941)	(760,941)	-	-	-	-
		(1,671,077,174)	(1,492,491,406)	(106,667)	(106,667)	(853,339)	(177,519,094)
		115,427,621	(624,011,429)	213,905,613	201,954,846	470,874,060	(147,295,469)

	Note	Net carried amount	less than 1 month	1-3 months	3 months - 1 year	1 - 5 years	over 5 years
December 31, 2024							
Assets							
Cash	5	77,017,002	77,017,002	-	-	-	-
Current accounts	6	147,633,101	147,633,101	-	-	-	-
Securities	7	732,561,391	-	68,520,810	124,311,238	533,085,149	6,644,194
Money market placements	8	506,902,110	335,402,594	171,499,517	-	-	-
IMF-related assets (accounts)	9	179,205,336	153,950,665	-	-	-	25,254,671
		1,643,318,941	714,003,362	240,020,326	124,311,238	533,085,149	31,898,865
Liabilities							
Due to domestic banks	13	(656,260,393)	(656,260,393)	-	-	-	-
Due to accounts linked to IMF	14	(189,487,493)	(67,504)	-	-	-	(189,419,990)
Due to governmental institutions	15	(575,251,206)	(575,251,206)	-	-	-	-
Due to public and commercial institutions	16	(104,610,964)	(104,610,964)	-	-	-	-
Borrowings	17	(1,484,214)	-	(114,170)	(114,170)	(913,363)	(342,511)
Other domestic obligations	18	(759,788)	(759,788)	-	-	-	-
		(1,527,854,057)	(1,336,949,854)	(114,170)	(114,170)	(913,363)	(189,762,501)
		115,464,884	(622,946,492)	239,906,156	124,197,068	532,171,786	(157,863,635)

5. Cash on hand

	June 30, 2025	December 31, 2024
Cash on hand	116,030,138.03	77,017,001.78
Total	116,030,138.03	77,017,001.78

There is an increase in the cash balance on June 30, 2025, compared to December 31, 2024. It is mainly derived from daily cash operations but estimated to be within the scope of the activity.

6. Current accounts (nostro - with non-resident banks)

The composition of current accounts with non-residential banks is as follows:

	June 30, 2025	December 31, 2024
Deutsche Bundesbank	116,291,624	47,998,937
Raiffeisen Zentralbank	11,637,680	1,720,644
Banque Centrale du Luxembourg	7,410,471	55,761,022
Deutsche Bank	9,139,363	1,166,217
Commerzbank AG	216,305	464,817
Bank of Lithuania	12,124,168	6,026,422
DZ Bank AG	133,129	373,883
Croatian National Bank	12,621,959	21,368,345
Erste Group Bank AG	687,265	742,870
National Bank of Belgium	10,269,196	10,144,962
Banca D'Italia	1,025,860	1,009,298
Banque De France	103,172	-
Oesterreichische Nationalbank	5,009,301	-
Federal Reserve Bank (FED-NY)	255,426	326,554
	186,924,919	147,103,971
Accrued interest	285,736	570,941
Total carrying amount	187,210,655	147,674,912
Expected credit losses (ECL)	(56,749)	(41,811)
Total net worth	187,153,906	147,633,101

Current accounts item (nostro) compared to December 31, 2024 has increased noticeably, the change is due to the activity of these accounts and the management of the asset portfolio, also affected by interest rates in the financial markets (respectively notes 5, 6, 7 and 8, which are very closely related to each other referred to in terms of asset management/portfolio of financial instruments).

7. Securities (Treasury Bills and Bonds)

Both categories that belong to the group under note 7 are debt instruments issued by various countries and institutions in Europe and the United States of America, the geographical distribution is as listed in analytic on page 12 (in the table *by geographical distribution*).

7. Securities – continued / by geographical distribution and type:

Treasury bills, also disclosed on page 12, have contracted maturity of up to one year. While those government bonds have contracted maturities of one year to over five years. Effective interest rate on securities in the reporting period of 2025 ranges in the segment from - 0.014% to 4.928% per annually (while, in 2024 ranges in the segment from -0.014% to 5.034% annual).

Securities /by geographical distribution (continued):

Country	Carrying amount June 30, 2025	Expected credit losses	Net amount June 30, 2025
Germany	59,089,497	(30,826)	59,058,671
France	58,350,126	(45,440)	58,304,686
Netherlands	72,723,995	(27,468)	72,696,527
Finland	68,431,764	(32,427)	68,399,337
Slovenia	30,126,019	(16,676)	30,109,342
Luxembourg	29,802,092	(3,158)	29,798,935
Belgium	39,152,552	(25,668)	39,126,884
Austria	60,772,192	(45,154)	60,727,038
Ireland	35,386,232	(7,159)	35,379,073
United States of America	12,649,463	(1,910)	12,647,553
Italy	36,131,832	(14,625)	36,117,207
Poland	15,467,110	(31,503)	15,435,607
Kosovo	177,275,469	(138,867)	177,136,602
Total	695,358,342	(420,879)	694,937,463

Country	Carrying amount December 31, 2024	Expected credit loss	Net amount December 31, 2024
Germany	58,624,982	(34,176)	58,590,806
France	48,499,257	(29,670)	48,469,587
Netherlands	73,606,327	(36,550)	73,569,777
Finland	67,758,543	(40,032)	67,718,512
Slovenia	29,988,880	(19,025)	29,969,855
Luxembourg	29,542,704	(4,276)	29,538,427
Belgium	69,117,474	(36,051)	69,081,423
Austria	70,215,805	(48,556)	70,167,249
Ireland	45,848,712	(15,171)	45,833,541
United States of America	14,363,608	(2,130)	14,361,478
Italy	36,700,225	(30,058)	36,670,166
Poland	15,505,617	(38,307)	15,467,310
Kosovo	172,789,250	(133,705)	172,655,553
Total	732,561,383	(467,707)	732,093,684

7. Securities (by type) (continued):

	Carrying amount June 30, 2024	Expected credit loss	Net amount June 30, 2024
Treasury bills	12,649,463	(1,910)	12,647,553
Bonds	682,708,879	(418,969)	682,289,910
Total	695,358,342	(420,879)	694,937,463

	Carrying amount December 31, 2024	Expected credit loss	Net amount December 31, 2024
Treasury bills	14,363,608	(2,130)	14,361,478
Bonds	718,197,775	(465,577)	717,732,198
Total	732,561,383	(467,707)	732,093,676

8. Money market placements

This grouping includes money market placements in our correspondent banks and liquidity lending to second level banks backed by collateral of securities of Government of Kosovo through the execution of a repurchase agreement. The interest rate for these placements until the second quarter of 2025 is on average around 2.486% (minimum: 1.23% and maximum: 4.25%), while in the same period in 2024: on average 3.872% (minimum: 3.64% and maximum: 5.30%).

Placements with correspondent banks mainly have contracted maturities of up to one year, while liquidity loans have maturities of up to ten days.

The analysis by institutions/banks is disclosed in the table below:

Money market placements by banks:	Carrying amount June 30, 2025	Expected credit loss	Net amount June 30, 2025
Deutsche Bank	60,000,000	(2,796)	59,997,204
Banque Centrale du Luxembourg	180,000,000	(12,249)	179,987,751
Deutsche Bundesbank	50,000,000	(15,767)	49,984,233
Federal Reserve Bank (NY)	5,887,372	(889)	5,886,483
Banque De France	30,000,000	(11,498)	29,988,502
Banca D'Italia	10,000,000	(4,052)	9,995,948
Croatian National Bank	105,000,000	(52,918)	104,947,082
Raiffeisen Zentralbank	64,044,369	(9,962)	64,034,407
Erste Group Bank AG	70,000,000	(3,702)	69,996,298
DZ Bank AG	40,200,000	(109)	40,199,891
ProCredit Bank LTD	6,696,000	-	6,696,000
	621,827,741	(113,942)	621,713,799

8. Money market placements (continued)

The analysis by institutions/banks is disclosed in the table below (continued):

Accrued interest on money market placements			
Money market placements by banks:	Carrying amount June 30, 2025	Expected credit loss	Net amount June 30, 2025
Deutsche Bank	27,864	-	27,864
Banque Centrale du Luxembourg	255,569	-	255,569
Deutsche Bundesbank	52,514	-	52,514
Federal Reserve Bank (NY)	695	-	695
Banque De France	6,500	-	6,500
Banca D'Italia	10,028	-	10,028
Croatian National Bank	275,878	-	275,878
Raiffeisen Zentralbank	23,337	-	23,337
Erste Group Bank AG	9,567	-	9,567
DZ Bank Ag	99,818	-	99,818
Pro Credit Bank LTD	446	-	446
	762,216	-	762,216
Total	622,589,957	(113,942)	622,476,015

Money market placements by banks:	Value carried forward December 31, 2024	The losses of credit expectations	Net worth December 31, 2024
Deutsche Bank	25,000,000	(1,905)	24,998,095
Banque centrale du Luxembourg	165,000,000	(15,201)	164,984,799
Deutsche Bundesbank	100,000,000	(35,222)	99,964,778
Federal Reserve Bank (NY)	6,064,106	(899)	6,063,207
Banka Kombëtare Tregtare Sh.A.	19,469,000	(8,766)	19,460,234
Croatian National Bank	50,000,000	(26,794)	49,973,206
Raiffeisen Zentralbank	38,406,006	(6,786)	38,399,220
Erste Group Bank AG	82,000,000	(370)	81,999,630
DZ Bank Ag	20,200,000	(50)	20,199,950
	506,139,113	(95,992)	506,043,121

Accrued interest on money market placements			
Deutsche Bank	43,444	-	43,444
Banque centrale du Luxembourg	164,757	-	164,757
Deutsche Bundesbank	16,333	-	16,333
Federal Reserve Bank (NY)	716	-	716
Banka Kombëtare Tregtare Sh.A.	9,194	-	9,194
Croatian National Bank	373,056	-	373,056
Raiffeisen Zentralbank	7,830	-	7,830
Erste Group Bank AG	116,171	-	116,171
DZ Bank Ag	31,497	-	31,497
	762,998	-	762,998
Total	506,902,110	(95,992)	506,806,118

8. Money market placements (continued)

If we compare the reporting period with the comparative period, the trend shows significant increase. Which is mainly a normal flow of financial instruments portfolio management and influenced by the possibility of placement, as the rates in the euro currency have started to decline but are still solid.

9. IMF-related instruments

	June 30, 2025	December 31, 2024
Quota with/in the IMF (paid portion)	23,595,022.15	25,254,670.98
Deposits in SDR (SDR)	142,312,250.43	153,950,665.49
Accrual interest	825,978.37	984,077.59
Total	166,733,250.95	180,189,414.06

The above items stem from Kosovo's membership in the IMF. The IMF quota (paid portion) represents the paid value of the mandatory quota (82,600,000 SDR as of February 2016; while it was initially 59,000,000 SDR, in 2009) assigned to Kosovo by the IMF, expressed in euros.

Deposits in SDRs (SDRs) initially represent the value deposited in the SDR on behalf of the Republic of Kosovo according to the decisions of the IMF Board of Governors on 28 August 2009 (43,737,278 SDRs) and 9 September 2009 (11,631,135 SDRs) as amended for transactions – interest income and expenses and payments on behalf of the increased quota also expressed in euros in the table above. As well as the new 2021 allocation/distribution (according to IMF definitions) in the amount of 79,168,385 SDRs (SDRs) approved by the IMF Board of Governors on 02 August 2021 and effective 23 August 2021.

As a result, the SDR position in the IMF on behalf of the Republic of Kosovo has increased by the amount in question from the effective date of the transaction.

Deposits in SDRs – Special Drawing Rights– SDR and the partially paid part of the quota are deposits that bring interest on average of 3.08% for the reporting period January – June 2025 (while for January – December 2024, 3.85%).

Meanwhile, as off -balance sheet items (commitments to the IMF), the CBK has this amount of these commitments as of June 30, 2025, is 166.6 million euros (in the comparative period this value was 80.9 million euros). The increase in the second quarter is due to the government's successful attraction of approximately 94 million in new funds, as well as the payment of scheduled installments during the period.

10, 11 Tangible and intangible assets

Cost	Investments in facilities	Equipment	Computer	Vehicles	In total
On 01 January 2024	6,127,820.60	2,765,248.18	2,282,647.28	389,349.20	11,565,065.26
Purchase	55,388.00	172,920.39	199,926.86	-	428,235.25
Purchase in progress	(3,880.00)	111,297.12	-	-	107,417.12
Transfers (from)/to (correction)	-	-	-	-	-
Decommissioning (settlement)	-	(25,241.97)	(8,222.91)	-	(33,464.88)
On 31 December 2024	6,179,328.60	3,024,223.72	2,474,351.23	389,349.20	12,067,252.75
On 01 January 2025	6,179,328.60	3,024,223.72	2,474,351.23	389,349.20	12,067,252.75
Purchase	-	144,499.82	589.00	-	145,088.82
Purchase in progress	-	(110,097.12)	-	-	(110,097.12)
Transfers (from)/to (correction)	-	-	-	-	-
Decommissioning (settlement)	-	(3,319.00)	-	-	(3,319.00)
On 30 June 2025	6,179,328.60	3,055,307.42	2,474,940.23	389,349.20	12,098,925.45
Depreciation					
On 01 January 2024	2,608,166.05	2,441,542.16	1,859,495.27	380,122.53	7,289,326.01
Depreciation of the year	310,280.44	114,752.84	170,520.34	9,226.67	604,780.29
Decommissioning (settlement)	-	-	(5,530.66)	-	(5,530.66)
On December 31, 2024	2,918,446.49	2,556,295.00	2,024,484.95	389,349.20	7,888,575.64
On 01 January 2025	2,918,446.49	2,556,295.00	2,024,484.95	389,349.20	7,888,575.64
Depreciation of the year	158,330.31	70,278.81	91,798.21	-	320,407.33
Decommissioning (settlement)	-	-	-	-	-
On 30 June 2025	3,076,776.80	2,626,573.81	2,116,283.16	389,349.20	8,208,982.97
Net carrying amount					
On 1 January 2024	3,519,654.55	323,706.02	423,152.01	9,226.67	4,275,739.25
On 31 December 2024	3,260,882.11	467,928.72	449,866.28	-	4,178,677.11
On 30 June 2025	3,102,551.80	428,733.61	358,657.07	-	3,889,942.48

10, 11 Tangible and intangible assets (continued)**Intangible assets consist of the following:**

Cost	Computer programs/applications	In total
01 January 2024	3,326,210.64	3,326,210.64
Purchase	197,640.26	197,640.26
Purchase in progress	-	-
Transfers (from)/to (correction)	-	-
Decommissioning	-	-
31 December 2024	3,523,850.90	3,523,850.90
01 January 2025	3,523,850.90	3,523,850.90
Purchase	52,014.00	52,014.00
Purchase in progress	-	-
Transfers (from)/to (correction)	-	-
Decommissioning	-	-
On 30 June 2025	3,575,864.90	3,575,864.90
Depreciation		
01 January 2024	2,429,891.53	2,429,891.53
Depreciation for the year	258,315.11	258,315.11
Decommissioning (settlement)	-	-
On 31 December 2024	2,688,206.64	2,688,206.64
On 01 January 2025	2,688,206.64	2,688,206.64
Depreciation for the year	145,445.82	145,445.82
Decommissioning (settlement)	-	-
On 30 June 2025	2,833,652.46	2,833,652.46
<i>Net carrying amount</i>		
On 01 January 2024	896,319.11	896,319.11
On 31 December 2024	835,644.26	835,644.26
On 30 June 2025	742,212.44	742,212.44

12. Other means

	30 June 2025	31 December 2024
Accounts receivable	2,300,281.32	2,545,919.12
Prepayments for services	330,921.67	131,107.71
Advance payments for personnel	69,104.18	-
Payment/Request in process (SNP/DepoX)	(184.75)	(3,613.78)
In total	2,700,122.42	2,673,413.05

In-process claims (ATS) will be settled after the system executes payments on the first next business day.

13. Liabilities to domestic banks

	June 30, 2025	December 31, 2024
ProCredit Bank Kosovo	87,776,219	94,384,329
Raiffeisen Bank Kosovo	98,317,941	79,091,970
NLB Pristina	150,547,388	140,918,203
Banka Ekonomike	47,511,660	60,264,951
Banka për Biznes	41,630,240	36,310,743
Banka Kombëtare Tregtare Sh.A	82,116,879	116,703,570
Turk Ekonomi Bankasi Sh.A.	77,651,183	87,083,188
Turkiye Is Bankasi A.S.	7,765,819	7,085,600
T.C. Zirat Bankasi A.S. Kosovo Branch	16,262,983	14,895,922
Banka Kreditore e Prishtinës	40,808	135,653
Credins Bank Kosovo	5,221,180	4,139,222
PriBank JSC	9,771,972	15,114,113
Total (without accrued interest)	624,614,272	656,127,464
Accrual interest	136,859	132,929
Total	624,751,132	656,260,393

This group includes disclosure of the balances of second-tier banks operating in the country (Kosovo) and which hold funds in the CBK according to the legal regulations for the liquidity reserve.

In total the amount disclosed above for the reporting period 30 June 2025 is about 2.03 times higher than the value of the required reserve required to be maintained at the CBK (while this ratio on 31 December 2024 was also 2.3 times).

From 1 January 2025, the CBK applies to a positive rate of 0.30% (annual), while the rate of 0.30% was also in effect during 2024 for all CBK depositors.

The same rate applies to commercial banks' balances at the CBK up to the minimum reserve requirement level. For banks that have balances above the minimum reserve requirement level, interest will be applied to the value of the minimum reserve requirement at the bank level.

14. Liabilities to IMF-related accounts

	June 30, 2025	December 31, 2024
IMF Expenditure Account No. 2	63,067.49	67,503.59
Paid portion of IMF Quota (by government)	19,580,510.49	20,600,514.22
Allocations from the IMF in the form of DST	157,725,248.60	168,819,475.31
Accrual interest	903,252.07	1,066,998.61
in total	178,272,078.65	190,554,491.73

The items above represent the positions of the IMF-related accounts that have arisen after Kosovo's membership in the IMF. Account No. 2 with the IMF is an operational account.

The paid portion of the quota (paid by the government of Kosovo), as well as including the interest paid by the IMF for this item, according to IMF regulations, which in the table under note 14 is expressed in euros.

Allocations in the form of Special Drawing Rights (SDRs) to the IMF consist of the allocations mentioned in note 9 on 28 August and 9 September 2009, as well as the distribution (issuance/allocation) in 2021.

The interest rate for the allocation item for the reporting and comparative periods is the same as for SDR deposits.

In 2023, the IMF approved two new types of financing on behalf of Kosovo, a Credit Line and the Instrument for Sustainability and Stability (budgetary), and in 2020, the Rapid Financing Instrument was approved.

The withdrawn balance of funds from these financial instruments as of 30 June 2025 is 166.6 million euros, while as of 31 December 2024 it was 80.9 million euros, the difference stems from instalment payments and movement/changes in the EUR/SDR exchange rate. The balances arising from these withdrawals are not included within the financial items of the CBK.

15. Obligations towards government institutions

Obligations to government institutions consist of the following:

Current accounts	30 June 2025	31 December 2024
Treasury – Ministry of Finance	275,094,741.90	249,422,246.74
Privatization Agency of Kosovo	180,659,002.25	179,142,870.08
Provisional Administrative Institutions	24,525.97	66,037.83
Total current accounts	455,778,270.12	428,631,154.65
Accrual interest on current accounts		
Treasury – Ministry of Finance	66,559.55	73,659.73
Privatization Agency of Kosovo	45,037.43	45,679.18
Provisional Administrative Institutions	12.56	17.59
Accrued interest	111,609.54	119,356.50
Short-term deposits		
Treasury – Ministry of Finance	300,500,425.00	146,500,694.44
Privatization Agency of Kosovo	-	-
Provisional Administrative Institutions	-	-
Total short-term deposits	300,500,425.00	146,500,694.44
In total	756,390,304.66	575,251,205.59

Current account deposits benefit from an interest rate of 0.30%, while from 1 January 2024 they have also benefited from an interest rate of 0.30%.

There are active deferrals in the reporting period only from government accounts (value disclosed in the table). The change is due to the operational activity of the institutions that make up the group.

16. Obligations towards public and commercial institutions

Liabilities to public and commercial institutions presented below:

	30 June 2025	31 December 2024
Insurance companies	4,169,807.57	4,163,683.54
Public institutions and companies	100,656,994.68	89,482,546.35
Kosovo Pension Savings Trust (KPST)	5,654,026.87	10,927,416.69
Non-public and other pension funds	1,811.65	1,814.80
Total current accounts	110,482,640.77	104,575,461.38
Accrual interest on current accounts		
Insurance companies	1,042.48	1,075.68
Public institutions and companies	25,277.16	25,016.32
Kosovo Pension Savings Trust (KPST)	17,000.62	9,409.65
Non-public and other pension funds	0.46	0.49
Accrued interest	43,320.72	35,502.14
in total	110,525,961.49	104,610,963.52

Public institutions and companies consist of the Kosovo Pension Savings Trust, accounts from the Deposit Insurance Fund and trust accounts of KEK (Kosovo Energy Corporation), as the most significant components. Current account deposits from them benefit from an interest of 0.30%, while from 1 January 2024 they have also benefited from an interest of 0.30%.

17. Obligations from the Borrowing(s)

	30 June 2025	31 December 2024
World Bank Loan	1,280,009.00	1,484,213.81
in total	1,280,009.00	1,484,213.81

We have two projects that have been financed by the World Bank through a loan: the project for *the Continuity Plan of work* and *the Real Time Gross Settlement System (RTGS)* project. These projects were implemented in 2016. The repayment period is over 10 years. The change is a result of principal payments and the conversion of the SDR value into EUR on the reporting date

18. Other obligations

	30 June 2025	31 December 2024
Escrow accounts	761,131.06	759,984.01
Deferred income	58,357.67	77,188.86
Accounts payable and accrual expenses	5,803,649.17	1,359,384.81
Long-term benefits for employees	672,325.01	672,325.01
Total current accounts	7,295,462.91	2,868,882.69

Within the group, there is a increase in the total group balance compared to 31 December 2024. Mainly influenced by the increase in the balance of accounts payable on 30 June 2025, compared to 31 December 2024. Increase is mainly due to balances at the reporting date and is balanced after the reporting date (a transaction in process, which is settled on the next working day).

19, 20 Authorized Capital and Reserves**Capital and General Reserves**

	30 June 2025	31 December 2024
Authorized capital	30,000,000.00	30,000,000.00
Reserve funds	74,980,114.13	58,780,315.47
Net result for the period	11,167,988.14	31,616,587.52
Total	116,148,102.27	120,396,902.99

The financial result for the period is positive at approximately 11.2 million euros, mainly influenced by the satisfactory realization of revenues and maintaining expenditure's according to budget planning for the reporting period.

The foreign exchange revaluation item at the reporting date is worth around 1,624 thousand euros (as unrealized loss), the item of provisions for expected credit losses [(net increase)/decrease] is worth around 14 thousand euros (as return of provisions) and if we exclude these two items, the financial result remains positive at around 12.8 million euros (see page 6 - *Net result without the effect of exchange rate and provisions*).

19, 20 Authorized Capital and Reserves (continued)

According to Article 56, paragraph 1.1. of the Law No. 03/L-209 on the Central Bank of the Republic of Kosovo, net income shall first be distributed to the general reserve until the total amount of initial capital and general reserves equals five percent (5%) of the monetary liabilities of the Central Bank. The 50% portion of the net balance of realized income remaining after meeting the 5% criterion mentioned above shall be transferred to the Ministry of Finance. While the remaining 50% of the realized income shall be allocated to the general reserve account of the CBK.

Shareable income		
Description	30 June 2025	31 December 2024
Total comprehensive income for the year	11,167,988.14	31,616,587.52
Of which are unrealized gains (gains) from revaluation	13,940.69	783,009.81
Of which are unrealized revaluation losses that were realized in the current year	-	-
Shareable income	11,154,047.45	30,833,577.71
Capital, general reserve account and distributable income		
	30 June 2025	31 December 2024
Capital	30,000,000.00	30,000,000.00
General reserves	72,507,441.82	56,997,393.69
Shareable income	11,167,988.14	30,833,577.71
Total Capital, general reserve account and distributable income	113,675,429.96	117,830,971.40
Total monetary liabilities		
	30 June 2025	31 December 2024
To local commercial banks	624,751,131.73	656,127,464.46
To government institutions	756,390,304.66	574,631,154.65
To the accounts linked to the IMF ²	177,368,826.58	189,487,493.12
To public and commercial institutions	110,525,961.49	104,575,461.38
From borrowing/borrowings	1,280,009.00	1,484,213.81
To other monetary obligations	760,940.82	759,787.73
Total monetary liabilities	1,671,077,174.28	1,527,065,575.15
Report under Article 56, paragraph 1.1.	6.80%	7.72%

²Excluding securities account and accruals.

21. Interest income

	30 June 2025	30 June 2024
Interest income		
From deposits to current account	1,959,630.95	6,904,074.83
From deadlines to placements	6,376,841.95	5,800,720.53
From securities	7,159,984.66	5,840,485.76
From deposits in accounts with the IMF (DST/SDR in possession)	2,242,286.33	3,125,732.13
	17,738,743.89	21,671,013.25
Interest expenses		
To resident banks in the current account	807,036.68	708,403.25
To government institutions in the current account	623,464.39	776,573.94
To public and commercial institutions in the current account	224,137.66	217,464.99
Other in the current account	1,147.05	1,149.86
To the Treasury - Ministry of Finance in short-term deposits	2,525,250.03	3,082,514.16
To the accounts with the IMF (DST/SDR allocated)	2,471,890.79	3,374,389.36
From the loan/s	5,152.95	6,205.98
	6,658,079.55	8,166,701.54
Net interest income	11,080,664.34	13,504,311.71

As can be seen from the table under note 21, interest income was lower compared to the same period last year and expenses were slightly higher. This has resulted in net interest income being lower than the same period last year.

The average interest rate on net interest income (taking into account only the committed portfolio) for the reporting period is around 1.682% (in the same period of 2024 it was around 2.644%).

22. Net revenues from tariffs and service charges

	30 June 2025	30 June 2024
Revenues from fees and charges		
From cash deposits/withdrawals	754,837.00	693,515.00
From incoming transfers	55,185.00	50,080.00
From outgoing transfers	364,866.90	295,995.00
From local transfers (<i>Local payment system</i>)	1,078,109.90	986,010.04
From the credit registry system	138,395.60	118,949.90
Revenue from other fees	10,803.00	8,105.00
	2,402,197.40	2,152,654.94
Expenses from fees and charges		
From cash flow	629,988.22	551,116.96
From transactions with correspondent banks	30,085.83	25,686.76
	660,074.05	576,803.72
Net revenues from fees and charges	1,742,123.35	1,575,851.22

22. Net revenues from tariffs and service charges (continued)

A slight increase in net revenues from fees and charges compared to the same period of the previous year is observed, this is due to the normal flow of activity for the items disclosed within the group (change in volume, especially in *cash circulation activity, outgoing (international) transfers and domestic transfers*).

23. Revenues from regulatory activity

	30 June 2025	30 June 2024
From the maintenance of bank licenses	2,990,127.34	2,597,899.62
From licenses from banking institutions	26,500.00	31,200.00
From the maintenance of insurance company licenses	1,190,543.33	1,134,275.45
From licenses from insurance companies	46,600.00	43,200.00
Revenues from the regulatory activity of pension funds	14,745.02	13,457.65
From the regulatory activity of other financial institutions (non-banking)	181,286.08	144,898.40
Total	4,449,801.77	3,964,931.12

The change as an increase is mainly based on estimates (estimated accruals) of the increase in the base (calculation base/activity volume) compared to the same period of the previous year.

24. Revenue from grants

	30 June 2025	30 June 2024
Revenue from grants	53,714.70	17,547.29

The grant for *the financial supervision system is the only active grant (in revenue) for the period January - June 2025. Meanwhile, there are, and we expect reimbursements from the Grant with the ECB for the training provided through this project.*

25. Other operating income

	30 June 2025	30 June 2024
Other income	37,220.02	5,214.63

This group consists of income from non-ordinary activities of the CBK and which could not be classified into specific items . of revenues. E.g. the sale of tokens containing certificates for access to the Depo-x system, to customers using the system in question, mainly to commercial banks and similar

26. Personnel expenses

	30 June 2025	30 June 2024
Salaries and compensation expenses	2,391,688.24	1,854,854.68
Contribution expenses and health insurance	576,700.92	461,277.42
Training costs	62,898.17	39,491.26
Expenses for the CBK Board	88,427.06	68,152.11
Daily meals	122,525.00	109,795.00
Other expenses	8,483.27	9,049.11
Total	3,250,722.66	2,542,619.58

The total number of employees who were active on the payroll during the period January - June 2025 is: 247 (in the period January - June 2024, 225).

In the **other category of personnel expenses** This includes additional pension compensation, financial support for housing, and a student internship program.

The additional pension compensation is a consequence of previous decisions, whereby some former employees are compensated directly by the CBK, unable to transfer this obligation to them to the pension funds at that moment, when the CBK transferred the management of the additional pension fund.

27. General and administrative expenses

	30 June 2025	30 June 2024
Insurance costs	155,578.05	135,218.48
Cash operating expenses	23,526.07	15,215.05
Repairs and maintenance	45,330.74	36,318.01
Application maintenance	246,482.01	199,563.60
Communication expenses (telephone, fax and internet)	23,487.22	16,445.36
Public service expenses	44,150.54	47,776.54
Consulting and audit costs	16,560.57	6,178.86
Physical security costs (of the facility)	80,895.50	83,002.90
Travel and transportation	93,100.81	58,870.39
Vehicle operating expenses	9,320.98	8,153.71
Administrative consumables	2,087.41	3,474.50
Cafeteria expenses	25,818.36	24,062.79
Conference and seminar expenses	4,810.90	2,600.00
Financial education expenses	4,399.30	569.00
Expenses for supplies (for IT and non-IT equipment)	4,860.33	3,236.53
Publications and literature and others	6,344.00	11,348.99
Representation expenses	30,270.05	16,545.82
Membership fees in professional institutions	30,798.10	32,562.74
Other	17,497.54	4,854.00
Total	865,318.48	705,997.27

27. General and administrative expenses (continued)

Changes in general administrative expenses are a result of operational activities and decisions, as well as partially from any activity that did not have the same periodicity in the comparative periods. It should be noted that memberships in professional institutions are on an increasing trend as we have already expanded institutions where relevant memberships have been made.

28. Net result from exchange rate changes

	30 June 2025	30 June 2024
Currency revaluation		
from item(s) in USD	(2,463,749.30)	322,788.71
from items in SDR	839,485.86	(71,977.81)
Net unrealized gain/(loss) (from exchange rate change)	(1,624,263.44)	250,810.90

The result presented above is provisional (specifically only for the reporting date) and may fluctuate depending on the movement of the EUR/SDR and EUR/USD exchange rates.

29. Cash and cash equivalents

	Note	30 June 2025	31 December 2024
Cash	5	116,030,138.03	77,017,001.78
Current accounts with non-resident banks	6	186,924,919.08	147,103,971.20
Securities with a maturity of up to three months		8,495,699.72	9,582,878.63
Placements in the money market and with a maturity of up to three months		371,961,796.56	305,139,112.62
Total		683,475,255.39	538,842,964.23

Cash and cash equivalents are held for the purpose of meeting primarily short-term liquidity obligations. An investment qualifies as a cash equivalent when it has a short-term maturity, less than three months from the date of purchase.

30. Expected and contingent liabilities

Membership in the World Bank

Following the accession of the Republic of Kosovo to the World Bank and its sub-agencies, the Government of Kosovo has issued notes payable (on demand) pledging to pay upon request of the World Bank (its sub-agencies) for the portion of the membership fee. Their value as of 30 June 2025 is approximately 717,795⁷⁵ euros (as of 31 December 2024 this expected liability was 718,687⁵⁴ euros), the CBK plays the role of financial intermediary (guarantor bank) and the funds are held in an escrow account (guarantor).