INDEPENDENT AUDITORS' REPORT

of

Audit Firm Inter-audit Crowe Limited Liability Company

on the annual financial statements of

Joint-Stock Company

"Commercial Bank Globus"

for the year ended 31 December 2024

Contents

#1372

28 March 2025 Kyiv

This report is addressed to:

- Shareholders and management of JOINT-STOCK COMPANY “COMMERCIAL BANK GLOBUS”;
- THE NATIONAL BANK OF UKRAINE;
- THE NATIONAL COMMISSION ON SECURITIES AND STOCK MARKET

I. Report on the financial statements

Opinion

We have audited the financial statements of JOINT-STOCK COMPANY “COMMERCIAL BANK GLOBUS" (the "Bank”), which comprise the statement of financial position (Balance sheet) as at 31 December 2024, Statement of profit or loss and other comprehensive income (Income statement), Statement of changes in equity, and Statement of cash flows (direct method) for the year then ended, and notes, comprising a summary of significant accounting policies.

In our opinion, the accompanying financial statements of JOINT-STOCK COMPANY “COMMERCIAL BANK GLOBUS” present fairly, in all material aspects, the financial position of the Bank as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Ukraine, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 and Note 34, which provide information on the apparent negative impact of the on-going war, and provide separate information on the impact of this issue on the Bank's financial performance. This information indicates that a material uncertainty exists that may cast significant doubt on the Bank’s ability to continue as a going concern.

As stated in Note 3, a material uncertainty exists that may cast significant doubt on the Bank’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters Incorporating the Most Significant Risks of Material Misstatements, Including a Risk of Material Misstatements Due to Fraud:

Key audit matters are those matters that, in our professional judgement, were of significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of loans and assessment of credit quality

We focused our attention on this area because management makes complex professional judgments about the probabilities of recognizing impairment and estimating the amount of expected credit losses. Such professional judgment is applied before the occurrence of default events and includes the determination of the amount of expected credit losses arising from the occurrence of all possible default events during the expected term of the loan.

Identification of significant increase in credit risk and impairment and assessment of the recoverable amount involves certain assumptions and analysis of various factors, including borrower creditworthiness, expected cash flows, observable market prices and fair value of collateral.

Provisions for impairment reflect the management's assessment of expected losses on loan portfolios and customers' indebtedness to the Bank.

Note 4 “Significant accounting policies” and Note 8 “Loans and advances to customers” to the financial statements provide detailed information regarding the allowance for expected credit losses.

Our audit approach

We checked a sample of loans comprising the most part of the Bank's total portfolio. Our audit addressed the following matters:

- Assessing approaches to evaluation of expected credit losses and distributing the loans by impairment stage depending on the changes in the exposure to credit risks;
- Assessing internal controls used by management in calculating provisions and determining the amount of expected credit losses on loans;
- Completeness of evidence of impairment analysed by management, correctness of present value of expected cash flows, including those related to sale of collateral;
- Testing input data and assessing assumptions, as well as default event identification model based on borrowers' creditworthiness assessment;
- We have assessed completeness and correctness of disclosures in the Bank's financial statements with regard to provisions for expected credit losses on loans and advances to customers.

Other information

Management Report

Management is responsible for the information included in the Management Report and the Corporate Governance Report comprising a constituent part thereof, prepared in accordance with the Law of Ukraine “On Accounting and Financial Reporting in Ukraine” and the Law of Ukraine “On Financial Services and State Regulation of Financial Service Markets”, that includes other information, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the financial statements does not cover the other information in the Management Report, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information in the Management Report and the Corporate Governance Report comprising a constituent part thereof, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard, including any inconsistencies between the Management Report and the financial statements and/or other information obtained in the audit.

Responsibilities of Management and Those Charged with Governance and Financial Reporting

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Bank’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion; The risk of not detecting a material misstatement resulting from fraud is higher than for the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the reporting period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Mandatory information to be disclosed in accordance with Article 14.4 of the Law of Ukraine “On Audit of Financial Statements and Auditing Activity”

In accordance with Article 14 of the Law of Ukraine “On Audit of Financial Statements and Auditing Activity”, our auditors’ report includes additional information related to the audit of the financial statements of JOINT-STOCK COMPANY “COMMERCIAL BANK GLOBUS” for 2024

The body that appointed the auditor	Supervisory Board of JOINT-STOCK COMPANY “COMMERCIAL BANK GLOBUS”
Auditor appointment date	Resolution #48 of the Supervisory Board of the Bank dated 01 October 2024
Total uninterrupted period of audit engagements, taking into account any extensions and re-appointments	5 years
Description and assessment of risk of material misstatement, particularly due to fraud	*Risk of material misstatement* is the risk that the financial statements are materially misstated prior to audit. Description and assessment of these risks is provided in paragraphs “Material Uncertainty Related to Going Concern and “Key Audit Matters” above.
Reference to relevant item or other disclosure in the financial statements for each description and assessment of the	The areas of possible material misstatement that we assessed in the course of planning our audit relate to the asset lines "Loans and

risk of material misstatement in the audited financial statements	advances to customers" and "Other assets" in the Statement of financial position (Balance sheet) and "Net impairment loss" in the Statement of profit or loss in terms of recognition of impairment losses on financial assets. Based on our procedures, nothing has come to our attention to cause us to believe that the financial statements are materially misstated, whether due to fraud or error.
Summary of measures taken by the auditor to mitigate such risks Key reservations with regard to such risks	Summary of measures taken by the auditor to mitigate such risks, and key reservations with regard to such risks are set out in the Key Audit Matters section above.
Explanations on the audit findings in respect of inconsistencies, particularly due to fraud	During our audit, no inconsistencies have come to our attention in excess of the level of materiality acceptable for this audit engagement that would require adjustment to the financial statements issued by the Bank.
Confirmation of consistency of the auditors' report with the additional report to the Audit Committee	This auditors' report is consistent with the additional report to the Supervisory Board of JOINT-STOCK COMPANY "COMMERCIAL BANK GLOBUS"
Representation on non-provision of prohibited services and independence of the lead engagement partner and audit firm of the audited entity	We declare that no prohibited services were provided by Audit Firm Inter-Audit Crowe LLC, and our employees engaged in the audit are independent of the Bank and have not provided any services to the Bank.
Information on non-audit services provided by the auditor to the Bank or entities under the Bank's control that have not been disclosed in the Management Report or in the financial statements	Audit Firm Inter-Audit Crowe LLC has not provided any services to the Bank other than this statutory audit in 2024.
Explanations on the scope of the audit and inherent limitations	The scope of our audit procedures in accordance with ISAs is designed to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and obtain appropriate audit evidence to express an opinion on the financial statements of the Bank. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists
Information on the check of the Report on Corporate Governance	In accordance with Article 11.7 of Law of Ukraine No. 996-X IV "On Accounting and Financial Reporting in Ukraine" dated 16 July

1999, the Management Report (Corporate Governance Report) is submitted together with the separate financial statements and consolidated financial statements under the procedure and within the timeframe established by the law. During our reading and check of the information contained in the Management Report, we concluded that the Management Report contained sufficient and appropriate information to be disclosed in accordance with the regulations of the National Bank of Ukraine.

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In accordance with the Law of Ukraine “On Banks and Banking”, Regulation of the National Bank of Ukraine on submittal of an auditors’ report on the annual financial statements adopted by Resolution No 90 of the National Bank of Ukraine Management Board dated 2 August 2018, additional information on the auditors’ opinion on: compliance (fair presentation) of the data on the Bank’s assets and liabilities structure by maturity in the statistical report prepared by the Bank for submission to the National Bank of Ukraine as at 1 January 2025, and on compliance with the National Bank’ s regulations on: internal control; internal audit; assessment of exposure to credit risk on asset-side transactions; recognition of transactions and balances with the related parties; capital adequacy, taking into account quality of the Bank’s assets; and maintenance of accounting records is set forth in the Report on the compliance with other regulations of the National Bank of Ukraine section of this report.

The lead engagement partner on the audit resulting in this independent auditors’ report is Yevgen Baran.

II. Report on Other Legal and Regulatory Requirements of the National Bank of Ukraine

We have prepared an Auditors' report dated 28 April 2025.

In accordance with Article 69 of the Law of Ukraine "On Banks and Banking" and paragraph 27 of Regulation of the National Bank of Ukraine on submittal of an auditors' report on the annual financial statements adopted by Resolution No 90 of the National Bank of Ukraine Management Board dated 2 August 2018 (hereinafter "Resolution No 90"), we have provided additional information (assessment) related to the annual financial statements for 2024.

The Report on the compliance with other regulations of the National Bank of Ukraine contains information on compliance (fair presentation) of the data on the Bank's assets and liabilities structure by maturity in the statistical report prepared by the Bank for submission to the National Bank of Ukraine as at 1 January 2025, and on compliance with the National Bank' s regulations on:

- internal control;
- internal audit;
- assessment of exposure to credit risk on asset-side transactions;
- recognition of transactions and balances with the related parties;
- capital adequacy, taking into account quality of the Bank's assets;
- maintenance of accounting records.

The matters set out below were considered solely within the scope of our audit of the Bank's financial statements for 2024 based on a sample testing and materiality principle, as well as our analysis of the subsequent events in accordance with International Standards on Auditing.

Our procedures did not seek to identify all the weaknesses or other irregularities that may exist and, therefore, they should not be construed as an assurance of absence of any weaknesses and/or irregularities in the operations of JOINT-STOCK COMPANY "COMMERCIAL BANK GLOBUS".

Our approach to compliance with regulatory requirements on disclosure of information

Our findings mainly concern the matters outlined in paragraph 27 of Regulation No 90 mentioned above. In case of any inconsistencies identified in the Bank's administrative data and internal procedures, we assess the impact of such matter or the risks of weaknesses in the Bank's internal controls.

Compliance (fair presentation) of the data on the Bank's assets and liabilities structure by maturity in the statistical report

In the preparation of the A7X "Data on the structure of assets and liabilities by maturity" statistical reporting file as at 1 January 2025 used for calculation of liquidity ratios in accordance with the procedure set forth in "Instruction on the procedure for regulation of banking activities in Ukraine", approved by Resolution of the National Bank of Ukraine Management Board No.368 dated 28 August 2001, as amended, the Bank complied with regulatory requirements of the National Bank of Ukraine.

During our audit, nothing has come to our attention that caused us to believe that the A7X "Data on the structure of assets and liabilities by maturity" statistical reporting data as at 1 January 2025 that do not form a part of the set of the annual financial statements are invalid.

Compliance of the Bank with the National Bank' s regulations on:

Internal control

As a result of our audit procedures within the scope of the audit of the annual financial statements, we found evidence of deficiencies in the structure and measures of internal control of the Bank in view of the regulatory requirements of the NBU, in particular, Resolution No. 88 of the National Bank of Ukraine of 2 July 2019 "On the approval of the Regulation on the organisation of internal controls in Ukrainian banks and banking groups".

Internal audit

The Bank's internal regulatory documents governing internal audit procedures meet the requirements of the NBU's regulatory and legal acts, in particular, Resolution of the National Bank of Ukraine No. 311 of 10 May 2016 "On approval of the Regulation on the organization of internal audit in banks of Ukraine". Internal audit procedures are carried out in compliance with the requirements of the Bank's internal regulations.

Assessment of exposure to credit risk on asset-side transactions

The exposure to credit risk as at the reporting date calculated by the Bank subject to regulations of the National Bank, including the "Regulation on the assessment of the credit risk from asset-side banking operations by banks of Ukraine" approved by NBU Board Resolution No. 351 dated 30 June 2016 (as amended) (hereinafter "NBU Resolution No. 351) is generally in line, in all material aspects, with the requirements in effect.

It should be noted that as of the date of our report, we have not yet completed the procedures provided for in the Regulation on the Resilience Assessment of Banks and the Banking System of Ukraine approved by Resolution of the Board of the National Bank of Ukraine No. 141 dated 22 December 2017 (as amended), taking into account Resolution of the Board of the National Bank of Ukraine No. 149 dated 16 December 2024 "On Peculiarities of the Resilience Assessment of Banks and the Banking System of Ukraine in 2025". The findings of the resilience assessment will be reported in a separate report prepared in accordance with the regulator's terms of reference.

Recognition of transactions and balances with the related parties

In conducting our audit, we studied relevant information and assessed the Bank's processes to identify the related parties in accordance with the requirements of the National Bank of Ukraine and IFRS, obtained necessary explanations from management on related party transactions, and analysed the Bank's contracts with the related parties and minutes of the meetings of the Bank's collegial bodies.

We did not identify any transactions of the Bank with the related parties on the terms other than the terms of transactions with other borrowers or creditors. We evaluated the risk related to the Bank's lending transactions with the related parties as moderate.

We did not identify any material inconsistencies with IFRS in respect of related party transactions disclosed in the "Related party transactions" note to the Bank's financial statements.

Capital adequacy, taking into account quality of the Bank's assets

The information on the Bank's authorised capital, equity and movements in reserves and other funds is disclosed in the respective financial statements and notes to the annual financial statements.

The Bank's regulatory capital calculated in accordance with "Regulation on the Procedure for Determining the Amount of Regulatory Capital by Ukrainian Banks" approved by Resolution of the National Bank of Ukraine No.196 dated 28 December 2023 (as amended), and subject to requirements of the National Bank of Ukraine on the preparation of statistical report 6DX "Data on compliance with economic ratios and open currency position limits" submitted to the National Bank of Ukraine as at 31 December 2024 amounted to UAH 664,577 thousand. (31 December 2023: UAH 745,728 thousand).

The regulatory capital adequacy ratio under statutory requirements should be at least 8.5%. As at 31 December 2024, the Bank's actual regulatory capital adequacy ratio was 12.91%.

The amount of regulatory capital taking into account the effect of the issues related to our assessment of credit risk and underprovided credit risk per Assessment of exposure to credit risk on asset-side transactions sufficient to perform the Bank's licensed activity.

Maintenance of accounting records

The Bank generally maintains its accounting records in accordance with the NBU regulations and the Bank's accounting policy.

In our opinion, during the reporting year the Bank's accounting:

was in line with the regulations of the National Bank of Ukraine;

ensured the appropriate level of compliance with the internal regulations.

III. Report on Other Legal and Regulatory Requirements

General

In accordance with Resolution No. 555 of the National Commission for Securities and the Stock Market dated 22 July 2021 "On Approval of Requirements for Information Related to the Audit or Review of the Financial Statements of Participants in the Capital Markets and Organised Commodity Markets, which are Supervised by the National Commission for Securities and the Stock Market" we provide additional information related to the annual financial statements for 2024.

Full name of the entity	JOINT-STOCK COMPANY JOINT-STOCK COMPANY "COMMERCIAL BANK GLOBUS"
List of participants (shareholders) (for individuals - surname, first name and middle name; for legal entities - name, ownership form, location) that own 5% or more of shares (participatory interests) as of the date of preparation of the auditor's report, specifying the actual percentage	LIMITED LIABILITY COMPANY "UKRAINIAN MEDIA TECHNOLOGIES" Kyiv, Ukraine 100.00%

In our opinion, the Bank fully discloses the information on ultimate beneficial owners and ownership structure as of the date of the check in accordance with the requirements of the law. The ultimate beneficiary owner of JSC CB GLOBUS is Olena Sylniahina.

As at 31 December 2024, the Bank was not a controller/participant of a non-banking financial group and is a public interest entity.

As at the date of the Annual Financial Statements, 31 December 2024, and the date of this auditor's report, JOINT-STOCK COMPANY "COMMERCIAL BANK GLOBUS" has no subsidiaries/parent.

The requirement to calculate prudential indicators per Clause 3, Section I of "Regulations on prudential standards of professional activity on the stock market and risk management requirements" approved by Resolution No. 1597 the National Commission for Securities and the Stock Market No. 1597 dated 1 October 2015 does not apply to banks.

Reporting in accordance with the requirements of Article 127 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets"

The Bank is required to engage an auditor to express his opinion on the information in the Management Report specified in clauses 5-9 of Article 127.3 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets", as well as to check the information in the Management Report specified in clauses 1-4 of Article 127.3 of the Law.

Opinion

In our opinion, the Management Report, which is not part of the financial statements, does not contain omissions information and is in line the effective structure and corporate governance requirements adopted by the Bank. This statement applies to the following information:

- description of the main characteristics of the issuer's internal controls and risk management framework;
- list of persons who directly or indirectly own a significant block of the issuer's shares;

- information on any restrictions on the participatory and voting of the shareholders (participants) at the issuer's general meeting;
- the procedure for appointing and dismissing the issuer's officials;
- powers of the issuer's officials.

We have checked other sections of the Management Report. If, based on the work we have performed on the Management Report that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. Other sections of the Management Report do not contravene the financial statements and our knowledge of the Bank obtained during the audit.

General information on the auditor

AUDIT FIRM INTER-AUDIT CROW LIMITED LIABILITY COMPANY
Registered address: 10 LESI UKRAYINKI Blvd office 61 01133 Kyiv
04073, 9 Stepana Bandery Av. Building 1B 04073, Kyiv - postal address
Registration No. in the Register of Auditors and Audit Entities: 2248.
Phone: (044) 3372038;
EDRPOU Code: 30634365
Website: https://www.crowe.com/ua/croweinteraudit
Date and number of the Contract for the audit: No. 1331/1111 dated 24 October 2024;
Audit start and completion date: 24 October 2024 - 28 March 2025

General Director **Oleksandr DENISIUK**

AUDIT FIRM INTER-AUDIT CROWE LLC

Registration No. in the Register of Auditors and Audit Entities: 100530.

Key Engagement Partner **Evgen BARAN**

Registration No. in the Register of Auditors and Audit Entities: 101721.

28 March 2025 Kyiv

JOINT-STOCK COMPANY
“COMMERCIAL BANK GLOBUS”

FINANCIAL STATEMENTS FOR 2024
(1 January 2024 - 31 December 2024)

Contents

STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

(UAH '000)

Item	Notes	31 December 2024	31 December 2023
ASSETS			
Cash and cash equivalents	6	832,113	980,592
Investments in securities	7	11,373,565	10,347,179
Loans to customers	8	2,202,079	1,547,067
Investment property	9	62,172	62,172
Deferred tax asset		1,260	3,153
Property, equipment and right-of-use assets	10	146,115	138,263
Intangible assets	10	84,765	67,399
Other financial assets	12	140,891	134,635
Other assets	11	21,566	12,997
Non-current assets classified as held for sale		2,206	-
Total assets		**14,866,732**	**13,293,457**
LIABILITIES			
Due to customers	13	13,395,231	12,033,118
Other borrowings		183,597	48,299
Provisions for liabilities.	14	124,468	107,244
Payables to the Bank's employees	16	125,097	92,831
Other liabilities	16	26,032	18,810
Lease liabilities	17	30,012	30,496
Other financial liabilities	15	159,354	179,057
Income tax liability		28,151	32,215
Subordinated debt	18	70,633	64,203
Total liabilities		**14,142,575**	**12,606,273**
EQUITY			
Share capital	19	300,000	300,000
Transactions with shareholders (owners)		110,500	110,500
Retained earnings/ (accumulated deficit)		107,567	110,437
Reserves and other funds		206,090	166,247
Total equity		724,157	**687,184**
Total liabilities and equity		**14,866,732**	**13,293,457**

Approved for issuance and signed on 28 March 2025.

Chairperson of the Management Board — Serhiy MAMEDOV

Chief Accountant — Alina LIPATOVA

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for 2024

(UAH '000)

Item	Notes	2024	2023
1	2	3	4
Interest income	21	1,578,694	1,389,734
Interest expense	21	(971,720)	(842,491)
Net interest income	***21***	***606,974***	***547,243***
Fee and commission income	22	355,230	283,701
Fee and commission expense	22	(100,213)	(56,565)
Net fee and commission income	***22***	***255,017***	***227,136***
Net gain/(loss) from dealing in financial instruments carried through profit or loss	28	48,518	177,644
Net gain/(loss) from dealing in foreign currencies		224,955	123,372
Net foreign currency revaluation gain (loss)		2,721	2,266
Net gain/(loss) from impairment of loans to customers and due from banks		(78,293)	(190,337)
Net loss from impairment of receivables and other financial assets		(69,865)	(10,895)
Net increase/(decrease) in provisions for liabilities		(9,512)	(26,579)
Net gain on impairment and reversal of impairment loss (impairment loss) are determined in accordance with IFRS 9:		***(157,670)***	***(227,811)***
Net gain on impairment (reversal of impairment loss) on non-financial assets		(603)	360
Other operating income from ordinary activities	23	89,022	72,582
Other operating income	23	7,905	6,617
Employee benefit expenses	24	(727,255)	(639,793)
Depreciation and amortisation expenses	24	(45,099)	(39,639)
Administrative and other operating expenses	24	(210,327)	(152,633)
Profit/(loss) before tax		**94,158**	**97,344**
Income tax expense	25	(57,185)	(57,501)
Profit /(loss) from continued operations		36,973	39,843
Profit/(loss) for the year		**36,973**	**39,843**
OTHER COMPREHENSIVE INCOME:			
Total comprehensive income for the year		**36,973**	**39,843**
Earnings/(loss) per share from continued operations:			
Basic and diluted earnings per ordinary share, UAH		123.24	132.81

Approved for issuance and signed on 28 March 2025.

Chairperson of the Management Board Serhiy MAMEDOV

Chief Accountant Alina LIPATOVA

STATEMENT OF CHANGES IN EQUITY for 2024

(UAH '000)

Item	Share capital	Transactions with shareholders (owners)	Reserves, other funds and revaluation reserves	Retained earnings	Total equity
1	2	3	4	5	6
Balance as at 31 December 2022	**300,000**	**110,500**	**148,186**	**88,655**	**647,341**
Adjusted balance as at 1 January 2023	**300,000**	**110,500**	**148,186**	**88,655**	**647,341**
Total comprehensive income	-	-	-	39,843	39,843
Distribution of profit	-	-	18,061	(18,061)	-
Balance as at 31 December 2023	**300,000**	**110,500**	**166,247**	**110,437**	**687,184**
Total comprehensive income	-	-	-	36,973	36,973
Distribution of profit	-	-	39,843	(39,843)	-
Balance as at 31 December 2023	**300,000**	**110,500**	**206,090**	**107,567**	**724,157**

Approved for issuance and signed on 28 March 2025.

Chairperson of the Management Board — Serhiy MAMEDOV

Chief Accountant — Alina LIPATOVA

STATEMENT OF CASH FLOWS (DIRECT METHOD)
for 2024

(UAH '000)

Item	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest income, received	22	1,587,486	1,252,107
Interest expense, paid	22	(1,009,986)	(836,625)
Fee and commission income, received	23	355,778	281,794
Fee and commission expense, paid	23	(100,137)	(56,959)
Gains less losses from dealing in securities		71,663	113,019
Gains less losses from dealing in derivatives		41,873	(35,561)
Gains less losses from dealing in foreign currency		24,317	119,760
Other operating income received	24	96,926	79,188
Personnel expenses paid	25	(694,989)	(580,854)
Administrative and other operating expenses, paid	25	(210,765)	(152,750)
Income tax paid		(59,357)	(32,305)
Cash flows from/(used in) operating activities before changes in operating assets and liabilities		**102,809**	**150,814**
Changes in operating assets and liabilities:			
Net (increase)/decrease in financial instruments carried at amortised cost	7	535,500	(3,077,000)
Net (increase)/decrease in financial instruments at fair value through profit or loss	7	(1,475,921)	(3,117,418)
Net (increase)/decrease in loans to customers	8	(721,957)	195,104
Net (increase)/decrease in other financial assets	12	(45,677)	15,357
Net (increase)/decrease in other assets	11	(10,920)	6,010
Net increase/(decrease) in customer accounts	13	1,400,072	5,816,498
Net increase/(decrease in other borrowings		134,969	45,681
Net increase/(decrease) in provisions for liabilities	15	11,252	13,242
Net increase/(decrease) in debt securities issued by the Bank	14	-	(210)
Net (increase)/decrease in other financial liabilities	16	(42,496)	45,334
Net cash from /(used in) operating activities		**(112,369)**	**93,412**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	10	(20,460)	(17,380)

Acquisition of intangible assets	10	(24,273)	(13,474)
Net cash from/(used in) investing activities		**(44,733)**	**(30,854)**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Effect of change in foreign exchange rates of the National Bank of Ukraine on cash and cash equivalents		**8,623**	**(1,085)**
Net increase/(decrease) in cash and cash equivalents		**(148,479)**	**61,473**
Cash and cash equivalents at the beginning of the period		980,592	919,119
Net cash and cash equivalents and unsecured bank overdraft (Note 19) at the period-end		832,113	980,592

Approved for issuance and signed on 28 March 2025.

Chairperson of the Management Board Serhiy MAMEDOV

Chief Accountant Alina LIPATOVA

Note 1. Background

JOINT-STOCK COMPANY "COMMERCIAL BANK GLOBUS", which, in accordance with para 1.3 of the Articles of Association, is the successor of rights and liabilities of the Open Joint Stock Company "Commercial Bank Globus" (hereinafter – the Bank), was established on 22 January 2007 by decision of the Meeting of Founders.

Limited Liability Company "UKRAINIAN MEDIA TECHNOLOGIES" is the founder of the Bank.

JSC "CB GLOBUS" was registered on 29 November 2007 by the National Bank of Ukraine, in witness whereof a respective record was made in the State Register of Banks, according to which Certificate No. 320 was issued.

The Bank is registered and located at:

19/5 Kurenivsky Lane, Kyiv 04073, Ukraine.

JSC "CB GLOBUS" is incorporated as a joint stock Company.

The Bank's governing bodies are:

- General Meeting of Shareholders of the Bank;
- Management Board of the Bank.

The Bank's supervisory body is:

- Supervisory Board of the Bank.

According to the staffing schedule, the Bank had 683 employees as at 31 December 2024 (31 December 2023: 608 employees).

BUSINESS PROFILE

According to the Articles of Association, JSC "CB GLOBUS" is a banking institution established for an indefinite period of time, which is part of the banking system of Ukraine and operates in accordance with the requirements of the current legislation and regulations of the National Bank of Ukraine.

ACTIVITIES

The Bank provides services in accordance with the Law of Ukraine "On Banks and Banking Activity", the Articles of Association, and to the extent allowed under the licenses granted by the National Bank of Ukraine.

JSC "CB GLOBUS" conducts operations on the Ukrainian banking services market on the basis of Banking Licence No. 240 of 21 January 2019 issued by the National Bank of Ukraine.

The Bank provides a wide range of banking services to its customers in accordance with the Law of Ukraine "On Banks and Banking Activity" as set out below:

- attracting funds and bank metals subject to return from an unlimited number of persons;

- opening and maintenance of current (settlement, correspondent) accounts for customers and correspondent banks, including those in bank metals, and escrows;
- lending funds and precious metals at the expense of funds and precious metals attracted for deposits, including current accounts, on its own behalf, on its own terms and at its own risk;
- performing transactions in the capital markets on its own behalf;
- issuing guarantees and sureties and providing other third-party obligations that require cash settlement;
- factoring;
- finance leases;
- storing valuables (including accounting for and storage of securities and other valuables confiscated (seized) in favour of the state and/or declared ownerless) or providing an individual bank safe deposit box for property lease;
- cash transactions, cash collection and transportation of currency valuables;
- providing advisory and information services on the banking and other financial services;
- providing administrator services for the issue of bonds in accordance with the Law of Ukraine "On Capital Markets and Organised Commodity Markets";
- providing services to individuals and entities in the trading of cash and non-cash currency valuables and immediate crediting of these valuables to their accounts in accordance with the Law of Ukraine "On Currency and Currency Transactions";

In addition, JSC "CB GLOBUS" holds the following licenses from the National Securities and Stock Market Commission (NSSMC) for professional activities in the stock market:

License AB No. 263178 – Professional activity in the capital markets in the field of trading in financial instruments, which includes dealer activities;

License AB No. 263177 – Professional activity in the capital markets in the field of trading in financial instruments, which includes brokerage activities;

License AE No.263375 – Professional activity in the stock market – depository activities of a depository institution.

Pursuant to NSSMC Resolution No. 1061 dated 4 November 2021, the Bank was granted a license to carry out activities related to custody of assets of collective investment institutions, and Pursuant to NSSMC Resolution No. 460 dated 23 June 2021 - a license for sub-brokerage activities.

As at 31 December 2024, JSC "CB GLOBUS" established correspondence relations with 9 banks, including with one non-resident banks, in particular, STONEX FINANCIAL LTD, London, United Kingdom of Great Britain and Northern Ireland). The number of correspondence nostro accounts (38) and vostro accounts (6) is sufficient to ensure the settlement with counterparties in the fastest way possible.

JSC "CB GLOBUS" is an active member of the following interbank associations and international organisations:

- Deposit Guarantee Fund (Certificate No. 193);
- an incumbent member of the Independent Association of Banks of Ukraine;
- an incumbent member of the Perspektyva Stock Exchange;
- an incumbent member of PJSC "Ukrainian Exchange";
- Society for Worldwide Interbank Financial Telecommunication (SWIFT);
- Ukrainian National SWIFT Member and User Group "UkrSWIFT";

- Professional Association of Capital Markets and Derivatives;
- National Depositary of Ukraine;
- PrJSC “First Ukrainian Bureau of Credit Histories”;
- RIA, IntelExpress, TransferGo and AVERS №1; money transfer systems;
- MasterCard Worldwide;
- Visa International Service Association;
- Ukrainian Network of Integrity and Compliance (UNIC).
- environmental and social management systems;
- Association of Ukrainian Banks;
- Member of the Board of Directors of the Confederation of Builders of Ukraine.

JSC CB GLOBUS is a participant of the state mortgage programme eOselya ("eHousing") as part of the Affordable Loans 5-7-9% programme, which is implemented by the Government of Ukraine on the initiative of the President of Ukraine through the Entrepreneurship Development Fund.

JSC CB GLOBUS has entered into a cooperation agreement with the Entrepreneurship Development Fund under the Programme to support the financing of energy service companies (ESCOs) of the Project “Removing barriers to promoting investments in energy efficiency of public buildings in small and medium-sized cities of Ukraine through the application of the ESCO mechanism” funded by the Global Environment Facility and implemented by the United Nations Development Programme.

JSC CB GLOBUS is a user of KredInfo (interbank loan information system), UkrDealing information and dealing system, NBU’s Ukrainian Interbank FX Market Agreement Confirmation System, REUTERS, and Bloomberg.

STRATEGIC GOAL

The main purpose of the Bank's activities, as defined by the Bank's Charter, is to:

- attracting, accumulating and using funds to comprehensively promote the economic development of Ukraine, develop commodity-money and market relations, expand foreign economic relations of the region's enterprises and its export-import potential;
- investing in production modernisation and new technologies;
- expanding the scope of banking services provided to the Bank's customers with the introduction of new technologies and modern technical facilities;
- promoting the development of various forms of entrepreneurship and improving economic relations in Ukraine;
- improving money circulation in Ukraine;
- developing and improving UKraine’s banking system.

During 2024, PJSC CB GLOBUS continued all of its activities. However, given the current situation in Ukraine, the Bank’s key objective was to ensure compliance with its risk mitigation and reduction policy. Lending to legal entities and individuals, foreign exchange trading on behalf of clients, currency exchange operations, cash and settlement services to legal entities and individuals, attracting deposits from legal entities and individuals, securities trading, and treasury operations were the main development areas of the Bank in the reporting period.

The main priorities of the Bank include a client-oriented approach, high professionalism and efficiency.

SUMMARY RESULTS OF BANKING SERVICES AND OTHER OPERATIONS

The proft of JSC “CB GLOBUS” for the reporting period amounted to UAH 36,973 thousand.

Interest income accounts for the largest share in the Bank's revenue structure - 68.95%, or UAH 1,578,694 thousand.

Interest expenses comprise 43%, or UAH 971,720 thousand in the expense structure of 2024.

As at 31 December 2024, equity amounted to UAH 724,157 thousand.

The regulatory capital calculated using the methodology of the National Bank of Ukraine amounted to UAH 664,577 thousand.

COUNTERPARTY DESCRIPTION BY SEGMENT

Customer base establishment and expansion has been one of the top priorities for JSC "CB GLOBUS" since its establishment. As at 31 December 2024, JSC "CB GLOBUS" had 188,732 counterparties.

The Bank's counterparty base

Counterparty segment	Number of counterparties	
	2024	2023
Banks	67	75
Corporate customers	9,141	8,094
Individuals	179,524	103,539
Total counterparties	**188,732**	**111,708**

The share of each segment in the Bank's counterparty structure as at 31 December 2024 is as follows:

- banks - 0.04%;
- corporate customers - 4.84%;
- individuals - 95.12%.

In 2024, similarly to prior reporting years, management of the Bank focused on expansion of its customer base and diversification of the resource base to reduce liquidity and insolvency risks for PJSC CB GLOBUS that might arise from acute fluctuations of balances on customer accounts.

DISCONTINUED OPERATIONS

Throughout 2024, JSC "CB GLOBUS" had no asset ownership restrictions imposed, nor was it subject to any types of ownership termination restrictions.

During the reporting period, there were no mergers, acquisitions, splits or spin-offs of the Bank.

ORGANISATION AND CORPORATE GOVERNANCE

The overall organisational structure of JSC "CB GLOBUS" (hereinafter – the Structure) was developed on the basis of the applicable law of Ukraine and the Articles of Association. It consists of the governance bodies, controlling bodies, executive bodies and structural units.

The Bank's governing bodies are the General Meeting of the Shareholders, the Supervisory Board, and the Management Board, which is also an executive body. The Bank's controlling bodies are the Supervisory Board, Audit Committee, Internal Audit Service, and Compliance Unit.

The Bank's internal control structure comprises three levels:

- Level 1 – business and supporting units;
- Level 2 – Risk Management and Compliance;
- Level 3 – Internal Audit.

The General Meeting of Shareholders is the supreme governing body of the Bank. The General Meeting of Shareholders carries out general management of the Bank's operations, sets the objectives and development strategy, adopts decisions on amending/revising the Articles of Association, makes changes to the Share Capital, approves the Bank's operating results, profit allocation procedure, procedure and periods for paying shares of profit, loss coverage procedure.

The Bank has the following collegiate bodies:

- Asset/Liability Committee (ALCO);
- Credit Committee;
- Tariff Committee;
- Audit Committee;
- Financial Monitoring Committee.

All decisions adopted by committees are documented and notified to the authorised officers of the Bank. Committee meetings are held as needed, but at least on a monthly basis.

MANAGEMENT SHARE IN THE BANK'S EQUITY

According to the Articles of Association, management of the Bank consists of the Chairperson and members of the Supervisory Board, Chairperson, his/her deputies and members of the Management Board, Chief Accountant and his/her deputies. Management of the Bank has no direct shareholding in the Share Capital. Olena Anatoliivna Sylniahina, indirectly holds 100% of shares in the share capital. The Chairperson of the Supervisory Board, Dmytro Eduardovych Polkovskyi, indirectly holds 16,198866%. The Chairperson of the Management Board, Serhiy Gennadiyovych Mamedov, indirectly holds 9,899307%.

SIGNIFICANT INTEREST IN THE BANK

The ultimate beneficiary owner as at 31 December 2023 is Olena Anatoliivna Sylniahina - by holding 50.5% of the share capital of KETLEN LTD that owns a 99.993% share in UMT Ltd holding 100% in the share capital of the Bank. A participant in UMT Ltd (0.007%) that owns 100% of the share capital of the Bank. It owns a significant interest in the Bank equal to 100%.

Indirect owners of significant interest in the Bank:

KETLEN LTD - through ownership of 99.993% of the share capital of UKRAINIAN MEDIA TECHNOLOGIES Ltd; It owns a significant interest in the Bank equal to 100%.

Olena Anatoliivna Sylniahina (individual/natural person) - by holding 50.5% of the share capital of KETLEN LTD that owns a 99.993% share in UMT Ltd holding 100% in the share capital of the Bank. A participant in UMT Ltd (0.007%) that owns 100% of the share capital of the Bank. It owns a significant interest in the Bank equal to 100%.

Dmytro Eduardovych Polkovskyi (individual/natural person) - by holding 16.2% of the share capital of KETLEN LTD that owns a 99.993% share in UMT Ltd holding 100% in the share capital of the Bank. It owns a significant interest in the Bank equal to 16.198866%.

Approved for issuance and signed on 28 March 2025.

Chairperson of the Management Board Serhiy MAMEDOV

Chief Accountant Alina LIPATOVA

Note 2. Economic environment of the Bank

Throughout 2024, the banks were able to provide uninterrupted services to businesses and households and channel more and more resources to the economy to overcome the fallout of the war. Based on the findings of the National Bank of Ukraine, the liquidity, solvency, and operational resilience of the banking system do not raise any concerns.

The war remains a key risk, which does not pose immediate challenges to banks and non-bank financial institutions, but significantly increases their operating costs and restrains their risk appetite for developing certain business lines.

The enemy is pressing in several areas of the frontline and has achieved some tactical success at the cost of significant losses. Massive terrorist air strikes have intensified considerably. The tactics of the attacks point to Russia's intention to leave Ukraine without electricity in the winter,

causing as much damage to the economy as possible. The attack on Ukraine with a new type of ballistic missile and the accompanying threats to Ukraine's partner countries further escalate the war. However, Ukraine is adapting to the threats and investing in strenghtening its defence capabilities. As a result, domestic military production is growing. The range of countries with which Ukraine has signed security agreements is gradually expanding: 27 such agreements have already been signed, including with all G7 countries, the EU, and most of its member states.

The Ukrainian economy continues to be subject to structural war-induced vulnerabilities. The state budget deficit and public and gross external debt remain high. A significant foreign trade deficit persists due to a steady increase in demand for imports and a slow recovery in export capacity. Pressure on the FX market is rising, although the liberalisation measures taken so far have had a rather limited impact on the demand for foreign currency. Steady inflows of international assistance ensure there are regular influxes of capital, which mitigate these risks. The NBU's stock of international reserves allows it to guarantee stable FX market operations and to smooth out excessive exchange rate fluctuations.

Lending continues to be active across all segments, driven by stronger demand. Financial institutions are actively financing enterprises in the largest sectors – agriculture, trade, industry – thus contributing to their growth. A memorandum signed by the banks in the summer facilitated the financing of energy sector recovery on favourable terms. Lending is driven by better terms, including lower interest rates. The percentage of subsidised loans under the Affordable Loans 5-7-9% Programme is decreasing.

In 2024, the NBU Board made five decisions to reduce the key policy rate by setting it:

- from 26 January 2024 at 15%;

- from 15 March 2024 at 14.5%;

- from 26 April 2024 at 13.5%;

- from 14 June 2024 at 13%;

- from 13 December 2024 at 13.5%.

The key regulatory novelty of 2024 is the banks' transition to a new three-tier regulatory capital structure. The banks also started to take into account all three key risks in full – credit, market, and operational ones – when calculating their capital needs. In addition, financial institutions obtained the first results of their own capital adequacy assessment under the ICAAP. Taken together, this contributed to significant progress in bringing domestic banking regulations in line with EU acquis. This work will continue going forward.

The banks remain highly liquid. The existing stock of high quality liquid assets and the stable inflow of funding from clients provide banks with a degree of comfort in expanding their loan portfolios and investing in domestic government debt securities

to finance the budget. However, higher reserve requirements, increases in corporate income tax rates may temporarily change the structure of liquid assets and require the banks to manage liquidity more actively.

The banks have successfully transitioned to a new capital structure and have maintained capital adequacy ratios at levels almost two times above minimum requirements. However, the 50% corporate income tax rate will reduce the banks' capital

cushion and increase uncertainty for their future operations.

Whilst management believes it is taking appropriate measures to support the sustainability of the Bank's business in the current circumstances, realization of the risks arising from the war could negatively affect the Bank's results and financial position in a manner not currently determinable.

JSC CB GLOBUS continues to work without interruption. The Bank is implementing measures to strengthen its resilience to operational risks and maintain business continuity even in the face of uncertainty about the duration of hostilities.

In order to ensure the Bank's full operation in the event of an emergency (stressful situation), the Bank has approved a Business Continuity Plan for the special period.

These financial statements reflect management's current assessment of the impact of the Ukrainian business environment on the operating activities and the financial position of the Bank. Future operating conditions may differ from management's assessments.

Note 3. Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) on the historical cost basis, except for measurements of certain financial instruments at fair value.

The financial statements are presented in Ukrainian hryvnia (UAH), and all values are rounded to the nearest thousand (UAH '000), unless otherwise stated.

Statement of compliance

The Bank's financial statements are prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB).

Basis of presentation

Items of the statement of financial position are generally presented in accordance with their liquidity. The analysis of the recoverability or settlement of assets and liabilities with a breakdown of those being settled or recovered within 12 months after the date of the statement of financial position (current/short-term) and more than 12 months after the date of the statement of financial position (non-current/long-term) is presented in Note 20.

Financial assets and liabilities are offset, and the net amount is recognised in the statement of financial position when, and only when, the entity has a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. Income and expenses are offset only to an extent that the offset is required or permitted by the respective financial reporting standard or interpretation as specified in the Bank's accounting policy.

The accounting policies below do not include new standards, amendments to standards, and interpretations that are optional in 2023.

Going concern

Management of the Bank carried out an assessment of the existing significant uncertainty related to military actions on the territory of Ukraine, which are ongoing and have already caused and continue to cause significant negative consequences both for the economy of Ukraine as a whole and for the Bank's clients in particular, underlying management's going concern assumptions.

In the near future, the Bank will continue to function under martial law within the framework of the current model.

Management believes that the Bank has sufficient margin of safety to operate as a going concern and observes a tendency to stabilize the situation in the Bank.

At the same time, management recognizes that the Bank's future activity, like the entire financial system of the country, will depend on further events on the battle front, and the unpredictability of these events, the duration of hostilities and their impact on the state of the economy indicate that a material uncertainty exists regarding the ability of the country's banking system and the Bank itself to continue as a going concern.

In 2024, there were no changes to the contracts (financial assets) that led to significant changes in cash flows that would require termination of the old financial instrument and the recognition of a new one or the need to recalculate (change) the effective interest rate.

Restructuring of loan agreements carried out during 2024 provided for the extension of the loan agreements and, accordingly, reduction of the amount of monthly repayments of the loan principal. All restructurings were solely conditional on the customers' timely repayment of the loan interest.

If the military aggression is stopped in the nearest months, or the hostilities are localised in the eastern part of Ukraine, the Bank expects credit losses to be incurred only in the regions that are most affected by the warfare. Given that the Bank did not perform operations in the Donetsk and Luhansk regions, nor did it have significant loan portfolio concentrations in Zaporizhzhia, Kherson, and Mykolaiv regions, the bank believes the increase in credit risks will not lead to significant credit losses.

Starting 31 August 2023, the Bank resumed periodic revaluations of collateral used as a security for calculating credit risk exposure and making provisions for asset-based transactions.

JSC CB GLOBUS provides a specific range of services that primarily includes issuing targeted loans for the purchase of real estate, motor cars, specialized vehicles and machinery, and providing bid bonds and performance guarantees to enterprises that are parties to government contracts. Therefore, the Bank's main income is derived from interest and commission on loans granted before the start of full-scale aggression and commission income from guarantees provided. Taking into account, among other things, the social, stabilising importance of lending operations with retail customers and small businesses, the Bank continues to grant loans even during martial law, albeit in a much smaller volume and with more stringent requirements with regard to borrowers' solvency. The Bank is an active participant of the government lending programmes. Also, the Bank continues to actively work with companies participating in government tenders, issuing bid bonds and providing contract performance guarantees.

In order to ensure the Bank's full operation in the event of an emergency (stressful situation), the Bank has approved a Business Continuity Plan for the special period, and updated the Business Continuity Management Policy.

Facing increased uncertainty regarding potential future economic scenarios under the conditions of martial law and its impact on all areas of life, the Bank continues to constantly and regularly review its estimates, models and approaches to reflect information in accounting and financial reporting in a relevant, fair and reliable manner.

Note 4. Significant accounting policies

The Bank's accounting policies are formed in accordance with the applicable law of Ukraine, regulations of the National Bank of Ukraine and are based on International Financial Reporting Standards.

The underlying principles of the Bank's accounting policy include fair presentation, substance over form, standalone basis, prudence, going concern, accrual and matching of income and expenses, consistency, and historical cost basis.

Measurement methods and principles applied to specific assets and liabilities are set out below.

The procedure of accounting for operations performed by the Bank is governed by separate internal documents that constitute a part of the Bank's Accounting Policies.

Note 4.1. Basis of measurement

Financial instruments are measured at fair value or amortised cost depending on their classification. The measurement methods are described below.

Fair value measurement

Fair value (FV) is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants of the principal market or the most advantageous market at the measurement date. The Bank determines the fair value of financial instruments on the basis of prices obtained directly from external data or using valuation techniques. A financial instrument is considered to be quoted in an active market, if quoted prices are readily and regularly available from a stock exchange or other organisation, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Where the market for a financial instrument is not active, the Bank uses the data on the latest transactions between unrelated parties to determine the current fair value. The amounts received as a result of forced write-offs do not represent fair values.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or analysis of financial data about the investees are used to measure the fair value of certain financial instruments for which external market pricing information is not available. Applying these valuation techniques may require assumptions that are not supported with market data. These financial statements contain disclosures on events when substitution of any such assumption by a feasible alternative may result in significant changes in the reported profits, revenues and total assets or liabilities.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

Measurement at amortised cost

Amortised cost (AC) is the amount at which the financial instrument was recognised at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any write-down for incurred impairment losses. Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest method. Accrued interest income and accrued interest expense, including both accrued coupon and amortised discount or premium (including fees deferred at origination, if any), are not presented separately and are included in the carrying values of related items in the statement of financial position.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount.

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a shorter period, if appropriate, to the net carrying amount of the financial instrument. The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

Note 4.2. Initial recognition of financial instruments

Financial instruments carried at fair value through profit or loss (FVTPL) on initial recognition are measured by the Bank at their fair value less transaction costs. The Bank accounts for transaction costs incurred for acquiring such financial instruments on expense accounts at the transaction date.

All other financial instruments on initial recognition are measured at fair value plus transaction cost.

All financial liabilities, except for those designated as at FVTPL and those arising when the transfer of a financial asset carried at fair value does not qualify for derecognition, are measured at amortised cost using the effective interest method. Premiums and discounts, including initial transaction costs, are included in the book value of the respective instrument and amortized using the effective interest method for this instrument.

Note 4.3 Classification of financial assets

A financial asset is measured at amortised cost only if it meets both of the following conditions and is not designated as asset at fair value through profit or loss:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- its contractual terms give rise on specified dates to contractual cash flows that are solely payments of principal and interest on principal amount outstanding (SPPI).

A financial asset is measured at fair value through other comprehensive income (FVOCI) only if it meets both of the following conditions and is not designated at the Bank's discretion as at FVTPL:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to contractual cash flows that are solely payments of principal and interest on principal amount outstanding.

All financial assets not qualifying for measurement at AC or FVOCI as described above, are measured at FVTPL In addition, on initial recognition, the Bank may irrevocably categorize a financial asset that would otherwise be qualified as asset at amortized cost or FVOCI as FVTPL asset if such categorization eliminates or significantly reduces irregularities in the accounting records that could have originated otherwise.

Business model assessment

The Bank assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information that is considered includes:

- the stated policies and objectives for the portfolio of the financial assets and the operation of those policies in practice, particularly whether management’s strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the maturities of the financial assets to the maturities of the liabilities that are funding those assets or utilizing cash flows through the sale of assets;

- how the performance of the portfolio is evaluated and reported to the Bank’s management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- the frequency, volume and timing of sales in prior periods, the reasons for such sales, and expectations about the future sales. However, information on sales levels is not considered in isolation, but as part of a holistic analysis of how the Bank achieves its objective of financial assets management and how cash flows are generated.

Financial assets held for trading and those managed and performance reviewed on a fair value basis are measured at FVTPL because they are held neither to collect contractual cash flows nor to both collect contractual cash flows and to sell financial assets.

Reclassification of recognised financial assets is performed only in the event of a change in the business model of the Bank's operations.

Assessment of whether contractual cash flows are exclusively the payment of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely repayment of principal and interest on principal amount outstanding ("SPPI" criterion), the Bank will analyse the contractual terms of the financial instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of the contractual cash flows such that it would not meet this condition.

Note 4.4. Impairment

IFRS 9 requires the Bank to apply significant judgements over how changes in economic factors affect expected credit losses (ECLs), which will be determined on a probability-weighted basis.

Such new impairment model applies to the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables; and
- loan commitments and financial guarantee contracts (previously the impairment was measured in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets).

Allowances for expected credit losses are recognized by the Bank in an amount equal to either 12-month ECLs or lifetime ECLs of an instrument.

The Bank assesses the quality of financial assets as follows:

- if the credit risk of the financial instrument has not increased significantly since the initial recognition, then the loss allowance for that financial asset is equal to the amount of 12-month ECLs;
- if there has been a significant increase in credit risk since the initial recognition, the Bank recognises a loss allowance for that financial asset at an amount equal to lifetime ECLs;

Assessment of expected credit losses

ECLs are a probability-weighted estimate of credit losses and will be measured as follows:

- for financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls – i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive;
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- for undrawn loan commitments: the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- for financial guarantee contracts: as the present value of the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

Significant increase in credit risk and definition of default

In determining whether there is a significant increase in credit risk (i.e. risk of default) of a financial instrument since its initial recognition, the Bank considers valid and verifiable information that is relevant and accessible without excessive cost or effort, including both quantitative and qualitative information, as well as an analysis based on the Bank's historical experience, an expert assessment of loan quality and forward-looking information.

For identifying whether there is a significant increase in credit risk or a default event, the Bank uses the internal methodology.

For calculating an allowance, the Bank allocates financial assets by individually significant and not individually significant.

For impaired and individually significant assets, impairment is determined on an individual basis. For financial assets that are not individually significant and not impaired, impairment is determined on a collective basis.

Financial assets are written off against related provisions when there is no reasonable expectation of recovery according to the Bank's management.

Note 4.5. Derecognition and contract modification

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the financial asset have expired;
- the Bank has transferred its rights to receive contractual cash flows from that asset, or if it has retained the right to receive cash flows of the asset, but has assumed a contractual obligation to pay them in full without material delay to a third party under a pass-through arrangement;
- the Bank has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Bank has transferred its rights to receive cash flows from an asset, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Bank's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of original carrying amount of the asset or the maximum amount of consideration that the Bank could be required to repay.

The transfer of assets results in derecogntion if the Bank has transferred substantially all risks and rewards of the asset and is transferring control of the asset.

Financial liabilities are derecognised when the respective obligations are discharged, cancelled or expired.

If an existing financial liability is replaced by another liability to the same creditor on substantially different terms or in the event of material changes to the terms of an existing liability, the original liability is derecognized, and the new one is recorded in the accounting with the recognizing the difference between the extinguished liability and new financial liability carrying amount in the statement of profit or loss and other comprehensive income.

The Bank recognizes the changes of the contractual terms or modifications of the financial asset that leads to revising the related cash flows as follows:

- the initial financial asset is derecognized, and the new one is recognized; or
- the initial financial asset continues to be recognized under the new terms.

When the contract on a financial asset is renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Bank is to recalculate the gross carrying amount of the financial asset and recognise a modification gain or loss.

The Bank recalculates the gross carrying amount as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired (POCI) financial assets).

Transaction costs are included in the carrying amount of the modified financial asset and amortised over its lifetime.

The difference between the gross carrying amount under original terms and the gross carrying amount under renegotiated or modified terms is recognised by the Bank as modification gain or loss.

Note 4.6. Cash and cash equivalents

Cash and cash equivalents include cash on hand; balances on the Bank's correspondent accounts in the National Bank of Ukraine that are not mandatory reserves; balances on correspondent bank accounts and cash in banks that are readily convertible to known amounts of cash at short notice and non-restricted cash balances that are subject to an insignificant risk of changes in value.

Balances restricted for use are eliminated from cash and cash equivalents. Cash and cash equivalents are carried at amortised cost.

Note 4.7. Mandatory reserves on accounts with the National Bank of Ukraine

The NBU cancelled the requirement to maintain mandatory reserves on a separate account that were restricted for use.

Note 4.8. Investments in securities

Financial assets designated at fair value through profit or loss comprise debt securities, shares and other financial investments held for trading, as well as those designated at fair value through profit or loss upon initial recognition.

Balances on financial assets measured at fair value through profit or loss are presented in the ***Statement of Financial Position (Balance Sheet)***. Gains less losses from trading financial assets measured at fair value through profit or loss are presented in the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)*** and in the ***Statement of Cash Flows (direct method)***.

Note 4.9. Loans and other amounts due from banks

Loans and other amounts due from banks are recognised as financial assets under the caption Loans and receivables and initially measured at fair value (first day profit/loss) plus respective transaction costs.

Subsequently to the initial recognition, amounts due from banks are measured at amortised cost using the effective interest method. Loans and receivables without fixed maturities are measured at amortised cost based on their expected maturities.

Impairment of loans and amounts due from banks are recorded through special provisions. The carrying value of the asset is reduced by the amount of the provision for impairment. Impairment loss is recognised as expense in the statement of comprehensive income.

Interest income on loans granted to banks and deposits placed was recognised on interest income accounts using the effective interest method.

Note 4.10. Loans to customers

Subsequently to the initial recognition, loans are measured at AC at the balance sheet date using the effective interest rate over the amortisation of the discount (premium) and interest accrual at least once in a month, or at FVTPL. The Bank's fees and commissions are treated as discount/interest income to the extent that such fees and commissions are paid by the customer and are related to the issue of the loan.

The Bank recognises interest income using the effective interest rate. In case of financial instruments for which future cash flows cannot be reliably measured (e.g. overdrafts, revolving credit facilities) and to which the effective interest rate cannot be applied, the Bank recognises interest income applying nominal interest rate.

In the financial statements for 2023, the results from transactions on loan debt of the Bank's customers are stated in the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)*** and the ***Statement of Cash Flows*** (***direct method***) as a net (increase)/decrease in loans to customers.

Loans issued to customers are stated in the ***Statement of Financial Position (Balance Sheet)*** as the carrying amount less special provisions for credit risk (Note 8).

Note 4.11. Reverse purchase/repurchase contracts

Securities sold under sale and repurchase (repo) contracts are accounted for as secured financing transactions, with the securities retained in the statement of financial position and the counterparty liability included in amounts payable under repo transactions.

Securities purchased under reverse repo contracts are treated as accounts receivable on reverse repo transactions. The difference between the purchase and repurchase price is the interest income and is recognised in profit or loss over the term of the repo contract. Accounts receivable under reverse repo contracts is recognised net of provision for impairment losses. Where assets acquired under the repo contract are sold to a third party, the obligation to repurchase securities is recognised as trade payables and is measured at fair value.

In repo transactions, the Bank as a buyer receives consideration in the form of interest or the difference from reverse repurchase of securities at the price above the discounted purchase, and, therefore, different accounting treatment is applied to interest income in repo transactions depending on the form of consideration.

The Bank's expenses incurred in reverse repo transactions are amortised over the entire term of the agreement.

Under repo contracts with infinite term, the latter is determined on a forward- looking basis depending on the expected maturity.

Note 4.12. Investment property

Property (land or a building—or part of a building—or both) held by the Bank or by the lessee under a finance lease to earn rentals or for capital appreciation or both is classified as investment property.

If the Bank gains the title for land plots and buildings by realising its pledge holder rights where future use is undetermined, such assets are also classified as investment property.

Upon initial recognition, investment property is measured and recognised at cost that includes its purchasing price and all costs directly attributable to the purchase.

During the reporting year, the Bank changed the treatment of investment property from historical cost basis to fair value basis.

In accordance with the historical cost principle, all assets other than land plots were depreciated on a straight-line basis at a depreciation rate of 4% and with a useful life of 25 years. When owning the investment property, depreciation was charged on buildings and not on land plots.

According to the 2020 accounting policies, the cost approach was selected during the reporting year for further accounting. Under such approach, the fair value of the Bank's investment property was determined based on reports of the independent appraiser. The carrying amount of the investment property at the reporting date matches its fair value.

Costs of the day-to-day servicing, repairs and maintenance of an investment property item are recognised under the heading ***"Administrative and other operating expenses***" in the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)*** in the period in which they are incurred.

Operating lease income from investment property is disclosed in ***line 1 Table 9.3 Note 9***.

Information about investment property is presented in the ***Statement of Financial Position (Balance Sheet)*** under the caption **"Investment property"** and in ***Note 9***.

Note 4.13. Property, equipment and intangible assets

Property, equipment and intangible assets are carried at historical cost less any accumulated depreciation and amortisation and accumulated impairment losses.

Historical cost of property and equipment includes its cost plus all related costs of its acquisition, delivery, installation and commissioning.

All of the Bank's intangible assets have finite useful lives and primarily include computer software and software licences.

The carrying amounts of property, equipment and intangible assets are depreciated/amortised over their expected useful lives for the purpose of their gradual retirement. Depreciation/amortisation is charged on a straight-line basis.

In 2023, the useful lives of property, equipment and intangible assets were not revised. The useful life of intangible assets is determined in accordance with internal regulations of the Bank.

An item of property and equipment and intangible assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The Bank assesses at the end of each reporting period whether there is any indication that an asset may be impaired. Where the carrying amount of the asset exceeds the recoverable amount, the carrying amount is written down to its recoverable amount.

The Bank recognises depreciation charges on property, plant and equipment under the caption ***"Depreciation and amortisation expenses***" in the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)***.

Gain or loss arising from disposal of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the asset) are recognised in other operating income or under the caption ***“Administrative and other operating expenses”*** in the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)***.

Expenses incurred to maintain property and equipment are recognised under the caption ***“Administrative and other operating expenses”*** in the Statement of ***Profit or Loss and Other Comprehensive Income (Income Statement)*** when incurred.

The Bank did not revaluate the historical cost of property and equipment during the reporting year.

The residual value of property and equipment is nil.

Information about the property, plant and equipment is presented in the ***Statement of Financial Position (Balance Sheet) within Property, equipment and right-of-use assets***, in Note 10 and in the ***Statement of Cash Flows (direct method)***.

Note 4.14. Operating leases in which the Bank is the lessor and/or lessee

During the current year, the Bank applied IFRS 16 Leases that is effective for annual periods beginning on 1 January 2020. IFRS 16 introduced new or amended lease accounting requirements. The standard introduced significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement of all leases, other than short-term leases and leases of low-value assets. Unlike the lessee accounting, the lessor accounting requirements have remained largely unchanged.

The date of first adoption of IFRS 16 for the Bank is 1 January 2019.

The Bank applied IFRS 16 retrospectively and the cumulative effect of initially applying IFRS 16 is recognised at the date of first adoption. Accordingly, comparative figures were not restated.

Upon the first adoption of IFRS 16 for all leases (except for those specified below), the Bank:

- recognised the right-of-use assets and lease liabilities initially measured at the present value of future lease payments in the separate statement of financial position;

- recognised the depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss;

- presented expenses within operating expenses as part of profit or loss.

The Bank applied a single discount rate for the portfolio of leases with similar characteristics.

Effect on lessor accounting

IFRS 16 does not significantly change the lessor accounting. Under IFRS 16, the lessor continues to classify leases as finance or operating lease and account for these two types of lease differently.

However, IFRS 16 changed and expanded the disclosure requirements, especially in terms of the lessor's risk management for the rights it retains in underlying assets.

Operating lease expenses are stated in ***line 2 Table 24.3 Note 24 Administrative and other operating expenses***.

In 2024, the Bank leased out its premises and land.

Lease payments under operating leases in which the Bank is a lessor are recognised as income on a straight-line basis over the term of the lease.

Lease income is stated in ***lines 2.5 and 2.6, Note 23 Other operating income***.

Note 4.15. Derivative financial instruments

In the normal course of business, the Bank enters into various derivative financial instruments, including forwards and swaps, for managing the currency risk and liquidity risk, as well as for trading purposes. Derivative financial instruments entered into by the Bank are not designated as hedges and do not qualify for hedge accounting. Derivatives are initially recognised at fair value at the date on which a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date. All derivative instruments are carried as assets when fair value is positive and as liabilities when fair value is negative.

Derivative instruments are included to other assets or other liabilities in the separate statement of financial position. Gains or losses arising from these instruments are included in other income in the separate statement of profit or loss and other comprehensive income.

Note 4.16. Financial liabilities

Financial liabilities are classified either as financial liabilities at FVTPL or other financial liabilities.

Other financial liabilities. Other financial liabilities, including deposits and borrowings, are initially recognised at fair value less transaction costs. Other financial liabilities are subsequently carried at amortised cost using the effective interest method.

Effective interest rate is used to calculate the amortised cost of a financial liability and allocate interest expenses over the relevant period. For detailed information about the effective interest rate, refer to the "Net interest income" section above.

Derecognition of financial liabilities. The Bank derecognises financial liabilities when, and only when, its obligations are discharged or cancelled or expired.

The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Financial guarantee contracts. A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Bank are initially measured at fair value and are subsequently carried at the higher of:

- the amount of loss allowance determined under IFRS 9; and
- the amount initially recognised less, when appropriate, any cumulative amount of income recognised in line with the Bank's revenue recognition policy.

Financial guarantees are presented as reserves in the separate statement of financial position and their measurement is presented in other comprehensive income.

Note 4.17. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include:

- foreign currency purchase and sale and conversion transactions (TOM and SPOT);
- standard acquisitions of financial investments (securities transferred within 10 business days) if the transaction date and settlement date are different.

Similarly to financial assets, financial liabilities are initially recognised at fair value, plus transaction costs directly attributable to their acquisition or issue. Transaction costs include payments to third parties that help conducting a transaction, but are neither buyers, nor sellers in the transaction.

When there is an active market, the fair value of a liability is its market price. If there is no active market, the financial liability is recognised at cost less impairment losses.

Financial liabilities are written off the balance sheet accounts at the date when a liability is discharged, settled or cancelled (incl. after the expiry date).

Note 4.18. Debt securities issued by the Bank

Own debt securities include savings (deposit) certificates issued by the Bank. Debt securities issued by the Bank are carried on accounts of Section 33 “Own debt securities and derivative financial liabilities”. The Bank issues registered savings (deposit) certificates.

Income on savings certificates is paid on demand.

Note 4.19. Provisions for liabilities.

Provisions for financial commitments are created to secure their fulfilment in the future, which is recognised as a liability in the Bank’s balance sheet indicating the possible outflow of economic benefits associated with the fulfilment of such financial liabilities by the Bank.

Credit related commitments include loan commitments, letters of credit, financial guarantees and bill avalisation.

Financial liabilities are initially recognised at fair value that typically equals commissions received (for guarantees). The commissions are amortised on a straight-line basis over the life of the commitment. At each reporting date, the financial guarantees are measured at the higher of the expenditure required to settle the commitment at the reporting date, and initially recognised balance less accumulated amortisation.

Factors taken into account when creating provisions for liabilities include: loss rate on lending transactions, credit conversion factor and the amount of consideration received gross of amortisation (for guarantees).

If the amount of provision increases in subsequent periods after the provision for granted financial liabilities is created, the Bank makes adjustments to the previously created provision for such liabilities.

Where it is required to fulfil the financial liability assumed, the Bank uses the respective provision created for that financial liability.

Provisions for contingent liabilities are estimated according to IAS 37 Provisions, Contingent Liabilities and Contingent Assets (hereinafter: IAS 37) which requires use of management estimates and judgements. Contingent liabilities are not recognized in the statement of financial position, but are disclosed in the notes to financial statements, except for the instances when the probability of outflow of resources is remote. Contingent assets are not recognised in the statement of financial position, but disclosed in the notes to financial statements if an inflow of economic benefits is probable.

For detailed information, see the Note “Provisions for liabilities” to the Statement of Financial Position (Balance Sheet) and the Note “Fee and commission income and expenses” to the Statement of Profit or Loss and Other Comprehensive Income (Income Statement).

Note 4.20. Subordinated debt

Subordinated debt comprises ordinary unsecured equity instruments that, under the contract, cannot be redeemed earlier than in five years, and rank after all other debts to creditors or investors should the issuer fall into liquidation or bankruptcy. Subordinated debt is recognised in equity, it may not exceed 50 percent of the capital stock, and is annually decreased by 20 per cent of its original amount over the last five years of the contractual term.

Subordinated debt is initially recognised at fair value, which equals to the amount of proceeds less transaction costs. In subsequent periods, the amount of liabilities is carried at amortised cost using the effective interest method.

Interest expenses from subordinated debt are recognised on a monthly basis using the effective interest rate by increasing the expenses. The advance payment of the interest on amounts borrowed through subordinated debt is not allowed. The capitalisation of interest on subordinated debt is not allowed.

Note 4.21. Income tax

Taxation. Income tax expense represents the sum of the current and deferred tax expense.

Current income tax.

Current income tax expenses are based on taxable profit for the year. Taxable profit differs from the financial profit before tax recognised in the separate statement of profit or loss and other comprehensive income, since it does not include items of income and expenses that are taxable or attributable to expenses in other periods and excludes items that are never taxable or attributable to expenses for taxation purposes. Current tax expenses of the Bank are calculated using the tax rate ruling during the reporting period.

Deferred income tax.

Deferred income tax is a tax that is expected to be paid or recovered for differences between the carrying amounts of assets and liabilities in the separate financial statements and appropriate tax base used in determining taxable profit, and is recognised using the balance sheet liability method.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. These assets are not recognised if the temporary differences arise from the initial recognition of other assets and liabilities in a transaction that affects neither taxable profit or accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax is recognised in the separate statement of profit or loss and other comprehensive income, unless it relates to items that are directly attributable to equity items, in which case the deferred tax is also recognised in equity.

In Ukraine, there are other taxes that apply to the Bank's business. These taxes are included as a component of operating expenses in the separate statement of profit or loss and other comprehensive income.

Information about the Bank's income tax liabilities is presented in the ***Statement of Financial Position (Balance Sheet)*** and in Note 25 to the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)***.

Note 4.22. Share capital and share premium

Share capital contributions are recognised at cost. Share premium represents the excess of contributions received over the nominal value of shares issued. Gains and losses from the sale of own shares are included in share premium.

Dividends on ordinary shares are recognised in equity as a decrease in equity in the period in which dividends are declared.

Note 4.23. Reserves and other funds

The Bank's reserve fund is formed to cover contingent losses from banking operations. Amounts allocated to the reserve fund according to the Law of Ukraine "On Banks and Banking Activity" should be at least 5% of the Bank's net profit, but not more than 25% of the Bank's regulatory capital.

The reserve fund can be used only to cover the Bank's losses for the reporting year upon decision of the Supervisory Board in accordance with a procedure approved by the General Meeting of the Shareholders.

Note 4.24. Transactions with shareholders (owners)

During 2020 and 2021, the Bank received non-refundable financial assistance from the Bank's shareholder for the purpose of increasing the its equity. Such financial aid is not included in income based on Clause 4.25 of the Conceptual Framework for Financial Reporting, IAS 18.7 Revenue and IFRS 20.14, non-refundable financial aid from the Shareholder for the purpose of increasing the equity is accounted for using the equity method.

Note 4.25. Recognition of income and expenses

Income and expenses are recognised in accordance with the key principles of international financial reporting standards, namely: accrual, matching, prudence.

Income and expenses are accounted for on an accrual basis that requires all income and expenses to be recognised in the period in which they were incurred.

Interest income and expenses are recognised in the reporting period in which they were incurred and are calculated on an accrual basis using the effective interest method.

Note 4.26. Foreign currency translation

Transactions with foreign currencies and precious bank metals are initially recognised in the reporting currency by translating the foreign currency amount at the official exchange rate of UAH to foreign currencies ruling at the transaction date (i.e. the date on which assets, liabilities, equity, income and expenses are recognised).

Assets and liabilities denominated in foreign currencies and bank metals are stated in the Ukrainian hryvnia equivalent at the official exchange rate as at the reporting date or recognition date.

The Bank's monetary assets and liabilities are presented in the ***Statement of Financial Position (Balance Sheet)*** at the NBU's official Ukrainian hryvnia exchange rate to foreign currencies and bank metals as at the end of the period as follows:

Foreign currency exchange rates	31 December 2024 (UAH)	31 December 2023 (UAH)
1 US dollar (USD)	42.0390	37.9824
EUR 1.00	43.9266	42.2079
RUR 1.00	0.38978	0.42119
GBP 1.00	52.9460	48.4883
CHF 1.00	46.5419	45.3846
1 troy ounce of gold	110222.4700	78861.3400
PLN 1.00	10.2966	9.7333

The results of translation of assets and liabilities denominated in foreign currencies and bank metals are disclosed in the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)*** and in the ***Statement of Cash Flows (direct method)***.

Note 4.27. Offsetting assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only to the extent there is a legally enforceable right to offset and there is an intention to realise the asset and settle the liability simultaneously.

During the reporting years 2024 and 2023, the Bank did not offset financial assets and liabilities.

Note 4.28. Inflation accounting

Ukraine was considered a hyperinflationary economy during the period ended 31 December 2000. As the Bank was founded and operated after that date, the provisions of IAS 29 Financial Reporting in Hyperinflationary Economies were not applied in the preparation of this report.

Note 4.29. Employee benefits and related charges

Wages, salaries, contributions to the state social insurance fund, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services were rendered by the employees. According to the Ukrainian legislation, the Bank makes contributions to the following state social insurance funds: pension fund, social insurance against temporary disability, mandatory state social insurance against unemployment and casualty insurance.

Contributions made to the state social funds are expensed as incurred. Provisions for unused vacations and bonuses are recognised as a part of personnel expenses. The Bank has no other post-employment benefit obligations or other significant benefits that would require accrual.

Expenses associated with employee benefits and related charges are recognised under the caption "Employee benefits expense" in the ***Statement of Profit or Loss and Other Comprehensive Income (Income Statement)***.

Note 4.30. Operating segments

The Bank identifies the following operating segments:

- retail banking represented by individuals' current accounts, deposits and loans; and
- corporate banking represented by direct corporate loans, current accounts, deposits, loan facilities and other credit products, dealing in foreign currencies and derivative products, as well as transactions with SMEs.

In addition, investment banking is another distinguished segment.

Note 4.31. Related party transactions

Parties are generally considered to be related if the parties are under common control or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related party transactions are disclosed in Note 32.

Note 4.32. Significant accounting estimates and judgements and their effect on recognition of assets and liabilities

The Bank uses estimates and assumptions that affect the amounts recognised in the financial statements and carrying amounts of assets and liabilities reported in the next financial year. Estimates and underlying assumptions are regularly reviewed based on management's historical experience and various other factors, including expectations of future events, which are believed to be reasonable under the circumstances. Management of the Bank also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Professional judgements that have the most significant effect on the amounts disclosed in the financial statements and estimates that may result in significant adjustments to the carrying amount of assets and liabilities during the next financial year include:

Impairment losses on loans and advances. Overdue debt on all loans to corporate, bank and retail customers is analysed monthly to determine the amount of impairment losses that are recognised by establishing impairment provisions. In addition, each category of loans is collectively assessed for impairment considering losses incurred in the past. This assessment considers the results of modelling the losses to maturity by the portfolios of loans that are past due, but were not individually assessed as impaired.

The Bank uses assumptions as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual asset in that portfolio. Such indications may include observable data indicating adverse changes in the payment status of borrowers that are part of the group.

Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Reviewing financial assets for impairment involves creating provisions for the full amount of the net credit risk weighted for the corresponding provisioning rate for all types of lending transactions rather than only reviewing a financial asset or a group of financial assets for objective evidence of impairment.

Recognition of deferred income tax asset. The deferred tax assets recognised on the balance sheet is substantially the amount of tax losses incurred that can be recovered by future deductions from the taxable profit. Deferred income tax assets are recorded to the extent that realisation of the related tax credit is probable in accordance with the applicable law at the end of the reporting period. The future taxable profits and the amount of tax benefits that are probable in the future are based on the medium-term business plan prepared by management and extrapolated results thereafter. The business plan is based on management's expectations that are considered reasonable under the circumstances. Management expects a moderate increase in the Bank's corporate loan portfolio and credit quality improvement, further development of the personal financing, improvement of the range of banking products and services, which will result in the increase of the fee and commission income, implementation of effective expense control programmes, improved performance of its branches and further headcount optimisation. It should also be noted that as at 31 December 2022, the tax law of Ukraine does not limit the period of use of tax losses carried forward. Significant changes to the assumptions above about recognising a deferred tax asset can potentially result in the derecognition of a deferred income tax asset.

On a **historical cost** basis, the Bank's assets are carried in the amount of actual consideration given at the date of acquisition, while the liabilities are recorded at the amount of mobilised cash/deposits in exchange for the obligation. The Bank carries property, equipment and intangible assets and financial instruments (accounts receivable, securities and investments in associates and subsidiaries) at cost.

Market value is the amount that may be received from sale of an asset in an active market. When assets and liabilities are accounted for at their market value, assets are recognised in the amount of consideration that would be given to acquire the same assets at the current moment. Liabilities are recognised at the amount they are recognised at the amount required to make the current payment. The assets' carrying values are brought in line with their market value through revaluation.

Fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets received for free and assets received as a result of exchanging for a dissimilar asset are carried at fair value.

Carrying value is the amount at which an asset is carried on a balance sheet less any accumulated depreciation or amortisation and accumulated impairment losses.

Effects of political situation

Because of the current situation, despite stabilisation measures that may be taken by the Ukrainian parliament, the government and the National Bank of Ukraine as at the date when these financial statements are approved for issue, Ukraine's economic environment appears to be affected by instability factors.

Economic instability may persist in the nearest future, and there is a possibility that the market value of the Bank's assets is lower than their carrying value, which may have a significant impact on the Bank's profitability.

Note 5. New and revised accounting pronouncements

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended 31 December 2023, except for the adoption of the new standards described below, which are effective from 1 January 2024. The nature and the effect of these changes are disclosed below.

From 1 January 2024, the following amendments to IFRS came into effect:

Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current;
Amendments to IAS 1 Presentation of Financial Statements – Non-Current Liabilities with Covenants;
Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback;
Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements;

Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current It is clarified that liability is classified as non-current if there is the right to defer the liability for at least 12 months. A right to defer settlement must exist at the end of the reporting period. An entity's right to defer settlement of a liability for at least 12 months after the reporting period must have substance and exist at the end of the reporting period, regardless whether there are plans to use this right. If the right to defer settlement of a liability is subject to the entity complying with specified conditions, such right exists at the end of the reporting period only if the covenants have been met at the end of the reporting period.

Amendments to IAS 1 Presentation of Financial Statements – Non-current Liabilities with Covenants provide that an entity may classify a liability arising from a loan agreement as non-current if the entity's right to defer settlement of the liability is conditional on the entity meeting a covenant that is satisfied within twelve months after the end of the reporting period. In particular, disclosures will be required to be made in the notes to enable users of financial statements to understand the risk that liabilities may become due within 12 months after the end of the reporting period.

Amendments to IFRS 16 Leases explain how sale and leaseback are recognised subsequently to the transaction date. A sale and leaseback transaction is one where the seller-lessee transfers an asset to the buyer-lessor for consideration and leases that asset back for a certain period. The amendments complement the requirements of IFRS 16 on sales and leasesback, thereby supporting the consistent application of the standard. The amendments clarify that a seller-lessee does not recognise a gain or loss in respect of a right of use retained by the seller-lessee. However, this does not prevent a seller-lessee from recognisng a gain or loss relating to the partial or full termination of such a lease in a profit or loss.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements require entities to make disclosures about their supplier finance arrangements that enable users of financial statements to evaluate the effects of those arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

IFRS S1 and IFRS S2 became effective for annual periods beginning on 1 January 2024. These standards set out disclosure requirements for risks and opportunities relating to sustainability and climate change that could affect an entity's cash flows, access to finance, or cost of capital in the short, medium or long term.

These amendments do not have significant impact on the Bank`s financial statements.

Disclosure of expected impact of initial application of new standards or interpretations

Amendments to IAS 21 The Effect of Changes in Foreign Exchange Rates – Lack of Exchangeability are mandatory from 1 January 2025, with early adoption permitted.

The amendments relate to the definition of a convertible (exchangeable) currency. The standard is amended to define a convertible currency, provide guidance on how to determine whether a currency is convertible, how to determine the spot rate if the currency is not convertible, and how to disclose this in the financial statements.

It is necessary to specify when a currency is exchangeable into another currency. If a currency is not convertible/exchangeable, the entity estimates the spot rate and disclose information that enables users of the financial statements to understand how the non-monetary item impacts, or is expected to impact, the entity's financial performance, financial position and cash flows.

The above mentioned amendments to the standards are not expected to have a significant impact on the financial statements of the Bank.

Note 6. Cash and cash equivalents

Table 6.1. Cash and cash equivalents

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Cash on hand	208,155	161,416
2	Balances with the National Bank of Ukraine (excluding mandatory reserves)	134,180	277,571
3	Correspondent accounts, deposits and overnight loans due from banks	564,185	541,605
3.1	Ukraine	555,777	534,008

3.2	other country	8,408	7,597
4	Provision for demand deposits in other banks	(74,407)	-
5	**Total cash and cash equivalents**	**832,113**	**980,592**

The amounts in this note are used to fill in line "Cash and cash equivalents" of the Statement of financial position (Balance sheet).

As at 31 December 2024, the Bank had no investments in short-term loans and overnight loans to other banks that would be attributable to cash under IFRS.

Table 6.2. Analysis of changes in the carrying amount of cash and cash equivalents

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Gross carrying amount at the beginning of the period	**980,592**	**919,119**
2	Increase (decrease) in cash	46,739	(62,007)
3	Increase (decrease) in balances with the National Bank of Ukraine (other than mandatory reserves)	(143,391)	79,120
4	Increase in balances on correspondent accounts with banks	22,580	44,360
5	Increase (decrease) in provisions charged	(74,407)	-
6	**Gross carrying amount of cash and cash equivalents at the end of the reporting period**	**832,113**	**980,592**

Table 6.3. Credit quality analysis of cash and cash equivalents as at 31 December 2024

(UAH '000)

Line	Credit rating	Gross carrying amount	Accumulated impairment	Total
1	2			3
1	Minimum credit risk	358,741	(805)	357,936
2	Low credit risk	353,228	(39,401)	313,827
3	Medium credit risk	194,551	(34,201)	160,350
4	**Total cash and cash equivalents**	**906,520**	**(74,407)**	**832,113**

Table 6.3. Credit quality analysis of cash and cash equivalents as at 31 December 2023

(UAH '000)

Line	Credit rating	Gross carrying amount	Total
1	2	3	4
1	Minimum credit risk	972,995	972,995

2	Low credit risk	7,597	7,597
3	**Total cash and cash equivalents**	**980,592**	**980,592**

Note 7. Investments in securities

Table 7.1. Investments in securities

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Securities at amortised cost	5,335,869	5,945,709
2	Securities at fair value through profit or loss	6,037,696	4,401,470
3	**Total securities**	**11,373,565**	**10,347,179**

Table 7.2. Investments in securities at amortised cost (UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	NBU savings deposit certificates	4,995,842	5,482,726
2	Ukrainian government debt securities	345,401	470,300
3	Provision for debt securities refinanced by the National Bank of Ukraine	(5,374)	(7,317)
4	**Total investments in securities at amortised cost**	**5,335,869**	**5,945,709**

Table 7.3. Investments in securities at fair value through profit or loss (UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Government bonds	5,950,465	4,364,903
2	US debt securities DEPARTMENT OF THE TREASURY	87,231	36,567
3	**Total investments in securities at fair value through profit or loss**	**6,037,696**	**4,401,470**

The amounts in this note are used in the line "Investments in securities" of the Statement of Financial Position (Balance Sheet).

Amounts of income accrued and not received on debt securities at the close of the day:

- 31 December 2024 UAH 238,058 thousand
- 31 December 2023 UAH 253,737 thousand

Table 7.4. Credit quality analysis of investments in securities at amortised cost as at 31 December 2024

(UAH '000)

Line	Item	Gross carrying amount	Accumulated impairment	Total
1	2	3	4	5
	Debt securities at amortised cost			
1	Minimum credit risk	4,995,842	-	4,995,842
2	Low credit risk	345,401	(5,374)	340,027
3	**Total debt securities at amortised cost**	**5,341,243**	**(5,374)**	**5,335,869**

Table 7.5. Credit quality analysis of investments in securities at amortized cost as at 31 December 2023

(UAH '000)

Line	Item	Gross carrying amount	Accumulated impairment	Total
1	2	3	4	5
1	Minimum credit risk	5,482,726	-	5,482,726
2	Low credit risk	470,300	(7,317)	**462,983**
4	**Total debt securities at amortised cost**	**5,953 026**	**(7,317)**	**5,945,709**

Table 7.6. Credit quality analysis of debt securities at fair value through profit or loss as at 31 December 2024

(thousand UAH)

Line	Item	Government bonds	US debt securities DEPARTMENT OF THE TREASURY	Total
1	2	3	4	5
1	Minimum credit risk	-	87,231	87,231
2	Low credit risk	5,950,465	-	5,950,465
3	**Total investments in debt securities at fair value through profit or loss**	**5,950,465**	**87,231**	**6,037,696**

Table 7.7. Credit quality analysis of debt securities at fair value through profit or loss as at 31 December 2023

(thousand UAH)

Line	Item	Government bonds	US debt securities DEPARTMENT OF THE TREASURY	Total
1	2	3	4	5
1	Risk-free	4,364,903	-	4,364,903
2	Minimum credit risk	-	36,567	36,567
3	**Total investments in debt securities at fair value through profit or loss**	**4,364,903**	**36,567**	**4,401,470**

As at 31 December 2024, domestic government bonds in the amount of UAH 361,250 thousand were pledged as collateral for loans under the non-revolving credit line agreement with PrJSC "UKRFINZHYTLO".

Note 8. Loans to customers

Table 8.1. Loans to customers

(UAH ‘000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Loans to customers at amortised cost	2,202 079	1,547,067
2	**Total loans to customers less allowance for impairment**	2,202 079	**1,547,067**

Table 8.2. Loans to customers at amortised cost

(UAH '000)

Line	Item	31 December 2024			31 December 2023		
		Gross carrying amount	Impairment allowance for loans to customers at amortised cost	Carrying amount	Gross carrying amount	Impairment allowance for loans to customers at amortised cost	Carrying amount
1	2	3	4	5=3+4	6	7	8=6+7
1	Loans to legal entities	1,425,168	(259,615)	1,165,553	1,019,757	(247,701)	772,056
2	Loans to individuals	854,504	(321,067)	533,437	668,804	(348,871)	319,933
3	Mortgage loans	561,158	(58,069)	503,089	474,511	(19,433)	455,078
4	**Total**	**2,840,830**	**(638,751)**	**2,202,079**	**2,163,072**	**(616,005)**	**1,547,067**

Table 8.3. Credit quality analysis of loans to customers at amortised cost as at 31 December 2024

(UAH '000)

Line	Item	Gross carrying amount	Accumulated impairment	Total
1	2	3	4	5
1	Loans to customers at amortised cost			
2	Minimum credit risk	1,373,598	(49,940)	1,323,658
3	Low credit risk	576,659	(18,467)	558,192
4	Medium credit risk	130,701	(21,248)	109,453
5	High credit risk	71,127	(26,618)	44,509
6	Default assets	688,745	(522,478)	166,267
7	**Total loans to customers at amortised cost**	**2,840,830**	**(638,751)**	**2,202,079**

Table 8.4. Credit quality analysis of loans to customers at amortised cost as at 31 December 2023

(UAH '000)

Line	Item	Gross carrying amount	Accumulated impairment	Total
1	2	3	4	5
1	Loans to customers at amortised cost			
2	Minimum credit risk	1,030,089	(21,953)	1,008,136
3	Low credit risk	394,451	(16,592)	377,859
4	Medium credit risk	53,838	(7,131)	46,707
5	High credit risk	9,560	(3,815)	5,745

6	Default assets	675,134	(566,514)	108,620
7	**Total loans to customers at amortised cost**	**2,163,072**	**(616,005)**	**1,547,067**

Table 8.5.1 Analysis of changes in the gross carrying amount and impairment provisions for mortgage loans at amortised cost as at 31 December 2024

(UAH '000)

Item	Expected 12-month ECL			Expected lifetime ECL			Total by type of ECL assessment		
	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount
Financial assets the beginning of the period	444,071	(2,804)	**441,267**	30,440	(16,629)	**13,811**	**474,511**	**(19,433)**	**455,078**
Including financial instruments with good credit quality	444,071	(2,804)	**441,267**	-	-	**-**	**444,071**	**(2,804)**	**441,267**
Including financial instruments with deteriorated credit quality	-	-	**-**	30,440	(16,629)	**13,811**	**30,440**	**(16,629)**	**13,811**
Increase (decrease) in financial assets									
Decrease due to derecognition	36,501	(219)	**36,282**	1,384	(642)	**742**	**37,885**	**(861)**	**37,024**
Increase due to issue or acquisition	168,001	(11,731)	**156,270**	8,267	(2,850)	**5,417**	**176,268**	**(14,581)**	**161,687**
Increase (decrease) due to transfers between stages	(42,444)	(36)	**(42,480)**	42,444	(15,223)	**27,221**	**-**	**(15,259)**	**(15,259)**
Increase (decrease) due to change in model or risk parameters	-	(5,672)	**(5,672)**	-	(3,595)	**(3,595)**	**-**	**(9,267)**	**(9,267)**
Increase (decrease) due to change in contractual cash flows	(49,276)	640	**(48,636)**	(2,460)	(1,030)	**(3,490)**	**(51,736)**	**(390)**	**(52,126)**
Total increase (decrease) in financial assets	**39,780**	**(16,580)**	**23,200**	**46,867**	**(22,056)**	**24,811**	**86,647**	**(38,636)**	**48,011**
Financial assets the end of the period	**483,851**	**(19,384)**	**464,467**	**77,307**	**(38,685)**	**38,622**	**561,158**	**(58,069)**	**503,089**
Including financial instruments with good credit quality	483,851	(19,384)	**464,467**	-	-	**-**	**483,851**	**(19,384)**	**464,467**
Including financial instruments with deteriorated credit quality	-	-	**-**	77,307	(38,685)	**38,622**	**77,307**	**(38,685)**	**38,622**
Explanation of the assessment method for expected credit losses									
Expected credit losses from individually assessed loans	251,767	(15,919)	**235,848**	11,150	(7,129)	**4,021**	**262,917**	**(23,048)**	**239,869**
Expected credit losses from collectively assessed loans	232,084	(3,465)	**228,619**	66,157	(31,556)	**34,601**	**298,241**	**(35,021)**	**263,220**

Table 8.5.2 Analysis of changes in the gross carrying amount and provisions for impairment of loans to individuals at amortised cost as at 31 December 2024

(UAH '000)

Item	Expected 12-month ECL			Expected lifetime ECL			Total by type of ECL assessment		
	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount
Financial assets the beginning of the period	326,587	(16,626)	**309,961**	342,217	(332,245)	**9,972**	**668,804**	**(348,871)**	**319,933**
Including financial instruments with good credit quality	326,587	(16,626)	**309,961**	-	-	**-**	**326,587**	**(16,626)**	**309,961**
Including financial instruments with deteriorated credit quality	-	-	**-**	342,217	(332,245)	**9,972**	**342,217**	**(332,245)**	**9,972**
Increase (decrease) in financial assets									
Decrease due to derecognition, financial assets	137,544	(8,935)	**128,609**	31,127	(27,814)	**3,313**	**168,671**	**(36,749)**	**131,922**
Increase due to issue or acquisition, financial assets	388,229	(25,473)	**362,756**	49,378	(15,471)	**33,907**	**437,607**	**(40,944)**	**396,663**
Decrease due to write-offs, financial assets	41	(4)	**37**	49,605	(49,564)	**41**	**49,646**	**(49,568)**	**78**
Increase (decrease) due to transfers between stages	(7,777)	277	**(7,500)**	7,777	(9,487)	**(1,710)**	**-**	**(9,210)**	**(9,210)**
Increase (decrease) due to change in model or risk parameters, financial assets	-	(3,227)	**(3,227)**	-	(1,760)	**(1,760)**	**-**	**(4,987)**	**(4,987)**
Increase (decrease) due to change in contractual cash flows, financial assets	(37,573)	1,309	**(36,264)**	3,983	(4,681)	**(698)**	**(33,590)**	**(3,372)**	**(36,962)**
Total increase (decrease) in financial assets	**205,294**	**(18,175)**	**187,119**	**(19,594)**	**45,979**	**26,385**	**185,700**	**27,804**	**213,504**
Financial assets the end of the period	**531,881**	**(34,801)**	**497,080**	**322,623**	**(286,266)**	**36,357**	**854,504**	**(321,067)**	**533,437**
Including financial instruments with good credit quality	531,881	(34,801)	**497,080**	-	-	**-**	**531,881**	**(34,801)**	**497,080**
Including financial instruments with deteriorated credit quality	-	-	**-**	322,623	(286,266)	**36,357**	**322,623**	**(286,266)**	**36,357**
Explanation of the assessment method for expected credit losses									
Expected credit losses from individually assessed loans	-	-	**-**	30,936	-	**30,936**	**30,936**	**-**	**30,936**
Expected credit losses from collectively assessed loans	531,881	(34,801)	**497,080**	291,687	(286,266)	**5,421**	**823,568**	**(321,067)**	**502,501**

Table 8.5.3 Analysis of changes in the gross carrying amount and provisions for impairment of loans to corporate customers at amortised cost as at 31 December 2024

(UAH ‘000)

Item	Expected 12-month ECL			Expected lifetime ECL			Total by type of ECL assessment		
	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount
Financial assets the beginning of the period	649,400	(19,490)	**629,910**	370,357	(228,211)	**142,146**	**1,019,757**	**(247,701)**	**772,056**
Including financial instruments with good credit quality	649,400	(19,490)	**629,910**	-	-	**-**	**649,400**	**(19,490)**	**629,910**
Including financial instruments with deteriorated credit quality	-	-	**-**	370,357	(228,211)	**142,146**	**370,357**	**(228,211)**	**142,146**
Increase (decrease) in financial assets									
Decrease due to derecognition, financial assets	221,563	(9,888)	**211,675**	84,898	(58,011)	**26,887**	**306,461**	**(67,899)**	**238,562**
Increase due to issue or acquisition, financial assets	799,522	(31,554)	**767,968**	114,469	(54,518)	**59,951**	**913,991**	**(86,072)**	**827,919**
Decrease due to write-offs, financial assets	-	-	**-**	26,883	(26,883)	**-**	**26,883**	**(26,883)**	**-**
Increase (decrease) due to transfers between stages	(27,535)	5	**(27,530)**	27,535	(15,930)	**11,605**	**-**	**(15,925)**	**(15,925)**
Increase (decrease) due to change in model or risk parameters, financial assets	-	(1,632)	**(1,632)**	-	(11,087)	**(11,087)**	**-**	**(12,719)**	**(12,719)**
Increase (decrease) due to change in contractual cash flows, financial assets	(153,551)	4,300	**(149,251)**	(21,685)	3,720	**(17,965)**	**(175,236)**	**8,020**	**(167,216)**
Total increase (decrease) in financial assets	**396,873**	**(18,993)**	**377,880**	**8,538**	**7,079**	**15,617**	**405,411**	**(11,914)**	**393,497**
Financial assets the end of the period	**1,046,273**	**(38,483)**	**1,007,790**	**378,895**	**(221,132)**	**157,763**	**1,425,168**	**(259,615)**	**1,165,553**
Including financial instruments with good credit quality	1,046,273	(38,483)	**1,007,790**	-	-	**-**	**1,046,273**	**(38,483)**	**1,007,790**
Including financial instruments with deteriorated credit quality	-	-	**-**	378,895	(221,132)	**157,763**	**378,895**	**(221,132)**	**157,763**
Explanation of the assessment method for expected credit losses									
Expected credit losses from individually assessed loans	843,572	(28,969)	**814,603**	376,617	(219,363)	**157,254**	**1,220,189**	**(248,332)**	**971,857**
Expected credit losses from collectively assessed loans	202,701	(9,514)	**193,187**	2,278	(1,769)	**509**	**204,979**	**(11,283)**	**193,696**

Table 8.6.1 Analysis of changes in the gross carrying amount and provisions for impairment of loans to corporate customers at amortised cost as at 31 December 2023

(UAH '000)

Item	Expected 12-month ECL			Expected lifetime ECL			Total by type of ECL assessment		
	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount
Financial assets the beginning of the period	495,873	(2,252)	**493,621**	63,682	(9,189)	**54,493**	**559,555**	**(11,441)**	**548,114**
Including financial instruments with good credit quality	495,873	(2,252)	**493,621**	-	-	**-**	**495,873**	**(2,252)**	**493,621**
Including financial instruments with deteriorated credit quality	-	-	**-**	63,682	(9,189)	**54,493**	**63,682**	**(9,189)**	**54,493**
Increase (decrease) in financial assets									
Decrease due to derecognition, financial assets	77,224	(334)	**76,890**	22,137	(3,436)	**18,701**	**99,361**	**(3,770)**	**95,591**
Increase due to issue or acquisition, financial assets	71,939	(405)	**71,534**	2,385	(358)	**2,026**	**74,324**	**(763)**	**73,561**
Increase (decrease) due to transfers between stages	14,148	(787)	**13,361**	(14,148)	917	**(13,230)**	**-**	**130**	**130**
Increase (decrease) due to change in model or risk parameters, financial assets	-	(663)	**(663)**	-	(11,288)	**(11,288)**	**-**	**(11,951)**	**(11,951)**
Increase (decrease) due to change in contractual cash flows, financial assets	(60,665)	969	**(59,696)**	658	(147)	**511**	**(60,007)**	**822**	**(59,185)**
Total increase (decrease) in financial assets	**(51,802)**	**(552)**	**(52,354)**	**(33,242)**	**(7,440)**	**(40,682)**	**(85,044)**	**(7,992)**	**(93,036)**
Financial assets the end of the period	**444,071**	**(2,804)**	**441,267**	**30,440**	**(16,629)**	**13,811**	**474,511**	**(19,433)**	**455,078**
Including financial instruments with good credit quality	444,071	(2,804)	**441,267**	-	-	**-**	**444,071**	**(2,804)**	**441,267**
Including financial instruments with deteriorated credit quality	-	-	**-**	30,440	(16,629)	**13,811**	**30,440**	**(16,629)**	**13,811**
Explanation of the assessment method for expected credit losses									
Expected credit losses from collectively assessed loans	444,071	(2,804)	**441,267**	30,440	(16,629)	**13,811**	**474,511**	**(19,433)**	**455,078**

Table 8.6.2 Analysis of changes in the gross carrying amount and provisions for impairment of loans to individuals at amortised cost as at 31 December 2023

(UAH '000)

Item	Expected 12-month ECL			Expected lifetime ECL			Total by type of ECL assessment		
	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount
Financial assets the beginning of the period	418,715	(19,652)	**399,063**	405,573	(279,753)	**125,820**	**824,288**	**(299,405)**	**524,883**
Including financial instruments with good credit quality	418,715	(19,652)	**399,063**	-	-	**-**	**418,715**	**(19,652)**	**399,063**
Including financial instruments with deteriorated credit quality	-	-	**-**	405,573	(279,753)	**125,820**	**405,573**	**(279,753)**	**125,820**
Increase (decrease) in financial assets									
Decrease due to derecognition, financial assets	232,873	(12,834)	**220,039**	79,794	(46,445)	**33,349**	**312,667**	**(59,279)**	**253,388**
Increase due to issue or acquisition, financial assets	192,287	(9,822)	**182,465**	7,698	(5,687)	**2,011**	**199,985**	**(15,509)**	**184,476**
Decrease due to write-offs, financial assets	83	(5)	**78**	16,594	(16,210)	**384**	**16,677**	**(16,215)**	**462**
Increase (decrease) due to transfers between stages	(1,412)	(2,528)	**(3,940)**	1,412	(53,363)	**(51,951)**	**-**	**(55,891)**	**(55,891)**
Increase (decrease) due to change in model or risk parameters, financial assets	-	(1,529)	**(1,529)**	-	(36,172)	**(36,172)**	**-**	**(37,701)**	**(37,701)**
Increase (decrease) due to change in contractual cash flows, financial assets	(50,047)	4,066	**(45,981)**	23,922	(19,925)	**3,997**	**(26,125)**	**(15,859)**	**(41,984)**
Total increase (decrease) in financial assets	**(92,128)**	**3,026**	**(89,102)**	**(63,356)**	**(52,492)**	**(115,848)**	**(155,484)**	**(49,466)**	**(204,950)**
Financial assets the end of the period	**326,587**	**(16,626)**	**309,961**	**342,217**	**(332,245)**	**9,972**	**668,804**	**(348,871)**	**319,933**
Including financial instruments with good credit quality	326,587	(16,626)	**309,961**	-	-	**-**	**326,587**	**(16,626)**	**309,961**
Including financial instruments with deteriorated credit quality	-	-	**-**	342,217	(332,245)	**9,972**	**342,217**	**(332,245)**	**9,972**
Explanation of the assessment method for expected credit losses									
Expected credit losses from collectively assessed loans	326,587	(16,626)	**309,961**	342,217	(332,245)	**9,972**	**668,804**	**(348,871)**	**319,933**

Table 8.6.3 Analysis of changes in the gross carrying amount and provisions for impairment of loans to corporate customers at amortised cost as at 31 December 2023

(UAH '000)

Item	Gross carrying amount			Expected lifetime ECL			Total by type of ECL assessment		
	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount	Gross carrying amount	Accumulated impairment	Carrying amount
Financial assets the beginning of the period	720,973	(16,258)	**704,715**	286,306	(90,725)	**195,581**	**1,007,279**	**(106,983)**	**900,296**
Including financial instruments with good credit quality	720,973	(16,258)	**704,715**	-	-	**-**	**720,973**	**(16,258)**	**704,715**
Including financial instruments with deteriorated credit quality	-	-	**-**	286,306	(90,725)	**195,581**	**286,306**	**(90,725)**	**195,581**
Increase (decrease) in financial assets									
Decrease due to derecognition, financial assets	271,167	(7,261)	**263,906**	40,237	(5,325)	**34,912**	**311,404**	**(12,586)**	**298,818**
Increase due to issue or acquisition, financial assets	411,648	(13,518)	**398,130**	63,191	(17,862)	**45,329**	**474,839**	**(31,380)**	**443,459**
Decrease due to write-offs, financial assets	-	-	**-**	15,058	(15,058)	**-**	**15,058**	**(15,058)**	**-**
Increase (decrease) due to transfers between stages	(125,682)	3,515	**(122,167)**	125,682	(85,647)	**40,035**	**-**	**(82,132)**	**(82,132)**
Increase (decrease) due to change in model or risk parameters, financial assets	-	(1,690)	**(1,690)**	-	(59,614)	**(59,614)**	**-**	**(61,304)**	**(61,304)**
Increase (decrease) due to change in contractual cash flows, financial assets	(86,372)	1,200	**(85,172)**	(49,527)	5,254	**(44,273)**	**(135,899)**	**6,454**	**(129,445)**
Total increase (decrease) in financial assets	**(71,573)**	**(3,232)**	**(74,805)**	**84,051**	**(137,486)**	**(53,435)**	**12,478**	**(140,718)**	**(128,240)**
Financial assets the end of the period	**649,400**	**(19,490)**	**629,910**	**370,357**	**(228,211)**	**142,146**	**1,019,757**	**(247,701)**	**772,056**
Including financial instruments with good credit quality	649,400	(19,490)	**629,910**	-	-	**-**	**649,400**	**(19,490)**	**629,910**
Including financial instruments with deteriorated credit quality	-	-	**-**	370,357	(228,211)	**142,146**	**370,357**	**(228,211)**	**142,146**
Explanation of the assessment method for expected credit losses									
Expected credit losses from individually assessed loans	561,059	(17,291)	**543,768**	368,600	(226,661)	**141,939**	**929,659**	**(243,952)**	**685,707**
Expected credit losses from collectively assessed loans	88,341	(2,199)	**86,142**	1,757	(1,550)	**207**	**90,098**	**(3,749)**	**86,349**

Table 8.7. Loans structure by economic sector

(UAH '000)

Line	Type of economic activity	31 December 2024		31 December 2023	
		amount	%	amount	%
1	2	3	4	5	6
1	Extractive industry and development of quarries, processing industry, construction	715,691	25%	465,953	22%
2	Wholesale and retail trade, repairs of motor vehicles and motor bikes	347,168	12%	257,601	12%
3	Agriculture, forestry and fish farming	93,494	3%	111,537	5%
4	Finance, insurance, real estate, professional, scientific and technical activities, administrative and auxiliary services	158,368	6%	69,657	3%
5	Other	118,544	4%	115,732	5%
6	Individuals	1,407,565	50%	1,142,592	53%
8	**Total loans to customers, net of provisions**	**2,840,830**	**100%**	**2,163,072**	**100%**

Table 8.8. Information about loans by the type of collateral as at 31 December 2024

(UAH '000)

Line	Item	Loans to corporate customers	Loans to individuals	Mortgage loans	Total
1	2	3	4	5	6
1	Unsecured loans	119,114	410,789	1,282	531,185
2	Loans secured by	1,306,056	443,714	559,875	2,309,645
2.1.	cash	27,608	34,622	356	62,586
2.2.	real property	173,688	5,787	299,264	478,739
2.1.2.	including residential real estate	45,802	5,787	285,635	337,224
2.3.	guarantees and suretyships	223,718	4,651	16,036	244,405
2.4.	other assets	881,042	398,654	244,219	1,523,915
3	**Total loans to customers, net of provisions**	**1,425,170**	**854,503**	**561,157**	**2,840,830**

Table 8.9 Information about loans by the type of collateral as at 31 December 2024

(UAH '000)

Line	Item	Loans to corporate customers	Loans to individuals	Mortgage loans	Total
1	2	3	4	5	6
1	Unsecured loans	73,904	448,152	3,275	525,331
2	Loans secured by	946,577	220,651	470,513	1,637,741
2.1	cash	11,657	1,643	450	13,750
2.2	real property	195,484	1,714	232,864	430,062
2.2.1	including residential real estate	29,392	1,714	227,407	258,513
2.3	guarantees and suretyships	204,250	53,026	8,964	266,240
2.4	other assets	535,186	164,268	228,235	927,689
3	**Total loans to customers, net of provisions**	**1,020,481**	**668,803**	**473,788**	**2,163,072**

Table 8.10 Effect of collateral value on credit quality as at 31 December 2022

(UAH '000)

Line	Item	Carrying amount of loans	Expected cash flows from sale of collateral	Effect of collateral
1	2	3	4	5 = 3 - 4
2	Loans to legal entities	1,425,168	801,692	623,476
3	Loans to individuals	854,504	261,246	593,258
4	Mortgage loans	561,158	321,426	239,732
5	**Total loans**	**2,840,830**	**1,384,364**	**1,456,466**

Table 8.11 Effect of collateral value on credit quality as at 31 December 2023

(UAH '000)

Line	Item	Carrying amount of loans	Expected cash flows from sale of collateral	Effect of collateral
1	2	3	4	5 = 3 - 4
2	Loans to legal entities	1,019,757	556,324	463,433
3	Loans to individuals	668,804	180,674	488,130
4	Mortgage loans	474,511	391,082	83,429
5	**Total loans**	**2,163,072**	**1,128,080**	**1,034,992**

Note 9. Investment property

Table 9.1. Investment property at cost as at 31 December 2024

(UAH'000)

Line	Item	Land	Buildings	Land improvements	Total
1	2	3	4	5	6
1	**Balance at the end of 2022**	**62,172**	**-**	**-**	**62,172**
2	**Balance at the end of 2023**	**62,172**	**-**	**-**	**62,172**
3	**Balance at the end of 2024**	**62,172**	**-**	**-**	**62,172**

The amounts in this note are used to fill in line "Investment property" of the Statement of financial position (Balance sheet).

During 2024, part of land plots (investment property items) were granted in an operating lease. The resulting income is presented in line 2.4 of Note 23 "Other operating income". Land is mainly held for a currently undetermined future use, and some land plots are leased out.

Table 9.2. Amounts recognized in the Statement of profit and loss and other comprehensive income

(UAH '000)

Line	Income and expenses	As at 31 December 2024	As at 31 December 2023
1	2		3
1	Gains on lease of investment property	31	30

Note 10. Property, equipment and intangible assets

Table 10.1. Property, equipment and right-of-use assets as at 31 December 2024

(UAH ‘000)

Line	**Item**	**Buildings and constructions**	**Buildings and constructions in operating lease**	**Total buildings and constructions**	**Capital investments in buildings and constructions received in operating lease**	**Communication and network equipment**	**Vehicles**	**Vehicles in operating lease**	**Fixtures and fittings**	**Office equipment**	**Other property and equipment**	**Construction in progress**	**Total**
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	**Carrying amount at the end of 2022**	**86,823**	**27,100**	**113,923**	**3,055**	**15,181**	**2,229**	-	**1,683**	**542**	**198**	**1,403**	**138,214**
1.1	Historical (revalued) cost	129,717	55,106	184,823	16,525	29,452	6,825	-	2,136	2,609	14,741	1,403	258,514
1.2	Depreciation at the end of 2022	(42,894)	(28,006)	(70,900)	(13,470)	(14,271)	(4,596)	-	(453)	(2,067)	(14,543)	-	(120,300)
2	Additions	-	21,504	21,504	-	8	-	--	-	-	-	17,069	38,581
3	Capital investments in property and equipment completion and intangible assets improvement	-	-	-	-	-	-	-	-	-	-	311	311
4	Other transfers	606	-	606	1,725	11,913	-	--	2,060	227	1,566	(18,097)	-
5	*Disposals:*	-	*(1,009)*	*(1,009)*	-	*(4)*	-	-	-	-	-	-	(1,013)
5.1	Historical (revalued) cost	-	(11,237)	(11,237)	(106)	(418)	-	-	-	(3)	(255)	-	(12,019)
5.2	Write-off of accumulated depreciation due to disposal	-	10,228	10,228	106	414	-	-	-	3	**255**	**-**	**11,006**

6	Depreciation charges	(5,192)	(22,870)	(28,062)	(1,600)	(4,668)	(968)	-	(864)	(165)	(1,503)	-	(37,830)
7	**Carrying amount at the end of 2023**	**82,237**	**24,725**	**106,962**	**3,180**	**22,430**	**1,261**	**-**	**2,879**	**604**	**261**	**686**	**138,263**
7.1	Historical (revalued) cost	130,323	65,373	195,696	18,144	40,955	6,825	-	4,196	2,833	16,052	686	285,387
7 2	Depreciation at the end of 2023	(48,086)	(40,648)	(88,734)	(14,964)	(18,525)	(5,564)	-	(1,317)	(2,229)	(15,791)	-	**(147,124)**
8	Additions		28,290	**28,290**	-	-	-	590	-	-	-	20,460	**49,340**
9	Other transfers	2,647	-	**2,647**	1,690	5,907	-	-	1,336	400	2,750	(14,730)	**-**
10	*Disposals:*	-	(63)	(63)	-	-	-	-	-	-	-	(699)	**(762)**
10.1	Historical (revalued) cost	-	(45,462)	**(45,462)**	(20)	(500)	-	(196)	-	(47)	(349)	(699)	**(47,273)**
10.2	Write-off of accumulated depreciation due to disposal	-	45,399	**45,399**	20	500	-	196	-	47	349	-	**46,511**
11	Depreciation charges	(5,253)	(24,190)	**(29,443)**	(1,052)	(5,285)	(850)	(346)	(1,087)	(150)	(2,513)	-	**(40,726)**
12	**Carrying amount at the end of 2024**	**79,631**	**28,762**	**108,393**	**3,818**	**23,052**	**411**	**244**	**3,128**	**854**	**498**	**5,717**	**146,115**
12.1	Historical (revalued) cost	132,970	48,201	181,171	19,814	46,362	6,825	394	5,532	3,186	18,453	5,717	287,454
12.2	Depreciation at the end of 2024	(53,339)	(19,439)	(72,778)	(15,996)	(23,310)	(6,414)	(150)	(2,404)	(2,332)	(17,955)	-	(141,339)

Table 10.2. Intangible assets as at 31 December 2024

(UAH '000)

Line	Item	Computer software	Copyrights	Other intangible assets	Total intangible assets
1	2	3	4	5	6
1	**Carrying amount at the end of 2022**	**59,955**	**30**	**-**	**59,985**
1.1	Historical (revalued) cost	94,282	47	35	**94,364**
1.2	Amortisation at the end of 2022	(34,327)	(17)	(35)	**(34,379)**
2	Additions	13	-	-	**13**
3	Capital investments in property and equipment completion and intangible assets improvement	13,443	18	-	**13,461**
4	*Disposals*	*(8)*	-	-	***(8)***
4.1	Historical (revalued) cost	(78)	-	-	**(78)**
4.2	Write-off of accumulated depreciation due to disposal	70	-	-	**70**
5	Amortisation charges	(6,047)	(5)	-	**(6,052)**
6	**Carrying amount at the end of 2023**	**67,356**	**43**	**-**	**67,399**
6.1	Historical (revalued) cost	107,660	65	35	**107,760**
6.2	Amortisation at the end of 2023	(40,304)	(22)	(35)	**(40,361)**
7	Additions	-	1	-	**1**
8	Capital investments in property and equipment completion and intangible assets improvement	24,272	-	-	**24,272**
9	*Disposals*	(246)	-	-	**(246)**
9.1	Historical (revalued) cost	(19,000)	-	-	**(19,000)**
9.2	Write-off of accumulated depreciation due to disposal	18,754	-	-	**18,754**
10	Amortisation charges	(6,654)	(7)	-	**(6,661)**
11	**Carrying amount at the end of 2023**	**84,728**	**37**	**-**	**84,765**
11.1	Historical (revalued) cost	112,932	66	35	**113,033**
11.2	Amortisation at the end of 2023	(28,204)	(29)	(35)	**(28,268)**

The amounts in this note are used to fill in line "Property, equipment and intangible assets" of the "Statement of financial position (Balance sheet)".

Accumulated amortisation for the year is also analysed in Note 24 “Administrative and other operating expenses”.

PJSC CB GLOBUS does not have:

- property and equipment restricted for possession, use or disposal according to the effective legislation;
- property, equipment and intangible assets pledged as collateral;
- property and equipment decommissioned for sale;
- intangible assets with restricted titles.

There are neither generated intangible assets, nor purchases in a business combination. Impairment losses were not remeasured, assessed or recognised. Impairment losses were not recognised or reversed in profit or loss in accordance with IAS 36. There are no contractual obligations related to the acquisition of property and equipment.

Historical (revalued) cost of fully depreciated property and equipment comprised:

- UAH 46,923 thousand as at 31 December 2024;
- UAH 37,710 thousand as at 31 December 2023.

There were no changes in the carrying amounts recognised based on property and equipment revaluation results during the reporting period.

There have been no impairment losses recognised or reversed directly in equity.

Table 10.3 Right-of-use assets maturity analysis as at 31 December 2024

(UAH ‘000)

Line	Item	Less than 12 months	More than 12 months	Total
1	2	3	4	5
1	Right-of-use assets (buildings)	2,823	25,965	28,788
2	Right-of-use assets (vehicles)	12	206	218
3	**Total right-of-use assets**	**2,835**	**26,171**	**29,006**

Table 10.4 Right-of-use assets maturity analysis as at 31 December 2023

(UAH ‘000)

Line	Item	Less than 12 months	More than 12 months	Total
1	2	3	4	5
1	Right-of-use assets (buildings)	7,747	16,978	24,725
2	**Total right-of-use assets**	**7,747**	**16,978**	**24,725**

Note 11. Other assets

Table 11.1. Other assets

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Current assets acquired as a result of foreclosure on collateral	3,783	3,783
2	Receivables on acquisition of assets	7,207	1,249
3	Prepayments for services	1,713	920
4	Precious metals	863	1,223
5	Deferred expenses	6,211	5,382
6	Inventories	2,293	799
7	Taxes and duties receivable, other than income tax	504	67
8	Other assets	3	3
9	Provision for impairment of other assets	(1,011)	(429)
10	**Total other assets less provisions**	**21,566**	**12,997**

The amounts in this note are used to fill in the line "Other assets" of the Statement of Financial Position (Balance Sheet).

Table 11.2. Analysis of changes in provision for impairment of other assets as at 31 December 2024

(UAH '000)

Line	Movements in provisions	Receivables on acquisition of assets	Prepayment for services	Other assets	Total
1	2	3	4	5	6
1	Balance as at 31 December 2023	(225)	(201)	(3)	(429)
2	(Increase)/decrease of the provision for impairment during the period	(416)	(187)	-	(603)
3	Bad debt written off against provision	21	-	-	21
4	**Balance as at 31 December 2024**	**(620)**	**(388)**	**(3)**	**(1,011)**

Table 11.3. Analysis of changes in provision for impairment of other assets as at 31 December 2023

(UAH '000)

Line	Movements in provisions	Receivables on acquisition of assets	Prepayment for services	Other assets	Total
1	2	3	4	5	6
1	Balance as at 31 December 2022	(705)	(83)	(2)	(790)
2	(Increase)/decrease in the provision for impairment during the period	480	(118)	(1)	361
3	**Balance as at 31 December 2023**	**(225)**	**(201)**	**(3)**	**(429)**

Note 12. Other financial assets

Table 12.1. Other financial assets

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Receivables on transactions with payment cards	22,276	13,608
2	Due from banks	6,118	-
3	Receivables on transactions with other financial instruments (transactions with guarantees and transactions with credit partners)	38,708	62,768
4	Receivables on unrecovered transfers paid to individuals	3,275	3,612
5	Receivables on income accrued	2,688	3,544
6	Receivables on loan transactions	116	18,495
7	Cash on settlement accounts in other banks	11,672	722
8	Cash on settlement accounts of legal entities	91,981	71,320
9	Cash restricted for use	2,834	2,807
10	Other financial assets	5,840	3,000
11	Provision for impairment of other financial assets	(44,617)	(45,241)
12	**Total other financial assets less provisions**	**140,891**	**134,635**

As at 31 December 2024, the balance of line 7 "Cash on settlement accounts in other banks" includes amounts of guaranteed deposits placed by the Bank with the Operational Department of the NBU, PrJSC "BANK FAMILNYI", JSC "FUIB", JSB "UKRGAZBANK", and JSC "SENSE BANK".

As at 31 December 2023, the balance of line 7 "Cash on settlement accounts in other banks" includes amounts of guaranteed deposits placed by the Bank with the Operational Department of the NBU, PrJSC "BANK FAMILNYI", JSC "FUIB", and JSB "UKRGAZBANK".

Line 9 "Cash restricted for use" includes cash on correspondent accounts in TRANSCAPITALBANK PAO (Russian Federation). These balances are fully impaired.

Table 12.2. Analysis of changes in the provision for impairment of other financial assets as at 31 December 2024.

(UAH '000)

Line	Movements in provisions	Receivables on transactions with other financial instruments	Receivables on income accrued	Receivables on loan transactions	Cash on settlement accounts in other banks	Cash on settlement accounts of legal entities	Cash restricted for use	Total
1	2	4	5	6	7	7	8	9
1	Balance at the beginning of the period	(35,726)	(1,798)	(126)	-	(4,784)	(2,807)	(45,241)
2	(Increase)/decrease in the provision for impairment during the period	2,924	743	1	(1,314)	(2,020)	(27)	307
3	Write-off against provision	-	308	9	-	-	-	317
4	**Balance at the end of the period**	**(32,802)**	**(747)**	**(116)**	**(1,314)**	**(6,804)**	**(2,834)**	**(44,617)**

Table 12.3. Analysis of changes in the provision for impairment of other financial assets as at 31 December 2023.

(UAH '000)

Line	Movements in provisions	Receivables on transactions with other financial instruments	Receivables on income accrued	Receivables on loan transactions	Cash on settlement accounts of legal entities	Cash restricted for use	Total
1	2	4	5	6	7		8
1	Balance at the beginning of the period	(21,167)	(689)	(147)	(2,231)	(2,754)	(26,988)
2	(Increase)/decrease in the provision for impairment during the period	(14,559)	(1,109)	21	(2,553)	(53)	(18,253)
3	**Balance at the end of the period**	**(35,726)**	**(1,798)**	**(126)**	**(4,784)**	**(2,807)**	**(45,241)**

Table 12.4. Analysis of changes in gross carrying amount of other financial assets as at 31 December 2024

(UAH ‘000)

Line	Item	Receivables on transactions with payment cards	Due from banks	Receivables on transactions with other financial instruments	Receivables on unrecovered transfers paid to individuals	Receivables on income accrued	Receivables on loan transactions	Cash on settlement accounts in other banks	Cash on settlement accounts of legal entities	Cash restricted for use	Other financial assets	Total
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Balance at the beginning of the period	13,608	-	62,768	3,612	3,544	18,495	722	71,320	2,807	3,000	179,876
2	Receivables initially recognised during the reporting period	8,346,451	25,033	193,275	1,049,283	46,201	20,865	46,992	64,940	27	2,840	9,795,907
3	Receivables derecognised or repaid	(8,337,783)	(18,915)	(217,335)	(1,049,620)	(46,749)	(39,235)	(36,042)	(44,279)	-	-	(9,789,958)
4	Write-off against provision	-	-	-	-	(308)	(9)	-	-	-	-	(317)
5	**Balance at the end of the period**	**22,276**	**6,118**	**38,708**	**3,275**	**2,688**	**116**	**11,672**	**91,981**	**2,834**	**5,840**	**185,508**

Table 12.5. Analysis of changes in gross carrying amount of other financial assets as at 31 December 2023

(UAH ‘000)

Line	Item	Receivables on transactions with payment cards	Due from banks	Receivables on transactions with other financial instruments	Receivables on unrecovered transfers paid to individuals	Receivables on income accrued	Receivables on loan transactions	Cash on settlement accounts in other banks	Cash on settlement accounts of legal entities	Cash restricted for use	Other financial assets	Total
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Balance at the beginning of the period	7,437	3,200	40,700	4,883	1,639	8,803	19,150	64,465	2,754	7,196	160,227
2	Receivables initially recognised during the reporting period	4,253,421	371,003	173,599	365,310	22,848	49,105	7,141	12,451	1,547	429,225	5,685,650
3	Receivables derecognised or repaid	(4,247,250)	(374,203)	(151,488)	(366,581)	(20,941)	(39,395)	(25,569)	(5,596)	(1,494)	(433,421)	(5,665,938)
4	Write-off against provision	-	-	(43)	-	(2)	(18)	-	-		-	(63)
5	**Balance at the end of the period**	**13,608**	**-**	**62,768**	**3,612**	**3,544**	**18,495**	**722**	**71,320**	**2,807**	**3,000**	**179,876**

Table 12.6. Analysis of credit quality of other financial assets as at 31 December 2024

(UAH '000)

Line	Item		Minimum credit risk	Low credit risk	Medium credit risk	High credit risk	Default assets	**Total other financial assets**
1	2	3	4	5	6	7	8	9
1	Receivables on transactions with payment cards	Gross carrying amount	22,276	-	-	-	-	**22,276**
2		Accumulated impairment	-	-	-	-	-	**-**
3	Due from banks	Gross carrying amount	6,118	-	-	-	-	**6,118**
4		Accumulated impairment	-	-	-	-	-	**-**
5	Receivables on transactions with other financial instruments	Gross carrying amount	-	5,906	-	-	32,802	**38,708**
6		Accumulated impairment	-	-	-	-	(32,802)	**(32,802)**
7	Receivables on unrecovered transfers paid to individuals	Gross carrying amount	3,275	-	-	-	-	**3,275**
8		Accumulated impairment	-	-	-	-	-	**-**
9	Receivables on income accrued	Gross carrying amount	-	1,941	-	-	747	**2,688**
10		Accumulated impairment	-	-	-	-	(747)	**(747)**
11	Receivables on loan transactions	Gross carrying amount	-	-	-	-	116	**116**
12		Accumulated impairment	-	-	-	-	(116)	**(116)**
13	Cash on settlement accounts in other banks	Gross carrying amount	122	11,200	350	-	-	**11,672**
14		Accumulated impairment	-	(1,250)	(64)	-	-	**(1,314)**
15	Cash on settlement accounts of legal entities	Gross carrying amount	14,012	77,969	-	-	-	**91,981**
16		Accumulated impairment	(797)	(6,007)	-	-	-	**(6,804)**
17	Cash restricted for use	Gross carrying amount	-	-	-	-	2,834	**2,834**
18		Accumulated impairment	-	-	-	-	(2,834)	**(2,834)**
19	Other financial assets	Gross carrying amount	5,840	-	-	-	-	**5,840**
20		Accumulated impairment	-	-	-	-	-	**-**
21	**Total**		**50,846**	**89,759**	**286**	**-**	**-**	**140,891**

Table 12.7. Analysis of credit quality of other financial assets as at 31 December 2023

(UAH '000)

Line	Item	Minimum credit risk	Low credit risk	Medium credit risk	High credit risk	Default assets	Total
1	2	3	4	5	6	7	8
1	Receivables on transactions with payment cards	13,608	-	-	-	-	13,608
2	Due from banks	-	-	-	-	-	-
3	Receivables on transactions with other financial instruments	27,041	-	-	-	35,727	62,768
4	Receivables on unrecovered transfers paid to individuals	3,612	-	-	-	-	3,612
5	Receivables on income accrued	1,745	-	-	-	1,799	3,544
6	Receivables on loan transactions	18,369	-	-	-	126	18,495
7	Cash on settlement accounts in other banks	722	-	-	-	-	722
8	Cash on settlement accounts of legal entities	3,563	67,757	-	-	-	71,320
9	Cash restricted for use	-	-	-	-	2,807	2,807
10	Other financial assets	3,000	-	-	-	-	3,000
11	Provision for impairment of other financial assets	(138)	(4,644)	-	-	(40,459)	(45,241)
12	**Total other financial assets less provisions**	**71,522**	**63,113**	**-**	**-**	**-**	**134,635**

Note 13. Due to customers

Table 13.1. Due to customers

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Government and non-government organisations:	21,967	29,743
1.1	Current accounts	9,745	3,306
1.2	Term deposits	12,222	26,437
2	Other legal entities:	10,634,395	9,321,102
2.1	Current accounts	3,879,510	4,575,125
2.2	Term deposits	6,240,990	4,463,376
2.3	Cash on settlements	513,895	282,601
3	Individuals:	2,738,869	2,682,273
3.1	Current accounts	623,008	391,801
3.2	Term deposits	2,115,861	2,290,472
4	**Total due to customers**	**13,395,231**	**12,033,118**

The amounts in this note are used to fill in line "Due to customers" of the Statement of financial position (Balance Sheet).

Expense accrued but not paid on due to customers:

- UAH 1,078 thousand as at 31 December 2024;
- UAH 38,697 thousand as at 31 December 2023

Table 13.2. Due to customers by economic sector

(UAH '000)

Line	Economic sector	31 December 2024		31 December 2023	
		amount	%	amount	%
1	2	3	4	5	6
1	Production and distribution of electricity, gas and water	624,323	4.66%	468,198	3.89%
2	Transactions with retail property, leases, engineering and servicing	544,507	4.06%	495,592	4.12%
3	Trade, repair of vehicles, household equipment, and items of personal use	2,945,786	21.99%	2,876,056	23.90%
4	Agriculture, hunting, forestry	47,512	0.35%	33,139	0.28%
5	Individuals	2,738,892	20.45%	2,682,274	22.30%
6	Insurance services	394,478	2.94%	212,645	1.77%
7	Transportation activities and additional transportation services	351,985	2.63%	148,976	1.24%
8	Provision of information services	24,159	0.18%	4,234	0.04%
9	Provision of financial services	235,140	1.76%	121,969	1.01%
10	Education, health and welfare plans	42,035	0.31%	30,988	0.26%
11	Due to non-resident legal entities	39,579	0.30%	82,658	0.69%
12	Construction and specialised construction works	3,023,124	22.57%	2,924,746	24.31%
13	Advertising activities	27,550	0.21%	44,603	0.37%
14	Production of vehicles	1,282,990	9.58%	690,899	5.74%
15	Production of goods	509,790	3.81%	235,412	1.96%
16	Activities of non-government organisations	70,703	0.53%	233,701	1.94%
17	Mining and auxiliary services in the extractive industry	68,715	0.51%	53,974	0.45%
18	Other	423,963	3.17%	693,054	5.75%
19	**Total due to customers**	**13,395,231**	**100%**	**12,033,118**	**100%**

The carrying amount of borrowings is UAH 54,255 thousand that were pledged as collateral on lending transactions in the amount of UAH 63,682 thousand.

The carrying amount of borrowings is UAH 1,235,105 thousand that were pledged as collateral on guarantees in the amount of UAH 5,378,452 thousand.

Note 14. Provisions for liabilities

Table 14.1. Movements in provisions for liabilities as at 31 December 2024

(UAH '000)

Line	Movements in provisions	Credit related commitments
1	2	3
1	**Balance as at 31 December 2022**	**67,329**
2	Establishment and/or increase of provision	26,582
3	Fees and commissions on guarantees issued	132,325
4	Amortisation of fees and commissions received on guarantees issued and recognised in the Statement of profit and loss and other comprehensive income	(90,359)
5	Gains from derecognition of financial liabilities	(28,612)
6	Impact of translation to reporting currency	(21)
7	**Balance as at 31 December 2022**	**107,244**
8	Establishment and/or increase of provision	5,738
9	Fees and commissions on guarantees issued	134,385
10	Amortisation of fees and commissions received on guarantees issued and recognised in the Statement of profit and loss and other comprehensive income	(100,520)
11	Gains from derecognition of financial liabilities	(23,620)
12	Impact of translation to reporting currency	1,241
13	**Balance as at 31 December 2024**	124,468

The amounts in this note are used to fill in line "Provisions for liabilities" of the "Statement of financial position (Balance sheet)".

Provisions for financial commitments are created to secure their fulfilment in the future, which is recognised as a liability in the Bank's balance sheet indicating potential losses due to outflow of economic benefits associated with the fulfilment of such financial liabilities by the Bank.

In the reporting period, the Bank has not drawn on the provisions for granted financial guarantees to fulfil the assumed liabilities.

According to the agreements with customers, the Bank's guarantees and commitments to extend loans expire in 2025-2030. The amount of the fees collected for the guarantees issued is amortised on a straight line basis during the validity period of the guarantees.

Note 15. Other financial liabilities

Table 15.1. Other financial liabilities

(UAH '000)

Line	Item	31 December 2024	31 December 2023

1	2	3	4
1	Payables on transactions with payment cards	5,641	803
2	Payables on transactions with foreign currency	-	4
3	Suspense loans	156	528
4	Due to banks	5,818	39,393
5	Payables on transactions with the customers	2,206	1,451
6	Payables on lending transactions	2,028	2,359
7	Accrued expenses	244	168
8	Cash on settlements	84,250	82,952
9	Equity instrument containing write-off/conversion clauses	59,011	51,399
10	**Total other financial liabilities**	**159,354**	**179,057**

The amounts in this note are used to fill in the line "Other liabilities" of the Statement of Financial Position (Balance Sheet).

Note 16. Other liabilities

Table 16.1. Other liabilities

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Taxes and duties other than income tax payable	5,235	11,278
2	Payables on asset purchase transactions	281	22
3	Deferred income	14,933	2,736
4	Services payable	5,583	4,774
5	**Total**	**26,032**	**18,810**

The significant increase in deferred income is due to an increase in the volume of guarantees issued and fees paid for the execution of transactions under guarantee contracts.

Payables to the Bank's employees at:
31 December 2024: UAH 125,097 thousand;
31 December 2023: UAH 92,831 thousand.

Note 17. Lease liabilities

As at 31 December 2024, a lease liability for the amount of UAH 30,012 thousand measured at the present value of the lease payments outstanding at the reporting date was included in the line "Lease liabilities" of the Statement of Financial Position (Balance Sheet).

Table 17.1. Lease liabilities

(UAH '000)

Line	Item	2024	2023
1	**Carrying amount at the beginning of the period**	**30,496**	**33,040**
2	Liabilities recognised in the reporting period	28,261	21,121
3	Interest on the liabilities accrued	4,451	4,277
4	Decrease in the carrying amount of a liability when recognising lease payments made to a lessor	(30,803)	(21,752)
5	Decrease in the carrying amount of a liability (early termination of a lease, change in value)	(2,393)	(6,190)
6	**Carrying amount at the end of the period**	**30,012**	**30,496**

Table 17.2 Analysis of lease liabilities by maturities as at 31 December 2024

(UAH '000)

Line	Item	Less than 12 months	More than 12 months	Total
1	2	3	4	5
1	Lease liabilities	17,053	12,959	30,012
2	**Total lease liabilities**	**17,053**	**12,959**	**30,012**

Table 17.3 Analysis of lease liabilities by maturities as at 31 December 2023

(UAH '000)

Line	Item	Less than 12 months	More than 12 months	Total
1	2	3	4	5
1	Lease liabilities	21,188	9,308	30,496
2	**Total lease liabilities**	**21,188**	**9,308**	**30,496**

Note 18. Subordinated debt

Table 18.1 Liabilities on subordinated debt (UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Subordinated debt	70,633	63,818
2	Interest accrued on subordinated debt	-	385
3	**Total liabilities on subordinated debt**	**70,633**	**64,203**

The amounts in this note are used in the line "Subordinated debt" of the Statement of Financial Position (Balance Sheet).

Subordinated debt in UAH was raised by the Bank from a resident legal entity in November 2013 in the amount of UAH 60,000 thousand.

The subordinated debt has a maturity of 14 years until 2027 at 8.95% per annum.

In case of the Bank's liquidation, the subordinated debt will be repaid after the claims filed by all other creditors have been satisfied.

In 2017, the Bank replaced the investor under the subordinated debt with a non-resident legal entity and obtained the relevant permission from the National Bank of Ukraine.

In 2018, the Bank additionally attracted 2 deposits in US dollars from a resident individual in the amount of USD 880 thousand and USD 880 thousand for a period of 10 years until 2028 at 8% and 9.5% per annum.

In 2020, the Bank received a permission from the National Bank of Ukraine for early termination of the subordinated debt agreement with a non-resident investor and returned the funds in the amount of UAH 60,000 thousand. The non-resident investor (shareholder) resolved to use these funds to provide the Bank with non-refundable financial aid, for which the Bank received required permission from the National Bank of Ukraine to include these funds in the additional capital of the Bank.

In 2024, the Bank extended the term of attracting the funds under two agreements dated 2018 in USD from a resident individual in the total amount of USD 1,680 thousand until 2033 and received the relevant permission from the National Bank of Ukraine to include these funds in Tier 2 capital.

Note 19. Share capital and share premium

(UAH '000)

Line	Item	Number of shares in issue (in thousands)	Ordinary shares	Total
1	2	3	4	5
1	Balance as at 31 December 2023	300	300,000	300,000
2	**Balance as at 31 December 2024**	**300**	**300,000**	**300,000**

The amounts in this note are used in line 24 ***"Share capital" of the Statement of Financial Position (Balance Sheet)***.

Number of shares declared for issue: 300,000 (three hundred thousand).

Number of shares issued and paid: 300,000 (three hundred thousand).

Nominal value per share: one thousand Ukrainian hryvnias (UAH 1,000).

There are no preferences or restrictions on the Bank's shares.

There are no options or sale contracts.

The Bank did not take decisions to decrease its statutory capital during the period of its existence.

Note 20. Maturity analysis of assets and liabilities

Based on the requirements of paragraphs 60, 63 of IAS 1 *Presentation of Financial Statements*, the management of the Bank believes that the presentation of the assets and liabilities in in either ascending or descending order of respective liquidity ratios makes the disclosures more relevant and reliable than presentation of such information based on determination of current indicators, whereas the Bank does not deliver goods or services within an operating cycle that can be identified clearly. Therefore, balances on transactions with assets and liabilities have been presented in light of their contractual maturities.

Given that:

- actual maturities of targeted loans for purchase of vehicles and property when the Bank's customers repay loans much earlier than the contractual payments; and
- maturities of individuals' deposits when the vast majority of depositors normally renew their deposits,

management of the Bank believes that liquidity gaps will have an immaterial effect on the Bank's operations.

Line	Item	Notes	31 December 2024			31 December 2023		
			Less than 12 months	More than 12 months	*Total*	Less than 12 months	More than 12 months	*Total*
1	2	3	4	5	6	7	8	9
	ASSETS							
1	Cash and cash equivalents	6	832,113	-	832,113	980,592	-	980,592
2	Investments in securities	7	8,523,569	2,849,996	11,373,565	6,613,498	3,733,681	10,347,179
3	Loans to customers	8	836,307	1,365,772	2,202,079	664,702	882,365	1,547,067
4	Investment property	9	-	62,172	62,172	-	62,172	62,172
5	Deferred tax asset		1,260	-	1,260	3,153	-	3,153
6	Property and equipment	10	-	117,109	117,109	-	113,538	113,538
7	Right-of-use assets	10	2,835	26,171	29,006	7,747	16,978	24,725
8	Intangible assets	10	-	84,765	84,765	-	67,399	67,399
9	Other assets	11	21,566	-	21,566	12,997	-	12,997
10	Other financial assets	12	132,674	8,217	140,891	67,699	66,936	134,635
11	Non-current assets classified as held for sale		-	2,206	2,206	-	-	-
12	**Total assets**		**10,350,324**	**4,516,408**	**14,866,732**	**8,350,388**	**4,943,069**	**13,293,457**
	LIABILITIES							
13	Due to customers	13	12,432,113	963,118	13,395,231	11,352,497	680,621	12,033,118
14	Other borrowings		447	183,150	183,597	118	48,181	48,299
15	Provisions for liabilities	14	74,299	50,169	124,468	67,634	39,610	107,244
16	Lease liabilities		17,053	12,959	30,012	21,188	9,308	30,496
17	Payables to the Bank's employees		125,097	-	125,097	92,831		92,831
18	Other financial liabilities		100,339	59,015	159,354	127,986	51,071	179,057
19	Other liabilities	16	11,099	14,933	26,032	16,074	2,736	18,810
20	Subordinated debt	18	-	70,633	70,633	385	63,818	64,203
21	Income tax liability		28,151	-	28,151	32,215	-	32,215
22	**Total liabilities**		**12,788,598**	**1,353,977**	**14,142,575**	**11,710,928**	**895,345**	**12,606,273**

Note 21. Interest income and expense

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
INTEREST INCOME CALCULATED USING THE EFFECTIVE INTEREST RATE			
Interest income on financial assets carried at amortised cost			
1	Loans to customers	453,308	380,955
2	Due from banks	3,757	2,041
3	Debt securities	458,134	536,729
4	Other	64	141
5	Total interest income on financial assets at amortised cost	915,263	919,866
OTHER INTEREST INCOME AT FVTPL			
6	Debt securities	663,431	469,868
7	Total interest income on financial assets at FVTPL	663,431	469,868
8	**Total interest income**	**1,578,694**	**1,389,734**
INTEREST INCOME CALCULATED USING THE EFFECTIVE INTEREST RATE			
Interest expense on financial liabilities at amortised cost			
9	Term deposits from legal entities	(403,502)	(373,178)
10	Term deposits from individuals	(358,009)	(251,578)
11	Term deposits from other banks		(87)
12	Refinancing loans from the NBU		-
13	Current accounts	(191,842)	(203,041)
14	Other borrowings	(2,695)	(441)
15	Lease liabilities	(4,428)	(4,095)
16	Interest expense on subordinated debt	(5,999)	(5,442)
17	Interest expense on equity instrument containing write-off/conversion clauses	(5,245)	(4,629)
18	Total interest expense calculated using the effective interest rate	(971,720)	(842,491)
19	**Total interest expense**	**(971,720)**	**(842,491)**
20	**Net interest income/(expense)**	**606,974**	**547,243**

The amounts in this note are used to fill in lines 1, 2 and 3 ("Net interest income") of the "Statement of profit or loss and other comprehensive income (Income Statement)".

Note 22. Fee and commission income and expense

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
FEE AND COMMISSION INCOME:			
1	Cash and settlement transactions	160,767	117,217
2	Transactions with securities	871	1,103
3	Fee and commission income from currency market transactions	30,924	37,516
4	Commissions for servicing loans and credit-related commitments	20,421	18,199
5	Guarantees provided	1,893	1,552
6	Other	140,354	108,114
7	**Total fee and commission income**	**355,230**	**283,701**
FEE AND COMMISSION EXPENSE:			
8	Cash and settlement transactions	(47,309)	(33,940)
9	Transactions with payment cards	(52,517)	(22,542)
10	Transactions with guarantees and suretyships	(377)	(75)
11	Other	(10)	(8)
12	**Total fee and commission expense**	**(100,213)**	**(56,565)**
13	**Net commission income/(expense)**	**255,017**	**227,136**

The amounts in this note are used in the Statement of Profit or Loss and Other Comprehensive Income (Income Statement).

Note 23. Other operating income

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	**Other operating income from ordinary activities**	**89,022**	**72,582**
1.1	Income from lending-related services	2,535	1,872
1.2	Income from insurance agency services	55,524	35,760
1.3	Gains from derecognition of financial liabilities	23,621	28,550
1.4	Gain on termination of deposits	246	83
1.5	Gains on transactions with other financial instruments	-	1,002
1.6	Other	7,096	5,315
2	**Other operating income**	**7,905**	**6,617**
2.1	Income from reimbursement of court costs and other penalties	3,322	1,244
2.2	Recovery of bad debt previously written off	2,825	3,098
2.3	Fines and penalties incurred	64	73
2.4	Rental income from investment property	265	255
2.5	Operating lease (rental) income from other property	1,255	1,936

2.6	Income from modification of leases	174	-
2.7	Other	-	11
3	**Total operating income**	**96,927**	**79,199**

The amounts in this note are used in the lines "Other operating income from ordinary activities" and "Other operating income" of the Statement of Profit or Loss and Other Comprehensive Income (Income Statement).

Note 24. Administrative and other operating expenses

Table 24.1 Employee benefits expense

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Salaries and bonuses	(641,908)	(574,425)
2	Social contributions	(80,076)	(61,901)
3	Other employee benefits	(5,271)	(3,467)
4	**Total personnel expenses**	(727,255)	**(639,793)**

Table 24.2 Depreciation/amortisation expense

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Depreciation of property and equipment	(13,801)	(13,555)
2	Amortisation of software and intangible assets	(9,050)	(7,459)
3	Amortisation of right-of-use asset	(22,248)	(18,625)
4	**Total depreciation/amortisation expenses**	**(45,099)**	**(39,639)**

Table 24.3 Other administrative and other operating expenses

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Costs of maintenance of property, equipment and intangible assets, telecommunications and other utility operating services	(69,946)	(54,515)
2	Operating lease expenses	(869)	(802)
3	Professional services	(2,803)	(2,536)
4	Marketing and advertisement	(24,406)	(6,434)
5	Insurance	(207)	(201)
6	Other taxes and duties paid, excluding corporate profit tax	(27,273)	(21,187)
7	Legal services, notary services, property valuation	(8,277)	(13,024)

8	Business expenses	(3,540)	(9,825)
9	Payments processor services	(27,684)	(11,815)
10	Other administrative expenses	(952)	(917)
11	Sponsorship and charity, contributions to benefit plans	(13,131)	(2,798)
12	Fines, penalties paid by the Bank	(1,384)	(510)
13	Negative result from disposal of property, equipment and intangible assets	(246)	(4)
15	Security expenses	(690)	(595)
16	Expenses on financial advisory services received	(4,207)	(6,114)
17	Software costs	(16,479)	(13,412)
18	Other	(8,233)	(7,944)
19	**Total administrative and other operating expenses**	**(210,327)**	**(152,633)**

The amounts in this note are used in the Statement of Profit or Loss and Other Comprehensive Income (Income Statement).

Note 25. Income tax expense

In the reporting and previous periods, the Bank had no income tax expenses. For this reason, the table “Income tax expenses” was not filled.

Table 25.1. Reconciliation of accounting profit multiplied by applicable tax rates

(UAH ‘000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	**Taxable profit**	94,158	97,344
2	Applicable tax rate	50%	50%
3	Income tax expense at applicable tax rate	(47,079)	(48,672)
4	Tax effect of expense not deductible in determining taxable profi (tax loss)	(8,199)	(8,820)
5	Adjustment to deferred income tax	(1,893)	-
6	Minimum tax liability	(14)	(9)
7	Actual income tax expense for the year	(57,185)	(57,501)

Table 25.2. Disclosure of temporary differences, unused tax losses and unused tax credits as at 31 December 2024

(UAH '000)

Line	Item	Other temporary differences	Temporary differences	Unused tax credits	Total
1	2	3	4	5	6
	Reconciliation of changes in deferred tax liability (asset)				
1	Deferred tax liability (asset) at the beginning of the period	(4,283)	(4,283)	1,130	*(3,153)*
2	Deferred tax expense (tax refund) recognised in profit or loss	3,023	3,023	(1,130)	*1,893*
3	Deferred tax liability (asset) at the end of the period	(1,260)	(1,260)	-	*(1,260)*

Table 25.3. Disclosure of temporary differences, unused tax losses and unused tax credits as at 31 December 2023

(UAH)

Line	Item	Other temporary differences	Temporary differences	Unused tax credits	Total
1	2	3	4	5	6
	Reconciliation of changes in deferred tax liability (asset)				
1	Deferred tax liability (asset) at the beginning of the period	(4,788)	(4,788)	1,635	(3,153)
2	Deferred tax expense (tax refund) recognised in profit or loss	505	505	(505)	-
3	Deferred tax liability (asset) at the end of the period	(4,283)	(4,283)	1,130	(3,153)

Note 26. Earnings/(loss) per ordinary and preference share

Table 26.1. Basic and diluted earnings/(loss) per ordinary and preferred share

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Profit/(loss) attributable to the owners of the ordinary shares of the bank	36,973	39,843
3	**Profit/(loss) for the year**	**36,973**	**39,843**
4	Annual average number of ordinary shares outstanding (in thousands of shares)	300	300
5	**Basic and diluted earnings/(loss) per ordinary share (UAH)***	**123.24**	**132.81**

*Face value of one share of the Bank is UAH 1,000.00

The amounts in this note are used in the line "Basic and diluted earnings per ordinary and preference share" of the Statement of Profit or Loss and Other Comprehensive Income (Income Statement).

The number and nominal value of the shares are disclosed in Note 19 "Share capital and share premium".

Note 27. Operating segments

The Bank's segments represent strategic business units targeting different customers. They are managed separately since each business unit requires different marketing strategies and service levels.

Table 27.1. Income, expenses and results of operating segments as at 31 December 2024

(UAH '000)

Line	Item	Reportable segments			Other segments and operations	Total
		Corporate banking	Retail banking	investment banking		
1	2	3	4	5	6	7
	Income from external customers:					
1	Interest income	262,350	191,021	1,125,323	-	1,578,694
2	Reallocation of segment interest income in accordance with management reporting	768,537	332,020	(1,108,495)	7,938	-
3	Fee and commission income	268,337	86,818	75	-	355,230

4	Other operating income	23,848	2,909	-	70,170	96,927
5	**Total segment income**	**1,323,072**	**612,768**	**16,903**	**78,108**	**2,030,851**
6	Interest expense	(589,371)	(371,105)	-	(11,244)	(971,720)
7	Allocated to provision for impairment of loans and due from banks	(31,673)	(46,620)	-	-	(78,293)
8	Allocated to the impairment provision for accounts receivable and other financial assets	3,668	-	(73,533)	(603)	(70,468)
9	Gains less losses from dealing in financial instruments through profit or loss	-	-	48,518	-	48,518
10	Gains less losses arising from dealing in foreign currencies	-	-	224,955	-	224,955
11	Gains less losses on foreign currency translation	-	-	2,721	-	2,721
12	Fee and commission expense	(2,022)	(69,125)	(29,066)	-	(100,213)
13	Allocated to provisions for liabilities	(9,512)	-	-	-	(9,512)
14	Administrative and other operating expenses	-	-	-	(210,327)	(210,327)
15	Depreciation and amortisation	-	-	-	(45,099)	(45,099)
16	Employee benefit expenses	-	-	-	(727,255)	(727,255)
17	**SEGMENT RESULT:**	**694,162**	**125,918**	**190,498**	**(916,420)**	**94,158**

In 2024, JSC CB GLOBUS did not have counterparties accounting for more than 10% of the Bank's revenues.

Table 27.2. Income, expenses and results of operating segments as at 31 December 2023 (UAH '000)

Line	Item	Reportable segments			Other segments and operations	Total
		Corporate banking	Retail banking	investment banking		
1	2	3	4	5	6	7
	Income from external customers:					
1	Interest income	183,569	197,527	1,008,638	-	1,389,734
2	Reallocation of segment interest income in accordance with management reporting	689,544	301,623	(999,783)	8,616	-
3	Fee and commission income	207,174	67,925	8,602	-	283,701
4	Other operating income	28,646	3,157	-	47,396	79,199
5	**Total segment income**	**1,108,933**	**570,232**	**17,457**	**56,012**	**1,752,634**
6	Interest expense	(571,905)	(260,428)	(87)	(10,071)	(842,491)
7	Allocated to provision for impairment of loans and due from banks	(115,596)	(74,741)	-	-	(190,337)
8	Allocated to the impairment provision for accounts receivable and other financial assets	(15,711)	-	4,816	360	(10,535)
9	Gains less losses from dealing in financial instruments through profit or loss	-	-	177,644	-	177,644
10	Gains less losses arising from dealing in foreign currencies	-	-	123,372	-	123,372
11	Gains less losses on foreign currency translation	-	-	2,266	-	2,266
12	Fee and commission expense	(1,821)	(34,120)	(20,624)	-	(56,565)
13	Allocated to provisions for liabilities	(26,579)	-	-	-	(26,579)
14	Administrative and other operating expenses	-	-	-	(152,633)	(152,633)
15	Depreciation and amortisation	-	-	-	(39,639)	(39,639)
16	Employee benefit expenses	-	-	-	(639,793)	(639,793)
17	**SEGMENT RESULT:**	**377,321**	**200,943**	**304,844**	**(785,764)**	**97,344**

In 2023, JSC CB GLOBUS did not have counterparties accounting for more than 10% of the Bank's revenues.

Table 27.3. Assets and liabilities of operating segments for the reporting period as at 31 December 2024

(UAH '000)

Line	Item	Reporting segments			Other segments and operations	Total
		services to corporate customers	services to individuals	investment banking		
1	2	3	4	5	6	7
	SEGMENT ASSETS					
1	Segments assets	1,170,854	1,031,225	11,373,565	294,313	13,869,957
2	Reallocation of segment assets in accordance with management reporting	9,032,516	2,282,193	(11,314,709)	-	-
3	Unallocated assets	-	-	-	996,775	996,775
4	**Total assets**	1,170,854	1,031,225	11,373,565	294,313	13,869,957
	SEGMENT LIABILITIES					
5	Segment liabilities	10,839,959	2,738,869	-	70,633	13,649,461
6	Unallocated liabilities	-	-	-	493,114	493,114
7	**Total liabilities**	**10,839,959**	**2,738,869**	**-**	**563,747**	**14,142,575**

Subordinated debt is recognized in line 4 "Other segments and operations", column 6.

Unallocated assets include cash, precious bank metals, correspondent account in the National Bank of Ukraine, other assets, other financial assets.

Unallocated liabilities include derivative financial liabilities, other liabilities, other financial liabilities, and lease liabilities.

Table 27.4. Operating segments assets and liabilities as at 31 December 2023

(UAH '000)

Line	Item	Reporting segments			Other segments and operations	Total
		services to corporate customers	services to individuals	investment banking		
1	2	3	4	5	6	7
	SEGMENT ASSETS					
1	Segments assets	772,750	774,317	10,347,179	270,935	12,165,181
2	Reallocation of segment assets in accordance with management reporting	8,007,382	2,285,100	(10,292,482)	-	-
3	Unallocated assets	-	-	-	1,128,276	1,128,276
4	**Total assets**	**8,780,132**	**3,059,417**	**54,697**	**1,399,211**	**13,293,457**
	SEGMENT LIABILITIES					
5	Segment liabilities	9,399,144	2,682,273	-	64,204	12,145,621
6	Unallocated liabilities	-	-	-	428,437	428,437
7	**Total liabilities**	**9,399,144**	**2,682,273**	**-**	**492,641**	**12,574,058**

Table 27.5. Geographical segments

(UAH '000)

Lin	Item	2024			2023		
		Ukraine	Other countries	Total	Ukraine	Other countries	Total
1	External revenues	2,030,851	-	2,030,851	1,752 634	-	1,752 634
2	Property and equipment	264,046	-	264,046	243,057	-	243,057

Note 28. Gains less losses from dealing in financial assets at fair value through profit or loss

Table 28.1. Gains less losses from dealing in financial assets at fair value through profit or loss as at 31 December 2024.

(UAH '000)

Line	Item	Gains less losses from dealing in financial assets at fair value through profit or loss
1	2	3
1	Government bonds	49,074
2	Purchase and sale of foreign currency	(556)
3	**Total gains less losses from dealing in financial assets at fair value through profit or loss**	**48,518**

Table 28.2. Gains less losses from dealing in financial assets at fair value through profit or loss as at 31 December 2023.

(UAH '000)

Line	Item	Gains less losses from dealing in financial assets at fair value through profit or loss
1	2	3
1	Government bonds	181,384
2	Purchase and sale of foreign currency	(3,740)
3	**Total gains less losses from dealing in financial assets at fair value through profit or loss**	**177,644**

Note 29. Financial risk management

Credit risk is the current or potential risk for proceeds and capital arising from the failure of a counterparty that assumed an obligation to comply with the terms and conditions of any financial agreement with the Bank or otherwise fulfill its obligations.

The key objective of the credit risk management is to create an efficient management system to facilitate the process of achievement of short-term and strategic goals of the Bank applying relevant methods and techniques of managing and controlling the risks generated by external environment, assets and liabilities structure, and the Bank's activity.

The main governance body responsible for the credit risk management is the Board of the Bank authorized to design and implement the Bank's credit risk management system based on internal regulations, procedures, policies, etc. Decisions on approval of loans, factoring transactions, issue of guarantees, suretyships and other commitments on behalf of third persons envisaging their performance in the monetary form, and on leasing transactions in the Bank are adopted on a collegiate basis by the Credit Committee. The Bank has implemented a system of limits on unsecured transactions on placement of funds or sale of financial instruments on the interbank market that are approved during the sittings of the Assets and Liabilities Management Committee of the Bank.

The Bank's policy stipulates calculation of understandable and consistent credit ratings of the loans within the Bank's portfolio, which ensures a persistent management of the underlying risks and comparison of the credit risks within all lines of business of the Bank. Respective risk ratings are analysed on a regular basis.

For the purposes of their rating and evaluation, credit risks are categorized into individual and portfolio risks (bringing rise to specific and collective impairment). Individual credit risks arise in connection with transactions with individual counterparties of the Bank. Evaluation of the individual credit risk requires assignment of a unique credit rating to each such individual counterparty. Portfolio credit risk causes impairment of the assets of the Bank. Evaluation of the portfolio credit risk requires to analyse assets concentration and diversification.

To manage its collective credit risks on the level of its loans portfolio, the Bank applies the following techniques:
- loans portfolio diversification;
- establishment of limits;
- accrual of provisions;
- regular analysis of the loans portfolio quality.

To manage its individual credit risks, the Bank applies the following techniques:
- regular monitoring of financial position of its borrowers and securities issuers;
- monitoring of compliance with established limits and ratios;
- monitoring of collaterals obtained to secure loans granted (regular inspections and revaluations of the collaterals, assessment of impairment of collaterals during the lives of the underlying loans).

Individual credit risk is mitigated by way of:
- obtaining collateral;
- transfer of risks (insurance);
- staged lending process;

- application of higher interest rates where appropriate.

The Bank has established all required provisions for credit transactions. Furthermore, the Bank was in compliance with the statutory ratios of large credit exposures. The credit risk ratios were as follows as at 31 December 2024:
- (N7) – ratio of maximum concentration of credit risk per single counterparty – 10.31%
- (N8) – large credit risks ratio – 27.20%.

During the reporting year, active military operations were conducted in a large part of Ukraine and, as a result, most borrowers were not physically able to make timely repayments, regardless of their financial condition (i.e. technical delay due to force majeure). In this regard, the Bank initiated and carried out a number of restructurings under such loans to ensure that the borrowers could properly fulfill their obligations in the future. These restructurings were carried out only for loans characterized by good debt servicing before the introduction of martial law and did not imply deterioration in the Bank's credit conditions.

Market risk is defined as existing or contingent risk affecting the profits and equity of the Bank caused by the adverse fluctuations of the securities, commodities and foreign exchange prices/quotations attributable to the Bank's instruments held for trading. This risk arises in connection with dealing transactions, acceptance of trading positions in debt and equity securities, currencies, commodities and derivative instruments.

In accordance with the strategy, adopted by the Bank, the acceptable market risk limits are adhered by way of:
- optimisation of positions in key currencies, securities and other financial and derivative instruments in the Bank's portfolio;
- approval of limits on open positions;
- compliance with currency positions ratios and limits.

The Bank's market risk management system comprises regulatory documents - regulations, procedures, methodologies, etc. - approved by the Management Board.

Based on the the Bank's short-term development strategy, it is possible to note that the Bank does not intend to extensively utilise its both on- and off-balance sheet investments, therefore, the Bank is not exposed to significant market risks arising in connection with adverse fluctuations of derivative instruments prices.

Currency risk is a potential risk of losses from change in market values of assets or liabilities arising due to fluctuations in foreign exchange rates. Currency risk can be divided into:
- transaction risk;
- foreign currency translation; and
- economic currency risk.

Currency risks arise from foreign exchange rate fluctuations. Sharp foreign exchange rate fluctuations may be caused by both economic and political reasons. The main factor influencing the exposure to foreign currency risk is the Bank's currency position.

The goal of effective currency risk management is to secure the Bank's profit and capital and ensure that the Bank's currency risk profile meets the Bank's estimates of future exchange rate changes.

The effect of foreign exchange rate changes is assessed by evaluating the Bank's open currency position.

Exposure to foreign currency risk is measured by:

- open currency position by each foreign currency (i.e. mismatch between on and off-balance sheet items);
- movements in foreign exchange rates determined by market conditions;
- qualification and correctness of measures taken by those who execute agreements on behalf of the Bank, that is, assets and liabilities management.

Due to unstable financial market, the Bank manage its currency position by setting limits. An open currency position limit implies quantitative restriction of the open currency position to equity ratio. Limits are imposed to put bounds to the risk related to exchange rate fluctuations that the Bank is ready to assume. A limit is set for each separate currency.

Due to the introduction of martial law, the National Bank of Ukraine decided to introduce the limits on open currency positions (both long and short) up to 5% of regulatory capital, which contributed to further reduction of risk positions.

Interest rate risk is an existing or potential risk to earnings or capital arising from adverse changes in interest rates. This risk affects both the profitability of the Bank and the economic value of its assets, liabilities and off-balance sheet instruments. Hence, the Bank has to place borrowed funds at a higher interest rate linked to a certain maturity. To ensure higher profitability, management should maintain a broader margin between borrowing and lending interest rates based on their maturities. As a part of its assets and liabilities management, the Bank manages the maturities of its rate-sensitive assets and liabilities by gap analysis. Interests on the Bank's assets and liabilities are accrued at a fix interest rate.

Management Board is the main collective body of the Bank in charge of managing its interest rate risks. Assets and Liabilities Management Committee is vested with interest rate risk policy implementation and decision making functions.

Risk Management Office evaluates liabilities and return on assets, performs gap analysis of the Bank's assets and liabilities, evaluates the Bank's net interest margin and spread, and advises Assets and Liabilities Management Committee on changes of interest rates on deposit and credit products.

Operational risk is a potential risk to the Bank's existence arising from deficiencies in corporate governance, internal controls or inadequacy of informational technologies and data processing processes in terms of manageability, versatility, reliability, controllability and continuity of these technologies. Operational risk also arises from inadequacy of IT strategy, policies and utilisation. Other aspects of operational risk include force majeure events such as fire or natural disaster.

Operational risk control framework includes procedures and controls over the risks inherent to the Bank's operations, including compliance control in respect of the Bank's accounting policies and NBU regulations regarding asset valuation methods and reports, IT system controls, and failure-free operation controls, including backup copying and data recovery processes, as well as reserve systems to be used in case of loss of access to or destruction of critical information or technology.

Liquidity risk is defined as an existing or potential risk that arises from the Bank's failure to meet its obligations in due time, without incurring unacceptable losses.

The Bank has the liquidity and solvency framework in place for liquidity and solvency management purposes. The framework addresses two main objectives: the management of the Bank's current payment position, and the management of the Bank's solvency and liquidity for a specific term.

Management Board of the Bank is the principal authority for managing the Bank's liquidity risk. Its powers and capacities include elaboration of liquidity risk policy, as well as approval of relevant policies, guidelines and procedures.

The Bank's Asset and Liability Committee is the executive committee of the Management Board, which is liable for implementation of the liquidity management policy, making current decisions related to liquidity management and approval of internal limits of the Bank. The Bank's liquidity management framework can be divided into three components: day-to-day liquidity management, current liquidity management and long-term liquidity management.

The Bank's key liquidity management methods include:

- analysis of actual liquidity and solvency of the Bank;
- estimation of liquidity and solvency considering planned transactions and actions;
- imposing of limits on the Bank's transactions and setting of liquidity and solvency limits;
- planning of the Bank's transactions, adjusting their terms, etc. for liquidity and solvency management purposes.

As at 31 December 2024, the Bank's liquidity ratios were as follows:

- weighted average LCR for all currencies – 320.51%;
- weighted average LCR in foreign currency – 173.51%.
- Net Stable Funding Ratio (NSFR) – 306.69%.

Currency risk

Table 29.1. Currency risk analysis

(UAH '000)

Line	Currency	31 December 2024				31 December 2023			
		Monetary assets	Monetary liabilities	Derivative financial instruments	Net	Monetary assets	Monetary liabilities	Derivative financial instruments	Net
1	2	3	4	5	6	7	8	9	10
1	USD	593,153	(602,639)	0	(9,486)	626,606	(646,815)	-	(20,209)
2	EUR	421,798	(453,367)	0	(31,569)	304,024	(326,941)	-	(22,917)
3	XAU	15,935	(14,684)	0	1,251	12,544	(12,283)	-	261
4	Other	3,031	(1,701)	0	1,330	1,320	(1,200)	-	120
5	Total	1,033,917	(1,072,391)	0	(38,474)	944,494	(987,240)	-	(42,745)

The tables below present the amounts in the currencies exposing the Bank to a significant

currency risk as at 31 December 2024 considering monetary assets and liabilities not held for trading and expected cash flows.
The analysis envisages assessment of the impact of potential reasonable changes in exchange rates of foreign currencies to the Ukrainian hryvnia based on the assumption of invariance of all other variables disclosed in the income statement of the Bank (due to existence of monetary assets and liabilities not held for trading, whose fair values are sensible to the changes in the foreign exchange rates). The impact on equity does not differ from the impact on the income statement. The negative value presented in the table reflects potential net decrease of the amounts in the income statement or in equity, while the positive values reflect the potential net increases.

Table 29.2. Impact on profit or loss and equity of potential changes in the official exchange rates of UAH to foreign currencies ruling on the reporting date based on the assumption of that all other variables will remain constant

(UAH '000)

Line	Item	31 December 2024		31 December 2023	
		impact on profit/(loss)	impact on equity	impact on profit/(loss)	impact on equity
1	2	3	4	5	6
1	USD strengthening by 5 %	(474)	(474)	(1,010)	(1,010)
2	US Dollar strengthening by 15 %	(1,423)	(1,423)	(3,031)	(3,031)
3	USD weakening by 5%	474	474	1,010	1,010
4	EUR strengthening by 5%	(1,578)	(1,578)	(1,146)	(1,146)
5	EUR strengthening by 15 %	(4,735)	(4,735)	(3,438)	(3,438)
6	Euro weakening by 5 %	1,578	1,578	1,146	1,146
7	XAU strengthening by 5%	63	63	13	13
8	XAU weakening by 5%	(63)	(63)	(13)	(13)
9	Other currencies strengthening by 5%	67	67	6	6
10	Other currencies weakening by 5%	(67)	(67)	(6)	(6)

The sum of lines 9, 10 consists of the amounts in the following currencies: Russian ruble (RUB), Swiss Franc (CHF), British pound sterling (GBP), silver and Polish zloty (PLN).

Table 29.3. Changes in profit or loss and equity due to possible changes in the official exchange rates of UAH to foreign currencies set as a weighted average FX rate, provided that all other variables remain unchanged

(UAH '000)

Line	Item	Weighted average FX rate, 2024		Weighted average FX rate, 2023	
		impact on profit/(loss)	impact on equity	impact on profit/(loss)	impact on equity
1	USD strengthening by 5 %	(29)	(29)	(224)	(224)
2	US Dollar strengthening by 15 %	(935)	(935)	(2,171)	(2,171)
3	USD weakening by 5%	877	877	1,722	1,722
4	EUR strengthening by 5%	(1,225)	(1,225)	350	350
5	EUR strengthening by 15 %	(4,349)	(4,349)	(1,800)	(1,800)
6	Euro weakening by 5 %	1,898	1,898	2,499	2,499
7	XAU strengthening by 5%	(106)	(106)	(14)	(14)
8	XAU weakening by 5%	(215)	(215)	(37)	(37)
9	Other currencies strengthening by 5%	(82)	(82)	(69)	(69)
10	Other currencies weakening by 5%	(201)	(201)	(74)	(74)

The sum of lines 9, 10 consists of the amounts in the following currencies: Swiss Franc (CHF), British pound sterling (GBP), silver and Polish zloty (PLN)

Interest rate risk

Interest rate risk is the existing or contingent risk adversely affecting the Bank's profits and equity that arises as the result of adverse movements in the interest rates. This risk affects both the Bank's profit and economic value of its assets, liabilities and off-balance sheet instruments.

Table 29.4. General interest risk analysis

(UAH '000)

Line	Item	On demand and less than 1 month	1 – 12 months	More than 1 year	Non-monetary	Total
1	2	3	4	5	6	7
	2024					
1	Total financial assets	5,622,375	4,733,987	4,147,291	-	14,503,653
2	Total financial liabilities	8,820,528	3,177,322	1,191,488	-	13,189,338
3	Net gap on interest rates at the end of the previous period	(3,198,154)	1,556,665	2,955,803	-	1,314,315
	2023					
4	Total financial assets	4,538,045	3,280,181	4,685,619	-	12,503,845
5	Total financial liabilities	9,310,367	2,033,533	852,152	-	12,196,052
6	Net gap on interest rates at the end of the previous period	(4,772,322)	1,246,648	3,833,467	-	307,793

The table above presents the financial assets and financial liabilities sensitive to the changes in the interest rates.

The principal interest rate risks to which the Bank is exposed are:

- repricing/mismatch risk that arises from mismatches in maturities (for fixed-rate instruments) between bank assets and liabilities;
- yield curve risk that arises from changes in the slope and shape of the yield curve;
- basis risk is the risk of changes in the interest rate that arises from the imperfect correlation in the adjustment of the rates earned and paid by the Bank on different instruments with otherwise similar repricing characteristics. This risk is not inherent to the Bank.

During the reporting year, due to the introduction of martial law, the National Bank of Ukraine continued to decrease the discount rate from 15% to 13%, which resulted in a further decrease in the cost of borrowings on refinancing terms and impacted a decline in the Bank's government securities interest margin and spread. At the end of the reporting year, the discount rate was increased to 13.5% (effective 13 December 2024).

When assessing its interest rate risk applying the GAP-analysis technique, the Bank focuses on the issues of short-term management of its profits, their stabilization, and improvement of their quality.

Table 29.5. Monitoring interest rates on financial instruments

(%)

Line	Item	2024				2023			
		UAH	USD	EUR	other	UAH	USD	EUR	Other
1	2	3	4	5	6	7	8	9	10
	Assets								
1	Cash and cash equivalents	-	0.06	0.27	-	1.58	0.57	0.13	-
2	Debt securities	16.90	3.40	-	-	20.58	0.68	1.13	-
3	Loans to customers	21.18	9.23	9.15	-	23.28	9.82	7.32	-
	Liabilities								
4	Due to banks	-	-	-	-	1.1	-	-	-
5	Due to customers:	9.75	1.31	0.80	-	12.65	1.16	0.54	-
5.1	current accounts	5.09	0.03	0.05	-	8.81	0.02	0.02	-
5.2	term deposits	11.89	2.22	1.49	-	14.9	1.58	1.42	-
6	Other liabilities	3.00	-	-	-	11.76	-	-	-
7	Subordinated debt	13.00	9.00	9.50	-	-	9	9.5	-

For asset-side and lending transactions of the Bank, interests are accrued at both fixed and floating interest rate.

Geographic risk is the risk of losses for the Bank as the result of default of customers or counterparties operating in any specific country and, respectively, affected by the country-specific risks. Whereas the Bank operates predominantly within the territory of Ukraine, geographic risk is an insignificant and secondary segment that does not have any significant impact on the Bank's operations.

Table 29.6. Analysis of geographical concentration of financial assets and liabilities as at 31 December 2024.

(UAH ‘000)

Line	Item	Ukraine	OECD countries	Other countries	Total
1	2	3	4	5	6
	Assets				
1	Cash and cash equivalents	824,113	8,000	-	832,113
2	Investments in securities	11,286,334	87,231	-	11,373,565
3	Loans to customers	2,117,248	84,831	-	2,202,079
4	Other financial assets	454,805	4,170	-	458,975
5	**Total financial assets**	**14,682,500**	**184,232**	**-**	**14,866,732**
	Liabilities				
6	Due to banks	-	-	-	-
7	Due to customers	13,291,594	100,663	2,974	13,395,231
9	Other financial liabilities	560,560	70,743	439	631,742
10	Subordinated debt and equity instrument	115,602	-	-	115,602
11	**Total financial liabilities**	**13,967,756**	**171,406**	**3,413**	**14,142,575**
12	Net balance sheet position on financial instruments	754,711	-64,114	-3,413	687,184
13	Credit-related commitments	7,095,933	358,082	2,183	7,456,198

Table 29.7. Analysis of geographical concentration of financial assets and liabilities as at 31 December 2023.

(UAH '000)

Line	Item	Ukraine	OECD countries	Other countries	Total
1	2	3	4	5	6
	Assets				
1	Cash and cash equivalents	972,995	7,597	-	980,592
2	Investments in securities	10,310,612	36,567	-	10,347,179
3	Loans to customers	1,550,782	63,121	-	1,547,067
4	Other financial assets	418,612	7	-	418,619
5	**Total financial assets**	**13,186,165**	**107,292**	**-**	**13,293,457**
	Liabilities				
6	Due to customers	11,929,481	100,663	2,974	12,033,118
7	Other financial liabilities	386,371	70,743	439	457,553
8	Subordinated debt and equity instrument	115,602	-	-	115,602
9	**Total financial liabilities**	**12,431,454**	**171,406**	**3,413**	**12,606,273**
10	Net balance sheet position on financial instruments	754,711	(64,114)	(3,413)	687,184
11	Credit-related commitments	7,095,933	358,082	2,183	7,456,198

Liquidity risk

The Bank manages its liquidity risks primarily applying the technique of maturity analysis of its assets and liabilities. The Bank analyses its liquidity risks in light of maturities based on discounted cash flows.

Table 29.8. Maturity analysis of financial liabilities as at 31 December 2024

(UAH '000)

Line	Item	No more than one month	More than one month, but no more than three months	More than three months, but no more than six months	More than six months, but no more than one year	More than one year and no more than two years	More than two years, but no more than three years	More than three years, but no more than four years	More than four years, but no more than five years	More than five years, but no more than seven years	More than seven years, but no more than ten years	More than twenty-five years	**Total**
1	**Financial assets held for liquidity risk management**	**6,174,015**	**1,886,329**	**884,974**	**1,427,111**	**2,024,297**	**1,519,342**	**149,043**	**108,400**	**391,680**	**2,975**	**298,566**	14,866,732
2	Cash and cash equivalents	832,113	-	-	-	-	-	-	-	-	-	-	832,113
3	Loans and advances to customers	244,794	131,007	197,382	287,753	402,280	298,087	149,043	108,400	380,358	2,975	-	2,202,079
4	Investments in securities	5,042,866	1,743,543	687,388	1,059,381	1,619,181	1,221,206	-	-	-	-	-	11,373,565
5	Other financial assets	54,242	11,779	204	79,977	2,836	49	-	-	11,322	-	298,566	458,975

Table 29.9. Maturity analysis of financial liabilities as at 31 December 2023

(UAH '000)

Line	Item	No more than one month	More than one month, but no more than three months	More than three months, but no more than six months	More than six months, but no more than one year	More than one year and no more than two years	More than two years, but no more than three years	More than three years, but no more than four years	More than four years, but no more than five years	More than five years, but no more than seven years	More than seven years, but no more than ten years	More than twenty-five years	**Total**
1	**Financial assets held for liquidity risk management**	**5,009,491**	**1,864,262**	**781,884**	**676,884**	**2,133,967**	**2,101,460**	**83,164**	**56,704**	**246,576**	**4,458**	**334,606**	**13,293,457**
2	Cash and cash equivalents	980,592	-	-	-	-	-	-	-	-	-	-	**980,592**
3	Loans and advances to customers	135,249	101,336	187,956	238,140	327,155	166,328	83,164	56,704	246,576	4,458	-	**1,547,067**
4	Investments in securities	3,856,697	1,750,140	580,222	422,000	1,803,704	1,934,415	-	-	-	-	-	**10,347,179**
5	Other financial assets	36,953	12,787	13,706	16,744	3,108	716	-	-	-	-	334,606	**418,619**

The tables below disclose the Bank's liabilities at the reporting dates by contractual maturities. The amounts disclosed represent contractual undiscounted cash flows, including total credit related commitments and commitments to extend financial guarantees. Such undiscounted cash flows differ from the amounts reported in the Statement of financial position (Balance sheet), since the carrying amounts are based on discounted cash flows.

Table 29.10. Maturity analysis of financial assets and liabilities as at 31 December 2024

(UAH '000)

Line	Item	On demand and less than 1 month	1 – 12 months	From 12 months to 5 years	Over 5 years	Total
1	2	3	5	6	7	8
	Assets					
1	Cash and cash equivalents	842,471	-	-	-	**842,471**
2	Investments in securities	5,042,866	3,490,312	2,840,386	-	**11,373,565**
3	Loans to customers	244,794	693,780	957,810	390,873	**2,287,256**
4	Other financial assets	43,883	14,323	2,885	302,349	**363,439**
5	**Total financial assets**	**6,174,014**	**4,198,415**	**3,801,081**	**693,222**	**14,866,732**
	Liabilities					
6	Due to customers	9,322,560	3,099,493	962,438	9,633	**13,394,124**
7	Debt securities issued by the Bank	-	-	-	-	-
8	Other financial liabilities	167,966	171,193	120,470	159,178	**618,807**
9	Subordinated debt and equity instruments	-	-	-	129,643	**129,643**
10	**Total financial liabilities**	**9,490,526**	**3,270,686**	**1,082,909**	**298,455**	**14,142,575**
11	Net liquidity gap as at 31 December	(3,316,512)	927,729	2,718,173	394,767	724,157
12	Total liquidity gap as at 31 December	(3,316,512)	(2,388,783)	329,390	724,157	

Table 29.11. Maturity analysis of financial assets and liabilities as at 31 December 2023

(UAH '000)

Line	Item	On demand and less than 1 month	1 – 12 months	From 12 months to 5 years	Over 5 years	Total
1	2	3	5	6	7	8
	Assets					
1	Cash and cash equivalents	980,592	-	-	-	**980,592**
2	Investments in securities	3,856,697	2,752,362	3,738,120	-	**10,347,179**
3	Loans to customers	135,249	527,432	570,239	314,147	**1,547,067**
4	Other financial assets	36,953	43,236	66,936	271,494	**418,619**
5	**Total financial assets**	**5,009,491**	**3,323,030**	**4,375,295**	**585,641**	**13,293,457**
	Liabilities					
7	Due to customers	9,310,500	2,033,533	671,782	17,303	**12,033,118**
9	Other financial liabilities	192,890	162,652	96,353	5,658	**457,553**
10	Subordinated debt and equity instruments	716	-	63,818	51,068	**115,602**

11	**Total financial liabilities**	**9,504,106**	**2,196,185**	**831,953**	**74,029**	**12,606,273**
12	Net liquidity gap as at 31 December	(4,494,615)	1,126,845	3,543,342	511,612	**687,184**
13	Total liquidity gap as at 31 December	(4,494,615)	(3,367,770)	175,572	687,184	

The military aggression and the introduction of martial law led to significant gap in the short term period due to the need to increase the maturity of the loan portfolio and reduce the maturity of borrowed resources. However, given the substantial stock of secondary liquidity in the form of the government bonds portfolio, the existing gaps do not have a critical impact on the Bank's liquidity ratios.

Note 30. Capital management

Capital management activities are conducted by the Bank's Supervisory Board by way of fixing targeted capital ratios. The Bank manages its capital adequacy ratios to address the risks inherent in the business. The Bank’s capital management policy is focused at securing the capital adequacy and is controlled through ratios set by the NBU as a result of its supervision over the Bank. The primary objective of the Bank’s capital management is to ensure that the Bank complies with the externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise the shareholders’ value. The Bank manages its capital structure with due regard to changes in the economic conditions and the risk characteristics of its operations. In order to maintain or adjust the capital structure, the Bank may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue shares.

Table 30.1. Regulatory capital structure at 31 December 2023

(UAH '000)

Line	Item	31 December 2023
1	**Regulatory capital**	**745,728**
1.1.	**Common Equity (Tier 1 capital), including:**	**494,461**
1.1.1	actually paid registered share capital	300,000
1.1.2	disclosed provisions created or increased by retained earnings	166,247
1.3.	equity instrument containing write-off/conversion covenants licensed by the NBU	51,068
1.4.	transactions with shareholders (financial aid from the bank's shareholders, which contribution to the core capital was approved by the NBU)	110,500
1.5.	reduction of core capital (intangible assets less amortisation; capital investments in intangible assets; loss for previous and current years), including:	(133,354)
1.1.5.1.	intangible assets less amortisation	(67,241)
1.1.5.2.	capital investments in intangible assets	(157)
1.1.5.3.	non-core assets	(65,956)
1.1.5.4.	estimated loss for the current year	-
1.2.	**additional capital (Tier 2 capital), including:**	**251,266**
1.2.1.	subordinated debt included in capital	63,810
1.2.2.	Estimated profit for the current year	119,427
1.2.3.	Retained earnings of past years for calculation of supplementary capital (5030 - uncovered credit risk)>0	68,029
For reference:		
1	Estimated profit/loss for the current year	119,427
2	Result of the current year (5999)	122,653
3	Results of the reporting year (Group 504)	-
4	Excess of uncovered credit risk	-
5	Income not received for more than 30 days from the accrual date, for which the term of payment has not expired	16,569
6	Accrued income for which the contractual term of payment has expired	(132,757)
7	Partial amount of the provision for asset-side banking transactions that is included in the income accrued but not received for more than 30 days (prefixed with '-')	146,100
8	Accrued income recognised by the Bank in purchasing government bonds denominated in foreign currency що емітовані в іноземній валюті	-

The Bank was in compliance with the effective statutory capital adequacy ratios in 2023.

As at 31 December 2023, the above ratios were as follows:

N1 - regulatory capital of the Bank comprised UAH 745,728 thousand;
N2 - regulatory capital adequacy ratio was 19.86 %.

N3 - common equity adequacy ratio was 13.17 %.

In accordance with "Regulation on the Procedure for Determining the Amount of Regulatory Capital by Ukrainian Banks" approved by Resolution of the National Bank of Ukraine No.196 dated 28 December 2023, from 5 August 2024 the banks transitioned to a new three-tier regulatory capital structure. This resulted in growth of its highest-quality component, Common equity Tier 1. Under the new rules, profits are included in capital only to the extent that the bank does not plan to distribute them as dividends after the relevant restrictions have been lifted.

Table 30.2. Regulatory capital structure at 31 December 2024

(UAH '000)

Line	Item	31 December 2024
1	**Regulatory capital**	**664,577**
2	**Tier 1 capital**	**593,945**
3	**Common equity Tier 1(Ct1)**	**534,934**
3.1	Components of Tier 1 core capital	708,894
3.1.1	Ct1 own instruments	300,000
3.1.2	Ct1 own instruments not included in Ct1	-
3.1.3	Retained earnings of previous years	70,594
3.1.4	Profit for the interim reporting period	21,711
3.1.5	*Current profit* [1]	*77,788*
3.1.6	Financial aid	110,500
3.1.7	Reserves and other funds	206,090
3.2	Deductions from common equity Tier 1	(173,960)
3.2.1	Intangible assets except for computer software/rights to computer software	(218)
3.2.2	Accumulated amortisation of intangible assets except for computer software/rights to computer software	181
3.2.3	Computer software/rights to computer software	(127,590)
3.2.4	Accumulated depreciation of computer software/rights to computer software	46,687
3.2.5	Capital investments in intangible assets	(3,824)
3.2.6	Total decrease in CC1 from deferred tax assets and liabilities	(3,153)
3.2.7	Accrued income past due for more than 30 days from the accrual date, for which the contractual term of payment has not expired	(21 297)
3.2.8	Revaluation gain/loss and provisions related to accrued income past due for more than 30 days from the accrual date, for which the contractual term of payment has not expired	3,047
3.2.9	Accrued income past due	(140,389)
3.2.10	Revaluation gain/loss and provisions related to accrued income past due	138,551
3.2.11	Uncovered credit risk	-

[1] Calculated n accordance with Section II, Chapter 5, paragraph 24 of "Regulation on the Procedure for Determining the Amount of Regulatory Capital by Ukrainian Banks" approved by Resolution of the National Bank of Ukraine No.196 dated 28 December 2023.

3.2.12	Carrying amount of non-core assets	(65,956)
4	**Additional Tier 1 capital (AC1)**	**59,011**
4.1	Components of additional Tier 1 capital	59,011
4.1.1	AC1 own instruments	59,011
4.2	Deductions from additional Tier 1 capital	-
5	**Tier 2 capital (C2)**	**70,633**
5.1	Components of Tier 2 capital	70,633
5.1.1	C2 own instruments in the form of subordinated debt	70,633
5.2	Deductions from Tier 2 capital	-

Capital is a key performance indicator of the Bank used to offset the negative effects of various risks the Bank assumes in the course of its operations and to protect customer deposits and ensure financial strength and stability of the Bank's operations.

The Bank was in compliance with the effective statutory capital adequacy ratios in 2024.

As at 31 December 2024, the above ratios were as follows:

N1 - regulatory capital of the Bank comprised UAH 664,577 thousand;
Nrc - regulatory capital adequacy ratio was 12.91 %.
Nt1 - Tier 1 capital adequacy ratio is 11.54 %.
Nct1 - common equity Tier 1 adequacy ratio is 10.39 %.

Note 31. Commitments and contingencies

Litigations.

As at 31 December 2024, 35 lawsuits were initiated against the Bank for the total of UAH 16,291 thousand:

- 3 (three) cases regarding collection of cash;
- 2 (two) cases regarding collection of cash under guarantee;
- 6 (six) cases as regards recognition of an executive inscription as unenforceable;
- 10 (ten) cases regarding recognition of a bank guarantee as unenforceable;
- 1 (one) case regarding recognition of a contract as terminated;
- 1 (one) case regarding recognition of a liability as terminated;
- 7 (seven) interim relief cases;
- 1 (one) lawsuit regarding recognition of an encumbrance as terminated;
- 1 (one) case regarding an obligation to perform certain actions;
- 1 (one) case regarding invalidation and cancellation of the decision of the state registrar and cancellation of property rights;
- 2 (two) cases regarding invalidation of a loan agreement.

Management of the Bank believes that the legal proceedings will have no negative effect on the

Bank's financial position. Accordingly, the Bank did not create provisions for contingent liabilities.

Capital expenditure commitments.

As at 31 December 2024, the Bank's contractual commitments attributable to purchase of intangible assets comprise UAH 2,774.9 thousand.

Credit-related commitments.

The key aim of these instruments is to ensure provision of cash to customers where needed. Commitments to extend credit represent the undrawn portion of the loans approved for disbursement. In terms of its credit related commitments, the Bank encounters potential risk of losses totalling the amount of undrawn credit commitments where such commitments are risky, i.e. non-revocable, instruments. However, the potential amount of such losses is lower than the total undrawn commitments whereas the major part of the commitments to extend credit is subject to the customers' compliance with certain creditworthiness standards. The credit risk arising in connection with the commitments given is mitigated by way of issuance by the Bank of loans secured by collateral. The Bank closely monitors the terms remaining to its compliance with credit related commitments whereas the long-term commitments are usually characterised by a higher credit risk than short-term commitments.
The Bank evaluates the probability of losses per credit related commitments as remote.

Table 31.1. Credit-related commitments structure

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	Commitments to extend credit	1,034,852	960,356
2	Guarantees issued	9,312,610	6,495,842
3	Provision for credit-related commitments	(49,821)	(43,849)
4	**Total liabilities attributable to credit-related commitments less provision**	**10,297,641**	**7,412,349**

Table 31.2. Credit-related commitments in light of currencies

(UAH '000)

Line	Item	31 December 2024	31 December 2023
1	2	3	4
1	UAH	1,030 522	6,649,364
2	USD	4,330	569,280
3	EUR	-	193,705
4	**Total**	**1,034,852**	**7,412,349**

Table 31.3. Analysis of credit quality of credit-related commitments as at 31 December 2024

(UAH '000)

Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Credit-related commitments				
2	Minimum credit risk	8,038,700			8,038,700
3	Low credit risk	2,086,149			2,086,149
4	Medium credit risk	269	75,406		75,675
5	Default assets		146,938		146,938
6	**Total credit-related commitments**	**10,125,119**	**222,344**	-	10,347,462
7	**Impairment provisions for credit-related commitments**	**(39,550)**	**(10,271)**	-	(49,821)
8	**Total credit-related commitments less provisions**	**10,085,569**	**212,073**	-	10,297,641

Table 31.4. Analysis of credit quality of credit-related commitments as at 31 December 2023

(UAH '000)

Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Credit-related commitments				
2	Minimum credit risk	5,059,442	-	-	5,059,442
3	Low credit risk	2,168,291	-	-	2,168,291
4	Medium credit risk	45,732	48,766	-	94,498
5	High credit risk	10,000	-	-	10,000
6	Default assets	52,928	71,039	-	123,967
7	**Total credit-related commitments**	**7,336,393**	**119,805**	**-**	**7,456,198**
8	**Impairment provisions for credit-related commitments**	**(33,431)**	**(10,418)**	**-**	**(43,849)**
9	**Total credit-related commitments less provisions**	**7,302,962**	**109,387**	**-**	**7,412,349**

Table 31.5. Analysis of exposure to credit risk on credit-related commitments as at 31 December 2024

(UAH '000)

Line	Item	Liabilities on loans	
		Types of assessment of expected credit losses	
		Expected 12-month ECL	
		Gross carrying amount	**Gross carrying amount**
1	**Exposure to credit risk on credit-related commitments and financial guarantee contracts at the beginning of the period**	960,356	**960,356**
2	Decrease due to derecognition, exposure to credit risk on credit-related commitments and financial guarantee contracts	450,650	**450,650**
3	Increase due to issue or acquisition, exposure to credit risk on credit-related commitments and financial guarantee contracts	498,927	**498,927**
4	Increase (decrease) due to changes in contractual cash flows, exposure to credit risk on credit-related commitments and financial guarantee contracts	26,219	**26,219**
5	**Total increase (decrease) in exposure to credit risk on credit-related commitments and financial guarantee contracts**	**74,496**	**74,496**
6	**Exposure to credit risk on credit-related commitments and financial guarantee contracts at the end of the period**	**1,034,852**	**1,034,852**

Table 31.6. Analysis of exposure to credit risk on credit-related commitments as at 31 December 2023

(UAH '000)

Line	Item	Liabilities on loans	
		Types of assessment of expected credit losses	
		Expected 12-month ECL	
		Gross carrying amount	**Gross carrying amount**
1	**Exposure to credit risk on credit-related commitments and financial guarantee contracts at the beginning of the period**	1,578 665	1,578 665
2	Decrease due to derecognition, exposure to credit risk on credit-related commitments and financial guarantee contracts	1,033 085	1,033 085
3	Increase due to issue or acquisition, exposure to credit risk on credit-related commitments and financial guarantee contracts	550,815	550,815

4	Increase (decrease) due to changes in contractual cash flows, exposure to credit risk on credit-related commitments and financial guarantee contracts	26,219	**26,219**
5	**Total increase (decrease) in exposure to credit risk on credit-related commitments and financial guarantee contracts**	**-618,309**	**-618,309**
6	**Exposure to credit risk on credit-related commitments and financial guarantee contracts at the end of the period**	**960,356**	**960,356**

Table 31.7. Analysis of exposure to credit risk on financial guarantee contracts as at 31 December 2024

(UAH '000)

Line	Item	Financial guarantee contracts.					
		Types of assessment of expected credit losses					
		Expected 12-month ECL		Expected lifetime ECL		**Total**	
		Gross carrying amount	Accumulated impairment	Gross carrying amount	Accumulated impairment	**Gross carrying amount**	**Accumulated impairment**
1	Exposure to credit risk on credit-related commitments and financial guarantee contracts at the beginning of the period	6,376,052	(33,431)	119,790	(10,418)	**6,495,842**	**(43,849)**
2	Increase due to transfers, exposure to credit risk on credit-related commitments and financial guarantee contracts	(63,047)	200	63,047	(2,801)	**-**	**(2,601)**
3	Decrease due to derecognition, exposure to credit risk on credit-related commitments and financial guarantee contracts	4,082,658	(19,816)	106,362	(9,794)	**4,189,021**	**(29,610)**
4	Increase due to issue or acquisition, exposure to credit risk on credit-related commitments and financial guarantee contracts	6,562,710	(25,061)	124,821	(5,673)	**6,687,531**	**(30,735)**
5	Increase (decrease) due to change in model or risk parameters, exposure to credit risk on credit-related commitments and financial guarantee contracts	-	2,012	-	(1,102)	**-**	**910**
6	Increase (decrease) due to changes in contractual cash flows, exposure to credit risk on credit-related commitments and financial guarantee contracts	297,210	(3,086)	21,048	(71)	**318,258**	**(3,157)**
7	**Total increase (decrease) in exposure to credit risk on credit-related commitments and financial guarantee contracts**	**2,714,214**	**(6,119)**	**102,554**	**147**	**2,816,768**	**(5,972)**
8	**Exposure to credit risk on credit-related commitments and financial guarantee contracts at the end of the period**	**9,090,266**	**(39,550)**	**222,344**	**(10,271)**	**9,312,610**	**(49,821)**

Table 31.8. Table 31.7. Analysis of exposure to credit risk on financial guarantee contracts as at 31 December 2023

(UAH '000)

Line	Item	Financial guarantee contracts.					
		Types of assessment of expected credit losses					
		Expected 12-month ECL		Expected lifetime ECL		**Total**	
		Gross carrying amount	Accumulated impairment	Gross carrying amount	Accumulated impairment	**Gross carrying amount**	**Accumulated impairment**
1	Exposure to credit risk on credit-related commitments and financial guarantee contracts at the beginning of the period	4,000,780	(16,443)	28,530	(732)	**4,029,310**	**(17,176)**
2	Increase due to transfers, exposure to credit risk on credit-related commitments and financial guarantee contracts	(7,212)	130	7,212	(775)	**-**	**(645)**
3	Decrease due to derecognition, exposure to credit risk on credit-related commitments and financial guarantee contracts	2,576,094	(11,769)	25,505	(642)	**2,601,599**	**(12,411)**
4	Increase due to issue or acquisition, exposure to credit risk on credit-related commitments and financial guarantee contracts	4,985,662	(27,637)	109,553	(9,170)	**5,095,215**	**(36,807)**
5	Increase (decrease) due to change in model or risk parameters, exposure to credit risk on credit-related commitments and financial guarantee contracts	-	(1,557)	-	(383)	**-**	**(1,940)**
6	Increase (decrease) due to changes in contractual cash flows, exposure to credit risk on credit-related commitments and financial guarantee contracts	(27,084)	307	-	-	**(27,084)**	**307**
7	**Total increase (decrease) in exposure to credit risk on credit-related commitments and financial guarantee contracts**	**2,375,273**	**(16,988)**	**91,260**	**(9,686)**	**2,466,532**	**(26,673)**
8	**Exposure to credit risk on credit-related commitments and financial guarantee contracts at the end of the period**	**6,376,052**	**(33,431)**	**119,790**	**(10,418)**	**6,495,842**	**(43,849)**

Table 31.9. Assets pledged as collateral without derecognition

(UAH '000)

Line	Item	31 December 2024		31 December 2023	
		assets pledged as collateral	secured liability	assets pledged as collateral	secured liability
1	2	3	4	5	6
1	Financial assets at fair value through profit or loss	361,250	183,150	426,161	48,299
2	**Total**	**361,250**	**183,150**	**426,161**	**48,299**

Note 32. Related party transactions.

Table 32.1. Related party transaction balances as at 31 December 2024

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Entities under common control	Key management personnel	Associates	Other related parties
1	Loans to customers (contractual interest rate 21%-26 %)	153	-	1,933	-	237
2	Loan loss provision	(103)	-	(52)	-	(36)
3	Due to customers (contractual interest rate 0.5-18%)	3,740	4,680	36,581	17	45,434
4	Subordinated debt (contractual interest rate 8-9.5%)	-	-	70,633	-	-
5	Equity instrument containing write-off/conversion clauses (contractual interest rate 9.5%)	-	-	29,584	-	-

Table 32.2. Income and expense from related party transactions for 2024

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Entities under common control	Key management personnel	Other related parties
1	Interest income	34	-	278	52
2	Interest expense	(115)	(59)	(8,940)	(473)
3	Fee and commission income	25	37	108	40
4	Allocated to provision for impairment of loans and due from banks	(17)	-	(89)	(44)

Table 32.3. Other rights and obligations on related party transactions as at 31 December 2024

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Key management personnel	Other related parties
1	Other loan commitments given to customers	99	2,075	149

Table 32.4. Total loans issued to and repaid by related parties in 2024

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Entities under common control	Key management personnel	Other related parties
1	Total loans granted to related parties during the period	178	-	762	247
2	Total loans repaid by related parties during the period	205	1	1,604	38

Table 32.5. Related party transaction balances as at 31 December 2023

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Entities under common control	Key management personnel	Associates	Other related parties
1	Loans to customers (contractual interest rate 21%-26 %)	180	1	2,775	-	28
2	Loan loss provision	(120)	(1)	(59)	-	(3)
3	Due to customers (contractual interest rate 0.5-18%)	1,506	3,902	28,641	15	24,653
4	Subordinated debt (contractual interest rate 8-9.5%)	-	-	64,203	-	-
5	Equity instrument containing write-off/conversion clauses (contractual interest rate 9.5%)	-	-	24,639	-	-

Table 32.6. Income and expense from related party transactions for 2023

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Entities under common control	Key management personnel	Associates	Other related parties
1	Interest income	30	-	408		12
2	Interest expense	(11)	(185)	(8,350)		(507)
3	Fee and commission income	20	41	76	1	46
4	Allocated to provision for impairment of loans and due from banks	(120)	(1)	(59)		(3)
5	Administrative and other expenses	-	(19)	-		-

Table 32.7. Other rights and obligations on related party transactions as at 31 December 2023

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Key management personnel	Other related parties
1	Other loan commitments given to customers	85	1,501	330

Table 32.8. Total loans issued to and repaid by related parties in 2023

(UAH '000)

Line	Item	Major participants (shareholders) of the Bank	Entities under common control	Key management personnel	Other related parties
1	Total loans granted to related parties during the period	163	608	25	163
2	Total loans repaid by related parties during the period	49	1,278	25	49

Table 32.9. Remuneration to key management personnel.

(UAH '000)

Line	Item	2024		2023	
		expense	accrued liability	expense	accrued liability
1	2	3	4	5	6
1	Current employee benefits	113,904	30,468	98,366	22,878
2	Members of the Supervisory Board who exercise their powers pursuant to civil law contracts	5,169	-	2,578	-

Note 33. Fair values of financial instruments

To increase consistency and comparability in fair value measurements and related disclosures, IFRS 13 establishes a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 inputs are the (unadjusted) prices quoted on active markets for identical assets or liabilities, to which the business entity may have access as of the date of estimation;
Level 2 inputs are the inputs (other than quotation prices coming under level 1) observable for an asset or liability either directly or indirectly (open prices).
Level 3 inputs are the inputs for an asset or liability that are not publicly available.

Table 33.1 Analysis of financial instruments at fair value through profit or loss according to fair value hierarchy as at 31 December 2024

(UAH '000)

Line	Item	Fair value assessed using different valuation models			Total carrying amount
		Quoted market prices	Valuation model using the observable inputs	Valuation model using unobservable inputs	
		(Level 1)	(Level 2)	(Level 3)	
1	2	3	4	5	6
I	FINANCIAL ASSETS				
1	**Investments in securities**	**6,037,696**	**-**	**-**	**6,037,696**
1.1.	government bonds	5,950,465	-	-	5,950,465
1.2.	US debt securities DEPARTMENT OF THE TREASURY	87,231			87,231
2	**Total financial assets at fair value**	**6,037,696**	**-**	**-**	**6,037,696**

Table 33.2 Analysis of financial instruments at fair value through profit or loss according to fair value hierarchy as at 31 December 2023

(UAH '000)

Line	Item	Fair value assessed using different valuation models			Total carrying amount
		Quoted market prices	Valuation model using the observable inputs	Valuation model using unobservable inputs	
		(Level 1)	(Level 2)	(Level 3)	
1	2	3	4	5	6
I	FINANCIAL ASSETS				
1	**Investments in securities**	**4,401,470**	**-**	**-**	**4,401,470**
1.1.	government bonds	4,364,903	-	-	4,364,903
1.2.	US debt securities DEPARTMENT OF THE TREASURY	36,567			36,567
2	**Total financial assets at fair value**	**4,401,470**	**-**	**-**	**4,401,470**

Table 33.3 Fair values and levels of hierarchy of inputs used within the scope of various models of measurement of assets and liabilities as at 31 December 2024

(UAH '000)

Line	Item	Fair value assessed using different valuation models			Total fair value	Total carrying amount
		Quoted market prices (Level 1)	Valuation model using observable inputs (Level 2)	Valuation model using unobservable inputs (Level 3)		
1	2	3	4	5	6	7
I	ASSETS					
1	**Cash and cash equivalents**	**-**	**832,113**	**-**	**832,113**	**832,113**
1.1.	cash on hand	-	208,155	-	**208,155**	**208,155**
1.2.	Balances with the National Bank of Ukraine (excluding mandatory reserves)	-	134,180	-	**134,180**	**134,180**
1.3.	Correspondent accounts, deposits and overnight loans due from banks	-	489,778	-	**489,778**	**489,778**
2	**Investments in securities**	**6,377,723**	**-**	**4,995,842**	**11,373,565**	**11,373,565**
2.1.	government bonds	6,290,492	-	-	**6,290,492**	**6,290,492**
2.2.	NBU savings deposit certificates	-	-	4,995,842	**4,995,842**	**4,995,842**
2.3.	US debt securities DEPARTMENT OF THE TREASURY	87,231			**87,231**	**87,231**
3	**Loans to customers**	**-**	**-**	**2,202,079**	**2,202,079**	**2,202,079**
3.1.	corporate loans	-	-	1,165,553	**1,165,553**	**1,165,553**
3.2.	loans to retail customers	-	-	533,437	**533,437**	**533,437**
3.3.	mortgage loans	-	-	503,089	**503,089**	**503,089**
4	**Other financial assets**	**-**	**-**	**140,891**	**140,891**	**140,891**
4.1.	Receivables on transactions with payment cards	-	-	22,276	**22,276**	**22,276**
4.2.	Due from banks	-	-	6,118	**6,118**	**6,118**
4.3.	Receivables on transactions with other financial instruments	-	-	5,906	**5,906**	**5,906**
4.4.	Receivables on unrecovered transfers paid to individuals	-	-	3,275	**3,275**	**3,275**
4.5.	Receivables on income accrued	-	-	1,941	**1,941**	**1,941**
4.6.	Cash on settlement accounts in other banks	-	-	10,358	**10,358**	**10,358**
4.7.	Cash on settlement accounts of legal entities	-	-	85,177	**85,177**	**85,177**

4.8.	Other financial assets	-	-	5,840	**5,840**	**5,840**
5	**Total assets**	**6,377,723**	**832,113**	**7,338,812**	**14,548,648**	**14,548,648**
II	LIABILITIES					
6	**Due to customers**	**-**	**-**	**13,395,231**	**13,395,231**	**13,395,231**
6.1.	government and non-government organisations	-	-	21,967	**21,967**	**21,967**
6.2.	other legal entities	-	-	10,634,395	**10,634,395**	**10,634,395**
6.3.	individuals	-	-	2,738,869	**2,738,869**	**2,738,869**
7	**Other borrowings**			183,597	**183,597**	**183,597**
8	**Other financial liabilities**	**-**	**-**	**159,354**	**159,354**	**159,354**
8.1.	Payables on transactions with payment cards	-	-	5,641	**5,641**	**5,641**
8.2.	Suspense loans	-	-	156	**156**	**156**
8.3.	Due to banks	-	-	5,818	**5,818**	**5,818**
8.4.	Payables to customers	-	-	2,206	**2,206**	**2,206**
8.5.	Payables on lending transactions	-	-	2,028	**2,028**	**2,028**
8.6.	Accrued expenses	-	-	244	**244**	**244**
8.7.	Cash on settlements	-	-	84,250	**84,250**	**84,250**
8.8.	Equity instrument containing write-off/conversion clauses	-	-	59,011	**59,011**	**59,011**
9	**Subordinated debt**	**-**	**-**	**70,633**	**70,633**	**70,633**
10	**Total liabilities**	**-**	**-**	**13,808,815**	**13,808,815**	**13,808,815**

Table 33.4 Fair values and levels of hierarchy of inputs used within the scope of various models of measurement of assets and liabilities as at 31 December 2023

(UAH '000)

Line	Item	Fair value assessed using different valuation models			Total fair value	Total carrying amount
		Quoted market prices (Level 1)	Valuation model using observable inputs (Level 2)	Valuation model using unobservable inputs (Level 3)		
1	2	3	4	5	6	7
I	ASSETS					
1	**Cash and cash equivalents**	**-**	**980,592**	**-**	**980,592**	**980,592**
1.1.	cash on hand	-	161,416	-	**161,416**	**161,416**
1.2.	Balances with the National Bank of Ukraine (excluding mandatory reserves)	-	277,571	-	**277,571**	**277,571**

1.3.	Correspondent accounts, deposits and overnight loans due from banks	-	541,605	-	**541,605**	**541,605**
2	**Investments in securities**	**4,864,453**	**-**	**5,482,726**	**10,347,179**	**10,347,179**
2.1.	government bonds	4,827,886	-	-	**4,827,886**	**4,827,886**
2.2.	NBU savings deposit certificates	-	-	5,482,726	**5,482,726**	**5,482,726**
2.3.	US debt securities DEPARTMENT OF THE TREASURY	36,567	-	-	**36,567**	**36,567**
3	**Loans to customers**	**-**	**-**	**1,547,067**	**1,547,067**	**1,547,067**
3.1.	corporate loans	**-**	**-**	772,056	**772,056**	**772,056**
3.2.	loans to retail customers	**-**	**-**	319,933	**319,933**	**319,933**
3.3.	mortgage loans	**-**	**-**	455,078	**455,078**	**455,078**
4	**Other financial assets**	**-**	**-**	**134,635**	**134,635**	**134,635**
4.1.	Receivables on transactions with payment cards	-	-	13,608	**13,608**	**13,608**
4.2.	Receivables on transactions with other financial instruments	-	-	27,042	**27,042**	**27,042**
4.3.	Receivables on unrecovered transfers paid to individuals	-	-	3,612	**3,612**	**3,612**
4.4.	Receivables on income accrued	-	-	1,746	**1,746**	**1,746**
4.5.	Receivables on loan transactions	-	-	18,369	**18,369**	**18,369**
4.6.	Cash on settlement accounts in other banks	-	-	722	**722**	**722**
4.7.	Cash on settlement accounts of legal entities	-	-	66,536	**66,536**	**66,536**
4.8.	Other financial assets	-	-	3,000	**3,000**	**3,000**
5	**Total assets**	**4,864,453**	**980,592**	**7,164,428**	**13,009,473**	**13,009,473**
II	LIABILITIES					
6	**Due to customers**	**-**	**-**	**12,033,118**	**12,033,118**	**12,033,118**
6.1.	government and non-government organisations	-	-	29,743	**29,743**	**29,743**
6.2.	other legal entities	-	-	9,321,102	**9,321,102**	**9,321,102**
6.3.	individuals	-	-	2,682,273	**2,682,273**	**2,682,273**
7	**Other financial liabilities**	**-**	**-**	**179,057**	**179,057**	**179,057**
7.1.	Payables on transactions with payment cards	**-**	-	803	**803**	**803**
7.2.	Payables on transactions with foreign currency	**-**	-	4	**4**	**4**
7.3.	Suspense loans	**-**	-	528	**528**	**528**
7.4.	Due to banks	**-**	-	39,393	**39,393**	**39,393**
7.5.	Payables to customers	**-**	-	1,451	**1,451**	**1,451**

7.6.	Payables on lending transactions	-	-	2,359	**2,359**	**2,359**
7.7.	Accrued expenses	-	-	168	**168**	**168**
7.8.	Cash on settlements	-	-	82,952	**82,952**	**82,952**
7.9.	Equity instrument containing write-off/conversion clauses	-	-	51,399	**51,399**	**51,399**
8	Subordinated debt	-	-	64,203	**64,203**	**64,203**
9	**Total liabilities**	-	-	**12,276,378**	**12,276,378**	**12,276,378**

Note 34. Subsequent events

The military aggression of the Russian Federation against Ukraine, which began on 24 February 2022, continues.

In the preparation of the financial statements, the Bank exercises the professional judgment regarding the ability to continue as a going concern in the context of martial law.

Between the date of preparation of the balance sheet and the date of approval of the Bank's financial statements for the year ended 31 December 2024, a land plot was sold, which was part of the investment property accounted for on the Bank's balance sheet as at 31 December 2024. By the end of Q1 2025, the Bank plans to sell all of its investment properties.

There were no other significant events that occurred between the date of preparation of the interim balance sheet and the date of approval of the Bank's financial statements for the year ended 31 December 2024 that require adjustments and might impact the economic decisions of users.

Approved for issuance and signed on 28 March 2025.

Chairperson of the Management Board — Serhiy MAMEDOV

Chief Accountant — Alina LIPATOVA

MANAGEMENT REPORT

(annual management report)

The Management Report of JSC "CB "GLOBUS" (annual management report) presented below has been developed in accordance with the requirements of the current legislation of Ukraine, namely: Section IV and paragraph 7, Section IV of "Instruction on the procedure for preparation and publication of financial statements of Ukrainian banks", approved by Resolution of the Board of the National Bank of Ukraine No. 373 dated 24 October 2011 (as amended.

General information about the Bank

JOINT STOCK COMPANY "COMMERCIAL BANK "GLOBUS"" was established in 2007 .
Date of state registration: 29.11.2007.
The full name of the Bank is JOINT STOCK COMPANY "COMMERCIAL BANK "GLOBUS".
The abbreviated name of the Bank is JSC CB GLOBUS.
Certificate of registration of a legal entity, series A01, No. 482233.
The entry number in the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations is 1 069 102 0000 022596, date – 29.11.2007.
The Bank's legal address: 19/5 Kurenivsky Lane, Kyiv 04073, Ukraine.
On 28 December 2018, the type of joint-stock company of the Bank was changed (from public to private), and the name of the Bank was also changed to JOINT-STOCK COMPANY "COMMERCIAL BANK "GLOBUS".
In connection with the above changes, JSC CB GLOBUS received a new banking license No. 240 on 21 January 2019, which provides for the provision by the Bank of services specified in Part 3 of Article 47 of the Law of Ukraine "On Banks and Banking Activity".
The Bank also has the appropriate licenses to conduct professional activities on the stock market of Ukraine, issued by the National Securities and Stock Market Commission:

Type of activity	License number	Date of issue	State authority that issued the license
Professional activity in the capital markets in the field of trading in financial instruments, which includes brokerage activities	AB263177	17.07.2013	The National Commission on Securities and Stock Market
Professional activity in the capital markets with trading in financial instruments, which includes dealer activity	AB263178	17.07.2013	The National Commission on Securities and Stock Market
Depository activities of a depository institution	AE263375	24.09.2013	The National Commission on Securities and Stock Market
Custodian of collective investment institutions' assets	Resolution 1061	04.11.2021	The National Commission on Securities and Stock Market
Subbrokerage activities	Resolution 420	23.06.2021	The National Commission on Securities and Stock Market

1. NATURE OF BUSINESS

1.1. Description of the external environment in which the Bank operates

Macro environment

Real sector of the economy

Ukraine's economy keeps recovering due to significant international support and the high adaptability of businesses and households to wartime conditions. According to the NBU's estimates, Ukraine's real GDP grew by 3.4% in 2024.

Enterprises are gradually adapting to the wartime conditions, including to power outages. A significant number of trade enterprises are provided with autonomous power supply, and the online business segment is also growing. In addition, state support played a significant role in the recovery of the economy. The country has a State Strategy "Made in Ukraine" in place, which aims to attract investments for the development of Ukrainian manufacturers, increase the output of products with high added value, and stimulate demand for Ukrainian goods. A number of state programmes have been introduced as part of this policy:

- A number of programmes for small and medium-sized businesses implemented through the Entrepreneurship Development Fund: "Affordable Loans 5-7-9%", "Affordable Financial Leasing", "Affordable Factoring 5-7-9", etc.;
- Compensation programme for farmers for the purchase of Ukrainian-made machinery and equipment (up to 25% of the cost);
- Programme for compensation of 15% of the cost for the purchase of Ukrainian-made energy, construction, wheeled and special equipment;
- Programme to support small farmers for land cultivation and keeping cattle and small livestock (extended to 2025);
- The "eOselya" affordable mortgage lending programme, which stimulates the development of construction, production of building materials, and related industries;
- The "eRobota" programme: government grants for starting or developing a business, including a programme for veterans, grants for the development of processing enterprises, and grants to farmers.

For small and micro businesses, consultations on support programmes are available at the regional offices of "Made in Ukraine." This is a network of spaces that will provide a full range of services — from information to practical assistance.

In addition, "localisation" has been introduced in tender procedures: the purchase of urban transport, municipal equipment, railway transport and energy engineering products requires that the Ukrainian component in the purchased equipment must be at least 20%. The government plans to further expand localisation requirements to new categories of goods, including defense procurement.

As part of the "School Bus" programme, the government annually allocates about UAH 1 billion to the budget for the purchase of Ukrainian-made school buses, which, in addition to its social function, stimulates the Ukrainian engineering sector.

Attention is paid to the development of industrial parks: a special programme provides for financing up to UAH 150 million to ensure the construction of the necessary infrastructure for industrial parks. The funds are provided on a non-refundable basis, covering up to 50% of the estimated costs.

There are also a number of projects of international organisations in Ukraine through which grant resources for business development can be attracted.

Special attention should be paid to the availability of loan programmes aimed at supporting the energy sector and ensuring the energy sustainability of Ukrainian businesses. To the same end, there are loan programmes of leading commercial banks at 13% per annum (in accordance with the signed Memorandum), as well as lending programs for eco-companies from the Entrepreneurship Development Fund and UNDP.

Investments, including state investments, continued to grow, which also supported GDP growth.

Investment demand was fuelled by government capital spending on the military and related projects (weapons production, construction of fortifications and shelters), as well as on destruction relief and other repairs. An additional factor behind the growth in investment was the compensation of the cost of damaged property to the population through government programmes. At the same time, due to improved financial results, investments by private sector enterprises in the development of logistics capacities and their own energy independence continued to increase. Investments in the extraction of energy resources (in particular, gas and oil production) also continued to grow.
Steady consumer demand in 2024 was driven by social programmes, real wage growth (up 14.2% yoy in Q3 2024), and high payments to the military. The steady consumer demand also stimulated economic growth, primarily through growth in trade and the services sector.
However economic growth has slowed compared to 2023. Apart from smaller harvests and weaker-than-expected external demand, the causes of this were the materialisation of risks of more intensive hostilities and Russia increasing its air attacks. The persistence of high security risks also restrained the return of migrants and led to a significant labour shortage.
There are also disruptions in the logistics of delivering materials and finished products. This affects not only businesses operating in the domestic market, but also exporters - not only do exports face complications related to the blocking of borders and ports, but also additional logistics costs, for example, freight and insurance rates for vessels and cargo entering our ports have increased due to the likelihood of shelling.
Mining industry enterprises face difficulties (the territories with coal production are partially occupied or within the active hostilities areas). The energy sector is experiencing significant downtime as it is constantly under fire, while power outages are hindering the full-scale operation of all enterprises.
The agricultural sector is facing a difficult time as a result of the hostilities, with some areas being unusable for agriculture, disrupted logistics, higher production costs and export expenses, which leads to lower harvests and reduced livestock numbers. In addition, there are complications associated with damage to crop storage facilities and periodic power outages.
Thus, practically every industry is suffering from military actions in one way or another. So it is natural that the GDP growth rate has slowed down.
Given the security risks and the difficult situation on the labour market, the NBU has lowered the real GDP growth forecast for 2025 to 3.6%. At the same time, the NBU's baseline forecast still assumes a gradual return of the economy to normal operating conditions. In 2026-2027, economic growth is expected to accelerate moderately to around 4%.

Inflation

Ukraine has entered a full-scale war with consumer inflation at 10% year-on-year.
The Russian invasion caused a significant acceleration of inflation that reached its peak at 26.6% yoy in October 2022. At the end of 2022 and throughout 2023, inflation was controlled thanks to the stabilisation of the economic situation, the NBU's competent actions, and the refusal to finance the budget by printing hryvnia. The slowdown in inflation was also influenced by the record harvests of 2023.
In 2024, the inflation rate was 12%. Core inflation - inflation reached 10.7%, in particular due to a sharp rise in food prices (due to lower harvests than in previous years) and service prices (12.5% yoy in December).
This was driven by higher business costs for raw materials, supplies, and electricity, as well as higher wages amid a persistent shortage of personnel.
On 23 January 23 2025, the NBU increased the discount rate to 14.5%, and on 7 March 7 2025, the NBU increased the discount rate for the second time to 15.5% in order to reverse the inflation trend and achieve its slowdown in 2025.
According to the NBU's forecasts, inflation will likely continue to rise in the first months of 2025. However, the NBU expects that due to the exhaustion of temporary factors of price pressure and the NBU's interest rate and exchange rate policy measures, inflation will slow down to 8.4% in 2025 and to the 5% target in 2026.

Foreign economic activity

Exports and imports of goods

Based on the preliminary data from the NBU, in 2024, revenues from the exports of goods increased by 12% compared to 2023, while the imports increased by 8.14%. The negative balance of foreign economic activity increased by USD 992 million (by 3.4%), but the export-to-import ratio increased slightly (56.34% vs. 54.34% in 2023). For comparison: before the war (in 2021), this indicator was 90.48%.

Dynamics of exports and imports of goods

Period	2021	2022	2023	2024
Exports of goods for the period (USD mn)	63,113	40,899	34,678	38,879
export dynamics		-35.20%	-15.21%	12.11%
Imports of goods for the period (USD mn)	69,755	55,551	63,813	69,006
import dynamics		-20.36%	14.87%	8.14%
Foreign trade balance	-6,642	-14,652	-29,135	-30,127
Export-to-import ratio	90.48%	73.62%	54.34%	56.34%

Source: NBU data (preliminary)

Export revenues in 2024 amounted to 61.6% of the same in 2021.

The main exports are food products and raw materials for their production, accounting for 63.4% of total export volumes. These exports in 2024 increased by 12.1% and amounted to 89.09% of the the same 2021.

Metallurgical products also account for a significant share of exports, 11.4%. Compared to 2023, their share in the exports increased by 2 pp. After the start of the war, in 2022, the export volumes of this type of product dropped by 62.6% compared to 2021, and in 2023 - by another 33.9%. In 2024, exports partially recovered (13.7%), but due to power outages, lower global metal prices and reduced demand, export growth was not very significant, and its volume for the year was only 28% of 2021.

Commodity structure of exports, %

Type of goods/% of total exports	2023	2024
Food products and raw materials for their production	63.5	63.4
Ferrous and non-ferrous metals and products	11.2	11.4
Mineral products	6.5	8.1
Machinery, equipment, vehicles and appliances	6.2	5.2
Wood and wood products	5.0	4.3
Products of the chemical and related industries	3.8	3.9
Miscellaneous (including informal trade)	2.2	2.3
Industrial products	1.6	1.5
Total	100	100

Source: NBU data (preliminary)

Revenues from the exports of mineral products (minerals) in 2024 amounted to 8.1% of the total volume (versus 6.5% in 2023). The over-the-year growth was 38.7%. After a decline for 2 consecutive years (by 47.8% in 2012 and another 45% in 2013), the increase in exports was made possible by the launch of the Black Sea shipping corridor. Revenues from the exports of this type of goods in 2024 amounted to 39.8% of the same in 2021.

Exports of mechanical engineering products in 2024 accounted for 5.2% of the total export revenue. The decline had been observed for 3 consecutive years, but after a significant drop in 2022 (by

40.3%), the rates of decline in 2023 and 2024 were significantly lower (5.7% and 6.4%, respectively). Export revenues from mechanical engineering products in 2024 amounted to 52.7% of the volume of pre-war 2021.

Revenues from exports of wood and wood products amounted to 4.3% of the total revenues from exports of goods. They also show a decline over the course of 3 years. In 2024, the decrease in the volumes was less significant than in previous years (-3.44%), while the decrease in export revenues in 2023 amounted to 18.8%, and in 2022 - almost 15%.

In January-December 2024, revenues from wood exports amounted to 66.6% of 2021.

Exports of chemical products accounted for 3.9% of total revenues from exports of goods in 2024. For the first time since the beginning of the war, they demonstrated growth (+13.5%) and the revenues in 2024 amounted to 47.5% of the same in 2021.

In summary, we can conclude that while foreign trade continues to stabilise, its volumes are still below the level of 2021. The recovery in export revenues was particularly driven by the European Union's decision to suspend import duties and quotas on Ukrainian exports. Currently, the decision to suspend the duties and quotas is in effect until 05.06.2025.

Imports (in monetary terms) in 2024 increased by 8.14% compared to 2023 and amounted to 98.9% of the same in 2021.

The main component of imports is machine-building products, accounting for 35.4% of total import expenditure in 2024. During 2023 and 2024, imports increased (by 32.1% in 2023 and by 24.9% in 2024), particularly due to the purchase of energy equipment and other equipment for the restoration of industrial enterprises and the development of the defense industry. In 2024, imports of this type of goods exceeded the 2021 numbers by 11.97%.

Chemical industry products are also actively imported, comprising 17.2% of the total volume for 2024 (+6.48 compared to 2023 and 82.5% compared to 2021).

Structure of imports of goods, %

Type of goods/share of total import revenue	2023	2024	Change in share of total volume
Machinery, equipment, vehicles and appliances	30.7	35.4	4.8
Products of chemical and related industries	17.5	17.2	-0.3
Mineral products	16.3	12.9	-3.3
Miscellaneous (including informal trade)	13.1	11.6	-1.5
Food products and raw materials for their production	10.9	11.0	0.2
Ferrous and non-ferrous metals and products	5.1	5.5	0.4
Industrial products	5.0	4.7	-0.3
Wood and wood products	1.5	1.6	0.1

Source: NBU data (preliminary)

Imports of mineral products (minerals) decreased in 2024, amounting to 12.9% of the total (vs 16.3% in 2023). Imports of this group of goods have been decreasing for 3 consecutive years and in 2024 amounted to 63.8% of the volumes of 2021. This trend was driven, among other things, by a decrease in coal imports due to the availability of sufficient reserves.

Imports of food products accounted for 11% of total imports in 2024 (+9.86% in volume compared to 2023 and 99.3% of the volume in 2021).

Imports of metallurgical products amounted to 5.5% of the total volume and 89.9% of the volume for 2021. In 2024, there was an increase in import volumes by 15.9%, in 2023 - by 31.6% (after a drop in 2022 by 41%).

The NBU expects imports to grow at a high rate amid strong demand from the defence sector and further restoration of infrastructure and production capacity. High demand is expected primarily for imports of mechanical engineering, chemical and metallurgical products. Also, steadily high imports of electricity (given the significant damage to the power grid) and imports of petroleum products are expected. In addition, due to the suspension of mines in Pokrovsk, imports of coking coal will increase to ensure domestic production of metals.

Based on the NBU Inflation Report for January 2025, negative net exports (excess of imports over exports) are expected to increase in 2025 compared to 2024. This is due to the expected decrease in physical exports in 2025 as a result of low stocks of last year's corn and sunflower crops and problems with the supply of coking coal to metallurgical enterprises due to the suspension of mines in Pokrovsk. In addition, weak economic activity in Europe and China will restrain the growth of ore exports. From 2026, the gradual improvement in economic activity in Europe will contribute to an increase in physical exports of goods. However, the growth rate will remain low due to limited production capacity, the gradual recovery of domestic consumption, increased competition in external markets, and labour shortages. Therefore, in the coming years, the excess of imports over exports will gradually decrease, but still remain significant.

Exports and imports of services

In 2024, revenue from exports of services amounted to USD 17,225 million, which exceeded the same in 2023 by 4% and accounted for 93.7% of the exports in 2021.

Computer services make up the bulk of service exports. In 2024, they comprised 37% of total revenue from service exports and reached 92.9% of the volume in 2021.

In 2021, they grew by 6%, in 2022 - by 8%, and in 2024 - by 4%.

Transportation services also have a significant share of export revenues, comprising 23.69% of the total volume in 2024. Freight services are mainly exported, with pipeline transport accounting for the most significant share of the exports. In 2022 and 2023, there was a drop in exports for these types of services, and in 2024 there was an 8% increase in revenues, which amounted to 85.71% of the volume in 2021.

In addition, technical, trade and other business services accounted for a significant share of service exports, comprising 11.61% of the total service exports in 2024.

A decrease in revenues from these types of services was observed only in 2022. The growth was 26% in 2023 and 11% in 2024. At the same time, revenues from exports of this type of services in 2024 exceeded the same in 2021 by 27.4%.

Imports of services in 2024 amounted to USD 22,799 million (58% above 2021). In 2022, there was a 92% increase in imports, followed by a gradual decrease in 2023 and 2024 (-8.51% and -10.05%, respectively).

The major share of imports of services is travel services (62.47% of the total, including 48.32% of imports of personal travel services) . In 2022, imports of this type of services tripled. In 2023 and 2024, they decreased, but still, according to the results of 2024, they are 2.7 times higher than in 2021. The increase in imports of this type of services after the outbreak of war is explained by the migration of a significant number of Ukrainian citizens abroad. The decline in 2023 and 2024 is due, among other things, to the gradual assimilation of forced migrants in other countries and their loss of ‘residence’.

Also, a significant share of imports of services falls on transport (14.55%, including the share of freight transport services is 9.21% of the volume of imports of services). At the same time, the largest volume of transport services comes from maritime freight transport (5.52% of total imports of services). The volume of imports of this type of service in 2024 was 17% higher than in 2021. After dropping by 12% in 2022, it grew by 18% and 13% in 2023 and 2024, respectively.

General dynamics of imports and exports of goods and services

In 2024, the exports of goods and services amounted to 68.84% of the same in 2021. At the same time, revenues from exports of goods accounted for almost 70% of the total volume of exports.

Movements in exports of goods and services

Period	2021	2022	2023	2024	Structure in 2024	2024 vs 2021
Exports of goods for the period (USD mn)	63,113.00	40,899.00	34,678.00	38,879.00	69.30%	61.60%
Exports of services for the period (USD mn)	18,391.00	16,618.00	16,602.00	17,225.00	30.70%	93.66%
Exports of goods and services, total	81,504.00	57,517.00	51,280.00	56,104.00	100.00 %	68.84%
Dynamics		-29.43%	-10.84%	9.41%		

Source: NBU data (preliminary)

Imports of goods and services in 2024 exceeded the figure for 2021 by 9%. At the same time, imports of goods accounted for 75.17% of the total volume of imports.

Movements in exports of goods and services

Period	2021	2022	2023	2024	Structure in 2024	2024 vs 2021
Exports of goods for the period (USD mn)	69,755.00	55,551.00	63,813.00	69,006.00	75.17%	98.93%
Imports of services for the period (USD mn)	14,420	27,703	25,346.00	22,799.00	24.83%	158.11%
Imports of goods and services, total	84,175.00	83,254.00	89,159.00	91,805.00	100.00%	109.06%
Dynamics		-1.09%	7.09%	2.97%		

Source: NBU data (preliminary)

The overall foreign trade balance remained negative, but the ratio between exports and imports increased compared to 2023 (it was 61.11% versus 57.52%).

Movements in the total foreign trade balance by goods and services

Indicator	2021	2022	2023	2024
Exports of goods and services, total	81,504.00	57,517.00	51,280.00	56,104.00
Imports of goods and services, total	84,175.00	83,254.00	89,159.00	91,805.00
Foreign trade balance	-2,671.00	-25,737.00	-37,879.00	-35,701.00
Export-to-import ratio	96.83%	69.09%	57.52%	61.11%

Source: NBU data (preliminary)

Labour market

Due to active migration processes that arose as a result of a full-scale war, a significant part of the population of Ukraine is abroad (according to various estimates, 6 to 7 million Ukrainian citizens). High security risks, constant shelling and destruction, and persistent electricity shortages have a negative impact on the quality of life of Ukrainians, leading to further outward migration. During 2024, the outflow of migrants from Ukraine continued, totalling about 0.5 million people for the year, which was in line with the NBU forecasts. This gives grounds for not changing the assumptions regarding the further dynamics of migration. In 2025, the net outflow of outward migrants is expected to continue (about 0.2 million people), while in 2026, according to forecasts, the net return of migrants to Ukraine (about 0.2 million people) is expected, accelerating in 2027

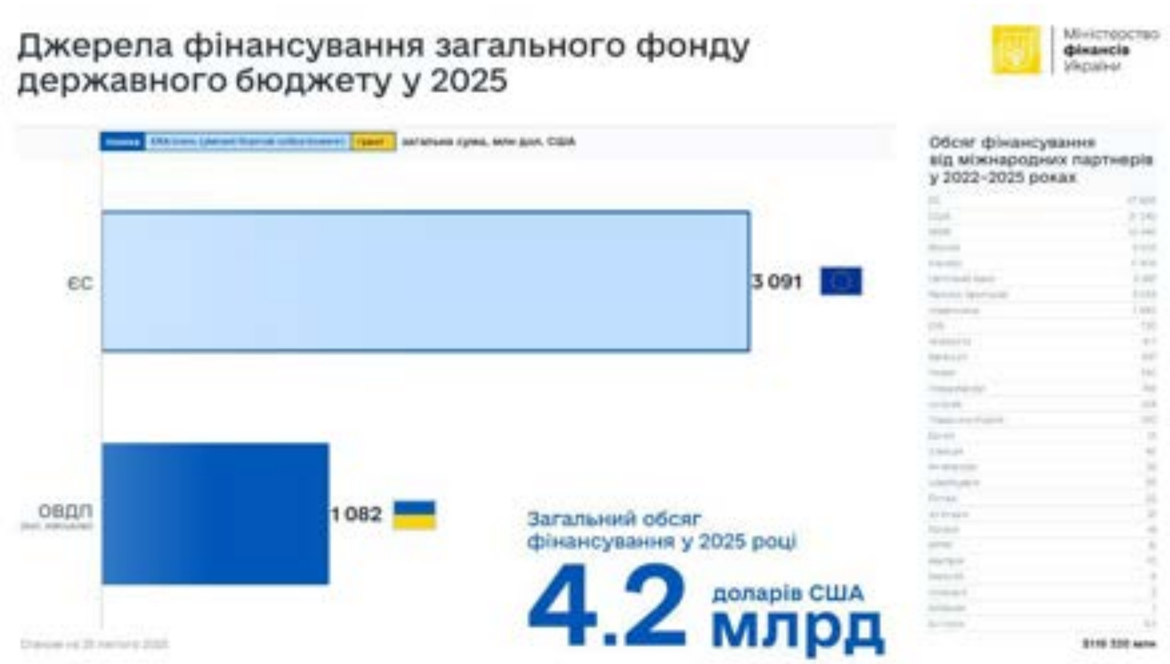
(about 0.5 million people).
Due to population migration, as well as due to the ongoing mobilisation, there is a significant shortage of qualified workers, primarily men. The problem of labour shortages worsened throughout 2024, which provoked employers to increase salaries in order to encourage specialists to cooperate. Already in Q3 2024, real wages exceeded pre-war levels in most types of business.
There is a significant disparity between the needs of employers and the knowledge and skills of potential employees. As a result, the burden per vacancy in 2024 was even lower than in 2021, although there is a significant regional disparity in unemployment rates, which is high in regions close to the hostilities. In regions where there is a lack of qualified male specialists, some women have begun to master traditionally male professions. But the shortage of personnel persists and, according to the NBU forecasts, will remain significant in the coming years, which will limit the recovery of the economy. Even if the hostilities cease and the economy returns to normal, the shortage of staff is likely to persist due to the insufficient return of migrants to Ukraine. Thus, based on the findings of a study conducted by the Centre for Economic Strategy (CES), forced migrants are gradually adapting to their new place of residence, and fewer and fewer of our compatriots who have left abroad are planning to return to Ukraine. According to the results of a survey conducted in November-December 2024, at the time of the survey, 43% of Ukrainian refugees intended to return compared to 52% in January 2024 and 74% in December 2022. Both military and economic factors are the main obstacles to refugees' return, including the deteriorating security situation in Ukraine, the uncertainty about the duration of the war and the conditions for its end, destroyed housing, low living standards, etc. Thus, according to CES estimates, even after the end of the war, from 1.7 to 2.7 million Ukrainians may remain abroad. Currently, the majority of Ukrainian refugees abroad are women and children, but if martial law is lifted and the borders are opened, migration processes may increase due to men going abroad to reunite their families, as well as due to the resumption of labour migration.
In the event of a cessation of hostilities, the expected return of demobilised personnel to civilian life will increase the labour supply. However, if demand for workers increases amid the post-war recovery, regional and sectoral imbalances may increase. Therefore, the demand for qualified workers will remain high over the forecast horizon. This will determine a further increase in wages in the private sector, which, in turn, will contribute to the growth of consumer demand. The rapid achievement of a just and lasting peace for Ukraine will stimulate the return of Ukrainians from abroad, which will also increase the number of qualified specialists in Ukraine. A change in the policy of recipient countries towards Ukrainian migrants and the proactive policy of the Ukrainian government regarding the return of migrants home may also revive the migration inflow. However, in the event of an exacerbation of the hostilities, the risk of deepening negative trends in the labour market will increase.
State budget
Since the beginning of the full-scale invasion, all of Ukraine's own state budget revenues have been used to finance defence, with such expenditures accounting for approximately one-half of the budget. Ukraine finances all of its state budget social expenditures through foreign financial assistance. According to the Ministry of Finance of Ukraine, as at 25 February 2025, Ukraine had received USD 118.32 million in financial assistance since the beginning of the war.
In total, the deficit of the consolidated budget in nominal terms in 2024 exceeded the level of 2023 and reached UAH 1,826 billion (excluding grants in revenues) and amounted to 23.7% of the GDP (2023: 26.6% of the GDP).
The NBU expects the budget deficit to remain significant with a gradual narrowing over the forecast horizon. The significant needs of the defense sector determine the maintenance of a high level of the budget deficit for 2025. According to the NBU forecasts, the budget deficit will gradually decrease (from 19.3% of GDP in 2025 excluding grants in revenues to 7% of GDP in 2027) due to the strengthening of the domestic resource base and the reduction of the ratio of government expenditures to the size of the Ukrainian economy. However, there are still high risks that the NBU will need to increase spending on defence and infrastructure.

Budget revenues remain sensitive both to the course of military events (in particular, due to damage to infrastructure and a decrease in production due to destruction) and to other potential shocks (for example, blocking the western borders). Given that Ukraine's own budgetary resources are allocated to military needs, which will remain high in 2025, a number of tax initiatives have been implemented to increase the budgetary resources, which, according to the Ministry of Finance of Ukraine, will generate additional tax revenues of UAH 140 billion in 2025. The innovations include an increase in the rates of certain taxes (in particular, military tax, income tax on banks and non-banking financial institutions, etc.). The approved measures to mobilise budget revenues and the planned amount of borrowings will ensure that the significant expenditures on the defence sector and social obligations of the Ukrainian budget are met.

Defence is expected to remain a key area of expenditure, with defence and security spending accounting for 56% of total expenditure (or 26% of the GDP). Although social programmes continue to be a priority area, basic social standards are maintained at the 2024 level, and transfers to the Pension Fund have been reduced. At the same time, pension indexation and additional payments to school teachers are planned, population support programmes launched in 2024 are maintained, and funds are provided for compensation for damaged property and the "e-Recovery" programme. Economic activity will also be supported by public investment spending and assistance from the Entrepreneurship Development Fund (in particular, for providing preferential loans under the "5-7-9%" programme).

The sources of financing for the state budget for 2025 are military bonds, loans from international financial organisations, as well as bilateral loans and grants.

Sources of financing of the state budget general fund in 2025



Financing from international partners in 2022-2025

- EU – 47 908
- USA – 31 240
- IMF – 12 455
- Japan – 8 526
- Canada – 5 406
- World Bank – 5 287
- UK – 3 034

- Germany – 1 690
- EIB – 720
- Norway – 517
- France – 437
- Italy – 330
- Netherlands – 318
- Spain - 104
- South Korea – 100
- Denmark – 51
- Sweden – 49
- Finland – 36
- Netherlands - 36
- Lithuania - 22
- Ireland - 21
- Latvia – 16
- CEB – 11
- Austria – 10
- Belgium - 8
- Iceland – 2
- Albania – 1
- Estonia – 0.1

Source: data from the Ministry of Finance as at 25 February 2025. https://www.mof.gov.ua/uk/news/ukraines_state_budget_financing_since_the_beginning_of_the_full-scale_war-3435

The state budget deficit is planned to be almost entirely financed by international aid (UAH 1,746 bn or USD 38.8 bn).

Therefore, the dependence on international partners remains very significant. Given the uncertainty of US aid, significant progress has been made recently in implementing the ERA programme. For instance, in December 2024, Ukraine already received USD 1 bn from the US, and in January 2025, another EUR 3 bn from the EU. On 1 March 2025, Sergii Marchenko, Minister of Finance of Ukraine, and Rachel Reeves, Chancellor of the Exchequer of the United Kingdom, signed an agreement to provide Ukraine with GBP 2.26 bn (approx. USD 3 bn) under the G7 ERA initiative of the G7 countries totalling USD 50 bn. The loan will be serviced and repaid at the expense of future profits received from immobilised Russian sovereign assets.

It is assumed that part of the international assistance funds under the ERA programme in 2025 may be allocated to military needs. Receiving funds under other support programmes will require fulfillment of the conditions stipulated by the relevant programmes. Fulfilling these conditions will demonstrate Ukraine's readiness to honour its commitments and implement reforms despite the challenges of war. Under these conditions, the amount of international support will be sufficient to fully and non-issue finance the deficit and maintain a stable situation on the FX market under a regime of managed exchange rate flexibility.

Significant gross domestic borrowings are planned for 2025 (over UAH 579 bn); however, net borrowings will amount to only UAH 17 billion (rollover – 103%). This volume of net borrowings indicates a balanced approach to the capabilities of the domestic debt market and the burden on debt servicing expenditures. In addition, there is room for the accumulation of additional resources in case of unforeseen events.

Public debt and government-guaranteed debt

According to the Ministry of Finance of Ukraine, as at 31 December 2024, Ukraine's public and publicly guaranteed debt amounted to UAH 6,980.96 billion, or USD 166.06 billion. Including:

– public and state-guaranteed external debt of UAH 5,048.48 bn, or USD 120.09 bn (72.32% of the total public and publicly guaranteed debt);
– public and state-guaranteed domestic debt of UAH 1,932.49 bn, or USD 45.97 billion (27.68% of the total).
Ukraine's public debt amounted to UAH 6,692.45 bn (95.87% of the total public and publicly guaranteed debt), or USD 159.20 bn.
The public external debt amounted to UAH 4,829.32 bn (69.18% of the total public and state guaranteed debt), or USD 114.88 bn.
The state domestic debt amounted to UAH 1,863.13 bn (26.69% of the total public and publicly guaranteed debt), or USD 44.32 bn.
Ukraine's publicly guaranteed debt amounted to UAH 288.51 bn (4.13%), or USD 6.86 bn, including: publicly guaranteed external debt of UAH 219.15 bn (3.14%), or USD 5.21 bn; publicly guaranteed domestic debt of UAH 69.36 bn (0.99%), or USD 1.65 bn.
During 2024, the amount of Ukraine's public and publicly guaranteed debt increased in hryvnia equivalent by UAH 1,461.33 bn, and in US dollar equivalent, public and publicly guaranteed debt increased by USD 20.74 bn.

Public and publicly guaranteed debt of Ukraine, UAH bn

Date	Total debt volume	Total debt of the speaker	Domestic debt volume	External debt volume
As at 31 December 2021	2,672.06		1,560.46	1,111.60
As at 31 December 2022	4,075.57	52.53%	2,613.68	1,461.89
As at 31 December 2023	5,519.64	35.43%	3,863.14	1,656.50
As at 31 December 2024	6,980.96	26.48%	5,048.48	1,932.49
As at 31 December 2025	7,068.00	1.25%	5,141.34	1,926.66

Source https://www.mof.gov.ua/uk/derzhavnij-borg-ta-garantovanij-derzhavju-borg

As at 31 December 2024, the public and publicly guaranteed debt comprised the total of external (72.32%) and internal (27.68%) debt. Compared to 31 December 2021 (before the outbreak of the war), the public and publicly guaranteed debt as at 1 December 2024 increased by 2.6 times.
At the same time, the largest part of public and publicly guaranteed debt consists of loans received from international financial organisations and foreign governments (49.88% of the total debt as at 31 December 2024).
The share of securities issued on the domestic market was 26.73% of public and guaranteed debt, while the share of securities issued on the foreign market was 9.66%.
The share of loans received from commercial banks and other financial institutions was 1.95%.

Banking sector

Sector structure

Movements in key structural indicators

Indicator	1 January 2022	1 January 2023	1 January 2024	1 January 2025	Dynamics for 2024	Dynamics since the outbreak of the war
Number of operating banks	71	67	63	61	-2	-10
including: banks with foreign capital	33	29	27	26	-1	-7

including those with 100% foreign capital	23	22	19	19	0	-4
Number of operating branches	6,685	5,336	5,138	5,011	-127	-1,674

Source: NBU data (main performance indicators of Ukrainian banks)

In 2024, the number of banks decreased by two banks. Bank "PORTAL" and "Alpari Bank" ceased banking activities by decision of the owners. Also, on 4 February 2025, a decision was made to liquidate Cominvest Bank.

In just three years of war, the banking system of Ukraine lost 10 banks (8 - liquidated, 2 - operations ceased by decision of shareholders). Of the 8 liquidated banks, 3 were banks with foreign capital. These included 2 banks that belonged to the aggressor state (the Russian Federation) or its citizens (JSC "International Reserve Bank" and JSC "BANK FORWARD"). Also, "Sense Bank" with foreign capital (mainly Russian) was bought out by the Ukrainian state.

The reasons for the liquidation of other banks were as follows:

- failure to comply with regulations of the NBU (in 2 banks - JSC "Megabank" and JSC "Ukrbudinvestbank");
- systematic violations in the field of financial monitoring (JSC "IBOX BANK" and JSC "JSCB "CONCORD");
- failure to fulfill its obligations to the NBU under refinancing loans (JSC "BANK SICH").

The number of operating bank branches decreased by 25% (minus 1674 branches), including 127 branches in 2024. The suspension of branch operations was mainly observed in the occupied territories and in territories where hostilities and/or massive bombings are ongoing. Thus, as at 1 January 2025, operations of 886 bank units was temporarily suspended. Of these, 659 were in Donetsk and Luhansk regions, 90 in Zaporizhzhia region and 69 in Kherson region. In addition, 424 branches were closed due to the liquidation of banks.

Bank assets

Since 1 January 2018, 20 banks accounted for over 90% of the banking system's net assets.

Asset concentration of TOP 20 banks

Date	1 January 2018	1 January 2019	1 January 2020	1 January 2021	1 January 2022	1 January 2023	1 January 2024	1 January 2025
Share of assets of TOP 20 banks	90.7%	91.0%	92.2%	91.51%	90.01%	92.7%	93.1%	93.4%

NBU data (Banking Sector Reviews)

The share of state-owned banks in net assets increased by 0.4 percentage points during the year, primarily due to the transfer of 2 banks to this category.

Structure of net assets by banking groups

Date	State-owned	Foreign	Private	Privatbank
31 December 2017	35.5%	31.1%	14.0%	19.4%
31 December 2018	34.0%	30.4%	14.8%	20.7%
31 December 2019	34.2%	29.8%	15.0%	21.0%
31 December 2020	31.3%	30.2%	17.3%	21.2%
31 December 2021	26.9%	31.1%	22.1%	19.8%
31 December 2022	27.2%	29.5%	19.9%	23.4%
31 December 2023	30.3%	26.0%	20.5%	23.3%
31 December 2024	30.7%	25.9%	20.8%	22.6%

Source: Banking Sector Survey for February 2025

Loans granted to non-financial corporations, UAH mn

Period	Total	Including by currency			
		UAH	USD	EUR	Other currencies
1 January 2022	752,324	484,060	199,014	69,221	29
1 January 2023	754,371	504,306	175,865	74,163	38
Dynamics 2022/2021	0.27%	4.18%	-11.63%	7.14%	30.31%
1 January 2024	735,295	495,414	163,808	76,001	73
Dynamics 2023/2022	-2.53%	-1.76%	-6.86%	2.48%	93.36%
1 January 2025	782,219	531,409	173,445	77,291	75
Dynamics 2024/2023	6.38%	7.27%	5.88%	1.70%	3.16%
Dynamics 2024/2021	3.97%	9.78%	-12.85%	11.66%	159.92%

Source: NBU statistics

According to the monetary statistics of the NBU, in 2024 loans granted to non-financial corporations increased by 6.38%. Growth was observed in all types of currencies. As at the end of 2024, the total corporate loan portfolio exceeds the same as at 1 January 2022 (before the outbreak of the war) by 3.97%. The UAH loans increased by 9.78%, and the USD decreased by 12.85%.

Movements in the structure of the retail loan portfolio (UAH mn)

Date	Commodity loans	Car loans	Loans for purchase, construction and reconstruction of real properties	Other loans	Total
1 January 2022	194,866	19,268	28,560	11,691	254,385
Dynamics for 2021, %	25%	30%	-1%	71%	23%
Structure as at 1 January 2022	77%	8%	11%	5%	100%
1 January 2023	175,601	13,055	21,337	11,112	221,105
Dynamics for 2022, %	-10%	-32%	-25%	-5%	-13%
Structure as at 1 January 2023	79%	6%	10%	5%	100%
1 January 2024	184,373	11,715	26,523	13,859	236,470
Dynamics for 2023, %	5%	-10%	24%	25%	7%
Structure as at 1 January 2024	78%	5%	11%	6%	100%
1 January 2025	223,264	13,989	37,064	17,442	291,760
Dynamics for 2024,%	21%	19%	40%	26%	23%
Structure as at 1 January 2024	77%	5%	13%	6%	100%
Dynamics compared to 1 January 2022	15%	-27%	30%	49%	15%

Source: NBU monetary and credit statistics data

In 2024, the total loans issued to individuals increased by 23%. The largest growth was observed in real property loans (+40%, mainly due to the work of the e-Housing programme). Compared to 1 January 2022, the volume of the loan portfolio as at 1 January 2025 increased by 15%. A decrease compared to the "pre-war" period was observed only in the car loan portfolio.

Share of non-performing loans, % (in solvent banks)

Date	All banks	State-owned	Private	Foreign	Non-performing assets covered by provisions
31 December 2021	30.0%	27.4%	9.4%	6.7%	91.6%
31 December 2022	38.1%	41.1%	23.6%	18.9%	83.2%
31 December 2023	37.4%	50.9%	16.00%	15.9%	83.6%
31 December 2024	30.3%	43.97%	12.5%	10.9%	84.9%

Source: NBU statistics and Banking Sector Review for February 2025

The **share of non-performing loans** at the end of the year decreased to 30.3% - by 7 pp . for 2024. The highest share of non-performing loans is observed in state-owned banks. The quality of the loan portfolio has almost equaled the pre-war period. Loans covered by provisions for the year increased by 1.3 pp. The banks' loan portfolios are well secured and provisioned. Based on the findings of the NBU study published in the Financial Stability Report, the regulator noted that, compared to the findings of a similar study conducted by the NBU in 2018, the structure of banks' corporate loan portfolios has significantly improved. Currently, only 14% of loans are provided to clients with unsatisfactory financial indicators (versus 32% in 2018). At the same time, the share of loans with almost excellent performance indicators has increased from 10% to 23%.

Banks' obligations

The structure of banks' liabilities is dominated by funds from individuals and legal entities. In 2024, the share of funds from legal entities increased.

Movements in the structure of banks' liabilities

Date	NBU	Due to corporate customers	Due to individuals	Interbank and IFIs	Settlements with State Budget	Other
31 December 2021	5.3%	44.5%	40.4%	5.0%	0.7%	4.1%
31 December 2022	1.8%	44.1%	43.7%	3.3%	2.6%	4.4%
31 December 2023	0.1%	49.9%	40.9%	2.8%	1.1%	5.1%
31 December 2024	0.1%	51.4%	40.0%	2.5%	1.4%	4.6%

Source: Banking Sector Survey for February 2025

As can be seen from the table below, in 2024, only term deposits of individuals in foreign currency decreased compared to the same as at 1 January 2022. All other items increased. The most significant growth was demonstrated by demand deposits in the national currency - given the uncertainty inherent in wartime, citizens are more actively using demand deposits in order to have greater freedom of disposal of monetary resources.

Movements in due to individuals vs 31 December 2022, %

Date	Demand deposits in national currency	Demand deposits in foreign currency	Term deposits in national currency	Term deposits in foreign currency
31 December 2022	155%	97%	94%	93%
31 December 2023	174%	110%	129%	89%
31 December 2024	196%	120%	141%	84%

Source: Banking Sector Survey for February 2025

The share of foreign currency deposits in banks' liabilities has been decreasing for a significant number of recent years, but in 2022 it increased slightly (due to an increase in the share of foreign currency deposits of legal entities), and in 2023 it decreased and continued to decrease in 2024. The slight increase in the share of foreign currency deposits was observed only with due to individuals seeking to protect their funds from inflation.

Movements in the share of foreign currency deposits

Date	Corporate customers	Individuals	Total due to customers
31 December 2016	42.80%	54.70%	48.10%
31 December 2017	38.10%	50.90%	44.90%
31 December 2018	34.90%	47.30%	41.70%
31 December 2019	36.30%	43.00%	39.80%
31 December 2020	34.10%	41.80%	38.00%
31 December 2021	29.20%	37.10%	32.90%
31 December 2022	33.60%	36.40%	35.00%
31 December 2023	29.2%	34.4%	31.5%
31 December 2024	28.8%	34.9%	31.4%

Source: Banking Sector Survey for February 2025

In 2024, compared to 2021, due to corporate customers in the national currency increased significantly in all groups of banks, most of all in state-owned ones.

Movements in due to corporate customers in the national currency vs 31 December 2021, %

Date	All banks	Private	Privatbank	State-owned	Foreign
31 December 2022	112	109	120	113	110
31 December 2023	169	164	153	178	169
31 December 2024	201	196	170	219	198

Source: Banking Sector Survey for February 2025

Compared to 2021, due to customers in foreign currency increased the most in foreign banks, and the least in state-owned banks.

Movements in due to corporate customers in foreign currency vs 31 December 2021, %

Date	All banks	Private	Privatbank	State-owned	Foreign
31 December 2021	102	102	136	68	123
31 December 2022	120	116	142	93	146
31 December 2023	127	132	136	101	151

Source: Banking Sector Survey for February 2025

Deposit rates

During 2024, the discount rate changed 4 times, fluctuating between 14.5 and 13%. From 15 March 2024 to14 June 2024, it decreased (from 14.5% to 13%), and in December 2024 it began to increase.

The rate on 3-month certificates of deposit exceeded the discount rate in different periods of 2024 by 2 - 4.5 percentage points. New deposit rates increased and decreased during the year in line with the discount rate fluctuations. In 2024, the overall weighted average rate on new deposits of individuals with the maturity of up to 1 year was 12.1% (versus 13.4% in 2023); from one year to 2 years - 12.4% (versus 14.8%); over 2 years - 14.1% (versus 14.6%), which means a slight decrease in the rates versus 2023.

Financial performance

According to the results of 2023 and 2024, the financial performance of banks was significantly better than in the previous 4 years.

Financial performance and profitability of banks (excluding insolvent ones)

Year	Financial result, UAH million	Return on assets, %	Return on capital, %
2019	58,356	4.26	33.45
2020	39,797	2.44	19.22
2021	77,376	4.09	35.08
2022	24,716	1.18	10.91
2023	86,545	3.38	31.61
2024	103,703	3.35	29.07

NBU statistics (banks' income and expenses and main banking indicators)

The banking sector earned UAH 86.5 bn in net profit in 2023 and UAH 103.7 bn in 2024. Interest income accounted for the major part of the total income (69.6%).

Structure of income and expenses of banks, %

Indicators	1 January 2022	1 January 2023	1 January 2024	1 January 2025
INCOME	100	100	100.0	100
Interest income	61.6	60.7	68.2	69.6
Fee and commission income	34	23.9	21.8	20.2
Gains (losses) from revaluation and purchase and sale transactions	-0.03	12.2	6.8	7.8
Other operating income	2.7	2.3	2.2	1.1
Other income	1.2	0.7	0.5	0.2
Recovery of assets previously written-off	0.5	0.2	0.5	1.1
EXPENSES	100	100.0	100.0	100.0
Interest expense	26	19.6	28.6	35.4
Fee and commission expenses	17.9	10.6	13.1	13.7
Other operating expenses	9.3	5.4	5.0	4.9
General administrative expenses	39.8	24.7	25.6	31.4
Other expenses	1.9	1.7	2.4	2.5
Charges to provisions	1.7	35.7	4.8	0.3
Income tax	3.2	2.2	20.4	11.8

NBU statistics (bank's income and expenses)

Capital

In 2024, the volume of regulatory capital increased.

Movements in regulatory capital and adequacy ratio of the Ukrainian banking system

Date	Regulatory capital, billion UAH.
31 December 2016	109.5
31 December 2017	123.4
31 December 2018	136.3
31 December 2019	150.3
31 December 2020	182.3
31 December 2021	211.7
31 December 2022	211.2

31 December 2023	258.3
31 December 2024	268.8

Source: Banking Sector Survey data for February 2024

High profitability of banks has led to an increase in capital adequacy ratios. Currently, the capital reserve is more than sufficient not only to cover the risks already taken into account in the regulations, but also to meet new planned requirements, of which full coverage of operational and market risks with capital is the most significant.

As of 1 January 2025, the regulatory capital adequacy ratio (Nrc) for the banking system of Ukraine was 17.35% (with a regulatory value of at least 9.5%).

Regulation by the NBU (2024-January 2025)

During the martial law, the National Bank of Ukraine continues to implement measures aimed at supporting the financial stability of the state and regulating the financial sector, particularly maintaining its liquidity and ensuring uninterrupted operation. The activities of the NBU are aimed primarily at maintaining the stability of the banking sector and curbing inflation. At the same time, the NBU improved not only the regulatory framework for regulating banking activities, but also the requirements for non-bank financial organisations. The gradual strengthening of the regulation of the non-banking financial market improves its transparency and creates conditions for fair market competition between banks and financial companies.

Liquidity and capitalisation

Throughout the year, NBU documents aimed at regulating banking liquidity during wartime were improved. For example, the following documents were devoted to this issue:

– Resolution No. 106 of the NBU Board dated 5 September 2024, which amended Resolution No. 22 dated 24 February 2022 "On the Peculiarities of Banks Liquidity Regulation during the Period of Martial Law";

– Resolution No. 168 of the NBU Board dated 26 December 2024, which approved amendments to the "Regulation on emergency support by the National Bank of Ukraine for bank liquidity", approved by Resolution No. 411 of the NBU Board dated 14 December 2016.

In order to improve the efficiency of monetary market regulation and to help avoid financing the budget deficit through issuing sources, the regulator introduced amendments to regulatory acts on mandatory reserves. For example, by Decision No. 345-рш dated 20 September 2024, the NBU raised the required reserve ratios and increased the share of required reserves that banks can cover with benchmark government bonds to 60%, and by Decision No. 353-рш dated 30 September 2024, the NBU expanded the list of benchmark domestic government bonds that can be used to cover part of the required reserves.

In addition, in order to define the specifics of the functioning of the monetary and foreign exchange markets under martial law, NBU Board Resolution No. 18 "On the Operation of the Banking System During the Period of Martial Law" dated 24 February 2022 was amended.

Undoubtedly, one of the important events of 2024 was the introduction of a new capital structure. In August 2024, the banking system successfully transitioned to a new capital structure, which includes 3 (instead of 2) components: common equity Tier 1, additional Tier 1 capital, and Tier 2 capital. Due to the transition to the new capital structure, its highest-quality component, namely Tier 1 capital, increased (by attracting accumulated profit, which was previously reproduced as a component of lower-tier capital, and taking into account interim profit without audit confirmation).

Also, Resolution No. 86 dated 17 July 2024 approved new requirements for the capital adequacy of banking groups, which primarily concern the calculation of the capital of the credit and investment subgroup according to the new (three-tier) structure.

Approximation of the regulatory framework to EU legislation

The NBU paid significant attention to the approximation of the regulatory framework to EU legislation.

For example, by Resolution of the NBU Board No. 2 dated 5 January 2024, changes were made to:

– “Instruction on the procedure for regulation of banking activities in Ukraine”, approved by Resolution of the National Bank of Ukraine Management Board No.368 dated 28 August 2001.
– The Procedure for regulating the activities of banking groups, approved by Resolution of the NBU Board No. 254 dated 20 June 2012 .

The changes concerned the calculation by banking groups of the liquidity coverage ratio in foreign currencies (LCRfcr) and the net stable funding ratio (NSFRr).

In addition, the NBU Board Resolution No. 49 dated 25 April 2024 amended the following:

– “Instruction on the procedure for regulation of banking activities in Ukraine” approved by Resolution of the National Bank of Ukraine Management Board No. 368 dated 28 August 2001.
– “Regulation on the Procedure for Determining the Amount of Regulatory Capital by Ukrainian Banks” approved by Resolution of the National Bank of Ukraine No.196 dated 28 December 2023.

Resolution of the NBU Board No. 65 dated 7 June 2024 also approved amendments to some regulations of the NBU to bring the regulatory framework in line with European standards and established transitional provisions for the introduction of updated bank capital requirements.

NBU Resolution No. 158 dated 23 December 2024 established rules for assessing the minimum amount of settlement risk to be covered by capital by banks and banking groups. Settlement risk reflects the probability of losses or shortfall in income on transactions for the purchase, sale and exchange of securities, goods, and foreign currency in the event of non-fulfillment of settlements by counterparties on such transactions.

In addition, Resolution No. 88 dated 19 July 2024 introduced requirements for organising the internal liquidity adequacy assessment process (ILAAP). And Resolution Resolution No. 89 dated 19 July 2024 introduced the calculation of the leverage ratio, which is an additional indicator of the adequacy of Tier 1 capital to cover risks under asset-side operations, without taking into account the degree of riskiness of the asset, which is determined by the risk weight.

In accordance with agreements with Ukraine's international partners and in order to strengthen the institutional capacity of the financial sector to withstand potential and existing challenges and threats, the NBU has resumed the procedure for regular assessment of bank stability. The terms of reference for conducting an assessment of the stability of the banking system in 2025 were approved on 26 December 2024 by Decision 435-рш.

Also, in order to implement EU rules on banking supervision, amendments to the Regulation on the implementation of on-site banking supervision by the NBU were approved by Resolution of the NBU Board No. 151 dated 18 December 2024. The changes provide for the introduction of a new form of on-site banking supervision in the form of in-depth analysis.

The aim was to approximate European standards and amend the Resolution of the NBU Board No. 11 dated 15 February 2018 "On Establishing a List of Information Subject to Mandatory Publication by Ukrainian Banks". These changes were approved by the Resolution of the NBU Board No. 3 dated 9 January 2025 and concerned the publication of information by banks on non-performing loans, for the determination of which updated approaches began to apply in 2025.

Financial monitoring

Ensuring high-quality financial monitoring is one of the prerequisites for the implementation of European legislation. Therefore, the regulator pays significant attention to this issue.

Thus, on 4 April, NBU Board Resolution No. 37 amended NBU Board Resolution No. 90 dated 30 June 2020 "On Approval of the Regulation on the Procedure for Organising and Exercising Supervision in the Field of Financial Monitoring, Currency Supervision, Supervision of the Implementation and Monitoring of the Effectiveness of Personal Special Economic and Other Restrictive Measures (Sanctions)".

Given the wartime challenges, on 20 December 2024, Resolution No. 153 approved the "Regulation on the Procedure for Organising the Implementation of Certain Legislative Requirements in the Field of Financial Monitoring, Currency Supervision, Supervision in the Field of Implementation of Special Economic and Other Restrictive Measures (Sanctions) during Martial Law" and introduced a number of amendments to certain regulatory acts of the National Bank of Ukraine to enable the financial monitoring requirement to be met in a full-scale war.

In addition, throughout 2024, the regulator repeatedly provided clarifications on individual issues related to financial monitoring. The following documents are examples of such clarifications:

- Letter "On providing clarifications on financial monitoring issues" dated 5 September 2024 No. 25-0005/67359;
- Clarifications and recommendations on financial monitoring dated 7 October 2024 No. R/25-0005/75915;
- Letter "On recommendations on financial monitoring" dated 1 November 2024 No. 25-0005/82615.

Currency regulation

Currency regulation is one of the most important areas of activity of the NBU.

During 2024, a number of regulatory documents were adopted aimed at easing currency restrictions introduced at the beginning of the introduction of martial law.

Thus, in May 2024, the largest package of easing currency restrictions since the beginning of the war was adopted, approved by Resolution of the NBU Board No. 56 dated 3 May 2024.

These included, among the other:

- All currency restrictions on the import of works and services have been lifted. In addition, the NBU separately provided businesses with the opportunity to purchase currency and transfer funds abroad to pay airport and port fees, fines, and membership fees.
- Businesses are allowed to repatriate "new" dividends on corporate rights or shares abroad, accrued based on the results of operations for the period starting from 1 January 2024. This relief does not apply to the payment of dividends from retained earnings for previous periods. At the same time, a monthly limit for the repatriation of "new" dividends is set at the equivalent of EUR 1 mn. Compliance with this rule will be monitored through E-Limits, the NBU's automated information system.
- It is now possible to transfer funds abroad under leasing/rental agreements. Legal entities and individual entrepreneurs will be able to transfer funds abroad for payments under leasing/rent agreements without additional restrictions on the subject of leasing/rent and the date of conclusion of the agreement.
- Restrictions on the repayment of "new" external loans have been eased. The NBU has simplified the conditions for residents to purchase foreign currency for the purpose of servicing and repaying ‘new’ foreign loans issued in foreign currency from abroad after 20 June 2023 to borrowers' accounts in Ukrainian banks. In particular, the minimum term for using a ‘new’ loan, after which it is allowed to purchase foreign currency to repay such a loan, has been reduced from 3 to 1 year. Accordingly, the ban on purchasing currency to repay "new" loans will apply exclusively to the repayment of short-term loans with a term of up to 1 year. In addition, the NBU has enabled businesses to purchase foreign currency to pay interest on "new" loans, regardless of the term of use of the loan.
- The opportunity to repay interest on "old" external loans has been provided. Resident borrowers are now able to transfer funds abroad to pay interest payments on "old" external loans, which, according to the terms of the loan agreement, are due from 24 February 2022. For interest payments overdue as at 1 May 2024, it is possible to transfer no more than an equivalent of EUR 1 million per calendar quarter under one agreement. At the same time, this restriction will not apply to future scheduled interest payments.
- Restrictions on the transfer of foreign currency from representative offices to their parent companies have been eased. The NBU has allowed representative offices of international card payment systems and foreign airlines to purchase and transfer foreign currency abroad to the account of a non-resident legal entity whose interests these representative offices represent in Ukraine. The monthly limit for such operations (by one representative office of one company) is set at the equivalent of EUR 5 million.

The documents related to currency liberalisation also include Resolutions No. 82-84 of the NBU Board dated 9 July 2024. They were aimed, among other things, at increasing the investment attractiveness of Ukraine and drawing private foreign capital, as well as at increasing Ukraine's defence capability and supporting the volunteer community.

NBU Resolution No. 108 dated 6 September 2024 was also aimed at supporting the country's defence capability, operations of Ukrainian enterprises, and the Nuclear Insurance Pool.

Businesses has been permitted to:

- purchase and transfer foreign currency to compensate for carbon dioxide emissions associated with air transport (state-owned enterprises exclusively);
- execute transfers abroad related to operations provided for by reinsurance contracts concluded with nuclear insurance pools;
- for resident e-commerce entities - to execute payments in foreign currency to pay VAT in the EU in favour of non-residents purchasing Ukrainian goods;
- execute transfers to compensate for coupon payments on Eurobonds (at the expense of residents' own currency).

At the same time, monthly limits were introduced for individuals to use payment cards issued in Ukraine to purchase jewellery, coins, stamps, precious stones, watches, etc. abroad (up to UAH 100,000) and to conduct transactions with realtors abroad (up to UAH 500,000).

Changes in currency regulation continued in Q4 2024. To this end, the regulator amended the existing currency restrictions by Resolution of the NBU Board No. 136 dated 19 November 2024. On the one hand, the NBU relaxed a number of restrictions to support international cooperation in the field of foreign trade, as well as international projects and technical assistance programmes. On the other hand, it took measures to strengthen the discipline in respect of compliance with currency restrictions.

The areas impacted by the changes included:

- Transfer of funds to fulfill obligations under import contracts.
- Calculations for international technical assistance projects.
- Repatriation of dividends abroad.
- Using foreign currency loans to purchase securities denominated in foreign currency.

In addition, Resolution No. 139 dated 28 November 2024 expanded the list of export and import transactions that are not subject to the payment deadlines set by the NBU.

In December, Resolution No. 155 dated 20 December 2024 further relieved foreign currency restrictions to support domestic producers and improve the business environment in Ukraine.

The changes made were as follows:

- The prohibition on the purchase and sale of precious metals by legal entities and individual entrepreneurs for non-cash hryvnia funds has been eased, as long as the need for such transactions is due to the specifics of the company's business (jewellery production) and the legal entities were engaged in such activities before the war. These changes are to ensure stable operation of Ukrainian jewelers and reduce the import of jewellery.
- Permission to purchase foreign currency for nuclear facility operators has been extended to exclude foreign currency balances received no later than 31 October 2024 as part of loan proceeds from a non-resident lender guaranteed by a foreign export credit agency or a foreign state. Such changes will contribute to the uninterrupted supply of nuclear fuel to the country.
- The approach to the payment of coupon income by businesses on Eurobonds has been unified. In particular, the norms that allow resident enterprises to reimburse non-residents' expenses related to the payment of coupons have been updated. Accordingly, all domestic legal entities that raised funds from non-residents for the implementation of projects in Ukraine by issuing Eurobonds will have equal opportunities to reimburse non-residents. Such transfers will be made exclusively at the expense of their own currency if a number of conditions specified in the relevant NBU resolution are met. These changes are aimed at intensifying the attraction of non-resident capital to Ukraine.

Discount rate

The discount rate is also a regulatory tool. During 2023-June 2024, it gradually decreased against the background of continued positive inflation dynamics.

Date	Discount rate level
2023	
from 27 January	25.0
from 17 March	25.0
from 28 April	25.0
from 16 June	25.0
from 28 July	22.0
from 15 September	20.0
from 27 October	16.0
from 15 December	15.0
2024	
from 26 January	15.0
from 15 March	14.5
from 26 April	13.5
from 14 June	13
from 13 December	13.5
2025	
from 24 January	14.5
from 6 March	15.5

The acceleration of inflation in the second half of 2024 and the resulting deterioration in household inflation expectations at the end of the year led to a decline in the real yield on hryvnia savings instruments. The increase in the discount rate (by 0.5 pp in December 2024 to 13.5% and by 1 pp in January 2025 to 14.5%, as well as by 1% to 15.5% in March 2025) was aimed at ensuring adequate protection of hryvnia savings from inflation and supporting the household's interest in hryvnia assets, as well as maintaining the resilience to foreign currency risk.

The regulator forecasts a gradual decrease in the rate to 14.5% in the third quarter of 2025 and to 13.1% in the fourth quarter. The key risk to inflation dynamics and economic development remains the course of a full-scale war.

Stimulating the development of lending

In order to support the real sector of the economy, the NBU took steps towards the development of bank lending during 2024.

Resolution of the NBU Board No. 39 dated 6 April 2024 amended the "Regulation on Measuring Credit Risk for Asset-Side Operations by Ukrainian Banks" in view of the opening of the land market for legal entities in Ukraine and the launch of the Partial Credit Guarantee Fund (PCGF) in the agricultural sector. The amendments, inter alia, included:

– The list of acceptable collateral, the value of which is taken into account when calculating credit risk, was expanded by including the guarantee of the PCGF for agricultural loans in the list;

– The liquidity ratios of certain types of collateral were increased, in particular for agricultural land;

– The right of banks to take into account the value of eligible collateral when calculating credit risk without a collateral insurance agreement was extended until 31 March 2025;

– The "Regulation on the Organisation of the Process of Managing Problem Assets in Ukrainian Banks” was amended to strengthen the control of the bank's supervisory board in case of delegation of authority to subordinate the non-performing assets unit to the Chief Risk Officer.

These changes were aimed at implementing the updated legislation of Ukraine in the agricultural sector, creating positive prerequisites for the wider use of land as liquid collateral for bank loans and increasing credit support for agricultural producers.

The Lending Development Strategy was approved at the meeting of the Financial Stability Council on 6 June 2024. The Strategy reflects a holistic vision of the leading principles of lending development in Ukraine and the actions necessary for their implementation, which will contribute to the sustainable recovery of the country's economy. The Strategy aims to help provide financial resources for the restoration of energy infrastructure and stimulate demand aimed at increasing the country's defence capability, in particular from defence companies, the processing industry, agriculture and businesses in the de-occupied and frontline areas - the “resilience areas”.

The Strategy's measures will be implemented in two vectors: intensification of lending to priority areas under martial law and development of the legislative framework to further stimulate market lending. The implementation of the Lending Development Strategy should help businesses to expand their access to credit, develop entrepreneurship, attract investment, and create new jobs.

In order to stimulate the involvement of the banking sector in the economic recovery, the regulator, by Resolution No. 66 in June 2024, established temporary features of credit risk assessment for specialized loans for the period of martial law and for one year after its termination or cancellation. The list of exceptions to the established prohibitions was also expanded, which will allow banks to conduct asset-side transactions with related parties - leasing companies that are part of the same banking group as the bank

The set of decisions approved by the regulator to stimulate credit support for projects to rebuild the country's economy aims to provide an impetus to the development of specialised lending (project and facility financing), in particular for the rapid rebuilding of energy infrastructure; increase the availability of loans (in particular for households and small and medium-sized businesses) for the purchase of equipment for the creation of distributed energy generation; and expand lending to agricultural entities.

Non-performing loans

Effective management of non-performing loans is a basic condition for the development of lending and a sustainable economy. Therefore, the regulator pays attention to this issue on an ongoing basis. To this end, Resolution No. 118 dated 28 September 2024 approved amendments to the Rules of Operation of Banks in Connection with the Introduction of Martial Law in Ukraine. The amendments concerned the assessment of the financial condition of borrowers using a multi-factor model in accordance with NBU Resolution No. 351 and were aimed at promoting the security and stability of the banking system and preventing crises during the period of martial law.

From 1 January 2025, as part of Ukraine's European integration course, new approaches to determining non-performing loans came into effect. For this purpose, the term "non-performing assets" was introduced in the "Regulation on the Organisation of the Process of Managing Problem Assets in Ukrainian Banks”. The components of such assets are defined in accordance with the provisions of Article 47a Non-Performing Exposures of Regulation (EU) No 575/2013 of the European Parliament and of the Council dated 26 June 2013. Therefore, in the future, non-performing assets of a bank, in addition to those for which a sign of default has been established, will include:

– impaired financial assets;

– restructured assets for which, after the termination of their recognition as non-performing, the bank has re-restructured and/or for which there is a debt overdue for more than 30 calendar days.

Accordingly, in the “Regulation on Measuring Credit Risk for Asset-Side Operations by Ukrainian Banks”, the term “non-performing assets” was replaced by the term “defaulted assets” to ensure that the definition of default is consistent with the provisions of Article 178 Default of an Obligor of EU Regulation No. 575/2013.

The amendments also define the conditions for the cessation of recognition of assets as "non-performing" and "defaulted". Particular attention is paid to restructured assets, given the increased risks of such assets and the approach in European legislation. According to the amendments, in particular, to derecognise a restructured asset as non-performing, the following conditions are to be met:
- at least 365 calendar days have passed since the date of debt restructuring;
- none of the debtor's obligations is overdue by more than 30 calendar days;
- the bank has made a judgment about the debtor's ability to fulfil its obligations, which is confirmed by the payment of the debt amount that was overdue or written off by the bank in accordance with the terms of the debt restructuring.

Changes in the methodology for recognising bank assets as non-performing should contribute to increasing the efficiency of the management system for such assets and attention to the process of their settlement. This will primarily have a positive impact on the further reduction of the volume of non-performing bank loans and the availability of bank lending. In addition, the changes should bring the statistics of non-performing loans in line with European approaches, which will increase the transparency of the Ukrainian financial sector. Also, these changes should become the basis for developing a Strategy for the Settlement of Non-Performing Loans in Ukraine, which will contribute to increasing the investment attractiveness of the banking sector

Limit on transfers for individuals

In order to prevent the use of the payment infrastructure of banks for illegal purposes (transit transfers for money laundering), the regulator temporarily imposed a monthly limit on card-to-card transfers for a period of 6 months, which should not exceed UAH 150 thousand, starting from 1 October 2024. The limit will apply exclusively to "outgoing" transfers from all accounts of an individual opened in one banking institution to the accounts of all other individuals.

In addition, the 4 largest banks - issuers of payment cards, namely, Oschadbank, PrivatBank, Raiffeisen Bank and Universal Bank signed a Memorandum on ensuring transparency in the functioning of the payment services market, aimed at combating the shadow economy, sabotage and terrorist activities. The document was developed by the Association of Ukrainian Banks and the National Anti-Corruption Bureau of Ukraine. The signatories undertook to carry out money transfers for clients taking into account a risk-oriented approach. Thus, banks will not set limits on transactions for clients with confirmed sources of income (salary, pension, etc.), as well as volunteers. However, in the absence of documentary confirmation of income, from 1 February 2025, limits on payment transactions for high-risk clients have been set - UAH 50 thousand/month. For medium and low risk clients, the following limits will apply: from 1 February 2025 – UAH 150,000/month; from 1 June 2025 – UAH 100,000/month.

Improving impact measures

For successful prudential activity, the regulator must have a balanced and effective document on the application of measures of influence on financial market participants. Therefore, the NBU is constantly working towards improving the Regulation on the application of measures of influence by the National Bank of Ukraine. For example, Resolution No. 3 dated 05 January 2024 expanded the list of areas of legislation, the violation of which may result in enforcement action - the list was supplemented with the following items:
- legislation on advertising in financial services markets;
- legislation on the dissemination of information about financial and related services.

The NBU has also adjusted the amount of fines for violations of the legislation on the protection of financial services consumers and amended the clauses on written warnings from the NBU. Resolution No. 112 dated 10 September 2024 amended Chapter 7, Section II of the above document. The amendments concerned the calculation of fines.

Bringing regulatory documents in line with the Law of Ukraine "On Administrative Procedure".

The Law of Ukraine "On Administrative Procedure" entered into force on 1 January 2025. The Law of Ukraine "On Administrative Procedure" applies to relations arising during the performance of public administration functions by the National Bank. In addition, this Law establishes the specifics

of administrative proceedings for administrative cases considered by the National Bank.
In preparation for this event, the NBU has been actively amending its regulatory framework during December 2024 to bring it in line with the Law.

Updating strategic documents

In January 2025, the NBU published an updated (second) institutional Strategy focused on resisting Russian aggression and restoring the country, which it first presented in May 2023. This is a flexible document that, given the changing and unpredictable external circumstances, is periodically updated. The first update of the Strategy took place in January 2024.
The updated NBU Strategy will help increase the efficiency of the National Bank's activities in a rapidly changing external environment, strengthen readiness for new challenges and various scenarios.

The regulator's list of priority tasks has been supplemented with a number of relevant measures and refined indicators, in particular:
1. Under Goal 1, Sustainable Hryvnia, the NBU planned to achieve more ambitious targets in terms of price stability, inflation expectations, and exchange rate stability;
2. Under Goal 2, Financial Stability, new measures have been added to the NBU's agenda to:
– strengthening business continuity of financial sector participants;
– improving requirements for the organisation of the risk management framework in banks;
– identifying and responding to links with the aggressor state in the ownership structures of financial market participants;
– creating registers of drops and misdemeanours, ensuring counteraction to existing and new drop schemes;
– ensuring the resilience of the financial sector’s critical infrastructure;
3. In connection with the deepening of the European integration, the name of goal 3 has been updated - Financial system operating for the country’s recovery and integrating into the EU - and the list of initiatives to achieve it. Thus, the National Bank's efforts will additionally focus on:
– integration in the EU financial services market;
– developing and implementing an ESG Policy for the financial sector;
– compliance with the requirements for the corporate governance system of financial market participants (on an ongoing basis, taking into account a risk-oriented approach);
– stimulating the development of financial inclusion, including taking into account the needs of war veterans in Ukraine;
– initiatives to develop lending and financial literacy of the population and entrepreneurs, in particular taking into account new interdepartmental strategies (Strategy for the Development of Lending and the National Strategy for the Development of Financial Literacy until 2030).
Additional indicators for achieving this objective were the opening of negotiations on Ukraine's accession to the EU by negotiation clusters, which include sections chaired or involving the NBU, and the NBU's Comprehensive Plan for European Integration, which was updated in line with the course of the negotiations.
4. Under Goal 4 Modern Financial Services, the National Bank plans to:
– strengthen control over cyber resilience, information security, and digital operational resilience, in particular taking into account EU legislation on the Digital Operational Resilience of the Financial Sector (DORA);
– expand the perimeter of activities related to the implementation of regulation and supervision of virtual assets;
– to specify measures for the development of monetary circulation in accordance with the approved model of organizing cash circulation in Ukraine and the infrastructure of the National Bank.
Additional indicators for the implementation of tasks under this goal were the introduction of regulation for the purpose of using cloud computing technology and providing cloud services, as

well as preventing the use of software solutions from suppliers associated with the aggressor country.

5. Under Goal 5 Effective Central Bank, the list of priority measures aimed at the uninterrupted performance of the functions of the National Bank under any conditions was significantly expanded. In particular, the changes include:

- developing security systems and organising the NBU's tasks as a critical infrastructure operator;
- establishing and developing the NBU Sectoral State Archive;
- developing and phasing in the ESG Policy for the National Bank;
- streamlining the change management process in the central bank;
- developing the regulator's innovation potential (including the development of the NBU's Digital Transformation Strategy), researching artificial intelligence and introducing it into the central bank's processes;
- clarifying measures aimed at developing human capital, in particular, the development of corporate culture and the reintegration and adaptation of war veterans at the National Bank.

The National Bank of Ukraine also updated the Macroprudential Policy Strategy, which reflects the consequences of Russia's full-scale invasion for the financial sector of Ukraine, new challenges facing macroprudential policy, and the National Bank's approaches to responding to these new challenges.

The publication of the Strategy contributes to the transparency, clarity and predictability of macroprudential policy for financial market participants and, accordingly, increases its effectiveness in achieving the main goal - financial stability in Ukraine.

Currently, in addition to the traditional risks for the financial system, the National Bank and financial institutions are facing new challenges. Therefore, in the updated Strategy, the National Bank draws attention to the following aspects:

- The need to maintain business continuity in the face of a full-scale war has become crucial for financial institutions, and operational risks may prove systemic;
- The lending support programmes launched by the government since 2020 played a significant role during the most acute episodes of the corona crisis and the first months of a full-scale war; however, in the current macroeconomic conditions they require focusing on individual segments and categories of customers where they do not contradict the development of market lending;
- Significant impact of environment, social and governance (ESG) risks on the activities of financial institutions.

Over time, these challenges may become systemic risks, which requires an appropriate response by macroprudential measures. When choosing the instruments and the method of response, the National Bank will take into account the scale of the risk, its origin and the mode of action of various policy instruments.

The focus of the Strategy has been further refined, as one of the systemic risks mentioned in the previous document, the rapid growth of unsecured consumer lending, has eased since its last update four years ago. Also, taking into account the war, plans for the introduction and application of macroprudential instruments have been updated, in particular, the introduction of capital buffers has been postponed.

Within the framework of the Strategy, the National Bank is guided by the principles of independence, transparency, preventive approach, prudence/flexibility, coordination, proportionality, avoidance of regulatory arbitration, and consideration of national specificities of the financial system.

The updated Macroprudential Policy Strategy was approved by Decision of the Board of the National Bank No. 444-рш dated 24 December 2024.

Key risks and forecasts

The full-scale war and the associated security threats are key systemic risks to the economy and the financial sector. Due to significant military spending, the economy will remain highly dependent on international financial aid. In recent months, the risks of irregularity in the flow of aid and a decline in its volume have increased, which is now a major threat to macroeconomic stability.

1.2. Information on the Bank's managers and officials

Supervisory Board of the Bank as at 1 January 2025:

1) Polkovsky D.E. – Chairperson of the Supervisory Board, shareholder representative, appointed on March 17, 2016 , re-appointed on May 1, 2023;
2) Kurilenko S.B. - member of the Supervisory Board, shareholder representative, appointed from 16.12.2016 , re-appointed from 0 01.05.2023 ;
3) Sylniahina O.A. - member of the Supervisory Board, shareholder representative, appointed on 05.12.2019 , re-appointed from 01.05.2023 ;
4) Voshchylko M.V. - independent member of the Supervisory Board, appointed from 04.07.2017 , re-appointed from 0 01.05.2023 ;
5) Mustafaeva D.N. - independent member of the Supervisory Board, appointed from 02/19/2019 , re-appointed from 05/1/2023 ;
6) Sobolev O.A. - independent member of the Supervisory Board, appointed from 07/20/2021.

Management Board of the Bank as at 1 January 2025:

1) Mamedov S.G. - Chairperson of the Board, appointed on 15.12.2016 , re-appointed from 15.12.2021 ;
2) Dmitrieva O.M. – First Deputy Chairperson of the Board, appointed on 05.12.2019 , member of the Board since 16.12.2016 , re-appointed as member of the Board from 04.05.2020;
3) Yevchuk G.P. - Deputy Chairperson of the Board, appointed on 03/23/2015 , re-appointed as member of the Board from 04.05.2020;
4) Lipatova A.M. – Chief Accountant, appointed on January 17, 2018 , re-appointed as member of the Board from 04.05.2020;
5) Klevaichuk S.V. – Chief Operating Officer, appointed on 03.10.2013 , re-appointed as member of the Board on 04.05.2020; ;
6) Sheffer M.Y. – Head of Financial Monitoring Department, appointed on 13.01. 2021, Financial Monitoring Officer of the Bank since14.12. 2009; re-appointed as a member of the Management Board on 04.05.2020;
7) Solodkyi V.V. – Head of the Digital Business Department, appointed on 07.08.2020, re-appointed as member of the Board on 04.05.2020 ;
8) Yermolova O.G. – Risk Management Director, appointed on 20.05.2019 , re-appointed as a member of the Management Board on 04.05.2020;
9) Dovhalska G.V. - Deputy Chairperson of the Board, appointed from 05.01.2021;
10) Didenko V.V. - Deputy Chairperson of the Board, appointed from 15.03.2021.

Head of the Bank's Internal Audit Service Aleksandrov O. G., appointed from 02.11.2023.
Head of the Bank's Compliance Service Bienko V.E. appointed from 09.02.2023.

1.3. Structural divisions

As at 1 January 2025, the Bank has 33 separate divisions (branches).
Of which:

- 10 branches in Kyiv,
- 1 branch in Kyiv region (Bucha district, Chaiky village),
- 2 - in Kharkiv,
- 2 - in
- 1 - one each in Zaporizhia, Dnipro, Chernihiv, Kamianets-Podilskyi, Odessa, Sumy, Poltava, Mykolaiv, Ternopil, Cherkasy, Chernivtsi, Vinnytsia, Ivano-Frankivsk, Rivne, Zhytomyr, Kherson, Uzhhorod, Lutsk.

According to the current organisation structure of the Bank as at 1 January 2025, 31 branches are directly subordinate to Yesipov Y.A., Head of the Department for Coordination and Control of Branch Activities, and two branches (Central Branch and Pechersk Branch) are directly subordinate to Kolyadina N.Y, Director of the Corporate Business Department.

#	Region/city	Number of branches
1.	Kyiv Region and the City of Kyiv (including one branch in the village of Chayki)	11
2.	Vinnytsia region/Vinnytsia	1
3.	Dnipropetrovsk region/Dnipro	1
4.	Kharkiv region/Kharkiv	2
5.	Zaporizhzhia region/Zaporizhzhya	1
6.	Zhytomyr region/Zhytomyr	1
7.	Ivano-Frankivsk region/Ivano-Frankivsk	1
8.	Khmelnytskyi region/Kamianets-Podilskyi	1
9.	Lviv region/ Lviv	2
10.	Mykolaiv region/Mykolaiv	1
11.	Odesa region/Odesa	1
12.	Poltava region/Poltava	1
13.	Rivne region/Rivne	1
14.	Sumy region/Sumy	1
15.	Ternopil region/Ternopil	1
16.	Kherson region/Kherson	1
17.	Cherkasy region/Cherkasy	1
18.	Chernihiv region/Chernihiv	1
19.	Chernivtsi region/Chernivtsi	1
20.	Zakarpattia region/Uzhhorod	1
21	Volyn region/Lutsk	1

There are no departments that are inaccessible due to the war.

1.4. Information on the acquisition of shares

The number of issued and paid-up shares is 300,000. During the reporting year, the Bank did not issue additional shares. The authorised capital is 300,000,000 hryvnias.
As at 1 January 2025, the sole shareholder of the Bank is a legal entity, LLC "UKRAINIAN MEDIA TECHNOLOGIES".

1.5. Brief description of the current business model

According to the Business Plan for 2024 , the profile of JSC CB GLOBUS (hereinafter referred to as the Bank) corresponds to a universal bank.
During 2024, the focus of asset-side operations was shifted towards increasing investments in OVDPs and to a lesser extent in certificates of deposit of the National Bank of Ukraine, lending to individuals and small and medium-sized businesses. First, this is due to the acceptable yield of the Ukrainian domestic government bonds. Second, the Bank is unable to implement long-term credit programmes due to the short-term nature of the resource base, therefore it is forced to focus on medium-term credit programmes that can provide a higher yield than state OVDPs and certificates of deposit of the National Bank of Ukraine.
The Bank actively participates in state programmes to reduce the cost of loans "e-Housing", the "Solar Loans" programme, "Affordable loans 5-7-9%", "Affordable financial leasing 5-7-9%" , "Affordable factoring 5-7-9%", financing of ESCO companies, developers, which is extremely important for supporting the national economy.

Balance sheet indicators:

– the gross loan portfolio (excluding cash on settlement accounts of legal entities) increased by UAH 677 mn (+31%);

– the securities portfolio increased (+9%), due to the growth of the resource base. The portfolio of government bonds increased by UAH 1,463 mn (+30%), and the volume of the NBU certificates of deposit decreased by UAH 487 mn (-9%);

– resource portfolio increased by 1,546 UAH mn (+13%) due to term deposits (+28%), while demand deposits decreased (-15%);

– The Bank's capital increased by UAH 37 mn (+5%) and, and its level is sufficient to ensure the prudential standards of the National Bank of Ukraine and maintain the sustainable operation of the Bank.

Off-balance sheet liabilities increased by UAH 2,817 mn (+43%).

Financial result:

Despite unforeseen risks, the Bank remained profitable according to the results of 2024. The Bank's profit for 2024 amounted to UAH 37.0 mn, which is UAH 2.8 mn less than the profit for 2023, UAH 39.8 mn.

The Bank's priority areas of activity are:

– expanding the range of online services and using Internet sales;

– introducing new effective methods of working with clients and improving the quality of their service;

– increasing the volume of transactions performed, expanding and improving the range of services offered and improving the level of banking service;

– effective use and allocation of resources, both existing and borrowed;

– diversification of activities in various areas in order to reduce banking risks;

– reducing concentration in the loan portfolio and borrowed funds;

– balanced pricing (tariff) policy;

– professionalism and energy of the working staff.

1.6. Main products and services

Banking products and services offered to customers are designed to fully meet the financial needs and interests of both individuals and legal entities.

The following products are available for legal entities:

– **Deposits:** Term deposit, Deposit line, "Comfortable" deposit, "General deposit agreement" programme, "Forward to Victory" deposit, "Overnight" and "Overnight currency" deposit;

– **Loans:** "Business Overdraft", "Working Capital Financing", "Special Equipment on Credit", "Deposit Loan", as well as providing guarantees (tender guarantee, tour operator guarantee, performance guarantee, developer guarantee);

– **Factoring:** "Factoring Start” Programme and financing of clients under the "Affordable Factoring" programme , which is implemented by the Government of Ukraine through the Entrepreneurship Development Fund.

In addition, the Bank offers salary projects, export-import operations, VIP BANKING , as well as a full range of services for the purchase and sale of securities and a depository institution.

The Bank offers the following products to **small and medium-sized businesses, including war veterans turned entrepreneurs**:

– **Deposits:** Term deposit, Deposit line, "Comfortable" deposit, "General deposit agreement" programme, "Forward to Victory" deposit, "Overnight" and "Overnight currency" deposit;

– **Loans:** The Bank provided services under the targeted lending programme for small and medium-sized business clients under the terms of the "AFFORDABLE LOANS 5-7-9%" Programme, including financing of ESCO companies, developers, and condominiums; "Affordable Factoring " and "Affordable Leasing" , which are implemented by the Government of Ukraine through the Entrepreneurship Development Fund.

The Bank provides financing for farmers under the "Khliborob" programme, loans to support agricultural producers, for the purchase of agricultural machinery. The "Car for Business" programme, loans to condominiums, energy efficiency and energy independence financing programmes, the "Business Development" credit programme, "Technology on credit", "Equipment on credit", Financial leasing, as well as the "Crazy Speed" overdraft are available. The Bank also offers small and medium-sized businesses salary projects, business cards, and cash settlement transactions with and without opening accounts.
The Bank has developed and implemented a number of deposit, credit and card products for individuals. These particularly include:

- **Deposits:** "Classic", "Cumulative", "Online Deposit";
- **Loans:** credit: "Real Estate on Credit" programme: in new buildings, turnkey housing loans, state mortgage lending program "eOselya", "Easy Mortgage". Car loans for the purchase of new and used cars. Programme for purchasing goods on credit. Provision of loans in cash. “Solar Loans” programme. Credit cards: "Zapasochka", "Light Zapasochka", "Elite", "Exclusive" and "GlobusPlus Card ";
- **Payment cards** payment cards: premium cards (Platinum MasterCard and World Elite Mastercard); savings card ("Savings"), deposit card, pension card, youth card, social cards - эVtinovleniya, эПідрімка card, National Cashback card, эКнига card, "Zahizhnyk" card, credit cards ("Zapasochka", "Legka Zapasochka", "Elite", "Exclusive", " GlobusPlus Card " and "ProstoMani"), GlobusPlus cards , GlobusPlus Light , GlobusPlus Currency), salary cards (Debit Mastercard , Mastercard Gold , Platinum MasterCard and World Elite Mastercard), “Salary Card+” for employees of GLOBUS Bank, “Hryvnia Pair”;
- **Money transfers:** transfer of funds in the bank's mobile application to electronic payment instruments of other issuing banks, including non-resident banks (cross-border transfers).

In addition, the Bank offers its customers opening and servicing current accounts (a full range of services, including connection to the GlobusPlus mobile application), buying and selling foreign currency and banking metals, money transfers using the SWIFT, RIA, INTELEXPRESS, Western Union», «MoneyGram», as well as renting individual safes, and paying for utility services.

1.7. Remuneration received for the reporting period

Payments to key management personnel as of 12/31/2024 were :

Governing body	**Current payments to employees, thousand UAH.**
Management Board	91,455.43
Supervisory Board	20,961.03
Influential persons	143,804.42
Total	**256,220.89**

2. Management goals and strategies to achieve these goals

2.1. Information on prioritisation of actions to achieve results

By focusing on the needs of its customers in a timely manner, the Bank aims to ensure the sustainability of its business throughout its existence by enhancing customer confidence, balancing the interests of partners, customers and shareholders, and maintaining positive image among the public.

The key result of the Bank's activities is the profit received, provided that the dynamics of development are stable and the key needs of customers are met. The Bank's management is assessed and motivated based on financial results. The Bank's employees are motivated based on key performance indicators set for branches, business and support units of the Bank, which has a positive impact on the overall result.

To achieve the overall target profit level, separate plans are developed for each business and financial responsibility centre. Achievement of targets is monitored monthly. The basis for adjusting plans for future periods is significant changes in the external or internal environment.

Also, the Bank's managers and employees must strictly adhere to the standards of conduct and risk management, established limits and restrictions in the Bank's activities.

The Bank's main competitive advantages are its focus on customer needs, accessibility, and speed of banking services.

2.2. Criteria for success measurement and performance evaluation

The main criteria for measuring the success of the Bank's activities are performance (profit, return on assets, return on equity, Bank rating) and risk (share of non-performing assets, credit risk, stability of the resource base, assets and liabilities matching in terms of maturity, ability to withstand future shocks based on the results of stress testing, etc.).

The main indicators for performance assessment include growth of interest and fee and commission income taking into account the dynamics of expenses; growth of financial result; expansion of the customer base; increase of the loan portfolio and ensuring the appropriate level of its quality; growth of the resource base and ensuring its stability; compliance with the established limits and restrictions.

2.3. Significant changes in goals and achievements during the reporting period

The Bank's strategic plans for 2022-2024 have undergone significant changes under the influence of military aggression. During this period, the Bank was forced to focus on the continuity of processes, maximum customer support and personnel safety. A significant increase in credit risks associated with the situation in the economy forced the Bank to revise its plans for lending approaches and volumes.

Despite the challenging environment, the Bank continued to provide quality customer service throughout 2024 and tried to approach each customer individually.

In 2024, the Bank increased lending to small and medium-sized businesses and individuals, and also remained one of the leaders in the market for providing guarantees to enterprises for participation in public procurement tenders.

2.4. Research and development activities

The bank did not carry out any research and development activities.

3. Resources, risks and relationships

3.1. Key financial and non-financial resources, their use to achieve goals

3.1.1. Capital structure

During 2024, the Bank's regulatory and core capital was at a sufficient level, significantly exceeding regulatory requirements. Starting from 5 August 2024, the National Bank of Ukraine introduced an updated capital structure and requirements.

At the end of the reporting year, the Bank's regulatory and core capital decreased by 10.88% and 15.20%, respectively, compared to the previous year. The decrease in capital in 2024 was primarily due to an increase in provisions for active operations of the Bank, taking into account the tightening of the NBU's requirements for assessing the financial position of the borrower when calculating credit risk. At the same time, the quality of the asset portfolio did not deteriorate and remained at a high level.

Regulatory capital structure, UAH*

Indicators	As at 01.01.2024	As at 01.01.2025	Change, %
1. Tier 1 capital (Nt1), including:	**681 917 177**	**593 944 605**	**-12.90%**
1.1 Common Equity Tier 1 (Nct1)	**630 848 915**	**534 934 045**	**-15.20%**
Nct 1 own instruments (shares)	300 000 000	300 000 000	
Reserves and other funds	166 247 226	206 089 951	
Financial aid	110 500 000	110 500 000	
Retained earnings of previous years	70 593 684	70 593 684	
Profit for interim reporting period	122 653 205	21 710 640	
Accrued income net of provisions	-3 225 775	-20 087 112	
Uncovered credit risk	-2 565 135	0	
Non-core assets	-65 955 520	-65 955 520	
Intangible assets	-67 398 770	-84 764 960	
Deferred tax assets	0	-3 152 638	
1.2 Additional Tier 1 capital (AC1)	**51 068 262**	**59 010 559**	**15,55%**
Equity instrument	51 068 262	59 010 559	
2. Tier 2 capital	**63 810 432**	**70 632 808**	**10,69%**
Subordinated debt	63 810 432	70 632 808	
REGULATORY CAPITAL (Nrc)	**745 727 609**	**664 577 413**	**-10,88%**

** Indicators as at 1 January 2024 have been adjusted to the new regulatory capital structure in accordance with the requirements of Resolution No. 196.*

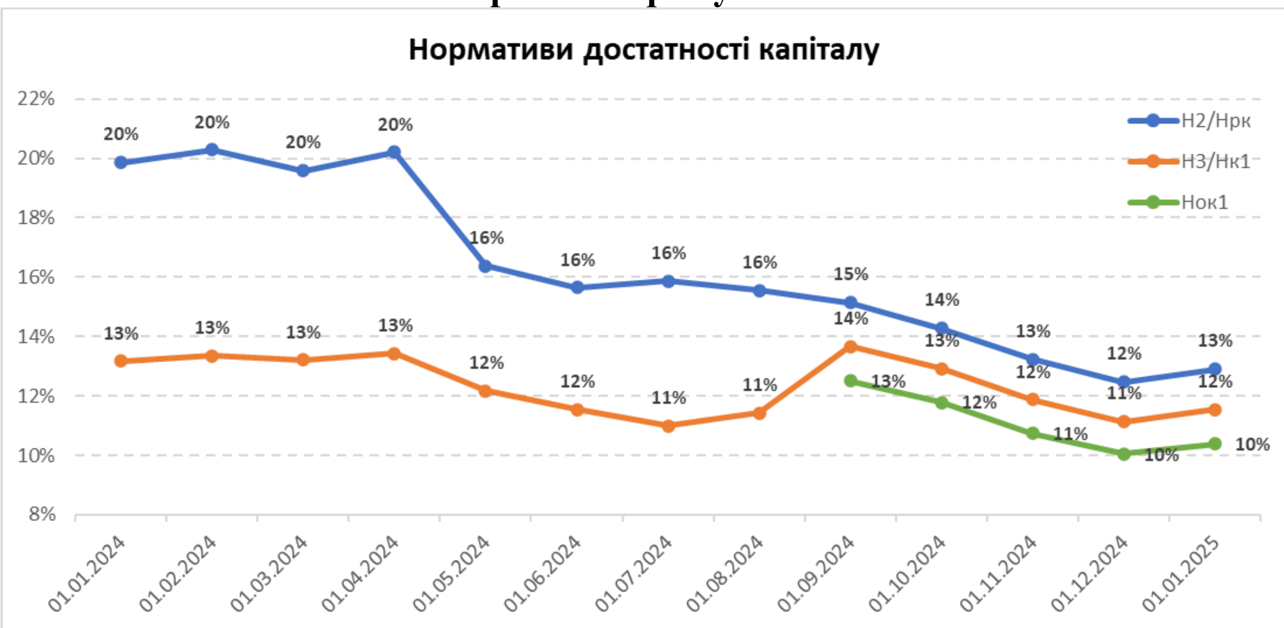
The amount of regulatory capital is sufficient for the Bank's effective functioning and compliance with the capital adequacy ratios set by the National Bank of Ukraine.

Regulatory capital, 000'UAH

During 2024, the Bank did not break the requirements for the size of regulatory capital and the value of capital adequacy ratios (N2/Nrc, N3/ Nt1 and Nct1).

The values of capital adequacy ratios (N2/Nrc, N3/Nt1 and Nct1) significantly exceeded the regulatory values established by the National Bank of Ukraine . The average value of the N2/Nrc ratio was about 16%, with the regulatory value established by the National Bank of Ukraine after changing the calculation methodology – no less than 8,5%, and N3 / Nt1 - 12%, with the regulatory value no less than 7.5%. The decrease in capital adequacy ratios in 2024 compared to 2023 was due to the increase in the NBU's requirements for calculating capital ratios, growth in asset-side operations, and significant additional provisioning for asset-side operations to adequately address potential risks in the face of growing macroeconomic uncertainty.

Capital Adequacy Ratios



3.1.2. Financial mechanisms

The financial mechanisms used in the Bank comply with the current legislation of Ukraine. First of all, this is the Bank's Business Plan for the year, which is developed and approved by the Supervisory Board of the Bank, and the implementation of which is monitored on a daily basis.

The Bank uses a product pricing mechanism, which, depending on the type of product, is approved by the Tariff Committee, Credit Committee and ALCO. The Bank's Management Board sets cost standards and monitors compliance with them.

3.1.3. Liquidity

In view of the hostilities, the Bank implemented a conservative liquidity management strategy in 2024 and intends to continue it in 2025.

The total volume of highly liquid assets of the Bank in 2024 was maintained at a significantly higher level than in previous years due to an increase in the resource base and investment of free funds in certificates of deposit and domestic government bonds.

The growth in the volume of customer accounts in 2024 enabled the Bank to maintain liquidity ratios at a very high level, which many times exceeded the regulatory values set by the National Bank of Ukraine.

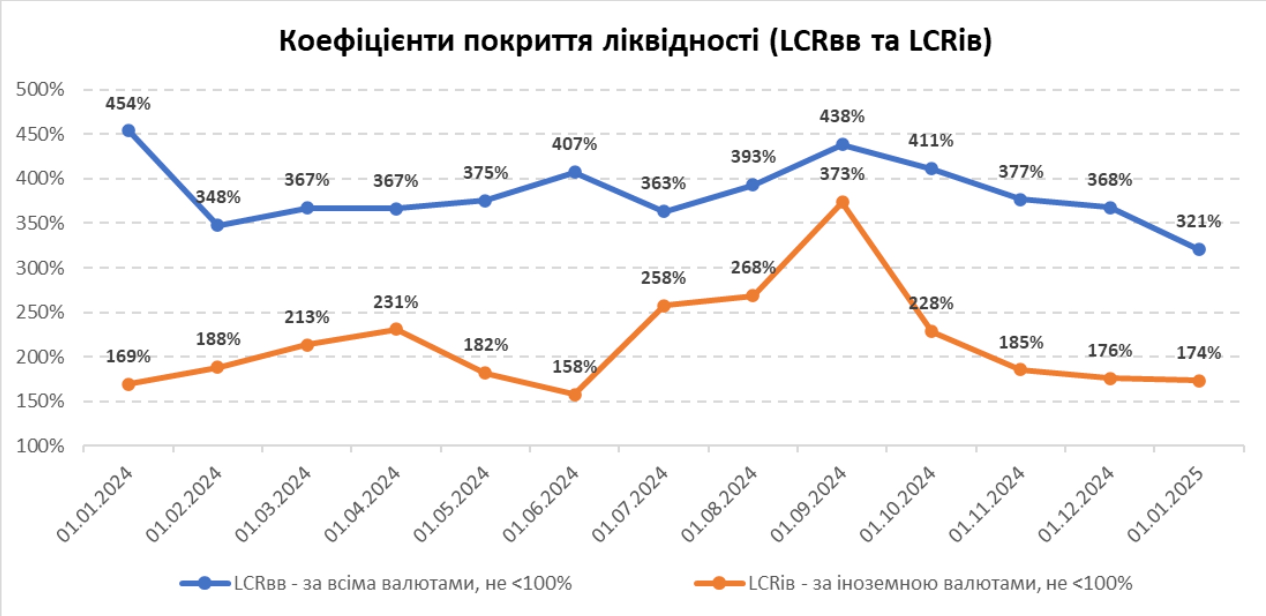
Highly Liquid Assets, UAH mn

	2019	2020	2021	2022	2023	2024
ОВДП та депсертифікати	1 456	1 652	4 437	3 655	9 830	11 054
Коррахунок в НБУ	214	156	111	198	278	134
Каса	78	128	118	227	161	208
Сальдо коррахунків	229	87	330	559	554	567

Government bonds and certificates of deposit
Correspondent account with NBU
Cash on hand
Balances on correspondent accounts

The bank monitors liquidity standards and established limits on a daily basis.

Liquidity Coverage Ratios (LCRacr and LCRfcr)



LCRacr – all currencies, no <than 100% LCRfcr – foreign currency, no <than 100%

3.1.4. Cash flows

Cash flow management is carried out in accordance with the current internal bank documents and the requirements of the National Bank of Ukraine. In the short term, cash flow management is carried out by the Bank's Treasury based on the payment calendar, which plans cash inflows and outflows by currency and form - cash, non-cash. In the medium term, cash flow management is based on planned cash inflows and outflows, the structure of deposit and loan portfolios, customer behavior forecast and determination of the necessary reserve of liquid funds to smooth peak payments. A key element of cash management is a strategy to reduce concentrations in both asset- and liability-side operations, which significantly reduces the Bank's risks in terms of liquidity management.

3.1.5 Human resources, intellectual capital, technological resources

The bank recognises staff as its most important asset and conducts targeted work to improve personnel qualifications, improve forms and methods of staff motivation, and develop corporate culture.

By improving the system of staff training, evaluation and motivation, the Bank aims to reduce staff turnover and increase its efficiency. The number of full-time employees of the Bank as at 1 January 2025 was 683 persons. Despite the introduction of martial law, the Bank did not reduce the number of employees or staff units, but rather increased the number of employees, applied flexible policies of employee relocation, remote work and complied with all Ukrainian labour laws.

The Bank makes sufficient use of modern software in its operations, which significantly automates its activities and improves staff efficiency.

The main types of software used by the Bank are:

Software	Functionality
Automated banking system "B2"	Performing functions on input, processing, storage and output of information on the Bank's operating activities, as well as accounting
Card back-office system " IS - CARD "	The issuer module, which supports a full range of banking operations using payment instruments and generates the necessary reports
iFOBS interactive front-office customer service system	Remote servicing of client accounts, including the client-bank system for legal entities and individuals

Software	Functionality
eCSpert HRM personnel management and payroll system	Time management and payroll accounting for the Bank's employees
MEDoc electronic document management system	Electronic reporting and exchange of invoices, acts, contracts and other legally significant documents
SWIFT Alliance	A software product that allows you to connect and send messages via the SWIFT network
Mebius-STAT	Checking the correctness of statistical reporting data, data consolidation, calculation of indicators, generation of reports, and their transmission to the National Bank
ARM-NBU-Inf	National Bank software designed for information exchange between ABS Bank and information tasks
GlobusPlus	Mobile application
Credit Expert (CFRONT)	System for entering loan applications and automatically making decisions on their issuance
Single Window	Access to payment systems (MoneyGram, RIA, GLOBUS etc.)

3.2. Risk management system

3.2.1. Risk management strategy and policy

The Bank has approved a Risk Management Strategy aimed at preventing risks, minimising damage caused by them, maximising additional profit and generating income as a result of risk management.

The subjects of the Bank's risk management framework are: Supervisory Board and Audit Committee of the Supervisory Board; Management Board; Committees of the Management Board (Credit Committee, Small Credit Committees, Assets and Liabilities Committee, Tariff Committee and other collegial bodies established by the Management Board); control units (Internal Audit Unit, Risk Management Unit, Compliance Unit); business units of the Bank.

The approved organisational model of the risk management framework provides for the separation and direct subordination to the Supervisory Board of the risk management unit and the compliance unit of the Bank, which ensures timely identification, measurement, monitoring, control and mitigation of risks, as well as proper reporting.

The Bank carries out a comprehensive assessment of the following material types of risks inherent in its business profile: credit risk, liquidity risk, interest rate risk of the banking book, market risk, operational risk and compliance risk.

When assessing all types of risks, the Bank also takes into account concentration risk.

The risk management framework built by the Bank has three lines of defense.

Line 1	Line 2	Line 3
* at the level of the Bank's business units and supporting units, which accept risks and are responsible for them and report on the current management of such risks;	* at the level of the Risk Management Department and the Bank's Compliance Unit;	* at the level of the Internal Audit Service, which reviews and assesses the effectiveness of the risk management framework.

The Risk Appetite Statement approved by the Bank's Supervisory Board established the risk appetite for 2024, both for the Bank as a whole and for individual types of risks. The indicators of the Statement are generally within the established values, and no activation of the Recovery Plan was applied during the reporting year.

Heads of risk management and compliance units have the right to attend meetings of the Management Board and all collegial bodies created by the Management Board, without exception, and to impose a ban (veto) on the decisions of these bodies if the implementation of such decisions would lead to:
- violation of the established risk appetite and/or risk limits approved by the Supervisory Board;
- violation of the requirements of the law, relevant standards of professional associations, the effect of which applies to the Bank;
- conflict of interest;
- in other cases established by the Supervisory Board of the Bank.

The activities of risk management entities are clearly demarcated and regulated, which avoids duplication of functions and ensures an appropriate level of responsibility for decisions made.

3.2.2. Significant types of risks, their changes and plans for their mitigation. Negative consequences and potential opportunities

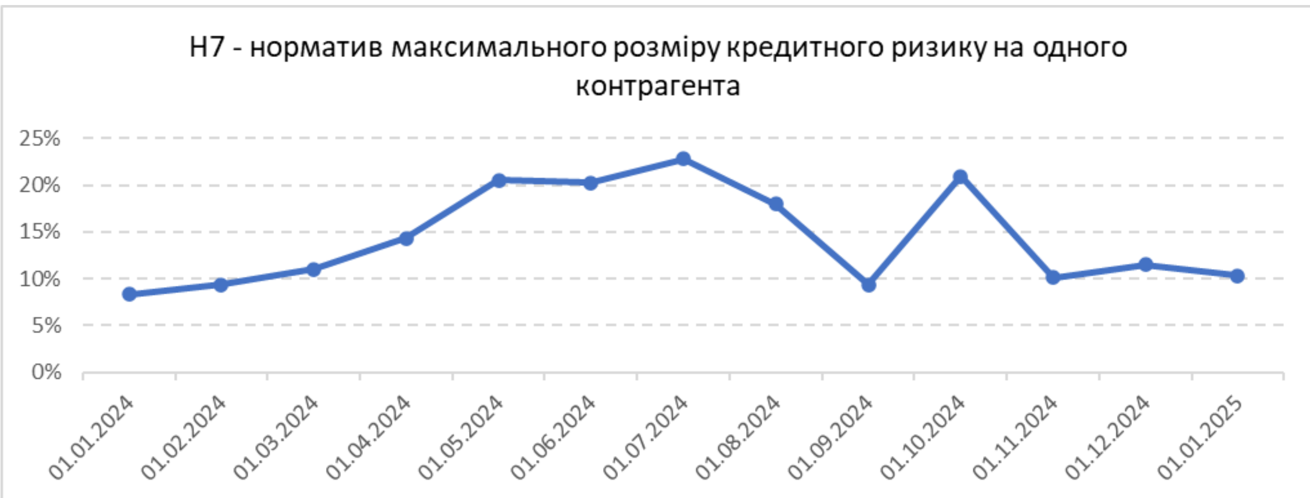
The significant types of risks for the Bank are credit risk, liquidity risk and interest rate risk.
In 2024, the Bank's loan portfolio increased by UAH 697 million, from UAH 2,073 million to UAH 2,770 million, the volume of the Bank's non-performing loans (loans with overdue payments of more than 90 days) decreased from UAH 290 million to UAH 253 million, accounting for 9.14% of the Bank's total loan portfolio.
The work carried out to repay and restructure credit debt allowed us to maintain the quality of the credit portfolio and ensure debt servicing by the Bank's clients.
During the reporting year, the Bank was guided by a conservative lending policy and a realistic approach to credit risk assessment, which resulted in a significant increase in loan loss provisions despite a significant decrease in non-performing loans.

Quality of credit risk management

Indicator (excluding interest, discounts, premiums, provisions)	**1 January 2024**	**1 January 2025**	**Change,%**
Bank's loan portfolio, thousand UAH	2,073,213	2,770,434	+34%
Non-performing loans of the Bank (overdue > 90 days), thousand UAH	290,823	253,138	-13%
Share of non-performing loans,%	13.77%	9.14%	-34%

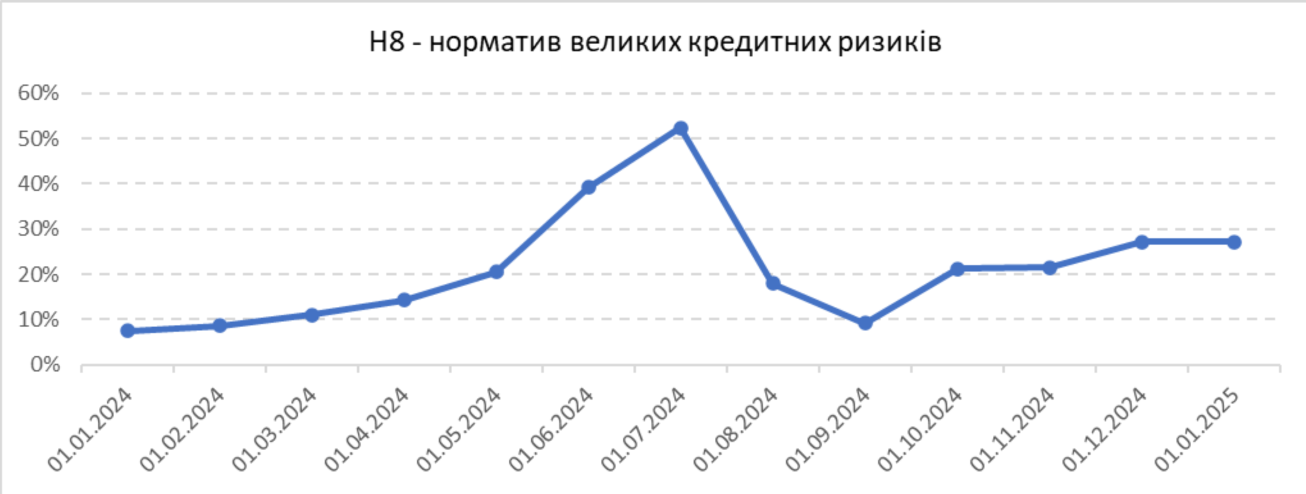
During 2024, the Bank complied with the credit risk standards established by the National Bank. For 2024:
- the maximum size of the credit risk ratio per counterparty (N7) was 23.1 %, with the 25% maximum limit set by the National Bank;

N7 – maximum credit risk ratio per counterparty



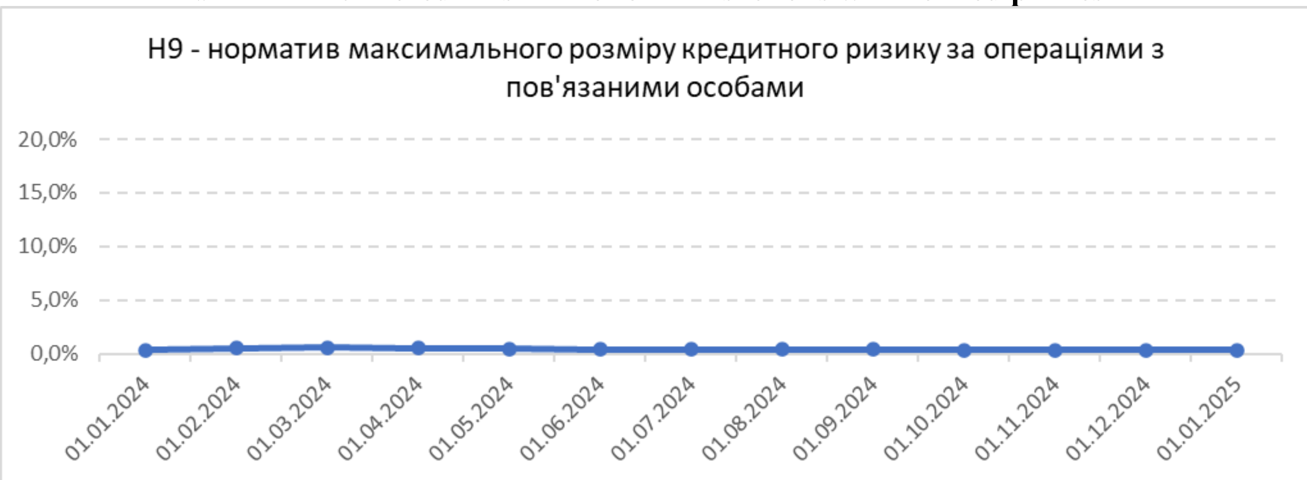
– the maximum size of the large credit risk ratio (N8) was 69%, with the 800% maximum limit set by the National Bank;

N8 - large credit risk ratio



– The maximum credit risk ratio for transactions with related parties (N9) was 0.39%, with the 25% maximum limit set by the National Bank. Loans to the Bank's related parties are very insignificant and are limited to loans to employees of the Bank for the purchase of housing and cars and credit limits on cards.

N9 - maximum credit risk ratio for transactions with related parties



During 2024, the Bank maintained the necessary level of diversification of the loan portfolio and operated within the limits of product and industry concentration of the loan portfolio. In 2025, the Bank plans a slight growth of the loan portfolio, focusing primarily on its quality and the level of debt service by customers.

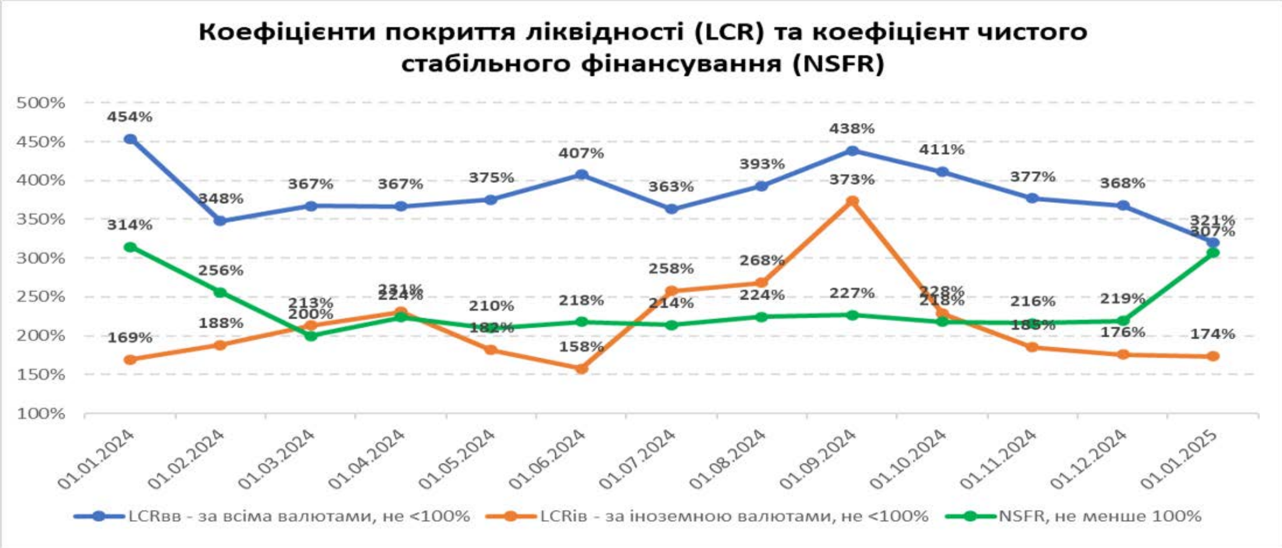
In 2025, the Bank plans to continue implementing a balanced credit policy.

Liquidity risk

During the reporting year, the Bank complied with regulatory requirements regarding the size of liquidity ratios: liquidity coverage ratios (LCR) in all currencies and in foreign currency, as well as the net stable funding ratio (NSFR).

The structure of assets and liabilities by maturity is sufficiently balanced. The established limits on liquidity gaps were observed during the year. The Risk Management Department reported monthly to the Assets and Liabilities Management Committee on the current liquidity situation and compliance with internal limits on liquidity gaps. On a daily basis, the level of concentration of resources by the largest depositors and the sufficiency of highly liquid assets is monitored. The Bank's further strategy is aimed at reducing liquidity gaps.

Liquidity coverage ratio (LCR) and net stable funding ratio (NSFR)



LCRacr – all currencies, no <than 100% LCRfcr – foreign currency, no <than 100% NSFR, no less than 100%

Interest rate risk

One of the integral elements of the Bank's activities is interest rate risk.

In its activities, the Bank assesses and monitors interest rate risk using maturity gap analysis and monitors interest rates on financial instruments by maturity and currency. When assessing interest rate risk, the Bank focuses on managing net interest income in the short term, stabilising it and improving its quality.

Taking into account the changing situation on the financial market and current rates, the Bank adjusts the relevant interest rates on banking products, and also reviews the priority of areas for placing funds.

Currency risk

The volume of the Bank's credit operations in foreign currency is very low, as at 1 January 2025 the foreign currency credit portfolio comprised 2.4% of the Bank's total loan portfolio.

During 2024, the Bank adhered to the limits set by the National Bank of Ukraine for both the long and short open currency positions of the Bank at a level not exceeding 5% of regulatory capital. Thus, the average indicators of the Bank's long open currency position comprised 2.7% and short open currency position - 2.7%. There were no violations of the limits.

In order to manage the Bank's currency position and minimise currency risk, the Bank sets limits on foreign currency transactions and carries out structural balancing by volume and maturity.

3.3. Relations with shareholders and related parties and their impact on the business performance and their management

Transactions with shareholders and related parties are conducted by the Bank on standard terms, avoiding conflicts of interest. The volume of such transactions is very insignificant.

Transactions with shareholders and related parties do not have a negative impact on the Bank's activities. The value of the maximum credit risk standard for transactions with related parties (N9) during 2024 did not exceed 0.39%, which indicates a minor risk of these transactions (the National Bank of Ukraine standard is 25%).

4. Results of activities and prospects for further development

4.1. Key trends and factors affecting the Bank’s business

The continuation of the full-scale war and the expected growth of negative sentiment within the country, on the one hand, and a slight improvement in the economic situation compared to the previous year, on the other hand, were the main factors that impacted business in 2024. The growth of inflation at the end of the year and, as a result, the tightening of the monetary policy by the NBU led to tighter requirements for loan portfolios. Also, the increase in interest rates reduced customer demand for new loans.

The key risk to inflation dynamics and economic development remains financial support from partners and military risks.

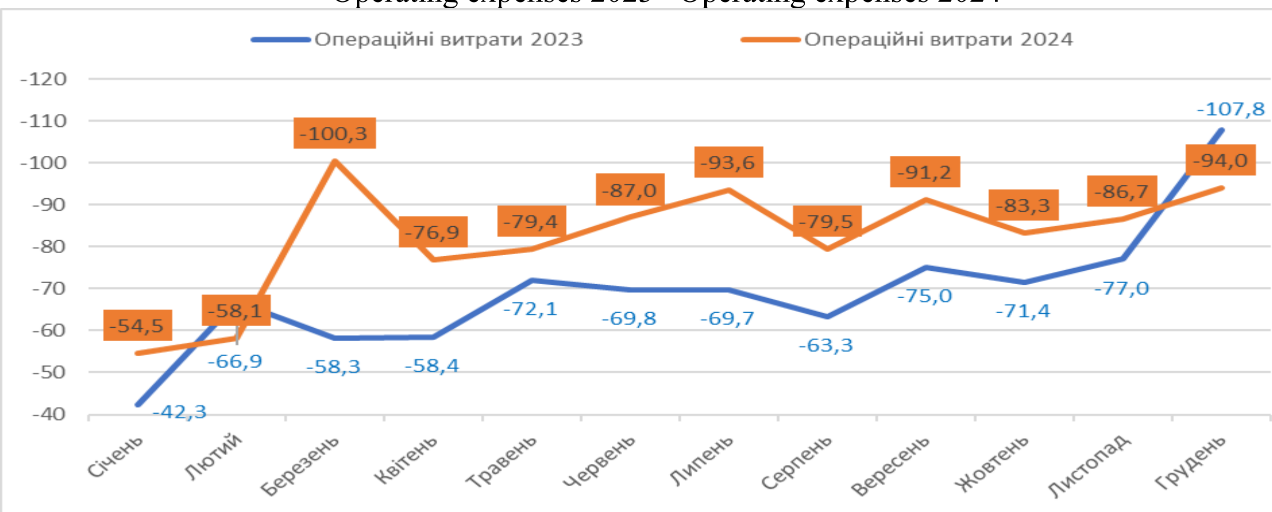
Despite all potential risks, the Bank continued to actively participate in the state programme for reducing the cost of loans "e-Housing", the programme "Solar Loans", "Affordable Loans 5-7-9%" and "Affordable Financial Leasing 5-7-9%" , "Affordable Factoring 5-7-9% ", financing of ESCO companies and developers.

In addition, the Bank's management has chosen to implement a conservative liquidity management strategy. Accordingly, the total volume of highly liquid assets of the Bank in 2024 was maintained at a significantly higher level than required by current legislation .

Currently, the Bank has in place an approved business continuity plan and a procedure for conducting payment transactions in the absence of communication facilities, all necessary backup power sources (diesel power plant, generators) for the Bank's branch network, equipped backup workplaces in the western regions of Ukraine, backup communication channels, etc.

It should be noted that the Bank operated during 2024 with a cautious approach to operating expenses, however, in order to improve financial sustainability and long-term performance, the Bank increased its operating expenses during 2024 by UAH 152 mn (+18.3%).

Operating expenses 2023 Operating expenses 2024

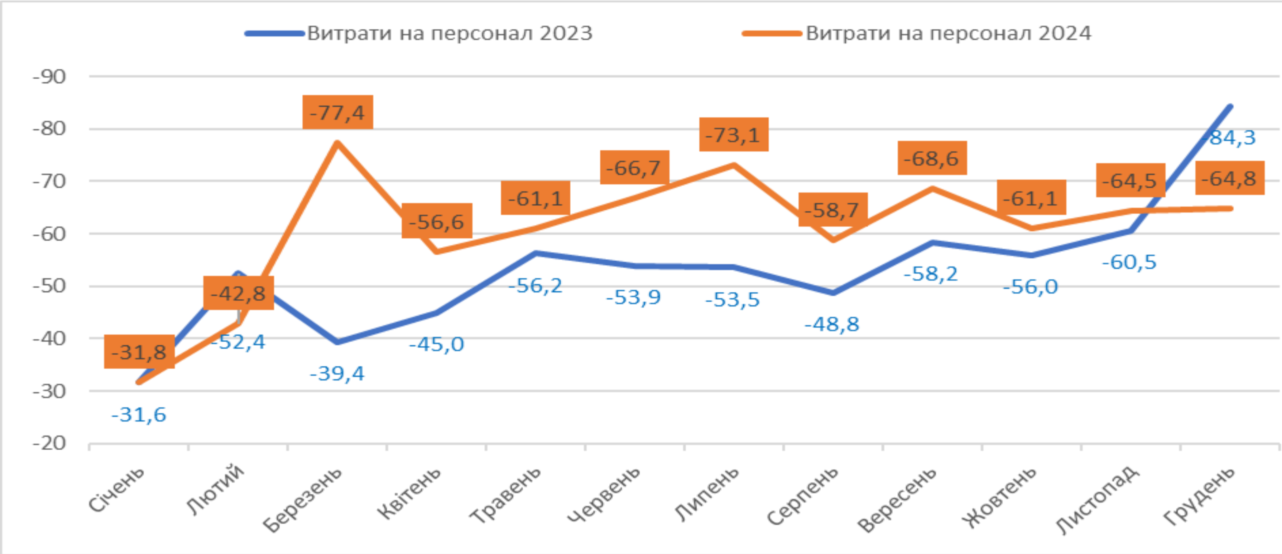


January February March April May June July August September October November December

The increase occurred in most expense items:

- personnel costs increased by 13.7%;
- operating and maintenance costs - by 47.2%;
- software costs - by 38.7%;
- expenses for information resources and communication systems - by 14.0%;
- marketing and sponsorship expenses - by 294.2%;
- other administrative and operating expenses - by 21.2%.

Personnel costs 2023 Personnel costs 2024



January February March April May June July August September October November December

4.2. The Bank's performance results, their relationship to management goals and strategies for achieving these goals

The Bank's Supervisory Board approved the Bank's Business Plan for 2025. The Bank's business plan was developed with due regard to the existing and emerging challenges for the Ukrainian economy, as well as the support provided by the International Monetary Fund and other international financial institutions.

Despite unforeseen risks, the Bank remained profitable according to the results of 2024. The Bank's profit in 2024 amounted to UAH 37.0 million, which was UAH 2.9 million less than the profit in 2023, which amounted to UAH 39.8 million.

Achievement of planned indicators for 2024:

	Target	Actual	Implementation
LIABILITIES	**11,544,592**	**14,142,575**	**123%**
NBU loans	0	0	0%
Deposits from other banks	0	0	0%
Loans received from international and other organisations	329,499	183,597	56%
Monetary coverage of the guarantee	409,427	513,895	126%
Term deposits	**6,073,276**	**8,369,073**	**138%**
Corporate	3,031,429	5,122,600	169%
SME	597,647	1,130,611	189%
Individuals	2,444,200	2,115,862	87%
On demand	**4,029,002**	**4,070,651**	**101%**
Corporate	3,398,132	3,368,309	99%
SME	514,969	514,486	100%
Retail	115,901	187,856	162%
Card accounts	348,114	440,505	127%
Subordinated debt	64,204	70,633	110%
Equity instrument	51,399	59,011	115%
Other liabilities	239,671	435,210	182%

EQUITY	**730,194**	**724,157**	**99%**
Authorised capital	300,000	300,000	100%
Transactions with shareholders	110,500	110,500	100%
General reserves, reserve fund, other bank funds	213,306	206,090	97%
Results of previous years	70,594	70,594	100%
Results of the current year	35,795	36,973	103%

B) Implementation of the asset plan

	Target	Actual	Implementation
ASSETS	**12,208,578**	**14,866,732**	**122%**
Cash and banking metals	257,481	209,018	81%
Cash balances with the National Bank of Ukraine	459,923	134,180	29%
Securities refinanced by the NBU	**8,245,762**	**11,286,334**	**137%**
USA government debt securities	37,982	87,231	230%
Due from banks	743,581	500,136	67%
Loan portfolio	**2,866,535**	**2,840,830**	**99%**
Corporate	641,410	421,541	66%
SME	668,982	1,015,589	152%
Retail	1,201,686	1,062,140	88%
Digital	354,457	341,560	96%
Loan loss provisions	**-764,298**	**-638,751**	**84%**
Corporate	-241,143	-171,420	71%
SME	-76,019	-92,463	122%
Retail	-153,146	-143,087	93%
Digital	-293,990	-231,781	79%
Property, equipment and intangible assets	255,690	230,880	90%
Other assets	105,922	216,874	205%

C) Implementation of the income plan

	Target	Actual	Implementation
OPERATING INCOME	**1,085,427**	**1,235,112**	**114%**
Interest income	**1,591,712**	**1,578,694**	**99%**
Interest income on funds placed in other banks	3,728	24,739	664%
Interest income on loans granted to customers	**388,188**	**432,390**	**111%**
Corporate	95,518	103,801	109%
SME	94,605	135,203	143%
Retail	155,606	141,771	91%
Digital	41,114	48,765	119%
Transactional	1,345	2,850	212%
Interest income on securities	**1,199,797**	**1,121,565**	**93%**
Interest expenses	**-960,352**	**-971,720**	**101%**
Interest expenses on due from other banks	0	-6,916	-
Interest expense on lease liabilities	-3,759	-4,428	118%
Interest expense on equity instruments and subordinated debt	-15,349	-13,940	91%
Interest expenses on customer transactions	**-941,244**	**-946,436**	**101%**

Corporate	-500,348	-505,603	101%
SME	-73,412	-69,723	95%
Retail	-367,484	-371,110	101%
Digital	0	0	-
Fee and commission income	**402,127**	**355,230**	**88%**
Corporate	205,956	164,257	80%
SME	82,909	68,888	83%
Retail	92,656	96,422	104%
Digital	6,474	8,608	133%
Transactional	12,435	15,508	125%
Treasury	1,697	944	56%
Other commission income	0	603	-
Fee and commission expenses	**-57,319**	**-100,213**	**175%**
Corporate	-14	-377	2,693%
Retail	-662	-531	80%
Digital	-886	-1,644	186%
Transactional	-3,600	-9,425	262%
Treasury	-24,887	-29,108	117%
Other fee and commission expenses	-27,270	-59,128	217%
Gains less losses from purchase and sale transactions	**99,279**	**273,473**	**275%**
Revaluation gain (loss)	**4,292**	**2,721**	**63%**
Other operating income	1,974	89,022	4,510%
Other income	3,714	7,905	213%
OPERATING COSTS	**-898,782**	**-984,507**	**110%**
including personnel costs	***-656,913***	***-727,255***	***111%***
Other income/(expenses)	6,314	1,826	29%
DEDUCTIONS TO RESERVES	-145,231	-158,273	109%
INCOME TAX EXPENSES	-11,932	-57,185	479%
PROFIT	**35,795**	**36,973**	**103%**

The Bank's main achievement in 2024 was the retention of staff and customers, resulting in profitable operations:

- the Bank's profit for 2024 amounted to - UAH 37.0 million;
- the Bank's equity is UAH 724 million.

In 2024, in the overall standings according to the results of the prestigious TOP 25 Leading Banks of Ukraine during the War survey, the Bank was ranked 19th among the 25 leading banks of Ukraine (2023: ranked 21st). In addition, the Bank was highly ranked in the following nominations:

- BANK GUARANTEES - 1st place;
- AUTOCREDIT - 3rd place;
- MORTGAGE LOAN - 4th place;
- SAVINGS DEPOSIT - 4th place;
- AGROCREDIT - 5th place;
- LOANS TO SMALL AND MEDIUM BUSINESSES - 9th place;
- CLASSIC DEPOSIT - 10th place.

1st place in the Best Deposit nomination at the FinAwards 2024 ceremony for outstanding achievements in the banking sector - Ministry of Finance and Finance.ua.

Based on the results of the XVI All-Ukrainian Bank of the Year-2024 competition, Globus Bank was ranked the best in three nominations:
- Best Mortgage Bank-2024;
- "For successful lending to small and medium-sized businesses";
- "Best bank for providing bank guarantees".

Since May 3, 2023, the Bank has been an active participant in #ShakhrayGoodbye, the All-Ukrainian information campaign on payment security .

Bank-partner 2024 at the UKRAINIAN SPECIAL BUILDING AWARDS IBUILD 202 4.

4.3. Intention to implement the Bank's strategy in the long term

According to the Business Plan for 2025, the Bank plans to maintain the profile of a universal bank and continue its policy of qualitative growth.

The Bank's main long-term goals are:
- adapting key business processes to the conditions of full-scale war and long-term military risks;
- ensuring business continuity; implementing measures to enhance resilience to operational risks and maintain business continuity even in the face of prolonged blackouts; continuity of payments and preservation of the banking network;
- expanding the client base both through both traditional channels and the implementation of digital technologies. To this end, it is planned to create new transactional business products and introduce online services for individuals and SMEs;
- attracting funds from the Bank's clients from the same sources as in previous years (deposits and current accounts of legal entities and individuals). At the same time, the Bank plans to further reduce its foreign currency borrowings;
- expanding the range of on-line services, expanding cooperation with existing partners and attracting new ones, intensifying the use of Internet sales;
- further reducing concentration in the loan portfolio and borrowed funds.

The Bank's priority areas of activity are:
- expanding the range of on-line services and increasing the use of Internet sales;
- introducing new effective methods of working with customers and improving the quality of customer services;
- increasing the volume of transactions performed, expanding and improving the range of services offered and improving the level of banking services;
- effective use and allocation of resources, both existing and borrowed;
- diversifying activities in various areas in order to reduce banking risks;
- reducing concentration in the loan portfolio and borrowed funds;
- pursuing balanced pricing (tariff) policy;
- professionalism and energy of the working staff.

5. Key performance indicators

Management assesses the Bank's performance based on the achievement of the Bank's performance targets, primarily in terms of profit and compliance with prudential ratios set by the National Bank of Ukraine.

The general performance indicators of the Bank as a whole and for the main business units of the Bank are determined by the Supervisory Board of the Bank within the framework of the Bank's Business Plan for the year. The Bank's risk appetite is determined by the Risk Appetite Statement.

The performance indicators for the Bank's branches are determined by the Bank's business units.

Data on the Bank's implementation of the Business Plan in 2024 are provided in paragraph 4.2 of this Management Report.

6. Information on the use of derivative financial instruments

In 2024, the Bank did not use derivative financial instruments in its activities.

7. Analysis of the economic, environmental and social aspects of the Bank's activities, their changes during the reporting period and their impact on the Bank's activities or the potential for risks in the future

Beneficiary enterprises financed under the programmes of the Entrepreneurship Development Fund (EDF) through JSC "CB "GLOBUS" are obliged to adhere to environmental and social regulatory requirements of Ukrainian legislation, the EDF Exception List, the World Bank's ESS, and the relevant environmental and social requirements of other IFIs, if applicable.
JSC "CB GLOBUS" has started the process of introducing standards for systematic review of the business activities of potential beneficiary enterprises for environmental and social risks, as well as ensuring that environmental and social risks are taken into account in the decision-making process for financing and approving transactions of JSC "CB GLOBUS" under the EDF programmes.
The environmental and social standards are developed in accordance with the requirements of the World Bank's Environmental and Social Standard (ESS), as well as taking into account the Good International Industry Practices for Environmental and Social Risk Management and the Environmental, Health and Safety Guidelines of the World Bank Group, KFW and IFC.
Compliance with environmental and social regulatory requirements will contribute to the sustainable development of the business of borrowing companies and will meet the best European banking standards.

8. Employment, respect for human rights, and prevention of corruption

The Bank's social position as an employer in the Ukrainian labour market is primarily focused on providing its employees with competitive employment conditions, labour motivation, a full social package and additional benefits such as housing and car loans, legal support, and security for employees and their families.
The Bank's human resources policy is based on the principles of equal opportunities and mutual respect between all employees, regardless of their positions and departments they work in. Each employee has the right to equal respect, dignity and treatment of his or her work and personality by all employees and managers of the Bank.
In its activities, the Bank excludes any discrimination, including violation of the principle of equality of rights and opportunities, direct or indirect restriction of rights based on race, skin colour, political, religious and other beliefs, gender, gender identity, sexual orientation, ethnic, social and foreign origin, age, health status, disability, suspicion or presence of HIV/AIDS, marital and property status, family responsibilities, place of residence, membership in a trade union or other association of citizens, participation in a strike, applying or intending to apply to a court or other authorities for the protection of their rights or supporting other employees in protecting their rights, language or other grounds not related to the nature of work or terms of performance.
During 2024, management of the Bank made significant efforts to improve the social standards of its employees, continuously improving its approaches to personnel management and development, guaranteeing high social standards, fair remuneration, and ensuring occupational health and safety.
The Code of Corporate Ethics implemented at the Bank contains guarantees of equal relations between the Bank and its customers, employees, suppliers and competitors.
As a socially responsible institution, the Bank takes measures to support clients with disabilities by adapting its branches to serve them. In addition, the Bank promotes the employment of such people. In 2024, the share of employed people with disabilities in the Bank's staff was more than 5.23% of the total average number of its employees.
The Bank pays special attention to the development and internal career advancement of its employees. Compared to external recruitment, priority is given to internal transfers. In the reporting period, the Bank actively used the previously created talent pool for the positions of heads of departments, which is constantly expanded with new ambitious and highly professional employees. Promotions are based solely on the assessment of the professional and business qualities

of the Bank's employees.
The Bank is committed to the development of its employees, as it recognises that investment in skilled personnel is the basis for long-term success. The Bank conducts internal trainings to upgrade the professional skills of its employees on an ongoing basis.
In 2024, the Bank held 49 internal training events to upgrade the employee skills in risk management, conflict of interest management, labour safety, financial monitoring, information security, internal control and sales of banking products, covering about 63% of the total number of employees, including 88.5% (184 employees) in sales (direct and remote) of banking products. All Management Board and Supervisory Board members participated in external training events on risk management, financial monitoring, compliance, IT, accounting and taxation, and corporate governance. The total number of such seminars/trainings attended by at least one of the Bank's managers was 16.
The Bank pays special attention to all suggestions of its employees and rewards the best ideas in the areas of environmental protection, energy saving, natural resources conservation, etc. Last year, the Bank laid the appropriate foundation by embarking on a course of digitalisation of its processes. The choice of this course will emphasise the Bank's positive role in environmental protection, which is to reduce paperwork as much as possible. In addition, the Bank's products include a number of financing programmes for projects aimed at reducing energy costs and introducing ‘green’ technologies.
The conflict of interest management is regulated by the Bank's Policy on Prevention, Detection and Management of Conflicts of Interest, the Anti-Corruption Programme, the Code of Corporate Ethics, the Bank's Charter, as well as the applicable laws of Ukraine.
Management and employees of the Bank are required to fully disclose their actual and potential conflicts of interest and not use their positions for personal gain at the expense of the Bank. Management of the Bank ensures that conflicts of interest are avoided in the exercise of their powers. IIn addition, the Bank has internal regulations in place governing the processes of determining, identifying and conducting transactions with the Bank's related parties, as well as the procedure for supervising such transactions.
The Bank strongly opposes any attempts of bribery for the purpose of obtaining competitive advantages or benefits.
An employee of the Bank shall not abuse his/her official position in favour of any legal entities or individuals, including his/her relatives. All services are provided to employees' relatives or to employees who are clients of the Bank on general terms and conditions in accordance with the rules approved by the Bank.
It is not allowed to give or receive any gifts or services from business partners and third parties that contravene the applicable laws of Ukraine and internal bank regulations and may be interpreted as payment for specific services or biased decision-making.
The Bank has implemented and successfully operates a Whistleblowing Procedure, which allows each employee to report any problem they have and seek assistance from the Bank's Compliance Department, while maintaining the confidentiality of such a request.
The Bank provides appropriate guarantees to any employee who reports criminal and fraudulent activities or violations of internal banking standards of conduct, confidentiality and maximum possible protection from retaliation.

9. Corporate Governance Report

The purpose of the activities of JSC "CB "GLOBUS" is to meet the needs of individuals and legal entities in banking and other financial services to generate profit in the interests of the Bank's shareholders, as well as to ensure the long-term sustainable development of the Bank.
The Bank's Corporate Governance Code approved by Shareholder Resolution No. 3 dated 29 December 2023 (Minutes No. 3) can be accessed on the Bank's official website by clicking on:
https://globusbank.com.ua/images/uploaded/sys_media_doc/doc_e73a8ca4e48bee8be43ef5986f987

c62.pdf
The Bank's corporate behavior priorities are:
− respect for the rights and legitimate interests of the Bank's participants: founders, shareholders of the Bank (hereinafter referred to as the ‘shareholders’), employees, customers, counterparties and other stakeholders;
− openness, transparency of the Bank and provision of reliable information about its activities;
− ensuring the Bank's efficient operations, profitability and financial stability.
Management of the Bank strictly adheres to the provisions of the approved Corporate Governance Code. The norms of the Corporate Governance Code comply with the legislation of Ukraine.

9.1. Holders of significant interests in the Bank

As of 1 January 2024 , the sole shareholder of the Bank is the legal entity, LLC "UKRAINIAN MEDIA TECHNOLOGIES", holding 300,000 shares, which constitutes 100% of the authorised capital of the Bank.

Ownership structure of JSC "CB "GLOBUS":

#	Full name of an individual or legal entity	Personal information	Description of the relationship with the Bank	Interest in the Bank, %		
				Direct	Indirect	Cumulative
1	Limited Liability Company "UKRAINIAN MEDIA TECHNOLOGIES" (UMT LLC)	19/5 Kurenivsky Lane, Kyiv 04073 EDRPOU code: 32982997	A shareholder of a bank who owns 100% of the bank's shares (Resolution No. 427 of the Board of the National Bank of Ukraine dated 27.11.2007) Holder of significant interest - 100%	100	-	100
2	Limited Liability Company "KETLEN" ("KETLEN” LLC)	19/5 Kurenivsky Lane, Kyiv 04073; EDRPOU code: 21563316	Participant of LLC "UMT" (share 99.993%) holding 100% of the Bank's shares Holder of significant interest - 100%	-	100	100
3	Sylniahina Elena Anatoliivna	Ukrainian citizen	Participant (controller) of LLC "KETLEN" (50.5% stake) holding 99.993% in LLC "UMT" that owns 100% of the Bank's shares. Participant of LLC "UMT", (0.007% stake) that owns 100% of the Bank's shares (Decision No. 181 of the Commission of the National Bank of Ukraine on Supervision and Regulation of Banking Activities dated 30.04.2014) Holder of significant interest - 100%	-	100	100

#	Full name of an individual or legal entity	Personal information	Description of the relationship with the Bank	Interest in the Bank, %		
				Direct	Indirect	Cumulative
4	Polkovskyi Dmitro Eduardovych	Citizen of Ukraine	Participant in LLC "KETLEN" (share 16.2%) holding 99.993% in LLC "UMT" that owns 100% of the Bank's shares (Decision No. 167 of the Commission of the National Bank of Ukraine on Supervision and Regulation of Banking Activities, Supervision (Oversight) of Payment Systems dated 01.04.2016) Holder of significant interest - 16.198866%	-	16.198866	16.198866
5	Varyagin Yevhen Oleksandrovych	Citizen of Ukraine	Through LLC "KETLEN" (9.9%) holding 99.993% of LLC "UMT" that owns 100% of the Bank's shares	-	9.899307	9.899307
6	Mamedov Serhiy Gennadiyovych	Citizen of Ukraine	Through LLC "KETLEN" (9.9%) holding 99.993% of LLC "UMT" that owns 100% of the Bank's shares	-	9.899307	9.899307
7	Lesovy Taras Valentynovych	Citizen of Ukraine	Through LLC "KETLEN" (3.6%), holding 99.993% of LLC "UMT" that owns 100% of the bank's shares	-	3.599748	3.599748
8	Pinchuk Andriy Ivanovych	Citizen of Ukraine	Through LLC "KETLEN" (9.9%) holding 99.993% of LLC "UMT" that owns 100% of the Bank's shares	-	9.899307	9.899307

9.2. Procedure for appointment and dismissal of Bank officials

The procedure for appointing and dismissing officials is determined by the Bank's Charter, the Regulation on the General Meeting of Shareholders, the Regulation on the Supervisory Board and the Regulation on the Bank's Management Board.
The **Supervisory Board** is a collegial body that oversees the activities of the Bank's Management Board and protection of the rights of depositors, other creditors and shareholders. The Supervisory Board does not participate in the day-to-day management of the Bank and is elected by the General Meeting of Shareholders for a three-year term from among the Bank's shareholders, their representatives and independent members (independent directors), consisting of at least five (5) persons. In 2024, the Supervisory Board consisted of 6 members.
At the same time, at least one third of the Bank's Supervisory Board consists of independent directors (at least three persons). In 2024, the Supervisory Board included 3 independent members, which is 50% of the total number of Supervisory Board members. The Supervisory Board is elected by cumulative voting, except for cases specified by the legislation of Ukraine.
Members of the Supervisory Board (candidates for this position) meet the qualification requirements for business reputation and professional suitability, have impeccable business reputation, and independent directors meet the independence requirements established by Ukrainian law. An independent director (candidate for this position) should possess knowledge in the areas of corporate governance and banking and their regulation to the extent necessary to effectively

perform his/her duties on the Supervisory Board.
Members of the Supervisory Board are not members of the Management Board, and some members of the Supervisory Board hold the following positions: member of the Supervisory Board, Chairperson of the Supervisory Board. The said members of the Supervisory Board do not hold any other positions in the Bank. Contracts (employment contracts) or civil law agreements have been concluded with all members of the Supervisory Board.
A member of the Supervisory Board of the Bank shall not be a director, officer and/or member of the Supervisory Board of another Bank or another governing body of another Bank.
The independent members of the Supervisory Board (independent directors) meet the requirements established by Ukrainian law regarding the independence of the members of the Supervisory Board of a joint-stock company.
The collective suitability of the Supervisory Board (availability of common knowledge, skills, professional and managerial experience of the Chairperson and members of the Supervisory Board to the extent necessary (sufficient) to understand all aspects of the Bank's activities, adequate risk assessment, make informed decisions, as well as ensure effective management and control of the Bank's activities in general) corresponds to the size, specifics of the Bank's activities, nature and scope of banking and other financial services, risk profile of the Bank and systemic importance of the Bank.
Members of the Supervisory Board are approved for their positions in accordance with the procedure established by the National Bank.
In order to comply with the requirements established by the legislation of Ukraine and the regulations of the National Bank, and the implemented internal bank procedure, the Bank annually checks the compliance of the members of the Supervisory Board with the qualification requirements established by the legislation of Ukraine, and the compliance of the independent members of the Supervisory Board with the independence requirements. The results of the check are submitted to the National Bank. The National Bank of Ukraine has the right to demand the termination of powers of a member of the Supervisory Board if he or she does not properly perform his or her functions; the Bank did not receive any such demands in 2024.
The General Meeting of Shareholders of the Bank may decide to early terminate the powers of the members of the Supervisory Board and simultaneously elect new members at any time and in any case that does not contradict the effective legislation of Ukraine.
Without a decision of the General Meeting of Shareholders, the powers of a member of the Bank's Supervisory Board shall be terminated:
1) at his/her request, provided that he/she notifies the Bank in writing two weeks in advance;
2) in case of inability to fulfil the duties of a member of the Supervisory Board due to health reasons;
3) in the event of a court verdict or decision entering into legal force, by which he/she is sentenced to a punishment that excludes the possibility of performing the duties of a member of the Supervisory Board;
4) in the event of death, recognition of him/her being incapacitated, with limited legal capacity, missing, deceased;
5) in the event that the Bank receives a written notification about the replacement of a member of the Supervisory Board who is a shareholder representative;
6) in the event of other circumstances that, in accordance with the effective legislation of Ukraine, prevent the performance of the duties of a member of the Supervisory Board.
With the termination of the powers of a member of the Supervisory Board, the agreement (contract) concluded with him/her is simultaneously terminated.
The **Management Board** is a collegial executive body of the Bank that manages its current activities. The number of members of the Management Board is determined by a resolution of the Supervisory Board. The Deputy Chairpersons of the Management Board are members of the Bank's Management Board ex officio.
The Management Board, consisting of the Chairperson, his/her deputies and members of the

Management Board, is appointed by the Supervisory Board in the amount of at least 3 (three) persons for a term of no more than 5 (five) years. In 2024, the Management Board consisted of 10 members.
Any individual who has full legal capacity and meets the qualification requirements for professional suitability and business reputation established by the Law "On Banks and Banking Activities" and regulations of the National Bank of Ukraine may be a member of the Bank's Management Board.
Members of the Bank's Management Board were appointed to positions in accordance with the procedure established by the National Bank.
The Chairperson of the Board, members of the Board and the Chief Accountant of the Bank do not hold positions in other legal entities.
The Bank's Supervisory Board annually monitors the compliance of the members of the Management Board with the qualification requirements established by the legislation of Ukraine.
The Chairperson, members of the Management Board and the Chief Accountant of the Bank shall take office on the basis of employment agreements (contracts) concluded with them after appropriate approval by the National Bank of Ukraine. The agreement (contract) concluded with each member of the Management Board shall be signed on behalf of the Bank by the Chairperson of the Supervisory Board or a person authorised to do so by the Supervisory Board of the Bank.
The powers of the Chairperson and members of the Bank's Management Board may be terminated in cases provided for by the legislation of Ukraine and agreements (contracts) concluded with them.

The **Head of the Internal Audit Service** of the Bank (candidate for this position) should meet the general requirements for impeccable business reputation and professional suitability of the Bank's manager and the requirements specified in the regulations of the National Bank of Ukraine on the organisation of internal audit in banks.
Certain special qualification requirements for appointment to a position in the Bank in accordance with the requirements set forth in the regulations of the National Bank of Ukraine on organisation of the risk management framework, financial monitoring and licensing of Ukrainian banks are imposed on the following officials:

- **Risk Management Director** (Chief Risk Management Officer, CRMO), who is the Bank's chief risk officer responsible for risk management;
- **Chief Compliance Officer** (CCO) , who is the Bank's chief officer responsible for monitoring compliance;
- **Head of Financial Monitoring Department**, who is the Bank's chief officer responsible for conducting financial monitoring in the Bank.

All of the above officials of the Bank were approved for their positions in accordance with the procedure established by the National Bank of Ukraine, and the Supervisory Board of the Bank annually monitors their compliance with the qualification requirements established by the legislation of Ukraine.
Powers of the Head of the Internal Audit Service, Chief Risk Management Officer (CRMO), Chief Compliance Officer (CCO**),** and Head of Financial Monitoring Department are determined by the employment agreements (contracts) concluded with them and their job descriptions. Those employment agreements (contracts) are signed on behalf of the Bank by the Chairperson of the Supervisory Board or a person authorised to do so by the Bank's Supervisory Board.
Powers of the Head of the Internal Audit Service, Chief Risk Management Officer (CRMO), Chief Compliance Officer (CCO**),** and Head of Financial Monitoring Department may be terminated in cases provided for by the legislation of Ukraine and agreements (contracts) concluded with them.
The decision to dismiss the Chief Risk Management Officer (CRMO), Chief Compliance Officer (CCO**)**, or Head of Internal Audit Service of the Bank, except as in cases of dismissal of such a person at his own request, by agreement of the parties, or in connection with the expiration of the employment agreement (contract), shall be approved by the National Bank and comes into force after this approval.

9.3. Information about the General Meetings of Shareholders (Participants) and a general

description of the decisions taken at the Meetings

In 2024 , the General Meeting of Shareholders met 3 times to make decisions within the competence of this body in accordance with the Bank's Charter, namely:
1. On the appointment of the Chairperson and Secretary of the General Meeting of Shareholders of JSC "CB "GLOBUS".
2. On establishing official salaries/amount of remuneration for members of the Supervisory Board.
3. On approval of an additional agreement to the civil law contract with a member of the Supervisory Board.
4. On the cancellation of the decision on the third item on the agenda of the Extraordinary General Meeting of Shareholders held on 22 March 2022 (Minutes No. 1).
5. On amendments to the Bank's Charter by setting out the Charter in a new wording.
6. On consideration of the Report on the activities of the Supervisory Board of JSC "CB "GLOBUS" in 2023.
7. On approval of the Regulations on remuneration of members of the Supervisory Board.
8. On approval of the Report on the remuneration of members of the Supervisory Board of JSC "CB "GLOBUS" for 2023.
9. On approval of the annual financial statements of JSC "CB "GLOBUS" for the year ended 31 December 2023 audited by an independent audit firm. Consideration of the conclusions of the independent auditor's report and approval of measures based on the results of the consideration of such report.
10. On approval of the Management Report (annual management report) for 2023.
11.On approval of the results of financial and economic activities and distribution of profits for 2023.
On the re-election of a member of the Supervisory Board of JSC "CB "GLOBUS".

9.4. Members of the Supervisory Board and the Management Board, their committees, information on meetings held and a general description of decisions taken

The composition of the Bank's Supervisory Board did not change during 2024 and is as follows:
1) Polkovsky D.E., Chairperson of the Supervisory Board;
2) Sylniahina O.A., Member of the Supervisory Board;
3) Member of the Supervisory Board Kurilenko S.B.;
4) Voshchylko M.V., Member of the Supervisory Board (independent director);
5) Mustafaeva D.N. Member of the Supervisory Board (independent director);
6) Sobolev O.A., Member of the Supervisory Board (independent director).

In 2024, the Supervisory Board of the Bank held 161 meetings. The meetings considered issues within the competence of the Supervisory Board in accordance with the requirements of the legislation of Ukraine and the Bank's Charter.
The main issues considered at the meetings of the Bank's Supervisory Board were the consideration and approval/consent of:
1) report on the work of individual divisions of the Bank for 2023, as well as the work plan and budget for 2024, the work plan of the Management Board and the Supervisory Board for 2024, regular reports of the Audit Committee of the Supervisory Board, the Compliance Department, the report of the Head of Financial Monitoring Department, the risk management unit, risk limits, reports on audits, decisions on significant transactions, changes to the organisational structure of the Bank, revision of salaries of members of the Management Board and influential persons, payment of bonuses to influential persons, regulations on structural divisions, other internal regulatory documents and other issues of the Bank's activities (at 39 meetings in Q1 2024);
2) regular reports of the compliance department, risk management department, risk limits, audit reports, external auditor's report for 2023, changes to the Bank's organisational structure, the status of the Bank's Management Board's implementation of target indicators, the dynamics of individual

indicators and compliance with the Bank's established limits, decisions on significant transactions, payment of bonuses to influential persons, the agenda of the General Meeting of Shareholders and draft decisions, the results of the verification of compliance of members of the Supervisory Board, members of the Management Board and the head of the Bank's internal audit department with the requirements for professional suitability and business reputation specified by the National Bank of Ukraine, other internal regulatory documents and other issues of the Bank's activities (at 35 meetings in Q2 2024);
3) regular reports of the compliance department, risk management department, risk limits, reports on audit audits, the status of the Bank's Management Board's implementation of planned indicators, the dynamics of individual indicators and compliance with the Bank's established limits, decisions on significant transactions, regulations on structural units, other internal regulatory documents and other issues of the Bank's activities (at 39 meetings in Q3 2024);
4) regular reports of the compliance department, risk management department, risk limits, reports on audit audits, the status of the Bank's Management Board's implementation of planned indicators, the dynamics of individual indicators and compliance with the Bank's established limits, decisions on significant transactions, payments of bonuses to influential persons, approval of the agreement on confirmation of the annual financial statements of the bank JSC "CB "GLOBUS" for 2025, other internal regulatory documents and other issues of the Bank's activities (at 48 meetings in the fourth quarter of 2024).

The **composition of the Management Board** did not change during 2024 and is as follows:
1) Mamedov S.G., Chairperson of the Board;
2) Dmitrieva O.M. First Deputy Chairperson of the Board;
3) Yevchuk G.P., Deputy Chairperson of the Board;
4) Dovhalska G.V., Deputy Chairperson of the Board;
5) Didenko V.V.Deputy Chairperson of the Board;
6) Lipatova A.M., Member of the Board - Chief Accountant;
7) Klevaichuk S.V., Member of the Board - Chief Operating Officer;
8) Yermolova O.G., Member of the Board - Risk Management Director (CRMO)
9) Solodkyi V.V., Member of the Board - Head of the Digital Business Department;
10) M.Y. Sheffer, Member of the Board - Head of Financial Monitoring Department.

In 2024, the Bank's Management Board held 241 meetings, including 59 meetings in Q1 2024, 59 meetings in Q2, 61 meetings in Q3 and 62 meetings in Q4 of the reporting year.

The main issues discussed at the Management Board meetings were review and approval/consent on: standard forms of agreements and products of the Bank, internal regulatory documents of the Bank, regular reports of the risk management unit, the Compliance Department, the Financial Monitoring Department regarding the Bank's related persons, credit decisions, limits on transactions with counterparty banks, dynamics of individual indicators and compliance with the established limits of the Bank, results of work with problem debt, individual issues regarding the provision of sponsorship assistance by the Bank, the Bank's business activities and other issues of the Bank's operational activities.

The Bank has the following committees:

Supervisory Board Committees:	**Board Committees:**
1. Audit Committee	1. Credit Committee
2. Appointments and Remuneration Committee	2. Assets and Liabilities Management Committee
	3. Tariff Committee
	4. Financial Monitoring Committee

The Audit Committee was established by the Supervisory Board of the Bank in 2017. The Audit Committee consists of 3 members of the Supervisory Board, two of whom are independent. The Chairperson of the Audit Committee is an independent member of the Supervisory Board of the Bank and has the appropriate education and qualifications.
There were no changes in the personal composition of the Audit Committee during 2023 .

The members of the Audit Committee are:
- Voshchylko M.V., Committee Chairperson;
- Kurilenko S.B., Committee member ;
- Mustafayeva D.N., Committee member.

The main functions of the Audit Committee include: supervision of the internal control system, control over the activities of the internal audit service and the compliance service of the Bank, including approval/appointment and dismissal of the heads of these services, consideration of reports of the internal audit service and the compliance service on their activities and the activities of the Bank, selection and interaction with the external auditor, as well as control over compliance with the requirements of the legislation of Ukraine and internal banking procedures.
During 2024, the Audit Committee held 27 meetings, at which issues related to the work plan of the internal audit service, the compliance service, the results of inspections and the status of implementation of recommendations based on their findings, the results of the inspection of internal control systems, reports of the internal audit service and the compliance service, the conflict of interest report, as well as issues related to engaging an audit company to confirm the Bank's financial statements for 2024 were reviewed.

Appointments and Remuneration Committee was established by the Supervisory Board of the Bank in 2024. The Appointments and Remuneration Committee consists of 3 members of the Supervisory Board, two of whom are independent. The Chairperson of the Appointments and Remuneration Committee is an independent member of the Bank's Supervisory Board and has the appropriate education and qualifications.
The members of the Appointments and Remuneration Committee are:
- Mustafaeva D.N., Chairperson of the Committee ;
- Kurilenko S.B., Committee member ;
- Sobolev O. A., Committee member

1) The main functions of the Appointments and Remuneration Committee include: developing and exercising control over the organisation of the remuneration system for managers and employees of the Bank whose remuneration is determined by the Supervisory Board; exercising control over the Bank's compliance with the legal requirements on appointments and remuneration; exercising control over the amount of remuneration of managers/employees set by the Supervisory Board; submitting proposals to the Supervisory Board on the appointment of candidates to the Management Board, submitting proposals to the General Meeting of Shareholders (shareholder); periodically assessing the members of the Management Board/Chief Compliance Officer/Head of the Internal Audit Department of the Bank for compliance with the qualification requirements and reporting on this issue to the Supervisory Board of the Bank, as well as monitoring the timely submission of relevant reports to the National Bank of Ukraine on this issue.
During the reporting year, the Appointments and Remuneration Committee held 4 meetings to consider the approval of the Regulations on Remuneration of the Management Board Members and influential persons, the Employee Remuneration Policy in new versions and amendments to the above regulatory documents of the Bank, as well as the performance results for the Q1 and Q2 2024 and bonuses to the Management Board members based on the results of the Q1 and Q2 2024.

The composition of the ALCO changed during 2024:
- Chairperson of the Committee – Andriyko A.V., Deputy Head of the Treasury;
- Deputy Chairperson of the Committee - Mamedov S.G., Chairperson of the Board;
- Committee members: Dmitrieva O.M., First Deputy Chairperson of the Board; Yevchuk G.P., Deputy Chairperson of the Board; Yermolova O.G., Risk Management Director; and Shirko

D.S., Director of the Financial and Analytical Department.

In 2024, the ALCO held 180 meetings, which mainly considered issues related to ensuring:

- balance between risks, profit and liquidity of the Bank;
- profitability of banking operations;
- compliance with economic standards for regulating banking activities established by the National Bank of Ukraine, including reserve requirements;
- optimising cash flows and payment discipline;
- the minimum required level of liquidity of the Bank in the cheapest way;
- meeting the interests of the Bank, its shareholders, customers, and others.

The composition of the Credit Committee has not changed since the beginning of 2024:

– Chairperson of the Committee – Mamedov S.G., Chairperson of the Board;

– Deputy Chairperson of the Committee – Dmitrieva O.M., First Deputy Chairperson of the Board;

– Committee members – Deputy Chairperson of the Board Yevchuk G.P.; Deputy Chairperson of the Board Didenko V.V., Yermolova O.G., Risk Management Director.

During 2024 , the Credit Committee held 262 meetings , which mainly considered the following issues:

- approving new and amending existing lending programmes/products for the Bank's clients, determining and approving promotional terms within the framework of the Bank's existing lending programmes/products and making decisions on granting loans and guarantees to the Bank's clients;
- approving credit debt restructuring programmes;
- considering and approving the calculation of credit risk for the Bank's asset-side operations;
- consideration and approval of the calculation of the formation of reserves to compensate for possible losses on asset-side operations/financial liabilities;
- changing lending conditions for existing loans (prolongation, restructuring), prolongation of guarantees;
- setting limits on transactions with counterparty banks;
- settling problem credit debt;
- deciding on transferring credit portfolios to collection companies;
- accepting property on the Bank's balance sheet as part of the procedure for recovery/settlement of bad debts;
- full or partial debt forgiveness;
- debt write-off;
- other decisions related to individual loans, guarantees, other types of debt, or loan portfolios.

The composition of the Bank's Tariff Committee did not change during 2024 and is as follows :

– Chairperson of the Committee – Dmitrieva O.M., First Deputy Chairperson of the Board;

– Deputy Chairperson of the Committee – Yevchuk G.P., Deputy Chairperson of the Board;

– Committee members: Dovhalska G.V., Deputy Chairperson of the Board; Lipatova A.M., Chief Accountant; Klevaichuk S.V., Chief Operating Officer; and Bondarenko R.V., Head of the Legal Department.

During the reporting year, the Tariff Committee held 95 meetings to consider setting tariffs and service fees for standard products, new types of services and under the Bank's promotional programmes.

The composition of the Financial Monitoring Committee that deals with issues related to the Bank's performance of the duties of a financial monitoring entity changed during 2024 and is as follows:

1) Composition of the Committee until 18 October 2024:

– Chairperson of the Committee – Sheffer M.Y., Head of Financial Monitoring Department.

– Deputy Chairperson of the Committee – Yevchuk G.P., Deputy Chairperson of the Board;

– Committee members – Klevaichuk S.V., Chief Operating Officer; Yermolova O.G., Risk

Management Director; Bondarenko R.V., Head of Legal Department.
2) Composition of the Committee from 18 October 2024:

- Chairperson of the Committee – Sheffer M.Y., Head of Financial Monitoring Department.
- Deputy Chairperson of the Committee – Yevchuk G.P., Deputy Chairperson of the Board;
- Committee members – Klevaichuk S.V., Chief Operating Officer; Bondarenko R.V., Head of Legal Department; Kushnir Y.i., Deputy Risk Management Director.

9.5 . Powers of Bank officials

The powers of the Bank's officials are determined by the Bank's Charter, the Regulations on the Supervisory Board and the Regulations on the Bank's Management Board. **The Chairperson of the Supervisory Board of the Bank** is elected by the General Meeting of Shareholders from among the members of the Supervisory Board of the Bank. The Chairperson of the Supervisory Board of the Bank organises its work, convenes and presides at meetings of the Supervisory Board of the Bank, exercises other powers provided for by the Ukrainian legislation, the Charter and the Regulation on the Supervisory Board of the Bank. In the event of the absence and/or inability of the Chairperson of the Supervisory Board of the Bank to exercise his/her powers, these powers shall be exercised by the Deputy Chairperson of the Supervisory Board of the Bank or one of the members of the Supervisory Board of the Bank by its decision.
The Supervisory Board of the Bank has sole competence over:

1) approving and controlling the implementation of the Bank's strategy, business plan, plans for the Bank's recovery, financing the Bank in crisis situations, ensuring the continuity of the Bank's operations;
2) ensuring the organisation of effective corporate governance in accordance with the principles (Code) of corporate governance approved by the General Meeting of Shareholders of the Bank;
3) approving and controlling the implementation of the Bank's budget, including financing of risk management, compliance and internal audit units, as well as determining the procedure for the creation, formation and use of the Bank's funds;
4) approving and controlling the implementation of the Bank's non-performing asset management strategy and operational plan;
5) ensuring the functioning and monitoring of the effectiveness of the Bank's comprehensive and adequate internal control system, including risk management and internal audit systems;
6) approving and monitoring the compliance with risk management strategies and policies, risk appetite statement, and list of limits (restrictions) on the Bank's risks;
7) approving and monitoring of compliance with the Code of Corporate Ethics, the Policy for the Prevention, Identification and Management of Conflicts of Interest in the Bank;
8) introduction and monitoring of the functioning of the mechanism for confidential reporting of unacceptable behavior in the Bank and response to such reports;
9) determining sources of capitalization and other financing of the Bank;
10) determining the Bank's credit policy;
11) approving the Bank's organisational structure, as well as the structure of risk management, compliance, and internal audit units;
12) approving internal regulations on the Bank's Management Board, on committees of the Bank's Supervisory Board, on structural units for risk management, compliance control, internal audit, and on other structural units directly subordinate to the Bank's Supervisory Board, which, in particular, must include the procedure for reporting to the Bank's Supervisory Board;
13) making a decision to hold an annual or extraordinary General Meeting of Shareholders, in accordance with the Bank's Charter and in cases established by the Law of Ukraine "On Joint-Stock Companies".
14) appointing (electing/re-electing) and terminating powers (removal) of the Chairperson or members of the Bank's Management Board, electing a person who will temporarily exercise the powers of the Chairperson of the Management Board, as well as appointing and dismissing the

Chief Risk Management Officer, Chief Compliance Officer, and Head of the Internal Audit Department;
15) monitoring the activities of the Bank's Management Board, risk management units, compliance control, internal audit and making recommendations for its improvement;
16) conducting an annual assessment of the effectiveness of the Bank's Management Board in general and each member of the Bank's Management Board in particular, risk management, compliance control, internal audit units, assessing the compliance of the Bank's Management Board members, the Chief Risk Management Officer, the Chief Compliance Officer, and the Head of the Internal Audit Department with the qualification requirements, assessing the compliance of the Bank's Management Board's collective suitability with the size of the bank, complexity, volumes, types, and nature of the operations carried out by the Bank, the organisational structure, and the Bank's risk profile taking into account the activities of the banking group (if the Bank is a part of such group), as well as taking measures to improve the mechanisms of the Bank's Management Board and risk management, compliance control, and internal audit units based on the results of such assessment;
17) determining the work procedures and work plans of the Internal Audit Department;
18) determining the auditing entity for conducting an external audit, including for conducting an annual audit of financial statements, approving the terms of the contract concluded with the auditing entity, and establishing the amount of payment for services;
19) considering the conclusion of the Bank's external audit and preparing recommendations to the General Meeting of Shareholders of the Bank for making a decision on the conclusion of the external audit;
20) exercising control over the elimination of deficiencies identified by the National Bank of Ukraine and other state authorities and management bodies, which, within their competence, supervise the activities of the Bank, the Internal Audit Department and the audit firm based on the results of the external audit;
21) making decisions on the establishment, reorganisation and liquidation of legal entities, the establishment of branches and representative offices of the Bank in the territory of other states, approval of their charters and regulations, as well as on the Bank's participation in legal entities, which constitutes 10% or more of their authorised capital;
22) approving the terms of employment agreements/contracts as a special form of employment agreements concluded with members of the Bank's Management Board, the Head and employees of the Internal Audit Department, the Chief Risk Management Officer, the Chief Compliance Officer, establishing the amount of their remuneration; determination of the person who will sign contracts (agreements) on behalf of the company with the Chairperson and members of the Bank's Management Board;
23) exercising control over the timeliness of the provision (publication) by the Bank of reliable information regarding its activities in accordance with the legislation of Ukraine, including regulations of the National Bank of Ukraine, publication by the Bank of information about the Bank's Corporate Governance Code used by the Bank;
24) approving and exercising control over compliance with the procedure for conducting transactions with the Bank's related persons, which, in particular, must contain requirements for identifying and controlling transactions with the Bank’s related persons;
25) determining the remuneration policy at the Bank in accordance with the requirements established by the National Bank of Ukraine, as well as monitoring its implementation;
26) conducting an annual assessment of the effectiveness of the Bank's Supervisory Board in general and each member of the Supervisory Board of the Bank in particular, committees of the Supervisory Board of the Bank, assessing the compliance of the collective suitability of the Supervisory Board of the Bank with the size of the Bank, complexity, volumes, types, nature of the operations carried out by the Bank, organisational structure and risk profile of the Bank, taking into account the activities of the banking group (if the Bank is a part of such group), as well as taking

measures to improve the mechanisms of the activities of the Supervisory Board of the Bank based on the results of such assessment;
27) convening the General Meeting of Shareholders, preparing and approving the draft agenda and the agenda of the General Meeting of Shareholders, making a decision on the date of their holding and on including proposals in the draft agenda, except for cases where shareholders convene an extraordinary General Meeting of Shareholders, and notifying the General Meeting of Shareholders in accordance with the legislation of Ukraine;
28) approving the form and text of the ballot;
29) making a decision on the placement and redemption of securities placed by the Bank, except for shares;
30) sending, in cases provided for by law, proposals to shareholders to purchase their shares;
31) determining the date of compiling the list of persons entitled to dividends, the procedure and terms of payment of dividends within the time limit specified by the legislation of Ukraine;
32) determining the date of compiling the list of shareholders to be notified of the General Meeting of Shareholders in accordance with the legislation of Ukraine and have the right to participate in the General Meeting of Shareholders in accordance with the requirements of the current legislation of Ukraine;
33) resolving the matters related to the Bank's participation in industrial and financial groups and other associations, other legal entities, changing or terminating such participation;
34) making a decision on the acquisition by the Bank in any way or in any manner permitted by the current legislation of Ukraine (including, but not limited to, by purchase, donation, exchange, merger, participation in an increase in the authorized capital, etc.), of all or any part of the assets, shares or interests in the authorized capital of financial institutions or any other potential competitors of the Bank, as well as the right to acquire them, except for the purchase by the Bank of shares in the course of carrying out ordinary securities trading activities;
35) resolving issues within the competence of the Bank's Supervisory Board in case of reorganisation of the Bank;
36) determining the likelihood of the Bank becoming insolvent as a result of its obligations or fulfilment of obligations, including as a result of dividend payments or share buyout;
37) making a decision to enter into a significant transaction if the market value of the property or services that are its subject is from 10 to 25 percent of the value of the assets according to the Bank's latest annual financial statements;
38) making a decision to enter into an interested-party transaction, except in cases established by this Charter and the current legislation of Ukraine, or prohibiting such entry;
39) making a decision on selecting the Bank's property appraiser and approving the terms of the contract to be concluded with him, establishing the amount of payment for his services;
40) making a decision on the selection (replacement) of a depository institution that provides additional services to the Bank, and approving the terms of the agreement concluded with it, establishing the amount of payment for its services;
41) determining the procedure for conducting inspections and monitoring the financial and economic activities of the Bank;
42) approving the market value of property in cases provided for by the legislation of Ukraine;
43) issuing decisions on holding officials of the Bank's management bodies liable;
44) sending an offer to shareholders in accordance with Articles 93 and 94 of the Law of Ukraine "On Joint-Stock Companies", as well as exercising other powers, resolving other issues attributed by law or the Charter to the competence of the Supervisory Board of the Bank, except for those that fall within the exclusive competence of the General Meeting of Shareholders.
45) Considering the Board's report and approving measures to be taken based on the results of the consideration.

The Chairperson of the Management Board of the Bank performs the functions of the Chairperson of the collegial executive body of the Bank, organises and facilitates prompt resolution of issues related to management of the Bank's activities within his/her competence granted by the Charter, as well as by decisions of the General Meeting of Shareholders and the Supervisory Board of the Bank, and is responsible for performing the functions assigned to the Management Board of the Bank, as well as within his/her competence:

1) without a power of attorney, acts on behalf of the Bank in accordance with the decisions of the collegial executive body, in particular, represents the interests of the Bank, enters into transactions on behalf of the Bank, issues orders and provides instructions that are mandatory for all employees of the Bank;
2) issues powers of attorney to perform any actions on behalf of the Bank, both in Ukraine and abroad;
3) without a power of attorney, represents the Bank in relations with state bodies, Ukrainian and foreign enterprises, institutions and organisations, officials, and other persons;
4) organises the work of the Board, convenes meetings of the Board, and chairs them;
5) ensures the maintenance of minutes of the Board meetings (which shareholders, the Chairperson and members of the Supervisory Board and members of the Board may review at any time); at the request of shareholders and members of the Bank's Board, the Chairperson of the Board ensures the provision of certified extracts from the minutes;
6) manages the current activities of the Bank between Management Board meetings based on decisions and instructions of the Management Board of the Bank and in accordance with the requirements of the legislation of Ukraine and regulations of the National Bank of Ukraine;
7) acts on behalf of the Bank in all legal relations with the Bank's employees in accordance with the labour and other relevant legislation of Ukraine (with the right to delegate these powers);
8) approves the staffing schedule, establishes salaries for employees;
9) signs the collective agreement on behalf of the Bank;
10) has the authority of a body authorised to hire and dismiss employees in accordance with the labour legislation of Ukraine;
11) acts within the powers defined by the Regulations on the Management Board and individual decisions of the Bank's collegial bodies adopted within their powers.
12) signs financial and other documents of the Bank, if such authority is granted by the collegial executive body of the Bank;
13) distributes responsibilities among the members of the Board and determines their functional powers;
14) may delegate (if necessary) the powers granted to it by the Statute and decisions of other collegial bodies;
15) performs other functions assigned to it by decisions of the General Meeting of Shareholders, the Supervisory Board of the Bank and the Management Board of the Bank.

The Management Board of the Bank reports to the Supervisory Board and organises the implementation of its decisions. The Management Board acts on behalf of the Bank within the limits provided for by the legislation of Ukraine, the Charter and the Regulations on the Management Board of the Bank.

The competence of the **Management Board of the Bank** includes resolving all issues related to the management of the Bank's current activities, except for issues that fall within the exclusive competence of the General Meeting of Shareholders and the Supervisory Board, in particular:

1) ensuring the preparation for approval by the Supervisory Board of the Bank of the projects, strategy and business plan for the development of the Bank, as well as the Bank's budget;
2) implementing the Bank's development strategy and business plan;
3) determining the form and establishing the procedure for monitoring the Bank's activities;
4) implementing the risk management strategy and policy approved by the Supervisory Board of the Bank, ensuring the development and implementation of procedures for identifying, assessing, controlling and monitoring risks in accordance with the requirements of the legislation of Ukraine and regulations of the National Bank of Ukraine;

5) supporting the Bank's values and ensuring the implementation of the principles and norms of the Bank's Code of Corporate Ethics;
6) forming the Bank's organisational structure as determined by the Supervisory Board and submitting proposals to the Supervisory Board for its improvement, developing and approving internal bank documents on staff incentives in accordance with the remuneration policy approved by the Supervisory Board;
7) developing regulations governing the activities of the Bank's structural and separate divisions in accordance with the Bank's organisational structure, except for regulations on the Bank's structural divisions that are subordinated to the Bank's Supervisory Board;
8) ensuring the security of the Bank's information systems and systems used to store client assets;
9) providing mandatory information to the Bank's Supervisory Board on violations of the laws of Ukraine, internal regulations of the Bank (if such violations fall within the competence of the Bank's Supervisory Board as defined by the laws of Ukraine) and on the level of risks arising in the course of the Bank's activities, untimely or improper fulfilment of obligations to the Bank by persons related to the Bank;
10) disposing of the Bank's property within its competence;
11) determining the basic principles of conducting asset-side and liability-related operations;
12) Submitting to the General Meeting of Shareholders of the annual balance sheet (reports) and proposals for the distribution of the Bank's net profit;
13) if necessary, preparing proposals on issues submitted for consideration by the General Meeting of Shareholders and the Supervisory Board of the Bank;
14) making decisions on writing off the Bank's uncollectible assets, shortages and losses of its inventory in accordance with the laws of Ukraine;
15) making decisions and granting permits for the sale or write-off of property pledged to the Bank that was accepted on the Bank's balance sheet to repay debt on loans and other asset-side operations;
16) establishing standing working bodies (committees, commissions, groups) to which certain powers of the Management Board may be delegated, if necessary;
17) developing current monthly, quarterly and annual reports on the main aspects of the Bank's business activities and providing such reports to the Bank's Supervisory Board, as well as other special reports and documents at the request of the Bank's Supervisory Board;
18) preparing annual and long-term budgets (estimates) and business plans of the Bank for submission to the Supervisory Board of the Bank for approval;
19) approving the Bank's internal regulatory documents (rules, procedures, regulations, provisions, standards, standard contracts, etc.), including those that determine the procedure for and terms of banking operations and regulate the Bank's day-to-day operations, except for those within the competence of the General Meeting of Shareholders and the Supervisory Board of the Bank;
20) reviewing the results of monitoring business relationships with clients, implementation of measures to minimise the Bank's risks in counteraction to legalisation (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction, compliance with the legislation of Ukraine on financial monitoring;
21) other functions necessary to ensure the Bank's current activities.

During the reporting year, the distribution of responsibilities for the organisation of work, current management and control of activities between members of the Bank's Management Board was established in accordance with Order No. 534-OD dated 12 September 2023 (as amended) and as at 1 January 2025 is as follows:

1) The Chairperson of the Bank's Board, Serhiu Gennadiyovych Mamedov, exercises control over all current activities of the Bank's Board and directly manages the following divisions of the Bank:

- Department of Financial Markets and Investment Activities;
- Director of Human Resources and Administrative Support, who reports to:
- HR and General Office Management Department;
- Digital Business Department;

– Non-Performing Assets Department;
– Occupational Health and Safety Department;
– Methodology Department;
– Project Management Department;
– Financial and Analytical Department;
– Depository Division;
2) the First Deputy Chairman of the Management Board of the Bank, Olga Dmitrieva, is responsible for direct management of the following divisions of the Bank:
– Department of Small and Medium-Sized Businesses;
– Marketing and Advertising Department;
– International Cooperation Department;
– Remote Customer Service Division;
– Retail Business Department.
3) Deputy Chairperson of the Bank's Management Board, G.P. Yevchuk, directly manages the following divisions of the Bank:
– Corporate Business Department;
– Documentary Operations Department;
– Corporate Sales Department;
– Regional Sales Department;
– Sales Department;
– Factoring Operations Division;
– Corporate VIP Clients Department;
– Remote Sales Department.
4) The following are subordinate to G.V. Dovhalska, Deputy Chairperson of the Board:
– Card and Transaction Business Technologies;
– Card Business and Payment Systems Department;
– Transactional Business Department;
5) The following are subordinate to Lipatova A.M., Chief Accountant of the Bank:
– Accounting Control and Methodology Division;
– Primary Documents Administration Department;
– Reporting Dvivision;
– Deputy Chief Accountant, who is responsible for the internal banking and tax accounting department;
6) S.V. Klevaichuk, the Bank's Chief Operating Officer, directly manages the following divisions of the Bank:
– Information Technology Department;
– Information Technology Projects Department;
– Client Operations Support Department;
– Banking Operations Support Division;
– Administrative Division;
– Payment Card Division;
7) O.G. Yermolova, the Bank's Risk Management Director, directly manages the following divisions of the Bank:
– Risk Management Division;
– Restructuring and Enforcement Division;
– Credit Application Division;
8) The Bank's digital business department is subordinate to V.V. Solodkyi, Head of the Digital Business Department.
9) The Financial Monitoring Department of the Bank is subordinate to M.Y. Sheffer, Head of Financial Monitoring Department.

10) Didenko V.V., Deputy Chairperson of the Board, directly manages the following divisions of the Bank:
- Security;
- Legal Department;
- Information Security Division.

According to the current organisational structure of the Bank as at 1 January 2025, 31 branches are directly subordinate to Y.A. Yesipov, Head of the Department for Coordination and Control of Branch Activities, and two branches (Central Branch and Pechersk Branch) are directly subordinate N.Y. Kolyadina, Director of the Corporate Business Department.

The powers of the Chairperson of the Bank's Management Board to make decisions and sign documents are determined by the Bank's Charter.
The Deputy Chairpersons of the Management Board and the Chief Accountant of the Bank, within their competence, are vested with the appropriate rights to sign relevant documents (contracts, orders, acts, etc.) on behalf of the Bank.
The rights to sign relevant documents on behalf of the Bank during the reporting year were also granted to the Bank's managers/employees within the limits of the powers granted on the basis of Order No. 534-OD dated 12 September 2023 (as amended) and powers of attorney, namely:
- Gaiduk I.I., Deputy Chief Accountant;
- Klevaichuk S.V., Chief Operating Officer;
- Yermolova O.G., Risk Management Director;
- Sheffer M.Y., Head of Financial Monitoring Department;
- Pavlenko M.I., Deputy Head of Financial Monitoring Department;
- Bondarenko R.V., Head of Legal Department;
- Lesovy T.V., Director of the Department of Financial Markets and Investment Activities;
- Andriyko A.V. Deputy Head of the Treasury, the Department of Financial Markets and Investment Activities;
- Samsonyuk E.P., Deputy Head of the Treasury of the Department of Financial Markets and Investment Activities;
- Sokol O.O., Human Resources and Administrative Support Director;
- Zamotayev D.V., Head of the Retail Business Department;
- Gavrilov V.G., Head of the Administrative and Economic Department;
- Rudenko V.V., Head of Office Management Service, Administrative Department;
- Shulga O.A., Head of Small and Medium-Sized Business Department;
- Verkhoglyad M.L., Head of Claims Department;
- Pokashchevska V.O., Head of Reporting Division;
- Prokopenko L.B., Head of Statistical Reporting Department, Reporting Division;
- Garbarchuk G.A., Head of Financial Reporting Department, Reporting Division;
- Deputy Director of the Department for Personnel and General Administration Grishko T.I.;
- Fedorchuk I.V., Head of HR and General Office Management Unit, HR and General Office Management Department;
- Solodkyi V.V., Head of Digital Business Department;
- Dubikhvist O.A. and Demchenko M.I., Deputy Heads of the Digital Business Department;
- Heads of independent structural divisions of the Bank (structural divisions directly subordinate to the heads of the Bank) are granted the right to sign letters of response to citizens' inquiries within the competence of subordinate divisions, and Bank employees are granted the right to sign transactions with third parties within the scope of the powers of attorney .

The Supervisory Board and the Management Board of the Bank annually assess their performance as a whole, as well as the performance of their committees and each member individually in accordance with the Bank’s internal procedures. In addition, the Supervisory Board of the Bank

also assesses the performance of the Management Board of the Bank as a whole and each member of the Management Board separately.
The results of the performance assessment of the Supervisory Board and the Management Board of the Bank, their members and committees are approved in the form of performance assessment reports. The Supervisory Board and the Management Board of the Bank report on their performance to the General Meeting of Shareholders at the end of the year.

9.6. Summary of the main characteristics of the risk management framework and internal control system

To implement the risk management process, the Bank has created an appropriate organisational model of the risk management framework, which ensures a clear distribution of functions, responsibilities and authorities for risk management among all entities of the risk management framework, as well as among the Bank's employees, and provides for their responsibility in accordance with such distribution.
The subjects of the Bank's risk management framework are:
1) The Supervisory Board and its Audit Committee and the Appointments and Remuneration Committee;
2) The Bank's Management Board and its committees (ALCO, Credit Committee, Tariff Committee and other collegial bodies established by the Bank's Management Board);
3) the Bank's internal audit service;
4) the Bank’s risk management service;
5) the Bank’ compliance service;
6) Financial Monitoring Department;
7) the Bank's business units, including support units, as well as units dealing with distressed and non-performing assets.
The organisational model of the Bank's risk management framework is shown in Figure 1.
The risk management framework built by the Bank has three lines of defense:
– **first line** – at the level of business and support units of the Bank, which accept risks and are responsible for them, carry out internal control and assessment of operational risk, and submit reports on current risk management;
– **second line** – at the level of the risk management service, the Bank's compliance service and financial monitoring service (in terms of compliance control in the field of financial monitoring);
– **third line** - at the level of the internal audit service, which verifies and assesses the effectiveness of the Bank's risk management framework.
The risk management process is divided into the following stages:
1) risk identification;
2) risk assessment;
3) risk decision-making;
4) risk monitoring and control;
5) assessment of risk management effectiveness.

Organisational model of the Bank's risk management framework

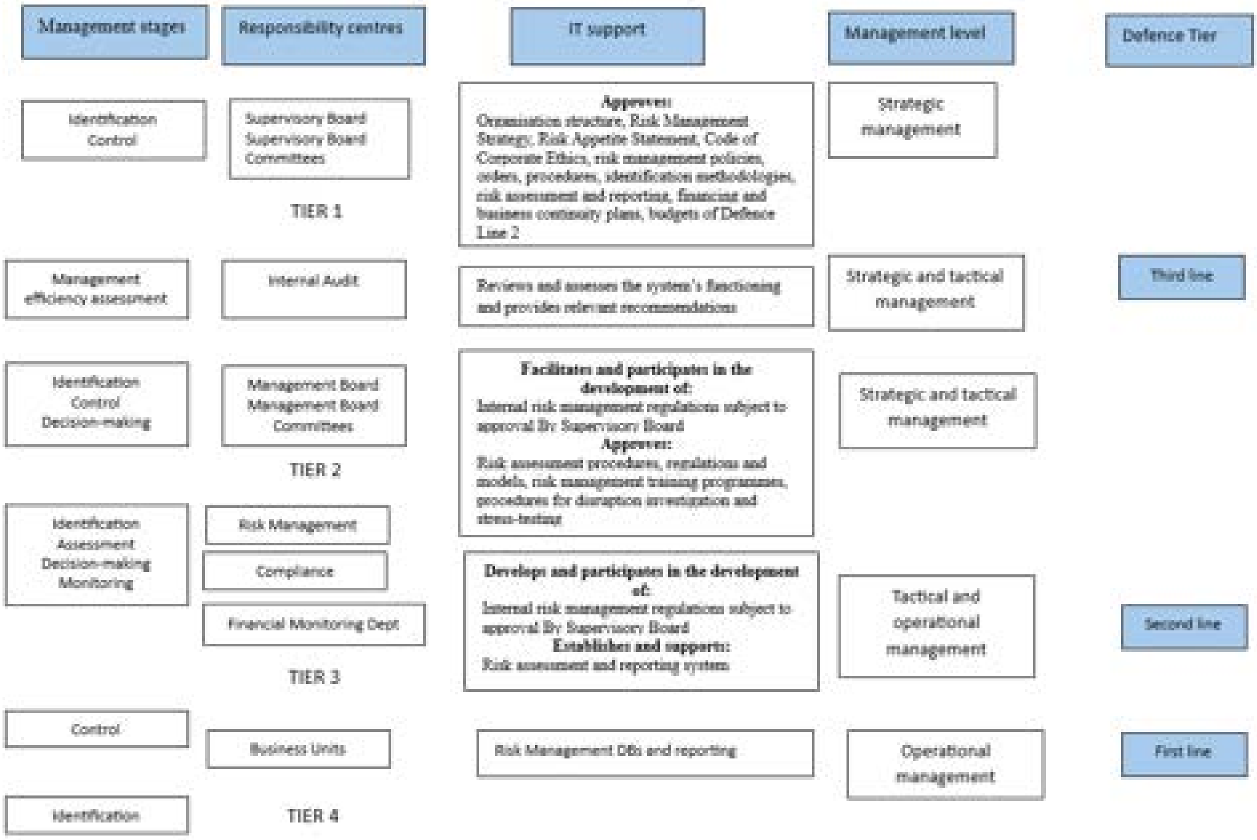


Figure 1. Organisational model of the Bank's risk management framework

The Chief Risk Management Officer (CRMO) and the Chief Compliance Officer (CCO) have the right to attend meetings of the Bank's Management Board and its committees and impose a ban (veto) on the decisions of these bodies if the implementation of such decisions would lead to:

– violation of the established risk appetite and/or risk limits approved by the Supervisory Board;

– violation of the requirements of laws and regulations of Ukraine, relevant standards of professional associations, the effect of which applies to the Bank;

– conflict of interest;

– in other cases established by the Supervisory Board of the Bank.

The activities of subjects of risk management are clearly segregated and regulated, which avoids duplication of functions and ensures an appropriate level of responsibility for decisions made.

The main characteristics of the internal control system, control methods and methods of its assessment are fully determined by the internal bank Regulation on the internal control system, approved by the Supervisory Board of the Bank.

The Bank's internal control system (ICS) model is based on the COSO "three lines of defense" model, which has three control tiers, namely:

– **Control Tier 1** (business and support units) is responsible for identifying and handling risks, developing/updating and implementing control steps that are an integral part of daily responsibilities. Control Tier 1 is not independent, as it develops and implements control actions directly and personally;

– **Control Tier 2** (the departments whose functions include internal monitoring and control) is responsible for developing control procedures and risk management procedures, monitoring their compliance, continuously monitoring the results of Control Tier 1, assisting it in performing its functions of preventing and handling risks, developing and implementing controls. It is a management function and has a greater degree of objectivity, but is not completely independent of the first level, as it actively and closely cooperates with it - coordinates and influences the

development of business processes, monitors the level of risk and the effectiveness of controls;
– **Control Tier 3** (units that perform independent control) is responsible for the independent assessment of risk management and the functioning of the ICS. Control Tier 3 includes the Bank's internal audit service, which does not take direct part in the implementation of operations and the implementation of controls over them, which is why it is independent and the most objective in the assessment process.

The three-tier internal control system implemented by the Bank, based on allocation of responsibilities between the Bank's divisions by three risk defence lines, meets the requirements of the legislation and regulations of the National Bank of Ukraine and ensures:
– **first line of defence** – proper acceptance of risks and responsibility for the ongoing management of these risks, implementation and improvement of control procedures;
– **second line of defense** – the Bank's managers' confidence that the control procedures and risk management measures implemented by the first line of defense have been developed and are functioning properly;
– **third line of defense** – conducting an independent assessment of the effectiveness of the first and second lines of defense and an overall assessment of the effectiveness of the internal control system.
Depending on the classification method, the Bank defines the following types of controls:
– moment of control (previous, current and subsequent);
– purpose of the control (preventive, detective and (corrective);
– subject of control (independent, dual, collegial and automated);
– frequency of implementation (functional (permanent) and periodic);
– scope of control (full, portfolio and selective).
The main areas of internal control at the Bank refer to control of:
– achieving the Bank's objectives (strategic, tactical and operational);
– ensuring the efficiency of the Bank's financial and economic activities;
– effectiveness of asset and liability management;
– preservation of the Bank's assets;
– effectiveness of the risk management framework and internal control system;
– compliance with the requirements of laws and regulations of Ukraine, as well as internal bank documents;
– reliability, completeness, objectivity and timeliness of accounting, preparation and publication of financial and other reporting and information for external and internal users;
– ensuring the functioning of the information security management system.
The Bank's internal control system did not change during the reporting year.

9.7. Information on any restrictions on the rights of participation and voting of shareholders (participants) at the General Meeting of Shareholders

There are no restrictions on the participation and voting rights of shareholders (participants) at the General Meeting of Shareholders of the Bank.

9.8. The external auditor's conclusions on the information provided by the Bank in the corporate governance report

Based on the findings of the analysis of tender bids, by the decision of the Supervisory Board of the Bank No. 114 dated 1 October 2024, the external auditor is AF "INTER-AUDIT CROWE LLC". The auditor meets the requirements established by the Law of Ukraine "On Audit of Financial Statements and Auditing Activities" for audit entities that have the right to conduct mandatory audit of financial statements. The auditor has a sufficient level of qualification and experience of personnel involved in the provision of services in accordance with international standards on auditing. The auditor has no restrictions related to the duration of the provision of services to JSC "CB "GLOBUS" and others specified in Article 27 of the Law of Ukraine "On Audit of Financial

AF "INTER-AUDIT CROWE LLC" passed the quality control system audit, which was confirmed by the APOB Order No. 57-kya dated 22 November 2023. In order to fulfill the requirements of the Law "On Banks and Banking Activities", an agreement was concluded with AF "INTER-AUDIT CROWE LLC" to perform an audit of the annual financial statements of JSC "CB "GLOBUS" for the year ending 31 December 2024 prepared in accordance with International Financial Reporting Standards (IFRS), International Standards on Auditing, regulations of the National Bank and the National Securities and Stock Market Commission, audit of the Management Report of JSC "CB "GLOBUS" for 2024, assessment of the quality of assets of JSC "CB "GLOBUS" and the acceptability of collateral for the Bank's lending operations as at 31 December 2024 in accordance with the Regulation on the Resilience Assessment of Banks and the Banking System of Ukraine approved by Resolution of the Board of the National Bank of Ukraine No. 141 dated 22 December 2017 (as amended).

The Management Report of the Bank properly prepared in accordance with the requirements of the current legislation of Ukraine is submitted to the National Securities and Stock Market Commission.

Approved for release and signed on 28 March 2025

Chairman of the Board S.G. Mamedov

Chief Accountant A.M. Lipatova