

**“The State Export-Import Bank of Ukraine”  
Joint Stock Company**

**Interim condensed consolidated financial statements**

*For three months ended 31 March 2024*

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## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

(thousands of Ukrainian hryvnia)

	Notes	31 March 2024 (unaudited)	31 December 2023
<b>Assets</b>			
Cash and cash equivalents	4	115,287,785	110,794,727
Loans and advances to banks	7	1,071,129	1,009,865
Loans and advances to customers	8	75,955,114	74,569,673
Investments in securities	9	71,329,922	69,994,403
Current tax assets		415,737	3,039
Derivative financial assets	12	393,300	652,249
Other financial assets	10	549,878	545,524
Other non-financial assets	11	146,439	150,405
Investment property		752,086	752,086
Property, plant and equipment		2,009,640	2,074,934
Intangible assets		108,383	50,822
Deferred tax asset		1,840,007	1,840,007
Non-current assets classified as held for sale		63,379	61,585
<b>Assets</b>		<b>269,922,799</b>	<b>262,499,319</b>
<b>Liabilities</b>			
Due to other banks	13	5,212,834	6,391,084
Customer accounts	15	220,311,729	213,949,142
Derivative financial liabilities	12	3,370	1,377
Other borrowed funds	14	28,635,644	28,730,787
Current tax liabilities		—	596,600
Other financial liabilities	10	1,205,936	932,072
Other non-financial liabilities	11	449,026	474,210
Allowance for loan commitments and financial guarantee contracts		183,504	246,447
Subordinated debt		4,034,640	3,805,882
<b>Liabilities</b>		<b>260,036,683</b>	<b>255,127,601</b>
<b>Equity</b>	16		
Issued capital		45,570,041	45,570,041
Other reserves		1,131,976	580,926
Result from transactions with the shareholder		635,104	635,104
Accumulated losses		(37,451,005)	(39,414,353)
<b>Total equity</b>		<b>9,886,116</b>	<b>7,371,718</b>
<b>Total equity and liabilities</b>		<b>269,922,799</b>	<b>262,499,319</b>

Authorised for release and signed

09 August 2024

Chairman of the Management Board

Viktor PONOMARENKO

Chief Accountant

Nataliia POTESKA

V.M. Medko 247-89-16

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for three months ended 31 March 2024

(thousands of Ukrainian hryvnia)

		2024		2023	
		for three months ended 31 March	cumulative from the beginning of the reporting year	for three months ended 31 March	cumulative from the beginning of the reporting year
Notes		(unaudited)			
Interest income calculated using effective interest method		5,272,025	5,272,025	4,408,251	4,408,251
Other interest income		231,111	231,111	334,329	334,329
Interest expense		(4,058,111)	(4,058,111)	(4,247,240)	(4,247,240)
Fee income		344,272	344,272	294,078	294,078
Fee expense		(150,455)	(150,455)	(100,392)	(100,392)
Other income		29,308	29,308	68,928	68,928
Net gain/(loss) from financial instruments at fair value through profit or loss	9,12	308,319	308,319	335,232	335,232
Net gain/(loss) from financial assets held for trading		178,587	178,587	50,952	50,952
Net gain/(loss) from operations with debt financial instruments at fair value through other comprehensive income		4,233	4,233	3,508	3,508
Net gain/(loss) from trading in foreign currencies		272,344	272,344	281,368	281,368
Net gain/(loss) from foreign exchange translation		(637,145)	(637,145)	(154,990)	(154,990)
Gains/ (losses) on initial recognition of financial assets at interest rates above or below market		8,310	8,310	167,119)	167,119)
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	6	510,780	510,780	485,583	485,583
Employee benefits expense	18	(510,196)	(510,196)	(429,731)	(429,731)
Depreciation and amortisation expense		(26,941)	(26,941)	(22,441)	(22,441)
Other administrative and operating expenses	18	(252,908)	(252,908)	(177,721)	(177,721)
Impairment gain and reversal of impairment loss (impairment loss) for non-financial assets	11	(11,905)	(11,905)	5,852	5,852
Gain (loss) arising from derecognition of financial assets at amortised cost		447,695	447,695	5,069	5,069
<b>Profit (loss) before tax</b>		<b>1,959,323</b>	<b>1,959,323</b>	<b>973,516</b>	<b>973,516</b>
Tax expense		—	—	—	—
<b>Profit (loss)</b>		<b>1,959,323</b>	<b>1,959,323</b>	<b>973,516</b>	<b>973,516</b>

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**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**for three months ended 31 March 2024**

(thousands of Ukrainian hryvnia)

	<b>2024</b>		<b>2023</b>	
	<i>for three months ended 31 March</i>	<i>cumulative from the beginning of the reporting year</i>	<i>for three months ended 31 March</i>	<i>cumulative from the beginning of the reporting year</i>
	<b>(unaudited)</b>			
<b>Profit (loss)</b>	<b>1,959,323</b>	<b>1,959,323</b>	<b>973,516</b>	<b>973,516</b>
<b>Other comprehensive income</b>				
<i>Components of other comprehensive income that will be reclassified to profit or loss before tax</i>				
Gains on financial assets measured at fair value through other comprehensive income before tax (Note 16)	556,256	556,256	42,650	42,650
<i>Income tax relating to components of other comprehensive income that will be reclassified to profit or loss</i>				
Income tax relating to changes in revaluation of financial assets measured at fair value through other comprehensive income	—	—	—	—
<b>Total other comprehensive income</b>	<b>556,256</b>	<b>556,256</b>	<b>42,650</b>	<b>42,650</b>
<b>Total comprehensive income</b>	<b>2,515,579</b>	<b>2,515,579</b>	<b>1,016,166</b>	<b>1,016,166</b>

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09 August 2024

**Chairman of the Management Board**

**Viktor PONOMARENKO**

**Chief Accountant**

**Nataliia POTESKA**

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## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for three months ended 31 March 2024

(thousands of Ukrainian hryvnia)

				<i>Other reserves</i>			
		<i>Result from transactions with the shareholder</i>	<i>Property revaluation reserve</i>	<i>Reserve of gains and losses on financial assets measured at fair value through other comprehensive income</i>	<i>Reserve of gains and losses from equity investments in instruments</i>	<i>Retained loss</i>	<i>Equity</i>
<b>As at 1 January 2024</b>	<b>45,570,041</b>	<b>635,104</b>	<b>991,768</b>	<b>(345,161)</b>	<b>(65,681)</b>	<b>(39,414,354)</b>	<b>7,371,717</b>
Profit for the period	—	—	—	—	—	1,959,323	1,959,323
Other comprehensive income for the period (Note 16)	—	—	—	556,312	(56)	—	556,256
<b>Total comprehensive income for the period</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>556,312</b>	<b>(56)</b>	<b>1,959,323</b>	<b>2,515,579</b>
Increase (decrease) through other changes, equity (Note 16)	—	—	(5,206)	—	—	4,026	(1,180)
<b>As at 31 March 2024 (unaudited)</b>	<b>45,570,041</b>	<b>635,104</b>	<b>986,562</b>	<b>211,151</b>	<b>(65,737)</b>	<b>(37,451,005)</b>	<b>9,886,116</b>
<b>As at 1 January 2023</b>	<b>45,570,041</b>	<b>635,104</b>	<b>1,052,303</b>	<b>(2,449,725)</b>	<b>(63,844)</b>	<b>(42,708,885)</b>	<b>2,034,994</b>
Profit for the period	—	—	—	—	—	973,516	973,516
Other comprehensive income for the period (Note 16)	—	—	—	42,278	372	—	42,650
<b>Total comprehensive income for the period</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>42,278</b>	<b>372</b>	<b>973,516</b>	<b>1,016,166</b>
Increase (decrease) through other changes, equity (Note 16)	—	—	(8,374)	—	—	8,374	—
<b>As at 31 March 2023 (unaudited)</b>	<b>45,570,041</b>	<b>635,104</b>	<b>1,043,929</b>	<b>(2,407,447)</b>	<b>(63,472)</b>	<b>(41,726,995)</b>	<b>3,051,160</b>

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09 August 2024

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Chief Accountant

Nataliia POTESKA

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (direct method)**

**for three months ended 31 March 2024**

*(thousands of Ukrainian hryvnia)*

		<i>For the period ended 31 March</i>	
		<i>2024</i>	<i>2023</i>
	<i>Notes</i>	<i>(unaudited)</i>	
<b>Cash flows from (used in) operating activities</b>			
Interest received		6,245,935	4,744,966
Fee income received		387,743	273,524
Net (increase)/decrease from operations with financial instruments at fair value through profit or loss		113,435	349,926
Net increase/(decrease) from trading in foreign currencies		272,348	281,368
Other cash receipts from operating activities		67,377	68,090
Interest paid		(3,703,347)	(3,696,812)
Fee expenses paid		(149,452)	(100,392)
Payments to and on behalf of employees		(545,053)	(421,322)
Administrative expenses and other paid operating expenses		(222,978)	(183,826)
Net (increase)/decrease in securities held for trading		5,654	(1,095,712)
Net (increase)/decrease in loans and advances to banks		(28,607)	29,658
Net (increase)/decrease in loans and advances to customers		1,703	4,843,667
Net (increase)/decrease in other financial assets		(52,911)	79,693
Net (increase)/ decrease in other assets		(11,415)	32,678
Net increase/(decrease) in due to other banks		(1,204,044)	(8,078,532)
Net increase/(decrease) in customer accounts		4,733,783	19,169,678
Net increase/(decrease) in other financial liabilities		262,406	86,949
Net increase/(decrease) in other liabilities		(14,768)	(792)
Income taxes (paid) refund		(1,009,298)	(143)
<b>Cash flows from operating activities</b>		<b>5,148,511</b>	<b>16,382,666</b>
<b>Cash flows from (used in) investing activities</b>			
Purchase of securities		(8,249,143)	(12,421,162)
Proceeds from sale of investments in securities		7,541,991	4,174,499
Proceeds from sale of property, plant and equipment		–	4,519
Purchase of property, plant and equipment		(28,548)	(48,412)
Purchase of intangible assets		(2,549)	–
Proceeds from sale of investment property		–	2,164
Proceeds from sale of assets held for sale		–	21,014
<b>Cash flows (used in) from investing activities</b>		<b>(738,249)</b>	<b>(8,267,378)</b>
<b>Cash flows from (used in) financing activities</b>			
Receipt of other borrowed funds	5	21,614	1,008,599
Return of subordinated debt	5	–	(380,923)
Return of other borrowed funds	5	(940,081)	(1,185,619)
Payments of lease liabilities	5	(662)	(383)
<b>Cash flows used in financing activities</b>		<b>(919,129)</b>	<b>(558,326)</b>
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes		3,491,133	7,556,962
Effect of exchange rate changes on cash and cash equivalents		998,948	661,531
Impact of expected credit losses on cash and cash equivalents		2,977	1,998
<b>Increase (decrease) in cash and cash equivalents</b>		<b>4,493,058</b>	<b>8,220,491</b>
Cash and cash equivalents at the beginning of the period	4	<b>110,794,727</b>	<b>81,386,122</b>
<b>Cash and cash equivalents at the end of the period</b>	4	<b>115,287,785</b>	<b>89,606,613</b>

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## 1. Principal activities

“The State Export-Import Bank of Ukraine” Joint Stock Company (hereinafter – “Ukreximbank” JSC, Ukreximbank or the Bank) was founded in 1992 and entered to the State Register of Banks under #5 on 23 January 1992. The Bank operates under banking licence #2.

As at 31 March 2024 and 31 December 2023, 100% of Ukreximbank’s issued capital was owned by the state represented by the Cabinet of Ministers of Ukraine.

Ukreximbank’s head office is located in Kyiv at 127 Antonovycha St. Ukreximbank has 22 branches and 28 outlets (31 December 2023: 22 branches and 28 outlets) and two representative offices located in London and New-York. Ukreximbank and its branches form a single legal entity.

Historically, the principal activity of Ukreximbank was the servicing of various export-import transactions. Currently, Ukreximbank’s customer base is diversified and includes a number of large industrial and state-owned enterprises. Ukreximbank accepts deposits from entities and individuals, issues loans, transfers payments in Ukraine and abroad, exchanges currencies, makes investments, provides cash and settlements, and renders other banking services to its customers.

One of Ukreximbank’s main activities is to facilitate, on behalf of the Ukrainian Government, the administration of loan agreements entered into by the Ukrainian Government with other foreign governments. Ukreximbank acts as an agent, on behalf of the Ukrainian Government, with respect to loans from foreign financial institutions based on the aforementioned agreements.

The Bank’s aim (in accordance with the Charter) is to create favorable conditions for the economic development and support of the domestic producers, to service export and import operations, to provide credit and financial support of restructuring processes, to strengthen and implement the industrial and trade potential of the industries of economy and manufacturers that are export-oriented or carry out the activities related to the production of import-substituting products, and also to receive gains in favor of the Ukreximbank and its shareholder.

Ukreximbank prepares interim condensed financial statements and interim condensed consolidated financial statements that comprise the consolidated performance indicators of the Bank and its subsidiary “Lease Company “Ukreximleasing”.

Subsidiary “Lease Company “Ukreximleasing”, Ukreximbank’s 100% owned subsidiary, was founded in 1997 and is registered in Ukraine. By the relevant resolutions of the Management Board of “Ukreximbank” JSC and the Supervisory Board of “Ukreximbank” JSC, the action plan (roadmap) for the termination of the Subsidiary “Lease Company “Ukreximleasing” was approved.

In June 2023, the Bank sold its subsidiary “Eximleasing” LLC, whose performance indicators up to the specified date are included in the Bank's consolidated financial statements.

## 2. Basis for preparation and summary of significant accounting policies

### Basis for preparation

These interim condensed consolidated financial statements for three months ended 31 March 2024, have been prepared in accordance with the International Accounting Standard 34 *Interim Financial Reporting*.

These interim condensed consolidated financial statements do not include all information and data subject to disclosure in the annual financial statements and should be read in conjunction with the Bank’s annual consolidated financial statements as at 31 December 2023, which have been prepared in accordance with IFRS and posted on the Bank’s website at <https://www.eximb.com/ua/bank/financial-information/financial-report/2023-rik.html>.

These interim condensed consolidated financial statements are presented in thousands of Ukrainian hryvnia (“UAH thousand”), unless otherwise indicated.

### Going concern

These interim condensed consolidated financial statements for three months ended 31 March 2024 have been prepared on a going concern basis. In preparing the financial statements for three months of 2024 the Bank’s management assessed the Bank’s ability to continue its activities in the future, taking into account the ongoing hostilities in Ukraine that have already



caused and further cause significant negative consequences for the economy of the country as a whole and for the customers of the Bank. The Bank's management believes that over the next nine months the Bank will meet its obligations on time and in full. Besides, the Bank plans additional lending to strategic corporate customers. The source of repayment of liabilities and increase in lending will be accumulated liquidity, redemption of Ukrainian state bonds and government-guaranteed corporate bonds, as well as, if necessary, attracting resources of international financial institutions.

The Bank's estimates and forecasts for the next months are based on the following assumptions:

- forecast of macroeconomic indicators for 2024 based on the key indicators of economic and social development and forecast for Ukraine set out in the State Budget for 2024, NBU inflation reports, and international information and analytical systems for Ukraine;
- the customer base of individuals is estimated based on the analysis of customer activity statistics for 2023;
- improvement of the quality of the loan portfolio and further lending to the real sector of the economy;
- maintaining competitive rates for attracting resources in the domestic market;
- optimization of administrative expenses (limitation/postponement of expenses for the purchase of intangible assets (other than mandatory);
- financial support to priority sectors of the economy and critical infrastructure enterprises;
- uninterrupted effective work of the Bank's executives to ensure the adoption of necessary management decisions;
- maintenance of the financial stability of the Bank, identification of possible threats to such stability, as well as prompt response to the threats to financial stability and/or their avoidance;
- improvement of indicators of operational efficiency/profitability;
- regulatory requirements take into account all officially approved NBU plans at the reporting date on the introduction of new requirements during the forecast period.

During three months of 2024, the Bank violated the NBU requirements for capital ratios N2, N3 and credit risk - N7, N8 due to the formation of provisions for losses related to the military aggression of the Russian Federation against Ukraine. However, in accordance with the Resolution of the National Bank of Ukraine No. 23 dated February 25, 2022 (as amended), the Bank is not subject to any penalties for violation of capital, liquidity, credit risk and investment ratios during the martial law period, if such violations are caused by the impact of war. Still, the Bank plans to resolve the issue of compliance with the ratios and as early as 01 October 2024 to reach a level above the minimum required by implementing measures developed in accordance with the Capitalisation Programme for 2024-2026.

The Bank has developed internal regulatory documents and regulations to maintain as a going concern, for the fastest possible response and business recovery in the event of an emergency. However, there is a material uncertainty, related to the unpredictable impact of ongoing hostilities on the territory of Ukraine on the assumptions underlying management's assessments that may cast significant doubt on the Bank's ability to continue as a going concern, and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

## Operating environment

Full-scale Russian aggression continued and caused new losses to the Ukrainian economy.

At the same time, the recovery of economic activity continued in the 1st quarter of 2024.

During the 1st quarter of 2024, the consumer inflation year-on-year slowed down to 3.2% in March. Core inflation year-on-year slowed down to 4.2%. The growth of economic activity was facilitated by a warm winter with almost no shortage of electricity, the stable functioning of the sea corridor and the effects of last year's harvests. The main factors of growth remained: preservation of moderate fiscal policy, revival of external demand, as well as further adaptation of business and population to the conditions of significant security threats. However, at the end of the 1st quarter of 2024, the risk of new destruction of energy and port infrastructure due to attacks by the Russian Federation materialized, and the duration of air alerts increased. The complication of the energy supply situation in some regions was only partially reflected in the general level of economic activity in the 1st quarter of 2024.

Real GDP growth was only 3.1% year-on-year, primarily due to restrained budget expenditures. An additional factor was the blockade of the western border, which restrained the activity of certain types of activities. As expected, about USD 9 billion was received from international partners in March, which made it possible to increase international reserves to almost USD 44 billion dollars.

The further slowdown of inflation, the maintenance of a stable situation on the foreign exchange market, as well as positive developments in the issue of receiving foreign aid gave grounds to resume the cycle of moderating interest rate policy earlier, therefore the Board of the National Bank decided to reduce the discount rate from 15% to 14.5% from March 15, 2024. At the same time, the rate on three-month deposit certificates decreased by 1.5 p.p. – down to 17.5%, for refinancing loans - by 1.5 p.p. – down to 19.5%, the rate on overnight deposit certificates continued to correspond to the level of the discount rate.

In the 1st quarter of 2024, the banks increased lending. Solvent banks received interest income of UAH 34 billion from lending to legal entities and individuals, which is 13% more than the figure for the same period in 2023.

The portfolio of pure hryvnia corporate loans grew, in particular outside the state programs (the share of loans subsidized by the state program "Affordable Loans 5-7-9%" decreased to a third of the performing gross portfolio), due to the revival of demand for hryvnia loans as a result of the recovery of business activity. Retail unsecured consumer and mortgage loans grew. The net hryvnia loan portfolio of the business grew by 2.9% for the quarter and by 7.2% year-on-year. Due to the April changes to the "Available Loans 5-7-9%" program, the rates therein will approach market rates, and the annual rate of growth of hryvnia loans to small and medium-sized enterprises has accelerated to 15.9%.

The volume of net retail hryvnia loans grew rapidly due to the card lending by two leading banks. Mortgage lending was revived due to the "eOselya" program. The share of mortgages increased to 12.4% of the net hryvnia retail loan portfolio.

The quality of the loan portfolio improved: the annual rate of defaults decreased by 0.3% p.p. in March, compared to December last year, and the share of non-performing loans decreased somewhat in all groups of banks, primarily due to the settlement of debts of retail borrowers.

Rates on new business deposits in the 1st quarter of 2024 in response to the change in the key rate decreased by 0.7 p.p. down to 9.5% per annum. At the same time, the Ukrainian index of retail deposit rates UIRD remained almost unchanged. The rates on hryvnia business loans for the 1st quarter of 2024 decreased by 1 p.p. down to 16.7% per annum, for the new loans to individuals - fluctuated at the level of about 27.5% per annum.

Maintaining high operational efficiency contributed to the banks' receipt of UAH 40.5 billion in profit for the 1st quarter of 2024, or 18% more than the indicator for the 1st quarter of 2023. Only eight small banks were unprofitable. The return on equity of the sector - about 50%, taking into account taxation at the increased tax rate of 25% last year.

In the 1st quarter of 2024, solvent banks received UAH 40.5 billion of net profit. The main factors of profitability growth year-on-year are increase in the interest income and significantly smaller deductions to provisions for losses from asset-side transactions.

The return on the bank equity as of 01 April 2024 was 51.1%. The income tax calculated for the 1st quarter of 2024 amounted to UAH 10.3 billion.

### Changes in accounting policies

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

#### *Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current*

Amendments to IAS 1, which provide that if an entity's right to defer settlement of a liability is subject to additional conditions (covenants) within 12 months after the reporting date, the entity should disclose additional information in the notes to enable users of the financial statements to understand the possibility of compliance with additional conditions (covenants) and the correctness of the liability classification within 12 months from the reporting date. In particular, it will be necessary to disclose:

- indicate that an entity's right to defer repayment must exist at the end of the reporting period;
- clarify that the classification is not affected by management's intentions or expectations as to whether the entity will exercise its right to defer repayment;
- explain how lending terms affect classification; and

- clarify the requirements for the classification of liabilities that an entity will or may repay by issuing its own capital instruments.

These amendments do not have any material effect on the Bank's consolidated financial statements.

#### *Amendments to IFRS 16 Leases - Lease liability in sale and leaseback*

The amendments to IFRS 16 clarify how an entity should account for sale and leaseback after the date of the transaction.

A sale and leaseback transaction is a transaction in which an entity sells an asset and leases the same asset from a new owner for a specified period of time. The amendments supplement the requirements of IFRS 16 on sale and leaseback, thereby supporting the consistent application of the standard. In particular, the amendments clarify that a lessee-seller does not recognize any gain or loss in respect of a right of use retained by the lessee-seller. However, this does not preclude a lessee-seller from recognizing in profit or loss any gain or loss on the partial or total termination of such a lease.

These amendments do not have any material effect on the Bank's consolidated financial statements

#### *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements*

The amendments to IAS 7 and IFRS 7 require disclosures about an entity's supplier financing arrangements that enable users of financial statements to assess the effects of those arrangements on an entity's liabilities and cash flows and its exposure to liquidity risk.

The key changes to IAS 7 and IFRS 7 include disclosure requirements for:

- the terms of financing arrangements;
- the carrying amount of financial liabilities that are part of supplier financing arrangements and the line items in which those liabilities are recorded;
- the carrying amount of financial liabilities for which suppliers have already received payment from financial service providers;
- the range of payment term for financial liabilities that are part of these agreements.

According to the amendments, entities should disclose the type and effect of non-cash changes in the carrying amount of financial liabilities that are part of a supplier financing arrangement.

These amendments do not have any material effect on the Bank's consolidated financial statements.

### **3. Segment information**

For management purposes, the Bank recognises the following operating segments (business units):

Corporate business	Business segment focusing on servicing corporate clients and selling the products that require an individual approach and are mainly offered to corporate clients.
Medium-sized business, municipalities and utilities sector	Business segment focusing on servicing municipal and utilities sector, small and medium-sized businesses (including individual entrepreneurs) and selling products that are mainly offered in a standardised form (as per the tariffs approved and the standard procedures).
Retail business	Business segment focusing on servicing individuals (except for individual entrepreneurs) on the full list of products, and on selling the products offered to individuals (population) mainly in a standardised form (as per the tariffs approved and the standard procedures) and generally do not require any individual approach to be applied.
Interbank and investments business	Business segment focusing on providing services to participants in the financial markets (money, currency, stock, etc.) and on selling the products related to transactions in the financial markets.

The Management Board monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The segment performance, as explained in the table below, is assessed with taking into account the income and expenses from other segments obtained as a result of transfer rates.

For the purposes of completeness of allocation of financial indicators of segment reporting to the respective segments, the Bank uses allocating mechanisms that allow to some extent allocating them to the items/balance sheet accounts of the balance sheet and income statement for which there are no criteria for determining a business segment, namely: the share of the

number of employees by segments to the carrying amount of property, plant and equipment for the items "Intangible assets" and "Property, plant and equipment"; the share of investment property by segments of customer loans for which the property is owned by the Bank - "Investment property"; the share of cash turnover by payments of segment customers – “Cash and cash equivalents”, etc.

In addition, the results (income and expenses) of other segments are determined by applying uniform transfer rates set by the Assets and Liabilities Management Committee based on the cost of borrowings for the Bank, offset by the amount of counterparties to unallocated amounts. The difference between intersegment expenses and income of all business lines obtained using transfer rates arises as a result of gaps between the volumes of assets and liabilities by maturity and rates, revaluation of the resource, bid/offer margin consisting of interest rate risk premium, liquidity risk premium, mandatory reserve requirement, etc.

Unallocated amounts include:

- income tax receivables and payables, the share of assets and costs associated with the work of the Bank's top management, i.e. personnel performing general management functions at the level of the whole Bank's system and the Bank's staff, supporting directly the work of top management;
- the result of revaluation of an open currency position (except for the portion of the open currency position allocated by the Bank for carrying out operations on purchase/sale/conversion of cash foreign currency and precious metals and conversion of non-cash foreign currency);
- the counter-position for inter-segment revenues and expenses of all business units, obtained as a result of transfer rates with the purpose to eliminate effect on income and expenses.

During the three months ended 31 March 2024, the Bank had revenues from transactions with an entity controlled by the state (directly or indirectly) or significantly influenced by the state, that accounted for more than 10% of the total income of the Bank, namely: UAH 1,601,021 thousand (31 March 2023: UAH 1,125,338 thousand). Revenue from transactions with this external customer is reported in the segment “Interbank and investments business”.

During the three months 2024 the Bank received revenue from the transactions with the NBU on deposit certificates in the amount of UAH 1,236,986 thousand, amounting to more than 10% of the total income of the Bank (during the three months 2023: UAH 539,832 thousand).

The following table presents information on income and expenses, profit and loss, asset and liabilities of the Bank's operating segments for the three months ended 31 March 2024:

<b>31 March 2024 (unaudited)</b>	<b>Corporate banking</b>	<b>Medium-sized business, municipalities and utilities sector</b>	<b>Retail banking</b>	<b>Interbank and investments business</b>	<b>Unallocated</b>	<b>Total</b>
<b>External</b>						
Interest income calculated using effective interest method	1,922,585	237,752	12,873	3,098,815	–	5,272,025
Other interest income	37,827	8,169	–	185,115	–	231,111
Fee income	162,255	58,743	93,213	29,810	251	344,272
Other income	4,733	9,565	3,532	1,447	10,031	29,308
Net gain from financial instruments at fair value through profit or loss	–	–	–	308,319	–	308,319
Net gain from financial assets held for trading	–	–	–	178,587	–	178,587
Net gain from operations with debt financial instruments at fair value through other comprehensive income	–	–	–	4,233	–	4,233
Net gain from trading in foreign currencies	93,141	20,453	13,551	145,228	–	272,373
Net gain from foreign exchange translation	1,523	–	–	1,453,984	–	1,455,507
Gains on initial recognition of financial assets at interest rates above or below market	11	–	–	8,299	–	8,310
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	851,580	119,736	9,788	–	1,773	982,877
Gain arising from derecognition of financial assets at amortised cost	447,695	–	–	–	–	447,695
Income from other segments	943,462	766,013	739,300	(2,562,402)	113,627	–
<b>Total income</b>	<b>4,464,812</b>	<b>1,220,431</b>	<b>872,257</b>	<b>2,851,435</b>	<b>125,682</b>	<b>9,534,617</b>
Interest expense	(2,334,934)	(672,740)	(433,609)	(616,787)	(41)	(4,058,111)
Fee expense	(63,804)	(7,286)	(73,872)	(5,134)	(359)	(150,455)
Net loss from trading in foreign currencies	–	–	–	–	(29)	(29)

<b>31 March 2024 (unaudited)</b>	<b>Corporate banking</b>	<b>Medium-sized business, municipalities and utilities sector</b>	<b>Retail banking</b>	<b>Interbank and investments business</b>	<b>Unallocated</b>	<b>Total</b>
Net loss from foreign exchange translation	–	(72)	–	–	(2,092,580)	(2,092,652)
Impairment loss determined in accordance with IFRS 9	–	–	–	(472,097)	–	(472,097)
Employee benefits expense	(140,690)	(115,766)	(145,749)	(40,455)	(67,536)	(510,196)
Depreciation and amortisation expense	(6,540)	(7,560)	(6,616)	(1,076)	(5,149)	(26,941)
Other administrative and operating expenses	(51,313)	(47,556)	(133,944)	(8,949)	(11,146)	(252,908)
Impairment loss for non-financial assets	(2,239)	(4,118)	(302)	(4)	(5,242)	(11,905)
<b>Segment results</b>	<b>1,865,292</b>	<b>365,333</b>	<b>78,165</b>	<b>1,706,933</b>	<b>(2,056,400)</b>	<b>1,959,323</b>
<b>Profit for the period</b>						<b>1,959,323</b>
<b>Assets and liabilities as at 31 March 2024 (unaudited)</b>						
Segment assets	72,224,198	6,032,129	2,439,034	186,383,071		267,078,432
Unallocated assets					2,844,367	2,844,367
<b>Total assets</b>						<b>269,922,799</b>
Segment liabilities	144,812,495	36,490,490	39,502,343	38,478,636		259,283,964
Unallocated liabilities					752,719	752,719
<b>Total liabilities</b>						<b>260,036,683</b>
<b>Other information by segments</b>						
Capital expenditures	(41,079)	(47,866)	(45,520)	(6,787)	(34,541)	(175,793)

The table below provides the information on incomes and expenses and profits and losses for the three months ended 31 March 2023, as well as certain assets and liabilities of operational segments of the Bank as of 31 December 2023:

<b>31 March 2023 (unaudited)</b>	<b>Corporate banking</b>	<b>Medium-sized business, municipalities and utilities sector</b>	<b>Retail banking</b>	<b>Interbank and investments business</b>	<b>Unallocated</b>	<b>Total</b>
<b>External</b>						
Interest income calculated using effective interest method	2,299,425	199,336	7,310	1,901,353	827	4,408,251
Other interest income	48,757	6,045	–	279,527	–	334,329
Fee income	121,039	55,867	80,847	35,710	615	294,078
Other income	3,569	4,809	4,739	1,353	54,458	68,928
Net gain from financial instruments at fair value through profit or loss	–	–	–	335,232	–	335,232
Net gain from financial assets held for trading	–	–	–	50,952	–	50,952
Net gain from operations with debt financial instruments at fair value through other comprehensive income	–	–	–	3,508	–	3,508
Net gain from trading in foreign currencies	113,645	22,413	21,811	109,913	13,586	281,368
Net gain from foreign exchange translation	17,739	–	–	–	–	17,739
Impairment gain determined in accordance with IFRS 9	514,387	15,790	5,339	–	1,677	537,193
Impairment gain on impairment for non-financial assets	–	–	–	–	5,852	5,852
Gain arising from derecognition of financial assets at amortised cost	–	5,069	–	–	–	5,069
Income from other segments	362,075	671,309	616,961	(450,888)	(1,199,457)	–
<b>Total income</b>	<b>3,480,636</b>	<b>980,638</b>	<b>737,007</b>	<b>2,266,660</b>	<b>(1,122,442)</b>	<b>6,342,499</b>
Interest expense	(1,831,422)	(491,711)	(281,738)	(1,642,302)	(67)	(4,247,240)
Fee expense	(15,050)	(6,497)	(58,041)	(7,964)	(12,840)	(100,392)
Net loss from foreign exchange translation	–	(1,308)	–	(144,196)	(27,225)	(172,729)
Loss on initial recognition of financial assets at interest rates above or below market	–	–	–	(167,119)	–	(167,119)

<b>31 March 2023</b> <b>(unaudited)</b>	<b>Corporate banking</b>	<b>Medium-sized business, municipalities and utilities sector</b>	<b>Retail banking</b>	<b>Interbank and investments business</b>	<b>Unallocated</b>	<b>Total</b>
Impairment loss determined in accordance with IFRS 9	—	—	—	(51,610)	—	(51,610)
Employee benefits expense	(122,162)	(104,957)	(80,407)	(29,161)	(93,044)	(429,731)
Depreciation and amortisation expense	(3,035)	(3,542)	(3,237)	(506)	(12,121)	(22,441)
Other administrative and operating expenses	(27,664)	(34,836)	(97,231)	(8,482)	(9,508)	(177,721)
<b>Segment results</b>	<b>1,481,303</b>	<b>337,787</b>	<b>216,353</b>	<b>215,320</b>	<b>(1,277,247)</b>	<b>973,516</b>
<b>Profit for the period</b>						<b>973,516</b>
<b>Assets and liabilities as at at 31 December 2023</b>						
Segment assets	71,351,849	5,668,840	2,238,606	180,852,341		260,111,636
Unallocated assets					2,387,683	2,387,683
<b>Total assets</b>						<b>262,499,319</b>
Segment liabilities	139,073,055	37,089,254	38,443,306	39,740,828		254,346,443
Unallocated liabilities					781,158	781,158
<b>Total liabilities</b>						<b>255,127,601</b>
<b>Other information by segments</b>						
Capital expenditures	(3,689)	(4,298)	(4,175)	(607)	(2,975)	(15,744)

## Geographical information

Most revenues are derived from Ukraine. The Bank has no significant revenue from other countries beyond Ukraine. The Bank has no non-current assets located outside Ukraine.

## 4. Cash and cash equivalents

Cash and cash equivalents comprise:

	<b>31 March 2024 (unaudited)</b>	<b>31 December 2023</b>
<b>Cash</b>		
Cash in hand	1,293,690	1,231,982
Current account with the National Bank of Ukraine	17,374,098	15,915,730
Correspondent accounts with banks	47,020,924	54,846,681
Overnight deposits with banks	5,459,426	1,077,731
	<b>71,148,138</b>	<b>73,072,124</b>
<b>Cash equivalents</b>		
Deposit certificates issued by the National Bank of Ukraine	41,050,150	36,628,884
Short term deposits classified as cash equivalents	3,133,830	1,140,114
	<b>44,183,980</b>	<b>37,768,998</b>
Less: allowance for expected credit losses	(44,333)	(46,395)
<b>Cash and cash equivalents</b>	<b>115,287,785</b>	<b>110,794,727</b>

## 5. Changes in liabilities in financial activities

Changes in liabilities in financial activities are as follows:

	<b>Other borrowed funds</b>	<b>Subordinated debt</b>	<b>Lease commitments</b>	<b>Total</b>
<b>Carrying amount at 1 January 2024</b>	<b>28,730,787</b>	<b>3,805,882</b>	<b>4,035</b>	<b>32,540,704</b>
Additions	21,614	—	—	21,614
Repayments	(940,081)	—	(662)	(940,743)
Translation differences	710,969	126,017	—	836,986
Other	112,355	102,741	551	215,647

	<i>Other borrowed funds</i>	<i>Subordinated debt</i>	<i>Lease commitments</i>	<i>Total</i>
Carrying amount at 31 March 2024 (unaudited)	<u>28,635,644</u>	<u>4,034,640</u>	<u>3,924</u>	<u>32,674,208</u>
	<i>Other borrowed funds</i>	<i>Subordinated debt</i>	<i>Lease commitments</i>	<i>Total</i>
Carrying amount at 1 January 2023	<u>27,301,358</u>	<u>4,055,444</u>	<u>7,179</u>	<u>31,363,981</u>
Additions	1,008,599	—	—	1,008,599
Repayments	(1,185,619)	(380,923)	(383)	(1,566,925)
Translation differences	104,783	579	—	105,362
Other	<u>62,833</u>	<u>82,035</u>	<u>92</u>	<u>144,960</u>
Carrying amount at 31 March 2023 (unaudited)	<u>27,291,954</u>	<u>3,757,135</u>	<u>6,888</u>	<u>31,055,977</u>

“Other” includes the effect of accrued but unpaid interest on borrowings from credit institutions, issued Eurobonds and subordinated debt. The Bank classifies the paid interest as cash flows from operating activities.

## 6. Impairment loss determined in accordance with IFRS 9

The table below shows the amounts of impairment losses and reversal of impairment losses recorded in profit or loss.

For the three months ended 31 March 2024 (unaudited)	<i>Stage 1 Collective</i>	<i>Stage 2 Collective</i>	<i>Stage 2 Individual</i>	<i>Stage 3 Collective</i>	<i>Stage 3 Individual</i>	<i>POCI</i>	<i>Total</i>
Cash and cash equivalents	(2,977)	—	—	—	—	—	(2,977)
Loans and advances to banks	645	—	—	—	—	—	645
Loans and advances to customers	(77,228)	(53,722)	(18,148)	(219,211)	(306,615)	(219,395)	(894,319)
Recovery of previously written- off loans and advances to customers	—	—	—	(3,879)	(14,554)	—	(18,433)
Investment securities at fair value through other comprehensive income	523,833	(21,702)	—	—	—	—	502,131
Investment securities at amortised cost	(15,961)	(11,477)	—	—	—	—	(27,438)
Other financial assets	(2,160)	—	—	—	—	—	(2,160)
Financial guarantees	205	—	—	—	—	—	205
Undrawn loan commitments	(11,339)	(112)	5	(1,364)	134	—	(12,676)
Letters of credit	(55,740)	—	—	—	—	—	(55,740)
Avals on promissory notes	(2)	—	—	—	—	—	(2)
Performance guarantees	<u>(16)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(16)</u>
<b>Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9</b>	<u><b>359,260</b></u>	<u><b>(87,013)</b></u>	<u><b>(18,143)</b></u>	<u><b>(224,454)</b></u>	<u><b>(321,035)</b></u>	<u><b>(219,395)</b></u>	<u><b>(510,780)</b></u>

**For the three months ended**

**31 March 2023**

**(unaudited)**

	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Stage 3</i>		
	<i>Collective</i>	<i>Collective</i>	<i>Individual</i>	<i>Collective</i>	<i>Individual</i>	<i>POCI</i>	<i>Total</i>
Cash and cash equivalents	(1,998)	–	–	–	–	–	(1,998)
Loans and advances to banks	131	–	–	–	–	–	131
Loans and advances to customers	76,258	(81,893)	(22,190)	(26,088)	(192,200)	(53,616)	(299,729)
Recovery of previously written-off loans and advances to customers	–	–	–	(3,556)	(15,366)	–	(18,922)
Investment securities at fair value through other comprehensive income	71,609	(7,440)	–	–	–	–	64,169
Investment securities at amortised cost	(660)	(6,307)	–	–	–	–	(6,967)
Other financial assets	(4,275)	–	–	–	–	–	(4,275)
Financial guarantees	130	–	–	–	–	–	130
Undrawn loan commitments	(132,298)	(368)	5,325	(81,135)	747	–	(207,729)
Letters of credit	(9,416)	–	–	–	–	–	(9,416)
Avals on promissory notes	(2)	–	–	–	–	–	(2)
Performance guarantees	136	–	–	354	(1,465)	–	(975)
<b>Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9</b>	<b>(385)</b>	<b>(96,008)</b>	<b>(16,865)</b>	<b>(110,425)</b>	<b>(208,284)</b>	<b>(53,616)</b>	<b>(485,583)</b>

Impairment loss, pursuant to IFRS 9 on purchased and originated credit-impaired assets (“POCI”) recognised in profit or loss in the tables above is presented with adjustments (reversal of impairment loss) to the carrying amount of POCI financial assets in the amount of UAH 64,974 thousand (for the period ended 31 March 2023: UAH 8,192 thousand).

**7. Loans and advances to banks**

Loans and advances to banks comprise:

	<i>31 March</i> <i>2024</i> <i>(unaudited)</i>	<i>31 December</i> <i>2023</i>
<b>Loans and advances to banks</b>		
<b>Deposits with other banks</b>		
- short-term	364,762	290,811
- long-term	780,233	792,838
	<b>1,144,995</b>	<b>1,083,649</b>
Less: allowance for expected credit losses	<b>(73,866)</b>	<b>(73,784)</b>
<b>Total loans and advances to banks</b>	<b>1,071,129</b>	<b>1,009,865</b>

As of 31 March 2024, loans and advances to banks included funds placed with the Ukrainian banks in the amount of UAH 144,121 thousand (31 December 2023: 72,104 thousand), OECD banks in the amount of UAH 791,386 thousand (31 December 2023: UAH 758,511 thousand), other banks in the amount of UAH 209,368 thousand (31 December 2023: UAH 253,034 thousand).

As of 31 March 2024, loans and advances to banks are measured at amortised cost, excluding current accounts in precious metals in the amount of UAH 118,160 thousand (31 December 2023: UAH 107,328 thousand), that are accounted for at fair value through profit or loss.

As of 31 March 2024, deposits with other banks include coverage under guarantee transactions and letters of credit in the amount of UAH 880,871 thousand (31 December 2023: UAH 902,517 thousand).

The following tables show the analysis of changes in the corresponding allowances for loans and advances to banks:



	<i>Stage 1 Collective</i>	<i>Stage 3 Collective</i>	<i>Stage 3 Individual</i>	<i>Total</i>
<b>Allowance at 1 January 2024</b>	<b>1,701</b>	<b>71,967</b>	<b>116</b>	<b>73,784</b>
New assets originated or purchased	1,111	–	–	1,111
Completed (repaid) assets	(376)	–	–	(376)
Modifications in allowances	(90)	–	–	(90)
Translation difference	(567)	–	4	(563)
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>1,779</b>	<b>71,967</b>	<b>120</b>	<b>73,866</b>

	<i>Stage 1 collective</i>	<i>Stage 3 collective</i>	<i>Stage 3 individual</i>	<i>Total</i>
<b>Allowance at 1 January 2023</b>	<b>1,790</b>	<b>71,967</b>	<b>4,474</b>	<b>78,231</b>
New assets originated or purchased	948	–	–	948
Completed (repaid) assets	(1,444)	–	–	(1,444)
Modifications in allowances	627	–	–	627
Translation difference	5	–	–	5
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>1,926</b>	<b>71,967</b>	<b>4,474</b>	<b>78,367</b>

## 8. Loans and advances to customers

Loans and advances have been extended to the following types of customers:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Legal entities	55,209,791	56,499,313
State entities	38,372,790	37,060,821
Individuals	1,675,075	1,641,457
	<b>95,257,656</b>	<b>95,201,591</b>
Less: allowance for expected credit losses	(19,302,542)	(20,631,918)
<b>Loans and advances to customers</b>	<b>75,955,114</b>	<b>74,569,673</b>

As at 31 March 2024 loans to state entities include loans to state administration authorities in the amount of UAH 5,824,668 thousand (as at 31 December 2023: UAH 6,267,420 thousand).

### Legal entities

The tables below show an analysis of changes in allowance:

	<i>Stage 1 collective</i>	<i>Stage 2 collective</i>	<i>Stage 2 individual</i>	<i>Stage 3 collective</i>	<i>Stage 3 individual</i>	<i>POCI</i>	<i>Total</i>
<b>Allowance at 1 January 2024</b>	<b>160,923</b>	<b>114,909</b>	<b>214,995</b>	<b>2,279,295</b>	<b>8,879,128</b>	<b>5,677,635</b>	<b>17,326,885</b>
New assets originated or purchased	21,593	—	—	—	—	—	21,593
Completed (repaid) assets	(21,506)	(476)	—	(891)	—	(1,642)	(24,515)
Transfer to Stage 1	83,574	—	—	(83,574)	—	—	—
Transfer to Stage 2	(91)	13,855	—	(13,764)	—	—	—
Transfer to Stage 3	—	—	(70,446)	—	70,446	—	—
Transfer to POCI	—	—	—	—	(628,035)	—	(628,035)
Result from derecognition	—	—	—	—	(447,695)	—	(447,695)
Interest income adjustment	—	—	—	54,412	197,067	81,628	333,107
Modifications in allowance	(76,571)	(53,020)	(18,103)	(207,775)	(228,569)	(153,240)	(737,278)
Translation difference	755	(630)	1,297	6,060	143,606	25,763	176,851
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>168,677</b>	<b>74,638</b>	<b>127,743</b>	<b>2,033,763</b>	<b>7,985,948</b>	<b>5,630,144</b>	<b>16,020,913</b>
	<i>Stage 1 collective</i>	<i>Stage 2 collective</i>	<i>Stage 2 individual</i>	<i>Stage 3 collective</i>	<i>Stage 3 individual</i>	<i>POCI</i>	<i>Total</i>
<b>Allowance at 1 January 2023</b>	<b>677,457</b>	<b>1,066,852</b>	<b>322,225</b>	<b>2,132,004</b>	<b>8,013,288</b>	<b>5,821,766</b>	<b>18,033,592</b>
New assets originated or purchased	79,745	—	—	—	—	—	79,745
Completed (repaid) assets	(7,487)	(74)	(4,031)	(92)	(146,437)	—	(158,121)
Transfer to Stage 1	7,541	(6,137)	—	(1,404)	—	—	—
Transfer to Stage 2	(87,183)	7,975	79,518	(310)	—	—	—
Transfer to Stage 3	(77,422)	(307,914)	(102,758)	23,226	464,868	—	—
Transfer to POCI	—	—	—	(3,696)	—	—	(3,696)
Result from derecognition	—	—	—	(5,543)	—	—	(5,543)
Interest income adjustment	—	—	—	27,472	102,192	63,339	193,003
Modifications in allowance	(59,766)	(81,771)	(18,159)	26,760	(1,863)	(45,247)	(180,046)
Translation difference	5,619	13,594	(905)	14,719	61,305	561	94,893
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>538,504</b>	<b>692,525</b>	<b>275,890</b>	<b>2,213,136</b>	<b>8,493,353</b>	<b>5,840,419</b>	<b>18,053,827</b>

## State entities

The tables below show an analysis of changes in allowance:

	<i>Stage 1 collective</i>	<i>Stage 2 collective</i>	<i>Stage 2 individual</i>	<i>Stage 3 collective</i>	<i>Stage 3 individual</i>	<i>POCI</i>	<i>Total</i>
<b>Allowance at 1 January 2024</b>	<b>63,726</b>	<b>296</b>	<b>794,958</b>	<b>56,124</b>	<b>852,183</b>	<b>16,285</b>	<b>1,783,572</b>
Completed (repaid) assets	—	(30)	—	—	—	—	(30)
Interest income adjustment	—	—	—	2,450	12,949	—	15,399
Modifications in allowance	(451)	(266)	(45)	(1,774)	(78,046)	528	(80,054)
Translation difference	592	—	25,539	(2)	11,308	542	37,979
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>63,867</b>	<b>—</b>	<b>820,452</b>	<b>56,798</b>	<b>798,394</b>	<b>17,355</b>	<b>1,756,866</b>

  

	<i>Stage 1 collective</i>	<i>Stage 2 collective</i>	<i>Stage 3 collective</i>	<i>Stage 3 individual</i>	<i>POCI</i>	<i>Total</i>
<b>Allowance at 1 January 2023</b>	<b>663,822</b>	<b>53,116</b>	<b>118,762</b>	<b>784,393</b>	<b>—</b>	<b>1,620,093</b>
New assets originated or purchased	54,819	—	—	—	—	54,819
Completed (repaid) assets	(11)	—	(38,195)	—	—	(38,206)
Transfer to Stage 3	(54,790)	(53,116)	79,476	28,430	—	—
Interest income adjustment	—	—	3,736	11,975	174	15,885
Modifications in allowance	9,076	—	(9,606)	(43,900)	(174)	(44,604)
Translation difference	195	—	—	—	—	195
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>673,111</b>	<b>—</b>	<b>154,173</b>	<b>780,898</b>	<b>—</b>	<b>1,608,182</b>

## Individuals

The tables below show an analysis of changes in allowance:

	<i>Stage 1 collective</i>	<i>Stage 2 collective</i>	<i>Stage 3 collective</i>	<i>POCI</i>	<i>Total</i>
<b>Allowance at 1 January 2024</b>	<b>1,641</b>	<b>630</b>	<b>1,517,080</b>	<b>2,110</b>	<b>1,521,461</b>
New assets originated or purchased	1,606	—	—	—	1,606
Completed (repaid) assets	(266)	(38)	(3,003)	—	(3,307)
Transfer to Stage 1	2,146	(2,146)	—	—	—
Transfer to Stage 2	(311)	311	—	—	—
Transfer to Stage 3	(898)	1,685	(787)	—	—
Interest income adjustment	—	—	642	79	721
Written off assets	—	—	(947)	—	(947)
Modifications in allowance	(1,633)	108	(5,768)	(67)	(7,360)
Translation difference	1	(2)	12,590	—	12,589
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>2,286</b>	<b>548</b>	<b>1,519 807</b>	<b>2,122</b>	<b>1,524,763</b>

  

	<i>Stage 1 collective</i>	<i>Stage 2 collective</i>	<i>Stage 3 collective</i>	<i>POCI</i>	<i>Total</i>
<b>Allowance at 1 January 2023</b>	<b>3,796</b>	<b>4,407</b>	<b>1,510,575</b>	<b>—</b>	<b>1,518,778</b>
New assets originated or purchased	607	—	—	—	607
Completed (repaid) assets	(333)	(286)	(1,495)	—	(2,114)
Transfer to Stage 1	992	(992)	—	—	—
Transfer to Stage 2	(962)	962	—	—	—
Transfer to Stage 3	(454)	(2,081)	2,535	—	—
Interest income adjustment	—	—	751	3	754
Modifications in allowance	(392)	238	(3,460)	(3)	(3,617)
Translation difference	—	3	3,916	—	3,919
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>3,254</b>	<b>2,251</b>	<b>1,512,822</b>	<b>—</b>	<b>1,518,327</b>

## Modified loans

The Bank derecognises a financial asset when the terms and conditions of the agreement have been renegotiated to the extent that, substantially, it becomes a new financial instrument, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

If the modification does not result in derecognition, then, based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

The table below includes the Stage 2 and Stage 3 assets modified during the period, with the modification loss:

	<i>For the period ended 31 March 2024                      2023 (unaudited)</i>	
<b>Loans to customers modified during the period</b>		
Amortised cost before modification	2,102,945	48,872
Net modification loss	(37,803)	39

## The impact of military aggression and introduction of martial law in Ukraine

The status of the state bank with specialization in the financing of export-import operations imposes a special role on the Bank during martial law in meeting the state's needs in financing the supply of critical imports and lending to strategic sectors of the economy for defence, food supply and humanitarian purposes, in particular to preserve the sovereignty of Ukraine.

Currently, the Bank has updated its credit policy, taking into account the armed aggression of the Russian Federation against Ukraine. The Bank made a list of sectors of the economy that will be provided with priority credit support, namely the military-industrial complex, critical imports, the agricultural sector, the fuel and energy sector, infrastructure projects, export-oriented industries, humanitarian and social projects.

As of today, the Bank has restricted foreign currency lending and will continue to provide credit support mostly in the national currency. The credit support in foreign currency will be provided within the programs of international financial institutions (IBRD, EBRD, EIB), both current and new programs.

To support its customers, who have faced force majeure circumstances related to the military aggression of the Russian Federation against Ukraine, the Bank is considering debtors' restructuring (individually, taking into account the characteristics of each individual debtor, the actual impact of the war on their financial and business condition and forecasts for further prospects of their business).

The Russian military invasion to Ukraine necessitated an extraordinary revision of approaches and refinement of methods for estimating expected credit losses, including more detailed portfolio segmentation, application of expert judgments as a result of prompt processing of information on the current and projected state of hostilities and their impact on assets, operating activities, financial condition of debtors and their ability to meet monetary obligations to the Bank. The Bank is constantly analysing the loan portfolio in stages, in particular, debtors whose main assets are located in the temporarily occupied territories and territories where active hostilities are taking place (depending on whether they have other assets, their ability to conduct or resume operating activities, including taking into account the forecasts for the liberation of the respective territories / cessation of active hostilities and their return to the control of Ukraine), as well as borrowers located in other territories, based on the risks of damage to property and assessment of their ability to conduct operating activities in the current conditions, forecasts of changes in the situation, are reclassified in stages. At the same time, for the debtors assessed on an individual basis (regardless of whether the asset's stage has deteriorated or whether it was classified as Stage 2 or Stage 3 before the outbreak of war), scenarios of obtaining cash flows for debt repayment are reviewed at least quarterly, which involves the change of repayment schedule and expert assessment of their receipt under various event scenarios. In addition, when calculating the provisions, the expected cash flows from the sale of collateral that was destroyed or significantly damaged during the hostilities, as well as those located in the territories not controlled by Ukraine and in the areas of active hostilities, which makes it impossible to conduct a proper inspection and adequate assessment, are reduced to zero.

According to the Bank's estimates, the increase in expected credit losses for the first quarter of 2024 due to the impact of the war is UAH 324,230 thousand. The Bank will continue to collect and process information to ensure adequate assessment of credit risks despite the uncertainties caused by the war.

## 9. Investments in securities

Investments in securities comprise:

	<b>31 March 2024 (unaudited)</b>	<b>31 December 2023</b>
Investment securities at fair value through profit or loss	19,606,092	19,071,183
Investment securities at fair value through other comprehensive income	35,714,190	27,592,940
Investment securities at amortised cost	12,073,229	19,451,294
Securities held for trading	3,936,411	3,878,986
<b>Investments in securities</b>	<b>71,329,922</b>	<b>69,994,403</b>

### Investment securities at fair value through profit or loss

As at 31 March 2024, investment securities at fair value through profit or loss are represented by Ukrainian indexed state bonds with carrying amount of UAH 19,606,092 thousand (31 December 2023: UAH 19,071,183 thousand), the conditions of issuing of which anticipate the indexation of the nominal value by maturity according to the changes in the average interbank UAH/ USD exchange rate per month prior to the date of issue and per month prior to the maturity date. Coupon yield is not subject to indexation.

As at 31 March 2024, securities held for trading are represented by Ukrainian state bonds with carrying amount of UAH 3,936,411 thousand (31 December 2023: UAH 3,878,986 thousand).

As at 31 March 2024, Ukrainian state bonds with carrying amount of UAH 9,875,610 thousand were pledged as collateral under the credit line opened to the Bank for obtaining refinancing loans from the National Bank of Ukraine (31 December 2023: UAH 9,543,030 thousand).

During the three months ended 31 March 2024, the Bank recognized gain from revaluation of investment securities at fair value through profit or loss in the amount of UAH 449,364 thousand, which is recorded under “Net increase/(decrease) from financial instruments at fair value through profit or loss” (31 March 2023: gain of UAH 151,244 thousand).

#### Investment securities at fair value through other comprehensive income

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Ukrainian government bonds	35,693,904	27,572,598
Corporate shares	20,286	20,342
<b>Investment securities at fair value through other comprehensive income</b>	<b>35,714,190</b>	<b>27,592,940</b>

As at 31 March 2024, Ukrainian government bonds with the carrying amount of UAH 6,714,639 thousand were pledged as collateral under the credit line opened to the Bank for obtaining refinancing loans from the National Bank of Ukraine (31 December 2023: UAH 6,558,951 thousand).

As at 31 March 2024, Ukrainian government bonds with carrying amount of UAH 621,440 thousand were pledged as collateral on loans received from Ukrainian financial institutions (31 December 2023: UAH 629,707 thousand) (Note 14).

As at 31 March 2024, Ukrainian government bonds with carrying amount of UAH 1,334,164 thousand were used to form a guarantee fund on interest rate swaps (31 December 2024: UAH 1,367,819 thousand) (Note 12).

The Bank at its own discretion has designated some of its equity investments as equity investments at FVOCI on the basis that these are not held for trading. Such investments primarily include mandatory shares in exchanges and clearing houses, investments arising when the Bank received equity shares in exchange for debt settlement.

The following tables show an analysis of changes in allowance for investment securities at fair value through other comprehensive income:

	<i>Stage 1 Collective</i>	<i>Stage 2 Collective</i>	<i>Total</i>
<b>Allowance at 1 January 2024</b>	<b>399,141</b>	<b>430,715</b>	<b>829,856</b>
New assets originated or purchased	516,296	–	516,296
Modifications in allowance	7,537	(21,702)	(14,165)
Sold assets	(4,200)	–	(4,200)
Translation differences	15,841	–	15,841
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>934,615</b>	<b>409,013</b>	<b>1,343,628</b>

	<i>Stage 1 Collective</i>	<i>Stage 2 Collective</i>	<i>Total</i>
<b>Allowance at 1 January 2023</b>	<b>28,706</b>	<b>259,422</b>	<b>288,128</b>
New assets originated or purchased	99,128	–	99,128
Repaid assets	(27,899)	–	(27,899)
Modifications in allowance	380	(7,440)	(7,060)
Sold assets	(1,284)	(2,630)	(3,914)
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>99,031</b>	<b>249,352</b>	<b>348,383</b>

**Investment securities at amortised cost**

	<b>31 March 2024 (unaudited)</b>	<b>31 December 2023</b>
Ukrainian government bonds	6,852,107	14,267,117
Corporate bonds	5,635,372	5,641,216
Municipal bonds	223,763	223,947
	<b>12,711,242</b>	<b>20,132,280</b>
Less: allowance for expected credit losses	(638,013)	(680,986)
<b>Investment securities at amortised cost</b>	<b>12,073,229</b>	<b>19,451,294</b>

As at 31 March 2024, Ukrainian government bonds with the carrying amount of UAH 6,344,515 thousand were pledged as collateral under the credit line opened to the Bank for obtaining refinancing loans from the National Bank of Ukraine (31 December 2023: UAH 6,476,345 thousand).

The following tables show an analysis of modifications in allowances for investment securities at amortised cost:

	<b>Stage 1 Collective</b>	<b>Stage 2 Collective</b>	<b>Total</b>
<b>Allowance at 1 January 2024</b>	<b>37,866</b>	<b>643,120</b>	<b>680,986</b>
New assets originated or purchased	1,240	–	1,240
Repaid assets	(17,197)	–	(17,197)
Modifications in allowance	(4)	(11,477)	(11,481)
Translation differences	(15,535)	–	(15,535)
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>6,370</b>	<b>631,643</b>	<b>638,013</b>

	<b>Stage 1 Collective</b>	<b>Stage 2 Collective</b>	<b>Total</b>
<b>Allowance at 1 January 2023</b>	<b>114,272</b>	<b>282,203</b>	<b>396,475</b>
New assets originated or purchased	1,455	–	1,455
Repaid assets	(1,435)	–	(1,435)
Modifications in allowance	(680)	(6,307)	(6,987)
Translation differences	2,284	–	2,284
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>115,896</b>	<b>275,896</b>	<b>391,792</b>

**10. Other financial assets and other financial liabilities**

Other financial assets comprise:

	<b>31 March 2024 (unaudited)</b>	<b>31 December 2023</b>
Transit accounts on operations with payment cards	490,313	422,150
Accounts receivable on operations with customers	86,922	104,834
Other accrued income	82,894	110,445
Accrued service fee on guarantees issued	18,625	38,020
Other	423	417
	<b>679,177</b>	<b>675,866</b>
Less: allowance for expected credit losses	(129,299)	(130,342)
<b>Other financial assets</b>	<b>549,878</b>	<b>545,524</b>

Other financial liabilities comprise:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Transit accounts on operations with customers	936,433	693,825
Transit accounts on operations with payment cards	220,667	195,947
Accrued expenses	35,864	27,842
Liabilities on guarantees issued	8,049	10,283
Lease commitments	3,924	4,035
Other	999	140
<b>Other financial liabilities</b>	<b>1,205,936</b>	<b>932,072</b>

The following table shows an analysis of changes in allowance for other financial assets:

	<i>Over the life of the asset (simplified approach)</i>
<b>Allowance at 1 January 2024</b>	<b>130,342</b>
New assets originated or purchased	11,962
Completed (repaid) assets	(14,752)
Modifications in allowance	630
Written-off assets	(59)
Translation differences	1,176
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>129 299</b>
	<i>Over the life of the asset (simplified approach)</i>
<b>Allowance at 1 January 2023</b>	<b>149,704</b>
New assets originated or purchased	7,220
Completed (repaid) assets	(8,016)
Modifications in allowance	(3,479)
Translation differences	312
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>145,741</b>

## 11. Other non-financial assets and other non-financial liabilities

Other non-financial assets comprise:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Advance payments	131,712	133,968
Cash, which availability is not confirmed	47,073	45,990
Inventories	36,652	31,918
Other tax assets, except those related to income tax	21,443	26,166
Reposessed pledged property	2,483	2,483
Other	11,489	1,306
	<b>250,852</b>	<b>241,831</b>
Less: allowance for impairment	(104,413)	(91,426)
<b>Other non-financial assets</b>	<b>146,439</b>	<b>150,405</b>

Other non-financial liabilities comprise:

	<b>31 March 2024 (unaudited)</b>	<b>31 December 2023</b>
Accrued unused vacations	240,558	219,768
Payables to the Individual Deposit Guarantee Fund	92,210	69,563
Accrued salary	42,892	98,579
Payables on taxes and mandatory contributions, except for income tax	37,928	40,261
Deferred income	26,792	28,649
Payables on the Bank's business activities	8,343	17,295
Other	303	95
<b>Other non-financial liabilities</b>	<b>449,026</b>	<b>474,210</b>

The following tables show the analysis of impairment losses on other non-financial assets:

<b>Allowance at 1 January 2024</b>	<b>91,426</b>
Charge	11,905
Translation differences	1,082
<b>Allowance at 31 March 2024 (unaudited)</b>	<b>104,413</b>
 <b>Allowance at 1 January 2023</b>	 <b>118,396</b>
Reversal	(5,852)
Translation differences	128
<b>Allowance at 31 March 2023 (unaudited)</b>	<b>112,672</b>

## 12. Derivative financial instruments

The Bank enters into various derivative financial instruments including forwards and swaps in the foreign exchange and capital markets, as well as interest rate swaps.

### *Forward transactions*

The Bank enters into agreements certifying the obligation to purchase (sell) foreign currency at a certain time and on certain terms in the future with the fixation of price of such sale (purchase) at the time of the agreement.

### *Currency swap*

The Bank enters into currency exchange operations whereby it is obliged to supply one currency in exchange for another under pre-determined exchange rates.

### *Interest rate swap*

The Bank enters into agreements with the NBU for the exchange of interest payments which are calculated at different rates, but with the consideration of one notional amount during the term of the agreement. The notional amount of loans (granted and borrowed) under the interest rate swap is used exclusively for interest calculations and is not transferred between the parties to the agreement.

As at 31 March 2024, the notional amounts are (unaudited):

	<b>Notional amount</b>		<b>Fair value</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
Currency swap	3,008,955	3,009,468	—	3,370
Interest rate swap	5,385 000	5,385,000	393,300	—



As at 31 December 2023, the notional amounts are:

	<i>Notional amount</i>		<i>Fair value</i>	
	<i>Assets</i>	<i>Liabilities</i>	<i>Assets</i>	<i>Liabilities</i>
Currency swap	2,534,081	2,538,624	4,469	1,377
Interest rate swap	5,385,000	5,385,000	647,780	—

To make a guarantee fund on interest rate swaps, the Bank used the investment securities — Ukrainian government bonds with the carrying amount of UAH 1,334,164 thousand (31 December 2023: UAH 1,367,819 thousand) (Note 9).

During the three months ended 31 March 2024, the Bank recognised loss from revaluation of derivative financial instruments in amount of UAH 141,045 thousand (31 March 2023: gain from revaluation of derivative financial instruments in amount of UAH 183,988 thousand) recorded under “Net increase/(decrease) from financial instruments at fair value through profit or loss”.

### 13. Due to other banks

Due to other banks comprise:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Current accounts	4,995,562	6,184,866
Loans and deposits	159,827	150,790
Other amounts due to other banks	57,445	55,428
<b>Due to other banks</b>	<b>5,212,834</b>	<b>6,391,084</b>

### 14. Other borrowed funds

Other borrowed funds comprise:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Loans from international financial organizations	26,665,396	25,993,325
Eurobonds issued	1,624,149	2,413,346
Loans from Ukrainian financial organizations	346,099	324,116
<b>Other borrowed funds</b>	<b>28,635,644</b>	<b>28,730,787</b>

As at 31 March 2024, the loan debt to Ukrainian financial organizations is secured by investment securities — Ukrainian government bonds with carrying amount of UAH 621,440 thousand (31 December 2023: UAH 629,707 thousand) (Note 9).

#### Eurobonds issued

	<i>31 March 2024 (unaudited)</i>			<i>31 December 2023</i>		
	<i>Debt balance ('000)</i>	<i>Currency</i>	<i>Carrying amount</i>	<i>Debt balance ('000)</i>	<i>Currency</i>	<i>Carrying amount</i>
January 2013 issue	33,805	USD	1,353,457	50,708	USD	2,011,121
April 2013 issue	6,761	USD	270,692	10,142	USD	402,225
<b>Eurobonds issued</b>			<b>1,624,149</b>			<b>2,413,346</b>

## 15. Customer accounts

Customer accounts comprise:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Current accounts:		
- Legal entities	93,805,046	90,374,040
- Budget financed organisations	28,702,278	25,505,695
- Individuals	10,361,224	10,224,668
	<b>132,868,548</b>	<b>126,104,403</b>
Term deposits:		
- Legal entities	54,838,309	55,331,310
- Individuals	27,488,869	26,613,670
- Budget financed organisations	57,083	-
	<b>82,384,261</b>	<b>81,944,980</b>
Demand deposits:		
- Legal entities	3,964,106	4,742,848
- Individuals	1,094,814	1,156,911
	<b>5,058,920</b>	<b>5,899,759</b>
<b>Customer accounts</b>	<b>220,311,729</b>	<b>213,949,142</b>
Held as security against guarantees and avals (Note 17)	2,257,678	1,425,911
Held as security against letters of credit (Note 17)	1,070,829	1,067,251
Held as security against loans to customers (Note 8)	1,051,059	765,485
Held as security against undrawn loan commitments (Note 17)	11,708	15,747

As at 31 March 2024, customer debts included funds from deposits and current accounts raised in gold which are measured at fair value through profit or loss in the amount of UAH 81,773 thousand (31 December 2023: UAH 74,255 thousand). As at 31 March 2024, there were no changes in the fair value of funds raised in gold due to changes in credit risk (31 December 2023: none).

## 16. Equity

As at 31 December 2024, the Bank's authorised issued share capital comprised 31,168,806 ordinary registered shares (31 December 2023: 31,168,806) with the nominal value of UAH 1,462.04 per share (31 December 2023: UAH 1,462.04 per share). As of 31 March 2024, 31,168,806 ordinary registered shares were fully paid and registered (31 December 2023: 31,168,806 ordinary registered shares were fully paid and registered).

### Movements in other reserves

The movements in other reserves were as follows:

	<i>Property revaluation reserve</i>	<i>Reserve for gains and losses on financial assets measured at fair value through other comprehensive income</i>	<i>Reserve for gains and losses from investments in equity instruments</i>	<i>Other reserves</i>
<b>At 1 January 2023</b>	<b>1,052,303</b>	<b>(2,449,725)</b>	<b>(63,844)</b>	<b>(1,461,266)</b>
Depreciation of revaluation reserve, net of tax	(8,373)	–	–	(8,373)
Net (decrease)/increase on investment securities at fair value through other comprehensive income, including	–	42,277	372	42,649
Expenses for expected credit losses of investment	–	64,169	–	64,169

	<i>Property revaluation reserve</i>	<i>Reserve for gains and losses on financial assets measured at fair value through other comprehensiv e income</i>	<i>Reserve for gains and losses from investments in equity instruments</i>	<i>Other reserves</i>
securities at fair value through other comprehensive income				
Net realised gains from operations with debt financial instruments at fair value through other comprehensive income	–	(3,508)	–	(3,508)
Net unrealised (losses)/gains on investment securities at fair value through other comprehensive income	–	(18,384)	372	(18,012)
Income tax related to components of other comprehensive income	–	–	–	–
<b>At 31 March 2023 (unaudited)</b>	<b>1,043,930</b>	<b>(2,407,448)</b>	<b>(63,472)</b>	<b>(1,426,990)</b>
<b>At 1 January 2024</b>	<b>991,768</b>	<b>(345,161)</b>	<b>(65,681)</b>	<b>580,926</b>
Depreciation of revaluation reserve, net of tax	(5,206)	–	–	(5,206)
Net (decrease)/increase on investment securities at fair value through other comprehensive income, including:	–	556,312	(56)	556,256
Expenses for expected credit losses of investment securities at fair value through other comprehensive income	–	502,131	–	502,131
Net realised gains from operations with debt financial instruments at fair value through other comprehensive income	–	4,233	–	4,233
Net unrealised (losses)/gains on investment securities at fair value through other comprehensive income	–	49,948	(56)	49,892
Income tax related to components of other comprehensive income	–	–	–	–
<b>At 31 March 2024 (unaudited)</b>	<b>986,562</b>	<b>211,151</b>	<b>(65,737)</b>	<b>1,131,976</b>

## 17. Loan commitments

### Loan commitments and financial guarantee contracts

Loan commitments and financial guarantee contracts of the Bank included:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
Undrawn loan commitments	12,827,392	13,199,083
Financial guarantees	2,943,708	3,265,787
Letters of credit	3,240,258	3,744,303
Avals on promissory notes	207,442	240,361
Performance guarantees	4,509,931	4,457,152
	<b>23,728,731</b>	<b>24,906,686</b>
Allowance for expected credit losses	(183,504)	(246,447)
Cash held as security against letters of credit, avals, finance guarantees and loan commitments (Note 15)	(3,340,215)	(2,508,909)

The following tables show the analysis of changes in allowance for credit-related commitments:

	<i>Stage 1 Collective</i>	<i>Stage 2 Collective</i>	<i>Stage 2 Individual</i>	<i>Stage 3 Collective</i>	<i>Stage 3 Individual</i>	<i>Total</i>
<b>Allowance for credit-related commitments at 1 January 2024</b>	<b>82,867</b>	<b>155</b>	<b>1,486</b>	<b>15,327</b>	<b>–</b>	<b>99,835</b>
New liabilities originated or purchased	13,091	–	–	–	–	13,091
Completed (settled) credit-related commitments	(18,559)	(383)	–	(1,504)	–	(20,446)
Transfer to Stage 1	179	(7)	–	(172)	–	–
Transfer to Stage 2	(15)	15	–	–	–	–
Transfer to Stage 3	(660)	(18)	(1,491)	678	1,491	–
Modifications in allowance	(5,871)	271	5	140	134	(5,321)
Translation differences	994	6	–	–	–	1,000
<b>Allowance of credit-related commitments at 31 March 2024 (unaudited)</b>	<b>72,026</b>	<b>39</b>	<b>–</b>	<b>14,469</b>	<b>1,625</b>	<b>88,159</b>
	<i>Stage 1 Collective</i>	<i>Stage 2 Collective</i>	<i>Stage 2 Individual</i>	<i>Stage 3 Collective</i>	<i>Stage 3 Individual</i>	<i>Total</i>
<b>Allowance for credit-related commitments at 1 January 2023</b>	<b>318,330</b>	<b>5,330</b>	<b>59,380</b>	<b>94,144</b>	<b>1,434</b>	<b>478,618</b>
New liabilities originated or purchased	18,665	–	–	–	–	18,665
Completed (settled) credit-related commitments	(174,485)	(428)	–	(80,699)	(561)	(256,173)
Transfer to Stage 1	1,762	(1,667)	–	(95)	–	–
Transfer to Stage 2	(1,169)	546	665	(42)	–	–
Transfer to Stage 3	(117)	(2,402)	–	2,519	–	–
Modifications in allowance	23,522	60	5,325	(436)	1,308	29,779
Translation differences	(4)	–	–	1,817	–	1,813
<b>Allowance of credit-related commitments at 31 March 2023 (unaudited)</b>	<b>186,504</b>	<b>1,439</b>	<b>65,370</b>	<b>17,208</b>	<b>2,181</b>	<b>272,702</b>

### Performance guarantees

Performance guarantees are the arrangements to provide compensation where a counterparty fails to perform its contractual obligations. Performance guarantees are not exposed to credit risk. The risk is related to the possibility of failure to perform the contractual obligations by the counterparty.

### Financial terms of the agreements

Agreements with other credit organizations contain requirements for the fulfilment of financial performance indicators and the overall risk structure of the Bank (capital adequacy, liquidity, credit risks). The values of the indicators are set by the terms of the agreements, other documents agreed by the parties to the agreements, with reference to both international and local regulatory requirements

During the first three months of 2024, the Bank violated covenants on all loans received from international financial institutions and credit institutions, which are presented in “Other borrowed funds”. The Bank received respective covenant waiver letters from the lenders covering the breached covenants in the first quarter of 2024.

### Pledged assets

The Bank pledges as collateral assets stated in the consolidated financial statements in terms of various current transactions carried out under the normal conditions applicable to such agreements.

Assets pledged by the Bank as collateral:

	<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>		<i>31 March 2024 (unaudited)</i>	<i>31 December 2023</i>
<i>Liability type</i>	<i>Liability amount</i>		<i>Asset type</i>	<i>Asset carrying amount</i>	
NBU refinancing loans	–	–	Ukrainian government bonds at fair value through profit or loss	9,875,610	9,543,030
			Ukrainian government bonds at fair value through other comprehensive income	6,714,639	6,558,951
			Ukrainian government bonds at amortised cost	6,344,515	6,476,345
NBU interest rate swap (notional amount)	5,385,000	5,385,000	Ukrainian government bonds at fair value through other comprehensive income	1,334,164	1,367,819
Loans from Ukrainian financial organizations	346,099	324,116	Ukrainian government bonds at fair value through other comprehensive income	621,440	629,707

## 18. Employee benefits expense and other administrative and operating expenses

Employee benefits expense and other administrative and operating expenses comprise:

	<i>2024</i>		<i>2023</i>	
	<i>for three months ended 31 March</i>	<i>cumulative since the beginning of the reporting year</i>	<i>for three months ended 31 March</i>	<i>cumulative since the beginning of the reporting year</i>
	<i>(unaudited)</i>			
Salaries and bonuses	422,191	422,191	363,794	363,794
Mandatory contributions to the state funds	88,005	88,005	65,937	65,937
<b>Employee benefits expense</b>	<b>510,196</b>	<b>510,196</b>	<b>429,731</b>	<b>429,731</b>
Payables to the Individual Deposit Guarantee Fund	92,210	92,210	62,590	62,590
Modifications in financial assets	38,068	38,068	328	328
Repair and maintenance of property, plant and equipment	27,746	27,746	26,017	26,017
Maintenance of premises	18,516	18,516	22,084	22,084
Security	17,992	17,992	17,102	17,102
Electronic and data processing costs	17,659	17,659	8,849	8,849
Operating taxes	8,672	8,672	8,291	8,291
Expenses for cash collection	6,159	6,159	5,097	5,097
Administrative expenses	4,146	4,146	3,060	3,060
Rent of premises	3,632	3,632	2,707	2,707
Communication services	3,570	3,570	2,810	2,810
Legal and advisory services	1,588	1,588	3,393	3,393
Business travel and related expenses	1,378	1,378	611	611
Marketing and advertising	1,290	1,290	1,682	1,682
Representative offices expenses	584	584	836	836
Other	9,698	9,698	12,264	12,264
<b>Other administrative and operating expenses</b>	<b>252,908</b>	<b>252,908</b>	<b>177,721</b>	<b>177,721</b>

Expenses for payment to the non-state pension fund for the period ended 31 March 2024 amount to UAH 315 thousand (31 March 2023: UAH 241 thousand).

## 19. Fair value of assets and liabilities

### Fair value of financial assets and financial liabilities not measured at fair value

Set out below is a comparison by class of the carrying amounts and fair values of the Bank's financial instruments that are not measured at fair value in the consolidated statement of financial position. The table does not include the fair values of non-financial assets and non-financial liabilities.

	<i>31 March 2024 (unaudited)</i>		<i>31 December 2023</i>	
	<i>Carrying amount</i>	<i>Fair value</i>	<i>Carrying amount</i>	<i>Fair value</i>
<b>Financial assets</b>				
Cash and cash equivalents	115,287,785	115,287,785	110,794,727	110,794,727
Loans and advances to banks	952,969	952,969	902,537	902,537
Loans and advances to customers	75,955,114	75,638,098	74,569,673	74,024,396
Investment securities at amortised cost	12,073,229	11,069,402	19,451,294	18,670,451
Other financial assets	549,878	549,878	545,524	545,524
<b>Financial liabilities</b>				
Due to other banks	5,212,834	5,212,834	6,391,084	6,391,084
Customer accounts	220,229,956	220,221,528	213,874,887	213,871,470
Other borrowed funds	28,635,644	28,553,287	28,730,787	28,601,479
<i>Incl. Eurobonds issued</i>	<i>1,624,149</i>	<i>1,541,793</i>	<i>2,413,346</i>	<i>2,284,038</i>
Subordinated debt	4,034,640	2,977,293	3,805,882	2,812,757
Other financial liabilities	1,205,936	1,205,936	932,072	932,072

The following describes the methodologies and assumptions used to determine fair values for the financial instruments that are not recorded at fair value in the annual consolidated financial statements.

### Assets whose fair value approximates their carrying value

For the financial assets and financial liabilities that are liquid or have a short-term maturity (up to three months), it is assumed that their carrying amounts approximate their fair values. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

### Fixed rate financial instruments

The fair values of fixed rate financial assets and financial liabilities carried at amortised cost are estimated by comparing the market interest rates at the date when they were first recognised with the current market rates offered for similar financial instruments. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using the prevailing money-market interest rates for debts with similar credit risk and maturity. For listed debt instruments issued the fair values are calculated based on quoted market prices. For listed securities issued where quoted market prices are not available, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity.

Analysis of financial instruments measured at fair value by level in the fair value hierarchy is presented in the table below:

<i>As at 31 March 2024 (unaudited)</i>	<i>Fair value recurring measurements</i>		
	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Loans and advances to banks in precious metals	118,160	—	118,160
Investment securities at fair value through profit or loss	—	19,606,092	19,606,092
Securities held for trading	3,936,411	—	3,936,411
Investment securities at fair value through other	35,693,904	20,286	35,714,190

<i>As at 31 March 2024</i> <i>(unaudited)</i>	<i>Fair value</i> <i>recurring measurements</i>		
	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
comprehensive income			
Derivative financial assets	415,724	–	415,724
<b>Total assets</b>	<b>40,164,199</b>	<b>19,626,378</b>	<b>59,790,577</b>
Customer accounts in precious metals	81,773	–	81,773
Derivative financial liabilities	3,370	–	3,370
<b>Total liabilities</b>	<b>85,143</b>	<b>–</b>	<b>85,143</b>

  

<i>As at 31 December 2023</i>	<i>Fair value</i> <i>recurring measurements</i>		
	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Loans and advances to banks in precious metals	107,328	–	107,328
Investment securities at fair value through profit or loss	–	19,071,183	19,071,183
Securities held for trading	3,878,986	–	3,878,986
Investment securities at fair value through other comprehensive income	27,572,598	20,342	27,592,940
Derivative financial assets	652,249	–	652,249
<b>Total assets</b>	<b>32,211,161</b>	<b>19,091,525</b>	<b>51,302,686</b>
Customer accounts in precious metals	74,255	–	74,255
Derivative financial liabilities	1,377	–	1,377
<b>Total liabilities</b>	<b>75,632</b>	<b>–</b>	<b>75,632</b>

The Bank recognises the need of transfer between levels of the fair value hierarchy at the end of each reporting period.

#### Movements in level 3 assets measured at fair value

The following table shows a reconciliation of the opening and closing amounts of Level 3 assets measured at fair value:

	<i>At 1 January 2024</i>	<i>Gain/(loss) recognised in the consolidated statement of profit or loss</i>	<i>Gain/(loss) recognised in the consolidated statement of comprehensive income</i>	<i>Calculation</i>	<i>As at 31 March 2024 (unaudited)</i>
Investment securities at fair value through profit or loss	19,071,183	634,479 <sup>(a)</sup>	–	(99,570) <sup>(c)</sup>	19,606,092
Investment securities at fair value through other comprehensive income	20,342	–	(56)	–	20,286
<b>Total assets</b>	<b>19,091,525</b>	<b>634,479</b>	<b>(56)</b>	<b>(99,570)</b>	<b>19,626,378</b>

  

	<i>At 1 January 2023</i>	<i>Gain/(loss) recognised in the consolidated statement of profit or loss</i>	<i>Gain/(loss) recognised in the consolidated statement of comprehensive income</i>	<i>Calculation</i>	<i>As at 31 December 2023</i>
Investment securities at fair value through profit or loss	26,961,581	1,986,212 <sup>(a)</sup>	–	(9,876,610) <sup>(c)</sup>	19,071,183
Investment securities at fair value through other comprehensive income	22,179	958 <sup>(b)</sup>	(1,837)	(958) <sup>(d)</sup>	20,342
<b>Total assets</b>	<b>26,983,760</b>	<b>1,987,170</b>	<b>(1,837)</b>	<b>(9,877,568)</b>	<b>19,091,525</b>

- (a) Gains in the amount of UAH 634,479 thousand include: UAH 449,364 thousand of revaluation of investment securities at fair value through profit or loss, which is included in "Net gain/(loss) from financial instruments at fair value through profit or loss," and UAH 185,115 thousand of accrued interest income, which is included in "Other interest income" (2023: Gains in the amount of UAH 1,986,212 thousand include: UAH 971,758 thousand of revaluation of investment securities at fair value through profit or loss, which is included in "Net gain/(loss) from financial instruments at fair value through profit or loss," and UAH 1,014,454 thousand of accrued interest income, which is included in "Other interest income").
- (b) 2023: Accrued dividends in the amount of UAH 958 thousand are included in the "Other income."
- (c) Redemption in the amount of UAH 99,570 thousand include: UAH 99,570 thousand of coupon payments (2023: Redemption in the amount of UAH 9,876,610 thousand include: UAH 8,746,150 thousand of securities redemption and UAH 1,130,460 thousand of coupon payments).
- (d) 2023: Payment of dividends in the amount of UAH 958 thousand.

Gains or losses on level 3 assets at fair value included in the profit or loss for the reporting period comprise:

	<b>At 31 March 2024</b> <b>(unaudited)</b>		
	<b>Realised gains</b>	<b>Unrealised gains</b>	<b>Total</b>
Investment securities at fair value through profit or loss	8,762	625,717	634,479

  

	<b>At 31 March 2023</b> <b>(unaudited)</b>		
	<b>Realised gains</b>	<b>Unrealised gains</b>	<b>Total</b>
Investment securities at fair value through profit or loss	294,570	430,771	725,341

The tables below show the quantitative information as at 31 March 2024 and 31 December 2023 about significant unobservable inputs used for the fair valuation of assets classified as those of Level 3 of the fair value hierarchy

<b>At 31 March 2023</b> <b>(unaudited)</b>	<b>Carrying amount</b>	<b>Valuation technique</b>	<b>Unobservable parameter</b>	<b>Range of parameter values, %</b>
Investment securities at fair value through other comprehensive income	20,286	Discounted cash flows	Expected profitability	13.9
Investment securities at fair value through profit or loss	19,606,092	Garman - Kohlhagen model	Historical UAH/USD exchange rate volatility	24.203%

  

<b>At 31 December 2023</b>	<b>Carrying amount</b>	<b>Valuation technique</b>	<b>Unobservable parameter</b>	<b>Parameter values</b>
Investment securities at fair value through other comprehensive income	20,342	Discounted cash flows	Expected profitability	13.9
Investment securities at fair value through profit or loss	19,071,183	Garman - Kohlhagen model	Historical UAH/USD exchange rate volatility	24.498%

#### Sensitivity of fair value measurement for Level 3 to possible changes in the inputs used

As at 31 March 2024, if the historical exchange rate volatility increases/decreases by 1 percentage point the fair value of investment securities at fair value through profit or loss would increase by UAH 1,962.13 thousand / decrease by UAH 1,901.91 thousand (31 December 2023: increase by UAH 2,332.14 thousand / decrease by UAH 2,272.14 thousand).

As at 31 March 2024, the Bank estimates the impact of changes in exchange rate volatility when measuring the fair value of investment securities at fair value through profit or loss at +76.01 percentage points. The effect of such changes in exchange rate volatility on Ukrainian government bonds with indexed value is UAH 383,780.92 thousand and will result in a profit increase. (31 December 2023: the Bank estimated the impact of changes in exchange rate volatility when measuring the fair value of investment securities at fair value through profit or loss at +68.18 percentage points. The effect of such changes in



exchange rate volatility on Ukrainian government bonds with indexed value is UAH 365,643.34 thousand and will result in a profit increase.)

## 20. Related party transactions

In accordance with IAS 24 *Related Party Disclosures*, parties are considered to be related if they are under common control, or one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is paid to the substance of the relationship, not merely the legal form.

Related parties may enter into the transactions, which unrelated parties might not. The terms and conditions of such transactions may differ from those between unrelated parties.

Transactions and balances with related parties comprise transactions with entities controlled, directly or indirectly, or significantly influenced by the Ukrainian Government and with the key management personnel.

The outstanding balances on key management personnel as at 31 March 2024 and 31 December 2023 and related income and expense for three months ended 31 March 2024 and 2023, are as follows:

	<b><i>Key management personnel</i></b>	
	<b><i>31 March 2024</i></b>	<b><i>31 December</i></b>
	<b><i>(unaudited)</i></b>	<b><i>2023</i></b>
<b>Loans and advances to customers, gross</b>	<b>1,133</b>	<b>1,110</b>
Less: allowance for impairment	(10)	(10)
<b>Loans and advances to customers, net</b>	<b>1,123</b>	<b>1,100</b>
Other financial assets	11	3
Current accounts	6,318	6,326
Time deposits	2,430	5,636
<b>Customer accounts</b>	<b>8,748</b>	<b>11,962</b>
Other non-financial liabilities	10	15

  

	<b><i>For the period ended</i></b>	
	<b><i>31 March</i></b>	
	<b><i>2024</i></b>	<b><i>2023</i></b>
	<b><i>(unaudited)</i></b>	
Interest income on loans	44	33
Interest expenses on customer deposits	(38)	(58)
Fee income	35	47
Net increase/(decrease) from foreign exchange translation	136	23

During the three months ended 31 March 2024, the aggregate remuneration and other benefits paid to key management personnel amounted to UAH 23,681 thousand (payments to the non-state pension fund – UAH 13 thousand) (31 March 2023: UAH 29,785 thousand, payments to the non-state pension fund – UAH 12 thousand).

In the normal course of business, the Bank enters into contractual agreements with the Government of Ukraine and entities controlled, either directly or indirectly, or significantly influenced by the state. The Bank provides such entities with a full range of banking services, including but not limited to lending, deposit-taking, issue of guarantees, transactions with securities, and cash and settlement transactions.

Balances with entities controlled, directly or indirectly, or significantly influenced by the Ukrainian Government, which are significant in terms of the carrying amount, as of 31 March 2024 were as follows (unaudited):

<i>Client</i>	<i>Sector</i>	<i>Cash and cash equivalents</i>	<i>Loans and advances to banks</i>	<i>Loans and advances to customers</i>	<i>Derivative financial assets</i>	<i>Due to other banks</i>	<i>Customer accounts</i>	<i>Other borrowed funds</i>	<i>Guarantees issued</i>
Client 1	State entities	–	–	–	–	–	16,441,493	–	–
Client 2	State entities	–	–	–	–	–	3,709,218	–	–
Client 3	Finance	58,424,248	70,854	–	393,300	–	–	–	–
Client 4	Finance	–	–	–	–	1,065,566	–	–	–
Client 5	Finance	–	–	–	–	–	–	300,932	–
Client 6	Finance	–	–	–	–	289,865	–	–	–
Client 7	Power engineering	–	–	3,727,929	–	–	6,486,268	–	–
Client 8	Power engineering	–	–	7,369,651	–	–	–	–	–
Client 9	Power engineering	–	–	–	–	–	5,006,570	–	–
Client 10	Extractive industry	–	–	5,885,880	–	–	8,568,248	–	–
Client 11	Extractive industry	–	–	7,294,103	–	–	–	–	–
Client 12	Transport and communications	–	–	–	–	–	6,085,909	–	–
Client 13	Trade	–	–	–	–	–	2,387,940	–	1,842,442
Client 14	Trade	–	–	–	–	–	–	–	1,851,512
Client 15	Road construction	–	–	5,146,144	–	–	–	–	–
Client 16	Professional, scientific and technical activities	–	–	791,640	–	–	2,219,294	–	–
Client 17	Professional, scientific and technical activities	–	–	1,759,895	–	–	–	–	–
Client 18	Mechanical engineering	–	–	2,272,959	–	–	–	–	–
Other		–	–	2,367,722	–	–	32,996,121	–	–

Balances with entities controlled, directly or indirectly, or significantly influenced by the Ukrainian Government, which are individually significant in terms of the carrying amount as at 31 December 2023 are disclosed below:

<i>Client</i>	<i>Sector</i>	<i>Cash and cash equivalents</i>	<i>Loans and advances to customers</i>	<i>Derivative financial assets</i>	<i>Due to other banks</i>	<i>Customer accounts</i>	<i>Other borrowed funds</i>	<i>Guarantees issued</i>
Client 1	State entities	–	–	–	–	16,555,749	–	–
Client 19	State entities	–	–	–	–	2,733,669	–	–
Client 3	Finance	52,546,096	–	647,780	–	–	–	–
Client 21	Finance	–	–	–	–	2,193,265	–	–
Client 4	Finance	–	–	–	1,159,635	–	–	–
Client 20	Finance	–	–	–	827,851	–	–	–
Client 5	Finance	–	–	–	–	–	300,620	–
Client 6	Finance	–	–	–	291,408	–	–	–
Client 10	Extractive industry	–	5,701,115	–	–	4,183,134	–	–
Client 11	Extractive industry	–	7,222,152	–	–	–	–	–
Client 7	Power engineering	–	3,731,157	–	–	3,744,293	–	–
Client 8	Power engineering	–	7,149,455	–	–	–	–	–
Client 9	Power engineering	–	–	–	–	–	–	1,408,028
Client 12	Transport and communications	–	803,809	–	–	6,417,893	–	–
Client 15	Road construction	–	5,609,958	–	–	–	–	–
Client 22	Mechanical engineering	–	–	–	–	3,611,491	–	–
Client 18	Mechanical engineering	–	2,193,779	–	–	–	–	–
Client 13	Trade	–	–	–	–	–	–	1,902,107
Client 14	Trade	–	–	–	–	–	–	1,846,388
Client 16	Professional, scientific and technical activities	–	754,649	–	–	–	–	–
Other		–	2,111,175	–	–	36,350,216	–	–

During the three months ended 31 March 2024, the Bank recorded UAH 2,289,112 thousand of interest income from

significant transactions with entities controlled, either directly or indirectly, or significantly influenced by the Ukrainian Government (31 March 2023: UAH 1,730,134 thousand), including UAH 1,236,986 thousand from transactions with NBU deposit certificates with maturities up to 90 days (31 March 2023: UAH 539,832 thousand), and UAH 1,023,767 thousand of interest expenses (31 March 2023: UAH 1,924,355 thousand).

As at 31 March 2024, the Bank's investments in securities issued by the Ukrainian Government or by entities controlled, either directly or indirectly, or significantly influenced by the Ukrainian Government amounted to UAH 71,017,990 thousand (31 December 2023: UAH 69,314,071 thousand) and included the following:

	<b>31 March 2024 (unaudited)</b>	<b>31 December 2023</b>
Investment securities at fair value through profit or loss	19,606,092	19,071,183
Investment securities at fair value through other comprehensive income	35,711,234	27,589,928
Investment securities at amortised cost	11,764,253	19,133,225
Investment securities held for trading	3,936,411	3,878,986

Carrying amount of Ukrainian government bonds is disclosed in Note 9.

During the three months ended 31 March 2024, the Bank recognised UAH 1,601,021 thousand of interest income on transactions with Ukrainian government bonds (31 March 2023: UAH 1,125,338 thousand) and UAH 136,600 thousand of interest income on transactions with other investment securities (31 March 2023: UAH 208,607 thousand).

As at 31 March 2024, guarantees received by the Bank from the Government or entities controlled, either directly or indirectly, or significantly influenced by the Ukrainian Government, amounted to UAH 23,448,436 thousand (31 December 2023: UAH 31,698,959 thousand).

## 21. Capital adequacy

The Bank manages its capital adequacy to mitigate the risks inherent in its operations. The adequacy of the Bank's capital is monitored using the ratios established by the NBU and Basel Capital Accord 1988.

The primary objectives of the Bank's capital management are to ensure that the Bank complies with externally imposed capital requirements and that the Bank maintains strong credit ratings and proper capital ratios in order to support its business activities and maximise the value to the shareholder.

The Bank manages its capital structure and adjusts its total assets to provide for observed and expected changes in the business environment and the risk profile of its business activities.

NBU capital adequacy ratios

The National Bank of Ukraine has set the regulatory capital adequacy ratio (H2) at the level of not less than 10% and main capital adequacy ratio (H3) at the level of not less than 7%.

As of January 1, 2024, the bank's capital adequacy ratios were lower than the regulatory values set by the NBU due to the peculiarities of calculation of regulatory capital according to NBU requirements, namely, the inclusion of the negative financial result of 2022, generated as a result of the formation of provisions for expected credit losses as a result of Russia's war against Ukraine, in the components of main capital, and the subsequent limitation of the amount of additional capital to the level of main capital.

However, in accordance with the NBU's Board Resolution #23 “On Certain Issues of Activities of Ukrainian Banks and Banking Groups” dated 25 February 2022 no penalties are applied to the Bank for lowering its capital adequacy ratios below the thresholds established by the NBU as such violations are caused by the negative impact of military aggression of the Russian Federation against Ukraine. In order to eliminate the existing violations, the Bank operates according to the Capitalization/Restructuring Program.

Information on interaction with international creditors in relation to non-compliance with capital ratios and other financial covenants is disclosed in Note 17.

The management continues communication with the international creditors on this issue and expects to get the appropriate consents until the Bank achieves the capital recovery and compliance with regulatory ratios and other financial covenants.

The Bank’s capital adequacy ratio was as follows:

	<i><b>31 March 2024</b></i> <i><b>(unaudited)</b></i>	<i><b>31 December</b></i> <i><b>2023</b></i>
Main capital	1,977,874	1,977,222
Additional capital, calculated	7,131,631	9,571,930
Additional capital included in calculation of total capital (limited to main capital)	1,957,587	1,956,880
<b>Total regulatory capital</b>	<b>3,935,461</b>	<b>3,934,102</b>
<b>Risk weighted assets</b>	<b>91,262,055</b>	<b>94,609,317</b>
Main capital adequacy ratio	2.17%	2.09%
Regulatory capital adequacy ratio	4.31%	4.16%

Regulatory capital comprises Tier 1 capital (main capital) consisting of paid-in registered share capital plus reserve funds less losses and portion of the carrying amount of the assets (non-current assets classified as held for sale; repossessed pledged property; property, plant and equipment), which are not used by the bank at the time of executing the types of activities described in Article 47 of the Law of Ukraine “On Banks and Banking”, investment property, and Tier 2 capital (supplementary capital) consisting of asset revaluation reserve, current profit, subordinated debt and retained earnings. For regulatory capital calculation purposes, the qualifying Tier 2 capital amount is limited to 100% of Tier 1 capital.

#### Capital adequacy ratio under Basel Capital Accord 1988.

The Bank’s capital adequacy ratios computed in accordance with the Basel Capital Accord 1988 were as follows:

	<i><b>31 March 2024</b></i> <i><b>(unaudited)</b></i>	<i><b>31 December</b></i> <i><b>2023</b></i>
Tier 1 capital	8,119,036	6,155,688
Tier 2 capital, calculated	5,689,220	4,293,874
Tier 2 capital, included in calculation of total capital	5,689,220	4,293,874
<b>Total capital</b>	<b>13,808,256</b>	<b>10,449,562</b>
<b>Risk weighted assets</b>	<b>100,501,400</b>	<b>100,999,622</b>
Tier 1 capital adequacy ratio	8.1%	6.1%
Total capital adequacy ratio	13.7%	10.3%