

**JSC «BANK CREDIT DNEPR»
Management report**

for the year ended December 31, 2025

Translation from Ukrainian original

INDEX

1.	Background information	3
2.	Economic environment	4
3.	Goals and strategies of management	5
4.	Resources, sustainable development	7
5.	Risks	12
6.	Related party transactions	19
7.	Capital management.....	20
8.	Performance of the Bank	21
9.	Achievements of the Bank in 2025	23
10.	Corporate governance report	25
11.	Information on results of functioning of internal audit (control) system during the year	33
12.	Other matters	34

1. Background information

JOINT-STOCK COMPANY “BANK CREDIT DNEPR” (hereinafter – the Bank) was established on July 7, 1993, by decision of General meeting of shareholders of the Bank in accordance with Ukrainian law.

On July 16, 2009, the Bank changed its name and organizational form from a closed joint-stock company to a public joint-stock company. Due to changes in Ukrainian legislation, in April 2018, Public Joint-Stock Company “BANK CREDIT DNEPR” was transformed into Joint-Stock Company “BANK CREDIT DNEPR.”

The Bank’s legal address and registered office: Ukraine, 01032, Kyiv, 75 Zhylianska St. As at December 31, 2025, the Bank operates 33 branches throughout Ukraine (December 31, 2024: 34 branches).

As at December 31, 2025, the Bank’s registered and paid-up share capital amounted to UAH 3,587 million; 100% of the Bank’s shares are owned by Oleksandr Yaroslavsky, the owner and president of the DCH Group.

As at December 31, 2025, Oleksandr Yaroslavsky (hereinafter the “Shareholder”) is the ultimate beneficial owner of the Bank.

In accordance with the requirements of the new version of Law of Ukraine No. 2465-IX *On Joint-Stock Companies*, a new version of the Bank’s charter was registered on November 29, 2023, and approved by the National Bank of Ukraine on December 18, 2023.

The Bank has been a member of the Deposit Guarantee Fund since September 2, 1999 (registration certificate No. 082 of November 1, 2018) in accordance with Law of Ukraine No. 4452-VI *On Deposit Guarantee System for Individuals*.

The main purpose of the Bank is to generate profit in the interests of its owner by providing a full range of banking services.

The Bank operates under general license No. 70, renewed by the National Bank of Ukraine (hereinafter “NBU”) on October 22, 2018, and the entry of information about the Bank in the State Register of Banks (registration number in the State Register of Banks: 180), which grants it the right to conduct banking operations. In addition, the Bank holds licenses for transactions with securities and depository activity issued by the National Securities and Stock Market Commission of Ukraine, the validity of which was extended from October 17, 2012, for an indefinite period. Based on the licenses and permits obtained, the Bank carries out the following activities:

- accepting deposits from legal entities and individuals;
- opening and maintaining current accounts for clients and correspondent banks, including the transfer of funds from these accounts using payment instruments and the crediting of funds to them;
- investing attracted funds in its name, under its terms and at its risk;
- providing guarantees, sureties, and other obligations on behalf of third parties that provide for their fulfillment in cash;
- acquiring the right to claim fulfillment of obligations in cash for goods delivered or services rendered, assuming the risk of fulfilling such claims and receiving payments (factoring);
- leasing;
- issuing, purchasing, selling, and servicing checks, promissory notes, and other negotiable payment instruments;
- issuing bank payment cards and conducting transactions using such cards;
- providing consulting and information services regarding banking operations;
- Transactions with foreign currencies;
- Sale and purchase of securities under instructions of customers;
- conducting transactions on the securities market on its own behalf (including underwriting).

The Bank positions itself as a Universal Bank and provides a integral service package to legal entities and individuals.

Corporate customers are divided into two general segments at the Bank: Corporate business - large and medium-sized corporate clients (including a separate sub-segment represented by clients in the agricultural sector) and Small/micro business.

The individual client segment is divided into retail clients (mass and middle segments) and VIP (premium segment). A separate segment is Business in Financial Markets, whose main services include securities trading on behalf of the Bank and conducting transactions for clients (brokerage activities, depository services), active participation in the foreign exchange market (including both transactions with the Bank’s own open positions and those with clients and financial institutions), and the allocation of resources for the purpose of effectively managing the Bank’s assets and liabilities.

In 2025, the Bank maintained its existing customer base by ensuring uninterrupted service delivery across all segments, while simultaneously expanding its customer base through the implementation of new projects and the development of modern financial services. The Bank continued to actively provide loans to corporate and individual customers and attract customer deposits. As part of the development of lending to individuals, the Bank actively utilized sales channels for consumer POS loans through its partner network, conducted digital campaigns for online credit card sales, and provided loans under the state-sponsored mortgage lending program “E-Oselya.”

To develop the transaction business and increase the efficiency of retail customer service under the prevailing conditions, the Bank continued to develop remote sales channels. A number of updates were made to the Bank’s mobile app for individuals, and partners were engaged to distribute credit products to households.

During the reporting year, the Bank, in collaboration with the Kasta marketplace, launched an innovative multifunctional app and the new Kasta Visa Card. This is Ukraine’s first app to combine marketplace shopping and banking functions. It opens up new opportunities for user engagement, the application of modern technologies, and the use of financial instruments. This partnership will allow the Bank to attract new customers at the moment of their active interaction with the shopping platform and to develop its own banking services, created in collaboration with Visa.

A remote sales system for corporate clients has been established. The Bank continued the process of geographically diversifying its corporate loan portfolio, with a focus on the western and central regions of Ukraine. The range of loan products for corporate clients was expanded to include “affordable financial leasing at 5-7-9%” and “affordable factoring at 5-7-9%.”

Financing terms were improved within the framework of standard loan products for the small and micro-business segment (hereinafter “SMB”) and a campaign was implemented to attract SMB clients engaged in active foreign economic activity. The Bank has introduced an online acquiring service that allows for the acceptance of bank cards from international and national payment systems to pay for goods and services online directly on merchants’ websites.

Key objectives for 2026:

- Ensuring the continuity of operations;
- development of remote sales channels in all segments;
- increasing the Bank’s market share in specific segments by growing the number of active customers through expanding the range of products and services, including by developing the FinTech / Embedded Finance segment;
- controlling efficiency with a focus on CIR using existing infrastructure and maximizing the impact of new investments;
- diversifying the corporate segment’s loan portfolio, expanding lending activities in new regions, and increasing retail lending volumes through the development of new products and channels for their promotion;
- increasing non-interest income, expanding liabilities by working with existing customers and attracting new ones, actively growing diversified SME resources, and maintaining the volume of FX transactions;
- development of the e-commerce segment - development of a digital commerce ecosystem and optimization of electronic payments for businesses and end consumers.

2. Economic environment

The full-scale invasion of Ukraine by the Russian Federation, which began on February 24, 2022, led to the imposition of martial law throughout Ukraine — a measure that remains in effect to this day — and was a key factor in the financial and economic crisis.

As at January 1, 2026, the Autonomous Republic of Crimea, as well as parts of the Donetsk, Zaporizhzhia, Luhansk, Mykolaiv, Kharkiv, and Kherson regions, remain temporarily occupied by Russia. In 2025, active combat operations and shelling of border communities in the Chernihiv, Sumy, Kharkiv, Zaporizhzhia, Dnipropetrovsk, Kherson, and Mykolaiv regions continued, while Ukraine’s rear areas were subjected to regular, massive drone and missile attacks. In the fall of 2025, the security situation deteriorated significantly: Russia intensified its attacks on logistics facilities and enterprises, as well as on railway, gas production, and energy infrastructure. As a result of the attacks, the electricity shortage has worsened, limiting business activity, and due to continued mobilization and negative migration trends, there remains a shortage of skilled workers.

According to the National Bank’s forecast, real GDP growth in 2025 – 2026 will slow to about 2%. International financial assistance remained the main factor in macroeconomic stability, although the conditions for its provision became stricter over the course of the year. International support made it possible to fully cover social and humanitarian expenditures. At the same time, all domestic financial resources were directed toward the security and defense sector. Thanks to planned international support, reserve levels will remain at a comfortable level, amounting to approximately \$50 billion next year. Given this, the National Bank will be able to continue supporting stability and the proper functioning of the foreign exchange market.

According to the National Bank’s forecast, the current account deficit in 2025 will reach 17% of GDP and excluding grants — 22% of GDP (2024: 8% and 14%, respectively). The main reason for the widening deficit is high volume of imports of goods for defense and reconstruction, particularly engineering products. Imports of energy resources have also increased due to the destruction of gas infrastructure.

Inflation fluctuated throughout the year, peaking at 15.9% in May and slowing to 9.3% in November. According to data from the State Statistics Service of Ukraine, inflation in Ukraine for 2025 stood at 8.0% year-on-year, showing a slowdown in price growth that was below the forecasts of the National Bank.

To maintain the attractiveness of hryvnia savings, currency market stability, and control over inflation expectations, the National Bank of Ukraine (NBU) kept the key policy rate at 15.5% and increased its gold and foreign exchange reserves to \$54.7 billion.

Ukraine ended 2025 with a public debt-to-GDP ratio of 98.4%. As at December 31, 2025, the total amount of public and state-guaranteed debt stood at 9.04 trillion hryvnias (\$213.3 billion), an increase of 29.5% compared to the end of 2024. The rise in debt was primarily driven by concessional financing from international partners. The largest sources were ERA loans from G7 countries totaling \$37.9 billion and financing from the European Union amounting to \$12.1 billion in equivalent value.

The restructuring of GDP warrants was successfully completed: On December 24, 2025, the GDP warrants were exchanged for new Eurobonds and fully canceled, which increased budget predictability, strengthened debt sustainability, and eliminated the risk of payments in 2025–2041 totaling approximately \$20 billion.

In 2025, the Ministry of Finance implemented a series of EU integration reforms in the areas of taxation, accounting, and financial monitoring, which enhance transparency and integration into the European financial space. The government approved a package of draft laws for joining SEPA - the Single Euro Payments Area. The draft laws, in particular, provide that citizens and businesses will be able to make transfers quickly and without excessive fees. The bills will also update legislation on combating money laundering and terrorist financing in line with EU and FATF standards. This is a strategic step toward integration into the European financial space. The Ministry of Finance has begun preparations to join the DPI MCAA Multilateral Agreement for the automatic exchange of income data from digital platforms. This will enhance fairness in the digital economy.

The government continues to place great emphasis on business development and support, as this contributes to preserving and increasing the number of jobs, generating tax revenue for the budget, and reviving the economy. Under state programs such as “Affordable Loans 5-7-9,” “Affordable Financial Leasing 5-7-9%,” and “Affordable Factoring,” implemented by the Entrepreneurship Development Fund (EDF), in 2025, entrepreneurs received 28,873 loans from 47 authorized banks and entered into 3,035 leasing agreements with 22 authorized lessors for a total amount of UAH 106.8 billion. In addition, the portfolio-based state guarantee instrument continues to operate effectively: in 2025, MSMEs received over 8,000 state-guaranteed loans totaling UAH 32 billion, and over the five years of this instrument’s operation — 52,000 loans totaling UAH 170 billion.

Russian aggression continues to pose a threat to the country’s long-term economic potential, particularly due to losses of human capital, territory, and production capacity. The speed at which the economy returns to normal operating conditions will depend on the nature and duration of hostilities. These risks are exacerbated by growing geopolitical uncertainty and deglobalization processes, including as a result of escalating global trade conflicts.

The further impact on the Ukrainian economy will depend on the course of Russia's military aggression against Ukraine, the government's successful implementation of reforms and the strategy for the country's recovery and transformation with the aim of EU membership, as well as the effectiveness of cooperation with international partners and financial organizations.

As a result of a rocket attack, the Bank’s head office building located at 32 Zhylianska Street, Kyiv, sustained damage. Thanks to measures implemented under the Business Continuity Plan, the Bank’s operations were not disrupted, and no significant impact on the Bank’s liquidity, financial condition, or sustainable development was recorded.

Based on the results of a diagnostic review of the Bank’s operations in 2025, the National Bank of Ukraine approved the Bank’s Capitalization/Restructuring Program. The measures outlined in the Program are being implemented in accordance with the approved schedule and are aimed at maintaining a sufficient level of regulatory capital and complying with established standards. The Bank’s management considers the implementation of the Program to be realistic and sufficient to ensure business continuity.

The Bank’s management believes that it is taking appropriate measures to maintain stable operations under the current circumstances. At the same time, continued instability in the business environment could have a negative impact on the Bank’s operating results and financial condition, the nature and consequences of which cannot currently be assessed.

3. Goals and strategies of management

Credit Dnepr Bank is a universal bank that operates throughout Ukraine, conducts business transparently, and values its reputation.

The Bank’s strategic objectives are based on the principles of maximizing return on equity, meeting the needs of the real economy, and improving the Bank’s risk management system.

The Bank's long-term development plans include:

- increasing the Bank's market capitalization by growing its equity capital while achieving optimal profitability and adequacy; diversifying the customer base through the development of retail banking, SME lending, and the acquisition of new corporate customers;
- diversification of the Corporate and Agro business loan portfolios, expansion of lending to the agricultural sector in new regions, development of MMKB lending, and growth in lending volumes alongside the development of new lending channels;
- increasing non-interest income, increasing the volume of liabilities by working with existing clients and attracting new clients, actively growing MMKB's diversified resources, and maintaining the volume of FX transactions.
- development of small and medium-sized businesses through the creation of passive and convenient payment products that address the daily needs of clients in this segment, as well as through increased lending to small enterprises in the agro-industrial sector;
- development of the retail business by increasing lending to individuals through cash loans and card products, development of targeted lending, in particular mortgage lending, commodity lending, and service lending, as well as the development of VIP banking and innovative deposit products;
- development of remote service and sales channels, creation of more user-friendly banking products, and automation of banking processes;
- expanding the active customer base by strengthening cooperation with partners, including the Kasta marketplace, increasing BNPL transaction volumes, boosting lending volumes and transaction activity through the KastaVisaCard, and developing the online acquiring segment.

The main criteria for the Bank's success are the achievement of key performance indicators (KPIs), namely: operating profit, CIR, the number of active customers, the size of the loan portfolio by key business lines, the portfolio of customer balances, NIM, ROA, and ROE ratios, the level of fee and commission income, and the development of operations in financial markets and flexible management of the securities portfolio.

The Bank regularly monitors the achievement of its performance targets.

The Bank's strategic vision is to grow as a universal bank by developing all of its business segments (business lines): large and medium-sized enterprises, small and micro-enterprises, and retail banking. Each segment has its own specific focus and objectives, while opportunities for synergy between business lines are not overlooked.

The development of the corporate business segment is planned to focus on increasing the profitability of cooperation with key business clients, while ensuring the maintenance of a stable loan portfolio in sectors that have adapted to current macroeconomic conditions. An additional step in the development of the corporate business segment was the Bank's signing of a partnership agreement with the Entrepreneurship Development Fund (now the National Development Agency) regarding the allocation of the Bank's first limit for targeted financing. The funds received are planned to be directed toward lending to Ukrainian businesses.

For corporate lending, based on a sectoral approach, the Bank's strategic interests include economic sectors that are key to Ukraine's economy (or the relevant region); demonstrate long-term growth potential or reliable stability; create new jobs; are export-oriented; and are associated with modern technologies.

The Bank identifies the following industries and economic sectors as priorities: agriculture (crop production/storage, livestock, poultry); agricultural processing (grains, oilseeds, meat and dairy, fruit and vegetable canning); trade in agricultural products, wholesale trade in other types of goods, logistics; gas production and trade; trade in agricultural machinery; the energy sector; the road construction sector, including the production/trade of road construction materials; other sectors that are promising during specific periods, according to market analysis.

Growth in hryvnia-denominated liabilities is a key priority for the small and microbusiness line. Achieving these targets is expected through increasing the share of small legal entities in the customer base from 30% to 35% and growing the transaction balances of micro-clients and sole proprietors through scaling up tele sales and the work of account hunters. Commission income is planned to be increased by expanding the active customer base, improving the efficiency of opening new accounts, and focusing on companies engaged in foreign economic activity (FEA).

Overall, the development of the small and microbusiness segment is aimed at:

- continuing to attract deposits, with a focus on more stable ones—current accounts;
- developing product and service offerings for all SME sub-segments;
- improving the efficiency of existing sales channels, leveraging customer analytics and process automation;
- developing new sales channels, including partnership, agency, and remote channels.

The main goal of the retail business for 2026 is to ensure sustainable growth in financial results without expanding the branch network, by improving the efficiency of the existing customer base, developing digital sales channels, and implementing strategic initiatives through the development of FinTech and Embedded Finance.

This goal is expected to be achieved by increasing conversion rates within the existing customer base, boosting sales of cash loans through the FreeBank digital banking platform, and increasing the utilization of credit limits through the development of cashback partnership programs and the “pay in installments” service.

To ensure an increase in customer accounts, the Bank is implementing an active policy to increase its customer base by:

- maintaining its reputation as a reliable and high-tech bank;
- providing a high level of customer service, including the prompt and effective resolution of customer inquiries and issues;
- expanding the range of products and services that meet diverse customer needs and ensure their satisfaction;
- conducting marketing campaigns to attract new customers and retain existing ones, using promotional campaigns, loyalty programs, and bonuses;
- implementing and continuously improving modern technologies, such as mobile apps and online platforms, to provide convenient and accessible customer service.

4. Resources, sustainable development

Equity

During the reporting year, the Bank’s equity increased by 1.6% and amounted to UAH 2,523.6 million as at the end of the day on December 31, 2025. In the Bank’s liability structure, the share of equity as at December 31, 2025, was 8.7% (2024: 9.9%).

The issued capital remained unchanged during 2024, and at the end of the day on December 31, 2025, the Bank’s approved and registered share capital amounted to UAH 3,586.6 million.

Changes in equity components:

UAH mln.				
Item	31.12.2025	31.12.2024	Growth, UAH million	Rate of increase, %
Issued capital	3 586.6	3 586.6	0.0	0.0%
Accumulated deficit	-1 379.6	-1 649.9	270.3	-16.4%
Share premium	17.5	17.5	0.0	0.0%
Reserve and other funds	93.2	75.7	17.5	23.1%
Other reserves	205.9	452.8	-246.9	-54.5%
Total equity	2 523.6	2 482.6	40.9	1.6%

Due to customers

As at December 31, 2025, due to customers accounted for 88.4% of the Bank’s liabilities (2024: 87.1%).

The Bank’s customers include a significant number of individuals as well as small, medium, and large enterprises across various sectors of the economy. The Bank’s resource base is diversified by source (funds from individuals and business entities), and funds from business entities are diversified by type of economic activity. These factors reduce the Bank’s sensitivity to liquidity risk.

As at the end of the day on December 31, 2025, the volume of customer accounts amounted to UAH 25,527.6 million (December 31, 2024: UAH 21,780.1 million), representing 96.9% of the Bank’s total liabilities. In the structure of customer accounts as at the end of the day on December 31, 2025, the share of term deposits amounted to 37.6% (December 31, 2024: 28.8%). In 2025, funds in corporate client accounts increased by UAH 2,410.9 million, or +14.3%, to UAH 19,249.2 million, while funds in individual accounts increased by UAH 1,336.6 million, or +27.0%, to UAH 6,278.4 million. As a result, in 2025, the share of funds in corporate client accounts in the total volume of client funds decreased from 77.3% to 75.4%, while the share of retail funds increased from 22.7% to 24.6%.

Starting in the second quarter of 2024, as part of the “Yeoselya” mortgage lending program, the Bank has been attracting funds from the mortgage institution PJSC “UKRFINZHITLO,” which actively supports government initiatives aimed at providing affordable housing for all segments of the population. As at the end of the day on December 31, 2025, the volume of funds raised from PJSC “UKRFINZHITLO” amounted to UAH 535.3 million (December 31, 2024: UAH 311.5 million).

The Bank uses derivative financial instruments (derivative contracts), such as forward foreign exchange contracts, currency and interest rate swaps, to manage foreign exchange, interest rate, and other risks. As of the end of the day on December 31, 2025, the Bank had entered into two interest rate swap agreements with the National Bank of Ukraine for a notional

amount of UAH 200.5 million (December 31, 2024: UAH 1,140.0 million), under which the Bank pays a fixed interest rate and the National Bank of Ukraine pays a floating rate.

The Bank has at its disposal a significant amount of sufficiently stable funds raised from companies recognized as related parties of the Bank in accordance with the requirements of the NBU's regulations, which positively impacts the Bank's liquidity position. As at the end of the day on December 31, 2025, the amount of funds raised from related parties was UAH 1,105.0 million (December 31, 2024: UAH 1,399.7 million).

The Bank fulfills its obligations to its depositors and creditors in a timely and full manner.

The Bank's share of highly liquid assets (cash and cash equivalents, funds in other banks, investments in NBU deposit certificates and GDB, and government debt securities of G7 countries) remained at a high level – 64.9% of liabilities. Funds in the correspondent account with the National Bank of Ukraine are maintained at a level necessary for the ongoing servicing of clients and the fulfillment of the Bank's own obligations, in particular regarding the formation and maintenance of required reserves. The vast majority of funds in nostro accounts are held with non-resident investment-grade banks.

As at the end of 2025, the Bank's liquidity ratios exceeded the regulatory thresholds set by the National Bank of Ukraine:

- the actual arithmetic mean of the Liquidity Coverage Ratio (LCR) (in all currencies) was 167%, compared to the established minimum of 100%;
- the actual arithmetic mean of the Liquidity Coverage Ratio (LCR) (in foreign currency) was 250%, with a minimum requirement of 100%;
- the net stable funding ratio NSFR was 160%, with a minimum requirement of 100%.

This level of liquidity is the result of management's systematic efforts to ensure diversified and stable sources of funding and to build a significant reserve of highly liquid assets to support the Bank's customers' continuous payment transactions.

Human resources, intellectual capital and social policy of the Bank

JSC “BANK CREDIT DNEPR” implements a comprehensive approach to human resources policy, combining social responsibility, staff development, motivation, and corporate culture.

In 2025, Bank Credit Dnepr demonstrated that the resilience and cohesion of the team are key elements of its human resources strategy.

Personnel and human resources policy

Employees are the Bank's key asset, as they are the ones who ensure its efficiency, stability, and long-term development. Our human resources policy is aimed not only at achieving strategic results but also at building a cohesive team of professionals who combine in-depth knowledge, practical experience, and an innovative approach to their work. It takes into account the needs of business lines and the potential of each employee, creating favorable conditions for professional development, career growth, and the consistent reinforcement of corporate values.

As at December 31, 2025, the number of employees was 867 (excluding those on parental leave).

The proportion of women in management positions (members of the Management Board and heads of the Bank's independent structural units) is 48%, which meets international standards for gender balance.

89% of employees hold a higher education degree, confirming the high level of professional training among the staff.

Working conditions and social benefits

JSC “BANK CREDIT DNEPR” provides a modern workspace that ensures comfort and safety and promotes professional development. As a responsible employer, the Bank pays special attention to creating competitive working conditions, supporting employee motivation, and ensuring their social protection and safety.

Employees have formal employment with the option to choose the optimal work arrangement – from a traditional office setup to a hybrid or remote format. Timely payment of salaries, participation in programs offering financial and non-financial incentives, additional vacation days, voluntary health insurance, and access to professional development programs are integral components of the Bank's HR policy.

For the comfort of employees, offices are equipped with dining areas, microwaves, coffee makers, and drinking water.

Employee well-being and support

JSC “BANK CREDIT DNEPR” ensures an appropriate level of support for its staff's physical and mental well-being, viewing it as a key component of the organization's sustainable development. To maintain emotional balance and improve stress resilience, a comprehensive set of programs has been implemented to develop physical and psycho-emotional potential.

Employees have the opportunity to participate in regular wellness activities: yoga and dance classes, as well as offline and online sports events. In addition, educational workshops and training sessions are held on topics such as psycho-emotional health, preventing emotional burnout, and developing self-regulation skills.

Topics of these training sessions include: “First Aid Skills,” “Psychological First Aid: Self-Management and Mutual Support Techniques,” “Emotional Burnout: Methods for Preserving Resources,” and “Stress Resilience: Using Stress as a Resource.”

Such initiatives help foster a culture of mutual support, raise awareness of the importance of mental and emotional well-being, and help employees effectively overcome professional challenges.

Training and development

The development of employees’ professional competencies is a key focus of the Bank’s HR policy. A systematic approach to staff training and motivation is aimed at building a team capable of achieving strategic goals, implementing innovative solutions, and maintaining a competitive position in the financial market.

Employees have opportunities for professional development through participation in educational programs, training sessions, seminars, qualification events, and knowledge-sharing programs. The primary tool for organizing the training process is the corporate e-learning system, which provides centralized access to educational courses and materials for employees in various regions.

The bank actively uses modern digital tools. Given the security situation, a significant portion of training programs is conducted online using the WorkVivo and Zoom platforms, ensuring the continuity of training and equal access to educational opportunities for all employees.

Regular business meetings facilitate the exchange of experience, analysis of performance results, and the identification of development priorities. This enhances internal communication, strengthens teamwork, and fosters a shared vision for the Bank’s development.

Motivation and rewards

The Bank’s compensation policy is gender-neutral and based on the principle of equal pay for equal work. The amount of monetary compensation is determined based on employees’ individual performance against key performance indicators and their contribution to the Bank’s overall financial results.

In 2025, programs initiated by business units for employees of other teams interested in promoting the products or services of those business units became an additional motivational tool. The goal of these programs is to increase cross-selling, expand the customer offering, and foster partnership between departments. Initially, such initiatives are implemented on a pilot basis, allowing for an assessment of their impact on sales, the effectiveness of collaboration, and economic feasibility. If the programs prove effective, they may be established on a permanent basis.

This approach stimulates professional growth, ensures fair motivation, and fosters a culture of partnership between departments, which enhances the effective use of the customer base and drives additional revenue growth for the Bank through the development of cross-selling.

Corporate culture

The Bank’s corporate culture is based on the Code of Corporate Ethics, which embodies the Bank’s corporate values: simplicity, efficiency, partnership, and teamwork.

The Bank ensures equal rights and opportunities for all employees, regardless of gender, age, race or ethnicity, language or national identity, religious beliefs, sexual orientation, or health status. Particular attention is paid to respecting human rights and dignity, and preventing any manifestations of discrimination, sexual harassment, or gender-based violence.

Every Bank employee is responsible for complying with legislation, internal regulations, the provisions of the Code of Corporate Ethics, and corporate standards.

The Code of Corporate Ethics is published on the Bank’s official website at: <https://creditdnepr.com.ua/pro-bank/compliance>.

Employer branding and succession planning

The recruitment process is transparent and based on the principles of equality, non-discrimination, and the assessment of candidates’ professional qualities. All applicants wishing to work at the Bank have equal rights when applying for vacant positions, except in cases provided for by Ukrainian law.

The Bank places special emphasis on attracting highly qualified specialists and staff development. In 2025, the recruitment process was aimed at ensuring stable business growth, strengthening key business areas, and attracting new expertise. Given the development of digital technologies, special emphasis was placed on recruiting specialists in the fields of data analytics, digital products, and information technology.

At the same time, the Bank supports the development of its internal staff and encourages employees to pursue professional growth. The internal hiring mechanism provides employees with opportunities to develop their skills and build their careers within the Bank. Career development stories published on the corporate portal showcase successful examples of professional growth, motivate employees to improve, and highlight career prospects within the organization.

To develop its employer brand, the Bank collaborates with universities, participates in professional events, and supports internship programs for students and young professionals.

To ensure management continuity, a succession planning and talent pool development process has been implemented. Identifying high-potential employees contributes to effective leadership succession planning, competency development, and long-term strategic planning. This enhances the professionalism and motivation of employees, who see clear career growth prospects and feel valued within the Bank’s structure.

Procedure for appointment and dismissal of officers

The procedure for appointing and dismissing the Bank’s officers is governed by the Bank’s charter, the Regulations on the Supervisory Board, and the Regulations on the Management Board, in compliance with the requirements of the current labor legislation of Ukraine.

Fighting against corruption

To establish an effective system for preventing and combating corruption, reducing corruption risks, and mitigating related reputational or financial losses, the Bank has developed the Policy for Prevention of Corruption and Bribery in JSC “BANK CREDIT DNEPR”. The Bank declares that its employees, in their activities as well as in their relations with clients, partners, counterparties, state authorities, and local government bodies, are guided by the principle of “zero tolerance” toward any manifestations of corruption and will take all measures provided for by law to prevent, detect, and counteract corruption and related actions. The Bank has implemented controls to prevent corrupt practices. The policy is available on the Bank’s official website www.creditdnepr.com.ua at the following link: <https://creditdnepr.com.ua/pro-bank/compliance>.

In 2025, the Code of Corporate Ethics (available at <https://creditdnepr.com.ua/pro-bank/compliance>) was updated and approved by Resolution No. 12 of the Bank’s Supervisory Board of 30.05.2025. The Code establishes the principles for organizing the Bank’s corporate culture, defines corporate values, ethical and professional standards for conducting business, and mandatory rules of conduct for Bank employees, aimed at strengthening integrity, financial stability, and improving the profitability and efficiency of the Bank and all its divisions. The Code expressly prohibits Bank employees from engaging in any illegal or prohibited activities, including a prohibition on demanding or offering bribes, or payments or gifts that may be equated to them, and a prohibition on engaging or using counterparties or other persons to carry out actions that contradict the principles and requirements of the Code or the provisions of Ukrainian anti-corruption legislation.

Technological resources

The Bank has a sufficient material, technical, and technological infrastructure that enables it to effectively provide banking services to clients, promptly introduce new products, process transactions, record them in accounting systems in a timely and complete manner, ensure the integrity and confidentiality of information and its storage, generate relevant reports, and more.

The Bank has a wide range of modern technological resources:

- an automated system for recording banking transactions;
- Internet banking and a mobile app for online customer service and convenient access to banking services;
- an automated credit “factory” system for receiving and processing loan applications, allowing customers to apply for loans online and receive decisions quickly;
- integration with various electronic payment systems for convenient and secure customer payments;
- data analytics and business intelligence systems that help bank managers make strategic decisions based on the analysis of market trends and customer behavior;
- systems for protecting customer information and data, as well as detecting and preventing cyberattacks and fraud;
- systems ensuring uninterrupted operations and system and data redundancy in cloud technologies;
- CRM systems for effective customer interaction management, service personalization, and building long-term relationships.

These technological resources help the bank improve its operational efficiency, ensure customer convenience, and guarantee the security of financial transactions.

Organization of the environmental and social management system, principles of sustainable development

In 2025, the Bank reaffirmed its commitment to the principles of sustainable development through consistent actions in the areas of environmental and social risk management, corporate governance, social responsibility, and partnerships with key financial institutions. Amid the ongoing armed aggression against Ukraine, the Bank not only maintained operational resilience but also expanded the scope of ESG integration, combining responsible business practices with concrete contributions to economic recovery and social support.

The key achievement of the reporting year in terms of environmental and social risk management was the update of the regulatory framework for the Environmental and Social Management System: a new version of the Regulations on the

Organization of the Environmental and Social Management System of JSC “BANK CREDIT DNIPRO” was developed and approved (Minutes of the Corporate Business Committee of JSC “BANK CREDIT DNEPR” of 30.10.2025 No. 59.1). The Bank received official confirmation of the compliance of its Detailed Environmental and Social Management System (DESMS) with the World Bank’s Environmental and Social Standard 9 for project appraisal across all categories of environmental and social risk. The implemented DESMS encompasses a four-tier risk categorization system, an Environmental and Social Due Diligence Questionnaire, an Environmental and Social Mitigation Plan, and a mechanism for monitoring their implementation—all of these components fully comply with World Bank requirements.

To maintain an appropriate level of competence, the Bank provides continuous training and professional development for employees directly involved in the processes of financing enterprises within the framework of projects subject to DESMS requirements.

The reporting year also saw a systematic strengthening of the governance structure in the ESG sphere. The Bank’s Committee on Operational, Compliance, ESG, and Information Security Risks has been designated as the body responsible for addressing sustainable development issues and ensuring the consistent integration of ESG aspects into the Bank’s operations. Starting in the second quarter of 2025, the Committee reviews the ESG Integration and Monitoring Report at least once a quarter, with subsequent submission for consideration and discussion by the Management Board and Supervisory Board. This established practice ensures transparency, accountability, and strategic oversight of the implementation of sustainable development initiatives at the highest corporate level and is fully aligned with international best ESG practices.

A significant step toward expanding access to financing was the signing of a partnership agreement with the Entrepreneurship Development Fund (now the National Development Agency): The Bank became the first non-state bank with Ukrainian capital to join the Fund’s partner network, opening up new opportunities for entrepreneurs—primarily small and medium-sized businesses—and underscoring the role of the private banking sector in the country’s economic recovery.

A separate area of focus was promoting financial inclusion for women: The Bank joined the FinanceHER initiative and signed a Memorandum on Women’s Access to Financing for Ukraine’s Economic Recovery, aimed at attracting up to USD 25 billion in investments to support women in business, finance, digital literacy, and participation in procurement.

The Bank continued implementing the “Affordable Loans 5-7-9%” program for small and medium-sized businesses, actively participated in the state mortgage program eOselya, helping to provide Ukrainians with affordable housing, and supported the “National Cashback” and “Winter Support” programs, as well as provided the opportunity to receive state assistance through the Diya.Card under various programs.

In the area of environmental responsibility, the Bank implemented a practical initiative timed to coincide with its anniversary: an environmental campaign took place at the Holosiivskyi National Nature Park in the heart of the capital, during which the Bank’s team, together with the park’s ecologists, installed informational signs with the names of trees and plants and carried out the maintenance of recreational areas. The team’s participation in activities that have a long-term positive impact on the environment, and the community reflects the organic integration of environmental values into the Bank’s daily corporate culture.

The Bank’s consistent participation in social and environmental initiatives builds reputational capital that extends far beyond individual campaigns. Supporting Ukraine’s defenders and medical infrastructure, promoting financial accessibility, and assisting communities - all of this strengthened the perception of the Bank as an institution acting in the public interest during the reporting period and expanded opportunities for partnerships with international financial organizations and donors for whom adherence to ESG principles is a prerequisite for cooperation. At the same time, caring for our own team - working conditions, professional development, and employee well-being—continues to directly impact the Bank’s operational resilience: a cohesive and motivated team is the resource that ensures the ability to respond effectively to challenges of any scale.

In summary, 2025 was a year of concrete institutional and operational results in the field of sustainable development: an updated SESU with confirmed compliance with international standards, a strengthened governance structure with regular ESG reporting at the Management Board and Supervisory Board levels, and new strategic partnerships that expand access to financing for businesses and vulnerable groups – all of this forms a solid foundation for further development.

The Bank’s management is convinced that the consistent integration of ESG principles is not only a response to the expectations of regulators and international partners, but also a strategic foundation for building trust, resilience, and competitiveness as Ukraine recovers.

The Bank will continue to refine its ESG strategy, increasing its contribution to the sustainable development of the country’s economy and the long-term well-being of society.

5. Risks

The Bank's operations are subject to inherent risks. The Bank has established an organizational structure for its risk management system that ensures a clear allocation of risk management functions, responsibilities, and authorities among all entities within the risk management system, as well as among the Bank's employees, and defines their respective responsibilities in accordance with this allocation. The risk management system is commensurate with the Bank's size, business model, scope of operations, types, and complexity of transactions, and ensures the identification, measurement (assessment), monitoring, reporting, control, and mitigation of all material risks of the Bank for the purpose of determining the amount of capital required to cover all material risks inherent in its activities (internal capital), as well as ensuring compliance with prudential capital adequacy and liquidity ratios.

Determination of the level of risk appetite

The Bank's current Risk Appetite Statement is designed to define the overall level of risk appetite, the types of risks the Bank is willing to accept or avoid in order to achieve its business objectives, and to specify the level of risk appetite for each of them. The purpose of the Declaration is to establish a clear process for effective risk management by setting thresholds and limits for risk appetite indicators and risk limits for each type of material risk identified by the Bank.

The Declaration establishes risk tolerance in the Bank's operations. The hierarchical structure of acceptable risk levels, risk appetite, established risk limits, and risk profile is as follows:

- Acceptable risk level
- Risk appetite
- Risk limits
- Risk profile

The acceptable risk level and the aggregate risk appetite are based on the principle that the Bank must comply with regulatory capital adequacy ratios (R_{CA}), Tier 1 capital adequacy (N_{K1}), and Tier 1 core capital adequacy (N_{OK1}) at levels above the established regulatory requirements, ensuring a sufficient management buffer of internal capital and liquidity that meets market expectations in both normal and adverse scenarios. The size of the management capital buffer is determined based on the Bank's expectations, which are grounded in its development strategy and the probability of adverse scenarios materializing, and, at the same time, based on the current state of the financial and economic sector, as well as prevailing macroeconomic expectations.

Risk appetite is defined as the maximum level of risk that the Bank is willing to assume to achieve its strategic goals. When establishing risk appetite indicators and risk limits, a Threshold and Warning value is determined for each indicator. In this regard, a breach of the Warning value requires measures to be taken to prevent a breach of the Threshold value. Compliance with the violation escalation procedure in accordance with the requirements of the Strategy of risk management in BANK CREDIT DNIPRO JSC. The aggregate risk appetite is determined within the permissible risk level, taking into account the requirement to ensure the necessary resources and time to implement measures designed to minimize the probability of exceeding the permissible risk level.

The risk appetite for individual risk categories is determined in advance and within the limits of the acceptable/aggregate risk level. The risk appetite for individual risk categories is determined based on the feasibility/necessity of maintaining risk positions in order to achieve strategic goals and fulfill the business plan.

The primary objective of the limit system is to ensure that the Bank's asset and liability structure is appropriate to the nature and scale of the Bank. All major asset and liability management decisions are analyzed for compliance with established limits.

The Bank conducts a comprehensive assessment of the following material risks identified in the Risk Appetite Statement: credit risk, liquidity risk, interest rate risk in the banking book, market risk, operational risk, compliance risk, and other risks - strategic risk and social and environmental risk.

The independent risk control process does not address business operation risks, such as changes in the environment, technology, and industry trends. The Bank manages such risks through the strategic planning process.

Risk management structure

The objective of the Risk management strategy is to identify, measure, monitor, control, report on, and mitigate all types of risks faced by the Bank. The risk management system provides for a balanced policy regarding the determination of acceptable risk levels, risk appetite, established risk limits, and continuous monitoring of compliance with them, as well as the implementation of control measures.

The subjects of the Bank's risk management system are:

The Bank's Supervisory Board and its committees:

- The Risk Committee of the Supervisory Board;
- The Audit Committee of the Supervisory Board;
- The Business Committee of the Supervisory Board;
- The Appointments and Remuneration Committee.

The Management Board of the Bank and its collegial bodies:

Level I:

Committee on Operational, Compliance, ESG, and Information Security Risks
 Financial Monitoring Committee;
 Committee on Strategic Development and Transformation of the Bank;
 Asset and Liability Management Committee;
 Non-Performing Assets Committee;
 Retail Banking Committee;
 Corporate Banking Committee;
 Small and Micro Business Committee.

Level II:

Corporate Banking Subcommittee;
 Small and Micro Business Subcommittee;
 Authorized Persons by Expertise Areas/Functions.
 Internal Audit Department (third line of defense);
 Chief Risk Officer (CRO) and risk management units (second line of defense);
 Chief Compliance Officer (CCO) and compliance department (second line of defense);
 Business units and support units (first line of defense).

Risk management functions are distributed within the Bank as follows:

Supervisory Board. The Supervisory Board defines and approves the Bank’s overall Risk Management Strategy, ensures the functioning and monitors the effectiveness of the Bank’s risk management system, and performs other risk management functions in accordance with NBU regulations and the Bank’s internal documents. The Bank’s Supervisory Board bears full responsibility for establishing a comprehensive, adequate, and effective risk management system to address the risks the Bank faces in its operations. To enhance the effectiveness of risk management, the Bank’s Supervisory Board has the right to establish committees and delegate part of its risk management functions to them.

Supervisory Board Committees are standing advisory bodies established under the Supervisory Board to ensure the continuity of the Bank’s management, to conduct preliminary reviews, and to provide conclusions and recommendations to the Supervisory Board and the Management Board on specific issues related to the Bank’s operations that fall within the respective Committee’s area of competence. The powers of the Supervisory Board Committees also include monitoring the functioning of the internal control system, monitoring the implementation of management decisions, assessing the effectiveness of the Bank’s collegial bodies and control units, overseeing activities in specific areas, and other matters falling within the Committees’ powers.

Management Board. The Bank’s Management Board ensures the implementation of the tasks and decisions of the Bank’s Supervisory Board regarding the implementation of the risk management system, including the Risk Management Strategy and Policies, the risk management culture, procedures, methods, and other measures for effective risk management.

Committees. In carrying out its risk control and management functions, the Management Board (first line of defense) delegates part of its functions, powers, and direct risk management to specialized collegial bodies at the executive level:

- Asset and liabilities management committee of JSC BANK CREDIT DNIPRO (hereinafter – ALM Committee) – a standing committee of the Bank established to manage the Bank’s asset-liability operations and the risks arising from such operations, as well as to implement the principle of collegial decision-making regarding the regulation of limits and threshold values for banking products and operations necessary for the successful execution of the Bank’s budget;
- The Retail banking committee of JSC “BANK CREDIT DNEPR” (hereinafter – RBC) – a standing committee of the Bank established to effectively manage retail banking operations (all segments of individual customers) and the associated risks; it possesses a higher level of expertise and may make management decisions within its authority. The RIB performs the functions of a credit committee as defined by the Law on Banks with respect to transactions with individuals.
- The Corporate business committee of JSC “BANK CREDIT DNEPR” (hereinafter – the CBC) – a standing committee of the Bank established for the purpose of effectively managing business with legal entities and individuals — entrepreneurs in the corporate and medium-sized business segments and the associated risks; it possesses a higher level of expertise and may make management decisions within its authority. The CBC performs the functions of a credit committee as defined by the requirements of the Law on Banks regarding transactions with legal entities.
- The Small and micro business committee of JSC “BANK CREDIT DNEPR” (hereinafter – the SMBC) – a standing committee of the Bank established to effectively manage business with legal entities and individual entrepreneurs in the small and micro business segment and the associated risks; it possesses a higher level of expertise and may make management decisions within its authority. The SMMB performs the functions of a credit committee as defined by the requirements of the Law on Banks regarding transactions with legal entities.

- Committee on operational, compliance, ESG, and information security risks (OCCR, ESG, and IS) – the authorized body responsible for managing the Bank’s internal control system, organizing and improving operational processes, managing operational risk, compliance risk, ESG risks (environmental, social, and governance risks), the implementation and operation of the information security management system (hereinafter – ISMS), and the management of information security risks within the Bank’s ISMS, as well as ensuring the integration of sustainable development and ESG principles into the Bank’s activities.
- The Non-Performing assets committee of JSC “BANK CREDIT DNEPR” (hereinafter – the NPAC) – a standing committee of the Bank established to address issues related to the management of non-performing assets and foreclosed property. The NPAC is authorized to consider issues related to the management of potentially non-performing assets, including making credit decisions regarding such assets.
- The Strategic development and transformation committee of JSC “BANK CREDIT DNEPR” (hereinafter – SDTC) – a standing committee of the Bank established to manage the Bank’s projects and transformation and to define the Bank’s strategy regarding its transformation, focusing on process optimization and digital transformation, including, but not limited to, the development of the Bank’s information systems.
- The Financial monitoring committee of JSC “BANK CREDIT DNEPR” (hereinafter – FMC) – a standing committee of the Bank on financial monitoring issues, including the prevention of money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction.

Business Units. Business units serve as the first line of defense and are responsible at their level for managing and monitoring risks, as well as for adhering to established limits. At this level, the collection of complete, accurate, and timely information within the risk assessment and risk reporting system is also ensured.

Second line of defense. The Bank’s Supervisory Board has established permanent risk management units: Risk management department, Corporate business risk management department, Retail business credit analysis department, Collateral valuation and monitoring department, and Compliance department, and ensures the independence of these units.

Risk Management Department, Corporate Business Risk Management Department, Retail Business Credit Analysis Department, and Collateral Valuation and Monitoring Department. The risk management units report to the Chief Risk Officer, who has the right to attend meetings of the Management Board and specialized committees established by the Management Board, and to veto decisions of these bodies if the implementation of such decisions would result in a violation of the established risk appetite and/or approved risk limits, and immediately informs the Bank’s Supervisory Board and/or the Risk Management Committee of such decisions.

Compliance Department. The Head of the Compliance Department (CCO) is responsible for the department’s activities, has the right to attend meetings of the Management Board and specialized committees established by the Management Board, and to veto decisions of these bodies if the implementation of such decisions would result in a violation of legal requirements, relevant standards of professional associations applicable to the Bank, or a conflict of interest, and informs the Bank’s Supervisory Board and/or the Risk Management Committee of such decisions within the timeframes established by the Bank’s internal documents.

Internal Audit. The Internal Audit Department periodically conducts audits of the risk management processes at the Bank, during which it verifies both the adequacy of the procedures and the Bank’s compliance with these procedures.

Credit risk

Credit risk is the risk of incurring losses or additional losses, or of failing to receive planned income, as a result of a debtor or counterparty failing to fulfill its obligations under the terms of a contract. The Bank adheres to a conservative credit policy and provides borrowers with credit products only after a detailed assessment of all possible risks associated with the activities of these borrowers. The Bank diversifies its loan portfolio by risk groups and avoids lending to borrowers whose financing is associated with a high level of credit risk.

The key methods of credit risk management are:

- defining general criteria for loan eligibility;
- establishing general terms and conditions for lending;
- establishing procedures for making credit decisions;
- approving approaches to loan administration and monitoring;
- approving approaches to the early detection and management of non-performing assets;
- conducting credit risk stress testing;
- forming provisions in accordance with IFRS requirements and determining the amount of credit risk in accordance with NBU requirements;
- setting limits to restrict credit risk, including concentration limits;
- setting thresholds for mandatory ratios in accordance with applicable legislation and the Bank’s internal regulations.

Credit quality of financial assets

The Bank manages the credit quality of financial assets using an internal system to control the level of risks inherent in both individual borrowers/counterparties and asset portfolios. This system enables focused management of existing risks and allows for the comparison of credit risk across different business lines, geographic regions, and products. The system relies on a range of financial and analytical methods, as well as processed market data, which serve as the primary input for assessing the risk of borrowers/counterparties.

Management assesses the impairment of loans to customers by evaluating the likelihood of repayment and recovery of advances based on an analysis of individual borrowers for specific significant loans, as well as collectively for loans with similar terms and risk characteristics. Factors considered in the assessment of individual loans include the borrower's current financial condition, repayment history and collateral, the timing of future interest payments, repayment history, the state of the borrower's industry, and other relevant factors. To assess the amount of impairment, management evaluates the amounts and timing of future payments toward repayment of the principal and interest on the loan, as well as the proceeds from the sale of collateral.

The key specific risks relevant to the reporting period include the risk of a deterioration in borrowers' debt servicing capacity due to significant damage to assets, loss, or reduction in the number of counterparties/sources of income caused by active hostilities. To mitigate these risks, the Bank employs restrictions/limits on active operations based on geographic criteria. An additional option is to expand crediting in regions where such risks are less prevalent.

Liquidity risk

Liquidity risk is the risk that, if realized, could result in a bank's inability to finance the growth of its assets and/or meet its obligations in a timely manner. It encompasses both the risk of being unable to finance assets in a timely manner and at appropriate rates, and the risk of being unable to sell an asset at an acceptable price and in a timely manner, as well as the risk that the Bank will fail to meet its payment obligations upon maturity under normal or unforeseen circumstances.

The objective of liquidity risk management is to ensure that the Bank has sufficient cash on hand to meet its obligations in a timely manner while minimizing the negative impact of imbalances between liquid assets and in the relevant specified time periods, both under normal and stress conditions, and to minimize the associated unacceptable losses/increased costs, which, in turn, may have a negative impact on the Bank's profit and capital. To achieve this objective, liquidity risk management involves addressing the following tasks:

- forecasting/anticipating the likely occurrence of the Bank's liquidity risk that exceeds established risk appetite thresholds;
- assessing potential losses resulting from the realization of liquidity risk and analyzing sources of compensation;
- implementing effective and efficient measures to minimize the negative impact of liquidity risk.

In the process of liquidity management, the Bank is guided by the following key principles:

- liquidity risk management is a continuous process that takes into account changes in both the Bank's internal financial condition and changes in financial markets;
- the Bank has implemented centralized liquidity management – overall liquidity management is entrusted to the Asset management department;
- comprehensive liquidity management involves the simultaneous management of both the Bank's assets and liabilities in terms of maturities and currencies;
- authorities and responsibilities regarding the Bank's liquidity management are clearly distributed among the Bank's management bodies, business units, and risk management units;
- the Bank ensures adequate internal control over liquidity risk through strict adherence to internal procedures and constant monitoring of compliance with established relevant limits (restrictions);
- the Bank ensures the availability and effective functioning of appropriate information systems for identifying, analyzing, and assessing liquidity risk, as well as their maintenance and support;
- when making decisions, the Bank resolves the conflict between yield and liquidity in favor of liquidity;
- when making decisions on entering into significant transactions, a preliminary analysis is conducted to assess their compliance with the current liquidity position, liquidity risk limits, and impact on risk appetite;
- the Bank takes into account the costs of maintaining an adequate level of liquidity in the internal pricing procedures for its products when determining transfer prices (rates) for the reallocation of financial resources within the Bank.

The Bank ensures the development, implementation, and maintenance of up-to-date documents defining available funding sources and procedures to be followed in the event of liquidity crises (taking into account both external and internal factors contributing to the crisis). To assess this risk, the Bank uses the following tools:

- daily reporting on instant liquidity and monitoring of compliance with established LCR and NSFR liquidity ratios;
- weekly reporting that assesses the Bank's liquidity over a horizon of up to 1 month;
- monthly GAP analysis of structural liquidity over longer time horizons, conducted by national and foreign currencies, and utilizing both contractual terms and historical statistics on cash flows from customer accounts;

- monthly analysis of concentrations by segment and by client/client group;
- the Internal liquidity adequacy assessment process (ILAAP).

As a result of a comprehensive and ongoing review of this reporting, the Bank is able to promptly identify increases in liquidity risk and, if necessary, take measures to mitigate it.

The Bank’s general approach to mitigating this risk is to maintain a buffer of highly liquid, unencumbered assets in an amount sufficient to finance both expected contractual outflows and potential payments related to the volatile portion of customers’ current accounts. When allocating assets across various financial instruments, the Bank strictly considers the maturity of available resources—both contractual and calculated based on historical stability—as well as their volume. The Bank factors the costs of maintaining an adequate level of liquidity into the internal pricing of its products.

The Bank actively maintains diversified and stable funding sources, which include deposits from legal entities and individuals, as well as diversified portfolios of highly liquid assets, to be able to quickly and smoothly meet unforeseen liquidity needs.

In general, non-concentrated funding sources (funds from Small and Micro Business clients and individuals) are the Bank’s priority source for financing long-term asset operations, regardless of market and macroeconomic conditions. Increasing the share of funds from these segments is considered a priority area of focus by the Bank.

To maintain short-term liquidity, the Bank attracts short-term deposits and conducts foreign currency and securities trading operations, including through the conclusion of SWAP and REPO agreements.

Short-term funding sources are primarily used for investment in short-term treasury assets: NBU certificates of deposit, domestic government bonds, and treasury bonds of countries with investment-grade ratings on the international scale.

To support long-term liquidity, the Bank attracts medium- and long-term deposits, enters into securities purchase and sale agreements, adjusts its interest rate policy, and controls expenses. In managing liquidity, the Bank takes into account the need to maintain required reserves with the National Bank of Ukraine, the amount of which depends, in particular, on the volume and structure of funds attracted from customers.

Interest rate risk of the banking book

The Bank assesses interest rate risk in the banking book in terms of the following sub-categories of risk:

- maturity mismatch risk, which arises from differences in maturity dates (for fixed-rate instruments) or changes in the value of the interest rate index (for floating-rate instruments) of assets, liabilities, and off-balance-sheet items in the banking book;
- basis risk, which arises because there is not a sufficiently close relationship between the adjustments to rates received and paid on various instruments, all other characteristics of which regarding revaluation are identical;
- the risk of negative revaluation of interest rate swaps with the NBU;
- the risk of negative revaluation of the portfolio of Ukrainian government bonds and other sovereign securities.

Interest rate risk is assessed by the extent to which changes in market interest rates affect the Bank’s net interest income (NII), economic value of equity (EVE), and the value of the portfolio of domestic government bonds and other sovereign securities on the banking book. If the maturities of interest-bearing assets differ from the maturities of interest-bearing liabilities, net interest income will increase or decrease as a result of changes in interest rates. To manage interest rate risk in the banking book, the Bank’s management continuously assesses the maturity and currency mismatches between the Bank’s assets and liabilities, as well as market interest rates for various types of interest-bearing assets and liabilities.

The interest margin on assets and liabilities with different maturity dates may increase as a result of changes in market interest rates. In practice, the Bank adjusts interest rates on assets and liabilities, taking into account current market conditions and mutual agreements with customers.

To assess this risk, the Bank evaluates the potential impact on:

- net interest income over the next 12 months;
- the economic cost of capital, which reflects changes in the value of assets, liabilities, and off-balance-sheet items until their maturity, without assuming that the instrument will be replaced upon maturity.

The Bank conducts this assessment using the following 6 scenarios:

- parallel increases in interest rates across all maturities (parallel shock up);
- parallel decreases in interest rates across all maturities (parallel shock down);
- increases in interest rates only for maturities up to and including six months (short rates shock up);
- a decline in rates for maturities up to and including six months (short rates shock down);
- rising rates for maturities up to and including six months while rates fall simultaneously for other maturities (flattener shock);

- falling rates for maturities up to and including six months while rates rise simultaneously for other maturities (steepener shock).

A significant risk during the period under review was basis risk, stemming from divergent trends in key market indices to which the interest rates on the Bank's assets and liabilities are linked (the UTRD index, the discount rate, certificate of deposit yields), which could lead to additional risk even with a balance between assets and liabilities in terms of rate review periods. At the same time, rate volatility provides an additional opportunity to set rates at a level acceptable to the Bank in order to lock in the amount of interest income.

Responsibility for managing interest rate risk rests with the Asset Management Department, which, based on the results of its analysis, as well as the dynamics of market interest rates and the actions of regulators (the NBU, the Fed, the ECB), adjusts interest rates on asset and liability transactions.

Market risk

Market risk arises from adverse changes in foreign exchange rates, interest rates, and the value of financial instruments. Market risk includes default risk, interest rate risk in the trading book, credit spread risk, equity risk, foreign exchange risk, commodity risk, and volatility risk.

The objective of market risk management is to maintain the level acceptable to the Bank, as defined in accordance with the Risk Appetite Statement. The priority is to ensure maximum preservation of assets and capital by reducing (eliminating) potential losses and shortfalls in returns on investments in financial instruments, including investments in foreign currency and precious metals.

The Bank uses the following instruments to measure and manage market risks:

- default risk;
- credit spread risk;
- stock risk;
- commodity risk;
- volatility risk.

The Bank considers one of the subtypes of market risk, currency risk, to be significant.

In its operations, the Bank does not use financial instruments classified in the trading book or instruments that are a source of market risk subtypes other than currency risk. This position is set forth in the Bank's Risk appetite statement for 2025.

Currency risk

Currency risk is the risk arising from adverse fluctuations in foreign exchange rates that affect the value/price of instruments held in the bank's trading and banking books. This risk is inherent to the Bank due to the mismatch between the Bank's assets and liabilities denominated in a single currency, which arises both from opening positions to generate trading income (trading position) and from conducting other operations not related to currency trading (interest accrual, provisioning, etc.).

The Bank's management sets limits and continuously monitors currency positions in accordance with NBU regulations and the approved internal methodology. The Bank has implemented a system of currency position limits (both overall and broken down by currency and transaction type), which is based on both the maximum values set by the NBU and the Bank's own approaches to mitigating this risk. Compliance with these limits is monitored on a daily basis.

Operational risk

Operational risk is the probability of incurring losses or additional losses, or of failing to achieve planned revenues, as a result of deficiencies or errors in the organization of internal processes, intentional or unintentional actions by Bank employees or other persons, malfunctions in the Bank's systems, or the impact of external factors. Operational risk includes legal risk but excludes reputational risk and strategic risk.

The main components of operational risk subject to regulation are the execution of unauthorized transactions, staff errors, and disruptions or failures in computer networks and equipment.

To minimize operational risk and prevent potential losses at the Bank, data on internal and external operational risk events is identified and collected on an ongoing basis. Based on the information obtained, an analytical database of identified operational risk events is created, which contains details on the types and amounts of operational losses broken down by the Bank's business lines, individual banking transactions, and other agreements, as well as the circumstances of their occurrence and detection.

The Bank uses the following response methods:

- risk acceptance – continuing operations without changes if, after analyzing the circumstances of risk identification, implementing measures to minimize it is not economically justified;

- risk minimization (mitigation) – implementing necessary measures (including control procedures) aimed at reducing the identified risk to an acceptable level; risk avoidance – refraining from conducting transactions or banking processes with a risk level that is unacceptable to the Bank even if additional control procedures are implemented.

One of the Bank's key risks in this area is the risk of ensuring business continuity in the face of an aggressor's actions aimed at both the physical destruction of assets, including communication channels, and the disruption of operations resulting from cyberattacks of varying nature and duration. The Bank's strategic objectives in this area are to avoid or minimize losses (financial, reputational, and other) associated with the potential cessation of one or more of the Bank's business processes during emergencies and in the event of threats materializing, including those not anticipated in advance.

The Bank's key measures in this area include:

- implementation of several remote access schemes for bank employees to connect to the Bank's software systems;
- creation of backup sites with access to critical information systems, as well as their replication to cloud storage;
- organization of backup sites for on-call duty of critical personnel, etc.

The implementation of these measures enabled the Bank to ensure the uninterrupted provision of all necessary services to its customers during the reporting period.

Operational risk is inherent in all products, processes, activities, procedures, and systems. Operational risk management is an integral part (function) at all levels of management.

Strategic risk

Strategic risk is the probability of incurring losses or additional losses, or failing to achieve planned revenues, as a result of incorrect management decisions and an inadequate response to changes in the business environment.

In the fourth quarter of 2025, the Bank identifies the following subtypes of strategic risk as material:

- business risk - the risk of failing to meet the Bank's approved budget and/or business plan, which, in turn, leads to a shortfall in the planned financial result;
- military risk - the risk associated with the continuation or intensification of active hostilities on the territory of Ukraine.

Business risk is assessed based on an analysis of the Bank's business plan/budget execution and the achievement of planned targets, both in terms of increasing the volume and number of the Bank's transactions and in terms of the profitability of the Bank's planned transactions.

The Bank does not establish separate risk appetite indicators for military risk, but assesses them as part of a comprehensive assessment of strategic risk and the determination of an individual level of risk appetite for strategic risk.

Social and environmental risk

The Bank seeks to promote the long-term viability and global competitiveness of domestic enterprises operating, in particular, in the agricultural and other business sectors, and to support the development of Ukraine's agro-industrial sector toward inclusive agricultural growth, responding not only to pressing challenges and risks on a national scale but also laying the foundation for a prosperous and sustainable future for all.

Social and environmental risk is the risk of losses arising from the Bank causing harm to the environment and/or society (directly or through related parties and customers).

The Bank views the environmental aspect as increasingly significant for its operations, as the banking system and the Bank in particular play an important role in supporting sustainable development and environmental responsibility. When developing new processes and improving existing ones, the Bank intends to focus on the following aspects:

- prioritization of investments in projects and enterprises that contribute to environmental conservation and the reduction of greenhouse gas emissions (projects in renewable energy, energy efficiency, raw material recycling, etc.);
- adherence to the declaration on reducing its own environmental impact, specifically: implementing measures to reduce its carbon footprint and energy consumption (energy-efficient management of its own premises, transition to renewable energy sources, minimizing paper use, etc.);
- conductance of information campaign among employees regarding environmental issues and opportunities to reduce the Bank's own environmental impact;
- participation in public initiatives and projects aimed at conserving natural resources and preserving biodiversity.

These aspects should help the Bank not only meet environmental responsibility requirements but also have a positive impact on the environment and society as a whole.

Compliance risk

Compliance risk is the likelihood of incurring losses and/or sanctions, additional losses, or a shortfall in planned revenues, or reputational damage resulting from the Bank’s failure to comply with laws, regulations, market standards, rules of fair competition, and rules of corporate ethics, the occurrence of conflicts of interest, as well as the Bank’s internal documents.

The Bank strives to minimize compliance risks by maintaining a high level of compliance risk management culture, continuous staff training, strict compliance with Ukrainian legislation, regulations of the National Bank of Ukraine, and the Bank’s internal documents, effective segregation of duties, and the organization of an internal control system incorporating three lines of defense to assess external and internal factors that may give rise to compliance risks and ensure a timely response to them. The main tasks of the Compliance Department are to establish and ensure the continuous operation of a compliance risk management system commensurate with the Bank’s size, business model, scope of operations, and the types and complexity of the Bank’s transactions, as well as to support the functioning of the internal control system.

To monitor compliance risk levels and identify weaknesses in the Bank’s internal control system, an effective system has been implemented:

- to monitor new legal requirements and oversee their implementation in the Bank’s operations;
- to identify compliance risks and incidents, and ensure a timely response to them;
- to ensure that the Bank’s activities comply with the requirements of current Ukrainian legislation, including the regulatory acts of the National Bank of Ukraine;
- to identify conflicts of interest (including potential ones) and ensure a timely response to them;
- to involve the Compliance Department in resolving issues within its purview;
- to analyze new products and significant changes in the Bank’s operations (prior to their implementation);
- to analyze counterparties;
- to ensure compliance with legal requirements, including “war decrees” and sanctions restrictions, which is particularly important during the period of the Russian Federation’s armed aggression against Ukraine;
- to analyze decisions of the Bank’s collegial bodies;
- to analyze the Bank’s departmental reports, including audit reports, etc.;
- to analyze credit transactions with parties related to the Bank;
- to analyze inquiries from the Bank’s clients;
- to ensure the organization of controls over the Bank’s compliance with standards regarding the timeliness and accuracy of financial and statistical reporting, etc.;
- to escalate identified risks and/or violations and organize the response process;
- to ensure reporting to the Management Board at least monthly and to the Bank’s Supervisory Board at least quarterly.

AML/CFT risk

The Bank assesses AML/CFT risk in accordance with approved internal AML/CFT policies; the Bank’s risk appetite for AML/CFT risk is included in its overall risk appetite for compliance risk.

6. Related party transactions

In the course of its ordinary business, the Bank grants loans, accepts deposits, and conducts other transactions with related parties. Parties are considered related if one party has the ability to control the other party or to significantly influence the other party in making financial and operational decisions. The terms and conditions of transactions with related parties are established at the time the transaction is conducted.

Related parties include the Bank’s Shareholder, key management personnel, and their close family members, as well as companies over which the Shareholder exercises control. Key management personnel are individuals who have authority and are responsible for planning, managing, and controlling the Bank’s activities, directly or indirectly, and include members of the Management Board and the Supervisory Board. Business entities are not considered related parties simply because they share a director or other member of senior management with the Bank, or because a member of the Bank’s key management personnel has significant influence over another business entity.

The Bank’s management believes that the terms under which transactions with related parties were conducted during 2025 did not differ from those offered to unrelated parties.

As at December 31, 2025, the total amount of loans and debt of related parties was UAH 298.3 million. During the reporting period, UAH 372.3 million in loans was provided to related parties, and UAH 210.3 million was repaid. Interest income on loans to related parties for the year ended December 31, 2025, amounted to UAH 35.0 million.

As at December 31, 2025, the amount of funds raised from related parties was UAH 1,105.0 million. Interest expense on funds from related parties for the year ended December 31, 2025, amounted to UAH 113.6 million.

During the reporting period, the Bank received net fee and commission income from transactions with related parties in the amount of UAH 21.7 million.

Remuneration to key management personnel for the year ended December 31, 2025, consisted of short-term payments to employees totaling UAH 112.5 million (2024: UAH 102.1 million).

Remuneration to members of the Supervisory Board for the year ended December 31, 2025, amounted to UAH 62.6 million (2024: UAH 30.4 million).

The Bank's transactions with related parties and balances in related parties' accounts as at December 31, 2025, are disclosed in Note 30 to the Bank's financial statements for the year ended December 31, 2025.

7. Capital management

Regulatory Capital

The Bank actively manages its capital adequacy level to protect against risks inherent in its operations, ensure compliance with external capital requirements, and maintain a high credit rating and the capital adequacy ratios necessary to conduct its business and maximize shareholder value. The Bank's capital adequacy is monitored using, among other methods, principles, and ratios that take into account international capital regulation standards and the requirements of the National Bank of Ukraine. To align the calculation of regulatory capital with European standards, the National Bank of Ukraine, by Resolution of the Board No. 196 of 28.12.2023 (hereinafter “Regulation No. 196”), amended the procedure for calculating regulatory capital. Effective August 6, 2024, a transition was made from a two-tier regulatory capital structure to a three-tier structure.

The Bank manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of its business activities. During the reporting period, there were no changes in the objectives, policies, or procedures of capital management.

NBU Capital adequacy ratio

The NBU sets requirements for banks' capital levels and monitors compliance. Under the NBU's current capital requirements, banks must maintain a capital-to-risk-weighted-assets ratio (capital adequacy ratio in accordance with Ukrainian regulatory requirements) above a certain established minimum threshold. If the Bank fails to maintain or sufficiently increase its equity capital in line with the growth of its risk-weighted assets, it may violate the established capital adequacy ratios, which could result in sanctions by the NBU and negatively impact its operating results and financial condition.

In connection with Russian Federation's military aggression against Ukraine, martial law was declared throughout Ukraine on February 24, 2022. To minimize the negative impact of Russian Federation's military aggression against Ukraine and promote the stability of Ukraine's banking system, the Board of the National Bank of Ukraine adopted Resolution No. 23 of 25.02.2022 (as amended by Resolution of the Board of the National Bank of Ukraine of 07.03.2022 No. 40), pursuant to which, under martial law, enforcement measures for violations of capital adequacy ratios and other mandatory economic standards and open foreign exchange position limits shall not apply to commercial banks of Ukraine if such violations arose on or after February 24, 2022, and were caused by the negative impact of Russian Federation's military aggression against Ukraine.

As at the end of the day on December 31, 2025, the Bank complied with all NBU requirements regarding capital ratios, namely: the regulatory capital ratio (N1) stands at UAH 1,608 million, the Tier 1 capital adequacy ratio (Nok1) is 13.3% (minimum ratio is 5.625%), the Tier 1 capital adequacy ratio (Nk1) is 13.3% (the minimum requirement is 7.5%), and the regulatory capital adequacy ratio (Nrk) is 13.3% (the minimum requirement is 10.0%).

To promote the financial stability of Ukraine's banking system, including in the face of adverse changes in the macroeconomic environment, the National Bank has conducted an annual asset quality review (AQR) since 2018, and for the largest banks, it also conducts stress testing under an adverse scenario to assess capital adequacy for a three-year period. In accordance with Resolution No. 141 of the NBU Board of December 22, 2017, “On Approval of the Regulations on the Assessment of the Resilience of Banks and the Banking System of Ukraine” (hereinafter “Regulations 141”), the assessment of the resilience of Ukraine's largest banks is carried out in three stages with the involvement of an independent auditor. In the first stage, the independent auditor assesses the quality of banks' assets and the acceptability of collateral for credit operations. In the second stage, the National Bank extrapolates the results obtained and calculates capital adequacy ratios. In the final stage, stress testing of banks is conducted under two macroeconomic scenarios—base and adverse. Stress testing involves calculating the impact of negative factors on the adequacy of banks' capital to cover risks.

In 2025, in accordance with the Technical Specifications for Assessing the Resilience of Banks and the Banking System of Ukraine, approved by Resolution No. 452-rsh of the Board of the National Bank of Ukraine of 26.12.2024, the Bank underwent a three-stage resilience assessment. Based on the results of the stress test under the baseline scenario, the following required levels were determined: the regulatory capital adequacy ratio (RCA) – 16.04%, the Tier 1 capital adequacy ratio (T1C) – 13.67%, and Tier 1 core capital adequacy ratio (T1CCAR) – 11.89%; under the adverse macroeconomic scenario: RAR – 31.46%, T1CCAR – 29.16%, and T1CCAR – 27.44%. The Supervisory Board of the

Bank (Minutes No. 24 of 26.09.2025) approved the Capitalization/Restructuring Program of JSC “BANK CREDIT DNIPRO” for the period until 30.09.2026 (hereinafter – the Capitalization Program), which was agreed upon and approved by Decision No. 428-rsh/BT of the Management Board of the National Bank of 21.11.2025. Based on the results of the verification of measures implemented and planned by the Bank, as well as actual events that occurred after the reporting date and were taken into account by the Bank when preparing the Capitalization Program, the required capital adequacy ratios were adjusted by the NBU to the following levels: under the baseline macroeconomic scenario, the required capital adequacy ratios correspond to the regulatory values of these ratios established by the Instruction on the Procedure for Regulating the Activities of Banks in Ukraine, approved by Resolution of the Board of the National Bank of Ukraine No. 368 of August 28, 2001 (as amended); under the adverse macroeconomic scenario, the required levels of the ratios are: the NCR ratio—from 31.46% to 14.23%; the NC1 ratio—from 29.16% to 11.73%; the NOC1 ratio - from 27.44% to 9.85%. As of January 1, 2026, all measures of the Capitalization Program scheduled for implementation by that date are being fully implemented by the Bank within the established time limits. The Bank complies with the required capital adequacy ratios established by the National Bank of Ukraine in accordance with the Capitalization Program.

Effective September 1, 2025, the NBU, by Resolution of the Board No. 89 of 19.07.2024 (as amended), introduced a leverage ratio (LR) for banks, defined as the ratio of Tier 1 capital to the Bank’s total assets and off-balance-sheet liabilities, excluding risk weights. As at the end of the day on December 31, 2025, the leverage ratio stood at 5.5% (the minimum regulatory requirement is 3%). The Bank complies with the NBU’s leverage ratio requirements with a significant margin.

8. Performance of the Bank

Major indicators of the Bank

UAH mln.

<i>Indicator</i>	<i>31.12.2025</i>	<i>31.12.2024</i>	<i>Growth</i>	<i>Growth rate</i> %
Total assets	28 874.8	25 002.3	3 872.5	15.5%
Cash and cash equivalents	10 586.9	6 732.7	3 854.3	57.2%
Loans and advances to banks	71.8	315.5	-243.6	-77.2%
Loans and advances to customers	10 094.5	7 829.7	2 264.7	28.9%
Investments in securities	7 338.9	8 994.6	-1 655.7	-18.4%
Total liabilities	26 351.2	22 519.7	3 831.5	17.0%
Due to banks	0.0	0.1	-0.1	-100.0%
Due to customers	25 527.6	21 780.1	3 747.5	17.2%
Total equity	2 523.6	2 482.6	40.9	1.6%
Profit	287.8	175.0	112.8	64.5%
Net interest income	1 474.2	1 350.7	123.4	9.1%
Net commission income	95.3	60.6	34.6	57.2%
Employee benefit expenses	-983.4	-669.7	-313.7	46.8%
Depreciation and amortization expenses	-101.3	-74.7	-26.6	35.6%
Administrative and other operating expenses	-408.2	-274.6	-133.5	48.6%

In 2025, the Bank reported a profit of UAH 287.8 million (2024: profit of UAH 175.0 million). The financial results for this period were influenced by factors such as the Bank’s operating income and allocations to reserves.

Operating income of the Bank:

UAH mln.

№	Item	31.12.2025	31.12.2024
1	Income before income tax expense	360.6	346.4
2	Net loss from the revaluation of investment property	0.0	-4.9
	Allowance for expected credit losses under financial instruments		
3		-512.0	-408.8
	Gain (loss) from derecognition of financial assets at amortized cost		
4		22.7	29.5
5	revaluation % swap (account 6209)	-68.8	-169.1
6	Operating result (6=1-2-3-4-5)	918.7	899.6

The Bank’s operating profit (excluding gains from the derecognition of financial assets, revaluation of investment property, and revaluation of the interest rate swap with the NBU, and excluding provisions and income tax payments) amounted to

UAH 918.7 million in 2025. (2024: operating profit of UAH 899.6 million). Thus, compared to 2024, the Bank's net operating profit increased by UAH 19.1 million in 2025.

The growth in the Bank's loan and investment portfolio led to an increase in the Bank's interest income, which amounted to UAH 3,406.5 million in 2025, which is UAH 377.9 million or 12.5% more than in 2024 (UAH 3,028.6 million). At the same time, the Bank's interest expenses amounted to UAH 1,932.3 million, which is UAH 254.5 million, or 15.2%, more than in 2024 (UAH 1,677.9 million).

According to the Statement of cash flows, net interest income for 2025 amounted to UAH 1,330.8 million, which is UAH 195.5 million, or 17.2%, more than in 2024 (UAH 1,135.3 million). In 2025, net fee and commission income increased by UAH 8.4 million, or 3.7%, compared to 2024, and amounted to UAH 236.2 million as of the close of business on December 31, 2025.

In 2025, the Bank's expenses for allowances for ECL under financial instruments amounted to UAH 512.0 million, while in 2024, such allowances totaled UAH 408.8 million.

During the reporting period, the Bank derecognized part of the impaired portfolio with a gross carrying amount of UAH 76.4 million (2024: UAH 266.6 million) through its sale and wrote off impaired financial assets in the amount of UAH 286.0 million (2024: UAH 377.0 million), in respect of which it continues to take measures to recover the written-off debt.

In 2025, the Bank acquired collateralized property related to non-performing loans and customer debts in the amount of UAH 8.6 million (2024: UAH 32.8 million).

In 2025, employee benefit expenses totaled 983.4 million UAH, which is 313.6 million UAH (+46.8%) more than in 2024 (669.7 million UAH). Depreciation and amortization expenses amounted to UAH 101.3 million, which is UAH 26.6 million (+35.6%) more than in 2024 (UAH 74.7 million). The Bank's other administrative and operating expenses amounted to UAH 408.1 million, which is UAH 133.5 million (+48.6%) more than in 2024 (UAH 274.6 million).

As at the end of the day on December 31, 2025, the Bank's operations were characterized by the following trends:

- the Bank's total assets amounted to UAH 28,874.8 million, which is UAH 3,872.5 million (+15.5%) more than at the beginning of the current year (as of Dec. 31, 2024: UAH 25,002.3 million);
- the corporate loan portfolio, before deduction of expected credit losses, increased by UAH 1,512.3 million (+21.1%) to UAH 8,675.1 million. The volume of loans to government agencies decreased by UAH 181.7 million (-59.6%) to UAH 123.0 million.
- the consumer loan portfolio before expected credit losses increased by UAH 421.4 million (+46.0%) to UAH 1,336.8 million, while the volume of mortgage loans increased by UAH 262.2 million (+81.8%) to UAH 582.7 million.
- the amount of loan impairment reserves decreased by UAH 250.6 million (-28.7%) to UAH 623.1 million;
- the value of investment property decreased by UAH 61.7 million (-64.1%) to UAH 34.5 million;
- the amount of highly liquid assets (cash and cash equivalents, funds in other banks, investments in NBU deposit certificates, government domestic bonds, and government debt securities of G7 countries, excluding government domestic bonds pledged as collateral) increased by UAH 2,308.8 million (+15.6%) to UAH 17,108.3 million.

The Bank's assets as of the close of business on December 31, 2025, had the following structure (as a percentage of the Bank's total assets):

- loans to customers: 35.0% (as at 31.12.2024: 31.3%);
- cash and cash equivalents (including NBU deposit certificates and interbank receivables): 36.9% (as at 31.12.2024: 28.2%);
- investments in highly liquid securities: 25.4% (as at 31.12.2024: 36.0%);
- fixed assets, investment property, non-current assets held for sale, and intangible assets: 1.6% (as at 31.12.2024: 2.3%);
- other assets: 1.2% (as at 31.12.2024: 2.2%).

The Bank's capital increased by 1.6% during 2025 and amounted to UAH 2,523.5 million as at the end of the day on December 31, 2025.

The Bank continues to invest funds in short-term NBU instruments - deposit certificates; as at the end of the day on December 31, 2025, their volume increased by UAH 4,398.5 million compared to the volume as at the end of the day on December 31, 2024. (+98.8%) to UAH 8,850.2 million. Transactions with certificates of deposit during 2025 generated interest income of UAH 445.4 million, which is UAH 54.7 million (+14.0%) more than in the same period of 2024.

The Bank's investments in government bonds and municipal bonds as at the end of the day on December 31, 2025, amounted to UAH 6,941.5 million (as at December 31, 2024: UAH 8,466.6 million). These investments generated interest income of UAH 1,218.3 million, which is UAH 72.1 million, or -5.6%, less than in the same period of 2024.

Transactions in securities and NBU deposit certificates were conducted by the Bank in accordance with established limits.

The Bank's liabilities increased by UAH 3,831.5 million, or +17.0%, during 2025 and amounted to UAH 26,351.2 million

as at the end of the day on December 31, 2025, of which 96.9% consisted of customer accounts.

In 2025, customer accounts increased by UAH 3,747.5 million, or +17.2%, and as at the end of the day on December 31, 2025, amounted to UAH 25,527.6 million (as of December 31, 2024: UAH 21,780.1 million). Funds at corporate client accounts increased by UAH 2,410.9 million, or +14.3%, to UAH 19,249.2 million, while funds at individual customer accounts increased by UAH 1,336.6 million, or +27.0%, to UAH 6,278.4 million. As a result, in 2025, the share of funds in corporate client accounts in the total volume of client funds decreased from 77.3% to 75.4%, while the share of retail funds increased from 22.7% to 24.6%.

Going forward, the Bank’s profitability will depend on many factors, including the successful implementation of its development strategy, effective efforts to attract new clients and retain the existing client base, effective work on recovering non-performing loans, and the expansion of a high-quality loan portfolio. Factors that may, to a certain extent, slow down the pace of development and lead to a decline in performance indicators include limited effective demand for bank lending, and the sensitivity of Ukraine’s banking system to operational and credit risks, which is caused by the prolonged military hostilities on Ukrainian territory resulting from Russian Federation’s aggression.

9. Achievements of the Bank in 2025

The Bank’s reliability and stability have been confirmed by authoritative rating agencies.

In 2025, the national rating agency “Standard-Rating” and the national rating agency IBI-Rating reaffirmed the Bank’s highest long-term credit rating on the national scale—at the uaAAA level (a bank with a uaAAA rating is characterized by the highest creditworthiness compared to other Ukrainian borrowers or debt instruments) and confirmed the highest reliability rating for bank deposits.

The Bank was included in the “25 Leading Banks of Ukraine 2025” ranking by the authoritative news agency “Financial Club.” The results were announced at the FINANCIAL CLUB AWARDS — 2025 ceremony. Based on the results of the annual study, the bank became the leader in 11 categories, confirming its growing competitiveness and high quality of service:

- Top 5 in the “Credit Cards” category
- Top 5 in the “Mortgage Loan” category
- Top 10 in the “Agricultural Loans” category
- Top 10 in the “Leasing” category
- Top 10 in the “Corporate Banking” category
- Top 10 in the “Classic Deposit” category
- Top 10 in the “Savings Deposit” category
- Top 10 in the “Cash Loan” category
- Top 10 in the “Private Banking” category.

The Bank’s top management was also recognized:

- Serhiy Panov, Chairman of the Management Board — among the best top managers in Ukraine’s banking system.
- Galina Izbinska, Deputy Chairman of the Management Board for Operations — among the TOP 5 Chief Operating Officers in the country.

In December 2025, the Bank won the “Business Continuity” category of the 2025 CSR Case Competition “Business That Changes the Country.” This well-deserved award confirms the Bank’s systematic approach to risk management, its prompt response to crisis situations, and its accountability to clients and society. The award recognizes the Bank’s contribution to enhancing the resilience of the country’s financial infrastructure and serves as an example for other businesses.

The Bank was also named one of Ukraine’s Top 50 companies with the highest reputational capital according to the authoritative “Top 100: Rankings of the Largest” rating, organized in collaboration with the business portal delo.ua.

In November 2025, the Bank was named the winner in the “Leader in Financial Leasing” category in the authoritative annual rating – the All-Ukrainian “Bank of the Year – 2025” competition, organized by the International Financial Club “Bankir.” The Bank is a reliable partner to the Ukrainian agricultural sector, which remains one of the key components of the country’s economy. To develop and modernize their equipment, farmers need quality financing, and leasing has become an effective tool for investing in industry.

Throughout the year, Bank Credit Dnipro has reaffirmed its reputation as a reliable partner for depositors. The Bank ranked among the top ten in the Bank Deposit Reliability Rating published by RA “Standard-Rating” based on the results of the first 3, 6, 9, and 12 months of 2025. In the ranking of banking products for attracting funds from Ukrainians, the “Reliable” deposit was recognized as the best deposit product.

The Bank was included in the “Best Employers of Ukraine 2025” ranking by The Page: based on the results of an online vote by Ukrainians, it made it to the shortlist, where it ranked among the top five banks. The Bank also made it into the TOP 50 best employers in Ukraine according to the authoritative ranking “TOP 100. Rankings of the Largest”,

conducted jointly with the business portal delo.ua. Additionally, as part of the ranking, the Bank received an award in the special category “Best Corporate Culture”.

The Bank won the “Best Internal PR” category in the PR Case Competition organized by Marketing Media Review (MMR), the results of which were announced during the PR Marathon on October 30, 2025. A professional jury recognized companies that, amid challenges and instability, demonstrate values, build trust, engage in dialogue with society, and set new standards of professionalism in the field of communications.

In September 2025, the Bank won the BANKER AWARDS 2025 in the “Fintech Innovation of the Year” category. The Bank is actively developing the field of embedded finance – the seamless integration of digital banking services into the platforms and applications of non-banking companies. For example, in partnership with its strategic partner, the Kasta ecosystem, the Bank developed and launched the innovative Kasta SuperApp on the Ukrainian market, which combines a marketplace with full-fledged banking functionality and includes an essential shopping tool – the Kasta Visa Card. This solution serves as an example of how technology can seamlessly integrate financial services into digital environments that are familiar to users.

According to the Ukrainian ranking magazine “TOP-100. Rankings of the Largest” and the business portal Delo.ua. Credit Dnipro Bank was named among the leaders of Ukraine’s financial sector in the “TopFinance 2025” ranking. The top winners among banks, insurance companies, MFOs, payment systems, and cryptocurrency platforms were announced at an awards ceremony on February 26, 2025. According to the voting results, Bank Credit Dnipro took the lead in three categories of the “TopFinance 2025” ranking:

- Serhiy Panov, Chairman of the Bank’s Board, is among the leaders in the “Top CEO of the Financial Market” category;
- among TOP 5 winners in the “Bank of the Year in Agriculture” category;
- among TOP 5 winners in the “Best Bank for Sole Proprietors” category.

In addition, the Bank received recognition in the Marketing Resilience Award rating – “Financial Marketing During War: Campaigns That Changed Reality” – for the best e-commerce collaboration. The ranking was organized by the Ukrainian Association of Fintech and Innovative Companies (UAFIC) and announced during Fin.Marketing 2025, which took place in Kyiv.

The Bank’s GOLD credit card is among the TOP 3 best credit cards according to FinAwards, the Ministry of Finance, and Finance.ua.

Throughout the year, the Bank implemented a number of strategic partnerships and initiatives aimed at developing Ukraine’s economy and integrating the principles of sustainable development. In particular: The Bank signed a Partnership Agreement with the Entrepreneurship Development Fund, launching a new phase of cooperation in the field of financial support for micro, small, and medium-sized enterprises.

In December 2025, the Bank was officially accredited by Ukrainian Energy Exchange LLC (UEEX). This decision opens up new opportunities for the Bank’s clients seeking to participate in electronic auctions in the “Electricity” sector and enables them to achieve their business goals more quickly and effectively using proven and reliable financial instruments. The accreditation confirms the Bank’s compliance with UEB’s high standards for reliability and risk management. It also demonstrates the Bank’s readiness to provide market participants with modern financial instruments necessary for effective operations in Ukraine’s energy market.

In the fall of 2025, the Bank joined the FinanceHER financial initiative and signed a Memorandum on Women’s Access to Finance for Ukraine’s Economic Recovery, which aims to attract up to \$25 billion in investments to support women in business, finance, digital literacy, and procurement. FinanceHER is a national initiative aimed at removing barriers and introducing systemic changes in financial accessibility for women entrepreneurs.

In addition, JSC “Prozorro.Sales” and the Bank signed a Memorandum of Cooperation regarding the launch of a national digital factoring service platform. JSC “Prozorro.Sales”’s experience in organizing electronic auctions and the company’s technical capabilities will form the foundation for the development, launch, and operation of the service. The Bank has deep expertise in working with corporate clients, particularly large industrial enterprises and the agricultural sector, works effectively with small and medium-sized businesses, and is developing its retail operations.

Corporate and Social Responsibility

The Bank, together with its employees, clients, Ukrainian foundations, and civil society organizations, has united around a common goal: supporting Ukraine. In 2025, the Bank continued to focus its efforts on implementing charitable programs and projects aimed at providing medical and social support in Ukraine.

The Bank consistently supports the “Angels” emergency medical service. Angels’ doctors provide medical care on the front lines every day, perform surgeries, stabilize the wounded, and fulfill their primary mission—to do everything possible to save lives.

In cooperation with the “Pulse” Foundation, Credit Dnipro Bank systematically funds a project to train military personnel in first aid. We support those who save lives. We help the defenders of Ukraine.

Since 2022, the Bank has been systematically assisting the Balakliya Clinical Multidisciplinary Intensive Care Hospital, which was destroyed during the occupation. The Bank has restored the intensive care unit and continues to provide the clinic with state-of-the-art equipment that helps doctors save the lives of our soldiers and the civilian population.

In 2025, the Bank joined the Ukraine Business Compact (UBC) initiative, which brings together companies from around the world to support the sustainable recovery of Ukraine, which has suffered significant losses as a result of Russia's full-scale invasion. The goal of the Ukraine Business Compact is to foster a strong partnership between international business, the Ukrainian government, and the Ukrainian private sector: The Bank continues to integrate sustainable development principles and ESG standards into all aspects of its operations, guided by core principles aimed at Ukraine's long-term sustainable economic recovery and reconstruction.

Own corporate volunteer program

The bank actively supports the public and the military and demonstrates a high level of responsibility not only toward its customers and staff, but also toward society as a whole.

Employees actively participate in campaigns and fundraisers for the needs of the Armed Forces of Ukraine, including the purchase of vital DJI Mavic ZT drones, vehicles, and more.

Bank employees and their families also actively participate in charitable sporting events in Ukraine. In particular, in the “Unbreakable” marathons, where 50% of the proceeds from the race are donated to the Medical Volunteer Battalion “Hospitaliers,” who work on the front lines providing first aid and pre-medical care, and evacuate wounded Ukrainian soldiers and civilians from the hottest sections of the front.

Thanks to the Bank's support, employees actively support their colleagues serving in the ranks of the Armed Forces of Ukraine, providing them with necessary equipment and assistance with medical treatment.

In 2025, the Bank's team continued to support more than 100 families in Kherson and Mykolaiv regions. In particular, funds were raised to celebrate Children's Day, September 1, and St. Nicholas Day.

The Bank actively participates in initiatives aimed at fostering financial literacy among children, organizing interactive lectures and quizzes in schools where children learn about the safe use of payment cards, how to protect themselves from cybercriminals, and much more.

10. Corporate governance report

Corporate governance of JSC “BANK CREDIT DNEPR” is based on laws and regulations of Ukraine, national standards and recommendations, international experience and best international practices on corporate governance to form transparent and efficient model of corporate governance of the Bank.

The Bank's corporate governance system is based not only on the provisions of current legislation (the Law of Ukraine *On Banks and Banking Activities*, as amended and supplemented, the Law of Ukraine *On Joint-Stock Companies*, as amended and supplemented, regulatory acts, and recommendations of the National Bank of Ukraine), but also on the standards and tools recommended by the Basel Committee on Banking Supervision and complies with the requirements of international best practices.

The Bank has developed and implemented the Bank's Corporate Governance Code, which was approved by a resolution of the Bank's Sole Shareholder of 29.11.2023 (Resolution No. 5), setting forth the fundamental approaches, requirements, and principles governing the operation of the Bank's corporate governance system. The Code describes the current corporate governance system and the mechanisms of its operation and interaction, aimed at safeguarding the rights and interests of shareholders, improving business efficiency, increasing the Bank's transparency and investment attractiveness, and preserving and growing shareholder equity. Specific procedures and practices for applying individual elements of corporate governance are defined in detail and regulated by the Statute, as well as by the Bank's internal documents.

The main areas of corporate governance at the Bank are:

- separation of powers: a clear division of duties and responsibilities between the General Meeting of Shareholders, the Supervisory Board, and the Management Board of the Bank.
- risk management: the creation of an effective risk management system that includes the detection, identification, assessment, and control of all types of banking risks.
- internal control and audit: the organization of an independent internal audit and an internal control system to ensure the legality and transparency of operations.
- information transparency: regular and full disclosure of information regarding the Bank's financial condition, ownership structure, and operating results.
- corporate culture and ethics: implementation of high standards of business conduct and operations, prevention of conflicts of interest, and adherence to the principles of collective leadership.
- strategic planning: definition of key areas of activity, approval of business plans and the Bank's development strategy, including ESG strategies and sustainable development goals.

The Bank’s Corporate Governance Code is available on the Bank’s website www.creditdnepr.com.ua, at the following link: <https://creditdnepr.com.ua/pro-bank/vnutrishni-dokumenty-banku>.

In 2025, there were no deviations from the provisions of the Corporate Governance Code. Furthermore, during 2025, the Bank did not make any decisions regarding the non-application of any provisions of the Bank’s Corporate Governance Code. In December 2025, the Supervisory Board confirmed the relevance of the current version of the Bank’s Corporate Governance Code, its compliance with all procedures in effect at the Bank, and its conformity with applicable legislation.

Information on the major shareholders of the Bank

As at December 31, 2025, 100% of the Bank’s shares are directly owned by Yaroslavsky Oleksandr Vladilenovich, who is the sole shareholder of the Bank. The powers of the General Meeting of Shareholders are exercised by the Sole Shareholder acting alone; decisions are formalized through the adoption of Resolutions of the Bank’s Sole Shareholder.

Matters falling within the exclusive competence of the General Meeting of Shareholders, the procedure for convening the Bank’s General Meeting of Shareholders, the registration of shareholders for participation in the meeting, the conduct of the meeting, voting rules and the tabulation of votes, and the formalization of the meeting’s results are defined by the Regulations on the General Meeting of Shareholders of JSC “BANK CREDIT DNIPRO,” which was approved by Resolution No. 1 of the Bank’s Sole Shareholder of 30.04.2024, is available on the Bank’s website at the following link:

https://creditdnepr.com.ua/sites/default/files/polozhennya_zza_2024.pdf

There were no changes in the owners of significant stakes in the Bank during 2025.

There are no restrictions on the participation and voting rights of shareholders (participants) at the General Meeting of Shareholders.

In 2025, the Bank’s Sole Shareholder considered the following issues and adopted the following decisions:

№	Date	Issues reviewed by Sole Shareholder
1	29.04.2025	<ol style="list-style-type: none"> 1. Review of the Report of the Supervisory Board of JSC “BANK CREDIT DNEPR” for 2024 and adoption of a resolution based on the results of the review. 2. Approval of the Bank's annual financial and operational results - the annual financial statements of JSC “BANK CREDIT DNEPR” and the management report (management discussion and analysis) of JSC “BANK CREDIT DNEPR” for 2024. 3. Review of the Bank's external auditor's report on the audit of the annual financial statements of JSC “BANK CREDIT DNEPR” for 2024 and approval of measures based on the results of its review. 4. Distribution of profits earned by JSC “BANK CREDIT DNIPRO” based on the results of operations in 2024. 5. Approval of the Report on Remuneration of Members of the Supervisory Board of JSC “BANK CREDIT DNIPRO” for 2024. 6. Election of a member of the Bank’s Supervisory Board. 7. Approval of the terms of the civil law agreement to be concluded with a member of the Bank’s Supervisory Board, determination of the amount of remuneration, and election of the person authorized to sign the relevant agreement with the member of the Bank’s Supervisory Board. 8. Approval of the new version of the Regulations on the Procedure for the Selection, Evaluation, and Election of Candidates for Membership on the Supervisory Board of JSC “BANK CREDIT DNEPR”. 9. Approval of the new version of the Regulations on Remuneration for Members of the Supervisory Board of JSC “BANK CREDIT DNEPR”.
2	13.06.2025	<ol style="list-style-type: none"> 1. Approval of the revised Statute of the JOINT-STOCK COMPANY “BANK CREDIT DNEPR”. 2. State registration of the revised Statute of the Joint Stock Company “BANK CREDIT DNEPR”.
3	31.12.2025	<ol style="list-style-type: none"> 1. Approval of a new version of the Statute of the Joint-Stock Company “BANK CREDIT DNEPR”. 2. State registration of a new version of the Statute of the Joint-Stock Company “BANK CREDIT DNEPR”.

All resolutions of the Bank’s Sole Shareholder are available on the Bank’s website at: <https://creditdnepr.com.ua/pro-bank/rozkrytya-informaciyi/rishennya-yedynogo-akcionera>.

Information about the Supervisory Board and its committees

The status of the Supervisory Board, its powers, responsibilities, objectives, and tasks; its composition; the procedure for electing and terminating the powers of its members; the procedure for convening and holding meetings of the Supervisory Board; and other matters related to its activities are set forth in the Regulations on the Bank's Supervisory Board, approved by Resolution No. 5 of the Bank's Sole Shareholder of 29.11.2023, available at: https://creditdnepr.com.ua/sites/default/files/polojennya_pro_naglyadovu_radu_nova_redaktsiya_2024.pdf

2025 composition of the Supervisory Board:

Name	Position	Independent member	
		Y	N
Anna Yurievna Samarina	Chair of the Supervisory Board	-	X
Klim Yurievich Neretin	Vice Chair/Member of the Supervisory Board	-	X
Alexander Vladimirovich Chorny*	Member of the Supervisory Board	-	X
Andrey Vasilyevich Fomenko	Member of the Supervisory Board	-	X
Alexey Semenovich Bolkhovitinov	Member of the Supervisory Board	-	X
Alexey Ivanovich Zosimov**	Member of the Supervisory Board	-	X
Pyotr Romanovsky	Member of the Supervisory Board	X	-
Andrey Olegovich Klesov	Member of the Supervisory Board	X	-
Giovanni Salvetti	Member of the Supervisory Board	X	-

* 31.03.2025 – powers terminated.

** 31.01.2025 – powers terminated.

Changes in the composition of the Bank's Supervisory Board in 2025:

- The term of office of Supervisory Board member Oleksandr Volodymyrovych Chorny was terminated in accordance with his statement of 14.03.2025 regarding the early termination of his term of office on 31.03.2025 at his own request;
- The powers of Supervisory Board member Oleksiy Ivanovych Zosimov were terminated in accordance with his statement of 17.01.2025 regarding the early termination of his powers on 31.01.2025 at his own request;
- On April 29, 2025, by Resolution No. 1 of the Bank's Sole Shareholder, Klim Yuriyovych Neretin was elected a member of the Bank's Supervisory Board (took office on May 1, 2025).

On May 9, 2025, the Bank's Supervisory Board (Minutes No. 11) elected Klim Yuriyovych Neretina as Deputy Chairman of the Supervisory Board.

Information on the meetings and powers of the Bank's Supervisory Board

The Supervisory Board operates through regular and unscheduled meetings.

The Supervisory Board holds meetings in the following formats:

- in person, with Supervisory Board members gathering at a designated location to discuss agenda items and vote, or via video conference;
- absentee voting via an electronic poll using the electronic communication tools employed by the Bank.

In 2025, 33 meetings of the Supervisory Board were held, of which: 5 were in-person (in the form of a joint meeting via videoconference with open voting) and 28 were conducted via absentee voting (through an electronic poll using electronic communication tools), the results of which were documented in 33 minutes of the Supervisory Board. The meetings addressed various issues falling within the Supervisory Board's purview. A total of 154 issues were considered during the reporting period. Members of the Supervisory Board actively participated in discussions of these issues to thoroughly analyze the information provided and make well-considered decisions.

In 2025, the activities of the Bank's Supervisory Board were focused on protecting the rights of depositors, other creditors, and the Bank's Sole Shareholder within the scope of authority defined by the Bank's Articles of Association and applicable law, as well as on monitoring and regulating the activities of the Management Board. The Bank's Supervisory Board participated in all key aspects of the Bank's operations, making decisions aimed at ensuring the Bank's long-term sustainability, an appropriate level of risk management, and enhancing trust in the Bank among customers, partners, and the regulator.

The Supervisory Board, in accordance with the procedures established by law and the Bank's internal regulations, exercised oversight over:

- 1) the implementation of:
 - the Bank's strategy and business plan;
 - the compensation policy, including the procedure for compiling a list of individuals whose professional activities have a significant impact on the Bank's risk profile;
 - the Bank's business recovery plans, crisis financing, and business continuity;
 - the strategy and operational plan for managing the Bank's non-performing assets.
- 2) compliance with:
 - the Bank's Code of Conduct (Ethics), which reflects the Bank's corporate culture and corporate values;
 - the Bank's budget and performance targets;
 - the procedure for conducting transactions with parties related to the Bank;
 - the Bank's internal control system policy;
 - the risk appetite statement, risk management strategy, and risk management policies;
 - policies for the prevention, identification, and management of conflicts of interest;
 - the procedure for the selection, evaluation, and appointment of candidates for positions on the Supervisory Board/Management Board;
 - regulations regarding the organization of corporate governance at the Bank;
 - regulations on the committees of the Supervisory Board, the Management Board, and control units;
 - a mechanism for confidential reporting of unacceptable conduct at the Bank.
- 3) implementation of:
 - procedures for organizing risk management, compliance, and internal audit functions at the Bank;
 - procedures for evaluating the performance of the Supervisory Board as a whole, its Committees and its members, control units, assessing the compliance of members of the Supervisory Board and the Management Board, as well as heads of control units, with qualification requirements, and evaluating the collective suitability of the Supervisory Board and the Management Board.
- 4) effectiveness of:
 - the Bank's organizational structure;
 - a comprehensive and adequate internal control system, including the risk management system and internal audit;
 - the forms and procedures for submitting management reports.

In 2025, the Supervisory Board considered matters within its competence and adopted decisions aimed, in particular, at:

- defining the strategic direction of the Bank's activities - by approving the business plan, budget, key performance indicators, and risk appetite, as well as the Bank's capitalization/restructuring program and the operational plan for managing the Bank's non-performing assets;
- exercising control over the Management Board's activities - by reviewing the results of its work, determining incentive schemes for Management Board members, and assessing the compliance of Management Board members and the Management Board as a whole with the requirements of applicable law;
- ensuring the proper functioning of an effective risk management and internal control system - by directly managing human resources and the compensation system for managers and employees of control departments, approving policies, and overseeing the activities of the risk management, compliance, and internal audit departments;
- maintaining the Bank's financial stability - by reviewing and approving financial and consolidated statements, decisions regarding capital, liquidity, and ensuring the continuity of the Bank's operations, and reviewing the Bank's external auditor's report; making decisions prioritizing the protection of the rights of depositors, other creditors, and the Bank's shareholders, and facilitating the achievement of the Bank's strategic objectives;
- compliance with legal and regulatory requirements - by monitoring compliance with the requirements of the National Bank of Ukraine and ensuring that the Bank's activities comply with regulatory and legal acts;
- ensuring the integration of sustainable development principles into the Bank's corporate governance system and business model - by ensuring alignment of the Bank's strategy and business plan with its sustainable development strategy and policy, as well as its risk management strategy, including ESG risk management;
- establishing high standards of corporate culture and ethics, including the prevention of conflicts of interest and adherence to high standards of business ethics.

Committees of the Bank's Supervisory Board

The Regulations on the Bank's Supervisory Board stipulate that, from among its members, the Supervisory Board shall establish standing or ad hoc committees (hereinafter referred to as "Committees") for the preliminary review and preparation of matters falling within the Supervisory Board's competence for consideration at its meetings, as provided

for by the current legislation of Ukraine. The Supervisory Board Committees may also independently make decisions on specific matters concerning the Bank’s activities if: a) such matters do not fall within the exclusive competence of the Supervisory Board in accordance with Ukrainian law or the Bank’s charter, and b) such a Committee has been duly authorized by the Supervisory Board to resolve such matters, without subsequently submitting them to the Supervisory Board for consideration. In this case, information regarding decisions made by the relevant Committee must be included in its quarterly reports, which are submitted to the Supervisory Board for consideration.

The procedure for establishing authority, the scope of operations, and the composition of the Supervisory Board’s Committees are determined by the regulations governing the respective committees, which are approved by the Supervisory Board. The procedure for establishing and operating the Supervisory Board’s Committees is carried out in accordance with the requirements of the law. Regardless of the formation of the Committees, the Supervisory Board remains responsible for the overall management of risks at the Bank and ensures oversight of the performance of the functions it has delegated.

The following committees were in operation in 2025:

- the Risk Committee, whose activities are governed by the revised Regulations on the Risk Committee, approved by a resolution of the Bank’s Supervisory Board on 23.07.2024 (Minutes No. 21). The relevant Regulations define the functions and powers that the Supervisory Board has delegated to the respective committee, specifically functions related to preliminary review and the provision of conclusions and recommendations to the Supervisory Board and the Management Board on risk management issues, including compliance risks.
- the Audit Committee, whose activities are governed by the Regulations on the Audit Committee, approved by a resolution of the Bank’s Supervisory Board on 28.11.2023 (Minutes No. 33). The relevant Regulations define the functions/powers that the Supervisory Board has delegated to the respective committee, specifically, functions related to the preliminary review and provision of conclusions and recommendations to the Supervisory Board and the Management Board on specific issues of the Bank’s operations related to the control and regulation of the Bank’s activities in the areas of financial reporting, internal control, and internal and external audit.
- the Business Committee, whose activities are governed by the Regulations on the Business Committee, approved by a resolution of the Bank’s Supervisory Board of 28.11.2023 (Minutes No. 33). The relevant Regulations define the functions/powers that the Supervisory Board has delegated to the respective committee, specifically functions related to ensuring the continuity of the Bank’s management, preliminary review, and the provision of conclusions and recommendations to the Supervisory Board and the Management Board regarding the Bank’s core activities.
- the Appointments and Remuneration Committee, whose activities are governed by the Regulations on the Appointments and Remuneration Committee of the Bank’s Supervisory Board, approved by the Supervisory Board on 23.07.2024 (Minutes No. 21).

In accordance with the Regulations on the Bank’s Supervisory Board, the Board is responsible for the work of its committees. In accordance with the regulations governing the Supervisory Board’s committees, the committees submit reports on the results of their work for the relevant quarter to the Board for review on a quarterly basis. The reports contain information on the composition of the committee, changes in its membership, the number of meetings held, the issues considered, the number of decisions adopted, the participation of committee members in meetings, and so on. Information on the specific membership of the committees is provided in a separate file. Each regulation governing the respective Supervisory Board committee stipulates that committee meetings are held as necessary, but no fewer than four times a year.

In 2025, the following meetings were held:

- Risk Committee: a total of 16 meetings, including 3 in-person meetings (via videoconference) and 13 by written ballot;
- Audit Committee: a total of 13 meetings, including 4 in-person meetings (via videoconference) and 9 by written ballot;
- Business Committee: a total of 22 meetings, including 1 in-person meeting (via videoconference) and 21 by absentee voting;
- Appointments and Remuneration Committee: a total of 11 meetings, including 1 in-person meeting (via videoconference) and 10 by absentee voting.

In 2025, there were no instances of violations of internal rules by members of the Bank’s Supervisory Board that resulted in harm to the Bank or its clients.

The members of the Bank’s Supervisory Board possess a high level of expertise and professional experience, duly fulfill their duties, actively participate in meetings of the Supervisory Board and its bodies, and demonstrate initiative in their interactions with the Management Board and control departments.

The independent members of the Supervisory Board of JSC “BANK CREDIT DNEPR” - Andriy Olegovych Klesov, Piotr Romanovsky, Giovanni Salvetti possess the appropriate professional qualifications and experience and meet the

requirements of applicable law regarding their independence, both at the time of their election and throughout their tenure on the Bank’s Supervisory Board. The independent members of the Supervisory Board possess knowledge in the areas of corporate governance and banking activities, as well as their regulation, to the extent necessary for the effective performance of their duties (as required by law).

Evaluation of the Supervisory Board's performance against its objectives

The Supervisory Board of the Bank executed its responsibilities in full.

The members of the current Supervisory Board, taking into account their respective responsibilities, meet the qualification requirements established by the National Bank of Ukraine and have an impeccable professional reputation. Members of the Supervisory Board possess diverse knowledge, many years of experience, and practical skills, including international experience in managing the operations of financial institutions, including banks.

In 2025, on a periodic basis and when grounds arose as provided for by the regulatory acts of the National Bank of Ukraine, the Bank conducted an assessment of the Supervisory Board’s collective suitability.

The assessment of the Supervisory Board’s collective suitability was based on a comprehensive analysis of the professional profile of each of its members. The analysis covered many years of management experience in the financial sector, practical achievements in implementing strategic initiatives, and deep theoretical knowledge and the acquisition of new knowledge. The latter was documented through an analysis of higher education diplomas, international professional certificates, and qualification certificates. The assessment results were also based on official biographical information, resumes, and work history. The assessment results were submitted to the National Bank of Ukraine in a timely manner in accordance with the requirements of current legislation and in the format established by the regulator.

Based on the results of the assessments of the collective suitability of the Supervisory Board’s composition in 2025, in each case it was noted that the collective suitability of the current Supervisory Board meets the requirements of the law and was determined to be commensurate with the size, specific nature of the Bank’s activities, the nature and scope of banking and other financial services, the Bank’s risk profile and level, the Bank’s systemic importance (should it acquire such status), and the activities of the banking group to which the Bank belongs. It was noted that the current composition of the Supervisory Board meets the legal requirements regarding the minimum number of members (at least 5) and the presence of independent members (3 out of 3).

In 2026, an assessment was conducted of the overall effectiveness of the Bank’s Supervisory Board, its committees, and members for the year 2025. The assessment was conducted through a survey. Questionnaires were completed by each member of the Bank’s Supervisory Board, which made it possible to conduct an independent assessment of all areas of the Supervisory Board’s activities, based solely on objective data obtained from the analysis of the questionnaires. Based on the results of the assessment of the effectiveness of the Bank’s Supervisory Board as a whole, its committees, and members for 2025, a Report on the Results of the Assessment of the Effectiveness of the Bank’s Supervisory Board as a whole, its committees, and members for 2025 was prepared, which was reviewed by the Bank’s Supervisory Board on March 30, 2026 (Minutes No. 6). Based on the results of the review of the aforementioned report, the activities of the Bank’s Supervisory Board, its committees, and the members of the Bank’s Supervisory Board in 2025 were deemed effective; members of the Supervisory Board understand their powers and responsibilities, adhere to high ethical and professional standards in the performance of their duties, and devote sufficient time, effort, resources to participate in the work of the Supervisory Board, and, given their professional expertise, analyze information in sufficient depth when making decisions of strategic importance to the Bank. Also, following the review of the relevant Report, an Action Plan to improve the organization and effectiveness of the Bank’s Supervisory Board was approved. The relevant information was submitted to the National Bank of Ukraine.

Revision committee

The Bank did not establish revision committee; its functions, in accordance with Ukrainian law regulating banking operations, are vested in internal audit department of the Bank.

Composition of the Management Board as at December 31, 2025:

S.M. Panov – Chairman of the Management Board;

A.V. Aleksandrov – First Deputy Chairman of the Management Board;

T.I. Gorkun – Deputy Chairman of the Management Board for Digital Transformation;

O.F. Shveda – Deputy Chairman of the Management Board for Treasury;

M.V. Soboleva – Deputy Chairman of the Management Board for Legal Affairs;

Kryvoshein P.P. – Deputy Chairman of the Management Board for the Management of Problem and Non-Core Assets;

Izbińska G.M. – Deputy Chairman of the Management Board for Operations;

Kononenko P.M. – Deputy Chairman of the Management Board for Security.

There were no changes in the composition of the Management Board during 2025

In accordance with the Bank’s charter, the Management Board is responsible for resolving all matters related to the Bank’s operations, including the management of its day-to-day activities, except for matters falling within the exclusive competence of the General Meeting and the Supervisory Board.

The rights and duties of the Chairman of the Management Board regarding the management of the Bank’s day-to-day operations are determined by the laws of Ukraine, the Bank’s charter, and the Regulations on the Management Board.

Members of the Management Board head specific areas of work in accordance with the division of responsibilities approved by the Chairman of the Management Board. Each Member of the Management Board manages and bears personal responsibility for the work of the Bank’s divisions subordinate to that Member of the Management Board in accordance with the Bank’s organizational structure.

In accordance with the Regulations on the Functioning of the Bank’s Executive-Level Collegial Bodies, the Management Board has established the following committees, which are currently in operation:

Level I (Senior) Committees, namely:

- Bank’s Asset and Liability Management Committee (ALMC) – a standing committee of the Bank established to manage the Bank’s asset-liability operations and the risks associated with such operations, as well as to implement the principle of collegial decision-making regarding the regulation of limits and threshold values for banking products and operations necessary for the successful execution of the Bank’s budget;
- Bank’s Retail Banking Committee (RBC) – a standing committee of the Bank established to effectively manage retail banking operations (across all segments of individual clients) and the associated risks; it possesses a higher level of authority and may make management decisions within its scope of authority. The RBCP performs the functions of a credit committee as defined by the Law on Banks with respect to transactions with individuals.
- Bank’s Corporate Business Committee (CBC) – a standing committee of the Bank established to effectively manage business with legal entities and individual entrepreneurs in the corporate and small-to-medium business segments, as well as the associated risks; it possesses a higher level of authority and may make management decisions within its powers. The CBC performs the functions of a credit committee as defined by the Law on Banks regarding transactions with legal entities.
- Bank’s Small and Micro Business Committee (SSMC) – a standing committee of the Bank established to effectively manage business with legal entities and individual entrepreneurs in the small and micro business segment and the associated risks; it has a higher level of authority and may make management decisions within its powers. The SMBC performs the functions of a credit committee as defined by the Law on Banks with respect to transactions with legal entities.
- Bank’s Committee on Operational, Compliance, ESG, and Information Security Risks (ESG and IS Committee) – the authorized body responsible for managing the Bank’s internal control system, organizing and improving operational processes, managing operational risk, compliance risk, ESG risks (environmental, social, and governance risks), the implementation and operation of the information security management system (hereinafter “ISMS”), and the management of information security risks within the Bank’s ISMS, as well as ensuring the integration of sustainable development and ESG principles into the Bank’s activities.
- Bank’s Non-Performing Assets Committee (NPAC) – a standing committee of the Bank established to address issues related to the management of non-performing assets and repossessed property. The NPAC is authorized to consider matters related to the management of potentially non-performing assets, including making credit decisions regarding such assets.
- Bank’s Strategic Development and Transformation Committee (SDTC) – a standing committee of the Bank established to manage the Bank’s projects and transformation and to define the Bank’s strategy regarding its transformation, focusing on process optimization and digital transformation, including, but not limited to, the development of the Bank’s information systems.
- Bank’s Financial Monitoring Committee (FMC) – a standing committee of the Bank responsible for financial monitoring, including the prevention of money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction.

The Bank’s Level II (lower level) executive collegial bodies, namely:

- Bank’s Small Committee on Corporate Business (SCCB);
- Bank’s Small Committee on Small and Micro Business (SCSMB);
- Authorized persons in specialized areas/functions.

In 2025, the committees actively made decisions within the scope of their authority.

In total, the following meetings were held in 2025 (including both in-person and absentee meetings):

- 145 meetings of the Committee on operational, compliance, and information security risks;
- 30 meetings of the Financial monitoring committee;
- 41 meetings of the Committee on strategic development and transformation;
- 137 meetings of the Asset and liability management committee;

- 53 meetings of the Non-performing assets committee;
- 121 meetings of the Retail banking committee;
- 97 meetings of the Corporate banking committee;
- 36 meetings of the Small and micro business committee;
- 346 meetings of the Subcommittee on corporate business;
- 31 meetings of the Subcommittee on small and micro business.

The Management Board conducts its work through meetings, which may be regular or extraordinary. Regular meetings are held at intervals determined by the Chairman of the Management Board, but no less frequently than once a month.

Extraordinary meetings of the Management Board may be initiated by:

- the Chair or any member of the Management Board on their own initiative;
- the Chair of the Management Board at the request of the National Bank of Ukraine, the Supervisory Board, the CRO, the CCO, or the head of the internal audit department.

Meetings of the Management Board may be held in the following formats:

- in-person attendance of Management Board members at a designated location or via teleconference or videoconference (hereinafter referred to as "in-person attendance") to discuss agenda items and vote;
- absentee voting by conducting an electronic poll using electronic communication means used by the Bank (hereinafter referred to as "remote discussion").

Meetings of the Management Board are considered valid if more than half of the elected members of the Management Board participate in the meeting.

In 2025, 344 meetings of the Management Board were held, including 7 regular meetings, 337 special meetings, 10 in-person meetings, and 334 absentee meetings, resulting in 344 formal resolutions of the Management Board. The meetings addressed various issues falling within the Board's purview. A total of 409 issues were considered during the reporting period.

In 2025, the Bank's Board reviewed issues related to the Bank's core activities, specifically regarding:

- the results of periodic reports on the Bank's activities;
- reports from the Bank's internal audit department on the audit of the Bank's structural units and business processes;
- periodic review and approval of the list of persons related to the Bank;
- review, approval, and adoption of the Bank's internal regulatory documents;
- reviewing periodic reports on the results of monitoring the effectiveness of the Bank's internal control system, including the effectiveness of the risk management system;
- financing/amending the terms of financing for the Bank's clients depending on authority limits;
- resolving non-performing debt of the Bank's debtors;
- approving the terms for the lease or sale of property owned by the Bank;
- implementing measures to ensure the Bank's business continuity, etc.

During the reporting period, the Management Board ensured the prompt adoption of management decisions aimed at neutralizing potential risks and resolving problematic issues in the Bank's operations. Thanks to the systematic coordination of processes for implementing the business plan and the updated strategy, the Management Board succeeded in achieving optimal stability indicators and ensuring the continuity of the Bank's operations in a changing market environment.

The composition of the Management Board fully meets the criteria of professional competence and impeccable business reputation established by Ukrainian legislation and NBU regulations. The Management Board is composed of specialists whose professional backgrounds fully align with the Bank's strategic priorities. Thanks to their diverse experience, the management ensures high-quality management of operational processes and the making of well-founded decisions.

In 2026, an assessment was conducted of the performance of the Management Board, its members, and its committees for the year 2025. The assessment was conducted through a survey. Questionnaires were completed by each member of the Bank's Board of Directors and Management Board, which made it possible to conduct an independent, objective assessment of all areas of the Management Board's activities, based solely on objective data obtained from the analysis of the questionnaires. Based on the results of the assessment of the effectiveness of the Management Board, its members, and committees for 2025, a Report on the Results of the Assessment of the Effectiveness of the Bank's Management Board, its members, and committees for 2025 was prepared, which was reviewed by the Bank's Supervisory Board on 30.03.2026 (Minutes No. 6). Based on the results of this review, the performance of the Management Board, its members, and committees for 2025 was deemed effective; members of the Management Board are capable of adapting to macroeconomic instability, military risks, and regulatory changes while maintaining financial stability and the continuity of operational processes; the members of the Management Board understand their powers and responsibilities, adhere to

high ethical and professional standards in the performance of their duties, and analyze information in sufficient depth when making decisions regarding the Bank’s activities. An Action Plan to improve the organization and effectiveness of the Management Board was also approved. The relevant information was submitted to the National Bank of Ukraine.

Segregation of powers between managing bodies

	General meeting of shareholders (Sole shareholder)	Supervisory board	Management board (Executive body)	Not within the competence of any body
Selection of major lines of business (strategies)	Y	Y	N	N
Approval of plans of actions (business plans)	N	Y	N	N
Approval or annual financial statements, or balance sheet, or budget	Y	Y	N	N
Election and termination of powers of Chair and members of executive body	N	Y	N	N
Election and termination of powers of Chair and members of Supervisory Board	Y	N	N	N
Election and termination of powers of Chair and members of revision committee	N	N	N	Y
Setting remuneration of Chair and members of executive body	Y	N	N	N
Setting remuneration of Chair and members of Supervisory Board	N	N	N	Y
Decisions on financial liability of members of executive board	Y	N	N	N
Decision on additional issue of shares	Y	N	N	N
Decision on redemption, sale and placement of shares	Y	N	N	N
Approval of external auditor	N	Y	N	N
Approval of contracts with existing conflict of interests	Y	Y	Y	N

Bank officials - the Chair and members of the Supervisory Board, the Management Board, the Head of the Internal Audit Department, the Head of the Budget Department or any other department responsible for the joint-stock company’s budgeting, the Bank’s Corporate Secretary, as well as the Chair and members of any other Bank body (other than an advisory body), if the establishment of such a body is provided for by law or the Bank’s Articles of Association.

Bank officials shall act:

- 1) in the interests of the Bank;
- 2) in good faith and with due diligence;
- 3) within the limits of the powers granted to them by the Bank’s Articles of Association and the applicable laws of Ukraine.

Bank officials shall not disclose trade secrets or confidential information regarding the Bank’s activities, except as provided for by the laws of Ukraine.

11. Information on results of functioning of internal audit (control) system during the year

In 2025, the Internal audit department conducted audits of all areas of the Bank’s operations in accordance with the Strategic Plan for 2025-2029 and the Annual Audit Plan for 2025, which were developed based on a risk-based approach and approved by the relevant resolutions of the Bank’s Supervisory Board.

In accordance with the Audit Plan, the Internal Audit Department conducted audits of the Bank’s operations in the following areas in 2025: “Management of non-performing assets of legal entities and individuals,” “Anti-money laundering and counter-terrorism financing,” “Issuance and processing of payment cards, e-commerce,” “Internal liquidity adequacy

assessment process," "Treasury operations and other operations in open financial markets," "Business continuity planning process and preparation of the Bank's Business Continuity Plan," "Management of rights and access to the Bank's information assets," "Organization of the information security system and management of ISMS resources."

In 2025, comprehensive audits of the Bank's branch operations were conducted, along with unannounced inspections regarding compliance with cash discipline requirements, the provision of settlement and cash services to customers, fraud prevention measures, and the Bank's physical and information security.

Separate audit objects included in the audit universe are the audits of "Functioning of the risk management system" and "Functioning of the internal control and compliance risk management system," which are included as separate audits in the Strategic Audit Plan for the period 2026-2030. In addition, the effectiveness and adequacy of the risk management system and the internal control system are assessed during each audit as part of the evaluation of the "Internal Control and Risk Management" control factor and are taken into account when determining the overall assessment of the audit results, which is reflected in each audit report.

As part of process audits, the audit verifies the correctness of accounting records and the reliability of financial and other reports prepared by the Bank, as well as the accuracy, completeness, and timeliness of their submission, including to the National Bank of Ukraine and government and regulatory authorities that oversee the Bank's activities within their respective jurisdictions. The results obtained are summarized and taken into account when determining the overall assessment of the audit results, which is reflected in each audit report.

As at January 1, 2026, the Internal Audit Department conducted a "Comprehensive assessment of the effectiveness of the Bank's internal control system." The assessment of the internal control system's (ICS) effectiveness was conducted in accordance with the ICS effectiveness assessment criteria defined by the Audit Policy, based on the COSO Principles and taking into account the requirements of the NBU. The Bank's ICS received an overall rating of "Generally Effective." This assessment means that the Bank's internal control system is established and functioning, individual ICS components are effective in all material respects, and most of the individual principles (criteria) characterizing each component are adhered to, although certain principles (criteria) within an individual component may not be fully met. There is room for improvement, but this does not render the internal control system ineffective and does not pose a threat to the achievement of the Bank's objectives.

Based on the results of the audits conducted, recommendations were provided to address the identified violations and deficiencies, improve the risk management system, and enhance the Bank's internal control system. Following each audit, an Action Plan was developed to address the deficiencies and implement the recommendations, specifying deadlines and responsible parties. The results of the audits and the internal audit recommendations were discussed with the heads of departments, the Chairman, and members of the Management Board and submitted for consideration to the Supervisory Board's Audit Committee and the Bank's Supervisory Board.

The internal assessment of the Internal Audit Department's activities is conducted through the review and approval of the Internal Audit Department's Report for the reporting year. Based on the results of the review of this Report for 2025, the Supervisory Board recognized the Internal Audit Department's activities as effective.

In 2025, in connection with the implementation of the Global Standards for Internal Auditing of the Institute of Internal Auditors, the Internal Audit Department prepared an updated version of the Internal Audit Standards, which are one of the key documents in accordance with which the internal audit conducts its activities.

12. Other matters

Facts of alienation of assets above the limits set by the Bank Charter:

The Statute of the Bank does not contain separate provisions on the value of assets to be alienated.

Results of appraisal of assets in case of sale or purchase during the year above the limits set by the Bank Statute:

The Bank's Statute does not contain any specific restrictions on the amount of asset disposal.

Chairman of the Management Board

Sergii PANOV

Financial director

Andriy BILOUS

Chief accountant

Ruslan CHUDAKIVSKYI

April 15, 2026

FREE TRANSLATION FROM THE UKRAINIAN ORIGINAL

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of BANK CREDIT DNIPRO, JSC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BANK CREDIT DNIPRO, JSC (the Bank), which comprise the statement of financial position as at December 31, 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including the summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Bank as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and meets the requirements of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" regarding the preparation of financial statements.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 and Note 6 in the financial statements, which discloses that on February 24, 2022, Russian troops began invading Ukraine and active hostilities are currently taking place. As noted in Note 2, these events or conditions, together with other issues set out in Note 2 and Note 6, indicate that there is significant uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern. Our opinion on this issue has not been modified.

During the audit of the financial statements, we concluded that the use of the principle of going concern by management in the preparation of financial statements is appropriate. Our assessment of management's assumptions about the Bank's ability to continue to apply the going concern basis in accounting included:

- Assessment of the negative consequences of continued military aggression on the banking sector of Ukraine.
- Analysis of the scenarios of the situation identified by the Bank's management and possible actions in response to the leadership of Ukraine, the world community and the Bank's management.
- Analysis of possible changes in the basic indicators of the Bank's activities in terms of asset impairment, falling volumes and margins of banking operations.
- Analysis of regulatory capital adequacy and liquidity, ways to maintain them at a sufficient level.

We have found that forecasts of the situation and the corresponding negative consequences are very difficult to build due to the unpredictability of the actions of the Russian leadership. At the same time, management assumptions about the most likely scenarios are relevant.

Our responsibilities and the responsibilities of management for going concern are described in the relevant sections of this report.

Other matters

The financial statements of the Bank for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on April 23, 2025.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter

Expected credit losses on loans to customers (Note 7,8)

The estimation of expected credit losses is a key area of professional judgment of the Bank's management. Identifying of impairment and determination of amount of expected reimbursement include some assumptions and analysis of different factors, including the financial position of borrower, expected future cash flow and fair value of collaterals.

The use of various assumptions may be result of various estimates of expected credit losses. Taking into account the materiality of customer credit balances and a certain level of subjectivity of judgments, we have determined estimation of expected credit losses as the key matter of the audit.

How the Key Audit Matter Was Considered in Our Audit

In testing expected credit losses for loans to customers we performed the following significant audit procedures:

- We assessed the methodologies used to determine expected credit losses and their compliance with IFRS
- We analyzed the documentation of the processes of monitoring loans and risk provisioning, and critically assessed whether these processes are suitable for identifying loan losses and adequately reflecting the recoverability of exposures. We also assessed the processes and tested key controls regarding their design and implementation, including the relevant IT systems, and tested their effectiveness on a sample basis.
- By performing analytical audit procedures, we examined the development of receivables with regard to the key characteristics relevant to the classification of the loan, such as quality, type of care, rating and level allocation throughout the year and in comparison with the previous year.
- We tested individual exposures selected on the basis of a sample determined according to risk criteria. For defaulted loans, we assessed the Bank's estimates of the amount and timing of recoveries, taking into account collateral, and examined whether the assumptions used in the calculation were appropriate and derivable from internal or external evidence. For non-defaulted loans, we examined whether indicators of default exist.
- In order to assess the appropriateness of the expected credit losses for non-defaulted loans (Stage 1 and Stage 2), we examined the plausibility of assumptions and the statistical/mathematical appropriateness of the models used, as well as the proper application of the models. In particular, we examined the assumptions in connection with forward-looking information. Furthermore, we examined the appropriateness of the assumptions "probability

of default”, “loss given default” and the level allocation model, taking into account the results of the bank's internal validations, and reperformed selected calculation steps. In addition, IT specialists tested the effectiveness of key automated controls of the IT systems relevant for the calculation.

- We assessed whether the disclosures in the notes to the consolidated financial statements regarding the calculation of expected credit losses and the significant assumptions and estimation uncertainties are appropriate.

Fair value of investment securities (Note 10)

The fair value of the investment securities measured at FVPL or FVOCI is determined through the application of valuation techniques which can involve the exercise of significant judgement by the Bank in relation to determination of the appropriate valuation method and model assumptions and inputs.

Where significant pricing inputs are unobservable, management has limited reliable, relevant market data available in determining the fair value and hence estimation uncertainty can be high. In addition, there may also be valuation complexity due to the absence of the active market.

The effect of these matters, coupled with increased estimation uncertainty stemming from the current volatile economic environment, is that we considered this area to be associated with a significant risk of material misstatement in the financial statements, which required our increased attention in the audit and as such was determined to be a key audit matter.

Considering the materiality of the balances of investment securities and the increased uncertainty of the estimates, we identified the fair value of investment securities as a key audit matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Report and Annual Information on the Issuer of Securities.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for preparation and fair presentation of these financial statements in accordance with the Law of Ukraine On Accounting and International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The following are the primary procedures we performed to address this key audit matter:

- We obtained understanding of the valuation process for investment securities, including key data inputs and assumptions
- We assessed the Bank's fair value methodology against the financial reporting requirements and the market practice
- We involved our own valuation specialists, who assisted us in developing independent expectation of fair value range for investment securities
- On a sample basis, we tested key inputs into the fair value calculations such as historical exchange rates, terms of financial instruments and discount rates

For fair value disclosures, we examined whether they appropriately addressed the relevant quantitative and qualitative requirements of the applicable financial reporting framework.

Preparing the financial statements, management is responsible for assessment Bank's ability to continue as a going concern, disclosure, if applicable, issues regarding going concern and apply going concern as a basis for accounting, except, if the management plans to liquidate the Bank or discontinue the activity or have not any other real alternatives for it.

Supervisory Board is responsible for overseeing the process of financial reporting of the Bank.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We provide the Supervisory Board with information about the planned scope and timing of the audit and significant audit results, including any significant deficiencies in internal control measures identified by us during the audit.

We also acknowledge to the Supervisory Board that we have complied with the relevant ethical requirements for independence, and inform them of any relationship and other matters that may reasonably be considered to affect our independence and, where applicable, of appropriate safeguards.

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

Report on the requirements of other laws and regulations

Law of Ukraine "On Audit of Financial Statements and Auditing"

In accordance with the Law of Ukraine "On Audit of Financial Statements and Auditing", auditors must provide additional information and assurances.

Basic information about the audit firm

Full name	AC «CROWE UKRAINE»
Location	Obolonska Naberezhna 33, Kyiv, 04210 Ukraine
Information on inclusion in the Register of audit firms and auditors	Registration number in the Register of Auditors and Audit Entities 3681 An auditing entity that has the right to conduct a statutory audit of financial statements An auditing entity that has the right to conduct a statutory audit of the financial statements of public interest entities
Name of the body that appointed the auditing entity to conduct the statutory audit	Supervisory Board of the Bank
Date of appointment of the audit entity	14.07.2025 (Minute of the meeting of the Supervisory Board №18)
Duration of the audit task	1 th year

We confirm that this independent auditor's report is consistent with the additional report to the Supervisory Board's audit committee of the Bank.

We declare that no prohibited non-audit services referred to Article 6 of the Law of Ukraine "On audit of financial statements and auditing" were provided to the Bank.

The key audit partner and audit entity are independent of the Bank in conducting the audit.

We did not provide services other than statutory audit services and services disclosed in the management report or financial statements.

ISAs require the auditor to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The term "sufficient certainty" allows for some risk of significant monetary inconsistencies that may remain undetected; it is also assumed that the auditor cannot provide an absolute guarantee of the accuracy and completeness of the financial statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The terms of the ISAs require that the audit be planned in such a way as to ensure that errors and inconsistencies that could materially affect the financial statements are sufficiently probable. However, because the auditor will not audit all transactions performed by the entity during the year, the audit may not provide complete assurance that errors and inconsistencies, including fraud, will be identified.

The engagement partner on the audit resulting in this independent auditor's report is Oleksandr Konovchenko.

For and on behalf of AC CROWE UKRAINE

Audit Director
Registered Auditor #100594

Engagement partner
Registered Auditor #101572

Kyiv, Ukraine

April 15, 2026



Vitaliy HAVRYSH

Oleksandr KONOVCHENKO

**JSC «BANK CREDIT DNEPR»
Financial Statements**

for the year ended December 31, 2025,

with Independent Auditors' Report

Translation from Ukrainian original

CONTENTS**STATEMENT OF RESPONSIBILITIES OF MANAGEMENT****FINANCIAL STATEMENTS**

Statement of financial position	1
Statement of profit and loss and other comprehensive income	2
Statement of changes in equity	4
Statement of cash flows	5

NOTES TO FINANCIAL STATEMENTS

1. Background information	7
2. Operating environment	7
3. Basis of preparation of financial statements	8
4. Summary of accounting policies	9
5. New standards and interpretations not effective yet	19
6. Significant accounting judgements and estimates	21
7. Cash and cash equivalents	28
8. Loans and advances to banks	29
9. Loans and advances to customers	30
10. Investments in securities	34
11. Investment property	36
12. Other assets	36
13. Intangible assets	38
14. Fixed assets	39
15. Income tax	40
16. Non-current assets held for sale	41
17. Due to customers	41
18. Other borrowings	42
19. Provisions	43
20. Other liabilities	44
21. Leases	44
22. Equity and reserves	45
23. Interest income and expense	46
24. Commission income and expenses	47
25. Other income	47
26. Other gains (loss)	47
27. Administrative and other operating expenses	48
28. Basic and diluted earnings per share	48
29. Management of financial risks	48
30. Related party transactions	62
31. Fair value measurement	64
32. Capital management	67
33. Subsequent events	68

Statement of responsibilities of management for preparation and approval of financial statements for the year ended December 31, 2025

The statement here below, which should be read in conjunction with description of independent auditor's responsibilities, contained in attached Independent Auditor's Report, is presented to separate responsibilities of management and those of independent auditor in relation to financial statements of Joint Stock Company "BANK CREDIT DNEPR" (hereinafter – the Bank).

Management is responsible for the preparation of the financial statements that present fairly the financial position of the Bank as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

In preparing the financial statements, management is responsible for:

- proper selection and application of accounting policies;
- use of justified estimates and assumptions;
- compliance with requirements of IFRSs or disclosure and explanation of all material departures from IFRSs in financial statements;
- preparation of financial statements of the Bank based on assumption that the Bank will continue as a going concern, except for cases, when the assumption is not justified.

Management of the Bank is responsible for:

- design, implementation, and maintenance of effective and sound system of internal controls throughout the Bank;
- keeping adequate accounting records that are sufficient to show and explain the Bank's financial position which enables them to ensure that the financial statements of the Bank comply with IFRS;
- compliance of accounting with laws and accounting standards applicable in Ukraine;
- taking such steps as are reasonably available to them to safeguard the assets of the Bank;
- detection and prevention of fraud and other irregularities.

The financial statements for the year ended on December 31, 2025, were signed on behalf of the Management Board by:

Chairman of the Management Board

Sergii PANOV

Financial director

Andriy BILOUS

Chief accountant

Ruslan CHUDAKIVSKYI

April 15, 2026

STATEMENT OF FINANCIAL POSITION

as at December 31, 2025

(UAH'000)

	Note	2025	2024
Assets			
Cash and cash equivalents	7	10 586 916	6 732 660
Due from other banks	8	71 827	315 461
Loans and advances to customers	9	10 094 453	7 829 735
Investments in securities	10	7 338 892	8 994 566
Derivative financial assets		6 471	75 262
Investment property	11	34 510	96 259
Deferred tax assets	15	120 785	220 850
Intangible assets	13	100 356	95 490
Fixed assets	14	314 204	355 211
Other financial assets	12	51 822	30 675
Other non-financial assets	12	154 531	226 253
Non-current assets held for sale	16	-	29 890
Total assets		28 874 767	25 002 312
Liabilities			
Due to banks		-	80
Due to customers	17	25 527 571	21 780 069
Other borrowings	18	535 277	311 547
Provisions	19	54 075	48 664
Other financial liabilities	20	165 123	155 533
Other non-financial liabilities	20	69 170	53 326
Income tax	15	-	170 476
Total liabilities		26 351 216	22 519 695
Equity			
Share capital	22	3 586 561	3 586 561
Accumulated deficit		(1 379 630)	(1 649 917)
Share premium		17 469	17 469
Reserves and other funds		93 210	75 711
Revaluation reserves		205 941	452 793
Total equity		2 523 551	2 482 617
Total liabilities and equity		28 874 767	25 002 312

Signed on behalf of the Management Board on April 15, 2026

Chairman of the Management Board

Sergii PANOV

Financial director

Andriy BILOUS

Chief accountant

Ruslan CHUDAKIVSKYI

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended on December 31, 2025

(UAH'000)

	<i>Note</i>	<i>2025</i>	<i>2024</i>
Interest income	23	3 406 495	3 028 610
Interest expense	23	(1 932 338)	(1 677 865)
Net interest income		1 474 157	1 350 745
Fee and commission income	24	282 131	204 447
Fee and commission expense	24	(186 876)	(143 840)
Net fee and commission income		95 255	60 607
Other income	25	89 146	46 053
Net gain (loss) on transactions with financial instruments at fair value through profit or loss		20 155	(99 781)
Net gain on transactions with debt financial instruments measured at fair value through other comprehensive income		569 945	254 995
Net gain on foreign currency transactions		142 225	167 899
Net foreign currency revaluation gain (loss)		(15 235)	(12 798)
Net gain (loss) from revaluation of investment property	11	21	(4 868)
Reversal of / (Provision for) allowance for expected credit losses on financial instruments		(512 023)	(408 825)
Other gains (losses)	26	(32 892)	(18 127)
Employee benefit expenses		(983 379)	(669 726)
Depreciation and amortization expenses		(101 307)	(74 684)
Administrative and other operating expenses	27	(408 184)	(274 635)
Gain (loss) arising from the derecognition of financial assets measured at amortized cost		22 678	29 502
Profit before income tax expense		360 562	346 357
Income tax expense	15	(72 776)	(171 365)
Profit for the year		287 786	174 992

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
(continued)

for the year ended on December 31, 2025

(UAH'000)

	<i>Note</i>	<i>2025</i>	<i>2024</i>
Other comprehensive income:			
Components of other comprehensive income that will not be reclassified to profit or loss, after tax:			
Change in revaluation gains on equity investments	22	66	(110)
Change in revaluation gains on property, plant, and equipment	22	(27 824)	-
Total other comprehensive income that will not be reclassified to profit or loss, after tax		(27 758)	(110)
Components of other comprehensive income that will be reclassified to profit or loss, after tax:			
Change in revaluation results of debt financial instruments	22	324 212	445 478
Reclassification adjustments to profit or loss	22	(543 306)	(232 961)
Total other comprehensive income to be reclassified to profit or loss, after tax		(219 094)	212 517
Total other comprehensive income		(246 852)	212 407
Total comprehensive income for the year		40 934	387 399
Earnings per share:			
Basic net earnings (expressed in hryvnias per share)	28	0,08	0,05

Signed on behalf of the Management Board on April 15, 2026

Chairman of the Management Board

Sergii PANOV

Financial director

Andriy BILOUS

Chief accountant

Ruslan CHUDAKIVSKYI

STATEMENT OF CHANGES IN EQUITY

for the year ended on December 31, 2025

(UAH'000)

	<i>Share capital</i>	<i>Reserves and other funds</i>	<i>Share premium</i>	<i>Revaluation reserves</i>	<i>Accumulated deficit</i>	<i>Total equity</i>
January 1, 2024	3 586 561	61 430	17 469	240 386	(1 810 628)	2 095 218
Net income	-	-	-	-	174 992	174 992
Other comprehensive income	-	-	-	212 407	-	212 407
Total comprehensive income for the year	-	-	-	212 407	174 992	387 399
Allocation of retained earnings: transfer to the reserve fund	-	14 281	-	-	(14 281)	-
December 31, 2024	3 586 561	75 711	17 469	452 793	(1 649 917)	2 482 617

	<i>Share capital</i>	<i>Reserves and other funds</i>	<i>Share premium</i>	<i>Revaluation reserves</i>	<i>Accumulated deficit</i>	<i>Total equity</i>
January 1, 2025	3 586 561	75 711	17 469	452 793	(1 649 917)	2 482 617
Net income	-	-	-	-	287 786	287 786
Other comprehensive income	-	-	-	(246 852)	-	(246 852)
Total comprehensive income for the year	-	-	-	(246 852)	287 786	40 934
Allocation of retained earnings: transfer to the reserve fund	-	17 499	-	-	(17 499)	-
December 31, 2025	3 586 561	93 210	17 469	205 941	(1 379 630)	2 523 551

Signed on behalf of the Management Board on April 15, 2026

Chairman of the Management Board

Sergii PANOV.

Financial director

Andriy BILOUS

Chief accountant

Ruslan CHUDAKIVSKYI

STATEMENT OF CASH FLOWS

for the year ended on December 31, 2025

(UAH'000)

	<i>Note</i>	<i>2025</i>	<i>2024</i>
Operating cash flows			
Interest income received		3 237 958	2 805 839
Interest expense paid		(1 907 152)	(1 670 498)
Commission income received		280 692	203 614
Commission expense paid		(186 725)	(143 703)
Transactions with financial instruments at fair value through profit or loss		88 947	69 277
Results of transactions with securities at fair value through other comprehensive income		569 945	254 995
Transactions with foreign currencies		142 226	167 899
Other operating income received		95 673	77 398
Provisions utilization		-	(1 652)
Employee cost paid		(979 106)	(667 875)
Administrative and other operating expenses paid		(395 281)	(261 564)
Income tax		(170 646)	(67 899)
Operating cash flows before changes in operating assets and liabilities		776 531	765 831
<i>Changes in operating assets</i>			
Due from other banks		251 818	(7 527)
Investments in securities (at fair value through profit or loss)		(2 258 897)	(3 293 709)
Loans and advances to customers		(21 165)	(8 997)
Other financial assets		32 788	702
Non-current assets held for sale		32 711	24 648
Due to banks		156	(39 993)
Due to customers		3 581 793	2 894 000
Other financial liabilities		36 633	1 124
Other non-financial liabilities		9 972	(2 806)
Net operating cash flows		2 442 340	333 273
Investing cash flows			
Purchase of securities		(14 832 713)	(10 152 793)
Proceeds from sale of securities		16 013 901	8 026 966
Purchase of fixed assets		(28 018)	(31 463)
Sale of fixed assets		-	114
Purchase of intangible assets		(33 390)	(51 717)
Proceeds from sale of investment property	11	61 770	25 277
Net investing cash flows		1 181 550	(2 183 616)
Financing cash flow			
Inflow of other borrowed funds	18	441 583	315 715
Repayment of other borrowed funds	18	(218 357)	(4 936)
Lease liabilities		(39 346)	(31 498)
Net financing cash flow		183 880	279 281
Effect of exchange rate changes on cash and cash equivalents		45 697	151 107
Effect of expected credit losses on cash and cash equivalents		789	292
Net increase (decrease) of cash and cash equivalents		3 854 256	(1 419 663)
Cash and cash equivalents, opening balance	7	6 732 660	8 152 323
Cash and cash equivalents, closing balance	7	10 586 916	6 732 660

Signed on behalf of the Management Board on April 15, 2026

Chairman of the Management Board

Sergii PANOV

Financial director

Andriy BILOUS

Chief accountant

Ruslan CHUDAKIVSKYI

1. Background information

JOINT-STOCK COMPANY “BANK CREDIT DNEPR” (hereinafter referred to as the “Bank”) was established on July 7, 1993, pursuant to a resolution of the Bank’s General Meeting of Shareholders and in accordance with the laws of Ukraine.

On July 16, 2009, the Bank changed its name and organizational form from a closed joint-stock company to a public joint-stock company. Due to changes in Ukrainian legislation, in April 2018, Public Joint-Stock Company “BANK CREDIT DNEPR” was transformed into Joint-Stock Company “BANK CREDIT DNEPR”.

On January 23, 2020, the Bank received a certificate of registration for the issuance of shares totaling UAH 3.58 billion, after which the Bank’s registered and paid-in share capital amounted to UAH 3.58 billion.

The Bank operates under General License No. 70, renewed by the National Bank of Ukraine (hereinafter – the NBU) on October 22, 2018, which grants it the right to conduct banking operations, including foreign exchange transactions. In addition, the Bank holds licenses for securities transactions and depository activities issued by the National Securities and Stock Market Commission of Ukraine, the validity of which was extended in 2012–2013 for an indefinite period.

The Bank accepts deposits from the public, provides loans, and conducts money transfers within Ukraine and abroad; it also conducts foreign exchange operations and provides other banking services to legal entities and individuals. It develops lending programs for individuals and small and medium-sized businesses, provides e-commerce services, offers a wide range of services for business clients engaged in foreign economic activity, and is expanding its Embedded Finance division—the integration of digital banking with financial products and services into the platforms or applications of non-banking companies.

The Bank’s registered address and location: Ukraine, 01032, Kyiv, 75 Zhylianska St. As at December 31, 2025, the Bank operates 33 branches throughout Ukraine (as at December 31, 2024: 34 branches).

As at December 31, 2025, 100% of the Bank’s shares are owned by Oleksandr Yaroslavskyi (owner and president of the DCH Group), who is the ultimate beneficial owner of the Bank (hereinafter referred to as the “Shareholder”).

2. Operating environment

The full-scale invasion of Ukraine by Russia, which began on February 24, 2022, led to the imposition of martial law throughout Ukraine—which remains in effect to this day—and was a key factor in the financial and economic crisis.

As at January 1, 2026, the Autonomous Republic of Crimea, as well as parts of the Donetsk, Zaporizhzhia, Luhansk, Mykolaiv, Kharkiv, and Kherson regions, remain temporarily occupied by Russia. Throughout 2025, active hostilities and shelling of border communities in the Chernihiv, Sumy, Kharkiv, Zaporizhzhia, Dnipropetrovsk, Kherson, and Mykolaiv regions continued, while Ukraine’s rear areas were subjected to regular, massive drone and missile attacks. In the fall of 2025, the security situation deteriorated significantly: Russia intensified its attacks on logistics facilities and enterprises, as well as on railway, gas production, and energy infrastructure. As a result of the attacks, the electricity shortage has worsened, limiting business activity, and due to continued mobilization and negative migration trends, there remains a shortage of skilled workers.

According to the National Bank’s forecast, real GDP growth in 2025-2026 will slow to about 2%. International financial assistance remained the main factor in macroeconomic stability, although the conditions for its provision became stricter over the course of the year. International support made it possible to fully cover social and humanitarian expenditures. At the same time, all domestic financial resources were directed toward the security and defense sector. Thanks to planned international support, reserve levels will remain at a comfortable level, amounting to approximately \$50 billion next year.

According to the National Bank’s forecast, the current account deficit in 2025 will reach 17% of GDP, and excluding grants, 22% of GDP (2024: 8% and 14%, respectively). The main reason for the widening deficit is high volumes of imports of goods for defense and reconstruction. Energy imports also increased due to the destruction of gas infrastructure.

To maintain the attractiveness of hryvnia savings, currency market stability, and control over inflation expectations, the National Bank of Ukraine kept the policy rate at 15.5% and increased foreign exchange reserves to \$54.7 billion.

Inflation fluctuated throughout the year, peaking at 15.9% in May and slowing to 9.3% in November. By the end of 2025, inflation in Ukraine stood at 8.0% on an annualized basis, indicating a slowdown in the pace of price growth.

Ukraine ended 2025 with a public debt-to-GDP ratio of 98.4%. As at December 31, 2025, the total amount of public and state-guaranteed debt stood at 9.04 trillion hryvnias (\$213.3 billion), an increase of 29.5% compared to the end of 2024. The rise in debt was primarily driven by concessional financing from international partners. The largest sources were ERA loans from G7 countries totaling \$37.9 billion and financing from the European Union amounting to \$12.1 billion in equivalent

The restructuring of GDP warrants was successfully completed: On December 24, 2025, the GDP warrants were exchanged for new Eurobonds and fully canceled, which increased budget predictability, strengthened debt sustainability, and eliminated the risk of payments in 2025-2041 totaling approximately \$20 billion.

The government continues to place great emphasis on business development and support. Under state programs such as “Affordable Loans 5-7-9,” “Affordable Financial Leasing 5-7-9%,” and “Affordable Factoring,” implemented by the Entrepreneurship Development Fund (EDF), in 2025, entrepreneurs received 28,873 loans from 47 authorized banks and entered into 3,035 leasing agreements with 22 authorized lessors for a total amount of UAH 106.8 billion. In addition, the portfolio-based state guarantee instrument continues to operate effectively: in 2025, MSMEs received over 8,000 state-guaranteed loans totaling UAH 32 billion, and over the five years of this instrument’s operation—52,000 loans totaling UAH 170 billion.

The Bank participates in the following lending programs: “Affordable Loans 5-7-9,” “Affordable Financial Leasing 5-7-9%,” “Loans Backed by State Guarantees,” “Portfolio-Based Guarantees from FCHGSG LLC,” and other support programs for SMEs, agricultural producers, and others.

During the reporting year, the Bank, in collaboration with the Kasta marketplace, launched an innovative multifunctional app and the new Kasta Visa Card. This is Ukraine’s first app to combine marketplace shopping and banking functions. It opens up new opportunities for user engagement, the application of modern technologies, and the use of financial instruments. This partnership will allow the Bank to attract new customers at the moment of their active interaction with the shopping platform and to develop its own banking services, created in collaboration with Visa.

Russian aggression continues to pose a threat to the country’s long-term economic potential, particularly due to losses in human capital, territory, and production capacity. The speed at which the economy returns to normal operating conditions will depend on the nature and duration of hostilities. These risks are exacerbated by growing geopolitical uncertainty and deglobalization trends, including as a result of escalating global trade conflicts.

The further impact on the Ukrainian economy will depend on the course of Russia's military aggression against Ukraine, the government's successful implementation of reforms and the strategy for the country's recovery and transformation with the aim of EU membership, as well as the effectiveness of cooperation with international partners and financial organizations.

During the reporting period, the Bank’s main office building at 32 Zhylianska Street, Kyiv, sustained damage as a result of rocket fire. Thanks to the measures implemented under the Business Continuity Plan, the Bank’s operations were not disrupted, and no significant impact on the Bank’s liquidity, financial condition, or sustainable development was recorded.

Based on the results of a diagnostic review of the Bank’s operations in 2025, the National Bank of Ukraine approved the Bank’s Capitalization/Restructuring Program. The implementation of the measures provided for in the Program is being carried out in accordance with the approved schedule and is aimed at maintaining a sufficient level of regulatory capital and compliance with established standards. The Bank’s management considers the implementation of the Program to be realistic and sufficient to ensure business continuity.

The Bank’s management believes that it is taking appropriate measures to maintain stable operations under the current circumstances. At the same time, continued instability in the business environment could have a negative impact on the Bank’s operating results and financial condition, the nature and consequences of which cannot be assessed at this time.

3. Basis of preparation of financial statements

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards.

Basis of preparation

The financial statements are prepared under the historical cost convention except for buildings (classified as fixed assets), investment property, investment securities and transactions with derivatives at fair value, assets, held for sale as disclosed at the lowest of cost or fair value net of selling cost.

Going concern

These financial statements have been prepared on the assumption that the Bank operates as a going concern and will remain active for the foreseeable future. Note 6 discloses the main factors considered by the management when assessing the Bank’s ability to continue as going concern.

Functional and presentation currency

The functional currency for these financial statements is Ukrainian hryvnia. These financial statements are presented in thousands of Ukrainian hryvnias (UAH), if not stated otherwise.

4. Summary of accounting policies**4.1. Changes in accounting policies and disclosure principles**

The accounting policies adopted are consistent with those applied by the Bank in the previous reporting year, except for the new standards that became effective on January 1, 2025.

New standards that became effective on January 1, 2025

The following new standards and interpretations became effective and mandatory for the Bank’s application on or after January 1, 2025. The Bank did not early adopt standards, interpretations, or amendments that were issued but have not yet become effective.

The nature of the impact of these changes is described below. Although some standards and amendments were applied for the first time in 2025, they did not have a material impact on the Bank’s annual financial statements. The nature and impact of each new standard or amendment are disclosed below:

Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” – “Non-convertibility”, issued by the IASB in 2023.

The amendments relate to the definition of a convertible (exchangeable) currency. The standard has been supplemented with a definition of what constitutes a convertible currency, guidance on how to determine whether a currency is convertible, how to determine the spot rate if a currency is not convertible, and how to disclose this in the financial statements. It is necessary to determine whether the currency is exchangeable for other currencies. If the currency is not convertible/exchangeable, the entity estimates the spot rate and discloses information that enables users of the financial statements to understand how the currency that is not exchangeable for another currency affects or is expected to affect the entity’s financial performance, financial position, and cash flows.

These amendments did not have a material impact on the disclosures in the Bank’s financial statements.

4.2. Significant accounting policies**Foreign currency translation**

Transactions in foreign currencies are translated to UAH at the NBU exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to UAH at the NBU exchange rate as at the date of the transaction. Exchange rate differences, arising on translation, are recognized as profit or loss in *Revaluation of foreign currency* item. Non-monetary assets and liabilities denominated in foreign currencies are translated to UAH at the NBU exchange rate as at the date of the transaction.

The official UAH exchange rates used in the preparation of these financial statements as at December 31 are as follows:

Currency	2025	2024
USD	42,3878	42,0390
EUR	49,8565	43,9266

4.2.1. Financial instruments***Initial recognition***

Financial assets and liabilities are recognized as at the date of transaction when the Bank becomes a party in a contract on the purchase or sale of a financial instrument or as at the date of settlement when the Bank factually receives or transfers an asset. The selected method is consistently applied to all purchases or sales of the financial instruments of the same category. Loans are recognized when they are transferred to customer accounts, while deposits and funds of customers are recognized when funds are credited to an account in the Bank.

Classification of financial assets

The Bank classifies financial assets as those valued at:

- amortized cost (AC);
- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL).

A financial asset is classified to the category of assets valued at AC, if both following conditions are met: (a) held within business model to receive contractual cash flows; (b) held to receive scheduled cash flows, which are only payments under contract to redeem principal and interest payments on outstanding principal.

A financial asset is classified to the category of assets valued at FVOCI, if both following conditions are met: (a) held within business model to receive contractual cash flows and to sell; (b) held to receive scheduled cash flows, which are only payments to redeem principal and interest payments on outstanding principal.

A financial asset is classified to the category of assets valued at FVTPL, if: (a) it does not comply with requirements to AC or FVOCI categories; (b) at the initial recognition (without further reclassification) if inconsistency of approaches to valuation or recognition (inconsistency of accounting) from use of differed bases for valuation assets and liabilities or recognition of related profit and loss is mitigated or significantly reduced.

Classification is based on:

- business model of the Bank for management of financial assets;
- contractual characteristics of cash flows under a financial asset.

Business models. To manage financial assets, the Bank applies the following business models:

"Holding an asset to collect contractual cash flows," which is intended for holding assets to collect cash flows specified in the terms of the relevant contracts; selling assets due to a deterioration in the credit quality of financial assets to minimize losses from expected cash flows; sale for the purpose of managing credit risk concentration (such sales may be infrequent (even if their volumes are significant) or their volumes may be insignificant (even if they are frequent)); sale of assets shortly before the maturity of financial assets, with proceeds from the sale approximately equal to the remaining cash flows due. Financial assets in this business model are measured at amortized cost;

"Holding an asset to collect contractual cash flows or to sell the asset," which is intended to manage the Bank's liquidity, and assets in this category are held to collect the cash flows specified in the terms of the relevant contracts; or to sell them. Financial assets in this business model are measured at fair value through other comprehensive income;

"Management of assets held for trading," which is intended for holding assets for the purpose of sale or repurchase in the near future; asset management is conducted on a fair value basis. Financial assets in this business model are measured at fair value through profit or loss. Financial assets that do not meet the criteria for classification at amortized cost or fair value through other comprehensive income are also classified under this business model.

SPPI Test. As part of the classification process, the Bank analyzes the cash flows specified in the contract: whether these flows consist exclusively of payments to repay only the principal amount of the debt and interest on the outstanding portion of the principal amount of the debt, by conducting an SPPI test. The SPPI test involves a thorough analysis of the contract terms, specifically examining the following conditions: (a) the time value of money; (b) contract terms that alter the timing or amount of the contractual cash flows; (c) instruments related to the contract.

During SPPI test the Bank groups financial assets into three portfolios:

- *Portfolio 1* – SPPI-test is evident for this group of assets from the general contractual terms (redemption of principal and interest payments only, only standard fees for asset generation, other contractual payments are penalties for breach of contractual terms);
- *Portfolio 2* – collective analysis is possible for this subgroup of similar assets (standardized bank products);
- *Portfolio 3* – assets analyzed on an individual basis.

The Bank classifies all financial assets, which passed the SPPI-test, at amortized cost and at fair value through other comprehensive income. The financial assets which did not pass SPPI-test by the special decision of the Bank are classified at fair value through profit or loss.

At initial recognition of some investments to equity instruments valued at FVTPL the Bank can take the decision to recognize the further change in fair value of these investments as other comprehensive income. Such investments are not to be reclassified.

Classification of financial liabilities

All financial liabilities except for credit commitments and financial guarantees are valued at amortized cost or at fair value through profit or loss, if they are tradable or derivatives, or at fair value through profit or loss by the decision of the Bank.

Derivatives

Derivative is an instrument or agreement, which has simultaneously three following criteria: (1) its value changes due to changes of exchange rate, index or rate, good price or other variable; (2) no initial investments are required to purchase it, or initial investment is insignificant; (3) settlements on instrument will be made in future.

Derivatives are initially recognized at fair value. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are recognized in profit or loss.

Embedded derivative is a component of hybrid (combined) agreement, which also includes non-derivative main agreement, resulting in change of some cash flows from combined instrument.

Embedded derivatives, if they are financial asset, are not disclosed separately. Such hybrid agreement is classified as financial asset at fair value through profit or loss.

Instruments, embedded into financial liabilities and non-financial main agreements, are analyzed by the Bank on their separation and recognition at fair value through profit or loss, while the main agreement is recognized in such cases in accordance with respective accounting policies. The Bank can classify all hybrid agreements at fair value with revaluation through profit or loss, except for the cases, when (a) embedded derivative does not significantly change contractual cash flows or (b) separation of embedded instrument is prohibited.

Reclassification

The Bank does not reclassify financial assets after initial recognition except for cases when business model changes commencement or suspension of some activities. Financial assets are reclassified in the first day of the year after the Bank changed the business model. In the period from the date of decision to the date of reclassification, previously classified assets continue to be recognized without taking into consideration of change in business-model, but new assets are classified under the new business model. Financial assets are reclassified in prospect.

Financial liabilities cannot be reclassified.

Initial recognition of financial assets and financial liabilities

Financial instruments are initially measured at fair value, increased or decreased by direct costs directly attributable to the acquisition or issue of a financial asset or financial liability, except for financial instruments at fair value through profit or loss. If, upon initial recognition, the fair value of a financial instrument differs from the contract price, the Bank recognizes the resulting gain or loss on the first day.

The Bank recognizes the first day gain or loss immediately in operating income or expenses if the fair value is based on observable market data. When fair value is determined using a model for which no publicly available comparable data is available, the first day's gain or loss is deferred to future periods and recognized in profit or loss on a straight-line basis over the life of the financial instrument.

Subsequent valuation of financial assets

Financial assets at fair value through profit and loss

The Bank values debt financial assets at fair value through profit and loss for tradable instruments (profit generated in the short term), financial assets, which do not comply with requirements for classification at amortized costs or at fair value through other comprehensive income. Revaluation of instruments at amortized cost is recognized as net trade result, interest income and expense are recognized separately, not as part of fair value changes, while dividends are recognized, when the Bank established the right to receive dividends. The Bank does not assess impairment of financial assets at fair value through profit or loss.

The Bank classifies securities, capital instruments and FX swaps into this category.

Financial assets at fair value through other comprehensive income

The Bank values debt financial assets at fair value through other comprehensive income only if they comply with the purpose of business model regarding contractual cash proceeds or proceeds from sale, while cash flows undergo SPPI-test. Interest income result from FX revaluation is recognized by the Bank in profit and loss, while result of revaluation to fair.

The Bank classifies liquid debt securities under such category, as they can easily be sold to improve liquidity.

The Bank took decision on equity instruments, purchased rather as obligatory inputs to capital of stock exchanges, clearing centers, etc., then acquired for trade, to classify them at fair value through other comprehensive income. This decision is not cancellable. At derecognition of capital instruments, revaluation accumulated in other comprehensive income is never reclassified to profit or loss, it can be reclassified only between capital items. Dividends are recognized by the Bank to profit or loss only when the right for them is established.

For debt financial assets the Bank assesses expected credit risk. Expense on provisions is recognized in profit or loss, while provisions do not decrease balance value of an asset, being recognized in other comprehensive income.

Financial assets valued at amortized cost

The Bank applies recognition at amortized cost to the instruments, which underwent SPPI test and comply with the business model of cash flows of principal and interest payments. Amortized cost is calculated taking into account costs and fees directly related to issue of an instrument and included to calculation of effective interest rate (EIR). The Bank recognizes interest income, using EIR, in profit or loss, while provision decreases balance value of an asset.

The Bank classifies amounts Due from other banks, loans to customers, deposit certificates of the national Bank of Ukraine as those measured at amortized cost.

Subsequent valuation of financial liabilities

After initial recognition, the Bank classifies all financial liabilities as those recognized at amortized cost, except for:

- (a) *tradable and derivative financial liabilities* - valued at fair value through profit or loss;
- (b) *financial guarantee agreements and loan commitments to customers* – valued at the largest of: (i) amount of estimated provision, (ii) initially recognized amount adjusted by recognized cumulative amortization (if acceptable).

Revision of contractual cash flows. Modification

The Bank revises carrying amount of financial asset or liability when expectation of cash flows on an instrument change or at confirmation of agreement modification.

In the case of revision of expected cash flows, the gross book value or amortized cost of financial instruments are recalculated as present value of future flows discounted at initial EIR or EIRpd. Volume of revision is recognition in interest income or expense.

In case of revision of cash flows, when customer confirms agreement modification, the gross book value or amortized cost of financial instrument is recalculated as present value of modified cash flows discounted by EIR or EIRpd. The revision volume is recognized as modification income or loss. When modification of contractual conditions results in difference not less than 30% for an asset and 10% for a liability between present cash flows at new conditions and residual flows at initial conditions or change in currency of financial instrument happens, the Bank derecognizes existing financial instrument and recognizes the new one. In such a case, the date of modification is the date of initial recognition of a new instrument.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when: (1) the rights to receive cash flows from the asset have expired; or (2) the financial asset is transferred to other party and this transfer complies with requirements for derecognition.

The transfer of financial asset complies with requirements for derecognition, if: (1) the Bank has transferred substantially all the risks and rewards of the asset, or (2) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control over the asset.

Write off

The Bank writes off an asset (or its part), when there is no reasonable expectation that it would be collected. As a rule, in such cases the Bank recognizes that the borrower does not have assets or other sources of income, generating cash flows adequate to repay the debt to be written off.

Write-off against the debt allowance does not constitute grounds for termination of the Bank's claims against the debtor. The Bank continues to work to collect the debt on the written-off financial assets.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is redeemed: (a) when the Bank repaid all debt to creditor; (b) when the Bank is legally relieved from initial liability either through court decision or by creditor; (c) when one debt instrument is exchanged for another one, terms of which differ at least by 10% from discounted present value of initial financial liability.

Impairment of financial assets

Principles of measurement of expected credit losses

The Bank calculates expected credit losses for financial assets and respective allowances starting from the date of recognition until the date of derecognition. The amount of expected credit losses is recognized as estimated allowances depending on the level of impairment of credit quality after initial recognition.

The Bank recognizes allowances for expected credit losses for debt financial assets at amortized cost and debt financial assets at fair value through other comprehensive income.

Calculation of allowances for expected credit losses is based on evaluation of the financial situation of a borrower, debt service taking into account type and conditions of a transaction. Allowances for expected credit losses are estimated in the amount of losses which are expected to be incurred during the maturity of an asset if credit risk significantly increased after initial recognition. Otherwise, allowances for expected loss will be set in the amount of 12-month expected loss.

Expected credit losses for a 12-month period are a part of expected loss for the whole period of maturity that can arise during the 12 months after the reporting date.

As at the end of every reporting period, the Bank estimates existence of evidence of impairment of financial asset of group of financial assets taking into account losses expected as a result of future events adjusted by probability of their occurrence during the life cycle of a financial instrument taking into account dependences on forecasted dynamics of scenario macroeconomic indicators weighted by probability of occurrence.

At initial recognition of a loan and before appearance of evidence of higher credit risk, the Bank recognizes allowances equaling expected loss during a 12-month period (the first stage of impairment).

Evidence of higher credit risk (the second stage of impairment). The attributes of higher credit risk on counterparts, in particular: payment overdue from 31 days to 90 calendar days (for financial institutions – from 7 to 30 calendar days); increase of default probability (PD) by more than 20% compared to the date of their initial recognition and other (additional) factors hinting on increase of credit risk within the limits of monitoring on financial resilience of the Bank's borrowers, approved by the Bank.

Evidence of higher credit risk (the second stage of impairment). The attributes of higher credit risk on counterparts, in particular: payment overdue from 31 days to 90 calendar days (for financial institutions – from 7 to 30 calendar days); increase of default probability (PD) by more than 20% compared to the date of their initial recognition and other (additional) factors hinting on increase of credit risk within the limits of monitoring on financial resilience of the Bank's borrowers, approved by the Bank:

- borrower announces bankruptcy;
- borrower is declared bankrupt;
- bank-borrower is included into category of non-solvent banks by decision of National bank of Ukraine;
- procedure of legal entity liquidation (termination) is initiated;
- banking license is revoked;
- the Bank filed a bankruptcy case against borrower as required by law;
- amendments, other than restructuring, increasing maturity of a debt for a borrower, who is not able to redeem debt without pledge despite absence of overdue payments as of the date of evaluation, are introduced to the agreement.

The above signs of default confirm that the debtor/counterparty is unable to fully fulfill its obligations to the Bank, its parent and subsidiary institutions within the time period specified in the agreement(s) without the Bank resorting to enforcement proceedings against collateral (if any), unless the available information proves otherwise. The relevant judgments are recorded in the conclusion on the feasibility of the credit transaction in the credit application or in the credit expert's conclusion. When forming a judgment, the counterparty's debt burden and prospects for repaying/servicing the debt in the future are assessed, taking into account the purpose of the loan. If there are long-term objective prospects for debt settlement, such as the identification and crystallization of a stable base of suppliers and buyers, the involvement of solvent guarantors, etc., they may be given preference over current debt burden indicators during the analysis.

When assessing the credit quality of assets to identify an increase in credit risk in a timely manner, the debtor's/counterparty's assets are reclassified to a lower (worse) stage of impairment based on both automated triggers and professional judgment. The reclassification is performed as of the nearest reporting date following the occurrence of events or the identification of indicators suggesting an increase in credit risk or the occurrence of a default on the relevant asset. The transfer of the debtor's/counterparty's assets, which are assessed on an individual basis, from Stage 2 of impairment to Stage 1 is carried out automatically based on defined triggers, provided that one of the following conditions is met:

- the borrower/counterparty for an asset whose terms were modified due to debt restructuring has resumed regular debt servicing and has made payments without delinquency for at least 90 consecutive calendar days (at least three consecutive reporting dates);
- the debtor or guarantor has voluntarily repaid part or all of the past-due debt in the subsequent reporting period, except in cases where changes to the terms of the agreement were related to debt restructuring;
- there are no indications of increased credit risk for the relevant asset.

For assets measured on a collective basis, a transfer from Stage 2 impairment to Stage 1 is made as of the nearest reporting date following the removal of indications of increased credit risk for all assets included in the relevant group.

The transfer of a debtor's/counterparty's assets from Stage 3 impairment to Stage 2 is made solely on the basis of professional judgment, taking into account the results of a comprehensive assessment of the debtor's financial condition and its ability to ensure timely and full fulfillment of obligations. Such a decision is made both for assets assessed on an individual basis and for assets assessed on a portfolio (group) basis.

If the recognition of default is discontinued, an additional assessment is conducted to determine the presence of indicators of increased credit risk. If the assessment results indicate that such indicators persist, the debt is subject to reclassification to Stage 2 of impairment. In the absence of signs of increased credit risk, the debt may be transferred to Stage 1 of impairment, unless otherwise determined by professional judgment. Transfer to Stage 2 or Stage 1 is possible provided

that the debtor’s proper payment discipline is confirmed. Specifically, the debtor must ensure regular servicing of the debt over an extended period: for at least 180 consecutive calendar days with monthly payments or for 365 days with quarterly payments, provided that the amount of principal repayments is not less than the amount of interest accrued for the corresponding period. For assets whose terms have been modified due to debt restructuring, stricter requirements apply—regular monthly debt service for at least 365 consecutive calendar days in amounts not less than the accrued interest. The decision to cease recognizing a default is made on a regular basis, taking into account current information on the status of debt servicing and the debtor’s financial condition.

Calculation of expected credit losses

When calculating expected credit losses and determining expected cash flows for an asset, the Bank takes into account all contractual terms of the financial instrument (including prepayment options, maturity extensions, call options, and other similar options) that are expected during the term of the financial instrument. If a reliable estimate of the expected life of the financial instrument is not possible, the Bank uses the entire remaining term in accordance with the terms of the financial instrument agreement. In addition, the Bank considers cash flows from the sale of collateral held or other credit enhancement mechanisms that are an integral part of the contractual terms.

The Bank does not establish provisions for:

- financial instruments measured at fair value through profit or loss;
- equity instruments;
- funds transferred to the National Bank of Ukraine;
- lending obligations and financial guarantees provided to customers and banks that are callable and risk-free.

The Bank determines expected credit losses as the weighted average of credit losses under various macroeconomic scenarios, using corresponding default risk probabilities as weighting factors, and applying approaches that reflect:

- an objective and probability-weighted amount;
- an assessment of the range of possible outcomes;
- the time value of money;
- reasonable and reliable information about past events, current conditions, and projected future economic conditions that is available without undue cost or effort as of the reporting date.

The Bank recognizes expected credit losses over the life of the financial instrument as expected credit losses arising from all possible events that could lead to default over the expected life of the financial instrument.

The Bank recognizes expected credit losses over the life of the financial instrument if it expects to receive all contractual cash flows due to the Bank under the contract, but which the Bank expects to receive at later dates than those specified in the contract terms. In this case, contractual cash flows that are past due as of the measurement date in accordance with the requirements of the loan agreement are recognized as due on the maturity date of the agreement.

For assets measured on an individual basis, the Bank uses a binary customer behavior model that takes into account expectations regarding contractual cash flows and the Bank’s expectations regarding the realization of collateral within the relevant timeframes, while factoring in a liquidity factor.

In this case, future projected cash flows are discounted over the entire term of the financial instrument.

If the Bank cannot forecast expected cash flows (revolving credit lines, overdrafts) or when valuing an asset on a collective (group) basis, it uses an approach that involves weighing the risk-weighted exposure by probability of default (PD) and loss given default (LGD) indicators.

Scenario analysis: when estimating expected credit losses, the Bank considers several scenarios for determining default probabilities in accordance with forecasts of changes in macroeconomic indicators. The Standard’s requirements stipulate the need to account for scenarios of Ukraine’s macroeconomic dynamics with corresponding probabilities of their occurrence. Expected credit losses are calculated as a value weighted by these probabilities (for loans assessed on a collective basis) or by applying a macro-adjustment factor in the form of a special coefficient designed to calibrate the probability of default for assets assessed on an individual basis, depending on the expectation that the most likely macroeconomic scenario will materialize.

Valuation of Collateral, Enforcement of Collateral

In accordance with its credit policy and taking into account its risk appetite, the Bank uses collateral on any assets where appropriate to mitigate credit risks on financial assets. Collaterals take various forms: cash (deposits, cover), movable and immovable property, property rights, and guarantees, among others.

The fair value of collateral is taken into account when calculating expected credit losses and is determined in accordance with property revaluations conducted on a regular basis, specifically: real estate, properties in the form of an integrated property complex, land plots, vehicles, and equipment—at least once every twelve months; goods in inventory or in process and biological assets—at least once a month; other property/property rights (except for property rights to cash)—at least once every six months. The Bank uses the market (fair) value of the collateral as determined by a valuation entity or a responsible Bank employee holding a valuation certificate, or as specified in the purchase and sale agreement—provided such assets were acquired no earlier than three months prior to the date of the pledge agreement.

Collateralized property may be used by the Bank as a means of satisfying claims under loan agreements by seizing it for subsequent sale. In this case, assets identified as useful for the Bank's operations are accounted for as fixed assets or investment property, provided that the relevant criteria are met. Assets for which a decision is made regarding their immediate subsequent sale are transferred to the category of assets held for sale.

Loan Restructuring and Modification

Purchased or recognized credit-impaired assets are assets that were impaired at the time of initial recognition. Upon initial recognition, financial assets are recognized at fair value, and as a result, interest income on them is recognized based on the effective interest rate adjusted for credit risk. An allowance for expected credit losses on such an asset is recognized or derecognized only to the extent that the amount of expected credit losses has decreased.

When calculating provisions, an acquired (created) impaired financial asset or a pool of acquired assets is treated as a single financial instrument, with a model of expected cash flows constructed and the initial credit-risk-adjusted effective interest rate calculated at the time of its recognition on the Bank's balance sheet. If, after the initial recognition of the instrument, the actual amount of funds raised deviates from the amounts planned in the model by more than 10% in either direction, the model's projected cash flows must be revised. Compliance with this condition is verified at the end of the reporting year if 12 months have passed since the current model was built, as conclusions regarding deviations from the model can only be drawn when sufficient historical data is available. After constructing a new cash flow model, the present carrying amount is calculated using the initial effective interest rate.

4.2.2. Principles of fair value measurement

The fair value of financial instruments is based on their market quotations as at the reporting date without deduction for transaction costs. If market quotations are not available as at the reporting date, the fair value of an instrument is estimated by appropriate valuation models. The models may contain modelling based on net present value, comparison with similar instruments, valued on the observable market, options pricing models and other valuation methods.

When the discounted cash flow method is applied, estimated future cash flows are based on the management's best estimates using a discount rate, equal to the market rate at the reporting date for an instrument with similar terms and conditions. For pricing models, inputs are based on market values as at the reporting date.

Besides, when financial statements are prepared, fair value measurements are classified by levels depending on observable data and their materiality for the assessment:

- I Level inputs: quotations (unadjusted) on active markets for identical assets or liabilities;
- II Level inputs: observable data for an asset or liability, directly or indirectly;
- III Level inputs: non-observable data for an asset or liability.

4.2.3. Cash and cash equivalents

Cash and equivalents are the most liquid assets of the Bank with the least risk of change of value; they include cash in bank cash at correspondent accounts in National Bank of Ukraine and other banks, deposit certificates of NBU, short-term loans and deposits with repayment period of up to three months, easily convertible into cash.

Balances on corresponding accounts with restricted use and guarantee deposits on settlement and documentary transactions are included into other items of statement of financial position.

4.2.4. Loans and advances to banks

Loans and advances to banks are term deposits and loans issued. The Bank classifies loans and advances in accordance with respective business models, taking into account SPPI test.

Sight deposits, term deposits, overnight and overdraft loans are related to assets of Portfolio 1, which does not undergo SPPI-test and is classified to business model "an asset held to collect contractual cash flows" with valuation at amortized cost. Other assets are included into the assets of Portfolio 3 and classified to respective business model based on results of SPPI-test and individual decisions.

The Bank recognizes interest income from amounts due from other banks and the amount of differences in valuation of expected credit risk.

4.2.5. Loans and advances to customers

Loans and advances to customers are recognized at fair value as at the date of settlement including expenses. Subsequently, loans and advances to customers are recorded at amortized or fair value, depending on business model, chosen as a result of SPPI-test, and respective decision. The Bank does not perform SPPI-test for assets if it is evident from the terms of a separate agreement or a product.

As at every reporting date, the Bank assesses expected credit losses and makes allowance. Differences in expected credit losses are recognized in profit or loss.

The bank recognizes interest income in profit or loss, using EIR method, to gross book value of assets valued at stages 1 and 2, of valuation of expected credit losses and to amortized cost of assets valued at stage 3 and the POCI-assets.

The Bank recognizes changes in fair value of loans and advances to customers in profit or loss (FVTPL) and in other comprehensive income for assets accounted at FVOCI.

If the terms of loan agreements are revised or modified without derecognition of an asset, the Bank recognizes income/loss from modification. If revision/modification results of derecognition of such assets, the Bank recognizes income/loss from derecognition.

The Bank sells loans and advances to customers who materially suffered from deterioration of credit quality, to manage concentration of credit risks and to minimize losses from expected cash flows. Profit or loss from the sale of such assets are recognized by the Bank as profit or loss from the derecognition of financial instruments.

4.2.6. Investments in securities

The Bank initially recognizes investments in securities as at the date of settlement and measures them at fair value. The further valuation is based on results of SPPI-test (for debt securities) and classification of the respective business model.

The debt securities, which underwent SPPI-test, are classified by the Bank to the business model *Assets held to collect contractual cash flows*, recognized at amortized cost, or the business model *Assets held to receive contractual cash flows or to sell*, recorded at fair value through other comprehensive income, to manage liquidity of the Bank.

Debt securities, where the SPPI-test is evident from the general parameters of a contract, do not call for any additional actions.

The Bank recognizes interest income by the EIR method in profit or loss. The amount of changes of fair value is recognized in profit or loss, if investments are recognized at FVTPL, or in other comprehensive income, if investments are recognized at FVOCI. At derecognition, provision for revaluation, accumulated in other comprehensive income, is reclassified to profit or loss.

As at every reporting date, the Bank assesses expected credit risk on debt securities, recognized at AC or FVOCI. The amount of changes of expected credit risk are recognized in profit or loss.

Capital instruments are classified by the Bank at FVTPL, and if investments are made in non-tradable instruments, the Bank classifies them at FVOCI (such decision is uncancellable in future). Dividends are recognized in profit or loss when the right for dividends is established.

4.2.7. Derivative financial instruments

The Bank uses the following derivative financial instruments: forward foreign exchange contract, FX swaps to manage foreign currency risk, interest risk and other risks. Such instruments are initially recognized at fair value as at the date of transaction. A further valuation is also at fair value with recognition of revaluation result in profit or loss. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

The Bank does not enter into hedging transactions.

4.2.8. Investment property

Upon initial recognition, the Bank measures investment property at its cost, including transaction costs in the initial measurement. After initial recognition, investment property is measured at fair value, which reflects market conditions at the measurement date. Fair value is determined before the end of the reporting year and the preparation of the annual financial statements by independent appraisers accredited by the Bank. Gains or losses from the revaluation of investment property are recognized in profit or loss under “Gain or loss from revaluation of investment property.” Depreciation and impairment of investment property are not recognized.

The Bank reclassifies property as investment property only when changes in use of property occur.

The Bank derecognizes investment property at withdrawal, or when no economic benefits are expected. The date of withdrawal of investment property is the date when the recipient gains control over property in accordance with IFRS 15 requirements.

4.2.9. Fixed and intangible assets

Following initial recognition at cost, buildings and land plots are carried at a revalued amount, representing fair value as at the revaluation date less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The Bank believes that the revaluation model is more relevant to disclose the value of the buildings and land plots, as revalued cost of buildings, owned by the Bank, reflects their current value more accurately compared to historical value.

To determine the fair value of buildings and land plots, management engages independent professionally qualified appraisers. Revaluations of buildings and land plots are made with sufficient regularity to avoid significant differences between their book value and the value, measured as fair value as at the revaluation date.

Accumulated depreciation at the revaluation date is deducted from the full carrying amount of the asset, and the resulting amount is adjusted based on the results of the asset valuation. The increase in the value of buildings and land as a result of revaluation is recognized in other comprehensive income, except when it reverses a previous decrease in value

recognized in profit or loss. A decrease in the value of buildings and land as a result of revaluation is recognized in profit or loss, except when such decrease can be offset against a previous increase in the value of the same asset recognized in the revaluation reserve for buildings and land. Upon disposal of an asset, the corresponding amount included in the revaluation reserve for buildings and land shall be transferred to retained earnings.

Other fixed and intangible assets are carried at cost less accumulated depreciation and amortization and impairment losses. The carrying amount of equipment is measured for impairment in case of events or circumstances indicating probable inability to recover carrying value of an asset. As at the end of each reporting date, the Bank assesses whether there is any indication of impairment of equipment and intangible assets. If any indications exist, the Banks measures the recoverable amount, which is determined as the higher of fair value less costs to sell and value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognized in the profit or loss. An impairment loss, recognized for an asset in prior years, is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

Costs of current repairs and maintenance are expensed when incurred. Expenditures for capital repairs and the cost of replacing major parts or components of property, plant and equipment are capitalized and further depreciated over the useful lives.

Depreciation and amortization

Depreciation and amortization are charged on a straight-line basis over the estimated useful lives of the assets. Depreciation and amortization commence as of date when the acquired assets become ready for use or, in respect of internally constructed assets, as of time when an asset is completed and ready for use.

The estimated useful lives are as follows:

Land plots	Not depreciated
Buildings	50 years
Furniture and equipment	5 years
Vehicles	5 years
Computers	3 years

Costs on capital leasehold improvements are recognized as assets and, while their depreciation is recorded in the profit or loss as “Administrative and other operating expenses” within depreciation of property, plant and equipment and amortization of intangible assets on a straight-line basis over the shorter of applicable lease or the economic life of the leasehold improvement.

Intangible assets are amortized over their useful life in accordance with the terms of the agreements concluded for their acquisition or obtaining for use but not exceeding 10 years.

4.2.10. Assets held for sale

The Bank classifies non-current assets (or a disposal group) as held for sale if its carrying amount will be recovered principally through sale rather than through continuing use. In this case, the non-current assets (or disposal group) must be available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets (or disposal groups), while the sale is highly probable.

The sale qualifies as highly probable if the Bank's management is committed to plan of sale a non-current asset (or disposal group), and an active program to locate a buyer and complete the plan is initiated. Besides, a non-current asset (or disposal group) must be actively marketed for a sale at price that is reasonable for its current fair value and in addition, while the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification of the non-current asset (or disposal group) as held for sale.

The Bank measures assets (or disposal groups) classified as held for sale at the lower of their carrying amount and fair value less costs to sell. If the amount of costs to sell cannot be reliably estimated, it is calculated as 1% of the fair value of the asset. If events or changes in circumstances indicate that the carrying amount of assets (or disposal groups) may be impaired, the Bank recognizes the impairment loss in other impairment losses. Depreciation of assets is not recognized.

4.2.11. Foreclosed collateral

Property that has become the property of the Bank as a pledgee and is held for subsequent sale, which does not meet the criteria for recognition as an asset held for sale (clause 4.2.10), a fixed asset (clause 4.2.9) or investment property (clause 4.2.8), shall be recorded at the lower of the following two values: cost or net realizable value.

Net realizable value is the difference between the estimated selling price in the ordinary course of business less the estimated costs necessary to complete the sale. Given the normal nature of the Bank's activities in relation to the sale of such assets, the Bank accepts the fair value of such assets as their estimated selling price. If it is not possible to reliably estimate the expected selling costs, they are calculated at 1% of the fair value.

4.2.12. Lease

At the commencement of the lease, the Bank determines whether a contract or its components are a lease contract. A contract or its components are a lease contract, if it transfers the right to control use of underlying asset during a set period of time in exchange for compensation.

Bank as a lessee

The Bank uses the uniform approach to recognition and measurement of all lease contracts, except for short-term lease (less than 12 months) and lease of low-value assets (not more than UAH 150 thousand). As at the date of commencement of the lease, the Bank recognizes a right-of-use asset and lease liability.

Right-of-use assets. As at the day of commencement of lease, the Bank recognizes the right-to-use asset at cost, comprising initial value of lease liabilities, initial direct costs, advances made under lease payments, less any incentives. After initial recognition, the Bank recognizes the right-of-use asset at initial cost less accumulated depreciation and any impairment losses, taking into account any adjustments due to revaluation of lease liability. The Bank depreciates the right-of-use asset by straight-line methods during shorter of lease term or useful life of the asset. Right-of-use assets are included into *the Fixed Assets* item in the Statement of financial position.

Lease liabilities. As at the day of commencement of lease, the Bank recognizes lease liability as current value of future lease payments, discounted at the rate, calculate as average profitability rate of state public bonds for respective term in respective currency plus risk premium. Lease payments include fixed payments (including substantially fixed payments) less lease incentives to be received, variable lease payments, depending on index or rate, and amount payable under residual value guarantees. Lease payment also includes the price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. Variable lease payments that do not depend on an index or a rate are recognized as expenses of the period when they originated. Subsequently, the Bank measures the lease liability increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount adjusting it by amount of revaluation or modification, if lease term is revised, lease payments are changed or assessment of options for acquisition of assets are changed. Lease liabilities are included into *Other Financial Liabilities* item in the statement of financial position.

The Statement of cash flows of the Bank discloses payments of principal under lease liability as a component of financial activities, while interest expense under lease liabilities is disclosed as a component of operating cash flows.

Bank as a lessor

Finance lease – Bank as the lessor. At the commencement date, a lessor shall recognize assets held under a finance lease in its statement of financial position and present them as receivable at an amount equal to the net investment in the lease. The Bank recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. Initial direct costs are included into initial receivables under lease payments.

The Bank discloses receivables under finance lease as a component of Loans and due from customer's item. The Bank applies a general approach to receivables under financial lease based on expected credit losses measurement.

Operating lease. Statement of financial position of the Bank discloses assets under operating lease depending on the type of assets. Income under operating lease contracts is evenly disclosed in profit or loss of Other income item. Total value of incentives to lessees is evenly disclosed as reduction of lease income during the term of lease. Initial direct costs, related to operating lease contract, are included into carrying amount of a leased asset.

4.2.13. Borrowings

The Bank attracts funds from banks, individuals and legal entities for sight and term deposits, initially recognized as at the date of settlement. These instruments are initially valued at fair value and, subsequently, at amortized cost.

The interest expense is recognized in profit or loss in Interest expense.

The Bank derecognizes borrowings at repayment, relief of liabilities to pay to creditor, or when one debt instrument is replaced by another one under different conditions. The different conditions mean a difference of not less than 10% between the current value of cash flows under new terms, discounted by initial EIR, and residual cash flows under initial financial liability.

4.2.14. Provisions

Provisions are recognized, when, as a result of certain event in the past, the Bank has legal or voluntary liabilities to be settled with possible outflow of economic resources, containing future economic benefits, which can be measured with high reliability.

4.2.15. Share capital

Ordinary shares are recorded as share capital. The costs of services of third parties, directly attributable to the issue of new shares, are shown in equity as decrease from proceeds, gained due to the issue. Any excess of the fair value of consideration received over the par value of shares issued is recognized as additional paid-in capital.

4.2.16. Recognition of income and expense

The Bank recognizes income and expense on an accrual basis, except for fines and penalties received or paid. On once-off services (FX conversion, remittances, preparation of verification letters, etc.) the bank recognizes income and expense without accrual, if funds are received/paid in the period, when services are actually provided. In profit or loss statement, the Bank groups income by their nature.

Interest income. The Bank calculates interest income, applying EIR method to the gross book value of financial assets except for credit impaired assets. Interest income from assets impaired (stage 3) is recognized by the Bank using EIR to amortized cost of such asset, and the Bank again applies EIR to gross book value, when an asset is no longer credit impaired.

At purchase or creation of credit impaired assets (POCI-assets), the Bank calculates interest income applying EIRpd to amortized cost of such assets.

The Bank does not use EIR for financial assets on demand or instruments with unpredictable cash flows and recognizes income at contractual interest rate.

Interest expense. The Bank recognizes an interest expense applying EIR method to amortized cost of financial liability as of its initial recognition.

For financial liabilities on demand, the bank recognizes interest expense at contractual interest rate.

Commission income and expenses. Commission income and expenses (except for those that are a component of financial instruments) are received (paid) by the Bank under transactions on cash-settlement services, transactions in securities, currency market transactions, off-balance sheet transactions, etc. Commission income and expenses are recognized depending on degree of completeness of transaction by accrual method, at the moment of receipt (payment) during transaction or in the reporting period when services were actually provided (received).

Dividend income. Dividends are recognized when the right of the Bank to receive the payment is recognized.

4.2.17. Taxation

The income tax for the year comprises current and deferred taxes. The income tax is recognized in the profit or loss as Income tax expense, except when it relates to items of other comprehensive income, or to items of the statement of changes in equity; in this case it is recognized respectively in other comprehensive income or in the statement of changes in equity.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or prevailing as at the reporting date, and any adjustment to tax payable in respect of previous years. Current income tax expense is calculated in accordance with the legislation of Ukraine.

Deferred tax is calculated using the liability method for all temporary differences between the carrying amounts of assets and liabilities in financial accounting and the amounts used for taxation purposes. Deferred tax is calculated depending on the expected way of realization or settlement of the carrying amount of assets and liabilities, using tax rates effective in the periods of possible realization of temporary differences between tax and financial accounting.

The deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and deductible temporary differences may be utilized. Deferred tax assets are reduced when use of respective tax benefit is not probable.

Ukraine also has various operating taxes applicable to the Bank activities. These taxes are disclosed in other operating expenses.

5. New standards and interpretations not effective yet

The following new standards and interpretations were issued that will be mandatory for the Bank in the reporting periods starting on or after January 1, 2026, or at a later date. The Bank did not apply standards and interpretations before their validity.

Amendments to IFRS 7 *Financial Instruments: Disclosures* and IFRS 9 *Financial Instruments – Amendments to Classification and Measurement of Financial Instruments*, issued by the IASB in May 2024.

The amendments relate to requirements for settling financial liabilities using electronic payment systems and assessing the contractual cash flow characteristics of financial assets, including those related to environmental, social, and governance (ESG) aspects. In addition, the disclosure requirements for investments in equity instruments designated as measured at fair value through other comprehensive income have been amended, and disclosure requirements have been added for financial instruments with contingent features that do not directly relate to core credit risks and losses.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Bank is analyzing the potential impact of these amendments on its financial statements.

Annual Improvements to IFRS Accounting Standards—Volume 11, issued by the IASB in July 2024.

The amendments relate to:

- hedge accounting upon first-time adoption of *IFRS 1 First-time Adoption of International Financial Reporting Standards*. The amendment resolves ambiguities arising from inconsistencies between the wording of paragraph B6 of IFRS 1 and the hedge accounting requirements in IFRS 9 *Financial Instruments* - entities shall not recognize in their first IFRS statement of financial position any hedging relationships that do not meet the criteria for hedge accounting under IFRS 9;
- gain (loss) on derecognition of financial instruments. The amendment removes the reference in paragraph B38 of *IFRS 7 Financial Instruments: Disclosures*, which was deleted upon the issuance of IFRS 13 *Fair Value Measurement*;
- disclosure of the deferred difference between fair value and transaction price. The amendment resolves an inconsistency between paragraph 28 of *IFRS 7 Financial Instruments: Disclosures* and the accompanying implementation guidance;
- Introduction and disclosure of information on credit risk. The amendments include only implementation guidance for *IFRS 7 Financial Instruments: Disclosures*;
- Definition of “actual agent”. The amendment resolves potential confusion arising from the inconsistency between paragraphs B73 and B74 of *IFRS 10 Consolidated Financial Statements* regarding an investor’s determination of whether another party is acting on its behalf, by aligning the wording in both paragraphs;
- cost method. The amendment resolves uncertainty in the application of paragraph 37 of *IAS 7 Statement of Cash Flows* arising from the use of the term “cost method,” which is not defined elsewhere in IFRS;
- a conflict between *IFRS 9 Financial Instruments* and *IFRS 15 Revenue from Contracts with Customers* regarding the initial measurement of trade receivables. Under IFRS 15, trade receivables may be recognized at an amount different from the transaction price, for example, when the transaction price is variable. Conversely, IFRS 9 requires companies to initially measure trade receivables without a significant financing component at the transaction price.

The IASB has amended IFRS 9 to require that trade receivables without a significant financing component be initially measured at the amount determined in accordance with IFRS 15. The amendment regarding trade receivables may require some companies to change their accounting policies;

- the question of how a lessee accounts for the derecognition of a lease liability in accordance with paragraph 23 of *IFRS 9 Financial Instruments*. If a lease liability is terminated, the derecognition is accounted for in accordance with IFRS 9. However, if a lease liability is modified, the modification is accounted for in accordance with IFRS 16 *Leases*.

The amendment states that upon derecognition of lease liabilities in accordance with IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss.

This amendment applies only to lease liabilities extinguished at the beginning of or after the beginning of the annual reporting period in which the amendment is first applied.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Bank is analyzing the potential impact of these amendments on its financial statements.

Amendments to IFRS 7 *Financial Instruments: Disclosures* and IFRS 9 *Financial Instruments – Contracts referring to natural resource-based electricity*, issued by the IASB in December 2024.

The amendments are intended to improve companies’ reporting on contracts for electricity derived from natural resources, which provide companies with electricity from natural sources such as wind and solar power. The amount of electricity generated under these contracts typically varies depending on uncontrollable factors, such as weather conditions.

The amendments include:

- an interpretation of the term “contracts for renewable energy”;
- clarification of IFRS 9 requirements regarding “own consumption” for contracts referencing renewable energy;
- amendments to hedge accounting requirements;
- new disclosure requirements to enable investors to understand the impact of these contracts on the company’s financial performance and cash flows.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Bank is analyzing the potential impact of these amendments on its financial statements.

IFRS 18 *Presentation and Disclosure in Financial Statements*, issued by the IASB in April 2024.

IFRS 18 will replace IAS 1 *Presentation of Financial Statements*. The new standard does not affect the recognition and measurement of financial statement items, but it does affect the structure of the financial statements. IFRS 18 standardizes the formats for presenting financial results, eliminating discrepancies that previously complicated the comparative analysis of financial results across different companies, and introduces the term “operating profit” as a key indicator for assessing operating performance.

IFRS 18 establishes new requirements for the presentation of information in the income statement, including: the classification of revenues and expenses into categories such as operating, investing, and financing, taking into account the presence of specific types of core activities. The new standard defines and requires entities to disclose performance

measures determined by management (management performance measures), for which information must be disclosed regarding their reconciliation with the most directly comparable interim financial results required by IFRS 18, and which, as part of the financial statements, will be subject to mandatory audit.

The standard also establishes enhanced requirements regarding the aggregation and disaggregation of information in the main financial statements and/or notes.

The standard becomes effective on January 1, 2027, and is applied retrospectively. The Bank is analyzing the impact of the new standard on disclosures in the financial statements.

IFRS 19 *Non-publicly accountable subsidiaries: Disclosures*, issued by the IASB in May 2024.

IFRS 19 simplifies reporting processes for subsidiaries within the scope of IFRS 19, reducing costs while maintaining the usefulness of financial statements for users. IFRS 19 allows subsidiaries to prepare a single set of financial statements to meet the needs of both the parent company and the subsidiary's own users of financial statements and reduces the disclosure requirements for subsidiaries. A subsidiary is eligible to apply IFRS 19 if:

- it is not publicly accountable; and
- it has an ultimate or intermediate parent that prepares consolidated financial statements available for public use that comply with IFRS.

The standard is effective as of January 1, 2027.

Amendments to IFRS 19 *Non-publicly accountable subsidiaries: Disclosures*. These amendments to IFRS 19 are intended to address the relaxation of disclosure requirements established by new and amended IFRSs between February 2021 and May 2024. The International Accounting Standards Board (IASB) will consider the need to amend IFRS 19 each time new standards or amendments to existing IFRSs are adopted.

The amendments are effective from January 1, 2027.

Amendments to IAS 21, IFRS 19, and IAS 29 *Financial Reporting in Hyperinflationary Economies* – Translation into the presentation currency in hyperinflationary economies. The amendments specify procedures for translating financial statements into the presentation currency in a hyperinflationary economy. These amendments are intended to enhance the usefulness of the information provided in a cost-effective manner and to reduce practical variations.

The amendments are effective from January 1, 2027.

IFRS Sustainability Standards S1 *General Requirements for Sustainability-Related Financial Disclosures* and S2 *Climate-Related Disclosures*, issued by the IASB in June 2023.

IFRS S1 and IFRS S2 establish requirements for the disclosure of financial information related to sustainability. They set out requirements for disclosing information about risks and opportunities related to sustainability and climate change that may affect an entity's cash flows, access to financing, or cost of capital.

These two standards represent the first steps toward realizing the International Sustainability Standards Board's (ISSB) vision of creating a global framework for sustainability reporting. They are primarily aimed at investors and provide a clear understanding of the disclosures companies must provide to meet the needs of global capital markets.

IFRS S1 contains a series of disclosure requirements that enable companies to inform investors about the risks and opportunities associated with sustainability in the short, medium, and long term.

IFRS S2 establishes requirements for climate-related disclosures and is intended for use with IFRS S1.

The standards took effect on January 1, 2024. They will be implemented in phases: in the first year, entities may limit themselves to disclosing information on climate risks in accordance with IFRS S2, and starting in the second year, they must publish data in accordance with the requirements of IFRS S1.

Currently, Ukrainian legislation does not contain requirements for the preparation and submission of a Sustainability Report, but the Bank is studying and analyzing the impact of disclosing this information.

6. Significant accounting judgements and estimates

The Bank applies assumptions and estimates, influencing the amounts disclosed in the financial statements, book value of assets and liabilities during subsequent financial year. Assumptions and estimates are regularly reviewed and based on previous experience of management and other factors, including effect of future events, reasonable in current situation. In addition to assumptions based on accounting estimates, the management of the Bank uses professional judgements for accounting policies applied. Professional judgements, materially influencing amounts, disclosed in financial statements, and estimates, which may result in significant adjustments of book values of assets and liabilities in the subsequent financial year, include:

Assumptions regarding the Bank’s going concern

On February 24, 2022, the Russian Federation launched a full-scale military invasion of Ukraine; consequently, pursuant to Presidential Decree No. 64/2022, martial law was imposed throughout Ukraine as of 5:30 a.m. on February 24. As at the date of this financial reporting, martial law remains in effect, with the most active military operations taking place in Donetsk, Luhansk, Zaporizhzhia, and Kherson regions. Despite forecasts of a possible de-escalation of active military operations and a reduction in security risks, these have not materialized. Although there was no significant escalation of events during the reporting period in the form of predicted breakthroughs of defense lines with advances deep into the rear of either side, the Armed Forces of Ukraine have managed to thwart the enemy’s plans to reach the borders of the Donetsk region.

Russian forces continue to launch missile strikes across the entire territory of Ukraine, destroying energy and civilian infrastructure throughout the country, including hospitals and residential complexes, logistics infrastructure, oil storage facilities, and oil refineries, and other industrial facilities, posing significant risks to the population and reducing the country’s energy security. During the winter of 2025–2026, damage was inflicted on the energy infrastructure of Kyiv and the Kyiv region, which had a significant impact on the civilian population. The resumption of targeted attacks on energy infrastructure in 2025 forced a return to this practice, and as a result, in certain regions (primarily the Kharkiv, Odesa, Dnipropetrovsk, Poltava, Sumy, Zaporizhzhia, and Kirovohrad regions), the population and businesses had to adapt their lives and operations to power outages, water shortages, and the lack of heating. Thanks to the efforts of Ukrainian energy workers, the country’s infrastructure is being kept operational, with all types of generation operating within the power system.

The current baseline scenario of the NBU’s macroeconomic forecast is based on assumptions regarding the continued implementation of prudent monetary and fiscal policies focused on ensuring macrofinancial stability, Ukraine’s consistent fulfillment of its obligations under cooperation programs with international partners, who, for their part, will continue to provide sufficient financial support. In the context of a full-scale military invasion, one of the Bank’s primary objectives remains ensuring the uninterrupted provision of a full range of banking services to clients; in the event of a further escalation of hostilities and rocket attacks, the Bank’s critical operations and functions will be carried out without fail, and the safety of employees and their families will be ensured. The Bank’s business and operational processes have been adapted to account for military hostilities, enabling the Bank to carry out all key banking operations. Key management and operational personnel are fully available and ensure the Bank’s organizational manageability and the execution of all critical processes. As of the date of these financial statements, the Bank is operating under the “Heightened Readiness” mode designated by the NBU and is prepared to transition to “Limited” or “Critical” modes, for which the redundancy (interchangeability) system for key (critical) operational staff and the replication system for the Bank’s critical IT systems to the Bank’s backup data center in Uzhhorod continue to operate. The Bank’s management bodies have adapted their operations to address wartime challenges, and the Bank’s management makes decisions with sufficient regularity to respond immediately to all challenges posed by the current situation.

As at December 31, 2025, the current branch network consists of 33 separate branches. The bank monitors the security situation on a daily basis and makes appropriate decisions regarding the list of branches and their operating hours to ensure the safety of staff and meet business needs.

In 2025, the bank implemented a planned optimization decision to close one of its branches in the city of Nikopol. This decision was made in light of increased security risks in the region and the town’s proximity to the active combat zone.

The bank’s priority is ensuring the safety of customers and employees, as well as guaranteeing the provision of all necessary financial services even in an unstable environment. To maintain service continuity, we transferred all operational processes to the branch in Nikopol, which remains open.

This decision demonstrated the bank’s ability to quickly adapt to external challenges, prioritize customer safety, and responsibly manage its network while maintaining financial stability and high service quality.

The Bank’s business and operational processes have been adapted to account for military operations and widespread power outages, enabling the Bank to carry out all key banking operations. The Bank has procured and installed generators, as well as Starlink satellite communication systems, for its offices in Kyiv and Dnipro, as well as for key branches, ensuring the continuity of operations at the Bank and its key branches in the event of power outages or the unavailability of primary communication channels.

The Bank is a participant in the Power Banking project, created at the initiative of the NBU. The project is a unified network of Ukrainian bank branches that will remain operational and provide necessary services to customers even during a blackout. The Power Banking network comprises approximately 2,400 branches equipped with alternative power sources and backup communication channels, enhanced cash collection, and additional staff. The Bank is represented in this network by 18 branches.

In 2025, the Bank faced a significant challenge - damage to its headquarters building in Kyiv. Despite the incident, the Bank fully maintained operational stability: all critical functions were ensured without interruption, and customers received the full range of services as usual.

From the very first moments after the incident, the Bank activated its Business Continuity Plan (BCP). All procedures were carried out in full compliance with internal regulations, which allowed the Bank to avoid any delays in payments, transaction processing, contact center operations, or digital service channels.

No Bank service, process, or function was interrupted or restricted. The continuity of operations confirmed the high effectiveness of the Bank’s BCP, as well as the readiness of the Bank’s technological and operational infrastructure to function under sudden and extraordinary crisis conditions.

Upon completion of the restoration work, the Bank returned to the “Enhanced Readiness” operational mode in accordance with NBU requirements. The incident served as a significant confirmation of the Bank’s resilience, the reliability of its IT architecture, and the Bank’s ability to guarantee stability for its clients even under the most challenging external circumstances.

The measures implemented demonstrated a high level of maturity in operational risk management and the Bank’s readiness to adapt quickly, ensuring employee safety and customer trust.

Additionally, two of the Bank’s branches also sustained minor damage, which did not affect their operations, and they were structurally restored in the shortest possible time.

As a result of the massive Russian shelling of the city of Kyiv on 28.08.2025, the leased building housing the Bank’s head office and branch at 32 Zhylianska St., Kyiv, sustained significant damage. The Bank changed its actual location and legal address to 75 Zhylianska St., Kyiv. The “Zhylianske” branch was closed, and all clients were transferred to the “Zoloti Vorota” branch for service.

Despite prolonged and widespread power outages, the Bank was not significantly affected thanks to the availability of alternative power sources (generators), and plans for 2026 include developing energy independence by installing additional equipment (inverters with batteries, etc.).

The key objectives for 2026 remain: ensuring business continuity, expanding the loan portfolio by developing lending programs for individuals, small businesses, and microenterprises, diversifying the corporate loan portfolio, and expanding lending to the agricultural sector in new regions, developing remote sales channels across all segments; maintaining and increasing the Bank’s market share in specific segments by growing the number of active customers through expanding the range of products and services, specifically, providing e-commerce services and developing the embedded finance segment—the integration of digital banking with financial products and services into the platforms or applications of non-banking companies, monitoring efficiency with a focus on the CIR metric using existing infrastructure and economically sound investments.

Security risks determine the prospects for Ukraine’s further economic development. An intensification and prolongation of the war, as well as a higher-than-expected electricity deficit resulting from Russian terrorist attacks, could significantly constrain economic activity and intensify inflationary pressures. Other risks are also relevant, the materialization of which could also lead to a revision of key macroeconomic indicators, in particular: the emergence of additional budgetary needs and the formation of significant quasi-fiscal deficits in the energy sector given the unpredictable nature of the war; the delay in the return of a significant portion of citizens to Ukraine and potential additional emigration abroad, which will limit consumer demand and, in the long term, threaten to exacerbate structural problems in the labor market and reduce economic potential; the irregularity of external financing inflows; and the blocking of logistics routes. Conversely, the rapid implementation of Ukraine’s recovery plan with corresponding inflows of official and private financing could significantly accelerate economic growth.

As at the date of this financial reporting, the Bank’s ability to continue as a going concern has not been significantly affected; however, the Russian Federation’s military aggression against Ukraine may have a significant impact on the Bank’s financial condition and business and has created significant uncertainty that could cast serious doubt on the Bank’s ability to continue as a going concern in the future; consequently, a situation may arise in which the Bank is unable to realize its assets and settle its liabilities in the ordinary course of business.

As a result of military hostilities and in the event of their further escalation, the Bank may incur losses due to difficulties in recovering assets or the failure of companies and individuals registered in occupied territories or territories of military hostilities—or those who have lost the ability to conduct business unimpeded and a stable source of income—to repay their loan obligations. Losses may also result from the physical loss of assets that support the Bank’s critical functions and core operations. Such losses could affect the Bank’s ability to continue as a going concern.

The Bank’s management has prepared these financial statements in accordance with the going concern principle. In forming this professional judgment, Management took into account the Bank’s actual operating results for the period since the start of the military aggression; the Bank’s Shareholder’s consistent actions regarding financial support for the Bank; measures taken by the President, the Government, the regulator, and the Bank’s Management; the mobilization of large-scale international support; and other factors. These factors provide management with sufficient confidence in the Bank’s ability to continue as a going concern.

In making these assumptions, the Bank’s management also considered the factors listed below and concluded that the going concern assumption is appropriate for the preparation of these financial statements.

Capital. In 2025, in accordance with the Technical Specifications for Assessing the Resilience of Banks and the Banking System of Ukraine, approved by Resolution No. 452-rsh of the Board of the National Bank of Ukraine of 26.12.2024, the Bank underwent a three-stage resilience assessment. Based on the results of the stress test under the baseline scenario, the following required levels were initially determined: the regulatory capital adequacy ratio (RCA) – 16.04%, the Tier 1 capital adequacy ratio (T1C) – 13.67%, and Tier 1 core capital adequacy ratio (T1CC) – 11.89%; under the adverse macroeconomic scenario: RAR – 31.46%, T1CC – 29.16%, and T1CC – 27.44%. The Supervisory Board of the Bank (Minutes No. 24 dated September 26, 2025) approved the Capitalization/Restructuring Program of JSC “BANK CREDIT DNIPRO” for the period until September 30, 2026 (hereinafter – the Capitalization Program), which was agreed upon and approved by Resolution No. 428-rsh/BT of the Management Board of the National Bank of 21.11.2025. Based on the results of the verification of measures implemented and planned by the Bank, as well as actual events that occurred after the reporting date and were taken into account by the Bank when preparing the Capitalization Program, the required capital adequacy ratios were adjusted by the NBU to the following levels: under the baseline macroeconomic scenario, the required capital adequacy ratios correspond to the regulatory values of these ratios established by the Instruction on the Procedure for Regulating the Activities of Banks in Ukraine, approved by Resolution of the Board of the National Bank of Ukraine No. 368 of 28.08.2001 (as amended); under the adverse macroeconomic scenario, the required levels of the ratios are: the NCR ratio—from 31.46% to 14.23%; the NCR1 ratio—from 29.16% to 11.73%; the NCR1 ratio—from 27.44% to 9.85%. All measures of the Capitalization Program scheduled for implementation as of the reporting date are being carried out by the Bank in full and within the established timeframes. The Bank complies with the required capital adequacy ratios established by the National Bank of Ukraine in accordance with the Capitalization Program.

As at the end of the day on December 31, 2025, the regulatory capital (H1) stood at UAH 1,608 million, the Tier 1 capital adequacy ratio (NOK1) was 13.3% (minimum ratio – 5.625%), the Tier 1 capital adequacy ratio (Nk1) is 13.3% (minimum ratio – 7.5%), and the regulatory capital adequacy ratio (Hrk) is 13.3% (minimum ratio – 10.0%).

As of 01.09.2025, the NBU, by Resolution of the Board No. 89 of 19.07.2024 (as amended), introduced a leverage ratio (LR) for banks, defined as the ratio of Tier 1 capital to the Bank’s total assets and off-balance-sheet liabilities, excluding risk weights. As at the end of the day on December 31, 2025, the leverage ratio stood at 5.5% (the minimum regulatory requirement is 3%). The Bank complies with the NBU’s leverage ratio requirements with a significant margin.

According to the Bank’s management, current operational efficiency and consistent financial support from the Shareholder provide management with sufficient confidence in the Bank’s ability to continue its operations on a going-concern basis.

Credit portfolio quality. When assessing the quality of its credit operations, the Bank adheres to the principle that the substance of the credit operations conducted takes precedence over their form, which, in particular, means that the Bank ensures a comprehensive and adequate assessment of credit risk when calculating the amount of credit risk for an asset on both an individual and a group basis, taking into account its own experience by applying the judgment of management in determining the materiality of the impact of various factors on the quality of the asset.

In 2025, the Bank significantly increased its lending. Thanks to the business’s high level of adaptability to wartime conditions, the economy and lending are recovering. However, the key specific risks relating to the reporting period continue to be the risk of a deterioration in borrowers’ ability to service their debt due to damage to assets, loss, or a reduction in the number of counterparties or sources of income caused by active hostilities or the borrower’s proximity to the combat zone. To mitigate these risks, the Bank imposes restrictions/limits on active operations based on geographic criteria.

As at December 31, 2025, there are loans where the borrowers conduct business activities in close proximity to the combat zone, primarily in the Donetsk and Kharkiv regions. Given the increased risk, the Bank classifies these assets as Stage 2 impaired and, based on the principle of prudence, excludes from the calculation of loan loss reserves the portion of collateral located in the immediate vicinity of the combat zone. In calculating expected credit losses on loan receivables, the Bank has taken into account the borrowers’ ability to generate cash flows to repay or service the debt, specifically depending on their location relative to the occupied territories and the availability of evidence of their adaptation to the new conditions of conducting their business.

The Bank’s management considered the known and estimated risk factors as of the reporting date and applied professional judgment in assessing the impairment of such loans. At the same time, as a result of military hostilities and in the event of their further escalation, the Bank may incur losses due to difficulties in recovering assets located in areas of active combat operations or the non-payment of loan debt by companies registered in such territories or by borrowers who have lost the ability to conduct business unimpeded and a stable source of income. Such losses could potentially affect the Bank’s ability to continue as a going concern.

Future cash flows, which are estimated during the valuation of the Bank’s assets and may be generated through the foreclosure of collateral, are calculated taking into account the Bank’s existing legal options for exercising its rights as a

mortgagee and the absence of evidence of destruction, significant damage, or loss of control over the collateral by the mortgagor, or the absence of a significant risk of losing the collateral in an area in close proximity to hostilities, taking into account the borrower's debt servicing quality, the stage of claims and litigation regarding non-performing assets, and the liquidity ratio of the collateral, as well as the Bank's experience regarding the timeframe for realizing collateral of a specific type based on its general characteristics and properties. Any potential or actual restrictions on the exercise of the collateral holder's rights, which may be considered temporary or may not be considered permanent, are taken into account during the asset valuation, considering the characteristics listed in the preceding paragraph, based on the Bank's own experience. If these restrictions become permanent in the form of the Bank losing its right to foreclose on the collateral, they may result in increased expenses and affect the Bank's ability to continue as a going concern.

Liquidity. One of the main consequences of military aggression is an increase in the likelihood of a specific or market-wide liquidity crisis and, as a result, an increase in the overall level of liquidity risk, which consists in a sharp outflow of customer funds, a decrease in asset returns and an inability to repay its liabilities in due time.

As at December 31, 2025, the liquidity of the Bank and liquidity ratio are stable and high:

	<i>31.12.2025</i>	<i>31.12.2024</i>
LCR all currencies (>100%)	167%	166%
NSFR all currencies (>100%)	160%	158%

The liquidity coverage ratio (LCR) for all currencies exceeded the NBU's regulatory requirement by 67 percentage points, while the net stable funding ratio (NSFR) exceeded it by 60 percentage points.

This level of liquidity is the result of management's systematic efforts to secure diversified and stable sources of funding and to build a significant reserve of highly liquid assets to ensure the uninterrupted processing of payments by the Bank's clients.

At the same time, as a result of the continuation of hostilities, their possible escalation in the form of further missile strikes, and the expansion of hostilities or occupation into new territories of Ukraine, new challenges may arise for the Bank regarding the stable assurance of uninterrupted operations, and for clients, as a consequence, this may lead to business entities losing the ability to conduct business, and for individual depositors, a loss of income sources, which will cause clients to use their accumulated liquidity reserves to cover necessary expenses and, ultimately, reduce the stability of the Bank's liabilities and liquidity, which, in turn, may affect the Bank's financial performance indicators

However, according to management's assessment, taking into account the measures implemented to ensure the Bank's continuity of operations and the consistent support from the Shareholder, there is sufficient confidence in the Bank's ability to continue its operations on a going-concern basis.

Losses through impairment of loans and advances to customers, investments in securities

The Bank regularly reviews its loan portfolio to assess impairment. In determining whether an impairment loss should be recorded in profit or loss for the year, the Bank makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. Evidence of this may include observable data indicating that there has been an adverse change in the payment status of borrowers individually or collectively, or national or local economic conditions that correlate with defaults on assets in a group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when estimating future cash flows.

The methodology and assumptions used for estimating both the timing and amount of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. In preparing these financial statements, management used its judgment to estimate future cash flows on loans taking into account implemented asset restructurings, if any, during the reporting period. When making judgments about future cash flows, the Bank assessed the debt burden of the counterparty and the prospects for repayment/service of the debt in the future, taking into account the intended use of the loan. When estimating the timing and amount of future cash flows, the impact of military operations and large-scale rocket attacks on critical infrastructure on key macroeconomic indicators and business conditions of the Bank's debtors was taken into account. A part of the bank's assets was assigned to the second stage of impairment due to potential military risks. At the same time, in case of further escalation of hostilities and increase in the amount of damage to critical infrastructure facilities and changes in estimates of future cash flows under the implemented restructurings, including taking into account the quality of debt servicing, the estimated amount of the required provision may be increased.

Fair value of collateral is taken into account during calculation of expected credit losses for loans, measured individually, and measured in accordance with regular property revaluations by appraisers or respective Bank employee with appraiser certificate. Adequacy of collateral to be used during assessment of future losses is measured, taking into account the factors indicating the possibility for the Bank to apply the right of mortgage irrespective of stage of litigation and term of collection.

As at December 31, 2025, when calculating expected credit losses, the Bank exercised its own judgment regarding the compliance of the condition of collateralized assets with the criteria and principles for collateral acceptability, based on all available information. The Bank has implemented a set of measures aimed at accurately reflecting the actual condition and value of collateralized property for the calculation of expected credit losses, namely: for relatively safe regions, the Bank independently verified the existence and condition of the property, as well as its revaluation; for regions and locations most affected by the consequences of the Russian Federation’s military aggression, a mechanism has been implemented to engage external appraisers on an outsourced basis to conduct periodic inspections and revaluations of the collateral’s value. At the same time, the monitoring process is continuous, which means that if additional information is received that may indicate an unacceptable condition of the collateral provided to the Bank, it will be excluded from the calculation as of the next reporting date following receipt of the relevant data.

The carrying amount of assets in Stage 3 impairment is UAH 54,003 thousand (2024: UAH 178,396 thousand). The decrease in volume is due to the write-off of non-performing assets using provisions formed in prior periods and the assignment of receivables for a portion of the retail loan portfolio, as well as the settlement of past-due debt with corporate clients.

Taking into account the available reasonable and substantiated information regarding current operating conditions, as well as forecasts of future economic conditions and their evolution throughout 2025, specifically: a moderate recovery in economic growth compared to the previous year against a backdrop of limited external demand; the persistence of high security risks and the intensity of hostilities; regular airstrikes by the Russian Federation and the associated risks of energy instability; dependence on international financial support and risks of irregularity in its receipt; further growth in the debt burden on the state budget (expected public debt-to-GDP ratio at around 95–100%); as well as additional risks associated with trade and transport restrictions imposed by certain countries. The Bank continues to assess credit risk for domestic and foreign currency government bonds, taking into account factors affecting the issuer’s credit ratings, including their dynamics and the application of a scenario-based approach when evaluating forecasts of future economic conditions. As of December 31, 2025, the Bank continues to calculate expected credit losses for this financial instrument based on the dynamics of Ukraine’s external credit rating from three leading rating agencies (Standard & Poor’s, Fitch Ratings, and Moody’s Investors Service).

In the Bank’s opinion, accounting estimates related to determining the amounts of provisions for loan impairment losses are the primary source of estimation uncertainty because: they are particularly sensitive to changes from period to period, as assumptions regarding future default rates and the assessment of potential losses related to loan and advance impairments are based on the Bank’s most recent performance indicators; furthermore, any material difference between the Bank’s expected losses (reflected in provisions) and actual losses will require the Bank to establish provisions which, in the event of a material difference, could significantly affect its Statement of Income and Other Comprehensive Income and Statement of Financial Position in future periods. The amounts of provisions for impairment losses on financial assets in the financial statements were determined based on current economic and political conditions, taking into account forecasts of changes in macroeconomic indicators obtained from public sources, without considering the impact of a possible escalation of military hostilities resulting from the Russian Federation’s military invasion of Ukraine. The Bank is unable to predict what changes in the economic and political situation will occur in Ukraine, including as a result of the escalation of military aggression, and what impact such changes may have on the adequacy of provisions for impairment losses on financial assets in future periods. At the same time, in assessing potential credit losses as of the reporting date, the Bank took into account all available information regarding past events that was relevant as of the reporting date and formed the institution’s operational experience, including during the implementation of anti-epidemic measures in 2020–2021 and during the period of martial law in 2022–2025, specifically by adjusting the impact of negative macroeconomic scenarios on the amount of probable losses on active operations.

Recognition of deferred tax assets

Recognized deferred tax assets represent income taxes recoverable through future deductions from taxable profits and are recorded in the statement of financial position. Deferred tax assets may be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Estimation of future taxable profits and the amount of deferred tax assets that are probable in the future is based on the Bank’s Development Strategy, which is based on the priority business areas until 2027 and the results of its extrapolation to future periods. The Bank’s Development Strategy is based on the Management’s expectations, which are considered reasonable under the circumstances.

It is expected that the Bank will generate stable income in future. Major assumptions, used in the financial model, include expected stabilization of Ukrainian economy and avoidance of stress development scenarios, moderate growth of loan portfolio and interest income, organic growth of commissions and sales income for all business lines, gradual decrease of interest rate under attracted resources and continuing expense control.

Under Ukrainian Law No. 4698-IX of December 3, 2025, an increased income tax rate of 50 percent has once again been introduced for banks for the year 2026, with no right to offset the tax base from previous years during 2026.

Deferred taxes as of the end of the reporting year are calculated at a rate of 50 percent; however, a base rate of 25 percent was applied to calculate the deferred tax asset for unused tax losses from prior years, the use of which is limited to 2026.

Taking into account planned future profits and the fact that current Ukrainian tax legislation does not currently impose any restrictions on the period for utilizing carried-forward tax losses, Management considers it reasonable to recognize deferred income tax assets as at December 31, 2025, in the amount of UAH 120,785 thousand (Note 15).

Tax laws

Given the constant changes in Ukraine's tax and foreign exchange laws, including retroactive amendments, there is room for different interpretations.

Recognition of related parties' transactions

The Bank is engaged in related parties' transactions during usual business. IFRS 9 requires to recognize financial instruments at fair value at initial recognition. If there is no active market for such transactions, professional judgements should be used to determine whether the transactions were based on market or non-market rates. The basis for the judgements is pricing of this type of transactions compared to arm's length transactions and analysis of effective interest rate. Terms of related parties' transactions are described in Note 30.

Fair value of financial instruments

If the fair value of financial assets and financial liabilities, disclosed in the statement of financial position, cannot be measured based on active market prices, it is measured using different models, including mathematical ones. Input data for such models are based on observable market data, if possible; otherwise, judgements should be used to measure the fair value. Judgements are based on data on liquidity risk, credit risk and volatility. Changes of assumptions related to these factors may influence the fair value of financial instruments, disclosed in financial statements (Note 31).

Determination of the revalued value of assets held for sale and foreclosed collateral

The Bank measures assets classified as held for sale at the lower of their carrying amount and fair value less costs to sell. If it is not possible to reliably estimate the amount of costs to sell, they are calculated as 1% of the asset's fair value.

Property that has become the Bank's property as a pledgee and is held for subsequent sale is accounted for at the lower of cost or net realizable value.

Net realizable value is the difference between the estimated selling price in the ordinary course of business and the estimated costs necessary to make the sale. Given the Bank's routine nature of operations regarding the sale of such assets, the Bank uses the fair value of such assets as their estimated selling price. If it is not possible to reliably estimate the amount of expected selling expenses, they are calculated as 1% of the fair value.

In 2025, the Bank conducted a fair value assessment of foreclosed collateral with the assistance of independent experts. Changes in the carrying amount of the assets are recognized in profit or loss (Note 12).

Revaluation of buildings and investment property

Buildings occupied by the owner (the Bank) are carried at revalued cost, which equals fair value as of the valuation date, less accumulated depreciation and impairment losses.

Investment property is carried at fair value.

In 2025, the Bank conducted a fair value assessment of investment property and owner-occupied buildings with the assistance of independent experts. Based on the results, the Bank's Management Board decided to adjust the value of the properties where the fair value of the real estate differed from their carrying amount. To determine fair value, the appraiser applied the market approach, which is based on an analysis of comparable sales of similar buildings and structures, and the income approach, which is based on the principles of highest and best use and expectations, according to which the value of the property being appraised is determined as the present value of expected income from the most efficient use of the property, including income from its potential resale.

Changes in the fair value of owner-occupied buildings are recognized in other comprehensive income and, in the absence of an accumulated building revaluation reserve, in losses, while changes in the fair value of investment property are recognized in profit or loss (Notes 11 and 14).

Lease

The Bank determines the lease term as non-cancellable, together with such periods for which an option to extend the lease term is provided and for which an option to terminate the lease is provided, but only if it is reasonably certain that the Bank will exercise such options.

Lease liabilities arising from lease contracts that are subject to fluctuations in foreign currency exchange rates are remeasured at each reporting date at the official exchange rate of the Ukrainian Hryvnia to foreign currencies, with the result of the remeasurement recognized in profit or loss.

Discounting of lease liabilities is based on the rate calculated each quarter using fair value of state public bonds by currencies and terms, adjusted by risk premium. If there is no profitability rate for state public bonds, adjusted for the term corresponding to lease term, discounting shall be based on current profitability rate adjusted for maximally close known term.

7. Cash and cash equivalents

	<i>2025</i>	<i>2024</i>
Cash	145 074	234 387
Correspondent accounts, deposits and overnight loans with other banks	1 593 901	2 049 572
NBU deposit certificates	8 850 158	4 451 642
Cash and cash equivalents	10 589 133	6 735 601
Allowance for expected credit losses	(2 217)	(2 941)
Total cash and cash equivalents	10 586 916	6 732 660

As at December 31, 2025, an amount equivalent to UAH 805,341 thousand (2024: UAH 1,427,154 thousand) was held in correspondent accounts with banks in OECD member countries, which are the Bank's primary counterparties for international settlements.

The following is an analysis of cash and cash equivalents (excluding cash on hand) by credit quality as at December 31, 2025:

	<i>2025</i>	<i>2024</i>
AA/AA-	84 087	202 550
A+/A-	720 898	1 223 189
BBB+/BBB-	788	1 571
CCC+/CCC-	49 217	16 745
NBU	9 589 069	5 057 159
Cash and cash equivalents (except for cash in hand)	10 444 059	6 501 214
Allowance for expected credit losses	(2 217)	(2 941)
Total cash and cash equivalents (except for cash in hand)	10 441 842	6 498 273

The credit ratings are based on the ratings of the international rating agency Fitch, where available, or on the ratings of other international rating agencies transformed to the nearest equivalent on the Fitch rating scale.

Changes in the gross carrying amount and expected credit losses (ECL) of cash and cash equivalents (other than cash) as at December 31, 2025:

	<i>12-months ECL</i>	
	<i>Gross carrying amount</i>	<i>Allowance</i>
Cash and cash equivalents (except for cash in hand)		
As at January 1	6 501 214	2 941
Settled or sold assets	(440 213 414)	-
Increase through issuance or acquisition	444 373 269	-
Increase (decrease) through exchange rate differences	42 028	63
Increase (decrease) through other changes	(259 038)	(787)
As at December 31	10 444 059	2 217

Changes in gross carrying amount and expected credit losses (ECL) of cash and cash equivalents (except for cash in hand) as at December 31, 2024, are presented below:

Cash and cash equivalents (except for cash in hand)	12-months ECL	
	Gross carrying amount	Allowance
As at January 1	8 033 792	3 232
Settled or sold assets	(197 768 789)	-
Increase through issuance or acquisition	196 528 196	-
Increase (decrease) through exchange rate differences	144 601	418
Increase (decrease) through other changes	(436 586)	(709)
As at December 31	6 501 214	2 941

In 2025 and 2024, there were no transfers between impairment stages. The decrease in expenses for allowance for expected credit losses in 2025 amounted to UAH 787 thousand (2024: the decrease in allowance expenses amounted to UAH 709 thousand).

8. Loans and advances to banks

	2025	2024
Guarantee deposits at other banks	72 126	65 718
Loans granted to other banks	-	250 397
Loans and advances to banks	72 126	316 115
Allowance for loans and advances to banks	(299)	(654)
Total loans and advances to banks	71 827	315 461

Guarantee deposits in other banks as at December 31, 2025:

	2025			Total
	Ukraine	OECD	Other	
Payment card transactions	4 089	-	-	4 089
Documentary transactions	-	49 856	13 652	63 508
Wire transfer transactions	533	-	-	533
Securities transactions	-	3 996	-	3 996
Total guarantee deposits in other banks	4 622	53 852	13 652	72 126

Guarantee deposits in other banks as at December 31, 2024:

	2024			Total
	Ukraine	OECD	Other	
Payment card transactions	2 945	-	-	2 945
Documentary transactions	-	43 927	18 260	62 187
Wire transfer transactions	579	-	-	579
Securities transactions	-	7	-	7
Total guarantee deposits in other banks	3 524	43 934	18 260	65 718

Maturities of loans and advances to banks, concentration of currency risks and other risks are disclosed in Note 29.

Analysis of loans and advances to banks by credit quality as at December 31 is presented below:

	2025	2024
A+/A-	63 508	312 584
AA+/AA-	3 996	7
CCC+/CCC-	4 039	2 895
National Bank	50	50
Unrated	533	579
Loans and advances to banks	72 126	316 115
Allowance for loans and advances to banks	(299)	(654)
Total loans and advances to banks	71 827	315 461

Credit ratings are based on ratings from the international rating agency Fitch, where available, or on ratings from other international rating agencies, converted to the closest equivalent on the Fitch rating scale.

Changes in the gross carrying amount and expected credit losses (ECL) of loans and advances to banks as at December 31, 2025:

Loans and advances to banks	12-month ECL	
	Gross carrying amount	Allowance
As at January 1	316 115	654
Decrease due to derecognition	(501 148)	(347)
Increase due to issuance or acquisition	250 023	-
Increase due to foreign exchange differences	7 845	6
Changes in carrying amount during the period	(709)	(14)
As at December 31	72 126	299

Changes in the gross carrying amount and expected credit losses (ECL) of loans and advances to banks as at December 31, 2024:

Loans and advances to banks	12-month ECL	
	Gross carrying amount	Allowance
As at January 1	268 780	887
Decrease due to derecognition	(21 431 528)	(4 523)
Increase due to issuance or acquisition	21 407 877	4 522
Increase due to foreign exchange differences	39 867	46
Changes in carrying amount during the period	31 119	(278)
As at December 31	316 115	654

In 2025 and 2024, there were no transfers between impairment stages. The decrease in expenses for allowance for expected credit losses on loans and advances to banks in 2025 amounted to UAH 361 thousand (2024: the decrease in expenses for allowance amounted to UAH 279 thousand).

9. Loans and advances to customers

Loans and advances to customers include:

	2025	2024
Corporate loans	7 735 234	6 877 751
Consumer loans	1 336 762	915 393
Financial leases provided to businesses	939 870	285 097
Mortgage loans	582 734	320 556
Loans to government agencies	123 004	304 740
Loans and advances to customers	10 717 604	8 703 537
Allowance for loans and advances to customers	(623 151)	(873 802)
Total loans and advances to customers	10 094 453	7 829 735

During the reporting period, the Bank derecognized a portion of its impaired portfolio with a gross carrying amount of UAH 76,396 thousand (2024: UAH 266,630 thousand) through its sale; the resulting gain is recognized under the line item “Gain (loss) from derecognition of financial assets at amortized cost” in the statement of profit or loss and other comprehensive income in the amount of UAH 22,974 thousand. (2024: UAH 16,450 thousand).

During the reporting period, the Bank assigned the right to claim mortgage loans under agreements concluded with PrJSC “UKRFINZHITLO.” The nominal value of the mortgage loan debt for which the Bank assigned its rights as at the end of the reporting period amounts to UAH 181,974 thousand; the estimated amount of the potential allowance is UAH 1,556 thousand. As at December 31, 2025, the Bank had not received a request for reassignment.

During the reporting period, as a result of modifying the lending terms for business entities and individuals, with derecognition of such loans, the Bank recognized a loss in the amount of UAH 296 thousand (2024: gain of UAH 13,052 thousand), which is reflected under the line item “Gain (loss) from derecognition of financial assets amortized cost” in the statement of profit or loss and other comprehensive income.

The following is an analysis of the gross carrying amount by stages of impairment as at December 31, 2025:

	Stage 1	Stage 2	Stage 3	Total
Corporate loans	7 123 179	539 675	72 380	7 735 234
Consumer loans	1 073 059	41 543	222 160	1 336 762
Mortgage loans	573 118	7 398	2 218	582 734
Loans to government agencies	123 004	-	-	123 004
Financial leases provided to businesses	917 835	22 035	-	939 870
Loans and advances to customers	9 810 195	610 651	296 758	10 717 604
Allowance for loans and advances to customers	(321 077)	(59 319)	(242 755)	(623 151)
Total loans and advances to customers	9 489 118	551 332	54 003	10 094 453

The decrease in the gross carrying amount of loans classified at stage 3 of impairment was caused by the write-off of non-performing assets using provisions set aside in prior periods, the assignment of receivables for a portion of the retail loan portfolio, and the settlement of past-due debts of customers-legal entities.

The gross carrying amount of loans classified at stage 2 of impairment increased primarily due to the deterioration in the credit quality of corporate borrowers as a result of factors related to the imposition of martial law in Ukraine. In particular, these factors include: significant damage to or loss of assets necessary for business operations; the location of the business in areas of heightened military risk; loss of sales markets and a significant decline in operating income; amendments to the terms of loan agreements (including payment deferrals, interest capitalization, or interest rate reductions); insufficient or absent financial information regarding the debtor's operations; as well as signs of deteriorating financial condition indicating a reduced ability to service debt, while such borrowers ensure timely and regular debt servicing without delays.

The following is an analysis of the gross carrying amount by stages of impairment as at December 31, 2024:

	Stage 1	Stage 2	Stage 3	Total
Corporate loans	5 974 428	365 764	537 559	6 877 751
Consumer loans	648 843	15 000	251 550	915 393
Mortgage loans	314 515	-	6 041	320 556
Loans to government agencies	304 740	-	-	304 740
Financial leases provided to businesses	285 097	-	-	285 097
Loans and advances to customers	7 527 623	380 764	795 150	8 703 537
Allowance for loans and advances to customers	(204 517)	(52 531)	(616 754)	(873 802)
Total loans and advances to customers	7 323 106	328 233	178 396	7 829 735

The following is an analysis of changes in the gross carrying amount of loans and expected credit losses on receivables from customers, which are accounted for at amortized cost, as at December 31, 2025:

	<i>12-month ECL</i>		<i>Life-long ECL</i>		<i>Total</i>	
	<i>GCA</i>	<i>Allowance</i>	<i>GCA</i>	<i>Allowance</i>	<i>GCA</i>	<i>Allowance</i>
As at January 1	7 527 624	204 517	1 175 913	669 285	8 703 537	873 802
Assets settled or sold	(446 299)	(9 551)	(239 239)	(138 743)	(685 538)	(148 294)
Increase due to issuance or acquisition	2 340 023	64 640	-	-	2 340 023	64 640
Decrease due to write-off	-	-	(286 797)	(286 797)	(286 797)	(286 797)
Increase (decrease) due to transfers between stages	(249 338)	(8 516)	249 338	8 516	-	-
Increase (decrease) due to exchange rate differences	25 875	525	22 767	7 298	48 642	7 823
Change in carrying amount during the reporting period	612 310	26 414	(14 573)	58 861	597 737	85 275
Increase (decrease) due to other transactions	-	43 049	-	(16 347)	-	26 702
As at December 31	9 810 195	321 078	907 409	302 073	10 717 604	623 151

The item "Increase (decrease) due to transfers between stages," reflects the gross carrying amount of loans and expected credit losses on them that were recorded as at December 31, 2024, in Stage 1 of impairment and were transferred to Stage 2 or Stage 3 of impairment during 2025, or vice versa. An increase in the amount of expected credit losses due to a revision of expected cash flows on loans, in particular as a result of transfers to Stage 2 or Stage 3 of impairment and a revision of the impact of macroeconomic factors, is reflected in the line item "Increase (decrease) due to other actions."

The following is an analysis of changes in the gross carrying amount of loans and expected credit losses on receivables from customers, which are accounted for at amortized cost, as at December 31, 2024:

	<i>12-month ECL</i>		<i>Life-long ECL</i>		<i>Total</i>	
	<i>GCA</i>	<i>Allowance</i>	<i>GCA</i>	<i>Allowance</i>	<i>GCA</i>	<i>Allowance</i>
As at January 1	3 878 850	118 964	1 843 836	1 268 445	5 722 686	1 387 409
Assets settled or sold	(220 549)	(11 178)	(284 673)	(250 279)	(505 222)	(261 457)
Increase due to issuance or acquisition	3 081 887	54 953	-	-	3 081 887	54 953
Decrease due to write-off	-	-	(377 044)	(377 044)	(377 044)	(377 044)
Increase (decrease) due to transfers between stages	(40 042)	14 424	40 042	(14 424)	-	-
Increase (decrease) due to exchange rate differences	125 860	3 797	14 079	4 047	139 939	7 844
Change in carrying amount during the reporting period	701 618	18 793	(60 327)	(46 532)	641 291	(27 739)
Increase (decrease) due to other transactions	-	4 764	-	85 072	-	89 836
As at December 31	7 527 624	204 517	1 175 913	669 285	8 703 537	873 802

The Bank revises its previous estimates of cash flows on loans to customers in the event of a modification agreed upon by the parties. If the modification of the asset results in derecognition, the Bank recognizes a new asset or a POCI asset, and the result is recognized as a gain or loss on derecognition. If the modification of the asset does not result in derecognition, the Bank discounts the modified cash flows at the original effective interest rate and recognizes a gain or loss on the modification.

Loan agreements whose terms have been revised with the recognition of gains/losses on the modification:

	<i>2025</i>	<i>2024</i>
Amortized cost before modification	6 974	22 056
Net profit (loss) through modification	(234)	(31)

Changes in allowance for ECL under loans and advances to customers in 2025:

	<i>Corporate loans</i>	<i>Consumer loans</i>	<i>Financial leases provided to businesses</i>	<i>Mortgage loans</i>	<i>Total</i>
January 1	585 223	286 455	39	2 085	873 802
<i>Stage 1</i>	<i>166 376</i>	<i>36 017</i>	<i>39</i>	<i>2 085</i>	<i>204 517</i>
<i>Stage 2</i>	<i>42 068</i>	<i>10 463</i>	-	-	<i>52 531</i>
<i>Stage 3</i>	<i>376 779</i>	<i>239 975</i>	-	-	<i>616 754</i>
Charges to allowance	10 870	115 570	384	4 680	131 504
Adjustment of interest income on impaired loans	(377)	16 255	-	(2)	15 876
Derecognition	(47 010)	(70 809)	-	(1 237)	(119 056)
Written off against allowance	(230 172)	(56 625)	-	-	(286 797)
Foreign exchange differences	7 758	64	-	-	7 822
December 31	326 292	290 910	423	5 526	623 151
<i>Stage 1</i>	<i>258 478</i>	<i>57 073</i>	-	<i>5 526</i>	<i>321 077</i>
<i>Stage 2</i>	<i>30 453</i>	<i>28 443</i>	<i>423</i>	-	<i>59 319</i>
<i>Stage 3</i>	<i>37 361</i>	<i>205 394</i>	-	-	<i>242 755</i>

The amount of allowance includes UAH 1,400 thousand in reimbursements received by the Bank during 2025 for written-off corporate loans (2024: UAH 13,007 thousand) and UAH 8,042 thousand for written-off loans to individuals (2024: UAH 3,851 thousand). The reimbursement was credited directly to the line “Reversal of / (Provision for) allowance for expected credit losses on financial instruments” as part of profit or loss of the period.

During the reporting period, the Bank wrote off impaired financial assets in accordance with the criteria set forth in Resolution No. 49 of the Board of the National Bank of Ukraine of 13.04.2020 in the amount of UAH 286,797 thousand. (2024: UAH 377,044 thousand), in respect of which it continues to take measures to recover the written-off debt.

Changes in the allowance for expected credit losses on loans and advances to customers in 2024:

	Corporate loans	Consumer loans	Financial leases provided to businesses	Mortgage loans	Total
January 1	840 751	546 533	-	125	1 387 409
<i>Stage 1</i>	81 338	37 501	-	125	118 964
<i>Stage 2</i>	41 481	11 501	-	-	52 982
<i>Stage 3</i>	717 932	497 531	-	-	1 215 463
Charges to allowance	68 254	33 751	47	1 870	103 922
Adjustment of interest income on impaired loans	25 810	13 465	(8)	90	39 357
Derecognition	(31 700)	(255 986)	-	-	(287 686)
Written off against allowance	(325 705)	(51 339)	-	-	(377 044)
Foreign exchange differences	7 813	31	-	-	7 844
December 31	585 223	286 455	39	2 085	873 802
<i>Stage 1</i>	166 376	36 017	39	2 085	204 517
<i>Stage 2</i>	42 068	10 463	-	-	52 531
<i>Stage 3</i>	376 779	239 975	-	-	616 754

As at December 31, 2025, accrued interest income on loans classified as Stage 3 impaired amounted to UAH 82,044 thousand (2024: UAH 180,001 thousand).

The amount and type of collateral required by the Bank depends on the assessment of the counterparty's credit risk. Principles have been established regarding the acceptability of collateral types and valuation parameters. The main types of collateral received when lending to legal entities and individuals are cash, real estate and other liquid assets, and guarantees from individuals and legal entities; however, guarantees and property rights under contracts are not taken into account when calculating the allowance for expected credit losses.

The impact of collateral as at December 31, 2025, is shown below:

	<i>Gross carrying amount of loans</i>	<i>Estimated cash flows from sale of collateral</i>
Corporate loans	7 735 234	4 754 628
Consumer loans	1 336 762	18 309
Mortgage loans	939 870	705 851
Loans to government agencies	582 734	566 317
Financial leases provided to businesses	123 004	123 004
Loans and advances to customers	10 717 604	6 168 109

The impact of collateral as at December 31, 2024, is shown below:

	<i>Gross carrying amount of loans</i>	<i>Estimated cash flows from sale of collateral</i>
Corporate loans	6 877 751	4 108 216
Consumer loans	915 393	8 740
Mortgage loans	320 556	310 327
Loans to government agencies	304 740	304 740
Financial leases provided to businesses	285 097	202 343
Loans and advances to customers	8 703 537	4 934 366

In 2025, the Bank took possession of collateralized property related to non-performing loans and customer debt in the amount of UAH 8,558 thousand (2024: UAH 32,809 thousand) (Notes 12, 16).

Concentration of loans and advances to customers

Loans granted to the five largest groups of borrowers amounted to UAH 1,726,114 thousand, or 17.1% of the total value of loans to customers as at December 31, 2025 (2024: UAH 1,619,962 thousand, or 18.61%).

The Bank’s loan portfolio by economic sector is presented below:

	<i>2025</i>	<i>2024</i>
Agriculture	2 832 663	2 322 383
Wholesale and retail trade	2 342 156	1 969 198
Individuals	1 919 497	1 235 949
Financial and insurance activities	918 134	873 567
Manufacturing	741 905	538 100
Transportation and warehousing	624 032	465 710
Mining and quarrying	371 472	198 584
Administrative and support service activities	340 750	288 360
Real estate activities	199 097	255 024
Public administration	123 004	304 740
Electricity, gas, steam, and air conditioning supply	102 820	102 742
Accommodation and food service activities	82 602	84 080
Construction	54 471	59 342
Waste management	32 607	179
Information and telecommunications	17 814	3 709
Arts, sports, entertainment, and recreation	7 089	-
Health care and social assistance	3 784	-
Professional, scientific, and technical activities	2 126	1 870
Education	847	-
Other service activities	734	-
Loans and advances to customers, allowance for expected credit losses included	10 717 604	8 703 537

As at December 31, 2025, and 2024, there were no loans pledged as collateral for any of the Bank’s liabilities.

Analysis of loans to customers by maturity, interest rates, currency of debt, and credit risk management policy are disclosed in Note 29.

10. Investments in securities

Investments in securities include:

	<i>2025</i>	<i>2024</i>
Debt securities	7 338 698	8 994 369
<i>at fair value through other comprehensive income</i>	7 338 698	8 900 756
<i>at amortized cost</i>	-	93 613
Equity instruments	194	197
Total investments in securities	7 338 892	8 994 566

The Bank has decided to classify investments in equity instruments as measured at fair value through other comprehensive income, on the basis that they are not held for trading. These investments include mandatory investments in the capital of stock exchanges, clearing houses, and similar entities.

As at December 31, 2025 The Bank pledged securities with a carrying amount of UAH 33,166 thousand (December 31, 2024: UAH 226,622 thousand) to the National Bank of Ukraine as collateral under interest rate swap agreements, as well as securities with carrying amount of UAH 784,163 thousand (December 31, 2024: UAH 607,004 thousand) as collateral to PJSC “UKRFINZHITLO” under a credit line within the “eOselya” program.

Investments in securities at fair value through other comprehensive income:

	<i>2025</i>	<i>2024</i>
Ukrainian government debt securities	6 941 488	8 466 580
Government debt securities of other countries	397 210	434 176
Total debt securities	7 338 698	8 900 756
<i>including accrued interest income</i>	354 478	368 111
Equity instruments	194	197
Total investments in securities at fair value through other comprehensive income	7 338 892	8 900 953

Changes of fair value of debt securities through other comprehensive income as at December 31, 2025:

	<i>FV</i>	<i>Allowance</i>
As at January 1	8 900 756	329 453
Decrease due to derecognition	(17 615 089)	(173 618)
Increase due to issuance or acquisition	14 832 713	158 904
Revaluation to fair value	(36 805)	-
Increase due to foreign exchange differences	30 687	282
Change in carrying amount during the reporting period	1 226 436	(38 603)
As at December 31	7 338 698	276 418

Changes of fair value of debt securities through other comprehensive income as at December 31, 2024:

	<i>FV</i>	<i>Allowance</i>
As at January 1	6 706 824	158 611
Decrease due to derecognition	(9 472 602)	(156 902)
Increase due to issuance or acquisition	10 152 793	215 760
Revaluation to fair value	188 967	-
Increase due to foreign exchange differences	20 747	672
Change in carrying amount during the reporting period	1 304 027	(60 687)
As at December 31	-	171 999
As at January 1	8 900 756	329 453

In 2025 – 2024, allowance for expected losses on securities at fair value through other comprehensive income was estimated at an amount equal to 12 months of expected losses.

Investments in securities at amortized cost:

	<i>2025</i>	<i>2024</i>
Debt securities of non-financial entities	-	99 816
Total debt securities	-	99 816
<i>including accrued interest income</i>	-	4 079
Allowance under investments in securities	-	(6 203)
Total investments in securities at amortized cost	-	93 613

Changes of gross carrying amount and ECL of debt securities at amortized cost as at December 31, 2025:

	<i>12-month ECL</i>		<i>Total</i>	
	<i>GCA</i>	<i>Allowance</i>	<i>GCA</i>	<i>Allowance</i>
As at January 1	99 816	6 203	99 816	6 203
Assets settled	(101 226)	(6 203)	(101 226)	(6 203)
Change of carrying amount during the period	1 410	-	1 410	-
As at December 31	-	-	-	-

Changes of gross carrying amount and ECL of debt securities at amortized cost as at December 31, 2024:

	<i>12-month ECL</i>		<i>Total</i>	
	<i>GCA</i>	<i>Allowance</i>	<i>GCA</i>	<i>Allowance</i>
As at January 1	100 655	4 923	100 655	4 923
Assets settled	(21 958)	-	(21 958)	-
Change of carrying amount during the period	21 119	1 280	21 119	1 280
As at December 31	99 816	6 203	99 816	6 203

The decrease in expenses for the formation of allowance in 2025 amounted to UAH 6,203 thousand (the increase in expenses for the formation of allowance in 2024 amounted to UAH 1,280 thousand).

The following is an analysis of changes in fair value of debt securities at fair value through profit or loss as at December 31:

	<i>2025</i>	<i>2024</i>
As at January 1	-	-
Assets settled or sold	-	(76 974)
Increase through issuance or acquisition	-	76 974
As at December 31	-	-

Analysis of securities by maturity, interest rates, and currency of debt is presented in Note 29.

11. Investment property

Investment property is recognized in the statement of financial position at fair value.

Changes in the fair value of investment property:

	<i>2025</i>	<i>2024</i>
As at January 1	96 259	121 807
Disposals	(61 770)	(25 276)
Gains (losses) from fair value adjustments	21	(4 868)
Transfers from assets held for sale	-	4 596
As at December 31	34 510	96 259

Maintenance expenses for investment property in 2025 amounted to UAH 218 thousand (2024: UAH 886 thousand). In 2025, the Bank received rental income and reimbursement of expenses incurred for the maintenance of investment property in the amount of UAH 1,603 thousand (2024: UAH 2,722 thousand). If a property, part of which is occupied by the owner and part of which is leased out, does not meet the criteria for classification as investment property, such a property is recognized by the Bank as owner-occupied property. In 2025 and 2024, the Bank conducted a fair value assessment of investment property with the involvement of independent experts; based on the results, the Bank's Management Board decided to adjust the value of properties where the fair value of real estate differed from their carrying amount. As a result of the adjustment to the carrying amount, a gain of UAH 21 thousand was recognized (2024: a loss of UAH 4,868 thousand), which is reflected in the statement of profit or loss and other comprehensive income.

12. Other assets

	<i>2025</i>	<i>2024</i>
Other financial assets		
Balances at transit accounts for payment card transactions	47 816	27 040
Receivables from banks	40 306	39 976
Restricted cash and cash equivalents	34 877	32 571
Accrued income	10 256	10 882
Receivables from customers	463	165
Other financial assets	844	95
Other financial assets	134 562	110 729
Allowance for other financial assets	(82 740)	(80 054)
Total other financial assets	51 822	30 675

As at December 31, 2025, the total balance of funds in the Bank's correspondent accounts in the Russian Federation amounted to 34,877 thousand UAH, which is equivalent to USD 557.4 thousand, EUR 51.5 thousand, and RUB 17,634.4 thousand (2024: UAH 32,571 thousand, equivalent to USD 557.4 thousand, EUR 51.5 thousand, and RUB 17,634.4 thousand), for which a provision of UAH 34,877 thousand has been established. (2024: UAH 32,571 thousand)

By Resolution No. 1300 of the Government of the Russian Federation of November 1, 2018, a set of special economic measures was introduced against individuals and legal entities, providing for the freezing of non-cash funds, book-entry securities, and property within the territory of Russia, as well as a ban on the transfer of funds (capital outflow) outside of Russia. Given that the Bank is subject to these sanctions, one of the Bank's correspondent banks in the Russian Federation has restricted the use of funds held in the Bank's correspondent account. The Bank's total balance in the account with this correspondent bank as at December 31, 2025, amounts to UAH 34,861 thousand, which is equivalent to USD 557.4 thousand; EUR 51.5 thousand; 17,601.2 thousand Russian rubles (2024: UAH 32,558 thousand, equivalent to USD 557.4 thousand; EUR 51.5 thousand; RUB 17,601.2 thousand).

Changes in allowance for other financial assets:

	<i>2025</i>	<i>2024</i>
As at January 1	80 054	76 721
Additions to / (Reversals of) the provision	1 337	501
Derecognition	(1 349)	(2 684)
Written off against the provision	-	(331)
Foreign exchange differences	2 698	5 847
As at December 31	82 740	80 054

	<u>2025</u>	<u>2024</u>
Other non-financial assets		
Collateral transferred to the bank's ownership	84 763	178 041
Prepayments	72 849	44 575
Settlements with bank employees	12 474	12 399
Inventories	5 647	7 087
Taxes and mandatory payments paid in advance, excluding income tax	3 263	2 236
Bank metals	1 839	1 088
Other assets	180 835	245 426
Allowance for other assets	(26 304)	(19 173)
Total other assets	154 531	226 253

Changes in allowance for other non-financial assets:

	<u>2025</u>	<u>2024</u>
As at January 1	19 173	23 914
Additions to / (Reversals of) the reserve	7 211	(5 926)
Ceased recognition	(183)	(8)
Foreign exchange differences	103	1 193
As at December 31	26 304	19 173

To measure other financial assets, including accounts receivable from customers and banks, a simplified approach is applied within the scope of IFRS 9 *Financial Instruments*. When using the simplified approach to measuring impairment of financial assets, a valuation allowance for expected losses is recognized over the entire life of the financial instrument at each reporting date from the moment of its recognition.

Changes in the composition of collateral that has become the property of the bank:

	<u>2025</u>	<u>2024</u>
As at January 1	178 041	190 857
Foreclosure on collateral	5 932	32 809
Transfer from non-current assets held for sale	-	981
Sale	(61 366)	(16 816)
Transfer to non-current assets held for sale	(880)	(11 454)
Revaluation gain	(36 964)	(18 336)
As at December 31	84 763	178 041

In November 2022, as a result of an air and missile strike by Russia, a production and storage facility was damaged; the facility housed the Bank's assets, which had been acquired in lieu of repayment of non-performing loan debt. Based on an inspection performed during the reporting period, the presence of the assets was confirmed, but given that physical access to some of the objects is limited, it is impossible to determine the extent of their damage. The value of the accessible objects was determined by independent external appraisers, which is reflected in these financial statements. The total book value of the property as at December 31, 2025, is UAH 14,266 thousand.

The result from the sale of collateral that became the property of the Bank as the collateral holder is disclosed in the "Other income (losses)" line item of the Statement of profit or loss and other comprehensive income (Note 26).

13. Intangible assets

Changes in intangible assets for the year ended on December 31, 2025:

	<i>Computer software</i>	<i>Licenses</i>	<i>Intangible assets at implementation stage</i>	<i>Other intangible assets</i>	<i>Total</i>
Historical value					
January 1, 2025	37 331	75 671	24 924	8 433	146 359
Additions	4 652	47 085	38 495	73	90 305
Other changes	-	-	(56 916)	-	(56 916)
Disposals	(35)	(7 725)	-	(1 146)	(8 906)
December 31, 2025	41 948	115 031	6 503	7 360	170 842
Accumulated amortization					
January 1, 2025	5 778	41 738	-	3 353	50 869
Accrued for the year	4 923	22 820	-	611	28 354
Disposals	(35)	(7 556)	-	(1 146)	(8 737)
December 31, 2025	10 666	57 002	-	2 818	70 486
Net amortized value:					
January 1, 2025	31 553	33 933	24 924	5 080	95 490
December 31, 2025	31 282	58 029	6 503	4 542	100 356

Changes in intangible assets for the year ended on December 31, 2024:

	<i>Computer software</i>	<i>Licenses</i>	<i>Intangible assets at implementation stage</i>	<i>Other intangible assets</i>	<i>Total</i>
Historical value					
January 1, 2024	23 648	75 577	2 200	3 456	104 881
Additions	13 683	10 333	51 853	4 977	80 846
Other changes	-	-	(29 129)	-	(29 129)
Disposals	-	(10 239)	-	-	(10 239)
December 31, 2024	37 331	75 671	24 924	8 433	146 359
Accumulated amortization					
January 1, 2024	3 282	39 884	-	3 155	46 321
Accrued for the year	2 496	12 093	-	198	14 787
Disposals	-	(10 239)	-	-	(10 239)
December 31, 2024	5 778	41 738	-	3 353	50 869
Net amortized value:					
January 1, 2024	20 366	35 693	2 200	301	58 560
December 31, 2024	31 553	33 933	24 924	5 080	95 490

As at December 31, 2025, the Bank has contractual obligations related to the acquisition of intangible assets in the amount of UAH 1,756 thousand (2024: UAH 4,320 thousand).

14. Fixed assets

Changes of fixed assets for the year ended on December 31, 2025:

	<i>Land plots and own buildings</i>	<i>Leased property</i>	<i>Machines</i>	<i>Vehicles</i>	<i>Office equipment</i>	<i>Computer equipment</i>	<i>Other fixed assets</i>	<i>Capital investments in progress</i>	<i>Total</i>
Historical / revalued value									
January 1, 2025	210 386	189 446	25 658	15 398	9 160	102 303	71 678	5 037	629 066
Additions	1 055	57 126	830 695	72 850	426	7 747	11 528	940 968	1 922 395
Revaluation	(34 731)	-	-	-	-	-	-	-	(34 731)
Other changes	-	-	-	-	-	-	-	(924 386)	(924 386)
Disposals	(10 398)	(122 933)	(829 949)	(72 850)	(664)	(3 297)	(16 670)	(5 782)	(1 062 543)
December 31, 2025	<u>166 312</u>	<u>123 639</u>	<u>26 404</u>	<u>15 398</u>	<u>8 922</u>	<u>106 753</u>	<u>66 536</u>	<u>15 837</u>	<u>529 801</u>
Accumulated depreciation									
January 1, 2025	5 191	98 057	20 841	6 243	7 826	83 256	52 441	-	273 855
Accrued for the year	5 207	36 892	1 750	2 670	411	10 607	15 422	-	72 959
Disposals	(10 398)	(122 933)	(1 191)	-	(614)	(3 270)	(13 831)	-	(152 237)
Other changes	-	21 020	-	-	-	-	-	-	21 020
December 31, 2025	<u>-</u>	<u>33 036</u>	<u>21 400</u>	<u>8 913</u>	<u>7 623</u>	<u>90 593</u>	<u>54 032</u>	<u>-</u>	<u>215 597</u>
Net depreciated value:									
January 1, 2025	205 195	91 389	4 817	9 155	1 334	19 047	19 237	5 037	355 211
December 31, 2025	<u>166 312</u>	<u>90 603</u>	<u>5 004</u>	<u>6 485</u>	<u>1 299</u>	<u>16 160</u>	<u>12 504</u>	<u>15 837</u>	<u>314 204</u>

In the reporting period, additions and disposals of fixed assets in the “Machinery” category totaled UAH 828,758 thousand (2024: UAH 249,289 thousand) and in the “Vehicles” category totaled UAH 72,850 thousand (2024: UAH 94,355 thousand) were related to the provision of financial leases to business entities.

Own buildings are recorded at revalued value, which equals fair value less accumulated depreciation.

In 2025, the Bank conducted a fair value assessment of owner-occupied buildings with the involvement of independent experts.

Were ‘land plots and own buildings’ of the Bank accounted for at cost, their carrying amount would have been as follows:

	<u>2025</u>	<u>2024</u>
Historical value	191 940	190 885
Accumulated depreciation	(36 711)	(32 936)
Depreciated value	<u>155 229</u>	<u>157 949</u>

As at December 31, 2025, the historical value of fully depreciated fixed assets included in the “Computer Equipment” group amounted to UAH 71,439 thousand (2024: UAH 70,860 thousand), and in the “Machinery” group – UAH 17,469 thousand. (2024: UAH 17,199 thousand), “Office Equipment” – UAH 6,616 thousand (2024: UAH 7,185 thousand), “Vehicles” – UAH 1,910 thousand (2024: UAH 2,047 thousand), “Other Fixed Assets” – UAH 47,285 thousand (2024: UAH 35,608 thousand).

As a result of the massive russian shelling of the city of Kyiv on 28.08.2025, the leased building housing the Bank’s head office and branch at 32 Zhylianska St., Kyiv (in this Note – the Building) sustained significant damage. Based on the results of the stock taking, the Bank wrote off a part of its fixed assets that were destroyed or damaged, with a total carrying amount of UAH 16,503 thousand (depreciated carrying amount of UAH 3,122 thousand).

Under the lease agreement for the Building, the carrying amount of the right-of-use asset (leased property) was adjusted following a review of the lease terms (Note 25).

Gains and losses on the disposal of fixed assets are disclosed in Note 26.

As at December 31, 2025, and 2024, no fixed assets were pledged as collateral.

Movements in fixed assets and intangible assets for the year ended December 31, 2024:

	<i>Land plots and own buildings</i>	<i>Leased property</i>	<i>Machines</i>	<i>Vehicles</i>	<i>Office equipment</i>	<i>Computer equipment</i>	<i>Other fixed assets</i>	<i>Capital investments in progress</i>	<i>Total</i>
Historical / revalued value									
January 1, 2024	210 105	154 613	23 847	8 552	8 226	92 431	58 156	4 664	560 594
Additions	281	54 741	251 437	101 201	976	11 822	14 078	375 463	809 999
Revaluation	-	-	-	-	-	-	-	1 369	1 369
Other changes	-	-	-	-	-	-	-	(376 385)	(376 385)
Disposals	-	(19 908)	(249 626)	(94 355)	(42)	(1 950)	(556)	(74)	(366 511)
December 31, 2024	210 386	189 446	25 658	15 398	9 160	102 303	71 678	5 037	629 066
Accumulated depreciation									
January 1, 2024	-	86 726	19 705	3 996	7 463	75 977	38 955	-	232 822
Accrued for the year	5191	27 387	1 455	2 247	405	9 229	14 021	-	59 935
Disposals	-	(19 908)	(319)	-	(42)	(1 950)	(535)	-	(22 754)
Other changes	-	3 852	-	-	-	-	-	-	3 852
December 31, 2024	5 191	98 057	20 841	6 243	7 826	83 256	52 441	-	273 855
Net depreciated value:									
January 1, 2024	210 105	67 887	4 142	4 556	763	16 454	19 201	4 664	327 772
December 31, 2024	205 195	91 389	4 817	9 155	1 334	19 047	19 237	5 037	355 211

15. Income tax

Under Ukrainian Law No. 4698-IX of December 3, 2025, an increased income tax rate of 50 percent has once again been introduced for banks for the year 2026, with no right to offset the tax base from previous years during 2026. Deferred taxes as of the end of the reporting year are calculated at a rate of 50 percent; however, a base rate of 25 percent was applied to calculate the deferred tax asset for unused tax losses from prior years, the use of which is limited to 2026. In the event of a future change in the practice of applying the provisions of the Law governing the procedure for offsetting unused tax losses from prior years against the taxable income of future reporting periods, the amount of the deferred tax asset in this respect may be revised.

Income tax expense components recognized in profit or loss for the year ended December 31 include:

	<u>2025</u>	<u>2024</u>
Current income tax	(170)	(170 461)
Changes in deferred tax	(72 606)	(904)
(Expense)/Income tax benefit	(72 776)	(171 365)

Estimated and actual tax expenses are presented below:

	<u>2025</u>	<u>2024</u>
Income before tax	360 562	346 357
Theoretical tax deductions at the applicable tax rate	90 141	173 179
Effect of changes in the tax rate	(15 782)	-
Deferred tax differences	(4 583)	1 113
Tax differences on securities transactions	-	(7 198)
Other expenses not recognized in tax accounting	2 830	3 344
Other changes in income tax	170	927
(Benefit) / Income tax expense	72 776	171 365

Differences between tax regulations and IFRS result in temporary differences between the carrying amounts of certain assets and liabilities reported in these financial statements and their tax bases. The tax effect of the reversal of such temporary differences was determined by the Bank using the known income tax rates that will be in effect as of January 1, 2026.

As at December 31, 2025, deferred tax assets and liabilities relate to the following:

	<i>As at January 1, 2025</i>	<i>Recognized in profit or loss</i>	<i>Recognized in other comprehensive income</i>	<i>As at December 31, 2025</i>
Investments in securities at fair value through other comprehensive income	(123 577)	-	(27 989)	(151 566)
Fixed assets	4 033	11 270	530	15 833
Other temporary differences	981	14 669	-	15 650
Tax losses carried forward	339 413	(98 545)	-	240 868
Calculated net deferred tax asset / (liability)	220 850	(72 606)	(27 459)	120 785
Net deferred tax asset / (liability)	220 850	(72 606)	(27 459)	120 785

As at December 31, 2024, deferred tax assets and liabilities relate to the following:

	<i>As at January 1, 2024</i>	<i>Recognized in profit or loss</i>	<i>Recognized in other comprehensive income</i>	<i>As at December 31, 2024</i>
Investments in securities at fair value through other comprehensive income	(49 138)	(3 599)	(70 840)	(123 577)
Property, plant, and equipment	1 990	2 043	-	4 033
Other temporary differences	968	13	-	981
Tax losses carried forward	339 413	-	-	339 413
Calculated net deferred tax asset / (liability)	293 233	(1 543)	(70 840)	220 850
Deferred tax asset not recognized in the statement of financial position	(639)	639	-	-
Net deferred tax asset / (liability)	292 594	(904)	(70 840)	220 850

16. Non-current assets held for sale

In the reporting year, the Bank’s management made decisions to reclassify assets due to changes in plans regarding their use or sale. These and other changes in the composition of assets held for sale include:

	<i>2025</i>	<i>2024</i>
As at January 1	29 890	52 913
Foreclosure of collateral	2 626	-
Transfer from other assets	880	11 454
Transfer to investment property (Note 11)	-	(4 596)
Transfer to other assets	-	(981)
Sale of assets	(33 396)	(24 649)
Increase / (Decrease) in the carrying amount of assets held for sale to their fair value	-	(4 251)
As at December 31	-	29 890

The gain (loss) on the sale of non-current assets held for sale is disclosed in the “Other income (loss)” item of the Statement of profit or loss and other comprehensive income (Note 26).

17. Due to customers

Due to customers as at December 31 is:

	<i>2025</i>	<i>2024</i>
Current accounts		
- of business entities	14 119 805	13 941 946
- of individuals	1 814 789	1 559 198
	15 934 594	15 501 144
Term deposits		
- of business entities	5 129 393	2 896 380
- of individuals	4 463 584	3 382 545
	9 592 977	6 278 925
Total due to customers	25 527 571	21 780 069

As at December 31, 2025, the balances in the current accounts of business entities, amounting to UAH 6,194,196 thousand, or 38.87% of the total amount in customer current accounts, were held by the ten largest corporate clients (2024: UAH 7,591,787 thousand, or 48.98%). As at December 31, 2025, balances in current accounts of individuals in the amount of UAH 232,597 thousand, or 1.46% of the total amount in customer current accounts, were held by the ten largest customers (2024: UAH 161,271 thousand, or 1.04%).

As at December 31, 2025, business entity deposits totaling UAH 2,141,045 thousand, or 22.32% of the total amount of customer deposits (2024: UAH 1,396,669 thousand, or 22.24%) were held by the five largest corporate clients. As at December 31, 2025, deposits from individuals in the amount of UAH 415,684 thousand, or 4.33% of the total amount of customer deposits, were held by the two largest customers (2024: UAH 410,816 thousand, or 6.54%).

As at December 31, 2025, funds from business entities and individuals totaling UAH 20,676 thousand (2024: UAH 21,412 thousand) were pledged as collateral for documentary transactions, and UAH 168,064 thousand as collateral for credit transactions (2024: UAH 156,490 thousand).

Due to customers by economic sector is presented below:

	<i>2025</i>	<i>2024</i>
Individuals	6 274 118	4 940 943
Processing industry	5 094 963	4 634 572
Supply of electricity, gas, steam, and air conditioning	3 334 686	3 629 698
Wholesale and retail trade; repair of motor vehicles and motorcycles	2 781 392	1 726 605
Financial and insurance activities	2 205 145	1 141 697
Professional, scientific, and technical activities	1 007 781	1 016 005
Information and telecommunications	842 229	538 134
Construction	817 327	329 039
Mining and quarrying	750 006	623 220
Transportation, warehousing, postal, and courier activities	708 867	622 809
Agriculture, forestry, and fishing	430 895	338 351
Health care and social assistance	387 492	1 037 516
Real estate activities	220 482	236 969
Administrative and support service activities	207 186	191 675
Arts, sports, entertainment, and recreation	123 334	116 930
Water supply; sewerage, waste management	110 767	12 974
Accommodation and food service activities	15 511	24 770
Public administration and defense; compulsory social insurance	12 452	5 797
Education	4 300	15 737
Other	198 638	596 628
Due to customers	25 527 571	21 780 069

Due to customers by maturities, interest rates and currency are presented in Note 29.

18. Other borrowings

On March 22, 2024, the Bank entered into a credit line agreement with PJSC “UKRFINZHITLO” regarding cooperation under the state mortgage program “eOselya” at an interest rate of 3% per annum, with a maturity date of March 2046. The program provides for the Bank to grant mortgage loans using funding received from PJSC “Ukrfinzhytlo.”

During the reporting period, the following changes occurred in financing:

	<i>2025</i>	<i>2024</i>
January 1	311 547	-
Funds received	441 583	315 715
Funds repaid	(218 357)	(4 936)
Interest expense accrued (Note 23)	14 492	3 634
Accrued interest repaid	(13 988)	(2 866)
December 31	535 277	311 547

As at December 31, 2025, the gross carrying amount of mortgage loans issued by the Bank under the eOselya program was UAH 533,358 thousand (2024: UAH 299,323 thousand), for which an allowance for expected credit losses has been established in the amount of UAH 4,590 thousand (2024: UAH 1,848 thousand).

19. Provisions

The Bank establishes provisions to cover deferred expenses.

	<u>2025</u>	<u>2024</u>
Provision for employee settlements	49 078	44 740
Provision for financial guarantee contracts	3 100	3 214
Provision related to legal proceedings	1 897	710
Total provisions	<u>54 075</u>	<u>48 664</u>

Provisions for employee settlements are measured at the amount of additional payments expected to arise from the accumulation of obligations to make such payments.

Provisions for financial guarantee contracts. For credit-related obligations, the Bank establishes a provision for the amounts that will be paid under the contract in the event of a debtor's default.

Contractual and contingent revocable loan commitments as at December 31:

	<u>2025</u>	<u>2024</u>
Guarantees	806 648	524 215
	806 648	524 215
Cash provisions for financial guarantees	(15 404)	(21 136)
Provision for financial guarantee contracts	(3 100)	(3 214)
Contractual and contingent liabilities	<u>788 144</u>	<u>499 865</u>

As at December 31, 2025, the Bank has obligations to settle letters of credit for which it bears no risk, as these transactions are fully funded in the amount of UAH 5,272 thousand (2024: UAH 276 thousand).

As at December 31, 2025, unused credit lines provided by the Bank amounted to UAH 5,016,264 thousand (2024: UAH 3,695,742 thousand). Client requests for credit funds from these available limits must be approved by the Bank; the Bank has the right to refuse to grant a loan in the event of a deterioration in the potential borrower's creditworthiness, the client's failure to comply with the necessary credit procedures, or for other reasons.

The following is an analysis by impairment stage as at December 31, 2025:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Total</u>
Guarantees to business entities	715 178	91 470	806 648
Financial guarantees	715 178	91 470	806 648
Provision for financial guarantees	(2 697)	(403)	(3 100)
Total financial guarantees	<u>712 481</u>	<u>91 067</u>	<u>803 548</u>

The following is an analysis by impairment stage as at December 31, 2024:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Total</u>
Guarantees to business entities	508 405	15 810	524 215
Financial guarantees	508 405	15 810	524 215
Provision for financial guarantees	(3 145)	(69)	(3 214)
Total financial guarantees	<u>505 260</u>	<u>15 741</u>	<u>521 001</u>

There were the following changes in provision for financial guarantee contracts during the year:

	<u>2025</u>	<u>2024</u>
As at January 1	3 214	3 388
Additions to / (Decreases in) provisions	3 912	(179)
Use of provisions	(4 036)	-
Foreign exchange differences	10	5
As at December 31	<u>3 100</u>	<u>3 214</u>

Collateral related to legal proceedings. In the ordinary course of business, the Bank is subject to lawsuits and claims. As at December 31, 2025, the Bank is a defendant in several claims for the recovery of funds, for which provision has been partially made:

	<u>2025</u>	<u>2024</u>
As at January 1	710	484
Creation of provisions	1 187	1 878
Use of provisions established	-	(1 652)
As at December 31	<u>1 897</u>	<u>710</u>

Taxation and Compliance with Legal Requirements

Ukrainian legislation governing taxation and other transactions continues to evolve (Note 15). Laws and regulations are not always clearly worded, and their interpretation depends on the views of local, regional, and central government authorities and other government bodies. Instances of conflicting interpretations are not uncommon. Management believes that the Bank has complied with all regulatory requirements and that all taxes required by law have been assessed and paid.

At the same time, there is a risk that transactions and the correctness of interpretations that have not been questioned by regulatory authorities in the past may be challenged in the future.

Assets pledged as collateral and restricted-use assets

As at December 31, 2025, securities with a carrying amount of UAH 817,329 thousand (December 31, 2024: UAH 833,626 thousand) The Bank pledged to PJSC “UKRFINZHITLO” under the “eOselya” program for a credit line with a limit of UAH 600,000 thousand (December 31, 2024: UAH 450,000 thousand) and to the National Bank of Ukraine under interest rate swap agreements for a notional amount of UAH 200,000 thousand (December 31, 2024: UAH 1,140,000 thousand) (Note 10).

20. Other liabilities

Other financial and non-financial liabilities as at December 31 are as follows:

	<u>2025</u>	<u>2024</u>
Other financial liabilities		
Lease liabilities (Note 21)	97 563	132 625
Balances in transit accounts for transactions with customers	38 769	11 457
Accrued expenses	13 351	5 212
Payables for transactions with financial instruments	11 044	982
Payables for transactions with banks	141	479
Other	4 255	4 778
Total other financial liabilities	<u>165 123</u>	<u>155 533</u>

	<u>2025</u>	<u>2024</u>
Other non-financial liabilities		
Deferred income	24 542	21 471
Payables for acquired assets and services rendered	18 732	12 074
Other taxes payable, excluding income tax	15 507	11 282
Liabilities for contributions to the Deposit Guarantee Fund	10 389	8 434
Other payables	-	65
Total other liabilities	<u>69 170</u>	<u>53 326</u>

21. Leases

The Bank as a lessee

The Bank leases non-residential premises, which it uses to house its own structural units. The lease terms range from 2 to 8 years.

The Bank has contracts with terms not exceeding 12 months and contracts involving low-value assets. For such contracts, the Bank applies practical expedients regarding exemption from recognition, as provided for short-term leases and low-value assets.

As at December 31, 2025, the carrying amount of recognized right-of-use assets is UAH 90,603 thousand (2024: UAH 91,389 thousand); changes in carrying amount during the reporting period are presented in Note 14.

During the reporting period, the Bank received income from the sublease of right-of-use assets in the amount of UAH 0 thousand (2024: UAH 90 thousand).

The carrying amount of the lease liability and its change during the reporting period are presented below:

	<u>2025</u>	<u>2024</u>
As at January 1	132 625	113 088
Recognition of liability	56 256	53 936
Accrual of interest	14 504	11 957
Repayment of interest on lease liability	(14 120)	(13 904)
Repayment of lease liability	(39 346)	(36 635)
Change in cash flow estimates	(52 648)	(3 918)
Foreign exchange differences	292	8 101
As at December 31	<u>97 563</u>	<u>132 625</u>

The payment schedules for lease obligations are disclosed in Note 29.

During the reporting period, the Bank incurred expenses related to short-term leases in the amount of UAH 53 thousand (2024: UAH 0 thousand) and expenses related to leases of low-value assets in the amount of UAH 2,849 thousand (2024: UAH 2,464 thousand).

The Bank as a lessor

During the reporting period, the Bank received income in the amount of UAH 13,288 thousand (2024: UAH 17,553 thousand).

Minimum lease payments due within one year under operating leases as at December 31, 2025, amount to UAH 3,102 thousand (2024: UAH 10,607 thousand).

As at December 31, 2025, the total amount of undiscounted lease payments under financial leases and their present value is:

	<u>Up to 1 year</u>	<u>1 – 5 years</u>	<u>Total</u>
Total undiscounted lease payments receivable	497 218	884 223	1 381 441
Future financial income	194 585	246 986	441 571
Current value of lease payments	302 633	637 237	939 870

As at December 31, 2024, the total amount of undiscounted lease payments under financial leases and their present value is:

	<u>Up to 1 year</u>	<u>1 – 5 years</u>	<u>Total</u>
Total undiscounted lease payments receivable	161 105	248 743	409 848
Future financial income	61 264	63 487	124 751
Current value of lease payments	99 841	185 256	285 097

22. Equity and reserves

As at December 31, 2025, the Bank's authorized and registered share capital consists of 3,586,561,499 (2024: 3,586,561,499) common shares with a par value of 1 hryvnia per share. All ordinary shares are fully paid-in and carry equal voting rights, rights to dividends, and rights to capital repayment.

On April 29, 2025, the Shareholder resolved to allocate retained earnings in the amount of UAH 17,499 thousand to the Bank's reserve fund, and to retain the remaining earnings of UAH 157,492 thousand at the Bank's disposal as retained earnings from prior years.

Structure of the accumulated loss:

	<u>2025</u>	<u>2024</u>
Accumulated loss of prior years	(2 086 305)	(2 086 305)
Retained earnings of prior years	418 889	261 396
Net income for current reporting period	287 786	174 992
Total accumulated loss	<u>(1 379 630)</u>	<u>(1 649 917)</u>

In 2025 and in 2024, up to the date of approval of these financial statements, the Bank did not declare any dividends.

Nature and purpose of reserves

Revaluation reserve for property, plant, and equipment

The revaluation reserve for property, plant, and equipment is used to reflect increases in the fair value of owner-occupied buildings, as well as decreases in fair value, but only to the extent that such decreases relate to increases in the value of the same asset previously recognized in equity.

Reserve for revaluation of securities

This reserve reflects changes in the fair value of securities measured at fair value through other comprehensive income.

Information on changes in other comprehensive income by reserve category (net of taxes):

	<i>Reserve for revaluation of buildings</i>	<i>Reserve for revaluation of debt financial instruments</i>	<i>Reserve for revaluation of equity instruments</i>	<i>Total revaluation reserve</i>
January 1, 2024	82 337	158 213	(164)	240 386
Revaluation gains (losses)	-	445 478	(110)	445 368
Reclassification to profit (loss)	-	(232 961)	-	(232 961)
December 31, 2024	82 337	370 730	(274)	452 793
Revaluation gains (losses)	(27 824)	324 212	66	296 454
Reclassification to profit (loss)	-	(543 306)	-	(543 306)
December 31, 2025	54 513	151 636	(208)	205 941

23. Interest income and expense

	<i>2025</i>	<i>2024</i>
Interest income calculated using the effective interest rate		
Loans and advances to customers	1 559 641	1 194 500
- - corporate loans	1 200 899	937 579
- - consumer loans	305 379	224 790
- - loans to government agencies	11 518	20 350
- - mortgage loans	41 845	11 781
Investments in securities at fair value through other comprehensive income	1 226 435	1 304 027
Cash and cash equivalents	467 557	475 105
Investments in securities at amortized cost	1 410	21 119
Loans and advances to banks	265	10 222
	3 255 308	3 004 973
Other interest income		
Financial leasing to corporate clients	151 187	23 637
	151 187	23 637
Total interest income	3 406 495	3 028 610
Interest expense		
Due to customers	(1 901 148)	(1 662 274)
- - business entities	(1 474 303)	(1 301 039)
- - individuals	(426 845)	(361 235)
Interest expense under lease liabilities	(14 504)	(11 957)
Other	(14 492)	(3 634)
Due to banks	(2 194)	-
Total interest expense	(1 932 338)	(1 677 865)
Net interest income	1 474 157	1 350 745

24. Commission income and expenses

Net commission income of the year:

	<u>2025</u>	<u>2024</u>
Commission income		
Payment card transactions	97 563	62 450
Cash and settlement services	95 096	68 847
Foreign currency transactions	66 019	59 147
Guarantees and letters of credit	10 898	9 032
Credit services	3 270	2 695
Other	9 285	2 276
	<u>282 131</u>	<u>204 447</u>
Commission expenses		
Payment card transactions	(114 217)	(85 491)
Cash and settlement services	(66 605)	(55 374)
Commission expenses related to guarantees and letters of credit	(2 216)	(1 848)
Credit services	(2 032)	-
Other expenses	(1 806)	(1 127)
	<u>(186 876)</u>	<u>(143 840)</u>
Net commission income	<u>95 255</u>	<u>60 607</u>

25. Other income

	<u>2025</u>	<u>2024</u>
Income from lease modification	31 629	65
Income from partnership programs	25 303	9 684
Commission on financial services	13 874	10 358
Income from operating leases	13 288	17 553
Reimbursement of operating expenses under leases	2 096	1 676
Reimbursement of debt collection expenses	1 113	1 380
Fines and penalties received	260	3 541
Other	1 583	1 796
Other income	<u>89 146</u>	<u>46 053</u>

Revenue from lease modifications was recognized as a result of the revision of the terms of the lease agreement for the Bank's head office and branch located at 32 Zhylianska Street, Kyiv, which sustained significant damage as a result of the massive russian shelling of the city of Kyiv on 28.08.2025 (Note 14).

Income from the modification of financial instruments was recognized as a result of the revision of the terms of loan agreements (Note 9).

26. Other gains (loss)

	<u>2025</u>	<u>2024</u>
Profit from disposal of investment property	11 103	-
Profit from disposal of collateral transferred to the bank's ownership	1 970	2 226
Loss from disposal of collateral transferred to the bank's ownership	-	(1 560)
Impairment of collateral transferred to the bank's ownership	(36 964)	(18 336)
Profit from disposal of assets held for sale	1 084	641
Loss from disposal of assets held for sale	(685)	-
Profit from disposal of fixed assets	17	237
Loss from disposal of fixed assets	(3 083)	-
Profit (loss) from revaluation of fixed assets	(6 377)	-
Profit (loss) from creation of provisions for legal claims	43	(1 335)
Other profit (loss)	<u>(32 892)</u>	<u>(18 127)</u>

27. Administrative and other operating expenses

	<u>2025</u>	<u>2024</u>
Professional services	80 769	45 327
Expenses for the maintenance of fixed and intangible assets	50 804	33 685
Operating and maintenance expenses	42 882	35 846
Communication services	40 781	32 217
Contributions to the Deposit Guarantee Fund	37 865	33 263
Customer attraction expenses	27 902	7 071
Marketing and advertising	25 723	8 907
Taxes and other mandatory payments, excluding income tax	14 623	13 890
Loyalty program	11 977	449
Fines and penalties	10 668	185
Security expenses	8 748	9 556
Cash collection services	8 102	8 176
Debt collection expenses	6 325	12 528
Operating lease expenses	4 045	2 990
Travel expenses	3 323	2 892
Sponsorship and charity	1 882	2 649
Expenses from modification of financial instruments	247	179
Impairment of non-current assets held for sale	-	4 466
Other	31 518	20 359
Administrative and other operating expenses	408 184	274 635

Expenses from modification of financial instruments were recognized as a result of a revision of the terms of loan agreements (Note 9).

28. Basic and diluted earnings per share

Basic earnings per share includes:

	<u>2025</u>	<u>2024</u>
Profit for the year	287 786	174 992
Average annual number of ordinary shares outstanding (thousands)	3 586 561	3 586 561
Basic net earnings per share, UAH	0,08	0,05

In 2025 and 2024, the Bank did not have any financial instruments that could have diluted earnings per share as a result of their conversion into shares.

29. Management of financial risks

The Bank's operations are subject to risks inherent in financial institutions. To ensure proper management of these risks, the Bank has implemented an organizational structure for its risk management system that provides for a clear division of functions, duties, and authorities among all participants in the process, and defines their responsibilities in accordance with this division. The risk management system is commensurate with the Bank's size, business model, scope of operations, types, and complexity of transactions, and ensures the identification, measurement (assessment), monitoring, reporting, control, and mitigation of all material risks to the Bank in order to determine the amount of capital required to cover all material risks inherent in its operations (internal capital), as well as ensuring compliance with prudential capital adequacy and liquidity standards, requirements regarding the Internal capital adequacy assessment process (ICAAP), and the Internal liquidity adequacy assessment process (ILAAP).

The risk management system provides for a balanced policy regarding the determination of risk appetite levels, the implementation of risk limits, restrictions, and indicators within the established risk appetite parameters, as well as continuous monitoring of compliance with these parameters and the extensive use of control measures.

The Bank conducts a comprehensive assessment of the following material risks: credit risk, liquidity risk, interest rate risk in the banking book, market risk, operational risk, and compliance risk. Among other risks, the Bank recognizes strategic risk, social risk, and environmental risk as material. Risk assessment is carried out using methods aimed at identifying and quantifying potential losses based on statistical and expert models, which, among other things, utilize probability values derived from historical data, take into account the current state and potential changes in the macroeconomic environment, and apply a scenario-based approach where necessary.

Risk Management Structure

The Bank organizes a risk management system based on the distribution of responsibilities among the Bank's departments using a three-line-of-defense model:

1. First line – at the level of business departments of the Bank and Bank support departments, monitoring risks and being liable for them, report on current management of these risks;
2. Second line – at the level of risk director (CRO), department of risk management, head of compliance department (CCO) and compliance department;
3. Third line – at the level of head of internal audit department and internal audit department regarding review and assessment of efficiency of risk management system.

There are bodies of risk management system of the Bank:

- Supervisory Board and its committees:
 - Risk management committee;
 - Audit committee;
 - Business committee;
 - Appointment and awards committee.

Management Board and its committees:

Level I:

- Individuals' business committee;
- Corporate business committee;
- Small corporate business committee;
- Assets-and-Liabilities management committee (ALMC);
- Small and micro-business committee;
- Non-performing assets committee;
- Committee of operational and compliance risks and information safety;

Level II:

- Small corporate business committee;
- Small committee on small and micro business;
- Authorized persons at expert lines / functions.

Internal audit department (third line of defense);

Risk director (CRO) and risk management department (second line of defense);

Head of compliance department (CCO) and compliance department (second line of defense);

Business departments and support departments (first line of defense).

Risk management functions are allocated as follows:

Supervisory Board. The Supervisory Board establishes the overall risk management strategy of the Bank, carries out the overall risk management of the Bank and has the right to establish other committees and delegate to them part of its risk management functions. The Supervisory Board of the Bank is fully responsible for establishing a comprehensive, adequate and effective system of risk management to which the Bank is exposed in its activities.

Supervisory Board committees - are permanent advisory and consultative bodies established under the Supervisory Board to ensure the continuity of management of the Bank's activities, preliminary processing and provision of conclusions and recommendations to the Supervisory Board and the Management Board on certain issues of the Bank's activities within the competence of the respective Committee. The Committees of the Supervisory Board are also authorized to monitor the functioning of the internal control system, monitor the implementation of management decisions, evaluate the performance of collegial bodies, structural units of the Bank and responsible persons of the Bank, control activities in certain areas and other issues within the competence of the Committees.

Management Board. The Management Board of the Bank provides for the fulfillment of tasks, decisions of the Supervisory Board of the Bank on the implementation of the risk management system, including the Risk Management Strategy and Policies, risk management culture, procedures, methods and other measures of effective risk management.

Committees. In the process of performing the risk control and management function, the Management Board (the first line of defense) delegates some of its functions, powers and direct risk management to specialized collegial bodies:

- Asset and Liability Management Committee (ALMC) – management of the Bank's asset and liability operations and the risks associated with such operations (liquidity risk, interest rate risk of the banking book, and market risks), as well as implementing the principle of collegial decision-making regarding the regulation of limits and thresholds for banking products and transactions necessary for the successful execution of the Bank's budget;
- Retail Banking Committee (RBC) – a Bank committee established to effectively manage retail banking operations and related risks;
- Corporate Banking Committee (CBC), Small Corporate Business Committee (SCBC) and Small and Micro Business Committee (SMB), Small Small and Micro Business Committee (SSMBC) – Bank committees established to effectively manage business with legal entities and the associated risks;
- Committee on Operational, Compliance, ESG, and Information Security Risks (COCR, ESG, and IS) — the authorized body responsible for managing the Bank's internal control system, organizing and improving operational processes, managing operational risk, compliance risk, ESG risks (environmental, social, and governance risks), the implementation and operation of the information security management system (hereinafter

- “ISMS”), and the management of information security risks within the Bank’s ISMS, as well as ensuring the integration of sustainable development and ESG principles into the Bank’s activities;
- Non-Performing Assets Committee (NPAC) – a Bank committee established by the Management Board to manage, organize, and oversee the Bank’s work with non-performing assets;
 - Bank Strategic Development and Transformation Committee (BSDTC) – a Bank committee established to manage the Bank’s projects and transformation, which defines the Bank’s strategy regarding its transformation in the areas of process optimization and digital transformation, as well as ensuring business continuity;
 - Financial Monitoring Committee (FMC) – a standing committee of the Bank responsible for financial monitoring, including the prevention of money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction.

Business Units. Business units serve as the first line of defense and are responsible at their level for managing and monitoring risks, as well as for adhering to established limits. At this level, the collection of complete, accurate, and timely information within the risk assessment and reporting system is also ensured.

Second line of defense. The Bank’s Supervisory Board has established permanent risk management units: the Risk management department, the Corporate business credit analysis department, the Retail business credit analysis department, the Collateral assessment and monitoring department, and the Compliance department, and ensures the independence of these units.

Risk management department, corporate business credit analysis department, retail business credit analysis department, collateral valuation and monitoring department. The risk management units report to the Chief Risk Officer, who has the right to attend meetings of the Bank’s Management Board and specialized committees formed by the Bank’s Management Board, and to veto decisions of these bodies if the implementation of such decisions would result in a violation of the established risk appetite and/or approved risk limits, and immediately informs the Bank’s Supervisory Board and/or the Risk management committee of such decisions.

Compliance Department. The Head of the Compliance department (CCO) is responsible for the department’s activities, has the right to attend meetings of the Bank’s Management Board and specialized committees established by the Bank’s Management Board, and to veto decisions of these bodies if the implementation of such decisions would result in a violation of legal requirements, relevant standards of professional associations applicable to the Bank, or a conflict of interest, and informs the Bank’s Supervisory Board and/or the Risk management committee of such decisions within the timeframes established by the Bank’s internal documents.

Internal Audit. The Internal audit department periodically conducts audits of the risk management processes at the Bank, during which it verifies both the adequacy of the procedures and the Bank’s compliance with these procedures.

Credit risk

Credit risk is the risk of incurring losses or additional losses, or of failing to receive planned income, as a result of a debtor or counterparty failing to fulfill its obligations under the terms of a contract. The Bank manages credit risk by establishing quantitative risk appetite indicators for credit risk and limits that the Bank is willing to accept for individual counterparties or a group of counterparties that share a common economic risk, as well as by monitoring compliance with established risk indicators.

Under agreements related to credit-related obligations (obligations under irrevocable unused credit lines, letters of credit, and guarantees), the Bank bears risks that are similar in nature to credit risks and are mitigated through the same risk control procedures and policies.

The carrying amount of items in the statement of financial position, including derivatives, excluding the impact of risk mitigation resulting from the use of master netting agreements and collateral agreements, most accurately reflects the maximum amount of credit risk for these items.

For financial instruments at fair value, their carrying amount reflects current credit risk but not the maximum risk that may arise in the future due to changes in value.

Credit quality of financial assets

The Bank manages the credit quality of financial assets using an internal risk control system that addresses risks associated with both individual borrowers/counterparties and individual asset portfolios. This system enables focused management of existing risks and allows for the comparison of credit risk exposure across different business lines, geographic regions, and products. The system relies on a range of financial and analytical methods, as well as processed market data, which serve as the primary input for assessing the risk of borrowers/counterparties.

Management assesses expected credit losses on loans to customers by evaluating the probability of repayment and recovery of advances based on an analysis of individual borrowers for specific significant loans, as well as collectively for loans with similar terms and risk characteristics. Factors considered in the assessment of individual loans include repayment history, the borrower’s current financial condition, timeliness of repayment and collateral, the timeframe for future interest payments, the state of the borrower’s economic sector, and so on. To estimate the amount of expected credit losses, management assesses the amounts and timing of future payments toward principal and interest on the loan, as well as proceeds from the sale of collateral in accordance with the principles disclosed in Note 4, subparagraph 4.2.1.

The Bank is sensitive to credit risk due to the presence of debt classified in Stage 2 and Stage 3 impairment as a result of events caused by the Russian Federation’s full-scale invasion of the territory of independent Ukraine (the main increase in debt in these categories occurred during 2022), a potential deterioration in borrowers’ ability to service their debt due to risks of asset damage, loss, or a reduction in the number of counterparties/sources of income caused by active hostilities. As at December 31, 2025, the gross carrying amount of assets in Stage 3 impairment is UAH 296,758 thousand (2024: UAH 795,150 thousand). The carrying amount of assets in Stage 3 impairment is UAH 54,003 thousand (2024: UAH 178,396 thousand). During the period, the volume decreased due to the write-off of non-performing assets using provisions formed in prior periods and the assignment of receivables for a portion of the retail loan portfolio, as well as the settlement of past-due debt from corporate clients.

Sensitivity to credit risk arising from loans in Stage 3 of impairment and POCI assets is also driven by the value of collateral securing these asset categories – the Bank is sensitive to changes in the fair value of such collateral and the Bank’s ability to ensure the enforceability of such collateral.

In 2025, the gross carrying amount of assets classified in Stage 2 of impairment increased by UAH 229,887 thousand to UAH 610,651 thousand as at December 31, 2025. (2024: UAH 380,764 thousand), primarily due to the deterioration in the credit quality of corporate debtors as a result of factors related to the imposition of martial law in Ukraine. In particular, such factors include: significant damage to or loss of assets necessary for conducting business operations; the location of the business in areas of heightened military risk; loss of sales markets and a significant decline in operating income; amendments to the terms of loan agreements (including payment deferrals, interest capitalization, or interest rate reductions); insufficient or absent financial information regarding the borrower’s operations; as well as signs of deteriorating financial condition indicating a reduced ability to service debt, while such borrowers ensure timely and regular debt servicing without delinquencies.

The amount of expected credit losses for loans in Stage 1 of impairment depends on default probability indicators, which are calculated taking into account both the borrowers’ current financial condition and the quality of debt servicing, as well as the impact of macro factors, whose correlation with the default probability indicator is confirmed by the models used by the Bank. At the same time, the sensitivity of the corporate loan portfolio’s credit risk to changes in macroeconomic factors and internal ratings is moderate, both due to the availability of objective evidence regarding such borrowers’ adaptation to current operating conditions and due to the collateral requirements established by the Bank’s credit policy. At the same time, the retail loan portfolio, which is assessed on a collective basis, is more sensitive to changes in the external environment and corresponding changes in the probability of default indicators used in determining the amortized cost of these assets, due to the unsecured nature of the loans (in determining the provision for this category of loans, the Bank updated statistical data to reflect current default probability indicators, taking into account the borrowers’ current risk profile, and adjusted macroeconomic expectations as of the reporting date).

Taking into account the available reasonable and substantiated information regarding current operating conditions, as well as forecasts of future economic conditions and their evolution throughout 2025, specifically: a moderate recovery in economic growth at a rate of approximately 3–4% driven by domestic demand while external market constraints remain in place; ongoing security risks associated with intense combat operations and regular missile and drone attacks; persistent risks of energy instability, particularly during the fall and winter; dependence on international financial support and risks of delays in its receipt; further growth in the debt burden on the state budget (expected government debt-to-GDP ratio of approximately 95–100%); as well as the impact of logistical, trade, and currency restrictions. The Bank continues to assess the credit risk of domestic and foreign currency government bonds, taking into account the aggregate of factors affecting the issuer’s creditworthiness. This assessment is based, in particular, on an analysis of sovereign credit ratings, their dynamics, and forecasts by international financial organizations. As of December 31, 2025, the Bank continues to calculate expected credit losses for this financial instrument based on the dynamics of Ukraine’s external credit rating from three leading rating agencies (Standard & Poor’s, Fitch Ratings, and Moody’s Investors Service), provided such a rating is available.

Analysis of the Bank’s financial assets by external and internal credit ratings as at December 31, 2025:

	<i>Cash and cash equivalents (net of cash in hand)</i>	<i>Loans and advances to banks</i>	<i>Loans and advances to customers</i>	<i>Investments in securities</i>	<i>Other financial assets</i>
Internal credit ratings					
Minimal credit risk	9 589 070	50	4 894 703	194	47 816
Low credit risk	48 095	4 367	4 215 033	6 941 488	3 970
Medium credit risk	-	-	535 576	-	-
High credit risk	-	-	15 755	-	36
Non-performing assets	-	-	54 003	-	-
	9 637 165	4 417	9 715 070	6 941 682	51 822
External credit ratings					
Minimal credit risk	-	-	-	397 210	-
Low credit risk	804 677	67 410	379 383	-	-
	804 677	67 410	379 383	397 210	-
Financial assets	10 441 842	71 827	10 094 453	7 338 892	51 822

Financial assets are classified into groups based on whether they have an internal or external credit rating, determined by whether the debtor has a credit rating on the international scale of leading agencies: Standard & Poor’s, Fitch Ratings, and Moody’s Investors Service. If the debtor has a corresponding international rating, it is classified into the group with an External Credit Rating

The classification of assets into notional ratings within these groups is performed for the purpose of disclosing information regarding the credit quality of the financial asset portfolio based on signs of impairment and the amount of the provision for expected credit losses. Assets in the first stage of impairment with zero estimated provisions for expected credit losses are classified as assets with minimal credit risk. Assets in the first stage of impairment that were not classified as assets with minimal credit risk are classified as assets with low credit risk. Assets in the second stage of impairment with an established allowance of up to 50% of the total carrying amount are classified as assets with medium credit risk. The remaining assets in the second stage of impairment are classified as high credit risk.

Analysis of the Bank’s financial assets by external and internal credit ratings as at December 31, 2024:

	<i>Cash and cash equivalents (net of cash in hand)</i>	<i>Loans and advances to banks</i>	<i>Loans and advances to customers</i>	<i>Investments in securities</i>	<i>Other financial assets</i>
Internal credit ratings					
Minimal credit risk	5 057 159	50	3 741 595	197	27 040
Low credit risk	15 727	3 258	3 306 955	93 613	3 096
Medium credit risk	-	-	323 616	-	243
High credit risk	-	-	4 617	-	9
Non-performing assets	-	-	178 395	-	-
	5 072 886	3 308	7 555 178	93 810	30 388
External credit ratings					
Minimal credit risk	-	-	-	434 176	-
Low credit risk	1 425 387	312 153	274 557	8 466 580	287
	1 425 387	312 153	274 557	8 900 756	287
Financial assets	6 498 273	315 461	7 829 735	8 994 566	30675

Credit quality of financial liabilities under guarantee issued as at:

	<i>2025</i>	<i>2024</i>
Internal credit ratings		
Minimal credit risk	51 736	59 328
Low credit risk	663 442	159 833
Moderate credit risk	91 470	-
	806 648	219 161
External credit ratings		
Low credit risk	-	289 244
Moderate credit risk	-	15 810
	-	305 054
Financial assets	806 648	524 215

Geographical concentration of financial assets and liabilities of the Bank as at December 21, 2025:

	<i>Ukraine</i>	<i>OECD</i>	<i>CIS and Baltic states</i>	<i>Other</i>	<i>Total</i>
Assets					
Cash and cash equivalents	9 782 239	804 247	-	430	10 586 916
Loans and advances to banks	4 417	53 777	-	13 633	71 827
Loans and advances to customers	9 715 070	379 383	-	-	10 094 453
Investments in securities	6 941 682	397 210	-	-	7 338 892
Derivative financial assets	6 471	-	-	-	6 471
Other financial assets	51 818	-	-	4	51 822
Total financial assets	26 501 697	1 634 617	-	14 067	28 150 381
Liabilities					
Due to customers	25 326 097	46 528	6 771	148 175	25 527 571
Other borrowings	535 277	-	-	-	535 277
Other financial liabilities	164 837	284	-	2	165 123
Total financial liabilities	26 026 211	46 812	6 771	148 177	26 227 971
Net geographic concentration	475 486	1 587 805	(6 771)	(134 110)	1 922 410

Geographical concentration of financial assets and liabilities of the Bank as at December 21, 2024:

	<i>Ukraine</i>	<i>OECD</i>	<i>CIS and Baltic states</i>	<i>Other</i>	<i>Total</i>
Assets					
Cash and cash equivalents	5 307 273	1 425 232	-	155	6 732 660
Loans and advances to banks	3 308	293 919	-	18 234	315 461
Loans and advances to customers	7 555 178	274 557	-	-	7 829 735
Investments in securities	8 560 390	434 176	-	-	8 994 566
Derivative financial assets	75 262	-	-	-	75 262
Other financial assets	30 619	49	-	7	30 675
Total financial assets	21 532 030	2 427 933	-	18 396	23 978 359
Liabilities					
Bank deposits	-	-	80	-	80
Due to customers	21 174 087	455 761	10 986	139 235	21 780 069
Other borrowings	311 547	-	-	-	311 547
Other financial liabilities	155 105	426	-	2	155 533
Total financial liabilities	21 640 739	456 187	11 066	139 237	22 247 229
Net geographic concentration	(108 709)	1 971 746	(11 066)	(120 841)	1 731 130

Market Risk

Market risk arises from adverse changes in foreign exchange rates, interest rates, and the value of financial instruments. Market risk includes default risk, interest rate risk in the trading book, credit spread risk, equity risk, foreign exchange risk, commodity risk, and volatility risk.

The Bank plans to avoid the following subtypes of market risk, as evidenced by the absence in the Bank’s budget of assets or income from transactions that could generate these risks:

- default risk;
- credit spread risk;
- trading book interest rate risk;
- equity risk;
- commodity risk;
- volatility risk.

The objective of market risk management is to maintain the level accepted by the Bank, as defined in accordance with the Risk Appetite Statement. The priority is to ensure maximum preservation of assets and capital by reducing (eliminating) potential losses and shortfalls in returns on investments in financial instruments, including investments in foreign currency and precious metals.

The Bank uses the following tools to measure and manage market risks:

- for currency risk – the Value at Risk (VaR) method;
- stress testing of market risks.

In its operations, the Bank does not use financial instruments classified in the trading book or instruments that are a source of market risk subtypes other than currency risk. This position is set forth in the Bank’s Risk Appetite Statement for 2025.

Currency risk as a component of market risk

Currency risk is the risk arising from unfavorable fluctuations in foreign exchange rates affecting the value/pricing of instruments held in the Bank's trading and banking books. This risk is inherent in the Bank due to the mismatch of the Bank's assets and liabilities denominated in the same currency, which arises both from opening a position to generate trading income (trading position) and from other transactions not related to currency trading (interest accrual, provisioning, etc.).

The Bank's assets and liabilities are denominated in several foreign currencies. The Bank's management sets limits and continuously monitors currency positions in accordance with the NBU regulations and approved internal methodology. The Bank has implemented a system of currency position limits (overall and by currencies/transaction types) based on both the maximum values set by the NBU and its own approaches to limiting this risk. Compliance with these limits is monitored on a daily basis.

Policies regarding open currency positions are limited by certain maximal range, set in accordance with Ukrainian law, and NBU closely monitors them every day.

Currency position of the Bank under monetary assets and liabilities as at December 31, 2025:

	<i>UAH</i>	<i>USD</i>	<i>EUR</i>	<i>Other</i>	<i>Total</i>
Assets					
Cash and cash equivalents	9 725 861	478 249	371 117	11 689	10 586 916
Loans and advances to banks	546	3 873	67 408	-	71 827
Loans and advances to customers	8 062 673	1 843 725	188 055	-	10 094 453
Investments in securities	6 767 763	-	571 129	-	7 338 892
Derivative financial assets	6 471	-	-	-	6 471
Other financial assets	49 682	1 944	195	1	51 822
Total financial assets	24 612 996	2 327 791	1 197 904	11 690	28 150 381
Liabilities					
Due to customers	22 069 033	2 259 148	1 191 108	8 282	25 527 571
Other borrowings	535 277	-	-	-	535 277
Other financial liabilities	159 683	3 036	1 466	938	165 123
Total financial liabilities	22 763 993	2 262 184	1 192 574	9 220	26 227 971
Net long/(short) position	1 849 003	65 607	5 330	2 470	1 922 410

Currency position of the Bank under monetary assets and liabilities as at December 31, 2025:

	<i>UAH</i>	<i>USD</i>	<i>EUR</i>	<i>Other</i>	<i>Total</i>
Assets					
Cash and cash equivalents	5 212 138	1 350 509	162 011	8 002	6 732 660
Loans and advances to banks	616	2 694	312 151	-	315 461
Loans and advances to customers	5 717 633	2 005 551	106 551	-	7 829 735
Investments in securities	8 430 851	143 507	420 208	-	8 994 566
Derivative financial assets	75 262	-	-	-	75 262
Other financial assets	28 693	1 824	158	-	30 675
Total financial assets	19 465 193	3 504 085	1 001 079	8 002	23 978 359
Liabilities					
Bank deposits	-	68	12	-	80
Due to customers	17 312 118	3 472 234	991 919	3 798	21 780 069
Other borrowings	311 547	-	-	-	311 547
Other financial liabilities	149 715	3 601	1 347	870	155 533
Total financial liabilities	17 773 380	3 475 903	993 278	4 668	22 247 229
Net long/(short) position	1 691 813	28 182	7 801	3 334	1 731 130
Off-balance sheet assets/(liabilities)	-	50	-	-	50
Net long/(short) position	1 691 813	28 232	7 801	3 334	1 731 180

As at December 31, the 10% devaluation of UAH in respect of foreign currencies would increase (decrease) income before taxes and equity by the amount below. This analysis foresees that all other variables, e.g., interest rate, will be stable:

	<i>2025</i>	<i>2024</i>
USD	6 561	2 823
EUR	533	780

As at December 31, a 10% appreciation of the hryvnia against the currencies listed above would have had exactly opposite effect on pre-tax profit and equity in the amount specified above, assuming all other variables remain constant.

The Bank's risk appetite statement established a limit on the maximum loss that the Bank cannot exceed with a 99% probability while maintaining its banking and trading open foreign exchange positions over a specified time horizon (10 days). The actual value of currency risk calculated using the VaR method relative to the Bank's total open currency position as at December 31, 2025, amounted to UAH 0.90 million (2024: UAH 0.59 million) and remained within the established limit. The data presented is calculated based on the Bank's internal management reporting, which is based on financial statements prepared in accordance with IFRS.

Interest rate risk

Interest rate risk of the banking book is the probability of incurring losses or additional losses, or of failing to achieve planned income, as a result of the impact of adverse changes in interest rates on the banking book.

Interest rate risk in the banking book arises because changes in interest rates affect future cash flows or the fair value of financial instruments.

The Bank assesses interest rate risk in the banking book in terms of the following subtypes of risk:

- maturity mismatch risk, which arises from differences in maturity dates (for fixed-rate instruments) or changes in the value of the interest rate index (for floating-rate instruments) of assets, liabilities, and off-balance-sheet items in the banking book;
- basis risk, which arises because there is not a sufficiently close correlation between the adjustments to rates received and paid on various instruments, all other characteristics of which regarding revaluation are identical;
- the risk of a negative revaluation of interest rate swaps with the NBU;
- the risk of a negative revaluation of the portfolio of government bonds and other sovereign securities.

Interest rate risk is assessed by the extent to which changes in market interest rates affect the Bank's net interest income (NII), economic value of equity (EVE), and the value of the portfolio of domestic government bonds and other sovereign securities on the banking book. If the maturities of interest-bearing assets differ from the maturities of interest-bearing liabilities, net interest income will increase or decrease as a result of changes in interest rates. To manage the interest rate risk of the banking book, the Bank's management continuously assesses the maturity and currency mismatches between the Bank's assets and liabilities, as well as market interest rates for various types of interest-bearing assets and liabilities.

The interest rate spread on assets and liabilities with different maturity dates may widen as a result of changes in market interest rates. In practice, the Bank adjusts interest rates on assets and liabilities, taking into account current market conditions and mutual agreements with customers.

To assess this risk, the Bank evaluates the potential impact on net interest income over the next 12 months; the economic cost of capital reflects the change in the value of assets, liabilities, and off-balance-sheet items until their maturity, without assuming the replacement of the instrument upon its expiration.

The Bank conducts this assessment using the following 6 scenarios:

- parallel increases in rates across all maturities (parallel shock up);
- parallel decreases in rates across all maturities (parallel shock down);
- increases in rates only for maturities up to and including six months (short rates shock up);
- a decline in rates for maturities up to and including six months (short rates shock down);
- an increase in rates for maturities up to and including six months in the event of a simultaneous decline in rates for other maturities (flattener shock);
- a decline in rates for maturities up to and including six months in the event of a simultaneous increase in rates for other maturities (steepener shock).

As at December 31, 2025, the most negative impact would result from the Parallel shock down scenario (equal rates of decline across all maturities), which would cause a decrease in annual net interest income of UAH 72,487 thousand (2024: UAH 50,981 thousand) and would have been within the established risk appetite.

The value of on-balance-sheet and off-balance-sheet assets and liabilities sensitive to changes in interest rates based on maturity dates or contractually specified interest rate reset dates as at December 31, 2025:

	<i>Up to 3 months</i>	<i>3 - 12 months</i>	<i>1 - 5 years</i>	<i>Over 5 years</i>	<i>Interest-free</i>	<i>Total</i>
Assets						
Cash and cash equivalents	9 332 418	-	-	-	1 254 498	10 586 916
Loans and advances to banks	-	-	-	-	71 827	71 827
Loans and advances to customers	6 326 154	657 105	2 752 086	654 514	(295 406)	10 094 453
Investments in securities	7 338 698	-	-	478	(284)	7 338 892
Derivative financial assets	-	-	-	-	6 471	6 471
Other financial assets	-	-	-	-	51 822	51 822
Off-balance-sheet assets	200 000	-	-	-	-	200 000
Total assets	23 197 270	657 105	2 752 086	654 992	1 088 928	28 350 381
Liabilities						
Customer deposits	20 222 348	1 266 663	75 495	-	3 963 065	25 527 571
Other borrowings	-	-	-	534 005	1 272	535 277
Other financial liabilities	-	-	-	-	165 123	165 123
Off-balance sheet liabilities	-	200 000	-	-	-	200 000
Total liabilities	20 222 348	1 466 663	75 495	534 005	4 129 460	26 427 971
Sensitivity to changes in interest rates	2 974 922	(809 558)	2 676 591	120 987	(3 040 532)	1 922 410

The line item for interest-rate-sensitive derivative financial assets and off-balance-sheet liabilities includes an interest rate swap agreement with the National Bank of Ukraine for a total amount of UAH 200,000 thousand (2024: UAH 1,140,000 thousand), under which the Bank pays a fixed interest rate and the National Bank of Ukraine pays a floating rate. Taking these terms into account, the asset and liability have been appropriately matched by maturity.

Assets and liabilities are stated based on the probable dates of interest rate adjustments or based on the time remaining until the end of the contract’s terms (whichever occurs first).

Assets and liabilities on which interest is not accrued are reflected in the “Non-interest-bearing” category. This item also includes non-monetary components of the carrying amount of loans, advances to customers, and investments in securities (provisions, discounts, premiums, revaluations) as well as accrued interest.

For the purpose of a comprehensive assessment of interest rate risk and given the Bank’s significant exposure to government bonds and other sovereign securities, an assessment of the potential negative impact of interest rate changes on the value of these instruments was additionally implemented during the reporting period. This is performed using the VAR methodology and modified duration, reflecting the maximum possible losses (the amount of the negative revaluation of the fair value of securities) over a specified time horizon at a specified confidence level resulting from the occurrence of adverse changes in market factors that directly affect the value of securities (a shift in the yield curve that may occur as a result of a change in the NBU’s discount rate, an increase in the issuer’s credit risk or other factors)

As at December 31, 2025, the VAR of the portfolio of these securities over a horizon of up to 1 month, with a 99% confidence level and taking into account the correlation between the securities, amounts to UAH 49 million (2024: UAH 67 million).

In accordance with the methodology for assessing interest rate risk in the banking book at JSC “BANK CREDIT DNEPR”, the Bank’s fixed-rate assets and liabilities—which are sensitive to changes in interest rates - are recognized over their contractual terms to maturity, subject to the following assumption: given that the Bank revalues the fair value of its portfolios of sovereign securities and debt securities refinanced by the NBU on a monthly basis as of the reporting date – the fair value of these debt securities for the purposes of GAP analysis of interest rate risk is reflected in the “up to 1 month” time bucket, which avoids duplication of the interest rate risk amount for these financial instruments when assessing IRRBB overall (since the amount of interest rate risk for these assets is assessed separately on a monthly basis using the VAR valuation methodology and modified duration).

Given the implementation of this method and to ensure a correct assessment of the total interest rate risk, all securities subject to this assessment are reported under the “Investments in Securities” line item in the “up to 3 months” basket.

A significant risk during the period under review was basis risk due to the differing dynamics of changes in key market indices to which the interest rates on the Bank’s assets and liabilities are linked (the UIRD index, the discount rate, yield on certificates of deposit), which may lead to additional risk even when assets and liabilities are balanced in terms of rate reset dates. At the same time, rate volatility provides an additional opportunity to set rates at a level acceptable to the Bank in order to lock in the amount of interest income.

The value of on-balance-sheet and off-balance-sheet assets and liabilities sensitive to changes in interest rates by maturity or the contractually specified interest rate review date as at December 31, 2024:

	<i>Up to 3 months</i>	<i>3 - 12 months</i>	<i>1 – 5 years</i>	<i>Over 5 years</i>	<i>Interest-free</i>	<i>Total</i>
Assets						
Cash and cash equivalents	5 756 069	-	-	-	976 591	6 732 660
Loans and advances to banks	250 382	-	-	-	65 079	315 461
Loans and advances to customers	5 390 817	1 201 497	1 147 175	334 380	(244 134)	7 829 735
Investments in securities	9 001 355	-	-	472	(7 261)	8 994 566
Derivative financial assets	-	-	-	-	75 262	75 262
Other financial assets	-	-	-	-	30 675	30 675
Off-balance-sheet assets	1 140 000	-	-	-	-	1 140 000
Total assets	21 538 623	1 201 497	1 147 175	334 852	896 212	25 118 359
Liabilities						
Bank deposits	-	-	-	-	80	80
Due to customers	17 507 442	1 114 269	22 579	-	3 135 779	21 780 069
Other borrowings	-	-	-	310 779	768	311 547
Other financial liabilities	-	-	-	-	155 533	155 533
Off-balance sheet liabilities	-	940 000	200 000	-	-	1 140 000
Total liabilities	17 507 442	2 054 269	222 579	310 779	3 292 160	23 387 229
Sensitivity to changes in interest rates	4 031 181	(852 772)	924 596	24 073	(2 395 948)	1 731 130

Liquidity risk

Liquidity risk is the probability of incurring losses or additional losses, or failing to receive planned income, due to the Bank's inability to finance the growth of its assets and/or meet its obligations in a timely manner. It encompasses both the risk of being unable to finance assets in a timely manner and at appropriate rates, and the risk of being unable to sell an asset at an acceptable price and in a timely manner, as well as the risk that the Bank will fail to meet its payment obligations upon maturity under normal or unforeseen conditions.

The objective of liquidity risk management is to ensure that the Bank has sufficient cash on hand to meet its obligations in a timely manner while minimizing the negative impact of imbalances between liquid assets and in the relevant defined time periods, both under normal and stress conditions, and to minimize the associated unacceptable losses/increased costs, which, in turn, may have a negative impact on the Bank's profit and capital. To achieve this objective, liquidity risk management involves addressing the following tasks:

- forecasting/anticipating the likely occurrence of the Bank's liquidity risk that exceeds established risk appetite thresholds;
- assessing potential losses resulting from the realization of liquidity risk and analyzing sources of compensation for such losses;
- implementing effective and efficient measures to minimize the negative impact of liquidity risk.

In the process of liquidity management, the Bank is guided by the following key principles:

- liquidity risk management is a continuous process that takes into account changes in both the Bank's internal financial condition and changes in financial markets;
- the Bank has implemented centralized liquidity management—overall liquidity management is entrusted to the Asset Management Department;
- comprehensive liquidity management involves the simultaneous management of both the Bank's assets and liabilities across maturities and currencies;
- authority and responsibility for managing the Bank's liquidity are clearly allocated among the Bank's management bodies, business units, and risk management units;
- the Bank ensures adequate internal control over liquidity risk through strict adherence to internal procedures and constant monitoring of compliance with established relevant limits (restrictions);
- the Bank ensures the availability and effective functioning of relevant information systems for identifying, analyzing, and assessing liquidity risk, as well as their maintenance and support;
- when making decisions, the Bank resolves the conflict between profitability and liquidity in favor of liquidity;
- when making decisions regarding the conclusion of significant transactions, a preliminary analysis is conducted to assess their compliance with the current liquidity position, liquidity risk limits, and impact on risk appetite;
- the Bank takes into account the costs of maintaining an adequate level of liquidity in the internal pricing procedures for its products when determining transfer prices (rates) for the redistribution of financial resources within the Bank.

The Bank ensures the development, implementation, and maintenance of up-to-date documents defining available funding sources and procedures to be followed in the event of liquidity crises (taking into account both external and internal factors contributing to the crisis). To assess this risk, the Bank used the following tools throughout 2025:

- daily reporting on instant liquidity and monitoring of compliance with established LCR and NSFR liquidity ratios;
- weekly reporting that assesses the Bank's liquidity over a horizon of up to 1 month;
- monthly GEP analysis of structural liquidity over longer time horizons, conducted by national and foreign currencies, and utilizing both contractual terms and historical statistics on cash flows from customer accounts;
- monthly analysis of concentrations by segment and customer/customer group;
- the Internal Liquidity Adequacy Assessment Process (ILAAP).

As a result of a comprehensive and ongoing review of these reports, the Bank is able to promptly identify increases in liquidity risk and, if necessary, take measures to mitigate it.

The Bank's general approach to mitigating liquidity risk is to maintain a buffer of highly liquid, unencumbered assets in an amount sufficient to finance both expected contractual outflows and potential payments related to the volatile portion of current customer accounts. When allocating assets across various financial instruments, the Bank strictly considers the maturity of available resources—both contractual and calculated based on historical stability - as well as their volume. The Bank factors affect the costs of maintaining an adequate level of liquidity into the internal pricing of its products.

The Bank actively maintains diversified and stable funding sources, which include deposits from legal entities and individuals, as well as diversified portfolios of highly liquid assets, in order to be able to quickly and smoothly meet unforeseen liquidity needs.

In general, non-concentrated funding sources (funds from small and microbusiness clients and individuals) are the Bank’s primary source of funding for long-term lending operations, regardless of market and macroeconomic conditions. The Bank considers increasing the share of funds from these segments to be a priority.

To maintain short-term liquidity, the Bank attracts short-term deposits and conducts foreign currency and securities trading operations, including through the conclusion of SWAP and REPO agreements.

Short-term funding sources are primarily used for investment in short-term treasury assets: NBU certificates of deposit, domestic government bonds, and treasury bonds of countries with investment-grade ratings on the international scale.

To support long-term liquidity, the Bank attracts medium- and long-term deposits, enters into securities purchase and sale agreements, adjusts its interest rate policy, and controls expenses. In managing liquidity, the Bank takes into account the need to maintain required reserves with the National Bank of Ukraine, the amount of which depends, in particular, on the volume and structure of customer funds attracted.

The Bank’s undiscounted financial liabilities by remaining maturity based on contractual terms and other undiscounted cash outflows as at December 31, 2025:

	<i>Up to 3 months</i>	<i>3 - 12 months</i>	<i>1 – 5 years</i>	<i>Over 5 years</i>	<i>Interest-free</i>
Non-derivative financial liabilities					
Due to customers	24 267 315	1 325 209	82 725	-	25 675 249
Other borrowings	3 951	11 850	64 080	774 307	854 188
Lease liabilities	10 483	31 441	73 456	-	115 380
Other financial liabilities	67 560	-	-	-	67 560
Total non-derivative financial liabilities	24 349 309	1 368 500	220 261	774 307	26 712 377
Off-balance-sheet financial liabilities					
Financial guarantees issued	44 505	553 829	208 314	-	806 648
Gross loan commitments	109 877	1 309 279	3 597 108	-	5 016 264
Total off-balance-sheet financial liabilities	154 382	1 863 108	3 805 422	-	5 822 912
Total undiscounted financial liabilities	24 503 691	3 231 608	4 025 683	774 307	32 535 289

The “Up to 3 months” column also includes demand deposits.

The table presents a summary analysis of the contractual maturities of the Bank’s financial liabilities as at December 31, 2025. The table shows undiscounted liabilities due for repayment under the terms of the agreement and the projected interest expense under the agreement. However, the Bank expects that most customers will not demand payment immediately upon the date when the Bank would be required to make a payment under the contract, and therefore this table does not reflect expected cash flows determined based on deposit balances held in prior periods. In addition, a significant portion of current account balances is assessed by Management as conditionally stable balances. The maturity analysis does not reflect the stability of current liabilities in the past.

As at December 31, 2025, the Bank’s liquidity and liquidity ratios remain at a consistently high level:

	<i>2025</i>	<i>2024</i>
LCR all currencies (>100%)	167%	166%
NSFR all currencies (>100%)	160%	158%

Undiscounted financial liabilities of the Bank by maturity based on contractual undiscounted cash repayments as at December 31, 2024, are presented below:

	<i>Up to 3 months</i>	<i>3 - 12 months</i>	<i>1 – 5 years</i>	<i>Over 5 years</i>	<i>Interest-free</i>
Non-derivative financial liabilities					
Bank deposits	80	-	-	-	80
Customer deposits	20 680 395	1 165 355	22 702	-	21 868 452
Other borrowings	2 305	6 914	37 386	451 743	498 348
Lease liabilities	18 690	32 391	110 719	-	161 800
Other financial liabilities	21 941	896	71	-	22 908
Total non-derivative financial liabilities	20 723 411	1 205 556	170 878	451 743	22 551 588
Off-balance-sheet financial liabilities					
Financial guarantees provided	115 767	259 200	67 231	-	442 198
Gross loan commitments	200 263	1 235 261	2 260 218	-	3 695 742
Total off-balance-sheet financial liabilities	316 030	1 494 461	2 327 449	-	4 137 940
Total undiscounted financial liabilities	21 039 441	2 700 017	2 498 327	451 743	26 689 528

The “Up to 3 months” column also includes demand deposits.

The timing of payments on assets and liabilities and the ability to replace, at a reasonable price, interest-bearing liabilities prior to their maturity are important factors in assessing the Bank’s liquidity and the risk arising from changes in interest rates and exchange rates.

Analysis of financial assets and liabilities based on expected maturity dates as at December 31, 2025:

	<i>Up to 3 months</i>	<i>3 - 12 months</i>	<i>1 – 5 years</i>	<i>Over 5 years</i>	<i>Interest-free</i>
Assets					
Cash and cash equivalents	10 586 916	-	-	-	10 586 916
Loans and advances to banks	21 545	50 282	-	-	71 827
Loans and advances to customers	2 951 431	2 527 446	3 757 066	858 510	10 094 453
Investments in securities	345 616	1 823 803	5 169 196	277	7 338 892
Derivative financial assets	-	6 471	-	-	6 471
Other financial assets	50 504	341	977	-	51 822
Total assets	13 956 012	4 408 343	8 927 239	858 787	28 150 381
Liabilities					
Due to customers	24 185 414	1 266 663	75 494	-	25 527 571
Other borrowings	-	-	-	535 277	535 277
Other financial liabilities	77 932	29 503	57 688	-	165 123
Total liabilities	24 263 346	1 296 166	133 182	535 277	26 227 971
Liquidity difference for the period	(10 307 334)	3 112 177	8 794 057	323 510	1 922 410
Cumulative liquidity difference	(10 307 334)	(7 195 157)	1 598 900	1 922 410	

The “Up to 3 months” column also includes demand deposits.

The table shows loans and advances to customers, taking into account past-due loan balances and reduced by the amount of provisions established. At the same time, past-due debt is classified as having a repayment period of more than five years in accordance with the Bank’s assessment of the likely timeframes for its collection. The table shows financial liabilities that are due for repayment in accordance with the contract. However, the Bank expects that most customers will not demand payment immediately upon the date when the Bank would be required to make a payment under the agreement, and the table does not reflect expected cash flows determined based on the amounts of deposits held in prior periods. In addition, a significant portion of current account balances is assessed by Management as conditionally stable balances (the volume of conditionally stable customer funds with a horizon of more than three calendar months, which are subject to payment within three months from the date of analysis under contractual terms, amounts to at least UAH 14,876,241 thousand (2024: UAH 9,312,558 thousand) and are primarily invested in securities refinanced by the NBU (OVDP) and Certificates of Deposit of the National Bank of Ukraine (the carrying amount of these securities with maturities ranging from one to five years is UAH 4,938,336 thousand and, according to the Bank’s management’s expectations, may be used to increase the volume of cash and cash equivalents through sale within a relatively short period of time or by pledging them as collateral to secure the necessary loan).

The line item for derivative financial assets reflects the result of the fair value revaluation of the “interest rate swap” financial instrument as of the respective reporting date. Off-balance-sheet assets and liabilities related to the accounting for this financial instrument are not disclosed due to their non-monetary nature.

Analysis of financial assets and liabilities based on expected maturity as at December 31, 2024:

	<i>Up to 3 months</i>	<i>3 - 12 months</i>	<i>1 – 5 years</i>	<i>Over 5 years</i>	<i>Interest-free</i>
Assets					
Cash and cash equivalents	6 732 660	-	-	-	6 732 660
Loans and advances to banks	270 919	44 542	-	-	315 461
Loans and advances to customers	2 493 563	2 037 796	2 771 293	527 083	7 829 735
Investments in securities	500 604	1 642 071	6 851 503	388	8 994 566
Derivative financial assets	-	60 382	14 880	-	75 262
Other financial assets	28 795	-	-	1 880	30 675
Total assets	10 026 541	3 784 791	9 637 676	529 351	23 978 359
Liabilities					
Bank deposits	80	-	-	-	80
Due to customers	20 640 560	1 116 930	22 579	-	21 780 069
Other borrowings	-	-	-	311 547	311 547
Other financial liabilities	40 498	31 066	83 969	-	155 533
Total liabilities	20 681 138	1 147 996	106 548	311 547	22 247 229
Liquidity difference for the period	(10 654 597)	2 636 795	9 531 128	217 804	1 731 130
Cumulative liquidity difference	(10 654 597)	(8 017 802)	1 513 326	1 731 130	

The “Up to 3 months” column also includes demand deposits.

In accordance with Ukrainian law and the terms of loan agreements, in the event of a deterioration in borrowers’ financial condition, systematic failure to meet their obligations, or the occurrence of certain other factors, the Bank has the right to demand early repayment of the debt.

Concentration risk

The Bank monitors concentration risk. Concentration risk arises when a number of counterparties engage in similar types of activities, or their activities are conducted in the same geographic region, or the counterparties have similar economic characteristics, and as a result, changes in economic, political, and other conditions have a similar impact on these counterparties’ ability to fulfill their contractual obligations. Risk concentrations reflect the relative sensitivity of the Bank’s performance to changes in conditions affecting a particular industry or geographic region.

To prevent excessive risk concentration, the Bank’s policies and procedures include specific principles aimed at maintaining a diversified portfolio. Management of established risk concentrations is carried out within the framework of credit risk and liquidity risk management, including at the level of the Risk Appetite Statement, the Material Risk Management Policy, and individual decisions at the level of the Supervisory Board and/or Management Board committees, which establish risk concentration limits by region, product, counterparty, financial instrument, time horizon, etc.

Following the full-scale invasion and throughout the reporting year, the Bank has avoided active operations in areas immediately adjacent to territories where hostilities are taking place or in temporarily occupied territories of Ukraine.

Operating risk

Operating risk is the probability of incurring losses or additional losses, or failing to achieve planned revenues, as a result of deficiencies or errors in the organization of internal processes, intentional or unintentional actions by Bank employees or other persons, malfunctions in the Bank’s information systems, or the impact of external factors. Operating risk includes legal risk but excludes reputational risk and strategic risk.

Operating risk is inherent in all products, processes, activities, procedures, and systems. Operating risk management is an integral part (function) at all levels of management. The approach to managing and monitoring operating risk is consistent with the management and monitoring of other types of risk at the Bank, in particular market and credit risk.

Operating risk is managed in accordance with the three lines of defense model:

1. The first line of defense consists of the Bank’s business units and support units. They are the owners of all operating risks arising within their areas of responsibility. These units are responsible for identifying and assessing operating risks, implementing management measures to manage these risks, and reporting on such risks. At the first line of defense, the Bank appoints employees within the units who are responsible for internal control of operating risk.
2. At the second line of defense, the Risk Management Department performs the following functions regarding operating risk management: developing, implementing, and continuously improving the operating risk management system; assessing the Bank’s operating risk exposure, including assessments based on information provided by Bank employees responsible for internal control of operating risk within the first line of defense units.
3. On the third line of defense, the Internal audit department assesses the effectiveness of the operating risk management system implemented by the first and second lines of defense, including an assessment of the effectiveness of the internal control system.

Operating risk management is carried out at all stages of the following banking processes.

The Bank employs the following risk management approaches:

- risk acceptance – continuing operations as usual if, following an analysis of the circumstances surrounding the identification of a risk, implementing measures to minimize it is not economically justified;
- risk transfer – entering into insurance contracts under which the Bank may receive compensation for losses in the event of the occurrence of insured risks;
- risk minimization (mitigation) – taking necessary measures (in particular, control procedures) aimed at reducing the level of identified risk to an acceptable level;
- risk avoidance – refraining from conducting transactions/banking processes with a risk level that is unacceptable to the Bank even if additional control procedures are implemented.

Although, based on the results for 2025, the actual losses incurred by the Bank as a result of operating risk events remained within the risk appetite threshold established by the Risk Appetite Statement, the Bank suffered a negative impact on its capital due to damage to the headquarters building in Kyiv and a number of other bank branches.

The Bank also continued to incur significant operating expenses to ensure the uninterrupted operation of the institution amid heightened risks caused by both military hostilities in the immediate vicinity of the Bank’s network facilities and massive rocket attacks. The Bank analyzed a range of scenarios for future developments and formulated and implemented a corresponding set of action plans to ensure the continuity of the Bank’s operations.

Strategic risk

Strategic risk is the probability of incurring losses or additional losses, or failing to achieve planned revenues, as a result of incorrect management decisions and an inadequate response to changes in the business environment.

In 2025, the Bank identifies the following subtypes of strategic risk as material:

- Business risk - the risk of failing to meet the Bank’s approved budget and/or business plan, which, in turn, leads to a shortfall in the planned financial result;
- Military risk - the risk associated with the continuation or intensification of active hostilities on the territory of Ukraine.

Business risk is assessed based on an analysis of the Bank’s business plan/budget execution and the achievement of planned targets, both in terms of increasing the volume and number of the Bank’s transactions and in terms of the profitability of the Bank’s planned transactions.

The Bank does not set specific risk appetite targets for military risk but assesses them as part of a comprehensive evaluation of strategic risk and the determination of individual risk appetite levels for strategic risk.

Social and environmental risk

The Bank seeks to promote the long-term viability and global competitiveness of domestic enterprises operating, in particular, in the agricultural and other business sectors, and to support the development of Ukraine’s agro-industrial sector toward inclusive agricultural growth, responding not only to pressing challenges and risks on a national scale but also laying the foundation for a prosperous and sustainable future for all.

Social and environmental risk is the risk of losses arising from the Bank causing harm to the environment and/or society (directly or through related parties and customers).

The Bank views the environmental aspect as increasingly significant for its operations, as the banking system and the Bank in particular play an important role in supporting sustainable development and environmental responsibility. When developing new processes and improving existing ones, the Bank intends to focus on the following aspects:

- prioritizing investments in projects and enterprises that contribute to environmental conservation and the reduction of greenhouse gas emissions (projects in renewable energy, energy efficiency, raw material recycling, etc.);
- adherence to the declaration on reducing its own environmental impact, specifically: implementing measures to reduce its carbon footprint and energy consumption (energy-efficient management of its own premises, transition to renewable energy sources, minimizing paper use, etc.);
- conducting an information campaign among employees regarding environmental issues and opportunities to reduce the Bank’s own environmental impact;
- participation in public initiatives and projects aimed at conserving natural resources and preserving biodiversity.

These aspects are intended to help the Bank not only meet environmental responsibility requirements but also create a positive impact on the environment and society as a whole

The Bank does not set separate risk appetite indicators for social and environmental risk, but its identification is an integral part of the lending decision-making process, and the management of environmental and social risks at the Bank is part of the overall risk culture. Risk materialization may occur and is managed by the Bank as part of, in particular, credit, operational, and compliance risks.

Compliance risk

Compliance risk is the likelihood of incurring losses/penalties, additional losses, or a shortfall in planned revenues, or reputational damage resulting from the Bank’s failure to comply with laws, regulations, market standards, fair competition rules, and corporate ethics rules, the occurrence of conflicts of interest, as well as the Bank’s internal documents / the Banking Group’s internal documents.

The Bank strives to minimize compliance risks by maintaining a high level of compliance risk management culture, continuous staff training, strict compliance with Ukrainian legislation, regulations of the National Bank of Ukraine, and the Bank’s internal documents, effective segregation of duties, the organization of an internal control system based on the three lines of defense, assessment of external and internal factors that may give rise to compliance risks, etc., as well as ensuring a timely response to them.

As part of the Bank’s Strategy, the Bank recognizes regulatory risk (including in the area of AML/CFT) as a significant sub-category of compliance risk, specifically the risk arising from changes in legal requirements that may significantly impact the Bank’s operations. The aforementioned changes may increase the cost of doing business, reduce the attractiveness of investments, or otherwise negatively impact the Bank’s operations.

To manage compliance risk, the Bank has implemented a system for:

- monitoring new legal requirements and overseeing their implementation in the Bank’s operations;
- identifying compliance risks and incidents, and ensuring a timely response to them;
- identifying conflicts of interest (including potential ones) and ensuring their timely avoidance;
- analyzing new products and significant changes in the Bank’s operations (prior to their implementation);
- analyzing decisions of the Bank’s collegial bodies and the Bank’s internal regulatory documents;
- analyzing the Bank’s counterparties;
- analyzing credit transactions with persons related to the Bank;
- analyzing inquiries from the Bank’s clients;
- analyzing reports from the Bank’s departments;
- escalating identified risks and/or violations and organizing the response process;
- ensuring timely reporting to the Bank’s management bodies;
- involving the compliance department in investigations and in resolving issues within its purview, etc.

To determine the level of risk appetite for compliance risk, the Bank takes into account external compliance risks (including an analysis of enforcement actions imposed on other banks, where such information is available), information regarding recorded violations in the Bank’s operations, enforcement measures applied to the Bank, and expert opinions on residual risks; an analysis of deficiencies in the Bank’s processes, identified compliance risks, conflicts of interest, and the occurrence of significant compliance risk events (by key risk areas), including taking into account the expert judgment/assumptions of the heads of the Bank’s relevant departments and employees of the compliance department. The calculation also analyzes significant changes in legislation and their potential consequences for the Bank, new legal requirements, as well as events that have led to a deterioration in the reputation of other banks (where such information is available).

30. Related party transactions

In the course of its ordinary business, the Bank grants loans to customers, accepts deposits, and conducts other transactions with related parties. Parties are considered related if one party has the ability to control the other party or significantly influence the other party in making financial and operational decisions. The terms and conditions of transactions with related parties are established at the time the transaction is conducted.

Related parties include the Bank’s Shareholder, members of the Supervisory Board, members of the Management Board, and their close family members, as well as companies over which the Shareholder, key management personnel, or their family members exercise control. Key management personnel are individuals who have authority and are responsible for planning, managing, and controlling the Bank’s activities, directly or indirectly, and include members of the Management Board and the Supervisory Board. Business entities are not considered related parties simply because they share a director or other member of senior management with the Bank, or because a member of the Bank’s senior management has significant influence over another business entity.

The Bank’s management believes that the terms under which transactions with related parties are conducted did not differ from those offered to unrelated parties.

As noted in Note 1, 100% of the Bank’s share capital has been owned by Yaroslavsky O.V. since August 4, 2020.

The Bank’s transactions with related parties and balances in related parties’ accounts as at December 31, 2025:

	<i>Shareholder of the Bank</i>	<i>Key management personnel</i>	<i>Other related parties</i>	<i>Total</i>
Loans and advances to customers (contractual interest rates: UAH: 5.75% (secured by a deposit) – 38.4%; USD: 0% – 6.0%)	-	3 541	294 807	298 348
including allowance for impairment of loans and advances to customers	-	(29)	(70 335)	(70 364)
Other financial assets	-	-	1 313	1 313
Other assets	-	-	679	679
Due to customers (contractual interest rates: UAH: 0% – 17%, USD: 0% – 3%, EUR: 0% – 0.6%)	2 719	101 905	1 000 353	1 104 977
Collateral	-	6 820	120	6 940
Other financial liabilities	-	-	7 749	7 749
Other liabilities	-	8	71	79

Balances at related parties accounts as at December 31, 2024:

	<i>Shareholder of the Bank</i>	<i>Key management personnel</i>	<i>Other related parties</i>	<i>Total</i>
Loans and advances to customers (contractual interest rates: UAH 17.0% - 38.4%; USD 6.0%)	-	172	149 772	149 944
including allowance for impairment on loans and advances to customers	-	(6)	(37 443)	(37 449)
Other financial assets	-	-	812	812
Other assets	-	-	768	768
Due to customers (contractual interest rates: UAH 0% - 12.4%; USD 0% - 2.5172%; EUR 0% - 0-0.6%)	2 781	104 041	1 292 852	1 399 674
Provisions for liabilities	-	7 537	1 218	8 755
Other financial liabilities	-	1	44	45
Other liabilities	-	5	15	20

Other rights and commitments under related parties' transactions as at December 31, 2025:

	<i>Shareholder of the Bank</i>	<i>Key management personnel</i>	<i>Other related parties</i>	<i>Total</i>
Guarantees issued	-	-	25 173	25 173
Potential loan commitments (revocable)	-	1 089	704	1 793

Under potential commitments (revocable credit lines), the Bank has a right to refuse to provide a loan, so there is no credit risk.

Other rights and commitments under related parties' transactions as at December 31, 2024:

	<i>Shareholder of the Bank</i>	<i>Key management personnel</i>	<i>Other related parties</i>	<i>Total</i>
Guarantees issued	-	-	15 097	15 097
Guarantees received	-	-	105 000	105 000
Potential loan commitments (revocable)	-	1 388	152	1 540

Total loans issued to be repaid by related parties during the period ended on December 31, 2025:

	<i>Shareholder of the Bank</i>	<i>Key management personnel</i>	<i>Other related parties</i>	<i>Total</i>
Loans granted to related parties	-	26 003	346 304	372 307
Loans repaid by related parties	-	(25 844)	(184 453)	(210 297)

Total loans issued to be repaid by related parties during the period ended on December 31, 2024:

	<i>Shareholder of the Bank</i>	<i>Key management personnel</i>	<i>Other related parties</i>	<i>Total</i>
Loans granted to related parties	-	41 806	-	41 806
Loans repaid by related parties	-	(41 628)	(49 614)	(91 242)

Related parties' transactions of the Bank for the period ended on December 31, 2025:

	<i>Shareholder of the Bank</i>	<i>Key management personnel</i>	<i>Other related parties</i>	<i>Total</i>
Interest income	-	191	34 816	35 007
Interest expense	-	(828)	(112 734)	(113 562)
Commissions income	167	465	19 966	20 598
Net foreign exchange gains (losses)	14	88	991	1 093
Net gains (losses) on securities	-	4	5 298	5 302
Reversal of / (Provision for) allowance for ELC under loans and deposits in other banks	-	(23)	(32 892)	(32 915)
Other income	-	-	13 476	13 476
Other expenses	-	(180 766)	(22 380)	(203 146)

Related parties' transactions of the Bank for the period ended on December 31, 2024:

	<i>Key</i>			<i>Total</i>
	<i>Shareholder of the Bank</i>	<i>management personnel</i>	<i>Other related parties</i>	
Interest income	-	-	33 845	33 845
Interest expense	-	(2 768)	(60 948)	(63 716)
Commissions income	120	637	1 940	2 697
Net foreign exchange gains (losses)	-	-	481	481
Net gains (losses) on securities	-	570	2 375	2 945
Reversal of / (Provision for) allowance for ELC under loans and deposits in other banks	-	(6)	19 879	19 873
Other income	-	-	12 156	12 156
Other expenses	-	(134 757)	(9 031)	(143 788)

Remuneration of key management personnel for the year ended December 31, 2025, consisted of short-term employee benefits totaling UAH 112,458 thousand (2024: UAH 102,122 thousand).

Remuneration to members of the Supervisory Board for the year ended December 31, 2025, amounted to UAH 62,563 thousand (2024: UAH 30,405 thousand).

31. Fair value measurement

The Bank applies the following hierarchical structure of valuation methods to determine and disclose information regarding the fair value of financial instruments:

- Level 1: unadjusted quotes in active markets for identical assets or liabilities available as of the measurement date.
- Level 2: valuation models in which all inputs that have a significant impact on the fair value amount reported in the financial statements are based, directly or indirectly, on observable market information.
- Level 3: valuation models that use inputs that have a significant impact on the fair value amount reported in the financial statements, which are not based on observable market information.

As at December 31, 2025, and 2024, there were no transfers between Levels 1 and 2 of the fair value hierarchy.

For the purposes of fair value disclosures, the Bank has identified classes of assets and liabilities based on the nature, characteristics, and risks of the asset or liability, as well as the level of the fair value hierarchy:

December 31, 2025	<i>Date of measurement</i>	<i>Fair value measurement using</i>				<i>Carrying amount</i>
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>	
Assets at fair value						
Derivative financial assets	31.12.2025	-	6 471	-	6 471	6 471
Investments in securities	31.12.2025	397 210	6 941 488	194	7 338 892	7 338 892
Investment property	01.11.2025	-	-	34 510	34 510	34 510
Fixed assets - own land and buildings	01.11.2025	-	-	166 312	166 312	166 312
Assets for which fair value is disclosed						
Cash and cash equivalents	31.12.2025	-	-	10 586 916	10 586 916	10 586 916
Loans and advances to banks	31.12.2025	-	-	71 827	71 827	71 827
Loans and advances to customers	31.12.2025	-	-	9 847 438	9 847 438	10 094 453
Other financial assets	31.12.2025	-	-	51 822	51 822	51 822

December 31, 2025	<i>Date of measurement</i>	<i>Fair value measurement using</i>				<i>Carrying amount</i>
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>	
Liabilities for which fair value is disclosed						
Due to customers	31.12.2025	-	-	25 552 705	25 552 705	25 527 571
Other borrowings	31.12.2025	-	-	535 277	535 277	535 277
Other financial liabilities	31.12.2025	-	-	165 123	165 123	165 123

The reconciliation of the amounts recognized at the beginning and end of the reporting period for assets measured at fair value is presented in Notes 10, 11, and 14.

The following methods and assumptions were used to determine fair value:

Management has determined that the fair value of cash, short-term financial assets and liabilities, and other assets and liabilities is approximately equal to their carrying amount, as these instruments have short maturities or the financial liability was entered into on terms consistent with current market conditions.

Fixed assets (buildings) and investment property. To determine the fair value of buildings and investment property, the Bank engages independent appraisers, using a comparative method based on transaction prices for properties of a similar nature, location, and condition, as well as the income approach, which is based on the principles of highest and best use and expected returns, according to which the value of the property being appraised is determined as the present value of expected income from the highest and best use of the property, including income from its potential resale

Derivative financial instruments.

The Bank values foreign exchange contracts (spots, forwards, swaps) using market-observable rates (Level 1) or by calculating forward rates (Level 2).

The fair value of interest rate swaps is determined by estimating future cash flows and discounting them using yield curves in accordance with the “Procedure for evaluating the fair value of derivative financial instruments traded by the National Bank of Ukraine” (Level 2).

Investments in securities.

Investments in equity instruments, the value of which is determined using any valuation method, consist of shares not traded on an active market and partnership interests. The value of these assets is determined using models that, in some cases, include only market-observable data, and in others, both market-observable and non-market-observable data. Non-observable inputs include assumptions regarding the future financial performance of the investee, the nature of its risks, as well as economic assumptions regarding the industry and geographic jurisdiction in which the investee operates.

Investments in securities measured at fair value, which is determined based on Level 1 and Level 2 inputs, consist of:

- for securities in the national currency - exclusively of domestic government bonds (DGB) and domestic municipal bonds (DMB) that are eligible for refinancing by the NBU
- for securities in foreign currency – exclusively of G7 sovereign bonds with an investment-grade rating on the international scale and DGB.

G7 sovereign bonds are traded on active markets and, as such, their fair value is determined based on exchange rates (Level 1).

DGBs and DMB are highly liquid assets and trade on active markets (Level 1). For these securities, the secondary market showed negative dynamics throughout 2025. A number of significant changes occurred in the market, namely an increase in the number of transactions alongside a decrease in the volume of trade and diversification of securities. In particular, the average monthly number of transactions on the secondary market increased significantly (by 40.6% in December 2025 compared to January 2025). At the same time, an increase in yield to maturity was observed for these securities. Taking this into account, the Bank uses a phased approach to accounting for yields of Levels 1, 2, and 3, depending on the availability of information regarding trading in the relevant financial instruments on the secondary market at the time of valuation and the compliance of the volume of such trading with the Bank’s requirements.

Loans and advances to customers. The Bank evaluates loans and customer debt, as well as accounts receivable, based on parameters such as interest rates, risk factors, and the borrower’s individual creditworthiness. Based on this assessment, valuation allowances are established to account for expected losses on these assets. The fair value of loans and receivables from customers is determined using the discounted cash flow method with market rates for hryvnia-denominated loans in the range of 14.2 - 37.4% (2024: in the range of 13.3% - 34.9%) and for foreign currency loans in the range of 5.8% - 10.1% (2024: in the range of 6.1% - 6.3%).

Customer funds. The fair value of customer funds is determined using the discounted cash flow method, applying market rates for term deposits in UAH ranging from 5.8% to 13.4% (2024: in the range of 8.5 - 11.8%) and for term deposits in foreign currency in the range of 0.5 - 1.1% (2024: in the range of 0.5 - 1.3%). The Bank’s own credit risk of default as of December 31, 2025, is assessed as insignificant.

Information on the fair value of the Bank’s assets and liabilities as at December 31, 2024:

December 31, 2024	Date of measure ment	Fair value measurement using				Carrying amount
		Level 1	Level 2	Level 3	Total	
Assets at fair value						
Derivative financial assets	31.12.2024	-	75 262	-	75 262	75 262
Investments in securities	31.12.2024	434 176	8 466 580	197	8 900 953	8 900 953
Investment property	01.11.2024	-	-	96 259	96 259	96 259

December 31, 2024	Date of measurement	Fair value measurement using				Carrying amount
		Level 1	Level 2	Level 3	Total	
Fixed assets - land and buildings owned	01.11.2024	-	-	205 195	205 195	205 195
Assets for which fair value is disclosed						
Cash and cash equivalents	31.12.2024	-	-	6 732 660	6 732 660	6 732 660
Loans and advances to banks	31.12.2024	-	-	315 461	315 461	315 461
Investments in securities	31.12.2024	-	-	99 776	99 776	93 613
Loans and advances to customers	31.12.2024	-	-	7 748 315	7 748 315	7 829 735
Other financial assets	31.12.2024	-	-	30 675	30 675	30 675

December 31, 2024	Date of measurement	Fair value measurement using				Carrying amount
		Level 1	Level 2	Level 3	Total	
Liabilities for which fair value is disclosed						
Bank deposits	31.12.2024	-	-	80	80	80
Due to customers	31.12.2024	-	-	21 769 778	21 769 778	21 780 069
Other liabilities	31.12.2024	-	-	311 547	311 547	311 547
Other financial liabilities	31.12.2024	-	-	155 533	155 533	155 533

Set out below is a description of the valuation techniques and inputs used in the fair value measurement of non-current assets as at December 31, 2025:

	Carrying amount	Measurement method	Parameter	Parameter range
Investment property	34 510			
- land parcels	34 416	comparative	100 square meters	UAH 0.86 thousand – UAH 116.76 thousand
- land parcels	94	profitable	100 square meters	UAH 183.79 thousand
Fixed assets	166 312			
- real estate	127 164	profitable	square meter	UAH 2.32 thousand – UAH 17.94 thousand
- real estate	35 037	comparative	square meter	UAH 97.69 thousand – UAH 110.84 thousand
- land plots	4 111	comparative	100 square meters	UAH 589.06 thousand – UAH 753.52 thousand

Set out below is a description of the valuation techniques and inputs used in the fair value measurement of non-current assets as at December 31, 2024:

	Carrying amount	Measurement method	Parameter	Parameter range
Investment property	96 259			
- Buildings and facilities	31 058	comparative	m ²	UAH 27,61 thou. – UAH 34,99 thou
- Buildings and facilities	16 125	comparative	m ²	UAH 11,15 thou UAH 0,71 thou. –UAH 186,32 thou
- land plots	48 987	profitable	100 m ²	thou
- Land plots	89	profitable	m ²	UAH 1,75 thou
Fixed assets	205 195			
- Buildings and facilities	162 492	profitable	m ²	UAH 2,26 thou – 2UAH 4.56 thou
- Buildings and facilities	38 940	comparative	m ²	UAH 99,12 thou – UAH 110.06 thou
- land plots	3 763	comparative	100 m ²	UAH 665,05 thou – UAH 707,4 thou.

32. Capital management

The Bank actively manages its capital adequacy level to protect against risks inherent in its operations, ensure compliance with external capital requirements, and maintain a high credit rating and the capital adequacy ratios necessary to conduct its business and maximize shareholder value. The Bank's capital adequacy is monitored using, among other methods, principles, and ratios that take into account international capital regulation standards and the requirements of the National Bank of Ukraine. To align the calculation of regulatory capital with European standards, the National Bank of Ukraine, by Resolution of the Board No. 196 of 28.12.2023 (hereinafter “Regulation No. 196”), amended the procedure for calculating regulatory capital. Effective August 6, 2024, a transition was made from a two-tier regulatory capital structure to a three-tier structure.

The Bank manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of its business activities. During the reporting period, there were no changes to the objectives, policies, or procedures for capital management.

NBU Capital Adequacy Ratio

The NBU sets requirements for banks' capital levels and monitors compliance. Under the NBU's current capital requirements, banks must maintain a capital-to-risk-weighted-assets ratio (capital adequacy ratio in accordance with Ukrainian regulatory requirements) above a specified minimum level. If the Bank fails to maintain or sufficiently increase its equity capital in line with the growth of its risk-weighted assets, it may violate the established capital adequacy ratios, which could result in sanctions by the NBU and negatively impact its operating results and financial condition.

As at the end of the day on December 31, 2025, the Bank complied with all NBU requirements regarding capital ratios, specifically: the regulatory capital ratio (N1) stood at UAH 1,608 million, the Tier 1 capital adequacy ratio (Hok1) was 13.3% (minimum ratio is 5.625%), the Tier 1 capital adequacy ratio (Hk1) is 13.3% (the minimum ratio is 7.5%), and the regulatory capital adequacy ratio (Hrk) is 13.3% (the minimum ratio is 10.0%).

To promote the financial stability of Ukraine's banking system, including amid adverse changes in the macroeconomic environment, the National Bank has conducted an annual asset quality review (AQR) since 2018, and for the largest banks, it also conducts stress testing under an adverse scenario to assess capital adequacy over a three-year period. In accordance with NBU Board Resolution No. 141 of December 22, 2017, “On Approval of the Regulations on the Assessment of the Resilience of Banks and the Banking System of Ukraine” (hereinafter “Regulations 141”), the assessment of the resilience of Ukraine's largest banks is conducted in three stages with the involvement of an independent auditor. In the first stage, the independent auditor assesses the quality of banks' assets and the acceptability of collateral for credit operations. In the second stage, the National Bank extrapolates the results obtained and calculates capital adequacy ratios. In the final stage, stress testing of banks is conducted under two macroeconomic scenarios - base and adverse. Stress testing involves calculating the impact of negative factors on the adequacy of banks' capital to cover risks.

In 2025, in accordance with the Technical Specifications for Assessing the Resilience of Banks and the Banking System of Ukraine, approved by Resolution No. 452-rsh of the Board of the National Bank of Ukraine of 26.12.2024, the Bank underwent a three-stage resilience assessment. Based on the results of the stress test under the baseline scenario, the following required levels were initially determined: the regulatory capital adequacy ratio (RCAR) – 16.04%, the Tier 1 capital adequacy ratio (T1CR) – 13.67%, and Tier 1 core capital adequacy ratio (T1CC) – 11.89%; under the adverse macroeconomic scenario: RAR – 31.46%, T1CC – 29.16%, and T1CC – 27.44%.

The Bank's Supervisory Board (Minutes No. 24 of 26.09.2025) approved the Capitalization/Restructuring Program of JSC “BANK CREDIT DNIPRO” for the period until 30.09.2026 (hereinafter – the Capitalization Program), which was agreed upon and approved by Decision No. 428-rsh/BT of the Management Board of the National Bank dated November 21, 2025. Based on the results of the verification of measures implemented and planned by the Bank, as well as actual events that occurred after the reporting date and were taken into account by the Bank when preparing the Capitalization Program, the required capital adequacy ratios were adjusted by the NBU to the following levels: under the baseline macroeconomic scenario, the required capital adequacy ratios correspond to the regulatory values of these ratios established by the Instruction on the Procedure for Regulating the Activities of Banks in Ukraine, approved by Resolution of the Board of the National Bank of Ukraine No. 368 of 28.08.2001 (as amended); under the adverse macroeconomic scenario, the required levels of the ratios are: the NCR ratio – from 31.46% to 14.23%; the NCR1 ratio – from 29.16% to 11.73%; the NCR1 ratio – from 27.44% to 9.85%. All measures of the Capitalization Program scheduled for implementation as of the reporting date are being carried out by the Bank in full and within the established timeframes. The Bank complies with the required capital adequacy ratios established by the National Bank of Ukraine in accordance with the Capitalization Program.

Effective September 1, 2025, the NBU, by Resolution of the Board No. 89 of 19.07.2024 (as amended), introduced a leverage ratio (LR) for banks, defined as the ratio of Tier 1 capital to the Bank's total assets and off-balance-sheet liabilities, excluding risk weights. As at the end of the day on December 31, 2025, the leverage ratio stood at 5.5% (the minimum regulatory requirement is 3%). The Bank complies with the NBU's leverage ratio requirements with a significant margin.

As at the end of the day on December 31, 2025, the Bank's capital adequacy ratios, in accordance with the requirements of the National Bank of Ukraine, were as follows:

	<i>2025</i>	<i>2024</i>
Tier 1 capital (T1)		
T1 equity instruments (ordinary shares)	3 586 561	3 586 561
Share premium	17 469	17 469
Reserve funds	93 210	75 711
Retained earnings	418 888	261 396
Profit for the interim reporting period before inclusion in Tier 1	93 985	248 916
Deductions from Tier 1:		
Intangible assets	(102 444)	(83 405)
Accumulated loss of prior years	(2 086 305)	(2 086 305)
The amount of the carrying value of non-core assets by which Tier 1 is reduced	(147 355)	(282 005)
Deferred tax assets	(165 041)	(145 686)
Other deductions from Tier 1 capital (accrued and uncollected income over 30 days, past-due accrued income, negative revaluation result of equity instruments, etc.)	(101 340)	(84 282)
Total Tier 1 capital	1 607 628	1 508 370
Tier 1 supplementary capital (TS1)	-	-
Total Tier 1 capital	1 607 628	1 508 370
Tier 2 capital (TC2)	-	-
Total regulatory capital	1 607 628	1 508 370
Total risk-weighted assets	9 777 513	7 563 020
Minimum operational risk	221 854	255 607
Minimum market risk	11 630	3 324
Tier 1 capital adequacy ratio	13.27%	14.86%
Tier 1 capital adequacy ratio	13.27%	14.86%
Regulatory capital adequacy ratio	13.27%	14.86%

33. Subsequent events

In February 2026, the Bank's Supervisory Board approved the Management Board's decision to invest up to USD 9,500,000 (UAH equivalent based on the official exchange rate on the settlement date) in the acquisition of real estate to accommodate employees of the Bank's Head Office in Kyiv. As at the date of this report, the Bank had acquired a portion of the real estate premises with a total value equivalent to USD 6,211 thousand. The acquired properties are classified as capital investments. Upon commissioning, the real estate will be classified as owner-occupied real estate (fixed assets) and subsequently accounted for at revalued (fair) value less depreciation. Taking into account the missile and drone attack in 2025 on the Bank's former head office in Kyiv, the expansion of operations and the launch of new projects, and the need to ensure business continuity (BCP), based on an analysis of the real estate market and alternative solutions, the Bank's Management Board and Supervisory Board consider this investment to be justified.

Chairman of the Management Board

Sergii PANOV

Financial director

Andriy BILOUS

Chief accountant

Ruslan CHUDAKIVSKYI

April 15, 2026