Translation from Ukrainian original

JSC “VST BANK”

(formerly PJSC “BANK VOSTOK”)

Management Report, Financial Statements together with the Independent Auditor’s Report for the year ended 31 December 2025

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Address from the Chairman of the Supervisory Board

Dear customers and partners of the Bank!

For the fourth consecutive year, JSC "VST BANK" (hereinafter – the Bank) has continued to operate and grow amid a full-scale invasion. Despite the challenging economic situation and heightened risks, the Bank ensures business continuity, service stability, and the fulfillment of all obligations to you.

The year 2025 marked a period of significant transformation for the banking system, including stricter cybersecurity requirements and an active transition to digital service channels.

An important milestone in 2025 for our institution was the rebranding: PJSC "BANK VOSTOK" changed its name to JSC "VST BANK", which took place in September and marked a new stage in our development. We remain the same bank you trust, and the new name better reflects our essence and approach. The Bank has successfully adapted to these changes thanks to the strategic support of our shareholders, the trust of our clients and partners, and the high professionalism of our team.

We continue to invest in modern technologies, expand the functionality of our remote services, and enhance transaction security to ensure maximum convenience and protection of your financial interests. The implementation of our strategic development plan has enabled us to achieve financial growth and maintain the Bank's market position.

Our key performance indicators demonstrate the Bank's stability, reliability, and ability to operate effectively in the face of heightened challenges. We are confident that transparency and open communication with you remain the foundation of the trust that helps us move forward.

We sincerely thank you for your support, trust, and active participation in the Bank's activities. Together, we will continue to strengthen our shared financial stability and achieve new results in the coming year.

Address by the Chairman of the Management Board

Introduction to the Bank's performance in 2025

2025 has been yet another test of stability amid the challenging conditions of war. Despite severe trials and the constant demands of multitasking, we have maintained the Bank's operational continuity, ensured the secure safekeeping of our clients' funds, provided loans to Ukrainian and international businesses, and offered a full range of services to both individuals and corporate clients. As at 31 December 2025, the Bank's assets exceed UAH 40 billion. We execute all operations in accordance with our licenses and are developing new business areas. Special attention is given to volunteer work and support for the Armed Forces of Ukraine.

On 16 September 2025, Bank Vostok began a new phase of development under the **VST bank** brand (legal name: JSC "VST BANK", NBU License No. 204 dated 16 September 2025). The rebranding took place smoothly and seamlessly for our customers. We remain the same trusted bank, but now with a new name that more accurately reflects our values and approach to work. Our new slogan: **"Get the important things done"**.

Continuous operation of the Bank

Even under challenging conditions, we have managed to restructure the Bank's operations to maintain the stability of all processes and ensure that our customers have continuous access to financial services. We are placing particular emphasis on developing uninterrupted remote services.

Amid a full-scale war, we continue to act responsibly and transparently: we comply with the requirements of the National Bank of Ukraine, adhere to International Financial Reporting Standards, and constantly adapt our operations to new realities. The Bank is currently undergoing an audit by the international audit firm Ernst & Young: Audit Services LLC, confirming its compliance with high professional standards. We implement all legislative changes in a timely manner, contributing to the stability of the financial sector.

Processing and technological infrastructure in 2025

In 2025, the Bank completed the transition of the management and servicing of payment cards issued by the Bank to the innovative Solar processing platform based on Amazon cloud solutions, which enabled the Bank to build a scalable and reliable architecture, ensure uninterrupted system operation, comply with the PCI DSS security standard, and process transactions in real time. The new platform supports online payment card issuance, instant card reloading, and rapid crediting of funds for payroll projects. By the end of 2025, the number of active payment cards issued by the Bank stood at nearly 1 million.

Direct connectivity to the Visa and Mastercard payment systems has also been implemented. We have expanded our capabilities for issuing payment cards in various currencies (including pounds sterling) and have obtained flexible tools for quickly configuring rates. We are promptly implementing the requirements of the National Bank of Ukraine, ensuring operational stability and full compliance with regulatory requirements.

Corporate business and participation in government programs

The bank ranked second in factoring and participates in the "Affordable Factoring" and "Affordable Loans 5-7-9" programs, with outstanding balances under these programs totaling UAH 2,075,586 thousand as at 31 December 2025.

The corporate segment covers settlement and cash management services, transaction services, lending, documentary operations, and guarantee instruments. In 2025, 4,497 new corporate clients were attracted, the loan portfolio grew by 12.0% to UAH 13,260,034 thousand, and client funds increased by 28.9% to UAH 39,337,941 thousand.

The Bank supported projects in the real sector (trade, industry, agriculture, and energy), strengthened environmental and social risk management, and implemented process automation and digital services for clients. The volume of guarantee instruments increased by 34.8% to UAH 4,633,214 thousand.

In 2025, the Bank participated in key industry and international events to develop partnerships and support clients:

- CEO Summit 2025 – developing management expertise;
- 4Food Forum – providing financial support to food industry enterprises;
- Brave1 Components – localization and scaling of high-tech component production;
- Tech Unity: Clusters Forum – support for Ukrainian technology companies;
- Fat-and-Oil Industry 2025 and the Ukrainian-Turkish Business Forum – deepening international business ties.

SMEs remained a priority area: simplified financing, transparent rates, and digital services enabled clients to effectively grow their businesses.

Development of Services for Individuals

In 2025, the Bank continued to develop remote service channels and its mobile app, which is used by over 320 thousand customers (+23% compared to 2024). Through the app, customers made nearly 12 million payments (+28%), opened 99 thousand checking accounts (+25%) and over 10 thousand deposit accounts (+94%), and 40 thousand individuals completed re-identification (+71%).

The mobile app has gained new features: loan products ("Payday Loan" and "Installment Plan"), credit limit applications (over UAH 300 million approved), the "Cashback" service (over UAH 9 million paid out), connection to "National Cashback" (1.5 million payments totaling UAH 305 million), instant IBAN payments, bank powers of attorney, MTPL insurance, Visa Request to Pay transfers, and preparation for Open Banking in Ukraine.

For corporate payroll projects, the Bank has implemented remote onboarding, account opening, and integration with companies' HR systems. Additionally, the Bank serves "non-digital" customers by training and engaging agents, enabling service delivery regardless of whether the customer has a smartphone or their location.

Achievements in 2025

- **February.** We were granted the status of an Authorized Depository Institution. The Bank's offerings became available on Diia.Business. We joined efforts to support the Odesa Regional Development Agency in the areas of financial literacy, veteran-owned businesses, and culture.
- **April.** Support for veterans through investments in FinStream veteran bonds. Support for the opening of a new location for the Odessa Museum of Modern Art.
- **May.** Confirmation of ratings by Moody's, "Credit-Rating" and "Rurik". Joined the state program "National Cashback". Premiere of the contemporary ballet LISOVA in Odesa.
- **June.** Chairman of the Board Vadym Morokhovskyi received the President of Ukraine's award "For the Defense of Ukraine".
- **July.** Collaboration with I. I. Mechnykov Odesa National University to assess environmental and social risks in lending programs. Launch of a mobile solution for businesses (cash register + payment app).
- **September.** Rebranding of PJSC "BANK VOSTOK" to JSC "VST BANK". Liia Morokhovska and Khrystyna Karmazina were named among the TOP 50 most influential women in Ukraine's fintech sector.
- **October.** Launch of instant hryvnia transfers for businesses. Kateryna Vysotska joined the Board of the EMA Association.
- **November.** Premiere of the ballet LISOVA in Vienna.
- **December.** Special financial offers for military personnel and veterans; preparations are underway to launch a Card for Veterans.
- **Other key achievements:**
  - JSC "VST BANK" – winner of the 17th All-Ukrainian "Bank of the Year – 2025" competition in three categories: best cashback card, mobile app with the best service, and best bank for sole proprietors;
  - Financed the construction of the Black Sea Salt Plant under the "Affordable Loans 5-7-9" program, which will supply over 50% of the domestic salt market starting in 2026.

Early 2026

The bank became an official partner of the SvitloDIM program, aimed at modernizing the housing stock and improving energy efficiency. In addition, the Association of Ukrainian Banks (AUB) recognized JSC "VST BANK" for its outstanding performance in 2025, confirming the bank's leadership position and customer trust.

1. General information about the Bank

Nature of business

JOINT-STOCK COMPANY “VST BANK” (hereinafter – the Bank), the type and name of which were changed pursuant to Shareholder Resolution No. 5 dated 4 August 2025, from PUBLIC JOINT-STOCK COMPANY “BANK VOSTOK”, which:

is the successor to all rights and obligations, funds, and property of PUBLIC JOINT-STOCK COMPANY “HOME CREDIT BANK”, which, pursuant to the minutes of the Extraordinary General Meeting of Shareholders dated 1 February 2011, changed its name to PUBLIC JOINT-STOCK COMPANY “BANK VOSTOK”,

is the successor to OPEN JOINT-STOCK COMPANY “HOME CREDIT BANK”, which, pursuant to the minutes of the inaugural meeting of shareholders No. 1 dated 16 December 2008, was reorganized by conversion from CLOSED JOINT-STOCK COMPANY “HOME CREDIT BANK”,

is the successor to all rights and obligations, funds, and property of the CLOSED JOINT-STOCK COMPANY “HOME CREDIT BANK”, the name of which was changed pursuant to the minutes of the General Meeting of Shareholders No. 3 dated 27 April 2007, from CLOSED JOINT-STOCK COMPANY “AGROBANK”,

is the successor to all rights and obligations, funds, and property of CLOSED JOINT-STOCK COMPANY “AGROBANK”, established pursuant to the decision of the founding meeting of the founders of CLOSED JOINT-STOCK COMPANY “AGROBANK” dated 23 May 2002, in accordance with the Articles of Association dated 23 April 2002.

1	Full name of the bank in Ukrainian	АКЦІОНЕРНЕ ТОВАРИСТВО «ВСТ БАНК»
2	Abbreviated name (used when conducting transactions)	АТ «ВСТ БАНК»
3	Name in a foreign language	JOINT STOCK COMPANY “VST BANK”
4	Date of state registration	30 January 2009
5	Registration number	12241450000045570
6	Location of the bank	Ukraine, 49051, Dnipro, 24 Kursantska Street
7	Amount of paid-up registered share capital of the bank as at 31 December 2025	UAH 1,517,171,805

The Bank conducts banking activities pursuant to a banking license by providing banking and financial services, as evidenced by entry No. 204 in the State Register of Banks regarding the legal entity’s right to conduct banking activities, dated 16 September 2025, with the date of entry in the State Register of Banks being 17 October 2002. In addition to banking and financial services, the Bank also engages in other activities specified in Article 47 of the Law of Ukraine “On Banks and Banking Activities”.

The Bank’s policy is based on providing a wide range of banking services, the foundation of which lies in the quality and corporate style of service and trusting partnerships with clients. Throughout its years, the Bank has successfully built up its economic and management potential to ensure stable growth of financial indicators, create a solid business reputation among customers and business partners, and strengthen its competitiveness in the banking services market.

The Bank made no share acquisitions in 2025. During 2025, the Bank did not repurchase any of its own shares.

The Bank is registered at the following address: Ukraine, Dnipro, 24 Kursantska Street. The Bank’s head office divisions are located at the following addresses: Ukraine, Odesa, 39 Mykhaila Hrushevskoho Street, and Ukraine, 12 Krutohirnyi Descent. Based on its banking license, the Bank is authorized to provide banking and other financial services (except for insurance services), as well as to carry out other activities specified in Article 47 of the Law of Ukraine “On Banks and Banking Activities”, both in national and foreign currencies.

In accordance with the legislation of Ukraine, the Bank shall provide its customers with the following financial services:

- accepting repayable funds and bank metals from the general public;
- opening and maintaining customer current (settlement, correspondent) accounts, including those denominated in bank metals, and escrow accounts;
- providing funds and bank metals on credit using funds and bank metals attracted as deposits, including to current accounts, in its own name, on its own terms, and at its own risk.

The Bank may provide the following financial services:

- financial leasing;
- factoring;
- provision of guarantees;
- trade in currency values;
- financial services that may be provided by banks within the scope of their professional activities in capital markets, as provided for in Part Two of Article 41 of the Law of Ukraine “On Capital Markets and Organized Commodity Markets”;
- financial payment services.
- The Bank has the right to provide financial services to its clients (other than banks), including by entering into agency agreements with commercial agents.
- The Bank provides individuals and legal entities with services for trading in foreign currency assets in cash and non-cash forms, with simultaneous crediting of foreign currency assets to their accounts in accordance with the Law of Ukraine “On Currency and Currency Transactions”.

In addition to providing financial services, the Bank has the right to carry out activities related to:

- safekeeping of valuables (including the accounting and safekeeping of securities and other valuables confiscated (seized) in favor of the state and/or declared ownerless) or the lease of individual bank safety deposit boxes;
- conducting cash transactions, cash collection, and the transportation of currency valuables;

- providing consulting and informational services regarding banking and other financial services;
- providing administrator services for bond issuances in accordance with the Law of Ukraine "On Capital Markets and Organized Commodity Markets".

The Bank is authorized to provide payment services in accordance with the Law of Ukraine "On Payment Services", subject to the requirements of the Law of Ukraine "On Banks and Banking Activities" and the regulatory acts of the National Bank governing the activities of banks.

The Bank has the right to enter into any transactions necessary for the provision of banking and other financial services and the conduct of other activities, provided such transactions do not conflict with the requirements of applicable law and the Bank's existing permits and licenses.

The Bank conducts professional activities in trading financial instruments on capital markets in accordance with the Law of Ukraine "On Capital Markets and Organized Commodity Markets" and depository activities in accordance with the Law of Ukraine "On the Depository System of Ukraine" based on licenses issued by the National Securities and Stock Market Commission.

The Bank is an active member of the Ukrainian stock market and the National Depository System, namely:

- client of PJSC "National Depository of Ukraine";
- client of the Depository of the National Bank of Ukraine;
- client of PJSC "Settlement Center for Servicing Contracts on Financial Markets";
- participant in trading on PJSC "PFTS Stock Exchange" and JSC "Ukrainian Exchange";
- member of the Professional Association of Capital and Derivatives Market Participants (PARD).

The Bank, through its subsidiary, has many years of experience in the stock market providing depository services. The Bank conducts all types of securities transactions provided for by NBU License No. 204 dated 18 October 2011, and licenses issued by the National Securities and Stock Market Commission:

1. Series AE No. 286862 dated 8 May 2014, "Securities Trading Activities – Brokerage Activities", which, pursuant to paragraph 10 of Section XIII of the Law of Ukraine "On Capital Markets and Organized Commodity Markets", is deemed to have been reissued as a license for professional activity in capital markets for trading in financial instruments, which includes sub-brokerage and brokerage activities.

2. Series AE No. 286863 dated 8 May 2014, "Securities Trading Activities – Dealer Activities," which, pursuant to paragraph 10 of Section XIII of the Law of Ukraine "On Capital Markets and Organized Commodity Markets" is deemed to have been reissued as a license for professional activity in capital markets for trading in financial instruments, including dealer activity.

3. Series AE No. 263292 dated 10 September 2013, "Depository Activity – Depository Activity of a Depository Institution".

4. Series AE No. 263291 dated 10 September 2013, "Depository Activity – Activity Related to the Storage of Assets of Joint Investment Institutions".

The Bank is a member of the Deposit Guarantee Fund (registration certificate No. 157 dated 19 November 2012), operating in accordance with Law No. 4452-VI "On the Deposit Guarantee System" dated 23 February 2012.

The Bank is not affiliated with foreign countries in the risk zone under any of the following items:

1) the presence in the issuer's ownership structure, compiled in accordance with the requirements of Appendix 6 to these Regulations, of individuals who are citizens of a foreign country in the risk zone;

2) the presence in the issuer's ownership structure, compiled in accordance with the requirements of Appendix 6 to these Regulations, of individuals whose permanent place of residence is in foreign countries in the risk zone;

3) the presence in the issuer's ownership structure, compiled in accordance with the requirements of Appendix 6 to these Regulations, of legal entities whose place of registration is a foreign state in the risk zone;

4) the presence in the issuer's management bodies of individuals who are citizens of a foreign state in the risk zone;

5) the presence of business relations between the issuer and counterparties/clients of a risk zone country or counterparties/clients controlled by a risk zone country;

6) the location of subsidiaries/enterprises, branches, representative offices and/or other separate structural units of the issuer in the territory of a risk zone country;

7) the presence of legal entities whose founder, participant, or shareholder is the issuer together with the persons specified in subparagraphs 1-3 of this paragraph;

8) the presence of corporate rights in a legal entity registered in a foreign state in the risk zone;

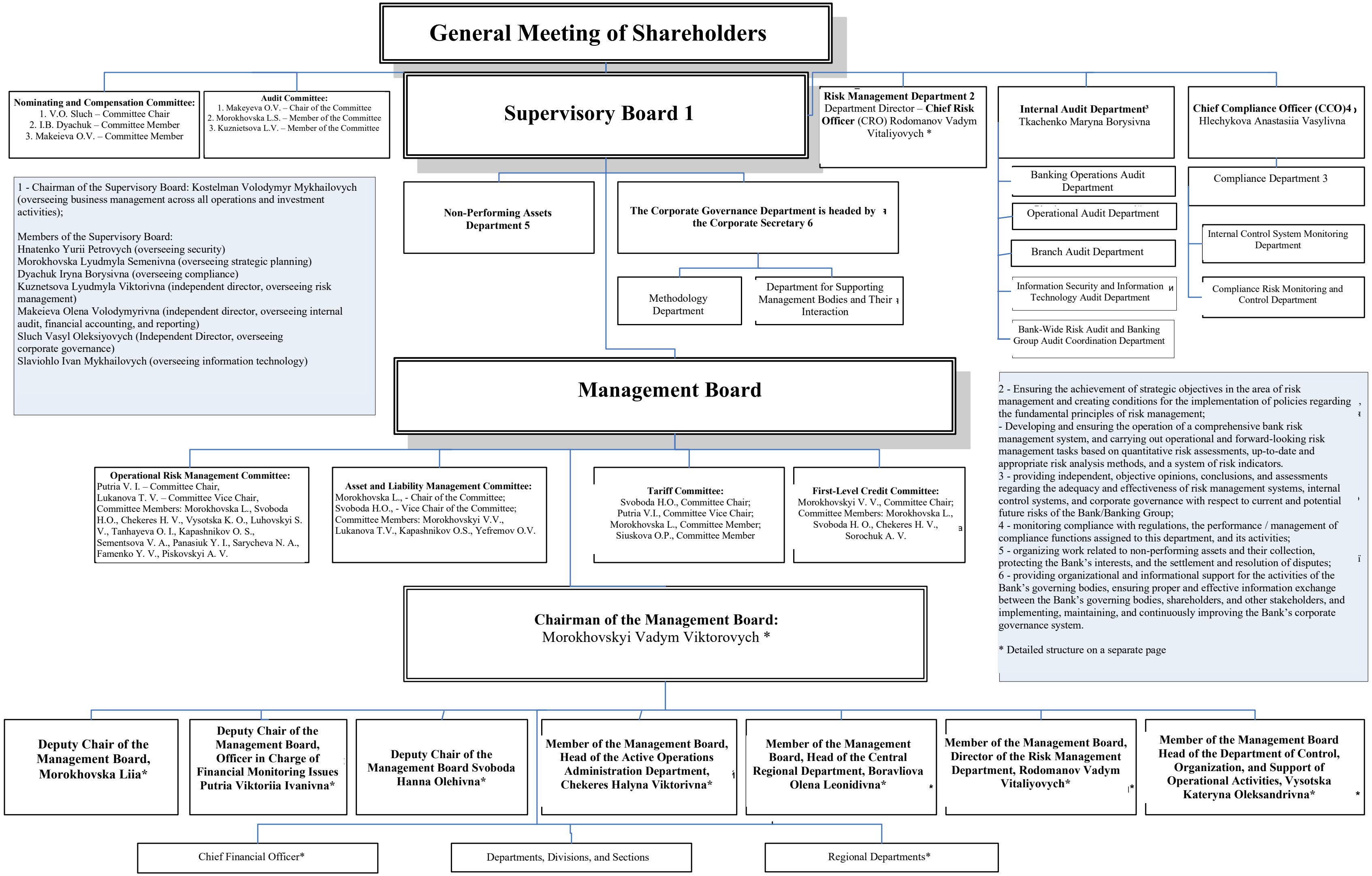
9) the presence of securities (other than shares) of a legal entity registered in a foreign country in the risk zone.

1.1 Significant shareholders

The sole shareholder of the Bank, owning 100% of the Bank's shares, is Vostok Capital Limited Liability Company, incorporated and existing under the laws of Ukraine. The ultimate beneficial owners of the Bank are V.M. Kostelman, V.V. Morokhovskyi, and L. Morokhovska.

1.2 Organizational structure of the Bank and information on management

Management and Organizational Structure of JSC "VST BANK" as at 31 December 2025



The executive body of the Bank is the Management Board, which manages the Bank’s current activities, establishes the funds necessary for the Bank’s statutory activities, and is responsible for the effectiveness of its work in accordance with the principles and procedures established by the Charter, the decisions of the General Meeting, and the Supervisory Board.

The Management Board of the Bank has established the following standing committees:
- ✓ Credit Committee;
- ✓ Tariff Committee;
- ✓ Asset and Liability Management Committee;
- ✓ Operational Risk Management Committee.

The Management Board of the Bank determines the tasks, functions, and procedure for the work of the Management Board committee and the adoption of its decisions in the regulations on the relevant committee.

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

Morokhovskyi Vadym Viktorovych – Chairman of the Management Board.
Honored Economist of Ukraine. In the banking industry since 1991.

Svoboda Hanna Olehivna – Deputy Chair of the Management Board.
In the banking industry since 1996.

Putria Viktoriia Ivanivna – Deputy Chair of the Management Board.
In the banking industry since 1997.

Morokhovska Liia – Deputy Chair of the Management Board.
In the banking industry since 1996.

Chekeres Halyna Viktorivna – Member of the Management Board/Head of the Active Operations Administration Department.
In the banking industry since 1988.

Boravliova Olena Leonidivna – Member of the Management Board/Head of the Central Regional Department.
In the banking industry since 1993.

Rodomanov Vadym Vitaliyovych – Member of the Management Board/Director of the Risk Management Department.
In the banking industry since 1996.

Vysotska Kateryna Oleksandrivna – Member of the Management Board/Head of the Department of Control, Organization, and Support of Operational Activities.
In the banking industry since 2003.

The Supervisory Board of the Bank is the body that controls the activities of the Bank’s executive body and protects the rights of depositors, other creditors, and participants of the Bank.

The Supervisory Board does not participate in the day-to-day management of the Bank.

The Supervisory Board is responsible for the strategic management of the Bank and for the creation of a comprehensive, adequate, and effective system for managing the risks to which the Bank is exposed in its activities. It is also in charge of creating and ensuring the functioning of an effective process for managing problem assets at the Bank.

The Supervisory Board shall ensure that the Bank's development strategy and business plan are consistent with the Bank's main activities as determined by the General Meeting, as well as with the Bank's risk management strategy and risk profile.

The Supervisory Board ensures the implementation of a corporate culture in the Bank focused on responsible and ethical behavior, defines the Bank's corporate values and ensures that they are communicated to the Bank's management, control department heads and other Bank employees, and that other interested parties have the opportunity to familiarize themselves with them.

The Supervisory Board of the Bank has established committees composed of its members to conduct preliminary studies and prepare for consideration at Supervisory Board meetings of issues within its competence: the Audit Committee and the Appointments and Remuneration Committee.

Each committee consists of three members, two of whom are independent members of the Supervisory Board. The committees are chaired by independent members of the Supervisory Board.

The functions, powers, responsibilities, and interaction of the management bodies and their committees are set out in the Bank's Articles of Association and the relevant Regulations, which are reviewed at least once a year.

The Bank's Charter includes provisions that limit the powers of the executive body to make decisions on behalf of the joint-stock company regarding the conclusion of contracts, taking into account their amount.

In addition, the Charter and internal documents of the Bank contain provisions on the prevention, identification, and management of conflicts of interest, i.e., conflicts between the personal interests of a manager/other employee of the Bank or persons related to them and their duty to act in the interests of the Bank.

Composition of the Supervisory Board of the Bank as at 31 December 2025:

Kostelman Volodymyr Mykhailovych – Chairman of the Supervisory Board.

Hnatenko Yurii Petrovych – Member of the Supervisory Board.

Morokhovska Liudmyla Semenivna – Member of the Supervisory Board, member of the Audit Committee.

Dyachuk Iryna Borysivna – Member of the Supervisory Board, member of the Appointments and Remuneration Committee.

Kuznietsova Liudmyla Viktorivna – Member of the Supervisory Board (independent director), member of the Audit Committee.

Makeieva Olena Volodymyrivna – Member of the Supervisory Board (independent director), Chair of the Audit Committee, member of the Appointments and Remuneration Committee.

Sluch Vasyl Oleksiyovych – Member of the Supervisory Board (independent director), Chairman of the Appointments and Remuneration Committee.

Slaviohlo Ivan Mykhailovych – Member of the Supervisory Board.

Members of the Supervisory Board and the Management Board of the Bank perform their functions and receive remuneration in accordance with civil law and employment agreements/contracts concluded with them, the terms of which are approved by the decision of the sole shareholder of the Bank for members of the Supervisory Board and by the Supervisory Board for members of the Management Board.

1.3 Macroeconomic overview of the external environment

Ukraine's international reserves reached a record high at the start of 2026. As at 1 January, they stood at USD 57.3 billion, the highest figure in the history of independent Ukraine. Throughout 2025, gold and foreign exchange reserves grew by more than 30%, despite a full-scale war, significant budget expenditures, and constant pressure on the foreign exchange market.

According to estimates by the State Statistics Service of Ukraine, real GDP grew by 1.8% in 2025, slightly exceeding the previous year's figure. Economic growth was supported by a recovery in domestic demand, the gradual restoration of energy infrastructure, and stability in the foreign exchange market. However, high security risks continued to constrain investment activity and the return of labor migrants.

Labor shortages remained a serious challenge for the economy in 2025. Despite a certain increase in labor force participation, the number of migrants leaving the country continued to rise, and mobilization efforts limited the labor supply. This stimulated further wage growth, although the pace of increases gradually slowed. Real wages remained above pre-war levels in most sectors, but inflationary pressures and structural labor market problems limited their growth.

Inflation

In the first half of 2025, inflation remained in double digits, which had a negative impact on inflation expectations among the public and businesses. Wage growth supported consumer demand but also intensified price pressures. The strengthening of the hryvnia against the euro acted as a moderating factor, reducing the cost of imports.

In the second half of the year, inflation gradually began to slow down thanks to the stabilization of the energy sector and increased supply of certain goods. However, it remained above the NBU's target level, leading to tight monetary policy and the maintenance of high interest rates.

In December 2025, inflation continued to slow, reaching 8.0% year-on-year. On a monthly basis, prices rose by 0.2%. This is evidenced by data published by the State Statistics Service of Ukraine.

Assets

In 2025, Ukraine’s banking system continued to demonstrate steady growth in assets and lending. Investments in government bonds remained the main driver. Demand for government bonds was supported both by the need to maintain portfolio yields amid gradually declining interest rates and by regulatory changes regarding reserve requirements. At the end of the year, significant budget expenditures contributed to an increase in bank liquidity and a rise in the volume of NBU deposit certificates.

Business Lending

Net hryvnia-denominated business loans grew rapidly throughout the year. A significant contribution to this growth came from the revival of lending to state-owned companies, primarily in the energy sector. In the second half of the year, foreign currency lending picked up, primarily to large and medium-sized companies in wholesale trade, agriculture, the food industry, and the energy sector. All bank groups expanded their loan portfolios. Foreign banks recorded the largest growth in the net hryvnia portfolio in the fourth quarter and for the year as a whole.

Lending to households

Throughout the year, all groups of banks actively expanded their loan portfolios to individuals, with private banks growing the fastest. The pace of mortgage lending increased.

Funding

In 2025, banks maintained high liquidity ratios thanks to a substantial stock of highly liquid assets and a steady inflow of funding from customers. This provided them with favorable conditions for expanding their loan portfolios and investing in government bonds, which remained a key channel for supporting the state budget. At the same time, higher reserve requirements, new profit taxation rules, and dividend payments by state-owned banks required more active liquidity management.

Highly Liquid Assets

The level of dollarization of customer funds declined due to significant inflows of hryvnia into business and household accounts in December.

The share of term deposits and funds in current accounts denominated in hryvnia increased.

Monetary sector

In 2025, high levels of international reserves and substantial volumes of external support continued to ensure the stability of the foreign exchange market. Thanks to relatively stable dynamics in foreign currency supply and demand, the hryvnia exchange rate remained within a narrow range, forming a sideways trend. The NBU’s foreign exchange interventions were moderate in the first half of the year, but the growth of the private sector’s structural foreign exchange deficit at the end of the year forced the regulator to intervene more actively in the market.

Key factors driving demand for foreign currency

From March to December 2025, the NBU’s discount rate remained unchanged at 15.5% per annum. As early as January 2026, given the sustained easing of inflationary pressures, the NBU shifted to a cycle of monetary easing, lowering the discount rate by 0.5 percentage points. Accordingly, there were no significant changes in banks’ rates on new deposits at the end of 2025.

Overall, the cost of new business deposits rose faster than that of retail deposits over the year, particularly in the first half of the year.

Market rates on hryvnia-denominated business loans temporarily rose in November but fell again in December. The slight decline in loan costs at the end of the year is mainly due to the terms of agreements with small and medium-sized enterprises.

1.4 The Bank’s business model

The Bank presents itself as a universal bank that performs all basic banking operations and provides banking services to all clients regardless of their industry. Our model is based on the understanding that behind every client there are real people, and it is on this that the Bank builds effective partnerships. The Bank is an integral part of its customers’ lives, a reliable financial advisor and a source of support at all stages of their activities.

The Bank’s strategic development direction is to create a universal, reliable, stable, efficient, and profit-making banking institution capable of operating in accordance with generally accepted principles of banking practice and ethics, being independent of external interference, acting on the principles of healthy competition and reasonable risk-taking in order to maximize the satisfaction of the requirements and expectations of customers and investors, as well as conducting active operations in the banking market on the basis of equality and partnership.

The Bank’s development strategy is founded on such principles as competitiveness, versatility, reliability, innovation, professionalism, and prompt decision-making. Increased competitiveness forces the Bank to actively apply and integrate various new products and services that enable it to attract new customers and retain existing ones. Competitive advantages and undisputed leadership in the banking services market can only be achieved through rapid adaptation to changes in the external environment, the ability to meet customer needs, and the creation of new high-tech banking products that will be in demand.

Changes in the Bank’s activities due to the martial law do not alter its main areas of activity, mission, vision, and declared values, and are focused on identifying and implementing anti-crisis measures.

1.5 Main types of products and services

Corporate client service

In 2025, the Bank provided services to corporate clients in accordance with its functional profile as a universal banking institution. The corporate segment encompasses settlement and cash management services, lending (including working capital financing), documentary operations and guarantee instruments, as well as participation in government business support programs.

During the reporting period, the Bank focused on expanding its corporate client base and improving service quality. By the end of 2025, 4,497 new clients were acquired, exceeding the 2024 result (2,884 clients) and representing a 55.9% year-over-year increase. This result was achieved through systematic efforts to attract and support clients, as well as the development of products and service processes in the corporate segment.

In parallel with the expansion of the client base, key business indicators increased. As at 31 December 2025, the corporate loan portfolio before deduction of the allowance for expected credit losses amounted to UAH 12,763,400 thousand, compared to UAH 11,560,100 thousand as at 31 December 2024, an increase of UAH 1,203,300 thousand (10.4%). Funds of business entities amounted to UAH 31,285,400 thousand, compared to UAH 23,943,300 thousand as at 31 December 2024, with an increase of UAH 7,342,100 thousand (30.7%).

The Bank's participation in government programs, particularly the "Affordable Loans 5-7-9" and "Affordable Factoring" initiatives, which are implemented through the Entrepreneurship Development Fund, remained a key component of its corporate business in 2025. During the reporting period, the Bank operated under the program's updated requirements; specifically, as at 1 January 2025, registration in the State Agrarian Register became mandatory for agricultural producers, which improved the quality of borrower verification and the transparency of government support. As of the end of 2025, the share of loans under the "Affordable Loans 5-7-9" program in the Bank's total loan portfolio was 16%, and in the hryvnia loan portfolio 25%.

The "Affordable Loans 5-7-9" loan portfolio is diversified across sectors and focused on operating businesses with predictable cash flows. As at 31 December 2025, the total outstanding balance under the program was UAH 2,075,600 thousand across 549 active loans. The largest share is accounted for by trade: UAH 729,900 thousand, the processing and extractive industries: UAH 453,900 thousand, and the agricultural sector: UAH 728,000 thousand, reflecting the Bank's focus on supporting the real sector and production chains.

In 2025, the Bank strengthened its approach to managing the environmental and social risks of lending projects as part of its overall risk management and responsible financing framework. On 31 October 2025, following a comprehensive assessment, the Entrepreneurship Development Fund (EDF) confirmed that the Bank's detailed Environmental and Social Management System (ESMS) with the World Bank's Environmental and Social Standard 9 (ESS9) for the Bank's assessment of projects under the RISE Program for risk categories ranging from low to significant. The FRP also prepared a guide on the ESMS for assessing significant and high risks, based on which the Bank submitted its own internal documents for approval, including technical materials on lending to Micro, Small, and Medium-sized Enterprises (MSMEs). Throughout the year, the Bank also developed partnerships in the field of sustainable development and expert assessment of environmental and social risks, notably by signing a cooperation agreement with the I. I. Mechnykov Odesa National University, and continued to strengthen its engagement with the agricultural sector through participation in industry initiatives, including at the international conference GRAIN UKRAINE 2025.

To expand customers' access to financing and balance credit risks, the Bank utilized government portfolio guarantee mechanisms in 2025. The total active limit under the program was UAH 570,000 thousand, and a new limit of UAH 50,000 thousand was approved by Resolution No. 723 of the Cabinet of Ministers of Ukraine; the corresponding agreement was signed on 9 December 2025.

Within the scope of working capital financing products, the "Affordable Factoring" segment was developed in 2025, which operates using an advance payment mechanism through escrow accounts. As of 31 December 2025, the maximum limit under existing agreements was UAH 103,300 thousand, and the outstanding balance under factoring agreements was UAH 59,300 thousand.

Documentary operations and guarantee instruments remained an important component of comprehensive corporate client services in 2025, particularly for companies working with contracts, exchange platforms, or requiring adequate security for the fulfillment of obligations. Throughout the year, the Bank strengthened its position in the documentary operations market, and the volume of guarantees issued grew from UAH 3,437,600 thousand in 2024 to UAH 4,633,200 thousand in 2025, an increase of UAH 1,195,600 thousand (34.8%), confirming the growing use of guarantee instruments by clients and the development of the Bank's related services.

In December 2025, the Bank received accreditation and a limit for documentary operations to enable clients to enter into forward contracts at the Ukrainian Clearing House for the supply of unprocessed timber, thereby expanding clients' ability to use bank guarantees as collateral for the guarantee deposit. Also in December 2025, the Bank received accreditation and a limit for documentary operations to enable clients to participate in electricity supply auctions on the Ukrainian Energy Exchange, where a guarantee may be used as a form of partial security deposit to ensure the fulfillment of obligations under bilateral contracts. Separately, the Bank continued to develop its customs guarantee service: in accordance with the Customs Code of Ukraine, the import or transit of most goods requires the payment or provision of security for customs duties, and a bank guarantee is defined as a convenient method of such security, with guarantees issued through the portal of the State Customs Service of Ukraine (SCSU).

In 2025, the Bank focused on improving the efficiency and transparency of corporate client service processes through automation and the development of digital tools. The automation of certain processes and elements related to active operations was implemented, as well as the automation of account opening for active operations with integration into the Electronic Document Management System (EDMS).

In 2025, the Bank also maintained an active presence at professional events and initiatives that shape the business environment and strengthen engagement with key corporate client sectors. In particular, the Bank participated in the CEO 2025 Summit as a platform for developing management expertise and shaping a long-term vision amid turbulence, and the Bank's Chairman of the Management Board spoke at the 4Food Forum in Odesa, sharing best practices for providing financial support to food industry enterprises and approaches to long-term partnerships. The corporate business team participated in the Brave1 Components conference, where issues of localizing and scaling the production of high-tech components for defense technologies were discussed, as well as in the Tech Unity: Clusters Forum, organized by the Kharkiv IT Cluster – of which the Bank has been a member for several years – with a focus on the needs of Ukrainian technology companies and the development of relevant financial solutions. Separately, the Bank was represented at the international Fat-and-Oil Industry 2025 conference and joined the Ukrainian-Turkish Business Forum as a platform for deepening international business ties and supporting clients in their foreign economic activities.

Thus, in 2025, the Bank drove the growth of its corporate business through an expanding customer base and the introduction and development of product solutions, factoring products, and guarantee instruments, as well as active participation in government business support programs. At the same time, the Bank strengthened its risk management approaches, including environmental and social risks, and improved the efficiency of operational processes through automation and the development of digital tools. The small and medium-sized business segment became a separate priority for 2025 as a key driver of corporate base scaling: the Bank focused on simplifying and accelerating onboarding, standardizing products and rates, segmenting clients, and improving sales manageability across digital channels and the branch network. For SMEs, the Bank introduced tools for transparent and predictable service – tariff plans with a counter for free hryvnia payments and personalized validity periods, as well as the development of remote processes and digital customer solutions. At the same time, the Bank maintained active engagement with business communities and industry ecosystems through participation in specialized events and partnership initiatives, which deepened its understanding of customer needs and facilitated the development of relevant financial solutions.

Loans to individuals

In 2025, the Bank continued to focus on providing loans to individuals, supporting the development of both traditional credit lines (overdraft limits) for holders of the "Bank Own Account" and "Cashback Card" products, as well as new lending programs. Credit limits were granted within the agreed overall limit, taking into account key performance indicators such as profitability, non-performing loan (NPL) ratio, loan recovery rate, utilization rate by amount and number, as well as other financial metrics.

In March 2025, the Bank successfully launched the "Pay in Installments" program, which allows customers to make purchases on credit through a network of partner stores, with the loan funds transferred directly to the merchant. Additionally, the "Installment Plan" product was introduced for the Bank's customers in the "VST bank" mobile app, enabling them to apply for a consumer loan with repayment to a payment card issued by the Bank via the mobile app. In 2025, the short-term "Payday Loan" was also launched – a consumer loan with a term of up to one month for customers who receive their salaries on the Bank's payment cards. In addition, the customer categories for the "Cashback Card" loan program were expanded: now, a credit limit can be granted not only to customers who receive their salaries on the Bank's cards, but also to all customers who open the corresponding tariff package. The calculation of the potential credit limit is based on a scoring model already successfully used in the "Bank Own Account" product, with refinements to provide a more accurate assessment of customers' creditworthiness. These initiatives are aimed at expanding the loan portfolio, increasing the accessibility of banking services, and improving the financial flexibility of the Bank's customers.

The Bank is currently in the process of rolling out the "Pay in Installments" loan program for users of the "VST bank" mobile app, and is also developing a new loan program called "Installment Loan from Any Bank Card", which will allow the Bank to provide loans to individuals with loan repayments deducted from any bank card.

Correspondent relations

As at 1 January 2026, the Bank has 31 NOSTRO correspondent accounts with 10 banks, including some of the world's largest foreign banks: THE BANK OF NEW YORK MELLON USA, Raiffeisen Bank International AG AUSTRIA, UNICREDIT BANK AG (HIPOVERAINSBANK) GERMANY, Bayerische Landesbank GERMANY, Landesbank Baden-Württemberg GERMANY (opened in 2024 in USD and EUR), as well as in Ukrainian banks: JSC "Ukreximbank", JSC "Raiffeisen Bank Aval", PJSC AB "UKRGASBANK", JSC "TASCOMBANK". The Bank processes payments in 7 foreign currencies, enabling the Bank's clients to settle foreign economic contracts in the shortest possible time, and executes payments with conversion into 123 currencies worldwide. As at 1 January 2026, the Bank had opened 19 LORO-type correspondent accounts for five banks, including for conducting settlements to support the activities of the Bank as a correspondent bank – an affiliated/associated member of the International Payment System (IPS).

Since 2022 and throughout 2025, the Bank has been an active participant in international financial markets in DEPO transactions with non-resident investment-grade banks.

Depository activities

Based on the license issued by the National Securities and Stock Market Commission (NSSMC), the Bank carries out the following types of depository activities:

- depository activities of a depository institution;

- activities related to the safekeeping of assets of joint investment institutions.

The depositary institution of JSC "VST BANK" has opened accounts with the National Depository of Ukraine and the Depository of the National Bank of Ukraine. The Bank is a member of the Professional Association of Capital and Derivatives Market Participants.

The depositary institution of JSC "VST BANK" has become part of the share registration system for Limited Liability Companies (LLCs) and Additional Liability Companies (ALCs), developed by the National Depository of Ukraine. In 2025, a new product was launched – account maintenance for members of limited liability companies and additional liability companies. Following the launch of the new product, 5 accounts were opened for members of limited liability companies. This is not a large number at present, but we hope that the number of accounts opened will increase in the new year.

The volume of accounting transactions conducted for corporate and government securities in 2025 amounts to UAH 15,266,663 thousand at nominal value. There is a clear upward trend in the volume of accounting transactions.

The volume of depositary assets held in custody at the depositary institution as at 31 December 2025 amounts to UAH 11,359,616 thousand.

As at 31 December 2025, 271 issues of securities are serviced by the depositary institution.

The Bank acts as an intermediary for the payment of issuer income to holders of corporate securities and for the payment of coupons on government securities. In 2025, income totaling UAH 930,338 thousand, USD 6,229 thousand, and EUR 2,042 thousand was received and transferred to holders of government bonds. As a result of the restructuring of EGB issues, USD 17,900 was transferred to holders of new EGB issues.

Holders of BIZ FINANCE PLC bonds received coupon income in the amount of USD 125,000. Shareholders of APPLE INC. receive dividends on their shares quarterly.

The Bank provides depositary services for 64 securities accounts of mutual investment institutions (MIIs).

Commission income from depositary activities for 2025 amounted to UAH 2,357 thousand.

Securities trading

The Bank is an investment company and is licensed by the National Securities and Stock Market Commission to engage in professional activities related to trading in financial instruments:

- ✓ dealing;
- ✓ brokerage;
- ✓ sub-brokerage.

As part of its dealer activities, the Bank invests its own funds in both local and foreign currencies in financial instruments on the Ukrainian and international capital markets. The Bank's proprietary securities portfolio includes various types of bonds, including domestic government bonds (DGB) denominated in national currency and government bonds of foreign countries that hold investment-grade ratings from leading international rating agencies. To manage the Bank's short-term liquidity, funds in the national currency are invested in certificates of deposit issued by the National Bank of Ukraine. The book value of the Bank's securities portfolio as at 31 December 2025, in hryvnia equivalent, amounts to UAH 24,469,885 thousand, an increase of UAH 8,529,847 thousand compared to the previous year.

As part of its brokerage and sub-brokerage activities, the Bank offers investment services to its clients for the sale, purchase, and exchange of financial instruments on behalf of and in the interests of its clients. The Bank conducts investment transactions for its clients both on the regulated and unregulated (over-the-counter) Ukrainian capital market and on the international market using the services of leading European investment firms. The Bank's clients' investments are primarily domestic government bonds, foreign government bonds, corporate bonds, as well as shares and securities of joint investment institutions. During 2025, the Bank entered into agreements on behalf of and in the interests of its clients on the exchange and over-the-counter markets as part of its brokerage activities.

Documentary operations

The Bank traditionally offers its clients a comprehensive range of services for documentary operations: bank guarantees, counter-guarantees, documentary letters of credit and collection, as well as related trade finance products.

Information on other services provided by the audit entity, except for statutory audit services

In 2025, Ernst & Young Audit Services LLC provided other services in the form of a review of the Bank's interim condensed financial statements for the six months ended 30 June 2025, prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

1.6 The bank's achievements

February

The depositary institution PJSC "BANK VOSTOK" entered into an agreement with the National Depository of Ukraine regarding the maintenance of a registry system for shares of limited liability companies and companies with additional liability, and obtained the status of an Authorized Depository Institution.

PJSC "BANK VOSTOK" offers are now available on the Financial Opportunities Marketplace of the Diya.Business portal.

The bank, together with the Odesa Regional Development Agency, will promote the development of entrepreneurship and culture in the region. The bank has joined forces with the Odesa Regional Development Agency to support its activities and work together on important initiatives. These include supporting veterans' businesses, promoting financial literacy education in Odesa schools, and actively supporting culture.

April

The bank continues to support veterans and invests in FinStream veteran bonds.

The bank continues its strategic support for FinStream – Ukraine's first financial service created by veterans for veterans. This project aims to finance national veteran-owned businesses during wartime.

The Bank supported the opening of a new location for the Odesa Museum of Modern Art (OMMA).

May

On 6 May 2025, the international rating agency Moody's affirmed the Bank's ratings:

Outlook – Stable
Long-term bank deposit rating – Caa3/NP
Long-term bank deposit rating on the national scale – Caa2.ua
Baseline credit assessment – Ca
Counterparty risk assessment – Caa3(cr)/NP(cr)

On 29 May 2025, the independent rating agency "Credit-Rating" affirmed the Bank's long-term credit rating at uaAAA. The rating outlook is stable. The agency also affirmed the Bank's bank deposit reliability rating at "5" (highest reliability).

On 30 May 2025, the national rating agency "Rurik" confirmed the Bank's long-term borrower credit rating at uaAAA in the investment category with an "upward" outlook.

The Bank joined the state program "National Cashback".

The Bank, together with the Odesa National Academic Opera and Ballet Theater, presented the premiere of the contemporary ballet LISOVA.

June

Vadym Morokhovskyi, Chairman of the Bank's Board, received the President of Ukraine's award "FOR THE DEFENSE OF UKRAINE". We consistently support our military personnel, assist their families, organize summer camps for the children of defenders, participate in volunteer initiatives, and continue working to ensure that the Ukrainian economy not only survives but also thrives.

July

Science and Finance: The Bank signed a cooperation agreement with the I. I. Mechnykov Odesa National University.

On 15 July 2025, the official signing of the Cooperation Agreement took place between the Bank and Odessa National Mechnikov University – one of Ukraine's leading scientific centers in the field of ecology and climate research.

The aim of the cooperation is to engage, when necessary, highly qualified scientists in the expert assessment of environmental and social risks in accordance with the terms of the "Affordable Loans 5-7-9" program, the Bank's Environmental and Social Management System (ESMS), and/or when applying for guarantees from the Partial Loan Guarantee Fund for Agriculture.

Smartphone Terminal: The Bank, E-CHEK, and IBA Group are launching an innovative and convenient solution for businesses. The Bank, in partnership with E-CHEK and with the support of IBA Group, is introducing a new mobile solution for businesses in the Ukrainian market. For the first time, entrepreneurs have a unique opportunity to combine the functions of a software cash register (SCR) and a payment app in a single mobile application, ensuring "seamless" integration.

September

Rebranding. As at 16 September, PJSC “BANK VOSTOK” became JSC “VST BANK”. NBU License No. 204 dated 16 September 2025. We remain the same bank trusted by our customers – just now with a new name that better reflects our essence and approach. The Bank’s new slogan is “VST Bank. Get the important things done”.

Liia Morokhovska, Deputy Chair of the Bank’s Management Board, and Khrystyna Karmazina, Head of the Digital Retail Technologies Department, were named among the TOP 50 Most Influential Women in Ukrainian Fintech – 2025 for the third time, according to the Ukrainian Association of Fintech and Innovation Companies.

October

Instant payments for businesses at JSC “VST Bank”. We launched an instant transfer service in hryvnia for clients – in accordance with legal requirements and the ISO 20022 standard. On 24 October 2025, the General Meeting of the EMA Association was held, during which a new Board of the Association was formed. It includes leading participants in Ukraine’s financial market and international payment systems. Vysotska Kateryna Oleksandrivna, a member of the Bank’s Management Board, was appointed to the EMA Association Council.

December

The bank has introduced special offers for military personnel and veterans. The bank continues to provide systematic support to military personnel, veterans, and their families. For our defenders, the bank has introduced special financial offers and preferential service terms. We are currently working on a new product, a Card for Veterans, which will combine all key benefits and advantages. It will be launched in the near future.

Three wins – one bank.

The bank is the winner of the 17th All-Ukrainian “Bank of the Year – 2025” competition in three categories:

- Best Cashback Card (for the second year in a row)
- Mobile App with the Best Service
- Best Bank for Products for Sole Proprietors

The competition was organized on the initiative of the International Financial Club “BANKIR” and with the support of the Verkhovna Rada Committee, the Ministry of Finance of Ukraine, the Ministry of Economy of Ukraine, the Independent Association of Ukrainian Banks (NABU), the Association of Ukrainian Banks (AUB), and the Vadym Hetman Kyiv National Economic University (KNEU).

As part of the “Affordable Loans 5-7-9” program, we financed the construction of the Black Sea Salt Plant – a facility that will be able to supply over 50% of the domestic salt market as early as 2026.

2. Management objectives and strategy for achieving objectives

The Bank’s ideology is based on customer loyalty, mobility and flexibility in decision-making, and readiness to provide any type of banking services to legal entities and individuals with the utmost comfort and personalized service. The Bank is a big family for its customers and employees, which quickly and efficiently accomplishes any task.

The Bank's strategic goal is the uninterrupted profitable operation and development of a reliable, universal financial institution that offers a full range of modern banking services to legal entities and individuals, regardless of their state affiliation and form of ownership, in the new conditions of existence, further increasing the size of its equity capital, maintaining liquidity at a sufficient level, and ensuring the timely implementation of legislative requirements and the most effective methods and systems of liquidity management.

To improve the Bank's rating positions in terms of lending to individuals, the Bank continues to develop the "Bank Own Account" product, which provides:

- ✓ registration and servicing of individual clients via a mobile application without the need to visit the Bank's branches;
- ✓ provision of overdrafts (for this purpose, the Bank uses its own scoring model and decision-making system for setting and changing limits).

The asset management policy comprises the Bank's activities focused on investing its own and borrowed funds in order to make a profit and ensure sufficient liquidity and solvency of the Bank. The Bank complies with the principles of prudent financial management in forming and managing the structure of assets and liabilities, effectively managing the ratio of individual sources and types of liabilities, forming an optimal balance sheet structure, improving solvency, and strengthening financial stability.

Internal control system

The Bank's internal control system is founded on generally accepted international principles, standards, and tools approved by the National Bank of Ukraine, the Basel Committee on Banking Supervision, and other international organizations that regulate the principles of effective corporate governance and the functioning of internal control systems in banking activities.

The Bank's internal control is a process integral to all of the Bank's activities and corporate governance, aimed at achieving the Bank's operational, information, and compliance objectives.

The standards and requirements for the functioning of the Bank's internal control system are defined in the "Internal Control Policy of JSC "VST BANK", approved by the Bank's Supervisory Board.

The Bank ensures the functioning of a comprehensive, effective, and adequate internal control system (ICS), which consists of the following main components:

- ✓ control environment;
- ✓ management of risks inherent in the Bank's activities;
- ✓ control activities;
- ✓ control over information flows and communications;
- ✓ monitoring of the effectiveness of the ICS.

The Bank's ICS is based on the distribution of responsibilities among the Bank's divisions, except for functions that are the exclusive competence of the Supervisory Board/Management Board/Committees of the Bank in accordance with the provisions of Ukrainian legislation, regulatory acts of the NBU, and internal documents of the Bank. This distribution is based on the application of a three-line defense model.

The subjects of the ICS within the Bank’s structure are:

The Bank’s Supervisory Board, Audit Committee, and Appointments and Remuneration Committee, which ensure the functioning of the Bank’s ICS and control its effectiveness.

First line of defense:

- The Bank’s Management Board, collegial bodies of the Bank’ ICS, which ensure the implementation of the decisions of the Bank’s Supervisory Board, carry out the day-to-day management of the ICS, establish, within the limits of their powers, responsibilities for the ICS, and ensure compliance with corporate values and control culture;
- business units and support units of the Bank, which initiate, carry out and/or reflect transactions, assume risks in the course of their activities and are responsible for the ongoing management of these risks, carry out control measures in accordance with the powers defined in the Bank’s internal documents;
- risk coordinators of business units and support units, who are identified in the Bank’s internal documents and perform internal control in accordance with the functions defined in these documents;
- other heads of units and employees who perform internal control in accordance with the powers defined in internal documents.

Second line of defense:

The Risk Management Department, the Compliance Department, and, within the scope of their powers, with regard to financial monitoring issues, the Financial Monitoring Department and the Responsible Bank Employee, who monitor the effectiveness of control procedures at the first line of defense within the scope of their independent control functions at the second line of defense, within the scope of their functional powers, ensure the implementation and effective functioning of the risk management system in accordance with the requirements of applicable law and the Bank’s internal documents on risk management, and also ensure that the Bank’s management is confident that the risk control and management measures implemented by the first line of defense have been developed and are functioning properly.

Third line of defense:

Internal Audit Department, which performs an independent assessment of the effectiveness of the first and second lines of defense and an overall assessment of the effectiveness of the ICS.

The Bank applies control measures to:

- prevent violations – by preventing deficiencies/non-compliance/violations (including establishing rules for authorizing transactions or controlling access);
- detect violations – by identifying deficiencies/non-compliance/violations (including double or automated control, self-control/self-assessment);

- correct violations – by correcting deficiencies/non-compliance/violations (including ensuring automatic correction of errors in the Bank's information systems).

2.1 Vision, Mission, Values

The Bank Mission

We are a family bank. We appreciate each of our employees and each of our customers. We cherish relationships and increase value. We are committed to helping our customers grow, working together to make their businesses stable and prosperous, and preserving and multiplying their assets. We are the Bank with a long-term development perspective. We strive to be reliable and stable in all conditions. We create traditions that will be passed down from generation to generation. We provide confidence and reliability. We make life better by helping to make dreams come true.

The Bank Vision

JSC "VST BANK" – is a contemporary, innovative, and technologically advanced bank integrated into the international financial space, providing personalized services and a high level of customer service, always ready to respond to new customer needs and enjoying their high trust, whose activities are aimed at promoting the development of its customers' businesses and improving their financial well-being by providing traditional banking services and introducing the latest digital and mobile technologies. It is a resilient and gradually growing bank that takes a professional approach to risk and is prepared for any business development scenario

The Bank Values

- Open and transparent market conditions.
- Unconditional compliance with laws, regulations, and standards.
- Continuous development and striving to stay one step ahead of the competition.
- Attention to the individual needs of each customer.
- Commitment to a common cause and personal responsibility of each employee.
- Well-coordinated teamwork.

2.2 Achievements in research and development, innovation

Optimization of banking services processes will be aimed at simplifying, standardizing, and automating them. This will improve process efficiency, facilitate document flow, formalize the analytical assessment system for a number of credit products, and improve customer service quality. Given the modern requirements for financial institutions, the Bank's information policy issues are becoming a priority.

The Bank continues to carry out a range of measures aimed at developing remote service channels. One of the main achievements in this area is the creation and implementation of a new version of

"VST Bank" mobile banking. This is a modern mobile application for iOS and Android devices that combines a wide range of solutions and payment services, namely:

- remote registration and onboarding of individual customers and individual entrepreneurs;
- account opening, issuance and reissuance of payment cards;
- possibility of obtaining a credit limit for a payment card;
- convenient cashback program;
- opening of hryvnia and foreign currency deposits, including with currency purchase transactions;
- the ability for customers to update their data without visiting a bank branch;
- various types of transfers, including currency purchase to your own account;
- a wide range of payment services for utility bills.

Work is ongoing to develop a mobile app for the "Bank Own Account" product. We are actively developing loan products that enable customers to quickly and easily use their funds on terms that are most favorable to them. A set of measures aimed at attracting and retaining the product's audience enables customers to participate in various promotions and receive significant discounts on goods in the Silpo supermarket chain.

No less attention is given to the development of tools to improve customer service processes in the Bank's branches. Managers equipped with electronic tablets can familiarize customers with product terms and conditions and conclude agreements without using paper, with the subsequent application of a digital signature on the accompanying package of documents, which significantly improves the quality of service. Further development in this area will enable the Bank to abandon paper documents in the future and switch completely to storing customer legal files in the Bank's electronic archive.

The hotline lets you stay in touch with the Bank rep and handle customer requests using any available communication channels. Interactive voice messaging services help customers navigate when making a call. The Bank's chats in popular messengers ensure an efficient customer support process through quick messaging with a hotline operator. The continuous improvement of communication technologies and the use of artificial intelligence services help to continuously improve the quality of customer service.

The development of tools and automation of processes for financial monitoring of the Bank's customers' activities is worth mentioning separately. An automated employee workstation has been developed and implemented, which allows controlling the process of payment transactions, managing customer portfolio monitoring rules, and initiating necessary communication with specific customers. The involvement of various data analysis tools allows us to quickly identify and localize potential risks in the execution of payment transactions by the Bank's customers.

The active development of electronic document management systems speeds up interaction between the Bank's specialized departments. A lot of effort has also been put into setting up electronic document management processes with the Bank's customers. This helps build fast decision-making processes and lets customers get banking services quickly.

Another important project for ensuring the business strategy is the automation of the factoring process.

The Bank has successfully passed certification for compliance with the Payment Card Industry Data Security Standard (PCI DSS) and the SWIFT Customer Security Controls Framework 2021 recommendations. Thanks to this, the Bank's customers can be confident in the reliability and security of the remote services provided.

The Bank has successfully obtained certification for compliance with the requirements of the Payment Card Industry Data Security Standard (PCI DSS) v.4.0.1, and has completed an audit and self-assessment of its security compliance in accordance with the recommendations of the SWIFT Customer Security Controls Framework 2025 and DSTU ISO/IEC 27001. The implemented security standards form the foundation of digital trust, providing the Bank's customers with a secure and stable environment for using the full range of the Bank's remote services 24/7.

The Bank's in-house Security Operations Center (SOC) enables a significant enhancement of the protection of the Bank's information assets and customer data at both the organizational and technical levels. The SOC automates the processes of monitoring, detecting, and responding to information security incidents, and enables the timely prevention of cyber threats to the Bank's corporate information systems (websites, applications, databases, data centers, servers, active network equipment, computers, and other end-user devices).

3. Resources, risks, relationships

3.1 Key financial and non-financial resources

The main purpose of capital management is to maintain sufficient capital at all times to enable the Bank to implement its strategy. The Bank's capital requirements are determined based on the Bank's strategy, risk appetite, and current and future exposures. Given our ambition to optimize the Bank's total value, we take into account the requirements of regulatory authorities, the expectations of rating agencies, and the interests of customers and investors, as well as sufficient returns for shareholders. We also apply internal targets that must be met. These targets are consistent with our goal of being a stable Bank operating with a low risk profile.

The Bank has a strong capital base in terms of risk-weighted asset coverage. This allows the Bank to continue on its growth path.

In 2025, the Bank maintained a liquidity position in line with both its internal targets and regulatory requirements. The Bank calculates its liquidity ratios on a daily basis in accordance with the requirements of the National Bank of Ukraine.

To manage liquidity risk, the Bank uses gap analysis between assets and liabilities based on their expected maturities.

When managing assets and liabilities, the Bank considers behavioral aspects, despite the short maturities of current accounts of customers, taking into account the significant level of stable portion of these balances. The Bank's customers tend to keep funds in current accounts for a long period of time.

The Bank has been profitable throughout its existence.

At the end of 2025, the Bank's profit amounted to UAH 624,404 thousand.

Customer funds are the primary source of the Bank's resource base. The Bank strives not only to maintain its existing customer base, but also to attract new customers. Therefore, in accordance with the principle of universality, the Bank attracts small and medium-sized businesses and private individuals to its services, along with large corporate companies. This ensures comprehensive services for the consumer interests of the Bank's customers and their partners.

With a view to possible outflows of funds attracted from customers, the Bank monitors the movement of funds in customers' term and current accounts on a regular (daily) basis and analyzes fluctuations. Specific decisions are made based on the results of the analysis.

The Bank also attracts financing from international investors to diversify its sources of financing. To this end, the Bank uses various financing instruments covering different terms, markets, regions, and types of investors.

The Bank raises funds for a term exceeding one year by:

✓ raising subordinated debt. The carrying amount of subordinated debt as at 31 December 2025, was UAH 321,565 thousand (as at 31 December 2024, it was UAH 325,227 thousand);

✓ raising long-term loans from international financial institutions. Based on the agreement signed in November 2017 with WORLD BUSINESS CAPITAL, INC. (WORLDBUSINESS CAPITAL, INC.) and a supplemental agreement, the terms of which provide for a two-year extension of the agreements and a two-year deferral of quarterly loan principal repayments starting 20 June 2023, as well as a 0.5% reduction in the margin. In line with global trends toward phasing out LIBOR, in June 2024 the Bank signed a supplemental agreement to use SOFR. Effective 20 June 2023, interest under the agreements is calculated based on the 3-month SOFR rate in USD +0.26161 ("Loan Spread Adjustment") + a margin of 3.75% and 3.3%, respectively, which as at 31 December 2025, amounted to 7.70619% and 7.25619% (as of 31 December 2024 – 8.36567% and 7.91567%). Interest is paid every three months during the term of the agreement.

The carrying amount of loans as at 31 December 2025 was UAH 322,479 thousand (as at 31 December 2024 – UAH 398,648 thousand).

3.2 Risk management system

The main strategic goal of the risk management system is to cut down on possible financial losses (lost income) from risks that the Bank faces and to make sure the Bank stays financially sound and keeps growing for a long time, in line with the goals set out in the Bank's Strategic Development Plan.

The Bank places great importance on effective risk management, achieving an optimal balance between risk and return.

The Bank continuously improves its risk management system and approaches to risk and capital management, considering internal models, providing the necessary infrastructure and development of information systems, applying established risk management practices, paying particular attention to significant types of risks (credit risk, liquidity risk, operational risk, market risk, interest rate risk of the banking book, and compliance risk).

The Bank's risk management system is built on principles that comply with Ukrainian legislation, NBU regulations, international standards, and best risk management practices, and is based on the Bank's Strategic Development Plan, Risk Management Strategy, Risk Exposure Statement, Corporate Code, individual risk management policies, as well as methodologies and procedures for management of significant types of risks, which ensures the determination of appropriate limits, the introduction of reliable control procedures, as well as control of risks and their compliance with established limits through administrative means and information systems.

To achieve its business objectives, based on the specifics of its activities and business model, the Bank adopts, maintains, monitors, and controls on a regular basis the following types of risks, which it considers significant, with a view to minimizing (mitigating) them:

- Credit risk – the probability of incurred losses or additional losses or failure to receive planned income due to the debtor/counterparty's failure to fulfill its obligations under the terms of the agreement. Credit risk is minimized (mitigated) by carefully selecting and analyzing the creditworthiness of potential borrowers, a diversified customer base, control over the use of loans, acceptance of highly liquid collateral and its insurance, creation of appropriate reserves, constant monitoring of borrowers' activities, compliance with established credit risk standards, maintenance of an adequate level of equity capital, and establishment of risk appetite indicators for this type of risk;

- Liquidity risk is the likelihood of incurring losses or additional losses or not receiving planned income due to the bank's inability to provide financing for asset growth and/or fulfill its obligations in a timely manner. This is the risk of an imbalance between cash inflows and outflows, resulting in a liquidity deficit or surplus. Liquidity risk is minimized (mitigated) by balancing the bank's assets and liabilities, maintaining a high level of highly liquid assets, and strictly complying with the regulations of the National Bank of Ukraine. To minimize liquidity risk, the Bank regularly assesses its liquidity position and analyzes external and internal factors affecting liquidity;

- Market risk and interest rate risk of the banking book – the likelihood of incurring losses or additional losses or not achieving planned income due to unfavorable changes in foreign exchange rates, interest rates, or the value of financial instruments. The Bank's currency risk is minimized by: strict compliance with currency position standards, management of open currency positions based on Value at Risk (VaR, structural optimization), setting limits on currency transactions, hedging transactions, forecasting foreign currency receipts and payments, and forecasting foreign exchange rates. Interest rate risk in the banking book is mitigated by forecasting changes in market interest rates, managing interest rate-sensitive assets and liabilities (GAP management), forecasting the potential amount of lost net interest income of the bank, and setting risk appetite indicators for this type of risk;

- Operational risk is the likelihood of incurring losses or additional losses or not receiving planned income due to shortcomings or errors in the organization of internal processes, intentional or unintentional actions of bank employees or other persons, failures in the operation of the bank's information systems, or due to the influence of external factors. Operational risk includes legal risk and information risk, however, it should exclude reputational risk and strategic risk. This type of risk is mitigated by implementing processes for identifying and assessing the bank's operational risk events, regularly monitoring emerging risks, implementing of a fraud prevention system, distributing access rights to information systems and complying with information security rules, applying key risk indicators, implementing a set of measures to reduce information security risk, outsourcing, regularly testing business continuity plans, establishing tolerance levels for this type of risk, etc.;

- Compliance risk, consisting in the probability of losses/sanctions, additional losses or shortfall in planned income or loss of reputation as a result of the Bank's failure to comply with the requirements of current legislation, regulatory acts, market standards, rules of fair competition, rules of corporate ethics, the emergence of conflicts of interest, as well as the Bank's internal documents.

During the reporting period, the Bank's risk management system functioned in light of the situation and negative consequences for the Bank's activities as a participant in the domestic banking market, which developed in connection with the armed aggression of the Russian Federation and the introduction of martial law in Ukraine, which affected the political and financial and economic situation in the country, the application of a large number of restrictive measures by the regulator in connection with the introduction of martial law, the implementation of a large number of changes to the current legislation on banking activities and private business, legislative and economic restrictions, a sharp deterioration in the general economic situation, inflation, changes in the state's credit and financial policy, force majeure circumstances, increased cyber threats, the spread of new types of fraud, and fierce competition in the banking market.

The Bank is focusing its efforts on reducing risks, continuing to collect information on the current status of borrowers, their operating conditions, and the difficulties/restrictions in their activities in connection with the military aggression, and is working to decrease overdue debt, and ensures monitoring, data collection, and management awareness of the risk profile.

The Bank continuously monitors risk appetite indicators and the indicators of the Business Continuity Plan (hereinafter referred to as the BCP), ICAAP, and ILAAP, and promptly revises internal bank documents to improve the system of limits and indicators; in response to needs arising during operations, particularly under the stressful conditions of wartime, information systems are refined to ensure the analysis and visualization of necessary information and risk indicators, including their dynamics and required breakdowns.

In 2025, the Bank implemented the ILAAP process, the primary objective and purpose of which is to ensure that the Bank maintains, on an ongoing basis, a level of internal liquidity sufficient to simultaneously cover all material liquidity risks, expected cash outflows, and ensuring sufficient funding, as well as complying with the liquidity adequacy requirements established by the National Bank, including maintaining the Bank's designated management buffer of internal liquidity, both under normal and stress conditions.

The Bank's ICAAP process complies with the requirements of Resolution No. 88 of the Board of the National Bank of Ukraine dated 19 July 2024 No. 88 "Regulations on the Organization of the Internal Liquidity Adequacy Assessment Process in Ukrainian Banks and Banking Groups" and is based on the distribution of responsibilities and authorities among the Bank's departments using a three-line-of-defense model in accordance with the regulatory acts of the National Bank.

The Bank ensures that the ICAAP and ILAAP processes are aligned with the Bank's strategy, business plan, corporate governance framework, and internal control system, including the risk management system, and are integrated with business processes and management decision-making processes.

Regularly (at least once a quarter), the Bank conducts monitoring of the adequacy of internal capital and prepares reports on the results of monitoring the adequacy of internal capital, which are submitted to the Bank’s collegial bodies.

Preventing these factors from having a significant impact on the Bank’s activities, as well as controlling the Bank’s dependence on legislative or economic restrictions, is achieved by introducing internal control into the Bank’s activities – a process integrated into all processes and corporate governance of the Bank, aimed at achieving the operational, information, and compliance goals of the Bank’s activities, timely adoption of balanced management decisions in wartime, as well as through the introduction of a risk management culture, which consists of compliance with the principles, rules, and standards of the Bank aimed at ensuring that all employees of the Bank are aware of risk-taking and risk management, in particular through the determination and approval of the Bank’s risk appetite (risk propensity), which is determined by the aggregate amount for all types of risks and separately for each of the risks identified in advance and within the permissible level of risk, in respect of which the Bank has decided on the advisability/necessity of retaining them in order to achieve its strategic objectives and implement its business plan.

Compliance risk management at the Bank is fully integrated into the Bank’s overall risk management system and is aimed at:

- identifying processes/operations where compliance risk management and internal control procedures are not enough to keep compliance risk at an acceptable level;
- reviewing, analyzing, identifying, and prioritizing potential areas of compliance risk, including providing recommendations on relevant compliance standards, procedures, and decisions;
- identifying possible changes to control procedures (risk mitigation, refusal of transactions) to maintain the overall level of compliance risk at an acceptable level;
- identifying violations of applicable laws, standards of professional associations applicable to the Bank, internal documents, customer service standards, and cooperation with third parties arising from contractual relationships;
- identifying criminal or other illegal, inappropriate behavior, or behavior that is incompatible with the Bank’s internal standards and rules;
- identifying and managing conflicts of interest that might arise at all organizational levels of the Bank’s organizational structure;
- making appropriate and timely management decisions.

Maintaining the Bank’s positive image and mitigating compliance risk are ensured through the implementation of a compliance and internal control system, using the following key procedures and measures:

- ensuring open and transparent relations between the Bank and all interested parties;
- adhering to the “tone at the top” principle and maintaining an impeccable reputation by the Bank’s management;

- adhering to the “zero tolerance” principle and the inevitability of punishment for any manifestations of bribery and corruption;
- compliance by the Bank with the requirements of Ukrainian legislation, including the screening of its customers, counterparties, and third parties when establishing business relationships and in further mutual cooperation with them to prevent corruption, illegal activities in the field of financial monitoring, sanctions, and other violations;
- competitive and ethical conduct of the Bank in the banking services market, as well as compliance with other principles and components of the Bank’s activities enshrined in the Corporate Code and Anti-Corruption Policy;
- maintaining a clear position in the field of antitrust regulation, based on not engaging in any concerted anti-competitive actions in accordance with antitrust legislation;
- introducing a risk management and control culture that ensures awareness and involvement of the Bank’s management and other employees in the risk management and internal control system;
- ensuring transparency in the Bank’s processes;
- continuously working on the Bank’s image and forming a positive public opinion about the Bank;
- making changes to the Bank’s processes and/or strengthening control;
- introducing a system of limits and restrictions on compliance risk;
- developing/updating relevant standards, instructions, and procedures, involving the Compliance Department in the process, if necessary.

3.3 Relations with shareholders and related parties, management thereof

In accordance with the requirements of the Law of Ukraine “On Banks and Banking Activities”, persons affiliated with the Bank include persons who meet the requirements of Article 52 of this Law, including, in particular, shareholders and managers of the Bank.

The Bank has implemented a process for identifying related parties and controlling transactions with them, as well as for ensuring the proper identification, determination, monitoring, reporting, management, and control of transactions with persons related to the Bank.

The procedure for conducting transactions with connected persons, the submission of information about such persons by the Bank to the National Bank of Ukraine, as well as other issues related to corporate governance, internal control, and risk management in this area are regulated by the Bank’s internal regulations.

The Bank conducts transactions with related parties in unconditional compliance with the requirements and restrictions established by applicable law, in particular the Law of Ukraine “On Banks and Banking Activities” and regulatory acts of the National Bank of Ukraine.

The Bank controls transactions with related parties, including precautions against the involvement in the process of conducting and managing a transaction with a person related to the Bank of the beneficiary of such a transaction and/or a person related to them. Transactions involving related parties are regularly reviewed by internal and external auditors, and reports on the results of such reviews are submitted to the Bank’s Supervisory Board.

The Bank’s Management Board informs the Bank’s Supervisory Board of any untimely or improper performance of obligations to the Bank by persons related to the Bank.

All transactions with related parties are performed in accordance with the principles of control in accordance to the requirements of the Bank’s internal documents and applicable legislation. Control over transactions with persons affiliated with the Bank is carried out by Bank employees in accordance with their functional duties and includes a list of procedures that ensure the integrity and completeness of the process of identifying affiliated persons when conducting transactions, controlling such transactions, as well as procedures that ensure control over compliance with limits and restrictions.

When identifying persons related to the Bank, carrying out banking transactions with them, and other contacts, the Bank’s employees adhere strictly to the established rules and procedures and strive to avoid influence from related persons (including shareholders) in order to minimize the possibility of them obtaining benefits at the expense of the Bank’s performance. Relationships are managed through control over processes carried out by employees of the Risk Management Department and the Compliance Department, which, in particular, ensures that the Bank complies with the rules for determining the list of persons related to the Bank in order to ensure the integrity and completeness of the process of identifying persons related to the Bank and control over transactions with them.

During 2025, the Bank conducted active transactions with related parties, taking into account the restrictions imposed by the National Bank of Ukraine during the period of martial law, but the volume of these transactions is insignificant in relation to the Bank’s total loan portfolio and has no impact on its performance.

4. Analysis of key performance indicators

4.1. Financial performance indicators

As at 31 December 2025, the Bank’s total assets amounted to UAH 43,378,041 thousand, which is UAH 9,451,096 thousand, or 27.9%, higher than the previous year’s figure (as at 31 December 2024 – UAH 33,926,945 thousand).

The Bank’s assets as at 31 December 2025, had the following structure:

Cash and cash equivalents – UAH 3,936,377 thousand, or 9.1% of total assets (as at 31 December 2024 – UAH 4,092,890 thousand, or 12.1% of total assets);

Loans and advances to banks – UAH 2,212,728 thousand, or 5.1% of total assets (as at 31 December 2024 – UAH 2,674,033 thousand, or 7.9% of total assets);

Loans and advances to customers – UAH 12,277,316 thousand, or 28.3% of total assets (as at 31 December 2024 – UAH 10,389,110 thousand, or 30.6% of total assets);

Investments in securities – UAH 24,469,885 thousand, or 56.4% of total assets (as at 31 December 2024 – UAH 15,940,038 thousand, or 47.0% of total assets);

Intangible assets – UAH 34,063 thousand, or 0.1% of total assets (as at 31 December 2024 – UAH 47,367 thousand, or 0.1% of total assets);

Property, plant, and equipment – UAH 67,673 thousand, or 0.2% of total assets (as at 31 December 2024 – UAH 85,938 thousand, or 0.3% of total assets);

Right-of-use assets – UAH 56,042 thousand or 0.1% of total assets (as at 31 December 2024 – UAH 73,105 thousand or 0.2% of total assets);

Other financial assets – UAH 222,111 thousand or 0.5% of total assets (as at 31 December 2024 – UAH 525,843 thousand or 1.5% of total assets).

Other non-financial assets – UAH 100,596 thousand or 0.2% of total assets (as at 31 December 2024 – UAH 98,156 thousand or 0.3% of total assets).

The Bank’s capital increased by UAH 724,991 thousand, or 33.9%, in 2025 and amounted to UAH 2,861,882 thousand as at 31 December 2025.

Based on its performance in 2025, the Bank reported a net profit of UAH 624,404 thousand, which is UAH 369,554 thousand, or 145.0%, higher than in 2024.

The Bank’s net interest income for 2025 amounted to UAH 2,081,253 thousand, which is UAH 183,964 thousand, or 9.7%, higher than in 2024.

The Bank’s net fee and commission income for 2025 amounted to UAH 607,714 thousand, which is UAH 58,096 thousand, or 10.6%, more than in 2024.

Profit from foreign exchange operations in 2025 amounted to UAH 130,971 thousand, which is UAH 25,321 thousand, or 24.0%, more than in 2024.

Administrative and other operating expenses in 2025 increased by UAH 159,985 thousand, or 15.4%, and amounted to UAH 1,197,977 thousand.

Employee compensation expenses amounted to UAH 994,723 thousand, or 42.9% of operating expenses.

The Bank’s depreciation expenses in 2025 decreased by UAH 3,338 thousand, or 2.6%, and amounted to UAH 123,836 thousand.

The Bank’s primary area of lending operations is providing loans to legal entities and individuals.

During 2025, the volume of loans issued (excluding loan impairment reserves) increased by UAH 1,416,628 thousand, or 12.0%, to UAH 13,260,034 thousand as at 31 December 2025.

During 2025, the volume of loans granted to legal entities (excluding loan impairment reserves) increased by UAH 1,203,327 thousand, or 10.4%, to UAH 12,763,423 thousand as at 31 December 2025.

The bank provided loans to businesses in the retail sector (44%), agriculture and the food industry (24%), manufacturing (15%), transportation and communications (5%), construction and real estate (5%), loans to individuals (4%), and other sectors (3%) in the overall structure of the loan portfolio.

The volume of loans granted to individuals (excluding the loan impairment reserve) increased by UAH 213,301 thousand, or 75.3%, and as at 31 December 2025, amounted to UAH 496,611 thousand.

As at 31 December 2025, the total gross amount of loans issued to the Bank’s 10 largest borrowers was UAH 2,714,799 thousand (as at 31 December 2024 – UAH 2,470,817 thousand) or 20% of the total loan portfolio (as at 31 December 2024 – 21%). At the same time, as at 31 December 2025, the amount of loans to the Bank’s 10 largest borrowers was partially secured by a pledge of property rights to deposits in the amount of UAH 90,000 thousand (as at 31 December 2024 – UAH 90,000 thousand).

Loans to other banks consist of term deposits and, as at 31 December 2025, amounted to UAH 2,212,728 thousand, which is UAH 461,305 thousand, or 17.3%, less than as at 31 December 2024.

Investments in securities as at 31 December 2025, increased significantly and amounted to UAH 24,469,885 thousand, which is UAH 8,529,847 thousand or 53.5% more than as of 31 December 2024.

The securities portfolio consists of:

- Domestic government bonds in the amount of UAH 4,504,488 thousand;
- Bonds issued by international financial organizations in the amount of UAH 1,296,586 thousand;
- NBU deposit certificates in the amount of UAH 17,835,388 thousand;
- Foreign government bonds in the amount of UAH 833,007 thousand;
- Bonds of non-bank financial institutions (corporate) in the amount of UAH 416 thousand.

The Bank’s liabilities increased by UAH 8,726,105 thousand, or 27.4%, and as at 31 December 2025, amounted to UAH 40,516,159 thousand.

The balance of customer current accounts for 2025 increased by UAH 6,051,128 thousand, or 23.3%, and as of 31 December 2025, amounted to UAH 31,993,148 thousand, representing 79.0% of the Bank’s liabilities.

As at 31 December 2025, balances in corporate current accounts amounted to UAH 27,254,362 thousand, or 85.2% of total customer current accounts.

As at 31 December 2025, balances in current accounts of individuals amounted to UAH 4,738,786 thousand, or 14.8% of customer current accounts.

As at 31 December 2025, current account balances included demand deposits totaling UAH 1,308 thousand (as at 31 December 2024 – UAH 16,304 thousand), all of these balances belonged to individuals (as at 31 December 2024 – UAH 1,304 thousand belonged to individuals, UAH 15,000 thousand – to legal entities). Interest rates on such deposits as at 31 December 2025, ranged from 0.1% to 0.5% (as at 31 December 2024 – from 0.1% to 4.0% per annum), depending on the account balance and currency.

As at 31 December 2025, the total amount of funds held by the Bank's 10 largest customers in current accounts was UAH 8,681,011 thousand, or 27% (as at 31 December 2024 – UAH 6,680,270 thousand, or 26%) of the total amount of funds in current accounts.

As at 31 December 2025, customer funds consisted of deposits totaling UAH 545,080 thousand, placed by customers as collateral for loans and advances to customers totaling UAH 521,149 thousand (as at 31 December 2024 – UAH 465,362 thousand, customer funds placed as collateral for loans and advances to customers in the amount of UAH 423,392 thousand).

The Bank's deposit portfolio increased by UAH 2,776,557 thousand, or 60.8%, during 2025 and as at 31 December 2025, amounted to UAH 7,344,793 thousand, representing 18.1% of liabilities.

Deposits from corporate clients amounted to UAH 4,030,988 thousand, or 54.9% of the Bank's deposit portfolio.

Deposits from individual clients amounted to UAH 3,313,805 thousand, or 45.1% of the deposit portfolio.

As at 31 December 2025, the total amount of funds held in deposits by the Bank's 10 largest clients was UAH 2,685,281 thousand, or 37% (as at 31 December 2024 – UAH 1,466,033 thousand, or 32%) of the total amount of funds on deposit.

During 2025, the Bank's liabilities to other banks increased by UAH 255 thousand, or 0.3%, and as at 31 December 2025, amounted to UAH 79,588 thousand, representing 0.2% of total liabilities and consisting entirely of funds in correspondent accounts.

An analysis of the Bank's financial indicators shows steady growth in both quantitative (increase in assets, capital) and qualitative criteria (increase in pre-tax profit and its comparative shares), which confirms the correctness of the chosen strategy and the balanced approach of the management to the Bank's management.

One of the Bank's priorities for the coming years is to maintain liquidity at a sufficient level and to ensure the timely implementation of legislative requirements and the most effective methods and systems of liquidity management.

The asset management policy consists of the Bank's activities aimed at investing its own and borrowed funds in order to generate profit and ensure sufficient liquidity and solvency of the Bank. The Bank adheres to the principles of prudent financial management in forming and managing the structure of assets and liabilities, effectively managing the ratio of individual sources and types of liabilities, forming an optimal balance sheet structure, improving solvency, and strengthening financial stability.

4.2. Economic indicators

In 2025, the Bank expects to maintain its key indicators at the level of previous years. Below is a comparison of indicators by year:

	2025	2024	2023	2022
Average assets, UAH million	35,310	26,973	21,757	18,508
Average capital, UAH million	2,143	1,867	1,536	1,239
Financial result, UAH million	624	255	236	276
before taxation, UAH million	*829*	*516*	*491*	*337*
Return on assets (ROA)	1.77%	0.9%	1.1%	1.5%
Return on equity (ROE)	29.1%	13.7%	15.4%	22.2%

Net interest income in 2025 amounted to UAH 2,081,253 thousand, compared to UAH 1,897,289 thousand in the previous year. In 2025, there was an increase in the effective interest rate on interest-bearing assets (11.5% in 2024, 12% in 2025) and interest-bearing liabilities (4.8% in 2024, 6.4% in 2025), which led to a decrease in the interest margin (6.1% in 2025, 7.1% in 2024).

The share of interest income in the Bank's total income increased from 62.4% in 2024 to 64.5% in 2025. The share of fee and commission income remained unchanged at 31% in 2024 and 2025. The share of trading income decreased from 4.6% in 2024 to 2.3% in 2025.

The Bank's expenses in 2025 had the following structure by share:

- an increase in interest expense on customer deposits to 36% (26% in 2024);
- an increase in commission expense to 23% (20% in 2024);
- a decrease in operating and administrative expenses to 41% (43% in 2024);
- a decrease in provision expenses to -3% (6% in 2024);
- income tax decreased to 3% (6% in 2024).

Administrative and operating expenses increased from UAH 1,037,992 thousand in 2024 to UAH 1,197,977 thousand in 2025.

Provisions (impairment losses) decreased in 2025 and amounted to UAH -204,244 thousand (-3% of expenses), compared to UAH 195,940 thousand in 2024 (6% of expenses).

4.3. Liquidity and liabilities

Liquidity risk is the risk of our potential inability to meet all payment obligations when they fall due, or of only being able to meet these obligations with excessive costs. The objective of the liquidity risk management system is to ensure that the Bank is at all times able to meet its payment obligations and manage liquidity and funding risks within its risk appetite, as well as to maintain sufficient liquidity (liquidity buffer) and comply with regulatory requirements.

Liquidity buffer

The Bank maintains a liquidity buffer, which consists of high-quality liquid assets to absorb unexpected increases in liquidity needs, namely:

- ✓ cash and correspondent accounts with other banks and other payment systems as of the end of 2025 amounted to UAH 2,202,985 thousand (as of the end of 2024, they amounted to UAH 2,813,519 thousand);
- ✓ funds in the correspondent account with the NBU as of the end of 2025 amounted to UAH 1,733,393 thousand (as of the end of 2024, they amounted to UAH 1,279,372 thousand);
- ✓ investments in securities as of the end of 2025 amounted to UAH 24,469,885 thousand (as of the end of 2024, they amounted to UAH 15,940,038 thousand).

Liquidity coverage ratio (LCR)

The liquidity coverage ratio (LCR) is intended to enhance the short-term stability of a bank's liquidity risk profile during a 30-day stress scenario. The ratio is determined as the sum of High Quality Liquid Assets ("liquidity buffer") that can be used to increase liquidity, measured in relation to the total amount of net cash outflows arising from both actual and contingent risks in stress scenarios. The LCR supplements the internal structure of stress testing.

By maintaining the ratio above the minimum regulatory requirements, the Bank aims to ensure that it has sufficient liquidity resources (liquidity buffer) to mitigate short-term liquidity stress.

As at 31 December 2025, the LCR for all currencies stood at 177.9271%, compared to the NBU's required minimum of 100% (as at 31 December 2024, it was 182.6345%).

As at 31 December 2025, the LCR in foreign currency stood at 318.8080%, with the NBU setting a minimum requirement of 100% (as at 31 December 2024 – 423.0308%).

Net Stable Funding Ratio (NSFR)

The net stable funding ratio (NSFR) was introduced by the Bank as part of the Basel Committee on Banking Supervision requirements as a regulatory indicator for assessing a bank's structural funding profile. The NSFR is designed to reduce medium- and long-term funding risks by requiring banks to maintain a stable funding profile for their on- and off-balance sheet activities. The ratio is defined as the sum of available stable funding (the portion of capital and liabilities that are expected to be a stable source of funding) relative to the sum of required stable funding (existing assets with different liquidity characteristics).

As at 31 December 2025, the NSFR stood at 253.0630%, compared to the NBU's minimum requirement of 100% (as at 31 December 2024 it was 221.0000%).

Funding structure

The Bank's main tool for monitoring and managing funding risk is the funding matrix (GEP analysis). The funding matrix assesses the Bank's funding structure for a period of more than one year. To create the funding matrix, all assets and liabilities related to financing are mapped to time segments corresponding to their contractual or modeled maturity dates. This allows the Bank to identify expected excesses and shortfalls of term liabilities over assets in each time period, facilitating the management of potential liquidity risks. The liquidity maturity profile is based on contractual cash flow information.

The cumulative maturity profile of assets and liabilities over 1 year allows identifying any long-term excesses or short-term gaps in the Bank's maturity structure.

4.4. Financial investments

The Bank makes financial investments in secure financial instruments with fixed returns in order to obtain market-level profits with an acceptable level of risk. Decisions on investing the Bank's funds in national and foreign currencies in financial instruments are made by the Bank's collegial bodies, in particular the Supervisory Board, the Management Board, and the Credit Committee.

The Bank's priority areas for investment are the following financial instruments:

- domestic government bonds (including military bonds);

- foreign bonds issued by foreign issuers with investment ratings from leading international rating agencies.

In conducting its investment activities, the bank also invests its own funds in projects of national importance. In particular, the bank is an investor in military bonds issued by the Ministry of Finance of Ukraine.

As at 31 December 2025, the bank's financial investment portfolio consists of the following groups of securities:

Financial investments accounted for at fair value through other comprehensive income:

Domestic government bonds in national currency – UAH 4,504,488 thousand;
Foreign bonds issued by foreign issuers with investment ratings from leading international rating agencies – UAH 2,129,593 thousand;

Financial investments accounted for at amortized cost:

Deposit certificates of the National Bank of Ukraine – UAH 17,835,388 thousand;
Non-bank financial institution bonds (corporate) – UAH 416 thousand.

4.5. Environmental aspects

Starting in 2024, the Bank will systematically integrate environmental and social factors into its business model. The Bank has implemented an Environmental and Social Management System (ESMS) developed in accordance with World Bank standards (ESS9), taking into account the requirements of the IFC, the EHSG, and the 2018 ESD. The ESMS provides a structured approach to identifying, assessing, managing, and monitoring environmental and social risks in the micro, small, and medium-sized business segment, as well as transparent disclosure of information regarding such risks.

The system encompasses internal policies, procedures, and a clear division of responsibilities, agreed upon with the Entrepreneurship Development Fund (EDF) and the World Bank. Thus, E&S risk management mechanisms are integrated into the Bank's operational activities and aligned with key institutional partners.

Since 1 December 2024, the Bank has been conducting E&S analyses of loan projects under the state program "Affordable Loans 5-7-9" and coordinating them with the EDF in accordance with the approved action plan. In November 2025, the FRP officially confirmed that the Bank's ESMS meets the ESS9 requirements regarding lending under this program, including its practical application in credit processes. This effectively constitutes external validation of the effectiveness of the environmental and social risk management system.

The Bank also fosters a culture of transparency and open dialogue with stakeholders by publicly disclosing information and communicating on environmental and social issues, particularly through its official website. This approach helps build trust among customers, partners, and a wide range of stakeholders.

Despite the challenging conditions caused by Russia's full-scale military aggression, the Bank maintains operational stability and continues to develop partnerships in the agricultural sector. The Bank is one of the few financial institutions with which the Agricultural Loan Partial Guarantee Fund has entered into a guarantee agreement. This demonstrates not only the Bank's reliability but also its role as a development partner for agribusiness. Additionally, the Bank, together with the Ministry of Agrarian Policy and Food of Ukraine, signed an agreement on information exchange, under which the Bank was connected to the State Agrarian Register (SAR). This integration enhances the quality of analysis of clients in the agricultural sector and ensures more targeted and effective financial support for micro, small, and medium-sized businesses, farmers, and individual entrepreneurs.

An important element of an effective risk management system is the development of human capital. The Bank has established a working group to implement the SESM, appointed a person responsible for this area, and the Bank's specialists have completed specialized World Bank training on environmental and social risk management. In addition, Bank employees regularly participate in internal training events, as well as in industry seminars and roundtables organized by the Entrepreneurship Development Fund, the Association of Ukrainian Banks, and other relevant organizations. The Bank also participates in the GRAIN UKRAINE international conference – a professional platform for exchanging expertise, updating practices, and developing partnerships in the agricultural sector.

In parallel with the implementation of a systematic approach to managing environmental and social risks, the Bank pays attention to issues of environmental responsibility in its own operations, particularly proper waste management.

One of the Bank’s environmentally responsible initiatives is the organization of proper disposal of waste that may pose a threat to the environment. In particular, used fluorescent lamps containing mercury compounds are sent for disposal to specialized licensed companies. This approach ensures their safe recycling and prevents hazardous substances from entering the environment.

Another pressing environmental issue is the collection and recycling of used automotive batteries. Batteries that have reached the end of their useful life can pose a danger to human health and the environment due to the materials used in their production. The most common acid batteries contain lead and sulfuric acid solution, while alkaline batteries may contain nickel and other chemical elements.

Used batteries contain lead plates, electrolyte (battery sulfuric acid of varying concentrations), and polymer casings with residues of toxic substances. All these components pose a potential danger to the environment and human health. The bank transfers used automotive batteries to specialized companies for further processing, with which it has entered into relevant agreements, ensuring their disposal in accordance with the requirements of current legislation.

Car tires pose a distinct environmental problem due to their complex chemical composition and extremely slow decomposition in the natural environment. The materials used in their manufacture may include synthetic and natural rubber, steel, graphite, polystyrene, synthetic oils, and other components. During decomposition or uncontrolled burning, toxic substances can be released into the environment, contaminating soil, water, and the atmosphere. To minimize this impact, the Bank sends used car tires to specialized facilities for recycling.

Another key area for optimizing the use of natural resources is the collection and transfer of recyclable materials for processing. Documents whose retention period has expired are sent by the Bank for recycling as waste paper. This approach helps reduce waste volumes and decrease the use of natural resources, as paper recycling requires significantly less energy compared to producing paper from virgin wood pulp.

In addition, the Bank recycles worn-out office equipment and small household appliances (light fixtures, kettles, safes, calculators, document shredders, and other equipment). Such equipment may contain plastics, metals, and electronic components that, if not handled properly, can pose a risk to the environment. At the same time, electronic components contain valuable materials, including copper, silver, and other metals, which can be reused. Transferring used equipment to specialized companies ensures its safe recycling and the reuse of valuable materials.

Thus, the Bank has developed a comprehensive approach to managing the environmental and social aspects of its operations – from integrating E&S risks into credit processes to implementing responsible waste management practices in its own operations.

The next step is to further strengthen the system in accordance with international standards. The Bank plans to obtain certification under ISO 14001:2015 and ISO 45001:2019 (Bureau Veritas) in 2026, which will confirm the maturity of its approaches to environmental management and occupational health and safety at a level acceptable to international investors.

Taking into account the position of the National Bank of Ukraine, as outlined in the White Paper on ESG Risk Management in the Financial Sector, the Bank is aligning its approaches with the regulator's expectations and preparing for the further integration of ESG factors into its Enterprise Risk Management (ERM) system. In particular, the Bank plans to:

- systematically account for the impact of ESG factors on credit, market, liquidity, operational, and compliance/reputational risks;
- assess the impact of ESG factors on the Bank's capital and profitability;
- update the Risk Appetite Framework to include relevant ESG indicators;
- integrate ESG scenarios into regular stress tests, ICAAP, and ILAAP;
- gradually expand relevant disclosures in annual reports in accordance with European standards.

5. Human resources policy

Human resources management is one of the most important tasks in implementing an effective human resources policy to ensure the Bank's further development.

As at the end of 2025, the Bank's workforce consisted of 1,287 employees, of whom 69% were women and 31% were men. Nearly 83% of the Bank's employees hold a bachelor's degree or higher. Over 63% of employees are between the ages of 25 and 49, and the average age of employees is 44.

The goal of the human resources management concept is to create a system founded not on administrative methods, but on economic incentives and social guarantees aimed at aligning the interests of employees with the Bank's goals in achieving high labor productivity and the highest economic results of the Bank's activities.

The main task of personnel management is to mobilize employees for continuous and consistent improvement of the Bank's economic performance, which is achieved through:

- selection of qualified and motivated employees;
- effective utilization of the skills and abilities of personnel;
- improvement of motivation systems;
- increasing the level of job satisfaction of all categories of personnel;
- development and maintenance of a high-level system of personnel training;
- ensuring a normal moral climate in the team;
- career management of employees;
- influence the creative activity of personnel, assisting in the implementation of innovative plans;
- improvement personnel assessment methods;
- ensuring a high standard of living for employees, making work at the Bank desirable.

One of the areas of human resources policy focuses on improving the qualifications of the Bank's specialists by familiarizing them with the latest achievements in the field of banking with a view to implementing these achievements in their daily work. The Bank sets high standards for the professional and personal qualities of its employees: initiative, responsibility, corporate spirit, and culture. Fierce competition in the banking market requires constant monitoring of the compliance of specialists' qualifications with new trends and tasks. Therefore, the Bank's management pays great attention to the training of specialists, retraining and upgrading their qualifications.

Guarantees of equality in relations between the Bank and its employees are confirmed by:

- the Bank's compliance with generally accepted standards of conduct and corporate ethics, recognition of the significant role of the Bank's managers and employees in ensuring the success of the Bank's activities, as emphasized in the Corporate Code;
- the implementation of a personnel policy based on equal conditions for the selection of candidates for membership of the Supervisory Board and the Management Board of the Bank, other managers and employees for other positions in the Bank, opportunities for career growth, remuneration based on professional achievements and personal contribution to the Bank's activities, and, in the event of circumstances requiring the application of penalties, compliance with an objective assessment of the actions taken by the manager or other employee.
- the Bank's provision of equal rights to hold positions and appointment to positions regardless of gender, nationality, ethnic and social origin, sexual orientation, religious or political views, or marital status of employees;
- creation of safe working conditions in terms of occupational health and safety and other safety aspects;
- creation of a corporate culture, risk management culture, including the necessary atmosphere ("tone at the top");
- fulfillment of mutual obligations, observance of rights and responsibilities in accordance with internal regulations;
- opportunities for professional development, training, and knowledge acquisition by Bank employees at the Bank's expense, as well as facilitating this process at the personal expense of employees.

The Bank guarantees its managers and employees prompt payment of wages, payment of taxes, compensation for travel expenses, provision of leave, and other guarantees in accordance with the law and internal documents.

The Bank has established a permanent commission to test knowledge of occupational safety issues. Occupational safety briefings, training, and testing are conducted on a regular basis. Persons under the age of 21 are required to undergo medical examinations at health care facilities, and drivers of motor vehicles undergo pre-trip medical examinations. In accordance with the law, "Comprehensive measures to achieve established standards and improve the existing level of occupational safety" have been approved and agreed upon and are being implemented in full. Special clothing and personal protective equipment are purchased for Bank employees responsible for cash collection or security.

The Bank's occupational health and safety strategy defines the Bank's policy, goals, objectives, key principles, and areas of activity in creating proper and safe working conditions and preventing accidents, occupational diseases, traffic accidents, and emergencies.

Under martial law, the Bank's management has developed an "Action Plan for Bank Employees Working in the Office During an Air Raid Alarm Under Martial Law/Emergency Conditions" and created all conditions for the safe work of Bank employees.

The Bank’s attitude towards human rights, the protection of employees’ rights, the ensuring of equality, and the relations between employees and the Bank are determined by internal documents, in particular the Corporate Code of JSC “VST BANK”, which establishes generally binding rules of conduct and corporate ethics in the Bank’s activities, namely:

- respect for human rights and personal dignity, creation of equal opportunities for managers and other employees. The Bank values its managers and other employees, creates working conditions for them in accordance with regulatory and legal acts on labor protection, ensures compliance with the requirements of legislation on the rights of managers and other employees in the field of labor protection, encourages them for their success in work, and expects high standards of corporate ethics and professional achievements from them;
- relationships between managers and other employees, regardless of their position or field of activity, are based on mutual respect and mutual assistance, discipline and subordination, openness and friendliness, teamwork and cooperation. management is open towards other employees, managers provide equal opportunities to all their subordinates to perform their duties, support initiative, impartiality, and fair assessment of employees’ performance, provide opportunities without risk of punishment for confidential reporting of unacceptable behavior/violations, including by reporting to the Supervisory Board;
- employees are not allowed to treat each other in a disrespectful or offensive manner, or to fail to comply with generally accepted standards of conduct and corporate ethics.

The Bank’s employees are the foundation of its reputation. Therefore, relations between employees and the Bank are based on the one hand, on the Bank’s commitment to respect human rights, equality, and the protection of employee rights, and on the other hand, on the awareness of all employees that any unethical or anti-social actions committed in the workplace or during leisure time, as well as unacceptable behavior, may damage the Bank’s reputation.

6. Corporate governance and social responsibility

6.1 Corporate Governance

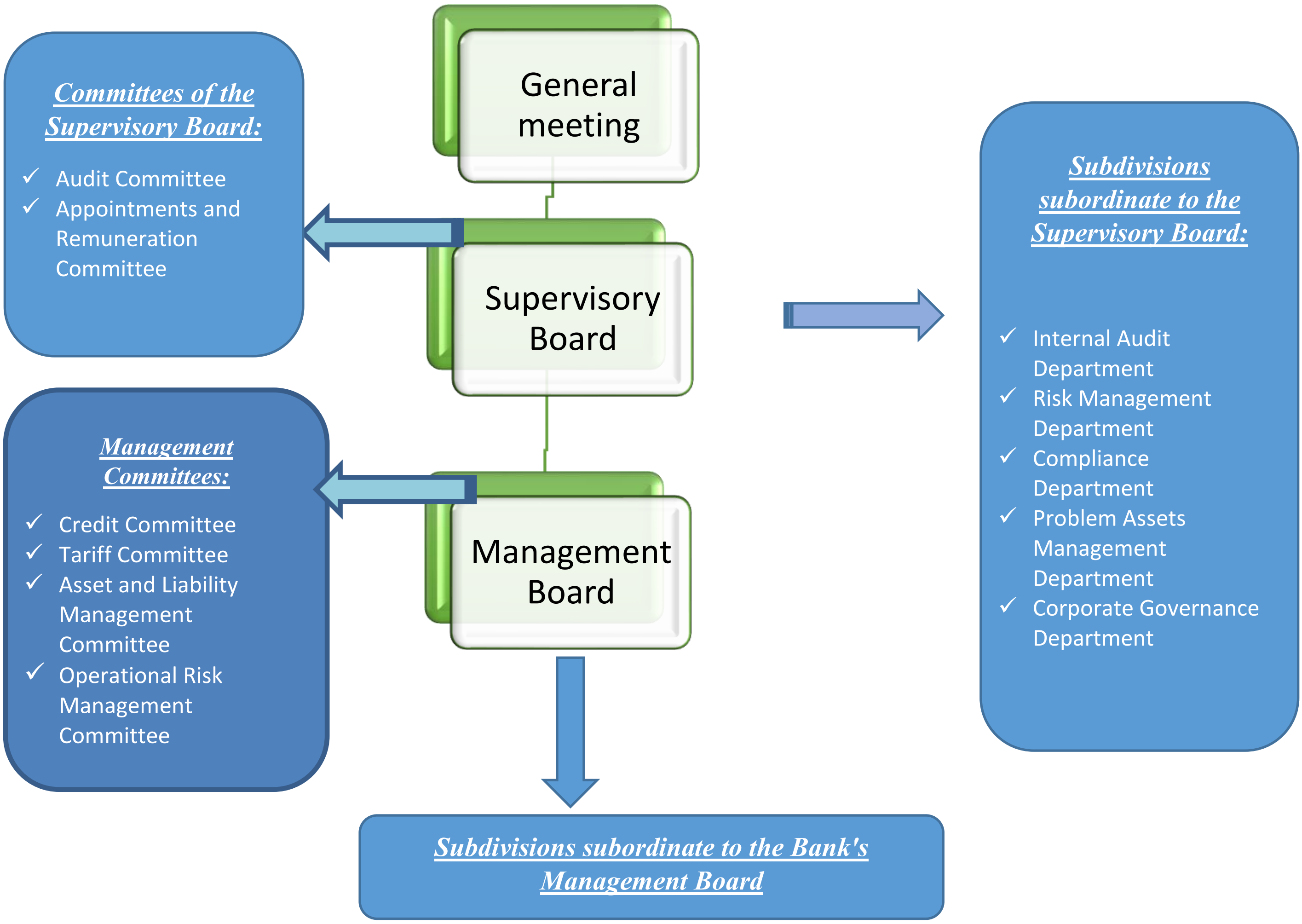
The document that defines and establishes the Bank’s fundamental principles and standards of corporate governance, the principles for protecting the rights and interests of shareholders, depositors, and other stakeholders, as well as management and control mechanisms, and the principles of openness and transparency in its activities is the Corporate Governance Code of JSC “VST BANK”, approved by Shareholder Resolution No. 6 dated 17 September 2025, and the Regulations on the Organization of Corporate Governance of JSC “VST BANK”, approved by Resolution of the Bank’s Supervisory Board, Minutes No. 28 dated 16 September 2025.

The Corporate Governance Code of JSC “VST BANK” is available on the bank's official website.

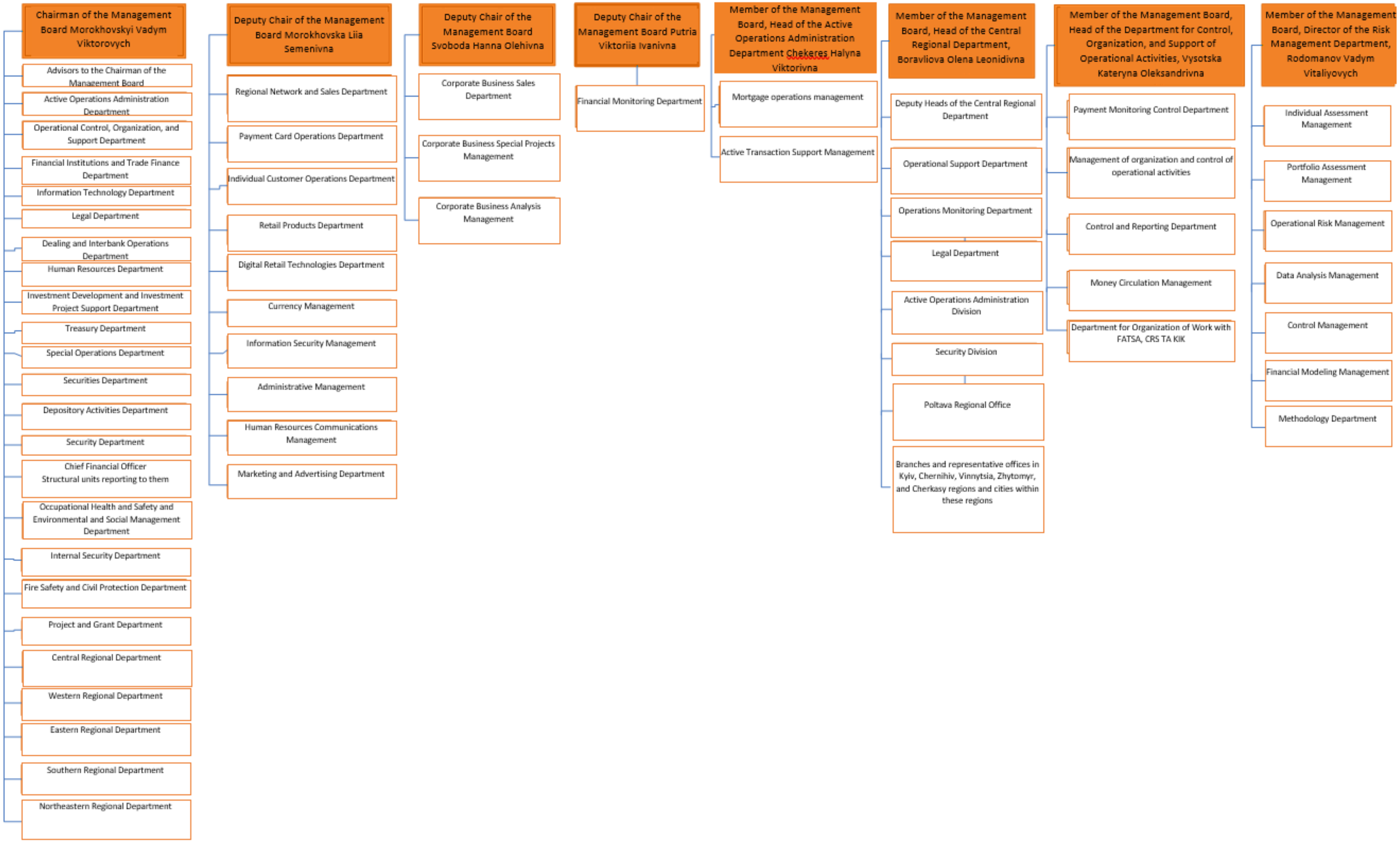
The main principles of corporate governance of the Bank are as follows:

- the principle of guaranteeing the rights and interests of shareholders, customers, and other stakeholders;
- the principle of effective management – the existence of an effective internal control system at the Bank to ensure strategic, operational, and ongoing control over its financial and economic activities, the creation of conditions for the timely exchange of information and effective interaction between the Bank's management bodies so that officials act on the basis of all necessary information, in good faith, conscientiously and reasonably in the interests of shareholders and customers, active participation of the Bank's employees in the corporate governance process, increasing their interest in effective activities and final results;
- the principle of effective distribution of powers between management bodies – the existence within the Bank's corporate structure of an independent Supervisory Board and a qualified executive body accountable to it, which effectively manages current activities – the Management Board, rational and clear distribution of powers between them, effective risk management, internal control measures implemented to comply with legislation, relevant professional association standards applicable to the Bank, and internal documents;
- the principle of effective control over financial and economic activities – the existence of an independent system of accountability and control over the Bank's financial and economic activities, both through the involvement of an external auditor and through the creation of an internal audit department;
- the principle of corporate social responsibility – compliance with the rights and legitimate interests of stakeholders as provided by applicable law, active cooperation with stakeholders to create prosperity, jobs, and ensure the financial stability of the Bank;
- the principle of transparency of ownership structure and information disclosure – ensuring disclosure of information and transparency of activities, including the Bank's financial condition, economic indicators, significant events, ownership structure, and management in order to enable the Bank's shareholders and customers to make informed decisions;
- the principle of compliance with the law and ethical standards – compliance with all applicable laws and internal documents of the Bank, adherence to ethical standards of business conduct;
- the principle of fair remuneration – the amount and types of remuneration depend on the volume and effectiveness of the Bank's activities, taking into account the strategic goals and current needs of the Bank;
- the principle of competence – members of the Supervisory Board, members of the Management Board, and other employees of the Bank understand their powers and responsibilities and adhere to high professional standards in the performance of their duties.

Corporate governance model in effect as at 31 December 2025



Corporate governance model in effect as at 31 December 2025 (continued)



An integral part of the Bank's Corporate Code is its anti-corruption policy. The Bank's anti-corruption policy is based on the principles and measures enshrined in the Corporate Code.

The anti-corruption policy of JSC "VST BANK" provides for:

- creation of effective mechanisms, procedures, controls and other measures aimed at combating corruption;
- development of intolerance to corruption among managers and other employees;
- development of a common understanding of the principles of the Anti-Corruption Policy among managers and other employees, customers and counterparties;
- minimalization of risks of involvement of the Bank, its managers and other employees in corrupt activities;
- notification of the Bank's management bodies about corruption crimes committed by managers and other employees of the Bank and measures taken to combat corruption.

Anti-corruption compliance is an integral part of the Bank's compliance system.

The main measures to prevent corruption in the Bank's activities are:

- mechanisms to monitor compliance by managers and other employees with the requirements of legislation on preventing and combating corruption in the performance of their duties;
- restrictions defined by the Bank's Corporate Code on entertainment expenses/entertainment events and the giving/receiving of gifts by managers and other employees of the Bank in the performance of their official duties;
- establishment of prohibitions, rules, and requirements to prevent abuse by managers and other employees when interacting with government authorities, regulatory bodies, and their officials, as well as officials of clients and counterparties;
- training and implementation of measures to disseminate information on the Bank's anti-corruption activities;
- establishment of the obligation of employees to immediately report attempts to induce them to commit a corruption offense, as well as corruption offenses committed by other employees/managers or other persons in relation to the Bank or in the interests of the Bank in relation to other persons.

In its activities, the Bank adheres to the principle of non-acceptance of corruption, i.e., "zero tolerance" and inevitability of punishment for any manifestations of corruption and bribery.

At least once a year, the Bank conducts a separate assessment of corruption risk based on a combination of the main categories of sociological indicators of corruption used in international and national practice.

In order to prevent the Bank and its employees from participating in or using corruption, the Bank ensures that employees comply with the requirements of the policy on preventing and combating corruption, bribery, and abuse in the performance of their duties, which has three organizational levels and complies with the Bank's internal control and risk management policy.

6.2 Charitable and sponsorship assistance

The total amount of aid was UAH 22,093 thousand, of which:

The "Miloserdya Viktor" Charitable Fund provided UAH 9,240 thousand, which the Foundation used to cover the following expenses:

- purchase of vehicle spare parts for military units;
- purchase of syringes and other medical supplies for the Southern Region Military Medical Clinical Center;
- gifts to the children of fallen servicemen in military units;
- DJI Mavic 3 accessories for military units;
- tires for the Odesa Regional TCR and SS;
- to help children of fallen servicemen attend a camp;
- to cover the costs of organizing and conducting recreational, cultural, health, and sports events for the Armed Forces of Ukraine;
- to purchase televisions for the Armed Forces of Ukraine;
- to purchase motorcycles for the National Police.

Special attention was paid to helping the military medical hospital in the Odesa region. Syringes, bandages, and other medical supplies were purchased for the military, ensuring proper care for wounded defenders.

The fund also actively supports military personnel. With the support of the fund, night vision devices, auto parts, technical fluids, quadcopters, cars, rehabilitation equipment, virtual reality glasses, tracking systems, laptops, and other equipment were purchased. Much of this aid was transferred to military units and medical institutions, including the Cancer Institute, which received modern medical equipment.

The Miloserdya Viktor Charitable Fund provides significant support in various areas aimed at helping children, military personnel, and rescuers. In particular, considerable attention is paid to the children of military personnel who have been killed or are missing in action. With the Bank's assistance, four children's camps were organized for them, where the children received psychological support, participated in developmental activities, and were able to spend time in a safe environment. Through these efforts, the Bank is making a significant contribution to supporting and protecting those most in need of assistance in wartime.

A grant of UAH 500 thousand was awarded to the Superhumans Charitable Foundation to support the rehabilitation of war-affected patients at the Superhumans Center in the prosthetics, psychological support, rehabilitation, reconstructive surgery, and hearing restoration departments.

A grant of UAH 2,000 thousand was provided to Military Unit 3086 to support the country's defense capabilities – specifically for the purchase of UAVs and other materials needed to carry out combat missions.

Assistance to the military was provided in the amount of UAH 1,668 thousand in the form of free transfers to military units of electronic warfare equipment, charging stations, a backhoe loader, coaxial cables, tires, and chainsaws.

In addition, blood transfusion systems worth UAH 30 thousand were donated free of charge to the Military Medical Clinical Center of the Southern Region.

Assistance to the NGO “Association of ATO Veteran Entrepreneurs” was provided in the amount of UAH 500 thousand. The association’s goals are to satisfy and protect the legal, social, economic, creative, and other common interests of veterans, ATO participants, and participants in national security and defense operations, as well as to facilitate the rehabilitation and social adaptation of veterans.

The NGO “Military Brotherhood ‘Odyssey’” received 76 thousand UAH in aid to purchase sports uniforms for wounded servicemen undergoing treatment and rehabilitation.

Assistance was provided to the Charitable Organization “Foundation for the Development of Ukraine’s Defense Capabilities” in the amount of UAH 58 thousand to support the country’s defense capabilities and provide units of the Armed Forces of Ukraine with necessary equipment, devices, and ammunition.

A grant of UAH 150 thousand was provided to the Diana Podolyanychuk Charitable Foundation to support the Coordination Headquarters for the Treatment of Prisoners of War in providing consultations and analytical services to the families of military personnel and prisoners of war.

Assistance to the NGO “All-Ukrainian Association of Donors of Ukraine” was provided in the amount of UAH 65 thousand to organize a corporate donor day.

Regular charitable assistance to the “Association of Chess and Checkers Clubs of the Odesa Region” for the maintenance of the club’s premises and utilities, as well as sponsorship for competitions, amounted to UAH 416 thousand.

A grant of UAH 2,150 thousand was provided to the Odessa National Opera and Ballet Theater to organize the “Velvet Season at the Odessa Opera” festival.

A grant of UAH 400 thousand was provided to the Kharkiv National Academic Opera Theater as support from the general sponsor.

A grant of UAH 250 thousand was provided to the NGO “Vyshyvanka Festival” to promote Ukrainian culture and traditions among Ukrainian citizens.

Charitable assistance in the amount of UAH 131 thousand was provided to the Mykolaiv Regional Football Association to organize competitions in support of the Armed Forces of Ukraine and tournaments dedicated to the fallen heroes of Mykolaiv and the region.

A grant of UAH 600 thousand was allocated to the “Union Odessa” Charitable Foundation to promote the development of culture and education among various segments of society through various cultural and educational events, such as book presentations, conferences, seminars, literary evenings, etc.

A grant of UAH 300 thousand was provided to the NGO “Union. Art and Culture” for the development of culture, art, and museum affairs in the city of Odesa.

Funds totaling UAH 200 thousand were provided to LLC “Premia Yuna” to organize Republic Day at the Italian Embassy – with the aim of developing relations between the countries.

The bank also awards named scholarships to the top students of Odesa National Economic University – scholarships totaling UAH 201 thousand were awarded.

A grant of UAH 480 thousand was provided to the "Monster Corporation" Charitable Foundation to cover the foundation's administrative expenses.

A grant of UAH 300 thousand was provided to the South Ukrainian Association of Jewish Communities to support its statutory activities.

A grant of UAH 131 thousand was provided to the Mykolaiv Jewish Religious Community to organize and hold national holidays, publish the newspaper "Yahad" and carry out other religious activities.

A grant of UAH 45 thousand was provided to the NGO "Marazli Club" to support the organization's statutory activities.

A grant of UAH 42 thousand was provided to the "Kharkiv Information Technology Cluster" to support its statutory activities.

A grant of UAH 50 thousand was provided to the NGO "World Club of Odesans" to support the organization's budget.

A grant of UAH 422 thousand was provided to the NGO "Metaromantica" to carry out the organization's current tasks, specifically the promotion of works of art created by combatants and veterans.

A grant of UAH 161 thousand was provided to the NGO "Association of Family Business Owners" to carry out its statutory activities.

A grant of UAH 80 thousand was provided to the NGO "National Union of Artists of Ukraine" to carry out its statutory activities.

A grant of UAH 422 thousand to the NGO "Lumos Maxima" for the performance of its statutory activities.

Assistance was also provided to ZEVS JSC LLC for the performance of its statutory activities, in the amount of UAH 50 thousand.

Assistance to individuals for medical treatment, support in times of need, and in connection with participation in various chess competitions was provided in the amount of UAH 851 thousand.

Financial assistance was also provided to employees of the Odessa National Academic Opera and Ballet Theater and the Odesa National Ukrainian Music and Drama Theater named after V.S. Vasylko to support actors on the occasion of International Theater Day, in the amount of UAH 16 thousand.

In addition, assistance was provided to an individual in connection with the "What? Where? When?" competition in the amount of UAH 108 thousand.

Translation from Ukrainian original

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Independent auditor's report

To the Shareholder and the Supervisory Board of Joint Stock Company "VST BANK"

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Joint Stock Company "VST BANK" (hereinafter, the "Bank"), which are presented on pages 1 to 94, and comprise the statement of financial position as at 31 December 2025 and the statement of comprehensive income, profit or loss and statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards, and comply with the requirements for the preparation of financial statements established by Law of Ukraine "On accounting and financial statements in Ukraine" No. 996-XIV.

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 Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Ukraine. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 4 in the financial statements, which indicates that the Bank's operations have been affected by the Russian Federation's military invasion of Ukraine. As stated in Note 4, these events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report. 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. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Assessment of expected credit loss on loans and advances to customers	
Assessment of expected credit losses (ECL) in accordance with IFRS 9 *Financial instruments*, is complex and inherently subjective process that requires application of judgements and making assumptions by the Bank's management. The Bank's expected credit losses calculations are outputs of complex models with a number of underlying assumptions regarding assessment of the probabilities of default (PD), exposures at default (EAD) and loss given default (LGD), selection of forward-looking macroeconomic scenarios, including impact of the military aggression of the Russian Federation against Ukraine, the estimation of the amount and timing of cash flows in scenarios for the assessment of expected credit losses on loans and advances to customers calculated on an individual basis. The use of different assumptions could produce significantly different estimates of expected credit losses on loans and advances	Our audit procedures included assessment of the methodology, approaches and assumptions used by the Bank in respect of historical and macroeconomic information, including changes in economic conditions related to the impact of the military aggression of the Russian Federation against Ukraine based on the facts and circumstances at the reporting date, in the assessments of expected credit losses on loans and advances to customers. With respect to allowance for expected credit losses calculated on a collective basis, our audit procedures comprised obtaining an understanding, evaluating the design, and testing operating effectiveness of the controls related to the process of expected credit losses assessment on loans and advances to customers. We identified and tested controls related to input data and calculations of expected credit losses on loans and advances to customers.

Key audit matter	How our audit addressed the key audit matter
to customers. In addition, the balance of loans and advances to customers represents a significant portion of total assets of the Bank and is material to the financial statements. Taking into account the significance of loans and advances to customers balances, high level of subjectivity of assumptions and uncertainty related to the impact of the military aggression of the Russian Federation against Ukraine, we considered that assessment of expected credit losses on loans and advances to customers was a key audit matter. Information on expected credit losses and risk management policies is included in Notes 4, 5, 8 and 27 in the financial statements.	We involved our risk management specialists to assist us with the analysis of the Bank's ECL methodology and models. We also tested on a sample basis completeness and accuracy of historical data used as inputs in models and compared forward-looking inputs with external macroeconomic forecasts. For a sample of loans assessed on an individual basis, our audit procedures comprised analysis of assessment of financial condition of the counterparty and review of valuation of underlying collateral and forecasts of future cash flows which were incorporated in multiple scenarios of the assessment of expected cash flows. In addition, we considered whether current conditions related to the military aggression of the Russian Federation against Ukraine were included in the assessment of expected credit losses. Also, we analysed the Bank's information about expected credit losses on loans and advances to customers included in the notes in the financial statements.

Other information included in the Management report and the Bank's Annual Information of the Issuer of Securities for 2025

Other information comprises the Management report and Annual Information of the Issuer of Securities (including the Corporate Governance report), but does not include financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not and will 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 on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Shape the future
with confidence

Responsibilities of management and the Supervisory Board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting 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.

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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 Bank's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 communicate with the Audit Committee of the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee of the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the 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.

Report on other legal and regulatory requirements

Pursuant to the requirements of Article 14 paragraph 4 of Law of Ukraine "On audit of financial statements and auditing activity" No. 2258-VIII (the "Law No. 2258-VIII") we provide the following information in our Independent Auditor's Report, which is required in addition to the requirements of International Standards on Auditing.

Appointment of the auditor and period of statutory audit engagement

We were first appointed as independent auditors to perform a statutory audit of the Bank's financial statements on 10 October 2024 by the Supervisory Board. Our appointment has been renewed annually by the Supervisory Board. The period of total uninterrupted engagement for performing the statutory audit of the Bank is two years.

Consistency of the independent auditor's report with the additional report to the Audit Committee of the Supervisory Board

We confirm that this independent auditor's report is consistent with the additional report to the Audit Committee of the Supervisory Board of the Bank, which we issued on 24 April 2026 in accordance with Article 35 of Law No. 2258-VIII.

Translation from Ukrainian original

Provision of services other than statutory audit

We declare that no prohibited non-audit services referred to in Article 6 paragraph 4 of Law No. 2258-VIII were provided. In addition, there are no services other than statutory audit which were provided by us to the Bank and which have not been disclosed in the financial statements or the management report.

The partner in charge of the audit resulting in this independent auditor's report is Studynska Yulia Sergiivna.

For and on behalf Ernst & Young Audit Services LLC

/signature/

Svistich Oleksandr Mykhailovych
General Director

Registration number in the Register of auditors and audit firms: 101250

/signature/

Studynska Yulia Sergiivna
Partner

Registration number in the Register of auditors and audit firms: 101256

Kyiv, Ukraine

24 April 2026

Ernst & Young Audit Services LLC is included in the Register of auditors and audit firms, which is maintained by the Audit Public Oversight Body, registration number: 3516

JSC “VST BANK”

Statement of Financial Position
as of 31 December 2025
(in thousands of hryvnias)

	Note	31 December 2025	31 December 2024
ASSETS			
Cash and cash equivalents	6	3,936,377	4,092,890
Loans and advances to banks	7	2,212,728	2,674,033
Loans and advances to customers	8	12,277,316	10,389,110
Investments in securities	9	24,469,885	15,940,038
Derivative financial assets	30	1,249	465
Intangible assets other than goodwill	10	34,063	47,367
Property, plant and equipment	10	67,674	85,938
Right-of-use assets	11	56,042	73,105
Other financial assets	12	222,111	525,843
Other non-financial assets	12	100,596	98,156
TOTAL ASSETS		43,378,041	33,926,945
LIABILITIES			
Due to other banks	13	79,588	79,333
Customer accounts	14	39,337,941	30,510,257
Lease liabilities	11	73,962	80,924
Derivative financial liabilities	30	–	208
Other borrowed funds	16	322,479	398,648
PROVISIONS			
Provisions for loan commitments and financial guarantee contracts		21,401	9,876
Provisions for employee benefits		47,697	36,875
Other provisions		2,220	–
TOTAL PROVISIONS		71,318	46,751
Other financial liabilities	15	145,686	125,313
Other non-financial liabilities	15	35,971	24,848
Current tax liabilities		51,689	154,432
Deferred tax liabilities	26	75,960	44,113
Subordinated debt	17	321,565	325,227
TOTAL LIABILITIES		40,516,159	31,790,054
EQUITY AND LIABILITIES			
Issued capital	19	1,517,172	1,517,172
Retained earnings		1,090,743	480,028
Result from transactions with the shareholders		19,552	10,090
Reserve and other funds of the bank	19	91,627	78,884
Other reserves		142,788	50,717
TOTAL EQUITY		2,861,882	2,136,891
TOTAL LIABILITIES AND EQUITY		43,378,041	33,926,945

Authorised for issue by the Management Board on 23 April 2026 and signed on its behalf on 24 April 2026.

/signature/______________________
Morokhovskyi Vadym Viktorovych
Chairman of the Management Board

/signature/______________________
Siuskova Olena Petrivna
Chief Accountant

JSC "VST BANK"

Statement of Comprehensive Income, Profit or Loss
for the year ended 31 December 2025
(in thousands of hryvnias)

	Note	For 12 months of 2025	For 12 months of 2024
Interest income	20	4,172,239	3,103,353
Interest expense	20	(2,090,986)	(1,206,064)
Net interest income (Net interest expense)		2,081,253	1,897,289
Commission income	21	1,958,272	1,516,901
Commission expense	21	(1,350,558)	(967,283)
Other income		141	326
Net gain (loss) on financial instruments at fair value through profit or loss	30	7,689	3,595
Net gain (loss) on debt financial instruments at fair value through other comprehensive income		45,676	35,845
Net gain (loss) on trading in foreign currency		130,971	105,650
Net gain (loss) on foreign exchange translation		(3,734)	15,977
Income (expense) on initial recognition of financial assets at interest rate higher or lower than the market rate		6,753	11,943
Income (expense) on initial recognition of financial liabilities at interest rate higher or lower than the market rate		774	210
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	22	204,244	(195,940)
Other expense		(16,001)	(2,434)
Other income (loss)	23	78,657	61,872
Employee benefit expense	24	(994,723)	(811,411)
Depreciation and amortization expenses	10, 11	(123,836)	(127,174)
Other administrative and operating expenses	25	(1,197,977)	(1,037,992)
Income (loss) from operating activities		827,603	507,374
Gain (loss) arising on derecognition of financial assets at amortized cost		961	8,200
Profit (loss) before tax		828,562	515,574
Tax expense	26	(204,158)	(260,724)
PROFIT (LOSS)		624,404	254,850
Other comprehensive income/(loss):			
Components of other comprehensive income that will be reclassified to profit or loss, before tax:			
Gain (loss) on financial assets at fair value through other comprehensive income, before tax		135,216	26,311
Income tax relating to financial assets at fair value through other comprehensive income included in other comprehensive income		(43,144)	(15,026)
Total amount of other comprehensive income		92,071	11,285
TOTAL COMPREHENSIVE INCOME		716,475	266,135

Authorised for issue by the Management Board on 23 April 2026 and signed on its behalf on 24 April 2026.

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Morokhovskyi Vadym Viktorovych
Chairman of the Management Board

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Siuskova Olena Petrivna
Chief Accountant

JSC “VST BANK”

Statement of Changes in Equity
for the year ended 31 December 2025
(in thousands of hryvnias)

	Note	Issued capital	Result from transactions with the shareholders	Reserve and other funds of the bank	Other reserves	Retained earnings	Equity
Previous reporting period							
Equity at the beginning of the period		1,517,172	10,051	67,083	39,432	236,979	1,870,717
Changes in equity		–	–	–	–	–	–
Comprehensive income		–	–	–	–	–	–
Profit (loss)		–	–	–	–	254,850	254,850
Other comprehensive income		–	–	–	11,285	–	11,285
Total comprehensive income		–	–	–	11,285	254,850	266,135
Distribution of previous years’ profits	19	–	–	11,801	–	(11,801)	–
Increase (decrease) due to other changes in equity		–	39	–	–	–	39
Equity at the end of the period		1,517,172	10,090	78,884	50,717	480,028	2,136,891
Current reporting period							
Equity at the beginning of the period		1,517,172	10,090	78,884	50,717	480,028	2,136,891
Changes in equity		–	–	–	–	–	–
Comprehensive income		–	–	–	–	–	–
Profit (loss)		–	–	–	–	624,404	624,404
Other comprehensive income		–	–	–	92,071	–	92,071
Total comprehensive income		–	–	–	92,071	624,404	716,475
Distribution of previous years’ profits	19	–	–	12,743	–	(12,743)	–
Increase (decrease) due to other changes in equity	17	–	9,462	–	–	(946)	8,516
Equity at the end of the period		1,517,172	19,552	91,627	142,788	1,090,743	2,861,882

Authorised for issue by the Management Board on 23 April 2026 and signed on its behalf on 24 April 2026.

/signature/______________________
Morokhovskyi Vadym Viktorovych
Chairman of the Management Board

/signature/______________________
Siuskova Olena Petrivna
Chief Accountant

Statement of Cash Flows
for the year ended 31 December 2025
(in thousands of hryvnias)

	Note	For 12 months of 2025	For 12 months of 2024
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
Interest received		4,258,126	3,200,068
Interest paid		(1,997,904)	(1,169,382)
Commission income received		1,958,026	1,543,823
Commission expense paid		(1,349,960)	(967,662)
Net increase/(decrease) from operation with financial instruments at fair value through profit or loss		6,697	1,218
Net increase/(decrease) from operation with foreign currency		130,971	105,650
Other cash inflows from operating activities		69,799	51,351
Administrative expenses and other paid operating expenses		(1,201,320)	(1,057,186)
Payments to and on behalf of employees		(979,927)	(799,853)
Income tax refunds (paid)		(318,199)	(277,065)
Cash flows from/ (used in) operating activities		576,309	630,962
Net (increase)/decrease in loans and receivables of banks		472,386	(1,423,139)
Net (increase)/decrease in loans and advances to customer		(1,455,321)	(2,019,118)
Net (increase)/decrease in other financial assets		299,827	(16,446)
Net (increase)/decrease in other assets		(924)	(19,793)
Net increase/(decrease) in due to other banks		(4,958)	(305,058)
Net increase/(decrease) in customer accounts		8,444,129	4,991,875
Net increase/(decrease) in other financial liabilities		15,612	44,979
Net increase/(decrease) in other liabilities		804	697
Net cash flows from operating activities/ (used in operating activities)		8,347,864	1,884,957
CASH FLOWS FROM (USED IN) INVESTMENT ACTIVITIES			
Purchase of property, plant and equipment		(38,650)	(78,843)
Sale of property, plant and equipment		–	550
Purchase of intangible assets		(5,372)	(26,660)
Purchase of securities		(2,151,709,662)	(1,453,484,277)
Proceeds from sale and redemption of investments in securities		2,143,325,931	1,449,271,534
Net cash flows from investing activities/ (used in investing activities)		(8,427,752)	(4,317,696)

JSC “VST BANK”

Statement of Cash Flows (continued)
for the year ended 31 December 2025
(in thousands of hryvnias)

	Note	For 12 months of 2025	For 12 months of 2024
CASH FLOWS FROM FINANCIAL ACTIVITIES			
Repayment of other borrowed funds	18	(81,044)	(60,221)
Payments on lease liabilities	18	(38,949)	(40,440)
Net cash flows from financing activities/ (used in financing activities)		(119,993)	(100,661)
Effect of exchange rate changes on cash and cash equivalents		43,368	94,289
Net increase/ (decrease) in cash and cash equivalents		(156,512)	(2,439,111)
Cash and cash equivalents at the beginning of the period		4,092,890	6,532,001
Cash and cash equivalents at the end of the period	6	3,936,377	4,092,890

Authorised for issue by the Management Board on 23 April 2026 and signed on its behalf on 24 April 2026.

/signature/______________________
Morokhovskyi Vadym Viktorovych
Chairman of the Management Board

/signature/______________________
Siuskova Olena Petrivna
Chief Accountant

1. Introduction

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for the 2025 fiscal year for Joint-Stock Company "VST BANK" (hereinafter referred to as the "Bank").

The Bank was established on 23 April 2002 and registered by the National Bank of Ukraine (hereinafter, the "NBU") on 17 October 2002 as CJSC "Agrobank". On 27 March 2009, the Bank was re-registered as open joint stock company and, on 27 May 2010, as public joint stock company.

On 21 December 2011, 100% of the Bank's shares were acquired by a group of legal entities and individuals. During 2012, changes in the shareholders' structure took place. As at 31 December 2023 and 2022, 100% of the Bank's shares were held by LLC "Vostok Capital".

On 4 August 2025, the sole shareholder adopted a resolution to change the Bank's corporate structure from a public to a private joint-stock company and to change its name from "BANK VOSTOK" to "VST BANK".

On 16 September 2025, Joint Stock Company "VST BANK" was registered in the Unified State Register of Legal Entities, Individual Entrepreneurs, and Public Organizations.

Major beneficiary owners of the Bank are Mr. V. M. Kostelman, Mr. V. V. Morokhovskyi, and Ms. L. S. Morokhovska.

The Bank provides banking services to individuals and legal entities, including attracting deposits and granting loans, investing in securities, transferring payments in Ukraine and abroad, exchanging currencies, and other services. The Bank is a participant of Individual Deposit Guarantee Fund (Registration Certificate No. 157 dated 19 November 2012), which operates under the Law of Ukraine "On Individual Deposit Guarantee System" No. 4452-VI dated 23 February 2012.

As at 31 December 2025, the Bank had 34 branches; as at 31 December 2024, it had 35 branches in Dnipropetrovska, Odeska, Khersonska, Mykolaivska, Lvivska, Cherkaska, Kyivska, Kharkivska, Poltavska, Zaporizka, and Sumska regions and the city of Kyiv. The branch in Kherson remains suspended.

The Bank's registered address is at: 24 Kursantska Street, Dnipro, Ukraine. The Bank's Head Office units are located at: 39 Mykhaila Hrushevskoho Street, Odesa, Ukraine and 12 Krutohirnyi Uzviz, Dnipro, Ukraine.

2. Economic environment in which the Bank operates

Despite the persistence of high security risks, financial institutions are contributing to the recovery of the economy. The steady growth of banks' loan portfolios and active investment in their own infrastructure indicate that the sector's role as a financial intermediary is strengthening, and the economy can increasingly rely on internal resources both during wartime and during the post-war reconstruction period. At the same time, attention to risk control and ensuring uninterrupted operation remain a priority for financial institutions. In addition, the financial sector is successfully adapting to the update of regulatory requirements within the framework of European integration.

In the second half of the year, macroeconomic conditions remained generally favorable for the operation of financial institutions. The National Bank of Ukraine increased the stock of international reserves, which made it possible to further maintain the stability of the foreign exchange market. However, the consequences of the long war are affecting the macroeconomic prospects. Numerous air attacks led to significant destruction of infrastructure, in particular energy and transport. The associated energy shortage is depressing economic activity, worsening the expectations of businesses and the population.

The economy will be supported by stable domestic demand, both private and public. High military spending will continue to lead to a significant budget deficit, the proper financing of which is possible only with the support of international partners. Negotiations are underway to provide Ukraine with a new financing instrument. Financial support will remain the key to Ukraine's macroeconomic stability.

Banks liquidity remains high, with short-term liquidity ratios three times higher than the minimum requirements. However, this year, signs of normalization of liquidity in the financial sector have crystallized - the return of indicators to the "pre-war" level. The share of high-quality liquid assets has decreased to about a third of banks' assets since the beginning of the year. This is significantly lower than at the beginning of the year, and even somewhat less than before the full-scale invasion. Banks are not slowing down the pace of lending. The annual growth of net hryvnia loans to businesses accelerated to 35%.

Retail lending remains brisk, with annual portfolio growth close to 33% across all segments. Retail unsecured lending attracts most banks, they actively compete with each other and try to increase market share.

Financial institutions continue to invest in their own infrastructure and support for sustainability, which requires increased costs and reduces the profitability of the banking sector.

3. Adoption of new Standards and amendments thereto

New and amended IFRS that are effective for the current year. The following amendments to Standards and Interpretations have been applied by the Bank effective from 1 January 2025, but they have not had any material impact on the Bank's operations and the financial statements:

- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" – "Lack of Exchangeability".

3. Adoption of new Standards and amendments thereto (continued)

Standards and Interpretations issued but not yet effective. The Bank has not applied the following new and revised IFRS that have been issued but are not yet effective:

Amendments to IFRSs effective 1 January 2026:

1) Amendments to IFRS 7 “Financial Instruments: Disclosures” and IFRS 9 “Financial Instruments”: “Amendments to the Classification and Measurement of Financial Instruments”.

On 30 May 2024 the IASB issued Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” (the Amendments) which are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only.

The Amendments include:

- A clarification that a financial liability is derecognised on the “settlement date” and introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled through an electronic payment system before the settlement date;

- Additional guidance on the assessment of contractual cash flows for financial assets with environmental, social and governance (ESG) and similar features;

- Clarifications regarding what constitute “non-recourse features” and what are the characteristics of contractually linked instruments;

- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments designated at fair value through other comprehensive income (OCI).

With respect to the amendments relating to the derecognition of financial liabilities that are settled through an electronic payment system, the Bank is currently performing an assessment of all material electronic payment systems to determine whether the amendments will result in a material change to current practices and whether the conditions for applying the accounting policy option to derecognise such financial liabilities before the settlement date are met. Moreover, the Bank is reviewing all its other payment systems (such as cheques, credit cards, debit cards) to ensure that the related financial assets are derecognised when the right to cash flows expire and that the related financial liabilities are derecognised on the settlement date.

In addition, the Bank is assessing the impact of the Amendments on its financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features, as well as on non-recourse financing and contractually linked instruments. Based on the initial assessment performed, the amendments in these areas are not expected to have a material impact on the financial tatements, however, the assessment has not yet been finalised.

3. Adoption of new Standards and amendments thereto (continued)

2) Annual Improvements to IFRS Accounting Standards – Volume 11.

The changes are minor; however, entities need to assess the extent of the impact to determine whether they result in changes to accounting policies. The changes are intended to clarify and improve the Standards in order to enhance the clarity and consistency of accounting approaches.

3) Amendments to IFRS 9 and IFRS 7 – Contracts for Electricity from Renewable Sources.

New standards effective 1 January 2027:

1) IFRS 19 "Subsidiaries without Public Accountability: Disclosures".

IFRS 19 simplifies reporting for entities by reducing the costs of preparing financial statements for such subsidiaries while maintaining the disclosure of useful information in financial statements for users.

2) Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures".

These amendments to IFRS 19 are intended to reflect the reduced of disclosure requirements introduced by new and amended IFRSs issued between February 2021 and May 2024. The International Accounting Standards Board (IASB) will consider whether amendments to IFRS 19 are necessary each time new Standards are adopted or existing IFRSs are amended.

3) Amendments to IAS 21, IFRS 19, and IAS 29 "Financial Reporting in Hyperinflationary Economies" – Translation into a Hyperinflationary Presentation Currency.

The amendments establish 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 diversity in practice.

4) The new accounting standard IFRS 18 "Presentation and Disclosure in Financial Statements" (IFRS 18) which replaces IAS 1 "Presentation of Financial Statements".

In April 2024 the IASB issued IFRS 18 "Presentation and Disclosure in Financial Statements" which replaces IAS 1 "Presentation of Financial Statements". IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, although earlier adoption is permitted and must be disclosed. IFRS 18 is to be applied retrospectively.

IFRS 18 introduces new requirements for presentation in the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses in the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations. Specific presentation requirements and options apply to entities with specified main business activities (namely, providing finance to customers or investing in particular type of assets, or both).

3. Adoption of new Standards and amendments thereto (continued)

IFRS 18 also requires disclosure of newly defined management performance measures, which are subtotals of income and expenses, and includes new requirements for the aggregation and disaggregation of financial information in the main financial statements and the notes thereto.

The Bank is currently working to identify all impacts of the new or revised Standards and amendments on its financial statements.

4. Basis of preparation and summary of material accounting policy information

Statement of compliance. These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board (the "IASB") and Interpretations issued by the IFRS Interpretations Committee (the "IFRS IC") and the requirements of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" No. 996-XIV dated 16 July 1999 for the preparation of financial statements.

Presentation currency. These financial statements are presented Ukrainian Hryvnias ("UAH") and in thousands, unless otherwise indicated.

Going concern. Management has prepared these financial statements on the assumption that the Bank is able to continue its operations in the foreseeable future.

When preparing the financial statements for 2025, the Bank's management assessed the Bank's ability to continue its operations in the future, taking into account the ongoing military operations in Ukraine, which have already caused and continue to cause significant negative consequences, both for the country's economy as a whole, and for the Bank's customers and for the Bank.

In accordance with the current assessment of the dynamics of the operating environment, the Bank's forecast (budget) for 2026 and 2027 was based on the following assumptions:

- No significant expansion of the territories in which active military operations are ongoing is expected during the planned time horizon.
- NBU discount rate without significant fluctuations with a gradual decrease until the end of 2027.
- Forecast exchange rate of the hryvnia to the US dollar at the level of UAH 45.7 for USD 1 by the end of 2026 and UAH 45.8 for USD 1 by the end of 2027.
- As of 31 December 2026, the total amount of assets and liabilities will increase by approximately 10% from the level of 31 December 2025 with changes in the structure compared to 31 December 2025, namely an increase in lending operations of legal entities.
- The interest rates on both assets and liabilities are kept at the level of December 2025.

4. Basis of presentation and summary of material accounting policy information (continued)

- Net interest income will increase, mainly due to an increase in interest income on loans to customers.

- Net commission income will decrease due to an increase in commission expenses.

- Employee benefits expenses, other administrative and operating expenses will increase slightly above the projected inflation rate, which, according to experts, will be 6.6% in 2026 and 5% in 2027.

- It is expected that the provisions for expected credit losses will continue to increase (taking into account the geographical location of the borrowers, the sector of the economy in which they are engaged and their current financial condition) due to the unresolved problems and difficulties that existed during the period of military aggression of the Russian Federation.

The Bank has a fairly long history of profitable activity, successful experience in preventing loss-making activity during the crisis of 2014-2015, successful experience in business transformation and risk management during the COVID-19 pandemic and 4 years of experience in uninterrupted profitable activity in conditions of unstable economy caused by military aggression and hostilities in the territory of Ukraine.

As a result of resilience assessment as at 1January 2025, the NBU has set increased capital adequacy ratios requirements for the Bank:

- regulatory capital adequacy – 14,35%
- Tier 1 capital adequacy – 12,10%
- Core Tier 1 capital adequacy – 10,02%.

The Bank has to comply with the set capital adequacy requirements by 30 September 2026.

During 2025, the Bank has implemented the following measures to comply with the NBU requirements:

- extended maturity of the subordinated loan (Note 17),

- on 27 October 2025 included first half 2025 profit of UAH 329,306 thousand to core Tier 1 capital,

- terminated trade mark use agreement with 4 August 2025 thus decreasing royalty payments (Note 25).

In addition to these measures the Bank has to include net profit earned in the second half of 2025 by 1 July 2026 and first half of 2026 profit by 1 October 2026 to the core Tier 1 capital to ensure compliance with increased NBU requirements. Based on the current status of the capitalization program's implementation, the Bank expects that the program will be completed as planned.

4. Basis of presentation and summary of material accounting policy information (continued)

Based on the analysis of current and forecast performance indicators and estimated liquidity indicators, the Bank's management believes that it will be able to implement planned measures and, consequently, there are appropriate grounds for preparing these financial statements on a going concern basis.

There is a material uncertainty related to the Bank’s ability to implement the above measures due to currently unpredictable impact of ongoing hostilities in Ukraine on the assumptions applied by the management that may cast significant doubt on the Bank's ability to continue as a going concern and, consequently, that it will be unable to realize its assets and discharge its liabilities in the ordinary course of business.

Basis of preparation.

These financial statements have been prepared on the historical cost basis, except for certain financial instruments. The material accounting policy information is presented below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions with the assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Valuation techniques such as discounted cash flow models or models based on recent arm’s length transactions or consideration of financial data of investees are used to measure fair value of certain financial instruments for which external market pricing information is not available. Valuation techniques may require assumptions not supported by observable market data. Disclosures are made in these financial statements if a change in any such assumptions to a reasonably possible alternative would result in significantly different profit, income, total assets, or total liabilities. Fair value measurements are analyzed by levels in the fair value hierarchy as follows: (i) Level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) Level 2 measurements are valuation techniques with all material inputs observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and (iii) Level 3 measurements are valuations that are not based on observable market data (i.e. valuation require significant application of parameters with unobservable inputs).

Financial assets. All recognized financial assets that are within the scope of IFRS 9 “Financial Instruments” are required to be subsequently measured at amortized cost or fair value on the basis of the Bank’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Specifically:

- Debt instruments held within a business model whose objective is to collect contractual cash flows consisting solely of principal and interest payments are measured at amortized cost after initial recognition.

4. Basis of presentation and summary of material accounting policy information (continued)

- Debt instruments held within a business model whose objective is both to collect contractual cash flows consisting solely of principal and interest payments and to sell the relevant debt instruments are measured at fair value through other comprehensive income after initial recognition.

All other debt instruments (e.g., debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at fair value through profit or loss after initial recognition.

Debt instruments that are measured at amortized cost or at fair value through other comprehensive income after initial recognition are subject to impairment.

Modifications in contractual cash flows are analyzed in accordance with the accounting policies set out below (“Modification and Derecognition of Financial Assets”).

<u>Reclassification.</u> If the business model under which the Bank holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Bank’s financial assets.

<u>Impairment.</u> The Bank recognizes valuation allowances for expected credit losses on the following financial instruments that are not measured at fair value through profit or loss:

- Cash and cash equivalents;
- Balances with the National Bank of Ukraine;
- Loans and advances to banks;
- Loans and advances to customers;
- Investments in securities;
- Other financial assets;
- Loans commitments.

No impairment loss is recognized on equity investments.

The Bank estimates the expected credit losses on a financial instrument in the manner that reflects:

- An objective and probability-weighted amount determined by assessing a certain range of possible results;

- Time value of money;

4. Basis of presentation and summary of material accounting policy information (continued)

- Reasonable and supportable information about past events, current conditions, and forward-looking information about economic conditions that is available without undue cost or effort as at the reporting date.

Expected credit losses are measured for separate loans (an individual basis) or loan portfolios with similar risk characteristics (a collective basis).

Expected credit losses represent an estimate of the present value of credit losses, with reference to probability of their occurrence. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset’s original effective interest rate.

The Bank measures ECLs on an individual basis based on the discounted cash flows using several probability-weighted scenarios.

The Bank considers several scenarios regarding the recovery of funds from a borrower under each financial asset and analyzes each of them, even when the recovery under that scenario is very low.

Credit-impaired financial assets. A financial asset is “credit-impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, which are described in detail in Note 27 “Financial Risk Management”. Credit-impaired financial assets are referred to as Stage 3 assets.

In some cases, it is not possible to identify a single event, as the credit impairment of a financial asset may be caused by the combined effect of several events. As of each reporting date, the Bank assesses for credit impairment those debt instruments that are financial assets measured at amortized cost or at fair value through other comprehensive income. When assessing credit impairment of government and corporate debt instruments, the Bank considers factors such as bond yields, credit ratings, and the borrower’s ability to raise funds.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower’s financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted, the asset is deemed credit impaired when there is observable evidence of credit-impairment, including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a backstop if amounts are overdue for 90 days or more.

4. Basis of presentation and summary of material accounting policy information (continued)

Purchased or originated credit-impaired (POCI) financial assets. Purchased or originated credit-impaired financial assets are accounted for differently, as such assets are already credit-impaired upon initial recognition. With respect to these assets, the Bank recognizes all changes in the amount of credit losses expected over the lifetime of the asset from the date of initial recognition as a valuation allowance; all such changes are recognized in profit or loss. In the event of a positive change in the amount of expected credit losses for such assets, a gain on impairment is recognized.

Definition of default. When determining the amount of expected credit losses, it is extremely important to use the definition of default. The definition of default is used to estimate the amount of expected credit losses and to determine whether the estimated allowance is calculated for the next 12 months or for the lifetime, since the concept of "default" is part of the concept of "probability of default", which influences both the estimation of expected credit losses and the identification of a significant increase in credit risk.

Key events that may evidence of default for a financial asset or a group of financial assets are described in detail in Note 27.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. Overdrafts are considered as being past due once the customer has breached an advised limit or has been advised of a limit smaller than the current amount outstanding.

When assessing the likelihood that a borrower will repay a loan obligation, the Bank considers both qualitative and quantitative indicators. The information evaluated depends on the type of asset. For example, when analyzing loans granted to legal entities, a qualitative indicator such as a covenant breach is used, which is not applicable to loans granted to individuals.

Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Bank uses a variety of sources of information to assess default, which are either developed internally or obtained from external sources.

Significant increase in credit risk. The Bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to the impairment to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Bank will measure the loss allowance based on lifetime rather than 12-month ECLs. The Bank's accounting policy is not to use the practical expedient that financial assets with "low" credit risk at the reporting date are deemed not to have a significant increase in credit risk. As a result, the Bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

The Bank applies a rebuttable presumption to identify a significant increase in credit risk for financial instruments for which the number of days past due exceeds 30 as of the reporting date. Such an asset is transferred to the Stage 2 of impairment under the impairment model – the allowance for such an asset is calculated as the expected credit losses over the lifetime of the financial instrument.

4. Basis of presentation and summary of material accounting policy information (continued)

Modification and derecognition of financial assets. A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

The Bank renegotiates loans and advances to customers in financial difficulty to maximize collection and minimize the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified, the Bank assesses whether this modification results in derecognition. In accordance with the Bank's policy, a modification results in de-recognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms, the Bank considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty. The extent of change in interest rates, maturity, covenants is also analyzed.

If these do not clearly indicate a significant modification, then:

- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest. If the difference in present value is greater than 10%, the Bank deems the arrangement is substantially different leading to de-recognition.

When the modification of a financial asset is related to the revision of the interest rate to the market level, and, at the same time, the contractual terms and conditions for this asset provide for a possibility of early repayment without significant penalties, such modifications will also lead to de-recognition of the financial asset (as if it had been independently repaid by the customer) and recognition of a new financial asset.

In the case where the financial asset is derecognized, the loss allowance for ECLs is re-measured at the date of de-recognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on de-recognition. The new financial asset will have a loss allowance measured based on 12-month ECLs except in the rare occasions where the new loan is considered to be originated credit-impaired asset. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised par amount because there remains a high risk of default, which has not been reduced by the modification.

4. Basis of presentation and summary of material accounting policy information (continued)

The Bank manages credit risk on modified financial assets by evaluating qualitative and quantitative information (for example, whether the borrower has any past-due balances under the new terms).

When the contractual terms of a financial asset are modified and the modification does not result in de-recognition, the Bank determines if the financial asset's credit risk has increased significantly since initial recognition.

For financial assets modified in accordance with the Bank's forbearance policy, where the modification did not result in derecognition, the assessment of the probability of default reflects the Bank's ability to collect cash flows in accordance with the revised contract, taking into account the Bank's prior experience with similar cases, as well as various indicators characterizing the customer's behavior, including repayment of the debt in accordance with the revised contractual terms. If credit risk remains at a level significantly higher than that expected at initial recognition, the estimated allowance for expected credit losses continues to be calculated in an amount equal to the amount of credit losses expected over the lifetime of the asset.

The amount of the loss allowance on forborne loans is generally calculated solely on the basis of the amount of credit losses expected within 12 months, provided there is evidence of positive repayment trends by the borrower following the modification, which leads to the reversal of a previously existing significant increase in credit risk.

If the modification does not result in the derecognition of the asset, the gain or loss from the modification is calculated by comparing the gross carrying amount before and after the modification (net of the estimated allowance for expected credit losses). The Bank then estimates the amount of expected credit losses for the modified asset, with the expected cash shortfall from the original asset including the expected cash flows from the modified financial asset.

The Bank derecognizes a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Bank recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Bank retains substantially all the risks and rewards of ownership of a transferred financial asset, the Bank continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss.

4. Basis of presentation and summary of material accounting policy information (continued)

If a financial asset is not derecognized in its entirety (for example, when the Bank retains the option to repurchase a portion of the transferred asset), the Bank allocates the previous carrying amount of that financial asset between the portion it continues to recognize as part of its continuing involvement, and the portion that the Bank no longer recognizes, based on the relative fair values of those portions as of the date of the asset transfer. The difference between the carrying amount of the part being derecognized and the amount of consideration received for the derecognized part, as well as any accumulated gains or losses previously recognized in other comprehensive income, is recognized in profit or loss.

Any gain or loss recognized in equity is allocated between the continuing operations and the discontinued operations based on the relative fair values of those operations. This provision does not apply to investments in equity instruments classified as FVTOCI. In this case, the reclassification of accumulated gains or losses previously recognized in other comprehensive income to the profit or loss category is not performed.

Write-off of assets. Loans and debt securities are written off when the Bank has no reasonable expectations of recovering the financial asset (either in its entirety or in a portion of it). This is the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event.

The Bank may apply enforcement activities to financial assets written off. Recoveries resulting from the Bank's enforcement activities will result in increase in impairment gains.

Presentation of allowance for ECLs in the statement of financial position. Loss allowances for ECLs are presented in the statement of financial position as follows:

- For financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets.
- For debt instruments measured at FVTOCI: no loss allowance is recognized in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve.
- For loan commitments and financial guarantee contracts: as a provision for financial liabilities.

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

Other financial liabilities. Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs.

4. Basis of presentation and summary of material accounting policy information (continued)

Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

Derecognition of financial liabilities. The Bank derecognizes financial liabilities when, and only when, the Bank’s obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

In the normal course of business, the Bank enters into transactions with its related parties. IFRS 9 requires that initial recognition of financial instruments be based on their fair values. Judgment is applied in determining if transactions are priced at market or non-market interest rates, where there is no active market for such transactions. The basis for judgment is pricing for similar types of transactions with unrelated parties and effective interest rate analysis. Terms and conditions of related party transactions are disclosed in Note 32.

Derivative financial instruments. The Bank enters into a variety of derivative financial instruments some of which are held for trading while others are held to manage its exposure to credit risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate and currency swaps.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain/loss is recognized in profit or loss immediately.

Derivative financial instruments with a positive fair value are recognized as financial assets, while derivative financial instruments with a negative fair value are recognized as financial liabilities.

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

Financial guarantee contracts issued by the Bank are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9; and
- The amount initially recognized less, where appropriate, cumulative amount of income recognized in accordance with the Bank’s revenue recognition policies.

4. Basis of presentation and summary of material accounting policy information (continued)

Cash and cash equivalents. Cash and cash equivalents are assets which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents include correspondent accounts with other banks and balances with the National Bank of Ukraine, other than the amount of mandatory reserves. Cash and cash equivalents are carried at amortized cost.

Loans and advances to banks. Loans and advances to banks are recorded when the Bank advances money to counterparty banks with no intention of trading the resulting unquoted non-derivative receivable due on fixed or determinable dates. These accounts receivable are not related to derivative financial instruments and have no market quotations. Loans and advances to banks are carried at amortized cost.

Loans and advances to customers. Loans and advances to customers are initially measured at fair value or the equivalent amount, which is commonly net amount of the cash granted, including directly attributable costs and certain payments and fees for loan arrangement (commissions for loan arrangements, fees for loan commitments, and payments for services) that are treated as adjustment of the effective interest rate on a loan.

Loans and advances to customers are classified by the Bank on the basis of a business model and characteristics of contractual cash flows. As at the reporting date, loans and advances to customers are carried at amortized cost. Revenue from a loan, which represents interest, plus transaction costs and payments and fees included in the initial cost of the loan, is calculated by using the effective interest rate method and included in profit or loss over the period of the loan.

Investments in securities. This item includes investment securities that are classified by the Bank on the basis of a business model and characteristics of contractual cash flows. As at the end of the reporting period, the Bank included in that item the debt securities issued by foreign governments, government debt securities of Ukraine at fair value through other comprehensive income, and deposit certificates of the National Bank of Ukraine measured at amortized cost.

Property, plant and equipment. Property, plant and equipment are recorded at historical cost, less accumulated depreciation and an impairment allowance, if necessary. Repair and maintenance costs are recognized as expenses as incurred. Costs to replace major components of fixed assets are capitalized, with the replaced component subsequently written off. At the end of each reporting period, management assesses whether there are any indications of impairment of property, plant and equipment. If such indications exist, management calculates the recoverable amount, which is the higher of the asset's fair value less costs to sell and its value in use. The carrying amount of the asset is reduced to its recoverable amount, and the impairment loss is recognized in profit or loss for the year. An impairment loss recognized for any asset in prior periods is reversed if there has been a change in the estimates used to determine the asset's value in use or its fair value less costs to sell.

Gains and losses on assets disposals determined by comparing proceeds with carrying amount are recognized in profit or loss for the year within other operating income or expense.

4. Basis of presentation and summary of material accounting policy information (continued)

Depreciation. Construction in progress is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives:

	Service life (in years)
Premises	20
Vehicles	5
Office and computer equipment	2-5
Leasehold improvements	1-3

The residual value of an asset is the estimated amount that the Bank would currently obtain from disposal of the asset, less the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets other than goodwill. The Bank’s intangible assets have definite useful lives and primarily include capitalized computer software. Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Development costs that are directly associated with identifiable and unique software controlled by the Bank are recorded as intangible assets if the inflow of incremental economic benefits exceeding costs is probable. Capitalized costs include staff costs of the software development team and an appropriate portion of relevant overheads. All other costs associated with computer software, e.g., its maintenance, are expensed when incurred. Capitalized computer software is amortized on a straight-line basis over expected useful lives of 2-10 years.

Right-of-use assets are assets representing a lessee’s right to use an underlying asset during the lease term.

At the commencement date, the Bank measures the right-of-use asset at cost. The cost of the right-of-use asset comprises: (a) the amount of the initial measurement of the lease liability; (b) any lease payments made at or before the commencement date, less any lease incentives received; (c) any initial direct costs incurred by the lessee; and (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Bank incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

After the commencement date, the Bank measures the right-of-use asset by applying a cost model, less any accumulated depreciation and any accumulated impairment losses, adjusted for any re-measurement of the lease liability. The Bank depreciates the right-of-use assets on a straight-line basis, with depreciation charges included other administrative and operational expense. Depreciation period corresponds to a term of the lease liability.

4. Basis of presentation and summary of material accounting policy information (continued)

Lease liabilities. At the commencement date, the Bank measures the lease liability at the present value of lease payments that are not paid at that date. The Bank discounts the lease payments using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Bank uses the lessee's incremental borrowing rate.

The Bank records lease liabilities separately in the statement of financial position, with interest on the lease liabilities recognized in interest income in the statement of comprehensive income, profit or loss.

Lease term is a non-cancellable period during which the Bank has the right to use an underlying asset, together with both: (a) periods covered by an option to extend the lease if the Bank is reasonably certain to exercise that option; and (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Lease modification is a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term).

Changes in payments that are not lease modifications represent a change in the lease amount or lease compensation that was part of the original terms and conditions of the lease (e.g., event-based lease discounts). Such changes are not a result of modification of the lease agreement and are accounted for as variable lease payments, the effect of which is recognized in the statement of comprehensive income, profit or loss.

The lessee's incremental borrowing rate is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Repossessed collateral by the Bank. The Bank recognizes as part of such property non-current assets that it has acquired through the exercise of its pledgee rights and holds for subsequent sale. Such assets do not meet the criteria for recognition as assets held for sale and cannot be recognized as non-current assets for use in current operations. These assets are measured at cost less impairment.

Due to other banks. Amounts due to other banks are recorded when money or other assets are advanced to the Bank by counterparty banks. Due to other banks is a non-derivative financial liability carried at amortized cost.

Customer account. Customer accounts are non-derivative financial liabilities to individuals, public or corporate customers and are carried at amortized cost.

Other borrowed funds. Other borrowed funds include borrowings from banking and non-banking financial institutions. Other borrowed funds are stated at amortized cost.

4. Basis of presentation and summary of material accounting policy information (continued)

Subordinated debt. Subordinated debt consists of long-term borrowing arrangements that, in the event the Bank fails to meet its obligations, will rank subordinate to its senior debt obligations. Subordinated debt is carried at amortized cost. Changes in the carrying amount of subordinated debt received from the Bank’s shareholders, in the event of modification or derecognition, are recognized directly in the Bank’s equity.

Tax expense (tax income). These financial statements reflect the taxation in accordance with the legislation enacted or substantively enacted by the end of the reporting period. The income tax charge or credit comprises current tax and deferred tax and is recognized in profit or loss for the year, except if it is recognized in other comprehensive income or directly in equity because it relates to transactions that are also recognized, in the same or a different period, in other comprehensive income or directly in equity.

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods.

Taxable profits or losses are based on estimates if the financial statements are authorized prior to filing relevant tax returns. Taxes other than on income are recorded within other administrative and operational expenses.

Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit. Deferred tax assets and liabilities are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilized.

Deferred tax assets and liabilities are determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and that are expected to apply in the period in which the temporary differences are realized or the tax losses carried forward are utilized.

Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilized.

Issued capital. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds (result from transactions with the shareholder).

(in thousands of hryvnias)

4. Basis of presentation and summary of material accounting policy information (continued)

Dividends. Dividends are recorded in equity in the period in which they are declared. If dividends are declared after the end of the reporting period and before the financial statements are authorized for issue, they are disclosed in Note "Events after the Reporting Period". Distribution of profit and its usage otherwise occurs on the basis of the financial statements of the Bank. The Ukrainian legislation identifies the basis of distribution as retained earnings.

Commission income/expense. Commission income and expense include fees, other than those that are an integral part of EIR. The fees included in the respective part of the Bank's statement of comprehensive income, profit or loss include, among other things, fees charged for servicing loans, non-utilization commissions relating to loan commitments when it is unlikely that those will result in a specific lending arrangement, fees for monitoring a collateral, for changing primary lending terms and conditions on the borrower's initiative, etc.

Refunds of amounts from transactions made using electronic payment instruments and payments of rewards under loyalty programmes to current accounts of customers are made on an accrual basis. These expenses reduce commission income in the statement of comprehensive income, profit or loss.

Commission expenses with regards to services are accounted for as the services are received.

Foreign currency translation. The functional currency of the Bank is the currency of the primary economic environment in which the Bank operates. The functional currency of the Bank and the Bank's presentation currency is the national currency of Ukraine, Ukrainian Hryvnia ("UAH").

Monetary assets and liabilities are translated into the Bank's functional currency at the official exchange rate of the NBU at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities into the Bank's functional currency at year-end official exchange rates of the NBU, are recognized in profit or loss for the year (as foreign exchange translation gains less losses).

Translation at year-end rates does not apply to non-monetary items that are measured at historical cost. Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined. Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.

As at 31 December 2025 and 2024, major exchange rates established by the NBU that the Bank used in translating foreign currency denominated amounts were as follows:

	31 December 2025	31 December 2024
UAH/USD 1	42.3878	42.0390
UAH/EUR 1	49.8565	43.9266

4. Basis of presentation and summary of material accounting policy information (continued)

Offsetting. Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts, and there is an intention to either settle on a net basis, or to realize the asset and settle the liability simultaneously. Such a right of set off (a) must not be contingent on a future event and (b) must be legally enforceable in all of the following circumstances: (i) in the normal course of business, (ii) the event of default, and (iii) the event of insolvency or bankruptcy.

Employee benefit expense. Wages, salaries, contributions to the Ukrainian state pension and social insurance funds, paid annual leaves and sick leaves, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Bank. The Bank has no legal or constructive obligation to make pension or similar benefit payments beyond the payments to the statutory defined contribution scheme.

Changes in estimates. The Bank has revised its estimates regarding the approach to calculating the allowance for expected credit losses, specifically with respect to the consideration of macroeconomic indicators for loans and advances to customers and the calculation of probability of default (PD) and loss given default (LGD) for unsecured loans and advances provided to individuals. Taking these changes into account resulted in an increase in the allowance for expected credit losses on loans and advances to customers by UAH 22,124 thousand and in the provision for credit losses on irrevocable loan commitments by UAH 10,652 thousand as at 31 December 2025.

Segment information. For the purposes of management, the Bank has not identified separate segments (business lines), results of operations are assessed based on the financial information used to prepare the Bank's financial statements.

During 2025, the Bank received income from operations with the State on the purchase of domestic government bonds, which amounted to more than 10% of total income of the Bank, as follows: UAH 630,239 thousand (2024: UAH 506,230 thousand).

During 2025, the Bank received income from operations with the NBU related to the purchase of NBU deposit certificates in the amount of UAH 1,587,569 thousand, which is more than 10% of the total income of the Bank (2024: UAH 886,218 thousand).

Geographical information. The major part of the Bank's income is generated in Ukraine. The Bank has no significant income from outside Ukraine. The Bank has no non-current assets located outside Ukraine. Analysis of assets and liabilities by geographical concentration is presented in Note 27.

(in thousands of hryvnias)

5. Significant accounting estimates and judgments used in applying accounting policies

The Bank makes estimates and judgments that affect the amounts recognized in the financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgments are consistently reviewed and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgments, apart from those involving estimations, in the process of applying the accounting policies. Judgments that have the most significant effect on the amounts recognized in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Significant increase in credit risk. As explained in Note 4 to these financial statements, ECLs are measured as an allowance equal to 12-month ECLs for Stage 1 assets, or lifetime ECLs assets for Stage 2 or Stage 3 assets. An asset moves to Stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Bank takes into account qualitative and quantitative reasonable and supportable forward looking-information. Refer to Note 27 for more details.

Determination of default. As explained in Note 4, an asset moves to Stage 3 when there are signs and events of default. The Bank uses one sign or a certain combination of them together with its own professional judgment when determining default, depending on the available qualitative and quantitative information, characteristics of borrowers, their assets, etc. Refer to Note 27 for more details.

Models and assumptions used to estimate expected credit losses on financial assets and fair value of financial instruments. The Bank uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECLs. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk. More detailed information on fair value measurement is provided in Note 31, and information on ECL is provided in Note 27.

Sources of estimation uncertainty. Listed below were the main estimates used by management in applying the accounting policies of the Bank and which have the most significant effect on the amounts recognised in the financial statements and relate to the following items:

	31 December 2025	31 December 2024
Loans and advances to customers	13,260,034	10,389,110
including allowance for expected credit losses	*(982,718)*	*(1,454,296)*
Investments in securities	24,469,885	15,940,038

5. Significant accounting estimates and judgments used in applying accounting policies (continued)

Determining and estimating scenarios of expected cash flows and their probabilities on loans and advances to customers measured on an individual basis. In estimating the degree of credit losses on loans and advances to customers measured on an individual basis, the Bank uses significant judgments of management to determine the expected future cash flows on the basis of probable scenarios. The Bank considers several scenarios in respect of the recovery of funds from borrowers and takes into account each of the scenarios, with reference to their relative probabilities. In analyzing future cash flows, all information is taken into account available at the moment of allowance calculation, both internal and external, that is based on open sources, as well as assumptions and projections. The Bank determines the probability for exercising each scenario for the financial instruments measured on an individual basis, with reference to the information available in respect of borrowers and their financial positions, current and forward-looking macroeconomic conditions, as well as considering the Bank's experience, based on judgments and reasonable assumptions. The Bank uses all available and accessible information obtained without excessive efforts that may have an effect on probability of one or several scenarios.

Probability of default (PD). PD constitutes a key input in measuring ECLs. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

Loss given default (LGD). LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral.

Information on credit risk management is provided in Note 27.

Fair value measurement. In estimating the fair value of a financial asset or a liability, the Bank uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the Bank uses valuation models to determine the fair value of its financial instruments. Information on fair value measurements is provided in Note 31.

(in thousands of hryvnias)

5. Significant accounting estimates and judgments used in applying accounting policies (continued)

Reclassifications. The Bank revised the presentation of information in these financial statements and made corresponding changes to comparative amounts to align them with the new presentation format, as shown in the table below:

Article Title	For 12 months of 2024	Effect of the change in presentation	For 12 months of 2024 (including the effect of the change in presentation)
Statement of comprehensive income, profit or loss			
Net gain (loss) on foreign currency translation	82,802	(66,825)	15,977
Gain on impairment and reversal of impairment loss (impairment loss) recognized in accordance with IFRS 9	(262,765)	66,825	(195,940)

(in thousands of hryvnias)

6. Cash and cash equivalents

The Bank’s cash and cash equivalents for the purposes of the statement of cash flows were as follows:

	31 December 2025	31 December 2024
Cash	1,613,452	1,187,600
Correspondent account with the NBU	1,733,393	1,279,372
Correspondent accounts with other banks	581,954	1,600,838
Accounts with other payment systems (B2B Connect)	7,578	25,080
Total cash and cash equivalents	3,936,377	4,092,890

As at 31 December 2025 and 2024, cash on correspondent account with the NBU was neither past due not impaired and was classified in Stage 1 of allowance for expected credit losses and corresponded to the credit ratings of CCC+.

Analysis by credit quality of correspondent account balances with other banks as at 31 December 2025 and 2024 was as follows:

	31 December 2025	31 December 2024
Stage 1		
A- to AA+ rated	340,148	1,511,037
BB- to BB+ rated	–	–
CCC rated or below	243,721	90,398
Total Stage 1	583,869	1,601,435
Allowance for expected credit losses (Stage 1)	(1,915)	(597)
Total correspondent accounts with other banks	581,954	1,600,838

As at 31 December 2025 and 2024, accounts with other payment systems in the amount of UAH 7,579 thousand and UAH 25,080 thousand, respectively, are neither past due nor impaired and are classified to Stage 1 of allowance for expected credit losses and correspond to credit rating of AA-.

(in thousands of hryvnias)

6. Cash and cash equivalents (continued)

Credit ratings for correspondent accounts with other banks, correspondent accounts with the NBU, and accounts with other payment systems are based on ratings of the international rating agency Standard & Poor’s, where available, or on ratings of the international rating agencies Fitch and Moody’s, converted to the nearest equivalent on the Standard & Poor’s rating scale.

As at 31 December 2025 and 2024, the total balance on correspondent accounts with other banks, before allowance, on accounts with five counterparty banks amounted to UAH 559,490 thousand and UAH 1,564,051 thousand, which represented 95.82% and 97.67% of the balances on correspondent accounts, respectively.

7. Loans and advances to banks

	31 December 2025	31 December 2024
Term deposits with other banks	2,213,909	2,675,370
Allowance for expected credit losses	(1,181)	(1,337)
Total loans and advances to banks	2,212,728	2,674,033

As at 31 December 2025, term deposits with other banks included guarantee collateral placed by the Bank with Ukrainian and foreign banks in the amount of UAH 846,896 thousand (as at 31 December 2024: UAH 482,282 thousand). The Bank has no right to use those funds to finance its day-to-day operations or return them on the first demand.

(in thousands of hryvnias)

7. Loans and advances to banks (continued)

Analysis by credit quality of loans and advances to banks as at 31 December 2025 and 2024 was as follows:

	31 December 2025	31 December 2024
Stage 1		
A- to AA rated	2,149,918	2,674,270
BB- to BBB+ rated	62,937	–
CCC- to CCC+ rated	724	720
Unrated	330	380
Total Stage 1	2,213,909	2,675,370
Allowance for expected credit losses (Stage 1)	(1,181)	(1,337)
Stage 3		
CCC rated or below	501	432
Total Stage 3	501	432
Allowance for expected credit losses (Stage 3)	(501)	(432)
Total allowance for expected credit losses on loans and advances to banks	(1,682)	(1,769)
Total loans and advances to banks	2,212,728	2,674,033

Credit ratings for loans and advances to banks are based on ratings of the international rating agency Standard & Poor's, where available, or on ratings from international rating agencies Fitch and Moody's, converted to the nearest equivalent on the Standard & Poor's rating scale.

As at 31 December 2025 and 2024, the balance of loans and advances to banks, before allowance, in accounts with five counterparty banks amounted to UAH 2,149,918 thousand and UAH 2,455,074 thousand, which represented 97.11% and 91.77% of the gross value of loans and advances to banks, respectively.

Analysis of loans and advances to banks by geographical concentration risk, currency risk, and liquidity risk is presented in Note 27.

(in thousands of hryvnias)

8. Loans and advances to customers

Loans and advances to customers were as follows:

	31 December 2025	31 December 2024
Loans to legal entities	12,763,423	11,560,096
Loans to individuals	496,611	283,310
Total loans and advances to customers before allowance for expected credit losses	13,260,034	11,843,406
Allowance for expected credit losses	(982,718)	(1,454,296)
Total loans and advances to customers	12,277,316	10,389,110

Movements in allowance for expected credit losses on loans and advances to customers for the year 2025 were as follows:

	Loans to legal entities	Loans to individuals	Total
Allowance for expected credit losses as at 31 December 2024	1,420,063	34,233	1,454,296
Allowance/(decrease in allowance) for expected credit losses during the year	(296,062)	17,500	(278,562)
Adjustment of allowance on derecognition	(184,338)	–	(184,338)
Loans sold/written off during the year	(92,115)	–	(92,115)
Interest adjustment	59,182	–	59,182
Currency revaluation of allowance	24,255	–	24,255
Allowance for expected credit losses as at 31 December 2025	930,985	51,733	982,718

(in thousands of hryvnias)

8. Loans and advances to customers (continued)

Movements in allowance for expected credit losses on loans and advances to customers for the year 2024 were as follows:

	Loans to legal entities	Loans to individuals	Total
Allowance for expected credit losses as at 31 December 2023	1,200,921	33,200	1,234,121
Allowance/(decrease in allowance) for expected credit losses during the year	99,034	1,503	100,537
Adjustment of allowance on derecognition	59,319	–	59,319
Loans sold/written off during the year	(78,458)	(470)	(78,928)
Adjustment of interest	72,422	–	72,422
Currency revaluation of allowance	66,825	–	66,825
Allowance for expected credit losses as at 31 December 2024	1,420,063	34,233	1,454,296

Risk concentrations within the customer loan portfolio by sectors of economy were as follows:

	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Trade	5,812,653	44	4,942,352	42
Agriculture, fishing, and food processing	3,118,185	24	2,693,055	23
Manufacturing	2,044,677	15	2,054,863	17
Transportation and communications	678,711	5	1,204,382	10
Construction and real estate operations	649,833	5	252,673	2
Loans to individuals	496,611	4	283,309	2
Other services	459,364	3	412,772	4
Total loans and advances to customers (before allowance for expected credit losses)	13,260,034	100	11,843,406	100

As at 31 December 2025, the total gross value of loans issued to 10 largest borrowers of the Bank amounted to UAH 2,714,799 thousand (as at 31 December 2024: UAH 2,470,817 thousand) or 21% of the total loan portfolio (as at 31 December 2024: 21%). At the same time, as at 31 December 2025, the amount of loans to 10 largest borrowers of the Bank was partially covered by collateral of property rights to deposits in the amount of UAH 90,000 thousand (as at 31 December 2024: UAH 90,000 thousand).

(in thousands of hryvnias)

8. Loans and advances to customers (continued)

The table below reflects the proportionate amount of collateralized loans and advances to customers and not the fair value of the collateral as at 31 December 2025:

	Loans to legal entities	Loans to individuals	Total
Unsecured loans	3,530,459	477,613	4,008,072
Loans collateralized by:			
- Residential real estate items	210,329	8,066	218,395
- Other real estate items	3,510,249	9,421	3,519,670
- Cash deposits	520,977	152	521,149
- Guarantees of the Cabinet of Ministers of Ukraine	324,539	–	324,539
- Other assets	4,666,850	1,359	4,668,209
Total loans and advances to customers (before allowance for expected credit losses)	12,763,423	496,611	13,260,034

Items in the tables above are represented by the lower of the gross carrying value of loans, before allowance for expected credit losses, or collateral taken; with the remaining part disclosed within unsecured loans. The carrying value of loans was allocated based on the liquidity of assets taken as collateral in the following order: cash deposits, residential real estate, other real estate, other assets.

As at 31 December 2025, loans and advances to customers with the total amount of UAH 521,149 thousand (as at 31 December 2024: UAH 423,392 thousand) were secured by cash deposits (Note 14) for the total amount of UAH 545,080 thousand (as at 31 December 2024: UAH 465,362 thousand).

As at 31 December 2025, impaired loans and purchased or credit-impaired loans with a gross carrying value of UAH 938,816 thousand (as at 31 December 2024: UAH 1,517,338 thousand) were secured by the collateral represented mostly by real estate and other assets in the amount of UAH 688,334 thousand (as at 31 December 2024: UAH 1,143,226 thousand) or 73% (as at 31 December 2024: 75%).

Fair value of real estate pledged as collateral during the reporting period was calculated by independent experts – professional appraisers. The category “Other assets” includes the following types of collateral: other movable property, other property rights, and other types of assets.

(in thousands of hryvnias)

8. Loans and advances to customers (continued)

The following table summarizes the proportionate amount of collateralized loans and advances to customers as at 31 December 2024:

	Loans to legal entities	Loans to individuals	Total
Unsecured loans	3,372,538	260,238	3,632,776
Loans secured by:			
- Residential real estate items	274,370	8,310	282,680
- Other real estate items	3,410,424	14,586	3,425,010
- Cash deposits	423,216	176	423,392
- Guarantees of the Cabinet of Ministers of Ukraine	392,060	–	392,060
- Other assets	3,687,488	–	3,687,488
Total loans and advances to customers (before allowance for expected credit losses)	11,560,096	283,310	11,843,406

(in thousands of hryvnias)

8. Loans and advances to customers (continued)

Analysis of loans and advances to customers by credit quality as at 31 December 2025 was as follows:

	Loans to legal entities	Loans to individuals	Total
Stage 1			
- Not past due	10,483,225	432,443	10,915,668
- Past due less than 30 days	–	81	81
Total Stage 1	10,483,225	432,524	10,915,749
Stage 2, loans with a significantly increased credit risk			
- Not past due	1,193,953	426	1,194,379
- Past due less than 30 days	194,594	–	194,594
- Past due from 31 to 90 days	2,144	14,350	16,494
- Past due from 91 to 180 days	1	–	1
Total Stage 2, loans with a significant increase in credit risk	1,390,692	14,776	1,405,468
Stage 3, impaired loans			
- Not past due	246,257	1,752	248,009
- Past due less than 30 days	–	1	1
- Past due from 31 to 90 days	181,699	1,001	182,700
- Past due from 91 to 180 days	37,549	12,484	50,033
- Past due from 181 to 360 days	38,674	13,327	52,001
- Past due more than 360 days	360,293	20,746	381,039
Total Stage 3, impaired loans	864,472	49,311	913,783
Purchased or originated credit impaired loans			
- Not past due	23,347	–	23,347
- Past due from 31 to 90 days	1,237	–	1,237
- Past due more than 360 days	450	–	450
Total purchased or originated credit impaired loans	25,034	–	25,034
Total loans and advances to customers (before allowance for expected credit losses)	12,763,423	496,611	13,260,034
Allowance for expected credit losses	(930,985)	(51,733)	(982,718)
Total loans and advances to customers	11,832,438	444,878	12,277,316

(in thousands of hryvnias)

8. Loans and advances to customers (continued)

Analysis of loans and advances to customers by credit quality as at 31 December 2024 was as follows:

	Loans to legal entities	Loans to individuals	Total
Stage 1			
- Not past due	8,363,835	247,527	8,611,362
- Past due less than 30 days	6,561	311	6,872
Total Stage 1	8,370,396	247,838	8,618,234
Stage 2, loans with a significantly increased credit risk			
- Not past due	1,700,138	161	1,700,299
- Past due less than 30 days	–	25	25
- Past due from 31 to 90 days	–	7,510	7,510
Total Stage 2, loans with a significant increase in credit risk	1,700,138	7,696	1,707,834
Stage 3, impaired loans			
- Not past due	703,776	807	704,583
- Past due less than 30 days	54,487	2	54,489
- Past due from 31 to 90 days	2,389	453	2,842
- Past due from 91 to 180 days	30,798	4,889	35,687
- Past due from 181 to 360 days	8,602	6,205	14,807
- Past due more than 360 days	579,970	15,420	595,390
Total Stage 3, impaired loans	1,380,022	27,776	1,407,798
Purchased or originated credit impaired loans			
- Not past due	4,030	–	4,030
- Past due from 31 to 90 days	50,256	–	50,256
- Past due from 91 to 180 days	1,539	–	1,539
- Past due from 181 to 360 days	387	–	387
- Past due more than 360 days	53,328	–	53,328
Total purchased or originated credit impaired loans	109,540	–	109,540
Total loans and advances to customers (before allowance for expected credit losses)	11,560,096	283,310	11,843,406
Allowance for expected credit losses	(1,420,063)	(34,233)	(1,454,296)
Total loans and advances to customers	10,140,033	249,077	10,389,110

(in thousands of hryvnias)

8. Loans and advances to customers (continued)

As at 31 December 2025, loans and advances to customers with a gross carrying value of UAH 533,041 thousand (as at 31 December 2024: UAH 466,249 thousand), were pledged as a collateral to secure for the borrowings obtained from WORLDBUSINESS CAPITAL, INC. USA (Notes 16, 29).

Other information on loans and advances to customers (a detailed analysis of movements in allowances for expected credit losses and their allocation by impairment stage) is presented in Note 27.

Analysis of loans and advances to customers by interest rate risk, geographical concentration risk, currency risk, and liquidity risk is presented in Note 27. Balances on related parties transactions are presented in Note 32.

9. Investments in securities

Investments in securities were as follows:

	31 December 2025	31 December 2024
Investments in securities at fair value through other comprehensive income		
Government debt securities of Ukraine	4,504,488	4,813,273
Debt securities issued by foreign governments	833,007	336,789
Debt securities issued by international financial organizations	1,296,586	–
Total investments in securities at fair value through other comprehensive income	6,634,081	5,150,062
Investments in securities at amortized cost		
Deposit certificates of the NBU	17,835,388	10,789,577
Debt securities issued by non-bank financial institutions (corporate)	416	399
Total investments in securities at amortized cost	17,835,804	10,789,976
Total investments in securities	24,469,885	15,940,038

As at 31 December 2025, the Bank has formed an allowance for expected credit losses on investments in securities at fair value through other comprehensive income in the amount of UAH 280,065 thousand (as at 31 December 2024: UAH 222,962 thousand) and on investments in securities at amortized cost – UAH 89 thousand (as at 31 December 2024: UAH 106 thousand).

(in thousands of hryvnias)

9. Investments in securities (continued)

Analysis of investments in securities by credit quality as at 31 December 2025 was as follows:

	Government debt securities of Ukraine	Debt securities issued by foreign governmen ts	Debt securities issued by international financial organizations	Debt securities issued by non-bank financial institutions (corporate)	Deposit certificates of the NBU	Total
Stage 1						
A- to AA rated	–	445,201	1,296,586	–	–	1,741,787
BBB- to BBB+ rated	–	387,806	–	–	–	387,806
C to CCC+ rated	4,362,726	–	–	416	17,835,388	22,198,530
Stage 2						
C to CCC+ rated	141,762	–	–	–	–	141,762
Total investments in securities	4,504,488	833,007	1,296,586	416	17,835,388	24,469,885

Analysis of investments in securities by credit quality as at 31 December 2024 was as follows:

	Domestic government bonds	Foreign government bonds	Debt securities issued by non-bank financial institutions (corporate)	Deposit certificates of the NBU	Total
Stage 1					
A- to AA rated	–	142,188	–	–	142,188
BBB- to BBB+ rated	–	194,601	–	–	194,601
C to CCC+ rated	4,680,594	–	399	10,789,577	15,470,570
Stage 2					
C to CCC+ rated	132,679	–	–	–	132,679
Total investments in securities	4,813,273	336,789	399	10,789,577	15,940,038

Investments in securities were unsecured.

Credit ratings are based on ratings of the international rating agency Standard & Poor's, where available, or based on ratings of the international rating agencies Fitch and Moody's converted to the nearest equivalent on the Standard & Poor's rating scale.

Analysis of investments in securities by interest rate risk, geographical concentration risk, currency risk, and liquidity risk is presented in Note 27. Information on the fair value of investments in securities is disclosed in Note 31.

(in thousands of hryvnias)

10. Property, plant and equipment and intangible assets other than goodwill

	Leasehold improve-ments	Vehicles	Office and computer equipment	Construction in progress	Total property, plant and equipment	Intangible assets other than goodwill	Capital investment in progress in intangible assets	Total intangible assets other than goodwill
Initial cost as at 1 January 2024	50,388	29,430	352,587	2,690	435,095	114,097	7,774	121,871
Accumulated depreciation and amortization	(37,425)	(25,262)	(304,158)	–	(366,845)	(85,180)	–	(85,180)
Net book value as at 1 January 2024	12,963	4,168	48,429	2,690	68,250	28,917	7,774	36,691
Additions	18,558	189,	57,487	1,473	77,707	26,472	–	26,472
Disposals	–	–	(53)	–	(53)	–	–	–
Recovery of value	574	–	428	–	1,002	–	–	–
Depreciation and amortization expense	(8,316)	(2,472)	(50,179)	–	(60,967)	(15,796)	–	(15,796)
Net book value as at 31 December 2024	23,779	1,885	56,112	4,163	85,939	39,593	7,774	47,367
Initial cost as at 31 December 2024	68,946	27,458	400,266	4,163	500,833	136,685	7,774	144,459
Accumulated depreciation and amortization	(45,167)	(25,573)	(344,154)	–	(414,894)	(97,092)	–	(97,092)
Net book value as at 31 December 2024	23,779	1,885	56,112	4,163	85,939	39,593	7,774	47,367
Additions	2,954	–	37,504	–	40,458	3,298	2,074	5,372
Disposals	–	–	(47)	(1,883)	(1,930)	–	–	–
Depreciation and amortization expense	(15,952)	(984)	(39,857)	–	(56,793)	(18,676)	–	(18,676)
Net book value as at 31 December 2025	10,781	901	53,7,12	2,280	67,674	24,215	9,848	34,063
Initial cost as at 31 December 2025	71,464	27,236	435,694	2,280	536,674	139,983	9,848	149,831
Accumulated depreciation and amortization	(60,683)	(26,335)	(381,982)	–	(469,000)	(115,768)	–	(115,768)
Net book value as at 31 December 2025	10,781	901	53,7,12	2,280	67,674	24,215	9,848	34,063

As at 31 December 2025, the amount of fully depreciated and amortized assets that continued to be used by the Bank amounted to UAH 409,660 thousand (as at 31 December 2024: UAH 382,195 thousand).

(in thousands of hryvnias)

11. Right-of-use assets and lease liabilities

Right-of-use assets comprised the following:

	Equipment	Buildings and other real estate	Motor vehicles	Total
Initial cost as of 1 January 2025	761	383,134	1,497	385,392
Accumulated depreciation as at 1 January 2025	(385)	(310,565)	(1,337)	(312,287)
Additions	–	–	124	124
Modifications	505	30,810	203	31,518
Disposals	–	(338)	–	(338)
Depreciation charges	(376)	(47,806)	(185)	(48,367)
Net book value as at 31 December 2025	505	55,235	302	56,042

	Equipment	Buildings and other real estate	Motor vehicles	Total
Initial cost as at 1 January 2024	385	306,389	1,316	308,090
Accumulated depreciation as at 1 January 2024	(30)	(260,661)	(1,186)	(261,877)
Additions	–	884	26	910
Modifications	376	77,147	257	77,780
Disposals	–	(1,286)	(102)	(1,388)
Depreciation charges	(355)	(49,904)	(151)	(50,410)
Net book value as at 31 December 2024	376	72,569	160	73,105

As at 31 December 2025 and 2024, the average lease term for the Bank’s premises was 3 years, without a possibility to extend the lease. The Bank has no possibility to repurchase leased items at the nominal value at the end of the lease term.

(in thousands of hryvnias)

11. Right-of-use assets and lease liabilities (continued)

The following lease liabilities were recognized in the statement of comprehensive income, profit or loss:

	12 months of 2025	12 months of 2024
Depreciation and amortization expenses on right-of-use assets	(48,367)	(50,410)
Interest expenses on lease liabilities	(44,809)	(30,288)
Expense related to leases of low-value underlying assets and short-term leases	(40,524)	(33,421)
Expenses on a variable portion of lease payments	(4,175)	(1,352)
Income on discounts received on lease payments (a variable portion)	3,024	6,252
Income on rentals	38,233	31,840
Income on revaluation/ derecognition of assets	211	258
Total effect on financial result	(96,407)	(77,121)

Movements of lease liabilities were as follows:

	2025	2024
Lease liabilities as at January 1	80,924	46,387
Increase in lease liabilities	34,516	77,226
Interest accrued (Note 18)	44,809	30,288
Decrease in lease liabilities as a result of discounts received and lease modifications (Note 23)	(3,023)	(6,252)
Lease liabilities repaid (Note 18)	(83,264)	(66,725)
Lease liabilities as at December 31	73,962	80,924

Lease liabilities based on maturities presented in Note 27.

(in thousands of hryvnias)

12. Other financial and non-financial assets

	31 December 2025	31 December 2024
Other financial assets		
Restricted cash	188,875	503,456
Other financial assets	49,751	34,605
Total other financial assets before allowance for expected credit losses	238,626	538,061
Allowance for expected credit losses	(16,515)	(12,218)
Total other financial assets	222,111	525,843
Other non-financial assets		
Deferred expenses	61,604	50,310
Accounts receivable on assets and services purchased	29,238	5,089
Inventories	7,425	7,945
Taxes prepaid, other than income tax	2,329	947
Repossessed collateral by the Bank	–	33,865
Total other non-financial assets	100,596	98,156
Total other financial and non-financial assets	322,707	623,999

As at 31 December 2025, restricted cash comprised the guarantee cover placed by the Bank within international payment systems of Visa and Master Card in the amount of UAH 172,723 thousand and cash cover on payment settlements in the amount of UAH 16,152 thousand (as at 31 December 2024: 493,355 thousand and UAH 10,101 thousand, respectively). This cash is neither available to finance the Bank's day-to-day operations nor returnable on demand.

(in thousands of hryvnias)

12. Other financial and non-financial assets (continued)

Analysis of other financial assets by credit quality as at 31 December 2025 and 2024 was as follows:

	31 December 2025	31 December 2024
Restricted cash		
Stage 2		
A- to AA+ rated	172,723	493,355
Unrated	16,152	10,101
Total restricted cash	188,875	503,456
Allowance for expected credit losses on restricted cash	(743)	(627)
Other financial assets		
Stage 1		
- Not past due	33,442	16,186
Stage 2		
- Not past due	622	6,911
- Past due less than 30 days	59	4
Stage 3		
- Past due from 31 to 60 days	15	112
- Past due from 61 to 90 days	33	117
- Past due from 91 to 180 days	81	377
- Past due from 181 to 360 days	829	751
- Past due more than 361 days	14,670	10,147
Total other financial assets	49,751	34,605
Allowance for expected credit losses on other financial assets	(15,772)	(11,591)
Total other financial assets	222,111	525,843

Analysis of other financial assets by geographical concentration risk, currency risk, and liquidity risk is presented in Note 27.

(in thousands of hryvnias)

13. Due to other banks

	31 December 2025	31 December 2024
Correspondent accounts and overnight deposits of banks	79,588	79,333
Total amount owed by banks	79,588	79,333

As at 31 December 2025, the largest amount of debt on correspondent accounts and overnight deposits of banks related to a non-resident bank and amounted to UAH 48,080 thousand, which represented 60.41% of total correspondent accounts and overnight deposits of banks (as at 31 December 2024: UAH 54,222 thousand, which represented 68% of the total correspondent accounts and overnight deposits of banks).

Analysis of due to other banks by geographical concentration risk, currency risk, and liquidity risk is presented in Note 27. Balances on related party transactions are disclosed in Note 32.

14. Customer accounts

	31 December 2025	31 December 2024
Current accounts		
- Current accounts of legal entities	27,254,362	21,525,052
- Current accounts of individuals	4,738,786	4,416,969
Total current accounts	31,993,148	25,942,021
Deposits		
- Deposits of legal entities	4,030,988	2,418,241
- Deposits of individuals	3,313,805	2,149,995
Total deposits	7,344,793	4,568,236
Total customer accounts	39,337,941	30,510,257

(in thousands of hryvnias)

14. Customer accounts (continued)

As at 31 December 2025, the total amount of funds of the Bank's top 10 customers on current accounts was UAH 8,681,011 thousand, or 27% (as at 31 December 2024: UAH 6,680,270 thousand, or 26%) of total current accounts, which represents a significant concentration.

As at 31 December 2025, the total amount of funds of the Bank's top 10 customers on deposits was UAH 2,685,281 thousand, or 37% (as at 31 December 2024: UAH 1,466,033 thousand, or 32%) of total deposits, which represents a significant concentration.

As at 31 December 2025, included in customer accounts were deposits in the amount of UAH 545,080 thousand placed by customers as collateral to secure for loans and advances to customers in the amount of UAH 521,149 thousand (Note 8) (as at 31 December 2024: UAH 465,362 thousand, placed by customers as collateral to secure for loans and advances to customers in the amount of UAH 423,392 thousand).

As at 31 December 2025, included in customer accounts were balances totaling to UAH 832,250 thousand (as at 31 December 2024: UAH 255,166 thousand) placed by customers as collateral to secure for loan commitment (Note 29).

Current accounts allocated by economic sectors were as follows:

	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Trade	7,421,501	23	6,431,406	25
Transport, telecommunications	6,893,211	22	5,778,118	22
Individuals	4,738,786	15	4,416,968	17
Processing industry	4,574,746	14	3,792,153	15
Construction	2,252,646	7	764,037	3
Financial intermediaries	1,832,021	6	1,129,276	4
Temporary accommodation and catering	945,656	3	279,890	1
Electricity and water supply	941,322	3	1,337,214	5
Health and social work	767,033	2	611,703	2
Professional services	736,239	2	726,969	3
Agriculture	450,483	2	395,013	2
Other	439,504	1	279,274	1
Total current accounts	31,993,148	100	25,942,021	100

(in thousands of hryvnias)

14.Customer accounts (continued)

Deposits allocated by economic sectors were as follows:

	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Individuals	3,313,805	45	2,149,995	47
Trade	1,892,035	26	752,004	17
Transport, telecommunications	755,172	10	577,141	12
Processing industry	636,660	9	596,430	13
Agriculture	300,610	4	209,215	5
Financial intermediaries	244,258	3	162,366	3
Other	202,253	3	121,085	3
Total deposits	7,344,793	100	4,568,236	100

Analysis of customer accounts by geographical concentration risk, currency risk, and liquidity risk is presented in Note 27. Balances on related party transactions are disclosed in Note 32.

15. Other financial and non-financial liabilities

	31 December 2025	31 December 2024
Other financial liabilities		
Settlements with customers	78,472	68,990
Accounts payable on assets and services purchased	43,447	41,705
Prepaid commissions on loans	17,281	10,290
Accrued expenses for services	2,077	1,478
Other financial liabilities	4,409	2,850
Total other financial liabilities	145,686	125,313
Other non-financial liabilities		
Amounts payable to Individual Deposit Guarantee Fund	13,722	11,348
Deferred income	9,865	9,055
Taxes payable, except for income tax	8,404	4,441
Liabilities for employee benefits	3,980	4
Total other non-financial liabilities	35,971	24,848
Total other financial and non-financial liabilities	181,657	150,161

Analysis of other financial liabilities by geographical concentration risk, currency risk, and liquidity risk is presented in Note 27.

16. Other borrowed funds

Based on the agreement signed in November 2017 with WORLDBUSINESS CAPITAL, INC., USA, in December 2017, the Bank received a long-term borrowing for the period of 10 years in the amount of USD 8,000 thousand. The borrowing is repayable in 32 equal installments every three months after 24 months of the borrowing’s use, starting from 20 December 2019. The borrowing was received under the guarantee of OVERSEAS PRIVATE INVESTMENT CORPORATION, USA, with the purpose of promoting lending to small and medium-sized businesses in Ukraine.

In February 2019, the Bank entered into another agreement with WORLDBUSINESS CAPITAL, INC., USA, and in March 2019 received a long-term borrowing for the period of 9 years in the amount of USD 8,000 thousand. The principal of the borrowing is repayable in 34 equal installments as at each payment date, starting from 20 December 2019.

The borrowing was received under a guarantee of OVERSEAS PRIVATE INVESTMENT CORPORATION, USA, with the purpose of promoting lending to small and medium-sized businesses in Ukraine (with at least 25% should be directed to lending businesses owned or managed by women). Effective from 1 January 2020, OVERSEAS PRIVATE INVESTMENT CORPORATION appointed and assigned all its functions, personnel, assets, liabilities, including its rights, obligations, and responsibilities to another legal entity, the United States International Development Finance Corporation.

Against the background of the military aggression from the russian federation, in June 2022, the Bank signed with WORLDBUSINESS CAPITAL, INC., USA, additional agreements the terms and conditions of which stipulate for extending borrowing terms by two years and postponing for two years quarterly repayments of borrowings effective from 20 June 2023, as well as reducing the margin by 0.5%. In line with global trends on refusal from LIBOR, in June 2024 the Bank signed an additional agreement on the use of SOFR. From 20 June 2023, interest on agreements shall be calculated based on the 3-month SOFR for USD, plus an additional 0.26161 (“Loan Spread Adjustment”), as well as a margin of 3.75% and 3.3%, respectively, which as at 31 December 2025, amounted to 7.706197% and 7.25619% (as at 31 December 2024: 8.36567% and 7.91567%). Interest is repayable every three months during the term of the borrowing agreement.

As at 31 December 2025, carrying value of other borrowed funds amounted to UAH 322,479 thousand (as at 31 December 2024: UAH 398,648 thousand).

(in thousands of hryvnias)

16. Other funds raised (continued)

In accordance with the terms and conditions specified in the agreements, the Bank shall comply with certain financial ratios (covenants). The covenants require compliance with the prudential ratios of the NBU and additional ratios:

Financial indicators (covenants)	Normative figure in accordance with the agreement	Actual figure of the indicator as at 31 December 2025, %
Capital Adequacy Ratio	Not less than 12%	14.61
Short Term Liquidity Ratio	Not less than 60%	177.93
Maximum Credit Exposure	Not greater than 25%	20.13
Open Exposure Ratio	Not greater than 25%	–
Maximum Credit Exposure to Affiliates	Not greater than 25%	3.21
Minimum Collateral Coverage Ratio (Loan 1)	Not less than 125%	140.92
Minimum Collateral Coverage Ratio (Loan 2)	Not less than 125%	138.49

The Bank’s non-compliance with these financial indicators may lead to negative consequences, including the requirement for early repayment of borrowings upon the request of the borrower.

Considering that the Bank did not breach the NBU regulations during 2025, and has a safety buffer for the majority of the NBU’s prudential ratios and the minimum values of the established covenants as at 31 December 2025, and taking into account the Bank's forecasts, the risk of covenant breach over the next 12 months is not significant.

As at 31 December 2025, the Bank complied with all financial indicators established by agreements on other borrowed funds.

Information on changes in the Bank’s liabilities on other borrowed funds, including cash and non-cash changes, is provided in Note 18.

Analysis of other borrowed funds by interest rate risk, geographical concentration risk, currency risk, and liquidity risk is presented in Note 27. Information on provisions for other borrowed funds described above is presented in Note 29.

(in thousands of hryvnias)

17. Subordinated debt

	Currency	Maturity	Nominal rate, %	31 December 2025	31 December 2024
Subordinated debt received from a related party-individual	USD	30 December 2032	6	89,146	86,122
Subordinated debt received from a related party-individual	USD	30 December 2032	7	72,201	76,193
Subordinated debt received from a related party-individual	USD	30 December 2032	5	160,218	162,912
Total subordinated debt				321,565	325,227

In August 2025, the Bank entered into amendments to all existing subordinated debt agreements to extend their maturity to 30 December 2032. The effect of the amendments, amounting to UAH 9,462 thousand, was recognized directly in the Bank’s equity as a result of transactions with a shareholder.

18. Reconciliation of liabilities arising from financial activities

The tables below provide detailed information on changes in the Bank’s major liabilities arising from financial activities, including cash and non-cash changes. Liabilities arising from financial activities relate to obligations for which cash flows were, or future cash flows will be, classified in the Bank’s statement of cash flows as cash flows from financial activities for 2025 and 2024.

							Non-cash changes	
	1 January 2025	Cash inflows	Repay-ment of principal amount of debt	Interest payments	Interest expense	Foreign exchange diffe-rences	Other non-cash changes	31 Decem-ber 2025
Other borrowed funds	398,648	–	(81,044)	(30,392)	33,271	1,996	–	322,479
Subordinated debt	325,227	–	–	(19,143)	21,454	2,529	(8,502)	321,565
Lease liabilities	80,924	–	(40,636)	(45,652)	44,809	64	34,453	73,962
Total reconciliation of liabilities arising from financial activities	804,799	–	(121,680)	(95,187)	99,534	4,589	25,951	718,006

(in thousands of hryvnias)

18. Reconciliation of liabilities arising from financial activities (continued)

				Non-cash changes				
	1 January 2024	Cash inflows	Repayment of principal amount of debt	Interest payments	Interest expense	Foreign exchange differences	Other non-cash changes	31 December 2024
Other borrowed funds	412,542	–	(60,221)	(40,172)	42,750	43,749	–	398,648
Subordinated debt	291,697	–	–	(18,486)	20,906	31,110	–	325,227
Lease liabilities	46,387	–	(38,255)	(28,762)	30,288	563	70,703	80,924
Total reconciliation of liabilities arising from financial activities	750,626	–	(98,476)	(87,420)	93,944	75,422	70,703	804,799

19. Issued capital

	Number of issued shares	Amount
As at 1 January 2024	3,073,500	1,517,712
As at 31 December 2024	3,073,500	1,517,172
As at 31 December 2025	3,073,500	1,517,172

In accordance with Ukrainian legislation, the Bank distributes its profits as dividends or transfers them to reserves based on financial information prepared in accordance with the requirements of the National Bank of Ukraine.

In 2025 and 2024, no dividends on ordinary shares of the Bank were declared.

19. Issued capital (continued)

The reserve and other funds in equity accounted for in accordance with the NBU requirements amounted to UAH 91,627 thousand as at 31 December 2025 (as at 31 December 2024: UAH 78,885 thousand). Charges to the reserve and other funds are made from the net profits for the reporting year retained by the Bank after paying taxes and making other mandatory payments and should be at least 5% of the Bank’s net profits. The reserve and other funds may only be used to cover losses of the Bank for the reporting year in accordance with the decision of the Bank’s Supervisory Board and in line with the procedure established by the General Shareholders’ Meeting.

In May 2025, the sole shareholder adopted a resolution approving the profit for 2024 of UAH 254,851 thousand (2023: UAH 236,035 thousand) and its distribution as follows:

- UAH 12,743 thousand (2023: UAH 11,802 thousand) distributable to the Bank’s reserve and other fund;
- UAH 242,108 thousand (2023: UAH 224,233 thousand) to remain undistributed.

As at 31 December 2025, all shares were represented by ordinary shares with a nominal value of UAH 493.63 per share (as at 31 December 2024: UAH 493.63 per share).

(in thousands of hryvnias)

20. Interest income and expense

	For 12 months of 2025	For 12 months of 2024
Interest income		
Interest income on financial assets measured at amortized cost (calculated using the effective interest rate method):		
Loans to legal entities	1,716,127	1,494,222
Investments in securities at amortized cost	1,587,600	886,240
Loans and advances to banks	75,956	145,498
Loans to individuals	86,814	46,037
Interest income on financial assets measured at fair value through other comprehensive income:		
Investments in securities at fair value through other comprehensive income	705,742	531,356
Total interest income	4,172,239	3,103,353
Interest expense		
Interest expense on financial liabilities measured at amortized cost:		
Current/settlement accounts	1,457,645	812,997
Term deposits of legal entities	309,600	172,159
Term deposits of individuals	222,675	125,377
Other borrowed funds (Note 18)	33,271	42,750
Subordinated debt (Note 18)	21,454	20,906
Due to other banks	1,532	1,587
Other interest expenses:		
Interest expenses on lease liabilities (Note 18)	44,809	30,288
Total interest expenses	2,090,986	1,206,064
Net interest income (Net interest expense)	2,081,253	1,897,289

(in thousands of hryvnias)

21. Commission income and expense

	For 12 months of 2025	For 12 months of 2024
Commission income		
- Cash and settlement transactions	1,664,742	1,254,702
- Purchase and sale of foreign currency	168,248	152,488
- Guarantees and letters of credit issued	89,526	75,630
- Lending transactions	16,286	13,331
- Use of safe deposits	9,436	8,336
- Cash collection	6,110	6,636
- Other	3,924	5,778
Total commission income	1,958,272	1,516,901
Commission expense		
- Commission for settlement services	1,313,127	923,909
- Commission on operations with securities	13,868	11,298
- Commission for payment processing	9,507	5,837
- Commissions on agents' services to attract customers	5,577	6,542
- Commission for off-balance-sheet operations	1,188	15,150
- Other	7,291	4,547
Total commission expense	1,350,558	967,283
Net commission income	607,714	549,618

22. Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9

	For 12 months of 2025	For 12 months of 2024
Cash and cash equivalents	(1,333)	3,269
Loans and advances to banks	398	(745)
Loans and advances to customers	278,419	(100,537)
Investments in securities	(57,050)	(99,874)
Other financial assets	(4,666)	5,253
Loan commitments	(11,524)	(3,306)
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	204,244	(195,940)

(in thousands of hryvnias)

23. Other operating income (expense)

	For 12 months of 2025	For 12 months of 2024
Other operating income		
Leasing (rental) income	38,233	31,840
Income from MasterCard and Visa on implementation of a joint marketing program	28,424	14,168
Income on derecognition of financial liabilities	5,877	1,398
Royalty income	4,490	3,392
Income on discounts received on lease payments (variable portion)	3,024	6,252
Income on recognition of repossessed collateral	–	3,316
Income on modification of financial liabilities	–	1,173
Income on modification of financial assets	–	–
Other	15	3,497
Total other operating income	80,063	65,036
Other operating expense		
Income on modification of financial assets	302	3,164
Income on modification of financial liabilities	1,104	–
Total other operating expense	1,406	3,164
Total other operating income (expense)	78,657	61,872

24. Employee benefit expense

For the year ended 31 December 2025, employee benefit expense amounted to UAH 994,723 thousand (2024: UAH 811,411 thousand).

Included in employee benefit expense for 2025 was unified social contribution in the amount of UAH 144,279 thousand (for 2024: UAH 116,500 thousand).

(in thousands of hryvnias)

25. Other administrative and operating expenses

	For 12 months of 2025	For 12 months of 2024
Expenses for maintenance of premises, equipment, and IT systems	666,321	523,357
Expenses for processing services, communications, mail, and information systems	176,790	163,931
Royalties	71,820	122,000
Contributions to the Individual Deposit Guarantee Fund	51,554	42,222
Expenses on leases with low value underlying assets and short-term leases	40,524	33,421
Sponsorship and charity	22,093	27,355
Expenses for IT services	21,954	21,020
Expenses for contact center services	21,807	20,635
Professional services	21,557	13,696
Advertising and marketing services	15,937	13,146
Utilities	14,545	14,770
Security services	11,251	10,594
Business trips expenses	6,351	3,559
Other taxes and mandatory payments, other than income tax	6,257	2,320
Other	49,214	25,966
Total other administrative and operating expenses	1,197,975	1,037,992

Included in royalty were monthly payments for using the trade mark of “Vlasnyi Rakhunok” to a related party – an entity under control of major shareholders in the amount of UAH 59,493 thousand (for 2024: UAH 111,766 thousand).

Expenses on maintenance of premises and equipment and support of IT systems includes expenses on services for IT systems maintenance received from a related party – an entity under control of major shareholders in the amount of UAH 430,561 thousand (for 2024: UAH 395,574 thousand).

Expenses on sponsorship and charity include expenses on providing charitable assistance to a related party – an entity under the control of the main shareholders in the amount of UAH 9,240 thousand (for 2024: UAH 12,763 thousand).

26. Tax expense

Components of tax expense. Tax expense recognized in profit or loss for the year comprised of the following components:

	2025	2024
Current tax	(215,455)	(259,682)
Deferred tax	11,297	(1,042)
Tax expense	(204,158)	(260,724)

(in thousands of hryvnias)

26. Tax expense (continued)

Reconciliation between the tax expense and profit or loss multiplied by the tax rate. The tax rate applicable to the Bank's income for 2025 was 25% (2024: 50%). Starting in 2026, the Bank's tax rate will be 50%, and starting in 2027, it will be 25%. A reconciliation of expected and actual tax expenses is provided below.

	2025	2024
Profit (loss) before tax	828,562	515,574
Theoretical tax charges at the statutory tax rate	(207,140)	(257,787)
Tax effect of items which are not deductible for tax purposes or are not included in the taxable amount:		
- Non-deductible expenses	(8,281)	(5,542)
- Income not recognized in financial accounting	–	–
- Changes in recognized tax assets/liabilities	11,297	(1,042)
- Other changes not taken into account in tax accounting	(34)	3,647
Tax expenses	(204,158)	(260,724)

Deferred taxes analyzed by type of temporary differences. Differences between statutory tax regulations in Ukraine and IFRS give rise to certain temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of movements in those temporary differences is detailed below, and is recorded at a rate of 50% for the period of 2026 and 25% starting 1 January 2027, as at 31 December 2025 (2024: 50%).

	1 January 2025	Recognized in profit or loss	Recognized in other comprehen-sive income	31 December 2025
Tax effect of deductible/(taxable) temporary differences				
Property, plant and equipment	2,635	2,776	–	5,411
Expense accrued	3,277	8,521	–	11,798
Investments in securities	(50,025)	–	(43,144)	(93,169)
Net deferred tax assets/(liabilities)	(44,113)	11,297	(43,144)	(75,960)
Deferred tax assets recognized	12,014	11,297	(6,102)	17,209
Deferred tax liabilities recognized	(56,127)	–	(37,042)	(93,169)
Net deferred tax assets/(liabilities)	(44,113)	11,297	(43,144)	(75,960)

(in thousands of hryvnias)

26.Tax expense (continued)

The tax effect of movements in temporary differences in 2024 is detailed below:

	1 January 2024	Recognized in profit or loss	Recognized in other comprehen-sive income	31 December 2024
Tax effect of deductible/(taxable) temporary differences				
Property, plant and equipment	3,200	(565)	–	2,635
Expense accrued	3,754	(477)	–	3,277
Investments in securities	(34,999)	–	(15,026)	(50,025)
Net deferred tax assets/(liabilities)	(28,045)	(1,042)	(15,026)	(44,113)
Deferred tax assets recognized	13,056	(1,042)	–	12,014
Deferred tax liabilities recognized	(41,101)	–	(15,026)	(56,127)
Net deferred tax assets/(liabilities)	(28,045)	(1,042)	(15,026)	(44,113)

27. Financial risk management

The risk management function within the Bank is described in respect of financial risks, operating risks, and compliance risks. Financial risks comprise market risk, interest rate risk of bank book, credit risk, and liquidity risk. Primary objectives of the financial risk management function are to maintain the acceptable level of risk within the established risk appetite and other set limits and restrictions, ensure the capital adequacy to cover material risks, financial stability of the Bank and its development under the Strategic Plan of the Bank’s Development and determined business model, improve the efficiency of capital management, and increase the value of the Bank’s equity.

Risks are managed in an integrated manner and assessed in terms of the Bank’s Risk Management Strategy and Risk Appetite Declaration, which are reviewed and approved by the Supervisory Board on an annual basis. The operating and compliance risk management functions are intended to ensure proper functioning of internal policies and procedures aimed at minimizing those risks.

The collegiate bodies responsible for risk management functions are represented by: the Supervisory Board, the Management Board, Assets and Liabilities Management Committee (“ALCO”), Credit Committee (for corporate and retail business and interbank operations), Operating Risk Management Committee (“ORMC”), and Tariff Committee.

27.Financial risk management (continued)

The Supervisory Board has the highest degree of authority with respect to risk management, and is empowered through the Charter to approve any transactions on behalf of the Bank, including those which are outside of the scope of the authority of the Management Board and other governing bodies (ALCO, ORMC, Tariff and Credit Committees).

The Management Board is generally responsible for the activities of the Bank, including those relating to risk management. The Management Board delegates its powers with respect to overall asset, liability, and risk management to ALCO, ORMC, Credit Committee, and Tariff Committee.

ALCO coordinates work of all structural units of the Bank with the aim of implementing asset and liability management strategies, optimizing asset and liability structure, utilizing effectively and efficiently the Bank’s credit resources, minimizing risks and achieving a sufficient profitability level. ALCO manages foreign currency risk, interest rate risk of a bank book, and liquidity risk.

Credit Committees and Commissions make and approve decisions on lending transactions within their respective authorities, as well as on other credit-related issues relating to corporate and retail customers and regarding setting up limits for the parties operating in interbank market (foreign exchange and money markets). They also make decisions on creating allowances for expected credit losses.

In the event the amount of lending operation or the total amount of the exposure of a customer (or a group of related parties) to the Bank, taking into account all off-balance sheet liabilities issued by the Bank in respect this customer (a group of related parties), as well as the transactions on assigning/acquiring claims on loans, exceeds the level of 10% of the Bank’s regulatory capital, a decision regarding the transaction is subject to approval by the Management Board and the Supervisory Board.

Decisions to issue loans, guarantees, or sureties to related parties (other than banks) in the amount exceeding 1% of the regulatory capital (to individuals) or 3% of the regulatory capital (to legal entities) are made by the Management Board, subject to further approval by the Supervisory Board of the Bank.

Tariff Committee of the Bank acts with the aim of providing additional measures for risk management and optimization of the tariff policy regarding the Bank’s products and services provided to the Bank’s customers. Tariff Committee, within its area of responsibilities, performs monthly analysis of the ratios related to service costs and competitiveness of the Bank’s tariffs in the market, and also is responsible for operating income policies.

During 2025, no changes occurred in risk management policies.

27. Financial risk management (continued)

Credit risk. Credit risk represents the Bank's exposure to financial or additional losses or shortages in planned income as a result of failure by a borrower or counterparty to fulfill its contractual obligations. Credit risk exposure arises mainly from loans and advances granted and investment securities. For risk management reporting purposes, the Bank considers and consolidates all credit risk elements (such as a risk of failure of certain borrowers and counterparties to perform their obligations, as well as risks inherent to certain countries and industries).

The Bank believes that its maximum credit risk exposure on financial assets is equal to the carrying value of those financial assets.

Credit risk management system in the Bank ensures for timely and adequate identifying, measuring, monitoring, reporting, controlling, and mitigating credit risk on both individual and collective bases.

In granting and supporting off-balance sheet loan commitments (obligations on unused loans and letters of credit) and guarantees, the Bank uses the same procedures for their considering, approving, and maintaining as for the loans granted.

A process for credit risk management is established in the following regulations of the Bank: the Bank's Risk Management Strategies, the Bank's Credit Policies and Credit Risk Management Policies, as well as methodologies and regulations determining the procedure for assessing a degree of credit risk of financial instruments and expected credit losses.

Key principles applied in the process of credit risk management include:

- Ensuring the balance of acceptable risk level and rate of return;
- Establishing risk appetite indicators for this type of risk;
- Assessing terms and conditions of a lending operation, including a collateral;
- Estimating and setting lending limits for borrowers/groups of the Bank's related counterparties;
- Accrediting independent appraisers of collateralized properties of the Bank's borrowers;
- Monitoring on a regular basis the availability and condition of collateral items;
- Assessing the Bank's loan portfolio risks;
- Maintaining regular management reporting.

The credit risk management process in the Bank consists of the following stages:

- Identifying risks – determining risk sources;
- Assessing risks – determining and assessing the extent of risks identified;
- Controlling risks – setting limits to the extent of acceptable risks;
- Monitoring risks – a process of consistent tracking of risk sources.

27. Financial risk management (continued)

The Bank applies the following methods to manage its credit risk:

- Preventing risk before a transaction held;
- Planning a risk level through assessing the level of estimated losses;
- Limiting the credit risk by setting limits within the approved risk appetite;
- Creating provisions for covering possible losses on loans granted;
- Structuring agreements;
- Managing the adequacy of collateral on agreements;
- Applying the system of authorities in making decisions;
- Identifying in a timely manner the assets that may potentially turn out to be non-performing (NPLs) through the implemented system of early warning;
- Conducting a consistent monitoring and control of the risk level.

To minimize credit risk, the Bank also uses pledges and other types of collateral.

A decision on active operations with large corporate customers is made by the Bank's Credit Committees and Credit Commissions. In making its lending decisions, the Bank evaluates potential borrowers on the basis of their financial positions as reflected in their financial statements, their credit history, and the amount of risk involved in lending to a particular borrower.

In assessing risks associated with a particular borrower-legal entity or individual entrepreneur obtaining a loan for conducting business activities, the Bank takes into account the borrower's financial position, its solvency and payment abilities, market analysis, risks related to the industry in which the borrower operates, and market positions of the borrower's business, as well as factors such as the quality of its management, its geographic location, concentration of suppliers/customers, debt load, the liquidity of the proposed collateral, and whether it is sufficient in view of the credit risk.

The Bank assesses credit risk concentrations by portfolios of active operations taken as a whole and by individual components.

The Bank's Management Board has approved limits on active operations by industries and a range of loan products. As at 31 December 2025, all credit transactions were performed within the limits set.

Measuring expected credit losses on financial assets assessed on a collective basis. Assessment of credit risk for risk management purposes is comprehensive and requires using a certain model, since the exposure of credit risk changes depending on market condition developments, estimated cash flows, and time. The Bank assesses credit risk by using such indicators as probability of default (PD), exposure at default (EAD), and loss given default (LGD). In accordance with IFRS 9 "Financial Instruments" requirements, the Bank creates allowances for expected credit losses.

Expected credit losses on securities (including domestic government bonds) are measured within the general impairment model with reference to credit risk parameters.

27. Financial risk management (continued)

In assessing whether a significant increase in credit risk has occurred since initial recognition, the Bank considers both quantitative and qualitative indicators. Qualitative indicators are determined separately depending on the type of financial assets (corporate, retail, interbank loans, securities, financial accounts receivable). One of the qualitative criteria performs a function of “backstop” indicator (number of days past due). The Bank uses a rebuttable presumption that a credit risk on the financial asset has increased significantly since initial recognition if the period of delays in contractual payments is in excess of 30 days.

The Bank determines the availability of a significant increase in credit risk by individual loan agreements/tranches. Specifically, the Bank uses indicators (attributes) in respect of both customers taken as a whole and their assets in particular. As indicators (attributes) of a significant increase in credit risk, the Bank uses changes in indicators at the reporting date in respect of individual loan agreements/tranches compared to the date of initial recognition. The Bank uses the following indicators (attributes) in determining the availability of a significant increase in credit risk and including a financial instrument to Stage 2:

- For counterpart banks:
  - Amounts past due for more than 30 days;
  - Decreased external rating;
  - Available facts on the failure to meet the NBU’s ratios (not applicable when the NBU’s permits or remediation plans agreed with the NBU are available).

- For counterpart individuals:
  - Amounts past due for more than 30 days;
  - Delays in loan (interest) repayment/unauthorized overdrafts during recent 6 months;
  - Blocked current accounts.

- For counterpart legal entities:
  - Amounts past due for more than 30 days;
  - Significant increase in the ratio of debt to EBITDA;
  - Available information on legal claims of third parties to customers, management, or properties;
  - Blocked current accounts;
  - Violated significant terms and conditions of loan agreements (covenants);
  - Negative values of equity for 3 successive years;
  - Negative credit history;
  - Deteriorated Class by 3 and more positions, with the transfer to not higher than Class 6;
  - Significant decrease in monthly volumes on current accounts;
  - Other criteria evidencing on changes in the credit risk.

27. Financial risk management (continued)

- for counterpart securities issuers:

  - Amounts past due on payments for more than 30 days ;
  - Decreased external rating.

The Bank uses one or a combination of indicators, together with own judgment, in determining the availability of a significant increase in credit risk depending on the available information, peculiarities of borrowers, their assets, etc.

The Bank considers the following as constituting an event of default for a financial asset or a group of financial assets (including a financial instrument to Stage 3):

- Significant financial difficulties of the borrower or issuer.
- A breach of contract such as a default or past due event regarding repayment of a principal or interest for more than 90 days. Certain delays in debt repayment above 90 days may not be an evidence of impairment. A decision on whether the asset has impairment indicators should be taken on the basis of additional information.
- Negative restructuring associated with a borrower's financial difficulties and a significant decrease in expected flows from its assets; besides, full fulfillment of obligations (at the expense of all sources, including realization of collateral) in the next five years cannot be substantiated. Financial difficulties of a borrower are such changes in the financial position of the borrower, due to which late payments would be allowed and/or losses would be recognized as a reduction in the value of the loan, if the appropriate loan restructuring were not performed.
- The loss of an active market by the borrower.
- The failure in prerequisites for the credited project to be realized.
- Impairment of the collateral when the loan repayment is directly dependable on the collateral value.
- A high probability of the borrower to announce its bankruptcy or financial reorganization.
- Observable data about the decreased cash flows from the group (negative changes in the status of borrowers' repayments in the group or impact of economic conditions on fulfillment of obligations).
- Sales of a counterparty's loans at a high discount .
- Write off of one or several assets of the counterparty at the cost of an allowance.

The Bank uses one or a combination of indicators, together with own judgment, in determining whether there is a default depending on the available information, peculiarities of borrowers, their assets, etc.

The Bank uses both individual and collective assessments when determining expected credit losses.

As inputs for calculating expected credit losses, the Bank uses internal historical information in respect of defaults, recoveries received at default, expectations as to lives of financial instruments, periods of collateral sales, etc.

27. Financial risk management (continued)

Calculation of allowance for expected credit losses on loans and advances to customers measured on an individual basis. The Bank assesses on an individual basis loans and advances to customers in respect of which indicators of significant increase in credit risk have been identified at the reporting date and which, by the total carrying value, are considered to be material. Loans to legal entities in respect of which default indicators have been identified (included to Stage 3) are mandatorily measured on an individual basis. The Bank may assess the remaining assets both on an individual basis based on its own judgment and on a collective basis by uniting them in groups of loans with similar credit risk parameters. The estimation of expected credit losses by each loan measured on an individual basis is performed based on discounted cash flows under several scenarios weighted for the probability of each scenario. he Bank considers several scenarios of repaying funds by a borrower under each individual financial asset and takes into account each of them even when a repayment of debt under the specific scenario is considered to be remote. The Bank considers the following standard scenarios for the recovery of loans:

- Independent repayment of the loans in accordance with the current schedule;
- Independent repayment of the loans at the cost of debt restructuring;
- Sale of the borrower's loans;
- Repayment of the borrower's loans at the cost of sale of collateral under this loan;
- Write-off of the borrower's loans through creating allowances for this debt in full amounts.

In addition to the above scenarios, the Bank may consider customized scenarios.

In the course of analyzing future cash flows, the Bank considers all information available at the date of calculating the allowance that should be based on reasonable assumptions and forecasts that should be properly documented (substantiation of the expected cash flows, availability of the factors affecting the forecast, assumptions of the Bank, possible scenarios). The Bank determines a probability for exercising each scenario under the financial instruments measured on an individual basis, with reference to the available information about a borrower, current and forward-looking macroeconomic conditions, as well as the Bank's experience based on judgments and reasonable assumptions. The Bank uses all available and supportable information received without excessive efforts that may have an impact on the probability of one or several scenarios. Probabilities of scenarios are determined by applying expert judgments of the Bank's management or statistically, in the event a historical range of data is available.

The estimation of allowances for non-cancellable off-balance sheet liabilities and guarantees measured on an individual basis is performed on the same principles as for on-balance sheet financial instruments.

The only significant difference is the use of credit conversion factor (CCF) in determining the gross carrying value at risk.

27.Financial risk management (continued)

Calculation of the allowance for expected credit losses on loans and advances to customers measured on a collective basis. The Bank unites the financial instruments measured at the reporting date on an individual basis into groups of financial assets with similar credit risk characteristics (e.g., based on type of a borrower, period of a delay, overdue period, currency of the asset, internal classification of loans that may consider loan term, industry, designated use, geographical location of the borrower, type of collateral, and other factors) and assesses the expected credit losses on a collective (portfolio) basis. The key inputs used for measuring expected credit losses are:

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

The probability of default (PD) is an estimate of the likelihood of default occurring within a specified time horizon. It is estimated at a specific point in time. The calculation is based on statistical models (the Weibull function or the construction of delinquency migration matrices). These statistical models are based on market data (when available) as well as internal data, which includes both quantitative and qualitative factors. The estimate is based on historical data and current conditions, adjusted to reflect estimates of future conditions that will affect the probability of default (the Bank adjusts the determined probability of default in accordance with the forecast macroeconomic scenario).

Loss given default (LGD) is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. LGD models for secured assets consider collateral valuation taking into account sale discounts, time to realization of collateral, cost of realization of collateral and time of recovery. LGD models for unsecured assets consider historical data about time of recovery and recovery rates.

Exposure at default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities. The Bank’s modelling approach for EAD reflects expected changes in the balance outstanding over the lifetime of the loan exposure that are permitted by the current contractual terms, such as repayment in accordance with the contractual schedule, changes in utilization of undrawn commitments, and credit mitigation actions taken before default.

Incorporation of forward-looking information in respect of macroeconomic indicators. Expected credit losses are calculated with reference to expectations regarding changes in a range of macroeconomic indicators such as: inflation, exchange rate, GDP and unemployment rate. A projection of macroeconomic indicators has been developed by the Bank for the horizon of forecast of one year. In modelling the projection, the Bank has used both historical data for 2025 and 2024, and assumptions and published data about future macroeconomic factors prepared by the National Bank of Ukraine, the Ministry of Economic Development and Trade, and the Ministry of Finance of Ukraine, and international financial institutions.

(in thousands of hryvnias)

27. Financial risk management (continued)

The tables below analyze information on significant changes in the gross carrying value of loans and advances to customers during the period and investments in securities measured at fair value through other comprehensive, as well as movements in allowance for expected credit losses during 2025 and 2024. Movements in expected credit losses on loans and advances to banks, investments in securities measured at amortized cost, guarantees, and other loan commitments are insignificant for the purpose of these financial statements.

Loans and advances to customers measured at amortized cost – change in gross carrying value by Stage:

	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired loans	Total
31 December 2024	8,618,234	1,707,834	1,407,798	109,540	11,843,406
New loans granted to customers or originated	8,983,664	–	–		8,983,664
Transfer to Stage 1	211,194	(211,194)	–	–	–
Transfer to Stage 2	(932,953)	953,949	(20,996)	–	–
Transfer to Stage 3	–	(245,869)	245,869	–	–
Loans derecognition (repaid)	(5,559,280)	(683,279)	(687,713)	(50,292)	(6,980,562)
Written off and sold	–	–	(37,508)	(54,156)	(91,664)
Changes due to modification that had not resulted in derecognition	(692)	(729)	558	–	(863)
Effect of other changes (including foreign currency exchange rate fluctuations and partial repayment)	(404,418)	(115,244)	5,775	19,942	(493,946)
31 December 2025	10,915,749	1,405,468	913,783	25,034	13,260,034

(in thousands of hryvnias)

27. Financial risk management (continued)

	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired loans	Total
31 December 2023	6,596,208	1,618,017	1,161,383	102,367	9,477,975
New loans granted to customers or originated	8,393,617	–	–	54,709	8,448,326
Transfer to Stage 1	120,979	(120,979)	–	–	–
Transfer to Stage 2	(1,309,740)	1,496,887	(187,147)	–	–
Transfer to Stage 3	–	(553,415)	553,415	–	–
Loans derecognition (repaid)	(4,917,129)	(662,839)	(116,910)	(40,394)	(5,737,272)
Written off and sold	–	–	(35,767)	–	(35,767)
Changes due to modification that had not resulted in derecognition	(1,613)	(3,651)	255	–	(5,009)
Effect of other changes (including foreign currency exchange rate fluctuations and partial repayment)	(264,088)	(66,186)	32,569	(7,142)	(304,847)
31 December 2024	8,618,234	1,707,834	1,407,798	109,540	11,843,406

Loans and advances to customers measured at amortized cost – movements in allowance for expected credit losses by Stage:

	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired loans	Total
31 December 2024	112,012	352,156	913,511	76,617	1,454,296
New loans granted to customers or originated	163,928	–	–	–	163,928
Transfer to Stage 1	50,953	(50,953)	–	–	–
Transfer to Stage 2	(99,791)	120,689	(20,898)	–	–
Transfer to Stage 3	–	(36,123)	36,123	–	–
Loans derecognition (repaid)	(63,152)	(151,891)	(416,051)	(31,805)	(662,899)
Written off and sold	–	–	(37,508)	(55,147)	(92,655)
Effect of changes in models or risk parameters	(50,733)	90,469	109,085	7,070	155,891
Effect of other changes (including foreign currency exchange rate fluctuations and partial repayment)	(11,537)	(16,582)	(4,759)	(2,965)	(35,843)
31 December 2025	101,680	307,765	579,503	(6,230)	982,718

(in thousands of hryvnias)

27. Financial risk management (continued)

	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired loans	Total
31 December 2023	114,277	345,587	726,798	47,459	1,234,121
New loans granted to customers or originated	214,899	–	–	28,791	243,690
Transfer to Stage 1	17,094	(17,094)	–	–	–
Transfer to Stage 2	(125,148)	157,527	(32,379)	–	–
Transfer to Stage 3	–	(63,315)	63,315	–	–
Loans derecognition (repaid)	(83,702)	(118,340)	(69,027)	(646)	(271,715)
Written off and sold	–	–	(35,767)	–	(35,767)
Effect of changes in models or risk parameters	(14,869)	50,784	236,548	(7,005)	265,458
Effect of other changes (including foreign currency exchange rate fluctuations and partial repayment)	(10,539)	(2,993)	24,023	8,018	18,509
31 December 2024	112,012	352,156	913,511	76,617	1,454,296

To disclose changes in gross carrying value of loans and advances to customers during the period, as well as movements in allowance for expected credit losses during 2025 and 2024, all changes in gross carrying value and allowance for loans recognized during the reporting period are presented in line "New loans and advances to customers or originated loans" irrespective of the reason for the said changes.

As at 31 December 2025, undiscounted amount on the initial impairment of originated credit-impaired loans recognized on their initial recognition and not included in allowances amounted to UAH 238,999 thousand (as at 31 December 2024: UAH 213,661 thousand).

The Bank does not disclose the effect of modification on financial assets measured at amortized cost or fair value through other comprehensive income in the form of a separate table, since the modification of financial assets that took place during 2025 and 2024 that resulted in the transfer of modified financial assets with lifetime expected credit losses to the category of financial assets with 12-month expected credit losses had no significant impact on the statement of comprehensive income, profit or loss.

The tables below analyze information on significant changes in the gross carrying value of investments in securities measured at fair value through other comprehensive income during the period, as well as movements in allowance for expected credit losses during 2025 and 2024.

(in thousands of hryvnias)

27. Financial risk management (continued)

Investments in securities measured at fair value through other comprehensive income – change in gross carrying value by Stage:

	Stage 1	Stage 2	Total
31 December 2024	5,227,627	145,397	5,373,024
New investments in securities	5,041,267	–	5,041,267
Investments in securities derecognition (repaid and sold)	(3,293,272)	–	(3,293,272)
Effect of other changes (including foreign currency exchange rate fluctuations)	(214,342)	7,469	(206,873)
31 December 2025	6,761,280	152,866	6,914,146

	Stage 1	Stage 2	Total
31 December 2023	3,157,466	236,526	3,393,992
New investments in securities	4,127,964	–	4,127,964
Investments in securities derecognition (repaid and sold)	(2,192,781)	(105,321)	(2,298,102)
Effect of other changes (including foreign currency exchange rate fluctuations)	134,978	14,192	149,170
31 December 2024	5,227,627	145,397	5,373,024

Investments in securities measured at fair value through other comprehensive income – movements in allowance for expected credit losses by Stage:

	Stage 1	Stage 2	Total
31 December 2024	210,244	12,718	222,962
New investments in securities	192,158	–	192,158
Investments in securities derecognition (repaid and sold)	(117,884)	–	(117,884)
Effect of changes in models or risk parameters	(1,484)	(2,268)	(3,752)
Effect of other changes (including foreign currency exchange rate fluctuations)	(14,073)	654	(13,419)
31 December 2025	268,961	11,104	280,065

(in thousands of hryvnias)

27. Financial risk management (continued)

	Stage 1	Stage 2	Total
31 December 2023	111,585	11,614	123,199
New investments in securities	179,432	–	179,432
Investments in securities derecognition (repaid and sold)	(74,837)	(701)	(75,538)
Effect of changes in models or risk parameters	(6,029)	626	(5,403)
Effect of other changes (including foreign currency exchange rate fluctuations)	93	1,179	1,272
31 December 2024	210,244	12,718	222,962

Concentration risk. Concentration risk is determined by the Bank as the risk of possible losses due to concentration of the risk on particular instruments, individual transactions, and sectors of economy.

Concentration of assets and liabilities by currencies, maturities, and geographical indicators are analyzed in relevant risk management policy sections.

Market risk. The Bank takes on exposure to market risks. Market risks arise from open positions in (a) currency, (b) interest rates, and (c) equity products, all of which are exposed to general and specific market movements. Management sets limits on the value of risk that may be accepted, which is monitored on a daily basis. However, the use of this approach does not prevent losses outside of those limits in the event of more significant market movements. Overall authority for market risk is vested to ALCO.

Foreign currency risk. In respect of currency risk, management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions (monitored daily). Management monitors the Bank’s currency positions in accordance with the regulations of the NBU and internally developed methodology.

The table below summarizes the Bank’s exposure to foreign currency risk concentration as at 31 December 2025.

				31 December 2025
	Non-derivative financial assets	Non-derivative financial liabilities	Derivative financial assets/ (liabilities)	Net position
UAH	32,648,290	30,024,901	192,662	2,816,051
USD	7,455,851	7,276,918	(191,413)	(12,480)
EUR	2,919,341	2,918,082	–	1,259
Other	94,936	82,721	–	12,215
Total	43,118,418	40,302,622	1,249	2,817,045

(in thousands of hryvnias)

27. Financial risk management (continued)

The table below summarizes the Bank's exposure to foreign currency risk concentration as at 31 December 2024.

	31 December 2024			
	Non-derivative financial assets	Non-derivative financial liabilities	Derivative financial assets/ (liabilities)	Net position
UAH	24,582,467	22,510,933	187,110	2,258,644
USD	6,958,625	6,976,192	(126,005)	(143,572)
EUR	2,003,710	1,972,515	(60,848)	(29,653)
Other	77,112	69,938	–	7,174
Total	33,621,914	31,529,578	257	2,092,593

The above analysis includes only monetary financial assets and liabilities.

The following table presents sensitivities of profit or loss, before tax, and equity to reasonably possible changes in exchange rates applied at the end of the reporting period relative to the functional currency of the Bank, with all other variables held constant:

	31 December 2025		31 December 2024	
	Impact on profit or loss	Impact on equity	Impact on profit or loss	Impact on equity
USD strengthening by 15% (2024: strengthening by 15%)	(1,872)	(1,404)	(21,536)	(10,786)
USD weakening by 5% (2024: weakening by 5%)	624	468	7,179	3,590
EUR strengthening by 15% (2024: strengthening by 15%)	189	142	(4,448)	(2,224)
EUR weakening by 5% (2024: weakening by 5%)	(63)	(47)	1,483	742
Other currency strengthening by 15% (2024: strengthening by 15%)	1,832	1,374	1,076	538
Other currency weakening by 5% (2024: weakening by 5%)	(611)	(458)	(359)	(180)

A negative amount in the table reflects a potential net reduction in the statement of comprehensive income, profit or loss or the statement of changes in equity, while a positive amount reflects a net potential increase. The sensitivity was calculated only for monetary balances denominated in currencies, other than the functional currency of the Bank.

The above effect of changes in currency rates on the profit and equity relates to revaluation of open currency position only and does not take into account the potential decrease in credit quality of assets as a result of devaluation of Ukrainian Hryvnia.

(in thousands of hryvnias)

27. Financial risk management (continued)

Interest rate risk. The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes, but may reduce or create losses in the event when unexpected movements arise. Management monitors on a daily basis and sets limits on the level of mismatch of interest rate repricing that may be undertaken. In practice, management resets interest rates on both assets and liabilities based on current market conditions and mutual agreement, which is documented in an addendum to the original agreement, which sets forth the new interest rate.

ALCO and Credit Committees are responsible for interest rate risk management, including minimum credit and maximum borrowing rates in respect of products, customer groups, and counterparties. Credit Committees are responsible for ensuring compliance with guidelines set by ALCO. At the same time, the corporate and retail business divisions recommend altering certain interest rates to ALCO subject to changes in market conditions or for internal reasons. Interest rate risk management is conducted using GAP analysis method, whereby the difference or gap between rate sensitive assets and rate sensitive liabilities is determined and analyzed.

As at 31 December 2025, most financial assets and liabilities of the Bank were issued/attracted at a fixed interest rate. As of the end of 2025, interest was accrued at a floating rate on loans and advances to customers in the amount of UAH 3,304,410 thousand (as at 31 December 2024: UAH 2,313,432 thousand), other borrowed funds in the amount of UAH 322,479 thousand (as at 30 December 2024: UAH 398,648 thousand) (Note 30). The table below analyzes the sensitivity of interest rates on assets and liabilities at floating interest rates and investments in securities measured at fair value through other comprehensive income as at 31 December 2025 and 2024:

	31 December 2025		31 December 2024	
	Interest rate +1	Interest rate -1	Interest rate +1	Interest rate -1
Impact on profit or loss and other comprehensive income				
Sensitivity of non-derivative financial assets	33,113	(33,113)	23,134	(23,134)
Sensitivity of non-derivative financial liabilities	(3,225)	3,225	(3,986)	3,986
Sensitivity of investments in securities measured at fair value through other comprehensive income	116,348)	125,312	(83,795)	91,554
Net impact on profit or loss and other comprehensive income	(86,460)	95,424	(64,647)	72,406

(in thousands of hryvnias)

27. Financial risk management (continued)

Concentration of geographical risk. Geographical concentration of the Bank's financial assets and liabilities as at 31 December 2025 is set out below:

	Ukraine	OECD countries	Other countries	Total
Non-derivative financial assets				
Cash and cash equivalents	3,588,825	347,552	–	3,936,377
Loans and advances to banks	1,010	2,211,718	–	2,212,728
Loans and advances to customers	12,272,197	5,119	–	12,277,316
Investments in securities	22,340,292	1,228,790	900,803	24,469,885
Other financial assets	46,901	175,190	20	222,111
Total non-derivative financial assets	38,249,225	3,968,369	900,823	43,118,417
Total derivative financial assets	1,249	–	–	1,249
Total financial assets	38,250,474	3,968,369	900,823	43,119,666
Non-derivative financial liabilities				
Due to other banks	31,508	–	48,080	79,588
Customer accounts	39,071,169	54,949	211,823	39,337,941
Lease liabilities	73,962	–	–	73,962
Other borrowed funds	–	322,479	–	322,479
Provisions for loan commitments and financial guarantee contracts	21,371	4	26	21,401
Other financial liabilities	142,925	2,277	484	145,686
Subordinated debt	321,565	–	–	321,565
Total non-derivative financial liabilities	39,662,500	379,709	260,413	40,302,622
Total financial liabilities	39,662,500	379,709	260,413	40,302,622
Net position on non-derivative financial instruments	(1,413,275)	3,588,660	640,410	2,815,795
Net position on derivative financial instruments	1,249	–	–	1,249
Net position on derivative and non-derivative financial instruments	(1,412,026)	3,588,660	640,410	2,817,044

(in thousands of hryvnias)

27. Financial risk management (continued)

Financial assets and liabilities have been allocated based on the country in which the counterparty is located. Cash on hand has been allocated based on the country in which it is physically held. OECD assets and liabilities mainly include balances with counterparties in the USA, Germany, the UK, and Austria. Assets and liabilities with other countries mainly include balances with counterparties in Montenegro.

Geographical concentration of the Bank’s financial assets and liabilities as at 31 December 2024 is set out below:

	Ukraine	OECD countries	Other countries	Total
Non-derivative financial assets				
Cash and cash equivalents	2,557,151	1,535,739	–	4,092,890
Loans and advances to banks	1,068	2,672,965	–	2,674,033
Loans and advances to customers	10,383,978	5,132	–	10,389,110
Investments in securities	15,603,248	155,484	181,306	15,940,038
Other financial assets	31,723	494,095	25	525,843
Total non-derivative financial assets	28,577,168	4,863,415	181,331	33,621,914
Total derivative financial assets	465	–	–	465
Total financial assets	28,577,633	4,863,415	181,331	33,622,379
Non-derivative financial liabilities				
Due to other banks	25,111	–	54,222	79,333
Customer accounts	30,426,254	46,067	37,937	30,510,258
Lease liabilities	80,924	–	–	80924
Other borrowed funds	–	398,648	–	398,648
Provisions for loan commitments and financial guarantee contracts	9,876	–	–	9,876
Other financial liabilities	123,754	1,479	80	125,313
Subordinated debt	325,227	–	–	325,227
Total non-derivative financial liabilities	30,991,146	446,194	92,239	31,529,579
Total derivative financial liabilities	208	–	–	208
Total financial liabilities	30,991,354	446,194	92,239	31,526,640
Net position on non-derivative financial instruments	(2,413,978)	4,417,221	92,239	2,095,482
Net position on derivative financial instruments	257	–	–	257
Net position on derivative and non-derivative financial instruments	(2,413,721)	4,417,221	92,239	2,095,739

27. Financial risk management (continued)

Liquidity risk. Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities. The Bank is exposed to daily calls on its available cash resources from overnight deposits, current accounts, maturing deposits, and loan issuing. The Bank does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. Liquidity risk is managed by Assets and Liabilities Management Committee of the Bank.

The Bank seeks to maintain a stable funding base primarily consisting of corporate and retail customer deposits. The Bank invests the funds in diversified portfolios of liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's business reputation.

Treasury Department receives information from other business units regarding the liquidity profile of their financial assets and liabilities and details of other projected cash flows. Treasury Department then maintains a portfolio of short-term liquid assets to ensure that sufficient liquidity is maintained within the Bank as a whole.

The Bank has access to a diverse funding base. Funds are raised using a broad range of instruments, including deposits and contributions by shareholders. This enhances funding flexibility, limits dependence on any one source of funds, and generally lowers the cost of funds. Management strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. Deposits from customers and banks generally have short maturity and a large portion of them is repayable on demand. The short-term nature of these deposits increases the Bank's liquidity risk, and the Bank actively manages the risk through competitive pricing and constant monitoring of market trends.

The liquidity management of the Bank requires consideration of the level of liquid assets necessary to settle obligations as they fall due; maintaining access to a range of funding sources; maintaining funding contingency plans; and monitoring liquidity ratios against regulatory requirements. The Bank calculates liquidity ratios on a daily basis in accordance with the requirements of the National Bank of Ukraine.

The daily liquidity position is monitored and regular liquidity stress testing, under a variety of scenarios covering both normal and more severe market conditions, is performed by Treasury Department.

(in thousands of hryvnias)

27. Financial risk management (continued)

The table below shows liabilities as at 31 December 2025 and 2024 by their remaining contractual maturities. The amounts disclosed in the maturity table are the contractual undiscounted cash flows, including gross loan commitments and financial guarantees. Such undiscounted cash flows differ from the amounts included in the statement of financial position because the amounts in the statement of financial position are based on discounted cash flows. When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the reporting period. Foreign currency payments are translated using the spot exchange rates at the end of the reporting period.

	On demand and less than 1 month	1-3 months	3-12 months	Over 12 months	Total
31 December 2025					
Due to other banks	35,760	–	–	43,828	79,588
Customer accounts	34,747,769	3,009,310	1,552,932	140,067	39,450,078
Lease liabilities	9,210	19,389	39,963	32,548	101,110
Other borrowed funds	–	26,665	78,176	275,768	380,609
Provisions for loan obligations and financial guarantee contracts	21,401	–	–	–	21,401
Other financial liabilities	145,687	–	–	–	145,687
Subordinated debt	1,275	3,152	14,691	457,642	476,760
Irrevocable loan commitments	1,066,931	–	–	–	1,066,931
Guarantees issued	4,584,513	–	–	–	4,584,513
Avals payable	48,701	–	–	–	48,701
Total potential future payments on non-derivative financial liabilities and loan commitments as at 31 December 2025	40,661,247	3,058,516	1,685,762	949,853	46,355,378
Total potential future payments on derivative and non-derivative financial liabilities as at 31 December 2025	40,661,247	3,058,516	1,685,762	949,853	46,355,378

(in thousands of hryvnias)

27. Financial risk management (continued)

	On demand and less than 1 month	1-3 months	3-12 months	Over 12 months	Total
31 December 2024					
Due to other banks	55,990	–	3,858	19,485	79,333
Customer accounts	27,506,824	1,704,199	1,212,443	158,349	30,581,815
Lease liabilities	10,434	17,689	41,319	63,865	133,307
Other borrowed funds	–	28,710	84,052	382,159	494,921
Provisions for loan obligations and financial guarantee contracts	9,876	–	–	–	9,876
Other financial liabilities	125,313	–	–	–	125,313
Subordinated debt	1,638	3,126	14,570	386,908	406,242
Irrevocable loan commitments	527,826	–	–	–	527,826
Guarantees issued	3,414,344	–	–	–	3,414,344
Avals payable	23,258	–	–	–	23,258
Total potential future payments on non-derivative financial liabilities and loan commitments as at 31 December 2024	31,675,503	1,753,724	1,356,242	1,010,766	35,796,235
Derivative financial liabilities	186,853	–	–	–	186,853
Total potential future payments on derivative and non-derivative financial liabilities as at 31 December 2024	31,862,356	1,753,724	1,356,242	1,010,766	35,983,088

Liquidity requirements to support calls under guarantees are considerably less than the amount of the commitment disclosed in the above maturity analysis, because the Bank does not generally expect the third party to draw funds under the agreement.

Current accounts and due to other banks are due on demand and have been reflected as "On demand and less than 1 month" in these schedules. However, management estimates that demand on a majority of the accounts will occur at a significantly later date.

The deposits are presented in the above analysis by remaining maturity in accordance with the terms of the contracts. Individuals may withdraw funds from term deposits prior to maturity only if permitted by the terms of the term deposit agreement.

(in thousands of hryvnias)

27. Financial risk management (continued)

The Bank does not use the above maturity analysis based on undiscounted contractual maturities of liabilities to manage liquidity. Instead, the Bank monitors expected maturities, which may be summarized as follows as at 31 December 2025:

	On demand and less than 1 month	1-3 months	3-12 months	Over 12 months	Total
Non-derivative financial assets					
Cash and cash equivalents	3936,377	–	–	–	3,936,377
Loans and advances to banks	1,366,653	–	845,926	149	2,212,728
Loans and advances to customers	2,046,922	2,695,815	4,999,321	2,535,258	12,277,316
Investments in securities	16,462,419	2,656,932	1,502,716	3,847,818	24,469,885
Other financial assets	33,978	–	15,447	172,686	222,111
Total non-derivative financial assets	23,846,349	5,352,747	7,363,410	6,555,911	43,118,417
Total derivative financial assets	1,249	–	–	–	1,249
Total financial assets	23,847,598	5,352,747	7,363,410	6,555,911	43,119,666
Non-derivative financial liabilities					
Due to other banks	35,760	–	–	43,828	79,588
Customer accounts	34,717,562	2,966,004	1,523,227	131,148	39,337,941
Lease liabilities	9,116	18,059	29,288,	17,499	73,962
Other borrowed funds	–	21,030	60,610,	240,839	322,479
Other financial liabilities	145,686	–	–	–	145,686
Provisions for loan commitments and financial guarantee contracts	21,401	–	–	–	21,401
Subordinated debt	1,275	–	–	320,290	321,565
Total non-derivative financial liabilities	34,930,800	3,005,093	1,613,125	753,604	40,302,622
Total financial liabilities	34,930,800	3,005,093	1,613,125	753,604	40,302,622
Net liquidity gap as at 31 December 2025	(11,083,202)	2,347,654	5,750,285	5,802,307	2,817,044
Cumulative liquidity gap as at 31 December 2025	(11,083,202)	(8,735,548)	(2,985,263)	2,817,044	
Loan commitments					
Irrevocable loan commitments	1,066,931	–	–	–	1,066,931
Guarantees issued	4,584,513	–	–	–	4,584,513
Avals payable	48,701	–	–	–	48,701
Cumulative liquidity gap as at 31 December 2025, including loan commitments	(16,783,347)	(14,435,693)	(8,685,408)	(2,883,101)	

(in thousands of hryvnias)

27. Financial risk management (continued)

As at 31 December 2025, the Bank had a cumulative liquidity gap on financial assets and liabilities with maturities of up to 12 months in the amount of UAH 2,985,263 thousand. This liquidity gap arises from the fact that an important source of funding for the Bank are customer funds on current accounts. Management believes that a significant volume and stable growth of the customer base and the past experience of the Bank indicate that most customer accounts provide a long-term and stable source of funding for the Bank. The minimum balance of customer funds during 2025 and 2024 were estimated to no less than UAH 26,161,942 thousand and UAH 21,408,102 thousand, respectively, which was 67% and 70% of total customer accounts, respectively. In addition, as at 31 December 2025, investments in securities with a maturity of over one year included debt securities issued by Ukrainian and foreign government authorities that were not pledged as collateral, with the fair value of UAH 3,921,301 thousand, which could be sold by the Bank before maturity in emergencies to cover liquidity deficit.

The liquidity position of the Bank as at 31 December 2024 is set out below:

	On demand and less than 1 month	1-3 months	3-12 months	Over 12 months	Total
Non-derivative financial assets					
Cash and cash equivalents	4,092,890	–	–	–	4,092,890
Loans and advances to banks	1,220,410	968,238	484,954	431	2,674,033
Loans and advances to customers	1,447,363	2,484,874	3,885,392	2,571,481	10,389,110
Investments in securities	10,374,392	1,296,280	1,330,750	2,938,616	15,940,038
Other financial assets	23,013	–	9,622	493,208	525,843
Total non-derivative financial liabilities	17,158,068	4,794,392	5,710,718	6,003,736	33,621,914
Total derivative financial liabilities	465	–	–	–	465
Total financial liabilities	17,158,533	4,794,392	5,710,718	6,003,736	33,622,379
Non-derivative financial liabilities					
Due to other banks	55,990	–	3,858	19,485	79,333
Customer accounts	27,494,000	1,682,765	1,187,776	145,716	30,510,257
Lease liabilities	10,211	16,382	28,705	25,626	80,924
Other borrowed funds	–	21,060	59,869	317,719	398,648
Other financial liabilities	125,313	–	–	–	125,313
Provisions for loan commitments and financial guarantee contracts	9,876	–	–	–	9,876
Subordinated debt	713	548	–	323,966	325,227
Total non-derivative financial liabilities	27,696103	1,720,755	1,280,208	832,512	31,529,578
Total derivative financial liabilities	208	–	–	–	208
Total financial liabilities	27,696,311	1,720,755	1,280,208	832,512	31,529,786
Net liquidity gap as at 31 December 2024	(10,537,778)	3,028,637	4,430,510	5,171,224	2,092,593

(in thousands of hryvnias)

27. Financial risk management (continued)

	On demand and less than 1 month	1-3 months	3-12 months	Over 12 months	Total
Cumulative liquidity gap as at 31 December 2024	(10,537,778)	(7,509,141)	(3,078,631)	2,092,593	
Loan commitments					
Irrevocable loan commitments	527,826	–	–	–	527,826
Guarantees issued	3,414,344	–	–	–	3,414,344
Avals payable	23,258	–	–	–	23,258
Cumulative liquidity gap as at 31 December 2024, including loan commitments	(14,503,206)	(11,474,569)	(7,044,059)	(1,872,835)	

The matching and/or controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to management of the Bank. It is unusual for banks ever to be completely matched since business transacted is often of an uncertain term and of different types. A mismatched position potentially enhances profitability, but can also increase the risk of losses. The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Bank and its exposure to changes in interest and exchange rates.

28. Capital management

The Bank's objectives when managing capital are (i) to comply with the capital requirements set by the National Bank of Ukraine and (ii) to safeguard the Bank's ability to continue as a going concern. The Bank considers total capital under management to be equity as shown in the statement of financial position. The amount of capital that the Bank managed as at 31 December 2025 was UAH 2,861,884 thousand (in 2024: UAH 2,136,891 thousand). Compliance with the capital adequacy ratio set by the National Bank of Ukraine is monitored monthly, with reports outlining their calculation reviewed and signed by the Bank's Chairperson of the Management Board and Chief Accountant. Other objectives of capital management are evaluated annually.

As at 31 December 2025 and 2024, the Bank's equity complied with the legislation requirements. In 2025 and 2024, there were no changes in the Bank's capital management objectives, policies, and processes.

(in thousands of hryvnias)

28. Capital management (continued)

In 2025, the National Bank of Ukraine conducted an asset quality review of the Bank as of 1 January 2025. According to the results of the NBU’s stress test, it was determined that:

- under the baseline macroeconomic scenario: the required capital adequacy ratios meet the regulatory requirements established by the Instruction on the Procedure for Regulating the Activities of Banks in Ukraine, approved by Resolution No. 368 of the Board of the National Bank of Ukraine dated 28 August 2001;

- under an adverse macroeconomic scenario, the required levels are: the regulatory capital adequacy ratio (CAR) – 14.35%; the Tier 1 capital adequacy ratio (T1CAR) – 12.10%; the Tier 1 core capital adequacy ratio (CT1CAR) – 10.02%.

The capitalization program developed by the Bank and approved by the NBU ensures that the Bank will achieve the required capital adequacy ratios by 30 September 2026.

As at 1 January 2026, the actual capital adequacy ratios are:

- regulatory capital adequacy ratio (CAR) – 14.61%;
- Tier 1 capital ratio (T1CAR) – 12.85%;
- Core Tier 1 capital ratio (CT1CAR) – 12.85%.

The Bank’s policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

Effective from 5 August 2024, the National Bank of Ukraine introduced new capital requirements for banks and the calculation of regulatory capital, as well as amended the calculation of capital adequacy ratios. Currently, banks should maintain a ratio of regulatory capital to risk exposure that is higher than the required minimum. As at 31 December 2025, the minimum level required by the NBU was 10% (as at 31 December 2024: 8.5%). The table below demonstrates the regulatory capital based on the Bank’s reports prepared under regulatory requirements of the National Bank of Ukraine, before adjustments for the year, and comprises the following components:

	31 December 2025	31 December 2024
Core capital	2,352,996	2,014,595
Level 2 capital	321,565	231,950
Total regulatory capital	2,674,561	2,246,545

As at 31 December 2025 and 2024, the Bank complied with the capital adequacy ratios set by the NBU.

29. Contingent and other liabilities

Legal proceedings. From time to time and in the normal course of business, claims against the Bank may be received from third parties. On the basis of its own estimates and internal professional advice, management is of the opinion that no material losses will be incurred in respect of claims.

Tax liabilities. Ukraine's tax environment is characterized by complexity in tax administering, arbitrary interpretation by the tax authorities of tax laws and regulations that, inter alia, can increase fiscal pressure on taxpayers. Inconsistent application, interpretation, and enforcement of tax laws can lead to litigation which, as a consequence, may result in the imposition of additional taxes, penalties, and interest, and those amounts could be material. Facing current economic and political issues, the Government considers implementing certain reforms in the tax system of Ukraine.

In 2025, the base corporate income tax rate is 25% for financial institutions.

Effective 1 January 2026, the military levy rate on wages remains at 5%. Tax agents will revert to the 1.5% rate effective 1 January of the year following the year in which martial law is terminated or repealed.

In 2026, a new base corporate income tax rate of 50% will be introduced for banks. This is provided for by Law of Ukraine No. 4698-IX dated 3 December 2025, which amends the Tax Code of Ukraine and establishes the specifics of bank taxation.

The increased rate will apply:

- to the taxation of profits, starting with the 2026 tax reporting periods;
- to the taxation of dividends in accordance with paragraph 57.1-1 of Article 57 of the Tax Code of Ukraine.

In 2026, banks may not reduce their pre-tax financial result by the amount of losses from previous years.

This restriction will remain in effect throughout 2026. Negative tax base amounts (including those arising in 2026) may be taken into account when determining the pre-tax financial result starting with the 2027 reporting periods.

Effective 1 January 2026, for corporate income tax payers engaged in the trade of foreign currency in cash, advance corporate income tax payments are set at a fixed amount expressed in euros for each foreign currency exchange counter, payable at the official hryvnia exchange rate set by the National Bank of Ukraine on the first day of the first month of the calendar quarter in which the advance payment is made for each foreign currency exchange point (EUR 700 per exchange point in Kyiv, EUR 600 in cities with a population of over 50,000, and EUR 200 for other settlements).

(in thousands of hryvnias)

29. Contingent and other liabilities (continued)

As at 1 January 2026, updated provisions of the Tax Code regarding the compilation of the List of Taxpayers with a High Level of Voluntary Compliance with the Law are in effect in Ukraine.

The changes were introduced by Law of Ukraine No. 4698 dated 3 December 2025. The Law clarifies the requirements and criteria under which legal entities and sole proprietors may be included in such a List.

Management believes that the Bank has been in compliance with all requirements of the effective tax legislation, however, there may be no assurance that the tax authorities will not have a different opinion regarding the Bank’s interpretation of the tax legislation and will not apply penalties.

Loan commitments. The main purpose of these instruments is to ensure that funds are available to a customer to satisfy its financial needs.

Outstanding loan commitments were as follows:

	31 December 2025	31 December 2024
Guarantees issued	4,584,513	3,414,344
Irrevocable loan commitments	1,066,931	527,826
Avals payable	48,701	23,258
Less: collateral in the form of cash deposits	(832,250)	(255,166)
Total loan commitments, less collateral in the form of cash deposits	4,867,895	3,710,262

As at 31 December 2025 and 2024, the amount of the allowance for expected credit losses on loan commitments amounted to UAH 21,401 thousand and UAH 9,876 thousand, respectively.

The Bank had outstanding irrevocable commitments in respect of overdraft on card accounts of individuals. All other in respect to extend loans are revocable. With respect to credit risk on loan commitments to extend loans, the Bank is potentially exposed to loss in the amount equal to the total unused commitments, if the unused amounts were to be drawn down. However, the likely amount of loss is less than the total unused commitments, since most commitments to extend loans are contingent upon customers maintaining specific credit standards.

Guarantees, which represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. The total outstanding contractual amount of undrawn guarantees does not necessarily represent future cash requirements, as those financial instruments may expire or terminate without being funded.

(in thousands of hryvnias)

29. Contingent and other liabilities (continued)

As at 31 December 2025 and 2024, loan commitments were neither past due nor impaired. Loan commitments by stages of impairment were as follows:

	31 December 2025	31 December 2024
Stage 1	5,694,938	3,772,533
Stage 2	3,946	192,126
Stage 3	1,260	769
Total	5,700,144	3,965,428

Assets pledged and restricted in use. The Bank had assets pledged as collateral with the following gross carrying value:

	31 December 2025	31 December 2024
Loans and advances to customers pledged as collateral for other borrowed funds (before allowance for expected credit losses)	533,041	466,249
Guarantee coverage in Visa and MasterCard payment systems (before allowance for expected credit losses)	172,273	493,355
Funds placed with other banks that are used as a guarantee coverage	842,479	481,862
Total	1,547,793	1,441,466

Gross carrying value of the assets pledged as a collateral under the borrowing received from WORLDBUSINESS CAPITAL, INC. (Notes 8, 16), hat secure for fulfillment of obligations amounted to UAH 524,185 thousand as at 31 December 2025 (as at 31 December 2024: UAH 439,159 thousand), the actual amount of the collateral to be transferred to WORLDBUSINESS CAPITAL, INC. in the event of failure to fulfill obligations as at 31 December 2025, amounted to UAH 415,723 thousand (as at 31 December 2024: UAH 414,900 thousand).

30. Derivative financial instruments

During 2025, the Bank performed transactions with derivative financial instruments under foreign currency agreements.

Derivative financial instruments under foreign currency agreements entered into by the Bank mainly related to trading in over-the-stock market between professional market participants on the basis of standardized contracts. Derivative financial instruments have potentially favorable terms (i.e. are assets) or potentially unfavorable terms (i.e. are liabilities) due to fluctuations of interest rates in the market, exchange rates, or other variables related to those instruments. Total fair value of derivative financial instruments may significantly change from time to time.

30. Derivative financial instruments (continued)

Fair value of derivative financial instruments is determined at a forward exchange rate calculated using the current exchange rates in SPOT market at the date of fair value measurement; interest rates in the quoting currency and the quotation base for the relevant period by the date of a contract fulfillment year to year; the number of calendar days that remained to the contract's fulfillment; calendar base for calculating interest rates by quotation currencies and quotation bases.

As a SPOT exchange rate in transactions with derivative financial instruments on purchase and sale of foreign currencies for national currency, the Bank uses the current exchange rate of a relevant foreign currency against UAH in FOREX market at about 12:00 Kyiv time or first hours close to it applied by calculations in the same business day or the NBU's indicative. The exchange rate is expressed by UAH amount per one unit of foreign currency.

To determine a SPOT exchange rate in performing transactions with derivative financial instruments on purchase and sale of foreign currencies for another foreign currency, the Bank uses current exchange rates of one currency against another currency established by market exchange rates at about 12:00 Kyiv time in the international market (under the data of REUTERS).

Interest rates by quotation currencies and quotation bases are determined by the Bank as follows:

- For UAH, KIEIBOR rate with the period depending on the number of days to a transaction fulfillment. KIEIBOR (Kyiv Interbank Bid and Offered Rates) is an indicative rate of the cash market of Ukraine calculated by the Association of Ukrainian Banks, in cooperation with REUTERS news agency. The values of all components of KIEIBOR index are published on the pages in REUTERS terminal.

- For foreign currencies (USD, EUR, GBP, etc.), LIBOR rate with the period depending on the number of days to a transaction fulfillment. LIBOR (London Interbank Offered Rate) is a weighted average interest rate on interbank loans (updated on a daily basis at 13:30).

Fair values of due under foreign currency swap agreements entered into by the Bank as at 31 December 2025 are provided in the table below. The table includes contracts to be settled after the reporting date; with the amounts under those contracts shown gross – before offsetting positions (and payments) on each counterparty.

(in thousands of hryvnias)

30. Derivative financial instruments (continued)

As at 31 December 2025, the fair value of due under foreign currency swap agreements were as follows:

	31 December 2025	
	Contracts with positive fair value	Contracts with negative fair value
Foreign currency swap		
- Amount of accounts payable in USD when calculating (-)	(191,413)	–
- Amount of accounts receivable in UAH when calculating (+)	192,662	–
Net fair value under foreign currency swap agreements	1,249	–

As at 31 December 2024, the fair value of due under foreign currency swap agreements were as follows:

	31 December 2024	
	Contracts with positive fair value	Contracts with negative fair value
Foreign currency swap		
- Amount of accounts payable in USD when calculating (-)	(60,848)	(126,005)
- Amount of accounts receivable in UAH when calculating (+)	61,313	125,797
Net fair value under foreign currency swap agreements	465	(208)

In 2025, the Bank recognized profits on derivative financial instruments in the amount of UAH 7,689 thousand (in 2024: losses of UAH 3,595 thousand) in the statement of comprehensive income, profit or loss, which comprised of the following components:

	For 12 months of 2025	For 12 months of 2024
Result on revaluation of foreign currency swap agreements	992	2,377
Result on purchase and sale of foreign currency swap agreements	6,697	1,218
Net gain (loss) from transactions with financial instruments at fair value through profit or loss	7,689	3,595

31. Fair value of financial instruments

Fair value measurements are analyzed by level in the fair value hierarchy as follows: (i) Level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets and liabilities; (ii) Level 2 measurements are techniques with all observable material inputs for the assets and liabilities, either directly (i.e., prices) or indirectly (i.e., derived from prices), and (iii) Level 3 measurements are valuations not based on observable market data (i.e., unobservable inputs).

Management applies professional judgment in categorizing financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that requires significant adjustments, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

Fair value measurements applied on a recurring basis. Certain financial assets and financial liabilities of the Bank are measured at fair value at the end of the reporting period. The following table presents information about methods of measuring fair values of those financial assets and financial liabilities (in particular, measurement technique(s) and inputs used):

Financial assets/financial liabilities	Fair value as at 31 December		Fair value hierarchy	Measurement technique(s) and key inputs
	2025	2024		
Derivative financial assets:				
Foreign currency swap	1,249	465	Level 2	Future cash flows are measured on the basis of the information for foreign currency purchase-sale contracts: for purchase of foreign currency against UAH, the FOREX market exchange rate or the NBU's indicative is used, and for purchase-sale of foreign currency against foreign currencies, the exchange rates established in the international market according to REUTERS are used.
Investments in securities at fair value through other comprehensive income:				
Debt securities issued by foreign governments	833,007	336,789	Level 2	Quoted prices for transactions in an inactive market.
Debt securities issued by international financial organizations	1,296,586	–	Level 2	Quoted prices for transactions in an inactive market.

(in thousands of hryvnias)

31. Fair value of financial instruments (continued)

Financial assets/financial liabilities	Fair value as at 31 December		Fair value hierarchy	Measurement technique(s) and key inputs
	2025	2024		
Government debt securities of Ukraine	172,707	1,538,727	Level 1	Quoted agreement bid prices in an active market.
Government debt securities of Ukraine	4,331,781	3,274,546	Level 2	Quoted transaction prices in an inactive market or discounted cash flows. Future cash flows are measured by using the observable market data in respect of securities with similar characteristics with the help of the zero-coupon yield curve for government bonds based on the Svensson parametric model.

Derivative financial liabilities:

Financial assets/financial liabilities	Fair value as at 31 December		Fair value hierarchy	Measurement technique(s) and key inputs
	2025	2024		
Foreign currency swap	–	208	Level 2	Future cash flows are measured on the basis of the information for foreign currency purchase-sale contracts: for purchase of foreign currency against UAH, the FOREX market exchange rate or the NBU's indicative is used, and for purchase-sale of foreign currency against foreign currencies, the exchange rates established in the international market according to REUTERS are used.

As at 31 December 2025 and 2024, there were no transfers between levels of the fair value hierarchy.

Fair value measurements applied on a non-recurring basis. The Bank had no respective balances as at the reporting date.

Financial instruments not measured at fair value but for which fair value disclosure is required.

An analysis of fair value by fair value hierarchy level and the carrying value of assets and liabilities that are not measured at fair value and for which fair value differs from carrying value at the reporting date are presented below. Management believes that the carrying values of other financial assets and financial liabilities approximated their fair values.

(in thousands of hryvnias)

31. Fair value of financial instruments (continued)

	31 December 2025				31 December 2024			
	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3	Carrying value
FINANCIAL ASSETS								
Loans and advances to customers at amortized cost								
Loans to legal entities	–	–	11,973,400	11,832,438	–	–	10,279,966	10,140,033
Loans to individuals	–	–	443,748	444,878	–	–	247,316	249,077
Investment securities at amortized cost								
Deposit certificates of the NBU	–	17,835,658	–	17,835,388	–	10,789,577	–	10,789,975
Debt securities issued by non-bank financial institutions (corporate)	–	356	–	416	–	–	299	399
TOTAL	–	17,836,014	12,417,148	30,113,120	–	10,789,577	10,527,581	21,179,484

The fair value by hierarchy level and the corresponding carrying value of liabilities not measured at fair value were as follows:

	31 December 2025				31 December 2024			
	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3	Carrying value
FINANCIAL LIABILITIES								
Checking Accounts and Deposits								
Current accounts								
- current accounts of legal entities	–	27,254,362	–	27,254,362	–	21,525,052	–	21,525,052
- current accounts of individuals	–	4,738,786	–	4,738,786	–	4,416,968	–	4,416,968
Deposits								
- deposits of legal entities	–	3,766,339	281,580	4,030,988	–	2,258,992	162,339	2,418,241
- deposits of individuals	–	2,734,777	590,658	3,313,805	–	1,588,199	570,766	2,149,995
Subordinated debt								
Subordinated debt	–	–	252,005	321,565	–	–	319,042	325,227
TOTAL	–	38,494,264	1,124,243	39,659,506	–	29,789,211	1,052,147	30,835,483

(in thousands of hryvnias)

32. Related party transactions

The Bank grants loans, accepts deposits, and performs other transactions with related parties in the normal course of business. As a rule, parties are considered to be related if the parties are under common control or one of party has the ability to control the other or can exert significant influence over the other party in making financial and management decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. The terms and conditions of transactions with related parties are determined at the time of the transaction. Related parties comprise major shareholders, entities under control by major shareholders, members of the Supervisory Board, members of the Management Board, and their immediate family members.

As at 31 December 2025, the outstanding related party balances were as follows:

	Major shareholders and their immediate family members	Companies controlled or significantly influenced by major shareholders	Key management personnel and their immediate family members	Other related parties-individuals
Loans and advances to customers	13	38,392	853	–
Other financial and other non-financial assets	9	22,770	11	1
Due to other banks	–	27,960	–	–
Customer accounts	77,719	2,301,210	43,247	5,382
Subordinated debt	321,565	–	–	–
Lease liabilities	6	4,005	2	–
Other financial and other non-financial liabilities	13,587	36,065	2,550	17
Loan commitments	157	–	704	–
Guarantees provided	–	9,956	–	–

Other related parties-individuals are represented by shareholders of the entities under control of major shareholders who may have an influence on business decisions of the Bank’s shareholders.

As at 31 December 2025, the Bank had obligations payable to key management personnel and major shareholders in the form of a provision for unused vacations in the amount of UAH 16,085 thousand (as at 31 December 2024: UAH 12,552 thousand).

(in thousands of hryvnias)

32. Related party transactions (continued)

Income and expense items on related party transactions for 2025 were as follows:

	Major shareholders and their immediate family members	Companies controlled or significantly influenced by major shareholders	Key management personnel and their immediate family members	Other related parties-individuals
Interest income	1	2,409	80	–
Interest expense	(14,268)	(227,277)	(643)	(134)
Commission income	1,820	87,532	1,289	218
Commission expense	–	(9,854)	–	–
Gains/(losses) on modification and derecognition of financial instruments	–	(777)	–	–
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	–	(490)	(26)	–
Employee benefit expense	(164,472)	–	(34,845)	–
Other administrative and operating expenses	(3,338)	(626,576)	(567)	–
Other gains (losses)	(2)	(1,191)	(4)	–

Remuneration of key management personnel (the Management Board) and the Supervisory Board for 2025 included short-term employee benefits that included salary and bonuses payable in cash amounting to UAH 194,186 thousand (in 2024: UAH 156,170 thousand). Short-term bonuses fall due wholly within twelve months after the end of the period in which management rendered relevant services.

As at 31 December 2024, the outstanding related party balances were as follows:

	Major shareholders and their immediate family members	Companies controlled or significantly influenced by major shareholders	Key management personnel and their immediate family members	Other related parties-individuals
Loans and advances to customers	17	–	50	–
Other financial and other non-financial assets	20	2,465	24	–
Due to other banks	–	52,540	–	–
Customer accounts	69,751	1,937,142	76,658	3,279
Subordinated debt	325,227	–	–	–
Lease liabilities	1	8,225	1	–
Other financial and other non-financial liabilities	10,455	22,314	2,097	–
Loan commitments	33	–	257	–

(in thousands of hryvnias)

32. Related party transactions (continued)

Income and expense items on related party transactions for 2024 were as follows:

	Major shareholders and their immediate family members	Companies controlled or significantly influenced by major shareholders	Key management personnel and their immediate family members	Other related parties-individuals
Interest income	1	–	1	–
Interest expense	(21,654)	(116,690)	(1,759)	(134)
Commission income	1,846	66,938	1,609	171
Commission expense	–	(24,290)	–	–
Gains/(losses) on modification and derecognition of financial instruments	–	328	–	–
Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	–	–	–	–
Employee benefit expense	(133,540)	–	(28,056)	–
Other administrative and operating expenses	(2,383)	(609,360)	(313)	–
Other income (loss)	–	2,685	–	–