

INDEPENDENT AUDITOR'S REPORT

Shareholders and Supervisory Board of
PUBLIC JOINT-STOCK COMPANY "COMMERCIAL BANK "ACCORDBANK"

National Bank of Ukraine
National Securities and Stock Market Commission

Report on Audit of Financial Statements

Opinion

We have audited the financial statements of PUBLIC JOINT-STOCK COMPANY "COMMERCIAL BANK "ACCORDBANK" (the Bank), which comprise the statement of financial position as at December 31, 2024, and the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the requirements to their preparation established by Ukrainian law.

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 to the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (hereinafter referred to as the IESBA Code) and ethical requirements applicable to our audit of financial statements in accordance with the Law of Ukraine On Audit of Financial Statements and Audit Activities and other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 *Basis for presentation of financial statements* to the financial statements, which indicates that as of February 24, 2022, operations of the Bank and its counterparts are significantly affected by ongoing full-scale military invasion of Ukraine by Russian Federation, while subsequent developments, impact, and timing of when those actions will cease are uncertain.

As stated in Note 3 *Basis for presentation of financial statements*, these events or conditions indicate the existence of a material uncertainty which may cast significant doubt about the Bank's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Key audit matter	How our audit addressed the key audit matter
<p><i>Allowance for expected credit losses on loans and advances to customers and investments in securities (government debt instruments)</i></p> <p>The recognition and measurement of expected credit losses (ECL) is highly complex and involves the use of significant judgment and estimation, including in the formulation and incorporation of multiple forward-looking economic conditions into the ECL estimates to meet the measurement objectives of IFRS 9 Financial Instruments. Accordingly, this matter required significant attention from us during the audit.</p> <p>In determining ECL, management is required to exercise judgment in defining what is considered to be a significant increase in credit risk and in making assumptions and estimates to incorporate relevant information about past events, current conditions and forecasts of economic conditions. The accuracy of the assumptions used in the models, including the macroeconomic scenarios, impacts the level of allowance for impairment.</p> <p>Management exercises judgment in making estimations that require the use of assumptions which are highly subjective and very sensitive to the risk factors, in particular to changes in economic and credit conditions.</p> <p>We identified the issue of impairment of loans and advances to customers and investments in securities (government debt instruments) as key audit matter due to the materiality of the loan and investments in securities (government debt instruments) balances, the high complexity and subjective nature of the ECL calculation.</p> <p>Refer to Note 4 for significant accounting policies and Notes 7,8 and 25 for disclosures and details of the methods and models used, allowances for impairment of loans and advances to customers and investments in securities (government debt instruments).</p>	<p>During our audit procedures, we tested the controls implemented by management to enable the calculation of expected credit losses.</p> <p>We also assessed whether the impairment methodology used by the Bank is in line with IFRS 9 requirements. Particularly we assessed the approach of the Bank regarding application of Significant increase in credit risk ('SICR') criteria, definition of default, The Probability of Default ('PD'), Loss Given Default ('LGD') and Exposure at Default ('EAD') and incorporation of forward-looking information in the calculation of ECL.</p> <p>We have focused on assessing the Bank's assumptions and the expert adjustments applied in the model taking into account the empirical data and the existing credit and monitoring processes.</p> <p>For significant loans that were individually measured for impairment and investments in securities (government debt instruments), we applied our judgment to select a sample based on various risk criteria.</p> <p>For selected loans and investments in securities (government debt instruments), we reviewed the classification of the stages of impairment, including an assessment of factors affecting credit risk.</p> <p>At the same time, for the selected impaired loans (Stage 3), we reviewed the assumptions used in the calculation of expected credit losses, in particular, the expected scenarios and probabilities applied, timing and amounts of expected cash flows, including cash flows from repayments and realization of collateral.</p> <p>At the same time, for the selected impaired loans (Stage 3), we reviewed the assumptions used in the calculation of expected credit losses, in particular, the expected scenarios and probabilities applied, timing and amounts of expected cash flows, including cash flows from repayments and realization of collateral.</p>

Information that is not financial statements and auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the Issuer report with the Management report for 2024 but does not include the financial statements and our auditor's report thereon.

As at the date of our independent auditor's report, the Management Report was presented to us. It is expected that the Annual Information of the issuer of securities, other than the Management Report, will be presented to us after the date of this independent auditor's report.

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.

When we review the Bank's Annual Information as the issuer of securities, if we conclude that there is a material misstatement, we will be required to report the matter to the Bank's Supervisory Board.

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

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

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

Report on Other Legislative and Regulatory Requirements

Report on the requirements of the National commission on securities and stock exchange

(This section of the independent auditor's report is included in accordance with Requirements to information related to audit or review of financial statements of participants at capital and organized commodities markets, overseen by National commission on securities and stock exchange, approved by Decision of National commission on securities and stock exchange N 555 of 22.07.2021, hereinafter – Requirements 555 and in accordance with the Regulations on disclosure of information by issuers of securities and entities providing collateral for such securities, approved by the decision of the NSSMC dated 06.06.2023 No. 608, hereinafter - Regulation 608).

Information in line with p. 10 of section I of Requirements 555 is presented in Information on Audit entity performing audit of financial statements section of independent auditor's report.

Additional information in line with Chapter 1 of section II of Requirements 555

1. Full name (in the meaning of Civil Code of Ukraine) of legal entity (applicant or participants at capital and organized commodities markets):

PUBLIC JOINT-STOCK COMPANY "COMMERCIAL BANK "ACCORDBANK";

2. In our opinion, the Bank complies with requirements, set forward by Regulation on form and content of ownership structure, approved by Order of Ministry of finances of Ukraine N 163 of March 19, 2021, registered by Ministry of

Justice of Ukraine on June 8, 2021, registration number 768/36390, regarding completeness of disclosure on information on ultimate beneficiary owner and structure of ownership;

3. a) the Bank is not a controller/participant of non-banking financial group;
b) the Bank is Public Interest Entity;
4. The Bank has no parent/subsidiary companies;
5. NCSSE rules and regulations do not imply prudential indicators for the sector where the Bank operates, therefore the auditor's opinion on correctness of calculation of respective prudential indicators was not expressed.

Additional information in line with Chapter 8 of section II of Requirements 555 and paragraph 45 of section III of Regulation 608

Report on Corporate governance report

We reviewed information presented in Corporate governance report of the Bank as a component of Management report (hereinafter – Corporate governance report).

Management of the Bank is responsible for Corporate governance report and its preparation in accordance with part 3 of Article 127 of Law of Ukraine On Capital and Organized Commodities Markets.

Our review of Corporate governance report, including information, stated in p.p. 1 – 4 of part 3 of Article 127 of Law of Ukraine On Capital and Organized Commodities Markets, including and additionally specified in subparagraphs 1-5 of paragraph 43 of Regulation 608, included examination whether the information, presented in the Report, contradicts to the financial statements, and whether the Corporate governance report is prepared in compliance with current laws and regulations. Our review of Corporate governance report is not an audit, performed in accordance with International standards on auditing, being of much lesser scope. We believe that, as a result of our review, we have a basis for our opinion.

Opinion

The Corporate Governance Report has been prepared and the information disclosed herein is in accordance with the requirements of part 3 of Article 127 of Law of Ukraine On Capital and Organized Commodities Markets. Information, stated in p.p. 5 – 9 of part 3 of Article 127 of Law of Ukraine On Capital and Organized Commodities Markets, including those additionally specified in subparagraphs 6-11 of paragraph 43 of Regulation 608, namely, description of major characteristics of internal-control and risk-management systems of the Bank; information on the availability of the Bank's approved risk appetite declaration, as well as a description of the key provisions of the Bank's risk appetite declaration; list of persons, who directly or indirectly own a significant share in the Bank; information on any limitations of right to participate and vote at general meeting of the Bank; rules and procedures of appointment and dismissal, and powers of Bank officials, presented in Corporate governance report, does not contradict to information gained during our audit of financial statements and complies with requirements of Law of Ukraine On Capital and Organized Commodities Markets.

Report on the requirements of the National Bank of Ukraine regarding the audit report on the audit of financial statements

According to requirements of article 69 of Law of Ukraine On Banks and Banking and paragraph 27 of Regulations on the procedure for submitting an audit report to the National Bank of Ukraine based on the results of the annual audit of the financial statements of the bank, banking group and on the audit of the financial statements of a member of the banking group (approved by NBU Board Resolution No. 90 of August 2, 2018, with amendments. Hereinafter – Regulations 90) we are providing additional information (estimate) concerning annual financial statements of the Bank for the year ended December 31, 2024, on:

- correspondence (reliable disclosure) of distribution of bank's assets and liabilities by maturity buckets in the statistical data file A7X "Data structure of assets and liabilities by time buckets", prepared by the Bank for filing to National Bank of Ukraine as at January 1 of the year following the reporting one;
- compliance of the Bank with requirements determined by regulations of the National Bank on:
 - internal control;
 - internal audit;
 - measurement of credit risk on active banking operations;
 - identification of bank's related parties and conducting operations with them;
 - adequacy of banks' capital based on asset's quality;
 - accounting.

Issues described in this report were considered only within context of the audit of 2023 annual financial statements of the Bank based on sample testing and in the amounts required for planning and performance of audit procedures according to the requirements of International Standards on Auditing.

This report is intended for shareholder, management of the Bank and for National Bank of Ukraine. When examining this report, as was stated above, the limited scope of procedures, related to operations of the Bank and organization of accounting system and internal control, should be taken into account.

Besides, it should be remembered that the criteria of estimation of issues, related to the operations of the Bank and organization of accounting system and internal control, used by us, may differ from the criteria, used by National Bank of Ukraine.

Below we present information and appropriate estimations that were mentioned above.

In compliance with the requirements of paragraph 27 of Regulations 90, that concern assessment of correspondence (reliable disclosure) of distribution of bank's assets and liabilities by maturity buckets in the statistical data file A7X "Data structure of assets and liabilities by time buckets", prepared by the Bank for filing to National Bank of Ukraine as at January 1 of the year following the reporting one, which is not an integral part of annual financial statements, the following conclusions can be reached.

We did not identify any facts of significant inconsistency (unfair disclosure) in allocation of assets and liabilities by maturities in the statistical data file A7X Data structure of assets and liabilities by time buckets, for filing to National Bank of Ukraine as at January 1 of the year following the reporting one. With regard to compliance of the Bank with requirements determined by regulations of the National bank of Ukraine on:

- internal control

In our opinion, internal control system corresponds in general to scope of Bank transactions, risks, faced by the Bank, and complies with regulatory requirements.

- internal audit

In our opinion, internal audit of the Bank corresponds to regulatory requirements, keeping in mind the specifics of the operating environment of the Bank during the reporting period.

- measurement of credit risk for active banking operations

Based on our estimates, credit risk for active banking operations was assessed by the Bank in accordance with requirements of the regulations issued by National bank of Ukraine.

- identification of Bank's related parties and conducting operations with them

During our audit, we have not found infringements of legal requirements that are prescribed for related party transactions and identification process.

- adequacy of Banks' capital based on asset's quality

As at December 31, 2024 (end of the day), the Bank's regulatory capital calculated on the basis of the daily balance sheet amounted to UAH 605 465 thousand.

The amount of capital as at the end of the reporting period is sufficient to perform operations that are specified in the banking license; the absolute amount of the capital corresponds to legal requirements for its size.

- accounting

Nothing has come to our attention that causes us to believe that the accounting of the Bank does not comply with legal requirements of National bank of Ukraine.

Information on audit entity performing audit of financial statements

Full name of legal entity in accordance with constituent documents:

- PKF UKRAINE LIMITED LIABILITY COMPANY (ID code of legal entity 34619277);

Information on inclusion into Register of auditors and subjects of audit activities:

- The audit firm is registered in *Auditing Entities, Having the Right to Perform Statutory Audits of Financial Statements of Public-Interest Entities* section of Register of auditors and Auditing Entities. Registration number 38866;

Address of the legal entity and factual place of business:

- 52, B.Khmelnyskoho Str., the 4th floor, Kyiv, 01054, Ukraine

Webpage/website of the audit entity:

- www.pkf.ua

Date and number of the audit agreement:

Additional agreement №1 of 26.09.2024 to Agreement № 25 of 31.10.2023.

- Date of commencement and termination of audit:

Commencement date: 14.10.2024

Termination date: 28.04.2025

Additional information in accordance with the Law of Ukraine On the Audit of Financial Statements and Auditing Activities

We have been appointed for statutory audit of the annual financial statements of the Bank by resolution of the Supervisory Board of 27.10.2023. The total duration of our audit engagements with the Bank is 2 years, including the reporting year.

During our audit of the financial statements, resulting in issuance of this independent auditor's report, we performed audit procedures regarding assessment of risk of material misstatement of information in the financial statements, being audited, including fraud.

Significant risks that required our attention but did not modify our opinion are disclosed in *Key Audit Matters* and *Material uncertainty related to going concern* sections of our report.

We have designed and performed risk-assessment procedures to obtain audit evidence as a proper basis for identification and assessment of risk of material misstatements, whether due to fraud or error, at the level of financial statements of the Bank and assertions therein. We have designed further audit procedures to identify irregularities, including fraud, and get reasonable assurance to express our opinion on the financial statements in general.

As the Bank operates in a strictly controlled environment, our assessment of the risk of material misstatements covered the control environment, including procedures applied by the Bank to comply with regulatory requirements. Our assessment included review of key structures, policies and standards, understanding and evaluation of supervisory function and internal control in their design and implementation, as well as monitoring of compliance and testing or related controls.

We obtained an understanding of laws and regulations applicable to the Bank and determined the most significant requirements directly related to specific assertions in the financial statements. In particular, these requirements relate to compliance of economic ratios and other laws and regulations.

ISAs limit necessary audit procedures for identification of non-compliance with laws and regulations by enquiries to management, those charged with governance, if necessary, and review of correspondence, if any, with respective licensing bodies and regulators. If non-compliance is not disclosed to us or is not evident from respective correspondence, audit may not identify this non-compliance.

Based on the results of our audit, we did not identify any matters that could have a material effect on the financial statements.

Our report is agreed to an additional report for the Audit committee of the Supervisory Board of the Bank.

We did not provide any services to the Bank, prohibited by article 6 of the Law of Ukraine On Audit of Financial Statements and Audit Activities.

"PKF UKRAINE" LLC audit firm and the engagement partner on the audit (key audit partner) of the financial statements of the Bank as at December 31, 2024, are independent from the Bank.

We and other members of PKF Global network, as well as other entities controlled by our firm, did not provide any other than statutory audit, services, information on which is not disclosed in management report and/or financial statements.

The purpose of our audit is to increase the degree of confidence of intended users in the financial statements of the Bank. It is achieved by expressing our opinion whether the financial statements are prepared in all material aspects in accordance with International Financial Reporting Standards (IFRSs). We conducted our audit in accordance with ISAs and respective ethical requirements; it gives us the possibility to formulate our opinion. Inherent limitations of an audit result in most audit evidence on which the auditor draws conclusions and bases the auditor's opinion being persuasive rather than conclusive, so, audit is not an absolute guarantee that the financial statements are free of misstatements, and our audit does not guarantee future sustainability of the Bank efficiency or effectiveness of Bank management.

The engagement partner on the audit (key audit partner) resulting in this independent auditor's report is Maryna Antonova.

Engagement partner on the audit

*(Registration Number in the Register of Auditors
and Auditing Entities 100193)*

On behalf of PKF UKRAINE LLC

Director



Maryna ANTONOVA

Iryna KASHTANOVA

Kyiv, Ukraine

April 28, 2025