

JOINT-STOCK COMPANY

“PRAVEX BANK”

**The interim financial statements
for the period ended 30 June 2023**

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(in thousands of Ukrainian hryvnia)

Item	Notes	30/06/2023	31/12/2022
1	2	3	4
ASSETS			
Cash and cash equivalents	6	2,797,696	2,409,276
Loans and advances to banks		128,277	132,464
Loans and advances to customers	7	2,832,027	3,694,851
Investments in securities	8	4,930,721	3,344,212
Investment property		6,831	6,831
Current income tax receivable		29	29
Intangible assets other than goodwill		126,317	155,190
Fixed assets		375,991	393,728
Other financial assets	9	28,716	46,741
Other non-financial assets	10	26,711	27,060
Non-current assets held for sale and discontinued operations		6,070	6,070
Total assets		11,259,386	10,216,052
EQUITY AND LIABILITIES			
LIABILITIES			
Due to banks	11	85,042	-
Due to customers	12	9,255,908	8,215,775
Debt securities issued by the Bank		1	1
Other borrowed funds		454,649	449,191
Provisions for liabilities			
Provisions for credit related commitments and financial guarantees	13	15,644	43,397
Other collateral	14	116,582	114,538
Total amount of collateral		132,226	157,935
Other financial liabilities	15	149,442	172,151
Other non-financial liabilities	16	77,649	88,823
Deferred tax liabilities		32,342	31,475
Total liabilities		10,187,259	9,115,351
EQUITY			
Share capital	17	1,048,726	1,048,726
Retained earnings (uncovered loss)		(4,846,368)	(4,817,972)
Issue income	17	4,600,754	4,600,754
Reserves and other funds		1,332	1,332
Other reserves	18	267,683	267,861
Total equity		1,072,127	1,100,701
Total liabilities and equity		11,259,386	10,216,052

Authorised for issue and signed by

Chairman of the Board
JSC "PRAVEX BANK"

Chief accountant
JSC "PRAVEX BANK"

DATE: 10 August 2023



Gianluca Corbelli

Hanna Baranovska



(in thousands of Ukrainian hryvnia)

Item	Notes	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
Interest income, including	20	281,358	550,652	188,631	356,153
Interest income calculated using the effective interest rate method	20	281,358	550,652	188,631	356,153
Fee and commission income	21	37,042	76,359	28,324	65,326
Fee and commission expenses	21	(8,725)	(26,855)	(11,164)	(28,483)
Other income	23	889	3,356	3,418	4,788
Interest expenses	20	(157,152)	(287,475)	(73,823)	(136,688)
Net gain (loss) from foreign exchange operations		8,062	19,474	31,892	45,437
Net gain (loss) arising from foreign currency translation		(68)	(1,051)	(390)	(3,312)
Gains (losses) from initial recognition of financial liabilities at interest rates higher or lower than market rates		(220)	(333)	(5)	(17)
Impairment gains (losses) determined in accordance with IFRS 9	22	31,798	58,953	(14,077)	(14,154)
Gain/(loss) from derecognition of financial liabilities measured at amortized cost		7	12	36	527
Employee benefits expense		(77,593)	(153,739)	(79,397)	(162,450)
Depreciation costs		(30,959)	(61,859)	(24,863)	(49,648)
Other administrative and operating expenses	24	(106,382)	(203,422)	(75,629)	(157,854)
Profit (loss) before tax		(21,943)	(25,928)	(27,047)	(80,375)
Income from tax refund (expenses for tax payment)		(1,719)	(2,575)	-	-
Profit (loss)		(23,662)	(28,503)	(27,047)	(80,375)
Profit per share					
Basic profit (loss) per share from continuing operations	25	(0.01)	(0.02)	(0.02)	(0.05)
Total basic profit (loss) per share	25	(0.01)	(0.02)	(0.02)	(0.05)

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(in thousands of Ukrainian hryvnias)

Item	Notes	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
Statement of comprehensive income					
Profit (loss)		(23,662)	(24,503)	(27,047)	(80,375)
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss before tax					
Other comprehensive income, before tax, gains (losses) from revaluation (revaluation of fixed assets)	18	-	-	(502)	(502)
The total amount of other comprehensive income that will not be reclassified to profit or loss before tax		-	-	(502)	(502)
Components of other comprehensive income that will be reclassified to profit or loss before tax					
Gains (losses) on financial assets carried at FVTOCI before tax	18	(194)	(194)	3,215	(1,626)
The total amount of other comprehensive income that will be reclassified to profit or loss before tax		(194)	(194)	3,215	(1,626)
Total other comprehensive income before tax		(194)	(194)	2,713	(2,128)
Total comprehensive income before tax		(23,856)	(28,697)	(24,334)	(82,503)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss					
Income tax related of other comprehensive income gains (losses) from revaluation (revaluation of fixed assets)	18	-	-	58	58
Total of income tax relating to components of other comprehensive income that will not be reclassified to profit or loss		-	-	58	58
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss					
Income tax related of gains (losses) on financial assets carried at FVTOCI	18	-	-	(1,250)	(47)
Total of income tax related of gains (losses) on financial assets carried at FVTOCI		-	-	(1,250)	(47)
Total other comprehensive income after tax		(194)	(194)	1,521	(2,117)
Total comprehensive income after tax		(23,856)	(28,697)	(25,526)	(82,492)

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Chairman of the Board
JSC "PRAVEX BANK"

Chief accountant
JSC "PRAVEX BANK"

DATE: 10 August 2023



Gianluca Corrias

Hanna Borshchova



<i>(in thousands of Ukrainian hryvnias)</i>			
Item	Notes	For 6 months 2023	For 6 months 2022
1	2	3	4
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest income received		553,078	296,835
Interest expenses paid		(276,062)	(137,305)
Fee income received		76,359	65,326
Fee and commission expenses paid		(26,876)	(28,282)
Results of foreign currency transactions		19,474	(3,176)
Other income received		875	50,757
Personnel costs		(149,102)	(162,450)
Other administrative and operating expenses, paid		(213,050)	(159,165)
Income tax paid		(2,575)	-
<i>Cash used in operating activities before changes in operating assets and liabilities</i>		(17,879)	(77,460)
Net decrease/(increase) in loans and advances to banks		7,946	-
Net decrease/(increase) in loans and advances to customers		895,500	392,481
Net decrease/(increase) in other financial assets		18,895	(5,394)
Net decrease/(increase) in other non-financial assets		(469)	(7,086)
Net increase/(decrease) in amounts due to banks		85,000	-
Net increase/(decrease) in amounts due to customers		995,260	(560,609)
Net increase/(decrease) in other financial liabilities		(24,539)	(6,195)
Net increase/(decrease) in other non-financial liabilities		(16,963)	6,042
Net cash flows from operating activities		1,942,751	(258,221)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of securities		(381,410,341)	(156,549,211)
Proceeds from the sale of investments in securities		379,840,000	157,508,359
Acquisition of property, plant and equipment		(1,854)	(6,099)
Result from disposal of property, plant and equipment		33	356
Acquisition of intangible assets		(3,893)	(3,307)
Net cash from investing activities		(1,576,055)	950,098
CASH FLOWS FROM FINANCING ACTIVITIES			
Net decrease in cash and cash equivalents		366,696	691,877

<i>(in thousands of Ukrainian hryvnias)</i>			
Item	Notes	For 6 months 2023	For 6 months 2022
1	2	3	4
Effect of the NBU exchange rate fluctuations on cash and cash equivalents		21,724	85,541
Cash and cash equivalents at the beginning of the period	6	2,409,276	937,739
Cash and cash equivalents at the end of the period	6	2,797,696	1,715,157

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<i>(in thousands of Ukrainian hryvnias)</i>								
Item	Notes	Attributable to shareholders						Total equity attributable to shareholders
		share capital	share premium and other additional capital	reserves and other funds	other reserves	retained earnings	total	
1	2	3	4	5	6	7	8	9
Balance as at 1 January 2022	17	1,048,726	4,600,754	1,332	230,584	(4,402,783)	1,478,613	1,478,613
Total comprehensive income		-	-	-	(2,117)	(80,375)	(82,492)	(82,492)
(loss) for 6 months 2022		-	-	-	-	(80,375)	(80,375)	(80,375)
other comprehensive income		-	-	-	(2,117)	-	(2,117)	(2,117)
Closing balance as at 30 June 2022 (balance as at 1 July 2022)	17	1,048,726	4,600,754	1,332	228,467	(4,483,158)	1,396,121	1,396,121

(in thousands of Ukrainian hryvnia)

Item	Notes	Attributable to shareholders						Total equity attributable to shareholders
		share capital	share premium and other additional capital	reserves and other funds	other reserves	retained earnings	total	
1	2	3	4	5	6	7	8	9
Closing balance as at 31 December 2022 (balance as at 1 January 2023)	17	1,048,726	4,600,754	1,332	267,861	(4,817,972)	1,100,701	1,100,701
Total comprehensive income		-	-	-	(194)	(28,503)	(28,697)	(28,697)
(Loss) for 6 months 2023		-	-	-	-	(28,503)	(28,503)	(28,503)
other comprehensive income		-	-	-	(194)	-	(194)	(194)
Transactions with shareholders	18	-	-	-	16	107	123	123
Closing balance as at 30 June 2023 (balance as at 1 July 2023)	17	1,048,726	4,600,754	1,332	267,683	(4,846,368)	1,072,127	1,072,127

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Chief accountant
JSC "PRAVEX BANK"

DATE: 10 August 2023



Note 1. Information about the Bank

Full name of the Bank	Joint-Stock Company "PRAVEX BANK"
Short name of the Bank	JSC "PRAVEX BANK"
Location	9/2 Klovskiy Uzviz, Kyiv 01021, Ukraine
Country of registration	Ukraine
Form of incorporation	Private Joint-Stock Company
Name and location of the parent company	Intesa Sanpaolo S.p.A. 10121 Italy, Turin, Piazza San Carlo, 156
Management shareholding	0%
Foreign investor shareholding	INTESA SANPAOLO S.p.A. (Italy) owns 100% of the Bank's share capital
Reporting period	From 1 January to 30 June 2023
Reporting currency and measurement unit	UAH '000

JSC "PRAVEX BANK" (hereinafter – the Bank) is a universal financial organization that provides a full range of banking services throughout the territory of Ukraine. Thanks to a well-developed network, JSC "PRAVEX BANK" is represented in all corners of our country. In combination with an impeccable 29-year history of successful activity, this allowed the Bank to become one of the most famous banking brands in Ukraine. JSC "PRAVEX BANK" is part of the Intesa Sanpaolo banking group, which is one of the leading banking groups in the Eurozone and is a leader in all areas of Italian business.

Note 2. Economic and operational environment of the Bank

The Bank operates on the territory of Ukraine, whose economy belongs to the category of developing countries.

For more than a year, the war between Russia and Ukraine has been going on, accompanied by active hostilities in many regions of the country. As a result of the war, the assets of many enterprises were physically destroyed and damaged, supply chains and production processes were disrupted, transport infrastructure that ensured an even distribution of supply across regions was destroyed, and business costs increased. However, the losses from the war are growing. The explosion and destruction of the dam of the Kakhovka hydroelectric power plant on the Dnieper River and subsequent large-scale floods are likely to have devastating long-term consequences in the social, economic and environmental spheres, which will only be fully assessed over time.

At the same time, the country faced significant losses among the population and a significant increase in forced migration.

Despite the ongoing war, Ukrainian economy has been gradually recovering in 2023. After an optimistic downward revision of economic forecasts for 2023 recently made by the Ukrainian authorities, real GDP for the first quarter of 2023 was better and grew by 2.4% (seasonally adjusted) compared to the previous quarter, and decreased by 10.5% compared to the first quarter of 2022.

The steady flow of international assistance and the revival of the domestic debt market make it possible to cover a significant budget deficit without monetary financing.

In June, economic activity continued to revive seasonally, in particular due to the start of harvest and intensification of construction work. At the same time, the blockade of the "grain corridor" and the destruction of the Kakhovka HPP restrained transport, energy and metallurgy.

Employment remains low despite the recovery of the labor market in the second quarter of 2023, in particular, labor demand grew while supply stabilized. The migration rate remains active.

The inflation rate continues to slow down at 12.8%. This is due to the predominance of food supply over demand, the better situation in the energy sector, as well as the consistent monetary policy of the NBU, aimed primarily at maintaining exchange rate stability and increasing the attractiveness of hryvnia savings. At the same time, a further slowdown in inflation in 2023 will be more restrained due to the exhaustion of the low base effect, a return to the pre-war level of taxation in the fuel market and the expected increase in electricity tariffs. In addition, some negative impact on inflation will have the destruction of the dam "Kakhovskaya", which will lead to certain losses of vegetable crops.

During the period of martial law, the Government and the NBU took the following measures to minimize the level of inflation growth:

- temporary fixation of the hryvnia exchange rate, which will restrain the likely deterioration of expectations and appreciation of imported goods;
- revised NBU discount rate; reduction of taxes, including indirect taxation of imports;
- a significant increase in the mandatory reserve ratios of the NBU, which should ensure a decrease in free liquidity in the banking system;
- fixing prices for housing and communal services;
- administrative regulation of prices for a number of food products and fuel.

Fixing the exchange rate and maintaining administrative restrictions on foreign exchange transactions will remain an important prerequisite for maintaining macroeconomic stability in Ukraine.

Under martial law, the banking system remained stable and liquid. Banks continue to operate smoothly, maintain liquidity, have sufficient capital reserves, and continue moderate lending. The work of bank branches in the liberated and free regions has resumed almost completely.

Depositors' confidence in banks remained: the volume of customer funds in banks continued to grow moderately, primarily at the expense of business funds in hryvnia and foreign currency, while household funds remained virtually unchanged, due to which, in general, the level of liquidity remained at a fairly high level, despite the war. In order to strengthen banks' competition for depositors and further increase rates on hryvnia deposits, increase banks' volumes of term hryvnia borrowings, reduce the risks of exchange rate instability, as well as keep inflation, the NBU has increased reserve ratios from January 2023.

During the first half of 2023, the net hryvnia corporate portfolio of banks continues to decline. For the retail portfolio, this trend has been more noticeable since the beginning of a full-scale war. The main reason is the formation of loan reserves due to the deterioration of borrowers' solvency and repayment of previously issued loans, which is not compensated by new issues. During the war, government programs play a key role in maintaining lending.

In the first half of 2023, the NBU discount rate was unchanged and remained at 25%, which ensured the attractiveness of hryvnia deposits. However, due to improved macroeconomic indicators, the rate is expected to be lowered in the third quarter of 2023.

The situation on the foreign exchange market was stable, NBU interventions decreased slightly, and the cash exchange rate fluctuated close to the official rate by a small margin. According to our previous data, as of July 1, 2023, Ukraine's international reserves amounted to \$ 39.0 billion and increased by 4.5%, reaching a new record level since Ukraine gained independence. In June 2023, international reserves continued to increase due to constant and regular inflows of funds from international partners, which exceeded the net sale of foreign currency to the NBU and the repayment of Ukraine's foreign currency debt.

In May 2023, the banking sector posted a profit of \$53.6 billion. UAH. Most banks have maintained high operational efficiency. Strong interest gains from high-quality liquid assets and robust corporate borrowing proceeds have contributed to growth in interest income in the sector. Interest costs grew more slowly, which contributed to improving the efficiency of banks. Net fee and commission income and trading revenues increased due to the recovery of economic activity. At the same time Operating expenses remain at the level of last year. Due to a more

favorable economic environment, the share of non-performing loans and the cost of creating reserves increased insignificantly.

During the first half of 2023, international rating agencies confirmed and revised Ukraine's long-term foreign currency issuer default rating due to the war with russia at the following levels:

- Fitch Ratings affirmed Ukraine's long-term foreign currency issuer default rating at SS. Recalling the further restructuring of commercial debt denominated in foreign currency, taking into account the extent of the economic damage caused by the war with russia and the associated significant financial damage;
- Standard and Pools downgraded Ukraine's long-term foreign currency issuer default rating from CCC+ to CCC. Referring to the fact that Ukraine's debt servicing capacity remains vulnerable and depends on favorable external conditions to meet its financial obligations.

The Bank ensured and carried out its continuous activities in the context of a full-scale war between russia and Ukraine, which has been going on for more than a year and is accompanied by active hostilities in many regions of the country and rocket attacks, which destroyed and damaged infrastructure and production facilities, disrupted logistics between regions, large losses of civilians. At the same time, further growth of inflation, devaluation of the hryvnia, falling GDP, low level of labor market recovery, due to constant migration of the population, blockade of seaports, delay in sowing work, and significant changes in the monetary policy of the NBU, all this directly affected the financial results as of June 30, 2023.

Taking into account the above factors, the Bank was forced to ensure continuous operation in war conditions, and to direct efforts to maintain the status of a reliable and solvent bank, and took the following measures:

- focused on liquidity management;
- actively worked towards attracting customer funds, which ensured the preservation of a stable resource base and a high level of liquidity;
- placed available funds in NBU certificates of deposit in order to avoid liquidity risks and at the same time ensure stable risk-free interest income;
- conducted restrained and selective lending to the corporate segment, within the framework of existing credit lines, with strict control of credit risk;
- actively carried out restructuring of credit debts of clients;
- focused on managing the level of asset quality, taking into account customer needs and special circumstances in such a way as to minimize losses and the level of NPL;
- continued digitalization of the product chain and focused on improving the level of on-line customer service;
- worked to reduce and optimize operating and administrative costs, including through constant negotiations with suppliers to maintain the cost of services at the current level, despite a significant increase in inflation and devaluation of the hryvnia.

These financial statements reflect management's ongoing assessment of the impact of business conditions in Ukraine on the Bank's continuing operations and financial position amid the war. Future conditions for the implementation of continuous activities may differ from the assessment of management.

Note 3. Basis for preparation

These financial statements were prepared in accordance with the International Financial Reporting Standards (hereinafter - "IFRS") and requirements of the Law of Ukraine "On Accounting and Financial Statements in Ukraine" №996-XIV of June 16, 1999 on the preparation of financial statements (with amendments) (hereinafter referred to as the Law on Financial Statements).

These financial statements have been prepared under the historical cost convention, except for the initial recognition of financial instruments based on fair value, the subsequent appraisal of buildings at revalued cost and related financial instruments, financial assets at fair value through other comprehensive income at fair value.

Valuation uncertainty

The preparation of financial statements in accordance with IFRS requires the management to formulate judgements, estimates and assumptions that affect the application of accounting policies. Actual results may differ from those estimates.

The estimates and related assumptions are reviewed on an ongoing basis. Changes to the scores are recognised in the period in which the scores are revised and in all subsequent periods. Further information on estimates is disclosed in Note 4.2 Critical Accounting Trial and Estimates.

Going concern

These financial statements have been prepared on the basis of the assumption that the Bank continues as a going concern for the foreseeable future. During the preparation of these financial statements, the Bank conducted an analysis of its ability to continue its activities, taking into account the circumstances caused by the by the russian federation's military invasion in Ukraine (Note 2) and their impact on the Bank's financial condition and results.

Despite the strengthening of the negative consequences of hostilities, the risk of further terrorist attacks against critical infrastructure and its long-term restoration, production cuts, a decrease in real incomes of the population under the pressure of high inflation and further devaluation of the hryvnia, depressed domestic demand, which complicate economic activity and the recovery of the country as a whole, The Bank plans to actively continue to work and provide for its activities with an emphasis on maintaining a high level of liquidity and solvency.

Within the framework of strategic business areas on:

- further strengthening of the protection of information systems, installation and optimization of means of preventing cyber attacks;
- the growth in average amounts of customer deposits, which in turn will ensure the preservation of a high level of liquidity;
- managing the level of asset quality, taking into account the needs of customers and special circumstances in such a way as to minimize losses and the level of NPLs;
- digitalization of the product chain and improvement of online customer service;
- reduction and further optimization of operational and administrative costs, including through constant negotiations with suppliers to maintain the cost of services at the current level, despite the significant increase in inflation and devaluation of the hryvnia.

The Bank is working, and plans to work in the future, in compliance with all regulatory requirements and within the limits of the current legal framework.

The Bank analyzed the further impact of military aggression against Ukraine on its financial condition and future financial results. The Bank's estimates and forecasts for the next 12 months are based on the following assumptions:

- the Bank's macroeconomic forecast, compiled taking into account the forecasts of the National Bank of Ukraine and posted in international information and analytical systems. The Bank expects further devaluation of hryvnias against major currencies (by 15%-20%), inflation slow down to 20%, low growth of GDP and key policy rate at current level;
- the funds of the Bank's clients (including current accounts) will grow in average volumes to maintain an acceptable level of liquidity, investments in NBU's monetary instruments and ensure financing of the Bank's loan portfolio;
- the credit portfolio of the retail business will decrease due to the repayment of debt by customers and the absence of crediting plans in the next year;

- for corporate clients – the Bank plans very discreet and careful lending to critical industries, enterprises of the agro-industrial complex in safe regions, including under state programs, mostly within the current credit limits;
- the Bank expects a further increase in credit risk, which will lead to the recognition of additional reserves for expected credit losses;
- the Management of the Bank will continue to implement measures to optimize operating expenses, which will partially compensate for the negative impact of macroeconomic factors on the growth of their volume. At the same time, additional expenses related to the restoration of the functioning of the network of bank branches, the increase in the cost of goods and services due to the devaluation of the national currency and the strengthening of inflationary expectations are possible;
- The Bank plans to take additional measures to increase the regulatory capital primarily through capital contributions in order to ensure its activity and compliance with prudential ratios in accordance with the current legislation in the context of the currently applicable Martial law regime;
- The Bank expects to obtain capital contributions during 2023 Financial Plan (Budget), as approved by the Supervisory Board. The ability of the Bank to continue to comply with prudential ratios depends on the timing and amount of capital contributions from the Parent. Although as of the date of the financial statements no formal decisions have yet been taken in this respect, the aforementioned Financial Plan foresees capital contributions over the course of the year. Subsequent to the reporting date, the Bank received a support letter from the Parent, confirming that the Parent will provide in a period of at least twelve months from the date of approval of the Bank's statutory financial statements the necessary support under the conditions and in accordance with the 2023 Financial Plan (Budget). Such support may imply the capital contributions to be released over the course of the year, bearing in mind the applicable prudential regulations of Ukraine and the current regime of the Martial law.

There is material uncertainty related to the currently unforeseeable impact of ongoing hostilities in Ukraine, and the ability of the Bank to execute the abovementioned actions based on Management's underlying assumptions. This may cast significant doubt as to the Bank's ability to continue as a going concern, therefore not being able to realize its assets and repay its liabilities in the ordinary course of business.

However, and despite the material uncertainty, the Bank's Management, based on forecast liquidity and capital adequacy indicators, the amount of expected credit losses, believes that there are sufficient grounds for preparing these financial statements based on a going concern basis.

Note 4. Accounting policies of JSC “PRAVEX BANK”

Since the date of preparation of the annual financial statements for 2022, the accounting policy has not changed.

Note 5. New and revised standards

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Bank's financial statements are disclosed below. The Bank intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments clarify:

- it is clarified that a liability is classified as long-term if the organization has the right to postpone the settlement of the liability for at least 12 months - this right must exist at the end of the reporting period;

- classification depends only on the existence of such a right and does not depend on the probability of whether the company plans to use this right;
- the procedure for evaluating restrictive conditions (covenants) is prescribed in more detail.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Bank is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Bank.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

It is expected that these changes will not have a significant impact on the Bank.

IFRS 17, Insurance Contracts

In May 2017, the IFRS Board issued IFRS 17, Insurance Contracts, a new financial reporting standard for insurance contracts that addresses the recognition, measurement, presentation and disclosure of information that becomes effective for annual periods beginning on or after 1 January 2023. When IFRS 17 becomes effective, it will replace IFRS 4, Insurance Contracts, which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e. life insurance and other than life insurance, direct insurance and reinsurance) regardless of the type of entity issuing them, as well as to certain guarantees and financial instruments with discretionary participation. There are several exceptions to the scope of the standard. IFRS 17 introduces new accounting requirements for banking products with insurance contract characteristics, which may affect the determination of which instruments or components thereof will fall within the scope of IFRS 9 or IFRS 17.

Credit cards and similar products providing insurance cover: Most issuers of such products will be able to continue to apply existing accounting procedures and account them as financial instruments in accordance with IFRS 9. IFRS 17 excludes credit card agreements (or similar agreements establishing credit or payment service agreements) that meet the definition of an insurance contract from its scope, if and only if the entity does not

reflect an assessment of insurance risk associated with an individual customer in determining the price of the contract with that customer.

When insurance coverage is provided under the contractual terms of a credit card, the issuer must:

- separate the insurance coverage component and apply IFRS 17 to it;
- apply other standards (for example, IFRS 9, IFRS 15 Revenue from Contracts with Customers or IAS 37 Valuation Liabilities, Contingent Liabilities and Contingent Assets) to other components.

It is expected that these changes will not have a significant impact on the Bank.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

An entity should apply the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, it should also recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

These amendments are effective for annual periods beginning on or after January 1, 2023.

It is expected that these changes will not have a significant impact on the Bank.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).

The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease

liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

A seller-lessee applies the amendment to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted and that fact must be disclosed.

It is expected that these changes will not have a significant impact on the Bank.

Note 6. Cash and cash equivalents

Table 6.1. Cash and cash equivalents

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Cash	140,781	149,999
2	Balances with the National Bank of Ukraine	1,200,496	287,829
3	Correspondent accounts with:	1,457,319	1,971,507
3.1	domestic banks	10,398	7,039
3.2	foreign banks	1,446,921	1,964,468
4	Provisions for cash on correspondent accounts with other banks	(900)	(59)
5	Total cash and cash equivalents	2,797, 696	2,409,276

Line 5 in Table 6.1 corresponds to account “Cash and cash equivalents” in the statement of financial position.

As at 30 June 2023, the Bank placed cash on a correspondent account with Intesa Sanpaolo S.p.A. in the amount of UAH 780,363 thousands (31 December 2022: JPMORGAN CHASE BANK, N.A. in the amount of UAH 1,154,157 thousands), which represents a significant concentration.

As at 30 June 2023 and 31 December 2022, balances on correspondent accounts were not overdue and not impaired.

Table 6.2. Movements in provisions for cash on correspondent accounts with other banks as at 30 June 2023 and for the 6 months then ended

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Movements in provisions	Provisions for cash on correspondent accounts with other banks	Total
1	2	3	4
1	Balance at the beginning of the period	(59)	(59)
2	Decrease in provision for impairment during the year	(969)	(969)
3	Foreign exchange differences	128	128
4	Balance at the end of the period	(900)	(900)

Table 6.3. Movements in provisions for cash on correspondent accounts with other banks as at 31 December 2022 and for the year then ended

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Movements in provisions	Provisions for cash on correspondent accounts with other banks	Total
1	2	3	4
1	Balance at the beginning of the year	(39)	(39)
2	(Increase) in provision for impairment during the year	19	19
3	Foreign exchange differences	(39)	(39)
4	Balance at the end of the period	(59)	(59)

Table 6.4. Credit quality analysis of cash and cash equivalents as at 30 June 2023

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Balances on correspondent accounts with other banks by impairment stage	Cash	Balances with the National Bank of Ukraine	Total
1	2	3	4	5	6
1	Impairment Stage 1:	1,457,319	140,781	1,200,496	2,798,596
1.1	Not overdue	1,457,319	140,781	1,200,496	2,798,596
2	Provision for cash impairment	(900)	-	-	(900)
3	Total cash and cash equivalents	1,456,419	140,781	1,200,496	2,797,696

Table 6.5. Credit quality analysis of cash and cash equivalents as at 31 December 2022

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Balances on correspondent accounts with other banks by impairment stage	Cash	Balances with the National Bank of Ukraine	Total
1	2	3	4	5	6
1	Impairment Stage 1:	1,971,507	149,999	287,829	2,409,335
1.1	Not overdue	1,971,507	149,999	287,829	2,409,335
2	Provision for cash impairment	(59)	-	-	(59)
3	Total cash and cash equivalents	1,971,448	149,999	287,829	2,409,276

Note 7. Loans and advances to customers

Table 7.1. Loans and advances to customers

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Corporate loans	1,875,689	2,595,787
2	Retail mortgage loans	795,732	882,366
3	Loans to individual entrepreneurs	276	388
4	Retail consumer loans	466,140	544,395
5	Other retail loans	44	11
6	Provision for impairment of loans	(305,854)	(328,096)
7	Total loans less provisions	2,832,027	3,694,851

Line 7 in Table 7.1 corresponds to account “Loans and advances to customers” in the statement of financial position.

Loans, the terms of which were revised

Starting from February 24, 2022 to December 31, 2022, the reserve increased due to the deterioration of the quality of the loan portfolio and the blocking of lost or damaged collateral due to the impact of the full-scale invasion of Ukraine. The amount of decrease in the reserve for 6 months of 2023 for such loans amounted to UAH 59,788 thousands (decrease due to the transition to Stage 2 – UAH 53,025 thousands, decrease due to the transition to Stage 3 – UAH 14,370 thousands, increase due to such collateral – UAH 7,607 thousands).

Since the beginning of the full-scale invasion of Ukraine at the request of customers during 2022, the Bank has been restructuring debt for loans and accrued interest.

As of June 30, 2023, the book value of credit agreements, the terms of which were revised in 2022, amounts to UAH 553,405 thousand (of which: UAH 465,907 thousand for loans to legal entities, UAH 87,498 thousand for loans to individuals). The amount of decrease in the reserve under such revised contracts amounted to UAH 11,685 thousands (of which: UAH 12,990 thousands for loans to legal entities, UAH 1,305 thousands increase for loans to individuals).

Due to the spread of the coronavirus pandemic, at the request of individual customers affected by the economic consequences of quarantine and restrictive measures, the bank reviewed the maturities of loans and accrued interest. For the 6 months 2023, the carrying amount of loan agreements under which the terms were revised is UAH 8,063 thousands (2022: UAH 9,151 thousands). The amount of the reserve for 6 months 2023 decrease under such revised contracts amounted to UAH 1.910 thousand (2022: the amount of the reserve increase UAH 3.209 thousands).

For 6 months 2023, there were no new requests due to COVID-19 regarding the revision of the repayment terms.

Concentration of loans to customers

The Bank believes that potential concentration risk per customer may arise when at least 10% of net loan portfolio is attributable to a limited number of borrowers. As at 30 June 2023 and 31 December 2022, loans per 2 and 2 customers account for 13% and 11%, respectively (UAH 418,707 thousands and UAH 463,580 thousands, respectively).

Table 7.2. Analysis of the book value of loans and advances to customers for 6 months 2023

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Balance at the beginning of the year	2,545,496	1,076,693	400,758	4,022,947
2	Increase in balance during the period	984,569	590,980	28,382	1,603,931
2.1	Increase in balance due to new loans	324,126	127,180	-	451,306
2.2	Increase in balance of the current portfolio	578,487	434,230	6,767	1,019,484
2.3	Amount of transition between stages	59,518	17,851	21,533	98,902
2.4	Foreign exchange differences	22,438	11,719	82	34,239
3	Decrease in balance during the period	(1,530,341)	(904,794)	(53,862)	(2,488,997)
3.1	Decrease in balance due to full repayment of loans	(959,653)	(694,516)	(3,065)	(1,657,234)
3.2	Decrease in the balance of the current portfolio	(535,452)	(143,869)	(29,790)	(709,111)
3.3	Debt write-off at the expense of the reserve	-	-	(53)	(53)

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
3.4	Amount of transition between stages	(18,273)	(59,738)	(20,891)	(98,902)
3.5	Foreign exchange differences	(16,963)	(6,671)	(63)	(23,697)
4	Balance at the end of the period	1,999,724	762,879	375,278	3,137,881

Table 7.3. Analysis of reserves for loans and advances to customers for 6 months 2023

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Balance at the beginning of the year	36,010	67,162	224,924	328,096
2	Increase in the amount of loan provisions for the period				
		10,653	65,311	62,639	138,603
2.1	Reserve for new loans	2,068	6,097	-	8,165
2.2	Provision for increase in carrying amount	2,670	16,706	258	19,634
2.3	Increasing the reserve from the transition between stages	-	2,941	7,132	10,073
2.4	Increasing the reserve from the deterioration of the quality of the portfolio (DPD + new PD)	4,612	36,605	31,404	72,621
2.5	Amount of transition between stages	1,133	1,815	12,170	15,118
2.6	Interest accrued on impaired loans	-	-	8,825	8,825
2.7	Foreign exchange differences	170	1,147	2,850	4,167
3	Decrease in the amount of loan provisions for the period	(16,380)	(92,915)	(51,550)	(160,845)
3.1	Decrease of loan closing provision	(2,728)	(22,268)	(2,756)	(27,752)
3.2	Decrease in provision by decrease in the book value	(6,184)	(21,706)	(20,098)	(47,988)
3.3	Decreasing the reserve from the transition between stages	(190)	(6,211)	(14,093)	(20,494)
3.4	Decreasing the reserve from the deterioration of the quality of the portfolio (DPD + new PD)	(5,289)	(29,246)	(6,090)	(40,625)
3.5	Debt write-off at the expense of the reserve	-	-	(66)	(66)
3.6	Amount of transition between stages	(1,863)	(12,745)	(510)	(15,118)

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
3.7	Interest accrued on impaired loans	-	-	(4,540)	(4,540)
3.8	Foreign exchange differences	(126)	(739)	(3,397)	(4,262)
4	Balance at the end of the period	30,283	39,558	236,013	305,854

Table 7.4. Analysis of the book value of loans and advances to customers for 2022

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Balance at the beginning of the year	4,779,217	24,772	13,338	4,817,327
2	Increase in balance during the year	2,423,634	1,726,115	491,357	4,641,106
2.1	Increase in balance due to new loans	858,429	69,899	-	928,328
2.2	Decrease (increase) in balance during the year	1,019,162	62,076	6,724	1,087,962
2.3	Amount of transition from Stage 1	-	1,542,592	1,053	1,543,645
2.4	Amount of transition from Stage 2	111,044	-	391,814	502,858
2.5	Amount of transition from Stage 3	2,292	-	90,581	92,873
2.6	Foreign exchange differences	432,707	51,548	1,185	485,440
3	Decrease in balance during the year	(4,657,355)	(674,194)	(103,937)	(5,435,486)
3.1	Increase in balance due to full repayment of loans	(1,085,818)	(46,826)	(1,295)	(1,133 939)
3.2	Decrease in the balance of the current portfolio	(1,974,090)	(121,527)	(8,879)	(2,104 496)
3.3	Bad debt write-offs against the provision	-	-	(796)	(796)
3.4	Amount of transition from Stage 1	-	(111,044)	(2,292)	(113,336)
3.5	Amount of transition from Stage 2	(1,542,592)	-	-	(1,542,592)
3.6	Amount of transition from Stage 3	(1,053)	(391,813)	(90,581)	(483,447)
3.7	Foreign exchange differences	(53,802)	(2,984)	(94)	(56,880)
4	Balance at the end of the year	2,545,496	1,076,693	400,758	4,022,947

Table 7.5. Analysis of reserves for loans and advances to customers for 2022

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Balance at the beginning of the year	32,277	4,972	11,806	49,055
2	Increase in the amount of loan provisions for the year	41,228	240,769	375,007	657,004
2.1	Reserve for new loans	2,564	5,962	-	8,526
2.2	Provision for increase in carrying amount	10,423	18,234	4,743	33,400
2.3	Increasing the reserve from the transition between stages	4,896,	121,878	199,368	326,142

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
2.4	Increasing the reserve from the deterioration of the quality of the portfolio (DPD + new PD)	18,530	79,009	2,653	100,192
2.5	Amount of transition from Stage 1	-	9,602	46	9,648
2.6	Amount of transition from Stage 2	1,480	-	81,737	83,217
2.7	Amount of transition from Stage 3	30	-	81,427	81,457
2.8	Interest accrued on impaired loans	-	-	3,531	3,531
2.9	Foreign exchange differences	3,305	6,084	1,502	10,891
3	Decrease in the amount of loan provisions for the period	(37,495)	(178,579)	(161,889)	(377,963)
3.1	Decrease of loan closing provision	(2,563)	(2,503)	(658)	(5,724)
3.2	Decrease in provision by decrease in the book value	(22,736)	(31,954)	(10,240)	(64,930)
3.3	Decreasing the reserve from the transition between stages	(467)	(40,294)	(63,214)	(103,975)
3.4	Decreasing the reserve from the deterioration of the quality of the portfolio (DPD + new PD)	(1,419)	(20,073)	(4,374)	(25,866)
3.5	Recovery of loans written off against provisions in prior periods	-	-	(796)	(796)
3.6	Amount of transition from Stage 1	-	(1,480)	(30)	(1,510)
3.7	Amount of transition from Stage 2	(9,602)	-	-	(9,602)
3.8	Amount of transition from Stage 3	(46)	(81,737)	(81,427)	(163,210)
3.9	Interest accrued on impaired loans	(2)	-	(872)	(874)
3.10	Foreign exchange differences	(660)	(538)	(278)	(1,476)
4	Balance at the end of the period	36,010	67,162	224,924	328,096

Table 7.6. Loan structure by types of economic activity

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Economic activity	30/06/2023		31/12/2022	
1	2	3	4	5	6
1	Transactions with real estate, leasing, engineering and servicing	244,369	7.79%	312,771	7.77%
2	Trade, repair of vehicles, household equipment and items of personal use	745,374	23.75%	665,043	16.53%
3	Agriculture, hunting, forestry	291,225	9.28%	329,179	8.18%
4	Processing industry	462,125	14.73%	1,140,284	28.34%
5	Retail	1,262,192	40.22%	1,427,160	35.48%
6	Other	132,596	4.23%	148,510	3.70%
7	Total loans and advances to customers less provisions	3,137,881	100%	4,022,947	100%

Table 7.7. Information about loans by collateral type as of 30 June 2023

<i>(in thousands of Ukrainian hryvnias)</i>							
Line	Item	Corporate loans	Retail mortgage loans	Loans to individual entrepreneurs	Retail consumer loans	Other retail loans	Total
1	2	3	4	5	6	7	8
1	Unsecured loans	18,039	561	276	431,957	44	450,877
2	Loans secured by:	1,857,650	795,170	-	34,184	-	2,687,004
2.1	cash	1,805	-	-	-	-	1 805
2.2	real estate	623,376	795,170	-	12,009	-	1,430,555
2.2.1	residential mortgage	4 393	795,170	-	5,355	-	804,918
2.2.2	non-residential mortgage	618,983	-	-	6,654	-	625,637
2.3	Other assets	1,232,469	-	-	22,175	-	1,254,644
2.3.1	equipment	370,032	-	-	-	-	370,032
2.3.2	goods in turnover	328,064	-	-	-	-	328,064
2.3.3	vehicles	317,909	-	-	22,175	-	340,084
2.3.4	government securities	216,464	-	-	-	-	216,464
3	Total loans and advances to customers, gross of provision charges	1,875,689	795,731	276	466,141	44	3,137,881

Table 7.8. Information about loans by collateral type as of 31 December 2022

<i>(in thousands of Ukrainian hryvnias)</i>							
Li- ne	Item	Corporate loans	Retail mortgage loans	Loans to individual entrepreneurs	Retail consumer loans	Other retail loans	Total
1	2	3	4	5	6	7	8
1	Unsecured loans	259,310	630	388	503,654	11	763,993
2	Loans secured by:	794,552	881,736	-	15,090	-	1,691,378
2.1	cash	3,162	-	-	208	-	3,370
2.2	real estate	791,390	881,736	-	14,882	-	1,688,008
2.2.1	residential mortgage	5,193	881,736	-	7,395	-	894,324
2.2.2	non-residential mortgage	786,197	-	-	7,487	-	793,684
3	Other assets	1,541,925	-	-	25,651	-	1,567,576
3.1	equipment	630,919	-	-	-	-	630,919
3.2	goods in turnover	335,192	-	-	-	-	335,192
3.3	vehicles	348,604	-	-	25,651	-	374,255
3.4	government securities	227,210	-	-	-	-	227,210
4	Total loans and advances to customers, gross of provision charges	2,595,787	882,366	388	544,395	11	4,022,947

Table 7.9. Credit quality analysis as of 30 June 2023

<i>(in thousands of Ukrainian hryvnias)</i>							
Line	Item	Corporate loans	Retail mortgage loans	Loans to individual entrepreneurs	Retail consumer loans	Other retail loans	Total
1	2	3	4	5	6	7	8
1	Impairment Stage 1:	909,378	743,385	276	346,638	44	1,999,721
1.1	Not overdue	909,378	737,212	276	338,314	44	1,985,224

(in thousands of Ukrainian hryvnias)

Line	Item	Corporate loans	Retail mortgage loans	Loans to individual entrepreneurs	Retail consumer loans	Other retail loans	Total
1	2	3	4	5	6	7	8
1.2	Less than 30 days	-	6,173	-	8,324	-	14,497
2	Impairment Stage 2:	719,486	18,497	-	24,897	-	762,880
2.1	Not overdue	572,101	18,497	-	20,421	-	611,019
2.2	Less than 30 days	-	-	-	1,659	-	1,659
2.3	31 - 60 days	30,000	-	-	1,340	-	31,340
2.4	61 - 90 days	117,385	-	-	1,477	-	118,862
3	Impairment Stage 3:	246,825	33,849	-	94,605	-	375,279
3.1	Not overdue	8,457	7,301	-	15,563	-	31,321
3.2	Less than 30 days	-	-	-	590	-	590
3.3	31 - 60 days	-	1,045	-	2,905	-	3,950
3.4	61 - 90 days	-	-	-	1,111	-	1,111
3.5	91 - 180 days	-	153	-	4,408	-	4,561
3.6	181 - 270 days	36,015	4,205	-	6,718	-	46,938
3.7	More than 270 days	202,353	21,145	-	63,310	-	286,808
4	Total loans, gross of provision charges	1,875,689	795,731	276	466,140	44	3,137,880
5	Provision for loan impairment	(161,131)	(38,136)	(1)	(106,585)	-	(305,853)
6	Total loans less provisions	1,714,558	757,595	275	359,555	44	2,832,027

Table 7.10. Credit quality analysis as of 31 December 2022

(in thousands of Ukrainian hryvnias)

Line	Item	Corporate loans	Retail mortgage loans	Loans to individual entrepreneurs	Retail consumer loans	Other retail loans	Total
1	2	3	4	5	6	7	8
1	Impairment Stage 1:	1,319,080	820,048	388	405,966	11	2,545,493
1.1	Not overdue	1,319,080	809,123	388	396,906	11	2,525,508
1.2	Less than 30 days	-	10,925	-	9,032	-	19,957
1.3	31 - 60 days	-	-	-	28	-	28
2	Impairment Stage 2:	1,011,000	23,488	-	42,207	-	1,076,695
2.1	Not overdue	792,343	16,202	-	26,156	-	834,701
2.2	Less than 30 days	-	1,369	-	4,400	-	5,769
2.3	31 - 60 days	153,968	3,052	-	6,668	-	163,688
2.4	61 - 90 days	64,689	2,865	-	4,983	-	72,537
3	Impairment Stage 3:	265,708	38,830	-	96,221	-	400,759
3.1	Not overdue	-	9,806	-	15,305	-	25,111
3.2	Less than 30 days	-	390	-	2,633	-	3,023
3.3	31 - 60 days	36,015	-	-	1,112	-	37,127
3.4	61 - 90 days	-	-	-	791	-	791
3.5	91 - 180 days	202,188	5,466	-	10,813	-	218,467
3.6	181 - 270 days	27,505	19,173	-	53,209	-	99,887
3.7	More than 270 days	-	3,995	-	12,358	-	16,353
4	Total loans, gross of provision charges	2,595,788	882,366	388	544,394	11	4,022,947
5	Provision for loan impairment	(171,185)	(44,714)	(2)	(112,195)	-	(328,096)
6	Total loans less provisions	2,424,603	837,652	386	432,199	11	3,694,851

As at 30 June 2023 and 31 December 2022, the majority of loans provided to corporate borrowers are short-term and are granted to borrowers with a minimal credit risk according to the Bank's assessment.

Note 8. Investments in securities

Table 8.1. Investments in securities

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Debt securities at AC	3,501,918	3,344,209
1.1	certificates of deposit of the National Bank of Ukraine	3,501,918	3,344,209
2	Debt securities carried at fair value through other comprehensive income	1,428,800	-
2.1	deposit certificates of the National Bank of Ukraine	676,462	-
2.2	debt government securities of other countries	752,338	-
3	Shares of enterprises and other variable-income securities that are not traded on stock exchanges and are recognised at FVTOCI	34	34
4	Provision for impairment of securities	(31)	(31)
5	Total investments in securities less provisions	4,930,721	3,344,212

Line 5 in Table 8.1 corresponds to account "Investments in securities" in the statement of financial position.

Table 8.2. Credit quality analysis of debt securities carried at amortised cost as at 30 June 2023

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	NBU certificates of deposit	Total
1	2	3	4
1	Impairment Stage 1	3,501,918	3,501,918
1.1	Not overdue	3,501,918	3,501,918
2	Provision for impairment of securities	-	-
3	Total dept securities at AC	3,501,918	3,501,918

Table 8.3. Credit quality analysis of debt securities carried at amortised cost as at 31 December 2022

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	NBU certificates of deposit	Total
1	2	3	4
1	Impairment Stage 1	3,344,209	3,344,209
1.1	Not overdue	3,344,209	3,344,209
2	Provision for impairment of securities	-	-
3	Total investments in securities at AC	3,344,209	3,344,209

Table 8.4. Credit quality analysis of debt securities accounted for at fair value through other comprehensive income as of 30 June 2023

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	NBU certificates of deposit	Total
1	2	3	4
1	Impairment Stage 1	1 428 812	1 428 812

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	NBU certificates of deposit	Total
1	2	3	4
1.1	Not overdue	1 428 812	1 428 812
2	Provision for impairment of securities	(12)	(12)
3	Total dept securities at FVTOCI	1 428 800	1 428 800

Table 8.5. Movements in provisions for impairment of securities carried at fair value through other comprehensive income as at 30 June 2023 and for the 6 months then ended

<i>(in thousands of Ukrainian hryvnias)</i>				
Line	Movements in provisions	Government debt securities	Corporate shares	Total
1	2	3	4	5
1	Balance as at 1 January 2023	-	(31)	(31)
2	Increase in provision for impairment during the period	(12)	-	(12)
3	Balance as at 30 June 2023	(12)	(31)	(43)

Table 8.6. Movements in provisions for impairment of securities carried at fair value through other comprehensive income as at 31 December 2022 and for the year then ended

<i>(in thousands of Ukrainian hryvnias)</i>				
Line	Movements in provisions	Domestic government loan bonds	Corporate shares	Total
1	2	3	4	5
1	Balance as at 1 January 2022	(51)	(31)	(82)
2	Increase in provision for impairment during the year	51	-	51
3	Balance as at 31 December 2022	-	(31)	(31)

Note 9. Other financial assets

Table 9.1. Other financial assets

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Accounts receivable from transactions with customers	4,019	5,513
2	Amounts due on accrued income from cash and settlement services and other accrued income	2,560	2,409
3	Accounts receivable from transactions with payment cards	25,683	44,032
4	Other assets	393	49
5	Provision for impairment	(3,939)	(5,662)
6	Total other financial assets less provisions	28,716	46 341

Line 6 in Table 9.1 corresponds to account “Other financial assets” in the statement of financial position.

Table 9.2. Analysis of changes in provision for impairment of other financial assets for 6 months 2023

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Movements in provisions	Accounts receivable from transactions with customers	Amounts due on overdue accrued income from cash and settlement services, and other accrued income	Other assets	Total
1	2	3	4	5	6
1	Balance as at 1 January 2023	(4,733)	(929)	-	(5,662)
2	(Increase)/decrease in provision for impairment during the period	(1,782)	(137)	(72)	(1,991)
3	Foreign exchange differences on provisions	3,384	257	-	3,641
4	Closing balance as at 30 June 2023	(3,130)	(810)	(72)	(4,012)

Table 9.3. Analysis of changes in provision for impairment of other financial assets for 2022

<i>(in thousands of Ukrainian hryvnias)</i>				
Line	Movements in provisions	Accounts receivable from transactions with customers	Amounts due on overdue accrued income from cash and settlement services, and other accrued income	Total
1	2	3	4	5
1	Balance as at 1 January 2022	(9,704)	(478)	(10,182)
2	(Increase)/decrease in provision for impairment during the year	(1,633)	(378)	(2,011)
3	Bad debt written off	7,180	-	7,180
4	Foreign exchange differences on provisions	(576)	(73)	(649)
5	Closing balance as at 31 December 2022	(4,733)	(929)	(5,662)

Table 9.4. Credit quality analysis of other financial assets as at 30 June 2023 and for the 6 months then ended

<i>(in thousands of Ukrainian hryvnias)</i>						
<i>Accounts receivable without a significant financing component</i>						
Line	Item	Accounts receivable from transactions with customers	Amounts due on accrued income from cash and settlement services and other accrued income	Accounts receivable from transactions with payment cards	Other assets	Total
1	2	3	4	5	6	7
1	Impairment Stage 1:	1,037	1,887	25,683	393	29,000
1.1	Not overdue	744	1,575	25,683	20	28,022
1.2	Less than 30 days	4	207	-	373	584
1.3	31 - 60 days	287	80	-	-	367
1.4	61 - 90 days	2	25	-	-	27
2	Impairment Stage 3:	2,988	669	-	-	3,657
2.1	Less than 30 days	-	4	-	-	4
2.2	61 - 90 days	-	3	-	-	3
2.3	91 - 180 days	235	34	-	-	269
2.4	181 - 270 days	-	33	-	-	33

<i>(in thousands of Ukrainian hryvnias)</i>						
<i>Accounts receivable without a significant financing component</i>						
Li- ne	Item	Accounts receivable from transactions with customers	Amounts due on accrued income from cash and settlement services and other accrued income	Accounts receivable from transactions with payment cards	Other assets	Total
1	2	3	4	5	6	7
2.5	More than 270 days	2,753	595	-	-	3,348
3	Total other financial assets	4,025	2,556	25,683	393	32,657
4	Provision for impairment of other assets	(3,131)	(809)	-	-	(3,940)
5	Total other financial assets less provisions	894	1,747	25,683	393	28 717

Table 9.5. Credit quality analysis of other financial assets as at 31 December 2022 and for the year then ended

<i>(in thousands of Ukrainian hryvnias)</i>						
<i>Accounts receivable without a significant financing component</i>						
Li- ne	Item	Accounts receivable from transactions with customers	Amounts due on accrued income from cash and settlement services and other accrued income	Accounts receivable from transactions with payment cards	Other assets	Total
1	2	3	4	5	6	7
1	Impairment Stage 1:	1,011	1,549	44,032	49	46,641
1.1	Not overdue	551	1,397	44,032	20	46,000
1.2	Less than 30 days	232	91	-	29	352
1.3	31 - 60 days	228	37	-	-	265
1.4	61 - 90 days	-	24	-	-	24
2	Impairment Stage 3:	4,500	862	-	-	5,362
2.1	Less than 30 days	70	31	-	-	101
2.2	31 - 60 days	70	48	-	-	118
2.3	61 - 90 days	18	58	-	-	76
2.4	91 - 180 days	-	134	-	-	134
2.5	181 - 270 days	-	24	-	-	24
2.6	More than 270 days	4,342	567	-	-	4,909
3	Total other financial assets	5,511	2,411	44,032	49	52,003
4	Provision for impairment of other assets	(4,732)	(930)	-	-	(5,662)
5	Total other financial assets less provisions	779	1,481	44,032	49	46,341

Note 10. Other non-financial assets

Table 10.1. Other non-financial assets

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Accounts receivable from the acquisition of assets	2,281	974
2	Prepaid services	20,939	21,770
3	Precious metals	1,002	955
4	Accounts receivable from taxes and mandatory payments other than income tax	195	191
5	Other assets	2,691	3,221
6	Provision for other non-financial assets	(397)	(51)
7	Total other non-financial assets less provisions	26,711	27,060

Line 7 in Table 10.1 corresponds to account “Other non-financial assets” in the statement of financial position.

Table 10.2. Movements in provision for impairment of other non-financial assets as at 30 June 2023 and for the 6 months then ended

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Movements in provisions	Prepaid services	Total
1	2	3	5
1	Balance as at 1 January 2023	(51)	(51)
2	Decrease in provision for impairment during the period	(282)	(282)
3	Foreign exchange differences on provisions	(64)	(64)
4	Balance at 30 June 2023	(397)	(397)

Table 10.3. Movements in provision for impairment of other non-financial assets as at 31 December 2022 and for the year then ended

<i>(in thousands of Ukrainian hryvnias)</i>				
Line	Movements in provisions	Prepaid services	Precious metals	Total
1	2	3	4	5
1	Balance as at 1 January 2022	(66)	(467)	(533)
2	Decrease in provision for impairment during the year	15	-	15
3	Bad debt written off	-	503	503
4	Foreign exchange differences on provisions	-	(36)	(36)
5	Balance at 31 December 2022	(51)	-	(51)

Table 10.4. Credit quality analysis of other non-financial assets as at 30 June 2023 and for the 6 months then ended

<i>(in thousands of Ukrainian hryvnias)</i>							
<i>Accounts receivable without significant financing component</i>							
Line	Movements in provisions	Accounts receivable from the acquisition of assets	Prepaid services	Precious metals	Accounts receivable for taxes and mandatory payments, except income tax	Other assets	Total
1	2	3	4	5	6	7	8
1	Impairment Stage 1:	2,281	20,745	1,002	195	2,691	26,914
1.1	Not overdue	2,281	20,745	1,002	195	2,691	26,914
2	Impairment Stage 3:	-	194	-	-	-	194
2.1	91 - 180 days	-	191	-	-	-	191
2.2	181 - 270 days	-	3	-	-	-	3
3	Total other non-financial assets	2,281	20,939	1,002	195	2,691	27,108
4	Provision for impairment of other non-financial assets	-	(397)	-	-	-	(397)
5	Total other non-financial assets less provisions	2,281	20,542	1,002	195	2,691	26,711

Table 10.5. Credit quality analysis of other non-financial assets as at 31 December 2022 and for the year then ended

<i>(in thousands of Ukrainian hryvnias)</i>							
<i>Accounts receivable without significant financing component</i>							
Line	Movements in provisions	Accounts receivable from the acquisition of assets	Prepaid services	Precious metals	Accounts receivable for taxes and mandatory payments, except income tax	Other assets	Total
1	2	3	4	5	6	7	8
1	Impairment Stage 1:	974	21,690	955	191	3,221	27,031
1.1	Not overdue	974	21,690	955	191	3,221	27,031
2	Impairment Stage 3:	-	80	-	-	-	80
2.1	61 - 90 days	-	40	-	-	-	40
2.2	More than 270 days	-	40	-	-	-	40
3	Total other non-financial assets	974	21,770	955	191	3,221	27,111
4	Provision for impairment of other non-financial assets	-	(51)	-	-	-	(51)
5	Total other non-financial assets less provisions	974	21,719	955	191	3,221	27,060

Note 11. Due to banks

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Loans from other banks	85,042	-

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
2	Total amounts due to banks	85,042	-

Line 2 in Note 11 corresponds to account “Due to banks” in the statement of financial position.

Note 12. Due to customers

Table 12.1. Breakdown of amounts due to customers

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Government and public organizations:	28,495	18,814
1.1	Current accounts	28,361	18,683
1.2	Term deposits	134	131
2	Other legal entities:	6,146,871	5,140,254
2.1	Current accounts	3,277,686	3,556,162
2.2	Term deposits	2,869,185	1,584,092
3	Individuals:	3,080,542	3,056,707
3.1	Current accounts	2,268,872	2,604,002
3.2	Term deposits	811,670	452,705
4	Total amounts due to customers	9,255,908	8,215,775

Line 4 in Table 12.1 corresponds to account “Due to customers” in the statement of financial position.

The Bank believes that a potential concentration risk may arise when at least 10% of the balance sheet value of customers' funds (excluding subordinated debt and loans from international financial institutions) are attracted from a limited number of creditors. As at 30 June 2023 and 31 December 2022, the funds of two and two customers of the Bank amounted to UAH 1,128,379 thousands and UAH 813,404 thousands, respectively, representing 12.19% and 9.90% of total due to customers as at the reporting dates.

As of June 30, 2023, there were no deposits as the loan collateral (December 31, 2022: there was one deposit in the loan collateral for the amount of UAH 475 thousands).

Table 12.2. Breakdown of amounts due to customers by types of economic activity

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Economic activity	30/06/2023		31/12/2022	
		amount	%	amount	%
1	2	3	4	5	6
1	State authorities	3	0.01	3	0.01
2	Production and distribution of electricity, natural gas and water	37,629	0.41	37,440	0.46
3	Transactions with real estate, leasing, engineering and servicing	525,525	5.67	458,237	5.58
4	Trade, repair of vehicles, household equipment and items of personal use	874,612	9.45	726,558	8.84
5	Agriculture, hunting, forestry	39,276	0.42	18,230	0.22
6	Retail	3,080,543	33.27	3,056,706	37.20
7	Processing industry	1,039,242	11.23	556,088	6.77
8	Financial and insurance services	2,661,001	28.75	2,200,145	26.77
9	Construction	247,035	2.67	231,847	2.82

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Economic activity	30/06/2023		31/12/2022	
		amount	%	amount	%
1	2	3	4	5	6
10	Information and telecommunications	501,327	5.42	509,329	6.20
11	Other	249,715	2.70	421,192	5.13
12	Total amounts due to customers	9,255,908	100	8,215,775	100

Note 13. Provisions for credit obligations and financial guarantee contracts and other collateral

Table 13.1. Changes in provisions for credit commitments and financial guarantee contracts tracts as at 32 June 2023 and for the 6 months then ended.

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Movements in provisions	Credit-related commitments	Total
1	2	3	4
1	Balance at the beginning of the year	43,397	43,397
2	Increase (decrease) in provision for impairment during the period	(28,743)	(28,743)
3	Foreign exchange differences on provisions	990	990
4	Balance at 30 June 2023	15,644	15,644

Line 4 in Table 13.1 corresponds to account “Provisions for credit obligations and financial guarantee contracts” in the statement of financial position. The change in provisions for impairment and lending liabilities on stages disclosed in Note 26.

Table 13.2. Changes in provisions for credit commitments and financial guarantee contracts tracts as at 31 December 2022 and for the year then ended.

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Movements in provisions	Credit-related commitments	Total
1	2	3	4
1	Balance at the beginning of the year	9,421	9,421
2	Increase (decrease) in provision for impairment during the year	28,971	28,971
3	Foreign exchange differences on provisions	5,005	5,005
4	Balance at 31 December 2022	43,397	43,397

Note 14. Other collateral

Table 14.1. Changes in provisions for other collateral as at 30 June 2023 and for the 6 months then ended.

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Movements in provisions	Litigation contingencies	Total
1	2	3	4
1	Balance at the beginning of the year	114,538	114,538
2	Increase in provision for impairment during the period	674	674
3	Revaluation	1,370	1,370
4	Balance at 30 June 2023	116,582	116,582

Line 4 in Table 14.1 corresponds to account “Provisions behind loan commitments and financial guarantee contracts” in the statement of financial position.

As of June 30, 2023, disputes over UAH 3,249 thousands (December 31, 2022: UAH 59,624 thousands) took place in administrative courts and courts of general jurisdiction, the probability of risk of outflow of resources for which the Bank estimates as probable. Taking into account the Bank's assessments of the prospects for resolving disputes, no provisions were created for these risks.

Table 14.2. Changes in provisions for other collateral as at 31 December 2022 and for the year then ended.

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Movements in provisions	Litigation contingencies	Total
1	2	3	4
1	Balance at the beginning of the year	88,585	88,585
2	Increase in provision for impairment during the year	(852)	(852)
3	Revaluation	26,805	26,805
4	Balance at 31 December 2022	114,538	114,538

Note 15 Other financial liabilities

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Balances on the investment account of Intesa Sanpaolo S.p.A.	3,923	4,010
2	Accounts payable on transactions with customers	8,395	9,068
3	Accounts payable on debit and credit cards	32,338	54,947
4	Foreign exchange transactions and settlements	1,081	4,288
5	Provisions for other labor payables	28,903	27,339
6	Lease liabilities	63,406	63,153
7	Other debt	11,396	9,346
8	Total other financial liabilities	149,442	172,151

Line 8 in Note 15 corresponds to account “Other financial liabilities” in the statement of financial position.

Note 16. Other non-financial liabilities

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Accounts payable on taxes other than income tax	14,131	16,294
2	Accounts payable on labor	8,616	5,523
3	Accounts payable on asset acquisitions	1,860	4,603
4	Deferred income	5,453	6,412
5	Accounts payable on recruitment services	30,788	44,123
6	Accounts payable on technical support and software maintenance services	860	71
7	Accounts payable on services and security	8,760	5,615
8	Settlements via payment systems and Ukrainian Processing Center	7,152	6,150
9	Other debt	29	32
10	Total other non-financial liabilities	77,649	88,823

Line 10 in Note 16 corresponds to account “Other non-financial liabilities” in the statement of financial position.

Note 17. Share capital

<i>(in thousands of Ukrainian hryvnias)</i>						
Line	Item	Number of shares in issue (in thousands)	Ordinary shares	Share premium	Preference shares	Total
1	2	3	4	5	6	7
1	Balance at 1 January 2022	1,688,085	1,047,856	4,600,754	870	5,649,480

<i>(in thousands of Ukrainian hryvnias)</i>						
Line	Item	Number of shares in issue (in thousands)	Ordinary shares	Share premium	Preference shares	Total
2	Contributions for newly issued shares	-	-	-	-	-
3	Balance at 31 December 2022 (balance at 1 January 2023)	1,688,085	1,047,856	4,600,754	870	5,649,480
4	Contributions for newly issued shares	-	-	-	-	-
5	Balance at 30 June 2023	1,688,085	1,047,856	4,600,754	870	5,649,480

As at 30 June 2023 and 31 December 2022, preference shares outstanding amount to 1,500 shares in total.

As at 30 June 2023 and 31 December 2022, the nominal value of the shares is UAH 0.58 per share.

Holders of preference shares have the right to:

- participate in profit distribution and receive dividends in the amount stipulated by their preference shares, notwithstanding the amount of the Bank's net profit earned in the respective year;
- preferences stipulated by the terms of preference share issue are as follows: holders of registered preference shares are entitled to dividends of 18% per annum, notwithstanding the amount of Bank's net profit earned in the respective year.

In accordance with the Ukrainian legislation, distributable reserves are restricted by retained earnings in accordance with laws and regulations.

Note 18. Revaluation reserves (components of other comprehensive income)

Table 18.1. Securities revaluation reserves

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Balance at 1 January	-	926
2	Changes in gains/losses arising from revaluation of securities at FVTOCI:	(194)	(879)
2.1	changes in revaluation to fair value	(194)	(879)
3	Income tax related to change in reserve for investments in securities	-	(47)
4	Total revaluation reserves less income tax	(194)	-

Table 18.2. Movements in revaluation reserve for property, plant and equipment

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Balance at 1 January	267,857	229,658
2	Revaluation of PP&E	-	46,620
2.1	changes in revaluation to fair value	-	46,620
3	Income tax related to revaluation of property, plant and equipment	-	(8,421)
4	Total revaluation reserves less income tax	267,857	267,857

Table 18.3. Results of adjusting the value of financial instruments in transactions with shareholders

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Balance at 1 January	4	-
2	Results of adjusting the value of financial instruments in transactions with shareholders	19	5
2.1	Gain recognised on initial recognition of the financial instrument in transactions with the Bank's shareholders	126	21
2.2	(Loss) recognised on initial recognition and attributed to retained earnings on disposal of the financial instrument in transactions with the Bank's shareholders	(107)	(16)
3	Income tax related to changes in the adjustment of the value of financial instruments in transactions with the Bank's shareholders	(3)	(1)
4	Total adjustments of the value of financial instruments, net of income tax	20	4

Note 19. Analysis of contractual maturities of assets and liabilities

<i>(in thousands of Ukrainian hryvnias)</i>								
Line	Item	Notes	30 June 2023			31 December 2022		
			less than 12 months	more than 12 months	total	less than 12 months	more than 12 months	total
1	2	3	4	5	6	7	8	9
ASSETS								
1	Cash and cash equivalents	6	2,797,696	-	2,797,696	2,409,276	-	2,409,276
2	Loans and advances to banks		128,277	-	128,277	132,464	-	132,464
3	Loans and advances to customers	7	1,591,869	1,240,158	2,832,027	2,193,569	1,501,282	3,694,851
4	Investments in securities	8	4,930,721	-	4,930,721	3,344,212	-	3,344,212
5	Investment property		-	6,831	6 831	-	6,831	6,831
6	Current income tax receivable		29	-	29	29	-	29
7	Intangible assets other than goodwill		-	126,317	126,317	-	155,190	155,190
8	Fixed assets		23,697	352,294	375,991	22,614	371,114	393,728
9	Other financial assets	9	28,716	-	28,716	46,341	-	46,341
10	Other non-financial assets	10	26,711	-	26,711	27,060	-	27,060
11	Non-current assets or disposal groups classified as held for sale or held for payment to owners		6,070	-	6,070	6,070	-	6,070
12	Total assets		9,533,786	1,725,600	11,259,386	8,181,635	2,034,417	10,216,052
LIABILITIES								
13	Due to banks	11	85,042	-	85,042	-	-	-
14	Due to customers	12	9,255,853	55	9 255 908	8,214,592	1,183	8,215,775
15	Debt securities issued by the Bank		1	-	1	1	-	1
16	Other borrowed funds		82,629	372,020	454 649	40,817	408,374	449,191
17	Deferred tax liabilities		32,342	-	32,342	31,475	-	31,475
18	Provisions behind loan commitments and financial guarantee contracts	13, 14	123,562	8,664	153,807	124,525	33,410	157,935
19	Other financial liabilities	15	116,714	32,728	155,814	137,210	34,941	172,151
20	Other non-financial liabilities	16	77,043	606	64,314	88,629	194	88,823
21	Total liabilities		9,773 186	414,073	10 187,259	8,637,249	478,102	9,115,351

Note 20. Interest income and expense

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
Interest income					
1	Interest income on loans and advances to banks	19,952	35,623	84	198
2	Interest income on loans and advances to customers	93,902	194,761	111,437	222,322
3	Interest income on investments in securities at AC	156,323	309,087	59,244	81,105
4	Interest income on investments in securities at FV	-	-	17,866	51 285
5	Interest income on other debt securities at FVTOCI	2,053	2,053	-	-
6	Interest income on debt securities refinanced by the National Bank of Ukraine at AC	-	-	-	1 243
7	Interest income on deposit certificates of the National Bank of Ukraine placed in banks of Ukraine at FVTOCI	9,128	9,128	-	-
8	Total interest income	281,358	550,652	188,631	356,153
Interest expense					
9	Interest expenses on term deposits of corporate customers	(84,438)	(153,582)	(15,945)	(34,398)
10	Interest income on term deposits of individuals	(5,774)	(8,421)	(2,400)	(5,319)
11	Interest income on overnight loans from other banks	(198)	(227)	-	(16)
12	Interest expenses on other loans received from the National Bank of Ukraine through refinancing	-	-	(12,278)	(20,294)
13	Interest expenses on current accounts	(61,142)	(114,508)	(39,943)	(69,890)
14	Interest expenses on loans received from international and other organizations	(1,980)	(3,969)	(1,573)	(3,167)
15	Interest expense on lease liabilities	(3,620)	(6,768)	(1,684)	(3,604)
16	Total interest expenses	(157,152)	(287,475)	(73,823)	(136 688)
17	Net interest income	124,206	263 177	114,808	219,465

Line 5 and line 16 in Note 20 corresponds to account “Interest income” and “Interest expense” in the statement of profit or loss.

Note 21. Commission income and expenses

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
COMMISSION INCOME:					
1	Cash and settlement services	28,158	58,935	18,978	42,941
2	Bank commission for the lease of safe deposit boxes	2,266	4,541	3,377	7,167
3	Commission for insurance broker services	316	584	268	606
4	Commission for TaxFree check payments	118	213	2	279
5	Transactions with securities	84	312	72	230
6	Interbank transactions with plastic cards	5,120	9,424	3,289	9,403
7	Guarantees issued	980	2,348	2,336	4,696
8	Other	-	2	2	4
9	Total fee and commission income	37,042	76 359	28,324	65,326
COMMISSION EXPENSE					
10	Cash and settlement services	(5,790)	(19,059)	(8,645)	(22,664)
11	Commission for services and other commissions	(104)	(895)	(14)	(28)

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
12	Guarantee expenses	(10)	(345)	-	(40)
13	Services provided by payment systems and transactions with plastic cards	(2,821)	(6,556)	(2,505)	(5,751)
14	Total fee and commission expense	(8,725)	(26,855)	(11,164)	(28,483)
15	Net fee and commission income	28,317	49,504	17,160	36,843

Line 9 and Line 14 in Note 21 correspond to accounts “Commission income” and “Commission expense” in the statement of profit or loss.

Note 22. Impairment gains (losses) determined in accordance with IFRS 9

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
1	Profit (loss) from impairment of loans and advances to banks	(13)	(969)	101	20
2	Profit (loss) from impairment of loans and advances to customers	8,582	26,366	(14,150)	(15,336)
3	Return of previously written-off bad debts of loans to customers	1,083	3 059	67	1,956
4	Profit (loss) from impairment of investments in securities	(12)	(12)	-	53
5	Profit (loss) from impairment of other financial assets	(29)	1,765	(2,082)	(2,033)
6	Return of previously written-off bad debt to the bank	1	1	-	-
7	Profit (loss) from impairment of issued financial guarantees and similar contractual obligations	22,186	28,743	1,987	1,186
8	Impairment gains (losses) determined in accordance with IFRS 9	31,798	58,953	(14,077)	(14,154)

Line 8 in Note 22 corresponds to account “Impairment gains (losses) determined in accordance with IFRS 9” in the statement of profit or loss.

Note 23. Other income

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
1	Operating lease income	10	10	8	24
2	Penalties and fines received	216	406	341	395
3	Undrawn funds upon expiration of limitation period	72	1,182	395	1,133
4	Shortages charged to responsible employees	10	204	-	-
5	Result from disposal of property, plant and equipment	(14)	19	-	-
6	Gains from recovering an advance payment for enforcement proceedings, court fees and other related costs	19	62	4	143
7	Income from the provision of a discount for the quarantine period for the lease of the premises	71	281	2,346	2,607
8	Result from modification of financial assets	446	1,059	-	157
9	Other	59	133	324	329
10	Total operating income	889	3,356	3,418	4,788

Line 10 in Note 23 corresponds to account “Other income” in the statement of profit or loss.

Note 24. Other administrative and operating expenses

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	For 2nd quarter 2023	For 6 months 2023	For 2nd quarter 2022	For 6 months 2022
1	2	3	4	5	6
1	Business trips	712	1,078	25	128
2	Recruitment services	10,113	15,407	6,311	14,658
3	Maintenance of property, plant and equipment and intangible assets, telecommunication and other operation services	60,970	121,398	48,913	101,288
4	Operating lease expenses	411	684	215	792
5	Cash collection and transportation	613	1,031	199	445
6	Services provided by payment systems on payment cards	3,818	7,188	3,264	6,165
7	Legal services on litigations and payments to collectors	3,571	7,051	256	1,047
8	Professional services	4,194	8,438	3,624	7,854
9	Marketing and advertising expenses	224	333	395	1,030
10	Security expenses	2,705	5,370	2,096	4,445
11	Taxes other than income tax	12,919	25,129	8,000	17,649
12	The result of the disposal of fixed assets	-	-	90	90
13	Expenses from depreciation of fixed assets	-	-	19	19
14	Provision for cover risks of losses due to lawsuits	7	674	-	-
15	Provision for unconfirmed cash loss risks	-	-	2,043	2,043
16	Net increase in provisions for impairment of other non-financial assets	219	346	-	140
17	Other	5,906	9,295	179	61
18	Total other administrative and operating expenses	106,382	203,422	75,629	157,854

Line 18 in Note 24 corresponds to account “Other administrative and operating expenses” in the statement of profit or loss.

Note 25. (Loss)/gain per ordinary share and preference share

<i>(in thousands of Ukrainian hryvnias)</i>				
Line	Item	30/06/2023	30/06/2022	31/12/2022
1	2	3	4	5
1	Loss attributable to holders of ordinary shares	(28,503)	(80,375)	(415,206)
2	Profit attributable to holders of preference shares	157	157	157
3	Loss for the period	(28,503)	(80,375)	(415,206)
4	Annual average number of ordinary shares outstanding (in thousands of shares)	1,686,586	1,686,586	1,686,586
5	Annual average number of preference shares outstanding (in thousands of shares)	1,500	1,500	1,500
6	Basic and diluted (loss) per ordinary share (in UAH)	(0.02)	(0.05)	(0.03)
7	Basic and diluted gain per preference share (in UAH)	0.10	0.10	0.10

Note 26. Contingent liabilities

Capital investment commitments

As of June 30, 2023, the Bank had obligations related to the acquisition of fixed assets and intangible assets in the amount 6,817 thousand UAH. (December 31, 2022: UAH 685 thousand). Potential liabilities for legal actions are disclosed in Note 14.

Table 26.1. Structure of credit-related commitments

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	Unused credit lines	1,176,126	1,515,948
2	Export letters of credit	151,457	275,703
3	Guarantees issued	2,000	1,947
4	Provision for credit-related commitments	(15,644)	(43,397)
5	Total credit-related commitments less provisions	1,313,939	1,750,201

Table 26.2. Changes in lending commitments for 6 months 2023

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Liabilities at the beginning of the period	1,517,744	275,828	26	1,793,598
2	Increase in the amount of liabilities for the period	682,982	34,446	111	717,539
2.1	New liabilities	53,474	4	7	53,485
2.2	Increase in the amount of current liabilities	557,235	13,785	21	571,041
2.3	The amount of transition between stages	70	4	83	157
2.4	Exchange rate differences	72,203	20,653	-	92,856
3	Decrease in the amount of liabilities for the period	(1,040,959)	(140,497)	(98)	(1,181,554)
3.1	Liabilities repaid	(388,951)	(27,101)	(6)	(416,058)
3.2	Obligations that have expired	(602,307)	(98,668)	(84)	(701,059)
3.3	The amount of transition between stages	(12)	(137)	(8)	(157)
3.4	Exchange rate differences	(49,689)	(14,591)	-	(64,280)
4	Liabilities at the end of the period	1,159,767	169,777	39	1,329,583

The Bank has outstanding loan commitments. These liabilities are represented by approved loans and credit card limits on overdraft terms and credit lines. The total amount of outstanding loan commitments does not necessarily reflect future cash requirements, as such commitments may expire or be canceled without requiring funds.

Table 26.3. Changes in provisions for other liabilities and contracts of financial guarantee as of 30.06.2023 and for the 6 months ended on that date

<i>(in thousands of hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Provisions for liabilities as of the beginning of the period	3,661	39,731	5	43,397
2	Increase in the amount of provisions for liabilities for the period	(1,386)	(3,094)	(22)	(4,502)
2.1	Provision for new liabilities	(321)	-	(1)	(322)
2.2	Provision for increase in liabilities	(871)	(228)	(3)	(1,102)
2.3	Increase in reserves from portfolio deterioration	(79)	-	-	(79)
2.4	Increasing of provision from the transition between stages	-	-	(15)	(15)
2.5	The amount of transition between stages	-	-	(3)	(3)
2.6	Exchange rate differences	(115)	(2,866)	-	(2,981)

<i>(in thousands of hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
3	Decrease in the amount of provisions for liabilities for the period	3,385	28,850	20	32,255
3.1	Decrease in the provision for closing liabilities	271	12,760	17	13,048
3.2	Decrease of the provision for decrease of liabilities	1,222	910	2	2,134
3.3	Decrease of the provision from improvement of portfolio quality	1,816	13,259	-	15,075
3.4	Decrease of the provision from the transition between stages	-	2	1	3
3.5	The amount of transition between stages	-	3	-	3
3.6	Exchange Rate differences	76	1,916	-	1,992
4	Provisions for liabilities at the end of the period	(1,662)	(13,975)	(7)	(15,644)

Line 4 in Note 26.3 corresponds to account “Provisions for credit related commitments and financial guarantees” in the statement of financial position.

Table 26.4. Changes in lending commitments for 2022

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Liabilities at the beginning of the period	2,715,562	129	6	2,715,697
2	Increase in the amount of liabilities for the period	3,330,535	883,423	94	4,214,052
2.1	New liabilities	861,500	9,402	6	870,908
2.2	Increase in the amount of current liabilities	1,780,065	129,982	56	1,910,103
2.3	The amount of transition between stages	74	714,782	32	714,888
2.4	Exchange rate differences	688,896	29,257	-	718,153
3	Decrease in the amount of liabilities for the period	(4,528,353)	(607,724)	(74)	(5,136,151)
3.1	Liabilities repaid	(1,701,111)	(15,022)	(41)	(1,716,174)
3.2	Obligations that have expired	(1,829,473)	(583,447)	(3)	(2,412,923)
3.3	The amount of transition between stages	(714,782)	(76)	(30)	(714,888)
3.4	Exchange rate differences	(282,987)	(9,179)	-	(292,166)
4	Liabilities at the end of the period	1,517,744	275,828	26	1,793,598

Table 26.5. Changes in provisions for other liabilities and contracts of financial guarantee as of 31.12.2022 and for the year ended on that date

<i>(in thousands of hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Provisions for liabilities as of the beginning of the period	9,417	3	1	9,421
2	Increase in the amount of liabilities for the period	11,957	98,029	15	110,001
2.1	Provision for new liabilities	3,794	735	1	4,530
2.2	Provision for increase in liabilities	5,777	15,924	4	21,705

<i>(in thousands of hryvnias)</i>					
Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
2.3	Increasing of provision from the transition between stages	26	73,818	5	73,849
2.4	The amount of transition between stages	-	3,451	5	3,456
2.5	Exchange rate differences	2,360	4,101	-	6,461
3	Decrease in the amount of liabilities for the period	(17,713)	(58,301)	(11)	(76,025)
3.1	Decrease in the provision for closing liabilities	(3,842)	(24,397)	(1)	(28,240)
3.2	Decrease of the provision for decrease of liabilities	(9,285)	(33,577)	(5)	(42,867)
3.3	Decrease of the provision from the transition between stages	-	(3)	(2)	(5)
3.4	The amount of transition between stages	(3,451)	(2)	(3)	(3,456)
3.5	Exchange Rate differences	(1,135)	(322)	-	(1,457)
4	Provisions for liabilities at the end of the period	3,661	39,731	5	43,397

Table 26.6. Credit-related commitments by currencies

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	31/12/2022
1	2	3	4
1	UAH	536,523	470,222
2	USD	-	-
3	EUR	777,416	1,279,978
4	Total	1,313,939	1,750,200

Note 27. Capital management

The Bank's shareholders place much emphasis on the capital increase, specifically, on the increase of the share capital as the key component of capital.

The Bank's capital is formed for the purpose of:

- highly profitable use of own cash;
- covering all possible risks assumed by the Bank;
- optimizing assets and liabilities structure by ageing and deposits.

As at 30 June 2023, according to the NBU requirements, banks must comply with the capital adequacy ratio at the level of 10% and with the common equity adequacy ratio at the level of 7% for risk-weighted assets calculated based on the NBU regulations.

As at 30 June 2023 and 30 June 2022, the Bank complied with regulatory capital adequacy ratio (N2) at 19.19% (30 June 2022: 17.99%) and common equity adequacy ratio (N3) at 17.71% (30 June 2022: 16.92%).

Table 27.1. Structure of regulatory capital calculated according to the NBU requirements

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	30/06/2022
1	2	3	4
1	Common equity	686,162	912,423
2	Share capital	979,090	979,090
3	Share premium	4,600,449	4,600,449
4	Total reserves under Ukrainian legislation	1,332	1,332
5	Intangible assets	(570,341)	(548,293)
6	Amortization of other intangible assets	472,691	447,130

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	30/06/2023	30/06/2022
1	2	3	4
7	Capital investments in intangible assets	(27,552)	(28,732)
8	Uncovered losses of past years	(4,747,947)	(4,332,842)
9	Result of the current year (loss)	(16,437)	(199,322)
10	The amount of the book value of non-core assets, by which the fixed capital is reduced	(5,123)	(6,389)
11	Additional capital	57,305	57,305
12	Result on PP&E revaluation	57,305	57,305
13	Redeployment	(3)	(3)
14	Carrying amount of securities that are not traded on stock exchanges carried at FV	(3)	(3)
15	Total regulatory capital	743,464	969,725

Note 28. Related party transactions

The methods of valuation of assets and liabilities used in the recognition of transactions with related parties do not differ from those used for transactions with other persons.

Agreements concluded with persons related to the Bank do not provide for more favorable terms than agreements concluded with other persons.

Table 28.1. Balances on related-party transactions as at 30 June 2023

<i>(in thousands of Ukrainian hryvnias)</i>													
Line	Item	UAH	Interest rate	Maturity	USD	Interest rate	Maturity	EUR	Interest rate	Maturity	Denominated in foreign currencies	Interest rate	Maturity
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Major participants (shareholders) of the Bank													
1	Cash and cash equivalents	-	-	-	-	-	-	765,800	-	on demand	14,573	-	on demand
2	Provisions for cash on correspondent accounts with other banks	-	-	-	-	-	-	9	-	on demand	-	-	-
3	Loans and advances to banks	-	-	-	-	-	-	128,279	5,29%	2 - 31 days	-	-	-
4	Provision for loans and advances to banks	-	-	-	-	-	-	2	-	2 - 31 days	-	-	-
5	Other financial assets	20	-	2 - 31 days	-	-	-	-	-	-	-	-	-
6	Other non-financial assets	21	-	on demand	-	-	-	-	-	-	-	-	-
7	Other financial liabilities	2,756	-	on demand	-	-	-	1,167	-	on demand	-	-	-
8	Other non-financial liabilities	-	-	-	-	-	-	30,788	-	on demand	-	-	-
Key management personnel													
9	Loans and advances to customers	209	12%	2 days – 5 years	-	-	-	-	-	-	-	-	-
10	Loan loss provisions to customers	3	-	more than 5 years	-	-	-	-	-	-	-	-	-
11	Due to customers	2,279	0 – 17%	on demand - less than 183 days	791	0-0.5%	on demand	528	0-0.25%	on demand -	115	-	on demand
12	Other financial liabilities	6,459	-	on demand	-	-	-	-	-	-	-	-	-
13	Other non-financial liabilities	1,289	-	on demand – less than 183 days	-	-	-	-	-	-	-	-	-
Other related parties													
14	Cash and cash equivalents	-	-	-	-	-	-	-	-	-	815	-	on demand

<i>(in thousands of Ukrainian hryvnias)</i>													
Line	Item	UAH	Interest rate	Maturity	USD	Interest rate	Maturity	EUR	Interest rate	Maturity	Denominated in foreign currencies	Interest rate	Maturity
1	2	3	4	5	6	7	8	9	10	11	12	13	14
15	Provisions for cash on correspondent accounts with other banks										815	-	on demand
16	Other non-financial liabilities	293	-	on demand	-	-	-	-	-	-	-	-	-

Related parties comprise entities under common control, members of the Supervisory Board, key management personnel and their immediate family members, companies that are controlled or significantly influenced by shareholders, key management personnel or their close family members.

Table 28.2. Income and expenses on related-party transactions as at 30 June 2023 and for the 6 months then ended

<i>(in thousands of Ukrainian hryvnias)</i>				
Line	Item	Major participants (shareholders) of the Bank	Key management personnel	Other related parties
1	2	3	4	5
1	Interest income	11,954	15	-
2	Interest expenses	-	(567)	-
3	Net (increase) in provisions for impairment of loans and advances to customers, and due from banks	(1)	-	(816)
4	Net profit from foreign exchange	897	-	-
5	Net gain/(loss) from foreign currency translation	23,699	(20)	(51)
6	Fee and commission income	123	4	-
7	Fee and commission expenses	(801)	-	(2)
8	Employee benefits expense	-	(10,229)	-
9	Other administrative and operating expenses	(15,406)	(2,333)	(836)

Table 28.3. Loans granted to and repaid by related parties for 6 months 2023

<i>(in thousands of Ukrainian hryvnias)</i>		
Line	Item	Key management personnel
1	2	3
1	Loans granted to related parties	-
2	Loans repaid by related parties	1

Table 28.4. Other rights and obligations on related-party transactions as at 30 June 2023

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	Major participants (shareholders) of the Bank	Key management personnel
1	2	3	4
1	Guarantees received	8,000	-

Table 28.5. Balances on related-party transactions as at 31 December 2022

<i>(in thousands of Ukrainian hryvnias)</i>													
Line	Item	UAH	Interest rate	Maturity	USD	Interest rate	Maturity	EUR	Interest rate	Maturity	Denominated in foreign currencies	Interest rate	Maturity
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Major participants (shareholders) of the Bank													
1	Cash and cash equivalents	-	-	-	-	-	-	868,405	-	on demand	13,664	-	on demand
2	Provisions for cash on correspondent accounts with other banks	-	-	-	-	-	-	10	-	on demand	-	-	-
3	Other financial assets	20	-	2 - 31 days	-	-	-	-	-	-	-	-	-
4	Other financial liabilities	2,874	-	on demand - less than 31 days	-	-	-	1,136	-	on demand	-	-	-
5	Other non-financial liabilities	-	-	-	-	-	-	44,123	-	on demand	-	-	-
Key management personnel													
6	Loans and advances to customers	209	12%	2 days – 5 years	-	-	-	-	-	-	-	-	-
7	Loan loss provisions	3	-	more than 5 years	-	-	-	-	-	-	-	-	-
8	Due to customers	2,324	0 – 5.5%	on demand - less than 92 days	1,461	0.01%	on demand	496	0.01%	on demand	109	-	on demand
9	Other financial liabilities	7,783	-	on demand - 4 years	-	-	-	-	-	-	-	-	-
10	Other non-financial liabilities	1,053	-	on demand	-	-	-	-	-	-	-	-	-
Other related parties													
11	Cash and cash equivalents	-	-	-	-	-	-	-	-	-	986	-	on demand
12	Other non-financial liabilities	-	-	-	-	-	-	42	-	on demand	-	-	-

Table 28.6. Income and expenses on related-party transactions as at 30 June 2022 and for the 6 months then ended

<i>(in thousands of Ukrainian hryvnias)</i>				
Line	Item	Major participants (shareholders) of the Bank	Key management personnel	Other related parties
1	2	3	4	5
1	Interest income	-	37	-
2	Interest expenses	-	(56)	-
3	Net (increase) in provisions for impairment of loans and advances to customers, and due from banks	(4)	-	-
4	Net profit from foreign exchange	779	-	-
5	Net gain/(loss) from foreign currency translation	(2,123)	(106)	359
6	Fee and commission income	124	22	-
7	Fee and commission expenses	(642)	-	(3)
8	Employee benefits expense	-	(9,691)	-
9	Other administrative and operating expenses	(14,598)	(2,245)	(918)

Table 28.7. Loans granted to and repaid by related parties for 6 months 2022

<i>(in thousands of Ukrainian hryvnias)</i>		
Line	Item	Key management personnel
1	2	3
1	Loans granted to related parties	-
2	Loans repaid by related parties	5

Table 28.8. Other rights and obligations on related-party transactions as at 30 June 2022

<i>(in thousands of Ukrainian hryvnias)</i>			
Line	Item	Major participants (shareholders) of the Bank	Key management personnel
1	2	3	4
1	Guarantees received	160,526	-
2	Other credit obligations provided to clients	-	1,056

Table 28.9. Remuneration to key management personnel

<i>(in thousands of Ukrainian hryvnias)</i>					
Line	Item	expenses for 6 months 2023	accrued liabilities as at 30/06/2023	expenses for 6 months 2022	accrued liabilities as at 31/12/2022
1	2	3	4	5	6
1	Current employee benefits	10,229	2,563	9,691	1,049

The shareholder of “PRAVEX BANK” JSC is an Italian group of companies – Intesa Sanpaolo Group.