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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Supervisory Board

OF JOINT-STOCK COMPANY «CRYSTALBANK»

To the National Bank of Ukraine

To the National Securities and Stock Market Commission

Report on the audit of financial statements

Opinion

We have audited the accompanying financial statements of JOINT STOCK COMPANY «CRYSTALBANK» (hereinafter referred to as the «Bank»), which comprise the statement of financial position in order of liquidity [IAS1 220000], the statement of comprehensive income, profit or loss by the nature of expense [IAS1 320000], the statement of components of other comprehensive income presented after tax [IAS1 410000], the statement of cash flows, direct method [IAS1 510000] and the statement of changes in equity [IAS1 610000] for the year ended December 31, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards («IFRS») and comply with the requirements of the legislation applicable to their preparation.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (hereinafter referred to as the «Code») and the ethical requirements that are relevant to our audit of the financial statements in accordance with the Law of Ukraine On Auditing Financial Statements and Auditing Activities, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the Code.

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

Material uncertainty related to going concern

We draw attention to Note IAS1 800600 «List of accounting policies», which discloses that since February 24, 2022, the Bank's and its counterparties' operations have been significantly affected by the ongoing full-scale military invasion of Ukraine by the Russian Federation and that further developments, the timing of the end of these events and their consequences are uncertain.

As described in Note IAS1 800600 «Summary of accounting policies», these events or conditions together indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern in the future. Our opinion on this matter has not been modified.

Key Audit Matters

Key audit matters represent those areas that, in our professional assessment, were of utmost significance in our audit of the financial statements for the current period. These matters were evaluated in the context of the overall audit of the financial statements and factored into our opinion. We do not provide a separate opinion on these matters.

In addition to the matter described in the section «Material uncertainty related to going concern», we have determined that the following matter is a key audit matter that should be addressed in our report.

Key audit matter	How was the pertinent key matter addressed in our audit?
Judgments and Estimates for Loans and Advances to Customers	
<p>Recognizing and measuring expected credit losses («ECL») involves intricate processes and necessitates substantial judgment and assumptions, including integrating economic forecasts into the ECL estimates to adhere to the measurement objectives outlined in IFRS 9 «Financial Instruments». Therefore, this matter warranted considerable attention during our audit.</p> <p>In estimating expected credit losses, management exercises judgment in determining what constitutes a significant increase in credit risk and makes assumptions and estimates that incorporate relevant information about past events, current conditions, and forecasts of future economic conditions. The accuracy of these assumptions, including macroeconomic scenarios, impacts the level of allowances for impairment.</p> <p>Management's estimation process involves the use of complex, subjective, and risk-sensitive assumptions, which are subject to changes in economic and credit conditions.</p> <p>We identified the impairment of loans and advances to customers as a key audit matter due to the materiality of the loan balances, the complexity of the estimation process, and the judgment involved.</p> <p>Details regarding significant accounting policies are provided in Note IAS1 800600 «List of accounting policies» while Notes IFRS7 822390-12 «Reconciliation of Changes in Loss Exposure and Explanations of Changes in Gross Carrying Amounts for Financial Instruments» and IFRS7 822390-13 «Credit Risk Measurements» offer disclosures and specifics on the methods and models used, as well as the amount of allowance for impairment of loans and advances to customers.</p>	<p>Throughout our audit procedures, we assessed the control measures implemented by management to ensure the accurate calculation of expected credit losses.</p> <p>We also evaluated the Bank's impairment assessment methodology's compliance with the requirements of IFRS 9 «Financial Instruments». Specifically, we assessed the Bank's approach to applying significant increase in credit risk («SIRC») criteria, defining default, probability of default («PD»), loss given default («LGD»), and exposure at risk («EAR»), and incorporating forward-looking information into the calculation of expected credit losses.</p> <p>Our focus extended to scrutinizing the Bank's assumptions and expert judgment applied in the ECL model against empirical evidence and existing lending and monitoring processes.</p> <p>For individually significant loans and advances to customers assessed for impairment, we exercised judgment in selecting a sample based on various risk criteria.</p> <p>Thus, for the selected loans, we reviewed the classification of the stages of impairment, including the assessment of factors affecting credit risk. Simultaneously, for the selected impaired loans (stage 3), we reviewed the assumptions used in the calculation of expected credit losses, particularly examining the expected scenarios and probabilities applied, timing, and amounts of expected cash flows, including cash flows from repayment and realization of collateral.</p> <p>For individually insignificant loans and receivables assessed for impairment on a portfolio basis, we conducted procedures such as reviewing the reliability of key inputs and related management controls, analyzing management judgments and assumptions, including macroeconomic scenarios and related probability weights applied, and assessing the coverage of the allowance for loan impairment and any changes.</p>

Other matters - second date of the auditor's report

The date of this report, March 29, 2024, pertains solely to the sections *«Report on the Corporate Governance Report»* and *«Information other than the financial statements and the auditor's report thereon»*. The section *«Report on the Corporate Governance Report»* encompasses the outcomes of our assessment of this report. This section has been appended to our auditor's report dated March 26, 2024, as the issuer's report, including the corporate governance report mentioned in this section, was furnished to us after March 26, 2024. Our independent auditor's report dated March 26, 2024, contained relevant information in the segment titled *«Information Other Than the Financial Statements and the Auditor's Report Thereon»*. Auditor's responsibility for events occurring subsequent to the auditor's report dated March 26, 2024, is restricted to those events linked to the information described in that segment, and our procedures after that date were conducted concerning that information exclusively.

Information other than the financial statements and the auditor's report thereon

Management is accountable for the other information. This includes the details outlined in the Annual Information of the issuer of securities, encompassing the Management Report (report on management) and the Corporate Governance Report 2023, but excludes the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not extend to the other information, and we do not provide any form of assurance on that other information.

In the course of our audit of the financial statements, our responsibility is to peruse the other information and, in doing so, assess whether it is materially inconsistent with the financial statements or our knowledge gained in the audit, or appears to be at variance with legal requirements or otherwise materially misrepresented. Should we conclude, based on our work, that there is a material misstatement of this other information obtained prior to the date of the auditor's report, we are obligated to communicate that fact. We did not identify any matters that should have been included in the report.

Management's and the Supervisory Board's responsibilities for the financial statements

Management is responsible for the preparation and equitable presentation of the financial statements in line with IFRS, and for establishing such internal control as management deems necessary to enable the preparation of financial statements that are devoid of material misstatement, whether due to fraud or error.

In drawing up the financial statements, management must assess the Bank's capacity to continue as a going concern, disclose, where applicable, matters related to going concern, and adopt the going concern basis of accounting unless the Bank either intends to liquidate or cease operations, or has no realistic alternative but to do so.

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

The auditor's responsibility for the audit of the financial statements

Our aims are to attain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report containing our opinion. Reasonable assurance denotes a high level of confidence but does not guarantee that an audit conducted in accordance with ISA will invariably detect a material misstatement if one exists. Misstatements may arise from fraud or error and are considered material if, individually or collectively, they could reasonably influence the economic decisions of users based on these financial statements.

During an audit conducted in line with ISA, we exercise professional judgment and maintain professional skepticism throughout the engagement.

Additionally, we:

- Identify and evaluate the risks of material misstatement of the financial statements, whether due to fraud or error, develop and execute audit procedures tailored to those risks, and acquire audit evidence that is adequate and appropriate to form the basis of our opinion. The risk of not detecting a material misstatement arising from fraud is higher than that of a misstatement due to error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or breaches of internal controls.
- Obtain an understanding of internal control relevant to the audit to develop appropriate audit procedures for the circumstances, without expressing an opinion on the effectiveness of internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures and financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to be a going concern;
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Bank's Supervisory Board the planned scope and timing of the audit and significant audit findings identified during the audit, including any significant deficiencies in internal control that we identify during the audit.

We also provide a statement to the Bank's Supervisory Board that we have fulfilled the relevant ethical requirements for independence and communicate with them all relationships and other matters that could reasonably be considered to bear on our independence and, where applicable, the appropriate precautionary measures.

From the matters communicated with the Bank's Supervisory Board, we identify those matters that were most significant in the audit of the current period's financial statements, which are the key audit matters. We describe those matters in our auditor's report, unless public disclosure is prohibited by law or regulation, or in extremely exceptional circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of such communication would likely outweigh its benefits to the public interest.

Report on other legal and regulatory requirements

Report on other legal and regulatory requirements of the National Securities and Stock Market Commission

(This section of the auditor's report is included in accordance with the Requirements for information relating to the audit or review of financial statements of participants in capital markets and organized commodity markets supervised by the National Securities and Stock Market Commission, approved by the Resolution of the National Securities and Stock Market Commission No. 55 dated July 22, 2021, hereinafter referred to as the Requirements 555 and in accordance with the Regulations on Disclosure of Information by Issuers of Securities and Persons Providing Collateral for Such Securities, approved by the resolution of the National Securities and Stock Market Commission No. 608 dated June 06, 2023, hereinafter referred to as the Resolution 608).

Information in accordance with paragraph 10 of Section I of Requirements 555 is provided in the section «Information on the Audit Entity that Audited the Financial Statements» of the audit report.

Additional information in accordance with chapter 1 of section II of Requirements 555

1. Full name (within the meaning of the Civil Code of Ukraine) of the legal entity (in respect of the applicant or participant of capital markets and organized commodity markets):

JOINT STOCK COMPANY «CRYSTALBANK»;

2. In our opinion, the Bank has complied with the requirements established by the Regulation on the Form and Content of the Ownership Structure, approved by the Order of the Ministry of Finance of Ukraine No. 163 dated March 19, 2021, registered with the Ministry of Justice of Ukraine on June 08, 2021 under No. 768/36390, regarding full disclosure of information about the ultimate beneficial owner and ownership structure;

3. a) The Bank is not a controller/participant of a non-bank financial group;
 b) The Bank is an enterprise of public interest;

4. The Bank has no parent companies/subsidiaries;

5. Regulations and requirement of the National Securities and Stock Market Commission do not establish prudential indicators for the Bank's business area; therefore, the auditor's opinion on the correctness of the calculation of the relevant prudential indicators is not expressed.

Additional information in accordance with chapter 8, section II of Requirements 555 and paragraph 45, section III of Regulation 608

Report on the Corporate Governance Report

We have reviewed the information in the Corporate Governance Report of the Bank, which is an integral part of the Management Report (report on management) (hereinafter referred to as the Corporate Governance Report).

The Corporate Governance Report and its preparation in accordance with part 3 of Article 127 of the Law of Ukraine «On Capital Markets and Organized Commodity Markets» is the responsibility of the management.

Our audit of the Corporate Governance Report, in particular, the information referred to in paragraphs 1-4 of part three of Article 127 of the Law of Ukraine «On Capital Markets and Organized Commodity Markets», including additionally referred to in subparagraphs 1-5 of paragraph 43 of Regulation No. 608, consisted of considering whether this information is reliable, whether the information in the Corporate Governance Report as a whole is consistent with the financial statements and whether the Corporate Governance Report is prepared in accordance with the requirements of the applicable law. Our review of the Corporate Governance Report differs from an audit conducted in accordance with International Standards on Auditing and is substantially less in scope. We believe that we have obtained a reasonable basis for our audit.

Opinion

The Corporate Governance Report has been prepared and the information disclosed in it is in accordance with the requirements of part 3 of Article 127 of the Law of Ukraine «On Capital Markets and Organized Commodity Markets». The information specified in clauses 5-9 of part three of Article 127 of the Law of Ukraine «On Capital Markets and Organized Commodity Markets», including additionally specified in subclauses 6-11 of clause 43 of Regulation No. 608, namely, a description of the main characteristics of the Bank's internal control and risk management systems; information on the availability of an approved declaration of the Bank's risk appetite, as well as a description of the key provisions of the Bank's risk appetite

declaration; a list of persons who directly or indirectly own a significant shareholding in the Bank; information regarding any restrictions on shareholders' participation and voting rights at the Bank's general meetings, as well as the procedure for appointment and dismissal of officers and the powers of the Bank's officers, outlined in the Corporate Governance Report, aligns with the information obtained during the audit of the financial statements and adheres to the provisions set forth in the Law of Ukraine «On Capital Markets and Organized Commodity Markets».

Report on the requirements of the National Bank of Ukraine to the auditor's report on the results of the annual audit of the financial statements

In accordance with the requirements of Art. 69 of the Law of Ukraine «On Banks and Banking» and clause 27 of the Regulation on the Procedure for Submitting to the National Bank of Ukraine the Auditor's Report on the Results of the Annual Audit of the Financial Statements of a Bank, Banking Group and on the Audit of the Financial Statements of a Member of a Banking Group, approved by Resolution of the National Bank of Ukraine No. 90 dated August 02, 2018 (as amended; hereinafter - Regulation No. 90), we provide additional information (assessment) regarding the Bank's financial statements for 2023, including:

- compliance (reliability of reflection) of data on the distribution of the bank's assets and liabilities by maturity in the file with statistical reporting indicators A7X «Data on the structure of assets and liabilities by maturity», which is prepared by the bank for submission to the National Bank, as of January 1 of the year following the reporting year;
- adherence of the bank to the requirements laid down by the National Bank of Ukraine regulations regarding:
 - internal control;
 - internal audit;
 - determination of the amount of credit risk on active banking operations;
 - recognition of parties related to the bank and transactions with them;
 - capital adequacy of the bank, factoring in the quality of the bank's assets;
 - accounting procedures.

The matters outlined in this report were evaluated during the audit of the Bank's financial statements for 2023, utilizing sample testing and to the extent required to plan and execute audit procedures in accordance with International Standards on Auditing.

This report is intended for the shareholders, the Bank's management, and the National Bank of Ukraine. It's important to consider the limited scope of the procedures used to assess issues related to the Bank's operations and the organization of its accounting and internal control system, as detailed above.

Furthermore, it's worth noting that the criteria employed by us to evaluate matters related to the Bank's operations and the organization of its accounting and internal control system may differ from those applied by the National Bank of Ukraine.

We have provided the information and corresponding assessments as described above.

In accordance with the requirements of clause 27 of Regulation 90 concerning the evaluation of compliance (reliability of reflection) of data on the distribution of assets and liabilities of the bank by maturity in the file with statistical reporting indicators A7X «Data on the structure of assets and liabilities by maturity» (hereinafter referred to as the file «A7X»), prepared by the bank for submission to the National Bank, as of January 1 of the year following the reporting year, which is not an integral part of the annual financial statements, the following conclusions can be drawn:

- We identified certain discrepancies between the maturity distribution of the Bank's assets and liabilities reflected in file A7X and the relevant contractual terms and circumstances of the transactions. Consequently, we provided recommendations to the Bank to revise the approaches to accounting for

balances on cash cover accounts with other banks and business entities and certain balances with the budget.

With regard to the Bank's adherence to the requirements stipulated in the regulations of the National Bank of Ukraine on:

- internal control

In our opinion, the internal control system is adequate in all material respects to the risks pertinent to the Bank's operations and the risks to which the Bank is exposed, and it complies with the regulatory requirements.

- internal audit:

In our opinion, the Bank's internal audit meets the regulatory requirements, taking into account the specifics of the environment in which the Bank operated in the reporting period. However, considering the tasks assigned to the Internal Audit Service (hereinafter referred to as the: «IAS»), the scope and areas of planned audits (taking into account the significance of issues related to ISMS risks), and the instructions received by the IAS from the Supervisory Board, the available resources of the IAS are insufficient.

- determination of the amount of credit risk on active banking operations

Based on our evaluation, the Bank has determined the credit risk exposure from active banking operations in accordance with the requirements outlined in the regulations of the National Bank of Ukraine.

- recognition of parties related to the bank and transactions with them

During the audit, we did not identify any violations of regulatory requirements in terms of recognition and execution of transactions with related parties.

- capital adequacy of the bank, factoring in the quality of the bank's assets

As of December 31, 2023 (end of the day), the Bank's regulatory capital, calculated in accordance with the requirements outlined in the Instruction on the Procedure for Regulating the Activities of Banks in Ukraine, approved by Resolution No. 368 of the NBU Board dated August 28, 2001, based on the opening balance sheet, amounted to UAH 395,691.

The Bank's capital at the end of the reporting period is adequate to facilitate operations stipulated by the banking license, and its absolute amount adheres to the regulatory requirements for its size.

- accounting procedures

We have not found anything to indicate that the Bank's accounting records could not be recognized as compliant with the requirements of the regulations of the National Bank of Ukraine.

Information about the audit entity that conducted the audit of the financial statements

- full name and identification code of the legal entity:
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«PKF UKRAINE» LIMITED LIABILITY COMPANY (Legal entity identification code 34619277);

- information on registration in the Register of Auditors and Audit Entities:

The audit firm is included in the Section «Audit Entities entitled to conduct statutory audit of financial statements of enterprises of public interest» of the Register of Auditors and Audit Entities. Registration number in the Register is 3886;

- location of the legal entity and its actual location:

52, Bohdana Khmelnytskoho Street, 4th Floor, 01054, Kyiv

- website of the audit entity:

www.pkf.kiev.ua

- date and number of the audit agreement:

Agreement No. 14 dated August 29, 2022 and Additional Agreement No. 2 dated October 19, 2023.

- start and end date of the audit:

Start date of the audit: October 19, 2023

End date of the audit: March 26, 2024, except for the matters disclosed in the paragraph «Other matters - second date of the auditor's report», which are submitted as of March 29, 2024 (the date of completion of the audit procedures limited to the change specified in this paragraph of information).

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

We were appointed to conduct the statutory audit of the Bank's financial statements by the Supervisory Board of the Bank by its resolution dated October 13, 2023, Minutes No. 40. The total duration of our engagement to audit the Bank's financial statements is 2 years, including the reporting year.

During our audit of the financial statements, which has resulted in this Independent Auditor's Report, we have assessed the risks of material misstatement of the financial statements, whether due to fraud or otherwise.

The most significant risks identified, described in the Key audit matters and Going concern sections, required special attention but did not result in a modification of our opinion.

We developed and performed risk assessment procedures to obtain audit evidence that provides a reasonable basis for identifying and assessing the risks of material misstatement, whether due to fraud or error, of the Bank's financial statements and related disclosures. We also designed further audit procedures to detect irregularities, including fraud, and to obtain reasonable assurance about our opinion on the financial statements as a whole.

As the Bank operates in a highly regulated environment, our assessment of the risks of material misstatement also took into account the control environment, including the Bank's procedures for compliance with regulatory requirements. This assessment involved reviewing key structures, policies, and standards, understanding and evaluating the role of the supervisory function and internal controls in their design and implementation, as well as monitoring compliance and testing related controls.

We have obtained an understanding of the legal and regulatory framework applicable to the Bank and identified significant requirements relevant to the specific assertions made in the financial statements. In particular, these requirements pertain to compliance with economic regulations and other applicable laws and regulations.

International Standards on Auditing restrict the necessary audit procedures for identifying non-compliance with laws and regulations to inquiries made of management and, where applicable, those charged with governance, as well as reviewing any correspondence with relevant licensing and regulatory authorities. If a violation has not been disclosed to us or is not evident from the relevant correspondence, the audit may fail to detect the violation.

Based on the results of our audit, all observations identified have been discussed with the Bank's management and addressed in the financial statements. The observations are not related to the risk of fraud.



Our opinion in this report is consistent with the additional report to the Bank's Supervisory Board.

We did not provide non-audit services to the Bank as defined in Article 6 of the Law of Ukraine «On the Audit of Financial Statements and Auditing Activities».

The auditing firm PKF UKRAINE LLC and the partner on the audit engagement (key audit partner) of the Bank's financial statements as of December 31, 2023 are independent of the Bank.

We and other members of the PKF Global network, as well as entities controlled by our firm, have not provided the Bank with services other than the statutory audit, which are not disclosed in the Management Report (report on management) and/or financial statements.

The purpose of our audit is to enhance confidence in the usability of the Bank's financial statements by designated users. This objective is achieved by providing an opinion on whether the financial statements are prepared, in all material respects, in accordance with IFRS. We conducted our audit in accordance with ISA and relevant ethical requirements to establish a foundation for our opinion. Given the inherent limitations of an audit, much of the evidence upon which our conclusions and opinion are based is persuasive rather than conclusive. Therefore, an audit does not offer absolute assurance that the financial statements are free from misstatement. Additionally, our audit does not provide assurance on the Bank's future viability or the effectiveness or efficiency of the Bank's management.

The audit engagement partner (key audit partner) responsible for this independent audit report is Sviatoslav BILOBLOVSKYI.

Audit Engagement Partner	<i>/signature/</i>	Sviatoslav BILOBLOVSKYI
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Registration number in the Register of Auditors and Audit Entities: 100190

On behalf of PKF UKRAINE LLC, Director	<i>/signature/</i>	Iryna KASHTANOVA
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Kyiv, Ukraine

/official seal/

March 26, 2024, except for the matters disclosed in the paragraph «Other matters - second date of the auditor's report», which are submitted as of March 29, 2024 (the date of completion of the audit procedures limited to the modification specified in this paragraph of information).