

INDEPENDENT AUDITOR'S REPORT

***To the Shareholders and the Supervisory Board
OF JOINT-STOCK COMPANY "CRYSTALBANK"***

***To the National Bank of Ukraine
National Securities and Stock Market Commission***

Report on the audit of the financial statements**Opinion**

We have audited the financial statements of JOINT-STOCK COMPANY "CRYSTALBANK" (hereinafter - the "Bank"), which comprise the Statement of Financial Position in order of liquidity [220000], the Statement of Comprehensive Income, profit or loss by nature of expense [320000], the Statement of Comprehensive Income, profit or loss by nature of expense [320000], Statement of Comprehensive Income, components of other comprehensive income presented after taxation [410000], Statement of Cash Flows, Direct Method [510000] and Statement of Changes in Equity [610000] for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2022, 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 the opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (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 auditing 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 800600 "Summary of Significant Accounting Policies", which discloses that since 24 February 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, timing of termination of these events and their consequences are uncertain.

As discussed in Note 800600 "Summary of Significant 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 are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. These matters were considered in the context of our audit of the financial statements as a whole and were taken into account in forming our opinion thereon, and we do not express a separate opinion on them.

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

Key audit matter	How the key audit matter was considered in the course of our audit
<i>Judgments and estimates for loans and advances to clients</i>	
The recognition and measurement of expected credit losses (“ECLs”) is a highly complex process and involves significant judgment and assumptions, including the development and incorporation of economic forecasts into the ECL estimates to meet the measurement objectives set out in IFRS 9 “Financial Instruments”. Accordingly, this matter required significant attention during the audit. In estimating expected credit losses, management is required to exercise judgment in determining what constitutes a significant increase in credit risk and to make assumptions and estimates that incorporate relevant information about past events, current conditions and forecasts of future economic conditions. The accuracy of the assumptions used in the models, including macroeconomic scenarios, affects the level of allowances for impairment. Management applies judgment in making its estimates, which requires the use of assumptions that are complex, subjective and sensitive to risk factors, including changes in economic and credit conditions. We identified the impairment of loans and advances to clients as a key audit matter due to the materiality of the balances of loans and advances to clients, the high complexity and estimation nature of the calculation of expected credit losses. Significant accounting policies are disclosed in Note 800600 “Summary of Significant Accounting Policies”, and Notes 822390-12 “Reconciliation of Changes in Loss Exposure and Explanation of Changes in Gross Carrying Amount for Financial Instruments” and 822390-13 “Credit Risk Measurements” provide disclosures and details on the methods and models used and the amount of allowance for impairment of loans and advances to clients.	During our audit procedures, we tested the controls implemented by management to ensure the calculation of expected credit losses. We also assessed the compliance of the impairment methodology used by the Bank with the requirements of IFRS 9 “Financial Instruments”. In particular, we assessed the Bank’s approach to applying the criteria for significant increase in credit risk (“SICR”), defining default, probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”) and considering forward-looking information in the calculation of expected credit losses. We focused on assessing the Bank’s assumptions and expert judgment applied in the ECL model against empirical evidence and existing lending and monitoring processes. For the significant loans and advances to clients that were individually assessed for impairment, we applied our judgment to select a sample based on various risk criteria For example, for the selected loans, we reviewed the classification of the stages of impairment, including an assessment of the factors that affect credit risk. At the same time, for the selected impaired loans (stage 3), we reviewed the assumptions used in the calculation of expected credit losses, in particular, the expected scenarios and probabilities applied, timing and amounts of expected cash flows, including cash flows from repayment and collateral realization. For individually insignificant loans and receivables that are assessed for impairment on a portfolio basis, we performed 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, analyzing the coverage of the allowance for loan impairment and making appropriate adjustments.

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

Management is responsible for other information. The other information consists of the information contained in the Annual Information of the issuer of securities, including the Management Report (management report) for 2022, but does not constitute the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or appears to be inconsistent with the requirements of law or otherwise materially misstated. If, based on the work we have performed, we come to the conclusion that there is a material misstatement of this other information obtained prior to the date of the auditor's report, we are required 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 fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

In conducting an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit engagement.

In addition, we

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is greater than that of a misstatement due to error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overrides of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

auditor's report to the related disclosures and financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the auditing 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board of the Bank 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 identified 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 safeguards.

From the matters communicated with the Bank's Supervisory Board, we identified those matters that were of most significance in the audit of the current period's financial statements, which are the key audit matters. We describe these 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 related 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 Decision of the National Securities and Stock Market Commission dated 22.07.2021 N 555, hereinafter referred to as Requirements 555).

The information in accordance with paragraph 10 of Section I of Requirements 555 is provided in the section "Information about the auditor who conducted the audit of 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 dated March 19, 2021 No 163, 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 company/subsidiaries;

5) the regulatory acts of the NSSMC do not establish prudential indicators for the Bank's business area, therefore, the auditor's report 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

Report on the Corporate Governance Report

We have reviewed the information in the Bank's Corporate Governance Report, which is an integral part of the Bank's Annual Information of the Issuer of Securities (hereinafter referred to as the Corporate Governance Report).

The Management Board of the Bank is responsible for 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" and Article 122 of the Law of Ukraine "On Financial Services and State Regulation of Financial Services Markets".

Our audit of the Corporate Governance Report, including 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", consisted of considering whether the information therein is consistent with the financial statements and whether the Corporate Governance Report was prepared in accordance with 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 opinion.

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" and Article 122 of the Law of Ukraine "On Financial Services and State Regulation of Financial Services Markets". The information specified in paragraphs 5 - 9 of Part three of Article 127 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets", namely, a description of the main characteristics of the Bank's internal control and risk management systems; a list of persons who directly or indirectly own a significant shareholding in the Bank; information on any restrictions on shareholders' participation and voting rights at the general meeting of the Bank; the procedure for appointment and dismissal of officials and the powers of the Bank's officials, provided in the Corporate Governance Report, does not contradict the information received by us during the audit of financial statements and complies with 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 Activities" and paragraph 27 of the Regulation on the Procedure for Submission to the National Bank of Ukraine of the Audit Report on the Results of the Annual Audit of the Financial Statements of a Bank, a 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 02.08.2018 (as amended; hereinafter - Regulation No 90), we provide additional information (assessment) regarding the Bank's separate financial statements for 2022

- compliance (reliability of reflection) of the 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
- the Bank's compliance with the requirements established by the NBU regulations on internal control:
 - internal control
 - internal audit;
 - determining the amount of credit risk on active banking operations;
 - recognition of related parties and transactions with them;
 - capital adequacy of the Bank, which should be determined taking into account the quality of the Bank's assets;
 - accounting procedures.

The issues described in this report were considered in the course of the audit of the Bank's financial statements for 2022 on a random test basis and to the extent necessary to plan and perform the 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. When reading this report, you should take into account the limited nature of the procedures for assessing issues related to the Bank's operations and the organization of the accounting and internal control system, as described above.

In addition, it should be noted that the criteria used 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 estimates described above.

In accordance with the requirements of paragraph 27 of the Regulation 90 regarding the assessment of compliance (reliability of reflection) of the 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 – the file "A7X"), which is 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 did not find any material inconsistencies (inaccurate reflection) in the distribution of assets and liabilities by maturity in the file with indicators of statistical reporting A7X "Data on the structure of assets and liabilities by maturity", prepared by the Bank for submission to the National Bank, as of January 1 of the year following the reporting year.

Regarding the Bank's compliance with the requirements set forth in the regulatory legal acts of the National Bank on

- internal control

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

- internal audit

In our opinion, the Bank's internal audit meets the regulatory requirements. The audit provided recommendations on risk-based planning of audits in terms of improving the approach to the consistency of the results of long-term planning of audit areas with the annual audit plan.

- Determining the amount of credit risk on active banking operations

According to our estimates, the amount of credit risk from active banking operations is determined by the Bank in accordance with the requirements of the NBU regulations.

- Recognition of related parties and transactions with them

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

- capital adequacy of the Bank, which should be determined taking into account the quality of the Bank's assets

As at 31 December 2022 (end of the day), the Bank's regulatory capital, calculated in accordance with the requirements of the Instruction on the Procedure for Regulating the Activities of Banks in Ukraine, approved by the Resolution of the Board of the NBU dated 28 August 2001 No. 368, based on the daily balance sheet, amounted to UAH 358,407 thousand.

The amount of the Bank's capital at the end of the reporting period is sufficient to perform operations stipulated by the banking license, and its absolute amount complies with the regulatory requirements for its amount.

- accounting management

We did not find any evidence that the Bank's accounting could not be recognized as compliant with the requirements of the NBU regulations.

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

full name, identification code of the legal entity:

- LIMITED LIABILITY COMPANY "PKF UKRAINE" (Legal entity identification code 34619277);

information on inclusion 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;

The address of the legal entity and its actual address:

- 52 Bohdana Khmelnytskoho Street, Floor 4, 01054, Kyiv, Ukraine

webpage/website of the audit entity:

- www.pkf.kiev.ua

date and number of the audit agreement:

- agreement No. 14 dated 29.08.2022

start date and end date of the audit:

- audit start date: 29.08.2022
- date of completion of the audit: 28.03.2023

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 Bank's Supervisory Board by its resolution dated 24.01.2022. The total duration of our engagement to audit the Bank's financial statements is 1 year including the reporting year.

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

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

We designed 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; and designed further audit procedures to enable us to detect irregularities, including fraud, and to obtain reasonable assurance about our opinion on the financial statements as a whole.

Since the Bank operates in a highly regulated environment, our assessment of the risks of material misstatement also considered the control environment, including the Bank's procedures for compliance. Our assessment included a review of key structures, policies and standards, understanding and assessing the role of the supervisory function and internal controls in their design and implementation, and monitoring compliance and testing of related controls.

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

ISAs limit the necessary audit procedures to making inquiries about non-compliance with legal and regulatory requirements to those within management and, where appropriate, those charged with governance and those charged with supervision, and to correspondence with relevant licensing and regulatory authorities, if applicable. If a violation was not disclosed to us or is not apparent from the relevant correspondence, the audit may not detect the violation.

Based on the results of our audit, all identified irregularities were discussed with the Bank's management, and those that required corrections to the financial statements were corrected. The irregularities we identified do not involve a 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 Audit Company PKF UKRAINE LLC and the partner on the audit engagement (key audit partner) of the Bank's financial statements as at 31 December 2022 are independent of the Bank.

We and other members of the PKF International network, as well as entities controlled by our firm, did not provide services to the Bank other than the statutory audit, which are not disclosed in the Management Report (Corporate Governance Report) and/or the financial statements.

The purpose of our audit is to increase the degree of confidence of the designated users in the Bank's financial statements. This is achieved by expressing an opinion on whether the financial statements are prepared, in all material respects, in accordance with IFRS. We conducted our audit in accordance with ISAs and relevant ethical requirements to provide a basis for our opinion. Due to the inherent limitations of an audit, most of the audit evidence on which our conclusions are based and on which our opinion is based is persuasive rather than conclusive, and therefore, an audit does not provide absolute assurance that the financial statements are free from misstatement, and 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) resulting in this independent auditor's report is Sviatoslav Volodymyrovych Biloblovskyi.

Partner on the audit engagement

Sviatoslav BILOBLOVSKYI

*Registration number in the Register of Auditors and
Audit Entities 100190*

On behalf of PCF UKRAINE LLC Director

Iryna KASHTANOVA

Kyiv, Ukraine

March 28, 2023