

Joint stock company
"Belarusian-Swiss Bank "BSB Bank"

Financial statements
for the year ended 31 December 2024

June 2025

This document contains 77 pages

ЗАО «БСБ Банк»
Дата <u>13.06.2025</u>
Индекс <u>14499</u>

INDEPENDENT AUDITOR'S REPORT

To the Chairman of the Management Board, Chief Accountant
of the Joint Stock Company "Belarusian-Swiss Bank "BSB Bank"

Ref. number: 04-05/46

Date: 13 June 2025

Opinion

We have audited the financial statements of the Closed Joint Stock Company "Belarusian-Swiss Bank "BSB Bank"¹ (hereinafter – CJSC "BSB Bank" or "auditee"), which comprise:

- ▶ the statement of financial position as at 31 December 2024;
- ▶ the statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended;
- ▶ notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the attached financial statements present fairly, in all material respects, the financial position of CJSC "BSB Bank" as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (hereinafter – "IFRS").

¹ Location: Republic of Belarus, 220004, Minsk, 23 Pobediteley ave., bldg. 4. Information on the state registration: date of the state registration: 07.10.2002, registration number in the Unified State Register of Legal Entities and Individual Entrepreneurs: 807000069.

Basis for opinion

We conducted the audit in accordance with the requirements of the Law of the Republic of Belarus No. 56-Z dated 12 July 2013 "On Auditing Activities", Instructions "On the Regulation of Auditing activities in Banks, Banking Groups and Bank Holdings" approved by Resolution No. 495 of the Board of the National Bank of the Republic of Belarus dated 11 December 2019, National Rules of Auditing approved by the Ministry of Finance of the Republic of Belarus, and International Standards on Auditing.

Our responsibilities under those requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We observed the principle of independence in relation to the auditee in accordance with the requirements of the Law of the Republic of Belarus No. 56-Z dated 12 July 2013 "On Auditing Activities", the National Rules of Auditing approved by the Ministry of Finance of the Republic of Belarus and the International Code of Ethics for Professional Accountants adopted by the International Ethics Standards Board for Accountants, and we observed other principles of professional ethics in accordance with these requirements.

Basis for opinion (ending)

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

Key audit matters

We have determined that there are no key audit matters to be reported in our audit report.

Responsibilities of the Management for the Preparation of the Financial Statements

Management of the auditee 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 and (or) error.

In preparing the financial statements, management is responsible for assessing the ability of the auditee to continue as a going concern and using the going concern basis of accounting, as well as for the proper disclosure in the financial statements, where appropriate, of information related to the going concern basis, except in cases where management either intends to liquidate the auditee or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for the supervision of the preparation of auditee's financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion expressed in the prescribed form.

Reasonable assurance forms a high level of assurance but is not a guarantee that an audit conducted in accordance with the requirements of Law of the Republic of Belarus No. 56-Z dated 12 July 2013 "On Auditing Activities", Instructions "On the Regulation of Auditing activities in Banks, Banking Groups and Bank Holdings" approved by Resolution No. 495 of the Board of the National Bank of the Republic of Belarus dated 11 December 2019, National Rules of Auditing approved by the Ministry of Finance of the Republic of Belarus, and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with the requirements of Law of the Republic of Belarus No. 56-Z dated 12 July 2013 "On Auditing Activities" Instructions "On the Regulation of Auditing activities in Banks, Banking Groups and Bank Holdings" approved by Resolution No. 495 of the Board of the National Bank of the Republic of Belarus dated 11 December 2019, National Rules of Auditing approved by the Ministry of Finance of the Republic of Belarus, and International Standards on Auditing, the auditor exercises professional judgment and maintains professional skepticism throughout the audit.

We also:

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of the internal control system relevant to the audit of the financial statements 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 system;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures of the financial statements made by the auditee;
- ▶ 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 auditee's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements. Or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the auditee to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor's Responsibilities for the Audit of the Financial Statements (ending)

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

From the matters communicated with those charged with governance, we select the key audit matters and disclose these issues in the auditor's report (except in cases where disclosure of information about these matters is prohibited by law or when we reasonably conclude that the negative consequences of reporting such information will exceed the benefits of disclosure).

Engagement Partner
(power of attorney
No. 23-05-25 dated
27.05.2025)



Dmitry Bekeshko
(certificate on conformity with
qualification requirements for performance
of audit activity in banks No. 71 dated
09.10.2013;
qualification certificate of the auditor
No. 0002114 dated 27.06.2013,
reg. No. 1935)

Engagement Manager

Marina Babitskaya
(certificate on conformity with
qualification requirements for performance
of audit activity in Banks No. 160 dated
14.12.2023;
qualification certificate of the auditor
No. 0001775 dated 22.12.2009,
reg. No. 1649)

Auditor's report date: 13 June 2025

Place of issue: Minsk, Republic of Belarus

Date of receipt by the auditee: 13 June 2025

Position, Full name Chairman of the Management Board Signature
S.V. Dubkov

INFORMATION ABOUT THE AUDITOR:

Name:

Business Assurance CJSC

Location:

103 Pobediteley ave., floor 8, office 7, Minsk, 220020,
Republic of Belarus

Date of state registration

Certificate on the state registration issued by Minsk City
Executive Committee dated 27.05.2025

Registration number in the Unified State
Register of Legal Entities and Individual
Entrepreneurs:

190241132

Registration number in the register of audit
entities

10028

STATEMENT OF MANAGEMENT'S RESPONSIBILITY

Management of JSC "BSB Bank" is responsible for the preparation of financial statements of the Bank. The financial statements on pages 8 to 77 represent fairly the financial position of the Bank as at 31 December 2024, the results of its operations and cash flows for the year ended 31 December 2024 in accordance with International Financial Reporting Standards (hereinafter - "IFRSs").

The Management of the Bank confirms that proper accounting principles had been consistently applied during the reporting period. Reasonable and prudent judgments and estimates have been made in the preparation of the financial statements of the Bank. The Management also confirms that financial statements have been prepared on a going concern basis.

The Management of the Bank is responsible for proper accounting, taking necessary measures to protect the property of the Bank and detecting and preventing instances of fraud and other abuse. The Management of the Bank is also responsible for the management of the Bank in accordance with the legislation of the Republic of Belarus, including the rules established by the National Bank of the Republic of Belarus (hereinafter – "the National Bank").

The financial statements for the year ended 31 December 2024 are authorized for issue on 13 June 2025 and are signed on behalf of the Management of the Bank.

On behalf of the Management of the Bank:

Chairman of the Management Board
S.V. Dubkou

Minsk
13 June 2025

Chief Accountant
A.N. Belnik

STATEMENT OF FINANCIAL POSITION

In thousands of Belarusian rubles

	Note	31 December 2024	31 December 2023
ASSETS			
Cash and cash equivalents	6	978,163	738,390
Precious metals	7	7,042	5,043
Financial assets measured at amortized cost, including:			
<i>Due from financial organizations</i>	8	16,282	11,116
<i>Loans to customers</i>	9	101,846	36,397
<i>Securities</i>	10	36,561	41,799
Financial assets measured at fair value through profit or loss	11	-	7
Financial assets measured at fair value through other comprehensive income	12	84,686	71,788
Right-of-use assets	13	2,589	3,521
Property, plant and equipment and intangible assets	14	33,580	29,393
Deferred income tax assets	33	4,547	6,661
Other assets	15	40,513	40,763
TOTAL ASSETS		1,305,809	984,878
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities measured at amortized cost, including:			
<i>Due to financial organizations</i>	16	15,196	146
<i>Due to customers</i>	17	1,077,672	826 663
<i>Subordinated loans</i>	18	16,672	16 213
Financial liabilities measured at fair value through profit or loss	19	-	263
Lease liabilities	20	2,658	3 642
Other liabilities	21	11,283	12 024
Total liabilities		1,123,481	858 951
Equity			
Share capital	22	47,553	47,553
Revaluation reserve for financial assets measured at fair value through other comprehensive income		980	1,560
Retained earnings		133,795	76,814
Total equity		182,328	125,927
TOTAL LIABILITIES AND EQUITY		1,305,809	984,878

The accompanying notes on pages 14 to 77 form an integral part of these financial statements.

Chairman of the Management Board
S.V. Dubkou

Chief Accountant
A.N. Belnik

Minsk, 13 June 2025

Translation from the original into English

STATEMENT OF PROFIT OR LOSS

In thousands of Belarusian rubles

	Note	2024	2023
Interest income	23	29,352	18,993
Interest expenses	23	(2,604)	(2,723)
Net interest income		26,748	16,270
Net (accrual)/ recovery of provisions for impairment of financial assets	6, 8, 9, 10, 12, 15	(19,036)	(7,466)
Net interest income after provisions are formed		7,712	8,804
Commission income	24	71,316	75,040
Commission expenses	24	(36,565)	(29,707)
Net income from transactions with financial assets and liabilities measured at fair value through profit or loss	25	302	(1,665)
Net gain from foreign currency transactions	26	100,892	61,799
Net gain on operations with precious metals	27	2,017	1,303
Net income from transactions with securities at fair value through profit or loss	28	-	(66)
Net income from operations with financial assets measured at fair value through other comprehensive income	29	335	638
Net (accrual)/ recovery of allowances for credit related commitments	34	(55)	711
Personnel expenses	30	(35,833)	(26,738)
Amortization / Depreciation	13, 14	(6,920)	(6,630)
Other operating expenses	31	(27,918)	(25,929)
Net other income/ (expenses)	32	1,859	1,142
Profit before tax		77,142	58,702
Income tax expenses	33	(20,161)	(6,380)
Net profit for the year		56,981	52,322
Basic earnings per ordinary share	22	2.6259	2.4029

The accompanying notes on pages 14 to 77 form an integral part of these financial statements.

Chairman of the Management Board
S.V. Dubkou

Chief Accountant
A.N. Belnik

Minsk, 13 June 2025

Translation from the original into English

STATEMENT OF OTHER COMPREHENSIVE INCOME

In thousands of Belarusian rubles

	Note	2024	2023
Net profit for the year		56,981	52,322
<i>Other comprehensive income/ (expenses) that will be subsequently reclassified to profit or loss:</i>			
Net change in fair value of financial assets measured at fair value through other comprehensive income	12	(604)	6,957
Income tax relating to financial assets measured at fair value through other comprehensive income	33	(242)	(1,799)
Change in allowance for expected credit losses on financial assets measured at fair value through other comprehensive income	12	266	235
Total other comprehensive income		(580)	5,393
Total comprehensive income		56,401	57,715

The accompanying notes on pages 14 to 77 form an integral part of these financial statements.

Chairman of the Management Board
S.V. Dubkou

Chief Accountant
A.N. Belnik

Minsk, 13 June 2025



STATEMENT OF CHANGES IN EQUITY

In thousands of Belarusian rubles

	Note	Share capital	Revaluation reserve of financial assets measured at fair value through other comprehensive income	Retained earnings	Total capital
Balance as at 31 December 2022		46,353	(3,833)	55,356	97,876
Total comprehensive income		-	5,393	52,322	57,715
Net profit for the year		-	-	52,322	52,322
Other comprehensive income for the year	12	-	5,393	-	5,393
Transactions with owners, recognized directly in equity		-	-	(30,864)	(30,864)
Accrued dividends		-	-	(30,864)	(30,864)
Reclassification of preference shares	22	1,200	-	-	1,200
Balance as at 31 December 2023	22	47,553	1,560	76,814	125,927
Total comprehensive income		-	(580)	56,981	56,401
Net profit for the year		-	-	56,981	56,981
Other comprehensive income for the year		-	(580)	-	(580)
Transactions with owners, recognized directly in equity		-	-	-	-
Accrued dividends		-	-	-	-
Balance as at 31 December 2024	22	47,553	980	133,795	182,328

The accompanying notes on pages 14 to 77 form an integral part of these financial statements.

Chairman of the Management Board
S.V. Dubkou

Minsk, 13 June 2025

Chief Accountant
A.N. Belnik

Translation from the original into English

STATEMENT OF CASH FLOWS

<i>In thousands of Belarusian rubles</i>	Note	2024	2023
Cash flow from operating activities:			
Interest income received		29 237	16 951
Interest income paid		(2 226)	(1 872)
Commission income received		72 574	73 425
Commission income paid		(36 961)	(29 372)
Realized result from foreign currency transactions		103 444	62 703
Realized result from transactions with precious metals		65	72
Realized result on operations with derivative financial instruments		46	
Realized result from operations with securities		334	521
Other income received		1 427	993
Operating expenses paid		(68 324)	(51 814)
Cash flows from operating activities before changes in operating assets and liabilities		99 616	71 607
(Increase)/decrease in operating assets:			
Due from financial organizations		(62 198)	92 462
Loans to customers		(68 160)	(10 553)
Financial assets measured at fair value through other comprehensive income		(12 627)	(20 802)
Other assets		45 888	(83 493)
Increase/(decrease) in operating liabilities:			
Due to financial organizations		15 393	85
Due to customers		216 701	110 642
Other liabilities		(10 072)	(1 106)
Net cash flows from operating activities before tax		224 541	158 842
Income tax paid		(11 228)	(8 752)
Net cash flow from operating activities		213 313	150 090
Cash flow from investing activities:			
Acquisition of property and equipment and intangible assets		(5 302)	(9 101)
Disposal of property and equipment and intangible assets		22	61
Acquisition of securities accounted at amortized cost		(8 159)	(37 298)
Redemption (realization) of securities measured at amortized cost		21 354	56 214
Net cash flow from investing activities		7 915	9 876
Cash flow from financing activities:			
Dividends paid		-	(30 864)
Payments in respect of the principal amount of the lease liability	20	(3 124)	(3 108)
Net cash flow from financing activities		(3 124)	(33 972)
Net increase in cash and cash equivalents		218 104	125 994
Effect of changes in foreign exchange rates on cash and cash equivalents		21 446	51 221
Cash and cash equivalents at the beginning of the year (before provisions)	6	739 792	562 577

In thousands of Belarusian rubles	Note	Translation from the original into English	
		2024	2023
Cash and cash equivalents at the end of the year (before provisions)	6	979 342	739 792

The accompanying notes on pages 14 to 77 form an integral part of these financial statements.

Chairman of the Management Board
S.V. Dubkova

Chief Accountant
A.N. Belnik

Minsk, 13 June 2025

