Translation from the original in Russian

Bank BelVEB OJSC

Consolidated financial statements

Year ended 31 December 2025
together with the independent auditor's report

Contents

Our. ref. № 05-01/31 of March 11, 2026

INDEPENDENT AUDITORS' REPORT

To Chairman of the Management Board of Belvnesheconombank Open Joint Stock Company
Mr Vasil S. Matsiusheuski

Auditor's opinion

We have audited the consolidated financial statements of Belvnesheconombank Open Joint Stock Company (Republic of Belarus, 220004, Minsk, 29 Pobediteley av., registered in the Unified State Register of Legal Entities and Individual Entrepreneurs on 12 December 1991 under No. 100010078) and its subsidiaries ("Group" thereafter), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on the specified date, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS thereafter).

Basis for audit opinion

We conducted our audit in accordance with the Law of the Republic of Belarus "On Auditing Activities", National Regulations on Auditing Activities, operating in the Republic of Belarus, International Standards on Auditing ("ISAs"). Our responsibilities under those requirements are further described in the section "Auditor's responsibilities for the audit of the consolidated financial statements" of our auditor's report. We are independent of the Group in accordance with the requirements of the Law of the Republic of Belarus "On Auditing Activities", the National Regulations on Auditing Activities and in accordance with the International Ethics Standards Board for Accountants, adopted by the International Federation of Accountants, and we have complied with other principles of professional ethics in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current period. The below matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matters	Audit procedures performed in relation to the key audit matters and the results of their implementation
Allowance for expected credit losses on loans to customers in accordance with IFRS 9 "Financial Instruments"	
We focused on this matter due to significance of loans to customers and significance of professional judgement and estimates required for calculation of expected credit losses in accordance with the new IFRS 9 "Financial Instruments". The identification of impairment, significant increase in credit risk, determination of probability of default and loss given default, determination of the recoverable amount and forecast of macroeconomic variables require a high level of professional judgement.	During the audit we examined and assessed the methodologies of the Group used for assessing the allowance for expected credit losses on loans to legal entities. We assessed credit risk factors used by the Group for determining significant increase in credit risk. We analyzed rating models, key inputs and assumptions, model for assessing the probability of default, the level of recovery and adjustments due to

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Key audit matters	Audit procedures performed in relation to the key audit matters and the results of their implementation
Allowance for expected credit losses on loans to customers in accordance with IFRS 9 "Financial Instruments"	
Assessment of expected credit losses involves estimation techniques including internal credit ratings for calculation probability of default, historical data for determination of loss given default and forecasting of macroeconomic variables. Signs of significant increase in credit risk are also judgmental and are based on extent of downgrade in internal credit ratings, days overdue and other factors. The use of various models and assumptions in the calculation of expected credit losses can significantly affect the level of the allowance for expected credit losses on loans to customers. Note 3 "Material accounting policies", Note 4 "Significant accounting judgments and estimates", Note 10 "Loans to customers" and Note 28 "Risk managment", included in the consolidated financial statements, provide detailed information on the allowance for expected credit losses and management's approach to assessing and managing risk.	macroeconomic factors, used for calculation of expected credit losses. We tested (on a sample basis) valuation models for sampled loans. Our work included assessment if the models and inputs are appropriate, re-performance of sampled calculations, and various analytical and other procedures. We analyzed information related to the allowance for expected credit losses on loans, disclosed in the notes to the consolidated financial statements. The audit evidence we have obtained as a result of the performed audit procedures is sufficient and appropriate to provide a basis for our audit opinion.

Other matters

The audit of consolidated financial statements of the Group for the year ended 31 December 2024 was conducted by another audit company, which expressed unmodified opinion in its auditors' report issued on 11 March 2025.

Responsibilities of audited entity for the preparation of the consolidated financial statements

Management of the Group is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance namely the Supervisory Board and Audit committee of Belvnesheconombank Open Joint Stock Company are responsible for overseeing the consolidated financial reporting process of the Group.

Responsibilities of audit organization for the audit of the consolidated financial statements

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

As part of an audit conducted in accordance with the Law of the Republic of Belarus "On Auditing Activity" and national auditing rules effective in the Republic of Belarus, and ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we:

• identify and assess the risks of material misstatement of the consolidated 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 higher than the risk of not detecting a material misstatement due to error because fraud can include collusion, forgery, omission, misrepresentation, or overriding internal control;

• obtain an understanding of the Group's 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 Group's internal control;

• evaluate the appropriateness of the Group's accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statements;

• 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be a going concern;

• evaluate the overall presentation, structure, and content of the consolidated financial statements, including disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that achieves fair presentation;

• obtain sufficient appropriate audit evidence about the financial information of the entities and activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the overall direction, control, and performance of the audit of the Group. We are solely responsible for our audit opinion.

We communicate with those charged with governance, including information about the planned scope and timing of the audit, as well as significant matters arising during the audit, including any significant deficiencies in internal control that we identify during the audit.

We provide those charged with governance with a statement that we have met all independence requirements and have communicated with them all relationships and other matters that could reasonably be considered threats to independence and, where necessary, all safeguards taken.

From the matters communicated to those charged with governance, we select key audit matters and disclose these matters in the auditor's report (except where disclosure of these matters is prohibited by law or when we reasonably conclude that the adverse consequences of disclosing such matters would outweigh the public benefit of disclosure).

Engagement partner,

Lead Auditor

(order No. 1/OD dated 09.01.2025)

РЕСПУБЛИКА БЕЛАРУСЬ ОБЩЕСТВО С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ «ФБК-Бел» ГОРОД МИНСК

Viktoria E. Zolotaryova

(auditor's qualification certificate No. 0002679)

FBK-BEL LLC

Auditor in-charge,
Deputy Director for Bank Auditing of FBK-Bel LLC

Renata V. Kirslite
(auditor's qualification certificate No. 0002131)

Information about the audit organization:

FBK-Bel LLC;

Location: office 201, 22A Logoisky highway, Minsk, 220090, Republic of Belarus;

Information on state registration: registered by the Minsk City Executive Committee in the Unified State Register of Legal Entities and Individual Entrepreneurs on 06 February 2009 under No. 690398039;

TIN 690398039.

The registration number of the entry of the audit organization in the register of audit organizations is 10069.

Date of signing the auditor's report March 11, 2026

Auditors' report received on March 11, 2026.

Chairman of the Management Board of
Belvnesheconombank Open Joint Stock Company
V.S. Matsiusheuski

(signature)

Consolidated statement of financial position

As at 31 December 2025

(Thousands of Belarusian rubles)

	Notes	*2025*	*2024*
Assets			
Cash and cash equivalents	6	1,396,980	1,165,653
Trading securities	7	5,114	5,500
Amounts due from credit institutions	8	59,525	51,125
Derivative financial assets	9	805	93
Loans to customers	10	3,191,978	3,156,376
Investment securities	11	1,755,420	1,371,841
Property and equipment	12	72,101	61,628
Right-of-use assets	13	8,621	7,806
Intangible assets	14	100,346	77,739
Current income tax asset		2,774	6,085
Other assets	17	24,244	62,935
Total assets		**6,617,908**	**5,966,781**
Liabilities			
Amounts due to credit institutions	18	591,618	693,510
Amounts due to the National Bank of the Republic of Belarus	19	9,290	9,567
Derivative financial liabilities	9	254	–
Amounts due to customers	20	4,392,723	3,794,179
Debt securities issued	21	293,251	196,795
Lease liabilities		7,728	7,255
Current income tax liabilities		1,922	2
Deferred income tax liabilities	15	27,858	30,881
Other liabilities and provisions	17	95,132	76,659
Subordinated loan	22	128,775	155,587
Total liabilities		**5,548,551**	**4,964,435**
Equity			
Share capital	23	473,057	473,057
Share premium		458	458
Additional paid-in capital		6,133	6,877
Revaluation reserve for buildings	23	2,328	2,673
Revaluation reserve for securities	23	5,334	38,707
Foreign currency translation reserve	23	(33)	(87)
Retained earnings		582,080	480,661
Total equity attributable to shareholders of the Bank		**1,069,357**	**1,002,346**
Total equity		**1,069,357**	**1,002,346**
Total equity and liabilities		**6,617,908**	**5,966,781**

Vasil S. Matsiusheuski — Chairman of the Management Board of the Bank

Olga S. Turbina — Chief Accountant, Head of the Accounting and Taxation Department

9 March 2026

Consolidated statement of profit or loss

For the year ended 31 December 2025

(Thousands of Belarusian rubles)

	Notes	*2025*	*2024*
Interest revenue calculated using the effective interest rate			
Loans to customers		398,983	374,359
Investment securities		154,683	110,913
Amounts due from credit institutions		39,507	26,078
		593,173	**511,350**
Other interest revenue		**2,626**	**2,714**
Interest expenses calculated using the effective interest rate			
Amounts due to customers		(217,587)	(154,211)
Amounts due to credit institutions		(64,466)	(58,154)
Debt securities issued		(33,879)	(19,081)
Subordinated loan		(9,061)	(15,197)
		(324,993)	**(246,643)**
Other interest expenses			
Interest expense under leases		(657)	(455)
Expenses on mandatory contributions to the reserve of the Agency of Deposit Compensation		(7,401)	(2,036)
		(8,058)	**(2,491)**
Net interest income		**262,748**	**264,930**
(Charge)/ reversal of allowances for credit losses	16	(17,790)	51,542
Effect of modification of financial instruments	10	(1,156)	(6,900)
Net (losses)/ gains from initial recognition of interest-bearing financial instruments		(8,129)	2,297
Net interest income after charge of allowances for credit losses		**235,673**	**311,869**
Net fee and commission income	25	55,795	47,731
Net losses from loans to customers at fair value through profit or loss		(112)	(335)
Net gains from trading securities		541	386
Net gains/ (losses) from investment securities at fair value through other comprehensive income		8,763	(6,827)
Net gains from derecognition of financial instruments		6,398	35,529
Net gains/ (losses) from foreign currencies:			
- dealing		39,297	32,384
- transactions with currency derivative financial instruments		6,429	732
- translation differences		(4,577)	(4,701)
Excess of the fair value of the net assets of the acquired subsidiary over the acquisition cost	2	99	–
Reversal/ (charge) of other provisions	16	65	(122)
Other income	26	53,884	55,075
Non-interest income		**166,582**	**159,852**
Personnel expenses	27	(110,899)	(95,890)
Other operating expenses	27	(93,348)	(88,433)
Depreciation and amortization	12, 13, 14	(26,281)	(21,414)
Taxes other than income tax		(10,209)	(5,958)
(Charge)/ reversal of allowances for credit losses on other financial assets and credit-related contingencies	16	(21,917)	19,273
Non-interest expense		**(262,654)**	**(192,422)**
Profit before income tax expense		**139,601**	**279,299**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of profit or loss

For the year ended 31 December 2025 (continued)

(Thousands of Belarusian rubles)

	Notes	*2025*	*2024*
Income tax expense	15	(2,099)	(42,843)
Profit for the reporting year		**137,502**	**236,456**
Attributable to:			
- Shareholders of the Bank		137,502	236,456

Vasil S. Matsiusheuski Chairman of the Management Board of the Bank

Olga S. Turbina Chief Accountant, Head of the Accounting and Taxation Department

9 March 2026

Consolidated statement of comprehensive income

For the year ended 31 December 2025

(Thousands of Belarusian rubles)

	Notes	*2025*	*2024*
Profit for the year		**137,502**	**236,456**
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Net change in the fair value of debt instruments at fair value through other comprehensive income		(18,905)	49,849
Change in the allowance for expected credit losses on debt instruments at fair value through other comprehensive income		(5,705)	(28,391)
Amount of accumulated (loss)/earnings reclassified to profit or loss upon disposal of debt investments at fair value through other comprehensive income		(8,763)	6,827
Effect of translation into reporting currency		54	(38)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		**(33,319)**	**28,247**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Revaluation of property and equipment	23	41	–
Impairment of property and equipment	23	–	(254)
Total other comprehensive income not to be reclassified to profit or loss in subsequent periods		**41**	**(254)**
Other comprehensive income for the year		**(33,278)**	**27,993**
Total comprehensive income for the year		**104,224**	**264,449**
Attributable to:			
- Shareholders of the Bank		104,224	264,449
		104,224	**264,449**

Vasil S. Matsiusheuski — Chairman of the Management Board of the Bank

Olga S. Turbina — Chief Accountant, Head of the Accounting and Taxation Department

9 March 2026

Consolidated statement of changes in equity

For the year ended 31 December 2025

(Thousands of Belarusian rubles)

	Attributable to shareholders of the Bank							
	Share capital	***Share premium***	***Additional paid-in capital***	***Revaluation reserve for buildings***	***Revaluation reserve for securities***	***Retained earnings***	***Foreign currency translation reserve***	***Total***
31 December 2023	**473,057**	**458**	**7,073**	**2,968**	**10,422**	**244,164**	**(49)**	**738,093**
Profit for the year	–	–	–	–	–	236,456	–	**236,456**
Other comprehensive (loss)/ income for the year	–	–	–	(254)	28,285	–	(38)	**27,993**
Total comprehensive (loss)/ income for the year	**–**	**–**	**–**	**(254)**	**28,285**	**236,456**	**(38)**	**264,449**
Transactions with shareholders	–	–	(196)	–	–	–	–	**(196)**
Amortization of revaluation reserve for buildings, net of tax (Note 23)	–	–	–	(41)	–	41	–	**–**
31 December 2024	**473,057**	**458**	**6,877**	**2,673**	**38,707**	**480,661**	**(87)**	**1,002,346**
Profit for the year	–	–	–	–	–	137,502	–	**137,502**
Other comprehensive income/ (loss) for the year	–	–	–	41	(33,373)	–	54	**(33,278)**
Total comprehensive income/ (loss) for the year	**–**	**–**	**–**	**41**	**(33,373)**	**137,502**	**54**	**104,224**
Transactions with shareholders	–	–	(744)	–	–	–	–	**(744)**
Dividends to the Bank's shareholders (Note 23)	–	–	–	–	–	(36,469)	–	**(36,469)**
Disposal of the revaluation reserve	–	–	–	(360)	–	360	–	**–**
Amortization of revaluation reserve for buildings, net of tax (Note 23)	–	–	–	(26)	–	26	–	**–**
31 December 2025	**473,057**	**458**	**6,133**	**2,328**	**5,334**	**582,080**	**(33)**	**1,069,357**

Vasil S. Matsiusheuski — Chairman of the Management Board of the Bank

Olga S. Turbina — Chief Accountant, Head of the Accounting and Taxation Department

9 March 2026

Consolidated statement of cash flows

For the year ended 31 December 2025

(Thousands of Belarusian rubles)

	Notes	*2025*	*2024*
Profit for the reporting period		**137,502**	**236,456**
Adjustments:			
Depreciation and amortization	12, 13, 14	26,281	21,414
Income tax expense	15	2,099	42,843
Charge/ (reversal) of allowances for ECL and other provisions	16	39,642	(70,693)
Net (gains)/ loss from investment financial assets at fair value through other comprehensive income		(8,763)	6,827
Excess of the fair value of the net assets of the acquired subsidiary over the acquisition cost	2	(99)	–
Translation differences		4,577	4,701
Net loss/ (gains) from initial recognition of interest-bearing financial instruments		8,129	(2,297)
Effect of modification of contractual terms of financial instruments		1,156	6,900
Loss from disposal of property and equipment, intangible assets and other assets	27	3,174	1,449
Changes in accrued interest income and expense		(4,288)	9,363
The impact of revaluation of fixed assets	12, 23, 26	(3,187)	–
Other changes		(4,231)	(21,812)
Cash flows from operating activities before changes in operating assets and liabilities		**201,992**	**235,151**
Net (increase)/ decrease in operating assets			
Amounts due from credit institutions		(6,699)	(5,795)
Financial assets at fair value through profit or loss		–	(386)
Loans to customers		(162,813)	(202,154)
Other assets		39,994	(12,692)
Net (decrease)/ increase in operating liabilities			
Short-term amounts due to credit institutions		(98,856)	(145,569)
Amounts due to customers		845,968	618,320
Other liabilities		(5,001)	28,700
Net cash flows from operating activities before income tax		**814,585**	**515,575**
Income tax paid		(38)	(17,291)
Net cash from operating activities		**814,547**	**498,284**

Consolidated statement of cash flows

For the year ended 31 December 2025 (continued)

(Thousands of Belarusian rubles)

	Notes	2025	2024
Cash flows from investing activities			
Proceeds from sale and redemption of investment securities	11	620,072	747,211
Purchase of investment securities	11	(1,123,523)	(1,061,567)
Purchase of property and equipment and intangible assets	12, 14	(52,778)	(53,147)
Proceeds from sale of property and equipment and intangible assets		(1,801)	1,367
Net cash used in investing activities		**(558,030)**	**(366,136)**
Cash flows from financing activities			
Proceeds from long-term interbank borrowings		–	11,084
Repayment of long-term interbank borrowings		(13,383)	(22,748)
Repayment of subordinated loans		–	(50,768)
Proceeds from issue of own debt securities		780,665	1,115,679
Redemption of own debt securities		(689,297)	(1,027,602)
Dividends paid to the Bank's Shareholders		(31,496)	–
Lease payments		(4,711)	(2,071)
Net cash from financing activities		**41,778**	**23,574**
Effect of exchange rate changes on cash and cash equivalents		(66,968)	12,655
Net increase in cash and cash equivalents		**231,327**	**168,377**
Cash and cash equivalents, beginning		1,165,653	997,276
Cash and cash equivalents, ending	6	**1,396,980**	**1,165,653**

Interest paid and received by the Bank during the year ended 31 December 2025 amounted to BYN 341,918 thousand and BYN 597,711 thousand, respectively.

Interest paid and received by the Bank during the year ended 31 December 2024 amounted to BYN 242,951 thousand and BYN 516,816 thousand, respectively.

Vasil S. Matsiusheuski — Chairman of the Management Board of the Bank

Olga S. Turbina — Chief Accountant, Head of the Accounting and Taxation Department

9 March 2026

(Thousands of Belarusian rubles, unless otherwise indicated)

1. Principal activity

Belvnesheconombank Open Joint Stock Company (Bank BelVEB OJSC) was formed on 12 December 1991 as an open joint stock company under the laws of the Republic of Belarus. Bank BelVEB OJSC operates under general banking license No. 6 issued by the National Bank of the Republic of Belarus on 9 June 2025 (before 9 June 2025: under general banking license No. 6 issued by the National Bank of the Republic of Belarus on 21 February 2024) and the special permit (license) for operations with securities issued by the Ministry of Finance of the Republic of Belarus on 29 July 2002.

Bank BelVEB OJSC is a universal financial institution specializing in international settlements, currency operations and other services relating to foreign trade activities of the state and customers. The Bank has extensive experience and a proven track record in both international and domestic markets. The Bank's main office is in Minsk. As at 31 December 2025, the Bank has an extensive network of sales points, which comprises 19 offices rendering services to individuals and legal entities, 3 small and medium-sized business centers and 13 remote workplaces, including 5 service offices and 3 small and medium-sized business centers in Minsk, 5 service offices in regional cities, 9 service offices in major cities of the country, 8 remote workplaces in Minsk, 1 remote worker each a location in Kobrin, Soligorsk, Rechitsa, Orsha and 1 remote workplace in Gomel in the Phygital office format.

The registered address of Bank BelVEB OJSC is 29 Pobediteley av., Minsk, Republic of Belarus, 220004.

Bank BelVEB OJSC is a member of the guaranteed deposit compensation system. The system operates under the Belarusian laws and regulations and is governed by the public institution "Agency of Deposit Compensation." The system covers Bank BelVEB OJSC's liabilities to individual depositors for 100% of each individual deposit amount in case of business failure and revocation of the banking license issued by the National Bank of the Republic of Belarus.

These consolidated financial statements comprise the financial statements of Bank BelVEB OJSC and its subsidiaries (together referred to as the "Bank"). A list of consolidated subsidiaries is presented in Note 2.

As at 31 December, the following shareholders owned the outstanding shares:

Shareholder	*2025, %*	*2024, %*
State Development Corporation VEB.RF	97.52	97.52
Other	2.48	2.48
Total	**100.00**	**100.00**

The Bank is ultimately controlled by the Russian Government.

As at 31 December 2025 and 31 December 2024, the Bank's shares were not controlled by members of the Management Board.

2. Basis of preparation

General

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are presented in thousands of Belarusian rubles ("BYN thousand").

Bank BelVEB OJSC (and its subsidiaries) are required to maintain their accounting records and prepare their accounting (financial) statements for regulatory purposes in accordance with the Belarusian accounting and banking legislation and related instructions ("BAL"). These consolidated financial statements are based on the Bank's BAL books and records, as adjusted and reclassified in order to comply with IFRS.

(Thousands of Belarusian rubles, unless otherwise indicated)

2. Basis of preparation (continued)

General (continued)

The consolidated financial statements have been prepared on a going concern basis. The Bank will continue its operations for the foreseeable future and has no intention or need to liquidate or significantly curtail its operations. In assessing the reasonableness of this assumption, all relevant information for a period of at least 12 months from the date of approval of the consolidated financial statements was taken into account. Bank BelVEB OJSC does not expect any significant impairment of its financial assets and does not believe that these circumstances affect the Bank's ability to continue as a going concern. It monitors this situation on an ongoing basis.

The consolidated financial statements have been prepared under the historical cost convention except as disclosed in the material accounting policies below. For example, debt securities at fair value through other comprehensive income, securities at fair value through profit or loss, property and equipment (buildings) and derivative financial instruments have been measured at fair value.

Subsidiaries

The consolidated financial statements include financial statements of the following subsidiaries:

As at 31 December 2025:

Subsidiary	*Interest/ voting, %*	*Country*	*Date of incorporation*	*Industry*
BelVEB Insurance LLC	100.0	Republic of Belarus	17 October 1994	Insurance
VEB Technologies LLC	100.0	Republic of Belarus	2 March 2018	IT
VEBTECH LLC	100.0	Russian Federation	24 June 2022	Research
Educational technologies VEDA LLC	100.0	Republic of Belarus	5 December 2025	Education

As at 31 December 2024:

Subsidiary	*Interest/ voting, %*	*Country*	*Date of incorporation*	*Industry*
BelVEB Insurance LLC	100.0	Republic of Belarus	17 October 1994	Insurance
VEB Technologies LLC	100.0	Republic of Belarus	2 March 2018	IT
VEBTECH LLC	100.0	Russian Federation	24 June 2022	Research

Transfer of additional interest of participation to Educational technologies VEDA LLC

Since April 2024, VEB Technologies LLC has been a participant in Educational technologies VEDA LLC (hereinafter referred to as the Company) with a 19.0% stake in the authorized capital (the amount of participation is BYN 10 thousand) without control. In December 2025, the General Meeting of the Company's Participants decided to transfer an 81% stake in the Company's authorized capital to VEB Technologies LLC in connection with the withdrawal of another participant in the Company. As a result of the transfer of ownership rights the sole participant of the Company with the size of the authorized capital of BYN 50 thousand is VEB Technologies LLC (the amount of participation is 100%). The book value of the Company's net assets at the date of transfer of ownership is BYN 109 thousand. The excess of the fair value of the net assets of the acquired subsidiary over the cost of the acquisition, reflected in the consolidated statement of profit or loss, amounted to BYN 99 thousand.

Associates and jointly controlled entities

As at 31 December 2025 and 31 December 2024, the Bank did not have associates and jointly controlled entities.

2. Basis of preparation (continued)

Economic environment

Impact of the geopolitical situation

In 2025, the Bank was affected by negative external factors due to increasing sanctions pressure. Sanctions of the European Union, the United States and some other countries against certain economy sectors and some Belarusian state and commercial organizations, including banks and individuals, remained in force, as well as restrictions on certain types of transactions, including blocking of entities' cash on accounts with foreign banks, restrictions on transactions carried out abroad and on borrowings from Western and other counterparties that joined these sanctions. The sanctions imposed against the Bank had no material impact on its activities in the reporting period. The Bank continues to operate as normal, providing services to individuals and legal entities and discharging its obligations to customers and partners.

The Bank continues to assess the impact of the geopolitical situation on its business, financial position and financial performance.

Estimation uncertainty

To the extent that information is available as at 31 December 2025, the Bank reflected estimation of fair values of financial instruments (Note 29).

3. Material accounting policies

Changes in accounting policies

The Bank applied for the first time certain new standards and amendments to the standards, which became effective for annual periods beginning on or after 1 January 2025. The Bank has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The new standards, amendments and interpretations that became effective on 1 January 2025 are disclosed below.

Amendments to IAS 21 *Lack of Exchangeability*

In August 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*, regulating accounting when a currency cannot be freely exchanged for another. The amendments clarify the following:

criterion of exchangeability. A currency is considered exchangeable if the company can exchange it for ency through available markets or mechanisms without significant delay at the reporting date and for a ose;

k of exchangeability. If an exchange is not possible or only possible for a small amount, the currency is on-exchangeable. In this case, the company is required to estimate the spot rate at the reporting date. ı should reflect the rate that would be applied in a normal transaction between market participants under omic conditions;

- Disclosures. Expanded disclosure requirements are being introduced so that users of the financial statements can understand and assess the impact of the lack of currency exchangeability on the company's financial position and results of operations.

The amendments did not have any impact on the Bank's consolidated financial statements, as the Bank does not operate in conditions where currency exchange is not available.

(Thousands of Belarusian rubles, unless otherwise indicated)

3. Material accounting policies (continued)

Changes in accounting policies (continued)

Basis of consolidation

Subsidiaries, which are entities controlled by the Bank, are consolidated. Control is achieved when the Bank is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Bank controls an investee if, and only if, the Bank has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Bank has less than a majority of the voting or similar rights of an investee, the Bank considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Bank's voting rights and potential voting rights.

Subsidiaries are consolidated from the date on which control is transferred to the Bank and are no longer consolidated from the date that control ceases. All intra-group transactions balances and unrealized gains on such transactions are eliminated in full; unrealized losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Bank.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Losses of a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

If the Bank loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, the carrying amount of any non-controlling interests, the cumulative translation differences, recorded in equity; recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss and reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

Fair value measurement

The Bank measures financial instruments at fair value through profit or loss ("FVPL") and at fair value through other comprehensive income ("FVOCI"), as well as non-financial assets such as property and equipment (buildings), at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

3. Material accounting policies (continued)

Fair value measurement (continued)

The principal or the most advantageous market must be accessible by the Bank. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Bank determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial measurement

Financial assets of the Bank are classified, at initial recognition, as measured at amortized cost, at FVPL or FVOCI.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Bank's business model for managing them. With the exception of trade receivables that, according to management of the Bank, do not contain a significant financing component or for which the Bank has applied the practical expedient, the Bank initially measures financial assets at their fair value plus transaction costs. Trade receivables are measured at the transaction price.

For a financial asset to be classified and measured at amortized cost or at FVOCI, it needs to give rise to cash flows that are the 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed for each instrument individually. Financial assets with cash flows that do not meet the test criteria are classified as measured at fair value through profit or loss, irrespective of the business model.

3. Material accounting policies (continued)

Financial assets and liabilities (continued)

Initial measurement (continued)

The Bank's business model for managing financial assets determines whether cash flows will result from collecting contractual cash flows, or selling financial assets, or both. Financial assets classified as measured at amortized cost are held under a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified as measured at FVOCI are held under a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by law or convention in the marketplace (regular way purchases or sales) are recognized on the trade date, i.e. the date when the Bank commits to purchase or sell the asset.

Subsequent measurement

Financial assets at amortized cost (debt instruments)

After initial recognition, financial assets of this category are measured using the effective interest rate method that provides for interest income accruals. Moreover, they are subject to financial asset impairment requirements. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Debt instruments at FVOCI

For this category of financial assets, interest income, foreign exchange revaluation and impairment losses or their reversals are recognized in the consolidated statement of profit or loss and calculated in the same manner as for financial assets measured at amortized cost. The remaining fair value changes for the period are recognized in other comprehensive income ("OCI"). Upon derecognition of such assets, the cumulative fair value change recognized in OCI is reclassified to profit or loss.

Equity instruments classified at the Bank's discretion as measured at FVOCI

Upon initial recognition, the Bank elects to classify irrevocably its equity investments as equity instruments at FVOCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. Such decision to classify is adopted for each instrument separately. Dividends on such investments are recognized as finance income in the consolidated statement of profit or loss when the right of payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI.

Guarantees, letters of credit and loan commitments

The Bank issues guarantees, letters of credit and loan commitments.

Guarantees are initially recognized in the financial statements at fair value, in the amount of the premium received. Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the higher of the amount initially recognized less cumulative amortization recognized in the consolidated statement of profit or loss, of the allowance for expected credit losses (hereinafter referred to as ECL).

Undrawn loan commitments and letters of credits are commitments, where, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. Similarly to financial guarantees, the ECL measurement requirements are applied to such commitments.

(Thousands of Belarusian rubles, unless otherwise indicated)

3. Material accounting policies (continued)

Financial assets and liabilities (continued)

Reclassification of financial assets and liabilities

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from exceptional cases, when the Bank changes the business model for managing financial assets. Financial liabilities are never reclassified. In 2025, the Bank did not reclassify any of its financial assets and liabilities.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, amounts due from the National Bank of the Republic of Belarus, excluding obligatory reserves, and amounts due from credit institutions that mature within ninety days of the date of origination and are free from contractual encumbrances.

Derivative financial instruments

In the normal course of business, the Bank enters into various derivative financial instruments including forwards and swaps in the foreign exchange market. Such financial instruments are held for trading and are recorded at fair value. The fair values are estimated based on quoted market prices or pricing models that take into account the current market and contractual prices of the underlying instruments and other factors. Derivatives are carried as assets when their fair value is positive and as liabilities when it is negative. Gains and losses resulting from these instruments are included in the consolidated statement of profit or loss as net gains/ (losses) from foreign currencies.

Borrowings

Issued financial instruments or their components are classified as liabilities, where the substance of the contractual arrangement results in the Bank having an obligation either to deliver cash or other financial assets to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or other financial assets for a fixed number of its own equity instruments. Such instruments include amounts due to the National Bank of the Republic of Belarus, amounts due to credit institutions, amounts due to customers, debt securities issued, other borrowings and subordinated loans. After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the consolidated statement of profit or loss when the borrowings are derecognized as well as through the amortization process.

Borrowings from parent originated at interest rates different from market rates are measured at origination to their fair value, being future interest payments and principal repayment(s) discounted at market interest rates for similar borrowings. The difference between the fair value and the nominal value at origination is charged to equity as additional paid in capital. Subsequently, the carrying amount of such borrowings is adjusted for amortization of the gains/losses on origination and the related expense is recorded as interest expense within the consolidated statement of profit or loss using the effective interest method.

3. Material accounting policies (continued)

Leases

Bank as lessee

The Bank applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Bank recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Bank recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at initial cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment testing.

Lease liabilities

At the commencement date of the lease, the Bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating the lease if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers payment occurs.

Short-term leases and leases of low-value assets

The Bank applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value (i.e., less than BYN 14.5 thousand). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Significant judgment in determining the lease term of contracts with renewal options

The Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

3. Material accounting policies (continued)

Write-off of loans issued

Loans are written off against the created allowance for expected credit losses when deemed uncollectible, including through repossession of collateral. Loans are written off after the Bank's authorized bodies have exercised all possibilities available to collect amounts due to the Bank including sale of all available collateral.

Restructured loans

Where possible, the Bank seeks to restructure loans, as agreed upon between the parties, rather than to take possession of collateral, for example, to extend payment arrangements, agree upon new loan conditions or otherwise modify contractual cash flows.

The Bank derecognizes a financial asset, such as a loan to a customer, when the renegotiation of terms and conditions result in a significant change in cash flows, which is a significant modification of a financial asset to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss before an impairment loss has been recognized. At initial recognition, loans are classified to Stage 1 for ECL assessment purposes, unless the newly originated loan is considered a POCI asset (purchased or originated credit-impaired asset). When assessing whether a loan to a customer should be derecognized, the Bank considers the following:

- The currency of a financial asset has changed;
- The interest rate has changed from fixed to floating and vice versa.

Where the modification does not result in a significant change in cash flows, it also does not result in derecognition of a financial asset, this modification is considered insignificant. An insignificant modification includes a change in a contract validity period, a change in the frequency of principal and interest payments, as well as other changes in contract terms that are not a significant modification. Based on the change in cash flows discounted at the original EIR, the Bank recognizes a modification gain or loss, presented within interest revenue calculated using EIR in the consolidated statement of profit or loss, before an impairment loss has been recognized.

(Thousands of Belarusian rubles, unless otherwise indicated)

3. Material accounting policies (continued)

Restructured loans (continued)

Where a modification does not result in derecognition, the Bank reassesses whether the credit risk related to a financial asset has increased significantly since its initial recognition, taking into account all reasonable and supportable information, including forecast data, and classifies financial instruments to one of the following stages of accrual of the allowance based on the degree of deterioration in the credit quality of the asset after its initial recognition:

- Stage 1 – financial assets, for which there are no factors indicating a significant increase in credit risk and no impairment indicators; for these assets, 12-month ECL are recognized;
- Stage 2 – financial assets, for which there are factors indicating a significant increase in credit risk, but there are no impairment indicators; for these assets, lifetime ECL are recognized;
- Stage 3 – financial assets with impairment indicators; for these assets, lifetime ECL are recognized.

The Bank recognizes restructuring of a loan in case of the following: any changes in contractual terms related to the maturity (repayment) of the principal amount and/or the interest payment date, and/or principal repayment schedule (terms and amounts), and/or interest repayment schedule (terms), and/or interest rate, as well as entering into a new contract, under which a Bank may have an asset exposed to credit risk and obligations of the Bank and the debtor under the previous contract are discharged (the debtor under the new contract and the previous contract is one and the same entity). These changes, which result from debtor's inability to meet its obligations, are introduced to encourage the debtor to meet its obligations in full and in a timely manner.

Problematic restructuring indicating a significant increase in credit risk is a repeated and subsequent restructuring, when there are no factors that indicate a significant increase in credit risk and/or impairment indicators; or restructuring when there are factors indicating a significant increase in credit risk at the time of restructuring; or restructuring when overdue liabilities on principal amount and/or interest become term liabilities; or restructuring that involves rescheduling of the previously stipulated payment of the principal amount and/or interest for more than one year.

Default restructuring is a restructuring associated with the inability of the borrower (counterparty) to fulfill its obligations under the initial contractual terms.

Restructuring is recognized as default if at least one of the following criteria is met:

- Restructuring when there are indicators that a financial asset is impaired at the time of restructuring and the recovery condition is not yet met or not met;
- Or repeated and subsequent restructuring when there are factors indicating a significant increase in credit risk and the recovery condition is not yet met or not met;
- Restructuring with a partial write-off of the debt (principal amount and/or interest) to the off-balance sheet (forgiveness of debt);
- Entering into an amicable agreement.

If the financial asset of a borrower is classified to Stage 3, other available financial instruments of this borrower are also classified to Stage 3. In case of a new loan issued to this borrower, this loan is classified as a credit-impaired financial asset.

3. Material accounting policies (continued)

Restructured loans (continued)

The credit quality of a financial asset can be recovered if a debtor makes three consecutive payments to the Bank to repay principal and interest in full and in a timely manner in accordance with the contractual terms during the debtor monitoring period. Three consecutive payments are repayments within three consecutive months of all debts maturing within this period (in cases when contracts do not provide for monthly repayment – three consecutive repayments of debts with maturities established by the contract). A full repayment means the repayment of the full amount of principal and interest, as required by the contract in the current period, and the absence of overdue principal and interest on all the debtor's financial assets in the Bank. The debtor monitoring period cannot last more than 12 months after the date on which no impairment indicators were identified for the debtor (for the recovery from Stage 3).

Derecognition of financial assets and liabilities

Financial assets

A financial asset is derecognized in the consolidated statement of financial position where:

- The rights to receive cash flows from the asset have expired;
- The Bank has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; and
- The Bank either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained all the risks and rewards of the asset, but has transferred control of the asset.

Write-off

Financial assets are written off either partially or in their entirety only when the Bank has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated allowance for ECL, the difference is at first recorded as an increase in the allowance that is subsequently applied to the gross carrying amount. Any subsequent recoveries are credited to other income. The write-off constitutes a derecognition event.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Taxation

The income tax expense is the sum of current and deferred income taxes.

The Bank and each of its subsidiaries estimate the current income tax expense separately based on the results recorded in their statements of profit or loss prepared under the requirements of Belarusian legislation and after any adjustments for taxation purposes.

Deferred tax assets and liabilities are calculated in respect of temporary differences using the liability method. Deferred income taxes are provided for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except where the deferred income tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

3. Material accounting policies (continued)

Taxation (continued)

A deferred tax asset is recorded only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets and liabilities are measured at tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax regulations that have been enacted or substantively enacted at the reporting date.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The Republic of Belarus also has various operating taxes that are assessed on the Bank's activities. These taxes are recorded separately in the consolidated statement of profit or loss within other operating expenses.

Property and equipment

Property and equipment, except for buildings, are carried at cost adjusted for hyperinflation, excluding the cost of day to-day servicing, less accumulated depreciation and any accumulated impairment. Such cost includes the cost of replacing equipment when that cost is incurred if the recognition criteria are met.

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Following initial recognition at cost, buildings are carried at a revalued amount, which is the fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus is credited to other comprehensive income, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the consolidated statement of profit or loss, in which case the increase is taken to the financial result. A revaluation deficit is recognized in the consolidated statement of profit or loss, except that a deficit directly offsetting a previous surplus on the same asset is directly offset against the surplus in the revaluation reserve for buildings.

An annual transfer from the revaluation reserve for property and equipment to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets' original cost. Upon disposal of the particular asset, any revaluation reserve relating to it is transferred to retained earnings.

3. Material accounting policies (continued)

Property and equipment (continued)

Depreciation of an asset begins when it is available for use. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

	Years
Buildings	5-100
Furniture and office supplies	3-50
Computers and equipment	5-10
Vehicles	7-9

The asset's residual values, useful lives and depreciation methods are reviewed and adjusted as appropriate, at each financial year-end.

Costs related to repairs and renewals are charged when incurred and included in other operating expenses, unless they are qualified for capitalization.

Intangible assets

Intangible assets include computer software and licenses.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses, as adjusted for hyperinflation.

The useful lives of intangible assets are finite. Intangible assets with finite lives are amortized over their useful (service) lives specified in patents, certificates, licenses and other documents certifying rights to them. If useful (service) lives are not indicated, they are taken to be up to 10 years. Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Provisions

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made.

Retirement and other employee benefit obligations

In the reporting period, the Bank participated in the State pension system of the Republic of Belarus, which requires current contributions by the employer calculated as a percentage of current gross salary payments. In addition, the Bank undertook additional pension obligations in the form of differentiated payments to former employees who have retired and are unemployed. These expenses are charged in the reporting period the relevant payments are related.

Since 1 January 2013, the Bank has participated in the system of voluntary supplementary pension insurance of employees – the pension plan with defined contribution. Pension insurance expenses are reflected in other operating expenses.

3. Material accounting policies (continued)

Share capital

Share capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction from the proceeds in equity. Any excess of the fair value of consideration received over the nominal value of shares issued is recorded as share premium.

Dividends

Dividends are recognized as a liability and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed in the consolidated financial statements when they are proposed before the reporting date, or proposed or declared after the reporting date but before the consolidated financial statements are authorized for issue.

Segment reporting

An operating segment is a component of the Bank that engages in business activities from which it may earn revenues and incur expenses; and for which financial information is available and is regularly reviewed by the entity's senior management personnel (a person or a group of persons) responsible for making decisions on allocation of resources and assessing financial performance.

Financial information is reported on the same basis as it is used by the Bank internally for assessing the performance of operating segments while making decision on resource allocation between operating segments. The Bank's segment reporting is based on the following operating segments: corporate banking, retail banking and inter-bank operations. Note 5 "Segment information" of these consolidated financial statements contains information relating to profit and loss, assets and liabilities of the Bank's operating segments. This information is provided to persons responsible for making decisions in the Bank.

In addition, the Bank has presented a reconciliation of profit and loss before taxation of the reporting segments, as well as a reconciliation of the gross amount of segment assets and liabilities to the total amount of the Bank's assets presented in these consolidated financial statements.

Contingencies

A contingent asset is not recognized in the consolidated statement of financial position but disclosed in the consolidated financial statements, when an inflow of economic benefits is probable. Contingent liabilities are not recognized in the consolidated statement of financial position but are disclosed unless the possibility of any outflow in settlement is remote.

3. Material accounting policies (continued)

Recognition of income and expenses

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized in the consolidated financial statements:

Interest and similar income and expense

The Bank calculates interest revenue on debt financial assets measured at amortized cost or at FVOCI by applying the effective interest rate to the gross carrying amount of financial assets other than credit-impaired assets. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses. The carrying amount of the financial asset or financial liability is adjusted if the Bank revises its estimates of payments or receipts. The adjusted carrying amount is calculated based on the original effective interest rate and the change in the carrying amount is recorded as interest revenue or expense.

In case of a credit-impaired financial asset, the Bank calculates the interest revenue, applying the effective interest rate to the net amortized cost of this asset. If the default on the financial asset is liquidated, and it is no longer a credit-impaired asset, the Bank proceeds to calculate the income revenue on the basis of the gross carrying amount.

In case of purchased or originated credit-impaired (POCI) financial assets, the Bank calculates the interest revenue applying the effective interest rate adjusted for the credit risk to the amortized cost of the financial asset. An effective interest rate adjusted for the credit risk is an interest rate that at initial recognition discounts estimated future cash flows (including credit losses) to the amortized cost of the POCI assets.

Fee and commission income

The Bank earns fee and commission income from a diverse range of services it provides to its customers. Fee and commission income can be divided into the following two categories:

Fee and commission income earned from services that are provided over a certain period of time

Fees earned for the provision of services over a period of time are accrued over that period. These fees include commission income and asset management, custody and other management and advisory fees. Loan commitment fees for loans that are likely to be drawn down and other credit-related fees are deferred (together with any incremental costs) and recognized as an adjustment to the effective interest rate on the loan.

Fee and commission income from providing transaction services

Fees arising from negotiating or participating in the negotiation of a transaction for a third party – such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses – are recognized on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance indicator are recognized after fulfilling the corresponding criteria.

Dividend income

Revenue is recognized when the Bank's right to receive the payment is established.

(Thousands of Belarusian rubles, unless otherwise indicated)

3. Material accounting policies (continued)

Insurance transactions

Insurance contract liabilities

Insurance contract liabilities are reported in the consolidated statement of financial position within other liabilities.

Insurance income and expenses

The following information is reported in the consolidated statement of profit or loss: insurance revenue, insurance service expenses, insurance finance income and expenses within other income or other expenses, respectively.

Foreign currency translation

The consolidated financial statements are presented in Belarusian rubles, which is the Bank's functional and presentation currency. Transactions in foreign currencies are initially recorded in the functional currency converted at the rate of exchange effective at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the reporting date. Gains and losses resulting from the translation of foreign currency transactions are recognized in the consolidated statement of profit or loss as "Net gains/(losses) from foreign currencies – translation differences." Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Differences between the contractual exchange rate of a transaction in a foreign currency and the exchange rate of the National Bank of the Republic of Belarus on the date of the transaction are included in gains less losses from foreign currencies.

The closing exchange rates that were used in the preparation of these consolidated financial statements are presented in the table below:

	31 December 2025	*31 December 2024*
BYN/USD	2.902700	3.473500
BYN/EUR	3.417000	3.624600
BYN/RUB	0.037058	0.033488

(Thousands of Belarusian rubles, unless otherwise indicated)

3. Material accounting policies (continued)

Standards issued but not yet effective

The new and amended standards and interpretations that have been issued, but are not yet effective as at the date of issuance of the Bank's financial statements and not required for use are disclosed below. The Bank intends to adopt these new and amended standards and interpretations when they become effective.

Standards not effective for the annual reporting period ended 31 December 2025	***Effective for annual reporting periods beginning on or after***
► Amendments to IFRS 7 and IFRS 9 – *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
► Amendments to IFRS (IFRS) 7 and IFRS (IFRS) 9 – *Contracts Referencing Nature-dependent Electricity*	1 January 2026
► IFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
► IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027

These amendments and new standards are not expected to have a material impact on the Bank, except for IFRS 18 for which the Bank is currently in the process of analyzing its impact on the financial reporting.

In April 2024, the IASB issued a new standard, IFRS 18 *Presentation and Disclosure in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements, the most important of which are:

1. On the classification of income and expenses in the statement of profit or loss into three defined categories corresponding to operating, investing and financing activities. It also requires all entities to provide new defined subtotals, such as:
   - Operating profit or loss; and
   - Profit or loss before financing and income taxes;
2. On the disclosure of information on management-defined performance measures in the financial statements, including reconciliation of those measures to the closest total or subtotal presented in the statement of profit or loss;
3. On the presentation of aggregated and disaggregated financial information in the primary financial statements and in the notes.

IFRS 18 has also introduced limited changes to the statement of cash flows and certain other changes.

Entities shall apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. If an entity applies IFRS 18 for an earlier period, it shall disclose that fact.

4. Significant accounting judgments and estimates

In the process of applying the Bank's accounting policies, management made the following judgments, apart from estimates, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The carrying amounts of financial instruments measured at fair value as at 31 December 2025 are as follows: trading securities – BYN 5,114 thousand (2024: BYN 5,500 thousand); investment securities at FVOCI – BYN 678,056 thousand (2024: BYN 819,222 thousand), funds in precious metals on correspondent accounts – BYN 9,631 thousand (2024: BYN 4,725 thousand); loans at FVPL – BYN 24,824 thousand (2024: BYN 24,041 thousand); derivative financial assets – BYN 805 thousand (2024: BYN 93 thousand); derivative financial liabilities – BYN 254 thousand (2024: none as at the reporting date); and funds in precious metals on customers' current accounts – BYN 8,950 thousand (2024: BYN 4,116 thousand). Additional details are provided in Note 29.

Revaluation of buildings

As at 31 December 2025, buildings were revalued at fair value using the market comparison method with the involvement of an external appraiser. This means that the valuation made by the appraiser is based on market transaction prices adjusted for differences in the nature, location, or condition of a particular property. The results of the revaluation are provided in Note 12.

As at 31 December 2024, the Bank's real estate was not revalued. According to publicly available information and analysis of the real estate market, an average sale price of office premises changed on average by 7.5% from the end of 2022 to the end of 2024.

The net book value of the property and equipment revalued at the end of 2025 amounted to BYN 33,828 thousand; at the end of 2024: BYN 31,039 thousand (Note 12). The accumulated revaluation reserve for buildings as at 31 December 2025 and 31 December 2024 amounted to BYN 2,328 thousand and BYN 2,673 thousand, respectively. Additional details are provided in Note 23.

Expected credit losses on financial assets and contingent liabilities

The measurement of losses under IFRS 9 across all categories of financial assets and contingent liabilities requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining ECL and assessing a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances for ECL. The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered judgments and estimates include:

- The Bank's internal credit grading model, which assigns PDs;
- The Bank's criteria for assessing if there has been a significant increase in credit risk; so, ECL allowances for financial assets should be measured on a lifetime ECL basis, and the qualitative assessment; grouping of financial assets when their ECL are assessed on a collective basis; development of ECL calculation models, including various formulae and the selection of inputs;
- Selection of scenarios and weights of credit strategies used to estimate future cash flows for impaired loans (Stage 3);
- Determination of interrelations between macroeconomic scenarios and economic inputs, such as real GDP growth rate and the BYN/USD exchange rate, as well as the impact on the probability of default (PD), exposure at default (EAD), and loss given default (LGD);
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

The amount of allowance for financial instruments recognized in the consolidated statement of financial position as at 31 December 2025 was BYN 177,906 thousand (2024: BYN 181,447 thousand). More details are provided in Notes 8, 10, 11, 17, 24.

(Thousands of Belarusian rubles, unless otherwise indicated)

4. Significant accounting judgments and estimates (continued)

Leases – estimating the incremental borrowing rate

The Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate reflects the interest that the Bank "would have to pay", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Bank determines the incremental borrowing rate with the use of unobservable inputs. As at 31 December 2025, the Bank recognized right-of-use assets in the amount of BYN 8,621 thousand (2024: BYN 7,806 thousand) and lease liabilities in the amount of BYN 7,728 thousand (2024: BYN 7,255 thousand).

5. Segment information

For management purposes, the Bank is organized into three operating segments:

Retail banking	Issuing and servicing loans for various purposes, handling individual customers' deposits, cash and settlements operations, currency transactions, the issue and maintenance of payment cards, transactions with precious metals.
Corporate banking	Sales of banking products and providing services (issuing loans and financing) to corporate and private entrepreneurial customers, attracting deposits from corporate customers, cash and settlements operations, currency and documentary transactions.
Interbank operations	Handling accounts of other banks, transactions of allocation/raising funds in the interbank market, including transactions with the National Bank of the Republic of Belarus, currency conversion operations with other banks, transactions with derivatives, bank securities transactions.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance, as explained in the table below, is measured differently from profit or loss in the consolidated financial statements. Income taxes are managed on a group basis and are not allocated to operating segments.

In 2025 and 2024, no revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Bank's total revenue. Non-current non-financial assets and deferred tax assets are related to the Republic of Belarus. Generally, revenue is earned from sources in the Republic of Belarus.

The table below provides information on assets and liabilities of the Bank's operating segments as at 31 December 2025:

	Corporate banking	***Retail banking***	***Interbank operations***	***Other***	***Total***
Segment assets	4,200,462	619,602	1,284,917	394,301	**6,499,282**
Segment liabilities	3,559,291	1,169,344	702,638	101,239	**5,532,512**

(Thousands of Belarusian rubles, unless otherwise indicated)

5. Segment information (continued)

The table below provides information on the assets and liabilities of the Bank's operating segments as at 31 December 2024:

	Corporate banking	*Retail banking*	*Interbank operations*	*Other*	*Total*
Segment assets	3,836,272	551,226	1,049,948	376,478	**5,813,924**
Segment liabilities	2,989,248	1,043,913	833,606	54,220	**4,920,987**

A reconciliation of assets and liabilities as per the reportable segments with the Bank's assets and liabilities under IFRS as at 31 December 2025 and 31 December 2024 is as follows:

	Total assets		Total liabilities	
	2025	*2024*	*2025*	*2024*
Reported segments, total	**6,499,282**	**5,813,924**	**5,532,512**	**4,920,987**
Adjustment to allowances for expected credit losses	75,686	96,930	(37,738)	(19,543)
Recognition of loans previously written off and income on debt previously written off	103,399	105,441	–	–
Recognition of installment agreements in loans	(3,447)	(6,644)	–	–
Accrued personnel expenses	–	–	6,494	5,461
Adjustment to amortized cost of borrowings and subordinated loan, effect of initial recognition of modification	–	–	309	1,759
Adjustment to depreciation, amortization and historical cost of property and equipment and intangible assets	(7,908)	(10,219)	–	–
Adjustment to transit accounts and other adjustments to recognize transactions in the appropriate period	(18,137)	(18,358)	(18,019)	(18,252)
Recognition of derivative financial instruments at fair value	(141)	(12)	125	–
Adjustment to loans to employees	(17,780)	(10,174)	–	–
Adjustment to recognition of letters of credit as loans to customers	21,439	22,999	21,594	23,281
Adjustment to current and deferred income tax	(1)	(1)	27,852	30,845
Recognition of fees and commissions received under partner programs	586	3,482	–	–
Recognition of income on loans on an accrual basis	14,863	21,587	–	–
Recognition and modification of POCI	(78,087)	(82,138)	–	–
Effect from initial recognition of non-market financial instruments	(116)	(390)	2,850	1,467
Effect from amortization of previously modified financial instruments	50	(631)	–	–
Adjustments to leases	9,211	7,931	7,425	6,900
Consolidation effect	18,895	23,120	8,037	14,419
Other adjustments	114	(66)	(2,890)	(2,889)
Total IFRS	**6,617,908**	**5,966,781**	**5,548,551**	**4,964,435**

(Thousands of Belarusian rubles, unless otherwise indicated)

5. Segment information (continued)

Revenue and profit information of the Bank's operating segments for the years ended 31 December 2025 and 2024, respectively, is presented below:

2025	*Corporate banking*	*Retail banking*	*Interbank operations*	*Other*	*Total*
Revenue from operations with external customers					
Interest income	372,658	78,932	93,559	–	**545,149**
Net fee and commission income/ (expense)	88,258	12,972	(569)	196	**100,857**
Net gains from foreign currencies	32,937	2,721	971	–	**36,629**
Other income	14,986	2,105	23,271	7,493	**47,855**
Total revenue	**508,839**	**96,730**	**117,232**	**7,689**	**730,490**
Interest expense	(197,564)	(52,427)	(56,767)	–	**(306,758)**
Allowance for impairment of financial instruments	(10,398)	(1,862)	(9,611)	1,243	**(20,628)**
Segment profit before non-interest expense	**300,877**	**42,441**	**50,854**	**8,932**	**403,104**
Non-interest expense	(115,392)	(93,243)	(32,042)	(20,986)	**(261,663)**
Income tax (expense)/ benefit	(72,643)	10,507	(18,514)	75,478	**(5,172)**
Profit/(loss) for the year	**112,842**	**(40,295)**	**298**	**63,424**	**136,269**

2024	*Corporate banking*	*Retail banking*	*Interbank operations*	*Other*	*Total*
Revenue from operations with external customers					
Interest income	289,129	67,211	80,493	–	**436,833**
Net fee and commission income/ (expense)	73,798	7,568	(356)	(504)	**80,506**
Net gains from foreign currencies	19,277	2,549	9,747	–	**31,573**
Other income	34,973	3,086	22,975	1,902	**62,936**
Total revenue	**417,177**	**80,414**	**112,859**	**1,398**	**611,848**
Interest expense	(156,538)	(39,858)	(38,675)	(2,226)	**(237,297)**
Allowance for impairment of financial instruments	(39,012)	509	5,249	(1,472)	**(34,726)**
Segment profit/(loss) before non-interest expense	**221,627**	**41,065**	**79,433**	**(2,300)**	**339,825**
Non-interest expense	(97,491)	(78,416)	(33,213)	(6,659)	**(215,779)**
Income tax (expense)/ benefit	(23,522)	7,697	(1,547)	5,815	**(11,557)**
Profit/(loss) for the year	**100,614**	**(29,654)**	**44,673**	**(3,144)**	**112,489**

(Thousands of Belarusian rubles, unless otherwise indicated)

5. Segment information (continued)

A reconciliation of profit before tax, interest income and expense, net fee and commission income, net gains from foreign currencies as per the reportable segments with the IFRS consolidated statement of profit or loss for the year ended 31 December 2025 is as follows:

	Profit before tax	*Interest income*	*Interest expense*	*Net fee and commission income*	*Other income*	*Non-interest expense*	*Net gains from foreign currencies*
Reported segments, total	**141,441**	**545,149**	**(306,758)**	**100,857**	**47 855**	**(261,663)**	**36,629**
Adjustment to amortized cost of borrowings and subordinated loan, effect of initial recognition of modification	1,450	–	1,971	–	–	–	(521)
Recognition of loans previously written off and income on debt previously written off	(2,042)	2,390	(4,459)	–	17,030	–	(50)
Recognition of installment agreements in loans	3,197	3,197	–	–	–	–	–
Reversal/ (charge) of allowance for ECL	2,687	–	–	–	–	18,328	1,489
Recognition of derivative financial instruments at fair value	(359)	–	–	–	–	–	(359)
Accrued personnel expenses	(6,494)	–	–	–	–	(6,494)	–
Adjustment to historical cost and depreciation of property and equipment	2,337	–	–	–	2,915	(578)	–
Adjustment to loans to employees	(6,861)	1,192	–	–	–	(8,053)	–
Adjustment to transit accounts and other adjustments to recognize transactions in the appropriate period	(16,137)	(21,587)	(15)	4	–	5,461	–
Reclassification of income and expenses from transactions with the Central Bank	–	4,035	(16,341)	–	(7,306)	19,612	–
Recognition of fees and commissions received under partner programs	586	780	–	(194)	–	–	–
Recognition of income on loans on an accrual basis	14,863	14,863	–	–	–	–	–
Recognition and modification of POCI	4,051	5,643	–	–	1,812	–	4
Effect from initial recognition	(1,454)	(71)	(830)	–	–	–	(553)
Effect from modification	681	90	(3,995)	–	4,586	–	–
Recognition of loans to customers issued on non-market terms from interbank lending funds	(2,956)	(3,011)	(1)	55	–	–	–
Adjustments to leases	753	–	(633)	–	310	1,076	–
Adjustment to recognition of letters of credit as loans to customers	128	1,121	(993)	–	–	–	–
Consolidation effect and other adjustments	3,730	42,008	(997)	(44,927)	(13,318)	(30,343)	4,510
Total IFRS	**139,601**	**595,799**	**(333,051)**	**55,795**	**53,884**	**(262,654)**	**41,149**

(Thousands of Belarusian rubles, unless otherwise indicated)

5. Segment information (continued)

A reconciliation of profit before tax, interest income and expense, net fee and commission income, net gains from foreign currencies as per the reportable segments with the IFRS consolidated statement of profit or loss for the year ended 31 December 2024 is as follows:

	Profit before tax	*Interest income*	*Interest expense*	*Net fee and commission income*	*Other income*	*Non-interest expense*	*Net gains from foreign currencies*
Reported segments, total	**124,046**	**436,833**	**(237,297)**	**80,506**	**62,936**	**(215,779)**	**31,573**
Adjustment to amortized cost of borrowings and subordinated loan, effect of initial recognition of modification	192	–	(78)	–	–	–	270
Recognition of loans previously written off and income on debt previously written off	(1,652)	(1,686)	–	–	(10)	–	44
Gains from derecognition of financial instruments	–	–	–	–	35,529	–	–
Recognition of installment agreements in loans	3,021	3,021	–	–	–	–	–
Reversal/ (charge) of allowance for ECL	104,711	–	–	–	–	1,405	(8,236)
Recognition of derivative financial instruments at fair value	(210)	–	–	–	–	–	(210)
Accrued personnel expenses	(5,461)	–	–	–	–	(5,461)	–
Adjustment to historical cost and depreciation of property and equipment	1,720	–	–	–	(1,351)	3,071	–
Adjustment to loans to employees	(1,874)	833	–	–	–	(2,707)	–
Adjustment to transit accounts and other adjustments to recognize transactions in the appropriate period	(12,574)	(17,344)	(20)	16	–	4,774	–
Reclassification of income and expenses from transactions with the Central Bank	–	16,442	(1,878)	–	(26,005)	11,441	–
Recognition of fees and commissions received under partner programs	3,483	3,538	–	(55)	–	–	–
Recognition of income on loans on an accrual basis	21,588	21,588	–	–	–	–	–
Recognition and modification of POCI	41,545	(13,898)	3,092	–	(5,328)	–	–
Effect from initial recognition	1,141	4,862	(4,263)	–	–	144	–
Effect from modification	(1,479)	5,420	(6,899)	–	–	–	–
Recognition of loans to customers issued on non-market terms from interbank lending funds	2,857	(4,529)	3,185	4,201	–	–	–
Adjustments to leases	428	–	(425)	–	2,123	(1,270)	–
Adjustment to recognition of letters of credit as loans to customers	208	2,197	(1,989)	–	–	–	–
Consolidation effect and other adjustments	(2,391)	56,787	(2,562)	(36,937)	(12,819)	11,838	4,974
Total IFRS	**279,299**	**514,064**	**(249,134)**	**47,731**	**55,075**	**(192,544)**	**28,415**

"Non-interest expense" includes reversal/(charge) of allowances for credit losses on other financial assets and credit related contingencies.

(Thousands of Belarusian rubles, unless otherwise indicated)

5. Segment information (continued)

Segment revenue from contracts with customers within the scope of IFRS 15 *Revenue* for the years ended 31 December 2025 and 2024 is as follows:

2025	*Services to individuals*	*Services to legal entities*	*Total*
Fee and commission income			
Settlement transactions	34,596	50,419	**85,015**
Guarantees and letters of credit	–	9,167	**9,167**
Operations with securities	103	288	**391**
Other fee and commission income	483	1,521	**2,004**
Total revenue from contracts with customers	**35,182**	**61,395**	**96,577**

2024	*Services to individuals*	*Services to legal entities*	*Total*
Fee and commission income			
Settlement transactions	32,934	41,189	**74,123**
Guarantees and letters of credit	–	11,274	**11,274**
Operations with securities	18	302	**320**
Other fee and commission income	593	1,727	**2,320**
Total revenue from contracts with customers	**33,545**	**54,492**	**88,037**

6. Cash and cash equivalents

Cash comprises:

	2025	*2024*
Current accounts with the National Bank of the Republic of Belarus	687,571	637,552
Current accounts with credit institutions	301,586	254,670
Time deposits for up to 90 days	242,820	110,723
Cash on hand	154,670	155,198
Cash in transit	10,333	7,510
Cash and cash equivalents	**1,396,980**	**1,165,653**

"Cash in transit" includes amounts under cash support transactions with service offices of Bank BelVEB OJSC.

All balances of cash equivalents are included in Stage 1.

7. Trading securities

Trading securities held by the Bank comprise:

	2025	*2024*
Corporate shares	5,114	5,500
Trading securities	**5,114**	**5,500**

(Thousands of Belarusian rubles, unless otherwise indicated)

8. Amounts due from credit institutions

Amounts due from credit institutions comprise:

	2025	*2024*
Obligatory reserve with the National Bank of the Republic of Belarus	45,207	40,437
Funds in precious metals on accounts	9,631	4,725
Time deposits for more than 90 days	3,449	5,072
Other amounts	7,643	8,327
	65,930	**58,561**
Less allowance for ECL	(6,405)	(7,436)
Amounts due from credit institutions	**59,525**	**51,125**

Belarusian credit institutions are required to maintain a non-interest earning cash deposit (obligatory reserve) with the National Bank of the Republic of Belarus, the amount of which depends on the level of funds attracted by the credit institution. The Bank's ability to withdraw such deposit is restricted by the statutory legislation.

As at 31 December 2025 and 2024, "Funds in precious metals on accounts" included funds in precious metals on current accounts designated as at fair value through profit or loss. "Other amounts" include funds transferred to other banks as guarantee deposits, as well as collateral for the performance of obligations under transactions involving payment cards and other funds, including funds in the amount of BYN 6,358 thousand, which have been provided for in full (2024: BYN 7,146 thousand).

Allowance for ECL on amounts due from credit institutions at amortized cost

Movements in the gross carrying amount and relevant allowances for ECL for the year ended 31 December 2025 are as follows:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount at 1 January 2025	**40,525**	**10,890**	**7,146**	**58,561**
New purchased or originated assets	11,147	–	–	**11,147**
Assets redeemed	(2,425)	(2,292)	–	**(4,717)**
Transfers to Stage 2	(3,435)	3,435	–	**–**
Amounts written off	–	–	(279)	**(279)**
Other changes	(89)	91	–	**2**
Exchange differences	(81)	1,806	(509)	**1,216**
31 December 2025	**45,642**	**13,930**	**6,358**	**65,930**

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Allowance for ECL at 1 January 2025	**271**	**19**	**7 146**	**7,436**
New purchased or originated assets	7	–	–	**7**
Assets redeemed	–	(2)	–	**(2)**
Transfers to Stage 2	(7)	7	–	**–**
(Reversal)/ charge of allowance	(243)	2	–	**(241)**
Amounts written off	–	–	(279)	**(279)**
Exchange differences	–	(7)	(509)	**(516)**
31 December 2025	**28**	**19**	**6,358**	**6,405**

(Thousands of Belarusian rubles, unless otherwise indicated)

8. Amounts due from credit institutions (continued)

Allowance for ECL on amounts due from credit institutions at amortized cost (continued)

Movements in the gross carrying amount and relevant allowances for ECL for the year ended 31 December 2024 are as follows:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount at 1 January 2024	**32,503**	**8,486**	**10,683**	**51,672**
New purchased or originated assets	10,372	–	–	**10,372**
Assets redeemed	–	(1)	(4,074)	**(4,075)**
Transfers to Stage 2	(2,071)	2,071	–	**–**
Transfers to Stage 3	(279)	–	279	**–**
Amounts written off	–	–	(4)	**(4)**
Exchange differences	–	334	262	**596**
31 December 2024	**40,525**	**10,890**	**7,146**	**58,561**

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Allowance for ECL at 1 January 2024	**333**	**276**	**10,683**	**11,292**
New purchased or originated assets	2	–	–	**2**
Assets redeemed	–	–	(4,074)	**(4,074)**
Transfers to Stage 2	(1)	1	–	**–**
Transfers to Stage 3	(1)	–	1	**–**
Changes in the model and inputs used for ECL calculations	(379)	–	–	**(379)**
Charge/ (reversal) of allowance	317	(262)	278	**333**
Amounts written off	–	–	(4)	**(4)**
Exchange differences	–	4	262	**266**
31 December 2024	**271**	**19**	**7,146**	**7,436**

9. Derivative financial instruments

The Bank enters into derivative financial instruments for trading purposes. The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative's underlying asset or reference rate or index and is the basis upon which changes in the value of derivatives are measured. Notional amounts indicate the volume of transactions outstanding at the year end and are not indicative of the credit risk.

	2025			*2024*		
	Notional amount	*Fair value*		*Notional amount*	*Fair value*	
		Asset	*Liability*		*Asset*	*Liability*
Foreign exchange contracts						
Forwards – domestic	98,235	805	254	3,617	93	–
Total derivative assets/liabilities	**98,235**	**805**	**254**	**3,617**	**93**	**–**

Forwards

Forwards are contractual agreements to buy or sell a financial instrument at a specific price and on a specific date in the future, which is traded in the over-the-counter market.

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers

Loans to customers comprise:

	2025	*2024*
Corporate lending	1,343,669	1,445,480
Small and medium business lending	1,320,338	1,262,258
Consumer lending	431,713	384,581
Residential mortgages	188,043	174,164
Total loans to customers at amortized cost	**3,283,763**	**3,266,483**
Less allowance for ECL	(116,609)	(134,148)
Loans to customers at amortized cost	**3,167,154**	**3,132,335**
Corporate lending	24,824	24,041
Loans to customers at fair value through profit or loss	**24,824**	**24,041**
Total loans to customers	**3,191,978**	**3,156,376**

Loans to customers at FVPL

Loans to customers at FVPL are installments for items of property and equipment sold. Information about the fair value measurement of loans to customers at FVPL is presented in Note 29.

Allowance for ECL on loans to customers measured at amortized cost

Movements in the gross carrying amount and relevant ECL related to corporate lending for the year ended 31 December 2025 are as follows:

Corporate lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2025	**1,155,843**	**190,348**	**95,877**	**3,412**	**1,445,480**
New purchased or originated assets	3,994,341	–	–	–	**3,994,341**
Assets derecognized or redeemed (except for write-offs)	(2,950,756)	(1,033,864)	(77,053)	(3,412)	**(4,065,085)**
Changes resulting from issue/redemption	(6,105)	(973)	18,155	–	**11,077**
Transfers to Stage 1	41,486	(41,486)	–	–	**–**
Transfers to Stage 2	(1,200,392)	1,200,392	–	–	**–**
Transfers to Stage 3	(428)	(18,228)	18,656	–	**–**
Changes in contractual cash flows due to modification	(504)	–	–	–	**(504)**
Amounts written off	–	–	(27,847)	–	**(27,847)**
Exchange differences	(18,688)	3,238	1,657	–	**(13,793)**
31 December 2025	**1,014,797**	**299,427**	**29,445**	**–**	**1,343,669**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Allowance for ECL on loans to customers measured at amortized cost (continued)

Consumer lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2025	**5,682**	**8,381**	**46,000**	**741**	**60,804**
New purchased or originated assets	33,471	–	–	–	**33,471**
Assets derecognized or redeemed (except for write-offs)	(6,459)	(29,279)	(35,313)	(741)	**(71,792)**
Transfers to Stage 1	527	(527)	–	–	**–**
Transfers to Stage 2	(30,236)	30,236	–	–	**–**
Transfers to Stage 3	(3)	(493)	496	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(277)	3,963	19,450	–	**23,136**
Changes in contractual cash flows due to modification	(4)	–	–	–	**(4)**
(Reversal)/ charge of allowance	(909)	(1,290)	22,496	–	**20,297**
Amounts written off	–	–	(27,847)	–	**(27,847)**
Exchange differences	(77)	(4)	19	–	**(62)**
31 December 2025	**1,715**	**10,987**	**25,301**	**–**	**38,003**

Movements in the gross carrying amount and relevant ECL related to small and medium business lending for the year ended 31 December 2025 are as follows:

Small and medium business lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2025	**1,136,125**	**41,147**	**79,744**	**5,242**	**1,262,258**
New purchased or originated assets	4,271,389	–	–	–	**4,271,389**
Assets derecognized or redeemed (except for write-offs)	(3,979,541)	(164,028)	(61,477)	(3,386)	**(4,208,432)**
Changes resulting from issue/redemption	(402)	1,412	17,936	8,527	**27,473**
Transfers to Stage 1	10,789	(10,789)	–	–	**–**
Transfers to Stage 2	(320,103)	320,103	–	–	**–**
Transfers to Stage 3	(8,000)	(34,899)	42,899	–	**–**
Changes in contractual cash flows due to modification	3	9	45	–	**57**
Amounts written off	–	–	(1,467)	–	**(1,467)**
Exchange differences	(24,835)	(1,935)	(4,170)	–	**(30,940)**
31 December 2025	**1,085,425**	**151,020**	**73,510**	**10,383**	**1,320,338**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Allowance for ECL on loans to customers measured at amortized cost (continued)

Small and medium business lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2025	**3,574**	**2,956**	**63,086**	**(1,401)**	**68,215**
New purchased or originated assets	34,820	–	–	–	**34,820**
Assets derecognized or redeemed (except for write-offs)	(6,108)	(9,283)	(32,319)	–	**(47,710)**
Transfers to Stage 1	221	(221)	–	–	**–**
Transfers to Stage 2	(27,680)	27,680	–	–	**–**
Transfers to Stage 3	(51)	(15,509)	15,560	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(176)	(14,090)	17,732	–	**3,466**
Changes in contractual cash flows due to modification	–	–	21	–	**21**
(Reversal)/ charge of allowance	(967)	17,911	(5,449)	6,366	**17,861**
Amounts written off	–	–	(1,467)	–	**(1,467)**
Exchange differences	(95)	(346)	(3,193)	(73)	**(3,707)**
31 December 2025	**3,538**	**9,098**	**53,971**	**4,892**	**71,499**

Movements in the gross carrying amount and relevant ECL related to consumer lending for the year ended 31 December 2025 are as follows:

Consumer lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2025	**376,930**	**4,415**	**3,236**	**–**	**384,581**
New purchased or originated assets	415,542	–	–	–	**415,542**
Assets derecognized or redeemed (except for write-offs)	(267,806)	(5,082)	(8,555)	–	**(281,443)**
Changes resulting from issue/redemption	(85,028)	(1,065)	5,872		**(80,221)**
Transfers to Stage 1	762	(729)	(33)	–	**–**
Transfers to Stage 2	(16,400)	16,429	(29)	–	**–**
Transfers to Stage 3	(6,295)	(5,923)	12,218	–	**–**
Amounts written off	–	–	(6,746)	–	**(6,746)**
31 December 2025	**417,705**	**8,045**	**5,963**	**–**	**431,713**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Allowance for ECL on loans to customers measured at amortized cost (continued)

Consumer lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2025	**2,281**	**1,061**	**1,284**	**–**	**4,626**
New purchased or originated assets	6,204	–	–	–	**6,204**
Assets derecognized or redeemed (except for write-offs)	(1,794)	(1,023)	(3,447)	–	**(6,264)**
Transfers to Stage 1	135	(124)	(11)	–	**–**
Transfers to Stage 2	(3,236)	3,246	(10)	–	**–**
Transfers to Stage 3	(105)	(2,088)	2,193	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(132)	784	799	–	**1,451**
(Reversal)/ charge of allowance	(872)	(16)	8,110	–	**7,222**
Amounts written off	–	–	(6,746)	–	**(6,746)**
31 December 2025	**2,481**	**1,840**	**2,172**	**–**	**6,493**

Movements in the gross carrying amount and relevant ECL related to residential mortgages for the year ended 31 December 2025 are as follows:

Residential mortgages	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2025	**172,664**	**670**	**830**	**–**	**174,164**
New purchased or originated assets	63,237	–	–	–	**63,237**
Assets derecognized or redeemed (except for write-offs)	(29,540)	(384)	(259)	–	**(30,183)**
Changes resulting from issue/redemption	(18,985)	(20)	(21)	–	**(19,026)**
Transfers to Stage 1	159	(158)	(1)	–	**–**
Transfers to Stage 2	(1,878)	1,878	–	–	**–**
Transfers to Stage 3	(369)	(175)	544	–	**–**
Changes in contractual cash flows due to modification	–	–	81	–	**81**
Amounts written off	–	–	(230)	–	**(230)**
31 December 2025	**185,288**	**1,811**	**944**	**–**	**188,043**

Residential mortgages	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2025	**146**	**112**	**245**	**–**	**503**
New purchased or originated assets	96	–	–	–	**96**
Assets derecognized or redeemed (except for write-offs)	(21)	(58)	(64)	–	**(143)**
Transfers to Stage 1	32	(32)	–	–	**–**
Transfers to Stage 2	(65)	65	–	–	**–**
Transfers to Stage 3	–	(37)	37	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(32)	239	109	–	**316**
(Reversal)/ charge of allowance	(51)	(12)	135	–	**72**
Amounts written off	–	–	(230)	–	**(230)**
31 December 2025	**105**	**277**	**232**	**–**	**614**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Movements in the gross carrying amount and relevant ECL related to corporate lending for the year ended 31 December 2024 are as follows:

Corporate lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2024	**1,013,070**	**408,107**	**127,996**	**42,735**	**1,591,908**
New purchased or originated assets	695,303	–	–	–	**695,303**
Assets derecognized or redeemed (except for write-offs)	(543,547)	(214,589)	(26,787)	(39,835)	**(824,758)**
Changes resulting from issue/redemption	(4,888)	157	(8,801)	242	**(13,290)**
Transfers to Stage 1	32,792	(32,792)	–	–	**–**
Transfers to Stage 2	(41,956)	41,956	–	–	**–**
Transfers to Stage 3	–	(326)	326	–	**–**
Changes in contractual cash flows due to modification	198	–	–	–	**198**
Amounts written off	–	(13,418)	(2,031)	–	**(15,449)**
Exchange differences	4,871	1,253	5,174	270	**11,568**
31 December 2024	**1,155,843**	**190,348**	**95,877**	**3,412**	**1,445,480**

Corporate lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2024	**2,284**	**17,193**	**87,996**	**7,210**	**114,683**
New purchased or originated assets	4,826	–	–	–	**4,826**
Assets derecognized or redeemed (except for write-offs)	(561)	(7,511)	(38,050)	(7,452)	**(53,574)**
Transfers to Stage 1	726	(726)	–	–	**–**
Transfers to Stage 2	(1,597)	1,597	–	–	**–**
Transfers to Stage 3	–	(213)	213	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(560)	–	–	–	**(560)**
Changes in contractual cash flows due to modification	2	–	–	–	**2**
Changes in models and inputs used for ECL calculations	(1,311)	(1,739)	–	–	**(3,050)**
Charge/ (reversal) of allowance	1,877	12,957	(5,414)	1,006	**10,426**
Amounts written off	–	(13,418)	(2,031)	–	**(15,449)**
Exchange differences	(4)	241	3,286	(23)	**3,500**
31 December 2024	**5,682**	**8,381**	**46,000**	**741**	**60,804**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Movements in the gross carrying amount and relevant ECL related to small and medium business lending for the year ended 31 December 2024 are as follows:

Small and medium business lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2024	**843,036**	**28,507**	**75,277**	**13,509**	**960,329**
New purchased or originated assets	757,121	–	–	2,279	**759,400**
Assets derecognized or redeemed (except for write-offs)	(406,091)	(16,401)	(24,446)	(4,588)	**(451,526)**
Changes resulting from issue/redemption	(5,895)	(839)	16,095	(6,138)	**3,223**
Transfers to Stage 1	1,861	(1,861)	–	–	**–**
Transfers to Stage 2	(40,391)	40,391	–	–	**–**
Transfers to Stage 3	(19,400)	(9,240)	28,640	–	**–**
Changes in contractual cash flows due to modification	4	(23)	(983)	–	**(1,002)**
Amounts written off	–	–	(16,855)	–	**(16,855)**
Exchange differences	5,880	613	2,016	180	**8,689**
31 December 2024	**1,136,125**	**41,147**	**79,744**	**5,242**	**1,262,258**

Small and medium business lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2024	**2,417**	**2,636**	**57,108**	**8,833**	**70,994**
New purchased or originated assets	11,203	–	–	–	**11,203**
Assets derecognized or redeemed (except for write-offs)	(1,061)	(526)	(7,489)	(2,257)	**(11,333)**
Transfers to Stage 1	92	(92)	–	–	**–**
Transfers to Stage 2	(8,821)	8,821	–	–	**–**
Transfers to Stage 3	(256)	(7,860)	8,116	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(87)	147	10,214	–	**10,274**
Changes in contractual cash flows due to modification	–	(1)	(313)	–	**(314)**
Changes in models and inputs used for ECL calculations	(590)	(173)	–	–	**(763)**
Charge/ (reversal) of allowance	663	(172)	11,089	(8,108)	**3,472**
Amounts written off	–	–	(16,855)	–	**(16,855)**
Exchange differences	14	176	1,216	131	**1,537**
31 December 2024	**3,574**	**2,956**	**63,086**	**(1,401)**	**68,215**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Movements in the gross carrying amount and relevant ECL related to consumer lending for the year ended 31 December 2024 are as follows:

Consumer lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2024	**330,592**	**4,060**	**2,692**	**–**	**337,344**
New purchased or originated assets	206,587	–	–	–	**206,587**
Assets derecognized or redeemed (except for write-offs)	(76,489)	(847)	(760)	–	**(78,096)**
Changes resulting from issue/redemption	(74,490)	(1,433)	739	–	**(75,184)**
Transfers to Stage 1	734	(734)	–	–	**–**
Transfers to Stage 2	(6,043)	6,043	–	–	**–**
Transfers to Stage 3	(3,961)	(2,674)	6,635	–	**–**
Changes in contractual cash flows due to modification	–	–	(12)	–	**(12)**
Amounts written off	–	–	(6,058)	–	**(6,058)**
31 December 2024	**376,930**	**4,415**	**3,236**	**–**	**384,581**

Consumer lending	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2024	**3,220**	**1,078**	**1,080**	**–**	**5,378**
New purchased or originated assets	2,196	–	–	–	**2,196**
Assets derecognized or redeemed (except for write-offs)	(1,204)	(251)	(333)	–	**(1,788)**
Transfers to Stage 1	176	(176)	–	–	**–**
Transfers to Stage 2	(893)	893	–	–	**–**
Transfers to Stage 3	(125)	(872)	997	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(184)	493	250	–	**559**
Changes in models and inputs used for ECL calculations	93	12	–	–	**105**
(Reversal)/ charge of allowance	(998)	(116)	5,348	–	**4,234**
Amounts written off	–	–	(6,058)	–	**(6,058)**
31 December 2024	**2,281**	**1,061**	**1,284**	**–**	**4,626**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Movements in the gross carrying amount and relevant ECL related to residential mortgages for the year ended 31 December 2024 are as follows:

Residential mortgages	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Gross carrying amount at 1 January 2024	**154,980**	**848**	**1,189**	**–**	**157,017**
New purchased or originated assets	36,965	–	–	–	**36,965**
Assets derecognized or redeemed (except for write-offs)	(8,220)	(52)	(148)	–	**(8,420)**
Changes resulting from issue/redemption	(10,079)	(113)	(145)	–	**(10,337)**
Transfers to Stage 1	118	(118)	–	–	**–**
Transfers to Stage 2	(480)	480	–	–	**–**
Transfers to Stage 3	(620)	(375)	995	–	**–**
Changes in contractual cash flows due to modification	–	–	19	–	**19**
Amounts written off	–	–	(1,080)	–	**(1,080)**
31 December 2024	**172,664**	**670**	**830**	**–**	**174,164**

Residential mortgages	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
ECL at 1 January 2024	**86**	**133**	**492**	**–**	**711**
New purchased or originated assets	39	–	–	–	**39**
Assets derecognized or redeemed (except for write-offs)	(6)	(15)	(74)	–	**(95)**
Transfers to Stage 1	16	(16)	–	–	**–**
Transfers to Stage 2	(2)	2	–	–	**–**
Transfers to Stage 3	(3)	(49)	52	–	**–**
Effect on ECL at the period-end due to transfers between stages during the period	(18)	93	164	–	**239**
Changes in models and inputs used for ECL calculations	1	1	–	–	**2**
Charge/ (reversal) of allowance	33	(37)	691	–	**687**
Amounts written off	–	–	(1,080)	–	**(1,080)**
31 December 2024	**146**	**112**	**245**	**–**	**503**

The outstanding contractual amount of loans to customers measured at amortised cost that were written off during the year ended 31 December 2025 and that are still subject to enforcement activity amounted BYN 36,290 thousand (2024: BYN 39,442 thousand).

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Modified and restructured loans

The table below includes Stage 2 and Stage 3 assets that were renegotiated during the period and, as a result, recognized as restructured assets, and the associated losses incurred by the Bank due to the modification.

	2025	*2024*
Loans to customers modified during the period	**5,641**	**4,845**
Amortized cost before modification	5,506	5,844
Effect from modification	135	(999)
Loans to customers modified since initial recognition	15,120	69,058
The gross carrying amount of loans to customers as at 1 January, for which the calculation of the allowance for ECL was changed to 12-month ECL	–	652

Collateral and other credit enhancements

The amount and type of collateral required by the Bank depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

The main types of collateral obtained are as follows:

- For corporate lending – charges over real estate property, equipment, vehicles, inventory, rights to claim future proceeds on accounts receivables or surety of third parties;
- For consumer lending – mortgages over residential properties, pledges of vehicles and surety of third parties.

Management monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the market value of collateral obtained during its review of the adequacy of the allowance for ECL.

In the absence of collateral or other mechanisms to improve the credit quality ECL loans to Stage 3 customers as at 31 December 2025 would have been higher by BYN 330 thousand (2024: BYN 5,295 thousand).

Concentration of loans to customers

As at 31 December 2025, the Bank had a concentration of loans represented by BYN 944,774 thousand due from the ten largest borrowers (groups of related borrowers) (29% of the gross loan portfolio) (2024: BYN 1,407,544 thousand, or 43%). An allowance of BYN 21,797 thousand was recognized against these loans (2024: BYN 35,307 thousand).

Loans have been issued to the following types of customers:

	2025	*2024*
Private companies	1,894,121	1,902,309
State-controlled companies	794,710	829,470
Individuals	619,756	558,745
Total loans to customers	**3,308,587**	**3,290,524**

(Thousands of Belarusian rubles, unless otherwise indicated)

10. Loans to customers (continued)

Concentration of loans to customers (continued)

Loans are issued principally within the Republic of Belarus in the following industry sectors:

	2025	*2024*
Manufacturing	952,431	1,011,664
Trading enterprises	848,726	779,530
Individuals	619,756	558,745
Financial sector	354,133	312,208
Agriculture and food processing	209,109	338,420
Real estate construction	202,485	178,069
Transport	61,623	52,903
Other	60,324	58,985
Total loans to customers	**3,308,587**	**3,290,524**

11. Investment securities

Investment securities comprise:

	2025	*2024*
Debt securities at amortized cost		
Corporate bonds	1,093,650	567,652
Tokens	–	548
Less allowance	(16,286)	(15,581)
Debt securities at amortized cost	**1,077,364**	**552,619**

	2025	*2024*
Debt securities at FVOCI		
Bonds of the Ministry of Finance of the Republic of Belarus	665,470	788,246
Bonds of local authorities of the Republic of Belarus	7,196	10,538
Bonds of resident banks of the Republic of Belarus	5,018	20,055
Debt securities at FVOCI	**677,684**	**818,839**
Equity securities at FVOCI		
Participation shares	335	346
Corporate shares	37	37
Equity securities at FVOCI	**372**	**383**

Movements in the gross carrying amount of debt securities for the year ended 31 December 2025 are as follows:

Debt securities at amortized cost	***Stage 1***	***Stage 2***	***Total***
Gross carrying amount at 1 January 2025	**568,200**	–	**568,200**
New purchased or originated assets	644,119	–	**644,119**
Assets redeemed	(121,426)	–	**(121,426)**
Assets sold	(2,203)	–	**(2,203)**
Transfers to Stage 2	(76,563)	76,563	**–**
Exchange differences	1,754	–	**1,754**
Other changes	3,206	–	**3,206**
31 December 2025	**1,017,087**	**76,563**	**1,093,650**

(Thousands of Belarusian rubles, unless otherwise indicated)

11. Investment securities (continued)

Debt securities at amortized cost	*Stage 1*	*Stage 2*	*Total*
Allowance for ECL at 1 January 2025	**15,581**	–	**15,581**
New purchased or originated assets	1,224	–	**1,224**
Assets redeemed	(5,674)	–	**(5,674)**
Assets sold	(32)	–	**(32)**
Transfers to Stage 2	(1,722)	1,722	**–**
(Reversal)/ charge of allowance	(5,475)	10,639	**5,164**
Exchange differences	23	–	**23**
31 December 2025	**3,925**	**12,361**	**16,286**

Debt securities at FVOCI	*Stage 1*	*Stage 2*	*Total*
Gross carrying amount at 1 January 2025	**742,118**	**76,721**	**818,839**
New purchased or originated assets	479,404	–	**479,404**
Assets fully redeemed	(48,716)	–	**(48,716)**
Assets sold	(334,954)	(112,773)	**(447,727)**
Transfers to Stage 2	(32,253)	32,253	**–**
Change in fair value	(34,047)	15,142	**(18,905)**
Other changes	618	(405)	**(213)**
Exchange differences	(99,504)	(5,920)	**(105,424)**
31 December 2025	**672,666**	**5,018**	**677,684**

Debt securities at FVOCI	*Stage 1*	*Stage 2*	*Total*
Allowance for ECL at 1 January 2025	**4,599**	**2,931**	**7,530**
New purchased or originated assets	259	–	**259**
Assets fully redeemed	(271)	–	**(271)**
Assets sold	(360)	(2,931)	**(3,291)**
Transfers to Stage 2	(153)	153	**–**
Allowance recovery	(1,813)	(60)	**(1,873)**
Exchange differences	(529)	–	**(529)**
31 December 2025	**1,732**	**93**	**1,825**

Movements in the gross carrying amount of debt securities for the year ended 31 December 2024 are as follows:

Debt securities at amortized cost	*Stage 1*	*Total*
Gross carrying amount at 1 January 2024	**186,000**	**186,000**
New purchased or originated assets	396,530	**396,530**
Assets sold	(16,269)	**(16,269)**
Other changes	2,677	**2,677**
Exchange differences	(738)	**(738)**
31 December 2024	**568,200**	**568,200**

Debt securities at amortized cost	*Stage 1*	*Total*
Allowance for ECL at 1 January 2024	**9,955**	**9,955**
New purchased or originated assets	9,206	**9,206**
Assets sold	(312)	**(312)**
Modification of models and inputs used for ECL evaluation	(2,860)	**(2,860)**
Allowance recovery	(402)	**(402)**
Exchange differences	(6)	**(6)**
31 December 2024	**15,581**	**15,581**

(Thousands of Belarusian rubles, unless otherwise indicated)

11. Investment securities (continued)

Debt securities at FVOCI	*Stage 1*	*Stage 2*	*Total*
Gross carrying amount at 1 January 2024	**416,058**	**401,657**	**817,715**
New purchased or originated assets	664,925	–	**664,925**
Assets fully redeemed	(6,850)	(124,088)	**(130,938)**
Assets sold	(405,376)	(196,531)	**(601,907)**
Transfers to Stage 2	(19,627)	19,627	**–**
Changes in fair value	55,632	(5,783)	**49,849**
Other changes	597	(34,976)	**(34,379)**
Exchange differences	36,759	16,815	**53,574**
31 December 2024	**742,118**	**76,721**	**818,839**

Debt securities at FVOCI	*Stage 1*	*Stage 2*	*Total*
Allowance for ECL at 1 January 2024	**7,163**	**28,758**	**35,921**
New purchased or originated assets	2,003	–	**2,003**
Assets fully redeemed	(95)	(668)	**(763)**
Assets sold	(144)	(17,716)	**(17,860)**
Transfers to Stage 2	(513)	513	**–**
Changes in models and inputs used for ECL calculations	(6,518)	(4,181)	**(10,699)**
Charge/(reversal) of allowance	2,316	(4,840)	**(2,524)**
Exchange differences	387	1,065	**1,452**
31 December 2024	**4,599**	**2,931**	**7,530**

In 2025, the Bank received dividends on equity instruments measured at FVOCI in the amount of less than BYN 1 thousand (in 2024: BYN 6 thousand), which were recognized in the consolidated statement of profit or loss as other income.

12. Property and equipment

During 2025, movements in property and equipment were as follows:

	Buildings	*Furniture and fixtures*	*Computers and office equipment*	*Vehicles*	*Assets under construction*	*Total*
Cost or revalued amount						
31 December 2024	**32,231**	**31,641**	**54,659**	**5,715**	**2,128**	**126,374**
Additions	10	2,101	3,232	1,489	9,127	**15,959**
Disposals	(512)	(1,967)	(4,653)	(104)	–	**(7,236)**
Impact of revaluation	2,099	–	–	–	–	**2,099**
31 December 2025	**33,828**	**31,775**	**53,238**	**7,100**	**11,255**	**137,196**
Accumulated depreciation and impairment						
31 December 2024	**(1,192)**	**(21,539)**	**(38,535)**	**(3,480)**	**–**	**(64,746)**
Depreciation charge	(346)	(3,072)	(4,648)	(517)		**(8,583)**
Disposals	260	1,967	4,625	104	–	**6,956**
Impact of revaluation	1,278	–	–	–	–	**1,278**
31 December 2025	–	**(22,644)**	**(38,558)**	**(3,893)**	–	**(65,095)**
Net book value						
31 December 2024	**31,039**	**10,102**	**16,124**	**2,235**	**2,128**	**61,628**
31 December 2025	**33,828**	**9,131**	**14,680**	**3,207**	**11,255**	**72,101**

(Thousands of Belarusian rubles, unless otherwise indicated)

12. Property and equipment (continued)

During 2024, movements in property and equipment were as follows:

	Buildings	*Furniture and fixtures*	*Computers and office equipment*	*Vehicles*	*Assets under construction*	*Total*
Cost or revalued amount						
31 December 2023	**32,603**	**31,965**	**43,845**	**4,679**	**1,524**	**114,616**
Additions	–	2,428	13,166	250	623	**16,467**
Addition from right-of-use assets	–	–	–	1,217	–	**1,217**
Disposals	(372)	(2,749)	(2,315)	(431)	(19)	**(5,886)**
Disposal as a result of discontinued participation in the subsidiary	–	(3)	(37)	–	–	**(40)**
31 December 2024	32,231	31,641	54,659	5,715	2,128	126,374
Accumulated depreciation and impairment						
31 December 2023	**(618)**	**(21,016)**	**(38,256)**	**(1,908)**	**–**	**(61,798)**
Depreciation charge	(341)	(2,971)	(2,607)	(545)	–	**(6,464)**
Addition from right-of-use assets	–	–	–	(1,217)	–	**(1,217)**
Disposals	21	2,447	2,307	190	–	**4,965**
Effect of impairment	(254)	–	–	–	–	**(254)**
Disposal as a result of discontinued participation in the subsidiary	–	1	21	–	–	**22**
31 December 2024	(1,192)	(21,539)	(38,535)	(3,480)	–	(64,746)
Net book value						
31 December 2023	31,985	10,949	5,589	2,771	1,524	52,818
31 December 2024	31,039	10,102	16,124	2,235	2,128	61,628

As at 31 December, 2025, the Bank revalued its buildings at market value. The Bank engaged the services of an independent appraiser to determine the fair value of the buildings owned by the Bank. The fair value was determined based on the price of similar properties offered on the market. The revaluation date was 31 December 2025. Further details on the fair value of buildings are disclosed in Note 29.

If the buildings were measured using the cost model, the carrying amounts would be as follows:

	2025	*2024*
Cost	**31,397**	**31,647**
Accumulated depreciation and impairment	(11,726)	(14,000)
Net book value	19,671	17,647

As at 31 December 2025, the carrying amount of fully depreciated property and equipment that continue to be used by the Bank amounted to BYN 39,186 thousand (2024: BYN 42,866 thousand).

(Thousands of Belarusian rubles, unless otherwise indicated)

13. Right-of-use assets

During 2025, movements in right-of-use assets were as follows:

	Buildings	*Equipment*	*Total*
Cost			
1 January 2025	**14,056**	**300**	**14,356**
Additions	532	–	**532**
Disposals	(195)	(300)	**(495)**
Modification/revaluation	4,469	–	**4,469**
31 December 2025	**18,862**	**–**	**18,862**
Accumulated depreciation and impairment			
1 January 2025	**(6,428)**	**(122)**	**(6,550)**
Depreciation charge	(3,967)	(60)	**(4,027)**
Disposals	154	182	**336**
31 December 2025	**(10,241)**	**–**	**(10,241)**
Net book value			
1 January 2025	**7,628**	**178**	**7,806**
31 December 2025	**8,621**	**–**	**8,621**

During 2024, movements in right-of-use assets were as follows:

	Buildings	*Equipment*	*Vehicles*	*Total*
Cost				
1 January 2024	**10,539**	**–**	**1,217**	**11,756**
Additions	1,797	300	–	**2,097**
Disposals	(1,234)	–	–	**(1,234)**
Transfer to property and equipment	–	–	(1,217)	**(1,217)**
Disposal as a result of discontinued participation in the subsidiary	(81)	–	–	**(81)**
Modification/revaluation	3,035	–	–	**3,035**
31 December 2024	**14,056**	**300**	**–**	**14,356**
Accumulated depreciation and impairment				
1 January 2024	**(3,969)**	**–**	**(1,108)**	**(5,077)**
Depreciation charge	(3,545)	(122)	(109)	**(3,776)**
Disposals	1,023	–	–	**1,023**
Transfer to property and equipment	–	–	1,217	**1,217**
Disposal as a result of discontinued participation in the subsidiary	63	–	–	**63**
31 December 2024	**(6,428)**	**(122)**	**–**	**(6,550)**
Net book value				
1 January 2024	**6,570**	**–**	**109**	**6,679**
31 December 2024	**7,628**	**178**	**–**	**7,806**

In 2025, total cash outflow on the Bank's leases amounted to BYN 4,711 thousand (2024: BYN 2,071 thousand). Non-cash additions to right-of-use assets and lease liabilities (including due to modification/revaluation) amounted to BYN 5,001 thousand (2024: BYN 5,132 thousand).

(Thousands of Belarusian rubles, unless otherwise indicated)

14. Intangible assets

Movements in intangible assets were as follows:

	Licenses	*Computer software*	*Investments in intangible assets*	*Total*
Cost				
31 December 2024	**19,184**	**105,731**	**16,887**	**141,802**
Additions	405	23,898	12,516	**36,819**
Disposals	(409)	(1,219)	(428)	**(2,056)**
Transfers between categories	2,265	9,937	(12,202)	**–**
31 December 2025	**21,445**	**138,347**	**16,773**	**176,565**
Accumulated amortization and impairment				
31 December 2024	**(15,140)**	**(48,923)**	**–**	**(64,063)**
Amortization charge	(1,820)	(11,851)	–	**(13,671)**
Disposals	409	1,106	–	**1,515**
31 December 2025	**(16,551)**	**(59,668)**	**–**	**(76,219)**
Net book value				
31 December 2024	**4,044**	**56,808**	**16,887**	**77,739**
31 December 2025	**4,894**	**78,679**	**16,773**	**100,346**
Cost				
31 December 2023	**19,990**	**83,662**	**6,094**	**109,746**
Additions	–	20,466	16,214	**36,680**
Disposals	(663)	(675)	(848)	**(2,186)**
Disposal as a result of discontinued participation in the subsidiary	(565)	(1,873)	–	**(2,438)**
Transfers between categories	422	4,151	(4,573)	**–**
31 December 2024	**19,184**	**105,731**	**16,887**	**141,802**
Accumulated amortization and impairment				
31 December 2023	**(11,602)**	**(42,358)**	**–**	**(53,960)**
Amortization charge	(3,656)	(7,518)	–	**(11,174)**
Disposals	13	278	–	**291**
Disposal as a result of discontinued participation in the subsidiary	105	675	–	**780**
31 December 2024	**(15,140)**	**(48,923)**	**–**	**(64,063)**
Net book value				
31 December 2023	**8,388**	**41,304**	**6,094**	**55,786**
31 December 2024	**4,044**	**56,808**	**16,887**	**77,739**

15. Taxation

The income tax expense comprises:

	2025	*2024*
Current tax charge	5,269	11,094
(Decrease)/ accrual of deferred tax – origination of temporary differences	(3,317)	31,749
Less deferred tax recognized in other comprehensive income	147	–
Income tax expense	**2,099**	**42,843**

The Bank accounts for taxes based on the tax accounting maintained in accordance with the Belarusian tax legislation. In 2025, income tax rate for Bank BelVEB OJSC and its subsidiary, BelVEB Insurance LLC, was 25% (2024: 25%). VEB Technologies LLC, the Bank's subsidiary, is a resident of the Hi-Tech Park and is entitled to the exemption from the income tax on principal activities. The entities apply a reduced rate of 9% for other non-operating and operating income.

(Thousands of Belarusian rubles, unless otherwise indicated)

15. Taxation (continued)

The effective income tax rate differs from the statutory income tax rate. A reconciliation of the income tax expense based on the statutory rate with actual is as follows:

	2025	*2024*
Profit before tax	**139,601**	**279,299**
Statutory tax rate	25%	25%
Theoretical income tax expense at the statutory rate	**34,900**	**69,825**
Investment tax credits	(1,037)	(251)
Non-taxable income from securities	(42,931)	(28,067)
Other non-taxable income	(1,134)	(5,349)
Non-deductible expenditures	14,251	13,735
Change in unrecognized deferred tax assets	823	893
Tax effect of reversal of allowance for ECL on debt securities at FVOCI	(1,426)	(7,098)
Tax effect of other differences	(1,347)	(845)
Income tax expense	**2,099**	**42,843**

Deferred tax assets and liabilities as at 31 December of the relevant year, as well as the tax effect of temporary differences for 2024 and 2025 comprise:

		Origination and reversal of temporary differences			*Origination and reversal of temporary differences*		
	31 December 2023	***In the statement of profit or loss***	***In other comprehensive income***	***31 December 2024***	***In the statement of profit or loss***	***In the comprehensive income***	***31 December 2025***
Tax effect of deductible temporary differences							
Investment securities	1,671	(304)	–	1,367	(1,226)	–	141
Property and equipment, intangible assets and right-of-use assets	2,230	788	–	3,018	(332)	–	2,186
Derivative financial instruments	7	(4)	–	3	64	–	67
Amounts due to customers	28	(28)	–	–	–	–	–
Loans to customers	2,971	(2,971)	–	–	–	–	–
Amounts due to credit institutions	1,176	(1,176)	–	–	67	–	67
Amounts due from credit institutions	–	15	–	15	(5)	–	10
Investments in associates and jointly controlled entities	10	(10)	–	–	–	–	–
Other assets	679	(679)	–	–	–	–	–
Other liabilities	–	–	–	–	2,261	–	2,261
Deferred tax assets unrecognized in the statement of financial position	(434)	(893)	–	(1,327)	(823)	–	(2,150)
Deferred tax assets, gross	**8,338**	**(5,262)**	**–**	**3,076**	**(494)**	**–**	**2,582**
Tax effect of taxable temporary differences							
Cash and cash equivalents	(11)	5	–	(6)	3	–	(3)
Amounts due to credit institutions	–	(168)	–	(168)	168	–	–
Amounts due to customers	–	(44)	–	(44)	35	–	(9)
Investment securities	–	–	–	–	(1,246)	–	(1,246)
Amounts due from credit institutions	(1,117)	352	–	(765)	(2,662)	–	(3,427)
Loans to customers	–	(28,141)	–	(28,141)	13,238	–	(14,903)
Investments in associates and jointly controlled entities	(1,284)	1,284	–	–	–	–	–
Property and equipment, intangible assets and right-of-use assets	–	(2)	–	(2)	(2)	(147)	(151)
Other assets	–	(512)	–	(512)	(2,382)	–	(2,894)
Other liabilities	(5,058)	739	–	(4,319)	(3,488)	–	(7,807)
Deferred tax liabilities	**(7,470)**	**(26,487)**	**–**	**(33,957)**	**3,664**	**(147)**	**(30,440)**
Net deferred tax asset /(net deferred tax liability)	**868**	**(31,749)**	**–**	**(30,881)**	**3,170**	**(147)**	**(27,858)**

(Thousands of Belarusian rubles, unless otherwise indicated)

15. Taxation (continued)

As at 31 December 2025, BelVEB Bank OJSC recognized a deferred tax liability in the amount of BYN 27,852 thousand. A subsidiary, VEB Technologies LLC recognized a deferred tax liability in the amount of BYN 6 thousand.

As at 31 December 2024, Bank BelVEB OJSC recognized a deferred tax liability in the amount of BYN 30,658 thousand. A subsidiary, BelVEB Insurance LLC, recognized a deferred tax liability in the amount of BYN 223 thousand.

16. Credit loss expense and other impairment

The table below shows credit loss expense and other impairment recorded in the consolidated statement of profit or loss for the year ended 31 December 2025:

	Notes	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Amounts due from credit institutions	8	(243)	7	–	–	**(236)**
Loans to customers at amortized cost	10	(3,672)	10,042	10,525	5,625	**22,520**
Debt securities at amortized cost	11	(11,679)	12,361	–	–	**682**
Debt securities at FVOCI	11	(2,338)	(2,838)	–	–	**(5,176)**
Other financial assets	17	(27)	24	(211)	–	**(214)**
Guarantees	24	955	19,510	(163)	–	**20,302**
Undrawn loan commitments	24	92	1,359	419	–	**1,870**
Letters of credit	24	(41)	–	–	–	**(41)**
Total credit loss expense		**(16,953)**	**40,465**	**10,570**	**5,625**	**39,707**

The table below shows credit loss expense and other impairment recorded in the consolidated statement of profit or loss for the year ended 31 December 2024:

	Notes	*Stage 1*	*Stage 2*	*Stage 3*	*POCI*	*Total*
Amounts due from credit institutions	8	(62)	(261)	(3,795)	–	**(4,118)**
Loans to customers at amortized cost	10	3,666	4,471	(14,539)	(16,811)	**(23,213)**
Debt securities at amortized cost	11	5,632	–	–	–	**5,632**
Debt securities at FVOCI	11	(2,951)	(26,892)	–	–	**(29,843)**
Other financial assets	17	(271)	(23)	10	–	**(284)**
Guarantees	24	(1,428)	12,375	(28,255)	–	**(17,308)**
Undrawn loan commitments	24	39	(1,535)	(227)	–	**(1,723)**
Letters of credit	24	42	–	–	–	**42**
Total credit loss expense		**4,667**	**(11,865)**	**(46,806)**	**(16,811)**	**(70,815)**

Movements in allowance for impairment of non-financial assets were as follows:

	Other non-financial assets	*Total*
31 December 2023	**49**	**49**
Charge	122	**122**
31 December 2024	**171**	**171**
Reversal	(65)	**(65)**
31 December 2025	**106**	**106**

(Thousands of Belarusian rubles, unless otherwise indicated)

17. Other assets and liabilities

Other assets comprise:

	2025	*2024*
Other financial assets		
Accrued income	1,771	2,502
Other receivables	1,666	1,702
Settlements under certain operations	–	37,880
Less allowance for ECL on other financial assets	(147)	(361)
Total other financial assets	**3,290**	**41,723**
Advances issued	12,131	10,597
Prepaid taxes other than income tax	4,026	2,922
Inventories	3,077	1,917
Prepaid expenses	1,606	2,737
Repossessed collateral	218	3,188
Other non-financial assets	2	22
Impairment	(106)	(171)
Total other non-financial assets	**20,954**	**21,212**
Other assets	**24,244**	**62,935**

Settlements under certain operations comprise unpaid interest on Eurobonds of the Ministry of Finance of the Republic of Belarus in the comparative period (the amount was paid on 28 February 2025).

As at 31 December 2025, the carrying amount of assets received in repayment of debt was BYN 218 thousand (31 December 2024 – BYN 3,188 thousand).

Movements in allowances for ECL on other financial assets for the year ended 31 December 2025 were as follows:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Allowance for ECL at 1 January 2025	**55**	**8**	**298**	**361**
New purchased or originated assets	118	–	–	**118**
Transfers to Stage 2	(92)	92	–	**–**
Transfers to Stage 3	–	(61)	61	**–**
Reversal of allowance	(53)	(7)	(272)	**(332)**
31 December 2025	**28**	**32**	**87**	**147**

Movements in allowances for ECL on other financial assets for the year ended 31 December 2024 were as follows:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Allowance for ECL at 1 January 2024	**326**	**31**	**288**	**645**
New purchased or originated assets	128	–	–	**128**
Transfers to Stage 2	(75)	75	–	**–**
Transfers to Stage 3	–	(67)	67	**–**
Reversal of allowance	(324)	(31)	(57)	**(412)**
31 December 2024	**55**	**8**	**298**	**361**

(Thousands of Belarusian rubles, unless otherwise indicated)

17. Other assets and liabilities (continued)

Other liabilities and provisions comprise:

	2025	*2024*
Other financial liabilities	**50,370**	**30,347**
Provision for contingent liabilities	38,458	16,390
Accrued expenses	6,241	3,574
Settlements with suppliers	5,420	2,146
Other settlements with banks	185	8,237
Dividend payable	27	–
Other financial liabilities	39	–
Other non-financial liabilities	**44,762**	**46,312**
Insurance contract liabilities	13,592	13,662
Pension plan liabilities	11,360	14,377
Settlements with employees	9,601	8,144
Taxes payable other than income tax	5,904	3,381
Other non-financial liabilities	4,305	6,748
Other liabilities and provisions	**95,132**	**76,659**

The Bank participates in the system of voluntary supplementary pension insurance of Bank`s BelVEB OJSC employees – the defined contribution pension plan.

The movement of liabilities under insurance contracts (life insurance and voluntary health insurance) comprise:

	2025	*2024*
1 January	**13,662**	**9,488**
Change over period	(70)	4,174
31 December	**13,592**	**13,662**

Changes in insurance contracts are reflected in other income and other operating expenses in the consolidated statement of profit or loss.

18. Amounts due to credit institutions

Amounts due to credit institutions comprise:

	2025	*2024*
Time deposits and loans	435,696	555,194
Current accounts	155,922	138,316
Amounts due to credit institutions	**591,618**	**693,510**

19. Amounts due to the National Bank of the Republic of Belarus

As at 31 December 2025, amounts due to the National Bank of the Republic of Belarus comprise transactions using the payment cards in the amount of BYN 9,290 thousand. As at 31 December 2024, amounts due to the National Bank of the Republic of Belarus comprise transactions using the payment cards in the amount of BYN 9,567 thousand.

(Thousands of Belarusian rubles, unless otherwise indicated)

20. Amounts due to customers

Amounts due to customers comprise:

	2025	*2024*
Time deposits	3,017,807	2,632,840
Current accounts	1,374,916	1,161,339
Amounts due to customers	**4,392,723**	**3,794,179**
Held as collateral against letters of credit	33,210	2,107
Held as collateral against guarantees	27,312	46,641

As at 31 December 2025, amounts due to customers of BYN 605,630 thousand (14%) were due to the ten largest customers (2024: BYN 537,314 thousand or 14%).

Included in time deposits are deposits of individuals in the amount of BYN 688,594 thousand (2024: BYN 610,908 thousand).

As at 31 December 2025, amounts due to individuals and amounts due to legal entities include funds in precious metals on current accounts designated as at fair value through profit or loss totaling BYN 4,902 thousand and BYN 4,048 thousand, respectively (2024: BYN 1,195 thousand and BYN 2,921 thousand, respectively).

Amounts due to customers include accounts of the following types of customers:

	2025	*2024*
Private companies	2,550,719	1,963,557
Individuals	1,195,695	1,058,710
State and budgetary organizations	646,309	771,912
Amounts due to customers	**4,392,723**	**3,794,179**

The category "State and budgetary organizations" includes only state and budgetary organizations of the Republic of Belarus. Foreign state enterprises are included in the "Private companies" category.

The analysis of customer accounts by economic sector is as follows:

	2025	*2024*
Individuals	1,195,695	1,058,710
Manufacturing	778,992	628,879
Trade	533,498	542,843
Real estate and construction	525,771	377,884
Agriculture and food processing	318,383	227,269
Finance	273,228	98,605
Science and education	121,810	105,164
Transport	59,407	72,113
Health care, physical training and sport	53,992	84,610
Telecommunications	38,491	55,899
Mass media	19,053	1,843
Regional authorities	16,816	112,221
Logistics	12,808	16,667
Mining	9,937	32,695
Water supply	5,050	12,926
Other	429,792	365,851
Amounts due to customers	**4,392,723**	**3,794,179**

(Thousands of Belarusian rubles, unless otherwise indicated)

21. Debt securities issued

Debt securities issued comprise:

	Currency	*Maturity*	*Interest rate*	*2025*	*2024*
Bonds, sixteenth issue	BYN	5 January 2029	9.00%	117,304	128,460
Bonds, eighteenth issue	BYN	20 December 2034	9.00%	100,271	–
Bonds, eleventh issue	RUB	12 July 2026	4.80%	50,442	51,211
Bonds, fourteenth issue	RUB	12 July 2026	5.50%	19,012	17,124
Bonds, tenth issue	USD	12 July 2026	1.25%	6,222	–
Debt securities issued				**293,251**	**196,795**

22. Subordinated loan

Subordinated debt comprises:

	Currency	*Maturity*	*Interest rate*	*2025*	*2024*
Subordinated loan from VEB.RF	USD	16 July 2031 г.	7.71%	87,801	106,088
Subordinated loan from VEB.RF	USD	16 July 2031 г.	7.71%	40,974	49,499
Subordinated loan				**128,775**	**155,587**

23. Equity

Movements in shares issued, fully paid and outstanding were as follows:

	Number of shares (all ordinary)	*Nominal value (all ordinary)*	*Inflation adjustment*	*Total*
1 January 2024	11,740,750,000	117,408	355,649	**473,057**
31 December 2024	11,740,750,000	117,408	355,649	**473,057**
31 December 2025	11,740,750,000	117,408	355,649	**473,057**

The share capital of Bank BelVEB OJSC was contributed by the shareholders in Belarusian rubles and they are entitled to dividends and any capital distribution in Belarusian rubles. All shares are ordinary with the nominal value of BYN 0.01. At the shareholders' meeting held in January 2025, OJSC Bank BelVEB announced the payment of dividends on shares for 2022 and 2023 in the amount of BYN 0.00310617 per ordinary share and set the dividend payment dates from 23 January 2025 to 24 March 2025. According to Belarusian legislation, only accumulated retained earnings in accordance with NAS can be distributed among the Bank's shareholders as dividends. As at 31 December 2025, the undistributed and unreserved earnings of Bank BelVEB OJSC amounted to BYN 736,737 thousand (2024: BYN 646,866 thousand).

Additional paid-in capital

In 2025, the Bank's additional paid-in capital reduced by BYN 744 thousand due to the recognition at fair value of loans issued to shareholders and totaled BYN 6,133 thousand as at 31 December 2025 (2024: BYN 6,877 thousand).

Foreign currency translation reserve

As at 31 December 2025, foreign currency translation reserve amounted to BYN 33 thousand. This item includes exchange differences arising on translation of financial statements of VEBTECH LLC, a subsidiary, to the presentation currency.

Nature and purpose of other reserves

The revaluation reserve for buildings is used to record increases in the fair value of buildings and decreases to the extent that such decrease relates to an increase on the same asset previously recognized in equity.

(Thousands of Belarusian rubles, unless otherwise indicated)

23. Equity (continued)

Nature and purpose of other reserves (continued)

The revaluation reserve for securities records changes in the fair value and allowance for securities at FVOCI.

Movements in other reserves were as follows:

	Revaluation reserve for buildings	*Revaluation reserve for securities*	*Total*
1 January 2024	**2,968**	**10,422**	**13,390**
Impairment of property and equipment	(254)	–	**(254)**
Amortization of revaluation reserve	(41)	–	**(41)**
Net change in the fair value of debt instruments at FVOCI	–	56,676	**56,676**
Change in the allowance for ECL on debt instruments at FVOCI	–	(28,391)	**(28,391)**
31 December 2024	**2,673**	**38,707**	**41,380**
1 January 2025	**2,673**	**38,707**	**41,380**
Buildings revaluation	41	–	**41**
Amortization of revaluation reserve	(26)	–	**(26)**
Disposal of the revaluation fund	(360)	–	**(360)**
Net change in the fair value of debt instruments at FVOCI	–	(27,668)	**(27,668)**
Change in the allowance for ECL on debt instruments at FVOCI	–	(5,705)	**(5,705)**
31 December 2025	**2,328**	**5,334**	**7,662**

24. Commitments and contingencies

Operating environment

In 2025, the GDP of the Republic of Belarus increased by 1.3% as compared to 2024 and amounted to BYN 286.7 billion in current prices.

As at 31 December 2025, the Belarusian ruble strengthened against major currencies (except the Russian ruble) as compared to 31 December 2024. The official exchange rates of the Belarusian ruble against foreign currencies changed from BYN 3.4735 to USD 1 as at 31 December 2024 to BYN 2.9027; from BYN 3.6246 to EUR 1 to BYN 3.4170; from BYN 3.3488 to RUB 100 to BYN 3.7058; from BYN 4.85 to CNY 10 to BYN 4.1416.

During 2025, the refinancing rate of the National Bank of the Republic of Belarus increased by 0.25 percentage points and amounted to 9.75 percent per annum.

Inflation in 2025 was estimated at 6.8%, with a target of no more than 5%. Price increases are due to both external factors (rising global commodity prices, rising prices for imported goods from Russia), as well as problems in the market for specific goods and domestic economic conditions.

The average broad money supply by the end of 2025 increased by 15.7% compared to December 2024, with the target growth for this indicator being no more than 11-15%.

24. Commitments and contingencies (continued)

Operating environment (continued)

During 2025, major rating agencies S&P Global Ratings and Fitch Ratings did not revise their credit ratings for the Republic of Belarus, which were withdrawn in 2023. In October 2025, Moody's affirmed the credit rating of the Republic of Belarus at C, with a stable outlook. In August 2025, ACRA upgraded the credit ratings of the Republic of Belarus's bond issue to BB- on the international scale and BBB on the Russian scale.

Legal

In the normal course of business, the Bank is subject to legal claims and lawsuits. Management believes that the potential liabilities, if any, arising from such claims and lawsuits will not have a material adverse effect on the Bank's future financial position or operating results.

Taxation

Belarusian tax legislation and regulations, including currency and customs regulations, continue to evolve. Legislation and regulations are subject to varying interpretations by local, regional, and national authorities, as well as other government bodies. Such differing interpretations are not uncommon. At the same time, there is a risk that previously unquestioned transactions and interpretations may be challenged by authorities in the future. Tax audits may cover the five calendar years of activity immediately preceding the year of audit and the expired period of the current calendar year. Under certain conditions, earlier periods may also be audited. As a result, regulatory authorities may assess additional taxes, penalties, and fines. Belarusian tax legislation provides for transfer pricing controls and introduces transfer pricing reporting requirements. Tax authorities may assess additional income tax liabilities with respect to controlled transactions if, in their opinion, the prices applied in such transactions differ from market prices. Due to the uncertainty and lack of established practice in applying transfer pricing rules in the Republic of Belarus, the risk that tax authorities will challenge the prices applied in controlled transactions and assess additional income tax liabilities cannot be completely eliminated if the application of market prices in controlled transactions cannot be confirmed and the tax authorities are not provided with adequate documentary evidence. However, it is not possible to determine the amount of potential claims from tax authorities on transfer pricing matters.

It is not appropriate to determine the amount of unclaimed claims that may arise as a result of any adverse circumstances (if any).

Taxes are calculated and paid in accordance with the tax legislation of the Republic of Belarus. As of December 31, 2025, the Bank's management believes that its interpretation of applicable legislation is reasonable and that the Bank's position on tax, currency, and customs legislation will be sustained.

(Thousands of Belarusian rubles, unless otherwise indicated)

24. Commitments and contingencies (continued)

Commitments and contingencies

As at 31 December 2025, the Bank's commitments and contingencies comprised:

	2025	*2024*
Credit-related commitments		
Undrawn loan commitments	711,163	604,009
Guarantees	561,778	366,305
Letters of credit	54,739	36,856
Commitments and contingencies (before deducting collateral)	**1,327,680**	**1,007,170**
Less cash held as collateral against letters of credit and guarantees	(60,522)	(48,747)
Commitments and contingencies	**1,267,158**	**958,423**

As at 31 December 2025, the Bank had contingent liabilities under general agreements to conclude guarantee agreements in the amount of BYN 333,215 thousand, which are not financial guarantees (2024: BYN 154,297 thousand).

Movements in provisions for ECL for the year ended 31 December 2025 were as follows:

Undrawn loan commitments	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Provision for ECL at 1 January 2025	**825**	**789**	**52**	**1,666**
New commitments	2,702	–	–	**2,702**
Expired commitments	(366)	(17)	(52)	**(435)**
Transfers to Stage 1	11	(11)	–	–
Transfers to Stage 2	(1,672)	1,672	–	–
Transfers to Stage 3	(424)	–	424	–
(Reversal)/charge of provision	(159)	(285)	47	**(397)**
Exchange differences	(7)	(57)	–	**(64)**
31 December 2025	**910**	**2,091**	**471**	**3,472**

Letters of credit	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Provision for ECL at 1 January 2025	**117**	–	–	**117**
New letters of credit	75	–	–	**75**
Expired letters of credit	(81)	–	–	**(81)**
Reversal of provision	(35)	–	–	**(35)**
31 December 2025	**76**	–	–	**76**

Guarantees	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Provision for ECL at 1 January 2025	**1,797**	**12,648**	**163**	**14,608**
New guarantees	15,576	–	–	**15,576**
Expired guarantees	(361)	–	(163)	**(524)**
Transfers to Stage 2	(14,218)	14,218	–	–
(Reversal)/charge of provision	(42)	5,292	–	**5,250**
Exchange differences	1	–	–	**1**
31 December 2025	**2,753**	**32,158**	–	**34,911**

(Thousands of Belarusian rubles, unless otherwise indicated)

24. Commitments and contingencies (continued)

Movements in provisions for ECL for the year ended 31 December 2024 were as follows:

Undrawn loan commitments	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Provision for ECL at 1 January 2024	**782**	**2,320**	**279**	**3,381**
New commitments	461	–	–	**461**
Expired commitments	(423)	(28)	(256)	**(707)**
Transfers to Stage 1	19	(19)	–	**–**
Transfers to Stage 2	(21)	21	–	**–**
Transfers to Stage 3	(44)	–	44	**–**
Changes in models and inputs used for ECL calculations	(102)	(6)	–	**(108)**
Charge/(reversal) of provision	149	(1,503)	(15)	**(1,369)**
Exchange differences	4	4	–	**8**
31 December 2024	**825**	**789**	**52**	**1,666**

Letters of credit	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Provision for ECL at 1 January 2024	**75**	**–**	**–**	**75**
New letters of credit	117	–	–	**117**
Expired letters of credit	(71)	–	–	**(71)**
Reversal of provision	(4)	–	–	**(4)**
31 December 2024	**117**	**–**	**–**	**117**

Guarantees	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Provision for ECL at 1 January 2024	**3,227**	**273**	**28,418**	**31,918**
New guarantees	317	–	–	**317**
Expired guarantees	(2,549)	(266)	(665)	**(3,480)**
Transfers to Stage 1	6	(6)	–	**–**
Transfers to Stage 2	–	27,590	(27,590)	**–**
Transfers to Stage 3	–	–	–	**–**
Changes in models and inputs used for ECL calculations	(501)	–	–	**(501)**
Charge/(reversal) of provision	1,299	(14,943)	–	**(13,644)**
Exchange differences	(2)	–	–	**(2)**
31 December 2024	**1,797**	**12,648**	**163**	**14,608**

Many of the above credit-related commitments may be terminated without being performed partially or in full. Therefore, they do not represent an expected cash outflow. Majority of loan and credit line commitments are not absolute covenants of the Bank.

Capital expenditures

As at 31 December 2025 and 31 December 2024, Bank BelVEB OJSC had no capital expenditure commitments.

(Thousands of Belarusian rubles, unless otherwise indicated)

25. Net fee and commission income

Net fee and commission income comprises:

	2025	*2024*
Settlement transactions	71,655	63,358
Guarantees and letters of credit	9,171	11,280
Fees for acting as an agent bank	1,030	1,298
Operations with securities	298	293
Other	14,423	11,808
Fee and commission income	**96,577**	**88,037**
Settlement transactions	(14,859)	(23,605)
Cash operations	(11,790)	(13,070)
Guarantees and letters of credit	(341)	(210)
Operations with securities	(271)	(318)
Other	(13,521)	(3,103)
Fee and commission expense	**(40,782)**	**(40,306)**
Net fee and commission income	**55,795**	**47,731**

Revenue from contracts with customers

The Bank's revenue from contracts with customers is mainly presented by fee and commission income. Revenue from contracts with customers recorded in the consolidated statement of profit or loss for 2025 amounted to BYN 96,577 thousand (2024: BYN 88,037 thousand).

In 2025, the Bank recognized the following contractual liability related to contracts with buyers/customers in the amount of BYN 1,991 thousand in the consolidated statement of financial position (2024: BYN 2,093 thousand).

26. Other income

	2025	*2024*
Insurance income	18,343	11,558
Collection of previously written-off debts	17,821	13,761
Income of subsidiaries from sales of goods/provision of services	6,660	17,218
Income from revaluation of property and equipment	3,187	–
Income from assignment of claims	2,295	5,579
Received fines	1,741	2,318
Income from disposal of equity participations	31	–
Proceeds from disposal of a subsidiary	–	1,309
Dividends	–	6
Other	3,806	3,326
Total other income	**53,884**	**55,075**

(Thousands of Belarusian rubles, unless otherwise indicated)

27. Personnel and other operating expenses

Personnel expenses, other employee benefits and other operating expenses comprise:

	2025	*2024*
Salaries and bonuses	87,290	75,854
Social security costs	23,609	20,036
Personnel costs	**110,899**	**95,890**
Insurance claim expenses	12,250	1,966
Information support	9,805	9,200
Professional service	9,802	6,651
Maintenance of property and equipment	8,286	7,820
Expenses on current activities of subsidiaries	6,450	10,988
Costs for outsourcing services	5,643	5,550
Insurance	4,815	13,874
Consulting and information costs	3,978	2,612
Maintenance and rental of premises	3,869	6,051
Communication services	3,470	3,534
Charity	3,342	1,960
Expenses for writing off the cost of inventories	2,713	1,467
Loss from disposal of property and equipment, intangible assets and other property	3,174	1,449
Transportation of cash	1,528	1,464
Trade union deductions	1,387	1,626
Entertainment expenses	1,201	1,038
Transportation costs	1,051	668
Expenses related to the payment of financial assistance to non-working pensioners	645	556
Safety	428	378
Expenses related to pension insurance	274	168
Pension plan nsurance expenses	–	1,237
Expenses from disposal of equity participations	–	952
Other	9,237	7,224
Other operating expenses	**93,348**	**88,433**

For the year ended 31 December 2025, the Bank recognized expenses related to leases of low-value assets in the amount of BYN 25 thousand (2024: BYN 12 thousand).

28. Risk management

Introduction

The Bank's operations involve risks. The Bank manages risks through an ongoing process of identifying, assessing, and monitoring risks, as well as by establishing risk limits and other risk mitigation measures. The risk management process is critical to maintaining the Bank's stable operations, and each individual Bank employee is responsible for the risks associated with their duties. The Bank is exposed to credit risk, liquidity risk, and market risk, which is further subdivided into trading risk and non-trading risk. The Bank is also exposed to operational risks and other non-financial risks (reputational and strategic).

28. Risk Management (continued)

Introduction (continued)

Risk management structure

Supervisory Board

The Supervisory Board of Bank BelVEB OJSC, which exercises general management of the activities of Bank BelVEB OJSC, ensures the organization of the risk management system in accordance with its powers.

Risk Committee of the Supervisory Board

The Risk Committee of the Supervisory Board of Bank BelVEB OJSC ensures the high-quality preparation of decisions of the Supervisory Board of Bank BelVEB OJSC on issues of organizing and improving the risk management system, at least once a year submits for consideration by the Supervisory Board of Bank BelVEB OJSC a report on the state of the risk management system and the level of risks of the Bank, conducts an assessment of the effectiveness of the risk management system on a consolidated basis, including risks in Bank BelVEB OJSC and the banking holding company, the parent organization of which is Bank BelVEB OJSC.

Strategic Planning Committee of the Supervisory Board

The main task of the Strategic Planning Committee of the Supervisory Board of Bank BelVEB OJSC is to submit recommendations to the Supervisory Board of Bank BelVEB OJSC regarding the definition of the strategic development goals of the Bank, the main objectives and priority areas of the Bank's activities.

Management Board

The responsibility of the Management Board is to organize a risk management system and ensure that the Bank achieves the goals and objectives established by the Supervisory Board of Bank BelVEB OJSC in this area.

Risk Management Officer

The official of Bank BelVEB OJSC responsible for risk management ensures the organization of risk management at all levels of risk management in accordance with the nature and volume of banking operations and other activities, is responsible for the timely identification, assessment and adoption of measures to limit risks, controls the level of risks and key risk indicators of the Bank.

Financial Committee

The Financial Committee of Bank BelVEB OJSC carries out its activities in the field of risk management in order to ensure the financial stability and operational efficiency of the Bank within the limits of its authority.

Large Credit Committee

The Large Credit Committee of Bank BelVEB OJSC ensures effective and efficient work on the implementation of the credit policy of Bank BelVEB OJSC, makes decisions on conducting active operations within its competence.

Small Credit Committee

The Small Credit Committee of Bank BelVEB OJSC makes decisions on conducting active operations within the limits of the risk profile established for it.

Distressed Assets Management Committee

The purpose of the committee is to ensure effective management of problem debt of the Bank.

Operational Risk Committee

The Committee coordinates the operational risk management process in order to ensure the financial stability of Bank BelVEB OJSC.

28. Risk Management (continued)

Introduction (continued)

Risk Management Department

The Risk Management Department provides independent assessment of banking risks, as well as methodological and analytical support for the risk analysis and management process.

Underwriting Department

The Underwriting Department provides independent risk assessments of applications for credit transactions with corporate clients and individuals.

Treasury

The Treasury manages the liquidity of Bank BelVEB OJSC and participates in the processes of managing the interest rate risk of the banking portfolio.

Audit Committee of the Supervisory Board

The Audit Committee of the Supervisory Board of Bank BelVEB OJSC carries out general management and ensures the operation of the internal control system in the bank and the banking holding company, the parent organization of which is Bank BelVEB OJSC, and the internal audit system of Bank BelVEB OJSC.

Internal Audit Department

During audits, the Internal Audit Department evaluates the effectiveness of the risk management system, including the completeness and correctness of the application of bank risk assessment methodologies and risk management procedures, and provides recommendations for improvement. The Internal Audit Department communicates the results of its risk management system audits to the Risk Management Department, the Management Board, the Audit Committee of the Supervisory Board, and the Supervisory Board.

Risk assessment and risk communication systems

The assessment of banking risks is carried out by the Bank in relation to each of the significant types of risks.

In relation to credit, market and operational risks, as well as liquidity risk, along with standard assessment methods, the application of which for the purpose of determining the adequacy of regulatory capital is established by the National Bank of the Republic of Belarus, Bank BelVEB OJSC also applies the following risk assessment methods:

- assessment using the Value-at-Risk (VaR) risk measure (currency risk);
- approach based on the internal ratings of the debtor, scoring the creditworthiness (solvency) of legal entities and individuals (credit risk);
- gap analysis, duration (interest rate risk of a banking portfolio);
- gap analysis, ratio analysis, payment flow analysis method (liquidity risk);
- analysis of the actual distribution of operational risk occurrences among objects of operational risk, expert assessment, assessment using the point-weighting method (operational risk).

For significant types of risks (credit, operational, strategic, currency, interest rate, commodity, liquidity, and reputational risks), methods have been developed for calculating their levels based on the status of key risk indicators.

The Bank conducts stress testing of banking risks, which allows it to assess the potential impact of a number of specified shocks on the financial position of Bank BelVEB OJSC, i.e., changes in risk factors corresponding to exceptional but probable events. The methods for assessing each type of risk, including the set and sources of data used for assessing each type of risk, and the stress testing methodology are regulated in the internal regulations of Bank BelVEB OJSC for managing individual types of risks. Risk monitoring and control are primarily based on the limits established by Bank BelVEB OJSC. These limits reflect the business strategy and market conditions in which Bank BelVEB OJSC operates, as well as the level of risk that Bank BelVEB OJSC is willing to accept. In addition, Bank BelVEB OJSC monitors and evaluates its overall risk-bearing capacity in relation to the aggregate position for the main types of risks.

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk Management (continued)

Introduction (continued)

Information received from all activities is reviewed and processed for the purposes of risk analysis, control, and early detection. This information is presented to the Management Board, Supervisory Board, relevant committees, and department heads at intervals determined by individual local regulations.

For all levels of Bank BelVEB OJSC, various risk reports are prepared and distributed in order to provide units Bank BelVEB OJSC access to extensive, necessary and up-to-date information.

Risk mitigation

As part of its risk management, Bank BelVEB OJSC uses derivatives and other instruments to manage positions arising from changes in interest rates, exchange rates, stock price risk, credit risk, and positions in forecast transactions.

The bank actively uses collateral to reduce its credit risk.

Excessive risk concentrations

Risk concentrations arise when a number of counterparties carry out similar activities, or their operations are conducted in the same geographic region, or the counterparties have similar economic characteristics, and as a result, changes in economic, political, and other conditions have a similar impact on the ability of these counterparties to fulfill contractual obligations. Risk concentrations reflect the relative sensitivity of Bank's BelVEB OJSC operating results to changes in conditions affecting a particular industry or geographic region. To avoid excessive risk concentrations, Bank's BelVEB OJSC policies and procedures include specific principles aimed at maintaining a diversified portfolio.

Identified concentrations of risks are managed accordingly.

Bank BelVEB OJSC is exposed to credit risk, i.e. the risk of losses (damages), failure to receive planned income due to failure to fulfill, untimely or incomplete fulfillment by the debtor of financial and other property obligations to Bank BelVEB OJSC in accordance with the terms of the agreement or the legislation of the Republic of Belarus.

Credit risk is the most significant risk for the Bank. Particular attention is paid to its management, as well as to monitoring the quality of the loan portfolio.

Credit risk

The Bank manages credit risk by:

- distribution of powers and responsibilities between authorized and executive bodies, committees, officials and divisions of Bank BelVEB OJSC in the field of credit risk management;
- organization of a system of lending to legal entities, individual entrepreneurs, and individuals that is adequate and in line with the interests of Bank BelVEB OJSC, a system of establishing limits on transactions subject to credit risk, limits per client (group of related clients) on active transactions;
- establishing a unified methodology for identifying and assessing credit risk;
- implementation of an interest rate policy that covers expected losses and the cost of capital attracted by Bank BelVEB OJSC;
- implementation of high-quality and timely analysis of the state and dynamics of the credit portfolio, standards for safe operation, characterizing the level of credit risk;
- organizing stress testing and identifying the causes and factors influencing changes in the level of credit risk;
- formation of security for the fulfillment of obligations during the implementation of active operations;
- creation of a system for regular and timely informing the Financial Committee, the Large Credit Committee, the Management Board, the Risk Committee of the Supervisory Board of Bank BelVEB OJSC, the Supervisory Board of Bank BelVEB OJSC about the level of credit risk.

28. Risk Management (continued)

Credit risk (continued)

Bank BelVEB OJSC operates a system of internal corporate client ratings, which provides a differentiated assessment of the likelihood of default (improper fulfillment) of debtors' obligations based on an analysis of quantitative and qualitative credit risk factors and the degree of their impact on the debtor's ability to service and repay its obligations.

Decisions on individual standard products for individuals and legal entities are made on the basis of the developed scoring models for assessing the creditworthiness (solvency) of individuals and legal entities.

In order to improve the quality of new loans Bank BelVEB OJSC continues to refine its rating and scoring models.

Bank BelVEB OJSC controls credit risk by setting limits on a single client or group of related clients; concentration limits may also be set for the 20 largest corporate clients.

Limits on credit risk concentration are approved in the Credit Policy of the Bank and are subject to regular (at least once a year) review. Monitoring of these limits is carried out on a quarterly basis as part of the preparation of management reporting on risk levels.

Bank BelVEB OJSC applies the same Credit Policy to contingent liabilities as to balance sheet financial instruments, based on transaction approval procedures, the use of risk-limiting limits and monitoring procedures.

Risks associated with credit-related commitments

Bank BelVEB OJSC provides its clients with the opportunity to obtain guarantees that may require Bank BelVEB OJSC to make payments on their behalf. Clients reimburse Bank BelVEB OJSC for such payments in accordance with the terms of the concluded agreements. Under these agreements, Bank BelVEB OJSC bears risks similar to those associated with loans and are mitigated through the same risk control procedures and policies.

The carrying amount of items in the consolidated statement of financial position, including derivative financial instruments, excluding the impact of risk mitigation through the use of master netting agreements and collateral agreements, most accurately reflects the maximum credit risk associated with these items. For financial instruments carried at fair value, their carrying amount represents the current credit risk exposure, but not the maximum credit risk that may arise in the future from changes in value.

More detailed information on the amount of credit risk for each class of financial instruments is presented in separate notes.

Impairment assessment

The Bank applies the expected credit loss model in accordance with IFRS 9 for the purpose of establishing provisions for ECLs. The key principle of this model is the timely recognition of deterioration or improvement in the credit quality of financial instruments, taking into account current and forecast information. The amount of expected credit losses recognized as an allowance for ECLs depends on the degree of change in the credit quality of the financial instrument since its initial recognition.

Within the general approach, the reserve for ECL is formed on the basis of:

- expected credit losses for the year - for financial instruments without factors indicating a significant deterioration in credit quality since the date of initial recognition or indicators of impairment;
- expected credit losses over the life of the financial instrument - for financial instruments for which factors indicating a significant increase in credit risk or indicators of impairment have been identified.

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk Management (continued)

Credit risk (continued)

The main elements of the applied expected credit losses (ECL) model in accordance with the requirements of IFRS 9 are the following:

Probability of default (PD)	*Probability of default* is an estimated probability of default occurring over a given time period. Default can only occur at a specific point in time during the period under consideration if the asset has not been derecognized and is still part of the portfolio.
Exposure to default (EAD)	*Amount at risk of default*, is an estimate of the amount subject to default at a future date, taking into account expected changes in that amount after the reporting date, including payments of principal and interest, contractually or otherwise, expected repayments of existing loans, and interest accrued as a result of late payments.
Loss Given Default (LGD)	*Loss given default* The EAD is an estimated loss that would arise if a default occurred at a given point in time. This indicator is calculated based on the difference between the contractually stipulated cash flows and the cash flows the lender expects to receive, including from the sale of collateral. It is usually expressed as a percentage of the EAD.

The allowance for ECL is calculated based on the expected credit losses for the year - for financial instruments without factors indicating a significant deterioration in credit quality since the date of initial recognition or indicators of impairment, otherwise the allowance is calculated in an amount equal to 12-month expected credit losses (12-month ECL).

To assess credit risk, the Bank has developed criteria to assess whether a financial instrument's credit risk has increased significantly since initial recognition or whether default has occurred at the reporting date. Based on the process described above, the Bank groups its loans into the following groups:

Stage 1:	Upon initial recognition of a financial instrument, the Bank recognizes an allowance in an amount equal to 12-month ECL. Stage 1 also includes financial instruments that do not contain factors indicating a significant increase in credit risk and have no signs of impairment, as well as financial instruments for which the credit quality has improved (the condition for restoration has been met) to the level of financial instruments classified as Stage 1 of the provision, if factors indicating a significant increase in credit risk (Stage 2 of the provision) were identified at prior reporting dates.
Stage 2:	If the credit risk on a loan has increased significantly since initial recognition, the Bank recognizes an allowance equal to the lifetime ECL. Stage 2 also includes financial instruments for which credit quality has improved to the level of financial instruments classified as Stage 2 provisioning, if indicators of impairment were identified at prior reporting dates (Stage 3 provisioning).
Stage 3:	For loans that are credit-impaired, the Bank recognizes an allowance equal to the lifetime ECL.
POCI:	Purchased or originated credit-impaired (POCI) assets are financial assets that were credit-impaired at initial recognition. Upon initial recognition, POCI assets are measured at fair value, and interest revenue is subsequently recognized, calculated using the credit-adjusted effective interest rate. An allowance for ECL is recognized or derecognized only to the extent of a subsequent change in lifetime expected credit losses.

28. Risk management (continued)

Credit risk (continued)

Internal rating and PD estimation process

Internal rating level assignment models are developed and applied by the Risk Management Department of the Bank. A rating model is a set of rules for forming client samples, quantitative and qualitative indicators, indicator value ranges and assigned scores, weighting factors for quantitative and qualitative indicators and for total quantitative and qualitative assessments, logistic function coefficients, and a rating scale.

The rating scale consists of 10 rating ranks. Rank 1 corresponds to the lowest risk level, while rank 10 corresponds to the highest risk level (default). The rating rank is determined by the client's PD falling within the corresponding range of values between the lower and upper PD limits. Rating rank 10 (default) is assigned if the client has defaulted.

The parameters of the rating model (the list of quantitative and qualitative indicators used in calculating the final rating score, the ranges of their values, the assigned points, weighting factors, logistic function coefficients in terms of client groups), as well as the levels of reduction of the client's rating depending on warning signals (factors that indicate a deterioration in the client's situation and by which it is possible to predict default or a significant increase in its probability), are approved by the Management Board based on proposals from the risk management department and are information of limited distribution.

Definition of default and recovery of credit quality

The Bank considers a financial instrument to be in default and, therefore, classifies it into Stage 3 (credit-impaired assets) for ECL calculation purposes whenever the debtor is more than 90 days past due on contractual payments or a default restructuring has been completed. The Bank considers amounts due from banks to be in default and takes immediate action to address the default if, by the close of business, the required intraday payments specified in individual agreements have not been made.

As part of its qualitative assessment of a customer's default, the Bank also considers a number of events that may indicate that payment is unlikely. If such events occur, the Bank carefully considers whether they lead to default and whether the financial instruments should be classified in Stage 3 for ECL calculation purposes. These events include the following:

- the default restructuring procedure has been initiated and/or implemented;
- death of the debtor - an individual;
- acceptance of the debtor's property onto the Bank's balance sheet to pay off the debt (including part of the debt);
- the presence of negative information about the debtor's ability to fulfill its obligations to the Bank;
- internal rating of a debtor indicating default or proximity to default.

According to the Bank's methodology, recovery from Stage 3 provisioning occurs when the credit quality restoration condition is met—at least three consecutive payments to repay the debt to the Bank are made on time and in full, continuously, in accordance with the contractual terms with the debtor, for at least 12 months from the date no signs of impairment are identified. Financial instruments are classified as Stage 2 provisioning if there are factors indicating a significant increase in credit risk, or as Stage 1 provisioning if there are none.

Exposure at default

The explosure at default (EAD) represents the carrying amount of the financial Instruments subject to impairment assessment and reflects both the client's ability to increase its debt as default approaches and the possibility of early repayment. To calculate the EAD for a Stage 1 loan, the Bank assesses the probability of default within 12 months to estimate the 12-month ECL. For Stage 2, Stage 3, and POCI financial assets, the EAD is considered for events that may occur throughout the entire life of the instrument.

28. Risk Management (continued)

Credit risk (continued)

Loss given default

Credit risk assessment is based on a standard LGD assessment model, which results in specific LGD levels. Each collateral quality category for corporate clients and lending purpose for retail clients corresponds to a standard LGD indicator. For financial institutions, an LGD value of 100% is used.

Significant increase in credit risk

At each reporting date, the Bank reviews all assets for which ECL is calculated to determine the amount of impairment allowance required for an instrument or portfolio of instruments (i.e., the 12-month ECL or lifetime ECL). The Bank analyzes whether the credit risk for a given instrument or portfolio of instruments has increased significantly since initial recognition.

The Bank applies criteria to determine a significant increase in credit risk, which include both quantitative changes in the values of the probability of default indicator, which is expressed in a decrease in the rating, and qualitative factors, as well as a "limiter" indicator for the period of delay.

The Bank recognizes a significant increase in credit risk using the following list of qualitative characteristics:

an actual and/or expected decrease in the internal rating to 7 and below has been identified for clients with internal ratings of 1-5 on the initial recognition date, to 8 and below for clients with an internal rating of 6 on the initial recognition date, by 1 rank or more for clients with internal ratings of 7-8 on the initial recognition date;

the procedure of problematic restructuring has been initiated and/or implemented;

the presence of debt on interest and other payments recorded in off-balance sheet accounts in the Bank;

the introduction of sanctions restrictions in relation to the debtor by authorized bodies of foreign states and (or) sanctions restrictions in relation to the country of which he is a resident, which have a negative impact on his activities;

the debtor's net assets have been negative for the last two quarterly reporting dates;

the occurrence of force majeure circumstances specified in contracts and other circumstances that did not result in the termination of the debtor's activities, but which cast doubt on their ability to fulfill their obligations;

the presence of a requirement from the National Bank of the Republic of Belarus to implement measures for the financial recovery and reorganization of the debtor;

Rating downgrade from initial recognition to reporting date:

for counterparties and financial institutions of the Russian Federation and the Republic of Belarus – rating agencies ACRA (JSC), (JSC) Expert RA, HPA LLC, HKP LLC;

for other international counterparties and financial institutions – by rating agencies Moody's Investors Service Ltd., Standard & Poor's International Services Inc., Fitch Ratings Ltd

into 2 or more rating categories, excluding default;

the emergence of other significant risk factors indicating an increase in the level of credit risk, provided that the corresponding factors were absent at the time of initial recognition of the financial instrument.

The Bank considers the presence of overdue debt on the principal debt and/or interest on this financial instrument for a period of 31 to 90 calendar days, or on assets in counterparty banks and issuers of securities, as a "limiting factor" indicating a significant increase in the credit risk on a financial instrument since its initial recognition -from 8 to 30 calendar days. The number of days of overdue debt is determined by counting the number of days, starting from the earliest date on which the full payment has not been received.

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Credit risk (continued)

Forward-looking information and multiple economic scenarios

In its ECL calculation models, the Bank uses a wide range of forecast information as input economic data:

- real GDP growth rate for 12 months, %;
- Belarusian ruble to US dollar exchange rate;
- CPI growth over 12 months, %.

To obtain forecast information, the Bank considers data from external sources (external rating agencies, government agencies, central banks, and international financial institutions) and calculates a short-term macroeconomic forecast. The results of the macroeconomic forecast are applied to the ECL forecasting model. The weighting factors assigned to multiple scenarios are determined expertly. Each scenario and its corresponding weight are determined based on expert judgment within the established scale of boundaries:

1. Basic case, in the range of 0.4-0.8.
2. Stressed, in the range of 0.1-0.3.
3. Upside, in the range of 0.1-0.3.

Setting a minimum scenario weight assumes the presence of a confluence of unlikely and unrelated, directly or indirectly, events, which significantly reduces the overall probability of the scenario's realization. Setting a maximum scenario weight assumes the presence of information guaranteeing the implementation of the described scenario (facts confirming the onset of its implementation).

The table below shows the values of the key forecast economic variables/assumptions that are used in each economic scenario to estimate the ECL.

Key drivers	*ECL scenario*	*Assigned probability, %*	*Q1 2026*	*Assigned probability, %*	*Q2 2026*	*Assigned probability, %*	*Q3 2026*	*Assigned probability, %*	*Q4 2026*
Real GDP growth rate for 12 months, %			101.20		101.40		101.60		101.80
Increase in CPI for 12 months, %	Base case	70	6.80	70	6.90	70	6.90	70	6.90
BYN/USD exchange rate			3.08		3.24		3.40		3.56
Real GDP growth rate for 12 months, %			100.50		100.40		100.30		100.20
Increase in CPI for 12 months, %			7.40		7.90		8.50		9.00
BYN/USD exchange rate	Stressed	20	3.13	20	3.33	20	3.54	20	3.75
Real GDP growth rate for 12 months, %			101.60		102.00		102.40		102.80
Increase in CPI for 12 months, %	Upside	10	6.70	10	6.70	10	6.60	10	6.50
BYN/USD exchange ratee			3.00		3.08		3.17		3.25

Credit quality by class of financial assets

The credit quality of financial assets is managed by the Bank using internal credit ratings. The grade is assigned based on the probability of default.

The Bank uses the following quality categories for financial assets.

Minimal estimated PD	*Maximum estimated PD*	*Quality scale*
0.00%	1.13%	High grade
1.14%	4.60%	Standard grade
4.61%	14.09%	Sub-standard grade
14.10%	100.00%	Low grade

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Credit risk (continued)

The table below shows the credit quality by class of assets for loan-related lines in the consolidated statement of financial position, based on the Bank's credit grading system. The gross carrying amount was calculated in accordance with IFRS 9 at 31 December 2025 based on the Bank's internal credit grading system:

	Note	Stage		High grade	Standard grade	Sub-standard grade	Low grade	Total
Cash and cash equivalents	6	Stage	1	1,396,980	–	–	–	**1,396,980**
Total cash and cash equivalents				**1,396,980**	**–**	**–**	**–**	**1,396,980**
Amounts due from credit institutions	8							
		Stage	1	45,642	–	–	–	**45,642**
		Stage	2	13,930	–	–	–	**13,930**
		Stage	3	–	–	–	6,358	**6,358**
Total amounts due from credit institutions at amortized cost				**59,572**	**–**	**–**	**6,358**	**65,930**
Investment securities	11							
Debt securities at amortized cost		Stage	1	–	1,017,087	–	–	**1,017,087**
Debt securities at FVOCI		Stage	1	–	76,563	–	–	**76,563**
		Stage	2	672,666	–	–	–	**672,666**
Total investment securities				5,018	–	–	–	**5,018**
				677,684	**1,093,650**	**–**	**–**	**1,771,334**
Loans to customers at amortized cost	10							
Corporate lending								
		Stage	1	215,635	782,786	–	16,376	**1,014,797**
		Stage	2	–	277,973	13,730	7,724	**299,427**
		Stage	3	346	51	–	29,048	**29,445**
Small and medium business lending								
		Stage	1	378,620	700,110	4,698	1,997	**1,085,425**
		Stage	2	69	123,821	5,265	21,865	**151,020**
		Stage	3	–	2,657	–	70,853	**73,510**
			POCI	–	–	–	10,383	**10,383**
Consumer lending								
		Stage	1	391,583	–	–	26,122	**417,705**
		Stage	2	312	–	–	7,733	**8,045**
		Stage	3	64	–	–	5,899	**5,963**
Residential mortgages								
		Stage	1	184,892	–	–	396	**185,288**
		Stage	2	269	–	–	1,542	**1,811**
		Stage	3	127	–	–	817	**944**
Total loans to customers at amortized cost				**1,171,917**	**1,887,398**	**23,693**	**200,755**	**3,283,763**
Credit-related commitments and contingencies	24							
Undrawn loan commitments		Stage	1	301,568	384,356	1,017	81	**687,022**
		Stage	2	–	13,270	2,004	8,063	**23,337**
		Stage	3	–	732	–	72	**804**
Letters of credit		Stage	1	33,210	21,529	–	–	**54,739**
		Stage	2	–	–	–	–	**–**
		Stage	3	–	–	–	–	**–**
Guarantees		Stage	1	247,997	180,593	2,658	–	**431,248**
		Stage	2	559	50,495	7,000	72,476	**130,530**
		Stage	3	–	–	–	–	**–**
Total credit-related commitments and contingencies				**583,334**	**650,975**	**12,679**	**80,692**	**1,327,680**

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Credit risk (continued)

The table below shows the credit quality by class of assets for loan-related lines in the consolidated statement of financial position, based on the Bank's credit grading system. The gross carrying amount was calculated in accordance with IFRS 9 at 31 December 2024 based on the Bank's internal credit grading system.

	Note	*Stage*	*High grade*	*Standard grade*	*Sub-standard grade*	*Low grade*	*Total*
Cash and cash equivalents	6	Stage 1	1,165,653	–	–	–	**1,165,653**
Total cash and cash equivalents			**1,165,653**	**–**	**–**	**–**	**1,165,653**
Amounts due from credit institutions	8						
		Stage 1	40,525	–	–	–	**40,525**
		Stage 2	10,890	–	–	–	**10,890**
		Stage 3	–	–	–	7,146	**7,146**
Total amounts due from credit institutions at amortized cost			**51,415**	**–**	**–**	**7,146**	**58,561**
Investment securities	11						
Debt securities at amortized cost		Stage 1	–	568,200	–	–	**568,200**
Debt securities at FVOCI		Stage 1	742,118	–	–	–	**742,118**
		Stage 2	76,721	–	–	–	**76,721**
Total investment securities			**818,839**	**568,200**	**–**	**–**	**1,387,039**
Loans to customers at amortized cost	10						
Corporate lending							
		Stage 1	79,173	1,076,670	–	–	**1,155,843**
		Stage 2	–	87,294	103,054	–	**190,348**
		Stage 3	–	3,412	–	92,465	**95,877**
		POCI	–	–	–	3,412	**3,412**
Small and medium business lending							
		Stage 1	359,209	775,651	1,265	–	**1,136,125**
		Stage 2	–	20,691	20,456	–	**41,147**
		Stage 3	–	1,082	–	78,662	**79,744**
		POCI	–	–	–	5,242	**5,242**
Consumer lending							
		Stage 1	299,807	–	–	77,123	**376,930**
		Stage 2	211	–	–	4,204	**4,415**
		Stage 3	13	–	–	3,223	**3,236**
Residential mortgages							
		Stage 1	170,039	–	–	2,625	**172,664**
		Stage 2	211	–	–	459	**670**
		Stage 3	65	–	–	765	**830**
Total loans to customers at amortized cost			**908,728**	**1,964,800**	**124,775**	**268,180**	**3,266,483**
Credit-related commitments and contingencies	24						
Undrawn loan commitments		Stage 1	210,011	354,120	360	14	**564,505**
		Stage 2	34,735	1,890	8	2,785	**39,418**
		Stage 3	–	–	–	88	**88**
Letters of credit		Stage 1	–	36,856	–	–	**36,856**
		Stage 2	–	–	–	–	**–**
		Stage 3	–	–	–	–	**–**
Guarantees		Stage 1	149,377	169,826	710	–	**319,913**
		Stage 2	–	–	–	45,983	**45,983**
		Stage 3	–	–	–	407	**407**
Total credit-related commitments and contingencies			**394,123**	**562,692**	**1,078**	**49,277**	**1,007,170**

An analysis of overdue loans by the period since the payment default is presented below. The majority of overdue loans are considered not impaired.

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Credit risk (continued)

Aging analysis of past due but not impaired loans by class of financial assets less allowance for ECL

2025	*Less than 30 days*	*31 to 60 days*	*61 to 90 days*	*More than 90 days*	*Total*
Loans to customers					
Consumer lending	7,470	1,437	1,059	–	**9,966**
Small and medium business lending	3,757	1,115	808	–	**5,680**
Corporate lending	–	3,688	–	–	**3,688**
Residential mortgages	1,392	5	–	–	**1,397**
Total	**12,619**	**6,245**	**1,867**	**–**	**20,731**

2024	*Less than 30 days*	*31 to 60 days*	*61 to 90 days*	*More than 90 days*	*Total*
Loans to customers					
Corporate lending	16,764	–	–	–	**16,764**
Consumer lending	6,082	848	693	1,334	**8,957**
Small and medium business lending	8,489	–	–	–	**8,489**
Residential mortgages	1,077	153	1	5	**1,236**
Total	**32,412**	**1,001**	**694**	**1,339**	**35,446**

See Note 10 for information with respect to the allowance for ECL on loans to customers.

Guarantees and letters of credit are also tested for impairment and an allowance is made in a similar manner as for loans.

The geographical concentration of the Bank's financial assets and liabilities is set out below (less provisions):

	2025				*2024*			
	Belarus	*OECD*	*CIS and other foreign banks*	*Total*	*Belarus*	*OECD*	*CIS and other foreign banks*	*Total*
Assets								
Cash and cash equivalents	1,114,355	–	282,625	**1,396,980**	975,518	–	190,135	**1,165,653**
Trading securities	–	5,114	–	**5,114**	–	5,500	–	**5,500**
Amounts due from credit institutions	49,153	–	10,372	**59,525**	45,730	–	5,395	**51,125**
Loans to customers	3,130,876	–	61,102	**3,191,978**	3,132,073	–	24,303	**3,156,376**
Investment securities at FVOCI	678,056	–	–	**678,056**	819,222	–	–	**819,222**
Investment securities at amortized cost	1,077,364	–	–	**1,077,364**	552,619	–	–	**552,619**
Derivative financial assets	805	–	–	**805**	93	–	–	**93**
Other financial assets	3,163	–	127	**3,290**	41,723	–	–	**41,723**
	6,053,772	**5,114**	**354,226**	**6,413,112**	**5,566,978**	**5,500**	**219,833**	**5,792,311**
Liabilities								
Amounts due to credit institutions	310,115	75,669	205,834	**591,618**	228,876	80,256	384,378	**693,510**
Amounts due to the National Bank of the Republic of Belarus	9,290	–	–	**9,290**	9,567	–	–	**9,567**
Amounts due to customers	4,318,257	7,855	66,611	**4,392,723**	3,714,189	10,585	69,405	**3,794,179**
Derivative financial liabilities	254	–	–	**254**	–	–	–	**–**
Debt securities issued	293 251	–	–	**293 251**	196,795	–	–	**196,795**
Lease liabilities	7,728	–	–	**7,728**	7,255	–	–	**7,255**
Other financial liabilities	50,249	–	121	**50,370**	30,212	–	135	**30,347**
Subordinated loan	–	–	128,775	**128,775**	–	–	155,587	**155,587**
	4,989,144	**83,524**	**401,341**	**5,474,009**	**4,186,894**	**90,841**	**609,505**	**4,887,240**
Net assets and liabilities position	**1,064,628**	**(78,410)**	**(47,115)**	**939,103**	**1,380,084**	**(85,341)**	**(389,672)**	**905,071**

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Liquidity risk and funding management

Liquidity risk is the probability that the Bank will incur losses (damages) or will not receive planned income due to the inability to ensure the timely fulfillment of its obligations in full.

The liquidity risk management process includes identification, measurement (assessment) and stress testing, limitation, monitoring and control of liquidity risk, a system of key indicators, crisis financing plans, and disclosure of information about liquidity risk.

The Bank has developed a number of documents that regulate issues of liquidity risk and liquidity position management, define the goals, objectives, principles and methods of management, the division of responsibilities between departments and the procedures for interaction between them on issues of liquidity risk and liquidity position management.

Liquidity risk management and control is carried out by the Supervisory Board, the Risk Committee of the Supervisory Board, the Management Board, the Financial Committee, the official responsible for risk management at Bank BelVEB OJSC, the Risk Management Department, the Treasury, the Department of Operations in the Financial Markets and the Finance and Economic Department.

Bank BelVEB OJSC carries out daily monitoring of the implementation with the standards established by the National Bank of the Republic of Belarus, local restrictions (limits) on liquidity risk, and generates management reports on liquidity risk.

The Bank takes into account the interaction between the funding liquidity risk and the market liquidity risk to which it is exposed and carries out a comprehensive assessment of liquidity risk, including an analysis of the balance sheet structure, forecasting cash flows for all material balance sheet and off-balance sheet positions and activities both under normal conditions and in stressful situations.

To manage the Bank's current liquidity position, payment calendars are used across business lines. To monitor the risk of liquidity loss, liquidity deficit limits and key liquidity risk indicators are monitored.

The Bank's assets and liabilities are formed based on the principle of diversifying sources and directions, volumes, and timing of fundraising and placement. The main external funding sources are the resources of the parent bank, the State Development Corporation VEB.RF.

Maintaining funding sources and expanding the Bank's resource base are achieved through improved customer service and the introduction of new products that offer more flexible deposit agreement terms, including personalized offers.

The Bank maintains a level of liquidity sufficient to meet all requirements of the National Bank of the Republic of Belarus and to fulfill its obligations to clients in a timely manner.

Liquidity is assessed and managed by the Bank primarily on an autonomous basis, relying on a system of limits and liquidity risk indicators developed on the basis of the liquidity standard within the VEB.RF group, as well as liquidity indicators controlled by the National Bank of the Republic of Belarus.

As at December 31, these ratios were as follows:

	Minimum value	*2025*	*2024*
Liquidity coverage ratio	Min. 100%	160.1%	106.2%
Net stable funding ratio	Min. 100%	136.9%	129.7%

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Liquidity risk and funding management (continued)

Analysis of financial liabilities by remaining contractual maturities

The table below presents the Bank's financial liabilities as at December 31 by maturity, based on contractual undiscounted repayment obligations. The exception is derivatives settled by delivery of the underlying asset, which are presented by amounts receivable and payable by maturity. Liabilities that are repayable on demand are treated as if the repayment request were made on the earliest possible date. However, the Bank expects that many customers will not request repayment on the earliest date on which the Bank would be obligated to make the corresponding payment. The table does not reflect expected cash flows calculated by the Bank based on historical deposit demand information.

Financial liabilities at 31 December 2025	*Less than 3 months*	*3 to 12 months*	*1 to 5 years*	*More than 5 years*	*Total*
Amounts due to credit institutions	471,459	45,126	99,386	–	**615,971**
Amounts due to the National Bank of the Republic of Belarus	9,290	–	–	–	**9,290**
Gross settled derivative financial instruments:					
- contractual amounts payable	47,556	–	–	–	**47,556**
-contractual amounts receivable	(47,375)	–	–	–	**(47,375)**
Amounts due to customers	2,722,729	619,336	1,104,077	3,017	**4,449,159**
Debt securities issued	9,564	88,420	172,855	136,025	**406,864**
Other liabilities	10,760	4,550	34,517	543	**50,370**
Lease liabilities	1,462	2,870	4,596	62	**8,990**
Subordinated loan	5,058	26,856	90,705	124,849	**247,468**
Total undiscounted financial liabilities	**3,230,503**	**787,158**	**1,506,136**	**264,496**	**5,788,293**

Financial liabilities at 31 December 2024	*Less than 3 months*	*3 to 12 months*	*1 to 5 years*	*More than 5 years*	*Total*
Amounts due to credit institutions	423,748	191,353	83,732	–	**698,833**
Amounts due to the National Bank of the Republic of Belarus	9,567	–	–	–	**9,567**
Amounts due to customers	2,150,748	536,040	1,153,421	2,872	**3,843,081**
Debt securities issued	21,097	4,903	230,566	–	**256,566**
Other liabilities	13,234	1,080	15,617	416	**30,347**
Lease liabilities	1,021	3,127	3,856	281	**8,285**
Subordinated loan	4,286	9,776	51,902	172,795	**238,759**
Total undiscounted financial liabilities	**2,623,701**	**746,279**	**1,539,094**	**176,364**	**5,085,438**

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Liquidity risk and funding management (continued)

The table below shows the contractual maturity of the Bank's commitments and contingencies. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down. For financial guarantees, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

	Less than 3 months	*3 to 12 months*	*1 to 5 years*	*More than 5 years*	*Total*
2025	146,101	423,479	738,232	19,868	**1,327,680**
2024	164,364	377,160	452,501	13,145	**1,007,170**

The Bank expects that not all of the contingent liabilities or commitments will be drawn before expiry of the commitments.

The maturity analysis does not reflect the historical stability of current accounts. Their liquidation has historically taken place over a longer period than indicated in the tables above. These balances are included in amounts due in "less than 3 months" in the tables above.

Market risk

Market risk is the risk of loss resulting from changes in value of on- and off-balance sheet positions related to the trade portfolio, foreign currency denominated positions and commodities due to changes in market interest rates, exchange rates, securities quotations, commodity prices and other factors.

The Bank is exposed to market risks due to the effect of general or specific market changes on its products. The Bank manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions and establishing appropriate limits on the tolerable loss. With the exception of foreign currency positions, the Bank has no significant concentration of market risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The Bank has developed a number of documents which in generally organizes risk management process. The Financial Committee determines process of resource attraction and placement based on monitoring of the corresponding sectors in the banking sector.

Treasury performs analysis of volume-time structure of the Bank's balance and interest rate levels in the context of risk management process. Risk Management Departments performs independent assessment of the Bank's exposure to interest rate risk and stress testing of risk tolerance.

The following table presents the sensitivity of the Bank's consolidated statement of profit or loss to a reasonable possible change in interest rates, with all other variables held constant. The sensitivity of the consolidated statement of profit or loss represents the effect of assumed changes in interest rates on net interest income for one year, calculated based on non-trading financial assets and floating-rate financial liabilities held as at 31 December. The sensitivity of equity to a reasonable possible change in interest rates as at 31 December is calculated by revaluing available-for-sale fixed-rate financial assets under the assumption that the yield curve shifts are parallel.

Currency	*Increase in basis points 2025*	*Sensitivity of profit or loss 2025*
BYN	+400	1,279
USD	+150	(1,876)
EUR	+150	(17)

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Market risk (continued)

Currency	*Decrease in basis points 2025*	*Sensitivity of profit or loss 2025*
BYN	-400	(1,279)
USD	-150	1,876
EUR	-150	17

Currency	*Increase in basis points 2025*	*Sensitivity of profit or loss 2025*
USD	+150	6,968
EUR	+200	2

Currency	*Decrease in basis points 2025*	*Sensitivity of equity less effect on profit or loss 2025*
USD	-150	(6,968)
EUR	-200	(2)

Currency	*Decrease in basis points 2024*	*Sensitivity of profit or loss 2024*
BYN	+400	4,033
USD	+150	(2,245)
EUR	+150	1,131

Currency	*Decrease in basis points 2024*	*Sensitivity of profit or loss 2024*
BYN	-400	(4,033)
USD	-150	2,245
EUR	-150	(1,131)

Currency	*Increase in basis points 2024*	*Sensitivity of equity less effect on profit or loss 2024*
USD	+150	(35,650)
EUR	+150	(6)

Currency	*Decrease in basis points 2024*	*Sensitivity of equity less effect on profit or loss 2024*
USD	-150	35,650
EUR	-150	6

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Market risk (continued)

Currency risk

Currency risk is the risk of loss, non-receiving planned income resulting from changes in value of on- and off-balance sheet positions nominated in foreign currency, due to the exchange rate changes.

The Bank's currency risk management system provides for the following:

- Distributing the responsibilities of currency risk management;
- Regulating the methods of assessment and stress-testing of currency risk;
- Preparing quarterly management reports on currency risk;
- Setting and controlling position and risk limits and other key indicators to restrict the level of risk.

The table below indicates the currencies to which the Bank had significant exposure as at 31 December on its non-trading monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the currency rate against the ruble, with all other variables held constant, on the consolidated statement of profit or loss. The effect on equity does not differ from the effect on the consolidated statement of profit or loss. All other variables are held constant. A negative amount in the table reflects a potential net reduction in the consolidated statement of profit or loss or equity, while a positive amount reflects a net potential increase.

Currency	*Change in currency rate, % 2025*	*Effect on profit before tax 2025*	*Change in currency rate, % 2024*	*Effect on profit before tax 2024*
USD	+14	2,181	+25	3,075
EUR	+10	30	+25	84
RUB	+10	805	+17	1,855

Currency	*Change in currency rate, % 2025*	*Effect on profit before tax 2025*	*Change in currency rate, % 2024*	*Effect on profit before tax 2024*
USD	-14	(2,181)	+5	615
EUR	-5	(15)	+5	17
RUB	-5	(402)	-17	(1,855)

Prepayment risk

Prepayment risk is the risk that the Bank will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate mortgages when interest rates fall.

The management of the Bank believes that the realization of the prepayment risk will not have a material effect on the Bank.

Operational risk

Operational risk is the risk of loss arising from inconsistency of the Bank's local documents of execution banking transactions and operations to the legislation of the Republic of Belarus, or its breach by the employees, incompetence or errors of the Bank's employees, discrepancy or failure the system used by the Bank including information systems, and as result of external factors.

(Thousands of Belarusian rubles, unless otherwise indicated)

28. Risk management (continued)

Operational risk (continued)

The Bank has established and maintained a comprehensive centralized operational risk management system, which provides for an effective methodology of operational risk management, risk assessment, monitoring, control and restriction of operational risk in accordance with the local documents of the Bank.

Operational risk management functions are fixed at the level of the Bank's management, collegiate bodies, departments and responsible persons.

To manage operational risk, the Bank is maintaining the database of operational risk occurrences. Recommendations for optimization of the business process are generated based on this database analysis.

The Bank cannot expect to eliminate all operational risks, but a control framework and monitoring and responding to potential risks could be effective tools to manage the risks.

29. Fair value measurement

For the purpose of fair value disclosures, the Bank has determined classes of assets and liabilities on the basis of their nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

		Fair value measurement using			
31 December 2025	*Date of valuation*	*Quoted prices in active markets (Level 1)*	*Significant observable inputs (Level 2)*	*Significant unobservable inputs (Level 3)*	*Total*
Assets measured at fair value					
Correspondent accounts in precious metals	31 December 2025	9,631	–	–	**9,631**
Trading securities	31 December 2025	–	–	5,114	**5,114**
Investment securities – debt securities at FVOCI	31 December 2025	279,722	2,959	395,003	**677,684**
Investment securities – equity securities at FVOCI	31 December 2025	–	–	372	**372**
Loans to customers at FVPL	31 December 2025	–	–	24,824	**24,824**
Property and equipment – buildings	31 December 2025	–	–	33,828	**33,828**
Derivative financial assets	31 December 2025	–	805	–	**805**
	31 December 2025	**289,353**	**3,764**	**459,141**	**752,258**
Assets for which fair values are disclosed	31 December 2025				
Cash and cash equivalents	31 December 2025	1,396,980	–	–	**1,396,980**
Amounts due from credit institutions	31 December 2025	–	59,414	–	**59,414**
Investment securities at amortized cost	31 December 2025	–	–	1,096,352	**1,096,352**
Loans to customers	31 December 2025	–	–	3,267,190	**3,267,190**
		1,396,980	**59,414**	**4,363,542**	**5,819,936**

(Thousands of Belarusian rubles, unless otherwise indicated)

29. Fair value measurement (continued)

31 December 2025	*Date of valuation*	*Fair value measurement using* *Quoted prices in active markets (Level 1)*	*Significant observable inputs (Level 2)*	*Significant unobservable inputs (Level 3)*	*Total*
Liabilities measured at fair value					
Derivative financial liabilities	31 December 2025	–	–	254	**254**
Customers' current accounts in precious metals	31 December 2025	–	8,950	–	**8,950**
	31 December 2025	**–**	**8,950**	**254**	**9,204**
Liabilities for which fair values are disclosed	31 December 2025				
Amounts due to credit institutions	31 December 2025	–	130,875	462,888	**593,763**
Amounts due to the National Bank of the Republic of Belarus	31 December 2025	–	–	9,290	**9,290**
Amounts due to customers	31 December 2025		1,411,501	2,983,837	**4,395,338**
Debt securities issued	31 December 2025	–	–	271,048	**271,048**
Subordinated loan	31 December 2025	–	–	128,775	**128,775**
		–	**1,542,376**	**3,855,838**	**5,398,214**

31 December 2024	*Date of valuation*	*Fair value measurement using* *Quoted prices in active markets (Level 1)*	*Significant observable inputs (Level 2)*	*Significant unobservable inputs (Level 3)*	*Total*
Assets measured at fair value					
Correspondent accounts in precious metals	31 December 2024	4,725	–	–	**4,725**
Trading securities	31 December 2024	–	–	5,500	**5,500**
Investment securities – debt securities at FVOCI	31 December 2024	49,105	–	769,734	**818,839**
Investment securities – equity securities at FVOCI	31 December 2024	–	–	383	**383**
Loans to customers at FVPL	31 December 2024	–	–	24,041	**24,041**
Property and equipment – buildings	31 December 2024	–	–	31,039	**31,039**
Derivative financial assets	31 December 2024	–	93	–	**93**
		53,830	**93**	**830,697**	**884,620**
Assets for which fair values are disclosed					
Cash and cash equivalents	31 December 2024	1,165,653	–	–	**1,165,653**
Amounts due from credit institutions	31 December 2024	–	51,115	–	**51,115**
Investment securities at amortized cost	31 December 2024	–	–	524,853	**524,853**
Loans to customers	31 December 2024	–	–	3,239,578	**3,239,578**
		1,165,653	**51,115**	**3,764,431**	**4,981,199**

(Thousands of Belarusian rubles, unless otherwise indicated)

29. Fair value measurement (continued)

31 December 2024	*Date of valuation*	*Fair value measurement using* Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	*Total*
Liabilities measured at fair value					
Customers' current accounts in precious metals	31 December 2024	–	4,116	–	**4,116**
		–	**4,116**	**–**	**4,116**
Liabilities for which fair values are disclosed					
Amounts due to credit institutions	31 December 2024	–	111,701	583,700	**695,401**
Amounts due to the National Bank of the Republic of Belarus	31 December 2024	–	–	9,567	**9,567**
Amounts due to customers	31 December 2024	–	1,171,380	2,614,585	**3,785,965**
Debt securities issued	31 December 2024	–	–	143,201	**143,201**
Subordinated loan	31 December 2024	–	–	155,587	**155,587**
		–	**1,283,081**	**3,506,640**	**4,789,721**

Fair value of financial assets and liabilities not carried at fair value

Set out below is a comparison by class of the carrying amounts and fair values of the Bank's financial instruments that are not carried at fair value in the consolidated statement of financial position. The table does not include the fair values of non-financial assets and non-financial liabilities.

	Carrying amount 2025	*Fair value 2025*	*Unrecognized gain/loss 2025*	*Carrying amount 2024*	*Fair value 2024*	*Unrecognized gain/loss 2024*
Financial assets						
Cash and cash equivalents	1,396,980	1,396,980	–	1,165,653	1,165,653	–
Amounts due from credit institutions	59,525	59,414	(111)	51,125	51,115	(10)
Investment securities at amortized cost	1,077,362	1,096,352	18,990	552,619	524,853	(27,766)
Loans to customers	3,167,154	3,267,190	100,036	3,132,335	3,239,578	107,243
Financial liabilities						
Amounts due to credit institutions	591,618	593,763	(2,145)	693,510	695,401	(1,891)
Amounts due to the National Bank of the Republic of Belarus	9,290	9,290	–	9,567	9,567	–
Amounts due to customers	4,392,723	4,395,338	(2,615)	3,794,179	3,785,965	8,214
Debt securities issued	293,251	271,048	22,203	196,795	143,201	53,594
Subordinated loan	128,775	128,775	–	155,587	155,587	–
Total unrecognized change in unrealized fair value			**136,358**			**139,384**

Valuation techniques and assumptions

The following describes the methods and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the financial statements.

(Thousands of Belarusian rubles, unless otherwise indicated)

29. Fair value measurement (continued)

Valuation techniques and assumptions (continued)

Assets for which fair value approximates their carrying amount

For financial assets and financial liabilities that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying amounts approximate their fair value. This assumption is also applied to demand deposits and current (settlement) accounts without a specific maturity.

Financial assets and financial liabilities carried at amortized cost

The fair value of quoted bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans to customers, customer deposits, amounts due from credit institutions and amounts due to the National Bank of the Republic of Belarus and credit institutions and other financial assets and liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Financial assets carried at FVPL

The fair value of financial instruments is the present value of all future (expected) cash flows under this instrument at the date of its origination and/or at the reporting date discounted with the market interest rate for this comparable/similar financial instrument.

The market interest rate for this financial instrument or other comparable/similar financial instruments is determined on the basis of available internal and external sources of information depending on the type and nature of a financial instrument.

Movements in Level 3 assets and liabilities at fair value

The following table shows a reconciliation of the opening and closing amounts of Level 3 assets and liabilities, which are recorded at fair value:

	1 January 2025	*Gains/ (losses) recognized in the consolidated statement of profit or loss*	*Gains/ (losses) recognized in other comprehensive income*	*Additions*	*Depreciation charge*	*Disposals*	*Transfers to Levels 1 and 2*	*Transfers to Level 3*	*31 December 2025*
Assets									
Investment securities – debt securities at FVOCI	769,734	(97,445)	(22,683)	254,539	–	(372,634)	(136,508)	–	395,003
Investment securities – equity securities at FVOCI	383	–	–	–	–	(11)	–	–	372
Loans to customers at FVPL	24,041	(111)	–	–	2,996	(2,102)	–	–	24,824
Property and equipment – buildings	31,039	3,187	190	10	(346)	(252)	–	–	33,828
Total Level 3 assets	**825,197**	**(94,369)**	**(22,493)**	**254,549**	**2,650**	**(374,999)**	**(136,508)**	**–**	**454,027**

(Thousands of Belarusian rubles, unless otherwise indicated)

29. Fair value measurement (continued)

Movements in Level 3 assets and liabilities at fair value (continued)

	1 January 2024	*Gains/ (losses) recognized in the consolidated statement of profit or loss*	*Gains/ (losses) recognized in other comprehensive income*	*Additions*	*Depreciation charge*	*Disposals*	*Transfers to Levels 1 and 2*	*Transfers to Level 3*	*31 December 2024*
Assets									
Investment securities – debt securities at FVOCI	743,106	36,076	46,847	655,851	–	(748,471)	–	36,325	769,734
Investment securities – equity securities at FVOCI	1,679	–	–	10	–	(1,306)	–	–	383
Loans to customers at FVPL	23,249	(335)	–	–	2,714	(1,587)	–	–	24,041
Property and equipment – buildings	31,985	–	(254)	–	(320)	(372)	–	–	31,039
Total Level 3 assets	**800,019**	**35,741**	**46,593**	**655,861**	**2,394**	**(751,736)**	**–**	**36,325**	**825,197**

Gains or losses on Level 3 financial instruments included in the consolidated statement of profit or loss for the period comprise:

	2025			*2024*		
	Realized gains/ (losses)	*Unrealized gains/ (losses)*	*Total*	*Realized gains/ (losses)*	*Unrealized gains/ (losses)*	*Total*
Total losses recognized in the consolidated statement of profit or loss	(1,893)	11,885	**9,992**	(1,269)	(1,110)	**(2,379)**

Significant unobservable inputs and sensitivity of Level 3 financial instruments measured at fair value to changes to key assumptions

The following table shows the quantitative information about significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy:

31 December 2025	*Carrying amount*	*Valuation techniques*	*Unobservable inputs*	*Range (weighted average value)*
Loans to customers at FVPL	24,824	Cost is determined using the discounting method on the basis of market interest rates	Discount rate	11.4-13.4
Investment securities at FVOCI				
Debt securities	395,003	Cost is determined using the cash flow discounting method on the basis of quoted market prices	Discount rate using quoted market prices	Not applicable
Equity securities	372	Cost is determined as the cost of investments using appropriate indices	Price of most recent transaction	Not applicable
Property and equipment				
Buildings	33,828	Cost is determined by an appraiser using the sales comparison method	Discount for sale	Not applicable

(Thousands of Belarusian rubles, unless otherwise indicated)

29. Fair value measurement (continued)

Significant unobservable inputs and sensitivity of Level 3 financial instruments measured at fair value to changes in key assumptions (continued)

The impact of possible alternative assumptions on measuring the fair value of Level 3 instruments is insignificant.

The following table shows the effect of reasonably possible alternative assumptions on the fair value of Level 3 instruments:

	31 December 2025		*31 December 2024*	
	Carrying amount	*Effect of reasonably possible alternative assumptions*	*Carrying amount*	*Effect of reasonably possible alternative assumptions*
Financial assets				
Loans to customers at FVPL	24,824	From (5) to 112	24,041	From 640 to 335

Decrease/increase in the discount rate (from 11.4% to 13.4%) can result in an increase/decrease in the fair value of loans to customers at FVPL specified in the table (2024: from 12.4% to 13.1%).

30. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled based on contractual terms. See Note 28 “Risk management” for the Bank’s contractual undiscounted repayment obligations.

	On demand and within 1 month	*1 to 6 months*	*6 to 12 months*	*Total within 1 year*	*1 to 3 years*	*3 to 5 years*	*More than 5 years*	*Total over 1 year*	*No stated maturity*	*Past due*	*Total*
31 December 2025											
Assets											
Cash and cash equivalents	1,396,980	–	–	**1,396,980**	–	–	–	–	–	–	**1,396,980**
Trading securities	–	–	–	**–**	–	–	–	–	5,114	–	**5,114**
Amounts due from credit institutions	56,534	1,304	1,687	**59,525**	–	–	–	–	–	–	**59,525**
Derivative financial assets	694	111	–	**805**	–	–	–	–	–	–	**805**
Loans to customers	623,474	1,408,284	370,311	**2,402,069**	454,069	139,384	157,222	**750,675**	–	39,234	**3,191,978**
Investment securities at FVOCI	4,008	180,871	4,995	**189,874**	236,787	217,093	33,930	**487,810**	372	–	**678,056**
Investment securities at amortized cost	7,603	22,060	65,547	**95,210**	550,051	280,633	151,470	**982,154**	–	–	**1,077,364**
Property and equipment	–	–	–	**–**	–	–	–	–	72,101	–	**72,101**
Right-of-use assets	–	–	–	**–**	–	–	–	–	8,621	–	**8,621**
Intangible assets	–	–	–	**–**	–	–	–	–	100,346	–	**100,346**
Income tax assets:											
- Current income tax asset	–	1,920	–	**1,920**	–	–	–	–	854	–	**2,774**
Other assets	1,332	167	642	**2,141**	227	209	387	**823**	21,002	278	**24,244**
Total assets	**2,090,625**	**1,614,717**	**443,182**	**4,148,524**	**1,241,134**	**637,319**	**343,009**	**2,221,462**	**208,410**	**39,512**	**6,617,908**
Liabilities											
Amounts due to credit institutions	191,680	262,949	18,412	**473,041**	45,859	43,618	–	**89,477**	29,100	–	**591,618**
Amounts due to the National Bank of the Republic of Belarus	9,290	–	–	**9,290**	–	–	–	–	–	–	**9,290**
Derivative financial liabilities	101	153	–	**254**	–	–	–	–	–		**254**
Amounts due to customers	1,616,841	1,182,650	335,269	**3,134,760**	164,790	1,090,637	2,536	**1,257,963**	–	–	**4,392,723**
Debt securities issued	9,564	75,676	271	**85,511**	–	107,740	100,000	**207,740**	–	–	**293,251**
Lease liability	438	1,904	1,578	**3,920**	2,678	1,069	61	**3,808**	–	–	**7,728**
Income tax liabilities:											
- Current income tax liabilities	–	1,922	–	**1,922**	–	–	–	–	–	–	**1,922**
- Deferred income tax liabilities	–	–	–	**–**	–	–	–	–	27,858	–	**27,858**
Other liabilities	3,952	7,889	27,706	**39,547**	20,662	13,855	543	**35,060**	20,525	–	**95,132**
Subordinated loan	1,410	3,962	4,675	**10,047**	16,899	14,500	87,329	**118,728**	–	–	**128,775**
Total liabilities	**1,833,276**	**1,537,105**	**387,911**	**3,758,292**	**250,888**	**1,271,419**	**190,469**	**1,712,776**	**77,483**	**–**	**5,548,551**
Net position	**257,349**	**77,612**	**55,271**	**390,232**	**990,246**	**(634,100)**	**152,540**	**508,686**	**130,927**	**39,512**	**1,069,357**

(Thousands of Belarusian rubles, unless otherwise indicated)

30. Maturity analysis of assets and liabilities (continued)

	On demand and within 1 month	*1 to 6 months*	*6 to 12 months*	*Total within 1 year*	*1 to 3 years*	*3 to 5 years*	*More than 5 years*	*Total over 1 year*	*No stated maturity*	*Past due*	*Total*
31 December 2024											
Assets											
Cash and cash equivalents	1,165,653	–	–	**1,165,653**	–	–	–	–	–	–	**1,165,653**
Trading securities	–	–	–	–	–	–	–	–	5,500	–	**5,500**
Amounts due from credit institutions	47,390	3,735	–	**51,125**	–	–	–	–	–	–	**51,125**
Derivative financial assets	74	19	–	**93**	–	–	–	–	–	–	**93**
Loans to customers	562,005	1,421,407	323,966	**2,307,378**	532,334	121,960	146,974	**801,268**	–	47,730	**3,156,376**
Investment securities at FVOCI	5,113	23,032	54,911	**83,056**	348,897	134,370	252,516	**735,783**	383	–	**819,222**
Investment securities at amortized cost	4,385	2,560	1	**6,946**	208,990	37,766	298,917	**545,673**	–	–	**552,619**
Property and equipment	–	–	–	–	–	–	–	–	61,628	–	**61,628**
Right-of-use assets	–	–	–	–	–	–	–	–	7,806	–	**7,806**
Intangible assets	–	–	–	–	–	–	–	–	77,739	–	**77,739**
Income tax assets:											
- Current income tax asset	–	6,085	–	**6,085**	–	–	–	–	–	–	**6,085**
Other assets	39,644	146	873	**40,663**	432	168	302	**902**	21,216	154	**62,935**
Total assets	**1,824,264**	**1,456,984**	**379,751**	**3,660,999**	**1,090,653**	**294,264**	**698,709**	**2,083,626**	**174,272**	**47,884**	**5,966,781**
Liabilities											
Amounts due to credit institutions	163,113	355,214	73,226	**591,553**	28,320	46,180	–	**74,500**	27,457	–	**693,510**
Amounts due to the National Bank of the Republic of Belarus	9,567	–	–	**9,567**	–	–	–	–	–	–	**9,567**
Amounts due to customers	1,071,701	1,281,315	297,775	**2,650,791**	208,718	932,324	2,346	**1,143,388**	–	–	**3,794,179**
Debt securities issued	10,476	1,575	–	**12,051**	66,760	117,984	–	**184,744**	–	–	**196,795**
Lease liability	411	1,863	1,676	**3,950**	2,544	598	163	**3,305**	–	–	**7,255**
Income tax liabilities:											
- Current income tax liabilities	–	2	–	**2**	–	–	–	–	–	–	**2**
- Deferred income tax liabilities	–	–	–	–	–	–	–	–	30,881	–	**30,881**
Other liabilities and provisions	8,169	4,634	697	**13,500**	9,379	6,238	416	**16,033**	47,126	–	**76,659**
Subordinated loan	2,180	5,190	6,131	**13,501**	21,961	18,620	101,505	**142,086**	–	–	**155,587**
Total liabilities	**1,265,617**	**1,649,793**	**379,505**	**3,294,915**	**337,682**	**1,121,944**	**104,430**	**1,564,056**	**105,464**	**–**	**4,964,435**
Net position	**558,647**	**(192,809)**	**246**	**366,084**	**752,971**	**(827,680)**	**594,279**	**519,570**	**68,808**	**47,884**	**1,002,346**

31. Related party disclosures

In accordance with IAS 24 *Related Party Disclosures*, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions which unrelated parties might not. Prices and terms of such transactions may differ from prices and terms of transactions between unrelated parties.

In the ordinary course of business, the Bank effects transactions with the entities that are ultimately controlled by the Russian Government. The balances of transactions with such entities at the reporting date comprised balances on correspondent accounts and loans from credit institutions.

"Other related parties" item includes subsidiaries of VEB.RF parent bank.

(Thousands of Belarusian rubles, unless otherwise indicated)

31. Related party disclosures (continued)

Transactions with other related parties, including VEB.RF group of companies (continued)

The outstanding balances of transactions with other related parties at the end of the reporting period are as follows:

	2025				*2024*			
	Parent	*Entities under common control of RF*	*Key management personnel*	*Other related parties*	*Parent*	*Entities under common control of RF*	*Key management personnel*	*Other related parties*
Cash and cash equivalents	102	124,539	–	–	65	200,905	–	–
Loans at 1 January	–	–	**3,886**	–	–	–	**3,329**	–
Loans issued during the year	–	–	5,355	–	–	–	2,024	–
Loans repaid during the year	–	–	(929)	–	–	–	(1,336)	–
Other changes	–	–	(2,042)	–	–	–	(131)	–
Loans outstanding at 31 December	–	–	**6,270**		–	–	**3,886**	–
Less allowance for ECL at 31 December	–	–	(8)	–	–	–	(9)	–
Loans outstanding at 31 December, net	–	–	**6,262**	–	–	–	**3,877**	–

	2025				*2024*			
	Parent	*Entities under common control of RF*	*Key management personnel*	*Other related parties*	*Parent*	*Entities under common control of RF*	*Key management personnel*	*Other related parties*
Amounts due to credit institutions at 1 January	**327,277**	–	–	**1,580**	**146,329**	**200,459**	–	**1,157**
Amounts due to credit institutions received during the year	73	–	–	–	315,554	–	–	841
Amounts due to credit institutions repaid during the year	(145,931)	–	–	–	(132,341)	(199,237)	–	–
Other changes	14,024	–	–	–	(2,265)	(1,222)	–	(418)
Amounts due to credit institutions at 31 December	**195,443**	–	–	**1,580**	**327,277**	–	–	**1,580**
Subordinated loan at 1 January	**155,587**	–	–	–	**193,470**	–	–	–
Subordinated loan received during the year	–	–	–	–	–	–	–	–
Subordinated loan repaid during the year	–	–	–	–	(50,768)	–	–	–
Other changes	(26,812)		–		12,885	–	–	–
Subordinated loan at 31 December	**128,775**	–	–	–	**155,587**	–	–	–
Deposits at 1 January	–	–	**737**	**9,658**	–	–	**208**	**6,504**
Deposits received during the year	–	–	2,771	77,169	–	–	2,169	56,228
Deposits repaid during the year	–	–	(2,105)	(87,467)	–	–	(1,468)	(53,070)
Other changes	–	–	(971)	640	–	–	(172)	(4)
Deposits at 1 January	–	–	**432**	–	–	–	**737**	**9,658**
Settlement and current accounts at 31 December	**3**	**214,666**	**1,920**	**822**	–	–	**1,639**	**1,710**
Other liabilities at 31 December	1,097	–	1	–	712	–	3	–
Credit related financial commitments at 31 December	–	–	906	–	–	–	310	–

The "Other changes" item includes translation differences and interest accrued but not paid.

(Thousands of Belarusian rubles, unless otherwise indicated)

31. Related party disclosures (continued)

Transactions with other related parties, including VEB.RF group of companies (continued)

Income and expenses arising from related party transactions during the reporting period are as follows:

	For the year ended 31 December							
	2025				*2024*			
	Parent	*Entities under common control of RF*	*Key management personnel*	*Other related parties*	*Parent*	*Entities under common control of RF*	*Key management personnel*	*Otherrelated parties*
Interest income on loans	–	11,369	393	–	63	11,285	259	–
Interest expense	(59,043)	(176)	(53)	(457)	(40,145)	(9,308)	(22)	(145)
Fee and commission income	44	27	4	43	1	33	5	23
Fee and commission expense	(20)	(519)	(40)	–	(135)	(328)	(40)	(12)
Income from transactions with foreign currency, precious metals and precious stones	–	2,460	–	161	–	1,542	–	–
Expenses from transactions with foreign currency, precious metals and precious stones	–	(223)	–	(605)	–	(436)	–	–
Gains less losses from initial recognition of financial instruments	–	–	–	–	7,306	–	–	–

In 2025, transactions with related parties were made on the following terms: period for fund raising was from 7 months to 1.3 years; in RUB was from 5% to 17%.

Compensation to key management personnel comprises the following:

	2025	*2024*
Salaries and other short-term employee benefits	15,521	13,950
Mandatory contributions to the pension fund	1,617	1,397
Social security costs	347	299
Expenses related to voluntary pension insurance	36	43
Other long-term benefits	4	19
Total compensation to key management personnel	**17,525**	**15,708**

32. Changes in liabilities arising from financing activities

	Notes	*Debt securities issued*	*Lease liabilities*	*Other borrowed funds*	*Subordinated loan*	*Total liabilities arising from financing activities*
Carrying amount at 31 December 2023	21,18,22	**99,125**	**6,198**	**46,295**	**193,470**	**345,088**
Additions		1,115,679	2,702	11,084	–	**1,129,465**
Repayment		(1,027,602)	(2,071)	(22,748)	(50,768)	**(1,103,189)**
Exchange differences		(1,096)	–	869	12,754	**12,527**
Other		10,689	426	26,953	131	**38,199**
Carrying amount at 31 December 2024	21,18,22	**196,795**	**7,255**	**62,453**	**155,587**	**422,090**
Additions		780,665	5,001	–	–	**785,666**
Repayment		(689,297)	(4,711)	(13,383)	–	**(707,391)**
Exchange differences		5,554	–	(3,675)	(24,595)	**(22,716)**
Other		(466)	183	(14,721)	(2,217)	**(17,221)**
Carrying amount at 31 December 2025	21,18,22	**293,251**	**7,728**	**30,674**	**128,775**	**460,428**

(Thousands of Belarusian rubles, unless otherwise indicated)

32. Changes in liabilities arising from financing activities (continued)

The "Other" item comprises the effect of interest on debt securities issued but not paid, other borrowed funds and subordinated loan, and lease interest and modifications. The Bank classifies interest paid as cash flows from operating activities.

33. Capital adequacy

Bank BelVEB OJSC maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the capital of Bank BelVEB OJSC is monitored using, among other measures, principals, ratios established by the Basel Capital Accord and ratios used by the National Bank of the Republic of Belarus in supervising Bank BelVEB OJSC.

Bank BelVEB OJSC manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, Bank BelVEB OJSC may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes were made in the objectives, policies and processes from the previous years.

Capital adequacy ratio of the National Bank of the Republic of Belarus

The National Bank of the Republic of Belarus requires that the amount of regulatory capital based on the conservation buffer of banks should be maintained at the level of 12.5% in 2025 (2024: 12.5%) of credit risk-weighted assets taking into account the amount of market and operating risks calculated under the legislation of the Republic of Belarus. As at 31 December 2025 and 2024, the capital adequacy ratio of Bank BelVEB OJSC on this basis was as follows:

	2025	*2024*
Main capital	681,280	625,317
Tier 2 capital	278,695	306,330
Deductions from capital	(40,177)	(26,056)
Total capital	**919,798**	**905,591**
Risk-weighted assets	**5,863,333**	**5,101,417**
Capital adequacy ratio	15.7%	17.8%

Capital adequacy ratio under Basel Capital Accord

As at 31 December 2025 and 2024, the Bank's capital adequacy ratio computed in accordance with Basel Capital Accord comprised:

	2025	*2024*
Tier 1 capital	952,210	960,966
Tier 2 capital	128,775	196,967
Total capital	**1,080,985**	**1,157,933**
Risk-weighted assets	**6,095,886**	**5,830,629**
Tier 1 capital adequacy ratio	15.6%	16.5%
Total capital adequacy ratio	17.7%	19.9%

(Thousands of Belarusian rubles, unless otherwise indicated)

34. Events after the reporting period

In January 2026, the Russian Analytical Credit Rating Agency (ACRA) upgraded the Bank's BelVEB OJSC credit rating on an international scale to BB-, and on a national scale for the Russian Federation to BBB (RU). The Bank's BelVEB OJSC credit rating on an international scale is based on a high assessment of the stability of the business model, reflecting the Bank's BelVEB OJSC significant position in the banking services market of the Republic of Belarus, as well as the Bank's BelVEB OJSC strong capital position, satisfactory risk profile, funding and liquidity assessments.

Vasil S. Matsiusheuski — Chairman of the Management Board of the Bank

Olga S. Turbina — Chief Accountant, Head of the Accounting and Taxation Department

9 March 2026