

ANNUAL REPORT 2024

Deposit Guarantee Fund

MESSAGE FROM THE CHAIRMAN OF THE ADMINISTRATIVE BOARD OF THE DEPOSIT GUARANTEE FUND

Ukraine continues to fight for its independence, a sufficient level of financial system stability and depositor rights protection has been ensured, thereby helping every citizen feel secure and confident in the preservation of their funds, even during times of hardship.

Under martial law, the Deposit Guarantee Fund maintains its focus on supporting the stability of the financial sector and strengthening depositors' trust in the banking system. Deposit guarantees are not only a matter of financial security but also serve as one of the key instruments of national resilience. Everyone must be assured that their funds held in banks remain protected, even amid profound challenges.

One of the key indicators of public trust in the banking system has been the growth of household deposits. As of the end of 2024, their total volume amounted to UAH 1,392.24 billion, with a real increase of UAH 110.6 billion over the reporting year, excluding the revaluation of foreign currency deposits.

Following the introduction in 2022 of a 100% guarantee on deposits of individuals and Sole proprietors, payments to depositors of banks have exceeded UAH 8.07 billion in total. In 2024, guaranteed compensation amounted to UAH 141.24 million. The launch of the digital service "Return of Deposits" in the "Diia" application has significantly simplified access to compensation payments and made the process of recovering funds convenient even for those with no prior experience in doing so.

Over the past three years, 10 banks have been withdrawn from the market, with only one—JSC "COMINVESTBANK"—declared insolvent in 2024. This reflects the overall resilience of the banking sector, even amid full-scale military aggression.

At the same time, following a competitive selection process conducted by the Deposit Guarantee Fund, a portion of the assets and liabilities of JSC "COMINVESTBANK" was transferred to the assuming bank—JSC "ASVIO BANK". The total amount of transferred liabilities to depositors and creditors amounted to UAH 303.7 million. This allowed for the preservation of all customer service terms without contract termination or the need for depositors' personal involvement. This is also a demonstrative case of the responsible fulfillment of deposit guarantee obligations towards citizens.

The Deposit Guarantee Fund has also continued its efforts to hold affiliated persons of banks undergoing liquidation accountable. Judicial practice in this area is gradually evolving and has already established standards of evidence and improved procedural tools that are significant for asset recovery.

In parallel, active disposal of the assets of such banks was conducted, and in 2024, UAH 2.15 billion was allocated to satisfy creditors' claims. This outcome reflects systematic efforts aimed at preserving and mobilizing available resources.

In addition, the Deposit Guarantee Fund, in cooperation with the National Bank of Ukraine, continues to actively work on aligning national legislation with European Union standards in the field of deposit insurance. These efforts contribute to strengthening trust among both domestic and international stakeholders and enhancing the resilience of the deposit guarantee system in Ukraine.

The Deposit Guarantee Fund also placed particular emphasis on increasing the level of financial literacy among the population. In times of economic hardship, it is essential not

only to ensure the safety of funds but also to provide citizens with access to quality information regarding their rights and financial opportunities.

The year 2024 marked a phase of strengthening the institutional capacity of the deposit guarantee system. Key processes were maintained without interruption, mechanisms were adapted to the new realities, and efforts to improve the system's operational efficiency were sustained.

We are grateful to depositors, the banking system, and our partners for their trust and support, which help us overcome all challenges in these challenging times.

Oleksandr ZYMA
Chairman of the
Administrative Board
of the Deposit Guarantee Fund

MESSAGE FROM THE MANAGING DIRECTOR OF THE DEPOSIT GUARANTEE FUND

In 2024, the Deposit Guarantee Fund continued to implement its objectives aimed at strengthening public trust in the banking system and ensuring the financial security of the state. Thanks to systematic and consistent efforts, these goals were achieved despite the overall climate of uncertainty in Ukraine and globally, primarily due to the ongoing full-scale war of the Russian Federation against Ukraine, as well as other internal and global factors.

Despite the impact of external challenges, the Deposit Guarantee Fund ensured the uninterrupted performance of all functions assigned to it by law and continued to pursue the goals outlined in the Financial Sector Development Strategy, Ukraine's international commitments under cooperation with the IMF, and in light of the country's prospects for European Union membership—as one of the key components of the national financial system.

The year 2024 marked the third year of the 100% deposit guarantee scheme, introduced at the initiative of the President in 2022 for the duration of martial law and for three months following its termination. Practice has shown that this measure contributed to maintaining public trust in the banking system and became a safeguard of financial security for millions of Ukrainians. As demonstrated by the nationwide public survey "Consumer Awareness of the Deposit Guarantee System", the results of which were published in March 2024, the majority of Ukrainians (64%) trust banks, with this trust largely attributed to the existence of deposit guarantees.

Throughout 2024, the volume of individual deposits in banks increased from UAH 1,234.80 million to UAH 1,392.24 million.

In total, during 2024, the Deposit Guarantee Fund paid out UAH 141.24 million to depositors of insolvent banks, with the majority of these payments made to depositors of banks covered under the 100% deposit guarantee provision.

At the end of 2024, the Deposit Guarantee Fund initiated the market exit procedure for PJSC "COMINVESTBANK" and successfully conducted a campaign to identify an assuming bank. This marks the 12th case in which the Deposit Guarantee Fund has withdrawn a bank from the market using a method other than full liquidation. In doing so, we are steadily moving toward our goal of expanding the use of such alternative resolution mechanisms for insolvent banks.

In addition, another bank joined the list of the Deposit Guarantee Fund's agent banks. As a result, a total of 16 banks are now making daily payments to depositors, ensuring even greater accessibility to guaranteed compensation.

In total, proceeds received by banks under liquidation by the Deposit Guarantee Fund amounted to nearly UAH 4 billion in 2024. The majority of these funds were generated from the sale of bank property (assets) and the repayment of outstanding loans. At the same time, the Deposit Guarantee Fund continues to improve asset management procedures for banks under its administration. In particular, the DGF extended programs for loan restructuring for individuals and business entities, which enabled the repayment of over UAH 0.4 billion in loans during the year. This serves a crucial dual purpose: on the one hand, it creates optimal and borrower-friendly conditions for loan repayment; on the other, it ensures a steady cash flow from loan repayments to meet the claims of creditors of insolvent banks.

Moreover, the DGF continuously enhances its approaches to the sale of assets belonging to banks under its management. Notably, for the second consecutive year, a sector-

based asset sales project has been in operation for banks being liquidated by the Deposit Guarantee Fund. During the implementation of this initiative, assets worth over UAH 360 million have been sold.

Litigation aimed at recovering damages from persons affiliated with banks, as well as other individuals involved with these banks, continues within commercial, civil, and criminal proceedings. As of the end of 2024, the Deposit Guarantee Fund had filed over 140 lawsuits totaling more than UAH 220 billion.

The Deposit Guarantee Fund remains committed to implementing the objectives outlined in the Financial Sector Development Strategy and continues to work systematically on aligning with EU directives and best practices—thereby making a significant contribution in light of Ukraine’s prospects for European Union membership. In this regard, the DGF’s policy focuses, in particular, on introducing key European practices such as extending deposit guarantees to legal entities, ensuring guaranteed protection for credit union members, reducing the payout period for depositors to seven days, and gradually establishing the guaranteed compensation limit at the level of EUR 100,000.

The implementation of European Union directive requirements will also include improving early intervention measures and preparing action plans for the timely and appropriate response of the Deposit Guarantee Fund in the event of a bank’s deterioration. This is necessary to ensure the stability of Ukraine’s banking system and to minimize the costs incurred by the Deposit Guarantee Fund in the process of withdrawing such a bank from the market.

The Fund continuously assesses the financial resilience of the deposit guarantee system. As of the end of 2024, the DGF’s target ratio stood at 3.04%, and its adjusted capital exceeded UAH 42 billion, showing positive growth dynamics. The DGF is financially stable both in the short and long term, enabling it to cover existing risks and meet its obligations to the State Budget.

One of the key factors ensuring the effectiveness of the Deposit Guarantee Fund’s operations is high-quality communication support for its initiatives and ongoing activities. We provide systematic communication with financial service users, experts, and representatives of all branches of government based on transparency. The public is regularly informed about deposit protection guarantees and other measures aimed at strengthening the protection of depositors and bank creditors. This contributes to reinforcing trust in the banking system even during wartime conditions.

Olga BILAY
Managing Director
Deposit Guarantee Fund

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LIST OF ABBREVIATIONS

ABS – Automated Banking System

ASKOD – Automated Electronic Document Management System of the DGF

JSC – Joint Stock Company

UK - United Kingdom of Great Britain and Northern Ireland

USR - Unified State Register of Legal Entities, Sole proprietors and Public Organizations

Law – Law of Ukraine "On Household Deposit Guarantee Scheme"

Law No. 2180 – Law of Ukraine "On Amendments to Certain Laws of Ukraine Regarding Ensuring the Stability of the Household Deposit Guarantee Scheme" dated April 1, 2022 No. 2180

Law No. 2102-IX – Law of Ukraine "On Approval of the Decree of the President of Ukraine "On the Imposition of Martial Law in Ukraine" dated February 24, 2022 No. 2102-IX (as amended)

UOIS – Unified Operational and Information System of Insolvent Banks

EFDI – European Forum of Deposit Insurers

ICC – Information and Consultation Center

QES – qualified electronic signature

Fund Committee – the DGF's Committee on Consolidation, Management and Sale of Property (Assets) of Banks

CMU – Cabinet of Ministers of Ukraine

IASD – International Association of Deposit Insurers

IMF – International Monetary Fund

Minjust — Ministry of Justice of Ukraine

NBU – National Bank of Ukraine

NSSMC – National Securities and Stock Market Commission

OVDP — Domestic Government Bonds

ODB – Bank Operation Day

PJSC – Public/Private Joint Stock Company

FSC – Financial Stability Council

rf – russian federation

BE – business entities

USA – United States of America

DGF – Deposit Guarantee Fund

EU – European Union

USAID – United States Agency for International Development

DWH (data warehouse) is a software package for removing insolvent banks from the market

I. REPORT ON THE ACTIVITIES OF THE DEPOSIT GUARANTEE FUND OPERATIONS FOR 2024

Mission, vision, policy objective and functions of the Deposit Guarantee Fund

MISSION OF THE DGF:

Insuring deposits, protecting the rights of creditors, raising financial literacy to reinforce public trust in the state financial system and enhance the welfare of people

VISION OF THE DGF:

The Deposit Guarantee Fund is a transparent, innovative, and reliable partner for preventing financial losses and setting benchmarks for deposit insurance systems globally.

POLICY OBJECTIVE OF THE DGF:

To ensure operations of the Household Deposit Guarantee Scheme, insolvent bank resolution and liquidation of banks.

FUNCTIONS OF THE FOUNDATION:

In order to fulfill its policy objective, the DGF shall perform the following functions in accordance with the procedure provided for by the Law of Ukraine "On Household Deposit Guarantee Scheme" (hereinafter referred to as the "Law"):

- 1) maintaining the Register of DGF members;
- 2) accumulating funds from the sources as set in Article 19 of the Law "On Household Deposit Guarantee Scheme" and supervising premium payments from the DGF member;
- 3) investing the DGF monetary funds in government securities of Ukraine and bonds of international financial organizations placed in the territory of Ukraine;
- 3¹) placing corporate bonds in the manner and in the spheres of funds allocation defined by the Law, and issuing promissory notes in the cases provided for by the Law on the State Budget of Ukraine for the corresponding year;
- 4) taking measures to facilitate deposit payouts within the time limits specified in the Law;
- 5) regulating the banks' membership in the household deposit guarantee scheme;

- 6) participating in problem banks inspections upon the proposal of the National Bank of Ukraine;
- 7) applying financial sanctions to and imposing fines on banks and bank senior executive management as appropriate;
- 8) taking measures to prepare for the introduction of the procedure for bank resolution, including organizational measures for holding an open auction and determining the least expensive method of bank resolution; carry out insolvent bank resolution, including through the implementation of the resolution plan, implementation of the provisional administration, and bank liquidation;
- 9) inspecting banks pursuant to the Law;
- 10) providing financial support to banks pursuant to the Law;
- 11) analyzing the financial position of banks in order to identify their operational risks, and project DGF potential costs of insolvent banks resolution and deposit compensation;
- 12) sending relevant inquiries to clients, depositors, and other bank creditors in accordance with the procedure established by the DGF;
- 13) taking measures to educate the public about the household deposit guarantee scheme, protection of rights and legally protected interests of depositors, increasing the level of financial literacy of the population in accordance with the Law;
- 14) studying and analyzing markets of financial resources raised by DGF members from depositors.

The DGF shall perform other functions within the limits of its powers defined by the Law and other legislative acts.

1. HOUSEHOLD DEPOSIT GUARANTEE SCHEME IN CONDITIONS OF A FULL-SCALE WAR:

2024 THE YEAR IN REVIEW

One new bank, JSC "COMINVESTBANK," was placed under the management of the Fund. Following a successful open tender aimed at withdrawing this bank from the market and selecting an acquiring bank, part of the assets and liabilities of JSC "COMINVESTBANK" were transferred to the acquiring bank — the tender winner, JSC "ASVIO BANK." One bank was liquidated. Three banks joined the list of DGF's agent banks, bringing the total number of agent banks to 16. UAH 141.24 million was paid out from DGF's resources as compensation; UAH 2.15 billion was repaid on creditor claims; and UAH 3.8 billion was received by insolvent banks. The year 2024 marked a year of qualitative changes and productive work for the Fund.

In 2024, the DGF underwent a leadership change due to the completion of the legislatively prescribed five-year term of the DGF's managing director. The leadership transition took place while preserving all the best practices and outlining tasks for the medium- and long-term perspective. The DGF has honorably continued to fulfill its mission of protecting the rights and lawful interests of bank depositors.

MAIN INDICATORS OF THE DGF OPERATIONS

As of January 1, 2025, the DGF capital (net assets) amounted to UAH 33,556 billion.

As of January 1, 2025, the DGF assets exceeded UAH 45,964 billion, an increase of UAH 12,717 billion, or 38%, over the previous year.

During 2024, the DGF received:

- contributions from member banks in the deposit guarantee scheme: UAH 8,524.91 billion;

- income from interest on domestic government bonds in the amount of UAH 4,819.05 billion;

- interest on cash and cash equivalents placed with the National Bank of Ukraine (hereinafter referred to as the "NBU") in the amount of UAH 141.80 million;

As of January 1, 2025, the DGF target indicator stands at 3.04%, exceeding the value approved by the Administrative Board by 0.54%. Thus, the amount of excess adjusted capital as of January 1, 2025, amounts to UAH 7,503.75 million. The adjusted capital as of January 1, 2025, is UAH 42,211.68 million, showing growth dynamics.

In 2024, the DGF continued conducting stress testing of the Deposit Guarantee System and, as a result, calculated the target indicator value and the timelines for its achievement. The calculations, which involve establishing a "dynamic" target indicator with a four-year timeframe for achievement—under which the DGF's target indicator of 3.5% is expected to be reached by January 1, 2028—were approved by the DGF's Executive Board decision dated June 21, 2024, No. 690 "On Establishing the DGF's

Target Indicator Values and Deadlines for Their Achievement” and ratified by the DGF’s Administrative Board on June 27, 2024.

At the beginning of 2024, the DGF had 63 participating banks. During 2024, one bank—JSC “ALPARI BANK”—was removed from the DGF’s register after it voluntarily ceased banking operations without terminating its legal entity. As a result, by the end of 2024, the DGF had 62 banks as participants, all licensed by the National Bank of Ukraine to provide banking services.

In 2024, the total amount of deposits increased by UAH 157.44 billion, or 12.7%, reaching UAH 1,392.24 billion. The total deposits in banks with state ownership amounted to UAH 865.70 billion, which is 62.2% of the total deposits within the DGF.

During 2024, deposits in the national currency grew by UAH 103.16 billion, or 13.0%, totaling UAH 899.51 billion, and by year-end their share reached 64.6%. Term deposits amounted to UAH 417.57 billion (30.0%), while deposits in current accounts totaled UAH 971.24 billion (69.8%).

The number of depositors in DGF’s participant banks increased by 2.1 million persons, or 3.2%, to 69.8 million people by the end of 2024. The number of Sole proprietors among depositors reached 2.22 million people, representing 3.2% of all depositors, with total deposits of UAH 168.91 billion, which accounts for 12.1% of the total deposit amount.

As of January 1, 2025, the total assets of the DGF members amounted to UAH 3,768.4 billion, including UAH 1,054.8 billion in foreign currency, which accounts for 28.0% of the asset structure. Net assets totaled UAH 3,416.1 billion, and reserves for total assets amounted to UAH 352.3 billion. In 2024, the total assets of the Fund participants increased by UAH 457.1 billion, or 13.8% (compared to UAH 594.5 billion, or 21.9%, in 2023), while net assets grew by UAH 471.1 billion, or 16.0% (compared to UAH 593.4 billion, or 25.2%, in 2023). At the same time, reserves for assets decreased by UAH 14.0 billion, or 3.8% (whereas in 2023 reserves increased by UAH 1.2 billion, or 0.3%). The main causes of the growth in total assets were increased investments in government securities and loans provided to clients.

Total liabilities of the DGF members as of January 1, 2025, amounted to UAH 3,047.4 billion, including UAH 993.4 billion in foreign currency, which represents 32.6% of the resource structure. In 2024, total liabilities of the DGF members increased by UAH 398.4 billion, or 15.0% (compared to UAH 513.1 billion, or 24.0%, in 2023), mainly due to increased client funds and foreign exchange revaluation.

Since the beginning of 2024, the equity capital of the DGF members increased by UAH 72.6 billion, or 24.5%, reaching UAH 368.7 billion by the end of the year. In 51 banks, capital grew by a total of UAH 73.0 billion, while in 11 banks it decreased by UAH 0.2 billion (after 2023, the respective numbers were 55 and 8). The system also lost UAH 0.2 billion due to the cessation of operations of JSC “ALPARI BANK.” The main reason for the capital increase was the profitable activity of banks, which earned UAH 90.9 billion during the reporting year. In 2024, banks demonstrated the best financial result in the entire history of Ukraine’s banking system, exceeding the previous record

profit in 2023 by UAH 7.9 billion (in 2023, the system earned UAH 83.0 billion), and increasing by UAH 69.0 billion or 4.1 times compared to 2022. Capitalization growth was also supported by a positive revaluation of securities in the former sale portfolio amounting to UAH 10.8 billion. At the same time, dividend accruals by two state-owned banks for the results of 2023 totaling UAH 32.0 billion negatively affected the system's capital.

During 2024, guaranteed compensation payments were made to depositors of 31 banks. The total guaranteed compensation amount paid during 2024 from the DGF's resources was almost UAH 141.24 million. This was facilitated by 15 agent banks. Of the total guaranteed amount paid to depositors, UAH 34.38 million was reimbursed remotely by the DGF's agent banks, and UAH 14.67 million was paid through the Diia application by the DGF's agent banks. The share of online payments of guaranteed compensation in 2024 accounted for 38% of the total payments made by DGF's agent banks, including 24% via online services of agent banks and 14% via the Diia app.

As a result of 2024, the largest compensation amounts were paid to depositors of JSC "AKB KONKORD" (35.83 million UAH), JSC "MEGABANK" (33.12 million UAH), and JSC "UKRBUDEINVESTBANK" (22.09 million UAH).

During 2024, one bank was transferred to the management of the DGF– JOINT STOCK COMPANY "COMMERCIAL INVESTMENT BANK" (hereinafter – JSC "COMINVESTBANK"), which was declared insolvent by the NBU. As a result of the open competition held by the DGF to withdraw the insolvent JSC "COMINVESTBANK" from the market, JSC "ASVIO BANK" was recognized as the winner. Its competitive proposal corresponded to the least costly way of withdrawing the insolvent bank from the market in a way that provides for the transfer of part of the assets and liabilities of the insolvent bank to the acquiring bank with the subsequent liquidation of the insolvent bank. The total value of the assets transferred to the acquiring bank from the insolvent JSC "COMINVESTBANK" equaled the amount of its liabilities transferred to JSC "ASVIO BANK" – 303.7 million UAH.

Proceeds to JSC "COMINVESTBANK" during the period of temporary administration amounted to UAH 137.67 million, including repayments of clients' loan debt (UAH 32.45 million), income received from activities and services continued during the temporary administration period (UAH 7.99 million), funds from repayment of NBU deposit certificates and coupon income on government domestic loan bonds (UAH 10.53 million), etc.

As of December 31, 2024, the DGF managed 54 banks (39 banks¹ under direct management of the DGF), of which one bank had a temporary administration introduced, 20 banks were undergoing liquidation procedures,

¹ Banks are under the direct management of the DGF without delegating all or part of the DGF authority to an authorized person.

and 33 banks had completed the liquidation procedure². Due to circumstances preventing the sale of the bank's property (assets) and satisfaction of creditors' claims, the DGF extended the period of management of the property (assets) and satisfaction of creditors' claims for the duration of martial law and 6 months from the date of termination or cancellation of martial law in Ukraine for PJSC "PROMINVESTBANK" and JSC "MR BANK".

During 2024, 3 banks were directly taken under the DGF³ management – JSC "MISTO BANK", JSC "CB ZEMELNY CAPITAL," and JSC "ZLATOBANK," in which the liquidation procedure was subsequently completed by compiling and approving liquidation balances and reports on the execution of the liquidation procedure. Also, in 2024, the liquidation procedure of PJSC "BANK CAMBIO" was completed, and the liquidation of JSC AKB "ARKADA" was completed, with the record of the bank's termination as a legal entity entered into the Unified State Register on July 29, 2024.

In 2024, an analysis was conducted of the effectiveness of cooperation between the DGF/banks being liquidated by the DGF and private executors in the process of collecting debt from the debtors of these banks. In total, during 2024, 225 enforcement documents were submitted for distribution to the DGF, and private executors collected funds in favor of the banks amounting to UAH 10.24 million.

On October 30, 2024, PJSC "PROMINVESTBANK" received an official letter from the U.S. Department of the Treasury notifying that the U.S. Office of Foreign Assets Control (OFAC) determined that there are no grounds to include PJSC "PROMINVESTBANK" on the Sanctions Identification List. This was the result of the Fund's work to recover funds of JSC "MR BANK" and PJSC "PROMINVESTBANK" held in correspondent accounts at "BANK OF NEW YORK MELLON", USA, and "CITIBANK N.A LONDON," UK, which had been blocked due to U.S. sanctions.

After prolonged court proceedings, in 2024 the DGF restored control over another "zombie bank." As of May 15, 2024, information about PJSC "CSG BANK" was restored in the Unified State Register as a legal entity undergoing liquidation, and on June 7, 2024, a record appeared around the liquidation of PJSC "CSG BANK" by an authorized person of the DGF. This made it possible to resume payment of guaranteed compensation to depositors and to carry out an inventory of the bank's assets for their further sale to satisfy the claims of the bank's creditors in accordance with Article 52 of the Law.

In 2024, the DGF appealed the reasoning part of the decision of the Commercial Court of Kyiv city in case No. 910/2776/24 regarding the claim against JSC "MR Bank" for the obligation to pay funds exceeding UAH 6 million.

2 The bank's liquidation procedure is considered completed from the moment the liquidation balance sheet is approved, and the bank is deemed liquidated from the moment the record of the bank's termination is entered into the Unified State Register of Legal Entities, Sole proprietors, and Public Formations (Part 3, Article 53 of the Law).

3 The DGF directly manages the bank without delegating all or part of the DGF's powers to an authorized person.

The result of this was the adoption on November 27, 2024, by the Northern Commercial Court of Appeal of a ruling that upheld the DGF's position regarding the moratorium (prohibition) on the fulfillment of monetary and other obligations by creditors (claimants) who are the Russian Federation or persons associated with the aggressor state, including those who changed the composition of participants (owners, founders, ultimate beneficiaries) after the Cabinet of Ministers of Ukraine Resolution No. 187 dated March 3, 2022, "On Ensuring the Protection of National Interests Regarding Future Claims by the State of Ukraine in Connection with the Military Aggression of the Russian Federation," came into effect.

As of December 31, 2024, the total book value of assets of 16⁴ banks under the DGF management, for which the DGF's Executive Board approved the register of accepted creditor claims, amounted to UAH 80 986, 57 million, while their estimated value was UAH 14 385,23 million, or 17.0% of the book value, which is obviously insufficient to satisfy all creditor claims against the banks. The total amount of approved accepted creditor claims as of December 31, 2024, amounted to UAH 342,965.63 million (including banks that have completed liquidation), of which UAH 70,922.33 million has been repaid. During 2024, repayments across all creditors claim ranks amounted to UAH 2 148,65 million.

In 2024, the total cash inflows to banks under the management of the DGF amounted to UAH 3,807.88 million. The largest amount (UAH 780.08 million), which accounts for 20.5% of the total inflows for the year, was received by JSC "MR BANK." The second highest inflow was to JSC "AKB KONKORD" with UAH 595.50 million, or 15.6% of the total inflows. JSC "IBOX BANK" received UAH 587.68 million, or 15.4% of all inflows. JSC "PROMINVESTBANK" ranked fourth by inflows with UAH 536.47 million, which represents 14.1% of the total amount received. The share of inflows from other banks was less than 10% of the total sum. The largest share (36.8%) of inflows to banks under the DGF's management in 2024 came from the sale of assets of these banks.

During 2024, the DGF conducted over 5,100 open electronic auctions, of which more than 470 auctions were successful. As a result of 2024, banks being liquidated by the DGF concluded purchase-sale agreements for bank property (assets) and carried out sales directly to legal entities or individuals totaling UAH 1,380.37 million. According to the results of purchase-sale agreements and direct sales of bank property (assets) in 2024, 87% of the realized bank property (assets) from the total volume belonged to 5 banks. At the same time, 53% of the annual sales amount under agreements concluded in 2024 was obtained from the sale of property (assets) of former subsidiaries of Russian state banks in Ukraine: UAH 419.50 million from the sale of property (assets) of PJSC "PROMINVESTBANK" and UAH 313.82 million from JSC "MR BANK."

⁴ The number of banks in which the balance of liquidation has not been approved.

The largest share of the total amount of concluded contracts for the purchase and sale of property (assets) of banks being liquidated by the DGF is made up of the realization of claims under loan agreements concluded with individuals and legal entities — almost 59% of the total sales volume, and the sale of real estate, land plots, vehicles, other fixed assets, and intangible assets (excluding direct sales to legal or physical persons) — over 39%.

In the structure of concluded assignments of claims under loan agreements, 65% are claims under loan agreements concluded with legal entities, and 35% are claims under loan agreements concluded with individuals. In the structure of concluded purchase and sale contracts of real estate and movable property, 88% are residential and non-residential real estate objects, 4.0% are land plots, 1.0% are vehicles, and 7.0% are other fixed assets (furniture, equipment, intangible assets, etc.).

Since 2023, the DGF has been applying an approach to the sale of property (assets) — the formation of pools of loans of business entities based on an industry approach, where the type of activity according to the Classification of Types of Economic Activities (KVED) is a common characteristic of all borrowers. Thus, in 2023–2024, 34 electronic auctions (biddings) were organized and held based on the industry approach, 6 of which ended with the signing of assignment agreements for claims under loan agreements.

In 2024, under the approach "one bank = one pool," purchase and sale agreements for assets were concluded for 2 lots with a book value of 18,920.26 million UAH and a sale price of 41.93 million UAH, resulting in an overall conversion rate of 0.2%.

Overall, during 2024, because of various methods of asset management, inflows to banks liquidated by the DGF amounted to 2,285.45 million UAH. Inflows to the banks liquidated by the DGF from loan debt repayments amounted to 615.50 million UAH. Of the total amount of loan debt repayments, 433.78 million UAH were received by the banks liquidated by the DGF because of loan debt restructuring programs. For 2024, inflows to banks liquidated by the DGF under loan agreements with individuals who joined the Debt Repayment Terms amounted to 60.03 million UAH, and under loan agreements with agricultural producers (BE) - 373.75 million UAH.

During 2024, the DGF made 31 decisions to lease property of banks being liquidated by the DGF and conducted a total of 29 auctions, of which 19 were successful. In 2024, revenues to the banks under liquidation from leasing property amounted to 46.05 million UAH.

Given the ongoing hostilities, in 2024 the DGF continued taking measures to support the Security and Defense Forces of Ukraine. In accordance with the provisions of the Law of Ukraine “On Transfer, Forced Alienation or Seizure of Property under the Legal Regime of Martial Law or State of Emergency,” the Law of Ukraine “On the Legal Regime of Martial Law,” the Law of Ukraine “On Mobilization Preparation and Mobilization,” and the Cabinet of Ministers Resolution dated December 28, 2000 No. 1921 “On Approval of the Regulation on Military-Transport Duty,” the Fund transferred to the Security and Defense Forces of Ukraine for the duration of martial law 8,885 units of property from the banks under liquidation, with a total book value of 982.60 million

UAH, including 39 vehicles with 16 additional components (with a book value of 7.50 million UAH); 5,584 units of real estate and movable property were transferred for temporary free use (book value of 650.60 million UAH); 3,246 units of real estate and movable property were forcibly alienated (book value of 324.50 million UAH).

During 2024, the DGF conducted 45 investigations concerning 35 insolvent banks to identify damages (losses) caused to the banks and their creditors (former creditors) by decisions, actions, or inactions of persons affiliated with these banks, as well as by the aggressor state. In 2024, damages (losses) to the banks and their creditors were identified totaling 42,785.53 million UAH.

As of December 31, 2024, the DGF has filed 144 lawsuits in commercial, civil, and criminal proceedings against 1,240 persons⁵ affiliated with banks concerning 65 insolvent banks, with a total claim amount exceeding 220,279.50 million UAH. The total amount of the DGF's claims satisfied by court decisions that have entered into legal force is 12,954.74 million UAH.

Also, as of December 31, 2024, the DGF has filed 2 claims against the Russian Federation seeking damages related to 2 banks totaling 2,594.54 million UAH, of which 1,943.57 million UAH was awarded pursuant to the Commercial Court of Kyiv city decision dated January 23, 2024 in case No. 910/7444/23 regarding PJSC "CB UFS," which has entered into legal force and is final.

In total, during 2024, the DGF published 535 materials on its official website, including 300 press releases, which were also distributed to media representatives. Around 25 thematic interviews with the DGF's management, opinion pieces, media comments, and similar content were organized. Additionally, the Fund prepared and provided journalists with informational materials used in 8 informational-analytical publications in the media.

On the DGF's Facebook page, 376 posts were published throughout 2024, including 68 video clips featuring video comments from members of the Executive Board and heads of relevant departments, as well as recordings of television appearances by the DGF's spokespersons. On Instagram, more than 350 posts related to key areas of DGF's activities were shared. Furthermore, the DGF has been developing its Telegram channel, where 281 posts were published in 2024. During 2024, DGF's informational materials reached 1.3 million Facebook users, 0.7 million

⁵ One person may simultaneously be a defendant in several proceedings and/or in relation to multiple insolvent banks.

Instagram users, over 160,000 Telegram users, and videos on DGF's YouTube channel reached 1.3 million views.

Even though in 2024 the number of banks that came under the management of the DGF was lower than in 2022–2023, depositors, borrowers, and other citizens actively contacted the DGF's ICC with various questions. Thus, in 2024, the DGF provided 15,089 telephone consultations, of which 224 were outgoing calls to citizens in response to missed calls from them; 550 inquiries were processed and responses were provided to 101 requests for public information via electronic means of communication; 89 letters of response were prepared and sent to appeals from citizens and representatives of public organizations, legal entities, or government authorities.

In 2024, the DGF continued to implement measures aimed at increasing public awareness about the deposit guarantee system and financial literacy of the population through: systematic interaction with the educational environment; expansion of the circle of partners; the DGF's financial literacy social networks; conducting information campaigns within the framework of international financial literacy initiatives; training of regional representatives – the DGF's Financial Literacy Ambassadors and teachers – leaders of financial literacy clubs, participants of the Pilot Financial Literacy Project in Kryvyi Rih; holding the First International Financial Literacy Tournament in Vienna, Austria. In addition, the DGF implemented a program of measures aimed at protecting depositors' rights.

2. BANKING SECTOR OVERVIEW AND REGULATORY OPERATIONS

At the end of 2024, there were 62 banks participating in the DGF that held an NBU license to provide banking services.

The law stipulates that participation of banks in the DGF is mandatory. A bank acquires the status of a DGF participant on the day it obtains a banking license.

The DGF excludes a bank from the list of its participants if the NBU adopts a decision to revoke the bank's license and liquidate the bank.

Trends of the number of DGF members are shown in Figure 2.1:

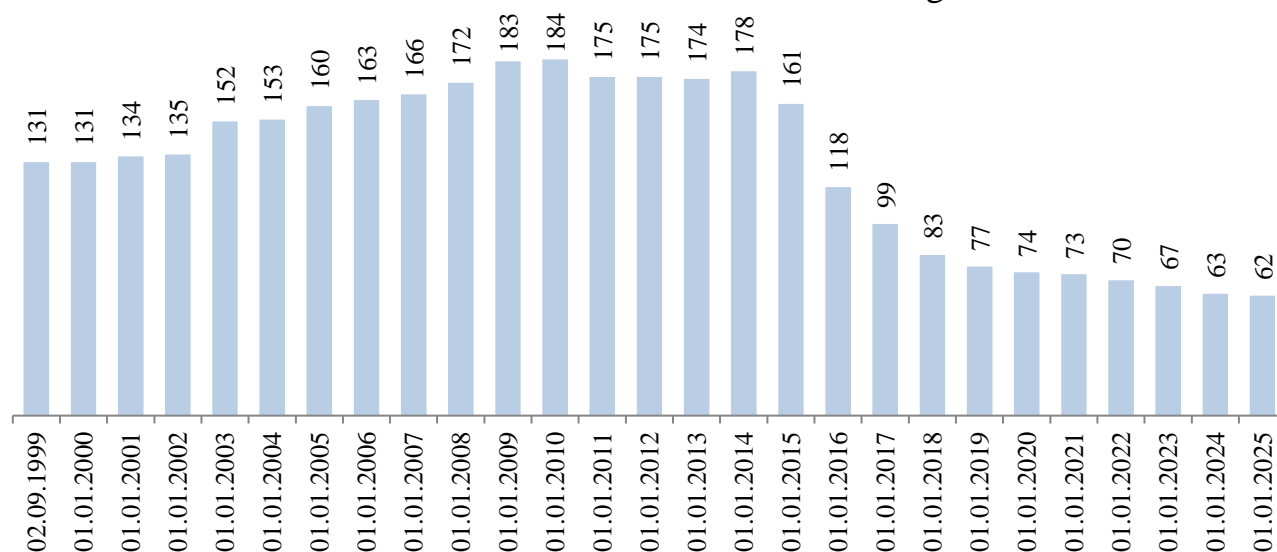


Figure 2.1. Trends of the number of DGF members

In 2024, one bank was excluded from the DGF register of participants – JSC “ALPARI BANK”, which ceased banking activities on its own initiative without terminating its legal entity status.

Trends of exclusion of DGF members are shown in Figure 2.2.:

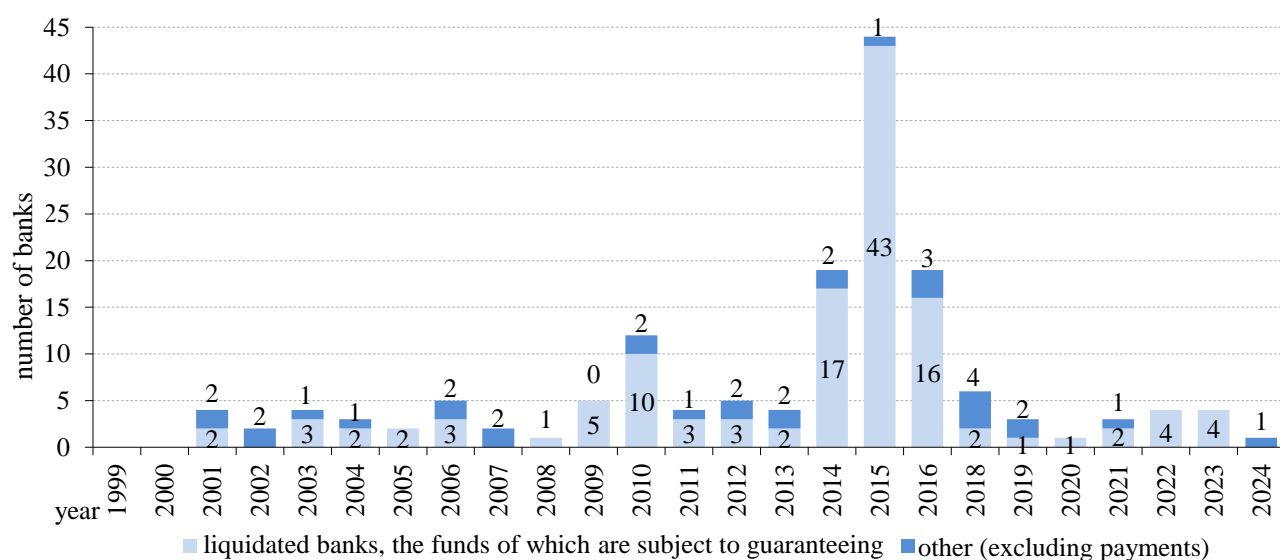


Figure 2.2. Trends of banks from the register of DGF members

In 2024, the number of banks with foreign capital (more than or equal to 10.00%) decreased from 27 to 26.

In 2024, the distribution of active banks into groups (in accordance with the decision of the Committee on Banking Supervision and Regulation, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine dated February 20, 2024, No. 24/142-пк) was as follows:

- 5 – banks with state-owned share – banks in which the state directly or indirectly owns more than 75% of the bank's authorized capital. By the end of the year, the number of such banks was 7. In 2024, JSC "FIRST INVESTMENT BANK" and JSC "MOTOR-BANK" were transferred to state ownership represented by the State Property Fund of Ukraine.
- 14 – banks of foreign banking groups – banks whose controlling stakes are owned by foreign banks or foreign financial-banking groups. By the end of the year, the number of such banks remained 14.
- 44 – banks with private capital – banks in which one or more private investors are among the ultimate beneficial owners with direct and/or indirect ownership of at least 50% of the bank's authorized capital. By the end of the year, the number of such banks was 41 (including JSC "COMINVESTBANK", which was classified as insolvent by the decision of the NBU Board dated December 5, 2024, No. 425-пш БТ).

2.1 Overview of the DGF members' financial indicators

The analysis of the financial indicators of the DGF's members was carried out based on balance sheet data as of January 1, 2023, January 1, 2024, and January 1, 2025, considering year-end adjusting entries for 2023 and 2024. As a result, the indicators as of January 1, 2024, may differ from those published in the previous annual report of the DGF for 2023, which was compiled without accounting for the respective year-end adjustments.

At the beginning of 2024, there were 63 banks participating in the DGF that held an NBU license for banking operations. No new participants joined the DGF during 2024. At the same time, JSC "ALPARI BANK" was removed from the register of participants due to the termination of its banking activity without terminating its legal entity status. Thus, by the end of 2024, there were 62 participants listed in the DGF's register.

The exclusion of these banks did not have a significant impact on the trends of systemic indicators due to the small share of these DGF members (Table 2.1.1).

Table 2.1.1

Data on the indicators of JSC "ALPARI BANK", which was excluded from the DGF's register of participants in 2024

(UAH million)

Indicators	As of January 1, 2024		
	Amount for the excluded bank	Share in the total number of participants, %	Total amount by participants
Net assets	183,6	0,0	2 945 029,7
including loan and investment portfolio less provisions	172,3	0,0	2 174 124,5
Total liabilities	9,7	0,0	2 648 986,1
including household deposits (according to form 1F)	0,2	0,0	1 234 800,9
Equity	173,9	0,1	296 043,6
including paid authorized capital	232,0	0,1	404 751,2

In 2024, the NBU changed the discount rate four times, which was set at 15.0% starting from December 15, 2023. Thus, during the first half of the year, against the backdrop of slowing inflation, improved inflation expectations, and a sufficient level of international reserves, the interest rate was gradually reduced — first to 14.5% (effective from March 15, 2024), then to 13.5% (from April 26, 2024), and finally to 13.0% (from June 14, 2024). At the same time, in the second half of the year, taking into account the projected increase in inflationary pressure and the upward shift in the balance of risks, the NBU kept the key policy rate unchanged, and as of December 13, 2024 raised it to 13.5% to maintain control over inflation expectations and ensure a gradual return of inflation to the 5% target in the medium term.

According to [the Main Principles of Monetary Policy for the Medium Term Perspective](#), under the regime of flexible inflation targeting, the key policy rate is applied by the NBU in a consistent combination with foreign exchange policy measures, currency restrictions, as well as other monetary instruments to ensure price stability, protect hryvnia savings from inflationary depreciation, and maintain a stable and controlled situation in the foreign exchange market.

After a decline in the first half of the year, consumer inflation rose in autumn, particularly due to the sharp increase in food prices, further growth in business costs for energy supply and labor remuneration, and the effects of hryvnia exchange rate depreciation. As a result, consumer inflation for 2024 amounted to 12.0% compared to 5.1% in 2023. At the same time, the NBU expects inflation to return to a trajectory of steady decline in the second half of 2025, facilitated by measures of interest rate and foreign

exchange policy, as well as higher crop yields and improvements in the energy sector. According to the NBU forecast published in [the Inflation Report in April 2025](#), inflation is expected to slow down to 8.7% year-on-year by the end of 2025 with a further decrease to 5.0% in 2026.

Over the past year, the official UAH/USD exchange rate increased by 4.0566 UAH (UAH depreciated by 10.7%) and as of the end of 2024 amounted to 42.0390 UAH per USD. The official UAH/EUR exchange rate in 2024 increased by 1.7187 UAH (UAH depreciated by 4.1%) and amounted to UAH 43.9266 per EUR at the end of the year. Starting from October 3, 2023, the NBU switched to a managed exchange rate flexibility regime, whereby the official exchange rate is determined based on the following exchange rates for transactions in the interbank market, rather than being set by directive, as was the case from February 24, 2022.

Main trends of the DGF members in 2024

Despite the difficult conditions caused by the full-scale military invasion of the rf, the country's banking system has demonstrated financial resilience and stability for the third consecutive year and maintains growth potential. Throughout 2024, it was able to provide uninterrupted services to businesses and the population, supporting the economy to overcome the consequences of the war. The liquidity, solvency, and operational stability of the DGF members cause no concern and are a foundation for cautious optimism about the future.

During the reporting year, banks increased the volume of their own assets and liabilities, improved liquidity, and profitability. Lending to the economy resumed, client account balances and investments in government securities grew. The loan portfolio showed growth for the first time since the beginning of the war, and its quality improved. As a result, the consolidated financial outcome once again became the best in history, surpassing last year's record level.

The balance sheet total of the DGF members increased by UAH 471.1 billion, or 16.0%, in 2024, reaching UAH 3,416.1 billion. Over the same period, total assets grew by UAH 457.1 billion, or 13.8%, to UAH 3,768.4 billion. The main factors driving this growth were increased investments in government securities and the expansion of lending to businesses and households.

During the year, the client loan portfolio showed recovery after two years of contraction. Its total size increased by UAH 113.7 billion, or 11.1%, to UAH 1,138.4 billion. Excluding currency revaluation of UAH 31.2 billion, the real growth amounted to UAH 82.5 billion. Loans to legal entities, government bodies, and Sole proprietors grew by UAH 62.0 billion to UAH 864.1 billion, while loans to individuals increased by UAH 51.7 billion to UAH 274.3 billion. The revival in lending was supported by a gradual decrease in interest rates on loans to business entities and rising demand from the population for unsecured loans. Overall, the loan portfolio expanded across all bank groups

due to hryvnia-denominated loans to businesses and households, while foreign currency loans continued to decline, as in the previous year.

The quality of client loans improved for the first time in three years of full-scale war. The volume of reserves for credit risks decreased by UAH 23.6 billion, or 7.0%, and as of January 1, 2025, amounted to UAH 314.4 billion. The main reason for the reduction was the write-off of UAH 42.0 billion in loan debts, of which UAH 33.4 billion were in the national currency and UAH 8.6 billion in foreign currency.

Overdue debt on client loans decreased by UAH 24.3 billion, or 9.5%, to UAH 232.4 billion, and non-performing loans decreased by UAH 29.1 billion, or 7.4%, to UAH 393.2 billion. The share of non-performing loans in the total loan portfolio of the DGF members fell to 30.3%, which is significantly better than the results for 2023 (37.4%) and 2022 (38.1%).

Bank investments in securities as of January 1, 2025, reached UAH 1,693.2 billion, increasing by UAH 226.7 billion, or 15.5%, at the beginning of the year. Since 2023, their amount has exceeded the volume of the client loan portfolio. The main component of these investments is securities refinanced by the NBU. During the reporting year, these increased by UAH 256.5 billion, or 34.9%, to UAH 991.0 billion. In conditions of declining rates on NBU deposit certificates, the DGF members increased the share of government bonds in assets to maintain portfolio profitability.

Bank balances of deposit certificates decreased by UAH 72.7 billion, or 11.7%, to UAH 548.9 billion, which is related to the decline in their profitability and the revival of hryvnia lending.

In the reporting year, the liabilities of the DGF members increased by UAH 398.4 billion, or 15.0%, to UAH 3,047.4 billion, due to the predominant attraction of client funds, which account for over 90.0% of the total amount. UAH and foreign currency balances in accounts of business entities increased in all groups of banks except for term UAH deposits at banks with private capital. Demand deposits of the population also increased in all groups of banks in both national and foreign currencies, while term deposits grew only in UAH; in foreign currency, term deposits declined in state-owned and private banks, though they showed growth in foreign banks. Overall, the share of client funds denominated in UAH is increasing, while the share denominated in foreign currency is decreasing.

Funds of legal entities, the budget, and Sole proprietors increased in 2024 by UAH 254.1 billion, or 18.8%, reaching UAH 1,605.8 billion. Of this amount, 69.5% is formed by UAH balances, which grew by UAH 178.5 billion, or 19.0%, to UAH 1,116.4 billion, and 30.5% by foreign currency balances, which rose by UAH 75.6 billion, or 15.4%, to

UAH 489.4 billion, including UAH 44.2 billion of foreign exchange revaluation. Thus, in the reporting year, business funds increased in real terms by UAH 209.9 billion.

Funds of individuals in 2024 increased by UAH 133.1 billion, or 12.3%, and as of January 1, 2025, amounted to UAH 1,216.1 billion. UAH balances account for 65.2% of this amount (UAH 792.5 billion), with their growth of UAH 81.8 billion, or 11.5%, being the main source of the increase. Foreign currency balances, which make up 34.8% of individual funds (UAH 423.6 billion), nominally increased by UAH 51.3 billion, or 13.8%, but excluding UAH 39.8 billion of foreign exchange revaluation, the real increase was UAH 11.5 billion.

Loans from international and other organizations in 2024 increased by UAH 6.8 billion, or 12.6%, reaching UAH 61.2 billion. In foreign currency, they decreased by UAH 6.2 billion, or 15.8%, to UAH 33.2 billion, while in hryvnias they grew by UAH 13.0 billion, or 87.5%, to UAH 28.0 billion thanks to banks' participation in the state program "eOselya" and the receipt of loan funds from PrJSC "Ukrfinzhytlo" for further mortgage lending to the population. In 2024, more than 8.5 thousand Ukrainian families took advantage of the preferential mortgage lending program "eOselya" with the volume of loans issued exceeding UAH 14.6 billion, which is 45.0% more in the number of loans issued and 65.0% more in the amount of funds provided compared to 2023.

The own capital of the DGF members in 2024 increased by UAH 72.6 billion, or 24.5%, to UAH 368.7 billion, allowing its size to grow by almost a quarter. In 51 banks, capital increased by a total of UAH 73.0 billion, while in 11 banks it decreased by UAH 0.2 billion. The system also lost UAH 0.2 billion due to the cessation of activity of JSC "ALPARI BANK".

The primary reason for the increase in capital was the profitable operations of banks, which earned UAH 90.9 billion in the reporting year. This result is the highest in the history of the country's banking system. It exceeded the previous record profit of 2023, when the system earned UAH 83.0 billion, by UAH 7.9 billion, and increased by UAH 69.0 billion, or 4.1 times, compared to 2022. During the reporting year, banks maintained an adequate return on assets, with a consistently high net interest margin and significant profitability, which enabled them to sustain a sufficient level of capital.

Starting from August 5, 2024, the DGF members transitioned to a new three-tier structure of regulatory capital, incorporating all key risks: credit, market, and operational risks. Although the regulatory capital adequacy ratio decreased compared to the levels of the previous two years, it remained above the normative threshold of (8.5%). As of January 1, 2025, it stood at 17.4%, compared to 21.1% on January 1, 2024, and 19.7% on January 1, 2023. Meanwhile, the Tier 1 capital adequacy ratio and Common Equity Tier 1 capital adequacy ratio at the end of 2024 amounted to 16.9%, both exceeding their respective regulatory minima (of 7.5% and 5.625%).

Analysis of Assets

As of January 1, 2025, the total assets amounted to UAH 3,768.4 billion, including UAH 1,054.8 billion in foreign currency, which constitutes 28.0% of the asset structure. Net assets totaled UAH 3,416.1 billion, with reserves against total assets amounting to UAH 352.3 billion. Changes in the volume and structure of the DGF members' assets since the beginning of the year are presented in Table 2.1.2.

During the reporting year, total assets increased by UAH 457.1 billion, or 13.8% (compared to an increase of UAH 594.5 billion, or 21.9%, in 2023), while net assets grew by UAH 471.1 billion, or 16.0% (compared to UAH 593.4 billion, or 25.2%, in 2023). At the same time, reserves against assets decreased by UAH 14.0 billion, or 3.8% (whereas in 2023 reserves increased by UAH 1.2 billion, or 0.3%). The main factors driving the growth of total assets were increased investments in government securities and loans extended to clients.

The following changes occurred in terms of currencies:

- in the national currency, the growth of total assets since the beginning of the year amounted to UAH 324.8 billion or 13.6% to UAH 2713.6 billion (in 2023, the growth was by UAH 491.6 billion);
- In foreign currency, the formal increase in total assets amounted to UAH 132.3 billion or 14.3% to UAH 1054.8 billion, of which UAH 98.5 billion was provided by a positive currency revaluation, that is, they actually increased by UAH 33.8 billion (in 2023, these assets actually added UAH 71.2 billion with a formal increase of UAH 102.9 billion, if we do not take into account UAH 31.7 billion of currency revaluation).

Table 2.1.2

Structure and trends of assets of the DGF members

(UAH million)

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	Amount	%	Amount	%	Amount	%	for 2023		for 2024	
							Amount	in %	Amount	in %
1	2	3	4	5	6	7	8	9	10	11
Cash, traveler's checks, and banking metals	74 915,8	2,8	79 337,6	2,4	111 616,3	3,0	+ 4 421,8	+ 5,9	+ 32 278,7	+ 40,7
Funds with the NBU	82 494,7	3,0	213 493,1	6,4	229 875,6	6,1	+ 130 998,4	+ 158,8	+ 16 382,5	+ 7,7
incl. accrued income	9,6	0,0	4,1	0,0	1,4	0,0	– 5,5	– 57,3	– 2,7	– 65,9
– funds on demand	82 494,7	3,0	213 493,1	6,4	229 875,6	6,1	+ 130 998,4	+ 158,8	+ 16 382,5	+ 7,7
Funds in other banks	366 095,8	13,5	405 618,2	12,3	470 217,7	12,5	+ 39 522,4	+ 10,8	+ 64 599,5	+ 15,9
incl. accrued income	253,0	0,0	536,8	0,0	553,7	0,0	+ 283,8	+ 112,2	+ 16,9	+ 3,1
– funds on demand*	329 177,5	12,1	362 473,0	11,0	372 299,6	9,9	+ 33 295,5	+ 10,1	+ 9 826,6	+ 2,7
– loans granted and deposits placed	36 918,3	1,4	43 145,2	1,3	97 918,1	2,6	+ 6 226,9	+ 16,9	+ 54 772,9	+ 127,0
Loans granted to customers	1 036 213,3	38,1	1 024 678,4	30,9	1 138 399,0	30,2	– 11 534,9	– 1,1	+ 113 720,6	+ 11,1
incl. accrued income	86 762,1	3,2	90 102,4	2,7	85 816,1	2,3	+ 3 340,3	+ 3,8	– 4 286,3	– 4,8
– loans to legal entities, authorities, and sole proprietors	826 270,1	30,4	802 088,8	24,2	864 118,8	22,9	– 24 181,3	– 2,9	+ 62 030,0	+ 7,7
– loans to individuals	209 943,2	7,7	222 589,6	6,7	274 280,2	7,3	+ 12 646,4	+ 6,0	+ 51 690,6	+ 23,2
Investments in affiliates and subsidiaries	1 022 658,2	37,6	1 466 473,5	44,3	1 693 169,7	44,9	+ 443 815,3	+ 43,4	+ 226 696,2	+ 15,5
incl. accrued income	8 659,3	0,3	25 169,6	0,8	32 871,2	0,9	+ 16 510,3	+ 190,7	+ 7 701,6	+ 30,6
– securities refinanced by the NBU	532 704,3	19,6	734 466,0	22,2	990 965,2	26,3	+ 201 761,7	+ 37,9	+ 256 499,2	+ 34,9

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	Amount	%	Amount	%	Amount	%	for 2023		for 2024	
							Amount	in %	Amount	in %
1	2	3	4	5	6	7	8	9	10	11
– securities issued by the NBU	457 464,2	16,8	621 633,2	18,8	548 898,4	14,5	+ 164 169,0	+ 35,9	– 72 734,8	– 11,7
– corporate and other securities	32 489,7	1,2	110 374,3	3,3	153 306,1	4,1	+ 77 884,6	+ 239,7	+ 42 931,8	+ 38,9
Investments in affiliates and subsidiaries	267,6	0,0	292,6	0,0	154,5	0,0	+ 25,0	+ 9,3	– 138,1	– 47,2
Fixed assets, intangible assets, and right-of-use assets	50 277,2	1,9	56 648,4	1,7	60 614,3	1,6	+ 6 371,2	+ 12,7	+ 3 965,9	+ 7,0
Other assets	83 871,7	3,1	64 780,3	2,0	64 356,7	1,7	– 19 091,4	– 22,8	– 423,6	– 0,7
incl. accrued income	1 794,8	0,1	2 638,3	0,1	1 781,1	0,0	+ 843,5	+ 47,0	– 857,2	– 32,5
– accounts receivable	34 085,4	1,3	18 976,6	0,6	20 701,1	0,5	– 15 108,8	– 44,3	+ 1 724,5	+ 9,1
– other funds	49 786,3	1,8	45 803,7	1,4	43 655,6	1,2	– 3 982,6	– 8,0	– 2 148,1	– 4,7
Total assets	2 716 794,3	100,0	3 311 322,1	100,0	3 768 403,8	100,0	+ 594 527,8	+ 21,9	+ 457 081,7	+ 13,8
including accrued income	97 478,8	3,6	118 451,2	3,6	121 023,5	3,2	+ 20 972,4	+ 21,5	+ 2 572,3	+ 2,2
Provisions for active transactions	– 365 116,2	X	– 366 292,4	X	– 352 322,9	X	– 1 176,2	+ 0,3	+ 13 969,5	– 3,8
Net assets	2 351 678,1	X	2 945 029,7	X	3 416 080,9	X	+ 593 351,6	+ 25,2	+ 471 051,2	+ 16,0
<u>For reference:</u>										
Highly liquid assets	1 448 105,6	53,3	1 970 006,3	59,5	2 202 626,2	58,4	+ 521 900,7	+ 36,0	+ 232 619,9	+ 11,8

* including receivables

Cash, traveler's checks, and bank metals increased by UAH 32.3 billion, or 40.7%, during 2024, reaching UAH 111.6 billion (representing 3.0% of total assets compared to 2.4% in the corresponding period of the previous year). Over the same period, balances on accounts with the National Bank of Ukraine (NBU) grew by UAH 16.4 billion, or 7.7%, amounting to UAH 229.9 billion (6.1% of the asset structure compared to 6.4% in the previous year).

Funds held in other banks (excluding the NBU) formally increased by UAH 64.6 billion, or 15.9%, during the reporting year; however, excluding foreign exchange revaluation of UAH 42.7 billion, their real growth amounted to UAH 21.9 billion (in 2023, their real growth was UAH 25.5 billion excluding foreign exchange revaluation of UAH 14.0 billion). As of January 1, 2025, these funds totaled UAH 470.2 billion, representing 12.5% of the asset structure compared to 12.3% in the corresponding period of the previous year. Almost all balances were concentrated in foreign currency. Over the year, there was an increase in interbank loans and deposits, which grew by UAH 54.8 billion, or 2.3 times, reaching UAH 97.9 billion, including a revaluation effect of UAH 4.3 billion. At the same time, demand for interbank funds, despite a formal increase of UAH 9.8 billion, or 2.7%, actually decreased by UAH 28.6 billion excluding foreign exchange revaluation of UAH 38.4 billion, amounting to UAH 372.3 billion at year-end.

As of January 1, 2025, **the client loan portfolio** amounted to UAH 1,138.4 billion, which is UAH 113.7 billion, or 11.1%, higher than on January 1, 2024. In 2024, the portfolio grew in real terms by UAH 82.5 billion, excluding a foreign currency revaluation of UAH 31.2 billion, whereas in 2023 it had declined in real terms by UAH 22.4 billion. Despite this growth, the share of client loans in total assets decreased from 30.9% to 30.2% over 2024. The portfolio consists of 73.2% UAH-denominated loans and 26.8% foreign currency loans. During the reporting year, hryvnia loans increased by UAH 101.1 billion (compared to UAH 3.8 billion in 2023), while foreign currency loans, despite a nominal increase of UAH 12.6 billion, declined by UAH 18.6 billion (real decrease in 2023 was UAH 26.3 billion). Following the full-scale invasion, the portfolio consistently contracted during the first two years of the war; however, in 2024 the situation improved due to the growth of UAH lending, leading to a recovery in the overall portfolio size despite the continued reduction in foreign currency loans.

Investments in securities continued to grow for the ninth consecutive year. In 2024, they increased by UAH 226.7 billion, or 15.5%, including UAH 20.6 billion attributable to foreign currency revaluation, reaching UAH 1,693.2 billion and accounting for 44.9% of assets compared to 44.3% at the beginning of the year (in 2023, they increased by UAH 443.8 billion, of which UAH 4.3 billion resulted from foreign currency revaluation). For the second consecutive year, the volume of securities holdings exceeded the size of the client loan portfolio of DGF members, and currently, they represent the primary source of income for most banks. Since the beginning of the reporting year, holdings of securities refinanced by the NBU rose by UAH 256.5 billion, or 34.9%, while corporate and other securities increased by UAH 42.9 billion, or 38.9%. Conversely, investments in securities issued by the NBU declined by UAH 72.7 billion, or 11.7%, primarily due to reduced profitability and the revival of UAH lending.

Highly liquid assets of the DGF members (cash and confirmed holdings of bank metals, funds on correspondent accounts with the NBU and other banks, as well as securities refinanced by or issued by the NBU, excluding accrued income) increased by UAH 232.6 billion, or 11.8%, in 2024, of which UAH 49.4 billion was due to foreign currency revaluation (last year their increase amounted to UAH 521.9 billion, including UAH 16.3 billion of foreign currency revaluation). Thus, over the three years of war, the growth of highly liquid assets exceeded UAH 1.2 trillion, reaching UAH 2.2 trillion as of January 1, 2025. Their share in the total volume of aggregate assets also significantly increased, accounting for 58.4% as of January 1, 2025, compared to 59.5% as of January 1, 2024, 53.3% as of January 1, 2023, and 44.9% as of January 1, 2022. This indicates an elevated level of liquidity in the country's banking system during martial law, which serves as a key factor for its stability despite existing security risks.

Return on assets as of January 1, 2025, stood at 2.9%, which is lower than the figure on January 1, 2024 (3.2%), but higher than on January 1, 2023 (1.0%). The net interest margin also declined to 7.6% compared to 7.9% last year due to a narrowing spread between new loans and deposits yet remained above the 2022 level (7.3%).

Changes in the main components of assets, which account for over 70.0% of their total volume, segmented by individual groups of banks, and by national and foreign currencies, are presented in Table 2.1.3.

The data indicates that in the reporting year, as in the previous year, the primary driver of asset growth among DGF members was investments in hryvnia-denominated securities refinanced or issued by the NBU, which increased across all groups of banks. At the same time, the client loan portfolio also expanded in all groups due to hryvnia-denominated loans to businesses and households, in contrast to 2023 when it generally contracted. Foreign currency loans continued to decline in all bank groups in 2024, as in the previous year, while investments in NBU deposit certificates decreased in state-owned and foreign banks, although they had increased in 2023.

Table 2.1.4 presents an analysis of changes in the interbank loan and deposit portfolio of DGF members.

The volume of interbank term assets increased by UAH 54.8 billion, or 127.0%, during 2024, reaching UAH 97.9 billion. Excluding the foreign exchange revaluation of UAH 4.3 billion, their growth amounted to UAH 50.5 billion (in 2023, they increased by UAH 6.2 billion, with a foreign exchange revaluation of UAH 1.4 billion). Interbank deposits grew by UAH 24.2 billion, while interbank loans increased by UAH 30.6 billion. As a result, the net interbank portfolio more than doubled (increased 2.3 times) by the end of the reporting year, despite a slight decrease in reserves.

A detailed analysis of the client loan portfolio of DGF members is presented in Table 2.1.5.

Table 2.1.3

Amendments in the Main Constituent Assets of the DGF members

(UAH million)

Indicators	Loans to legal entities, authorities and sole proprietors		Loans to individuals		Securities refinanced by the NBU		Securities issued by the NBU
	in UAH	in currency (UAH, eq.)	in UAH	in currency (UAH, eq.)	in UAH	in currency (UAH, eq.)	in UAH
1	2	3	4	5	6	7	8
Balance as of January 1, 2023	531 550,9	294 719,2	196 889,8	13 053,4	448 660,0	84 044,3	457 464,2
changes during the year due to:							
– currency revaluation	X	+ 10 434,2	X	+ 485,5	X	+ 2 814,6	X
– bank liquidations	– 1 196,7	– 1 205,4	– 1 869,5	– 0,0	– 580,0	– 0,1	– 4 670,9
– increase/decrease in volume	– 8 701,8	– 23 511,6	+ 15 597,3	– 1 566,9	+ 200 889,3	– 1 362,1	+ 168 839,9
Including in banks:							
with state participation	– 3 486,9	– 2 613,1	+ 19 511,2	– 199,3	+ 92 052,3	+ 6 386,5	+ 107 905,5
foreign banking groups	– 16 628,5	– 18 204,5	– 9 713,5	– 419,7	+ 60 215,1	– 5 240,0	+ 46 016,2
with private capital	+ 11 413,6	– 2 694,0	+ 5 799,6	– 947,9	+ 48 621,9	– 2 508,6	+ 14 918,2
Balance as of January 1, 2024	521 652,4	280 436,4	210 617,6	11 972,0	648 969,3	85 496,7	621 633,2
changes during the year due to:							
– currency revaluation	X	+ 29 951,2	X	+ 1 278,6	X	+ 9 134,5	X
– termination of banks	– 16,3	–	– 0,1	–	–	–	– 160,2
– increase/decrease in volume	+ 48 679,3	– 16 584,2	+ 52 473,5	– 2 061,4	+ 261 734,4	– 14 369,7	– 72 574,6
Including in banks:							
with state participation	+ 15 477,6	– 10 463,0	+ 23 255,2	– 1 546,3	+ 199 051,4	– 5 152,4	– 68 267,5
foreign banking groups	+ 11 558,4	– 6 027,8	+ 279,0	– 289,7	+ 36 398,9	+ 23,5	– 8 360,5
with private capital	+ 21 643,3	– 93,4	+ 28 939,3	– 225,4	+ 26 284,1	– 9 240,8	+ 4 053,4

Indicators	Loans to legal entities, authorities and sole proprietors		Loans to individuals		Securities refinanced by the NBU		Securities issued by the NBU
	in UAH	in currency (UAH, eq.)	in UAH	in currency (UAH, eq.)	in UAH	in currency (UAH, eq.)	in UAH
1	2	3	4	5	6	7	8
Balance as of January 1, 2025	570 315,4	293 803,4	263 091,0	11 189,2	910 703,7	80 261,5	548 898,4

Table 2.1.4

Interbank Credit and Deposit Portfolio of the DGF members

(UAH million)

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	Amount	%	Amount	%	Amount	%	for 2023		for 2024	
							Amount	in %	Amount	in %
1	2	3	4	5	6	7	8	9	10	11
Deposits in other banks	20 157,2	54,6	23 221,2	53,8	47 388,6	48,4	+ 3 064,0	+ 15,2	+ 24 167,4	+ 104,1
–placed deposits	20 140,4	54,6	23 191,3	53,7	47 352,4	48,4	+ 3 050,9	+ 15,1	+ 24 161,1	+ 104,2
of which overdue	–	–	–	–	–	–	–	–	–	–
– accrued income	16,8	0,0	29,9	0,1	36,2	0,0	+ 13,1	+ 77,4	+ 6,3	+ 21,4
of which overdue	–	–	–	–	–	–	–	–	–	–
Interbank loans	16 761,1	45,4	19 924,0	46,2	50 529,5	51,6	+ 3 162,9	+ 18,9	+ 30 605,5	+ 153,6
– loans granted	16 741,0	45,3	19 846,0	46,0	50 414,6	51,5	+ 3 105,0	+ 18,5	+ 30 568,6	+ 154,0
of which overdue	–	–	0,1	0,0	0,1	0,0	+ 0,1	+ 100,0	+ 0,0	+ 10,7
– accrued income	20,1	0,1	78,0	0,2	114,9	0,1	+ 57,9	+ 287,6	+ 36,9	+ 47,4
of which expired	0,0	0,0	–	–	–	–	– 0,0	– 100,0	–	–
Total interbank portfolio	36 918,3	100,0	43 145,2	100,0	97 918,1	100,0	+ 6 226,9	+ 16,9	+ 54 772,9	+ 127,0
incl. overdue	0,0	0,0	0,1	0,0	0,1	0,0	+ 0,1	+ 100,0	+ 0,0	+ 10,7

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	Amount	%	Amount	%	Amount	%	for 2023		for 2024	
							Amount	in %	Amount	in %
1	2	3	4	5	6	7	8	9	10	11
Provisions for interbank loans and deposits	– 30,1	X	– 38,1	X	– 32,1	X	– 8,0	+ 26,5	+ 6,0	– 15,6
Net interbank portfolio	36 888,2	X	43 107,1	X	97 886,0	X	+ 6 218,9	+ 16,9	+ 54 778,9	+ 127,1

Table 2.1.5

Volume and Structure of the Client Loan Portfolio of the DGF members

(UAH million)

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	Amount	%	Amount	%	Amount	%	for 2023		for 2024	
							Amount	in %	Amount	in %
1	2	3	4	5	6	7	8	9	10	11
Loans to legal entities, government and sole proprietors	826 270,1	79,7	802 088,8	78,3	864 118,8	75,9	– 24 181,3	– 2,9	+ 62 030,0	+ 7,7
– loans granted	760 979,6	73,4	731 215,3	71,4	796 789,1	70,0	– 29 764,3	– 3,9	+ 65 573,8	+ 9,0
of which expired	179 922,3	17,4	183 602,8	17,9	166 958,1	14,7	+ 3 680,5	+ 2,0	– 16 644,7	– 9,1
– accrued income	65 290,5	6,3	70 873,5	6,9	67 329,7	5,9	+ 5 583,0	+ 8,6	– 3 543,8	– 5,0
of which overdue	34 160,1	3,3	36 579,4	3,6	34 778,4	3,0	+ 2 419,3	+ 7,1	– 1 801,0	– 4,9
Loans to individuals	209 943,2	20,3	222 589,6	21,7	274 280,2	24,1	+ 12 646,4	+ 6,0	+ 51 690,6	+ 23,2
– loans granted	188 471,6	18,2	203 360,7	19,8	255 793,8	22,5	+ 14 889,1	+ 7,9	+ 52 433,1	+ 25,8

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	Amount	%	Amount	%	Amount	%	for 2023		for 2024	
							Amount	in %	Amount	in %
1	2	3	4	5	6	7	8	9	10	11
of which overdue	20 461,3	2,0	22 144,1	2,2	17 249,5	1,5	+ 1 682,8	+ 8,2	– 4 894,6	– 22,1
– accrued income	21 471,6	2,1	19 228,9	1,9	18 486,4	1,6	– 2 242,7	– 10,4	– 742,5	– 3,9
of which overdue	15 023,7	1,4	14 384,6	1,4	13 388,0	1,2	– 639,1	– 4,3	– 996,6	– 6,9
Total client loan portfolio	1 036 213,3	100,0	1 024 678,4	100,0	1 138 399,0	100,0	– 11 534,9	– 1,1	+ 113 720,6	+ 11,1
incl. expired	249 567,4	24,1	256 710,9	25,1	232 374,0	20,4	+ 7 143,5	+ 2,9	– 24 336,9	– 9,5
Provisions for client loans	– 349 341,5	X	– 338 043,8	X	– 314 407,6	X	+ 11 297,7	– 3,2	+ 23 636,2	– 7,0
– for loans to legal entities, government, authorities and sole proprietors	– 273 661,3	X	– 274 929,9	X	– 262 485,7	X	– 1 268,6	+ 0,5	+ 12 444,2	– 4,5
– for loans to individuals. Persons	– 75 680,2	X	– 63 113,9	X	– 51 921,9	X	+ 12 566,3	– 16,6	+ 11 192,0	– 17,7
Net client loan portfolio	686 871,8	X	686 634,6	X	823 991,4	X	– 237,2	– 0,0	+ 137 356,8	+ 20,0
– legal entities, government bodies and sole proprietors	552 608,8	X	527 158,9	X	601 633,1	X	– 25 449,9	– 4,6	+ 74 474,2	+ 14,1
– individuals	134 263,0	X	159 475,7	X	222 358,3	X	+ 25 212,7	+ 18,8	+ 62 882,6	+ 39,4

The total client loan portfolio increased by UAH 113.7 billion, or 11.1%, from the beginning of 2024 and amounted to UAH 1,138.4 billion as of January 1, 2025. Excluding foreign exchange revaluation of UAH 31.2 billion, the real growth of the portfolio was UAH 82.5 billion (in 2023, the portfolio decreased in real terms by UAH 22.4 billion, excluding a positive FX revaluation of UAH 10.9 billion). The net client loan portfolio increased by UAH 137.3 billion to UAH 824.0 billion, including UAH 22.2 billion of FX revaluation, meaning that its actual growth was UAH 115.2 billion (in 2023, the net portfolio shrank in real terms by UAH 8.0 billion).

Loan loss provisions decreased by UAH 23.6 billion, or 7.0%, in 2024 and amounted to UAH 314.4 billion as of January 1, 2025. Without FX revaluation of UAH 9.1 billion, the real decrease in provisions amounted to UAH 32.7 billion (in 2023, provisions decreased in real terms by UAH 14.4 billion), including UAH 25.5 billion in the UAH component and UAH 7.2 billion in the foreign currency component. The main reasons for the decrease in provisions were the write-off of bad debts and the improvement in loan quality. As a result, the coverage ratio of the client loan portfolio declined from 33.0% to 27.6% during the year: from 34.3% to 30.4% for loans to businesses and government bodies, and from 28.5% to 18.9% for loans to individuals.

Loans to legal entities, entrepreneurs, and government bodies increased by UAH 62.0 billion, or 7.7%, during 2024, reaching UAH 864.1 billion as of January 1, 2025 (75.9% of the total loan portfolio). In real terms, however, the growth amounted to UAH 32.1 billion, excluding the effect of FX revaluation of UAH 29.9 billion (in 2023, the corporate loan portfolio declined in real terms by UAH 34.6 billion, excluding a positive FX revaluation of UAH 10.4 billion).

In 2024, loans to businesses in the national currency increased by UAH 48.6 billion, or 9.3%, to UAH 570.3 billion (66.0% of the corporate loan portfolio), whereas in 2023 they declined by UAH 9.9 billion. Foreign currency corporate loans showed nominal growth of UAH 13.4 billion, or 4.8%, but actually decreased by UAH 16.5 billion when excluding positive FX revaluation (in 2023, the real decline was UAH 24.7 billion). The volume of loans in foreign currency has been steadily declining since the beginning of the full-scale invasion, and as of January 1, 2025, amounted to UAH 293.8 billion (34.0% of the corporate loan portfolio). The majority of business loans are directed toward working capital financing, which accounts for 96.0% of the total. Financial leasing and overdrafts comprise 1.3% and 1.1%, respectively.

Provisions for corporate loans in the national currency amounted to UAH 184.9 billion as of the end of 2024, down by UAH 14.8 billion, or 7.4%, compared to the beginning of the year. The coverage ratio for UAH-denominated corporate loans declined from 38.3% to 32.4%. Provisions for foreign currency loans totaled UAH 77.6 billion, a nominal increase of UAH 2.4 billion, or 3.2%, during the year. However, after excluding FX revaluation of UAH 8.0 billion, the real decrease amounted to UAH 5.6 billion. The coverage ratio for FX corporate loans slightly declined from 26.8% to 26.4%.

Loans to individuals increased by UAH 51.7 billion, or 23.2%, during the reporting year, reaching UAH 274.3 billion as of January 1, 2025 (24.1% of the total loan

portfolio). The real growth was UAH 50.4 billion, excluding FX revaluation of UAH 1.3 billion (in 2023, the retail loan portfolio grew in real terms by UAH 12.2 billion, excluding FX revaluation of UAH 0.5 billion).

Since the beginning of the year, UAH-denominated loans to individuals increased by UAH 52.5 billion, or 24.9%, reaching UAH 263.1 billion (95.9% of the retail loan portfolio). Foreign currency loans, in contrast, formally declined by UAH 0.8 billion, or 6.5%, to UAH 11.2 billion (4.1% of the portfolio), with a real decrease of UAH 2.1 billion (in 2023, UAH loans to households rose by UAH 13.7 billion, while FX loans declined in real terms by UAH 1.6 billion, excluding positive FX revaluation). The growth of the retail loan portfolio resumed in spring 2023 after four consecutive quarters of decline and continued throughout 2024. The most common types of household lending remain consumer loans, accounting for 64.8% of total outstanding retail debt. Mortgage loans and overdrafts represented 13.5% and 21.4%, respectively.

As of January 1, 2025, provisions for UAH-denominated retail loans amounted to UAH 41.7 billion, having decreased by UAH 10.7 billion, or 20.4%, over the year. The provisioning ratio declined from 24.9% to 15.9%. Over the same period, provisions for FX loans formally declined by UAH 0.5 billion, or 4.6%, to UAH 10.2 billion. However, excluding the positive FX revaluation of UAH 1.1 billion, the real decrease was UAH 1.6 billion. The coverage ratio for FX loans increased from 89.2% to 91.1%.

Past-due debt on client loans decreased by UAH 24.3 billion, or 9.5%, since the beginning of 2024 (including a positive FX revaluation of UAH 5.8 billion), amounting to UAH 232.4 billion as of January 1, 2025 (20.4% of the total loan portfolio). Of this amount, UAH 186.7 billion was denominated in national currency and UAH 45.7 billion in foreign currency. Thus, the real reduction in overdue loans during the reporting year was UAH 30.1 billion, including UAH 15.6 billion in UAH-denominated overdue loans and UAH 14.5 billion in FX-denominated ones. (In 2023, overdue loans increased in real terms by UAH 5.1 billion, with the UAH portion up by UAH 1.3 billion and the FX portion by UAH 3.8 billion.) Accordingly, the share of overdue loans in the total client loan portfolio also changed: for UAH loans, it declined from 27.6% to 22.4% over the year, and for FX loans — from 18.6% to 15.0%.

In terms of currencies and client loan portfolios, the following changes occurred in 2024:

- For loans granted to legal entities, government bodies, and sole entrepreneurs, past-due debt decreased by UAH 18.4 billion, or 8.4%, reaching UAH 201.8 billion. Its share in the business loan portfolio declined from 27.5% as of January 1, 2024, to 23.3% as of January 1, 2025.

UAH-denominated overdue debt decreased by UAH 9.8 billion, or 5.6%, to UAH 166.4 billion since the beginning of the year, while FX-denominated overdue debt dropped by UAH 8.6 billion, or 19.6%, to UAH 35.4 billion (including a positive FX revaluation of UAH 4.7 billion). This means that in real terms, past-due business loans decreased by UAH 23.1 billion over the year.

- For loans granted to individuals, past-due debt decreased by UAH 5.9 billion, or 16.1%, to UAH 30.6 billion, and its share in the retail loan portfolio declined from 16.4% as of January 1, 2024, to 11.2% as of January 1, 2025.

Overdue debt in UAH decreased by UAH 5.8 billion, or 22.2%, to UAH 20.3 billion since the beginning of the year, while FX-denominated overdue debt fell by UAH 0.1 billion, or 1.0%, to UAH 10.3 billion, including a positive FX revaluation of UAH 1.1 billion. (Thus, in real terms, past-due loans to individuals decreased by UAH 7.0 billion over the year).

Since the beginning of 2024, DGF members have written off UAH 42.0 billion of loan debts using the formed reserves, of which UAH 33.4 billion were in the national currency and UAH 8.6 billion in foreign currency (for comparison: in 2023, UAH 26.6 billion of loans were written off, including UAH 18.9 billion in UAH and UAH 7.7 billion in foreign currency). The largest amount of write-offs was recorded by state-owned banks — UAH 31.4 billion (UAH 24.7 billion in UAH and UAH 6.7 billion in foreign currency), private banks wrote off UAH 7.5 billion (UAH 6.4 billion in UAH and UAH 1.1 billion in foreign currency), and foreign banks — UAH 3.1 billion (UAH 2.3 billion in UAH and UAH 0.8 billion in foreign currency).

Table 2.1.6 shows changes in the client loan portfolio of the DGF members and related indicators under the influence of specific factors.

As the data indicates, during 2024 there was a recovery in the client loan portfolio, which had experienced reductions over the previous two years. The revival of lending was supported by a gradual decrease in interest rates on loans to business entities and growing demand from the population for unsecured loans. The issuance of new loans in the national currency led to an increase in the hryvnia portfolio by UAH 134.6 billion and offset the reduction of the foreign currency portfolio by UAH 10.0 billion.

Reserves for the working portfolio increased moderately: in UAH, they rose by UAH 7.9 billion alongside an increase in debt, while in foreign currency they grew by UAH 1.5 billion despite a decrease in debt. The quality of client loans improved in 2024 due to the issuance of new loans and write-offs of bad debts. Throughout the year, the rate of new overdue loans (UAH 17.8 billion) and non-performing loans (UAH 4.2 billion) in the hryvnia portfolio was significantly lower than the growth rate of the portfolio itself, while the volume of overdue loans and NPLs among foreign currency loans decreased overall (excluding currency revaluation).

Changes in the volumes and shares of **non-performing loans** (including interbank loans) in the loan portfolios of different bank groups are shown in Table 2.1.7.

Table 2.1.6

Changes in individual components of the client loan portfolio

(UAH million)

Indicators	Credits granted to customers		Provisions for loans to customers		Overdue debts on loans to customers		Non-performing customer loans	
	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)
1	2	3	4	5	6	7	8	9
Balance as of January 1, 2023	728 440,7	307 772,6	– 264 781,5	– 84 560,0	201 020,8	48 546,6	309 057,4	123 043,0
changes over the year due to:								
– increase/decrease in volume*	+ 25 821,2	– 17 386,2	– 7 120,7	– 5 945,3	+ 21 159,3	+ 11 570,4	+ 6 358,5	+ 6 879,0
– debt write-off	– 18 925,7	– 7 692,3	+ 18 925,7	+ 7 692,3	– 18 925,7	– 7 692,3	– 18 925,7	– 7 692,3
– bank closures	– 3 066,2	– 1 205,4	+ 869,0	+ 22,1	– 925,0	– 7,7	– 1 141,5	– 7,7
– currency revaluation	X	+ 10 919,7	X	– 3 145,4	x	+ 1 964,5	X	+ 4 788,7
Balance as of January 1, 2024	732 270,0	292 408,4	– 252 107,5	– 85 936,3	202 329,4	54 381,5	295 348,7	127 010,7
changes over the year due to:								
– increase/decrease in volume*	+ 134 559,3	– 10 009,5	– 7 887,9	– 1 457,0	+ 17 804,6	– 5 902,7	+ 4 221,9	– 4 881,9
– debt write-off	– 33 406,5	– 8 636,1	+ 33 406,5	+ 8 636,1	– 33 406,5	– 8 636,1	– 33 406,5	– 8 636,1
– bank closures	– 16,4	–	+ 4,3	–	– 4,3	–	– 4,3	–
– currency revaluation	X	+ 31 229,8	X	– 9 065,8	X	+ 5 808,1	X	+ 13 565,0
Balance as of January 1, 2025	833 406,4	304 992,6	– 226 584,6	– 87 823,0	186 723,2	45 650,8	266 159,8	127 057,7

* excluding debt write-off

Table 2.1.7

Non-performing loan portfolios of the DGF members (including interbank banks)

(UAH million)

Indicators		January 1, 2023		January 1, 2024		January 1, 2025		Late changes	
		amount	Share in LP*, %	amount	Share in LP*, %	amount	Share in LP*, %	in 2023	in 2024
1		2	3	4	5	6	7	8	9
Non-performing loans and related accrued interest									
– in state-owned banks	Total	323 133,9	53,0	352 632,4	50,9	330 586,3	43,0	+ 29 498,5	– 22 046,1
	UAH	241 369,0	54,9	249 187,6	51,4	228 379,9	43,8	+ 7 818,6	– 20 807,7
	FX	81 764,9	48,3	103 444,8	49,6	102 206,4	41,2	+ 21 679,9	– 1 238,4
– in banks of foreign banking groups	Total	59 627,1	18,9	32 426,8	15,9	25 825,5	10,9	– 27 200,3	– 6 601,3
	UAH	32 138,3	17,1	20 006,4	14,8	13 463,4	8,9	– 12 131,9	– 6 543,0
	FX	27 488,8	21,6	12 420,4	17,9	12 362,1	14,3	– 15 068,4	– 58,3
– in private banks	Total	49 343,8	23,5	37 300,3	16,0	36 559,1	12,5	– 12 043,5	– 741,2
	UAH	35 550,1	24,3	26 154,7	16,1	24 201,6	11,3	– 9 395,4	– 1 953,1
	FX	13 793,7	21,7	11 145,6	15,9	12 357,5	15,8	– 2 648,1	+ 1 211,9
– in non-payment banks	Total	–	–	–	–	246,7	67,2	–	+ 246,7
	UAH	–	–	–	–	114,9	56,1	–	+ 114,9
	FC	–	–	–	–	131,8	81,2	–	+ 131,8
Total non-performing loans and accrued interest	Total	432 104,8	38,1	422 359,5	37,4	393 217,6	30,3	– 9 745,3	– 29 141,9
	UAH	309 057,4	39,9	295 348,7	37,7	266 159,8	30,1	– 13 708,7	– 29 188,9
	FX	123 047,4	34,2	127 010,8	36,5	127 057,8	30,8	+ 3 963,4	+ 47,0

* LP – loan portfolio of the relevant group of banks without deduction of reserves

Non-performing loans decreased by UAH 29.1 billion or 7.4% since the beginning of 2024, reaching UAH 393.2 billion as of January 1, 2025, while their real reduction amounted to UAH 42.7 billion excluding the impact of a positive foreign exchange revaluation of UAH 13.6 billion. The main factor behind this decrease was the write-off of bad debts. The share of non-performing loans in the total loan portfolio of the DGF members decreased to 30.3%, significantly better than the results of 2023 (37.4%) and 2022 (38.1%).

As of January 1, 2025, state-owned banks held UAH 330.6 billion of non-performing loans (84.1% of their total volume), compared to UAH 352.6 billion as of January 1, 2024; banks of foreign banking groups had UAH 25.8 billion (6.6%) compared to UAH 32.4 billion; and private banks had UAH 36.6 billion (9.3%) compared to UAH 37.3 billion. Insolvent banks had UAH 0.2 billion at the end of the reporting year, whereas there were no such banks at the beginning of the year. Thus, the reduction in non-performing loans occurred across all bank groups except insolvent banks.

In the context of significant security risks due to the ongoing war, investments in securities remain an important component of the assets of the DGF members. The volume and structure of these investments are presented in Table 2.1.8.

Investments in securities have been growing for the ninth consecutive year and, as of January 1, 2025, amounted to UAH 1,693.2 billion, which is UAH 226.7 billion or 15.5% higher than as of January 1, 2024. Since 2023, their amount has exceeded the volume of the DGF members' client loan portfolio, currently accounting for 44.9% of the total assets of the banking system, compared to 44.3% last year.

Excluding the foreign exchange revaluation of UAH 20.6 billion, the real increase in these investments during the reporting year amounted to UAH 206.1 billion (in 2023, the real increase was UAH 440.3 billion excluding UAH 3.5 billion foreign exchange revaluation). The net securities portfolio grew by UAH 217.0 billion or 15.0%, reaching UAH 1,661.4 billion as of January 1, 2025, while reserves for their impairment increased by UAH 9.6 billion or 43.7% to UAH 31.7 billion.

Table 2.1.8

Securities Portfolio of the DGF members

(UAH million)

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	amount	%	amount	%	amount	%	in 2023		in 2024	
							amount	in %	amount	in %
1	2	3	4	5	6	7	8	9	10	11
Securities refinanced by the NBU	532 704,3	52,1	734 466,0	50,1	990 965,2	58,5	+ 201 761,7	+ 37,9	+ 256 499,2	+ 34,9
– Government bonds and other securities refinanced by the NBU	524 945,8	51,3	715 763,8	48,8	960 249,0	56,7	+ 190 818,0	+ 36,4	+ 244 485,2	+ 34,2
– accrued income	7 758,5	0,8	18 532,9	1,3	30 716,2	1,8	+ 10 774,4	+138,9	+ 12 183,3	+ 65,7
Securities issued by the NBU	457 464,2	44,7	621 633,2	42,4	548 898,4	32,4	+ 164 169,0	+ 35,9	– 72 734,8	– 11,7
– NBU deposit certificates	456 888,0	44,6	615 488,0	42,0	547 484,5	32,3	+ 158 600,0	+ 34,7	– 68 003,5	– 11,0
– accrued income	576,2	0,1	6 145,2	0,4	1 413,9	0,1	+ 5 569,0	+966,5	– 4 731,3	– 77,0
Corporate and other securities	32 489,7	3,2	110 374,3	7,5	153 306,1	9,1	+ 77 884,6	+239,7	+ 42 931,8	+ 38,9
– corporate and other securities	32 165,1	3,2	109 882,8	7,5	152 565,0	9,0	+ 77 717,7	+241,6	+ 42 682,2	+ 38,8
– accrued income	324,6	0,0	491,5	0,0	741,1	0,1	+ 166,9	+ 51,4	+ 249,6	+ 50,8
Total securities portfolio	1 022 658,2	100,0	1 466 473,5	100,0	1 693 169,7	100,0	+ 443 815,3	+ 43,4	+ 226 696,2	+ 15,5
Reserves for securities	– 9 048,9	X	– 22 090,7	X	– 31 739,4	X	– 13 041,8	+144,1	– 9 648,7	+ 43,7
Net securities portfolio	1 013 609,3	X	1 444 382,8	X	1 661 430,3	X	+ 430 773,5	+ 42,5	+ 217 047,5	+ 15,0

The main component of the portfolio remains investments in securities refinanced by the NBU (58.5% of the structure). During the year, they increased by UAH 256.5 billion or 34.9% to UAH 991.0 billion. UAH-denominated balances grew by UAH 261.7 billion or 40.3%, reaching UAH 910.7 billion, while foreign currency balances decreased by UAH 5.2 billion or 6.1% to UAH 80.3 billion, although in reality they fell by UAH 14.3 billion if the currency revaluation effect of UAH 9.1 billion is not taken into account. As of January 1, 2025, the largest holdings of these securities were concentrated in state-owned banks, totaling UAH 753.5 billion (UAH 677.6 billion in UAH and UAH 75.9 billion in foreign currency). Foreign bank groups held UAH 117.3 billion of such securities (UAH 117.2 billion in UAH and UAH 0.1 billion in foreign currency), while private banks held UAH 120.2 billion (UAH 115.9 billion in UAH and UAH 4.3 billion in foreign currency).

Investments in NBU deposit certificates decreased by UAH 72.7 billion or 11.6% during the reporting year to UAH 548.9 billion, and their share in the portfolio structure fell from 42.4% to 32.4%. The reduction occurred throughout the year except for December (an increase of UAH 99.9 billion in December compared to a decrease of UAH 172.6 billion in the other months). The volume of NBU deposit certificates remained significant across all bank groups as of January 1, 2025: UAH 193.5 billion in state-owned banks, UAH 210.4 billion in foreign bank groups, and UAH 145.0 billion in private banks.

In the reporting year, investments in corporate securities on the balance sheets of the DGF members increased, as in the previous year, rising by UAH 42.9 billion or 38.9% to UAH 153.3 billion, of which UAH 149.2 billion are denominated in foreign currency. Over the past two years, their balances grew by UAH 120.8 billion or 3.7 times, and their share in the total volume of investments amounted to 9.1% as of January 1, 2025, compared to 7.5% on January 1, 2024, and 3.2% on January 1, 2023. The lion's share of these securities are debt obligations of foreign governments and overseas financial institutions. Therefore, they are primarily concentrated in banks of foreign banking groups, totaling UAH 94.6 billion, while state-owned and private banks hold UAH 20.6 billion and UAH 38.1 billion, respectively.

Liabilities Analysis

As of January 1, 2025, total liabilities amounted to UAH 3,047.4 billion, including UAH 993.4 billion in foreign currency, which accounts for 32.6% of the funding structure. The structure and dynamics of liabilities are shown in Table 2.1.9.

In 2024, total liabilities increased by UAH 398.4 billion or 15.0% (compared to UAH 513.1 billion or 24.0% growth in 2023), primarily driven by the increased attraction of client funds as well as foreign currency revaluation.

By currency, the following changes occurred:

- In the national currency, liabilities increased by UAH 272.6 billion or 15.3% to UAH 2,054.0 billion (in 2023, the growth was UAH 444.6 billion);
- In foreign currency, the nominal increase amounted to UAH 125.8 billion or 14.5% to UAH 993.4 billion, of which UAH 92.7 billion was due to foreign exchange revaluation. Thus, the actual increase in liabilities was UAH 33.1 billion (in 2023, the real increase was UAH 37.6 billion excluding UAH 30.9 billion of foreign exchange revaluation).

Debt to the NBU continued to decline during the reporting year and as of January 1, 2025, amounted to UAH 1.9 billion (0.1% of the resource structure). Over the year, its volume decreased by UAH 0.6 billion or 23.6% (in 2023, it decreased by UAH 35.7 billion), and over the three years of war it fell by UAH 86.5 billion or 46.6 times. After the start of the full-scale invasion, the NBU increased refinancing to banks to support their liquidity; however, subsequent stabilization of the situation led to a reduced demand for funds and a significant decrease in banks' debt. During 2024, only 6 participants of the DGF received loans from the NBU totaling UAH 2.4 billion. In 2023, there were 5 such banks with a volume of UAH 0.3 billion, and in 2022 – 43 banks with a volume of UAH 358.5 billion. As of January 1, 2025, 5 banks had outstanding debt under these loans compared to 6 banks as of January 1, 2024, and 21 banks as of January 1, 2023.

Funds from other banks in 2024 decreased by UAH 4.9 billion or 23.5% to UAH 15.9 billion (0.5% of the resource structure). Most of these funds are denominated in foreign currency and amount to UAH 14.1 billion, while UAH 1.8 billion is in UAH. During the reporting year, UAH balances fell by UAH 3.8 billion or 3.1 times, and foreign currency balances declined by UAH 1.1 billion or 7.1%. However, excluding the positive currency revaluation of UAH 1.6 billion, their real decrease was UAH 2.7 billion (in 2023, funds from other banks decreased by UAH 1.1 billion excluding currency revaluation of UAH 0.7 billion). By maturity, demand deposits prevail among these funds, which decreased by UAH 2.6 billion or 14.9% to UAH 14.5 billion in 2024. Over

the same period, received interbank loans and attracted interbank deposits decreased by UAH 2.3 billion or 62.7% to UAH 1.4 billion.

Table 2.1.9

Structure and Dynamics of Liabilities of the DGF members

(UAH million)

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	amount	%	amount	%	amount	%	in 2023		in 2024	
							amount	in %	amount	in %
1	2	3	4	5	6	7	8	9	10	11
Debt to the NBU	38 145,9	1,8	2 482,7	0,1	1 895,6	0,1	– 35 663,2	– 93,5	– 587,1	– 23,6
incl. accrued expenses	–	–	–	–	1,3	0,0	–	–	+ 1,3	X
Funds of other banks	21 218,6	1,0	20 789,6	0,8	15 910,9	0,5	– 429,0	– 2,0	– 4 878,7	– 23,5
incl. accrued expenses	28,8	0,0	25,1	0,0	11,7	0,0	– 3,7	– 12,8	– 13,4	– 53,7
– demand funds *	18 002,8	0,8	17 067,4	0,6	14 523,0	0,5	– 935,4	– 5,2	– 2 544,4	– 14,9
– received loans and attracted deposits	3 215,8	0,2	3 722,2	0,2	1 387,9	0,0	+ 506,4	+ 15,7	– 2 334,3	– 62,7
Funds of legal entities, budget and sole entrepreneurs	998 018,6	46,7	1 351 679,5	51,0	1 605 813,4	52,7	+ 353 660,9	+ 35,4	+ 254 133,9	+ 18,8
incl. accrued expenses	2 742,5	0,1	4 423,7	0,2	4 763,9	0,2	+ 1 681,2	+ 61,3	+ 340,2	+ 7,7
– demand funds *	836 584,8	39,2	1 029 732,8	38,9	1 257 611,5	41,3	+ 193 148,0	+ 23,1	+ 227 878,7	+ 22,1
– term deposits	161 433,8	7,5	321 946,7	12,1	348 201,9	11,4	+ 160 512,9	+ 99,4	+ 26 255,2	+ 8,2
Funds of individuals	932 137,8	43,6	1 083 030,1	40,9	1 216 112,5	39,9	+ 150 892,3	+ 16,2	+ 133 082,4	+ 12,3
incl. accrued expenses	1 556,8	0,1	2 782,0	0,1	2 608,1	0,1	+ 1 225,2	+ 78,7	– 173,9	– 6,3
– demand funds *	606 584,9	28,4	694 136,8	26,2	799 900,9	26,2	+ 87 551,9	+ 14,4	+ 105 764,1	+ 15,2
– term deposits	325 552,9	15,2	388 893,3	14,7	416 211,6	13,7	+ 63 340,4	+ 19,5	+ 27 318,3	+ 7,0
Equity securities	1 123,6	0,1	816,1	0,0	519,3	0,0	– 307,5	– 27,4	– 296,8	– 36,4
incl. accrued expenses	81,0	0,0	70,8	0,0	67,3	0,0	– 10,2	– 12,6	– 3,5	– 4,9
– savings (deposit) certificates	1 102,5	0,1	727,6	0,0	506,8	0,0	– 374,9	– 34,0	– 220,8	– 30,3
– other own debt securities	21,1	0,0	88,5	0,0	12,5	0,0	+ 67,4	+ 319,4	– 76,0	– 85,9

Indicators	January 1, 2023		January 1, 2024		January 1, 2025		Late changes			
	amount	%	amount	%	amount	%	in 2023		in 2024	
							amount	in %	amount	in %
1	2	3	4	5	6	7	8	9	10	11
Loans from international and other organizations	49 983,0	2,3	54 338,0	2,1	61 158,4	2,0	+ 4 355,0	+ 8,7	+ 6 820,4	+ 12,6
incl. accrued expenses	1 181,2	0,1	1 197,9	0,0	1 169,7	0,0	+ 16,7	+ 1,4	– 28,2	– 2,4
Subordinated debt	10 387,0	0,5	7 575,0	0,3	7 008,6	0,2	– 2 812,0	– 27,1	– 566,4	– 7,5
incl. accrued expenses	622,2	0,0	488,7	0,0	482,6	0,0	– 133,5	– 21,5	– 6,1	– 1,2
Other liabilities	84 823,7	4,0	128 275,1	4,8	138 975,2	4,6	+ 43 451,4	+ 51,2	+ 10 700,1	+ 8,3
incl. accrued expenses	2 292,8	0,1	3 881,0	0,2	5 203,1	0,2	+ 1 588,2	+ 69,3	+ 1 322,1	+ 34,1
– accounts payable	35 201,4	1,7	90 103,1	3,4	94 689,6	3,1	+ 54 901,7	+156,0	+ 4 586,5	+ 5,1
– other funds	49 622,3	2,3	38 172,0	1,4	44 285,6	1,5	– 11 450,3	– 23,1	+ 6 113,6	+ 16,0
Total liabilities	2 135 838,2	100,0	2 648 986,1	100,0	3 047 393,9	100,0	+ 513 147,9	+ 24,0	+ 398 407,8	+ 15,0
including accrued expenses	8 505,3	0,4	12 869,2	0,5	14 307,7	0,5	+ 4 363,9	+ 51,3	+ 1 438,5	+ 11,2

* including funds in settlements

Funds of legal entities, the budget, and sole entrepreneurs increased in 2024 by UAH 254.1 billion or 18.8% (in 2023 – by UAH 353.7 billion) and amounted to UAH 1,605.8 billion (52.7% of the liabilities structure). They are formed 69.5% from UAH balances, which increased by UAH 178.5 billion or 19.0% to UAH 1,116.4 billion, and 30.5% from foreign currency balances, which rose by UAH 75.6 billion or 15.4% to UAH 489.4 billion, including UAH 44.2 billion of currency revaluation. Thus, in the reporting year, business funds actually increased by UAH 209.9 billion (in 2023, their real growth was UAH 338.7 billion, excluding UAH 15.0 billion currency revaluation).

The majority of funds of legal entities, the budget, and sole entrepreneurs consist of demand deposits, which since the beginning of the year increased by UAH 227.9 billion or 22.1% to UAH 1,257.6 billion. In UAH, they grew by UAH 166.1 billion or 23.5% to UAH 873.1 billion, and in foreign currency – by UAH 61.8 billion or 19.1% to UAH 384.6 billion, with UAH 34.5 billion currency revaluation, indicating a real increase of UAH 27.3 billion.

Term deposits increased over the year by UAH 26.2 billion, or 8.2%, reaching UAH 348.2 billion. Of this growth, term deposits in UAH rose by UAH 12.4 billion, or 5.4%, to UAH 243.3 billion, while in foreign currency they grew by UAH 13.8 billion, or 15.2%, to UAH 104.8 billion, including UAH 9.7 billion of positive currency revaluation; thus, the real increase in foreign currency term deposits amounted to UAH 4.1 billion.

Funds of individuals increased in 2024 by UAH 133.1 billion or 12.3% (in 2023 — by UAH 150.9 billion) and as of 01.01.2025 amounted to UAH 1,216.1 billion (39.9% of the liabilities structure). UAH balances accounted for 65.2% of this amount (UAH 792.5 billion), and their growth by UAH 81.8 billion or 11.5% was the main source of the increase (in 2023, they rose by UAH 117.6 billion). Foreign currency balances, which accounted for 34.8% of individuals' funds (UAH 423.6 billion), formally increased by UAH 51.3 billion or 13.8%, but excluding UAH 39.8 billion of currency revaluation, the real increase was UAH 11.5 billion (in 2023, these balances grew by UAH 20.1 billion excluding UAH 13.2 billion of currency revaluation).

Demand deposits of individuals as of January 1, 2025, reached UAH 799.9 billion, which is UAH 105.8 billion or 15.2% higher than on January 1, 2024. During the reporting year, their UAH component increased by UAH 60.3 billion or 12.9% to UAH 526.4 billion, and the foreign currency component grew by UAH 45.5 billion or 20.0% to UAH 273.5 billion, including UAH 24.4 billion of currency revaluation (thus, the real growth of foreign currency balances was UAH 21.1 billion).

Term deposits of the population in 2024 increased by UAH 27.3 billion or 7.0% to UAH 416.2 billion, driven by an increase in UAH deposits of UAH 21.5 billion or 8.8% to UAH 266.1 billion, while foreign currency deposits formally grew by UAH 5.8 billion or 4.0% to UAH 150.1 billion, but in reality declined by UAH 9.6 billion if the positive currency revaluation of UAH 15.4 billion is excluded.

Loans from international and other organizations in 2024 increased by UAH 6.8 billion or 12.6% to UAH 61.2 billion (2.0% of the resource structure). In foreign currency, they decreased by UAH 6.2 billion or 15.8% to UAH 33.2 billion and excluding

a positive currency revaluation of UAH 4.2 billion, their real decrease amounted to UAH 10.4 billion (in 2023, they actually declined by UAH 5.4 billion excluding UAH 1.4 billion currency revaluation). The increase in UAH amounted to UAH 13.0 billion or 87.5% to UAH 28.0 billion (in 2023, the growth was UAH 8.4 billion) due to banks' participation in the state program "eOselya" and the receipt of loan funds from PJSC "Ukrfinzhytlo" for further issuance of mortgages to the population. In 2024, more than 8,500 Ukrainian families took advantage of the preferential mortgage lending program "eOselya," and the volume of loans issued exceeded UAH 14.6 billion, which is 45.0% more than in 2023 by number of loans issued and 65.0% more by amount of funds provided.

Changes in the main components of liabilities, which account for over 90.0% of their total volume, broken down by individual groups of banks and by national and foreign currencies, are shown in Table 2.1.10.

As the data indicate, during the reporting year, client funds continued to grow in both national and foreign currencies across all groups of banks. As in the previous year, business funds accumulated more dynamically than household funds. UAH and foreign currency balances in accounts of business entities increased in all groups of banks except for term UAH deposits in privately-owned banks. Household demand deposits also grew in all groups of banks in both national and foreign currencies, while term deposits increased only in UAH but decreased in foreign currency in state-owned and private banks, although foreign banks showed growth. Overall, the share of client funds denominated in UAH is increasing, while the foreign currency share is decreasing.

The share of term funds in the structure of liabilities of the DGF members again declined in 2024 after an increase in the previous year, and as of January 1, 2025, amounted to 27.4%, compared to 29.5% on January 1, 2024, and 27.6% on January 1, 2023. At the same time, the shares of all components of term liabilities decreased.

According to data from form 1F, the share of deposits (including funds of sole entrepreneurs) in the liabilities of the DGF members in 2024 decreased to 40.8%, while it was 41.9% in 2023 and 44.7% in 2022. In nine banks, this share exceeds the system average, and in four of them, it reaches over 50.0%.

Table 2.1.10

Changes in the main components of the DGF members' liabilities

(UAH million)

Indicators	Funds of legal entities, budget and sole proprietors				Funds of individuals			
	Demand		Term		Demand		Term	
	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)
1	2	3	4	5	6	7	8	9
Balance as of January 1, 2023	514 569,0	322 015,8	113 568,3	47 865,5	413 117,7	193 467,2	179 956,5	145 596,4
changes over the year due to:								
– currency revaluation	X	+ 11 284,8	X	+ 3 694,3	X	+ 7 907,4	x	+ 5 255,2
– bank closures	– 4 765,5	– 1 009,7	– 207,0	– 13,3	– 935,5	– 532,5	– 1 727,6	– 730,0
– increase/decrease in volume	+ 197 154,9	– 9 516,5	+ 117 535,6	+ 39 503,3	+ 53 990,9	+ 27 121,6	+ 66 321,7	– 5 778,9
Including in banks:								
with state ownership	+ 119 911,4	+ 2 422,8	+ 36 623,6	+ 5 169,7	+ 47 479,8	+ 30 055,9	+ 29 259,9	– 23 327,0
foreign banking groups	+ 39 884,4	– 13 339,4	+ 43 913,5	+ 28 124,6	– 2 971,3	– 10 332,5	+ 12 539,4	+ 16 115,4
with private capital	+ 37 359,1	+ 1 400,1	+ 36 998,5	+ 6 209,0	+ 9 482,4	+ 7 398,2	+ 24 522,4	+ 1 432,7
Balance as of January 1, 2024	706 958,4	322 774,4	230 896,9	91 049,8	466 173,1	227 963,7	244 550,6	144 342,7
changes over the year due to:								
– currency revaluation	x	+ 34 473,0	X	+ 9 724,3	X	+ 24 347,0	X	+ 15 416,1
– bank closures	– 0,8	– 0,1	–	–	– 0,1	– 0,1	–	–
– increase/decrease in volume	+ 166 087,3	+ 27 319,3	+ 12 438,9	+ 4 092,0	+ 60 282,0	+ 21 135,3	+ 21 517,9	– 9 615,7

Indicators	Funds of legal entities, budget and sole proprietors				Funds of individuals			
	Demand		Term		Demand		Term	
	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)	in UAH	in currency (UAH eq.)
1	2	3	4	5	6	7	8	9
Including in banks:								
with state ownership	+ 76 508,9	+ 16 310,9	+ 8 854,5	+ 9,8	+ 42 447,9	+ 10 630,6	+ 8 678,0	– 12 659,1
Foreign banking groups	+ 36 693,7	+ 4 863,2	+ 14 189,7	+ 290,0	+ 7 740,7	+ 3 463,7	+ 1 527,3	+ 5 845,8
with private capital	+ 52 884,7	+ 6 145,2	– 10 605,3	+ 3 792,2	+ 10 093,4	+ 7 041,0	+ 11 312,6	– 2 802,4
Balance as of January 1, 2025	873 044,9	384 566,6	243 335,8	104 866,1	526 455,0	273 445,9	266 068,5	150 143,1

Analysis of financial results

Despite the ongoing war and the associated risks and losses, the activities of the DGF members remain profitable. In the reporting year, their consolidated financial result amounted to UAH 90.9 billion, marking the best performance in the entire history of Ukraine's banking system. This exceeded the previous record profit of 2023 by UAH 7.9 billion, when the system earned UAH 83.0 billion, and compared to 2022, it increased by UAH 69.0 billion or 4.1 times.

By the end of 2024, 51 banks reported a profit totaling UAH 91.3 billion, while 11 banks incurred losses amounting to UAH 0.4 billion. In 2023, 55 institutions were profitable with a total result of plus UAH 83.3 billion, and 8 institutions reported losses totaling minus UAH 0.3 billion.

The main source of profit was net interest income, which banks earned in the amount of UAH 234.3 billion, exceeding the 2023 level by UAH 32.9 billion. Net commission income amounted to UAH 56.6 billion compared to UAH 51.1 billion a year earlier.

Banks' operating income increased by UAH 63.1 billion or 14.3%, operating expenses rose by UAH 23.3 billion or 13.8%, and net operating profit before provisioning grew by UAH 39.8 billion or 14.6%. The operational efficiency of the DGF members decreased in the reporting year compared to 2023 results but remained higher than in 2022: the cost-to-income ratio (CIR) as of January 1, 2025, was 39.3%, compared to 38.1% on January 1, 2024, and 39.6% on January 1, 2023.

Financial results by bank groups for 2024 were as follows:

- The consolidated profit of state-owned banks amounted to UAH 55.9 billion, which is UAH 4.2 billion higher than in 2023;
- Banks with foreign capital recorded a total profit of UAH 22.5 billion, compared to UAH 22.4 billion last year;
- Private banks earned a consolidated profit of UAH 12.5 billion, which is UAH 3.6 billion more than in 2023.

Detailed dynamics of the revenues and expenses of the DGF members, as well as their financial results, are presented in Table 2.1.11.

In 2024, the revenues of the DGF members amounted to UAH 507.8 billion, increasing by UAH 61.1 billion or 13.7% compared to 2023.

Among the revenues, the largest share is interest income (UAH 351.7 billion), with commission income in second place (UAH 110.9 billion). Compared to 2023, these increased by UAH 47.2 billion or 15.5% and UAH 13.4 billion or 13.7%, respectively. The share of interest income in total revenues rose from 68.1% to 69.3%, while the share of commission income remained at 21.8%.

Within interest income, for the second consecutive year, the largest share is occupied by income from securities. For the first time, in 2023, it surpassed income from client loans. In the reporting year, income from securities reached UAH 184.0 billion, increasing by UAH 22.3 billion or 13.8% over the year. During the same period, interest income from client loans increased by UAH 20.7 billion or 16.1%, reaching UAH 149.5 billion. If interest income from client loans increased by UAH 40.4 billion or 37.0% over the three war years, and their share in interest income decreased from 66.5% to 42.5%, then income from securities increased by UAH 129.5 billion or 3.4 times, and their share in interest income rose from 33.2% to 52.3%.

The result of revaluation and trading operations in the reporting year was positive, amounting to UAH 34.4 billion, which is UAH 4.1 billion or 13.7% higher than last year. Its main components were:

- UAH 19.6 billion profit from foreign currency and banking metals trading;
- UAH 17.7 billion profit from trading securities measured at fair value through profit/loss;
- UAH 4.5 billion loss from revaluation of foreign currency and banking metals;
- UAH 1.8 billion profit from reclassification of revaluation of debt financial instruments measured at fair value through other comprehensive income;
- UAH 0.9 billion loss from revaluation of interest rate swap contracts.

Bank expenses in 2024 amounted to UAH 416.9 billion, increasing by UAH 53.2 billion or 14.6% compared to 2023.

The main item was interest expenses, which rose by UAH 14.3 billion or 13.9%, reaching UAH 117.3 billion (28.1% of the total structure). The majority share of these were interest payments on client funds, which increased by UAH 16.9 billion or 17.8% to UAH 112.1 billion. Administrative expenses grew by UAH 18.7 billion or 18.9%, totaling UAH 111.1 billion, and their share in the structure rose from 25.4% to 26.6% (second place after interest expenses). In third place were expenses for income tax payments, which reached UAH 95.9 billion following the tax rate increase to 50.0% in October and retrospective tax accruals from the beginning of the year.

Table 2.1.11

Income, Expenses and Financial Results of the DGF members

(UAH million)

Indicators	January 1, 2023	January 1, 2024	January 1, 2025	Late changes			
				in 2023		in 2024	
				Amount	in %	Amount	in %
1	2	3	4	5	6	7	8
Total income, including:	357 549,1	446 737,2	507 795,9	+ 89 188,1	+ 24,9	+ 61 058,7	+ 13,7
– interest income	217 052,6	304 437,1	351 657,9	+ 87 384,5	+ 40,3	+ 47 220,8	+ 15,5
of which interest income from loans to customers	125 654,4	128 814,8	149 514,3	+ 3 160,4	+ 2,5	+ 20 699,5	+ 16,1
Interest income from securities operations	88 709,5	161 656,2	183 995,7	+ 72 946,7	+ 82,2	+ 22 339,5	+ 13,8
– fee and commission income	85 622,1	97 572,2	110 936,3	+ 11 950,1	+ 14,0	+ 13 364,1	+ 13,7
of which fees from settlement and cash services	74 448,7	84 644,4	97 545,0	+ 10 195,7	+ 13,7	+ 12 900,6	+ 15,2
– result from revaluation and trading operations	43 482,3	30 264,3	34 405,5	– 13 218,0	– 30,4	+ 4 141,2	+ 13,7
– other operating income	8 125,9	8 364,2	6 737,9	+ 238,3	+ 2,9	– 1 626,3	– 19,4
– other income	2 413,4	4 043,1	1 966,2	+ 1 629,7	+ 67,5	– 2 076,9	– 51,4
– recovery of written-off assets	852,8	2 056,3	2 092,1	+ 1 203,5	+ 141,1	+ 35,8	+ 1,7
Total expenses, including:	335 627,8	363 698,7	416 896,9	+ 28 070,9	+ 8,4	+ 53 198,2	+ 14,6
– interest expenses	65 357,8	103 043,0	117 330,7	+ 37 685,2	+ 57,7	+ 14 287,7	+ 13,9
of which interest on customer funds	46 419,2	95 181,5	112 082,9	+ 48 762,3	+ 105,0	+ 16 901,4	+ 17,8
– fee and commission expenses	35 449,4	46 456,8	54 330,3	+ 11 007,4	+ 31,1	+ 7 873,5	+ 16,9
of which fees for settlement and cash services	32 582,3	41 606,6	47 448,2	+ 9 024,3	+ 27,7	+ 5 841,6	+ 14,0

Indicators	January 1, 2023	January 1, 2024	January 1, 2025	Late changes			
				in 2023		in 2024	
				Amount	in %	Amount	in %
1	2	3	4	5	6	7	8
– other operating expenses	17 875,3	18 481,4	19 570,2	+ 606,1	+ 3,4	+ 1 088,8	+ 5,9
– administrative expenses	82 434,0	92 325,2	111 056,1	+ 9 891,2	+ 12,0	+ 18 730,9	+ 20,3
– other expenses	5 951,0	8 726,7	9 118,2	+ 2 775,7	+ 46,6	+ 391,5	+ 4,5
– provisions	121 204,3	17 656,9	9 588,1	– 103 547,4	– 85,4	– 8 068,8	– 45,7
of which provisions for loans to customers	107 383,4	3 497,9	– 2 201,7	– 103 885,5	– 96,7	– 5 699,6	– 162,9
provisions for impairment of securities	7 456,5	14 027,1	9 744,8	+ 6 570,6	+ 88,1	– 4 282,3	– 30,5
provisions for risk and loss coverage	3 869,3	– 397,6	1 873,0	– 4 266,9	– 110,3	+ 2 270,6	– 571,1
– income tax	7 356,0	77 008,7	95 903,3	+ 69 652,7	+ 946,9	+ 18 894,6	+ 24,5
Financial result, including:	21 921,3	83 038,5	90 899,0	+ 61 117,2	+ 278,8	+ 7 860,5	+ 9,5
– banks with a state ownership	19 258,0	51 661,8	55 894,4	+ 32 403,8	+ 168,3	+ 4 232,6	+ 8,2
– banks of foreign banking groups	– 387,8	22 418,4	22 489,9	+ 22 806,2	– 5 880,9	+ 71,5	+ 0,3
– banks with private capital	3 051,1	8 958,3	12 523,0	+ 5 907,2	+ 193,6	+ 3 564,7	+ 39,8
– insolvent banks	–	–	– 8,3	–	–	– 8,3	x
<u>For reference:</u>							
Operating Efficiency (CIR), in %	39,6	38,1	39,3	x	x	x	x

Provisions, which were the main expense item in the first year of the war and decreased 6.9 times in 2023, continued to decline. At the end of the reporting year, they amounted to UAH 9.6 billion, having decreased by UAH 8.1 billion or 45.7% compared to the previous year. For the second year in a row, the largest share of these expenses was related to provisions for securities (UAH 9.7 billion compared to UAH 14.0 billion last year), while provisions for customer loans were negative (–UAH 2.2 billion compared to UAH 3.5 billion in the previous year). Most of the losses from the impairment of credit portfolios were recognized by Deposit Guarantee Fund participants in the first year of the war. As a result, provisions were minimal in 2023, and in 2024 banks recorded a profit from the partial reversal of previously created reserves due to improvements in the quality of loan portfolios.

Capital Analysis

As of January 1, 2025, the equity capital of Deposit Guarantee Fund participants amounted to UAH 368.7 billion. Changes in its structure over the past two years are presented in Table 2.1.12.

Since the beginning of 2024, the equity capital of DGF members increased by UAH 72.6 billion, or 24.5%, allowing for an almost one-quarter growth in its volume. In 51 banks, capital increased by a total of UAH 73.0 billion, while in 11 banks it decreased by UAH 0.2 billion (in comparison, in 2023 the respective figures were 55 and 8). An additional UAH 0.2 billion was lost by the system due to the termination of PJSC "ALPARI BANK".

The main driver of capital growth was the profitable performance of banks, which earned UAH 90.9 billion in the reporting year. Capitalization was also supported by the positive revaluation of securities in the former available-for-sale portfolio in the amount of UAH 10.8 billion. At the same time, the payment of dividends by two state-owned banks for the results of 2023 in the amount of UAH 32.0 billion had a negative impact on the system's capital.

Paid-in authorized capital as of January 1, 2025, amounted to UAH 407.1 billion, having increased by UAH 2.3 billion or 0.6% over the year due to contributions from shareholders of eight banks and the exit of one bank from the market. During the same period, total reserves and funds increased by UAH 13.3 billion or 28.7% to UAH 59.5 billion due to the distribution of profit for 2023.

The consolidated negative result of previous years, which consists separately of retained earnings and uncovered losses, improved by UAH 38.0 billion in 2024 as a result of an increase in profits by UAH 22.7 billion and the coverage of losses by UAH 15.3 billion and currently amounts to minus UAH 238.2 billion.

Return on equity for the reporting year amounted to 25.5%, which is slightly lower than in 2023 (30.3%), but significantly exceeds the 2022 level (9.7%).

Table 2.1.12

Changes in the structure of equity capital of the DGF members

(UAH million)

Indicators	January 1, 2023	January 1, 2024	January 1, 2025	Late changes			
				in 2023		in 2024	
				Amount	in %	Amount	in %
1	2	3	4	5	6	7	8
Paid-up authorized capital	407 020,5	404 751,2	407 084,5	– 2 269,3	– 0,6	+ 2 333,3	+ 0,6
Emission differences and additional contributions	14 541,8	14 515,3	15 369,1	– 26,5	– 0,2	+ 853,8	+ 5,9
General reserves and funds	42 602,4	46 242,6	59 499,5	+ 3 640,2	+ 8,5	+ 13 256,9	+ 28,7
Revaluation results	127,3	23 636,6	34 011,4	+ 23 509,3	+ 18 467,6	+ 10 374,8	+ 43,9
Results of previous years	– 272 865,3	– 268 906,0	– 233 771,1	+ 3 959,3	– 1,5	+ 35 134,9	– 13,1
Result of the reporting year	2 491,9	– 7 234,6	– 4 405,4	– 9 726,5	– 390,3	+ 2 829,2	– 39,1
Result of the current year	21 921,3	83 038,5	90 899,0	+ 61 117,2	+ 278,8	+ 7 860,5	+ 9,5
Total equity	215 839,9	296 043,6	368 687,0	+ 80 203,7	+ 37,2	+ 72 643,4	+ 24,5
<u>For reference:</u>							
Return on Equity (ROE), in %	9,7	30,3	25,5	x	x	x	x
Regulatory capital adequacy ratio, in %	19,7	21,1	17,4	x	x	x	x

Starting from August 5, 2024, banks transitioned to a three-tier capital structure and new capital adequacy requirements. According to these changes, capital is divided into three components instead of two (Common Equity Tier 1, Additional Tier 1, and Tier 2 capital), and for monitoring banks' compliance with prudential capital requirements, the following capital adequacy ratios are used: regulatory capital adequacy, Tier 1 capital adequacy, and Common Equity Tier 1 capital adequacy.

The regulatory capital of the DGF members increased by UAH 10.5 billion or 4.1% since the beginning of 2024 and amounted to UAH 268.8 billion as of January 1, 2025. The regulatory capital adequacy ratio of the banking system decreased compared to the previous two years, while remaining above the regulatory minimum (8.5%). As of January 1, 2025, it stood at 17.4% compared to 21.1% as of January 1, 2024, and 19.7% as of January 1, 2023. In turn, the Tier 1 capital adequacy and the Common Equity Tier 1 capital adequacy at the end of 2024 stood at 16.9%, which also exceeds the regulatory minimum (7.5% and 5.625%, respectively).

2.2. Analysis of the DGF members' deposit trends

The analysis of deposit operations trends for 2024 was conducted for 62 banks that were included in the register of the DGF members at the end of 2024, based on monthly reports on individual deposits in the DGF members – reporting form No. 1F.

At the beginning of 2024, there were 63 banks that held a banking license and were participants of the DGF. During 2024, one bank – JSC “ALPARI BANK” – was excluded from the register of the DGF members due to the revocation of its banking license without termination of its legal entity (July 1, 2024) (Figure 2.2.1).

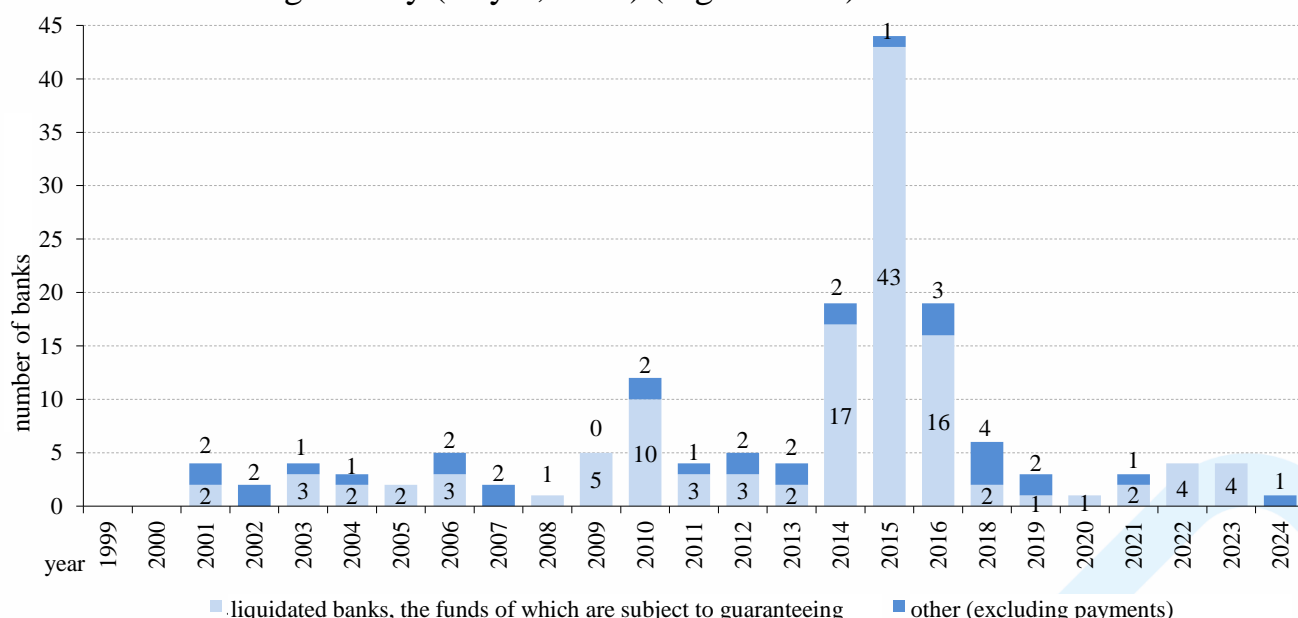


Figure 2.2.1. Exclusion of banks from the register of DGF members



Table 2.2.1

Data on household deposits in banks excluded from the register of DGF members during 2024

Serial No.	Account No.	Bank	Number of depositors, thousand Persons	Amount of deposits, UAH million		Potential compensation amount, UAH mln	Date of the NBU liquidation decision on
				Total	incl. in foreign currency		
Reporting as of January 1, 2024							
1	228	JSC "ALPARI BANK"	0,19	0,23	0,08	0,23	27.06.2024
Total for banks excluded in 2024			0.19	0.23	0.08	0.23	X

Trends in the deposit market

✓ **Number of depositors** — increased by 2.1 million persons, or 3.2%, during 2024, reaching **69.8 million persons**. For comparison, in 2023 the increase in the number of depositors was 2.3 million persons, or 3.6%.

The total number of depositors in banks with state ownership amounts to 42.1 million persons, or 60.2% of the total number of depositors across the DGF.

In 9 banks, each having over 1 million depositors, a total of 63.3 million depositors are concentrated, which accounts for 90.7% of the total number of depositors (see Table 2.2.2). Deposits of 24.1 million persons, or 34.5% of the total depositors, are held at JSC CB “PRIVATBANK.”

✓ **Total deposit amount** — increased by UAH 157.44 billion, or 12.7%, during 2024, reaching **UAH 1,392.24 billion**. For comparison, in 2023 the increase in deposit amounts was UAH 183.30 billion, or 17.4%.

The total amount of deposits in banks with state ownership amounts to UAH 865.70 billion, or 62.2% of the total deposit amount across the DGF.

In 16 banks, each with deposits exceeding UAH 10 billion, a total of UAH 1,324.35 billion is concentrated, which accounts for 95.1% of the total deposits in the entire DGF, including JSC CB “PRIVATBANK,” which holds 37.6% of the total deposits of all participants in the guarantee scheme (see Table 2.2.3).

✓ The number of **sole proprietors** as of January 1, 2025, amounted to 2.22 million persons, or 3.2% of all depositors, with deposits totaling UAH 168.91 billion, or 12.1% of the total deposit amount. During 2024, the number of sole proprietors increased by 0.03 million persons, or 1.5%, and their total deposits grew by UAH 19.03 billion, or 12.7%.

✓ **The average deposit amount was** UAH 19,935.89. The average amount of the deposit guaranteed by the DGF (over UAH 10,000) was UAH 33,371.64.



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✓ **The potential compensation amount** from the DGF resources increased by UAH 156.70 billion, or 12.7%, during 2024 and as of January 1, 2025, amounted to UAH 1,388.81 billion. According to Law No. 2180, since April 13, 2022, during the martial law in Ukraine and three months after the termination or cancellation of martial law in Ukraine, the DGF compensates each depositor of the bank the full amount of the deposit, and including interest accrued as of the end of the day preceding the day of the start of the procedure insolvent banks resolution.

The total potential compensation amount in banks with a state share is UAH 865.66 billion, or 62.3% of the total potential compensation amount for the DGF.



Table 2.2.2

Banks with the largest number of depositors as of January 1, 2025

Serial No.	Account No.	Bank	January 1, 2025				Change for 2024
			Number of depositors			Number of deposits	Number of depositors
			Total	to everything in the DGF	incl. in foreign currency		
			Thousands of persons	%	Thousands of persons	UAH million	Thousands of persons
1	113	PRIVATBANK	24 069	34,5	4 425	523 569,02	-150
2	240	OSCHADBANK	13 022	18,6	577	215 338,02	187
3	27	UNIVERSAL BANK	9 162	13,1	2 404	107 977,49	1 202
4	98	ACCENT-BANK	3 630	5,2	528	21 972,66	458
5	111	FUIB	3 350	4,8	336	61 481,90	527
6	121	RAIFFEISEN BANK	3 322	4,8	197	80 811,66	325
7	48	SENSE BANK	2 917	4,2	282	49 166,60	25
8	90	UKRSIBBANK	2 325	3,3	292	64 504,81	214
9	52	UKRGASBANK	1 546	2,2	152	35 947,65	5
Total for banks			63 343	90,7	9 193	1 160 769,81	2 793
% to total for the DGF			90,7	X	88,7	83,4	X
Total for the DGF			69 836	100,0	10 359	1 392 235,06	2 148

Table 2.2.3

Banks with the largest amount of deposits as of January 1, 2025

Serial No.	Account No.	Bank	January 1, 2025				Change for 2024
			Number of deposits			Number of depositors	Number of deposits
			Total	to everything in the DGF	incl. in foreign currency		
			UAH million	%	UAH million	Thousands of persons	UAH million
1	113	PRIVATBANK	523 569,02	37,6	143 383,13	24 069	59 436,79
2	240	OSCHADBANK	215 338,02	15,5	45 142,95	13 022	22 589,44
3	27	UNIVERSAL BANK	107 977,49	7,8	49 513,45	9 162	22 523,82
4	121	RAIFFEISEN BANK	80 811,66	5,8	38 476,42	3 322	11 825,55
5	90	UKRSIBBANK	64 504,81	4,6	37 967,71	2 325	5 698,94
6	111	FUIB	61 481,90	4,4	22 199,28	3 350	8 870,34
7	48	SENSE BANK	49 166,60	3,5	24 944,11	2 917	-38,56

8	22	UKREXIMBANK	41 547,31	3,0	25 312,14	479	2 611,26
9	52	UKRGASBANK	35 947,65	2,6	12 495,79	1 546	446,69
10	85	OTP BANK	32 914,43	2,4	17 848,07	997	2 120,20
11	54	KREDOBANK	22 704,51	1,6	12 154,80	660	2 495,14
12	43	CREDIT AGRICOLE BANK	22 531,32	1,6	12 744,26	382	3 522,14
13	98	ACCENT-BANK	21 972,66	1,6	5 521,84	3 630	5 620,81
14	16	PIVDENNYI	18 413,30	1,3	9 258,84	413	2 224,15
15	141	PROCREDIT BANK	13 519,31	1,0	7 127,73	39	1 771,32
16	31	TASCOMBANK	11 952,81	0,9	6 027,88	606	759,06
Total for banks			1 324 352,80	95,2	470 118,40	66 919	152 477,09
% of total for the DGF			95,2	X	95,4	95,8	X
Total for the DGF			1 392 235,06	X	492 729,01	69 836	157 434,21



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The trends of the number of depositors and the number of deposits in the DGF members during 2000-2024 are shown in Figures 2.2.2 and 2.2.3.

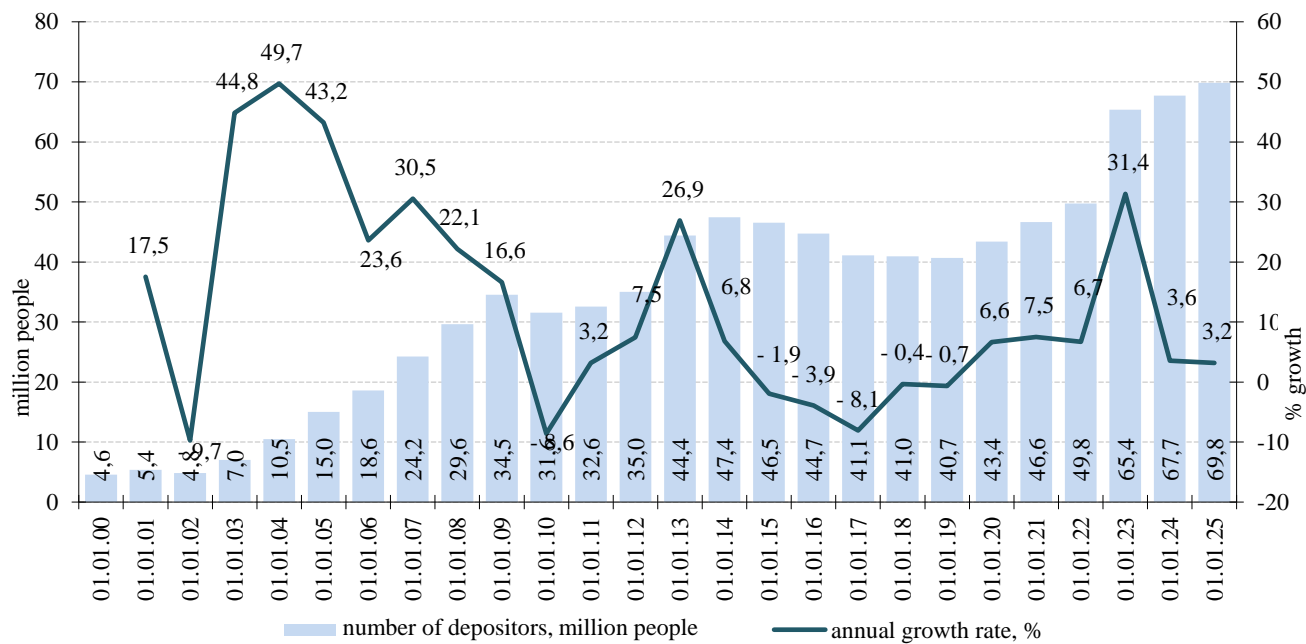


Figure 2.2.2. Trends of the amount of deposits in the DGF members during 2000-2024

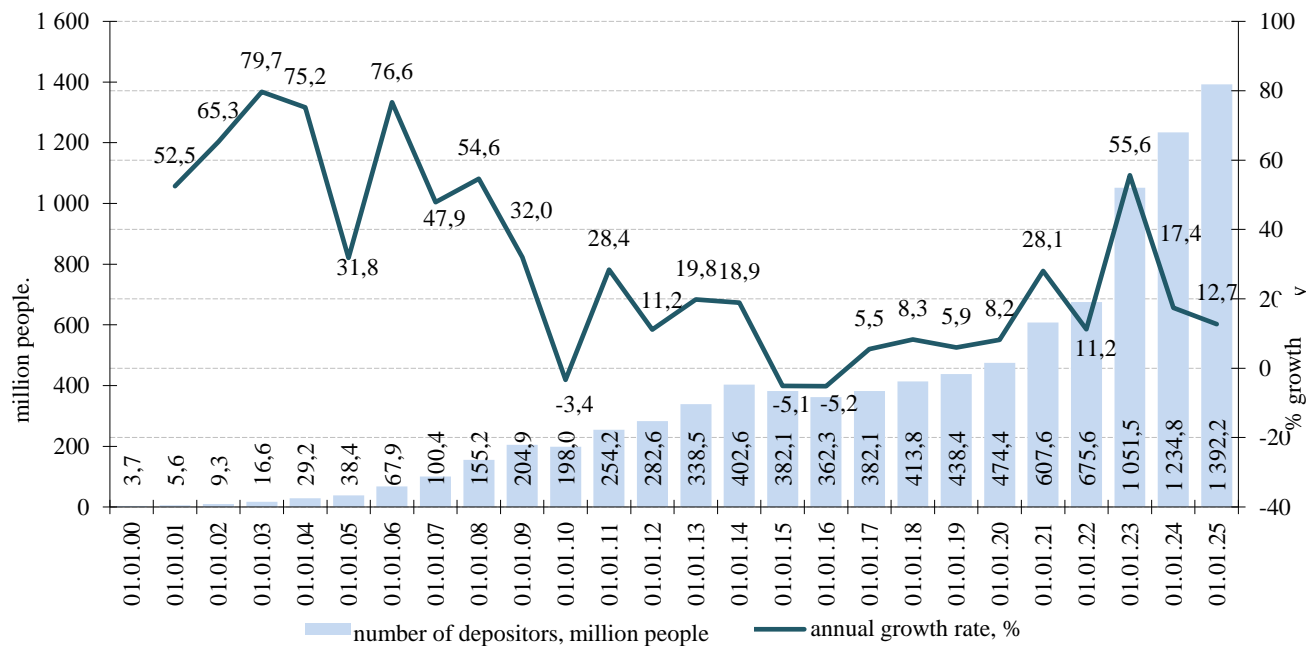


Figure 2.2.3. Trends of the amount of deposits in the DGF members during 2000-2024

Table 2.2.4 shows the trends of deposit transactions of the DGF members with individuals for 2024.

Table 2.2.5 shows the structure of deposits of the DGF members since the beginning of 2001.

Table 2.2 shows the trends of deposit transactions of the DGF members since 2000.

Table 2.2.4

Trends of deposit transactions of the DGF members since the beginning of 2024

Date	January 1, 2024	January 1, 2025	from the beginning of 2024	
			+/-	%
Number of participants of the DGF, including:	63	62	-1	X
<i>incl. insolvent</i>	0	1	+1	X
Deposit transactions of banks with individuals				
Number of deposits of individuals, UAH billion	1 234,80	1 392,24	157,44	12,7
<i>incl. in national currency, UAH billion</i>	796,35	899,51	103,16	13,0
<i>in foreign currency, UAH billion</i>	438,45	492,73	54,28	12,4
Number of depositors, thousand persons	67 688	69 836	2 148	3,2
Amount of potential compensation, UAH billion	1 232,11	1 388,81	156,70	12,7
Average deposit amount, UAH	18 242,62	19 935,89	1 693,27	9,3

Table 2.2.5

Annual dynamics of deposit transactions of individuals in terms of currencies

Date	Number of depositors	Number of deposits	including		Amount of potential compensation
			national currency	foreign currency	
	Thousands of persons	UAH billion	UAH billion	UAH billion	UAH billion
January 1, 2001	5 359	5,6	2,2	3,4	0,5
January 1, 2002	4 837	9,3	4,6	4,7	1,2
January 1, 2003	7 006	16,6	9,0	7,6	2,2
January 1, 2004	10 488	29,1	15,8	13,3	4,2
January 1, 2005	15 021	38,4	19,0	19,4	6,9
January 1, 2006	18 570	67,8	36,8	31,0	15,7
January 1, 2007	24 240	100,4	51,2	49,2	37,9
January 1, 2008	29 608	155,2	89,8	65,4	82,7
January 1, 2009	34 532	204,9	96,6	108,3	125,8
January 1, 2010	31 568	198,0	85,7	112,3	115,2
January 1, 2011	32 578	254,2	122,7	131,5	147,1
January 1, 2012	35 008	282,6	136,1	146,5	160,6
January 1, 2013	44 429	338,5	159,8	178,7	201,3
January 1, 2014	47 447	402,6	224,2	178,4	245,6
January 1, 2015	46 524	382,1	172,1	210,0	209,9
January 1, 2016	44 703	362,3	164,5	197,8	191,9
January 1, 2017	41 102	382,1	169,8	212,3	203,3
January 1, 2018	40 952	413,8	203,8	210,0	238,0
January 1, 2019	40 677	438,4	236,7	201,7	259,4
January 1, 2020	43 379	474,4	279,5	195,0	290,9
January 1, 2021	46 621	607,6	357,4	250,2	353,5
January 1, 2022	49 754	675,6	422,8	252,8	388,7
January 1, 2023	65 352	1 051,5	654,0	397,5	1 050,5
January 1, 2024	67 688	1 234,8	796,4	438,4	1 232,1
January 1, 2025	69 836	1 392,2	899,5	492,7	1 388,8



Table 2.2.6

Annual trends of deposit transactions of individuals

Date	Number of depositors		Number of deposits		Average deposit amount
	Thousands of persons	Annual growth rate %	UAH billion	Annual growth %	UAH
January 1, 2000	4 559		3,7		806
January 1, 2001	5 359	17,5	5,6	52,5	1 046
January 1, 2002	4 837	-9,7	9,3	65,3	1 915
January 1, 2003	7 006	44,8	16,6	79,7	2 376
January 1, 2004	10 488	49,7	29,2	75,2	2 780
January 1, 2005	15 021	43,2	38,4	31,8	2 559
January 1, 2006	18 570	23,6	67,9	76,6	3 656
January 1, 2007	24 240	30,5	100,4	47,9	4 143
January 1, 2008	29 608	22,1	155,2	54,6	5 243
January 1, 2009	34 532	16,6	204,9	32,0	5 935
January 1, 2010	31 568	-8,6	198,0	-3,4	6 273
January 1, 2011	32 578	3,2	254,2	28,4	7 802
January 1, 2012	35 008	7,5	282,6	11,2	8 072
January 1, 2013	44 429	26,9	338,5	19,8	7 619
January 1, 2014	47 447	6,8	402,6	18,9	8 486
January 1, 2015	46 525	-1,9	382,1	-5,1	8 213
January 1, 2016	44 703	-3,9	362,3	-5,2	8 104
January 1, 2017	41 102	-8,1	382,1	5,5	9 298
January 1, 2018	40 952	-0,4	413,8	8,3	10 103
January 1, 2019	40 677	-0,7	438,4	5,9	10 776
January 1, 2020	43 379	6,6	474,4	8,2	10 937
January 1, 2021	46 621	7,5	607,6	28,1	13 032
January 1, 2022	49 754	6,7	675,6	11,2	13 578
January 1, 2023	65 352	31,4	1 051,5	55,6	16 090
January 1, 2024	67 688	3,6	1 234,8	17,4	18 243
January 1, 2025	69 836	3,2	1 392,2	12,7	19 936

The continuation of hostilities in 2024 did not alter the trend of increasing the household deposits in Ukrainian banks since the beginning of the full-scale rf invasion. The volume of individual deposits continued to grow and increased by UAH 157.44 billion or 12.7% in 2024. The increase occurred both in national currency deposits by UAH 103.16 billion or 13.0%, and in foreign currency deposits (in UAH equivalent) by UAH 54.28 billion or 12.4%. In USD equivalent, the growth in 2024 amounted to USD 0.18 billion or 1.5%. The number of depositors continued to grow (+2.15 million people or 3.2%) and by the end of the year reached 69.8 million people.

The trends of deposit operations growth in 2024 can be explained by the following factors: the effect of 100% deposit guarantees for individuals (including sole proprietors), continued reduction in cash withdrawals abroad, inflows of USD 41.7 billion in external financing to the state budget in 2024 (including funds for social and humanitarian expenditures such as pensions, employee wages, social protection, etc.), and the “National Cashback” program, under which UAH 0.4 billion was paid out.



During 2024, the share of term deposits fluctuated but overall decreased (see Figure 2.2.4). As of January 1, 2025, the share of such deposits amounted to 34.1% (compared to 35.8% as of January 1, 2024). By the end of 2024, deposit operations of banks with individuals were characterized by the lowest term maturity since the beginning of 2001.

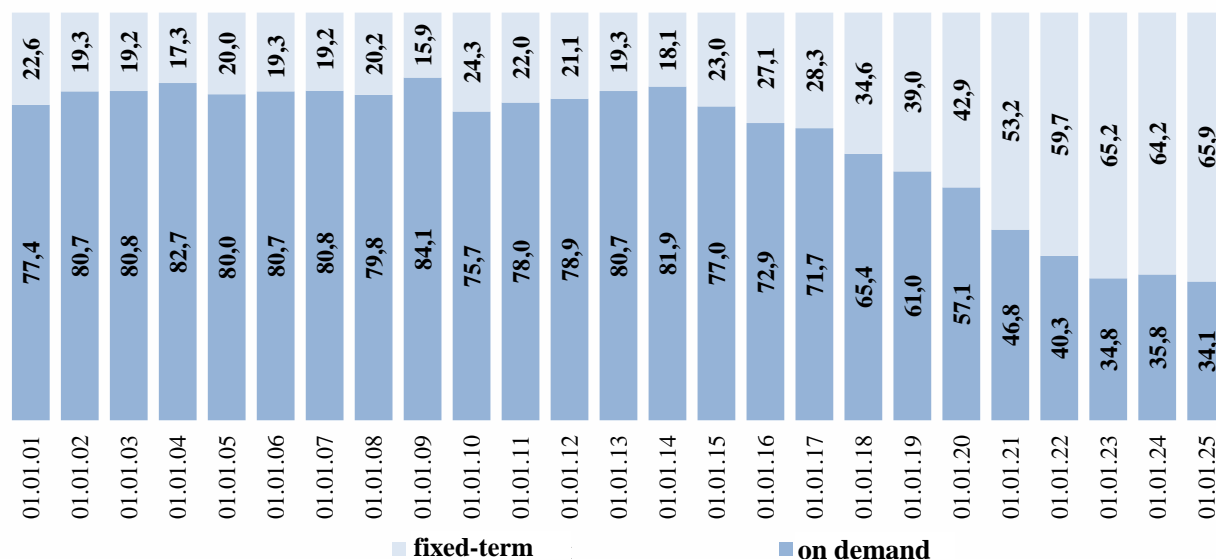


Figure 2.2.4. Trends of the amount of deposits in the DGF members during 2000-2024.

Since the beginning of 2024, interest rates in the national currency gradually declined, whereas those in foreign currency fluctuated but showed growth. Over 2024, the weighted average monthly interest rate on deposits in the national currency decreased by 1.52 percentage points to 9.68%, while in foreign currency it slightly increased by 0.16 percentage points to 1.14% (see Figure 2.2.5).

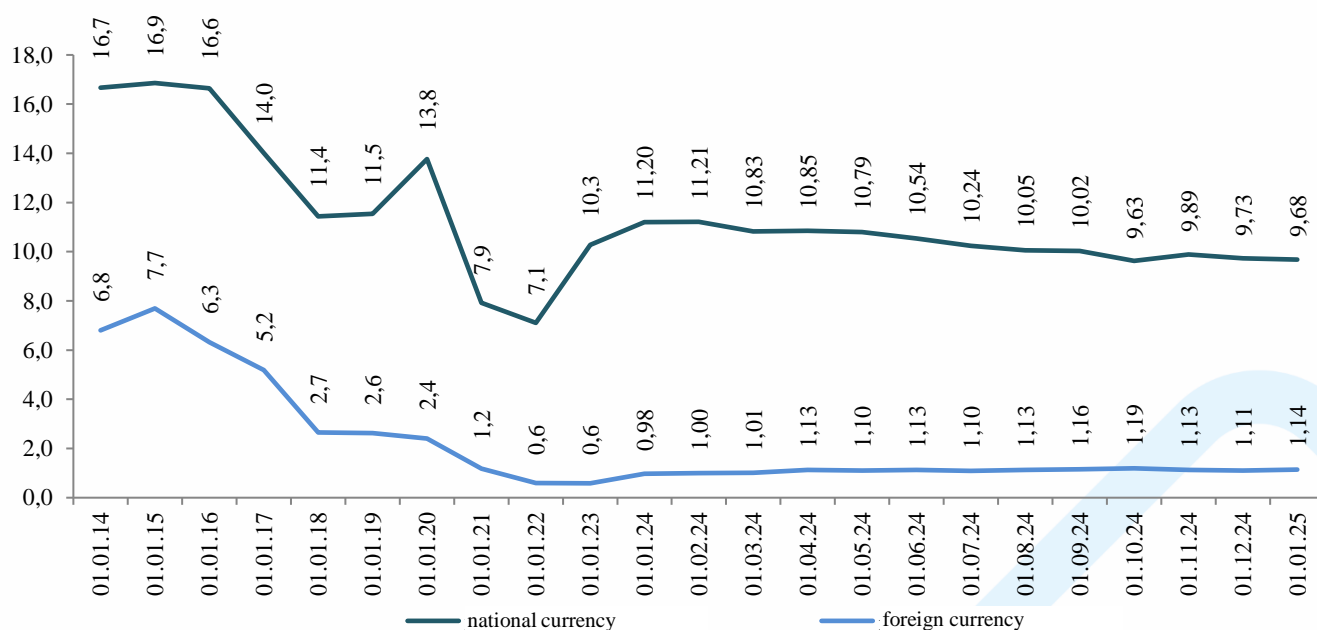


Figure 2.2.5. Trends of weighted average monthly rates on household deposits during 2014-2024



Deposits by currency

During 2024, the ratio of deposits in the national currency to deposits in foreign currencies remained almost unchanged, with a slight increase in the share of deposits in the national currency by the end of the year (see Figure 2.2.6).

Deposits in the national currency grew by UAH 103.16 billion or 13.0%, reaching UAH 899.51 billion, and as of January 1, 2025, their share accounted for 64.6%.

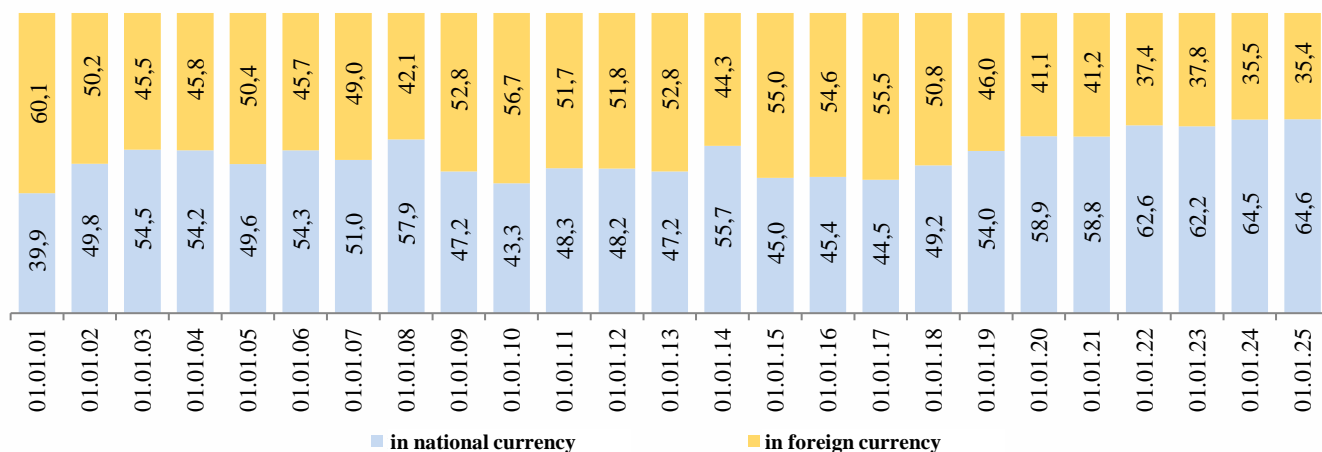


Figure 2.2.6. Structure of household deposits by currency, %

The UAH equivalent of deposits in foreign currency increased in 2024 by UAH 54.28 billion or 12.4%, reaching UAH 492.73 billion. At the same time, in dollar terms, the increase in deposits amounted to USD 0.18 billion or 1.5%, reaching USD 11.72 billion (see Figure 2.2.7).

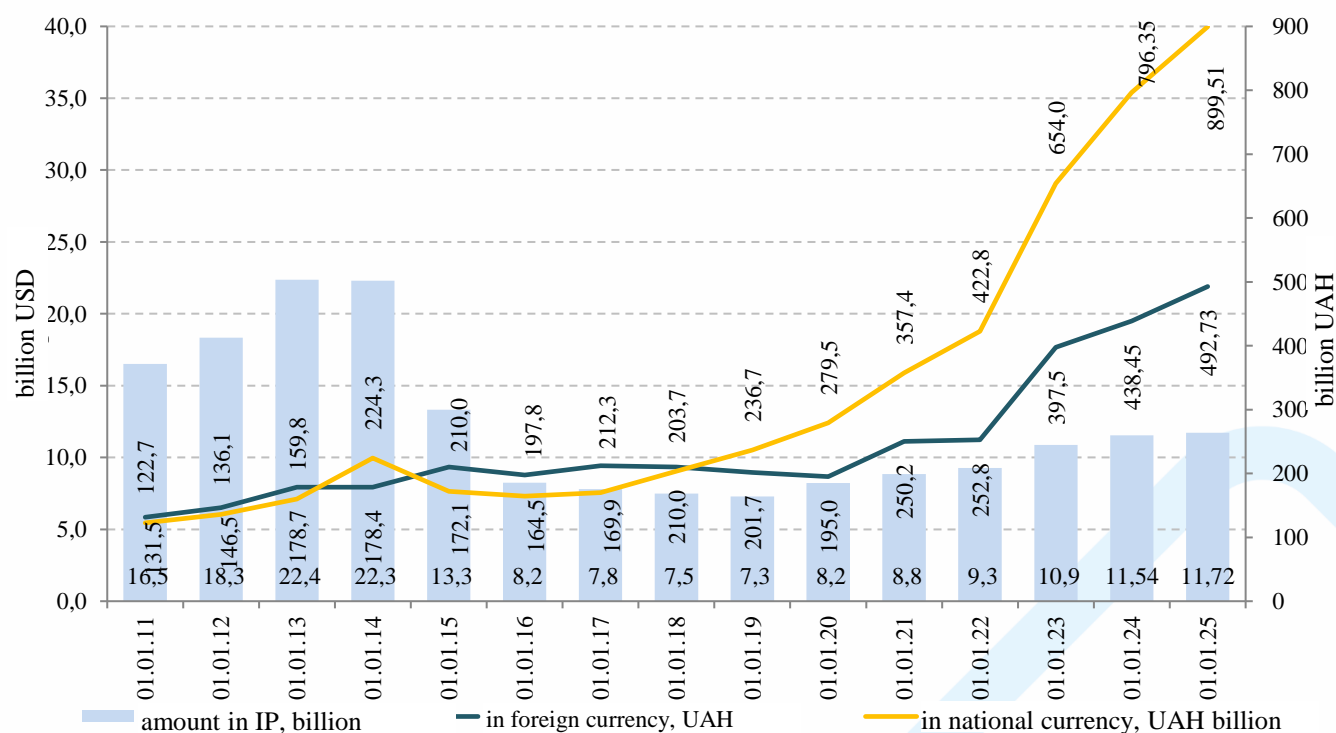


Figure 2.2.7. Trends of foreign currency deposits



DEPOSIT
GUARANTEE
FUND

Maximum amount of deposit reimbursement

In accordance with Law No. 2180, during the period of martial law in Ukraine and for three months after the termination or cancellation of martial law, the DGF reimburses each bank depositor the full amount of their deposit, including interest accrued as of the end of the day preceding the start of the bank's withdrawal from the market procedure, except in cases specified by Part Four of Article 26 of the Law.

Furthermore, pursuant to Article 26 of the Law, taking into account the provisions of Law No. 2180, after the expiration of three months from the termination or cancellation of martial law in Ukraine, the maximum amount of reimbursement for individuals' deposits by the DGF will be UAH 600,000 (USD 14.3 thousand or EUR 13.7 thousand as of 01.01.2025).

The structure of household deposits by ranges as of January 1, 2025, is given in (Table 2.2.7, Figures 2.2.8, 2.2.9).

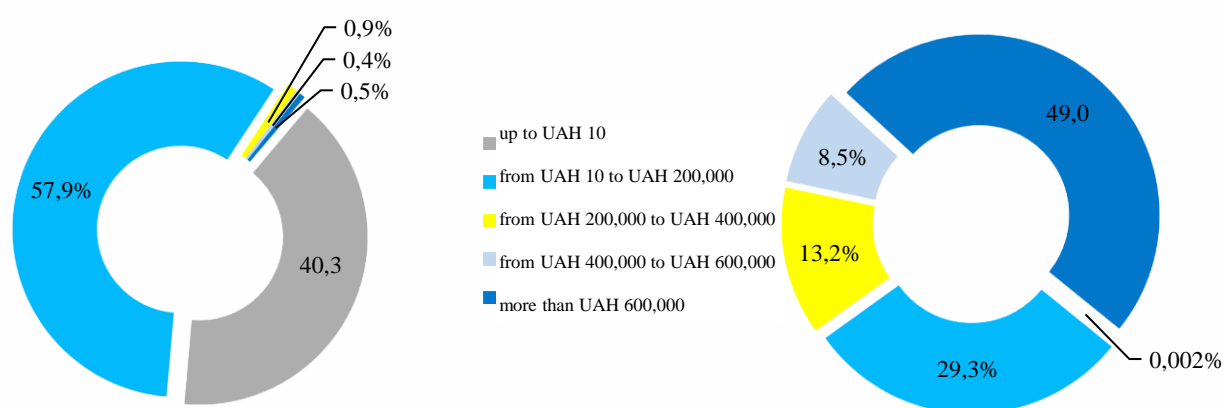


Figure 2.2.8. Number of Depositors, % Figure 2.2.9. Amount of Deposits, %

Table 2.2.7
Structure of deposits by ranges in the DGF members as of January 1, 2025

Deposit amount, UAH	Number of depositors		Amount of deposits		Average deposit amount
	thousand people	%	UAH million	%	UAH
up to 10 UAH	28 117	40,3	26,13	0,002	0,93
from 10 to 200 000 UAH	40 435	57,9	407 561,22	29,3	10 079,54
from 200 000 to 400 000 UAH	665	0,9	183 687,95	13,2	276 249,91
from 400 000 to 600 000 UAH	247	0,4	119 440,61	8,5	483 862,99
More than UAH 600,000	372	0,5	681 519,13	49,0	1 831 902,79
Total	69 836	100,0	1 392 235,06	100,0	19 935,89



Potential compensation and deposits in banks guaranteed by the DGF

The amount of potential compensation for deposits in DGF participants increased by UAH 156.70 billion or 12.7% in 2024, reaching UAH 1,388.81 billion as of January 1, 2025.

The amount of potential compensation in 7 banks with state ownership totaled UAH 865.66 billion, accounting for 62.3% of the total deposit amount.

According to data from reports on deposits of individuals in DGF members — reporting form No. 1F — as of January 1, 2025, the potential compensation amount by term distribution was as follows: deposits in term deposits amounted to UAH 417.57 billion or 30.0%, while deposits in current accounts totaled UAH 971.24 billion or 69.8% (Table 2.2.8). By the end of 2024, deposits in current accounts continued to exceed deposits in term deposit accounts by more than double in terms of potential compensation amounts.

Table 2.2.8

Structure of the amount of potential compensation amount by maturity date as of
January 1, 2025

Serial No.	Indicator	January 1, 2024	January 1, 2025
		Amount of deposits	Amount of deposits
		UAH million	UAH million
1.	Amount of deposits/number of depositors in total	1 234 800,85	1 392 235,06
2.	In foreign currency	438 447,03	492 729,01
3.	The amount of potential compensation amount, including:	1 232 105,35	1 388 806,79
3.1	Current accounts deposits	841 061,19	971 239,51
3.2	Registered certificates of deposit, including those with maturity:	2,24	0,23
3.2.1	On Demand	2,03	0,01
3.2.2	up to 1 month	0,21	0,22
3.3	Term deposits, including with the following maturity periods:	391 041,92	417 567,05
3.3.1	up to 1 month	65 861,88	82 190,28
3.3.2	From 1 to 2 months	53 978,50	70 642,25
3.3.3	From 2 to 3 months	58 131,51	81 875,70
3.3.4	From 3 to 4 months	26 924,27	41 739,51
3.3.5	From 4 to 5 months	26 550,83	32 305,40
3.3.6	From 5 to 6 months	25 790,58	27 743,62
3.3.7	From 6 to 7 months	8 467,55	10 782,18



3.3.8	From 7 to 8 months	7 239,08	10 302,30
3.3.9	From 8 to 9 months	7 188,28	9 960,68
3.3.10	From 9 to 10 months	6 571,31	11 346,32
3.3.11	From 10 to 11 months	5 953,05	10 287,43
3.3.12	From 11 to 12 months	6 619,65	12 144,38
3.3.13	more than 12 months	90 442,98	14 617,16
3.3.14	with the contract term expired, and not transferred to the current/card account	1 322,45	1 629,84

2.3. Control functions over the DGF members` operations

Within the framework of ensuring the functioning of the deposit guarantee scheme, protecting the rights and interests of depositors, as well as the participation of banks in the deposit guarantee system, the DGF exercises control over the fulfillment of obligations by banks participating in the DGF through scheduled and unscheduled inspections of these banks.

The inspections in 2024 were conducted to in order to determine the proper performance of the duties of the DGF members assigned to them by the Law of Ukraine and DGF regulatory acts.

The introduced mechanism of secure transfer of documents and information to the DGF inspectors from banks during remote inspections allowed the DGF to continue performing its functions under the martial law introduced by the Decree of the President of Ukraine No. 64/2022 "On the introduction of martial law in Ukraine" dated February 24, 2022, approved by the Law of Ukraine No. 2102-IX dated February 24, 2022 (as amended).

Thus, in 2024, the DGF conducted 42 scheduled inspections and 2 unscheduled inspections of banks. During 2024, 43 banks were inspected, of which 27 DGF members were found to have violated the DGF regulations (Figure 2.3.1).

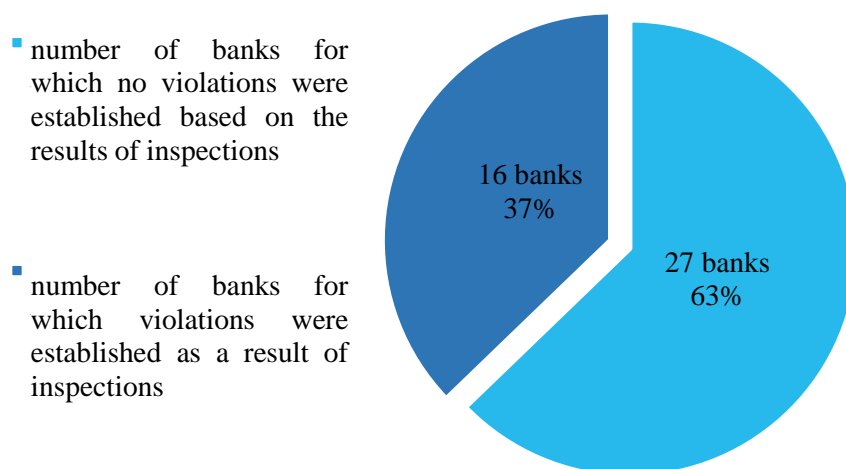


Figure 2.3.1. Share of non-compliant banks



Scheduled and extraordinary remote inspections were carried out on the following issues:

1. Completeness and timeliness of settlements with the DGF on premiums to the DGF and accrued penalties.
2. Completeness and reliability of maintaining a database on depositors.
3. Compliance with the requirements for informing depositors about the bank's participation in the DGF.

The inspections were aimed at obtaining information on the banks' compliance with the Law, including compliance with the rules of accrual and payment of premiums, completeness and accuracy of information about depositors in the bank's database, the procedure for informing depositors about the deposit guarantee scheme in Ukraine, as well as the procedure for informing depositors about the household deposit guarantee scheme. Special attention was paid to the accuracy of calculations based on fees and reports submitted to the DGF by banks and the ability of banks to properly form a database of depositors in the DGF members in accordance with the requirements of the DGF regulatory acts.

Based on the results of 44 inspections of banks conducted by the DGF in 2024, 30 facts of violations of the Law and the DGF regulatory acts were established

- a) completeness and timeliness of settlements with the DGF on premiums to the DGF and accrued penalties** (requirements defined by the Regulation on the procedure for calculation, accrual, and payment of contributions to the Deposit Guarantee Fund, approved by the Decision of the DGF Executive Board No. 1 dated July 2, 2012, registered with the Ministry of Justice on July 27, 2012, under No. 1273/21585, as amended).

As a result of inspections carried out in 2024, it was established that the DGF members committed certain violations when calculating the amount of the regular premium, including:

- incorrectly determined points by qualitative indicators (Я1, Я5);
- incorrectly determined points by quantitative indicators (K1, K2, K3 ЯА1, ЯА2, ЯА3, Л2, Л3, Е2, П1, П2);
- the total score on the sum of quantitative and qualitative indicators was incorrectly determined;
- the degree of risk on which the basic annual premium rate to the DGF is weighed is inaccurately determined;
- the amount of the regular premium was incorrectly calculated, which resulted in incomplete payment to the Regular Premium Fund.



According to the results of inspections of banks on the completeness of settlements with the DGF, an understatement of the amount of regular premium paid by banks to the DGF for the total amount of UAH 0.70 million was discovered

In general, violations in terms of completeness and timeliness of payment of fees to the DGF were found in 1 DGF member, the share of this violation is 3% of all identified violations.

b) completeness and reliability of maintaining a database of depositors (the requirements which are set out in the Regulations for Forming and Maintaining Databases of Depositors approved by the Decision of the DGF Executive Board No. 3 dated July 9, 2012, registered with the Ministry of Justice of Ukraine on August 23, 2012, under No. 1430/21742, as amended.

In 2024, there were cases of violations by banks in the formation and maintenance of databases, including:

- errors regarding incompleteness and incorrect information about the depositor in the amount exceeding the maximum permissible values of errors forming database files "D", "Z";
- the procedure for forming database files "M", "N";
- Not pinned values of the contributor/record ID for each record in the database files;
- incompleteness and incorrectness of information in the files of the databases "M" and "N".

In total, shortcomings in maintaining the database of depositors were identified in 25 banks participating in the DGF, the share of this violation is 83% of all detected violations.

c) compliance with the requirements for informing depositors about the bank's participation in the DGF (the requirements are determined by the Law and the Instruction on the Procedure for the Deposit Guarantee Fund to Protect Depositors' Rights and Interests, approved by the Decision of the Executive Board of the Deposit Guarantee Fund No. 825 dated May 26, 2016, registered with the Ministry of Justice of Ukraine on June 17, 2016, under No. 874/29004, put forward requirements to the DGF members in terms of mandatory placement of information about the household deposit guarantee scheme).

The results of inspections conducted in 2024 indicate that banks committed violations related to the publication of up-to-date information and documents on their websites. In particular, violations of the DGF requirements regarding informing depositors about the deposit guarantee system in Ukraine were recorded in 4 DGF participants, accounting for 13% of all identified violations.

The share of violating banks in the total number of banks inspected in 2024, in terms of issues to be inspected is shown in Figure 2.3.2.



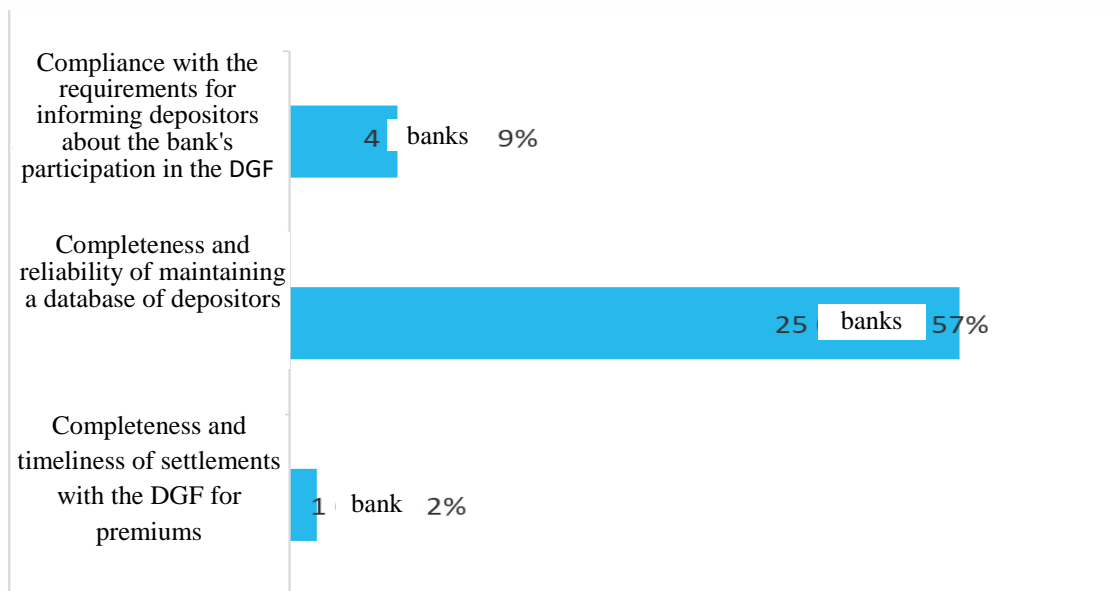


Figure 2.3.2. Share of violating banks in the total number of banks inspected in 2024, in the context of issues subject to inspection

According to the explanations provided by the banks – DGF members, the reasons for the violations were as follows:

a) on calculating the amount of the regular premium payable to the DGF:

- not including in the accrual base a part of the depositors' balances that meet the definition of the term "deposit";
- misinterpretation by the bank of the changes introduced by the Fund during martial law;
- implementation of the Fund's amendments to regulatory documents was not automated and required manual adjustments;
- errors in calculating quantitative indicators occurred due to technical issues after updates to the banks' software systems;
- incorrect determination of the score for the qualitative indicator reflecting the application of enforcement measures to the bank.

b) in the formation and maintenance of depositors' databases:

- incorrect entry of information into the depositor's card in the CBS by responsible bank employees;
- batch account openings for pension and other social benefit recipients;
- updated arrest selection algorithms in the general depositors' database were not promptly configured by the bank;
- data migration during the transition to a new transaction accounting system aligned with NBU requirements;
- technical failure during synchronization between the bank's software modules;
- incorrectly indicated account attributes for selecting entries in file "M";



- improperly configured operating system parameters for selecting entries in file "N";
- untimely removal of attributes used in generating file "N".

Administrative and economic sanctions and administrative fines

One of the DGF functions is to impose financial sanctions and impose administrative fines on banks and their supervisors, respectively.

In 2024, the Deposit Guarantee Fund drew up three administrative offense⁶ reports. As a result of the review of these cases, three decisions were issued by an authorized official — specifically, three rulings imposing administrative fines on bank managers totaling UAH 17,000, which were voluntarily paid to the State Budget of Ukraine.

In the event of violations by banks of the legislation on the deposit guarantee system for individuals, the Fund applies administrative and economic sanctions proportionate to the committed offense. These may include a written warning, a fine, or an order to eliminate violations of the legislation governing the deposit guarantee system.

The DGF imposed sanctions on banks for such violations:

- violation by the bank of the procedure for maintaining the depositors database;
- non-fulfillment by the bank of decisions and/or regulatory acts of the DGF or orders on elimination by the bank of violations of the requirements of the legislation on guaranteeing household deposits.

During 2024, an officer authorized to consider cases made 40 decisions, of which:

- 23 – warnings regarding the implementation of measures to prevent violations of the legislation on the household deposit guarantee scheme in future operations;
- 17 – orders to eliminate violations of the legal requirements in the field of guaranteeing household deposits.

These decisions were issued in response to violations identified during inspections and monitoring of compliance by banks with the regulatory legal acts of the Deposit Guarantee Fund, in particular:

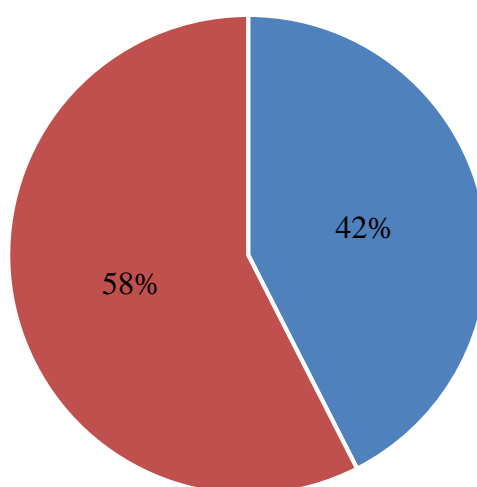
- 24 banks violated the provisions of the Regulations on the Formation and Maintaining Databases of Depositors, approved by the Decision of the DGF Executive Board dated July 9, 2012, No. 3, registered with the Ministry of Justice of Ukraine on August 23, 2012, No. 1430/21742;

⁶ Proceedings in cases of administrative offenses were carried out in accordance with the Code of Ukraine on Administrative Offenses, as it stipulates that the grounds for holding bank managers administratively liable are the following violations:

- Failure to comply or delayed compliance by a bank manager with the lawful decisions of the DGF (Part Two of Article 166-19 of the Code of Administrative Offenses);
- Failure to pay or late payment by the bank of contributions to the DGF (Part Three of Article 166-19 of the Code of Administrative Offenses).



- 2 banks violated the provisions of the Regulation on the Procedure for Calculation, Charging and Paying Fees to the Deposit Guarantee Fund, approved by the Decision of the Executive Board of the DGF dated July 2, 2012 No. 1, registered with the Ministry of Justice of Ukraine on July 27, 2012, No. 1273/21585;
- 1 bank failed to comply with an order to eliminate violations of the legal requirements in the field of the household deposit guarantee scheme;
- 13 banks violated the provisions of the Regulation on the Procedure for the Deposit Guarantee Fund to Protect the Rights and Legally Protected Interests of Depositors, approved by the Decision of the DGF Executive Board dated May 26, 2016, No. 825, registered with the Ministry of Justice of Ukraine on June 17, 2016, No. 874/29004.



- Order to eliminate violations of the legal requirements in the field of household deposit guarantee scheme
- Warning on the implementation of measures to prevent violations of the legislation on the household deposit guarantee scheme in future operations

Figure 2.3.3. Breakdown by types of decisions adopted by the representative officer of the Deposit Guarantee Fund while reviewing cases on violations in the field of household deposit guarantee scheme in 2024



3. RESOLUTION AND LIQUIDATION OF INSOLVENT BANKS

3.1. Implementation of provisional administration, implementation of bank resolution plans

In 2024, the National Bank of Ukraine, by Resolution No. 425-pm/ET dated December 5, 2024, declared the JOINT STOCK COMPANY “COMMERCIAL INVESTMENT BANK” (hereinafter – JSC “COMINVESTBANK”) insolvent.

On the basis of the aforementioned resolution, the DGF Executive Board adopted Resolution No. 1262 dated December 5, 2024, “On the Introduction of a Provisional Administration at JSC ‘COMINVESTBANK’ and Delegation of Powers to the Provisional Administrator of the Bank.”² Provisional administration was introduced for a period of one month, from December 6, 2024, to January 5, 2025 (inclusive), and was later extended for another month, until February 5, 2025 (inclusive).

In order to establish control over insolvent banks and to ensure the proper organization of its operations during the provisional administration, including for the implementation of a settlement plan, the DGF authorized officers took a number of relevant measures, in particular:

a) control over insolvent bank was established:

- the transfer of accounting and other documents, registration and constituent documents of banks, as well as the main seals was ensured;
- control was established over transfers and payments in national and international systems, as well as over expenditure transactions and payments under concluded transactions;
- appointed responsible persons for working with the media;

² The Deposit Guarantee Fund is the authority responsible for the resolution of insolvent banks in accordance with the resolution plan using the methods defined in Article 39 of the Law, in particular:

- liquidation of a bank with the transfer, during the liquidation process, of all or part of its assets and liabilities to an acquiring bank;
- transfer of all or part of the assets and liabilities of an insolvent bank to an acquiring bank with the revocation of the banking license of the insolvent bank and its subsequent liquidation;
- establishment and sale of a bridge bank to an investor, with the transfer to it of the assets and liabilities of the insolvent bank and the subsequent liquidation of the insolvent bank;
- sale of the insolvent bank to an investor.

Pursuant to Article 34 of the Law, the DGF shall commence the resolution procedure of an insolvent bank no later than the next business day following the official receipt of the NBU’s decision classifying the bank as insolvent. The DGF Executive Board, no later than the next business day after officially receiving the NBU’s decision on the classification of a bank as insolvent, shall appoint from among the DGF’s employees an authorized person of the DGF (or several authorized persons), to whom the DGF delegates all or part of its powers as provisional administrator. The authorized person must meet the requirements established by the DGF. The provisional administration is introduced for a period not exceeding one month. In the case of bank resolution using the methods specified in paragraphs 3–5 of part two of Article 39 of the Law, the term of the provisional administration may be extended for up to one month. If resolution is carried out using the methods specified in paragraphs 1 and 2 of part two of Article 39 of the Law, the period of provisional administration may be extended for up to five days, and shall end no later than the date of receipt of the NBU’s decision on license revocation and bank liquidation. Provisional administration is terminated upon completion of the resolution plan or in other cases by decision of the DGF Executive Board.



- set limits (minimum balance) on the amount of balances on all customer accounts, including payment cards;
- all issued powers of attorney were canceled;
- it is prohibited to cancel/write-off/forgive borrowers' debts as part of measures to resolve bad debts;
- personal reception of citizens by the DGF authorized representatives was organized;
- work was done to organize and control the operation of the bank's hotline, which customers can call without hindrance;
- an asset management committee has been established;
- a special telephone line and e-mail were organized to report violations of legislation in the field of prevention and counteraction to money laundering;
- an inventory of assets and liabilities was conducted (including those recorded in off-balance sheet accounts), including an inventory (audit) of cash and other valuables held in operational cash desks and vaults (safes), as well as in all separate structural units of the bank;
- measures were taken to locate missing company vehicles, including the submission of a report on the commission of a criminal offense to law enforcement authorities.
- unloading and disabling of all ATM was organized;
- the process of withdrawing any original documents (and/or notarized copies of documents) from the repositories has been regulated;
- ensuring that contracts/transactions are reviewed for provisioning for void deposits (within one year before the date of introduction of the provisional administration), including those concluded with or in favor of related parties (within 3 years before the date of introduction of the provisional administration);
- new claim were initiated in the area of claims and lawsuits;

b) preparations were made to start paying the guaranteed compensation by the DGF:

- the database reflects the amounts of balances on depositors' accounts, taking into account expenditure transactions (including amounts for transactions that have successfully passed the authorization procedure but were not included in the clearing transactions) and without taking into account the amounts of profitable transactions carried out after the start of the insolvent bank resolution procedure by the DGF;
- consolidation of information on depositors at the level of bank headquarters;

c) arrangements were made to enable potential participants in the open competition for the resolution of the insolvent bank to review information about the insolvent bank:



- a virtual data room was created for potential investors, with remote access granted following the execution of non-disclosure agreements (NDAs) regarding confidential information;
- an information center was established and made operational;
- information for potential investors and acquiring banks was prepared and made available.

The data room and information center were filled with the necessary information concerning the bank's assets and liabilities. Relevant information was also provided in response to requests from persons admitted to participate in the open competition.

d) an appraisal of the bank's property (assets) and shares was carried out for the purposes of the resolution plan.

Lists of property (assets), share issues, and baseline data subject to appraisal were prepared. The valuation of assets and 100% of the bank's shares was conducted with the engagement of an independent valuation entity.

e) certain activities were continued, namely:

- cash collection and transportation of currency and other valuables for clients under agreements concluded prior to the date the bank was declared insolvent;
- investment of funds by placing them in "overnight" deposits with a bank in which the state holds a stake;
- provision of financial services to individuals for money transfers without opening a bank account, including utility payment services.

As of December 6, 2024, the total book value of assets of JSC "COMINVESTBANK" amounted to UAH 1 166,84 million, and the total guaranteed reimbursement amount was UAH 476,67 million.



Table 3.1.1

Book value of assets of JSC "COMINVESTBANK" as of the date of introduction of provisional administration

UAH million

Bank name	Highly liquid assets	Loan portfolio (including provision)	Fixed assets and intangible assets (including real estate)	Other assets (including provision)	TOTAL ASSETS
JSC "COMINVESTBANK"	641,64	330,41	161,71	33,08	1 166,84

The structure of the bank's property (assets) as of the date of the introduction of the provisional administration (according to the data from its balance sheet) is presented in Figure 3.1.1.

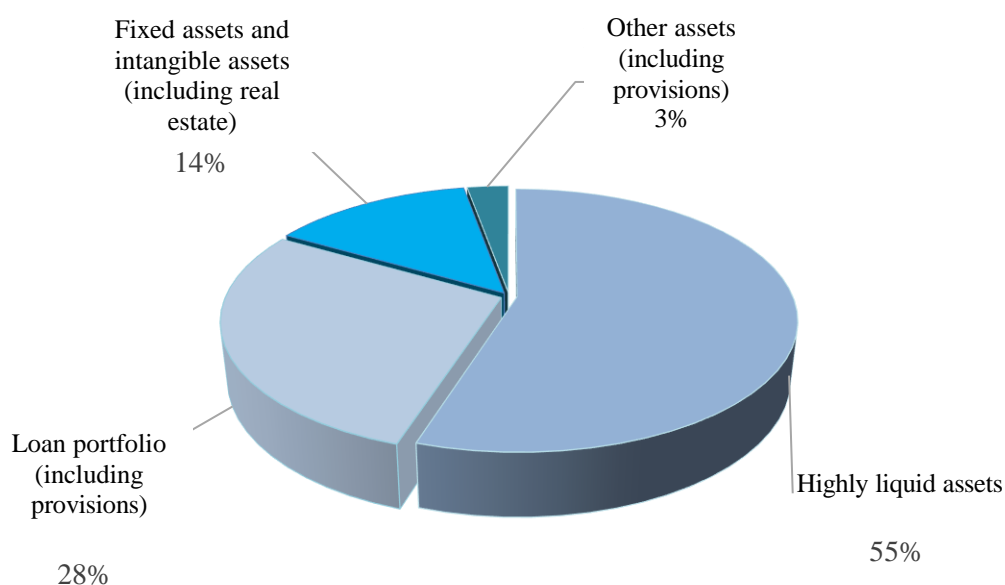


Figure 3.1.1. Structure of property (assets) of JSC "COMINVESTBANK" as of the date of introduction of provisional administration

The structure of liabilities of the insolvent bank is JSC "COMINVESTBANK", which as of the date of introduction of the provisional administration amounted to UAH 821.38 million (Table 3.1.2).

Table 3.1.2

Structure of liabilities of JSC "COMINVESTBANK" as of the date of introduction of provisional administration

UAH million

Bank name and %	Customer funds (not guaranteed by the DGF)	Amount guaranteed by the DGF (individuals + sole proprietorships)	Other liabilities	Total Commitments
JSC "COMINVESTBANK"	324,54	476,67	20,17	821,38
%	40%	58%	2%	100%



DEPOSIT
GUARANTEE
FUND

During the period of temporary administration, the total amount of funds received by the insolvent bank – JSC "COMINVESTBANK" – amounted to UAH 137.67 million, including repayments of clients' loan debt (UAH 32.45 million), income received from activities and services extended during the provisional administration period (UAH 7.99 million), funds from the redemption of NBU deposit certificates and coupon income on government bonds (UAH 10.53 million), etc.

Payments to depositors within the guaranteed amount began on January 2, 2025.

Resolution plan and its implementation

On December 9, 2024, the DGF began the search for investors and assuming banks and announced the start of an open competition to withdraw the insolvent bank – JSC "COMINVESTBANK" – from the market in the least costly way. Potential investors and banks were offered all methods of withdrawing an insolvent bank from the market provided for by law. Such approaches to withdrawing insolvent banks from the market are widely used worldwide and allow creditors of the bank to recover the maximum possible amount of funds.

Given that five potential participants expressed interest in the open competition, in order to provide the widest possible circle of interested potential investors and assuming banks with the opportunity to participate in the competition, the DGF extended the deadlines twice for submitting documents for admission to the open competition, reviewing information about the insolvent bank, and submitting competitive bids.

The winner of the open competition was recognized as JSC "ASVIO BANK," which submitted a competitive proposal corresponding to the least costly method of withdrawing the bank from the market by means of transferring part of the assets and liabilities in favor of the assuming bank with the subsequent liquidation of the insolvent bank. Accordingly, the DGF approved the resolution plan based on the aforementioned method.

On January 31, 2025, a contract was signed for the transfer of part of the assets and liabilities of JSC "COMINVESTBANK" to the assuming bank JSC "ASVIO BANK." Under the terms of the agreement concluded with the competition winner, JSC "ASVIO BANK" acquired all debtor rights and obligations for all deposits of individuals (including sole entrepreneurs) of JSC "COMINVESTBANK," which were classified under the third, fourth, and sixth creditor priority queues (excluding amounts already received as guaranteed compensation from the Deposit Guarantee Fund), as well as part of the bank's liabilities to other creditors belonging to the seventh creditor priority queue. The agreement with the assuming bank stipulated the preservation of all contract terms: type of deposit, currency, interest rate, maturity, etc. That is, individuals and legal entities whose funds and liabilities were transferred to JSC "ASVIO BANK" became clients of that bank. The total amount of transferred liabilities amounted to UAH 303.7 million.



The total value of the property (assets) transferred to the acquiring bank from the insolvent JSC "COMINVESTBANK" was equal to the amount of its liabilities assumed by JSC "ASVIO BANK" – UAH 303.7 million. This included a portion of the loan portfolio (corporate loans), government bonds (OVDP), part of the funds held in the correspondent account, and the premises of one branch together with the fixed assets located therein.

As a result of applying this method of resolving the insolvent bank and the prompt transfer of part of the property (assets) to the acquiring bank at prices exceeding the market value determined by an independent valuation entity, the estimated amount of creditors' claims — including those of depositors and other creditors — that may be paid by the Deposit Guarantee Fund in the course of the liquidation of JSC "COMINVESTBANK" will increase, according to a conservative estimate, by UAH 19.5 million, and by UAH 82.2 million under an optimistic scenario.

It should be noted that in the case of the market exit of the insolvent bank – JSC "COMINVESTBANK" – a method was applied that is analogous to the resolution tool of "sale of business", as provided for by EU Directive 2014/59/EU. This approach ensured the minimization of losses and the maximum recovery of funds for the bank's creditors.

3.2. Bank Resolution

As of January 1, 2024, the Deposit Guarantee Fund was managing 54 banks, of which 25 were undergoing liquidation procedures, while the liquidation process³ had been completed in 29 banks. At the same time, in 36 out of the 54 banks, the DGF⁴ was exercising direct liquidation authority.

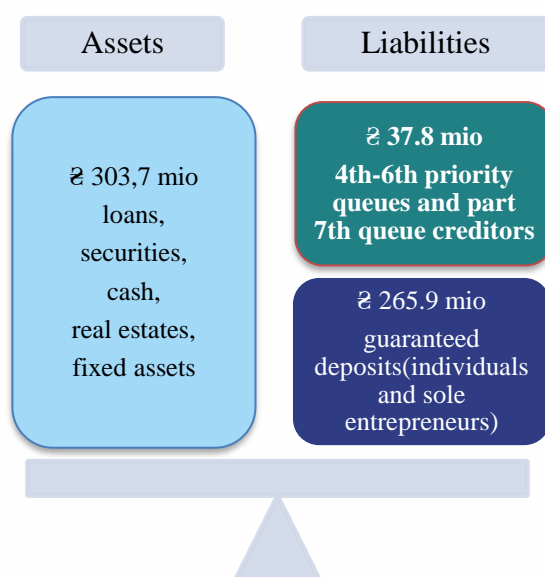


Figure 3.1.2. Structure of the Transaction for the Transfer of a Portion of Assets and Liabilities from the Insolvent Bank – JSC "COMINVESTBANK" to the Acquiring Bank – JSC "ASVIO BANK"

³ The liquidation procedure of a bank is considered completed from the moment the liquidation balance sheet is approved, and the bank is deemed liquidated from the moment a record of its termination is entered into the Unified State Register of Legal Entities, Sole proprietors, and Public Formations (Part 3 of Article 53 of the Law).

⁴ The DGF carries out the liquidation of the bank directly, without delegating all or part of its powers to an authorized person.



Due to circumstances that rendered the sale of the bank's property (assets) and the satisfaction of creditors' claims⁵ impossible in 2024, the DGF extended the period for asset management and settlement of creditors' claims for the duration of martial law and for an additional six months following the termination or cancellation of martial law in Ukraine for PJSC "PROMINVESTBANK" (Decision of the DGF Executive Board No. 1162 dated November 18, 2024) and JSC "MR BANK" (Decision of the DGF Executive Board No. 1163 dated November 18, 2024).

In 2024, the DGF also conducted an analysis of the effectiveness of cooperation between the DGF / banks under liquidation and private enforcement officers in the process of debt collection from bank debtors. In total, 225 writs of execution were submitted to the DGF for allocation in 2024, and private enforcement officers recovered UAH 10.24 million in favor of the banks.

Based on the results of this analysis, proposals were developed to improve cooperation with private enforcement officers, which will be incorporated into the Procedure for Interaction of the DGF Structural Units and Officials in the submission of enforcement documents — received by banks under liquidation — to state bodies and private individuals responsible for the compulsory enforcement of court decisions.

By Decision No. 406 of the DGF Executive Board dated April 1, 2024, amendments were made to the Regulation on the Resolution of an Insolvent Bank, registered with the Ministry of Justice under No. 1581/21893 dated September 14, 2012. These amendments legally formalized the ability of banks to carry out claim and litigation activities against debtors through the enforcement of collateral/mortgaged property by selling such assets on behalf of the mortgagor/pledgor (the bank).

This change enabled the implementation of recovery strategies against certain debtors of insolvent banks, particularly concerning foreclosure on mortgaged assets in accordance with Articles 37 and 38 of the Law of Ukraine "On Mortgage", allowing for both the acquisition of collateral by the mortgagee/pledgee and the sale of mortgaged or pledged property in the mortgagee's/pledgee's own name.

To minimize potential obstacles to the future state registration of bank dissolution in the Unified State Register, the DGF in 2024 ensured the closure of 25 enforcement

⁵ From the commencement date of a bank's liquidation procedure, the Deposit Guarantee Fund ensures the implementation of measures for asset management and settlement of creditors' claims for a period of three years (or five years in the case of a systemically important bank).

The DGF is entitled to extend the period for asset management and settlement of creditors' claims if circumstances arise that prevent the sale of the bank's assets and the satisfaction of creditors' claims, for the entire duration of such circumstances.

The grounds for such an extension include the following:

- *Inability of the DGF or its authorized representative to access the bank during liquidation, including access to its assets, records, books, documents, or databases;*
- *Entry into force of a court decision annulling or invalidating the Executive Board's decision to initiate the bank's liquidation procedure, provided that the DGF is appealing such court decision;*
- *Failure to satisfy all creditor claims despite the presence of bank assets, due to:*
- *Court or other competent authority decisions that prevent the sale of assets in accordance with Paragraphs 6 to 13 of Article 51 of the Law;*
- *Refusal to grant legally required permissions or consents for transactions related to the disposal of such assets.*



proceedings involving debtor banks undergoing liquidation directly managed by the DGF. Furthermore, the DGF facilitated the cancellation of securities issuance and the annulment of relevant certificates for PJSC "BANK CAMBIO" and JSC CB "ZEMELNY CAPITAL" by the National Securities and Stock Market Commission (NSSMC).

Additionally, the Fund ensured the termination of participation of the insolvent banks JSC "IMEXBANK" and JSC "MISTO BANK" in the Odesa Banking Union, and the removal of information on JSC JSCB "ARKADA" from the State Register of Banks.

In 2024, efforts continued to recover the funds of JSC "MR BANK" and PJSC "PROMINVESTBANK" held in correspondent accounts at Bank of New York Mellon (USA) and Citibank N.A. London (UK), which had been blocked due to U.S. sanctions. As a result, on October 30, 2024, PJSC "PROMINVESTBANK" received an official letter from the U.S. Department of the Treasury stating that the Office of Foreign Assets Control (OFAC) had determined there were no grounds for including PJSC "PROMINVESTBANK" in the sanctions identification list.

At the same time, in 2024, in order to reduce the costs associated with the liquidation procedures, three banks were transferred into the direct management of the DGF: JSC "MISTO BANK" (Decision of the DGF Executive Board No. 100 dated January 25, 2024), JSC CB "ZEMELNY CAPITAL" (Decision No. 791 dated July 22, 2024), and JSC "ZLATOBANK" (Decision No. 1283 dated December 9, 2024).

It is worth noting that during the liquidation of JSC JSCB "ARKADA", all creditor claims included in the register of accepted claims were satisfied in full. Consequently, in accordance with the Regulation on the Procedure for Compiling and Maintaining the Register of Accepted Creditor Claims and Satisfying the Claims of Creditors of Banks under Liquidation, approved by Decision No. 3711 of the DGF Executive Board dated August 21, 2017 (registered with the Ministry of Justice of Ukraine on September 7, 2017 under No. 1104/30972), on May 28, 2024, the authorized person of the DGF responsible for the liquidation of JSC JSCB "ARKADA" transferred to the bank's shareholders the remaining assets of the bank following the full settlement of all creditor claims.

In 2024, the liquidation procedure was completed in five insolvent banks through the preparation and approval of liquidation balance sheets and reports on the implementation of the liquidation procedure, namely: JSC JSCB "ARKADA" (decision of the DGF Executive Board No. 731 dated July 4, 2024), JSC "MISTO BANK" (decision of the DGF Executive Board No. 206 dated February 19, 2024), JSC CB "ZEMELNY CAPITAL" (decision of the DGF Executive Board No. 403 dated April 1, 2024), PJSC "BANK CAMBIO" (decision of the DGF Executive Board No. 892 dated August 22, 2024), and JSC "ZLATOBANK" (decision of the DGF Executive Board No. 923 dated September 2, 2024), as well as the liquidation of JSC JSCB "ARKADA", with the respective record on the termination of the bank as a legal entity entered into the Unified State Register on July 29, 2024.

Also, with the purpose of duly satisfying the claims of creditors of JSC JSCB "ARKADA" included in the fourth, sixth, seventh, eighth, and ninth priority groups of the register of accepted creditor claims of JSC JSCB "ARKADA", the authorized person of the DGF for the liquidation of JSC JSCB "ARKADA" transferred to the current



account of the DGF the deposited amounts allocated for such creditor claims in the amount of UAH 33.01 million.

As of December 31, 2024, 54 banks were under the management of the DGF (with 39 banks under the direct management of the DGF⁶), of which 1 bank was under temporary administration, 20 banks were undergoing liquidation, and 33 banks had completed the liquidation procedure⁷.

3.3. Proceeds to the insolvent banks by the DGF

In 2024, the total amount of funds received by the banks under the DGF's management amounted to UAH 3,807.88 million. The largest amount – UAH 780.08 million – was received by JSC “MR BANK,” accounting for 20.5% of the total annual inflows. The second-highest amount of inflows was recorded by JSC “JCB CONCORD”, totaling UAH 595.50 million, or 15.6% of the annual total. JSC “IBOX BANK” received UAH 587.68 million, which represents 15.4% of total inflows. JSC “PROMINVESTBANK” ranked fourth in terms of inflows with UAH 536.47 million, accounting for 14.1% of the total amount received. The share of inflows to other banks was less than 10% of the total. Table 3.3.1 presents data for 11 banks whose share of inflows is 1.0% or more. The remaining 14 banks received UAH 56.92 million, which represents 1.5% of the total inflows.

Table 3.3.1

Proceeds to the insolvent banks by the DGF

No.	Bank name	Amount, UAH million	Relative share, %
1	JSC "MR BANK"	780,08	20,5%
2	JSC "JSCB "CONCORD"	595,50	15,6%
3	JSC "IBOX BANK"	587,68	15,4%
4	JSC "PROMINVESTBANK"	536,47	14,1%
5	JSC "DELTA BANK"	303,31	8,0%
6	JSC "MEGABANK"	243,61	6,4%
7	JSC "BANK FORWARD"	233,75	6,1%
8	JSC "UKRBUDINVESTBANK"	200,89	5,3%
9	JSC "COMINVESTBANK"	121,08	3,2%
10	JSC "BANK SICH"	106,81	2,8%
11	JSC "ZLATOBANK"	41,78	1,1%
12	Other banks	56,92	1,5%
	Total	3 807,88	100,0%

The largest share (36.8%) of proceeds to banks managed by the DGF in 2024 accounted for proceeds the sale of property (assets) of banks.

⁶ The DGF exercises direct management of the bank without delegating all or part of the DGF's powers to an authorized person.

⁷ The liquidation procedure of a bank is considered completed from the moment the liquidation balance sheet is approved, and the bank is deemed liquidated from the moment a record on the termination of the bank is entered into the Unified State Register of Legal Entities, Sole proprietors and Public Organizations (Part 3, Article 53 of the Law).



Table 3.3.2

Types of proceeds to the insolvent banks managed by the DGF

Types of receipts	Amount, UAH million	Relative share, %
Sale of property	1 401,35	36,8 %
Other proceeds	1 221,33	32,1 %
Loan repayment	640,28	16,8 %
Securities	498,78	13,1 %
Lease	46,14	1,2 %
Total	3 807,88	100,0%

In 2024, the amount received by the banks under liquidation by the DGF from the sale of assets totaled UAH 1,401.35 million. The largest amount was received by JSC “PROMINVESTBANK” – UAH 441.05 million, which accounts for 31.5% of the total. The second and third highest amounts were received by JSC “MR BANK” and JSC “DELTA BANK”, with UAH 312.21 million (22.3% of the total) and UAH 213.61 million (15.2% of the total), respectively. Table 3.3.3 presents data on 10 banks with a share of inflows of 1.0% or more. The remaining 15 banks received UAH 2.93 million, which represents 0.2% of the total amount.

Table 3.3.3

Proceeds from the property (assets) sale of banks liquidated by the DGF

No.	Bank name	Amount, UAH million	Relative share, %
1	JSC "PROMINVESTBANK"	441,05	31,5%
2	JSC "MR BANK"	312,21	22,3%
3	JSC "DELTA BANK"	213,61	15,2%
4	JSC "MEGABANK"	157,71	11,3%
5	JSC "BANK FORWARD"	102,65	7,3%
6	JSC "UKRBUDINVESTBANK"	53,07	3,8%
7	JSC "ZLATOBANK"	41,75	3,0%
8	JSC "BANK SICH"	28,37	2,0%
9	JSC "IBOX BANK"	25,31	1,8%
10	JSC "JSCB "CONCORD"	22,69	1,6%
11	Other banks	2,93	0,2%
	Total	1 401,35	100,0%

Under the item “Other income,” UAH 1,221.33 million was received during the reporting year. The main portion of this income (83.0%) consisted of returned guarantee deposits and funds from correspondent accounts to JSC “IBOX BANK” – UAH 541.74



million or 44.4%, and JSC “AKB KONKORD” – UAH 472.01 million or 38.6%. Table 3.3.4 presents data on 6 banks with a share of income of 1.0% or more. The remaining 19 banks received 1.3% of the total amount.

Table 3.3.4

Other revenues to banks managed by the DGF

No.	Bank name	Amount, UAH million	Relative share, %
1	JSC "IBOX BANK"	541,74	44,4%
2	JSC "JSCB "CONCORD"	472,01	38,6%
3	JSC "COMINVESTBANK"	96,21	7,9%
4	JSC "UKRBUDINVESTBANK"	47,90	3,9%
5	PJSC "PROMINVESTBANK"	28,24	2,3%
6	JSC "BANK FORWARD"	19,72	1,6%
11	Other banks	15,51	1,3%
	Total	1 221,33	100,0%

In 2024, the banks under the DGF management received UAH 640.28 million from loan repayments. Table 3.3.5 presents data on 9 banks with a share of income of 1.0% or more. The remaining 16 banks received 0.1% of the total amount.

Table 3.3.5

Income to banks under the DGF management from loan repayments

No.	Bank name	Amount, UAH million	Relative share, %
1	JSC "MR BANK"	209,13	32,7%
2	JSC "BANK FORWARD"	109,24	17,1%
3	JSC "UKRBUDINVESTBANK"	82,82	12,9%
4	JSC "MEGABANK"	77,69	12,1%
5	JSC "JSCB "CONCORD"	50,72	7,9%
6	JSC "PROMINVESTBANK"	38,11	5,9%
7	PJSC "BANK "FINANCE AND CREDIT"	32,00	5,0%
8	JSC "COMINVESTBANK"	24,78	3,9%
9	JSC "BANK SICH"	15,49	2,4%
10	Other banks	0,30	0,1%
	Total	640,28	100,0%



3.4. Legal support of insolvent bank resolution and DGF litigation activity

Ensuring professional legal support for the DGF activities, the procedure insolvent banks resolution and the liquidation of banks, strict compliance with and prevention of violations of the requirements of the legislation of Ukraine and other regulatory acts during the DGF performance of its main tasks and functions as defined by the Law, has been the key to preventing and minimizing the DGF legal risks. In combination with other measures of the DGF, this has contributed to ensuring the stability of Ukraine's banking system and the protection of the interests of depositors and other creditors of banks, as well as increasing the legal protection of the DGF employees.

In 2024, the DGF developed a number of strategic regulatory legal acts and internal regulatory legal acts, which regulate the specifics of bank liquidation by the Fund during the period of martial law in Ukraine and take into account certain features of the sale (realization) of assets of banks being liquidated in accordance with the Law under martial law, introduced by Presidential Decree No. 64/2022 dated February 24, 2022 "On the Introduction of Martial Law in Ukraine."

Full legal support was provided for the resolution of 54 insolvent banks, the powers defined by the Law for which were delegated both to the authorized officers of the DGF and exercised directly by the DGF, namely:

- legal support of proceedings to protect the national interests of Ukraine during the bank resolution and ensuring the forcible seizure/alienation of property (assets) of banks and other persons related to the aggressor state;
- prompt consideration and timely provision of answers to deputies' requests, attorney's inquiries, inquiries of notaries, letters of legal entities and individuals, preparation of legal explanations, conclusions, recommendations on any issues related to the insolvent bank resolution during the provisional administration or liquidation of banks;
- effective legal support and implementation of registration actions inextricably linked with the proper implementation of the processes of liquidation of insolvent banks in particular, the relevant changes regarding the managers of 35 banks under the DGF management were entered into the Unified State Register (USR);
- agreeing and developing strategies for dealing with property (assets) banks, managed by the DGF;
- legal support of the processes of sale and property (assets) management of insolvent banks, the consequence of which is the sale of property (assets) and ensuring the receipt of funds from their sale;
- coordination and control of the claims of insolvent banks managed by the DGF.

During 2024, the DGF conducted litigation and litigation work, resulting in a number of favorable court cases adopted both in favor of the DGF management and the DGF itself. These rulings helped clarify the legal relation arising during the liquidation of banks.



For example, following lengthy court proceedings, the Fund regained control over another “zombie bank.” As of May 15, 2024, the USR once again reflected information about PJSC “CSG BANK” as a legal entity undergoing liquidation. On June 7, 2024, a new entry appeared confirming that the liquidation of PJSC “CSG BANK” was being carried out by the Fund’s authorized person, which allowed for the resumption of guaranteed compensation payments to depositors and the initiation of an inventory of the bank’s property (assets) with the aim of their subsequent sale to satisfy creditors’ claims in accordance with Article 52 of the Law.

Under martial law and given the necessity to protect Ukraine’s national interests due to military aggression, the DGF appealed the reasoning part of the ruling of the Commercial Court of Kyiv City in case No. 910/2776/24 regarding a claim against JSC “MR Bank” to compel payment of more than 6 million UAH. As a result, the Northern Commercial Court of Appeal, in its ruling dated November 27, 2024, upheld the DGF position regarding the moratorium (prohibition) on the fulfillment of monetary and other obligations where the creditors (claimants) are the Russian Federation or persons associated with the aggressor state. This also applies to those entities that have changed their ownership structure (participants, founders, ultimate beneficial owners) after the Cabinet of Ministers Resolution No. 187 dated March 3, 2022, “On Ensuring the Protection of National Interests in Connection with Future Claims of the State of Ukraine Due to the Military Aggression of the Russian Federation” entered into force.

Additionally, throughout 2024, the DGF continued to contribute to the development of judicial practice through its participation in court proceedings, in particular:

- Implementing the provisions of the Law of Ukraine “On Amendments to Certain Legislative Acts of Ukraine on Improving the Mechanisms for Regulating Banking Activities” No. 590-IX, and the conclusions of the Grand Chamber of the Supreme Court dated February 15, 2023 in case No. 910/18214/19, which facilitated the successful closure of administrative and commercial court cases related to the invalidation of share purchase agreements of JSC “CB PrivatBank” involving the State, thereby protecting the interests of the State as an investor in the process of removing an insolvent bank from the market;
- Applying the provisions of the Law to minimize the number of encumbrances/restrictions imposed, including asset freezes and prohibitions on decisions regarding the sale or other actions involving the property (assets) of insolvent banks.
- Taking into account the DGF legal position that debtors do not have violated rights in the process of selling assets of insolvent banks, courts actively dismissed claims challenging the results or transactions related to the sale of such assets. This had a positive impact on the investment climate, increased the inflow of funds to insolvent banks, and allowed for their further allocation to settle creditors’ claims within liquidation procedures.

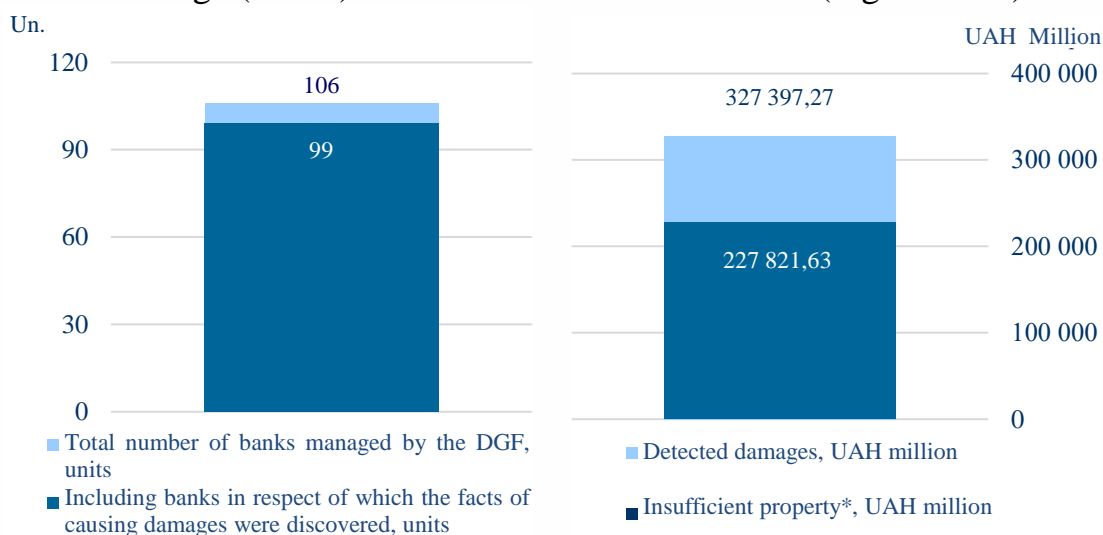


The DGF litigation work, excluding lawsuits related to the recovery of damages from related parties, involved over 2,800 court cases in 2024, with the total value of claims exceeding UAH 36 billion.

3.5. Recovery of damages from related parties involved in the bringing banks to insolvency, and work with legal consultants

During 2024, the DGF conducted 45 investigations of 35 insolvent banks to identify damage (losses) caused to banks and their creditors (former creditors) by decisions, actions, or inaction of persons related to such banks, as well as the aggressor state. In 2024, the facts of causing damage (losses) to banks and their creditors in the total amount UAH 40,902.05 million.

Thus, as of December 31, 2024, the DGF carried out research and additional analysis of the facts and circumstances of causing damages (losses) in respect of 99 banks, which resulted in the detection of damage (losses) in the total amount of UAH 327,397.27 million and the identification of 1,200 persons whose decisions, actions or inaction could have caused such damage (losses) to banks and/or their creditors (Figure 3.5.1).



* Calculated as the difference between the sum of outstanding balances of tiers 1–8 of creditor claims (except for the claims of related parties) and the estimated value of the balance of the liquidation estate of banks

Figure 3.5.1 Detection of damages (losses) caused to banks and their creditors as of December 31, 2024

During 2024, the DGF, in accordance with Article 52 of the Law, filed 12 claims for damages against 164 related parties against 7 banks of claims for damage (losses). The total amount of the DGF claims amounted to UAH 24,552.60 million, in particular:

- 5 claims against PJSC "CB NADRA" for recovery of damage (losses) in the total amount of UAH 22,115.50 million;
- a claim against PJSC "BG BANK" for recovery of damage (losses) in the total amount of UAH 877.15 million;



- a claim against PJSC "BANK "MYKHAILIVSKYI" for recovery of damage (losses) in the total amount of UAH 682.23 million;
- a claim against PJSC "VTB BANK" for recovery of damage (losses) in the total amount of UAH 582.23 million;
- a claim against PJSC "UNICOMBANK" for recovery of damage (losses) in the total amount of UAH 159.90 million;
- 2 claims against PJSC "DIAMANTBANK" for recovery of damage (losses) in the total amount of UAH 91.56 million;
- a claim against PJSC "JSB "UKOOSPILKA" for recovery of damage (losses) in the total amount of UAH 44.03 million.

Thus, pursuant to the provisions of Article 52 of the Law, in order to recover damage (losses) from persons related to banks and other persons in relation to these banks, as of December 31, 2024, the DGF filed 98 claims in commercial proceedings against 1,152 persons related to banks⁸ against 57 insolvent banks for a total amount of UAH 187,079.36 million (Fig. 3.5.2). The total amount of the DGF claims, satisfied by court decisions that have entered into force is UAH 2,712.90 million, including:

- UAH 1,477.71 million in case No. 910/12955/20 concerning PJSC "PLATINUM BANK" (resolutions of the Commercial Cassation Court within the Supreme Court dated March 18, 2024, and October 28., 2024, which are final and not subject to appeal);
- UAH 15.94 million in case No. 910/4149/21 concerning JSC "ARTEM-BANK" (resolution of the Commercial Cassation Court within the Supreme Court dated February 5, 2024, which is final and not subject to appeal);
- UAH 0.62 million in case No. 910/9833/21 concerning JSC "ARTEM-BANK" (decision of the Northern Commercial Court of Appeal dated October 15, 2024, which became final and not subject to appeal based on the ruling of the Commercial Cassation Court within the Supreme Court dated November 25, 2024).
- UAH 30.26 million in case No. 916/3725/21 concerning PJSC "FINROSTBANK" (decision of the Commercial Court of Kyiv City dated February 27, 2024, which is final).

Enforcement measures are being taken to ensure the actual execution of court decisions.

As a result of pre-trial investigations in criminal proceedings, in 2024 the DGF filed 2 civil lawsuits against 8 civil defendants concerning 2 banks. The total amount of claims was UAH 533.11 million, including:

⁸ One person can be both defendant for several proceedings and/or several insolvent banks.



- a civil claim in the amount of UAH 420.61 million against officials of PJSC CB “EUROBANK”;
- a civil claim in the amount of UAH 112.50 million against officials of JSC “ARTEM-BANK”.

Thus, as part of cooperation with law enforcement agencies aimed at recovering damages caused to banks by criminal offenses, as of December 31, 2024, the DGF had filed 40 civil lawsuits against 82 civil defendants (suspects/accused persons) concerning 26 banks, for a total amount of UAH 27,990.23 million (see Fig. 3.5.2). The total amount of the DGF claims satisfied under court decisions that entered into legal force amounts to UAH 5,573.15 million.

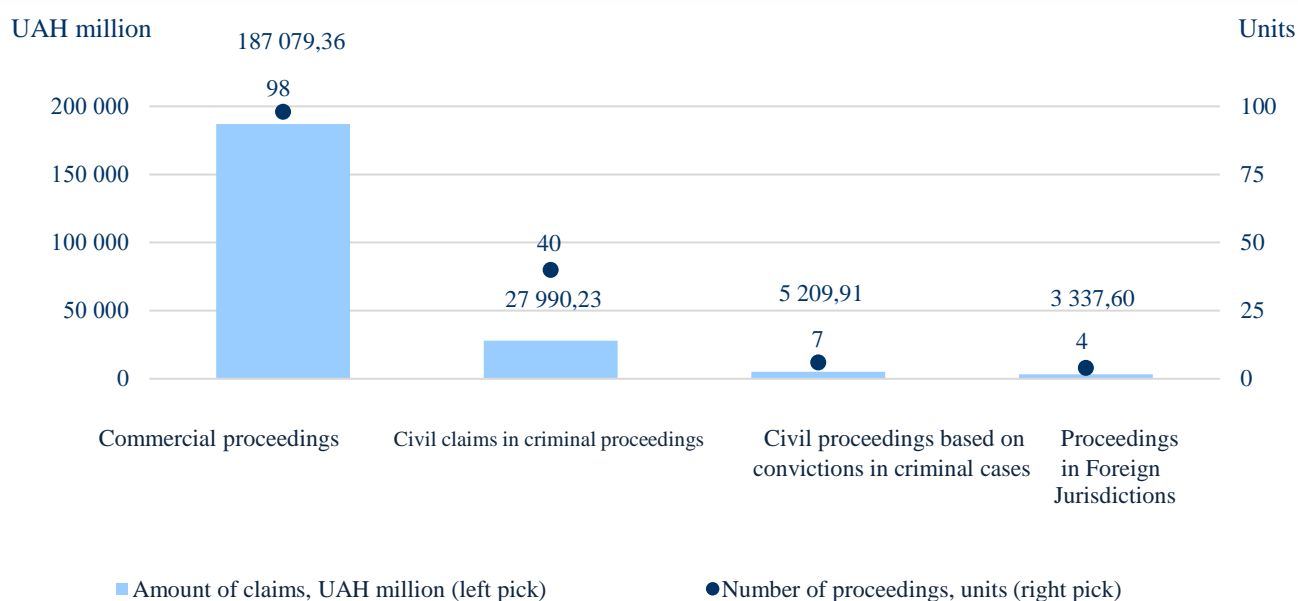


Figure 3.5.2. Litigation to recover damages (losses) caused to banks and their creditors as of December 31, 2024

As of December 31, 2024, following the review of criminal proceedings by the courts and based on the adopted court decisions, the Deposit Guarantee Fund filed 6 claims against 6 defendants related to 6 banks. The total amount of claims filed reached UAH 5,209.91 million, while the total amount of claims satisfied by final court decisions amounted to UAH 4,668.69 million. Measures are taken to actually enforce court decisions.

In 2024, the DGF conducted a study of 33 insolvent banks and identified damage (losses) caused by the military aggression of the Russian Federation against Ukraine totaling UAH 39,326.53 million. As of the end of the reporting year, the DGF had initiated 2 lawsuits against the Russian Federation seeking compensation for damages incurred by 2 banks, totaling UAH 2,594.54 million. The total amount of claims satisfied under court rulings that have entered into legal force stands at UAH 1,943.57 million. This includes the ruling of the Commercial Court of Kyiv City dated January 23, 2024, in case No. 910/7444/23 concerning PJSC "CB UFS", which is final and binding.



During 2024, the DGF continued to cooperate with international legal advisors — specialists in international law —to locate and recover assets siphoned from insolvent banks and transferred abroad, as well as to represent the DGF (banks') interests in foreign courts. During the reporting period, legal services were provided under 10 contracts involving the following banks: JSC BANK "FINANCE AND CREDIT", PJSC "FIDOBANK", PJSC CB "EUROBANK", PJSC "VECTOR BANK", JSC "DELTA BANK", PJSC "ENERGOBANK", PJSC "BANK NATIONAL CREDIT", PJSC "UKRAINIAN PROFESSIONAL BANK", PJSC "PLATINUM BANK", PJSC "FINBANK", JSC "RODOVID BANK", JSC "FORTUNA BANK", PJSC "JOINT-STOCK COMMERCIAL INDUSTRIAL & INVESTMENT BANK ", PJSC "VAB BANK", and PJSC "CB UFS".



4. CONSOLIDATED SALES AND ASSET MANAGEMENT

4.1. Bank`s assets sale Result liquidated by the DGF

During 2024, banks undergoing liquidation under the management of the Deposit Guarantee Fund concluded purchase and sale agreements for bank-owned assets, with direct sales to legal entities and individuals totaling UAH 1,380.37 million (monthly breakdown is presented in Figure 4.1.1).

During 2024, the DGF conducted over 5,100 open e-auctions, of which more than 470 resulted in successful sales.

The book value of the assets sold during 2024 amounted to UAH 57,890.89 million. Consequently, the sales-to-book value ratio for the year was 2% (as shown in Table 4.1.1).

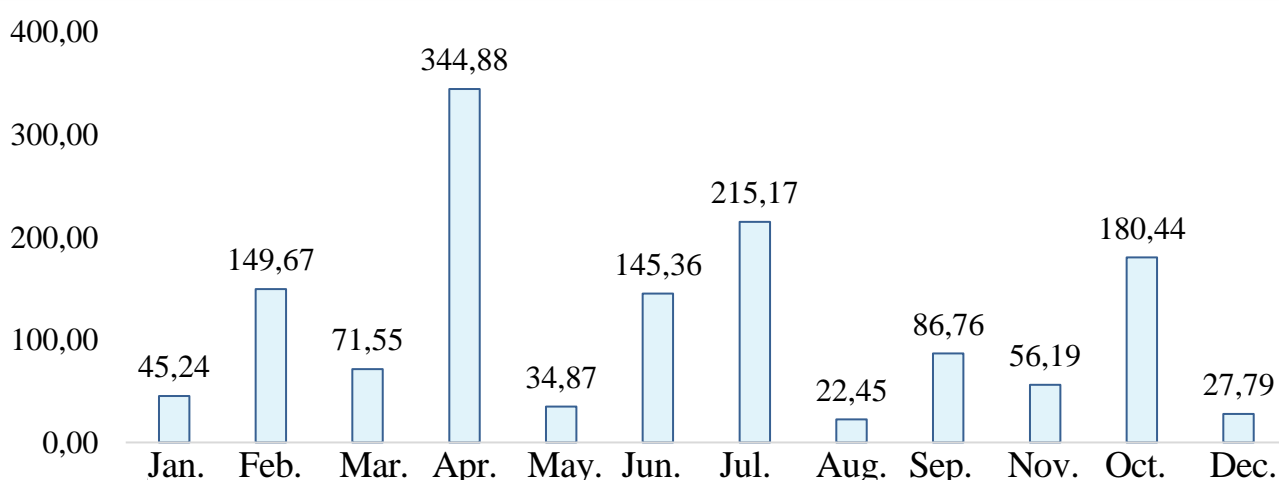


Figure 4.1.1. Property (assets) sale price by banks under liquidation by the DGF for 2024, UAH million

Table 4.1.1

Sale of property (assets) of banks in 2024

Month 2024	Book value, UAH million	Property (assets) sale price, UAH million	Ratio of property (assets) sale price to the assets book value
TOTAL	57 890,89	1 380,37	2,4%
January	170,38	45,24	26,6%
February	3 709,77	149,67	4,0%
March	142,23	71,55	50,3%
April	1 952,87	344,88	17,7%
May	2 286,91	34,87	1,5%
June	19 774,39	145,36	0,7%
July	4 959,45	215,17	4,3%
August	251,86	22,45	8,9%
September	4 129,04	86,76	2,1%
October	134,90	56,19	41,7%
November	20 337,83	180,44	0,9%
December	41,26	27,79	67,4%



In March and December 2024, the highest asset sale conversion rates were recorded.

In March, the high conversion was primarily due to the sale by JSC "MR Bank" of non-residential premises in Kharkiv, located on Donets-Zakharchhevskyi Street, with a sale conversion rate of 87%. Additionally, during this period, assets sold directly to legal or natural persons demonstrated an exceptionally high conversion rate of 1,198%.

In December, the overall high monthly conversion rate was ensured by PJSC "Prominvestbank" concluding eleven purchase and sale agreements for residential apartments in Kyiv, on Obolonskyi Avenue, as well as JSC "Ukrbudinvestbank" concluding a sale agreement for a residential apartment in Kyiv on Stanislavskyi Street (together with a corporate loan). The overall conversion rate for these 12 lots amounted to 80.5%, while their share in the total book value of agreements concluded in December was 72.5%.

Analyzing the purchase and sale agreements of assets, the highest transaction values were recorded in April (UAH 344.88 million), July (UAH 215.17 million), and November (UAH 180.44 million) 2024. These results are explained by the following:

- In April, a sale agreement was concluded for a lot that included claim rights under credit agreements of JSC "Delta Bank", which had been entered into with two individuals and one legal entity, secured by non-residential premises located in central Kyiv (Khreshchatyk Street, Horodetskoho Street, Volodymyrska Street, and Sahaidachnoho Street). The sale price amounted to UAH 213.14 million.
- In July, a purchase and sale agreement was concluded for a pool of assets from three banks – PJSC "PROMINVESTBANK", JSC "MR BANK", and JSC "MEGABANK". The pool included claims and proprietary rights under loan agreements entered into with legal entities and one individual, accounts receivable, and real estate assets. A common feature among the loans included in the pool was that the borrowers' NACE (KVED) code related to real estate operations. The loan agreements were secured by commercial real estate located in Odesa and Khmelnytskyi. Regarding the commercial properties included in the pool, they comprised real estate tied to the loans, namely: retail and office premises in Sumy and a business center building in Odesa. The sale price of the lot was UAH 124.65 million.
- In November, a purchase and sale agreement was concluded for a pool of assets from four banks – JSC "MR BANK", JSC "MEGABANK", PJSC "PROMINVESTBANK", and JSC "BANK SICH". The pool included claims and proprietary rights under loan agreements with legal entities engaged in activities under the "manufacturing industry" NACE (KVED) classification. The obligations under these agreements were secured by residential and commercial real estate, including real estate in Dnipro with a total area of 37,847.4 square meters. The lot sale price was UAH 124.54 million.

As previously mentioned, the ratio of the sale price of bank property (assets) to the book value of sold property (assets) in 2024 amounted to 2.4%. but this conversion rate



for certain types of property (assets) varies from 0.2% to 314.6%. The efficiency of selling different types of property (assets) of banks is given in more detail in Table 4.1.2.

Table 4.1.2

Ratio of the sale prices of property (assets) under concluded contracts for the sale and purchase of assets and sale directly to legal entities or individuals to their book value for 2024

Asset Type	Book value, UAH million	Sale price, UAH million	Ratio of asset sale price of to the property (assets) book value of, %
TOTAL	57 890,90	1 380,37	2,4%
Individual sale of assets	2 274,87	837,62	36,8%
Real estate	615,87	473,48	76,9%
Land plots	110,77	19,69	17,8%
Vehicles	1,98	6,23	314,6%
Corporate loans	651,06	140,86	21,6%
Loans to individuals	732,38	151,89	20,7%
Accounts receivable	101,39	10,68	10,5%
Securities	0,05	0,01	20,0%
Other assets (fixed assets, coins, intangible assets)	61,37	34,78	56,7%
Sale of assets in pools	55 615,11	539,76	1,0%
Real estate	161,05	12,37	7,7%
Loans to legal entities	49 443,83	394,09	0,8%
Loans to individuals	5 075,77	127,01	2,5%
Accounts receivable	814,12	3,44	0,4%
Securities	45,83	0,11	0,2%
Other assets (fixed assets, coins, intangible assets)	74,51	2,74	3,7%
Direct property (assets) sale to legal entities or individuals	0,92	2,99	325,0%

In 2024, there was a significant decrease in the sale price of property (assets) compared to 2023, as asset sales during 2024 were conducted mainly in asset pools rather than individually.

The total sale price of bank property (assets) under purchase and sale agreements and direct sales to legal or natural persons in 2024 amounted to UAH 1,380.37 million, which represents: 25.7% of the 2023 figure (UAH 5,371.11 million), and 130.7% of the 2022 figure (UAH 1,056.09 million) (see Table 4.1.3).



Table 4.1.3

Comparison of the sale price of property (assets) by means of open auctions and sale directly to legal entities or individuals in 2022 - 2024

Asset Type	Sale price, UAH million		
	2022	2023	2024
TOTAL, including:	1 056,09	5 371,11	1 380,37
Real estate	824,47	1 179,37	485,85
Property rights to real estate	0,29	351,00	1,12
Land plots	50,74	108,62	19,69
Vehicles	9,81	16,74	6,23
Claims under loan agreements and accounts receivable	127,53	3 610,67	826,85
Securities	0	0,32	0,12
Other assets and direct sales	43,25	104,39	40,51
TOTAL lots sold, pcs.	147	670	458

In the conditions of the military aggression of the Russian Federation against Ukraine, the DGF uses all possible ways to sell property (assets) as required by the Law "at the highest cost in the shortest possible time".

In addition to the sale of property (assets) through the Prozorro.Sale electronic trading system, the NBU also allows for the direct sale of property (assets) to legal entities or individuals and the sale of securities through professional stock market participants. For the convenience of potential buyers, it is possible to use the letter of credit form of payment for the acquired asset (property) of banks and it is possible to pay the guarantee fee for participation in the open bidding (auction) by depositing funds to the current account of the organizer of the open bidding (auction) and/or providing an electronic bank guarantee in favor of the organizer of the open bidding (auction).

According to the results of concluded contracts for the sale and purchase of property (assets) and the sale of property (assets) of banks directly to legal entities or individuals for 2024, 87% of the sold property (assets) of banks out of the total volume belongs to 5 banks. At the same time, 53% of the annual amount was received from the sale of property (assets) of former subsidiaries of Russian state-owned banks in Ukraine: UAH 419.50 million – the amount of sale of property (assets) of PJSC "PROMINVESTBANK" and UAH 313.82 million – JSC "MR BANK" (Figure 4.1.2).



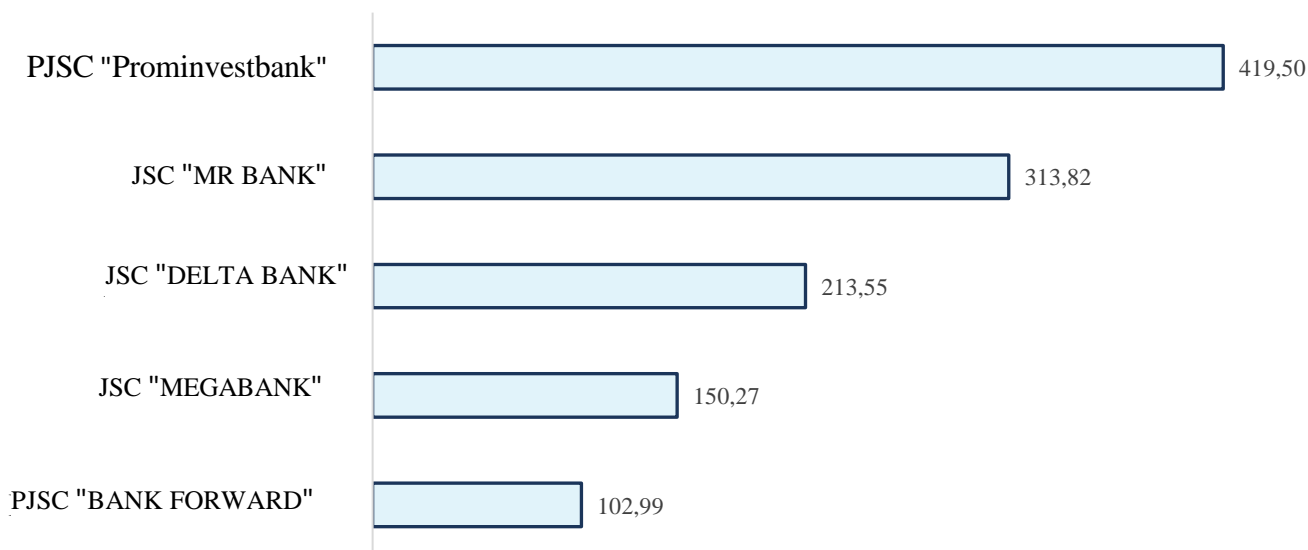


Figure 4.1.2. Value of concluded asset sale agreements during 2024, UAH million

During 2024, the sold property (assets) of banks had the following structure according to the type of property (assets) of banks (Table 4.1.4):

Table 4.1.4

Results of sale of property (assets) by structure and type of property (assets)

TOTAL:	Sale price, UAH million	Share in the total sale price
	1 380,37	100,00%
Rights of claim under loan agreements	813,85	58,96%
Real estate, land plots, fixed assets and intangible assets	549,29	39,79%
Accounts receivable (including property rights to real estate)	14,12	1,02%
Sale directly to legal entities or individuals	2,99	0,22%
Securities / Corporate Rights	0,12	0,01%

The largest share in the total amount of concluded asset sale agreements is accounted for by the sale of claims under loan agreements concluded with individuals and legal entities — accounting for almost 59% of total sales. The dynamics of the sales of this property (assets) during the year is indicated in Figure 4.1.3.



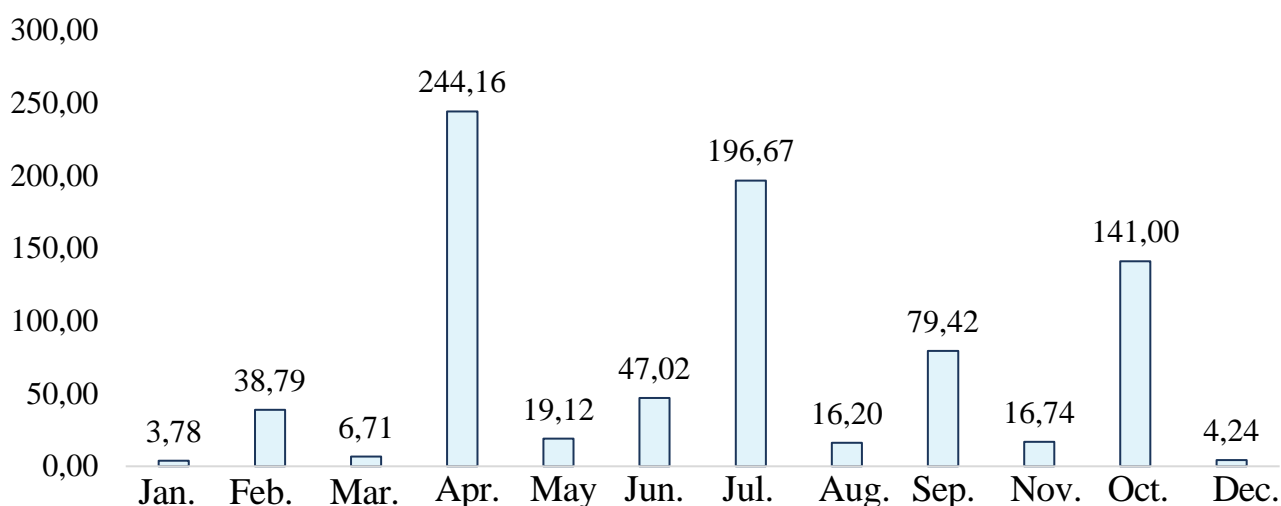


Figure 4.1.3. Results of loan auctions, monthly, UAH million in 2024

In April, the total amount of concluded assignment agreements of claims under loan agreements with individuals and legal entities was the highest for the entire year 2024. This was due to the sale of JSC "Delta" Bank's loans secured by real estate in Kyiv, as mentioned above.

Within the structure of the concluded claim assignment agreements under loan contracts, 65% accounted for claims under loan agreements with legal entities, and 35% — for claims under loan agreements with individuals (Figure 4.1.4).

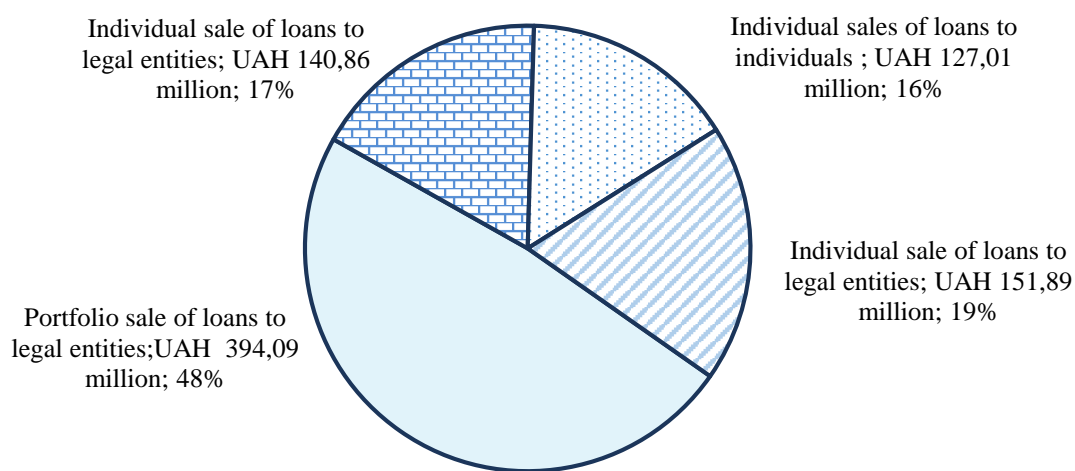


Figure 4.1.4. Distribution of concluded assignment agreements of claims under loan agreements for individual and portfolio sales for 2024, UAH million

The total amount of claims sold under loan agreements with legal entities amounted to UAH 534.95 million, with 74% of the realized claims sold as part of interbank loan pools of legal entities and accounts receivable, as well as within the "one bank = one pool" structure.



It is worth noting that since 2023, the DGF has applied a new property (assets) sale approach, under which loan pools of business entities are formed using a sector-based principle, i.e., a common feature among all borrowers is their type of activity based on the NACE code.

Thus, during 2023–2024, a total of 34 electronic auctions were organized and conducted using the sector-based approach, of which 6 resulted in the signing of claim assignment agreements under loan contracts. More detailed information on the sector-based lots concluded in 2024 is provided in Table 4.1.5.

Table 4.1.5

Sale of banks' property (assets) by Sector-Based Approach in 2024

Lot Number	Borrower Industry	Book value, UAH million	Sale price, UAH million	Ratio of asset sale price of to the property (assets) book value	Agreement Date
GL18N10 25468	Wholesale and retail trade	3 282,60	27,15	1%	26.02.2024
GL18N10 25685	Agriculture, forestry and fishing	616,50	24,72	4%	03.04.2024
GL19N10 25527	Real estate activities	2 928,03	124,65	4%	18.07.2024
GL19N11 26314	Cross-sectoral Pool	3 106,23	55,64	2%	03.09.2024
GL20N11 26587	Manufacturing	18 172,78	124,54	1%	13.11.2024
GL18N11 26568	Cross- sectoral Pool	1 637,53	11,11	1%	14.11.2024

In 2024, assignment agreements for claims under individual borrowers' loan contracts were concluded in the amount of UAH 278.90 million. The sale price of loans grouped by common characteristics into pools of individual borrowers' loans amounted to UAH 127.01 million, including UAH 0.64 million sold within “one bank = one pool” structures and UAH 0.05 million sold as part of legal entities' loan pools (see Figure 4.1.5).



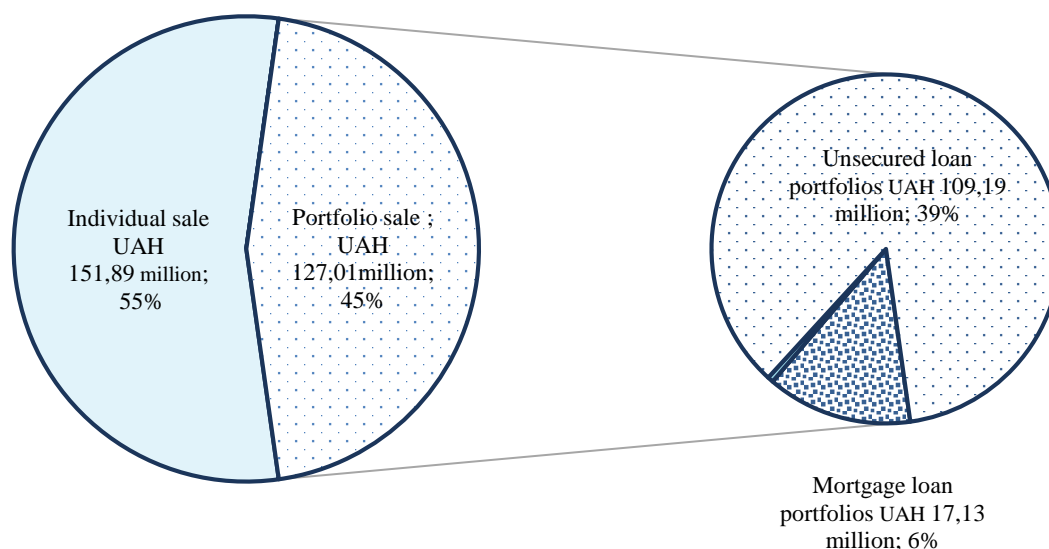


Fig. 4.1.5. Concluded Assignment Agreements of Claims on Retail Loans in 2024, UAH million

In 2024, successful auctions were also conducted under the "one bank = one pool" approach, some of which resulted in concluded asset sale and purchase agreements. It should be noted that for a single bank being sold under the "one bank = one pool" approach, one or several such pools may be formed – a separate pool of assets pledged to each creditor (for example: the NBU, the State Mortgage Institution, etc.), a pool of retail loans, a pool of corporate loans, a pool of real estate, a pool of other assets, and so on.

Thus, under this approach in 2024, asset sale and purchase agreements were concluded for 2 lots with a total book value of UAH 18,920.26 million and a sale price of UAH 41.93 million. The overall recovery rate was 0.2%. Detailed data are presented in Table 4.1.6.

Table 4.1.6
Property (assets) Sale and Purchase Agreements Concluded in 2024 under the "One Bank = One Pool" Approach

Bank Name	Lot Number	Book value, UAH million	Sale price, UAH million	Conversion
JSC "Delta Bank"	GL22N626645	5,22	0,21	4,1%
JSC "ZLATOBANK"	GL18N625929	18 915,04	41,72	0,2%

According to the results of open tenders (auctions), the sale price of real estate, land plots, vehicles, other fixed and intangible assets (excluding sales directly to legal entities or individuals) accounted for more than 39% of the total sale price of assets. The ratio of the sale price of these assets to their book value for 2024 is 54% (Figure 4.1.6).



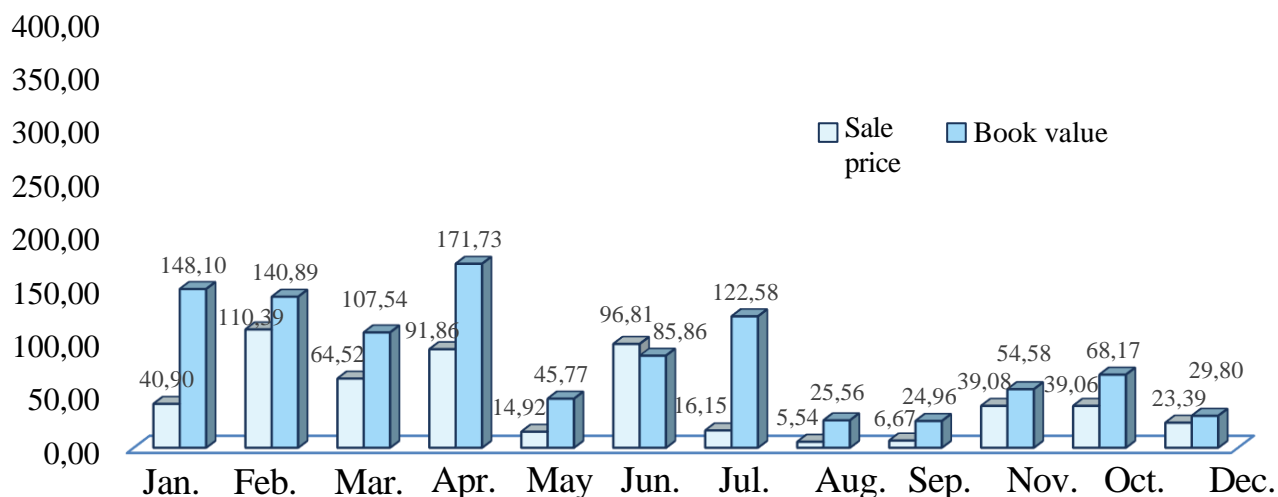


Figure 4.1.6. Comparison of book value and sale price of real estate, land plots, fixed assets and intangible assets in 2024, UAH million

In February, the total amount of concluded sale and purchase agreements for real estate and movable property was the highest in 2024. This was due to the sale by PJSC "PROMINVESTBANK" of a non-residential building on Povitroflotskyi Avenue in Kyiv for UAH 56.89 million, as well as the sale of a complex of administrative and utility buildings of an operational vegetable storage facility in Ternopil for UAH 47.42 million.

In the structure of concluded sale and purchase agreements for real estate and movable property: 88% were residential and non-residential real estate objects, 4% – land plots, 1% – vehicles, and 7% – other fixed assets (furniture, equipment, intangible assets, etc.) (Figure 4.1.7).

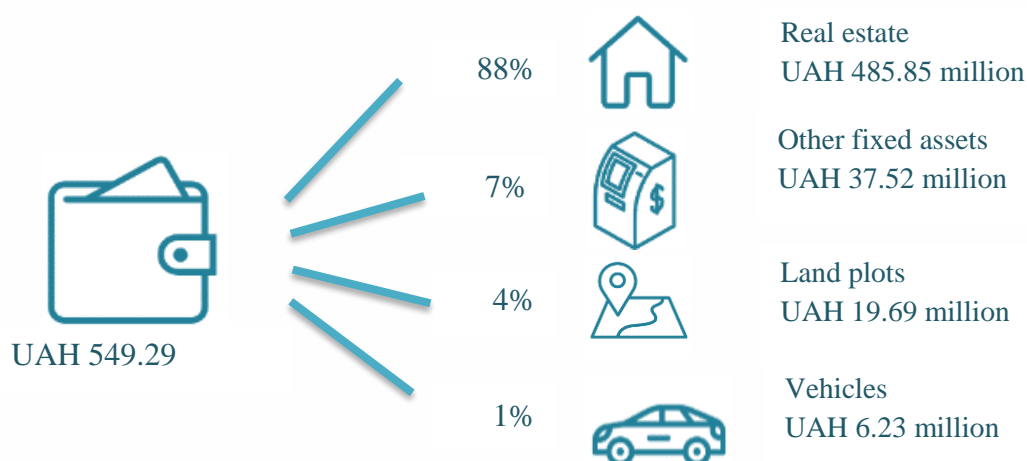


Figure 4.1.7. Distribution of the sale price based on the results of open tenders (auctions) of fixed assets (not including direct sales to legal entities or individuals) in for 2024.

The largest number of real estate objects (residential and non-residential) and land plots sold are located in Kyiv, Kharkiv and Dnipropetrovsk regions. In terms of the sale price, the leaders are Kyiv, Kharkiv and Ternopil regions. The geography of sale of these assets (property) is indicated in more detail in Table 4.1.7 and Figure 4.1.8.



Table 4.1.7

Distribution of sales real estate and land plots in 2024 by regions of Ukraine

Region of Ukraine	Number of objects sold, pcs.	Book value of objects sold, UAH million	Sale price of objects, UAH million	Ratio of the sale price of objects to the book value of objects, %
Kyiv	184	478,02	354,83	74,2%
Kharkiv	57	101,84	52,99	52,0%
Ternopil	7	82,59	47,42	57,4%
Cherkasy	2	8,71	15,63	179,4%
Odessa	1	95,87	11,51	12,0%
Zaporizhzhia	5	12,11	10,16	83,9%
Dnipropetrovsk	12	21,61	4,90	22,7%
Khmelnyskyi	1	1,98	3,90	197,0%
Sumy	8	32,38	2,18	6,7%
Mykolaiv	2	2,56	1,19	46,5%
Transcarpathian	2	2,17	0,37	17,1%
Donetsk	3	0,53	0,22	41,5%
Autonomous Republic of Crimea	1	0,31	0,15	48,4%
Luhansk	4	47,01	0,09	0,2%
Total	289	887,69	505,54	57,0%

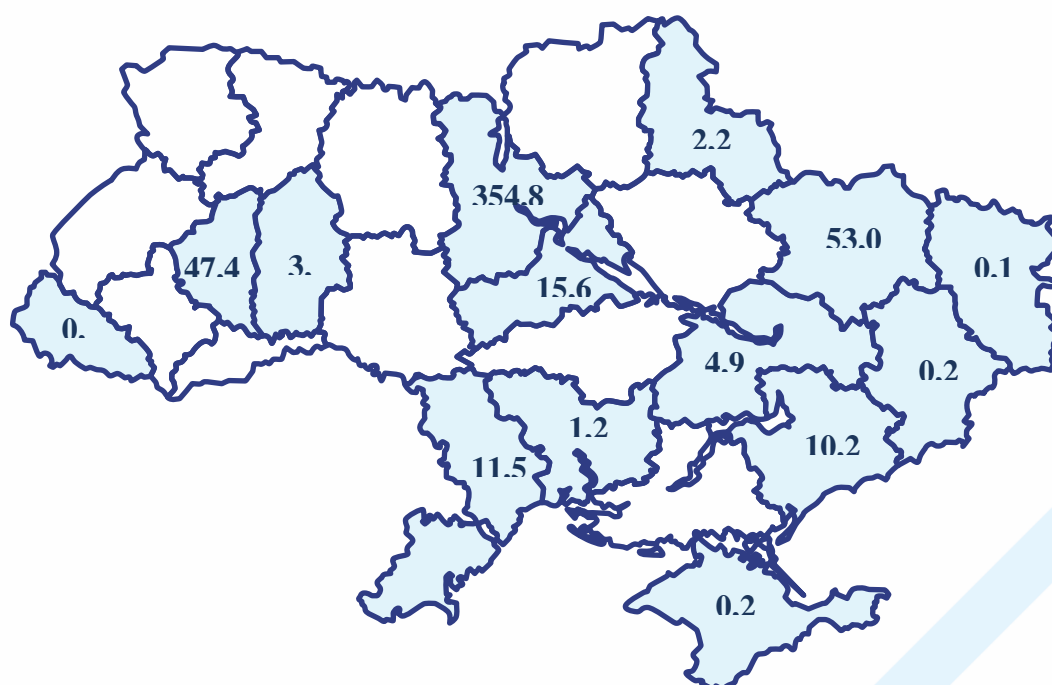


Figure 4.1.8. Geography of sales of real estate and land plots (at the sale price) in 2024, UAH million

As for the sale by insolvent banks of property (assets) pledged by the NBU and other creditors, during 2024, contracts for the sale and purchase of such property (assets)



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were signed for UAH 241.39 million, which is about 2 times less than in 2023 (UAH 499.16 million). Transactions on "collateral" assets were concluded in April and June 2024. The conversion of sold assets was about 2%.

4.2. Management assets work with bad debts of banks liquidated by the DGF

A critical area of the DGF work is to increase the proceeds to insolvent banks from the management and sale of assets to maximize the satisfaction of their creditor claims and cover the costs of the liquidation procedure.

Over the past few years, the DGF has been consistently developing a comprehensive asset management system for liquidated banks, considering the volume of banks' assets and the dynamics of their changes. The implementation of the system of property (asset) management of the banks undergoing liquidation ensured high-quality property (asset) management with centralization of decision-making functions by the relevant collegial body established in the DGF.

The DGF continuously undertakes efforts aimed at reducing the maintenance costs of assets of banks under liquidation and increasing their monetization level. To expand the audience of potential tenants and increase income to the banks being liquidated by the DGF, the DGF continued applying the procedure of open bidding (auctions) for leasing bank property throughout 2024.

During 2024, the DGF made 31 decisions regarding the lease of property of banks under liquidation and conducted 29 auctions, 19 of which were successful. In total, UAH 46.05 million was received by the banks under liquidation from property lease operations in 2024. Details of the lease proceeds by month and by bank are presented in Tables 4.2.1 and 4.2.2.

Table 4.2.1

Lease proceeds received by banks from property leasing in 2024, by month

No.	Period	Proceeds from property lease, UAH million
1	January	4,46
2	February	4,65
3	March	4,42
4	April	4,79
5	May	3,24
6	June	3,31
7	July	2,89
8	August	2,70
9	September	2,11
10	October	3,32
11	November	1,80
12	December	8,36
	Total	46,05

Table 4.2.2



Lease Proceeds Received by Banks from Property Rentals in 2024, by Bank

No.	Bank	Proceeds from property lease, UAH million
1	PJSC "PROMINVESTBANK"	24,86
2	JSC "MR BANK"	7,25
3	JSC "MEGABANK"	5,27
4	JSC "UKRBUDINVESTBANK"	3,53
5	JSC "BANK FORWARD"	1,77
6	JSC "BANK SICH"	1,40
7	JSC "JSCB "CONCORD"	1,08
8	JSC "IBOX BANK"	0,86
9	PJSC "UKRKMUNBANK"	0,03
Total		46,05

In addition, throughout 2024, measures continued to be taken to increase the volume of debt repayment under loan agreements. During 2024, the banks under liquidation by the DGF received UAH 615.50 million from loan debt repayments. Detailed information on total proceeds from loan debt repayments, broken down by month and by bank, is presented in Tables 4.2.3 and 4.2.4.

Table 4.2.3

Loan Debt Repayment Proceeds for 2024 by months

No.	Period	Proceeds from repayment of loan debts, UAH million eq.
1	January	55,19
2	February	69,87
3	March	42,99
4	April	50,85
5	May	49,39
6	June	40,79
7	July	43,62
8	August	33,71
9	September	41,19
10	October	82,90
11	November	54,46
12	December	50,54
Total		615,50

Table 4.2.4



Proceeds from repayment of loan debt for 2024 by banks

No.	Bank	Proceeds from repayment of loan debts, UAH million eq.
1	JSC "MR BANK"	209,13
2	JSC "BANK FORWARD"	109,24
3	JSC "UKRBUDINVESTBANK"	82,82
4	JSC "MEGABANK"	77,70
5	JSC "JSCB "CONCORD"	50,72
6	PJSC "PROMINVESTBANK"	38,11
7	JSC "BANK "FINANCE AND CREDIT"	32,00
8	JSC "BANK SICH"	15,50
9	JSC "IBOX BANK"	0,24
10	PJSC "JSCB "CAPITAL"	0,04
Total		615,50

Out of the total funds received from loan debt repayment, UAH 433.78 million were received by the banks under liquidation by the DGF because of loan debt restructuring programs.

In connection with the full-scale military aggression of the russian federation against Ukraine and the imposition of martial law in Ukraine, the DGF Executive Board adopted Resolution No. 671 dated September 1, 2022 “On minimizing the negative impact of the consequences of the military aggression of the russian federation against Ukraine,” which established the debt repayment terms for individual borrowers (hereinafter – the Repayment Terms), initially valid until August 31, 2023. Starting from September 1, 2023, the validity of the Repayment Terms for individual borrowers was extended until August 31, 2024, by Resolution No. 1040 of the DGF Executive Board dated August 21, 2023, and further extended until August 31, 2025, by Resolution No. 867 dated August 12, 2024.

In 2024, proceeds received by banks under liquidation under loan agreements with individual borrowers who joined the Repayment Terms amounted to UAH 60.03 million. Detailed information on the funds received under the Repayment Terms, broken down by month and by bank, is presented in Tables 4.2.5 and 4.2.6.

Table 4.2.5
Revenues from the fulfillment of the Conditions for Repayment of Debt by
Individuals for 2024 by months

No.	Period	Proceeds from the fulfillment of the Debt Repayment Terms, UAH million eq.
1	January	8,63
2	February	7,73
3	March	7,35
4	April	7,43
5	May	6,35
6	June	5,30
7	July	5,13
8	August	4,52
9	September	2,50



No.	Period	Proceeds from the fulfillment of the Debt Repayment Terms, UAH million eq.
10	October	1,87
11	November	1,30
12	December	1,92
Total		60,03

Table 4.2.6

Proceeds from the fulfillment of the Debt Repayment Terms by individuals in 2024 by month

No.	Bank	Proceeds from the fulfillment of the Terms of Repayment of Debt by Individuals, UAH million eq.
1	PJSC "BANK FORWARD"	28,88
2	JSC "JSCB "CONCORD"	14,12
3	JSC "MEGABANK"	9,58
4	PJSC "BANK SICH"	7,10
5	JSC "MR BANK"	0,35
Total		60,03

At the end of 2022, the DGF began restructuring debts under business entities.

In 2024, proceeds to the banks under liquidation from restructured loans of business entities amounted to UAH 373.75 million. Information on inflows from restructured loans of business entities by months and banks is reflected in the relevant tables 4.2.7 and 4.2.8.

Table 4.2.7

Proceeds from restructured loans of business entities for 2024 by months

No.	Period	Proceeds from restructured loans of business entities, UAH million eq.
1	January	24,06
2	February	24,98
3	March	21,69
4	April	28,04
5	May	25,62
6	June	21,12
7	July	24,63
8	August	19,29
9	September	31,81
10	October	69,82
11	November	43,36
12	December	39,33
Total		373,75

Table 4.2.8



Revenues from restructured loans of business entities for 2024 by banks

No.	Bank	Proceeds from restructured loans of business entities, UAH million eq.
1	JSC "MR BANK"	186,52
2	JSC "UKRBUDINVESTBANK"	77,05
3	PJSC "PROMINVESTBANK"	48,13
4	JSC "MEGABANK"	45,44
5	JSC "JSCB "CONCORD"	12,65
6	JSC "BANK SICH"	3,96
Total		373,75

Work initiated in previous years also continues in the direction of submitting enforcement documents for compulsory execution to the relevant authorities and individuals, including private bailiffs. The institution of private bailiffs, created by the Ministry of Justice as part of the reform of the system for enforcing court and other authority decisions, has proven effective. The DGF carries out the distribution of enforcement documents regarding the recovery of debts from debtors of banks under liquidation. In 2024, a total of 225 enforcement documents were distributed.

During 2024, UAH 10.24 million was recovered in favor of the banks under liquidation. The dynamics of proceeds collected based on the distributed enforcement documents throughout 2024 is shown in the diagram.

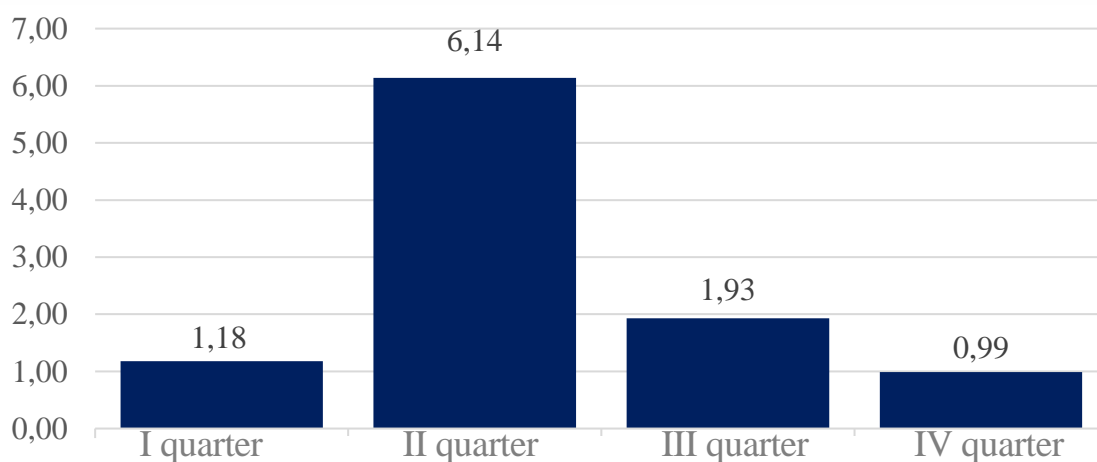


Figure 4.2.1. Trends of proceeds from distributed enforcement documents during 2024, UAH million

In total, during 2024, proceeds to insolvent banks from various asset management methods amounted to UAH 2 285,45 million.

In addition, the DGF, guided by Part Six of Article 12 of the Law, taking into account the Law of Ukraine “On the Legal Regime of Martial Law,” Presidential Decree No. 64/2022 “On the Introduction of Martial Law in Ukraine” dated February 24, 2022, approved by the Law of Ukraine No. 2102-IX of February 24, 2022 (with amendments), and based on relevant requests, took measures to support the Security and Defense Forces of Ukraine for the duration of martial law in the country.



In implementation of the provisions of the Law of Ukraine “On the Transfer, Forced Alienation or Seizure of Property under the Legal Regime of Martial or State of Emergency,” the Law of Ukraine “On the Legal Regime of Martial Law,” the Law of Ukraine “On Mobilization Preparation and Mobilization,” and the Cabinet of Ministers Resolution No. 1921 dated December 28, 2000 “On Approval of the Regulation on Military Transport Duty,” a total of 8,885 units of bank property (from banks under liquidation) were transferred with a total book value of UAH 982.60 million, including:

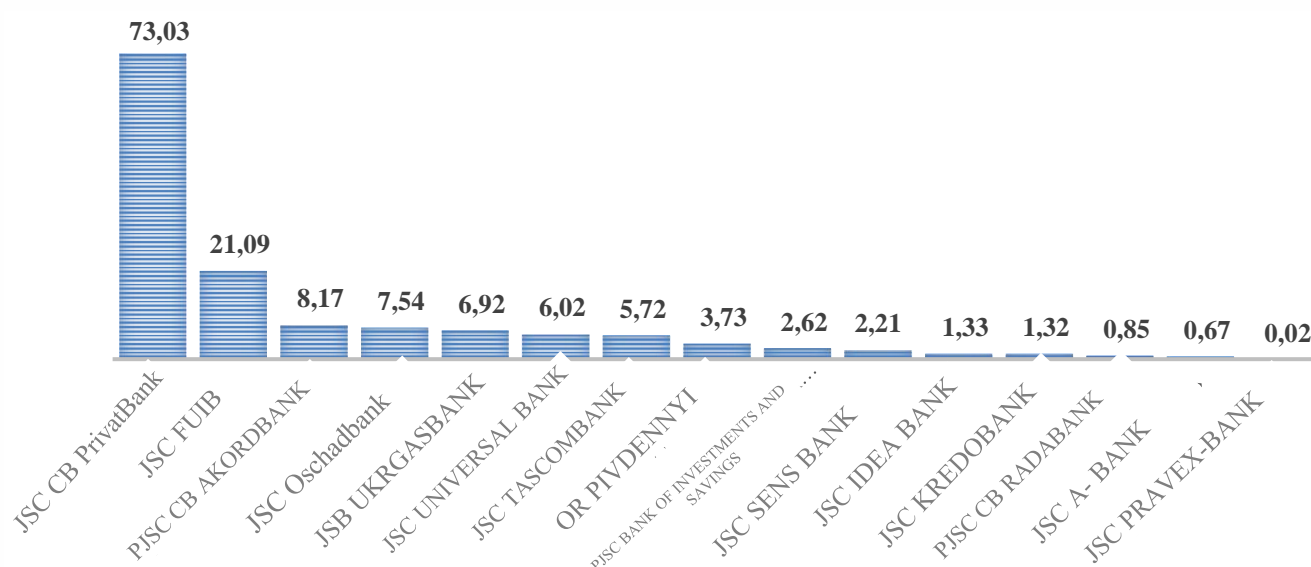
- Vehicles transferred in accordance with the Law of Ukraine “On Mobilization Preparation and Mobilization” – 39 units (plus 16 additional units of components), with a book value of UAH 7.50 million;
- Assets transferred for temporary free use – 5,584 units of real estate and movable property, with a book value of UAH 650.60 million;
- Assets forcibly alienated in accordance with the Law of Ukraine “On the Transfer, Forced Alienation or Seizure of Property under the Legal Regime of Martial or State of Emergency” – 3,246 units of real estate and movable property, with a book value of UAH 324.50 million.



5. PAYMENTS TO DEPOSITORS AND SETTLEMENTS WITH CREDITORS

5.1. Guaranteed deposit Payouts to depositors of insolvent banks liquidated by the DGF

During 2024, the DGF the guaranteed deposit payouts were made to the depositors of 31 banks. The total guaranteed amount of reimbursement paid out during 2024 at the expense of the DGF amounted to almost UAH 141.24 million. For this purpose, 15 agent banks were involved (Figure 5.1.1), which were determined in accordance with the requirements of the Regulations on the Procedure for Determining Agent Banks of the Deposit Guarantee Fund approved by Decision of the Executive Board No. 6 dated July 12, 2012, registered with the Ministry of Justice of Ukraine on September 4, 2012, under No. 1494/21806.



*- The amount received by a depositor in another period is not included in the total payments of guaranteed amount of reimbursement made by agent banks (Supreme Court ruling dated March 13, 2024, in case No. 754/1895/22).

Figure 5.1.1. Breakdown of guaranteed deposit payouts by the DGF agent banks in 2024, UAH million

In total, 95% of depositors received the guaranteed amount of compensation and only 5% did not apply for payment. As of the end of the reporting period, the amount of compensation for which depositors have not yet applied amounted to about UAH 3,335.54 million. The most common reasons for not receiving funds are: military actions in Ukraine, a small amount of compensation not exceeding UAH 100, and so-called "forgotten" deposits, as well as deposits belonging to deceased depositors - until the certificate of the right to inheritance.

Due to disbursements by means of the System through the branches of agent banks, depositors were able to receive compensation at any branch of the agent bank covering the entire territory controlled by Ukraine, as well as remotely - by crediting the guaranteed amount to the recipient's own account at the agent bank, without visiting the branches.



Individual applications must be submitted directly to the DGF either by heirs of depositors or depositors whose details in the register of depositors' compensation for payments differ from the details of their documents, or by depositors of banks whose liquidation procedure has been in progress for three years (in case of liquidation of a systemically important bank - five years) - for the DGF to carry out the procedure for updating the data for the possibility of paying out funds.

The guaranteed compensation amount paid online during 2024 by the DGF agent banks that introduced remote payments amounted to UAH 34.38 million (Table 5.1.1).

Table 5.1.1

Online payments of the guaranteed amount of compensation by agent banks

Agent banks	Guaranteed compensation amounts, UAH million		Share of online guaranteed compensation amounts
	General	Online	
JSC CB "PrivatBank"	73,03	22,12	30%
JSC "FUIB"	21,09	10,35	49%
JSB "UKRGASBANK"	6,92	0,15	2%
JSC "TASCOMBANK"	5,72	0,00	0%
OR "PIVDENNYI"	3,73	0,00	0%
JSC "SENS BANK"	2,22	1,76	79%
Total:	112,71	34,38	

The share of online payments of the guaranteed compensation amount in the reporting year amounted to 24% of the total amount of payments by the DGF agent banks.

Using the Diia application, payments in the amount of UAH 14.67 million were made to depositors through five of the DGF agent banks (Table 5.1.2).

Table 5.1.2

Payments of the guaranteed compensation amount using the Diia application

Agent banks	Guaranteed compensation amounts, UAH million		Share of guaranteed compensation through the Diia Portal
	General	by means of Diia Portal	
JSC CB "PrivatBank"	73,03	7,36	10%
JSB "UKRGASBANK"	6,92	0,53	8%
JSC "UNIVERSAL BANK"	6,02	5,36	89%
JSC "IDEA BANK"	1,33	0,01	1%
JSC "FUIB"	21,09	1,41	7%
Total:	108,39	14,67	



The share of payments of the guaranteed compensation amount through the DGF agent banks using the Diia application amounted to 14% of the total amount of payments.

Currently, there are three ways to receive the guaranteed compensation amount:

- directly at the branches of any of the 15 agent banks of the DGF;
- remotely;
- using the Diia app on your smartphone

In connection with the start of the bank resolution process JSC "COMINVESTBANK" at the end of 2024, the DGF carried out the procedure for preparing for the compensation payment to depositors of this bank. The total guaranteed amount of deposits at the time of introduction of provisional administration in JSC "COMINVESTBANK" amounted to UAH 476.67 million.

According to the results of payments in 2024, the largest share of total payments was made to depositors of JSC "JSCB CONCORD" (UAH 35.83 million), JSC "MEGABANK" (UAH 33.12 million) and JSC "UKRBUDINVESTBANK" (UAH 22.09 million) (Table 5.1.3).

Table 5.1.3

Amounts of guaranteed compensation payments by banks managed by the DGF,
UAH million

List of banks managed by the DGF	Balance of funds for which depositors did not apply as of December 31, 2023	Accrued amount of compensation in 2024	Funds actually received in 2024	Funds debited in 2024 in connection with completion of payments	Balance of funds not claimed by depositors as of December 31, 2024
PJSC "Bank Cambio"	35,60	0,59	1,45	34,74	
PJSC "VAB Bank"	422,31	0,24	0,30		422,25
JSC "ZLATOBANK"	29,13	3,68	1,01	31,80	
PJSC "CB "NADRA"	177,49	0,14	0,21		177,42
PJSC "ENERGOBANK"	15,41	- 0,02	0,003		15,39
PJSC "Bank "Kyivska Rus"	213,28	- 0,0001	0,13		213,15
PJSC "UKRAINIAN PROFESSIONAL BANK"	8,11	-	0,15		7,96
PJSC "BANK NATIONAL CREDIT"	12,26	0,02	0,02		12,26
JSC "Delta Bank"	482,81	0,90	1,69		482,02
PJSC "JSCB "CAPITAL"	44,43	- 0,30	0,49		43,64
PJSC "RADICAL BANK"	26,20	0,32	0,69		25,83
PJSC "Integral-Bank"	3,08	-	0,02		3,06
JSC "Bank "National Investments"	4,58	-	-		4,58
JSC "BANK "FINANCE AND CREDIT"	497,01	- 0,06	0,18		496,77
PJSC "Bank Contract"	3,27	-	-		3,27
PJSC "UKRINBANK"	66,07	- 0,20	-		65,87
PJSC "BANK MYKHAILIVSKYI"	14,17	0,14	0,65		13,66
PJSC "FIDOBANK"	54,62	-	0,12		54,50
PJSC CB "EUROBANK"	5,10	-	0,00001		5,10



PJSC «CSG BANK»	1,50	-	0,39		1,11
PJSC "BANK TRUST"	5,04	-	-		5,04
PJSC "CB "INVESTBANK"	2,68	-	0,0011		2,68
PJSC "PLATINUM BANK"	64,63	- 0,0001	0,07		64,56
JSC "BANK BOHUSLAV"	3,57	- 0,0038	-		3,57
JSC "VTB BANK"	104,12	- 5,62	0,48		98,02
JSC "ARKADA"	60,98	0,02	1,70	59,30	
JSC "Misto Bank"	11,90	-	-	11,90	
JSC "CB "ZEMELNY CAPITAL"	3,16	-	0,76	2,40	
PJSC "PROMINVESTBANK"	2,32	-	0,10		2,22
JSC "MR BANK"	287,96	0,23	14,43		273,76
JSC "MEGABANK"	192,52	0,95	33,12		160,35
JSC "BANK SICH"	34,69	3,78	7,39		31,08
JSC "BANK FORWARD"	92,18	0,90	16,27		76,81
JSC "IBOX BANK"	13,70	0,79	1,70		12,79
JSC "JSCB "CONCORD"	73,99	20,05	35,83		58,21
JSC "UKRBUDINVESTBANK"	41,99	2,04	22,09		21,94
JSC "COMINVESTBANK"		476,67	-		476,67
Total:	3 111,86	505,26	141,44	140,14	3 335,54

According to the indicators of 2024, there is a receipt of guaranteed amounts of compensation according to the gradation of deposits according to their size defined below (Figure 5.1.2).

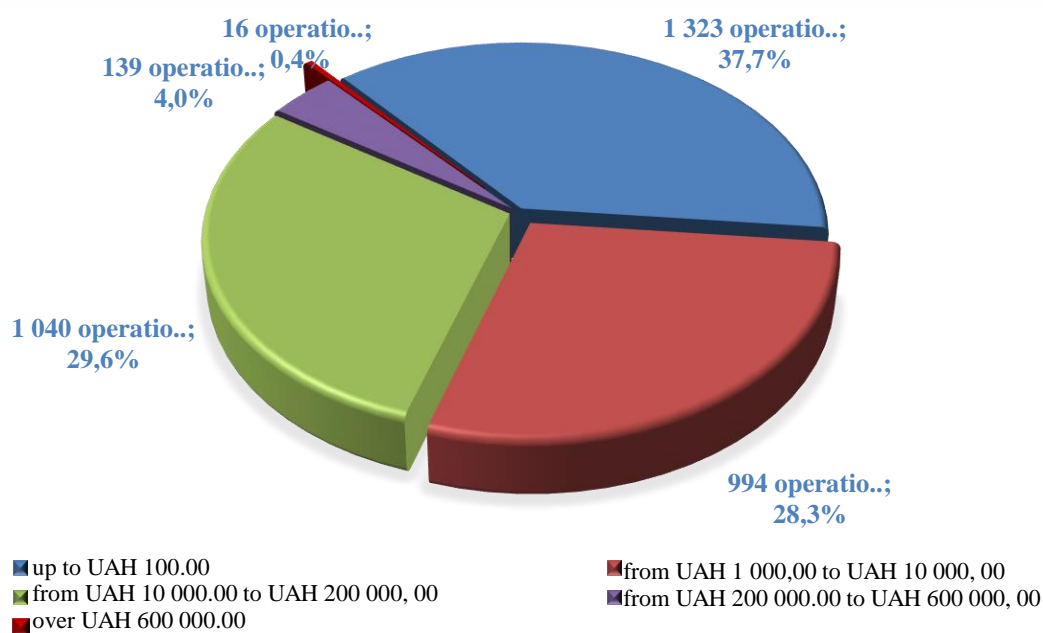


Figure 5.1.2. Breakdown of payments by the compensation amount in 2024

According to part three of Article 28 of the Law, the DGF ceases the payment of guaranteed amounts of reimbursement of deposits on the day the liquidation balance sheet of the bank is approved. During 2024, the payment of guaranteed amounts of reimbursement to depositors of the following banks was completed: PJSC “Bank Cambio”, JSC “ZLATOBANK”, JSC JSCB “ARKADA”, JSC “Misto Bank”, and JSC “CB “ZEMELNY CAPITAL”. The unclaimed guaranteed amount of reimbursement, which the depositors of these banks did not apply for, amounted to 140.14 million UAH (Table 5.1.3). The depositors of the banks for which the payments were completed in



2024 received, in total, the guaranteed amount of reimbursement in the amount of 2,082.96 million UAH, which amounted to 94% of the total guaranteed amount (Figure 5.1.3).

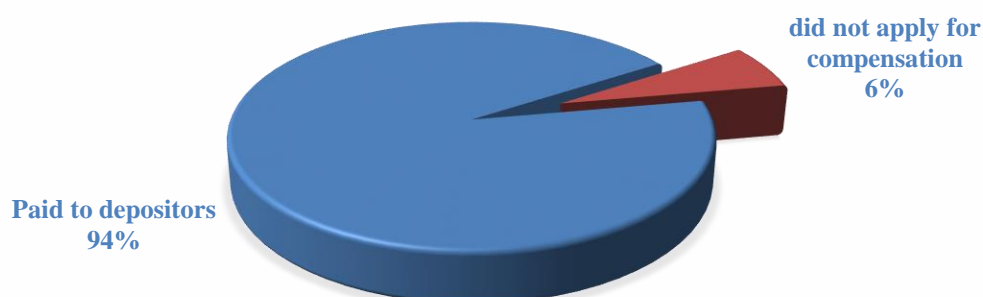


Figure 5.1.3. Compensation to depositors of banks for which payments have been completed

The DGF is constantly working to identify new DGF agent banks in accordance with the relevant requirements and criteria, especially the ability to pay the guaranteed amount of compensation to depositors. During 2024, three applicant banks from among the banks participating in the DGF that joined the Automated Payment System of the DGF were tested, namely: JSC "JSB RADABANK", JSC "A-BANK" and JSC "SENS BANK".

5.2. Settlements with banks creditors liquidated by the DGF

From the date of the commencement of the bank liquidation procedure, the DGF shall start stock-taking and valuation of the bank's property in order to form the bank's liquidation estate. The valuation shall be carried out by engaging appraisers in accordance with the procedure established by the Regulations on the Procedure for Selecting Persons Who Can Perform Work (Render Services) to Insolvent Banks or Banks under Liquidation by the Deposit Guarantee Fund approved by Decision No. 434 of the DGF Executive Board dated March 28, 2016 (as amended) and other regulatory acts of the DGF.

Thus, as of December 31, 2024, the total book value of the assets of 49 banks managed by the DGF, in which the Register Of Accepted Creditor Claims was approved by the Decision of the DGF Executive Board, amounted to UAH 80,986.57 million, while their estimated value amounted to UAH 14,385.23 million, or 17.0%, which, which is insufficient to satisfy all claims of bank creditors (Table 5.2.1).



Table 5.2.1

**Book and estimated assets value of banks in which the register of accepted
creditors' claims is approved**

No.	BANK	Book value of assets, UAH million	Estimated value of assets, UAH million
1	PJSC CB "STANDARD" (the state registration of dissolution of a legal entity was canceled by a court decision)	0,0	0,0
2	JSC "ARTEM-BANK" (the bank is in the process of liquidation)	0,0	0,0
3	PJSC "CB "PIVDENCOMBANK" (the bank is in the process of completing liquidation)	0,0	0,0
4	PJSC "BANK PETROCOMMERCE-" (the bank is in the process of completing liquidation)	0,0	0,0
5	PJSC "CB "AKTIV-BANK" (the bank is in the process of completing liquidation)	0,0	0,0
6	PJSC "BANK NATIONAL CREDIT" (the bank is in the process of completing liquidation)	0,0	0,0
7	PJSC CB "EUROBANK" (the bank is in the process of completing liquidation)	0,0	0,0
8	PJSC "PROFIN BANK" (the bank is in the process of completing liquidation)	0,0	0,0
9	PJSC BANK "CONTRAKT" (the bank in the stage of completion of liquidation)	0,0	0,0
10	PJSC "ENERGOBANK" (the bank is in the process of completing liquidation)	0,0	0,0
11	PJSC "UKRAINIAN PROFESSIONAL BANK" (the bank is in the process of completing liquidation)	0,0	0,0
12	JSC "BANK BOHUSLAV" (the bank is in the process of completing liquidation)	0,0	0,0
13	PJSC "RADIKAL BANK" (the bank is in the process of liquidation)	0,0	0,0
14	PJSC "INTEGRAL-BANK" (the bank is in the process of liquidation)	0,0	0,0
15	PJSC "VAB BANK" (the bank is in the process of liquidation)	0,0	0,0
16	PJSC CB "NADRA" (the bank is in the process of liquidation)	0,0	0,0
17	PJSC "BANK MYKHAILIVSKYI" (the bank is in the process of liquidation)	0,0	0,0
18	PJSC BANK "TRUST" (bank in the stage of completion of liquidation)	0,0	0,0
19	PJSC "CB "INVESTBANK" (bank in the stage of completion of liquidation)	0,0	0,0
20	PJSC "PLATINUM BANK" (the bank is in the process of liquidation)	0,0	0,0
21	PJSC "BANK "KYIVSKA RUS" (THE BANK IS IN THE PROCESS OF LIQUIDATION)	0,0	0,0
22	JSC "BANK "NATIONAL INVESTMENTS" (the bank is in the process of completion of liquidation)	0,0	0,0



23	PJSC "VECTOR BANK" (the bank is in the process of liquidation)	0,0	0,0
24	PJSC CB "FINANCIAL INITIATIVE" (the bank is in the process of liquidation)	0,0	0,0
25	JSC "BANK VELES" (the bank is in the process of liquidation)	0,0	0,0
26	PJSC "IMEXBANK" (the bank is in the process of liquidation)	0,0	0,0
27	JSC BANK "GOLDEN GATE" (the bank is in the process of liquidation)	0,0	0,0
28	PJSC "DIAMANTBANK" (the bank is in the process of liquidation)	0,0	0,0
29	PJSC "AKTABANK" (the bank is in the process of liquidation)	0,0	0,0
30	JSC "MISTO BANK" (the bank is in the process of liquidation)	0,0	0,0
31	JSC CB "ZEMELNYI CAPITAL" (the bank is in the process of completing liquidation)	0,0	0,0
32	PJSC "BANK CAMBIO" (the bank is in the process of completing liquidation)	0,0	0,0
33	PJSC "ZLATOBANK" (the bank is in the process of completing liquidation)	0,0	0,0
34	JSC "RODOVID BANK" (the liquidation of the bank was resumed on the basis of the decision of the DGF Executive Board dated December 27, 2023 No. 1698, which canceled the previous decision of the DGF Executive Board dated February 13, 2023 No. 183 "On Approval of the Liquidation Balance Sheet and the Report on the Implementation of the Liquidation Procedure of JSC "RODOVID BANK")	24,60	0,00
35	JSC "VTB BANK"	44,41	22,80
36	PJSC "FIDOBANK"	41,60	42,75
37	JSC "BANK "FINANCE AND CREDIT"	2 436,24	323,75
38	PJSC "JSCB "CAPITAL"	1 983,25	80,50
39	JSC "DELTA BANK"	851,85	862,22
40	PJSC "UKRINBANK" (latest data as of July 7, 2016)	5 322,43	0,0
41	PJSC «CSG BANK»	203,09	38,40
42	PJSC "PROMINVESTBANK"	39 109,19	3 035,97
43	JSC "MR BANK"	22 160,31	3 599,80
44	JSC "MEGABANK"	4 089,28	2 807,37
45	JSC "BANK SICH"	685,88	533,38
46	JSC "BANK FORWARD"	661,81	337,07
47	JSC "IBOX BANK"	1 266,11	1 001,11
48	JSC "JSCB "CONCORD"	1 271,09	1 474,76
49	JSC "UKRBUDINVESTBANK"	835,43	225,35
Total amount in UAH million		80 986,57	14 385,23

The total amount of approved accepted creditor claims as of December 31, 2024 is UAH 342,965.63 million (including banks in which liquidation was completed), of which



**DEPOSIT
GUARANTEE
FUND**

Table 5.2.2

Status of creditor claims settlement by tiers as of December 31, 2024

TOTAL FOR BANK (including liquidated)	Amount of approved accepted creditor claims as of December 31, 2024, UAH million	Tier 1, UAH million	Tier 2, UAH million	Tier 3, UAH million	Tier 4, UAH million	Tier 5, UAH million
APPLY	342 965,63	7,06	79,71	106 587,84	40 549,77	28 512,24
PAYED	70 922,33	7,06	76,38	32 778,44	5 129,92	2 385,57
BALANCE	272 043,30	0,00	3,33	73 809,40	35 419,85	26 126,67

Tier 6, UAH million	Tier 7, UAH million	Tier 8, UAH million	Tier 9, UAH million	Tier 10, UAH million	Tier 11, UAH million
104,97	117 129,72	18 882,15	28 745,46	2 366,71	0,00
20,17	28 106,74	822,06	1 470,77	125,22	0,00
84,80	89 022,98	18 060,09	27 274,69	2 241,49	0,00

As of December 31, 2024, the DGF manages 53 banks in a state of liquidation (including 33 banks in which the liquidation balance sheet has been approved) and one bank with provisional administration introduced. The status of creditor claims settlement in these banks is shown below in Table 5.2.3.

Table 5.2.3

Status of creditor claims settlement for banks managed by the DGF by tiers as of December 31, 2024

TOTAL FOR BANK (including by the DGF)	Amount of approved accepted creditor claims as of December 31, 2024, UAH million	Tier 1, UAH million	Tier 2, UAH million	Tier 3, UAH million	Tier 4, UAH million	Tier 5, UAH million
FILED	270 921,83	7,06	57,70	82 282,95	29 723,66	27 283,67
SETTLED	52 223,48	7,06	56,23	25 540,01	2 773,16	1 708,43
OUTSTANDING	218 698,35	0,00	1,47	56 742,94	26 950,50	25 575,24

Tier 6, UAH million	Tier 7, UAH million	Tier 8, UAH million	Tier 9, UAH million	Tier 10, UAH million	Tier 11, UAH million
89,20	88 191,77	15 699,01	26 093,01	1 493,80	0,00
17,92	21 116,28	754,12	250,27	0,0	0,00
71,28	67 075,49	14 944,89	25 842,74	1 493,80	0,00



In 2024, UAH ⁹ 2,148.65 million were settled for all tiers of accounts payable

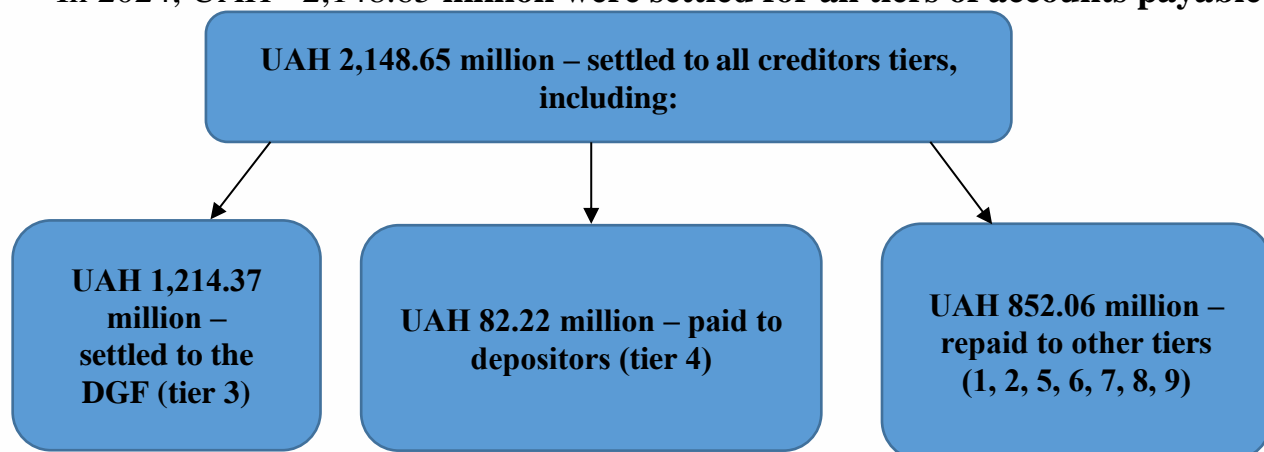


Figure 5.2.1. Settlement of creditor claims for 2024

Settlement of tier 1 creditor claims

The amount of accepted tier 1 creditor claims — UAH 7.06 million.

As of December 31, 2024, UAH 7.06 million were settled, which is 100.0% of the total debt in turn.

Out of 2 banks, tier 1 was fully settled in full in both insolvent banks, namely: JSC "MEGABANK" and PJSC "PROMINVESTBANK".

Settlement of tier 2 creditor claims

Amount of accepted tier 2 creditor claims is UAH 79.71 million.

As of December 31, 2024, UAH 76.38 million were settled, which is 95.8 of the total debt in tier, including UAH 0.85 million for 2024.

Tier 2 was completely settled in 41 insolvent banks. For 11 banks, the claims of creditors of this tier were not fully repaid due to the fact that in most banks some individuals did not appear on time for their salaries, as well as the repayment of claims of the second tier in PJSC "COMMERCIAL BANK "GEFEST" (the bank was liquidated).

⁹ Funds received as a result of the liquidation and sale of the bank's property (assets), and the investment of the bank's temporarily free funds in government securities, are directed by the DGF to satisfy creditors' claims, provided that there are sufficient funds to ensure the liquidation procedure in the order of priority defined by part 1 of Article 52 of the Law of Ukraine "On Household Deposit Guarantee Scheme". Claims of each subsequent priority are satisfied as funds from the sale of the bank's property (assets) are received, after the full satisfaction of the claims of the preceding priority. If the amount of funds received from the sale of property (assets) is insufficient to fully satisfy all claims of a single priority, the claims are satisfied proportionally to the amount of claims belonging to each creditor of that priority. Claims against the bank that are not satisfied as a result of the liquidation procedure and the sale of the bank's property (assets) as of the date of preparation of the liquidation balance sheet are considered extinguished.

The DGF has the right to file claims against persons who, according to the legislation, bear liability for damages (losses) caused to creditors whose claims remained unsatisfied after the completion of the liquidation procedure—in the event of the termination of an insolvent bank or a bank for which a decision was made to revoke the banking license and liquidate the bank on the grounds defined by part two of Article 77 of the Law of Ukraine "On Banks and Banking," as a legal entity.



Settlement of tier 3 creditor claims (of the Deposit Guarantee Fund)

Amount of accepted tier 3 creditor claims — UAH 106,587.84 million.

As of January 31, 2024, UAH 32,778.44 million were settled, which is 30.1% of total debt in tier, including UAH 1,214.37 million was repaid in 2024.

The leaders in payment of tier 3 for 2024 were the following banks:

1. JSC "DELTA BANK" – UAH 328.36 million (27.0% of the total amount of repayment of the third stage for 2024);
2. PJSC "UKRBUDINVESTBANK" – UAH 307.03 million (25.3% of the settlement amount of tier 3 for 2024);
3. PJSC "FORWARD BANK" – UAH 227.80 million (18.8% of the settlement amount of tier 3 for 2024);
4. JSC "MEGABANK" – UAH 207.02 million (17.1% of the settlement amount of tier 3 for 2024);
5. JSC "BANK SICH" – UAH 63.87 million (5.3% of the settlement amount of tier 3 for 2024).

The following diagram (Figure 5.2.2) contains leaders among banks in terms of the volume of settlement of tier 3 (for all time) as of the end of the day on December 31, 2024 (in percentage ratio of the amount of settlement of each bank to the total amount of settlement of tier 3 creditors – UAH 32,778.44 million):

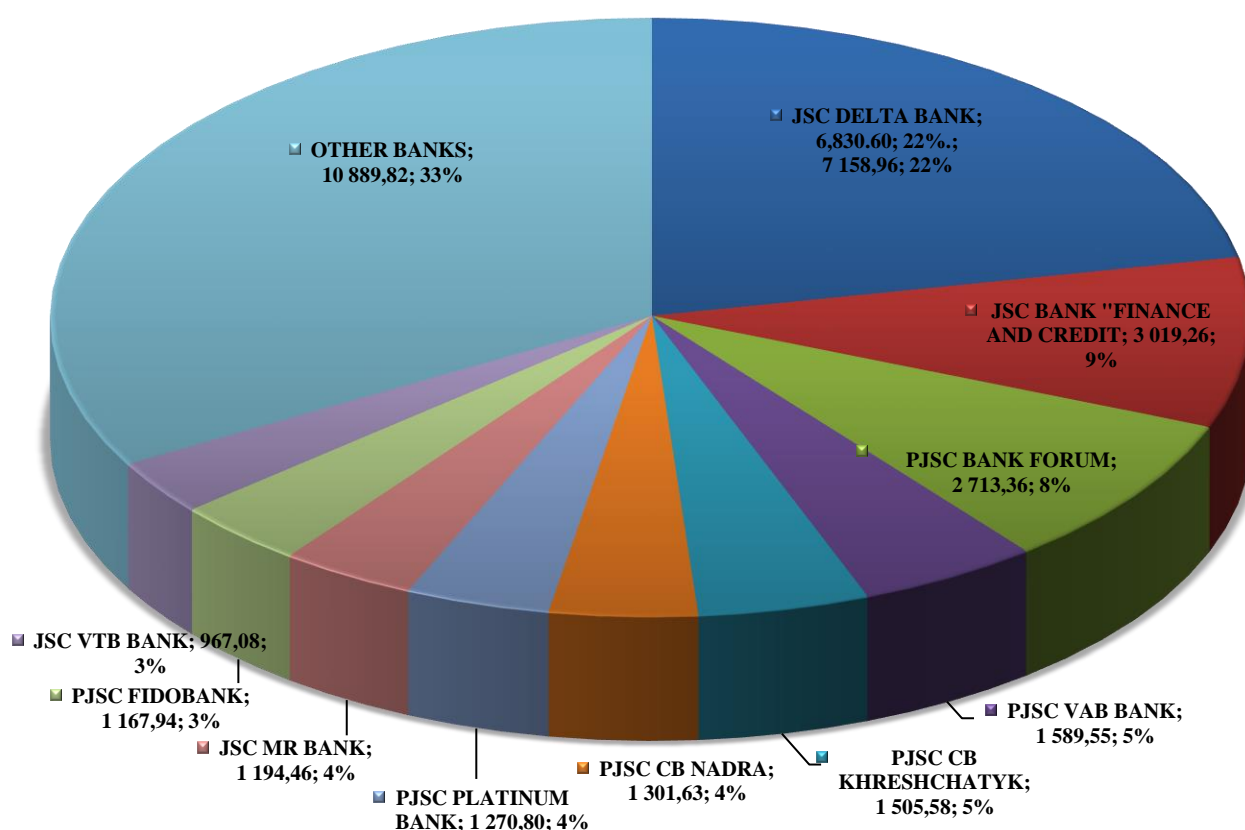


Figure 5.2.2. Top 10 banks of settlement of tier 3 of creditors, as of the end of the day December 31, 2024, UAH million



Settlement of tier 4 creditor claims

The amount of accepted tier 4 creditor claims is UAH 40,549.77 million.

In tier 4, UAH 5,129.92 million were settled, which is 12.6%.

In 2024, tier 4 was settled by UAH 82.22 million.

The following banks repaid tier 4 in full:

1. PJSC "PRIME-BANK" (the claims of 18 depositors 200+ were satisfied).
2. PJSC "GREEN BANK" (claims of 4 depositors 200+ were satisfied).
3. PJSC "UKRAINIAN BUSINESS BANK" (the claims of 65 depositors 200+ were satisfied).
4. PJSC "BANK "UNISON" (claims of 108 depositors 200+ were satisfied).
5. PJSC "KREDITPROMBANK" (the claims of 3 depositors 200+ were satisfied).
6. PJSC "NATIONAL CAPITAL BANK" (claims of 4 depositors 200+ were satisfied).
7. PJSC "VBR" (the claims of 139 depositors 200+ were satisfied).
8. PJSC "CB "PREMIUM" (the requirements of 311 depositors 200+ were satisfied).
9. PJSC "DIAMANTBANK" (the claims of 1080 depositors 200+ were satisfied).
10. JSC "CB "SOYUZ" (the claims of 11 depositors 200+ were satisfied).
11. JSC "JSCB ARKADA" (the claims of 131 depositors of 200+ were satisfied), in 2024 – UAH 4.11 million.

JSC "VTB BANK" satisfied 99.81% of creditors' claims – UAH 647.19 million, of which UAH 0.25 million for 2024.

JSC "MR BANK" satisfied 87.09% of creditors' claims – UAH 1,231.43 million, of which UAH 4.07 million for 2024.

JSC JSCB "CONCORD" satisfied 75.15% of creditors' claims – UAH 40.16 million, of which for 2024 – UAH 40.16 million.

JSC "MISTO BANK" satisfied 43.25% of creditors' claims – UAH 79.70 million, of which UAH 33.63 million for 2024.

Settlement of tier 5 creditor claims

The amount of accepted claims of tier 5 creditors is UAH 28,512.24 million, consisting of the debts to the NBU of the following banks: PJSC "REAL BANK" – UAH 551.40 million (the bank was liquidated), PJSC "BANK "FORUM" – UAH 486.71 million (debt on refinancing loans was repaid in full, the balance of debt to the NBU is UAH 0.03 million – samples of coins owned by the NBU, the bank was liquidated), PJSC "CB "KHRESCHATYK" – UAH 190.46 million (debt on refinancing loans was repaid in full, the bank was liquidated), PJSC "UKRAINIAN PROFESSIONAL BANK" – UAH 107.67 million (the liquidation balance sheet was approved), PJSC "VAB BANK" – UAH 2,785.72 million (the liquidation balance sheet was approved), PJSC "CB "NADRA" – UAH 9,425.39 million (the liquidation balance sheet was approved), PJSC "CB "FINANCIAL INITIATIVE" – UAH 1,255.38 million (the liquidation balance sheet was approved), PJSC "IMEXBANK" – UAH 2,695.11 million (the liquidation balance sheet



was approved), PJSC "BANK CAMBIO" – UAH 80.21 million (the liquidation balance sheet was approved), PJSC "ZLATOBANK" – UAH 304.85 million (the liquidation balance sheet was approved), JSC "RODOVID BANK" – UAH 3,986.78 million (UAH 945.03 million was repaid), JSC "BANK "FINANCE AND CREDIT" – UAH 6,642.56 million (UAH 763.40 million was repaid).

In total, the tier 5 was repaid for UAH 2,385.57 million, which is 8.37% of the total debt under the tier 5.

In 2024, the tier 5 was repaid for UAH 22.03 million.

Settlement of tier 6 creditor claims

The amount of accepted tier 6 creditor claims is UAH 104.97 million.

Tier 6 was settled by UAH 20.17 million, which is 19.21%, of which: PJSC "DIAMANTBANK" – UAH 6.78 million (100% of the claims accepted by the bank on the tier 6, the liquidation balance sheet was approved), PJSC "NARODNYI CAPITAL" – UAH 1.46 million (100% of the claims accepted by the bank on the sixth stage, the bank was liquidated), JSC "CB SOYUZ" – UAH 0.54 million (100% of the accepted claims on the tier 6, the bank was liquidated), PJSC " VBR " – UAH 0.15 million (100% of the claims accepted by the bank on the tier 6, the bank was liquidated), other banks in which the liquidation balance sheet was approved (PJSC "GREEN BANK", PJSC "PRIME-BANK", PJSC "JSCB "NOVIY", PJSC "BANK "UNION", PJSC "KREDITPROMBANK", PJSC "CB "PREMIUM", JSC JSCB "ARKADA") – a total of UAH 0.10 million (100% of accepted claims on the tier 6), JSC JSCB "CONCORD" – UAH 3.42 million (94.45% of claims accepted by the bank on the tier 6), of which in 2024 – UAH 0.98 million; JSC "IBOX BANK" – UAH 3.07 million (95.52% of claims accepted by the bank in the tier 6), of which UAH 0.01 million in 2024; JSC "MR BANK" – UAH 3.05 million (71.29% of the claims accepted by the bank in the tier 6), of which UAH 0.27 million in 2024; JSC "VTB BANK" – UAH 1.58 million (95.90% of claims accepted by the bank in the tier 6), PJSC "PROMINVESTBANK" – UAH 0.02 million (25.65% of claims accepted by the bank in the tier 6)

During 2024, tier 6 was settled by UAH 1.26 million.

Settlement of tier 7 creditor claims

The amount of accepted tier 7 creditor claims is UAH 117,129.72 million.

The balance of debt to the NBU, which is included in tier 7 as of December 31, 2024, is UAH 12,041.69 million (including UAH 1,489.45 million – the debt of banks for which an entry has been made in the USR on the state registration of the termination of a legal entity, and therefore, the liquidation of banks is considered completed, and the banks are liquidated).

The tier 7 was settled for UAH 28,106.74 million (24.00%) (for 2024, the tier 7 was repaid for UAH 608.42 million), of which:

- **early satisfaction of creditor claims (NBU) in the tier for the entire period (including due to foreclosure on collateral and property of guarantors) – UAH 14,993.49 million (repaid in 2024 – UAH 119.28 million):**
- PJSC "CB "DANIEL" (the bank was liquidated) – for all time UAH 14.87 million;



- PJSC "BROKBUSINESSBANK" (the bank was liquidated) – for all time UAH 274.73 million;
- PJSC "AVTOKRAZBANK" (the bank was liquidated) – for all time UAH 13.80 million;
- PJSC "BANK "DEMARK" (the debt repaid in full, the bank was liquidated) – for all time UAH 26.52 million;
- JSC "PORTO-FRANKO" (the debt repaid in full the bank was liquidated) – for all time UAH 38.11 million;
- PJSC "BG BANK" (the debt repaid in full, the bank was liquidated) – for all time UAH 135.85 million;
- PJSC "UKRAINIAN BUSINESS BANK" (the debt repaid in full, the bank was liquidated) – for all time UAH 184.37 million;
- JSC "EUROGASBANK" (the bank was liquidated) – for all time UAH 101.29 million;
- JSC "CB EXPOBANK" (the bank was liquidated) – for all time UAH 197.13 million;
- PJSC "LEGBANK" (the bank was liquidated) – UAH 2.32 million for all time;
- PJSC "AKTIV BANK" (liquidation balance sheet approved) – for all time UAH 80.42 million;
- PJSC "VAB BANK" (liquidation balance sheet approved) – for all time UAH 2,458.62 million;
- PJSC "CB NADRA" (liquidation balance sheet approved) – for all time UAH 3,261.67 million;
- PJSC "UKRAINIAN PROFESSIONAL BANK" (liquidation balance sheet approved) – for all time UAH 0.62 million;
- PJSC "DIAMANTBANK" (the debt repaid in full, liquidation balance sheet approved) – for all time UAH 291.60 million;
- PJSC "PLATINUM BANK" (the debt repaid in full, liquidation balance sheet approved) – for all time UAH 248.62 million;
- PJSC "BANK CAMBIO" (liquidation balance sheet approved) – for all time UAH 322.79 million;
- PJSC "ZLATOBANK" (liquidation balance sheet approved) – for all time UAH 574.10 million;
- PJSC "IMEXBANK" (liquidation balance sheet approved) – for all time UAH 467.50 million;
- PJSC "BANK "KYIVSKA RUS" (liquidation balance sheet approved) – for all time UAH 305.14 million;
- PJSC CB "FINANCIAL INITIATIVE" (liquidation balance sheet approved) – for all time UAH 145.67 million;
- JSC "MISTO BANK" (the debt repaid in full, liquidation balance sheet approved) – for all time UAH 160.87 million;
- JSC "DELTA BANK" – UAH 5,253.28 million for all time;



- JSC "RODOVID BANK" – for all time UAH 433.60 million;

– early satisfaction of claims of secured creditors (third parties) for the entire period – UAH 1,191.21 million (repaid in 2024 – UAH 8.65 million):

- PJSC "BROKBUSINESSBANK" (the bank was liquidated) – for all time UAH 240.56 million (of which UAH 1.21 million was secured by an interbank loan of PJSC "REAL BANK", UAH 118.76 million – JSC "OSCHADBANK", UAH 120.59 million – SE "Antonov");
- JSC BANK "MERCURY" (the bank was liquidated) – for all time UAH 47.51 million (of which UAH 35.96 million – State Mortgage Institution, UAH 11.55 million – LLC "PLANETA COMFORT");
- PJSC "FORUM" (the bank was liquidated) – for all time UAH 35.38 million (secured by an interbank loan from PJSC "VTB BANK", transfer of the hotel "Bakkara" to the ownership of VTB Bank);
- PJSC "AVTOKRAZBANK" (the bank was liquidated) – UAH 6.70 million for all time (including UAH 4.70 million – the Corporate Non-State Pension Fund of the National Bank of Ukraine, UAH 2.00 million – the State Mortgage Institution);
- PJSC CB "STANDARD" – for all time UAH 0.26 million (JSB "UKRGASBANK");
- PJSC "STAROKYIVSKYI BANK" (the bank was liquidated) – for all time UAH 2.91 million (guarantee deposit of JSC "UKREXIMBANK");
- JSC "FORTUNA-BANK" (the bank was liquidated) – for all time UAH 130.35 million (JSC "Ukreximbank");
- JSC "EUROGASBANK" (the bank was liquidated) – for all time UAH 2.17 million ("Corporate Non-State Pension Fund of the National Bank of Ukraine");
- JSC "CB EXPOBANK" (the bank was liquidated) – UAH 99.05 million for all time (including UAH 8.2 million – security deposit of JSC "UKREXIMBANK", UAH 90.85 million – FC Prime Capital Group LLC);
- PJSC "BANK NATIONAL CREDIT" (approved liquidation balance sheet) – for all time UAH 2.00 million (of which UAH 0.03 million – PJSC "ALFA BANK", UAH 1.97 million – guarantee deposit of JSB "UKRGASBANK");
- PJSC "RADICAL BANK" (approved liquidation balance sheet) – for all time UAH 48.18 million (State Mortgage Institution);
- PJSC "INTEGRAL-BANK" (approved liquidation balance sheet) – for all time UAH 27.26 million (secured by an interbank loan from PJSC "CB KHRESCHATYK");
- PJSC "AKTIV BANK" (approved liquidation balance sheet) – for all time UAH 0.92 million (JSC "UKREXIMBANK");
- PJSC "CB NADRA" (approved liquidation balance sheet) – for all time UAH 152.17 million (including UAH 36.81 million – the German-Ukrainian Fund, UAH 9.95 million – PJSC "ALFA BANK", UAH 105.41 million – the State Mortgage Institution);
- PJSC "ENERGOBANK" (approved liquidation balance sheet) – for all time UAH



7.05 million (security deposit of JSC "UKREXIMBANK");

- PJSC "UKRAINIAN PROFESSIONAL BANK" (approved liquidation balance sheet) – for all time UAH 11.01 million (German-Ukrainian Fund);
- JSC "BANK BOHUSLAV" (approved liquidation balance) – for all time UAH 0.91 million (security deposit of JSB "UKRGASBANK");
- PJSC "CB "INVESTBANK" (approved liquidation balance sheet) – for all time UAH 0.63 million (security deposit of JSB "UKRGASBANK");
- JSC "BANK GOLDEN GATE" (liquidation balance sheet approved) – UAH 0.29 million for all time (security deposit of PJSC "RAIFFEISEN BANK AVAL");
- PJSC "DIAMANTBANK" (approved liquidation balance sheet) – for all time UAH 15.36 million (PJSC "RAIFFEISEN BANK AVAL");
- JSC VTB BANK – for all time UAH 95.30 million (JSC "TASKOMBANK");
- PJSC "BANK CAMBIO" – for all time UAH 11.12 million (Corporate Non-State Pension Fund of the National Bank of Ukraine);
- PJSC "ZLATOBANK" – for all time UAH 59.60 million (of which UAH 57.37 million – the German-Ukrainian Fund, UAH 2.23 million – LLC Porsche Mobility);
- PJSC "IMEXBANK" (approved liquidation balance sheet) – for all time UAH 10.03 million (of which UAH 0.27 million is the guarantee deposit JSC "UKREXIMBANK", UAH 9.76 million – "Corporate Non-State Pension Fund of the National Bank of Ukraine");
- PJSC "BANK "KYIVSKA RUS" (approved liquidation balance sheet) – for all time UAH 6.94 million (German-Ukrainian Fund);
- JSC "DELTA BANK" – for all time UAH 109.81 million (JSC "UKREXIMBANK");
- PJSC "PLATINUM BANK" (approved liquidation balance sheet) – for all time UAH 3.80 million (PJSC "VF Ukraine", legal successor of PJSC "MTS Ukraine");
- JSC "MISTO BANK" – UAH 50.63 million (JSC "ALPARI BANK", JSC "FUIB");
- JSC CB "LAND CAPITAL" - for all time UAH 0.19 million (JSC "FUIB");
- JSC "MEGABANK" – for all time UAH 4.47 million (JSC "UKREXIMBANK");
- JSC "BANK SICH" – for all time UAH 5.82 million (JSB "UKRGASBANK"), including repaid in 2024 – UAH 5.82 million;
- JSC "UKRBUDINVEST" - for all time UAH 2.83 million (PJSC "BANK "VOSTOK"), including repaid in 2024 - UAH 2.83 million;

– regular satisfaction of creditors' claims:

- PJSC "CLASSICBANK" (the bank was liquidated) – UAH 2.21 million (100%);
- PJSC "SMARTBANK" (the bank was liquidated) – UAH 21.29 million (36.40% of the bank's total debt in turn);
- PJSC "PRIME-BANK" (the bank was liquidated) – UAH 110.68 million (64.27% of the bank's total debt in turn);
- PJSC "OMEGA BANK" (the bank is liquidated) – UAH 2.74 million (100%);



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- PJSC "GREEN BANK" (the bank was liquidated) – UAH 102.78 million (97.35% of the bank's total debt in turn);
- JSC CB "TC CREDIT" (the bank was liquidated) – UAH 3.27 million (100%);
- PJSC "UKRAINIAN BUSINESS BANK" (the bank was liquidated) – UAH 340.02 million (taking into account the repayment of debt on refinancing loans to the NBU, 49.84% of the of the total debt of the bank in the tier);
- PJSC "BANK "UNION" (the bank is liquidated) – UAH 44.26 million (100%);
- PJSC "JSCB "KYIV" (the bank was liquidated) – UAH 1.23 million (100%);
- PJSC "KREDITPROMBANK" (the bank was liquidated) – UAH 40.95 million (6.83% of the bank's total debt in turn);
- PJSC "BANK NARODNYI KAPITAL" (the bank was liquidated) – UAH 11.11 million (55.49% of the bank's total debt in turn);
- PJSC "JSCB "NOVIY" (the bank was liquidated) – UAH 3.34 million (100%);
- JSC "BANK VELES" – UAH 0.85 million (52.15% of the total debt of the bank in the tier),
- PJSC "VBR" (the bank was liquidated) – UAH 4,189.89 million (83.85% of the bank's total debt in turn);
- JSC "JSCB "ARKADA" – UAH 292.39 million (100% of the bank's total debt in turn), for 2024 – UAH 28.55 million;
- JSC "VTB BANK" – UAH 641.26 million (46.58% of the total debt of the bank in the tier);
- PJSC "DIAMANTBANK" – UAH 81.12 million (3.60% excluding extraordinary repayment and 15.15% of the bank's total debt in turn, taking into account extraordinary repayment);
- PJSC "CB "PREMIUM" (the bank was liquidated) – UAH 257.33 million (100% of the total debt of the bank in the tier),
- JSC "CB "SOYUZ" (the bank was liquidated) – UAH 13.37 million (100%);
- JSC "DELTA BANK" – UAH 538.88 million (extraordinary satisfaction of creditors' claims of the State Mortgage Institution by court decision);
- PJSC "PROMINVESTBANK" – UAH 2,424.16 million (54.73% of the total debt of the bank in the tier), for 2024 – UAH 260.01 million;
- JSC "MR BANK" – UAH 1,812.23 million (63.69% of the total debt of the bank in the tier), for 2024 – UAH 132.83 million;
- JSC "MEGABANK" – UAH 1.47 million (0.08% of the total debt of the bank in the tier), for 2024 – UAH 1.47 million;
- JSC "BANK SICH" – UAH 101.95 million (6.50% of the total debt of the bank in the tier), for 2024 – UAH 11.80 million;
- JSC "IBOX BANK" – UAH 460.37 million (91.65% of the total debt of the bank in the tier), for 2024 – UAH 5.67 million;
- JSC "JSCB "CONCORD" – UAH 422.89 million (68.26% of the total debt of the bank in the tier), for 2024 – UAH 40.16 million.



Settlement of tier 8 creditor claims

The amount of accepted tier 8 creditor claims is UAH 18,882.15 million, including UAH 2.33 million – debt (fines/penalties) of JSC "BANK "FINANCE AND CREDIT" to the NBU on refinancing loans.

As of December 31, 2024, the eighth stage was repaid for UAH 822.06 million – 4.35% of the total debt in turn, of which:

- UAH 0.01 million is another satisfaction of PJSC "CLASSICBANK" (100% of the total debt of the bank in the tier, the bank was liquidated).
- UAH 0.22 million is another satisfaction of PJSC "OMEGA BANK" (0.04% of the total debt of the bank in the tier, the bank was liquidated).
- UAH 39.03 million is another satisfaction of PJSC "GREEN BANK" (96.31% of the total debt of the bank in the tier, the bank was liquidated).
- UAH 22.35 million – PJSC "BANK "UNION", of which extraordinary: UAH 10.19 million – PJSC JSB "UKRGASBANK", UAH 0.01 million – JSC "TASKOMBANK", next – UAH 10.18 million (in total, 100% of the total debt of the bank in the tier, the bank was liquidated).
- UAH 0.50 million – another satisfaction of PJSC "JSCB NOVIY" (100% of the total debt of the bank in the tier, the bank was liquidated).
- UAH 0.29 million is another satisfaction of PJSC "CB "PREMIUM" (100% of the total debt of the bank in the tier, the bank was liquidated).
- UAH 3.71 million is another satisfaction of JSC "CB "SOYUZ" (100% of the total debt of the bank in the tier, the bank was liquidated).
- UAH 1.84 million is another satisfaction of JSC "JSCB "ARKADA" (100% of the total debt of the bank in the tier, the bank was liquidated), for 2024 – UAH 0.06 million.
- UAH 2.86 million – extraordinary satisfaction of PJSC "BANK PETROCOMMERCE-UKRAINE" (JSC "UKREXIMBANK") (in total, 41.75% of the total debt of the bank in the tier, the liquidation balance sheet was approved).
- UAH 0.40 million – extraordinary satisfaction of PJSC "BANK "CONTRAKT" (PJSC JSB "UKRGASBANK") (in total, 18.13% of the total debt of the bank in the tier, the liquidation balance sheet was approved).
- UAH 143.86 million – extraordinary satisfaction of PJSC "PLATINUM BANK", of which UAH 65.31 million – International Finance Corporation, UAH 78.56 million – JSC "OSCHADBANK" (in total, 99.34% of the total debt of the bank in the tier, the liquidation balance sheet was approved).
- UAH 19.46 million is another satisfaction of JSC "MR BANK" (4.68% of the total debt of the bank in the tier), for 2024 – UAH 0.74 million.
- UAH 559.87 million is another satisfaction of JSC "IBOX BANK" (7.73% of the total debt of the bank in the tier), for 2024 – UAH 0.04 million.
- UAH 27.66 million is another satisfaction of JSC "JSCB "CONCORD" (75.55% of the total debt of the bank in the tier), for 2024 – UAH 27.07 million.



Settlement of tier 9 creditor claims

The amount of accepted tier 9 creditor claims is UAH 28,745.46 million.

As of December 31, 2024, tier 9 was settled by UAH 1,470.77 million – 5.12% of the total debt under the ninth stage, of which:

- UAH 0.02 million - another satisfaction of PJSC "CLASSICBANK" (100% of the total debt of the bank in turn, the bank was liquidated);
- UAH 972.63 million – another satisfaction of JSC CB "TC CREDIT" (57.62% of the bank's total debt in turn, the bank was liquidated);
- UAH 204.80 million – another satisfaction of PJSC "JSCB NOVIY" (100% of the bank's total debt in turn, the bank was liquidated);
- UAH 12.39 million – another satisfaction of PJSC "BANK "UNISON" (100% of the total debt of the bank in turn, the bank was liquidated);
- UAH 0.06 million – extraordinary satisfaction of PJSC "VBR" (0.01% of the bank's total debt in turn, the bank was liquidated);
- UAH 0.44 million – another satisfaction of PJSC "CB "PREMIUM" (100% of the bank's total debt in turn, the bank was liquidated);
- UAH 21.50 million – another satisfaction of JSC "CB SOYUZ" (100% of the bank's total debt in turn, the bank was liquidated);
- UAH 8.66 million – another satisfaction of JSC "JSCB ARKADA" (100% of the total debt of the bank in the tier, the bank was liquidated), for 2024 – UAH 8.66 million;
- UAH 11.45 million – another satisfaction of JSC "IBOX BANK" (99.01% of the bank's total debt in turn), for 2024 – UAH 1.10 million;
- UAH 238.82 million is another satisfaction of JSC "JSCB CONCORD" (99.94% of the bank's total debt in turn), for 2024 – UAH 181.83 million.

Settlement of tier 10 creditor claims

Amount of accepted tier 10 creditor claims — UAH 2,366.71 million.

As of the end of the day on December 31, 2024, tier 10 was settled by 5.29% of the total debt in turn, namely by UAH 125.22 million, of which:

- UAH 10.06 million is another satisfaction of PJSC "DERZHZEMBANK" (100% of the total debt of the bank in turn, the bank is liquidated).
- UAH 39.93 million – another satisfaction of PJSC "JSCB NOVIY" (31.14% of the bank's total debt in turn, the bank was liquidated).
- UAH 75.23 million is another satisfaction of PJSC "BANK "UNION" (100% of the total debt of the bank in turn, the bank is liquidated).

Settlement of tier 11 creditor claims

There is no amount of accepted tier 11 creditor claims.

The repayment of accounts payable as of the end of the day on December 31, 2024 is shown in Figure 5.2.3.



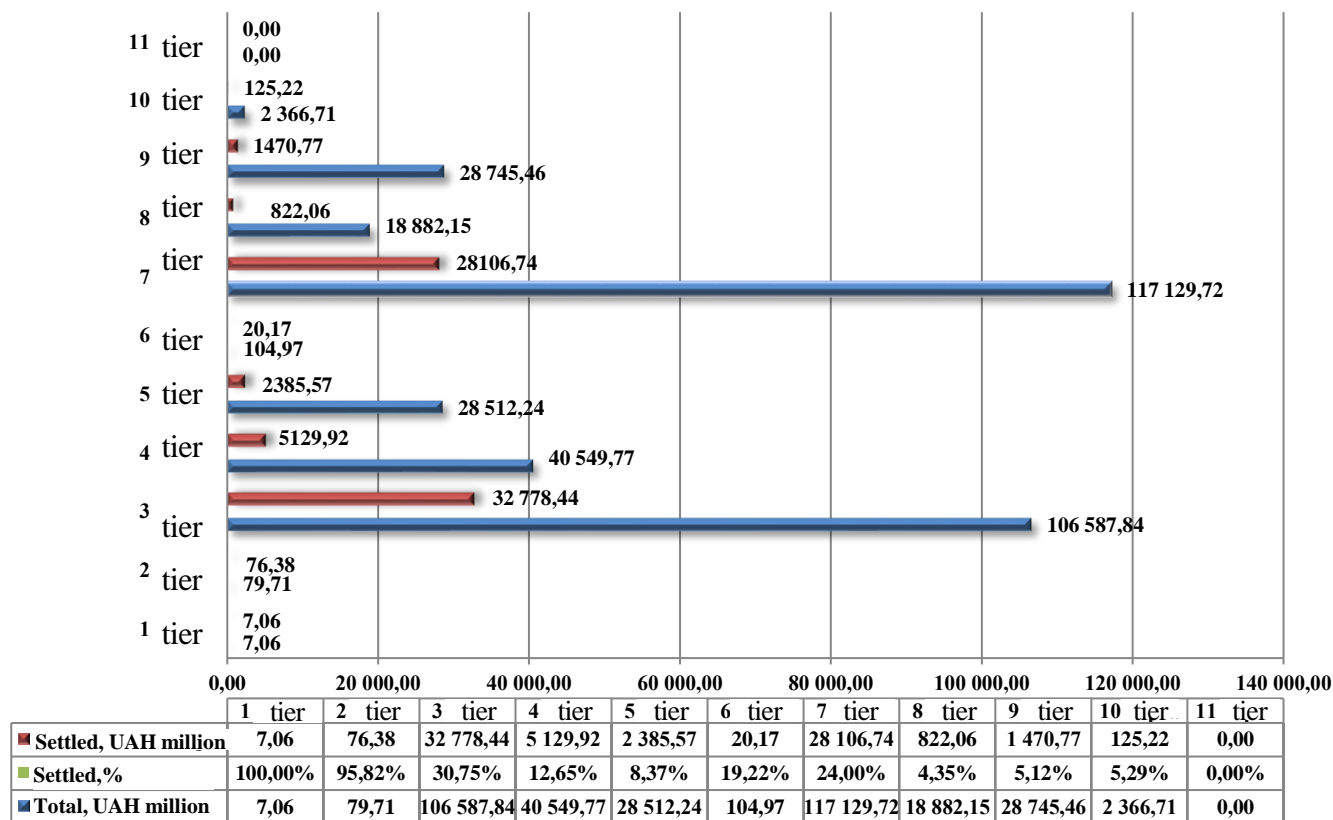


Figure 5.2.3. Settlement of creditor claims by tiers, as of the end of the day on December 31, 2024



6. FINANCIAL MANAGEMENT

6.1. Sources and utilization of DGF financial resources

In order to ensure the functioning of the household deposit guarantee scheme and the banks resolution, the DGF continued to accumulate financial resources in 2024.

As of the end of the day on December 31, 2024, the DGF financial consisted of:

- funds on accounts with the NBU in the amount of UAH 2,463 million;
- funds in government securities in the amount of UAH 40.37 million.

In accordance with Article 19 of the Law, the formation of the DGF financial resources during 2024 was carried out from the following sources:

- 1) initial and regular premiums from the DGF members;
- 2) income from investing the DGF resources in government securities;
- 3) income in the form of interest accrued on the balances of the DGF accounts opened with the National Bank of Ukraine;
- 4) funds received from the implementation of measures provided for in the resolution plan;
- 5) funds received from banks, the procedure of provisional administration or liquidation of which is carried out by the DGF, within the approved cost estimates, to compensate the costs incurred by the DGF on their resolution;
- 6) sources that are not prohibited by the legislation of Ukraine.

In the reporting year, regular contributions from banks participating in the deposit guarantee system increased by 11% to UAH 8,524.91 million, which was due to the gradual growth of deposit volumes in the banking system. Investment income increased by 45% – to UAH 4,819.05 million – due to the investment of funds for longer terms and the diversification of the investment portfolio by maturity and income receipt dates, which allows reinvestment of coupon income. The DGF continues to receive funds from the implementation of measures provided for in the resolution plan – UAH 1,214.37 million in funds received for the repayment of the DGF creditor claims.

Table 6.1.1

Formation of the DGF financial resources in 2024 and 2023

UAH million		
Source of formation of the DGF resources	2024	2023
Initial and regular premiums from the members	8 524,91	7 565,11
Income from investing in government securities	4 819,05	2 661,40
Income in the form of interest on the balances of funds on current accounts with the NBU	141,80	95,75
Repayment of domestic government bonds	24 510,73	12 700,86
Funds received from the implementation of measures provided for in the resolution plan	1 214,37	2 871,80



Funds received from banks, the procedure of provisional administration or liquidation of which is carried out by the DGF, within the approved cost estimates, to compensate the costs incurred by the DGF on their resolution	67,70	68,58
Other proceeds, including:	71,00	30,09
<i>Amounts deposited for payment of creditors' claims of the 4.6-9th tiers of banks, for which the liquidation balance sheet was drawn up</i>	33,00	0,00
<i>Funds recovered from related parties</i>	25,04	2,00
<i>Refunds from agent banks</i>	6,61	0,00
<i>Refund of the court fee</i>	0,00	28,00
Total by sources	39 349,56	25 993,59

During the reporting period, the DGF resources were spent in the areas provided for in Article 20 of the Law:

- investment in government securities – UAH 36,337.17 million;
- transfer of funds for the guaranteed deposit payouts to bank depositors – UAH 149.58 million;
- payment according to the agreement on the procedure for the transfer of funds by the Deposit Guarantee Fund to the State Budget of Ukraine dated April 15, 2022 – UAH 150.31 million;
- ensuring the current activities of the DGF according to the cost estimate for 2024 – UAH 786.01 million, the implementation of the estimate for 2024 is 80.85% of the planned amount of UAH 972.18 million.

Table 6.1.2

Use of the DGF financial resources in 2024 and 2023

UAH million		
Areas of use of the DGF resources	2024	2023
Transfer of funds for making payments to depositors of insolvent banks	149,58	3 090,86
Payment to the State Budget of Ukraine	150,31	1,80
Investing in government securities	36 337,17	22 584,78
Estimated costs	786,01	725,17
Other expenses	2,65	0
Total by areas	37 425,72	26 402,61

For 2024, in accordance with the requirements of the Law of Ukraine "On Public Procurement", taking into account the provisions of the document "Peculiarities of Public Procurement of Goods, Works and Services for Customers Provided for by the Law of Ukraine "On Public Procurement" for the period of martial law in Ukraine and within 90 days from the date of its termination or cancellation", approved by the by the Resolution of the Cabinet of Ministers of Ukraine No. 1178 of October 12, 2022 (as amended), it is



planned to procure goods, works and services with a total expected value of UAH 129.3 million.

During the reporting year, 160 procurements were made, including 51 open tender procedures (with specifics), 87 procurements without the use of an electronic procurement system and 4 procurements using an electronic catalog. Based on the results of the procurement procedures, contracts totaling UAH 113.1 million, including for the purchase of goods in the amount of UAH 25.0 million, for works - UAH 0.5 million, services in the amount of UAH 87.6 million. In particular, the DGF needs for technical support and modernization of existing software products, server equipment, goods and services necessary for the operation of the DGF office premises were met.

The cost savings from the open bidding procedures (with peculiarities) amounted to UAH 3.0 million.

6.2. Settlement of DGF creditors' claims

As of the end of the day on December 31, 2024, the debt of liquidated banks on paying creditor claims of the DGF amounted to UAH 26,722.37 million. The total number to which the DGF had registered creditor claims was 35 banks, of which of which 32 banks, of which 15 banks were managed by the DGF and 17 banks were managed by the NBU (Table 6.2.1).

Table 6.2.1

DGF claims against insolvent banks

Banks under liquidation	At the end of the day December 31, 2024		At the end of the day December 31, 2023		Difference	
	Number of banks	Amount UAH million	Number of banks	Amount UAH million	Number of banks	Amount UAH million
Banks managed by the DGF	15	23 439,86	18	25 515,40	-3	- 2 075,54
Banks managed by the NBU	17	3 282,51	17	3 282,51	0	0
Total	32	26 722,37	35	28 797,91	-3	- 2 075,54

The list of the largest creditor claims DGF against banks under liquidation is given in Table 6.2.2.



Table 6.2.2

Largest claims of the DGF against banks under liquidation as of December 31, 2024

No.	Bank name	Amount, UAH million	Relative share, %
1	JSC "DELTA BANK"	8 014,61	30,0%
2	JSC "BANK "FINANCE AND CREDIT"	7 515,13	28,1%
3	JSC "MEGABANK"	3 341,47	12,5%
4	PJSC "UKRINBANK"	1 705,59	6,4%
5	JSC "BANK FORWARD"	1 151,98	4,3%
6	PJSC "FIDOBANK"	744,76	2,8%
7	JSCB "EUROPEAN"	685,01	2,6%
8	JSCB "TRANSBANK"	436,92	1,6%
9	PJSC BANK "CAPITAL"	378,73	1,4%
10	Others (23 banks)	2 748,17	10,3%
	Total	26 722,37	100,0%

The largest amount in absolute terms accrues to PJSC "DELTA BANK" - UAH 8,014.61 million, which is 30.0% of the total amount. The second and third places are occupied by PJSC "BANK "FINANCE AND CREDIT" and JSC "MEGABANK" with the amounts of UAH 7,515.13 million, or 28.1% of the total amount, and UAH 3,341.47 million, or 12.5% of the total amount, respectively. Table 6.2.2 shows the data of 9 banks with a share of claims of 1.4% and above. The remaining 23 banks have accounts payable to the DGF in the amount of UAH 2,748.17 million, or 10.3% of the total amount.

During the reporting year, the creditor claims of the DGF totaling UAH 1,214.37 million, 99.9% in the amount of UAH 1,213.54 million, all repayments accounted for 9 banks. 27.0% of repayments accounted for the repayment of creditors' claims of JSC "DELTA BANK" in the amount of UAH 328.36 million, 25.3% – for the repayment of creditors' claims of PJSC "UKRBUDINVESTBANK" in the amount of UAH 307.03 million.

Table 6.2.3

Written-off creditor claims of the DGF for the reporting year

No.	Bank name	Amount, UAH million	Relative share, %
1	JSC "DELTA BANK"	328,36	27,0%
2	PJSC "UKRBUDINVESTBANK"	307,03	25,3%
3	PJSC JSC "BANK FORWARD"	227,80	18,8%
4	JSC "MEGABANK"	207,02	17,1%
5	JSC "BANK SICH"	63,87	5,3%



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6	JSC "CB " ZEMELNY CAPITAL "	25,75	2,1%
7	JSC "JSCB "CONCORD"	19,57	1,6%
8	PJSC "ZLATOBANK"	19,13	1,6%
9	JSC "BANK "FINANCE AND CREDIT"	15,01	1,1%
11	Other banks	0,83	0,1%
	Total	1 214,37	100,0%

6.3 Implementation of the Agreement between the DGF and the Ministry of Finance of Ukraine

In accordance with clause 1.1 of the Agreement on the procedure for the transfer of funds by the Deposit Guarantee Fund to the State Budget of Ukraine dated April 15, 2022, the DGF calculated the amount of UAH 388.38 million that the DGF received in 2024 to satisfy the DGF claims against banks that were declared insolvent in 2014-2017 or in respect of which a decision was made to liquidate on the grounds specified in part two of Article 77 of the Law of Ukraine "On Banks and Banking" in 2014-2017. The calculation of the above amount by in terms of banks is given in Table 6.3.1.

Table 6.3.1

Receipts from banks in 2024 that were declared insolvent or for which a decision on liquidation was made during 2014–2017 on the grounds specified in Part Two of Article 77 of the Law of Ukraine “On Banks and Banking”

No.	Bank	Repayment in the reporting year, UAH million	Relative share, %
1	JSC "DELTA BANK"	328,36	84,5%
2	PJSC JSB "UKOOSPILKA"	23,58	6,1%
3	PJSC "ZLATOBANK"	19,13	4,9%
4	JSC "BANK "FINANCE AND CREDIT"	15,01	3,9%
5	Other banks	2,30	0,6%
	Total	388,38	100,0%

In accordance with clause 1.2 of the Agreement on the procedure for the transfer of funds by the Deposit Guarantee Fund to the State Budget of Ukraine dated April 15, 2022, the DGF calculated the amount of excess capital at the end of the reporting year, which is UAH 7,503.75 million. Upon receipt of the auditor's opinion on the DGF financial statements for 2024, the DGF Executive Board will decide to transfer these funds to the general fund of the State Budget of Ukraine in accordance with terms of the Agreement.



6.4. Assessment of DGF financial stability

In 2024, by the decision of the Administrative Board of the Deposit Guarantee Fund (minutes No. 6 dated June 27, 2024), the decision of the DGF Executive Board No. 690 dated June 21, 2024 “On setting the target indicator values of the Deposit Guarantee Fund and the timelines for achieving them” was approved, taking into account the recommendations provided by the Financial Stability Council (Minutes No. 2 dated June 6, 2024), namely:

- the target indicator value of the Deposit Guarantee Fund at the level of 2.5% (as of January 1, 2025) and the timeline for achieving it – no more than 12 months;
- the target indicator value of the Deposit Guarantee Fund at the level of 2.8% (as of January 1, 2026) and the timeline for achieving it – 12 months;
- the target indicator value of the Deposit Guarantee Fund at the level of 3.2% (as of January 1, 2027) and the timeline for achieving it – 12 months;
- the target indicator value of the Deposit Guarantee Fund at the level of 3.5% (as of January 1, 2028) and the timeline for achieving it – 12 months.

The Fund assesses financial stability in accordance with the Methodology for Assessing the Financial Stability of the Deposit Guarantee Fund, approved by the decision of the DGF Executive Board No. 1460 dated November 13, 2023 and registered with the Ministry of Justice of Ukraine on November 30, 2023 under No. 2073/41129. This methodology establishes the mechanism for assessing the DGF ability to cover the projected volume of risks in the banking system in the future, as well as the procedure, conditions, and period for calculating the indicators of the target fund size, liquidity risk, and adjusted capital.

As of January 1, 2025, the DGF target indicator amounts to 3.04%, which exceeds the value approved by the Administrative Board by 0.54%. Thus, the surplus amount of adjusted capital as of January 1, 2025 totals UAH 7,503.75 million. Adjusted capital as of January 1, 2025 stands at UAH 42,211.68 million with a positive growth trend. The accumulation of the DGF adjusted capital is proceeding at an acceptable pace, and the DGF is considered financially stable in the long-term, short-term, and current periods.

6.5. DGF financial investments

In accordance with the functions defined by the Law, the DGF invested temporarily free funds in government securities of Ukraine – government bonds on the principles of financial investment security, compliance with the DGF liquidity conditions, transparency and efficiency of investment activities.

The funds were invested in accordance with the Investment Plan of the DGF for 2022-2024, approved by the decision of the DGF Administrative Council No. 18 dated December 14, 2021 (as amended by the decision of the DGF Administrative Council dated October 11, 2024, paragraph 1, Protocol No. 12), according to which it was envisaged to invest in securities in the amount of UAH 36,700.00 million and the



formation of the authorized capital of the transitional bank in the amount of UAH 6.00 million during 2024 million UAH.

During 2024, there were no transactions to form the authorized capital of the transitional bank, respectively, there was no investment in this way.

Out of the planned UAH 36,700.00 million of investments in securities during the reporting period, UAH 36,337.17 million was invested in government bonds. The implementation of the investment plan amounted to 99.0%.

The DGF financial investments in domestic government bonds were carried out taking into account the forecast risks of possible bank failures and in compliance with the differentiation of investments in terms of maturity. The DGF invested funds for a period of 308 to 525 days, which was reflected in the levels of return of these investments from 14.65 to 18.15 percent per annum.

Table 6.5.1

Investment the DGF resources in domestic government bonds in 2024

No.	ISIN code	Purchase date	Repayment date	Maturity (days)	Yield, % per annum	Quantity of domestic government bonds	Cost of government bonds under the agreement, UAH
1	UA4000229470	17.01.2024	20.11.2024	308	17,01	685 000,00	599 951 085,00
2	UA4000230213	07.02.2024	12.03.2025	399	16,80	1 381 030,00	1 474 002 320,63
3	UA4000230213	14.02.2024	12.03.2025	392	16,80	304 500,00	326 007 139,50
4	UA4000230213	06.03.2024	12.03.2025	371	16,80	732 173,00	791 216 162,89
5	UA4000230213	13.03.2024	12.03.2025	364	16,70	1 498 000,00	1 499 334 718,00
6	UA4000230213	20.03.2024	12.03.2025	357	16,50	760 824,00	765 184 282,35
7	UA4000230635	10.04.2024	30.04.2025	385	16,10	2 086 866,00	2 238 833 668,99
8	UA4000230635	17.04.2024	30.04.2025	378	16,10	1 107 823,00	1 192 040 812,28
9	UA4000231187	08.05.2024	04.06.2025	392	15,25	1 371 308,00	1 459 278 779,51
10	UA4000231187	22.05.2024	04.06.2025	378	15,25	504 000,00	540 313 704,00
11	UA4000231187	12.06.2024	04.06.2025	357	15,25	695 000,00	700 345 245,00
12	UA4000231187	19.06.2024	04.06.2025	350	15,25	495 000,00	500 173 245,00
13	UA4000228910	26.06.2024	23.07.2025	392	18,15	901 500,00	1 000 314 316,50
14	UA4000228910	03.07.2024	23.07.2025	385	18,15	405 000,00	452 587 905,00
15	UA40002312K7	10.07.2024	10.09.2025	427	14,72	2 674 388,00	2 802 065 957,51
16	UA40002312K7	17.07.2024	10.09.2025	420	14,72	632 552,00	664 559 763,75
17	UA40002312K7	31.07.2024	10.09.2025	406	14,72	2 839 000,00	3 000 399 989,00
18	UA40002312K7	14.08.2024	10.09.2025	392	14,72	1 411 615,00	1 499 997 626,77
19	UA40002312K7	21.08.2024	10.09.2025	385	14,72	469 250,00	499 986 344,25
20	UA4000232599	04.09.2024	01.10.2025	392	14,65	188 000,00	199 588 508,00
21	UA4000232599	18.09.2024	01.10.2025	378	14,65	936 985,00	1 000 166 835,53
22	UA4000232599	02.10.2024	01.10.2025	364	14,65	1 000 000,00	1 000 001 000,00
23	UA4000232599	09.10.2024	01.10.2025	357	14,65	1 994 410,00	1 999 836 789,61
24	UA4000232599	16.10.2024	01.10.2025	350	14,65	1 989 000,00	1 999 842 039,00
25	UA4000232599	23.10.2024	01.10.2025	343	14,65	2 183 059,00	2 200 940 436,27
26	UA4000232599	30.10.2024	01.10.2025	336	14,65	938 298,00	948 554 535,44



27	UA4000233332	20.11.2024	29.04.2026	525	15,20	299 271,00	301 812 110,06
28	UA4000230262	22.11.2024	28.01.2026	432	17,60	1 850 481,00	1 999 999 864,80
29	UA4000233332	27.11.2024	29.04.2026	518	15,20	197 940,00	200 182 858,14
30	UA4000233696	04.12.2024	04.02.2026	427	15,09	764 128,00	801 273 026,21
31	UA4000233696	18.12.2024	04.02.2026	413	15,09	1 591 500,00	1 678 381 576,50
Total investments							36 337 172 645,49

In total, during 2024, the DGF received UAH 29,329.78 million of income from investments in domestic government bonds, namely:

- coupon income – UAH 4,819.05 million;
- repayment of domestic government bonds – UAH 24,510.73 million.

At the beginning of the year, the book value of the DGF securities portfolio amounted to UAH 28,029.77 million.

At the end of 2024, the book value of the DGF securities portfolio increased to UAH 40,374.24 million (Figure 6.5.2).

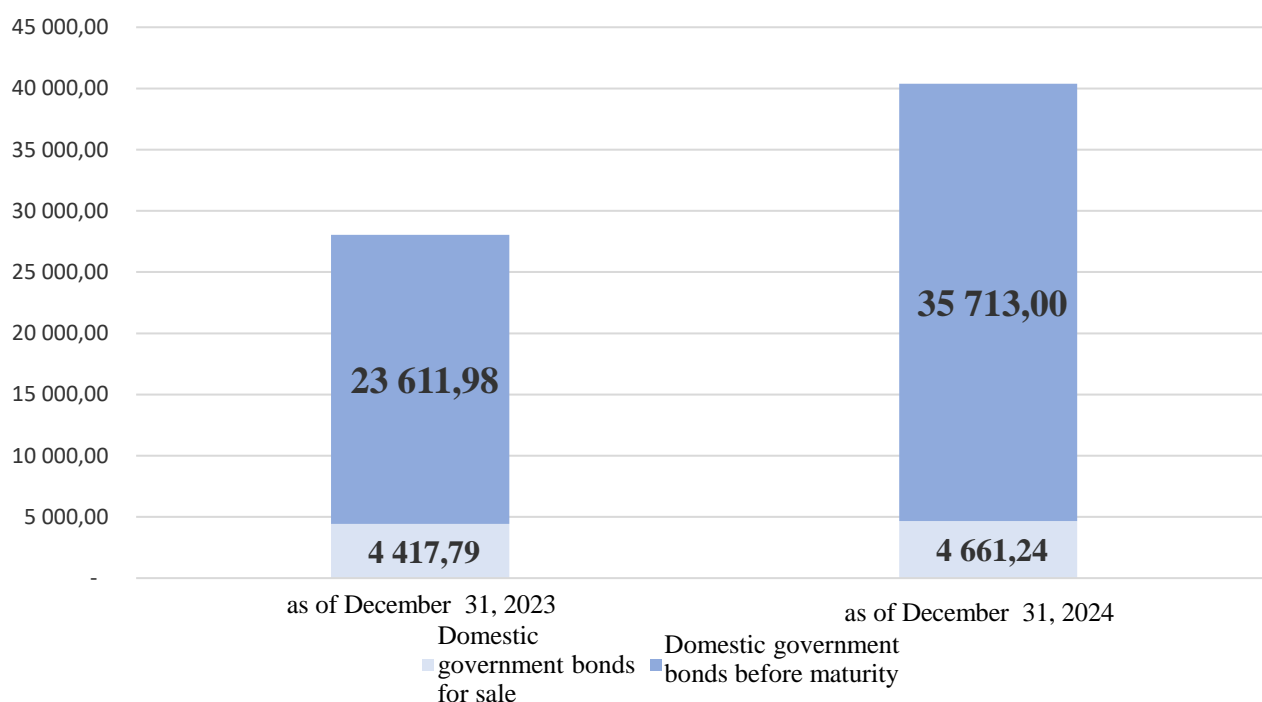


Figure 6.5.2. Trends of the investment portfolio, UAH million

The report on the implementation of the DGF Investment Plan for 2024 is provided in the Annex.



7. PUBLIC AND RELATIONS

7.1. GDF public relations and information policy of the DGF

As in previous years, in 2024 the full-scale war of the Russian Federation against Ukraine had a decisive influence on the formation of the informational background within which the DGF information policy was implemented. Reports on the course of hostilities, Russian shelling of critical and civilian infrastructure and residential buildings, and expectations of changes in the geopolitical landscape remained key topics in the media space, attracting the greatest attention from all target audiences.

At the same time, against this informational backdrop, the audience was interested in issues concerning the safety of their savings, the resilience of the banking system, deposit guarantees, etc.

The DGF information activity was aimed at satisfying the public's demand for this information, covering all areas of the DGF operations, shaping a positive image, and strengthening the DGF reputation as one of the most important elements of the state's financial security, in accordance with the Principles of the DGF Information and Communication Policy.

Accordingly, the DGF publications were aimed at the following target audiences:

- depositors, creditors, borrowers, and other users of financial services;
- active banks, banking associations, and other associations of professional participants in financial markets; other participants in the banking sector;
- representatives of the legislative, executive, and judicial branches of government;
- representatives of law enforcement agencies;
- professional participants in financial markets;
- experts, including international ones;
- media;
- international organizations.

With the aim of strengthening public trust in banks and ensuring the stability of the banking system, the DGF, as in previous years, continued its efforts to inform the public about the 100% deposit guarantee in effect, as well as to raise awareness of key aspects of its activities. In particular, the DGF systematically communicated the following:

a) the sale of assets of insolvent banks and settlements with the creditors of these banks.

Weekly and monthly press releases summarizing and announcing asset sales for specific periods were published on the DGF official website. In addition, the website featured announcements regarding the sale of more than 5,000 lots of assets belonging



to insolvent banks. This topic was also addressed in media interviews with the DGF management, during the participation of DGF representatives in round tables, conferences, and media events; it was highlighted on the DGF social media pages, and relevant informational materials were distributed to the media.

b) the growth of deposits in the banking system, which indicates the stability of the Ukrainian banking system.

This topic was systematically highlighted in the DGF public communications. In particular, up-to-date data on deposit amounts in banks participating in the Deposit Guarantee Fund were published in monthly press releases on the DGF official website, in interviews and comments by the DGF management to the media, during the participation of DGF representatives in round tables, conferences, and media events; the topic was also covered on the DGF social media pages, and relevant informational materials were distributed to the media.

c) the effectiveness of the DGF debt restructuring programs and the importance of timely repayment of debts to insolvent banks, both for borrowers and creditors of such banks.

This topic was covered, in particular, through the publication of press releases on the DGF official website, in public communications by the DGF leadership such as interviews and comments, as well as during the participation of DGF representatives in round tables, conferences, and media events, and through lectures by the DGF management at universities. In addition, the topic was featured on the DGF social media pages. Relevant informational materials were also sent to the media.

d) the DGF legal action against related parties of the bank resolution

Weekly press releases on the consideration of such lawsuits by the courts, as well as summaries and announcements of court hearings for a given period, were published on the Fund's official website. This topic was also addressed in media interviews with the DGF management, and during the participation of DGF representatives in round tables, conferences, and media events. Relevant informational materials were distributed to the media.

e) the DGF initiation of lawsuits against the aggressor state, the Russian federation, for damages caused during 2014–2022.

Press releases on the consideration of such lawsuits by the courts were published on the DGF official website. This topic was also covered in media interviews and columns by the DGF representatives, during participation in round tables, conferences, and media events, and through the DGF social media channels. Relevant informational materials were distributed to the media.



f) the transfer of funds to the state and support for the state budget under conditions of full-scale war.

This topic was highlighted, in particular, in public communications by the DGF management, including interviews and comments, as well as during the participation of DGF representatives in round tables, conferences, media events, and university lectures delivered by the DGF leadership. The topic was also actively covered on the DGF social media platforms.

One of the key communication focuses at the end of 2024 was the informational support for attracting an investor/receiving bank in the resolution process of JSC “COMINVESTBANK,” and the consistent emphasis on the advantages of such resolution methods over full liquidation. The DGF highlighted the cost-efficiency and customer interest protection associated with these approaches. During the open competition phase for selecting an investor/receiving bank, the DGF published over 15 press releases, announcements, and other informational materials on its official website, along with more than 30 social media posts on this topic just in December 2024.

In 2024, the DGF also launched a systematic and broad communication campaign focused on lawsuits filed against the aggressor state – the Russian Federation – for damages inflicted on Ukrainian banks currently under the DGF administration and their creditors. This topic was covered in numerous publications, including opinion pieces, analytical articles in the media, and press releases published on the DGF website and distributed to media outlets.

Recognizing the importance of educating future professionals in the banking sector about the deposit guarantee system and its functioning during wartime, the DGF conducted a series of lectures at leading Ukrainian universities offering degrees in “Finance,” “Economics,” and/or “Banking.” These included lectures delivered to students of the Faculty of Economics at Taras Shevchenko National University of Kyiv and Kyiv National Economic University named after Vadym Hetman. Additionally, the DGF participated in the annual international scientific conference “December Readings,” hosted by Taras Shevchenko National University of Kyiv.

In 2024, a total of 535 materials were published on the official website of the Deposit Guarantee Fund, including 300 press releases, which were also distributed to media representatives. The remaining publications included announcements, news items, and other informational messages published in accordance with legal requirements. In addition, around 25 thematic interviews, opinion pieces, and media commentaries by the DGF management were organized. The DGF also prepared and provided journalists with information materials used to create 8 analytical articles published in the media. These materials targeted a wide range of audiences, including banking service users, representatives of the financial and banking sectors, professional financial analysts, opinion leaders, government officials, and other decision-makers.

The DGF conducted daily, systematic monitoring of the information space to promptly identify potential reputational risks, misinformation, or socially sensitive topics related to its activities or the banking sector as a whole. This enabled timely responses to



information challenges, the development of balanced communication strategies, and the maintenance of public trust in the household deposit guarantee scheme.

7.2. Development of digital communication channels

Throughout the year, the DGF website regularly published all information on the activities of the DGF and the liquidated banks, including news, press releases, announcements, statistical data, regulations, reporting, etc. In total, more than 1.3 million users visited the DGF official website during 2024.

In 2024, the DGF continued actively communicate with the public on social media.

On the DGF pages in social networks, materials were published within the regular sections "I want to know", "Number of the day", "Quote of the day", the purpose of which was to inform in detail about the terms of guaranteeing deposits, the sale of assets and satisfaction of creditors' claims, the course of bank liquidation, etc. In addition, materials on other current areas of the DGF activities were published on an ongoing basis.

During the year, 376 posts were published on the DGF Facebook page, of which 68 were videos with video comments by members of the Executive Board and heads of relevant departments of the DGF, as well as recordings of TV broadcasts with the participation of the DGF speakers, etc.

In 2024, more than 350 posts were posted on the social network Instagram on topics related to important areas of the DGF activities.

In addition, the DGF continued to develop its channel in the Telegram messenger, where 281 posts were published in 2024.

In 2024, the DGF information materials covered 1.3 million Facebook users, 0.7 million Instagram users, and more than 160 thousand. views in the Telegram messenger, and the DGF videos on the Youtube channel reached 1.3 million views.

The target audiences of the published content were users of financial services (in particular, depositors and borrowers of banks), potential investors who can participate in the DGF auctions, media representatives, teachers, and students.

7.3. Information and consulting center management

During 2024, the DGF ICC took measures to inform the public about the functioning of the household deposit guarantee scheme, protect the rights and legally protected interests of depositors, and increase the level of financial literacy of the population.

All citizens, representatives of legal entities, public organizations had the opportunity to receive information and reference assistance and other information from the consultants of the DGF ICC through available communication channels:

- by calling the DGF Hotline;
- by calling the information and consulting center;
- through chatbots on "Viber" and "Telegram social networks";
- via the messenger on the DGF Facebook page;
- by e-mail;



- through personal reception of citizens at the DGF.

The DGF telephone hotline continues to be the most popular source of information on payments of guaranteed compensation on deposits; the procedure for updating the personal data of depositors wishing to receive guaranteed compensation for deposits in banks that have been liquidated for more than 3 years; acceptance of creditors' claims by banks in liquidation; servicing of loans issued by banks managed by the DGF, and on other issues.

The DGF is especially attentive to the appeals of depositors of solvent banks and depositors of banks managed by the DGF in order to prevent violation of their rights and interests. In 2024, the DGF ICC received significantly fewer appeals with signs of complaints against solvent banks, which may indicate a positive trend in improving the quality of customer service.

Even though in the reporting year the number of banks that came under the management of the DGF is less than in 2022-2023, depositors, borrowers and other citizens actively addressed the DGF ICC with various questions. Thus, the DGF Hotline received a total of 14,411 incoming telephone calls, to which qualified and comprehensive answers were provided (see Fig. 7.3.1). In case of unavailability of the ICC operator, the DGF is provided with the possibility of making a "callback", i.e. an outgoing call to a citizen in response to a missed call. Thus, the specialists of the DGF Hotline made 224 outgoing calls during the year.

550 appeals were processed through electronic means of communication, of which 464 were provided with consultations and clarifications by e-mail. In 2024, 86 people took advantage of the opportunity to receive information and qualified assistance through the messenger on the DGF Facebook page, the DGF ICC chatbots on the Viber and Telegram social networks.

In 2024, employees of the DGF ICC held a personal reception of citizens at the DGF, which was attended by 352 people. During the personal reception of citizens at the DGF, 252 appeals (applications) were received. Another 454 people contacted the DGF ICC directly by phone and received professional information and reference assistance on the DGF activities.



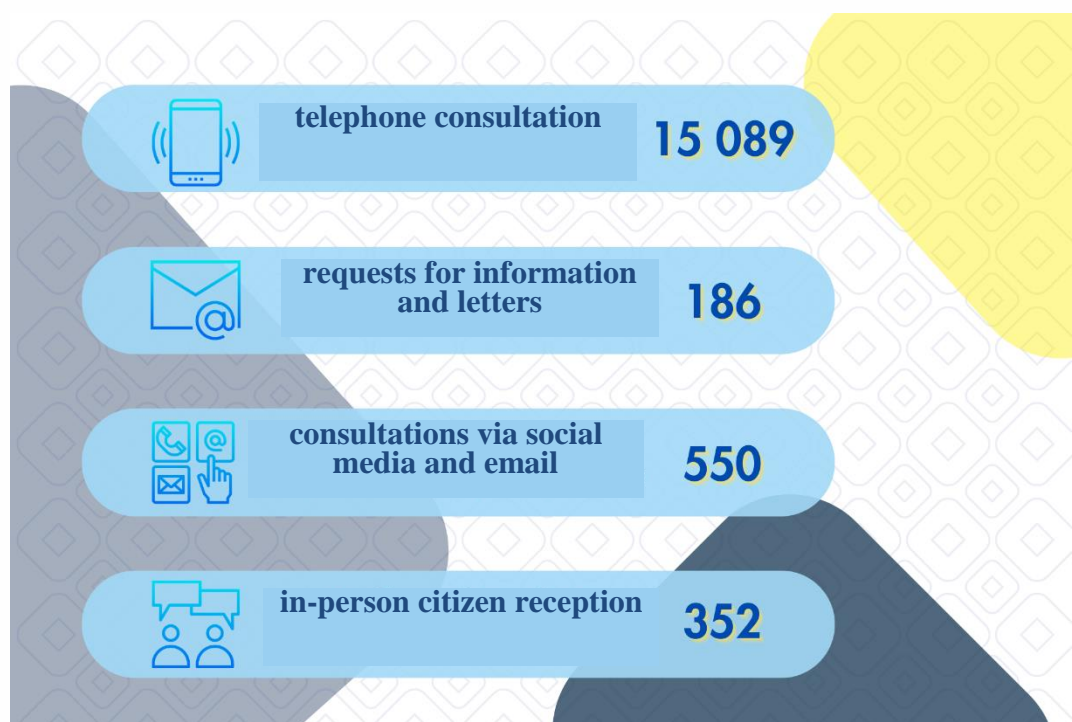


Figure 7.3.1. Number of in-person and remote consultations provided

The main questions addressed by citizens to the DGF ICC over the past year were as follows:

- how to obtain information on the status of debt on a loan issued in a bank liquidated by the DGF;
- the state of satisfaction of creditors' claims in a particular bank;
- how to properly update your personal data and get a guaranteed refund;
- the issue of payment of the loan debt or the assignment of the right of claim on the loan.
- procedures for the sale of assets of banks in liquidation and obtaining access to the DGF virtual data room.

The share of appeals to the DGF ICC on the activities of solvent banks and obtaining a certificate on the terms of deposit guarantee has increased (about 10% of the total number of all applications).

One of the areas of work of the DGF ICC is also the procedure of initial identification of interested parties who intend to participate in open bidding and purchase property (assets) of banks liquidated by the DGF, and acceptance of applications for access to the DGF virtual data room. During 2024, the DGF ICC processed 40 packages of documents for obtaining access to the DGF virtual data room from individuals and company representatives. The DGF provided timely access to information on the assets of banks managed by the DGF to provide timely access to interested parties in order to increase the number of successful sales of such assets and, as a result, increase revenues to meet the claims of creditors of these banks.

In 2024, the DGF ICC ensured proper public access to public information managed



by the DGF, in particular by providing information upon requests for public information, regularly updating the Unified State Open Data Portal and taking other measures provided for by the legislation on access to public information.

Thus, over the past year, the DGF ICC processed 101 requests for public information from individuals and legal entities, with the exception of requests from the media. It is worth noting that 56% of requests addressed directly to the DGF were received electronically – through the request form on the DGF website or sent by e-mail.

A key component of the work of the DGF ICC was also the processing of written appeals and letters. Thus, in 2024, the DGF ICC prepared 89 response letters to appeals from citizens and representatives of public organizations, legal entities or public authorities.

7.4. Financial awareness and protection of depositors' rights

Financial awareness

Throughout 2024, with the aim of reducing the risk of citizens losing their savings and increasing their financial awareness, the DGF continued to carry out activities aimed at raising public awareness of the household deposit guarantee scheme and improving financial literacy among the population — one of the DGF strategic directions through 2025.

To achieve this goal, in 2024 the DGF focused on the following areas:

a) Promoting financial literacy and awareness of the household deposit guarantee scheme through systematic cooperation with the educational community.

Enhancing financial literacy and public awareness about the household deposit guarantee scheme through engagement with the education sector is particularly important for informing the adult population (in this case, educators) and for disseminating this knowledge to young people (high school and university students), who will soon become active users of financial services. As part of the National Financial Literacy Project, in 2024, DGF experts conducted more than 150 financial literacy training events for over 1,200 educators across Ukraine. These events were held at regional in-service teacher training institutes in 13 regions of Ukraine, including Mykolaiv, Kherson, and Zaporizhzhia. The sessions took the form of both standalone thematic lectures and comprehensive training courses. Special attention in 2024 was given to topics such as budget planning during wartime, savings formation, use of bank deposits and deposit guarantees in Ukraine, and financial security. For example, the DGF developed a training course titled “Financial Resilience” and hosted webinars such as “Effective Management of Household Finances During Martial Law” and “Financial Planning During Wartime.” In total, as part of cooperation with regional in-service teacher training institutes, 23 events were conducted on these topics throughout 2024.



In 2024, the DGF also summarized the results of a 5-year cooperation with regional in-service teacher training institutes. The main outcomes included:

- development of over 20 educational topics;
- delivery of 375 training events;
- participation of over 5,000 attendees;
- coverage of 17 regions of Ukraine.

b) Promoting financial literacy and awareness of the household deposit guarantee scheme through expanding the network of partners.

The DGF has consistently organized its own educational initiatives for schoolchildren, university students, employees of public institutions, individuals registered with employment centers, and entrepreneurs. It has also actively participated in partner-led educational events.

For example, in 2024, as part of World Savings Day for Youth, the DGF held four thematic lectures that brought together 190 participants from various educational institutions in Kyiv.

Students of Kyiv Vocational College “Livoberezhnyi” and Kyiv Medical College learned about the basics of financial planning and saving. The educational session engaged 115 young people, who asked many practical questions, seeking ways to align financial planning with their busy academic lives.

Youth interest was also sparked by lectures at the Open International University of Human Development “Ukraine”. The sessions were held under the theme “Save. Preserve. Protect.” Two lectures gathered 75 students, who discussed the importance of responsible money management and how financial literacy is the key to future independence.

Sumy State University joined the campaign, where a practice-oriented webinar titled “The Deposit Guarantee System in Current Conditions” was held for students and faculty. The online format allowed a wide audience to become familiar with the principles of the deposit guarantee system’s operation.

A significant milestone in the development of financial literacy in 2024 was the launch of cooperation between the DGF and the Higher School of Public Administration in creating training programs for civil servants. The DGF presented the following topics to the school’s participants: “Financial Competence Frameworks for the Population: Ukrainian and International Experience,” “The Psychology of Financial Decision-Making,” “Personal Financial Security. Types of Fraud,” “Tax Rebate: What, When, and How,” “Protection of Funds in Banks under Martial Law.” Additionally, in September 2024, a two-day seminar was held on the topic: “Development of Financial Literacy in the Context of Ukraine’s European Integration Movement.” Over 140 civil servants of categories “A” and “B” participated in the DGF events, which highlights the importance and potential of developing this area at the national level.



The DGF representatives also served as speakers at the FinLit Forum, held as part of Global Money Week 2024, where they presented the Financial Competence Framework for Children and Youth of Ukraine, developed by an interagency working group led by the DGF. More than 4,500 educators took part in the event both in person and online;

c) Dissemination of Information and Communication with Citizens via the DGF Financial Literacy Social Media Channels

According to the results of the study “Awareness of Ukrainian Financial Services Consumers about the Deposit Guarantee System in Ukraine,” conducted by the DGF in 2023, about 40% of respondents were to some extent interested in information on financial issues and services in Ukraine. The main source of information about the deposit guarantee system remains the bank where the account is held. At the same time, around 20% of respondents received information about the household deposit guarantee scheme from one of the DGF resources — social media, the website, or the hotline.

Due to the imposition of martial law following the full-scale invasion of Ukraine by the Russian Federation, the household deposit guarantee scheme underwent significant changes. In particular, as of April 2022, legislation established that during martial law and for three months after its termination, deposits are fully guaranteed. After this period, the guaranteed amount will be set at UAH 600,000. Additionally, the DGF introduced new remote channels for obtaining guaranteed deposit reimbursements.

Therefore, in order to reach a wide audience, the DGF also actively maintains the social media pages of its educational project “Finkult” on Facebook and Instagram, as well as its YouTube channel and Telegram channel. The content is focused both on increasing public trust in the banking system (topics related to the use of deposits and information about deposit guarantees in Ukraine) and on promoting savings behavior (planning, budgeting, credit use, and financial security). Additionally, during international financial awareness initiatives, the DGF conducts thematic information campaigns on social media, covering the use of deposits and specific aspects of deposit guarantees in Ukraine. These campaigns reach approximately 1.1 million social media users during the month they are conducted.

Moreover, in November 2024, a series of posts and videos were published to familiarize depositors with the DGF communication channels and how to use them to receive consultations.

d) Conducting information campaigns as part of international financial literacy initiatives.

Throughout October 2024, the DGF carried out a large-scale information campaign dedicated to World Savings Day, which is celebrated annually on October 31. In 2024, this day was particularly special, as World Savings Day marked its centennial anniversary.



The DGF joined the centennial celebration by organizing a comprehensive information campaign — from social media publications to interactive events for both schoolchildren and adults. These included:

- Educational content informing audiences about the history of World Savings Day and how the deposit guarantee system works;
- Practical advice and video materials that helped users understand how to manage their budget and plan their financial future;
- Interactive activities, such as the “Coconut Budget” marathon — where participants learned to properly calculate pet care expenses with the help of a dog named Coconut — and “How to Create a Financial Plan and Learn to Save,” which engaged participants with practical tasks that made learning both fun and useful.

A special gift for the audience on World Savings Day was the premiere of the podcast “Finkult Khvylya.” The first episode focused on the work of the DGF, where, in a cozy conversational format, DGF experts discussed all the steps a depositor takes — from the declaration of a bank’s insolvency to the reimbursement of the guaranteed deposit amount.

During the information campaign, the DGF aimed to convey the value of savings even to the youngest Ukrainians. Open lessons were held in schools using materials developed by the DGF, where children learned how to save money, why it is important to control expenses, and what opportunities open up for those who learn to manage money wisely.

More than 60 teachers from across Ukraine conducted the lessons. Educators from Khmelnytskyi, Poltava, Chernivtsi, and Cherkasy regions demonstrated particular enthusiasm.

e) Training of regional representatives – the DGF Financial Literacy Ambassadors and teachers – leaders of financial literacy clubs, participants of the Pilot Financial Literacy Project in Kryvyi Rih.

To ensure broader regional coverage in promoting financial literacy among the population and spreading knowledge about the deposit guarantee system, the DGF established the Financial Literacy Ambassadors League at the end of 2021. This is a network of volunteer professionals who consistently and actively engage in financial education by conducting various educational activities (online, gamified, lecture-based, etc.) throughout Ukraine.

To ensure the dissemination of accurate and comprehensive knowledge about the functioning of the deposit guarantee system in Ukraine and the DGF operations, all Ambassador candidates are required to complete a specialized training course titled “Deposit Guarantee System: Fundamentals and Practice”. This course, developed by the DGF, is designed to improve the qualifications of trainers who conduct financial education events. It provides participants with insights into the functioning of the deposit guarantee system, the principles of the DGF operations, and introduces them to the Financial Competence Frameworks for adults, as well as for children and youth.



In 2024, 48 candidates completed the DGF Financial Literacy Ambassador training course.

Additionally, in July 2023, the DGF launched the National Financial Literacy Project 2.0, with the mission to establish a system of financial education hubs at the regional level for various age groups and social categories of citizens, including financial literacy clubs for high school students. The pilot city for implementing the project and opening financial literacy clubs in lyceums became Kryvyi Rih. During the 2023/2024 academic year, eight lyceums from Kryvyi Rih participated in the pilot project. For the 2024/2025 academic year, eleven more lyceums from Kryvyi Rih and one regional lyceum expressed their interest in joining. As a result, a total of 20 lyceums are now actively involved in the pilot project on establishing financial literacy clubs.

As part of the implementation of the pilot project in Kryvyi Rih, the Fund developed lectures and presentations for teachers based on the theoretical section of the elective course "Fundamentals of Personal Resource Management. Financial Literacy", (using the "Life Capital" socio-economic simulation methodology) for grades 10–11. The full course includes 18 financial literacy topics and is designed to run throughout the academic year. From January to May 2024, 13 teachers – leaders of the financial literacy clubs in the first cohort of the Kryvyi Rih pilot project – completed their training. In September 2024, 22 teachers of the second cohort began their training, which is scheduled to be completed in 2025.

f) The First International Financial Literacy Tournament

On April 26–28, the First International Financial Literacy Tournament for Youth was held in Vienna, Austria, under the motto: “NURTURING FINANCIAL LEADERS.”

The tournament was organized by the League of Financial Literacy Ambassadors of the Fund and the NGO “Business Club ‘Partner’”, in cooperation with the Ukrainian Saturday School in Vienna. It took place as part of the National Financial Literacy Project 2.0 and was supported by the Ministry of Foreign Affairs of Ukraine, the Ministry of Education and Science of Ukraine, the Deposit Guarantee Fund, and the international organization Rotary International (Rotary District 2232).

The event aimed to consolidate the efforts of public and civic organizations in the field of financial education in order to preserve ties and support the reintegration of Ukrainian citizens—considered the most valuable resource for the sustainable post-war development of Ukraine. The tournament featured 12 teams of young participants aged 13–17, representing financial literacy clubs from Ukraine (Kryvyi Rih) and other countries that provided temporary refuge to Ukrainian citizens during Russia’s invasion, including Austria, Switzerland, Canada, the USA, Greece, Slovakia, Poland, Germany, Denmark, Croatia, and Portugal. The winning team of the tournament was from Germany, led by coach Tetiana Lohinova, a member of the League of Financial Literacy Ambassadors. The second and third places were awarded to teams from Ukraine (Kryvyi Rih) and Greece, respectively.



Protection of depositors' rights

In 2024, the DGF efforts to protect depositors' rights were primarily focused on maintaining financial peace of mind for depositors, as the security and protection of their funds remains a key concern.

Following the introduction of 100% deposit guarantee for the duration of martial law in Ukraine and three months after its termination or cancellation, the DGF has continued to prioritize cooperation with banks to ensure that depositors are properly informed about the guarantee terms and the DGF legislative initiatives.

The best indicator of the banking system's performance under such conditions is the growth of household deposits, which has increased by over 30% in the past two years (see Fig. 7.4.1).

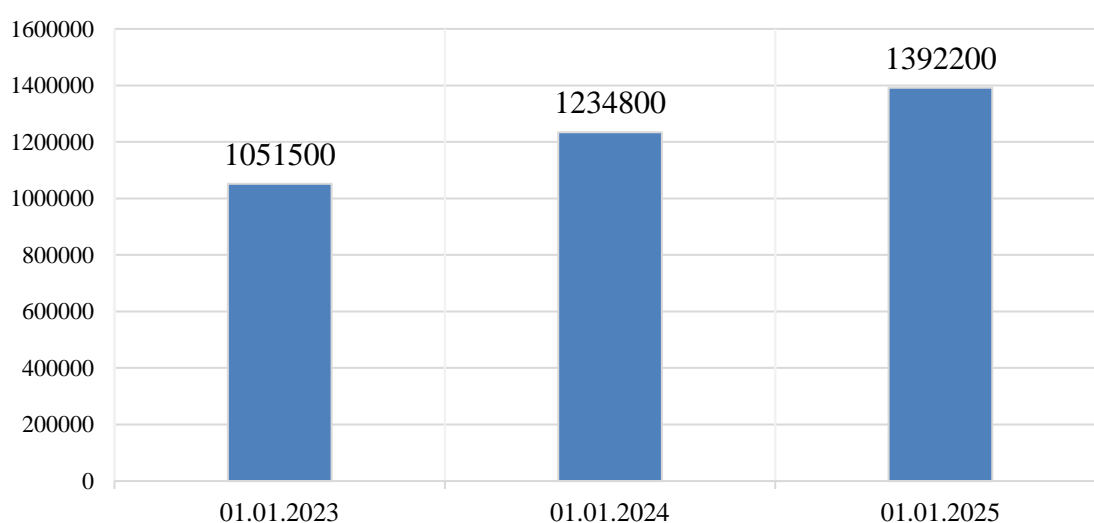


Figure 7.4.1. Increase in total bank deposits over the past three years, UAH million

In 2024, the total increase in citizens' deposits amounted to UAH 157.4 billion. This result reflects a high level of public trust in the banking sector and depositors' confidence in the protection of their funds.

The disclosure of information about the deposit guarantee system is implemented through the DGF requirements for the content of bank account/deposit agreements, as well as the display of information in bank branches and on their websites. The DGF activities in protecting depositors' rights are specifically focused on ensuring full and transparent communication with the public.

In 2024, the DGF conducted a remote monitoring of the websites of 62 member banks, assessing their compliance with legal requirements regarding the availability and accuracy of information on the household deposit guarantee scheme for both individuals and sole proprietors. The absence of violations in 2024, compared to the number recorded in 2016 (as shown in Figure 7.4.2), demonstrates the high level of responsibility among banks in communicating with depositors and other creditors, as well as the quality of



communication and timely information exchange between the DGF and the banks regarding the household deposit guarantee scheme.

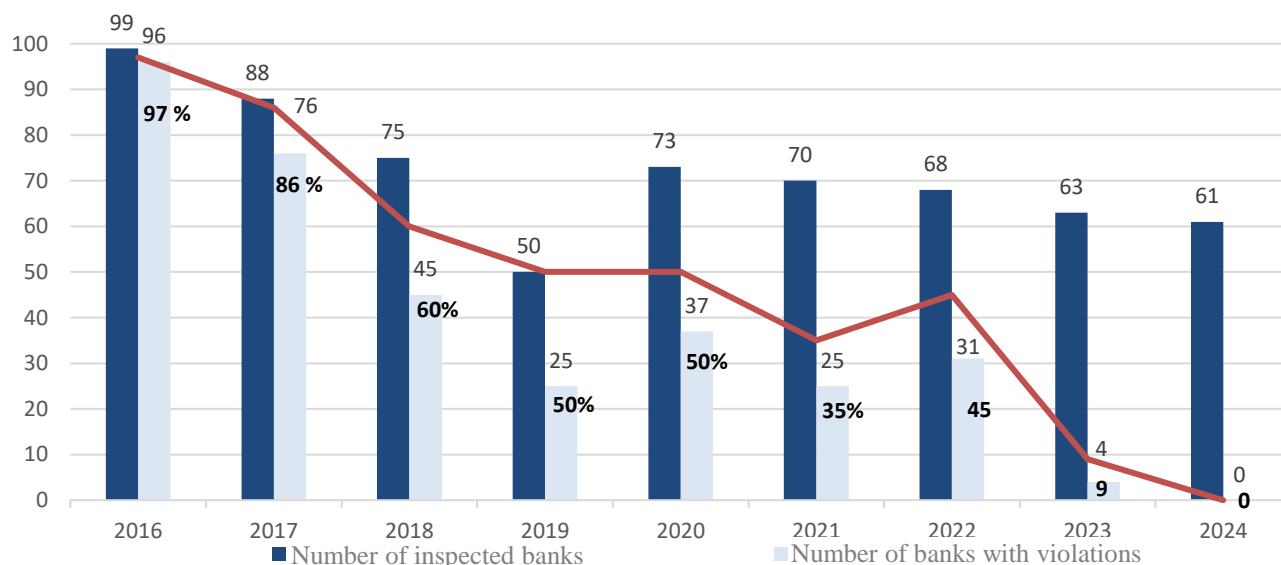


Figure 7.4.2. Level of compliance by banks with the DGF requirements for disclosure of information on the guarantee scheme

In 2024, the Deposit Guarantee Fund continued close cooperation with banks, as they remain the primary source of information for citizens on how the household deposit guarantee scheme works in Ukraine. According to the latest sociological survey on the awareness of financial service consumers regarding the household deposit guarantee scheme, 57.3% of respondents reported that they learned about the system from the bank where they hold an account. These results indicate that depositors most often exercise their right to receive information about deposit guarantees through their interactions with banks.

To ensure that depositors receive comprehensive and up-to-date information, the DGF regularly updates training materials designed for internal bank training on the household deposit guarantee scheme. While the rapid development of modern technologies and the expansion of bank product distribution channels offer convenience for depositors, there are still cases where banks fail to provide complete and transparent information regarding depositors' rights, the terms and risks of products, and the legal consequences of losing access to funds in the event of a bank's liquidation. To prevent such cases, the DGF monitors trends in the banking market that could pose risks to depositors' interests and maintains active cooperation with the National Bank of Ukraine (NBU).



8. EUROPEAN INTEGRATION AND INTERNATIONAL COOPERATION

DGF participation in the nationwide European integration processes

Throughout 2024, the DGF actively participated in the negotiation process at the national level regarding Ukraine's accession to the EU on the basis of the Negotiating Framework for Ukraine and Moldova adopted on June 21, 2024. The DGF also continued to represent the interests of the state and society in communications with the EU at all levels as the body responsible for the implementation of EU legislation on the resolution of credit institutions, liquidation of credit institutions, deposit guarantee schemes, and the protection of the rights of such a consumer as the depositor. This was implemented and directed within the framework of the following two main tracks of national EU integration policy:

Track 1: Continued implementation of the EU-Ukraine Association Agreement.

Track 2: Negotiations on Ukraine full membership in the EU.

Within the framework of **Track 1**, the DGF carried out:

a) updating the Annex to the Association Agreement with the EU

The DGF, with other responsible authorities¹⁰ in the financial services, continued to work on updating Annex XVII-2 "Rules Applicable to Financial Services" of the EU Association Agreement. The work was carried out in direct cooperation with the Board-General for Financial Stability, Financial Services and Capital Markets Union of the European Commission and the EU Delegation to Ukraine.¹¹ In particular, taking into account the Letter of Intent and the Memorandum on Commercial and Financial Policy dated December 11, 2024, were under consideration by the European Party.

b) Institutional cooperation between Ukraine and the UE.

The DGF continues its cooperate with the European Party within the framework of the meetings of the Ukraine-EU Subcommittee on Economic and Other Sectoral Cooperation (Cluster 1 "Macroeconomic Cooperation, Public Finance Management: Budget Policy, Internal Control and External Audit, Statistics, Accounting and Audit, Anti-Fraud"). In November 2024, the focus of the 8th meeting of this institutional body within the DGF area of competence, was the discussion of:

- measures developed by the DGF to strengthen its operational capacity in case of unforeseen situations;
- the DGF work in cooperation with the NBU on: improving current procedures for the market exit of insolvent banks; implementing Directive 2014/59/EU; work carried out on the draft law regarding the inclusion of credit unions in the deposit

¹⁰ Ministry of Finance, National Securities and Stock Market Commission (NSSMC), National Bank of Ukraine (NBU), Ministry of Economy

¹¹ Clause 4.1 of the Priority Action Plan to Enhance the Implementation of the EU-Ukraine DCFTA in 2023-2024.



guarantee system;

- implementation of the requirements of Directive 2014/49/EU regarding of informing the depositor about the deposit guarantee system;

c) cooperation with the Organization for Economic Cooperation and Development, considering the European integration course.

Within the framework of cooperation with the Organization for Economic Cooperation and Development, the DGF ensured the preparation of appropriate analytical information for sections 1. Financial market and 5. Financial Services Consumer Protection, Education and Inclusion. The cooperation was carried out within the framework of the implementation of the first phase of the project on the development and well-functioning capital market and financial institutions in Ukraine, including pension funds, accumulation of financial resources necessary to support a sustainable recovery.

Within the **Track 2**, the DGF continued to actively participate in the nationwide processes related to obtaining full EU membership, namely:

a) in the preparation of the EU Enlargement Report and the Action Plan for its implementation.

In accordance with the recommendations of the in the 2023 EU Enlargement Package¹² Progress Report on Ukraine, the DGF prepared reporting information to inform the European Party regarding, in particular:

- the development of a roadmap to address urgent issues and improve the procedures for the resolution of insolvent banks, taking into account the measures outlined in the Memorandum with the International Monetary Fund dated December 1, 2023;
- participation in the development of a draft law on the implementation of Directive 2013/11/EU of the European Parliament and of the Council of May 21, 2013 on alternative dispute resolution for consumer disputes and amending Regulation (EU) No 2006/2004 and Directive 2009/22/EU;
- introduction of stress testing of the deposit guarantee system in accordance with EU requirements, in particular Directive 2014/49/EU and the requirements of the European Business Association;

b) participation in the work of interdepartmental working groups.

The DGF is continuously involved in working (negotiation) groups on the preparation of Ukraine's negotiating positions during the negotiations with the EU on the

¹² Order of the Cabinet of Ministers of Ukraine “On the Approval of the Action Plan for the Implementation of the Recommendations of the European Commission Presented in the 2023 EU Enlargement Package Progress Report on Ukraine” dated February 9, 2024, No. 133-p.



conclusion of the Agreement on Ukraine's accession to the EU under the relevant sections of the EU negotiating framework:¹³

- the working (negotiating) group on the preparation of Ukraine's negotiating positions during negotiations with the EU on the conclusion of the Agreement on Ukraine's accession to the EU on the issues of freedom of enterprise and provision of services;
- the working (negotiating) group on the preparation of Ukraine's negotiating positions during negotiations with the EU on the conclusion of the Agreement on Ukraine's accession to the EU on financial services;
- the working (negotiating) group on the preparation of Ukraine's negotiating positions during negotiations with the EU on the conclusion of the Agreement on Ukraine's accession to the EU on economic criteria;
- the working (negotiating) group on the preparation of Ukraine's negotiating positions during negotiations with the EU on the conclusion of the Agreement on Ukraine's accession to the EU on consumer protection and public health;

c) preparation in the official screening of the compliance of Ukrainian legislation with EU law.

Within its competence, the DGF took part in the screening of the compliance of Ukrainian legislation with EU law by preparing presentations, participating in mock sessions, providing proposals for draft meeting agendas, and completing questionnaires of the European Commission under the following sections:

- Chapter 28 "Consumer Protection and Health";
- Chapter 9 "Financial Services";
- Chapter 3 "Right of Establishment and Freedom to Provide Services";
- Chapter 4 "Free Movement of Capital";
- Chapter 6 "Corporate Law";
- Chapter 24 "Justice, Freedom and Security" by items: Financial Investigations – Access Law Enforcement Agencies to Financial Information and Criminalization and Investigation of Money Laundering.

The presentation materials for the screening of national legislation for compliance with EU law under the negotiating Chapter 28 "Consumer Protection and Health" confirm a prominent level of approximation of legislation in the area of depositor rights protection in terms of regulation of Directives 2014/49/EU and 2002/65/EU. The assessment of the level of approximation of legislation was made by the DGF based on of its own

¹³ Resolution of the Cabinet of Ministers of Ukraine "Certain Issues of Ensuring the Negotiation Process on Ukraine's Accession to the European Union" No. 987 dated August 27, 2024



comparative legal analysis of legislative provisions. The presentation materials were reviewed with European colleagues during mock sessions.

Presentation materials for the screening of national legislation for compliance with EU law under Negotiation Chapter 9 "Financial Services" demonstrate a high level of approximation of legislation in the area of bank liquidation, a medium level of approximation in the area of the functioning of the deposit guarantee system, and a low level of approximation in the area of credit institution resolution. Despite the low level of approximation in the area of credit institution resolution (Directive 2014/59), the presentation materials contain aligned conclusions of the NBU and the DGF, stating that the current tools for resolving insolvent banks are identical to those provided in the BRRD (Directive 2014/59), but are used by the DGF exclusively for banks recognized as insolvent by the NBU. The level of approximation of legislation regarding Directives 2014/49 and 2001/24 was determined by the DGF based on its own comparative legal analysis, while the assessment for Directive 2014/59 was jointly carried out by the DGF and the NBU. The presentation materials were reviewed with European counterparts during simulation sessions.

International cooperation

During the reporting period, the DGF actively cooperated with international financial organizations and international technical assistance projects. Thus, at the beginning of the year, the results of a study of pricing factors and modeling the sale of assets of insolvent banks by the Fund were presented, which was carried out with the support of the World Bank by one of the Big Four companies. The findings of this study and the Fund's overall experience in dealing with non-performing loans were presented during the annual international conference of the World Bank's Financial Sector Advisory Center (FinSAC) in Vienna, which was attended by representatives of banking regulators and supervisory authorities, government officials, insolvency and deposit insurance experts from 23 jurisdictions. The presented information was highly appreciated by the audience and the FinSAC team.

In the reporting year, the DGF cooperation with the Office of Technical Assistance of the US Department of the Treasury continued. Within the framework of this cooperation, a series of working meetings were held with advisers to the US Department of the Treasury to discuss and plan actions aimed at further improving the procedures for removing insolvent banks from the market, maintaining financial stability and the ability to anti-crisis management under martial law. In addition, meetings were held together with representatives of the State Property Fund of Ukraine on legislative and regulatory changes in order to reform valuation activities in Ukraine and implement International Valuation Standards.



Within the framework of cooperation with international technical assistance projects, a number of activities aimed at strengthening the institutional capacity of the Fund were implemented in 2024. In particular, throughout 2024, the DGF collaborated with experts from the USAID Projects “Agricultural Lending (CEP)” and “Growth,” who provided advisory assistance in developing a regulatory framework for introducing a deposit guarantee system for members of credit unions.

In 2024, the DGF continued its cooperation with professional associations— IADI and EFDI. In February, Olga Bilai participated in the IADI Technical Committee meeting on depositor reimbursement. In her presentation, she informed meeting participants, representing deposit insurers from 12 countries, about deposit reimbursement during the full-scale war. The Committee members were particularly interested in the DGF experience with remote payouts, especially through the “Diia” mobile app. Information about the DGF use of this tool was prepared and provided to IADI for inclusion in a policy document dedicated to innovative approaches to guaranteed compensation payouts. In addition, at the invitation of colleagues from Lithuania, DGF specialists took part in a joint meeting of deposit guarantee system representatives from the Baltic States. During the event, the DGF presented its experience in using new technologies for guaranteed compensation payouts under martial law. The participants also discussed the application of personal special economic and other restrictive measures (sanctions) in the Baltic States and Ukraine.

In 2024, representatives of the DGF, as in previous years, participated in the Annual General Meeting and International Conference of the EFDI, where professional discussions were dedicated to current challenges facing deposit insurers in Europe, particularly the impact of technology and climate change. At the invitation of the Korea Deposit Insurance Corporation, Fund specialists participated in the Corporation’s Global Training Program on “Risk Analysis and a Risk-Based Fund Contribution System.” In addition, DGF representatives took part in the joint conference of the IADI and the Financial Stability Institute, which focused on the resolution of bank insolvency issues.

The DGF expresses its sincere gratitude to all international partners for their cooperation and assistance to Ukraine.



9. LEGAL AND REGULATORY ENVIRONMENT

9.1. Improving of the legal framework

Throughout 2024, Ukraine's deposit guarantee system demonstrated its resilience and effectiveness. Despite the consequences of the full-scale war launched by the Russian Federation in February 2022, which led to the occupation of part of Ukrainian territories, the destruction of critical infrastructure, mass migration of the population, and high war-related risks, the DGF continued to perform its assigned tasks and functions at a high level.

Reforms in the Ukraine financial sector, carried out with strong support from international financial organizations, have contributed to strengthening the capacity of regulators, including the DGF, to withstand the crisis caused by the armed aggression of the Russian Federation.

The DGF activities in 2024 focused on ensuring the uninterrupted functioning of the deposit guarantee system, the orderly market exit of insolvent banks, and the liquidation of banks, thereby contributing to the protection of depositors and creditors and maintaining the stability of Ukraine's financial system under martial law.

The effective performance of the assigned tasks was ensured, among other things, by the DGF right to respond promptly to existing challenges and regulate specific aspects of the functioning of the household deposit guarantee scheme, the resolution of insolvent banks, and the liquidation of banks under martial law. This right was granted by the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine Regarding the Peculiarities of the Financial Sector's Activities Due to the Introduction of Martial Law in Ukraine" dated July 27, 2022, No. 2463-IX, by amending part four of Article 6 of the Law. Thus, in 2024, using this legal instrument, the DGF defined the peculiarities of conducting the liquidation procedure in banks under its management, including remote management of procedures, protection of assets in high-risk regions (temporarily occupied, encircled territories, and territories with ongoing active hostilities), formation of registers of creditors and depositors under limited access to bank data, restructuring of borrowers' debts, as well as the transfer of assets for use by military formations or state authorities, or their compulsory alienation for defense purposes with subsequent compensation.

Given the social aspect, the DGF continued the loan holidays introduced in September 2022 for borrowers of banks undergoing liquidation. In 2024, the Terms for Repayment of Debt for individual and business borrowers were updated and remained in force, which were joined by borrowers of the following liquidated banks: JSC "MEGABANK", JSC "BANK SICH", JSC "MR BANK", JSC "MISTO BANK", JSC "AKB KONKORD", and PJSC "BANK FORWARD".



With the aim of promoting financial stability and resilience of the banking system of Ukraine, the DGF, together with the NBU and international partners, worked on strengthening institutional capacity and mitigating risks that may have negative consequences for financial stability in Ukraine.

Guided by the decision of the Financial Stability Council, agreed with the IMF, at the beginning of 2024 the DGF was an active participant in the preparation of legislative amendment proposals, which were subsequently incorporated into the Law of Ukraine “On Amendments to Certain Laws of Ukraine on the Regulation of Certain Issues of the Activities of the Deposit Guarantee Fund, the National Bank of Ukraine and the National Securities and Stock Market Commission” dated March 21, 2024 No. 3624-IX. The provisions of this Law introduced respective amendments to the Law, which, as a result, clearly defined the legal status of the acts of the DGF which it prepares; established the circle of persons to whom their effect applies; improved the mechanism of the DGF control over the fulfillment of the bank’s obligations in connection with its participation in the deposit guarantee system; ensured a transparent mechanism for determining the order of satisfaction of claims of the creditors of a bank being liquidated by the DGF. The mentioned amendments to the Law on the Deposit Guarantee System came into force on April 19, 2024, and will take effect from April 19, 2025.

At the same time, in 2024, the DGF ensured the implementation of the provisions of the Law of Ukraine “On Administrative Procedure” dated February 17, 2022, No. 2073-IX, which entered into force on December 15, 2023. A working group established by the DGF to ensure the implementation of the provisions of this law carried out a project to develop a procedure for regulating the DGF relations in terms of performing, in accordance with the Law of Ukraine “On Administrative Procedure,” the function of public administration. For this purpose, changes to the list of the DGF regulatory legal acts were developed and ensured, which allowed for the regulation of the DGF relations, which, pursuant to the Law of Ukraine “On Administrative Procedure,” is authorized to perform the functions of public administration, with individuals and legal entities regarding the consideration and resolution of administrative cases through the adoption and execution of administrative acts.

In 2024, the DGF took a number of important steps aimed at increasing operational efficiency and improving the regulatory and legal framework, which is crucial for the stability of the financial system, especially under martial law. The implemented changes contributed to strengthening mechanisms for protecting depositors’ rights, enhancing transparency in bank liquidation processes, and improving asset (property) management procedures for banks under the DGF administration. The DGF also developed and ensured the implementation of improved approaches to mechanisms of specific procedures carried out in the process of withdrawing insolvent banks from the market, in particular, a procedure for preparing to withdraw an insolvent bank from the market was introduced, criteria were defined for the DGF application of early intervention measures and the directions in which such measures are implemented.



The DGF has implemented and consolidated in its regulatory framework a procedure for the effective application of sanctions (restrictive) legislation (the Law of Ukraine “On Sanctions” dated April 14, 2014 No. 1644-VII, as amended, and relevant decisions of the National Security and Defense Council of Ukraine) regarding actions related to depositors and creditors of banks under the DGF administration, and the management of property (assets) of persons subject to restrictive measures (encumbrances) in accordance with the law, including those to whom measures are applied to ensure compliance with the Law of Ukraine “On Prevention and Counteraction to Legalization (Laundering) of Proceeds of Crime, Financing of Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction” dated December 6, 2019 No. 361-IX. Thus, the DGF regulatory acts have established the procedure for satisfying accepted creditors’ claims that have been seized due to the inclusion of creditors in the list of persons subject to sanctions by foreign states (excluding states that have carried out or are carrying out armed aggression against Ukraine within the meaning of the Law of Ukraine “On the Defense of Ukraine” dated December 6, 1991 No. 1932-XII), or by interstate associations or international organizations and/or subject to sanctions in accordance with the Law of Ukraine “On Sanctions.” Additionally, the procedure for the sale of assets (property) has been improved to mitigate potential risks of the DGF violating the requirements of the Law of Ukraine “On Sanctions” and decisions of the National Security and Defense Council of Ukraine on the application of personal special economic and other restrictive measures (sanctions), enacted by decrees of the President of Ukraine, etc.

9.2. Regulatory activities of the DGF

In 2024, the DGF, in accordance with Article 14 of the Law of Ukraine "On the Principles of State Regulatory Policy in the Sphere of Economic Activity" dated September 11, 2003 No. 1160-IV, carried out regulatory activities aimed at ensuring the fulfillment of its tasks and functions in the areas of deposit guarantee, the resolution of insolvent banks, and bank liquidation. To ensure openness and transparency of its activities, as well as to organize public consultations, the DGF developed and published on its official website a number of draft regulatory acts, namely:

1. Decision of the DGF Executive Board "On Approval of Amendments to the Regulation on the Procedure for Reimbursement by the Deposit Guarantee Fund of Deposits and Recognition as Invalid the Decision of the Executive Board of the Deposit Guarantee Fund No. 201 dated March 24, 2022". Date of publication on the website – March 18, 2024.

2. Decision of the DGF Executive Board "On Approval of Amendments to Certain Regulatory Acts of the Deposit Guarantee Fund". Date of publication on the website – March 28, 2024.

3. Decision of the DGF Executive Board "On Approval of Amendments to the Regulation on the Specifics Compliance by Banks Classified as Insolvent with the Legislation on Prevention and Counteraction to Legalization (Laundering) of Proceeds of



Crime, Financing of Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction, the Procedure for Supervision (Control) by the Deposit Guarantee Fund over Such Banks in the Area of Prevention and Counteraction to Legalization (Laundering) of Proceeds of Crime, Financing of Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction, and the Procedure for Submitting and Reviewing Reports on Violations of Legislation in the Specified Area.” Date of publication on the website – May 17, 2024.

4. Decision of the DGF Executive Board "On Approval of the Regulation on the Procedure for Maintaining the Generalized Database of Depositors by the Deposit Guarantee Fund". Date of publication on the website – May 20, 2024.

5. Decision of the DGF Executive Board "On Approval of the Regulation on the Procedure for Maintaining the Register of Participants of the Deposit Guarantee Fund, Amendments to the Regulation on the Procedure for Calculation, Accrual and Payment of Fees to the Deposit Guarantee Fund and the Rules for Reporting by Participants of the Deposit Guarantee Fund and Recognition of Certain Decisions of the Deposit Guarantee Fund Executive Board as Invalid". Date of publication on the website – November 1, 2024.

6. Decision of the DGF Executive Board "On Approval of Amendments to the Regulation on the Procedure for Reimbursement of Deposits by the Deposit Guarantee Fund". Date of publication on the website – December 3, 2024.

With the aim of improving the regulatory framework governing the DGF activities and aligning its provisions with the laws of Ukraine, a number of regulatory acts were developed and approved. These acts were aimed at updating the procedure for registration and satisfaction of creditors' claims of liquidated banks, enhancing the procedure for the withdrawal of insolvent banks from the market, optimizing the mechanism for paying guaranteed amounts to depositors and bringing it in line with current legislation. The rules for the sale of assets of liquidated banks were also updated to minimize risks related to sanctions, and the procedure for managing bank property under martial law was clarified. In addition, the amendments contributed to improving the mechanisms for leasing real estate of liquidated banks, ensuring timely fulfillment of creditors' obligations, and enhancing approaches to bank liquidation and asset management to increase the effectiveness of protecting the rights of depositors and creditors. In particular, the following were developed and approved:

1. Decision of the DGF Executive Board dated January 4, 2024, No. 5 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated December 11, 2023, No. 1584", registered with the Ministry of Justice on January 8, 2024, under No. 41/41386.

2. Decision of the DGF Executive Board dated January 8, 2024, No. 8 "On Approval of Amendments to the Regulation on the Procedure for Determining Agent Banks of the Deposit Guarantee Fund", registered with the Ministry of Justice on January 23, 2024, under No. 117/41462.



3. Decision of the DGF Executive Board dated January 8, 2024, No. 9 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated December 18, 2023, No. 1618", registered with the Ministry of Justice on January 9, 2024, under No. 51/41396.

4. Decision of the DGF Executive Board dated January 29, 2024, No. 120 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated January 8, 2024, No. 8", registered with the Ministry of Justice on January 31, 2024, under No. 163/41508.

5. Decision of the DGF Executive Board dated February 15, 2024, No. 195 "On Amendments to Certain Regulations of the Deposit Guarantee Fund", registered with the Ministry of Justice on March 1, 2024, under No. 312/41657.

6. Decision of the DGF Executive Board dated February 19, 2024 No. 210 "On Approval of Amendments to the Regulation on the Procedure for Compiling and Maintaining the Register of Accepted Creditors' Claims and Satisfying the Claims of Creditors of Banks in Liquidation", registered with the Ministry of Justice on March 11, 2024 under No. 360/41705.

7. Decision of the DGF Executive Board dated March 4, 2024, No. 295 "On Approval of Amendments to the Rules of Access and On-Site Regimes in the Deposit Guarantee Fund", registered with the Ministry of Justice on March 20, 2024, under No. 415/41760.

8. Decision of the DGF Executive Board dated March 7, 2024, No. 314 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated February 15, 2024, No. 195", registered with the Ministry of Justice on March 11, 2024, under No. 358/41703.

9. Decision of the DGF Executive Board dated March 14, 2024, No. 331 "On Approval of Amendments to the Regulation on the Withdrawal of an Insolvent Bank from the Market and the Regulation on the Procedure for Compiling and Maintaining the Register of Accepted Creditor Claims and Satisfaction of Creditor Claims of Banks under Liquidation," registered with the Ministry of Justice on March 29, 2024 under No. 471/41816.

10. Decision of the DGF Executive Board dated March 25, 2024, No. 383 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated March 4, 2024, No. 295", registered with the Ministry of Justice on March 27, 2024, under No. 456/41801.

11. Decision of the DGF Executive Board dated April 1, 2024, No. 406 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated March 14, 2024, No. 331", registered with the Ministry of Justice on April 2, 2024, under No. 483/41828.

12. Decision of the DGF Executive Board dated May 2, 2024 No. 517 "On Amendments to Paragraph 18 of Section VIII of the Regulation on the Procedure for Compiling and Maintaining the Register of Accepted Creditors' Claims and Satisfying



the Claims of Creditors of Banks in Liquidation", registered with the Ministry of Justice on May 17, 2024 under No. 733/42078.

13. Decision of the DGF Executive Board dated May 2, 2024, No. 518 "On Approval of Amendments to Certain Regulations of the Deposit Guarantee Fund", registered with the Ministry of Justice on June 28, 2024, under No. 974/42319.

14. Decision of the DGF Executive Board dated May 2, 2024, No. 519 "On Amendments to Paragraph 7.11 of Chapter 7 of Section V of the Regulation on the Withdrawal of an Insolvent Bank from the Market", registered with the Ministry of Justice on May 17, 2024, under No. 732/42077.

15. Decision of the DGF Executive Board dated July 18, 2024, No. 777 "On Amendments to the Regulation on the Organization of the Sale of Assets (Property) of Banks under Liquidation", registered with the Ministry of Justice on August 5, 2024, under No. 1194/42539.

16. Decision of the DGF Executive Board dated July 22, 2024 No. 796 "On Amendments to the Regulation on the Lease of Real Estate to a Bank, the Liquidation Procedure of Which is Carried Out by the Deposit Guarantee Fund, by Conducting Open Bidding (Auctions)", registered with the Ministry of Justice on August 7, 2024 under No. 1209/42554.

17. Decision of the DGF Executive Board dated August 1, 2024, No. 827 "On Approval of Amendments to the Regulation on the Specifics of Compliance by Banks Classified as Insolvent with the Requirements of the Legislation in the Field of Prevention and Counteraction to Legalization (Laundering) of Criminal Proceeds, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction, the Procedure for the Supervise (Control) by the Deposit Guarantee Fund over such banks in this area, and Procedure for Submission and Consideration of Notifications on Violations of the Legislation in this Field," registered with the Ministry of Justice on August 19, 2024, under No. 1261/42606.

18. Decision of the DGF Executive Board dated August 1, 2024 No. 831 "On Approval of Amendments to the Regulation on the Procedure for Reimbursement by the Deposit Guarantee Fund of Deposits of Individuals and Recognition as Invalid of the Decision of the Deposit Guarantee Fund Executive Board dated March 24, 2022 No. 201", registered with the Ministry of Justice on August 20, 2024 under No. 1271/42616.

19. Decision of the DGF Executive Board dated August 15, 2024 No. 880 "On Approval of Amendments to the Regulation on the Withdrawal of an Insolvent Bank from the Market and the Regulation on the Procedure for Compiling and Maintaining the Register of Accepted Creditor Claims and Satisfying of Creditor Claims of Banks under Liquidation", registered with the Ministry of Justice on August 29, 2024, under No. 1327/42672.

20. Decision of the DGF Executive Board dated August 26, 2024, No. 906 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated



August 1, 2024, No. 831", registered with the Ministry of Justice on 28.08.2024 under No. 1315/42660.

21. Decision of the DGF Executive Board dated September 23, 2024, No. 998 "On Approval of Procedure for Processing and Protection of Personal Data Owned by the Deposit Guarantee Fund", registered with the Ministry of Justice on November 18, 2024, under No. 128620/2024.

22. Decision of the DGF Executive Board dated October 7, 2024, No. 1033 "On Approval of the Regulation on the Procedure for Maintaining a Generalized Depositor Database of by the Deposit Guarantee Fund", registered with the Ministry of Justice on October 22, 2024, under No. 1583/42928.

23. Decision of the DGF Executive Board dated October 24, 2024, No. 1074 "On Amendments to the Regulation on the Procedure for Maintaining a Generalized Depositor Database by the Deposit Guarantee Fund", registered with the Ministry of Justice on October 30, 2024, under No. 1633/42978.

24. Decision of the DGF Executive Board dated December 5, 2024, No. 1269 "On Approval of Amendments to the Regulation on the Withdrawal of an Insolvent Bank from the Market", registered with the Ministry of Justice on December 23, 2024, under No. 1980/43325.

25. Decision of the DGF Executive Board dated December 16, 2024, No. 1332 "On Approval of Amendments to the Procedure for Processing and Protection of Personal Data Owned by the Deposit Guarantee Fund", registered with the Ministry of Justice on December 31, 2024, under No. 2046/43391.

26. Decision of the DGF Executive Board dated December 26, 2024, No. 1412 "On Amendments to the Decision of the Deposit Guarantee Fund Executive Board dated December 5, 2024, No. 1269", registered with the Ministry of Justice on December 31, 2024, under No. 2047/43392.

Throughout 2024, the DGF effectively coped with the challenges of martial law by implementing important legislative reforms and adapting its activities, making decisions that contribute to the stability of the financial system and the protection of depositors' rights.

Guided by the provisions of Part Four of Article 6 of the Law, the DGF was able to promptly respond to challenges related to the performance of its functions in wartime.

Thus, in 2024, the DGF Executive Board adopted a number of decisions defining the peculiarities of the functioning of the household deposit guarantee scheme, the withdrawal of insolvent banks from the market, and the liquidation of banks under martial law, namely:

1. Decision of the DGF Executive Board dated July 18, 2024 No. 774 "On Certain Features of Banks Liquidation in Accordance with the Law of Ukraine "On Household Deposit Guarantee Scheme" Regarding the Sale (Realization) of Their Property (Assets) Under Martial Law Imposed by the Decree of the President of Ukraine Dated February



24, 2024 No. 64/2022 "On the Introduction of martial law in Ukraine"; included in the Unified State Register of Regulatory Legal Acts on July 22, 2024.

2. Decision of the DGF Executive Board dated July 22, 2024, No. 797 "On Certain Features of the Withdrawal of Insolvent Banks from the Market and the Liquidation of Banks Regarding the Lease of Property of Banks Where a Provisional Administration has been Introduced in Accordance with the Law of Ukraine On Household Deposit Guarantee Scheme' or the Liquidation Procedure of which is being carried out by the Deposit Guarantee Fund, Under Martial Law Imposed by the Decree of the President of Ukraine dated February 24, 2022, No. 64/2022 'On the Imposition of Martial Law in Ukraine', and on the Recognition of the Decision of the Executive Board of the Deposit Guarantee Fund dated February 23, 2023, No. 220, as Invalid"; included in the Unified State Register of Regulatory Acts on July 25, 2024, with the registration code 126148/2024.

3. Decision of the DGF Executive Board dated August 12, 2024, No. 867 " On the Specifics of Restructuring the Debt of Individual Borrowers of Banks Being Liquidated by the Deposit Guarantee Fund"; included in the Unified State Register of Regulatory Legal Acts on August 14, 2024 with the assignment of registration code No. 126460/2024.

4. Decision of the DGF Executive Board dated September 5, 2024, No. 940 "On Amendments to Paragraph 2 of the Decision of the Deposit Guarantee Fund Executive Board dated August 12, 2024 No. 867"; included in the Unified State Register of Regulatory Legal Acts on September 11, 2024, with the assignment of registration code No. 127021/2024.

5. Decision of the DGF Executive Board dated October 28, 2024 No. 1082 " On Approval of the Regulation on Specific Aspects of the Liquidation of Banks by the Deposit Guarantee Fund During the Period of Martial Law in Ukraine Imposed by the Decree of the President of Ukraine dated February 24, 2022, No. 64/2022 'On the Imposition of Martial Law in Ukraine"; included in the Unified State Register of Regulatory Legal Acts on October 31, 2024 with the assignment of the registration code 128327/2024.



9.3 Institutional Development of the Household Deposit Guarantee Scheme in Ukraine

Directions for the development of the deposit guarantee system

The DGF activities aimed at fulfilling its main objective, namely — ensuring the functioning of the household deposit guarantee scheme, the resolution of insolvent banks, and the liquidation of banks — are conducted through the performance of clearly defined functions by the DGF.

Within the framework of its statutory powers, the DGF actively participated in the preparation and approval of the National Strategy for Financial Literacy Development until 2030, which will contribute to improving the financial awareness of the population of Ukraine. Additionally, at the initiative of the DGF, the Financial Competencies Framework for Children and Youth in Ukraine was developed - this document outlines the key financial competencies for children and youth in Ukraine aged 5 to 18.

During 2024, the DGF, alongside financial sector regulators, was an active participant in the implementation of the Financial Sector Development Strategy (approved by the Financial Stability Council on July 19, 2023, and adopted by the decision of the DGF Executive Board dated August 3, 2023, No. 954).

In accordance with the Financial Sector Development Strategy, the DGF has been designated both as a lead executor and as a participant in the implementation of various measures.

The specific steps for implementing the measures assigned to the DGF under the Financial Sector Development Strategy were clearly defined in the DGF Development Strategy until 2025 (approved by the decision of the AGF Administrative Council dated July 26, 2024, minutes No. 6/24) and further detailed in the AGF Activity Plan for 2024. Thus, on December 5, 2024, the DGF Executive Board approved the report on the status of implementation of the DGF Activity Plan for 2024 at its meeting, and on December 23, 2024, this information was submitted to the DGF Administrative Council.

The DGF Activity Plan for 2025 (approved by the DGF Administrative Council on December 23, 2024, minutes No. 19) outlines the key areas of development aimed at improving the legislative framework of the deposit guarantee system, the resolution and liquidation of insolvent banks. The primary focus is placed on strengthening the DGF financial autonomy, deepening EU integration processes, increasing the trust of depositors and creditors, expanding financial inclusion, digitalizing business processes, enhancing internal security and access control, implementing cloud technologies, creating a unified data warehouse, gradually transitioning to a new level of service-oriented systems by ensuring the availability of services online, and introducing effective anti-corruption measures.

As part of fulfilling its assigned functions as a participant in maintaining the stability of the financial system, in 2024 the DGF, in partnership with the Ministry of Finance of Ukraine and the National Bank of Ukraine (NBU), ensured the implementation of the obligations undertaken by Ukraine under the IMF Extended Fund Facility (EFF)



program, specifically those set out in the Memorandum of Economic and Financial Policies concluded with the IMF, as well as under programs with the World Bank and other stakeholders.

Thus, to fulfill its obligations to the IMF, the DGF ensured, in particular:

- participation in the working group under the Financial Stability Council (together with the NBU and the Ministry of Finance of Ukraine) on improving the DGF governance mechanisms;
- joint development with the NBU of legislative proposals to eliminate key existing legal and operational gaps related to early intervention measures, temporary administration, and the resolution mechanism for insolvent banks, as well as initiatives aimed at improving current bank liquidation mechanisms, including settlements with depositors, creditor claims satisfaction, and legal relations between the DGF and the banks under liquidation;
- joint development with the NBU of a coordinated position regarding legislative amendments to strengthen the NBU's status as a secured creditor.

Creation of guarantee systems for non-bank financial institutions

In 2024, one of the elements in the development of the deposit guarantee system in Ukraine and the deepening of European integration processes was the DGF continued preparatory efforts to establish future guarantee scheme for non-bank financial institutions, such as credit unions and life insurance companies.

In this regard, the DGF focused primarily on developing management reporting based on updated regulatory reporting submitted by these financial institutions to the NBU starting in 2024. This reporting serves for further analysis of their performance indicators as potential participants in the deposit guarantee system. The DGF also implemented and testing necessary technical improvements to its internal IT systems to ensure the proper functioning of credit unions within the future guarantee system.

Additionally, in 2024, to minimize potential future expenses for credit unions related to upgrading their accounting systems to comply with the DGF requirements after their inclusion in the deposit guarantee system, the DGF submitted proposals for the formation of depositor databases within credit unions. These proposals were made during discussions on the NBU's draft regulation on information system requirements and personalized recordkeeping for credit unions.

In order to develop a deposit guarantee system for non-bank financial institutions, the DGF actively cooperated with its long-standing international partners and also established relations with new international institutions and organizations. Thus, in 2024, the DGF collaborated with the USAID Project in Ukraine “Credit for Agriculture Producers (CAP)” in the area of receiving technical assistance (with the involvement of an international expert) regarding:

- forecasting the financial impact of introducing a deposit guarantee system for credit unions;



- developing a risk assessment model for the credit union sector;
- providing recommendations on accumulating the minimum fund amount required to launch the deposit guarantee system for credit unions;
- offering proposals to minimize risks for the DGF after launching the deposit guarantee system for credit unions, particularly in case of a sharp increase in the volume of insured deposits in credit unions;
- providing recommendations on the optimal conditions and timelines for credit unions to pay regular contributions to the DGF after the deposit guarantee system is introduced.

In addition, the DGF:

- established cooperation with the USAID Project in Ukraine “Grow” and signed a corresponding Memorandum on July 16, 2024;
- initiated cooperation with the National Credit Union Administration (NCUA) – the regulatory and deposit insurance authority for credit unions in the United States;
- established direct communication with the World Council of Credit Unions (WOCCU) and, on September 6, 2024, held a working meeting with the President and CEO of the World Council of Credit Unions, Elissa McCarter LaBorde.



10. RISK MANAGEMENT AND BUSINESS OPERATIONS

10.1. Stress testing of the Guarantee Scheme

In accordance with Part Four of Article 31 of the Law, the Guidelines for Stress Testing of Deposit Guarantee Scheme EBA/GL/2021/10 and Directive 2014/49/EU of the European Parliament and of the Council of April 16, 2014 on Deposit Guarantee Scheme, in 2024 the DGF continued to conduct stress test the household deposit guarantee scheme. Guided by the Methodology for Stress Testing of the Deposit Guarantee System and the Stress Testing Program, which covers the stress testing cycle 2023 – 2025, a number of tests were conducted, where the format of the process is to simulate the process using 3 scenarios. The stress testing was conducted based on the following indicators:

- assessment of existing mechanisms for obtaining depositor data;
- sufficiency of staff, relevant budgetary resources of the DGF, and other resources that can be made available at short notice if necessary;
- assessment of the DGF IT capacity;
- capacity of contact centers, website or web page, etc.;
- adequacy of agent banks for handling a large volume of payments;
- assessment of the DGF ability to receive funds from banks;
- assessment of funding sources to achieve the target level.

Pursuant to paragraph 4 of Section II “Final and Transitional Provisions” of the Law of Ukraine "On Amendments to Certain Laws of Ukraine on Ensuring the Stability of the Household Deposit Guarantee Scheme" dated April 1, 2022, No. 2180-IX,¹⁴ in 2024, the conducted stress testing of the household deposit guarantee scheme to determine and/or adjust the Fund’s target level and the timeframe for its achievement. As a result, on 27 June 2024, the Administrative Council of the DGF approved the decision of the DGF Executive Board dated June 21, 2024, No. 690 “On Establishing the Target Level Indicators of the DGF and Timeframes for Their Achievement”, which set a “dynamic” target level to be reached within four years — with the DGF target level of 3.5% to be achieved by January 1, 2028.

Also, in 2024, the technical and financial support project of the European Bank for Reconstruction and Development (EBRD) titled “Support in the Development of Stress Testing for the Deposit Guarantee System” was completed and summarized. The final task of this project was the implementation — jointly with KPMG-Ukraine LLC — of an analysis and development of appropriate proposals regarding the DGF financing mechanisms, including access to additional back-up funding in the event of a critical decline in the DGF liquidity.

¹⁴ Within one year from the date of entry into force of this law, the Fund had to carry out stress testing to determine/adjust the level of the DGF target indicator



10.2. DGF Risk management

During 2024, the DGF, in accordance with the Compliance Policy of the Deposit Guarantee Fund, approved by the decision of the Executive Board of the Fund No. 1 dated November 2, 2023, and the Regulation on the DGF Risk Management System, approved by the Decision of the DGF Executive Board dated April 9, 2020, No. 772, continued to ensure the functioning of the risk management system, in particular, carried out timely identification, measurement, monitoring, control, reporting and provision of recommendations for mitigating risks, In particular, compliance risks, insurance, other financial, operational and societal risks. On a quarterly basis, reports were generated on compliance with risk appetite indicators in accordance with the DGF Risk Appetite Declaration. Such measures allowed the DGF to respond in a timely manner to the risks that arose during 2024.

In 2024, the DGF conducted a self-assessment of compliance risks related to the following core processes: imposition of financial sanctions and administrative fines by the DGF; procurement of goods, works and services for the DGF; procurement for insolvent banks; personnel administration and interaction with insolvent banks on human resource management matters.

In order to prevent the risk of conflict of interest in relevant processes, throughout 2024 of the DGF, continuously implemented measures to control, detect, and prevent conflicts of interest. This included verifying the presence or absence of conflicts of interest and taking steps to mitigate and avoid such risks.

Additionally, in 2024, ongoing monitoring was conducted to ensure compliance with legislation on the prevention and counteraction of the legalization (laundering) of proceeds of crime, the financing of terrorism, and the financing of the proliferation of weapons of mass destruction. The DGF also monitored compliance with this legislation by insolvent banks being withdrawn from the market. Based on a comprehensive analysis conducted in 2024 of the DGF regulatory and internal normative documents, proposals for improvements and amendments were developed.

Furthermore, the DGF developed and approved a Business Continuity Plan aimed at identifying possible crisis scenarios and formulating a course of action in case of their occurrence. The purpose of this plan is to ensure the continuity of the DGF operations, the rapid recovery of processes and services, and the ability of the DGF to operate as close as possible to normal conditions during crises. The Business Continuity Plan also includes a list of general preventive measures designed to minimize risks in the event of crisis situations.



10.3. Personnel management and development

The year 2024 proved to be a severe trial for many Ukrainians, including the staff of the DGF, who continued to carry out their duties despite the ongoing war. Amid continuous hostilities and infrastructure destruction, the DGF faced numerous challenges. One of the main issues was ensuring the safety of employees and enabling them to fulfill their responsibilities under conditions of war and near-daily shelling. Work was often carried out with limited access to energy resources, and for part of the staff, remote work arrangements were organized.

Due to the continuation of military actions, which led to decreased business activity and the recognition of another bank as insolvent—resulting in an increased number of compensation claims from depositors — DGF employees had to not only fulfill their obligations in compliance with the Law, but also develop and implement new approaches to certain processes related to bank resolution. This involved a significant number of legal and technical procedures that often had to be applied under uncertain conditions and at high personal risk to staff. Nevertheless, the DGF employees continued their work with dedication and professionalism, helping to mitigate the effects of the economic crisis on citizens and supporting the country's financial stability during such a difficult time.

Throughout 2024, the DGF continued to implement its human resources policy, with a key focus on maintaining an effective personnel management system that enabled the fulfillment of the DGF statutory tasks through adaptive innovations. Taking into account current trends in human resource management, particular attention was paid to aspects such as flexible working processes, digitalization, and employee well-being.

Innovation and adaptive work models

Throughout the year, various work environment models were applied—from partially remote work during particularly dangerous periods to offline work at the Fund's premises. In particular, a flexible work schedule was introduced for staff, which helped reduce stress and improve work-life balance. With the use of modern digital tools, employees were able to maintain productivity without compromising work quality, despite limitations.

Ensuring Effectiveness of Organizational Structure and Staffing

Effective communication with employees was established, along with clearly defined channels for prompt information exchange and personnel documentation management.

In 2024, the DGF structure was amended to include the establishment of the Employee Legal Protection Service, and the staff headcount was increased by three positions. As of December 31, 2024, the DGF structure consisted of 27 independent structural units, including 6 departments, 5 divisions, 6 services, 9 sections, and an accounting department. The total number of staff positions at the DGF amounted to 335.



Trends in Corporate Learning

In addition to traditional training, the DGF placed a particular focus on developing digital competencies and management skills to ensure effective staff adaptation to a rapidly changing environment.

According to the latest global trends in human resource management, the DGF began actively implementing microlearning and online course content, allowing employees to acquire knowledge at their own pace. Particular attention was given to training in cybersecurity and countering cyber threats, which became a priority due to the heightened risks in the context of war.

To deepen knowledge in the field of compliance and compliance control, and to support its practical application by DGF employees, training materials (in the form of presentations) were prepared. These materials covered the general principles of the compliance system's operation and compliance control at the DGF, including key compliance areas, the regulatory framework for ensuring compliance control, and the interaction of DGF units in managing compliance risks. To monitor the level of knowledge, test assignments were developed for risk controllers of the DGF structural units, focusing on the general principles of the risk management system in the context of compliance risks.

Mental Health and employee well-being

In 2024, the DGF prioritized support for the mental health of its staff, as war, economic instability, and the ongoing threat to life and safety posed significant challenges. To this end, employees were provided with access to open online resources, webinars, and online courses on mental health support.

In line with modern HR trends, the DGF also emphasized psychological support, which included regular online sessions with psychologists, stress management training, and the creation of a safe space for employees. Additionally, the option to work remotely contributed to reducing burnout among staff.

Team Cohesion Through Social Initiatives

One of the key directions of the DGF human resource policy is the support of unity and cohesion among staff, which became a vital factor for employee motivation during wartime. The DGF actively participated in social initiatives, such as supporting Ukraine's defenders by organizing fundraising efforts to purchase and deliver technical and medical protective equipment to the military.

Thus, 2024 was a year not only of adaptation to challenging conditions but also of active implementation of modern trends in human resource management. This approach enabled the DGF to effectively fulfill its functions while maintaining employee morale and ensuring stability and mutual support amid war and economic uncertainty.



10.4. Improving IT infrastructure

Throughout 2024, the DGF continued to support and develop its information systems, as well as ensure the uninterrupted operation of digital services.

Accordingly, the modernization of IT infrastructure in 2024 was aimed at:

- improving server solutions to ensure the reliability and continuity of the DGF IT system under conditions of high risk from external factors;
- optimizing the operation of network equipment and networks to increase fault tolerance in data transmission, enhance service availability, and improve data transfer speed;
- preserving electronic data imported from the information systems of insolvent banks into the DGF IT infrastructure, as well as data supporting the DGF business processes;
- guaranteeing data and IT system security, primarily by preventing unauthorized manipulation of data.

In order to support and enhance the reliability and continuity of the DGF IT infrastructure in 2024, the following measures were implemented:

- the IT infrastructure of the primary data center and its independent power supply (backup power) was improved;
- the backup data center, intended to ensure the DGF uninterrupted operation in case of physical damage or inability of the primary data center to function, was upgraded;
- channels of communication were established to enable continuous synchronization of information systems data between the DGF primary and backup data centers, as well as channels for data exchange with external information systems;
- a virtual desktop infrastructure (VDI) was implemented to ensure DGF employees' access to information systems in the backup data center in case the primary data center and on-premises workstations are unavailable.

Development of information security in 2024 was carried out in the following areas:

- in accordance with the Law of Ukraine “On Critical Infrastructure,” legal and organizational measures were taken to include the DGF in the register of critical infrastructure objects;
- protection against cyberattacks: development and configuration of endpoint protection, enhancement of the threat monitoring and incident response system;



- protection of the DGF external services from hacking and leakage of confidential data;
- assessment of the impact of existing vulnerabilities on the operation of the DGF services;
- conducting regular cybersecurity vulnerability assessments and penetration tests;
- systematic staff training on cybersecurity rules.

In December 2024, the DGF was designated as a critical infrastructure object of Category IV. The main requirements for the DGF as a critical infrastructure object concerned cybersecurity. In view of this, in order to fulfill all cybersecurity requirements, the DGF carried out a large number of legal and organizational measures to standardize and align the DGF internal documents with the current legislation on critical infrastructure. The DGF also undertook efforts to build a comprehensive information protection system for the modular data center and to modernize integrated protection systems for the updated systems. The creation and modernization of the comprehensive information protection system became the foundation for securing restricted-access information.

According to information from the government Computer Emergency Response Team CERT-UA, operating under the State Special Communications Service, there was a 69.8% increase in cyber incidents in 2024. A significant portion of these were hacker attacks sponsored by the aggressor country — the Russian Federation. Therefore, in 2024, the DGF configured external perimeter protection using the WAF functionality of CloudFlare.

In addition, throughout 2024, the DGF implemented Threat Intelligence technology, which involves analyzing up-to-date data on current cyber threats, including viruses, Trojan programs, phishing attacks, and other methods of cyberattacks. To further strengthen endpoint protection, technologies for cryptographic protection of workstation information carriers were implemented, and access to information systems was restricted through the use of two-factor authentication. Also in 2024, the DGF carried out the segmentation of the user network segment and the server network with additional rules; implemented additional functionality of the Labyrinth solution to detect targeted attacks (APT), botnets, zero-day attacks, and insider threats; configured and launched a PAM system to monitor the actions of contractor users; and created a PAM system fault-tolerance cluster.

To ensure preventive protection, cooperation continues with the Antivirus Information Protection Center of the State Service of Special Communications of Ukraine and the Cybersecurity Situation Center of the Security Service of Ukraine, which allows for the timely receipt of cyberattack indicators currently deployed in cyberspace.



The DGF continuously cooperates with operating banks in Ukraine to improve and utilize the latest security mechanisms for information processing and conducting remote inspections. In particular, the DGF has developed and implemented additional notification and monitoring mechanisms for the verification of reports from operating banks on the DGF Reporting Portal, specifically related to the use of qualified and advanced electronic signatures.

As a result of cooperation with USAID, the DGF gained access to the KNOWBE4 educational platform with an extended license, which enabled regular testing of DGF employees' knowledge in recognizing phishing messages, as well as training aimed at improving both theoretical and practical knowledge and skills in cybersecurity and the use of artificial intelligence.

The development of business process automation and the DGF electronic services in 2024 included:

- Ensuring the technological processes for transferring information systems of insolvent banks into the DGF centralized information systems;
- Modernizing the DGF information systems to optimize business processes;
- Automating business processes in document flow, which reduced the amount of paper-based documentation.

In order to centralize the liquidation processes of banks under the DGF management and to optimize the processes and expenses of such banks, in 2024 the Fund carried out the necessary measures to migrate the data of JSC "UKRBUDINVESTBANK" and PJSC «CSG BANK» from the banks' information systems to the DGF systems – UOIS¹⁵ and DWH¹⁶. As of the end of 2024, data from 105 banks had been migrated and integrated into the DGF centralized systems.

The improvement of process centralization at the DGF in 2024 also included the modernization of the Data Analysis and Management Information System (MIS) through the implementation of the Camunda business process server and the development of business processes within its environment, as well as modifications to the existing dashboards by expanding the content with additional data.

To ensure payments of the guaranteed reimbursement amounts to depositors of banks being liquidated by the DGF, a specialized software solution is used – the DGF PAS system, which contains both operational and historical data on guarantee payments throughout the entire period of the DGF operations.

¹⁵ UOIS, which is a consolidated software suite containing data from DBS/ABS systems and other information systems of insolvent banks and is designed to support their operational activities on the DGF centralized platform.

¹⁶ The software suite for the resolution of insolvent banks (Data Warehouse, DWH), which ensures centralized processes for preparing the assets of insolvent banks for sale, accounting for claim and litigation activities related to legal cases of insolvent banks, maintaining contracts and the register of their creditors, and consolidating data on insolvent banks during their market exit process.



With the aim of improving the process of guaranteed payouts to depositors of banks under liquidation by the DGF, in 2024 the DGF carried out the modernization of the DGF Payout Automated System (PAS) in the following areas:

- Enhancement of software tools for handling notary requests;
- Modernization of the mechanism for blocking account cards by specific types;
- Upgrade of the PAS processing center to ensure interaction with the web service based on the Trembita system;
- Improvement of the error-checking algorithm for data on related and temporarily blocked persons;
- Development of a module for normalization of imported data to enable filtering in the global search of account cards;
- Creation of a module for working with the register of sanctioned persons;
- Development of a module for uploading prepared report templates using the PAS automated workstation;
- Development of a module for executing SQL queries via the PAS automated workstation;
- Creation of a module for centralized event logging in the payout operations module;
- Development and implementation in the PAS of a mechanism for storing and processing balance sheet accounts.

The modernization of the DGF Payout Automation System (PAS) enabled the use of automated payment tools in a more flexible mode, making the process of paying guaranteed amounts to depositors more optimized, transparent, and efficient.

In line with the state policy aimed at digitalization and the transition of public institutions to electronic document management, as well as in accordance with the Laws of Ukraine "On Electronic Documents and Electronic Document Management" and "On Electronic Digital Signature," the DGF in 2024 continued implementing measures to improve and expand paperless document management using Qualified Electronic Signatures (QES) within the Automated Document Control System (ASKOD). This made it possible to enhance the efficiency, security, and convenience of both internal and external document workflows, while also contributing to the implementation of the goals outlined in the Strategy for the Development of Ukraine's Financial Sector.

In 2024, the DGF expanded the scope of using Qualified Electronic Signatures (QES) within the Automated Document Control System (ASKOD) to include personnel documents, documents of working groups and commissions, extracts from the DGF participant register, and document exchange with counterparties. To automate the document management process, the following improvements were made to ASKOD software in 2024:



- Functions for sending correspondence of the "Standard" and "Document" types were developed, in accordance with the API description of JSC "Ukrposhta";
- The functionality of the dispatch register form was improved, and a feature was developed for generating stickers for thermal printer output;
- The "Outgoing correspondence" module was upgraded;
- The API module for the Electronic Court was improved;
- Enhancements were made to the logic for processing the fields "Correspondent" and "Correspondent Address";
- A new function was developed to create a separate register for monitoring the status of outgoing mail delivery.

To improve data exchange with the DGF member banks via the "Bank Reporting" software system, the DGF implemented the following measures in 2024:

- Modified the system to process NBU reporting files, specifically aligning statistical reporting indicators with those published on the official NBU website;
- Improved the table interface, optimized context menu control elements, and refined the error display during the creation of new entries;
- Developed a software mechanism for uploading and re-uploading data from the credit union registry;
- Developed and implemented software interfaces (APIs) to receive information from the subnetwork nbu.bank.gov.ua;
- Implemented the use of qualified electronic signatures to ensure the integrity and identification of the sender of reporting files.

The implementation of the aforementioned changes to the "Bank Reporting" software system in 2024 enabled the DGF to expand the range of reporting information it receives, optimize data processing speed, and enhance the system's functionality for data processing and protection.

In accordance with the action plans approved by the DGF Executive Board for completing bank liquidation procedures, and in order to preserve information and minimize computing costs, the DGF virtualized the information systems of four insolvent banks in 2024.

To facilitate the management and monitoring of the DGF business processes under wartime conditions, the following automated processes were modernized:

- the business process of annual staff evaluation;
- employee surveys and training;
- the business process for preparing the assets of banks under liquidation for sale.

In order to organize access to archived data and ensure their long-term and reliable storage, in 2024 the DGF implemented an archive of the historical data database of the



ProZorro.Sale electronic trading system. This archive contains information on the organization and conduct of open auctions (bidding) for the sale of assets (property) of banks under liquidation, as well as the DGF asset register. Testing of this archive is scheduled for 2025.

To implement the most effective systems for automating accounting, HR management, payroll calculation, cost allocation, and employee time tracking, the DGF began the process in 2024 of replacing its current automated accounting system with a new, full-scale ERP system.

11. INTERNAL AUDIT

The DGF has established an internal audit service, which periodically audits the DGF activities for compliance with the requirements of the law, the DGF regulations and decisions of the DGF governing bodies, reviews the results of the DGF financial and investment activities, and performs other functions in accordance with the Regulation on the Internal Audit Service.

In 2024, the DGF internal audit evaluated the processes and provided recommendations for improving their organization.

The inspections were carried out in accordance with the plan of internal audit in the structural units of the DGF in 2024.



REPORT
on the implementation of the Investment Plan
of the Deposit Guarantee Fund for 2022 - 2024
as of the end of December 2024

DGF investments	Amount of investment according to the investment plan for 2024, UAH million	Actual investment in 2024, UAH million	Implementation, %
Total investment amount, <i>including:</i>	36 706,00	36 337,17	99,00
Formation of the authorized capital of the bridge bank	6,00	0,00	0,0
Amount of invested in government securities, total <i>including:</i>	36 700,00	36 337,17	99,01
<i>government securities</i>	X	36 337,17	X
<i>bonds of international financial organizations placed on the territory of Ukraine</i>	X	-	X

Managing Director

Olga BILAY

