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### INDEPENDENT AUDITOR'S REPORT

To security holders and  
to Chairman of the Board of  
Public Joint-Stock Company  
"MOTOR-BANK" Mr. Chykhun V.V.,  
to the National Bank of Ukraine,  
to all other possible users of financial statements of  
Public Joint-Stock Company  
"MOTOR-BANK"

#### Report Regarding Audit of Financial Statements of PUBLIC JOINT-STOCK COMPANY "MOTOR-BANK" for Year 2017 as of 31.12.2017

#### Opinion

We have carried out the audit of financial statements of PUBLIC JOINT-STOCK COMPANY PJSC "MOTOR-BANK" (hereinafter referred to as "the Bank") consisting of Statement of Financial Position (Balance Sheet) as of December 31, 2017; Income and Loss and Other Comprehensive Income Statement, Statement of Financial Results for Year 2017, Statement of Changes in Equity (Statement of Owner's Equity), Statement of Cash Flows by Indirect Method for Year 2017 that ended on the date specified as well as notes to financial statements (hereinafter referred to as "the Notes") including brief description of significant accounting policies.

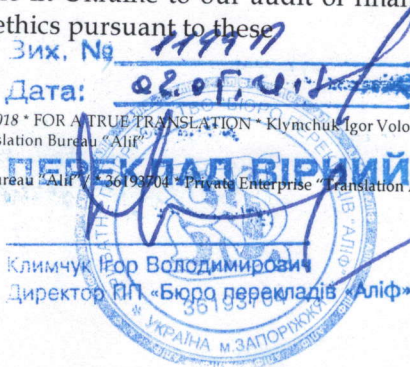
In our opinion financial statements attached hereto reflect truthfully in all significant aspects the financial position of the Bank as of December 31, 2017 and its financial results and cash flows over the year which ended on the date specified in compliance with International Financial Reporting Standards ("IFRS").

#### Grounds for the opinion

We have carried out the audit in compliance with International Auditing Standards (IAS). Our liability under these Standards is expressed in Section "Auditor's Liability for Financial Statements Auditing" of our Report. We are independent with respect to the Bank pursuant to the Code of Ethics of Accounting Professionals of the Council of International Standards of Ethics for Accountants (the Code of CISEA) and ethics requirements applicable in Ukraine to our audit of financial statements and we have also accomplished other obligations regarding ethics pursuant to these

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requirements and the Code of CISEA. We believe that auditing evidences received by us are sufficient and acceptable to be used as the grounds for our opinion.

### Significant Uncertainty with Respect to Continuity of Activities

The above financial statements of the Bank have been prepared based on the assumption that the Bank is able to continue its activities in uninterrupted manner.

In Note 2 in the financial statements it is specified, in particular, that the Ukrainian economy is influenced by market fluctuations and slackening of the rates of economic development in the world economy. World financial crisis lead to instability at the capital markets, significant decrease of liquidity in the banking sector and more strict conditions of moneylending (if any) as well as significant loss in value of the national currency with respect to main world currencies.

The main root factors of reinforcement of crisis trends in the economy of Ukraine are very important systemic economic deformations that have been accumulating for a long period of time - actually for the whole period since Ukraine acquired its state independence - and finally they could not but determine large-scale economy degradation processes and subsequently extreme aggravation of social contradictions. The latter have not just significantly weakened the potential of resistance to outside threats but have become the catalyst for their growth.

Under the existing circumstances further instability of their conditions of carrying out of the Bank's activities may cause negative influence on the activities' results and on financial position of the Bank, the nature and the consequences of which are impossible to be determined at the current moment. Future conditions of carrying out of activities may differ from those assessed by the administrative staff. These disclosures show that a significant uncertainty exists that may place in considerable doubt the ability of the Bank to continue its activities on an uninterrupted basis. Our opinion concerning this matter has not been modified.

### Key Aspects of the Audit

The key aspects of the audit are the matters that in our professional opinion have been the most significant during our audit of financial statements as a whole and have been considered in formation of opinion with respect thereto, however we do not express separate opinion concerning these matters. We have determined as the key aspect of the audit the ability of the Bank to continue its activities on an uninterrupted basis.

### The Ability of the Bank to Continue its Activities on an Uninterrupted Basis

Our special auditor's attention to this matter is conditioned first of all by the fact that the assumption on continuity of activities is the fundamental principle when preparing financial statements and that in the economy of Ukraine crisis phenomena are observed along with massive bankruptcy of enterprises and banks.

Our attention has been drawn to the fact that for some loans the Bank extends the terms of repayment of credit debts. We have also noted that for some loan agreements the schedules of their monthly repayments are absent. The settlement of these loans is provided for within the last 2-3 months of validity of these loan agreements.

Our attention has also been drawn by the fact that it takes place that the Bank receives as a security the stock-in-trade which requires special efforts to control it and relevant measures for its preservation.

We have examined this matter in particular in the following way:

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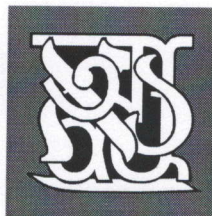
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We have sent the requests to the administrative staff and we have received the assurances concerning the absence of events or conditions that may place in considerable doubt the ability of the Bank to continue its activities on an uninterrupted basis;

We have analyzed the evidence of loss in value of loans provided by the Bank, we have compared this evidence with the estimations of the administrative staff, we have examined the forecasts of future cash flows under these loans and have tested the calculations of depreciation of the loans;

We have analyzed the structure of assets and liabilities of the Bank by terms;

We have examined the plans of the top management of the Bank for the further activities of the Bank;

We have reviewed the minutes of General Meetings of Shareholders and Supervisory Board of the Bank regarding the matters that influence the continuity of the Bank's activities;

We have examined further events from the date of financial statements to the date of this report that could prove the absence or the presence of events or conditions that may place in considerable doubt the ability of the Bank to continue its activities on an uninterrupted basis;

We have reviewed the information from external information sources that could prove the absence or the presence of events or conditions that may place in considerable doubt the ability of the Bank to continue its activities on an uninterrupted basis.

#### Other Matters

The audit of financial statements of the Bank for the year that ended on December 31, 2016 was carried out by another auditor who expressed its unmodified opinion with respect to these financial statements on April 20, 2017.

We have not provided any services to the Bank that are prohibited by the laws of Ukraine.

#### Other Information

The Administrative staff shall be liable for other information. Other information consists of the information contained in the annual statement of the Bank but that does not contain financial statements and our auditor's report with respect thereto. It is expected that annual statement of the Bank will be submitted to us after the date of this auditor's report.

Our opinion concerning financial statements of the Bank does not cover other information and we do not draw any conclusions with any degree of certainty concerning this other information.

With respect to our audit of financial statements of the Bank our liability is to review other information as mentioned above when it is provided to us and at the same time to see whether any significant discrepancy exist between other information and financial statements or our knowledge obtained during audit or whether such information looks like containing significant mutilations.

When we review the annual statement of the Bank and if we come to a conclusion that significant mutilations exist in it, we will need to notify on this matter those vested with the highest authorities.

#### Liability of the Administrative staff and those Vested with the Highest Authorities for the Financial Statements

The administrative staff shall be liable for the composition and truthful submission of financial statements in compliance with IFRS and for such a system of internal control that the administrative staff may determine to be necessary in order to insure the composition of financial statements that do not contain any significant mutilations due to fraud or mistake.

When composing financial statements, the administrative staff shall be liable for the assessment of the ability of the Bank to continue its activities on an uninterrupted basis disclosing

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where it is applicable the matters concerning continuity of the activities and using the assumption of continuity of activities for accounting purposes except for the cases if the administrative staff either plans to wind up the Bank or to terminate the activities or there are no other realistic alternatives thereto.

Those who are vested with the highest authorities shall be liable for the supervision of the Bank's financial reporting process.

### The Auditor's Liability for the Audit of the Financial Statements

Our purposes are to obtain reasonable certainty that financial statements as a whole do not contain significant mutilations as a result of fraud or mistake and to issue an auditor's report containing our opinion. The reasonable certainty is a high level of certainty though it does not guarantee that audit carried out in compliance with IAS will always bring to light the significant mutilations should they exist. Mutilations may be the result of fraud or mistake; they are considered to be significant if severally or jointly as reasonably expected they may influence economic decisions of the users taken based on such financial statements.

Performing audit in compliance with IAS we are using professional judgment and professional scepticism during the whole audit task. More to that, we:

- identify and assess risks of significant mutilations of financial statements due to fraud or mistake, work out and carry out auditing procedures as a response to these risks as well as we obtain auditing evidences that are sufficient and acceptable for their use as the grounds for our opinion. The risk of not finding significant mutilations due to fraud is higher than for mutilations due to mistake as fraud may include conspiracy, forgery, intended omissions, incorrect statements or neglect of measures of internal control;
- obtain the understanding of measures of internal control with respect to the audit to develop auditing procedures that would correspond to the circumstances and not to express opinion on the efficiency of the internal control system;
- assess the acceptability of the applied accounting policies and the relevance of accounting evaluations and respective disclosure of the information made by the administrative staff;
- draw a conclusion concerning the acceptability of the use by the administrative staff of assumption on continuity of activities as the grounds for accounting and based on the obtained auditing evidence we draw a conclusion whether significant uncertainty exists concerning events or conditions that would place in considerable doubt the ability of the Bank to continue its uninterrupted activities. If we come to a conclusion on the existence of such significant uncertainty we must draw attention in our auditor's report to the respective disclosure of information in the financial statements or if such disclosures are inappropriate to modify our opinion. Our conclusions are based on auditing evidence obtained prior to the date of our auditor's report. Nevertheless, future events or conditions may force the Bank to terminate its activities on an uninterrupted basis;
- evaluate general presentation, structure and contents of financial statements including disclosure of information as well as the fact whether financial statements show the transactions and events taken as the basis for their composition in order to reach truthful reflection.

We communicate information to the Supervisory Board about the planned volume and time of audit and significant auditing results including any considerable deficiencies of the measures of internal control found by us during the audit.

We also provide the Supervisory Board with the affirmation that we have complied with the respective ethical requirements regarding independence and we inform them of all relations and other matters that could

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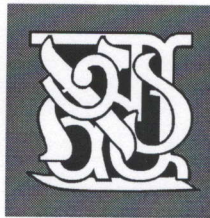
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reasonably be considered as influencing our independence as well as, where applicable, concerning respective precautionary measures.

From the list of matters the information on which has been provided to the Supervisory Board we have determined those that had the most significance during audit of financial statements for the current period meaning those that are the key aspects of the audit. We describe these matters in our auditor's report except for the cases if legal or regulatory acts prohibit public disclosure of such matter or if under extremely exceptional conditions we determine that such matter should not be covered by our report as negative consequences of such coverage may expectedly outweigh its benefits for the public interests.

### Report Concerning the Requirements of Other Legal and Statutory Acts

This information is provided for by Provisions on Procedure of Submission by the Banks to the National Bank of Ukraine of the Auditor's Report Based on the Results of Annual Revision of Financial Statements approved by the Decree of the Board of the National Bank of Ukraine under No. 389 dated 09.09.2003 (as revised by the Decree of the Board of the National Bank of Ukraine under No. 341 dated 21.09.2011) with amendments and additions.

#### *Compliance (Trustworthiness of Reflection) of Distribution of Assets and Liabilities of the Bank by the Terms of Settlement*

Analysis of ratio of assets and liabilities of the Bank by the terms of settlement as provided in Statistical Form No. 631 "Statement of Structure of Assets and Liabilities by Terms" approved by Decree of the Board of the National Bank of Ukraine No. 129 dated 01.03.2016 (as amended) proves the existence of negative values of difference between assets and liabilities. There exists assets deficit with terms of settlement up to 31 days in the amount of UAH 233,246 thd. or 17.5% of the assets of the Bank. Other terms of settlement, from 32 to 365 (366) and more than 365 (366) days have inconsiderable discrepancies. Information about the volumes of assets and liabilities of the Bank by terms of settlement provided in the statistical form is reflected in significant aspects in a complete and truthful manner.

#### *Internal Control*

When carrying out the auditing procedures we have examined - within the limits necessary to identify the nature, the sequence and the volume of auditing procedures - the measures of internal control of the Bank.

The procedures applied by us have not been aimed to carry out complete and all-inclusive check of the Bank's internal control system for the purpose to identify all possible deficiencies.

When analyzing the measures of internal control of the Bank we have reviewed the structures of management of types and volumes of transactions of the Bank (participation of management bodies in decision-making, distribution of duties between managers, availability of provisions on structural divisions and job descriptions as measures of management control of the Bank's activities).

#### *Internal Audit*

When carrying out the auditing procedures we have examined - within the limits necessary to identify the nature, the sequence and the volume of auditing procedures - the measures of internal audit.

Pursuant to the Law of Ukraine "On Banks and Banking Activities" and Provisions on Organization of Internal Audit in the Banks of Ukraine, approved by

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"Alif" \* Zaporizhzhia, Ukraine

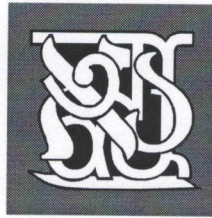
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6

the Decree of the Board of the National Bank of Ukraine under No. 311 dated 10.05.2016, the Provisions on Department of Internal Audit of PJSC "MOTOR-BANK" was approved.

The department of internal audit is subjected to Supervisory Board of the Bank and reports to it. The internal regulations define the tasks, functions, authorities of the division etc.

The department of internal audit checks the directions of activities of the Bank in compliance with the schedule of checks approved by the Supervisory Board of the Bank. According to the results of the checks, the division of internal audit draws up reports and submits them for examination of the Supervisory Board of the Bank. The auditing procedures carried out by the department of internal audit as a whole correspond to the needs of the Bank.

#### *Definition of Credit Exposure by Active Bank Operations*

As of 31.12.2017 the credit exposure by active bank operations in all significant aspects was defined by the Bank in compliance with the requirements of Provisions on Procedure of Reserves Forming and Use by the Banks of Ukraine to Reimburse Possible Losses by Active Bank Operations (Decree of the Board of the National Bank of Ukraine No. 351 dated 30.06.2016).

The indices of credit exposure among economic norms as of the reporting date are characterized by the following values: norm of maximum credit exposure per one counterpart H7 (with the value defined as no more than 25%) based on calculation was 11.67%, norm of big credit exposures H8 (no more than 800%) – 50.74%, and the norm of maximum credit exposure by operations with the persons related to the Bank H9 (no more than 25%) – 7.38%.

#### *Identification of Persons Related to the Bank and Carrying out Operations with Them*

In the course of its activities, the Bank identifies related persons and carries out operations with them. The Bank approved the Provisions to Identify the Persons Related to the Bank and to Carry out Operations with Related Persons that regulate the procedures of identifying requirements to carry out active operations and the procedures of forming and keeping the list of persons related to the Bank. Mutual relations with the related persons is based on operations carried out by the Bank within the process of its normal activities under market conditions. The conditions and the volume of operations with related persons are covered in Note 25.

#### *The Bank's Sufficient Capital Defined with Due Regard to the Quality of the Bank's Assets as well as the Operations with the Persons Related to the Bank*

As of the reporting date the Bank's capital is sufficient to carry out normative and license requirements, the size of regulating capital complies with the specified requirements of the National Bank of Ukraine, but the overall quality of the Bank's assets requires to be improved.

#### *Accounting Records Maintenance*

The main accounting principles applied by the Bank during the reporting year were defined pursuant to accounting policies and as a whole insured adequate and timely accounting records of the activities of the Bank.

The accounting policies of the Bank are based on International Financial Reporting Standards.

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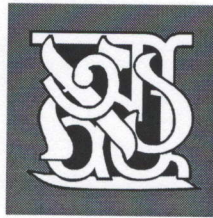
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7

We believe, in significant aspects, that the accounting policies applied by the Bank are acceptable and the accounting assessments are reasonable and information disclosure made by the administrative staff is appropriate.

The partner of auditing task which result is to prepare this Independent Auditor's Report is Halasyuk Nataliia Valentynivna.

Director General of  
LLC "AF "Cowperwood"

V.V. Halasyuk

Auditor  
(Certificate of Banks' Auditor No. 0208 issued based on  
Decision of Audit Chamber of Ukraine No. 352/2  
dated 31.11.2017, certificate is valid through  
31.01.2023).

N.V. Halasyuk

**Main Particulars about the Audit Firm**

Full name - Limited Liability Company Audit Firm "COWPERWOOD".

Identification Code recorded in the Uniform State Register of Legal Entities and Natural Persons-Entrepreneurs - 20219083.

Certificate of Recording in the Register of Audit Firms and Auditors No. 0031 issued upon Decision of Audit Chamber of Ukraine No. 98 dated 26.01.2001, the certificate's validity period was extended by Decision of Audit Chamber of Ukraine No. 313/3 dated 30.07.2015 up to 30.07.2020.

Certificate of Recording in the Register of Audit Firms that are Enabled to Carry out Audit Checks of the Banks (No. 0000014) issued based on Decision of Committee for Banks' Audit of the National Bank of Ukraine No. 20/299-ПІК dated 07.09.2017, certificate validity period is up to 07.09.2022.

Certificate of Recording in the Register of Audit Firms that Can Carry out Audit Checks of Professional Participants of Security Market (Series П No. 000274) issued by National Commission on Securities and Stock Market, certificate validity period is up to 30.07.2020.

Location and actual place of business - 15 'A', Gogol Str., 49044, Dnipro, Ukraine.

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April 18, 2018

city of Dnipro

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