

**CHARITABLE ORGANIZATION "CHARITY FUND "WORLD.
UKRAINE. POLOHY"
2022**

**Financial Statements under IFRS and Notes for the year ended
December 31, 2022**

BALANCE SHEET (Statement of Financial Position)

PROFIT AND LOSS STATEMENT (Consolidated Income Statement)

Statement of Cash Flows (by direct method)

Statement of Owner's Equity

Notes as a part of financial statements

together with the Independent Auditor's Report

Content

Independent Auditor's Report	3
Management's statement of responsibilities for financial statements preparation and approval for the period ended December 31, 2022	3
BALANCE SHEET (Statement of Financial Position)	4
PROFIT AND LOSS STATEMENT (Consolidated Income Statement) for 2022	6
Statement of Cash Flows (BY DIRECT METHOD) for 2022.....	8
Statement of Owner's Equity for 2022	10
1. BASICS FOR FINANCIAL STATEMENTS PREPARATION, APPROVAL AND PRESENTATION.....	11
1.1. Information about the Fund	11
1.2. Operating environment, risks, political and economic situation in Ukraine	11
1.3. Basis of financial statements preparation.....	12
1.4. Assumptions about Fund's activities in the near future:	12
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	13
Property, plant and equipment.....	13
Inventories	15
Leases	15
Derivative instruments	16
Revenues	19
Pension obligations	19
Transactions in foreign currencies.....	19
3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS.....	19
4. FIRST IMPLEMENTATION OF IFRS	20
5. NEW AND AMENDED STANDARDS IMPLEMENTATION.....	20
6. INFORMATION DISCLOSURE SUPPORTING ITEMS SUBMITTED IN FINANCIAL STATEMENTS.....	21
6.1. Income and expenses from operating activities.....	21
6.2. Administrative expenses.....	22
6.3. Inventories.....	22
6.4. Cash and cash equivalents	22
6.5. Targeted financing.....	22
6.6. Current provisions	22
7. OTHER INFORMATION DISCLOSURE.....	23
7.1. Transactions with related parties.....	23
7.2. Contingencies and other liabilities	23
7.3. Standards issued but not yet effective.....	23
7.4. Events upon the end of the reporting period.....	24
Emergency situation and its impact on the Fund's activities.....	24
Significant events	25



Limited Liability Company Auditing firm "Audit-Invest"

Certificate of registration in the Register of audit firms № 3094,
P/p UA43380805000000026004478238 RAIFFEISEN BANK AVAL Kyiv IBT 380805,
Kyiv, Nyzhniy Val st., b. 15, of. 405, Dnipro, Korolenko st., b.15, of.5
+380567451288, +380567324009 (10, 11), +380503401117, mail@audit-invest.com.ua

INDEPENDENT AUDITOR'S REPORT

To the members of
CHARITABLE ORGANIZATION
«CHARITY FUND «WORLD. UKRAINE. POLOHY»

Opinion

We have audited the financial statements of CHARITABLE ORGANIZATION «CHARITY FUND «WORLD. UKRAINE. POLOHY» (the Organization), which comprise the balance sheet of Organization as at December 31, 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes containing a summary of significant accounting policies and other notes to the annual financial statements of Organization's for the year ended 31 December 2022.

In our opinion, the accompanying financial statements of CHARITABLE ORGANIZATION «CHARITY FUND «WORLD. UKRAINE. POLOHY», present fairly, in all material respects, the financial position of the Organization as at December 31, 2022 and its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and according to the Law of Ukraine «On Accounting and Financial Reporting in Ukraine» from 16.07.1999 No.996-XIV regarding the preparation of financial statements.

The basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the «Auditor's Responsibilities for the Audit of the Financial Statements» section of our report. We are independent of the Organization in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) International Ethics Standards Board for Accountants (IESBA code) and the ethical requirements applicable in Ukraine to our audit of financial statements and have fulfilled our other responsibilities under those relevant ethical requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Significant uncertainty regarding business continuity

We draw attention to Note 1.2. to the financial statements, which describes the operating conditions and the economic situation in Ukraine during 2022, caused by the action of a full-scale war unleashed by the Russian Federation, which is ongoing and continues to negatively affect the Organization's operations and the country as a whole.

As indicated in Notes 1.4 and 7.4, the consequences of the further development of full-scale war or the timing of its completion remain uncertain. These occurrences and conditions prolong the existence of uncertainties that calls into question on the Organization's ability to continue as a going concern. Our opinion has not been modified on this issue.

Responsibilities of Management and Those Charged with Governance or other appropriate terms for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and according to the Law "On Accounting and Financial Reporting in Ukraine", and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of financial statements, management staff is responsible for assessing the Organization's ability to continue as a going concern, disclosing, where applicable, business continuity issues, and using assumptions about the continuity of activities as the basis for accounting, unless management staff either plans to liquidate the Organization or cease activities, or has no other real alternatives to this.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Make the conclusion as to the appropriateness of using the assumption of going concern as a basis for accounting and, on the basis of audit evidence obtained, we conclude if there is a significant uncertainty about events or conditions that would significantly challenge the Organization's ability to continue as a going concern. In case we conclude about the existence of such significant uncertainty, we should draw attention in our auditor's report to relevant disclosures in the financial statements or, if such disclosures are inappropriate, modify our opinion. Our conclusions are based on audit evidence received prior to the date of our auditor's report. However, future events or conditions may force the Organization to terminate its activities on an ongoing basis.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Applications:

1. The balance sheet of Organization as at December 31, 2022;
2. The statement of comprehensive income of the Organization for 2022;
3. The cash flow statement of Organization for 2022;
4. The statement of changes in equity in 2022;
5. Notes containing a summary of significant accounting policies and other notes to the annual financial statements of Organization for the year ended 31 December 2022.

The key partner in audit task, the result of which is this independent auditor's report, is the auditor

Khimich Liyudmyla

Registration number in the Register of Auditors and Auditors № 101067

For and on behalf of the firm LLC Audit-Invest

Director of Auditing firm Audit-Invest LLC

Yelchenko Olga

Registration number in the Register of Auditors and Auditors № 101055



March 14th, 2023

Basic information about the audit firm:

AF Audit-Invest LLC

Code in Uniform state register of enterprises and organization of Ukraine 32241880

Is listed in the Register of auditing firms and auditors that provide auditing services individually in the Section "The auditors that provide auditing services individually and have the right to carry out obligatory audit of the financial statements of the enterprises representing the public interest", record number No. 3094

Pushkina Str., 25/27, Dnipro city, phone/fax +38 (056) 745-14-05

Website <https://audit-invest.com.ua/>

Basic information about the terms of the audit agreement:

Date and number of the contract for the audit:

contract №02-02-2023/A dated 07/02/2023, additional agreement №1 dated 07.02.2023.

Start date and end date of the audit: 07/02/2023 - 14/03/2023

Reporting period for which the financial statements were audited: from 01/01/2022 until 31/12/2022.

Management's statement of responsibilities for financial statements preparation and approval for the period ended December 31, 2022.

The following statement, which should be used with description of independent auditor's responsibilities stated in the Independent Auditor's Report set out on pages I to III, is made to distinguish the relevant management's responsibilities and those of an independent auditor for financial statements of CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY" (hereinafter referred to as the CO "CF "WORLD. UKRAINE. POLOHY" or the Fund).

Management of the Fund shall be responsible for financial statements preparation that fairly represent, in all material respects, financial position of the Fund as of December 31, 2022, its consolidated profit and losses, cash flows and changes in the owner's equity for the year then ended in accordance with the International Financial Reporting Standards (hereinafter the IFRS).

In preparing financial statements, the Fund's management shall be responsible for:

- the relevant accounting policies selection and their consistent application;
- reasonable estimates and judgements;
- compliance with the relevant IFRS and disclosure of any material deviations in the notes to financial statements;
- financial statements preparation on a going concern basis, unless it is inappropriate to presume that the Fund will continue its activities in the near future;
- disclosure of all claims due to legal actions that have been or are threatened in the near future;
- reliable disclosure in financial statements of all sureties and guarantees given on behalf of the management.

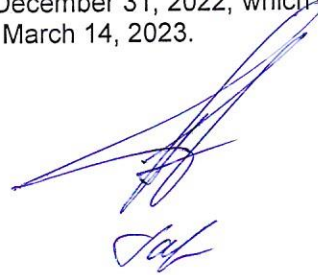
The Fund's management shall be also responsible for:

- effective and sound system of internal control in the Fund development, implementation and maintenance;
- accounting system maintenance that allows to prepare information about the Fund's financial standing with sufficient accuracy at any time and to ensure financial statements to comply with IFRS;
- measures taken within its competence to ensure safety of Fund's assets;
- fraud and other irregularities prevention and detection.

Financial statements of the Fund for the year ended December 31, 2022, which are set out on pages 4 to 10, were signed on behalf of the Fund's management on March 14, 2023.

Executive Director
CO "CF "WORLD. UKRAINE. POLOHY"

Chief Accountant
CO "CF "WORLD. UKRAINE. POLOHY"



/Yevstafiev S.M./

/Harmash S.M./

city of Dnipro
March 14, 2023

Company CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"
Territory DNIPROPETROVSKA
Legal form Charitable Organization
Type of economic activity Other social work activities without accommodation n.e.c.
Average number of employees 2 3
Address, tel. Ap. 66, bld. 46, Laboratorna str., Dnipro, Dnipropetrovska Oblast, 49010, Ukraine, 067-619-31-71

Date (year, month, day) _____
under EDRPOU
under KOATUU
under KOPFH
under KVED

CODES		
2023	01	01
44806472		
UA12020010010512802		
845		
88.99		

Unit of measurement: thd., UAH without decimal point (except for Section IV of the Profit and Loss Statement (Statement of Consolidated Income) (Form 2), where monetary indicators are provided in UAH and kopecks)
Prepared (mark "v" in the relevant box):
according to accounting regulations (standards)
under international financial reporting standards

BALANCE SHEET (Statement of Financial Position) as of December 31, 2022

Form No. 1 Code under DKUD

ASSET	Line code	Note	As of the beginning of the reporting period	As of the end of the reporting period
1	2	3	4	5
I. Non-current assets			-	-
Intangible assets	1000		-	-
initial cost	1001		-	-
accumulated depreciation	1002		-	-
Capital investments in progress	1005		-	-
Property, plant and equipment	1010		-	74
initial cost	1011		-	75
depreciation	1012		-	(1)
Investment property	1015		-	-
Initial cost of investment property	1016		-	-
Depreciation of investment property	1017		-	-
Long-term financial investments: accounted under equity method	1030		-	-
Other financial investments	1035		-	-
Long-term receivables	1040		-	-
Deferred tax assets	1045		-	-
Goodwill	1050		-	-
Deferred acquisition costs	1060		-	-
Balance in centralized insurance reserve funds	1065		-	-
Other non-current assets	1090		-	-
Total for Section I	1095		-	74
II. Current assets			-	-
Inventories	1100	6.3	-	1 691
Production stocks	1101		-	266
Production in progress	1102		-	-
Finished goods	1103		-	-
Goods	1104		-	1 425
Current biological assets	1110		-	-
Reinsurance deposits	1115		-	-
Promissory notes obtained	1120		-	-
Receivables for products, goods, works, services	1125		-	-
Receivables from settlements: on advances issued	1130		-	136
with budget	1135		-	-
including income tax	1136		-	-
Receivables from settlements on accrued income	1140		-	-
Receivables from internal settlements	1145		-	-
Other current receivables	1155		-	-
Current financial investments	1160		-	-
Cash and its equivalents	1165	6.4	-	2 337
Cash	1166		-	-
Accounts with the banks	1167	6.4	-	2 337
Deferred expenses	1170		-	-
Other current assets	1190		-	-
Total for Section II	1195		-	4 164
III. Non-current assets held for sale and disposal groups	1200		-	-
Balance sheet	1300		-	4 238

LIABILITIES	Line code	Note	As of the beginning of the reporting period	As of the end of the reporting period
1	2	3	4	5
I. Shareholders' equity				
Registered (share) capital	1400		-	-
Contributions to unregistered share capital	1401		-	-
Capital in revaluation surplus	1405		-	-
Extra capital	1410		-	-
Share premium reserve	1411		-	-
Accumulated exchange differences	1412		-	-
Reserve capital	1415		-	-
Retained earnings (uncovered loss)	1420		-	-
Unpaid capital	1425		-	-
Retired capital	1430		-	-
Other reserves	1435		-	-
Total for Section I	1495		-	-
II. Long-term liabilities and collateral				
Deferred tax liabilities	1500		-	-
Pension liabilities	1505		-	-
Long-term bank loans	1510		-	-
Other non-current liabilities	1515		-	-
Long-term collateral	1520		-	-
Long-term collateral for personnel expenses	1521		-	-
Targeted financing	1525	6.5	-	4 151
Charitable assistance	1526		-	-
Insurance reserves	1530		-	-
including:	1531		-	-
reserve for long-term liabilities			-	-
reserve for losses or reserve for claims	1532		-	-
reserve for unearned premiums	1533		-	-
other insurance reserves	1534		-	-
Investment contracts	1535		-	-
Prize fund	1540		-	-
Reserve for jackpot payments	1545		-	-
Total for Section II	1595		-	4 151
III. Current liabilities and collateral				
Short-term bank loans	1600		-	-
Promissory notes issued	1605		-	-
Current accounts payable for:	1610		-	-
long-term liabilities			-	-
goods, works, services	1615		-	76
settlements with the budget	1620		-	1
including income tax	1621		-	-
insurance settlements	1625		-	-
payroll settlements	1630		-	4
Current accounts payable on advances issued	1635		-	-
Current accounts payable on settlements with the members	1640		-	-
Current accounts payable from internal settlements	1645		-	-
Current accounts payable on insurance activities	1650		-	-
Current provisions	1660	6.6	-	6
Deferred income	1665		-	-
Deferred commission income from reinsurers	1670		-	-
Other current liabilities	1690		-	-
Total for Section III	1695		-	87
IV. Liabilities related to non-current assets held for sale and disposal groups	1700		-	-
V. Net value of non-state pension fund assets	1800		-	-
Balance sheet	1900		-	4 238

Executive Director

Yevstafiev S.M.

Chief Accountant

Harmash S.M.

Company

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD.
UKRAINE. POLOHY"

(name)

Date (year, month, day)

under
EDRPOU

CODES

2023 | 01 | 01

44806472

PROFIT AND LOSS STATEMENT (Consolidated Income Statement) for 2022

Form No. 2 Code under
DKUD

1801003

I. FINANCIAL RESULTS

Item	Line code	Note	For the reporting period	For the same period of the previous year
1	2		-	-
Net income from sales of products (goods, works, services)	2000		-	-
Cost of sales (goods, works, services)	2050		-	-
Gross:				
profit	2090		-	-
loss	2095		-	-
Other operating income	2120	6.1	3 168	-
Administrative expenses	2130	6.2	(177)	-
Selling expenses	2150		-	-
Other operating expenses	2180	6.1	(2 991)	-
Financial result from operating activities:				
profit	2190		-	-
loss	2195		-	-
Equity income	2200		-	-
Other financial income	2220		-	-
Other income	2240		-	-
Financial expenses	2250		-	-
Equity losses	2255		-	-
Other expenses	2270		-	-
Financial result before taxation:				
profit	2290		-	-
loss	2295		-	-
Profit tax expenses (income)	2300		-	-
Profit (loss) from discontinued operations after tax	2305		-	-
Net financial result				
profit	2350		-	-
loss	2355		-	-

II. TOTAL INCOME

Item	Line code	Note	For the reporting period	For the similar period of the previous year
1	2		3	4
Revaluation (impairment) of non-current assets	2400		-	-
Revaluation (impairment) of derivative instruments	2405		-	-
Accumulated exchange differences	2410		-	-
Share of other consolidated income of associates and joint ventures	2415		-	-
Other consolidated income	2445		-	-
Other consolidated income before tax	2450		-	-
Profit tax related to other consolidated income	2455		-	-
Other consolidated income after tax	2460		-	-
Consolidated income (sum of lines 2350, 2355 and 2460)	2465		-	-

III. ELEMENTS OF OPERATING EXPENSES

Item	Line code	Note	For the reporting period	For the similar period of the previous year
1	2		3	4
Material costs	2500		-	-
Labour costs	2505		84	-
Social contributions	2510		24	-
Depreciation and amortisation	2515		1	-
Other operating expenses	2520		3 054	-
Total	2550		3 163	-

IV. CALCULATION OF RETURN ON EQUITY

Item	Line code	Note	For the reporting period	For the similar period of the previous year
1	2		3	4
Average annual number of ordinary shares	2600		-	-
Adjusted average annual number of ordinary shares	2605		-	-
Net income (loss) per ordinary share	2610		-	-
Adjusted net income (loss) per ordinary share	2615		-	-
Dividends per ordinary share	2650		-	-

Executive Director

Yevstafiev S.M.

Chief Accountant

Harmash S.M.



Company

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD.
UKRAINE. POLOHY"

(name)

Date (year, month, day)

under
EDRPOU

CODES

2023 | 01 | 01

44806472

Statement of Cash Flows (BY DIRECT METHOD) for 2022

Form No. 3

Code under
DKUD

1801004

Item	Line Code	Note	For the reporting period	For the same period of the previous year
1	2		3	4
I. Cash flows from operating activities				
Proceeds from:			-	-
Sale of products (goods, works, services)	3000			
Tax and fees refund	3005		-	-
including VAT	3006		-	-
Targeted financing	3010		563	-
Income from customers and clients advances	3015		-	-
Income from advances refund	3020		-	-
Income from interest on current account balances	3025		-	-
Income from penalties (fines) debtors	3035		-	-
Other income	3095	6.4	4 741	-
Payment expenses for:			(210)	-
goods (works, services)	3100			
Labour	3105		(63)	-
Social contributions	3110		(24)	-
Tax and fees liabilities	3115		(21)	-
Expenses to pay income tax liabilities	3116		-	-
Expenses to pay VAT tax liabilities	3117		-	-
Expenses to pay other tax and fees liabilities	3118		(21)	-
Expenditures for advances	3135		(2 668)	-
Expenditures for advance refund	3140		-	-
Other expenses	3190		(1)	-
Net cash flows from operating activities	3195		2 317	-
II. Cash flows from investment activities				
Operating revenues from:			-	-
financial investments	3200			
non-current assets	3205		-	-
Proceeds from:			-	-
interest	3215			
dividends	3220		-	-
Proceeds from derivatives	3225		-	-
Other income	3250		-	-
Expenditures on acquisitions:			-	-
financial investments	3255			
non-current assets	3260		-	-
Payments on derivatives	3270		-	-
Other payments	3290		-	-
Net cash flows from investment activities	3295		-	-
III. Cash flows from financial activities				
Proceeds from:			-	-
Owners' equity	3300			
Borrowing	3305		-	-
Other income	3340		-	-
Expenses for:			-	-
Redemption of own shares	3345			
Loan redemption	3350		-	-

Item	Line Code	Note	For the reporting period	For the same period of the previous year
1	2		3	4
Dividend payment	3355		-	-
Interest expenses	3360		-	-
Other payments	3390		-	-
Net cash flows from financial activities	3395		-	-
Net cash flows for the reporting period	3400		2 317	-
Cash balance at the beginning of the year	3405		-	-
Effect of changes in foreign exchange rates on cash balance	3410		20	-
Cash balance at the end of the year	3415		2 337	-



Executive Director

Chief Accountant

[Handwritten signature]

[Handwritten signature]

Yevstafiev S.M.

Harmash S.M.

Company

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD.
UKRAINE. POLOHY"

(name)

Date (year, month, day)

2023 | 01 | 01

under
EDRPOU

44806472

Statement of Owner's Equity for 2022

Form No. 4

Code under
DKUD

1801005

Item	Line code	Note	Registered capital	Capital in revaluation surplus	Extra capital	Reserve capital	Retained earnings (uncovered loss)	Unpaid capital	Retired capital	Total
1	2		3	4	5	6	7	8	9	10
Account balance as of the beginning of the year	4000	-	-	-	-	-	-	-	-	-
Adjustment:										
Changes in accounting policy	4005	-	-	-	-	-	-	-	-	-
Error correction	4010	-	-	-	-	-	-	-	-	-
Other changes	4090	-	-	-	-	-	-	-	-	-
Adjusted balance at the beginning of the year	4095	-	-	-	-	-	-	-	-	-
Net profit (loss) for the reporting period	4100	-	-	-	-	-	-	-	-	-
Other accumulated income for the reporting period	4110	-	-	-	-	-	-	-	-	-
Profit distribution:										
Distributions to owners (dividends)	4200	-	-	-	-	-	-	-	-	-
Profits allocation to registered capital	4205	-	-	-	-	-	-	-	-	-
Contributions to reserve capital	4210	-	-	-	-	-	-	-	-	-
Members' contributions:										
Contributions to capital	4240	-	-	-	-	-	-	-	-	-
Capital debt repayment	4245	-	-	-	-	-	-	-	-	-
Capital withdrawal:										
Repurchase of shares (stakes)	4260	-	-	-	-	-	-	-	-	-
Resale of shares (stakes) repurchased	4265	-	-	-	-	-	-	-	-	-
Cancellation of shares (stakes) repurchased	4270	-	-	-	-	-	-	-	-	-
Equity stake withdrawal	4275	-	-	-	-	-	-	-	-	-
Other changes in capital	4290	-	-	-	-	-	-	-	-	-
Total changes in capital	4295	-	-	-	-	-	-	-	-	-
Account balance at the end of the year	4300	-	-	-	-	-	-	-	-	-

Executive Director

Yevstafiev S.M.

Chief Accountant

Harmash S.M.



CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

1. BASICS FOR FINANCIAL STATEMENTS PREPARATION, APPROVAL AND PRESENTATION

1.1. Information about the Fund

These Financial Statements of CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY" for the year ended December 31, 2022 were authorised for issue by its management on March 14, 2022.

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY" (hereinafter referred to as the CO "CF "WORLD. UKRAINE. POLOHY" or the Fund) is registered in accordance with the procedure established by law, founded and operates on the basis of the current laws of Ukraine as a charitable fund under the Law of Ukraine "On Charitable Activities and Charitable Organisations" No. 5073-VI dated 05.07.2021.

The Fund does not aim to make profit for its subsequent distribution among its founders and members.

CO "CF "WORLD. UKRAINE. POLOHY" was founded on 20.04.2022, entry number in the Unified State Register of Incorporation: 1002241020000100206 dated 20.04.2022. Included in the Register of Non-Profit Institutions and Organisations: Decision No. 2204634600040 dated 28.04.2022.

Legal address and actual location of the Fund: ap. 66, bld. 46, Laboratorna str., Dnipro, Dnipropetrovsk Oblast, 49010, Ukraine

As of December 31, 2022, the average number of employees of the Fund is 3.

CO "CF "WORLD. UKRAINE. POLOHY" is a Ukrainian fund which goals are to provide charitable assistance to internally displaced persons and persons who are on the temporarily occupied territories or in the combat zone of Polohy Raion in Zaporizhzhia Oblast. Also, to individuals, territorial communities, non-profit organisations, and legal entities of private law and public law in the above areas, as well as these areas development and support in the public interests.

1.2. Operating environment, risks, political and economic situation in Ukraine

Since 2014, Ukraine's economy has been operating within the russia's hybrid war against Ukraine and, having shown relative resilience, quickly moved from its crisis phase to the phase of recovery growth.

In 2021 and early 2022, the economy was overcoming the consequences of the ongoing COVID-19 pandemic. Although it had not yet fully recovered from the shock of the hybrid war unleashed by russia in 2014 and was further weakened by COVID-19 pandemic, thanks to the Government's anti-crisis and stimulus programmes, it demonstrated successful adaptation to functioning under the restrictions caused by quarantine measures, as well as the ability to absorb shocks from global energy and food prices rising without disrupting macro stability and positive development dynamics.

However, as a result of full-scale war unleashed by russia, Ukraine's economy has undergone significant changes. In total (according to Advanter Group Survey as of 05.12.2022¹), 31.7% of the companies have completely or almost completely terminated their activities since February 24.

Staff issue remains difficult. Staff share currently reduced is 24.5%. Another 14% is hidden unemployment, and there is a downward trend compared to June. As of 17.11.2022, 22.1% of the staff works with salary reduced. More than half of the companies did not hire new employees over the last 8 months. In November, companies reported the main obstacles to their recovery as unpredictability of the situation in Ukraine, financial difficulties (lack of sufficient capital) and insufficient number of solvent customers in Ukraine.

Budget expenditures almost doubled due to increased expenditures on defence, business support and humanitarian aid. The biggest losses were incurred:

- 1) due to production facilities destruction – energy, housing and utilities, transport, metallurgy, oil refining, and defence industries;
- 2) due to actual suspension of investment projects resulted from extremely high investment risks – construction, machine building;
- 3) due to reduced demand from the population being under occupation, in the area of active hostilities, or those forced to leave Ukraine (due to more than 7.5 million citizens migration outside the country alone, approximately 20% of demand is not created), economic activities in the service sector and certain types of industrial activities (hotel and restaurant business, sectors of economy relating to creative industries, in particular films and videos production and distribution, literature and publishing area, art, architecture and design, advertising agencies, theatre and concert halls, museums, light industry) are reduced;

¹Business standing and needs in times of war: results of November 2022 Survey
<https://business.diiia.gov.ua/cases/novini/stan-ta-potrebi-biznesu-v-umovah-vijni-rezultati-opituvanna-v-listopadi-2022-roku>

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

- 4) due to transport infrastructure destroyed, ports blocked, and cross-border foreign currency payments restricted (except for the critical import payments), more than 50% of export were lost within the three months of the war, which, given the significant share of agricultural products in Ukraine's exports, also poses a significant threat to the global food security;
- 5) due to domestic goods range narrowing and energy imports shortage, pressure on inflation and exchange rate is increasing.

The biggest shock caused by Russia's full-scale invasion of Ukraine was observed in March 2022. The Ministry of Economy, using indirect calculation methods and modelling tools, estimated the GDP decline in March 2022 at 47–50% (compared to March 2021), which resulted in 15.1% drop in the first quarter, according to the State Statistics Service. However, as of mid-May 2022, we may state that Ukraine's economy continued operating despite the large-scale military activities in the country. Certain sectors of economy, such as public administration and defence, banking, information and communications technology, food processing, retail, healthcare and education, continued operating.

Due to deep digitalisation, there was little or no temporary suspension in these sectors. In April, as the geography of hostilities changed, people gradually returned to their homes, and new logistics routes started establishing, the list of sectors which companies started restoring their activities expanded: agriculture, transport, and construction were added.

Business activities were also facilitated by a new wartime economic policy, the main elements of which were:

- programme of companies relocation to a safe area;
- state order for products created;
- implementation of a number of important deregulation decisions;
- new tax policy aimed at reducing the fiscal burden on the companies;
- interest-free lending programs for all business sectors;
- ePidtrymka, cash payments program intended for internally displaced persons (IDPs).

Support programs introduced by the Government have mitigated the shock effects on economy caused by full-scale war. So, despite the difficulties, Ukraine has managed to maintain relative macroeconomic stability during the war and to overcome the large-scale production shutdown and labour outflow caused by people movement to the safe places, and, in fact, to reverse these processes.

The Fund's management will continue monitoring potential impact of these events and will take all possible measures to mitigate any negative consequences. See Note 7.4.

1.3. Basis of financial statements preparation

The Fund maintains its accounting records and prepares its financial statements in accordance with the National Accounting Regulations (Standards) of Ukraine (NAR(S)U). Pursuant to provisions of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" No. 996 dated 16.07.1999, the Fund is not subject to obligatory IFRS preparation. These financial statements are prepared by the Fund for the purpose of financial statements provision to other users.

Financial statements for the tax authorities were prepared under NAR(S)U and submitted on February 25, 2023.

Financial statements of the Fund have been prepared in the forms approved by the Order of the Ministry of Finance No. 73 dated 07.02.2023, in accordance with the International Financial Reporting Standards (IFRS), as amended by the International Accounting Standards Board (IASB), and are general purpose financial statements.

These financial statements have been prepared under the historical cost principle. Financial statements are given in Ukrainian hryvnia, which is the Fund's functional currency. All financial information provided in Ukrainian hryvnias is rounded to the nearest thousand unit (thd. UAH), unless otherwise specified.

The main accounting policy principles applied in financial statements preparation are described below.

1.4. Assumptions about Fund's activities in the near future:

Financial statements have been prepared on assumption that the Fund will continue its activities as a going concern in the near future and will provide charitable assistance to individuals, internally displaced persons and residents of territorial communities, non-profit organisations, and legal entities.

The main purpose of the Fund is to carry out charitable activities in the following areas: 1) education; 2) healthcare; 3) ecology, environmental protection and animal welfare; 4) natural and man-made disasters prevention and their consequences elimination, assistance to victims of disasters, armed conflicts and accidents, as well as to the refugees and persons in difficult life circumstances; 5) guardianship and trusteeship, legal representation and legal support; 6) social protection, social security, social services and poverty reduction; 7) culture and art, cultural heritage protection; 8) science and scientific research; 9) sports and physical culture; 10) human and civil rights and fundamental freedoms; 11) development of territorial communities; 12) development of international cooperation of Ukraine; 13) economic growth stimulation and economy development of Ukraine and its individual regions and increase in Ukraine competitiveness; 14) promotion of state, regional, local and international programmes aimed at improving social and economic situation in Ukraine.

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"
Notes to IFRS Financial Statements - December 31, 2022
All amounts in the Tables are given in thd. hryvnias

Operating cash flows are positive, the Fund's management implements appropriate financial risk management measures and believes that it is appropriate to use the going concern basis in preparing financial statements.

As of the date of these financial statements approval, there is a significant uncertainty that is beyond the control of the Fund's management.

This significant external uncertainty relates to consequences of invasion on the territory of Ukraine by the russian troops. Final settlement of the russian aggression and military invasion issue on the territory of Ukraine cannot be predicted with sufficient certainty. Depending on the situation, further deterioration could have a significant negative impact on the Fund's activities and Ukrainian economy as a whole.

Funds management recognises future development of hostilities and their duration to be the single most significant source of uncertainty that may cause significant doubts on the Fund's ability to continue as a going concern. These financial statements do not include any adjustments to reflect possible future effects on recoverability and classification of amounts of assets and liabilities recorded that may arise as a result of current uncertainties. See Note 7.4.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies are based on accrual principle and the going concern basis.

To ensure accounting and reporting data reliability, the Fund conducts property and financial liabilities inventory. The procedure for inventory and responsible persons shall be determined by a separate administrative document of the Fund's management, considering provisions established by the Order of the Ministry of Finance No. 879 dated 02.09.2014 (as amended).

The Fund does not have any subdivisions allocated to a separate balance sheet.

The Fund shows its assets and liabilities in the Statement of Financial Position as non-current/current and long-term/short-term (current) groups. Asset is classified as current in the following cases:

- asset is expected to be sold or is intended to be sold or used in the normal course of business;
- asset is held primarily for trading;
- asset is expected to be sold within twelve months upon the reporting period end, or
- asset includes cash or cash equivalents, unless it is restricted from being exchanged or used to settle liability for at least twelve months upon the reporting period end.

All other assets are classified as non-current.

Liability is classified as short-term (current) in the following cases:

- liability is expected to be settled within the normal operating cycle;
- liability is held primarily for trading;
- liability is to be settled within twelve months upon the reporting period end, or
- the Fund does not have an unconditional right to defer settlement of the liability for at least twelve months upon the reporting period end.

The Fund classifies other liabilities as non-current. Deferred tax assets and liabilities are classified within non-current assets and non-current liabilities.

The amounts of tax liabilities and tax credits arising out of advances obtained and paid, and shown in accounts 643 "Tax liabilities" and 644 "Tax credit" (liabilities) are not offset against the accounts of advances obtained and advances from which they were created as of the date of financial statements. They are disclosed in extensive form in the balance sheet and financial statements of the Fund.

Property, plant and equipment

Property, plant and equipment are tangible items held by the Fund for use in supplying goods or services, or for rental or administrative purposes, and are expected to be used for more than one period.

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

Non-current assets are grouped by financial accounts as follows:

- Land plots — account 101;
- Buildings and structures — account 103;
- Machinery and equipment — account 104;
- Transport and vehicles — account 105;
- Other non-current assets:
 - a) tools, equipment and inventory — account 106;
 - b) other non-current assets – account 109.

Cost of the item of property, plant and equipment acquired is recognised as an asset and capitalised in the balance sheet only if: it is probable that the future economic benefits associated with the item will flow to the entity; and the cost of the asset can be measured reliably and exceeds UAH 20 thousand.

The cost of property, plant and equipment is measured on the basis of actual acquisition costs, which include the purchase price, including taxes that are not reimbursed to the entity, and any costs directly attributable to bringing the asset and location for its use to working conditions. In addition, substantial borrowing costs directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment are capitalised as a part of the cost of asset.

Upon initial recognition, property, plant and equipment are carried at cost less accumulated depreciation. Fund's management regularly estimates any indication that an asset may be impaired. Estimation is made every three years if there is an indication that an asset may be impaired. If any significant deviations are identified, they are revalued. Then, property, plant and equipment are subject to revaluation regularly enough to ensure that the carrying amount does not differ materially from that one which would be determined using fair value at the end of the reporting period.

Any item of property, plant and equipment is depreciated when it is available for use, i.e. when it is on the site and in operating condition as determined by the management. In practice, this means that depreciation starts from the beginning of the next period (month) when the asset is put into operation, as evidenced by commissioning certificate.

Depreciation of property, plant and equipment is calculated using the straight-line method over the remaining useful life of the property, plant and equipment. In a month when any asset is disposed, depreciation shall be calculated on a full month basis.

The estimated useful life of any item of property, plant and equipment shall be determined on an individual basis, taking into account the nature of asset and its related business activities. Estimated useful lives (in years):

- Buildings and structures from 10 to 30
- Machinery and equipment from 5 to 20
- Transport from 5 to 10
- Other from 3 to 7

Residual values, useful lives and depreciation methods of assets are reviewed at each financial year-end and adjusted as appropriate.

The Fund allocates costs related to the property, plant and equipment upon initial recognition to the following groups:

- maintenance costs are expensed in the period in which they were incurred;
- repair costs are expensed in the period in which they were incurred;
- modernisation, modification, extension, refurbishment, reconstruction are subject to capitalisation and subsequent depreciation as a part of the property, plant and equipment where such works were performed.

The decision on the nature and characteristics of works performed by the Fund, i.e. whether they are aimed at improving the technical and economic characteristics or maintaining facility in a usable condition, shall be made by the Fund Director, taking into account conclusions made by the Technical Commission based on the current situation analysis and materiality of such costs.

Any item of property, plant and equipment is derecognised upon its disposal or if no future economic benefits are expected from its use.

In the event of partial liquidation of the Fund, the part to be liquidated is estimated, i.e. its cost, accumulated depreciation and accumulated impairment losses related to this part shall be determined. The carrying amount of the part to be liquidated and expenses related to such liquidation are accounted for on the basis of the Act on non-current assets write-off in account 976 "Write-off of non-current assets" (line "Other expenses" in Consolidated Income Statement).

Inventories

Inventories shall include assets held for sale in the ordinary course of Fund's activities, which are in the process of production for such sale or exist in the form of basic or auxiliary materials for consumption in production process or during services provision.

The unit of accounting for inventories is their name.

Purchased inventories are recognised as an asset when all of the following conditions are met:

- all substantial risks and benefits related to the ownership of inventories were transferred to the Fund;
- the Fund obtained control over inventories and manages them to the extent that is normally associated with the ownership;
- the cost of inventories can be measured reliably;
- it is probable that the economic benefits associated with inventories use will flow to the Fund.

Purchased (obtained) or produced inventories are recorded in the Fund's balance sheet at cost. The cost of inventories is an equivalent of their payment price as of the date of recognition. The cost of inventories acquired for fee is the cost of inventories, which consists of the following costs and expenses:

- cost of inventories acquired paid to supplier, excluding indirect taxes reimbursed by the Fund;
- amounts of import duties;
- amounts of indirect taxes related to such acquisition that are not reimbursable by the Fund;
- transportation and procurement costs;
- other costs associated with inventories acquisition and their bringing to conditions and location suitable for their intended use.

Transportation and procurement costs (hereinafter referred to as the TPC) include the costs of inventories procurement, tariffs (freight) payment for loading and unloading operations and inventories transportation by all means of transport to the place of their use, including costs of inventories transportation insurance risks. TPC are recognised immediately as a part of the cost of a specific item of inventories (based on shipping documents) by storage location.

At the balance sheet date, inventories are measured at the lower of the cost or net realisable value.

The carrying amount of inventories should be reduced to the net realisable value based on decision taken by the Fund's management if they are physically damaged, fully or partially obsolete, their selling price has decreased, or their quality has deteriorated.

Adjustment of the carrying amount of inventories to the net realisable value is made by forming a provision for inventories impairment. To ensure a reliable estimation of inventories, the provision shall be accounted for by each inventory unit. Allowance for impairment of inventories is determined at the reporting date based on a review and analysis of inventory balances, and recognised as a difference between carrying amount and net realisable value. Inventory balances are analysed to determine net realisable value and to create provision for impairment on the basis of the results of physical inventory.

Inventories are recognised as an expense as follows:

- when inventories are sold, their carrying amount is recognised as the cost of sales in the reporting period in which the relevant income from such sale is recognised;
- when the Fund loses control over inventories (shortage, damage, theft, full impairment in the absence of a provision, loss in transit, etc.), the carrying amount of such inventories is recognised as an expense in the period when such loss or need for write-off occurs;
- in case of impairment provision accrual the inventories are impaired.

Inventories used for improvements to property, plant and equipment and other non-current assets are capitalised and expensed through depreciation of the asset over its useful life.

When inventories are disposed, they are measured on a FIFO method basis by the relevant lots.

Leases

In accordance with IFRS 16, lease is an agreement under which a lessor transfers the right to a lessee to use an asset (underlying asset) for a certain period in exchange for consideration (payment or series of payments).

In accordance with cl. 5 of IFRS 16, the Fund does not apply cl. 21-49 of IFRS 16 in case of:

- short-term leases and
- leases of low-value assets.

Under such leases, the Fund recognises lease payments as expenses on a straight-line basis over the lease term. A short-term lease shall mean a lease that does not provide for any right to purchase the asset leased and has a lease term of 12 months or less at the beginning of the lease term.

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

The Fund (lessee) may also include short-term lease agreements in this category with an option to extend the lease term by one year as mutually agreed by the parties, where the lessee or lessor has a unilateral right to decide not to renew the lease without penalty, and conditions described below are not available.

At the beginning of the lease term, in accordance with IFRS 16 (cl. 18-19 and paragraphs B34-B41), lessee shall estimate whether it is reasonably certain to exercise the option to renew the lease or not to exercise the option to terminate the lease. A lessee shall consider all relevant facts and circumstances that create economic incentive for the lessee to exercise such option.

Examples of the factors that may be considered include:

- importance of the underlying asset to the lessee's activities, including whether the underlying asset is a special asset, location of the underlying asset and availability of suitable alternatives (IFRS 16 B37g);
- significant improvements to the underlying asset have been made (or are expected to be made) during the lease term that are expected to result in a significant economic benefit to the lessee when the option to extend or terminate the lease or to purchase the underlying asset is exercised (IFRS 16 B37b);
- the lessee's past practice as to the period over which it has normally used similar types of assets (whether leased or owned), and the economic reasons for being certain that it will or will not exercise certain option (IFRS 16 B40).

In doing so, the Fund applies the short-term lease exemption consistently for each class of assets subject to the lease.

The Fund (lessee) measures the value of the underlying asset based on the cost of asset as if it were new, regardless of the age of the asset at the date of lease. To recognise the low value of the underlying assets for applying IFRS 16, the Fund has set a value limit up to USD 5,000, which is determined in UAH equivalent at the NBU exchange rate established at the date of lease agreement recognition. This judgement is based on an analysis taking into account the range of possible aggregate impact on financial statements.

For the leases where the underlying asset is of low value, the analysis is made on a lease-by-lease basis. If the lessee subleases the asset, or expects to sublease the asset, the underlying lease does not meet criteria for a lease of a low-value asset.

Lease obligations

At the beginning of the lease, the Fund, as a lessee, measures lease liability at the present value of lease payments not yet made as of this date. At the beginning of the lease, lease payments included in the measurement of the lease liability consist of the following payments for the right to use the underlying asset during the lease term that have not yet been made at the commencement date (cl. 27 of IFRS 16)

- a) fixed payments (including substantially fixed payments as described in cl. 16.B42 of IFRS), net of any lease incentives receivable;
- b) variable lease payments that depend on an index or a rate that are initially measured using the index or rate at the commencement date (as described in clause 16.28 of IFRS)
- c) amounts expected to be paid by the lessee under residual value guarantees;
- d) purchase exercise price if it is reasonably certain that the lessee will exercise the option (estimated considering the factors described in clauses B37-B40 of IFRS 16); and
- e) penalties paid for lease termination if the lease term reflects the lessee's potential exercise of the option to terminate the lease.

Variable lease payments dependent on an index or rate described in cl. 27(b) of IFRS 16 include, for example, payments associated with consumer price index (inflation), payments linked to changes in foreign exchange rates, payments linked to a reference interest rate (such as LIBOR), or payments that vary with changes in the market rents.

Upon lease commencement, the Fund, as a lessee, recognises in profit or loss, except to the extent that the expenses are included in the carrying amount of another asset using other relevant standards, the following two components:

- a) lease liability interest; and
- b) variable lease payments not included in the measurement of the lease liability in the period in which the event or conditions giving rise to variable payments occur.

Derivative instruments

Initial recognition and subsequent measurement

Derivative instrument is a contract giving rise to financial asset for one entity and financial liability or equity instrument for another entity.

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

The fair value of derivative instrument at initial recognition is normally the transaction price (i.e., the fair value of consideration given or received). However, if a part of consideration given or received is not assigned to a derivative instrument, the fair value of derivative instrument shall be pre-estimated using an appropriate estimating method:

- fair value of a non-interest bearing long-term loan or receivable is estimated as the present value of estimated future cash receipts discounted at prevailing market rate of interest for an instrument of similar terms (similar currency, maturity, interest rate and other characteristics) with similar credit rating;
- loan subjecting to an off-market rate is recognised at fair value with accrual of discount through profit or loss using effective interest rate method.

When the Fund becomes a party to a contract, it considers whether it contains embedded derivatives. The embedded derivatives are separated from the master agreement, which is not measured at fair value through profit or loss, if analysis shows that economic characteristics and risks of the embedded derivatives are substantially different from those of the master agreement.

Financial assets

Initial recognition and measurement

Financial assets are classified upon initial recognition as those to be measured subsequently at the amortised cost, at fair value through other comprehensive income (OCI) or at fair value through profit or loss.

Financial assets classification at initial recognition depends on contractual cash flow characteristics of financial asset and business model used by the Fund to manage those assets.

For a financial asset to be classified and measured at the amortised cost or at fair value through other comprehensive income, the contractual terms of the asset should give rise to cash flows that are "solely payments of principal and interest" on the principal amount outstanding. This assessment is called SPPI test which is performed on an instrument-by-instrument basis.

Business model used by the Fund for managing its financial assets describes the way in which the Fund manages its financial assets to generate cash flows. Business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets, or both. All purchase and sale transactions with financial assets that require assets delivery within the terms generally established by the laws or rules accepted in the market place (regular condition trades) are recognised at trade date, i.e. the date that the Fund commits to purchase or sell the asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified into four categories:

- financial assets measured at the amortised cost (debt instruments);
- financial assets measured at fair value through other comprehensive income with subsequent reclassification of accumulated profits and losses (debt instruments);
- financial assets designated by the entity as at fair value through other comprehensive income with subsequent reclassification of accumulated profits and losses on derecognition (equity instruments);
- financial assets measured at fair value through profit or loss.

Financial assets measured at fair value (debt instruments)

The Fund measures financial assets at the amortised cost if both of the following conditions are met:

- financial asset is held within the business model which objective is to hold financial assets to collect contractual cash flows; and
- contractual terms of financial asset give rise to the cash flows generated on the specified dates that refer solely to the payments of principal and interest on the principal amount outstanding.

Financial assets measured at the amortised cost are subsequently measured using the effective interest rate method and are subject to impairment requirements. Profits or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Fund includes receivables in this category of financial assets.

As of 31.12.2022, the Fund does not have any financial assets that would be classified at its discretion as at fair value through other comprehensive income (equity instruments), at fair value through other comprehensive income or at fair value through the profit or loss.

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

Impairment of financial assets

At each reporting date, the Fund recognises allowance for expected credit losses (ECL) in respect of all debt instruments measured not at the fair value through the profit or loss. ECLs are weighted average credit losses with the probability of default used as a weighting factor.

ECLs are measured based on the difference between contractual cash flows and all cash flows that the Fund expects to receive, discounted at the Fund's original effective interest rate or its approximation. Expected cash flows include cash flows from sale of allowance held or from other credit enhancement mechanisms that are an integral part of contractual terms.

ECLs are recognised in two stages. For financial instruments that have not experienced a significant increase in credit risk since initial recognition, an allowance is established for credit losses that are likely to arise from defaults that occur within the next 12 months (12-month ECLs). For financial instruments for which the credit risk has increased significantly since initial recognition, an allowance is established for credit losses expected over the life of derivative instrument, regardless of default terms (lifetime ECL).

Derecognition

Financial asset (or, where applicable, a part of financial asset or part of a group of similar financial assets) is derecognised where:

- rights to receive cash flows from the asset have expired;

or

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

Where the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it estimates whether it has retained the risks and benefits of ownership and, if so, to what extent. If the Fund has neither transferred nor retained substantially all the risks and benefits of the asset nor transferred the control over the asset, the Fund continues recognising the asset transferred to the extent of its continuing involvement. In this case, the Fund also recognises the relevant liability. The asset transferred and the relevant liability are measured on a basis that reflects the rights and obligations retained by the Fund.

Continuing involvement that takes the form of a guarantee over the asset transferred shall be measured at the lower of the original carrying amount of asset or the maximum amount of compensation that the Fund may be required to pay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified upon initial recognition as either financial liabilities at fair value through the profit or loss, loans and borrowings, accounts payable, or derivatives classified as hedging instruments in an effective hedge at the Fund's discretion.

All financial liabilities are recognised initially at the fair value net of (in case of loans, borrowings and accounts payable) directly attributable transaction costs.

Subsequent measurement of financial liabilities depends on their classification. The Fund has no financial liabilities classified at its own discretion at fair value through the profit or loss, and no interest-bearing loans and borrowings. The Fund does not use derivative financial instruments such as forward foreign exchange contracts, interest rate swaps and forward commodity contracts.

The Fund's financial liabilities include other accounts payable. Operating activities accounts payable and other accounts payable are recognised when the counterparty has performed its obligations under the contract and carried at the amortised cost using:

Advance payments and other non-financial assets

Advance payment is classified as non-current asset when the goods or services relating to advance payment are expected to be obtained not earlier than in 12 months from the reporting date or when the advance payment relates to the asset that will be classified as long-term asset upon initial recognition. Other non-financial assets that are expected to be sold non earlier than in 12 months from the reporting date are classified as non-current assets.

Where there is an indication that the assets, goods or services relating to advance payment will not be received, and no economic benefits will flow from non-financial asset, the carrying amount of advance payment or non-financial asset shall be written off accordingly and an impairment loss shall be recognised in other costs and expenses in consolidated income statement.

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

Revenues

The Fund's activities do not intend to make profit for its subsequent distribution among its founders and members. In the course of its charitable activities, the Fund may receive: funds and property received without payment, non-refundable financial assistance, and voluntary donations. Also sources for Fund's income may be passive income in accordance with the laws of Ukraine, grants or subsidies from the state or local budgets, and from the state trust funds, charitable assistance, humanitarian aid and technical assistance received in accordance with the international agreements, funds and property received from operating activities of the Fund in accordance with the Charter and the laws of Ukraine, other sources of the Fund's income and property not prohibited by the current laws.

The Fund's income is used solely for the Fund's support funding, purpose (goals, objectives) implementation and activities determined by the Charter of the Fund (see Note 1.1).

The Fund uses income method for funds accounting it receives to carry out its activities. In this case:

- Target charitable funds are recognised by the Fund in profit or loss on a systematic basis in the periods in which the related expenses are recognised as expenses for which compensation the funds were designated.
- Non-target charitable funds are recognised by the Fund in profit or loss on a systematic basis in the same period when the current expenses of the Fund are recognised in amount corresponding to the amount of current non-target expenses of the Fund.

Pension obligations

The Fund does not have any additional pension schemes except its participation in the state pension system of Ukraine, which requires calculation and current contributions by the employer as a percentage of current gross salary payments. These costs and expenses shall be recognised in the reporting period in which the related salaries are earned.

Transactions in foreign currencies

The Ukrainian hryvnia is a functional and presentation currency for the purposes of interim financial statements. Transactions in the currencies other than Ukrainian hryvnia are initially recorded at exchange rates prevailing at the dates of transactions.

Monetary assets and liabilities denominated in foreign currencies are converted to functional currency at official exchange rate established by the National Bank of Ukraine (the "NBU") as of respective reporting dates. Foreign exchange profits and losses resulting from transactions settlement and monetary assets and liabilities conversion into functional currency of the Fund at year-end exchange rates established by NBU are recognised in the profit and loss statement.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Fund's financial statements preparation requires from the management to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and disclosure of contingent liabilities at each reporting date. These estimates are based on information available as of the balance sheet date. Therefore, actual results may differ from these estimates.

Uncertainty about these assumptions and estimates may result in outcomes that could require a material adjustment to the carrying amount of the asset or liability underlying the assumptions and estimates in the future.

When the Fund's accounting policies were applied, the management has made the following judgements, which have the most significant effect on the amounts recognised in financial statements:

Risks related to the tax and other legislation

The Ukrainian tax and business activities legislation, including currency exchange and customs operations controls, continue to develop. Legislation and regulations are not always clearly formulated and subject to varying interpretations by local, regional and central public authorities, and other public bodies. It is not unusual for the opinions of different authorities to differ. Management believes that the Fund has complied with all regulations, and all applicable taxes and levies have been paid or accrued.

The following are the key assumptions concerning the future and other key sources of uncertainty estimation at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of non-financial assets

Property, plant and equipment are assessed for impairment whenever circumstances indicate possible impairment loss.

Indications that the Fund considers relevant to decision-making whether an impairment assessment is required include: a significant decline in the market value, a significant decline in performance compared to the past or estimated future operating results, significant changes in the assets use or in the Fund's strategy (e.g. assets liquidation or replacement, damage to assets or withdrawal from operations), significant adverse industrial or economic trends, and other factors.

The estimate of Replacement Asset Value is based on the management's judgements, including estimates of the future operations, income generating capacity of the assets, assumptions regarding future market conditions, technological developments, changes in legislation and other factors. These assumptions are used to calculate the value of asset use and include a forecast of the future cash flows and selection of appropriate discount rate.

As of December 31, 2022, the Fund did not identify any signs of potential impairment loss.

Useful lives of property, plant and equipment

The Fund estimates the useful lives of items of property, plant and equipment based on expectations of their future use, taking into account technological development, competition, changes in the market conditions and other factors. The useful lives of the property, plant and equipment are reviewed at least once per each reporting year-end. If expectations differ from previous estimates, changes are accounted for as changes in accounting estimates in accordance with IFRS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". These estimates may affect the carrying amount of property, plant and equipment in the statement of financial position and depreciation recognised in profit or loss.

4. FIRST IMPLEMENTATION OF IFRS

The Fund's financial statements for 2022 will be the first annual financial statements to be prepared in compliance with IFRS. The Fund was founded and started its activities on April 20, 2022. All transactions performed during the reporting year, assets and liabilities as of December 31, 2022 are presented in accordance with IFRS. Taking into account this information, there is no comparative information in the first IFRS financial statements and no reconciliation of equity under National Accounting Regulations (Standards) (ANR(S)) and IFRS, as there are no differences in this regard.

5. NEW AND AMENDED STANDARDS IMPLEMENTATION

The Fund has implemented for the first time certain standards and amendments that are effective for annual periods beginning on or after January 1, 2022, unless otherwise specified. The Fund has not early implemented any standards, interpretations or amendments that have been issued but are not yet effective.

Amendments to IFRS (IAS) 37 — Onerous Contracts — Cost of Fulfilling a Contract.

In May 2020, the IFRS Board issued amendments to IFRS 37 to clarify the costs that an entity should consider when assessing whether a contract is onerous or unprofitable.

An onerous contract is a contract under which the costs that are unavoidable when meeting obligations under the contract (i.e., costs that the Fund cannot avoid because it concluded the contract) exceed the economic benefits expected therefrom.

These amendments allow for a "direct contract expenses" approach. Direct contract expenses for the goods or services include both incremental costs to fulfil the contract and allocated costs directly attributable to the contract fulfillment. General and administrative expenses are not directly attributable to the contract and are therefore excluded unless they are clearly recoverable by the contracting party.

These amendments did not have any impact on the Fund's financial statements as the Fund has not identified any contracts as onerous.

Amendments to IFRS 3 — References to Conceptual Frameworks.

In May 2020, the IFRS Board issued amendments to IFRS 3 Business Combinations — References to Conceptual Frameworks. The objective of amendments is to replace the reference to the Concept Preparation and Financial Statements Submission issued in 1989 with the reference to Conceptual Framework for Financial Statements Submission issued in March 2018, without significantly changing the standard.

The Board also added an exemption to the recognition principle in IFRS 3 to avoid potential "2nd day" profits or losses for commitments and contingencies that would be within the scope of IFRS 37 or IFRIC 21 Obligatory Payments explanation, if they were to arise in separate transactions. Moreover, the Board decided to clarify existing requirements in IFRS 3 on contingent assets, which would not be affected by replacement of the references to the Concept Preparation and Financial Statements Submission.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets are not qualified for the recognition at the date of acquisition.

In accordance with transitional provisions, entities apply amendments prospectively to business combination that occurs upon the beginning of the annual reporting period in which they first apply amendments (date of initial application).

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"
Notes to IFRS Financial Statements - December 31, 2022
All amounts in the Tables are given in thd. hryvnias

These amendments did not have any impact on the Fund's financial statements since there were no contingent assets, liabilities or contingent liabilities arising out of these amendments during the period.

Amendments to IFRS (IAS) 16 — Property, Plant and Equipment: proceeds from intended use

In May 2020, the IFRS Board issued the document titled "Property, Plant and Equipment: proceeds from intended use" which prohibits entities to reduce the cost of an item of property, plant and equipment for any proceeds from goods sale produced in the process of this item delivery to its location and its bringing to condition required for operation in the manner determined by the management. Instead, the entity recognises proceeds from these items sale and the cost of these items production within the profit or loss.

In accordance with transitional provisions, the entities apply amendments retrospectively only to the items of property, plant and equipment that are available for use on or after the beginning of the earliest period presented in financial statements in which the entity first applies the amendments.

These amendments did not have any impact on the Fund's financial statements as there were no sales of such items produced by the property, plant and equipment provided for use at or after the beginning of the earliest period presented.

Amendment to IFRS 1 First International Financial Reporting Standards Implementation — subsidiary first implementing the International Financial Reporting Standards.

This amendment allows the subsidiary that decided to apply paragraph D16(a) of IFRS 1 to measure cumulative exchange differences using the amounts reported in the parent's consolidated financial statements based on the date of the parent's transition to IFRS, unless adjustments were made for consolidation procedures and effects of business combination in which the parent company acquired the subsidiary. The amendment also applies to associate or joint venture that decided to apply paragraph D16(a) of IFRS 1.

These amendments did not have any impact on the Fund's financial statements since they are not applied to its separate financial statements.

Amendment to IFRS 9 Financial Instruments — fees in 10% test for financial liabilities derecognition

The amendment provides clarification on the amount of fees that the entity considers when assessing whether the terms of a new or modified financial liability are substantially different from the terms of initial financial liability. These amounts include only fees paid or received between the specific lender and the borrower, including fees paid or received by the lender or borrower on behalf of another party.

The entity shall apply this amendment to financial liabilities that are modified or replaced on or after the beginning of the annual reporting period in which the entity first applies this amendment.

These amendments did not have any impact on the Fund's financial statements as there were no changes in the Fund's financial instruments during the period.

Amendment to IFRS 41 Agriculture — Taxation in Fair Value Measurement

Amendment cancels requirement in paragraph 22 of IAS 41 stating that the entities shall exclude cash flows for taxation when measuring fair value of assets within the scope of IAS 41.

These amendments did not have any impact on the Fund's financial statements as the Fund did not have any assets within the scope of IAS 41 as of the reporting date.

6. INFORMATION DISCLOSURE SUPPORTING ITEMS SUBMITTED IN FINANCIAL STATEMENTS

6.1. Income and expenses from operating activities

Other operating income:

	For 2022	For 2021
Income from foreign exchange differences	21	-
Income from charitable contributions	3 147	-
Total	3 163	-

Other operating expenses are as follows:

	For 2022	For 2021
Expenses from charitable activities	2 991	-
Total	2 991	-

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"**Notes to IFRS Financial Statements - December 31, 2022***All amounts in the Tables are given in thd. hryvnias***6.2. Administrative expenses**

Administrative expenses	For 2022	For 2021
Salaries and wages	72	-
Services of the third party organisations	52	-
Materials	30	-
Charges on pay-roll	16	-
Other	7	-
Total	177	-

6.3. Inventories

Information on changes in inventories:

	31.12.2022	31.12.2021
Goods for charitable assistance	1 425	-
Fuel and lubricants	14	-
Containers and packaging materials	148	-
Spare parts	99	-
Other	5	-
Total	1 691	-

Based on the market value and market conditions analysis regarding potential selling prices of inventories, there are no factors that would indicate that inventories have lost their original economic benefit.

As of December 31, 2022, the Fund does not have any inventories pledged as collateral to guarantee obligations fulfilment.

6.4. Cash and cash equivalents

As of December 31, 2022, cash and cash equivalents are denominated in UAH and foreign currency (USD, EUR). All bank balances are neither past due nor impaired.

Cash and cash equivalents include cash on current bank accounts:

	31.12.2022	31.12.2021
Cash on bank accounts in national currency	1 285	-
Cash on bank accounts in foreign currency	1 052	-
Total	2 337	-

Other cash inflows from operating activities of the Fund, as shown in the Statement of Cash Flows (using direct method) for 2022, include inflows as non-target charitable assistance.

6.5. Targeted financing

Targeted financing includes targeted and non-targeted funds received to purchase goods for charitable assistance in accordance with the goals and objectives of the Fund's activities:

	31.12.2022	31.12.2021
Grant Agreement dated 09.12.2022. ACTED BRANCH	563	-
Charitable non-targeted contributions from other persons	3 588	-
Total	4 151	-

6.6. Current provisions

The amount recognised as a reserve shows the best estimate of expenditures required at the end of the reporting period to settle current obligation. The total amount of reserve for expenditures consists of obligatory payment provided for by the Labour Code, such as payment of annual leave and compensation for unused vacation days upon employment termination,

Provision for leave payment is established annually as of December 31 based on the average daily salary of employees and the number of unused vacation days in accordance with the calculation methodology established by Ukrainian laws and regulations. The average daily salary shall be calculated based on the average number of calendar days in a year,

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"
Notes to IFRS Financial Statements - December 31, 2022
All amounts in the Tables are given in thd. hryvnias

including holidays.

Information about the type and changes in provision:

	Provision for holiday expenses
Balance as of 01.01.2022	-
Accrual for the year	6
Used during the year	-
Reversal of provision	-
Balance as of 31.12.2022	6

7. OTHER INFORMATION DISCLOSURE

7.1. Transactions with related parties

In accordance with the definition in IFRS (IAS) 24 "Related Party Disclosures", the Fund's related parties shall include the following counterparties:

- (a) entities that directly or indirectly through one or more intermediaries, control the Fund, are controlled by the Fund, or are under common control with the Fund;
- (b) associates — enterprises over which the Fund has a significant influence and which are not the subsidiaries or joint ventures of the investor;
- (c) individuals who directly or indirectly own voting shareholdings of the Fund and may significantly impact the Fund's activities, and anyone who influences or is influenced by such individuals in dealing with the Fund;
- (d) key management personnel of the Fund, i.e. persons authorised and responsible for planning, managing and controlling activities of the Fund, including Director of the Fund, as well as his/her immediate family members;
- (e) enterprises in which the voting right is owned, directly or indirectly, by any person described in clause (c) or (d), or by a person who is significantly influenced by such persons. They include enterprises owned by directors or major shareholders of the Fund, and enterprises that have a key member of the governing body in common with the reporting Fund;
- (f) pension funds acting in the interests of the Fund's employees.

In considering each possible related party transaction, attention was paid to the substance of transaction, not merely its legal form. Related parties may enter into transactions that would not occur between unrelated companies. Terms and amounts of transactions may also differ from those between unrelated parties.

The Fund did not have any transactions with related parties during the reporting period, and there were no debts between the parties as of 31.12.2022.

As of 31.12.2022, the key management personnel of the Fund consisted of 1 person. The total amount of remuneration with the single social security tax to the key management personnel of the Fund for 2022 amounted to UAH 63 thousand and is recognised in administrative expenses.

7.2. Contingencies and other liabilities

Taxation and compliance with other regulatory requirements

The Ukrainian laws and regulations regarding taxation and operating activities, including currency exchange and customs control, continue developing. The laws and regulations are not always clearly formulated and are subject to varying interpretations by local, regional and national authorities, and other governmental bodies. Instances of inconsistencies and varying opinions are not unusual.

Management believes that the Fund has complied fully with all applicable laws and regulations and has paid and accrued all taxes as required.

7.3. Standards issued but not yet effective

IFRS (IAS) 8.30 requires from the entities to disclose information in their financial statements about the standards issued but not yet effective and well-known or reasoned information that enables users to evaluate the likely effect of IFRS on the entity's financial statements.

Information is provided below.

New standards, amendments and explanations issued, but not yet effective, up to the date of the Fund's financial statements issuance	Effective date
<i>IFRS 17 Insurance Contracts</i>	January 1, 2023

The new financial reporting standard for insurance contracts addresses recognition and

New standards, amendments and explanations issued, but not yet effective, up to the date of the Fund's financial statements issuance

Effective date

measurement, submission and disclosure. When IFRS 17 becomes effective,

it will replace IFRS 4 Insurance Contracts, which was issued in 2005.

Amendments to IAS 1 — Classification of Liabilities as Current or Non-current

January 1, 2023

Clarifies requirements for the liabilities as current and non-current.

Amendments to IFRS 8 — Identification of Accounting Estimates

January 1, 2023

The amendments clarify the difference between changes in accounting estimates and changes in accounting policies and errors corrections. In addition, the document clarifies the issue how the entities shall use measurement techniques and initial data to develop accounting estimates.

Amendments to IFRS (IAS) 1 and Practice Note 2 on IFRS application — Disclosures about Accounting Policies

January 1, 2023

Added with instructions and examples to help the entities apply materiality judgements in accounting policy disclosures.

Amendments to IAS 12 Deferred Taxes on Assets and Liabilities Arising from a Single Transaction

January 1, 2023

Amendments narrow the scope of exception applied for initial recognition in accordance with IAS 12 so that it is no longer applied to transactions that give rise to the same taxable and deductible temporary differences

Amendments to IFRS 16 Leases — Sale and Leaseback Obligations

January 1, 2024

Amendments clarify how a seller (lessee) accounts for a sale and leaseback transaction after the date of transaction.

Amendments to IAS 1 Presentation of Financial Statements – Non-current Contingent Liabilities

January 1, 2024

These amendments clarify contingent liabilities presentation and liabilities classification that can be settled by the entity's own shares (convertible debt)

Amendments to IFRS 10 and IFRS (IAS) 28 — Sale or Contribution of Assets in Transactions between an Investor and its Associate or Joint Venture

entry date is postponed for an indefinite term

These amendments address inconsistencies between IFRS 10 and IFRS (IAS) 28 in the accounting for the loss of control over subsidiary that is sold to or contributes to an associate or joint venture

Management does not expect that the implemented standards, amendments and explanations listed above will have a material impact on the Fund's financial statements in the future periods

7.4. Events upon the end of the reporting period

Emergency situation and its impact on the Fund's activities

The war is not over, so businesses and citizens of Ukraine will continue feeling its negative impact. The total direct and indirect losses of Ukrainian economy have already reached USD 600 billion and will continue growing. Military challenges that Ukraine needs to address in the near future:

- 1) full or partial commercial companies shutdown or bankruptcy due to destroyed facilities, sales markets loss and narrowing in Ukraine and abroad, and unfulfilled external contracts, including due to currency restrictions;
- 2) high unemployment, massive personnel outflow outside the country and the risk of a significant number of Ukrainian citizens non-return, who have moved abroad seeking temporary refuge from armed aggression;
- 3) change in the labour force balance by the regions;
- 4) blocked ports and narrow logistics, which will continue hampering export development;
- 5) supply chains destruction for raw materials and finished goods;
- 6) reduced bank activity and investment projects freezing.

The war has limited some traditional and new opportunities potential:

CHARITABLE ORGANIZATION "CHARITY FUND "WORLD. UKRAINE. POLOHY"

Notes to IFRS Financial Statements - December 31, 2022

All amounts in the Tables are given in thd. hryvnias

1. High risks will remain in Ukraine for a long time, both because of uncertain nature of the war (no one knows when and how the war will end) and because of the possibility for the military conflicts to be renewed on the territory of Ukraine until a qualitatively new and reliably functioning collective security system is established. This will restrain the free flow of capital into Ukrainian economy.
2. Insufficient rule of law and associated excessively high country risk significantly increase the required minimum expected rate of return on investment and, accordingly, reduce investment attractiveness
3. The excessive level of government spending (share of state expenditures as a percentage of GDP) inherited from the Soviet era limits economic growth. In addition, the possibilities for a significant fiscal manoeuvre are limited by historically unprecedented level of government spendings caused by russia's unprovoked war against Ukraine.
4. Enormous financial expenses incurred by the State of Ukraine, every citizen and every businessman have further reduced limited domestic financial capacity of both banking system, stock market and state budget existed before the war. The impact of this factor will continue until the economic recovery completion.

The following are significant factors among the institutional constraints:

- low employee loyalty to the reforms, with trade unions actively resisting, trade unions rejection of changes and needs of the modern labour market, limited employment opportunities for the people with disabilities, especially in the context of the growing number of young people with disabilities caused by war;
- need for strict compliance with EU legislation (EU acquis), full implementation of EU acquis into the national legislation during the pre-accession period, a full constitutional embargo (constitutional ban) on the decisions-making at the level of laws and bylaws that contradict EU legislation. There is also a need for a "tailored" decision for Ukraine's accession process to address specific post-war reconstruction challenges: financial support and institutional innovation.

Due to martial law implemented in Ukraine, constitutional rights and freedoms of a human and citizen provided for in Articles 30-34, 38, 39, 41-44, 53 of the Constitution of Ukraine have been temporarily restricted, and the temporary restrictions on the rights and legitimate interests of the legal entities have been implemented.

The Decree of the President of Ukraine No. 64/2022 dated February 24, 2022 "On the introduction of martial law in Ukraine" and the Decree of the President of Ukraine No. 69/2022 dd. February 24, 2022 "On General Mobilisation" were extended for another 90 days starting from February 19, 2023.

In terms of current position, both for Ukraine as a whole and for each Ukrainian company and organisation, it is difficult to assess future consequences of the military aggression of the russian federation against Ukraine and to predict the short-term development prospects (see Note 1.2) .

These financial statements do not include any adjustments to reflect possible future effects on recoverability and classification of amounts of assets and liabilities recorded that may arise as a result of current uncertainties.

Significant events

Upon the end of the reporting period and up to the date of financial information publication, there were no significant events in financial and economic activities of the Fund that would require amounts adjustment recognised in financial statements after the reporting period or previously unrecognised items recognition in accordance with IAS 33.

Executive Director

/Yevstafiev S.M./

Chief Accountant

/Harmash S.M./