

### 3 Net interest and similar income and expense

<u>Interest and similar incomes</u>	<u>01.07.24</u> <u>30.09.24</u>	<u>01.01.24</u> <u>30.09.24</u>	<u>01.07.23</u> <u>30.09.23</u>	<u>01.01.23</u> <u>30.09.23</u>
Amounts due from banks, financial institutions, bank current accounts	108,435	383,906	118,367	352,267
Loans and advances to customers	5,044,694	14,348,836	3,725,731	10,281,021
Debt securities available-for-sale	3,068,503	9,290,333	3,227,442	9,549,947
Debt securities held to maturity	2,171,360	6,430,050	2,252,943	6,711,008
Reverse repurchase transactions	61,219	220,812	64,879	202,677
Other interest income	584,715	1,594,931	273,514	667,763
<b>Total interest and similar income</b>	<b>11,038,926</b>	<b>32,268,868</b>	<b>9,662,876</b>	<b>27,764,683</b>

<u>Interest and similar expense</u>	<u>01.07.24</u> <u>30.09.24</u>	<u>01.01.24</u> <u>30.09.24</u>	<u>01.07.23</u> <u>30.09.23</u>	<u>01.01.23</u> <u>30.09.23</u>
Amounts due to banks, financial institutions, bank current accounts	974,944	3,053,785	1,200,256	3,333,305
Amounts due to customers	2,945,615	8,880,714	3,376,048	9,926,614
Amounts due to securities issued by the Bank	1,216,366	3,257,820	978,274	2,865,687
Repurchase agreement operations	1,965,535	6,215,905	1,553,584	4,888,494
Other interest expenses	3,904	5,337	2,844	6,373
<b>Total interest and similar expense</b>	<b>7,106,364</b>	<b>21,413,561</b>	<b>7,111,006</b>	<b>21,020,473</b>

**Net interest and similar income and expense** **3,932,562** **10,855,307** **2,551,870** **6,744,210**

### 4 Fee and commission income and expense

<u>Fee and commission income</u>	<u>01.07.24</u> <u>30.09.24</u>	<u>01.01.24</u> <u>30.09.24</u>	<u>01.07.23</u> <u>30.09.23</u>	<u>01.01.23</u> <u>30.09.23</u>
Cash collection	16,456	34,959	15,172	35,658
Wire transfer fees	139,361	410,450	115,654	317,688
Guarantees and letters of credit	43,685	164,404	26,687	69,492
Foreign currency translation and brokerage operations	15,526	50,129	9,581	28,267
Other fees and commissions	75,629	198,620	51,471	134,295
<b>Total fee and commission income</b>	<b>290,657</b>	<b>858,562</b>	<b>218,565</b>	<b>585,400</b>

<u>Fee and commission expense</u>	<u>01.07.24</u> <u>30.09.24</u>	<u>01.01.24</u> <u>30.09.24</u>	<u>01.07.23</u> <u>30.09.23</u>	<u>01.01.23</u> <u>30.09.23</u>
Correspondent and other accounts	32,434	97,655	21,328	52,804
Foreign currency translation and brokerage operations	463	672	86	329
Other expenses*	48,854	141,032	32,500	85,597
<b>Total fee and commission expense</b>	<b>81,751</b>	<b>239,359</b>	<b>53,914</b>	<b>138,730</b>

**Net fee and commission income** **208,906** **619,203** **164,651** **446,670**

### 5. Net income on trading operations

<u>Available for sale investments</u>	<u>01.07.24</u> <u>30.09.24</u>	<u>01.01.24</u> <u>30.09.24</u>	<u>01.07.23</u> <u>30.09.23</u>	<u>01.01.23</u> <u>30.09.23</u>
Net income on trading with available for sale investments, including	48,303	105,387	25,365	67,436
bonds	48,303	104,125	23,620	65,691
shares	0	1,262	1,745	1,745
<b>Total</b>	<b>48,303</b>	<b>105,387</b>	<b>25,365</b>	<b>67,436</b>

<u>Foreign currency operations</u>	<u>01.07.24</u> <u>30.09.24</u>	<u>01.01.24</u> <u>30.09.24</u>	<u>01.07.23</u> <u>30.09.23</u>	<u>01.01.23</u> <u>30.09.23</u>
Net income on trading with foreign currency	393,710	1,224,809	261,339	707,093
Net income on foreign currency revaluation	19,642	(181,100)	(27,161)	(110,391)
Net income/loss on derivatives	20,459	40,975	(35,696)	(60,229)
<b>Total</b>	<b>433,811</b>	<b>1,084,684</b>	<b>198,482</b>	<b>536,473</b>

<u>Precious metals bullion bars and coins</u>	<u>01.07.24</u> <u>30.09.24</u>	<u>01.01.24</u> <u>30.09.24</u>	<u>01.07.23</u> <u>30.09.23</u>	<u>01.01.23</u> <u>30.09.23</u>
Net income on trading with precious metals bullion bars and coins	2,647	(25,514)	685	8,592
Net income on revaluation of precious metals bullion bars and coins	10,308	20,699	(328)	85
<b>Total</b>	<b>12,955</b>	<b>(4,815)</b>	<b>357</b>	<b>8,677</b>

**Net income on trading operations** **495,069** **1,185,256** **224,204** **612,586**

## 6 Other operational income

	01.07.24 30.09.24	01.01.24 30.09.24	01.07.23 30.09.23	01.01.23 30.09.23
<b>Other operational income</b>				
Fines and penalties received	177,485	405,366	86,340	214,670
Net income from sale of fixed and intangible assets	667	717	27,336	31,095
Other income**	12,485	46,244	10,522	61,399
<b>Total other income</b>	<b>190,637</b>	<b>452,327</b>	<b>124,198</b>	<b>307,164</b>

## 7 Impairment charge/(recovery of impairment) for credit losses

	01.07.24 30.09.24	01.01.24 30.09.24	01.07.23 30.09.23	01.01.23 30.09.23
<b>Total net provisions made</b>				
Loans and advances to customers	(1,048,657)	(735,982)	(573,836)	(1,653,385)
<b>Total</b>	<b>(1,048,657)</b>	<b>(735,982)</b>	<b>(573,836)</b>	<b>(1,653,385)</b>

## 8. Total administrative expenses

	01.07.24 30.09.24	01.01.24 30.09.24	01.07.23 30.09.23	01.01.23 30.09.23
<b>Total administrative expenses</b>				
Wages and salaries*	625,276	1,669,545	496,635	1,537,738
Business trip expenses	2,196	17,905	1,653	12,293
Insurance expenses	20,048	48,969	11,819	43,684
Fixed assets maintenance	2,347	9,545	1,012	4,089
Building maintenance and security	14,575	44,859	13,745	41,037
Auditing, consulting and other services	14,712	45,716	7,450	34,836
Communication expenses	38,836	114,965	36,670	103,249
Transportation expenses	440	2,466	737	2,072
Taxes /other than income tax/ duties	2,150	7,624	3,065	8,541
Office and other organizational expenses	2,054	3,673	1,631	5,709
Expenses on granting and gathering loans	12,471	40,511	7,597	30,802
Other administrative expenses**	13,383	36,686	15,272	45,470
<b>Total</b>	<b>748,488</b>	<b>2,042,464</b>	<b>597,286</b>	<b>1,869,520</b>

\* Average number of staff

165      161      157      157

\* Average monthly salary per employee

927      3,364      1,188      1,774

## 9 Other operational expenses

	01.07.24 30.09.24	01.01.24 30.09.24	01.07.23 30.09.23	01.01.23 30.09.23
<b>Other operational expenses</b>				
Expenses on cash delivery	627	1,800	592	1,782
Advertising and representation expenses	6,097	16,959	2,874	13,654
Fixed assets and intangible assets depreciation expenses	90,555	212,128	67,832	189,257
Other expenses****	24,072	58,980	15,501	53,030
<b>Total other operational expenses</b>	<b>121,351</b>	<b>289,867</b>	<b>86,799</b>	<b>257,723</b>

The corporate income tax in the Republic of Armenia is levied at the rate of 18%. Differences between IFRS and RA statutory tax regulations give rise to certain temporary differences between the book value of certain assets and liabilities for financial reporting purposes and for profit tax purposes. Deferred income tax is calculated using the principal tax rate of 18%. Numerical reconciliation between the tax expenses and accounting profit is provided below:

Thousand Armenian drams	01.01.24 30.09.24	Effective rate (%)	01.01.23 31.12.23	Effective rate (%)
<b>Profit before tax</b>	9,998,058		1,617,182	
Profit tax	1,799,650	18	291,093	18
Non-deductible expenses	27,614		47,769	
Foreign exchange (gains)/losses	(119,426)			
Other	92,162		1,327,992	
<b>Income tax expense</b>	<b>1,800,000</b>		<b>1,666,854</b>	

#### Deferred tax calculation in respect of temporary differences:

Thousand Armenian drams	30.09.24	Recognized in equity	Recognized in Income statement	31.12.23
Cash and cash equivalents	4,814			4,814
Derivative financial assets	6,202			6,202
Amounts due from banks and other financial institutions	(4,368)			(4,368)
Customer loans and prepayments	(562,272)			(562,272)
Investments available for sale	(1,803,386)			1,875,147
Investment securities	206,523			206,523
Fixed assets	329,766			329,767
Other assets	(81,934)			(81,934)
Other reserves	9,673			9,673
Lease obligations	(1,540)			(1,540)
Other liabilities	40,109			40,109
<b>Total deferred tax liabilities</b>	<b>(1,856,413)</b>			<b>1,822,121</b>

#### 13. Cash and balances with CBA

Thousand Armenian drams	30.09.24	31.12.23
Cash	2,359,552	2,460,846
Cash in ARMs	30,132	69,882
Correspondent accounts with the CBA	16,370,252	14,572,598
Correspondent accounts	3,471,811	3,304,389
Deposits with banks	154,916	3,116,884
Accrued interest	27	1,794
Allowance for impairment	(18,011)	(26,748)
<b>Total cash, cash equivalents and balances with CBA</b>	<b>22,368,679</b>	<b>23,499,645</b>

#### 14. Derivative financial assets

Thousand Armenian drams	30.09.24	31.12.23
Currency swaps	7977	3415
Forward contracts	15,234	5,847
	<b>23,211</b>	<b>9,262</b>

#### 15. Amounts due from banks and other financial institutions

Thousand Armenian drams	30.09.24	31.12.23
Deposited funds with CB	120,000	260,000
Deposited funds with financial institutions	325,044	151,719
Loans with bank		
Loans with other financial institutions	2,100,000	3,245,340
Acreditives with other fin. Institutions	86,838	
Repurchase agreements with banks	1,936,450	4,047,900
Repurchase agreements with other financial institutions	4,123,479	4,512,337
Other accounts	691,354	40,256
Accrued interest	21,102	82,909
Allowance for loan impairment	(50,347)	(74,068)
<b>Total amounts due from banks and other financial institutions</b>	<b>9,353,920</b>	<b>12,266,393</b>

**16. Loans and other advances to customers**

Thousand Armenian drams	30.09.24	31.12.23
Loans to customers, including	85,431,226	61,193,384
Factoring	3,000,899	2,726,040
Credit lines and overdraft	98,771,842	103,715,902
Repurchase agreements	314,919	256,381
Letters of credit	769,555	191,569
Financial leasing	9,964,125	7,583,324
Accrued interest	<b>3,572,881</b>	<b>2,856,816</b>
Total loans customers	<b>201,825,447</b>	<b>178,523,416</b>
Allowance for loan impairment	(8,616,185)	(7,346,889)
<b>Total loans and other advances to customers</b>	<b>193,209,262</b>	<b>171,176,527</b>

**Loans to individuals comprise the following products:**

Thousand Armenian drams	30.09.24	31.12.23
Privately held companies, including	<b>168,896,397</b>	<b>141,127,221</b>
Large entities	51,825,949	50,681,202
Small and medium entities	106,769,448	90,446,019
Individuals	<b>37,388,322</b>	<b>32,145,250</b>
Sole proprietors	<b>2,268,847</b>	<b>2,394,129</b>
Accrued interest	<b>3,572,881</b>	<b>2,856,816</b>
Allowance for loan impairment	(8,616,185)	(7,346,889)
<b>Total loans and advances to customers</b>	<b>193,209,262</b>	<b>171,176,527</b>

**Loans to individuals comprise the following products:**

Thousand Armenian drams	30.09.24	31.12.23
Mortgage loans	33,144,547	27,957,120
Consumer loans	3,335,962	3,319,867
Repurchase agreements	314,920	256,381
Other	592,893	611,882
<b>Total loans and advances to individuals (gross)</b>	<b>37,388,322</b>	<b>32,145,250</b>

**Structure of impaired (non performing) loans and borrowings**

Thousand Armenian drams	30.09.24	31.12.23
<b>Loans and borrowings, o/w</b>	<b>201,825,447</b>	<b>178,523,416</b>
<b>Impaired (non performing) loans and borrowings, o/w</b>	<b>18,545,907</b>	<b>12,144,040</b>
overdue	4,679,953	3,145,131
<b>Total loans</b>	<b>201,825,447</b>	<b>178,523,416</b>
Allowance for loan impairment	(8,616,185)	(7,346,889)
<b>Total loans</b>	<b>193,209,262</b>	<b>171,176,527</b>

**Analysis of loans and borrowings by economy sectors**

Thousand Armenian drams	30.09.24	%	31.12.23	%
Manufacturing	<b>47,123,447</b>	23.35%	<b>44,723,764</b>	25.05%
Mortgage loans	<b>33,333,199</b>	16.52%	<b>28,097,993</b>	15.74%
Construction	<b>37,855,972</b>	18.76%	<b>28,942,595</b>	16.21%
Retail	<b>27,854,833</b>	13.80%	<b>24,147,402</b>	13.53%
Electricity generation, transmission and distribution	<b>18,525,635</b>	9.18%	<b>19,413,242</b>	10.87%
Agriculture	<b>10,878,099</b>	5.39%	<b>10,897,982</b>	5.99%
Tourism	<b>8,749,506</b>	4.34%	<b>8,663,257</b>	4.85%
Consumer loan	<b>2,231,703</b>	1.11%	<b>2,246,532</b>	1.26%
Credit card loan	<b>1,456,744</b>	0.72%	<b>1,367,867</b>	0.77%
Other	<b>13,816,309</b>	6.85%	<b>10,222,782</b>	5.73%
<b>Total loans</b>	<b>201,825,447</b>	<b>100%</b>	<b>178,523,416</b>	<b>100%</b>
Allowance for loan impairment				
<b>Total net loans and borrowings</b>	<b>201,825,447</b>		<b>178,523,416</b>	

Loans to large 10 exposures and parties related with them are introduced in the note 16.



1) total sum	58,230,332
2) percentage in gross loans (n % of loan portfolio),	28.85%
3) percentage in capital (n % of capital):	81.39%

#### 17 Investments available for sale

Thousand Armenian drams	30.09.24	31.12.23
<b>Quoted Investments</b>		
RA corporate shares	33,657	16,500
Securities issued by the RA Ministry of Finance	31,953,365	40,385,356
<i>o/w interest</i>	509,155	731,359
RA corporate bonds	7,493,658	3,892,079
<b>Unquoted Investments</b>		
RA corporate shares	19,575	19,575
<b>Total Investments</b>	<b>39,500,255</b>	<b>44,313,510</b>

#### Other financial assets carried at amortized cost

Thousand Armenian drams	30.09.24	31.12.23
Securities issued by the RA Ministry of Finance	72,264,803	76,039,905
Accrued interest	963,935	2,330,531
Allowance for impairment	(215,232)	(215,793)
<b>Other financial assets carried at amortized cost</b>	<b>73,013,506</b>	<b>78,154,643</b>

#### Investment securities pledged under repurchase agreements

Thousand Armenian drams	30.09.24	31.12.23
Investment securities pledged under repurchase agreements	96,609,088	88,595,879
<b>Investment securities pledged under repurchase agreements</b>	<b>96,609,088</b>	<b>88,595,879</b>

#### Non current assets held for sale

Thousand Armenian drams	30.09.24	31.12.23
Non current assets held for sale	2,216,975	872,185
Allowance for impairment	(489,760)	
<b>Non current assets held for sale*</b>	<b>1,727,215</b>	<b>872,185</b>

\* The non-current asset became the property of the bank as a result of takeover of the collateral, which the bank does not intend to keep in the future soon as possible.

All debt securities have fixed coupons.

The real value of unquoted available-for-sale debt securities is measured using a valuation technique, which is based on available observable market data.

Available for sale securities by effective interest rates and maturity date comprise.

	30.09.24		31.12.23	
	%	Term	%	Term
Securities issued by RA Ministry of Finance (AMD)	9.40-9.74	2026-2050	10.25-10.78	2024-2050
Securities issued by RA Ministry of Finance (USD)	5.58-6.42	2025-2031	5.96-6.92	2025-2031
RA corporate bonds (AMD)	9.96-11.8	2024-2028	11.15-11.1	2024-2028
RA corporate bonds (USD)	8.08-5.34	2024-2028	6.2-7.3	2024-2027

## 20 Fixed assets, intangible assets

	PPE	Computers and communication facilities	Vehicles	Office equipment	Total
<b>Initial value</b>					
Initial value as of 1 January, 2024 (audited)	2,202,048	342,843	166,545	176,729	<b>2,888,165</b>
Additions	71,699	5,509		5,400	<b>82,608</b>
Disposals	316,211	730		1,660	<b>318,601</b>
<b>As of September 30, 2024</b>	<b>1,957,536</b>	<b>347,622</b>	<b>166,545</b>	<b>180,469</b>	<b>2,652,172</b>
<b>ACCRUED DEPRECIATION</b>					
As of 1 January, 2024	371,675	245,133	77,995	137,177	<b>831,880</b>
Additions	466,483	26,599	14,190	7,966	<b>515,238</b>
Disposals	106,405	730		1,661	<b>108,796</b>
<b>As of September 30, 2024</b>	<b>731,753</b>	<b>271,002</b>	<b>92,185</b>	<b>143,482</b>	<b>1,238,422</b>
<b>CARRYING VALUE</b>					
<b>As of September 30, 2024</b>	<b>1,225,783</b>	<b>76,620</b>	<b>74,360</b>	<b>36,987</b>	<b>1,413,750</b>

Thousand Armenian drams	Computer programmes	Other intangible assets	Total
<b>Initial value as of 1 January, 2024 (audited)</b>			
	154,278	107,573	<b>261,851</b>
Additions	33,762	5,573	<b>39,335</b>
Devaluation		2,898	<b>2,898</b>
<b>As of September 30, 2024</b>	<b>188,040</b>	<b>110,248</b>	<b>298,288</b>
<b>ACCRUED DEPRECIATION</b>			
As of 1 January, 2024	94,441	56,188	<b>150,629</b>
Additions	13,568	12,352	<b>25,920</b>
Devaluation		3,725	<b>3,725</b>
<b>As of September 30, 2024</b>	<b>108,009</b>	<b>64,815</b>	<b>172,824</b>
<b>CARRYING VALUE</b>			
<b>As of September, 2024</b>	<b>80,031</b>	<b>45,433</b>	<b>125,464</b>

## 22 Other Assets

Thousand Armenian drams	30.09.24	31.12.23
Prepayments and other debtors	6,067,476	4,463,562
Prepayments of other taxes	714,819	1,327,999
Precious metals	106,632	2,524
Reserve	7,873	8,023
Costs of future period	52,223	14,432
Other assets	862,489	490,768
Allowance for other receivables and prepayments	<b>(35,880)</b>	<b>(40,302)</b>
<b>Total other assets</b>	<b>7,775,832</b>	<b>6,267,006</b>

## 23. Amounts due to banks

Thousand Armenian drams	30.09.24	31.12.23
<b>Amounts due to CBA</b>		
Loans from CBA	<b>70,088,389</b>	<b>63,082,633</b>
Repurchase agreements	70,088,389	63,082,633
Accrued interest		
<b>Amounts due to banks</b>	<b>23,915,021</b>	<b>28,744,038</b>
Correspondent accounts of other banks	20,187	21,001
Loans from banks	3,003,800	5,173,270
Repurchase agreements from banks	18,131,484	20,407,924
Letters of credit	2,109,591	3,138,916
Other amounts	649,959	2,925
Accrued interest		
<b>Total amounts due to CBA and banks</b>	<b>94,003,410</b>	<b>91,826,669</b>

**14. Derivative financial liabilities**

Thousand Armenian drams	30.09.24	31.12.23
Currency swaps	740	672
Forward contracts	53,975	28,884
<b>Total derivative financial liabilities</b>	<b>54,715</b>	<b>29,556</b>

**24 Amounts due to customers**

Thousand Armenian drams	30.09.24	31.12.23
<b>financial institutions</b>	<b>19,584,091</b>	<b>31,065,539</b>
Current/Settlement accounts	9,167,765	14,790,097
- resident	9,083,330	14,758,613
Term deposits	10,040,009	15,983,119
- resident	10,040,009	13,144,833
Accrued interest	320,716	264,110
- resident	320,716	95,714
Other liabilities	55,611	28,213
- resident	6,051	8,472
<b>Legal entities</b>	<b>91,888,300</b>	<b>97,352,644</b>
Current/Settlement accounts	17,397,033	20,523,868
- resident	15,535,903	18,079,061
Term deposits	58,729,065	64,861,733
- resident	15,098,082	23,083,953
Accrued interest	851,306	532,880
- resident	825,450	489,031
Other liabilities	14,909,896	11,414,163
- resident	14,701,548	11,401,195
<b>Sole proprietors</b>	<b>5,464,881</b>	<b>2,405,848</b>
Current accounts	5,446,136	2,390,535
- resident	5,446,136	2,390,535
Term deposits	18,730	15,284
- resident	18,730	15,284
Accrued interest	15	29
- resident	15	29
<b>Individuals</b>	<b>28,547,914</b>	<b>29,950,986</b>
Current accounts	5,485,255	5,376,648
- resident	2,957,463	2,953,101
Term deposits	22,684,522	23,336,647
- resident	13,769,594	13,658,577
Accrued interest	341,429	315,492
- resident	227,194	214,780
Other liabilities	56,708	922,199
- resident	56,634	922,108
<b>Total amounts due to customers</b>	<b>145,485,186</b>	<b>160,775,017</b>

**25 Securities issued by the Bank**

Thousand Armenian drams	30.09.24	31.12.23
Securities issued by the Bank	67,822,426	55,022,320
<b>Total securities issued by the Bank</b>	<b>67,822,426</b>	<b>55,022,320</b>

**26. Other borrowed funds**

Thousand Armenian drams	30.09.24	31.12.23
Loans from CBA through international programs	23,127,847	22,869,094
Loans from credit organizations	3,311,037	2,842,828
Loans from international financial organizations	5,062,052	2,781,530
<b>Total other borrowed funds</b>	<b>31,500,936</b>	<b>28,493,452</b>

**28. Other liabilities**

Thousand Armenian drams	30.09.24	31.12.23
Insurance of deposits	33,345	33,000
Received prepayments	226,462	271,758
Tax liabilities	461,678	431,667
Amounts payable for factoring	253,187	239,826
Income of future period	10,184	3,872
Due to personnel	287,339	266,015
Amounts payable to suppliers	88,552	73,062
Amounts payable for financial leasing	66,965	99,725
Provisions	391,688	387,777
Other	273,821	19,840
<b>Total other liabilities</b>	<b>2,093,221</b>	<b>1,826,542</b>

## 29. Subordinated debt

Thousand Armenian drams	30.09.24	31.12.23
Subordinated debt	30,138,493	32,161,126
<b>Total subordinated debt</b>	<b>30,138,493</b>	<b>32,161,126</b>



## 30 Equity

Thousand Armenian drams	30.09.24	31.12.23
<b>Statutory capital</b>	<b>16,205,748</b>	<b>16,205,748</b>
Ordinary shares	10,000,200	10,000,200
Share premium	6,205,548	6,205,548
<b>Reserves, including</b>	<b>38,010,828</b>	<b>31,144,339</b>
Main reserve	40,000,000	40,000,000
Gains from the revaluation of non-current assets	1,134,703	1,568,768
Revaluation reserve	(3,123,875)	(10,414,429)
<b>Non-distributed profit</b>	<b>17,327,045</b>	<b>11,705,333</b>
current year	8,243,780	(49,670)
previous year	9,083,265	11,755,003
<b>Total capital</b>	<b>71,543,621</b>	<b>59,055,420</b>

As of September 30, 2024 the Bank's share capital consists of 16,667 ordinary shares. "HVS Holding" S.a.r.l. is a shareholder of 14,588 shares out of a total of 16,667 shares of the bank, and "FMTM Distribution" LLC is a shareholder of 2,079 shares. Significant shareholders of the bank are "HVS Holding" S.a.r.l., which owns 87.53% of the voting shares, and "FMTM Distribution", which owns 12.47% of the voting shares.

As of September 30, 2024 total normative capital of the bank is AMD 98 bln.

The replenishment of the equity capital of the Bank was implemented by AMD and the shareholder has the right to get dividends and distribute it in AMD.

## Contingent liabilities related to off balance sheet line items bearing credit risk.

Thousand Armenian drams	30.09.24	31.12.23
Undrawn loan commitments	10,875,889	8,749,681
Guarantees provided	30,390,213	16,785,448
Allowance for impairment of liabilities bearing credit risk	(391,668)	(387,777)
<b>Total credit risk related commitments</b>	<b>40,874,414</b>	<b>25,147,352</b>

## Transactions with related parties

Thousand Armenian drams	30.09.24		31.12.23	
	Shareholders and related parties	Key management and related parties	Shareholders and related parties	Key management and related parties
<b>Loans and advances to customers</b>				
Loans outstanding as of January 1, gross	7,062,014	1,036,917	5,088,602	477,671
Loans issued during the year	4,410,899	1,644,802	4,394,242	1,529,708
Loan repayments during the year	3,343,553	1,154,387	2,147,356	1,241,836
<b>As of September 30</b>	<b>8,129,360</b>	<b>1,529,332</b>	<b>7,335,488</b>	<b>765,443</b>
Interest income on loans	532,662	107,472	560,797	70,815
<b>Amounts due to customers</b>				
Deposits outstanding as of January 1	56,196,031	829,067	61,067,364	213,849
Deposits received during the year	76,309,507	5,807,604	114,329,328	7,202,511
Deposits paid during the year	87,311,439	5,501,310	116,555,116	7,252,719
<b>As of September 30</b>	<b>45,194,099</b>	<b>1,135,361</b>	<b>56,861,574</b>	<b>163,641</b>
Interest expenses on deposits	2,963,717	68,505	4,939,005	10,758
Interest income	64,557		899	
Amounts due to other financial institutions	9,168		9,276	
Bonds issued	29,521,168	281,940	29,813,548	359,276
Subordinated debt	30,138,493		32,161,126	
Income on commissions	20,623	4,623	97,629	27,490
Other income				

Compensation of key management was comprised of salaries and rewards:

Thousand Armenian drams	30.09.24	31.12.23
Salaries and other short-term benefits	101,047	136,715
<b>Total key management compensation</b>	<b>101,047</b>	<b>136,715</b>



## Risk management



### Credit risk

#### Maximum exposure of credit risk

##### Geographical Sectors

The following table breaks down the Bank's main credit exposure by book value categorized by geographical regions

30.09.24

Thousand AMD	RA	CIS countries	Non-OECD countries	OECD countries	Total
<b>Assets</b>					
Cash and balances with CBA	18,745,828	3,174,117	220,407	228,327	22,368,679
Amounts due from banks and other financial institutions	8,680,292	671,493	-	2,135	9,353,920
Loans and other advances to customers	190,814,978	279,733	343,702	1,770,849	193,209,262
Investments available for sale	38,280,907	1,219,348			39,500,255
Other financial assets carried at amortized cost	73,013,506				73,013,506
Investment securities pledged under repurchase agreements	96,609,088				96,609,088
Other assets	7,762,477	900	-	12,455	7,775,832
<b>Total</b>	<b>433,907,076</b>	<b>5,345,591</b>	<b>564,109</b>	<b>2,013,766</b>	<b>441,830,542</b>
<b>Liabilities</b>					
Amounts due to banks	93,353,399	644,244	731	5,036	94,003,410
Amounts due to customers	86,553,450	1,794,671	41,608,759	15,528,306	145,485,186
Securities issued by the Bank	33,421,214	59,315	31,102,426	3,239,471	67,822,426
Other borrowed funds	26,438,884			5,062,052	31,500,936
Subordinated debt			30,138,493		30,138,493
Other liabilities	2,081,148			12,073	2,093,221
<b>Total</b>	<b>241,848,095</b>	<b>2,498,230</b>	<b>102,850,409</b>	<b>23,846,938</b>	<b>371,043,672</b>
<b>Net position</b>	<b>192,058,981</b>	<b>2,847,361</b>	<b>(102,286,300)</b>	<b>(21,833,172)</b>	<b>70,786,870</b>

31.12.23

Thousand AMD	RA	CIS countries	Non-OECD countries	OECD countries	Total
<b>Assets</b>					
Cash and balances with CBA	16,184,856	4,177,692	190,424	2,946,673	23,499,645
Amounts due from banks and other financial institutions	12,098,678	166,787		928	12,266,393
Loans and other advances to customers	168,909,443	367,579	91,221	1,808,284	171,176,527
Investments available for sale	43,071,772	1,241,738			44,313,510
Other financial assets at amortized cost	78,154,643				78,154,643
Investment securities pledged under repurchase agreements	84,362,844			4,233,035	88,595,879
Other assets	6,257,919			9,087	6,267,006
<b>Total</b>	<b>409,040,155</b>	<b>5,953,796</b>	<b>281,645</b>	<b>8,998,007</b>	<b>424,273,603</b>
<b>Liabilities</b>					
Amounts due to banks	87,470,355	1,339,130	217	3,016,967	91,826,669
Amounts due to customers	101,869,794	1,805,949	42,237,943	14,861,331	160,775,017
Securities issued by the Bank	20,204,941	61,058	31,490,447	3,265,874	55,022,320
Other borrowed funds	25,711,922			2,781,530	28,493,452
Subordinated debt			30,136,178	2,024,948	32,161,126
Other liabilities	1,823,673			2,869	1,826,542
<b>Total</b>	<b>237,080,685</b>	<b>3,206,137</b>	<b>103,864,785</b>	<b>25,953,519</b>	<b>370,105,126</b>
<b>Net position</b>	<b>171,959,470</b>	<b>2,747,659</b>	<b>(103,583,140)</b>	<b>(16,955,512)</b>	<b>54,168,477</b>

## Market Risk

### Market Risk

#### Interest Rate risk



Name of article	30.09.24		31.12.23	
	AMD	Foreign currency	AMD	Foreign currency
	%	%	%	%
<b>Assets</b>				
Balance with the CBA	-	-	-	-
Amounts due from banks and other financial institutions, including	11.32%	4.48%	12.27%	4.07%
Interbank loans				
Interbank repurchase agreements				
Interbank interest swap				
Loans and advances to customers	12.70%	7.87%	12.57%	8.03%
Available-for-sale and trading securities	11.61%	5.36%	11.08%	5.19%
Hold-to-maturity securities	12.23%		12.17%	
<b>Liabilities</b>				
Amounts due to banks and other financial institutions	7.53%	4.67%	8.92%	4.43%
Amounts due to customers	9.80%	5.03%	10.06%	4.81%
Amounts due to issued securities	9.62%	5.59%	9.44%	5.62%
Subordinated debt	12.22%		12.22%	3.00%

Thousand Armenian drams		Sensitivity of equity					30.09.24
Currency	Change in basis points	Up to 6 months	6 months to 1 year	1 year to 5 years	more than 5 years	Total	
AMD	0.5	-	-	22,858	-	3,878,287	-3,902,156
USD	0.5	-	12,304	-	189,378	17,740	-189,423
AMD	-0.5	-	-	23,099	-	4,127,340	4,150,439
USD	-0.5	12,384	-	183,541	-	18,314	194,219

Thousand Armenian drams		Sensitivity of equity					31.12.23	
Currency	Change in basis points	Up to 6 months	6 months to 1 year	1 year to 5 years	more than 5 years	Total		
AMD	0.5	-	48	-	45,553	-	3,737,679	-3,783,278
USD	0.5	-	-	-	62,382	-	205,881	-258,043
AMD	-0.5	48	-	46,173	-	3,989,487	4,015,716	
USD	-0.5	-	-	62,821	-	211,845	284,686	

## Foreign exchange risk

Thousand Armenian drams		30.09.24		31.12.23	
Currency	Change in currency rate in %	Effect on profit before tax	Change in currency rate in %	Effect on profit before tax	
USD	5%	178,124	5%	45,830	
EUR	3%	38,712	3%	4,751	

Thousand Armenian drams

30.09.24



	Armenian dram	Freely convertible currencies	Non-freely convertible currencies	Total
<b>Assets</b>				
Cash and balances with the CBA	8,038,135	11,739,373	2,591,171	22,368,679
Amounts due from banks and other financial institutions	2,553,328	6,763,494	37,098	9,353,920
Loans and other advances to customers	145,241,995	47,897,711	69,556	193,209,262
Investments available for sale	23,251,066	16,249,189		39,500,255
Other financial assets carried at amortized cost	73,013,506			73,013,506
Investment securities pledged under repurchase agreements	96,609,088			96,609,088
Other assets	6,964,751	784,338	26,743	7,775,832
<b>Total</b>	<b>355,671,869</b>	<b>83,434,105</b>	<b>2,724,568</b>	<b>441,830,542</b>
<b>Liabilities</b>				
Amounts due to banks	91,234,382	2,134,390	634,638	94,003,410
Amounts due to customers	96,755,014	47,005,523	1,724,649	145,485,186
Securities issued by the Bank	36,291,958	31,530,468		67,822,426
Other borrowed funds	29,468,496	2,032,440		31,500,936
Subordinated debt	30,138,493			30,138,493
Other liabilities	2,061,824	31,397		2,093,221
<b>Total</b>	<b>285,950,167</b>	<b>82,734,218</b>	<b>2,359,287</b>	<b>371,043,672</b>
<b>Net position as of September 30, 2024</b>	<b>69,721,702</b>	<b>698,887</b>	<b>365,281</b>	<b>70,786,870</b>
<b>Credit related commitments as of September 30, 2024</b>	<b>37,807,958</b>	<b>3,002,292</b>	<b>64,168</b>	<b>40,874,414</b>

Thousand Armenian drams

31.12.23

	Armenian dram	Freely convertible currencies	Non-freely convertible currencies	Total
<b>Assets</b>				
Cash and balances with the CBA	3,137,129	18,193,112	2,169,404	23,499,645
Amounts due from banks and other financial institutions	4,502,486	7,736,151	27,756	12,266,393
Loans and other advances to customers	111,800,752	59,183,324	392,451	171,176,527
Investments available for sale	30,450,580	13,862,930		44,313,510
Other financial assets carried at amortized cost	78,154,643			78,154,643
Investment securities pledged under repurchase agreements	82,816,640	5,779,239		88,595,879
Other assets	5,876,705	390,301		6,267,006
<b>Total</b>	<b>316,538,935</b>	<b>105,145,057</b>	<b>2,589,611</b>	<b>424,273,603</b>
<b>Liabilities</b>				
Amounts due to banks	82,511,270	9,315,109	290	91,826,669
Amounts due to customers	99,321,722	59,254,492	2,198,803	160,775,017
Securities issued by the Bank	26,438,470	28,583,850		55,022,320
Other borrowed funds	25,711,922	2,781,530		28,493,452
Subordinated debt	30,136,178	2,024,948		32,161,126
Other liabilities	1,607,803	214,894	3,845	1,826,542
<b>Total</b>	<b>265,727,365</b>	<b>102,174,823</b>	<b>2,202,938</b>	<b>370,105,126</b>
<b>Net position as of December 31, 2023</b>	<b>60,811,570</b>	<b>2,970,234</b>	<b>386,673</b>	<b>64,168,477</b>
<b>Credit related commitments as of December 31, 2023</b>	<b>23,615,494</b>	<b>1,831,858</b>		<b>25,147,352</b>

The following table shows the assets and liabilities by expected maturity.

30.09.24

Thousand Armenian drams	Impaired		On demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
	Overdue	Not overdue but impaired						
<b>Assets</b>								
Cash and balances with CBA			22,368,679					22,368,679
Amounts due from banks and other financial institutions			7,283,423	773,750	356,978	941,502		9,355,653
Loans and other advances to customers	2,089,490	5,727,252	8,595,459	11,476,653	44,051,648	82,589,582	38,700,655	193,230,739
Investments available for sale			3,304,143	451,134	7,582,261	14,120,417	14,042,300	39,500,255
Other financial assets carried at amortized cost			697,798		286,935		72,028,772	73,013,505
Investment securities pledged under repurchase agreements			96,609,088					96,609,088
<b>Total</b>	<b>2,089,490</b>	<b>5,727,252</b>	<b>138,858,590</b>	<b>12,701,537</b>	<b>52,277,822</b>	<b>97,651,501</b>	<b>124,771,727</b>	<b>434,077,919</b>
<b>Liabilities</b>								
Amounts due to banks			102,181,929	4,115,188	9,872,188	13,634,018	15,285,851	145,089,174
Amounts due to customers			45,846,427	9,495,663	42,462,845	25,626,398	2,323,740	125,950,073
Securities issued by the Bank				5,087,664	18,660,883	44,073,679		67,822,426
Subordinated debt			138,493	-	-	22,000,000	8,000,000	30,138,493
<b>Total</b>	<b>-</b>	<b>-</b>	<b>148,166,849</b>	<b>18,698,515</b>	<b>70,995,916</b>	<b>105,534,295</b>	<b>25,609,591</b>	<b>369,005,166</b>
<b>Net position</b>	<b>2,089,490</b>	<b>5,727,252</b>	<b>(9,308,259)</b>	<b>(5,996,978)</b>	<b>(18,718,094)</b>	<b>(7,882,794)</b>	<b>99,162,136</b>	<b>65,072,753</b>
<b>Accumulated gap</b>			<b>(9,308,259)</b>	<b>(15,305,237)</b>	<b>(34,023,331)</b>	<b>(41,906,125)</b>	<b>57,256,011</b>	

31.12.23

Thousand Armenian drams	Impaired		On demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
	Overdue	Not overdue but impaired						
<b>Assets</b>								
Cash and balances with CBA			23,499,645					23,499,645
Amounts due from banks and other financial institutions			8,421,321	1,160,006	1,933,170	755,910		12,270,407
Loans and other advances to customers	551,244	2,217,131	7,667,179	10,399,804	33,172,173	81,628,652	35,545,591	171,181,774
Investments available for sale			11,225	1,177,896	1,902,680	14,410,005	26,811,703	44,313,509
Other financial assets carried at amortized cost				2,035,325	288,175		75,830,542	78,154,642
Investment securities pledged under repurchase agreements			88,595,879					88,595,879
<b>Total</b>	<b>551,244</b>	<b>2,217,131</b>	<b>128,195,249</b>	<b>14,773,631</b>	<b>37,296,198</b>	<b>96,794,567</b>	<b>138,187,836</b>	<b>418,015,856</b>
<b>Liabilities</b>								
Amounts due to banks			114,819,860	940,127	5,448,956	12,271,490	17,905,897	151,386,330
Amounts due to customers			43,861,972	7,015,876	18,322,089	60,538,424		129,738,361
Securities issued by the Bank				245,895	8,344,276	46,432,149		55,022,320
Subordinated debt			137,176		2,023,950	10,000,000	20,000,000	32,161,126
<b>Total</b>	<b>-</b>	<b>-</b>	<b>158,819,008</b>	<b>8,201,898</b>	<b>34,139,271</b>	<b>129,242,063</b>	<b>37,905,897</b>	<b>368,308,137</b>
<b>Net position</b>	<b>551,244</b>	<b>2,217,131</b>	<b>(30,623,759)</b>	<b>6,571,733</b>	<b>3,156,927</b>	<b>(32,447,496)</b>	<b>100,281,939</b>	<b>49,707,719</b>
<b>Accumulated gap</b>			<b>(30,623,759)</b>	<b>(24,052,026)</b>	<b>(20,895,099)</b>	<b>(53,342,595)</b>	<b>46,939,344</b>	

## Average assets and capital

30.09.24

Average assets	441,216,978
Average capital	68,338,027

## Unfulfillment of obligations/violations

There are no cases of violation of contractual obligations in the Bank.