

**3 Net interest and similar income and expense**

<u>Interest and similar incomes</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Amounts due from banks, financial institutions, bank current accounts	154,458	71,009
Loans and advances to customers	4,510,963	3,139,679
Debt securities available-for-sale	3,171,516	3,156,535
Debt securities held to maturity	2,147,297	2,239,601
Reverse repurchase transactions	83,213	71,800
Other interest income	499,096	179,897
<b>Total interest and similar income</b>	<b>10,566,543</b>	<b>8,858,521</b>
<u>Interest and similar expense</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Amounts due to banks, financial institutions, bank current accounts	1,044,519	979,232
Amounts due to customers	3,016,202	3,255,355
Amounts due to securities issued by the Bank	1,010,439	951,788
Repurchase agreement operations	2,151,863	1,731,554
Other interest expenses	1,100	557
<b>Total interest and similar expense</b>	<b>7,224,123</b>	<b>6,918,486</b>
<b>Net interest and similar income and expense</b>	<b>3,342,420</b>	<b>1,940,035</b>

**4 Fee and commission income and expense**

<u>Fee and commission income</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Cash collection	8,128	7,484
Wire transfer fees	128,366	95,788
Guarantees and letters of credit	60,656	12,800
Foreign currency translation and brokerage operations	13,562	8,619
Other fees and commissions	48,723	37,132
<b>Total fee and commission income</b>	<b>259,435</b>	<b>161,823</b>
<u>Fee and commission expense</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.22</u> <u>31.03.22</u>
Correspondent and other accounts	34,276	14,615
Foreign currency translation and brokerage operations	77	13
Other expenses*	55,190	20,939
<b>Total fee and commission expense</b>	<b>89,543</b>	<b>35,567</b>
<b>Net fee and commission income</b>	<b>169,892</b>	<b>126,256</b>

**5. Net income on trading operations**

<u>Available for sale investments</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Net income on trading with available for sale investments, including	27,762	18,331
bonds	26,500	18,331
shares	1,262	0
<b>Total</b>	<b>27,762</b>	<b>18,331</b>
<u>Foreign currency operations</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Net income on trading with foreign currency	304,152	265,755
Net income on foreign currency revaluation	(129,115)	(69,195)
Net income/loss on derivatives	9,341	4,269
<b>Total</b>	<b>184,378</b>	<b>200,829</b>
<u>Precious metals bullion bars and coins</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Net income on trading with precious metals bullion bars and coins	(31,541)	5,640
Net income on revaluation of precious metals bullion bars and coins	6,718	(783)
<b>Total</b>	<b>(24,823)</b>	<b>4,857</b>
<b>Net income on trading operations</b>	<b>187,317</b>	<b>224,017</b>

## 6 Other operational income

<u>Other operational income</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Fines and penalties received	136,545	56,972
Net income from sale of fixed and intangible assets	50	3,759
Other income**	14,184	30,403
<b>Total other income</b>	<b>150,779</b>	<b>91,134</b>

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

<u>Total net provisions made</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Loans and advances to customers	743,636	(606,657)
<b>Total</b>	<b>743,636</b>	<b>(606,657)</b>

## 8. Total administrative expenses

<u>Total administrative expenses</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Wages and salaries*	481,137	512,895
Business trip expenses	6,398	1,401
Insurance expenses	17,072	17,252
Fixed assets maintenance	3,601	1,929
Building maintenance and security	15,434	15,199
Auditing, consulting and other services	12,123	24,418
Communication expenses	36,439	30,363
Transportation expenses	178	359
Taxes /other than income tax/ duties	3,234	2,714
Office and other organizational expenses	910	1,916
Expenses on granting and gathering loans	15,216	12,083
Other administrative expenses**	11,182	8,022
<b>Total</b>	<b>602,924</b>	<b>628,551</b>

<i>* Average number of staff</i>	<u>157</u>	<u>157</u>
<i>* Average monthly salary per employee</i>	<u>975</u>	<u>907</u>

## 9 Other operational expenses

<u>Other operational expenses</u>	<u>01.01.24</u> <u>31.03.24</u>	<u>01.01.23</u> <u>31.03.23</u>
Expenses on cash delivery	572	501
Advertising and representation expenses	7,300	7,527
Fixed assets and intangible assets depreciation expenses	67,818	55,414
Other expenses****	16,430	14,650
<b>Total other operational expenses</b>	<b>92,120</b>	<b>78,092</b>

## 11 Income Tax Expense



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 31.03.24	Effective rate (%)	01.01.23 31.12.23	Effective rate (%)
<b>Profit before tax</b>	3,789,516		(1,142,161)	
Profit tax	682,113	18	(205,589)	18
Non-deductible expenses	13,871		35,064	
Foreign exchange (gains)/losses	(113,056)		(164,662)	
Other	97,072		1,435,187	
<b>Income tax expense</b>	<b>680,000</b>		<b>1,100,000</b>	

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

Thousand Armenian drams	31.03.24	Recognized in equity	Recognized in Income statement	31.12.23
Amounts due from other financial institutions	(5,591)			(5,591)
Customer loans and prepayments	73,747			73,747
Investments available for sale	855,057			2,515,710
Investment securities	61,038			61,038
Fixed assets	(163,788)			(163,788)
Other assets	(23,171)			(23,171)
Other reserves	2,794			2,794
Lease obligations	(1,540)			(1,540)
Other liabilities	57,064			57,064
<b>Total deferred tax liabilities</b>	<b>855,610</b>			<b>2,516,263</b>

## 13 Cash, cash equivalents and balances with CBA

Thousand Armenian drams	31.03.24	31.12.23
Cash	1,768,878	2,460,846
Cash in ARMs	49,744	69,882
Correspondent accounts with the CBA	21,896,091	14,572,598
Deposited funds in CBA	120,000	260,000
Allowance for impairment	(4,983)	(3,377)
<b>Total cash, cash equivalents and balances with CBA</b>	<b>23,829,730</b>	<b>17,359,949</b>

## Standardized bullion bars of precious metals

Thousand Armenian drams	31.03.24	31.12.23
Standardized bullion bars of precious metals	135,047	2,524
<b>Standardized bullion bars of precious metals</b>	<b>135,047</b>	<b>2,524</b>

## 14 Amounts due from other financial institutions

Thousand Armenian drams	31.03.24	31.12.23
Correspondent accounts	2,031,104	3,304,389
Deposited funds in financial institutions	137,656	151,719
Deposits in banks	865,216	3,116,883
Loans in banks	589,920	
Loans in banks other financial institutions	3,204,179	3,245,341
Acreditives in other fin. Institutions		1,079,056
Repurchase agreements in banks		4,047,900
Repurchase agreements in other financial institutions	4,619,031	4,512,337
Other accounts	617,289	177,480
Accrued interest	103,771	84,703
Allowance for loan impairment	(47,195)	(84,836)
<b>Total amounts due from other financial institutions</b>	<b>12,120,971</b>	<b>19,634,972</b>

**16 Loans and advances to customers**

Thousand Armenian drams	31.03.24	31.12.23
<b>Loans to customers, including</b>	70,223,038	58,993,845
<b>Factoring</b>	3,297,300	2,726,040
<b>Credit lines and overdraft</b>	93,695,117	98,758,707
<b>Repurchase agreements</b>	324,424	256,381
<b>Letters of credit</b>	917,866	191,569
<b>Financial leasing</b>	8,699,094	7,583,320
<b>Other amounts</b>		472,732
<b>Accrued interest</b>	2,945,788	2,856,816
<b>Total loans customers</b>	<b>180,102,627</b>	<b>171,839,410</b>
<b>Allowance for loan impairment</b>	(4,839,512)	(5,255,974)
<b>Total loans and advances to customers</b>	<b>175,263,115</b>	<b>166,583,436</b>

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

Thousand Armenian drams	31.03.24	31.12.23
<b>Privately held companies, including</b>	<b>141,933,510</b>	<b>135,273,668</b>
Large entities	46,161,545	44,827,649
Small and medium entities	95,771,965	90,446,019
<b>Individuals</b>	<b>32,927,951</b>	<b>30,945,795</b>
<b>Sole proprietors</b>	<b>2,295,378</b>	<b>2,290,399</b>
<b>Other amounts</b>	-	472,732
<b>Accrued interest</b>	<b>2,945,788</b>	<b>2,856,816</b>
<b>Allowance for loan impairment</b>	(4,839,512)	(5,255,974)
<b>Total loans and advances to customers</b>	<b>175,263,115</b>	<b>166,583,436</b>

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

Thousand Armenian drams	31.03.24	31.12.23
Mortgage loans	28,985,784	26,987,260
Consumer loans	3,026,669	3,090,272
Repurchase agreements	324,424	256,381
Other	591,074	611,882
<b>Total loans and advances to individuals (gross)</b>	<b>32,927,951</b>	<b>30,945,795</b>

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

Thousand Armenian drams	31.03.24	31.12.23
<b>Loans and borrowings, o/w</b>	<b>180,102,627</b>	<b>171,839,410</b>
<b>Impaired (non performing) loans and borrowings, o/w</b>	<b>5,109,057</b>	<b>4,987,306</b>
overdue	87,964	471,598
<b>Total loans</b>	<b>180,102,627</b>	<b>171,839,410</b>
Allowance for loan impairment	(4,839,512)	(5,255,974)
<b>Total loans</b>	<b>175,263,115</b>	<b>166,583,436</b>

Analysis of loans and borrowings by economy sectors



Thousand Armenian drams	31.03.24	%	31.12.23	%
Industry	61,344,170	34.06%	59,720,570	34.75%
Agriculture	11,194,973	6.22%	10,657,572	6.20%
Construction	31,494,491	17.49%	28,935,924	16.84%
Transport and communication	1,141,485	0.63%	1,136,594	0.66%
Trade	24,425,212	13.56%	24,100,655	14.03%
Consumer	3,393,529	1.88%	3,384,807	1.97%
Mortgage loans	29,121,040	16.17%	27,110,712	15.78%
Services	9,620,314	5.34%	9,406,896	5.47%
<b>Other</b>	<b>8,367,414</b>	<b>4.65%</b>	<b>7,385,682</b>	<b>4.30%</b>
<b>Total loans</b>	<b>180,102,627</b>	<b>100%</b>	<b>171,839,410</b>	<b>100%</b>
Allowance for loan impairment	(4,839,512)		(5,255,974)	
<b>Total net loans and borrowings</b>	<b>175,263,115</b>		<b>166,583,436</b>	

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

1) total sum	56,109,231
2) percentage in gross loans (n % of loan portfolio),	31.15%
3) percentage in capital (n % of capital):	83.64%

17 Investments available for sale

Thousand Armenian drams	31.03.24	31.12.23
<b>Quoted investments</b>		
RA corporate shares	44,575	44,575
Securities issued by the RA Ministry of Finance	134,912,320	128,981,236
<i>o/w interest</i>	280,780	731,359
RA corporate bonds	5,525,756	3,892,080
<b>Unquoted Investments</b>		
RA corporate shares	19,575	19,575
<b>Total Investments</b>	<b>140,502,226</b>	<b>132,937,466</b>

Other financial assets carried at amortized cost

Thousand Armenian drams	31.03.24	31.12.23
Securities issued by the RA Ministry of Finance	76,974,913	76,971,458
RA corporate bonds		
Accrued interest	1,001,817	2,330,530
Allowance for impairment	(215,277)	(215,793)
<b>Other financial assets carried at amortized cost</b>	<b>77,761,453</b>	<b>79,086,195</b>

Non current assets held for sale

Thousand Armenian drams	31.03.24	31.12.23
Non current assets held for sale	2,216,975	1,361,975
<b>Non current assets held for sale*</b>	<b>2,216,975</b>	<b>1,361,975</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 futu as 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 mar

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

	31.03.24		31.12.23	
	%	Term	%	Term
Securities issued by RA Ministry of Finance (AMD)	8.73-9.58	2024-2050	10.25-10.78	2024-2050
Securities issued by RA Ministry of Finance (USD)	6.35-7.13	2025-2031	5.96-6.92	2025-2031
RA corporate bonds (AMD)	10.4-12	2024-2028	11.15-11.1	2024-2028
RA corporate bonds (USD)	6.6-7.6	2024-2027	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 cost as of 1 January, 2024	1,992,244	342,843	166,545	176,729	2,678,361
Additions	1,693	1,827			3,520
Disposals					-
<b>As of March 31, 2024</b>	<b>1,993,937</b>	<b>344,670</b>	<b>166,545</b>	<b>176,729</b>	<b>2,681,881</b>
<b>ACCRUED DEPRECIATION</b>					
As of 1 January, 2024	735,566	245,133	77,995	137,177	1,195,871
Additions	44,423	8,857	4,629	2,144	60,053
Disposals					-
<b>As of March 31, 2024</b>	<b>779,989</b>	<b>253,990</b>	<b>82,624</b>	<b>139,321</b>	<b>1,255,924</b>
<b>CARRYING VALUE</b>					
<b>As of March 31, 2024</b>	<b>1,213,948</b>	<b>90,680</b>	<b>83,921</b>	<b>37,408</b>	<b>1,425,957</b>

Thousand Armenian drams	Computer programmes	Other intangible assets	Total
<b>Initial value as of 1 January, 2024</b>			
Initial value as of 1 January, 2024	154,278	107,572	261,850
Additions		5,389	5,389
Devaluation		2,818	2,818
<b>As of March 31, 2024</b>	<b>154,278</b>	<b>110,143</b>	<b>264,421</b>
<b>ACCRUED DEPRECIATION</b>			
As of 1 January, 2024	94,441	56,187	150,628
Additions	4,032	4,133	8,165
Devaluation		3,646	3,646
<b>As of March 31, 2024</b>	<b>98,473</b>	<b>56,674</b>	<b>155,147</b>
<b>CARRYING VALUE</b>			
<b>As of March 31, 2024</b>	<b>55,805</b>	<b>53,469</b>	<b>109,274</b>

## 22 Other Assets

Thousand Armenian drams	31.03.24	31.12.23
<b>Other Assets</b>		
Prepayments and other debtors	4,722,609	4,463,562
Prepayments of other taxes	694,610	1,578,480
Reserve	8,305	8,023
Costs of future period	64,185	14,432
Other assets	562,792	25,076
Allowance for other receivables and prepayments	(28,937)	(36,393)
<b>Total other assets</b>	<b>6,023,564</b>	<b>6,053,180</b>

## 23 Amounts due to financial institutions

Thousand Armenian drams	31.03.24	31.12.23
<b>Amounts due to CBA</b>		
Loans from CBA	22,976,327	22,869,094
Repurchase agreements	87,103,985	63,082,633
Accrued interest		
<b>Amounts due to financial institutions</b>	<b>49,604,483</b>	<b>66,848,661</b>
Correspondent accounts of other banks	19,866	21,001
Loans from banks	1,802,274	5,173,270
Repurchase agreements from banks	14,149,284	17,401,241
Letters of credit	3,492,512	4,217,972
Current accounts of other financial institutions	8,958,143	14,790,097
Loans and deposits from other financial institutions	20,591,201	21,871,588
Repurchase agreements from other financial institutions		3,006,682
Other amounts	591,203	166,810
Accrued interest		
<b>Total amounts due to CBA and financial institutions</b>	<b>159,684,795</b>	<b>152,600,388</b>

## 24 Amounts due to customers

Thousand Armenian drams	31.03.24	31.12.23
<b>Legal entities</b>	<b>88,907,339</b>	<b>97,640,371</b>
Current/Settlement accounts	19,062,658	20,523,865
- resident	17,436,657	18,079,058
Term deposits	55,125,040	64,881,733
- resident	13,499,410	11,884,059
Accrued interest	681,339	532,880
- resident	637,109	489,031
Other liabilities	14,038,302	11,701,893
- resident	13,842,982	11,688,925
<b>Sole proprietors</b>	<b>6,296,070</b>	<b>2,405,848</b>
Current accounts	6,270,122	2,390,535
- resident	6,270,122	2,390,535
Term deposits	25,927	15,284
- resident	25,927	15,284
Accrued interest	21	29
- resident	21	29
<b>Individuals</b>	<b>29,156,446</b>	<b>29,979,866</b>
Current accounts	5,705,833	5,376,647
- resident	3,763,072	2,952,552
Term deposits	23,066,571	23,336,646
- resident	14,055,571	11,998,252
Accrued interest	274,287	315,492
- resident	162,318	214,652
Other liabilities	109,755	951,083
- resident	85,448	949,502
<b>Total amounts due to customers</b>	<b>124,359,855</b>	<b>130,026,087</b>

## 25 Securities issued by the Bank

Thousand Armenian drams	31.03.24	31.12.23
Securities issued by the Bank	55,327,148	55,022,320
<b>Total securities issued by the Bank</b>	<b>55,327,148</b>	<b>55,022,320</b>

## 27 Accounts payable

Thousand Armenian drams	31.03.24	31.12.23
Deposit insurance	32,997	33,000
<b>Total other liabilities</b>	<b>32,997</b>	<b>33,000</b>

## 28 Subordinated debt

Thousand Armenian drams	31.03.24	31.12.23
Subordinated debt	32,103,548	32,161,126
<b>Total subordinated debt</b>	<b>32,103,548</b>	<b>32,161,126</b>

## 29 Other liabilities

Thousand Armenian drams	31.03.24	31.12.23
Amounts payable for profit tax		
Tax liabilities	688,015	431,668
Amounts payable for factoring	193,732	193,732
Income of future period	10,236	3,872
Due to personnel	290,280	266,015
Amounts payable to suppliers	133,349	119,156
Amounts payable for financial leasing	15,881	40,459
Other	4,708	3,868
<b>Total other liabilities</b>	<b>1,336,201</b>	<b>1,058,770</b>

### 30 Equity



Thousand Armenian drams	31.03.24	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>36,577,143</b>	<b>30,720,273</b>
Main reserve	40,000,000	40,000,000
Gains from the revaluation of non-current assets	1,134,703	1,134,703
Revaluation reserve	(2,557,560)	(10,414,430)
<b>Non-distributed profit</b>	<b>12,302,265</b>	<b>9,083,265</b>
current year	3,219,000	(2,200,000)
previous year	9,083,265	11,283,265
<b>Total capital</b>	<b>67,085,156</b>	<b>56,009,286</b>

As of March 31, 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 March 31, 2024 total normative capital of the bank is AMD 95 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	31.03.24	31.12.23
Undrawn loan commitments	10,410,370	8,749,681
Guarantees provided	22,895,310	16,785,448
Allowance for impairment of liabilities bearing credit risk	(314,222)	(218,695)
<b>Total credit risk related commitments</b>	<b>32,991,458</b>	<b>25,316,434</b>

#### Transactions with related parties

Thousand Armenian drams	31.03.24		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	1,038,917	5,088,602	477,671
Loans issued during the year	2,930,201	740,773	4,394,242	1,529,708
Loan repayments during the year	2,125,601	569,480	2,147,356	1,241,936
<b>As of March 31</b>	<b>7,866,615</b>	<b>1,210,210</b>	<b>7,335,488</b>	<b>765,443</b>
Interest income on loans	178,557	30,728	580,797	70,815
<b>Amounts due to customers</b>				
Deposits outstanding as of January 1	56,196,031	829,067	61,087,364	213,849
Deposits received during the year	30,326,560	2,539,075	114,329,328	7,202,511
Deposits paid during the year	37,561,895	2,309,826	118,555,118	7,252,719
<b>As of March 31</b>	<b>48,960,696</b>	<b>1,058,316</b>	<b>56,861,574</b>	<b>163,641</b>
Interest expenses on deposits	1,079,893	19,188	4,939,005	10,758
Interest income	55,351		899	
Amounts due to other financial institutions	8,779		9,276	
Bonds issued	29,573,176	377,345	29,813,548	359,276
Subordinated debt	32,103,548		32,161,126	
Income on commissions	7,910	1,896	8,284	1,502
Other income				

Compensation of key management was comprised of salaries and rewards:

Thousand Armenian drams	31.03.24	31.12.23
Salaries and other short-term benefits	115,164	136,715
<b>Total key management compensation</b>	<b>115,164</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

31.03.24

Thousand AMD	RA	CIS countries	Non-OECD countries	OECD countries	Total
<b>Assets</b>					
Cash and balances with CBA	23,829,730				23,829,730
Precious metals	135,047				135,047
Amounts due from other financial institutions	8,652,911	1,767,997	690,817	1,009,245	12,120,971
Loans and advances to customers	173,102,434	337,141	64,843	1,758,697	175,263,115
Investments available for sale	139,314,828	1,187,398			140,502,226
Other financial assets carried at amortized cost	77,761,453				77,761,453
<b>Total</b>	<b>422,796,403</b>	<b>3,292,536</b>	<b>755,660</b>	<b>2,767,942</b>	<b>429,612,542</b>
<b>Liabilities</b>					
Amounts due to financial institutions	153,641,946	593,799	8,439	5,440,611	159,684,795
Amounts due to customers	70,054,057	1,935,591	40,881,131	11,489,076	124,359,855
Securities issued by the Bank	20,850,168	60,227	31,199,459	3,217,293	55,327,148
Subordinated debt			30,136,178	1,967,370	32,103,548
<b>Total</b>	<b>244,546,171</b>	<b>2,589,616</b>	<b>102,225,208</b>	<b>22,114,350</b>	<b>371,475,346</b>
<b>Net position</b>	<b>178,250,232</b>	<b>702,920</b>	<b>(101,469,547)</b>	<b>(19,346,408)</b>	<b>58,137,196</b>

31.12.23

Thousand AMD	RA	CIS countries	Non-OECD countries	OECD countries	Total
<b>Assets</b>					
Cash and balances with CBA	16,464,149	895,800			17,359,949
Precious metals	2,524				2,524
Amounts due from other financial institutions	13,048,268	3,448,678	190,424	2,947,602	19,634,972
Loans and advances to customers	164,313,570	367,579	91,221	1,811,066	166,583,436
Investments available for sale	127,462,693	1,241,738		4,233,035	132,937,466
Other financial assets at amortized cost	79,086,195				79,086,195
<b>Total</b>	<b>400,377,399</b>	<b>5,953,795</b>	<b>281,645</b>	<b>8,991,703</b>	<b>415,604,542</b>
<b>Liabilities</b>					
Amounts due to financial institutions	142,404,637	1,339,216	8,326	8,848,209	152,600,388
Amounts due to customers	74,178,771	1,805,863	42,229,834	11,811,619	130,026,087
Securities issued by the Bank	20,204,941	61,058	31,490,447	3,265,874	55,022,320
Subordinated debt			30,136,178	2,024,948	32,161,126
<b>Total</b>	<b>236,788,349</b>	<b>3,206,137</b>	<b>103,864,785</b>	<b>25,950,650</b>	<b>369,809,921</b>
<b>Net position</b>	<b>163,589,050</b>	<b>2,747,658</b>	<b>(103,583,140)</b>	<b>(16,958,947)</b>	<b>45,794,621</b>

#### Control of risk limits and mitigating policy

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

##### Collateral

- Mortgages over residential properties;
- Charges over business assets such as premises, inventory and accounts receivable;
- Charges over financial instruments such as debt securities and equities.

Collateral held as security for financial assets other than loans and advances is determined by the type of the instrument. Debt securities, treasury and other eligible bills are generally unsecured.

The analysis of loan portfolio by collateral is represented as follows:

Thousand Armenian drams	31.03.24	31.12.23
Loans collateralized by securities	11,850,059	11,310,450
Loans collateralized by real estate	95,558,858	93,104,650
Loans collateralized by deposit	5,791,116	5,505,416
Loans collateralized by movable property	19,742,040	18,636,263
Loans collateralized by vehicles	2,302,827	2,197,371
Loans collateralized by finished products	18,901,865	16,034,536
Loans collateralized by cash flow	3,417,590	3,602,788
Loans collateralized by pledge of right	7,054,143	9,160,788
Other collateral	15,484,129	12,287,148
<b>Total loans and advances (gross)</b>	<b>180,102,627</b>	<b>171,839,410</b>

## Market Risk

### Market Risk

#### Interest Rate risk



Name of article	31.03.24		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	11.87%	4.27%	12.27%	4.07%
Interbank loans				
Interbank repurchase agreements				
Interbank interest swap				
Loans and advances to customers	12.64%	7.98%	12.57%	8.03%
Available-for-sale and trading securities	11.16%	5.46%	11.08%	5.19%
Hold-to-maturity securities	12.17%		12.17%	
<b>Liabilities</b>				
Amounts due to banks and other financial institutions	8.40%	4.72%	8.92%	4.43%
Amounts due to customers	9.93%	4.93%	10.06%	4.81%
Amounts due to issued securities	9.44%	5.63%	9.44%	5.62%
Subordinated debt	12.22%	3.00%	12.22%	3.00%

Thousand Armenian drams

#### Sensitivity of equity

31.03.24

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	-	11	-	28,524	- 4,238,018	-4,206,553
USD	0.5	-	-	32,575	-	186,071	-219,546
AMD	-0.5		11	-	28,868	4,510,197	4,539,096
USD	-0.5		-	32,809	-	192,379	225,189

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	-	46	-	45,553	- 3,737,679	-3,783,278
USD	0.5	-	-	-	52,382	- 205,881	-258,043
AMD	-0.5		46	-	46,173	3,969,497	4,015,716
USD	-0.5		-	-	52,821	211,845	284,666

## Foreign exchange risk

Thousand Armenian drams

31.03.24

31.12.23

Currency	31.03.24		31.12.23	
	Change in currency rate in %	Effect on profit before tax	Change in currency rate in %	Effect on profit before tax
USD	5%	136,089	5%	45,830
EUR	3%	37,360	3%	4,751

Thousand Armenian drams

31.03.24



	Armenian dram	Freely convertible currencies	Non-freely convertible currencies	Total
<b>Assets</b>				
Cash and balances with the CBA	12,140,665	11,566,276	122,790	23,829,730
Precious metals		135,047		135,047
Amounts due from other financial institutions	4,448,174	6,778,818	893,979	12,120,971
Loans and advances to customers	119,961,621	55,200,521	100,973	175,263,115
Investments available for sale	123,252,429	17,249,797		140,502,226
Other financial assets carried at amortized cost	77,761,453			77,761,453
<b>Total</b>	<b>337,564,342</b>	<b>90,930,459</b>	<b>1,117,742</b>	<b>429,612,543</b>
<b>Liabilities</b>				
Amounts due to financial institutions	142,351,712	16,787,175	545,908	159,684,795
Amounts due to customers	82,165,209	41,614,725	579,921	124,359,855
Securities issued by the Bank	26,617,273	28,709,875		55,327,148
Subordinated debt	30,136,178	1,967,370		32,103,548
<b>Total</b>	<b>281,270,372</b>	<b>89,079,145</b>	<b>1,125,829</b>	<b>371,475,346</b>
<b>Net position as of March 31, 2024</b>	<b>56,293,970</b>	<b>1,851,314</b>	<b>(8,087)</b>	<b>56,137,197</b>
<b>Credit related commitments as of March 31, 2024</b>	<b>29,748,968</b>	<b>3,177,664</b>	<b>64,888</b>	<b>32,991,458</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	3,397,046	13,731,888	231,015	17,359,949
Precious metals		2,524		2,524
Amounts due from other financial institutions	4,242,488	13,406,585	1,985,899	19,634,972
Loans and advances to customers	111,254,681	54,936,099	392,656	166,583,436
Investments available for sale	113,295,297	19,642,169		132,937,466
Other financial assets carried at amortized cost	79,086,195			79,086,195
<b>Total</b>	<b>311,275,707</b>	<b>101,719,265</b>	<b>2,609,570</b>	<b>415,604,542</b>
<b>Liabilities</b>				
Amounts due to financial institutions	123,217,377	28,347,722	1,035,289	152,600,388
Amounts due to customers	84,432,806	44,290,633	1,302,648	130,026,087
Securities issued by the Bank	26,438,470	28,583,850		55,022,320
Subordinated debt	30,136,178	2,024,948		32,161,126
<b>Total</b>	<b>264,224,831</b>	<b>103,247,153</b>	<b>2,337,937</b>	<b>369,809,921</b>
<b>Net position as of December 31, 2023</b>	<b>47,050,876</b>	<b>(1,527,888)</b>	<b>271,633</b>	<b>45,794,621</b>
<b>Credit related commitments as of December 31, 2023</b>	<b>23,684,576</b>	<b>1,631,858</b>		<b>25,316,434</b>

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

31.03.24

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			23,829,730					23,829,730
Precious metals			135,047					135,047
Amounts due from other financial institutions			8,414,259	3,159,200	81,790	465,722		12,120,971
Loans and advances to customers	124,014	2,602,487	8,550,002	10,086,565	33,598,276	83,774,004	36,527,767	175,263,115
Investments available for sale			114,585,459	1,666,576	7,298,434	5,398,594	11,553,163	140,502,226
Other financial assets carried at amortized cost			697,923		301,128		76,762,402	77,761,453
<b>TOTAL</b>	<b>124,014</b>	<b>2,602,487</b>	<b>156,212,420</b>	<b>14,912,341</b>	<b>41,279,628</b>	<b>89,638,320</b>	<b>124,843,332</b>	<b>429,612,542</b>
<b>Liabilities</b>								
Amounts due to financial institutions			115,751,497	4,473,822	9,957,261	11,722,340	17,779,875	159,684,795
Amounts due to customers			47,428,023	4,435,916	36,945,941	35,549,975		124,359,855
Securities issued by the Bank				4,943,838	3,939,386	46,443,924		55,327,148
Subordinated debt			137,148		1,966,400	22,000,000	8,000,000	32,103,548
<b>Total</b>			<b>163,316,668</b>	<b>13,853,576</b>	<b>52,808,988</b>	<b>115,716,239</b>	<b>25,779,875</b>	<b>371,475,346</b>
<b>Net position</b>	<b>124,014</b>	<b>2,602,487</b>	<b>(7,104,248)</b>	<b>1,058,765</b>	<b>(11,529,360)</b>	<b>(26,077,919)</b>	<b>99,063,457</b>	<b>58,137,196</b>
<b>Accumulated gap</b>			<b>(7,104,248)</b>	<b>(6,045,483)</b>	<b>(17,574,843)</b>	<b>(43,652,762)</b>	<b>55,410,695</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			17,359,949					17,359,949
Precious metals			2,524					2,524
Amounts due from other financial institutions			15,805,654	1,152,501	1,924,354	752,463		19,634,972
Loans and advances to customers	460,218	1,851,219	7,682,971	10,397,944	32,843,658	77,967,455	35,379,971	166,583,436
Investments available for sale			88,607,105	1,177,897	1,902,681	14,410,005	26,839,778	132,937,466
Other financial assets carried at amortized cost				2,036,002	288,186		76,762,007	79,086,195
<b>TOTAL</b>	<b>460,218</b>	<b>1,851,219</b>	<b>129,458,203</b>	<b>14,764,344</b>	<b>36,958,879</b>	<b>93,129,923</b>	<b>138,981,756</b>	<b>415,604,542</b>
<b>Liabilities</b>								
Amounts due to financial institutions			116,036,171	937,874	5,448,956	12,271,490	17,905,897	152,600,388
Amounts due to customers			44,149,699	7,015,876	18,322,089	60,538,423		130,026,087
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>160,323,046</b>	<b>8,199,645</b>	<b>34,139,271</b>	<b>129,242,062</b>	<b>37,905,897</b>	<b>369,809,921</b>
<b>Net position</b>	<b>460,218</b>	<b>1,851,219</b>	<b>(30,864,843)</b>	<b>6,564,699</b>	<b>2,819,608</b>	<b>(36,112,139)</b>	<b>101,075,859</b>	<b>45,794,621</b>
<b>Accumulated gap</b>			<b>(30,864,843)</b>	<b>(24,300,144)</b>	<b>(21,480,536)</b>	<b>(57,592,675)</b>	<b>43,483,184</b>	

## Average assets and capital

31.03.24

Average assets	438,697,333
Average capital	63,381,293

## Collateral received

The collateralized loan amount is AMD 176,685,037 thousand as of 31.03.24

## Unfulfillment of obligations/violations

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