ABB
ARMBUSINESSBANK

Appendix 5

NOTES TO FINANCIAL STATEMENTS
(Form 5)

30 September 2022

ARMBUSINESSBANK CJSC, RA, YEREVAN, 48 NALBANDYAN

Note 1. Legal Environment and Corporate Governance

"Armbusinessbank" CJSC, former "Arminvestbank" CJSC (hereinafter the Bank) was founded in 1991, and it is a closed joint-stock company that operates in accordance with the legislation of the Republic of Armenia (hereinafter RA): The Bank was registered on 10.12.1991 by the RA Central Bank (hereinafter, CBA). The license number is 40.
The Bank accepts deposits from and extends loans to the population, makes transfers within the territory of Armenia and abroad, conducts currency conversion operations, as well as renders other banking services to corporates and individuals.

The Bank's head office and 24 branches are located in Yerevan, 26 branches are located in different regions (marzes) of Armenia, and 4 branches – in the Republic of Nagorno Karabakh.

The legal address of the Bank is: 48 Nalbandyan Street, Yerevan.

The Bank is:
- member of the Union of Banks of Armenia
- full member of global Master Card/Europay payment system
- shareholder of SWIFT system
- full member of VISA International payment system
- member of the Union of the participants of Armenia's Mortgage Market
- Shareholder of ArCa processing center
- Bank runs its own processing center

1. Corporate governance

The Bank's managing bodies are:
- General Meeting of the Shareholders - the Supreme governing body
- The Board
- The Executive Board and the Chairman of the Executive Board

a) The Board
Chairman of the Board – Alfred W.Moeckli
Board Members – Tigran Mirzoyan
Ariel Sergio Davidoff
Gerard Hofmann
Patrick Joseph Swint
Christoph Mauchle
b) The Executive Board
Chairman of the Executive Board - Artavazd Sargsyan
Members of the Executive Board
Davit Yedigaryan - CFO - Chief Accountant
Azamat Khakui - Director of Corporate Center
Hovhannes Navasardyan - Director of Corporate Business Development Department
Movses Eloyan - Director of Operational Department
c) Major Participants
MFM Global Invest AG – 75 %
Home for youth UCO CJSC – 25 %
d) Management Remuneration Policy

Remuneration of the Management is provided in accordance with signed employment contracts and the staff list approved by the Board of the Bank.

Note 2. Accounting Policy

2.1 Preparation of financial statements

The Bank prepares its financial statements in accordance with the International Financial Reporting standards (IFRS), other legal acts regulating the accounting, and the requirements of the accounting policy approved by the Board of the Bank.

2.2 Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Bank's assets should be realised and obligations met during the time of the Bank's operation.

2.3 Comparability

The comparable numbers have been adjusted where required to ensure the comparability with the numbers of the current period.

2.4 Recognition of income and expense

2.4.1 Interest income and expense
Interest income and interest expense in the Statement of Comprehensive Income are recognized on the accrual basis using the effective interest method.

2.4.2 Commissions and other income and expense
Loan origination fees together with correspondent expenses are deferred as an adjustment to the effective yield of the loans. Fees, other income and expense are recognized on an accrual basis during the time of service provision.

2.5 Foreign currency transactions

Foreign currency transactions are translated to the functional currency using the exchange rate as of the transaction date. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency using the exchange rate established as of the balance sheet date.

Gain and loss resulting from the difference between the exchange rate provided by the contract concerning the transaction and the exchange rate as of the transaction date are accounted for in the Statement of Comprehensive Income as a line item "net income from sale and purchase of foreign currency" in net trading income.

The following exchange rates were used by the Bank when preparing the financial statements:

	30-Sep-22	31-Dec-21
AMD/1 US Dollar	**405.65**	**480.14**
AMD/1 EUR	**396.08**	**542.61**

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand amounts of correspondent banks, balances with the CBA (excluding funds deposited for the settlement of ArCa payment cards), which can be converted into cash at short notice and which are subject to an insignificant risk of changes in value.

2.7 Amounts due from other banks

In the normal course of business, the Bank maintains current and deposits accounts opened with other banks for various periods of time.

2.8 Securities

On initial recognition, financial assets at fair value through other comprehensive income are accounted for at initial cost and thereafter remeasured at fair value. When revaluating at fair value, the revaluation result is reflected in the equity

2.9 Loans and advances to customers at amortized value

Loans and advances are financial assets with fixed payments, which arise when the Bank provides money directly to a debtor with no intention of trading the receivable. Loans granted by the Bank with fixed maturities are initially recognized at fair value plus related transaction costs. Subsequently, loans and advances are measured at amortized cost using the effective interest method. Loans and advances to customers at amortized value are carried net of any allowance for impairment losses.

2.10 Leasing

Lease payments under an operating lease are recognised in the statement of financial results as expenses according to IFRS 16.

2.11 Possible losses reserve

The Bank makes an impairment assessment for financial assets or a group of financial assets as of the each balance sheet date.

2.12 Intangible assets

Intangible assets include computer software, licences and similar items. Intangible assets acquired separately are initially recognized at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation or impairment losses. Intangible assets can have either an identifiable or indefinite useful life. Intangible assets with identifiable useful lives are amortized on a straight-line basis over their useful life, that is 15 years. Intangible assets with indefinite useful lives are not amortized, they are reassessed each year for impairment.

2.13 Property, plant and equipment

Property, plant and equipment ("PPE") are recorded at historical cost less accumulated depreciation.

Depreciation is calculated using the straight-line method based on the estimated useful life of the asset. The following depreciation annual rates have been applied:

	Useful life
	(years)
Buildings	30
Computers	3
Transportation means	8
Automatic teller machines	10
Other PPE	8
Property and office equipment	8

Leasehold improvements are capitalized and depreciated over the shorter of the lease term and their useful lives on a straight-line basis.

The expenditures as regards PPE repairs and maintenance are recognized as an expense in the statement of financial results during the period in which they are incurred.

2.14 Financial instruments

The Bank implements measurement, recognition, use and accounting for the financial instruments according to the order established by the RA legislation as well as the regulations, decrees, orders and acts issued by the Bank.

2.15 Events occurring after the balance sheet date

2.15.1 In case material errors revealed by the auditor result from the differences between the requirements of the International Accounting Standards and RA legislation, then the accounting records are made in accordance with the decisions taken by the managing bodies of the Bank.

2.15.2 In case material errors appear or are revealed after publication of the Bank's annual financial statements according to the established order, then no adjustments are made, and it is considered that repeated presentation of similar information is impracticable.

2.16 Taxation

Income tax on the profit for the reporting year comprises current and deferred taxes. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to taxes paid in respect of previous years. Deferred taxes are calculated taking into account all the temporary differences arising between carrying values of assets and liabilities recognized in the financial statements and the amounts calculated for taxation purposes.

The Bank pays also other taxes during the course of its activity. These taxes are included as a component of other expenses in the statement of comprehensive financial results

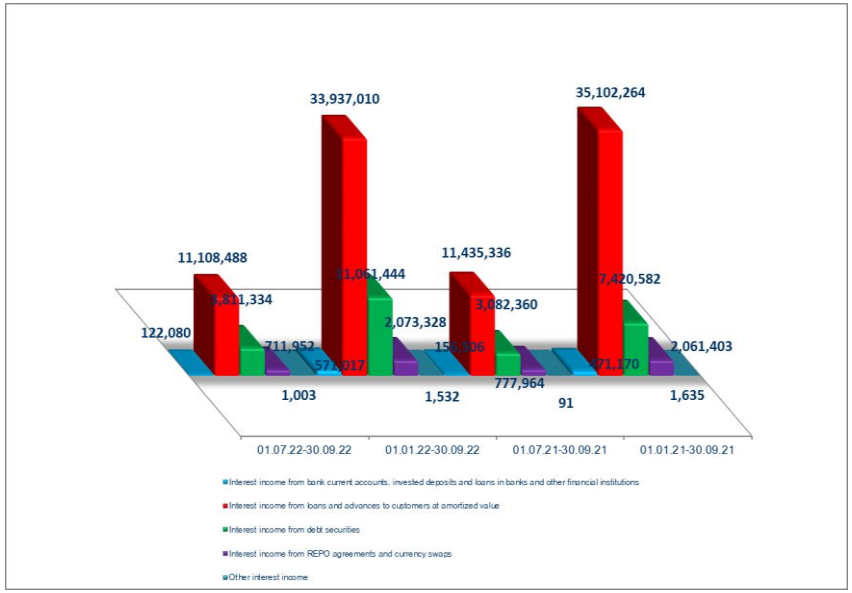
2.17 Functional and presentation currency

The national currency of the Republic of Armenia is RA Dram (AMD). For the purposes of these financial statements, RA Dram is the presentation currency as well.

The intermediary financial statements are presented in thousands of AMD.

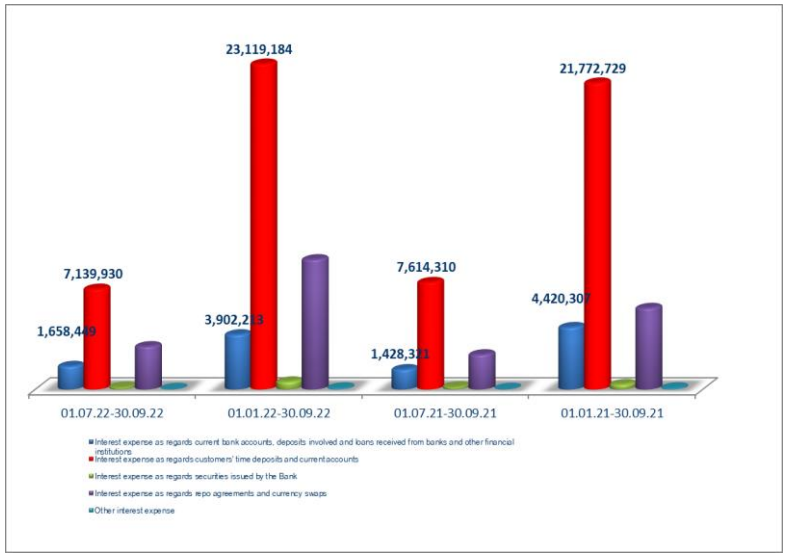
Note 3. Net Interest and Similar Income

Interest and Similar Income	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Interest income from bank current accounts, invested deposits and loans in banks and other financial institutions	122,080	571,017	156,506	471,170
Interest income from loans and advances to customers at amortized	11,108,488	33,937,010	11,435,336	35,102,264
Interest income from debt securities	3,811,334	11,061,444	3,082,360	7,420,582
Interest income from REPO agreements and currency swaps	711,952	2,073,328	777,964	2,061,403
Other interest income	1,003	1,532	91	1,635
Total	**15,754,857**	**47,644,331**	**15,452,257**	**45,057,054**



Interest and Similar Expense	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Interest expense as regards current bank accounts, deposits involved and loans received from banks and other financial institutions	1,658,449	3,902,213	1,428,321	4,420,307
Interest expense as regards customers' time deposits and current accounts	7,139,930	23,119,184	7,614,310	21,772,729
Interest expense as regards securities issued by the Bank	156,360	556,255	181,469	367,336

Interest expense as regards repo agreements and currency swaps	3,056,240	9,228,927	2,480,669	5,776,922
Other interest expense	23,586	77,186	27,757	84,348
Total	**12,034,565**	**36,883,765**	**11,732,526**	**32,421,642**
Net interest and similar income	**3,720,292**	**10,760,566**	**3,719,731**	**12,635,412**



Note 4. Income and Expense in the form of Commissions and Other Fees

Income in the form of Commissions and Other Fees	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Cash operations	145,185	373,330	95,765	291,154
Settlement services	70,365	242,465	167,645	793,118
Guarantee, acceptance, letter of credit, trust management operations	95,902	322,761	220,404	484,801
Transaction in foreign currency and securities				
Plastic card operations	333,862	846,671	295,341	2,746,145
Other commission payments	332,232	715,375	157,590	521,835
Total	**977,546**	**2,500,602**	**936,745**	**4,837,053**

Expenses in the form of Commissions and Other Payments	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Commission payments as regards correspondent and other accounts/bank transactions	18,768	68,016	41,844	196,373

Commission payments as regards transactions with plastic cards/cash transactions	62,196	215,626	34,800	99,785
Payments as regards guarantees, acceptance, letters of credit, trust management transactions				
Commission payments as regards transactions in foreign currency and securities				
Other commission payments	3,959	20,616	5,193	17,249
Total	**84,923**	**304,258**	**81,837**	**313,407**

Net Commissions and other payments received	**892,623**	**2,196,344**	**854,908**	**4,523,646**

Note 5. Net income from trading transactions

Income from investments remeasured at fair value and held at fair value	**01.07.22-30.09.22**	**01.01.22-30.09.22**	**01.07.21-30.09.21**	**01.01.21-30.09.21**
Net income from purchase and sale of investments held for trading, including				
- shares				
- debt securities				
- derivative instruments	0	71,145	1,391,671	3,421,443
Net income from change in fair value of investments held for trading	-	(1,654,515)	-	-
Total	**0**	**-1,583,370**	**1,391,671**	**3,421,443**

Net income from investments available for sale	**01.07.22-30.09.22**	**01.01.22-30.09.22**	**01.07.21-30.09.21**	**01.01.21-30.09.21**
Net income from purchase and sale of investments available for sale, including				
- shares				
- debt securities	19,499	40,020	72,320	82,356
- derivative instruments				
Net income from change in fair value of investments held for trading	-116,016	-139,820	54,635	404,490
Total	**-96,517**	**-99,800**	**126,955**	**486,846**

From foreign currency transactions	**01.07.22-30.09.22**	**01.01.22-30.09.22**	**01.07.21-30.09.21**	**01.01.21-30.09.21**
Net income from foreign currency dealings	1,207,138	8,095,518	806,536	1,932,461
Net income from foreign currency revaluation	-2,798,702	-22,934,352	-1,615,606	-3,763,674
Total	**-1,591,564**	**-14,838,834**	**-809,070**	**-1,831,213**

From bank standardized precious metal bullions and commemorative coins	**01.07.22-30.09.22**	**01.01.22-30.09.22**	**01.07.21-30.09.21**	**01.01.21-30.09.21**
Net income from purchase and sale of bank standardized precious metal bars and commemorative coins	23	-110	82	831
Net income from revaluation of bank standardized precious metal bullions and commemorative coins	-1,264	-2,524	-1,013	-5,202
Total	**-1,241**	**-2,634**	**-931**	**-4,371**

Net income from trading transactions	**-1,689,322**	**-16,524,638**	**708,625**	**2,072,705**

Note 6. Other operating income

Other operating income	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Fines and penalties received	808,332	2,902,236	789,216	2,509,498
Income received from factoring	0	0	0	0
Net income from disposal of PPE and intangible assets	2,239	94,115	65,526	122,248
Net income from revaluation and impairment reversal of PPE and intangible assets				
Other income	17,934,517	56,676,479	112,138	535,958
Total	**18,745,088**	**59,672,830**	**966,880**	**3,167,704**

Note 7. Net allocations to the assets possible loss reserve

As regards amounts due from banks		01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Opening balance	Note 14	96,039	41,440	47,912	86,026
Allocations to the reserve		165,329	503,360	61,902	216,465
Return of reserve allocations		-136,400	-419,832	-52,032	-244,709
Net allocations to the reserve		28,929	83,528	9,870	-28,244
Return of amounts previously written-off to the off-balance sheet		0	0	0	0
Reserve utilization		0	0		
Closing balance		**124,968**	**124,968**	**57,782**	**57,782**

As regards amounts due from financial institutions		01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Opening balance	Note 14	128,139	132,062	248,704	284,399
Allocations to the reserve		3,917	33,374	2,129	31,329
Return of reserve allocations		-1,758	-35,138	-4,022	-68,917
Net allocations to the reserve		2,159	-1,764	-1,893	-37,588
Return of amounts previously written-off to the off-balance sheet		0	0	0	0
Reserve utilization		0	0	0	0
Closing balance		**130,298**	**130,298**	**246,811**	**246,811**

As regards loans and advances provided to the customers		01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Opening balance	Note 16	44,848,351	32,647,278	12,158,925	9,107,949
Allocations to the reserve		21,529,074	56,787,617	2,031,306	14,114,536
Return of reserve allocations		-3,235,623	-10,759,253	-2,376,362	-8,220,373
Net allocations to the reserve		18,293,451	46,028,364	-345,056	5,894,163
Return of amounts previously written-off to the off-balance sheet		2,927,254	9,209,247	1,777,007	4,045,151
Reserve utilization		-6,341,969	-28,157,802	-2,489,928	-7,946,315
Closing balance		**59,727,087**	**59,727,087**	**11,100,948**	**11,100,948**

As regards investments		01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Opening balance	Note 18	67,514	0	0	0
Allocations to the reserve		20,304	88,969	0	0
Return of reserve allocations		0	-1,151	0	0
Net allocations to the reserve		20,304	87,818	0	0
Return of amounts previously written-off to the off-balance sheet		0	0	0	0
Reserve utilization		0	0	0	0
Closing balance		**87,818**	**87,818**	**0**	**0**

As regards other assets		01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Opening balance	Note 18	114,319	58,738	3,639,400	497,412
Allocations to the reserve		199,905	888,107	4,071,416	9,195,066
Return of reserve allocations		-137,108	-438,243	-608,009	-2,488,398
Net allocations to the reserve		62,797	449,864	3,463,407	6,706,668
Return of amounts previously written-off to the off-balance sheet		5,029	33,569	57,459	204,640
Reserve utilization		-117,185	-477,211	-7,105,245	-7,353,699
Closing balance		**64,960**	**64,960**	**55,021**	**55,021**

As regards off-balance sheet items containing credit risk		01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Opening balance	Note 34	953,266	995,843	1,072,063	1,288,024
Allocations to the reserve		431,874	1,268,762	268,769	983,092
Return of reserve allocations		-257,594	-1,137,059	-296,773	-1,227,057
Net allocations to the reserve		174,280	131,703	-28,004	-243,965
Closing balance		**1,127,546**	**1,127,546**	**1,044,059**	**1,044,059**

Total net allocations to the reserves		18,581,920	46,779,513	3,098,324	12,291,034

Note 8. General administrative expenses

General administrative expenses	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Expenses as regards calculated salary and other equivalent payments *	1,365,429	4,184,784	1,251,964	3,915,640
Expenses as regards social payments	0	0	0	0
Expenses as regards training and tuition	2,400	4,120	100	1,722
Expenses as regards business trips	7,449	21,304	22,961	74,457
Expenses as regards operating lease	20,659	62,646	19,910	55,116
Insurance expenses	20,892	73,739	16,197	39,475
Expenses as regards maintenance and security of Bank's equipment	36,340	88,834	12,725	86,746
Expenses as regards maintenance and security of Bank's buildings	89,222	269,612	82,599	259,935
Expenses as regards audit and other consulting services	35,940	72,200	6,826	29,750
Expenses as regards communication means	68,454	167,646	49,122	153,937
Transportation expenses	21,472	68,699	23,859	71,691

Expenses as regards taxes, duties and other obligatory payments (except profit tax)	91,222	270,929	73,807	222,288
Office and organizational expenses	23,909	64,765	16,805	52,279
Expenses as regards loans provision and return	7,422	19,840	4,619	13,775
Other administrative expenses	112,462	291,282	69,389	215,801
Total	**1,903,272**	**5,660,400**	**1,650,883**	**5,192,612**

The number of the Bank employees as at 30 september 2022 is 1098.

The size of average monthly salary per employee is 284 thous. drams.

Note 9. Other Operating Expenses

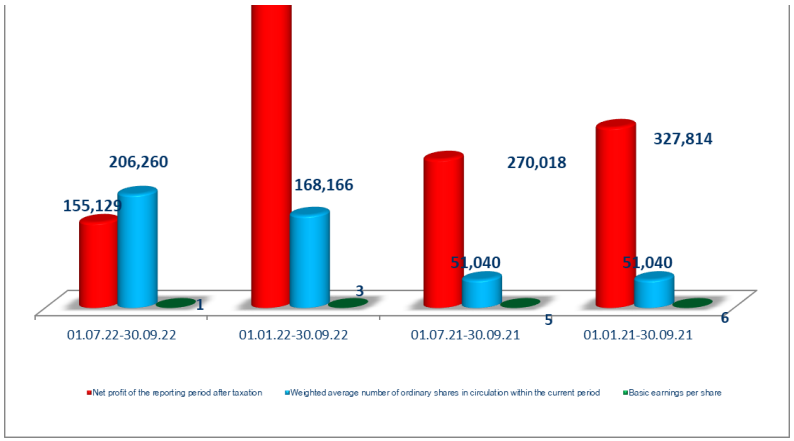
Other Operating Expenses	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Fines and penalties paid	0	16,876	14	40,034
Advertising and representation expenses	36,423	122,305	46,708	164,465
Fcatoting expenses				
Fixed and intangible assets amortization expenses	383,971	1,160,914	391,878	1,149,535
Loss from impairment of tangible assets				
Allocations to deposit guarantee fund	207,460	717,745	218,505	653,636
Other expenses	400,506	1,061,785	344,953	2,087,732
Total	**1,028,360**	**3,079,625**	**1,002,058**	**4,095,402**

Note 11. Profit Tax Expense

Profit tax expense	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Current tax expense	0	3,600	228,861	492,605
Adjustments of current tax for previous periods recognized in the given period	0	0		
Deferred tax expense	0	0	0	0
Total	**0**	**3,600**	**228,861**	**492,605**

Note 12. Basic Earnings per Share

Basic Earnings per Share	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Net profit of the reporting period after taxation	155,129	581,964	270,018	327,814
Dividends calculated for the current reporting period as regards preference shares	( )	( )	( )	( )
Net gain/loss for the current period attributable to the owners of the ordinary shares				
Weighted average number of ordinary shares in circulation within the current period	206,260	168,166	51,040	51,040
Basic earnings per share	1	3	5	6
Diluted earnings per share				



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Note. Other Comprehensive Income

Other Comprehensive Income	01.07.22-30.09.22	01.01.22-30.09.22	01.07.21-30.09.21	01.01.21-30.09.21
Exchange rate differences from recalculation of foreign transactions				
Revaluation of financial assets at fair value through other comprehensive income	(492,160)	(1,836,347)	(4,116,802)	(4,090,568)
Cash flow hedging				
Gains from PPE revaluations				
Deferred tax expense				
Total	**(492,160)**	**(1,836,347)**	**(4,116,802)**	**(4,090,568)**

Note 13. Cash means, Cash Equivalents and Balances with the RA Central Bank

Cash, cash equivalents and balances with the CBA	Reporting period	Previous period
Cash means	7,120,325	5,216,759
Other placements of cash	2,559,310	2,921,171
Correspondent accounts with the CBA *	66,880,780	42,320,297
Total	**76,560,415**	**50,458,227**
Deposit accounts with the CBA	0	0
Deposited means with the CBA **	760,000	1,410,000
Accrued interest	0	0
Cash means and balances with the CBA	**77,320,415**	**51,868,227**
Standardized precious metal bullions	12,669	16,812
Placements with other banks (Note 14)	12,371,819	4,110,283
Total cash and cash equivalents	**79,510,319**	**54,444,957**

* Correspondent accounts with the CBA include funds calculated against amounts involved by the Bank according to the RA bank legislation, subjected to obligatory provisioning

** The deposited amount with CBA represents an insured deposit for settlements realized through ArCa payment system

Note 14. Amounts due from banks and other financial institutions

Current accounts	Reporting period	Previous period
RA banks	18	1,019
Banks with BBB – (Baa3) and higher rating	214,202	2,542,523
Banks with no rating and rating below BBB-(Baa3)	2,723,015	1,426,376
Accrued interest	0	0
Total	**2,937,235**	**3,969,918**

Interbank loans and deposits, etc.		
CBA		
Loans and deposits	0	0
Factoring	0	0
Financial lease	0	0
Repo (repurchase) agreements	0	0
Swap	0	0
Other	0	0
RA Banks		
Loans and deposits	0	0
Factoring	0	0
Financial lease	0	0
Repo (repurchase) agreements	0	0
Swap	0	0
Letters of credit and bank guarantees	0	0
Other	0	0
Banks with BBB – (Baa3) and higher rating	**0**	**1,799**
Loans and deposits	0	0
Factoring	0	0
Financial lease	0	0
Repo (repurchase) agreements	0	0
Swap	0	1,798
Letters of credit and bank guarantees	0	0
Other	0	1
Banks with no rating and rating below BBB-(Baa3)	9,558,779	180,006
Loans and deposits	9,462,500	0
Factoring	0	0
Financial lease	0	0
Repo (repurchase) agreements	0	0
Swap	0	5,932
Letters of credit and bank guarantees	0	0
Other	96,279	174,074
Accrued interest	773	0
Total	**12,496,787**	**4,151,723**
Reserve for possible losses as regards amounts due from Banks (Note 7)	**-124,968**	**-41,440**
Net amounts due from banks	**12,371,819**	**4,110,283**

Loans and deposits with financial institutions, other amounts due		
RA financial institutions	12,243,069	12,095,866
Loans and deposits	4,433,850	2,832,826
Factoring		0

Financial lease		0
Repo (repurchase) agreements	7,809,219	9,263,040
Swap	0	0
Letters of credit and bank guarantees	0	0
Other	0	0
Financial institutions with BBB – (Baa3) and higher rating		
Loans and deposits	0	0
Factoring	0	0
Financial lease	0	0
Repo (repurchase) agreements	0	0
Swap	0	0
Letters of credit and bank guarantees	0	0
Other	0	0
Financial institutions with no rating and rating below BBB-(Baa3)	939,118	1,026,861
Loans and deposits	0	0
Factoring	0	0
Financial lease	0	0
Repo (repurchase) agreements	0	0
Swap	0	0
Letters of credit and bank guarantees	0	0
Other	939,118	1,026,861
Accrued interest	43,455	83,538
Total	13,225,642	13,206,265
Reserve for possible losses as regards amounts due from financial institutions (Note 7)	-130,298	-132,062
Net amounts due from financial institutions	**13,095,344**	**13,074,203**
Net amounts due from banks and financial institutions	**25,467,163**	**17,184,486**

Note 15. Financial assets at fair value through profit/loss

Government securities	Reporting period	Previous period
RA Government securities, including		
Treasury bonds	25,926,220	30,368,509
Central Bank bonds	0	0
Other	0	0
Government securities of countries with BBB – (Baa3) and higher rating, including		
Treasury bonds	0	0
Central Bank bonds	0	0
Other	0	0
Government securities of countries with no rating and rating below BBB-(Baa3)		
Treasury bonds	0	0
Central Bank bonds	0	0
Other	0	0
Total Government securities	**25,926,220**	**30,368,509**

Non-government securities of RA	Listed	Non-Listed	Listed	Non-Listed
Issuer with A-/A3/ and higher rating				
Long term debt instruments				
Short term debt instruments				

Deposit certificates				
Equity instruments				
Other				
Issuer with "C" and higher rating by CBA				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Issuer with BBB+/Baa1/ and below rating, other rating and no rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Total non-government securities of RA held for trading	**0**	**0**	**0**	**0**

Non-government securities of other countries	Listed	Non-Listed	Listed	Non-Listed
Issuer with A-/A3/ and higher rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Issuer with BBB+/Baa1/ and below rating, other rating and no rating				
Long term debt instruments				
Short term debt instruments				
Deposit certificates				
Equity instruments				
Other				
Total non-government securities of other countries held for trading	**0**	**0**	**0**	**0**

Total securities held for trading	**25,926,220**	**30,368,509**	**0**	**0**

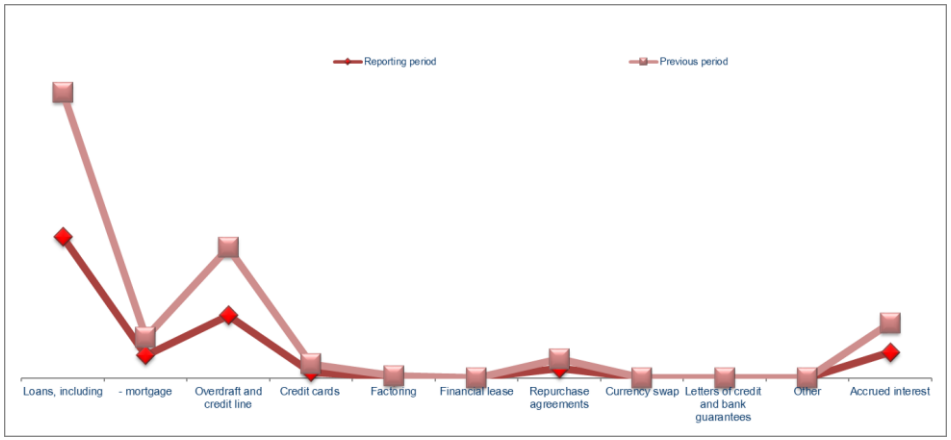
Other financial assets held for trading	Reporting period	Reporting period	Previous period	Previous period
Loans, factoring, accounts receivable				
Borrowers with A-/A3/ or higher rating				
Borrowers with BBB+/Baa1/ and lower rating, other rating and no rating				
- Mortgage				
- Consumer loans				
- Other				
Derivative instruments	0		0	
- Futures				

- Forward				
- Option				
- Swap				
- Other				
Total				

Total financial assets at fair value through profit/loss	**25,926,220**	**30,368,509**	**0**	**0**

Note 16. Loans and advances to customers at amortized value

Issued loans and other advances	Reporting period	Previous period
Loans, including	**325,218,455**	**338,433,314**
- to banks		
- to RA Government		
- to local authorities		
- mortgage	60,088,802	42,508,513
Overdraft and credit line	**146,192,708**	**158,933,492**
Credit cards	**9,550,229**	**18,935,908**
Factoring	**2,127,459**	**2,487,459**
Financial lease	**-**	
Repurchase agreements	**22,071,998**	**22,361,478**
Currency swap	**-**	**-**
Letters of credit and bank guarantees	**-**	**-**
Other	**-**	**-**
Accrued interest concerning the mentioned items	**67,118,394**	**68,857,585**
Total loans	**572,279,243**	**610,009,236**
Reserve for possible losses as regards loans and advances to customers at amortized value (Note 7)	-59,727,087	-32,647,278
Total net loans	**512,552,156**	**577,361,958**



Breakdown of Performing and Non-Performing Loans and advances to customers at amortized value as of the End of the Reporting Period

Breakdown of performing and non-performing loans and advances provided to customers at amortized		Reporting period	Previous period
Performing loans and advances	Amount	452,542,830	596,794,522
	Quantity	92,938	69,675
Non-Performing loans and advances, including		119,736,413	13,214,714
		6791	3438
Overdue	Amount	48,704,251	5,166,549
	Quantity	5206	2688
Accrued interests			
Total loans	Amount	572,279,243	610,009,236
	Quantity	99,729	73,113
Provision for possible losses as regards loans and advances to customers at amortized value (Note 7)		-59,727,087	-32,647,278
Total net loans		**512,552,156**	**577,361,958**

Analysis of provided loans and advances to customers at amortized value by customer group

Analysis of the provided loans and advances by customer group	Reporting period	Previous period
State enterprises	2,628,989	3,544,818
Private enterprises, including	364,644,752	423,866,919
- large enterprises	167,845,974	200,436,713
- small and medium enterprises	196,798,778	223,430,206
Natural persons, including	135,427,440	110,343,586
- consumer loans	63,141,440	46,084,874
- mortgage loans	60,088,802	42,508,513
- credit cards	9,925,193	19,064,087
Sole entrepreneurs	2,459,668	3,396,328
Accrued interest	67,118,394	68,857,585
Total loans	**572,279,243**	**610,009,236**
Provision for possible losses as regardsloans and advances to customers at amortized value	(59,727,087)	(32,647,278)
Total net loans	**512,552,156**	**577,361,958**

a) Total loans provided to major borrowers and related persons as of 30.09.2022 made AMD 177.859.138 thous, as of 31.12.2021 – AMD 216.081.821 thous.

b) Share in total loan portfolio as of 30.09.2022 made 31.08 %, as of 31.12.2021 -37.31 %

c) Percentage to Capital as of 30.09.2022 was 126.66 %, as of 31.12.2021 – 499.12 % .

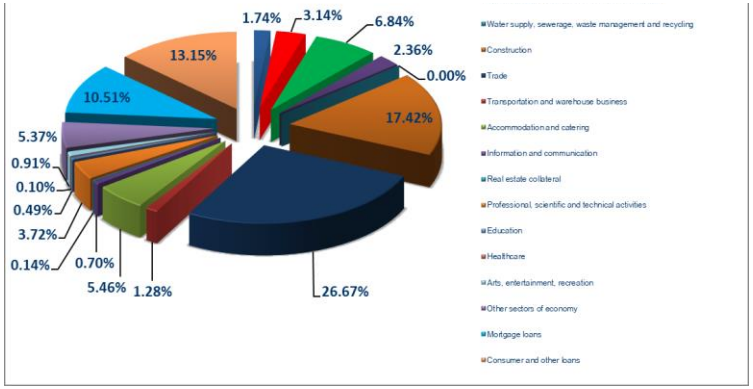
Analysis of loan portfolio according to number of borrowers	Reporting period	Previous period
State enterprises	4	6
Private enterprises	376	463
Natural persons	75,641	54,002
Sole entrepreneurs	638	699
Total	**76,659**	**55,170**

Analysis of loan portfolio according to the industry sectors (less the reserve amount for possible losses)

30.09.22

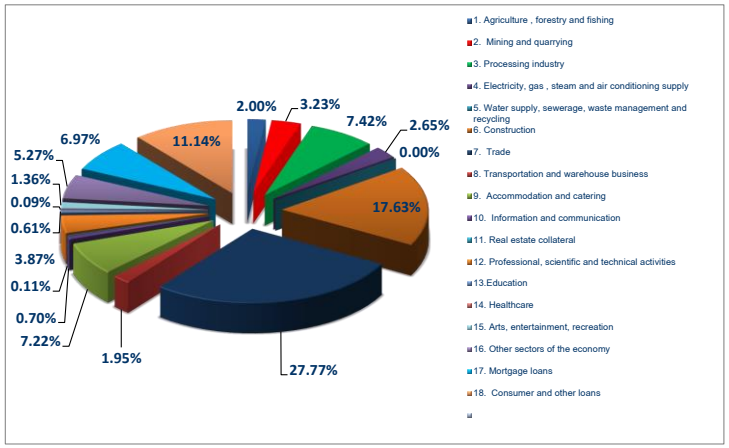
Analysis of loans and advances according to crediting sectors	Reporting period	Percentage
1. Agriculture , forestry and fishing	9,948,086	1.74
2. Mining and quarrying	17,941,293	3.14
3. Processing industry	39,118,946	6.84

4. Electricity, gas , steam and air conditioning supply	13,519,883	2.36
5. Water supply, sewerage, waste management and recycling	3,665	0.00
6. Construction	99,692,797	17.42
7. Trade	152,628,011	26.67
8. Transportation and warehouse business	7,317,299	1.28
9. Accommodation and catering	31,257,091	5.46
10. Information and communication	4,007,964	0.70
11. Real estate collateral	815,611	0.14
12. Professional, scientific and technical activities	21,263,098	3.72
13.Education	2,808,460	0.49
14. Healthcare	587,809	0.10
15. Arts, entertainment, recreation	5,231,852	0.91
16. Other sectors of economy	30,733,343	5.37
17. Mortgage loans	60,123,917	10.51
18. Consumer and other loans	75,280,118	13.15
Total	**572,279,243**	**100**



31.12.21

Analysis of loans and advances according to crediting sectors	Previous period	Percentage
1. Agriculture , forestry and fishing	12,198,739	2.00
2. Mining and quarrying	19,692,718	3.23
3. Processing industry	45,290,840	7.42
4. Electricity, gas , steam and air conditioning supply	16,184,637	2.65
5. Water supply, sewerage, waste management and recycling	6,386	0.00
6. Construction	107,514,823	17.63
7. Trade	169,410,720	27.77
8. Transportation and warehouse business	11,882,523	1.95
9. Accommodation and catering	44,071,904	7.22
10. Information and communication	4,272,063	0.70
11. Real estate collateral	693,733	0.11
12. Professional, scientific and technical activities	23,604,139	3.87
13.Education	3,699,057	0.61
14. Healthcare	573,020	0.09
15. Arts, entertainment, recreation	8,311,358	1.36
16. Other sectors of the economy	32,132,050	5.27
17. Mortgage loans	42,508,513	6.97
18. Consumer and other loans	67,962,013	11.14
Total	**610,009,236**	**100**

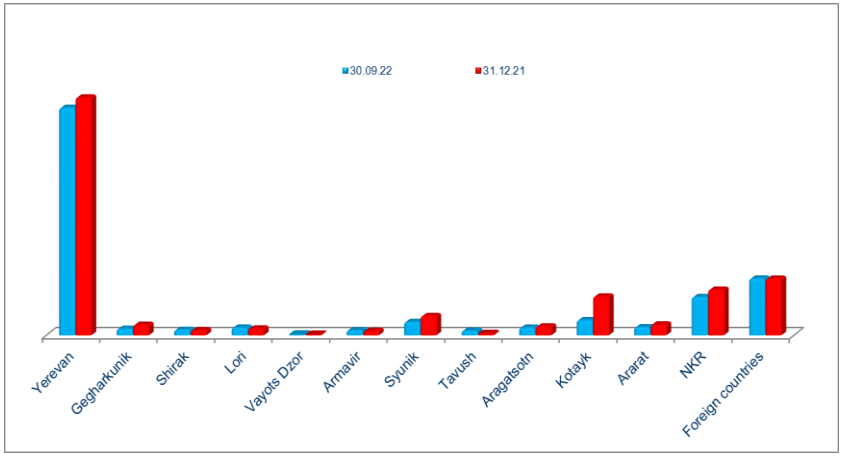


Analysis of the loan portfolio as regards customers' residency

Analysis of the loan portfolio as regards customers' residency	Reporting period	Percentage	Previous period	Percentage
RA residents	439,446,123	85.74	504,359,821	87.36
Non-residents	73,106,033	14.26	73,002,137	12.64
Total	**512,552,156**	**100**	**577,361,958**	**100**

Region (Marz)	30.09.22		31.12.21	
	Quantity	Amount	Quantity	Amount
Yerevan	38,444	292,429,291	21,505	305,801,917
Gegharkunik	10,505	8,470,197	8,432	13,752,884
Shirak	9,883	7,166,511	7,480	6,726,698
Lori	7,155	10,045,721	5,188	8,974,541

Vayots Dzor	223	1,530,806	279	1,244,945
Armavir	3,547	6,697,514	2,886	5,640,063
Syunik	4,265	17,350,788	3,898	24,960,905
Tavush	2,097	6,117,541	1,463	2,577,270
Aragatsotn	6,197	10,009,711	5,538	11,627,814
Kotayk	5,532	19,677,264	4,747	50,053,589
Ararat	7,340	10,574,932	6,250	14,157,855
NKR	4,474	49,375,847	5,393	58,841,340
Foreign countries	67	73,106,033	54	73,002,137
Total	**99,729**	**512,552,156**	**73,113**	**577,361,958**



Note 17. Financial assets at fair value through other comprehensive income

State securities	Reporting period	Previous period
State obligations	36,829,661	153,596,881
Treasury obligations	36,829,661	153,596,881
Central Bank obligations		
Promissory note		
State obligations of countries with BBB-/Baa3/ or higher rating		
Treasury obligations		
Central Bank obligations		
Other		
State securities of countries with BB+/Ba1/ or below rating or no rating		
Treasury obligations		
Central Bank obligations		
Other		
Possible loss reserve for promissory notes (Note 7)		
Total state securities	**36,829,661**	**153,596,881**

Non-state securities of RA	*Reporting period*	*Previous period*
Issuer with A-/A3/ or higher rating		
Long term debt instruments		
Short term debt instruments		

Deposit certificates		
Equity instruments		
Other		
Issuer with "C" and higher rating by CBA		
Long term debt instruments		
Short term debt instruments		
Deposit certificates		
Equity instruments		
Other		
Issuer with BBB+/Baa1/ or below rating, other rating or no rating		
Long term debt instruments	610,357	1,888,073
Short term debt instruments	0	0
Deposit certificates	0	0
Equity instruments	0	0
Other	0	0
Total non government securities of RA	610,357	1,888,073

Non-state securities of other countries	***Reporting period***	***Previous period***
Issuer with A-/A3/ or higher rating		
Long term debt instruments		
Short term debt instruments		
Deposit certificates		
Equity instruments		
Other		
Issuer with BBB+/Baa1/ or below rating, other rating or no rating		
Long term debt instruments		
Short term debt instruments		
Deposit certificates		
Equity instruments		
Other		
Total non government securities of other countries	0	0

Total financial assets at fair value through other comprehensive	**37,440,018**	**155,484,954**

Other financial assets at fair value through other comprehensive income		
Loans, factoring, amounts receivable		
Borrowers with A-/A3/ or higher rating		
Borrowers with BBB+/Baa1 and below rating, other rating and no rating		
Mortgage loans		
Consumer loans		
Other		
Total	**0**	**0**

Total financial assets at fair value through other comprehensive income	**37,440,018**	**155,484,954**

Investments in other persons' share capital

Reporting period

Company name	Main activity	Country of registration	Investment date	Invested amount (thous. drams)	Share
1. Armenian Card CJSC	Payment and settlement services	RA	20.10.06	12143	2.00
2.“ACRA Credit Reporting” CJSC	Payment and settlement services	RA	22.11.07	19845	4.0003
3. SWIFT	Payment and settlement services	Belgium	23.04.12	19968	0.00005
Total				**51,956**	**6**
Impairment of investments in other companies share capital (reserve for possible losses) (Note 7)				0	
Total				**51,956**	

Previous period

Company name	Main activity	Country of registration	Investment date	Invested amount ¥thous. drams)	Share
1. Armenian Card CJSC	Payment and settlement services	RA	20.10.06	12143	2.00
2.“ACRA Credit Reporting” CJSC	Payment and settlement services	RA	22.11.07	19845	4.0003
3. SWIFT	Payment and settlement services	Belgium	23.04.12	22417	0.00005
Total				**54,405**	**6**
Impairment of investments in other companies share capital (reserve for possible losses) (Note 7)				0	
Total				**54,405**	

	Reporting period	Previous period
Total financial assets at fair value through other comprehensive income and investments in other companies' share capital	**37,491,974**	**155,539,359**

Note 18. Other financial assets at amortized value

Government securities	Reporting period	Previous period
RA state bonds including	126,433,267	
T-bonds	122,132,867	0
Bonds of Central bank		0
Other	4,300,400	0
Government securities of countries with BBB-/Baa3/ or higher rating, including		
T-bonds	0	0
Bonds of Central bank	0	0

Other	0	0
State securities of countries with BB+/Ba1/ or below rating or no rating, including		
T-bonds	0	0
Bonds of Central bank	0	0
Other	0	0
Accrued interest	995,762	0
Provision for possible losses as regards securities held to maturity (Note 7)	(87,818)	0
Total	**127,341,211**	**0**

Non-government securities of RA	***listed***	***unlisted***	***listed***	***unlisted***
Issuer with A-/A3/ or higher rating, including				
- long term debt instruments				
- short term debt instruments				
- deposite certificates				
- other				
Issuer having "C-" and higher rating from CBA, including	0	0	0	
- long term debt instruments				
- short term debt instruments				
- deposite certificates				
- other			0	
Issuer with BBB+/Baa1/ and lower rating, other rating and no rating, including				
- long term debt instruments				
- short term debt instruments				
- deposite certificates				
- other				
Accrued interest				
Total	-	-	-	-

Financial liabilities at fair value

Non-government securities of other countries	***listed***	***unlisted***	***listed***	***unlisted***
Issuer with A-/A3/ or higher rating, including				
- long term debt instruments				
- short term debt instruments				
- deposite certificates				
- other				
Issuer with BBB+/Baa1/ and lower rating, other rating and no rating, including				
- long term debt instruments				
- short term debt instruments				
- deposite certificates				
- other				
Accrued interest				
Total	-	-	-	-

Impairment of other financial assets at amortized value (reserve for possible losses) (Note 7)				

Net investments in other financial assets at amortized value	**127,341,211**		**0**	**0**

Noncurrent assets held for sale

	Reporting period	Previous period
Seized collateral	7,285,947	7,866,678

Note 20. Property, Plant, Equipment and Intangible Assets

Property, plant and equipment

Title	Buildings	Computer & communication means	Vehicles	Other PPE	Capital investments as regards PPE	Operating lease PPE*	Capital investments as regards leased PPE	Total
Initial cost								
Balance at the beginning of the previous period	**10,362,099**	**4,609,690**	**305,045**	**3,869,115**	**-**	**1,063,784**	**455,546**	**20,665,279**
Increase	-	306,560	6,239	81,536	7,610	59,859	3,133	464,937
Disposal								-
Write-off								-
Revaluation		31,683	64,501	120				96,304
Depreciation adjustment from revaluation								-
Balance at the end of the previous period	**10,362,099**	**4,884,567**	**246,783**	**3,950,531**	**7,610**	**1,123,643**	**458,679**	**21,033,912**
Increase	29,788	285,827	3,619	68,405	-	(97,645)	(20,232)	269,762
Disposal			11,459					11,459
Revaluation*								-
Write-off	29,788	1,151		45,962			640	77,541
Depreciation adjustment from revaluation								-
Balance at the end of the reporting period	**10,362,099**	**5,169,243**	**238,943**	**3,972,974**	**7,610**	**1,025,998**	**437,807**	**21,214,674**
Accumulated depreciation								
Balance at the beginning of the previous period	**2,226,187**	**3,316,703**	**169,850**	**1,819,087**		**99,490**	**61,903**	**7,693,220**
Increase	383,866	303,468	34,394	173,059		207,542	14,745	1,117,074
Disposal								-
Depreciation adjustment from revaluation						25,180		25,180
Write-off		31,180	51,708	136				83,024
Balance at the end of the previous period	**2,610,053**	**3,588,991**	**152,536**	**1,992,010**		**281,852**	**76,648**	**8,702,090**
Increase	294,130	231,681	19,225	128,222		60,470	4,859	738,587
Disposal			11,459					11,459
Depreciation adjustment from revaluation								-
Write-off	6,230	714		43,008			47	49,999
Balance at the end of the reporting period	**2,897,953**	**3,819,958**	**160,302**	**2,077,224**		**342,322**	**81,460**	**9,379,219**
Net carrying amount								
End of reporting period	**7,464,146**	**1,349,285**	**78,641**	**1,895,750**	**7,610**	**683,676**	**356,347**	**11,835,455**
End of previous period	**7,752,046**	**1,295,576**	**94,247**	**1,958,521**	**7,610**	**841,791**	**382,031**	**12,331,822**

*** Operating lease as regards PPE is reported according to IFRS 16.**

Intangible Assets

	Software	Licenses	Copyright	Other intangible assets	Capital investments as regards intangible assets	Total
Initial cost						

Balance at the beginning of the previous period	**285,600**	**3,102,491**	**-**	**157,641**	**90,566**	**3,636,298**
Increase	2,777	203,843		-	1,600	208,220
Disposal	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Written off		41,104				41,104
Balance at the end of previous period	**288,377**	**3,265,230**	**-**	**157,641**	**92,166**	**3,803,414**
Increase	14,372	152,711		3,699	7,629	178,411
Disposal		-				-
Revaluation*						-
Impairment						-
Written off		10,348		1,946		12,294
Balance at the end of the reporting period	**302,749**	**3,407,593**	**-**	**159,394**	**99,795**	**3,969,531**
Accumulated amortization						
Balance at the end of previous period	**137,429**	**1,286,798**		**60,911**	**-**	**1,485,138**
Increase	19,637	390,473		18,143		428,253
Disposal		-				-
Impairment		40,983				40,983
Revaluation		-				-
Balance at the end of previous period	**157,066**	**1,636,288**		**79,054**	**-**	**1,872,408**
Increase	15,440	322,731	-	9,580		347,751
Disposal		-				-
Depreciation adjustment from revaluation		10,348		1,946		12,294
Revaluation		-				-
Balance at the end of the reporting period	**172,506**	**1,948,671**		**86,688**	**-**	**2,207,865**
Net carrying amount						
End of reporting period	**130,243**	**1,458,922**	**-**	**72,706**	**99,795**	**1,761,666**
End of previous period	**131,311**	**1,628,942**	**-**	**78,587**	**92,166**	**1,931,006**

Note 21. Deferred tax assets

Deferred tax assets movement	Reporting period	Previous period
Balance at the beginning of the period	442,330	0
Increase	0	442,330
Decrease	0	0
Balance at the end of the period	**442,330**	**442,330**

Note 22. Other Assets

Amounts receivable from bank transactions	Reporting period	Previous period
Dividends receivable	0	0
Amounts receivable from trust management transactions	0	0
Amounts receivable from other transactions	371,859	736,413
Total	**371,859**	**736,413**
Reserve for possible losses as regards bank transactions (Note 7)	-13,389	-7,383
Net amounts receivable from bank transactions	**358,470**	**729,030**

Accounts receivable and prepayments	Reporting period	Previous period
Receivables as regards budget	4	33
Receivables as regards suppliers		0
Advance payments to the employees	1,518	1,750
Advance payments to the suppliers	592,629	501,497

Advance payments and overpayments as regards budget and mandator	580,139	246
Other receivables and prepaymens	1,348,172	1,570,677
Total	**2,522,462**	**2,074,203**
Reserve for possible losses as regards other assets (Note 7)	-29,132	-32,113
Total	**2,493,330**	**2,042,090**
Other assets		
Warehouse	210,387	238,267
Future period expenses	74,266	82,633
Other assets	2,167,813	1,842,066
Reserve for possible losses as regards other assets (Note 7)	-22,439	-19,242
Total	**2,430,027**	**2,143,724**
Total other assets	**5,281,827**	**4,914,844**

Note 23. Amounts due to banks and other financial institutions

Current accounts	Reporting period	Previous period
RA Banks	953	11,260
Banks with BBB-(Baa3) and higher rating	0	0
Banks with rating below BBB-(Baa3) and no rating	1,811,053	40,047
Accrued interest		0
Total	**1,812,006**	**51,307**
Interbank loans, deposits and other demands		
RA Central Bank		
Loans*	48,068,510	16,979,155
Repo (repurchase) agreements	115,999,944	143,499,958
Swap		0
Other		0
RA Banks		
Loans and deposits	0	675,013
Financial leasing		0
Repo (repurchase) agreements	0	0
Swap	0	0
Other	10	10
BBB-(Baa3) and higher rating banks		
Loans and deposits		-
Financial leasing		0
Repo (repurchase) agreements		0
Swap	0	33953
Other		0
BBB-(Baa3) and lower rating and no rating banks		
Loans and deposits	6,084,750	9,602,801
Financial leasing		0
Repo (repurchase) agreements		0
Swap	0	57,715
Other	1,135,177	1,543,660
Accrued interest	738,916	367,005
Total	**172,027,307**	**172,759,270**
Financial institutions		
Current accounts	5,479,767	3,236,541
Loans and deposits	15,593,934	52,257,999
Repo (repurchase) agreements		0

Swap		0
Other	16,509	22,729
Accrued interest	145,995	475,608
Total	**21,236,205**	**55,992,877**
Total amounts due to banks and other fin. institutions	**195,075,518**	**228,803,454**

As of 30.09.2022, loans received from the Central Bank of Armenia also include loan amounts attracted under international loan programs totaling AMD 14.096.278 thous. And accrued interest amounts AMD 419.647 thous.

Note 24. Amounts due to customers

Amounts due to RA government and local self-managed authorities	Reporting period	Previous period
Current accounts	304,368	529,321
Time deposits		
Loans	91,930	134,103
Repo (repurchase) agreements		0
Swap		0
Other	110,408	103,798
Accrued interest	164	322
Total	**506,870**	**767,544**
Legal entities and institutions of RA (residents)		
Current accounts	54,211,141	54,002,650
Time deposits	27,059,360	43,171,307
Repo (repurchase) agreements	0	0
Swap	0	0
Other	2,805,029	1,555,695
Accrued interest	493,309	465,441
Total	**84,568,839**	**99,195,093**
Legal entities and institutions (non-residents)		
Current accounts	22,479,329	104,253,587
Time deposits	142,626	143,213
Repo (repurchase) agreements		0
Swap		0
Other	73,749	102,312
Accrued interest	3,211	141
Total	**22,698,915**	**104,499,253**
Sole entrepreneurs of RA (residents)		
Current accounts	713,069	580,049
Time deposits	0	0
Repo (repurchase) agreements		0
Swap		0
Other		0
Accrued interest	0	0
Total	**713,069**	**580,049**
Sole entrepreneurs (non-residents)		
Current accounts	878	39
Time deposits		0
Repo (repurchase) agreements		0
Swap		0
Other		0
Accrued interest		0
Total	**878**	**39**
Individuals (residents)		
Current accounts	33,448,935	34,476,108
Time deposits	271,803,429	289,543,445

Repo (repurchase) agreements		0
Swap		0
Other	1,726,836	445,688
Accrued interest	5,565,429	6,021,587
Total	**312,544,629**	**330,486,828**
Individuals (non-residents)		
Current accounts	13,836,014	10,348,601
Time deposits	8,874,946	11,275,046
Repo (repurchase) agreements		0
Swap		0
Other	0	0
Accrued interest	209,946	275,155
Total	**22,920,906**	**21,898,802**
Total liabilities to customers	**443,954,106**	**557,427,608**

The amount of the security of liabilities totaled: as at 31.12.2021 - AMD 19.014.069 thous., as at 30.09.2022 - AMD 19.837.564 thous.

2.Term liabilities to government include amounts involved from international financial organizations within RAED (Rural Areas Economic Development) program and Millennium Challenge Account program, which totaled AMD 91.474 thous., accrued interest AMD 164 thous.

The structure of Bank depositors' (time deposits) by customers number

	Reporting period	Previous period
Legal entities residents	69	79
Legal entitie non- residents	1	1
Individuals residents	30,317	31,441
Individuals non-residents	289	339
Total	**30,676**	**31,860**

Note 25. Securities issued by Bank

Securities issued by Bank	Reporting period	Previous period
Fixed-Income securities	9,275,813	10,872,660
Total	**9,275,813**	**10,872,660**

Note 26. Liabilities at fair value through profit or loss

Liability held for trading	Reporting period	Previous period
Derivative instruments held for trading purposes		
Futures		
Forward		
Option		
Swap		
Other		
Hedging derivative instruments		
Other	25,926,220	30,368,509
Total	**25,926,220**	**30,368,509**

Note 27. Amounts payable

Amounts payable	Reporting period	Previous period

Dividends		
Trust management agreements		
Deposits insurance	207,460	232,895
Other		
Total	**207,460**	**232,895**

Note 28. Deferred tax liabilities

Deferred tax liabilities movements	Reporting period	Previous period
Balance at the beginning of the period		595,416
Increase		0
Decrease		595,416
Balance at the end of the period	**-**	**-**

Note 29. Other liabilities

Other liabilities	Reporting period	Previous period
Settlement liabilities as regards cheques and other payment documents	0	0
Settlement liabilities as regards letters of credit	0	0
Other settlements	0	0
Payables as regards budget	0	0
Profit Tax	0	334,244
VAT	6,112	34,371
other taxes and dues	293,931	368,079
social insurance payments	0	0
Liabilities to employees as regards salary	555,365	646,286
Payables as regards suppliers	84,967	131,233
Payables as regards completion of chartered capital		0
Other liabilities	790,702	937,501
Balance at the end of period	**1,731,077**	**2,451,714**

Note 30. Chartered capital

a) Bank's chartered capital registered and fully paid – AMD 170.092.515 thous.

b) The number of issued and allocated ordinary shares - 206.260 nomminal value – AMD 824.651

c) Major participants as of the end of the reporting period

Major participant	Amount of participation	Share %	Type of activity (for legal entities)
MFM Global Invest AG	127,568,562	75	
Home for youth UCO CJSC	42,523,953	25	
	170,092,515	**100**	

Note 32. Revaluation and remeasurement reserves, other components of equity

"Revaluation and remeasurement reserves"

Components:

Revaluation reserves	Reporting period	Previous period
Unrealized gain/loss from revaluation of investments for sale	(2,933,685)	(1,097,338)
Fixed assets revaluation reserve	468,524	468,524
Other reserves	-	-

Total revaluation reserves	**(2,465,161)**	**(628,814)**

Other components of equity

Reserves

Other reserves	Reporting period	Previous period
Main reserve		
Opening balance	917,427	913,027
Increase	-	4,400
Decrease	-	-
Closing balance	**917,427**	**917,427**

Note 33. Retained earnings

Retained profit	Reporting period	Previous period
Opening balance	(13,705,452)	9,768,416
Increase	581,964	-
Decrease	-	23,473,868
Closing balance	**(13,123,488)**	**(13,705,452)**

Note 34. Reserves, contingencies and potential liabilities

Reserves		Reporting period	Previous period
Opening balance	Note 7	995,843	1,288,024
Allocations to the reserve		1,268,762	1,273,875
Use of reserve		-1,137,059	(1,566,056)
Net allocations to the reserve		131,703	(292,181)
Closing balance		**1,127,546**	**995,843**

Bank's legal liabilities

The Bank carries out its activity within the requirements prescribed by legislation and needs no additional reserves as regards its legal liabilities.

Bank's tax liabilities

The Bank has met its tax obligations and needs no additional reserves as regards its tax liabilities.

Bank's contingent liabilities as regards off-balance items containing credit risk

	Reporting period	Previous period
Unused credit lines	14,726,203	13,406,439
Guarantees provided	65,657,593	70,394,453
Letters of credit issued	-	-
Reserve as regards the mentioned items (Note 7)	(1,127,546)	(995,843)

Closing balance	**79,256,250**	**82,805,049**

Bank's liability as regards operating lease

The leased premises are as follows:

Yerevan - Artsakh Branch
Talin - Talin Branch
Vanadzor - Lori Branch
Tashir - Dzoraget Branch
Masis - Masis Branch
Ashtarak - Ashtarak Branch
Gavar - Gavar Branch
Yerevan - Komitas Branch
Artik - Artik Branch
Sevan - Sevan Branch
Martuni - Alashkert Branch
Artashat - Artashat Branch
Yerevan - Arabkir Branch
Yerevan - Avan Branch
Yerevan - Aparan Branch
Yerevan - Artashisyan Branch
Yerevan - Araratyan Branch
Yerevan - Teryan Branch
Yerevan - Yerevan Branch
Hrazdan - Hrazdan Branch
Yerevan - Qajaznuni Branch
Yerevan - Nor Aresh Branch
Yerevan - Erebuni Branch
Yerevan - Davtashen Branch
Yerevan - Noragavit Branch
Yerevan - Kapan Branch
Yerevan - Ajapnyak Branch
Yerevan - Masiv Branch
Yerevan - Zvartnoc Branch
Yerevan - Ijevan Branch

The structure of future total minimum lease amounts payable for financial lease

thous. drams

The structure of minimum lease payments	Amounts payable in drams equivalent to foreign currency	Amounts payable in drams
Lease		773,668
Total		**773,668**

Note 35. Related party transactions

The related party transactions were conducted according to the market terms and interest rates.

Loans and advances to customers at amortized value	Reporting period	Previous period
	01.01.22-30.09.22	01.01.21-31.12.21
Balance as of 01 January	16,613,678	26,964,623
Loans and advances provided during the year	2,749,183	6,062,360
Loans and advances repaid during the year	16,741,967	16,413,305
Balance	**2,620,894**	**16,613,678**
Interest income	460,733	1,961,468

The loans have been provided to the Bank's management and their related parties

Amounts due to customers	Reporting period	Previous period
	01.01.22-30.09.22	01.01.21-31.12.21
Balance as of 01 January	7,709,653	15,329,065
Amounts received during the year	273,449,222	101,574,822
Amounts paid during the year	273,913,633	109,194,234
Balance	**7,245,242**	**7,709,653**
Interest expense	712,027	1,902,913

Salary and equivalent payments to the Bank's management	Reporting period	Previous period
	01.01.22-30.09.22	01.01.21-31.12.21
The Board		
Salary	220,121	246,361
bonus	-	-
Executive body		
Salary	204,650	265,988
bonus	100	5,700
Internal audit		
Salary	39,099	57,991
bonus	100	4,950
Total	**464,070**	**580,990**

Note 36. Minimal disclosures concerning financial risks

1. Credit risk

The main objective of credit risks management for the Bank is the timely (sometimes even before provision of the loan) identification, valuation and realization of corresponding steps directed to their reduction.

The Bank evaluates the credit risk in relation of both each borrower and the whole loan portfolio.

According to the methodology developed by the Bank, the creditworthiness of the potential borrower is assessed before provision of the loan. From the viewpoint of prevention of the credit risk, the most important principles to follow are considered to be the security and purpose of the loan. After provision of the loan, monitoring is conducted by the Bank during the whole period of the loan agreement to regularly assess the borrower's solvency and the loan's security as well as to take corresponding measures for restricting the possible credit risk.

Also the Bank's overall loan portfolio is subjected to regular analysis by industry branches, customers, and loan types to ensure the portfolio diversification and quality. Intra-bank normatives restricting credit risk (maximum risk as regards an industry branch, maximum overall loan risk, maximum risk per individual loan types as regards loan portfolio quality, maximum risk as regards a borrower, maximum risk as regards the major borrowers, maximum risk as regards a person related to the Bank, maximum risk as regards all persons related to the Bank, etc.) are established by the corresponding internal legal acts approved by the Bank Board (these normatives are more severe than the corresponding normatives established by the RA Central Bank).

The Bank considers activity of the Loan committee as very important for thye containment of credit risk. Loan committee is the body to realize the Bank's credit policy, the purpose of which is management of the Bank's loan activity and formation of the quality loan portfolio. The main objective of the loan committee is making collective professional protocol or final decisions concerning realization and servicing of transactions containing credit risk.

2. Geographical concentrations

Title	RA	OECD* Countries	Non OECD Countries	Total
Assets				
Cash and balances with CBA	77,320,415			77,320,415
Amounts due from banks and other financial institutions	12,503,518	1,022,833	11,940,812	25,467,163
Financial instruments held for trading	25,926,220	-	-	25,926,220
Loans and advances to customers at amortized value	439,446,123	1,386,700	71,719,333	512,552,156
Securities available for sale	37,472,006	19,968	-	37,491,974
Securities held to maturity	127,341,211	-	-	127,341,211
Other assets	4,031,361	5,845	1,244,621	5,281,827
Total assets	**724,040,854**	**2,435,346**	**84,904,766**	**811,380,966**
Liabilities				0
Amounts due to banks and other financial institutions	186,029,430	13,881	9,032,207	195,075,518
Amounts due to customers	398,333,406	4,544,167	41,076,533	443,954,106
Financial liability held for trading	25,926,220	-	-	25,926,220
Other liabilities	1,715,257	15,820	-	1,731,077
Total liabilities	**612,004,313**	**4,573,868**	**50,108,740**	**666,686,921**
Net position	**112,036,541**	**(2,138,522)**	**34,796,026**	**144,694,045**

31.12.21

Title	RA	OECD* Countries	Non OECD Countries	Total
Assets				
Cash and balances with CBA	51,868,227	-	-	**51,868,227**
Amounts due from banks and other financial institutions	12,250,791	1,006,763	3,926,932	**17,184,486**
Financial instruments held for trading	30,368,509	-	-	**30,368,509**
Loans and advances to customers at amortized value	504,359,821	1,461,310	71,540,827	**577,361,958**
Securities available for sale	155,516,942	22,417	-	**155,539,359**
Securities held to maturity	-	-	-	**-**
Other assets	3,659,832	8,237	1,246,775	**4,914,844**
Total assets	**758,024,122**	**2,498,727**	**76,714,534**	**837,237,383**
Liabilities				**-**
Amounts due to banks and other financial institutions	217,511,651	9,358	11,282,445	**228,803,454**
Amounts due to customers	431,029,515	5,966,369	120,431,724	**557,427,608**
Financial liability held for trading	30,368,509	-	-	**30,368,509**
Other liabilities	2,434,428	17,286	-	**2,451,714**
Total liabilities	**681,344,103**	**5,993,013**	**131,714,169**	**819,051,285**
Net position	**76,680,019**	**(3,494,286)**	**(54,999,635)**	**18,186,098**

OECD * - Organization for Economic Cooperation and Development

Analysis of assets containing credit risk according to industrial branches and exposure

30.09.22

Assets		Working assets	Non-working assets			
		Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans and advances, including		**451,905,431**	**12,970,805**	**2,878,649**	**44,797,271**	
		92,938	**4,093**	**1,788**	**910**	
1. Agriculture , forestry and fishing	amount	8,872,823	36,699	3,776	559,857	
	number	226	3	2	10	
2. Mining and quarrying	amount	17,761,880	-	-	-	
	number	22	-	-	-	
3. Processing industry	amount	31,117,563	1,779,279	228,670	2,164,433	
	number	100	9	1	5	
4. Electricity, gas , steam and air conditioning supply	amount	13,384,684	-	-	-	
	number	25	-	-	-	
5. Water supply, sewerage, waste management and recycling	amount	3,629	-	-	-	
	number	2	-	-	-	
6. Construction	amount	73,832,588	533,886	384,010	10,005,522	
	number	134	11	5	28	
7. Trade	amount	100,058,643	249,905	58,712	25,146,942	
	number	634	26	9	26	
8. Transportation and warehouse business	amount	6,884,145		4,037	74,026	
	number	37		1	3	
9. Accommodation and catering	amount	16,845,808	5,670,479	338,109	1,859,673	
	number	65	18	1	2	
10. Information and communication	amount	3,962,403	496,256	4,433	-	
	number	23	2	1	-	
11. Real property buisness	amount	807,455	-	-	-	
	number	4	-	-	-	
12. Professional, scientific and technical activities	amount	20,966,393	76,373	611	-	
	number	23	4	3	-	
13. Education	amount	2,776,771	2,589			
	number	407	11			

14. Healthcare	amount	575,913	2,316	-	1,844	
	number	22	1	-	1	
15. Arts, entertainment, recreation	amount	5,179,533	-	-	-	
	number	18		-	-	
16. Other branches of economy	amount	23,350,808	5,046	1,365	4,220,695	
	number	95	2	1	3	
17. Mortgage loans	amount	58,759,398	308,896	184,041	131,000	
	number	4,110	46	24	10	
18. Consumer and other loans	amount	66,764,994	3,809,081	1,670,885	633,279	
	number	86,991	3,960	1,740	822	
Receivables	amount	**3,688,612**	**31,920**	**9,507**	**10,430**	
	number	**11,899**	**796**	**722**	**357**	
Investment securities	amount	**4,965,772**				
	number	**4**				
Off-balance sheet items	amount	**77,828,931**	**1,366,642**	**59,995**	**682**	
	number	**3,061**	**112**	**19**	**5**	
including guarantees	amount	63,319,819	1,360,798	56,729		
	number	1,064	82	3		
letters of credit	amount					
	number					

31.12.21

Assets		**Working assets**	**Non-working assets**			
		Standard/Non-risky	**Controlled/Risky**	**Non-standard/ Medium risky**	**Doubtful/ Highly risky**	**Bad**
Loans and advances, including		**543,229,371**	**6,634,141**	**3,319,907**	**24,178,539**	
		69,672	**1,935**	**863**	**643**	
1. Agriculture , forestry and fishing	amount	11,625,374	401,716	6,561	667	
	number	333	11	3	1	
2. Mining and quarrying	amount	19,495,796			-	
	number	27			-	
3. Processing industry	amount	44,705,176	5,703	92,994	2,853	
	number	101	2	2	1	
4. Electricity, gas , steam and air conditioning supply	amount	15,735,033			130,821	
	number	30			5	
5. Water supply, sewerage, waste management and recycling	amount	6,322	-	-	-	
	number	3	-	-	-	
6. Construction	amount	106,242,536	176,871			

	number	170	2			
7. Trade	amount	116,209,429	2,696,286	713,750	23,524,678	
	number	743	34	17	6	
8. Transportation and warehouse business	amount	11,684,065	74,337			
	number	47	1			
9. Accommodation and catering	amount	43,166,368	295,356	109,857		
	number	88	3	4		
10. Information and communication	amount	4,229,347	-	-		
	number	28	-	-		
11. Real property buisness	amount	686,796	-	-	-	
	number	4	-	-	-	
12. Professional, scientific and technical activities	amount	23,368,110	-	-	-	
	number	31	-	-	-	
13. Education	amount	3,659,395	1,931	26	260	
	number	428	8	1	2	
14. Healthcare	amount	567,412	-	-	-	
	number	28	-	-	-	
15. Arts, entertainment, recreation	amount	7,968,626	-	209,792	-	
	number	22	-	4	-	
16. Other branches of economy	amount	31,808,954	-	1,453	-	
	number	109	-	1	-	
17. Mortgage loans	amount	41,726,600	243,394	49,742	13,584	
	number	3,270	35	15	7	
18. Consumer and other loans	amount	60,344,032	2,738,547	2,135,732	505,676	
	number	64,210	1,839	816	621	
Receivables	amount	**5,165,829**	**38,234**	**8,864**	**5,011**	
	number	**11,956**	**923**	**521**	**547**	
Investment securities	amount	**54,405**				
	number	**3**				
Off-balance sheet items	amount	**82,386,922**	**417,311**	**708**	**108**	
	number	**3,986**	**28**	**5**	**3**	
including guarantees	amount	69,524,849			390,850	
	number	1,027			4	
letters of credit	amount					
	number					

Analysis of credit portfolio according to regions and risk exposure

31.12.21

Loans and advances, including	**Working assets**	**Non-working assets**			
Loans, including	**Standard/Non-risky**	**Controlled/Risky**	**Non-standard/ Medium risky**	**Doubtful/ Highly risky**	**Bad**
1. Residents of RA	493,874,329	6,614,916	3,163,717	706,859	
2. Non-residents	49,355,042	19,225	156,190	23,471,680	
Total	**543,229,371**	**6,634,141**	**3,319,907**	**24,178,539**	

Loans to non-residents 31.12.21

Assets	**Working assets**	**Non-working assets**

	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans and advances, including	**49,355,042**	**19,225**	**156,190**	**23,471,680**	
	48	**1**	**2**	**3**	
1. Agriculture , forestry and fishing amount	737	-	-	-	
number	1	-	-	-	
2. Mining and quarrying amount	530	-	-	-	
number	1	-	-	-	
3. Processing industry amount	-	-	-	-	
number	-	-	-	-	
4. Electricity, gas , steam and air conditioning supply amount	-	-	-	-	
number	-	-	-	-	
5. Water supply, sewerage, waste management and recycling amount	-	-	-	-	
number	-	-	-	-	
6. Construction amount	-	-	-	-	
number	-	-	-	-	
7. Trade amount	48,560,708		62,656	23,471,680	
number	17		1	3	
8. Transportation and warehouse business amount	-	-	-	-	0
number	-	-	-	-	0
9. Accommodation and catering amount	1,192	-	-	-	0
number	1	-	-	-	0
10. Information and communication amount	-	-	-	-	0
number	-	-	-	-	0
11. Real property buisness amount	-	-	-	-	0
number	-	-	-	-	0
12. Professional, scientific and technical activities amount	-	-	-	-	0
number	-	-	-	-	0
13. Education amount	-	-	-	-	0
number	-	-	-	-	0
14. Healthcare amount	-	-	-	-	0
number	-	-	-	-	0
15. Arts, entertainment, recreation amount	-	-	-	-	0
number	-	-	-	-	0
16. Other branches of economy amount	-	-	-	-	0
number	-	-	-	-	0
17. Mortgage loans amount	9,957	-	-	-	0
number	2	-	-	-	0
18. Consumer and other loans amount	781,918	19,225	93,534	-	0
number	26	1	1	-	0

30.09.22

Assets	Working assets	Non-working assets			
Loans, including	**Standard/Non-risky**	**Controlled/Risky**	**Non-standard/ Medium risky**	**Doubtful/ Highly risky**	**Bad**
1. Residents of RA	403,432,545	12,769,933	2,878,293	20,365,352	
2. Non-residents	48,472,886	200,872	356	24,431,919	
Total	**451,905,431**	**12,970,805**	**2,878,649**	**44,797,271**	

Loans to non-residents 30.09.22

Assets	Working assets	Non-working assets

	Standard/Non-risky	Controlled/Risky	Non-standard/ Medium risky	Doubtful/ Highly risky	Bad
Loans and advances, including	**48,472,886**	**200,872**	**356**	**24,431,919**	
	57	**3**	**2**	**5**	
1. Agriculture , forestry and fishing amount	74	-	-	-	
number	1	-	-	-	
2. Mining and quarrying amount	-	-	-	-	
number	-	-	-	-	
3. Processing industry amount	-	-	-	-	
number	-	-	-	-	
4. Electricity, gas , steam and air conditioning supply amount	-	-	-	-	
number	-	-	-	-	
5. Water supply, sewerage, waste management and recycling amount	-	-	-	-	
number	-	-	-	-	
6. Construction amount	-	-	-	-	
number	-	-	-	-	
7. Trade amount	48,089,170	-	-	24,430,732	
number	10	-	-	3	
8. Transportation and warehouse business amount	4,510	-	-	-	
number	1	-	-	-	
9. Accommodation and catering amount	118	-	-	-	
number	1	-	-	-	
10. Information and communication amount	-	-	-	-	
number	-	-	-	-	
11. Real property buisness amount	-	-	-	-	
number	-	-	-	-	
12. Professional, scientific and technical activities amount	-	-	-	-	
number	-	-	-	-	
13. Education amount	-	-	-	-	
number	-	-	-	-	
14. Healthcare amount	-	-	-	-	
number	-	-	-	-	
15. Arts, entertainment, recreation amount	-	-	-	-	
number	-	-	-	-	
16. Other branches of economy amount	-	-	-	-	
number	-	-	-	-	
17. Mortgage loans amount	18,609	-	-	-	
number	3	-	-	-	
18. Consumer and other loans amount	360,405	200,872	356	1,187	
number	41	3	2	2	

Market risk

Currency risk

For the purposes of currency risk assessment, the Bank applies the VaR (Value at Risk) model well accepted in the international practice. The model ensures definite probability forecast of expected maximum currency fluctuation rate by calculating the maximum value of the Bank eventual losses. For the purposes of currency risk suppression the Bank carried out daily monitoring of currency positions. In the occurrence of open currency positions, the Bank applies hedging instruments for the purposes of risk avoidance.

The Bank's foreign currency risk analysis according to financial assets and liabilities

30.09.2022

	Drams	I group foreign currency*	II group foreign currency**	Total
Assets				

Cash and balances with CBA	40,952,505	36,029,331	338,579	77,320,415
Standardized precious metal bullions	-	12,669	-	12,669
Amounts due from banks and other financial institutions	10,127,525	4,365,775	10,973,863	25,467,163
Financial instruments kept for trading	25,926,220	-	-	25,926,220
Loans and advances to customers at amortized value	302,673,868	207,694,591	2,183,697	512,552,156
Financial assets at fair value through other comprehensive income	36,881,617	610,357	-	37,491,974
Financial assets held to maturity	127,341,211	-	-	127,341,211
Other	5,224,007	50,629	7,191	5,281,827
Total assets	**549,126,953**	**248,763,352**	**13,503,330**	**811,393,635**
Liabilities				
Amounts due to banks and other financial institutions	182,143,602	12,882,592	49,324	195,075,518
Amounts due to customers	286,524,621	143,994,932	13,434,553	443,954,106
Securities issued by the bank	254,540	9,021,273	-	9,275,813
Liabilities at fair value through profit or loss	25,926,220	-	-	25,926,220
Other liabilities	1,701,543	29,534		1,731,077
Total liabilities	**496,550,526**	**165,928,331**	**13,483,877**	**675,962,734**
Net position	**52,576,427**	**82,835,021**	**19,453**	**135,430,901**

31.12.21

	Drams	I group foreign currency*	II group foreign currency**	Total
Assets				
Cash and balances with CBA	29,180,610	21,708,645	978,972	51,868,227
Standardized precious metal bullions	-	16,812	-	16,812
Amounts due from banks and other financial institutions	9,452,946	6,359,705	1,371,835	17,184,486
Financial instruments kept for trading	30,368,509	-	-	30,368,509
Loans and advances to customers at amortized value	307,319,501	267,625,248	2,417,209	577,361,958
Financial assets at fair value through other comprehensive income	154,683,368	855,991	-	155,539,359
Financial assets held to maturity	-	-	-	-
Other	4,746,921	136,703	31,220	4,914,844
Total assets	**535,751,855**	**296,703,104**	**4,799,236**	**837,254,195**
Liabilities				
Amounts due to banks and other financial institutions	213,831,621	14,557,398	414,435	228,803,454
Amounts due to customers	303,389,213	222,786,490	31,251,905	557,427,608
Securities issued by the bank	253,400	10,619,260		10,872,660
Liabilities at fair value through profit or loss	30,368,509	-	-	30,368,509
Other liabilities	2,433,279	18,435	-	2,451,714
Total liabilities	**550,276,022**	**247,981,583**	**31,666,340**	**829,923,945**
Net position	**(14,524,167)**	**48,721,521**	**(26,867,104)**	**7,330,250**

* The 1st group foreign currencies include US Dollar, Euro, English Pound sterling, Swiss Franc, Canadian Dollar, Chinese Yuan, Japanese Yen, Gold metal account

** The 2nd group foreign currencies include Russian Rouble, Georgian Lari, Hong Kong Dollar.

Analysis of the Bank's Foreign Currency risk according to the types of derivative financial instruments

Types of derivative financial instruments	Drams	I group foreign currency*	II group foreign currency**	Total
Futures instruments				
- liabilities				
- demands				
Forward instruments				
- liabilities				
- demands				
Options				
- liabilities				

- demands				
Swaps				
- liabilities				
- demands				
Other derivative instruments				
- liabilities				
- demands				
Net position according to the derivative financial instruments	**-**	**-**	**-**	**-**
Net open position*	**-**	**-**	**-**	**-**

Interest rate risk

Efficient assets and liabilities management also assumes a management of assets and liabilities as a result of which the Bank will to the extent possible avoid interest rate risk.
The objective of the interest rate risk management at the Bank is to maintain the target levels of the assets and liabilities interest rate spread and net interest margin.
For the interest rate risk management purposes, the Bank makes calculations on the monthly basis of the both net interest margin and the assets and liabilities interest rate spread, taking into account the assets profitability and the liabilities consumability as well as their time limitation.
To restrict interest rate risk, special mechanisms have been developed as regards assets and liabilities pricing (setting interest rates).
Interest rate risk assessment is based on the model of time gap calculation for assets and liabilities sensitive towards interest rate changes, which allows to evaluate the effect of the interest rate changes on the Bank's expected net interest income.
Interest rate risk is also assessed using the duration method, which shows the change in the economic value of the capital as a result of interest rate changes, taking into account the time inconsistency of the involved liabilities and allocated assets.

Average interest rates for interest-bearing financial assets and liabilities as of the end of the reporting period

	Reporting period interest rates		Previous period interest rates	
Item	Drams	Foreign currency	Drams	Foreign currency
	%	%	%	%
Assets				
Balances with CBA				
Amounts due from banks and other financial organizations		1.5-4.35		
including				
- interbank loans				
- interbank repo				
- interbank swap				
Loans and advances to customers at amortized value	5-19	6-16.5	6-19	5-15
Securities held for trading and available for sale	6.5-13	5.95-7.5	6.5-13	5.95-8.5
Securities held to maturity	8.0-11.5			
Liabilities				
Amounts due to banks	1-9.60	3.5-4.5	2-10.5	3.6-4.75
and other financial institutions				
Amounts due to customers	0.01-10.75	0.01-6.00	0.01-12	0.01-6.45
Liabilities as regards securities issued by the Bank	10.50	5.8-6.63	10.50	5.8-6.63

Liquidity risk

The purpose of the Bank's liquidity management is to create an integrity of financial potential, which will enable to meet the well founded money demands of all types of creditors, depositors and other customers without serious problems which may be reflected in the Bank's balance sheet and off-balance sheet items, as well as ensuring the maximum possible profitability level.
To ensure smooth liquidity and efficiently manage the liquidity risk, the Bank implements coordinated management of assets and liabilities, which assumes:
1. availability of sufficient number of highly liquid assets,
2. sustainability of resources,3. acceptable time gaps for assets and liabilities,
4. possibilities to attract means from external sources.

For correct decision-making concerning the Bank's liquidity management, it is especially important to carry out a time analysis for assets and liabilities, which is implemented through the assets and liabilities time gap calculation model by instant and cumulative separations. Instant liquidity is calculated on the daily basis to make correct situational decisions.

30.09.22 *31.12.2020*

Item description	Non-performing		Time remaining to maturity						open-end	Total
	overdue	time	demand	up to 3 months	3-6 months	6-12 months	1-5 years	more than 5 years		
Assets										
Cash in intern. and CBA			76,560,415						760,000	77,320,415
Amounts due from banks and other fin. institutions			3,339,073	19,254,540			2,409,561		463,989	25,467,163
Loans provided to customers	21,620,882	60,704,696		87,249,825	38,920,579	37,488,285	78,184,795	188,383,094		512,552,156
Financial assets	-	-	-	14,005,553	11,920,667	1,702,992	56,901,508	23,790,812	51,956	108,373,488
held for trade				14,005,553	11,920,667					25,926,220
available for sale						1,702,992	11,946,214	23,790,812	51,956	37,491,974
held up to maturity							44,955,294	82,385,917		127,341,211
Realized under repo agreements										-
Other assets	21,463	34,085	3,388,765	1,324,682	1,305	444,804	66,723		-	5,281,827
*Contractual demands										-
Total	**21,642,345**	**60,738,781**	**83,288,253**	**121,834,600**	**50,842,551**	**39,636,081**	**137,562,587**	**212,173,906**	**1,275,945**	**728,995,049**
1-st group currency	9,405,138	7,098,736	37,471,903	78,785,839	27,854,099	10,611,813	77,071,835		463,989	248,763,352
2-nd group currency	228,092	3	1,805,430	11,340,350	106,745	7,570	15,140			13,503,330
Variable interest rate										-
Fixed interest rate	21,620,882	60,704,696	1,211,711	107,692,031	38,920,579	39,191,277	137,495,864	212,173,906	463,989	619,474,935
Interest free	21,463	34,085	82,076,542	14,142,569	11,921,972	444,804	66,723	-	811,956	109,520,114
Liabilities										
Amounts due to banks and other fin. institutions			8,400,400	120,221,578	550,327	7,918,044	11,808,091	46,177,078		195,075,518
Amounts due to customers	-	-	130,383,000	49,953,876	43,586,566	96,860,437	119,976,771	3,193,456	-	443,954,106
upon demand			130,383,000							130,383,000
time liability				49,953,876	43,586,566	96,860,437	119,976,771	3,193,456		313,571,106
Other										-
Liabilities for securities issued by the banks				101,513		2,278,250	6,896,050			9,275,813
Other liabilities				958,153		8,288	764,636			1,731,077
Off –balance contingent liabilities	220,050	1,294,029	14,499,514	6,771,985	13,198,461	22,142,671	21,129,540			79,256,250
*Contractual liabilities										-
Total	**-**	**-**	**138,783,400**	**171,235,120**	**44,136,893**	**107,065,019**	**139,445,548**	**49,370,534**	**-**	**650,036,514**
1-st group currency			47,429,627	18,720,238	10,097,139	34,544,988	55,136,339			165,928,331
2-nd group currency			10,183,756	789,208	705,534	1,021,337	784,042			13,483,877
Large amount liability				116,490,002	63,768	434,256	47,818,634			164,806,660
Variable rate liability										-
Fixed rate liability			130,701,788	156,594,028	32,216,226	106,954,612	139,445,548	49,370,534		615,282,736
Interest free			8,081,612	14,641,092	11,920,667	110,407				34,753,778
Net liquidity gap	**21,642,345**	**60,738,781**	**(55,495,147)**	**(49,400,520)**	**6,705,658**	**(67,428,938)**	**(1,882,961)**	**162,803,372**	**1,275,945**	**78,958,535**
1-st group currency	9,405,138	7,098,736	(9,957,724)	60,065,601	17,756,960	(23,933,175)	21,935,496	-	463,989	82,835,021
2-nd group currency	228,092	3	(8,378,326)	10,551,142	(598,789)	(1,013,767)	(768,902)	-	-	19,453
Variable interest rate	-	-	-	-	-	-	-	-	-	-
Fixed rate	21,620,882	60,704,696	(129,490,077)	(48,901,997)	6,704,353	(67,763,335)	(1,949,684)	162,803,372	463,989	4,192,199
Cumulative liquidity gap	21,642,345	82,381,126	26,885,979	(22,514,541)	(15,808,883)	(83,237,821)	(85,120,782)	77,682,590	78,958,535	650,036,514

31.12.21

Item description	Non-performing		Time remaining to maturity						open-end	Total
	overdue	time	demand	up to 3 months	3-6 months	6-12 months	1-5 years	more than 5 years		
Assets										
Cash in intern. and CBA			50,458,227						1,410,000	51,868,227
Amounts due from banks and other fin. institutions			4,139,583	9,698,364			2,804,498		542,041	17,184,486
Loans provided to customers	4,230,249	6,430,658		126,168,818	30,300,445	63,819,299	286,623,474	59,789,015		577,361,958
Financial assets			-	30,368,509	589,507	1,032,083	55,982,557	97,880,807	54,405	185,907,868
held for trade				30,368,509						30,368,509
available for sale					589,507	1,032,083	55,982,557	97,880,807	54,405	155,539,359
held up to maturity										-
Realized under repo agreements										-
Other assets	28,650	35,411	3,255,530	1,537,445	2,039	3,297	52,472			4,914,844
*Contractual demands										-
Total	**4,258,899**	**6,466,069**	**57,853,340**	**167,773,136**	**30,891,991**	**64,854,679**	**345,463,001**	**157,669,822**	**2,006,446**	**837,237,383**
1-st group currency	2,817,880	3,460,119	24,544,798	73,528,501	13,970,081	43,112,366	134,727,318		542,041	296,703,104
2-nd group currency	183,276		2,240,787	368,451	58,722	1,713,573	234,427			4,799,236
Variable interest rate										-
Fixed interest rate	4,230,249	6,430,658	881,464	136,507,387	30,889,931	64,854,679	345,409,999	157,669,822	542,041	747,416,230
Interest free	28,650	35,411	56,971,876	31,265,749	2,060		53,002		1,464,405	89,821,153
Liabilities										
Amounts due to banks and other fin. institutions			4,812,930	185,369,698	3,493,764	6,249,467	15,763,884	13,113,711		228,803,454
Amounts due to customers	-	-	206,940,960	78,760,770	60,526,424	96,255,305	91,457,026	23,487,123	-	557,427,608
upon demand			206,940,960							206,940,960
time liability				78,760,770	60,526,424	96,255,305	91,457,026	23,487,123		350,486,648
Other										-
Liabilities for securities issued by the banks							2,671,942	8,200,718		10,872,660
Other liabilities				1,533,423		2,610	915,681			2,451,714
Off –balance contingent liabilities	417,311	816	13,225,049	9,968,726	8,433,291	22,945,144	27,814,712			82,805,049
*Contractual liabilities										-
Total	**-**	**-**	**211,753,890**	**265,663,891**	**64,020,188**	**102,507,382**	**110,808,533**	**44,801,552**	**-**	**799,555,436**
1-st group currency			109,678,214	29,631,149	13,520,577	32,076,129	63,075,514			247,981,583
2-nd group currency			28,799,847	647,689	439,620	1,391,440	387,744			31,666,340
Large-scale liability			77,322	176,816,767	431,755	140,783	21,909,454			199,376,081
Variable rate liability										-
Fixed rate liability			207,427,520	234,395,819	63,685,944	102,403,585	110,808,533	44,801,552		763,522,953
Interest free			4,326,370	31,268,072	334,244	103,797				36,032,483
Net liquidity gap	**4,258,899**	**6,466,069**	**(153,900,550)**	**(97,890,755)**	**(33,128,197)**	**(37,652,703)**	**234,654,468**	**112,868,270**	**2,006,446**	**37,681,947**
1-st group currency	2,817,880	3,460,119	(85,133,416)	43,897,352	449,504	11,036,237	71,651,804	-	542,041	48,721,521
2-nd group currency	183,276	-	(26,559,060)	(279,238)	(380,898)	322,133	(153,317)	-	-	(26,867,104)
Variable interest rate	-	-	-	-	-	-	-	-	-	-
fixed rate	4,230,249	6,430,658	(206,546,056)	(97,888,432)	(32,796,013)	(37,548,906)	234,601,466	112,868,270	542,041	(16,106,723)
Cumulative liquidity gap	4,258,899	10,724,968	(143,175,582)	(241,066,337)	(274,194,534)	(311,847,237)	(77,192,769)	35,675,501	37,681,947	799,555,436

Average balance sheet capital ans assets

01/01/22-30/09/22

Average balance sheet asset	**853,464,827**
Average balance sheet capital	**128,263,882**

Note 42. Collateral accepted

	Reporting period	Previous period
Other securities	30,681,373	32,954,718
Jewels and precious stones	23,949,656	23,238,180
Real estate	429,584,001	359,600,071

Vehicles	15,329,407	17,228,561
Other PPE	44,614,108	46,467,807
Finished production and goods	32,093,057	36,110,946
Cash	19,837,564	20,924,018
Other collateral	116,036,522	167,069,437
Credit guarantee	233,095	268,303
Other guarantees	65,424,498	80,910,229
Credit warranties	507,354,981	606,243,386
Other warranties	214,429,474	148,371,920
Total	**1,499,567,736**	**1,539,387,576**

Chairman of the Executive Board **Artavazd Sargsyan**

CFO - Chief Accountant **Davit Yedigaryan**

Date of approval 15.10.22