

**Appendix 5 Approved by Resolution
N205 of the Board of the Central Bank
of Armenia Dated on 10 July 2007**

**NOTES TO THE INTERIM REPORTS PUBLISHED IN THE 4th QUARTER OF 2025
“ARMECONOMBANK” OJSC 23/1 AMIRYAN STR., YEREVAN**

ARMECONOMBANK

Note 1. "Legal Field and Corporate Governance"

Legal Field

"ARMECONOMBANK" OJSC (hereinafter the Bank) founded in 1991, is the successor of former USSR "Zhilsotsbank" Armenian Republican Bank (1991-1993 "Armstatecombank") and was reorganized as an open joint stock company in 1995 and operated on the basis of the legislation of the Republic of Armenia (hereinafter RA). The bank was registered by the Central Bank of Armenia (hereinafter the CBA) with No1 License number.

The Head office of the Bank and 29 branches are located in Yerevan, another 22 branches in regions. The legal address of the Bank is 23/1 Amiryan Str., Yerevan.

Main Activities

As a universal financial institution, "ARMECONOMBANK" OJSC offers its customers a comprehensive package of services. The prevailing part of the Bank's activities falls to lending. The Bank offers lending to almost all sectors of the economy conditioned with the level of the risk and the prospect of the given project. The Bank actively operates in the area of lending with international lending programs. The Bank extends commercial, consumer and mortgage loans.

Business Environment

Political and economic changes are very common in Armenia. As an emerging market, Armenia does not have a perfect business environment and corresponding sub-structures which usually exist in countries having free market economy.

Moreover, these conditions set limits to the volumes of transactions in financial markets and real values of the transactions may not comply with the performed transactions. The main obstacle of further economic development is the low level of economic and institutional development paralleled with territorial instability, centralized economic base and impact of international economic crisis.

International economic crisis led to reduction of GDP of Armenia as well as that of transfers from abroad on which Armenian economy depends much.

Corporate Governance

Bank management bodies are: Shareholders' General Meeting as the highest body of Bank management, the Board, the Management and the CEO.

Structure and Members of the Board

Chairman of the Board

S. Sukiasyan

Members of the Board

H. Suvaryan

A. Khachatryan

L. Petrosyan

A. Melikyan

Per Fischer

Structure and Members of the Bank’s Management

CEO

A. Arakelyan

Deputy CEO

R. Badalyan

Deputy CEO

O. Chichyan

Deputy CEO

V. Ghazaryan

Chief Accountant

N. Galstyan

Head of Legal Department

V. Jhangiryan

Head of Risk Department

H. Matevosyan

The Structure of the Bank’s Property and the Number of Shareholders/Participants at the end of the Accounting Period

As of 31/12/2025 the Chartered capital amounts to AMD 31,578,015 thous. It includes 12,119,719 common shares each with AMD 2,080 and 424,600 preferred shares with AMD 15,000 nominal value per share.

Main Participants

Sukiasyan Saribek Albert	25.99%
Sukiasyan Eduard Albert	13.01%
Sukiasyan Khachatur Albert	12.45%

Remuneration Policy of the Bank’s Management

No special policy for the Bank’s management remuneration is applied at the Bank. The remuneration of top management is made based on the staff list approved by the Board.

Payments to Statutory Auditors

The Bank’s statutory auditors are presented to the General Meeting of the Bank Shareholders and elected by the latter. And the size of their remuneration is established by the Bank Board.

Note 2. “Accounting Policy”

Preparation and Submission of “ARMECONOMBANK” OJSC Financial Statements

Financial statements are formed and submitted in compliance with RA Legislation and sub- legislative acts, the principles of forming of financial statements published by the Board of Financial Accounting Standards, guidelines of applying the principles, and the legal acts approved by the Board of the Central Bank. The financial statements are formed on the basis of the bank’s accounting.

The statements are made in thousands of Armenian drams without decimal units.

The accounting year for financial statements is the period from 1 January to 31 December inclusive.

Financial statements are prepared based on the principle of fair value for financial assets and liabilities carried at fair value and adjusted by financial results, as well as for available-for-sale assets, except the ones the fair value of which can’t be decided. Financial statements for other financial as well as non-financial assets and liabilities are prepared under their historical value.

The financial statements of the Bank (except the Statement on Cash flows) are prepared on accrual basis.

Recognition of Income and Expenses

Interest incomes and expenses for all interest earning financial tools, except tools accounted for real value reappraised by profit/loss, in reports on financial results, using effective interest rate method are recognized as “interest income” and “interest expense”.

Registration of interests for overdrafts, overnights, credit lines, corresponding accounts, bank accounts, demand deposits is implemented by linear way, if the bank cannot foresee future cash flows of these assets.

Registration of interests of depreciated loans is not stopped. If balance sheet value of the financial asset or group of similar financial assets decreases because of losses from depreciation, the interest income continues to be recognized towards new balance sheet value.

Amounts receivable as fines and penalties are added to incomes every day. Corresponding agreements are basis for calculation of size of added amount.

Based on corresponding agreement amounts payable by the bank as fines and penalties are recognized as expenses every day.

After adjusting the effective interest rate of the given loan, fees charged for the loans provision (along with the correspondent expenses) are charged back

Other incomes and expenses especially rentals, advertisement, building maintenance, technical service liabilities, as well as costs of fuel for vehicles are reflected in the Statement on Financial Results on accrual basis taking into account the relevant contract, or payments of the previous period. The accrual of non-interest expenses up to AMD 10,000 is performed on the last working day of each month, while the accrual of non-interest expenses exceeding AMD 10,000 is made daily. The accrual of expenses on holiday payments is made daily.

Amortized deductions on fixed assets (including those received from financial leasing), capital investments for leased property and intangible assets are performed each day in amounts defined by this policy and are adjusted on the last working day of each month. Dividends are entered into the Statement on Financial Results according to accrual principle at the moment they are declared.

Foreign Exchange Operations Accounting

Transactions concluded in foreign currency are recalculated in accordance with operational currency - exchange rate of transaction date. Monetary assets and liabilities denominated in foreign currencies are revaluated at the average exchange rate set by the Central Bank of Armenia on the balance sheet date. The gains and losses from foreign currency transactions and from revaluation of monetary assets and liabilities denominated in foreign currencies are reflected in the Statement on Financial Results as income and expenses. Foreign currency non cash assets and liabilities, presented in their prime value, are translated into their AMD equivalent by the exchange rate of transaction date.

The foreign exchange sale and purchase rates are defined taking into account the rates established at interbank market, offer and demand volumes within the territory of the Republic of Armenia, other factors (forecasts based on market research, force-majeure circumstances, etc.). When establishing the exchange rates, the rates operative in foreign exchange International market at that moment and those reflected in other systems are also taken into account, besides the aforementioned factors.

Tax Accounting

Accounting on income tax, value added tax, property tax, land tax and obligatory social insurance payments should be carried out in compliance with RA Tax Legislation.

The income tax of the accounting period comprises current and deferred taxes.

The amount of current income tax is computed in accordance with requirements set forth in RA Legislation, the liability of income tax is accrued towards the tax profit for each day (taking into account non-deductible expenses from income in compliance with the law "On Profit tax") and on the last working day of each month it is being adjusted.

Deferred taxes, if any, occur on temporary differences between the tax base of an asset or liability or its carrying amount in the balance sheet. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. Deferred income tax liabilities, if any, resulting from temporary differences are

provided for in full. Deferred income tax assets are recorded to the extent that there is a reasonable expectation that these assets will be realized.

Deferred tax is recorded in the financial statement, except taxes, the transaction results of which have already been recorded in the capital, in which case the tax is also recorded in the capital. Deferred tax amounts are recorded on the last working day of each quarter.

Income tax assets and liabilities are offset when the Bank:

- Has a legally enforceable right to set off the recognized amounts of current tax assets and current tax liabilities,
- Has an intention to make the settlement on a net basis, or to realize the asset and settle the liability simultaneously,
- The deferred tax asset and deferred tax liability relate to profit taxes levied by the same taxation authority in each future period in which significant amounts of deferred tax liabilities or assets are anticipated to be settled or recovered.

Cash and Cash Equivalents

The booking of the Bank's actual cash interflows (deposits) and/or outflows (withdrawals) is made by the nominal value of currencies, on the basis of payment documents duly prepared, stipulated by the procedure regulating teller operations, and other procedures and legal acts of the Bank.

The statement on cash flows is made by indirect method.

Cash and cash equivalents consist of cash drams, funds kept in Central Bank of Armenia (except amounts deposited for mutual settlement through ARCA clearing system) and amounts of other banks, which may be converted into cash in short period and are not exposed to considerable risk of change of value.

Financial Instruments

IFRS 9 “Financial Instruments” entered into force on 01 January 2018 and is applicable for the accounting periods beginning after that date. The Bank has applied the new standard recognizing cumulative impact of transition on the non-distributed profit at the beginning of the accounting year and without recalculating the comparative information.

The Bank recognizes financial assets and liabilities on its balance sheet, when and only when it becomes the counterparty of that Instrument. Financial assets' regular sales or purchases are accounted as of the date of the transaction.

According to IFRS 9, all financial debts, which do not comply solely with the principle and interest payment standards, during the initial recognition are classified as financial assets calculated at fair value through profit or loss.

For financial debts corresponding solely to the Principle and interest payment standards, the classification during the initial recognition is determined based on the business model pursuant to which these models are managed by:

- instruments held to receive contractual cash flows calculated at amortized value
- instruments available for sale and held for receiving contractual cash flows rated at fair value through other comprehensive income
- instruments held for other purposes, including commercial financial assets –calculated at fair value through profit or loss.

During the initial recognition equity financial assets shall be classified as assets calculated at real value through profit or loss, except when a decision is made, without the right of further review, to classify them into assets calculated at fair value through other comprehensive income.

All the realized and unrealized gains and losses, except dividends, from the equity instruments at fair value amounted through other comprehensive income are recognized on the other comprehensive financial results without further reclassification in the profit or loss.

The financial liabilities are classified as subsequently accounted at amortized value using effective interest rate method, except financial liabilities classified as accounted at fair value through profit or loss. The assets that were previously measured at fair value, after the adoption of the standard have continued to be accounted at fair value.

Debt securities which as of 31.12.2017 were classified as available- for- sale, by IFRS 9 will be classified as accounted at fair value through other comprehensive income, as the Bank expects not only to keep that assets to collect contractual cash flows but also to carry out relatively frequent sales with significant amounts.

Upon the resolution of the Bank's Executive Board, the Bank may classify a part of the securities portfolio as financial assets calculated at amortized value.

Since the loans have solely met the Principle and interests payment criteria, after the application of the standard they will be measured at amortized value.

Profit and loss occurred from the further measurement:

The profit or loss from the financial assets is recognized as follows:

- The profit or the loss on the financial instrument at fair value calculated through profit or loss is recognized in the profit or loss using effective interest rate method
- Profit or loss on financial assets accounted at fair value through other comprehensive income is recognized in the equity – in other comprehensive financial results, until the given asset is recognized as depreciated. The profit or loss accumulated at that moment, which was previously recognized in the equity, shall be recognized in the profit or loss. Interests on the financial assets accounted at fair value through other comprehensive income shall be recognized in the profit or loss using effective interest rate method.
- Profit or loss on financial assets and liabilities accounted at amortized value shall be recognized in the profit or loss, when the financial asset or the liability is derecognized or recognized as depreciated, as well as during the calculation of amortization.

The Bank derecognizes the financial asset in the cases, when the contractual rights over the cash flows arising from financial assets are repealed or when it transfers the asset in such a deal, according to which all the risks and benefits related to the ownership over the asset are transferred as well, or in which the Bank does not maintain control over the financial asset. The Bank derecognizes the financial liability when contractual obligations are either discharged, cancelled or expired.

Derivative financial instruments include futures, forwards, swaps and options. The initial recognition of the derivative instruments shall be made at fair value available on derivative agreements signing date.

Afterward all derivative instruments are recalculated at fair value. The derivative instruments with positive real value are accounted as assets and the ones with negative real value- liabilities. The changes in fair value of derivative instruments are recognized directly in profit or loss statement.

Financial and non-financial guarantees are provided by the Bank.

Financial guarantees are initially measured at fair value. After initial recognition, financial guarantees are measured at the higher of the loss allowance determined in accordance with IFRS 9 and the amount initially recognized, less, where appropriate, the cumulative amount of revenue recognized in accordance with the principles of IFRS 15.

Non-financial guarantees (if they contain insurance risk) are accounted for as loan commitments, applying the impairment requirements of IFRS 9 Financial Instruments, because the contracts have legally fixed mechanisms through which, as a direct result of insured losses, the "Principal" is adjusted, future payments by the policyholder to the issuing Bank.

Repurchase Agreements

Repurchase agreements are used by the Bank as elements of its treasury management and trading business. These agreements are accounted for as financing transactions.

Securities sold under repurchase agreements are accounted for as securities secured by pledge, in which case the securities are reflected in the statement of financial position and the funds attracted under these agreements are included into amounts due to other banks or amounts due to customers.

Securities sold under repurchase agreements are accounted for as securities held-for trading and available-for-sale securities and funds received under these agreements are included into amounts due to other banks or amounts due to customers.

The amounts extended against securities purchased under Repurchase Agreement are accounted for as Due to other banks or Loans and Borrowings to Customers.

Any income or expense arising from purchase and sale of the underlying securities is recognized as interest income or expense, accrued during the period of Repurchase Agreements.

Leases

Under the lease agreement and against certain compensation within the agreed period the right to use the asset is assigned to the lessee. The accounting on leases is carried out in compliance with IFRS 16.

At the beginning of the lease term the Bank recognizes the right-of-use asset and relevant liabilities on future lease payments in balance sheet (with the exception of short-term leases and leases of low-value assets).

The right-of-use asset is initially measured at prime cost which includes the following:

- Initial value of the lease liability
- Payments made less discounts received
- Initial direct expenditures on transaction implemented by the lessee
- Expenses related to the disinvestment, transfer, recovery of the asset

Expenses related to the improvements of the leased asset are not included in the initial value of the lease liability is initially measured at present value of the future lease payments outstanding on that date applying the average interest rate of additional borrowings attracted by the lessee.

The lease liability is equal to the present value of the total amount of the below mentioned components:

- Fixed payments within lease term
- Payments variable depending on the index and coefficient within the lease term
- Guaranteed residual value or anticipated purchase price if such an option is available and the realization thereof is almost certain.
- Penalty for preterm termination, if it has been taken into account when defining the lease term

After the initial recognition the right-of-use asset shall be measured at prime cost:

- Less accumulated depreciation, which is calculated by linear method during the lease term of
- Adjusted at the extent of differences occurred from the review of contractual obligations
- After the start of the lease, the lease liability is measured:
- Increasing balance-sheet value for the reflection of interest of the lease liability

- Decreasing balance-sheet value to reflect paid rental fees
- Reappraising balance-sheet value to reflect amendments in the agreement terms.

The adoption of the standard resulted the recognition of right-of-use assets and appropriate liabilities by the Bank for all the previous operational leases (with the exception of leases classified as low-value or with a residual lease term of less than 12 months)

The new standard has been applied by the use of the progressive approach. The Bank decided not to include initial direct expenses in the value of the right-of-use asset for the operational lease agreements that had been effective on the date of initial application of IFRS 16 (January 1, 2019). The Bank measures the right-of-use asset effective as of the aforementioned date at present value of residual lease payments using the attraction interest rate of additional borrowings available on initial application date excluding any prepaid or accrued rental fees existing on transition date.

Financial Assets' Possible Loss Provision

The classification of the Bank's assets and possible loss provisioning are made in conformity with the requirements of RA legislation and with the Procedure of "Classification of financial assets and composition of possible loss provisions" approved by ARMECONOMBANK OJSC Board.

As the published financial reports are drafted, further corrections of provisions in compliance with IFRS are made.

Pursuant to IFRS 9 :

The establishment of loan portfolio reserve assumes assessment of loan risk based on the behavior of time series of sub-portfolios of the loan portfolio and the macroeconomic factors affecting them. "Staging" (loan classification per overdue days) is applied for the assessment.

The size of a reserve for each sub-portfolio is determined through the following formula:

$$\text{RESERVE} = \text{BALANCE} * \text{EAD} * \text{PD} * \text{LGD}$$

Where:

BALANCE- balance amount of the given loan sub-portfolio

EAD- (exposure-at-default) ratio, through which sub-portfolio balance value is adjusted

PD – (probability of default) likelihood of default, that is which part of the sub-portfolio is inclined to default, where the default is equivalent to 90+ overdue days

LGD – (loss-given-default) loss-given value based on the effective interest rate, when the loan becomes default EAD30 and EAD90 indicators are calculated for the loans included in Stage 1 and Stage 2 classes respectively.

For the calculation of loan reserve appraisal of the loans included in Stage 1 and Stage classes PD12Month and PD Lifetime are applied respectively.

The creation of State bond portfolio reserve is implemented based on PD and LGD rates given to Armenia by international credit agencies (Moody's, Fitch, S&P).

Intangible Assets

Intangible assets are initially recorded at their prime cost in AMD. Intangible assets purchased in foreign currency are recorded by the average exchange rate of purchase date fixed by the CBA, and are not re-valuated in case of further changes of the exchange rate.

The prime cost of internally generated intangible assets is defined in the development period of “Intangible Assets” in compliance with IFRS 38 if it is possible to show the correspondence of the internally generated intangible asset to the requirements set by IFRS 38.

Attribution of the item of intangible asset to any category (computer software, licenses and power of attorney, copyrights, etc.) set by the “Card of Accounts of the Banks Operating within the Territory of RA” and “The Application Order of the Card of Accounts of the Banks Operating within the Territory of RA” is made based on the methodical instructions of the Chief accountant, arising from its usage specifications.

The initial cost of internally generated intangible asset comprises the expenses set by IFRS. The initial cost includes only those expenses made during the accounting quarter during which the asset has been recognized.

Subsequent expenditures made on intangible assets, which can be added to the value of an intangible asset in compliance with IFRS, are recorded as capital investments and are added to the value of the asset.

Amortization term for each item of intangible assets is defined by the Bank based on the criteria set by IFRS. Namely, to define the amortization term of internally generated computer software, the Bank takes into account the information on the estimated useful lives of software of the same type available in the market at the moment, terms of actual useful lives of software used at the Bank before, other criteria set by the Standard.

The Bank uses the straight-line method to allocate amortization amount of intangible assets over their useful lives.

The amortization period and the amortization method of intangible assets should be set in compliance with IFRS, within the period of the agreement so signed and in case of the absence of such period, the intangible assets are not subject to amortization. Amortization method is changed by making corresponding changes in this Policy by the Bank’s Board.

In case of significant fluctuations in fair value of intangible assets, they are revalued based on the resolution of the Bank’s Board.

The disclosure of information required by IFRS on internally generated intangible assets in financial statements is performed separately.

The amortization amount of intangible assets is calculated in accordance with “Profit Tax” law.

Fixed Assets

The unit of fixed assets that complies with the recognition of the standards of the asset is measured at their initial value (prime cost) in AMD, excluding buildings which are recorded at their revaluated value. The fixed assets purchased in foreign currency are registered as of the day of the purchase at the average exchange rate set by the Central Bank of Armenia and shall not be re-valued in case of exchange rate change.

The initial value of the unit of fixed assets comprises its purchase cost, taxes, including VAT, import duties and other obligatory payments, which are not subject to be returned to the Bank by relevant authorities and any expenses related to bringing the asset to working state for its purposeful usage. Any discount or privilege provided is deducted from the purchase cost.

The measurement of value, recognition, further expenses, revaluations and withdrawals on purpose of recording of the unit of purchased fixed assets is made in the order prescribed by RA Legislation, as well as by the Bank’s internal legal acts.

Attribution of the unit of fixed assets to any category (property and stationery communication means, calculating, computer and automated equipment, vehicles, etc.) set by the Card of Accounts of the Banks Operating within the Territory of RA and The Application Order of the Card of Accounts of the Banks Operating within the Territory of RA is made based on the methodical instructions of the Chief accountant, arising from their usage specifications and purposes.

Fixed assets are recorded with the difference of initial value and accumulated depreciation taking into account the accumulated impairment losses. Depreciation is calculated using the straight-line method over the period of the asset's useful life.

From 1 January 2018, the Bank defines the following terms of useful services:

	Terms of useful services (years)	Annual interest rate (%)
Building	50	2
Computers	5	20
Transportation means	8	12.5
Other fixed assets, transportation means, UPS batteries, ATMs, property, office equipment, (printers, scanners, copying devices), POS terminals, modems,	8	12.5
Network devices	3	33.3
Mobile phones	5	20
	1	100

Fixed assets and intangible assets costing up to AMD 50.000 Up to the end of the given year

The depreciation of fixed assets which were in operation until 1 January 2013, connected with review of terms of useful services is calculated as follows: the balance sheet value of fixed assets (initial value minus accumulated depreciation) is distributed by linear method of depreciation calculation in the newly defined residual term of useful service. The latter represents the time difference between the useful life cycle set from 1 January 2013 and the period from the starting date of use until 1 January 2013.

For fixed assets acquired after 01.01.2013 residual value amounts to 0.1% of their initial value, however not more than AMD 20.000, except buildings and transportation means residual value of which amounts to 1% of their initial value.

For fixed assets acquired up to 01.01.2013 the residual value amounts to 0.1% of their balance sheet value, however not more than AMD 20.000, except building and transportation means residual value of which amounts to 1% of their balance sheet value.

Depreciation is not calculated for land.

Repairs and maintenance are recognized in the statement on financial results as expenses during the period in which they are incurred.

The expenditures raising the operational efficacy of property, plant and equipment compared with the preliminary evaluated normative indicators are recognized as capital expenditures and are added to the initial value of the asset. The above mentioned expenditures are amortized using the straight-line method over the residual term of the asset's useful life if they don't exceed the residual value of property, plant and equipment as of 1 January of the year; otherwise they are amortized during the whole period of useful life.

The outcome occurred from write off or disposal of a fixed asset is determined as a difference between net credits from asset disposal and its balance sheet value and is recognized as an income or loss in the income statement.

In case of significant fluctuation of the real (market) value of the Bank's fixed assets (25% during financial year) the latter are reassessed based on the decision of the Bank's Board. The revaluation is conducted by an independent company with relevant license.

The results of revaluation are reflected in the Bank's balance sheet and Income statement in the manner prescribed by IFRS. The growth occurred in the outcome of revaluation is charged to the undistributed profit along with calculation of amortization during the use of the set by the Bank. The size of charged off amount is determined by the difference between amortization calculated on the basis of revaluated balance sheet value of the asset and amortization calculated on the basis of Initial value of the asset. The charge of the growth occurred in the result of revaluation to undistributed profit is not reflected in the Income statement.

The capital expenses on leased fixed assets are capitalized and amortized by linear method during the residual term of the asset's useful life. The capital expenses on leased buildings are capitalized and amortized by linear method during 20 years.

Assets recorded as capital investments in the fixed assets are not amortized.

Inventory

The Bank's inventory includes:

- short-life items,
- goods, including goods which has passed to the Bank as a result of sequestration of pledge
- materials and supplies, which are to be used by the Bank during its performance

Short-life items are assets the useful lives of which do not exceed a year.

The inventories are measured at the lower of cost and net realizable value.

For the determination of the cost of inventory the Bank accepts and applies first in first out (FIFO) formula. According to FIFO formula the inventory units acquired first are sold, used or disposed of first, therefore the assets that remain in inventory by the end of the accounting period are the most recently purchased. The cost of the short-life items is written off at the beginning of their utilization.

Settlements between the Bank and Branches

Reciprocal accounts of the Bank's Head Office and its branches are compared each day via report received through program. The revealed errors are corrected during that day.

While drafting the balance sheet, the settlement accounts among the Head Office and its branches are brought to zero.

The settlement accounts between the Bank's Head Office and its branches are closed weekly.

Share Capital and Treasury Stock

Ordinary shares are included in equity (general) capital. Dividends on ordinary shares are recognized in equity capital in the period in which they are declared. Dividends for current year, which are declared after the balance sheet date, are disclosed in the subsequent events note.

Basic earnings per share should be calculated by dividing the net profit for the period attributable to the shareholders by the weighted average number of ordinary shares outstanding during the period.

Under certain circumstances and according to procedure established by the RA Legislation the Bank may repurchase its equity share capital. In this case reimbursement paid is deducted from total shareholders' equity and is reflected as treasury stock until it is cancelled. When such shares are subset gently sold any reimbursement received is included in shareholders' equity.

The positive difference between the price paid by investor's for purchase of common shares and their nominal value is recognized in the equity as emissive fee on extraordinary shares.

Attracted Funds

Attracted funds comprising accounts, issued securities and subordinate borrowings of Government and the Central Bank are initially recognized at the real value of received funds, less direct costs for operations. After initial recognition, attracted funds are accounted for in amortized value using effective interest rate method.

Provisions, Contingent Assets and Liabilities

Contingent liabilities are not recognized in financial statements, but are disclosed in the accompanying notes. However, they are not disclosed if the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in financial statements, but is disclosed in the accompanying notes, when an inflow of economic benefits becomes probable.

The procedure for creating a reserve for possible losses on balance sheet and off-balance sheet accounts containing credit risk corresponds to the procedure for forming a reserve for possible losses on loans and loans provided to customers, in accordance with the procedure "Classification of financial assets and formation of reserves for possible losses" of "ARMECONOMBANK" OJSC approved by the Bank's Board.

Consolidated Financial Statements

In cases set forth by legislation the Bank prepares consolidated financial statements in accordance with IFRS and the Procedure on Compilation of Consolidated Financial Statements Presented to the Central Bank of Armenia by the Banks Acting within the Territory of Armenia" approved by the Board of the Central Bank of Armenia.

Segment Statements

The Bank uses the information of business-segments (per Individuals, organizations and rendered investment services) as a primary presentation form. Geographical segments are considered to be secondary presentation forms.

Issued Corporate Bonds

Issued corporate bonds are initially recognized at their real value, which is the real cost of reimbursement received against them, less the transaction expenses.

Corporate bonds issued afterwards are measured at their amortization value, and any difference between net reimbursement and repaid amounts, is reflected in the income and expense statement in the period of circulation of those securities, applying the effective interest method.

Comparable Information

In case of necessity comparable figures are adjusted in order to ensure the comparability with the current year.

After Balance Sheet Date Events

Respective corrections in the balance sheet, if necessary, after the date of balance sheet formed on the last working day of the fiscal year, are made in the following cases:

If the Bank reveals errors on its own,

Fundamental errors are revealed by an audit organization,

On purpose of reflection of clarifying events after the balance sheet date.

In cases if the Bank reveals errors on its own, if the amount of material error depends on the size or nature of the given transaction or size and nature of the article, and if the change of figures reflected in the balance sheet will be of a little importance, and if non- disclosure of that information will not impact decisions made on the basis of financial statements' data, no amendments will be made in the balance sheet of previous year.

If fundamental errors are discovered or arise after the publication of the Bank's annual financial statements as per the established order, then no adjustments shall be made and the representation of such information is considered to be unrealizable.

ARMECONOMBANK

Statement of Financial Position
 31/12/2025
 ARMECONOMBANK OJSC 23/1 Amiry Str., 0002 Yerevan

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	Item	Note	As of the end of the current interim period (unaudited)	As of the end of the previous financial year (audited)
1	Assets			
1.1	Cash and cash equivalents	13	60,207,737	63,820,315
1.2	Standard bank precious metal bullions and coins		772,626	531,149
1.3	Due from banks and other financial institutions	14	8,714,731	6,800,474
1.4	Reverse repurchase agreement	14.1	15,198,265	14,217,780
1.5	Financial assets rated at actual value through profit or loss	15	15,468	
1.5.1	Other financial assets rated at amortized value	18	5,721,345	9,087,066
1.6	Loans and advances provided to customers at amortized value	16	401,238,849	342,101,456
	Financial assets at fair value rated through other comprehensive financial results	17	8,559,808	1,013,634
1.7	Securities pledged under repurchase agreement	17.1	75,108,831	66,906,556
1.9	Non-current assets held for sale		6,664,709	2,855,368
1.10	Fixed assets	20	16,503,754	15,823,392
1.10.1	Intangible assets	20	1,099,796	1,064,637
1.10.1	Right-of-use assets	20.1	2,214,729	2,070,902
1.12	Other assets	21	2,477,864	1,365,013
	Total assets		604,498,512	527,657,742
2	Liabilities			
2.1	Liabilities to banks and other financial institutions	22	70,986,911	74,939,160
2.2	Loans and deposits received from the international financial institutions	22.1	88,337,897	53,700,903
2.3	Loans received from the CBA and from the RA government	22.2	36,229,493	39,458,541
2.4	Repurchase agreement	22.3	73,308,675	63,046,386
2.5	Liabilities to Customers	23	209,352,547	191,353,019
2.6	Subordinated borrowing	23.1	6,222,127	6,104,831
2.7	Liabilities on current taxes		1,495,767	1,134,862
2.8	Securities issued by the Bank	24	22,333,207	14,115,869
2.9	Financial liabilities at fair value through profit or loss	25	347,932	119,575
2.10	Amounts payable	26	683,289	651,905
2.11	Deferred tax liabilities	11	1,185,602	1,103,051
2.12	Reserves	30	99,939	67,641
2.13	Lease liabilities	40	1,863,906	1,669,847
2.14	Other liabilities	27	3,166,256	2,922,019
	Total liabilities		515,613,548	450,387,609
3	Capital			
3.1	Chartered capital	28	31,578,015	31,578,015
3.2	Emission income		7,762,974	7,762,974
3.3	Reserves			
3.3.1	Main reserve		4,641,000	4,190,000
3.3.2	Revaluation reserve		377,519	(183,297)
3.3.3	Other reserve		6,418,033	6,681,896
3.4	Undistributed profit (loss)		38,107,423	27,240,545
	Total capital		88,884,964	77,270,133
	Total liabilities and capital		604,498,512	527,657,742

Chief Executive Officer (CEO)

A. Arakelyan

Acting Chief Accountant

N. Galstyan

Statement of Profit or Loss

31/12/2025

ARMECONOMBANK OJSC 23/1 Amiryan Str., 0002 Yerevan

Thous. AMD

Item	Note	Current interim period (unaudited)	Accounting period (unaudited)	Comparable current interim previous period (unaudited)	Previous period (audited)
Interest and similar income	3	14,416,143	54,129,241	11,759,189	46,223,797
Interest and similar expenses	3	(8,453,743)	(31,504,627)	(7,036,881)	(27,540,049)
Net interest and similar income		5,962,400	22,624,614	4,722,308	18,683,748
Income as commissions and other fees	4	2,691,029	10,535,450	2,403,737	7,710,069
Expenses as commissions and other fees	4	(962,505)	(3,752,747)	(687,476)	(2,472,701)
Net commission and other fees		1,728,524	6,782,703	1,716,261	5,237,368
Income from dividends		2,740	5,867		6,037
Net commercial income	5	1,102,818	3,954,724	723,173	2,983,059
Other operational income	6	250,500	1,105,387	209,449	584,486
Operational income		9,046,982	34,473,295	7,371,191	27,494,698
Net allocations to possible asset loss provisions	7	254,631	(1,515,065)	2,935,982	2,563,699
Total administrative expenses	8	(3,326,453)	(12,012,934)	(2,793,484)	(10,707,166)
Loss from debt concession				(3,631,059)	(3,631,059)
Other operational income	9	(1,527,463)	(5,476,995)	(1,264,245)	(4,586,716)
Operational profit		4,447,697	15,468,301	2,618,385	11,133,456
Profit/loss before taxation		4,447,697	15,468,301	2,618,385	11,133,456
Profit tax expenses(compensation)	11	(726,267)	(2,916,641)	(443,670)	(2,129,144)
Profit for period		3,721,430	12,551,660	2,174,715	9,004,312

Chief Executive Officer (CEO)

A. Arakelyan

Acting Chief Accountant

N. Galstyan

Statement of other Comprehensive Income

31/12/2025

ARMECONOMBANK OJSC 23/1 Amiryan Str., 0002 Yerevan

Thous. AMD

Name	Note	Current interim period (unaudited)	Accounting period (unaudited)	Comparable current interim previous period (unaudited)	Previous period (unaudited)
Other comprehensive financial results					
Revaluation of financial assets at fair value rated through other comprehensive financial results		416,707	695,908	(50,235)	380,249
Devaluation of financial assets at fair value rated through other comprehensive financial results after taxation		(13,211)	(11,986)	(30,736)	(141,089)
Profit tax on the revaluation of financial assets at fair value rated through other comprehensive financial results		(72,629)	(123,106)	34,438	(43,049)
Other comprehensive financial result after taxation		330,866	560,816	(46,532)	196,111
Comprehensive financial result		4,052,296	13,112,476	2,128,183	9,200,423

Chief Executive Officer (CEO)

A. Arakelyan

Acting Chief Accountant

N. Galstyan

Approval date: 14 January 2026

Statement of Changes in Equity
31/12/2025
ARMECONOMBANK OJSC 23/1 Amiryan Str., 0002 Yerevan

Thous. AMD

Equity elements	Accounting period		Emission income/loss	Main reserve	Revaluations of financial assets at fair value rated through other comprehensive financial results	Profit from revaluation of non-current assets	Undistributed profit/(loss)	Total	Total capital
	Chartered capital	Net amount							
Articles	1	3	4	5	7	9	10	12	14
Comparable current interim period of the previous financial year (ascending from the beginning of the year) (I table)									
<i>Balance as of the beginning of the financial year as of 01 January 2024 (audited)</i>	28,132,240	28,132,240	2,265,076	3,952,000	(379,408)	6,896,366	19,599,449	60,465,723	60,465,723
Recalculated balance	28,132,240	28,132,240	2,265,076	3,952,000	(379,408)	6,896,366	19,599,449	60,465,723	60,465,723
Transactions with shareholders (owners)regarding to shares, including:	3,445,775	3,445,775	5,497,898	-	-	-	-	8,943,673	8,943,673
Investments in chartered capital and other increase of chartered capital	3,445,775	3,445,775	5,497,898	-	-	-	-	8,943,673	8,943,673
Comprehensive income		-	-	-	196,111		9,004,312	9,200,423	9,200,423
Dividends		-	-	-			(1,339,686)	(1,339,686)	(1,339,686)
Internal movements including:	-	-	-	238,000	-	(214,470)	(23,530)	-	-
Deductions to main reserve				238,000			(238,000)	-	-
Decrease of value from the revaluation of fixed and intangible assets		-				(214,470)	214,470	-	-
<i>Balance as of the end of the interim accounting period 31/12/2024(audited)</i>	31,578,015	31,578,015	7,762,974	4,190,000	(183,297)	6,681,896	27,240,545	77,270,133	77,270,133

Interim period of the current year (ascending from the beginning of the year) (II table)									
<i>Balance as of the beginning of the financial year as of 01 January 2025 (audited)</i>	31,578,015	31,578,015	7,762,974	4,190,000	(183,297)	6,681,896	27,240,545	77,270,133	77,270,133
Recalculated balance	31,578,015	31,578,015	7,762,974	4,190,000	(183,297)	6,681,896	27,240,545	77,270,133	77,270,133
Comprehensive income		-	-		560,816		12,551,660	13,112,476	13,112,476
Dividends		-	-	-		-	(1,497,645)	(1,497,645)	(1,497,645)
Internal movements including:	-	-	-	451,000	-	(263,863)	(187,137)	-	-
Deductions to main reserve				451,000			(451,000)	-	-
Decrease of value from the revaluation of fixed and intangible assets		-				(263,863)	263,863	-	-
<i>Balance as of the end of the interim accounting period 31/12/2025(unaudited)</i>	31,578,015	31,578,015	7,762,974	4,641,000	377,519	6,418,033	38,107,423	88,884,964	88,884,964

Chief Executive Officer (CEO)

A. Arakelyan

Acting Chief Accountant

N. Galstyan

Approval date: 14 January 2026

Statement of Cash Flows
 31/12/2025
 ARMECONOMBANK OJSC 23/1 Amiryan Str., 0002 Yerevan

Thous. AMD

Name	Note	Accounting period (unaudited)	Previous period (audited)
Cash flows from operations			
Profit for the year		12,551,660	9,004,312
<i>Adjustments</i>			
Expenses on profit tax		2,916,641	2,129,144
Loss from depreciation of interest-bearing assets		1,515,065	(2,563,699)
Depreciation and amortisation		2,620,962	2,463,535
Net income from disposal of fixed assets		(15,592)	2,734
Loss from debt concession			3,631,059
Net gain from foreign exchange		51,040	89,754
Net income from sale/ purchase of financial assets rated at fair value through profit or loss		62,550	82,267
Financial assets at fair value rated through other comprehensive financial results		(430,553)	(313,157)
Interest income		(559,245)	(89,648)
Interest expenses		1,493,678	287,255
Cash flows from operations before changes in operational assets and liabilities		20,206,206	14,723,556
Changes in operational assets or liabilities			
Increase/ decrease in operational assets			
Due from financial institutions		(1,785,937)	(1,088,335)
Reverse repurchase agreements		(1,043,140)	(1,725,119)
Loans to customers		(66,336,878)	(53,666,600)
Other assets		(1,331,304)	(932,676)
Liabilities to financial institutions		(3,729,015)	2,476,350
Repurchase agreements		10,218,489	28,885,216
Liabilities to customers		17,916,129	8,541,775
Other liabilities		243,139	2,000,828
Cash used in operations before taxation		(25,642,311)	(785,005)
Paid profit tax		(2,590,935)	(2,233,065)
Net cash used in operations		(28,233,246)	(3,018,070)
Cash flows from investments			
Decrease(increase) of securities at fair value rated though profit/loss and available for sale		(11,162,873)	(15,983,222)
Acquisition of fixed assets		(2,200,656)	(1,709,865)
Proceeds from sale of fixed assets		158,540	4,519
Acquisition of intangible assets		(328,205)	(269,994)
Net cash flows from investments (used)/(gained from)		(13,533,194)	(17,958,562)
Cash flows from financial operations			
Loans from RA CB and RA Government		(3,195,227)	2,297,177
Proceeds/repayment of loans received from international financial institutions		36,256,019	6,059,020
Subordinated loan (repayments)/proceeds			3,614,603
		8,171,382	2,860,347
Increase (decrease) of securities issued by the Bank			
Increase in share capital			2,051,107
Lease liabilities		(1,166,060)	(1,063,946)
Dividends paid		(1,473,128)	(1,295,932)
Net cash from financial operations		38,592,987	14,522,376
Impact of foreign exchange on cash balances		(450,364)	(1,315,740)
Impact of expected debt losses		11,239	21,126
Net increase of cash and equivalents thereof		(3,612,578)	(7,748,870)
of the period	13_2	63,820,315	71,569,185
period	13_2	60,207,737	63,820,315

Chief Executive Officer (CEO)

A. Arakelyan

Acting Chief Accountant

N. Galstyan

Note 3: "Net Interest and Similar Income"

Thous. AMD

Interest and similar income	01/10/2025-31/12/2025	01/01/2025-31/12/2025	01/10/2024-31/12/2024	01/01/2024-31/12/2024
Interest income from the Bank's current accounts, deposits and loans allocated in banks and other financial institutions	43,131	297,180	57,180	375,679
Interest income from loans and advances to customers	12,060,010	45,313,992	9,868,872	38,615,741
Interest income from debt securities	2,018,993	7,389,669	1,546,435	6,043,227
Interest income from REPO agreements	276,892	1,057,268	271,872	1,121,582
Interest income from derivatives with resident banks	4,465	17,405		
Other interest income	12,652	53,728	14,830	67,568
Interest and Similar Expenses	14,416,143	54,129,242	11,759,189	46,223,797
Interest expenses from the Banks' current accounts deposits and loans allocated in banks and other financial institutions	3,497,208	13,371,177	2,943,236	11,796,422
Interest expenses on terms deposits and current accounts of customers	3,030,775	10,888,618	2,576,472	9,902,420
Interest expenses under REPO agreements	1,264,084	4,946,948	1,087,153	4,124,924
Interest expenses on subordinated borrowings	132,765	525,751	144,172	699,945
Interest expenses against the interest securities issued by the Bank.	481,731	1,546,808	242,419	837,289
Interest expenses on lease agreements	47,180	178,478	43,429	179,049
Other interest income		46,847		
Total	8,453,743	31,504,627	7,036,881	27,540,049
Net interest and similar income	5,962,400	22,624,615	4,722,308	18,683,748

Note 4: "Commission and Other Fee Income and Expenses"

Thous. AMD

Commission and Other Fee Income	01/10/2025-31/12/2025	01/01/2025-31/12/2025	01/10/2024-31/12/2024	01/01/2024-31/12/2024
Cashier's operations	90,431	322,684	99,305	339,608
Settlement services	374,546	1,364,615	332,687	1,310,338
Guarantees, warranties, letters of credit operations, trust management operations	94,251	323,495	88,534	310,426
Foreign currency and security operations	448	5,580	370	5,403
Payment card servicing	1,575,973	5,637,821	1,204,864	4,133,182
Other commission fees	555,380	2,881,256	677,977	1,611,112
Total	2,691,029	10,535,451	2,403,737	7,710,069
Commission and Other Fee Expenses:				
Commission fee from correspondent and other accounts	2,411	9,619	1,304	6,437
Expenses on payment card operations	774,587	2,928,248	526,387	1,913,837
Guarantees, warranties, letters of credit operations, trust management operations	6,919	46,414	10,643	25,169
Foreign currency and security operations	23,855	196,000	20,407	120,004
Other commission fees	154,733	572,466	128,735	407,254
Total	962,505	3,752,747	687,476	2,472,701
Net commission and other fees received	1,728,524	6,782,704	1,716,261	5,237,368

Note 5 : Financial assets rated at fair value through profit or loss

Thous. AMD

Financial assets rated at fair value through profit or loss	01/10/2025-31/12/2025	01/01/2025-31/12/2025	01/10/2024-31/12/2024	01/01/2024-31/12/2024
Net income from sale/ purchase of financial assets rated at fair value through profit or loss, including	(65,097)	(383,030)	(4,193)	(59,010)
Shares				
Debt Securities				
Derivatives	(65,097)	(383,030)	(4,193)	(59,010)
Net income from changes in real value of financial assets rated at fair value through profit or loss				

Total	(65,097)	(383,030)	(4,193)	(59,010)
Investments at fair value rated through other comprehensive financial assets				
Net income from sale/purchase of investments at fair value rated through other comprehensive financial results, including:	410,571	445,083	278	434,063
Debt securities	410,571	445,083	278	434,063
Derivatives				
Net income from sale/purchase of investments at fair value rated through other comprehensive financial results	(62,585)	(64,401)		(63,418)
Total	347,986	380,682	278	370,645
Foreign currency operations				
Net income from foreign currency sale/purchase	749,288	3,691,156	735,931	2,576,958
Net income from the revaluation of foreign currency	(13,005)	(51,042)	(24,052)	(89,754)
Net income from the sale/purchase of precious standardized bullions and coins	12,078	59,799	11,658	78,349
Net income from the revaluation of precious standardized bullions and coins	71,568	257,159	3,551	105,871
Total	819,929	3,957,072	727,088	2,671,424
Net income from commercial operations	1,102,818	3,954,724	723,173	2,983,059

Note 6 : "Other Operational Income"

	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Other operational expenses				Thous. AMD
Income from penalties and fines	185,560	567,174	122,123	387,086
Net income from disposal of fixed and intangible assets	(1,270)	15,592	1,379	(2,735)
Other income *	66,210	522,621	85,947	200,135
Total	250,500	1,105,387	209,449	584,486

The main sources of generation of other income* are the amounts charged for provision of statement, check and deposit books, certificates and from such services for which no special income accounts are envisaged.

Note 7 : "Net Deductions to Possible Asset Losses Provision"

	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Cash and cash equivalents (Note 13)				Thous. AMD
Initial balance	6,505	9,942	6,163	31,069
Net deductions to reserve	4,734	1,297	3,779	(21,127)
Summary balance	11,239	11,239	9,942	9,942
"Due to Banks and other Financial institutions" (Note 14)	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Initial balance	55,193	71,021	61,013	148,064
Net deductions to reserve	2,263	(13,565)	10,008	(77,043)
Summary balance	57,456	57,456	71,021	71,021
From loans and advances to customers (Note 16)	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Initial balance	5,229,804	3,442,678	6,420,810	5,620,762
Net deductions to reserve	(210,137)	1,547,747	(2,975,433)	(2,216,282)
Return of amounts previously charged to off balance item	133,162	1,894,617	165,691	610,914
Usage of reserve	(619,402)	(2,351,615)	(168,390)	(572,716)
Summary balance	4,533,427	4,533,427	3,442,678	3,442,678
Financial assets rated at fair value through other comprehensive financial assets (Note 17)	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Initial balance	27,129	25,903	32,415	166,993
Net deductions to reserve	(13,211)	(11,985)	(6,512)	(141,090)
Summary balance	13,918	13,918	25,903	25,903
On other assets (Note 21)	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Initial balance	1,457	966	1,062	1,036
Net deductions to reserve	156	12,324	8,127	8,050
Return of amounts previously charged to off balance item	239	703	134	301
Usage of reserve	(60)	(12,201)	(8,357)	(8,421)
Summary balance	1,792	1,792	966	966
Other financial assets rated at amortized value	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Initial balance	124,096	122,446	105,943	287,024
Net deductions to reserve	(54,701)	(53,051)	16,504	(164,578)
Summary balance	69,395	69,395	122,447	122,446
Post-balance sheet items containing loan exposures (note 30)	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Initial balance	83,674	67,641	60,096	19,270
Net deductions to reserve	16,265	32,298	7,545	48,371
Usage of reserve				
Summary balance	99,939	99,939	67,641	67,641
Total net deductions to reserve	(254,631)	1,515,065	(2,935,982)	(2,563,699)

Note 8 : "Total administrative expenses"

				Thous. AMD
	01/10/2025-31/12/2025	01/10/2025-31/12/2025	01/10/2024-31/12/2024	01/01/2024-31/12/2024
'Total administrative expenses"				
Salary and similar payments	2,359,543	8,529,504	1,958,636	7,540,219
Training and tutorship expenses	8,809	17,290	411	6,788
Business trip expenses	26,423	110,917	24,440	82,686
Insurance costs	60,257	233,745	54,155	204,911
Servicing and maintenance of the Bank's equipment	140,340	582,971	153,067	467,839
Maintenance and safekeeping of Bank buildings	257,515	1,037,995	233,369	894,924
Audit and consulting services	58,475	118,214	14,860	41,477
Communication and transmission costs	41,281	161,397	35,552	148,068
Transportation costs	66,885	243,649	60,899	214,740
Taxes (except income tax) penalties and other mandatory payments	68,641	178,073	128,191	515,720
Office and organizational expenses	41,260	340,298	45,128	240,097
Other administrative expenses	197,024	458,881	84,776	349,697
Total	3,326,453	12,012,934	2,793,484	10,707,166

The average number of the Bank employees and monthly average salary falling to a single employee

	01/10/2025-31/12/2025	01/10/2025-31/12/2025	01/10/2024-31/12/2024	01/01/2024-31/12/2024
Average number of Bank employees	908	894	905	897
Monthly average salary falling to a single employee (thousand AMD)	968	784	850	689

Note 9 : "Other Operational Expenses"

	01/10/2025-31/12/2025	01/10/2025-31/12/2025	01/10/2024-31/12/2024	01/01/2024-31/12/2024
Other operational expenses				
Paid fines and penalties	691	1,960	-	257
Payments made for collection	119,998	480,064	99,837	374,089
Advertising and representative expenses	202,794	612,586	113,694	418,937
Amortization costs of fixed assets and intangible assets	698,641	2,637,825	656,130	2,463,535
Allocations to the Fund of Recovery of Deposits	73,811	285,312	66,945	251,155
Other expenses	431,528	1,459,248	327,639	1,078,743
Total	1,527,463	5,476,995	1,264,245	4,586,716

Note 10 : Net gain/losses from investments in controlled units"

There is no data available for this note during the accounting and previous period.

Note 11 : "Profit tax Expenses (Reimbursement)"

Thous. AMD

Expenses on profit tax	01/10/2025-31/12/2025	01/01/2025-31/12/2025	01/10/2024-31/12/2024	01/01/2024-31/12/2024
Current tax expenses	652,462	2,939,445	955,331	2,255,643
Corrections of current taxes for the previous period recognized in the current period	-	17,750	-	1,496
Deferred tax expenses	73,805	(40,554)	(511,661)	(127,995)
Total	726,267	2,916,641	443,670	2,129,144

	01/10/2025-31/12/2025	Effective rate (%)	01/01/2025-31/12/2025	Effective rate (%)	01/10/2024-31/12/2024	Effective rate (%)	01/01/2024-31/12/2024	Effective rate (%)
Profit before taxation	4,447,697		15,468,301		2,618,385		11,133,456	
Profit tax with rate	800,585	18%	2,784,294	18%	471,309	18%	2,004,022	18%
Non-taxable income	(912)	-	(1,487)	(0.00)		-	(2,245)	(0.00)
Non-taxable income from financial assets rated at fair value through other comprehensive income	(2,744)	0.00	11,259	0.00	847	0.00	(4,249)	(0.00)
Non-deductable expenses	(71,000)	0.02	101,831	0.02	(30,662)	0.00	122,192	0.02
Foreign currency negative/positive difference	2,341	(0.00)	9,188	0.00	4,332	0.00	16,156	0.00
Adjustments of calculated tax expenses of the previous year		0.01	17,750	0.00		0.00	1,496	0.00
Other privileges	(2,003)	(0.00)	(6,194)	(0.00)	(2,156)	(0.00)	(8,228)	(0.00)
Profit tax expenses	726,267	0.16	2,916,641	0.19	443,670	0.17	2,129,144	0.19

Calculation of deferred tax on temporary differences

			31/12/2025	Thous. AMD
	Balance as of the previous period	Recognized by financial results	Recognized by equity	Balance at the accounting period
Deferred tax assets, including:	522,663	(90,012)	-	432,651
Accrued expenses and other liabilities	308,635	(48,924)		269,711
Right-of-use assets	143,413	30,485		173,898
Investment securities	66,938	(66,938)		-
Claims to banks and other financial institutions	3,677	(4,635)		(958)
Deferred tax liabilities, including:	(1,625,713)	130,567	(123,106)	(1,618,252)
Investment securities		55,232	(123,106)	(67,874)
Cash and their equivalents	(944)	(1,211)		(2,155)
Fixed assets	(1,454,261)	58,960		(1,395,301)
Loans and borrowings to customers	(155,369)	19,357		(136,012)
Contingent liabilities	(15,139)	(1,771)		(16,910)
Net deferred tax asset/liability	(1,103,050)	40,555	(123,106)	(1,185,601)

Note 12 : "Basic profit falling to a single share"

	01/10/2025- 31/12/2025	01/01/2025- 31/12/2025	01/10/2024- 31/12/2024	01/01/2024- 31/12/2024
Basic profit falling to a single share				
Net profit of the accounting period after taxation	3,721,430	12,551,660	2,174,715	9,004,312
Dividends on preferential shares calculated for the current accounting period	224,747	891,660	224,747	894,103
Net gains(losses) of given period referring to owners of common shares	3,496,683	11,660,000	1,949,968	8,110,209
Net weighted average number of common shares in circulation during the given period	12,119,719	12,119,719	11,192,312	11,192,312
Basic profit falling to a single share	0.29	0.96	0.17	0.72

The increase in the number of shares is due to the registration of a stock split in the ratio of 1 share to 5 share.

Note 13 : Cash and cash equivalents

	Thous. AMD	
	31/12/2025	31/12/2024
Cash and cash equivalents		
Cash and cash equivalent payment documents	18,350,283	18,435,659
Correspondent accounts with the CBA*	34,045,813	43,875,985
Correspondent accounts with the resident banks	120,845	204,369
Correspondent accounts with the non-resident banks	1,786,165	1,314,244
Deposit accounts with the CBA	5,501,507	
Deposit accounts with the banks	414,363	
Reserves/IFRS/	(11,239)	(9,942)
Cash and balances with the CBA	60,207,737	63,820,315

* Correspondent accounts with the CBA include mandatory provisioning funds calculated against the Bank's attracted funds according to the RA Bank Legislation.

Note 14 : "Due to Banks and other Financial institutions"

	Thous. AMD	
	31/12/2025	31/12/2024
Current accounts		
Deposited funds with CBA	4,655,000	2,527,500
Reserve/IFRS/	(4,376)	(4,819)
Total	4,650,624	2,522,681
With RA banks		
Loans and deposits		
Other	1,000	308
With banks having BBB(Baa3) and higher ratings		
Other		
Loans and deposits		
With banks having ratings lower than BBB (Baa3) or no rating at all		
Loans and deposits		
Other	1,819	120
Accrued interest		
Total	2,819	428
Possible loss provision for amounts due from banks (note 7)	(182)	(120)
Net receivables to banks	2,637	308

	31/12/2025	31/12/2024
Loans and deposits with Financial Institutions, other receivables		
With RA Financial Institutions:		
Loans and deposits	29,033	1,007,364
Other	3,728,668	126,017
With Financial Institutions having BBB(Baa3) and higher ratings		
Other		
With Financial Institutions having a rating lower than BB(Baa3) or no rating at all		
Other	342,332	3,179,743
Accrued interest	36	3,285
Total	4,100,069	4,316,409
Possible loss provision for receivables due to Financial Institutions	(38,599)	(38,924)
Net receivables to Financial Institutions	4,061,470	4,277,485
Net receivables to banks and Financial Institutions	8,714,731	6,800,474

Note 14.1 Reverse Repurchase Agreements

	31/12/2025	31/12/2024
Reverse Repurchase Agreements		
Repurchase Agreements with Financial Institutions	15,212,565	14,244,938
Reverse Repurchase Agreements with Financial Institutions	(14,300)	(27,158)
Total	15,198,265	14,217,780

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

	31/12/2025	31/12/2024
Other financial assets recalculated at fair value through profit/loss		
Swap	15,468	
Total	15,468	-

Possible loss provision for financial assets recalculated at fair rate through profit/loss (Note 7)

Note 16. "Loans and advances to customers calculated at amortized value"

Thous. AMD		
Loans and advances calculated at amortized value	31/12/2025	31/12/2024
Loans, including:	385,127,786	324,741,294
Mortgage loans	60,516,280	51,396,523
Credit cards	18,189,133	18,840,402
Accrued interest on the mentioned items	2,455,357	1,962,438
Total loans	405,772,276	345,544,134
Reserve for possible loss of customer loans and advances (note 7)	(4,533,427)	(3,442,678)
Total loans and advances at amortized value	401,238,849	342,101,456

Thous. AMD		
Analyses of provided loans and advances per customers	31/12/2025	31/12/2024
State industries	11,347	22,283
Private industries, including:	184,237,162	158,662,395
Major enterprises	91,322,037	80,285,067
Small and medium enterprises	92,915,125	78,377,328
Including business cards	145,599	35,750
Individuals, including:	193,185,138	159,369,529
Consumer loans	111,787,208	83,672,848
Mortgage loans	60,516,280	51,396,523
Credit cards	17,968,080	18,800,235
Private entrepreneurs	25,883,272	25,527,489
Accrued interest	2,455,357	1,962,438
Total loans	405,772,276	345,544,134
Reserve for customers' loans and advances calculated at amortized value (note7)	(4,533,427)	(3,442,678)
Total loans and advances at amortized value	401,238,849	342,101,456

Thous. AMD		
Analyses of loans and advances provided to the customers per the groups of businesses (segments)	31/12/2025	31/12/2024
State and major enterprises	91,333,384	80,307,350
SME * sector, including	98,117,890	87,354,428
Agriculture	12,458,481	9,689,997
Housekeeping	213,865,645	175,919,918
Accrued interests	2,455,357	1,962,438
Total loans and advances calculated at amortized value	405,772,276	345,544,134
Reserve for customers' loans and advances calculated at amortized value (note7)	(4,533,427)	(3,442,678)
Total loans and advances calculated at amortized value	401,238,849	342,101,456

*SME sector involves investment loans provided to small and medium enterprises, individuals, as well as loans provided to the field of agriculture

Thous. AMD		
related parties /without reserve/	31/12/2025	31/12/2024
Customers' loans and advances calculated at amortized value	103,945,720	91,812,725
Balance of off-balance sheet contingent liabilities	3,822,674	2,182,926
Total	107,768,394	93,995,651
Loan investments	405,772,276	345,544,134
Ratio in portfolio	25.62%	26.57%
Total normative capital	83,586,801	77,137,535
Percentage ratio to capital	128.93%	121.85%

Thous. AMD

Loan Investments through International programs	31/12/2025	Quantity
ADB/MSME	9,469,525	287
ADB/WESSD	3,113,446	112
BS/SME1	32,101	1
BS/SME3	914,964	27
COVID-19/2/2	2,621,092	8
DEG/SME	204,439	9
DEG/MSME	777,100	34
EBRD/MSME	621,581	21
EBRD/SMEC/Green	1,221,295	20
EBRD/WIB	100,503	14
EIB/APEX	4,179,445	119
FMO/MSME/Green	377,605	6
FMO/MSME/Retail	227,558	13
GAF/ADB/ AGRO	5,948	1
GAF/ KfW /ENERGY	1,769,348	774
GAF/ KfW/ AGRO	1,669,118	122
GAF/KfW/SME	20,496,332	1,885
GAF/ KfW /CONSUMERENERGY	837,569	1,712
GAF/KfW/SME/ENERGY	4,382,751	188
INCOFINCVBA/MSE	460,756	33
Proparco/SME/Green	6,346,976	344
PRM/SCTTF	1,399	1
OFID/MSME/Climate/Green	8,824,330	311
FMO/MSME/Agri/Women/Youth	2,693,837	46
Total	71,349,018	6,088

Loan Investments through International programs	31/12/2024	Quantity	Thous. AMD
ADB/MSME	7,723,298	210	
ADB/WESSD	4,024,392	153	
BS/SME3	1,344,117	42	
COVID-19/1/3	25,086	1	
COVID-19/2/1	2,253	1	
COVID-19/2/2	2,870,963	45	
DEG/SME	290,434	15	
EBRD/MSME	745,730	33	
EBRD/SMEC/Green	897,234	17	
EBRD/WIB	251,633	32	
EIB/APEX	6,664,461	154	
FMO/MSME/Green	467,392	18	
FMO/MSME/Retail	446,098	26	
GAF/ KfW /SME	20,892,793	1,852	
GAF/ KfW /ENERGY	3,789,035	1,396	
GAF/ KfW /SME/ENERGY	3,023,100	120	
GAF/ KfW /AGRO	1,732,468	123	
GAF/KfW/CONSUMER ENERGY	1,141,115	1,933	
INCOFINCVA/MSE	733,680	47	
Proparco/SME/Green	10,991,596	565	
PRM/SCTTF	2,818	2	
Ընդամենը	68,059,696	6,785	

Gaps of extended loans and advances calculated at amortized value per lending sectors (without taking into consideration the reserves for possible loan losses)	31/12/2025	Percentage	31/12/2024	Percentage
Industry	20,629,865	5.58	19,397,326	5.61
Agriculture	14,067,383	3.30	14,556,135	4.21
Construction	59,964,739	14.58	52,917,542	15.31
Transportation and communication	3,325,387	0.78	1,620,212	0.47
Commerce	51,747,487	13.09	46,835,642	13.55
Consumer	130,624,670	32.60	103,219,755	29.87
Mortgage loans	60,770,550	14.47	51,615,491	14.94
Service	18,775,284	4.83	20,443,838	5.92
Other	45,866,911	10.77	34,938,193	10.11
Total	405,772,276	100	345,544,134	100

Breakdown of loan portfolio per customer residency	31/12/2025	Percentage	31/12/2024	Percentage
RA residents	392,956,537	97.94	336,921,808	98.49
Residents of countries with Baa33 and higher ratings including	5,720,964	1.43		-
USA	5,679,575	1.42		
Great Britain	28,963			
Belgium	78			
France	12,348			
Residents of countries with Baa33 and lower ratings or no rating at all	105,991	0.03	3,217,210	0.94
Israel	17,816			
Russia	88,175		3,217,210	
Accrued interest	2,455,357	0.61	1,962,438	0.57
Total	401,238,849	100	342,101,456	100

Note 16. "Loans and borrowings to customers calculated at amortized value"

The structure of customers' loans and borrowings calculated at amortized value per classification stages /IFRS 9/	Stage 1 /non-depreciated and overdue up to 30 days /		Stage 2 /31-90 days overdue/		Stage 3 /overdue more than 90 days/		31/12/2025
	Gross loans	Depreciation reserve	Gross loans	Depreciation reserve	Gross loans	Depreciation reserve	
Corporate loans	182,436,271	1,001,540	115,498	28,244	2,967,004	1,366,967	
Loans to individuals and private entrepreneurs	218,939,503	1,576,840	734,977	184,845	579,023	374,990	
Total	401,375,774	2,578,380	850,475	213,069	3,546,027	1,741,957	

Depreciation reserve gaps of loans and advances to customers calculated at amortized value per stages of regression model	Stage 1 /non-depreciated and overdue up to 30 days /		Stage 2 /31-90 days overdue/		Stage 3 /overdue more than 90 days/		31/12/2024
	Gross loans	Depreciation reserve	Gross loans	Depreciation reserve	Gross loans	Depreciation reserve	
Corporate loans	159,381,236	1,401,566	156,405	116,817	61,987	56,150	
Loans to individuals and private entrepreneurs	183,421,175	860,358	1,226,155	464,023	1,297,176	543,764	
Total	342,802,411	2,261,924	1,382,560	580,840	1,359,163	599,914	

Note 16. "Loans and borrowings to customers calculated at amortized value"

31/12/2025

	Gross loans	Depreciation reserve	Net loans	Depreciation reserve on gross loans
Consumer				
Non-overdue	130,021,363	1,484,050	128,537,313	1.14%
Overdue				
1-30 days	126,319	11,818	114,501	9.36%
31- 60 days	135,227	46,589	88,638	34.45%
61- 90 days	48,004	17,859	30,145	37.20%
91-180 days	143,734	107,634	36,100	74.88%
180 and more	150023	112,615	37,408	75.07%
Total	130,624,670	1,780,565	128,844,105	1.36%
Trade				
Non-overdue	51,601,566	205,428	51,396,138	0.40%
Overdue				
1-30 days	7,801	328	7,473	4.20%
31- 60 days	41,064	13238	27,826	
61- 90 days				
91-180 days	97,057	76674	20,383	79.00%
180 and more				
Total	51,747,488	295,668	51,451,820	0.57%
Production				
Non-overdue	20,596,651	75,759	20,520,892	0.37%
Overdue				
1-30 days	21,068	5,318	15,750	25.24%
31- 60 days	12,147	2,471	9,676	20.34%
61- 90 days				
91-180 days				
180 and more				
Total	20,629,886	83,548	20,546,318	0.40%
Construction				
Non-overdue	59,964,739	437,351	59,527,388	0.73%
Overdue				
1-30 days				
31- 60 days				
61- 90 days				
91-180 days				
180 and more				
Total	59,964,739	437,351	59,527,388	0.73%
Mortgage				
Non-overdue	60,601,800	109,651	60,492,149	0.18%
Overdue				
1-30 days	21,586	1694	19,892	0.18%
31- 60 days				
61- 90 days	147,163	50,160	97,003	0.18%
91-180 days				
180 and more				
Total	60,770,549	161,505	60,609,044	0.27%
Agriculture				
Non-overdue	14,051,341	108,768	13,942,573	0.82%
Overdue				
1-30 days	14822	51	14771	1.11%
31- 60 days				
61- 90 days				
91-180 days	1221	678	543	55.57%
180 and more				
Total	14,067,384	109,497	13,957,887	0.78%
Other fields				
Non-overdue	65,089,386	375,791	64,713,595	0.55%
Overdue				
1-30 days				
31- 60 days	737	186	551	25.24%
61- 90 days	12,854	3245	9,609	
91-180 days	2,864,603	1,286,071	1,578,532	79.21%
180 and more				79.00%
Total	67,967,580	1,665,293	66,302,287	2.45%
TOTAL	405,772,276	4,533,427	401,238,849	1.12%

31/12/2024

	Gross loans	Depreciation reserve	Net loans	Depreciation reserve on gross loans
Consumer				
Non-overdue	101,827,082	1,007,756	100,819,326	0.99%
Overdue				
1-30 days	93,114	19,496	73,618	20.94%
31- 60 days	44,571	19,508	25,063	43.77%
61- 90 days	19,634	9,796	9,838	49.89%
91-180 days	1,192,198	402,149	790,049	33.73%
180 and more	43,156	30,030	13,126	69.58%
Total	103,219,755	1,488,735	101,731,020	1.44%
Trade				
Non-overdue	46,707,441	268,159	46,439,282	0.57%
Overdue				
1-30 days	11,756	1,268	10,488	10.79%
31- 60 days	23,394	19,696	3,698	84.19%
61- 90 days	82,576	69,406	13,170	84.05%
91-180 days				
180 and more	10,475	6,310	4,165	
Total	46,835,642	364,839	46,470,803	0.78%
Production				
Non-overdue	19,397,326	144,489	19,252,837	0.74%
Overdue				
1-30 days				
31- 60 days				
61- 90 days				
91-180 days				
180 and more				
Total	19,397,326	144,489	19,252,837	0.74%
Construction				
Non-overdue	52,917,542	618,690	52,298,852	1.17%
Overdue				
1-30 days				
31- 60 days				
61- 90 days				
91-180 days				
180 and more				
Total	52,917,542	618,690	52,298,852	1.17%
Mortgage				
Non-overdue	51,490,821	25,234	51,465,587	0.05%
Overdue				
1-30 days	62,722	278	62,444	0.44%
31- 60 days				
61- 90 days				
91-180 days	61,948	47,991	13,957	77.47%
180 and more				
Total	51,815,491	73,503	51,541,988	0.14%
Agriculture				
Non-overdue	14,540,554	152,974	14,387,580	1.05%
Overdue				
1-30 days	14,744	646	14,098	4.38%
31- 60 days	559	238	321	42.58%
61- 90 days				
91-180 days	278	134	144	48.20%
180 and more				
Total	14,556,135	153,992	14,402,143	1.06%
Other fields				
Non-overdue	56,910,363	525,855	56,384,508	0.92%
Overdue				
1-30 days	26,215	14,405	11,810	54.95%
31- 60 days				
61- 90 days	3,678	2,021	1,657	54.95%
91-180 days				
180 and more	61,987	56,149	5,838	90.58%
Total	57,002,243	598,430	56,403,813	1.05%
TOTAL	345,544,134	3,442,678	342,101,456	1.00%

Note 17. "Financial assets rated at fair value through other comprehensive financial results"

	Thous. AMD				
	31/12/2025	31/12/2024			
Government securities					
RA Governmental T-bills	8,151,824	607,409			
Total	8,151,824	607,409			
	Thous. AMD				
	31/12/2025	31/12/2024			
RA non-state securities					
	listed	unlisted			
Issuer having BBB+(Baa1) and lower rating, other rating or no rating at all					
Long term debt instruments					
Short term debt instruments					
Capital instruments	8,000	391,540			
Total non-state securities of RA	8,000	391,540			
Investments in RA non-governmental securities (reserve for possible losses)					
Net Investments in RA non-governmental securities	8,000	391,540			
Financial assets rated at fair value through other comprehensive financial assets	8,159,824	399,984			
Investments in share capital of other entities as of 30/09/2025	8,159,824	399,984			
Total	8,159,824	399,984			
	Thous. AMD				
	31/12/2025	31/12/2024			
	listed	unlisted			
Issuer having BBB+(Baa1) and lower rating, other rating or no rating at all					
Capital instruments		8,444			
Total non-state securities of RA		8,444			
Financial assets rated at fair value through other comprehensive financial assets	8,159,824	399,984			
Investments in share capital of other entities as of 30/09/2025	8,159,824	399,984			
Total	8,159,824	399,984			
Name of entity	Main activity	Country of	Investment	Investment	Share %
S.W.I.F.T	Telecommunication	Belgium	13/09/1996	8,444	-
"Armenian Card" CJSC	Payment service	RA	22/02/2000	168,285	6.25
ACRA Credit Reporting CJSC	Information service	RA	23/06/2006	23,255	4.58
YES EM CJSC	Provision of electronic services	RA	19/03/2024	200,000	8.33
TELL CELL CJSC	Payment service	RA	10/12/2024	8,000	0.06
Total				407,984	

The balance sheet and real values of the financial assets rated at fair value through other comprehensive financial results (except investments into capital instruments) correspond to each other. The investments into capital instruments in RA are not quoted in any exchange and have a limited market. There are no definite accepted principles and methods to precisely decide the real value of those instruments, and therefore those securities are accounted in their cost price, deducted the reserve amount for depreciation

Note 17.1 : " Securities pledged under repurchase agreement"

	Thous. AMD	
	31/12/2025	31/12/2024
Assets		
Total pledged securities	75,172,843	67,011,458
including:		
Financial assets at amortized cost	7,075,430	12,573,292
Other financial assets rated at amortized value	68,097,413	54,438,166
Reserve for Financial assets at amortized cost	(64,012)	(104,902)
Total	75,108,831	66,906,556

Note 18. "Other financial assets calculated at amortized value"

	31/12/2025	31/12/2024
Government securities rated at amortized value	5,635,637	8,952,024
Accumulated interest	91,091	152,587
Reserve of financial assets calculated at amortized value	(5,383)	(17,545)
Total	5,721,345	9,087,066

Note 19. "Investment in the chartered capital of the controlled entities"

There is no data available for this note during the accounting and previous period

Note 20. "Fixed assets and intangible assets"

Name of the entity	Land, buildings	Computer and communication	Vehicles	Other fixed assets	Investments in fixed assets	Right-of-use assets	Total
Balance of the fixed assets at the end of previous period 31/12/2024	12,997,717	5,424,626	1,345,617	2,635,000		6,318,546	28,721,506
Increase	209,122	397,975	545,645	254,709	793,205	1,229,714	3,430,370
Disposal	(64,078)		(275,810)				(339,888)
Written-off		(537,781)		(27,252)		(130,223)	(695,256)
Reclassification	766,512	(6,408)		6,408	(766,512)		-
Disposal (revaluation*)	(65,921)						(65,921)
Balance of fixed assets at the end of accounting period 31/12/2025	13,843,352	5,278,412	1,615,452	2,868,865	26,693	7,418,037	31,050,811
Balance of accumulated amortization at the end of the previous period 31/12/2024	667,781	3,591,909	581,789	1,738,089		4,247,644	10,827,212
Increase	391,437	520,751	161,823	234,221		1,036,656	2,344,888
Disposal	(5,356)		(196,941)				(202,297)
Reclassification	(5,510)						(5,510)
Depreciation							-
Written-off of amortization		(524,047)		(26,930)		(80,990)	(631,967)
Balance of accumulated amortization at the end of the accounting period 31/12/2025	1,048,352	3,588,613	546,671	1,945,380	-	5,203,310	12,332,326
Net balance sheet value							
At the end of the accounting period	12,795,000	1,689,799	1,068,781	923,485	26,693	2,214,727	18,718,485
At the end of the previous accounting period	12,329,936	1,832,717	763,828	896,911	-	2,070,902	17,894,294

The revaluation of fixed assets was carried out by an independent appraiser based on market value. Increase from the revaluation was attributed to the revaluation reserve of the equity.

Intangible Assets

Thous. AMD

Item	Software programs	License and warranties	Intellectual property rights	Other Intangible Assets	Total
Initial value					
Balance of intangible assets at the end of the previous period 31/12/2024	1,243,141	853,354	206	31,694	2,128,395
Increase	220,674	97,584		9,947	328,205
Written-off	(285)	(47,640)			(47,925)
Disposal					-
Balance of intangible assets at the end of the accounting period 31/12/2025	1,463,530	903,298	206	41,641	2,408,675
443,293	591,989	144		28,332	1,063,758
Intangible balance of accumulated amortization at the end of accounting period 31/12/2024					
Increase	148,398	141,854	15	2,674	292,941
Disposal					-
Written-off	(285)	(47,535)			(47,820)
Reclassification					-
Balance of accumulated amortization at the end of accounting period 31/12/2025	591,406	686,308	159	31,006	1,308,879
Net balance sheet value					
At the end of the accounting period	872,124	216,990	47	10,635	1,099,796
At the end of the previous accounting period	799,848	261,365	62	3,362	1,064,637

As of 31/12//2025 the Bank had an intangible asset developed in-house, new "Business Operational Day" software: initial value AMD 750 thous., amortization AMD 750 thous., residual value AMD 0.

Note 21: "Other Assets"

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Amounts receivable from bank operations	31/12/2025	31/12/2024
Amounts receivable from other operations	171,567	56,693
Total	171,567	56,693
Reserve for possible loss provision from bank operations (note 7)	(1,776)	(633)
Net amounts receivable from bank operations	169,791	56,060
Debtor liabilities and prepayments		
Debtor liabilities on the budget	156,256	162,464
Prepayments to employees	243	117
Prepayments to suppliers	891,533	118,373
Prepayments on the budget and mandatory social insurance payments	44,434	50,546
Other debtor liabilities and prepayments	1,352	33,183
Total	1,093,818	364,683
Reserve for possible loss provision on other assets (note 7)	(16)	(333)
Total	1,093,802	364,350
Reserve	521,058	644,618
Future period expenses	619,559	266,254
Other assets	73,654	33,731
Reserve for possible loss provision on other assets (note 7)		
Total	1,214,271	944,603
Total other assets	2,477,864	1,365,013

Note 22. "Liabilities to banks and other financial institutions"

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Current accounts	31/12/2025	31/12/2024
RA Banks	14,779	15,064
Banks having BBB(Baa3) and higher rating		
Banks having rating lower than BBB(Baa3) or no rating at all	11,730	1,874
Accrued interest		
Total	26,509	16,938
Interbank loans and deposits, other		
Other		
RA banks		
Loans and deposits	5,332,015	7,965,416
Other	1,002	
Banks having BBB(Baa3) and higher rating		
Loans and deposits	1,594,137	1,937,296
Other		
Banks having rating lower than BBB(Baa3) or no rating at all		
Loans and deposits		1,323,966
Other		3,278
Accrued interest	28,658	47,337
Total	6,955,812	11,277,293
Financial Institutions		
Current accounts	3,904,345	6,356,567
Loans	31,873,338	27,427,288
Deposits	27,157,301	28,707,318
Other	267,320	325,242
Accrued interest	802,285	828,514
Total	64,004,589	63,644,929
Total liabilities to banks and financial institutions	70,986,910	74,939,160

Note 22.2 . Loans received from the Central Bank of the Republic of Armenia and RA Government

Program	31/12/2025		31/12/2024	
	Loan amount	Accrued interest	Loan amount	Accrued interest
"Women Entrepreneurship Support and Development" loan project	1,655,184	5,692	1,422,425	4,852
GAF/ RA SME lending project of European Investment Bank	4,211,430	71,852	7,191,471	114,496
GAF /Micro and Small Business Development Project of German-Armenian Fund	22,342,347	388,762	22,071,162	356,955
GAF "Renewable Energy Development" project	2,993,867	79,759	3,672,273	99,201
GAF "Access to finance for SMEs" project	2,809,950	28,001	2,785,226	32,167
RA "Agriculture support" project	1,627,202	15,447	1,692,649	15,664
Total	35,639,980	589,513	38,835,206	623,335

Note 22.3 REPO (repurchase) agreements

REPO (repurchase) agreements	31/12/2025	31/12/2024
REPO (repurchase) agreements with financial institutions	73,308,675	63,046,386
Total	73,308,675	63,046,386

Note 23: "Liabilities to Customers"

RA resident corporate entities and institutions	31/12/2025	31/12/2024
Current accounts	33,208,827	34,699,797
Term deposits	37,279,168	36,085,270
Other	1,654,811	1,630,297
Accrued interest	1,622,635	1,123,334
Total	73,765,441	73,538,698
Non-resident corporate entities, institutions	31/12/2025	31/12/2024
Current accounts	242,982	397,465
Deposits	129,547	
Other	2	2
Accrued interest	2,505	27
Total	375,036	397,494
RA resident private entrepreneurs	31/12/2025	31/12/2024
Current accounts	3,126,886	2,591,102
Term deposit	62,541	26,000
Other	23,515	23,464
Accrued interest	2,902	536
Total	3,215,844	2,641,102
RA resident individuals	31/12/2025	31/12/2024
Current accounts	33,513,194	33,018,850
Term deposits	89,520,040	74,142,317
Other	750,690	728,759
Accrued interest	2,364,903	1,834,968
Total	126,148,827	109,724,894
Non- resident individuals	31/12/2025	31/12/2024
Current accounts	1,409,991	1,068,168
Term deposits	4,343,762	3,892,151
Other	21,883	13,829
Accrued interest	71,763	76,682
Total	5,847,399	5,050,830
Total liabilities to customers	209,352,547	191,353,018

Note 24: "Securities issued by the Bank"

	31/12/2025	31/12/2024
Interest securities issued by the Bank	22,333,207	14,115,869
Total	22,333,207	14,115,869

Note 25 : "Financial liabilities at fair value recalculated through profit/loss"

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Financial liability at fair value recalculated through profit/loss	31/12/2025	31/12/2024
Derivative instruments		
Swap		
Forward		
Other	347,932	119,575
Total	347,932	119,575

Note 26: "Amounts Payable"

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Amounts payable	31/12/2025	31/12/2024
Dividends	609,478	584,961
For insurance of deposit	73,811	66,944
Total	683,289	651,905

Note 27: " Other Liabilities"

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Other Liabilities	31/12/2025	31/12/2024
On income tax of non-resident	121,669	73,719
On VAT	30,985	6,658
On other taxes and penalties	358,212	303,709
Salary liabilities to employees	1,601,318	1,606,396
Credit debts to suppliers	240,804	180,088
Other liabilities	813,268	751,449
Balance at the end of the period	3,166,256	2,922,019

Note 28: "Chartered capital"

The Bank's registered and fully paid share capital totals AMD 31,578,015 thous., including 12,119,719 common shares with a nominal value of AMD 2,080 per share and 424,600 preference shares with a nominal value of AMD 15,000 per share. The chart below shows information on the key shareholders of the Bank as of the end of the accounting period.

Name of the major shareholder	Participation amount	The size of participation in	Shareholders activity type (for
Sukiasyan Saribek Albert	6,550,868	25.99%	
Sukiasyan Eduard Albert	3,279,677	13.01%	
Sukiasyan Khachatur Albert	3,138,533	12.45%	

The shareholders of preference shares of the Bank are entitled to:

- a/ participate in the General Meeting of Shareholders of the Bank with the number of votes corresponding to the number and value of preference shares owned by them as prescribed by Law and the Bank's Charter.
- b/ receive quarterly payments (dividends),
- c/ receive any information concerning the Bank activities as prescribed by Law.
- d/ obtain its part of the Bank's property in case of the liquidation of the Bank

Note 29: "Other Equity Components"

There are no data available for this note in the accounting and previous periods.

Note 30: "Reserves, Contingencies, Potential Liabilities"

The Bank's legal liabilities: as of 31/12/2025 there are no such liabilities on which the bank has made provisioning. The Bank carries out activities within the framework of requirements set forth by the legislation. The Bank's tax liabilities: as of 31/12/2025 the Bank had fully performed its tax liabilities and there is no need for additional provisioning on its tax liabilities.

The Bank's contingent liabilities on off balance sheet items containing credit risks

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	31/12/2025	31/12/2024
Unutilized credit lines	4,998,789	2,518,236
Provided guarantees	15,114,419	13,237,505
Provided letters of credit		
Reserve on the mentioned items (note 7)	(99,939)	(67,641)

Liabilities on operational leases

Note 31 : "Transactions with Related Parties"

In the context of the present note the Bank's related parties are the Bank management, shareholders, entities related to them in the prescribed order set forth by RA law on the "Banks and Banking".

The Bank management comprises the Chairman of the Bank's Board, Deputy Chairman of the Board and the members of the Board, the Chief Executive Officer, the Deputy Chief Executive Officer, Chief Accountant, Deputy Chief Accountant, Head of Internal Audit Department, employees of Internal Audit Department, members of the Bank administration, as well as the heads of the Bank's territorial subdivisions, heads of the Bank's subdivisions, heads of the Bank's administration, departments and divisions

Loans and advances at amortized value to the Bank related parties	31/12/2025	31/12/2024
Bank shareholder	8,747,278	7,221,063
Bank management	735,763	526,293
Financial institutions		
Total	9,483,041	7,747,356
Interest income	968,140	775,553
Facilities attracted from Bank related entities	31/12/2025	31/12/2024
Bank shareholder	5,922,213	4,348,971
Bank management	807,584	1,026,510
Financial institutions	418,742	471,795
Total	7,148,539	5,847,276
Interest expense	421,361	596,494
Salary or Similar Payment to the Bank Management	31/12/2025	31/12/2024
Board	638,675	490,324
Salary	531,845	454,174
Awarding	106,830	36,150
Executive body	610,632	582,569
Salary	567,132	540,569
Awarding	43,500	42,000
Internal Audit	180,995	155,686
Salary	166,770	143,836
Awarding	14,225	11,850
Total	1,430,302	1,228,579

The credit risk is the possible danger of delay or non-repayment of the loan, accrued interest or a part of it conditioned by the deterioration of the financial state of the borrower, pledge depreciation and other similar reasons, which can cause financial losses.

2) The methods of measurement and assessment of credit risk

A loan risk assessment and management methodology has been elaborated at the bank, which gives a possibility to assess the risks connected with the loan based on the calculation results of the relevant model. By simultaneous consideration of mathematical and economic arguments the credit risks assessment model provides a complex risk assessment approach, resulting in facilitation of grounded decision making on loan extension applying also the expert's assessments as exogenous variables. During the premirely analysis of the borrower's creditworthiness the bank finds out the potential borrower's conformity to the general criteria set forth by its credit policy and if the outcome is positive a scrupulous analysis of factors of creditworthiness is made.

3) Description of models (if available),

In addition to the above mentioned methodology, the Bank applies the "stress test" method, that envisages calculation of the Bank's losses in case of occurrence of various considered shock scenes.

When applying "stress tests", a number of scenarios concerning the risk are being examined and in case of each scenario losses of the Bank are calculated through the relevant method. For the loan risk assessment the following shock scenarios are applied:

1. ~~written-off of the classified loans to the extent of X%~~
2. Classification of Y% of doubtful loans to bad loans,
3. Classification of Z% of standard loans to watchlist,
4. Classification of U% foreign currency standard loans to watchlist,
5. The fact of the loan becoming bad as a result of major borrower's bankruptcy,
6. Classification of K% of total loans to bad loans,
7. Transformation of L% of post-balance sheet conditional liabilities and post-balance sheet term operations into
8. The scene of simultaneous occurrence of the first (except those classified as doubtful), second, third and seventh scenes, where the parameters of X,Y,Z,U, K, L scenes are (figures from 1-100)

As a result of the application of stress tests, the impact of the mentioned shock situations on the minimum size of the Bank's general capital adequacy standard (N1) is calculated, the possibilities and sizes of breach of those standards, the size of surplus amount transferable to reserve fund are assessed.

The surplus amounts transferable to the reserve fund are calculated in case of various possible scenarios (for different values of each scenario parameter) which are used for the purpose of analysis of possible scenarios drafted on the basis of previous period data. The analysis of more possible scenarios enables to assess the riskiness of loan portfolio undertake measures for the insurance of the minimum level of risk. The analysis of the written-off scenarios of a certain percent of doubtful, standard, and general loans classified on the basis of the minimum size of the Bank's equity and adequacy standards include determination of critical points of breach of a standard which enables to assess the probability (risk) of a breach of a standard on the given date.

4) Determination of the allowable level of loan risk: quantitative analysis and assessment of risk

While generating its loan portfolio, the Bank records and tabulates statistics on centralization of certain types of loans:

- V per sectors of economy,
- V per regions
- V per a single Borrower and related Parties
- V per loan terms
- V per pledge,etc.

5) Loan risk regulation, works performed on mitigation and elimination of credit risk impact

The loan policy adopted by the Bank pursues a goal to maximize the efficiency of allocation of attracted funds as loan providing relevant liquidity and risk diversification under conditions of necessary profitability.

The Bank's loan risk management is performed via procedures regulating this process that set forth the criteria of assessment of the borrower's creditworthiness presented to the borrower, assessment of loan security level, analysis of pledge disposal, restrictions on extension of large loans, forecast of external environmental changes, credit monitoring, control, supervision, etc.

31/12/2025

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Item	RA	CIS countries	OECD* countries*	Non-OECD* countries	Total
Assets					
Cash and balances with the CBA	58,034,230	614,497	819,856	739,154	60,207,737
Standard bank precious metal bullions and coins	772,626				772,626
Due from banks and other financial institutions	8,178,599	1,819	384,920	149,393	8,714,731
Reverse repurchase agreements	15,198,265				15,198,265
Financial assets at fair value recalculated through profit/loss			15,468		15,468
Customers' loans and advances rated at amortized value	395,390,774	5,848,075			401,238,849
Securities at fair value rated through other comprehensive financial results	8,551,364		8,444		8,559,808
Securities pledged under repurchase agreement	75,108,831	-			75,108,831
Other financial assets carried at amortized cost	5,721,345	-			5,721,345
Other assets	169,176		615		169,791
Total assets	567,125,210	6,464,391	1,229,303	888,547	575,707,451

31/12/2024

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Item	RA	CIS countries	OECD* countries*	Non-OECD* countries	Total
Assets					
Cash and balances with the CBA	62,556,384	526,763	629,274	107,894	63,820,315
Standard bank precious metal bullions and coins	531,149				531,149
Due from banks and other financial institutions	6,270,580	120	404,708	125,066	6,800,474
Reverse repurchase agreements	14,217,780				14,217,780
Customers' loans and advances rated at amortized value	338,835,996	3,265,460			342,101,456
Securities at fair value rated through other comprehensive financial results	1,006,949	-	6,685		1,013,634
Securities pledged under repurchase	66,906,556	-			66,906,556
Other financial assets carried at amortized	9,087,066	-			9,087,066
Other assets	55,917		143		56,060
Total assets	499,468,378	3,792,343	1,040,810	232,960	504,534,491

Loans allocated in the territory of

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RA regions	31/12/2025	31/12/2024
Yerevan	248,077,217	215,199,733
Kotayk	39,328,341	34,875,288
Ararat	20,816,050	18,299,785
Lori	10,906,127	8,604,554
Gegharkunik	15,383,782	11,380,116
Shirak	15,749,462	10,721,936
Armavir	20,923,947	16,794,519
Syunik	11,198,945	9,050,460
Aragatsotn	11,044,674	10,125,982
Vayots Dzor	3,336,864	2,546,767
Tavush	3,299,202	2,547,093
Artsakh	1,174,238	1,955,224
Total	401,238,849	342,101,456

Credit Risk Analysis

1) To rise the efficiency of loan portfolio security, loans at the bank are provided to the extent of maximum 70-80% of assessed value of pledge and during further repayments of the loan loan/pledge ratio factor decreases. The assessment of pledged properties is made by specialized companies with a license for assessment in AMD, loans are also provided in foreign currency. Within conditions of exchange rate fluctuations and overdue loans in case of deficit of pledge value, arising from the growth of Borrower liabilities on the account of accumulated penalties the risks of the Bank are mitigated due to the fact that, according to the Loan Agreements, the Bank is entitled to satisfy its credit requirements from funds available on the Borrower's bank account and to claim sequestration of loan debt by court order afterwards.

2) It should be noted that in the loan portfolio the unsecured loans (without reserves) as of 31/12/2025 did not exceed 3.54%. The bulk of the unsecured loans consists of those provided to the customers of "ARMECONOMBANK" OJSC, which have active account movements and stable cash flows. Credit lines under credit cards also have a significant weight. These loans contain low credit risk, since the credit lines have limited sizes, while the customers have jobs and in some cases guarantees of reputable organizations are available.

3) As of 31/12/2025, loan investments without reserves amounted to AMD 405,772,276 thous. As of 31/12/2025 volume of loans in the Stage 2, Stage 3 amounted to AMD 4,296,502 thous.

4) The provisioning of loan portfolio corresponds to the requirements of IFRS9.

5) The volume of repo transactions in the IV quarter of 2025 (excluding extensions) is 22,345,873 thousand AMD and 6,113,198 USD, but in the same period of the previous year was 25,452,673 thousand AMD and 1,134,680 USD. The volume of reverse repo transactions in the IV quarter of 2025 is 844,804,910 thousand AMD and 16,000,000 USD and in the same period of the previous year was 661,521,315 AMD, 1,066,634 EUR

6) The lending procedure at "ARMECONOMBANK" OJSC is performed by a dedicated team of employees with excellent professional qualification and work experience. The engagement of employees is made via competitive examination held by a special competition committee. The announcements of competitions are placed in mass media and in the Bank's Website.

7) On the purpose of rising the efficiency of lending process and mitigation of risks connected with commercial loans, loan officers make careful analysis of the Borrower's performance. On the purpose of analysis the specialist of loan extension unit visit the place where the customer's business is located and not only uses the existing accounting documents, but also elaborates and uses his own versions of balance sheet, income expenses, cash flows, capital movement statements.

The balance sheet compiled by the Bank specialist reflects the situation at the time when the analysis is made liquid assets/cash in the pay desk, bank accounts, savings/ accounts receivables/receivable amounts, goods on transit, prepayments made/ ,good supplies/raw materials,half ready goods, goods, fixed assets/equipments related to customers business activity, cars, real estate and other property/.

The statement of income /expenses is compiled, taking into account the average indicators of customers disposal/average data/, value of goods and services/cost of raw materials, prime cost of goods/, surplus costs/salary,rental fee, transportation expenses, communal expenses, taxes,etc., other income expenses, repayments of extendable loan principal and interest.

During the process of analysis, the following economic ratios and indicators reflecting the financial state of the Borrower are calculated: capital adequacy ratio, liquidity ratio, circulation ratio, surplus, gross margin, net margin, limit of allowable decrease of liquidity volumes. The ratio of loan servicing is also calculated separately.

The loan amount is provided only after checking the conformity of the Borrower's financial state with the requirements of the Bank for those ratios set forth by the internal procedures regulating the lending process.

On the purpose of rising the efficiency of lending process, a regular monitoring of provided loans is performed. The monitoring is performed by the Bank's special unit, Loan Monitoring Division. The day-by-day monitoring of loans is made by loan officers in case of necessity.

Two types of monitoring are performed:

1. Monitoring via actual visits,
2. Monitoring by phone calls.

During the process of monitoring the specialists of the loan monitoring division gather information on the following issues:

1. Information on the changes in the Borrower's market position (competitors, price fluctuations, realization, etc.)
2. In case of extension of loans by installments, as well as in case of availability of operative loan, a monitoring (analysis) of previously extended loan is performed before the extension of the consecutive installment or the new loan.
3. Changes related to suppliers, consumer structure, and raw material prices.
4. Other ratio describing the financial state of the Borrower.
5. During the monitoring process, the relevant specialist discovers cases of non-purposeful usage of loan or provision of untrue information by the Borrower, the Bank may terminate further lending in case the lending is by installments, or may terminate the Loan Agreement and perform preterm repayment of principal, credit line provided for commercial purposes and accrued interest based on its rights under the Pledge Agreement.
6. The assessment of pledge is made by a specialized company with a license for assessment. The assessment of property reflects the market situations, taking into account the forecast of property prices.
7. The loan and pledge agreements signed with the customers contain a provision on mandatory security

Collection of written-off loans is made by special units of the Bank, jointly with the problematic loan division and security department.

8. Lending process at "ARMECONOMBAK" OJSC includes all relevant impetus for the detection of credit risks.

Credit risk management at the Bank is performed by the following main procedures:

1. Prudential discovery process of lending object,
2. Collection of standard portfolio of loan documentation,
3. Loan monitoring,
4. Problematic loan repayment process.

As a result of the above mentioned processes, the following data are discovered and assessed: Borrower's competency, loan purpose, Borrower's creditworthiness and loan repayment sources, risks connected with the Borrower's related parties, Borrower's loan history, experience of entrepreneurial activities, market position, conformity of the pledge object.

The business activity of the customers' finances by the Bank is in many cases interconnected, which enables the Bank to check the correctness of the information presented by the customer comparing that information with the information by another bank customer who acts as a supplier, buyer or competitor of the first.

Market Risk

1) The Bank's own definition of the market risk

Market risk is a foreign currency, interest rate and price risk which depends on the exchange rate and security price fluctuations.

2) The methods of market risk measurement and assessment

Foreign currency risk

Assessment of foreign exchange risk and position management efficiency

The calculations of VAR model of foreign currency risk assessment are made on a daily basis, taking into account previous period data of foreign currency exchange rates and foreign currency position data. As a risk exponent on separate foreign currency position, the possible maximum size of revaluation loss incurred as a result of a day's (ten days) exchange rate fluctuations is reviewed under the conditions of the given reliability level. The calculations of the model are made under 99% reliability level conditions. Under the frames of the model, the correlation matrix of foreign currency exchange rate fluctuations is calculated on the basis of which the assessment of possible maximum loss (risk of foreign currency assets and liabilities package) incurred from foreign currency positions is made.

By the results of the accounting quarter, the possible maximum average daily loss per separate foreign currency positions and foreign currency assets and liabilities portfolio under 99% reliability has formed.

Accounting period	USD	GBP	EUR	CHF	KZT	AED	RUB	GEL	XAU	Gross VAR
2025 IIIQ	2,567.73	128.32	1,107.07	442.83	5.22	98.11	8,998.32	56.56	20.76	9,974.51
2025 IV Q	1,834.53	226.46	342.39	442.75	5.18	78.63	1,081.77	196.59	22.81	2,450.88
increase/decrease	-733.20	98.14	-764.68	-0.08	-0.04	-19.48	-7,916.55	140.04	2.05	-7,523.63

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

31/12/2025

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	AMD	USD	EUR	RUB	Other currency	Total
Cash and their equivalents	23,852,874	29,425,022	5,016,154	1,812,505	101,182	60,207,737
Bank standardized billions of precious metals and coins	443				772,183	772,626
Receivables to banks and other financial institutions	7,168,662	1,242,722	243,003	60,344	-	8,714,731
Reverse Repurchase Agreements	13,290,662	1,907,603	-	-	-	15,198,265
Loans and advances to customers calculated at amortized value	301,349,603	94,577,426	5,300,345	11,475		401,238,849
Financial assets at fair value rated through other comprehensive financial results	8,559,808					8,559,808
Securities pledged under repurchase agreements	75,108,831		-			75,108,831
Other financial assets calculated at amortized value	5,721,345					5,721,345
Other assets	160,834	4,663	3,694	599		169,791
Total assets	435,213,063	127,157,437	10,563,197	1,884,923	873,365	575,691,984
Liabilities						
Liabilities to the banks and other financial institutions	61,423,588	7,993,220	1,369,932	200,171		70,986,911
Loans and deposits from international financial institutions	11,225,665	77,112,232	-		-	88,337,897
Loans from the CBA and RA	36,229,493				-	36,229,493
REPO agreements	73,308,675		-		-	73,308,675
Liabilities to Customers	164,748,504	36,203,037	6,655,614	1,730,720	14,672	209,352,547
Subordinate borrowing	1,013,023	2,498,808	2,710,296			6,222,127
Liabilities on current taxes	1,495,767				-	1,495,767
Securities issued by the Bank	15,834,214	6,498,993			-	22,333,207
Amount payable	683,289				-	683,289
Deferred tax liabilities	1,185,602				-	1,185,602
Lease liabilities	1,863,906					1,863,906
Other liabilities	2,895,866	224,621	41,023	4,141	604	3,166,256
Total liabilities	371,907,592	130,530,911	10,776,865	1,935,032	15,276	515,165,677
Balance-sheet open position	63,305,470	(3,373,475)	(213,669)	(50,109)	858,089	60,526,307
Aggregate payable currency derivatives		422,997		(170)	(755,291)	(332,464)
Net position	63,305,470	(2,950,477)	(213,669)	(50,279)	102,798	60,193,843

31/12/2024

Thous.AMD

	AMD	USD	EUR	RUB	Other currency	Total
Cash and their equivalents	26,523,018	31,488,832	3,983,696	1,741,111	83,658	63,820,315
Bank standardized bullions of precious metals and coins	443				530,706	531,149
Receivables to banks and other financial institutions	4,547,342	2,043,638	152,237	57,257		6,800,474
Reverse Repurchase Agreements	12,234,581	1,983,199	-			14,217,780
Loans and advances to customers calculated at amortized value	263,121,364	72,844,628	6,115,831	19,633		342,101,456
Financial asset at fair value rated through other comprehensive	607,504	406,130				1,013,634
Securities pledged under repurchase agreements	65,611,999	1,294,557				66,906,556
Other financial assets calculated at amortized value	8,458,402	628,664				9,087,066
Other assets	51,112	3,187	1,468	293		56,060
Total assets	381,155,765	110,692,835	10,253,232	1,818,294	614,364	504,534,490
Liabilities						
Liabilities to the banks and other financial institutions	62,689,686	10,656,147	1,571,973	21,354		74,939,160
Loans and deposits from international financial institutions	7,952,574	45,401,651	346,678		-	53,700,903
Loans from the CBA and RA	39,458,541				-	39,458,541
REPO agreements	63,046,386				-	63,046,386
Liabilities to Customers	135,086,753	48,448,900	5,925,496	1,870,817	21,052	191,353,018
Subordinate borrowing	1,013,026	2,593,398	2,498,407		-	6,104,831
Liabilities on current taxes	1,134,862				-	1,134,862
Securities issued by the Bank	5,683,978	8,431,891			-	14,115,869
Financial liabilities at fair value	119,575				-	119,575
Amount payable	651,905				-	651,905
Deferred tax liabilities	1,103,051				-	1,103,051
Lease liabilities	1,669,847					1,669,847
Other liabilities	2,759,528	103,766	56,820	1,170	736	2,922,019
Total liabilities	322,369,712	115,635,753	10,399,374	1,893,341	21,788	450,319,968
Balance-sheet open position	58,786,053	(4,942,918)	(146,141)	(75,047)	592,576	54,214,522
Aggregatebly payable currency derivatives		411,564			(531,139)	(119,575)
Net position	58,786,053	(4,531,354)	(146,141)	(75,047)	61,437	54,094,948

Interest Rate Risk

Assessment of interest rate change risk:

The analysis of disbalance shows that the average accumulated disbalance of the IV quarter of 2025 (accumulated gap of the sensitive assets and liabilities against the interest rate) is positive forming AMD 57,241,018 thousand against AMD 50,364,009 thousand in the same period of the previous year by decreasing in absolute value by AMD 6,877,009 or 13.7 %, that is in average, the Bank was sensitive to assets in the IV quarter of 2025. In the IV quarter of 2025, the average accumulated disbalance has increased in absolute value by AMD 4,836,316 thousand or 9.2% .

The average correlation ratio of sensitive assets and liabilities to interest rate changes for the IVquarter of 2025 has decreased by 0.1 percentage point, forming 113.3% against 113.4% average value of the IV quarter of 2024, that is in IV quarter of 2025 the assets sensitive to interest rate changes have formed 113.3% of the sensitive liabilities to interest rate changes.

The duration of assets as at the end of IV quarter of 2025 was 1.945 year (against the 1.851 year as of the IVquarter of 2024) as it increased by 0.095year or by 5.1% , as compared with the end of the previous quarter (1.911 year) the mentioned indicator has increased by 0.034 year or 1.8%.

The duration of liabilities as of the end of the IV quarter of 2025 was 1.047 year (against 0.939 year of the IV quarter of 2024) increasing by 0.108 year or 11.6%. In correlation with the end of the previous quarter (0.949) the indicator has increased by 0.098year or 10.3%.

The duration gap as of the end of the IV quarter of 2025 was 1.013(against 1.03 of the IV quarter of 2024) decreasing by 0.017 or 1.7%. In correlation with the end of previous quarter (1.077) the indicator has decreased by 0.064 or 6%.

Assets and Liabilities with changing interest rates												Thous.AMD
Item	up to 1 month		1-3 months		3-6 months		6 months to 1 year		1-5 years		more than 5 years	
	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign	AMD	Foreign currency	AMD	Foreign
Facilities placed												
Cash and their equivalents	-	-	-	-			-	-	-	-	-	-
Total	-	-	-	-			-	-	-	-	-	-
Resources attracted												
Liabilities to banks and other financial												
Resources attracted												
Liabilities to banks and other financial institutions, including:												
- Loans			542,278		388,580	2,235,193	388,580	2,235,193	6,865,051	44,684,780		4,457,234
Total			542,278		388,580	2,235,193	388,580	2,235,193	6,865,051	44,684,780		4,457,234
Net position		-	(542,278)		(388,580)	(2,235,193)	(388,580)	(2,235,193)	(6,865,051)	(44,684,780)		- 4,457,234

31/12/2024												Thous.AMD
Item	up to 1 month		1-3 months		3-6 months		6 months to 1 year		1-5 years		more than 5 years	
	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency
Facilities placed												
Loans and advances provided to customers rated at amortized value												
Total												
Resources attracted												
Liabilities to banks and other financial												
-Loans			544,290	395,059		534,275	544,290	837,182	6,202,278	16,439,551		
Total		-	-	544,290	395,059		-	534,275	544,290	837,182	6,202,278	16,439,551
Net position		-	-	(544,290)	(395,059)		-	(534,275)	(544,290)	(837,182)	(6,202,278)	(16,439,551)

The average interest rates applicable for interest-bearing assets and liabilities as of the end of accounting and previous periods are presented below.

Item	Interest rates of accounting period: 31/12/2025		Interest rates of accounting period: 31/12/2024	
	AMD	Foreign currency	AMD	Foreign currency
Assets				
Balance at CBA				
Receivables to banks and other financial institutions, including:	10.69	14.1	12.75	9.04
- Interbank Loans	5	14.1		
-Interbank REPO				
Loans and advances provided to customers rated at amortized value	19.08	10.56	17.45	10.52
Financial instruments at fair value through profit or loss	9.36		9.41	5.48
Liabilities				
Liabilities to banks and other financial institutions	7.33	7.14	7.04	6.17
Liabilities to Customers	9.63	4.06	9.04	4.00
Securities issued by the Bank	10.75	5.57	10.72	5.08

3) Description of models

Foreign Currency Risk

Foreign currency risk is the maximum loss from revaluation arising from exchange rate fluctuation, assessed per separate currencies, as well as for the whole portfolio (hereinafter, portfolio) in the Bank's foreign currency assets and liabilities.

On the purpose of measurement and assessment of foreign currency risk, the VAR (Value at Risk) method (model) accepted in the International practice is used, on the basis of which the size of the maximum possible losses (with trustiness) is calculated per separate types of foreign currency (foreign currency positions), as well as for the whole portfolio. According to the VAR model, the size of possible maximum loss is calculated on the basis of foreign currency open positions time series describing the interest rate fluctuations. On the basis of one day VARs calculated for the Banks' foreign currency assets and liabilities the values of 10 day VARs are assessed for separate foreign currencies and total portfolio.

The calculation of possible maximum loss gives the bank an opportunity to assess the efficiency of its foreign currency operations, taking into account the level of exposure to risk, manage the foreign currency positions, arising from the size of the possible maximum loss, limiting the volumes of foreign currency positions in case of necessity.

The Bank's foreign currency policy is aimed at efficient management of foreign currency positions and is paralleled with justified risk level and is calculated in accordance with foreign currency risk calculation standard methodology during the calculation of standards.

Interest Rate Risk

Interest rate risk is the possibility of negative impact of changes in the market interest rates on the Bank's net interest income or economic value of capital.

The evaluation of the interest rate risk is made via the application of the "Model of gap in assets and liabilities sensitive to interest rate changes" ("GAP model") and the "Duration model", which enable to assess the impact of interest rate changes on the Bank's net interest income and economic value of capital.

The GAP indicator (gap) is calculated as a difference between the assets and liabilities sensitive to interest rate changes. The calculations are made each month for evaluation of the impact of the interest rate changes on the net interest income during the upcoming 3 months period.

Within the frames of the present model the following suppositions are made:

1. During the period under review the structure and volumes of assets and liabilities remain unchanged. That means that the repaid assets and liabilities are again allocated and attracted but in this case by new interest rate
2. The review of interest rate is made in the middle point of each period
3. The interest rates of all assets and liabilities with different maturities change in the same extent that is movement of profitability curves of assets and liabilities occur.

The Bank's sensitivity to the interest rate changes is assessed by the "GAP correlation" indicator (GAP/ASSETS), which is calculated through the correlation of assets and liabilities accumulative gap to assets.

The dynamics and fluctuations of changing interest rates are constantly reviewed and the impact of their probable changes on the Bank's assets and liabilities at changing interest rates is assessed.

On the purpose of mitigation of interest rate risk, the accumulative gap and duration gap of assets and liabilities sensitive to interest rate changes are maintained at acceptable levels of risk. Taking into account the general tendency of interest rate changes and applying the elaborated models, measures are undertaken for insurance of efficient time and volume correlations of attractive and distributable funds.

Price Risk

Price risk is the danger for the Bank to incur financial losses due to unfavorable changes in the market prices of securities conditioned by factors related to general fluctuations of market prices of securities under the circulation in the market, as well as factors related to given security and its issuer (in the conditions of long or short position presence for the present capital instrument).

Possible minimum level of price risk is maintained through the following measures undertaken:

- V Analysis of dynamics of structure, volume and price indicators of financial market and liquidity of separate financial instruments, discovery of the existing tendencies
- V Assessment of possible losses,
- V Application of hedging instruments
- V Setting limits on financial instruments (per type of security operation, per dealer, per issuer, stop-loss),
- V Diversification of security portfolio per issuer, sectors, maturities, etc.

Liquidity Risk

1) The Bank's definition of Liquidity Risk

Liquidity is the Bank's possibility of fully and timely repayment of its obligations

The liquidity risk is the probability that the Bank will not be able to meet its debtors' requirements in time without bearing additional losses which will negatively influence the Bank's profit/capital.

2) Description of the models of assessment and assessment of liquidity risk

For the assessment of liquidity risk the stress test method is used, which envisages the discovery of probability of breaches of liquidity standards of the Bank in case of various shock scenarios considered and calculation of the size of those breaches and maturity gap method, that envisages the calculation of liquidity indicators, by which the assessment of liquidity management quality is made.

When applying the stress tests, a number of scenarios related to the given situation are taken into consideration. During each scenario the sizes of breaches of the Bank's standards are calculated via the relevant method.:

The following shock scenarios are applied for the assessment of liquidity risk:

1. Preterm withdrawal of 25% of term deposits by individuals.
2. Pre-term withdrawal of 25% of term deposits of corporate entities
3. Withdrawal of 25% of all on-demand liabilities.
4. Pre-term simultaneous withdrawal of 25% of term deposit and all on-demand liabilities by individuals.
5. Pre-term withdrawal of X% of term deposit and Y% of all on-demand liabilities by individuals and legal entities (moreover, 3 levels of scenario are observed: mild, medium, and severe which are simultaneous withdrawal situations of 10%, 15% and 20% of term deposits and all on-demand liabilities by individuals and corporate entities).

The possibility of breach in N 21 N22 liquidity standards is discovered under the mentioned conditions and the sizes of such breaches are calculated. The calculation of critical points of the breaches of the standards gives an opportunity to get accurate assessments of the Bank's liquidity risk through the analysis of the impact of call in of Individuals term deposits and on-demand liabilities before termination of the Agreement on standards and assessment of probability of their breaches.

3) Determination of the allowable level of liquidity risk - quantitative analysis and assessment of risk

Liquidity Risk Assessment

During the IV quarter of 2025, the Bank's regulatory total liquidity ratio was around 217.6 percentage points, which increased by 49.5 percentage points compared to the previous quarter. The Bank's regulatory ratio of IRR in all currencies at the end of the IV quarter was 122.7%, which increased by 3.5 percentage points compared to the previous quarter.

Accounting period		31/12/2025								Thous. AMD	
Item	Non-performing	Repayment date	On-demand	up to 3 months	3-6 months	6-12 months	1-5 years	more than 5 years	Termless	Total	
On maturity of assets repayment	Term	Overdue									
Cash and cash equivalents	-	-	54,299,576	5,908,161	-	-	-	-	-	60,207,737	
Standardized precious metal bullions and coins	-	-	772,626	-	-	-	-	-	-	772,626	
Receivables to banks and other financial institutions	-	-		3,925,223	-	10,772		-	4,778,736	8,714,731	
Reverse Repurchase Agreements	-	-	-	15,198,265	-	-	-	-	-	15,198,265	
Financial assets at fair value recalculated through profit/loss				15,468						15,468	
Other financial assets calculated at amortized value							2,662,196	3,059,149		5,721,345	
Loans and advances provided to customers rated at amortized value	4,512,173	335,595		36,169,107	23,769,386	38,190,098	192,482,960	105,779,530	-	401,238,849	
through other comprehensive financial result	-	-	-	-	-	-	1,370,502	6,781,322	407,984	8,559,808	
Securities pledged under repurchase agreements	-	-	-	75,108,831	-	-			-	75,108,831	
Other receivables	243	6		169542		-	-	-	-	169,791	
Total	4,512,416	335,601	55,072,202	136,494,597	23,769,386	38,200,870	196,515,658	115,620,001	5,186,720	575,707,451	
including:											
On maturity of liabilities repayment											
Liabilities to banks and other financial institutions	-	-	4,212,286	6,784,414	8,781,795	9,603,581	27,701,093	13,903,742	-	70,986,911	
Loans and deposits from international financial institutions			-	3,509,449	4,093,647	6,014,307	70,263,261	4,457,234		88,337,898	
Loans from the RA Government and CBA	-	-	-	1,481,125	5,909,062	5,340,481	21,550,682	1,948,143	-	36,229,493	
Repurchase Agreements	-	-	-	73,308,676	-	-	-	-	-	73,308,676	
Liabilities to customers	-	-	72334166	42204422	21432223	46790432	26040920	550384		209,352,547	
Subordinate borrowings	-	-	0	49211	0	0	2478356	3694560	-	6,222,127	
Securities issued by the Bank	-	-	0	612666	69808	3407523	18243210	0	-	22,333,207	
Lease liabilities				250	243819	1389399	230438			1,863,906	
Financial liabilities at fair value rated through profit/loss			0	347932		0	0	0		347,932	
Liabilities on current taxes	-	-	-		1495767		-	-	-	1,495,767	
Amounts payable			384731	298558	-	-	-	-	-	683,289	
Other liabilities	-	-	2,342,481	814,254		9,296	225	-	-	3,166,256	
Total	-	-	79,273,664	129,410,957	42,026,121	72,555,019	166,508,185	24,554,063	-	514,328,009	
Net liquidity gap	4,512,416	335,601	(24,201,462)	7,083,640	(18,256,735)	(34,354,149)	30,007,473	91,065,938	5,186,720	61,379,442	
Accumulative liquidity gap	4,512,416	4,848,017	(19,353,445)	(12,269,805)	(30,526,540)	(64,880,689)	(34,873,216)	56,192,722	61,379,442		

Previous accounting period		31/12/2024							Thous. AMD		
Item	Non-performing	Term	Overdue	Repayment date in	up to 3 months	3-6 months	6-12 months	1-5 years	more than 5 years	Termless	Total
Cash and cash equivalents				63,820,315							63,820,315
Standardized precious metal bullions and coins				531,149							531,149
Receivables to banks and other financial institutions				235,474	3,125,974	23,794	713,802	47,913		2,653,517	6,800,474
Reverse Repurchase Agreements					14,217,782						14,217,782
Financial assets at fair value recalculated through profit/loss											-
Other financial assets calculated at amortized value					612,333				8,474,734		9,087,067
Loans and advances provided to customers rated at amortized value	2,663,637	116,893		28,264,103	20,978,437	31,325,555	159,413,330	99,339,501			342,101,456
through other comprehensive financial result				406,130			201,279			406,225	1,013,634
Securities pledged under repurchase agreements				66,906,556							66,906,556
Other receivables				52,636	3,424						56,060
Total	2,663,637	116,893		64,566,938	113,585,514	21,005,655	32,039,357	159,662,522	107,814,235	3,059,742	504,534,493
On maturity of liabilities repayment											
Liabilities to banks and other financial institutions				6,737,272	15,699,221	4,239,248	11,336,305	23,633,397	13,293,717		74,939,160
Loans and deposits from international financial institutions				-	6,551,411	2,550,783	6,852,732	37,745,977	-		53,700,903
Loans from the RA Government and CBA					810,607	4,790,965	4,676,026	27,208,928	1,972,014		39,458,540
Repurchase Agreements					63,046,385						63,046,385
Liabilities to customers				65,212,576	24,518,057	24,905,525	36,356,695	39,840,999	519,166		191,353,018
Subordinate borrowings					29,574	19,118	-	2,572,135	3,484,003		6,104,830
Securities issued by the Bank					220,410	3,570,738	3,963,956	6,360,765			14,115,869
Lease liabilities					42,800	17,386	331,197	995,040	283,424		1,669,847
Financial liabilities at fair value rated through profit/loss					119,575						119,575
Liabilities on current taxes						1,134,862					1,134,862
Deferred tax liabilities											-
Amounts payable				360,213	291,692						651,905
Other liabilities	-	-		843,790	459,341					1,618,888	2,922,019
Total	-	-		73,153,851	111,789,073	41,228,625	63,516,911	138,357,241	19,552,324	1,618,888	449,216,913
Net liquidity gap	2,663,637	116,893		(8,566,913)	1,796,441	(20,222,970)	(31,477,554)	21,305,281	88,261,911	1,440,854	55,317,580
Accumulative liquidity gap	2,663,637	2,780,530		(5,786,383)	(3,989,942)	(24,212,912)	(55,890,468)	(34,385,185)	53,876,726	55,317,580	

Note 33: "Capital and Capital Adequacy Ratio"

The Bank does not have defined internal requirements for the capital level. The Central Bank of RA set forth a 11% capital adequacy ratio to risk weighted for all Armenian banks. The Central bank of Armenia has also defined a minimum amount for total capital forming AMD 30,000,000 thousand. During the accounting period, the Bank has met the established standard requirements on the capital level.

We present the structure of balance sheet capital:

	31/12/2025	31/12/2024
Chartered capital	31,578,015	31,578,015
Emission income/loss	7,762,974	7,762,974
Reserves:	11,425,139	10,667,358
Main reserve	4,641,000	4,190,000
Revaluation reserve	6,784,139	6,477,358
Undistributed profit/loss	37,446,775	26,622,711
Total capital	88,212,903	76,631,058

We hereby present the core and general capitals applied for calculation of the main prudential standards defined by the CBA and the capital adequacy indicators per months during the accounting period, with their comparison with the standard requirements.

Involved in calculation standards

2025	Tier 1 core capital T	Tier 1 capital	Total capital	Credit risk	Market and operational risk	Equivalent effective %	CBA limit %
	1	2	3	4	5	6	7
January	57,735,197	64,104,197	73,410,801	399,794,368	1,654,840	17.70	11
February	58,878,544	65,247,544	74,620,287	403,290,516	1,472,090	17.91	11
March	60,294,460	66,663,460	76,005,419	407,010,828	1,520,171	18.06	11
April	60,960,970	67,329,970	76,758,439	414,346,901	1,738,708	17.84	11
May	61,264,953	67,633,953	77,144,468	426,566,315	1,563,069	17.50	11
June	60,785,841	67,154,841	76,645,875	426,231,385	1,582,857	17.39	11
July	61,202,023	67,571,023	77,134,602	434,208,471	1,487,942	17.23	11
August	62,607,129	68,976,129	78,504,142	433,564,953	1,671,523	17.49	11
September	63,637,878	70,006,878	79,500,652	434,552,286	1,397,856	17.78	11
October	64,635,492	71,004,492	80,495,326	442,581,085	1,477,395	17.65	11
November	66,685,813	73,054,813	82,568,112	449,503,611	1,360,613	17.88	11
December	67,288,219	73,657,219	83,256,783	458,913,097	1,709,416	17.55	11

2024	Involved in calculation standards			Credit risk	Market and operational risk	Equivalent effective %	CBA limit %
	Tier 1 core capital T	Tier 1 capital	Total capital				
	1	2	3.0	4	5	6	7
January	42,724,524	49,093,524	61,942,162	353,644,266	3,524,509	16.06	11
February	43,995,974	50,364,974	64,448,724	353,932,134	3,441,060	16.73	11
March	48,312,117	54,681,117	66,477,238	358,796,886	3,153,980	17.16	11
April	49,120,693	55,489,693	67,133,228	363,778,808	1,322,629	17.86	11
May	51,688,224	58,057,224	67,827,077	364,438,769	1,360,186	18.00	11
June	54,129,827	60,498,827	68,965,141	374,695,038	1,607,661	17.71	11
July	54,955,191	61,324,191	69,863,129	383,185,861	1,656,131	17.54	11
August	55,673,807	62,042,807	70,611,786	388,575,090	1,603,290	17.51	11
September	56,668,372	63,037,372	72,034,366	393,357,798	1,470,726	17.71	11
October	57,509,109	63,878,109	73,298,898	399,284,344	1,388,661	17.79	11
November	59,865,552	66,234,552	75,601,944	402,263,549	1,504,009	18.18	11
December	61,291,933	67,660,933	77,137,535	413,001,842	1,574,055	18.05	11

We hereby present the weight of risks of assts and off-balance sheet contingent liabilities, incomplete term operations as of the end of current and previous accounting periods, per the classes of risk weights under Charter 2 approved by the Board of CBA.

As of 31/12/2025				
Risk weight	Assets	Off-balance sheet contingent liabilities	Incomplete term operation	
0%	158,364,588			-
10%	15,212,360			1,521,236
20%	1,312,137			262,427
30%	166,463		9,970	52,930
35%	240,223			84,078
50%	1,525,979			762,990
75%	104,376,257	607,960		78,738,163
100%	205,044,077	12,607,175		217,651,252
110%	170,576	18,543		208,031
150%	101,416,065	3,631,474		157,571,309
200%	588,417			1,176,834
Total	588,417,142	16,865,152	9,970	458,029,249

As of 31/12/2024				
Risk weight	Assets	Off-balance sheet contingent liabilities	Incomplete term operation	Total credit risk
0%	131,845,298	525,921		-
10%	15,481,117			1,548,112
20%	770,990			154,198
30%	404,230			121,269
35%	189,262			66,242
50%	1,034,440			517,220
75%	88,411,502	441,935		66,640,078
100%	188,277,207	10,940,372		199,217,579
110%	284,571	24,345		339,808
150%	79,342,018	2,605,052	6,173	122,929,865
200%	785,577			1,571,154
Total	506,826,212	14,537,625	6,173	393,105,523

Note 34. "Fair value of Financial Assets and Liabilities"

We hereby present explanations on the assessed fair value of Financial Instruments given in accordance with the requirements of IFRS 32 on "Revelation and Presentation of Financial Instruments".

The fair value of Financial Instruments is the amount by which the asset may be exchanged or the liability may be repaid by well-informed and willing parties during "extended hand distance "deal.

The fair values of RA Government T-Bills and the Central Bank of Armenia securities are determined on the basis of market quotations.

As of 31/12/2025 the following methods and assessments were used by the Bank during the evaluation of fair value of each class of financial instrument.

Cash and Balances with the CBA

The balance sheet value of these short-term instruments exactly reflects their fair value.

Loans and advances provided to customers, receivables to banks and other financial institutions.

The fair value of the loan portfolio depends on the credit and interest rate peculiarities of separate loans included in each class of loans that form the loan portfolio. The assessment of loan loss provision considers risks characteristic of classes of loans, depending on such factors, as the state of the sector of economy in which each borrower is engaged, financial state of each borrower and purchased guarantees. Therefore, the loan loss provision is the exact assessment of size that reflects the influence of the loan risk.

Resources attracted from banks and other financial institutions

The balance sheet value is close to the fair value.

Customer deposits and bank accounts

Customer deposits and bank accounts.

As of 31/12/2025 the Bank had no financial assets accounted for by the amount exceeding their fair values.

Note 35. "Hedging of Envisaged Future Transactions"

There are no data available for this note in the accounting and previous periods.

Note 36. "De-recognition"

There are no data available for this note in the accounting and previous periods.

Note 37. "Pledged assets"

As of 31/12/2025 the Bank has no pledged assets.

Note 38. "Accepted Pledge"

As of 31/12/2025 there are no assets accepted as pledge that the Bank is entitled to sell or re-pledge, even in case the customer has not breached its obligations.

We hereby present the assets and warranties accepted as a pledge with their relevant loan investments, without taking into account the reserve amounts.

Collateral type	31/12/2025		31/12/2024	
	Loan amount	Collateral amount	Loan amount	Collateral amount
Real estate	141,260,551	553,040,191	129,250,676	555,862,681
Car	2,944,214	8,934,620	3,050,178	8,573,729
Equipment	3,152,542	11,824,740	4,503,852	13,951,748
Ready made products	2,464,627	9,552,000	4,166,871	14,966,000
Guarantee	141,407,938	624,346,297	112,681,723	556,139,617
Monetary funds	5,840,914	8,517,559	1,237,722	4,948,415
Gold items	28,612,399	33,353,747	19,946,484	23,559,268
Standard golds	4,008	8,468	5,383	11,967
State securities	32	11,500	275	11,500
Other securities	149,512	295,956	18,930	88,778
Other pledge	65,558,843	90,809,444	57,325,467	80,655,628
No collateral available	14,376,699		13,356,573	
Total	405,772,279	1,340,694,522	345,544,134	1,258,769,331

Note 39: "Non-performance/Breach of Liabilities"

There are no data available for this note for the accounting and previous periods.

Chief Executive Officer (CEO)

A. Arakelyan

Chief Accountant

N. Galstyan