

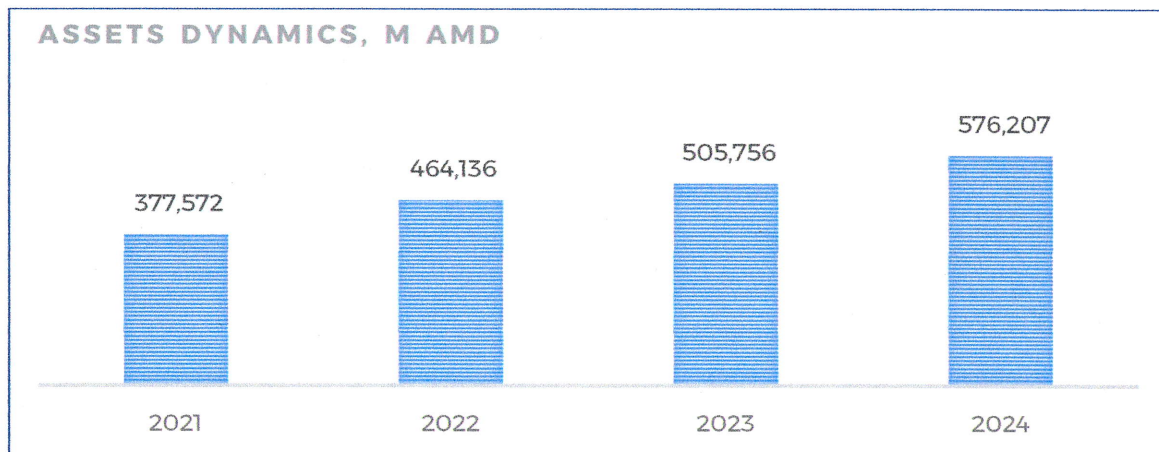
**FINANCIAL ANALYSIS OF THE BANK
SUPPORTING 2024 ANNUAL FINANCIAL STATEMENTS****FINANCIAL ANALYSIS OF THE BANK
SUPPORTING ANNUAL FINANCIAL STATEMENTS OF THE BANK**

Based on the recent years results and level of profitability, the Bank's business will be aimed at the implementation and development of such systemic measures and technologies in the upcoming years that will create fundamental and sustainable foundations and prerequisites for the new qualitative development of the Bank in the context of strategic development.

The Bank continued rendering quality services to customers in the reporting period.

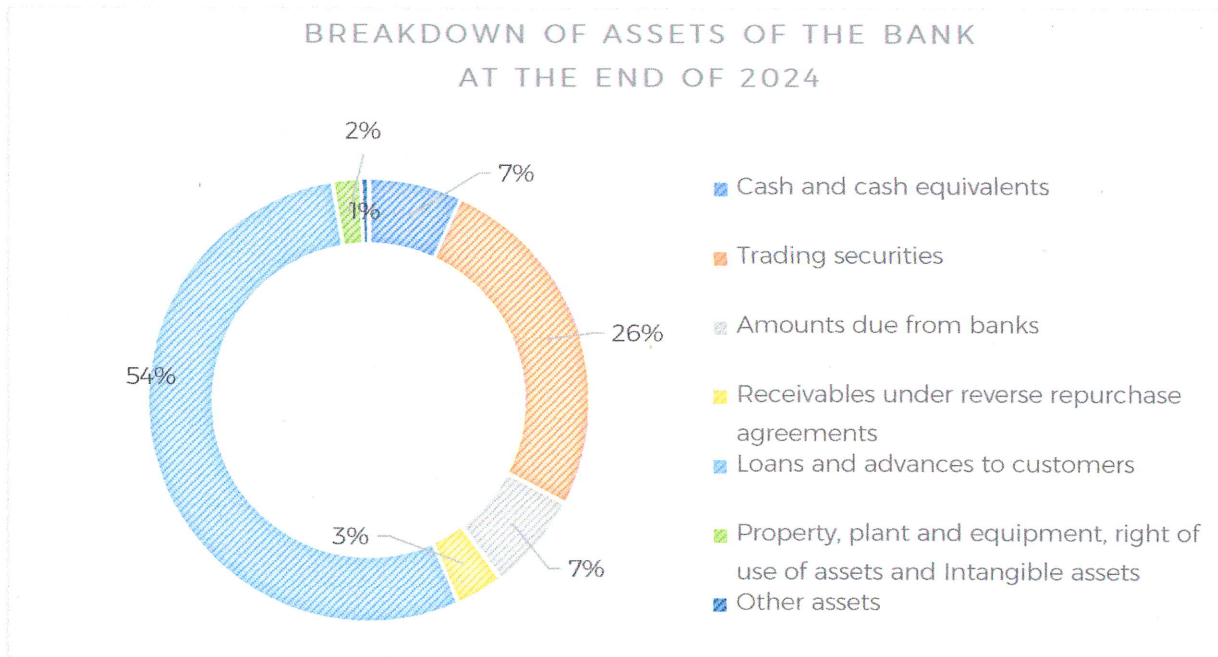
With regard to the key financial indicators, the Bank was successful to record growth in assets and liabilities in 2024. In particular:

- Total Assets increased by AMD 70 bn or 14% vs the previous year and totaled AMD 576 bn.



- ✓ Gross loan portfolio reached AMD 318 bn, and grew by AMD 46 bn (17.1%) vs the previous year and made 55% of total assets, of which:
 - Retail loan portfolio grew by about AMD 33 bn (20.6%)
 - Business loan portfolio grew by about AMD 13 bn (12%)

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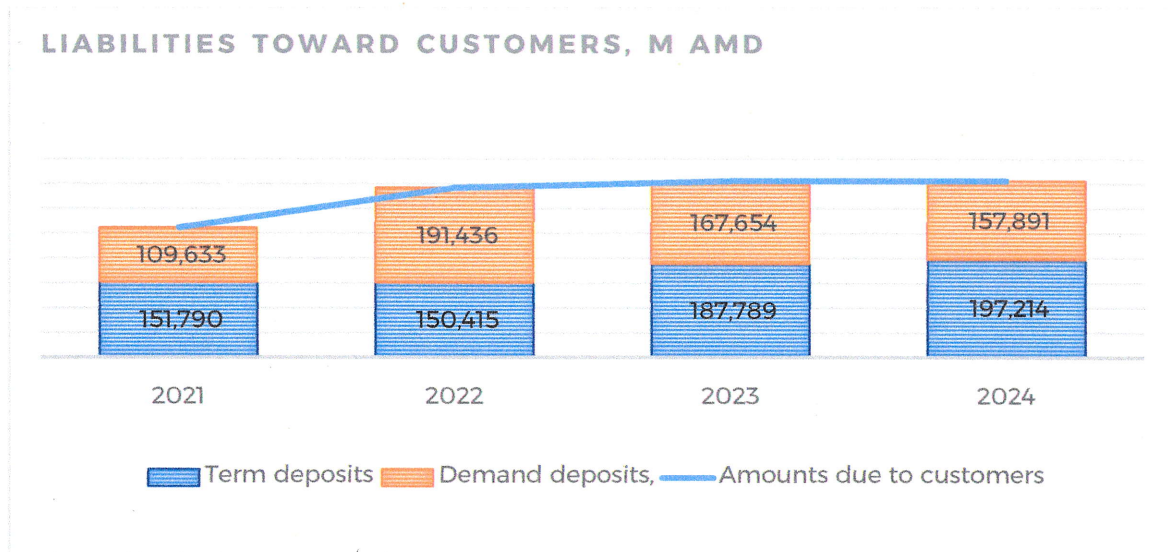


- Total Liabilities grew by about AMD 56.8 bn or 13.2% at year-end vs the previous year and amounted to AMD 487 bn. The latter proves the customer trust, the flexible tariff policy and the quality services of the Bank.

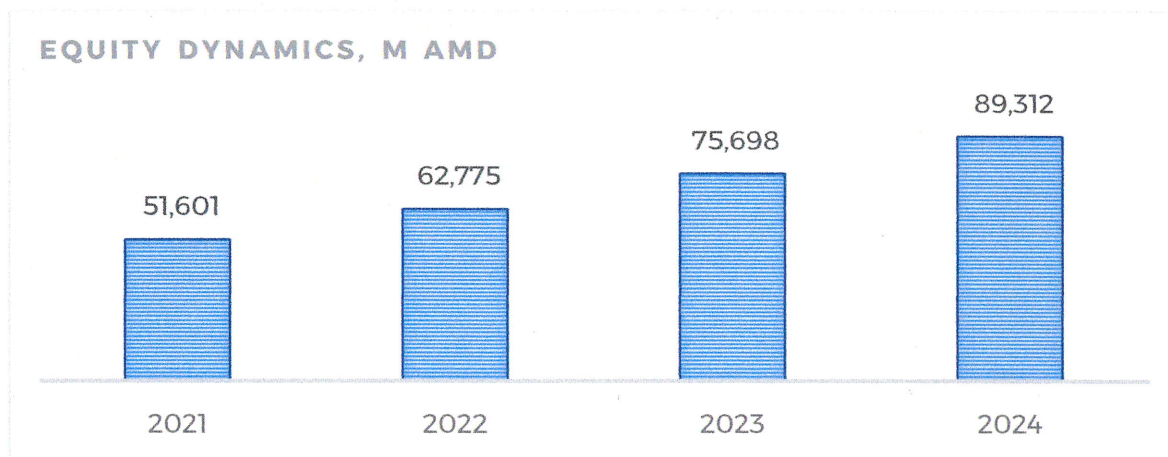


- ✓ The "Liabilities toward customers" item remained almost unchanged and took about 73% of total liabilities.

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- Equity grew by AMD 13.6 bn or 18% vs the previous year and totaled AMD 89.3 bn.

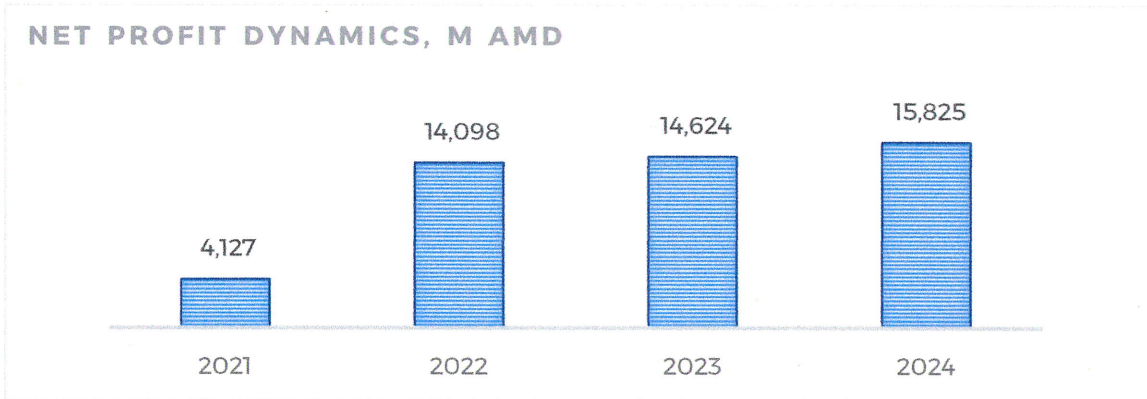


- The values of the Bank's main economic norms for 2024 prove the Bank's high solvency and liquidity and the great potential to resist credit and liquidity risks. The main economic norms were within the allowable range set by the Central Bank of Armenia.

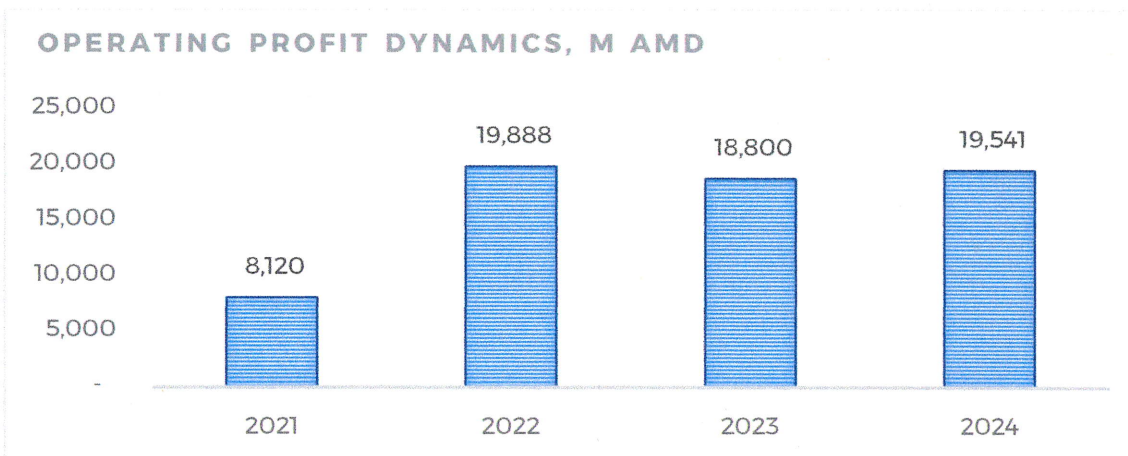
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FINANCIAL RESULTS

- Annual net profit comprised AMD 15.8 bn and grew by 8.2% vs the previous year.

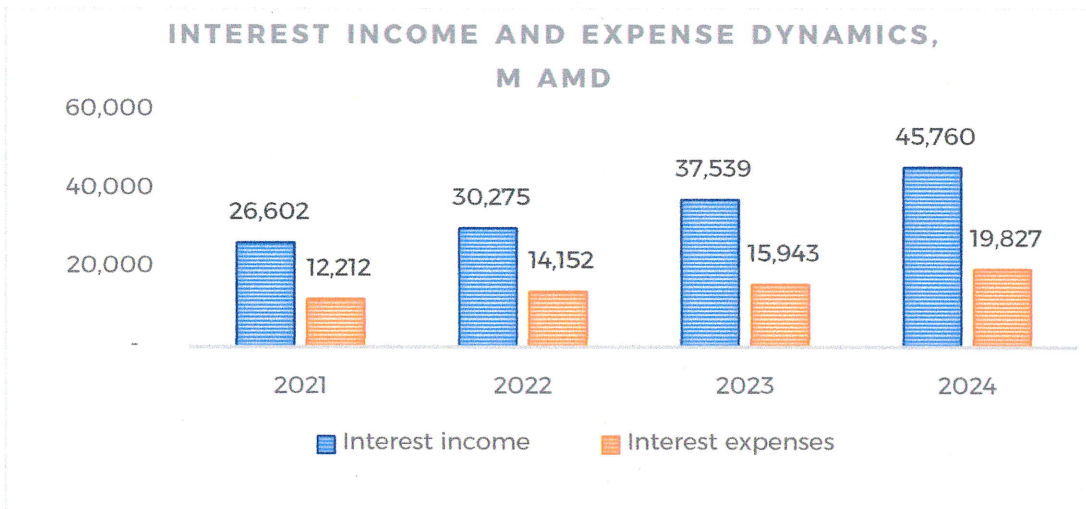


- Operating profit comprised AMD 19.5 bn and grew by AMD 0.7 bn or 3.9% vs the previous year.

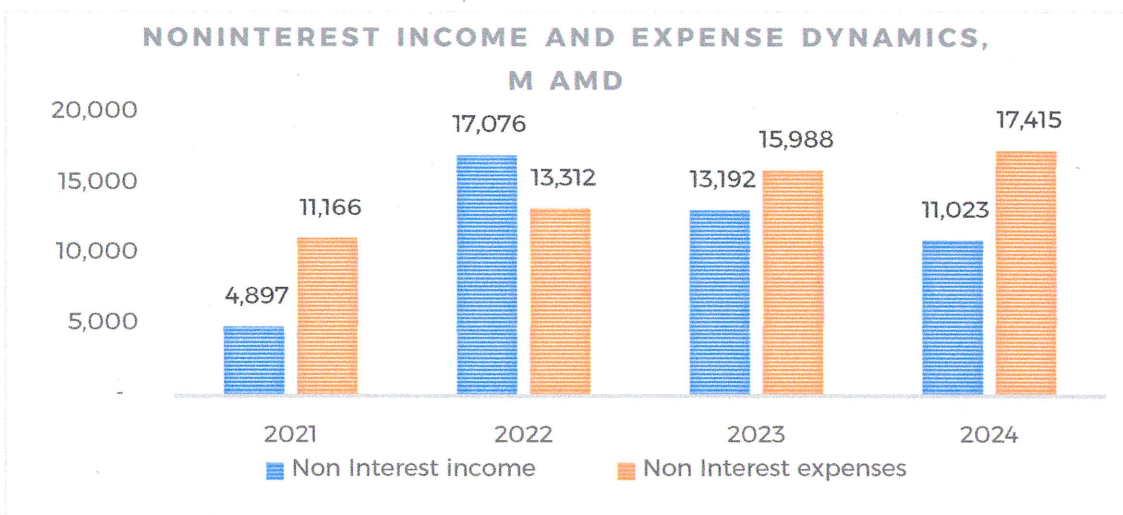


- Interest income totaled AMD 45.8 bn and grew by 22% vs the previous year.
- Interest expense totaled AMD 19.8 bn and grew by 24% vs the previous year.

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- Net interest income comprised about AMD 25.9 bn and outperformed the same indicator of the previous year by 20%.
- Noninterest income amounted to AMD 11 bn and decreased by 16.4% vs the previous year mainly due to the decrease of the net trading income.
- Noninterest expense reached about AMD 17 bn and grew by 8.9% vs the previous year.



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- Net return amounted to AMD 312 M, while net deductions made AMD 364 bn in the previous year.
- Profit/Loss ratio made 47.1% vs 46% in the previous year.

RISK MANAGEMENT

The domestic and global economic events have their impact on the Bank's business in both internal and external markets. The global challenges intensify day by day, and to face the latter the Bank carries out regular risk monitoring based on the respective action plans.

Note 31 "Risk Management" is attached to the financial statements, where the major specific risks and their evaluation and management policies of the Bank are identified.

The shareholders and the management of the Bank are committed to the strategic development route they have taken, namely continuous modernization of business, expansion of service network and improvement of service quality.



Marcelo Wende
Chairman of Board



Arsen Gamaghelyan
Board member