

Risk management

2024 – IIIrd Quarter

atb

liquidity gap

A. Assets	Instant	1 - 7 days	8 -30 days	1 - 3 months	3 - 6 months	6 - 9 months	9 - 12 months	1 - 2 years	2 - 5 years	More than 5 years	Total
1. Cash (in safes, ATMs, currency exchange offices, on the road)	23.432	-	-	-	-	-	-	-	-	-	23.432
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	66.347	-	-	-	-	-	-	-	-	75.665	142.012
3. Nostro accounts	11.986	-	-	-	-	-	-	-	-	1.792	13.778
4. Short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	-	-	-	-	-	-	-	-	-	-	-
5. Deposits to financial institutions, including banks, total	-	352.736	-	26.495	27.540	2.000	-	-	-	-	408.771
6. On reverse REPO transactions	-	3.567	-	-	-	-	-	-	-	-	3.567
7. Investments in securities, including pledged securities	-	-	5.425	11.765	6.940	3.435	4.246	32.041	52.997	-	116.849
8. Securities for trading, including pledged securities	-	-	-	-	-	-	-	-	-	-	-
9. Loans to banks, excluding short-term financial instruments of the interbank market on line 4	-	-	-	-	1.700	5.100	-	1.700	-	-	8.500
10. Loans to other financial institutions, excluding short-term financial instruments on line 4	-	-	-	-	-	-	-	-	-	-	-
11. Loans to customers	24	727	7.447	20.748	69.898	44.100	58.826	165.577	225.277	186.703	779.326
12. Fixed assets with the deduction of depreciation (including fixed assets not used in banking)	-	-	-	-	-	-	-	-	-	16.455	16.455
13. Investments and financial participation in unincorporated companies	-	-	-	-	-	-	-	-	-	1.996	1.996
14. Intangible assets	-	-	-	-	-	-	-	-	-	5.771	5.771
15. Other assets	-	-	8.692	2.992	15.511	-	-	16.492	-	37	43.724
16. (-) Provisions for potential losses on assets	-	-	-	-	-	-	-	-	-	15.713	15.713
17. Total assets	101.789	357.029	21.565	61.999	121.589	54.636	63.072	215.810	278.275	272.706	1.548.469

liquidity gap

B. Liabilities and equity	Instant	1 - 7 days	8 -30 days	1 - 3 months	3 - 6 months	6 - 9 months	9 - 12 months	1 - 2 years	2 - 5 years	More than 5 years	Total
1. Deposits (excluding banks and other financial institutions), total	518.887	3.013	588	34.139	33.329	55.145	5.681	12.052	265.559	-	928.393
2. CBA loans	-	-	-	95	-	-	-	-	-	-	95
3. Loro accounts (bank correspondent accounts)	219.228	-	-	-	-	-	-	-	-	-	219.228
4. On REPO operations	-	23.909	-	-	-	-	-	-	-	-	23.909
5. Earned short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	-	-	-	-	-	-	-	-	-	-	-
6. Deposits of banks and other financial institutions	-	33.308	-	800	6.050	-	1.850	360	-	-	42.368
7. Loans drawn from banks (with a term of more than 7 days)	-	-	-	-	-	-	-	-	-	-	-
8. Loans drawn from other financial institutions, including international organizations	-	-	-	-	111	-	-	124	2.865	186.685	189.785
9. Loans and deposits of central administration bodies	-	-	200	-	-	-	-	-	-	-	200
10. Loans and deposits of municipalities	-	-	-	-	-	-	-	-	-	-	-
11. Mortgage loans drawn by the bank for own reserves	-	-	-	-	-	-	-	-	-	-	-
12. Subordinated debt and other similar debt obligations issued by the bank, including maturity preference shares	-	-	-	-	-	-	-	-	-	-	-
13. Other liabilities	-	-	1.103	31.611	-	-	8.024	-	-	-	40.738
14. Equity	-	-	-	-	-	-	-	-	-	103.753	103.753
15. Total liabilities (liabilities plus equity)	738.115	60.230	1.890	66.645	39.490	55.145	15.556	12.536	268.424	290.438	1.548.469

Liquidity Gap	(636.326)	296.799	19.674	(4.646)	82.099	(509)	47.516	203.274	9.851	(17.732)
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liquidity gap – foreign currency

with a thousand manats

Financial Assets and Liabilities	TOTAL	MANAT	USD	EURO	Other
Assets	1.548.469	815.214	561.226	76.233	95.796
Cash and cash equivalents	23.432	16.725	4.172	1.942	592
Nostro accounts	13.778	28	1.755	3.066	8.929
Requirements to CBA	142.012	45.203	47.333	49.475	-
Deposits of the bank	408.771	77.500	223.363	21.633	86.275
Securities	116.849	69.293	47.556	-	-
Loans and leases granted to customers	779.326	557.807	221.403	116	-
Loan financial instruments granted to credit organizations and other financial institutions	8.500	-	8.500	-	-
Derivative financial instruments	-	-	-	-	-
Short-term financial instruments	3.567	3.567	-	-	-
Investments and financial participation in unincorporated companies	1.996	510	1.486	-	-
Other assets	49.495	43.559	5.936	-	-
Fixed assets (subtracting depreciation)	16.455	16.455	-	-	-
(subtr. target reserves to cover possible losses on assets)	15.713	15.433	280	-	-
Liabilities	1.444.716	714.295	553.197	76.507	100.717
Requirements of the Central Bank and other organizations to the bank	95	95	-	-	-
Funds attracted from credit organizations and other financial institutions	475.490	219.616	140.721	26.624	88.529
Customer deposits	928.393	462.450	405.932	49.504	10.508
a) demand deposits	518.887	291.591	167.284	49.504	10.508
b) term deposits	409.507	170.859	238.648	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	-	-	-	-	-
Other liabilities	40.738	32.134	6.544	380	1.680
Balance capital	103.753	103.753	-	-	-
Open currency position ratio	Expression in %				
Aggregate OCP for free floating currency	(13.7)				
Aggregate OCP for closed currency	0,2				

interest rate risk sensitivity classification

Assets	
0-3 months	428.933
3-6 months	106.077
6-12 months	117.707
12-24 months	199.318
24-36 months	159.029
more than 36 months	287.510

GAP	
0-3 months	81.511
3-6 months	66.587
6-12 months	55.031
12-24 months	186.782
24-36 months	150.056
more than 36 months	(158.626)

Liabilities	
0-3 months	347.422
3-6 months	39.490
6-12 months	62.676
12-24 months	12.536
24-36 months	8.973
more than 36 months	446.136

Cumulative GAP	
0-3 months	81.511
3-6 months	148.098
6-12 months	203.129
12-24 months	389.911
24-36 months	539.967
more than 36 months	381.341

loan portfolio quality

with a thousand manats

Loan portfolio distribution by sector	General	Principal amount due													
		Current	Overdue days												
			1-30 days	31-60 days	61-90 days	91-120 days	121-150 days	151-180 days	181-210 days	211-240 days	241-270 days	271-300 days	301-330 days	331-365 (366) days	1 year or more
Loan portfolio, incl.	779.326	743.590	17.298	3.580	1.192	1.590	911	689	610	1.158	512	474	602	648	6.473
Business	306.083	301.889	1.062	1.000	59	597	-	-	-	484	3	-	-	111	878
Consumption	284.017	253.936	15.198	2.525	1.133	896	911	689	610	623	508	474	602	537	5.376
Real estate	189.227	187.765	1.038	55	-	97	-	-	-	52	-	-	-	-	219
Other loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

collateral distribution

with a thousand manats

Loan portfolio distribution by sector	Overall	Unfunded	Secured with cash	Secured by gold	Secured by real estate	Secured by movable property	Secured by another source	Secured by guarantees	Secured by derivative financial instruments
Loan portfolio, incl.	779.326	283.255	261.589	158	228.503	200	5.478	143	-
Business	306.083	9.663	251.744	158	38.836	200	5.339	143	-
Consumption	284.017	273.592	9.844	-	441	-	140	-	-
Real estate	189.227	-	-	-	189.227	-	-	-	-
Other loans	-	-	-	-	-	-	-	-	-

loan classification

with a thousand manats

	Amount	Specific weight in total loan portfolio	Common reserves created	Share of the common reserves created in the loan portfolio (percent)	Target reserves created	Share of the target reserves created in the loan portfolio (percent)
1. Total loan portfolio, including	779.326		5.121	0,66%	13.212	1,70%
1.1 Standard loans	487.117	62,5%	5.121	0,66%		
Pass loans	482.169	61,9%	4.857	0,62%		
Supervised loans	4.948	0,6%	214	0,03%		
Additional risk loans	-	0,0%	50	0,01%		
1.2 Non-prime loans	17.917	2,3%			13.212	1,70%
Unsatisfactory	5.414	0,7%			1.229	0,16%
Dangerous	855	0,1%			428	0,05%
Hopeless	11.648	1,5%			11.556	1,48%
1.3 Non-reserve loans	274.292	35,2%				

hedging instruments

instruments used to prevent risks on foreign currency (hedging instruments)

Applied hedging instruments (swap, forward, option, etc.)	10.200
Data on which currencies are involved on each instrument	AZN/USD

Hedging instruments:

ATB employs SWAP and FORWARD instruments to prevent foreign currency risks

SWAP is a bank agreement of two mutual conversion transactions of the same amount. The bank receives a certain currency from the client (while converting it to another), and returns it to the client in the original currency after the agreed period.

An option is an obligation to transact securities and currencies at a specified price before a future date. Option is an OTC (off-exchange) contract between two parties. The option is agreed between the Buyer and the Seller, while the exchange acts as a guarantor for both parties.

large loan

amount of large loan claims and its ratio to total capital	
Amount of large loan claims*	Large loan claims to capital ratio (in %)
305.021	317%

* A large loan claim is a loan claim to one borrower or a group of related borrowers which exceeds 10 (ten) percent of the banks Tier I capital after deductions according to the 'Rules on regulating loan risks on one borrower or a group of related borrowers'.

classification of fixed and variable interest rate assets and liabilities

Asset items	with a thousand manats		
	At fixed interest rate	At variable interest rate	Interest free
1. Cash (in safes, ATMs, currency exchange offices, on the road)	-	-	23.432
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	-	-	142.012
3. Nostro accounts	-	-	13.778
a) To resident banks	-	-	299
b) To non-resident banks	-	-	13.479
4. Short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	-	-	-
5. Deposits to financial institutions, including banks, total	408.771	-	-
a) To resident financial institutions	82.995	-	-
a1) undue deposits	82.995	-	-
a2) due deposits	-	-	-
b) To non-resident financial institutions	325.776	-	-
b1) undue deposits	325.776	-	-
b2) due deposits	-	-	-
6. On reverse REPO transactions	3.567	-	-
7. Investments in securities, including pledged securities	116.849	-	-
8. Securities for trading, including pledged securities	-	-	-
9. Loans to banks, excluding short-term financial instruments of the interbank market on line 4	8.500	-	-
a) current loans	8.500	-	-
a1) to resident banks	-	-	-
a2) to non-resident banks	8.500	-	-
b) overdue loans	-	-	-
b1) to resident banks	-	-	-
b2) to non-resident banks	-	-	-

classification of fixed and variable interest rate assets and liabilities

with a thousand manats

Asset items	At fixed interest rate	At variable interest rate	Interest free
10. Loans to other financial institutions, excluding short-term financial instruments on line 4	-	-	-
a) current loans	-	-	-
a1) to resident banks	-	-	-
a2) to non-resident banks	-	-	-
b) overdue loans	-	-	-
b1) resident	-	-	-
b2) non-resident	-	-	-
11. Loans to customers	760.888	-	-
a) current loans	760.888	-	-
b) overdue loans	-	-	-
12. Fixed assets with the deduction of depreciation (including fixed assets not used in banking)	-	-	-
13. Investments and financial participation in unincorporated companies	-	-	-
14. Intangible assets	-	-	-
15. Other assets	-	-	43.724
16. (-) Provisions for potential losses on assets	-	-	-
17. Total assets	1.298.574	-	222.946

classification of fixed and variable interest rate assets and liabilities

with a thousand manats

Asset items	At fixed interest rate	At variable interest rate	Interest free
1. Deposits (excluding banks and other financial institutions), total	594.492	-	333.901
a) demand deposits of natural persons	45.164	-	78.207
b) demand deposits of legal entities (including all current (including current accounts of non-bank financial institutions) and checking accounts)	139.822	-	255.694
c) undue term deposits of natural persons	83.837	-	-
d) undue term deposits of legal entities	325.670	-	-
e) due term deposits of natural persons	-	-	-
f) due term deposits of legal entities	-	-	-
2. CBA loans	95	-	-
3. Loro accounts (bank correspondent accounts)	66.384	-	152.844
a) Resident banks	66.384	-	8.622
b) Non-resident banks	-	-	144.222
4. On REPO operations	23.909	-	-
5. Earned short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	-	-	-
6. Deposits of banks and other financial institutions	42.368	-	-
a) Resident financial institutions	38.640	-	-
b) Non-resident financial institutions	3.728	-	-
7. Loans drawn from banks (with a term of more than 7 days)	-	-	-
a) Resident banks	-	-	-
b) Non-resident banks	-	-	-
8. Loans drawn from other financial institutions, including international organizations	189.785	-	-
9. Loans and deposits of central administration bodies	200	-	-
10. Loans and deposits of municipalities	-	-	-
11. Mortgage loans drawn by the bank for own reserves	-	-	-
12. Subordinated debt and other similar debt obligations issued by the bank, including maturity preference shares	-	-	-
13. Other liabilities	-	-	-
14. Equity	-	-	-
15. Total liabilities (liabilities plus equity)	917.234	-	486.745