

# Risk management

2025 – IV Quarter

## 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)	22.373	-	-	-	-	-	-	-	-	-	22.373
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	19.935	-	-	-	-	-	-	-	-	100.654	120.590
3. Nostro accounts	7.017	-	-	-	-	-	-	-	-	1.701	8.718
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	-	962.498	-	9.350	2.550	-	10.200	-	-	-	984.598
6. On reverse REPO transactions	-	-	-	-	-	-	-	-	-	-	-
7. Investments in securities, including pledged securities	-	-	13.479	13.496	14.182	21.374	11.501	82.276	33.475	-	189.781
8. Securities for trading, including pledged securities	-	-	-	-	-	-	-	-	-	-	-
9. Loans to banks, excluding short-term financial instruments of the interbank market on line 4	-	-	-	-	15.602	-	1.700	-	-	-	17.302
10. Loans to other financial institutions, excluding short-term financial instruments on line 4	-	-	-	-	-	-	-	-	-	-	-
11. Loans to customers	22	1.645	9.605	45.520	52.307	57.196	70.371	176.490	179.928	194.267	787.352
12. Fixed assets with the deduction of depreciation (including fixed assets not used in banking)	-	-	-	-	-	-	-	-	-	17.061	17.061
13. Investments and financial participation in unincorporated companies	-	-	-	-	-	-	-	-	-	282	282
14. Intangible assets	-	-	-	-	-	-	-	-	-	6.656	6.656
15. Other assets	-	-	16.219	2.857	14.699	-	-	22.193	-	37	56.005
16. (-) Provisions for potential losses on assets	-	-	-	-	-	-	-	-	-	22.216	22.216
17. Total assets	49.347	964.143	39.303	71.223	99.339	78.569	93.772	280.959	213.403	298.442	2.188.501

## 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	1.129.570	9.751	8.349	27.111	158.541	7.162	19.464	7.044	187.188	-	1.554.180
2. CBA loans	-	-	-	-	-	-	-	-	-	-	-
3. Loro accounts (bank correspondent accounts)	171.712	-	-	-	-	-	-	-	-	-	171.712
4. On REPO operations	-	-	-	-	-	-	-	-	-	-	-
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	-	20.199	46.280	500	-	1.700	-	-	3.500	-	72.179
7. Loans drawn from banks (with a term of more than 7 days)	-	-	-	-	-	-	-	-	-	-	-
8. Loans drawn from other financial institutions, including international organizations	-	-	-	-	-	19	85	1.865	580	203.410	205.958
9. Loans and deposits of central administration bodies	-	-	-	-	-	-	-	-	-	-	-
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	-	-	684	60.122	-	-	6.219	-	-	-	67.025
14. Equity	-	-	-	-	-	-	-	-	-	117.448	117.448
15. Total liabilities (liabilities plus equity)	1.301.282	29.950	55.313	87.733	158.541	8.880	25.768	8.909	191.268	320.858	2.188.501

Liquidity Gap	(1.251.934)	934.193	(16.010)	(16.510)	(59.201)	69.689	68.004	272.050	22.135	(22.416)
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## liquidity gap – foreign currency

with a thousand manats

<b>1</b>	<b>Financial Assets and Liabilities</b>	<b>TOTAL</b>	<b>MANAT</b>	<b>USD</b>	<b>EURO</b>	<b>Other</b>
1	Assets	2.188.501	1.565.756	436.145	54.980	131.621
1.1	Cash and cash equivalents	22.373	17.805	3.210	701	657
1.2	Nostro accounts	8.718	32	3.120	2.949	2.617
1.3	Requirements to CBA	120.590	60.625	58.710	1.255	-
1.4	Deposits of the bank	984.598	727.000	79.196	50.055	128.347
1.5	Securities	189.781	88.516	101.266	-	-
1.6	Loans and leases granted to customers	787.352	619.404	167.928	20	-
1.7	Loan financial instruments granted to credit organizations and other financial institutions	17.302	-	17.302	-	-
1.8	Derivative financial instruments	-	-	-	-	-
1.9	Short-term financial instruments	-	-	-	-	-
	Investments and financial participation in unincorporated companies	282	282	-	-	-
1.10	Other assets	62.661	55.304	7.357	-	-
1.11	Fixed assets (subtracting depreciation)	17.061	17.061	-	-	-
1.12	(subtr. target reserves to cover possible losses on assets)	22.216	20.273	1.943	-	-
<b>2</b>	<b>Liabilities</b>	<b>2.071.053</b>	<b>1.440.923</b>	<b>443.649</b>	<b>55.109</b>	<b>131.372</b>
2.1	Requirements of the Central Bank and other organizations to the bank	-	-	-	-	-
2.2	Funds attracted from credit organizations and other financial institutions	449.849	223.377	70.766	34.101	121.605
2.3	Customer deposits	1.554.180	1.156.094	367.357	20.978	9.750
2.3.1	a) demand deposits	1.128.968	910.491	187.748	20.978	9.750
2.3.2	b) term deposits	425.212	245.603	179.609	-	-
2.4	Subordinated liabilities	-	-	-	-	-
2.5	Debt securities	-	-	-	-	-
2.6	Other liabilities	67.025	61.452	5.526	30	17
<b>3</b>	<b>Balance capital</b>	<b>117.448</b>	<b>117.448</b>	-	-	-
<b>4</b>	<b>Open currency position ratio</b>	<b>expressed in %</b>				
4.1	Aggregate OCP for free floating currency	0.6				
4.2	Aggregate OCP for closed currency	0.1				

## interest rate risk sensitivity classification

Assets	
0-3 months	1.055.615
3-6 months	84.640
6-12 months	172.342
12-24 months	258.766
24-36 months	147.237
more than 36 months	234.270

GAP	
0-3 months	(56.930)
3-6 months	(73.900)
6-12 months	143.912
12-24 months	249.857
24-36 months	115.344
more than 36 months	(128.514)

Liabilities	
0-3 months	1.112.545
3-6 months	158.541
6-12 months	28.429
12-24 months	8.909
24-36 months	31.893
more than 36 months	362.785

Cumulative GAP	
0-3 months	(56.930)
3-6 months	(130.830)
6-12 months	13.082
12-24 months	262.939
24-36 months	378.282
more than 36 months	249.768

## 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	787.352	749.731	11.458	3.535	1.687	1.272	952	4.113	1.217	806	812	584	2.373	703	8.107
Business	252.503	243.799	1.688	384	26	138	-	3.400	429	-	36	-	1.740	-	863
Consumption	328.247	300.926	8.900	2.759	1.509	1.134	952	713	788	806	776	584	633	703	7.064
Real estate	206.602	205.006	870	393	152	-	-	-	-	-	-	-	-	-	181
Other loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## collateral distribution

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	with a thousand manats
									Secured by derivative financial instruments
Loan portfolio, incl.	787.352	324.505	192.199	26	265.628	363	4.422	210	-
Business	252.503	10.272	179.728	26	57.507	363	4.398	210	-
Consumption	328.247	314.233	12.471	-	1.519	-	24	-	-
Real estate	206.602	-	-	-	206.602	-	-	-	-
Other loans	-	-	-	-	-	-	-	-	-

## loan classification

	Amount	Specific weight in total loan portfolio	Common reserves created	Share of the common reserves created in the loan portfolio (percent)	Target reserves created	with a thousand manats Share of the target reserves created in the loan portfolio (percent)
1. Total loan portfolio, including	787.352		5.766	0,73%	19.427	2,47%
1.1 Standard loans	552.846	70,2%	5.766	0,73%		
Pass loans	545.267	69,3%	5.498	0,70%		
Supervised loans	7.579	1,0%	269	0,03%		
Additional risk loans	-	0,0%	-	0,00%		
1.2 Non-prime loans	27.266	3,5%			19.427	2,47%
Unsatisfactory	7.250	0,9%			1.811	0,23%
Dangerous	4.292	0,5%			2.529	0,32%
Hopeless	15.724	2,0%			15.087	1,92%
1.3 Non-reserve loans	207.240	26,3%				

## hedging instruments

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

**Applied hedging instruments (swap)**

8500

**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.

## amount of large loan claims and its ratio to total capital

Amount of large loan claims*	Large loan claims to capital ratio (in %)
193.199	174%

\* 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	At fixed interest rate	At variable interest rate	Interest free	with a thousand manats
1. Cash (in safes, ATMs, currency exchange offices, on the road)	0	0		22.373
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	0	0		120.590
3. Nostro accounts	0	0		8.718
a) To resident banks	0	0		668
b) To non-resident banks	0	0		8.050
4. Short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	0	0		0
5. Deposits to financial institutions, including banks, total	984.598	0		0
a) To resident financial institutions	743.018	0		0
a1) undue deposits	743.018	0		0
a2) due deposits	0	0		0
b) To non-resident financial institutions	241.580	0		0
b1) undue deposits	241.580	0		0
b2) due deposits	0	0		0
6. On reverse REPO transactions	0	0		0
7. Investments in securities, including pledged securities	189.781	0		0
8. Securities for trading, including pledged securities	0	0		0
9. Loans to banks, excluding short-term financial instruments of the interbank market on line 4	17.302	0		0
a) current loans	17.302	0		0
a1) to resident banks	0	0		0
a2) to non-resident banks	17.302	0		0
b) overdue loans	0	0		0
b1) to resident banks	0	0		0
b2) to non-resident banks	0	0		0

## classification of fixed and variable interest rate assets and liabilities

Asset items	At fixed interest rate	At variable interest rate	with a thousand manats Interest free
10. Loans to other financial institutions, excluding short-term financial instruments on line 4	0	0	0
a) current loans	0	0	0
a1) to resident banks	0	0	0
a2) to non-resident banks	0	0	0
b) overdue loans	0	0	0
b1) resident	0	0	0
b2) non-resident	0	0	0
11. Loans to customers	761.189	0	0
a) current loans	761.189	0	0
b) overdue loans	0	0	0
12. Fixed assets with the deduction of depreciation (including fixed assets not used in banking)	0	0	0
13. Investments and financial participation in unincorporated companies	0	0	0
14. Intangible assets	0	0	0
15. Other assets	0	0	56.005
16. (-) Provisions for potential losses on assets	0	0	0
<b>17. Total assets</b>	<b>1.952.870</b>	<b>0</b>	<b>207.685</b>

## classification of fixed and variable interest rate assets and liabilities

Asset items	At fixed interest rate	At variable interest rate	Interest free
with a thousand manats			
1. Deposits (excluding banks and other financial institutions), total	1.390.591	0	163.589
a) demand deposits of natural persons	79.066	0	74.988
b) demand deposits of legal entities (including all current (including current accounts of non-bank financial institutions) and checking accounts)	886.313	0	88.601
c) undue term deposits of natural persons	77.954	0	0
d) undue term deposits of legal entities	347.258	0	0
e) due term deposits of natural persons	0	0	0
f) due term deposits of legal entities	0	0	0
2. CBA loans	0	0	0
3. Loro accounts (bank correspondent accounts)	34.375	0	137.337
a) Resident banks	34.375	0	5.005
b) Non-resident banks	0	0	132.332
4. On REPO operations	0	0	0
5. Earned short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	0	0	0
6. Deposits of banks and other financial institutions	72.179	0	0
a) Resident financial institutions	17.430	0	0
b) Non-resident financial institutions	54.749	0	0
7. Loans drawn from banks (with a term of more than 7 days)	0	0	0
a) Resident banks	0	0	0
b) Non-resident banks	0	0	0
8. Loans drawn from other financial institutions, including international organizations	205.958	0	0
9. Loans and deposits of central administration bodies	0	0	0
10. Loans and deposits of municipalities	0	0	0
11. Mortgage loans drawn by the bank for own reserves	0	0	0
12. Subordinated debt and other similar debt obligations issued by the bank, including maturity preference shares	0	0	0
3. Other liabilities	0	0	0
14. Equity	0	0	0
<b>15. Total liabilities (liabilities plus equity)</b>	<b>1.703.102</b>	<b>0</b>	<b>300.926</b>