PROGRAM PROSPECTUS

REGARDING PERPETUAL BONDS ISSUED BY "ID BANK" CLOSED JOINT-STOCK COMPANY

Yerevan 2026

PROGRAM PROSPECTUS

"ID Bank"
Closed Joint-Stock Company
Trade name and organization-legal form of the Issuer

13 Vardanants street, Yerevan 0010, RA
Tel. (+37410) 59 33 33
e-mail: info@idbank.am
Web-site: www.idbank.am

"ID BANK" CLOSED JOINT-STOCK COMPANY
Trade name and organization-legal form of the Principle Underwriter

13 Vardanants street, Yerevan 0010, RA
Tel. (+37410) 59 33 33
e-mail: info@idbank.am
Web-site: www.idbank.am

REGISTRATION OF THE PROSPECTUS BY THE CENTRAL BANK OF RA DOES NOT ENSURE SECURITY OF THE INVESTMENTS, ACCURACY OR VERITY OF THE INFORMATION PRESENTED

Type of securities	nominal, coupon, perpetual Bond
Classification of securities	subordinate
Form of securities	non-documentary
Number of securities	In accordance with issuance volume and nominal value
Nominal value of securities	To be determined by the executive body of the (Management Board) of the Issuer
Volume of securities issuance	USD 100 000 000 (one hundred million)
Placement volume of each tranche of securities	To be determined by the executive body of the (Management Board) of the Issuer
Coupon	To be determined by the executive body of the (Management Board) of the Issuer
Term of circulation	Perpetual (with the possibility/option of early redemption/repurchase by the Issuer as specified in clause *2.3.9* of the Prospectus)
Frequency of coupon payments	To be determined by the executive body of the (Management Board) of the Issuer

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RESPONSIBLE PERSONS

We, the undersigned, assure that we have made every reasonable effort to ascertain the integrity and correctness of the information contained in the Program Prospectus. Therefore, we certify that to the best of our knowledge the information contained in the Program Prospectus is accurate and complete, free of any omissions which may distort the content of the Program Prospectus.

Signatories:

Artur Javadyan **Chairman of the Council of "ID Bank" CJSC**	(signature)	(date)
Karen Margaryan **Member of the Council of "ID Bank" CJSC**	(signature)	(date)
Fernando Castiñeiras **Member of the Council of "ID Bank" CJSC**	(signature)	(date)
Elena Khachvankyan **Member of the Council of "ID Bank" CJSC**	(signature)	(date)
Andreas Blase **Member of the Council of "ID Bank" CJSC**	(signature)	(date)
Mher Abrahamyan **Chairman of the Management Board of "ID Bank" CJSC**	(signature)	(date)
Karen Nalbandyan **Business Development Director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Arman Asatryan **Investment business director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Artur Hambardzumyan		

Risk management director of "ID Bank" CJSC, member of the Management Board	(signature)	(date)
Sergey Arakelyan **Digital banking director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Anushik Khachatryan **Chief Accountant of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Lilit Grigoryan **Operations director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Lilit Sargsyan **Financial Director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Vahan Yolyan **Corporate Business Director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)

I validate the signatures:

Mher Abrahamyan **Chairman of the Management Board of "ID Bank" CJSC**	(signature)	(date)

L.S.

SECTION 1: SUMMARY

NOTICE TO INVESTOR

THE SUMMARY IS CONSIDERED AS BRIEF INTRODUCTORY DESCRIPTION OF THE PROGRAM PROSPECTUS AND THE DECISION OF INVESTORS TO INVEST IN SECURITIES SHALL BE BASED ON THE FULL PROGRAM PROSPECTUS

The person responsible for compiling of the Summary shall bear civil liability for incompleteness or misleading nature of the information contained in the summary sheet (including related to translation), if it is incomplete or misleading when considered with other parts of the Program Prospectus.

Investors may obtain the Program Prospectus, the hard copies of the documents attached to the Program Prospectus from the head-office of the Bank and branches and their electronic copies from the website of the Bank www.idbank.am.

1.1. Brief information about the Issuer and its activities

1.1.1. Name and contacts of the Issuer

1.1.1.1. Name of the Bank

Full name of the Bank:
in Armenian: «ԱյԴի Բանկ» Փակ Բաժնետիրական Ընկերություն
in Russian: Закрытое Акционерное Общество "АйДи Банк"
in English: "ID BANK" Closed Joint-Stock Company

Brief name of the Bank:
in Armenian: «ԱյԴի Բանկ» ՓԲԸ
in Russian: ЗАО "АйДи Банк"
in English: "ID BANK" CJSC

1.1.1.2. Place of state registration of the Bank is 13 Vardanants str., Yerevan, RA, registration number is 9. Location of the bank is 13 Vardanants street, Yerevan, RA.

1.1.1.3. Contacts: Tel. (+37410) 593333, e-mail: *info@idbank.am*, Web-site: *www.idbank.am*.

In case of any questions related to investments in Bonds the investors may contact the Treasurer of the "ID Bank" CJSC Vahan Hayrapetyan or any employee from Securities transaction unit by the following means of communication - telephone: *+374 10 593395 #(3275) #(3265) #(3505) #(3343)*, e-mail: ***vahan.hayrapetyan@idbank.am or securitiestransaction@idbank.am***.

1.1.2. Brief history of the Issuer

"ID Bank" CJSC is the successor of "Anelik Bank" CJSC, which was established on 01.08.1990 by the light industry enterprises as a joint stock commercial bank. In 1996 the "Anelik" joint-stock commercial bank was registered as "Anelik Bank" LLC (License No 9 of the CB of RA). In 2007 the "Anelik Bank" LLC was reorganized into "Anelik Bank" CJSC. In June 2018 "Anelik Bank" CJSC was renamed to "ID Bank" CJSC. From

2013 to September 2016 the sole shareholder of the "ID Bank" CJSC was Lebanon "Creditbank" S.A.L. In October 2016 the composition of the shareholders of the Bank was changed and a new shareholder, "Fistoco" LTD., was involved with 59.68% of the Bank's shares stake.
In 2022, there was a change in the structure of the Bank's shareholders. 100 percent of the Bank's shares belonged to Fistoco LTD.
In October 2023, there was another change in the structure of the Bank's shareholders. Currently 100 percent of the Bank's shares belong to "ID Group" CJSC.

As of June 30, 2026, there were no changes in the Bank's shareholder structure.

1.1.3. Statutory/Authorized capital of the Issuer

As of June 30, 2025, the authorized capital of "ID Bank" CJSC amounted to AMD 33,971,850 thousand, with the number of shares being 679,437 ordinary shares, each with a nominal value of AMD 50,000.

According to the Charter approved on July 30, 2025, the authorized capital of "ID Bank" CJSC increased by AMD 17,053,868 thousand through an increase in the nominal value of the shares and currently amounts to AMD 51,025,718 thousand.

1.1.4. Strategy of the Issuer

The Bank continuously monitors and assesses the changing needs of its customers, aiming to keep pace with global developments in the financial services sector and offer modern and competitive solutions. "ID Bank" CJSC business model is based on its core values: innovation, transparency, customer-centric approach, teamwork and social responsibility, while maintaining a strong focus on digitalization and leading positions in payments. The Bank's strategic focus is on digital transformation, the development of new approaches to customer interaction and the expansion of modern financial solutions. The Bank will continue to improve the customer experience by developing remote service capabilities, the digital ecosystem and the use of innovative tools. The Bank gives great importance to ensuring customer service excellence and long-term customer loyalty.

1.1.5. Brief description of the Issuer's business

"ID Bank" CJSC conducts its activities in the capital of the Republic of Armenia and in 8 regions through 19 branches.

The Bank's activities are generally focused on providing banking services to its defined target segments, based on which the corresponding business directions have been established within the Bank, i.e., retail banking services and corporate banking services.

- ***Corporate banking operations:*** The Bank prioritizes identifying the main financial challenges faced by SMEs and accordingly develops simple and convenient banking services. In particular, loans provided for commercial purposes and banking instruments issued for trade financing are continuously aligned with clients' needs as well as the conditions of similar instruments offered in the market.
- ***Retail banking operations:*** In providing banking services to individuals, the Bank emphasizes simple procedures that allow clients to obtain banking services tailored to their needs in the shortest possible time.

1.1.6. Quality of Assets

Indicator	*30.06.2026*	*31.12.2025**	*31.12.2024**
Assets, including:	***536,247,162***	***512,633,166***	***422,459,658***
Earning assets	***458,875,500***	***434,429,822***	***355,002,229***
Share of earning assets (%)	***85.57%***	***84.74%***	***84.03%***
Loans provided to customers	292,420,545	269,263,771	200,859,003
Claims against financial institutions	80,278,672	86,687,688	61,925,847
Investment securities	54,445,495	65,154,724	76,740,625
Derivative financial assets	281,989	174,136	870,332
Reverse repurchase agreements	31,448,799	13,149,503	14,606,422
Cash and cash equivalents	50,174,569	52,994,857	39,267,755
Cash funds	14,026,757	14,263,737	9,860,201

*The data presented here is based on externally audited reports.

1.1.7. Organizational structure of the Bank

The organizational structure of the Bank is shown in Annex 1 to this Prospectus.

1.2. Brief description of risks related to the Issuer and securities

1.2.1. Brief description of risks related to the Issuer

Investments by any economic entity, including investments in bonds issued by banks, are associated with certain risks. Before making a decision to purchase the offered bonds, investors should carefully consider the summary of risks presented below, as well as all other information included in the Prospectus.

The Bank has refrained from interpreting the indicators, forecasts, and information presented in the Prospectus in order to allow investors to independently assess and analyze them when deciding whether to purchase the bonds.

Risks include all types of events or conditions that may significantly affect the Bank's operations and the securities issued by the Bank. Among the possible risks are the following:

- **High competition in the banking services market of the Republic of Armenia,** which may prevent the Bank from ensuring the receipt of planned profits;
- **Liquidity risk of bonds,** which may arise due to sudden changes in the market environment or deterioration of the Bank's financial condition;
- **Foreign currency risk,** which may be caused by sharp fluctuations in exchange rates, improper management of foreign currency-denominated assets and liabilities by the public, and insufficient information provided to investors regarding the proposed foreign currency instruments;
- **Interest rate risk,** which may result from sudden changes in prevailing market interest rates;

- **Risk of changes in the legal/regulatory framework,** which may stem from legislative amendments affecting both the Bank's operations and the general market environment;
- **Regional risk,** which may arise from changes in regional or domestic political conditions, potentially having a negative impact on the country's macroeconomic environment. An unfavorable macroeconomic situation in turn may adversely affect the Issuer's normal operations and profitability;
- **Risk of a state of emergency in the country or globally,** which may negatively affect both the Issuer and the investor. In such situations, changes to the country's macroeconomic environment may occur, adversely impacting the key indicators of the Issuer. By investing in bonds, the investor assumes a portion of this risk as well.

1.2.2. Brief description of risks related to the securities

The investor can familiarize himself with a comprehensive description of the risks related to the bonds in clause *2.1* of the Prospectus.

1.3. Change tendencies in development of the Issuer's activities and its financial position

The Bank's operations are consistently under the close supervision of the Bank's Council and Executive Body, which promptly respond to changes in the market environment by aligning the Bank's activities with market demands and minimizing the negative impact of various risk factors.

The change tendencies in the Bank's financial position for 2024-2026 are presented in clauses *1.1.6* and *1.9* of this Prospectus.

All permits and licenses required for operations are valid.

The Bank's governance model is aimed at increasing the efficiency of business processes. Accordingly, the Bank's management implements administrative-organizational changes as necessary to ensure the continuous improvement of operational efficiency.

At the same time, it should be noted that the Bank's management consistently focuses on aligning the Bank's administrative-organizational structure with modern business management standards, with the goal of improving the Bank's operations and increasing efficiency and profitability.

1.4. Brief information about the Issuer's auditor and consultants

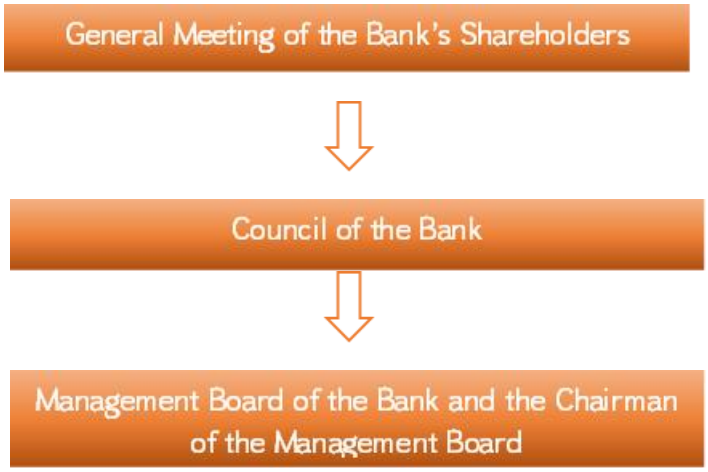
For the years 2021 and 2022 the independent audit of the Bank was carried out by "KPMG Armenia" CJSC audit firm. "KPMG Armenia" CJSC is a member to independent KPMG network included in KPMG International Cooperative. The address of the "KPMG Armenia" CJSC is RA, c. Yerevan, 0010, Vazgen Sargsyan street 26/1, "Erebuni Plaza" Business Center, 8th floor, tel.: +37410 566762, website: www.kpmg.am, e-mail: general@kpmg.co.am. The Director of "KPMG Armenia" CJSC is Irina Gevorgyan.

The 2023 - 2025 independent audit of the Bank was conducted by the audit organization "Ernst & Young" CJSC. "Ernst & Young" CJSC is a member company of Ernst & Young Global Limited. The address of "Ernst & Young" CJSC is: 2 Vazgen Sargsyan str., c. Yerevan 0010, RA, "Kamar" Business Center, 7th floor, phone: +37460 507777, website address: ey.com/am, e-

mail: yerevan@am.ey.com. Erik Hayrapetyan is the general director of the audit organization "Ernst & Young" CJSC.

1.5. Members of the Management body of the Issuer

1.5.1. The following management bodies are defined by the Charter of the Bank:



1.5.2. From 2013 to September 2016, the sole shareholder of "ID Bank" CJSC was the Lebanese "Creditbank" S.A.L. In October 2016, a new shareholder, Fistoco LTD, joined the Bank's shareholder structure. At that time, the share capital of the Bank comprised 679,437 ordinary shares, of which 59.68% was owned by Fistoco LTD and 40.32% by Creditbank S.A.L.
In February 2022, there was a change in the structure of the Bank's shareholders. 100% of the Bank's shares belonged to "Fistoco" Ltd.
In October 2023, there was a change in the structure of the Bank's shareholders. As of June 30, 2026, 100% of the Bank's shares belongs to "ID Group" CJSC.

1.5.3. The Council of the Bank consists of 5 members. The members of the Council are:

N	Composition of the Council	Position/Role	Experience
1	Artur Javadyan	Chairman of the Council	More than 37 years
2	Karen Margaryan	Member of the Council	More than 37 years
3	Elena Khachvankyan	Member of the Council	More than 20 years
4	Fernando Castiñeiras	Member of the Council	More than 38 years
5	Andreas Blase	Member of the Council	More than 15 years

1.5.4. The Management Board of the Bank consists of 9 members. The members of the Management Board are:

N	Composition of the	Position/Role	Experience

	Management Board		
1	Mher Abrahamyan	Chairman of the Management Board	More than 27 years
2	Arman Asatryan	Investment Business director, member of the Management Board	More than 28 years
3	Karen Nalbandyan	Business development Director, member of the Management Board	More than 24 years
4	Artur Hambardzumyan	Risk Management Director, member of the Management Board	More than 19 years
5	Sergey Arakelyan	Digital Banking Director, member of the Management Board	More than 21 years
6	Anushik Khachatryan	Chief Accountant, member of the Management Board	More than 27 years
7	Lilit Grigoryan	Operations director, member of the Management Board	More than 28 years
8	Lilit Sargsyan	Financial Director, Member of the Management Board	More than 15 years
9	Vahan Yolyan	Corporate Business Director, member of the Management Board	More than 18 years

1.5.5. As of 30.06.2026 number of the Bank employees is 1088.

1.6. Information about the securities issued by the Issuer

The Bank has issued both shares and bonds to date. As of 30.06.2025, the Bank's authorized capital amounted to AMD 33,971,850 thousand, comprised of 679,437 shares, each with a nominal value of AMD 50,000.

According to the charter approved on July 30, 2025, the Bank's authorized capital was increased. As of 30.07.2025, the authorized capital amounted to AMD 51,025,718 thousand, and the share capital comprised of 679,437 shares, each with a nominal value of AMD 75,100. Considering the organizational-legal form of the Bank, the shares issued by the Bank are not traded on a regulated market. The shares issued by the Bank are perpetual, i.e., they have no maturity date.

Data on bonds issued by the Bank within the last 4 years are presented below.

ISIN Code	Placement Date	Maturity Date	Currency	Coupon	Payment frequency	Distributed Volume
AMANLBB2IER4	24/10/2022	24/01/2025	USD	3.75%	quarterly	5,000,000

AMANLBB2JER2	24/10/2022	24/01/2025	AMD	9.50%	quarterly	500,000,000
AMANLBB2KER0	28/11/2022	28/02/2025	USD	3.75%	quarterly	5,000,000
AMANLBB2LER8	24/07/2023	24/10/2025	USD	4.25%	quarterly	5,000,000
AMANLBB2MER6	03/08/2023	03/11/2025	USD	4.25%	quarterly	3,000,000
AMANLBB2NER4	20/11/2023	20/02/2026	USD	4.25%	quarterly	5,000,000
AMANLBB2OER2	21/03/2024	21/06/2026	USD	4.25%	quarterly	5,000,000
AMANLBB2PER9	13/05/2024	13/08/2027	USD	4.75%	quarterly	5,000,000
AMANLBB2QER7	17/06/2024	17/09/2026	AMD	9.50%	quarterly	2,549,750,000
AMANLBB2RER5	26/09/2024	26/09/2027	USD	4.75%	quarterly	2,253,700
AMANLBB2SER3	24/01/2025	24/04/2027	USD	4.75%	quarterly	5,000,000
AMANLBB2TER1	28/02/2025	28/08/2027	USD	4.75%	quarterly	7,042,600
AMANLBB2UER9	01/07/2025	01/01/2028	AMD	10.00%	semi-annual	5,000,000,000
AMANLBBM1ER8	01/07/2025	01/01/2029	AMD	10.30%	semi-annual	5,000,000,000
AMANLBBM2ER6	01/07/2025	01/01/2028	USD	5.00%	semi-annual	5,000,000
AMANLBBM3ER4	17/10/2025	17/10/2028	USD	5.00%	semi-annual	10,000,000
AMANLBBM4ER2	27/11/2025	27/11/2028	USD	5.00%	semi-annual	9,090,200
AMANLBBM5ER9	17/03/2026	17/03/2029	AMD	10.00%	quarterly	2,439,000,000
AMANLBBM6ER7	17/03/2026	17/09/2029	USD	5.00%	semi-annual	
AMANLBBM7ER5	15/06/2026	15/06/2029	AMD	10.00%	semi-annual	2,500,000,000
AMANLBBM8ER3	15/06/2026	15/09/2028	USD	5.00%	quarterly	

1.7. Key information on the offered bonds

The Bonds to be issued are nominal, non-documentary, indivisible and can be repaid by transferring the repaid amount to the authorized capital (hereinafter referred to as conversion in the cases, conditions and procedure specified in this Prospectus (*Error! Reference source not found.)*). Interest income on the Bonds will be paid in the form of coupons.

Type of securities	nominal, coupon, perpetual Bond
Classification of securities	subordinate
Form of securities	non-documentary
Convertibility	Except in the event of the occurrence of circumstances specified in the Prospectus, in accordance with the procedure specified in clause ***2.3.10*** of the Prospectus
Number of securities	In accordance with issuance volume and nominal value
Nominal value of one security	To be determined by the executive body of the (Management Board) of the Issuer
Volume of securities issuance	USD 100 000 000 (one hundred million)
Placement volume of each tranche of securities	To be determined by the executive body of the (Management Board) of the Issuer
Annual coupon rate	To be determined by the executive body of the (Management Board) of the Issuer
Frequency of coupon payments	To be determined by the executive body of the (Management Board) of the Issuer

Placement date	To be determined by the executive body of the (Management Board) of the Issuer for each tranche of bonds
Term of circulation	Perpetual (with the possibility/option of early redemption/repurchase by the Issuer as specified in clause *2.3.9* of the Prospectus)

The final terms of placement, circulation and repayment of each tranche of Bonds shall be determined by the Management Board of the Bank.

For each bond issuance, the Bank's Management Board may also approve the possibility/option of early redemption of bonds at the initiative of the issuer/call option.

The final terms and conditions established for each tranche of the Bonds shall be submitted to the CB of RA and published on the Bank's website at least 2(two) days before the placement.

The main goal of placement of the Bonds by the Bank is attraction of funds from the market. The funds attracted as a result of the placement will be directed to provision of loans.

1.8. Overview of the bond offering and their admission to trading authorization:

There will be no subscription of the Issuer's bonds. The date of commencement and completion of the placement of each tranche of bonds is subject to the decision of the Bank's Management Board. To purchase bonds, investors must complete the relevant bond purchase application in accordance with the established procedure, properly submit it to the Bank and make the corresponding payment, thereby confirming/certifying acceptance of the terms of the bond issuance. After placement, the bonds are planned to be listed on the "Armenia Stock Exchange" OJSC and have a market maker.

1.9. Summary of financial data

Indicator Name	30.06.2026 (unaudited) thousand AMD	31.12.2025 (audited) thousand AMD	31.12.2024 (audited) thousand AMD
Net profit after deduction of corporate income tax expense	20,302,260	17,724,019	15,799,185
Average equity	90,236,370	80,351,362	71,130,102
Return on Equity (ROE), %	22.50	22.06	22.21
Average total assets	516,176,854	469,328,736	377,322,925
Return on Assets (ROA), %	3.93	3.78	4.19

Net profit after deduction of corporate income tax expense	20,302,260	17,724,019	15,799,185
Operating Income	24,557,945	43,499,960	36,692,087
Net Profit Margin (NPM), % (unaudited)	82.67	40.74	43.06
Operating Income	24,557,945	43,499,960	36,692,087
Average Total Assets	516,176,854	469,328,736	377,322,925
Asset use ratio (AU), %	4.76	9.27	9.72
Average total assets (unaudited)	516,176,854	469,328,736	377,322,925
Average equity	90,236,370	80,351,362	71,130,102
Equity multiplier (EM)	5.72	5.84	5.30
Net Interest Income	14,532,362	25,900,307	22,150,461
Average earning assets	386,007,729	357,319,585	310,460,753
Net interest margin (NIM), %	3.76	7.25	7.13
Interest Income	23,382,268	40,383,494	31,532,439
Average earning assets	386,007,729	357,319,585	310,460,753
Yield of earning assets, %	6.06	11.30	10.16
Interest Expenses	- 8,849,906	- 14,483,187	- 9,381,978
Interest-bearing liabilities	398,815,863	346,622,883	305,818,112
Cost of interest-bearing liabilities %	(2.22)	(4.18)	(3.07)
Net profit after deduction of corporate income tax expense	20,302,260	17,724,019	15,799,185
Weighted Average Number of Shares	679,437	679,437	679,437
Earnings per share (EPS)	29.88	26.09	23.25
Spread, %	8.28	15.48	13.22

SECTION 2. INFORMATION ABOUT BONDS

2.1. Risk factors

2.1.1. Subordination of the Bonds

The Bonds are unsecured and subordinated obligations of the Bank. The Bonds are riskier than non-subordinated securities. In the event of the Issuer's liquidation (including due to the Issuer's bankruptcy), investors in the Bonds bear a greater risk of losses, since payments for the Bonds will be made only if the Issuer has made payments for obligations with a higher priority right of repayment in full. Detailed information on the classification of the Bonds is presented in clause *2.3.1* of the Prospectus.

2.1.2. Write-off and convertibility of Bonds

The bonds are issued for the purpose of inclusion in the Bank's additional tier 1 capital and must meet the "Minimum Requirements for Financial Instruments Included in the Calculation of Additional Tier 1 Capital" (hereinafter referred to as the "Minimum requirements") set out in Appendix 9 of Regulation 2 on "Regulation of Banking, Prudential Standards for Banking" (hereinafter referred to as Regulation 2), approved by the Resolution No. 39-N of the Board of the Central Bank of the Republic of Armenia dated February 9, 2007 (hereinafter referred to as the Minimum Requirements).

According to the Minimum Requirements, the Bonds and the funds raised through their issuance must be available to cover the Bank's losses in the event of a deterioration in the financial condition of the Bank. Investors should take into account that in the event of a deterioration in the financial condition of the Bank (cases of deterioration in the financial condition are defined in clause ***2.3.10.4*** of the Prospectus), the obligation established by the Bonds is proportionally written off or redeemed in the appropriate amount by the Bank in accordance with the procedure defined in clause ***2.3.10*** of the Prospectus. In the event of redemption, the redeemed amount is immediately directed to replenish the authorized capital of the Bank (converted into shares) in the form of ordinary shares of the Bank. Investors should take into account that in the event of write off of the Bonds (in the amount of the redeemed amount), they will lose the amount they invested (including accrued and unpaid coupon income until the moment of redemption) in part or in full. In the event of conversion of Bonds into ordinary shares of the Bank, the following risks exist:

- In the event of the Bank's liquidation, the priority of the Bondholders' claims to the Bank changes to correspond to the lower priority envisaged for the Bank's shareholders.
- The Bank's ordinary shares are less liquid than the Bonds. Therefore, as a result of the conversion, the Bondholders may face obstacles in returning the amounts invested in the Bonds in an economically profitable period and volume due to the low liquidity of the Bank's ordinary shares.
- The Bondholders will bear other risks associated with the Bank's ordinary shares.

2.1.3. Risk of non-payment of coupons against bonds:

Investors should take into account that in the cases specified in clause ***2.3.7.11*** of the Prospectus, coupon income is not subject to payment. Moreover, in the specified cases, full or partial non-payment of coupon income is not subject to accumulation and payment in the future, and will not constitute a default or improper performance of obligations by the Bank.

IMPORTANT TO NOTE: A situation may arise where, prior to the inclusion of the bond amount in the calculation of the bank's total capital, the parties/persons that have acquired the bonds (affiliated persons) may be required to obtain prior consent from the Central Bank of the Republic of Armenia for the acquisition of a qualifying holding in the bank - unless there is an agreement in place that stipulates the relevant conditions set

forth in Clause 4 of Appendix 9 to CBA Regulation 2. In such instances, the investor's bond amount may be included in the calculation of the bank's total capital only after the consent of the Central Bank of the Republic of Armenia has been obtained; otherwise, the investor will be forced to alienate their bonds, or a portion thereof, to third parties.

2.1.4. Market risk:

Investments in Bonds like investments in other securities are associated with certain risks connected to the financial-economic situation of issuers and results of their activities (**issuer risk**) as well as the situation in the financial market (**market risk).** The market risk arises as a result of changes of factors affecting the price of Bonds which may result in investors' losses. The principal types of market risk are interest rate risk and foreign currency risk.

2.1.5. Interest rate risk arises due to change of market interest rates, whereupon the Bonds' price reduces in case of increase of interest rate, resulting in possible losses of investors if they sell the Bonds before their redemption or failure to receive the incomes expected.

2.1.6. Foreign currency risk arises due to fluctuation of exchange rate of national currency and may negatively affect the incomes of investors to be earned from Bonds when the investor reevaluates the income earned from Bonds in AMD (for example, for investment purposes the investor has exchanged AMD to foreign currency and will exchange the foreign currency received after the redemption of Bonds in AMD). In particular, in case of appreciation of the national currency, in case of exchange of the amounts received after the redemption of the foreign currency denominated Bonds (including interest) the income in AMD may be less than expected (negative).

2.1.7. Reinvestment Risk:

All investors who purchase the Issuer's Bonds to secure and receive the coupon yield should note that they are assuming reinvestment risk, which is due to the potential lack of opportunities to invest the redemption/repurchase amounts at least at a yield equivalent to the coupon income received periodically from the Issuer's Bonds, as well as in the event of early redemption/repurchase of the Bonds. It is likely that reinvestment risk will not be a significant factor in the investment decision-making process for investors with a current or short-term (no more than one coupon period) investment horizon/perspective.

2.1.8. Credit/default risk:

When purchasing Bonds, Investors assume the Issuer's credit risk, which is associated with the possible deterioration of the Issuer's financial condition in the future, the impossibility of making coupon payments, or redemption/repurchase in the event of early redemption/repurchase and possible bankruptcy in accordance with the procedure specified in the Prospectus.

2.1.9. Liquidity risk: In the context of low level of Bond market development any sudden change in the market situation as well as worsening of the Bank's financial situation may result in a situation where the Bondholder faces difficulties with sale of Bonds at a given moment. In particular, it is possible that the Bond holder will not be able to sell the Bonds at their preferred time or may be forced to sell it at lower price and suffer losses.

2.1.10. Inflation risk: When assessing the nominal coupon yield/profitability offered for Bonds issued in, USD, or by the Issuer, the investors shall consider that the actual profitability at redemption may be lower than nominal coupon yield/profitability.

2.1.11. Rating Change Risk:

All other conditions being equal, the price of a Bond is usually directly related to the rating(s) describing the credit risk of the Issuer. A rating downgrade usually results in a decrease in the price of the bond or, equivalently, creates expectations of an increase in the bond's yield.

In addition to the aforesaid risks the Issuer may also encounter other risks which the latter has considered not material to be specified herein.

2.2. Main information

The Bonds are issued for inclusion in the Bank's additional tier 1 capital.

The goal of issuance and further placement of the nominal Bonds by the Bank is attraction of funds to be directed towards financing of the principal business of the Bank, i.e. providing of loans. As a result of attraction of funds due to issuance of Bonds, the Bank will be able to increase the efficiency of management of its liabilities and diversify its sources of funding.

2.2.1. Form of publication of final terms

The final terms of issuance, placement, circulation, and redemption/buyback of Bonds shall be determined by the Management Board of the Bank.

For each bond issuance, the Bank's Management Board may also approve the possibility/option of early redemption of bonds at the initiative of the issuer/call option.

The final issuance terms for each tranche of the Bonds shall be submitted to the CB of RA and published at least 2(two) days before the placement.

The Issuer is obliged to publish the final terms of each issuance of bonds on its website.

2.3. Information about securities

Type of securities	nominal, coupon, perpetual Bond
Classification of securities	Subordinate
Form of securities	non-documentary
Convertibility	Except in the event of the occurrence of circumstances specified in the Prospectus, in accordance with the procedure specified in clause ***2.3.10*** of the Prospectus
Number of securities	In accordance with issuance volume and nominal value
Nominal value of one security	To be determined by the executive body of the (Management Board) of the Issuer
Volume of securities issuance	USD 100 000 000 (one hundred million)
Placement volume of each tranche of securities	To be determined by the executive body of the (Management Board) of the Issuer
Annual coupon rate	To be determined by the executive body of the (Management Board) of the Issuer
Frequency of coupon payments	To be determined by the executive body of the (Management Board) of the Issuer
Placement date	To be determined by the executive body of the (Management Board) of the Issuer for each

	tranche of bonds
Term of circulation	Perpetual (with the possibility/option of early redemption/repurchase by the Issuer as specified in clause ***2.3.9*** of the Prospectus)
Country/Jurisdiction	The bonds shall be issued within the territory of the Republic of Armenia, in accordance with the legislation and sub-legislative acts of the Republic of Armenia. Any disputes or legal proceedings shall be resolved in accordance with the legislation of the Republic of Armenia.
Registry	The registry of bond owners/holders shall be maintained by "Central Depository of Armenia" OJSC (26/1 Vazgen Sargsyan St., 5th floor, Yerevan 0010, Republic of Armenia; Tel.: (+374) 60 61 55 55) in accordance with the relevant rules and procedures of "Central Depository of Armenia" OJSC.

2.3.1. Information about classification of the securities offered

Bonds are unsecured and subordinated obligations of the Bank. According to the RA Law "On Banks and Banking", in the event of the liquidation of the Issuer (except if it is due to the bankruptcy of the Issuer), its liabilities/obligations secured by collateral are satisfied from the amount received from the sale of the collateral serving as a means of securing the given liability, in accordance with the requirements of the RA Civil Code, and other liabilities are satisfied at the expense of liquidation funds, in the following priority order:

2.3.2. Legal regulations in effect up to and including December 31, 2026

In accordance with the Law of the Republic of Armenia "On Banks and Banking," in the event that a liquidation process for the Issuer commences on or before December 31, 2026, the claims of creditors shall be satisfied from the liquidation assets in the following priority order:

2.3.2.1. First:

Necessary and substantiated expenses, including the salary, for exercising the powers prescribed by this Law by members of the liquidation committee.

2.3.2.2. Second:

Bank deposits and bank account balances of citizens of the Republic of Armenia and foreign citizens, as well as stateless persons. Where one person holds more than one deposit (account) in the bank, all deposits thereof shall be consolidated and their aggregate amount shall be considered one deposit.

2.3.2.3. Third:

Other obligations of the bank not included in the fourth, fifth and sixth priority orders.

2.3.2.4. Fourth:

Obligations of the bank to state and community budgets, other mandatory payments prescribed by the legislation of the Republic of Armenia.

2.3.2.5. Fifth:

Claims arising from subordinated borrowings.

2.3.2.6. Sixth:

Claims of the Bank's participators.

2.3.3. Bondholder claims are satisfied in the fifth priority order as claims arising from subordinated obligations, except in cases where bonds have been converted into ordinary shares

of the Bank in accordance with the procedure established in clause *Error! Reference source not found.* of the Prospectus. In this case, Bondholder claims are satisfied in the sixth priority order. Legal regulations which shall become effective from January 1, 2027

In accordance with the amendments to the Law of the Republic of Armenia "On Banks and Banking", entering into force from January 1, 2027, in the event of the Issuer's liquidation, the claims of the creditors shall be satisfied from the liquidation assets in a newly established priority order:

2.3.3.1. First:

Necessary and substantiated expenses, including the salary, for exercising the powers prescribed by this Law by members of the liquidation committee, as well as the remuneration of the special manager (management) defined by the Law "On Bank Restructuring," expenses incurred in the exercise of their powers, and costs associated with an independent valuation within the framework of the bank restructuring process.

2.3.3.2. Second:

Bank deposits and bank account balances of citizens of the Republic of Armenia and foreign citizens, as well as stateless persons. Where one person holds more than one deposit (account) in the bank, all deposits thereof shall be consolidated and their aggregate amount shall be considered one deposit.

2.3.3.3. Third:

Claims of the Restructuring Fund, as defined in the Law on “Bank Restructuring”, arising after the decision on the bank's restructuring is made.

2.3.3.4. Fourth:

Other liabilities of the bank not included in the fifth, sixth, seventh, eighth and ninth priority orders.

2.3.3.5. Fifth:

Claims arising from the provision of subordinated borrowings that are not included in the sixth or seventh priority orders.

2.3.3.6. Sixth:

Claims arising from subordinated liabilities available for restructuring, which are included in the calculation of the key prudential ratio of total capital and subordinated liabilities available for restructuring, as defined in the Law "On Bank Restructuring".

2.3.3.7. Seventh:

Claims arising from liabilities included in the bank's total capital in accordance with a normative/regulatory legal act of the Central Bank Board.

2.3.3.8. Eighth:

Claims of persons who became participators in the bank as a result of the capital conversion of liabilities included in the total capital of the bank (in cases specified in the Law "On Bank Restructuring" or in accordance with the regulatory legal act of the Central Bank Board), in accordance with the sequence of conversion.

2.3.3.9. Ninth:

Claims of the Bank's participators.

2.3.4. Among the creditors falling within the second, third, and fifth priority orders for the satisfaction of claims against the Bank - both before December 31, 2026, and from January 1, 2027, onwards - an exception is made for the Bank’s participators and persons related to the Bank; claims against the Bank held by these parties are satisfied in the sixth priority order. Creditors within the same priority order have equal rights to the satisfaction of their claims, with the exception of claims included in the eighth priority order. Claims of creditors within a given

priority order are satisfied only after all claims from the preceding priority order have been fully satisfied.

2.3.5. If the liquidation of the Issuer is due to the bankruptcy of the Issuer before December 31, 2026, then in accordance with the RA Law on "Bankruptcy of Banks, Credit Organizations, Investment Companies, Crypto-asset Service Providers, Investment Fund Managers, and Insurance Companies", the Bank's liabilities secured by collateral are satisfied from the proceeds from the sale of the collateral securing the liability, on an extraordinary basis, while other liabilities are satisfied from liquidation funds, in the following order:

2.3.5.1. First:

Necessary and substantiated expenses including the salary, for exercising the powers prescribed by this Law by the administration, liquidator, within the framework of the estimate confirmed by the Board of the Central Bank.

2.3.5.2. Second:

Claims of the creditors that have provided loans, borrowings to the bank or have placed deposits in the bank or have put money in bank accounts after the appointment of the administration in the bank, except for cases prescribed by an agreement concluded between the creditor and the Central Bank.

2.3.5.3. Third:

Bank deposits and bank account balances of citizens of the Republic of Armenia and foreign citizens, as well as stateless persons in Armenian drams, for up to 16 million drams, and in case of deposits (accounts) in foreign currency — in the amount equivalent to 7 million drams. Where one person holds more than one deposit (account) in the bank, all deposits thereof shall be consolidated, and their aggregate amount shall be considered one deposit. Where the amount of the claim of the person in relation to the bank exceeds 16 million drams (if the claim is in foreign currency — the amount equivalent to 7 million drams), the claim of the respective person in the amount of up to 16 million drams (if the claim is in foreign currency — the amount equivalent to 7 million drams) shall be satisfied in the third priority order, and the claim exceeding this amount shall be satisfied in the fourth priority order.

2.3.5.4. Fourth:

Other obligations of the Bank, including the expenses related to the organization of repayment by the Deposit Guarantee Fund, except for bank deposits and bank account balances included in the second priority order.

2.3.5.5. Fifth:

Obligations of the bank to the state and community budgets, other mandatory payments prescribed by the legislation of the Republic of Armenia.

2.3.5.6. Sixth:

Claims arising from subordinated borrowings.

2.3.5.7. Seventh:

Claims of the participators of the bank.

The Bank's participators and related parties are excluded from the number of creditors determined in the third, fourth and sixth priority order of the Bank's creditors' claims, for which the Bank's obligations are satisfied in the seventh priority order. Creditors within the same priority order have equal rights to have their claims satisfied. The claims of creditors of the same priority order are satisfied after all claims of the previous priority order have been fully satisfied. Bondholder claims are satisfied in the sixth priority order as claims arising from subordinated obligations, except in cases where bonds have been converted into ordinary shares of the Bank in accordance with the procedure established in clause ***2.3.10*** of the Prospectus. In this case,

Bondholder claims are satisfied in the seventh priority order. No reclassification of Bonds is planned.

Pursuant to the law of RA on "Guaranteeing the Compensation of Bank Deposits of Natural Persons" and other legal acts adopted pursuant thereto, the funds attracted from the natural persons (including individual entrepreneurs) by registered securities issued by the bank, in this case – Bonds, shall be considered bank deposits repayment of which is guaranteed in the manner and under the conditions defined by the same law, except for the following cases:

a) in the event that the issuance and placement of the Bonds commence after January 1, 2027 - in which case, any Bonds acquired after the entry into force of the Law of the Republic of Armenia on "Making Amendments and additions to the Law of the Republic of Armenia on 'Guaranteeing the Compensation of Bank Deposits of Natural Persons'" shall not be considered guaranteed under the said Law if the funds raised/attracted through the placement of such Bonds have been included in the calculation of the Issuer's Additional Tier 1 Capital; or

b) prior to the occurrence of an event triggering the compensation of guaranteed deposits as defined by the same Law, the Bonds have been written off or converted into the Bank's ordinary shares in accordance with the procedure set forth in Section 2.3.10 of the Prospectus. In accordance with the Law of the Republic of Armenia on "Guaranteeing the Compensation of Bank Deposits of Natural Persons," the compensation of bank deposits is guaranteed in the following amounts:

- if an investor holds only an AMD-denominated bank deposit with the insolvent bank then the guaranteed amount of the funds shall be AMD 16mln;
- if an investor holds only a foreign--currency bank deposit with the insolvent bank guaranteed amount shall be AMD 7mln;
- if an investor holds both AMD and foreign-currency bank deposits with the insolvent bank and the amount of the AMD-denominated deposit is over AMD 7 mln, then only the AMD-denominated amount of the deposit shall be guaranteed, up to AMD 16mln.
- if an investor holds both AMD and foreign-currency bank deposits with the insolvent bank and the amount of the AMD deposit is less than AMD 7 mln, the entire amount of AMD-denominated deposit shall be guaranteed, and the foreign-currency deposit shall be guaranteed up to the difference between the AMD 7 mln. and the guaranteed amount of AMD bank deposit.

All AMD-denominated deposits held by an investor with the same bank, including the investments in Bonds, shall be considered as a single deposit, except for non-guaranteed deposits, and all deposits in foreign currency of the investor in the same bank, including the investments in Bonds, shall be considered as one deposit, with exception for non-guaranteed deposits.

When calculating the amount of the guaranteed deposit payable, the AMD-denominated deposits shall be calculated first, followed by deposits in foreign currency.

A compensation case in respect of guaranteed deposits (hereinafter referred to as Compensation Case) shall mean the recognition of a bank as insolvent in the manner prescribed by the RA Law on "Bankruptcy of Banks, Credit Organizations, Investment Companies, Crypto-Asset Service Providers, Investment Fund Managers, and Insurance Companies" together with confirmation by the Board of CBA that the bank is unable to return deposits within the terms defined by law and under contracts, or declaration of the bank as bankrupt in the manner prescribed by the RA law on "Bankruptcy of Banks, Credit Organizations, Investment Companies, Crypto-asset Service

Providers, Investment Funds Managers, and Insurance Companies" (hereinafter, in all such cases, the "Insolvent Bank").

IMPORTANT TO NOTE:

Bond issuance and placement processes initiated during 2026 must be fully executed and completed no later than December 31, 2026.

Due to legislative amendments effective as of January 1, 2027, the priority order for satisfying the claims of the Bank's creditors has been revised - applicable both in the event of the Bank's (Issuer's) voluntary liquidation and in bankruptcy proceedings.

1. If the liquidation of the Issuer is due to the Issuer's bankruptcy arising after January 1, 2027, then obligations shall be satisfied out of the liquidation assets in accordance with the specific priority order stipulated in Part 2 of Article 31 of the Law of the Republic of Armenia on "Bankruptcy of Financial Organizations" amended pursuant to the RA Law HO-364-N on "Amendments and additions to the Law on "Bankruptcy of Banks, Credit Organizations, Investment Companies, Crypto-asset Service Providers, Investment Funds Managers, and Insurance Companies." adopted on July 3, 2026, and becoming effective from January 1, 2027.

2. In the event that a voluntary liquidation of the Issuer (i.e., a liquidation not resulting from bankruptcy) occurs after January 1, 2027, the creditors' claims shall be satisfied out of the liquidation assets in accordance with the new priority order established by the amended provisions of the RA Law on "Banks and Banking" which will come into effect by the same date (see Clause 2.3.3 of this Prospectus).

2.3.6. Description of the rights derived from securities: Bondholders are entitled to the following rights:

- to receive coupon incomes provided by Bonds in the manner defined. The investors shall not perform any additional actions in order to exercise the right to receive the coupon income and the Bonds coupon income is remitted by the Issuer to the bank account of the investor;
- to undertake legal actions to satisfy the requirements following from the ownership rights of the Bonds if the Issuer delays to remit Bonds coupon income;
- to pledge the Bonds in the manner defined by law;
- to alienate the Bonds in stock exchange (if listed and transferable) or in foreign exchange in the manner defined by law, provided that the investors shall consider that the securities transferable in the regulated market may not be sold outside the regulated market with exception for the transactions concluded by CBA which are potential transactions between CBA and specialized companies of the financial market, as well as the issuer's transactions on buy-back/repurchase and purchase of securities issued by the Issuer.

Meanwhile, the Bondholder shall remit/transfer the necessary amount of funds for purchase of Bonds to the corresponding bank account (will be published under the final terms for each tranche) within the terms defined under the terms of Bonds issuance, fulfill any financial and non-financial obligations arising from purchase, alienation and other actions related to Bonds, as well as comply with other obligations provided by law.

The rights arising of the bonds are not limited.

2.3.7. Interest rate of coupon and conditions of its payment

2.3.7.1. Coupon income will be calculated and paid for Bonds, which is subject to determination of the Management Board of the Bank.

2.3.7.2. The expected coupon yield on the bonds will be paid for each bond tranche at the frequency approved by the Issuer's Executive Body (Management Board).

2.3.7.3. The expected coupon income for Bonds will be calculated in USD, and will respectively be paid in USD to the investors.

2.3.7.4. The coupons will be paid to the Bondholders and/or nominal holders on the coupon's calculation date. If the calculation day is a non-working day, then the coupon payment date will be considered the first working day following that date.

2.3.7.5. The right to receive coupons (interest) belongs to those persons who are registered in the registry of bondholders/nominal holders as of the closing date of the registry preceding the day of calculation of Bonds coupons. The registry of Bondholders/nominal holders shall be closed at 18:00 of the day preceding the regular calculation date of Bond coupons, i.e. the Bonds holders/nominal holders who have been registered in the registry after the specified time are not entitled to receive coupon payment for the previous coupon period (the previous six months).

2.3.7.6. The Issuer shall prepare a reference/statement regarding the persons (holders or nominal holders) who are entitled to receive Bond coupon payments on the day of coupon redemption based on the register of Bonds holders and/or nominal holders including the data necessary for remittance of the coupon payments.

2.3.7.7. The amounts designated for coupon payments shall be paid to the bondholders/nominal holders in the case of US dollars with an accuracy of 100 cents (where rounding shall be carried out according to the rules of arithmetic rounding, to the nearest decimal integer). Under the rule of arithmetic rounding, the method is that the integer is not changed if the rounding decimal unit is from 0 to 4 and it is increased by 1 unit if the rounding decimal unit is from 5 to 9.

2.3.7.8. The Issuer will pay the coupon amounts in non-cash form, by remitting/transferring them to the bank accounts specified in the registry of Bondholders and/or nominal holders.

2.3.7.9. If the bank account numbers specified in the registry of Bondholders and/or nominal holders are wrong, the Bank inquires the Central Depository of RA in order to verify the bank account number and carry out the corresponding remittance. If there is no correct account number available in the registry, the payment will be made to the investor in person at the Head office of the Bank.

2.3.7.10. The accumulation of the coupon will be carried out according to the following formula:

$$AI = FV \times \frac{C}{k} \times \frac{DCS}{DCC}$$

- ***AI*** *is the accumulated coupon income;*
- ***FV*** *is the nominal/face value of one Bond;*
- ***C*** *is the annual coupon interest rate in % percentage;*
- ***k*** *is the number of coupons paid in one year, i.e. frequency of payment (ex.: in case of semi-annual payment k=2);*
- *Convention of calculation of days for the Issuer's Bonds is Actual/Actual, whereby:*
  - ***DCS*** *is the number of days between the date of coupon redemption / beginning of coupon accumulation date, preceding the settlement, and the transaction/trade date, in case of respective convention [D2M2Y2-D1M1Y1];*
  - ***DCC*** *is the number of days in coupon phase in case of respective convention [D3M3Y3-D1M1Y1];*
  - ***D1M1Y1*** *is the date of coupon redemption/beginning of coupon accumulation preceding the transaction execution date;*
  - ***D2M2Y2*** *is the date of transaction,*

- ***D3M3Y3*** *is the date of coupon redemption/beginning of coupon accumulation following the transaction.*

2.3.7.11. Cases of non-payment of coupon income:

Coupon income against bonds, fully or partially, shall not be payable if this results in a violation of any of the Bank's prudential standards set forth in Regulation 2 or the consolidated threshold set forth in accordance with the "Procedure for setting and calculating thresholds above the capital adequacy ratio of banks" approved by Decision No 16 of the Board of the Central Bank of the Republic of Armenia dated February 4, 2019, or improper fulfillment of liabilities not included in the Bank's capital (hereinafter referred to individually or collectively as the "Case of Non-Payment of Coupons").

If on the scheduled coupon income calculation and payment day a non-payment of Coupons occurs the Bank shall, at least 5 (five) business days before the coupon payment date, inform investors about the non-payment of Coupons, its reasons and non-payment of the coupon income at least by publishing on its website (in the case of partial payment, indicate the amount of the partially paid or unpaid coupon). Coupon income for bonds is not subject to payment in the cases specified in clause ***2.3.10*** of the Prospectus. In the event of non-payment of coupons (including if the Bank has not notified investors of this in accordance with the procedure specified in this subchapter of the Prospectus), as well as in the cases specified in clause ***2.3.10*** of the Prospectus, full or partial non-payment of coupon income is not subject to accumulation and payment in the future, and does not constitute a failure to fulfill or improper fulfillment of obligations by the Bank.

2.3.8. Bond maturity date:

The Bonds do not have a defined maturity date (they are perpetual).

2.3.9. Early redemption option:

2.3.9.1. The Bonds are provided with an early redemption/repurchase option exclusively at the initiative of the Issuer (hereinafter also referred to as the Call Option).

2.3.9.2. The Call Option may be exercised only if all of the following conditions are met:

1) The Issuer has applied for and received the preliminary consent of the Central Bank of the Republic of Armenia for the early redemption/repurchase of the Bonds,

2) The difference between the date of early redemption/repurchase of the Bonds and the date of commencement of the placement of the Bonds is at least 5 calendar years, except when there have been such changes in tax legislation or regulation, in the presence of which the funds could not be attracted or could not meet the Minimum Requirements, and in the reasonable opinion of the Central Bank of the Republic of Armenia, the Bank could not have foreseen the change at the time of attraction of the funds.

2.3.9.3. If the conditions set forth in the previous clause are met, the Bank may exercise the Call Option at any time. Moreover, the receipt of the CBA's prior consent in itself cannot be interpreted or qualified as an obligation for the Bank to exercise the Call Option.

2.3.9.4. After receiving the preliminary consent of the Central Bank of the Republic of Armenia, in order to exercise the Call Option, the Bank shall be obliged to inform investors about the early redemption/repurchase of the Bonds at least 30 (thirty) days before the date of early redemption/repurchase of the Bonds (hereinafter referred to as the Call Option Exercise Date), but not earlier than 60 (sixty) days in advance, at least by publishing it on its website, including by indicating the date of exercise of the Call Option, the redemption/repurchase price of the Bonds, as well as information that the Bank has applied for and received the preliminary consent of the Central Bank of the Republic of Armenia in order to exercise the Call Option (including the dates of applying for and receiving the preliminary consent).

2.3.9.5. Early redemption/repurchase of Bonds is carried out for the entire volume of the Bonds of the given tranche (partial redemption/repurchase cannot be carried out).

2.3.9.6. Early redemption/repurchase of Bonds is carried out at the nominal value of the Bonds.

2.3.9.7. The redemption/repurchase amounts of the Bonds (the nominal value of the Bonds and the accumulated coupon income) are paid to the Bondholders/Nominal Holders on the Call Option exercise date. Moreover, the Call Option exercise date is set in accordance with the days of calculation of coupons. If the Call Option exercise date is a non-working day, the redemption/repurchase amounts are paid on the working day following the Call Option exercise date.

2.3.9.8. The Issuer shall pay the redemption/repurchase amounts of the Bonds in a non-cash manner by transferring them to the bank accounts specified in the register of Bondholders/Nominal Holders. In case of absence or incorrect bank account numbers specified in the register of Bondholders and/or Nominal Holders, the amount will be transferred/frozen to the account opened for that purpose at the Bank, and the Bank will make all reasonable efforts to locate and transfer the amount to the investor. In case of impossibility of locating the investor, the Issuer shall deposit the amount due with a notary or court (in cases specified by law) in accordance with the legislation of the Republic of Armenia.

2.3.9.9. Payments for redemption/repurchase of the Bonds will be made in the currency of issuance of the Bonds.

2.3.9.10. Taking into account the currency of the nominal value of the Bonds and the need for possible interbank transfers in connection with the redemption/repurchase of the Bonds (if the investor's account in Armenian drams or foreign currency is not located at the settlement bank), investors should note that the commission fees associated with the transfer of redemption/repurchase amounts (interbank transfers) must be paid at the investor's expense, therefore such investors will receive the redemption/repurchase amounts with deductions in accordance with the tariffs in force at the respective Bank and other intermediary banks (if any).

2.3.9.11. In addition to the Call Option, the Bonds may be redeemed/repurchased early also in the event that the Bonds cannot be included (partially or in full) in the calculation of the Bank's additional tier 1 capital due to non-compliance with the Minimum Requirements of the Bonds Issuance terms in the Prospectus. During the period when the Bonds are included in the calculation of the Bank's Additional Tier 1 capital, the prior consent of the Central Bank of the Republic of Armenia is required for their early redemption or repurchase. In the event of the occurrence of the specified event, the Bank has the right to redeem/repurchase the Bonds early, in which case the Bank shall inform investors about the early redemption/repurchase of the Bonds at least 30 (thirty) days before the date of early redemption/repurchase of the Bonds, but not earlier than 60 (sixty) days before, at least by publishing it on its website, including indicating the date of early redemption/repurchase, the price of redemption/repurchase of the Bonds and the reasons.

2.3.10. Cases of write-off or conversion of Bank shares

2.3.10.1. In the event of deterioration of the Bank's financial condition, the amount raised/attracted by the Bonds shall, at the Bank's option/discretion:

1) be written off (hereinafter referred to as the Write-off), or
2) be redeemed by the Bank, and the redeemed amount shall be immediately directed to replenish the Bank's authorized capital in the form of ordinary shares of the Bank (hereinafter referred to as the Conversion). In the case of Bonds issued in USD, the amount directed to replenish the Bank's authorized capital shall be converted into Armenian drams based on the average exchange rate of the Armenian dram against the

given foreign currency announced by the Central Bank of the Republic of Armenia for the conversion date, formed in the currency markets.

2.3.10.2. The Write-off and Conversion options cannot be applied simultaneously for the same series of Bonds, except for the case specified in paragraphs ***2.3.10.8*** and ***2.3.10.9***.

2.3.10.3. The Write-off and Conversion are carried out in proportion to the Bonds owned by investors and in the total amount that, in the opinion of the Central Bank of the Republic of Armenia, is necessary to eliminate (mitigate) the grounds for the deterioration of the Bank's financial condition (hereinafter referred to as the Necessary Amount), but not more than the nominal value of the Bonds. Moreover, in the event of the deterioration of the Bank's financial condition, the Write-off and Conversion of each series of Bonds are carried out proportionally, based on the values of all financial instruments included in the Bank's additional tier 1 capital, using the following formula:

$$ՖԳ_{վի} = \frac{ՖԳ_i}{\sum_{i=1}^{n} ՖԳ_i} \times ԱԳ_վ$$

Where:

- $ՖԳ_{վi}$ is the amount required for the write-off or conversion into capital of the i-th financial instrument that is subject to Write-off or Conversion.
- $ՖԳi$ is the total nominal value or original principal amount of the i-th financial instrument included in the Bank's additional tier 1 capital.
- n is the number of financial instruments included in the Bank's additional tier 1 capital.
- $ԱԳ_վ$ is the amount necessary to eliminate (mitigate) the grounds for the deterioration of the bank's financial condition.

2.3.10.4.

For the purpose of this clause, deterioration of financial condition (hereinafter referred to as the Deterioration of Financial Condition) shall be considered the occurrence of any of the following situations:

1) The adequacy of the Bank's Tier 1 core capital does not exceed the limit of 7.061%,

2) The Central Bank of the Republic of Armenia notifies the Bank in writing that the assessment score calculated by the CBA has deteriorated or may deteriorate from the established/defined amount,

3) The CBA notifies the Bank in writing that, without the CBA or other state support, any of the grounds specified in the RA law on "Bankruptcy of Banks, Credit Organizations, Investment Companies, Crypto-asset Service Providers, Investment Funds Managers, and Insurance Companies" will arise (may arise).

2.3.10.5.

Immediately after the occurrence of any event of Deterioration of the Financial Condition, but no later than the 5th (fifth) business day following it, the Bank, at least by publishing on its website, informs investors about the Deterioration of the Financial Condition, indicating the date of its occurrence, reasons and other details, as well as the measure selected by the Bank (by decision of the Bank's Management Board) to eliminate (mitigate) the grounds for

the Deterioration of the Financial Condition: Write-off or Conversion, the volume of Bonds subject to Write-off or Conversion in the required amount, the terms and process of implementing the relevant measure, as well as the information specified in clause ***2.3.10.8***

2.3.10.6.

From the date of informing investors about the Deterioration of the Financial Condition by the Bank in accordance with the procedure specified in clause ***2.3.10.5*** until the date of completion of the Write-off or Conversion, the accrued coupon income of the Bonds shall not be subject to payment.

2.3.10.7.

In case of Write-off, the Bonds shall be written off at nominal value on the business day following the day the Bank notifies investors of the Deterioration of the Financial Condition in accordance with the procedure specified in clause ***2.3.10.5***, as a result of which all rights arising from the Bonds specified in the Prospectus shall cease.

2.3.10.8.

In case of Conversion, the Bank provides the investors with the option to carry out Write-off instead of Conversion in respect of the Bonds they own, informing investors about this simultaneously with informing them about the Deterioration of the Financial Condition in accordance with the procedure specified in clause ***2.3.10.5***. Investors may notify the Issuer of their preference/decision for Write-off within 10 (ten) business days from the date of being notified about the Deterioration of the Financial Condition in accordance with the procedure specified in clause ***2.3.10.5***. Notifications by investors within the scope of this sub-clause (hereinafter referred to as "Notifications") must be made in writing and sent to the Issuer's email address specified in this Prospectus (info@idbank.am), indicating the Issuer's Executive Director (Chairman of the Management Board) and Chief Financial Officer as addressees. Notifications shall be deemed provided upon their actual receipt.

2.3.10.9.

On the day following the expiry of the 10-day period specified in clause ***2.3.10.8***, the given series of Bonds shall be subject to Write-off in the amount for which the Bank has received the Investors' Write-off Preference Notices in accordance with clause ***2.3.10.8***. The remaining part of the given tranche of Bonds shall be subject to Conversion in accordance with the procedure specified in clause ***2.3.10.10***.

2.3.10.10.

In case of Conversion, after the expiry of the 10-day period specified by the Bank in clause ***2.3.10.8***, the Bank shall plan an additional issuance and placement of ordinary shares of the Bank, taking into account the part of the given series of Bonds written off in accordance with the procedure specified in clause ***2.3.10.9***.

2.3.10.11. Upon conversion, the Bondholder is issued the Bank's ordinary shares in an amount equivalent to the volume (nominal value) of the Bonds they hold. For the purpose of conversion, the price (value) of one ordinary share of the Bank is set equal to the prevailing market (or fair) value of the Bank's ordinary share at that time (as of the date of the conversion).

The number of ordinary shares to be issued to each Bondholder as a result of the conversion is calculated using the following formula:

$$Q = \frac{V_{bond}}{P_{stock}}$$

Where:

Q is the quantity of the Bank's ordinary shares provided to the investor as a result of the conversion;

V_bond is the total nominal value of the bonds held by the investor that are subject to conversion (in AMD or foreign currency);

P_stock is the established market (fair) value of one ordinary share of the Bank as of the date of the conversion event.

For the purpose of conversion, the market value of the Bank's ordinary shares is determined by taking the maximum of the following values:

1) the Bank's equity capital for the financial year preceding the Conversion Date, as per the annual report confirmed by the independent auditor;

2) the Bank's equity capital published for the semi-annual period preceding the conversion date.

Note: If the applied formula results in a fractional number of shares, the figure shall be rounded up to the nearest whole number if the fractional part is 0.5 (half of a whole) or greater, and rounded down to the nearest whole number if the fractional part is less than 0.5.

2.3.10.12.

If, as a result of the Conversion of Bonds into ordinary shares of the Bank, the number of shareholders of the Bank exceeds 49, the Bank is obliged to reorganize/restructure into an open joint-stock company within 1 (one) year after that moment or reduce the number of shareholders accordingly.

2.3.10.13.

Within 3 (three) business days following the date of determination of the final market value of the Bank's shares in accordance with the procedure specified in clause ***2.3.10.11*** and the date of making the decision on the Conversion (including the issuance of additional ordinary shares of the Bank) in accordance with the Bank's internal procedures, the Bank shall, at least by publishing on its website, inform investors of the details of the Conversion process, including specifying: the number of additional shares of the Bank to be issued, the conversion ratio of the Bonds to the Bank's ordinary shares (hereinafter referred to as the Conversion Ratio) indicating 1 (one) Bond for the number of ordinary shares of the Bank, on the Conversion Day.

2.3.10.14.

Within 5 (five) business days after the Bank notifies the investors in accordance with the procedure specified in clause ***2.3.10.13***, the Bank shall redeem the Bonds in the Required Amount, and the additional ordinary shares of the Bank shall be transferred to the investors with the nominal value of the Bonds owned by them in accordance with the Conversion Ratio. Moreover, in the event of Conversion, the redeemed amount of the Bonds shall not be transferred to the investors, but shall be immediately directed to the replenishment of the Bank's authorized capital.

2.3.10.15.

In the event of a Write-off or Conversion, investors are not required to take any additional actions.

2.3.11. Annual profitability/yield of securities:

The coupon (interest) yield is subject to decision by the Bank's Management Board.

2.3.12. Brief information about new issuance:

The decision on the issuance of Bonds was made at the Bank's Management Board meeting dated DD/MM/2026 (Minutes number VN-2026/8-204, decision No. 314-L) and was approved by the Bank's Council Meeting Minutes dated 25/08/2026, according to which the procedure for the placement of bonds, including the nominal value of the bonds, frequency of coupon payments, involvement of additional placement agents, listing of bonds on the regulated market after placement, and further regulations arising from the offering program, shall be considered approved in accordance with the terms endorsed by the Bank's Management Board.

2.3.13. Description of restrictions on free circulation of securities: According to the Charter of the Issuer or corresponding resolution of the respective authorized body of the Issuer concerning the issuance of Bonds no restrictions are defined on issuance of Bonds as well as regarding the investors in vesting in Bonds except for the limitation of the volume of the Bonds purchased by one investor at the Bonds' placement. There is no minimum volume of bonds set for the acquisition of bonds by single investor during the placement period. Free circulation of the Bonds is not restricted with exception for the cases defined by law and regulations. The Issuer will apply to list the Bonds in the regulated market and pursuant to the legislation of RA in force, in case of Bonds' listing, they may circulate thereafter only in regulated market.

2.3.14. A complete and detailed description of the taxation procedure for income from securities:

Important Notice: Despite the fact that the Issuer, making its best efforts and using available knowledge, presents in this section the approaches to taxation of income from securities in the Republic of Armenia, the Issuer wishes to declare that investors should not consider it as tax advice/consultation and rely only on the material presented in this section when making investments. The Issuer does not guarantee that the tax legislation at the time of receipt and familiarization of the Prospectus by the investor will comply with the presented one, or will be applied adequately by the tax authorities of the Republic of Armenia and in any case recommends using the services of specialized tax consulting. The Issuer wishes to declare that it hereby refrains from any liability for any possible claims of any investor related to the application and/or change of tax legislation and taxation mechanisms.

The income earned from the Bonds of the Issuer is subject of profit tax (for legal entities) and income tax (for natural persons).

- **Procedure and description of profit taxation:** RA residents and non-residents are subject to profit tax in RA (are taxpayers) with exception for state administrative bodies of RA, bodies of local self-administration of RA, governmental non-commercial organizations and CBA.

– ***Taxation of resident legal entities.*** taxable profit earned in the territory of RA and out of its borders is considered taxation object for residents. The taxable profit is the difference between the gross income of the taxpayer as defined by article 104 of "Tax Code" of RA and deductions as defined by article 110 of the "Tax Code" of RA. The amount of the profit tax for resident legal entities is calculated on the taxable profit at 18% rate;

– ***Taxation of non-resident legal entities.*** taxable profit earned from Armenian sources is considered taxation object for non-residents. Pursuant to the "Tax Code" of RA passive incomes earned by non-residents from residents or non-residents are also classified as incomes earned from Armenian sources. Whereby, the incomes earned exclusively from activities of other persons in the territory of RA as a result of investment (provision) of property or other assets by non-resident are considered passive incomes, i.e. shares, interests, royalties and other passive incomes. In RA the incomes of the non-residents earned from Armenian sources are taxed by tax agents, at the source of payment of the income. In RA the tax agents withhold profit tax from the incomes of non-residents at the income payment source in the manner defined under the "Tax Code" of RA, at 10% rate.

- From March 1, 2020, non-resident legal entities are exempted from paying profit tax on the interest income received from bonds listed on the RA stock exchange until December 31, 2024, as well as the income received from the sale of said bonds.
- According to Point 5.1 of Article 126 of the Tax Code of the Republic of Armenia, 'Profit tax payers that are non-residents are exempt from profit tax' on income received from the alienation, exchange with other securities, or other similar transactions conducted until December 31, 2027, inclusive, of bonds that are listed (admitted/authorized for trading) on a stock exchange (regulated market) operating in the Republic of Armenia during the period from January 1, 2025, to December 31, 2027, inclusive.

- **Procedure and description of income taxation:**

Natural persons - RA residents and non-residents are subject to income tax in RA (are taxpayers). Moreover, pursuant to article 24 of "Tax Code" of RA a resident is considered to be the natural person who has resided in the Republic of Armenia for a total of 183 or more days or whose center of vital interests is located in the Republic of Armenia, as well as the natural person temporarily working outside the territory of Republic of Armenia while in public service. The location where the family or economic interests of the individual are concentrated shall be deemed as the center of vital interests. In particular, it is considered that the center of vital interests of an individual is located in the Republic of Armenia if their home or apartment where their family resides and his or her (family's) main personal or family property is located, or the place of his or her core economic (professional) activity is based in the Republic of Armenia.

– ***Taxation of resident natural persons.*** taxable income earned in the territory of RA and out of its borders, is considered taxation object for residents. Incomes earned from Bonds – surplus of capital, are not taxable, and for interests the income tax is calculated at 10% rate. At paying incomes to resident natural persons, the of income tax is withheld by the tax agents;

The withholding of income tax (collection) is carried out for each interest payment (Provision effective until February 1, 2020).

From March 1, 2020 in accordance with Article 149 of the Tax Code, income from shares, bonds or other securities listed on a stock exchange operating in the Republic of Armenia, except for bonds issued by banks for which the period from the placement to redemption is less than 2 years, are not subject to taxation on tax on profit.

– ***Taxation of non-resident natural persons.*** For a non-resident, taxable income is considered the income received from Armenian sources. Taxable income is the positive difference between the taxpayer's gross income and the deductions made in accordance with the provisions of the RA Tax Code. The rules for taxing income from bonds and the applicable income tax rate are the same for non-resident individuals.

In accordance with Points 4 and 5 of Part 1 of Article 149, "Income Derived from Securities" of the Tax Code of the Republic of Armenia, the following are exempt from payment of income tax: dividends received between March 1, 2020 and December 31, 2027 inclusive on shares listed (admitted to trading) on the RA stock exchange (regulated market) until December 31, 2027 inclusive; Interest income or discount income received before redemption from bonds that are listed (admitted to trading) on the RA stock exchange (regulated market) until December 31, 2024 inclusive or, with the exception of bonds issued by banks, where the period from issuance to redemption is less than two years.

The Issuer acts as a tax agent for resident and non-resident individuals (in terms of income tax), as well as for non-resident legal entities (in terms of profit tax).

2.4. Terms and conditions of the offer

2.4.1. Terms of the offer, schedule and actions necessary to make use of the offer:

2.4.1.1. The Bonds' placement commencement/start date shall be determined by the Management Board of the Bank. The payment for purchase of Bonds shall be made during the day of submission of each application-order but not later than 16:45 of the same working day.

2.4.1.2. The payment for purchase of Bonds shall be considered properly made upon crediting funds to the bank accounts opened by the Issuer and specified under the final terms of the issuance.

2.4.1.3. If the client credits the amounts to the corresponding accounts later than the deadline specified under the clause *2.4.1.1* (or the next day until 16:45) the application is considered fulfilled at the price defined for the next day, in the amount of securities equivalent to the funds credited, subject to remittance of the remaining balance to the client's account and notification to the client.

2.4.1.4. The persons presenting application-order for purchase of Bonds shall be informed that in the event if their applications-orders are not fulfilled or are partially fulfilled, the retention of the amounts paid for the purchase of Bonds on the special accounts until time of their refund in compliance with the terms of the Bonds' issuance, does not constitute illegal retention of funds or avoidance of refund and no interest will be accrued on them.

2.4.1.5. In case payment for purchase of Bonds by means of bank transfer/remittance, the investors are obliged to bear expenses related to the potential bank commissions at their expense.

2.4.1.6. The applications-orders of the investors who have not paid after their submission within the period defined shall be considered invalid.

2.4.1.7. The funds for the acquisition of the quantity of Bonds specified in the Bond application-order, shall be deposited into the corresponding accounts for Bonds placement funds collection in USD 11800082588500 opened by the Underwriter in the "ID Bank" CJSC.

2.4.1.8. The amount of the funds necessary to pay for purchase of the quantity of Bonds specified in the application-order for acquisition of Bonds is calculated by the following formula:

$$V = P \times Q,$$

Where:

- ***V*** *is the amount of the funds necessary to pay for purchase of the quantity of Bonds specified in the application-order for purchase of Bonds;*
- ***P*** *is the price of the Bond as of the date of submission of the application for purchase of Bonds which is calculated in compliance with the clause* 2.4.3 *of the Prospectus;*
- ***Q*** *is the quantity of Bonds the investor would like to purchase.*

2.4.1.9. **Commencement and completion of the offer implementation**

The precise period, including the date of commencement and completion of the placement of the Bonds, as well as the possibility/option of early redemption of bonds at the initiative of the issuer/call option/ shall be determined by the executive body (Management Board) of the Issuer if the bonds are not included in the Bank's Additional Tier 1 capital. If the bonds are

included in the calculation of the Bank's Additional Tier 1 capital, then the consent of the Central Bank of Armenia is required for the early redemption of the bonds.

Offer of Bonds as well as their placement may be postponed or canceled by the Issuer only in case of Force Majeure.

If the Issuer presents and amendment/supplements the Prospectus during placement due to emergence of any new material circumstance of fact, thereby significantly changing the information contained in the prospectus, at the request of the investor they are obliged to cancel the acceptance of investor and return the funds received from the latter during subscription or buy back the securities sold to the investor before such supplement at least at the price which the securities were acquired from them. The repurchase claim shall be given to the underwriter in writing. The deadline for submitting the repurchase request cannot be shorter than 5 working days from the publication of the prospectus amendment/supplement.

Repurchase of securities and repayment of the funds received at placement shall be carried out by the Bank in non-cash method within 3 working days after the decision on postponement or cancelation.

After the decision to terminate the placement is adopted, the funds received during the placement are returned to investors along with the accumulated coupon income. In such cases the coupon income shall be calculated for the period from the first day of placement until the day of decision making on its termination.

The CBA may suspend the placement of Bonds pursuant to the RA Law on "Securities Market" (hereinafter– the Law).

The placement may be suspended on initiative of the Underwriter only with consent of the CBA, at most for 10 (ten) working days.

If the placement is not continued within 1 day upon the completion of the suspension period, the Bank is obliged to decide on termination of placement, and repay the funds received during the placement to the persons who have purchased the securities in the manner defined by the Law, within 10 (ten) working days upon the completion of the suspension period.

Investors should take into account that if during the placement of the Bonds or after the completion of the placement, before listing on the Armenia Stock Exchange and/or admission to trading, it is identified that the Bonds cannot be included in the calculation of the Bank's additional tier 1 capital due to non-compliance with the Minimum Requirements of the Bond Issuance Terms under the Prospectus, the Bank reserves the right to cancel the placement of the Bonds, terminate the placement, repurchase the securities placed until that moment and redeem them.

Within 1 (one) business day from the date of entry into force of the Issuer's decision on cancellation, the Issuer shall, at least by publishing on its website, inform investors about the cancellation of the placement and the reasons for it. The Issuer shall have the right to repurchase the Bonds at their offer price within 10 (ten) business days after informing investors about the cancellation of the placement of the Bonds (including the coupon amounts accrued before the date of entry into force of the cancellation decision).

If non-compliance with the Minimum Requirements is identified after the Bonds are listed on the Armenia Stock Exchange and/or admitted to trading, the Bonds will be subject to early redemption/repurchase in accordance with the procedure specified in clause ***2.3.9.11*** of the Prospectus.

2.4.1.10. Description of the application process to make a use of the offer

In order to purchase Bonds, the investors shall complete applications-order(s) (**Annex 3, Annex 4**) in the manner defined and properly submit them to the Underwriter thereby confirming their willingness to accept the terms of the Bonds' issuance which will become binding for the investor.

Natural Person investors can also purchase the bonds through submitting application-order(s) (**Annex 5**) on the digital platform, certifying their willingness to accept the terms of the Bond issuance, and through which these conditions will become binding for the investors.

Upon receipt of funds into the corresponding account opened in the Bank, the latter shall present Bonds placement order to the Central Depository in order to transfer respective quantity of Bonds from the Issuer's issuance account and record into the securities' account of the investor or the investor's nominee.

Upon receiving the corresponding confirmation about transfer of Bonds from Depository to the Depo account of the investor or investor's nominee the Bank makes the funds specified in the respective application-order and remitted to the corresponding transit account opened by the Bank for issuance accessible for its use.

After the deadline provided for placement of Bonds the amounts received on the corresponding transit account opened for issuance purposes shall be returned and the corresponding applications-orders may not be satisfied regardless of their delivery time and/or time of receipt by the Bank.

The application-order for purchase of Bonds shall be considered properly delivered to the Issuer/Bank if it is delivered to the Bank through one of the Underwriter's contact means specified below (or is handed in person by visiting the Bank) and its receipt is confirmed by the addressee.

Contacts of the Underwriter:

- **Address:** 13 Vardanants, Yerevan 0010, RA. "ID Bank" CJSC, treasury, treasurer Vahan Hayrapetyan, or any employee from Securities transaction unit by the following means of communication :
- **telephone:** ***+374 10 593395 #(3275) #(3265) #(3505) #(3343)*****,**
- **e-mail**: vahan.hayrapetyan@idbank.am, securitiestransaction@idbank.am

or

- **CBANet**: **Financial Market Department IDBank/CBANet@CBANet, Treasury Operations IDBank/CBANet, or**
- by visiting any branch where the application-order may be completed by employee of the customer service unit.
- by additional means of communication approved by the final terms of each bond issuance by the Issuer's Executive Body (Management Board).

Natural persons and/or legal entities who would like to take part in purchase of Bonds may submit more than one application-order.

At the time of bond redemption, investors shall complete and properly submit to the Underwriter/Issuer the bond redemption application(s) (Annex 6), certifying their willingness to accept the terms of the bond redemption, and by which those terms will become binding for the investors.

2.4.1.11. **Application recalling period:** the applications-orders of the investors who have not paid after the submission of the applications-orders within the period defined are considered invalid and do not participate in placement. With exception of aforementioned cases,

the investors may not recall the applications-orders after they properly delivered them, received the confirmation/notice on their receipt from the Bank, and paid for them.

2.4.1.12. **Minimum and maximum amounts of purchase applications:** During the issuance, there may be quantitative and monetary restrictions on the acquisition of Bonds. If such a decision is made by the Bank's Management Board, it will be reflected in the final terms of the issuance of given Bonds.

2.4.1.13. **Methods of payment for securities:** Legal entities and/or natural persons pay for purchase of Bonds issued by the Issuer to the corresponding transit account opened by the "ID Bank" CJSC. After satisfaction of respective applications-orders the investors may receive extract about ownership to the securities from the Custodian or Account Operator upon notification about satisfaction of their applications-orders by the Issuer.

2.4.1.14. **A Complete description of the format and timelines for publishing the results of the offer:** the results of placement will be posted on the Bank's website 10 days after the issuance.

2.4.1.15. **Description of execution of the right of priority:** the Bonds placement will be conducted based on the order of receipt of the applications-orders for Bonds purchase and receipt of payments made in relation to them, i.e. priority will be given to those investors whose payments, according to the applications-orders have been credited to the corresponding transit account opened in the "ID Bank" CJSC for issuance purposes. There are no persons who have priority to purchase issued Bonds.

2.4.2. Bond placement plan

2.4.2.1. **Target groups of investors:** the Bond offer is aimed towards the RA resident and non-resident natural persons and legal entities. The offer for nominal Bonds of the Bank will be carried out in form of free sale, through the Bank's branches.

2.4.2.2. **Ways of notification about satisfaction of applications:** the investors shall be notified by the Issuer about satisfaction of their applications-orders before end of the working day following the day of submission of their applications-orders. The investors shall be notified about satisfaction of their applications-orders through the same communication means through which they submit their applications-orders. Investors who visited any of the branches of the Bank and completed the applications-orders with help of the branches' employees shall visit the Bank and be informed about the satisfaction of their applications-orders by the employees who had completed the applications-orders.

2.4.3. Price of the offer: During the placement the full sale price of Bonds for each 100 units of nominal value shall be calculated from the first day of placement, as follows:

$$P = AI + FV$$

where:

- P is the full bond price,
- AI is the accumulated coupons, which are determined by the formula specified in clause ***2.3.7.10*** of the Prospectus.
- FV is the bond's face value.

On the day of the commencement of the placement, the full sale price of the Bond is equal to the nominal value of the Bond. Prior to the commencement of the placement, the sale price of the Bonds for the entire placement period, by day, will be published on the Bank's

website. In case of payment for the purchase of Bonds by bank transfer, investors are obliged to cover the costs associated with possible bank commissions at their own expense.

After the announcement of final terms of the issuance until the beginning of the placement, the sale price of Bonds will be published on the website of the Bank for the full period of the placement, broker down per days. In case of payment for purchase of Bonds by bank remittance the investors shall bear expenses related to the possible bank commissions at their expense. The investors shall also open personal depo account for registration of securities with Depository or other licensed sub-custodian and bear expenses thereof.

After announcing the final terms of the repurchase, the purchase price of the bonds for repurchase will be published on the Bank's website. In the case of payment for the redemption of bonds by bank transfer, investors are obliged to cover the costs related to possible bank commissions at their own expense.

2.4.4. Placement

2.4.4.1. The underwriter of the Bonds issued under this Prospectus shall be "ID Bank" CJSC.

2.4.4.2. The Issuer has the right to involve an additional underwriter for the issuance of each Bond Tranche by the decision of the Executive Body of the Bank (Management Board) by concluding secured or unsecured placement contracts/agreements.

2.4.4.3. **List of banks accepting payments:** the payment for the Bond shall be remitted to the corresponding transit account opened in the "ID Bank" CJSC (13 Vardanants, Yerevan 0010, RA). If the investor will be purchasing Bonds through his/her brokerage company the details of the payment shall be clarified with the broker. Accounting and/or registration of the rights to the Bonds of the Issuer (keeping of the register of owners/nominal owners) will be carried out by the Depository which will act as General Custodian in accordance with the legislation of RA and rules of the organization. The Bonds may be also accounted by any custodian licensed by the CB of RA (sub-custodian of Depository) by opening and maintaining securities' account for the owner/nominal owner with that custodian. The address of the Depository is Yerevan 0010, Vazgen Sargsyan 26/1, Erebuni Plaza business center, 5th floor, (tel. +374 60 615555). Account Operator of the Bonds Registry is the "ID Bank" CJSC. Before purchase of Bonds, the investors shall open personal depo account on registration of Bonds with Depository or another licensed sub-custodian.

2.5. Trading authorization and trade organization

2.5.1. Trading authorization: After registration of this Prospectus by the CBA and placement of Bonds, the Bank will apply to the "Armenia Stock Exchange" OJSC in order to list the placed Bonds in the regulated market and/or obtain authorization for trade. If the trading authorization is not granted the placement will be considered annulled; in case of Bonds in foreign currency - in the manner defined under the clause *2.4.1.9* approved by this Program Prospectus.

2.5.2. Trade markets: At present the Bonds being registered by the Issuer under this Prospectus are not admitted for public trade in any trade market.

2.5.3. Market makers: After the completion of placement of Bonds, the Bank may conclude respective contract with an entity (Market Maker) that facilitates the activation of sales/trade in secondary market for the purpose of establishing market for the Bank's Bonds. The market maker will quote purchase and sale of Bonds in the "Armenia Stock Exchange" OJSC.

2.6. Additional information

2.6.1. Consultants involved: The Issuer did not use the services of other consultants during the preparation of this Prospectus.

2.6.2. Auditor's conclusion: Information represented in this prospectus has not been audited by any independent auditing companies with exception for the historic financial statement presented by the Issuer in this prospectus which have been audited by independent auditing companies. The copies of financial statements and respective conclusions of the independent auditing organizations are presented under the Annex 8 hereto.

2.6.3. Information obtained from third persons/parties: No third parties have been involved as sources for obtaining information presented in this section.

2.6.4. Ratings granted: No ratings have been granted/assigned to the Bonds being issued.

3. SECTION 3. INFORMATION ABOUT THE ISSUER OF BONDS

3.1. Independent auditors

The independent audit of the Bank for the years 2021 and 2022 was carried out by "KPMG Armenia" CJSC. "KPMG Armenia" CJSC is a member of the independent KPMG network included in KPMG International Cooperative. The address of "KPMG Armenia" CJSC is: 26/1 Vazgen Sargsyan street, "Erebuni Plaza" Business Center, 8th floor, Yerevan 0010, Republic of Armenia, tel.: +37410 566762, website: www.kpmg.am, e-mail: general@kpmg.co.am. The General Director of "KPMG Armenia" CJSC is Irina Gevorgyan.

The independent audit of the Bank for the years 2023–2025 was conducted by "Ernst & Young" CJSC. "Ernst & Young" CJSC is a member firm of Ernst & Young Global Limited. The address of "Ernst & Young" CJSC is: 2 Vazgen Sargsyan street, "Kamar" Business Center, 7th floor, Yerevan 0010, Republic of Armenia, tel.: +37460 507777, website: ey.com/am, e-mail: yerevan@am.ey.com. The General Director of "Ernst & Young" CJSC is Erik Hayrapetyan.

3.2. Risk Factors

3.2.1. The Bank operates a modern risk management system aimed at identifying and managing existing and potential risks. The following principal types of banking risks are considered for the purposes of risk management:

- **Credit risk;**
- **Liquidity risk;**
- **Interest rate risk;**
- **Foreign currency risk;**
- **Operational risk;**
- **Country risk.**

3.2.2. Management of credit risk

Credit risk management is carried out not only by defining the credit risk appetite and assessing the overall riskiness of the Bank's portfolio, but also through the development, validation, and continuous improvement of scoring models for evaluating borrower behavior and creditworthiness, with the objective of implementing models based on machine learning (ML) and

artificial intelligence (AI). These models enable increased accuracy and speed of credit decisions through automated and data-driven assessments, while simultaneously reducing the impact of human factors and operational risks.

For the purpose of mitigating risks during the lending process, the Bank is guided by the following principles:

- ✓ Availability of the loan purpose and repayment sources;
- ✓ Availability of collateral and assessment of its sensitivity to economic and market developments, as well as its compliance with the loan-to-collateral ratio limits;
- ✓ Current situation of the economic sector in which the potential borrower operates, the applicant's experience in that sector, the applicant's position within the sector, the level of competition and the competitive environment;
- ✓ Existence of an operating business, a stable level of net gross income and/or a positive credit history of the potential borrower;
- ✓ Establishment of threshold indicators characterizing the financial condition of the potential borrower.

The analysis of assets containing credit risk by economic sectors as of 30.06.2026 is presented below

Loans as of 30.06.2026, including	Balance of loans granted to customers (thousand AMD)
Trade and Finance	42,922,610
Leisure	16,819,950
Real Estate	18,803,358
Construction	11,911,137
Industry	10,393,345
Service	5,530,532
Energy	3,912,672
Transport and Communication	1,571,774
Mining	3,094,434
Agriculture, Forestry and Wood Processing	74,173
Other	8,036,195
Loans Provided to Individuals	175,532,711
	298,602,891
Reserve for Impairment	(6,182,346)

The analysis of the quality of assets containing credit risk as of **30.06.2026** is presented below.

Loans as of 30.06.2026, including	Balance of loans granted to customers (thousand AMD)	Provision for loan impairment (thousand AMD)
Loans to Individuals, including	**175,532,711**	**4,029,327**
Basket 1	166,435,027	1,046,591
Basket 2	5,222,839	528,954
Basket 3	3,874,845	2,453,782
Corporate Loans, including	**123,070,180**	**2,153,019**
Basket 1	122,100,802	1,564,012
Basket 2	212,266	42,990
Basket 3	757,112	546,017
Total	**298,602,891**	**6,182,346**

- **Basket 1** includes performing financial instruments with a slight increase in risk since issuance.
- **Basket 2** includes performing financial instruments with a significant increase in risk since issuance.
- **Basket 3** includes financial instruments that are recognized as defaulted and/or impaired.

3.2.3.

The table below presents the information required to assess the financial condition of the Bank in accordance with the main economic/prudential regulatory acts/standards established by the Central Bank of the Republic of Armenia for the supervision of banking activities, in particular, by potential investors.

	Permissible amount set by the Central Bank of Armenia	**Actual amount as of 30.06.2026**	**Actual amount as of 31/12/2025**	**Actual amount as of 31/12/2024**
The ratio of the bank's total capital to sum of risk-weighted assets *	**Minimum 11%**	17.2%	18.8%	19.3%
Liquidity Coverage Ratio (LCR)	**Minimum 100%**	206.9%	171.4%	162.1%

Net Stable Funding Ratio (NSFR)	**Minimum 100%**	125.2%	129.7%	118.7%

* **From June 1, 2023, the new capital adequacy ratio N1 has been in effect, with the minimum threshold set at 11%.**

3.2.4. Management of Liquidity Risk

In order to assess and limit liquidity risk, the Bank monitors on a daily basis both principal economic liquidity normatives/ratios (general, current, LCR and NSFR liquidity ratios) and the Bank's internal limits, which are more stringent than the regulatory requirements.

In addition, liquidity risk is managed through the Liquidity Gap (GAP) model and stress testing.

The **Liquidity Coverage Ratio (LCR)** is calculated as the ratio between the Bank's high-quality liquid assets and net cash outflows. Net cash outflows represent the difference between the total expected cash outflows and cash inflows over the next 30 days.

The Net Stable Funding Ratio (NSFR) is calculated as the ratio between the stable funding available to the Bank and the stable funding required by the Bank.

As of 30.06.2026, the values of LCR and NSFR amounted to 207% and 125%, respectively, within the set minimum limit of 100%.

According to the stress tests conducted, in the event of a 40% outflow of deposits of natural persons, the value of the N23 liquidity ratio would amount to 182%.

3.2.5. Interest rate risk management

In order to assess and limit the interest rate risk, the Bank taking into account the interest rates available in the market, assesses them and aligns with the indicators available in the market, continuously controls the gap between the terms of interest sensitive assets and liabilities, and in case of any change of market interest rates immediately reacts to minimize the risk of possible losses due to such changes. According to the stress tests conducted, as of 30.06.2026, in the event of an adverse increase in the interest rates of assets and liabilities by 1% and 4%, respectively, the Bank's losses would not exceed 2% of the Bank's total capital.

3.2.6. Management of foreign currency risk

From the perspective of managing foreign currency risk, the Bank aims to avoid foreign currency exposure and primarily pursues a closed foreign currency position policy. According to the stress tests conducted, as of 30.06.2026, in the event of a 10% fluctuation in the USD exchange rate, the Bank's losses would not exceed 3.0% of its total capital, even in the event of a shortfall of foreign currency position resulting from the conversion of 10% of all AMD-denominated liabilities into foreign currency.

3.2.7. The operational risks in the Bank

The Bank operates under the principle of "from prevention to rapid response" in order to ensure effective operational risk management. For this purpose, the Bank continuously monitors risks, maintains a database of operational incidents and identifies fraud risks.

The Bank has established operational risk tolerance indicators (risk appetite), including fraud risk appetite. Depending on the predefined thresholds, appropriate control and preventive measures are implemented to minimize the impact of risks.

The Bank plans to implement tools based on artificial intelligence (AI) and machine learning (ML) for the automated detection, analysis and classification of operational risks. These technologies will enable the Bank to:

- identify risk events and suspicious transactions in real time;
- apply predictive analytics to prevent high-risk events;
- reduce the likelihood of human error and enhance the accuracy of risk management.

The Bank continuously invests in the development and modernization of information security systems, ensuring compliance with international best practices while strengthening measures for the prevention and mitigation of online fraud.

3.2.8. Country risk

For the purpose of country risk management, the Bank assesses the country risk where a counterparty is registered and/or actually operates when entering into asset transactions exceeding the equivalent of AMD 4 billion in aggregate with organizations registered or operating in other countries, opening correspondent accounts and assuming off-balance sheet contingent liabilities, both at the time of the first transaction with the respective country and thereafter.

For the purposes of country risk assessment, the Bank relies on the sovereign credit rating assigned to the respective country by one of the international rating agencies (Moody's, Standard & Poor's or Fitch).

Based on the ratings assigned by the international rating agencies, the Bank establishes maximum benchmarks for the aggregate balance of correspondent accounts maintained in the respective country and the aggregate amount of assets placed therein (including off-balance sheet contingent liabilities).

3.2.9. Risk of an emergency in the country/world (e.g. the risk of pandemic)

The Issuer may also be exposed to this type of risk. In such circumstances, the country's macroeconomic environment may change, which may, in turn, adversely affect the Issuer's key performance indicators. Consequently, the Issuer may incur losses, which could have a negative impact on its profitability.

3.2.10.

Investors should be aware that the risks described above do not represent all the risks that the Bank may ever face. The Bank has disclosed only those risks that it considers to be material. There may be additional risks that the Bank does not currently consider material or that are presently unknown to it, and any such risks may result in the partial or total loss of the funds invested by an investor.

3.3. Information about the Bank

History and Development of the Bank

3.3.1. Name, organizational-legal form, registered trademark of the Issuer

Full name of the Bank:

in Armenian:	«Այ Դի Բանկ» Փակ Բաժնետիրական Ընկերություն
in Russian:	Закрытое Акционерное Общество “АйДи Банк”
in English:	“ID Bank” Closed Joint Stock Company:

Brief name of the Bank:

in Armenian:	«Այ Դի Բանկ» ՓԲԸ
in Russian:	ЗАО “АйДи Банк”
in English:	“ID Bank” CJSC:

3.3.2. Place and number of state registration of the Issuer

The Bank is registered at 13 Vardanants Street, Yerevan, Republic of Armenia; the registration number is 9.

3.3.3. Information on the establishment of the Issuer

The Bank was established on 01.08.1990 by the light industry enterprises as a joint stock commercial bank. In 1996 the “Anelik” joint-stock commercial bank was registered as “Anelik Bank” LLC (License No 9 of the CB of RA). In 2007 the “Anelik Bank” LLC was reorganized into “Anelik Bank” CJSC. In June 2018 “Anelik Bank” CJSC was renamed to “ID Bank” CJSC. From 2013 to September 2016 the sole shareholder of the “ID Bank” CJSC was Lebanon “Creditbank” S.A.L. In October 2016 the composition of the shareholders of the Bank was changed and a new shareholder, “Fistoco” LTD., was involved with 59.68% of the Bank's shares stake.
In 2022, there was a change in the structure of the Bank's shareholders. 100 percent of the Bank's shares belonged to Fistoco LTD.
In October 2023, there was another change in the structure of the Bank's shareholders. Currently 100 percent of the Bank's shares belong to "ID Group" CJSC.
At the time of submission to the Central Bank, 100% of the Bank's shares are owned by "ID Group" LLC.

3.3.4. Location and contacts of the Issuer

Location of the bank is 13 Vardanants str., Yerevan 0010, RA. Contacts: Tel. +37410 593333, e-mail: info@idbank.am. Web-site: www.idbank.am.

As of 30.06.2026, the Bank operates 19 branches, 9 of which are located in the regions of the Republic of Armenia, and 10 are in Yerevan city. All branches of the Bank carry out full package of financial operations without any restrictions, except for those branches that do not have a cash desk. The table below presents the Bank's branches and their corresponding addresses.

N	Branch	Address
1	"Vardanants"	13.3 Vardanants Street, Yerevan
2	"Baghramyan"	75 Baghramyan Avenue, Yerevan
3	"Kentron"	Premises 10, Building 6, Northern Avenue, Yerevan
4	"Hin Yerevan"	Premises 116, Building 13, Buzand Street, Yerevan
5	"Arabkir"	56/162 Komitas Avenue, Yerevan
6	"Nor Nork"	17/1 Gai Avenue, Nor Nork, Yerevan
7	"Erebuni"	7/60 Erebuni Street, Yerevan
8	Davtashen	11/91, 4th District, Davtashen, Yerevan
9	"Malatia"	39/61 Raffi Street, Yerevan
10	"Shengavit"	13 Bagratunyats Street, Yerevan
11	Abovyan	1/1 Tartu Street, Abovyan
12	Gyumri	6 Independence Square, Gyumri
13	Ejmiatsin	16 Movses Khorenatsi Street, Ejmiatsin
14	Vanadzor	73 Tigran Mets Avenue, Vanadzor
15	"Hrazdan"	Building 46, August 23 Street, Hrazdan
16	"Artashat"	19/10 August 23 Street, Artashat
17	"Armavir"	14/5 Hanrapetutyan Street, Armavir
18	"Homeplex Mall"	1/48 G. Chaush Highway, Proshyan Village, Kotayk Marz
19	"Kapan"	Premises 1/68, A. Manukyan Street, Kapan

The Bank has one registered representative office outside the territory of the Republic of Armenia, located in the United States of America.

3.3.5. Significant Events

As of 30.06.2026, no events had occurred in the Bank that a reasonable investor would consider material for assessing the Issuer's liquidity.

Pursuant to the Charter approved on 30.07.2025, the Bank's charter capital was increased by AMD 17,053,868 thousand through an increase in the nominal value of the shares of ID Bank CJSC, and currently amounts to AMD 51,025,718 thousand.

3.4. Business Overview

3.4.1. Principal business

3.4.1.1. Description of the principal business

The Bank's principal business activity is the attraction and placement/allocation of financial resources. In addition, the Bank provides ancillary services, including payment system services and cash settlement services.

Attraction of funds. The Bank carries out its funds attraction policies by attraction of term and on demand deposits from natural persons and legal entities, issuance of bonds, attraction of resources from international financial organizations as well as through implementation of refinancing loan programs.

Placement/Allocation of funds/resources. The principal directions of funds' allocation are credit instruments and investments in securities. In developing credit instruments, the Bank is led by in-depth market studies and identification/disclosure of clients' needs. During the last period of the Bank activities, there has been a growing demand for credit cards offered to natural persons and program and universal business loans directed to the development of the SME sector.

Operations with payment card. The Bank issues ArCa, Visa and MasterCard payment cards. The Bank consistently offers highly competitive service terms and continuously improves its systems to enhance the security of payment card transactions.

Remittance systems. Money transfer services/remittance systems constitute one of the Bank's traditional lines of business. In recent years, the Bank has integrated a significant number of new money transfer systems, enabling it to serve a broader customer base while offering a wider range of services. The Bank is also a member of the SWIFT international payment system, through which transfers for natural persons and legal entities are executed where a bank account is available.

Cash settlement services. Through the implementation of advanced software solutions, the Bank accepts payments for public utility services, property tax payments and performs foreign exchange transactions.

Bond issuance. Since the end of 2016, the Bank has been issuing bonds. Bond issuance constitutes one of the Bank's significant business activities, enabling the Bank to diversify the structure of its liabilities while offering customers alternative investment opportunities in addition to its deposit products.

3.4.1.2. Provision of New Services

The Bank continuously monitors both the local and international banking markets with the objective of developing new banking services and making the terms and conditions of its existing services more competitive. The introduction and marketing of new banking services are regulated by the Bank's applicable internal legal acts, ensuring the continuity of business processes related to the development of banking services. Alongside the development of digital channels, since 2018 the Bank has also been expanding its network of 24/7 self-service systems to make banking services more convenient and accessible.

3.4.2. Principal Markets

3.4.2.1. Description of the Issuer's principal markets

ID Bank CJSC is a universal bank operating in the corporate and retail banking services markets. The Bank currently offers a wide range of deposit and lending products, diverse money transfer/remittance systems and convenient payment card services.

3.4.2.2. Description of the Issuer's competitive position

The main competitive advantages of the Bank are as follows:

- Active post-rebranding campaigns, together with ongoing public initiatives, have established the Bank's reputation as an innovative and modern financial institution.
- By pursuing a digital transformation strategy, the Bank's shareholders continuously invest both in expanding and improving the quality of remote banking services and in automating the Bank's internal processes.
- Continuous enhancement of the Bank's business processes.
- Continuous improvement of the corporate governance system, ensuring a clear allocation of responsibilities among structural subdivisions and well-defined communication channels.
- An effective risk management system, enabling the timely identification of emerging risks, assessment of their potential impact and implementation of appropriate preventive measures.
- The geographical coverage and accessibility of the Bank's branch network within its target markets.
- A highly qualified workforce, supported by continuous training and professional development programs.
- The Bank's commitment to social responsibility. Alongside the achievement of its business objectives, the Bank, as a strategic commitment, strictly adheres to ethical standards and legal compliance, builds its relationships with stakeholders on the basis of the Bank's corporate values, and contributes to meeting the current and future needs of society, improving quality of life and fostering a sustainable environment of well-being.
- The Bank has been awarded the ISO 9001:2015 Quality Management Certificate by BSI, reaffirmed in 2018, as well as the ISO/IEC 27001:2013 Information Security Certificate.
- In 2024, the international credit rating agency Moody's upgraded “ID Bank's” Long-Term Local and Foreign Currency Deposit Ratings from B1 to Ba3, with a Stable Outlook.
- The agency also upgraded the Bank's Long-Term Counterparty Risk Rating (CRR) from Ba3 to Ba2 and raised the Bank's Baseline Credit Assessment (BCA) from B1 to Ba3.
- On 28 November 2025, S&P Global Ratings assigned “ID Bank” CJSC a 'BB-' Long-Term Issuer Credit Rating and a 'B' Short-Term Issuer Credit Rating, both with a Stable Outlook.

3.5. Structure of the Issuer

As of the date of submission of this Prospectus to the Central Bank of the Republic of Armenia, 100% of the Bank's shares are owned by “ID Group” CJSC.

The organizational structure of the Bank is presented in **Annex 1**.

3.6. Recent development trends

Remaining committed to its vision of becoming a leading digital bank, the Bank has established the following strategic objectives:

- delivering the best quality of customer experience;
- becoming the best bank for payments;
- expanding into new markets.

In pursuit of these objectives, the Bank:

- ✓ continuously develops its digital platform by offering customers a comprehensive range of online banking services;
- ✓ continues to expand its active customer base while maintaining a high level of customer satisfaction and increasing customer engagement with banking services through its digital platform.

3.7. Profit forecast or assessment

3.7.1. Main principles of profit forecast

The profit forecast has been prepared taking into account the Bank's strategic priorities, expected business growth, anticipated market developments and projected financial performance. The forecasting process considers potential changes in the Bank's principal sources of income, operating expenses, credit portfolio quality, cost of funding and other material factors.

The profit forecasts are based on prudent assumptions, taking into consideration possible changes in the economic environment, regulatory requirements and trends in the banking sector. During previous years, the Bank has consistently achieved its targeted profit levels by responding effectively to changes in the external environment and capitalizing on available growth opportunities.

The Bank's operating and profit forecasts for the coming years are based on the following fundamental principles:

- conducting the Bank's operations in accordance with the principle of sustainable profitability, with the objective of increasing the market value of the business;
- allocating the Bank's resources to high-yielding assets while maintaining the Bank's risks at an acceptable level and ensuring compliance with the prudential ratios established by the Central Bank of the Republic of Armenia;
- developing new profitable banking services;
- ensuring the Bank's accessibility to its customers through the further development of digital banking services;
- continuously improving business processes based on the principle of process automation.

The principal profitability targets are established within the framework of the Bank's long-term development strategy. In this respect, during 2023–2025, the Bank successfully achieved its planned profitability targets.

3.7.2. The factors that the bank's management bodies have the ability to influence

The Bank's management bodies **are able to influence** the principal factors affecting the Bank's operations and profitability through:

- management of the volume of funds attracted and allocated by the Bank;
- maintenance and management of the Bank's risks on acceptable level;
- investments in modernization of the technical-technological and information base of the Bank;
- management of remuneration, training and re-training expenses of the Bank's staff;
- management of the Bank's operating expenses;
- introduction of new banking products.

The Bank's management bodies may respond to, but **are not able to influence**, the following principal factors affecting the Bank's operations and profitability:

- changes in the supply and demand for bank deposits and loans, and the resulting changes in interest rates;
- inflation and exchange rate movements;
- force majeure events (including the declaration of a state of emergency, interruption of communication systems, natural disasters, war, acts of state authorities and other circumstances that make the normal operation of the Bank impossible).

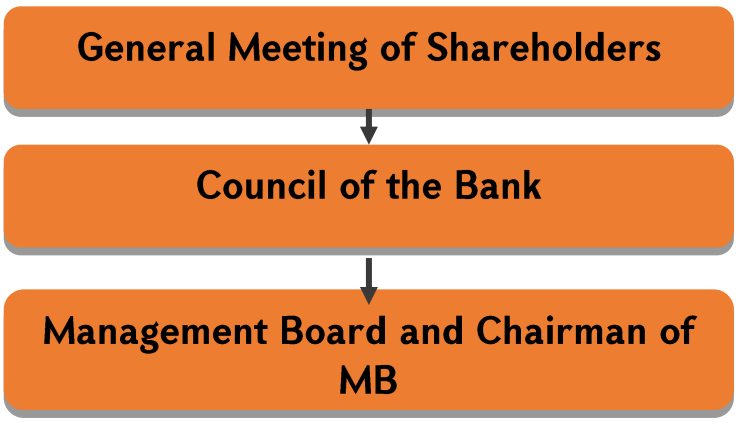
3.8. Management bodies of the Bank and their members

3.8.1.

In accordance with the Charter of the Bank, the Bank's management bodies are:

- the General Meeting of Shareholders;
- the Council;
- the Management Board and the Chairman of the Management Board.

In addition to the above-mentioned management bodies, the Bank also has a Chief Accountant and an Internal Audit Service.



3.8.2. Competence of the General Meeting of Shareholders:

- approval of the Bank's Charter, as well as amendments and supplements thereto;
- reorganization of the Bank;
- liquidation of the Bank;
- approval of summary, interim and liquidation balance sheets and appointment of the liquidation commission;
- approval of the quantitative composition of the Bank Council, election of its members and early termination of their powers, except where persons or their representatives are entitled by law to become members of the Council without election. Issues regarding approval of quantitative composition of the Bank Council members and their election may be exclusively considered at the Bank Participators' annual General Meetings. The issue on the Bank Council Member's election may be discussed at extraordinary General Meeting of the Bank only if the latter decides to adopt a resolution on early termination of the powers of the Bank Council or its individual members;
- determination of the maximum number of authorized shares, as well as increase or decrease of the charter capital;
- approval, upon the recommendation of the Council, of the person conducting the external audit of the Bank;
- approval of the Bank's annual financial statements, accounting balance sheet and distribution of profits and losses, adoption of a resolution on the payment of annual dividends and determination of the amount of annual dividends. The matters specified in this item shall be considered exclusively at annual General Meetings. If the annual General Meeting is not held within the prescribed period, an Extraordinary General Meeting may be convened only for liquidation purposes or to consider the matters specified in this item. No other matters may be considered at such Extraordinary General Meeting, except for matters relating to the reduction of the charter capital resulting from the resolutions adopted on the matters specified herein;
- approval of the Rules of Procedure of the General Meeting;
- establishment of the Counting Commission;
- consolidation and split of shares;
- establishment of unions of commercial organizations;
- participation in unions of commercial organizations;
- determination of the remuneration of the members of the Council;
- approval of interested-party transactions in the cases prescribed by law;
- approval of major transactions relating to the acquisition or alienation of the Bank's property in the cases prescribed by law (where the value exceeds 50% of the book value of the Bank's assets), as well as transactions amounting to 25% to 50% of the book value of the Bank's assets where the relevant decision has not been adopted unanimously by the Council and the matter has been referred to the General Meeting;
- determination of the manner in which information and materials are communicated by the Bank to its shareholders, including the selection of the relevant mass media where disclosure is required in the form of a public announcement;
- acquisition and repurchase by the Bank of its outstanding shares;

- adoption, in the cases prescribed by law, of a resolution on the non-application of shareholders' pre-emptive rights to acquire shares.

3.8.3. Competence of the Council:

- determination of the principal directions of the Bank's activities, including approval of the Bank's long-term development strategy;
- convening of annual and extraordinary General Meetings approval of the agenda, as well as implementation of preparatory works related to organization and convening of the Participants' General Meeting;
- adoption of resolutions on the establishment of, or participation in, other legal entities (including subsidiaries and affiliated companies);
- appointment of the members of the executive body of the Bank, early termination of their powers, termination of their employment contracts and determination of the amount and terms of their remuneration;
- establishment of internal control standards, establishment of the Internal Audit Service, approval of its annual work plan, early termination of the powers of internal audit employees and approval of their remuneration terms;
- approval of annual expenditure budget and its performance;
- submission of recommendations to the General Meeting regarding dividend payments, including determination of the list of shareholders entitled to receive dividends for each dividend payment. Such list shall include those shareholders entered in the Bank's shareholders' register as of the date on which the list of shareholders entitled to participate in the annual General Meeting is compiled;
- preliminary approval of the Bank's annual financial statements and submission thereof to the General Meeting;
- nomination of the external auditor of the Bank for approval by the General Meeting;
- determination of the remuneration payable to the external auditor of the Bank;
- where necessary, initiation of measures aimed at remedying deficiencies identified through audits or other inspections conducted at the Bank and supervision of the implementation of such measures;
- adoption of internal legal acts regulating the procedures for conducting financial operations provided for by law;
- approval of the charters of the Bank's territorial and independent structural subdivisions and allocation of functional responsibilities among the Bank's independent structural subdivisions;
- submission to the General Meeting of matters relating to the reorganization of the Bank, establishment of the Counting Commission, consolidation and split of shares, establishment of and participation in associations of commercial organizations, determination of the remuneration of Council members, approval of interested-party transactions in the cases prescribed by law, approval of major transactions relating to the acquisition or disposal of the Bank's property (where the value exceeds 50% of the carrying amount of the Bank's assets), as well as transactions amounting to 25% to 50% of the carrying amount of the Bank's assets where the relevant decision has not been adopted unanimously by the Council;
- adoption of resolutions on the issuance of the Bank's bonds and other securities;
- utilization of the Bank's reserve and other funds;
- establishment and closure of the Bank's branches, representative offices and institutions;

- determination of the Bank's accounting policies, including the principles, bases, methods, rules, procedures and practices applied for accounting and financial reporting purposes;
- approval, in the cases prescribed by law, of major transactions relating to the acquisition or disposal of the Bank's property requiring unanimous approval by the Council, as well as adoption of a resolution to refer such transaction to the General Meeting where unanimous approval has not been obtained;
- approval of interested-party transactions in the cases prescribed by law;
- approval of internal legal acts governing the procedures for entering into transactions on behalf of the Bank, including the establishment of transaction approval limits for the Bank's management bodies;
- determination, in accordance with the procedure established by law, of the market value of the Bank's property, including the Bank's shares and other securities, except in cases related to the ordinary course of the Bank's business where the transaction is carried out within the framework of the Bank's approved budget of income and expenses, as well as in other cases provided for by the legislation of the Republic of Armenia;
- appointment, in the cases prescribed by the legislation of the Republic of Armenia, of relevant employees, early termination of their powers, approval of their remuneration terms, periodic performance evaluation, application of incentive and disciplinary measures or, where required, granting consent to such procedures;
- approval of the Bank's Corporate Governance Code;
- adoption of other resolutions as provided by law.

At least once a year, the Council shall discuss at its meeting the report (letter to the management) of the external auditor and shall also review and, where necessary, revise the Bank's principal business directions, strategy, regulations and other internal legal acts.

At least once every quarter, the Council shall review the reports of the Internal Audit Service, the Chairman of the Management Board (Management Board) and the Chief Accountant, in the form and according to the procedure established by the Council.

3.8.4. The Management Board of the Bank:

- ensures the implementation of the resolutions of the General Meeting and the Council of the Bank, and organizes and manages the Bank's day-to-day operations within the powers assigned to the Management Board by the legislation of the Republic of Armenia, the Charter of the Bank and the legal acts adopted by the Council;
- submits to the Council for approval those internal legal acts that are subject to approval by the Council, including the charters of separate subdivisions, the Bank's Internal Labor Regulations and the Bank's organizational structure;
- within the scope of its authority, and for the purpose of ensuring the implementation of the internal legal acts approved by the Council, adopts internal legal acts governing specific functions of the Bank;
- unless otherwise provided by a decision of a higher governing body, determines the fees for the Bank's services, the interest rates applicable to deposits attracted and loans granted by the Bank, or delegates such authority to another governing body or officer of the Bank;
- reviews the results of audits and inspections, as well as the reports of the heads of the Bank's territorial and structural subdivisions.

Matters that are not assigned by law or by the Charter to the competence of the General Meeting, the Council, the Chairman of the Management Board or the Internal Audit **Service** shall fall within the competence of the Management Board or such governing body or officer as may be designated by the Management Board.

The Chairman of the Management Board, acting within his exclusive authority, represents the Bank in the Republic of Armenia and in foreign countries, enters into transactions on behalf of the Bank, acts on behalf of the Bank without a power of attorney and issues powers of attorney.

In accordance with the procedure established by the Council, the Management Board shall submit reports on its activities to the Council on a regular basis, but at least once every quarter.

3.8.5. The Chairman of the Management Board:

- manages the Bank's property, including its financial resources;
- opens correspondent accounts of the Bank with other banks;
- within the scope of his authority, issues orders, instructions and directives, gives mandatory instructions and supervises their implementation;
- within the framework of the Bank's annual operating budget approved by the Council, approves the Bank's staffing schedule and job descriptions;
- hires and dismisses the Bank's employees, except for those employees whose appointment and dismissal fall within the competence of the General Meeting or the Council;
- enters into agreements, including employment contracts, in accordance with the established procedure;
- applies incentive measures and disciplinary sanctions to the Bank's employees;
- submits reports on his activities to the Council on a regular basis, but at least once every quarter, in accordance with the procedure established by the Council.

3.9. Information about the members of the Bank's management bodies

Name, surname	Position	Place of Residence	Other activities
Artur Javadyan	Chairman of the Council	c. Yerevan, RA	Chairman of the Board of the Centre for Economic Perspectives Foundation Ambassador-at-Large of the RA Deputy Chairman of the Economic Policy Council under the RA Prime Minister Chairman of the Board of the Armenian Institute of Directors

			Member of the Board of the International Energy Corporation
Karen Margaryan	Member of the Council	c. Yerevan, RA	"ID leasing" UCO LLC – Chairman of the Board of Directors, Founder and executive director of GFN.AM Director of the Institute of Media, Advertising and Cinema at the Russian-Armenian University
Fernando Castiñeiras	Member of the Council	Madrid, Spain	President and CEO at ATHOS CAPITAL
Elena Khachvankyan	Member of the Council	c. Yerevan, RA	Public Finance Consultant or Asian Development Bank Consultant
Andreas Blase	Member of the Council	Ingolstadt, Germany	Senior Managing Director of Aurelius Wachstumskapital
Mher Abrahamyan	Chairman of the Management Board	c. Yerevan, RA	N/A
Arman Asatryan	Investment business director, member of the Management Board	c. Yerevan, RA	N/A
Karen Nalbandyan	Business Development director, member of the Management Board	c. Yerevan, RA	N/A
Artur Hambardzumyan	Risk management director, member of the Management Board	c. Yerevan, RA	N/A
Sergey Arakelyan	Digital banking director, member of the Management Board	c. Yerevan, RA	N/A
Anushik Khachatryan	Chief Accountant, member of the Management Board,	c. Yerevan, RA	N/A
Lilit Grigoryan	Operations Director, member of the Management Board	c. Yerevan, RA	N/A

Lilit Sargsyan	Financial Director, member of the Management Board	c. Yerevan, RA	N/A
Vahan Yolyan	Corporate Business Director, member of the Management Board	c. Yerevan, RA	N/A

The powers and responsibilities of the Bank's management bodies are determined by the Bank's Charter.

3.9.1. Branches of the Issuer

As of the date of submission of the Prospectus for registration, 10% or more of the Bank's total assets is not concentrated in any branch of the Bank.

3.9.2. Conflict of Interests

As of the date of submission of the Prospectus for registration, there were no conflicts of interest between the Bank and the persons participating in its management.

3.10. Controlling parties

As of the date of submission of the Prospectus for registration, the Bank was under the direct control of "ID Group" CJSC, which owns 100.00% of the Bank's shares; the Bank is also under the indirect control of Lala Bakhshetsyan through DRIVELIO HOLDINGS LTD and MRV LLC.

3.11. Information about the Issuer's assets and liabilities, financial position, profit and loss

3.11.1. Historical financial information

The Bank's audited annual financial statements for 2024 and 2025, along with the independent auditors' reports, as well as the financial statements for the first and second quarters of 2026, are included in Annex 8 to this Prospectus. The financial statements are also available for download from the Bank's website (www.idbank.am).

3.11.2. Material changes in the Bank's financial position

As of 30.06.2026, there had been no material changes affecting the Issuer's financial position.

3.11.3. Information on litigation, arbitration and administrative proceedings

The Bank is not involved in any judicial litigation, arbitration or administrative proceedings that may have, or have recently had, a material adverse effect on the Bank's financial position or profitability.

3.12. Significant contracts

During last year preceding the presentation of the prospectus, the Bank has not concluded any contracts outside the normal course of its business currently in effect, with a value exceeding 5% of the equity specified under the financial statements of the Bank for the most recent reporting period.

3.13. Professional opinion of experts, appraisers, advisors or accountants and information taken from third parties

Except for the audited financial statements of the Bank presented herein no professional opinion of accountants, appraisers, advisors or other experts has been used in any part of this prospectus.

3.14. Other information

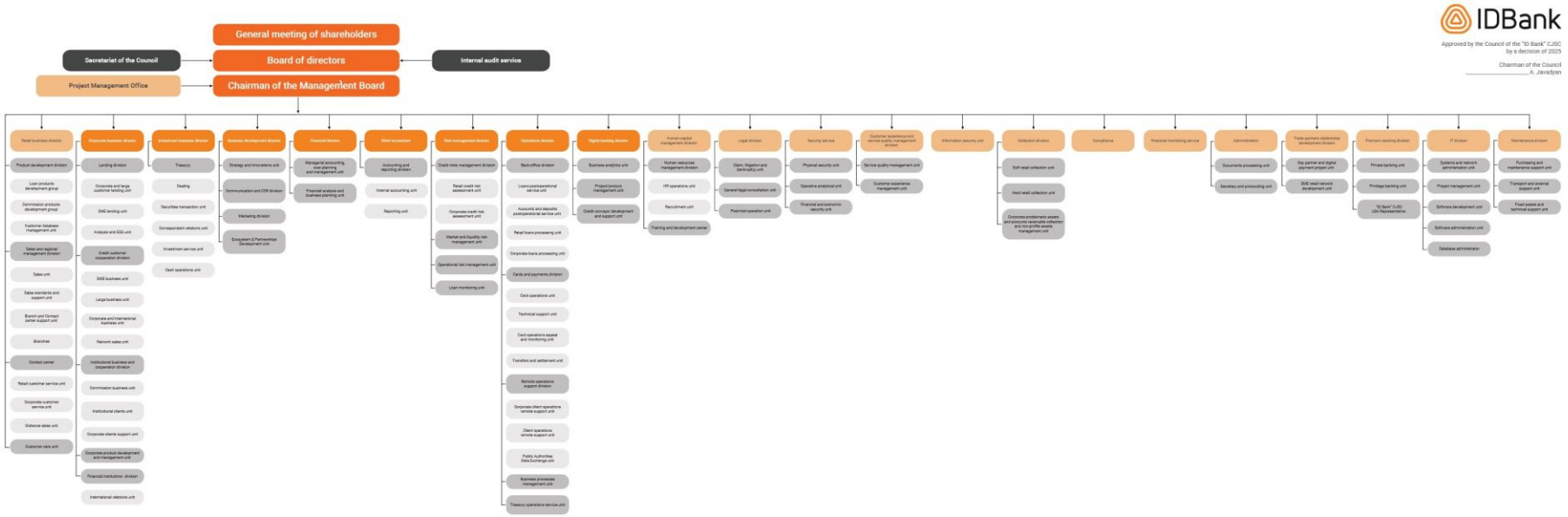
Throughout the validity period of this Prospectus, the Bank's Charter, interim and annual financial statements, annual reports of independent auditors, as well as the annual and interim reports and analyses prepared for investors in its capacity as a reporting issuer, shall remain publicly available in both electronic and hard-copy form. Electronic versions of the above documents are available on the Bank's website, while hard copies may be obtained by investors upon request at the Bank's Head Office.

ATTENTION
HAVING READ THIS PROSPECTUS, THE INVESTOR SHALL INDEPENDENTLY ASSESS THE RISK OF HIS/HER INVESTMENT IN THESE SECURITIES BEFORE TAKING DECISION ON PURCHASE

ANNEXES

Annex 1. Organizational Structure of "ID Bank" CJSC
Annex 2. Final Terms of Issuance
Annex 3. Application-order on acquisition of Bonds issued by the "ID Bank" CJSC (for physical persons)
Annex 4. Application-order on acquisition of Bonds issued by the "ID Bank" CJSC (for legal entities)
Annex 5. Application-order on purchase of Bonds issued by the "ID Bank" CJSC on a digital platform (for natural persons)
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Annex 1. Organizational Structure of “ID Bank” CJSC



Annex 2. Final Terms of Issuance

FINAL TERMS OF ISSUANCE[1]

202-

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day *month* *year*

"ID BANK" CLOSED JOINT-STOCK COMPANY

(name of the Issuer)

Nominal, coupon, non-documentary, non-convertible Bonds

(types of securities)

In order to obtain complete information about the Issuer and securities being issued, the program prospectus (registered on _____ 202_), its supplements and final conditions of this issuance shall be considered in aggregate. The program prospectus, its supplements are available in the "ID Bank" CJSC, located at 13 Vardanants str., Yerevan 0010, RA.

1.	**GENERAL INFORMATION** (Information which is not applicable, shall be labelled as N/A. In case if securities with different main conditions (currency of issuance, offer price, nominal value etc.) are being issued under the same series, then the different conditions for the securities group meeting each condition shall be presented separately).	
1.1	Issuer (name of the Issuer)	"ID Bank" CJSC
1.2	Guarantor	The Issuer does not intend to involve a guarantor
1.3	Series (the number and year of the consecutive issuance based on the given program prospectus)	
1.4	Total volume of the issuance, under the given issuance series	Subject to decision by the Bank's Management Board
1.5	Information on classification of securities: in terms of sequence of repayment of the Issuer's liabilities (subordination) including the volume of each issuance under the given issuance series by subordination.	The information is presented in detail in section 2.3.1 of the Program Prospectus. Electronic versions of the Program Prospectus, its supplements, and the Final Terms of the issue can be downloaded from the website https://www.idbank.am/, while hard copies can be obtained by visiting the head office of "ID Bank" CJSC, located at 13 Vardanants St., Yerevan.
1.6	Currency of Issuance	USD
1.7	Offer price	During placement the full sale price of bonds against each 100-point nominal value shall be calculated as

[1] The final terms of the issuance, placement, circulation and redemption of the Bonds are subject to decision by the Executive Body of the Issuer. The final terms of the issuance prepared for each tranche of the securities are submitted to the Central Bank of the Republic of Armenia and published at least 2 (two) days before the placement of each tranche of the Bonds. The Issuer undertakes to publish the final terms of each issue of the securities on its website

		follows starting from the first day of placement: $$P = AI + FV$$ where: • P is the bond price, • AI is the accumulated coupons, which are determined by the formula specified in clause ***2.3.7.10*** of the Prospectus. • FV is the bond's face value. During placement, the full sale price of the bonds for each day, shall be published on the Issuer's website.
1.8	Nominal value	Is subject to decision by the Issuer's authorized management body (Management Board).
1.9	Quantity	Is subject to decision by the Issuer's authorized management body (Management Board).
1.10	Commencement of offer implementation/Offer start date (including any possible term changes)	Is subject to decision by the Issuer's authorized management body (Management Board).
1.11	Completion of offer implementation/Offer end date (including any possible term changes)	Is subject to decision by the Issuer's authorized management body (Management Board).
1.12	Security's identification number (ISIN) or other similar identification number	
1.13	The authorized body that made the decision on issuance and placement. the date of decision (shall be completed in case if a separate decision has been passed for the given public offer, otherwise shall state as N/A)	Decision No -- of the "ID Bank" CJSC Council as of ---, 20--. Decision No -- of the "ID Bank" CJSC Management Board as of --, 20--.
2	**INFORMATION ON THE COUPON**	
2.1.	First day of coupon calculation	Is subject to decision by the Issuer's authorized management body (Management Board).
2.2	The interest rate and payment frequency of the coupon, if the interest rate is floating, then information on the indicator (its changes) impacting the amount of the interest rate, as well as information where the information on the latter (its changes) can be obtained shall be presented.	The coupon interest rate and payment frequency are subject to decision by the Issuer's authorized management body (Management Board)
2.3	Exact days of coupon payment (date, month, year)	Is subject to decision by the Issuer's authorized management body (Management Board).
2.4	The order of calculation of coupon days (e.g. 30/360, Act/Act, Act/360 etc.)	Actual days during the coupon stage/actual days during the year (Actual/Actual)

2.5	The implementor of the floating coupon calculation	-
2.6	Other essential conditions of coupon calculation	Is subject to decision by the Issuer's authorized management body (Management Board).
2.7	Provision on zero coupon (discounted) securities (shall be specified as "Applicable" or "Non-applicable")	N/A
3.	**INFORMATION ON REPAYMENT OF PRINCIPAL AMOUNT**	
3.1.	Repayment (partial repayments) term/deadline	Perpetual (with the possibility/option of early redemption/repurchase as specified by the Issuer in the Prospectus)
3.2	The amount of repayment (partial repayments). In case if it's impossible to specify, the calculation methodology shall be mentioned	-
3.3	Change of repayment amount (all conditions that may cause change of repayment amount shall be mentioned)	-
3.4.	Early repayment opportunity at the initiative of the Issuer /call option (shall be stated as "Applicable" or "Non-applicable")	The Issuer envisages possibility/option of early redemption/repurchase in accordance with the procedure set out in the Prospectus.
3.4.1	*Term(s)/deadlines*	Is subject to the decision of the Issuer's authorized management body (Management Board).
3.4.2	*The Option price, its calculation method (if any)*	At nominal/face value
3.4.3	*In case of possibility of partial repayment, the minimum and maximum repayment values*	-
3.4.4	*Other information*	-
3.5	Early repayment possibility at the initiative of the investor/put option (shall be stated as "Applicable" or "Non-applicable")	N/A
3.5.1	*Term(s)/deadlines*	-
3.5.2	*The Option price, calculation method (if any)*	-
3.5.3	*Other information (notification period)*	-
4.	**INFORMATION ON PLACEMENT**	
4.1	Underwriter's name and location	"ID Bank" CJSC, 13 Vardanants St., Yerevan 0010, RA
4.2	Other terms of placement (not included in the prospectus)	-
5.	**OTHER INFORMATION**	

5.1	Availability of authorization for trade in the regulated market for securities of the given class (names of corresponding regulated markets, authorization date shall be indicated)	Securities are not yet admitted for trading in the regulated market
5.2	If authorization for proposed securities trade in the regulated market will be further requested, then corresponding information shall be mentioned in that regard (name of market, as well as a provision stating that the request for trade authorization may be rejected, expected date of authorization (if possible).	The Issuer shall apply for listing of bonds in the regulated market and according to the current RA legislation in case of listing of bonds further circulation of the latter can only be implemented in the regulated market. In terms of regulated market, the Issuer means the "ARMENIA STOCK EXCHANGE" OJSC.
5.3	Securities rating	No rating has been granted/assigned to the securities
5.4	Methods (frequency, bank accounts etc.) and terms/deadlines of making payments for securities, methods and terms/deadlines of receiving securities, as well as the form of receiving statements on securities ownership	For obtaining bonds issued by the Issuer a legal entity or a natural person makes a payment to the transit account opened at "ID Bank" CJSC for the purpose of issuance.

The Issuer is responsible for the information included in this Annex "Final terms of issuance". The Issuer assures that the information included in this document correspond to the information (the presented general methodology) included in the program prospectus and supplements thereto, as well as is accurate (to the extent known) and no fact has been omitted or distorted/misrepresented.

Mher Abrahamyan **Chairman of the Management Board of "ID Bank" CJSC**	(signature)	(date)
Karen Nalbandyan **Business Development Director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Arman Asatryan **Investment business director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Artur Hambardzumyan **Risk management director of "ID Bank" CJSC, member of the**	(signature)	(date)

Management Board		
Sergey Arakelyan **Digital banking director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Anushik Khachatryan **Chief Accountant of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Lilit Grigoryan **Operations director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Lilit Sargsyan **Financial Director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)
Vahan Yolyan **Corporate Business Director of "ID Bank" CJSC, member of the Management Board**	(signature)	(date)

I validate the signatures:

Mher Abrahamyan **Chairman of the Management Board of "ID Bank" CJSC**	(signature)	(date)

L.S.

Annex 3. Application-order on purchase of Bonds issued by "ID Bank" CJSC (for natural persons)

Date and time of submission of the application-order to the Bank

Time

Name of applicant

Identification document details

(passport number) *(date of issue)* *(residency)*

Registered address

By submitting this application-order we accept the offer of "ID Bank" CJSC (hereinafter referred to as the Bank) thus expressing willingness to purchase the issued coupon bonds under the following conditions:

Quantity of purchased bonds (piece)

(quantity in words)

Purchase price of the bonds being purchased/acquired

(price in words)

Total amount paid for purchase of bonds

(amount in words)

Bank reference/requisites of the natural persons
Account in USD *Account in AMD*

Bank name

Name of entity maintaining records of the securities account

Securities account number

I hereby certify that prior to submitting the application-order I have read the Prospectus of the Bank's public offer on bonds, constituting an integral part of the application order, and accept and agree with the terms mentioned therein, and assume the responsibilities and possible risks related to investing in such bonds.

I am aware that investments in bonds are guaranteed by the means of Armenian Deposit Guarantee Fund in the amounts defined by the RA legislation, I have been notified, received and agree with the terms and procedures of the Deposit Guarantee Fund.

I hereby affirm that the funds transferred to the Bank have been lawfully obtained and are in no way related to terrorism financing, drug trafficking, human trafficking, tax evasion and other criminal activity.

Disputes and disagreements between the Parties are resolved through mutual negotiations, and in case of failure to reach an agreement, in accordance with the procedure defined by RA legislation.

I am informed that disputed and disagreements arising from property claims, the amount of which do not exceed ten million AMD or equivalent foreign currency, can be resolved through the Financial System Mediator*.

I hereby acknowledge that upon receipt/acceptance of this application-order by the Bank, it shall be deemed as a binding contract signed between the Parties.

To be filled in by the Bank

ISIN of purchased bonds (piece)

Total number of issued bonds

(quantity in words)

Date of transfer/deposit of funds

First Name, Last Name

(signature)

Reminder

If the investor transfers the funds for purchase of bonds to the Bank's corresponding; account before 16:45 of the given business day, the financial means shall be deemed as received/accepted on that very day, and if the funds are paid after 16:45 of the given business day, they shall be deemed as received/accepted on the first business day following the payment day.

**According to RA legislation private entrepreneurs cannot take advantage of the opportunity to submit its claims to the Financial System Mediator.*

Annex 4. Application-order on purchase of Bonds issued by "ID Bank" CJSC (for legal entities)

Date and time of submission of application-order to the Bank

Time

Name of legal entity

Number of state registration certificate

Registration date

Legal address

Physical address/location

TIN

Residency

By submitting this application-order we accept the offer of "IDBank" CJSC (hereinafter referred to as the Bank) thus expressing willingness to purchase the issued coupon bonds under the following conditions:

Quantity of purchased bonds(piece)

(quantity in words)

Purchase price of the bonds to be purchased/acquired

(price in words)

Total amount paid for purchase of bonds

(amount in words)

Bank reference/requisites of the legal entity
Account in USD

Account in AMD

Bank name

Name of entity maintaining records of the securities account

Securities account number

We hereby certify that prior to submitting the Application-order we have read the Prospectus of the Bank's public offer on bonds, constituting an integral part of the application-order , and we accept and agree with the terms mentioned therein, and assume the responsibilities and possible risks related to investing in these bonds.

We hereby affirm that the funds transferred to the Bank have been lawfully obtained and are in no way related to terrorism financing, drug trafficking, human trafficking, tax evasion and other criminal activity.

We hereby acknowledge that upon receipt/acceptance of this application-order, it shall be deemed as a binding contract signed between the Parties.

To be filled in by the Bank

ISIN of purchased bonds

Total number of issued bonds

(quantity in words)

Date of transfer/deposit of funds

First Name and Last Name of the representative or authorized person of the legal entity

(signature)

L.S.

Reminder

If the investor transfers the funds for purchase of bonds to the Bank's corresponding account before 16:45 of the given business day, the funds shall be deemed as received/accepted on that very day, and if the funds are paid after 16:45 of the given business day, they shall be deemed as received/accepted on the first business day following the payment day.

Annex 5. Application-order on purchase of Bonds issued by "ID Bank" CJSC on a digital platform (for natural persons)

Date and time of submission of application-order to the Bank

Time

Applicant's first name, last name, patronymic name

Identity document details

(Passport number) *(Date of issue)* *(Residency)*

Registration address

By submitting this application-order I accept the public offer of "ID Bank" CJSC (hereinafter referred to as the Bank) thus expressing willingness to purchase the issued coupon bonds to be allocated to my Depo Account opened in the Bank under the following conditions:

Quantity of bonds to be purchased/acquired (piece)

(quantity in words)

Purchase price and currency of the bonds to be purchased/acquired

(Price in words)

Total amount paid for purchase of bonds

(Amount in words)

Bank requisites of the natural persons
Account

Bank name

"ID Bank" CJSC

Name of entity maintaining records of the securities account

"ID Bank" CJSC

ISIN of purchased bonds

Total number of issued bonds(piece)

(quantity in words)

Date of transfer/deposit of funds

I hereby certify that prior to submitting the application-order I have read the Prospectus of the Bank's public offer on bonds, constituting an integral part of the application-order, I accept and agree with the terms mentioned therein, as well as assume the responsibilities and possible risks related to investing in these bonds.

I am aware that investments in bonds are guaranteed by the means of Armenian Deposit Guarantee Fund in the amounts defined by the RA legislation, I have been notified, read and agree with the terms and procedure of the Deposit Guarantee Fund.

I hereby affirm that the funds transferred to the Bank have been lawfully obtained and are in no way related to terrorism financing, drug trafficking, human trafficking, tax evasion and other criminal activity.

Disputes and disagreements between me and the Bank are resolved through mutual negotiations, and in case of failure to reach an agreement, in an order defined by RA legislation.

I have been informed that disputes and disagreements arising from property claims, the amount of which do not exceed ten million AMD or equivalent foreign currency, can be resolved through the Financial System Mediator.

I understand that by clicking the "Sign" button in the Bank's online system and entering the PIN code of the client registered in the Bank's online system I submit an offer to purchase coupon bonds, and that the display of bonds on my securities account, after payment for the purchase of bonds, shall be considered as acceptance of my offer by the Bank.

Upon receipt/acceptance of this application-order by the Bank, it shall be deemed as a binding contract signed between me and the Bank.

Annex 6. Application-order for redemption/buyback of bonds issued by "ID Bank" CJSC

Date and time of submission of the application to the Bank

Time

Applicant's data

Identity document details

(Passport number) *(Date of issue)* *(Residency)*

Registration address

By submitting this application-order I/we accept the offer of "ID Bank" CJSC (hereinafter referred to as the Bank), according to which we express willingness to participate in the redemption/repurchase/payback of coupon bonds issued by the Bank under the following conditions:

Quantity of bonds being sold (piece)

(Quantity in words)

Sale price of the bonds being sold

(*Price in words)*

Total amount paid for bonds being sold

(*Amount in words)*

Bank details/requisites
Account in USD
Account in AMD

Bank name

Name of entity maintaining records of the securities account

Securities account number

I hereby certify that prior to submitting the application-order I have read the Prospectus of the Bank's offer on redemption/repurchase/payback of bonds, constituting an integral part of the application-order, I accept and agree with the terms mentioned therein.

Disputes and disagreements between the Parties are resolved through mutual negotiations, and in case of failure to reach an agreement, in accordance with the procedure defined by RA legislation.

I/We have been informed that disputes and disagreements arising in case of property claims, the amount of which do not exceed AMD ten million or equivalent in a foreign currency, can be resolved through the Financial System Mediator*.

I acknowledge that upon receipt/acceptance of this Application-Order by the Bank, it shall be deemed as a binding contract signed between the Parties.

To be filled in by the Bank

ISIN of bonds for sale

Total number of bonds to be redeemed/repurchased (piece)

(Quantity in words)

First Name, Last name

(Signature)

Annex 7. Financial ratio calculation formulas

Return on Equity (ROE) = (Earnings after deductions of expenses on profit tax/Average amount of Equity) x100

Return on Assets (ROA) = (Earnings after deductions of expenses on profit tax/Average amount of total assets) x100

Net profit margin (NPM) = (Earnings after deductions of expenses on profit tax/operational income)

Assets use ratio (AU) = (Operational income/average amount of total assets)

Equity multiplier (EM) = (average amount of total assets/ Average amount of Equity)

Net interest margin (NIM) = (net interest income/average amount of earning assets)

Yield of earning assets = Interest incomes/average amount of earning assets

Cost-intensity of liabilities generating interest expenses =Interest expenses/ liabilities generating interest expenses

Earnings per share (EPS) = (Earnings after deductions of expenses on profit tax/average weighted number of shares)

Spread = (Interest income/average amount of earning assets) – (Interest expenses/ liabilities generating interest expenses)

Annex 8. Financial Statements of "ID Bank" CJSC