54-3-7- Credit quality analysis

The quality of bank assets, including loans, commitments and investments, the type and amount of collaterals taken and adequacy of collaterals taken (loan to value ratio) is illustrated by the notes from 54-3-7-1 to 54-3-7-5 from risk department point of view.

54-3-7-1- Analysis of credit quality of loans and funded commitments and investments based on the bank's internal credit rating

The credit quality analysis table is prepared without considering the value of collaterals and is based on a review of financial statements, the ability to repay principal and interest on loans, and the past payment behavior of customers. "Level 1 – Low Risk" loans are facilities where customers have fully repaid their debts on time at maturity and hold a credit rating from B to AAA. Additionally, foreign currency facilities from the National Development Fund are classified under this category. "Level 2 – Medium Risk" loans are those where customers have fully repaid their debts on time at maturity and hold a credit rating from CCC- to B-. "Level 3 – High Risk" loans include facilities where customers have fully repaid their debts on time at maturity and hold a credit rating from C to CC, as well as all past-due, delinquent, and doubtful loans.
Regarding the risk level of commitments for each customer, the same risk level assigned to their loans is applied. For investments, long-term investments are classified as low risk, while short-term investments (including companies listed on the Tehran Stock Exchange and over-the-counter markets) are classified as medium risk.

Credit quality analysis

	Loans		Investments		Commitments	
	20 Mar. 2025	**19 Mar. 2024**	**20 Mar. 2025**	**19 Mar. 2024**	**20 Mar. 2025**	**19 Mar. 2024**
	IRR million	IRR million	IRR million	IRR million	IRR million	IRR million
level 1 - low risk	709,721,063	369,471,525	3,186,121	1,166,629	674,076,654	151,240,146
level 2 - medium risk	207,902,975	309,360,592	-	-	164,936,561	342,454,663
level 3 - high risk	77,112,688	29,832,927	-	-	13,652,185	9,209,687
Total gross amount	**994,736,726**	**708,665,044**	**3,186,121**	**1,166,629**	**852,665,400**	**502,904,496**
Provision for bad and doubtful loans	(30,428,491)	(13,028,429)	-	-		
Book value	**964,308,235**	**695,636,615**	**3,186,121**	**1,166,629**		

*Investments include any type of securities with ownership rights such as stocks.

54-3-7-2- Analysis of credit quality of loans granted to customers based on asset classes

	Loans		Commitments	
	20 Mar. 2025	**19 Mar. 2024**	**20 Mar. 2025**	**19 Mar. 2024**
	IRR million	IRR million	IRR million	IRR million
Current	932,048,932	678,391,731	852,665,400	502,904,496
Past due	8,115,370	7,181,431	-	-
Outstanding	29,998,937	13,880,138	-	-
Doubtful	24,573,487	9,211,744	-	-
Total gross amount	**994,736,726**	**708,665,044**	**852,665,400**	**502,904,496**
Provision for bad and doubtful loans	(30,428,491)	(13,028,429)	-	-
Book value	**964,308,235**	**695,636,615**	**852,665,400**	**502,904,496**

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