

Financial statement as of March 31, 2023*(thousand Armenian dram)*

	<u>31/03/23</u>	<u>31/12/22</u>
Assets		
Cash and cash equivalents	8,259,385	3,291,442
Claims against banks	350	0
Loans granted to customers	64,718,668	57,737,486
At fair value held by the company: investment securities measured through other comprehensive financial result	1,155,221	4,526,017
Investment securities pledged against sales and repurchase agreements at fair value measured through other comprehensive financial result	4,431,757	(0)
Fixed assets and right-of-use assets	2,755,845	2,515,065
Intangible assets	774,913	616,207
Other assets	<u>740,487</u>	<u>777,815</u>
Total assets	<u>82,836,627</u>	<u>69,464,031</u>
Obligations		
Liabilities to banks	9,566,301	7,765,422
Profit or financial obligations measured at fair value or through loss	33,555	2,549
Customer Current Accounts and Deposits	5,431,051	582,925
Issued debt securities	1,433,642	1,451,539
Amounts payable under repurchase agreements	4,162,886	0
Other loans	3,566,084	3,352,931
Lease Obligations	1,818,874	1,616,211
Current tax liabilities	1,858,672	1,493,756
Deferred tax liabilities	2,262,716	2,444,158
Conditional Reserves	0	0
Other obligations	<u>935,019</u>	<u>664,511</u>
Total liabilities	<u>31,068,800</u>	<u>19,374,003</u>
Own capital		
Share capital	30,100,000	30,100,000
Undistributed profit	21,880,349	20,269,092
Main reserve	515,755	515,755
Reserve for changes in the fair value of investment securities	(728,277)	(794,819)
Total Own capital	<u>51,767,827</u>	<u>50,090,029</u>
Total Liabilities and Own Capital	<u>82,836,627</u>	<u>69,464,031</u>

The reports were validated on April 15, 2023

Executive director /

Head of the directorate

Chief accountant

Daniel Azatyan

Artashes Avetyan

**Profit or loss and other comprehensive result
for the trimester ended on March 31, 2023**
(thousand Armenian dram)

	<u>01/01/2023- 31/03/2023</u>	<u>01/01/2022- 31/03/2022</u>
Interest income calculated using the effective interest method	3,084,195	3,024,854
Other interest income	<u>127,354</u>	<u>115,531</u>
Interest expense	<u>(365,245)</u>	<u>(724,718)</u>
Net interest income	2,846,305	2,415,667
Impairment loss	452,146	771,978
Net interest income after deducting impairment losses	<u>3,298,450</u>	<u>3,187,646</u>
Income in the form of commissions and other fees	12,722	3,360
Expenses in the form of commissions and other fees	<u>(13,201)</u>	<u>(5,482)</u>
<i>Net profit/(loss) from exchange rate differences</i>	547	(71,686)
- Profit/(loss) from spot transactions	164,011	180,971
- Profit/(loss) revaluation of financial assets and liabilities	<u>(138,014)</u>	<u>(252,657)</u>
- Profit /(loss) from exchange rate derivatives	<u>(25,450)</u>	<u>0</u>
Other operating income	<u>14,556</u>	<u>8,609</u>
Non-interest income	<u>14,624</u>	<u>(65,199)</u>
Personnel expenses	<u>(978,708)</u>	<u>(793,592)</u>
Depreciation and amortization	<u>(153,505)</u>	<u>(89,794)</u>
Other general administrative expenses	<u>(192,486)</u>	<u>(105,838)</u>
No interest expenses	<u>(1,324,699)</u>	<u>(989,224)</u>
Profit before income tax	1,988,376	2,133,222
Income tax expense (reimbursement)	<u>(377,116)</u>	<u>(428,389)</u>
Profit for the period	<u>1,611,260</u>	<u>1,704,833</u>

	<u>01/01/2023- 31/03/2023</u>	<u>01/01/2022- 31/03/2022</u>
Profit for the period	<u>1,611,260</u>	<u>1,704,833</u>
Other comprehensive financial result		
Movement of the reserve for changes in the fair value of investment securities	81,148	(284,764)
Change in deferred tax related to other comprehensive financial result	<u>(14,607)</u>	<u>51,257</u>
Other comprehensive benefit/(loss)	<u>66,541</u>	<u>(233,506)</u>
Total comprehensive income for the period	<u>1,677,801</u>	<u>1,471,327</u>

Statement of changes in the own capital for the trimester completed on March 31, 2023
(thousand dram)

	Share capital	Undistribut ed Profit	Main Reserve	Change of Real Value of Investment Securities Reserve of the Change of the Real Value of Securities	Total Own Capital
01/01/22	<u>7,000,000</u>	<u>14,543,493</u>	<u>515,755</u>	<u>(351,535)</u>	<u>21,707,713</u>
Profit for the period		1,704,833			1,704,833
Net change in fair value of investment securities				(233,506)	(233,506)
Total comprehensive income for the period	<u>0</u>	<u>1,704,833</u>	<u>0</u>	<u>(233,506)</u>	<u>1,471,327</u>
Investments in the statutory capital	0				0
Dividends		0			0
31/03/22	<u>7,000,000</u>	<u>16,248,326</u>	<u>515,755</u>	<u>(585,041)</u>	<u>23,179,040</u>
01/01/23	<u>30,100,000</u>	<u>20,269,092</u>	<u>515,755</u>	<u>(794,819)</u>	<u>50,090,029</u>
Profit for the period		1,611,260			1,611,260
Net change in fair value of investment securities				66,541	66,541
Total comprehensive income for the period	<u>0</u>	<u>1,611,260</u>	<u>0</u>	<u>66,541</u>	<u>1,677,801</u>
Investments in the statutory capital	0				0
Dividends		0			0
31/03/23	<u>30,100,000</u>	<u>21,880,351</u>	<u>515,755</u>	<u>(728,277)</u>	<u>51,767,829</u>

Summary Statement of Cash Flows
for the trimester of March 31, 2023
(thousand dram)

	<u>01/01/2023- 31/03/2023</u>	<u>01/01/2022- 31/03/2022</u>
Cash flows from operating activities		
Interest earned	3,259,981	3,088,646
Interest paid	(275,930)	(1,283,520)
Commission amounts received	6,941	1,977
Commission amounts paid	(20,696)	(5,332)
Profit/(Loss) from foreign exchange trading operations	84,996	226,840
Payments for the staff	(1,040,963)	(705,370)
Other operating income and other expenses paid	(322,477)	(241,986)
Net cash flows before the changes in operating assets and liabilities	1,691,851	1,081,255
<i>(Increase)/decrease in operating assets</i>		
Loans granted to customers	(6,731,621)	(5,256,711)
<i>(Increase)/decrease in operating liabilities</i>		
Amounts payable under repurchase agreements	4,159,071	0
Customer Current Accounts and Deposits	5,030,185	0
Net cash used in operating activities before income taxes	4,149,486	(4,175,456)
Income tax paid	0	0
Net cash flow from operating activities	<u>4,149,486</u>	<u>(4,175,456)</u>
Cash flows from investing activities		
Investment securities (increase)/decrease	(916,477)	0
Acquisition of fixed assets and intangible assets	(227,169)	(121,195)
Disposal of fixed assets	0	0
Disposal of fixed assets	<u>(1,143,646)</u>	<u>(121,195)</u>
Cash flows from financial activities		
Shareholders' contributions to the authorized capital	0	0
Increase/(decrease) in bonds issued	0	0
(Increase)/decrease of borrowed funds	2,112,613	6,621,043
Dividends paid to shareholders	0	0
Net cash flows from financial activities	<u>2,112,613</u>	<u>3,253,002</u>
Effect of changes in foreign exchange rates on cash and cash equivalents	(150,616)	37,487
Effect of changes in the expected debt losses on cash and cash equivalents	(92)	(11)
Net increase/(decrease) in cash and cash equivalents	4,967,745	(1,006,174)
Cash and cash equivalents at the beginning of the period	<u>3,291,640</u>	<u>2,412,547</u>
Cash and cash equivalents at the end of the period	<u>8,259,385</u>	<u>1,406,373</u>