

Statement of financial position

As of 31 March 2024

(thousands of Armenian Drams)

	<u>31/03/24</u>	<u>31/12/23</u>
Assets		
Cash and cash equivalents	9,633,394	10,988,713
Amounts due from banks	1,620,236	970,266
Investment securities	17,581,543	8,385,272
Amounts receivable under reverse repurchase agreements	1,272,678	0
Loans to customers	105,233,047	88,927,160
Finance lease receivables	1,946,173	254,628
Property, equipment and right-of-use assets	3,823,436	3,656,299
Intangible assets	1,491,519	1,399,673
Other assets	3,408,436	2,410,371
Total assets	<u>146,010,463</u>	<u>116,992,381</u>
Liabilities		
Amounts due to customers	51,002,485	34,316,341
Amounts due to banks	14,975,025	8,011,201
Debt securities issued	8,869,449	5,964,869
Other borrowed funds	9,525,885	7,934,062
Lease liability	1,736,827	1,754,993
Current income tax liabilities	2,195,870	1,625,016
Deferred income tax liabilities	1,576,877	2,007,562
Other liabilities	1,504,500	1,902,497
Total liabilities	<u>91,386,918</u>	<u>63,516,542</u>
Equity		
Share capital	30,100,000	30,100,000
Retained earnings	24,522,765	23,813,069
Revaluation reserve for investment securities	780	(437,230)
Total equity	<u>54,623,544</u>	<u>53,475,839</u>
Total equity and liabilities	<u>146,010,463</u>	<u>116,992,381</u>

Signed and authorised for release on behalf of the Management Board of the Bank.

Garegin Darbinyan

Executive Director

Tatul Tamrazyan

Chief Accountant

15 April 2024



Statement of profit or loss and other comprehensive income

For the period ended 31 March 2024

(thousands of Armenian Drams)

	<i>01/01/2024- 31/03/2024</i>	<i>01/01/2023- 31/03/2023</i>
Interest revenue calculated using effective interest rate	4,441,346	3,084,195
Other interest income	68,006	127,355
Interest expense	(1,303,578)	(365,245)
Net interest income	3,205,773	2,846,305
Credit loss expense	(561,919)	452,144
Net interest income after credit loss expense	2,643,854	3,298,450
Fee and commission income	139,986	12,722
Fee and commission expense	(46,273)	(13,201)
Net (loss)/gain from financial instruments at fair value through profit or loss	0	(25,450)
<i>Net gain/(loss) from foreign currencies</i>	40,317	25,997
- dealing	150,341	164,011
- translation difference	(110,024)	(138,014)
Other income	64,919	14,556
Non-interest income	198,949	14,624
Personnel expenses	(1,232,288)	(978,708)
Depreciation and amortisation	(251,331)	(153,505)
Other operating expense	(485,781)	(192,486)
Non-interest expense	(1,969,400)	(1,324,698)
Profit before income tax expense	873,403	1,988,376
Income tax expense	(163,707)	(377,116)
Profit for the period	709,696	1,611,260
Other comprehensive income		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>		
Net change in fair value of debt instruments at fair value through other comprehensive income	420,933	81,148
Changes in allowance for expected credit losses of debt instruments at fair value through other comprehensive income	113,224	0
Income tax relating to components of other comprehensive income	(96,148)	(14,607)
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods	438,009	66,540
Other comprehensive (loss)/income for the period, net of tax	438,009	66,540
Other comprehensive income for the period, net of tax	438,009	66,540
Total comprehensive income for the period	1,147,705	1,677,800

Statement of changes in equity
For the period ended 31 March 2024
(thousands of Armenian Drams)

	<i>Share capital</i>	<i>Revaluation reserve for investment securities</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance as at 1 January 2023	30,100,000	(803,336)	19,437,015	48,733,679
Total comprehensive income				
Profit for the period	-	-	0	0
Other comprehensive (loss)/gain for the period	-	(1)	-	(1)
Total comprehensive income for the period	-	(1)	0	(1)
Debt to equity swap	21,200,000	-	-	21,200,000
Dividend capitalization	1,900,000	-	(1,900,000)	0
Dividends paid to shareholders of the Bank	-	-	(100,000)	(100,000)
Balance as at 31 March 2023	53,200,000	(803,337)	17,437,015	69,833,678
Balance as at 1 January 2024	30,100,000	(437,230)	23,813,069	53,475,839
Profit for the period	-	-	709,696	709,696
Other comprehensive (loss)/gain for the period	-	438,009	0	438,009
Total comprehensive income for the period	-	438,009	709,696	1,147,705
Dividends paid to shareholders of the Bank	-	-	-	-
Balance as at 31 March 2024	30,100,000	779	24,522,765	54,623,544

Statement of cash flows
For the period ended 31 March 2024
(thousands of Armenian Drams)

	01/01/2024- 31/03/2024	01/01/2023- 31/03/2023
Cash flows from operating activities		
Interest received	4,362,309	3,259,981
Interest paid	(837,284)	(275,930)
Fees and commissions received	143,537	6,941
Fees and commissions paid	(38,206)	(20,696)
Benefits from foreign exchange trading operations/(loss)	150,341	84,996
Salary and other equivalent payments	(1,314,567)	(1,040,963)
Other operating income received/(other operating expenses paid)	(633,787)	(322,477)
Cash flows from changes in operating assets and liabilities	1,832,343	1,691,851
<i>Increase/decrease in operating assets</i>		
Amounts received under reverse repurchase agreements	0	0
Loans to customers	(17,407,032)	(6,731,621)
Finance lease to customers	(1,758,532)	0
(Increase)/decrease in amounts due from banks	(649,970)	0
Other assets Increase/(decrease)	(1,170,132)	0
<i>Increase/(decrease) in operating liabilities</i>		
Derivative financial liability payments	0	0
Increase/(decrease) in short-term loans from banks	0	0
Amounts payable under repurchase agreements	4,516,699	4,159,071
Current accounts and deposits from customers	16,098,882	5,030,185
Other liabilities	(710,855)	0
Net cash flows from operating activities before income tax	751,403	4,149,486
Income tax paid	(82,162)	0
Net cash from / (used in) operating activities	669,242	4,149,486
Cash flows from investing activities		
Investment stocks (increase)	(9,199,617)	(916,477,000.00)
Investment stocks decrease	600,000	-
Purchase of property and equipment,intangible assets	(266,677)	(193,900)
Purchase of intangible assets	(38,197)	(33,269)
Net cash from / (used in) investing activities	(8,904,491)	(1,143,646)
Cash flows from financing activities		
Shareholders' contributions to the authorized capital	-	0
Proceeds of loans from banks	10,561,450	9,204,822
(Repayment) of loans from banks	(7,821,148)	(7,313,605)
Increase of issued bonds	2,971,323	0
(Decrease) of issued bonds	0	0
Increase in other borrowed funds	1,726,058	295,207
(Decrease) in other borrowed funds	(199,608)	(73,519)
Lease payments	(59,845)	55,337
Dividends paid to shareholders of the Bank	-	(55,629)
Net cash from / (used in) financing activities	7,178,230	2,112,613
Effect of exchange rates changes on cash and cash equivalents	(265,005)	(150,616)
Effect of expected credit losses on cash and cash equivalents	(33,294)	(92)
Net increase/(decrease) in cash and cash equivalents	(1,355,318)	4,967,745
Cash and cash equivalents, beginning	10,988,713	3,291,640
Cash and cash equivalents, ending	9,633,394	8,259,385