

Statement of financial position

As of 30 June 2024

(thousands of Armenian Drams)

	<u>30/06/24</u>	<u>31/12/23</u>
Assets		
Cash and cash equivalents	19,837,619	10,984,112
Amounts due from banks	2,032,447	964,295
Derivative financial assets	44	0
Investment securities	9,430,662	5,258,863
Investment securities pledged under repurchase agreements	10,822,887	3,126,410
Loans to customers	125,568,831	88,772,092
Finance lease receivables	3,912,662	254,628
Property, equipment and right-of-use assets	4,004,966	3,829,455
Intangible assets	1,673,082	1,402,503
Other assets	4,158,797	2,413,495
Total assets	<u>181,441,998</u>	<u>117,005,853</u>
Liabilities		
Derivative financial liabilities	204	0
Amounts due to customers	71,199,933	34,325,150
Amounts due to banks	15,003,601	8,011,202
Debt securities issued	11,794,239	5,964,869
Other borrowed funds	11,499,654	7,934,059
Lease liability	1,721,663	1,754,993
Current income tax liabilities	474,932	1,620,547
Deferred tax liabilities	1,609,365	1,636,032
Other liabilities	1,350,799	1,774,439
Total liabilities	<u>114,654,390</u>	<u>63,021,290</u>
Equity		
Share capital	40,100,200	30,100,000
Retained earnings	26,649,525	24,316,477
Revaluation reserve for investment securities	37,883	(431,915)
Total equity	<u>66,787,607</u>	<u>53,984,562</u>
Total equity and liabilities	<u>181,441,998</u>	<u>117,005,852</u>

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

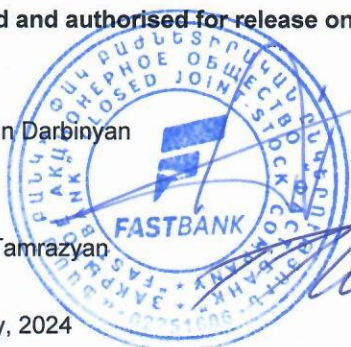
Garegin Darbinyan

Executive Director

Tatul Tamrazyan

Chief Accountant

15 July, 2024



Statement of profit or loss and other comprehensive income

For the period ended 30 June 2024

(thousands of Armenian Drams)

	01/04/2024- 30/06/2024	01/01/2024- 30/06/2024	01/04/2023- 30/06/2023	01/01/2023- 30/06/2023
Interest revenue calculated using effective interest rate	5,390,198	9,831,544	3,211,550	7,088,939
Other interest revenue	163,940	231,946	0	0
Interest expense	(1,917,542)	(3,221,120)	(365,245)	(943,270)
Net interest income	3,636,596	6,842,370	2,846,305	6,145,669
Reversal of credit loss expense/ (Credit loss expense)	459,046	(102,873)	452,146	(646,114)
Net interest income after credit loss expense	4,095,642	6,739,496	3,298,450	5,499,555
Fee and commission income	96,650	236,636	12,722	38,917
Fee and commission expense	(85,983)	(132,256)	(13,201)	(18,843)
Net gain/(loss) from financial instruments at fair value through profit or loss	0	0	(25,450)	(35,400)
<i>Net gain/(loss) from foreign currencies</i>	179,651	219,968	25,997	129,977
- dealing	200,906	351,247	164,011	304,058
- translation difference	(21,255)	(131,279)	(138,014)	(174,081)
Other income	26,475	91,394	14,556	27,948
Non-interest income	216,793	415,742	14,624	142,599
Personnel expenses	(1,443,139)	(2,675,427)	(978,708)	(2,100,289)
Depreciation and amortisation	(271,639)	(522,970)	(153,505)	(347,215)
Other operating expenses	(586,874)	(1,072,655)	(192,486)	(534,129)
Non-interest expense	(2,301,652)	(4,271,052)	(1,324,699)	(2,981,633)
Profit before income tax expense	2,010,784	2,884,186	1,988,376	2,660,520
Income tax expense	(387,432)	(551,139)	(377,116)	(638,697)
Profit for the period	1,623,352	2,333,048	1,611,260	2,021,824
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	6,267	427,201	81,148	381,495
Changes in allowance for expected credit losses of debt instruments at fair value through other comprehensive income	32,499	145,723	0	15,296
Income tax relating to components of other comprehensive income	(6,978)	(103,126)	(14,607)	(71,422)
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods	31,788	469,798	66,541	325,367
Other comprehensive income/ (loss) for the period, net of tax	31,788	469,798	66,541	325,367
Total comprehensive income for the period	1,655,140	2,802,845	1,677,801	2,347,191

Statement of changes in equity
For the period ended 30 June 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	2,021,824	2,021,824
Other comprehensive (loss)/gain for the period	0	325,367	0	325,367
Total comprehensive income for the period	0	325,367	2,021,824	2,347,191
Dividends paid to shareholders of the Bank	0	0	0	0
Balance as at 30 June 2023	30,100,000	(477,969)	21,458,838	51,080,870
Balance as at 1 January 2024	30,100,000	(431,915)	24,316,477	53,984,562
Profit for the period	0	0	2,333,048	2,333,048
Other comprehensive income/(expense) for the period	0	469,798	0	469,798
Total comprehensive income for the period	0	469,798	2,333,048	2,802,845
Addition in statutory capital	10,000,200	0	0	10,000,200
Dividends paid to shareholders of the Bank	0	0	0	0
Balance as at 30 June 2024	40,100,200	37,883	26,649,524	66,787,607

Statement of cash flows
For the period ended 30 June 2024
(thousands of Armenian Drams)

	01/01/2024- 30/06/2024	01/01/2023- 30/06/2023
Cash flows from operating activities		
Interest received	9,764,600	6,737,339
Interest paid	(2,225,505)	(605,495)
Fees and commissions received	237,496	15,102
Fees and commissions paid	(107,899)	(26,412)
Net receipts from foreign exchange	351,247	167,973
Salary and other equivalent payments	(2,951,868)	(2,181,562)
Other operating expenses paid	(1,174,662)	(797,004)
Cash flows from changes in operating assets and liabilities	3,893,410	3,309,943
<i>Increase/decrease in operating assets</i>		
Loans to customers	(37,549,300)	(14,589,399)
Finance lease to customers	(4,392,125)	0
Amounts due from banks	(1,068,152)	(428,187)
Other assets	(587,207)	53,366
<i>Increase/(decrease) in operating liabilities</i>		
Amounts payable under repurchase agreements	7,592,669	991,551
Amounts due to customers	35,894,007	16,580,983
Other liabilities	(36,986)	0
Net cash flows from operating activities before income tax	3,746,315	5,918,259
Income tax paid	(1,822,319)	(1,642,307)
Net cash from operating activities	1,923,995	4,275,951
Cash flows from investing activities		
Purchases of investment securities	(13,870,498)	(916,477)
Sale and repayment of investment securities	2,582,000	0
Purchase of property and equipment	(436,324)	(802,458)
Proceeds from sale of property and equipment	0	701
Purchase of intangible assets	(153,470)	(99,890)
Net cash from investing activities	(11,878,292)	(1,818,125)
Cash flows from financing activities		
Shareholders' contributions to the authorized capital	10,000,200	0
Proceeds from banks	19,496,020	22,162,572
Repayment of loans from banks	(19,695,390)	(20,355,485)
Proceeds from bonds issued	5,889,314	0
Proceeds from other borrowed funds	4,133,563	826,125
Repayment of other borrowed funds	(590,197)	(169,620)
Lease payments	(120,700)	(113,376)
Dividends paid to shareholders of the Bank	-	0
Net cash from financing activities	19,112,811	2,350,215
Effect of exchange rates changes on cash and cash equivalents	(264,185)	(205,460)
Effect of expected credit losses on cash and cash equivalents	(40,822)	(1,620)
Net increase/(decrease) in cash and cash equivalents	8,853,508	4,600,962
Cash and cash equivalents, beginning	10,984,112	3,180,144
Cash and cash equivalents, ending	19,837,619	7,781,106