

Statement of financial position

As of 30 September 2024

(thousands of Armenian Drams)

	<u>30/09/24</u>	<u>31/12/23</u>
Assets		
Cash and cash equivalents	14,721,228	10,984,112
Amounts due from banks	2,325,206	964,295
Derivative financial assets	2,262	0
Investment securities	12,194,118	5,258,863
Investment securities pledged under repurchase agreements	6,330,251	3,126,410
Amounts receivable under reverse repurchase agreements	13,472,853	0
Loans to customers	152,980,379	88,772,092
Finance lease receivables	6,262,730	254,628
Property, equipment and right-of-use assets	4,103,134	3,829,455
Intangible assets	1,803,900	1,402,503
Other assets	3,087,331	2,413,495
Total assets	<u>217,283,392</u>	<u>117,005,853</u>
Liabilities		
Derivative financial liabilities	3,104	0
Amounts due to customers	106,434,181	34,325,150
Amounts due to banks	12,802,962	8,011,202
Debt securities issued	10,681,658	5,964,869
Other borrowed funds	13,367,127	7,934,059
Lease liability	1,701,007	1,754,993
Current income tax liabilities	627,714	1,620,547
Deferred tax liabilities	1,699,664	1,636,032
Other liabilities	1,546,599	1,774,439
Total liabilities	<u>148,864,015</u>	<u>63,021,290</u>
Equity		
Share capital	40,100,200	30,100,000
Retained earnings	28,295,128	24,316,477
Revaluation reserve for investment securities	24,049	(431,915)
Total equity	<u>68,419,377</u>	<u>53,984,562</u>
Total equity and liabilities	<u>217,283,392</u>	<u>117,005,852</u>

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

Executive Director

Garegin Darbinyan

Chief Accountant

Tatul Tamrazyan

15 October, 2024



Statement of profit or loss and other comprehensive income

For the period ended 30 September 2024

(thousands of Armenian Drams)

	01/07/2024- 30/09/2024	01/01/2024- 30/09/2024	01/07/2023- 30/09/2023	01/01/2023- 30/09/2023
Interest revenue calculated using effective interest rate	6,369,284	16,200,828	3,716,930	10,805,869
Other interest revenue	245,850	477,796	0	0
Interest expense	(2,497,716)	(5,718,836)	(767,173)	(1,710,444)
Net interest income	4,117,418	10,959,787	2,949,756	9,095,425
Reversal of credit loss expense/ (Credit loss expense)	(87,395)	(190,268)	(18,106)	(664,220)
Net interest income after credit loss expense	4,030,023	10,769,519	2,931,651	8,431,206
Fee and commission income	135,589	372,225	96,818	135,735
Fee and commission expense	(89,048)	(221,304)	(32,644)	(51,487)
Net gain/(loss) from financial instruments at fair value through profit or loss	(24,570)	(24,570)	21,520	(13,880)
<i>Net gain/(loss) from foreign currencies</i>	333,051	553,019	79,547	209,524
- dealing	387,888	739,135	187,627	491,685
- translation difference	(54,837)	(186,116)	(108,079)	(282,161)
Other income	32,003	123,397	18,747	46,695
Non-interest income	387,025	802,767	183,988	326,586
Personnel expenses	(1,429,177)	(4,104,604)	(1,059,053)	(3,159,342)
Depreciation and amortisation	(286,569)	(809,539)	(244,209)	(591,424)
Other operating expenses	(697,927)	(1,770,582)	(487,725)	(1,021,854)
Non-interest expense	(2,413,673)	(6,684,725)	(1,790,987)	(4,772,620)
Profit before income tax expense	2,003,375	4,887,561	1,324,651	3,985,172
Income tax expense	(357,772)	(908,910)	(287,188)	(925,884)
Profit for the period	1,645,603	3,978,651	1,037,464	3,059,287
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	4,345	431,545	179,958	561,453
Changes in allowance for expected credit losses of debt instruments at fair value through other comprehensive income	(21,214)	124,509	5,884	21,179
Income tax relating to components of other comprehensive income	3,037	(100,090)	(33,452)	(104,874)
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods	(13,833)	455,965	152,391	477,758
Other comprehensive income/ (loss) for the period, net of tax	(13,833)	455,965	152,391	477,758
Total comprehensive income for the period	1,631,770	4,434,616	1,189,854	3,537,045

Statement of changes in equity
For the period ended 30 September 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	3,059,287	3,059,287
Other comprehensive (loss)/gain for the period	0	477,758	0	477,758
Total comprehensive income for the period	0	477,758	3,059,287	3,537,045
Dividends paid to shareholders of the Bank	0	0	0	0
Balance as at 30 September 2023	30,100,000	(325,578)	22,496,302	52,270,724
Balance as at 1 January 2024	30,100,000	(431,915)	24,316,477	53,984,562
Profit for the period	0	0	3,978,651	3,978,651
Other comprehensive income/(expense) for the period	0	455,965	0	455,965
Total comprehensive income for the period	0	455,965	3,978,651	4,434,616
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 September 2024	40,100,200	24,050	28,295,127	68,419,377

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

	01/01/2024- 30/09/2024	01/01/2023- 30/09/2023
Cash flows from operating activities		
Interest received	15,877,159	10,339,356
Interest paid	(4,068,889)	(883,058)
Fees and commissions received	367,888	135,735
Fees and commissions paid	(196,947)	(51,487)
Net receipts from foreign exchange	739,135	361,082
Net payment from financial instruments at fair value through profit or loss	11,748	0
Salary and other equivalent payments	(4,549,922)	(3,273,002)
Other operating expenses paid	(1,887,992)	(1,406,030)
Cash flows from changes in operating assets and liabilities	6,292,180	5,222,595
<i>Increase/decrease in operating assets</i>		
Amounts received under reverse repurchase agreements	(13,545,568)	0
Loans to customers	(64,857,515)	(22,323,798)
Finance lease to customers	(6,733,555)	(120,449)
Amounts due from banks	(1,360,912)	(497,888)
<i>Increase/(decrease) in operating liabilities</i>		
Amounts payable under repurchase agreements	3,363,109	(11,759)
Amounts due to customers	70,251,614	24,315,580
Other liabilities	633,633	(6,820)
Net cash flows from operating activities before income tax	(5,957,014)	6,577,461
Income tax paid	(1,830,327)	(1,642,307)
Net cash from operating activities	(7,787,341)	4,935,154
Cash flows from investing activities		
Purchases of investment securities	(13,870,498)	(1,190,923)
Sale and repayment of investment securities	4,707,000	0
Purchase of property and equipment	(597,595)	(1,057,461)
Proceeds from sale of property and equipment	49,025	701
Purchase of intangible assets	(217,090)	(226,626)
Net cash from investing activities	(9,929,158)	(2,474,309)
Cash flows from financing activities		
Shareholders' contributions to the authorized capital	10,000,200	0
Proceeds from banks	24,365,070	24,093,272
Repayment of loans from banks	(22,498,888)	(22,735,584)
Proceeds from bonds issued	5,889,314	1,544,455
Redemption of bonds issued	(1,083,344)	(323,220)
Proceeds from other borrowed funds	6,124,770	3,411,756
Repayment of other borrowed funds	(801,396)	(275,516)
Lease payments	(186,619)	(170,054)
Dividends paid to shareholders of the Bank	-	0
Net cash from financing activities	21,809,108	5,545,110
Effect of exchange rates changes on cash and cash equivalents	(336,922)	(199,237)
Effect of expected credit losses on cash and cash equivalents	(18,571)	(2,750)
Net increase/(decrease) in cash and cash equivalents	3,737,116	7,803,968
Cash and cash equivalents, beginning	10,984,112	3,180,144
Cash and cash equivalents, ending	14,721,228	10,984,112