

### Statement of comprehensive income

#### June 30, 2024

Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

		01/04/24-	01/01/24-	01/04/23-	01/01/23-
In thousand Armenian drams	Notes	30/06/24	30/06/24	30/06/23	30/06/23
Interest revenue calculated using effective interest rate	24	10,935,370	21,964,518	8,840,107	17,428,920
Other interest revenue	24	12,409	24,917	10,629	21,219
Interest expense	24	(4,775,488)	(9,564,979)	(3,723,513)	(7,333,018)
Net interest income		6,172,291	12,424,456	5,127,223	10,117,121
Credit loss expense	25	15,509	278,461	(1,028,268)	(675,364)
Net interest income after credit loss expense		6,187,800	12,702,917	4,098,955	9,441,757
Fee and commission income	26	2,759,099	5,292,509	2,736,130	5,117,074
Fee and commission expense	26	(1,780,657)	(3,583,411)	(1,774,359)	(3,195,497)
Net trading income	27	2,057,365	3,602,949	1,784,246	3,914,003
Net gain(loss) from foreign currency translation		(296,052)	(727,077)	329,531	957,908
Gains less losses from investment securities available for sale		148,208	305,592	20,537	63,398
Other income	28	222,177	439,986	6,095	337,139
Non-interest income		3,110,140	5,330,548	3,102,180	7,194,025
Personnel expenses	29	(2,744,585)	(5,104,275)	(2,258,534)	(4,411,018)
Depreciation of property and equipment	11	(344,872)	(672,222)	(300,918)	(582,879)
Amortization of intangible assets	12	(27,278)	(53,445)	(20,393)	(40,748)
Other operating and administrative expenses	29	(1,317,994)	(2,477,861)	(1,166,250)	(2,199,466)
Non-interest expense		(4,434,729)	(8,307,803)	(3,746,095)	(7,234,111)
Profit before income tax expense		4,863,211	9,725,662	3,455,040	9,401,671
Profit tax expense	19	(916,609)	(1,927,186)	(668,845)	(1,799,748)
Profit for the period		3,946,602	7,798,476	2,786,195	7,601,923
Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in					
subsequent periods					
Revaluation of property and equipment					
Income tax effect	19				
Net other comprehensive income not to be reclassified to profit or					
loss in subsequent periods		-	-	-	-
Other comprehensive income to be reclassified subsequently to profit					
or loss					
Unrealised gains/(losses) on investments at fair value through other					
comprehensive income		459,171	3,280,310	2,495,976	2,987,381
Realised (gains)/losses on investments at fair value through other					
comprehensive income reclassified to the statement of profit or loss		(148,208)	(305,592)	(20,537)	(63,398)
Changes in allowance for expected credit losses of debt instruments at		(140,200)	(303,372)	(20,007)	(03,370)
fair value through other comprehensive income		12,052	12,243	4,505	7,108
Income tax effect	19	(58,143)	(537,653)	(446,390)	(527,596)
Net other comprehensive income to be reclassified subsequently to			/		
profit or loss		264,872	2,449,308	2,033,554	2,403,495
Other comprehensive income for the year, net of tax		264,872	2,449,308	2,033,554	2,403,495
Total comprehensive income for the year		4,211,474	10,247,784	4,819,749	10,005,418

Approval date 15.07.24

Chief Executive Officer, Chairman of Executive Management



A. Grigoryan



# Statement of financial position June 30, 2024

# Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	Notes	30/06/24	31/12/2023 /audited/
ASSETS			
Cash and cash equivalents	6	56,202,062	37,214,306
Trading securities	7	1,030,636	970,372
Amounts due from banks	8	40,026,493	37,318,440
Derivative financial assets	16	4,774	72,646
Loans and advances to customers	9	288,028,019	271,831,024
Investment securities	10	85,862,347	133,475,489
Investment securities pledged under repurchase agreements	10	37,567,635	7,927,279
Property, plant and equipment	11	11,033,502	11,095,293
Intangible assets	12	901,118	882,208
Repossessed assets	13	791,740	804,122
Other assets	14	4,208,939	4,165,063
Total assets		525,657,265	505,756,242
LIABILITIES AND EQUITY			
Liabilities			
Amounts due to banks	15	35,379,506	4,175,967
Derivative financial liabilities	16	30,619	31,110
Amounts due to customers	17	343,145,201	359,249,656
Bonds issued by the Bank	18	19,821,387	20,367,348
Income tax liabilities		947,501	2,675,304
Deferred income tax liabilities	19	1,186,677	494,462
Other borrowed funds	20	37,330,116	37,251,747
Lease liabilities	11	1,900,483	1,942,813
Provisions on contingent liabilities	22	343,456	323,878
Other liabilities	14	4,094,350	3,546,225
Total liabilities		444,179,296	430,058,510
Equity			
Share capital	23	19,947,633	19,947,633
Share premium		63,233	63,233
Statutory general reserve		8,848,182	8,848,182
Revaluation surplus for land and buildings		3,523,613	3,572,171
Revaluation reserve for financial assets at FVOCI		1,080,892	(1,368,416)
Retained earnings		48,014,416	44,634,929
Total equity		81,477,969	75,697,732
Total liabilities and equity		525,657,265	505,756,242

Approval date 15.07.24

Chief Executive Officer, Chairman of Executive Management



A. Grigoryan

Chief Accountant



#### Statement of cash flows June 30, 2024

# Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

	01/01/2024-	01/01/2023
In thousand Armenian drams	30/06/2024	30/06/2023
Cash flows from operating activities		
Interest received	21,078,614	16,136,326
Interest paid	(9,545,357)	(7,423,476)
Fees and commissions received	5,292,509	5,117,074
Fees and commissions paid	(3,583,411)	(2,960,727
Net trading income received	3,319,425	5,057,656
Other income received	434,134	400,306
Personnel expenses paid	(4,934,414)	(4,445,802
Administrative and other operating expenses paid	(2,251,755)	(2,238,431
Cash flows from operating activities before changes in operating assets and liabilities	9,809,745	9,642,926
Net (increase)/decrease in operating assets		
Trading securities	(5,388)	33,064
Amounts due from banks	(3,440,505)	6,758,950
Loans and advances to customers	(19,981,777)	(10,648,910)
Repossessed assets	172,718	1,121,235
Other assets	(107,879)	(3,828,838
Net increase/(decrease) in operating liabilities	(107,077)	(0,020,000
Amounts due to banks	31,132,453	(54,009
Amounts due to customers	(7,009,602)	(16,024,239)
Derivative financial liabilities	297.978	(1,043,949)
Other liabilities	161,973	4,479,426
	11,029,714	(9,564,344
Net cash flows from operating activities before income tax	(3,512,670)	
Income tax paid  Net cash from / (used in) operating activities	7,517,045	(3,809,313)
Cash flow from investing activities		
Purchase of investment securities	(19,464,610)	(31,687,829)
Proceeds from sale and redemption of investment securities	38,868,314	37,061,631
Purchase of property and equipment	(543,501)	(609,434)
Proceeds from sale of property and equipment	20,581	(74,133
Purchase of intangible assets	(72,355)	(166,896
Net cash from / (used in) investing activities	18,808,429	4,523,339
Net cash flow from financing activities		
Dividends paid to shareholders	(4,467,547)	-
Proceeds from debt securities issued	8,855,989	5,295,222
Redemption of debt securities issued	(8,914,400)	-
Proceeds from other borrowed funds	2,642,559	4,430,854
Repayment from other borrowed funds	(2,536,839)	(2,725,811
Repayment of subordinated loans	-	(276,346
Lease liabilities	(254,850)	(290,868
Net cash from / (used in) financing activities	(4,675,088)	6,433,051
Net increase/(decrease) in cash and cash equivalents	21,650,386	(2,417,267
Cash and cash equivalents at the beginning of the year	37,214,306	50,293,614
Effect of exchange rates changes on cash and cash equivalents	(2,662,365)	(2,316,763
Effect of expected credit losses on cash and cash equivalents	(264)	4,411
Cash and cash equivalents, ending of period	56,202,062	45,563,995

Approval date 15.07.24

Chief Executive Officer, Chairman of Executive Management



A. Grigoryan



## Statement of changes in equity

#### June 30, 2024

#### Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

				Revaluation reserve			
		Share	Statutory general	of securities	Revaluation	Retained	
In thousand Armenian drams	Share capital	premium	reserve	available for sale	reserve of PPE	earnings	Total
Balance as of January 1, 2023	19,947,633	63,233	8,848,182	(4,099,566)	3,669,287	34,346,235	62,775,004
Issue of share capital							-
Distribution to general reserve							-
Dividends to shareholders						(4,432,091)	(4,432,091)
Total Transactions with owners	-	-	-	-	-	(4,432,091)	(4,432,091)
Profit for the period						7,601,923	7,601,923
Other comprehensive income for the period				2,403,495		-	2,403,495
Total comprehensive income for the peiod	-	-	-	2,403,495	-	7,601,923	10,005,418
Depreciation of revaluation reserve	-	-	-	-	(48,558)	48,558	-
Balance as of June 30, 2023	19,947,633	63,233	8,848,182	(1,696,071)	3,620,729	37,564,625	68,348,331
Balance as of January 1, 2024 /audited/	19,947,633	63,233	8,848,182	(1,368,416)	3,572,171	44,634,929	75,697,732
Issue of share capital							-
Distribution to general reserve							-
Dividends to shareholders						(4,467,547)	(4,467,547)
Total Transactions with owners	-	-	-	-	-	(4,467,547)	(4,467,547)
Profit for the period						7,798,476	7,798,476
Other comprehensive income for the period				2.449.308		-	2,449,308
Total comprehensive income for the period		_	_	2,449,308	_	7,798,476	10.247.784
Total comprehensive income for the pelou				2,447,308	_	7,770,470	-
Depreciation of revaluation reserve	-	-	-	-	(48,558)	48,558	-
Balance as of June 30, 2024	19,947,633	63,233	8,848,182	1,080,892	3,523,613	48,014,416	81,477,969

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Chief Executive Officer, Chairman of Executive Management



A. Grigoryan

Chief Accountant



# The main economical normatives June 30, 2024 Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

		Limitations	Number of
	Actual	established by	break during
In thousand Armenian drams		Central Bank	quarter
1	2	3	4
Minimum statutory fund of the bank	19,947,633	1,000,000	no violation
Minimum total capital of the bank	74,422,704	30,000,000	no violation
N1.1 Tier 1 core capital/ Risk weighted assets	16.76%	6.20%	no violation
N1.2 Tier 1 capital/ Risk weighted assets	16.76%	8.30%	no violation
N1 Total capital/ Risk weighted assets	17.49%	11.00%	no violation
N2.1 High liquid assets/ Total assets	41.07%	15.00%	no violation
N2.11 High liquid assets/ Total assets for I group CCY	46.05%	4.00%	no violation
N2.2 High liquid assets/ Demand liabilities	113.22%	60.00%	no violation
N2.21 High liquid assets/ Demand liabilities for I group CCY	95.40%	10.00%	no violation
N23 High liquid assets/ Net cash outflow for all CCY	164.85%	100.00%	no violation
N23(FX) High liquid assets/ Net cash outflow for I group CCY	180.61%	100.00%	no violation
N24 Total Available Stable Funding/Total Required Stable Funding for all CCY	145.51%	100.00%	no violation
N24(FX) Total Available Stable Funding/Total Required Stable Funding for I	150.32%	100.00%	no violation
N3.1 Maximum risk on a single borrower	6.74%	20.00%	no violation
N3.2 Maximum risk on large-scale borrowers	9.79%	500.00%	no violation
N4.1 Maximum risk on bank related person	3.45%	5.00%	no violation
N4.2 Maximum risk on all bank related persons	10.68%	20.00%	no violation
N5.1 Maximum deviation of Ioan to value ratio(AMD)	Х	10.00%	no violation
N5.2 Maximum deviation of loan to value ratio(Foreign currency)	1.81%	5.00%	no violation
for AMD		4.00%	
TOT AIVID	X	12%-in USD,6% -in	
for USD		AMD	
6 5110		12%-in EUR, 6% -in	
for EUR		AMD	no violation
Foreign currency position /Total capital	1.09%	10.00%	no violation
for USD	X	7.00%	no violation
for EUR	Х	7.00%	no violation
for RUB	0.17%	7.00%	no violation
other	Х	X	no violation

Approval date 15.07.24

 $Chief\ Executive\ Officer,\ Chairman\ of\ Executive\ Management$ 



 $A.\ Grigoryan$ 

Chief Accountant