

Statement of comprehensive income
September 30, 2024
Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	Notes	01/07/24- 30/09/24	01/01/24- 30/09/24	01/07/23- 30/09/23	01/01/23- 30/09/23
Interest revenue calculated using effective interest rate	22	11,602,607	33,567,125	9,664,460	27,093,380
Other interest revenue	22	11,378	36,295	10,813	32,032
Interest expense	22	(4,958,590)	(14,523,569)	(4,169,139)	(11,502,157)
Net interest income		6,655,395	19,079,851	5,506,134	15,623,255
Credit loss expense	26	(215,718)	62,743	(1,405,230)	(2,080,594)
Net interest income after credit loss expense		6,439,677	19,142,594	4,100,904	13,542,661
Fee and commission income	23	2,830,145	8,122,654	2,574,583	7,691,657
Fee and commission expense	23	(1,759,479)	(5,342,890)	(1,937,612)	(5,133,109)
Net trading income	24	1,316,780	4,919,729	1,488,863	5,402,866
Net gain(loss) from foreign currency translation		396,351	(330,726)	116,683	1,074,591
Gains less losses from investment securities available for sale		121,756	427,348	(4,705)	58,693
Other income	25	161,412	601,398	238,323	575,462
Non-interest income		3,066,965	8,397,513	2,476,135	9,670,160
Personnel expenses	27	(2,551,404)	(7,655,679)	(2,208,975)	(6,619,993)
Depreciation of property and equipment	11	(335,486)	(1,007,708)	(322,813)	(905,692)
Amortization of intangible assets	12	(28,848)	(82,293)	(22,376)	(63,124)
Other operating and administrative expenses	27	(1,318,682)	(3,796,543)	(1,042,685)	(3,242,151)
Non-interest expense		(4,234,420)	(12,542,223)	(3,596,849)	(10,830,960)
Profit before income tax expense		5,272,222	14,997,884	2,980,190	12,381,861
Profit tax expense	18	(1,141,247)	(3,068,433)	(556,816)	(2,356,564)
Profit for the period		4,130,975	11,929,451	2,423,374	10,025,297
Other comprehensive income					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Revaluation of property and equipment					
Income tax effect	19				
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods					
<i>Other comprehensive income to be reclassified subsequently to profit or loss</i>					
Unrealised gains/(losses) on investments at fair value through other comprehensive income		(39,412)	3,240,898	1,298,065	4,285,447
Realised (gains)/losses on investments at fair value through other comprehensive income reclassified to the statement of profit or loss		(121,756)	(427,348)	4,705	(58,693)
Changes in allowance for expected credit losses of debt instruments at fair value through other comprehensive income		13,803	26,046	17,850	24,958
Income tax effect	18	26,526	(511,127)	(237,712)	(765,308)
Net other comprehensive income to be reclassified subsequently to profit or loss		(120,839)	2,328,469	1,082,908	3,486,404
Other comprehensive income for the year, net of tax		(120,839)	2,328,469	1,082,908	3,486,404
Total comprehensive income for the year		4,010,136	14,257,920	3,506,282	13,511,701

Approval date 15.10.24

Chief Executive Officer, Chairman of Executive Management

A. Grigoryan

Chief Accountant



D. Azatyan

Statement of financial position
September 30, 2024
Converse Bank CSJC, V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	Notes	30/09/24	31/12/2023 /audited/
ASSETS			
Cash and cash equivalents	5	44,360,109	37,214,306
Trading securities	6	944,718	970,372
Amounts due from banks	7	50,808,865	37,318,440
Derivative financial assets	8	5,392	72,646
Loans and advances to customers	9	306,100,835	271,831,024
Investment securities	10	72,728,052	133,475,489
Investment securities pledged under repurchase agreements	10	53,888,186	7,927,279
Property, plant and equipment	11	11,150,042	11,095,293
Intangible assets	12	913,467	882,208
Repossessed assets	13	746,606	804,122
Other assets	14	3,942,353	4,165,063
Total assets		545,588,625	505,756,242
LIABILITIES AND EQUITY			
Liabilities			
Amounts due to banks	15	51,520,462	4,175,967
Derivative financial liabilities		50,090	31,110
Amounts due to customers	16	341,862,933	359,249,656
Bonds issued by the Bank	17	20,171,577	20,367,348
Income tax liabilities	18	1,367,679	2,675,304
Deferred income tax liabilities	18	1,505,400	494,462
Other borrowed funds	19	37,216,660	37,251,747
Lease liabilities	32	1,874,812	1,942,813
Provisions on contingent liabilities	20	287,609	323,878
Other liabilities	14	4,243,298	3,546,225
Total liabilities		460,100,520	430,058,510
Equity			
Share capital	21	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		3,499,333	3,572,171
Revaluation reserve for financial assets at FVOCI		960,053	(1,368,416)
Retained earnings		52,169,671	44,634,929
Total equity		85,488,105	75,697,732
Total liabilities and equity		545,588,625	505,756,242

Approval date 15.10.24

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Chief Accountant

D. Azatyan



Statement of cash flows
September 30, 2024
Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	01/01/2024- 30/09/2024	01/01/2023- 30/09/2023
Cash flows from operating activities		
Interest received	32,447,051	25,782,336
Interest paid	(13,789,615)	(11,160,480)
Fees and commissions received	8,122,654	7,691,657
Fees and commissions paid	(5,342,890)	(4,762,697)
Net trading income received	4,597,994	5,245,870
Other income received	598,497	640,022
Personnel expenses paid	(7,138,330)	(6,812,922)
Administrative and other operating expenses paid	(3,745,600)	(3,494,329)
Cash flows from operating activities before changes in operating assets and liabilities	15,749,761	13,129,457
<i>Net (increase)/decrease in operating assets</i>		
Trading securities	91,707	22,802
Amounts due from banks	(14,206,155)	14,594,330
Loans and advances to customers	(37,465,132)	(18,025,097)
Repossessed assets	240,292	1,478,525
Other assets	207,481	(443)
<i>Net increase/(decrease) in operating liabilities</i>		
Amounts due to banks	48,262,277	6,846,063
Amounts due to customers	(9,513,966)	6,983,689
Derivative financial liabilities	342,766	216,172
Other liabilities	142,744	432,476
Net cash flows from operating activities before income tax	3,851,775	25,677,974
Income tax paid	(3,902,294)	(4,229,766)
Net cash from / (used in) operating activities	(50,519)	21,448,208
Cash flow from investing activities		
Purchase of investment securities	(20,713,121)	(65,044,816)
Proceeds from sale and redemption of investment securities	37,186,474	45,469,134
Purchase of property and equipment	(978,961)	(1,733,487)
Proceeds from sale of property and equipment	45,556	101,489
Purchase of intangible assets	(113,552)	(256,200)
Net cash from / (used in) investing activities	15,426,396	(21,463,880)
Net cash flow from financing activities		
Dividends paid to shareholders	(4,467,547)	(4,432,091)
Proceeds from debt securities issued	8,900,661	5,295,222
Redemption of debt securities issued	(8,914,400)	-
Proceeds from other borrowed funds	3,714,240	6,060,725
Repayment from other borrowed funds	(3,755,192)	(3,862,816)
Repayment of subordinated loans	-	(276,346)
Lease liabilities	(381,345)	433,805
Net cash from / (used in) financing activities	(4,903,583)	3,218,499
Net increase/(decrease) in cash and cash equivalents	10,472,294	3,202,827
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	(3,319,411)	(2,433,415)
Effect of expected credit losses on cash and cash equivalents	(7,080)	3,501
Cash and cash equivalents, ending of period	44,360,109	51,066,527

Approval date 15.10.24

Chief Executive Officer, Chairman of Executive Management

A. Grigoryan

Chief Accountant

D. Azatyan





Statement of changes in equity
September 30, 2024
Converse Bank CSJC .V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	Share capital	Share premium	Statutory general reserve	Revaluation reserve of securities available for sale	Revaluation reserve of PPE	Retained earnings	Total
Balance as of January 1, 2023 /audited/	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						10,025,297	10,025,297
Other comprehensive income for the period				3,486,404		-	3,486,404
Total comprehensive income for the peiod	-	-	-	3,486,404	-	10,025,297	13,511,701
Depreciation of revaluation reserve	-	-	-	-	(72,837)	72,837	-
Balance as of September 30, 2023	19,947,633	63,233	8,848,182	(613,162)	3,596,450	40,012,278	71,854,614
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						11,929,451	11,929,451
Other comprehensive income for the period				2,328,469		-	2,328,469
Total comprehensive income for the peiod	-	-	-	2,328,469	-	11,929,451	14,257,920
Depreciation of revaluation reserve	-	-	-	-	(72,838)	72,838	-
Balance as of September 30, 2024	19,947,633	63,233	8,848,182	960,053	3,499,333	52,169,671	85,488,105

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

In thousand Armenian drams	Actual	Limitations established by Central Bank	Number of break during 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	77,808,449	30,000,000	no violation
N1.1 Tier 1 core capital/ Risk weighted assets	16.80%	6.20%	no violation
N1.2 Tier 1 capital/ Risk weighted assets	16.80%	8.30%	no violation
N1 Total capital/ Risk weighted assets	17.54%	11.00%	no violation
N2.1 High liquid assets/ Total assets	39.47%	15.00%	no violation
N2.11 High liquid assets/ Total assets for I group CCY	37.57%	4.00%	no violation
N2.2 High liquid assets/ Demand liabilities	105.02%	60.00%	no violation
N2.21 High liquid assets/ Demand liabilities for I group CCY	81.23%	10.00%	no violation
N23 High liquid assets/ Net cash outflow for all CCY	193.03%	100.00%	no violation
N23(FX) High liquid assets/ Net cash outflow for I group CCY	353.22%	100.00%	no violation
N24 Total Available Stable Funding/Total Required Stable Funding for all CCY	140.30%	100.00%	no violation
N24(FX) Total Available Stable Funding/Total Required Stable Funding for I	152.91%	100.00%	no violation
N3.1 Maximum risk on a single borrower	6.36%	20.00%	no violation
N3.2 Maximum risk on large-scale borrowers	12.87%	500.00%	no violation
N4.1 Maximum risk on bank related person	2.97%	5.00%	no violation
N4.2 Maximum risk on all bank related persons	10.92%	20.00%	no violation
N5.1 Maximum deviation of loan to value ratio(AMD)	0.00%	10.00%	no violation
N5.2 Maximum deviation of loan to value ratio(Foreign currency)	0.00%	5.00%	no violation
		4.00%	
for AMD			
for USD	X	12%-in USD,6% -in AMD	
for EUR		12%-in EUR, 6% -in AMD	no violation
Foreign currency position /Total capital	4.53%	10.00%	no violation
for USD	4.42%	7.00%	no violation
for EUR	X	7.00%	no violation
for RUB	X	7.00%	no violation
other	X	X	no violation

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