

Statement of comprehensive income
December 31, 2024
Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	01/10/24- 31/12/24	01/01/24- 31/12/24	01/10/23- 31/12/23	01/01/23-31/12/23
Interest revenue calculated using effective interest rate	12,146,272	45,713,397	10,401,700	37,495,080
Other interest revenue	10,501	46,796	11,948	43,980
Interest expense	(5,303,012)	(19,826,581)	(4,440,676)	(15,942,833)
Net interest income	6,853,761	25,933,612	5,972,972	21,596,227
Credit loss expense	(9,342)	53,401	1,716,998	(363,596)
Net interest income after credit loss expense	6,844,419	25,987,013	7,689,970	21,232,631
Fee and commission income	2,390,408	10,591,042	3,119,417	10,882,481
Fee and commission expense	(1,503,631)	(6,846,521)	(1,848,042)	(6,981,151)
Net trading income	824,145	5,743,874	2,433,630	7,836,496
Net gain(loss) from foreign currency translation	644,992	314,266	(741,915)	332,676
Gains less losses from investment securities available for sale	35,470	462,818	136,883	195,576
Other income	234,204	757,622	422,070	926,125
Non-interest income	2,625,588	11,023,101	3,522,043	13,192,203
Personnel expenses	(2,905,327)	(10,561,006)	(2,723,802)	(9,343,795)
Depreciation of property and equipment	(394,258)	(1,401,966)	(345,221)	(1,250,913)
Amortization of intangible assets	(31,375)	(113,668)	(22,895)	(86,019)
Other operating and administrative expenses	(1,465,697)	(5,262,230)	(1,987,623)	(5,229,774)
Other impairment and provisions	(76,564)	(76,564)	(77,914)	(77,914)
Non-interest expense	(4,873,221)	(17,415,434)	(5,157,455)	(15,988,415)
Profit before income tax expense	4,596,786	19,594,680	6,054,558	18,436,419
Profit tax expense	(913,399)	(3,981,832)	(1,456,186)	(3,812,750)
Profit for the period	3,683,387	15,612,848	4,598,372	14,623,669
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				
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	(148,568)	3,092,329	(788,910)	3,496,537
Realised (gains)/losses on investments at fair value through other comprehensive income reclassified to the statement of profit or loss	(35,470)	(462,818)	(136,883)	(195,576)
Changes in allowance for expected credit losses of debt instruments at fair value through other comprehensive income	97,193	123,239	4,751	29,709
Income tax effect	15,632	(495,495)	165,788	(599,520)
Net other comprehensive income to be reclassified subsequently to profit or loss	(71,213)	2,257,255	(755,254)	2,731,150
Other comprehensive income for the year, net of tax	(71,213)	2,257,255	(755,254)	2,731,150
Total comprehensive income for the year	3,612,174	17,870,103	3,843,118	17,354,819

Approval date 15.01.25

Acting Chief Executive Officer

Chief Accountant



G. Akopian

D. Azatyan

Statement of financial position
December 31, 2024
Converse Bank CSJC .V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	31/12/24	31/12/2023 /audited/
ASSETS		
Cash and cash equivalents	39,348,626	37,214,306
Trading securities	943,498	970,372
Amounts due from banks	41,333,795	37,318,440
Derivative financial assets	2,586	72,646
Receivables under reverse repurchase agreements	19,925,584	7,400,589
Loans and advances to customers	311,089,113	264,823,935
Investment securities	84,552,096	133,475,489
Investment securities pledged under repurchase agreements	63,362,767	7,927,279
Property, plant and equipment, right of use of assets	11,080,084	11,095,293
Intangible assets	888,076	882,208
Repossessed assets	528,917	804,122
Other assets	2,893,341	3,771,563
Total assets	575,948,483	505,756,242
LIABILITIES AND EQUITY		
Liabilities		
Amounts due to banks	665,754	242,325
Derivative financial liabilities	67,655	31,110
Accounts payable under repurchase agreements	59,961,214	7,739,916
Amounts due to customers	355,105,326	355,443,382
Bonds issued by the Bank	24,169,745	20,367,348
Income tax liabilities	1,809,534	2,675,304
Deferred income tax liabilities	1,533,165	494,462
Other borrowed funds	37,308,665	37,251,747
Lease liabilities	1,813,892	1,942,813
Provisions on contingent liabilities	219,072	323,878
Other liabilities	4,194,173	3,546,225
Total liabilities	486,848,195	430,058,510
Equity		
Share capital	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	3,475,055	3,572,171
Revaluation reserve for financial assets at FVOCI	888,839	(1,368,416)
Retained earnings	55,877,346	44,634,929
Total equity	89,100,288	75,697,732
Total liabilities and equity	575,948,483	505,756,242

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Statement of cash flows
December 31, 2024
Converse Bank CSJC ,V. Sargsyan 26/1 st., Yerevan

In thousand Armenian drams	31/12/24	31/12/2023 /audited/
Cash flows from operating activities		
Interest received	44,427,081	35,997,583
Interest paid	(19,103,677)	(14,446,781)
Fees and commissions received	10,490,461	10,787,706
Fees and commissions paid	(6,846,521)	(6,981,151)
Net trading income received	5,294,438	7,462,715
Other income received	831,132	1,025,894
Personnel expenses paid	(10,246,280)	(9,201,774)
Administrative and other operating expenses paid	(5,037,450)	(4,843,499)
Cash flows from operating activities before changes in operating assets and liabilities	19,809,184	19,800,693
<i>Net (increase)/decrease in operating assets</i>		
Trading securities	103,908	(32,155)
Amounts due from banks	(544,818)	14,180,220
Receivables under reverse repurchase agreements	(12,511,424)	(5,304,800)
Loans and advances to customers	(52,528,571)	(43,317,664)
Repossessed assets	437,257	1,349,682
Other assets	1,298,230	1,098,449
<i>Net increase/(decrease) in operating liabilities</i>		
Amounts due to banks	2,630,935	(1,200,272)
Accounts payable under repurchase agreements	52,383,899	7,733,417
Amounts due to customers	6,231,597	7,962,013
Derivative financial liabilities	480,072	289,131
Other liabilities	112,837	197,090
Net cash flows from operating activities before income tax	17,903,106	2,755,803
Income tax paid	(4,427,633)	(4,590,067)
Net cash from / (used in) operating activities	13,475,473	(1,834,264)
Cash flow from investing activities		
Purchase of investment securities	(30,632,487)	(77,418,332)
Proceeds from sale and redemption of investment securities	25,956,693	65,523,541
Purchase of property and equipment	(1,295,644)	(3,078,734)
Proceeds from disposal of subsidiary, net of cash disposed off	-	1,697
Proceeds from sale of property and equipment	46,138	415,237
Purchase of intangible assets	(119,536)	(314,986)
Net cash from / (used in) investing activities	(6,044,836)	(14,871,577)
Net cash flow from financing activities		
Dividends paid to shareholders	(4,467,547)	(4,432,091)
Proceeds from debt securities issued	15,844,949	5,295,222
Redemption of debt securities issued	(11,914,400)	-
Proceeds from other borrowed funds	5,309,596	8,116,744
Repayment from other borrowed funds	(5,218,920)	(5,392,342)
Repayment of subordinated loans	-	(276,346)
Lease liabilities	(510,803)	(647,653)
Net cash from / (used in) financing activities	(957,125)	2,663,534
Net increase/(decrease) in cash and cash equivalents	6,473,512	(14,042,307)
Cash and cash equivalents at the beginning of the year	37,214,306	51,134,231
Effect of exchange rates changes on cash and cash equivalents	(4,340,016)	118,385
Effect of expected credit losses on cash and cash equivalents	824	3,997
Cash and cash equivalents, ending of period	39,348,626	37,214,306

Approval date 15.01.25

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Statement of changes in equity
December 31, 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						14,623,669	14,623,669
Other comprehensive income for the period				2,731,150		-	2,731,150
Total comprehensive income for the peiod	-	-	-	2,731,150	-	14,623,669	17,354,819
Depreciation of revaluation reserve	-	-	-	-	(97,116)	97,116	-
Balance as of December 31, 2023 /audited/	19,947,633	63,233	8,848,182	(1,368,416)	3,572,171	44,634,929	75,697,732
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						15,612,848	15,612,848
Other comprehensive income for the period				2,257,255		-	2,257,255
Total comprehensive income for the peiod	-	-	-	2,257,255	-	15,612,848	17,870,103
Depreciation of revaluation reserve	-	-	-	-	(97,116)	97,116	-
Balance as of December 31, 2024	19,947,633	63,233	8,848,182	888,839	3,475,055	55,877,346	89,100,288

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The main economical normatives
December 31, 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	80,739,885	30,000,000	no violation
N1.1 Tier 1 core capital/ Risk weighted assets	16.62%	6.20%	no violation
N1.2 Tier 1 capital/ Risk weighted assets	16.62%	8.30%	no violation
N1 Total capital/ Risk weighted assets	17.35%	11.00%	no violation
N2.1 High liquid assets/ Total assets	34.44%	15.00%	no violation
N2.11 High liquid assets/ Total assets for I group CCY	39.12%	4.00%	no violation
N2.2 High liquid assets/ Demand liabilities	101.31%	60.00%	no violation
N2.21 High liquid assets/ Demand liabilities for I group CCY	89.27%	10.00%	no violation
N23 High liquid assets/ Net cash outflow for all CCY	176.60%	100.00%	no violation
N23(FX) High liquid assets/ Net cash outflow for I group CCY	302.26%	100.00%	no violation
N24 Total Available Stable Funding/Total Required Stable Funding for all CCY	139.50%	100.00%	no violation
N24(FX) Total Available Stable Funding/Total Required Stable Funding for I	166.50%	100.00%	no violation
N3.1 Maximum risk on a single borrower	6.50%	20.00%	no violation
N3.2 Maximum risk on large-scale borrowers	15.82%	500.00%	no violation
N4.1 Maximum risk on bank related person	3.04%	5.00%	no violation
N4.2 Maximum risk on all bank related persons	11.16%	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	1.42%	10.00%	no violation
for USD	1.31%	7.00%	no violation
for EUR	0.02%	7.00%	no violation
for RUB	0.06%	7.00%	no violation
other	X	X	no violation

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