

ARMBROK OJSC

Financial statements

*For the year ended 31 December 2025
together with independent auditor's report*

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Independent auditor's report

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Independent auditor's report

To the Shareholders of ARMBROK OJSC

Opinion

We have audited the financial statements of ARMBROK OJSC (the “Company”), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs).

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in the Republic of Armenia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

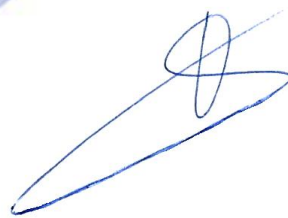
Ernst & Young CJSC
Yerevan, Armenia

General Director



Eric Hayrapetyan

Partner (Assurance)



Dmytro Iurgelevych

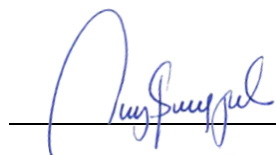
15 April 2026

STATEMENT OF FINANCIAL POSITION

As of 31 December 2025

<i>(thousands of Armenian drams)</i>	Note	31 December 2025	31 December 2024
Assets			
Cash and cash equivalents	11	1,186,950	5,210,299
Amounts receivable under reverse repurchase agreements	12	-	950,334
Financial assets at fair value through profit or loss			
- Held by the Company	13	10,199,337	4,894,628
- Pledged under repurchase agreements	13	2,544,940	2,502,354
Financial assets at fair value through OCI			
-Held by the Company	14	2,856,163	5,429,814
-Pledged under repurchase agreements	14	44,970,587	38,003,618
Current income tax assets		329,024	-
Investment in associate	15	522,181	308,329
Property, equipment and intangible assets	16	516,822	374,739
Right-of-use assets	17	559,001	121,741
Other assets	18	536,767	582,282
Total assets		64,221,772	58,378,138
Equity			
Share capital		267,150	267,150
Share premium		208,011	208,011
Statutory general reserve		79,670	79,670
Financial assets at fair value through OCI reserve		3,220,573	1,450,628
Retained earnings		15,254,585	13,051,319
Total equity	19	19,029,989	15,056,778
Liabilities			
Amounts payable under repurchase agreements	20	43,249,919	37,710,716
Amounts due to financial institutions and individuals		-	2,243,443
Liabilities for unsettled transactions	21	42,344	855,247
Current income tax liabilities		-	52,027
Lease liabilities	17	581,441	150,711
Trade and other payables	22	495,881	1,949,810
Deferred tax liabilities	10	822,198	359,406
Total liabilities		45,191,783	43,321,360
Total equity and liabilities		64,221,772	58,378,138

These financial statements were approved and signed on 15 April 2026 by:





Aram Kayfajyan Chief Executive Officer

Lida Tadeosyan Chief Accountant

The statement of financial position is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 5 to 30.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

<i>(thousands of Armenian drams)</i>	Share capital	Share premium	Statutory general reserve	Financial assets at fair value through OCI reserve	Retained earnings	Total
As of 1 January 2024	267,150	208,011	79,670	415,956	9,792,139	10,762,926
Profit for the year	-	-	-	-	3,659,905	3,659,905
Other comprehensive income for the year						
Net change in fair value of financial assets at fair value through OCI and changes in allowance for expected credit losses, net of tax	-	-	-	1,034,672	-	1,034,672
Total comprehensive income for the year	-	-	-	1,034,672	3,659,905	4,694,577
Dividends declared <i>(Note 19)</i>	-	-	-	-	(400,725)	(400,725)
As of 31 December 2024	267,150	208,011	79,670	1,450,628	13,051,319	15,056,778
Profit for the year	-	-	-	-	2,737,566	2,737,566
Other comprehensive income for the year						
Net change in fair value of financial assets at fair value through OCI and changes in allowance for expected credit losses, net of tax	-	-	-	1,769,945	-	1,769,945
Total comprehensive income for the year	-	-	-	1,769,945	2,737,566	4,507,511
Dividends declared <i>(Note 19)</i>	-	-	-	-	(534,300)	(534,300)
As of 31 December 2025	267,150	208,011	79,670	3,220,573	15,254,585	19,029,989

The statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 5 to 30.

STATEMENT OF CASH FLOWS**For the year ended 31 December 2025**

<i>(thousands of Armenian drams)</i>	Note	2025	2024
Operating activities			
Interest received		4,500,338	3,896,658
Interest paid		(2,710,623)	(2,459,581)
Fee and commissions received		2,622,752	6,103,541
Fee and commissions paid		(875,875)	(1,620,154)
Net realized trading gain		1,576,578	5,466,816
Net gain from foreign currency purchase or sales transactions		122,273	547,976
Other operating income received		107,773	128,912
Salary and other related payments paid		(3,371,173)	(7,017,912)
Other operating expenses paid		(452,839)	(427,294)
Operating cash flows before working capital changes		1,519,204	4,618,962
<i>Working capital changes in:</i>			
Reverse repurchase agreements		943,927	(935,164)
Investment securities		(7,402,659)	(12,559,093)
Other assets		62,241	6,692
Amounts due to financial institutions and individuals		(2,246,295)	(707,548)
Repurchase agreements		5,686,221	14,036,409
Liabilities for unsettled transactions		(882,162)	(3,003,658)
Trade and other payables		(288,963)	(139,375)
Operating cash flows before income tax paid		(2,608,486)	1,317,225
Income tax paid		(725,071)	(1,603,171)
Net cash flows (used in)/from operating activities		(3,333,557)	(285,946)
Investing activities			
Acquisition of property and equipment and intangible assets		(231,024)	(120,885)
Sale of fixed assets		-	6,000
Net cash flows used in investing activities		(231,024)	(114,885)
Financing activities			
Repayment of lease liabilities	17	(44,126)	-
Dividends paid	19	(534,300)	(400,725)
Net cash flows used in financing activities		(578,426)	(400,725)
Net decrease in cash and cash equivalents		(4,143,007)	(801,556)
Net foreign exchange differences on cash and cash equivalents		114,323	(552,985)
Allowance for impairment losses		5,335	(4,379)
Cash and cash equivalents at 1 January		5,210,299	6,569,219
Cash and cash equivalents at 31 December	11	1,186,950	5,210,299

The statement of cash flows is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 5 to 30.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 December 2025**

1. REPORTING ENTITY**(a) Organisation and operations**

“Armbrok” OJSC (the Company), is an investment company regulated by the legislation of RA. The Company was registered on 4 November 2008 by the Central Bank of Armenia under license number 10. “Armbrok” OJSC is an Armenian open joint stock company as defined in the Civil Code of the Republic of Armenia. Following the rebranding by the Company “Armbrok” OJSC replaced previously used “Armenbrok” OJSC. During March 2025 Fitch Ratings has assigned the Company a Long-Term Issuer Default Rating of 'B-' with a Stable Outlook as well as Short-term Issuer Default Rating of 'B'.

The Company’s major shareholder is Aram Kayfajyan, who holds 43.2% of total shares issued. The Company does not have ultimate controlling party.

The Company carries out its activities in the securities and foreign currency markets, in particular:

- Securities placements;
- Trust management of securities;
- Securities brokerage and dealing;
- Registrar, custody and depository services;
- Consultations on securities market;
- Non-cash foreign currency trading operations.

The Company’s registered office is 39 Hanrapetutyán street, 0010, Yerevan, Republic of Armenia.

(b) Armenian business environment

The Company’s operations are primarily located in the Republic of Armenia. Consequently, the Company is exposed to the economic and financial markets of Armenia which display characteristics of an emerging market. The legal, tax, regulatory frameworks and overall business practices and environment continue developing and improving. However still varying interpretations and frequent changes of legislation together with other legal impediments contribute to the challenges faced by entities operating in Armenia.

As a result of the war in Ukraine many leading countries and economic unions have announced severe economic sanctions against Russia and Belarus, including Russian banks, other entities and individuals. Since the start of the war, there has been a significant volatility of the Russian ruble against foreign currencies, as well as significant loss of value on the securities markets in Russia and of Russian companies listed in overseas markets. As a result of the above, there have been an influx of non-residents and relocation of many businesses (especially from Russia) to Armenia, which have played a vital role in stimulating economic growth of the country in general. As the war is still waging, it is impossible to reliably assess the final impact this may have on the Company’s business as there is uncertainty over the magnitude of the impact on the economy in general.

The financial statements reflect management’s assessment of the impact of Armenian business environment on the operations and the financial position of the Company. The future business environment may differ from management’s assessment.

2. BASIS OF PREPARATION**(a) Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION (continued)

(b) Functional and presentation currency

The national currency of the Republic of Armenia is the Armenian Dram (“AMD”), which is the Company’s functional currency and the currency in which these financial statements are presented. These financial statements are presented in thousands of Armenian Dram (“AMD”), and all values are rounded to the nearest thousands, except when otherwise indicated.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis with the exception of certain financial instruments that are stated at fair value.

3. ACCOUNTING POLICIES

(a) Fair value measurement

The Company measures investment securities at fair value at each balance sheet date.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(b) Foreign currency transactions

In preparing the financial statements, transactions in currencies other than the functional currency are recorded at the rates of exchange defined by the Central Bank of Armenia prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates defined by the Central Bank of Armenia prevailing on the reporting date:

	31 December 2025	31 December 2024
AMD / 1 US dollar	381,36	396,56
AMD / 1 Euro	449,01	413,89
AMD / 1 RUB	4,87	3,71

Exchange differences arising on the settlement and retranslation of monetary items, are included in profit or loss for the period under the line “Net gain/(loss) from foreign currency revaluation”.

(c) Financial instruments

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through PL.

The Company’s financial assets at amortised cost includes other financial assets and cash and cash equivalents.

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Interest income is recognized in profit or loss using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. Interest income is included in the 'interest revenue calculated using effective interest rate ' line item.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. ACCOUNTING POLICIES (continued)**(c) Financial instruments (continued)***Debt instruments classified as at FVTOCI*

The government bonds held by the Company are usually classified as at FVTOCI. The RA government bonds are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these government bonds as a result of foreign exchange gains and losses (see below), impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these government bonds had been measured at amortised cost. All other changes in the carrying amount of these government bonds are recognised in other comprehensive income and accumulated under the heading of 'Financial assets at fair value through OCI reserve'. When these government bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in 'Net gain/(loss) from sale of financial assets at FVTOCI' line item.

Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI.

The Company has not designated the investments in equity instruments as at FVTOCI on initial recognition.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the company manages together; and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI to are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition;
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The equity securities, the corporate debt securities, RA government bonds denominated in USD and investments in fund units are classified as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'net trading gain' line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. ACCOUNTING POLICIES (continued)**(c) Financial instruments (continued)***Foreign exchange gains and losses (continued)*

Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in 'Net gain/(loss) from foreign currency revaluation' line item;
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'net gain/(loss) from FVTPL' line item. Other exchange differences are recognised in financial assets at fair value through OCI reserve;
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Net gain/(loss) from foreign currency revaluation' line item; and
- For equity instruments measured at FVTPL, exchange differences are recognised in 'net trading gain' line item.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all the following debt instruments not held at fair value through PL:

- Financial assets at fair value through OCI that are debt instruments;
- Cash and cash equivalents and other financial assets measured at amortised cost.

No impairment loss is recognized on equity investments.

The Company measures loss allowances at an amount equal to 12-month ECL for debt investment securities and cash and cash equivalents as these balances have been determined to have low credit risk at the reporting date.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognized are referred to as 'Stage 1' financial instruments.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognized are referred to as 'Stage 2' financial instruments. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL are recognized and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

The Company does not have financial assets classified at Stage 2 or Stage 3.

ECL are a probability-weighted estimate of credit losses. For Financial assets that are not credit-impaired at the reporting date they are measured as the present value of all cash shortfalls (i.e. The difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

For other financial assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Loss allowances for ECL are presented in the statement of financial position as follows:

- *Cash and cash equivalents and other financial assets* – as a deduction from the gross carrying amount of the assets;
- *Debt instruments measured at FVOCI*: no loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognized in the fair value reserve.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. ACCOUNTING POLICIES (continued)**(c) Financial instruments (continued)***Write-off policy*

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Financial liabilities measured at amortised cost

The Company's financial liabilities measured subsequently at amortised cost include amounts payable under repurchase agreements, amounts due to financial institutions and individuals, liabilities for unsettled transactions, lease liabilities and other financial liabilities.

The Company has determined that liabilities for unsettled transactions represent financial liabilities as the Company has contractual obligation to deliver securities (financial assets) to the counterparties in exchange for the received advances.

Interest expense on the financial liabilities is recognised in profit or loss using the effective interest method for financial liabilities measured subsequently at amortised cost and is included in the 'interest expense' line item.

(d) Investments in associates and joint ventures

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

There is no other contractual arrangements stating that both the Company and other shareholder of Invest in AM CJSC have interests in its assets, they are not liable for its liabilities in a specific proportion and there is no additional agreement to specifically segregate operational and strategic management. The analysis performed confirms that Invest in AM CJSC is a joint venture between the Company and other shareholder (*Note 15*).

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

(e) Transactions with securities and related investment income

Transactions with securities under dealing activity are accounted for on settlement date (date securities are purchased or sold). Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. The securities that represent unit holdings in investment funds are transacted at net asset value per unit as published or reported by the respective funds.

In the statement of profit or loss and other comprehensive income net gain from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes and foreign exchange differences, and where applicable includes interest and dividend income, which is recognized when the Company's right to receive the payment is established.

The gain or loss from units held in funds reflects the changes in net asset values per units held.

Transactions with securities under brokerage activities are not recorded on the statement of financial position of the Company as the risks and rewards of the ownership are borne by the brokerage customers.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. ACCOUNTING POLICIES (continued)

(f) Fee and commission income and expense

The Company earns fee and commission income from a diverse range of services it provides to its customers, such as provision of brokerage and depositary services, securities account opening and maintenance, securities registration and maintenance services and other similar services.

The brokerage service commissions and depositary fees are accrued at a point in time at the moment the respective transaction is performed on behalf of the clients by applying contractually agreed fee rates to the total transaction values and issuing settlement instructions or orders.

Securities account maintenance, securities registration and maintenance services are accrued over one or three months.

All the amounts receivables are usually repaid within a month following the delivery of the respective service.

The Company’s fee and commission expense mainly include agent fees and depositary fees. Agent fees are calculated based on marginal income earned by the Company from the services provided to clients introduced by agents. Consequently, acceptance acts are concluded between the Company and agents and agent fees are generally recognised quarterly. Commission expenses related to depositary services depend on the volume of transactions recorded, expenses usually are accrued on a monthly basis as the services are received.

(g) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent current accounts with banks and clearing systems and cash on hand.

(h) Operating taxes

The RA has various other taxes, which may be assessed on the Company’s activities. These taxes are included as a component of operating expenses in the statement of profit or loss and other comprehensive income.

(i) Property, equipment and intangible assets

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Intangible assets, which are acquired by the Company and which have finite useful lives, are stated at cost less accumulated amortization and impairment losses.

Depreciation is generally recognised in profit or loss on a straight-line basis over the estimated useful lives of the individual assets, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible assets.

The estimated useful lives of significant items of property, equipment and intangible assets are as follows.

Leasehold improvements	20 years
Communication devices and computers	1-5 years
Motor vehicles	8 years
Other	1-8 years
Intangible assets	3-10 years

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term or renew the lease term.

(j) New and amended standards and interpretations

The following amendments to existing IFRS accounting standards become effective for annual periods beginning on 1 January 2025:

- *Lack of exchangeability* – Amendments to IAS 21.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. ACCOUNTING POLICIES (continued)**(j) New and amended standards and interpretations (continued)**

For annual reporting periods beginning on or after 1 January 2025, *Lack of Exchangeability* – Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the Company's financial statements for the year ended 31 December 2025.

(k) Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, which are subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

Narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date;
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed;
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments;
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Company is currently assessing the potential impact of these amendments on its financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. ACCOUNTING POLICIES (continued)**(k) Standards issued but not yet effective (continued)**

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7 (continued)

- *IFRS 19 Subsidiaries without Public Accountability: Disclosures*, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. The Company is currently assessing the impact the amendment will have on the primary financial statements and notes to the financial statements.
- *Annual Improvements to IFRS Accounting Standards - Volume 11*- In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 *Statements of Cash Flows*. The Company does not expect that the amendments will have a material impact on its financial statements.
- *Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7* - In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity. The Company does not expect that the amendments will have a material impact on its financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have the most significant effect on the amounts recognised in the financial statements

Control over fund

Although the Company holds more than 50% of the units in four of the funds (2024: one fund), it has concluded that it does not exercise control over the funds. In accordance with the fund's rules, overall management and decision-making authority resides with the appointed fund manager. Amendments to the fund's rules may only be initiated by the fund manager and require approval by a simple majority of unitholders, irrespective of the size of each unitholder's interest.

Additionally, the fund rules require minimum of three unitholders. Based on these factors, the Company has determined that it does not have the power to direct the relevant activities of the funds, and therefore, the funds are not consolidated in these financial statements.

Estimates

Management applied significant estimates in assessing the lease term for the measurement of the right-of-use asset and lease liability. Although the contractual lease term is five years, management expects the extension option to be exercised and has therefore estimated a lease term of fifteen years for accounting purposes.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTES TO THE FINANCIAL STATEMENTS (continued)**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)****Leases*****Fair value measurements***

Judgments that have the most significant effect on the amounts recognized in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year relate to accounting for financial instruments, particularly fair value measurements. The best evidence of fair value are the price quotations in an active market. In the absence of quoted prices in an active market, the management uses other evaluation techniques, such as the comparative approach with similar instruments both in the internal and external markets, and the actual prices of sales transactions occurred close to the reporting date. See *Notes 13, 14, 25*.

5. NET INTEREST INCOME

<i>(thousands of Armenian drams)</i>	2025	2024
Interest income:		
Financial assets at fair value through other comprehensive income	4,301,109	3,674,855
Interest income from bank accounts and deposits	204,212	117,566
Other assets	14,218	2,341
Reverse repurchase agreements	7,536	5,067
Total interest income	4,527,075	3,799,829
Interest expense:		
Repurchase agreements	(2,719,119)	(2,357,467)
Interest expense on lease liabilities	(63,586)	(18,556)
Borrowings from individuals	(8,378)	(85,823)
Other	(10)	(1,476)
Amounts due to financial institutions	-	(27,280)
Total interest expense	(2,791,093)	(2,490,602)
Net interest income	1,735,982	1,309,227

6. FEE AND COMMISSION INCOME AND EXPENSE

<i>(thousands of Armenian drams)</i>	2025	2024
Fee and commission income:		
Brokerage services	1,129,416	4,232,811
Securities account opening and maintenance	1,144,398	1,193,177
Maintenance of securities registry	113,461	112,857
Depository services	60,611	393,827
Securities registration	55,609	85,372
Securities placement and pricing	22,265	43,373
Other commission income	67,078	26,098
Total fee and commission income	2,592,838	6,087,515
Fee and commission expense:		
Services provided by the depositaries	(681,523)	(911,857)
Agent fees	(155,187)	(531,760)
Stock exchange commission	(20,457)	(1,596)
Other commission expense	(38,318)	(48,867)
Total fee and commission expense	(895,485)	(1,494,080)
Net fee and commission income	1,697,353	4,593,435

Included in commission income are AMD 140,111 thousand received from the funds under management of the Company's associate Glocal CJSC (2024: AMD 564,344 thousand).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. NET TRADING GAIN

<i>(thousands of Armenian drams)</i>	2025	2024
Net gain from trading and revaluation of securities	1,576,578	5,609,010
Net gain from foreign currency purchase or sales transactions	122,273	547,976
Net (loss)/gain on derivative financial instruments	-	(4,725)
	1,698,851	6,152,261

Net loss from foreign currency revaluation includes a net loss of AMD 123,015 thousand from foreign exchange revaluation of debt instruments measured at fair value through profit or loss (2024: AMD 107,685 thousand loss).

8. STAFF COSTS

Included in staff costs are bonus compensation of AMD 1,153,905 thousand (2024: 5,666,334 thousand) paid to employees for the market expansion activities and development of new business segment.

9. ADMINISTRATIVE EXPENSES

<i>(thousands of Armenian drams)</i>	2025	2024
Maintenance of premises, equipment and intangible assets	131,050	124,557
Depreciation	92,173	74,218
Professional services	73,679	80,787
Advertising expenses	36,223	7,302
Representative expenses	41,606	81,411
Office utility expense	33,146	33,719
Travel and trainings	25,123	39,669
Subscriptions	7,348	14,825
Taxes other than income tax	2,151	1,283
Other	73,290	42,370
Total administrative expenses	515,789	500,141

10. INCOME TAX

The Company's applicable tax rate is the income tax rate of 18% (2024: 18%). The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

<i>(thousands of Armenian drams)</i>	2025	2024
Current tax	344,021	740,284
Deferred tax	74,267	123,871
Total	418,288	864,155

Reconciliation of effective tax rate:

<i>(thousands of Armenian drams)</i>	2025		2024	
	'000 AMD	%	'000 AMD	%
Profit before income tax	3,155,854		4,524,060	
Income tax at applicable tax rate	568,054	18.0%	814,331	18.0%
Correction of prior period current tax	-	0%	(10,370)	(0.23%)
Foreign exchange (gains)/losses	(6,410)	(0.2%)	63,973	1.4%
Other (non-taxable)/non-deductible items	(143,356)	(4.5%)	(3,779)	(0.08%)
	418,288	13.3%	864,155	19.1%

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. INCOME TAX (continued)

The movement of deferred income taxes is disclosed below:

<i>(thousands of Armenian drams)</i>	2025	2024
Balance at the beginning of year	(359,407)	(8,412)
Charged to profit or loss	(74,267)	(123,872)
Charged in other comprehensive income	(388,524)	(227,123)
Balance at the end of year	(822,198)	(359,407)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

<i>(thousands of Armenian drams)</i>	1 January 2025	Recognized in other comprehen- sive income	Recognized in profit or loss	31 December 2025
Trade and other payables	51,755	–	(35,394)	16,361
Lease liabilities	27,128	–	73,492	100,620
Property, equipment and intangible assets	713	–	–	713
Reverse repurchase agreements	311	–	(311)	–
Other assets	19,376	–	2,444	21,820
Cash and cash equivalents	1,231	–	(582)	649
Right-of-use assets	(21,914)	–	(74,668)	(96,582)
Investment securities	(438,007)	(388,524)	(39,248)	(865,779)
Tax assets/(liabilities)	(359,407)	(388,524)	(74,267)	(822,198)

<i>(thousands of Armenian drams)</i>	1 January 2024	Recognized in other comprehen- sive income	Recognized in profit or loss	31 December 2024
Trade and other payables	74,294	–	(22,539)	51,755
Lease liabilities	23,788	–	3,340	27,128
Property, equipment and intangible assets	–	–	713	713
Reverse repurchase agreements	–	–	311	311
Other assets	20,688	–	(1,312)	19,376
Cash and cash equivalents	443	–	788	1,231
Right-of-use assets	(25,566)	–	3,652	(21,914)
Investment securities	(102,059)	(227,123)	(108,824)	(438,006)
Tax assets/(liabilities)	(8,412)	(227,123)	(123,871)	(359,406)

11. CASH AND CASH EQUIVALENTS

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Current accounts with banks	1,100,794	4,862,980
Current accounts with clearing systems	87,659	354,157
Cash and cash equivalents in the statement of cash flows	1,188,453	5,217,137
Less: allowance for impairment losses	(1,503)	(6,838)
Total cash and cash equivalents in the statement of financial positions	1,186,950	5,210,299

As at 31 December 2025, the Company did not have any balances with financial institutions that exceeded 10% of its equity (31 December 2024: AMD 3,042,655 thousand placed with one Armenian bank).

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. CASH AND CASH EQUIVALENTS (continued)

Cash and cash equivalents by geographical exposure is presented below:

<i>(thousands of Armenian drams)</i>	2025	2024
Armenia	1,103,054	4,880,276
Russia	14,327	42,993
Other countries	69,569	287,030
	1,186,950	5,210,299

None of the balances are past due or impaired. A reconciliation of the impairment loss allowance is as follows:

<i>(thousands of Armenian drams)</i>	2025		2024	
	Stage 1	Total	Stage 1	Total
Impairment loss allowance at January 1	6,838	6,838	2,459	2,459
Charge for the year (reversal)	(5,335)	(5,335)	4,379	4,379
Impairment loss allowance at 31 December	1,503	1,503	6,838	6,838

12. AMOUNTS RECEIVABLE UNDER REVERSE REPURCHASE AGREEMENTS

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Armenian financial institutions, not rated	-	952,062
Total Amounts receivable under reverse repurchase agreements	-	952,062
Less: allowance for impairment losses reverse repurchase agreements	-	(1,728)
Total Amounts receivable under reverse repurchase agreements	-	950,334

As at 31 December 2025, the Company did not have any amounts receivable under reverse repurchase agreements pledged by government securities (31 December 2024: AMD 1,027,162 thousand).

None of the balances are past due or impaired. A reconciliation of the impairment loss allowance is as follows:

<i>(thousands of Armenian drams)</i>	2025		2024	
	Stage 1	Total	Stage 1	Total
Impairment loss allowance at January 1	1,728	1,728	-	-
Charge for the year	(1,728)	(1,728)	1,728	1,728
Impairment loss allowance at 31 December	-	-	1,728	1,728

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Held by the Company		
Corporate debt instruments with fixed maturity	1,996,920	1,022,278
Government securities of Armenia	1,736,328	867,336
Corporate equity instruments	2,354,840	553,468
Investments in fund units under management of Company's associate	2,578,597	1,046,279
Government securities - other countries	1,532,652	1,405,267
Total held by the Company	10,199,337	4,894,628
Pledged under repurchase agreements		
Government securities of Armenia	2,544,940	2,502,354
Total pledged under repurchase agreements	2,544,940	2,502,354
Total financial assets FVTPL	12,744,277	7,396,982

Investments in fund units represent unit holdings in funds under the Company's associate's investment management. These units are carried at Company's share of the net asset value of the funds as at reporting date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Financial assets at fair value through profit or loss by countries of the issuer comprise:

	2025	2024
Armenia	9,901,334	5,202,779
Russia	-	511,344
Other countries	2,842,943	1,682,859
Trading securities	12,744,277	7,396,982

Securities issued by companies or governments of foreign countries are actively traded in the international markets. Pledged assets are discussed in *notes 20* and *21*. Fair value measurements are presented in *Note 25*.

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Held by the Company		
Government securities of Armenia	2,856,163	5,429,814
Total held by the Company	2,856,163	5,429,814

Pledged under repurchase agreements

Government securities of Armenia	44,970,587	38,003,618
Total pledged under repurchase agreements	44,970,587	38,003,618
Total financial assets at fair value through other comprehensive income	47,826,750	43,433,432

Government debt securities at fair value through other comprehensive income represent securities issued by the Ministry of Finance of Armenia bearing fixed coupon interest rates between 7% to 13% p.a. (2024: 7% to 13% p.a.) and expiring between 2025-2054 (2024: 2025 to 2052). The fair value of these instruments is measured using valuation techniques applying current market rates to discounted future cash flows or quoted prices.

The movement of allowance for impairment losses for financial assets at fair value through other comprehensive income

<i>(thousands of Armenian drams)</i>	2025 Stage 1	2024 Stage 1
At 1 January	83,084	57,597
Net charge of provision for impairment	8,404	25,487
At 31 December	91,488	83,084

Fair value measurements are presented in *Note 25*.

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Investments in Associates

	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Company as at 31 December	
			2025	2024
Glocal CJSC	Fund Manager	Yerevan, Armenia	33%	33%

In 2018 the Company made an investment in - Glocal CJSC, whose primary operations comprise of non-public fund management services.

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. INVESTMENT IN ASSOCIATES AND JOINT VENTURES (continued)

Investments in Associates (continued)

Summarised financial information in respect of this investment is set out below, prepared from the associate’s IFRS financial statements:

“Glocal” CJSC	2025	2024
Balance at the beginning of the period	308,329	210,617
Company’s share of the associate’s profit for the year	213,852	97,712
Total	522,181	308,329

“Glocal” CJSC	2025	2024
Revenue	532,758	287,632
Profit and other comprehensive income for the year	640,970	292,597
Total assets	1,646,552	961,862
Total liabilities	80,007	36,780
Equity	1,566,545	925,082

16. PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS

<i>(thousands of Armenian drams)</i>	Leasehold improve- ments	Communi- cation devices and compu- ters	Motor vehicles	Office equip- ment, fixtures, fittings and other	Total property and equip- ment	Intangible assets	Intangible assets under develop- ment	Total intangible assets	Total
Cost									
At 1 January 2024	116,297	42,372	49,927	126,583	335,179	29,333	–	29,333	364,512
Additions	–	18,124	137,916	26,656	182,696	5,574	–	5,574	188,270
Reclassification	–	(1,218)	(17,580)	(3,206)	(22,004)	–	–	–	(22,004)
At 31 December 2024	116,297	59,278	170,263	150,033	495,871	34,907	–	34,907	530,778
Additions	1,589	8,005	–	35,496	45,090	2,134	153,060	155,194	200,284
At 31 December, 2025	117,886	67,283	170,263	185,529	540,961	37,041	153,060	190,101	731,062
Accumulated depreciation									
At 1 January 2024	12,149	35,603	41,859	25,999	115,610	3,877	–	3,877	119,487
Charge for the year	5,812	10,726	16,635	10,899	44,072	9,856	–	9,856	53,928
Disposals	–	(1,218)	(13,157)	(3,001)	(17,376)	–	–	–	(17,376)
At 31 December 2024	17,961	45,111	45,337	33,897	142,306	13,733	–	13,733	156,039
Charge for the year	5,904	11,064	17,294	13,144	47,406	10,795	–	10,795	58,201
At 31 December, 2025	23,865	56,175	62,631	47,041	189,712	24,528	–	24,528	214,240
At 31 December, 2024	98,336	14,167	124,926	116,136	353,565	21,174	–	21,174	374,739
At 31 December, 2025	94,021	11,108	107,632	138,488	351,249	12,513	153,060	165,573	516,822

At 31 December 2025 property and equipment included fully depreciated assets with original cost of AMD 55,373 thousand (31 December 2024: AMD 42,926 thousand).

17. LEASES

The Company leases office premise. The agreement term is five years and includes an extension option, which the Company is reasonably certain to exercise. Accordingly, the lease term used for accounting purposes has been estimated at fifteen years. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office premise the Company must keep those property in a good state of repair and return the property in its original condition at the end of the lease.

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. LEASES (continued)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Company’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company’s statement of cash flows as cash flows from financing activities. Interest expense paid was classified as operating activity in the statement of cash flows.

<i>(thousands of Armenian drams)</i>	1 January 2025	Terminated during the year	Recognized during the year	Net proceeds /repayments - cash flows	Interest expense	31 December 2025
Lease liabilities	150,711	(149,017)	560,287	(44,126)	63,586	581,441
	150,711	(149,017)	560,287	(44,126)	63,586	581,441

<i>(thousands of Armenian drams)</i>	1 January 2024	Recognized during the year	Net proceeds /repayments - cash flows	Interest expense	31 December 2024
Lease liabilities	132,155	–	–	18,556	150,711
	132,155	–	–	18,556	150,711

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

<i>(thousands of Armenian drams)</i>	Buildings	Total
Cost		
Balance at 1 January, 2024	210,510	210,510
Transfer	–	–
Balance at 31 December, 2024	210,510	210,510
Additions	591,027	591,027
Disposal	(210,510)	(210,510)
Balance at 31 December, 2025	591,027	591,027
Accumulated depreciation		
Balance at 1 January, 2024	68,479	68,479
Depreciation expense	20,290	20,290
Balance at 31 December, 2024	88,769	88,769
Depreciation expense	33,972	33,972
Disposal	(90,715)	(90,715)
Balance at 31 December, 2025	32,026	32,026
Carrying amount		
31 December 2024	121,741	121,741
31 December 2025	559,001	559,001
Impact on profit or loss	2025	2024
<i>Impact on profit/(loss) for the year</i>		
Increase in depreciation of right-of-use asset	33,972	20,290
Increase in finance costs (Note 5)	63,586	18,556
Decrease in profit for the year	97,558	38,846

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. LEASES (continued)

Lease liabilities

Maturity analysis:	2025	2024
Year 1	79,200	68,000
Year 2	79,200	34,000
Year 3	79,200	34,000
Year 4	79,200	34,000
Year 5 and more	950,400	34,000
	1,267,200	204,000
Less: unearned interest	(685,759)	(53,289)
	581,441	150,711
Analysed as:		
Non-current	502,241	99,051
Current	79,200	51,660
	581,441	150,711

18. OTHER ASSETS

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Other financial assets		
Receivables on services provided	437,703	467,619
Receivables from banks and clearing systems	158,341	110,802
Receivables on transactions with securities	-	70,768
Loans to employees	36,039	635
Less: allowance for impairment loss	(122,625)	(107,644)
	509,458	542,180
Other non-financial assets		
Other	27,309	40,102
	27,309	40,102
Total other assets	536,767	582,282

Included in other assets are AMD 8,645 thousand receivable from the funds under management of the Company's associate Glocal CJSC (31 December 2024: AMD 8,185 thousand).

Set out below is the information about the credit risk exposure on the Company's other financial assets:

As at 31 December 2025	Non overdue	Past due less than 3 months	3-6 months	More than 6 months	Total
Gross carrying amount	372,477	25,188	15,334	219,084	632,083
Expected credit loss	(1,490)	(6,347)	(3,864)	(110,924)	(122,625)
Net carrying amount	370,987	18,841	11,470	108,160	509,458
As at 31 December 2024	Non overdue	Past due less than 3 months	3-6 months	More than 6 months	Total
Gross carrying amount	430,274	43,697	20,588	155,265	649,824
Expected credit loss	(4,879)	(10,996)	(5,181)	(86,588)	(107,644)
Net carrying amount	425,395	32,701	15,407	68,677	542,180

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. OTHER ASSETS (continued)

Allowance for impairment losses is recognised based on simplified method. A reconciliation of the impairment loss allowance in accordance with IFRS 9 is as follows:

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Beginning of year	107,644	114,930
Net charge for the year	15,681	7,170
Net write-offs	(700)	(14,456)
Closing balance at the end of the year	122,625	107,644

19. EQUITY

As of 31 December 2025 and 2024 the Company’s registered and paid-in share capital was AMD 267,150 thousand represented by 267,150 ordinary shares of AMD 1,000 each. The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share. The share capital of the Company was contributed by the participants in Armenian drams and they are entitled to dividends and any capital distribution in Armenian Drams. In 2025 AMD 534,300 thousand dividends were declared and paid, dividends per share comprised AMD 2,000 (2024: AMD 400,725 thousand and dividend per share – AMD 1,500).

The respective shareholders at December 31, 2025 and December 31, 2024 were as follows:

<i>(thousands of Armenian drams)</i>	31 December 2025		31 December 2024	
	Paid-in share capital	Paid-in share capital	Paid-in share capital	% of total paid in capital
Aram Kayfajyan	115,413	43.20%	115,058	43.07%
GERMAN CAUCASIAN TRADING LTD	65,292	24.44%	65,292	24.44%
Ashot Chagharyan	24,328	9.11%	24,328	9.11%
Other shareholders	62,117	23.25%	62,472	23.38%
	267,150	100.00%	267,150	100.00%

The Company’s distributable reserves among participants are limited to the amount of its accumulated retained earnings as disclosed in its statutory accounts in accordance with the legislation of the RA. Non-distributable reserves are represented by statutory general reserve, which is created as required by the statutory regulations, in respect of general risks, including future losses and other unforeseen risks or contingencies. The reserve has been created in accordance with the Charter of the Company and its subsidiary that provide for the creation of a reserve for these purposes a minimum of 15% of share capital.

Financial assets at fair value through OCI reserve comprises the cumulative net change in the fair value and expected credit losses of investment securities measured at fair value through OCI, until the assets are derecognised through transfer to profit or loss.

20. AMOUNTS PAYABLE UNDER REPURCHASE AGREEMENTS

The Company has transactions under repurchase or reverse repurchase agreements. The securities lent or sold under repurchase agreements are transferred to a third party in exchange for cash received by the Company. These financial assets may be re-pledged or resold by counterparties in the absence of default, but the counterparty has an obligation to return the securities at the maturity of the contract. The Company has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognized them. These transactions are conducted under terms that are usual and customary to standard lending, and securities borrowing and lending activities.

Repurchase agreements

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Fair value of own financial assets at fair value through other comprehensive income transferred and pledged under repurchase agreements <i>(Note 14)</i>	44,970,587	38,003,618
Fair value of own financial assets at fair value through profit or loss transferred and pledged under repurchase agreements <i>(Note 13)</i>	2,544,940	2,502,354
Total financial assets transferred and pledged under repurchase agreements	47,515,527	40,505,972
Amounts payable to Armenian banks under repurchase agreements	43,249,919	37,710,716

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. LIABILITIES FOR UNSETTLED TRANSACTIONS

In the course of its business, the Company receives advances from customers for the purpose of acquiring securities with view of their subsequent transfer to customers. Liabilities for unsettled transactions represent consideration received from customers for unsettled security acquisitions as of the end of the reporting period. All the balances have been properly settled after the end of the reporting period.

22. TRADE AND OTHER PAYABLES

<i>(thousands of Armenian drams)</i>	31 December 2025	31 December 2024
Other financial liabilities:		
Salary and bonuses payable	138,047	1,186,076
Unused vacation accrual	71,694	280,404
Accounts payable	92,324	119,149
	302,065	1,585,629
Other non-financial liabilities:		
Prepayments received from customers	93,009	68,574
Tax payable, other than income tax	100,807	295,607
	193,816	364,181
Total trade and other payable	495,881	1,949,810

23. RISK MANAGEMENT

Introduction

Management of risk is fundamental to the business of the Company and forms an essential element of the Company's operations. The major (significant) risks faced by the Company are those related to market risk, credit risk, liquidity risk, and operational, legal and reputational risks.

a) Risk management policies and procedures

The risk management policies aim to identify, analyses and manage the risks faced by the Company, to set appropriate risk limits and controls, and to continuously monitor risk levels and adherence to limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions, products and services offered and emerging best practice.

The shareholders have overall responsibility for the oversight of the risk management framework, overseeing the management of key risks and reviewing its risk management policies and procedures as well as approving significantly large exposures.

The management of the Company is responsible for monitoring and implementing risk mitigation measures and ensuring that the Company operates within established risk parameters.

The Executive Director is responsible for the overall risk management and compliance functions, ensuring the implementation of common principles and methods for identifying, measuring, managing and reporting both financial and non-financial risks. He reports directly to the shareholders.

Both external and internal risk factors are identified and managed throughout the company. Particular attention is given to identifying the full range of risk factors and determining the level of assurance over current risk mitigation procedures.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company has policies and procedures in place to manage credit exposures (both for recognised financial assets and unrecognised contractual commitments).

The maximum exposure to credit risk is generally reflected in the carrying amounts of financial assets in the statement of financial position. The impact of the possible netting of assets and liabilities to reduce potential credit exposure is not significant.

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. RISK MANAGEMENT (continued)

b) Credit risk (continued)

Credit quality per class of financial assets

The credit quality of financial assets below is managed by the Company based on external credit ratings. Not rated exposures are classified in Standard Grade unless they are impaired.

As at 31 December 2025 and as at 31 December 2024 amounts receivable under reverse repurchase agreements, financial assets measured at fair value through OCI and cash and cash equivalents - excluding exposures to Russian banks are classified as standard grade and included in Stage 1 for the purposes of expected credit loss calculation. Cash and cash equivalents held with Russian banks are classified as sub-standard grade and included in Stage 1 for the purposes of expected credit loss calculation.

The table below shows the mapping of the Company’s grading system and external ratings of the counterparties as at 31 December 2025 and 31 December 2024.

31 December 2025: International external rating agency (Moody's) rating	Internal rating description	PD
Aaa to A3	High grade	0-0.06%
Baa1 to B3	Standard	0.09-4.36%
Caa1 to C	Sub-standard grade	6.71-36.40%
D and below	Impaired	100%

31 December 2024: International external rating agency (Moody's) rating	Internal rating description	PD
Aaa to A3	High grade	0-0.06%
Baa1 to B3	Standard	0.09-4.43%
Caa1 to C	Sub-standard grade	6.82-35.82%
D and below	Impaired	100%

Introduction

The Company’s exposure for each category of financial assets, presented by internal credit ratings, as at 31 December 2025 and 31 December 2024 is disclosed below.

Internal credit rating	31 December 2025			31 December 2024		
	Standard	Sub-standard	Total	Standard	Sub-standard	Total
Stage	Stage 1	Stage 1		Stage 1	Stage 1	
Cash and cash equivalents	1,172,623	14,327	1,186,950	5,167,306	42,993	5,210,299
Amounts receivable under reverse repurchase agreements	-	-	-	950,334	-	950,334
Financial assets at fair value through OCI	47,826,750	-	47,826,750	43,433,432	-	43,433,432
	48,999,373	14,327	49,013,700	49,551,072	42,993	49,594,065

The movement of expected credit loss allowance against financial assets is presented below:

	Financial assets at fair value through OCI	Cash and cash equivalents	Reverse repurchase agreements	Other financial assets	Total
<i>(thousands of Armenian drams)</i>					
At 1 January 2024	57,597	2,459	-	114,930	174,986
Net charge/(recovery) of loss allowance	25,487	4,379	1,728	7,170	38,764
Write off	-	-	-	(14,456)	(14,456)
At 31 December 2024	83,084	6,838	1,728	107,644	199,294
Net charge of loss allowance	8,404	(5,335)	(1,728)	15,681	17,022
Write off	-	-	-	(700)	(700)
At 31 December 2025	91,488	1,503	-	122,625	215,616

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. RISK MANAGEMENT (continued)

Liquidity risk and companying management

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk exists when the maturities of assets and liabilities do not match. The matching and/or controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to liquidity management. It is unusual for financial institutions ever to be completely matched, since business transacted is often of an uncertain term and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of losses.

The Company maintains liquidity management with the objective of ensuring that funds will be available at all times to honour all cash flow obligations as they become due. The liquidity management policy requires:

- Projecting cash flows by major currencies and taking into account the level of liquid assets necessary in relation thereto;
- Managing the concentration and profile of debts;
- Maintaining debt financing plans;
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any interruption to cash flow;
- Maintaining liquidity and funding contingency plans.

The tables below summarize the maturity profile of the Company’s financial liabilities at 31 December based on contractual undiscounted repayment obligations.

<i>(thousands of Armenian drams)</i>	31 December 2025					Total
	Demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	
Financial liabilities						
Amounts payable under repurchase agreements	41,250,784	1,999,135	-	-	-	43,249,919
Amounts due to financial institutions and individuals	-	-	-	-	-	-
Liabilities for unsettled transactions	42,344	-	-	-	-	42,344
Lease liabilities	-	79,200	-	1,188,000	-	1,267,200
Trade and other payables	230,371	-	71,694	-	-	302,065
Total undiscounted financial liabilities	41,523,499	2,078,335	71,694	1,188,000	-	44,861,528

<i>(thousands of Armenian drams)</i>	31 December 2024					Total
	Demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	
Financial liabilities						
Amounts payable under repurchase agreements	37,788,774	-	-	-	-	37,788,774
Amounts due to financial institutions and individuals	2,246,030	-	-	-	-	2,246,030
Liabilities for unsettled transactions	855,247	-	-	-	-	855,247
Lease liabilities	34,000	-	34,000	136,000	-	204,000
Trade and other payables	1,305,225	-	280,404	-	-	1,585,629
Total undiscounted financial liabilities	42,229,276	-	314,404	136,000	-	42,679,680

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. RISK MANAGEMENT (continued)

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but a control framework and monitoring and responding to potential risks could be effective tools to manage the risks. Controls should include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risks. Market risk arises from open positions in interest rate and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices and foreign currency rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. The Company manages its market risk by hedging the positions.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The following table demonstrates the sensitivity (calculation is based on durations of instruments) to a reasonable possible change in interest rates, with all other variables held constant, of the financial assets at fair value through profit or loss and financial assets at fair value through OCI as at 31 December 2025 and as at 31 December 2024:

Currency	Increase in basis points 2025	Sensitivity of net interest income 2025	Sensitivity of equity 2025
AMD	1.00%	-	(2,373,600)
USD	1.00%	(334,977)	-
EUR	1.00%	-	-

Currency	Decrease in basis points 2025	Sensitivity of net interest income 2025	Sensitivity of equity 2025
AMD	1.00%	-	2,373,600
USD	1.00%	334,977	-
EUR	1.00%	-	-

Currency	Increase in basis points 2024	Sensitivity of net interest income 2024	Sensitivity of equity 2024
AMD	1.00%	(539)	(2,105,978)
USD	1.00%	(236,560)	-
EUR	1.00%	(2,132)	-

Currency	Decrease in basis points 2024	Sensitivity of net interest income 2024	Sensitivity of equity 2024
AMD	1.00%	539	2,105,978
USD	1.00%	236,560	-
EUR	1.00%	2,132	-

NOTES TO THE FINANCIAL STATEMENTS (continued)**23. RISK MANAGEMENT (continued)****Market risk (continued)***Currency risk*

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The tables below indicate the currencies to which the Company had significant exposure at 31 December 2025 and 2024 on its monetary assets and liabilities. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Armenian Dram, with all other variables held constant on the statement of profit or loss. A negative amount in the table reflects a potential net reduction in the statement of profit or loss statement, while a positive amount reflects a net potential increase.

<i>(thousands of Armenian drams)</i>	Change in currency rate in % 2025	Effect on profit before tax 2025	Change in currency rate in % 2024	Effect on profit before tax 2024
Currency				
	10.18%	6,164	6.60%	19,226
EUR	-10.18%	(6,164)	-3.17%	(9,234)
	1.78%	114,163	3.40%	182,649
USD	-1.78%	(114,163)	-3.84%	(206,286)
RUB	17.21%	17,484	9.56%	20,205
	-17.21%	(17,484)	-21.45%	(45,335)

24. FAIR VALUE MEASUREMENT

The Company provides an analysis of its assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. These Levels are described below:

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(a) Financial instruments that are not measured at fair value

Cash and cash equivalents, term deposits, amounts receivable under reverse repurchase agreements, other financial assets, amounts payable under repurchase agreements and amounts due to financial institutions and individuals are liquid or have a short term maturity (less than three months) therefore it is assumed that the carrying amounts approximate to their fair values.

Lease liabilities

The fair value of lease liabilities is close to its carrying value and is estimated using discounted cash flow techniques, applying the market interest rates that the Company would have to pay as of the reporting date to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)**24. FAIR VALUE MEASUREMENT (continued)***(b) Financial instruments that are measured at fair value***As of 31 December 2025**

<i>(thousands of Armenian drams)</i>	Level 1	Level 2	Level 3	Total fair values
Financial assets at fair value through profit or loss	1,572,371	11,171,906	–	12,744,277
Financial assets at fair value through other comprehensive income	–	47,826,750	–	47,826,750

As of 31 December 2024

<i>(thousands of Armenian drams)</i>	Level 1	Level 2	Level 3	Total fair values
Financial assets at fair value through profit or loss	1,405,266	5,991,716	–	7,396,982
Financial assets at fair value through other comprehensive income	–	43,433,432	–	43,433,432

Armenian government securities are classified as level 2 as they have been valued using discounted cash flow techniques at a rate that reflects market yield of specific time to maturity. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

Corporate securities issued in Armenia and fund units held are classified as level 2 in the fair value hierarchy as they are measured at quoted price in a market that is not active.

The fair value of USA government securities is classified as level 1 as they have been valued using quoted prices (unadjusted) in active markets for identical assets. The fair value of securities issued in other countries is classified as level 2, which are based on quoted market prices in an international market, as the sales of securities have taken place after the reporting date, the management considers that the fair value of these securities approximate the selling price.

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled. See *Note 24 Risk management* for the Company’s contractual undiscounted repayment obligations.

<i>(thousands of Armenian drams)</i>	2025			2024		
	Within one year	More than one year	Total	Within one year	More than one year	Total
Cash and cash equivalents	1,186,950	-	1,186,950	5,210,299	-	5,210,299
Amounts receivable under reverse repurchase agreements	-	-	-	950,334	-	950,334
Financial assets at fair value through profit or loss	12,744,277	-	12,744,277	7,396,982	-	7,396,982
Financial assets at fair value through OCI	47,826,750	-	47,826,750	43,433,432	-	43,433,432
Investment in associate	-	522,181	522,181	-	308,329	308,329
Property, equipment and intangible assets	-	516,822	516,822	-	374,739	374,739
Right-of-use assets	-	559,001	559,001	-	121,741	121,741
Current income tax assets	329,024	-	329,024	-	-	-
Other assets	469,888	66,879	536,767	544,466	37,816	582,282
Total	62,556,889	1,664,883	64,221,772	57,535,513	842,625	58,378,138
Amounts payable under repurchase agreements	43,249,919	-	43,249,919	37,710,716	-	37,710,716
Amounts due to financial institutions and individuals	-	-	-	2,243,443	-	2,243,443
Liabilities for unsettled transactions	42,344	-	42,344	855,247	-	855,247
Current income tax liabilities	-	-	-	52,027	-	52,027
Lease liabilities	79,200	502,241	581,441	51,660	99,051	150,711
Trade and other payables	495,881	-	495,881	1,949,810	-	1,949,810
Provisions	-	-	-	-	-	-
Deferred tax liabilities	-	822,198	822,198	-	359,406	359,406
Total	43,867,344	1,324,439	45,191,783	42,862,903	458,457	43,321,360
Net	18,689,545	340,444	19,029,989	14,672,610	384,168	15,056,778

The Company management considers the financial assets at fair value through OCI and financial assets at fair value through profit or loss as liquid assets which the Company is able to convert to cash hence the Company has presented these assets as maturing within one year.

26. CAPITAL MANAGEMENT

For the purpose of the Company’s capital management, capital includes issued capital, all other equity reserves attributable to the equity holders of the Company and net debt. Net debt is defined as sum of borrowings and lease liabilities after deducting cash and cash equivalents. The primary objective of the Company’s capital management is to maximise the shareholder value.

Management seeks to maintain a sufficient capital base for meeting the Company’s operational and strategic needs, and to maintain confidence of market participants. This is achieved with efficient cash management, constant monitoring of Company’s revenues and profit, and long-term investment plans mainly financed by the Company’s operating cash flows. With these measures the Company aims for steady profits growth. There were no changes in the Company’s approach to capital management during the year.

The Central Bank of Armenia sets and monitors capital requirements for the Company. Under the current capital requirements set by the Central Bank of Armenia, the Company has to maintain a minimum total capital of AMD 300,000 thousand (2024: AMD 300,000 thousand). The Company is in compliance with minimum total capital requirements as at 31 December 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS (continued)

27. CONTINGENCIES**(a) Insurance**

The Armenian insurance industry is in its development stage and many forms of insurance protection common in other parts of the world are not yet generally available in Armenia. The Company does not have full coverage for its business interruption, or third party liability in respect of property or environmental damage arising from accidents on the Company property or relating to the Company operations. Until the Company obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets or environmental damage could have a materially adverse effect on the Company's operations and financial position.

(b) Litigation

The Company does not have litigations that may have a material effect on the Company's results of operations or financial position.

(c) Taxation

The taxation system in Armenia is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are sometimes unclear, contradictory and subject to varying interpretation. Taxes are subject to review and investigation by tax authorities, which have the authority to impose fines and penalties. In the event of a breach of tax legislation, no liabilities for additional taxes, fines or penalties may be imposed by tax authorities once three years have elapsed from the date of the breach.

These circumstances may create tax risks in Armenia that are more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable Armenian tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

Transfer pricing legislative contingency

The Company is subject to transfer pricing regulations in Armenia, which require the submission of notification on controlled transactions and preparation of transfer pricing documentation in relation to controlled transactions in accordance with Tax code of Republic of Armenia. Although the Company is committed to complying with these requirements, including submitting the relevant notification and maintaining proper documentation when required by the tax authorities, the applicable legislation and enforcement mechanisms in Armenia are still in the early stages of development.

As a result, there is a degree of uncertainty surrounding the interpretation and practical application of transfer pricing rules. While management believes that the Company's identified controlled transactions are complete and aligned with the arm's length principle, it is possible that the tax authorities may take a different view. If the authorities successfully challenge the Company's transfer pricing positions, this could result in additional tax liabilities, which may have a material impact on the financial statements.

28. RELATED PARTIES

The Company's related parties include its shareholders, key management and the associate.

As at December 31, 2025 and 2024, the major shareholder of the Company is Aram Kayfajyan who is also the Chief Executive Officer of the Company. Transactions with Aram Kayfajyan are presented under 'Key management personnel' category below.

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. RELATED PARTIES (continued)

Transactions with related parties

As of the years ended 31 December 2025 and 31 December 2024 the Company had the following transactions with the related parties and outstanding balances.

<i>(thousands of Armenian drams)</i>	31 December 2025		
	Non-executive shareholders	Key management personnel	Associate
Statement of profit or loss and other comprehensive income			
Income			
Fee and commission income	6,460	2,297	145
Net trading gain	22,092	14,484	-
Other income (sub-lease)	-	-	7,214
Interest expense	-	28,265	-
Administrative expenses (high performance bonus)	-	-	2,860
Statement of financial position			
Other assets	1,436	10	780
Lease liability	-	581,441	-

<i>(thousands of Armenian drams)</i>	31 December 2024		
	Non-executive shareholders	Key management personnel	Associate
Statement of profit or loss and other comprehensive income			
Income			
Fee and commission income	4,901	9,281	184
Net trading gain	1,535	1,114	-
Other income (sub-lease)	-	-	3,924
Statement of financial position			
Other assets	820	513	429

Key management compensation for the year amounted to AMD 688,882 thousand (2024: AMD 1,966,448 thousand).