CUBE INVEST CJSC
FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 DECEMBER 2024

Yerevan-2025

Statement of profit or loss and other comprehensive income

In thousand 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 income	4	1,438,377	3,617,002	566,047	1,303,455
Interest expense	4	(743,359)	(1,914,077)	(378,378)	(1,110,127)
Net interest income		**695,018**	**1,702,925**	**187,669**	**193,328**
Income in the form of commissions and other fees	5	985,698	3,136,807	412,087	1,053,583
Expenses in the form of commissions and other fees	5	(272,521)	(1,312,075)	(1,239,226)	(1,899,774)
Net commission and other fees received		**713,177**	**1,824,732**	**(827,139)**	**(846,191)**
Net income from trading activities	6	860,814	14,864,424	4,522,773	12,742,967
Other operating income	7	5,338	11,031	465	32,868
Operating income		**2,274,347**	**18,403,112**	**3,883,768**	**12,122,972**
Net allocations to expected credit losses reserve		10,161	19,367	(436)	(16,293)
General administrative expenses	8	(1,100,931)	(8,105,188)	(2,995,156)	(6,473,385)
Other operating expenses	9	(12,315)	(25,236)	(30,983)	(45,964)
Profit / (loss) before income tax		**1,171,262**	**10,292,055**	**857,193**	**5,587,330**
Income tax reimbursement (expense)	10	(189,668)	(1,798,018)	(46,085)	(1,013,959)
Profit / (loss) for the reporting period		**981,594**	**8,494,037**	**811,108**	**4,573,371**
Including:		-	-	-	-
Share of the parent company		-	-	-	-
Non-controlling interests		-	-	-	-
Other comprehensive income					
Other comprehensive income after taxation		-	-	-	-
TOTAL COMPREHENSIVE INCOME		**981,594**	**8,494,037**	**811,108**	**4,573,371**
Including:		-	-	-	-
Share of the parent company		-	-	-	-
Non-controlling interests		-	-	-	-
Basic Earnings Per Share	11	13	112	13	71
Diluted earnings per share	11	13	112	13	71

Mikayel Margaryan
Acting Chairman of the Board of Directors - Executive Director

Armen Azizyan
Representative of StepUp LLC

			Statement of financial position
			In thousand drams
		As at 31.12.2024	As at 31.12.2023
ASSETS			
Demands on banks and other financial institutions	12	5,619,181	777,349
Demands on clients	13	1,094,038	6,584,186
Demands on other parties	14	-	269,365
Financial assets at fair value through profit or loss	15	59,513,222	9,879,346
Investments measured at amortized cost	16	-	8,746,387
Investments in the capital of other companies	17	-	-
PPE	18	166,003	29,257
Deferred tax assets	10	4,427	59,393
Other assets	19	10,310	2,970
TOTAL ASSETS		**66,407,181**	**26,348,253**
LIABILITIES			
Amounts due to banks and other financial institutions	20	39,198,802	9,111,311
Amounts due to clients	21	13,875,826	10,164,367
Amounts due to other parties	22	229,598	208,387
Deferred tax liabilities	10	-	-
Reserves	23	202,584	215,582
Other liabilities	24	1,260,499	1,222,771
TOTAL LIABILITIES		**54,767,309**	**20,922,418**
EQUITY	33		
Share capital		760,000	640,000
Emission income		-	-
General reserve		96,479	71,479
Retained earnings		10,783,393	4,714,356
Other components of equity		-	-
Share of the parent company		-	-
Non-controlling interests		-	-
TOTAL EQUITY		**11,639,872**	**5,425,835**
TOTAL LIABILITIES AND EQUITY		**66,407,181**	**26,348,253**
		-	-
		-	-

Mikayel Margaryan
Acting Chairman of the Board of Directors - Executive Director

Armen Azizyan
Representative of StepUp LLC

Statement of changes in equity
In thousand drams

Name of components of equity	Share capital	General reserve	Retained earnings	TOTAL EQUITY
As of January 01, 2023	640,000	71,479	140,985	852,464
Transactions with shareholders, including:	-	-	-	-
Investments in authorized capital	-	-	-	-
Total comprehensive income	-	-	4,573,371	4,573,371
Dividends	-	-	-	-
Internal reclassifications, including:	-	-	-	-
Contributions to general reserve	-	-	-	-
As of december 31, 2023	640,000	71,479	4,714,356	5,425,835
As of January 01, 2024	640,000	71,479	4,714,356	5,425,835
Transactions with shareholders, including:	120,000	-	-	120,000
Investments in authorized capital	120,000	-	-	-
Total comprehensive income	-	-	8,494,037	8,494,037
Dividends	-	-	(2,400,000)	(2,400,000)
Internal reclassifications, including:	-	25,000	(25,000)	-
Contributions to general reserve	-	25,000	(25,000)	-
As of 31 december, 2024	760,000	96,479	10,783,393	11,639,872
	-	-	-	-

Mikayel Margaryan
Acting Chairman of the Board of Directors - Executive Director

Armen Azizyan
Representative of StepUp LLC

Statement of cash flows

In thousand drams		
	01.01.24-31.12.24	01.01.23-31.12.23
Cash flows from operating activities		
Net cash flows till the changes of operational assets and liabilities		
Interest receipts	2,551,511	1,199,754
Interest payments	(1,819,410)	(1,090,374)
Commissions received	3,200,828	17,728
Commissions paid	(965,139)	(1,508,583)
Net flows from securities trading operations	(14,233,868)	6,825,332
Net flows from foreign currency trading operations	1,627,058	942,406
Paid salary and other equivalent payments	(6,230,156)	(5,348,483)
Other operating receipts and expenses paid	(1,458,998)	(262,526)
Cash flows from operational assets and liabilities changes	**(17,328,174)**	**775,254**
Decrease / (Increase) of borrowings	(2,441,925)	(116,912)
Net cash flows from operating activities before income tax paid	**(19,770,099)**	**658,342**
Income tax paid	(1,656,563)	-
Net cash flows from operating activities	**(21,426,662)**	**658,342**
Cash flows from investing activities		
Decrease / (Increase) of financial assets measured at amortized cost	(2,443,443)	(3,186,163)
Acquisition of PPE and intangible assets	(23,520)	(14,468)
Disposal of PPE and intangible assets	-	-
Net cash flows from investing activities	**(2,466,963)**	**(3,200,631)**
Cash flows from financing activities		
Dividends paid	(1,416,335)	-
Net increase / (Decrease) of received loans and borrowings	27,388,391	3,016,284
Investments of shareholders in the authorized capital	120,000	-
Repayment of principal amount of lease liabilities	(11,572)	(8,400)
Net cash flows from financing activities	**26,080,484**	**3,007,884**
Foreign exchange effect on cash and cash equivalents	192,472	(375,163)
Net cash flows of cash and cash equivalent	**2,186,859**	**465,595**
Cash and cash equivalents at the beginning of the reporting period	708,359	617,927
Cash and cash equivalents at the end of the reporting period	**3,087,690**	**708,359**

Mikayel Margaryan
Acting Chairman of the Board of Directors - Executive Director
13 january 2025

Armen Azizyan
Representative of StepUp LLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General information and nature of business activities

Cub Invest CJSC was established in 2017. On February 3, 2017, the Company was registered with the Central Bank of the Republic of Armenia as an investment company and received license No. 0013 to carry out transactions in securities on its behalf and on its own account. In 2022, the license was reformulated, according to which the Company also provides other investment services. The governing bodies of Cub Invest CJSC are the general meeting of shareholders and the executive director. The amount of remuneration for the company's management is determined by a decision of the relevant management body. The company's annual financial and economic activities are subject to external audit.

Legal regulation

Regulatory authorities monitor the Company's operations in a variety of ways and may conduct regular audits to ensure compliance with applicable laws, regulations and rules. These laws, regulations and rules govern various areas of activity, including sales and marketing activities, trading functions, approach to client assets, continuing professional training, anti-money laundering activities, client recognition policies, reporting and record keeping, and directors' rules, behavior for managers and employees.

Armenian business environment

The Company’s operations are primarily located in Armenia. Consequently, the Company is exposed to the economic and financial markets of Armenia which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in the Armenia.

The company's assets are based in RA. The financial markets of developing countries, such as the Republic of Armenia, are more exposed to various risks than the markets of more developed countries. As discussed previously, actual or perceived financial problems or potential risks associated with investments in emerging economies may have a negative impact on Armenia's investment environment and the overall state of its economy. The Company's assets may be adversely affected by general economic conditions, changes in the securities market, regulatory environment and other geopolitical changes, all of which affect asset valuations, trading activity, interest rates, and general investor sentiment, and are beyond the Company's control.

The accompanying financial statements reflect the impact of the current operating and business environment on the Company's operations and financial results. The future business environment may differ from management's estimates.

Financial organizations, as a rule, must have anti-money laundering policies, implement special training courses for employees, and appoint an employee responsible for money laundering and prevention. Moreover, regulatory functions in the field of data privacy and protection are constantly evolving around the world and are driven mainly by the development of technology and, as a result, the possibilities of rapid dissemination of information. Compliance with those regulatory requirements shall be ensured to the extent applicable to the Company.

Management has established policies and procedures to ensure compliance with these regulations.

The shareholders of the company are Armen Ter-Hakobyan and Armine Najaryan.

These financial statements were approved on 13-th january 2025

2. Basis of preparation

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as developed and published by the International Accounting Standards Board (IASB), and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

2.2 Basis of measurement

The measurement basis adopted by the Organization for the preparation of financial statements is the historical cost, which is usually combined with other measurement bases. When applying other measurement bases, the Organization discloses in relevant notes.

2.3 Functional and presentation currency

The national currency of Armenia is the Armenian dram (“dram”), which is the Organization’s functional currency, since this currency best reflects the economic substance of the underlying events and transactions of the Organization.

All financial information presented in Armenian drams has been rounded to the nearest thousand.

2.4 Going concern

The financial statements have been prepared on a going concern basis, which assumes that assets are realized and liabilities settled in the normal course of business and that there is no intention or need to cease or substantially reduce operations within 12 months after the reporting date.

2.5 Use of estimates and judgment

The preparation of financial statements in conformity with IFRS requires management to make critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the best knowledge of management on current events and actions, the actual results may differ from those estimates.

2.6 Significant accounting policies

The accounting policies set forth below have been applied consistently to all periods presented in these financial statements.

a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss.

b) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the financial instrument.

Regular purchases and sales of financial assets and liabilities are accounted for as of the settlement date. Regular purchases or sales of financial instruments are those purchases or sales of financial assets that require the supply of assets in accordance with the terms accepted in the market.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Company does not transfer and does not retain substantially all the risks and rewards of ownership of the financial asset, but retains control over the transferred asset, the Company continues to recognize the financial asset and the related liability to the extent that its involvement continues in a financial asset. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company shall continue to recognize the financial asset as well as the collateral against the resulting asset.

Financial liabilities are derecognised when they are settled, no longer payable, canceled or expire. When a financial liability to the same lender is replaced by another financial liability, the terms of which are significantly different from the previous one, or if there is a significant change in the terms of the existing liability, then such exchange or change is recognized as derecognition of the original liability and recognition of the new liability. The difference between the carrying amount of the derecognized financial liability and the consideration paid and payable is recognized in the financial result.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the Organization's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

Subsequent measurement of financial assets

Under IFRS 9, all recognized financial assets must be subsequently measured at amortized cost or fair value, based on the entity's financial asset management business model and the cash flow characteristics of the financial assets.

In particular:

• Debt instruments in the business model that are intended to collect contractual cash flows and that have contractual cash flows that are only payments of principal and interest accrued on the outstanding principal are subsequently measured at amortized cost;

• Debt instruments in the business model, the objective of which is not only to collect the contractual cash flows, but also to sell the debt instruments and which have contractual cash flows that are only payments of principal and interest calculated on the outstanding principal amount, are subsequently measured at fair value through other comprehensive income;

• All other debt instruments (debt instruments managed at fair value or held for sale) and equity investments are subsequently measured at fair value through profit or loss.

Debt instruments at amortized cost or fair value through other comprehensive income

The Company evaluates the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Company's business model for managing the asset.

The contractual terms of an asset classified at amortized cost must generate cash flows that represent payments of principal and interest only (SPPI test).

For the purposes of the SPPI test, the principal amount is the fair value of the financial asset at initial recognition. The principal amount may change throughout the life of the financial asset (subject to principal payments). Interest represents payments depending on the value of the dram over time, credit risk and other major credit risks and expenses on the outstanding principal amount over a certain period of time, as well as a profit limit. SPPI is measured in the currency in which the financial asset is denominated.

The contractual cash flows, which are payments of principal only and accrued interest on the outstanding principal amount, are consistent with the principal debt agreement. Contractual terms that represent exposure to contractual cash flow risks or volatility unrelated to the underlying debt agreement, such as exposure to changes in equity or commodity prices, do not generate contractual cash flows that are principal and outstanding principal only. interest payments calculated on a financial asset created or acquired may constitute a principal debt agreement, regardless of whether it is a loan in its legal form.

A business model assessment for financial asset management purposes is performed to determine the classification of a financial asset as of the date of initial application of IFRS 9. The business model is applied retrospectively to all financial assets that existed at the date of initial application of IFRS 9. The company determines the level of business models that reflect the form of joint management of groups of financial assets to achieve specific business goals.

The company's business model does not depend on the management's intentions regarding an individual instrument, therefore, the assessment of the business model is carried out based on the principle of a higher level of consolidation and not on an individual basis.

The Company has a single business model for the management of financial instruments that reflects the Company's methods of managing its financial assets to generate cash flows. A company's business models determine whether cash flows arise from contractual cash collections, the sale of financial assets, or the use of both.

During the assessment of the business model, the Company considers all available relevant information. However, this assessment is not performed taking into account the scenarios that the Company cannot foresee, the so-called "worst-case" or "stress-case" scenarios.

The company takes into account all available information:

- How the results of the business model and the financial assets in that business model are evaluated and presented to the organization's key management personnel,
- The risks that have a significant impact on the performance of the business model (and the financial assets in that business model), and in particular, the management models for those risks, and
- How business managers are remunerated (whether the remuneration is based on the fair value of the assets under management or on the contractual cash flows collected).

At the initial recognition of financial assets, the Company determines whether the newly recognized financial assets are part of an already existing business model or whether they reflect the beginning of a new business model. The Company reassesses its business models at each reporting period to determine whether the business models have changed since the previous period. During the current period, the Company did not detect any changes in business models.

When a debt instrument measured at fair value through other comprehensive income is derecognised, the cumulative gain/loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Conversely, the cumulative gain/loss of equity investment instruments measured at fair value through other comprehensive income, previously recognized in comprehensive income, is not subsequently reclassified to profit or loss, but is moved to equity.

Debt instruments that are subsequently measured at amortized cost or fair value through other comprehensive income are subject to impairment.

Reclassification

If the business model in which the Company holds financial assets changes, such changed financial assets are reclassified. The classification and measurement requirements related to the new category are applied prospectively from the first day of the first reporting period following a change in business model that results in the reclassification of the Company's financial assets.

Impairment

Expected credit losses (ECLs) should be measured by accounting for losses in an amount equivalent to the following:

• 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 recognised are referred to as "Stage 1" financial instruments. Or,

• 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 recognised are referred to as "Stage 2" and "Stage 3" financial instruments.

A lifetime expected credit losses is required if the credit risk of that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at the 12-month ECL.

Expected credit losses are estimates based on the present value of credit losses. They are measured based on the present value of the difference between the Company's contractually payable cash flows and the cash flows that the Company expects to receive as a result of comparing different economic scenarios, discounted by the effective interest rate of the asset.

For portfolios with similar economic risk characteristics, the Company will measure expected credit loss on a collective basis. The valuation of the allowance for losses will be based on the present value of the asset's expected cash flows, applying the asset's original effective interest rate.

Definition of default

In order to define expected credit loss, it is important to define default. The latter definition is used to determine the amount of expected credit loss and whether loss allowence are based on 12-month or lifetime expected credit loss, as default is a probability of default (PD) component that affects the estimate of expected credit loss as well as upon detection of significant growth of credit risk.

The Company considers a financial asset to be in default when:

• The borrower is past due more than 90 days on any material credit obligation to the Company. Or

• The borrower is unlikely to pay its credit obligations to the Company in full.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

For the purpose of assessing the probability of the borrower not fulfilling its debt obligations, the Company takes into account also quantitative information. Quantitative information includes data on other defaults or late payments of the same borrower, which is an important part of this analysis.

The Company monitors all financial assets subject to impairment requirements to assess the potential increase in credit risk since their initial recognition. In the event of a significant increase in credit risk, the Company will measure loss allowances based on lifetime expected credit losses, rather than 12-month expected credit losses.

In order to assess a significant increase in the credit risk of a financial instrument since initial recognition, the Company compares the following: the risk of default of the financial instrument at the reporting date, based on the residual maturity of the instrument, and the risk of default of the financial instrument that was expected to occur at the maturity of the residual liability of the instrument as of the recognition date. In making this assessment, the Company will consider only quantitative information.

Modification and derecognition of financial assets

Modifications to financial assets occur when the contractual terms governing the cash flows of the financial asset are revised or otherwise changed between the initial recognition of the financial asset and the maturity date. The change affects the amount and/or timing of the contractual cash flows immediately or in the future.

When a financial asset changes, the Company assesses whether this change results in derecognition. According to company policy, changes result in derecognition when the change results in materially different contractual terms. To determine whether the modified terms are materially different from the original contractual terms, the Company considers the following:

• Qualitative factors, such as contractual cash flows that, after the change, are not just payments of principal and interest calculated on the outstanding principal amount, a change in exchange rate or counterparty, a change in interest rates, maturities, or contractual provisions

If these changes do not clarify material changes, then

• A quantitative assessment is performed by comparing the present value of the remaining contractual cash flows under the original terms and the contractual cash flows under the revised terms. These amounts are amortized at the original effective interest rate.

If the present value difference is greater than 10 percent, the Company determines that there is a significant contract difference, resulting in derecognition.

Provisions for expected credit losses in case of derecognition of a financial asset are measured as of the date of derecognition in order to determine the net book value of the asset as of that date. The difference between the revised carrying amount and the fair value of the new financial asset under new terms gives rise to a gain or loss on derecognition. The new financial asset will have a loss allowance measured on a 12-month ECL basis, unless the new loan is considered impaired at inception.

This applies only when the fair value of the new loan is recognized at a significant discount to its revised nominal value because there is still default risk that has not been reduced by the changes. The Company monitors the credit risk of modified financial assets by evaluating qualitative and quantitative information (eg, whether the borrower has past due days under the new terms).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.

With respect to financial assets modified under the Company's debt rescheduling policy, where the modification does not result in derecognition, the probability of default estimate reflects the Company's ability to collect cash on the modified terms based on the Company's past experience. in the case of similar amnesty processes, as well as various behavioral factors, indicators that represent the borrower's solvency within the amended terms of the contract. If credit risk remains greater than expected at initial recognition, the loss allowance will be remeasured to an amount equal to total expected credit losses. Under the revised terms, the provision for asset losses will generally be measured based on 12-month expected credit losses if there is evidence of an improvement in the borrower's solvency, resulting in a reduction in the previously significant increase in credit risk.

In the event that changes do not result in derecognition, the Company calculates the gain/loss on such changes by comparing the gross carrying amount before and after the change (excluding the allowance for expected credit losses). The Company then estimates the expected credit losses for the modified asset when the expected cash flows from the modified financial asset are included in the calculation of the expected cash flows from the original asset.

An entity derecognises a financial asset when it loses the contractual rights to the cash flows of the financial asset, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and risk are transferred to another party. benefits associated with ownership of the financial asset, or in which the Company neither transfers nor retains a substantial portion of all the risks and rewards associated with ownership of the financial asset, but does not retain control of the financial asset. If the Company does not transfer and retains substantially all the risks and rewards of ownership of a financial asset but retains control of the transferred asset, the Company continues to recognize the financial asset and the associated liability to the extent that its involvement in the financial asset continues. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the Company must continue to recognize the financial asset and the loan secured by the consideration received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the amount of consideration received and receivable and the cumulative gain/loss that was recognized in other comprehensive income and accumulated in equity is recognized in profit or loss, except for instruments equity investments that are classified as other comprehensive income measured at fair value through profit or loss when the cumulative gain/loss previously recognized in other comprehensive income is not subsequently reclassified to profit or loss.

When a financial asset is partially derecognised (for example, when the Company retains the option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part that it continues to recognize as part of its continuing involvement and the part that it no longer recognizes, based on relative fairness. the value of these parts on the date of transfer. The difference between the carrying amount allocated to the discontinued portion and the consideration received for the discontinued portion and any cumulative gain or loss recognized in other comprehensive income allocated to it shall be recognized in profit or loss. Between the portion recognized in other comprehensive income and the portion that is no longer recognized, based on the relative fair values of those portions. This does not apply to equity investments classified as at fair value through other comprehensive income because the cumulative gain/loss previously recognized in other comprehensive income is not subsequently reclassified to profit or loss.

Write-offs

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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

• financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

• Impairment losses on debt instruments measured at fair value through other comprehensive income are not offset against the corresponding carrying amounts of the financial assets and are instead recognized in profit or loss. Since the carrying amounts of these assets are their fair values, changes arising from impairment are already included in these values. However, allowances for losses are included in other comprehensive income in the section "Revaluations of financial assets measured at fair value through other comprehensive income".

Classification and measurement of financial liabilities

Financial liabilities are classified as either "at fair value through profit or loss" or "other financial liabilities".

Financial liabilities measured at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading or is classified as at fair value through profit or loss.

A financial liability is classified as held for trading if:

• It is acquired primarily for short-term repurchase purposes, or

• At the time of initial recognition, it forms part of a portfolio of certain financial instruments jointly managed by the Company and has a realistic possibility of profit in the short term, or

• It is a derivative instrument that is not intended or used as a hedging instrument.

A financial liability, other than a financial liability held for trading or contingent consideration that may be paid by the acquirer as part of a business combination, may be classified as at fair value through profit or loss on recognition if:

• Such a classification eliminates, or significantly reduces, a measurement or recognition inconsistency that would otherwise arise, or

• A financial liability is part of a group of financial assets or financial liabilities or both that is managed and its performance is assessed on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and grouping information is provided internally, or

• it forms part of a contract that contains one or more embedded derivatives and IFRS 9 allows the entire contract (assets or liabilities) to be classified as at fair value through profit or loss.

Financial liabilities measured at fair value through profit or loss are measured at fair value, including any gain or loss resulting from a remeasurement recognized in profit or loss when they are not part of a hedging instrument. The net gain or loss recognized in profit or loss includes any interest paid on the financial liability and includes the line item "net income from other financial instruments at fair value" in the statement of profit or loss and other comprehensive income.

However, for non-derivative financial liabilities measured at fair value through profit or loss, when a change in the fair value of a financial liability attributable to a change in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effect of a change in the credit risk of the liability recognized in other comprehensive income is not causes or increases an accounting discrepancy in profit or loss. The remaining amount of the change in the fair value of the liability is recognized in profit or loss. Changes in fair value attributable to credit risk of a financial liability recognized in other comprehensive income are not subsequently reclassified to profit or loss, but are transferred to retained earnings on derecognition of the financial liability.

When the Company determines whether the recognition of changes in the credit risk of a liability recognized in other comprehensive income has caused or increased an accounting mismatch, it assesses whether the effect of changes in the credit risk of a liability would be offset in profit or loss through fair value through profit or loss due to changes in the fair value of another financial instrument. This decision is made upon initial recognition.

Other financial liabilities

Other financial liabilities (including loans and borrowings) are initially recognized at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and the allocation of interest expense over a certain period of time. The effective interest method is discussed in more detail in the "Interest Income" and "Interest Expense" section.

Derecognition of financial liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

When a financial liability to the same lender is replaced by another financial liability, the terms of which are significantly different from the previous one, or if there is a significant change in the terms of the existing liability, then such exchange or change is recognized as derecognition of the original liability and recognition of the new liability. Similarly, the Company accounts for a significant change in the terms or part of an existing liability as an extinguishment of the original financial liability and the recognition of a new liability.

The terms of the contract are considered to be significantly different when the discounted present value of cash flows under the new terms (including amounts paid, minus any payments received and discounted using the original effective interest rate) differs by at least 10 percent from the residual cash flows of the original financial liability discounted to present value.

Interest Income and Interest Expense

In respect of financial instruments, interest income and expenses are recognized in "net interest income" as "interest income" and "interest expense" in profit or loss using the effective interest method.

The effective interest rate is the interest rate that accurately discounts the estimated future cash flows of the financial instrument over the expected life of the financial instrument, or a shorter period, as appropriate, to the net carrying amount of the financial asset or liability. Future cash flows are estimated based on all contractual terms of the instrument.

Fees and commission

Fees and commission expenses are recognized in profit or loss in accordance with the performance of the related services.

c) Property and equipment

Property and equipment stated at cost

Property and equipment (the PPE) are initially stated at their initial cost. The cost of an item of property and equipment includes: purchase price including import duties, non-refundable taxes and other mandatory, transportation expenses, as well as all the expenses incurred for bringing the assets to the working state and location needed for their purposeful use. When a unit of property, plant and equipment consists of major components with different useful lives, they are accounted for as separate units of property, plant and equipment.

Initial cost includes directly attributable costs, site preparation costs, installation costs, professional fees and, in the case of a qualifying asset, capitalized borrowing costs in accordance with the Company's accounting policies. Buildings that are rental properties are also included in fixed assets if they are obtained under long-term leases. Depreciation of such assets is calculated over the shorter of the expected useful life of the asset or the lease term.

Replacement costs of individual parts of a fixed asset are recognized in the carrying amount of that fixed asset if it is probable that the future economic benefits embodied in that part will flow to the Company and its value can be measured reliably. Current maintenance costs of fixed assets are recognized in profit or loss when they are incurred.

The gain or loss resulting from the disposal or retirement of a fixed asset is determined by the difference between the proceeds from the sale and the carrying amount of the asset and is recognized in profit or loss.

Depreciation is calculated on the depreciable amount, which is the original cost of the asset or the amount that replaces it, minus the residual value. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of the property, plant and equipment, as this best reflects the expected pattern of consumption of the future economic benefits embodied in the assets. Depreciation begins when the asset becomes available for use for its intended purpose. Depreciation methods, useful services and residual values are reviewed at the end of each financial year and adjusted as necessary.

Depreciation is calculated on a straight line basis using the following annual rates:

Computer equipment	- 3-5 years
Furniture and fixtures, office equipment	- 8 year
Other assets	- 8 year

d) Intangible assets

Intangible assets acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses.

Subsequent disposals are capitalized when they add to the future economic benefits embodied in the specific asset to which they relate.

All other subsequent costs are recognized in profit or loss when incurred. Depreciation is calculated on the depreciable amount, which is the original cost of the asset or the amount that replaces it, minus the residual value. Amortization is recognized in profit or loss on a straight-line basis over the estimated amortization periods of the intangible assets.

e) Leases

Company, as a lessee, at the commencement date, recognises a right-of-use asset and a lease liability except for low-value and short-term leases, with the exceptions provided for in IFRS 16.

Initial recognition

At the commencement date, an Company measures the right-of-use asset at cost which comprises:

• the amount of the initial measurement of the lease liability,

• any lease payments made at or before the commencement date, less any lease incentives received;

• any initial direct costs incurred by the lessee; and

• an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

At the commencement date, an Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

Subsequent measurement

After the commencement date, an Company measures the right-of-use asset at cost:

- less any accumulated depreciation and any accumulated impairment losses; and
- adjusted for any remeasurement of the lease liability.

The basis for the depreciation of the right of use assets is the Company's depreciation policy. After the commencement date, an Company measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications

f) Cash and cash equivalents

Cash and cash equivalents include demands on banks and other financial institutions.

For the purpose of the statement of cash flows, cash equivalents are on-demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. The Organization classifies investments as a cash equivalent if it is readily convertible to a known amount of cash and is subject to an insignificant risk of changes in value.

g) Equity

Equity instruments issued by the Company are recorded at the nominal value. The ability of the Company to declare and pay dividends is governed by the regulations established by the legislation of the Republic of Armenia. Dividends are recognized as distribution of retained earnings during the period in which they are declared.

h) Income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Organization is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Organization expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Organization intends to settle its current tax assets and liabilities on a net basis.

i) Provisions

A provision is recognized in the statement of financial position when the Organization has a legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

j) Employee benefits

Short-term employee benefits are benefits expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services and include:

(a) wages, salaries and bonuses;

(b) paid annual leaves and paid disability leaves;

When employees render services to the Company during the accounting period, the Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

(a) as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the Company shall recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

(b) as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset (see, for example, IAS 2 Inventories and IAS 16 Property, Plant and Equipment).

k) Revenue from Contracts with Customers

This standard has been put into discussion in 2008 for the first time. The final version has been issued on May 2014.

IFRS 15 Revenue from Contracts with Customers when effective must replace the guidance and interpretations to the following standards IAS 18 Revenue and IAS 11 Construction contracts.

The essential principle of the IFRS 15 Revenue from Contracts with Customers is that the entity must recognize revenue to depict the transfer of goods or services to customers specified in contract in an amount that reflects the consideration to which the entity expects to be entitled or collect in exchange for those goods or services.

The new standard provides a single, principles based five-step model to be applied to all contracts with customers.

The principles in IFRS 15 will be applied using a five-step model:

Step 1. Identify the contract(s) with a customer,

Step 2. Identify the performance obligations in the contract,

Step 3. Determine the transaction price,

Step 4. Allocate the transaction price to the performance obligations in the contract,

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

l) Contingencies

Business environment

Armenia continues to undergo political and economic changes. As an emerging market, Armenia does not possess a developed business and regulatory infrastructure that generally exists in a more mature free market economy. In addition, economic conditions continue to limit the volume of activity in the financial markets, which may not be reflective of the values for financial instruments. The main obstacle to further economic development is a low level of economic and institutional development, along with a centralized economic base, regional instability and international economic crisis.

Deterioration of economic situation of countries collaborating with the Republic of Armenia led to the shortage of money transfers from abroad, upon which the economy of Armenia is significantly dependent. Further decline in international prices of mining products, uncertainties due to possibilities of attraction of direct capital investments, inflation, may lead to deterioration of the situation of Armenian economy and of the Company. However, as the number of variables and assumptions involved in these uncertainties is big, management cannot make a reliable estimate of the amounts by which the carrying amounts of assets and liabilities of the Group may be affected.

Management of the Company believes that in the current conditions appropriate measures are implemented in order to ensure economic stability of the Company.

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 Group does not have full coverage for its plant facilities, business interruption, or third party liability in respect of property or environmental damage arising from accidents on the Group property or relating to the Group operations.

Until the Group 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 Group's operations and financial position.

Taxes

The taxation system in Armenia is relatively new and is characterized by frequently changing legislation, which is often subject to interpretation. Often differing interpretations exist among various taxation authorities and jurisdictions. Taxes are subject to review and investigations by tax authorities, which are enabled by law to impose severe fines and penalties.

These facts may create tax risks in Armenia substantially more than in other developed countries.

Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have differing interpretations and the effects could be significant.

Environmental matters

Management is of the opinion that the Group has met the Government's requirements concerning environmental matters and, therefore, believes that the Company does not have any current material environmental liabilities. However, environmental legislation in Armenia is in process of development and potential changes in the legislation and its interpretation may give rise to material liabilities in the future.

Note 3. Financial risk review

This note presents information about the Company's exposure to financial risks.

Credit risk - Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment

See accounting policy in Note 2.6 (b):

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and expert credit assessment and including forward-looking information.

The Company uses three criteria for determining whether there has been a significant increase in credit risk:

• quantitative test based on movement in probability of default (PD) estimated with reference to S&P and Moody's

rating migration matrixes;

• qualitative indicators; and

backstop of 30 days past due for borrowings given and 5 days for other financial instruments, including cash and cash equivalents.

Credit risk grades

The Company allocates exposures from financial asset to a credit risk grades based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default and are aligned with rating grades as published by S&P and Moody's rating agencies. These factors vary depending on the nature of the exposure and the type of borrower.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

The monitoring typically involves use of the following data.

• Information obtained during periodic review of customer files – e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are: gross profit margins, overdue days, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, senior management changes,

• Data from credit reference agencies, press articles, changes in external credit ratings,

• Requests for and granting of forbearance,

• Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities.

Credit risk grades are a primary input into the determination of the term structure of PD for exposures.

The Company collects performance and default information about its credit risk exposures analysed by type of product and borrower as well as by credit risk grading.

The Company sets the floor PDs equal to PD of the country's rating grade where the borrower operates. For Government bonds the PDs equals to PD of the country's rating grade.

Determining whether credit risk has increased significantly

The Company assesses whether credit risk has increased significantly since initial recognition at each reporting period. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower, and the geographical region.

As a general indicator, credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Company's quantitative and qualitative modelling:

• The borrower's credit risk grade has deteriorated by 2 notches since initial recognition.

• The borrower has an exposure overdue more than 30 days for borrowings given and 5 days for other financial instruments, including cash and cash equivalents.

• The borrower is restructured due to credit event which does not lead to default.

• Management discretion based on qualitative information obtained about the client (e.g. included in watch list, adverse macro-economic factors on the financial performance, etc.) through standard monitoring process and other sources.

As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due for borrowings given and 5 days for other financial instruments, including cash and cash equivalents. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL.

The Company monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

• the criteria are capable of identifying significant increases in credit risk before an exposure is in default;

• the criteria do not align with the point in time when an asset becomes 30 days past due;

• the average time between the identification of a significant increase in credit risk and default appears reasonable;

• exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and

• there is no unwarranted volatility in loss allowance from transfers between 12-month ECL (stage 1) and lifetime ECL measurements (stage 2).

Definition of default

The Company considers a financial asset to be in default when:

• the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held);

• the borrower is past due more than 90 days on any material credit obligation to the Company. Or

• it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Company considers indicators that are:

• qualitative – e.g. breaches of covenant;

• quantitative – e.g. overdue status and non-payment on another obligation of the same issuer to the Company; and

• based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporation of forward-looking information

Managements assesses the impact of incorporation of forward-looking information to be immaterial.

Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out in Note 2.6(b).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

• its remaining lifetime PD at the reporting date based on the modified terms; with

• the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.

When modification results in derecognition, a new loan is recognised and allocated to Stage 1 (assuming it is not creditimpaired at that time).

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

• probability of default (PD);

• loss given default (LGD);

• exposure at default (EAD).

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD. The methodology of estimating PDs is discussed above .

The Company estimates LGD parameters based on data published by S&P and Moody's rating agencies.

EAD represents the expected exposure in the event of a default.

The Company derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed

under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default.

For financial guarantees, the EAD represents the guarantee exposure when the financial guarantee becomes payable.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Company measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Company considers a longer period.

The maximum contractual period extends to the date at which the Company has the right to require repayment of an advance or terminate guarantee.

For portfolios in respect of which the Company has limited historical data, external benchmark information is used to supplement the internally available data.

Note 4. Net interest income

Interest income	**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 income from bank accounts and deposits	34,152	67,842	4,699	10,720
Interest income from securities	1,337,950	3,314,821	548,236	1,270,148
Interest income from reverse repurchase agreements	65,657	189,230	11,751	20,249
Interest income on borrowings	-	-	-	-
Interest income from derivatives	618	45,109	1,361	2,338
Total	**1,438,377**	**3,617,002**	**566,047**	**1,303,455**

Interest expense	**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 expenses on borrowings and loans	(20,563)	(42,909)	(150,869)	(488,196)
Interest expense on repurchase agreements	(720,490)	(1,867,068)	(225,287)	(585,092)
Interest expense on lease obligations	(2,285)	(3,412)	(282)	(1,370)
Interest expense on derivatives	(21)	(688)	(1,940)	(35,469)
Total	**(743,359)**	**(1,914,077)**	**(378,378)**	**(1,110,127)**
Net interest income	**695,018**	**1,702,925**	**187,669**	**193,328**

Note 5. Net commission and other fees received

Income in the form of commissions and other fees	01.10.24-31.12.24	01.01.24-31.12.24	01.10.23-31.12.23	01.01.23-31.12.23
Commissions on securities transactions	760,175	2,464,859	186,380	762,409
Commissions from consulting services	-	4,276	12,087	12,087
Income from depository services	225,523	667,672	213,620	279,087
Income from the placement of securities	-	-	-	-
Total	**985,698**	**3,136,807**	**412,087**	**1,053,583**

Income in the form of commissions and other fees	01.10.24-31.12.24	01.01.24-31.12.24	01.10.23-31.12.23	01.01.23-31.12.23
Commission expenses	(272,521)	(1,312,075)	(1,239,226)	(1,899,774)
Total	**(272,521)**	**(1,312,075)**	**(1,239,226)**	**(1,899,774)**
Net commission income	**713,177**	**1,824,732**	**(827,139)**	**(846,191)**

Note 6. Net income from trading activities

Net income from investments at fair value through profit or loss	01.10.24-31.12.24	01.01.24-31.12.24	01.10.23-31.12.23	01.01.23-31.12.23
Net gain from changes in fair value	(346,391)	737,694	(79,796)	(102,606)
Net income from trading	594,056	11,969,981	4,122,988	11,660,106
Net income from investments measured at amortized cost				
Net income from trading	-	-	8,972	8,972

Net income from foreign exchange transactions				
Net income from revaluation	288,408	529,691	249,638	234,090
Net income from foreign currency transactions	324,741	1,627,058	220,971	942,405
Total	**860,814**	**14,864,424**	**4,522,773**	**12,742,967**

Note 7. Other operating income

Other operating income	**01.10.24-31.12.24**	**01.01.24-31.12.24**	**01.10.23-31.12.23**	**01.01.23-31.12.23**
Net income from the disposal of fixed assets and intangible assets	-	-	-	-
Other income	5,338	11,031	465	32,868
Total	**5,338**	**11,031**	**465**	**32,868**

Note 8. General administrative expenses

General administrative expenses	**01.10.24-31.12.24**	**01.01.24-31.12.24**	**01.10.23-31.12.23**	**01.01.23-31.12.23**
Expenses for salaries and other equivalent payments	(987,823)	(7,566,284)	(2,908,622)	(6,177,966)
Consulting and professional fees	(17,828)	(71,770)	(9,150)	(33,420)
Expenses for communication services	(13,517)	(49,835)	(11,414)	(35,857)
Office expenses	(6,956)	(19,528)	(4,047)	(10,138)
Costs of maintenance of fixed assets	(4,540)	(17,908)	(4,275)	(7,807)
Rental expenses	(2,700)	(26,370)	(7,890)	(25,963)
Advertising and representation expenses	(16,665)	(35,819)	(6,676)	(17,412)
Travel and training expenses	(5,895)	(18,576)	(10,706)	(21,506)
Expenses for non-refundable taxes and duties	(12,122)	(25,454)	(4,518)	(12,304)
Costs of membership fees	(4,810)	(13,604)	(2,615)	(4,154)
Other administrative expenses	(28,075)	(260,040)	(25,243)	(126,858)
Total	**(1,100,931)**	**(8,105,188)**	**(2,995,156)**	**(6,473,385)**

Note 9. Other operating expenses

Other operating expenses	**01.10.24-31.12.24**	**01.01.24-31.12.24**	**01.10.23-31.12.23**	**01.01.23-31.12.23**
Expenses for depreciation of fixed assets	(12,315)	(24,951)	(4,470)	(15,980)
Expenses for amortization of intangible assets	-	-	-	-
Other expenses	-	(285)	(26,513)	(29,984)
Total	**(12,315)**	**(25,236)**	**(30,983)**	**(45,964)**

Note 10. Income tax reimbursement (expense)

Income tax reimbursement (expense)	**01.10.24-31.12.24**	**01.01.24-31.12.24**	**01.10.23-31.12.23**	**01.01.23-31.12.23**
(Expense) / Reimbursement for current profit tax	(250,771)	(1,743,052)	(84,836)	(1,035,352)
(Expense) / Reimbursement for deferred profit tax	61,103	(54,966)	38,751	21,393
Total	**(189,668)**	**(1,798,018)**	**(46,085)**	**(1,013,959)**

Reconciliation of effective tax rate is as follows:

	01.01.24-31.12.24	Effective tax rate %	01.01.23-31.12.23	Effective tax rate %
Profit/(loss) before taxation	**10,292,055**	-	**5,587,330**	-
Tax calculated at a tax rate of 18%	(1,852,570)	(18)	(1,005,719)	(18)
(Non-taxable) / non-deductible items, net	54,552	1	(8,240)	(0)
Profit tax (expense) / reimbursement	**(1,798,018)**	**(17.47)**	**(1,013,959)**	**(18.15)**

The movement of deferred tax assets is disclosed below:

	As at 31.12.2023	Recognized in other comprehensive income	Recognized in profit or loss	As at 31.12.2024
Deferred tax assets, including:	**63,708**	-	**(9,672)**	**54,036**
PPE	-	-	-	-
Lease liability	1,885	-	13,264	15,149
Provision for ECL (IFRS 9)	5,932	-	(3,510)	2,422
Fair value measurements of financial assets at FV/PL	17,086	-	(17,086)	-
Unused vacation reserve	38,805	-	(2,340)	36,465
Deferred tax liabilities, including:	**(4,315)**	-	**(45,294)**	**(49,609)**
PPE	(2,324)	-	1,878	(446)
Fair value measurements of financial assets at FV/PL	-	-	(32,761)	(32,761)
Right-of-use assets	(1,991)	-	(14,411)	(16,402)
Net deferred tax assets/liabilities	**59,393**	-	**(54,966)**	**4,427**
On tax losses	**33,443**	-	**(33,443)**	-
Total movement of net deferred tax assets/liabilities	**92,836**	-	**(88,409)**	**4,427**

Note 11. Earnings Per Share

The calculation of earnings per share is disclosed below:

Earnings per share	**01.10.24-31.12.24**	**01.01.24-31.12.24**	**01.10.23-31.12.23**	**01.01.23-31.12.23**
Net profit (loss) for the reporting period after taxation	981,594	8,494,037	811,108	4,573,371
Net profit (loss) for the period attributable to holders of ordinary shares	981,594	8,494,037	811,108	4,573,371
Weighted average number of ordinary shares outstanding during the reporting period	76,000	76,000	64,000	64,000
Basic earnings (loss) per share	13	112	13	71
Diluted earnings (loss) per share	13	112	13	71

Note 12. Demands on banks and other financial institutions

	As at 31.12.2024	As at 31.12.2023
Current accounts		
In RA banks and financial institutions	2,990,537	570,089
In foreign banks and financial institutions	97,153	138,270
Reserve on ECL	(6,175)	(1,417)
Total	**3,081,515**	**706,942**
Deposits, borrowings provided and other demands		
Deposits	2,506,918	60,183
REPO agreements	-	-
Accrued interest	35,834	10,365
Reserve on ECL	(5,086)	(141)
Total	**2,537,666**	**70,407**
Total demands on banks and other financial institutions	**5,619,181**	**777,349**

There are no restrictions on the use of cash and cash equivalents presented in this report.

Note 13. Demands on clients

Demands on clients	As at 31.12.2024	As at 31.12.2023
Accounts receivable for storage of securities	45,414	9,808
Receivables from brokerage operations	1,241	59,830
Receivables from the sale of securities	1,029,714	6,483,734
Accounts receivable from foreign currency conversion transactions	19,861	44,014
Receivables for consulting services	-	-
Other	-	-
Reserve on ECL	(2,192)	(13,200)
Total demands on clients	**1,094,038**	**6,584,186**

At the end of the current and previous reporting periods, the Company had no overdue or problematic claims.

The company also does not have funds received and allocated within the framework of financing programs implemented by international financial organizations.

Geographic analysis of clients demands

	As at 31.12.2024	%	As at 31.12.2023	%
Residents of the Republic of Armenia	469,230	-	109,080	-
Residents of other countries	624,808	-	6,475,106	-
Total	**1,094,038**	**-**	**6,584,186**	**-**

Note 14. Demands on other parties

	As at 31.12.2024	As at 31.12.2023
Borrowings provided to related parties	-	269,905
Borrowings provided to third parties	-	-
Reserve on ECL	-	(540)
Total	**-**	**269,365**

Note 15. Financial assets at fair value through profit or loss

Government securities	As at 31.12.2024	As at 31.12.2023
RA government securities, including:		
Government bonds	47,090,934	3,012,928
Total government securities	**47,090,934**	**3,012,928**
Non-government securities, including:		
Rated BBB+/Baa1/ and below		
Debt instruments	12,415,750	5,606,407
Equity instruments	6,538	1,260,011
Total non-government securities	**12,422,288**	**6,866,418**

Note 16. Investments measured at amortized cost

Government securities	As at 31.12.2024	As at 31.12.2023
RA government securities	-	8,509,733
Accrued interest	-	254,182
Reserve on ECL	-	(17,528)
Total government securities	**-**	**8,746,387**
Non-government securities, including:		
Non-government bonds of the RA	-	-
Total non-government securities	**-**	**-**

Note 17. Investments in the capital of other companies

As of the end of the reporting period, the Company does not have investments accounted for using the equity method in the authorized capital of other entities.

Note 18. PPE and intangible assets

Property, plant and equipment

	Computer and communication equipment	Office equipment	Right-of-use asset	Other	Total
Cost					
At 01.01.2023	**6,299**	**1,518**	**22,168**	**98**	**30,083**
Additions	11,151	3,823	-	132	15,106
Disposals	-	-	-	-	-
At 31.12.2023	**17,450**	**5,341**	**22,168**	**230**	**45,189**
Additions	14,472	4,733	99,248	1,679	120,132
Disposals	-	-	(1,641)	-	(1,641)
At 31.12.2024	**31,922**	**10,074**	**119,775**	**1,909**	**163,680**
Accumulated depreciation					
At 01.01.2023	**3,965**	**615**	**3,715**	**9**	**8,304**
Additions	8,050	515	7,389	26	15,980
Disposals	-	-	-	-	-
At 31.12.2023	**12,015**	**1,130**	**11,104**	**35**	**24,284**
Additions	4,851	1,139	18,869	92	24,951
Disposals	-	-	(1,323)	-	(1,323)
At 31.12.2024	**16,866**	**2,269**	**28,650**	**127**	**47,912**
Net book value					
As at 31.12.2024	**15,056**	**7,805**	**91,125**	**1,782**	**115,768**
As at 31.12.2023	**5,435**	**4,211**	**11,064**	**195**	**20,905**

Intangible assets

	Computer programs	Total
Cost		
At 01.01.2023	**-**	
Additions	8,352	
At 31.12.2023	**8,352**	
Additions	41,883	
At 31.12.2024	**50,235**	
Accumulated amortization		
At 01.01.2023	**-**	
Additions	-	
At 31.12.2023	**-**	
Additions	-	
At 31.12.2024	**-**	
Net book value		
As at 31.12.2024	**50,235**	**50,235**
As at 31.12.2023	**8,352**	**8,352**

Note 19. Other assets

Receivables and Advances	As at 31.12.2024	As at 31.12.2023
Accounts receivable to the budget	16	323
Prepayments to suppliers	1,235	1,010
Prepayments for profit tax	-	-
Total	**1,251**	**1,333**
Other assets		
Prepaid expenses	9,059	1,422
Other	-	215
Total	**10,310**	**2,970**

Note 20. Amounts due to banks and other financial institutions

	As at 31.12.2024	As at 31.12.2023
RA banks		
Loans	-	-
Accrued interest	-	244
	-	**244**
REPO agreements	39,134,369	9,094,644
Accrued interest	64,433	16,423
	39,198,802	**9,111,067**
Total	**39,198,802**	**9,111,311**

Note 21. Amounts due to clients

	As at 31.12.2024	As at 31.12.2023
Accounts payable for the purchase of securities	9,480,225	7,739,854
Accounts payable for foreign currency conversion	4,395,326	2,424,446
Other	275	67
Total	**13,875,826**	**10,164,367**

Note 22. Amounts due to other parties

	As at 31.12.2024	As at 31.12.2023
Borrowings received from related parties	41,639	42,503
Accrued interest	58	46
	41,697	**42,549**
Borrowings received from third parties	117,185	165,514
Accrued interest	123	324
	117,308	**165,838**
REPO agreements from other parties	70,265	-
Accrued interest	328	-
	70,593	**-**
Total	**229,598**	**208,387**

Note 23. Reserves

Reserves	As at 31.12.2024	As at 31.12.2023
Balance at the beginning of period	**215,582**	**7,662**
Contributions to the reserve	658,151	299,166

Use of reserve	(671,149)	(91,246)
Net contributions to reserve	(12,998)	207,920
Balance at the end of the period	**202,584**	**215,582**
On unused vacation provision	202,584	215,582

The company operates within the framework of the requirements provided for by law and has no other obligations that require reserves other than those presented. There are no lawsuits filed against the company. The company has fully fulfilled its tax obligations and there is no need for additional reserves for tax obligations.

Note 24. Other liabilities

Other liabilities	**As at 31.12.2024**	**As at 31.12.2023**
Accounts payable to the state budget		
For profit tax	1,127,287	1,037,654
For value added tax	83	772
For income tax	39,871	151,893
For stamp duty	413	366
For mandatory pension contributions	2,368	1,952
Salary obligations to employees	-	864
Accounts payable to suppliers	6,314	18,794
Liabilities to founders	-	-
Lease liabilities	84,163	10,476
Total	**1,260,499**	**1,222,771**

Note 25. Share capital

The authorized capital of the Company is 760,000 thousand Armenian drams and consists of 76,000 (seventy-six thousand) outstanding ordinary shares, each of which has a par value of 10,000 (ten thousand) Armenian drams. The Company's issued shares are fully paid. Below is information about significant participants of the Company as of the date of the reporting period:

Name, surname of significant participant	**Participation amount**	**Share of participation %**
Armen Ter-Hakobyan	380,000	50.00
Armine Najaryan	380,000	50.00

Note 26. Other components of equity

The Company has no undisclosed items of other components of equity.

Note 27. Related party transactions

For the purposes of these reports, the Company's related parties include its executive director, shareholders, and related with them parties. Transactions with related parties of the company were carried out in accordance with the terms and interest rates prevailing in the market. In the reporting and comparable quarters, the Company entered into the following transactions with related parties:

	31/12/2024			
	Reporting quarter		**Comparable quarter**	
	Transaction amount	Outstanding Balance	Transaction amount	Outstanding Balance
Transactions with related parties, including:	1,848,965	41,697	25,502	312,859
Salary	118,652	-	20,769	-
Vehicle rental	2,700	-	2,700	405
Received borrowings	2,613	41,697	2,033	42,549
Provided borrowings	1,725,000	-	-	269,905

Note 28. Financial Risk Management

28.1 Credit risk

Credit risk occurs when a counterparty fails to meet its obligations, which may result in financial loss to the Company. The Company's credit risk relates to financial assets, including cash and cash equivalents held by banks and trade and other receivables.
Credit risk is managed on a group basis in accordance with the Company's credit risk management policies and procedures. The maximum exposure to credit risk is reflected in the carrying amounts of the following financial assets. The company does not require collateral for accounts receivable.

Geographic concentrations

As of 31 december, 2024

	RA	Other countries	Total
ASSETS			
Demands on banks and other financial institutions	5,533,289	97,153	5,630,442
Demands on clients	58,041	624,934	682,975
Demands on other parties	-	-	-
Financial assets at fair value through profit or loss	47,090,934	12,422,287	59,513,221
Investments measured at amortized cost	-	-	-
Other assets	10,300	-	10,300
TOTAL ASSETS	**52,692,564**	**13,144,374**	**65,836,938**
LIABILITIES			
Amounts due to banks and other financial institutions	39,198,803	-	39,198,803
Amounts due to clients	390,770	13,484,781	13,875,551
Amounts due to other parties	159,005	-	159,005
Other liabilities	1,260,499	-	1,260,499
TOTAL LIABILITIES	**41,009,077**	**13,484,781**	**54,493,858**
NET POSITION	**11,683,487**	**(340,407)**	**11,343,080**

As of 31 december, 2023

	RA	Other countries	Total
ASSETS			
Demands on banks and other financial institutions	640,637	138,270	778,907
Demands on clients	77,694	6,475,106	6,552,800
Demands on other parties	269,905	-	269,905
Financial assets at fair value through profit or loss	3,012,928	6,866,417	9,879,345
Investments measured at amortized cost	8,763,915	-	8,763,915
Other assets	2,645	-	2,645
TOTAL ASSETS	**12,767,724**	**13,479,793**	**26,247,517**
LIABILITIES			
Amounts due to banks and other financial institutions	9,111,310	-	9,111,310
Amounts due to clients	985,986	9,178,315	10,164,301
Amounts due to other parties	208,386	-	208,386
Other liabilities	1,222,771	-	1,222,771
TOTAL LIABILITIES	**11,528,453**	**9,178,315**	**20,706,768**
NET POSITION	**1,239,271**	**4,301,478**	**5,540,749**

28.2 Market risk

Market risk analysis

Market risk is the possibility that the Company will incur losses as a result of market fluctuations, in particular changes in the future fair value of financial instruments held for trading purposes. The goal of market risk management is to manage and control risk in a manner that maintains risk exposure within acceptable limits while optimizing returns.

28.3 Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign currency exchange rates. The Company transacts in foreign currencies and is therefore subject to fluctuations in exchange rates. The Company's net exposure to foreign exchange risk is presented in the tables below.

As of 31 december, 2024

	AMD	Group I currency	Group II currency	Total
ASSETS				
Demands on banks and other financial institutions	2,640,465	2,468,190	521,787	5,630,442
Demands on clients	9,250	124,892	548,833	682,975
Demands on other parties	-	-	-	-
Investments measured at fair value through profit and loss	40,183,383	19,328,808	1,031	59,513,222
Investments measured at amortized cost	-	-	-	-
Other assets	10,300	-	-	10,300
TOTAL ASSETS	**42,843,398**	**21,921,890**	**1,071,651**	**65,836,939**
LIABILITIES				
Amounts due to banks and other financial institutions	38,710,172	198,334	290,297	39,198,803
Amounts due to clients	427,030	13,133,910	314,611	13,875,551
Amounts due to other parties	(1)	159,006	-	159,005
Other liabilities	1,260,499	-	-	1,260,499
TOTAL LIABILITIES	**40,397,700**	**13,491,250**	**604,908**	**54,493,858**
NET POSITION	**2,445,698**	**8,430,640**	**466,743**	**11,343,081**

As of 31 december, 2023

	AMD	Group I currency	Group II currency	Total
ASSETS				
Demands on banks and other financial institutions	101,376	631,820	45,711	778,907
Demands on clients	612	6,545,075	7,113	6,552,800
Demands on other parties	269,905	-	-	269,905
Investments measured at fair value through profit and loss	1,884,353	7,994,992	-	9,879,345
Investments measured at amortized cost	-	-	-	-
Other assets	2,645	-	-	2,645
TOTAL ASSETS	**2,258,891**	**15,171,887**	**52,824**	**17,483,602**
LIABILITIES				
Amounts due to banks and other financial institutions	9,111,066	244	-	9,111,310
Amounts due to clients	1	9,813,638	350,662	10,164,301
Amounts due to other parties	-	208,386	-	208,386
Other liabilities	1,222,620	151	-	1,222,771
TOTAL LIABILITIES	**10,333,687**	**10,022,419**	**350,662**	**20,706,768**
NET POSITION	**(8,074,796)**	**5,149,468**	**(297,838)**	**(3,223,166)**

As of the date of the reporting period, there are no currency derivatives.

28.4.Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to the risk of fluctuations in the fair value or earnings/future cash flows of a portfolio of financial instruments as a result of fluctuations in market interest rates. With respect to the Company's interest-bearing financial instruments, the Company's policy is to enter into transactions in financial instruments whose maturities best correspond to the expected maturities of its financial obligations. However, exposure to interest rate risk may be high as a result of fluctuations in interest rates prevailing in the market.

As of 31 december, 2024

ASSETS	up to 1 month		from 1 to 3 months		from 3 to 6 months		from 6 months to 1 year		more than 1 year	
	In AMD	In Currency	In AMD	In Currency	In AMD	In Currency	In AMD	In Currency	In AMD	In Currency
Demands on banks and other financial institutions, including:										
Deposits	-	-	2,506,918	-	-	-	-	-	-	-
Demands on clients	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	59,513,222	-
Investments measured at amortized cost	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**2,506,918**	**-**	**-**	**-**	**-**	**-**	**59,513,222**	**-**
LIABILITIES										
Due to banks and other financial institutions, including:										
REPO agreements	39,198,802	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	-	84,163	-
Borrowings	-	229,598	-	-	-	-	-	-	-	-
Total	**39,198,802**	**229,598**	**-**	**-**	**-**	**-**	**-**	**-**	**84,163**	**-**
Net position	**(39,198,802)**	**-**	**2,506,918**	**-**	**-**	**-**	**-**	**-**	**59,429,059**	**-**

As of 31 december, 2023

ASSETS	up to 1 month		from 1 to 3 months		from 3 to 6 months		from 6 months to 1 year		more than 1 year	
	In AMD	In Currency	In AMD	In Currency	In AMD	In Currency	In AMD	In Currency	In AMD	In Currency
Demands on banks and other financial institutions, including:										
Deposits	-	-	60,183.00	-	-	-	-	-	-	-
Demands on clients	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	9,879,346.00	-
Investments measured at amortized cost	-	-	-	-	-	-	-	-	8,746,387	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**60,183.00**	**-**	**-**	**-**	**-**	**-**	**18,625,733**	**-**
LIABILITIES										
Due to banks and other financial institutions, including:										
REPO agreements	9,111,067.00	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	244.00	-
Lease liabilities	-	-	-	-	-	-	-	-	10,476.00	-
Borrowings	-	208,387.00	-	-	-	-	-	-	-	-
Total	**9,111,067.00**	**208,387.00**	**-**	**-**	**-**	**-**	**-**	**-**	**10,720.00**	**-**
Net position	**(9,111,067.00)**	**-**	**60,183.00**	**-**	**-**	**-**	**-**	**-**	**18,636,453**	**-**

Current average interest rates on interest bearing financial assets and liabilities are presented below:

	Interest rates for the reporting period		Interest rates for the previous period	
	AMD	*Currency*	*AMD*	*Currency*
	%	*%*	*%*	*%*
ASSETS				
Investments measured at amortized cost	8.90	-	11.6	-
LIABILITIES				
Amounts due to banks and other financial institutions	7.70	5.00	10.45	6.25

28.5 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or those changes are caused by factors affecting for all similar financial instruments traded on a separate market. As a result, price risk is the probability of incurring losses due to changes in the market price of a financial instrument.

26.6 Liquidity risk

Liquidity risk arises from the fact that the Company may encounter difficulties in raising funds to repay obligations associated with financial instruments.

This risk arises when the maturities of assets and liabilities do not coincide, which is natural for financial organizations, due to differences in the transactions carried out and the uncertainty associated with them. The Company follows a liquidity management policy by maintaining sufficient funds in bank accounts, as well as maintaining highly liquid assets to ensure timely repayment of operating obligations.

As of 31 december, 2024

ASSETS	*Remaining maturity*					*On demand*	*Total*
	up to 1 month	*from 1 to 3 months*	*from 3 to 6 months*	*from 6 to 12 months*	*more than 1 year*		
Demands on banks and other financial institutions, including:							
Current accounts in RA banks	3,087,690	-	-	-	-	-	3,087,690
Deposits	2,506,918	-	-	-	-	-	2,506,918
Demands on clients	1,094,038	-	-	-	-	-	1,094,038
Securities, including:	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-	59,513,222	-	59,513,222
Investments measured at amortized cost	-	-	-	-	-	-	-
Other demands	-	-	-	-	-	-	-
Total	**6,688,646**	**-**	**-**	**-**	**59,513,222**	**-**	**66,201,868**
LIABILITIES	*Remaining maturity*					*On demand*	*Total*
	up to 1 month	*from 1 to 3 months*	*from 3 to 6 months*	*from 6 to 12 months*	*more than 1 year*		
Due to banks and other financial institutions, including:							
REPO agreements	-	-	-	-	-	-	-
Other liabilities	39,198,802	-	-	-	-	-	39,198,802
Total	**53,304,226**	**-**	**-**	**-**	**84,163**	**-**	**53,388,389**

As of 31 december, 2023

ASSETS	*Remaining maturity*					*On demand*	*Total*
	up to 1 month	*from 1 to 3 months*	*from 3 to 6 months*	*from 6 to 12 months*	*more than 1 year*		
Demands on banks and other financial institutions, including:							
Current accounts in RA banks	708,359	-	-	-	-	-	708,359
Deposits	60,183	-	-	-	-	-	60,183
Demands on clients	6,584,186	-	-	-	-	-	6,584,186
Securities, including:	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-	9,879,346	-	9,879,346
Investments measured at amortized cost	-	-	-	-	8,746,387	-	8,746,387
Other demands	-	-	-	269,365	-	-	269,365
Total	**7,352,728**	**-**	**-**	**269,365**	**18,625,733**	**-**	**26,247,826**
LIABILITIES	*Remaining maturity*					*On demand*	*Total*
	up to 1 month	*from 1 to 3 months*	*from 3 to 6 months*	*from 6 to 12 months*	*more than 1 year*		
Due to banks and other financial institutions, including:							
REPO agreements	9,111,311	-	-	-	-	-	9,111,311
Other liabilities	10,372,754	-	-	-	10,720	-	10,383,474
Total	**19,484,065**	**-**	**-**	**-**	**10,720**	**-**	**19,494,785**

Note 29. Capital and capital adequacy

The Company manages its capital to ensure business continuity by maximizing the Company's profitability by optimizing the balance of debt and equity capital. The company's capital adequacy is controlled, among other things, by limits established by the Central Bank of the Republic of Armenia. The Company has ensured compliance with all external conditions related to capital requirements. The Company manages its capital structure and makes adjustments to it based on changes in economic conditions and the nature of the risks associated with the relevant assets.

	31/12/2024	31/12/2023
Share capital	760,000	640,000
Profit (loss) of the current period	8,494,037	4,589,903
Retained earnings (loss) of the previous period	4,714,356	124,453
Declared dividends	(2,400,000)	-
Contributions to the general reserve	(25,000)	-
General reserve	96,479	71,479
Total	**11,639,872**	**5,425,835**

Capital adequacy for the reporting period

Month	Book value of primary capital	Total capital	Amounts subject to deduction from primary capital	Fixed capital involved in standard calculation	Minimum amount of prudential total capital determined by the CBA
January	6,042,805	6,042,805	-	6,042,805	300,000
February	8,630,952	8,630,952	-	8,630,952	300,000
March	11,992,918	11,992,918	-	11,992,918	300,000
April	11,750,177	11,750,177	-	11,750,177	300,000
May	10,931,059	10,931,059	-	10,931,059	300,000
June	10,103,076	10,103,076	-	10,103,076	300,000
July	10,902,024	10,902,024	-	10,902,024	300,000
August	13,010,670	13,010,670	-	13,010,670	300,000
September	12,250,346	12,250,346	-	12,250,346	300,000
October	10,944,474	10,944,474	-	10,944,474	300,000
November	11,347,056	11,347,056	-	11,347,056	300,000
December	11,889,325	11,889,325	-	11,889,325	300,000

Capital adequacy for the previous period

Month	Book value of primary capital	Total capital	Amounts subject to deduction from primary capital	Fixed capital involved in standard calculation	Minimum amount of prudential total capital determined by the CBA
January	687,585	687,585	-	687,585	300,000
February	845,766	845,766	-	845,766	300,000
March	1,093,134	1,093,134	-	1,093,134	300,000
April	1,650,319	1,650,319	-	1,650,319	300,000
May	3,523,064	3,523,064	-	3,523,064	300,000
June	3,847,067	3,847,067	-	3,847,067	300,000
July	2,918,166	2,918,166	-	2,918,166	300,000
August	5,793,728	5,793,728	-	5,793,728	300,000
September	6,206,080	6,206,080	-	6,206,080	300,000
October	5,406,518	5,406,518	-	5,406,518	300,000
November	7,215,976	7,215,976	-	7,215,976	300,000
December	6,394,396	6,394,396	-	6,394,396	300,000

Note 30. Fair value of financial assets and liabilities

The Group 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).

The fair value of financial instruments is determined based on their quoted market prices at the reporting date without deducting transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using pricing models or discounted cash flow methods.

When using the discounted cash flow method, estimated future cash flows are based on management's best estimates and the discount rate is the interest rate for an instrument with similar terms at the reporting date. When pricing models are applied, the imported variables are based on the relevant market variables at the reporting date.

Note 31. Collateral

At the reporting date the Company had no assets secured by collateral.

Note 32. Non-fulfillment/breach of obligations

As of the reporting date, there were no violations of contractual obligations by the Company.

Cube Invest CJSC Management Statement

Management is responsible for the preparation and approval of financial statements in accordance with International Financial Reporting Standards (IFRS) that give a true and fair view of, the financial position of the Company at the end of the reporting period, and of its financial performance and its cash flows and changes in the equity of the Company.

In preparing the financial statements, management is responsible for:

• Proper selection and application of accounting policies,

• The relevance, reliability, comparability and comprehensibility of the information presented in the accounting policy,

• The provision of additional disclosures when compliance with specific IFRS requirements is not sufficient for users to understand the impact of certain transactions, other events and conditions on the Company's financial position and performance,

• The assessing the Company's ability to continue as a going concern.

Management is also responsible for:

• Development, implementation and maintenance of an effective and reasonable internal control system of the Company,

• Maintaining adequate accounting records sufficient to reflect and represent the Company's operations and to disclose with reasonable accuracy the Company's financial position at any time, and to enable management to satisfy itself that the Company's financial statements comply with IFRSs,

• Organizing accounting in accordance with the requirements of RA legislation and accounting standards,

• Taking reasonable steps to ensure the security of the company's assets,

• Detection and prevention of frauds and other similar phenomena.

Mikael Margaryan
Acting Chairman of the Board of Directors - Executive Director

Armen Azizyan
Representative of StepUp LLC

13 january 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Cube Invest CJSC Management Statement

We hereby declare that we are responsible for:

I. Preparation and approval of financial statements that fairly reflect (in all material aspects) the financial position of the Company, namely:

a) selection, approval and consistent application of accounting policies,

b) reasonable estimates and calculations,

c) compliance with the requirements of international financial reporting standards, and in case of deviations from international financial reporting standards - for disclosing these deviations in the notes forming part to the financial statements,

d) accurate maintenance of accounting records,

e) preparation of financial statements based on the going concern principle.

II. Implementation of an effective accounting system that provides timely and sufficiently accurate information on the financial position of the Company, in compliance with the legislation of the Republic of Armenia and international financial reporting standards.

III. Safeguarding the Company's assets and taking measures to detect and prevent fraud and irregularities within its jurisdiction.

We assure that the Company's financial statements comply with international financial reporting standards and other acts regulating accounting.

Mikayel Margaryan
Acting Chairman of the Board of Directors - Executive Director

Armen Azizyan
Representative of StepUp LLC

13 january 2025