

Inecobank CJSC
Compliance with the mandatory ratios
set by the Central Bank of the RA
01/01/2021-31/03/2021

NORMS	Actual value	Compulsory value set by the Central Bank of Armenia	Any non compliance during reporting quarter
Minimal required paid-in capital (AMD'000)	22,299,603	50,000	Compliant
Minimal required total (own) capital (AMD'000)	59,542,394	30,000,000	Compliant
N11 minimal ratio of core capital to risk-weighted assets	17.0%	9.0%	Compliant
N12 minimal ratio of total capital to risk-weighted assets	19.9%	12.0%	Compliant
N2(1) minimal ratio of high-liquid assets to total assets in all currencies	37.1%	15.0%	Compliant
N2(11) minimal ratio of high-liquid assets to total assets in convertible currencies	33.5%	4.0%	Compliant
N2(2) minimal ratio of high-liquid assets to demand liabilities in all currencies	137.1%	60.0%	Compliant
N2(21) minimal ratio of high-liquid assets to demand liabilities in convertible currencies	102.7%	10.0%	Compliant
N23 minimal ratio of high-liquid assets to net cash outflow in all currencies	249.3%	100.0%	Compliant
N23(FX) minimal ratio of high-liquid assets to net cash outflow for the group of significant currencies included in the first group	255.8%	60.0%	Compliant
N23(FX) minimal ratio of high-liquid assets to net cash outflow for each significant currency in the second group	-	60.0%	Compliant
N24 marginal ratio of available to required stable funding in all currencies	134.0%	100.0%	Compliant
N24(FX) marginal ratio of available to required stable funding for the group of significant currencies included in the first group	134.1%	60.0%	Compliant
N24(FX) marginal ratio of available to required stable funding for each significant currency in the second group	-	60.0%	Compliant
N3(1) Maximum risk of one borrower	10.4%	20.0%	Compliant
N3(2) Maximum risk on major borrowers	37.2%	500.0%	Compliant
Maximum risk of one borrower related to the Bank	0.2%	5.0%	Compliant
Maximum risk of all borrowers related to the Bank	2.5%	20.0%	Compliant
Minimal obligatory reserves at the Central Bank of RA			
in AMD	X	2.0%	Compliant
in USD	X	10% in AMD 8 % in USD	Compliant
in EURO	X	10% in AMD 8 % in EUR	Compliant
in foreign currencies	X	10% in AMD 8 % in USD	Compliant
Maximum ratio of total foreign currency position to total capital (without derivatives)*	0.10%	10.0%	Compliant
Maximum ratio of each foreign currency position to total capital			
USD	-	7.0%	Compliant
EUR	0.08%	7.0%	Compliant
RUB	0.01%	7.0%	Compliant
Other currencies	X	X	Compliant

*) with derivatives - respectively 0.10%, -,0.08%, 0.01%.

Chief Executive Officer A. Naltakyan

Chief Accountant A. Sahakyan

Date of approval 15/04/2021

Inecobank CJSC
Interim statement of financial position
for the end of 31/03/2021

	31/03/2021 (not audited) AMD'000	31/12/2020 (not audited) AMD'000
ASSETS		
Cash and cash equivalents	55,130,309	77,850,704
Investment securities	84,202,179	70,605,840
Loans and advances to banks	737,637	2,163,420
Reverse repurchase agreements	9,113,916	3,724,166
Loans to customers	213,826,597	216,462,240
Property, equipment and intangible assets	7,338,223	7,339,247
Right-of-use asset	1,862,607	1,921,338
Financial assets at FVTPL	28,427	77,619
Other assets	7,377,562	7,630,905
Total assets	379,617,457	387,775,479
LIABILITIES		
Deposits and balances from banks	2,504	12,466
Amounts payable under repurchase agreements	5,000,756	11,037,131
Current accounts and deposits from customers	223,414,782	220,478,528
Other borrowed funds	64,529,725	72,134,597
Debt securities issued	11,125,020	10,961,859
Lease liability	2,026,010	2,074,462
Subordinated debt	8,021,830	8,092,844
Current tax liability	1,618,751	1,606,737
Deferred tax liabilities	716,751	533,574
Financial liabilities at FVTPL	69,118	1,385
Other liabilities	2,713,300	2,527,647
Total liabilities	319,238,547	329,461,230
EQUITY		
Share capital	14,545,680	14,545,680
Share premium	7,753,923	7,753,923
Main reserve	3,500,000	3,500,000
Revaluation surplus for buildings	1,731,559	1,737,869
Revaluation reserve of investment securities	421,648	501,717
Retained earnings	32,426,100	30,275,060
Total equity	60,378,910	58,314,249
Total liabilities and equity	379,617,457	387,775,479

Chief Executive Officer

A. Naltakyan

Chief Accountant

A. Sahakyan

Date of approval

15/04/2021

Inecobank CJSC
Intermediate statement of comprehensive income
for the end of 31/03/2020

	01/01/2021- 31/03/2021 AMD'000	01/01/2020- 31/03/2020 AMD'000
Interest and similar income	8,716,839	8,764,593
Interest and similar expense	(3,657,344)	(3,403,061)
Net interest income	5,059,495	5,361,532
Fee and commission income	834,394	710,238
Fee and commission expense	(427,238)	(413,140)
Net fee and commission income	407,156	297,098
Net gain (loss) on financial instruments at fair value through profit or loss	(158,681)	(104,351)
Net gain/(loss) from foreign currency trading and translation	614,979	597,346
Other operating (expenses) / income, net	56,370	89,989
Operating income	5,979,319	6,241,614
Impairment losses	(1,379,494)	(1,243,372)
Personnel expenses	(1,232,620)	(1,464,086)
Other general administrative expenses	(742,318)	(755,222)
Profit (loss) before income tax	2,624,887	2,778,934
Income tax expense	(480,157)	(498,820)
Profit/(loss) after taxation	<u>2,144,730</u>	<u>2,280,114</u>
Other comprehensive income, net of income tax		
Revaluation of investment securities	(80,069)	(46,081)
Total comprehensive income	<u><u>2,064,661</u></u>	<u><u>2,234,033</u></u>

Chief Executive Officer A. Naltakyan

Chief Accountant A. Sahakyan

Date of approval 15/04/2021

Inecobank CJSC
Intermediate statement of Changes in Equity
for the end of 31/03/2021

AMD'000

	Share capital	Share premium	Main reserve	Revaluation surplus for land and building	Revaluation reserve for investment securities	Retained earnings	Total
The same intermediate period of the previous financial year (cumulative from the beginning of the year)							
Balance as of 01 January 2020 (audited)	14,545,680	7,753,923	3,500,000	1,763,111	1,049,193	27,671,710	56,283,617
Profit for the year	-	-	-	-	-	2,280,114	2,280,114
Other comprehensive income, net of income tax	-	-	-	-	(46,081)	-	(46,081)
Adjustment due to portfolio reclassification, net of income tax	-	-	-	-	-	-	-
Internal movements,	-	-	-	(6,310)	-	6,310	-
Transfer of revaluation reserve depreciation, net of income tax	-	-	-	(6,310)	-	6,310	-
Transactions with owners, recorded directly in equity							
Balance as of 31 March 2020 (not audited)	14,545,680	7,753,923	3,500,000	1,756,801	1,003,112	29,958,134	58,517,650
	Share capital	Share premium	Main reserve	Revaluation surplus for land and building	Revaluation reserve for investment securities	Retained earnings	Total
The same intermediate period of the current year (cumulative from the beginning of the year)							
Balance as of 01 January 2021 (not audited)	14,545,680	7,753,923	3,500,000	1,737,869	501,717	30,275,060	58,314,249
Profit for the year	-	-	-	-	-	2,144,730	2,144,730
Other comprehensive income, net of income tax	-	-	-	-	(80,069)	-	(80,069)
Internal movements,	-	-	-	(6,310)	-	6,310	-
Transfer of revaluation reserve depreciation, net of income tax	-	-	-	(6,310)	-	6,310	-
Transactions with owners, recorded directly in equity							
Dividends	-	-	-	-	-	0	0
Balance as of 31 March 2021 (not audited)	14,545,680	7,753,923	3,500,000	1,731,559	421,648	32,426,100	60,378,910

Chief Executive Officer	A. Naltakyan
Chief Accountant	A. Sahakyan
Date of approval	15/04/2021

Inecobank CJSC
Intermediate statement of changes in cash flows
for the first quarter of 2021

NAME	01/01/2020- 31/03/2020 AMD'000	01/01/2020- 31/03/2020 AMD'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest receipts	7,371,642	8,345,789
Interest payments	(3,318,556)	(2,833,057)
Fee and commission receipts	848,403	671,708
Fee and commission payments	(433,160)	(420,147)
Net receipts (payments) from financial instruments at FVTPL	(41,756)	(37,372)
Net gain/(loss) from foreign currency trading and translation)	471,322	486,114
Other income receipts	56,969	87,263
Other general administrative and personnel expenses payments	(1,576,947)	(1,770,607)
 (Increase) decrease in operating assets		
Investment securities	(12,304,066)	(765,115)
Amounts receivable under reverse repurchase agreements	(5,452,661)	1,039,877
Loans and advances to banks	1,493,718	908,205
Loans to customers	2,500,449	(286,002)
Other assets	249,571	1,323,280
 Increase (decrease) in operating liabilities		
Deposits and balances from banks	193,988	(1,409,837)
Amounts payable under repurchase agreements	(6,033,829)	1,500,000
Current accounts and deposits from customers	1,604,607	(2,115,609)
Other liabilities	222,371	(27,270)
Net cash provided from operating activities before income tax paid	(14,147,935)	4,697,220
Income tax paid	(267,391)	(422,410)
Cash flows from operations	<u>(14,415,326)</u>	<u>4,274,810</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment and intangible assets	(288,875)	(499,257)
Sales of property, equipment and intangible assets	1,251	0
Cash flows used in investing activities	<u>(287,624)</u>	<u>(499,257)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts of other borrowed funds	(8,227,588)	(4,947,133)
Lease liability	(155,400)	(38,091)
Cash flows from financing activities	<u>(8,382,988)</u>	<u>(4,985,224)</u>
 Net increase (decrease) in cash and cash equivalents		
	(23,085,938)	(1,209,671)
Effect of changes in exchange rates on cash and cash equivalents	364,135	930,405
Effect of ECL	(6,396)	(2,471)
Cash and cash equivalents as at the beginning of the year	77,858,508	49,816,056
Cash and cash equivalents as at the end of the year	<u>55,130,309</u>	<u>49,534,319</u>

Chief Executive Officer	A. Naltakyan
Chief Accountant	A. Sahakyan
Date of approval	15/04/2021