

# **Issuer Report**



## **OPEN JOINT-STOCK COMPANY**

**UNIBANK**

**1-st quarter**

**Interim report**

RA, Yerevan, Charents Street, Building 12, No 53, 1-5

Phone: (+374 10) 59 22 59, email: [unibank@unibank.am](mailto:unibank@unibank.am)

Website: [www.unibank.am](http://www.unibank.am)

Report number 01, 03.05.2022

**Yerevan 2022**

### Executive Board announcement

To the best of our knowledge, the Bank's interim financial statements accurately and fully reflect the Bank's assets and liabilities, financial position, true picture of income and expenses, and the interim report of the governing bodies accurately and fully reflects the Bank's overall position, business results and development, as well as includes description of the main risks to which the Bank has been or is concerned.

|                   |  |   |            |
|-------------------|--|---|------------|
| Mesrop Hakobyan   | Executive Board Chairman – Executive Director  | On leave  |            |
| Ararat Ghukasyan  | First Vice - Chairman of the Executive Board   |    | 03.05.2022 |
| Gohar Grigoryan   | Executive Board Member, Financial Director - Chief Accountant  |    | 03.05.2022 |
| Ovsanna Arakelyan | Vice-Chairman of the Executive Board, Legal Service and Overdue Liabilities Collection Director                                  |    | 03.05.2022 |
| Gurgen Ghukasyan  | Executive Board Member, Vice - Chairman of the Executive Board, Retail Business promotion and International development Director |    | 03.05.2022 |
| David Petrosyan   | Executive Board Member, Corporate Business Promotion and Sales Director  |  | 03.05.2022 |
| Artur Aperyanyan  | Executive Board Member, Operational Services and Information Systems Director  |   | 03.05.2022 |

# Introduction

The interim report of the governing bodies of Unibank OJSC presents:

- Bank's real business results and development description
- Description of the Bank's possible future development for the next reporting period
- Description of significant events occurred during the reporting period

## ***Summary of financial data of the Issuer.***

The indices in absolute value are expressed in thousand AMD

| The name of index                                  | 2019<br>(audited) | 2020<br>(audited) | 2021<br>(audited) | 2022, 1 <sup>st</sup><br>quarter<br>(not audited) |
|--|-------------------|-------------------|-------------------|---|
| Net profit, after deducting the cost of profit tax | 1,326,981         | 238,576           | -4,336,042        | 210,395   |
| Average equity                                     | 33,165,728        | 34,095,834        | 33,426,053        | 30,649,052  |
| Return on equity (ROE), %                          | 4.00%             | 0.70%             | -12.97%           | 2.78%   |
| Net profit, after deducting the cost of profit tax | 1,326,981         | 238,576           | -4,336,042        | 210,395   |
| Average total assets                               | 226,843,697       | 239,228,910       | 251,726,524       | 259,213,573                                       |
| Return on assets (ROA), %                          | 0.58%             | 0.10%             | -1.72%            | 0.33%   |
| Net profit, after deducting the cost of profit tax | 1,326,981         | 238,576           | -4,336,042        | 210,395   |
| Operating income                                   | 14,502,166        | 14,686,123        | 17,507,980        | 5,506,611   |
| Net profit margin (NPM), %                         | 9.15%             | 1.62%             | -24.77%           | 3.82%   |
| Operating income                                   | 14,502,166        | 14,686,123        | 17,507,980        | 5,506,611   |
| Average total assets                               | 226,843,697       | 239,228,910       | 251,726,524       | 259,213,573                                       |
| Assets utilization (AU), %                         | 6.39%             | 6.14%             | 6.96%             | 8.62%   |
| Average total assets                               | 226,843,697       | 239,228,910       | 251,726,524       | 259,213,573                                       |
| Average equity                                     | 33,165,728        | 34,095,834        | 33,426,053        | 30,649,052  |
| Equity multiplier (EM)                             | 6.84              | 7.02              | 7.53              | 8.46  |
| Net interest income                                | 10,136,153        | 10,051,244        | 10,958,116        | 1,955,013   |
| Average profitable assets                          | 167,324,156       | 181,933,869       | 175,938,821       | 164,680,445                                       |
| Net profit margin (NIM)                            | 6.06%             | 5.52%             | 6.23%             | 4.81%   |
| Interest income                                    | 19,469,982        | 19,471,091        | 20,914,648        | 4,448,547   |

|   |             |             |             |             |
|---|-------------|-------------|-------------|-------------|
| Average profitable assets                                       | 167,324,156 | 181,933,869 | 175,938,821 | 164,680,445 |
| Yield on profitable assets                                      | 11.64%      | 10.70%      | 11.89%      | 10.96%      |
| Interest expenses   | 9,333,829   | 9,419,847   | 9,956,532   | 2,493,534   |
| Liabilities for which interest expenses are made                | 191,193,293 | 202,322,737 | 213,460,707 | 226,344,346 |
| Expendability of those liabilities, in connection of which rate | 4.88%       | 4.66%       | 4.66%       | 4.47%       |
| Net profit, after deducting the cost of profit tax              | 1,326,981   | 238,576     | -4,336,042  | 210,395     |
| The weighted average number of shares                           | 204,896,525 | 204,896,525 | 205,264,084 | 209,674,786 |
| Earnings per share (EPS)  | 6.48        | 1.16        | -21.12      | 1.00        |
| Spread  | 6.75%       | 6.05%       | 7.22%       | 6.49%       |

Assets amounted to 265.6 AMD, increasing by 12.8 billion AMD compared to the end of the previous financial year's indicator. Credit investments amounted to 137.6 billion AMD, or 51.8% of total assets. Liabilities amounted to 235.1 billion AMD, increasing by 13.0 billion AMD compared to the end of the previous financial year.

Liabilities to customers amounted to 209.4 billion AMD, increasing by 15.7 bln AMD compared to the last indicator of the previous year. The latter has decreased mainly due to the reduction of demand for funds attracted from legal entities.

#### **Bank's capital:**

The capital adequacy ratio stood at 13.39% in March 2022, decreasing by 1.32 percentage points from Dec. 2021 due to a decrease in risk-weighted assets. The capital adequacy ratio exceeds the minimum level set by the Central Bank of Armenia (12%). As of 31.03.2022, the Regulatory capital amounted to 30.7 billion AMD.

The net profit for the year amounted to 210.4 mln AMD.

#### **Retail business**

In the retail business, the Bank's work was aimed at improving the product line, optimizing business processes, and improving the quality of customer service through feedback amplification.

As part of the Central Bank's policy to reduce interest rates, the Bank has offered its customers more attractive terms. Stable growth was registered in consumer loans for the purchase of goods and household appliances, gold secured loans.

The Bank continued its policy of reducing the cost financing by setting moderate interest rates on time deposits.

#### **Corporate business**

In line with the micro-small enterprises development strategy, during the first quarter of 2022, Unibank continued to take active steps to increase the availability of credit resources aimed at this segment. Focusing on the target segments, the efforts of the corporate business unit were actively focused on financing the construction and service sectors, including the hotel and restaurant business.

### **Service network, customer base**

As of 31.03.2022, the service network of Unibank includes 55 branches in Armenia and Artsakh (one office in Astana), 87 promo points, 125 ATMs, 137 payment terminals. The Bank has a representative office in Moscow, which supports the attraction of foreign clients.

The Bank served more than 330,000 customers throughout the year.

In the field of money transfer services, there is a slight change in the volume, due to the similar volume of international non-commercial transfers of individuals received through the Bank.

### **Strategic priorities for 2022**

The events of recent months amid the coronavirus pandemic, the tasks and priorities of the Bank's further development have changed, and the Bank's management is reviewing its annual forecasts, analyzing various scenarios for the development of Unibank.

As part of ongoing measures to support citizens and businesses, Unibank participates in government programs to stimulate lending to small and medium-sized businesses, pay assigned social support benefits, provide deferred loan payments, provide with the possibility of restructuring loans, and to limit face-to-face interaction with customers as much as possible, the remote connection to mobile banking system is introduced.

As part of Unibank's approved strategy of for 2022, the following key priorities are formulated:

- technological improvement, sales development through digital channels,
- further development of artificial intelligence technologies in the lending industry,
- development of a customer-oriented approach and, based on an in-depth analysis of customer needs, formation of a service and product line also for their counterparties,
- ensuring financial performance and improving the position of Unibank in the banking system, increasing the investment attractiveness of the Bank.

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### **A description of significant events that occurred during the reporting period**

Today Unibank is a universal Bank, which offers its customers a wide range of modern banking services. In accordance with the strategy developed by the Board of the Bank, the main directions of Unibank's operations are retail business and support to small and medium enterprises.

In 1st quarter 2022, Unibank OJSC brought its customers Apple Pay, a safer, more secure and private way to pay that helps customers avoid handing their payment card to someone else, touching physical buttons or exchanging cash — and uses the power of iPhone to protect every transaction. Every transaction made through Apple Pay is backed by innovative iPhone technologies.

The Bank's statutory capital is AMD 21,588,652,530 (twenty one billion five hundred eighty eight million six hundred fifty two thousand five hundred thirty), which includes 172,886,525 (one

hundred seventy two million eight hundred eighty six thousand five hundred twenty five) allocated ordinary shares, each with a par value of AMD 100 (one hundred) and 32,010,000 (thirty two million ten thousand) class A convertible preferred shares, with a fixed annual dividend, each with a par value of AMD 100 (one hundred), 4,778,261 (four million seven hundred seventy eight thousand two hundred sixty one) class B convertible preferred shares, with a fixed annual dividend, each with a par value of AMD 230 (two hundred thirty).

The number of declared ordinary shares of the Bank subject to additional allocation is 526,110,475 (five hundred twenty six million one hundred ten thousand four hundred seventy five) shares, each with a par value of AMD 100 (hundred).

### ***MISSION AND VALUES***

“Unibank” OJSC is a dynamically developing and innovative bank that provides a full range of services to retail and corporate clients. The Bank sees its mission in promoting the economic development of the Republic of Armenia, increasing the financial well-being of customers, shareholders and partners, and meeting the public’s demand for high-quality financial services.

### ***OUR VALUES***

- attentive and honest attitude towards customers
- strong team spirit and efficiency
- society’s trust
- high brand awareness and reputation
- reliability and stability

### ***WE STRIVE***

- to strengthen our position and increase the financial market share
- to ensure high quality of banking services and advance service process
- to increase the availability of demanded banking services
- to introduce a transparent business model and best practice of corporate culture
- to increase the investment attractiveness of the Bank

### ***CORPORATE SOCIAL RESPONSIBILITY***

Unibank takes an active part in the social life of the country, following the principle of social responsibility and directing efforts to the development of infrastructures and the creation of new jobs. Unibank is a responsible participant of economic and social programs. The Bank actively supports charity and sponsorship programs aimed at development of education, culture, sports, as well as improving the financial literacy of the population.

### ***CORPORATE ETHICS***

Interaction in the Bank is built on respect of the individual and focus on results with the aim successfully solving professional tasks and maintaining constructive relations within the team. We strive to comply with the principles of professional ethics, complying with existing laws, as well as the norms and regulations established in the Bank.

## **ENVIRONMENTAL PROTECTION**

In its activities, the Bank aims to follow the principles of environmental protection. When implementing credit programs, the Bank takes into account the fact of compliance with environmental protection standards and prioritizes lending to environmentally friendly production industries and resource-saving projects. Throughout its operations, the Bank seeks to minimize the funding of projects that have a negative impact on the environment.

## **RISK MANAGEMENT**

Risk management is one of the most important part of Unibank's management. Risk management in Unibank specifies a complex system of interrelated activities which is directed to prevent and minimize potential losses of Bank. The main goal of Risk management of Unibank is to enable the Bank to maintain the aggregate value of risks at the level of risks set by the strategic plan of the Bank and to maximize its return on capital.

Risk Management of Unibank is based on the documents of Committee on Banking Supervision of the Bank for international Settlements (Basel Committee on Banking Supervision), Generally Accepted Risk Principles (GARP), on laws and normative acts of RA and CB of RA, based on principle of breaking-even and directed to maintenance of the optimal relations between banking profitability and the level of risks. Risk is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his responsibilities. The Bank fosters a culture that increases the level of Risk Management related knowledge across the bank, in particular relevant seminars are organized.

In the course of its operation, the Bank is exposed to a number of financial risks, including the analysis, assessment, acquisition and management of a risk or combination of risks.

Credit risk is the probability of non-fulfilment or incomplete fulfilment of credit obligations assumed by the borrowers, as a result of which the Bank will incur a loss;

The Bank regulates the levels of the credit risk by setting limits on one borrower or group of related borrowers as well as by sphere and geographic concentration.

Market risk is the probability of the Bank's loss due to changes in market factors (foreign exchange rates, interest rates).

Liquidity risk is the probability that the Bank will not meet the legal requirements of its creditors in a timely manner, as a result of which the Bank will incur a loss.

Capital adequacy risk is the probability of insufficiency (inadequacy) of the Bank's capital in the event of a change in risk-weighted assets and/or elements of the capital.

Operational risk is the probability of the Bank incurring losses as a result of internal organizational and / or business processes (inadequate or unregulated staff actions, intentional or unintentional transaction errors, other operational or technological malfunctions) or external factors of a man-made nature.

Legal risk is the probability of the Bank incurring losses as a result of non-compliance of the Bank's internal legal acts, business processes, credit products, transactions with the current legislation governing the latter.

Reputation risk is the probability of the Bank losing its current or potential customers, partners or transactions with the latter due to a negative public opinion, which could result in financial losses and / or liquidity problems for the Bank.

Strategic (business model) risk is the probability of the Bank choosing an unrealistic (inappropriate) strategy, as well as the possibility of adverse changes in the assumptions, indicators, objectives and / or other factors underlying the chosen strategy, which may lead to financial losses of the Bank.

**he components of the Bank's risk management system are:**

Strategy,  
Methodology  
Control,  
Effectiveness evaluation  
Modernisation (if necessary).

Banking risk management is the implementation of actions by the competent bodies, subdivisions or persons of the Bank, which will enable to ensure a positive financial result in the presence of banking risks and in case of uncertainty.

The Risk Management System operates on a continuous basis, taking into account the dynamic changes of internal and external environments.

Banking Risk Management is carried out by a vertical three-tier system:

- Strategic level: identification of risks, definition of acceptable appetite, processes and limits,
- Control / control level: monitoring, deviation analysis, evaluation and compliance,
- Tactical level: current risk management within the permissible limits (execution of risky transactions).

The stages of the Banking Risk Management process are:

- Risk identification (definition), including risk factor analysis (segregation),
- Definition of risk assessment methods (by types) and risk assessment (forecasting);

Risk limit, i.e the establishment of principles of diversification, internal limits, as well as the development and adoption of relevant internal legal acts, which, in particular, include the principles of multiple verification, the implementation of the same process on different persons not affiliated with each other and principles of error detection.

Practical management of risk, i.e implementation of appropriate actions, situational response (avoidance, reduction / hedging, transfer / insurance, risk acceptance, etc.),

Risk monitoring, analysis, current (operational) and provision of periodic reports / information in vertical and horizontal formats,

Post-transaction risk control.

Each Risk Management process (limits, management, control, reporting, responsible ones, etc.) is regulated by relevant rules, procedures.



**Interim report on the Aggregated Financial result**  
**31-Mar-22**  
**" UNIBANK" OJSC Yerevan 0025, 12 Charents st, N 53, 1-5**

*thousand AMD*

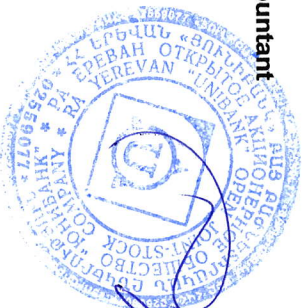
| Name  | Reporting period<br>01.01.2022-<br>31.03.2022 | Previous period<br>01.01.21_31.03.21 |
|---|---|--------------------------------------|
| <b>Other aggregate financial result</b>                   |   |                                      |
| Rate exchange from the converting of foreign transactions |   |                                      |
| Revaluation of financial assets                           | 12,157  | (35,246)                             |
| Cash flow hedging   |   |                                      |
| Income from the revaluation on the current assets         |   |                                      |
| Income tax from other aggregate income                    | (2,188)                                       | 6,344                                |
| <b>Other aggregate result after taxation</b>              | 9,969   | (28,902)                             |
| <b>Aggregated financial result</b>                        | 345,469                                       | 217,727                              |
| <b>Including</b>  |   |                                      |
| Share in the principal organization                       |   |                                      |
| Non controlled share                                      |   |                                      |

**Chairman of the Executive Board**

**Mestrop Hakobyan**

**Chief Accountant**

**Gohar Grigoryan**



Interim report on the financial result  
31/03/2022  
" UNIBANK" OJSC Yerevan 0025, 12 Charents st, N 53, 1-5  
(thousand AMD)

| Name                                       | Notes | Reporting period<br>01.01.2022-<br>31.03.2022 | Previous period<br>01.01.21_31.03.21 |
|--|-------|---|--------------------------------------|
| Interest and similar income                | 3     | 4,448,547                                     | 5,472,682                            |
| Interest and similar expenses              | 3     | (2,493,534)                                   | (2,425,471)                          |
| <b>Net interest and other income</b>       |       | <b>1,955,013</b>                              | <b>3,047,211</b>                     |
| Commission income                          | 4     | 873,532                                       | 828,347                              |
| Commission expenses                        | 4     | (261,812)                                     | (133,689)                            |
| <b>Net commission income</b>               |       | <b>611,720</b>                                | <b>694,658</b>                       |
| Income from dividends                      |       |   |                                      |
| Net trading income                         | 5     | 2,708,954                                     | 374,585                              |
| Other Operational income                   | 6     | 230,924                                       | 66,430                               |
| <b>Operational income</b>                  |       | <b>5,506,611</b>                              | <b>4,182,884</b>                     |
| Expenses related to loan loss provisioning | 7     | (2,824,774)                                   | (2,091,422)                          |
| Total administrative expenses              | 8     | (1,070,108)                                   | (862,259)                            |
| Other operational expenses                 | 9     | (1,266,260)                                   | (1,011,476)                          |
| Net gain/loss from investments             | 10    |   |                                      |
| <b>Gain (loss) before taxation</b>         |       | <b>345,469</b>                                | <b>217,727</b>                       |
| Profit tax expenses                        | 11    | (135,074)                                     | (145,007)                            |
| <b>Gain (loss) after taxation</b>          |       | <b>210,395</b>                                | <b>72,720</b>                        |
| Basic profit per share                     | 12    |   |                                      |
| Diminished profit per share                | 12    |   |                                      |
| <b>Net profit for the period</b>           |       |   |                                      |

Chairman of the Executive Board

Mesrop Hakobyan

Chief Accountant

Gohar Grigoryan





Interim report on the changes in Private Equity  
31-Mar-22  
" UNIBANK" OJSC Yerevan 0025, 12 Charents st, N 53, 1-5

(thousand AMD)

| Name of equity items   | Share capital |                     |            | Emission gain/loss | General reserve | Exchange differences from the recalculation of foreign operations | Recalculation of financial assets | Hedging of cash flow | Profits from the recalculation of noncurrent assets | Retained profit/loss | Interim dividends | Total | Uncontrolled share | Total equity |
|--|---------------|---------------------|------------|--------------------|-----------------|---|-----------------------------------|----------------------|---|----------------------|-------------------|-------|--------------------|--------------|
|  | 1             | 2                   | 3          |                    |                 |   |                                   |                      |   |                      |                   |       |                    |              |
| Articles   | Share capital | Repurchased capital | Net amount |                    |                 |   |                                   |                      |   |                      |                   |       |                    |              |
| Interim period of previous financial year (increasing from the beginning of the year) (1 scheme)                 |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    |              |
| 1. Balance at the beginning of preceding financial year as of 01 January 2021 (checked/unchecked)                | 20,489,653    | -                   | 20,489,653 | 9,605,638          | 608,509         | -   | (128,553)                         | -                    | 1,820,561   | 1,659,215            |                   |       |                    | 34,055,023   |
| 1.1. General result of accounting policy changes and adjustment of considerable mistakes                         |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    |              |
| 2. Recalculated balance  | 20,489,653    |                     | 20,489,653 | 9,605,638          | 608,509         |   | (128,553)                         |                      | 1,820,561   | 1,659,215            |                   |       |                    | 34,055,023   |
| 3. Operations with the shareholders, via shares, including   |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    |              |
| 3.1. Investments in the share capital and other increase of the share capital                                    |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 3.2. Decrease of share capital, including at the expense of repurchased and out off circulation stocks           |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 4. Comprehensive income  |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 5. Dividends   |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 6. Increase/ decrease of equity item, including  |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 6.1. Increase/ decrease of derivative instruments classified as equity instruments                               |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 7. Internal movements, including   |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | 43,817       |
| 7.1. Distribution to the General reserve   |               |                     |            |                    | -               |   | (28,902)                          |                      | -   | 72,719               |                   |       |                    | -            |
| 7.2. Loss cover accumulated at the expense of general reserve  |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 7.3. Cover of emission loss  |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 7.4. Decrease of growth from the recalculation of fixed assets and intangible assets                             |               |                     |            |                    |                 |   |                                   |                      |   |                      |                   |       |                    | -            |
| 7.5. Internal movements of other equity items  |               |                     |            |                    |                 |   | (28,902)                          |                      |   | 72,719               |                   |       |                    | 43,817       |
| 8. Balance at the end of similar interim period of preceding financial year as of 31.03.2021 (checked/unchecked) | 20,489,653    | -                   | 20,489,653 | 9,605,638          | 608,509         | -   | (157,455)                         | -                    | 1,820,561   | 1,731,934            |                   |       |                    | 34,098,840   |



| Interim period of previous financial year (increasing from the beginning of the year) (II scheme)       |            |            |           |         |        |           |             |  |  |            |
|---|------------|------------|-----------|---------|--------|-----------|-------------|--|--|------------|
| 9. Balance at the beginning of the financial year as of 01 January 2022 (checked/unchecked)             | 21,588,653 | 21,588,653 | 9,605,638 | 641,779 | 45,867 | 1,686,412 | (3,261,662) |  |  | 30,306,687 |
| 9.1. General result of accounting policy changes and adjustment of considerable mistakes                |            |            |           |         |        |           |             |  |  |            |
| 10 Recalculated balance   | 21,588,653 | 21,588,653 | 9,605,638 | 641,779 | 45,867 | 1,686,412 | (3,261,662) |  |  | 30,306,687 |
| 11. Operations with the shareholders, via shares, including   |            |            |           |         |        |           |             |  |  | -          |
| 11.1. Investments in the share capital and other increase of the share capital                          |            |            |           |         |        |           |             |  |  | -          |
| 11.2. Decrease of share capital, including at the expense of repurchased and out off circulation stocks |            |            |           |         |        |           |             |  |  | -          |
| 12. Other comprehensive income  |            |            |           |         |        |           |             |  |  | -          |
| 13. Dividends   |            |            |           |         |        |           |             |  |  | -          |
| 14. Increase/ decrease of equity items, including   |            |            |           |         |        |           |             |  |  | -          |
| 14.1. Increase/ decrease of derivative instruments classified as equity instruments                     |            |            |           |         |        |           |             |  |  | -          |
| 14.2. Internal movements, including   |            |            |           | -       | 9,969  | -         | 210,395     |  |  | 220,364    |
| 15.1. Distribution to the General reserve   |            |            |           |         |        |           |             |  |  | -          |
| 15.2. Loss cover accumulated at the expense of general reserve  |            |            |           |         |        |           |             |  |  | -          |
| 15.3. Cover of emission loss  |            |            |           |         |        |           |             |  |  | -          |
| 15.4. Decrease of growth from the recalculation of fixed assets and intangible assets                   |            |            |           |         |        |           |             |  |  | 210,395    |
| 15.5. Internal movements of other equity items  |            |            |           |         | 9,969  |           |             |  |  | 9,969      |
| 10. Balance at the end of interim reporting financial period as of 31.03.2022                           | 21,588,653 | 21,588,653 | 9,605,638 | 641,779 | 55,836 | 1,686,412 | (3,051,267) |  |  | 30,527,051 |

Chairman of the Executive Board

Mesrop Hakobyan

Chief Accountant

Gohar Grigoryan





## Interim report on the financial result

31-Mar-22

" UNIBANK" OJSC Yerevan 0025, 12 Charents st, N 53, 1-5

(thousand AMD)

|          | Name  | Notes | Reporting period<br>01.01.2022-31.03.2022 | Previous period<br>01.01.21_31.03.21 |
|----------|---|-------|---|--------------------------------------|
| <b>1</b> | <b>Assets</b>   |       |   |                                      |
| 1.1      | Cash and balances with CBA                                | 13    | 75,866,577                                | 60,021,472                           |
| 1.2      | Precious metals   | 13.1  | 16,740,188                                | 16,333,152                           |
| 1.3      | Amounts due from banks and other financial institutions   | 14    | 403                                       | 5,239                                |
| 1.5      | Loans and borrowings to customers                         | 16    | 137,643,246                               | 135,407,254                          |
| 1.6      | Financial assets available for commercial                 | 17    | 1,043,166                                 | 1,649,514                            |
| 1.7      | Investments kept upon repayment period                    | 18    | 15,226,344                                | 15,744,630                           |
| 1.10     | Fixed and intangible assets                               | 20    | 13,404,322                                | 13,496,128                           |
| 1.11     | Deferred tax assets                                       | 11    | 345,261                                   | 480,335                              |
| 1.12     | Prepayment on profit tax                                  | 21.1  | 270,069                                   | 310,366                              |
| 1.13     | Other assets  | 21    | 5,064,102                                 | 5,693,262                            |
|          | <b>Total assets</b>                                       |       | <b>265,603,678</b>                        | <b>249,141,352</b>                   |
| <b>2</b> | <b>Liabilities</b>  |       |   |                                      |
| 2.1      | Amounts due to the banks and other financial institutions | 22    | 8,114,227                                 | 10,908,887                           |
| 2.2      | Derivative financial liabilities                          |       | 70,763                                    | 10,867                               |
| 2.3      | Amounts due to customers                                  | 23    | 209,393,626                               | 190,425,974                          |
| 2.4      | Subordinated loan   | 23.1  | 3,590,171                                 | 3,121,387                            |
| 2.5      | Securities issued by Bank                                 | 24    | 11,750,072                                | 12,168,789                           |
| 2.6      | Current tax liabilities                                   |       | 66,407                                    | 65,120                               |
| 2.7      | Deferred tax liabilities                                  | 11    |   |                                      |
| 2.8      | Reserves  | 30    |   |                                      |
| 2.9      | Other liabilities   | 27    | 2,091,361                                 | 2,133,641                            |
|          | <b>Total Liabilities</b>                                  |       | <b>235,076,627</b>                        | <b>218,834,665</b>                   |
| <b>3</b> | <b>Equity</b>   |       |   |                                      |
| 3.1      | Share capital   | 28    | 21,588,652                                | 21,588,653                           |
| 3.2      | Emission income   |       | 9,605,639                                 | 9,605,638                            |
| 3.3      | Reserves  |       | 2,384,027                                 | 2,374,058                            |
| 3.3.1    | General reserve   |       | 641,779                                   | 641,779                              |
| 3.3.2    | Re-assessment reserve                                     |       | 1,742,248                                 | 1,732,279                            |
| 3.4      | Retained gain (loss)                                      |       | (3,051,267)                               | (3,261,662)                          |
|          | <b>Total equity</b>                                       |       | <b>30,527,051</b>                         | <b>30,306,687</b>                    |
|          | <b>Total liabilities and equity</b>                       |       | <b>265,603,678</b>                        | <b>249,141,352</b>                   |

Chairman of the Executive Board

Mesrop Hakobyan

Chief Accountant

Gohar Grigoryan





## Interim report on cash flow

31-Mar-22

" UNIBANK" OJSC Yerevan 0025, 12 Charents st, N 53, 1-5

thousand AMD

| Name   | Notes | Reporting period<br>01.01.2022-<br>31.03.2022 | Previous period<br>01.01.21_31.03.21 |
|--|-------|---|--------------------------------------|
| <b>1. Cash flows from operating activities</b>                                       |       | x   | x                                    |
| <b>Net cash flows before changes in operating assets and liabilities</b>             |       | 3,661,552                                     | 5,733,239                            |
| Interest receivable  |       | 5,078,804                                     | 5,164,454                            |
| Interest payable   |       | (2,440,050)                                   | (2,327,865)                          |
| Commission receivable  |       | 761,229                                       | 873,532                              |
| Commission payable   |       | (113,689)                                     | (261,812)                            |
| Profit/ loss from financial assets for commercial purposes                           |       | 313,150                                       | 286,599                              |
| Profit/ loss from foreign currency exchange  |       | 964,440                                       | 2,780,629                            |
| Return of write off assets   |       | 640,604                                       | 831,437                              |
| Paid salary and equalled to it other payments  |       | (919,393)                                     | (1,030,817)                          |
| Other income receivable and other expenses payable from operating activities         |       | (623,543)                                     | (582,918)                            |
| <b>Cash flows from the changes in operating assets and liabilities</b>               |       | (1,159,866)                                   | 15,196,546                           |
| (Increase)/decrease in operating assets  |       | (103,932)                                     | (6,376,004)                          |
| including  |       |   |                                      |
| (Increase)/decrease in credits/loans   |       | (551,141)                                     | (6,750,663)                          |
| (Increase)/decrease of share for commercial purposes                                 |       | (26,637)                                      | 640,329                              |
| (Increase)/decrease of receivable leasing  |       | -   | (147,959)                            |
| Decrease (increase) of other operating assets  |       | 473,846                                       | (117,711)                            |
| (Increase)/decrease of operating liabilities   |       | (1,055,934)                                   | 21,572,550                           |
| including  |       |   |                                      |
| (Increase)/decrease of liabilities to customers                                      |       | (1,325,960)                                   | 22,151,330                           |
| (Increase)/decrease of other operating liabilities                                   |       | 270,026                                       | (578,780)                            |
| <b>Net cash flows used in operating activities before income tax</b>                 |       | 2,501,686                                     | 20,929,785                           |
| Income tax paid  |       | (116,654)                                     |                                      |
| <b>Net cash flows used in operating activities</b>                                   |       | 2,385,032                                     | 20,929,785                           |
| <b>2. Cash flows from investing activities</b>                                       |       | x   | x                                    |
| (Increase)/decrease of investments held up to repayment period                       |       | (237,081)                                     | 598,304                              |
| (Increase)/decrease of investments in the share capital of other persons             |       |   |                                      |
| (Increase)/decrease of deposits placed in other banks                                |       | (792,017)                                     | (552,442)                            |
| (Increase)/decrease of statute investments in the fixed assets and intangible assets |       | (122,004)                                     | (24,859)                             |
| Purchase of fixed assets and intangible assets                                       |       | (12,373)                                      | (55,937)                             |
| Amortization of fixed assets and intangible assets                                   |       | 43,477  | 709,902                              |
| Net cash flow from other investment activity   |       | (780,797)                                     | 106,112                              |
| <b>Net cash flows used in investing activities</b>                                   |       | (1,900,795)                                   | 781,080                              |
| <b>Cash flow from financing activities</b>   |       | x   | x                                    |
| Dividend paid  |       | -   | (27,404)                             |
| (Increase)/decrease in loans received from Central Bank of Republic of               |       | (521,917)                                     | 282,033                              |
| (Increase)/decrease in loans received from the Banks                                 |       | 4,385,780                                     | (3,841,120)                          |
| (Increase)/decrease in other loans   |       | (529,632)                                     | (511,521)                            |
| (Increase)/decrease in currency of the Bank  |       | 2,956,901                                     | (533,344)                            |
| Investment to share capital  |       |   |                                      |
| (Increase)/decrease payable leasing  |       |   |                                      |
| Net cash flow from other financing activities  |       |   |                                      |
| <b>Net cash flow from financing activities</b>                                       |       | 6,291,132                                     | (4,631,356)                          |
| Exchange differences on cash and cash equivalents                                    |       | 35,351  | (1,234,404)                          |
| <b>Net increase/ (decrease) in cash and cash equivalents</b>                         |       | 6,810,720                                     | 15,845,105                           |
| Cash and cash equivalents at the beginning of the year                               | 13_2  | 28,450,237                                    | 60,021,472                           |
| Cash and cash equivalents at the end of the year                                     | 13_2  | 35,260,957                                    | 75,866,577                           |

Chairman of the Executive Board

Mesrop Hakobyan

Chief Accountant

Gohar Grigoryan

