

**AMUNDI-ACBA
ASSET MANAGEMENT CJSC**

**Financial Statements
for 2025**

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Independent Auditors' Report

To the Shareholders and Board of Directors of AMUNDI-ACBA ASSET MANAGEMENT CJSC

Opinion

We have audited the financial statements of AMUNDI-ACBA ASSET MANAGEMENT CJSC (the "Company"), which comprise the statement of financial position as 31 December 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

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

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Statement of Financial Position as at 31 December 2025

'000 AMD	Note	31 December 2025	31 December 2024
Assets			
Cash and cash equivalents	5	40,391	81,744
Amounts due from financial institutions	6	3,564,257	2,588,590
Financial assets at fair value through other comprehensive income	7	1,925,643	1,685,666
Property, equipment and intangible assets	8	110,738	140,635
Right-of-use asset	9	35,620	57,851
Deferred tax assets	10	30,482	25,033
Other assets	11	616,030	449,032
Total assets		6,323,161	5,028,551
Equity and liabilities			
Capital and reserves			
Share capital	12	800,000	800,000
General reserve		205,343	205,343
Revaluation reserve on units held in funds		898,011	693,034
Retained earnings		3,388,455	2,473,240
Total equity		5,291,809	4,171,617
Liabilities			
Lease liability	9	45,449	70,883
Income tax payables	10	665,431	500,857
Payables and accrued expenses	13	320,472	285,194
Total liabilities		1,031,352	856,934
Total equity and liabilities		6,323,161	5,028,551

Statement of Profit or Loss and Other Comprehensive Income for 2025

'000 AMD	Note	2025	2024
Income from management fees	14	6,137,258	4,654,586
Interest income		212,640	167,233
Income from financial advisory		10,804	9,933
Other income		4,809	2,506
Net loss from foreign currency transactions		(12,818)	(7,628)
Interest expense on lease liabilities	9	(7,551)	(8,922)
Staff cost	15	(505,015)	(410,872)
Fees and commission expenses	16	(824,440)	(642,765)
Administrative and other expenses	17	(852,571)	(714,192)
Profit before tax		4,163,116	3,049,879
Income tax expense	10	(774,661)	(576,639)
Profit for the year		3,388,455	2,473,240
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Unrealized gain on investments measured at fair value through other comprehensive income		204,977	155,125
Other comprehensive income for the year, net of tax		204,977	155,125
Profit and total comprehensive income for the year		3,593,432	2,628,365

These financial statements were approved by the management on 22 April 2026 and were signed on its behalf by:

Jean Mazedjian
Chief Executive Officer



Misak Isajanyan
Deputy Chief Accountant

Statement of Changes in Equity for 2025

'000 AMD	Share capital	Revaluation reserve on units held in funds	General reserve	Retained earnings	Total shareholders' equity
Balance at 31 December 2023	800,000	537,909	205,343	2,084,704	3,627,956
Profit for the year	-	-	-	2,473,240	2,473,240
Other comprehensive income	-	155,125	-	-	155,125
Dividends declared	-	-	-	(2,084,704)	(2,084,704)
Balance at 31 December 2024	800,000	693,034	205,343	2,473,240	4,171,617
Profit for the year	-	-	-	3,388,455	3,388,455
Other comprehensive income	-	204,977	-	-	204,977
Dividends declared	-	-	-	(2,473,240)	(2,473,240)
Balance at 31 December 2025	800,000	898,011	205,343	3,388,455	5,291,809

Statement of Cash Flows for 2025

'000 AMD	Note	2025	2024
Cash flows from operating activities			
Profit before income tax		4,163,116	3,049,879
Adjustments			
Depreciation and amortization	17	74,568	67,048
Reversal of impairment of financial assets measured at amortised cost	17	5,828	2,698
Interest receivable		(31,191)	(58,310)
Interest expense on lease liabilities	9	7,551	8,922
Net loss/(gain) from foreign currency translation differences		1,369	(1,334)
Property and equipment write-off	8	3,243	66
Cash flows from operating activities before changes in operating assets and liabilities		4,224,484	3,068,969
<i>Net (increase)/decrease in operating assets</i>			
Other assets		(166,711)	(30,660)
Other liabilities		37,421	97,573
Net cash from operating activities before income tax paid		4,095,194	3,135,882
Income tax paid		(615,536)	(506,529)
Net cash from operating activities		3,479,658	2,629,353
Cash flows from investing activities			
Deposits placed in banks		(3,250,000)	(1,780,006)
Proceeds from deposits placed in banks		2,300,000	1,302,711
Payments for units in Funds		(35,000)	(10,000)
Purchase of property and equipment		(17,120)	(30,734)
Net cash used in investing activities		(1,002,120)	(518,029)
Cash flows from financing activities			
Dividends paid to the shareholders	12	(2,473,240)	(2,084,704)
Payment of principal portion of lease liability	23	(33,998)	(28,282)
Interest paid on lease liability	23	(7,551)	(8,922)
Net cash used in financing activities		(2,514,789)	(2,121,908)
Net decrease in cash and cash equivalents		(37,251)	(10,584)
Cash and cash equivalents at beginning of the year		81,744	94,346
Effect of IFRS 9	5	3	7
Effect of exchange rate fluctuations on cash and cash equivalents		(4,105)	(2,025)
Cash and cash equivalents at end of the year	5	40,391	81,744
Supplementary information			
Interest received		181,449	108,923

Notes to the Financial Statements for 2025

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1. Reporting entity

(a) Organisation and operations

AMUNDI-ACBA ASSET MANAGEMENT closed joint-stock company (the “Company”) was incorporated in 2013 and is regulated by the legislation of the Republic of Armenia (the “RA”). The Company was registered on 19 November 2013 by the Central Bank of Armenia under license number 2.

Regulating bodies of the Company are Shareholders’ General Assembly, Board of Directors and Chief Executive Officer Jean Mazedjian.

The Company’s registered office is 10 Vazgen Sargsyan Street, Yerevan 0010, Republic of Armenia. As at 31 December 2025 the Company had 16 employees (2024: 11 employees).

The principal activity of the Company is the management of mandatory pension funds. Clauses regarding the obligation to make mandatory payments according to the RA Law on Funded Pensions were effective from 1 January 2014, consequently the main activity of the company started thereafter.

The shareholders of the Company are Amundi Asset Management JSC (France) (51%) and ACBA Bank OJSC (Armenia) (49%). More information is disclosed in Note 12.

The ultimate controlling party of the Company is SAS RUE LA BOETIE.

The Company is a fund manager and operates the following mandatory pension funds:

- AMUNDI-ACBA ASSET MANAGEMENT CJSC Fixed Income Pension Fund
- AMUNDI-ACBA ASSET MANAGEMENT CJSC Conservative Pension Fund
- AMUNDI-ACBA ASSET MANAGEMENT CJSC Balanced Pension Fund

(b) Armenian business environment

The Company’s operations are conducted in Armenia. Consequently, the Company and its assets are 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 Armenia.

Continuous military conflicts between Armenia and Azerbaijan eventually leading to Azerbaijan remaining in effective control of Nagorno-Karabakh territory in September 2023 and ongoing military conflict between the Russian Federation and Ukraine have increased the level of uncertainty in the business environment. In August 2025, Armenia and Azerbaijan signed a Joint Declaration expressing a mutual intention to normalize bilateral relations, including commitments to reduce tensions, advance border delimitation discussions, and promote regional stability. However, the practical implementation of the declaration and its long-term impact on economic activity remain uncertain.

Additionally, during 2026, geopolitical tensions escalated significantly following military action in the Middle East, including developments involving Iran. These events have increased uncertainty in global financial markets, disrupted supply chains and contributed to volatility in energy prices. The Company continues to assess the potential impact of these developments.

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

2. Basis of accounting

(a) Statement of compliance

The accompanying financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

(b) Functional and presentation currency

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

3. Use of estimates and judgements

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the amounts recognized in the financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from those estimates. Management also makes certain judgments, apart from those involving estimations, in the process of applying the accounting policies.

Judgments and estimates that have the most significant effect on the amounts recognized in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year relate to accounting for financial instruments, particularly fair value measurements (Note 19). The best evidence of fair value is price quotations in an active market. In the absence of quoted prices in an active market, the management uses other evaluation techniques, such as the comparative approach with similar instruments both in the internal and external markets.

Measurement of fair values

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

4. Material accounting policies

The Company has not early adopted any new standards, interpretations or amendments that have been issued but are not yet effective for these financial statements.

Certain amendments and interpretations apply for the first time in 2025, but do not have significant impact on the Company's financial statements and accounting policies.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

(a) Basis of preparation

These financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value through other comprehensive income at the end of each reporting period, as explained in the accounting policies below.

(b) Revenue recognition

Recognition of income and expenses

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Expense is recognized to the extent that it is probable that the economic benefits will flow from the Company and the expense can be reliably measured. The following specific criteria must also be met before revenue is recognized:

Interest income and expense

Interest income and expense for all interest-bearing financial instruments, except for those classified as held for trading or designated at fair value through profit or loss, are recognized within 'interest income' and 'interest expense' in the statement of profit or loss and other comprehensive income using the effective interest method. Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognized using the original effective interest rate applied to the new carrying amount.

Fund management fees

Fund management fees are calculated based on the contractual rates of fees applicable on the daily balances of net asset value of the managed funds and recognized over time as the services are provided.

All income from management fees is generated from funds registered in the Republic of Armenia.

Assets under management of the Company are not assets of the Company and therefore are not recognized in the statement of financial position. The Company is not exposed to any credit risk relating to such placements, as it does not guarantee these investments.

Fee and commission income

Fees, commissions and other income and expense items are generally recorded on an accrual basis when the service has been provided.

(c) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks with initial maturity of three months or less, which can be converted into cash at short notice.

(d) Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

(i) Current tax

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company 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 if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(e) Financial instruments

(i) Financial assets and liabilities

Initial recognition

All regular way purchases and sales of financial assets and liabilities are recognised on the trade date i.e. the date that the Company commits to purchase the asset or liability. Regular way purchases or sales are purchases or sales of financial assets and liabilities that require delivery of assets and liabilities within the period generally established by regulation or convention in the marketplace.

Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value and, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- FVOCI;
- FVTPL.

The Company classifies and measures its investments at FVOCI. The Company may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities, other than loan commitments and financial guarantees, are measured at amortised cost or at FVTPL when they are held for trading, are derivative instruments or the fair value designation is applied.

Amounts due from credit institutions

The Company only measures amounts due from credit institutions and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The details of these conditions are outlined below.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company changes the business model for managing financial assets. Financial liabilities are never reclassified.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

(ii) Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Company has transferred its rights to receive cash flows from the asset, or retained the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; and
- The Company either (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

(iii) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position only when there is a legal enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expense is not offset in the statement of profit or loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

(f) Capital policy

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction from the proceeds in equity. Any excess of the fair value of consideration received over the par value of shares issued is recognised as additional paid-in capital.

(i) Retained earnings

Includes retained earnings of current and previous periods.

(ii) Dividends

Dividends are recognised as a liability and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed when they are proposed before the reporting date or proposed or declared after the reporting date but before the financial statements are authorised for issue.

(iii) Revaluation reserve of units held in funds

This reserve records fair value changes of units held in funds measured at fair value through other comprehensive income.

(iv) General reserve

This reserve is established in the Company in the amount specified by the statute, but not less than 15 percent of the share capital. If the reserve fund is smaller than the amount established by the statute, allocations to this fund are made from the profit in the amount of at least five percent, as well as from the funds obtained from the difference between the cost of issuing new securities of the Company and their nominal value.

5. Cash and cash equivalents

'000 AMD	31 December 2025	31 December 2024
Cash and cash equivalents	40,395	81,751
Less-allowance for impairment	(4)	(7)
Total cash and cash equivalents	40,391	81,744

Cash and cash equivalents are held at financial institution with rating Ba3 as at 31 December 2025 (2024: B1). All balances of cash equivalents are allocated to Stage 1.

6. Amounts due from financial institutions

Terms and conditions of amounts due from financial institutions are as follows:

'000 AMD	31 December 2025	31 December 2024
Amounts due from financial institutions	3,579,362	2,597,861
Less-allowance for impairment	(15,105)	(9,271)
Total amounts due from financial institutions	3,564,257	2,588,590

Amounts due from financial institutions represent bank deposits and are held at financial institution with rating Ba3 as at 31 December 2025 (2024: B1). All balances of amounts due from financial institutions are allocated to Stage 1.

7. Financial assets at fair value through other comprehensive income

'000 AMD	31 December 2025	31 December 2024
Units held in funds managed by the Company:		
Amundi-Acba Conservative Pension Fund	1,724,418	1,539,762
Amundi-Acba Balanced Pension Fund	120,815	87,570
Amundi-Acba Fixed Income Pension Fund	80,410	58,334
Total investments at fair value through OCI	1,925,643	1,685,666

Each of these funds is a pension fund that has been legally established and conducts its trading activities in RA. The funds invest for the purpose of long-term capital growth and do not employ significant leverage. None of the funds are quoted in active markets. The aggregate net asset value (NAV) of all of the funds managed by the Company as at 31 December 2025 is AMD 749,991,253 thousand (2024: AMD 564,915,641 thousand).

According to the RA legislation the Company is required to maintain a minimum level of investment of 1% in each of the funds that it manages, except for cases when the overall investment of the Company in the fund exceeds AMD 1,000,000 thousand. The minimum investment cannot be redeemed prior to their termination and dissolution. As at 31 December 2025 and 2024 the Company complies with the above regulations.

The Company's maximum exposure to losses related to the funds is represented by the total of its investment in fund units and amounts due from funds.

The Company accumulated unrealized gains reserve in the amount of AMD 898,011 thousand for those investments as at 31 December 2025 (2024: AMD 693,034 thousand).

8. Property, equipment and intangible assets

'000 AMD	Leasehold improvements	Computer equipment	Motor vehicles	Office equipment and other fixed assets	Intangible assets, contracts in progress	Total
<i>Cost</i>						
At 31 December 2023	63,148	5,295	19,000	87,759	17,109	192,311
Additions	6,827	-	-	4,557	19,350	30,734
Disposals/write-offs	-	(389)	-	-	-	(389)
At 31 December 2024	69,975	4,906	19,000	92,316	36,459	222,656
Additions	-	864	-	2,272	13,984	17,120
Disposals/write-offs	-	(216)	-	(21,331)	-	(21,547)
At 31 December 2025	69,975	5,554	19,000	73,257	50,443	218,229
<i>Depreciation and amortization</i>						
At 31 December 2023	3,753	773	8,987	25,851	2,237	41,601
Depreciation and amortization charge	19,730	1,903	3,007	13,422	2,681	40,743
Disposals/write-offs	-	(323)	-	-	-	(323)
At 31 December 2024	23,483	2,353	11,994	39,273	4,918	82,021
Depreciation and amortization charge	19,917	2,134	3,002	14,071	4,650	43,774
Disposals/write-offs	-	(2)	-	(18,302)	-	(18,304)
At 31 December 2025	43,400	4,485	14,996	35,042	9,568	107,491
<i>Carrying amount</i>						
At 31 December 2023	59,395	4,522	10,013	61,908	14,872	150,710
At 31 December 2024	46,492	2,553	7,006	53,043	31,541	140,635
At 31 December 2025	26,575	1,069	4,004	38,215	40,875	110,738

9. Leases

(i) Right-of-use asset

'000 AMD

Cost

At 1 January 2024	189,529
Contract modifications	20,660
At 31 December 2024	210,189

Contract modifications	8,563
At 31 December 2025	218,752

Accumulated depreciation

At 1 January 2024	(126,033)
Charge for the year	(26,305)
At 31 December 2024	(152,338)

Charge for the year	(30,794)
At 31 December 2025	(183,132)

Carrying amount

At 31 December 2024	57,851
At 31 December 2025	35,620

(ii) Amounts recognised in profit or loss

'000 AMD

	<u>2025</u>	<u>2024</u>
Depreciation expense on right-of-use assets	(30,794)	(26,305)
Interest expense on lease liabilities	(7,551)	(8,922)
Total	(38,345)	(35,227)

(iii) Lease liabilities

	<u>31 December 2025</u> <u>Amounts payable</u> <u>under finance leases</u>
'000 AMD	
Maturity analysis	
Year 1	39,222
Year 2	9,539
Year 3	-
Year 4	-
Total lease liability	48,761
Unearned interest	(3,312)
Carrying amount of lease liability at 31 December 2025	45,449

'000 AMD	31 December 2024 Amounts payable under finance lease
Maturity analysis	
Year 1	36,946
Year 2	33,230
Year 3	9,132
Year 4	3,383
Total lease liability	82,691
Unearned interest	(11,808)
Carrying amount of lease liability at 31 December 2024	70,883

10. Income taxes

The corporate income tax within the Republic of Armenia is levied at the rate of 18% (2024: 18%). Differences between IFRS Accounting Standards and the RA statutory tax regulations give rise to certain temporary differences between the carrying value of certain assets and liabilities for financial reporting purposes and for profit tax purposes. Deferred income tax is calculated using the principal tax rate of 18%.

(a) Amounts recognised in profit or loss

'000 AMD	2025	2024
Current income tax recognized in profit or loss	780,110	590,082
Deferred tax benefit	(5,449)	(13,443)
Income tax expense	774,661	576,639
Reconciliation of income tax is as follows:		
Profit before income tax	4,163,116	3,049,879
Income tax at statutory income tax rate of 18%	749,361	548,978
Non-deductible expenses	25,300	27,661
Income tax expense at the effective income tax rate of 18.61% (2024: 18.8%)	774,661	576,639

Calculation of deferred tax on temporary differences is as follows:

'000 AMD	31 December 2025	31 December 2024
Deferred tax assets/(liabilities), including:		
Right-of-use asset	(6,412)	(10,413)
Cash and cash equivalents	-	1
Unused vacation reserve	2,301	2,233
Bonus reserve	9,103	7,702
Other assets	51	-
Other provision	5,760	6,895
Property and equipment	8,778	4,187
Amounts due from financial institutions	2,719	1,669
Lease liability	8,182	12,759
Total deferred tax assets	30,482	25,033

Change in deferred tax assets for the year ended 31 December 2025 and 31 December 2024 of AMD 5,449 thousand and AMD 13,443 thousand, respectively, were recognized in profit or loss.

11. Other assets

'000 AMD	31 December 2025	31 December 2024
Other financial assets	597,704	440,929
Management fees receivable	597,985	431,277
Other receivables	-	9,933
Less: Allowance	(281)	(281)
Other non-financial assets	18,326	8,103
Prepayments	14,032	4,665
Other non-financial assets	4,294	3,438
Total other assets	616,030	449,032

All other financial assets are allocated to Stage 1.

12. Share capital

As of 31 December 2025 and 2024 the Company's registered and paid-in share capital amounted to AMD 800,000 thousand. In accordance with the Company's statutes the share capital consists of 2,500 ordinary shares, all of which have par value of AMD 320,000.

The shareholders of the Company as of 31 December 2025 and 31 December 2024 are as follows:

Shareholder	Shareholding	%
AMUNDI ASSET MANAGEMENT JSC (France)	408,000	51%
ACBA Bank OJSC (Armenia)	392,000	49%
Total share capital	800,000	100%

As at 31 December 2025 the Company had accumulated earnings in the amount of AMD 3,388,455 thousand (31 December 2024: accumulated earnings of AMD 2,473,240 thousand).

At the Shareholders' meeting on 30 April 2025 the Company declared dividends in respect of the year ended 31 December 2024, totaling AMD 2,473,240 thousand on ordinary shares (AMD 989.3 thousand per share) gross of withholding tax. The dividends were paid on 26 June 2025 for total amount of AMD 2,410,172 thousand and the withholding tax were paid in amount of AMD 63,068 thousand. At the Shareholders' meeting on 29 April 2024 the Company declared dividends in respect of the year ended 31 December 2023, totaling AMD 2,084,704 thousand on ordinary shares (AMD 833.9 thousand per share) gross of withholding tax.

13. Payables and accrued expenses

'000 AMD	31 December 2025	31 December 2024
Payables for professional services	167,608	124,010
Depository fees payable	17,448	24,433
Other payables	40,059	52,556
Other financial liabilities	225,115	200,999
Unused vacation reserve	12,785	12,405
Bonus reserve	50,572	42,790
Other provision	32,000	29,000
Other non-financial liabilities	95,357	84,195
Total payables and accrued expenses	320,472	285,194

'000 AMD	Unused vacations	Accrued bonuses
At 31 December 2023	8,515	24,490
Accrued during the year	31,719	42,790
Extinguished	(27,829)	(24,490)
At 31 December 2024	12,405	42,790
Accrued during the year	38,117	50,572
Extinguished	(37,737)	(42,790)
At 31 December 2025	12,785	50,572

14. Income from management fees

'000 AMD	2025	2024
Funds under management		
AMUNDI-ACBA Conservative Pension Fund	5,987,997	4,539,024
AMUNDI-ACBA Balanced Pension Fund	99,366	77,814
AMUNDI-ACBA Fixed Income Pension Fund	49,895	37,748
Total income from management fees	6,137,258	4,654,586

15. Staff cost

'000 AMD	2025	2024
Compensation of employees	437,702	332,529
Other staff cost	67,313	78,343
Total staff cost	505,015	410,872

16. Fees and commission expense

'000 AMD	2025	2024
Investment management delegation fee	512,640	387,105
Custody/state depository fees	311,800	255,660
Total fees and commission expenses	824,440	642,765

17. Administrative and other expenses

'000 AMD	2025	2024
Fund administration and accounting expenses	225,041	169,270
Representative and advertising expenses	171,736	137,500
Technical program processing fee	94,657	74,517
Professional expenses	87,041	62,780
Depreciation and amortization expenses	74,568	67,048
Charity	68,190	99,745
Taxes, other than income tax, duties	36,483	29,448
Business trip expenses	19,283	21,623
Fixed assets maintenance	13,680	9,530
Cultural expenses	12,712	13,855
Insurance	7,827	5,478
Credit loss expense	5,828	2,698
Communications	3,948	3,730
Other expenses	31,577	16,970
Total administrative and other expenses	852,571	714,192

The audit fee for the audit of financial statements of the Company as at and for the year ended 31 December 2025 amounts to AMD 15,633,333 without VAT (2024: AMD 16,666,667 without VAT).

18. Commitments and contingencies

(a) Taxation contingencies

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

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

(b) Legal matters and risks

In the ordinary course of business, the Company is subject to legal actions and complaints, as well as adverse changes in the legislative environment it operates in. Management believes that the ultimate liability, if any, arising from claims and complaints, both presented and potential, will not have a material adverse effect on the Company's financial position or the results of its future operations and is less than probable, accordingly no corresponding accrual was provided in these financial statements.

19. Fair value of financial instruments

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

The Company's investments in Fund Units are measured at fair value at the end of each reporting period. For investments measured at FVOCI that are not traded on an active market, the fair value was estimated based on the net asset value (NAV) of pension funds.

'000 AMD	Level 2	Total
At 31 December 2025		
Financial assets		
Investments measured at FVOCI	1,925,643	1,925,643
At 31 December 2024		
Financial assets		
Investments measured at FVOCI	1,685,666	1,685,666

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Because of the short-term nature of financial assets and financial liabilities that are not measured at fair value on a recurring basis, management believes that their carrying amounts approximate their fair values.

20. Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern, while maximizing the return to its stakeholders. The capital structure of the Company consists of equity, comprising issued capital, retained earnings, revaluation reserve on units held in funds and general reserve as disclosed in statement of changes in equity. The Company's overall capital risk management policy remained unchanged during 2025 and 2024.

The adequacy of the Company's capital is monitored using, among other measures, the prudential standards established by the CBA. According to the CBA regulation 10/02 the minimum size of the total regulatory capital of the Company should be no less than AMD 500,000 thousand, calculated on an average daily basis per calendar month. As at 31 December 2025 and 2024 the Company complies with the above regulations.

21. Financial risk management

Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Company's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems.

The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Company is exposed to credit risk, liquidity risk and market risk. The policies for managing each of these risks are summarized below.

(a) Credit risk

The Company takes on exposure to credit risk, which is the risk that counterparty will cause financial loss for the Company by failing to discharge an obligation.

The Company calculates ECL allowance based on the credit losses expected to arise over the life of the asset.

As at 31 December 2025 and 2024 credit risk exposure of assets is presented in the table below:

	31 December 2025	31 December 2024	Country	Credit rating 31 December 2025	Credit rating 31 December 2024
Cash and cash equivalents	40,391	81,744	Armenia	B1	Ba3
Amounts due from financial institutions	3,564,257	2,588,590	Armenia	B1	Ba3
Other financial assets	597,704	440,929	Armenia	Unrated	Unrated
	4,202,352	3,111,263			

Ratings are based on Moody's rating system. Included in the not rated category are management fees receivable from funds under management which per management's estimate approximate to B1 under Moody's rating system.

As at reporting date, none of the financial assets are past due or impaired.

(b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its payment obligations when they fall due under normal and stress circumstances.

The liquidity management of the Company requires considering the level of liquid assets necessary to settle obligations as they fall due, maintaining access to a range of funding sources. The Company maintains a portfolio of highly marketable assets that can be easily liquidated in the event of an unforeseen interruption of cash flow.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

31 December 2025							
'000 AMD	<u>Carrying amount</u>	<u>Total</u>	<u>Up to 1 month</u>	<u>From 1 to 6 months</u>	<u>From 6 to 12 months</u>	<u>From 1 to 5 years</u>	<u>No maturity</u>
Financial liabilities							
Other financial liabilities	225,115	225,115	225,115	-	-	-	-
Lease liabilities	45,449	48,761	3,516	17,582	16,931	10,732	-
Total financial liabilities	270,564	273,876	228,631	17,582	16,931	10,732	-
31 December 2024							
'000 AMD	<u>Carrying amount</u>	<u>Total</u>	<u>Up to 1 month</u>	<u>From 1 to 6 months</u>	<u>From 6 to 12 months</u>	<u>From 1 to 5 years</u>	<u>No maturity</u>
Financial liabilities							
Other financial liabilities	200,999	200,999	200,999	-	-	-	-
Lease liabilities	70,883	82,691	3,116	15,582	18,698	45,295	-
Total financial liabilities	271,882	283,690	204,115	15,582	18,698	45,295	-

(c) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates. The Company classifies exposures to market risk into either trading or non-trading portfolios.

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. As of 31 December 2025 and 2024 the Company had no financial assets and liabilities with variable interest rates.

(ii) Currency risk

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

Positions are monitored on a daily basis.

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

31 December 2025

'000 AMD	AMD	EUR	USD	Total
Non-derivative financial assets				
Cash and cash equivalents	31,517	7,565	1,309	40,391
Amounts due from financial institutions	3,564,257	-	-	3,564,257
Investments at FVOCI	1,925,643	-	-	1,925,643
Other financial assets	597,704	-	-	597,704
Total non-derivative financial assets	6,119,121	7,565	1,309	6,127,995
Non-derivative financial liabilities				
Other financial liabilities	203,400	21,715	-	225,115
Total non-derivative financial liabilities	203,400	21,715	-	225,115
Net position	5,915,721	(14,150)	1,309	5,902,880

31 December 2024

'000 AMD	AMD	EUR	USD	Total
Non-derivative financial assets				
Cash and cash equivalents	79,794	1,520	430	81,744
Amounts due from financial institutions	2,588,590	-	-	2,588,590
Investments at FVOCI	1,685,666	-	-	1,685,666
Other financial assets	430,996	9,933	-	440,929
Total non-derivative financial assets	4,785,046	11,453	430	4,796,929
Non-derivative financial liabilities				
Other financial liabilities	185,003	15,996	-	200,999
Total non-derivative financial liabilities	185,003	15,996	-	200,999
Net position	4,600,043	(4,543)	430	4,595,930

An analysis of sensitivity of profit or loss and equity to changes in fair value of monetary assets and liabilities held at 31 December 2025 and 2024 due to reasonably possible changes in corresponding exchange rates, with all other variables held constant, is presented below:

'000 AMD	2025		2024	
	Profit or loss/equity		Profit or loss/equity	
	Strengthening	Weakening	Strengthening	Weakening
EUR 20% movement (2024: 20%)	(2,830)	2,830	(909)	909
USD 20% movement (2024: 20%)	262	(262)	86	(86)

Other market price risks

The Company is exposed to unit price risks arising from units held in funds. The sensitivity analyses below have been determined based on the exposure to unit price risks at the end of the reporting period.

If unit prices had been 5% higher/lower, equity for 2025 year would increase/decrease by AMD 96,282 thousand as a result of the changes in fair value of financial assets at fair value through other comprehensive income (2024: equity increase/decrease by AMD 84,283 thousand).

22. Related parties

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. For the purpose of the present financial statements, related parties include shareholders, members of Company's Management as well as other persons and enterprises related with and controlled by them respectively. The parent of the Company is AMUNDI ASSET MANAGEMENT JSC (France). The ultimate controlling party of the Company is SAS RUE LA BOETIE.

A number of transactions are entered into with related parties in the normal course of business.

The volumes of related party transactions, outstanding balances at the year end, and related expense and income for the period are as follows:

(a) Pension funds managed by the Company

'000 AMD	31 December 2025	31 December 2024
Statement of financial position		
Units held in funds managed by the Company	1,925,643	1,685,666
Management fee receivable	597,985	431,277
'000 AMD	2025	2024
Statement of profit or loss and other comprehensive income		
Income from management fees	6,137,258	4,654,586
Other comprehensive income	204,977	155,125

(b) Other related parties

	2025			2024		
		Entity with significant influence	Entities under common control		Entity with significant influence	Entities under common control
	Parent			Parent		
Statement of financial position						
Cash and cash equivalents	-	40,391	-	-	81,744	-
Amounts due from financial institutions	-	3,564,257	-	-	2,588,590	-
Other assets	-	-	898	-	9,933	-
Payables for professional services	(145,894)	-	(21,714)	(108,014)	-	(15,996)
Other payables	-	-	-	(23,499)	-	-
Statement of profit or loss and other comprehensive income						
Interest and similar income	-	212,640	-	-	167,233	-
Income from financial advisory	-	-	-	-	-	9,933
Labor outsourcing	-	-	-	-	-	-
Administrative and other expenses	-	-	(334,447)	(23,499)	-	(263,123)
Investment management delegation fee	(512,640)	-	-	(387,105)	-	-

Key management compensation comprising of short term benefits amounted to AMD 390,461 thousand (2024: AMD 279,095 thousand), which were included in staff cost for the year. All the balances with related parties have maturities of up to one year. None of the balances are secured.

23. Reconciliation of liabilities arising from financing activities

'000 AMD	1 January 2025	Proceeds/ (repayments) - cash flows	Non-cash changes		31 December 2025
			Interest expense	Adjustments due to modifications	
Lease liabilities	70,883	(41,549)	7,551	8,563	45,449

'000 AMD	1 January 2024	Proceeds/ (repayments) - cash flows	Non-cash changes		31 December 2024
			Interest expense	Adjustments due to modifications	
Lease liabilities	78,505	(37,204)	8,922	20,660	70,883

24. New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

(a) IFRS 18 *Presentation and Disclosure in Financial Statements*

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

(b) Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's financial statements.

- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7).