

INDEPENDENT AUDITOR'S REPORT

To the Members of "PRIME CAPITAL" CO.LTD LLC

GUARDIAN

We have audited the financial statements of "PRIME CAPITAL" CO.LTD LLC (the "Company") and
Interim Statement of Financial Position as of December 31, 2023, Statement of Income, Statement of
Statement of Changes in Equity, and Statement of Cash Flows for the year ended on 2023.

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT OF

"PRIME CAPITAL" CO.LTD LLC

AS AT DECEMBER 31, 2023



REPORT OF THE BOARD OF MANAGEMENT AND MANAGEMENT OF THE COMPANY FOR THE PERIOD
ENDING 2023

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

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
correct basis of accounting, which management believes is appropriate in the circumstances. The auditor's
responsibility is to express an opinion on the financial statements based on the audit.

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

Our audit was conducted in accordance with the standards of the International Standards on Auditing (ISA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our
audit opinion, which is stated in our audit report, which is included in the financial statements.

19 Khanjyan street, 4th floor, office 5, Yerevan, Armenia, Tel: +37411-577-544,

Email: audit@pkfarmenia.com, web address: www.pkfarmenia.com

INDEPENDENT AUDITOR'S REPORT

To the Partners of "PRIME CAPITAL" CO.LTD LLC

OPINION

We have audited the financial statements of "PRIME CAPITAL" CO.LTD LLC (the "Company") which comprise Statement of Financial Position as of December 31, 2023, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of December 31, 2023 and of its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards for Accountants Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Armenia, and we have fulfilled our other ethical responsibilities in accordance with those ethical requirements. We believe that the audit evidence we have obtained is enough 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 IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 wither 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.

AUDIT RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

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opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

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

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

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

Yerevan, 08/04/2024

PKF AUDIT SERVICE LLC

General Director

Gor Davtyan

Qualified Auditor

Hayk Poghosyan

“PRIME CAPITAL” CO.LTD
Statement of Comprehensive Financial Results
As of December 31, 2023

(AMD Thousand)

ARTICLE	Note	2023	2022
Interest and similar income	3	52	54
Interest and similar expenses	3	-	-
Net interest and similar income		52	54
Income in the form of commission and other fees	4	33,581	9,159
Expenses in the form of commissions and other fees	4	(119)	(177)
Net commission and other fees received		33,462	8,982
Net income from commercial operations	5	14,971	(13,107)
Other operational income	6	-	-
Operational income		48,485	(4,071)
Net deductions on potential assets' losses	7	-	-
General administrative expenses	8	(31,028)	(29,726)
Other operational expenses	9	(1,269)	(1,916)
Profit (loss) before taxation		16,188	(35,713)
Profit tax expense (compensation)	10	(231)	(3,982)
Profit (loss) after taxation		15,957	(39,695)
Other comprehensive financial result			
Revaluations of financial assets measured at fair value through other comprehensive financial result		-	-
Profit tax on other comprehensive income			
Other comprehensive financial result after taxation		-	-
Comprehensive financial result		15,957	(39,695)

These Financial Statements were accepted and approved by the Company's management on 08.04.2024, the notes attached to the financial statements presented on pages 7-25 are part of these financial statements.

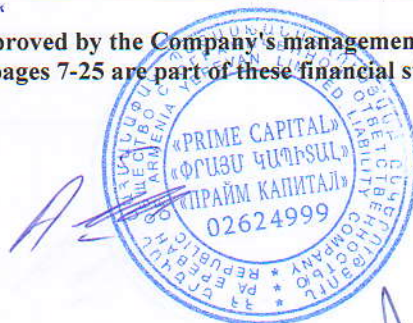
“PRIME CAPITAL” CO.LTD

Executive Director:

Asya Khalatyan

Authorized representative of “AN Audit” CJSC:

Artur Harutyunyan



“PRIME CAPITAL” CO.LTD
Statement of financial position
As of December 31, 2023

(AMD Thousand)

ARTICLE	Note	2023	2022
Assets			
Demands to banks and other financial institutions	11	1,781	986
Demands to customers	12	-	-
Financial assets at fair value remeasured through profit or loss	13	70,862	71,210
Financial assets measured at fair value through other comprehensive financial result	14	-	-
Financial assets measured at amortized cost	15	-	-
Fixed assets and intangible assets	16	3,864	5,132
Deferred tax asset	10	614	685
Other assets	17	20,932	3,973
Total assets		98,054	81,986
Liabilities			
Liabilities to banks and other financial institutions	18	-	-
Liabilities to customers	19	-	-
Provisions	20	3,650	4,130
Other Liabilities	21	1,295	704
Total Liabilities		4,945	4,834
Equity			
Statutory Equity	22	52,000	80,000
Emission income		28,000	-
Provisions including:	23	2,800	2,800
General provisions		2,800	2,800
Revaluation provisions		-	-
Retained earnings (loss)	24	10,309	(5,648)
Total Equity		93,109	77,152
Total Liabilities and Equity		98,054	81,986

“PRIME CAPITAL” CO.LTD

Executive Director:

Asya Khalatyan

Authorized representative of "AN Audit" CJSC:

Artur Harutyunyan



“PRIME CAPITAL” Co.LTD
Statement of Changes in Equity
As of December 31, 2023

(AMD Thousand)

Name of the items of Own Equity	Statutory Equity	General provisions	Emission income	Retained Earnings/Loss	Other Elements of Own Equity	Total Equity
Balance as of 01 January 2022	80,000	2,800	-	43,847		126,647
Equity replenishment						-
Profit after taxation				(39,695)		(39,695)
Dividends				(9,800)		(9,800)
Balance as of December 31, 2022	80,000	2,800	-	(5,648)	-	77,152
Equity replenishment	(28,000)		28,000			-
Profit after taxation				15,957		15,957
Dividends						-
Balance as of December 31, 2023	52,000	2,800	28,000	10,309	-	93,109

“PRIME CAPITAL” Co.LTD

Executive Director:

Asya Khalatyan

Authorized representative of "AN Audit" CJSC:

Artur Harutyunyan



“PRIME CAPITAL” CO.LTD
Statement of cash flows
As of December 31, 2023

(AMD Thousand)

ARTICLE	2023	2022
1. Cash flows from operational activities		
Net cash flows before the changes of operational assets and liabilities	(14,490)	(23,339)
Interest received	52	54
Interest paid	-	-
Commission amounts received	16,655	9,476
Commission amounts paid	(99)	(177)
Profit (loss) from financial assets at fair value remeasured through profit or loss		
Profit (loss) from foreign currency exchange transactions	-	-
Salary paid and other equivalent payments	(14,664)	(17,798)
Other income received from operational activities and other expenses paid	(16,434)	(14,894)
Cash flows from changes of operational assets and liabilities	15,285	31,283
Decrease (increase) of borrowings		
Decrease (increase) of financial assets measured at fair value through other comprehensive financial result and carrying at fair value through profit or loss	15,285	31,283
Decrease (increase) of Other operating assets	-	-
Increase (decrease) of operational liabilities including:		
Increase (decrease) of liabilities to customers		
Decrease (increase) of other operational liabilities		
Net cash flows from operational activities before the payment of profit tax	795	7,944
Paid profit tax	-	(51)
Net cash flows from operational activities	795	7,893
2. Cash flows from investment activities		
Decrease (increase) of financial assets measured at amortized cost	-	-
Decrease (increase) of deposits in banks		
Input from disposal of fixed assets and intangible assets	-	-
Acquisition of fixed assets and intangible assets		
Net cash flows from investment activities	-	-
3. Cash flows from financial activities		
Equity replenishment	-	-
Dividends paid	-	(9,800)
Outputs on financial leases	-	
Increase (decrease) of borrowings received	-	-
Net cash flows from financial activities	-	(9,800)
Effect of changes in foreign currency exchange rates on cash and cash equivalents	-	(223)
Net increase/(decrease) of cash and cash equivalents	795	(2,130)
Cash and cash equivalents at the beginning of the reporting period	986	3,116
Cash and cash equivalents at the end of the reporting period	1,781	986

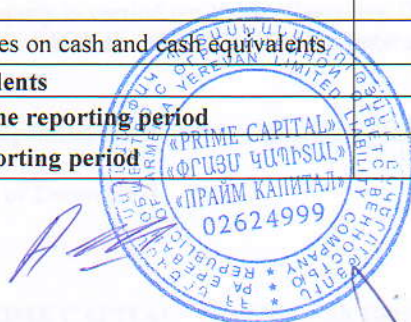
“PRIME CAPITAL” CO.LTD

Executive Director:

Authorized representative of "AN Audit" CJSC:

Asya Khalatyan

Artur Harutyunyan



“PRIME CAPITAL” CO.LTD
Notes to the financial statements

Note 1. “Legal field and corporate management”

1.1. Legal field

- 1) Main activity of the Investment Fund manager,

The main types of activities of "PRIME CAPITAL" Co. Ltd are:

- ✓ fund management
 - ✓ management of portfolio of securities.
- 2) Business environment
 - ✓ Central Bank of the Republic of Armenia
 - ✓ Banks of the Republic of Armenia
 - ✓ Resident legal entities and natural persons.

- 3) If the Investment Fund manager is a member of a group, the legal structure of the group.

"PRIME CAPITAL" Co. Ltd is not a member of any group, has no representative offices and branches.

1.2. Corporate Management

"PRIME CAPITAL" CO.LTD is a legal entity carrying out the management of investment fund for the purpose of making a profit. According to the decision No. 192 A of the Board of the Central Bank of the Republic of Armenia dated on December 6, 2019, the Company's charter is registered in the Central Bank of the Republic of Armenia: registration certificate No. 6, registration date: 06.12.2019.

According to the Company's Charter, the Company's Statutory Equity is AMD 52,000,000.

The firm name of the Company is "PRIME EQUITY" limited liability Company, abbreviated as "PRIME CAPITAL" CO.LTD. Location and legal address of the Company is 7 Argishtii Street, Yerevan, RA.

- 1) Structure and composition of the board,

The Company's management bodies are the general assembly of participants, the board of directors and the executive director. The powers of the general assembly of the Company are exercised by the sole participant of the Company, who has the right of final resolutions of any issue of the management and operation of the Company within the limits of his powers.

- 2) Structure and composition of the Management,

The management of the current activities of the Company is carried out by the Executive Director. The executive director of the Company has the authority to manage the activities, which are not assigned to the general assembly by the Charter and the Legislation.

- 3) Ownership structure, number of shareholders/participants at the end of the reporting period,

"PRIME CAPITAL" CO.LTD has one shareholder as of December 31, 2023.

- 4) The names of the significant participants,

Nerses Sarinyan is a significant participant of "PRIME CAPITAL" CO.LTD with 100% share.

5) The remuneration policy of managers,

Determination of the remuneration conditions of managers is the exclusive competence of the general assembly of the Company's participants.

The assessment of the work performed by the managers is carried out based on:

- ✓ Effective management of the current activities of the Company,
- ✓ The levels of profitability of the Company's Equity and assets,
- ✓ Proper implementation of internal legal acts and other decisions,
- ✓ Prospective development trends of the Company and others.

Note 2. "Accounting policy"

Company's accounting had been carried out and the financial statements were prepared in accordance with "Chart of accounting of banks, credit organizations, investment companies, investment funds and managers of investment funds operating in the territory of the Republic of Armenia" approved by the Resolution No. 322-N dated on November 30, 2011 of the Board of the Central Bank of the Republic of Armenia, the RA Law "On Accounting", and the accounting policy approved by the Company.

1) Preparation and presentation of financial statements,

2023 annual financial statements of "PRIME CAPITAL" CO.LTD are prepared according to the normative acts of the RA Central Bank, International Financial Reporting Standards (IFRS).

When compiling its financial statements, with the exception of cash flow information, the Company carries out accounting on the accrual basis, according to which operations are recognized at the time of their execution and are recorded in accounting registers and presented in financial statements during the period of their execution.

2) Consolidation principles (in case of consolidation),

Company's financial statements are prepared according to the following principles:

- ✓ Going concern: Company does not intend to stop or reduce its operations in the foreseeable future.
- ✓ Materiality: Company's financial statements disclose the all information, the non-disclosure of which may affect on the economic decisions of users.
- ✓ Consistency: Company's accounting policy does not change from one accounting period to another, unless there have been significant changes in the nature of the Company's operations.
- ✓ Accounting: Results of economic operations are recorded at the time of recognition, regardless of the dates of payment or receipts of cash related to them, and are reflected in the financial statements of the period to which they relate.
- ✓ Comparability. Company's financial statements of different periods should be comparable.

3) Recognition of the main types of income and expenses,

Interest income received or to be received by the Company during the execution of transactions, as well as interest expenses to be paid, is measured, recognized and recorded by the Company on an accrual basis, regardless of the date of actual receipt of income or payment, with the actual value of compensation, as of the balance sheet date, based on the degree of completion of the transaction, in accordance with the procedure established by RA legislation.

The management fee for fund management services is recognized as income on a quarterly basis, calculated in accordance with the rules of the fund (on the basis of the value of the net assets of the fund on the given day and the percentage of the management fee for each fund).

Company measures, recognizes and records non-interest expenses on an accrual basis, based on the relevant contract or payments of the previous period, moreover, accruals of non-interest expenses are made on the last working day of each month.

4) Accounting of foreign currency transactions,

Company maintains accounting records and prepares and submits financial statements via the currency of the Republic of Armenia.

Transactions carried out in foreign currency are converted into functional currency at the average exchange rate announced by the Central Bank of the Republic of Armenia for the relevant foreign currency for each day. As of the reporting date, cash assets and liabilities denominated in foreign currency are converted into the functional currency at the exchange rate determined due to the transaction date. Non-cash assets and liabilities denominated in foreign currency, which are measured at fair value, are recalculated at the current exchange rate on the date of determining the fair value of the functional currency.

Exchange rate differences arising from the recalculation (revaluation) of foreign currency items are recognized in profit or loss as a net gain (loss) from exchange rate differences, with the exception of financial instruments measured at fair value through profit or loss, which are recognized as a component of the net gain or loss arising from financial instruments measured at fair value through profit or loss.

5) Profit tax (current and deferred),

Profit tax of the reporting year consists of current and deferred taxes.

The amount of the current profit tax is calculated according to the requirements established by the RA legislation: the profit tax liability is accrued for each month, at the end of the reporting year it is adjusted and set off with the advance payments made on the profit tax.

Deferred taxes arise from temporary differences between the carrying amount of an asset or liability and its tax base. Deferred tax liabilities caused by temporary differences, if any, are deducted in full. Deferred tax assets are recognized to the extent that the realization of these assets is probable. Deferred tax assets and liabilities on profit tax are offset.

6) Recognition/valuation of financial instruments,

Financial assets are classified by the company into the following categories: financial assets measured at fair value through profit or loss, financial assets measured at amortized cost.

7) Cash and cash equivalents (the policy is disclosed which is applied in order to determine the composition of cash and cash equivalents),

The formulation of the actual inflow (input) and/or outflow (withdrawal) of the Company's cash is carried out at the nominal value of the currencies on the basis of the properly prepared payment accounting documents provided by the RA legislation.

8) Income from investments measured at fair value through profit or loss,

The company invests in the units of the funds under its management. Units are recognized as assets at the net asset value per unit acquired and subsequently measured at fair value through profit or loss. In the statement of profit or loss and other comprehensive financial result, the net gain or loss from financial assets measured at fair value through profit or loss includes all realized and unrealized changes in fair value, and foreign currency exchange rate differences.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if the entity's business model envisaged to hold it for the purpose of collecting contractual cash flows and contractual cash flows are considered solely principal and accrued interest on the outstanding principal. Compensation for time and debt risk is considered interest, and in particular, if payment delay does not give rise to the additional compensation stipulated in the contract, then it is not considered a payment solely of interest and principal.

RA government bonds, corporate bonds and equity instruments accounted by the Company at fair value through other comprehensive financial result are classified as financial assets, but the borrowings and guarantees are measured at amortized cost.

9) Fixed assets and intangible assets

Fixed assets are recorded as assets at initial cost (cost) in AMD. Fixed assets acquired in foreign currency are recorded at the exchange rate determined by the Central Bank of the Republic of Armenia as of the date of acquisition and are not revalued in case of exchange rate changes. During the useful life of the fixed asset, the amount of their amortization is periodically distributed and recognized as an expense. When classifying the Company's fixed assets as buildings, office equipment or

means of communication, computer, other automatic control equipment, other fixed assets for accounting purposes, it is guided based on the meaning and purposes of their use.

When calculating amortization Company uses the straight-line method based on the useful life of the asset. The following annual amortization rates have been applied:

Fixed assets	Useful life (years)	Annual interest rate (%)
Buildings	20	5
Property and office equipment	3 - 8	33.3 - 12.5
Communication means, computational, computer and other automatic control equipment	1 - 5	100 - 20
Vehicles	5	20
Other fixed assets	3 - 8	33.3 - 12.5

Lease

Company is operating in the leased office. Company did not recognize assets in the form of right-of-use and lease liability for the leased premises in accordance with the requirements of IFRS 16 due to the short-term nature of the lease agreement. The lease payment is recognized as an expense on a straight-line basis over the term of the lease.

Intangible assets

Intangible assets are initially measured at cost.

The amortized amount of an intangible asset is allocated periodically over its useful life. Amortization is calculated using the straight-line method, and the amount of amortization calculated for each period is recognized as an expense. The carrying amount of intangible assets is the difference between the initial cost and accumulated depreciation.

10) Customer funds,

Customer funds are accounted for in off-balance sheet accounts and are not reflected in the Company's balance sheet.

11) Equity and Emission income,

The sum of the nominal values of the Company's shares is classified as Statutory Equity. If the fair value of the proceeds from the sale of new shares exceeds the nominal value of the shares, then the difference is calculated as a surcharge or emission income (otherwise, as a discount).

12) Financial assets and liabilities set off,

Financial assets and liabilities are set off and the net amount is disclosed in the Statement of financial position, when there is a legally established right to set off recognized amounts and there is an intention to perform the final calculation on a net basis, or realize the asset and settle the liability at the same time.

Note 3. "Interest and similar income" (AMD Thousand)

Interest and similar income	2023	2022
Interest income from bank accounts and deposits invested	52	54
Total	52	54

Interest and similar expenses	2023	2022
Interest expenses on borrowings and loans received	-	-
Total	-	-
Net interest and similar income	52	54

Note 4. "Income and expenses in the form of commissions and other fees"
(AMD Thousand)

Income in the form of commission and other fees	2023	2022
Securities' portfolio management income	17,398	102
Remuneration on investment fund management	16,183	9,057
Total	33,581	9,159
Expenses in the form of commissions and other fees		
Expenses on commissions	(119)	(177)
Total	(119)	(177)
Net commission and other fees received	33,462	8,982

Note 5. "Net income from commercial operations"
(AMD Thousand)

Other financial assets at fair value remeasured through profit or loss	2023	2022
Net income from changes in the fair value of securities carried at fair value remeasured through profit or loss	14,937	(12,847)
Total	14,937	(12,847)
Foreign currency operations		
Net income from foreign currency revaluation	34	(260)
Total	34	(260)
Total net income from commercial operations	14,971	(13,107)

Note 6. "Other operational income"
(AMD Thousand)

Other operational income	2023	2022
Other operational income	-	-
Total	-	-

Note 7. "Net deductions to asset's potential losses provisions"
(AMD Thousand)

Possible losses of financial assets measured at amortized cost	2023	2022
Opening balance of the provisions	-	-
Deductions made to the provisions		
Return of deductions made to the provisions		
Net deductions made to the provisions	-	-
Closing balance of provisions	-	-

Note 8. "General administrative expenses"
(AMD Thousand)

General administrative expenses	2023	2022
Expenses calculated on salary and other payments equal to it	(15,145)	(15,032)
Expenses on the operational lease	(6,888)	(5,440)
Expenses on audit and other consulting services	(5,760)	(6,360)
Expenses on communicational means	(696)	(737)
Office and organizational expenses	(1,797)	(1,486)
Expenses related to the technical support and maintenance of the equipment and vehicles	(102)	(70)
Non-reimbursable taxes and duties	(500)	(499)
Other administrative expenses	(140)	(102)
Total	(31,028)	(29,726)

- As of December 31, 2023, the number of employees of "PRIME CAPITAL" Co. Ltd was 6 people.

Note 9. "Other operational expenses"

(AMD Thousand)

Other operational expenses	2023	2022
Public relations expenses	-	(350)
Depreciation expenses of fixed assets	(762)	(1,041)
Depreciation expenses of intangible assets	(507)	(507)
Expenses from disposal of fixed assets	-	(18)
Total	(1,269)	(1,916)

Note 10. "Profit tax expense"

According to IAS 34 profit tax expense is recognized in each interim period based on the best estimate of the weighted average annual profit tax rate for the accounting year in the interim financial statements. The estimated profit tax expense amounts for any interim period may need to be adjusted in the next interim period of the given financial year, and those amounts are discovered in this note.

(AMD Thousand)

Profit tax expense	2023	2022
Income (expense) on current tax	(160)	-
Income (expense) on deferred tax	(71)	(3,982)
Total	(231)	(3,982)

10.1 According to the RA Tax Code, the amount of profit tax is calculated at the rate of 18 percent of the taxable amount.

10.2 The relationship between profit tax expense and accounting profit.

	2023	Effective Rate (%)	2022	Effective Rate (%)
Profit before taxation	16,188		(35,713)	
Profit tax at rate	2,914	18.00%	(6,428)	18%
Re-measurement of shares	(2,689)	-16.61%	2,312	-6.48%
Revaluation of foreign currency	(6)	-0.04%	47	-0.13%
Non-taxable income	12	0.07%	8,051	-22.54%
Profit tax expense	231		3,982	

10.3. Calculation of deferred tax on temporary differences.

	Balance as of 31.12.2022	Recognized in profit or loss in 2023	Balance as of 31.12.2023
Deferred tax assets, including:	743	(86)	657
On provisions	743	(86)	657
Deferred tax liabilities, including:	(58)	15	(43)
On fixed assets	(58)	15	(43)
Net deferred tax asset/liability	685	(71)	614
Tax loss moved to next period	-	-	-
Total net deferred tax asset/liability turnover	685	(71)	614

Note 11. "Demands to banks and other financial institutions"

(AMD Thousand)

Current accounts	2023	2022
In the banks of the Republic of Armenia	1,781	986
Total	1,781	986
Loans in banks (loans granted) and deposits repo (repurchase) agreements	-	-
Total	-	-
Net demands to banks and other financial institutions	1,781	986

As of December 31, 2023, the total amount of current accounts of "PRIME CAPITAL" CO.LTD in the RA banks is AMD 1,781 thousand and there is no restriction on its use.

Note 12. "Demands to customers"

(AMD Thousand)

Demands to customers	2023	2022
Provided to natural persons		
loans (provided loans) and deposits	-	-
repo (repurchase) agreements		
management of portfolio of securities		
other		
Accrued Interests	-	-
Total	-	-
Provision of potential loss on the demands against the natural persons (Note 7)	-	-
Total net demands	-	-

Note 13. "Financial assets remeasured at fair value through profit or loss"

(AMD Thousand)

Financial assets at fair value remeasured through profit or loss	2023	2022
RA state securities, including:	-	-
Treasury Bonds	-	-
Total state securities	-	-
Including those sold to RA banks under repo agreements		
RA non-state securities	2023	2022
	Listed	Listed
BBB+/Naa1/ and low-rated, other-rated, and unrated issuers		
Long-term debt instruments		
Equity instruments		
Other	70,862	71,210
Total RA non-state securities	70,862	71,210
Including those sold to RA banks under repo agreements		
Financial assets at fair value remeasured through profit or loss		
Forward		
Currency swap		
Total		
Total Financial assets at fair value remeasured through profit or loss	70,862	71,210

Note 14. "Financial assets measured at fair value through other comprehensive financial results"

(AMD Thousand)

Financial assets measured at fair value through other comprehensive financial result	2023	2022
RA state bonds		
RA government bonds	-	-
Central bank bonds		
Other		
Total state securities	-	-
Provision of potential losses on financial assets measured at fair value through other comprehensive financial results (Note 7)	-	-
Total Financial assets measured at fair value through other comprehensive financial result	-	-

Note 15. "Financial assets measured at amortized cost"

(AMD Thousand)

Financial assets measured at amortized cost	2023	2022
RA state bonds, including:		
RA government bonds	-	-
Central bank bonds		
Other		
Accrued Interests	-	-
Total state securities	-	-
"C-" and higher rated issuer by the Central Bank of the Republic of Armenia, including:		
Long-term debt instruments		
Short-term debt instruments		
Other		
BBB+/Naa1/ and low-rated, other-rated, and unrated issuers, including:		
Long-term debt instruments		
Short-term debt instruments	-	-
Deposit certificates		
Other		
Accrued Interests	-	-
Total	-	-
Provision of potential losses on financial assets measured at amortized cost (Note 7)	-	-
Net investment in financial assets measured at amortized cost	-	-

Note 16. "Fixed assets and intangible assets"

(AMD Thousand)

ARTICLE	Computers and communicational equipment	Other fixed assets	Software	Total
Initial value				
Balance as of 01.01.2022	4,429	2,009	5,070	11,508
Increase				-
Expropriation (withdrawal)	(585)	(17)	-	(602)
Balance as of 31.12.2022	3,844	1,992	5,070	10,906
Increase	-	-	-	-
Expropriation (withdrawal)	-	-	-	-
Depreciation adjustment from the revaluation				-
Devaluation				-
Balance as of 31.12.2023	3,844	1,992	5,070	10,906
Accumulated depreciation				
Balance as of 01.01.2022	(2,832)	(959)	(1,017)	(4,808)
Increase	(862)	(180)	(507)	(1,549)
Expropriation (withdrawal)	566	17	-	583
Balance as of 31.12.2022	(3,128)	(1,122)	(1,524)	(5,774)
Increase	(585)	(176)	(507)	(1,268)
Expropriation (withdrawal)				-
Balance as of 31.12.2023	(3,713)	(1,298)	(2,031)	(7,042)
Net carrying amount as of 31.12.2022	716	870	3,546	5,132
Net carrying amount as of 31.12.2023.	131	694	3,039	3,864

Note 17. "Other assets"

(AMD Thousand)

	2023	2022
Receivables and Advances payments		
Receivables on the budget	51	51
Receivables on investment fund management	9,195	2,138
Receivable on customers	9,971	102
Advance payments to suppliers	-	-
Future period expenses	501	501
Other assets	1,214	1,181
Other receivables and advances payments	20,932	3,973

Note 18. "Liabilities to banks and other financial institutions"

(AMD Thousand)

	2023	2022
Loans and deposits involved, other		
The RA Banks		
Deposits and borrowings		
Repo agreements		
Other		
Accrued Interests	-	-
Total	-	-

Note 19. "Liabilities"

(AMD Thousand)

	2023	2022
Liabilities to customers		
Total net Liabilities	-	-

Note 20. "Provisions"

(AMD Thousand)

	2023	2022
Initial balance	4,130	6,356
Provision's deductions	2,921	3,339
Provision usage	(3,401)	(5,565)
Provision's net deductions	(480)	(2,226)
Closing balance	3,650	4,130
On vacation	2,210	2,090
On audit	1,440	2,040

20.1 Legal Liabilities of Company

The Company carries out its activities within the framework of the requirements provided by the legislation and there is no need for additional provisions for its legal liabilities.

20.2 Company Tax Liabilities

Company has fully met its tax liabilities and there is no need for additional provisions for its tax liabilities.

Note 21. "Other Liabilities"

(AMD Thousand)

	2023	2022
Other Liabilities		
Payables to budget		
On Profit tax	160	-
On VAT	-	-
On Income tax	277	-
On other taxes and duties on social insurance payments	84	-
Payables to employees	-	-
Payables to customers	774	664
Payables on lease	-	40
Balance at the end of the period	1,295	704

Note 22. "Statutory Equity"

- 1) The Company's registered and fully paid Statutory Equity during the year has been decreased in the amount of AMD 28,000,000 and as of 31.12.2023 it had made up AMD 52,000,000.
- 2) The number of ordinary shares issued and allotted by the Company is 80,000 with a nominal value of AMD 650.
- 3) The Company does not have issued and allocated privileged shares,
- 4) The Company's own emission income is AMD 28,000,000.
- 5) During its activity, the Company did not buy back and resell its own shares.
- 6) Information on significant participants of the Company as of the end of the reporting period.

Name, surname/title of significant participant	Amount of participation in Company	Amount of participation in the Company in percentage ratio	Type of activity of the participant (for legal entities)
Nerses Sarinyan	52.000.000	100%	

- 7) During the reporting period, there was a decrease in the statutory capital.
- 8) Dividends have not been declared or paid by the Company during the reporting period.

Note 23. "Provisions"

(AMD Thousand)

General provisions	2023	2022
Opening balance	2,800	2,800
Provision's deductions		
Provision usage		
Provision's net deductions		
Closing balance	2,800	2,800
Revaluated provision	2023	2022
Opening balance	-	-
Increase	-	-
Decrease		
Closing balance	-	-

Note 24. "Retained profit"

(AMD Thousand)

	2023	2022
Opening balance	(5,648)	43,847
Increase	15,957	(39,695)
Decrease		(9,800)
Closing balance	10,309	(5,648)

Note 25. "Transactions with related parties"

Parties are considered related if one of them can control the other or have significant influence over the other in making financial and operational decisions.

Related parties of the Company are its participants, members of management staff, as well as persons connected with them.

In terms of the submitted statements, the following are considered related parties of the Company:

- ✓ Company managers,
- ✓ Persons with significant participation in the Company's equity,
- ✓ Individuals and legal entities related to the persons mentioned in the first and second points.

The Company is not a member of any group.

During the reporting period, the Company did not carry out such transactions with related parties, the terms and interest rates of which were considered more favourable than the current market conditions.

Company has not conducted transactions with related parties.

Transactions with management staff

As of December 31, 2023, the total remuneration of the management staff included in the article "Salaries to key employees" was AMD 1,290 Thousand.

Note 26. "Minimum financial risk disclosures"

The Company emphasizes the process of risk management, which aims to reduce financial losses and ensure the reliability of the operations carried out.

The Company's activity is related to the following financial risks.

- ✓ credit (debt) risk,
- ✓ market risk,
- ✓ price risk,
- ✓ interest rate risk.

26.1 Credit risk

Credit (debt) risk is the risk that the partner will not fulfil his assumed liabilities (including issued securities) on time and completely, which is estimated by the total amount of debt and interest payments.

The Company's assets, off-balance sheet contingent liabilities and off-balance sheet unfinished operations are included in the calculation of credit risk.

26.2 Market Risk: Analysis of market risk

Market risk is the Company's risk of incurring losses due to changes in market prices associated with interest rate sensitive assets and liabilities and equity instruments.

Market risk includes currency, interest rate and price risks.

Foreign currency risk management is carried out from the point of view of obtaining benefits (not incurring losses) due to changes in foreign currency exchange rates.

The foreign currency risk management process includes the stages of foreign currency market research, foreign currency risk forecasting, evaluation-determination of possible risk value and consequences, prevention and reduction of losses related to foreign currency risk.

The evaluations of the currency market analysis in the Company are made based on the information obtained by various information systems, the analytical information of international websites, applying two methods of analysis: fundamental and technical.

Fundamental analysis implies market analysis based on the dynamics of various indicators characterizing the economy, as well as political events and changes in the legal field. For the implementation of forecasts the economic conditions of the country affecting to the exchange rate in the long term are the basis.

Technical analysis involves the prediction of future price changes based on past price dynamics. The tendencies or trends of exchange rate fluctuations are studied, the manifestations of exchange rate fluctuations are analysed.

26.3 Currency risk

Currency risk is the risk of an unfavourable change in the exchange rate, which includes the risks of exchange rates, changes in their volatility, and changes in the ratio between different exchange rates.

Assets or liabilities contain currency risk when their value, when the amounts to be received or paid in respect of them in terms of AMD can be changed to foreign currency over time due to the change of the exchange rate against the AMD.

Currency risk management is carried out from the point of view of receiving benefits (not incurring losses) caused by changes in foreign exchange rates.

The process of currency risk management includes the stages of studying of the currency market, forecasting of currency risk, assessment of the possible value and consequences of risk, prevention and reduction of losses related to currency risk.

The evaluations of the currency market analysis are made on the basis of the information obtained by various information systems, the analytical information of the international internet sites, applying two methods of analysis: fundamental and technical.

Fundamental analysis implies market analysis based on the dynamics of various indicators characterizing the economy, as well as political events and changes in the legal field. For the implementation of forecasts the economic conditions of the country affecting to the exchange rate in the long term are the basis.

Technical analysis involves the prediction of future price changes based on past price dynamics. The tendencies or trends of exchange rate fluctuations are studied, the manifestations of exchange rate fluctuations are analysed.

2023 (AMD Thousand)

Article	AMD	Foreign currency of group I*	Foreign currency of group II**	Total
Assets				
Cash and cash balances in the RA Banks				-
Demands to banks and other financial institutions				-
Financial assets measured at fair value through profit or loss	1,781			1,781
Financial assets measured at fair value through other comprehensive financial result	-			-
Financial assets measured at amortized cost	-			-
Other	-			-
Total assets	20,932			20,932
Liabilities	93,576	-	-	93,576
Liabilities to banks and other financial institutions				
Total Liabilities	1,295			1,295
Net Position	1,295	-	-	1,295

2022

Article	AMD	Foreign currency of group I*	Foreign currency of group II**	Total
Assets				
Cash and cash balances in the RA Banks				-
Demands to banks and other financial institutions	986			986
Financial assets measured at fair value through profit or loss	71,210			71,210
Financial assets measured at fair value through other comprehensive financial result	-			-
Financial assets measured at amortized cost	-			-
Other	3,973			3,973
Total assets	76,169	-	-	76,169
Liabilities				
Liabilities to banks and other financial institutions				-
Other Liabilities	704			704
Total Liabilities	704	-	-	704
Net Position	75,465	-	-	75,465

26.4. Interest Rate Risk

The interest rate changes directly affect to the Company's interest rate risk, cash flow related to assets and liabilities and their fair value. Therefore, the analysis of the maturity of the revision of the interest rates of assets and liabilities permits financial statement users to analyse an Company's interest rate risk and therefore the expected benefits or losses.

Interest rate risk is the risk of adverse changes in the loan capital market, which includes the risks of changes in interest rates, changes in the shape of the yield curve, changes in the volatility of interest rates, changes in the ratio between different interest rates.

Interest rate risk is calculated as the sum of specific interest rate risk and general risk, which is calculated by the following formula:

$IR = SIR + GIR$, where:

- IR - is the interest rate risk,
- SIR - is the specific interest rate risk
- GIR - is the general interest rate risk.

Specific and general interest rate risks are calculated on debt securities held for trading and available for sale. Moreover, debt securities are included in the calculation of positions at the current market value.

The debt securities position is the difference between the amounts of Company's debt securities (including debt securities underlying off-balance sheet derivatives) and debt securities held as liabilities (including debt securities underlying off-balance sheet derivatives). Debt securities positions are defined.

- a. long if the difference is greater than zero,
- b. short if the difference is less than zero,
- c. closed if the difference is zero.

The gross position of debt securities is calculated as the sum of the absolute values of the long and short positions of debt securities.

In order to calculate the specific interest rate risk, a calculation of debt securities positions is carried out for each group of debt securities.

After the calculation of positions, the gross position of debt securities is calculated, which is the magnitude of the specific interest rate risk.

In the calculation of the gross position, debt securities are classified into the following classes in order to include them with differentiated weights.

The classes of debt securities are:

- State debt securities - debt securities of states/governments, central banks and local government bodies.
- Reliable debt securities. Reliable debt securities include debt securities issued by international financial institutions, banks operating in the territory of the Republic of Armenia, debt securities of credit organizations and branches of foreign banks operating in the territory of the Republic of Armenia, debt securities issued by a foreign bank with a rating of /BBB-/Baa3/ and higher, debt securities with a rating of /A-/A3/ and higher issued by a foreign non-bank organization, as well as debt securities of non-bank organizations rated "B-" and higher by the Central Bank.
- other debt securities, which are not included in the series of state debt and reliable debt securities.

2023 (AMD Thousand)

Article	Until 1 month		From 1 and 3 months		From 3 months to 1 year		From 1 to 5 years		More than 5 years	
	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency
Allocated funds										
Demands to banks and other financial institutions, including:										
- loans										
- deposits										
- repo agreements										
- other	1,781									
Demands to customers, including:										
- loans										
- repo agreements	-									
- other										
Financial assets measured at fair value through profit or loss and other comprehensive income, including:										
- long-term debt instruments, including:										
A/ long-term debt instruments									70,862	
- short-term debt instruments										
- Equity instruments										
- other	20,932									
Measured at amortized cost financial Assets										
Other allocated funds										
Total	22,713	-	-	-	-	-	-	-	70,862	-
Liabilities to banks and other financial institutions, including:										
- loans										
- repo agreements	-									
- other	-									
Other funds involved	1,295									
Total	1,295	-	-	-	-	-	-	-	-	-
Net Position	21,418	-	-	-	-	-	-	-	70,862	-

2022

Article	Until 1 month		From 1 to 3 months		From 3 months to 1 year		From 1 to 5 years		More than 5 years	
	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency	AMD	Foreign currency
Allocated funds										
Demands to banks and other financial institutions, including:										
- loans										
- deposits										
- repo agreements										
- other	986									
Demands to customers, including:										
- loans										
- repo agreements										
- other										
Financial assets measured at fair value through profit or loss and other comprehensive income, including:										
- long-term debt instruments, including:										
A/ long-term debt instruments									71,210	
- short-term debt instruments										
- Equity instruments										
- other	3,973									
Measured at amortized cost financial assets										
Other allocated funds										
Total	4,959	-	-	-	-	-	-	-	71,210	-
Liabilities to banks and other financial institutions, including:										
- loans										
- repo agreements	-									
- other	-									
Other funds involved	704									
Total	704	-	-	-	-	-	-	-	-	-
Net Position	4,255	-	-	-	-	-	-	-	71,210	-

26.5 Price Risk

Changes in market prices greatly affect to the value of financial instruments moreover, these changes may be due to the specific factors of individual securities or their issuers, as well as to general factors affecting all securities circulating in the market.

Price risk is the risk of unfavourable changes in the stock market which includes the risks of changes in security prices, volatility of security prices, changes in price correlations between different securities and indices.

Price risk is calculated in relation to equity instruments (equity securities) held for trading purposes and available for sale.

The position of equity instruments is the difference between the amounts of equity instruments as assets (including equity instruments underlying off-balance sheet derivatives) and equity instruments as liabilities (including equity instruments underlying off-balance sheet derivatives). Equity instrument positions are defined as:

- a. long if the difference is greater than zero,
- b. short if the difference is less than zero,
- c. closed if the difference is zero.

Equity instruments' gross position is calculated as the sum of absolute values of various positions (long and short) of equity instruments.

Equity instruments' gross net position is calculated as the difference between the sum of the long positions and the sum of the short positions of the equity instruments.

Equity instruments are included in the position calculation at the current market value.

26.6. Liquidity risk

Liquidity risk is the risk of a partial or complete loss of the Company's ability to properly fulfil its liabilities.

Liquidity risks appear as a result of insufficient liquidity or acquired at a higher than market value, which is then reflected in the Company's income and expenses. It arises when the Company is unable to control the reduction of liabilities and ensure the growth of assets. Liquidity risk is the risk that the liquid assets of the Company will not be enough to fulfil the liabilities of the Company. Liquidity risk management in the current period is related to solving the problem of effective management of assets and liabilities to get the maximum profit while maintaining the necessary level of liquidity.

Liquidity risk management anticipates:

- ✓ cash flow analysis,
- ✓ classification of assets and liabilities according to contractual terms,
- ✓ market monitoring.

Asset management is the main method of liquidity management in the Company.

The primary sources of liquidity are the Company's petty cash and cash available in settlement accounts. Secondary sources of liquidity are highly liquid income assets that can be converted into cash in a short period of time and with minimal risk of losses. They are formed from the state treasury securities of the RA.

The method of selling liquid assets is also used for liquidity management. In case of a low level of liquidity, the Company sells assets and liabilities in order to obtain funds, (management method) which implies involvement of external borrowings in the financial market, loans, and borrowed funds through repo-agreements and the establishment of the necessary ratio between assets and liabilities.

In order to manage and control the liquidity risk, the Company regularly performs current and term liquidity monitoring in order to achieve the best liquidity situation in case of external environment changes.

2023 (AMD Thousand)

ASSETS	Remains to be paid					Indefinitely	Total
	Until 1 month	1-3 months	3-6 months	6-12 months	More than 1 year		
Cash and cash equivalents, balances in the Central Bank of the Republic of Armenia							-
Demands to banks and other financial institutions	1,781						1,781
Demands to customers	-						-
Securities, including:							
Measured through profit or loss at fair value					70,862		70,862
Measured at fair value through other comprehensive financial results					-		-
Measured at amortized cost					-		-
- repo							-
Other demands	-						-
Off-balance sheet contingent assets	20,932						20,932
Contractual demands**							-
Total	22,713	-	-	-	70,862	-	93,576

LIABILITIES	Remains to be paid					Indefinitely	Total
	Until 1 month	1-3 months	3-6 months	6-12 months	More than 1 year		
Liabilities to banks and other financial institutions	-						-
Liabilities to customers	-						-
Liabilities on securities issued by the Company							-
Other Liabilities	1,295						1,295
Off-balance sheet contingent liabilities							-
Contractual liabilities***							-
Total	1,295	-	-	-	-	-	1,295

2022

ASSETS	Remains to be paid					Indefinitely	Total
	Until 1 month	1-3 months	3-6 months	6-12 months	More than 1 year		
Cash and cash equivalents, balances in the Central Bank of the Republic of Armenia							-
Demands to banks and other financial institutions	986						986
Demands to customers	-						-
Securities, including:							
Measured through profit or loss at fair value					71,210		71,210
Measured at fair value through other comprehensive financial results					-		-
Measured at amortized cost					-		-
- repo							-
Other demands	3,973						3,973
Off-balance sheet contingent assets	-						-
Contractual demands**							-
Total	4,959	-	-	-	71,210	-	76,169

LIABILITIES	Remains to be paid					Indefinitely	Total
	Until 1 month	1-3 months	3-6 months	6-12 months	More than 1 year		
Liabilities to banks and other financial institutions	-						-
Liabilities to customers	-						-
Liabilities on securities issued by the Company							-
Other Liabilities	704						704
Off-balance sheet contingent liabilities							-
Contractual liabilities***							-
Total	704	-	-	-	-	-	704

Note 27. "Fair value of financial assets and liabilities"

According to the Company's assessment, the fair values of its financial assets and liabilities do not differ significantly from their carrying amount.

The fair value of financial instruments is based on their market quotation at the reporting date, without deducting transaction expenses. If a market quote is not available, the fair value of the instrument is measured using pricing models or discounted cash flow techniques.

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

Financial assets are classified by the Company into the following categories: financial assets measured at fair value through profit or loss, financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive financial result.

Fixed-maturity securities are classified as financial assets measured at amortized cost when the Company is definitely intended and abled to hold these investments until their maturity.

Financial assets measured at fair value through other comprehensive financial result are investments made in debt and equity instruments that the Company intends to hold for an indefinite period and that can be sold to meet liquidity needs, as well as in case of changes in interest rates, exchange rates or prices. Financial assets measured at fair value through other comprehensive financial results are recorded at fair value after initial recognition.

The fair value of a financial asset operating in active financial markets is the quoted price of that asset on the reporting date at the time of stock market closing. If a quoted market price is not available, the fair value of the instrument is accounted for at cost.

Note 28. "Hedging of forecasted future transactions"

Company does not have any financial instrument in the reporting period that is accounted for as a hedge related to the forecasted future transactions.

Note 29. "DE cognition"

A financial asset is derecognised when the right to the asset ceases to exist. A derecognized financial asset is not recorded in the Company's balance sheet.

A financial liability is derecognised when it is settled, cancelled or becomes due. A derecognized financial liability is not recorded in the Company's balance sheet.

Note 30. "Pledged assets"

As of December 31, 2023, there are no pledged assets.

Note 31. "Accepted Collateral"

As of December 31, 2023, "PRIME CAPITAL" CO.LTD has no accepted collateral.

Note 32. "Non-performance/violation of liabilities"

As of December 31, 2023, "PRIME CAPITAL" CO.LTD does not have such liabilities recorded in its balance sheet, in respect of which the contractual liabilities have been violated by the Company. No contractual liabilities were violated by the Company during the reporting period.

"PRIME CAPITAL" CO.LTD

Executive Director:



Asya Khalatyan

Authorized representative of «AN Audit» CJSC:



Artur Harutyunyan