

FINANCIAL ANALYSIS OF ARMENIAN BANKING SECTOR 1Q 2025

CONTENTS

- Executive summary	3
- Net profit analysis	4
- Total assets	5
- Loan portfolio	7
- Total liabilities	9
- Current accounts, deposits and bonds	10
- Total equity	12

Executive summary

The purpose of this article is to analyze major financial indicators of Armenian banking sector for 1Q 2025.

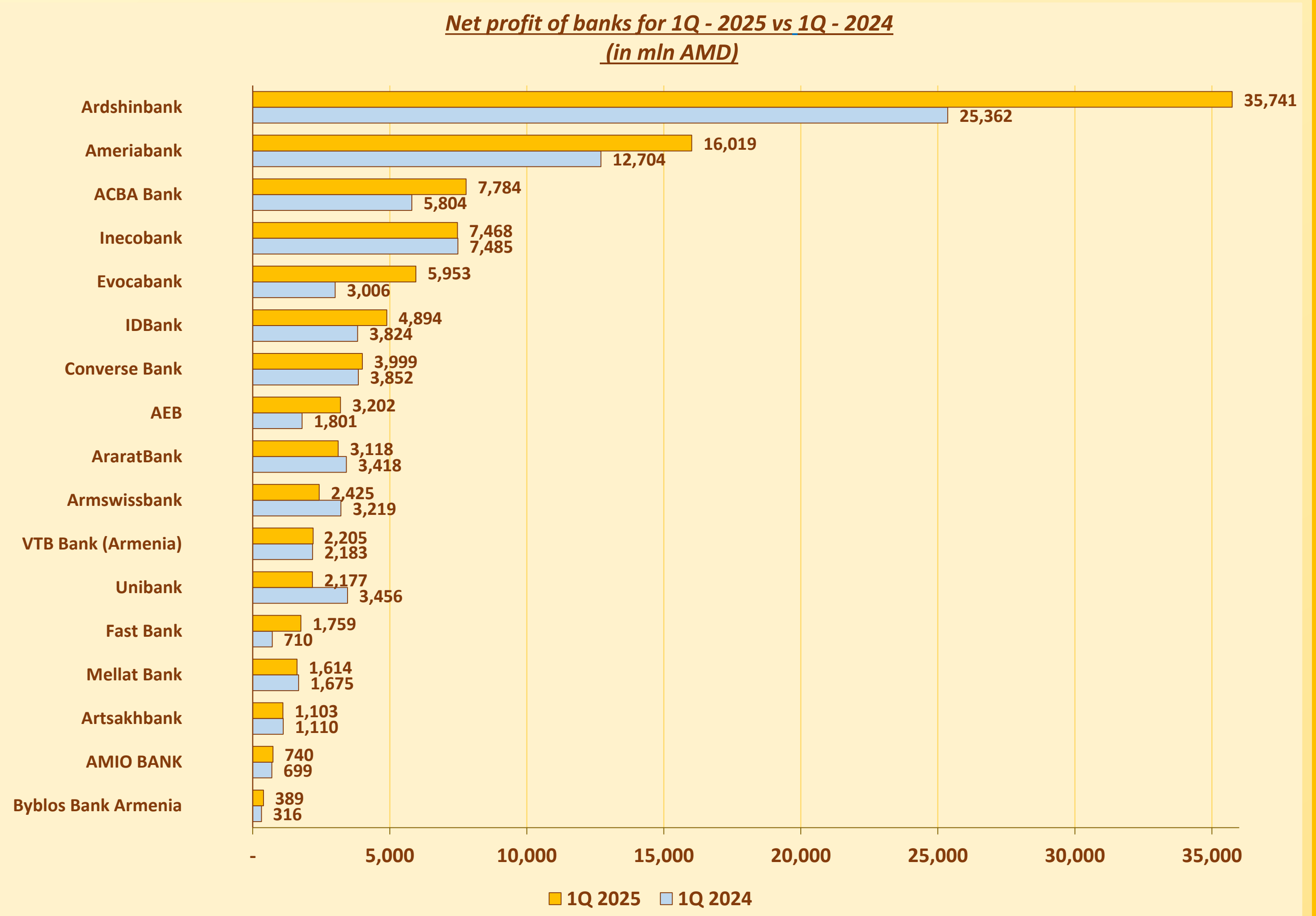
Following major components are analyzed

- ***Net Profit, Total assets, total liabilities and equity,***
- ***Total loan portfolio,***
- ***Financial resources attracted from clients (corporate and retail), including issued bonds.***

Published financial statements of Armenian banks were used for the preparation of this article.

Net profit analysis

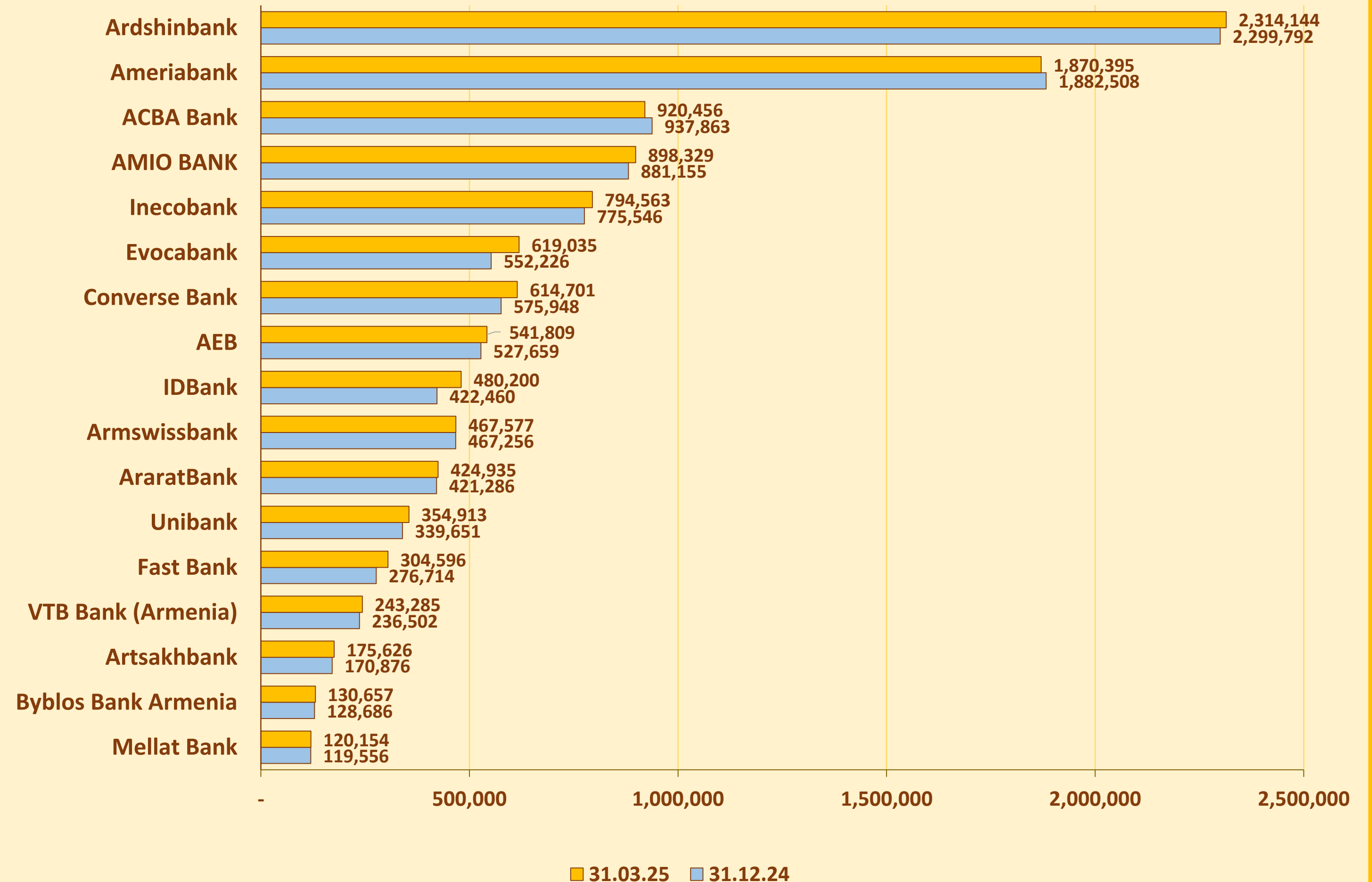
- Total net profit of all Armenian banks for 1Q-2025 was equal to **100,6 bln AMD**, which is by **17,5 bln AMD**, or by **21%** more than was recorded during 1Q-2024.
- The largest profit was recorded by Ardshinbank, amounting to **35,7 bln AMD**. In 2024, Ardshinbank acquired 100% of the shares of HSBC Armenia Bank. The bank was renamed to Ardshininvestbank. Thus, the consolidated financial statements of Ardshinbank were used in this analysis.



Total assets

- During for 1Q-2025, total assets of banking sector are increased by **260 bln AMD** or by **2,4%**.
- As of 31.03.2025, total assets are amounting to **11,275 bln AMD**.

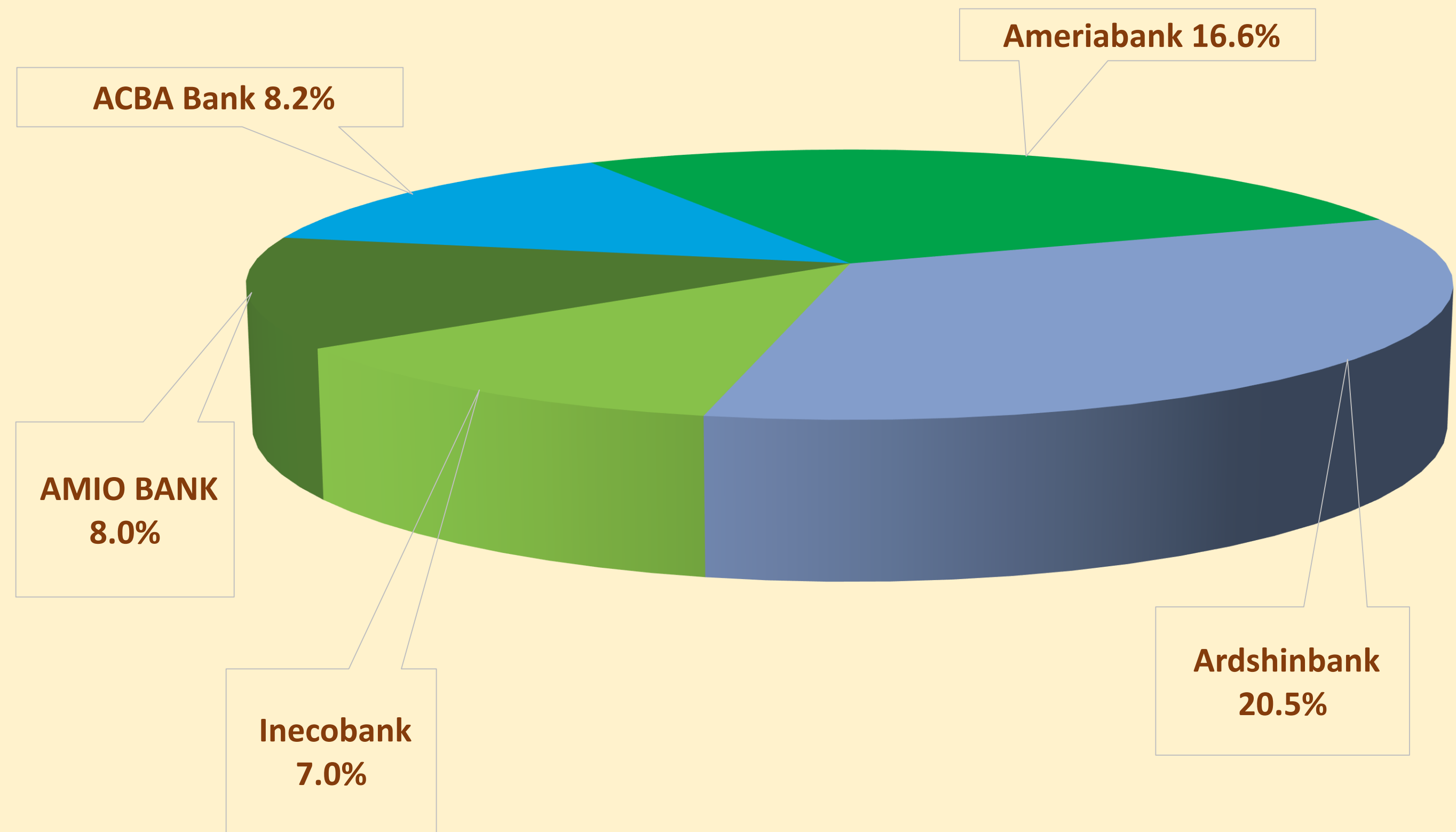
Total assets by banks - 31.03.25 vs 31.12.24 (in mln AMD)



Total assets

- Market share of largest 5 banks (Ardshinbank, Ameriabank, ACBA Bank, AMIO Bank, and Inecobank) by total assets, is **60,3%**.
- Market share of largest 3 banks (Ardshinbank, Ameriabank, ACBA Bank) by total assets, is **45.3%**.
- Ardshinbank has the largest market share – **20,5%**.

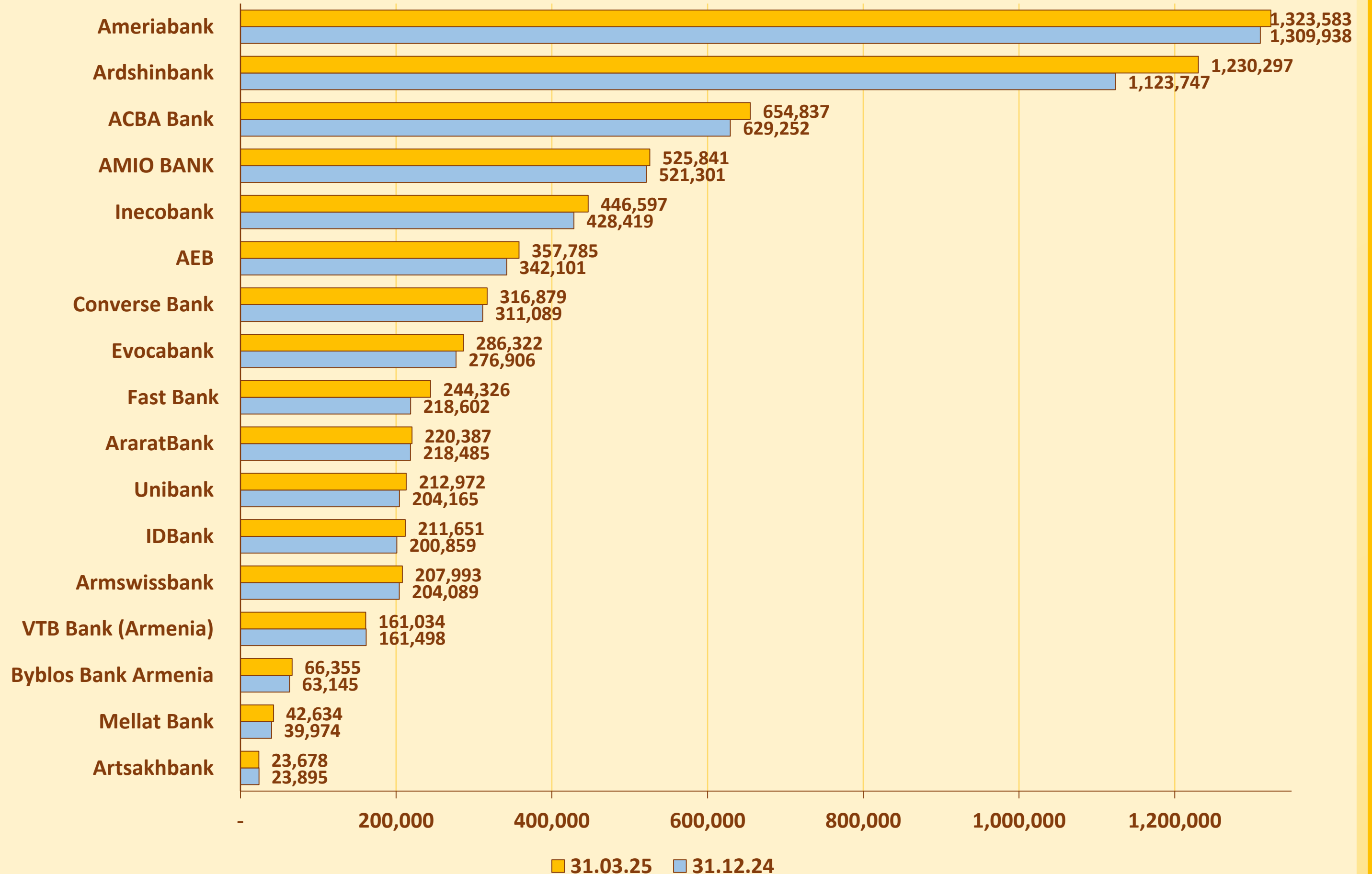
Concentration of total assets by banks as of 31.03.25 (in %)



Total loan portfolio

- Total loan portfolio of banking sector during 1Q-2025 is increased by **4,1%**.
- As of 31.03.2025, total loan portfolio is amounting to **6.533 bln AMD** and its share in total assets is **58%**.
- Mentioned total loan portfolio includes retail and corporate loan portfolios.

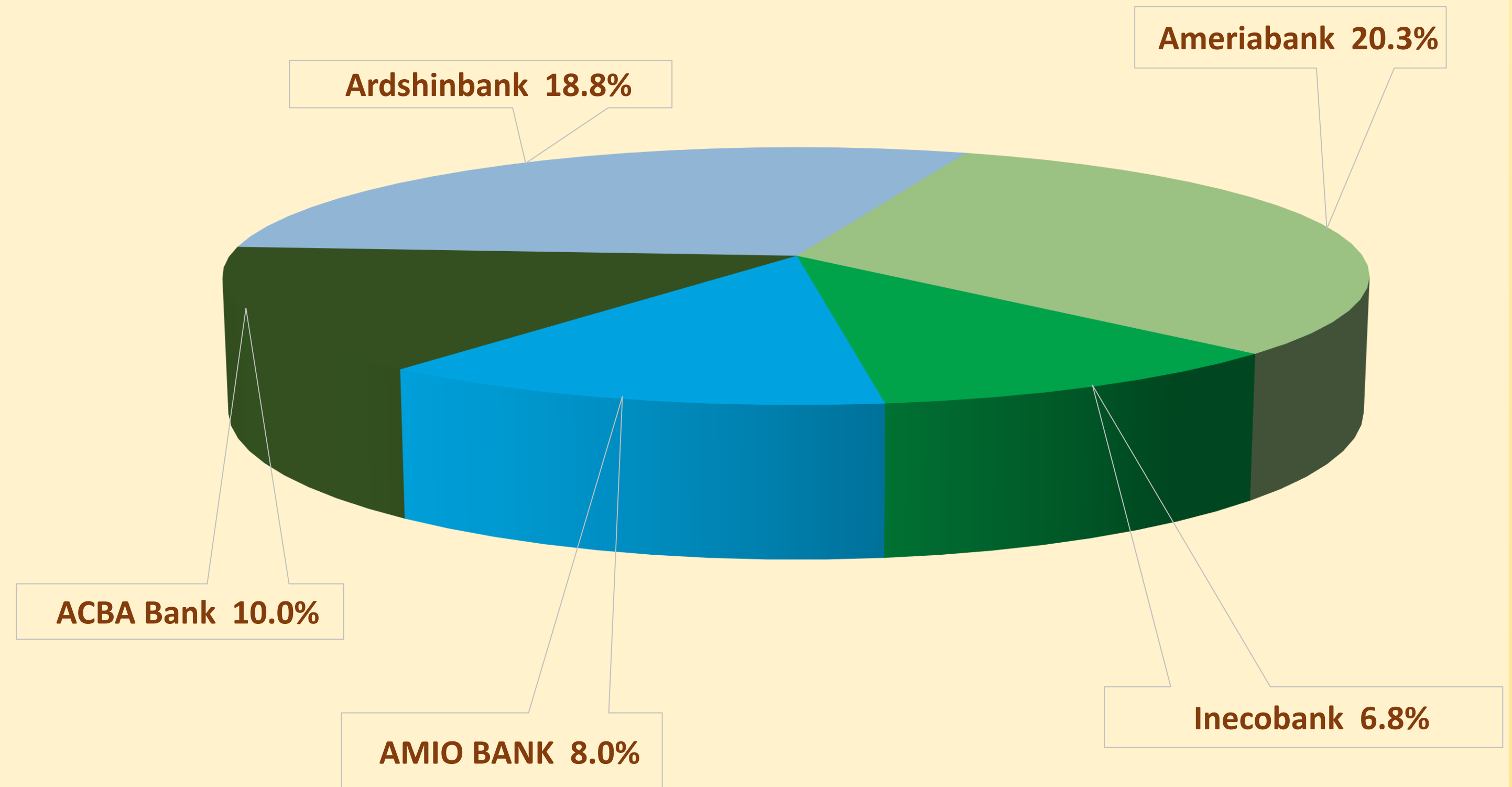
Loan portfolio dynamics for 1Q-2025 (in mln AMD)



Total loan portfolio

- Market share of largest 5 banks (Ameriabank, Ardshinbank, ACBA Bank, AMIO Bank and Inecobank) by total loan portfolio, is **64%**.
- Market share of largest 3 banks (Ameriabank, Ardshinbank and ACBA Bank) by total loan portfolio is **49,1%**.
- By loan portfolio, Ameriabank has the largest market share – **20,3%**.

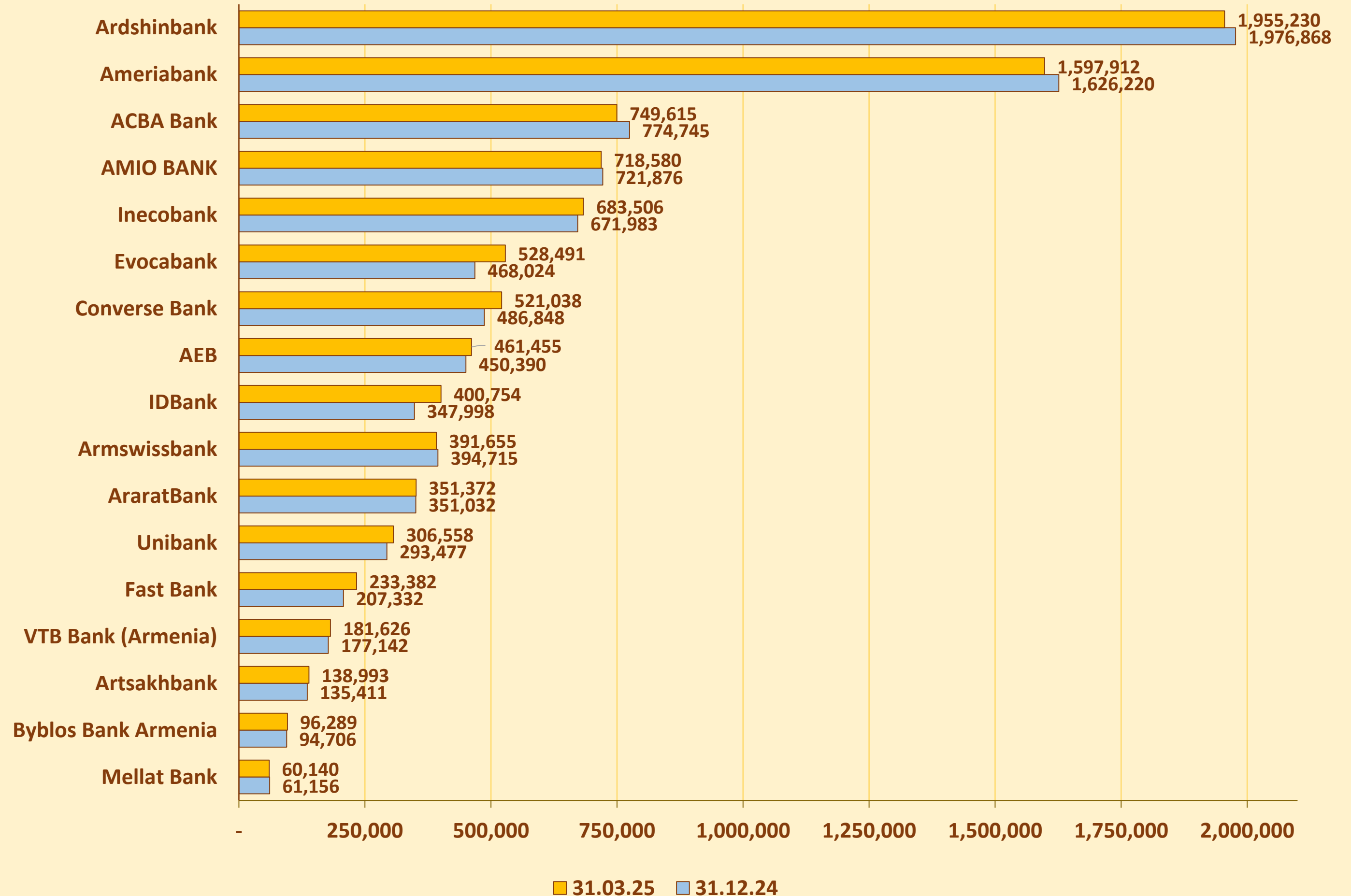
Concentration of total loan portfolio as of 31.03.25 (in %)



Total liabilities

- During 1Q-2025, total liabilities of banking sector are increased by **137 bln AMD** or by **1,5%**.
- As of 31.03.2025, total liabilities are amounting to **9.377 bln AMD**.

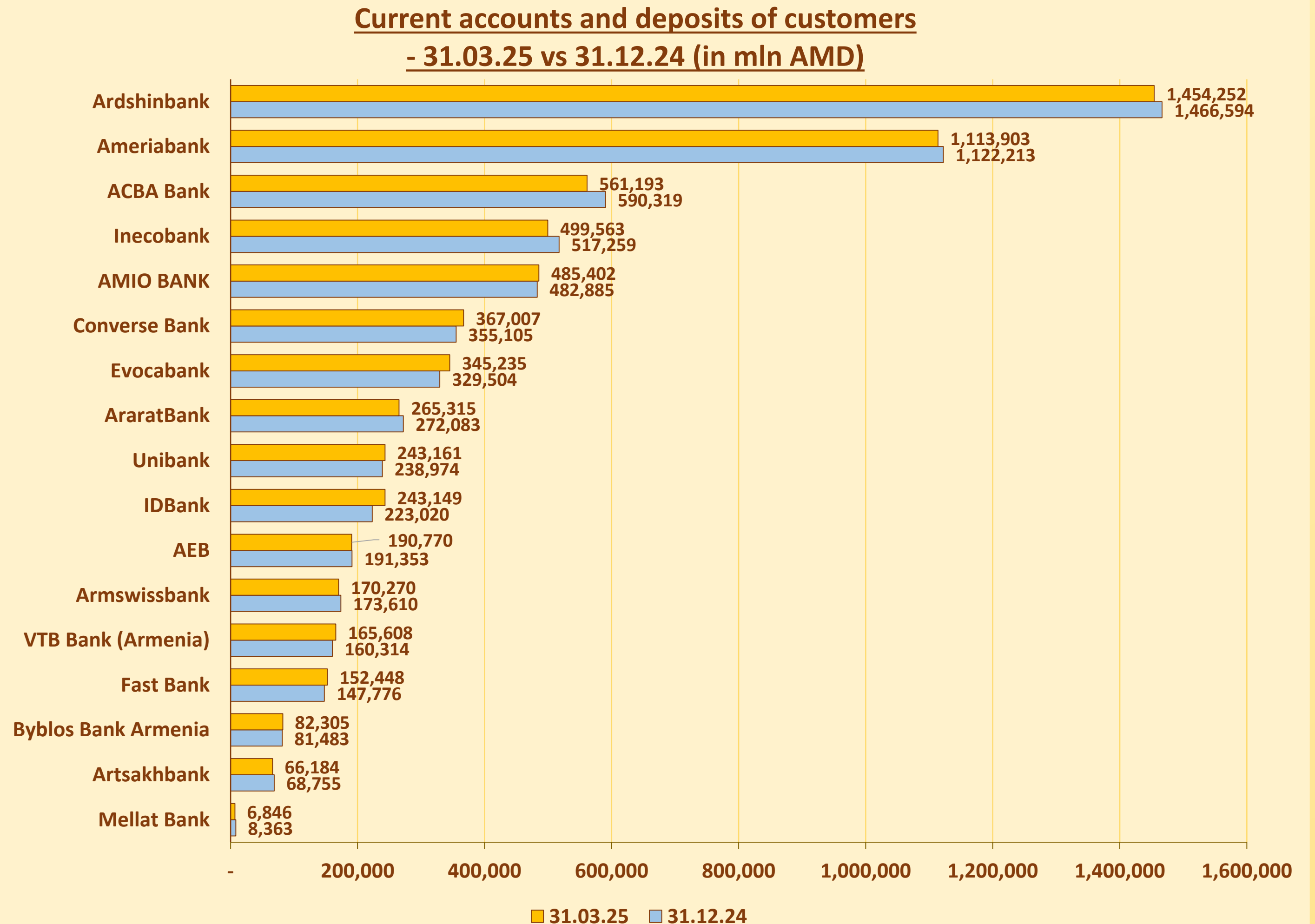
Total liabilities by banks - 31.03.25 vs 31.12.24 (in mln AMD)



Current accounts and deposits from customers

- During 1Q-2025, total balance of current accounts and deposits of retail and corporate clients of banking sector is decreased by **17 bln AMD** or by **0,3%**.

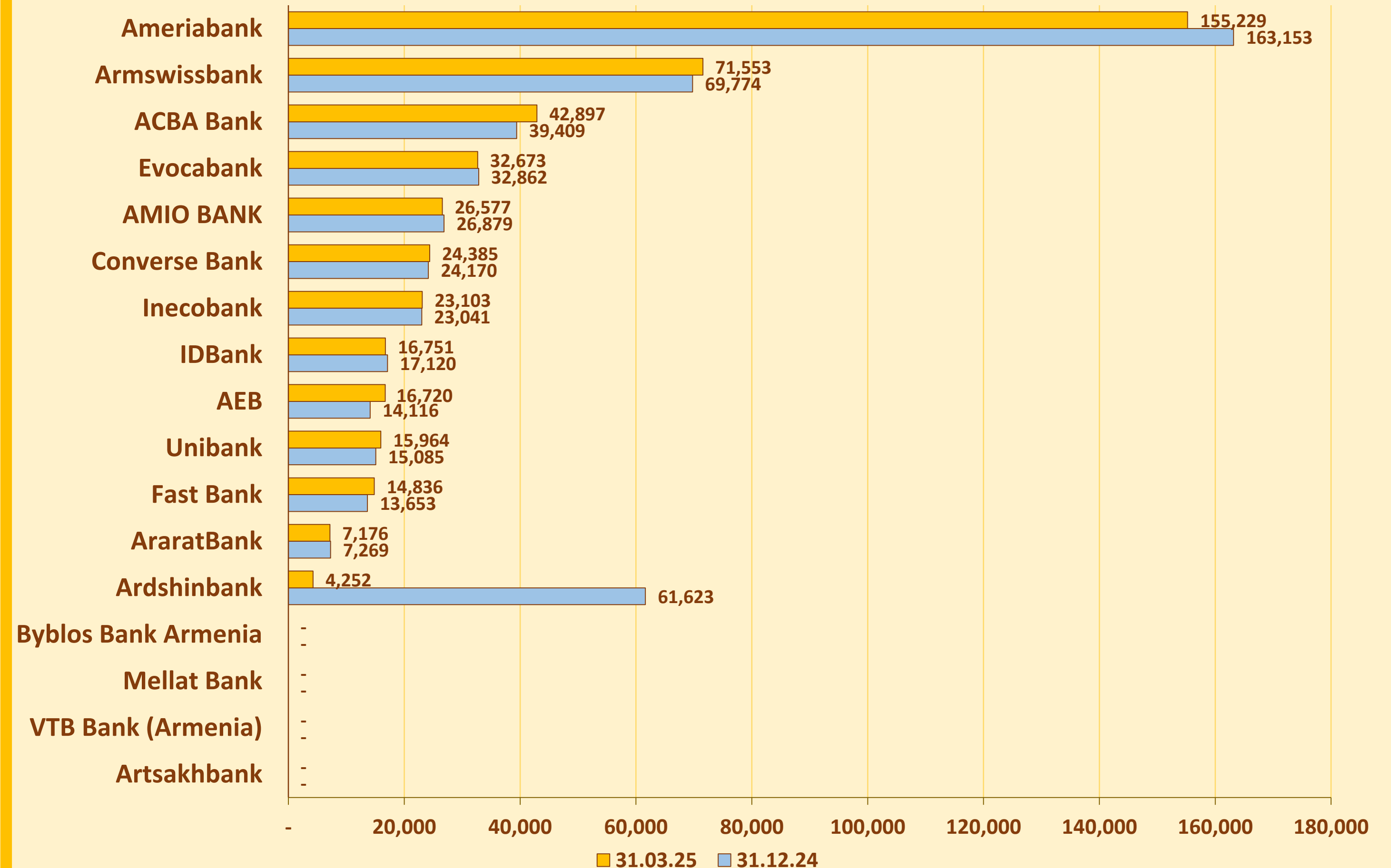
- As of 31.03.2025, total balance of current accounts and deposits of retail and corporate clients is amounting to **6.413 bln AMD** and its share in total liabilities is **68%**.



Bonds

- During 1Q-2025, total balance of bonds issued by Armenian banks is decreased by **56 bln AMD**, or **11%** and is amounting to **452 bln AMD**.
- Currently **13** from total **18** banks, have issued bonds. Majority of bonds are listed on Armenian Stock Exchange.

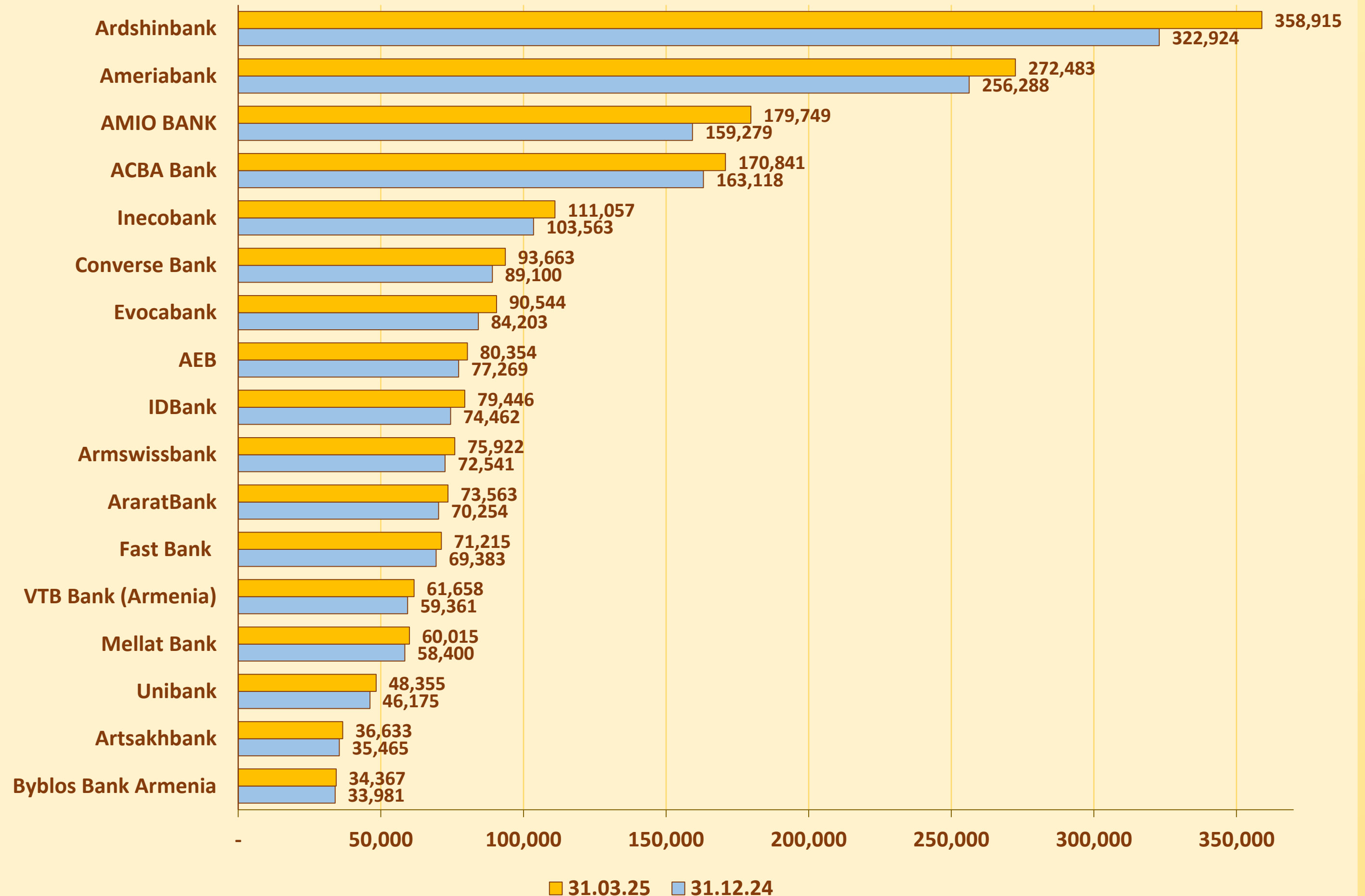
Balances of bonds issued by banks - 31.03.25 vs 31.12.24 (in mln AMD)



Total Equity

- During 1Q-2025, Total Equity of Armenian banking sector is increased by **123 bln AMD**, or by **6,9%** and is amounting to **1.899 bln AMD**.
- This increase is mainly due to generated profit in 1Q-2025, amounting to 100,6 bln AMD and increase of share capital of AMIO Bank, amounting to 20 bln AMD.

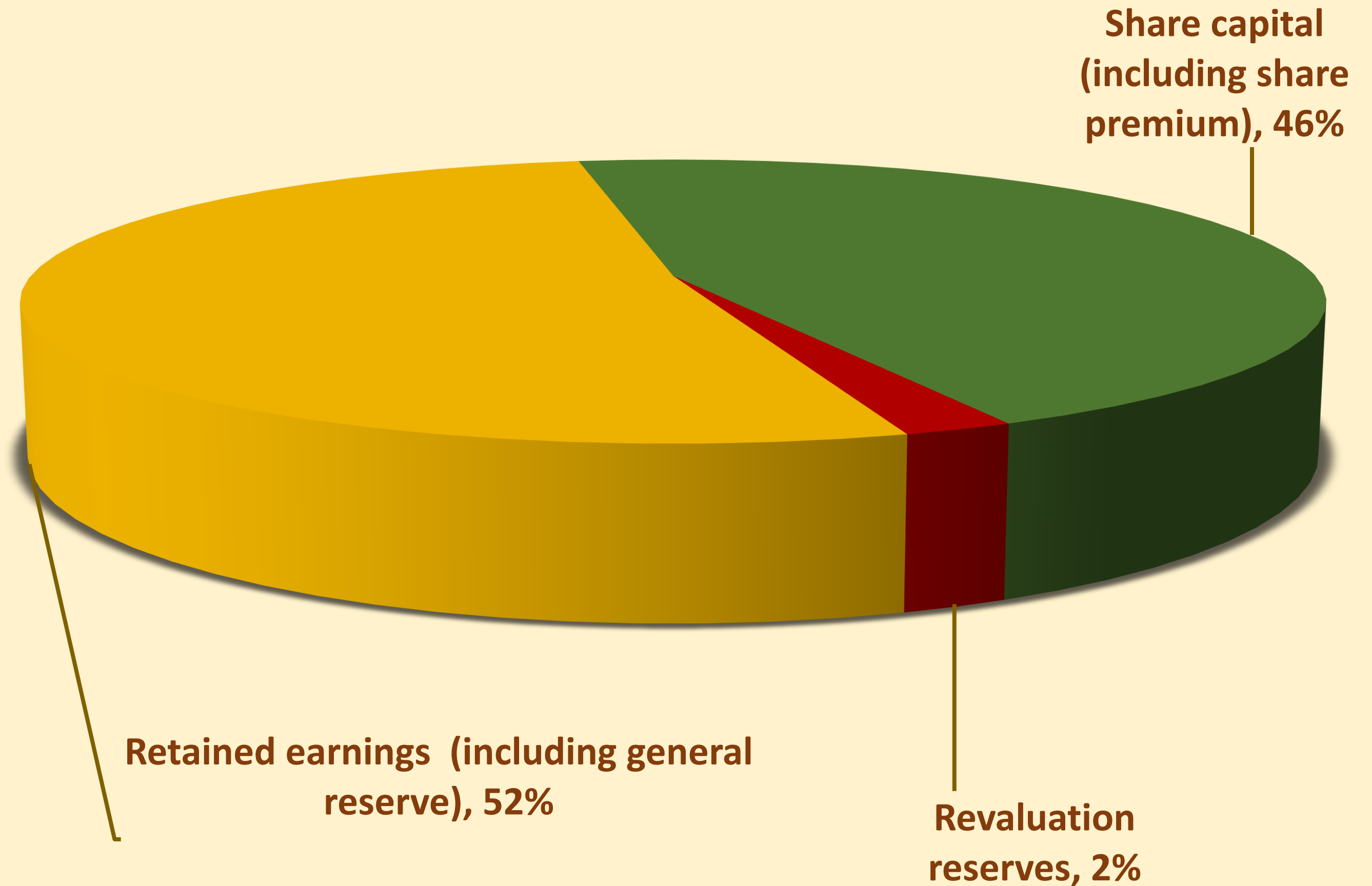
Total equity by banks - 31.03.25 vs 31.12.24 (in mln AMD)



Total Equity

- The major component of total equity of Armenian banking sector is **Share Capital (including share premium)**, with the share of **46%** and is amounting to **865 bln AMD** as of 31.03.2025.
- Second largest component - **Retained Earnings (including general reserve)** with the share of **52%** and is amounting to **989 bln AMD** as of 31.03.2025.
- **Revaluation Reserves (mainly PPE and Financial Assets revaluation reserves)** have share of **2%** and are amounting to **44 bln AMD** as of 31.03.2025.

Components of Total Equity as of 31.03.25



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