

capital
asset
management

CAM Government Securities Fund
Financial Statements
and Independent Auditor's Report
For the year ended December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of CAM Government Securities Fund

Opinion

We have audited the financial statements of CAM Government Securities Fund (the "Fund"), which comprise the statement of financial position as of December 31, 2025, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to unitholders 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 present fairly, in all material respects, the financial position of the Fund as of December 31, 2025, and its financial performance and its cash flows 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 Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements that are relevant to our audit of the financial statements in the Republic of Armenia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

We would like to draw attention to the fact that the audit of the Fund's financial statements as of and for the year ended December 31, 2024, was conducted by another audit firm, which expressed an unmodified opinion in its independent auditor's report dated April 25, 2025.

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 misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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


CAM Government Securities Fund
Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2025

Thousands of AMD	Notes	For the Year Ended December 31, 2025	For the Year Ended December 31, 2024
Interest income	6	73,294	67,657
Interest expense	7.1	(2,534)	(4,955)
Net gain on financial assets at fair value through profit or loss	8.1	38,236	26,772
Investment management fees	10.1	(8,295)	(6,830)
Custodian fees		(1,165)	(1,020)
Brokerage and other transaction fees		(51)	(165)
Loss from foreign currency trading operations		(21)	(29)
Loss from foreign currency translation		(1)	(5)
Profit before tax		99,463	81,425
Profit tax expense		(78)	(68)
Profit after tax		99,385	81,357
Other comprehensive income			
Other		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		99,385	81,357
Increase in net assets attributable to unitholders		99,385	81,357

The financial statements were approved on 26 March 2026.


Alik Arakelyan
Chief Executive Officer
of the Government securities fund Manager




Shushan Baghdasaryan
Authorized Representative of
"Nexia Armenia" CJSC

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes set out on pages 9 to 24, which form an integral part of these financial statements.

CAM Government Securities Fund
Statement of Financial Position
As at December 31, 2025

Thousands of AMD	Notes	As at December 31, 2025	As at December 31, 2024
ASSETS			
Cash and cash equivalents		1,220	30,233
Financial assets at fair value through profit or loss	8.2	822,020	793,370
TOTAL ASSETS		823,240	823,603
LIABILITIES			
Current profit tax liabilities		78	68
Payables under repurchase agreements	7.2	55,643	-
Other liabilities		365	1,000
TOTAL LIABILITIES		56,086	1,068
TOTAL NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	9	767,154	822,535
TOTAL NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND LIABILITIES		823,240	823,603

The Statement of Financial Position is to be read in conjunction with the accompanying notes set out on pages 9 to 24, which form an integral part of these financial statements.

CAM Government Securities Fund
Statement of Changes in Net Assets Attributable to Unitholders
For the year ended December 31, 2025

Thousands of AMD	Notes	Net assets attributable to unitholders
As of January 1, 2025		822,535
<i>Issuance and redemption of units</i>		
Issuance of units	9	900
Redemption of units	9	(155,666)
Net decrease from unit transactions		(154,766)
Increase in net assets attributable to unitholders during the year	9	99,385
As of December 31, 2025		767,154
		Net assets attributable to unitholders
As of January 1, 2024		587,622
<i>Issuance and redemption of units</i>		
Issuance of units	9	185,692
Redemption of units	9	(32,136)
Net increase from unit transactions		153,556
Increase in net assets attributable to unitholders during the year	9	81,357
As of December 31, 2024		822,535

The Statement of Changes in Net Assets Attributable to Unitholders is to be read in conjunction with the accompanying notes set out on pages 9 to 24, which form an integral part of these financial statements.

CAM Government Securities Fund
Statement of Cash Flows
For the year ended December 31, 2025

Thousands of AMD	Year ended December 31, 2025	Year ended December 31, 2024
<i>Cash flows from operating activities</i>		
Interest received	72,811	64,437
Interest paid	(2,446)	(4,955)
Payments for purchase of financial assets at fair value through profit or loss	-	(389,471)
Proceeds from sale of financial assets at fair value through profit or loss	10,070	196,470
Net cash flows from foreign currency trading operations	(22)	(29)
Operating expenses paid	(10,145)	(7,671)
Profit tax paid	(68)	(54)
Proceeds from repurchase agreements	271,374	348,290
Net payments for repurchase agreements	(215,820)	(348,290)
Net cash flows from operating activities	125,754	(141,273)
<i>Cash flows from financing activities</i>		
Proceeds from issuance of units	900	185,692
Payments for redemption of units	(155,666)	(32,128)
Net cash flows from financing activities	(154,766)	153,564
Net increase/decrease in cash and cash equivalents	(29,012)	12,291
Cash and cash equivalents at the beginning of the period	30,233	17,941
Effect of exchange rate changes on cash and cash equivalents	(1)	1
Cash and cash equivalents at the end of the period	1,220	30,233

The Statement of Cash Flows is to be read in conjunction with the accompanying notes set out on pages 9 to 24, which form an integral part of these financial statements.

CAM Government Securities Fund
Notes to the Financial Statements
For the year ended December 31, 2025

1. Nature of Operations and General Information

CAM Government Securities Fund (the “Fund”) is an open-ended contractual investment fund. As an investment fund, it has short to long-term growth objectives. The Fund was established on April 30, 2013, in the Republic of Armenia (RA) for an indefinite period as an open-ended investment fund, in accordance with the legislation of the Republic of Armenia and Resolution No. 123-A of the Central Bank of Armenia (the “CBA”).

The Fund’s investment activities are managed by “Capital Asset Management” CJSC (the “Manager”), registration number 1. The Manager’s registered office is located at 1st Floor, Office 101, 7 Argishti Street, Yerevan, Republic of Armenia. The sole shareholder of the Manager is Tigran Karapetyan.

The primary objective of the Fund is to ensure current income and stable growth of capital by investing in government bonds and Central Bank Securities, as well as in securities guaranteed or backed by foreign governments, central banks, or other state organizations with a rating of “BBB” or higher by Standard & Poor’s, “Baa3” or higher by Moody’s, or “BBB” or higher by Fitch; provided that transactions are conducted with regulated counterparties and the instruments provide sufficient liquidity and the ability to determine fair value.

The units of the Fund are redeemable at the discretion of the unitholders. The units cannot be traded on a regulated securities market.

2. Business environment in Armenia

The business environment in the Republic of Armenia continues to be shaped by external and regional developments. The regional security situation and geopolitical factors may maintain a degree of uncertainty and exert influence on economic activity, market stability, and business relations. At the same time, negotiation processes are being carried out in the region aimed at reducing tensions and ensuring long-term stability; however, uncertainty remains regarding their outcomes and timeframes.

The Fund's management monitors developments and assesses that, as of the reporting date, it is not possible to reliably quantify the full impact of the aforementioned circumstances on the Fund's operations, financial position, and cash flows, due to the ongoing nature of events and the diversity of factors. Future developments in the economic and political environment and their impact on the Fund may differ from management's current expectations. These financial statements do not include any adjustments for potential future effects resulting from the aforementioned circumstances, except where required by applicable accounting standards.

3. Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

The principal accounting policies adopted for the preparation of these financial statements are set out in Note 11. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements are presented in Armenian Drams (AMD), which is also the Fund's functional currency. All financial information presented in AMD has been rounded to the nearest thousand, unless otherwise stated.

The preparation of financial statements in accordance with IFRS requires management to make significant accounting estimates and judgments. The areas of their application and their impact are disclosed in Note 4.

Basis of measurement

The financial statements have been prepared on the historical cost basis, except for financial instruments measured at fair value through profit or loss (FVTPL).

Changes in accounting policies

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been early adopted by the Fund.

IFRS 7 "Financial Instruments: Disclosures" - Disclosures

The amendment made to IFRS 7 requires the disclosure of other comprehensive income related to fair value remeasurements of equity instruments measured at fair value through other comprehensive income, separating the portion related to assets recognized in the current period. It is also required to separately disclose the contractual terms of financial assets and liabilities measured at amortized cost, as well as financial assets measured at fair value through other comprehensive income, which may cause changes in the amounts and timing of contractual cash flows, and which represent contingent events not directly related to changes in the risk and value of the underlying debt agreement.

This amendment to IFRS 7 will be effective for annual periods beginning on or after January 1, 2026, or for periods starting from that date..

IFRS 9 "Financial Instruments". Contracts referencing Nature-dependent Electricity

Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.

This amendment to IFRS 9 is effective for annual periods beginning on or after 1 January 2026

IFRS 9 "Financial Instruments" - Measurement of Trade Receivables

The amendment made to IFRS 9 clarifies that trade receivables should be measured at the amount determined by applying IFRS 15 "Revenue from Contracts with Customers" at the point of recognition.

This amendment to IFRS 9 will be effective for annual periods beginning on or after January 1, 2026, or for periods starting from that date.

IFRS 9 "Financial Instruments" - Derecognition of Lease Liabilities

The amendment made to IFRS 9 clarifies that the requirement to recognize the difference between the carrying amount of a financial liability and the consideration paid in profit or loss at the time of derecognition should also apply to lease liabilities.

This amendment to IFRS 9 will be effective for annual periods beginning on or after January 1, 2026, or for periods starting from that date.

IFRS 9 "Financial Instruments" – Derecognition of Liabilities through Electronic Payment Systems

In cases where financial liabilities are settled via electronic payment systems, derecognition is permitted at the payment date, provided the payer cannot cancel, stop, or recall the payment.

This amendment to IFRS 9 will be effective for annual periods beginning on or after January 1, 2026, or for periods starting from that date.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 to replace IAS 1 Presentation of Financial Statements. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items. The IASB did not reconsider all aspects of IAS 1 when developing IFRS 18, but instead focused on the statement of profit or loss. The IASB retained some paragraphs from IAS 1 in IFRS 18 and moved some paragraphs from IAS 1 to IAS 8 Basis of Preparation of Financial Statements and IFRS 7 Financial Instruments: Disclosures. *IFRS 18 is effective for annual periods beginning on or after 1 January 2027.*

IFRS 19 "Subsidiaries without Public Accountability". Disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. These entities apply the requirements in other IFRS Accounting Standards except for their disclosure requirements. Instead, these entities apply the requirements in IFRS 19.

IFRS 19 is effective for annual periods beginning on or after 1 January 2027.

IAS 21 "The Effects of Changes in Foreign Exchange Rates" – Translation in Hyperinflationary Economies

If the presentation currency of the financial statements is the currency of a hyperinflationary economy, while the functional currency is not, then the financial statements—both the results and the financial position—must be translated at the closing rate of the most recent reporting period.

These amendments to IAS 21 are effective for annual reporting periods beginning on or after January 1, 2027.

4. Significant accounting judgments and estimates

The Fund makes certain estimates and assumptions concerning future periods. Estimates and judgments are continually evaluated based on historical experience and other factors, as well as reasonable expectations of future events. Nevertheless, actual experience may differ from these estimates and assumptions. Presented below are the estimates and assumptions that carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurement

The Fund uses observable market inputs for the fair value measurement of financial and non-financial assets and liabilities to the extent possible. The inputs used for fair value measurement are classified into different levels, depending on the extent to which the data used in the valuation technique are observable ("fair value hierarchy").

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3: Unobservable inputs (i.e., not based on market data).

The classification of assets and liabilities within the aforementioned levels is based on the lowest level input that is significant to the fair value measurement. Transfers between levels are recognized in the period in which they occur.

The Fund measures financial assets at fair value through profit or loss (see Note 8).

5. Financial instruments and risk management

As a result of its operations, the Fund may be exposed to the following risks related to financial instruments:

- Credit risk,
- Interest rate risk,
- Liquidity risk,
- Currency risk.

The Fund may be exposed to risks arising from its use of financial instruments. This note presents the Fund's objectives, policies, risk management processes, and the methods used to measure them. Quantitative information regarding the aforementioned risks is presented throughout these financial statements.

The Fund maintains various positions in derivative and non-derivative financial instruments in accordance with its investment management strategy. The Fund's investment portfolio consists entirely of government debt securities. The limitations of the Fund's investment portfolio are also regulated by Resolution No. 337-N of the Board of the Central Bank of Armenia, dated December 6, 2011.

There have been no significant changes compared to previous periods regarding the risks arising from financial instruments, or the Fund's objectives, policies, risk management processes, and the methods used for their measurement.

(a) Principal financial instruments

The Fund's principal financial instruments, which give rise to financial instrument risks, are presented below:

- Financial assets at fair value through profit or loss
- Receivables under reverse repurchase agreements
- Cash and cash equivalents
- Payables under repurchase agreements
- Other liabilities

(b) Financial instruments by category

	Measured at fair value		Measured at amortized cost	
	As of December 31, 2025	As of December 31, 2024	As of December 31, 2025	As of December 31, 2024
<i>Thousands of AMD</i>				
Cash and cash equivalents	-	-	1,220	30,233
Financial assets at fair value through profit or loss	822,020	793,370	-	-
Total	822,020	793,370	1,220	30,233
	2025	2024	2025	2024
<i>Thousands of AMD</i>				
Payables under repurchase agreements	-	-	55,643	-
Other liabilities	-	-	365	1,000
Total	-	-	56,008	1,000

(c) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, payables under repurchase agreements, and other liabilities, the carrying amounts of which approximate their fair values due to their short-term nature.

(d) Financial instruments measured at fair value

The fair value hierarchy of financial instruments is presented below:

<i>Thousands of AMD</i>	<i>Level 2</i>	
	As of December 31, 2025	As of December 31, 2024
Financial assets at fair value through profit or loss	822,020	793,370
Payables under repurchase agreements	55,643	-

Appendix A presents details of the fair value hierarchy and valuation techniques used in measuring fair value.

Credit Risk

Credit risk is the risk of financial loss resulting from a counterparty's or financial instrument party's failure to perform its contractual obligations. The Fund is exposed to credit risk primarily through its investment activities and balances held with banks. The Fund seeks to manage its credit risk by implementing a controlled investment strategy and exercising reasonable judgment in selecting banking counterparties. The Fund enters into sale and repurchase agreements. For secured transactions involving repurchase and resale agreements, the Fund is permitted to sell or re-pledge securities held as collateral and use these securities in its borrowing transactions, or transfer them to counterparties for the purpose of closing short positions.

The Fund has developed policies and procedures to manage credit risk (for both recognized financial assets and unrecognized contractual commitments).

The Fund's maximum exposure to credit risk is generally reflected in the carrying amounts of financial assets in the statement of financial position and unrecognized contractual commitments. Potential offsetting of assets and liabilities has no significant impact on the mitigation of potential credit risk.

The following is the extent of financial assets' exposure to credit risk as of the reporting date:

<i>Thousands of AMD</i>	As of December 31, 2025	As of December 31, 2024
Cash and cash equivalents	1,220	30,233
Financial assets at fair value through profit or loss	822,020	793,370
Total	823,240	823,603

Cash at bank

The Fund considers the risk of loss of cash to be insignificant, as the financial institution selected for the placement of funds is reliable and reputable. Cash and cash equivalents are held at a single financial institution.

Liquidity risk

Liquidity risk arises from the Fund's financial expenses and the principal repayments of debt instruments. Liquidity risk is associated with the Fund's difficulties in meeting its financial obligations within the established timeframes.

Factors affecting the cash position and cash flows include investment activities in securities, as well as the rates of subscription and redemption of units. The combination of these factors may cause significant fluctuations in the cash position during certain periods.

In accordance with the Fund's policy, the Fund must maintain sufficient cash and cash equivalents to meet its liabilities as they fall due.

The following are the contractual maturities of the Fund's financial liabilities (undiscounted contractual cash flows):

	As of December 31, 2025	As of December 31, 2024
<i>Thousands of AMD</i>		
Up to 3 months		
Payables under repurchase agreements	55,643	-
Other liabilities	365	1,000
Total	56,008	1,000

Interest Rate Risk

The Fund is exposed to the risk of fluctuations in the fair value or income/future cash flows of its financial instrument portfolio as a result of changes in market interest rates. Regarding its interest-bearing financial instruments, the Fund's policy is to:

Enter into transactions with financial instruments having maturities that best match the settlement periods of its financial liabilities. However, the impact of interest rate risk can be high as a result of fluctuations in prevailing market interest rates.

Currency Risk

Foreign currency risk arises on recognized financial assets and liabilities that are not denominated in the Fund's functional currency. As of the reporting date, the Fund's exposure to foreign currency risk is attributable primarily to USD-denominated financial assets. The table below illustrates the impact of changes in foreign currency exchange rates as of the reporting date.

	As of December 31, 2025	As of December 31, 2024
Financial assets measured at fair value through profit or loss	Thousands of AMD	Thousands of AMD
USD	73,192	71,174
Net currency position	73,192	71,174

As of the reporting date, a 10% appreciation of the US Dollar against the Armenian Dram (AMD), with all other variables held constant, would have resulted in an increase in profit for the year (after tax) and net assets by AMD 7,319 thousand (2024: AMD 7,117 thousand). Conversely, a 10% depreciation would have resulted in a decrease in profit for the year (after tax) and net assets by the same amounts.

6. Interest income

<i>Thousands of AMD</i>	2025	2024
Financial assets at fair value through profit or loss	73,293	67,594
Interest income from bank accounts	1	63
	<u>73,294</u>	<u>67,657</u>

7. Repurchase agreements (Repos)

7.1. Interest expense

<i>Thousands of AMD</i>	2025	2024
Accrued interest on repurchase agreements	(2,534)	(4,955)
	<u>(2,534)</u>	<u>(4,955)</u>

7.2. Payables under repurchase agreements

<i>Thousands of AMD</i>	As of December 31, 2025 Thousands of AMD	As of December 31, 2024 Thousands of AMD
Payables under repurchase agreements	<u>55,643</u>	<u>-</u>
	<u>55,643</u>	<u>-</u>

8. Financial assets at fair value through profit or loss (FVTPL)

8.1. Net gain on financial assets at fair value through profit or loss

<i>Thousands of AMD</i>	2025	2024
Net gain/(loss) on disposal of financial assets at fair value through profit or loss	27	(864)
Net (loss)/gain from foreign exchange revaluation of financial assets at fair value through profit or loss	(2,782)	(1,384)
Financial assets at fair value through profit or loss (FVTPL)	40,991	29,020
	<u>38,236</u>	<u>26,772</u>

8.2. Financial assets at fair value through profit or loss

Bond's description	Currency	Coupon yield annual	Repayments schedule	Maturity date	December 31, 2025		December 31, 2024	
					Nominal value Thousands of AMD	Fair value Thousands of AMD	Nominal value Thousands of AMD	Fair value Thousands of AMD
Government bond	AMD	13.00%	semi-annual	17.02.2032	200,000	249,175	200,000	241,961
Government bond	AMD	13.00%	semi-annual	29.10.2036	20,000	25,906	20,000	24,783
Government bond	AMD	8.00%	semi-annual	29.10.2031	50,000	48,203	50,000	45,534
Government bond	USD	3.95%	semi-annual	26.09.2029	200	73,192	200	71,174
Government bond	AMD	7.00%	semi-annual	29.04.2026	30,000	30,353	30,000	29,631
Government bond	AMD	9.40%	semi-annual	29.04.2027	60,000	62,440	60,000	60,750
Government bond	AMD	9.60%	semi-annual	29.10.2033	210,000	228,288	220,000	219,336
Government bond	AMD	9.25%	semi-annual	29.04.2028	100,000	104,463	100,000	100,201
						<u>822,020</u>		<u>793,370</u>

9. Net assets attributable to unitholders

The Fund has Class A, Class B, and Class C units in issue. The net asset value per unit class is determined on a daily basis (after deducting total expenses from the total assets of the Fund) in proportion to the previous day's net asset values and by applying the management fee rates specified for each class of units. Redeemable units may be redeemed at any time for cash equal to the Fund's net asset value attributable to the respective unit class. Redeemable units are classified as financial liabilities and are measured at the redemption amount.

The movement in the number of units and the movement in net assets attributable to unitholders are presented below:

<i>Number of units</i>	2025			Total
	A	B	C	
Balance at 1 January	40,164	104,541	73,285	217,990
Issuance of units	172	38	-	210
Redemption of units	(3,724)		(38,700)	(42,424)
Balance at 31 December	36,612	104,579	34,585	175,776

<i>Number of units</i>	2024			Total
	A	B	C	
Balance at 1 January	45,681	104,691	21,972	172,344
Issuance of units	583	-	53,004	53,587
Redemption of units	(6,100)	(150)	(1,691)	(7,941)
Balance at 31 December	40,164	104,541	73,285	217,990

<i>Thousands of AMD</i>	2025			
	Class			Total
	A	B	C	
Balance at 1 January	165,400	401,474	255,661	822,535
Issuance of units	750	150	-	900
Redemption of units	(16,415)	-	(139,251)	(155,666)
Increase in net assets attributable to unitholders	23,186	56,226	19,973	99,385
Balance at 31 December	172,921	457,850	136,383	767,154

<i>Thousands of AMD</i>	2024			
	Class			Total
	A	B	C	
Balance at 1 January	164,899	354,548	68,175	587,622
Issuance of units	2,192	-	183,500	185,692
Redemption of units	(24,046)	(573)	(7,518)	(32,136)
Increase in net assets attributable to unitholders	22,355	47,499	11,504	81,357
Balance at 31 December	165,400	401,474	255,661	822,535

The Fund's units are offered at their net asset value per unit on each business day, based on the information available as of 15:00 on the previous day ("NAV determination time"). A business day is any day when the RA regulated market is open. Units shall be redeemed at the net asset value effective as of the NAV determination time. Investment income received by the Fund is accumulated and reinvested within the Fund and is taken into account when determining the unit value.

As of the close of the last business day of 2025, the net asset value per unit at which redemptions and issuances were available for transactions was:

Class	2025	2024
	AMD	AMD
A	4,723.07	4,118.18
B	4,378.05	3,840.32
C	3,943.34	3,488.53

10. Transactions with the Manager and Other Related Parties

10.1. Investment Management Fees

The Manager is entitled to receive a management fee based on the net asset value of the Fund at the following annual rates: 0.4% for Class A, 1.0% for Class B, and 1.85% for Class C. The fee is calculated and accrued on each business day and is payable in monthly installments. For the reporting year, the management fee calculated amounted to AMD 8,295 thousand (2024: AMD 6,830 thousand), of which AMD 85 thousand was payable as of December 31, 2025 (December 31, 2024: AMD 718 thousand).

The audit fees relating to the Fund's financial statements were borne by the Manager.

10.2. Manager's Participation in the Fund

As of December 31, 2025, the Manager holds 4,300 units in Class A, 5,000 units in Class B, and 5,000 units in Class C, representing 11.76%, 4.79%, and 14.46% of the redeemable units of each respective class as of that date (December 31, 2024: 8,000 units, 5,000 units, and 5,000 units, representing 19.92%, 4.78%, and 6.82% of the total units for each class, respectively). The Manager's total participation interest as of December 31, 2025, was 8.14% (December 31, 2024: 8.46%).

10.3. Investments in other funds

As of December 31, 2025 and 2024, the Fund has not made any investments in other funds managed by the Manager.

11. Significant Accounting Policies

Foreign currency transactions

Transactions in foreign currency are converted into the functional currency at the closing exchange rate as of the day of the transaction, and at the average exchange rate announced by the CBA in case of closing price absence. Monetary assets and liabilities in foreign currency are converted into the functional currency at the exchange rate as of the last day of the reporting period. Non-monetary assets and liabilities in foreign currencies that are measured at fair value are recalculated at the current exchange rate, on the date the fair value of the functional currency is determined. Exchange differences resulting from the recalculation (revaluation) of foreign currency items are recognized in profit or loss as a net gain (loss) from foreign exchange differences, except for financial instruments measured at fair value through profit or loss, which are recognized as element of the net gain or loss arising from the remeasurement of financial instruments measured at fair value through profit or loss.

Securities Transactions and Investment Income

Securities transactions are accounted for on the trade date (the date the securities are bought or sold). Interest income is recognized on an accrual basis. Dividend income is recorded on the ex-dividend date. The cost of securities is calculated using the weighted average cost method.

Discounts and premiums on short-term and fixed-income investments are amortized and included in investment income. The cost of securities sold is determined on an amortized cost basis.

Expenses

All expenses, as well as the Manager's costs and fees associated with the performance of duties regarding the CAM PAF Investment Fund, may be charged to the Fund. The management fee charged to the Fund is presented in Note 10.

Financial Instruments

The Fund recognizes financial assets and liabilities in the statement of financial position when it becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets and liabilities are accounted for at the settlement date. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets or liabilities are initially measured at fair value. For financial assets or liabilities not classified as at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability are added to (or deducted from) their fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

Financial assets are classified into the following categories: a) financial assets at fair value through profit or loss (FVTPL); b) financial assets at fair value through other comprehensive income (FVOCI); c) financial assets measured at amortized cost. The classification depends on the nature of the cash flows arising from the financial assets and the business model under which the asset is held and managed, and is determined at the time of initial recognition.

Financial assets are classified as at fair value through profit or loss when they are not classified as measured at amortized cost (as described below) nor as measured at FVOCI (as described below). Additionally, at initial recognition, the Fund may irrevocably designate any financial asset that meets the requirements to be measured at amortized cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is classified as at fair value through other comprehensive income (FVOCI) if:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- at initial recognition, it is part of a portfolio of identified financial instruments that the Fund manages together and has a recent actual pattern of short-term profit-taking; or
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A financial asset is classified as measured at "amortized cost" if it meets both of the following conditions and is not designated as at FVTPL:

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

Financial assets that are debt instruments and are not classified as measured at FVTPL are subject to impairment testing using the expected credit loss (ECL) model. According to the expected credit loss model, an allowance for credit losses should be recognized in the amount of 12-month expected credit losses (ECL)

following the reporting date. However, if the credit risk of the instrument has increased significantly since its initial recognition, the allowance must be recognized in the amount of the lifetime ECL of the instrument.

Derecognition of Financial Assets

The Fund derecognizes financial assets when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the cash flows from the financial asset to a third party. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but retains control of the transferred asset, the Fund continues to recognize the financial asset, as well as the associated liability, to the extent of its continuing involvement in the financial asset. If the Fund retains substantially all the risks and rewards of ownership of the financial asset, the Fund shall continue to recognize the financial asset as well as a collateralized borrowing for the proceeds received.

Financial Liabilities

Financial liabilities are classified as either financial liabilities at "fair value through profit or loss" (FVTPL) or "measured at amortized cost".

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading or is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it is incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Fund manages together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability not held for trading may be designated as measured at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Fund's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and the entire combined contract (assets or liabilities) is designated as at FVTPL.

Financial liabilities measured at FVTPL are presented at fair value, and any gains or losses arising from their remeasurement are recognized in profit or loss, except for the portion of the change in fair value attributable to the credit risk of the liability, which is presented in other comprehensive income (OCI).

Financial Liabilities Measured at Amortized Cost

Financial liabilities measured at amortized cost are measured using the effective interest method, recognizing interest expense on an effective yield basis.

Derecognition of Financial Liabilities

The Fund derecognizes financial liabilities only when the Fund's obligations are discharged, cancelled, or expire. When 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. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Redeemable units and net assets attributable to holders of redeemable units

The Fund offers three classes of units: Class A, Class B, and Class C, which are equal in all material respects and have the same terms, except for the management fee rate, issuance and redemption fees, and investment policy. Redeemable units may be returned to the Fund for cash at any time, provided they are held for at least a two-year term, and are equal to the proportionate share of the Fund's net asset value attributable to the unit.

Redeemable units are issued and redeemed based on the net asset value per unit determined by the Fund, calculated by dividing the Fund's net assets in accordance with the Fund's rules. Proceeds received and payments made for units issued and redeemed are accounted for as movements in the statement of changes in net assets attributable to unitholders.

Repurchase and reverse repurchase transactions with securities

The Fund enters into agreements for the sale and repurchase of financial assets, as well as agreements for the purchase and resale of financial assets. The Fund utilizes repurchase (repo) and reverse repurchase (reverse repo) agreements as an element of its treasury management. A repo agreement involves the transfer of a financial asset to another party in exchange for payment or other consideration, with a corresponding obligation to repurchase that financial asset in the future for the amount of cash or other consideration used in the exchange, plus interest. These agreements are accounted for as financial transactions.

Financial assets sold under repurchase agreements continue to be presented in the financial statements, while the consideration received under these agreements is accounted for as a collateralized deposit within deposit instruments with banks. The Fund enters into securities repurchase agreements under which it receives or transfers collateral in accordance with accepted market practice. The transfer of securities to counterparties is reflected in the statement of financial position only if the risks and rewards of ownership are transferred along with them.

Taxation

In accordance with the effective legislation of the Republic of Armenia regarding investment funds, the Fund is exempt from income tax, capital gains tax, and other types of taxes, with the exception of profit tax, which is taxed at an annual rate of 0.01% based on the annual net assets.

12. Events after the reporting period

No adjusting events occurred between the reporting date and the validation date.

Subsequent to the reporting date, starting from 28 February 2026, an armed conflict against Iran, triggered by military actions by the United States and Israel, has commenced and has been accompanied by a significant escalation of regional tensions. The Republic of Armenia borders Iran; therefore, the current situation may adversely affect the economic environment and markets, resulting in volatility, restrictions and disruptions in international transportation, supply chains, pricing and financial markets. Management assesses that this event is a non-adjusting event for the financial statements prepared as of December 31, 2025, and that the magnitude of any potential impact cannot be reliably quantified at the date of issuance of the financial statements due to the ongoing nature of the events and the high level of uncertainty.

Fair Value Measurement Disclosures

The table below presents the valuation technique used for measuring fair value, including the significant unobservable inputs, as well as the relationship between unobservable inputs and fair value for 2025 and 2024.

Item	2025			
	Fair Value Thousands of AMD	Valuation Technique	Fair Value Hierarchy Level	Significant Unobservable Inputs
Financial assets at fair value through profit or loss	822,020	Quoted price or value of contractual cash flows discounted at market interest rates	Level 2	Not applicable
Amounts payable under repurchase agreements	55,643	The carrying amount of short-term liabilities approximates their fair value.	Level 2	Not applicable

Other liabilities	365	The carrying amount of short term (less than 12 months) payable approximates its fair value.	Level 3	None
2024				
Item	Fair Value Thousands of AMD	Valuation Technique	Fair Value Hierarchy Level	Significant Unobservable Inputs
Financial assets at fair value through profit or loss	793,370	Quoted price or value of contractual cash flows discounted at market interest rates	Level 2	Not applicable
Other liabilities	1,000	The carrying amount of short term (less than 12 months) payable approximates its fair value.	Level 3	None