



ZINAPAH[®]

NATIONAL FOUNDATION FOR
SERVICEMEN INSURANCE

UNITED FOR OUR SOLDIERS...

2025 Q4 and Annual Report



DONATE



Table of Content

■ **ZINAPAH Management and Financial Analysis**

- Governing Body and Management Team
- Brief History, Mission, Vision and Values
- CEO Foreword
- Operations for 2017-2025
- Beneficiaries and Compensations
- Beneficiary Social Projects and Cooperation
- Development Path to Financial Independence

■ **2024 Auditor's Published Report**



Governing Body and Management Team

Board of Trustees



Irina Seylanyan
Board Chairman



Adam Kablanian
Board Member



Joseph Simonian
Board Member



Anahit Adamyan
Board Member



David Akopyan
Board Member



Lara Tcholakian
Board Member



Hasmik Egian
Board Member

Team



Karine Sarkissian
CEO



Karen Sahakyan
Internal Audit



Gohar Abrahamyan
Director of Operations



Armine Vardanyan
Director of Finance



Smbat Saiyan
Director of
Compensation



Narine Galstyan
Director of PR
and Communications



Mariana Harutyunyan
Program Officer



Hrachik Avtandilyan
Compensation
Coordinator



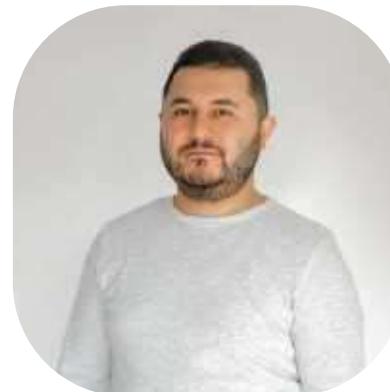
Arpine Zargaryan
Social Projects
Coordinator



Feliks Chilingaryan
Portfolio Manager



Lilit Ghabuzyan
Bookkeeper



Vazgen Martirosyan
IT Project Manager



Mari Boyadjyan
Procurement/
Stamp Return Coordinator



Nare Atomyan
Admin Assistant



Rimma Harutyunyan
Temporary Admin Assistant

About ZINAPAH

ZINAPAH was founded in 2017 to provide stable, equitable compensation for the well-being of the families of fallen, missing-in-action servicemen as well as soldiers with severe and profound functional limitation levels (1st and 2nd category disability) who defended the borders of our Homeland for the peace and security of future generations.

In April 2023, the Foundation previously known as Insurance Foundation for Servicemen (IFS) was renamed ZINAPAH National Foundation for Servicemen Insurance. ZINAPAH is a non-political institution that operates according to the [Law](#).

It is a unique foundation in the region, where every working citizen in Armenia is required to make mandatory contributions from their salaries. **ZINAPAH** represents a pan-Armenian effort to ensure financial well-being for those who have sacrificed their lives for the security of Armenia.

ZINAPAH funds are generated from:

- ✓ Mandatory monthly payments from 1,500 to 15,000 AMD per month (based on the amount of income) by taxpayers in Armenia
- ✓ Voluntary donations received from all over the world, including Armenia
- ✓ ZINAPAH asset management appreciation

ZINAPAH is governed by an independent [Board of Trustees](#), consisting of highly-regarded professionals with stellar reputations and expertise in Finance & Banking, Business, Crisis Management, Fundraising, and Asset Management. ZINAPAH is operated by a highly motivated and experienced Executive Team of professionals.

[ZINAPAH's website](#) provides the possibility to monitor both total funds from mandatory payments and donations and the list of compensations. The CEO [Quarterly and Annual reports](#) as well as the [Annual Audit report](#) conducted by one of the top 10 worldwide known audit firm networks, are also regularly published on the ZINAPAH website.



MISSION

To unite the nation to stand by the servicemen and their families to ensure financial stability and a dignified life for them.



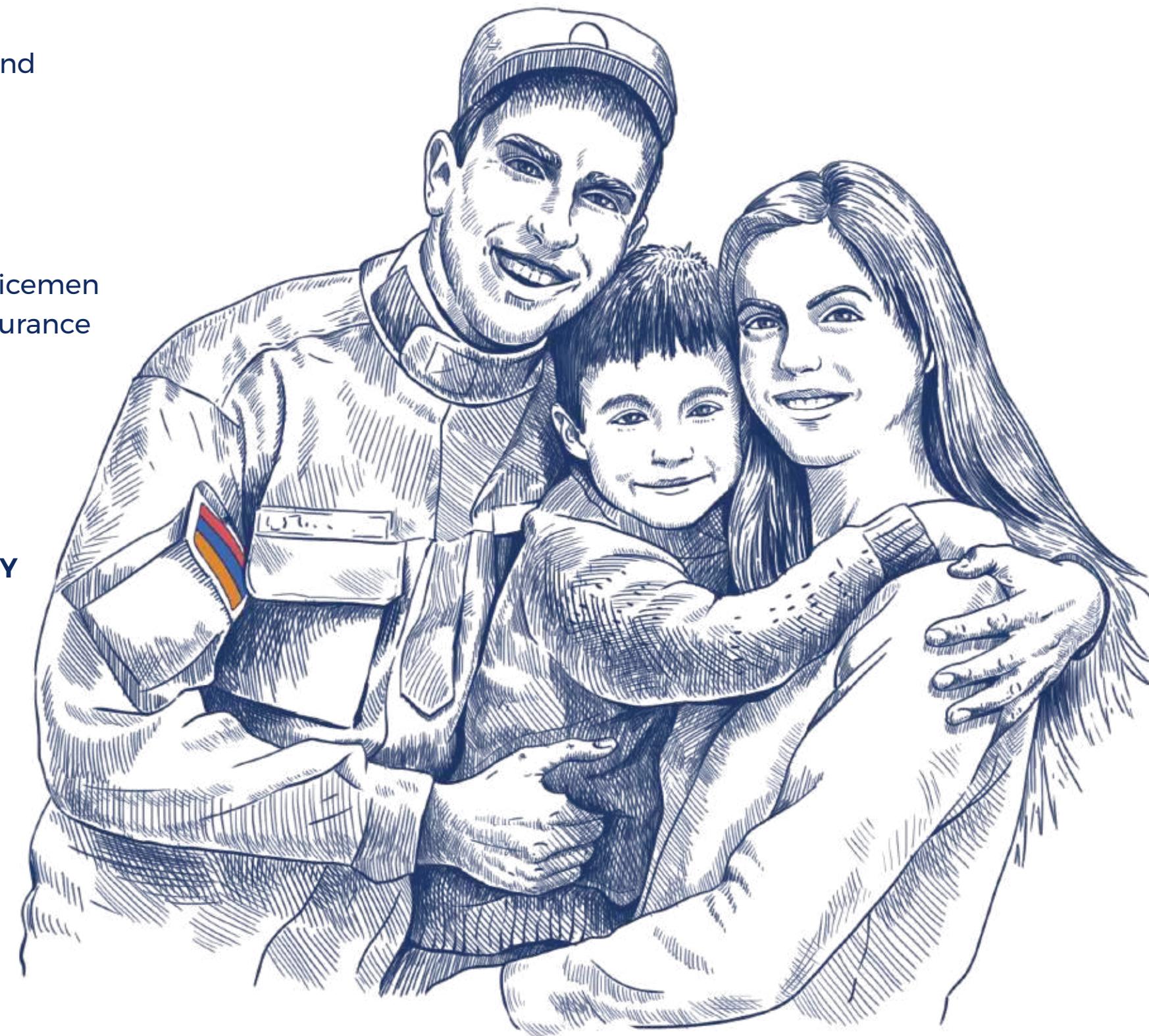
VISION

To be a socially responsible foundation for servicemen that incorporates mandatory and voluntary insurance components.



VALUES

TRANSPARENCY, ACCOUNTABILITY, INTEGRITY



Today, it is our shared duty to stand by the fallen, missing, and disabled servicemen - and by the families who carry their legacy forward...





Karine Sarkissian
CEO ZINAPAH

Dear Friends of ZINAPAH Community,

As we conclude 2025, I am honored to present the Annual Report of the **ZINAPAH National Foundation for Servicemen Insurance** - a year that reflects both institutional maturity and a deepened sense of responsibility toward those who have sacrificed for the security of our nation.

Since its establishment in 2017, ZINAPAH has grown into a unique national institution founded on solidarity, accountability, and shared responsibility. Over the period 2017-2025, the Foundation has provided compensation to **5,510 beneficiaries**, ensuring stable financial support to the families of fallen, missing, and functionally disabled servicemen. In 2025, **28 new cases** were supported, reaffirming our unwavering commitment to those in need.

The year 2025 marked a significant strengthening of ZINAPAH's financial position. Total income reached **62.0 billion AMD**, representing a **13% increase** compared to the previous year, while total expenses declined by **10%** to **19.6 billion AMD**. This resulted in the strongest positive balance between income and expenditures in ZINAPAH's history. Our revenues were driven primarily by **49.2 billion AMD in mandatory payments** and a **35% year-on-year increase in asset management income**, which reached **12.6 billion AMD** and now accounts for approximately **20% of total revenues**. Donations amounted to **106 million AMD**.

This financial stability reflects prudent management and improved forecasting, and a year of relative border stability. It has enabled ZINAPAH not only to meet its statutory compensation obligations but also to invest in broader social and integration initiatives for beneficiaries. In close cooperation with the Ministry of Labor and Social Affairs and the Ministry of Defense, we advanced legislative proposals to safeguard compensation continuity for servicemen with functional limitations, regardless of changes in disability classification.

In addition, monthly financial support for families raising children with disabilities was increased, providing meaningful relief to dozens of households.

Beyond financial support, 2025 was a year of expanded social engagement. Through partnerships with governmental bodies, foundations, and NGOs, ZINAPAH continued to build a comprehensive support ecosystem focused on education, employment, rehabilitation, psychological well-being, and community integration. Initiatives such as family camps, educational programs, entrepreneurship training, beneficiary meetings, and the expansion of digital resources on **zinapah.am** reflect our belief that dignity, opportunity, and inclusion are integral to long-term support.

As **ZINAPAH** continues its transition toward full institutional independence, our guiding principles remain unchanged: **transparency, accountability, and integrity**. These values underpin every decision we make and every dram entrusted to us.

We extend our deepest gratitude to the working citizens of Armenia, whose mandatory contributions form the backbone of this pan-Armenian effort; to our donors and partners for their trust and collaboration; and to the dedicated ZINAPAH team, whose professionalism and commitment make our mission possible every day.

Together, we are not only honoring sacrifice—we are building a resilient, compassionate, and unified future for Armenia and its people.

With respect and gratitude,

Karine Sarkissian
Chief Executive Officer
ZINAPAH On behalf of the Board of Trustees

In 2025, ZINAPAH demonstrated a clear strengthening of its financial position, marked by a **13% increase in total income** alongside a **10% reduction in total expenses** compared to the previous year.

This performance reflects a structurally healthier financial model, driven primarily by sustained growth in mandatory payments and a **35% increase in asset management income**, which now accounts for **approximately 20% of total revenues** and plays an increasingly important role in long-term sustainability.

While donation inflows continued their expected normalization following prior extraordinary periods, the overall funding mix became **more stable, diversified, and predictable**, reducing volatility and strengthening financial resilience.

On the expenditure side, **compensation costs declined by 11%**, reflecting a more balanced beneficiary flow, while administrative and operating expenses remained tightly controlled and proportionate to operational needs.

Overall, **2025 represents a transition year** for ZINAPAH toward a more **resilient, capital-driven, and sustainable financial framework**. This strengthened position enables the Foundation to uphold its long-term commitments to servicemen and their families with confidence, discipline, and transparency, while continuing to operate in full alignment with its public mission.

| MLN, AMD | 2017-2020*** | 2021 | 2022 | 2023 | 2024 | 2025 | 2017-2025 | 2025 vs. PY | Contr. to Mix 2024 | Contr. to Mix 2025 |
|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|-----------------------|-----------------------|
| | | | | | | | | | | |
| Mandatory Payments | 30,914 | 29,072 | 35,274 | 43,199 | 45,393 | 49,171 | 233,024 | 8% | 83% | 79% |
| Donations | 7,280 | 1,290 | 508 | 273 | 171 | 106 | 9,629 | -38% | 0.31% | 0.17% |
| Kamurj Donations* | 1,000 | 1,510 | 239 | 237 | 86 | 77 | 3,149 | -11% | 0.16% | 0.12% |
| CBA** | - | 301 | - | - | - | - | 301 | NA | NA | NA |
| Asset Management | 4,970 | 1,841 | 3,256 | 5,944 | 9,339 | 12,570 | 37,921 | 35% | 17% | 20% |
| Other Income | - | 0.24 | 0.19 | 0.26 | 0.29 | 0.58 | 1.56 | 105% | 0.001% | 0.001% |
| Total Income | 44,164 | 34,015 | 39,278 | 49,654 | 54,990 | 61,925 | 284,025 | 13% | 100% | 100% |
| Compensations | 9,664 | 44,484 | 16,878 | 14,747 | 21,489 | 19,181 | 126,443 | -11% | 98% | 98% |
| Admin Expenses | - | - | 246 | 267 | 316 | 332 | 1,161 | 5% | 1% | 2% |
| OpEx | - | 149 | 21 | 25 | 34 | 44 | 274 | 31% | 0.15% | 0.23% |
| Total Expenses | 9,665 | 44,633 | 17,146 | 15,039 | 21,838 | 19,557 | 127,878 | -10% | 100% | 100% |

* **Kamurj** - A program financed by the RA Government to give compensation to servicemen who are severely injured or are missing in action before becoming ZINAPAH beneficiaries. For these servicemen, compensation is provided for 61 months in the amount of 300,000 AMD monthly payments to eligible beneficiaries and is reported in the compensation expenses.

** **Central Bank of Armenia Contribution (CBA)** - All the expenses made during 2021 were financed by the Central Bank of Armenia. The funding is regulated by law and has been previously approved by the CBA Board.

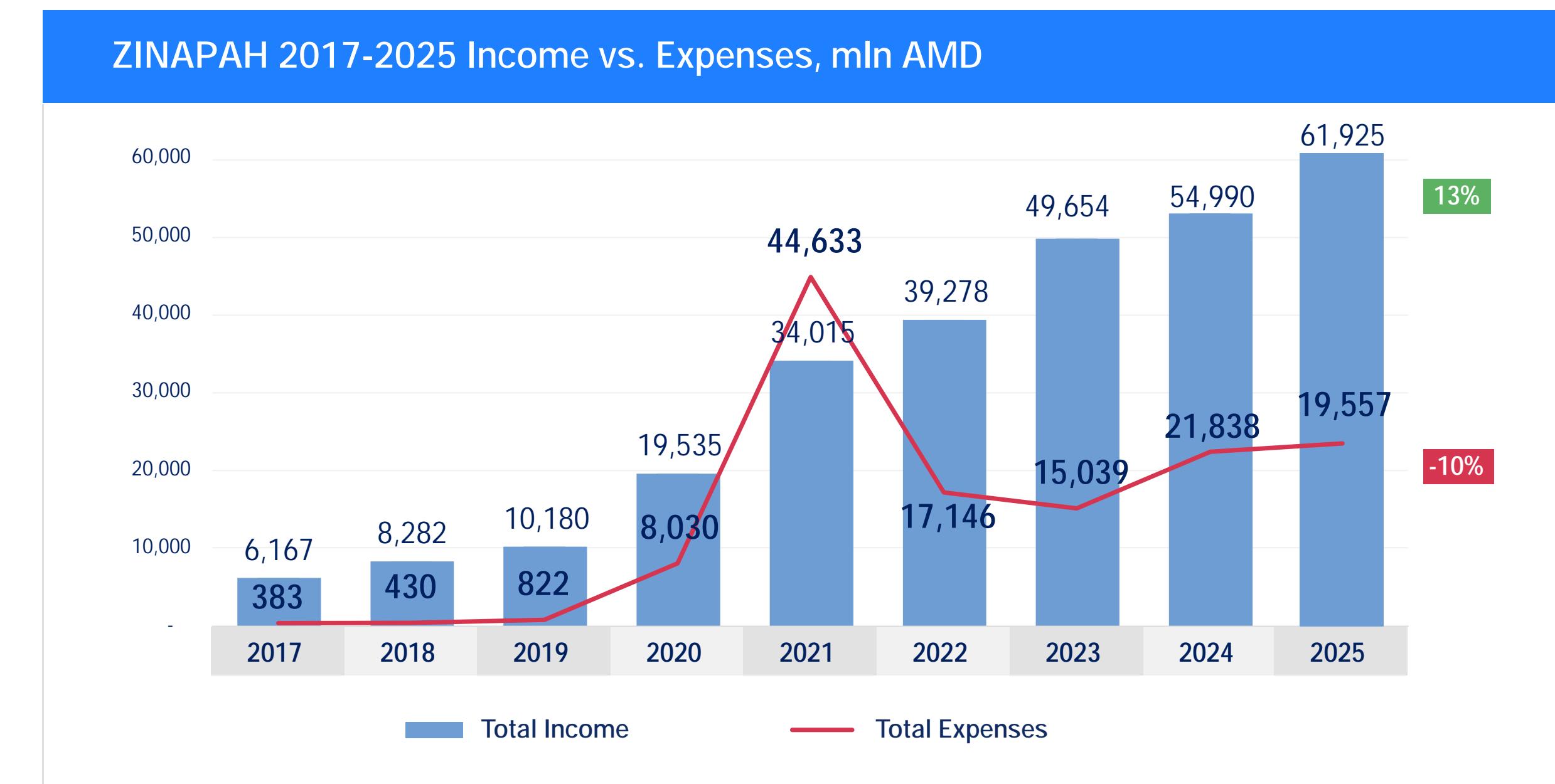
*** includes 2008-2016 case compensations



The chart illustrates the evolution of ZINAPAH's financial model over the period 2017-2025, highlighting both extraordinary years and long-term structural trends.

Following the exceptional surge in 2020-2021—driven by unprecedented national circumstances—ZINAPAH entered a phase of normalization marked by steadily growing income and a more controlled expense trajectory.

From 2022 onward, total income consistently exceeded total expenses, reflecting improved financial discipline and predictability. In 2025, this trend became particularly pronounced, with total income reaching **62.0 billion AMD**, while total expenses declined to **19.6 billion AMD**, creating the strongest positive gap of the period. This widening surplus underscores ZINAPAH's transition toward a sustainable, capital-driven financial framework, ensuring long-term ability to meet its commitments to servicemen and their families while maintaining transparency, stability, and resilience.



In 2025, ZINAPAH maintained a strong and balanced financial trajectory throughout the year, culminating in a particularly solid fourth quarter. Total income for Q4 2025 increased by **20% compared to Q4 2024**, driven primarily by continued growth in mandatory payments and a **25% year-on-year increase in asset management income**, which accounted for **20% of total revenues in Q4**.

Mandatory payments remained the core funding source, contributing **79% of total income**, while the revenue mix continued to diversify in favor of more sustainable, capital-based sources. Donations, while lower than in the previous year, followed an expected normalization trend and remained supplementary to the overall funding structure.

On the expenditure side, total expenses in Q4 2025 declined by **12% year-on-year**, with compensation costs decreasing, and operating costs remaining tightly controlled.

Overall, both quarterly and annual results confirm that 2025 marked a year of enhanced financial discipline, reduced volatility, and strengthened long-term sustainability, reinforcing ZINAPAH's capacity to meet its commitments to servicemen and their families with confidence and consistency.

| MLN, AMD | Q1 2025 | Q2 2025 | Q3 2025 | Q4 2025 | 2025 Q1-4 | 2025 vs. 2024 | Q4'25 vs Q4'24 | Contr. to Mix Q4'24 | Contr. to Mix Q4'25 |
|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------------|---------------------|
| | | | | | | | | | |
| Mandatory Payments | 12,679 | 12,081 | 10,847 | 13,564 | 49,171 | 8% | 20% | 80% | 80% |
| Donations | 34 | 39 | 15 | 18 | 106 | -38% | -48% | 0.2% | 0.1% |
| Kamurj donations* | 7 | 13 | 25 | 32 | 77 | -11% | 14% | 0.2% | 0.2% |
| CBA** | - | - | - | - | - | NA | NA | 0% | 0% |
| Asset Management | 2,848 | 2,986 | 3,311 | 3,424 | 12,570 | 35% | 25% | 19% | 20% |
| Other Income | 0.09 | 0.25 | 0.12 | 0.12 | 0.58 | 105% | -57% | 0.002% | 0.001% |
| Total Income | 15,569 | 15,120 | 14,199 | 17,037 | 61,925 | 13% | 20% | 100% | 100% |
| Compensations | 4,819 | 4,764 | 4,815 | 4,783 | 19,181 | -11% | -12% | 98% | 98% |
| Admin Expenses | 76 | 84 | 80 | 93 | 332 | 5% | -6% | 2% | 2% |
| OpEx | 8 | 16 | 10 | 10 | 44 | 31% | 25% | 0.15% | 0.21% |
| Total Expenses | 4,903 | 4,864 | 4,904 | 4,886 | 19,557 | -10% | -12% | 100% | 100% |

***Kamurj donations** - A program financed by the RA Government to give compensation to servicemen who are severely injured or are missing in action before becoming ZINAPAH beneficiaries. For these servicemen, compensation is provided for 61 months in the amount of 300,000 AMD monthly payments to eligible beneficiaries and is reported in the compensation expenses.

** **Central Bank of Armenia Contribution (CBA)** - All the expenses made during 2021 were financed by the Central Bank of Armenia. The funding is regulated by law and has been previously approved by the CBA Board.



ZINAPAH fully or partially refunds mandatory stamp payments to a parent, spouse, and/or child of a serviceman in compulsory military service, as well as to a parent, spouse, and/or child of a deceased serviceman. The mandatory stamp payment refund process is implemented through the **Stamp Duty Refund Subsystem**, which allows the automatic recording of submitted applications via the ZINAPAH website and the electronic processing of payments.

In 2025, ZINAPAH continued to enhance the efficiency and accessibility of this system, ensuring timely, transparent, and beneficiary-centered service delivery. During the year, a total of **8,132 stamp duty returns** were processed, representing a **22% increase** compared to 2024. The total value of refunded amounts reached **378 million AMD**, reflecting a **25% year-on-year increase**. This growth was driven by improved digital workflows and greater awareness among beneficiaries—particularly parents of conscript servicemen—demonstrating ZINAPAH's commitment to reducing the financial burden on servicemen's families through technology-enabled, accountable, and responsive processes.

| Stamp Return 2025 | | | |
|---|---------------------|---------------------|--------------|
| | Fallen | Conscript | TOTAL |
| Number of Returns Contr. | 1,809 22% | 6,323 78% | 8,132 |
| Total Amount (mln AMD) Contr. | 94 25% | 284 75% | 378 |

| 2025 vs 2024 | | | |
|--------------------------|------------|------------|------------|
| | Fallen | Conscript | TOTAL |
| Number of Returns | -5% | 33% | 22% |
| Value AMD | 15% | 29% | 25% |



From 2017 to 2025:

- ⌚ **21% of Mandatory payments** account for 2025 while growing by 8% vs 2024.
- ⌚ **Donations** remain a small portion, contributing only 1.1%.
- ⌚ **33% of Asset management** accounts for 2025.
- ⌚ **15% of Compensations** are paid in 2025.

| mln AMD | 2024 | 2025 | 2017-2025 | % Contr. 2025 |
|---------------------------|--------|--------|-----------|---------------|
| Mandatory Payments | 45,393 | 49,171 | 233,024 | 21% |
| Donations | 171 | 106 | 9,629 | 1.1% |
| Asset Management | 9,339 | 12,570 | 37,921 | 33% |
| Compensations | 21,489 | 19,181 | 126,443 | 15% |

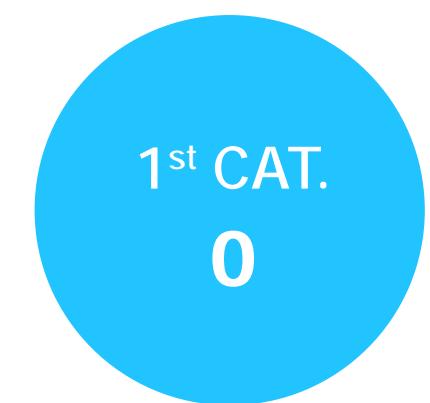


From 2017-2025 ZINAPAH provided compensation to 5,510 beneficiaries.

In 2025 28 new cases were compensated and in Q4 5 new cases vs 13 cases in 2024 Q4.

The 2025 Q4 5 new cases were categorized by case type as follows:

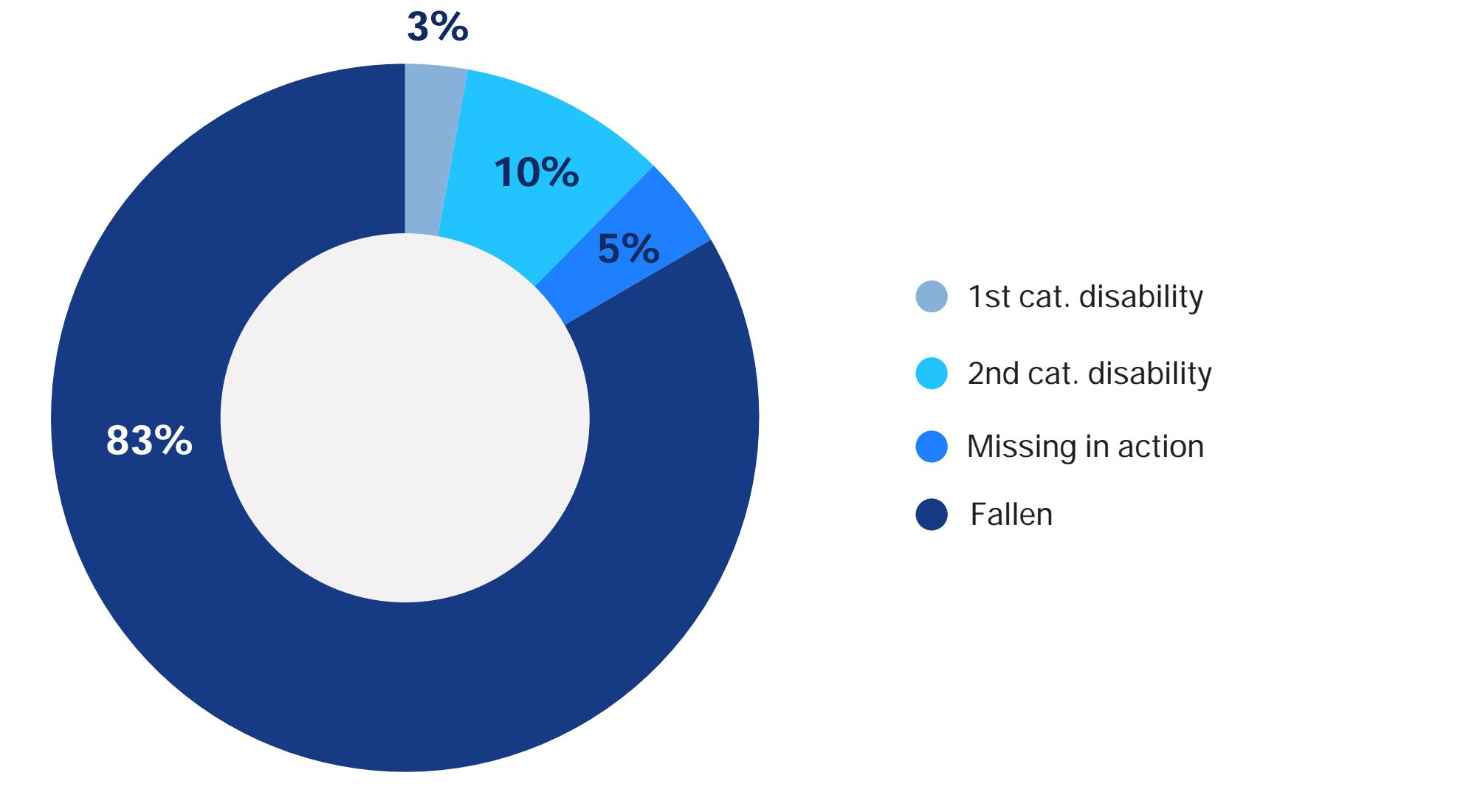
Total Compensated Cases in 2025 Q4 - 5 new cases



Total Compensated Cases in 2025 - 28 new cases



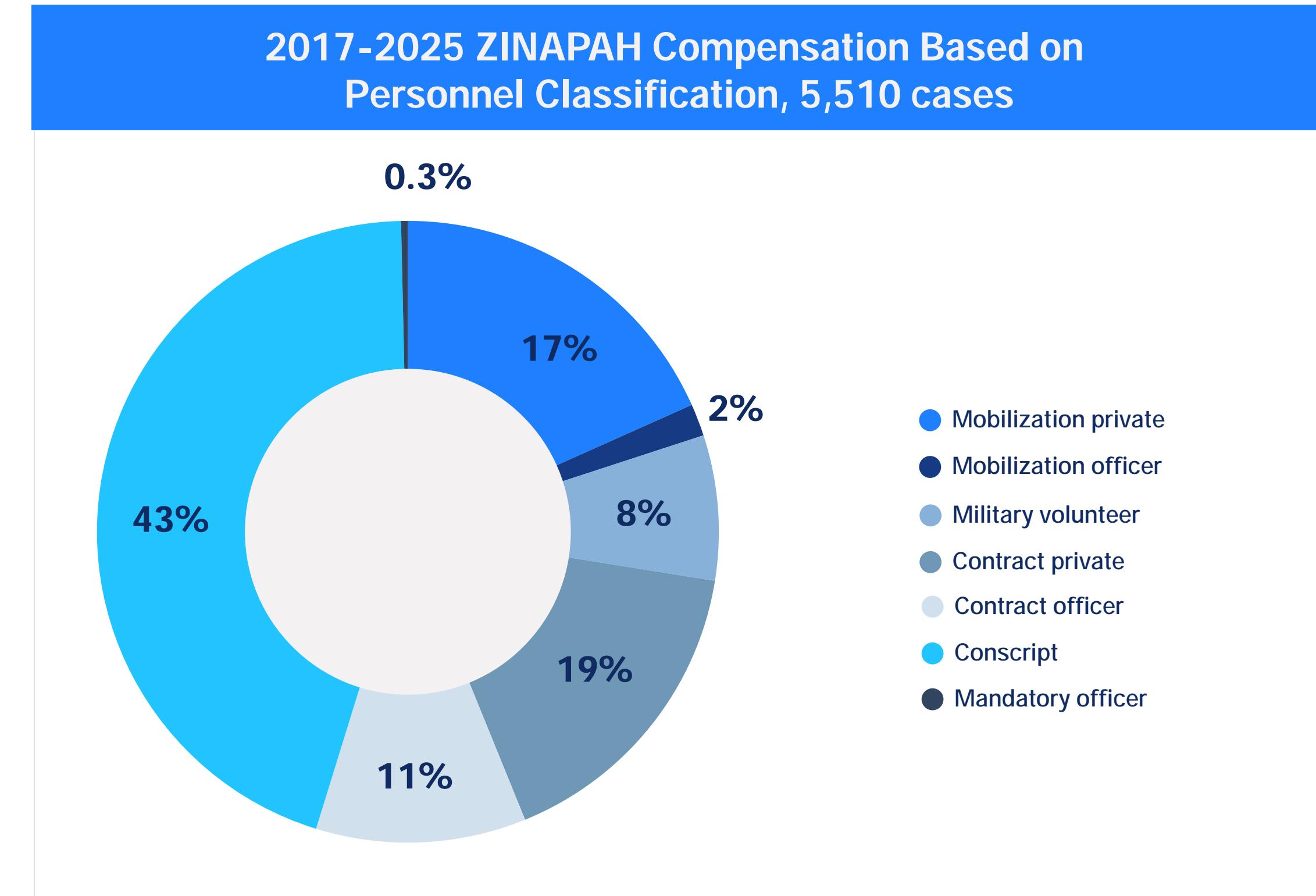
ZINAPAH Beneficiary Breakdown 2017-2025, 5,510 cases

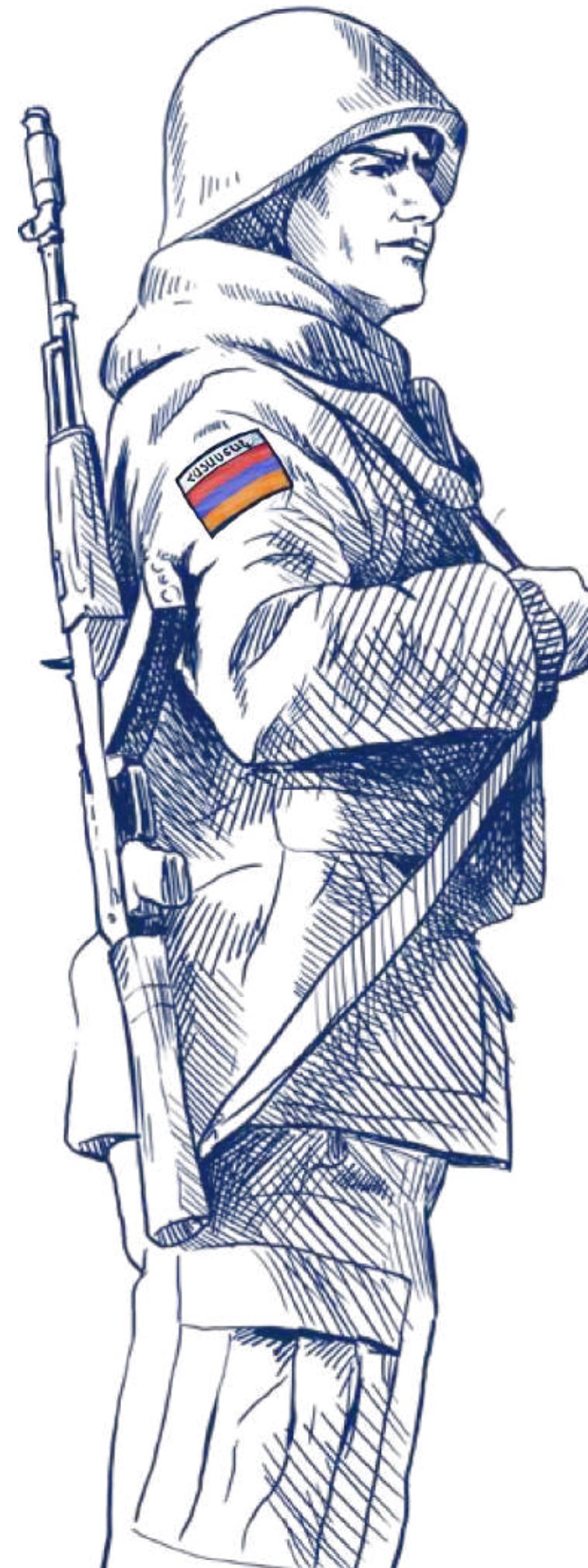


Total Compensated Cases 2017-2025 - 5,510 total cases



The **5,510** beneficiaries from **2017-2025** are broken down by personnel classification in the pie chart below. Notably, **43%** are conscripts, **30%** are mobilized recruits and officers, **19%** are contract privates, and **8%** are military volunteers.





2017-2025 Q4 IN SUMMARY

5

beneficiary **NEW cases in 2025 Q4**
and **5,510** cases from 2017-2025

19B AMD

compensation in 2025

126.4B AMD

since **2017-2025** to those fallen, missing, or
eligible for disability insurance

8%

Mandatory payment growth
as of 2025 compared to 2024



Expanding Partnerships for Comprehensive Beneficiary Support

ZINAPAH continues to strengthen its network of partnerships with **foundations, non-governmental organizations (NGOs), and charitable institutions**, with the shared goal of supporting **servicemen and their families**. These partnerships are focused on ensuring the **social, physical, and psychological well-being** of beneficiaries through coordinated and sustainable initiatives.

To enhance the personal development and long-term well-being of its beneficiaries, ZINAPAH with its partner organizations has launched a range of **social integration and development programs**. A **comprehensive blueprint** for these social programs has been developed, with detailed planning and prioritization for **2025 currently underway**.

ZINAPAH has conducted multiple **consultative meetings** with governmental bodies, NGOs, and partner foundations to align efforts in key areas, including:

- ✓ **Education and skills development**
- ✓ **Economic integration and employment**
- ✓ **Entrepreneurship and business promotion**
- ✓ **Community inclusion and resilience building**

In line with its mission, and with the **support and mediation** of ZINAPAH, a number of joint initiatives have been launched in partnership with various organizations. These initiatives aim to provide **targeted support**, and **relevant information**, and promote **social integration** for beneficiaries across Armenia.



Key events and joint initiatives organized throughout the year, in partnership with various organizations—including AGBU, Armenian Spiritual Revival Foundation, FASF, Innobiz, Hayordi, Heritage and Progress Foundation, Yerevan Park, IRIS Business Incubator, IDBank, Idram, and the Swiss-Armenian Academy of Hospitality—were as follows:

 **Educational and economic integration initiatives**

Including financial literacy courses, business development and promotion trainings, and scholarship opportunities.

 **Recreational and inclusivity-promoting events**

Such as the Family Camp, International Children's Day celebrations, and New Year festivities.

 **Sports and healthy lifestyle promotion activities**

Including the participation of six ZINAPAH beneficiaries in the 27th Para Arm-wrestling World Championship, as well as first aid training courses.

 **Mental well-being initiatives**

Including psychological support sessions and team-building activities.



Meeting Held to Address Prosthetic Needs of Servicemen with Lower-Limb Amputations

The Ministry of Labor and Social Affairs, in collaboration with ZINAPAH, hosted a focused meeting to discuss the challenges faced by ZINAPAH beneficiaries with lower-limb amputations, which followed a previously organized meeting re upper-limb amputations.

The event brought together beneficiaries and representatives from prosthetics companies operating in Armenia. Prosthetics companies showcased modern, more functional prosthetic models. Beneficiaries expressed concerns about the comfort, usability, and fit of existing devices. Several issues were addressed on the spot; others were recorded for further follow-up. Beyond prosthetics, participants also raised Social and welfare-related concerns, which were noted for future consideration by relevant state bodies.

The meeting was another constructive step toward enhancing the rehabilitation and quality of life of disabled servicemen.



Nairi Family Camp for ZINAPAH beneficiaries

ZINAPAH, in collaboration with its partner **FASF** and the **AGBU**, has initiated a three-day family camp designed for the children and wives of fallen and missing servicemen. To bring this initiative to life, ZINAPAH and its partner FASF organized a joint fundraising campaign during the reporting period, successfully reaching the target amount of **\$17,000**.

The Family camp was held on October 24-26 in the city of Tsaghkadzor, with the participation of children and mothers of families of fallen and officially missing servicemen. The camp hosted a larger number of participants than initially planned – 181 beneficiaries of ZINAPAH.

The camp was carried out jointly with ZINAPAH's partner, the Armenian General Benevolent Union (AGBU), which has long-standing and outstanding experience in organizing camps of this format.

During the three-day camp, participants took part in a variety of educational, psychotherapeutic, and recreational activities. It is worth noting that ZINAPAH's long-time partner, ID Bank, promptly responded to the initiative and provided free financial literacy courses for the participating mothers.

The purpose of the ZINAPAH initiative was to support family unity and provide social and psychological assistance. The camp gave beneficiaries the opportunity to strengthen community ties, gain new knowledge, and rediscover inner peace.



Cooperation with Innobiz

Within the framework of the Memorandum of Understanding signed in June 2025, ZINAPAH continued its partnership with **Innobiz NGO** to promote entrepreneurship and economic empowerment among beneficiaries. During the reporting year, Innobiz successfully implemented the **From Zero to Business** online educational program on the Innobiz.academy platform, with the active participation of ZINAPAH beneficiaries.

The program is designed to develop entrepreneurial competencies and practical business thinking by guiding participants through the full cycle of designing, launching, and implementing their own business initiatives. It provides structured support, practical tools, and mentorship aimed at fostering sustainable self-employment and long-term economic integration. In total over 130 ZINAPAH beneficiaries were enrolled.

Given the strong interest and positive engagement demonstrated by beneficiaries, an **additional rollout of the program** was announced for ZINAPAH beneficiaries, further expanding access to entrepreneurial education and opportunity.



Cooperation with HAYORDI

As part of its ongoing efforts to support the emotional well-being and social inclusion of beneficiaries, ZINAPAH partnered with the **Hayordi Charitable Foundation** to organize festive community events for children of fallen and missing servicemen. During the reporting period, Hayordi visited the city of **Vedi** in the **Ararat Province**, focusing on families from the region.

A **fairytale-themed New Year celebration** was held at the **Vedi City House of Culture**, creating a joyful and supportive environment for children. The event was filled with festive activities, surprises, and thoughtfully prepared gifts, offering moments of happiness, care, and community connection. Such initiatives play an important role in supporting the psychological well-being of children and reinforcing a sense of solidarity and remembrance within beneficiary families.



Beneficiary Meetings

During the reporting period, ZINAPAH continued to hold a series of beneficiary meetings aimed at reinforcing its mission, strengthening engagement, and sharing key information on rights, available programs, and services. These meetings served as an essential platform for **two-way communication**, enabling beneficiaries to raise concerns and receive direct responses through structured Q&A sessions.

In the fourth quarter of 2025, meetings were organized in **Ejmiatsin, Armavir Region**, and **Tsaghkadzor, Kotayq Region**, with the participation of approximately **125 beneficiaries**. Over the course of **2025**, a total of **11 meetings** were held, engaging **more than 340 beneficiaries** across various regions.

Key Issues and Suggestions Raised during these meetings included:

- 🕒 The need for enhanced **housing support**
- 🕒 Improved access to **healthcare services**
- 🕒 Consideration of lump-sum compensation for families of fallen or missing servicemen and disabled service members for cases preceding 2017

The meetings reaffirmed that beneficiaries continue to face a range of challenges requiring clarification, advocacy, and support. Regular engagement through such meetings remains a crucial mechanism for addressing these issues, fostering trust, and facilitating the development of tailored responsive solutions. ZINAPAH remains committed to sustaining these efforts to ensure a meaningful impact for its beneficiary community.



Introduction of the Supporting Programs Subsection on Zinapah.am

In 2025, ZINAPAH introduced new website subsections—**Supporting Program** and **Useful Links**—on zinapah.am, expanding digital access to information and opportunities for beneficiaries. These sections provide regularly updated details on programs offered by ZINAPAH partner organizations, as well as initiatives implemented by Armenian government agencies.

A key benefit of this initiative is that beneficiaries can **apply directly** for listed programs, opening new pathways for support, professional training, education, and personal development. To ensure broad awareness and accessibility, the new subsections were actively promoted during ZINAPAH's **monthly regional meetings** throughout 2025, where beneficiaries were introduced to the available programs and participating partner organizations.

This initiative is designed to **strengthen ZINAPAH's support network** and empower beneficiaries through improved access to resources, facilitating their successful social and economic reintegration and reinforcing ZINAPAH's commitment to long-term, sustainable impact.



At its founding in 2017, ZINAPAH was managed by the Central Bank of Armenia (CBA) on a pro bono basis. Since 2021, ZINAPAH has begun migrating from the CBA to become an independent legal entity with its own infrastructure.



TEAM

- The Governing Body with 7 Board Members
- Executive Team with a staff of 14 people
- Restructuring to focus on ZINAPAH's core competencies as a financial institution with a focus on social programs in cooperation with the RA Government
- Performance development and evaluation implementation with the Teamflect digital Platform



OPERATIONS

- ZINAPAH awareness communication campaign re-launch
- Audit 2025 in process



MIGRATION AND INFRASTRUCTURE

- Website launch is completed and bugs were being fixed
- Financial infrastructure development on the compensation system base in an early stage - technical assignment in process



OUTSOURCING MANAGEMENT

- HR management
- Accounting services
- Call center management services
- IT security
- Legal counsel services



LEGISLATIVE AMENDMENTS

- A social project with the Ministry of Labor and Social Affairs to support disabled servicemen' legislative changes are in process



ZINAPAH Audit 2024 was carried out by **BAKER TILLY ARMENIA CJSC**, and the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRC) as issued by the International Accounting Standards Board (IASB). They have been prepared under the assumption that the foundation operated on a going-concern basis. You can find the full report on the [ZINAPAH website](#).



Statement of Financial Position

As at 31 December 2024

| Assets | Notes | AMD ths. | |
|---|-------|---------------------|---------------------|
| | | 31.12.2024 | 31.12.2023 |
| Non-current Assets | | | |
| Property and equipment | | 66,645 | 94,691 |
| Intangible assets | | 50,869 | 14,885 |
| Investment securities | 4 | 10,500,290 | 2,573,923 |
| Funds placed in banks | 5 | 38,495,371 | 27,378,861 |
| Total other non- current assets | | 49,113,175 | 30,062,360 |
| Current Assets | | | |
| Accounts receivable and other assets | | 19,988 | 28,617 |
| Investment securities | 4 | 848,631 | 42,579 |
| Funds placed in banks | 5 | 61,228,055 | 44,710,738 |
| Cash and bank balances | 6 | 1,881,288 | 5,519,741 |
| Total Current Assets | | 63,977,962 | 50,301,675 |
| Total Assets | | 113,091,137 | 80,364,035 |
| Liabilities | | | |
| Non-current Liabilities | | | |
| Liabilities on compensations | 7 | 145,563,759 | 103,724,845 |
| Lease liabilities | | 3,664 | 19,861 |
| Total Non-current Liabilities | | 145,567,423 | 103,744,706 |
| Current Liabilities | | | |
| Liabilities on compensations | 7 | 17,944,955 | 13,101,671 |
| Lease liabilities | | 21,774 | 23,561 |
| Accounts payable | | 27,375 | 14,948 |
| Net assets | | | |
| Revaluation reserve on securities measured at fair value through other comprehensive income | 8 | 112,168 | (27,357) |
| Accumulated loss | | (50,582,558) | (36,493,494) |
| Total liabilities and Net assets | | (50,470,390) | (36,520,851) |
| | | 113,091,137 | 80,364,035 |

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

| | Notes | AMD ths. | |
|--|-------|---------------------|---------------------|
| | | 2024 | 2023 |
| Income | | | |
| Income from mandatory payments and donations | 9 | 45,650,543 | 43,709,476 |
| Interest income | 10 | 9,338,679 | 5,952,073 |
| Other income | | 518 | 697 |
| | | 54,989,740 | 49,662,246 |
| Expense | | | |
| Compensation expenses | 13 | (20,541,220) | (3,436,956) |
| Employee benefits | | (162,068) | (132,110) |
| Depreciation and amortization | | (34,528) | (34,600) |
| Expense regarding allowance on Expected credit losses, net | 11 | (583,819) | (228,394) |
| Finance cost | 12 | (47,634,148) | (7,064,627) |
| Other expenses | | (122,781) | (94,772) |
| Net (loss) /gain from exchange differences | | (240) | 252 |
| | | (69,078,804) | (10,991,207) |
| (Loss) / Profit for the year | | | |
| | | (14,089,064) | 38,671,039 |
| Other comprehensive income | | | |
| Items that may be reclassified subsequently to profit or loss | | | |
| Net gain/(loss) from changes in fair value of securities measured at fair value through other comprehensive income | | | 90,983 |
| Changes in allowance on expected credit losses of securities measured at fair value through other comprehensive income | | | 48,542 |
| Other comprehensive income/(loss) for the year | | | (2,292) |
| Total comprehensive (loss) / income for the year | | 139,525 | 30,229 |
| | | (13,949,539) | 38,701,268 |

Statement of Changes in Net Assets

For the year ended 31 December 2024

| | Revaluation reserve on securities measured at FVOCI | Accumulated loss | Total | AMD ths. |
|---|--|---------------------|---------------------|----------|
| Balance as at 01 January 2023 | (57,586) | (75,164,533) | (75,222,119) | |
| Profit for the year | - | 38,671,039 | 38,671,039 | |
| Other comprehensive income for the year | 30,229 | - | 30,229 | |
| Total comprehensive income for the year | 30,229 | 38,671,039 | 38,701,268 | |
| Balance as at 31 December 2023 | (27,357) | (36,493,494) | (36,520,851) | |
| Profit for the year | - | (14,089,064) | (14,089,064) | |
| Other comprehensive income for the year | 139,525 | - | 139,525 | |
| Total comprehensive income for the year | 139,525 | (14,089,064) | (13,949,539) | |
| Balance as at 31 December 2024 | 112,168 | (50,582,558) | (50,470,390) | |

Statement of Cash Flows

For the year ended 31 December 2024

| | 2024 | 2023 | AMD ths. |
|---|---------------------|---------------------|----------|
| Cash flows from operating activities | | | |
| Mandatory payments and donations received | 45,650,768 | 43,709,476 | |
| Compensations provided | (21,489,420) | (14,746,687) | |
| Labor expenses | (117,697) | (99,729) | |
| Other income | - | 340,809 | |
| Other expenses | (209,373) | (513,676) | |
| Net cash from operating activities | 23,834,278 | 28,690,193 | |
| Cash flows from investing activities | | | |
| Acquisition of property and equipment | (1,350) | - | |
| Funds placed in banks | (67,400,910) | (59,908,431) | |
| Investments in government debt securities | (6,460,138) | (1,997,423) | |
| Investments in non-government debt securities | (2,009,968) | - | |
| Repayment of funds placed in banks | 41,556,497 | 30,000,000 | |
| Proceeds from redemption of investments in government debt securities | - | 1,267,377 | |
| Interest received from funds placed in banks and other financial institutions | 6,393,137 | 4,944,405 | |
| Interest received from investments in debt securities | 450,000 | 134,123 | |
| Net cash used for investing activities | (27,472,732) | (25,559,949) | |
| Net (decrease)/ increase in cash and cash equivalents | (3,638,454) | 3,130,244 | |
| Cash and cash equivalents at the beginning of the year | 5,519,741 | 2,389,638 | |
| Foreign exchange effect on cash | 1 | (141) | |
| Cash and cash equivalents at the end of the year | 1,881,288 | 5,519,741 | |





We would like to express our heartfelt thanks and gratitude to all the individuals and organizations/communities from Armenia and all over the world, who made their mandatory stamp payments and individual donations.

It is thanks to your support that ZINAPAH can fulfill its mission to take care of the servicemen and their families who sacrificed their lives and health for the security of Armenia and its borders.

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