

ACCOUNTING ISSUER'S STATEMENT

“ARMENIAN ECONOMY DEVELOPMENT BANK” OPEN JOINT STOCK COMPANY

“ARMECONOMBANK” OJSC

23/1 Amiryan Str., 0002 Yerevan, Republic of Armenia

Tel: (374 10) 510910, 8686

Fax: (374 10) 538904

E-mail: bank@aeb.am

Quarterly report No 3 2022, 14 October 2022

Class of securities: common shares (stock security) and preference share (stock security)

Number of securities: common shares – 1,950,295 preference share- 424,600

Nominal value of securities (currency): common share – AMD 10,400
preference share – AMD 15,000

“To the best of our knowledge the financial statements give a true and fair view of “ARMECONOMBANK” OJSC's assets and liabilities, financial state, income and expenses, and the information included in the Quarterly report of managerial bodies is fair and true”.

Authorized signatories:

<u>Artak Araqelyan</u> (name, surname)	<u>Deputy CEO -Treasurer</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Onik Chichyan</u> (name, surname)	<u>Deputy CEO for Corporate and Retail Business</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Ruben Badalyan</u> (name, surname)	<u>Deputy CEO for Operations</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Astghik Manrikyan</u> (name, surname)	<u>Deputy CEO for International Operations and Development</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Arpine Pilosyan</u> (name, surname)	<u>Deputy CEO for Technologies and Security</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Mikael Poghosyan</u> (name, surname)	<u>Chief Accountant</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Hayk Avetisyan</u> (name, surname)	<u>Head of Strategy and Risk Management Division</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Vrej Jhangiryan</u> (name, surname)	<u>Head of Legal Division</u> (position)	(signature)	<u>14.10.2022 (date)</u>
<u>Aram Khachatryan</u> (name, surname)	<u>CEO</u> (position)	(signature)	<u>14.10.2022 (date)</u>

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Interim Report
On Financial State
30 September 2022
“ARMECONOMBANK” OJSC 23/1 Amiryan Str., Yerevan

Thous. AMD

	Name	Note	As of the end of current interim period (unaudited)	As of the end of previous fiscal year (audited)
1	Assets			
1.1	Cash and their equivalents	13	65,902,622	63,399,890
1.2	Standard bank precious metal bullions and coins		443	443
1.3	Due from banks and other financial institutions	14	6,975,886	9,497,133
1.4	Reverse repurchase agreements	14.1	8,982,094	7,826,751
1.5	Financial assets at fair value calculated through profit or loss	15	806	16,538
1.5.1	Other financial assets calculated at amortized cost	18	691,708	801,359
1.6	Loans and advances at amortized value provided to customers	16	252,702,838	220,889,139
1.7	Financial assets at fair value rated through other comprehensive financial results	17	4,163,001	4,338,411
1.7.1	Securities pledged under repurchase agreement	17.1	43,018,719	37,667,527
1.9	Non-current assets held for sale		1,167,272	1,020,543
1.10	Fixed assets	20	10,500,570	10,725,710
1.10.1	Intangible assets	20	696,976	693,383
1.10.1	Right-of-use asset	20.1	2,069,140	1,968,567
1.12	Other assets	21	991,771	1,030,202
	Total assets		397,863,077	359,864,111
2	Liabilities			
2.1	Liabilities to banks and financial institutions	22	55,583,889	53,677,620
2.2	Loans and deposits from international financial institutions	22.1	61,214,031	55,584,125
2.3	Loans from RA Central Bank and RA Government	22.2	28,679,089	21,819,777
2.4	Repurchase agreements	22.3	150,205,987	34,576,952
2.5	Liabilities to customers	23	150,001,775	135,948,859
2.6	Subordinate borrowing	23.1	4,100,096	3,605,469
2.7	Liability for current profit tax		826,443	247,266
2.8	Securities issued by the Bank	24	6,031,038	6,107,897
2.9	Financial liabilities at fair value recalculated through profit or loss	25		21,883
2.10	Amounts payable	26	557,040	532,196
2.11	Deferred tax liabilities	11	4,832	175,877
2.12	Reserves	30	106,830	77,321
2.13	Lease liabilities	40	1,642,344	1,572,752
2.14	Other liabilities	27	2,425,974	2,671,094
	Total Liabilities		350,410,791	316,619,088
3	Capital			
3.1	Chartered capital	28	26,652,068	26,107,555
3.2	Emission income		745,223	289,718
3.3	Reserves			
3.3.1	Main reserve		3,663,000	3,481,000
3.3.2	Fair value reserve		(1,113,001)	(361,148)
3.3.3	Other reserves		3,140,922	3,214,025
3.4	Undistributed profit(loss)		14,364,074	10,513,873
	Total capital		47,452,286	43,245,023
	Total liabilities and capital		397,863,077	359,864,111

Chairman of the Executive Board (CEO)

A. Khachatryan

Chief Accountant

M. Poghosyan

Approval date: 14 October 2022

Interim Report
On Financial Results
30 September 2022
“ARMECONOMBANK” OJSC 23/1 Amiryan Str., Yerevan

thous. AMD

Name	Note	Current interim period (unaudited)	Accounting period (unaudited)	Comparable current interim period of the previous financial year	Previous period (unaudited)
Interest and similar income	3	8,456,775	23,807,229	6,762,657	20,028,126
Interest and similar expenses	3	(5,189,177)	(14,507,284)	(3,870,893)	(11,260,327)
Net interest and similar income		3,267,598	9,299,945	2,891,764	8,767,799
Income as commission and other fees	4	1,321,959	3,184,867	855,232	2,351,910
Expenses as commission and other fees	4	(398,709)	(1,093,809)	(287,980)	(789,669)
Net commission and other fees		923,250	2,091,058	567,252	1,562,241
Net commercial income	5	1,397,542	3,176,177	517,746	1,231,031
Other operational income	6	119,943	373,883	139,265	424,731
Operational income		5,708,333	14,941,063	4,116,027	11,985,802
Net allocations to possible asset loss provisions	7	(23,360)	184,127	(338,173)	(567,086)
Total administrative expenses	8	(2,098,134)	(6,274,036)	(1,873,202)	(5,377,970)
Other operational expenses	9	(798,731)	(2,403,305)	(710,347)	(2,083,578)
Operational profit		2,837,692	6,555,264	1,105,921	3,637,441
Profit(loss) before taxation		2,837,692	6,555,264	1,105,921	3,637,441
Profit tax expenses (compensation)	11	(581,341)	(1,441,682)	(102,478)	(496,124)
Profit for period		2,256,350	5,113,582	1,003,444	3,141,317

Chairman of the Executive Board (CEO)

A. Khachatryan

Chief Accountant

M. Poghosyan

Approval date: 14 October 2022

Interim Report
 On other comprehensive financial results
 30 September 2022
 “ARMECONOMBANK” OJSC 23/1 Amiryany Str., Yerevan

Thous. AMD

Name	Note	Current interim period (unaudited)	Accounting period (unaudited)	Comparable current interim period of the previous financial year	Previous period (unaudited)
Other comprehensive financial result					
Revaluation of financial assets at fair value calculated through other comprehensive financial result		(207,743)	(967,210)	(458,323)	(91,926)
Depreciation of financial assets at fair value calculated through other comprehensive financial result after taxation		41,355	41,260	19,625	(174,329)
Profit tax from revaluation of other financial assets calculated at fair value through other comprehensive income		37,394	174,098	82,498	16,547
Other comprehensive financial result after taxation		(128,994)	(751,852)	(356,201)	(249,708)
Comprehensive financial result		2,127,356	4,361,730	647,243	2,891,609

Chairman of the Executive Board (CEO)

A. Khachatryan

Chief Accountant

M. Poghosyan

Approval date: 14 October 2022

Interim Report
On Cash Flows
31 March 2021
“ARMECONOMBANK” OJSC 23/1 Amiryar Str., Yerevan

Thous. AMD

Name	Note	Accounting period (unaudited)	Previous period (unaudited)
Cash flows from operations			
Profit of the year		5,113,582	3,141,317
<i>Adjustments</i>			
Expenses from profit tax		1,441,682	496,124
Profit(loss) from devaluation of interest –bearing assets		(184,127)	567,086
Wear, amortization, devaluation		1,309,975	1,222,219
Profit(loss) from the disposal of fixed assets		(34,632)	(39,651)
Net profit from foreign currency conversion		818,080	509,426
Financial assets measured at fair value through other comprehensive income, net profit		15,791	7(8,754)
Other incomes		(39,025)	(175,556)
Cash flows from operating activities before changes in operating assets or liabilities		8,163,400	5,420,600
Changes in operational assets and liabilities			
Increase/decrease of operational assets			
Due from financial institutions		633,688	4,026,932
Reverse repurchase agreements		(1,249,194)	2,006,035
Loans to customers		(7,475,681)	(1,491,214)
Other assets		23,003	1,542,567
Liabilities to financial institutions		4,812,876	6,545,514
Repurchase agreements		4,391,486	(3,060,219)
Liabilities to customers		25,097,580	9,423,469
Other liabilities		750,734	(809)
Cash used in operating activities before taxation		(4,326,150)	6,938,186
Paid income tax		(859,452)	(1,379,735)
Net cash used in operating activities		(5,185,602)	(5,558,451)
Cash flows from investment operation			
Decrease/increase in available-for-sale securities at fair value through profit/loss		(6,201,026)	1,682,977
Decrease (increase) in other financial assets accounted for at amortized cost		15,983	(336,016)
Acquisition of fixed assets		(451,949)	(688,198)
Funds from the sale of fixed assets		36,642	122,454
Acquisition of intangible assets		(113,206)	(238,332)
Net cash (used) / (received from operation)in investment operation		(6,713,556)	542,885
Cash flows from financial operations			
Receiving loans from the Central Bank of RA and RA Government		6,859,312	7,103,701
Proceeds / repayments from loans received from international financial institutions		14,820,238	2,217,692
Repayments/proceeds from subordinated loan		1,056,799	
Issue of shares		1,000,018	261,430
Increase/decrease in bonds issued by the bank		360,469	186,565
Prepayment for issue of shares		(1,000,018)	(214,416)
Liabilities on leasing		(610,328)	(556,475)
Paid dividends		(1,323,229)	(1,011,602)
Net cash flows from financial operations		21,363,261	7,986,905
Impact of foreign currency exchange rate fluctuations on cash balances held in foreign currency		(6,961,372)	(2,507,897)
Net increase of cash and its equivalents		2,502,732	11,580,344
Cash and equivalents at the beginning of the period	13	63,399,890	42,572,757
	2		
Cash and equivalents at the end of the period	13	65,902,622	54,153,101
	2		

Chairman of the Executive Board (CEO)

A. Khachatryan

Chief Accountant

M. Poghosyan

Approval date: 14 October 2022

Interim Report
On Equity Changes
30 September 2021
“ARMECONOMBANK” OJSC, 23/1 Amiryan str., Yerevan

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Name of elements of own capital	Chartered capital			Main reserve	Evaluation of financial assets at fair value rated through other comprehensive financial result	Profit from the revaluation of non current assets	Undistributed profit (loss)	Total	Total capital
	Charter capital	Net amount	Emission profit/loss						
Articles	1	3	4	5	7	9	10	12	14
Comparable current interim period of the previous financial year (ascending from the beginning of the year) (I table)									
Balance as of the beginning of the financial year 01 January 2021 (audited)	25,635,663	25,955,663	180,180	3,275,000	(63,931)	3,319,815	8,928,892	41,595,619	41,595,619
Recalculated balance	25,955,663	25,955,663	180,180	3,275,000	(63,931)	3,319,865	8,928,892	41,595,619	41,595,619
Transactions with shares(stock) with shareholders (owners) including:	151,892	151,892	109,538	-	-	-	-	261,430	261,430
Investment in charter capital and other increase of chartered capital	151,892	151,892	109,538	-	-	-	-	261,430	261,430
Undistributed shares	-	-	-	-	-	-	-	-	-
Decrease in the charter capital , including repurchased and out of circulation shares (stocks)	-	-	-	-	-	-	3,141,317	-	-
Comprehensive income	-	-	-	-	(249,708)	-	3,141,317	2,891,609	2,891,609
Dividends	-	-	-	-	-	-	(1,046,99)	(1,046,99)	(1,046,99)
Internal movements including:	-	-	-	206,000	-	(88,859)	(117,141)	-	-
Deductions to the main reserve	-	-	-	206,000	-	-	(206,000)	-	-
Decrease in the growth of value from the revaluation of fixed assets and intangible assets	-	-	-	-	-	(88,859)	88,859	-	-
Balance as of the end of interim accounting period 31/09/2021 (unaudited)	26,107,555	26,107,555	289,718	3,481,000	(313,639)	3,230,955	10,906,569	43,702,159	43,702,159
Interim period of the current year (ascending from the beginning of the year) (II table)									
Balance as of the beginning of the financial year 01 January 2022(audited)	26,107,555	26,107,555	289,718	3,481,000	(361,148)	3,214,025	10,513,873	43,245,023	43,245,023
Recalculated balance	26,107,555	26,107,555	289,718	3,481,000	(361,148)	3,214,025	10,513,873	43,245,023	43,245,023
Transactions with shares(stock) with shareholders (owners) including:	544,513	544,513	455,505	-	-	-	-	1,000,018	1,000,018
Investments in chartered capital and other increase of charter capital	544,513	544,513	455,505	-	-	-	-	1,000,018	1,000,018
Undistributed shares	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	(751,852)	-	5,113,582	4,361,730	4,361,730
Dividends	-	-	-	-	-	-	(1,154,485)	(1,154,485)	(1,271,244)
Increase(decrease) in elements of own capital, including:	-	-	-	-	-	-	-	-	-
Derivative classified as instruments of own equity	-	-	-	-	-	-	-	-	-
Prepayments received for issuing shares	-	-	-	-	-	-	-	-	-
Internal movements, including:	-	-	-	182,000	-	(73,103)	(108,897)	-	-
Definitions to the main repository	-	-	-	182,000	-	-	(182,000)	-	-
Decrease in the growth of value from the revaluation of fixed assets and intangible assets	-	-	-	-	-	73,103	(73,103)	-	-
Balance as of the end of interim accounting period 30.09.2022(unaudited)	26,652,058	26,652,058	745,223	3,663,000	(1,113,000)	3,140,992	14,364,073	47,452,286	47,452,286

Chairman of the Executive Board (CEO)

A. Khachatryan

Chief Accountant

M. Poghosyan

Approval date: 14 October 2022

Estimating ARMECONOMBANK's performance over the accounting quarter, we have to admit that over that period the Bank has had a certain growth of main indicators and development paces.

The reporting quarter was also effective in terms of cooperation with international financial and credit institutions. Existing programs and cooperation were expanded in the field of new banking service.

“ARMECONOMBANK” OJSC will steadily continue its progress in the area of implementation and development of new loan projects and adoption of new markets of resource attraction.

“ARMECONOMBANK” OJSC performs activity in all bank service sectors. The bank holds its positions of steady developer in currency, security and inter-bank markets. The Bank is also active in financing, service rendering, new types of remittances and plastic card service sectors.

The efficiency of measures taken for the execution of the bank's prospective and short- time (current) objectives is conditioned with the existing risk management optimal system.

The risk management culture of the Bank is in continuous progress based on the steady, reliable, effective and safe operational objectives. The effectiveness of the risk management system of the Bank is based on the continuous development works in compliance with the internationally accepted standards, as well as pursuant to the Basel Committee Agreements on Banking Supervision and ISO/IEC 27001 (Information Security Management System) international standards and on other similar requirements, which are considered to be guarantees of effective operation of the system.

Acceptable levels of risks are defined by the competent management bodies (risk appetite) within which the development of activities, as a result of the implementation of current and strategic goals for the Bank, it will ensure sustainable and effective development.

The risk management process includes phases aimed to identify, assess, control and respond to possible risks in the bank's operations.

The economic and mathematical modelling, regulation, analyses and forecast of processes as well as on the improvement of the instruments of the internal control system allow the Bank to ensure risk-income optimal correlation in conditions of acceptable risk level and to ensure the performance of the requirements of existing standards, and the acceptable levels profitability, reliability, security and the factors of solvency.

The main principles of risk management, assessment and management approaches of separate risk types as well as the methods and models are fixed in the internal legal acts of the bank and paralleled with the assessment of the bank's gross risk and the measures of its optimal management.

The Bank's gross risk is managed by an appropriate economic-mathematical model through identification and monitoring of material levels of foreign currency, credit, liquidity, and interest rate fluctuation risks and their aggregate – gross risk level.

In compliance with “ARMECONOMBANK” OJSC Risk Management Policy and with due consideration of the principles of risk management of Basel Committee on Banking Supervision and GARP (Generally Accepted Risk Principles), the following models of assessment and management of basic risks has been adopted and invested in the bank:

- Credit risk;
- Interest rate change risk;
- Liquidity risk;
- Foreign currency risk;
- Price risk
- Operational risk.

Credit Risk

Credit risk is the possible danger of repayment of a loan, accrued interest, or a part thereof later than due under the agreement or their full or partial loss conditioned by worsening of the borrower's financial condition, devaluation of the collateral, or other similar reasons.

Stress tests of different scenarios widely used in international practice are applied to estimate the impact of possible changes in credit portfolio on the current indicators of the Bank. Within the framework of the aforementioned stress scenario analysis, calculation and analysis of the critical points for deviations from the standards is performed to provide data on the probability of deviations for the day as a unique estimate of credit risk. On the purpose of monitoring the quality of the loan portfolio, correlation dynamics analysis between average weighted actual interest rates and the ratios of non-performing loans (per loan types), as well as monthly studies on migration flows and their changes in classification of loans (among classes) are carried out.

Thanks to the efficient risk management system the quality loan portfolio remains high and the risk level- low.

Interest Rate Change Risk

Interest rate change risk is the probability of negative impact of market interest rate fluctuations on net interest income and capital value.

By means of GAP model, widely used in international practice, interest rate change risk is assessed based on the analysis of disbalance, between assets and liabilities that are sensitive to interest rate fluctuations.

The interest rate change risk based on the Duration Model is assessed using the average weighted time indicators of assets and liabilities, reviewing the duration as an instrument for assessing the sensitivity of present values of assets and liabilities towards the interest rate change. The analysis of gaps of assets and liabilities expressed in individual currencies is performed to assess the impact of interest change rate on net income. The permanent analysis of durations of assets and liabilities enables to hedge the interest rate risk through optimal management of assets and liabilities.

Liquidity Risk

Liquidity risk is the probability that the bank may not be able to timely satisfy the claims of its borrowers without suffering additional losses.

A methodology of assessment and management of liquidity indicators based on maturity gaps concept has been implemented in the bank; it allows assessing the impact of maturity gaps of assets and liabilities on the bank's liquidity based on temporal ranges of the indicators for instant, up to 90 days, and up to 1-year accumulating liquidity, which becomes a good basis for making optimal decisions on management of assets and liabilities.

To assess the changes of the standards and the probability of deviations in the event of pre-term withdrawal of term deposits by individuals and a portion of on-demand liabilities (as well as various possible combinations of such portions), scenario stress-test models are employed to calculate the critical points for deviations from liquidity standards as alternative values of the bank's liquidity risk based on the assessment of various probable shock situations on such standards. The assessment of critical points of standard deviation allows to obtain alternative values of the bank's liquidity risk by analyzing the impact of pre-term withdrawal of term deposits by individuals and legal entities and on-demand liabilities on the standards and the probability of their deviations.

Based on quantile analysis methods, the economic-mathematical model of assessment of the risk of concentration of on-demand and term resources attracted by the bank allows to assess the concentration levels of the resources attracted from individuals and corporate entities. Also scenario analysis of stress tests is carried out, which includes the impacts of outflow of on-demand and term deposits of 10% of major customers on the standards as well as the aggregate impact of the outflow of 1% of the deposits of the customers from the above four groups (individuals and corporate entities with term deposits and individuals and corporate entities with on-demand deposits) on economic standards. Within the model of liquidity risk management, the scenario analysis of the outflow of means of major individuals and corporate entities is also carried out. Based on analysis results, the impact of the outflow of the means on the current economic standards is assessed.

Foreign Currency Risk

Foreign exchange risk is the probability that the bank may have losses due to exchange rate fluctuation.

Foreign currency risk management is carried out by an alternative method of hedging, namely VAR methodology accepted in international practice as well as the methods of analysis of scenario of stress test are used. In the analysis of scenario of stress test the impact of rapid fluctuation of foreign currency exchange rate on the standards is reviewed. The scenario analysis of tests of valuation and depreciation of RA dram, as well as the scenario analysis of tests with the combination of the worst variants of foreign currency rate fluctuations per individual currencies are reviewed.

For foreign currency risk assessment, an economic-mathematical model of assessment of possible losses caused by foreign currency fluctuations enables to assess the size of possible risk conditioned by the Bank's open positions.

The impact of foreign currency change risk on the Bank's profit is evaluated quarterly and annually by means of scenario analysis of stress tests, the results of which are included in notes of interim and annual financial reports published by the Bank.

Price Risk

Price risk is the jeopardy to incur financial losses from adverse changes in market prices of securities, conditioned by equity instrument and its issuer, as well as factors related to general fluctuations of market prices of securities in circulation (taking into account the long or short positions of given security).

The possible minimum level of price risk is assured by the following undertaken measures:

- Analysis of dynamics of structural, volume and price indicators of financial market, liquidity of separate financial Instruments, revelation of existing tendencies,
- Assessment of possible losses,
- Application of hedging instruments,
- Establishment of limits of financial Instruments (per type of security operation, dealer, issuer, stop-loss),
- Diversification of security portfolio per issuer, industry sectors, terms, etc.

Operational Risk

Each business operation of a bank contains certain operational risk that may lead to both small and big losses. For this reason, banks attribute great importance to the efficient management of operational risk management. In compliance with the the Bank's internal legal acts regulating the Bank's risk management, operational risk is defined as the probability of direct or indirect losses caused by inadequate or wrong activities of the personnel, weaknesses of organization and performance of the bank's operations, breakdowns as well as by adverse activities and environmental conditions.

From the viewpoint of operational risk management, serious importance is attributed to the implementation of an effective monitoring system of operational risk by means of daily control, assessment of the adequacy of the level of regulation of the existing regulation through periodic and thematic inspections, identification of functions to be improved, revelation of possible risks and appropriate notification to the responsible authorities.

Taking into account the ongoing steady development strategy of the Bank its future planned performance is directed to strengthening and expansion of Bank's position in Armenian banking market, studying the opportunity of stepping into International markets, which mainly envisages future steady growth of assets on the account of attracted resources /deposits, International Loan programs/, as well as accrued profit and equity.

The bank also intends to expand its cooperation with such International financial Institutions as EBRD, IFC, German- Armenian Fund, Black Sea Trade and Development Bank, FMO, Asian Development Bank and BLUEORCHARD MICROFINANCE FUND, SYMBIOTICS» SA, «MICRO, SMALL & MEDIUM ENTERPRISES BONDS» S.A., DEG – Deutsche Investitions, Entwicklungsgesellschaft mbH financial institutions, «INCOFIN CVBA», «EFA Financial Institutions Debt Fund PTE.» Ltd investment institutions. Together with small and medium-size business finance the Bank plans to develop its mutual mortgage finance program, as well as finance programs of other banking sectors.

Credit in international financial and credit organizations will be extended. External trade credit is actively implemented in parallel with the financing programs. It is expected that the main part of the upcoming growth of program revenues will be from percentage income, adding income from rendered services. Study and installment of new technologies are being taken in the direction of increasing interest income on loans

The income from rendered services is increased due to their diversification, expansion of the list of plastic card services, provision of individual safekeeping boxes, increase of the number of ATMs in trade and service outlets, range of services provided through self-service terminals and "AEB Mobile", "AEB Online" systems.

On purpose of realization of above mentioned tasks the Bank will continue its regular technical refurbishment, enhancement of Procedures, implementation of new banking technologies paying special attention to the application of modern digital technologies in the service toolkit, which will allow to ensure fast, high quality and round-the-clock service.

One of the main prerequisites of efficient development for "ARMECONOMBANK" OJSC is implementation of new bank technologies and leading expertise. Taking this into account the Bank will ensure the continuity of new technologies placement process emphasizing the application of modern digital technologies in the service toolkit, which will allow to ensure fast, high quality and round-the-clock service to customers. All necessary capital investments are envisaged for the aforementioned, which, as a result will enhance technical modernization.

The provision of new payment and settlement services, plastic, will be expanded /both local and international/ card service, self-service through terminals, list of services provided by "AEB Mobile", "AEB Online" systems, etc.

Under its regional policy the Bank will continue to expand its branch network, aimed at assuring the presence of the Bank in the whole territory of Armenia, as well as repair and reconstruction works in acting branches.

The main negative factors that will have certain effect on bank activities are political – economic processes, that is the tendencies of further development of country's economy.

To mitigate the above mentioned risks the Bank will carry out weighed attraction and investment policy, trying to forecast development tendencies as much as possible, diversifying the risk, expanding the list of services, trying to avoid loan and deposit portfolio concentrations.

The Bank's relevant pays great attention to issues relating to implementation of the Bank's new Programs, and enhancement of operating ones. Implementation and development of new technologies at the Bank has a scheduled character. The Bank constantly reviews perspective International practice per separate sectors of banking services, market research about it is made. The bank also elaborates precise procedures for implementation of services and technologies, realizing implementation expertise as well.

Active works are carried out at the Bank to improve the quality of new services, service, taking into account the results of customer inquiries.

