

In the accounting year of 2021, traditionally committed to the effective implementation of its strategic objectives, despite the negative effects of the pandemic, Artsakh war and post-war situation, ARMECONOMBANK OJSC had a number of notable achievements, saw significant growth of its key performance indicators, and strengthened its position in the market thanks to the confidence and loyalty of its customers and the intense efforts and efficient teamwork demonstrated by its employees, all of which contributed to the continuous steady development and transition to a qualitatively new, up-to-date phase of activity.

The increase of profit by 44.2% or AMD 1,470.5m, one of the most important markers of the Bank's operations, resulted in AMD 4,796.5m profit for the year.

In 2020, compared with the previous year, the Bank's assets increased by over AMD 40.1bn or 14.3%, which includes the increase in loans and advances to customers by AMD 17.2bn or 9.8%, which reached AMD 193.3bn, and the increase in investment securities by AMD 18.7bn or 73.4%, which reached AMD 44.2bn.

The Bank's liabilities composed of term and demand resources attracted from both domestic and foreign markets demonstrated a 15.7% increase and reached AMD 279.2bn for the accounting year. The liabilities to customers decreased by AMD 0.87bn or 0.8% and amounted to AMD 112.5bn. The capital of the Bank increased by 5.4% and amounted to ca. AMD 41.6bn – mainly on the account of both external source, supplementation of the charter capital, and internal source, the generated profit, while fair value reserve decreased substantially, by AMD 1.9bn.

Over the accounting year, the cooperation with international finance and credit institutions and major commercial banks continued as the Bank further expanded the framework of the ongoing projects and collaborated to implement new banking services. In particular, in 2020 the Bank signed loan agreements worth USD 25.0m, EUR 5.0m, and the Armenian dram equivalent of USD 10.7m with international financial institutions to finance micro-, small, and medium-sized businesses including ventures managed by women and youth, and "Social", "Green", and agricultural projects.

The Bank's efficient territorial policy reflects both in the steady and dynamic growth of the branches launched in recent years and in successful operations of the branches launched during the accounting year.

The success of the Bank's development is largely conditioned by the effective human resource policy that combines the training of personnel with the effective incentive system in place.

The increasing competition contributes to the overall progress in the system due to the steps taken by banks to cope with such competition. To maintain its positions in the banking market of Armenia and to ensure progressive development, the Bank:

- focuses not only on the quantitative diversification of the services in terms of development and introduction of new credit and deposit services, but also on the improvement of the service quality and application of modern digital technologies in customer service, to which a particular portion of capital investments is targeted;
- carries out an active advertising policy to communicate its new services and new tariffs to the general public;
- responds to the developments in the domestic market by pursuing a flexible tariff and rate policy.

The efforts aimed at further improvement of the efficiency of the risk identification and management system are always in the focus of the Bank's management. The existing risk management system of the Bank, which includes ARMECONOMBANK OJSC Risk Management Policy and relevant procedures for different risks, permanently develops and improves and will reach new quality level in the near future.

Deputy Chairman of the Board, R. Hayrapetyan

Member of the Board, H. Suvaryan

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