



# evocaBANK

Summary overview | 4<sup>th</sup> Q 2019



# The Bank's Vision and Mission

## VISION

To be the most **innovative and progressive** financial institution in Armenia, with services available online, without visiting the Bank.

## MISSION

To deliver financial services with extensive application of latest technology in fast, simple and convenient way operating in **mobile-first** format.

## 29 YEARS OF EXPERIENCE



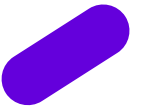
Evocabank is the first registered commercial bank in Armenia with over 29 years of experience in the banking market.

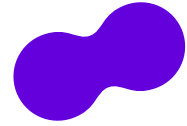


Stability and reliability of the Bank allowed it to constantly meet the increasingly strict regulatory environment and successfully overcome more than one crisis in the banking market.



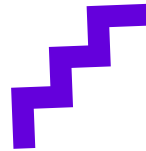
Today Evocabank boasts client service of high international standards, effective and reliable management and strategic focus on development of new technologies.



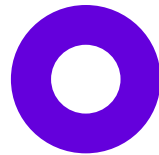


# History of the Bank

**2012 /** Became member of UNISStream money transfer system. Global Finance magazine selected the Bank as one of the World's Best Sub-Custodian Banks in 2012 and the Best Sub-Custodian Bank of Armenia for two consecutive years.



**2005 /** Became a full member of ArCa payment system.



**2006 /** Became an affiliated member of MasterCard Europe.

**1990 /** The Bank was established in 1990 as **the FIRST PRIVATE BANK in Armenia**, and until 2017 operated under the name of Prometey Bank.

**1993 /** Was licensed by the CBA and received a general license No 27.

**2000 /** Became a member of S.W.I.F.T. system.

**2008 /** For the first time in Armenia the Bank issued its own non-documentary unsecured bonds and sold them to a leading Swiss bank.

**2015 /** Launched its mobile application and the supporting advertising campaign, starring Iveta Mukuchyan (prominent celebrity). Issued special branded card as part of the campaign. Launched a security mobile app on App Store and Play Store.

**2016 /** Bank's regulatory charter capital exceeded the minimal required level set by CBA. Legal entity was changed from LLC to CJSC. Bank's regulatory capital reached AMD 30.5 mln..

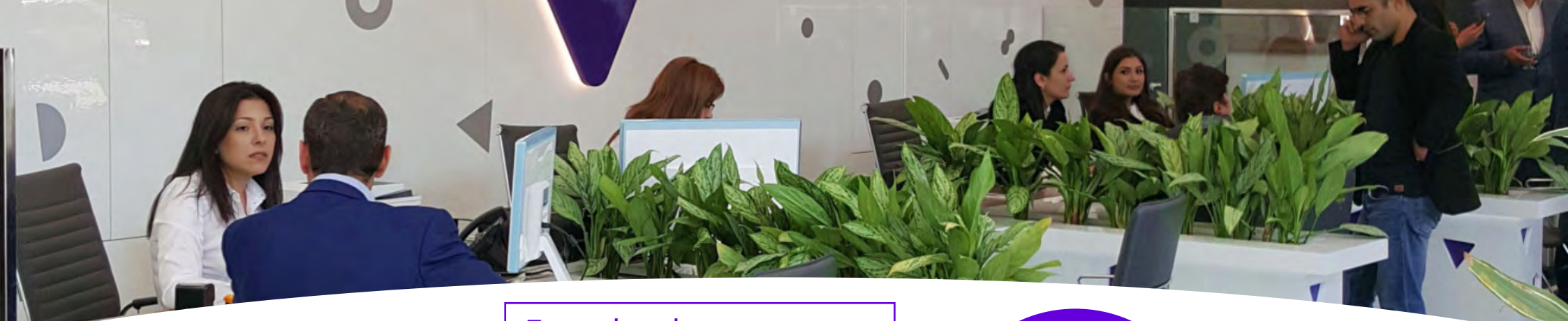
**2017 /** Launched massive rebranding campaign. The Bank was renamed as Evocabank, changed corporate identity and main strategic focus.

**2018/** Bank introduced Online Shopping credit card Global Finance Magazine named Evocabank the Best Digital Bank in Armenia.

**2019/ Best Consumer Digital bank award for three years**

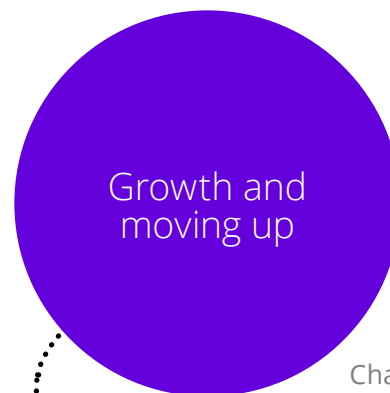
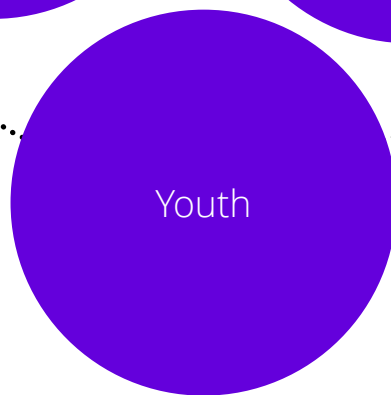
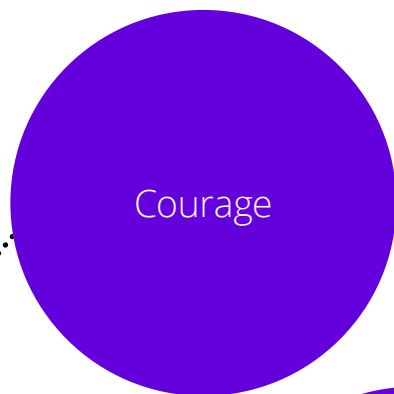
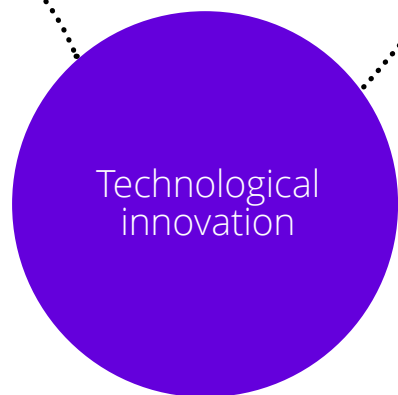
**STP Quality Award 2018-2019 by Raiffeisen bank International**

**Introduced Visa Infinite card**



# Rebranding and Change of Corporate Identity

New identity of the Bank is based on the ideas of



**Evocabank** -  
new name of the Bank is selected by association with the words Evolution and Evoke.

From October 1, 2017 the Bank was renamed to CJSC "Evocabank".

Change of the Bank's image is supported by the change in the strategic direction, which is based on technological innovations and focus on **mobile first**.

The philosophy of **mobile first** means that all new products and services are developed keeping in mind their use by customers primarily via the mobile app **EvocaTouch**.

The changes affected all aspects of the Bank's operations, including office design, internal processes, customer service approach, values and strategic development plans.

The Bank carried a large-scale advertising campaign as a part of the rebranding, with activities throughout Armenia, including all the spectrum of marketing means, ATL and BTL techniques, non traditional and guerilla tools.

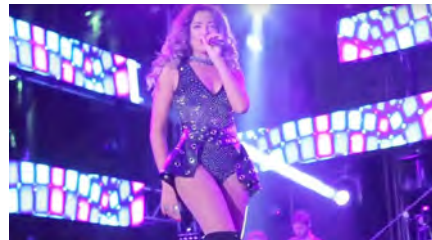
The main focus of the advertising campaign is to promote **EvocaTouch**, the mobile application of the Bank and to publicize the new image.

As part of the campaign Evocabank carried series of events, unprecedented for Armenia in terms of scale and implementation

- Rebranding announcement event, with lottery of trip to Dubai for clients of the bank
- May, 2018 - concert of Armenian singer Srbuk, who represented Armenia in Eurovision 2019
- September, 2018 concert of Armenian sing-er Iveta Mukuchyan, the brand ambassa-dor of Evocabank
- Fly to Eurovision 2019 with Evocabank! campaign



[https://www.youtube.com/watch?v=FBytCBg4\\_v0](https://www.youtube.com/watch?v=FBytCBg4_v0)



[https://www.youtube.com/watch?v=\\_v2KdjNaA0s](https://www.youtube.com/watch?v=_v2KdjNaA0s)

# Major Advertising Campaign



<https://www.youtube.com/watch?v=JDQ2Za0etlo>

**Iveta Mukuchyan** (popular singer and participant of Eurovision song contest in 2016) became the face of the new brand.



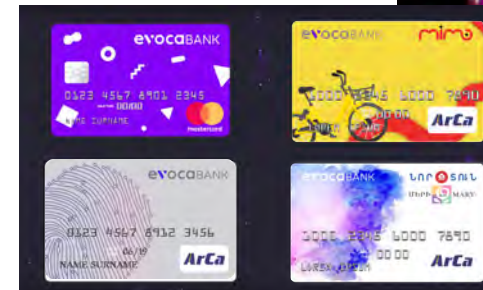
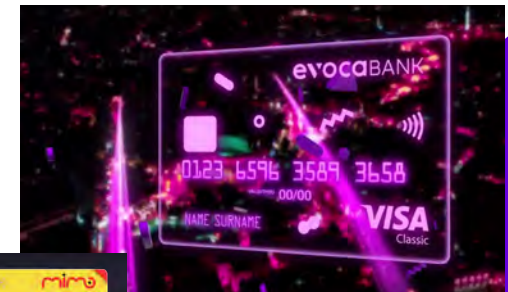
# Two years after Rebranding

## New image of the Bank led to significant positive outcome for the Bank's operations

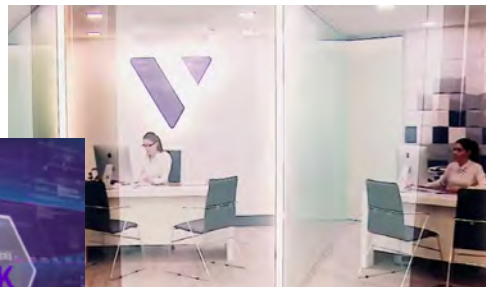
Increased brand recognition and knowledge about the Bank among potential clients

Unprecedented growth of the number of clients

Clients	31/12/2017	31/12/2018	31/12/2019	Growth in 2019	
				number	%
Legal entities	1,438	2,048	2,893	845	41%
Individuals	15,487	35,280	58,915	23,635	67%
Total	16,925	37,328	61,808	24,480	66%



<https://www.youtube.com/watch?v=Up79Y2PsAxA>



Rapid growth of the number of issued cards

Issued cards	31/12/2017	31/12/2018	31/12/2019	Growth in 2019	
				number	%
Total ArCa, MasterCard and Visa cards issued	24,668	65,481	136,183	70,702	108%

# Our Campaigns

The bank started to provide **Visa Infinite** cards to its customers, and influencers with more than 20,000 followers in social media.



Holders of **Mastercard or Visa cards** got an opportunity to make reservations and online payments via **EvocaTOUCH app's Booking.com** section while earning **5%-cashback**.



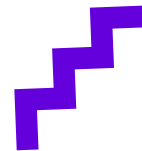
# Our Successes



On November 27 Evocabank was awarded the prize for Successful Launch of Visa Infinite. The award was presented at Visa International Payment System's Recognition Award Ceremony.



On October 29 Evocabank's Visa Infinite premium class card received New Product of the Year Award at KAMOBLOG 2019 AWARD ceremony.





# Our New Products



Mortgage Loans with 7.5% down payment and without additional property pledging.

Mortgage borrowers of AMD 10 mln. or more received a gift of SMART TV.



For the first time in Armenia Evocabank introduced Online Installment Shopping system and inviting all online-trading organizations for cooperation.

The system helps e-commerce organizations increase their sales and reduce costs. Evocabank already works with Eldorado, AraExpress and ElectronicsPlanet.

## ROBIN

Evocabank introduced Robin - an artificial intelligence robot which helps and entertains customers at the Bank's headquarters. Robin is the one and only in Armenian financial sphere.



## evoca LAB 4

The Bank launched an innovative professional development program for graduates and 2<sup>nd</sup> year master students and has successfully implemented it.

## EVOJI - Evocabank's Emojis

For the first time in Armenian financial system, Evocabank introduced its own trendy, unique emojis.

For the festive season Evocabank introduced winter series of Evojis, to deliver the cheerful mood and a New Year's magic. Evojis were available through all messengers and the New Year issue of Yerevan Magazine.



# INNOVATIONS & EVOCABANK

# Fintech Hackathon

## First time in Armenia

Evocabank organized the first Fintech Hackathon in Armenia jointly with ISTC Foundation.

Three winner teams received 4,500 USD total prize award for developing biometric identification solutions.

In addition Evocabank made potential partnership proposals to two other teams.





# New Brand Image Campaign

ARE YOU READY FOR THE NEW REALITY?

**It is here...  
now...**

<https://www.youtube.com/watch?v=C4E-80wk4RQ>



# Corporate Values of the Bank

We build honest relationships with everyone.

Honesty

We are continuously introducing and applying innovations to offer customers the best solutions of the latest technologies.

Innovativeness

We place customers at the center of our activities; we appreciate and take care of our customers' trust.

Customer Confidence

We strive to improve the lives of our customers making them more comfortable.

Comfort

Impeccable reputation is our most valuable and irreplaceable asset.

Business Image

Reliability

We are stable and reliable for both our customers and partners.

Transparency

We are open and transparent to public, at the same time we keep confidential the information on clients banking and trade secrets.

Team Spirit

We have formed the best team to ensure the best services for our customers.

# Shareholders and Supervisory Board of the Bank



**Vazgen Gevorkyan, MBA, PHD**  
Chairman of Supervisory Board



**Gegham Gevorgyan, Dr.Sc., NAS full member**  
Deputy Chairman of Supervisory Board



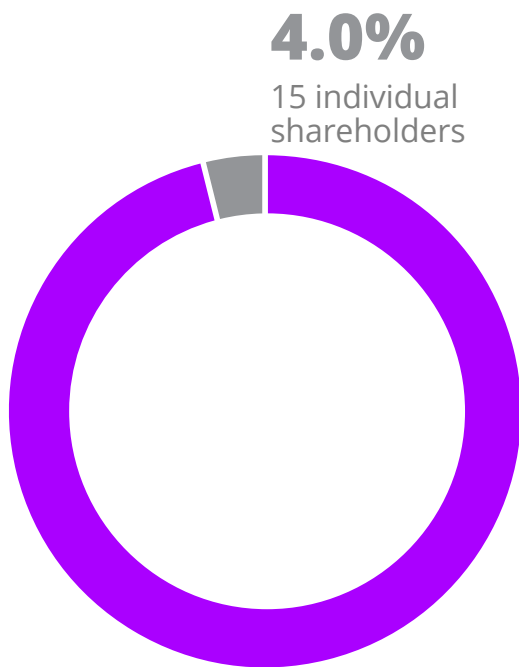
**Felix Dilanyan, PhD**  
Member of Supervisory Board



**Varazdat Nersisyan, MBA**  
Member of Supervisory Board



**Armen Manukyan**  
Member of Supervisory Board



**4.0%**  
15 individual  
shareholders

**96.0%**

"Prometey City" LLC

# Management Board of the Bank



**Karen Yeghiazaryan, MBA**  
Chairman of Management  
Board



**Armen Hakobyan, PHD**  
First deputy Chairman of  
Management Board



**Tatevik Khachatryan, MBA**  
Deputy Chairman of  
Management Board



**Hayk Petrosyan**  
Deputy Chairman of  
Management Board



**Lilit Gaboyan, MBA**  
Deputy Chairman of  
Management Board, CFO



**Emma Janinyan, MBA,  
PHD, ACCA**  
Member of Management  
Board, Chief accountant



**Emil Simonyan, PHD**  
Member of Management  
Board, Head of IT division



**Mher Sahakyan**  
Member of Management  
Board, Head of  
Programming division



**Tatevik Janoyan, MBA**  
Member of Management  
Board, Head of HR  
Management Division



Press Release

## Global Finance Names The World's Best Consumer Digital Banks In Central & Eastern Europe 2019

COUNTRY WINNERS		REGIONAL SUB-CATEGORY WINNERS	
Armenia	Evoca Bank	Best Online Deposit, Credit and Investment Product Offerings	Tinkoff Bank
Belarus	Alfa Bank	Best Bill Payment & Presentment	Sberbank
Bulgaria	UniCredit Bulbank	Best Web Site Design	Bank Millennium
Estonia	SEB Estonia	Best Integrated Consumer Bank Site	Tinkoff Bank
Georgia	TBC Bank	Best in Mobile Banking	TBC Bank
Hungary	OTP Bank	Best Information Security and Fraud Management	Sberbank
Latvia	SEB Latvia	Best in Social Media Marketing and Services	Tinkoff Bank
Lithuania	SEB Lithuania	Best Mobile Banking App	TBC Bank
Poland	ING Bank	Most Innovative Digital Bank	Tatra banka
Romania	Garanti Bank	Best Mortgage Bank	Alfa Bank
Russia	Tinkoff Bank	Best Open Banking APIs	Citi
Serbia	Raiffeisen banka Beograd		
Slovakia	Tatra banka		



# The Best Digital Bank

**Global Finance international magazine** recognized Evocabank as the best retail digital bank in Armenia in 2017, 2018 and 2019.





A 3D perspective of a tunnel formed by glowing blue rectangular frames receding into the distance. The frames are arranged in a series of concentric, slightly offset rectangles that create a sense of depth and movement. The lighting is a vibrant blue, and the overall effect is futuristic and dynamic.

Key  
Strategic  
Directions

# Competitive Position in the Banking Market of Armenia

Competitive advantages of the Bank

Innovation and technological novelty

Stability and reliability

High level of capital adequacy

High level of profitability

Performance indicators according to **ARMINFO** news agency **Evocabank** holds the following positions as of December 31, 2019:

**by the size of authorized capital**

place 14

**by the value of assets**

place 14

**by client credit portfolio**

place 12

**by loans to individuals**

place 11

as of 30.09.2019

**by retained earnings**

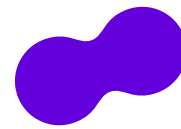
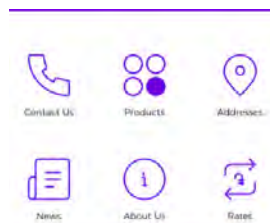
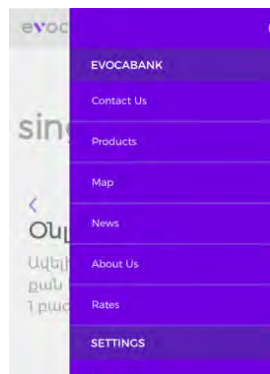
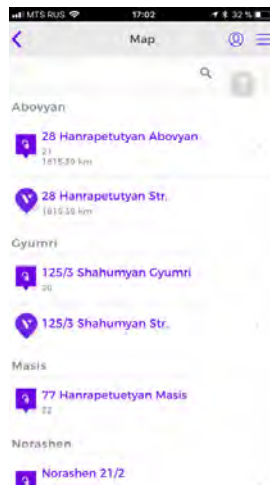
place 14

**by client accounts and deposits**

place 13

# Digital Channels

Evocabank aims to work primarily through digital channels: online banking and mobile apps.



## evocaONLINE

Internet banking system, for both individuals and corporate clients.

The Bank makes digital security in online channels its top priority.



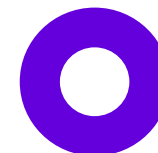
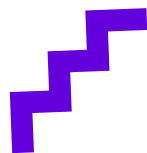
### EvocatTouch

mobile banking application for individuals and corporate clients.



### EvocaToken

mobile application which provides secure access to the main application.





## EVOCAONLINE

Manage you bank accounts remotely without visiting the bank through Prometey Online system. The system will allow you to use banking services anytime and anywhere irrespective of our work schedule. To activate the system, you can turn to the Head Office or any branch.



# Digital Channels: **internet bank**

Accessing EVOCAONLINE internet banking system clients can:

manage their current accounts

check information on accounts, history of operations, loans and repayment schedule

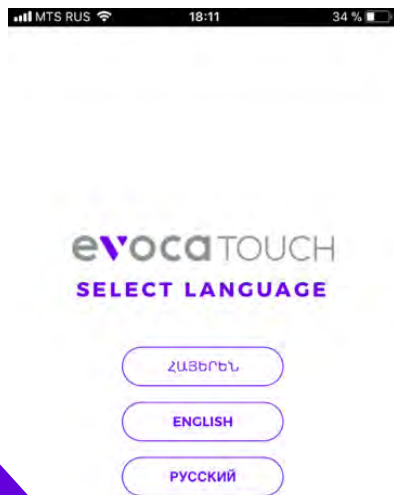
make transfers with loans and current accounts

send and receive letters in free format with the enclosed files

import data from xml files

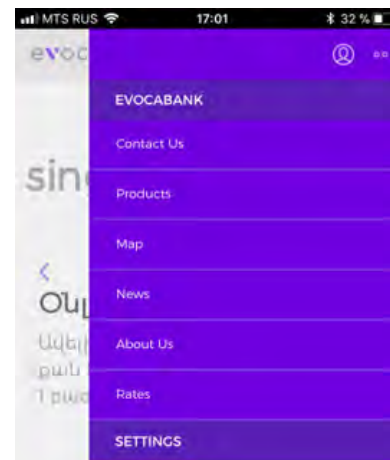
create document templates

# Digital Banking: EvocaTouch




The screenshot shows the "Rates" screen in the EvocaTouch app. It features a table with columns for Currency, CBA Rate, Buy, and Sale. The table lists rates for USD, EUR, RUB, and GBP. There are also tabs for "Cash" and "Non-Cash" at the top.

Currency	CBA Rate	Buy	Sale
USD	480.57	480.00	482.50
EUR	590.67	588.00	594.00
RUB	8.47	8.43	8.52
GBP	667.37	662.00	672.00



## Mobile First

**EvocaTouch**  mobile app ranks №3 by the number of downloads in Armenian **AppStore** and **Google Play** (among all apps).

## Number of downloads:

**284,196** total downloads

**74,744** total downloads

**358,940** total downloads



Clients using the application have access to the following features:

**Get information** about accounts, payment cards, loans, deposits, account statements;

## Make transactions:

transfers: in Armenia and the internationally,  
currency exchange,  
loan repayment,  
opening and replenishment of deposits,  
payment of utility bills, budget payments  
get a credit card  
payment of property tax, cancellation of documents;

## Other features:

send and receive letters in a free format with attached files,  
import data from an xml file, create document templates.

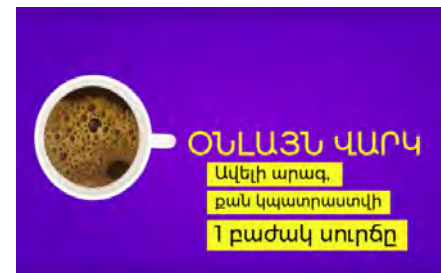
# singleTOUCH and Shopping Card

## Online loans provided

	31/12/2019
Number of online loans provided	73,556
Online loan amount, mln AMD	49,577

## Fast online loan with singleTOUCH

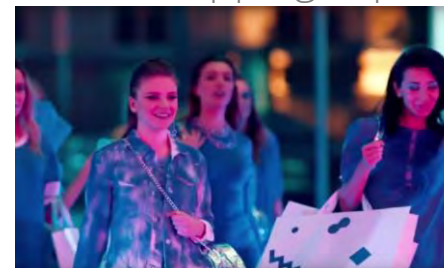
The maximum loan amount is increased to AMD 5 mln or USD 10,000. Loan application is approved in a few seconds, automatically without human interference. The amount is transferred to Evoca Touch card.



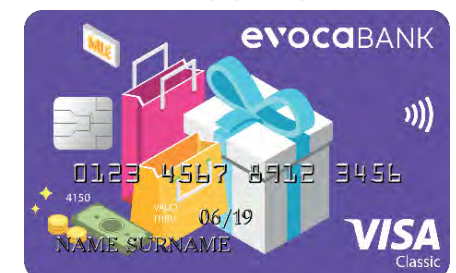
<https://youtu.be/RG0U39WuawQ>



## Convenient shopping experience with Shopping Card



<https://youtu.be/BXILj5FgxXU>



# Communication with Clients through Social Networks

The Bank actively interacts with clients via social networks.



Evocabank has the most popular page on [Instagram](#) among banks in Armenia with more than 17,000 subscribers.

**Number 1** by the number of followers among banks in Armenia.

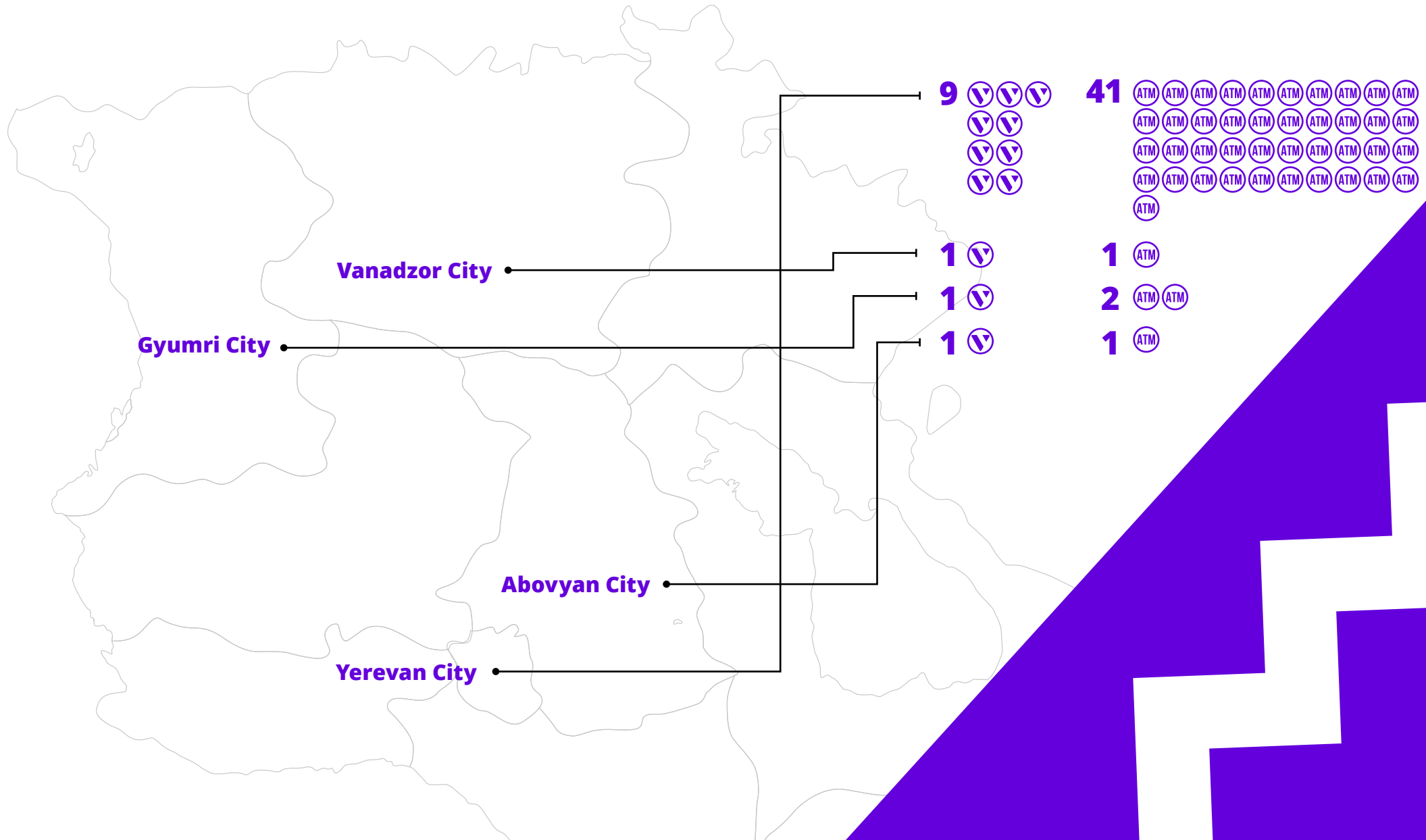


Evocabank also actively interacts with clients via [Facebook](#) (more than 84,000 subscribers).

**Number 1** by the number of followers among banks in Armenia.

# Offline channels: Branch and ATM Network

Today, the Bank has **12 branches** (including the Head Office) and **45 ATMs** on the territory of Armenia.



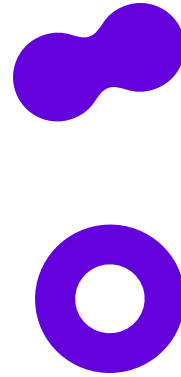


# Products for Individuals



# Card Products for Individuals

The following card products are available to clients of Evocabank:



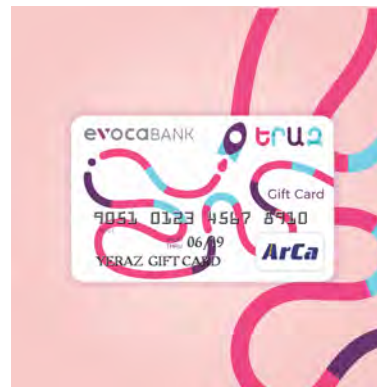
**Cobranded cards with Dalma shopping mall**



**Cobranded cards with Retail group**



**Cobranded cards with Yeraz store**



- **Shopping card**  
credit card for shopping in Armenian shops and abroad
- **SingleTOUCH**  
online-credit 24/7 without paperwork and loss of time
- **Unsecured personal loans**  
Loans for any purpose
- **Mortgage loans**  
Residential and commercial mortgages  
Mortgage special programs (NMC, housing for young families)
- **Consumer loans**  
Profitable with a reduced rate  
Consumer loans for purchase of goods
- **Car Loans**  
Loans to purchase cars both new and used
- **Card credit**  
Credit cards  
Loans on Mastercard E-commerce
- **Student loan**  
Student loans for tuition pay
- **Other loans**  
Loans under guarantee  
Pawn loans

# Accounts and Transfers

A wide range of account options are available to clients of Evocabank.

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## **Current accounts**

In AMD and foreign currency, available to resident and non-residents of Armenia.

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## **Unallocated metal accounts**

Accounts tied to gold prices in the international market.

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## **Special state support accounts**

For state welfare payments.

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## **Money transfers**

Transfers within Armenia and to other countries, available with opening and without opening an account.

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## **Transfer payment systems**

Money transfers without opening an account with the following systems: the BEST, Converse TRANSFER, INTELEXPRESS, UNISStream, MoneyGram.

# Deposits and Investment Products

Evocabank offers both classic deposits and investment products.

## **Classical Deposit**

Providing a stable high yield.

## **Children's Deposit**

Opened in the name of the child until he/she reaches the age of maturity.

## **Investment service**

Brokerage (dealer) and Depository services (including intermediary services in provision of Depository services by the Central securities Depository of Armenia) on the territory of the Republic of Armenia, in the Russian and world securities markets.

## **Personal Safe Boxes**

Fireproof individual safe deposit boxes - for valuables.

# Products for Corporate Clients





# Products for Legal Entities

Evocabank provides a full range of services for legal entities.

## **Business Loans**

Commercial loans for financing various business sectors

## **Classical Deposit**

Classic deposit with stable high yield

## **Accounts**

Accounts for legal entities and individual entrepreneurs in AMD and foreign currency

## **International Trade Services**

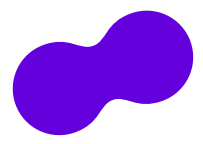
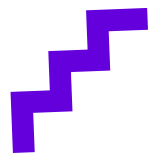
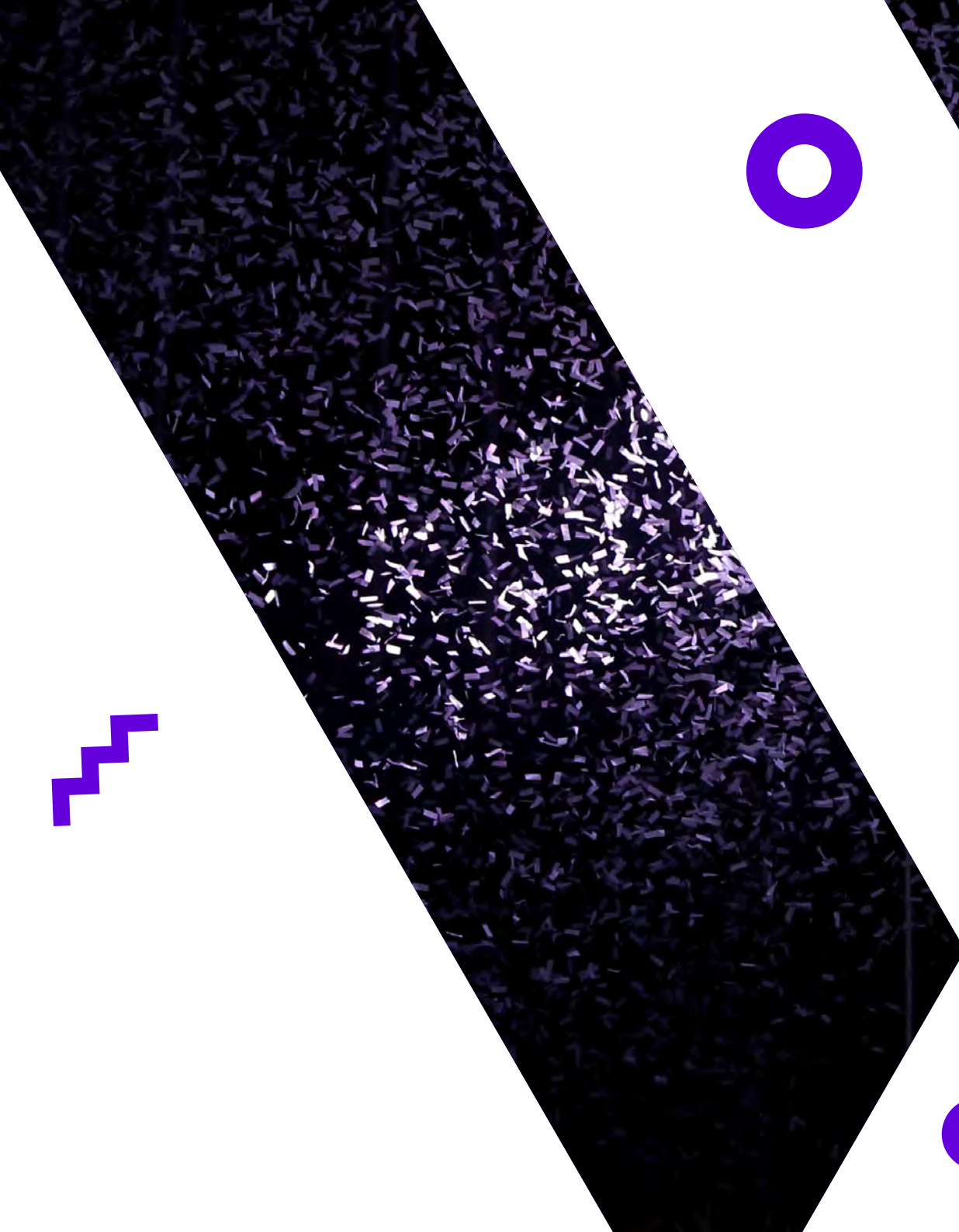
Letters of credit  
Documentary Collection  
Guarantee

## **Money transfers**

Transfers on the territory of the Republic of Armenia and abroad in AMD and foreign currency

## **Investment services**

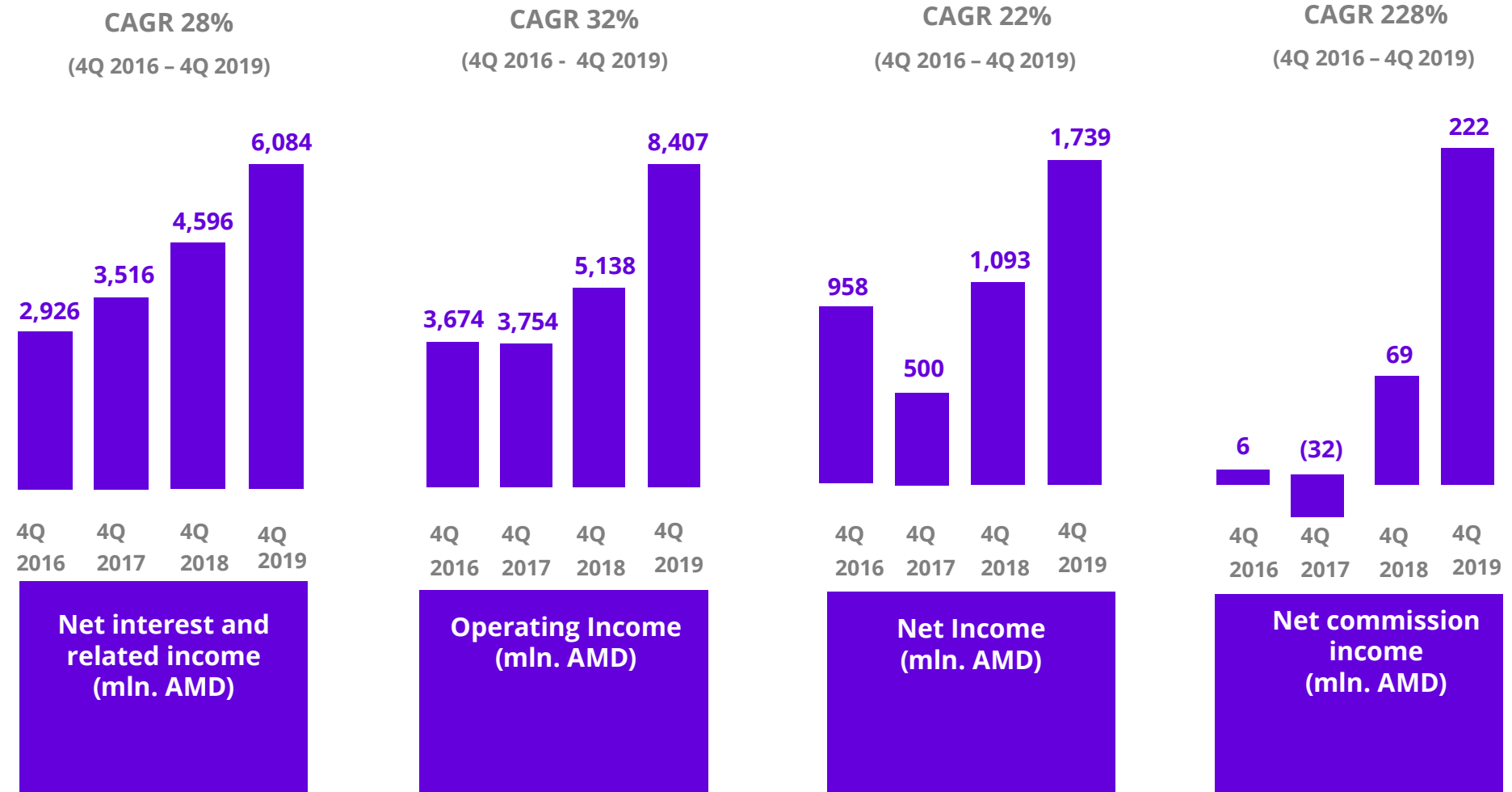
Broker (dealer) and depository services on the territory of the Republic of Armenia, in the Russian and global securities markets



# Financial Indicators

# Income Statement Indicators

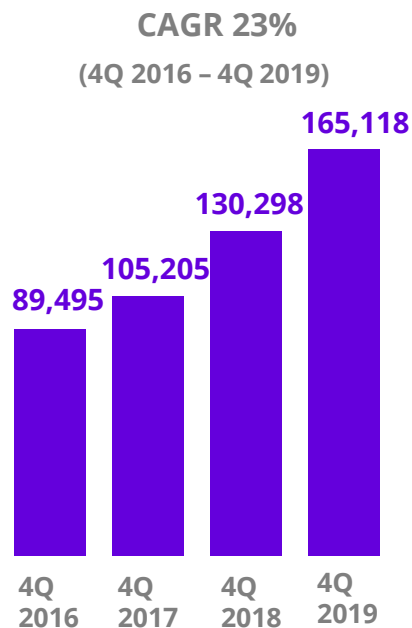
In 2016-2019 Evocabank demonstrated stable growth of income indicators



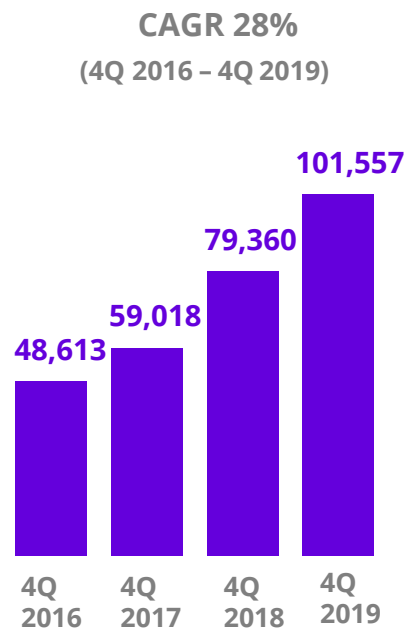


# Balance-sheet Indicators

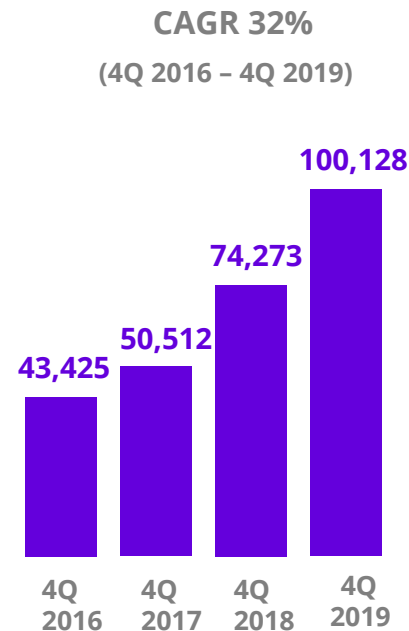
In 2016-2019 Evocabank demonstrated stable growth in all balance sheet indicators



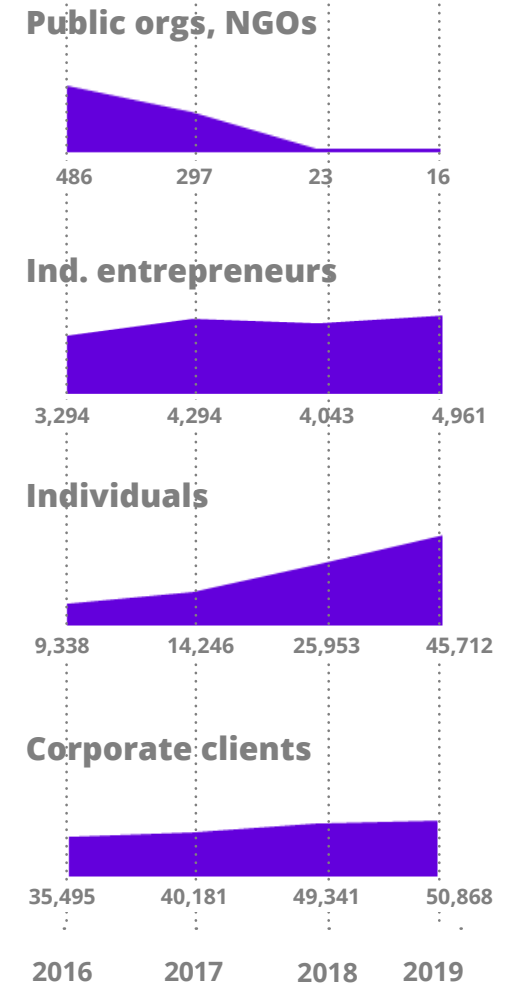
Total assets, mln. AMD



Loans and advances to customers, mln. AMD



Amounts due to customers, mln. AMD



Structure of the loan portfolio 2016- 2019, mln. AMD (without interbank lending)

# Credit Portfolio of the Bank

Loan portfolio structure by types of creditors,  
31.12.2019



Credit Portfolio is almost equally split between legal entities and individuals.



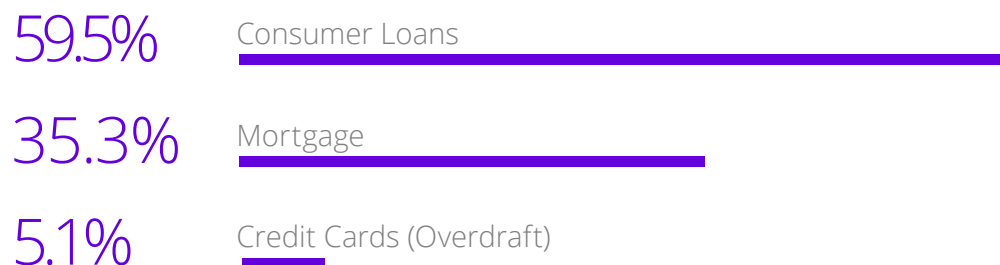
Retail loans accounted for 45% of the total loan portfolio of the Bank.



The share of retail lending has grown since the beginning of the year by 12% in the portfolio structure, due to current focus on retail consumers

# Credit Portfolio of the Bank: **Loans to Individuals**

Retail loan portfolio structure by product,  
31.12.2019



Retail loans (which include auto loans and other consumer loans, and exclude mortgages, cards and reverse repo agreements) make up 59% of the portfolio of retail loans.



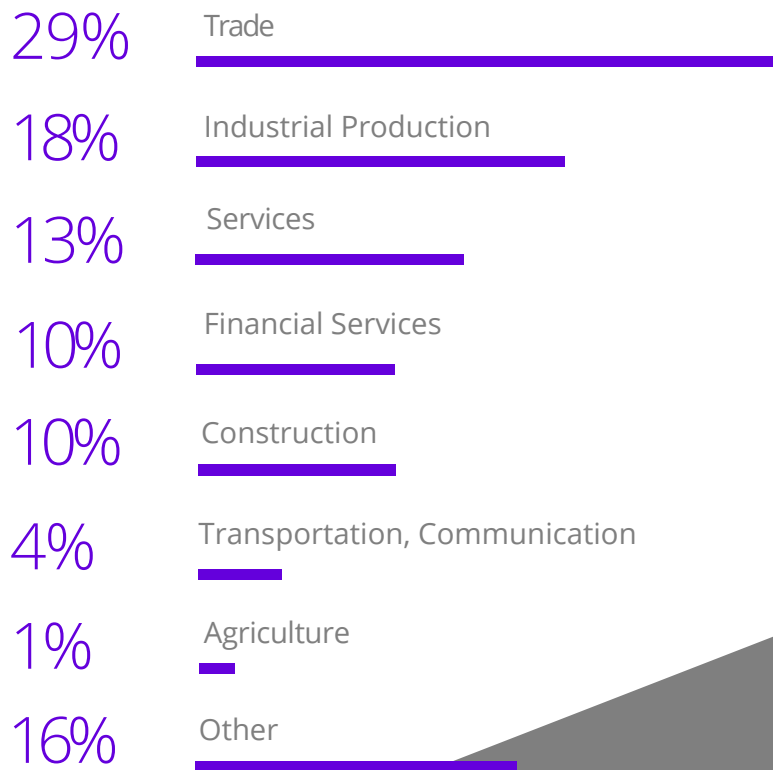
The most demanded product in 2019 is mortgage (35% of the portfolio).



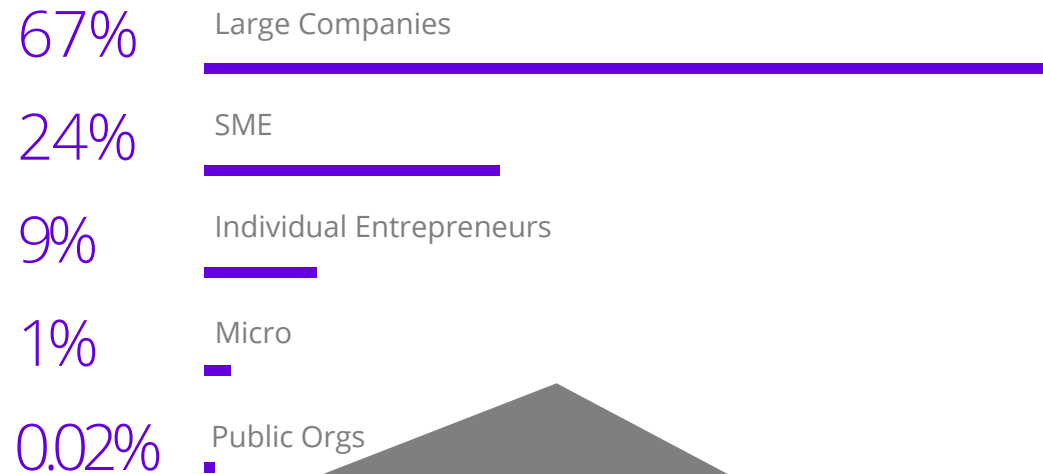
Due to its focus on consumer lending, including through online channels, the consumer loan share maintains the large share of 59-60% throughout the year.

# Credit Portfolio: Corporate Clients

Corporate loan portfolio structure by industry,  
31.12.2019



Corporate loan portfolio structure by company size,  
31.12.2019



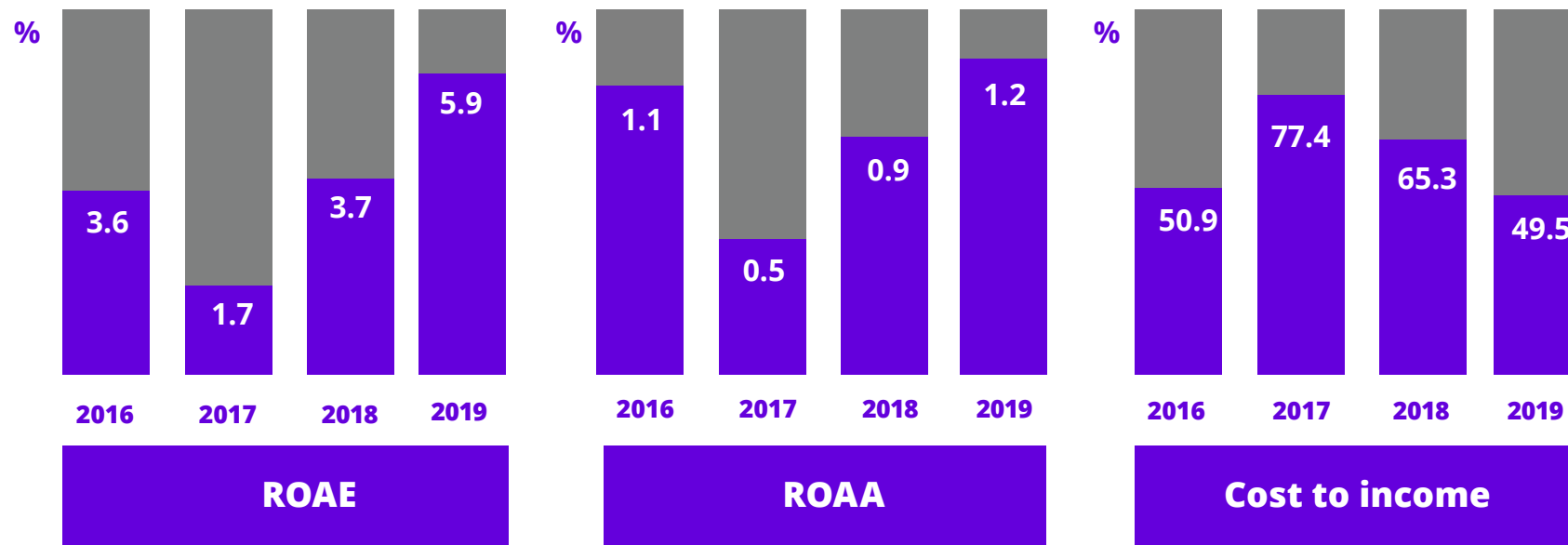
■ Corporate portfolio equals to 49% of the total loan portfolio of the Bank (44% of loans to private sector enterprises, 5% to individual entrepreneurs and 0.1% to public organizations).

■ Corporate loans are dominated by loans to Trade (29%) and Industrial (18%) companies.

■ Loans to large enterprises account for more than half of the portfolio (67%), however Bank also actively lends to small and medium-sized enterprises and individual entrepreneurs.



# Operational Performance of the Bank



Evocabank demonstrated growth in return on assets and equity in 2016-2019.

At the same time operational efficiency of the Bank (C/I) has improved and reached the level of 49.5% in 2019.

# Implementation of obligatory standards of the Central Bank

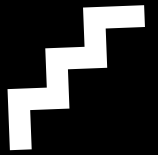
Evocabank has reliable financial performance and high level of capitalization allowing it to conform to all requirements of the Central Bank of Armenia

The admissible size of the standard established by the Central Bank of RA

Name		2014	2015	2016	2017	2018	2019
Minimal amount of the Bank's charter capital	<b>50,000</b>	14,400,000	14,400,000	17,950,000	17,950,000	17,950,000	17,950,000
Minimum amount of total (private) capital	<b>30,000,000</b> (since 01.01.2017)	18,476,997	23,065,971	32,712,307	33,607,165	33,211,112	33,672,562
N 1 Minimal ratio of total capital to risk weighted assets	<b>12 %</b>	29.00 %	34.82 %	39.41 %	30.82 %	27.02 %	20.98 %
N 2 Minimal ratio of highly liquid assets to total assets	<b>15 %</b>	28.79 %	28.60 %	32.41 %	29.25 %	22.93 %	21.85 %
N 2 Minimal ratio of the Bank's highly liquid assets to the callable liabilities	<b>60 %</b>	181.58 %	173.34 %	196.00 %	183.19 %	139.67 %	142.64 %
N 3 Maximal ratio of one borrower's risk	<b>20 %</b>	19.15 %	13.73 %	17.41 %	17.47 %	14.84 %	16.32 %
N 3 Maximal ratio of all major borrowers' risk	<b>500 %</b>	68.35 %	46.38 %	58.17 %	71.64 %	75.67 %	69.83 %
N 4 Maximal ratio of one borrower's risk affiliated with the Bank	<b>5 %</b>	0.93 %	4.16 %	0.31 %	0.45 %	0.45 %	0.79 %
N 4 Maximal ratio of all major borrowers' risk affiliated with the Bank	<b>20 %</b>	5.23 %	7.69 %	2.10 %	2.67 %	2.90 %	3.70 %
Maximum ratio of the currency position to the Bank's total capital	<b>10 %</b>	0,18 %	0,50 %	0,12 %	0,44 %	4,47 %	4,70 %

evocaBANK

# TOWARDS THE NEW REALITY



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