

# evocaBANK

## INVESTOR PRESENTATION

OVERVIEW | 2023 2Q

# History Of The *Bank*

1990 The Bank was established in 1990 as the first commercial bank in Armenia and until 2017 operated under the name of Prometey Bank.

1991 Was licensed by the CBA and received a general license No 27.

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

2005 Became a full member of ArCa payment system.

2006 Became an affiliated member of MasterCard Europe.

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

2012 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.

2015 Launched its mobile application on App Store and Play Market.

2016 The Bank's regulatory charter capital exceeded the minimal required level set by CBA. Legal entity was changes from LLC to CJSC.

2017 Launched a massive rebranding campaign. Evocabank joined Visa International Payment system.

2018 Global Finance Magazine named Evocabank the Best Digital Bank in Armenia and the Best Consumer Digital bank of Armenia for 2nd year in a row.

2019 The Bank was named the Best Consumer Digital bank of Armenia for the 3rd year in a row. Introduced the Visa Infinite card.

2020 The Bank joins World Bank, European Investment Bank and KfW bank loan programs.

Evocabank's capital has been replenished by AMD 2.05B.

Evocabank opened 3 new branches.

The Bank was named the Best Consumer Digital bank of Armenia for 4th year in a row.

2021 Evocabank placed and listed two tranches of bonds, each in total amount AMD 500M and USD 5M.

New Partnership with IFC by raising USD 15M.

The Bank was named the Best SME bank of Armenia by Global Finance.

The Bank was named the Best Consumer Digital bank of Armenia for 5th year in a row.

2022 The Bank placed bonds a total amount of AMD 2B and USD 10M.

Evocabank replenished its capital by AMD 3B.

Evocabank successfully completed DigiLab Finance program, founded by IFC and Accenture.

Evocabank raised USD 7.5M from Symbiotics.

The Bank was named the Best Consumer Digital bank of Armenia for 6th year in a row.

Evocabank signed a new USD 15M loan agreement with IFC.

2023 Evocabank Issued Bonds in amount of AMD 2B, USD 10M and EUR 7M.


Evocabank is awarded a Fair Taxpayer Certificate by State Revenue Committee.

Fitch Ratings has awarded Evocabank an IDR of 'B' with a Positive Outlook.

# New *Achievements*


## Most Innovative Digital Bank in Armenia

Evoca is recognized by Global Business & Finance Magazine as the most innovative digital bank in Armenia.

 [click here to read more](#)


## Evocabank as Fair Taxpayer

Evocabank is awarded a Fair Taxpayer Certificate by State Revenue Committee.

 [click here to read more](#)

## New International Rating from Fitch Ratings

Fitch Ratings has awarded Evocabank an IDR of 'B' with a Positive Outlook and a VR of 'b'.

 [click here to read more](#)



# 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 the latest technologies in the fast, simple and convenient way, operating in a mobile-first format.

### Years of experience

Evocabank is the first registered commercial bank in Armenia with over 32 years of experience in the banking market. The stability and the reliability of the bank allowed it to constantly meet the increasingly strict regulatory environment and to successfully overcome more than one crisis in the banking market.

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

# Corporate *Values*

## Honesty

We build honest relationships with everyone.

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## Reliability

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

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## Innovativeness

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

## Transparency

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

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## Customer confidence

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

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## Comfort

We strive to improve the life-standards of our customers making them more comfortable.

## Team spirit

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

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## Business image

Impeccable reputation is the most valuable and irreplaceable asset for the Bank.



# Management *Board*



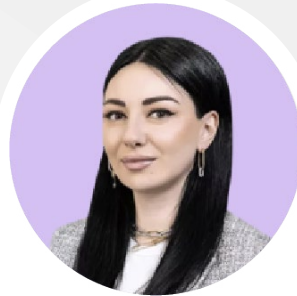
**Karen Yeghiazaryan**  
**MBA, PhD**

Chairman of Management Board



**Armen Hakobyan**  
**PhD**

First Deputy Chairman of Management Board



**Tatevik Khachatryan**  
**MBA, PMP®**

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



**Smbat Martirosyan**

Member of Management Board, Head of Legal Department



**Mher Sahakyan**

Member of Management Board, Head of Programming and Operating systems Department

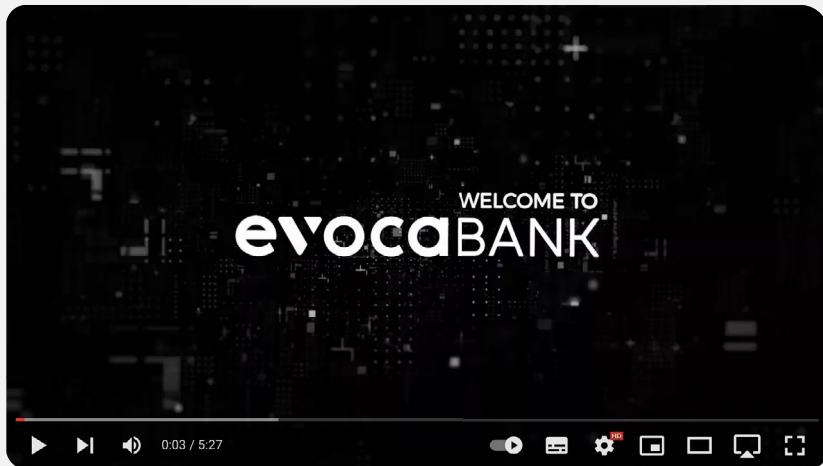


[click here to read more](#)

# Six Years After *Rebranding*

New image of the bank led to significant positive outcomes for the bank's operations.

It increased the brand recognition and popularity of the bank among potential clients.



## Number of issued cards

ISSUED CARDS	30/06/2023
Total ArCa, MasterCard and Visa cards issued	131,320

## Number of POS/vPOS

POS/vPOS	31/12/2020	31/12/2021	31/12/2022	30/06/2023
POS	524	810	1,765	2,673
vPOS	109	181	370	726

## Clients

	31/12/2020	31/12/2021	31/12/2022	30/06/2023
Legal entities	3,843	4,777	7,276	7,915
Individuals	63,188	55,814	117,004	125,433
Total	67,031	60,591	124,280	133,348



[click here to see the ad](#)

# / Key Strategic Directions





# Digital *Channels*

EVOCABANK AIMS TO WORK PRIMARILY THROUGH DIGITAL CHANNELS: ONLINE BANKING AND MOBILE APPS.

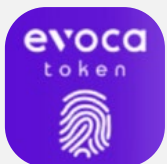
## evocaONLINE

Internet banking system for both individuals and corporate clients. The Bank makes digital security in online channels its top priority.



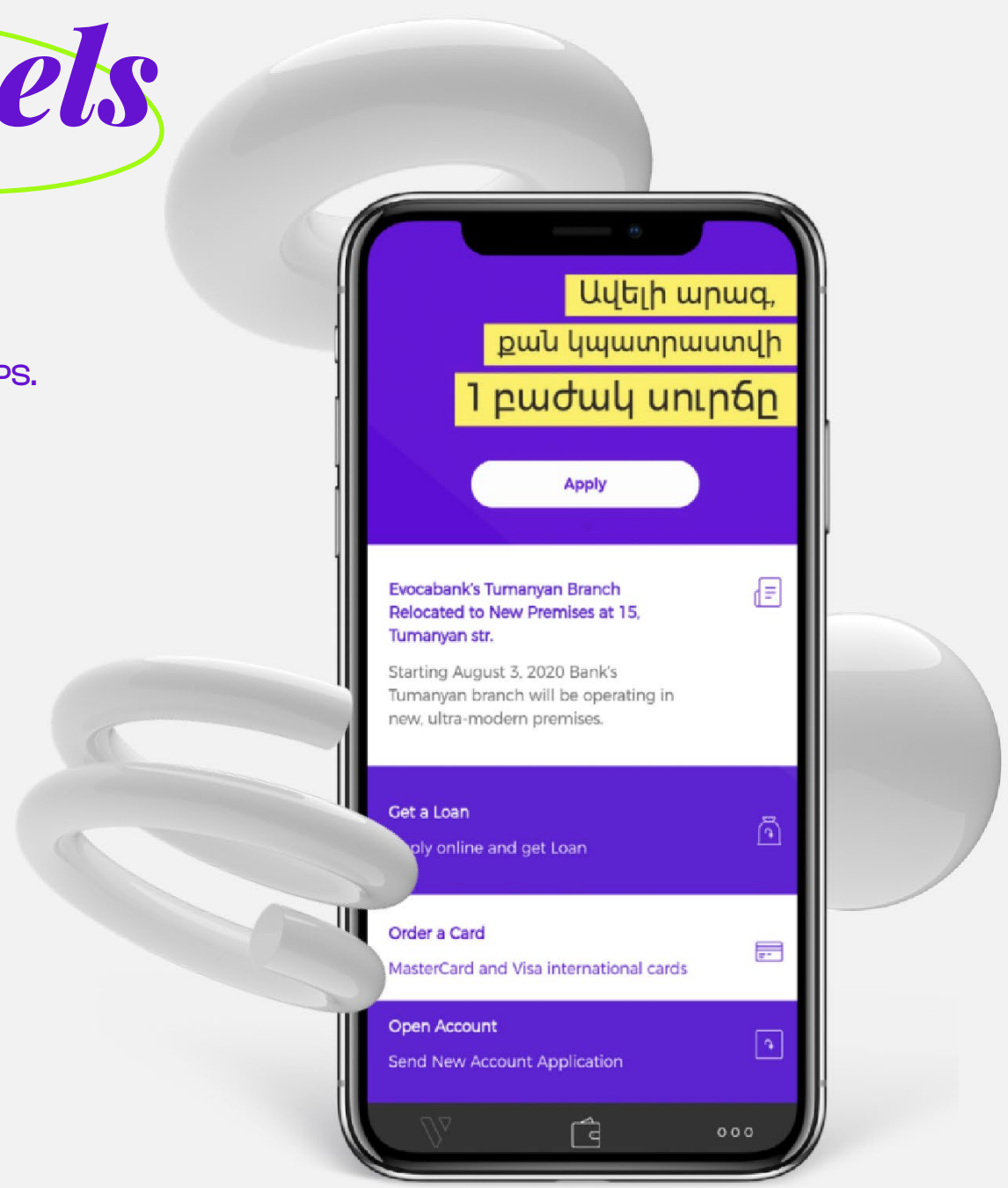
## evocaTOUCH

mobile banking application for individuals and corporate clients.



## evocaTOKEN

mobile application which provides secure access to main application.



# Digital Channels: *Internet Banking*



**evocaONLINE**

**MANAGE YOUR BANK ACCOUNT REMOTELY WITHOUT VISITING THE BANK VIA EVOCAONLINE**

**ACCESSING EVOCAONLINE INTERNET BANKING SYSTEM CLIENTS CAN:**

Check account information, including account balances, statements, loans and repayments, deposits, exchange rates.

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Manage products, for example open deposits and replenish them, make loan repayments.

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Import data from XML files, create document templates.

Make payments and transfers, such as utility payments, tax payments and budget transfers.

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Send and receive letters in free format with enclosed files.

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Make foreign currency conversions.

# Digital Channels



EXCHANGE RATES			
	Non-Cash	Cash	
	Buy	Sale	CBA
	383	388	386.42
	412	422	417.14
	4.80	4.93	4.83
	471	487	480.36
	420	435	428.31
	54.10	56.70	54.92
	104	107	105.22

## BIOMETRIC IDENTIFICATION IN EVOCATOUCH APP

Evocabank will be accessible everywhere owing to artificial intelligence biometric identification system.



[click here to read more](#)

### Get information:

about accounts, payment cards, loans, deposits, account statements;

### Make transactions:

transfers in Armenia and internationally, currency exchange, loan repayment, opening and replenishment of deposits, payments 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.

515K  
total downloads

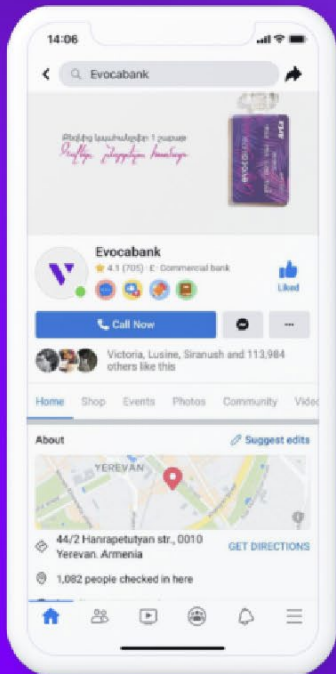


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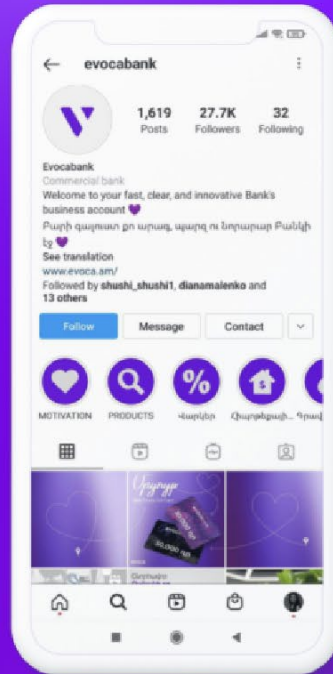


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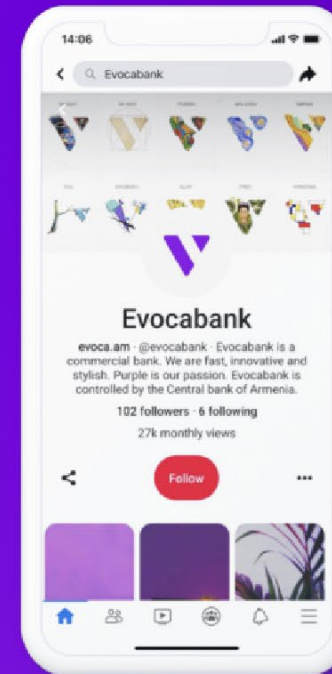
# Social Networks



click to visit



click to visit



click to visit

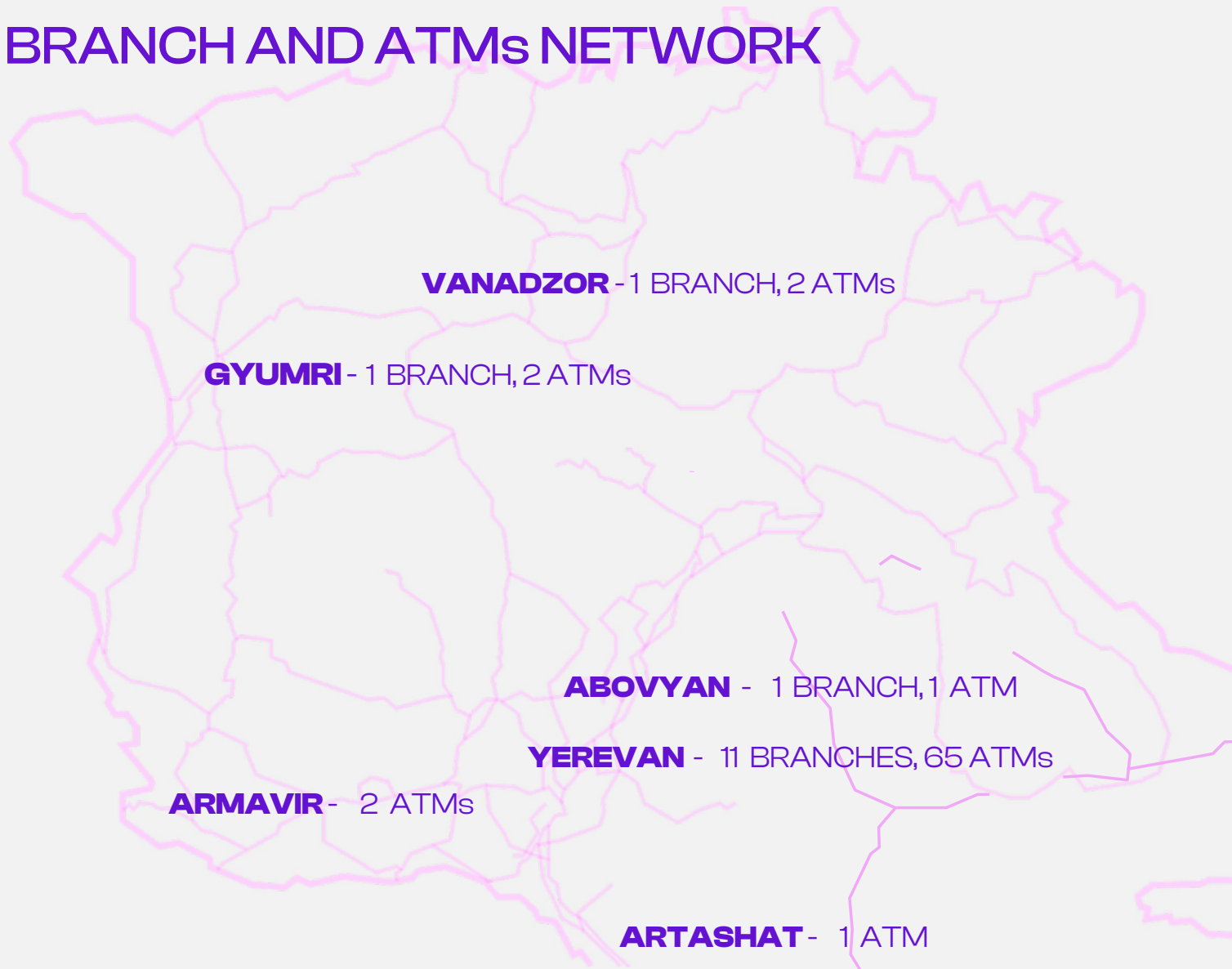
Evocabank actively interacts with its clients via Facebook (129k followers). Number 1 by the number of followers among banks in Armenia.

Evocabank has 28k followers on Instagram. Number 1 by the number of followers among banks in Armenia.

The first Armenian bank on Pinterest.

# Offline *Channels*

## BRANCH AND ATMs NETWORK



TODAY, THE BANK HAS  
**14** BRANCHES  
(INCLUDING THE HEAD  
OFFICE) AND **73** ATMs  
IN ARMENIA.



## THE BEST DIGITAL BANK IN ARMENIA

For the 4th consecutive year Evocabank is announced the Best Digital Bank in Armenia by Global Banking & Finance Awards.



[click here to read more](#)



## THE BEST SME BANK IN ARMENIA

Evocabank was named as the Best SME Bank 2023 in Armenia for the 2nd year in a row by Global Finance.



[click here to read more](#)



## THE BEST CONSUMER DIGITAL BANK IN ARMENIA

Evocabank is named the Best Consumer Digital Bank in Armenia for the 6th year in a row.




[click here to read more](#)



# THE BEST MOBILE BANK


## SME BANKING CLUB NAMES THE BEST MOBILE BANK IN ARMENIA

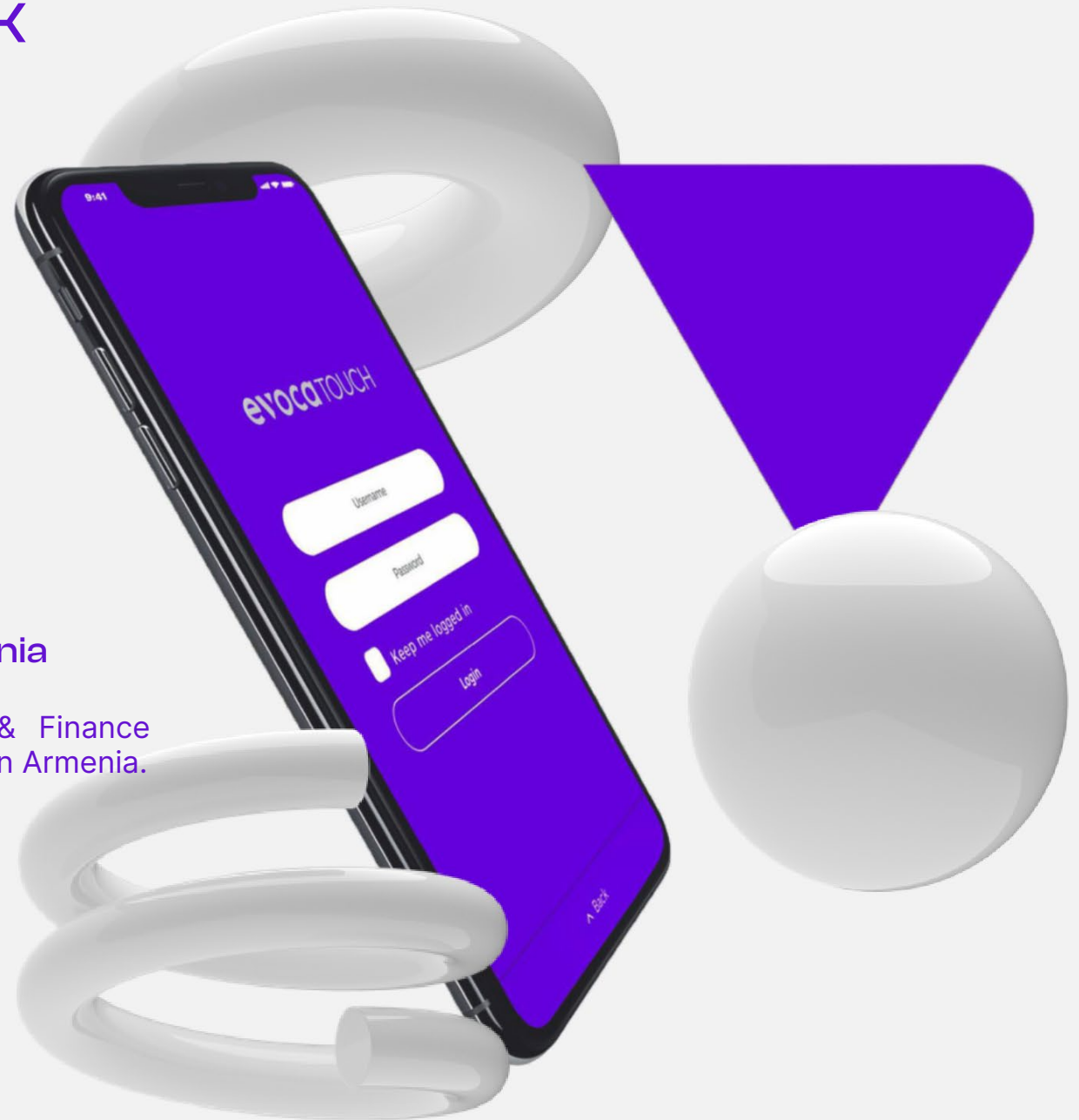
Evocabank has been announced the best mobile bank for businesses in Armenia.

 [click here to read more](#)

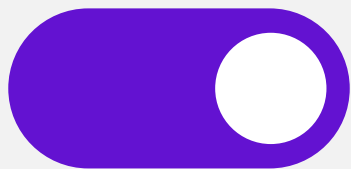
## Most Innovative Digital Bank in Armenia

Evoca is recognized by Global Business & Finance Magazine as the most innovative digital bank in Armenia.

 [click here to read more](#)



# / Products For Individuals





## ACCOUNTS AND TRANSFERS

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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 residents and non-residents of Armenia.

### Unallocated metal accounts

Accounts tied to gold prices in the international market.

### Special state support accounts

For state welfare payments.

### Money transfers

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

### Transfer payment system

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

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**For the first time in Armenia Evocabank has prepared an Option of applying for student loans online- through EvocaTOUCH app.**

## LOAN AND CARD PRODUCTS FOR INDIVIDUALS

### 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.

### Credit cards

Credit cards loans on Mastercard E-commerce.

### Student loan

Student loans for tuition pay.

### Other loan

Loans under guarantee Pawn loans, Overdraft.

## DEPOSITS AND INVESTMENT PRODUCTS

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Evocabank offers both classic deposits and investment products.

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### Classical Deposit

Providing a stable high yield.

### Evoca Online Deposit

Place Evoca Online deposit remotely through our remote service systems.

### Children's Deposit

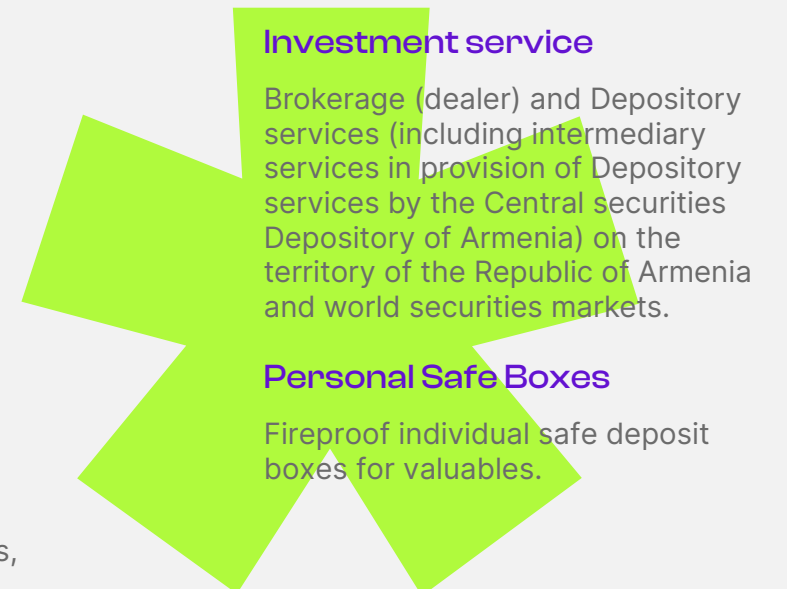
Opened in the name of the child until he/she reaches the age of maturity.

### Investment service

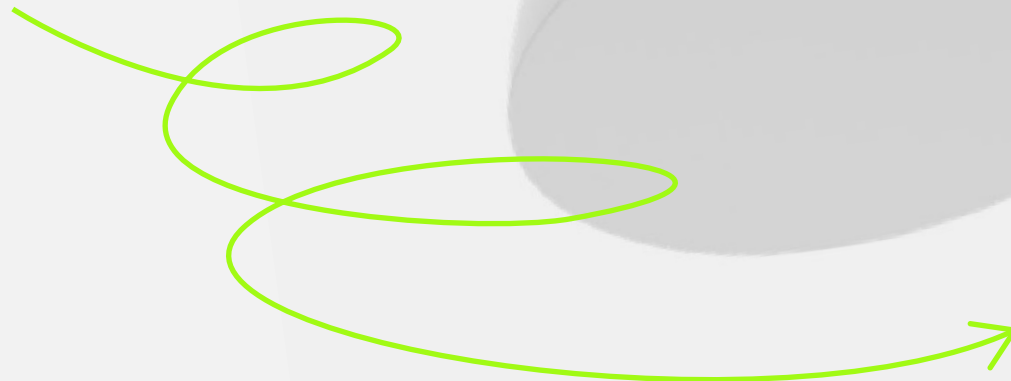
Brokerage (dealer) and Depository services (including intermediary services in provision of Depository services by the Central securities Depository of Armenia) on the territory of the Republic of Armenia and world securities markets.

### 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

Classical deposit with stable high yield.

### ONLINE DEPOSIT

Place Evoca Online deposit remotely through our remote service systems.

### ACCOUNTS

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

### INTERNATIONAL TRADE SERVICES

Letters of credit Documentary Collection Guarantee.

### INTERNATIONAL TRADE SERVICES

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

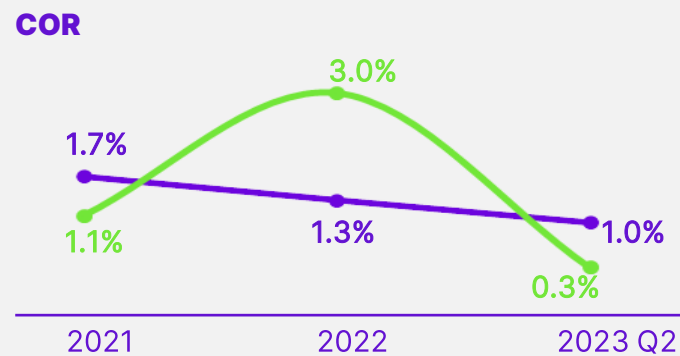
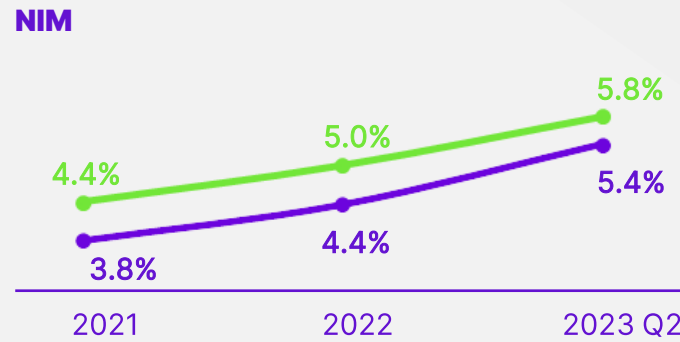
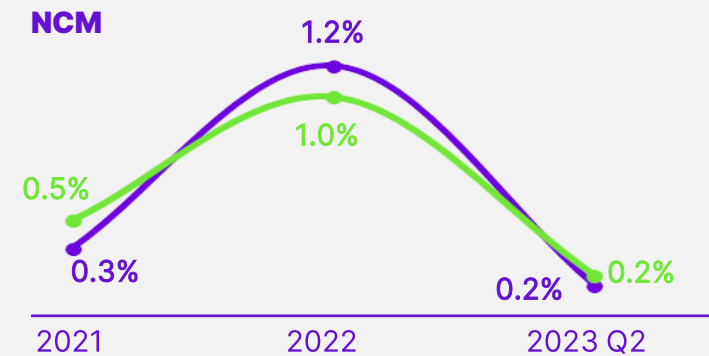
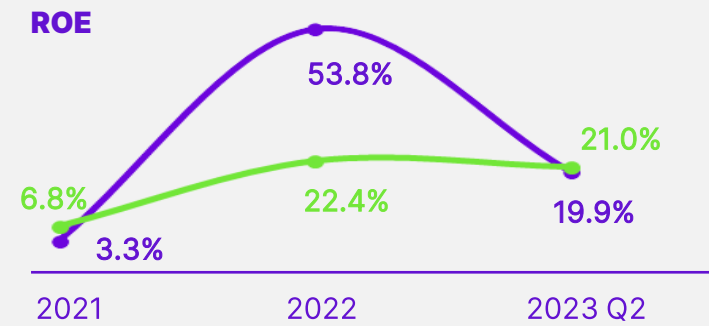
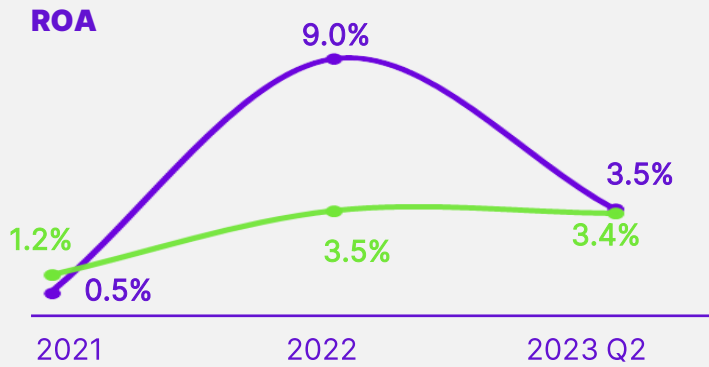
### INVESTMENT SERVICES

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

# / Financial Indicators

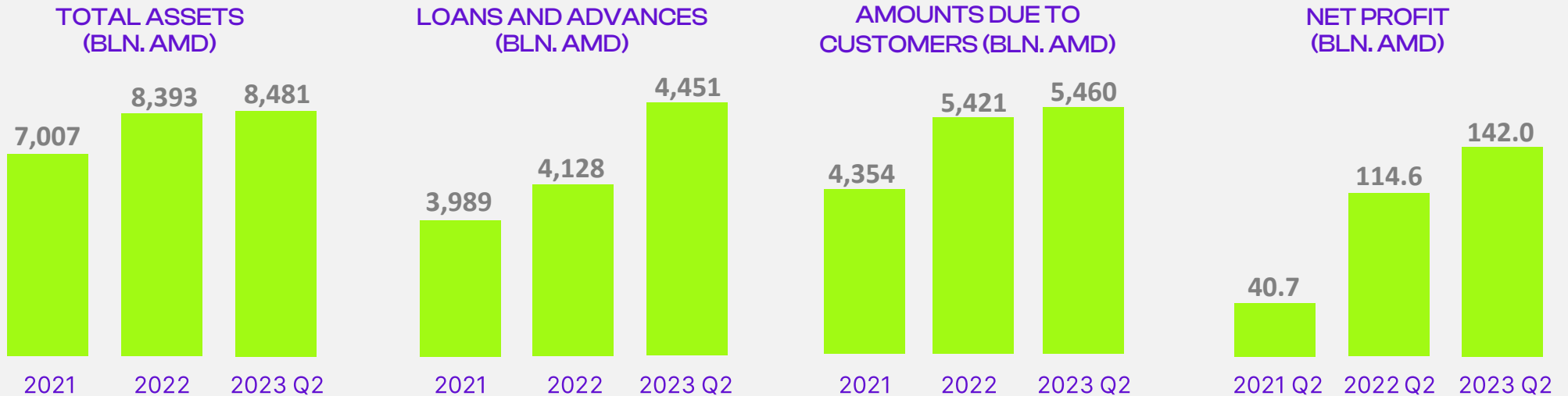


# Banking Sector Of Armenia



● EVOCABANK  
● BANKING SECTOR

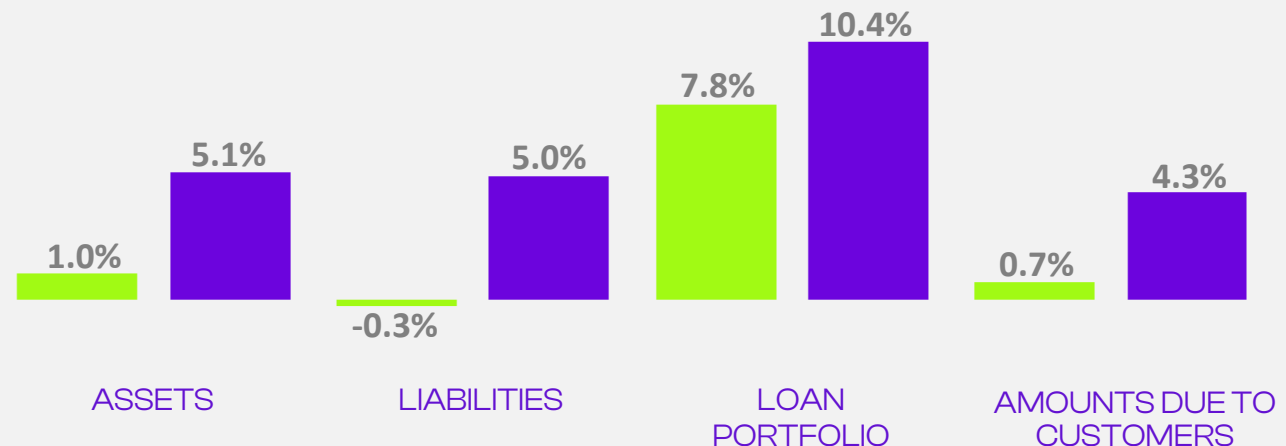
# Banking Sector Of Armenia



During the first half of 2023, Evocabank demonstrated a commendable growth in assets of 5.1%. In comparison, the overall market experienced a modest increase of 1%. This is a clear indication of the bank's effective strategy in expanding its operations and strengthening its market presence.

As of Q2 2023 Evocabank moved up one spot and was ranked 8th in terms of loan portfolio among the banks in Armenia, with a notable growth of 10.4% compared to 2022. This growth outpaced the overall market growth of 7.8%, indicating the bank's proactive efforts in expanding its loan portfolio compared to other players in the market.

## DYNAMICS 2023 Q2/2022



● EVOCABANK

● BANKING SECTOR

# Position In The *Banking* *Market* Of Armenia

## COMPETITIVE ADVANTAGES OF THE BANK

- / Innovation and technological novelty
- / Stability and reliability
- / High level of profitability
- / High level of capital adequacy

## PERFORMANCE INDICATORS IN Q2 2023

	(MLN. AMD)	POSITION IN BANKING SECTOR
ASSETS	365,863	9
LIABILITIES	301,381	10
LOANS AND ADVANCEMENTS TO CUSTOMERS (NET OF IMPAIRMENT)	178,382	8
AMOUNTS DUE TO CUSTOMERS	250,546	7
EQUITY	64,482	8
PROFIT	6,212	9



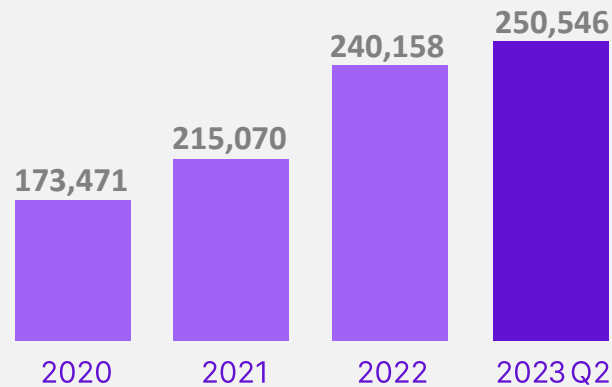
# Balance Sheet

Evocabank's performance in this dynamic market environment highlights its ability to effectively expand its asset base while also managing its liabilities responsibly.

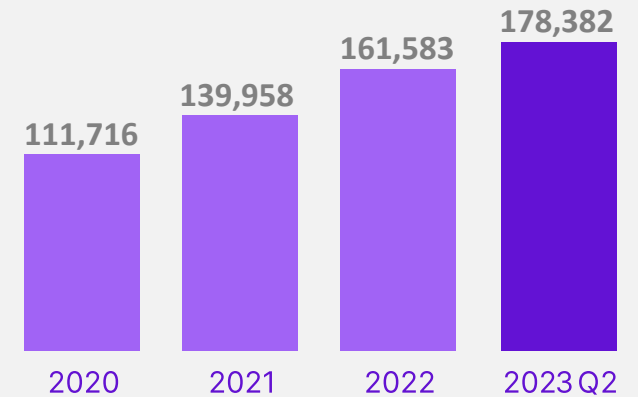
Particularly, in Q2 2023 Evocabank recorded a significant growth in loan portfolio and deposit&bond portfolio of 10.4% and 4.3% respectively.

During the first half of the year total liabilities of the Bank increased by 5.0%, while the market decreased by 0.3%.

DEPOSITS AND BONDS  
(MLN. AMD)

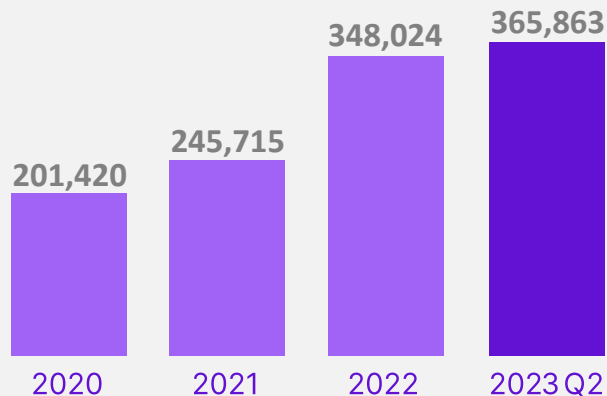


LOANS AND ADVANCES TO  
CUSTOMERS (MLN. AMD)

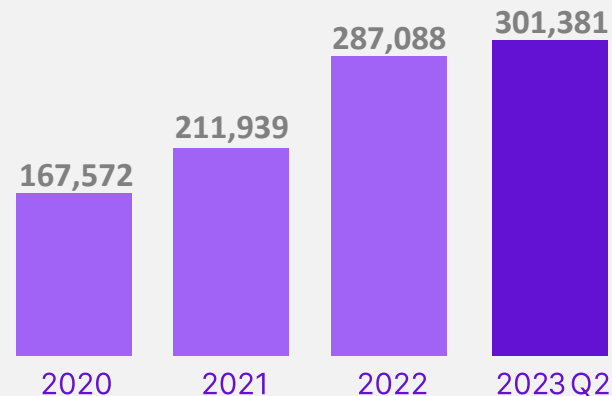


Financial Statements

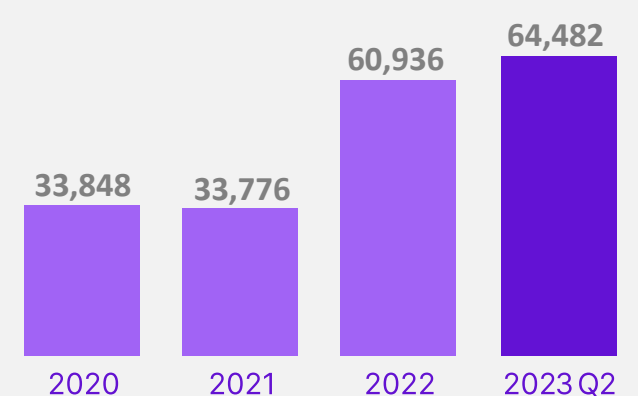
TOTAL ASSETS  
(MLN. AMD)



TOTAL LIABILITIES  
(MLN. AMD)



EQUITY  
(MLN. AMD)

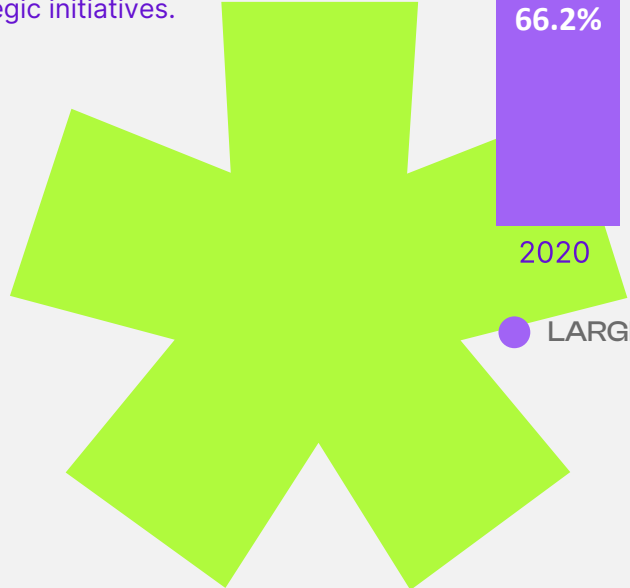




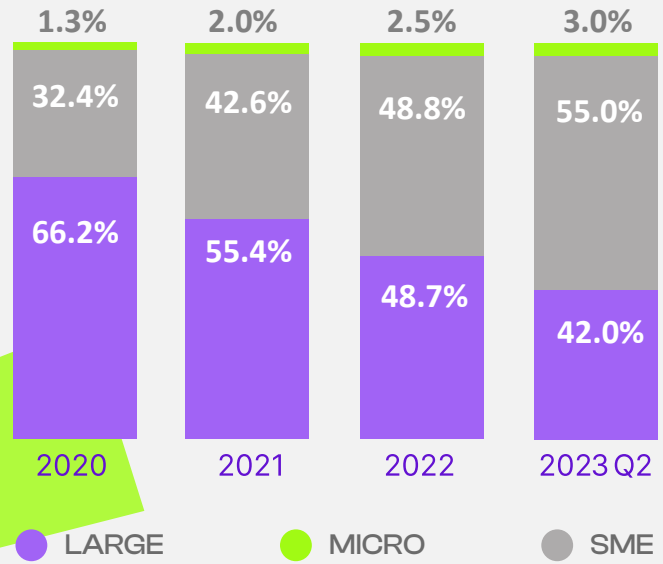
# Credit *Portfolio*

Overall, Evocabank's performance in Q2 2023 reflects a positive trajectory, with substantial loan portfolio growth and an improved position in the market.

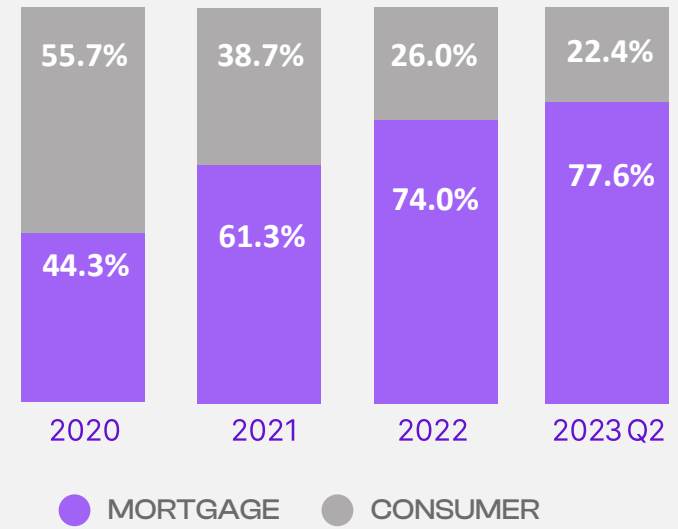
The data indicates a notable increase in the share of SME and Retail portfolios, serving as compelling evidence of the successful implementation of the bank's strategic initiatives.



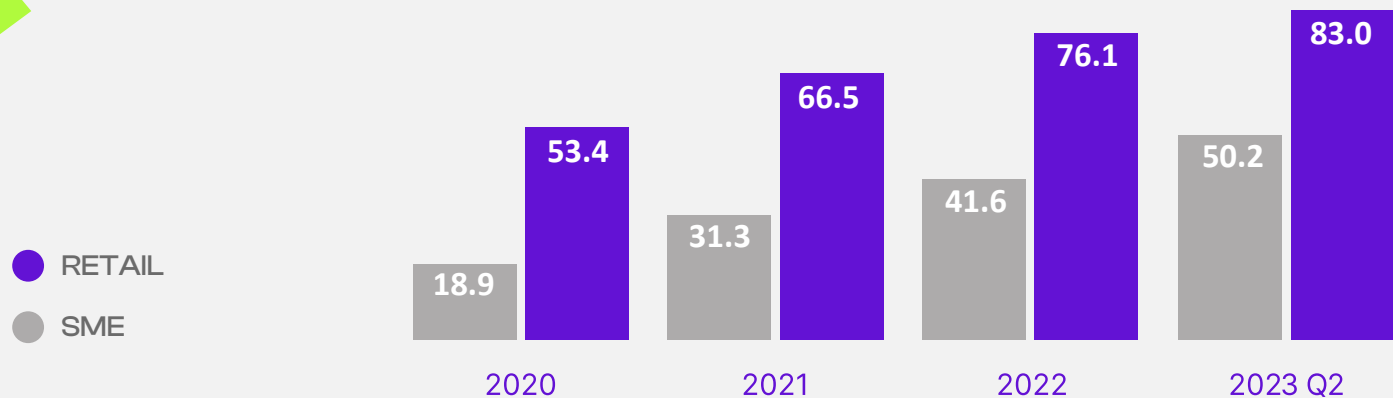
### CORPORATE LOAN PORTFOLIO STRUCTURE



### RETAIL LOAN PORTFOLIO STRUCTURE

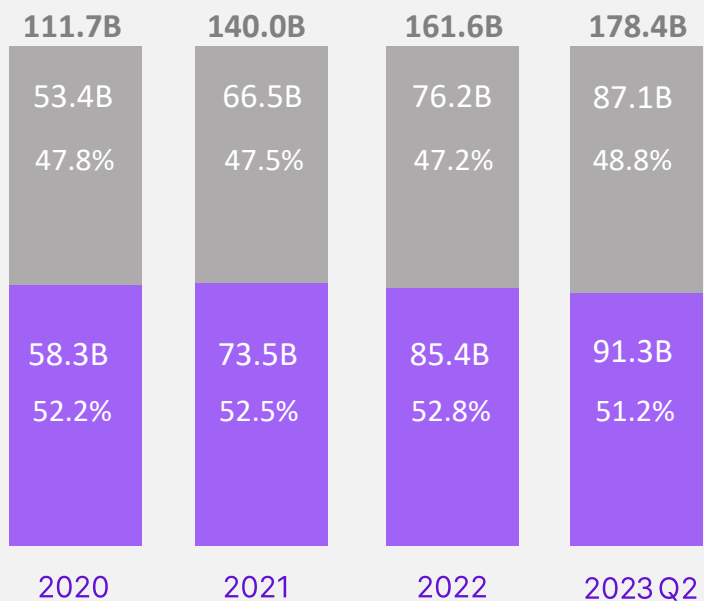


### SME & RETAIL PORTFOLIO (BLN AMD)

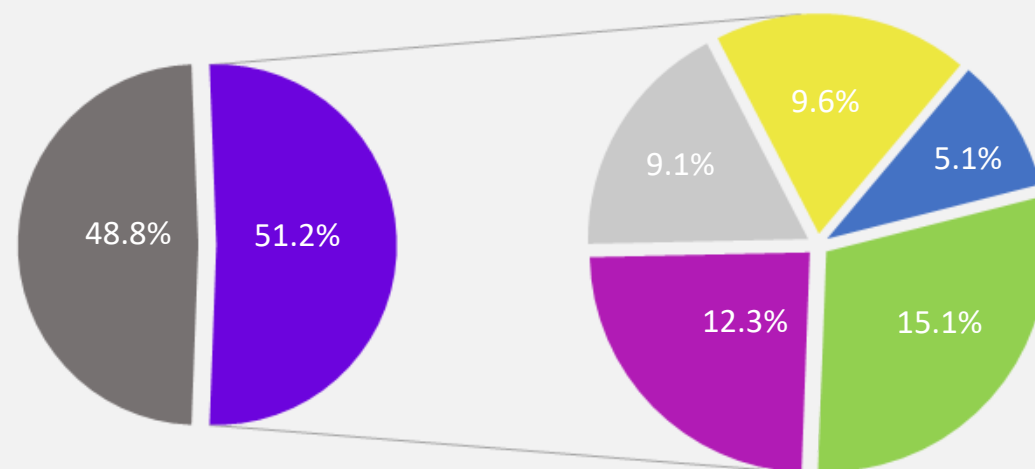


# Credit *Portfolio*

SHARE IN TOTAL LOAN PORTFOLIO



LOAN PORTFOLIO STRUCTURE BY SECTOR

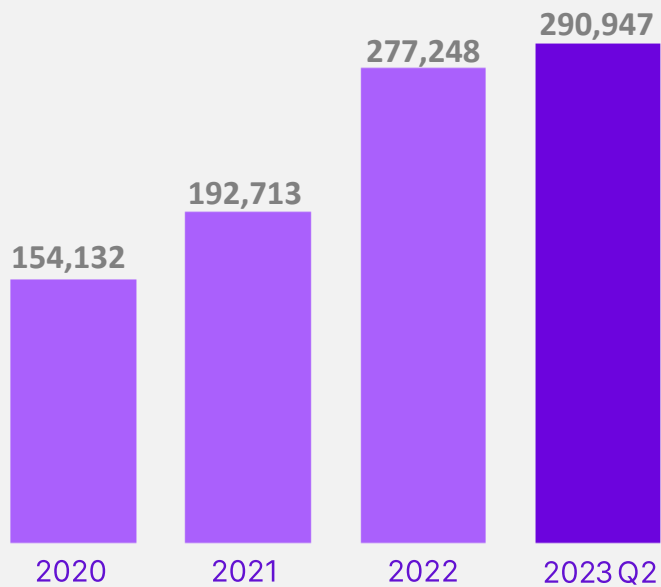


- CORPORATE
- RETAIL

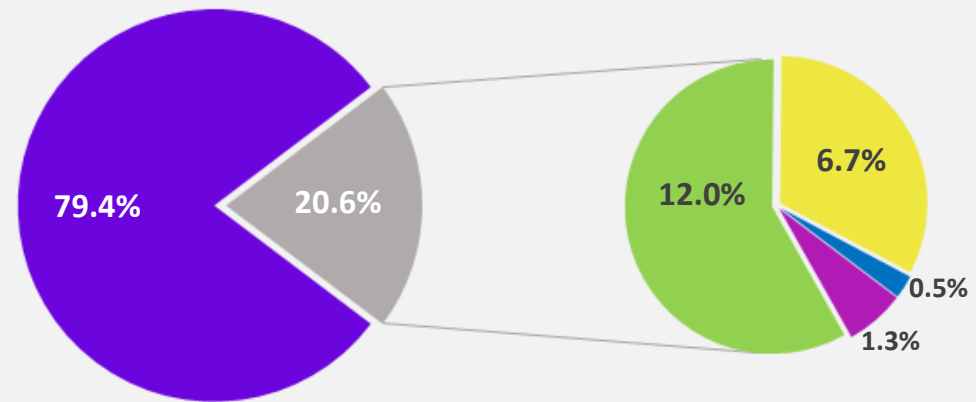
- TRADING
- FINANCIAL SERVICES
- CONSTRUCTION
- INDUSTRY
- MIXED
- LOANS TO RETAIL CUSTOMER
- LOANS TO CORPORATE CLIENTS

# Funding *Structure*

TOTAL FUNDING (MLN. AMD)



FUNDING STRUCTURE 2023 Q2



In Q2 2023, Evocabank continued its strategic initiative to diversify its funding structure by successfully attracting long-term funds from reputable financial institutions.

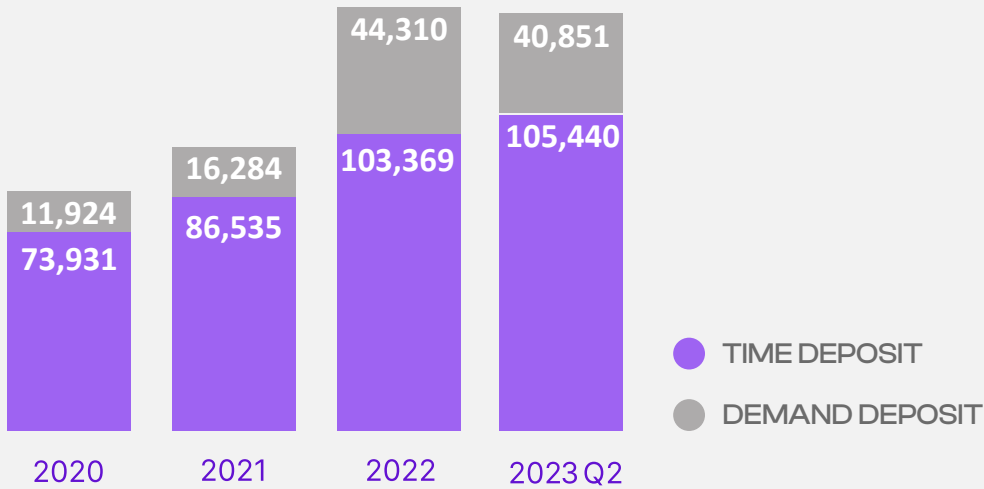
This approach reflects the bank's commitment to strengthening its funding base, ensuring a stable and sustainable source of funds for its future growth and operations.

- DEPOSITS DUE TO CUSTOMERS
- ATTRACTED FUNDS
- LOANS FROM BANKS
- SUBORDINATED DEBT
- DEBT SECURITIES ISSUED

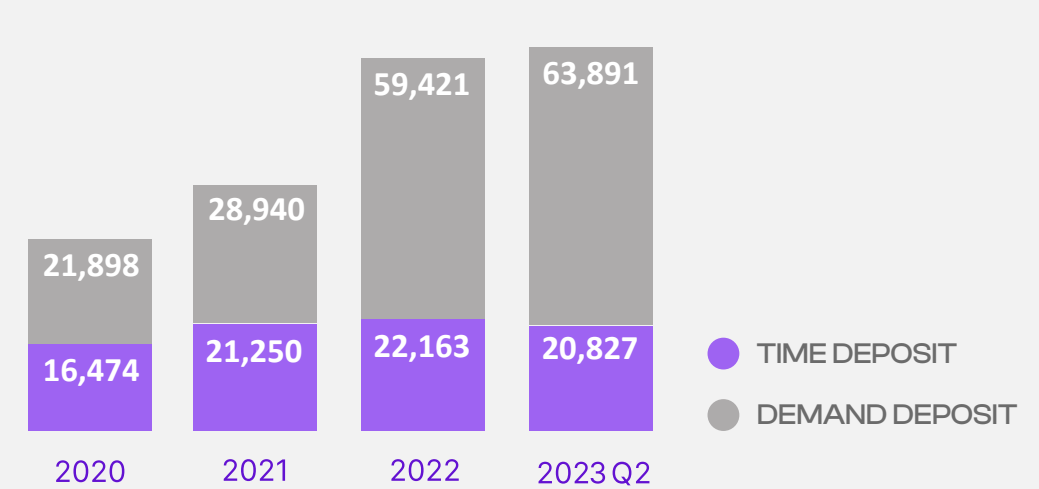


# Funding *Structure*

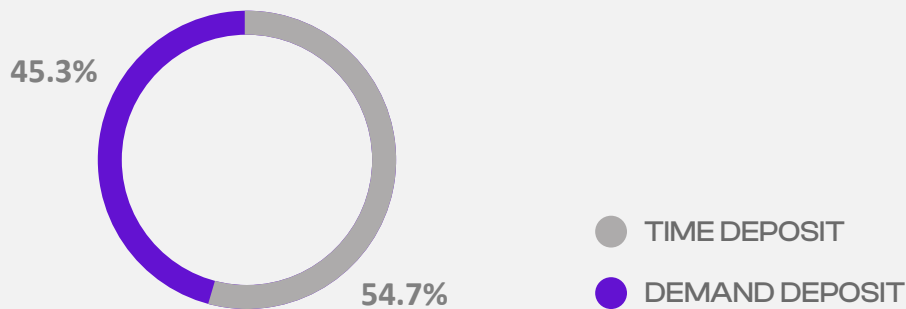
RETAIL DEPOSIT PORTFOLIO (MLN. AMD)



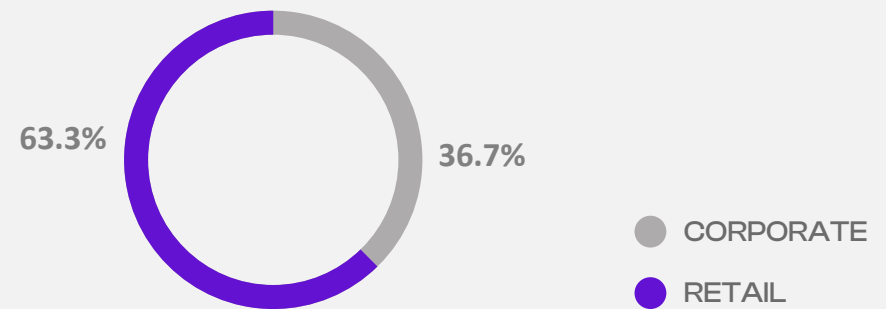
CORPORATE DEPOSIT PORTFOLIO (MLN. AMD)



AMOUNT DUE TO CUSTOMER STRUCTURE

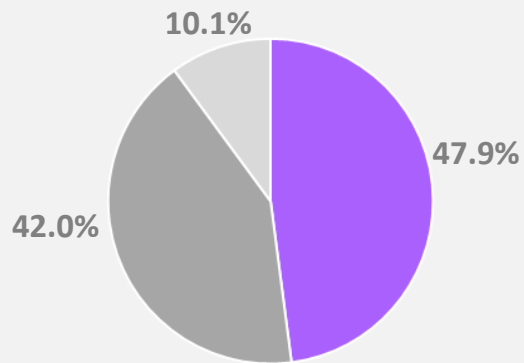


SHARE IN TOTAL DEPOSIT PORTFOLIO

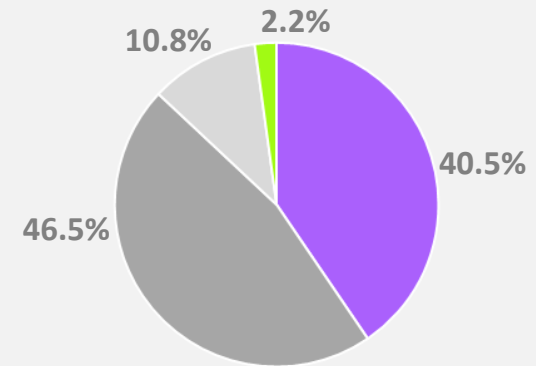


# Currency *Exposure*

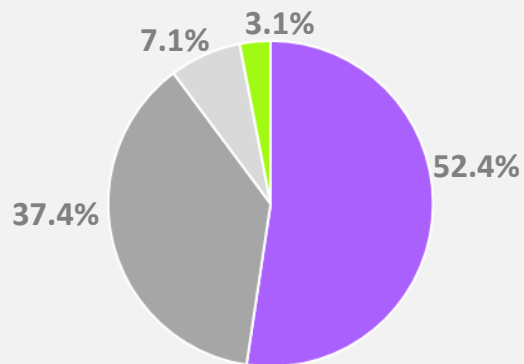
CURRENCY STRUCTURE OF LOAN PORTFOLIO



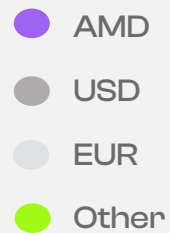
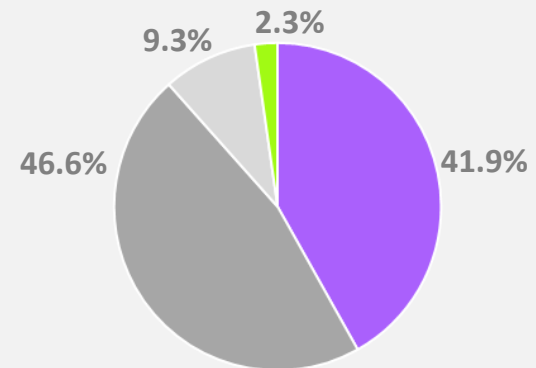
CURRENCY STRUCTURE OF DEPOSIT PORTFOLIO



CURRENCY STRUCTURE OF TOTAL ASSETS



CURRENCY STRUCTURE OF TOTAL LIABILITIES



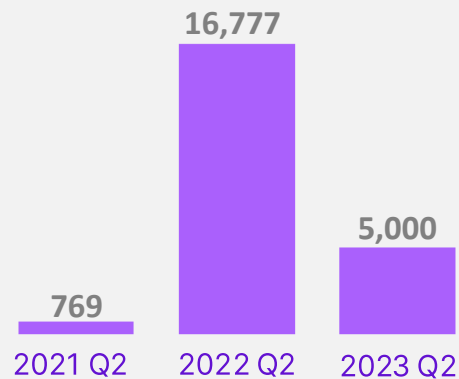
# Income Statement Indicators

The decrease in net income can be attributed to a one-off increase effect that occurred in 2022. This exceptional event soared the net income figures, making it an outlier in the financial performance analysis.

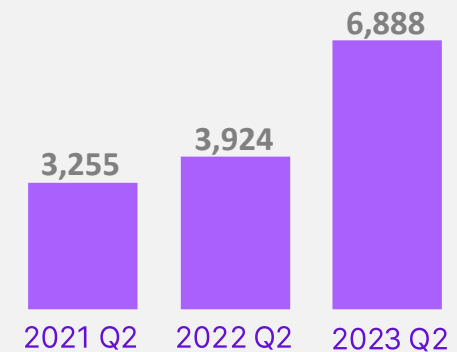
As a result, net profit in Q2 2023 appears to be comparatively lower when compared to the previous year's unusually higher figure.

Due to an expanded loan portfolio base and a higher net interest margin, the net interest income experienced a substantial increase, rising by an impressive 75%.

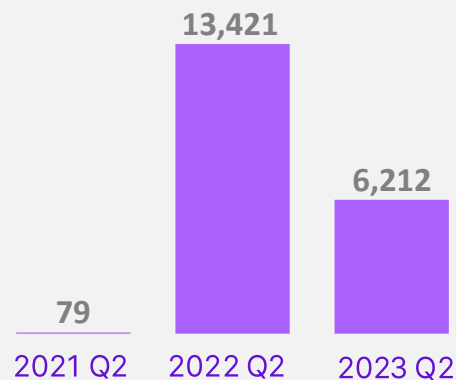
NET NON-INTEREST INCOME (MLN. AMD)



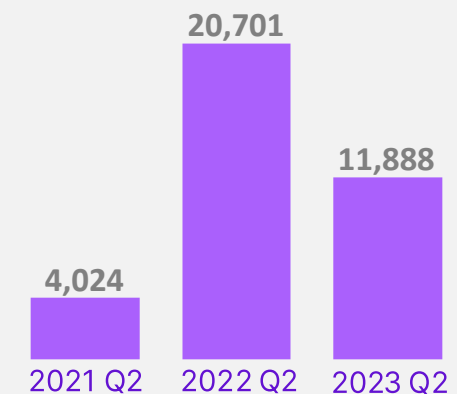
NET INTEREST INCOME (MLN. AMD)



NET PROFIT (MLN. AMD)

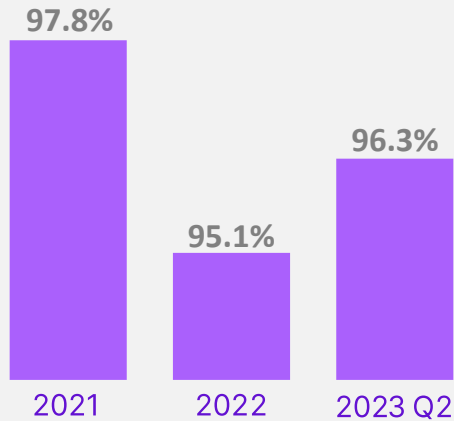


OPERATING INCOME (MLN. AMD)

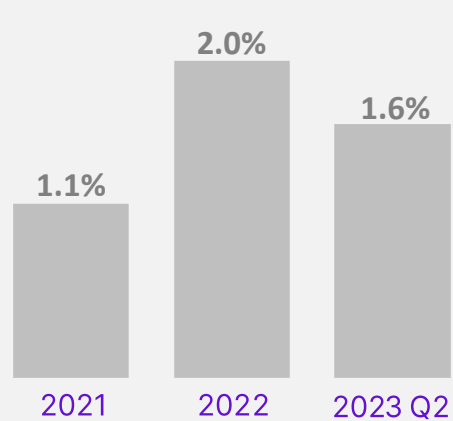


# Credit Portfolio *Quality*

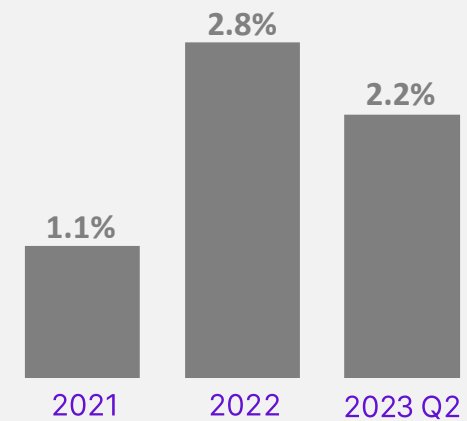
SHARE OF STAGE 1



SHARE OF STAGE 2



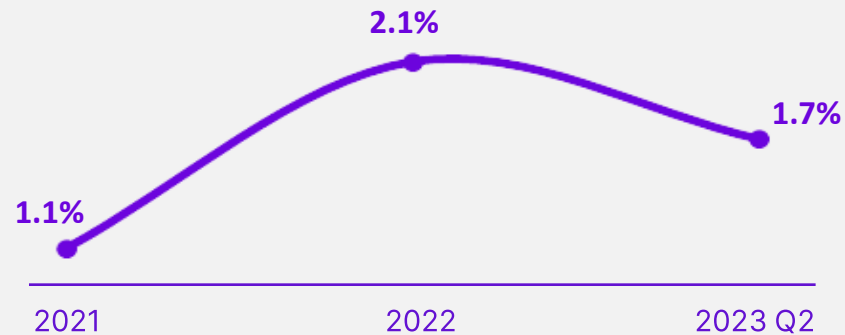
SHARE OF STAGE 3



In the second quarter of 2023, there has been a notable improvement in the share of non-performing loans (NPLs) compared to the previous year. Specifically, the share of Stage 3 loans decreased by 0.6 percentage points, indicating a positive trend in loan quality.

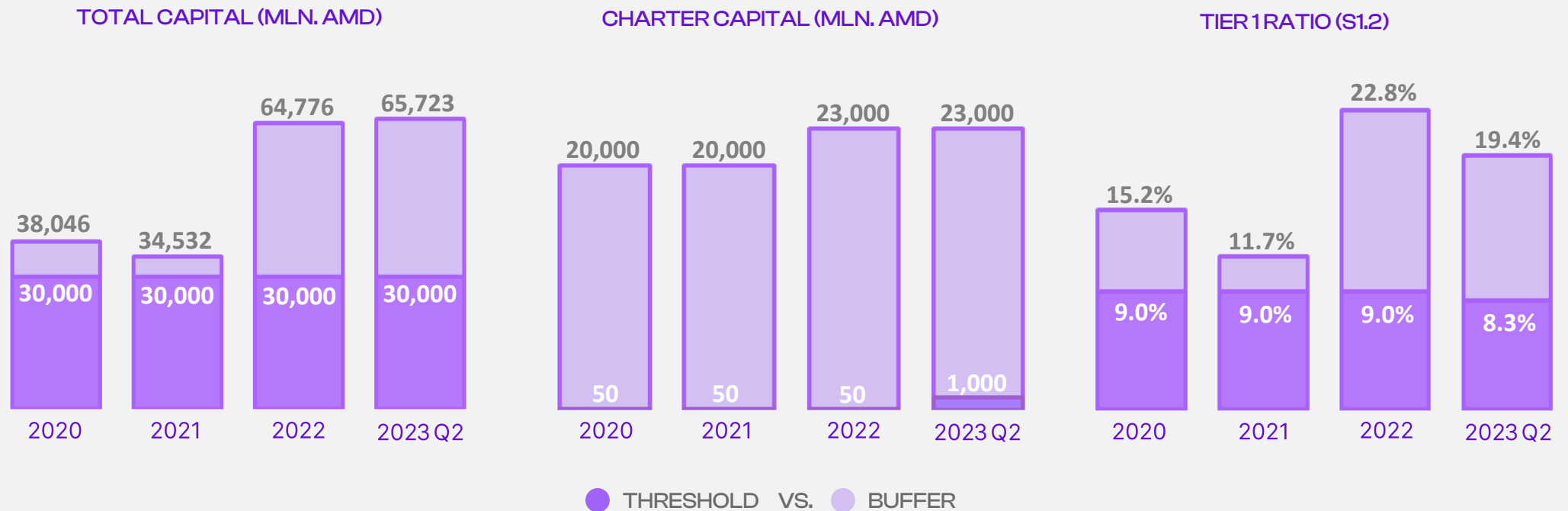
Additionally, the NPL 90+ ratio has seen a significant decrease from 2.1% in 2022 to 1.7% in Q2 2023. This decline in ratio demonstrates a strengthening in the overall loan portfolio.

NPL 90+ days



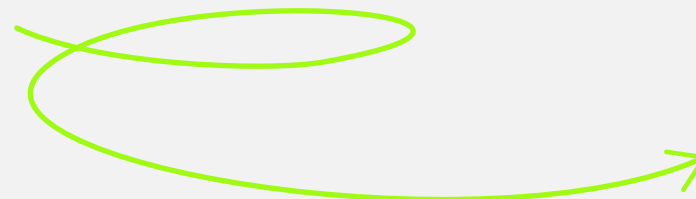
# Obligatory Standards Of The Central Bank

Evocabank demonstrated enhanced financial performance with regard to the prudential standards set forth by the Central Bank of Armenia. Notably, the bank's total capital experienced growth driven by capital replenishment and substantial profits achieved in 2022.



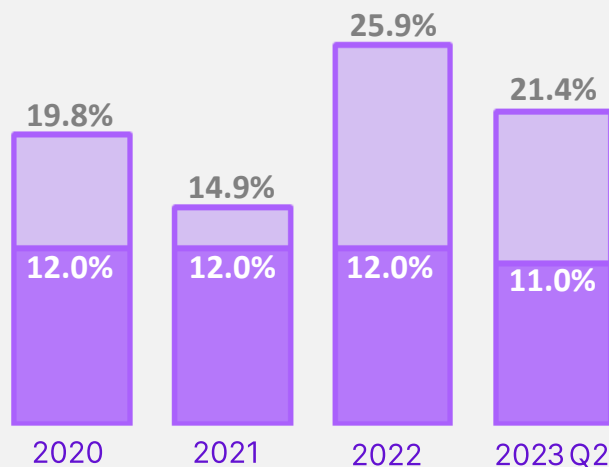


# Obligatory Standards Of The Central Bank

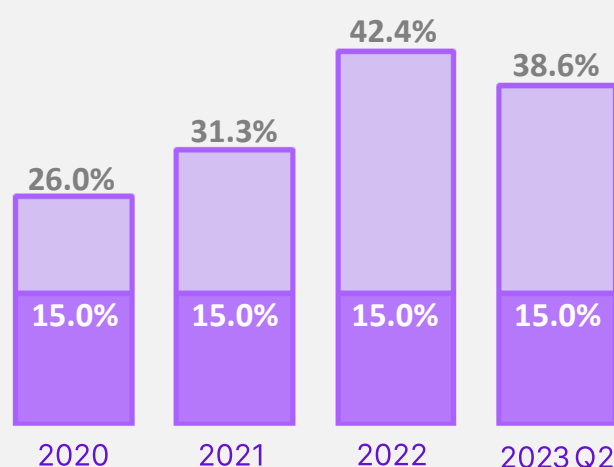


In Q2 2023, Evocabank maintained a robust capitalization and demonstrated ample liquidity buffers, reinforcing its financial strength and stability.

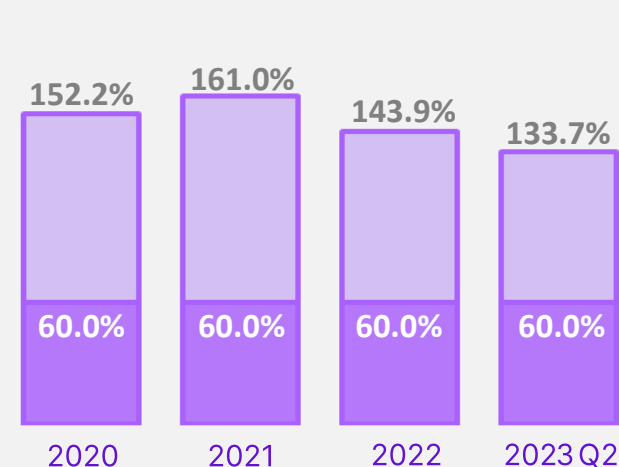
CAPITAL ADEQUACY RATIO (S1)



HIGHLY LIQUID ASSETS TO  
TOTAL ASSETS (S2.1)



HIGHLY LIQUID ASSETS TO  
DEMAND LIABILITIES (S2.2)

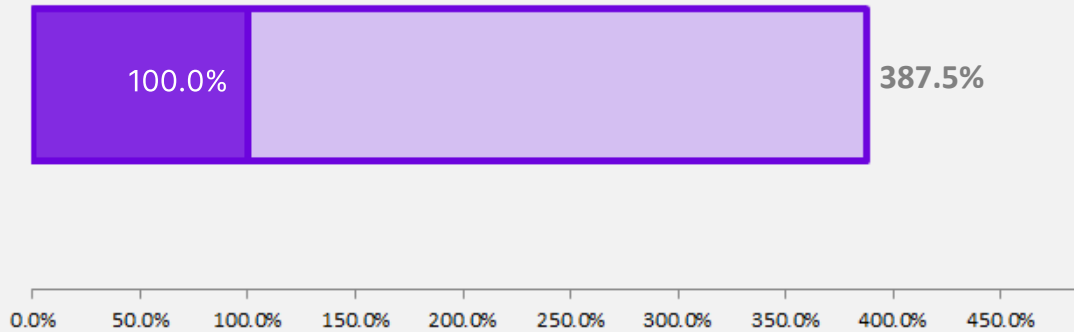


● THRESHOLD VS. ● BUFFER



# *Liquidity* Coverage Ratio & *Net Stable* Funding Ratio

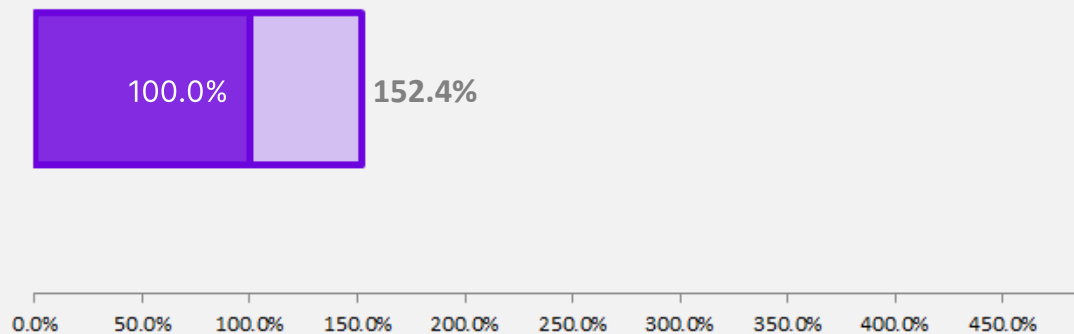
LCR 2023 Q2



Under the Central Bank's methodology, our net stable funding (NSFR) and liquidity coverage (LCR) ratios reached 152.4% and 387.5%, respectively, surpassing the regulatory minimum requirement of 100% with a comfortable margin.

This solid performance highlights our strong liquidity position and our commitment to maintaining robust risk management practices.

NSFR 2023 Q2



- THRESHOLD
- BUFFER



# Towards *the new reality*



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