

InvestorPresentation



Ameriabank at a Glance

2022 Q4 Snapshot

2022 Q4 Financial Results

Strategy Highlights

Appendices



Improving the quality of life

The Leading Bank in Armenia

Leader in the market by key financial indicators for almost a decade, offering a window onto the whole Armenian Economy

- Omni channel Distribution Platform with Focus on Digital 92% offloading ratio*
- Superior Customer and Employee Experience
 High service quality and customer satisfaction scores, high employee satisfaction and engagement levels, proven leadership by culture and values
- doing business responsibly and promoting ESG culture, first Green Bond issuer in the country, best practice corporate governance, professional Board and experienced management team
- Robustness and Resilience with Significant Growth Potential
 Sustaining decent performance during challenging times, postpandemic accelerated growth and enhanced profitability
- Attractive Macro Fundamentals

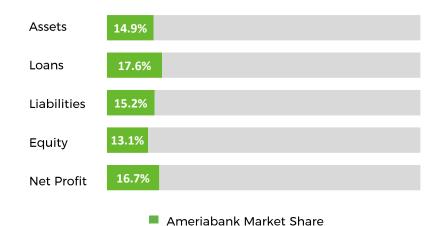
 Emerging economy, with proven resilience towards crises and external shocks, high average economic growth, low average inflation and stable exchange rate



The Leading Bank in Armenia

Overview

- The leading universal bank in Armenia, offering corporate, investment and retail banking services
- Major contributor to Armenian banking sector development
- Ongoing appreciation and quality recognitions by reputable global institutions
- Highest possible credit ratings within current sovereign rating constraints









largest ATM network in the capital



largest network of vPOS terminals in the country

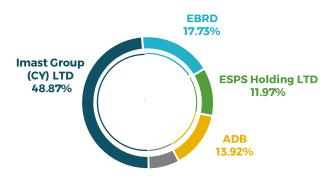


one of the largest networks of POS terminals in the country

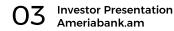
Ownership Structure







Afeyan foundation for Armenia inc. 7.51%





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2022 Q4 **Achievements**

as of 2022 Q4 736 B Loans* of AMD

1,252 B Assets of AMD 1,080 B Liabilities of AMD

876 B Deposits** of AMD 172B Equity of AMD

44 B Profit of AMD

- Named the Bank of the Year 2022 in Armenia by The Banker Magazine. Earlier in 2022 Ameriabank was named the Best bank in Armenia by Euromoney and Global Finance magazines.
- Named Best Foreign Exchange Bank in Armenia by Global Finance.
- New mobile app MyAmeria, launched.
- Record high net profit of AMD 44B, up by 128% YoY.
- The offloading ratio stood at 93% in Q4, reaching 92% for 2022, while online banking penetration rate reached 63%.
- NPS reached 75.8%, while CEI*** comprised 9.6.









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^{*} net of impairment allowances and including TF

^{**} Current Accounts, Time Deposits and Bonds

^{***} Client Experience Index with max possible value of 10

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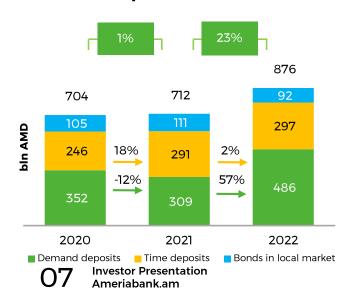


Core Business

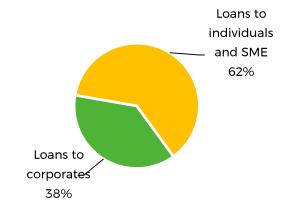
Loan portfolio



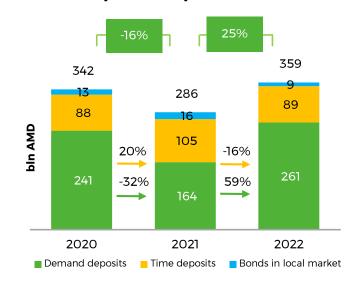
Deposit & bonds**



Loan portfolio breakdown



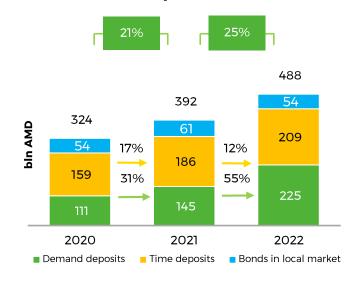
Corporate deposits & bonds



Highlights

- Increasing share of retail and SME loans (62%) in line with the Bank's strategy to improve universal banking model.
- The Bank is 1st in the market by loan portfolio, with 10% (22.4%*) growth YoY. Total loans' market share reached 17.6%, up by 0.7pp. Main growth was due to SME and Mortgage portfolios.
- Retail segment loan portfolio growth was strong, increasing by 26% (31.2%*) YoY.
- The Bank is the leader in the local corporate bond market with 22.3% market share.
- Total deposits and bonds increased by 23% (41.2*) YoY mainly due to demand deposits growth. Retail deposits and bonds increased by 25% (43.2%*) despite uncertainties deriving from current geopolitical situation.

Retail deposits & bonds



^{*} on a constant currency basis

^{**} Bonds in the local market include bonds issued in the local market and sold to Retail and Corporate clients, as well as FIs

Assets & Liabilities Structure

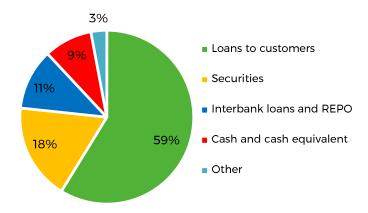
2022

Assets 1% 1,091 1,097 1,252

Structure of assets

2021

2020

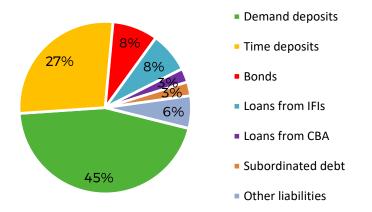


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Liabilities and equity



Structure of liabilities



Highlights

- Diversified balance-sheet structure with 88% interest earning assets to total assets and 80% customer funds to total liabilities.
- Maintaining exceptional sectorial diversification of loan portfolio, with balanced exposure to all industries.
- Total assets increased by 14% YoY. Equity increased by 33% YoY predominantly driven by strong profit generation.

Loan portfolio structure



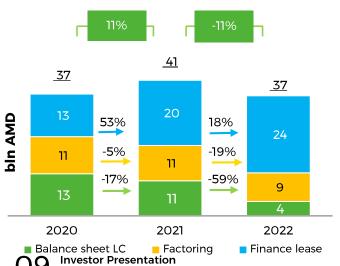


Corporate & Retail Banking

Corporate loans

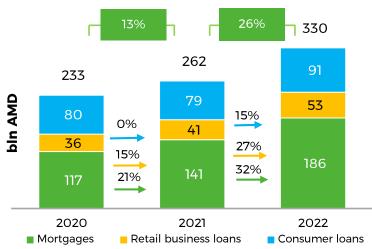


Trade finance and Leasing

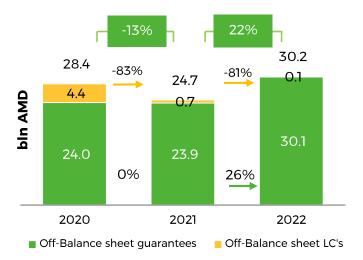


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Trade finance (Off Balance)



Highlights

- Corporate loans portfolio slightly decreased due to local currency appreciation. On a constant currency basis Corporate loan portfolio increased by 16.5% YoY.
- Total SME loan portfolio reached AMD 167b increasing by 12% (22.4%*) YtD.
- Trade finance and Leasing portfolio decreased by 11%, while on constant currency basis it remained almost flat. The decreasing trend of Trade finance portfolio as per the balance sheet is mainly due to the shift to off balance portfolio, as more internal sources of financing are used. Total Trade finance (BS and off BS) portfolio stood at AMD 43b with 7% growth YoY on a constant currency basis.
- Retail loan portfolio recorded 26% (31.1%*) growth YtD, with Mortgage and business loans registering 32% and 27% growth rates.
- The bank's share in total market retail loans** reached 15.0% (up by 1.4pp), with 21.7% share in mortgage market.

AMD 330_b

retail loans

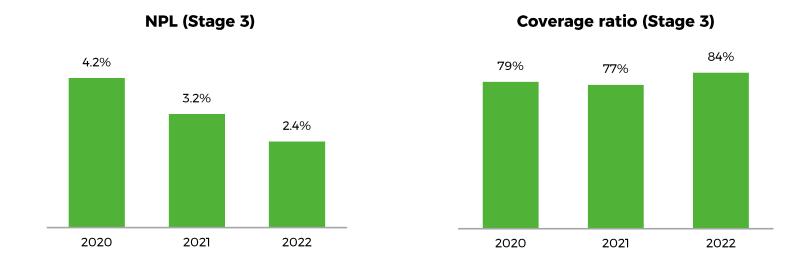
AMD 3846 corporate loans



^{*} on a constant currency basis

^{**} loans to individuals

Loan Portfolio Quality



Highlights

- NPL ratio stood at 2.4%, improving by 0.8pp vs YE 2021.
- · Cost of credit risk improved by 0.2pp reflecting improved ECLs due to improved economic environment.

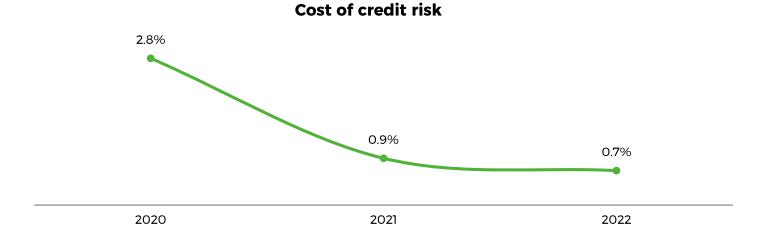
2.4% 0.7%

NPL

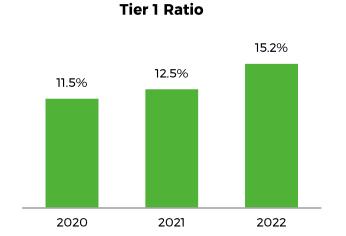
Cost of credit risk



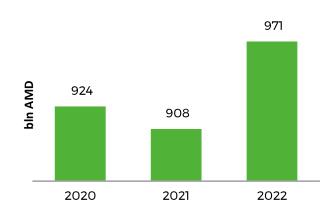
Coverage ratio



Capital



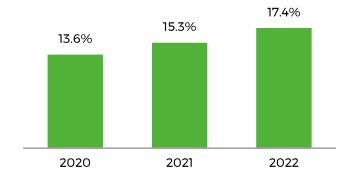




Highlights

- Bank's Tier 1 ratio improved mainly due to net profit retention and remained comfortably above the minimum regulatory requirements.
- The Bank is committed to maintaining high capital standards in line with the increasing capital buffers timeline.





17.4% CAR

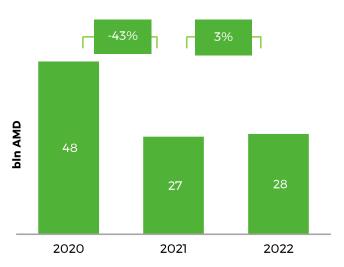


Funding & Liquidity

Attracted funds



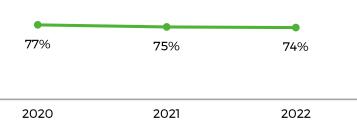
Sub-debts



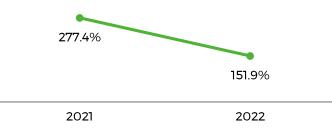
Highlights

- 40% (26%*) decrease in senior loans attractions was due to changes in the Bank's funding needs.
- Sub-debt portfolio remained almost flat, but on a constant currency basis registered growth by 30.3% YoY.
- Liquidity ratios (LCR & NSFR) are well above the required thresholds (100%).

Loans to deposits and borrowings ratio



LCR (Liquidity Coverage Ratio)



NSFR (Net Stable Funding Ratio)



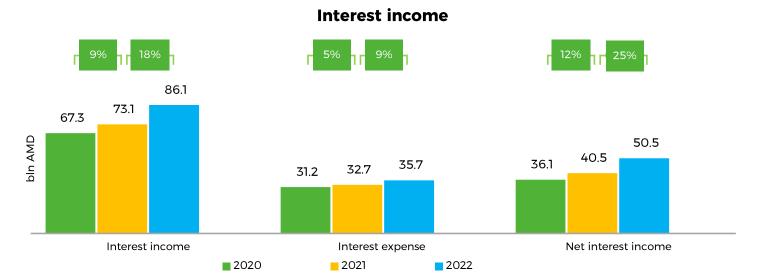


¹² Investor Presentation Ameriabank.am

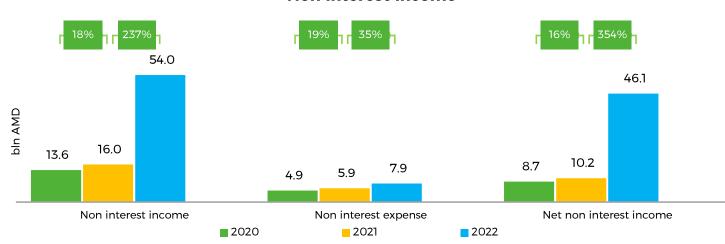
^{*} on a constant currency basis

^{**} Loans from a pool of designated funds aimed at supporting Armenian private sector (MSME) and channeled through banking system

Income



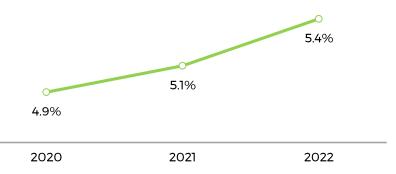
Non interest income



Highlights

- Net interest income increased by 25% vs 2021, exceeding the total market's net interest income growth by 5pp, and proving the sustainability of the Bank's profit generation. As a result, NIM increased by 0.3 pp and reached 5.4%.
- Net non interest income increased by almost 4 times YoY mainly due to significantly higher income from FX transactions and commissions.

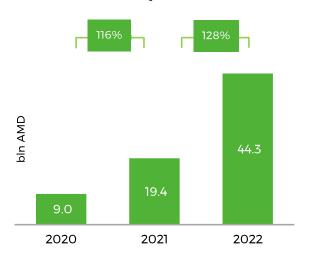
NIM (Net Interest Margin)



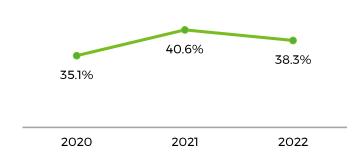


Efficiency & Profitability

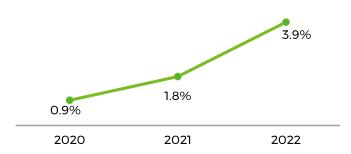
Net profit



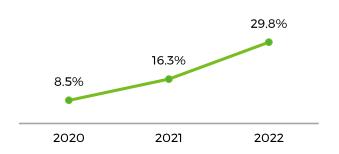
CIR (Cost to Income ratio)



ROA (Return on Assets)



ROE (Return on Equity)



Highlights

- Net profit increased by 128% YoY due to higher non interest income as well as savings on loan loss charges. Continuous YoY significant growth of net profit shows the sustainability of underlying factors.
- Significant increase of net profit resulted in the improvement of the key performance ratios: ROA and ROE recorded 2.1pp and 13.5pp YoY increase and over-performed the market average by 0.4pp and 7.4pp respectively.
- CIR improved by 2.3pp due to excessive income generation.



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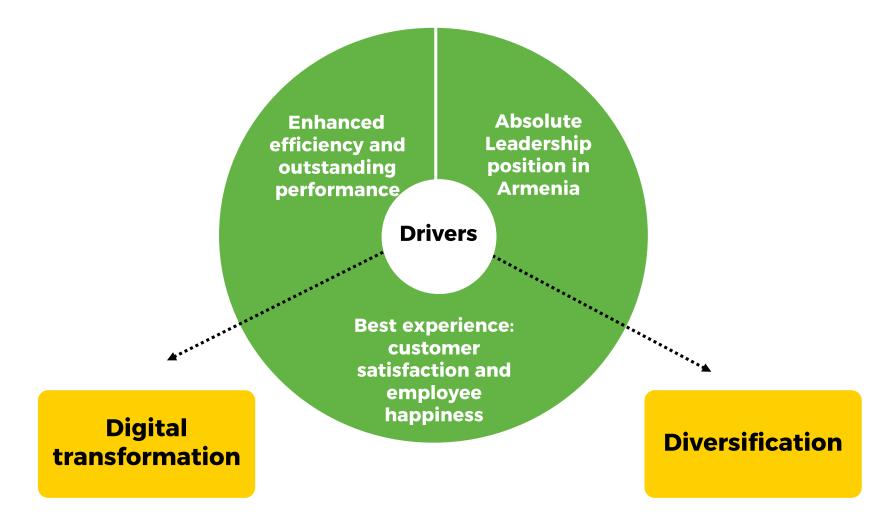
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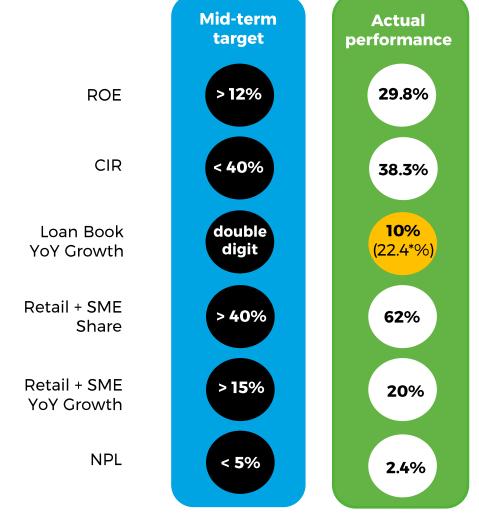


Strategic Objectives





Mid-term Targets

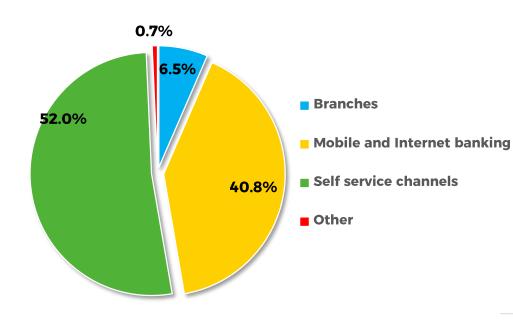




Omni Channel Distribution Platform with Focus on Digital

Enhanced distance banking capabilities

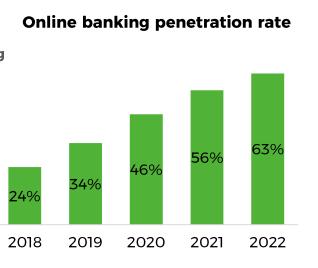
Share of operations via different channels in Q4 2022







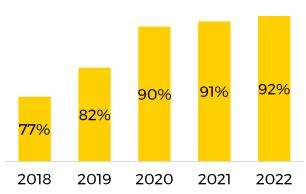








Offloading ratio*





Superior Customer and Employee Experience

Best customer experience and high satisfaction scores

Current Progress	mid term targets		
75.8% Net Promoter Score (NPS)	≥ 70 %		
9.6 Client Experience Index (CEI)	≥ 9.3		

Online market platforms/ecosystems

Launched ecosystems

auto marketestate market

• E-commerce

• SME ecosystem

ecosystems market penetration rate

≥ 50%

Employee happiness and well-being

81%

Employee satisfaction / happiness index

≥ 80%



Best in Class ESG Practices

Our Sustainability
Strategy

long-term commitment

to creating a sustainable environment and supporting customers' transition towards a carbon neutral economy



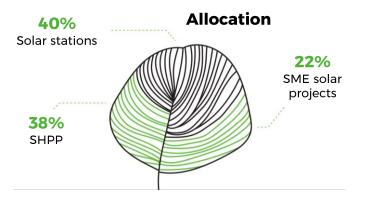






Green Bonds Issuance

- First Green bond issuer in Armenia
- c. USD 60 mn* Green bonds issued in total



Impact**

116,144 tons

eCO₂ emissions avoided

286.232.459 kwh

Estimated annual total clean electricity production

CSR projects

Doing business responsibly and giving back to community

- Best practice E&S risk management
- **\$129.9 mn AMD mn** allocated in 2022 for CSR purposes



Children's healthcare and wellbeing



Educational





Infrastructure and community development



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Armenia Country Overview

General

GDP: 19.5 bn (2022, current \$)

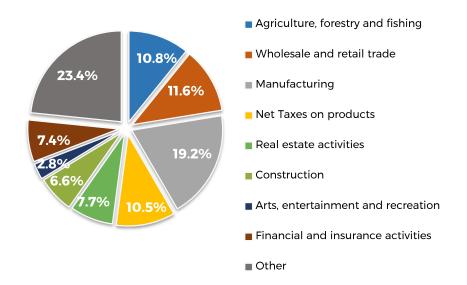
GDP per capita: 6.57K (2022, current \$)

Moody's: Ba3 (negative)

Fitch: B+ (positive) S&P: B+ (stable)

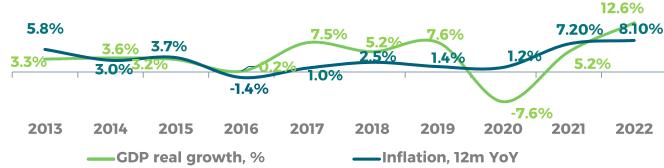
Well Diversified Economy

GDP Structure by production*



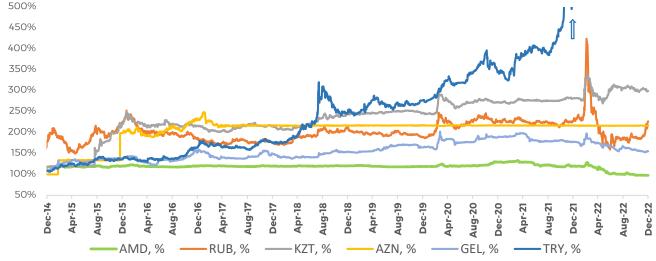
High Average GDP Growth & Low Inflation





Most Stable Currency in the Region

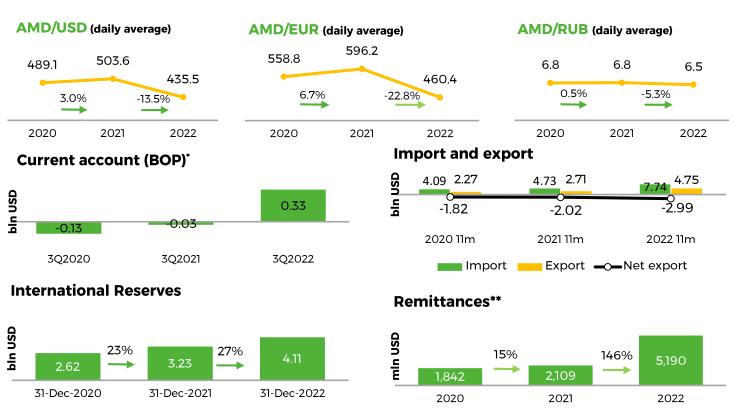
(regional currencies vs USD FX rate dynamics)**







Armenia Macro Indicators



108.3

2022

107.2

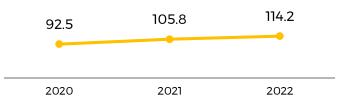
2021

Highlights

- EAI (GDP growth proxy) for Jan-Dec 2022 comprised 14.2%, 8.4pp higher compared to Jan-Dec 2021. The strong economic momentum has been supported by extensive inflow of foreign capital and labor mostly in services, construction and manufacturing sectors. Remittances more than doubled and the volume of external trade turnover increased substantially YoY.
- External inflationary pressures and the growth of domestic demand contributed to high inflation: 12-month cumulative CPI stood at 8.3% in 4Q2022 vs previous year's 7.2%. It was still the lowest in the region.
- Armenian dram appreciated by 13.5% against US dollar over 4Q2022 vs 4Q2021 (daily average).
- Current account deficit improved as of 3Q2022 vs the same period of previous year mostly due to services accounts.
- Remittances increased by 146% YoY.

Source: Statistical Committee of Armenia. Central Bank of Armenia

Economic Activity Index (IEA 12m)



CPI (12m)

101.2

2020



²⁵ Investor Presentation Ameriabank.am

^{*}Updated information is not available yet. †Preliminary results.

^{**}Remittances include total commercial and non-commercial transfers of physical persons through the banking system.

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Our Road to Success

1998

Ameria Advisory

was founded by a group of young repatriated professionals

2007

1st bank acquisition deal in RA:

acquired shares of one of the oldest yet smallest banks in RA

2010

1st banking merger deal in RA:

Ameriabank and Cascade bank signed merger deal

2015

USD 30mln equity investment by EBRD*

USD 50mln sub debt from IFC*

1st published international credit rating (**B+ rating** with Stable Outlook by Fitch)

2020-2022

1st Green Bond issuer in RA: issued c. **USD 60m** Green Bond

Assets exceeding AMD 1 trillion



2000-2006

Ameria became a **GROUP of companies** with expanded business lines: Legal and Tax Advisory, Business Advisory, Investment Banking, Asset Management

2008-2009

Rebranded to Ameriabank.

unprecedented growth amid global crisis

2011-2014

Became **the leading bank in RA**. Strategic decision to become a universal bank, significantly increasing Retail Banking share

2017-2019

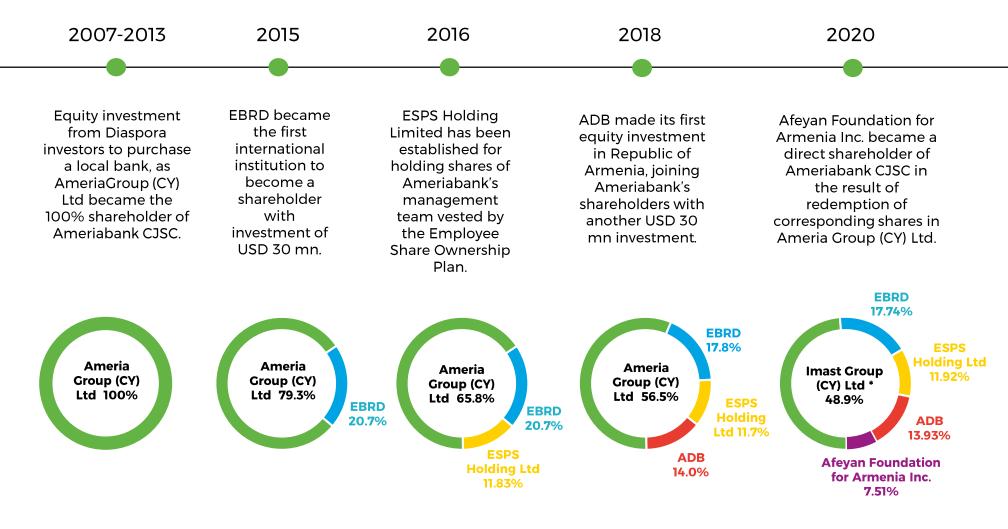
Absolute leader in RA by key financial indicators USD 30mln equity investment by ADB in early 2018**
Ba3 rating with stable outlook by Moody's
B+ rating with stable outlook by S&P



^{*} the largest deal with a FI in Armenia

^{**} the first equity investment of ADB in Armenia

Our Shareholders





Recognition & Honors

for Achievements

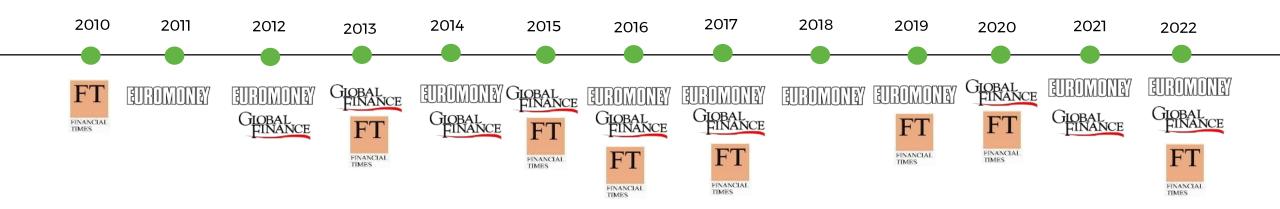
Best Bank in Armenia

Numerous awards and recognitions from global institutions, agencies and IFIs in trade finance, investment banking, capital markets and custody services.











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Strong Team & Corporate Culture

- Unique corporate culture driven by a flat organization and a fully merit based compensation structure
- One of the most professional and talented teams in the local market
- Fully functioning Board committees as per international best practice of public companies
- **Experienced** board members with diverse international background
- Best practice corporate governance system and principles



Board of Directors



Andrew Mkrtchyan Chairman of the Board

Over 25 years of experience in investment and management advisory by standing at the roots of investment banking establishment in Armenia, board member in a number of private/public organizations.



Lindsay M. Forbes Non-executive Board Member

Over 40 years of experience in commercial and investment banking. including more than 20 years with European Bank of Reconstruction and Development (EBRD). Before joining EBRD, Mr. Forbes spent 13 years with the British Linen Bank, the Investment Bank subsidiary of Bank of Scotland.



Lynch
Non-executive
Independent Board
Member

Over 30 years of experience in finance, including more than 20 years with Lehman Brothers in senior positions. Was CEO of Middle East, Asia Pacific and Africa business at Nomura, is currently the founding partner of Stem Capital Partners - an independent direct investment company.



Robert von Rekowsky

Non-executive Independent Board Member

Around 30 years of experience in global asset management, specialized in emerging markets funds, a former vice-president at Emerging Markets Strategy and portfolio manager for Fidelity Investments.



Richard P.
Ogdon

Non-executive Independent Board Member

More than 30 years of experience in the financial sector, with senior positions in investment banks, asset management and advisory companies (UBS Warburg, Uralsib and other Fis), serves as the CEO of TRDATA software company.



Kaha Kiknavelidze

Non-executive Independent Board Member

More than 25 years of experience in commercial and investment banking, has been a long time NED and later CEO of Bank of Georgia Group, the leading financial institution in Georgia. Held executive and top managerial positions at UBS, Rioni Capital and other FIs.



Tigran
Davtyan
Non-executive
Independent Board
Member

About 30 years of experience in the financial system, with senior executive positions at the commercial banks, of which more than 8 years as CEO. Held senior positions at the Central Bank of Armenia and Eurasian Economic Commission.



Management Board



Artak Hanesyan CEO, Chairman of the Management Board

A distinguished banker with more than 25 years of experience in the banking system of Armenia. Has been the CEO of Ameriabank since 2008. Before that Mr. Hanesyan held key positions in the banking sector of Armenia, including positions of CEO and deputy CEO.



Hovhannes Toroyan Chief Financial Officer

More than 15 years of experience in the banking system of Armenia, including more than 10 years with Ameriabank, being responsible for strategy, research, assets and liabilities management.

He became the CFO of Ameriabank in Q3 2022.



Gagik Sahakyan CIB Director

Around 10 years of experience in corporate banking and more than 15 years experience in management advisory. Starting his career at Ameria and leading Ameria advisory services he later moved to corporate banking and has been heading the business line since 2010.



Arman Barseghyan

Retail Banking Director

A proven career track of more than 20 years in retail banking, of which around 15 years at HSBC bank Armenia. Mr. Barseghyan joined Ameriabank as Retail Banking Director in 2012.



Chief People and Services Officer

Around 20 years of experience in the banking sector of Armenia, of which around 15 years in human resources management (HRM). Mrs. Chazaryan had been heading Ameriabank's HRM unit since 2008, prior to becoming CPSO in 2019.



Barseghyan

Risk

Management
Director

Around 25 years of experience in financial institutions' risk management and automation technologies. Mr. Barseghyan has been heading Ameriabank's Risk Management Center since 2009.



Gohar Khachatryan Chief

Accountant

Around 30 years of experience in accounting holding key positions both at the Central Bank of Armenia and private banks, of which more than 10 years as the chief accountant of Ameriabank.



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Balance Sheet

thous AMD

ITEMS	2022	2021
Cash and cash equivalents	112,800,903	265,121,326
Financial instruments at fair value through profit or loss	10,721,168	8,223,960
Available-for-sale financial assets	57,363,607	12,016,785
Money market short-term disbursements	142,051,394	50,866,944
Loans and advances to customers	735,543,120	673,086,264
Held-to-maturity investments	156,701,885	53,686,308
Property, equipment and intangible assets	22,581,859	21,812,184
Other assets	14,065,870	11,907,279
Total assets	1,251,829,806	1,096,721,050
Financial liabilities at fair value through profit or loss	69,563	92,827
Liabilities to banks	66,621,817	74,661,355
Current accounts and deposits from customers	783,605,895	600,614,296
Other borrowed funds	58,124,688	127,712,418
Sub-debt	28,155,324	27,393,716
Other liabilities	143,200,974	137,315,189
Total liabilities	1,079,778,261	967,789,801
Share capital and premium	54,618,878	54,560,661
Revaluation Reserve	(1,473,167)	(265,959)
Retained earnings	118,905,834	74,636,547
Equity	172,051,545	128,931,249



Profit & loss

		thous AMD
ITEMS	2022	2021
Net interest income	50,459,636	40,474,806
Net fee and commission income	9,135,231	5,091,480
Net profit/loss from trading operations	41,339,983	8,279,809
Other operating income (expenses)	(4,349,687)	(3,216,546)
Operating income	96,585,163	50,629,550
Impairment losses	(4,699,928)	(6,222,649)
Personnel expenses	(28,327,332)	(13,303,851)
Total administrative expenses	(8,688,985)	(7,231,329)
Profit/ (loss) before tax	54,868,918	23,871,721
Profit tax	(10,599,631)	(4,455,654)
Net profit/ (loss)	44,269,287	19,416,067



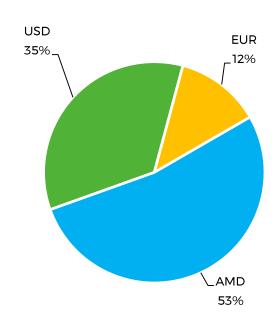
CBA prudential standards

ITEMS	2020	2021	2022 (CBA requirement	Violations
Minimum statutory fund (in '000 AMD)	37,386,880	54,385,935	54,414,765	50,000	No violation
Minimum total capital (in '000 AMD)	129,123,968	143,832,191	183,483,587	30,000,000	No violation
S12_Total capital to risk weighted assets	13.57%	15.29%	17.40%	12.00%	No violation
S21_High liquid assets / Total assets	22.53%	31.84%	30.42%	15.00%	No violation
S211_High liquid assets of first group of currency / Total assets of first group of currency	17.87%	33.46%	30.91%	4.00%	No violation
S22_High liquid assets/ Demand liabilities	85.32%	110.18%	75.48%	60.00%	No violation
S221_ High liquid assets of first group of currency / Demand liabilities of first group of currency	80.73%	121.88%	74.41%	10.00%	No violation
S31_Maximum risk on a single borrower	14.63%	11.75%	17.36%	20.00%	No violation
S32_Maximum risk on large-scale borrowers	227.24%	147.15%	95.47%	500.00%	No violation
S41_Maximum risk on bank related person	1.15%	3.44%	1.62%	5.00%	No violation
S42_Maximum risk on all bank related persons	7.33%	10.28%	8.25%	20.00%	No violation
Minimum requirement for obligatory reserves allocated with RA CBA: AMD Currency	Х	X	x	4% 18%	No violation
Maximum risk of currency position / Total capital of the bank	0.05%	0.07%	2.58%	10.00%	No violation

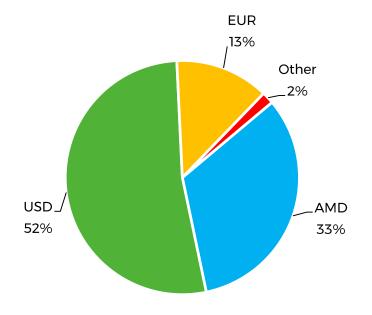


FX Exposure

Currency structure of loan portfolio



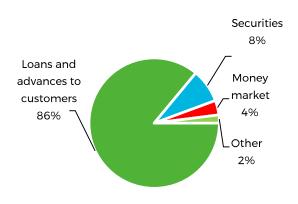
Currency structure of deposits



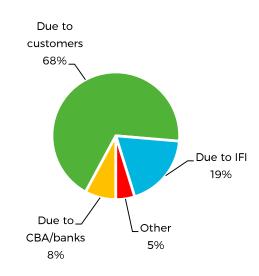


Income Structure

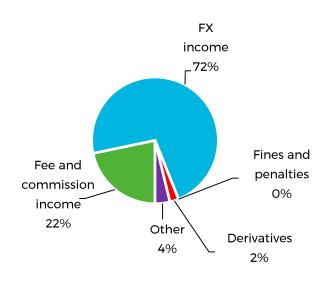
Interest income structure



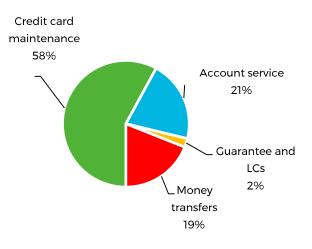
Interest expense structure



Non Interest Income structure



Net fee and commission income structure





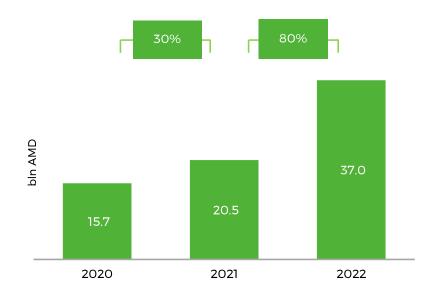
P&L Structure

Profit & loss

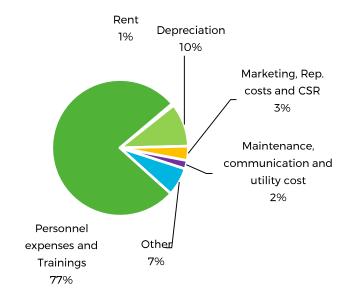
Net profit

48% margin **EBT** 60% margin bln AMD 24.10 28.78 35.92 10.60 91.90 54.87 33.67 Other Total HR EBT Taxes NET Mark & Admin Dep & RB TD OP PROFIT

Admin expenses



Structure of admin expenses





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