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# 1Q23 Earnings Results

APRIL 2023



# Key Results: Sustained Strong Financial Performance in 1Q23 Validates our Strategy

**NII Increased** Reflecting Higher Average Net Lending Spreads and Asset Sensitive interest Rate Gap Position



**NII**  
**\$52.6M**  
↑6% QoQ | ↑105% YoY



**NIM**  
**2.41%**  
↑ 30 bps QoQ | ↑ 109 bps YoY

**Strong Fee Income** and **Strict Cost Control** while Investing in Transformation



**Net Fees**  
**\$4.8M**  
↓9% QoQ | ↑ 22% YoY



**Efficiency Ratio**  
**26.9%**  
↓400 bps QoQ | ↓958 bps YoY

**Higher Profits and RoE Expansion** Fostered by increased Margins



**Net Income**  
**\$37M**  
↑19% QoQ | ↑232% YoY



**Quarterly ROE**  
**13.7%**  
↑212 bps QoQ | ↑925 bps YoY

**Stable Loan Portfolio** with Healthy Asset Quality



**Credit Book**  
**\$8.7 Bn**  
0% QoQ | ↑4% YoY



**NPLs**  
**0.45%**  
0 bps QoQ | ↑29 bps YoY

# Key Processes Re-design has been Crucial in the Execution of our Strategic Plan



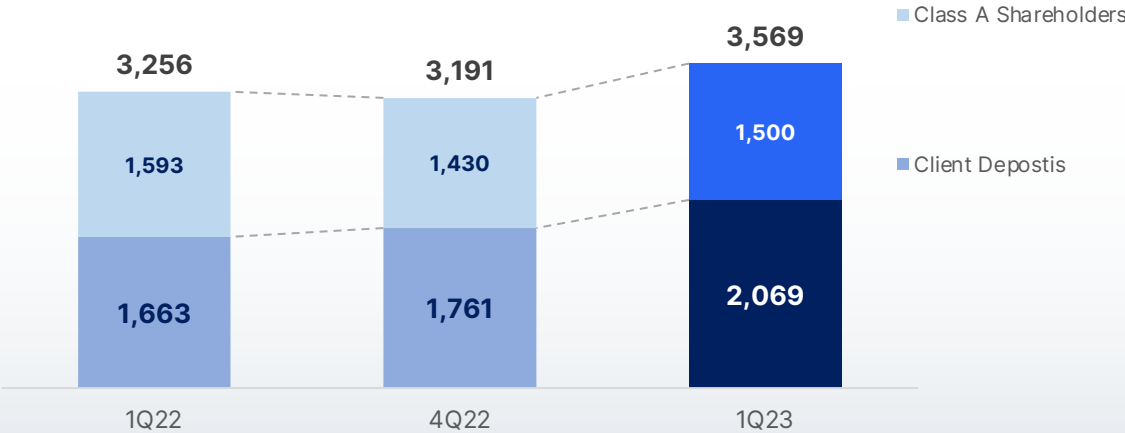
## Client on-Boarding Time (in days)



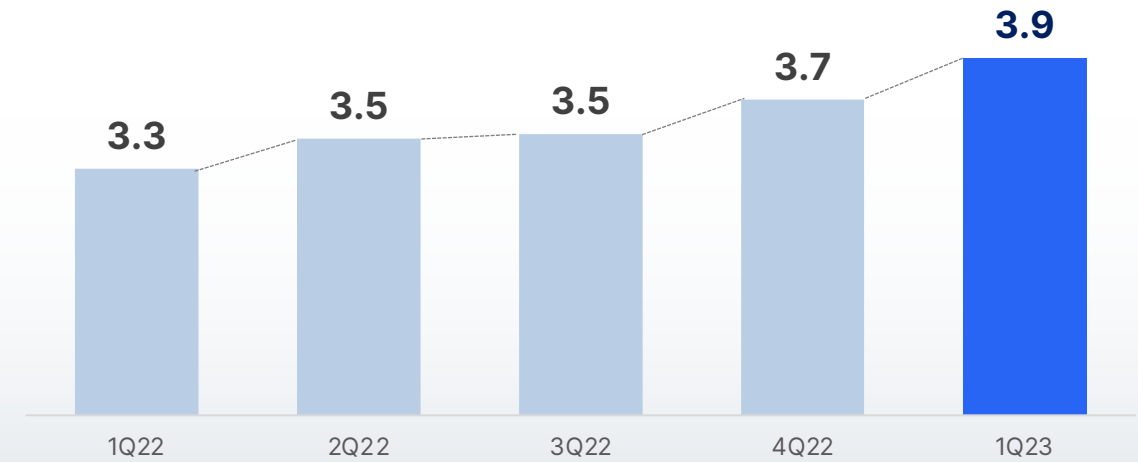
## New Clients



## Client Deposit Growth

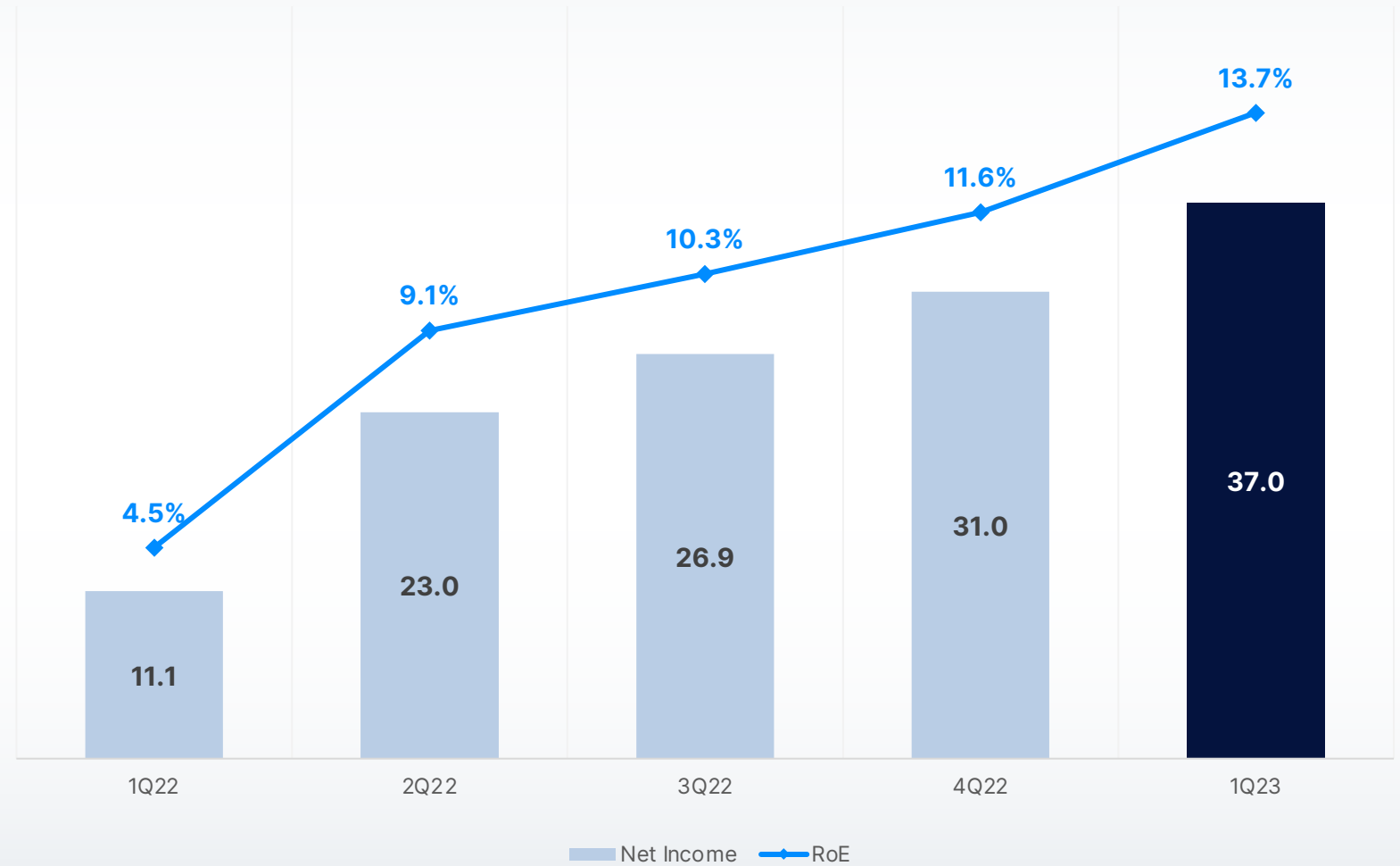


## Letter of Credit Fees



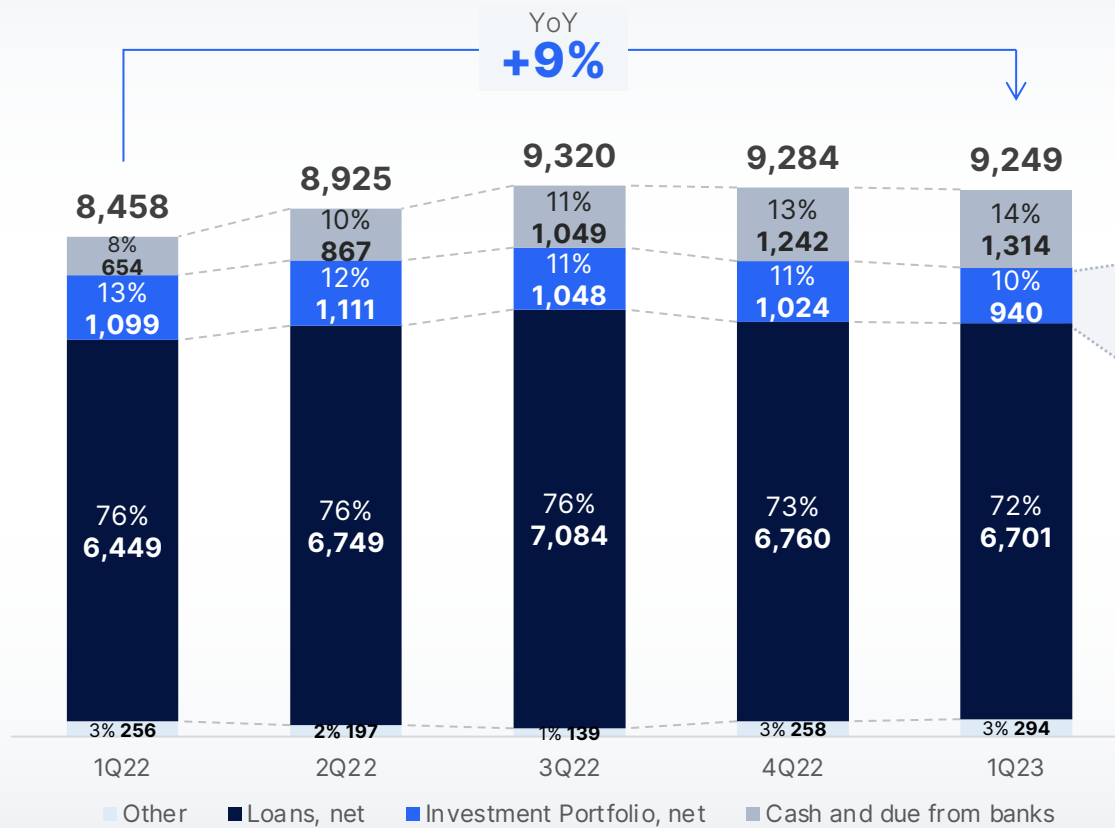
# Solid Trend for Higher Profitability towards Sustained Double Digit Returns

## Net Income & RoE Quarterly



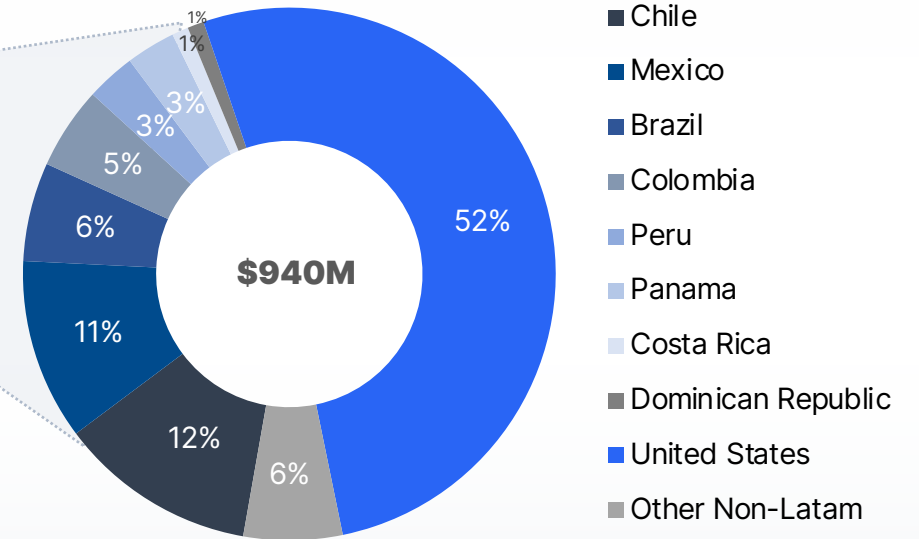
# Stable Total Assets and Optimal Capital Allocation in Challenging Macro Environment

## Total Assets



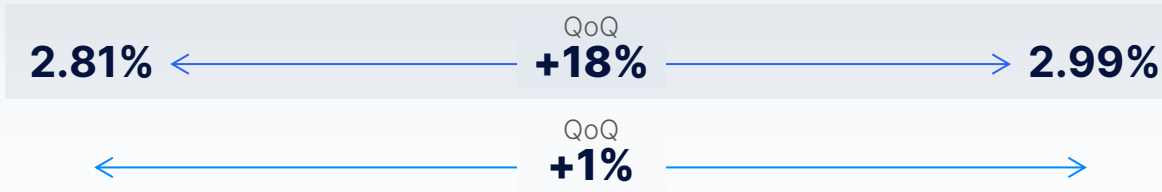
## Investment Portfolio

Avg. Term to Maturity **2 years**



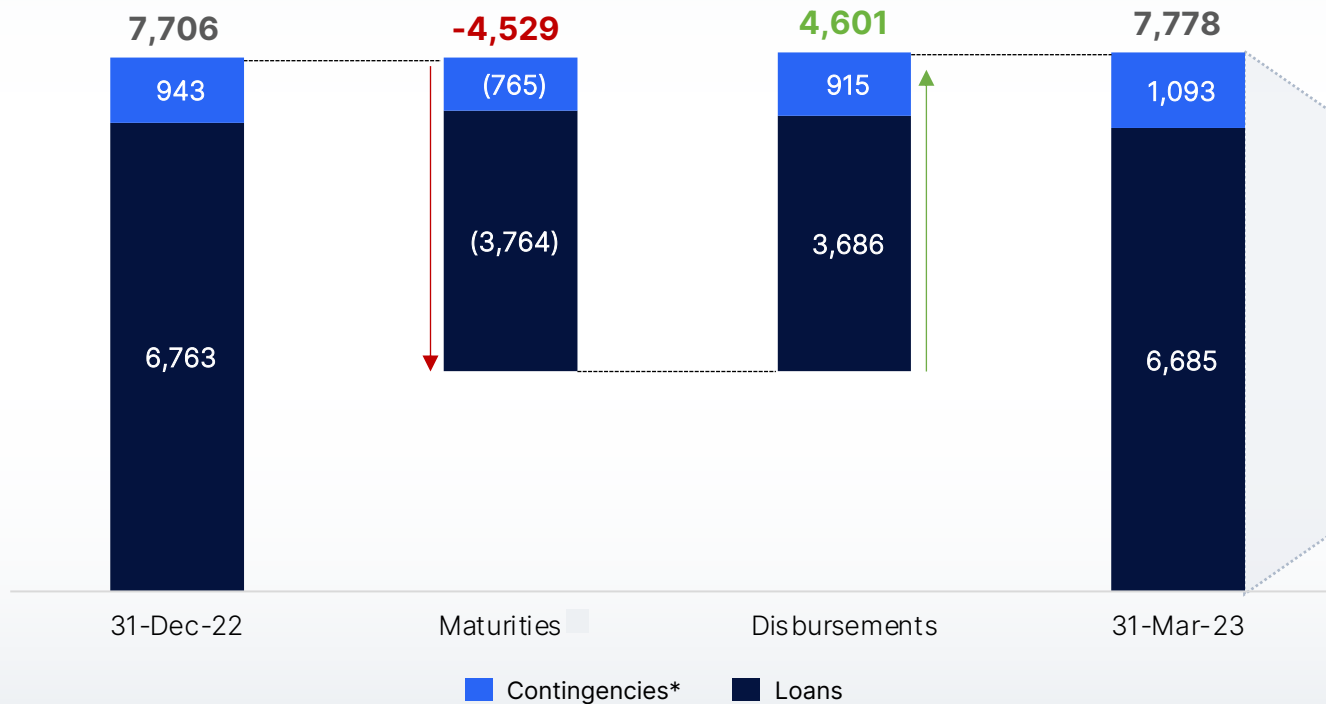
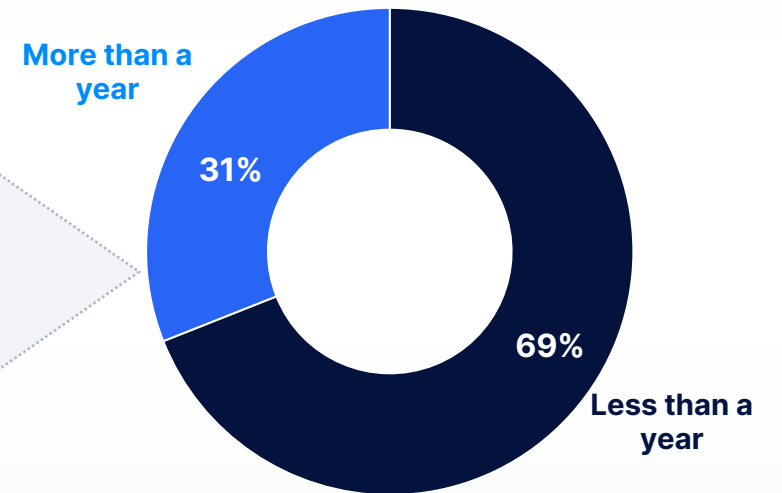
# Bank's Short –Term Loan Book Generates High Turnover and Capitalizes on Market Trends

Loan Portfolio Lending Spread\*\*



## Maturity Profile 12 Months

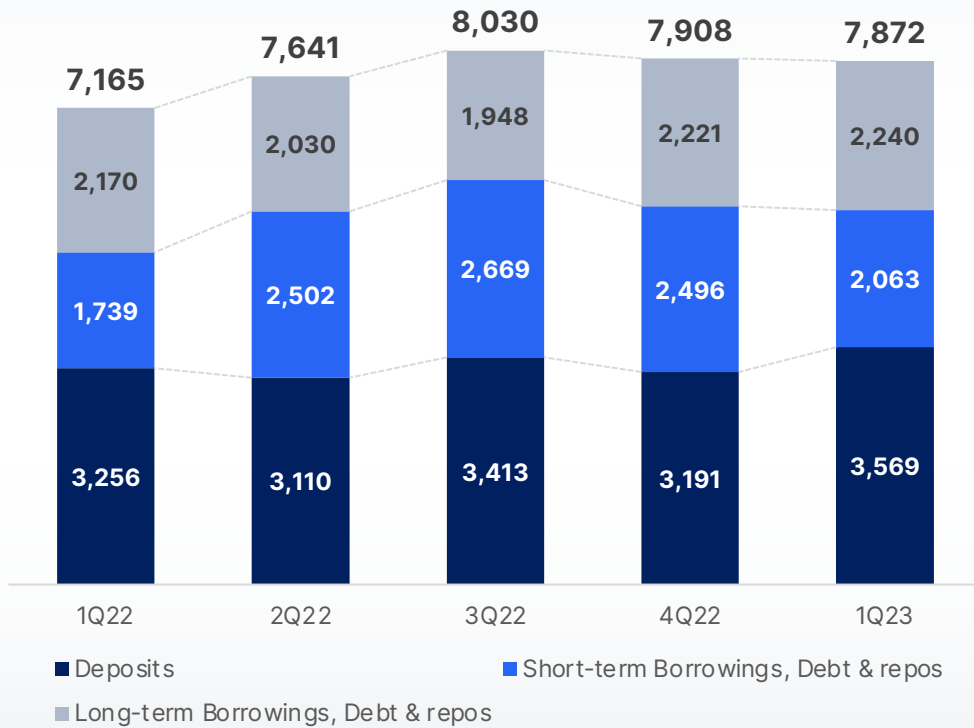
Average duration



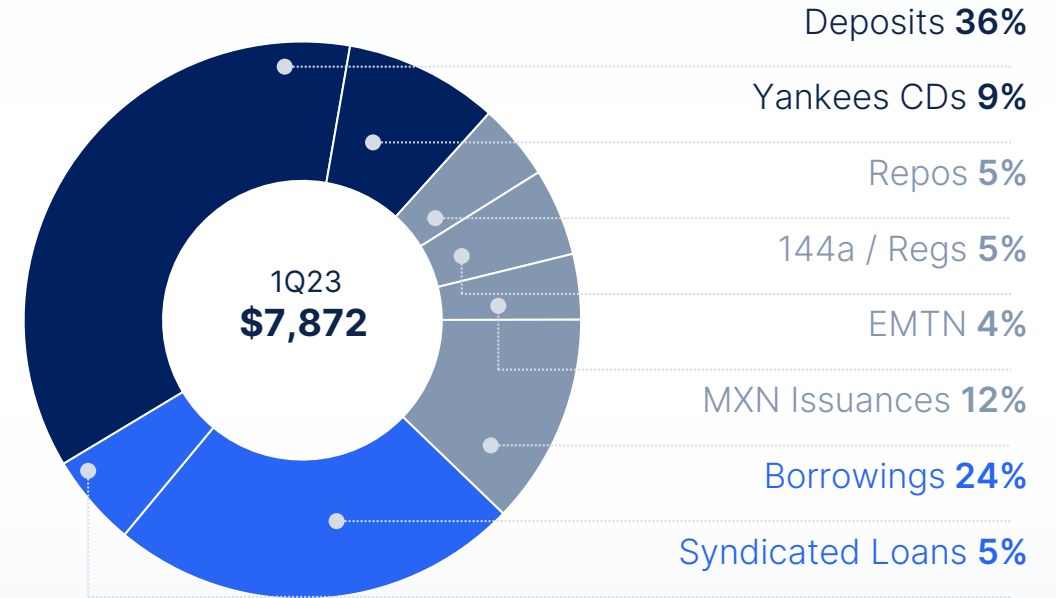
(\*) Includes financial guarantee contracts such as issued and confirmed letters of credit, stand-by letters of credit, guarantees covering commercial risk, and other assets consisting of customers' liabilities under acceptances (\*\*) Refers to lending spread over base rate. Lending spreads shown at 31-dec-22 and 31-mar-23 represent the average lending spread on total Loan Portfolio for the quarter ended at each of those dates.

# Robust Deposit Base and Diverse Funding Structure Prove Resilience Amid Financial Turmoil

## Funding Sources



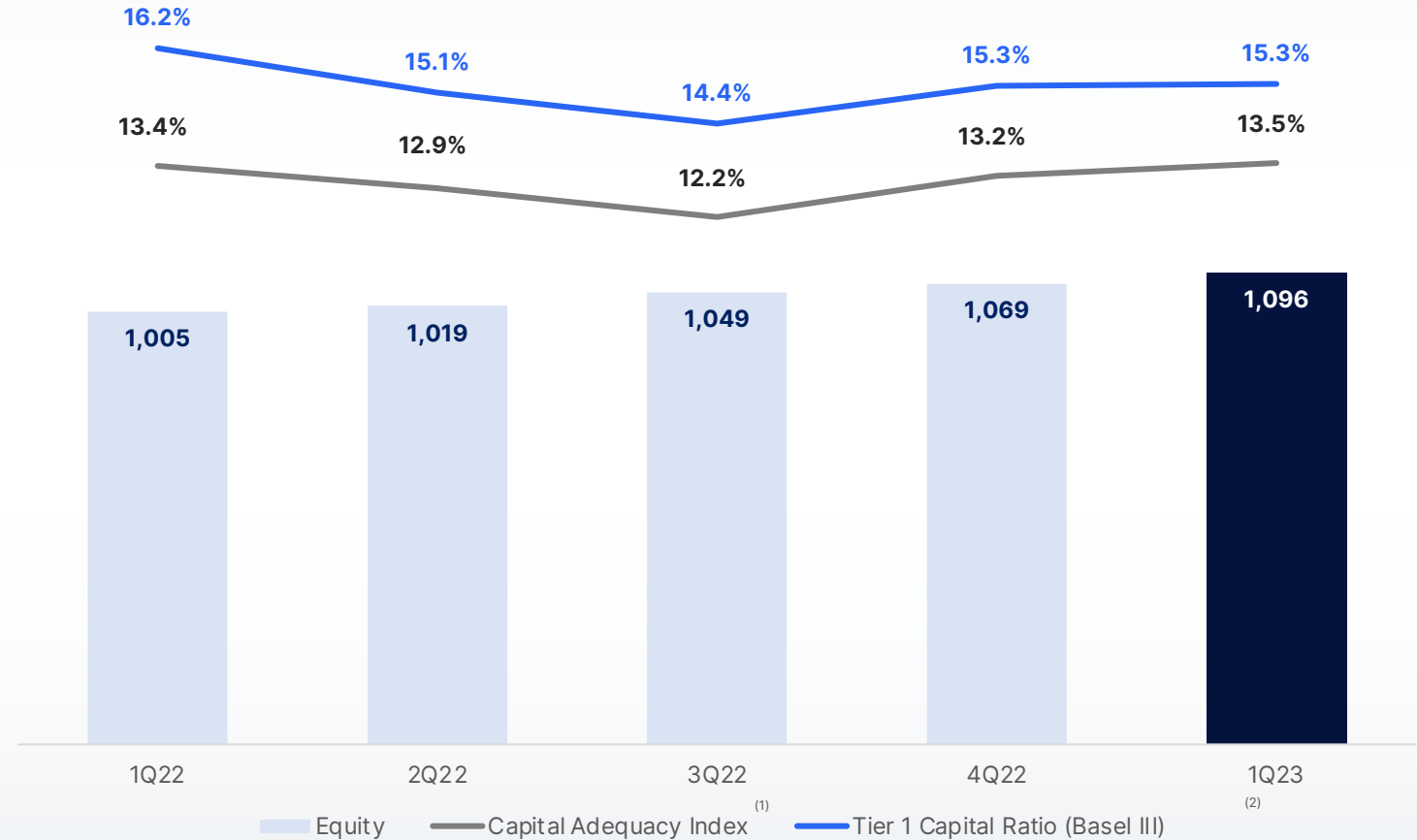
## Funding by Product



# Strong Capitalization and Constant Dividend amidst Strategic Focus on Profitability



## Capital



Declared dividends

1Q23

**\$0.25**

per share

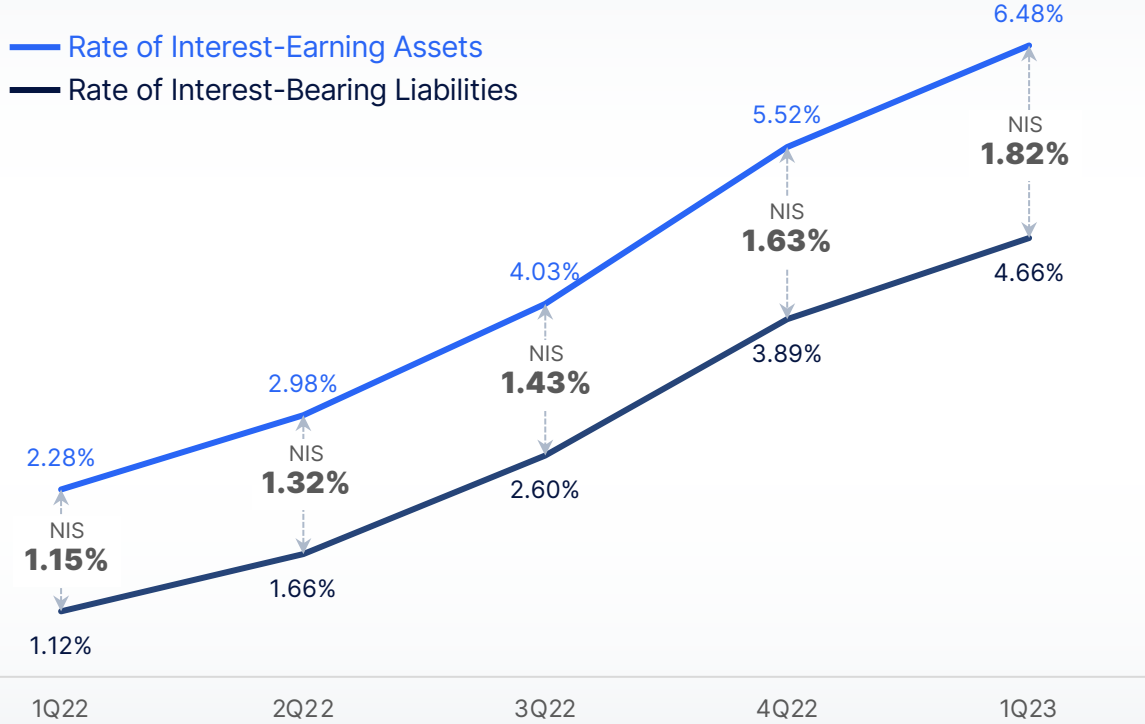
(1) As defined by the SBP, in which risk-weighted assets are calculated under the Basel Standardized Approach for Credit Risk. The minimum Regulatory Total Capital Adequacy Ratio should be of no less than 8.0% of total risk-weighted assets. (2) Tier 1 Capital ratio is calculated according to Basel III capital adequacy guidelines, and as a percentage of risk-weighted assets. Risk-weighted assets are estimated based on Basel III capital adequacy guidelines, utilizing internal-ratings based approach or "IRB" for credit risk and standardized approach for operational risk.



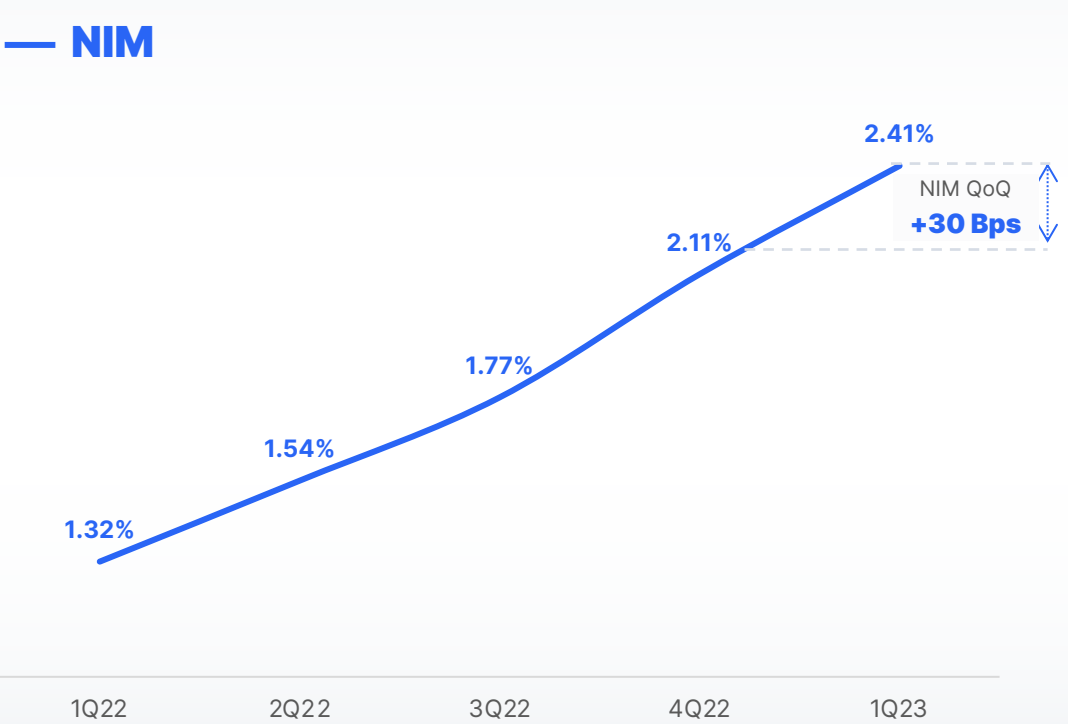
# Strong Net Interest Margin and Spread Drive Robust Top-line Performance



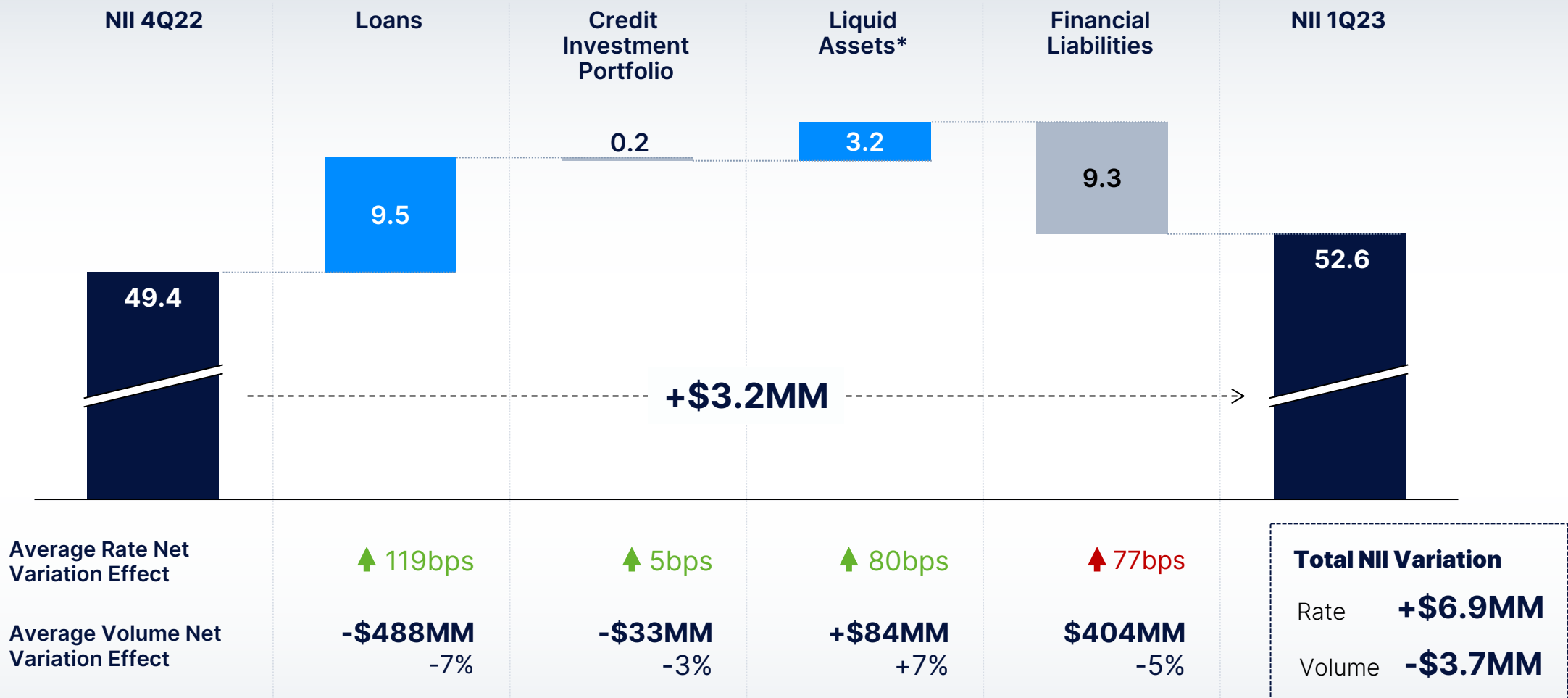
## Net Interest Spread



## Net Interest Margin



# NII Growth Driven by Lending Spreads and Favorable Interest Rate Gap Position Despite Loan Growth Variations



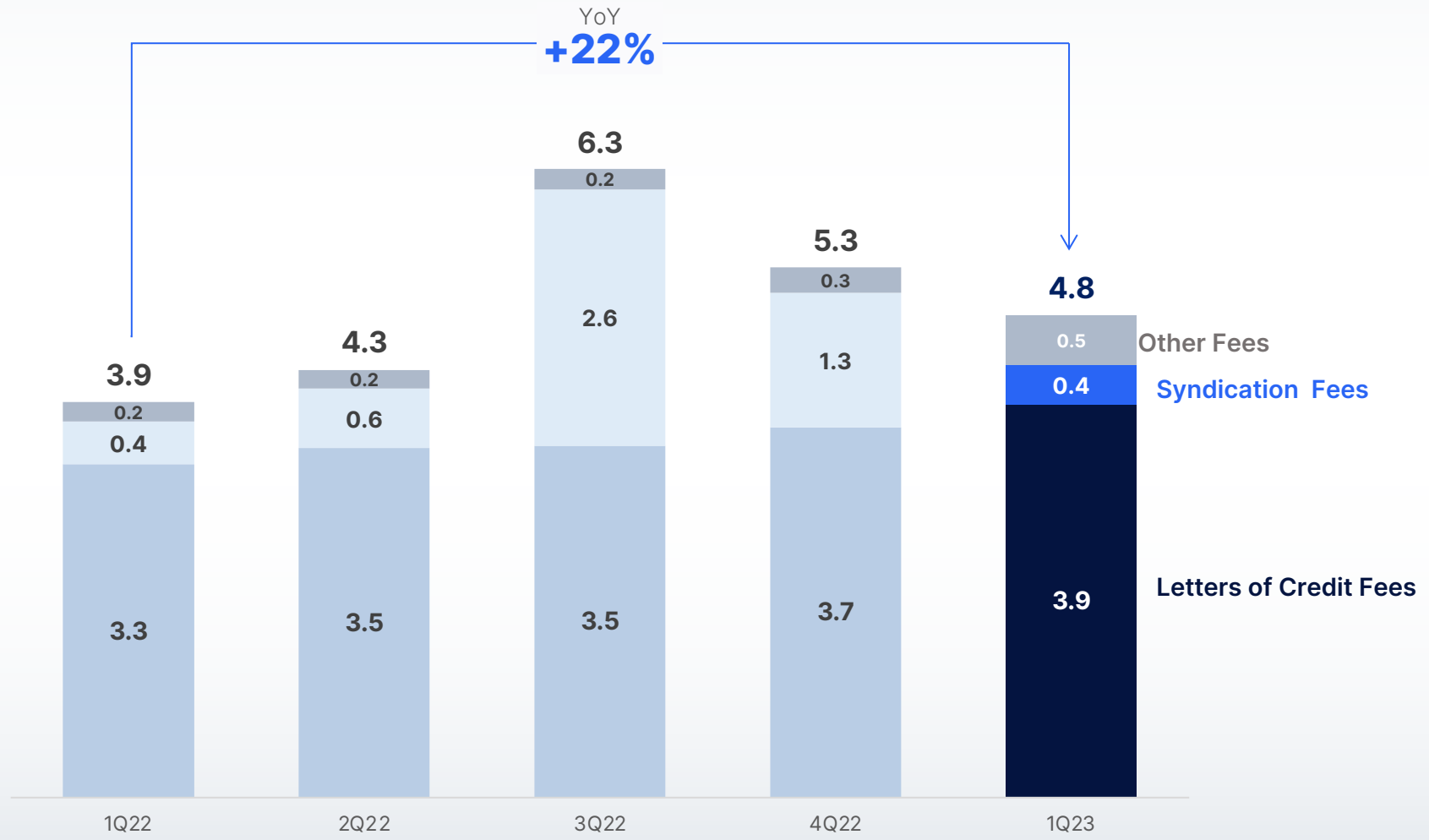
\* Liquid assets consist of cash and due from banks and highly rated corporate debt securities ('A-' or above) classified as high-quality liquid assets ("HQLA") in accordance with the specifications of the Basel Committee

Quarterly variation, (USD millions, except for %)

# Growing Letters of Credit Business Drives Fee Income



## Total Fees



# Strong Asset Quality, Low Credit Risk and Robust Reserve Coverage

## Exposure by Stages



Total Allowance for Credit Losses to Impaired Credits

# 206%

(USD millions, except for %)

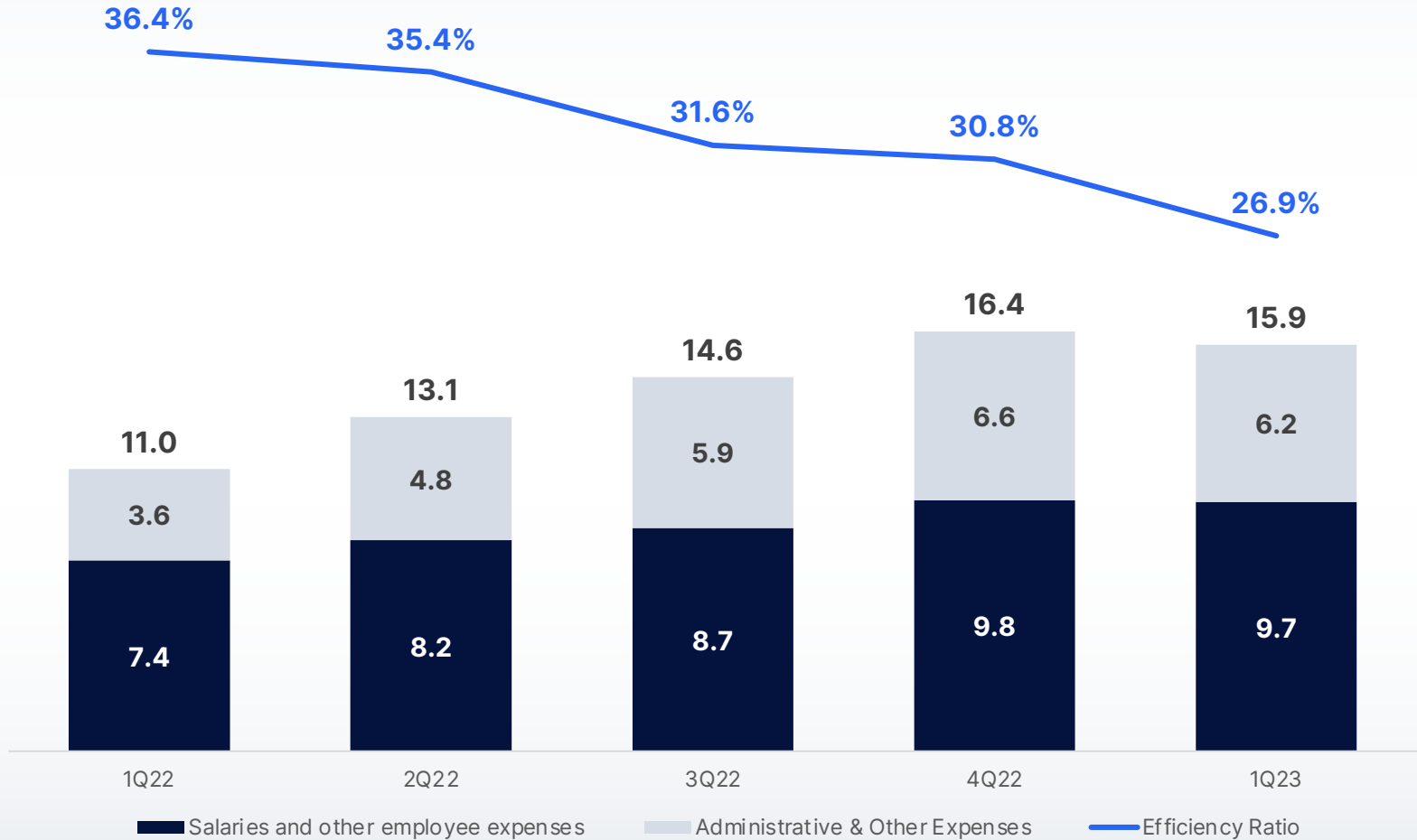
	31-Mar-22	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23
<b>Allowance for losses<sup>1</sup></b>					
Balance at beginning of the period	\$47.1	\$55.2	\$56.0	\$61.8	\$66.8
Provisions (reversals)	8.1	0.8	4.8	5.8	6.3
Recoveries (write-offs)	0.0	0.0	1.0	(0.8)	(0.7)
<b>End of period balance</b>	<b>\$55.2</b>	<b>\$56.0</b>	<b>\$61.8</b>	<b>\$66.8</b>	<b>\$72.4</b>
Impaired Credits to Total Credit Portfolio	0.2%	0.2%	0.1%	0.4%	0.4%

(1) Includes allowance for expected credit losses on loans at amortized cost, on loan commitments and financial guarantees contracts, and on securities at amortized cost and at fair value through other comprehensive income

# Strong Revenue Growth Drive Lower Cost-to-Income Ratio



## Opex & Efficiency Ratio



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# Closing Remarks



# Q&A



APRIL 2023



*This presentation contains forward-looking statements of expected future developments within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements can be identified by words such as: “anticipate”, “intend”, “plan”, “goal”, “seek”, “believe”, “project”, “estimate”, “expect”, “strategy”, “future”, “likely”, “may”, “should”, “will” and similar references to future periods. The forward-looking statements in this presentation include the Bank’s financial position, asset quality and profitability, among others. These forward-looking statements reflect the expectations of the Bank’s management and are based on currently available data; however, actual performance and results are subject to future events and uncertainties, which could materially impact the Bank’s expectations. Among the factors that can cause actual performance and results to differ materially are as follows: the coronavirus (COVID-19) pandemic and geopolitical events; the anticipated changes in the Bank’s credit portfolio; the continuation of the Bank’s preferred creditor status; the impact of increasing/decreasing interest rates and of the macroeconomic environment in the Region on the Bank’s financial condition; the execution of the Bank’s strategies and initiatives, including its revenue diversification strategy; the adequacy of the Bank’s allowance for expected credit losses; the need for additional allowance for expected credit losses; the Bank’s ability to achieve future growth, to reduce its liquidity levels and increase its leverage; the Bank’s ability to maintain its investment-grade credit ratings; the availability and mix of future sources of funding for the Bank’s lending operations; potential trading losses; the possibility of fraud; and the adequacy of the Bank’s sources of liquidity to replace deposit withdrawals. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.*





# Exhibits



APRIL 2023

	1Q23	4Q22	1Q22
<b>Key Income Statement Highlights</b>			
Net Interest Income ("NII")	\$52.6	\$49.4	\$25.7
Fees and commissions, net	\$4.8	\$5.3	\$3.9
Loss on financial instruments, net	\$1.7	(\$1.6)	\$0.6
Other income, net	\$0.0	\$0.0	\$0.0
Total revenues	\$59.2	\$53.2	\$30.2
Provision for credit losses	(\$6.3)	(\$5.8)	(\$8.1)
Gain on non-financial assets, net	(\$15.9)	(\$16.4)	(\$11.0)
Operating expenses	\$37.0	\$31.0	\$11.1
Profit for the period			
<b>Profitability Ratios</b>			
Earnings per Share ("EPS") <sup>(1)</sup>	\$1.02	\$0.85	\$0.31
Return on Average Equity ("ROE") <sup>(2)</sup>	13.7%	11.6%	4.5%
Return on Average Assets ("ROA") <sup>(3)</sup>	1.6%	1.3%	0.6%
Net Interest Margin ("NIM") <sup>(4)</sup>	2.41%	2.11%	1.32%
Net Interest Spread ("NIS") <sup>(5)</sup>	1.82%	1.63%	1.15%
Efficiency Ratio <sup>(6)</sup>	26.9%	30.8%	36.4%
<b>Assets, Capital, Liquidity &amp; Credit Quality</b>			
Credit Portfolio <sup>(7)</sup>	\$8,716	\$8,726	\$8,412
Commercial Portfolio <sup>(8)</sup>	\$7,778	\$7,706	\$7,321
Investment Portfolio	\$938	\$1,020	\$1,091
Total assets	\$9,249	\$9,284	\$8,458
Total equity	\$1,096	\$1,069	\$1,005
Market capitalization <sup>(9)</sup>	\$631	\$588	\$565
Tier 1 Capital to risk-weighted assets (Basel III – IRB) <sup>(10)</sup>	15.3%	15.3%	16.2%
Capital Adequacy Ratio (Regulatory) <sup>(11)</sup>	13.5%	13.2%	13.4%
Total assets / Total equity (times)	8.4	8.7	8.4
Liquid Assets / Total Assets <sup>(12)</sup>	14.1%	13.7%	9.2%
Credit-impaired loans to Loan Portfolio <sup>(13)</sup>	0.5%	0.4%	0.2%
Impaired credits <sup>(14)</sup> to Credit Portfolio	0.4%	0.4%	0.1%
Total allowance for losses to Credit Portfolio <sup>(15)</sup>	0.8%	0.8%	0.7%
Total allowance for losses to Impaired credits (times) <sup>(15)</sup>	2.1	1.9	5.2