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Lion Finance Group PLC
20 August 2025

LION FINANCE GROUP

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2Q25 and 1H25 results

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Contents

2Q25 and 1H25 results

Lion Finance Group PLC announces the Group's consolidated financial results for the second quarter and the first half of 2025. Unless otherwise noted, numbers in this announcement are given for 2Q25 and 1H25 and the year-on-year comparisons are with adjusted figures of 2Q24 and 1H24.

The results have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the United Kingdom and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority. The results are based on International Financial Reporting Standards (IFRS) as adopted by the United Kingdom, are unaudited and derived from management accounts.

Earnings call on 20 August 2025, 14:00 BST

https://zoom.us/j/99166130661?pwd=U5Udgx7N7vj741pk3v7boowaIMfIii.1

Webinar ID: 991 6613 0661

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Segmentation guide

Following the acquisition of Ameriabank at the end of March 2024, the Group's results are presented by the following Business Divisions: 1) Georgian Financial Services (GFS), 2) Armenian Financial Services (AFS), and 3) Other Businesses.

- **GFS** mainly comprises JSC Bank of Georgia and the investment bank JSC Galt and Taggart.
- **AFS** includes Ameriabank CJSC

- **Other Businesses** includes JSC Belarusky Narodny Bank (BNB), which serves retail and SME clients in Belarus; JSC Digital

Area, a digital ecosystem in Georgia including e-commerce, ticketing, and inventory management SaaS; Lion Finance Group PLC, the holding company; and other small entities and intragroup eliminations.

Lion Finance Group PLC delivers 2Q25 consolidated profit of GEL 513.2m and 1H25 consolidated profit of GEL 1,026.3m, and declares a half-year dividend of GEL 5.10 per share, coupled with a GEL 98 million buyback for the period ended 30 June 2025

2Q25 consolidated profit before one-off items was up 19.4% y-o-y to GEL 513.2 million, with a return on average equity standing at 27.2%. 1H25 consolidated profit before one-off items was up 28.4% y-o-y to GEL 1,026.3 million, with a return on average equity standing at 27.9%.

Group performance

- Our core Business Divisions continued to demonstrate robust customer franchise growth. On a year-on-year basis, Bank of Georgia's Retail Digital Monthly Active Users (Digital MAU) grew by 15.5% to **1.7m individuals**, while Ameriabank's Retail Digital MAU surged by 54.5%, reaching **267 thousand individuals**. On a quarter-on-quarter basis, these figures increased by 3.1% and 8.8% at Bank of Georgia and Ameriabank, respectively.
- Bank of Georgia maintained its record-high Net Promoter Score (NPS) of 73 in 2Q25 (71 in 2Q24 and 73 in 1Q25). Ameriabank measures its NPS internally monthly, with the average score for 2Q25 being 75 (77 in 2Q24 and 77 in 1Q25).
- Loan book reached **GEL 36,530.4m** as at 30 June 2025, **up 22.5% y-o-y in constant currency** (cc). The growth was fuelled by strong loan book expansion across both Georgian (GFS) (a 17.0% y-o-y cc increase) and Armenian (AFS) operations (a 37.6% y-o-y cc increase). Compared with 31 March 2025, GFS loan book was up 4.7%, while that of AFS increased by 10.2%, resulting in Group loan growth of 6.5% (in cc).
- Client deposits and notes totaled **GEL 34,789.7m** as at 30 June 2025, reflecting **a 14.7% y-o-y increase in cc**. GFS deposits rose by 10.9% y-o-y, while AFS deposits increased by 26.1% y-o-y. Compared with 31 March 2025, GFS deposits were up 0.5%, while those of AFS increased by 6.4%, resulting in Group deposit growth of 2.4% (in cc).
- Asset quality remained strong across the Group, with Group cost of credit risk ratio at **0.5% in 2Q25** and **the NPL ratio down to 1.9% as at 30 June 2025**. Cost of credit risk was down significantly y-o-y as 2Q24 included a GEL 49.2m initial ("Day-2") ECL charge related to the Ameriabank acquisition (we were required to treat the acquired portfolio as if it were a new loan issuance, thus necessitating a forward-looking ECL charge on Day 2 of the combination although portfolio quality was not deteriorated).
- In 2Q25, operating income was **up 9.5% y-o-y and up 6.2% q-o-q to GEL 1,039.1m**. The annual top-line growth was primarily driven by higher net interest income generated by both GFS and AFS. On a q-o-q basis, the increase in operating income was broad-based, with both net interest income and non-interest income contributing.
  - Non-interest income was reduced y-o-y at both GFS and AFS. At GFS, the small decline in non-interest income was largely driven by increased competition in fees and FX as well as a significant item in 2Q24 that elevated the base in net fees. At AFS, the lower net fee and commission income due to a significant GEL 9.8 million advisory fee posted in 2Q24 was the main driver of reduced non-interest income.
- The Group's operating expenses increased by **12.1% y-o-y** to **GEL 378.8m** in 2Q25. The y-o-y growth was mainly driven by GFS, mainly due to increased salaries and other employee benefits. This increase included an elevated first-year expense for the Chief Executive's new three-year contract, approved at the 2025 AGM, as well as accelerated compensation cost resulting from a senior manager's contract termination (GEL 2.4m). In addition, Bank of Georgia's contributions to the resolution fund[1] in the amount of GEL 4.4m were posted this quarter. Excluding the GEL 6.8 million impact of the termination and resolution fund expenses, the Group's operating expenses would have increased by 10.1% y-o-y.
- As at 30 June 2025, Bank of Georgia's CET 1, Tier 1 and Total capital ratios stood at 17.3%, 20.4%, and 21.8%, respectively, comfortably above the minimum requirements of 15.1%, 17.3%, and 20.1%, respectively. Ameriabank's CET 1, Tier 1 and Total capital ratios stood at 14.9%, 14.9%, and 16.9% respectively, above the minimum requirements of 12.0%, 14.1%, and 16.8% respectively. In July, Ameriabank's total capital buffer increased to 0.3 ppts driven by the recognition of subordinated debt in capital (see details on page 15).

CEO statement

We are pleased to announce another set of solid results, reflecting continued strength of our customer franchise and strong loan growth across our core operations in Georgia and Armenia. Profit before one-offs rose 19.4% year-on-year to GEL 513.2 million in 2Q25, bringing the cumulative half-year profit to just over GEL 1.0 billion - up 28.4% compared to the profit before one-offs in the first half of 2024. Book value per share increased to GEL 176.81, up 25.3% year-on-year. Profitability remained robust, with an ROAE of 27.2% for the second quarter and 27.9% for the first half of 2025.

Our core markets, Georgia and Armenia, have demonstrated stronger-than-expected growth and resilience. In 2Q25, preliminary data from respective national statistics offices show Georgia's economy grew 7.1% year-on-year, driven by strong external inflows and robust domestic demand, while Armenia recorded an average growth of 8.1%, largely driven by domestic demand. We have revised our full-year real GDP growth forecasts for both countries - to 7.5% for Georgia (up from 6.8%) and to 5.0% for Armenia (up from 4.5%). In Georgia, strong inflows enabled the National Bank to purchase over USD 1 billion in the first seven months of 2025, lifting international reserves to USD 5 billion, while the government continued to reduce its foreign-currency debt. Alongside solid economic fundamentals, the recent historic signing of the Armenia-Azerbaijan peace framework is a positive sign, which could stimulate new regional investments and development, boosting the overall economic outlook. We expect this to provide an additional tailwind for our operations.

In Georgia, we continue to deliver on our strategic objectives, expanding retail monthly active digital users (up 15.5% year-on-year), increasing retail digital sales to 69% of total retail product sales (up 12 ppts year-on-year), posting strong balance sheet growth (loans up 17.0% year-on-year in constant currency), and sustaining a high profitability (ROAE at 31.1% in 2Q25 and 31.6% in 1H25). As we continued to deploy excess liquidity, we saw a 20 basis points uplift in the net interest margin in the second quarter, and moving forward, we project margin stability, with potential for a slight upside. Strong loan book growth in Georgia fuelled net interest income generation, which was the main contributor to the 11% top-line growth at GFS in the year-on-year perspective for the last two quarters. The flat non-interest income at GFS was largely driven by heightened competition in fees and FX as well as a significant item in 2Q24 that elevated the base in net fees. Consequently, we expect lower growth in net fees and FX for the rest of the year (net fee income year-on-year growth in single digits in 3Q25 and low double-digits in 4Q25, with FX remaining largely flat in the year-on-year perspective). Efficiency remains an ongoing focus, and we expect the operating leverage for GFS to improve in the coming quarters. The cost of credit risk of 0.7%, although higher than in the last few quarters, still indicates a very healthy loan portfolio.

We are seeing very promising results from our Armenian operations as we steadily develop our retail franchise and enhance digital offerings - a core strategic priority. Over the past year, we attracted 94 thousand new monthly active digital retail customers, reaching a total of 267 thousand individuals by the end of the second quarter. From a financial performance perspective, key highlights include the above-market 37.6% year-on-year constant currency growth of the loan book - a broad-based expansion with even higher growth in retail - which supported net interest income generation, and the maintenance of strong asset quality. Our CET 1 capital is strong in Armenia, and we anticipate the introduction of a regulatory framework for Tier 1 instruments in the coming months, which will enable us to issue additional Tier 1 instruments and optimise capital. Armenian Financial Services generated a profit before one-offs of GEL 95.8 million in the second quarter, a 197.3% year-on-year increase given the significant "Day-2" ECL charge last year related to the acquisition. Excluding this charge, the underlying bottom-line growth is solid at 17.7%.

Considering our strong capital generation and high profitability, the Board has declared a half-year dividend of GEL 5.10 per ordinary share and has also approved a share buyback and cancellation programme in the amount of GEL 98.0 million. The Board has taken the decision to move to a quarterly, more consistent schedule of distributions, with our target payout range of 30-50% of annual profits unchanged. We remain committed and well-positioned to continue delivering strong growth and profitability in our core markets and delivering value to our shareholders in the coming quarters.

I want to thank our employees across different countries for their dedication to the success of our customers and, by extension, the success of the entire Group.

Archil Gachechiladze

CEO, Lion Finance Group PLC

19 August 2025

Our key targets for the medium term remain:

- c.15% annual growth of the Group's loan book.
- 20%+ return on average equity.
- 30-50% payout ratio (dividends and share buyback and cancellation programme).

Macroeconomic developments: Georgia

Sustained economic growth momentum

Economic growth remained strong in 2Q25, with preliminary data showing real GDP expanding by 7.1% y-o-y. Economic activity remained broad-based, with significant contributions from information and communications, transport and storage, and financial services. Reflecting this sustained strength of the economy, we have revised full-year real GDP growth forecast for 2025 to 7.5% (up from 6.8%). While downside risks persist - including global trade tensions, regional geopolitical instability, and domestic political strains - Georgia's demonstrated resilience and sound macroeconomic policies are expected to mitigate these challenges, supporting continued growth throughout the year.

Robust external sector

External sector inflows continued to demonstrate solid performance and resilience, bolstered by diverse income sources. In 2Q25, merchandise export growth accelerated to 20.9% y-o-y, mainly driven by car re-exports. Meanwhile, goods imports slowed, increasing by only 0.8% y-o-y, which contributed to a reduced trade deficit. During the same period, tourism revenues rose by 5.0% y-o-y, supported by a 7.0% y-o-y increase in international visitors. Money transfers also increased by 10.0% y-o-y, reflecting strong remittance inflows from the US and EU.

Near-target inflation and prudent monetary policy

Inflation continued to rise in 2Q25, primarily due to higher food and healthcare prices, partially offset by declines in transport and communication service costs. Headline CPI inflation reached 4.0% y-o-y in June 2025, exceeding the National Bank of Georgia's (NBG) 3% target. Inflation is expected to remain above target in the near term, owing to a low base effect from the previous year, but is projected to return to target in 2026. The NBG has maintained its refinancing rate at 8.0% since May 2024, preserving a cautious policy stance amid global trade tensions and strong domestic demand. We expect the refinancing rate to remain unchanged through the rest of 2025.

remain unchanged through the rest of 2025.

Strong fiscal discipline

Consolidated budget tax revenues increased by 9.6% y-o-y in 2Q25, leading to a 0.9% overperformance in the first half of the year. The government remains committed to fiscal consolidation, targeting a fiscal deficit of 2.5% of GDP in 2025, following 2.4% in 2024. The government-debt-to-GDP ratio is projected to decline further to 35.5% in 2025, thereby enhancing fiscal space to accommodate potential future spending needs.

Healthy bank lending

Bank lending remained robust and aligned with economic growth in 2Q25, expanding by 15.6% y-o-y on a constant currency basis (following the 16.6% y-o-y growth in the previous quarter). Loan dollarisation stood at 43.1% at the end of June 2025, unchanged from the previous quarter, while deposit dollarisation declined to 49.7% (down 3.1 ppts q-o-q). The banking sector's credit portfolio remained healthy, with the non-performing loans (NPL) ratio at 1.6% of total gross loans as of end-April 2025, according to the IMF.

Continued GEL appreciation and reserve accumulation

The Georgian Lari (GEL) appreciated by 3.6% against the US dollar in the first seven months of 2025, while depreciating by 6.6% against the Euro and 2.3% against the British Pound over the same period. Early-year gains against the USD were largely driven by global dollar weakness, but in recent months the GEL has also appreciated against other currencies, supported by resilient external inflows and prudent macroeconomic policies. This favourable backdrop has enabled the NBG to purchase over USD 1 billion since the beginning of the year, bringing international reserves to USD 5 billion as of end-July. We expect the GEL to remain stable over the medium term, underpinned by solid macroeconomic fundamentals.

More information on the Georgian economy and financial sector can be found at Galt & Taggart, the Group's investment banking and brokerage subsidiary.

To address top questions raised by our investors on Georgian macro and the banking sector, we have recently published a Q&A document, which can be found at Top Questions & Answers on Georgian Macro.

Macroeconomic developments: Armenia

Robust economic growth

Economic activity remained strong in 2Q25, despite normalisation of external demand. Growth has been supported by expansionary fiscal policy, strong credit expansion, and eased monetary conditions. The preliminary indicator of economic activity rose by 8.1% y-o-y in 2Q25, following a 4.1% increase in the previous quarter. Given the stronger-than-expected performance in the first half of the year, we have revised our full-year real GDP growth projection for 2025 to 5.0%, up from 4.5%. We expect slowing external demand to be offset by robust domestic spending, supported by ongoing fiscal expansion and healthy credit growth. The recent Armenia-Azerbaijan peace framework signed in Washington, DC, marks a significant step toward normalising bilateral relations and unlocking strategic economic opportunities. Yet, persistent geopolitical tensions in the wider region continue to pose downside risks, while prudent macroeconomic policies continue to underpin Armenia's economic resilience.

Continued normalisation of external demand and strong Dram

External trade turnover continued to normalise in 2Q25, following a temporary surge in re-exports of precious metals and stones in 2024. Goods exports declined by 41.4% y-o-y (+19.5% q-o-q), while imports contracted by 28.0% y-o-y (+10.2% q-o-q). In contrast, non-commercial money transfers strengthened significantly, rising by 16.7% y-o-y in 2Q25, compared to a 2.1% y-o-y increase in the previous quarter. This resilience of external inflows, combined with the broad-based weakening of the US dollar, contributed to a 3.2% appreciation of the Armenian Dram (AMD) against the US dollar in the first seven months of 2025, building on a 2.0% gain in 2024. During the same period, the AMD remained broadly stable against the GEL, depreciating by just 0.5% after a 6.5% appreciation in 2024.

Near-target inflation and neutral monetary policy

In 2Q25, inflation continued to rise, primarily driven by higher food prices and increases in regulated education tariffs. Headline CPI inflation reached 3.9% y-o-y in June 2025, above the Central Bank of Armenia's (CBA) 3% target. Looking ahead, inflation is expected to remain close to target, as food price pressures are likely to be offset by an anticipated easing in aggregate demand and an appreciating local currency. The CBA has kept the refinancing rate at 6.75% since February 2025, signalling the conclusion of its earlier easing cycle. We expect the refinancing rate to hold steady for the remainder of 2025.

Continued fiscal expansion

Fiscal policy is set to remain expansionary in 2025, driven by increased spending on national security, public infrastructure, and social support programmes. Consequently, the fiscal deficit is projected to widen to 5.5% of GDP this year, up from 3.8% in 2024, resulting in an increase in government debt to 52.4% of GDP (vs. 48.0% in 2024). While this fiscal expansion supports economic growth, it may pose risks to inflation and public debt sustainability. These risks are, however, mitigated by the government's demonstrated fiscal discipline and the ongoing IMF stand-by arrangements.

Sound banking sector

Armenia's banking sector remains highly profitable, with strong capital and liquidity buffers. Bank lending grew by an estimated 29.4% y-o-y in 2Q25 on a constant currency basis, following the 30.2% y-o-y growth in the previous quarter. This strong credit expansion reflects the anticipated phaseout of the mortgage income tax refund programme and is expected to gradually normalise in the coming periods. Loan dollarisation remained broadly stable at 33.8% as of end-June 2025, following significant declines in prior years. Meanwhile, deposit dollarisation continued its downward trend, reaching 46.3%, down 1.2 ppts q-o-q.

2Q25 and 1H25 consolidated results

Following the acquisition of Ameriabank at the end of March 2024, its income statement has been consolidated from 1 April 2024. Thus, half-year comparisons are not fully representative of the underlying performance, as they include only one quarter of Ameriabank's results.

GEL thousands INCOME STATEMENT HIGHLIGHTS	1H25 Group	1H25 GFS	1H25 AFS	1H25 Other	1H24 Group[2]	1H24 GFS	1H24 AFS[2]	1H24 Other
Interest income	2,536,548	1,859,625	624,307	52,616	1,838,194	1,543,926	253,162	41,106
Interest expense	(1,137,002)	(863,294)	(241,450)	(32,258)	(782,039)	(683,420)	(87,779)	(10,840)
Net interest income	**1,399,546**	**996,331**	**382,857**	**20,358**	**1,056,155**	**860,506**	**165,383**	**30,266**
Net fee and commission income	290,687	239,020	44,392	7,275	258,464	227,804	29,037	1,623
Net foreign currency gain	298,191	174,051	71,870	52,270	242,426	180,807	38,576	23,043
Net other income	29,362	21,965	3,530	3,867	35,905	19,479	1,063	15,363
Operating income	**2,017,786**	**1,431,367**	**502,649**	**83,770**	**1,592,950**	**1,288,596**	**234,059**	**70,295**
Salaries and other employee benefits	(453,104)	(245,938)	(177,372)	(29,794)	(323,463)	(207,015)	(95,353)	(21,095)
Administrative expenses	(147,025)	(92,746)	(37,234)	(17,045)	(118,627)	(91,352)	(13,450)	(13,825)
Depreciation, amortisation and impairment	(105,260)	(69,398)	(29,958)	(5,904)	(78,553)	(58,738)	(14,618)	(5,197)
Other operating expenses	(16,300)	(12,581)	(3,044)	(675)	(5,216)	(2,863)	(1,676)	(677)
Operating expenses	**(721,689)**	**(420,663)**	**(247,608)**	**(53,418)**	**(525,859)**	**(359,968)**	**(125,097)**	**(40,794)**
Profit from associates	736	736	-	-	476	589	-	(113)
Operating income before cost of risk (2024: adjusted)	**1,296,833**	**1,011,440**	**255,041**	**30,352**	**1,067,567***	**929,217**	**108,962***	**29,388**
Cost of risk	(77,709)	(63,838)	(13,940)	69	(110,895)	(48,093)	(56,091)	(6,711)
Out of which initial ECL related to assets acquired in business combination[3]	-	-	-	-	(49,157)	-	(49,157)	-
Profit before income tax expense (2024: adjusted)	**1,219,124**	**947,602**	**241,101**	**30,421**	**956,672***	**881,124**	**52,871***	**22,677**
Income tax expense	(192,813)	(132,683)	(49,796)	(10,334)	(157,617)	(129,883)	(22,409)	(5,325)
Profit before one-off items	**1,026,311**	**814,919**	**191,305**	**20,087**	**799,055***	**751,241**	**30,462***	**17,352**
One-off items[4]	-	-	-	-	669,465	-	669,465	-
Profit	**1,026,311**	**814,919**	**191,305**	**20,087**	**1,468,520**	**751,241**	**699,927**	**17,352**

GEL thousands INCOME STATEMENT HIGHLIGHTS	2Q25	2Q24	Change y-o-y	1Q25	Change q-o-q	1H25	1H24[2]	Change y-o-y
Net interest income	715,845	618,335	15.8%	683,701	4.7%	1,399,546	1,056,155	32.5%
Net fee and commission income	152,615	150,662	1.3%	138,072	10.5%	290,687	258,464	12.5%
Net foreign currency gain	152,597	151,886	0.5%	145,594	4.8%	298,191	242,426	23.0%
Net other income	18,077	28,112	-35.7%	11,285	60.2%	29,362	35,905	-18.2%
Operating income	**1,039,134**	**948,995**	**9.5%**	**978,652**	**6.2%**	**2,017,786**	**1,592,950**	**26.7%**
Operating expenses	(378,796)	(337,821)	12.1%	(342,893)	10.5%	(721,689)	(525,859)	37.2%
Profit from associates	465	378	23.0%	271	71.6%	736	476	54.6%
Operating income before cost of risk (2024: adjusted)	**660,803**	**611,552***	**8.1%**	**636,030**	**3.9%**	**1,296,833**	**1,067,567***	**21.5%**
Cost of risk	(50,796)	(87,896)	-42.2%	(26,913)	88.7%	(77,709)	(110,895)	-29.9%
Out of which initial ECL related to assets acquired in business combination[3]	-	(49,157)	NMF	-	NMF	-	(49,157)	NMF
Profit before income tax expense and one-off items (2024: adjusted)	**610,007**	**523,656***	**16.5%**	**609,117**	**0.1%**	**1,219,124**	**956,672***	**27.4%**
Income tax expense	(96,760)	(93,668)	3.3%	(96,053)	0.7%	(192,813)	(157,617)	22.3%
Profit before one-off items	**513,247**	**429,988***	**19.4%**	**513,064**	**0.0%**	**1,026,311**	**799,055***	**28.4%**
One-off items[4]	-	679	NMF	-	-	-	669,465	NMF
Profit	**513,247**	**430,667**	**19.2%**	**513,064**	**0.0%**	**1,026,311**	**1,468,520**	**-30.1%**
Basic earnings per share	**11.89**	**9.79**	**21.5%**	**11.81**	**0.7%**	**23.70**	**33.37**	**-29.0%**
Diluted earnings per share	**11.75**	**9.62**	**22.1%**	**11.73**	**0.2%**	**23.44**	**32.81**	**-28.6%**
Basic earnings per share adjusted for one-offs	**11.89**	**9.77**	**21.7%**	**11.81**	**0.7%**	**23.70**	**18.11**	**30.9%**
Diluted earnings per share adjusted for one-offs	**11.75**	**9.61**	**22.3%**	**11.73**	**0.2%**	**23.44**	**17.81**	**31.6%**

* This figure differs from the corresponding amount in the unaudited consolidated financial statements, as it excludes a one-off item of GEL 669.5m in 1H24 and 0.7m in 2Q24, to better showcase underlying performance. For the full unaudited consolidated financial information, please refer to page 18 or page 39 of the financial statements.

BALANCE SHEET HIGHLIGHTS	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Liquid assets	16,333,288	14,479,764	12.8%	17,490,685	-6.6%
Cash and cash equivalents	4,022,221	3,422,747	17.5%	4,151,524	-3.1%
Amounts due from credit institutions	3,194,606	2,710,729	17.9%	3,596,111	-11.2%
Investment securities	9,116,461	8,346,288	9.2%	9,743,050	-6.4%

Loans to customers, finance lease and factoring receivables[5]	36,530,447	30,081,566	21.4%	34,137,143	7.0%
Property and equipment	578,502	529,715	9.2%	554,208	4.4%
All remaining assets	1,649,833	1,437,376	14.8%	1,617,265	2.0%
Total assets	**55,092,070**	**46,528,421**	**18.4%**	**53,799,301**	**2.4%**
Client deposits and notes	34,789,736	30,706,272	13.3%	33,969,258	2.4%
Amounts owed to credit institutions	8,927,118	6,366,603	40.2%	9,006,255	-0.9%
Borrowings from DFIs	*2,918,362*	*2,053,214*	*42.1%*	*3,322,500*	*-12.2%*
Short-term loans from the National Bank of Georgia	*2,552,236*	*1,443,950*	*76.8%*	*3,426,723*	*-25.5%*
Short-term loans from the Central Bank of Armenia	*142,743*	*175,993*	*-18.9%*	*144,536*	*-1.2%*
Loans and deposits from commercial banks	*3,313,777*	*2,693,446*	*23.0%*	*2,112,496*	*56.9%*
Debt securities issued	2,445,652	2,128,224	14.9%	2,257,270	8.3%
All remaining liabilities	1,310,432	1,164,031	12.6%	1,145,023	14.4%
Total liabilities	**47,472,938**	**40,365,130**	**17.6%**	**46,377,806**	**2.4%**
Total equity	**7,619,132**	**6,163,291**	**23.6%**	**7,421,495**	**2.7%**
Book value per share	**176.81**	**141.14**	**25.3%**	**170.99**	**3.4%**

KEY RATIOS	**2Q25**	**2Q24**	**1Q25**	**1H25[2]**	**1H24**
ROAA (adjusted for one-off items)[4,6]	3.8%	3.9%	3.9%	3.9%	4.2%
ROAA (adjusted for one-off items and Ameriabank initial ECL)[3,4,6]	3.8%	4.3%	3.9%	3.9%	4.5%
ROAE (adjusted for one-off items)[4]	27.2%	28.0%	28.7%	27.9%	28.4%
ROAE (adjusted for one-off items and Ameriabank initial ECL)[3,4]	27.2%	31.3%	28.7%	27.9%	30.1%
Net interest margin[6]	6.0%	6.3%	5.9%	5.9%	6.3%
Loan yield[6]	12.3%	12.4%	12.2%	12.3%	12.4%
Liquid assets yield[6]	5.0%	5.0%	4.9%	5.0%	5.1%
Cost of funds[6]	5.1%	4.8%	5.0%	5.1%	4.9%
Cost of client deposits and notes[6]	4.3%	4.0%	4.1%	4.2%	4.1%
Cost of amounts owed to credit Institutions[6]	7.4%	7.7%	7.8%	7.6%	8.1%
Cost of debt securities issued[6]	7.5%	8.2%	7.6%	7.5%	8.2%
Cost:income ratio	36.5%	35.6%	35.0%	35.8%	33.0%
NPLs to gross loans	1.9%	2.0%	2.0%	1.9%	2.0%
NPL coverage ratio	63.5%	63.7%	59.3%	63.5%	63.7%
NPL coverage ratio adjusted for the discounted value of collateral	119.2%	119.4%	117.1%	119.2%	119.4%
Cost of credit risk ratio[6]	0.5%	1.1%	0.2%	0.4%	0.8%
Cost of credit risk ratio (adjusted for Ameriabank initial ECL)[3,6]	0.5%	0.4%	0.2%	0.4%	0.4%

GEL thousands, unless otherwise noted	**Jun-25**	**Jun-24**	**Change y-o-y**	**Mar-25**	**Change q-o-q**
NON-PERFORMING LOANS					
Group (consolidated)					
NPLs (in GEL thousands)	717,493	613,405	17.0%	699,246	2.6%
NPLs to gross loans	1.9%	2.0%		2.0%	
NPL coverage ratio	63.5%	63.7%		59.3%	
NPL coverage ratio adjusted for the discounted value of collateral	119.2%	119.4%		117.1%	
Georgian Financial Services (GFS)					
NPLs to gross loans	2.2%	2.1%		2.2%	
NPL coverage ratio	61.7%	66.0%		59.3%	
NPL coverage ratio adjusted for the discounted value of collateral	113.6%	116.4%		113.2%	
Ameriabank (standalone figures)					
NPLs to gross loans	1.4%	2.1%		1.5%	
NPL coverage ratio	75.5%	66.3%		63.3%	
NPL coverage ratio adjusted for the discounted value of	144.5%	122.3%		134.3%	

collateral

Returns to shareholders (dividends and share buyback and cancellation programme)

- The Board has taken the decision to move to a quarterly distribution schedule, with our total capital repatriation policy unchanged at a target payout range of 30-50% of annual Group profits. Considering the strong performance of the Group during the first half of 2025 and robust capital levels, the Board today declared a cumulative dividend of GEL 5.10 per ordinary share in respect of the periods ended 31 March 2025 and 30 June 2025, payable according to the following timetable:
  - Ex-Dividend Date: 25 September 2025
  - Record Date: 26 September 2025
  - Currency Conversion Date: 26 September 2025
  - Payment Date: 10 October 2025
- The NBG's Lari/Pounds Sterling average exchange rate for the period of 22 September to 26 September 2025 will be used as the exchange rate on the Currency Conversion Date and will be announced in due course.
- In addition, the Board has approved a further share buyback and cancellation programme totalling GEL 98.0 million.
- The previous GEL 107.7 million share buyback and cancellation programme has been completed. As a result, 487,974 shares were cancelled. The total number of shares in issue as at 19 August 2025 was 43,863,576.

Business Division results

Following the acquisition of Ameriabank in March 2024, the Group results are presented by the following Business Divisions: 1) Georgian Financial Services (GFS), 2) Armenian Financial Services (AFS), and 3) Other Businesses.

Georgian Financial Services (GFS)

Georgian Financial Services (**GFS**) mainly comprises JSC Bank of Georgia and investment bank JSC Galt and Taggart.

GEL thousands	2Q25	2Q24	Change y-o-y	1Q25	Change q-o-q	1H25	1H24	Change y-o-y
INCOME STATEMENT HIGHLIGHTS								
Interest income	952,366	797,984	19.3%	907,259	5.0%	1,859,625	1,543,926	20.4%
Interest expense	(437,841)	(359,907)	21.7%	(425,453)	2.9%	(863,294)	(683,420)	26.3%
Net interest income	**514,525**	**438,077**	**17.5%**	**481,806**	**6.8%**	**996,331**	**860,506**	**15.8%**
Net fee and commission income	125,065	120,453	3.8%	113,955	9.7%	239,020	227,804	4.9%
Net foreign currency gain	91,321	99,177	-7.9%	82,730	10.4%	174,051	180,807	-3.7%
Net other income	14,990	12,101	23.9%	6,975	114.9%	21,965	19,479	12.8%
Operating income	**745,901**	**669,808**	**11.4%**	**685,466**	**8.8%**	**1,431,367**	**1,288,596**	**11.1%**
Salaries and other employee benefits	(132,342)	(112,521)	17.6%	(113,596)	16.5%	(245,938)	(207,015)	18.8%
Administrative expenses	(49,502)	(49,674)	-0.3%	(43,244)	14.5%	(92,746)	(91,352)	1.5%
Depreciation, amortisation and impairment	(35,610)	(29,904)	19.1%	(33,788)	5.4%	(69,398)	(58,738)	18.1%
Other operating expenses	(6,387)	(1,369)	NMF	(6,194)	3.1%	(12,581)	(2,863)	NMF
Operating expenses	**(223,841)**	**(193,468)**	**15.7%**	**(196,822)**	**13.7%**	**(420,663)**	**(359,968)**	**16.9%**
Profit from associates	465	378	23.0%	271	71.6%	736	589	25.0%
Operating income before cost of risk	**522,525**	**476,718**	**9.6%**	**488,915**	**6.9%**	**1,011,440**	**929,217**	**8.8%**
Cost of risk	(45,848)	(27,623)	66.0%	(17,990)	154.9%	(63,838)	(48,093)	32.7%
Profit before income tax expense	**476,677**	**449,095**	**6.1%**	**470,925**	**1.2%**	**947,602**	**881,124**	**7.5%**
Income tax expense	(66,827)	(68,226)	-2.1%	(65,856)	1.5%	(132,683)	(129,883)	2.2%
Profit before for one-off items	**409,850**	**380,869**	**7.6%**	**405,069**	**1.2%**	**814,919**	**751,241**	**8.5%**
One-off items	-	-	-	-	-	-	-	-
Profit	**409,850**	**380,869**	**7.6%**	**405,069**	**1.2%**	**814,919**	**751,241**	**8.5%**

BALANCE SHEET HIGHLIGHTS	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Cash and cash equivalents	2,108,736	1,899,605	11.0%	2,465,779	-14.5%
Amounts due from credit institutions	2,339,536	1,866,561	25.3%	2,586,850	-9.6%
Investment securities	7,527,941	6,942,219	8.4%	8,180,808	-8.0%
Loans to customers, finance lease and factoring receivables	25,306,909	21,659,438	16.8%	24,049,085	5.2%
Loans to customers, finance lease and factoring receivables, LC	*14,594,431*	*12,043,169*	*21.2%*	*13,971,277*	*4.5%*
Loans to customers, finance lease and factoring receivables, FC	*10,712,478*	*9,616,269*	*11.4%*	*10,077,808*	*6.3%*
	482,933	433,585	11.4%	465,059	3.8%

Property and equipment					
All remaining assets	1,185,218	1,047,065	13.2%	1,174,534	0.9%
Total assets	**38,951,273**	**33,848,473**	**15.1%**	**38,922,115**	**0.1%**
Client deposits and notes	24,979,831	22,659,682	10.2%	24,820,659	0.6%
Client deposits and notes, LC	*12,650,370*	*10,881,951*	*16.3%*	*11,675,339*	*8.4%*
Client deposits and notes, FC	*12,329,461*	*11,777,731*	*4.7%*	*13,145,320*	*-6.2%*
Amounts owed to credit institutions	6,512,756	5,065,866	28.6%	7,161,810	-9.1%
Debt securities issued	1,261,544	1,040,106	21.3%	1,144,275	10.2%
All remaining liabilities	898,001	735,130	22.2%	527,112	70.4%
Total liabilities	**33,652,132**	**29,500,784**	**14.1%**	**33,653,856**	**0.0%**
Total equity	**5,299,141**	**4,347,689**	**21.9%**	**5,268,259**	**0.6%**
Risk-weighted assets (JSC Bank of Georgia standalone)	30,619,266	25,800,413	18.7%	29,867,785	2.5%

KEY RATIOS	2Q25	2Q24	1Q25	1H25	1H24
ROAA	4.2%	4.7%	4.3%	4.3%	4.8%
ROAE	31.1%	34.6%	32.0%	31.6%	32.7%
Net interest margin	5.9%	6.0%	5.7%	5.8%	6.1%
Loan yield	12.7%	12.5%	12.6%	12.6%	12.5%
Loan yield, GEL	*15.2%*	*14.9%*	*15.0%*	*15.1%*	*15.0%*
Loan yield, FC	*9.2%*	*9.5%*	*9.2%*	*9.2%*	*9.3%*
Cost of funds	5.3%	5.2%	5.3%	5.3%	5.2%
Cost of client deposits and notes	4.5%	4.4%	4.4%	4.5%	4.4%
Cost of client deposits and notes, GEL	*7.8%*	*7.9%*	*7.7%*	*7.8%*	*8.1%*
Cost of client deposits and notes, FC	*1.4%*	*1.1%*	*1.4%*	*1.5%*	*1.1%*
Cost of time deposits	6.8%	6.9%	6.6%	6.8%	6.9%
Cost of time deposits, GEL	*10.1%*	*10.6%*	*10.1%*	*10.2%*	*10.8%*
Cost of time deposits, FC	*2.7%*	*2.5%*	*2.6%*	*2.7%*	*2.4%*
Cost of current accounts and demand deposits	2.5%	2.2%	2.4%	2.4%	2.4%
Cost of current accounts and demand deposits, GEL	*5.1%*	*4.8%*	*5.0%*	*5.0%*	*5.1%*
Cost of current accounts and demand deposits, FC	*0.6%*	*0.4%*	*0.6%*	*0.6%*	*0.0%*
Cost:income ratio	30.0%	28.9%	28.7%	29.4%	27.9%
Cost of credit risk ratio	0.7%	0.4%	0.2%	0.4%	0.4%

Performance highlights

- GFS delivered operating income of **GEL 745.9m** in 2Q25, up 11.4% y-o-y and up 8.8% q-o-q. The y-o-y expansion was predominantly driven by net interest income, while the q-o-q growth stemmed from increases across all key income lines. In 1H25, operating income reached **GEL 1,431.4m** (up 11.1% y-o-y), fuelled by strong net interest income growth, complemented by modest increases in net fee and commission income and net other income, and partially offset by a decline in net foreign currency gain.
- Net interest income stood at **GEL 514.5m**, up 17.5% y-o-y and up 6.8% q-o-q. The y-o-y and the q-o-q increase was mainly driven by strong loan growth. In 1H25, net interest income amounted to **GEL 996.3m** (up 15.8% y-o-y).
  - In 2Q25, NIM stood at **5.9%**, down 0.1 ppt y-o-y and up 0.2 ppts q-o-q. For 1H25, NIM was **5.8%**, a decline of 0.3 ppts y-o-y. The deployment of excess liquidity resulted in a margin uplift in the second quarter. We expect GFS NIM to remain broadly stable, with potential for a slight upside.
- Net fee and commission income reached **GEL 125.1m** in 2Q25, up 3.8% y-o-y and up 9.7% q-o-q. The y-o-y growth was impacted mainly by heightened competition, coupled with a significant item in 2Q24 that elevated the base in net fees.
- Net foreign currency (FX) gain was **GEL 91.3m** in 2Q25, down 7.9% y-o-y and up 10.4% q-o-q. This annual decline was primarily due to a translation loss from a currency derivative instrument, which we used for GEL liquidity, and which also impacted our 1Q25 FX gains. Additionally, client-driven dealing income remained flat y-o-y as relatively stable currency and increased market competition weighed on our spreads.
- Operating expenses amounted to **GEL 223.8m** in 2Q25 (up 15.7% y-o-y and up 13.7% q-o-q). In 1H25, operating expenses increased by 16.9% y-o-y to **GEL 420.7m**.
  - In 2Q25, the y-o-y operating expense growth was primarily driven by higher staff costs, partially offset by lower administrative expenses. The increase in staff costs included an elevated first-year expense for the Chief Executive's new three-year contract, approved at the 2025 AGM, as well as accelerated compensation cost resulting from a senior manager's contract termination (GEL 2.4m). In addition, Bank of Georgia's contributions to the resolution fund in the amount of GEL 4.4m were posted this quarter. Excluding the GEL 6.8 million impact of the termination and resolution fund expenses, operating expenses at GFS would have increased by 12.2% y-o-y. Compared with the prior quarter, operating expense growth was driven by similar staff cost increases, coupled with a 14.5% rise in administrative expenses, reflecting marketing campaigns and higher employee training and development expenses.
- The cost of credit risk ratio was **0.7%** in 2Q25 (0.4% in 2Q24 and 0.2% in 1Q25). In 1H25, the cost of credit risk was 0.4% (0.4% in 1H24). The loan portfolio quality remained strong, and the quarterly cost of credit risk increase mainly

reflected the effect of US dollar devaluation against GEL and EUR as well as periodic recalibration of internal risk assumptions.

Portfolio highlights

From 1Q24 the Corporate Center was separated as a new segment of GFS. The Corporate Center mainly includes treasury and custody operations. Previously, the Corporate Center's income and expenses were allocated to the Retail, SME, and CIB segments. The previous figures for the Retail, SME, and CIB segments have been restated.

Portfolio highlights: loans to customers, finance lease and factoring receivables

	Jun-25	Jun-24	Change y-o-y	Change y-o-y (constant currency)	Mar-25	Change q-o-q	Change q-o-q (constant currency)
Total GFS	**25,306,909**	**21,659,438**	**16.8%**	**17.0%**	**24,049,085**	**5.2%**	**4.7%**
Retail	11,028,623	9,290,776	18.7%	18.7%	10,518,379	4.9%	4.6%
Mortgages	*4,754,810*	*4,244,568*	*12.0%*	*11.9%*	*4,599,335*	*3.4%*	*5.3%*
Consumer loans	*5,517,428*	*4,364,337*	*26.4%*	*26.7%*	*5,185,540*	*6.4%*	*10.8%*
Other loans	*756,385*	*681,871*	*10.9%*	*8.7%*	*733,504*	*3.1%*	*3.2%*
SME	5,227,172	4,898,358	6.7%	6.4%	5,114,504	2.2%	1.4%
CIB	9,051,114	7,470,304	21.2%	21.8%	8,416,202	7.5%	7.0%
Corporate Center	-	-	-	-	-	-	-

Portfolio highlights: customer deposits and notes

	Jun-25	Jun-24	Change y-o-y	Change y-o-y (constant currency)	Mar-25	Change q-o-q	Change q-o-q (constant currency)
Total GFS	**24,979,831**	**22,659,682**	**10.2%**	**10.9%**	**24,820,659**	**0.6%**	**0.5%**
Retail	15,169,685	13,783,042	10.1%	10.9%	14,850,250	2.2%	2.0%
SME	2,231,309	1,973,477	13.1%	13.3%	2,117,025	5.4%	5.1%
CIB	6,278,743	5,533,539	13.5%	13.8%	6,663,303	-5.8%	-5.8%
Corporate Center	1,374,967	1,422,598	-3.3%	-	1,268,036	8.4%	-
Eliminations	(74,873)	(52,974)	41.3%	-	(77,955)	-4.0%	-

Loan portfolio quality: cost of credit risk ratio

	2Q25	2Q24	1Q25
Total GFS	**0.7%**	**0.4%**	**0.2%**
Retail	0.8%	0.4%	0.3%
SME	1.1%	0.8%	0.2%
CIB	0.6%	0.2%	0.1%

Loan portfolio quality: NPL ratio

	Jun-25	Jun-24	Mar-25
Total GFS	**2.2%**	**2.1%**	**2.2%**
Retail	1.5%	1.8%	1.5%
SME	3.6%	3.5%	3.5%
CIB	2.1%	1.5%	2.3%

- Customer lending continued to expand, with GFS's net loans, factoring, and finance lease receivables reaching **GEL 25,306.9m** as at 30 June 2025, up 17.0% y-o-y and up 4.7% q-o-q growth in cc. The y-o-y growth was broad-based, led almost equally by RB and CIB, with SME also contributing.

  - Within the RB segment, growth was primarily driven by consumer lending, which increased by 26.7% y-o-y in cc. Mortgage lending also grew by 11.9% y-o-y in cc, now accounting for 43.1% of the retail loan book - slightly below the share of consumer loans at 50.0%.

  - 57.7% of the loan book was in GEL as at 30 June 2025 (55.6% at 30 June 2024 and 58.1% at 31 March 2025). Of the remaining 42.3% in foreign currency (FC), 15.8% of exposures do not present FX risk as the borrowers' incomes are in the same currency.

- As at 30 June 2025, client deposits and notes stood at **GEL 24,979.8m**, up 10.9% y-o-y and up 0.5% q-o-q in cc. Y-o-y growth was primarily driven by time deposits, which now accounts for 48.5% of the total portfolio. On a q-o-q basis, robust growth in the retail and SME segments was offset by a decrease in CIB.

  - Retail Banking remained the key contributor to deposit growth (up GEL 1,386.6m, or by 10.9% y-o-y in cc), now comprising **60.7%** of total client deposits. CIB posted the fastest y-o-y growth - up GEL 745.2m, that is 13.8% in cc - raising its share to 25.1% of the total portfolio. The SME segment also supported overall growth with a solid 13.3% increase y-o-y in cc, up GEL 257.8m.

  - The deposit base continued to de-dollarise, with GEL-denominated deposits rising to **50.6%** as at 30 June 2025, compared to 48.0% a year earlier and 47.0% at the end of 1Q25.

Liquidity

	Jun-25	Jun-24	Mar-25
IFRS-based NBG Liquidity Coverage Ratio (Bank of Georgia)	125.9%	128.3%	133.5%

IFRS-based NBG Net Stable Funding Ratio (Bank of Georgia)	127.4%	126.9%	131.4%

Both our Liquidity Coverage Ratio (LCR) and Net Stable Funding ratios (NSFR) were well above the regulatory minimum requirements of 100%. We have also been progressively deploying the excess liquidity maintained since the Georgian parliamentary elections in October 2024.

Capital position

Bank of Georgia maintains robust levels of capital, with all ratios comfortably above the minimum regulatory requirements. The movement in capital adequacy ratios in 2Q25 and the potential impact of a 10% devaluation of GEL is as follows:

	31 Mar 2025	2Q25 profit	Business growth	Currency impact	Dividend payment	Tier 1-Tier 2	30 Jun 2025	Min requirement	Buffer above min requirement	Potential impact of a 10% GEL devaluation
CET 1 capital adequacy	16.4%	1.3%	-0.4%	-0.1%	0.0%	0.0%	**17.3%**	15.1%	**2.2%**	-0.8%
Tier 1 capital adequacy	19.6%	1.3%	-0.4%	-0.1%	0.0%	0.0%	**20.4%**	17.3%	**3.1%**	-0.7%
Total capital adequacy	21.2%	1.3%	-0.5%	-0.1%	0.0%	-0.1%	**21.8%**	20.1%	**1.7%**	-0.6%

Armenian Financial Services (AFS)

Ameriabank CJSC was acquired and consolidated on the books at the end of March 2024, with AFS income statement included in the Group's results starting from 1 April 2024. Standalone financial information for Ameriabank is provided on page 16 for reference. It differs from AFS results due to fair value adjustments and the allocation of certain Group expenses to Business Divisions and is not included in the consolidated results.

GEL thousands	2Q25	2Q24	Change y-o-y	1Q25	Change q-o-q	1H25[2]	1H24	Change y-o-y
INCOME STATEMENT HIGHLIGHTS								
Interest income	318,383	253,162	25.8%	305,924	4.1%	624,307	253,162	146.6%
Interest expense	(126,041)	(87,779)	43.6%	(115,409)	9.2%	(241,450)	(87,779)	175.1%
Net interest income	**192,342**	**165,383**	**16.3%**	**190,515**	**1.0%**	**382,857**	**165,383**	**131.5%**
Net fee and commission income	23,901	29,037	-17.7%	20,491	16.6%	44,392	29,037	52.9%
Net foreign currency gain	37,852	38,576	-1.9%	34,018	11.3%	71,870	38,576	86.3%
Net other income	380	1,063	-64.3%	3,150	-87.9%	3,530	1,063	NMF
Operating income	**254,475**	**234,059**	**8.7%**	**248,174**	**2.5%**	**502,649**	**234,059**	**114.8%**
Salaries and other employee benefits	(91,576)	(93,592)	-2.2%	(85,796)	6.7%	(177,372)	(95,353)	86.0%
Administrative expenses	(19,096)	(13,450)	42.0%	(18,138)	5.3%	(37,234)	(13,450)	176.8%
Depreciation, amortisation and impairment	(15,404)	(14,618)	5.4%	(14,554)	5.8%	(29,958)	(14,618)	104.9%
Other operating expenses	(1,038)	(1,676)	-38.1%	(2,006)	-48.3%	(3,044)	(1,676)	81.6%
Operating expenses	**(127,114)**	**(123,336)**	**3.1%**	**(120,494)**	**5.5%**	**(247,608)**	**(125,097)**	**97.9%**
Profit from associates	-	-	-	-	-	-	-	-
Operating income before cost of risk (2024: adjusted)	**127,361**	**110,723***	**15.0%**	**127,680**	**-0.2%**	**255,041**	**108,962***	**134.1%**
Cost of risk	(5,767)	(56,091)	-89.7%	(8,173)	-29.4%	(13,940)	(56,091)	-75.1%
Out of which initial ECL related to assets acquired in business combination[3]	-	*(49,157)*	*NMF*	-	-	-	(49,157)	NMF
Profit before income tax expense (2024: adjusted)	**121,594**	**54,632***	**122.6%**	**119,507**	**1.7%**	**241,101**	**52,871***	**NMF**
Income tax expense	(25,803)	(22,409)	15.1%	(23,993)	7.5%	(49,796)	(22,409)	122.2%
Profit before one-off items	**95,791**	**32,223***	**197.3%**	**95,514**	**0.3%**	**191,305**	**30,462***	**NMF**
One-off items[4]	-	679	NMF	-	NMF	-	669,465	NMF
Profit	**95,791**	**32,902**	**191.1%**	**95,514**	**0.3%**	**191,305**	**699,927**	**-72.7%**

* This figure differs from the corresponding amount in the unaudited consolidated financial statements, as it excludes a one-off item of GEL 669.5m in 1H24 and 0.7m in 2Q24, to better showcase underlying performance. For the full unaudited consolidated financial information, please refer to page 18 or page 48 of the financial statements.

BALANCE SHEET HIGHLIGHTS	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Cash and cash equivalents	1,271,871	963,562	32.0%	1,060,250	20.0%
Amounts due from credit institutions	831,897	820,104	1.4%	985,407	-15.6%
Investment securities	1,463,753	1,266,048	15.6%	1,449,374	1.0%
Loans to customers, finance lease and factoring receivables	10,341,990	7,713,878	34.1%	9,337,589	10.8%
Loans to customers, finance lease and factoring receivables, LC	*5,999,058*	*4,590,828*	*30.7%*	*5,560,441*	*7.9%*
Loans to customers, finance lease and factoring receivables, FC	*4,342,932*	*3,123,050*	*39.1%*	*3,777,148*	*15.0%*
Property and equipment	79,912	83,638	-4.5%	75,690	5.6%
All remaining assets	365,377	298,564	22.4%	351,344	4.0%
Total assets	**14,354,800**	**11,145,794**	**28.8%**	**13,259,654**	**8.3%**
Client deposits and notes	8,379,668	6,851,090	22.3%	7,866,942	6.5%
Client deposits and notes, LC	*4,772,660*	*3,517,958*	*35.7%*	*4,401,119*	*8.4%*
Client deposits and notes, FC	*3,607,008*	*3,333,132*	*8.2%*	*3,465,823*	*4.1%*
Amounts owed to credit institutions	2,430,196	1,259,350	93.0%	1,854,080	31.1%
Debt securities issued	1,171,408	1,083,559	8.1%	1,096,307	6.9%
All remaining liabilities	403,860	390,431	3.4%	577,770	-30.1%
Total liabilities	**12,385,132**	**9,584,430**	**29.2%**	**11,395,099**	**8.7%**
Total equity	**1,969,668**	**1,561,364**	**26.2%**	**1,864,555**	**5.6%**
Risk-weighted assets (Ameriabank CJSC standalone)	13,200,273	9,940,460	32.8%	12,395,897	6.5%

KEY RATIOS	2Q25	2Q24	1Q25	1H25[2]	1H24
ROAA (adjusted for one-off items and Ameriabank initial ECL)[3,4]	2.8%	3.1%	2.9%	2.9%	3.1%
ROAA (unadjusted)	2.8%	1.3%	2.9%	2.9%	1.3%
ROAE (adjusted for one-off items and Ameriabank initial ECL)[3,4]	20.1%	22.1%	21.1%	20.6%	22.1%
ROAE (unadjusted)	20.1%	8.9%	21.1%	20.6%	8.9%
Net interest margin	6.4%	7.2%	6.6%	6.5%	7.2%
Loan yield	11.5%	12.2%	11.5%	11.5%	12.2%
Loan yield, AMD	*13.9%*	*14.7%*	*13.7%*	*13.8%*	*14.7%*
Loan yield, FC	*8.1%*	*8.5%*	*8.4%*	*8.2%*	*8.5%*
Cost of funds	4.4%	4.0%	4.3%	4.4%	4.0%
Cost of client deposits and notes	3.5%	3.0%	3.3%	3.4%	3.0%
Cost of client deposits and notes, AMD	*5.1%*	*4.7%*	*4.7%*	*5.0%*	*4.7%*
Cost of client deposits and notes, FC	*1.5%*	*1.4%*	*1.4%*	*1.5%*	*1.4%*
Cost of time deposits	6.1%	5.3%	5.8%	6.1%	5.3%
Cost of time deposits, AMD	*9.7%*	*9.2%*	*9.3%*	*9.7%*	*9.2%*
Cost of time deposits, FC	*2.3%*	*2.1%*	*2.2%*	*2.3%*	*2.1%*
Cost of current accounts and demand deposits	1.7%	1.5%	1.7%	1.7%	1.5%
Cost of current accounts and demand deposits, AMD	*2.4%*	*2.1%*	*2.3%*	*2.3%*	*2.1%*
Cost of current accounts and demand deposits, FC	*0.8%*	*0.7%*	*0.8%*	*0.8%*	*0.7%*
Cost:income ratio	50.0%	52.7%	48.6%	49.3%	53.4%
Cost of credit risk ratio	0.3%	3.1%	0.2%	0.2%	3.1%

Performance highlights

- AFS delivered operating income of **GEL 254.5m** in 2Q25, up 8.7% y-o-y and up 2.5% q-o-q. The y-o-y expansion was driven by net interest income, while the q-o-q growth stemmed from increases across key revenue streams, with particularly robust growth in net fee and commission income and net FX gain.

- Net interest income totalled **GEL 192.3m** in 2Q25, up 16.3% y-o-y and up 1.0% q-o-q. While interest income saw a robust double-digit y-o-y growth, it was outpaced by interest expense growth.

  - NIM stood at **6.4%** in 2Q25 (vs. 7.2% in 2Q24 and 6.6% in 1Q25). The 2Q24 NIM was positively affected by the acceleration of fair value adjustment amortisation on material prepaid exposures. This resulted in a temporarily higher NIM compared to Ameriabank's standalone NIM of 6.8% in the same period. On a standalone basis, the y-o-y decrease primarily reflects a combination of lower loan yield and a higher cost of funds. The latter was driven both by an increase in the cost of client deposits, and by the attraction of IFI funding to support loan growth and targeted customer acquisition.

- Net fee and commission income was **GEL 23.9m** in 2Q25, down 17.7% y-o-y and up 16.6% q-o-q. The y-o-y decline reflects a high base in 2Q24 due to a significant GEL 9.8m advisory fee recognised in that period; excluding this, underlying growth would have been c.24%. The q-o-q increase was driven by higher fees from settlement operations - particularly card transactions - as well as guarantees and brokerage services.

- Net foreign currency gain stood at **GEL 37.9m** in 2Q25, down 1.9% y-o-y and up 11.3% q-o-q. The y-o-y decline mainly reflects reduced dealing activity against a high prior-year base. The improvement compared with the prior quarter was mainly driven by increased income benefiting from EUR/USD exchange rate volatility.

- Operating expenses stood at **GEL 127.1m**, up 3.1% y-o-y and up 5.5% q-o-q. Administrative expenses rose 42.0% y-o-y, mainly reflecting investments in business growth, active marketing campaigns, and employee engagement initiatives. This was partially offset by lower staff costs in the y-o-y perspective. The q-o-q increase was predominantly driven by staff costs.

- Cost of credit risk ratio stood at **0.3%** in 2Q25 (3.1% in 2Q24 and 0.2% in 1Q25). The high 2Q24 figure was due to an initial ECL charge of GEL 49.2m as the Group was required to treat the newly acquired portfolio as if it were a new loan issuance, thus necessitating a forward-looking ECL charge on Day 2 of the combination even though there had been no actual deterioration in credit quality. The loan portfolio quality remained robust during the second quarter.

- Overall, AFS generated **GEL 95.8m** in profit in 2Q25, up 197.3% y-o-y versus 2Q24 profit before one-off items, delivering an ROAE of 20.1%. Excluding the 2Q24 initial ECL charge, 2Q25 profit would have been up 17.7% compared to 2Q24 profit before one-offs, demonstrating a solid underlying performance. On a quarter-on-quarter basis, profit was broadly flat, mainly on lower operating income growth coupled with higher operating expenses.

Portfolio highlights

- Loans to customers, factoring and finance lease receivables stood at **GEL 10,342.0m** as at 30 June 2025, up 37.6% y-o-y and up 10.2% q-o-q in cc, with broad-based growth across both Corporate and Retail Segments. As a result, Ameriabank maintained its leading position in Armenia's loan market with the highest market share of **21.1%** as at 30 June 2025 (up 1.3 ppts y-o-y and up 0.9 ppts y-o-y).
  - **58.0%** of the loan book was denominated in Armenian Drams as at 30 June 2025 (59.5% as at 30 June 2024 and 59.5% as at 31 March 2025).
- Client deposits and notes stood at **GEL 8,379.7m** as at 30 June 2025, up 26.1% y-o-y and up 6.4% q-o-q in cc. As a result, Ameriabank's market share by total deposits (including issued local bonds) was up 1.2 ppts y-o-y to 19.1% as at 30 June 2025 (up 0.6% q-o-q).
  - 57.0% of client deposits and notes were denominated in Armenian Drams as at 30 June 2025 (51.3% as at 30 June 2024 and 55.9% as at 31 March 2025).
- Armenian Financial Services maintains a diversified funding structure with customer deposits and local debt securities representing 76.0% of total liabilities and the ratio of loans to customer deposits + local debt securities and DFI funding standing at **100.2%** as at 30 June 2025.

Liquidity

- Ameriabank has maintained a strong liquidity position, with CBA Liquidity Coverage Ratio (LCR) at **173.8%** and CBA Net Stable Funding Ratio (NSFR) at **117.2%** as at 30 June 2025, well above the minimum regulatory requirements of 100%.

Capital position

- As at 30 June 2025, Ameriabank's capital ratios were above the minimum requirements. Total capital was enhanced in late June, though with a limited impact on the monthly capital adequacy ratio. However, in July, the total capital buffer increased to 0.3 ppts, driven by the recognition of subordinated debt as capital. Additionally, we have secured further subordinated debt: EUR 10 million was included in Tier 2 capital in early August, and another EUR 7.4 million is pending formal approval from the CBA.

  The movement in capital adequacy ratios in 2Q25 and the potential impact of a 10% devaluation of AMD is as follows.

	31 Mar 2025	2Q25 profit	Business growth	Currency impact	Dividend payment	Regulatory deductions	Other	30 Jun 2025	Minimum requirement	Buffer above min requirement	Potential impact of a 10% AMD devaluation
CET 1 capital adequacy	14.7%	1.1%	-1.0%	0.0%	0.0%	-0.1%	0.0%	**14.9%**	12.0%	**2.9%**	-0.6%
Tier 1 capital adequacy	14.7%	1.1%	-1.0%	0.0%	0.0%	-0.1%	0.0%	**14.9%**	14.1%	**0.8%**	-0.6%
Total capital adequacy	16.8%	1.1%	-1.0%	0.1%	0.0%	-0.1%	0.0%	**16.9%**	16.8%	**0.1%**	-0.6%

Ameriabank: unaudited standalone financial information (not included in the consolidated results)

The following table is presented for information purposes only to show the performance of Ameriabank. It has been prepared consistently with the accounting policies adopted by the Group in preparing its consolidated financial statements.

GEL thousands	2Q25	2Q24	Change y-o-y	1Q25	Change q-o-q	1H25	1H24	Change y-o-y
INCOME STATEMENT HIGHLIGHTS								
Interest income	316,741	240,395	31.8%	304,047	4.2%	620,788	457,575	35.7%
Interest expense	(122,973)	(83,835)	46.7%	(112,368)	9.4%	(235,340)	(162,023)	45.3%
Net interest income	**193,768**	**156,560**	**23.8%**	**191,679**	**1.1%**	**385,448**	**295,552**	**30.4%**
Net fee and commission income	23,901	28,772	-16.9%	20,491	16.6%	44,392	47,392	-6.3%
Net foreign currency gain	36,395	41,853	-13.0%	32,723	11.2%	69,118	72,978	-5.3%
Net other income	379	1,083	-65.0%	3,150	-88.0%	3,530	2,731	29.3%
Operating income	**254,443**	**228,268**	**11.5%**	**248,043**	**2.6%**	**502,488**	**418,653**	**20.0%**
Salaries and other employee benefits	(73,697)	(78,897)	-6.6%	(68,584)	7.5%	(142,281)	(144,055)	-1.2%
Administrative expenses	(18,625)	(13,078)	42.4%	(17,851)	4.3%	(36,476)	(25,839)	41.2%
Depreciation, amortisation and impairment	(11,759)	(8,847)	32.9%	(10,818)	8.7%	(22,576)	(16,795)	34.4%
Other operating expenses	(1,038)	(1,663)	-37.6%	(2,006)	-48.3%	(3,045)	(2,784)	9.4%
Operating expenses	**(105,119)**	**(102,485)**	**2.6%**	**(99,259)**	**5.9%**	**(204,378)**	**(189,473)**	**7.9%**
Profit from associates	-	-	-	-	-	-	-	-
Operating income before cost of risk	**149,324**	**125,783**	**18.7%**	**148,784**	**0.4%**	**298,110**	**229,180**	**30.1%**
Cost of risk	(5,783)	(470)	NMF	(9,877)	-41.4%	(15,660)	(780)	NMF
Profit before income tax expense	**143,541**	**125,313**	**14.5%**	**138,907**	**3.3%**	**282,450**	**228,400**	**23.7%**
Income tax expense	(26,781)	(22,938)	16.8%	(25,014)	7.1%	(51,795)	(41,764)	24.0%
Profit before for one-off items	**116,760**	**102,375**	**14.1%**	**113,893**	**2.5%**	**230,655**	**186,636**	**23.6%**
One-off items	-	-	-	-	-	-	-	-
Profit	**116,760**	**102,375**	**14.1%**	**113,893**	**2.5%**	**230,655**	**186,636**	**23.6%**

BALANCE SHEET HIGHLIGHTS	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Liquid assets	3,567,535	3,049,714	17.0%	3,495,031	2.1%

Cash and cash equivalents	1,271,871	963,562	32.0%	1,060,250	20.0%
Amounts due from credit institutions	831,912	820,104	1.4%	985,407	-15.6%
Investment securities	1,463,752	1,266,048	15.6%	1,449,374	1.0%
Loans to customers, finance lease and factoring receivables	10,350,553	7,735,526	33.8%	9,347,802	10.7%
Property and equipment	75,477	71,591	5.4%	69,321	8.9%
All remaining assets	313,163	238,307	31.4%	297,511	5.3%
Total assets	**14,306,728**	**11,095,138**	**28.9%**	**13,209,665**	**8.3%**
Client deposits and notes	8,379,668	6,851,090	22.3%	7,866,942	6.5%
Amounts owed to credit institutions	2,438,643	1,271,190	91.8%	1,863,290	30.9%
Debt securities issued	1,171,408	1,083,559	8.1%	1,096,307	6.9%
All remaining liabilities	273,552	269,187	1.6%	458,717	-40.4%
Total liabilities	**12,263,271**	**9,475,026**	**29.4%**	**11,285,256**	**8.7%**
Total equity	**2,043,457**	**1,620,112**	**26.1%**	**1,924,409**	**6.2%**

KEY RATIOS[7]	2Q25	2Q24	1Q25	1H25	1H24
ROAA	3.4%	3.9%	3.5%	3.4%	3.7%
ROAE	23.6%	27.0%	24.7%	24.1%	25.9%
Net interest margin	6.4%	6.8%	6.7%	6.5%	6.7%
Loan yield	11.3%	11.4%	11.5%	11.3%	11.2%
Cost of funds	4.3%	3.8%	4.1%	4.2%	3.8%
Cost:income ratio	41.3%	44.9%	40.0%	40.7%	45.3%
Cost of credit risk ratio	0.3%	0.0%	0.3%	0.3%	0.0%

Other businesses

The Business Division '**Other Businesses**' includes JSC Belarusky Narodny Bank (BNB) serving retail and SME clients in Belarus, JSC Digital Area - a digital ecosystem in Georgia including e-commerce, ticketing, and inventory management SaaS, Bank of Georgia Group PLC - the holding company, and other small entities and intragroup eliminations.

GEL thousands	2Q25	2Q24	Change y-o-y	1Q25	Change q-o-q	1H25	1H24	Change y-o-y
INCOME STATEMENT HIGHLIGHTS								
Interest income	28,392	21,275	33.5%	24,224	17.2%	52,616	41,106	28.0%
Interest expense	(19,414)	(6,400)	NMF	(12,844)	51.2%	(32,258)	(10,840)	197.6%
Net interest income	**8,978**	**14,875**	**-39.6%**	**11,380**	**-21.1%**	**20,358**	**30,266**	**-32.7%**
Net fee and commission income	3,649	1,172	NMF	3,626	0.6%	7,275	1,623	NMF
Net foreign currency gain	23,424	14,133	65.7%	28,846	-18.8%	52,270	23,043	126.8%
Net other income	2,707	14,948	-81.9%	1,160	133.4%	3,867	15,363	-74.8%
Operating income	**38,758**	**45,128**	**-14.1%**	**45,012**	**-13.9%**	**83,770**	**70,295**	**19.2%**
Salaries and other employee benefits	(16,111)	(11,039)	45.9%	(13,683)	17.7%	(29,794)	(21,095)	41.2%
Administrative expenses	(8,318)	(7,123)	16.8%	(8,727)	-4.7%	(17,045)	(13,825)	23.3%
Depreciation, amortisation and impairment	(3,079)	(2,540)	21.2%	(2,825)	9.0%	(5,904)	(5,197)	13.6%
Other operating expenses	(333)	(315)	5.7%	(342)	-2.6%	(675)	(677)	-0.3%
Operating expenses	**(27,841)**	**(21,017)**	**32.5%**	**(25,577)**	**8.9%**	**(53,418)**	**(40,794)**	**30.9%**
Profit from associates	-	-	-	-	-	-	(113)	NMF
Operating income before cost of risk	**10,917**	**24,111**	**-54.7%**	**19,435**	**-43.8%**	**30,352**	**29,388**	**3.3%**
Cost of risk	819	(4,182)	NMF	(750)	NMF	69	(6,711)	NMF
Profit before income tax expense	**11,736**	**19,929**	**-41.1%**	**18,685**	**-37.2%**	**30,421**	**22,677**	**34.1%**
Income tax expense	(4,130)	(3,033)	36.2%	(6,204)	-33.4%	(10,334)	(5,325)	94.1%
Profit	**7,606**	**16,896**	**-55.0%**	**12,481**	**-39.1%**	**20,087**	**17,352**	**15.8%**

BALANCE SHEET HIGHLIGHTS	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Cash and cash equivalents	641,614	559,580	14.7%	625,495	2.6%
Amounts due from credit institutions	23,173	24,064	-3.7%	23,854	-2.9%
Investment securities	124,767	138,021	-9.6%	112,868	10.5%
Loans to customers, finance lease and factoring receivables	881,548	708,250	24.5%	750,469	17.5%
Property and equipment	15,657	12,492	25.3%	13,459	16.3%
All remaining assets	99,238	91,747	8.2%	91,387	8.6%
Total assets	**1,785,997**	**1,534,154**	**16.4%**	**1,617,532**	**10.4%**
Client deposits and notes	1,430,237	1,195,500	19.6%	1,281,657	11.6%
Amounts owed to credit institutions	(15,834)	41,387	NMF	(9,635)	64.3%
Debt securities issued	12,700	4,559	178.6%	16,688	-23.9%
All remaining liabilities	8,571	38,470	-77.7%	40,141	-78.6%
Total liabilities	**1,435,674**	**1,279,916**	**12.2%**	**1,328,851**	**8.0%**
Total equity	**350,323**	**254,238**	**37.8%**	**288,681**	**21.4%**

- In 2Q25, Other Businesses recorded a profit of **GEL 7.6m** (down 55.0% y-o-y and down 39.1% q-o-q). BNB stand-alone profit stood at **GEL 14.6m**, up 56.7% y-o-y and down 31.0% q-o-q. On a y-o-y basis, BNB's positive effect was offset by a decline in net other income. This decline was largely due to a significant GEL 12.6 million revaluation gain on startup investments from the 500 Startup Accelerator programme, which created a high comparative base in 2Q24.

- BNB's capital ratios, calculated in accordance with the National Bank of the Republic of Belarus' standards, were above the minimum requirements as at 30 June 2025: Tier 1 capital adequacy ratio at **11.8%** (minimum requirement of above the minimum requirements as at 30 June 2025. Tier 1 capital adequacy ratio at 14.8% (minimum requirement of 7.0%) and Total capital adequacy ratio at **16.9%** (minimum requirement of 12.5%).

Consolidated financial information

GEL thousands	2Q25	2Q24	Change y-o-y	1Q25	Change q-o-q	1H25	1H24	Change y-o-y
INCOME STATEMENT HIGHLIGHTS								
Interest income	1,299,141	1,072,421	21.1%	1,237,407	5.0%	2,536,548	1,838,194	38.0%
Interest expense	(583,296)	(454,086)	28.5%	(553,706)	5.3%	(1,137,002)	(782,039)	45.4%
Net interest income	**715,845**	**618,335**	**15.8%**	**683,701**	**4.7%**	**1,399,546**	**1,056,155**	**32.5%**
Fee and commission income	262,806	240,319	9.4%	247,662	6.1%	510,468	422,703	20.8%
Fee and commission expense	(110,191)	(89,657)	22.9%	(109,590)	0.5%	(219,781)	(164,239)	33.8%
Net fee and commission income	**152,615**	**150,662**	**1.3%**	**138,072**	**10.5%**	**290,687**	**258,464**	**12.5%**
Net foreign currency gain	152,597	151,886	0.5%	145,594	4.8%	298,191	242,426	23.0%
Net other income without one-offs	18,077	28,112	-35.7%	11,285	60.2%	29,362	35,905	-18.2%
One-off other income	-	-	-	-	-	-	-	-
Net other income	**18,077**	**28,112**	**-35.7%**	**11,285**	**60.2%**	**29,362**	**35,905**	**-18.2%**
Operating income	**1,039,134**	**948,995**	**9.5%**	**978,652**	**6.2%**	**2,017,786**	**1,592,950**	**26.7%**
Salaries and other employee benefits	(240,029)	(217,152)	10.5%	(213,075)	12.7%	(453,104)	(323,463)	40.1%
Administrative expenses	(76,916)	(70,247)	9.5%	(70,109)	9.7%	(147,025)	(118,627)	23.9%
Depreciation, amortisation and impairment	(54,093)	(47,062)	14.9%	(51,167)	5.7%	(105,260)	(78,553)	34.0%
Other operating expenses	(7,758)	(3,360)	130.9%	(8,542)	-9.2%	(16,300)	(5,216)	NMF
Operating expenses	**(378,796)**	**(337,821)**	**12.1%**	**(342,893)**	**10.5%**	**(721,689)**	**(525,859)**	**37.2%**
Gain on bargain purchase	-	-	-	-	-	-	685,888	NMF
Acquisition related costs	-	679	NMF	-	-	-	(16,423)	NMF
Profit from associates	465	378	23.0%	271	71.6%	736	476	54.6%
Operating income before cost of risk	**660,803**	**612,231**	**7.9%**	**636,030**	**3.9%**	**1,296,833**	**1,737,032**	**-25.3%**
Expected credit loss on loans to customers and factoring receivables	(47,190)	(79,472)	-40.6%	(17,479)	170.0%	(64,669)	(96,816)	-33.2%
Expected credit loss on finance lease receivables	(418)	(1,540)	-72.9%	(209)	100.0%	(627)	(1,712)	-63.4%
Other expected credit loss and impairment charge on other assets and provisions	(3,188)	(6,884)	-53.7%	(9,225)	-65.4%	(12,413)	(12,367)	0.4%
Cost of risk	**(50,796)**	**(87,896)**	**-42.2%**	**(26,913)**	**88.7%**	**(77,709)**	**(110,895)**	**-29.9%**
Profit before income tax expense	**610,007**	**524,335**	**16.3%**	**609,117**	**0.1%**	**1,219,124**	**1,626,137**	**-25.0%**
Income tax expense	(96,760)	(93,668)	3.3%	(96,053)	0.7%	(192,813)	(157,617)	22.3%
Profit	**513,247**	**430,667**	**19.2%**	**513,064**	**0.0%**	**1,026,311**	**1,468,520**	**-30.1%**
Attributable to:								
- shareholders of the Group	*513,286*	*427,944*	*19.9%*	*511,135*	*0.4%*	*1,024,421*	*1,464,179*	*-30.0%*
- non-controlling interests	*(39)*	*2,723*	*NMF*	*1,929*	*NMF*	*1,890*	*4,341*	*-56.5%*
Basic earnings per share	**11.89**	**9.79**	**21.5%**	**11.81**	**0.7%**	**23.70**	**33.37**	**-29.0%**
Diluted earnings per share	**11.75**	**9.62**	**22.1%**	**11.73**	**0.2%**	**23.44**	**32.81**	**-28.6%**

GEL thousands	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
BALANCE SHEET HIGHLIGHTS					
Cash and cash equivalents	4,022,221	3,422,747	17.5%	4,151,524	-3.1%
Amounts due from credit institutions	3,194,606	2,710,729	17.9%	3,596,111	-11.2%
Investment securities	7,944,799	7,825,372	1.5%	9,373,413	-15.2%
Investment securities pledged under sale and repurchase agreements	1,171,662	520,916	124.9%	369,637	NMF
Loans to customers, finance lease and factoring receivables	36,530,447	30,081,566	21.4%	34,137,143	7.0%
Accounts receivable and other loans	11,835	7,667	54.4%	10,890	8.7%
Prepayments	103,759	112,537	-7.8%	105,860	-2.0%
Foreclosed assets	342,565	308,405	11.1%	397,387	-13.8%
Right-of-use assets	291,445	240,868	21.0%	262,205	11.2%
Investment properties	131,080	124,334	5.4%	133,801	-2.0%
Property and equipment	578,502	529,715	9.2%	554,208	4.4%
Goodwill	41,253	41,253	0.0%	41,253	0.0%
Intangible assets	338,794	289,284	17.1%	332,622	1.9%
Income tax assets	2,253	2,442	-7.7%	2,304	-2.2%
Other assets	371,936	289,099	28.7%	314,742	18.2%
Assets held for sale	14,913	21,487	-30.6%	16,201	-8.0%
Total assets	**55,092,070**	**46,528,421**	**18.4%**	**53,799,301**	**2.4%**
Client deposits and notes	34,789,736	30,706,272	13.3%	33,969,258	2.4%
Amounts owed to credit institutions	8,927,118	6,366,603	40.2%	9,006,255	-0.9%
Debt securities issued	2,445,652	2,128,224	14.9%	2,257,270	8.3%
Lease liability	304,559	253,457	20.2%	276,564	10.1%
Accruals and deferred income	249,568	220,153	13.4%	324,940	-23.2%
Income tax liabilities	116,575	98,125	18.8%	127,988	-8.9%
Other liabilities	639,730	592,296	8.0%	415,531	54.0%
Total liabilities	**47,472,938**	**40,365,130**	**17.6%**	**46,377,806**	**2.4%**
Share capital	1,445	1,481	-2.4%	1,454	-0.6%
Additional paid-in capital	477,694	439,451	8.7%	457,615	4.4%
Treasury shares	(28)	(49)	-42.9%	(49)	-42.9%
Capital redemption reserve	173	137	26.3%	164	5.5%
Other reserves	47,442	70,873	-33.1%	92,816	-48.9%
Retained earnings	7,090,940	5,628,354	26.0%	6,867,987	3.2%
Total equity attributable to shareholders of the Group	**7,617,666**	**6,140,247**	**24.1%**	**7,419,987**	**2.7%**
Non-controlling interests	1,466	23,044	-93.6%	1,508	-2.8%
Total equity	**7,619,132**	**6,163,291**	**23.6%**	**7,421,495**	**2.7%**
Total liabilities and equity	**55,092,070**	**46,528,421**	**18.4%**	**53,799,301**	**2.4%**
Book value per share	**176.81**	**141.14**	**25.3%**	**170.99**	**3.4%**

Non-financial information

Customer engagement

	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Retail:					
Monthly active customers:					
Bank of Georgia (stand-alone)	*2,077.5*	*1,897.9*	*9.5%*	*2,038.0*	*1.9%*
Ameriabank (stand-alone)	*407.9*	*300.4*	*35.8%*	*372.2*	*9.6%*
Digital MAU:					
Bank of Georgia (stand-alone)	*1,696.2*	*1,468.5*	*15.5%*	*1,644.6*	*3.1%*
Ameriabank (stand-alone)	*266.7*	*172.6*	*54.5%*	*245.1*	*8.8%*
Digital DAU:					
Bank of Georgia (stand-alone)	*874.4*	*731.8*	*19.5%*	*833.1*	*5.0%*
Ameriabank (stand-alone)	*110.0*	*72.3*	*52.2%*	*102.4*	*7.5%*
Share of products sold through retail digital channels:					
Bank of Georgia (stand-alone)	*69%*	*57%*		*67%*	

	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Businesses:					
Monthly active customers:					
Bank of Georgia (stand-alone)	*122.3*	*105.3*	*16.1%*	*115.3*	*6.0%*
Ameriabank (stand-alone)	*36.1*	*30.0*	*20.3%*	*33.7*	*7.2%*
Digital MAU:					
Bank of Georgia (stand-alone)	*100.0*	*82.0*	*22.0%*	*93.3*	*7.2%*
Ameriabank (stand-alone)	*28.1*	*22.6*	*24.2%*	*27.0*	*3.9%*

Payments business *(Bank of Georgia stand-alone)*

	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Payment MAU - retail (issuing)	1,528.6	1,337.3	14.3%	1,486.5	2.8%
Market share in acquiring volumes	54.8%	56.8%		55.5%[8]	
Active merchants	25.4	21.6	17.8%	22.8	11.4%

	2Q25	2Q24	Change y-o-y	1Q25	Change q-o-q
Volume of payment transactions (acquiring) (millions):	5,987.7	4,687.1	27.7%	5,280.5	13.4%
POS	*3,451.9*	*2,905.4*	*18.8%*	*2,952.6*	*16.9%*
E-comm	*2,535.7*	*1,781.7*	*42.3%*	*2,327.9*	*8.9%*

Additional information

Employees (period-end)	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Bank of Georgia	8,325	7,748	7.4%	8,160	2.0%
Ameriabank	2,205	1,919	14.9%	2,053	7.4%
Other	2,173	2,052	5.9%	2,118	2.6%
Group	**12,703**	**11,719**	**8.4%**	**12,331**	**3.0%**

Branch network (period-end)

	Jun-25	Jun-24	Change y-o-y	Mar-25	Change q-o-q
Bank of Georgia	**187**	**182**	2.7%	**188**	**-0.5%**
Of which:					
Full-scale branches	99	95	4.2%	97	2.1%
Transactional branches	88	87	1.1%	91	-3.3%

Ameriabank	26	26	0.0%	25	4.0%

Unadjusted ratios of the Group	**2Q25**	**2Q24**	**1Q25**	**1H25**	**1H24**
ROAA	3.8%[9]	3.9%	3.9%[9]	3.9%[9]	7.8%
ROAE	27.2%[9]	28.1%	28.7%[9]	27.9%[9]	52.3%

FX rates	**Jun-25**	**Jun-24**	**Mar-25**
GEL/USD exchange rate (period-end)	2.72	2.81	2.77
GEL/GBP exchange rate (period-end)	3.74	3.55	3.58
GEL/1000AMD exchange rate (period-end)	7.07	7.25	7.06

Shares outstanding	**Jun-25**	**Jun-24**	**Change y-o-y**	**Mar-25**	**Change q-o-q**
Ordinary shares outstanding (period-end)	43,083,953	43,504,016	-1.0%	43,393,964	-0.7%
Treasury shares outstanding (period-end)	827,573	1,480,930	-44.1%	796,076	4.0%
Total shares outstanding (period-end)	**43,911,526**	**44,984,946**	**-2.4%**	**44,190,040**	**-0.6%**

Principal risks and uncertainties

We recognise the importance of a strong risk culture - our shared attitudes, beliefs, values and standards that shape behaviours including those related to risk awareness, risk taking and risk management. All our employees are responsible for risk management, with ultimate supervisory oversight residing with the Board of Directors (the "Board"). Bank of Georgia and Ameriabank are the Group's principal operating entities that drive most of the Group's revenue. Throughout this section, we will collectively refer to Bank of Georgia and Ameriabank as "Group Companies". You can read more about our approach to risk management in the latest Annual Report and Accounts 2024 on pages 92-94. Additional information on how we govern our core operating entities can be found on page 13 of the Annual Report and Accounts 2024.

The order in which the principal risks and uncertainties appear does not denote their priority. It is not possible to fully mitigate all risks. Any system of risk management and internal control is designed to manage - rather than eliminate - the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Group is also exposed to risks wider than those listed. Additional risks and uncertainties - including those the Group is currently not aware of or deems immaterial - may also result in decreased revenues, incurred expenses or other events that could in turn result in a decline in the value of the Group's securities. We disclose the risks we believe are likely to have the greatest impact on our business, and which have been discussed in depth at the Group's recent Board, Audit Committee or Risk Committee meetings.

Macro and geopolitical risks

Macro and geopolitical risks are the risks of adverse changes in macroeconomic parameters and/or the geopolitical environment that may result in the deteriorated performance and position of the Group.

Key drivers and developments

At the end of March 2024, the Group acquired Ameriabank, a leading universal bank in Armenia. As at 30 June 2025, AFS accounted for 26.1% of the Group's total assets, while GFS accounted for 70.7%. The Group also owns a small banking subsidiary in Belarus, JSC Belarusky Narodny Bank, which accounted for 3.2% of the Group's total assets as at the same date.

Key macro risks for Georgia and Armenia include changes in GDP, inflation, interest rates, exchange rates, and political events. Despite robust economic performance recently, both countries face downside risks from regional geopolitical instability and global trade tensions.

The ongoing war in Ukraine and the recent escalation of the military conflict between Israel and Iran have elevated geopolitical risks. The Georgian and Armenian economies are considerably exposed to these risks due to their reliance on imported goods and foreign direct investment, as well as external sector inflows generated by exports, international tourism and money transfers.

In early 2025, U.S. import tariffs and retaliatory measures from trading partners increased trade-policy uncertainty amid concerns over slower global growth and tighter financial conditions. While Georgia and Armenia have limited direct U.S. trade exposure, weaker economic performance among key trading partners (EU and China) may reduce external demand for both countries. Furthermore, a potential deterioration in investor sentiment could trigger capital outflows from developing economies such as Georgia and Armenia, placing depreciation pressure on local currencies and potentially increasing inflation and foreign-currency debt service costs.

Georgia faces specific risks from political turbulence following the October 2024 Parliamentary elections, with upcoming municipal elections in October 2025 potentially adding tensions. Armenia's narrow export base and reliance on a single trading partner create vulnerability to external shocks, while increasing public spending pressures could lead to higher budget deficits and government debt. In addition, the U.S.-mediated Armenia-Azerbaijan peace framework signed in August 2025 may unlock strategic economic opportunities for the South Caucasus. However, the agreement could also heighten geopolitical frictions, as the framework provides for increased U.S. presence in the region.

Due to Georgia's and Armenia's proximity to Russia, financial institutions face increased sanctions evasion risks. Group Companies have strengthened compliance and due diligence measures to mitigate these risks. For more details, please see financial crime risk mitigating actions on page 26.

Mitigation

Governance: The Board receives quarterly updates on global, regional and country-specific macroeconomic conditions from economic specialists and regularly discusses major political and geopolitical developments affecting Group subsidiaries.

Monitoring and reporting: Group Companies continuously monitor macroeconomic developments and incorporate adverse economic and geopolitical conditions in stress and scenario analyses, including portfolio-level sensitivity analysis - enabling local Executive Management to take proactive actions, including adjustment of operational risk limits during underwriting when necessary.

Other mitigants: Georgian legislation (effective 1 August 2025) requires loans up to GEL 750,000 be issued only in GEL if borrower income is also in GEL. The NBG has established a currency-induced credit risk (CICR) capital buffer to reduce dollarization risks. Armenian legislation requires that mortgages and consumer loans to residents of Armenia be granted only in local currency.

For individual loans, NBG's payment-to-income (PTI) and loan-to-value (LTV) requirements are more conservative for foreign currency loans to mitigate borrower-level credit risk: PTI requirements for foreign currency loans are 5 ppts higher for monthly income below GEL 1,500 and 20 ppts higher for income above GEL 1,500; and the LTV requirement for foreign currency mortgage loans is 10 ppts tighter (effective 26 February 2025).

Ameriabank assesses borrower creditworthiness in line with its internal standards by incorporating stressed exchange rates into key metrics, including obligations-to-income ratio for individuals, debt service ratio for business loans, and LTV ratio.

Open currency position limits set by Bank of Georgia and Ameriabank Supervisory Boards currently are tighter than respective central banks' requirements.

Credit risk

Credit risk is the risk that the Group will incur a financial loss due to customers or counterparties failing to meet contractual obligations, arising primarily from lending activities.

Key drivers and developments

Group Expected Credit Loss (ECL) is affected by both idiosyncratic and sectoral/systemic risk factors. Increased ECL charges may result from portfolio growth, higher default rates, adverse portfolio quality shifts due to rating downgrades, or changes in portfolio structure. The Group's cost of credit risk ratio was 0.4% for the first half of 2025 (0.8% for the first half of 2024, or 0.4% adjusted for the initial ECL charge from the Ameriabank acquisition posted in 2Q24.)

Mitigation

Governance: The Board receives quarterly updates on the Group's credit risk profile during regular Board and Risk Committee meetings as well as quarterly results discussions.

Bank of Georgia has three independent Credit Risk Management departments overseeing and challenging frontline credit risk management activities in Retail Banking, SME Banking and Corporate Banking. Each department is supported by Credit Risk Analysis and Portfolio Risk Analysis teams. The Enterprise Risk Management (ERM) department oversees bank-wide credit risk assessment processes, manages portfolio-wide credit risk policies, continuously monitors BOG's credit quality parameters, and manages risk budgeting, stress testing and scenario analysis. ERM provides regular reports to Executive Management and the Supervisory Board on Bank of Georgia's credit risk profile and the effectiveness of risk management strategies.

Ameriabank's Credit Risk Management Service operates within an independent Risk Management department and is responsible for overseeing and challenging frontline credit risk management activities. Ameriabank's Risk Management department oversees bank-wide credit risk assessment processes, manages quality monitoring policies, continuously monitors and presents the bank's credit quality parameters and early warning indicators to the Credit Committee and the Asset and Liability Management Committee (ALCO), and conducts stress testing to assess the impact of adverse scenarios on the bank's credit risk and capital position.

Risk appetite: Group Companies have established credit risk appetites, including quantitative limits, designed to mitigate excessive credit risk and concentration at various levels. Credit risk profiles are monitored quarterly relative to risk appetite and reported to the local Supervisory Boards.

Credit risk identification and assessment: Credit assessment processes vary by segment and product type. At Bank of Georgia, Corporate, SME Banking and larger Retail Banking loans undergo individual assessment, while unsecured Retail

Georgia, Corporate, SME Banking and larger Retail Banking loans undergo individual assessment, while unsecured Retail Banking loan decisions are largely automated. At Ameriabank, Corporate Banking loans are individually underwritten, while SME and Retail loans are assessed individually or automatically based on credit limits and product type. Most Retail Banking loans are automatically approved by the models. Model performance is regularly monitored based on model risk management frameworks.

To ensure a robust credit-granting process, Group Companies have implemented several measures and frameworks:

- Well-defined lending standards: Clear standards for granting credit, outlining the requirements that borrowers must meet. These standards serve as a benchmark for evaluating the creditworthiness of customers, enabling the identification and assessment of potential risks.
- Segregation of duties: Credit analysis and approval involves a clear segregation of duties among the parties involved. Credit analysts and loan officers prepare presentations with key borrower information. These presentations are then reviewed by a business credit risk officer - ensuring all risks and mitigating factors are identified and addressed, and that loans are properly structured.
- Multi-tiered loan approval committees: A loan is reviewed and approved by multi-tiered Credit Committees, with different loan approval limits to consider a customer's overall risk profile. Different committees are responsible for reviewing credit applications and approving exposures based on the size and the level of risk of the loan.

Loan portfolio quality monitoring and reporting: Group Companies continuously monitor the credit risk of their respective portfolios. Processes and controls are in place to ensure macro and micro developments are identified in a timely manner. Monitoring includes a full assessment against risk appetite limits, supported by a series of key risk and early warning indicators to identify areas of the portfolio with potentially increasing credit risk. Chief Risk Officers and Credit Risk Management departments review the credit quality of the portfolio monthly. The Supervisory Board Risk Committees periodically review these analyses in the light of a wider macro environment perspective.

Group Companies strictly adhere to customer exposure limits set by their respective regulators for CB loans and limits set internally, monitor the level of concentration in the loan portfolio and the financial performance of their largest borrowers, and maintain a well-diversified loan book. Bank of Georgia's top 10 borrowers accounted for 6.4% of its gross loans to customers, factoring and finance lease receivables as at 30 June 2025 (7.2% as at 30 June 2024). Ameriabank's top 10 borrowers accounted for 12.1% of its gross loans, factoring and finance lease receivables as at 30 June 2025 (12.8% as at 30 June 2024).

Collateral valuation: Property and other types of security arrangements are used to mitigate credit risk. In CB and SME Banking, collateral mainly includes liens over real estate, property, plant, equipment, inventory, transportation equipment, corporate guarantees, and deposits and securities. In Retail Banking, loans to individuals are primarily secured by residential property liens. At 30 June 2025, 81.1% of Bank of Georgia's and 82.0% of Ameriabank's gross customer loans were collateralised.

Group Companies monitor the market value of collateral during reviews of the adequacy of the allowance for ECL. When evaluating collateral for provisioning purposes, a discount to the market value of assets is applied to reflect the liquidation value of collateral. An evaluation report of the proposed collateral is prepared externally by a reputable third-party asset appraisal company or internally by the Asset Evaluation department (in the case of Bank of Georgia) and submitted to the appropriate Credit Committee alongside a loan application and a Credit Risk Officer's report.

Restructuring and collections: Group Companies assist borrowers in financial difficulty by offering tailored solutions, including loan restructuring to help them meet obligations and return to performing status. At Bank of Georgia, digital channels automatically suggest restructuring options for unsecured retail loans overdue by more than 30 days. If no agreement is reached, banks initiate collateral repossession through court, arbitration, or notary procedures.

ECL measurement:

The Group determines Expected Credit Loss (ECL) allowances in accordance with the IFRS 9 framework, which incorporates forward-looking macroeconomic scenarios to estimate credit losses. The Group segments its credit risk portfolio into Purchased or Originated Credit Impaired (POCI) financial instruments and all other financial assets. POCI financial instruments are those that are credit-impaired at the time of initial recognition, whether purchased or originated. These assets remain classified as POCI until they are derecognised, regardless of any subsequent improvement in credit quality. Lifetime ECLs are recognised for POCI assets even if they no longer meet the definition of default. For all financial instruments other than POCI, the Group applies a three-stage approach for measuring ECL:

Stage 1: At the reporting date, if the exposure is not credit-impaired and there has been no significant increase in credit risk since initial recognition, the Group recognizes a credit loss allowance equal to the 12-month ECL.

Stage 2: At the reporting date, if the exposure is not credit-impaired but there has been a significant increase in credit risk since initial recognition, the Group recognizes a credit loss allowance equal to the lifetime ECL.

Stage 3: At the reporting date, if the exposure is credit-impaired, the Group recognizes a loss allowance equal to the lifetime ECL, assuming a Probability of default (PD) of 100% for such financial instruments.

The Group calculates Expected Credit Losses (ECL) using Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD), following standard practice. LGD is estimated either collectively or individually, based on the client's exposure size. For collective assessments, the portfolio is segmented into homogeneous groups to improve accuracy. ECL is the probability-weighted sum of outcomes under baseline, upside, and downside economic scenarios. Staging and ECL incorporate both internal and external information, including credit ratings, financial statements, days past due, and economic forecasts. If credit risk improves and ECL decreases, previously recognised losses are reversed accordingly.

Counterparty risk: By performing banking services - including lending on the inter-bank money market, settling a transaction on the inter-bank FX market, entering into inter-bank transactions related to trade finance or investing in securities - the Group is exposed to the risk of loss due to the failure of a counterparty to meet its contractual obligations. To manage counterparty risk, Group Companies define limits on an individual basis for each counterparty based on an external credit rating and overall risk profile, as well as country limits to manage concentration risk. Counterparty credit risk exposures are monitored daily, and any breaches are escalated to the respective banks' Executive Management. As at 30 June 2025, 94.9% of Bank of Georgia's and 95.9% of Ameriabank's inter-bank exposure was to 'Investment Grade' Banks (based on Fitch, Moody's and Standard and Poor's assessments).

Liquidity and funding risks

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal or stressed circumstances.

Funding risk is the risk that the Group will not be able to access stable and diversified funding sources at an acceptable cost.

Key drivers and developments

Funding availability in emerging markets is influenced by investor confidence, affecting both pricing and access for the Group. Unfavourable market conditions can pressure liquidity, especially if liquid assets become illiquid or lose value. In such cases, alternative funding options-limited in Georgian and Armenian interbank markets-may involve additional risks, including pricing risks.

The Group also faces risks from rapid, large-scale deposit outflows or off-balance-sheet commitment utilisation during periods of significant political, social, or economic instability.

The Group maintains a diverse funding base comprising short-term funding (including Retail Banking and CB deposits, interbank and central bank borrowings) and longer-term funding (including Retail Banking and CB term deposits, borrowings from International Financial Institutions (IFIs) and debt securities). Client deposits and notes are key sources of funding for Bank of Georgia and Ameriabank. As at 30 June 2025, long-term funding comprised 45.4% deposits, 34.2% amounts owed to credit institutions, and 20.4% debt securities.

Group Companies benefit from strong support from IFIs and private asset/fund managers, with a solid funding pipeline for the next 12 months.

Liquidity and funding positions remained strong, with both LCR and NSFR exceeding the 100% regulatory minimum in both Georgia and Armenia. In response to political tensions, Bank of Georgia raised liquidity buffers in the fourth quarter of 2024, maintaining elevated levels into the first half of 2025. As at 30 June 2025, Bank of Georgia's LCR stood at 125.9% and NSFR at 127.4%, and Ameriabank's LCR stood at 173.8% and NSFR at 117.2%.

Mitigation

Governance: The Board receives updates on the liquidity and funding position of the Group during its regular meetings as well as during discussions and meetings related to the approval of quarterly results. Funding and liquidity risk management across Group Companies is governed by the ALCOs, which approve liquidity risk management frameworks and risk appetites and oversee their implementation. Risk appetite limits ultimately require approval from the respective Supervisory Boards. Structural units within the Finance function, acting as the first line of defence, are responsible for managing liquidity and funding positions, ensuring access to funding markets, and managing the liquidity buffer. As the second line of defence, structural units within the Risk function are responsible for developing and maintaining policies, standards, and guidelines for funding and liquidity risk management, defining the risk appetite, conducting risk profile reviews, and communicating results to the ALCOs.

Monitoring and reporting: Group Companies monitor a range of market and internal early-warning indicators daily to detect early signs of liquidity risk. Executive Management and the ALCOs receive monthly updates on the liquidity positions. The Board's Risk Committee reviews liquidity risk, as integrated into the risk profile dashboard, on a quarterly basis.

Risk appetite: Risk appetite defines risk tolerance aligned with liquidity adequacy principles, translated into metrics approved by the local Supervisory Boards and reviewed annually. This process enables the identification of potential deviations from the desired risk profile and triggers proactive risk management actions.

Funding and liquidity management: Liquidity risk is managed under ALCO-approved frameworks that model ability to meet payment obligations under both normal and stressed conditions. Bank of Georgia has also developed a liquidity contingency plan, with defined risk indicators and mitigation actions to enable early detection and response to liquidity pressures plan, with defined risk indicators and mitigation actions to enable early detection and response to liquidity pressures.

Liquidity stress testing: Both Bank of Georgia and Ameriabank have developed Internal Liquidity Adequacy Assessment Processes (ILAAP), incorporating stress testing to evaluate the adequacy of liquidity buffers under idiosyncratic, systemic, and combined stress scenarios. These scenarios cover all key liquidity drivers and are regularly updated to remain relevant.

Capital risk

Capital risk is the risk of failure to deliver business objectives, meet regulatory requirements, and/or meet market expectations due to insufficient capital.

Key drivers and developments

Bank of Georgia follows NBG capital adequacy regulation based on Basel III guidelines with regulatory discretion. Requirements include Pillar 1, combined buffer (systemic, countercyclical, conservation), and Pillar 2 buffers (concentration, General Risk Assessment Programme (GRAPE), CICR, stress-test). Ameriabank currently complies with Pillar 1 requirements, while the CBA plans to introduce Pillar 2 in the future.

Since March 2023, Bank of Georgia is in the process of accumulating a neutral countercyclical capital buffer as follows: 0.25% by 15 March 2024; 0.5% by 15 March 2025; 0.75% by 15 March 2026; and 1% by 15 March 2027. The successful US 300 million placement of 9.5% perpetual Additional Tier 1 (AT1) notes in April 2024 and redemption of US 100 million AT1 notes in June 2024 demonstrate Bank of Georgia's strong capital position and internal capital generation.

Group Companies maintained capital adequacy ratios above the minimum regulatory requirements as at 30 June 2025 (see pages 12 and 15).

Mitigation

Governance: The Board actively oversees Group Companies' capital positions through quarterly updates and reviews potential impacts of various scenarios before capital distribution decisions. Day-to-day capital risk management is handled by the Finance departments as the first line of defence, while Risk Management units serve as the second line, setting capital risk frameworks and ensuring their effective implementation within Group Companies.

Risk appetite: Group Companies manage capital risk through bank-level limits aligned with defined risk appetites, approved by ALCOs and Supervisory Boards. Risk profiles are monitored monthly by ALCOs and quarterly by Supervisory Boards. The Board's Risk Committee also reviews capital risk quarterly via a dedicated dashboard. Bank of Georgia maintains internal capital buffers above regulatory minimums, set and monitored at both ALCO and Supervisory Board levels.

Capital management: Both Bank of Georgia and Ameriabank have an Internal Capital Adequacy Assessment Process (ICAAP) approved by the Supervisory Boards and overseen by the ALCOs. The ICAAP ensures the Banks maintain sufficient capital levels to cover material risks from both a normative (supervisory) and economic (internal, in the case of Bank of Georgia) perspective. Annual internal risk assessments evaluate capital necessary to cover material risks.

Bank of Georgia monitors early-warning indicators as part of the regulatory recovery plan, to identify emerging capital concerns early and ensure timely mitigation.

Capital stress testing: Stress testing examines severe but plausible scenarios and their capital impact, supporting risk management and capital planning processes.

Planning and forecasting: Bank of Georgia updates capital forecasts fortnightly and Ameriabank does so monthly, incorporating business expectations, portfolio quality forecasts, market conditions, emerging trends, and anticipated strategic changes.

Market risk

Market risk is the risk of financial loss from changes in the fair value or future cash flows of financial instruments due to movements in market variables. It arises from mismatches in maturity, currency, or interest rates between assets and liabilities, all of which are exposed to market fluctuations.

Key drivers and developments

GEL and/or AMD volatility may adversely affect the Group's financial position. Bank of Georgia's currency risk is calculated as the aggregate of open positions, capped by the NBG at 20% of regulatory capital. Ameriabank's maximum risk of currency position to total capital of the bank is set by the CBA at 10%.

The Group is exposed to interest rate risk due to mismatches between the terms and amounts of fixed and floating rate loans and borrowings. Changes in market interest rates can widen or narrow interest margins on assets and liabilities with differing maturities.

Mitigation

Governance: Market risk management governance is overseen by the respective ALCOs and Supervisory Boards, which approve risk appetites and ensure their implementation. Structural units from the Risk function serve as the second line of defence and are responsible for developing and maintaining policies, standards and guidelines for market risk management, setting the risk appetite, conducting risk profile reviews and communicating results to the ALCOs.

Risk appetite: Group Companies have currency exchange and interest rate risk appetite presented as different types of limits approved by the ALCOs and Supervisory Boards, with risk profiles monitored at least quarterly.

Market risk management: ALCOs set market risk exposure limits by currency and monitor compliance with risk appetite frameworks. Exposures and metrics are regularly tested against plausible scenarios.

Bank of Georgia calculates currency risk as aggregate open positions, monitored daily through open position tracking and VaR historical simulation using 400-business-day data. Ameriabank manages currency risk through year-to-date revaluations, daily open position limits, one currency open position limit, simulated historical VaR and expected shortfall limits. Within Group Companies, the currency risk is managed by allocating Risk Appetite for open currency positions.

Bank of Georgia's ALCO approves interest rate ranges for different maturities for asset placement and liability attraction. Per regulatory requirements, Bank of Georgia assesses interest rate shock impacts on economic value of equity (EVE) and net interest income (NII). At 30 June 2025, Bank of Georgia's EVE ratio was 9.0%, below the 15.0% maximum limit. Supervisory Board risk appetite further limits EVE and NII sensitivities. ALCO sets currency-specific EVE and NII ratio limits relative to Tier 1 capital with monthly monitoring.

Ameriabank monitors interest rate gaps and EVE sensitivity, strictly limiting fixed-rate loans with maturities exceeding five years to reduce duration gaps. The ALCO monitors and optimises net interest margin monthly. Ameriabank effectively hedges floating rate liability interest risk through derivative contracts with highly-rated counterparties.

Compliance and conduct risks

Compliance risk is the risk of legal and/or regulatory sanctions and/or damage to the Group's reputation as a result of its failure to identify, assess, correctly interpret, comply with and/or manage regulatory and/or legal requirements.

Conduct risk is the risk that the conduct of the Group and its employees towards customers will lead to unethical and/or unfair customer outcomes and/or adversely affect market integrity, damaging the Group's reputation and competitive position.

Key drivers and developments

The Group operates across multiple jurisdictions, facing evolving and sometimes unpredictable legal and regulatory requirements. As a London Stock Exchange Main Market-listed company, it is governed by UK Financial Conduct Authority regulations and Listing Rules. Georgian subsidiaries adhere to local laws, with Bank of Georgia regulated by the NBG. BNB and Ameriabank are supervised by the National Bank of the Republic of Belarus (NBRB) and the Central Bank of Armenia (CBA), respectively.

Mitigation

Governance: The second line of defence within Group Companies comprises Bank of Georgia's Legal and Compliance function units and Ameriabank's Operational Control under CEO supervision. These units challenge first-line compliance risk management, establish compliance policies, and coordinate risk identification, assessment, documentation, reporting, and mitigation for processes and products.

Compliance risk management framework: Group Companies follow established policies and procedures defining principles, standards, roles, and responsibilities for independent compliance functions. Internal Audits provide oversight through regular reviews of frameworks and policies. Mandatory compliance training promotes employee risk awareness.

Monitoring and reporting compliance risk: The Group prioritises compliance risk measurement and management through ongoing monitoring, assessment, and reporting by Compliance and Legal Risk Management (Bank of Georgia) and Operational Control Service (Ameriabank). The Group Chief Legal Officer (CLO) regularly reports significant regulatory and legal changes and material regulatory inspections to the Board.

Regulatory change management: As part of its integrated control framework, the Group systematically assesses the impact of legislative and regulatory changes on its main operating subsidiaries during formal risk assessments. A dedicated change management system enables timely identification of legal amendments and facilitates appropriate departmental responses. The Group implements changes through formal action plans with structured follow-up.

Effective regulatory engagement is ensured through direct dialogue with regulators or via Banking Association channels - primarily the NBG for Bank of Georgia and the CBA for Ameriabank. The Group CLO provides quarterly updates to the Board on regulatory developments and implementation progress across key jurisdictions.

Conduct risk management framework: The Group upholds a Code of Conduct and Ethics applicable to all subsidiaries. At Bank of Georgia, the Customer Protection Standard covers all stages of the product and services lifecycle, requiring transparent product offerings and clear and accurate communications to support informed customer decisions. Bank of Georgia's Customer Claims Management procedure handles customer complaints, and the Legal Consulting unit serves as the second line of defence - ensuring complaint management is undertaken effectively and in compliance with applicable customer protection laws, regulations and internal policies and procedures. Claims related to the Code of Conduct and Ethics violations are reviewed by the bank-level Human Rights and Ethics Committee to ensure they are properly handled and remediation plans are established.

At Ameriabank, an independent Service Quality Assurance department manages customer claims, oversees the entire process and initiates process improvements. As the second line of defence, it also reviews proposed changes to products, services, and tariffs to prevent adverse client impacts.

Recurring claims potentially indicating a systemic issue and whistleblower reports are investigated and reported quarterly to the Audit Committee. Ameriabank is in the process of aligning its internal processes with the Group's Whistleblowing Policy and procedures.

Group Companies ensure related party transactions follow the "arm's length" principle as defined by their respective regulators. Transactions' terms are pre-determined under special internal acts, with deviations requiring Supervisory Board approval. At Bank of Georgia, certain cases -such as aggregate risk positions exceeding GEL 500,000, collateral replacement- also require Supervisory Board approval. The Supervisory Board receives quarterly reports to monitor these transactions.

Financial crime risk

Financial crime risk is the risk of knowingly or unknowingly facilitating illegal activity, including money laundering, fraud, bribery and corruption, tax evasion, sanctions evasion, the financing of terrorism and/or proliferation, through the Group.

Key drivers and developments

Financial crime risks continue evolving globally, with the Group facing stringent regulatory and supervisory requirements. The Group is committed to protecting financial system integrity, safeguarding customers, and combating financial crime through ongoing investments in expertise, tools, and systems.

Georgia and Armenia's geographical proximity to Russia, combined with their regional geopolitical position, heightens sanctions evasion risks for financial institutions. This proximity increases potential for sanctioned entities to attempt to exploit Georgian and Armenian financial systems to circumvent international restrictions. Consequently, Group Companies have reinforced compliance frameworks and enhanced due diligence procedures to proactively mitigate these risks.

Mitigation

Governance: Within Group Companies, the second line of defence, comprising risk management units, develops policies, standards, guidelines, and compliance systems, monitors sanctions evasion and money laundering/terrorist financing (ML/TF) risks, and oversees related risk management processes. Bank of Georgia's Anti-money Laundering (AML) and Sanctions Compliance department includes an assurance unit responsible for regularly assessing the effectiveness of Group-wide controls. The third line of defence -Internal Audit functions - independently assesses AML and sanctions compliance, to ensure regulatory adherence and safeguard financial integrity.

Bank of Georgia has also established an AML/Sanctions Compliance Committee to provide ongoing oversight of ML, TF, and sanctions risks.

Tax risk is managed by dedicated tax functions across Group Companies. Lion Finance Group PLC has adopted a Tax Strategy applicable to itself and its UK subsidiaries, with its principles consistently applied throughout the Group.

Monitoring and reporting: The Group's financial crime risk management programme ensures that all business units, support functions and subsidiaries assess the impact of their activities on the overall risk profile and act in line with the Group's financial crime risk appetite. The programme aims to prevent harm caused by criminals and terrorists and includes active monitoring and timely reporting of financial crime risks. AML/CFT and sanctions risks are reported monthly to Executive Management and quarterly to the Audit Committee as well as the Risk Committee, ensuring Board-level awareness. Both quantitative and qualitative dashboards are used to inform risk mitigation actions and track effectiveness.

Anti-money laundering: Group Companies maintain risk-based AML/CFT frameworks aligned with local and relevant foreign legislation, incorporating international standards and recommendations set by the Financial Action Task Force and other relevant global bodies.

The Group has deployed significant resources to enhance its ML/TF risk management capabilities, including the use of advanced analytics and transaction monitoring tools, as well as enhancements to offline reporting mechanisms. The reporting processes for Cash Transaction Reports and Suspicious Transaction Reports are fully automated.

Mandatory employee training programmes have been intensified to improve awareness and understanding of AML/CFT obligations. In 2024, Bank of Georgia introduced new AML risk appetite metrics, which are closely monitored and regularly reviewed to ensure alignment with its defined risk tolerance.

Bribery and corruption: The Group is committed to preventing bribery and corruption through robust policies, processes, and controls, maintaining a zero-tolerance approach to non-compliance with its Anti-Bribery and Corruption (ABC) policies. Beyond ABC compliance, the Group also follows a Code of Conduct and Ethics, serving as an employee reference. Bank of

Georgia upholds its ABC Policy through internal communications, awareness campaigns, and mandatory employee training. This training, completed during onboarding and biennially, includes a comprehension test and signed acknowledgment for accountability. Ameriabank also conducts ABC training during onboarding and will start regular mandatory training on ethics, confidentiality, and conflicts of interest for all staff from 2025.

Sanctions compliance: The Group maintains comprehensive policies, procedures and risk mitigation measures to comply with international sanctions frameworks enforced by key jurisdictions and bodies such as the US (Office of Foreign Assets Control), EU, UK (HM Treasury) and UN Security Council. These protocols undergo routine evaluations to ensure alignment with current sanctions regimes. The Group upholds a stringent zero-tolerance policy towards sanctioned individuals, transactions, and funds associated with sanctioned entities, and any clients or transactions connected to the Russian military-industrial base.

The Group has enhanced due diligence processes to address rapidly evolving sanctions regimes, strengthening transaction screening, monitoring, onboarding, and documentation review. Our technology-driven approach includes an online solution that fully automates the screening of all transactions against sanctions lists from (Office of Foreign Assets Control) OFAC, the EU, the UK, the UN and other global databases.

Due diligence: The Group continuously improves customer due diligence and transaction monitoring, encompassing risk-based scenario monitoring, alert handling, and suspicious activity reporting. Group-wide AML/CFT and sanctions risk assessments evaluate inherent risk, control effectiveness, and residual risk. Automated customer risk assessment ensures comprehensive risk management throughout the business relationship lifecycle. Group Companies conduct rigorous, periodic due diligence on its existing client base. During onboarding, detailed information on corporate clients' ownership structures, ultimate beneficial owners, and sources of funds and wealth is gathered.

High-risk clients, including politically exposed persons and virtual asset service providers, those subject to adverse media coverage or performing unusual or crypto-currency-related transactions, or those living and working in countries or sectors with an inherently higher risk of financial crime, undergo enhanced due diligence. To mitigate risks associated with crypto currency, the Group has restricted international transactions involving virtual assets or virtual asset service providers.

Fraud risk: To mitigate fraud risk, the Group implements:

- Know Your Employee procedures, including screening requirements at recruitment, employment and departure stages of employment, providing a clear understanding of an employee's background and actual or potential conflicts of interest.
- Mandatory training for all new employees to increase awareness.
- Communication channels informing customers about fraud risks.

Information security and data protection risks

Information security risk is the risk of loss of confidentiality, integrity, and/or availability of information, data, and/or information systems.

Data protection risk is the risk presented by personal data processing - such as accidental and/or unlawful destruction, loss, alteration, unauthorised disclosure of, and/or access to, personal data stored and/or otherwise processed.

Both risks may lead to financial loss, reputational damage, or other significant adverse economic or social impacts.

Key drivers and developments

Information security remains a top global risk. The Group faces continuous attempts to compromise information security amid an evolving external threat profile, with anticipated increases including potential state-sponsored cyber attacks.

Malicious actors focus on:

- Zero-day attacks exploiting previously unknown vulnerabilities
- Sophisticated brand impersonation attacks
- Targeting systems where the Group lacks direct cybersecurity control (customer and third-party systems)
- Employee non-compliance with policies, procedures, and technical controls

Bank of Georgia is classified as a critical information system subject in Georgia, making its uninterrupted operation essential to national defense, economic security, state authority maintenance, and public life.

On 1 March 2024, significant amendments to Georgia's Personal Data Protection Law aligned it more closely with EU GDPR. While Armenia's Personal Data Protection Law has not undergone major recent changes, Ameriabank strives to align its practices with GDPR standards.

Mitigation

Governance: Within Group Companies, Information Security functions serve as the first line of defence. They adhere to internal policies and procedures, conducting routine risk assessments, vulnerability scans, and penetration tests to identify system and infrastructure vulnerabilities. This work prevents unauthorised access and enables real-time monitoring for prompt detection and response to security incidents. The Risk functions act as the second line of defense, regularly assessing the design and operational effectiveness of security controls. Risk units provide oversight, guidance, and support to business units, ensuring information security risks are effectively identified, assessed, and managed, and monitoring compliance with internal policies and external regulations.

Risk appetite: Information security risk is measured against predefined risk appetite metrics and thresholds to minimize data and security breach exposure. Risk profiles are monitored monthly against appetite and reported to local Executive Management and quarterly to Supervisory Boards.

Monitoring and reporting: Internal Audit functions provide risk-based independent assurance on risk management adequacy and effectiveness. Information security appears regularly on Risk Committee agendas, and the Group engages external parties for regular cybersecurity audits and penetration tests.

Zero-day attacks: Group Companies monitor zero-day vulnerability announcements affecting their systems, addressing them promptly when detected. They employ a "defense in depth" approach with multiple complementary security layers that activate when others fail.

Customer-targeted phishing: Malicious actors may carry out successful customer-targeted phishing attacks through fake websites, social networks, emails and other channels. Group Companies enhance information security controls to detect unauthorised account access and run awareness campaigns helping customers and the public recognise and respond to phishing attempts.

Supply chain cyber attack: Group Companies perform third-party provider due diligence, ensuring security and data protection controls before engagement and conducting annual compliance monitoring. Exit procedures protect information confidentiality, integrity, and availability.

Employee policy adherence: Annual mandatory information security training for all employees includes tailored remote work security courses. Group Companies conduct quarterly phishing campaigns testing employee detection and response capabilities.

Access management: Group Companies implement role-based access control automating employee onboarding and rotation processes while restricting network access based on least privilege principles. Semi-annual privileged user evaluations and annual access rights reviews occur in each department. Third parties receive privileged access only with justified business needs, requiring multi-factor authentication and privileged access management monitoring.

Information security incident response: To mitigate key risks, Group Companies have aligned their incident response plans with industry standards - following the National Institute of Standards and Technology (NIST) Computer Security Incident Handling Guide. Group Companies have strengthened their defences with vandal-resistant backup storage to protect core database backups from internal and external threats. Both Bank of Georgia and Ameriabank conduct ongoing breach and attack simulations to assess their networks, validate security configurations, and continuously improve their defences.

Personal data protection: Bank of Georgia has responded to Georgian legal changes by implementing enhanced data protection measures, including policy updates, process reviews, training programmes, and customer communication. BOG regularly consults with the data protection supervisory authority and periodically reports on its compliance status to demonstrate adherence to these obligations. These actions have significantly mitigated data processing risks and enhanced data security standards, ensuring robust personal data protection within the bank.

Operational risk

Operational risk is the risk of financial and/or non-financial loss from inadequate and/or failed internal processes, people, systems, or from external events. This includes human capital risk: the potential for ineffective human capital policies or processes to cause operational disruption, financial loss, reputational damage, and hinder strategic objectives.

Operational losses may result from:

- Internal fraud
- External fraud
- Business disruption and system failures
- Employment practices and workplace safety
- Clients, products and business practices
- Physical asset damage
- Execution, delivery and process management

- Execution, delivery and process management

Key drivers and developments

Evolving customer expectations and new technologies compel banks to adapt business models and address new operational risks. The rapid pace of change and the need for innovation demand new technologies and careful management of technology deployment.

As major business processes digitise, operational resilience becomes increasingly critical. Significant disruptions to vital services can cause material business impacts, including financial loss, reputational damage, and business continuity threats. External factors like cyberattacks, and dependencies on critical vendors and outsourced services, can drive vulnerabilities. Operational resilience will continue to gain importance as technology increasingly shapes financial service provision.

Employees remain crucial to the Group's success, supporting innovation and growth. However, limited local talent pools challenge the recruitment of top tech and data professionals. To bolster digital capabilities and Artificial Intelligence (AI)-driven decision-making, the Group prioritises attracting and retaining skilled talent, and developing leaders for succession planning.

Mitigation

Governance: For Group Companies, the first line of defence consists of structural units responsible for identifying and assessing operational risks and establishing appropriate controls to mitigate them. Operational risk management units form the second line of defence, providing oversight and risk guidance. Internal Audit functions serve as the third line, independently assessing operational risk and events in business processes.

Human Capital Management functions within Group Companies develop policies and frameworks for risk management and legal compliance, monitoring and reporting human capital risks to the respective Executive Management and Supervisory Boards.

Risk appetite: Group Companies have established operational risk appetites. Bank of Georgia also has a Supervisory Board-approved human capital risk appetite at the bank level. Risk profiles are monitored against these appetites, with Bank of Georgia reporting monthly to Executive Management and quarterly to Supervisory Boards, while Ameriabank reports quarterly to both.

Monitoring and reporting: Group Companies monitor human capital risk through quantitative and qualitative indicators, including employee interviews, eNPS, engagement scores, internal mobility, retention and employee turnover measures. The results of different surveys and measures are used to design action plans.

Operational risk framework: Group Companies implement policies, procedures, and frameworks to anticipate, mitigate, control, and communicate operational risks and internal control effectiveness. Operational risk management units maintain frameworks and policies, reviewed and approved by relevant governance bodies, to ensure alignment with recognised industry standards such as Basel and NIST.

Various policies, processes and procedures are in place to control and mitigate operational risks, including but not limited to:

- Risk and control self-assessment (RCSA) programme - to identify and assess operational risks in business processes and products.
- New products assessment - to identify and assess potential operational risks related to new products before launch, offering recommendations for risk mitigation during the product design phase.
- Scenario analysis programme - to identify, analyse and measure a range of scenarios, including low-probability and high-severity events.
- Risk monitoring and reporting, conducted by structural units from the Risk function in both Banks - to monitor the actual operational risk profile against the agreed levels of risk tolerance and risk appetite.
- Business continuity management programme, which represents business continuity and disaster recovery plans for each critical business process - a combination of procedures and arrangements to make sure critical business processes are uninterrupted at both Banks.
- Risk awareness and training programmes, including awareness campaigns and mandatory training - to help employees identify existing and potential risks.

Group Companies also employ several measures to manage human capital risk:

- Multiple recruitment channels and university collaborations, with internship programs offering project experience, mentorship, and career paths
- Succession planning and leadership pipeline development, with yearly employee development plans and internal mobility encouragement
- Competitive compensation and benefits with work-life balance, using industry surveys to determine position-based pay, and regular job structure updates for clearer career paths
- Transparent communication with grievance policies for prompt issue resolution, and Employee Voice meetings with the Board to exchange ideas and concerns

- Hybrid working arrangements for most back-office employees

Model risk

Model risk arises from decisions based on incorrect model results due to inaccurate assumptions, inappropriate variables, low-quality data, or inadequacies in model design, implementation or usage.

Key drivers and developments

As banking operations become more complex and digital, the adoption of statistical models, machine learning and artificial intelligence enhances decision-making and provides competitive intelligence. To sustain these benefits, sound model risk assessment frameworks and validation practices are essential.

The NBG's regulation - Managing Risks for Data-based Statistical, Artificial Intelligence and Machine Learning Models - sets additional requirements for model development, validation, monitoring and application. The regulation requires that all relevant new and existing models be in line with regulatory requirements.

Given the increasing use of AI-driven models at Bank of Georgia, particular attention is paid to the oversight and mitigation of AI-related risks. To ensure effective oversight of AI, Bank of Georgia maintains internal policies and procedures governing AI usage, which outline clear guidelines for model development, validation, implementation, monitoring, and compliance with regulatory standards.

The CBA's regulation regarding model risk management (MRM) requires banks to have procedures and processes covering the full lifecycle of internal models, including evaluation, development, validation, approval, performance monitoring and adjustments as needed.

Mitigation

Bank of Georgia's MRM framework is continuously reviewed and refined to address key model risks effectively. The MRM Policy outlines:

- Three lines of defence: A clear segregation of roles and responsibilities throughout the model lifecycle and model inventory governance among model owners (first line), an independent MRM function (second line), and Internal Audit (third line).
- Key controls: Standards covering data integrity, model development, documentation, validation, monitoring, revalidation, backtesting, model inventory management, as well as comprehensive model risk assessment and reporting.

In 2023, Bank of Georgia collaborated with McKinsey & Company to revise its MRM framework, aligning it with industry best practices.

Ameriabank's MRM framework is governed by an approved Model Validation methodology. Ameriabank has a comprehensive process for model risk estimation, reporting, monitoring and mitigation, involving key stakeholders for final decision-making.

Governance: Within Group Companies, model owners within the first line of defence are responsible for the development, implementation, operation, and continuous monitoring of models.

The second line of defence - independent from the units that develop or use the models - is responsible for model validating, performance oversight, independent challenge of model adequacy and ensuring compliance with regulatory requirements.

Clearly defined roles and the existence of independent validation functions at both banks ensure effective risk mitigation.

Monitoring and reporting: Material model-related issues within Group Companies are subject to a robust oversight process, requiring approval from the respective Chief Risk Officers (CROs) before being reported to the Supervisory Boards.

Group Companies conduct continuous monitoring of model performance. Bank of Georgia has automated processes that generate notifications for relevant stakeholders on a regular basis (monthly, quarterly and ad hoc), with model owners overseeing performance and model validators supervising the process. Ameriabank also performs monthly monitoring, with product/model owners responsible for monitoring and model validators providing supervision. While Ameriabank's monitoring is not yet fully automated, there are plans to implement a dedicated automated system in the future.

Model risk mitigation: Group Companies employ similar strategies for model risk mitigation:

- Model redevelopment: Models are refined or redeveloped in response to changes in market conditions, business assumptions or processes, to maintain accuracy and relevance.
- Adjustments to model outputs: Adjustments, including expert-opinion-based revisions or the application of new restrictions, are made to improve model accuracy and address biases or limitations.
- Process enhancements: Additional controls or validation measures are introduced to further reduce model risk.

Strategic risk

Strategic risk is the risk that the Group will be unable to execute its business strategy and create stakeholder value due to poor

Strategic risk is the risk that the Group will be unable to execute its business strategy and create stakeholder value due to poor decision making, ineffective resource allocation, and/or a delayed and/or ineffective response to changes in the external environment.

Key drivers and developments

The Group faces strategic risks from changes in legal, regulatory, macroeconomic, and competitive environments. Economic uncertainty, the rise of global fintech, and increased competition in financial services have altered stakeholder expectations, necessitating forward-looking strategic risk management.

At the end of March 2024, the Group expanded into Armenia by acquiring Ameriabank. This geographic expansion introduces new emerging risks requiring proactive monitoring and mitigation. Such investments carry strategic risks, including the potential failure to realise acquisition upside or successfully integrate new subsidiaries. Ameriabank's integration is a regular Board discussion topic and a key focus for the Group's Executive Management.

Mitigation

Strategic planning: The Group's Executive Management runs an annual strategic planning process to review its performance against targets, discuss the internal and external environment affecting the Group's subsidiaries, and develop short- and medium-term strategic plans considering potential financial and non-financial risks. This process is supported by risk appetite framework, capital plans and a recovery plan. The Group's strategy is ultimately approved by the Board of Directors.

Focus on customers and innovation: The Group mitigates strategic risks by incorporating customer feedback in decision-making and scanning global competitive landscape to ensure relevant, innovative products and offerings, addressing current needs while creating foundations for future client growth.

Monitoring: The Group's Executive Management holds regular meetings to discuss the performance of the Group's core subsidiaries, the competitive landscape and the Group's competitive positions, including any changes versus prior periods and any actions required. Key strategic areas and/or projects are periodically discussed in working groups comprising executive, senior and middle management.

Strategic objectives and/or decisions, including major organisational changes and initiatives, are regularly discussed with and challenged by the Board, including during the quarterly Board meetings and the Board's strategy sessions. The Board receives quarterly updates on market environment and competitive positioning of principal operating entities in Georgia and Armenia and challenges management's tactical or strategic actions.

The Group has a dedicated International Banking function with executive responsibility over monitoring and coordination of activities with the operating entities outside of Georgia. The International Business function does not replace or interfere in day-to-day executive management of the Group's subsidiaries, other than as necessary for meeting either legal and regulatory, or internal policy requirements applicable to the Group as a whole or on a consolidated basis.

Reputational risk

Reputational risk is the risk of damage to stakeholder trust and/or brand image due to negative consequences arising from internal actions and/or external events.

Key drivers and developments

The Group's operations face inherent reputational risk, primarily driven by internal execution failures, cyber and phishing case mismanagement, and misalignment between Group values and public perceptions/opinions.

Mitigation

Risk appetite: Bank of Georgia has defined Bank-level reputational risk appetite through quantitative measures, with risk profiles monitored monthly (Executive Management) and quarterly (Supervisory Board).

Mitigation: Effective systems and controls ensure high customer service levels and compliance. Material risks at any business level are measured, mitigated, and monitored according to Group policies and procedures.

To protect brand strength, marketing/PR teams in Group Companies monitor daily media coverage. Legal teams ensure marketing communications comply with internal policies and review product/service compliance. Group Companies regularly measure customer satisfaction through internal and external surveys and monitor risk appetite compliance with monthly Executive Management reporting.

Group Companies also engage with customers on information security matters, spreading content including articles, direct emails, interactive games and questionnaires through various media. Bank of Georgia and Ameriabank contribute to the development of information security in Georgia and Armenia respectively by regularly participating in collaborative efforts with financial industry peers, law enforcement authorities, regulatory bodies and the governments, sharing knowledge and preventing negative impacts.

To prevent inaccurate or misleading reporting that could damage Group reputation, well-documented reporting processes with strong controls ensure fairness and transparency. Oversight from the Board as well as the External Auditor ensures the Group's financial and narrative reporting is trustworthy.

Climate-related risk

The Group has identified climate risk as an emerging risk. We continue to assess climate-related risks, both transition and physical, for our client base and determine potential impacts on the Group.

Climate-related risk is the risk of financial loss and/or damage to the Group's reputation due to the accelerating transition to a lower-carbon economy or from actual physical damage due to acute or chronic weather events. Both transition and physical risks may impact customers' performance, financial position, and loan repayment ability.

Key drivers and developments

The Group's stakeholders increasingly demand climate-related disclosures including risk assessments and Greenhouse gas (GHG) emissions reporting, plus actions addressing climate-related risks.

The Group faces climate reporting obligations under UK Financial Conduct Authority Listing Rules and UK Companies Act 2006 Sections 414CA and 414CB.

Since 2020, the Group has identified climate change as an emerging risk in its risk inventory. Bank of Georgia has developed a climate scenario analysis toolkit to conduct stress testing and model the impacts of climate change risks on client creditworthiness. Bank of Georgia continues to strengthen climate considerations within its credit risk management framework. It is in the process of developing a Transition Plan Framework to align its business with Georgia's Nationally Determined Contribution (NDC) and Long-Term Low Emission Development Strategy, guided by Ambition, Action and Accountability in line with the Transition Plan Taskforce (TPT) Disclosure Framework.

Both Georgia and Armenia have submitted NDCs under the Paris Agreement. Georgia aims for an unconditional 35% reduction in GHG emissions from 1990 levels by 2030, while Armenia targets a 40% reduction. Georgia has also adopted a Long-Term Low-Emissions Strategy with a goal of carbon neutrality by 2050 and plans to submit a new NDC in 2025.

Mitigation

Governance: Bank of Georgia's Environmental and Social Impact Committee (ESI) Committee, comprising executive and senior management, oversees the bank's climate, environmental and social impacts, particularly from lending activities. It designs strategies and policies and sets/monitors targets, with ultimate responsibility resting with the Supervisory Board.

Centralized Environmental, Social and Climate Risk specialist teams within Group Companies' Risk functions are responsible for:

- Researching environmental and social risk assessment methods
- Implementing and updating environmental and social policies, procedures, and methods
- Identifying, assessing, managing, and mitigating environmental and social risks through standardized due diligence
- Identifying climate-related opportunities and classifying green loans
- Calculating financed emissions
- Supporting other departments with environmental, social and climate-related tasks
- Preparing environmental and social disclosures

Bank of Georgia additionally addresses these issues with climate-specific focus, ensuring alignment with the Bank's climate risk management commitments.

Climate-related risks mitigation:

Bank of Georgia has integrated climate-related risks into risk management and business resilience assessments. Mitigating activities include:

- Identifying sector/location-specific climate risks for business clients during loan appraisal and environmental/social risk management
- Expanding climate scenario analysis toolkit and deepening understanding of climate change and policy impacts
- Conducting materiality assessment to prioritize climate-related risks and opportunities
- Collecting relevant data on output and energy consumption, calculating Scope 3 financed emissions for GHG-intensive corporate clients
- Identifying and reporting transactions aligned with NBG Green Taxonomy
- Developing Green Finance Framework for effective identification, assessment, and monitoring of climate-related opportunities
- Developing tools and methods to identify new green opportunities by scanning the market and rapidly assessing the

- Developing tools and methods to identify new green opportunities by scanning the market and rapidly assessing the greening potential of existing clients
- Developing sectoral E&S policies for high-risk industries with potential adverse impacts
- Supporting clients in high-emission industries transitioning to sustainable practices
- Facilitating climate-related disclosure
- Raising climate finance awareness among clients and implementing employee training

Ameriabank has a Green Bond Framework consistent with the International Capital Market Association (ICMA) Green Bond Principles supporting transition to low-carbon, resilient, and sustainable economy. Mitigating activities include:

- Contributing to sustainable solution development through financing relevant services and innovations
- Committing to low-carbon Green Assets portfolio
- Defining Taxonomy Exclusionary Criteria for Green Bonds
- Measuring and reporting impact metrics including electricity consumption savings and avoided GHG emissions
- Identifying, assessing, managing and mitigating clients' E&S risks based on IFIs' standards (IFC Performance Standards, EBRD Performance Requirements, Asian Development Bank and FMO's environmental and social standards), international best practices and local requirements
- Setting E&S Guidelines helping clients implement basic E&S risk management aligned with national legislation and international practices
- Raising climate finance awareness among employees

Statement of directors' responsibilities

We, the Directors, confirm that to the best of our knowledge:

- The interim condensed consolidated financial statements have been prepared in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority and the International Accounting Standard 34 "Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB") and as adopted by the United Kingdom and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group;
- This Results Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (indication of important events during the first six months and a description of principal risks and uncertainties for the remaining six months of the year); and
- This Results Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

After considering the Group's financial and cash flow forecasts and all other available information and possible outcomes or responses to events, the Board is satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future and therefore, the Directors considered it appropriate to adopt the going concern basis in preparing this Results Report.

Signed on behalf of the Board by:

Archil Gachechiladze

Chief Executive Officer

19 August 2025

The Directors of the Group:

Non-Executive Chairman: Mel Carvill

Executive Director: Archil Gachechiladze

Andrew McIntyre

Cecil Quillen

Karine Hirn

Maria Gordon

Mariam Megvinetukhutsesi

Tamaz Georgadze

Véronique McCarroll

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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Conclusion

We have been engaged by the Lion Finance Group PLC (the Company) to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises Interim Consolidated Statement of Financial Position, Interim Consolidated Income Statement, Interim Consolidated Statement of Comprehensive Income, Interim Consolidated Statement of Changes in Equity, Interim Consolidated Statement of Cash flows and related notes 1 to 26. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting" (UK adopted IAS 34) and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority (DTR).

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted IAS 34.

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the DTR.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP

London

19 August 2025

	Notes	30 June 2025 (unaudited)	31 December 2024
Assets			
Cash and cash equivalents	6	4,022,221	3,753,183
Amounts due from credit institutions	7	3,194,606	3,278,465
Investment securities	8	7,944,799	8,968,721
Investment securities measured at amortised cost		2,301,657	2,746,392
Investment securities measured at fair value through other comprehensive income		5,444,375	6,020,801
Investment securities measuered at fair value through profit or loss		198,767	201,528
Investment securities pledged under sale and repurchase agreements and securities lending	8	1,171,662	483,666
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost		727,660	269,791
Investment securities pledged under sale and repurchase agreements and securities lending measured at fair value through other comprehensive income		380,638	186,670
Investment securities pledged under sale and repurchase agreements and securities lending measuered at fair value through profit or loss		63,364	27,205
Loans to customers, factoring and finance lease receivables	9	36,530,447	33,558,874
Accounts receivable and other loans		11,835	8,811
Prepayments	11	103,759	88,950
Foreclosed Assets		342,565	378,642
Right-of-use assets		291,445	257,896
Investment properties		131,080	134,338
Property and equipment		578,502	550,097
Goodwill		41,253	41,253
Intangible assets		338,794	322,250
Income tax assets	10	2,253	48,114
Other assets	11	371,936	314,620
Assets held for sale		14,913	20,008
Total assets		**55,092,070**	**52,207,888**
Liabilities			
Client deposits and notes	12	34,789,736	33,202,010
Amounts owed to credit institutions	13	8,927,118	8,680,233
Debt securities issued	14	2,445,652	2,255,016
Lease liability		304,559	274,435
Accruals and deferred income	15	249,568	338,734
Income tax liabilities	10	116,575	88,431
Other liabilities	11	639,730	353,802
Total liabilities		**47,472,938**	**45,192,661**
Equity	17		
Share capital		1,445	1,464
Additional paid-in capital		477,694	453,738
Treasury shares		(28)	(51)
Capital redemption reserve		173	154
Other reserves		47,442	110,786
Retained earnings		7,090,940	6,422,320
Total equity attributable to shareholders of the Group		**7,617,666**	**6,988,411**
Non-controlling interests		1,466	26,816
Total equity		**7,619,132**	**7,015,227**
Total liabilities and equity		**55,092,070**	**52,207,888**

The financial statements on page 38 to 85 were approved by the Board of Directors on and signed on its behalf by:

Archil Gachechiladze

Chief Executive Officer

19 August 2025

Lion Finance Group PLC

Registered No. 10917019

	Notes	For the six months ended 30 June 2025 (unaudited)	30 June 2024 (unaudited)
Interest income calculated using EIR method		2,499,120	1,822,508

Other interest income		37,428	15,686
Interest income		**2,536,548**	**1,838,194**
Interest expense		(1,114,707)	(765,597)
Deposit insurance fees		(22,295)	(16,442)
Net interest income	18	**1,399,546**	**1,056,155**
Fee and commission income		510,468	422,703
Fee and commission expense		(219,781)	(164,239)
Net fee and commission income	19	**290,687**	**258,464**
Net foreign currency gain		298,191	242,426
Net gains/(losses) on extinguishment of debt		(225)	4
Net other gains/(losses)	21	29,587	35,901
Operating income		**2,017,786**	**1,592,950**
Salaries and other employee benefits		(453,104)	(323,463)
Administrative expenses		(147,025)	(118,627)
Depreciation, amortisation and impairment		(105,260)	(78,553)
Other operating expenses		(16,300)	(5,216)
Operating expenses		**(721,689)**	**(525,859)**
Gain on bargain purchase	3	-	685,888
Acquisition related costs	3	-	(16,423)
Profit/(loss) from associates		736	476
Operating income before cost of risk		**1,296,833**	**1,737,032**
Expected credit loss on loans to customers and factoring receivables	20	(64,669)	(96,816)
Expected credit loss on finance lease receivables	20	(627)	(1,712)
Other expected credit loss	20	(7,100)	(7,948)
Impairment charge on other assets and provisions	20	(5,313)	(4,419)
Cost of risk		**(77,709)**	**(110,895)**
Profit before income tax expense		**1,219,124**	**1,626,137**
Income tax expense	10	(192,813)	(157,617)
Profit for the period		**1,026,311**	**1,468,520**
Total profit attributable to:			
- shareholders of the Group		1,024,421	1,464,179
- non-controlling interests		1,890	4,341
		1,026,311	**1,468,520**
Basic earnings per share:	17	23.7004	33.3680
Diluted earnings per share:	17	23.4359	32.8103

		For the six months ended	
	Notes	***30 June 2025 (unaudited)***	***30 June 2024 (unaudited)***
Profit for the period		**1,026,311**	**1,468,520**
Other comprehensive income/(loss)			
Other comprehensive income/(loss) to be reclassified to income statement in subsequent years:			
- Net change in fair value on investments in debt instruments measured at fair value through other comprehensive income (FVOCI)	8	(59,156)	(49,242)
- Realised gain on financial assets measured at FVOCI		(796)	(3,232)
-Change in allowance for expected credit losses on investments in debt instruments measured at FVOCI reclassified to the consolidated income statement		(171)	1,353
- Gain from foreign currency translation differences		9,472	101,261
Income tax impact	10		

	Notes		
Income tax impact	10	(198)	-
Net other comprehensive (loss)/income to be reclassified to income statement in subsequent years		**(50,849)**	**50,140**
Other comprehensive gain/(loss) not to be reclassified to income statement in subsequent years:			
- Net gain (loss) on investments in equity instruments designated at FVOCI		6,762	(569)
Net other comprehensive income/(loss) not to be reclassified to income statement in subsequent years		**6,762**	**(569)**
Other comprehensive (loss)/income for the year		**(44,087)**	**49,571**
Total comprehensive income for the period		**982,224**	**1,518,091**
Total comprehensive income attributable to:			
- shareholders of the Group		980,374	1,514,743
- non-controlling interests		1,850	3,348
		982,224	**1,518,091**

	Attributable to shareholders of the Group					
	Share capital	*Additional paid-in capital*	*Treasury shares*	*Other reserves*	*Capital redemption reserve*	*Retained earnings*
31 December 2023	**1,506**	**465,009**	**(71)**	**21,385**	**112**	**4,510,7**
Profit for the six months ended 30 June 2024 (unaudited)	-	-	-	-	-	1,464,1
Other comprehensive income for the six months ended 30 June 2024 (unaudited)	-	-	-	49,666	-	8
Total comprehensive income for the six months ended 30 June 2024 (unaudited)	**-**	**-**	**-**	**49,666**	**-**	**1,465,0**
Increase in equity arising from share-based payments	-	39,799	31	-	-	
Purchase of treasury shares under share-based payments	-	(63,289)	(9)	-	-	
Dividends to shareholders of the Group (Note 17)	-	-	-	-		(226,2
Increase in share capital of subsidiaries	-	-	-	(178)	-	
Purchase of treasury shares	-	(2,068)	(121,283)	-	-	
Cancellation of treasury shares	(25)	-	121,283	-	25	(121,2
Dividends of subsidiaries to non-controlling shareholders	-	-	-	-	-	
30 June 2024 (unaudited)	**1,481**	**439,451**	**(49)**	**70,873**	**137**	**5,628,3**
31 December 2024	**1,464**	**453,738**	**(51)**	**110,786**	**154**	**6,422,3**
Profit for the six months ended 30 June 2025 (unaudited)	-	-	-	-	-	1,024,4
Other comprehensive income for the six months ended 30 June 2025 (unaudited)	-	-	-	(58,208)	-	14,1
Total comprehensive income for the six months ended 30 June 2025 (unaudited)	**-**	**-**	**-**	**(58,208)**	**-**	**1,038,5**
Increase in equity arising from share-based payments	-	55,451	28	-	-	
Purchase of treasury shares under share-based payments	-	(44,773)	(7)	-	-	
Dividends to shareholders of the Group (Note 17)	-	-	-	-		(255,3
Increase in share capital of subsidiaries	-	-	-	94	-	
Net amount reclassified to retained earnings on sale of equity instruments at FVOCI	-	-	-	(3,419)	-	3,4
Acquisition of non-controlling interests in existing subsidiaries	-	-	-	(1,811)	-	
Purchase of treasury shares	-	(5,110)	(99,660)	-	-	
Cancellation of treasury shares	(19)	18,388	99,662	-	19	(118,0
Dividends of subsidiaries to non-controlling shareholders	-	-	-	-	-	
30 June 2025 (unaudited)	**1,445**	**477,694**	**(28)**	**47,442**	**173**	**7,090,9**

		For the six months ended	
	Notes	***30 June 2025 (unaudited)***	***30 June 2024 (unaudited)***

	Note		
Cash flows from operating activities			
Interest received		2,470,105	1,784,055
Interest paid		(1,032,986)	(695,756)
Fees and commissions received		500,994	445,483
Fees and commissions paid		(223,728)	(164,239)
Net cash inflow from real estate		1,337	2,713
Net realised gain from foreign currencies		310,711	236,510
Recoveries of loans to customers previously written off	9	44,220	26,529
Other income received		6,582	7,288
Salaries and other employee benefits paid		(501,440)	(245,777)
General and administrative and operating expenses paid		(161,818)	(149,203)
Cash flows from operating activities before changes in operating assets and liabilities		**1,413,848**	**1,247,603**
Net (increase)/decrease in operating assets			
Amounts due from credit institutions		38,884	(154,936)
Investment securities measured at FVTPL		(42,050)	-
Loans to customers, factoring and finance lease receivables		(3,104,106)	(2,483,772)
Prepayments and other assets		(49,386)	29,634
Foreclosed assets		88,171	30,321
Net increase/(decrease) in operating liabilities			
Amounts due to credit institutions		239,588	193,635
Debt securities issued		160,372	147,533
Client deposits and notes		1,630,962	2,809,610
Other liabilities		29,507	(32,114)
Net cash flows from operating activities before income tax		**405,790**	**1,787,514**
Income tax paid		(119,006)	(327,133)
Net cash flows from operating activities		**286,784**	**1,460,381**
Cash flows from/(used in) investing activities			
Net purchases/sales of investment securities measured at amortised cost and FVOCI		273,581	(1,813,325)
Purchase of investments in subsidiaries, net of cash acquired	3	-	300,047
Proceeds from sale of investment properties and assets held for sale		20,333	13,883
Proceeds from sale of property and equipment and intangible assets		488	3,818
Purchase of property and equipment and intangible assets		(127,484)	(100,195)
Dividends received		1,078	802
Net cash flows from/(used in) investing activities		**167,996**	**(1,594,970)**
Cash flows (used in)/from financing activities			
Repayment of the principal portion of the debt securities issued	14	(176,465)	(283,570)
Proceeds from Tier 2 notes issued	14	63,751	26,876
Proceeds from Additional Tier 1	14	-	800,970
Proceeds from local bonds issued	14	195,571	-
Cash payments for the principal portion of the lease liability		(34,578)	(22,148)
Dividends paid		(13,567)	(11,179)
Purchase of treasury shares under share-based payments		(44,780)	(63,298)
Purchase of interests in existing subsidiaries	17	(28,448)	-
Purchase of treasury shares		(104,770)	(123,351)
Net cash (used in)/from financing activities		**(143,286)**	**324,300**
Effect of exchange rates changes on cash and cash equivalents		(42,107)	131,065
Effect of expected credit losses on cash and cash equivalents		(349)	147
Net increase in cash and cash equivalents		**269,038**	**320,923**
Cash and cash equivalents, beginning of the period	6	**3,753,183**	**3,101,824**
Cash and cash equivalents, end of the period	6	**4,022,221**	**3,422,747**

1. Principal activities

On 6 February, 2025 Bank of Georgia Group PLC changed its name to Lion Finance Group PLC. It is a public limited liability company incorporated in England and Wales with registered number 10917019. As at 30 June 2025 Lion Finance Group PLC held 100.00% of the share capital of JSC Bank of Georgia and 90% of Ameriabank CJSC (remaining 10% is consolidated through a put option), representing their ultimate parent company. Ameriabank was acquired as at 31 March 2024 (Note 3). Together with JSC Bank of Georgia, Ameriabank CJSC and other subsidiaries, the Group makes up a group of companies (the "Group") and provides banking, leasing, brokerage and investment management services to corporate and individual customers. Lion Finance Group PLC is listed on the London Stock Exchange's main market in the Equity Shares (Commercial Companies) category and is a constituent of the FTSE 250 index. Ticker: BGEO, effective 21 May 2018. JSC Bank of Georgia and Ameriabank CJSC are the Group's main operating units and account for most of the Group's activities.

JSC Bank of Georgia was established on 21 October 1994 as a joint stock company ("JSC") under the laws of Georgia. It operates under a general banking licence issued by the National Bank of Georgia ("NBG"; the Central Bank of Georgia) on 15 December 1994.

JSC Bank of Georgia accepts deposits from the public and extends credit, transfers payments in Georgia and internationally, and exchanges currencies. Its main office is in Tbilisi, Georgia. As at 30 June 2025, it has 187 operating outlets in all major cities of Georgia (31 December 2024: 189). JSC Bank of Georgia's registered legal address is 29a Gagarini Street, Tbilisi 0160, Georgia.

Ameriabank CJSC was established on 8 December 1992 under the laws of the Republic of Armenia. Its principal activities are deposit taking and customer account maintenance, lending, issuing guarantees, cash and settlement operations and operations with securities and foreign exchange. The activities of Ameriabank CJSC are regulated by the Central Bank of Armenia (the "CBA").

As at 30 June 2025, Ameriabank CJSC has 26 branches from which it conducts business throughout the Republic of Armenia (31 December 2024: 25). The registered address of the head office is 2 Vazgen Sargsyan Street, Yerevan 0010, Republic of Armenia.

Lion Finance Group's registered legal address is 29 Farm Street, London United Kingdom W1J 5RL.

As at 30 June 2025, 31 December 2024, the following shareholders owned more than 3% of the total outstanding shares of Lion Finance Group PLC. Other shareholders individually owned less than 3% of the outstanding shares.

Shareholder	***30 June 2025 (unaudited)***	***31 December 2024***
JSC Georgia Capital**	19.14%	19.23%
Dimensional Fund Advisors (DFA) LP	4.37%	4.33%
BlackRock Investment Management (UK)	3.90%	4.19%
JP Morgan Asset Management	3.62%	4.68%
Vanguard Group Inc	3.44%	3.78%
M&G Investment Management Ltd	2.69%	3.28%
Others	62.84%	60.51%
Total*	**100.00%**	**100.00%**

For the purposes of calculating percentage of shareholding, the denominator includes total number of issued shares, which includes shares held in the trust for the share-based compensation purposes of the Group.
*****JSC Georgia Capital will exercise its voting rights at the Group's general meetings in accordance with the votes cast by all other Group Shareholders, as long as JSC Georgia Capital's percentage holding in Lion Finance Group PLC is greater than 9.9%.***

2. Basis of preparation

General

The financial information set out in these interim condensed consolidated financial statements does not constitute Lion Finance Group PLC's statutory financial statements within the meaning of section 434 of the Companies Act 2006. Statutory financial statements were prepared for the year ended 31 December 2024 in conformity with the requirements of the Companies Act 2006 and in accordance with UK-adopted international accounting standards. The auditor's report was unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

These interim Condensed Consolidated financial statements have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority (FCA) and with UK-adopted International Accounting Standard 34 (IAS 34 Interim Financial Reporting).

The preparation of the interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported income and expense, assets and liabilities and disclosure of contingencies at the date of the interim condensed consolidated financial statements. Although these estimates and assumptions are based on management's best judgment at the date of the interim condensed consolidated financial statements, actual results may differ from these estimates.

Assumptions and significant estimates other than disclosed in these interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2024, signed and authorized for release on 14 April 2025.

These interim condensed consolidated financial statements are presented in thousands of Georgian Lari ("GEL"), except per share amounts, which are presented in Georgian Lari, and unless otherwise noted.

The interim condensed consolidated financial statements are unaudited, reviewed by the auditors and their review conclusion is included in this report.

Going concern

The Board of Directors has made an assessment of the Group's ability to continue as a going concern and is satisfied that it has the

The Board of Directors has made an assessment of the Group's ability to continue as a going concern and is satisfied that it has the resources to continue in business for a period of at least 12 months from the date of approval of the interim condensed consolidated financial statements. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern for the foreseeable future. Therefore, the interim condensed consolidated financial statements continue to be prepared on the going concern basis.

3. Summary of significant accounting policies

Amendments effective from 1 January 2025

The accounting policies and methods of computation applied in the preparation of these interim condensed consolidated financial statements are consistent with those disclosed in the annual consolidated financial statements of the Group as at and for the year ended 31 December 2024, except for the adoption of new amendments effective as of 1 January 2025.

Amendments to IAS 21: Lack of Exchangeability

The amendments apply for the first time in 2025 and clarify when a currency is considered exchangeable into another currency, as well as how an entity should estimate a spot rate for currencies that lack exchangeability. They also introduce new disclosure requirements to help users of financial statements assess the effects of using an estimated exchange rate. The amendments had no impact on the Group's interim condensed consolidated financial statements.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Business Combination

On 31 March 2024, under a Share Purchase Agreement ("SPA") dated 18 February 2024, the Group acquired 90% of Ameriabank CJSC - one of the leading banks operating in Armenia - from multiple shareholders for US 276,989 (GEL 746,569), including US 21,031 (GEL 56,686) deferred for six months (fully settled by 31 December 2024). The remaining 10% held by EBRD is subject to a put/call option, exercisable within three years, with a price of US 30,777 (GEL 82,955) plus interest (6-month SOFR + 3.5% p.a), offset by dividends received. The acquisition resulted in a gain of GEL 685,888 from the bargain purchase, which was recognised in the consolidated income statement and presented separately as a gain from bargain purchase.

The Group assessed the option terms and concluded that the 10% interest is effectively acquired (no NCI recognised), with the option recognised as a financial liability within other liabilities. Accordingly, the entire share capital of Ameriabank CJSC is accounted for as acquired, with a 30% holding by BOG JSC and 70% by Lion Finance Group PLC.

The acquisition will enables the Group to expand in the Armenian market and is expected to provide significant strategic, commercial, and financial benefits.

4. Significant accounting judgements and estimates

In the process of applying the Group's accounting policies, the Board of Directors and management use their judgement and make estimates in determining the amounts recognised in the interim condensed consolidated financial statements. Key judgments and estimates are summarized below

Forward-looking information

Forward-looking variable assumptions

The most significant period end assumptions used for ECL estimate as at 30 June 2025 per geographical segments are set out below. The scenarios "base", "upside" and "downside" were used for all portfolios.

Georgia

Key drivers	ECL scenario	Assigned weight	As at 30 June 2025			Assigned weight	As at 31 December 2024			Assigned weight	As at 31 December 2023		
			2025	2026	2027		2025	2026	2027		2024	2025	2026
GDP growth in %													
	Upside	25%	6.00%	7.00%	5.50%	25%	7.00%	6.00%	6.00%	25%	6.50%	5.50%	5.00%
	Base case	50%	5.60%	5.00%	5.00%	50%	4.90%	5.80%	5.70%	50%	5.00%	4.50%	5.00%
	Downside	25%	5.00%	-2.00%	3.00%	25%	2.00%	3.00%	5.00%	25%	3.00%	4.00%	5.00%
GEL/USD exchange rate													
	Upside	25%	5.00%	2.00%	0.00%	25%	2.00%	3.00%	0.00%	25%	3.00%	2.00%	0.00%
	Base case	50%	0.00%	0.00%	0.00%	50%	0.00%	0.00%	0.00%	50%	0.00%	0.00%	0.00%
	Downside	25%	-10.00%	-12.00%	5.00%	25%	-15.00%	0.00%	5.00%	25%	-15.00%	0.00%	5.00%
CPI inflation rate in %													
	Upside	25%	2.00%	4.00%	3.00%	25%	3.00%	3.00%	3.00%	25%	3.25%	3.00%	3.00%
	Base case	50%	1.50%	4.00%	2.60%	50%	2.90%	3.60%	2.70%	50%	3.60%	3.10%	3.00%
	Downside	25%	3.50%	8.00%	7.00%	25%	8.00%	5.00%	3.00%	25%	5.00%	4.00%	3.00%

4. Significant accounting judgements and estimates (continued)

Forward-looking variable assumptions (continued)

Armenia

Key drivers	ECL scenario	Assigned weight	As at 30 June 2025		Assigned weight	As at 31 December 2024	
			2025	2026		2025	2026
GDP growth in %							
	Upside	20%	9.42%	9.41%	20%	9.40%	9.11%
	Base case	60%	4.77%	4.77%	60%	4.86%	4.56%
	Downside	20%	0.12%	0.12%	20%	0.32%	0.02%
RUR/AMD exchange rate %							
	Upside	20%	7.26%	7.31%	20%	7.26%	7.31%
	Base case	60%	4.44%	4.49%	60%	4.44%	4.49%
	Downside	20%	1.63%	1.68%	20%	1.63%	1.68%
CPI inflation rate in %							
	Upside	20%	0.48%	0.48%	20%	0.28%	-1.72%
	Base case	60%	3.60%	3.60%	60%	3.40%	1.40%
	Downside	20%	6.72%	6.72%	20%	6.52%	4.52%

Belarus

Key drivers	ECL scenario	Assigned weight	As at 30 June 2025		Assigned weight	As at 31 December 2024		Assigned weight	As at 31 December 2023	
			2025	2026		2025	2026		2024	2025
GDP growth in %										
	Upside	25%	4.62%	4.44%	25%	4.75%	4.62%	25%	3.77%	3.13%
	Base case	50%	1.90%	1.51%	50%	2.64%	1.90%	50%	1.95%	0.49%
	Downside	25%	-0.83%	-1.42%	25%	0.53%	-0.83%	25%	0.14%	-2.15%
BYN/USD exchange rate %										
	Upside	25%	-0.08%	-0.49%	25%	-0.24%	-0.08%	25%	0.66%	0.62%
	Base case	50%	1.64%	1.67%	50%	0.82%	1.64%	50%	1.00%	1.23%
	Downside	25%	2.98%	3.15%	25%	1.73%	2.98%	25%	1.31%	1.77%
CPI inflation rate in %										
	Upside	25%	-0.45%	-0.66%	25%	-0.38%	-0.45%	25%	-0.09%	-0.52%
	Base case	50%	1.91%	1.79%	50%	1.61%	1.91%	50%	1.94%	1.82%
	Downside	25%	4.12%	4.07%	25%	3.50%	4.12%	25%	3.86%	4.01%

All other parameters held constant, increase in GDP growth, appreciation of local currency and decrease of inflation would result in decrease in ECL, with opposite changes resulting in ECL increase. GDP growth input has the most significant impact on ECL, followed by foreign exchange rate and inflation. Retail portfolio ECL is less affected by foreign exchange rate inputs due to larger share of GEL-denominated exposures. However, retail portfolio ECL is affected by inflation, which does not have a significant impact on corporate ECL.

The table below shows the sensitivity of the recognised ECL amounts to the forward-looking assumptions used in the model. For these purposes, 100% weight is assigned to each macroeconomic scenario separately and respective ECL is recalculated.

Sensitivity of ECL to forward looking assumptions - consolidated

	As at 30 June 2025				
Key drivers	***Reported ECL***	***Reported ECL coverage***	***ECL coverage by scenarios***		
			Upside	***Base case***	***Downside***
Commercial loans	172,158	1.29%	1.16%	1.29%	1.45%
Residential mortgage loans	17,529	0.22%	0.19%	0.23%	0.25%
Micro and SME loans	115,302	1.72%	1.58%	1.71%	1.87%
Consumer loans	165,130	1.96%	1.85%	1.96%	2.08%
Gold - pawn loans	1,009	0.53%	0.53%	0.53%	0.53%

	As at 31 December 2024				
Key drivers	***Reported ECL***	***Reported ECL coverage***	***ECL coverage by scenarios***		
			Upside	***Base case***	***Downside***
Commercial loans	157,734	1.30%	1.15%	1.29%	1.39%
Residential mortgage loans	14,625	0.20%	0.18%	0.20%	0.21%
Micro and SME loans	99,004	1.56%	1.46%	1.55%	1.68%
Consumer loans	157,935	2.14%	2.01%	2.11%	2.32%
Gold - pawn loans	1,014	0.66%	0.66%	0.66%	0.66%

4. Significant accounting judgements and estimates (continued)

Forward-looking variable assumptions (continued)

Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the interim consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values (Note 23).

Measurement of fair value of investment properties

The Group performs a full valuation of its investment properties with an appropriate regularity (at least once in every three years or more frequently if the market has materially changed) to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The last date of external valuation of investment properties was 31 December 2024.

In order to identify whether there was any significant change in the real estate market since last revaluation that could indicate that investment properties are not stated at fair value as at the reporting date, the Group hired an independent valuer to perform real estate market research. The research results did not reveal any material changes in real estate prices in GEL equivalent terms since last valuation date.

5. Segment information

For management purposes, the Group is organised into the following business divisions and respective operating segments:

Georgian Financial Services business division:

RB	- Retail Banking - principally provides consumer loans, mortgage loans, overdrafts, credit cards and other credit facilities, funds transfers and settlement services, and handling of customers' deposits for both individuals and legal entities. The Retail Banking business targets the mass retail, mass affluent and high-net-worth client segments.
SME	- SME Banking - principally provides SME loans, micro loans, consumer and mortgage loans, funds transfers and settlement services, and handling of customers' deposits for legal entities. The SME Banking business targets small and medium-sized enterprises and micro businesses.
CIB	- Corporate Investment Banking - comprises Corporate Banking and Investment Management operations in Georgia. Corporate Banking principally provides loans and other credit facilities, funds transfers and settlement services, trade finance services, documentary operations support and handles saving and term deposits for corporate and institutional customers. The Investment Management business principally provides brokerage services through Galt & Taggart.
CC	- Corporate Center - comprises mainly treasury and custody operations.

Armenian Financial Services business division:

Ameriabank - comprises operations in the Group's Armenian subsidiary.

Other businesses:

Other	- Mainly comprising JSC Belarusky Narodny Bank, principally providing retail and corporate banking services in Belarus and intersegment eliminations.

Segment performance, as explained in the table below, is measured in the same manner as profit or loss in the consolidated income statement.

Transactions between operating segments are on an arm's length basis in a similar manner to transactions with third parties.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's operating income during 6 months of 2025 and 2024.

5. Segment information (continued)

The following table presents the income statement and certain asset and liability information regarding the Group's operating segments as at and for the six months period ended 30 June 2025:

	Retail Banking	*SME*	*Corporate Investment Banking*	*Corporate center*	*Eliminations*	***Georgian Financial services***	***Armenian financial services***	***Other businesses***	***Gr T***
Interest Income	*868,636*	*302,450*	*526,912*	*163,544*	*(1,917)*	*1,859,625*	*624,307*	52,616	2,536,
Interest expense	*(353,948)*	*(63,035)*	*(278,884)*	*(169,344)*	*1,917*	(863,294)	(241,450)	(32,258)	(1,137
Inter-segment interest income/(expense)	*(1,885)*	*(81,124)*	*83,898*	*(889)*	-	-	-	-	-
Net interest income	***512,803***	***158,291***	***331,926***	***(6,689)***	**-**	**996,331**	**382,857**	***20,358***	**1,399,**
Fee and commission income	312,506	29,281	46,954	4,388	(483)	392,646	87,941	29,881	510,4
Settlements operations	*287,461*	*21,652*	*10,173*	*2,255*	*(25)*	321,516	65,855	*26,587*	413,9
Currency conversion operations	*22,210*	*1,003*	*1,778*	-	-	24,991	-	*33*	25,02
Guarantees and letters of credit	*23*	*4,134*	*23,138*	-	-	27,295	8,432	*261*	35,98
Advisory	-	-	*902*	-	-	902	-	-	902
Cash operations	*244*	*2,471*	*1,837*	*137*	*(170)*	4,519	6,606	*2,659*	13,78
Brokerage service fees	-	*15*	*9,126*	-	*(43)*	9,098	5,300	-	14,39
Other	*2,568*	*6*	-	*1,996*	*(245)*	4,325	1,748	*341*	6,414
Fee and commission expense	(132,867)	(8,512)	(9,552)	(3,185)	490	(153,626)	(43,549)	*(22,606)*	(219,7
Settlements operations	*(115,515)*	*(7,265)*	*(2,931)*	-	*439*	(125,272)	(41,189)	*(18,825)*	(185,2
Currency conversion operations	*(4,794)*	*(217)*	*(384)*	-	-	(5,395)	-	*(1,594)*	(6,98
Guarantees and letters of credit	-	*(11)*	*(136)*	-	-	(147)	(95)	*(2)*	(244)
Advisory	-	-	*(157)*	-	-	(157)	-	-	(157)
Cash operations	*(4,700)*	*(742)*	*(1,786)*	*(3,052)*	*8*	(10,272)	(439)	*(2,184)*	(12,8
Brokerage service fees	*(600)*	*(277)*	*(4,158)*	*(133)*	-	(5,168)	(778)	*(1)*	(5,947
Other	*(7,258)*	-	-	-	*43*	(7,215)	(1,048)	-	(8,26
Net fee and commission income	***179,639***	***20,769***	***37,402***	***1,203***	***7***	**239,020**	**44,392**	***7,275***	**290,6**
Net foreign currency gain	*85,043*	*15,885*	*37,221*	*35,902*	-	174,051	71,870	52,270	298,1
Net gains/(losses) on extinguishment of debt	-	*2*	*8*	-	-	10	-	(235)	(225)
Other income from settlement of legacy claim									
Net other gains/(losses)	*(4,492)*	*667*	*14,660*	*11,440*	*(320)*	21,955	3,530	*4,102*	29,58
Operating income	***772,993***	***195,614***	***421,217***	***41,856***	***(313)***	**1,431,367**	**502,649**	***83,770***	**2,017,**
Operating expenses	*(288,549)*	*(52,285)*	*(64,594)*	*(15,548)*	*313*	(420,663)	(247,608)	(53,418)	(721,6
Gain on bargain purchase	-	-	-	-	-	-	-	-	-
Acquisition related costs	-	-	-	-	-	-	-	-	-
Profit from associates	-	-	-	*736*	-	736	-	-	736
Operating income before cost of risk	***484,444***	***143,329***	***356,623***	***27,044***	**-**	**1,011,440**	**255,041**	**30,352**	**1,296,**
Cost of risk	*(31,294)*	*(17,417)*	*(14,511)*	*(616)*	-	(63,838)	(13,940)	69	(77,7
Profit before income tax	***453,150***	***125,912***	***342,112***	***26,428***	**-**	**947,602**	**241,101**	**30,421**	**1,219,**

Income tax expense	*(76,169)*	*(20,535)*	*(58,006)*	*22,027*	-	(132,683)	(49,796)	(10,334)	(192,8
Profit for the year	***376,981***	***105,377***	***284,106***	***48,455***	**-**	**814,919**	**191,305**	**20,087**	**1,026,**
Assets and liabilities									
Total assets	*17,269,517*	*6,014,117*	*11,087,022*	*4,959,423*	*(378,806)*	38,951,273	14,354,800	1,785,997	55,09
Total liabilities	*14,963,636*	*5,161,033*	*9,012,777*	*4,893,492*	*(378,806)*	33,652,132	12,385,132	1,435,674	47,47
Other segment information									
Property and equipment	*48,160*	4,226	1,822	32	-	54,240	15,589	3,001	72,83
Intangible assets	*19,841*	3,496	1,885	120	-	25,342	20,583	6,920	52,84
Capital expenditure	**68,001**	***7,722***	***3,707***	***152***	**-**	**79,582**	**36,172**	**9,921**	**125,6**
Depreciation, amortisation and impairment	*(57,920)*	*(7,996)*	*(3,354)*	*(128)*	-	*(69,398)*	*(29,958)*	(5,904)	(105,2

5. Segment information (continued)

The following table presents the income statement information regarding the Group's operating segments for the six months period ended 30 June 2024 and certain asset and liability information as at 31 December 2024:

	Retail Banking	*SME*	*Corporate Investment Banking*	*Corporate center*	*Eliminations*	***Georgian Financial services***	***Armenian financial services***	***Other businesses***	***G T***
Interest Income	*721,431*	*269,335*	*438,197*	*118,033*	*(3,070)*	*1,543,926*	*253,162*	41,106	1
Interest expense	*(290,312)*	*(63,781)*	*(224,725)*	*(107,672)*	*3,070*	(683,420)	(87,779)	(10,840)	(782,
Inter-segment interest income/(expense)	*27,139*	*(74,235)*	*46,842*	*254*	-	-	-	-	-
Net interest income	***458,258***	***131,319***	***260,314***	***10,615***	**-**	**860,506**	**165,383**	***30,266***	**1,**
Fee and commission income	285,061	28,566	43,866	4,017	(2,619)	358,891	40,703	23,109	422,7
Settlements operations	*254,690*	*20,496*	*6,388*	*2,453*	*(1,050)*	282,977	23,144	*19,756*	325,8
Currency conversion operations	*24,705*	*759*	*1,485*	-	-	26,949	-	*1*	26,95
Guarantees and letters of credit	*294*	*4,337*	*22,509*	-	-	27,140	3,272	*327*	30,73
Advisory	-	-	*4,726*	-	-	4,726	9,762	-	14,48
Cash operations	*3,846*	*2,731*	*2,036*	*196*	*(1,561)*	7,248	3,084	*2,837*	13,16
Brokerage service fees	*3*	*241*	*6,722*	-	-	6,966	862	-	7,828
Other	*1,523*	*2*	-	*1,368*	*(8)*	2,885	579	*188*	3,652
Fee and commission expense	(114,151)	(10,718)	(5,806)	(3,032)	2,620	(131,087)	(11,666)	*(21,486)*	(164,
Settlements operations	*(100,375)*	*(9,850)*	*(312)*	-	*2,606*	(107,931)	(10,655)	*(17,721)*	(136,
Currency conversion operations	*(4,136)*	*(127)*	*(246)*	-	-	(4,509)	-	*(1,062)*	(5,57
Guarantees and letters of credit	*(4)*	*(6)*	*(130)*	-	-	(140)	(29)	*(2)*	(171)
Advisory	-	-	*(76)*	-	-	(76)	-	*(1)*	(77)
Cash operations	*(4,256)*	*(519)*	*(2,706)*	*(2,761)*	*7*	(10,235)	(432)	*(2,695)*	(13,3
Brokerage service fees	*(456)*	*(216)*	*(1,895)*	*(271)*	-	(2,838)	(329)	*(5)*	(3,17
Other	*(4,924)*	-	*(441)*	-	*7*	(5,358)	(221)	-	(5,57
Net fee and commission income	***170,910***	***17,848***	***38,060***	***985***	***1***	**227,804**	**29,037**	***1,623***	**258,4**
Net foreign currency gain	*81,431*	*20,286*	*49,729*	*29,361*	-	180,807	38,576	23,043	242,4
Net gains/(losses) on extinguishment of debt	-	-	-	-	-	-	-	4	4
Net other gains/(losses)	*9,134*	*2,233*	*5,838*	*2,867*	*(593)*	19,479	1,063	*15,359*	35,90
Operating income	***719,733***	***171,686***	***353,941***	***43,828***	***(592)***	**1,288,596**	**234,059**	***70,295***	**1,592**
Operating expenses	*(239,116)*	*(49,277)*	*(60,768)*	*(11,399)*	*592*	(359,968)	(125,097)	(40,794)	(525,

Gain on bargain purchase	-	-	-	-	-	-	685,888	-	685,8
Acquisition related costs	-	-	-	-	-	-	(16,423)	-	(16,4
Profit from associates	-	-	-	*589*	-	589	-	(113)	476
Operating income before cost of risk	***480,617***	***122,409***	***293,173***	***33,018***	**-**	**929,217**	**778,427**	**29,388**	**1,737**
Cost of risk	*(19,747)*	*(17,094)*	*(10,640)*	*(612)*	-	(48,093)	(56,091)	(6,711)	(110,
Profit before income tax	***460,870***	***105,315***	***282,533***	***32,406***	**-**	**881,124**	**722,336**	**22,677**	**1.**
Income tax expense	*(76,355)*	*(17,554)*	*(46,983)*	*11,009*	-	(129,883)	(22,409)	(5,325)	(157,
Profit for the year	***384,515***	***87,761***	***235,550***	***43,415***	**-**	**751,241**	**699,927**	**17,352**	**1,468**
Assets and liabilities									
Total assets	*16,200,289*	*5,771,994*	*11,077,297*	*4,333,737*	*(69,040)*	37,314,277	13,370,712	1,522,899	52.
Total liabilities	*13,988,963*	*4,955,018*	*9,122,546*	*4,324,960*	*(69,040)*	32,322,447	11,602,275	1,267,939	45.
Other segment information									
Property and equipment	*36,254*	3,587	1,130	-	-	40,971	7,636	1,689	50,29
Intangible assets	*26,211*	6,097	2,985	-	-	35,293	2,915	6,257	44,46
Capital expenditure	**62,465**	***9,684***	***4,115***	**-**	**-**	**76,264**	**10,551**	**7,946**	**94,70**
								-	
Depreciation, amortisation and impairment	*(49,733)*	*(6,470)*	*(2,535)*	-	-	*(58,738)*	*(14,618)*	(5,197)	(78,5

6. Cash and cash equivalents

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Cash on hand	1,158,017	1,360,608
Current accounts with credit institutions	1,138,009	1,222,334
Current accounts with central banks, excluding obligatory reserves	1,121,704	874,615
Time deposits with credit institutions with maturities of up to 90 days	605,115	295,874
Cash and cash equivalents, gross	**4,022,845**	**3,753,431**
Less - Allowance for expected credit loss	(624)	(248)
Cash and cash equivalents, net	**4,022,221**	**3,753,183**

Of the above cash and cash equivalents as at 30 June 2025, GEL 1,291,228 (31 December 2024: GEL 1,221,114) was placed on current and time deposit accounts with internationally recognised OECD banks and central banks that are the counterparties of the Group in performing international settlements. The Group earned up to 8.10% interest per annum on these deposits (31 December 2024: up to 4.60%). Management does not expect any losses from non-performance by the counterparties holding cash and cash equivalents, and there are no material differences between their book and fair values.

7. Amounts due from credit institutions

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Obligatory reserves with central banks	2,936,057	3,044,526
Receivables from reverse REPO operations	156,993	217,146
Time deposits with maturities of more than 90 days	85,656	1,322
Restricted cash	17,699	17,132
Amounts due from credit institutions, gross	**3,196,405**	**3,280,126**
Less - Allowance for expected credit loss	(1,799)	(1,661)
Amounts due from credit institutions, net	**3,194,606**	**3,278,465**

Obligatory reserves with central banks represent amounts deposited with the NBG, the CBA and National Bank of the Republic of Belarus (the "NBRB"). Credit institutions are required to maintain cash deposits (obligatory reserve) with the NBG, CBA and with the NBRB, the amount of which depends on the level of funds attracted by the credit institution. The Group's ability to withdraw these deposits is restricted by regulation. The Group earned up to 4.00% interest on obligatory reserves with NBG and 0.00%

interest on obligatory reserve with CBA and NBRB for the period ended 30 June 2025 and 31 December 2024.

Restricted cash includes amounts placed with payment systems which serve as guarantee funds for card transaction settlements and are subject to withdrawal restrictions.

8. Investment securities and investment securities pledged under sale and repurchase agreements and securities lending

Investment securities

	As at	
	30 June 2025 (unaudited)	*31 December 2024*
Investment securities measured at FVOCI - debt instruments [1]	5,418,192	5,993,853
Investment securities designated as at FVOCI - equity investments	26,183	26,948
Investment securities measured at FVOCI	**5,444,375**	**6,020,801**
Investment securities measured at FVTPL - debt instruments [2]	181,244	184,788
Investment securities measured at FVTPL - equity instruments	17,523	16,740
Investment securities measured at FVTPL	**198,767**	**201,528**
Investment securities measured at FV	**5,643,142**	**6,222,329**

8. Investment securities and investments securities pledged under sale and repurchase agreements and securities lending (continued)

Investment securities (Continued)

	30 June 2025 (unaudited)	*31 December 2024*
Investment securities measured at amortised cost [3]	2,302,955	2,748,054
Less: allowance for expected credit losses	(1,298)	(1,662)
Investment securities measured at amortized cost, net	**2,301,657**	**2,746,392**

[1] Investment securities measured at FVOCI - debt instruments comprise:

	30 June 2025 (unaudited)	*31 December 2024*
Ministry of Finance of Georgia treasury bonds	3,888,589	3,336,867
Ministry of Finance of Georgia treasury bills	95,652	106,139
US treasury bills	44,227	1,283,392
US treasury bonds	71,808	310,718
Foreign treasury bills	58,205	61,354
Government securities of the Republic of Armenia	30,536	73,223
Government Eurobonds of the Republic of Armenia	22,438	-
Certificates of deposit of central banks	-	27,630
Other debt instruments [1.1]	1,206,737	794,530
Investment securities measured at FVOCI - debt instruments	**5,418,192**	**5,993,853**

[1.1] Other debt instruments measured at FVOCI comprise:

	30 June 2025 (unaudited)	*31 December 2024*
European Bank for Reconstruction and Development	449,067	316,680
International Finance Corporation	80,982	116,089
Asian Development Bank	268,812	110,989
World bank	50,423	85,363
Asian Infrastructure Investment Bank	132,436	61,625
European Investment Bank	132,582	-
Other debt instruments	92,435	103,784
Investment securities measured at FVOCI - Other debt instruments	**1,206,737**	**794,530**

[2] Investment securities measured at FVTPL - debt instruments comprise:

	30 June 2025 (unaudited)	*31 December 2024*
Government securities of the Republic of Armenia	104,193	114,594
Other debt instruments	77,051	70,194
Investment securities measured at FVTPL - debt instruments	**181,244**	**184,788**

[3] Investment securities measured at amortised cost - debt instruments comprise:

	30 June 2025 (unaudited)	*31 December 2024*
Ministry of Finance of Georgia treasury bonds	58,823	65,557
US treasury bonds	210,324	515,240
Government securities of the Republic of Armenia	392,870	553,100
Other debt instruments [3.1]	1,640,938	1,614,157

Other debt instruments [3.1]	1,640,938	1,614,157
Investment securities measured at amortised cost - debt instruments, gross	**2,302,955**	**2,748,054**
Less: allowance for expected credit losses	(1,298)	(1,662)
Investment securities measured at amortised cost - debt instruments, net	**2,301,657**	**2,746,392**

[3.1] Other debt instruments measured at amortised cost comprise:

	30 June 2025 (unaudited)	*31 December 2024*
European Bank for Reconstruction and Development	1,030,625	1,011,633
Asian Development Bank	299,365	318,713
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.	180,316	100,267
Tegeta Motors LLC	43,024	43,022
Other debt instruments	87,608	140,522
Investment securities measured at amortised cost - Other debt instruments, gross	**1,640,938**	**1,614,157**

8. Investment securities and investments securities pledged under sale and repurchase agreements and securities lending (continued)

Investment securities (Continued)

Investment securities pledged were as follows:

Investment securities pledged for short-term loans from central banks	*30 June 2025 (unaudited)*	*31 December 2024*
Georgian Ministry of Finance treasury bonds	1,111,323	1,336,096
Government securities of the Republic of Armenia	667,702	-
Other debt instruments	-	541,939
Total	**1,779,025**	**1,878,035**
Out of which:		
Measured at FVOCI	1,157,422	1,336,096
Measured at FVTPL	63,364	-
Measured at amortised cost	558,239	541,939

Investment securities pledged for MOF	*30 June 2025 (unaudited)*	*31 December 2024*
Georgian Ministry of Finance treasury bonds	853,815	300,256
Other debt instruments	390,476	543,513
Total	**1,244,291**	**843,769**
Out of which:		
Measured at FVOCI	853,815	300,256
Measured at amortised cost	390,476	543,513

For the period ended 30 June 2025 net gains on derecognition of investment securities measured at FVOCI comprised GEL 2,226 (2024: GEL 4,541) which is included in net other income.

As at 30 June 2025, allowance for ECL on investment securities measured at FVOCI comprised GEL 10,871 (31 December 2024: GEL 11,275).

Investment securities pledged under sale and repurchase agreements and securities lending

	30 June 2025 (unaudited)	*31 December 2024*
Investment securities pledged under sale and repurchase agreements and securities lending measured at FVOCI - debt instruments [4]	380,638	186,670
Investment securities pledged under sale and repurchase agreements and securities lending measured at FVTPL - debt instruments [5]	63,364	27,205
Investment securities pledged under sale and repurchase agreements and securities lending measured at FV	**444,002**	**213,875**

	30 June 2025 (unaudited)	*31 December 2024*
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost [6]	728,601	270,199
Less: allowance for expected credit losses	(941)	(408)
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost - debt instruments, net	**727,660**	**269,791**

[4] Investment securities pledged under sale and repurchase agreements and securities lending measured at FVOCI - debt instruments comprise:

	30 June 2025 (unaudited)	*31 December 2024*
US treasury bills	132,272	138,945
US treasury bonds	202,267	-
Government securities of the Republic of Armenia	46,099	47,725
Investment securities pledged under sale and repurchase agreements and securities lending measured at FVOCI - debt instruments	**380,638**	**186,670**

8. Investment securities and investments securities pledged under sale and repurchase agreements and securities lending (continued)

Investment securities pledged under sale and repurchase agreements and securities lending (Continued)

[5] Investment securities pledged under sale and repurchase agreements and securities lending measured at FVTPL - debt instruments comprise:

	30 June 2025 (unaudited)	*31 December 2024*
Government securities of the Republic of Armenia	63,364	27,205
Investment securities pledged under sale and repurchase agreements and securities lending measured at FVTPL - debt instruments	**63,364**	**27,205**

[6] Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost - debt instruments comprise:

	30 June 2025 (unaudited)	*31 December 2024*
US treasury bonds	169,422	-
Government securities of the Republic of Armenia	559,179	270,199
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost - debt instruments, gross	**728,601**	**270,199**
Less: allowance for expected credit losses	(941)	(408)
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost - debt instruments, net	**727,660**	**269,791**

9. Loans to customers, factoring and finance lease receivables

	As at	
	30 June 2025 (unaudited)	31 December 2024
Commercial loans	13,313,998	12,112,671
Consumer loans	8,409,807	7,388,490
Residential mortgage loans	7,854,405	7,497,628
Micro and SME loans	6,701,264	6,347,982
Gold - pawn loans	189,600	154,242
Loans to customers at amortised cost, gross	**36,469,074**	**33,501,013**
Less - Allowance for expected credit loss	(471,128)	(430,312)
Loans to customers at amortised cost, net	**35,997,946**	**33,070,701**
Finance lease receivables, gross	**458,211**	**428,222**
Less - Allowance for expected credit loss	(8,077)	(10,485)
Finance lease receivables, net	**450,134**	**417,737**
Factoring receivables, gross	**83,016**	**70,458**
Less - Allowance for expected credit loss	(649)	(22)
Factoring receivables, net	**82,367**	**70,436**
Total loans to customers, factoring and finance lease receivables	**36,530,447**	**33,558,874**

As at 30 June 2025, loans to customers carried at GEL 1,937,109 (31 December 2024: GEL 1,044,929) were pledged for short-term loans from the NBG.

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss

Movements of the gross loans and respective allowance for expected credit loss / impairment of loans to customers by stage are provided in the table below, within which the new financial asset originated or purchased and the assets repaid during the year include the effects from revolving loans and increase of exposure to clients, where existing loans have been repaid with new contracts issued during the year. All new financial assets are originated either in Stage 1 or POCI category. Utilisation of additional tranches on existing financial assets are reflected in Stage 2 or Stage 3 if the credit risk of the borrower has deteriorated since initiation. Currency translation differences relate to loans issued by the subsidiaries of the Group whose functional currency is different from the presentation currency of the Group, while foreign exchange movement relates to foreign currency denominated loans issued by the Group. Net other changes in gross loan balances includes the effects of changes in accrued interest. Net other measurement of ECL includes the effect of changes in ECL due to post-model adjustments, changes in PDs and other inputs, as well as the effect from ECL attributable to changes in accrued interest.

Commercial loans at amortised cost, gross:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**11,630,625**	**278,071**	**188,704**	**15,271**	**12,112,671**
New financial asset originated or purchased	4,338,978	26,342	22,701	18,533	4,406,554
Transfer to Stage 1	25,106	(25,106)	-	-	-
Transfer to Stage 2	(201,598)	201,598	-	-	-
Transfer to Stage 3	(68)	(28,246)	28,314	-	-
Assets repaid	(3,161,453)	(107,410)	(49,300)	(14,355)	(3,332,518)
Resegmentation	58,703	-	-	-	58,703
Impact of modifications	(140)	(222)	264	-	(98)
Foreign exchange movement	64,819	2,518	(521)	(371)	66,445
Net other changes	(34,141)	5,035	(288)	(497)	(29,891)
Write-offs	-	-	(508)	(518)	(1,026)
Recoveries of amounts previously written off	-	-	1,207	11,999	13,206
Unwind of discount	-	-	3,738	238	3,976
Currency translation differences	14,268	749	958	1	15,976

Balance at 30 June 2025	**12,735,099**	**353,329**	**195,269**	**30,301**	**13,313,998**
Individually assessed	3,671,437	-	189,068	27,068	3,887,573
Collectively assessed	9,063,662	353,329	6,201	3,233	9,426,425
Balance at 30 June 2025	**12,735,099**	**353,329**	**195,269**	**30,301**	**13,313,998**

Commercial loans at amortised cost, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**39,982**	**6,469**	**105,529**	**5,754**	**157,734**
New financial asset originated or purchased	15,121	446	2,974	2,243	20,784
Transfer to Stage 1	723	(723)	-	-	-
Transfer to Stage 2	(2,357)	2,357	-	-	-
Transfer to Stage 3	-	(29)	29	-	-
Impact on ECL of exposures transferred between stages during the year	(636)	1,054	3,820	-	4,238
Assets repaid	(6,889)	(1,894)	(6,543)	(13,324)	(28,650)
Resegmentation	94	-	-	-	94
Impact of modifications	-	2	123	-	125
Foreign exchange movement	726	273	933	(170)	1,762
Net other measurement of ECL	(2,147)	(1,929)	3,487	1,383	794
Income statement (releases)/charges	4,635	(443)	4,823	(9,868)	(853)
Write-offs	-	-	(508)	(518)	(1,026)
Recoveries of amounts previously written off	-	-	1,207	11,999	13,206
Unwind of discount	-	-	3,738	238	3,976
Currency translation differences	15	(2)	(892)	-	(879)
Balance at 30 June 2025	**44,632**	**6,024**	**113,897**	**7,605**	**172,158**
Individually assessed	28,453	-	109,783	6,474	144,710
Collectively assessed	16,179	6,024	4,114	1,131	27,448
Balance at 30 June 2025	**44,632**	**6,024**	**113,897**	**7,605**	**172,158**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Residential mortgage loans at amortised cost, gross:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**7,253,431**	**145,686**	**60,847**	**37,664**	**7,497,628**
New financial asset originated or purchased	1,096,210	-	192	1,335	1,097,737
Transfer to Stage 1	102,268	(101,927)	(341)	-	-
Transfer to Stage 2	(139,304)	147,978	(8,674)	-	-
Transfer to Stage 3	(2,196)	(18,493)	20,689	-	-
Assets repaid	(713,890)	(15,061)	(15,183)	(4,957)	(749,091)
Resegmentation	(20)	-	-	-	(20)
Impact of modifications	878	(18)	151	(19)	992
Foreign exchange movement	19,200	403	(171)	(140)	19,292
Net other changes	(2,885)	(10,859)	2,401	2,487	(8,856)
Write-offs	-	-	(4,516)	(280)	(4,796)

	Stage 1	Stage 2	Stage 3	POCI	Total
Recoveries of amounts previously written off	-	-	2,392	559	2,951
Unwind of discount	-	-	264	235	499
Currency translation differences	(1,910)	17	(28)	(10)	(1,931)
Balance at 30 June 2025	**7,611,782**	**147,726**	**58,023**	**36,874**	**7,854,405**
Individually assessed	624	-	17,127	5,100	22,851
Collectively assessed	7,611,158	147,726	40,896	31,774	7,831,554
Balance at 30 June 2025	**7,611,782**	**147,726**	**58,023**	**36,874**	**7,854,405**

Residential mortgage loans at amortised cost, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**2,745**	**1,157**	**7,865**	**2,858**	**14,625**
New financial asset originated or purchased	931	-	150	362	1,443
Transfer to Stage 1	623	(576)	(47)	-	-
Transfer to Stage 2	(290)	903	(613)	-	-
Transfer to Stage 3	(14)	(554)	568	-	-
Impact on ECL of exposures transferred between stages during the year	(285)	(148)	991	-	558
Assets repaid	(318)	(164)	(2,638)	(850)	(3,970)
Impact of modifications	6	-	73	(1)	78
Foreign exchange movement	2	(5)	25	(7)	15
Net other measurement of ECL	941	939	4,324	(69)	6,135
Income statement (releases)/charges	1,596	395	2,833	(565)	4,259
Write-offs	-	-	(4,516)	(280)	(4,796)
Recoveries of amounts previously written off	-	-	2,392	559	2,951
Unwind of discount	-	-	264	235	499
Currency translation differences	(6)	-	(2)	(1)	(9)
Balance at 30 June 2025	**4,335**	**1,552**	**8,836**	**2,806**	**17,529**
Individually assessed	-	-	2,236	112	2,348
Collectively assessed	4,335	1,552	6,600	2,694	15,181
Balance at 30 June 2025	**4,335**	**1,552**	**8,836**	**2,806**	**17,529**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Micro and SME loans at amortised cost, gross:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**5,897,357**	**196,718**	**190,321**	**63,586**	**6,347,982**
New financial asset originated or purchased	1,807,563	751	221	721	1,809,256
Transfer to Stage 1	64,772	(64,525)	(247)	-	-
Transfer to Stage 2	(140,314)	148,640	(8,326)	-	-
Transfer to Stage 3	(6,328)	(49,595)	55,923	-	-
Assets repaid	(1,382,193)	(31,391)	(28,280)	(2,142)	(1,444,006)
Resegmentation	(58,607)	-	-	-	(58,607)
Impact of modifications	(34)	384	(488)	(2)	(140)
Foreign exchange movement	13,665	2,168	(466)	(634)	14,733
Net other changes	21,084	248	6,234	1,439	29,005
Write-offs	-	-	(11,452)	(735)	(12,187)
Recoveries of amounts previously written off	-	-	7,387	448	7,835
Unwind of discount	-	-	1,774	(776)	998
Currency translation differences	5,230	471	764	(70)	6,395
Balance at 30 June 2025	**6,222,195**	**203,869**	**213,365**	**61,835**	**6,701,264**

Individually assessed	749,114	-	48,695	57,375	855,184
Collectively assessed	5,473,081	203,869	164,670	4,460	5,846,080
Balance at 30 June 2025	**6,222,195**	**203,869**	**213,365**	**61,835**	**6,701,264**

Micro and SME loans at amortised cost, ECL:	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 31 December 2024	**19,287**	**5,374**	**62,062**	**12,281**	**99,004**
New financial asset originated or purchased	9,952	4	3	108	10,067
Transfer to Stage 1	1,467	(1,277)	(190)	-	-
Transfer to Stage 2	(1,546)	2,858	(1,312)	-	-
Transfer to Stage 3	(326)	(2,490)	2,816	-	-
Impact on ECL of exposures transferred between stages during the year	(667)	801	8,246	-	8,380
Assets repaid	(4,469)	(883)	(12,480)	(365)	(18,197)
Resegmentation	(93)	-	-	-	(93)
Impact of modifications	3	29	(134)	(1)	(103)
Foreign exchange movement	21	12	81	520	634
Net other measurement of ECL	2,020	1,747	16,431	(1,343)	18,855
Income statement (releases)/charges	6,362	801	13,461	(1,081)	19,543
Write-offs	-	-	(11,452)	(735)	(12,187)
Recoveries of amounts previously written off	-	-	7,387	448	7,835
Unwind of discount	-	-	1,774	(776)	998
Currency translation differences	(2)	(10)	117	4	109
Balance at 30 June 2025	**25,647**	**6,165**	**73,349**	**10,141**	**115,302**
Individually assessed	4,547	-	13,519	8,970	27,036
Collectively assessed	21,100	6,165	59,830	1,171	88,266
Balance at 30 June 2025	**25,647**	**6,165**	**73,349**	**10,141**	**115,302**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Consumer loans at amortised cost, gross:	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 31 December 2024	**6,983,775**	**261,879**	**114,878**	**27,958**	**7,388,490**
New financial asset originated or purchased	3,972,137	12,470	933	2,091	3,987,631
Transfer to Stage 1	162,501	(161,880)	(621)	-	-
Transfer to Stage 2	(363,888)	381,605	(17,717)	-	-
Transfer to Stage 3	(11,749)	(70,580)	82,329	-	-
Assets repaid	(2,867,247)	(57,940)	(38,193)	(5,444)	(2,968,824)
Resegmentation	(76)	-	-	-	(76)
Impact of modifications	(759)	223	(2,421)	(5)	(2,962)
Foreign exchange movement	6,126	570	225	49	6,970
Net other changes	48,335	(63,246)	29,331	2,460	16,880
Write-offs	-	-	(55,004)	(268)	(55,272)
Recoveries of amounts previously written off	-	-	19,572	572	20,144
Unwind of discount	-	-	1,039	(121)	918
Currency translation differences	15,443	75	395	(5)	15,908
Balance at 30 June 2025	**7,944,598**	**303,176**	**134,746**	**27,287**	**8,409,807**
Individually assessed	37	-	12,845	1,154	14,036

Collectively assessed	7,944,561	303,176	121,901	26,133	8,395,771
Balance at 30 June 2025	**7,944,598**	**303,176**	**134,746**	**27,287**	**8,409,807**

Consumer loans at amortised cost, ECL:

	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 31 December 2024	**65,545**	**26,356**	**61,770**	**4,264**	**157,935**
New financial asset originated or purchased	46,993	1,424	337	291	49,045
Transfer to Stage 1	12,895	(12,568)	(327)	-	-
Transfer to Stage 2	(17,616)	26,482	(8,866)	-	-
Transfer to Stage 3	(590)	(10,481)	11,071	-	-
Impact on ECL of exposures transferred between stages during the year	(6,550)	6,213	26,242	-	25,905
Assets repaid	(36,130)	(12,379)	(33,246)	(1,719)	(83,474)
Resegmentation	(1)	-	-	-	(1)
Impact of modifications	(151)	1	(894)	(11)	(1,055)
Foreign exchange movement	27	17	166	(10)	200
Net other measurement of ECL	(4,100)	1,697	51,741	1,133	50,471
Income statement (releases)/charges	(5,223)	406	46,224	(316)	41,091
Write-offs	-	-	(55,004)	(268)	(55,272)
Recoveries of amounts previously written off	-	-	19,572	572	20,144
Unwind of discount	-	-	1,039	(121)	918
Currency translation differences	80	23	213	(2)	314
Balance at 30 June 2025	**60,402**	**26,785**	**73,814**	**4,129**	**165,130**
Individually assessed	-	-	3,795	40	3,835
Collectively assessed	60,402	26,785	70,019	4,089	161,295
Balance at 30 June 2025	**60,402**	**26,785**	**73,814**	**4,129**	**165,130**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Gold - pawn loans at amortised cost, gross:

	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 31 December 2024	**145,866**	**5,649**	**2,727**	**-**	**154,242**
New financial asset originated or purchased	181,095	-	1,376	-	182,471
Transfer to Stage 1	3,765	(3,765)	-	-	-
Transfer to Stage 2	(10,328)	10,966	(638)	-	-
Transfer to Stage 3	(361)	(830)	1,191	-	-
Assets repaid	(140,577)	(5,370)	(1,525)	-	(147,472)
Foreign exchange movement	(2)	-	-	-	(2)
Net other changes	267	30	68	-	365
Write-offs	-	-	(3)	-	(3)
Recoveries of amounts previously written off	-	-	(1)	-	(1)
Balance at 30 June 2025	**179,725**	**6,680**	**3,195**	**-**	**189,600**
Collectively assessed	179,725	6,680	3,195	-	189,600
Balance at 30 June 2025	**179,725**	**6,680**	**3,195**	**-**	**189,600**

Gold - pawn loans at amortised cost, ECL:

	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 31 December 2024	**13**	**5**	**996**	**-**	**1,014**
New financial asset originated or purchased	1	-	58	-	59
Transfer to Stage 1	1	(1)	-	-	-
Transfer to Stage 2	(1)	17	(16)	-	-
Impact on ECL of exposures transferred					

Impact on ECL of exposures transferred between stages during the year	(1)	(15)	17	-	1
Assets repaid	(3)	(1)	(45)	-	(49)
Net other measurement of ECL	(7)	(3)	(2)	-	(12)
Income statement (releases)/charges	(10)	(3)	12	-	(1)
Write-offs	-	-	(3)	-	(3)
Recoveries of amounts previously written off	-	-	(1)	-	(1)
Balance at 30 June 2025	**3**	**2**	**1,004**	**-**	**1,009**
Collectively assessed	3	2	1,004	-	1,009
Balance at 30 June 2025	**3**	**2**	**1,004**	**-**	**1,009**

Finance lease receivables, gross

	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 31 December 2024	**400,515**	**956**	**9,300**	**17,451**	**428,222**
New financial asset originated or purchased	148,632	-	-	2,281	150,913
Transfer to Stage 1	267	(267)	-	-	-
Transfer to Stage 2	(1,723)	1,752	(29)	-	-
Transfer to Stage 3	(315)	(1,107)	1,422	-	-
Assets repaid	(95,606)	(332)	(700)	(4,389)	(101,027)
Impact of modifications	69	-	-	-	69
Foreign exchange movement	(2,907)	(107)	(411)	(174)	(3,599)
Net other changes	(17,417)	17	599	566	(16,235)
Write-offs	-	-	(3,022)	(100)	(3,122)
Recoveries of amounts previously written off	-	-	85	-	85
Unwind of discount	-	-	139	(113)	26
Currency translation differences	2,766	52	61	-	2,879
Balance at 30 June 2025	**434,281**	**964**	**7,444**	**15,522**	**458,211**
Individually assessed	138,299	-	2,738	270	141,307
Collectively assessed	295,982	964	4,706	15,252	316,904
Balance at 30 June 2025	**434,281**	**964**	**7,444**	**15,522**	**458,211**

Finance lease receivables, ECL:

	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 31 December 2024	**1,064**	**177**	**7,512**	**1,732**	**10,485**
New financial asset originated or purchased	700	-	-	-	700
Transfer to Stage 1	29	(29)	-	-	-
Transfer to Stage 2	(12)	27	(15)	-	-
Transfer to Stage 3	(104)	(513)	617	-	-
Impact on ECL of exposures transferred between stages during the year	(28)	102	126	-	200
Assets repaid	(510)	(17)	(411)	(755)	(1,693)
Foreign exchange movement	(6)	1	(11)	-	(16)
Net other measurement of ECL	673	257	(90)	596	1,436
Income statement (releases)/charges	742	(172)	216	(159)	627
Write-offs	-	-	(595)	(100)	(695)
Recoveries of amounts previously written off	-	-	(2,367)	-	(2,367)
Unwind of discount	-	-	139	(113)	26
Currency translation differences	(3)	(1)	5	-	1
Balance at 30 June 2025	**1,803**	**4**	**4,910**	**1,360**	**8,077**
Individually assessed	824	-	226	11	1,061
Collectively assessed	979	4	4,684	1,349	7,016
Balance at 30 June 2025	**1,803**	**4**	**4,910**	**1,360**	**8,077**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Commercial loans at amortised cost, gross:	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January 2024	**6,325,257**	**515,789**	**101,365**	**23,575**	**6,965,986**
New financial asset originated or purchased	3,689,859	29,811	430	3,283	3,723,383
Transfer to Stage 1	36,621	(36,621)	-	-	-
Transfer to Stage 2	(126,749)	126,749	-	-	-
Transfer to Stage 3	(8,013)	(27,829)	35,842	-	-
Assets repaid	(2,624,316)	(142,384)	(22,630)	(2,093)	(2,791,423)
Resegmentation	34,101	-	-	-	34,101
Impact of modifications	(187)	(727)	(159)	(22)	(1,095)
Business combination	2,371,851	-	-	16,140	2,387,991
Foreign exchange movement	150,778	11,781	1,343	1,105	165,007
Day 2' expected credit loss on business combination	-	-	-	-	-
Net other changes	19,177	1,519	139	514	21,349
Write-offs	-	-	(3,289)	(1,356)	(4,645)
Recoveries of amounts previously written off	-	-	487	36	523
Unwind of discount	-	-	2,346	1,609	3,955
Currency translation differences	167,929	1,451	1,427	916	171,723
Balance at 30 June 2024	**10,036,308**	**479,539**	**117,301**	**43,707**	**10,676,855**
Individually assessed	2,453,623	-	106,419	41,992	2,602,034
Collectively assessed	7,582,685	479,539	10,882	1,715	8,074,821
Balance at 30 June 2024	**10,036,308**	**479,539**	**117,301**	**43,707**	**10,676,855**

Commercial loans at amortised cost, ECL:	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January 2024	**14,100**	**33,191**	**44,129**	**8,938**	**100,358**
New financial asset originated or purchased	13,670	402	239	2,061	16,372
Transfer to Stage 1	556	(556)	-	-	-
Transfer to Stage 2	(2,151)	2,151	-	-	-
Transfer to Stage 3	(1,003)	(3,600)	4,603	-	-
Impact on ECL of exposures transferred between stages during the year	(109)	1,726	7,591	-	9,208
Assets repaid	(7,992)	(4,218)	(3,561)	(104)	(15,875)
Resegmentation	198	-	-	-	198
Impact of modifications	(1)	6	66	(10)	61
Foreign exchange movement	150	744	823	586	2,303
Day 2' expected credit loss on business combination	22,867	-	-	-	22,867
Net other measurement of ECL	(7,785)	2,821	(2,449)	(6,389)	(13,802)
Income statement (releases)/charges	18,400	(524)	7,312	(3,856)	21,332
Write-offs	-	-	(3,289)	(1,356)	(4,645)
Recoveries of amounts previously written off	-	-	487	36	523
Unwind of discount	-	-	2,346	1,609	3,955
Currency translation differences	645	69	505	(158)	1,061
Balance at 30 June 2024	**33,145**	**32,736**	**51,490**	**5,213**	**122,584**
Individually assessed	15,190	-	46,783	5,213	67,186
Collectively assessed	17,955	32,736	4,707	-	55,398

Balance at 30 June 2024	**33,145**	**32,736**	**51,490**	**5,213**	**122,584**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Residential mortgage loans at amortised cost, gross:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**4,300,338**	**174,052**	**50,946**	**32,189**	**4,557,525**
New financial asset originated or purchased	955,341	-	-	9,420	964,761
Transfer to Stage 1	142,385	(142,385)	-	-	-
Transfer to Stage 2	(124,298)	133,342	(9,044)	-	-
Transfer to Stage 3	(9,385)	(13,403)	22,788	-	-
Assets repaid	(637,175)	(20,894)	(16,317)	(5,138)	(679,524)
Impact of modifications	449	(35)	(174)	11	251
Business combination	1,639,127	-	-	7,144	1,646,271
Foreign exchange movement	42,605	982	447	634	44,668
Net other changes	(8,708)	(1,423)	1,642	224	(8,265)
Write-offs	-	-	(3,129)	(2,104)	(5,233)
Recoveries of amounts previously written off	-	-	183	1,823	2,006
Unwind of discount	-	-	(18)	79	61
Currency translation differences	102,899	95	66	403	103,463
Balance at 30 June 2024	**6,403,578**	**130,331**	**47,390**	**44,685**	**6,625,984**
Individually assessed	-	-	1,800	8,872	10,672
Collectively assessed	6,403,578	130,331	45,590	35,813	6,615,312
Balance at 30 June 2024	**6,403,578**	**130,331**	**47,390**	**44,685**	**6,625,984**

Residential mortgage loans at amortised cost, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**3,972**	**2,036**	**11,867**	**4,875**	**22,750**
New financial asset originated or purchased	2,253	-	-	1,511	3,764
Transfer to Stage 1	1,369	(1,369)	-	-	-
Transfer to Stage 2	(681)	2,509	(1,828)	-	-
Transfer to Stage 3	(1,562)	(227)	1,789	-	-
Impact on ECL of exposures transferred between stages during the year	(334)	(1,548)	1,426	-	(456)
Assets repaid	(393)	(278)	(2,883)	(1,878)	(5,432)
Impact of modifications	3	1	81	126	211
Foreign exchange movement	13	2	52	83	150
Day 2' expected credit loss on business combination	872	-	-	-	872
Net other measurement of ECL	(1,237)	411	2,969	1,430	3,573
Income statement (releases)/charges	303	(499)	1,606	1,272	2,682
Write-offs	-	-	(3,129)	(2,104)	(5,233)
Recoveries of amounts previously written off	-	-	183	1,823	2,006
Unwind of discount	-	-	(18)	79	61
Currency translation differences	28	4	20	(2)	50
Balance at 30 June 2024	**4,303**	**1,541**	**10,529**	**5,943**	**22,316**
Individually assessed	-	-	367	315	682
Collectively assessed	4,303	1,541	10,162	5,628	21,634

Balance at 30 June 2024	**4,303**	**1,541**	**10,529**	**5,943**	**22,316**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Micro and SME loans at amortised cost, gross:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**3,709,870**	**191,530**	**168,425**	**3,197**	**4,073,022**
New financial asset originated or purchased	1,713,061	100	418	890	1,714,469
Transfer to Stage 1	71,265	(71,265)	-	-	-
Transfer to Stage 2	(130,373)	140,871	(10,498)	-	-
Transfer to Stage 3	(20,161)	(49,743)	69,904	-	-
Assets repaid	(1,286,206)	(32,918)	(35,073)	(568)	(1,354,765)
Resegmentation	(34,169)	-	63	-	(34,106)
Impact of modifications	44	85	(587)	(5)	(463)
Business combination	1,476,893	-	-	50,215	1,527,108
Foreign exchange movement	53,595	2,285	2,049	50	57,979
Net other changes	34,918	792	5,324	182	41,216
Write-offs	-	-	(12,575)	(2,494)	(15,069)
Recoveries of amounts previously written off	-	-	4,230	1,304	5,534
Unwind of discount	-	-	1,544	413	1,957
Currency translation differences	94,830	453	842	2,973	99,098
Balance at 30 June 2024	**5,683,567**	**182,190**	**194,066**	**56,157**	**6,115,980**
Individually assessed	523,438	-	46,847	51,880	622,165
Collectively assessed	5,160,129	182,190	147,219	4,277	5,493,815
Balance at 30 June 2024	**5,683,567**	**182,190**	**194,066**	**56,157**	**6,115,980**

Micro and SME loans at amortised cost, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**11,004**	**5,538**	**54,286**	**833**	**71,661**
New financial asset originated or purchased	8,780	-	26	57	8,863
Transfer to Stage 1	2,279	(2,279)	-	-	-
Transfer to Stage 2	(3,874)	5,834	(1,960)	-	-
Transfer to Stage 3	(8,359)	(2,788)	11,147	-	-
Impact on ECL of exposures transferred between stages during the year	(227)	(1,731)	10,730	-	8,772
Assets repaid	(3,870)	(1,000)	(12,083)	(168)	(17,121)
Resegmentation	(198)	-	-	-	(198)
Impact of modifications	2	-	(248)	(3)	(249)
Foreign exchange movement	79	18	589	6	692
Day 2' expected credit loss on business combination	14,006	-	-	-	14,006
Net other measurement of ECL	6,712	3,306	14,663	2,760	27,441

Income statement (releases)/charges	15,330	1,360	22,864	2,652	42,206
Write-offs	-	-	(12,575)	(2,494)	(15,069)
Recoveries of amounts previously written off	-	-	4,230	1,304	5,534
Unwind of discount	-	-	1,544	413	1,957
Currency translation differences	453	76	415	54	998
Balance at 30 June 2024	**26,787**	**6,974**	**70,764**	**2,762**	**107,287**
Individually assessed	3,800	-	21,007	1,889	26,696
Collectively assessed	22,987	6,974	49,757	873	80,591
Balance at 30 June 2024	**26,787**	**6,974**	**70,764**	**2,762**	**107,287**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Consumer loans at amortised cost, gross:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**4,325,759**	**234,229**	**111,469**	**28,512**	**4,699,969**
New financial asset originated or purchased	3,074,950	2,715	292	4,401	3,082,358
Transfer to Stage 1	165,225	(165,164)	(61)	-	-
Transfer to Stage 2	(236,932)	260,655	(23,723)	-	-
Transfer to Stage 3	(20,590)	(39,956)	60,546	-	-
Assets repaid	(2,231,322)	(54,820)	(31,366)	(5,721)	(2,323,229)
Resegmentation	-	-	94	-	94
Impact of modifications	(297)	(6)	(2,831)	(253)	(3,387)
Business combination	885,372	-	-	3,576	888,948
Foreign exchange movement	18,603	472	292	113	19,480
Net other changes	9,200	(1,630)	8,122	(2,102)	13,590
Write-offs	-	-	(37,275)	(1,941)	(39,216)
Recoveries of amounts previously written off	-	-	15,046	3,355	18,401
Unwind of discount	-	-	1,151	492	1,643
Currency translation differences	62,655	207	262	183	63,307
Balance at 30 June 2024	**6,052,623**	**236,702**	**102,018**	**30,615**	**6,421,958**
Individually assessed	-	-	4,763	1,540	6,303
Collectively assessed	6,052,623	236,702	97,255	29,075	6,415,655
Balance at 30 June 2024	**6,052,623**	**236,702**	**102,018**	**30,615**	**6,421,958**

Consumer loans at amortised cost, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**41,947**	**18,044**	**63,888**	**7,754**	**131,633**
New financial asset originated or purchased	63,785	260	75	1,537	65,657
Transfer to Stage 1	9,647	(9,616)	(31)	-	-
Transfer to Stage 2	(15,731)	30,607	(14,876)	-	-
Transfer to Stage 3	(16,748)	(8,188)	24,936		

Transfer to Stage 3	(16,748)	(8,188)	24,936	-	-
Impact on ECL of exposures transferred between stages during the year	(1,043)	(11,155)	11,277	-	(921)
Assets repaid	(24,720)	(4,491)	(22,046)	(2,410)	(53,667)
Impact of modifications	(205)	(2)	(1,349)	(47)	(1,603)
Foreign exchange movement	21	8	108	11	148
Day 2' expected credit loss on business combination	9,278	-	-	-	9,278
Net other measurement of ECL	(10,810)	6,851	18,080	(2,195)	11,926
Income statement (releases)/charges	13,474	4,274	16,174	(3,104)	30,818
Write-offs	-	-	(37,275)	(1,941)	(39,216)
Recoveries of amounts previously written off	-	-	15,046	3,355	18,401
Unwind of discount	-	-	1,151	492	1,643
Currency translation differences	321	67	164	(1)	551
Balance at 30 June 2024	**55,742**	**22,385**	**59,148**	**6,555**	**143,830**
Individually assessed	-	-	2,349	(73)	2,276
Collectively assessed	55,742	22,385	56,799	6,628	141,554
Balance at 30 June 2024	**55,742**	**22,385**	**59,148**	**6,555**	**143,830**

9. Loans to customers, factoring and finance lease receivables (continued)

Expected credit loss (continued)

Gold - pawn loans at amortised cost, gross:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**137,416**	**8,696**	**4,116**	**-**	**150,228**
New financial asset originated or purchased	78,243	-	169	-	78,412
Transfer to Stage 1	5,145	(5,145)	-	-	-
Transfer to Stage 2	(6,206)	6,973	(767)	-	-
Transfer to Stage 3	(1,442)	(695)	2,137	-	-
Assets repaid	(73,909)	(3,615)	(2,529)	-	(80,053)
Resegmentation	68	-	(157)	-	(89)
Foreign exchange movement	4	-	-	-	4
Net other changes	(62)	(31)	166	-	73
Write-offs	-	-	(32)	-	(32)
Recoveries of amounts previously written off	-	-	6	-	6
Balance at 30 June 2024	**139,257**	**6,183**	**3,109**	**-**	**148,549**
Collectively assessed	139,257	6,183	3,109	-	148,549
Balance at 30 June 2024	**139,257**	**6,183**	**3,109**	**-**	**148,549**

Gold - pawn loans at amortised cost, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**44**	**24**	**1,322**	**-**	**1,390**
Transfer to Stage 1	10	(10)	-	-	-
Transfer to Stage 2	(4)	49	(45)	-	-
Transfer to Stage 3	-	(1)	1	-	-

Assets repaid	(12)	(6)	(194)	-	(212)
Net other measurement of ECL	(13)	(45)	79	-	21
Income statement (releases)/charges	(19)	(13)	(159)	-	(191)
Write-offs	-	-	(32)	-	(32)
Recoveries of amounts previously written off	-	-	6	-	6
Balance at 30 June 2024	**25**	**11**	**1,137**	**-**	**1,173**
Collectively assessed	25	11	1,137	-	1,173
Balance at 30 June 2024	**25**	**11**	**1,137**	**-**	**1,173**

Concentration of loans to customers

As at 30 June 2025, the concentration of loans granted by the Group to the ten largest third-party borrowers comprised GEL 1,883,590 accounting for 5% of the gross loan portfolio of the Group (31 December 2024: GEL 1,851,375 and 6% respectively). An allowance of GEL 8,077 (31 December 2024: GEL 6,803) was established against these loans.

As at 30 June 2025, the concentration of loans granted by the Group to the ten largest third-party group of borrowers (borrower and its related parties) comprised GEL 3,204,653 accounting for 9% of the gross loan portfolio of the Group (31 December 2024: GEL 3,175,091 and 9% respectively). An allowance of GEL 13,804 (31 December 2024: GEL 8,011) was established against these loans.

9. Loans to customers, factoring and finance lease receivables (continued)

Concentration of loans to customers (continued)

As at 30 June 2025 and 31 December 2024 loans were principally issued within Georgia and Armenia, and their distribution by industry sector was as follows:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Individuals	18,795,752	17,190,045
Trade	3,162,947	2,815,943
Real estate	3,140,684	2,837,810
Agriculture	2,103,159	1,928,428
Construction	1,782,096	1,618,537
Manufacturing	1,382,042	1,441,527
Electricity, gas and water supply	1,203,226	1,145,468
Hospitality	1,074,094	991,169
Service	765,152	727,835
Financial intermediation	653,947	587,106
Transport and communication	529,115	543,485
Mining and quarrying	524,886	552,872
Other	1,351,974	1,120,788
Loans to customers, gross	**36,469,074**	**33,501,013**
Less - Allowance for expected credit loss	(471,128)	(430,312)
Loans to customers, net	**35,997,946**	**33,070,701**

As at 30 June 2025 the amount of loans to customers for which no ECL has been recognised due to the existence of high-quality collateral was GEL 572,430 (31 December 2024: GEL 553,177).

Finance lease receivables

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Minimum lease payments receivable	599,865	561,788
Less - Unearned finance lease income	(141,654)	(133,566)
	458,211	**428,222**
Less - Allowance for expected credit loss / impairment loss	(8,077)	(10,485)

Finance lease receivables, net	**450,134**	**417,737**

The difference between the minimum lease payments to be received in the future and gross value of the finance lease receivables represents unearned finance income.

Future minimum lease payments to be received after 30 June 2025 and 31 December 2024 are as follows:

	30 June 2025 (unaudited)	***31 December 2024***
Within 1 year	222,859	195,319
From 1 to 2 years	123,893	122,348
From 2 to 3 years	94,957	88,789
From 3 to 4 years	46,220	48,084
From 4 to 5 years	33,612	29,743
More than 5 years	78,324	77,505
Minimum lease payment receivables	**599,865**	**561,788**

9. Loans to customers, factoring and finance lease receivables (continued)

Finance lease receivables (continued)

Movements of the gross finance lease receivables and respective allowance for expected credit loss/impairment of finance lease receivables are as follows:

Finance lease receivables, gross	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**400,515**	**956**	**9,300**	**17,451**	**428,222**
New financial asset originated or purchased	148,632	-	-	2,281	150,913
Transfer to Stage 1	267	(267)	-	-	-
Transfer to Stage 2	(1,723)	1,752	(29)	-	-
Transfer to Stage 3	(315)	(1,107)	1,422	-	-
Assets repaid	(95,606)	(332)	(700)	(4,389)	(101,027)
Impact of modifications	69	-	-	-	69
Foreign exchange movement	(2,907)	(107)	(411)	(174)	(3,599)
Net other changes	(17,417)	17	599	566	(16,235)
Write-offs	-	-	(3,022)	(100)	(3,122)
Recoveries of amounts previously written off	-	-	85	-	85
Unwind of discount	-	-	139	(113)	26
Currency translation differences	2,766	52	61	-	2,879
Balance at 30 June 2025	**434,281**	**964**	**7,444**	**15,522**	**458,211**
Individually assessed	138,299	-	2,738	270	141,307
Collectively assessed	295,982	964	4,706	15,252	316,904
Balance at 30 June 2025	**434,281**	**964**	**7,444**	**15,522**	**458,211**

Finance lease receivables, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**1,064**	**177**	**7,512**	**1,732**	**10,485**
New financial asset originated or purchased	700	-	-	-	700
Transfer to Stage 1	29	(29)	-	-	-
Transfer to Stage 2	(12)	27	(15)	-	-
Transfer to Stage 3	(104)	(513)	617	-	-
Impact on ECL of exposures transferred between stages during the year	(28)	102	126	-	200
Assets repaid	(510)	(17)	(411)	(755)	(1,693)

Foreign exchange movement	(6)	1	(11)	-	(16)
Net other measurement of ECL	673	257	(90)	596	1,436
Income statement (releases)/charges	742	(172)	216	(159)	627
Write-offs	-	-	(595)	(100)	(695)
Recoveries of amounts previously written off	-	-	(2,367)	-	(2,367)
Unwind of discount	-	-	139	(113)	26
Currency translation differences	(3)	(1)	5	-	1
Balance at 30 June 2025	**1,803**	**4**	**4,910**	**1,360**	**8,077**
Individually assessed	824	-	226	11	1,061
Collectively assessed	979	4	4,684	1,349	7,016
Balance at 30 June 2025	**1,803**	**4**	**4,910**	**1,360**	**8,077**

9. Loans to customers, factoring and finance lease receivables (continued)

Finance lease receivables (continued)

Finance lease receivables, gross	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**33,899**	**5,048**	**12,063**	**19,081**	**70,091**
New financial asset originated or purchased	67,784	-	-	2,729	70,513
Transfer to Stage 1	1,366	(1,366)	-	-	-
Transfer to Stage 2	(1,977)	2,083	(106)	-	-
Transfer to Stage 3	(2,127)	(3,221)	5,348	-	-
Assets repaid	(52,845)	(1,739)	(3,164)	(4,503)	(62,251)
Impact of modifications	(18)	-	-	-	(18)
Business combination	298,683	-	-	273	298,956
Foreign exchange movement	(2,359)	(23)	(105)	(8)	(2,495)
Net other changes	1,075	100	153	75	1,403
Write-offs	-	-	(1,655)	281	(1,374)
Recoveries of amounts previously written off	-	-	59	-	59
Unwind of discount	-	-	11	(94)	(83)
Currency translation differences	19,838	78	415	17	20,348
Balance at 30 June 2024	**363,319**	**960**	**13,019**	**17,851**	**395,149**
Individually assessed	114,958	-	3,059	315	118,332
Collectively assessed	248,361	960	9,960	17,536	276,817
Balance at 30 June 2024	**363,319**	**960**	**13,019**	**17,851**	**395,149**

Finance lease receivables, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**1,169**	**484**	**5,707**	**3,848**	**11,208**
New financial asset originated or purchased	529	-	-	-	529
Transfer to Stage 1	45	(45)	-	-	-
Transfer to Stage 2	(27)	30	(3)	-	-
Transfer to Stage 3	-	(493)	493	-	-
Impact on ECL of exposures transferred between stages during the year	1,931	51	222	80	2,284

Assets repaid	(330)	(105)	(1,132)	(1,816)	(3,383)
Foreign exchange movement	-	-	-	2	2
Day 2' expected credit loss on business combination	2,134	-	-	-	2,134
Net other measurement of ECL	(2,324)	84	1,137	1,249	146
Income statement (releases)/charges	1,958	(478)	717	(485)	1,712
Write-offs	-	-	-	281	281
Recoveries of amounts previously written off	(851)	-	59	-	(792)
Unwind of discount	-	-	11	(94)	(83)
Currency translation differences	84	4	19	(1)	106
Balance at 30 June 2024	**2,360**	**10**	**6,513**	**3,549**	**12,432**
Individually assessed	401	-	785	20	1,206
Collectively assessed	1,959	10	5,728	3,529	11,226
Balance at 30 June 2024	**2,360**	**10**	**6,513**	**3,549**	**12,432**

Factoring receivables

	30 June 2025 (unaudited)	*31 December 2024*
Factoring receivables, gross	**83,016**	**70,458**
Less - Allowance for expected credit loss	(649)	(22)
Factoring receivables, net	**82,367**	**70,436**

9. Loans to customers, factoring and finance lease receivables (continued)

Factoring receivables (continued)

Factoring receivables, gross	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**70,344**	**82**	**32**	**-**	**70,458**
New financial asset originated or purchased	93,228	-	-	-	93,228
Transfer to Stage 2	(279)	279	-	-	-
Assets repaid	(81,752)	(84)	(33)	-	(81,869)
Net other changes	1,150	-	-	-	1,150
Currency translation differences	47	1	1	-	49
Balance at 30 June 2025	**82,738**	**278**	**-**	**-**	**83,016**
Collectively assessed	82,738	278	-	-	83,016
Balance at 30 June 2025	**82,738**	**278**	**-**	**-**	**83,016**

Factoring receivables, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 31 December 2024	**22**	**-**	**-**	**-**	**22**
New financial asset originated or purchased	852	-	-	-	852
Assets repaid	(730)	-	-	-	(730)
Foreign exchange movement	-	1	-	-	1
Net other measurement of ECL	444	63	-	-	507
Income statement (releases)/charges	566	64	-	-	630
Currency translation differences	(3)	-	-	-	(3)
Balance at 30 June 2025	**585**	**64**	**-**	**-**	**649**
Collectively assessed	585	64			649

Collectively assessed	585	64	-	-	649
Balance at 30 June 2025	**585**	**64**	**-**	**-**	**649**

Factoring receivables, gross	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**54,749**	**180**	**98**	**-**	**55,027**
New financial asset originated or purchased	46,607	-	-	-	46,607
Transfer to Stage 2	(1,923)	1,923	-	-	-
Transfer to Stage 3	(204)	(146)	350	-	-
Assets repaid	(86,954)	(539)	(234)	-	(87,727)
Business combination	83,780	-	-	-	83,780
Foreign exchange movement	545	-	-	-	545
Net other changes	4,632	-	1	-	4,633
Currency translation differences	4,069	8	9	-	4,086
Balance at 30 June 2024	**105,301**	**1,426**	**224**	**-**	**106,951**
Individually assessed	-	-	224	-	224
Collectively assessed	105,301	1,426	-	-	106,727
Balance at 30 June 2024	**105,301**	**1,426**	**224**	**-**	**106,951**

Factoring receivables, ECL:	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2024	**28**	**1**	**98**	**-**	**127**
New financial asset originated or purchased	261	-	-	-	261
Transfer to Stage 2	(32)	32	-	-	-
Transfer to Stage 3	(204)	-	204	-	-
Assets repaid	(144)	(1)	(208)	-	(353)
Business combination	130	-	-	-	130
Net other measurement of ECL	62	(1)	-	-	61
Income statement (releases)/charges	(57)	30	(4)	-	(31)
Currency translation differences	7	-	5	-	12
Balance at 30 June 2024	**108**	**31**	**99**	**-**	**238**
Individually assessed	-	-	99	-	99
Collectively assessed	108	31	-	-	139
Balance at 30 June 2024	**108**	**31**	**99**	**-**	**238**

10. Taxation

The corporate income tax expense in income statement comprises:

	For the six months ended	
	30 June 2025 (unaudited)	***30 June 2024 (unaudited)***
Current income benefit/(expense)	(162,380)	(135,964)
Deferred income tax benefit/(expense)	(30,433)	(21,653)
Income tax expense	**(192,813)**	**(157,617)**
Net losses on investment securities	(198)	-
Income tax expense in other comprehensive income	**(198)**	**-**

The income tax rate applicable to most of the Group's income is the income tax rate applicable to subsidiaries' income, which ranges from 15% to 25% (30 June 2024: from 15% to 25%). No tax implications from bargain gain were recognized from acquisition of subsidiary.

As at 30 June 2025 and 31 December 2024 income tax assets and liabilities consist of the following:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Current income tax assets	2,056	47,794
Deferred income tax assets	197	320
Income tax assets	**2,253**	**48,114**
Current income tax liabilities	64,575	67,342
Deferred income tax liabilities	52,000	21,089
Income tax liabilities	**116,575**	**88,431**

11. Other assets, prepayments and other liabilities

Other assets comprise:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Receivables from remittance operations	169,619	152,188
Other receivables	106,973	43,794
Inventories	28,844	26,876
Derivatives margin	27,926	11,199
Investments in associates	10,903	11,245
Operating tax assets	10,262	5,094
Derivative financial assets	5,891	25,000
Assets purchased for finance lease purposes	1,301	1,441
Precious metals	-	222
Other	29,607	52,758
Other assets, gross	**391,326**	**329,817**
Less - Allowance for impairment of other assets	(19,390)	(15,197)
Other assets, net	**371,936**	**314,620**

Other receivables mainly include receivables from settlement operations, operating lease receivables and receivables from guarantees and letters of credit.

11. Other assets, prepayments and other liabilities (continued)

Other liabilities comprise:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Dividends payable	247,398	5,165
Redemption liability for put option (Note 3)	92,621	91,927
Payables for remittance operations	79,212	84,446
Creditors	53,762	52,378
Transfers in transit	52,200	31,991
Other taxes payable	34,590	32,501
Derivative financial liabilities	23,101	9,083
Provisions	7,924	5,996
Advances received	6,482	4,578
Accounts payable	3,759	5,725
Derivatives margin	272	422
Other	38,409	29,590
Other liabilities	**639,730**	**353,802**

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative's underlying asset or liability, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year-end and are not indicative of the credit risk.

	As at 30 June 2025 (unaudited)			***As at 31 December 2024***		
	Notional	***Fair value***		***Notional***	***Fair value***	
	amount	***Asset***	***Liability***	***amount***	***Asset***	***Liability***

Foreign exchange contracts

Foreign exchange contracts						
Forwards and swaps - domestic	1,035,747	3,658	1,925	942,183	1,170	6,649
Forwards and swaps - foreign	3,875,461	2,104	21,176	4,120,612	23,830	2,434
Interest rate contracts						
Forwards and swaps - foreign (IR)	13,500	129	-	-	-	-
Total derivative assets / liabilities	**4,924,708**	**5,891**	**23,101**	**5,062,795**	**25,000**	**9,083**

For the period ended 30 June 2025 GEL 54,491 was recognised as net foreign currency loss from derivative financial instruments (2024: GEL 66,097 gain).

Prepayments comprise:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Prepayments to finance lease suppliers	32,923	36,012
Prepayments for non-current assets	32,438	23,289
Other prepayments	38,398	29,649
Prepayments	**103,759**	**88,950**

12. Client deposits and notes

The amounts due to customers include the following:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Current accounts	18,653,120	18,778,650
Time deposits	16,136,616	14,423,360
Client deposits and notes	**34,789,736**	**33,202,010**
Held as security against letters of credit and guarantees (Note 16)	**223,507**	**290,692**

At 30 June 2025, amounts due to customers of GEL 4,317,138 (12%) were due to the ten largest customers (31 December 2024: GEL 3,619,228 (11%)).

Amounts due to customers include accounts with the following types of customers:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Individuals	20,091,841	18,857,874
Private enterprises	12,881,647	12,881,843
State and state-owned entities	1,816,248	1,462,293
Client deposits and notes	**34,789,736**	**33,202,010**

The breakdown of customer accounts by industry sector is as follows:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Individuals	20,091,841	18,857,874
Financial intermediation	2,763,389	2,496,389
Trade	2,216,015	2,098,291
Construction	1,924,763	2,241,261
Government services	1,635,145	1,271,027
Transport and communication	1,221,883	1,139,254
Service	878,038	982,174
Manufacturing	695,163	652,652
Electricity, gas and water supply	486,435	576,555
Real estate	462,865	437,257
Mining and quarrying	367,959	243,755
Health and social work	333,144	256,257
Agriculture	245,678	232,894
Hospitality	186,514	122,682
Other	1,280,904	1,593,688
Client deposits and notes	**34,789,736**	**33,202,010**

13. Amounts owed to credit institutions

Amounts due to credit institutions comprise:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Borrowings from international credit institutions	3,309,433	3,446,611
Short-term loans from central banks	2,694,979	2,700,162
Payables under REPO Operations	1,140,106	319,212
Time deposits and inter-bank loans	835,454	715,178
Correspondent accounts	350,332	621,182
Other borrowings	8,168	-
	8,338,472	**7,802,345**
Non-convertible subordinated debt	451,476	736,455
Additional Tier 1	137,170	141,433
Amounts due to credit institutions	**8,927,118**	**8,680,233**

During the period ended 30 June 2025, the Group paid up to 11.27% and 10.84% on USD and EUR, respectively, borrowings from international credit institutions (31 December 2024: up to 13.76% and 11.12%). During the period ended 30 June 2025, the Group paid up to 11.23% and 8.52% on USD and EUR, respectively, subordinated debt (31 December 2024: up to 12.25% and 9.22%).

Some long-term borrowings from international credit institutions are received upon certain conditions (the "Lender Covenants") that the Group maintains different limits for capital adequacy, liquidity, currency positions, credit exposures, leverage and others. At 30 June 2025 and 31 December 2024, the Group complied with all the Lender Covenants of the significant borrowings from international credit institutions.

14. Debt securities issued

Debt securities issued comprise:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Local bonds	1,049,995	1,048,876
Additional Tier 1 capital notes issued	825,478	850,397
Certificates of deposit	227,518	91,814
Tier 2 notes issued	208,548	140,620
Bonds issued to international financial institutions to finance green projects	134,113	123,309
Debt securities issued	**2,445,652**	**2,255,016**

As at 30 June 2025 carrying value of the Group's local bonds denominated in AMD, BYR, USD and EUR were GEL 25,955 399,991, GEL 10,120, GEL 613,929 and GEL 25,955 respectively. The Group's bonds are listed on the Armenia Securities Exchange and the Belarusian Currency and Stock Exchange.

Changes in liabilities arising from financing activities

	Additional Tier 1 capital notes issued	**Tier 2 notes issued**
Carrying amount at 31 December 2023	**267,112**	**83,158**
Repayment of the principal portion of the debt securities issued	(283,570)	-
Proceeds from Additional Tier 1 notes	800,970	-
Proceeds from Tier 2 notes issued	-	26,876
Foreign exchange movements	42,904	4,946

Foreign exchange movements	42,004	4,946
Other movements	24,016	616
Carrying amount at 30 June 2024 (unaudited)	**850,532**	**115,596**
Carrying amount at 31 December 2024	**850,397**	**140,620**
Repayment of the principal portion of the debt securities issued	-	-
Proceeds from Tier 2 notes issued	-	63,751
Foreign exchange movements	(25,526)	(3,371)
Other movements	607	7,548
Carrying amount at 30 June 2025 (unaudited)	**825,478**	**208,548**

14. Debt securities issued (continued)

Changes in liabilities arising from financing activities (continued)

	Local bonds	Bonds issued to international financial institutions to finance green projects
Carrying amount at 31 December 2024	**1,048,876**	**123,309**
Repayment of the principal portion of the debt securities issued	(176,465)	-
Proceeds from local bonds issued	195,571	-
Foreign exchange movements	(18,598)	10,832
Other movements	611	(28)
Carrying amount at 30 June 2025 (unaudited)	**1,049,995**	**134,113**

In April 2024 JSC Bank of Georgia issued USD 300 million (GEL 800,970) 9.5% perpetual subordinated callable additional tier 1 notes.

In June 2024 JSC Bank of Georgia fully repaid USD 100 million (GEL 283,570) additional tier 1 notes issued in 2019.

15. Accruals and deferred income

Accruals and deferred income comprise:

	As at	
	30 June 2025 (unaudited)	***31 December 2024***
Accruals for employee compensation	167,369	271,184
Deferred income	78,940	65,021
Other accruals	3,259	2,529
Total accruals and deffered income	**249,568**	**338,734**

16. Commitments and contingencies

Legal

Sai-invest

As at 30 June 2025, JSC Bank of Georgia was engaged in litigation with Sai-Invest LLC ("Sai-Invest") in relation to a deposit pledge in the amount of EUR 7,000 for the benefit of LTD Sport Invest's loans owing to JSC Bank of Georgia. Sai-Invest LLC has challenged the validity of the deposit pledge in the Georgian courts, and its challenge has been substantially sustained in the Court of Appeal, a determination which JSC Bank of Georgia believes to be erroneous and without merit, and which it has appealed to the Supreme Court. The matter is currently under review by the Supreme Court, and the timeline as to when the judgment is to be expected is not available. JSC Bank of Georgia's management is of the opinion that the probability of incurring material losses on this claim is low, and, accordingly, no provision has been made in these consolidated financial statements.

16. Commitments and contingencies (continued)

Financial commitments and contingencies

As at 30 June 2025 and 31 December 2024**,** the Group's financial commitments and contingencies comprised the following:

	As at	
	30 June 2025 (unaudited)	*31 December 2024*
Credit-related commitments		
Financial and performance guarantees issued*	2,801,436	2,605,426
Undrawn loan facilities	1,169,538	1,393,229
Letters of credit	87,748	83,771
	4,058,722	**4,082,426**
Less - Cash held as security against letters of credit and guarantees (Note 12)	(223,507)	(290,692)
Less - Provisions	(7,924)	(5,996)
Capital expenditure commitments	12,602	15,232
Total commitments	**3,839,893**	**3,800,970**

** Out of total guarantees issued as at 30 June 2025 financial and performance guarantees of the Group comprised GEL 1,397,658 (31 December 2024: GEL 1,269,368) and GEL 1,403,778 (31 December 2023: GEL 1,336,058), respectively.*

The Group discloses its undrawn loan facility balances based on the contractual terms.

17. Equity

Share capital

As at 30 June 2025 issued share capital comprised 43,911,526 (31 December 2024: 44,498,147) common shares of Lion Finance Group PLC, all of which were fully paid. Each share has a nominal value of one (1) British penny. Shares issued and outstanding as at 30 June 2025 and 30 June 2024 are described below:

	Number of ordinary shares	*Amount of share capital*
31 December 2023	**45,766,293**	**1,506**
Buyback and cancellation of own shares	(781,347)	(25)
30 June 2024	**44,984,946**	**1,481**
31 December 2024	**44,498,147**	**1,464**
Buyback and cancellation of own shares	(586,621)	(19)
30 June 2025	**43,911,526**	**1,445**

On 25 February 2025, the Group's Board of Directors approved a GEL 107,700 extension to its buyback and cancellation programme.

On 15 March 2024, the Group's Board of Directors approved a GEL 100,000 extension of the share buyback and cancellation programme which was completed in July 2024.

On 22 August 2024, the Group's Board of Directors approved a GEL 73,400 share buyback and cancellation programme.

Treasury shares

Treasury shares are held solely for the purpose of the Group's share buyback and cancellation programme.

The number of treasury shares held by the Group as at 30 June 2025, comprised 827,573 (31 December 2024: 1,562,586), with nominal amount of GEL 28 (31 December 2024: GEL 51).

17. Equity (continued)

Dividends

Shareholders are entitled to dividends in Pounds Sterling.

On 16 June 2025, the shareholders of Lion Finance Group PLC approved a final dividend for 2024 of Georgian Lari 5.62 per share. The currency conversion period was set to be for the period 30 June to 4 July 2025, with the official GEL:GBP exchange rate of 3.7322, resulting in a GBP-denominated final dividend of 1.51 per share. Payment of the total GEL 255,331 final dividends was received by shareholders on 18 July 2025.

On 21 August 2024, the Board of Directors of Lion Finance Group PLC declared an interim dividend for 2024 of Georgian Lari 3.38 per share. The currency conversion period was set to be for the period 23 September to 27 September 2024, with the official GEL:GBP exchange rate of 3.6380, resulting in a GBP-denominated final dividend of 0.93 per share. Payment of the total GEL 146,234 interim dividends was received by shareholders on 11 October 2024.

On 17 June 2024, the shareholders of Lion Finance Group PLC approved a final dividend for 2023 of Georgian Lari 4.94 per share. The currency conversion period was set to be for the period 1 July to 5 July 2024, with the official GEL:GBP exchange rate of 3.5495, resulting in a GBP-denominated final dividend of 1.3917 per share. Payment of the total GEL 226,220 final dividends was received by shareholders on 19 July 2024.

Nature and purpose of other reserves

Unrealised gains (losses) on investment securities
This reserve records fair value changes on investment securities.

Unrealised gains (losses) from dilution or sale / acquisition of shares in existing subsidiaries
This reserve records unrealised gains (losses) from dilution or sale / acquisition of shares in existing subsidiaries.

Foreign currency translation reserve
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of subsidiaries with functional currency other than GEL.

Movements on this account during the periods ended 30 June 2025 and 30 June 2024, are presented in the statements of other comprehensive income.

The movements in other reserves were as follows:

	Unrealised gains (losses) on investment securities	***Unrealised gains (losses) from dilution or sale / acquisition of shares in existing subsidiaries***	***Currency Translation Reserves***		***Other***	**Total other reserve**
			AmeriaBank	***Other***		
31 December 2023	**35,662**	**63,944**	**-**	**(78,620)**	**399**	**21,385**
Net change in FV on investments in debt securities measured at FVOCI	(49,242)	-	-	-	-	(49,242)
Net gain (loss) on investments in equity instruments designated at FVOCI	(569)	-	-	-	-	(569)
Change in allowance for ECL investments in debt instruments measured at FVOCI reclassified to the consolidated income statement	1,353	-	-	-	-	1,353
Realised loss on financial assets measured at FVOCI	(3,232)	-	-	-	-	(3,232)
Gain from currency translation differences	1,771	-	90,617	8,968	-	101,356
Increase in share capital of subsidiaries	-	(178)	-	-	-	(178)
30 June 2024	**(14,257)**	**63,766**	**90,617**	**(69,652)**	**399**	**70,873**
31 December 2024	**59,637**	**63,678**	**54,729**	**(68,796)**	**1,538**	**110,786**
Net change in FV on investments in debt securities measured at FVOCI	(59,156)	-	-	-	-	(59,156)

Net gain (loss) on investments in equity instruments designated at FVOCI	6,762	-	-	-	-	6,762
Change in allowance for ECL investments in debt instruments measured at FVOCI reclassified to the consolidated income statement	(171)	-	-	-	-	(171)
Realised loss on financial assets measured at FVOCI	(796)	-	-	-	-	(796)
Gain from currency translation differences	(403)	-	(3,224)	(1,022)	-	(4,649)
Increase in share capital of subsidiaries	-	94	-	-	-	94
Acquisition of non-controlling interests in existing subsidiaries	-	(1,811)	-	-	-	(1,811)
Net amount reclassified to retained earnings on sale of equity instruments at FVOCI	(3,419)	-	-	-	-	(3,419)
Other movements	(198)	-	-	-	-	(198)
30 June 2025	**2,256**	**61,961**	**51,505**	**(69,818)**	**1,538**	**47,442**

17. Equity (continued)

Earnings per share

	For the six months ended	
	30 June 2025 (unaudited)	***30 June 2024 (unaudited)***
Basic earnings per share		
Profit for the period attributable to ordinary shareholders of the Group	1,024,421	1,464,179
Weighted average number of ordinary shares outstanding during the period	43,223,846	43,879,779
Basic earnings per share	23.7004	33.3680

	For the six months ended	
	30 June 2025 (unaudited)	***30 June 2024 (unaudited)***
Diluted earnings per share		
Effect of dilution on weighted average number of ordinary shares:		
Dilutive unvested share options	487,754	745,774
Weighted average number of ordinary shares adjusted for the effect of dilution	43,711,600	44,625,553
Diluted earnings per share	23.4359	32.8103

Acquisition of NCI

In March 2025, the Group acquired an additional 0.44% interest in JSC Bank of Georgia, increasing its ownership from 99.56% to 100%.

The Following table summarizes the effect of changes in the Group's ownership interest in JSC Bank of Georgia:

Carrying amount of NCI acquired	26,637
Considerations paid to NCI in cash	28,448
A decrease in equity attributable to the shareholders of the Group	(1,811)

18. Net interest income

	For the six months ended	
	30 June 2025 (unaudited)	***30 June 2024 (unaudited)***
Interest income calculated using EIR method	**2,499,120**	**1,822,508**
From loans to customers	2,100,309	1,518,194
From investment securities	334,833	252,478
From amounts due from credit institutions	61,660	50,333
Net gain (loss) on modification of financial assets	(2,139)	(4,712)
From factoring receivables	4,457	6,215
Other interest income	**37,428**	**15,686**
From finance lease receivable	27,299	14,022
From investments securities measured at FVTPL	10,129	1,664
Interest income	**2,536,548**	**1,838,194**
On client deposits and notes	(686,460)	(496,856)
On amounts owed to credit institutions	(334,612)	(214,060)
On debt securities issued	(86,760)	(52,571)
Interest element of cross-currency swaps	6,293	6,515
Other interest expenses	(4,565)	(3,163)
On lease liability	(8,603)	(5,462)
Interest expense	**(1,114,707)**	**(765,597)**
Deposit insurance fees	(22,295)	(16,442)
Net interest income	**1,399,546**	**1,056,155**

For the period ended 30 June 2025 the Group recognised GEL 218,329 (2024: GEL 198,704) interest income from investment securities measured at FVOCI.

The Group is required to make regular contributions to the Deposit Insurance Agency, calculated based on its deposit portfolio. In the consolidated income statement, these contributions are presented as deposit insurance fees under Net interest income, as they are directly related to deposit acceptance activities.

19. Net fee and commission income

	For the six months ended	
	30 June 2025 (unaudited)	***30 June 2024 (unaudited)***
Settlements operations	413,958	325,877
Guarantees and letters of credit	35,988	30,739
Currency conversion operations	25,024	26,950
Brokerage service fees	14,398	7,828
Cash operations	13,784	13,169
Advisory	902	14,488
Other	6,414	3,652
Fee and commission income	**510,468**	**422,703**
Settlements operations	(185,286)	(136,307)
Cash operations	(12,895)	(13,362)
Currency conversion operations	(6,989)	(5,571)
Brokerage service fees	(5,947)	(3,172)
Guarantees and letters of credit	(244)	(171)
Advisory	(157)	(77)
Other	(8,263)	(5,579)
Fee and commission expense	**(219,781)**	**(164,239)**
Net fee and commission income	**290,687**	**258,464**

20. Cost of risk

The table below shows ECL charges on financial instruments for the period recorded in the income statement:

	Stage 1		Stage 2		Stage 3		POCI		
	Individual	Collective	Individual	Collective	Individual	Collective	Individual	Collective	Tot
Cash and cash equivalents	-	(349)	-	-	-	-	-	-	(349)
Amounts due from credit institutions	-	(140)	-	-	-	-	-	-	(140)
Investment securities measured at amortised cost - debt instruments	-	(95)	-	-	-	-	-	-	(95)
Investment securities measured at FVOCI - debt instruments	-	254	-	-	-	-	-	-	254
Investment securities pledged under sale and repurchase agreements and securities lending at amortised cost - debt instruments	-	(101)	-	-	-	-	-	-	(101)
Investment securities pledged under sale and repurchase agreements and securities lending at FVOCI - debt instruments	-	34	-	-	-	-	-	-	34
Loans to customers at amortised cost	(4,297)	(3,063)	-	(1,156)	(15,194)	(52,159)	12,533	(703)	(64,03
Factoring receivables	-	(566)	-	(64)	-	-	-	-	(630)
Finance lease receivables	(362)	(380)	-	172	(28)	(188)	(17)	176	(627)
Accounts receivable and other loans	(81)	198	-	3	-	(83)	-	-	37
Other financial assets	-	-	-	-	(4,745)	-	-	-	(4,745
Financial and performance guarantees	-	(1,062)	-	314	(17)	-	-	-	(765)
Letter of credit to customers	-	62	-	(1)	-	-	-	-	61
Other financial commitments	-	(1,185)	-	(106)	-	-	-	-	(1,291
For the year period 30 June 2025	**(4,740)**	**(6,393)**	**-**	**(838)**	**(19,984)**	**(52,430)**	**12,516**	**(527)**	**(72,39**

	Stage 1		Stage 2		Stage 3		POCI		
	Individual	Collective	Individual	Collective	Individual	Collective	Individual	Collective	Tot
Cash and cash equivalents	-	147	-	-	-	-	-	-	147
Amounts due from credit institutions	-	115	-	-	-	-	-	-	115
Investment securities measured at amortised cost - debt instruments	-	282	-	-	-	-	-	-	282
Investment securities measured at FVOCI - debt instruments	-	(1,583)	-	-	-	-	-	-	(1,583
Investment securities pledged									

under sale and repurchase agreements and securities lending at amortised cost - debt instruments	-	80	-	-	-	-	-	-	80
Investment securities pledged under sale and repurchase agreements and securities lending at FVOCI - debt instruments	-	17	-	-	-	-	-	-	17
Loans to customers at amortised cost	(18,451)	(29,037)	-	(4,598)	(17,491)	(30,306)	-	3,036	(96,84
Factoring receivables	-	57	-	(30)	-	4	-	-	31
Finance lease receivables	(388)	(1,570)	-	478	(714)	(3)	-	485	(1,71
Accounts receivable and other loans	17	(57)	-	(5)	(73)	(25)	-	1	(142)
Other financial assets	-	-	-	-	(4,973)	-	-	-	(4,97
Financial and performance guarantees	-	(2,070)	-	(63)	214	5	-	-	(1,91
Letter of credit to customers	-	(5)	-	-	-	-	-	-	(5)
Other financial commitments	-	(3)	-	31	-	-	-	-	28
For the period ended 30 June 2024	**(18,822)**	**(33,627)**	**-**	**(4,187)**	**(23,037)**	**(30,325)**	**-**	**3,522**	**(106,4**

The table below shows impairment charge on other assets and provisions in the income statement:

	For the six months ended	
	30 June 2025 (unaudited)	***30 June 2024 (unaudited)***
Litigation provision charge/(reversal)	237	452
Impairment charge on assets held for sale	140	1,262
Other impairment charge	4,936	2,705
	5,313	**4,419**

21. Net other gains/(losses)

	For the six months ended	
	30 June 2025 (unaudited)	***30 June 2024 (unaudited)***
Net real estate gains	19,146	12,430
Net gains on financial assets at fair value through profit or loss	3,027	12,951
Net gains on derecognition of financial assets measured at fair value through other comprehensive income	2,226	3,232
Net other gains	5,188	7,288
Net other gains / (losses)	**29,587**	**35,901**

22. Risk management

Liquidity risk and funding management

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a regular basis. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure additional funding if required.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow. The Group also has committed lines of credit that it can access to meet liquidity needs. In addition, the Group maintains a cash deposit (obligatory reserve) with the NBG and CBA, the amount of which depends on the level of customer funds attracted.

The liquidity position is assessed and managed by the Group primarily on a standalone JSC Bank of Georgia and Ameriabank CJSC basis, based on certain liquidity ratios established by the NBG and CBA, respectively. The banks in Georgia and Armenia, absent a stress-period, are required to maintain a liquidity coverage ratio no lower than 100%. The liquidity coverage ratio of JSC Bank of Georgia and Ameriabank CJSC as at 30 June 2025 was 125.9% and 173.8% (31 December 2024: 138.6% and 195.7%).

JSC Bank of Georgia and Ameriabank CJSC hold a comfortable buffer on top of Net Stable Funding Ratio (NSFR) requirement of 100%. A solid buffer over NSFR provides stable funding sources over a longer time span. This approach is designed to ensure that the funding framework is sufficiently flexible to secure liquidity under a wide range of market conditions. NSFR of JSC Bank of Georgia and Ameriabank CJSC as at 30 June 2025 was 127.4% and 117.2% respectively, (31 December 2024: 130.7% and 128.8%) all comfortably above the NBG's and CBA's minimum regulatory requirements.

The Group also matches the maturity of financial assets and financial liabilities and regularly monitors negative gaps compared with JSC Bank of Georgia's and Ameriabank CJSC's standalone total regulatory capital calculated per NBG and CBA regulations.

27.

23. Fair value measurements

Fair value hierarchy

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability. The following tables show analysis of assets and liabilities measured at fair value or for which fair values are disclosed by level of the fair value hierarchy:

At 30 June 2025	***Level 1***	***Level 2***	***Level 3***	***Total***
Assets measured at fair value				
Total investment properties	-	-	131,080	131,080
Land	-	-	*12,619*	*12,619*
Residential properties	-	-	*83,826*	*83,826*
Non-residential properties	-	-	*34,635*	*34,635*
Investment securities measured at FVOCI and FVTPL	453,538	5,149,537	40,067	5,643,142
Investment securities pledged under sale and repurchase agreements and securities lending measured at FVOCI and FVTPL	334,539	109,463	-	444,002
Other assets - derivative financial assets	-	5,891	-	5,891
Assets for which fair values are disclosed				
Investment securities measured at amortised cost - debt instruments	212,992	2,110,098	-	2,323,090
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost - debt instruments	175,211	571,503	-	746,714
Loans to customers, factoring and finance lease receivables at amortised cost	-	42,087	35,642,757	35,684,844
Accounts receivables and other loans	-	10,675	1,160	11,835
Liabilities measured at fair value				
Other liabilities - derivative financial liabilities	-	23,101	-	23,101
Liabilities for which fair values are disclosed				
Client deposits and notes	-	26,415,682	8,437,350	34,853,032
Amounts owed to credit institutions	-	5,233,873	3,691,083	8,924,956
Debt securities issued	-	1,865,509	579,047	2,444,556

At 31 December 2024	***Level 1***	***Level 2***	***Level 3***	***Total***
Assets measured at fair value				

Total investment properties	-	-	134,338	134,338
Land	-	-	*13,204*	*13,204*
Residential properties	-	-	*86,388*	*86,388*
Non-residential properties	-	-	*34,746*	*34,746*
Investment securities measured at FVOCI and FVTPL	1,742,883	4,446,192	33,254	6,222,329
Investment securities pledged under sale and repurchase agreements and securities lending measured at FVOCI and FVTPL	-	213,875	-	213,875
Other assets - derivative financial assets	-	25,000	-	25,000
Assets for which fair values are disclosed				
Investment securities measured at amortised cost - debt instruments	251,470	2,518,426	-	2,769,896
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost - debt instruments	-	267,327	-	267,327
Loans to customers, factoring and finance lease receivables at amortised cost	-	34,268	32,597,338	32,631,606
Accounts receivables and other loans	-	5,355	3,456	8,811
Liabilities measured at fair value				
Other liabilities - derivative financial liabilities	-	9,083	-	9,083
Liabilities for which fair values are disclosed				
Client deposits and notes	-	25,238,507	7,988,086	33,226,593
Amounts owed to credit institutions	-	5,513,290	3,139,345	8,652,635
Debt securities issued	-	1,855,757	372,793	2,228,550

23. Fair value measurements (continued)

Fair value hierarchy (continued)

The description of the valuation technique and the description of inputs used in the fair value measurement for level 2 measurements:

Assets carried at fair value	At 30 June 2025	At 31 December 2024	Valuation technique	Inputs used
Investment securities - debt instruments	5,149,537	4,446,192	Discounted cash flows ("DCF")	Government bonds yield curve, Tbilisi interbank interest rate ("TIBR Index"), other Relevant Observable market data and quoted prices from inactive markets .
Investment securities pledged under sale and repurchase agreements and securities lending - debt instruments	109,463	213,875	Discounted cash flows ("DCF")	Government bonds yield curve, Tbilisi interbank interest rate ("TIBR Index"), other Relevant Observable market data and quoted prices from inactive markets.
Derivative financial assets	5,891	25,000	Forward pricing and swap models, using present value calculations and standard option pricing models	Credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and implied volatilities
Total assets recurring fair value measurements at level 2	**5,264,891**	**4,685,067**		
Liabilities carried at fair value				
Derivative financial liabilities	23,101	9,083	Forward pricing and swap models and using present value calculations.	Credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.
Total liabilities recurring fair value measurements at level 2	**23,101**	**9,083**		

The description of the valuation technique and the description of inputs used in the fair value measurement for level 3 measurements:

Assets carried at fair value	At 30 June 2025	At 31 December 2024	Valuation technique	Inputs used	Unobservable inputs
Investment securities - equity instruments	40,067	33,254	Discounted cash flows ("DCF")	Cash flow; Discount rate	Cash flow; Discount rate
Total assets recurring fair value measurements at level 3	**40,067**	**33,254**			

The following is a description of the determination of fair value for financial instruments which are recorded at fair value using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments.

the instruments.

Derivative financial instruments

Derivative financial instruments valued using a valuation technique with market observable inputs are mainly interest rate swaps, currency swaps, forward foreign exchange contracts and option contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations, as well as standard option pricing models. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and implied volatilities.

Investment securities

Investment securities consist of equity and debt securities and are valued using a valuation technique or pricing models. These securities are valued using models which sometimes only incorporate data observable in the market and at other times use both observable and non-observable data. For quoted investments, respective quoted prices from Bloomberg or other relevant sources are used, when for unquoted investments FV is calculated based on future cash flow expected discounted at current rate for new instruments with similar credit risk, remaining maturity and other characteristics.

Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value:

	At 31 December 2023	*Business combination*	*Revaluation recognized in the income statement*	*Purchase of securities*	*At 31 December 2024*	*Revaluation recognized in other comprehensive income*	*Revaluation recognized in the income statement*	*At 30 June 2025*
Level 3 financial assets								
Equity investment securities	7,519	3,528	6,909	15,298	33,254	6,047	766	40,067

23. Fair value measurements (continued)

Fair value of financial instruments that are carried in the financial statements not at fair value

Set out below is a comparison by class of the carrying amounts and fair values of the Group's financial instruments that are carried in the financial statements. The table does not include the fair values of non-financial assets and non-financial liabilities, fair values of other smaller financial assets and financial liabilities, fair values of which are materially close to their carrying values.

Fair value of financial assets and liabilities not carried at fair value	*At 30 June 2025*			*At 31 December 2024*		
	Carrying value 2025	*Fair value 2025*	*Unrecognised gain (loss) 2025*	*Carrying value 2024*	*Fair value 2024*	*Unrecognised gain (loss) 2024*
Financial assets						
Investment securities measured at amortised cost - debt instruments	2,301,657	2,323,090	21,433	2,746,392	2,769,896	23,504
Investment securities pledged under sale and repurchase agreements and securities lending measured at amortised cost-debt instruments	727,660	746,714	19,054	269,791	267,327	(2,464)
Loans to customers, factoring and finance lease receivables	36,530,447	35,684,844	(845,603)	33,558,874	32,631,606	(927,268)
Accounts receivables and other loans	11,835	11,835	-	8,811	8,811	-
Financial liabilities						
Client deposits and notes	34,789,736	34,853,032	63,296	33,202,010	33,226,593	24,583
Amounts owed to credit institutions	8,927,118	8,924,956	(2,162)	8,680,233	8,652,635	(27,598)
Debt securities issued	2,445,652	2,444,556	(1,096)	2,255,016	2,228,550	(26,466)
Total unrecognised change in unrealised fair value			**(745,078)**			**(935,709)**

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the consolidated financial statements.

Assets for which fair value approximates carrying value

For financial assets and financial liabilities that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits, savings accounts without a specific maturity, and variable rate financial instruments.

Fixed rate financial instruments

The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates offered for similar financial instruments. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and maturity. For financial assets and liabilities that are unquoted, non-derivative, and maturing within one year, it is assumed that their carrying amounts approximate fair value, due to their short-term nature and low sensitivity to changes in market conditions, and insignificant exposure to credit risk.

24. Maturity analysis of financial assets and liabilities

The table below shows an analysis of financial assets and liabilities according to their contractual maturities, except for current accounts, credit card loans, pledged investment securities and investments securities which can be pledged but are not pledged as described below.

	At 30 June 2025								
	On demand	*Up to 3 months*	*Up to 6 months*	*Up to 1 year*	*Up to 3 years*	*Up to 5 years*	*Over 5 years*	*No maturity*	*Total*
Financial assets									
Cash and cash equivalents	3,554,508	467,713	-	-	-	-	-	-	4,022,221
Amounts due from credit institutions	741	237,427	16,684	1,954	-	-	1,743	2,936,057	3,194,606
Investment securities	3,714,543	2,504,126	161,451	889,875	100,952	331,821	198,325	43,706	7,944,799
Investment securities pledged under sale and repurchase agreements and securities lending	-	667,701	503,961	-	-	-	-	-	1,171,662
Loans to customers, factoring and finance lease receivables	-	5,190,955	2,630,715	4,936,686	10,666,050	5,716,566	7,389,475	-	36,530,447
Accounts receivable and other loans	345	2,739	142	8,605	4	-	-	-	11,835
Other financial assets	34,516	252,940	1,030	2,706	457	42	1	-	291,692
Total	**7,304,653**	**9,323,601**	**3,313,983**	**5,839,826**	**10,767,463**	**6,048,429**	**7,589,544**	**2,979,763**	**53,167,262**
Financial liabilities									
Client deposits and notes	6,333,538	6,878,210	3,006,756	14,819,445	2,908,181	780,636	62,970	-	34,789,736
Amounts owed to credit institutions	375,468	4,216,732	954,303	557,111	1,565,856	687,766	569,882	-	8,927,118
Debt securities issued	-	218,460	259,128	277,525	695,570	755,792	239,177	-	2,445,652
Lease liability	88	15,824	16,249	30,958	97,931	55,338	88,171	-	304,559
Other financial liabilities	19,409	395,406	33,225	27,972	103,844	3,704	3,355	-	586,915
Total	**6,728,503**	**11,724,632**	**4,269,661**	**15,713,011**	**5,371,382**	**2,283,236**	**963,555**	**-**	**47,053,980**
Net	**576,150**	**(2,401,031)**	**(955,678)**	**(9,873,185)**	**5,396,081**	**3,765,193**	**6,625,989**	**2,979,763**	**6,113,282**
Accumulated gap	**576,150**	**(1,824,881)**	**(2,780,559)**	**(12,653,744)**	**(7,257,663)**	**(3,492,470)**	**3,133,519**	**6,113,282**	

	At 31 December 2024								
	On demand	*Up to 3 months*	*Up to 6 months*	*Up to 1 year*	*Up to 3 years*	*Up to 5 years*	*Over 5 years*	*No maturity*	*Total*
Financial assets									
Cash and cash equivalents	3,472,205	280,978	-	-	-	-	-	-	3,753,183
Amounts due from credit institutions	-	218,959	-	-	-	-	15,074	3,044,432	3,278,465
Investment securities	3,205,881	3,738,256	703,349	400,226	223,461	476,265	177,595	43,688	8,968,721
Investment securities pledged under sale and repurchase agreements and securities lending	-	455,949	27,717	-	-	-	-	-	483,666
Loans to customers, factoring and finance lease receivables	108	4,895,349	2,455,068	4,319,400	9,672,567	5,131,394	7,084,988	-	33,558,874
Accounts receivable and other loans	1,553	6,672	280	306	-	-	-	-	8,811
Other financial assets	26,300	175,157	6,200	10,001	-	-	-	-	217,658
Total	**6,706,047**	**9,771,320**	**3,192,614**	**4,729,933**	**9,896,028**	**5,607,659**	**7,277,657**	**3,088,120**	**50,269,378**
Financial liabilities									
Client deposits and notes	7,396,955	6,195,347	2,644,642	13,804,248	2,108,432	989,853	62,533	-	33,202,010
Amounts owed to credit institutions	637,215	3,747,974	372,289	691,977	1,706,145	1,082,747	441,886	-	8,680,233
Debt securities issued	-	141,930	89,019	384,150	668,508	799,138	172,271	-	2,255,016
Lease liability	-	15,622	14,929	30,385	94,874	52,000	66,625	-	274,435
Other financial liabilities	51,386	97,613	27,476	137,163	-	-	-	-	313,638
Total	**8,085,556**	**10,198,486**	**3,148,355**	**15,047,923**	**4,577,959**	**2,923,738**	**743,315**	**-**	**44,725,332**
Net	**(1,379,509)**	**(427,166)**	**44,259**	**(10,317,990)**	**5,318,069**	**2,683,921**	**6,534,342**	**3,088,120**	**5,544,046**
Accumulated gap	**(1,379,509)**	**(1,806,675)**	**(1,762,416)**	**(12,080,406)**	**(6,762,337)**	**(4,078,416)**	**2,455,926**	**5,544,046**	

The Group's capability to discharge its liabilities relies on its ability to realise equivalent assets within the same period of time. In the Georgian and Armenian marketplace, where most of the Group's business is concentrated, many short-term credits are granted with the expectation of renewing the loans at maturity. As such, the ultimate maturity of assets may be different from the analysis presented above. To reflect the historical stability of current accounts, the Group calculates the minimal daily balance of current accounts over the past two years and includes the amount in the 'Up to 1 year' category in the table above. The remaining current accounts are included in the 'On demand' category. Pledged Investment Securities are distributed into maturity buckets based on the contractual maturity of the agreement they are pledged for. Securities which can be pledged but are not pledged fall into 'On demand' category. Considering credit cards have no contractual maturities, the above allocation per category is done based on the statistical coverage rates observed.

24. Maturity analysis of financial assets and liabilities (continued)

The Group's principal sources of liquidity are as follows:

- deposits;
- borrowings from international credit institutions;
- inter-bank deposit agreements;
- debt issues;
- proceeds from sale of securities;
- principal repayments on loans;
- interest income; and
- fees and commissions income.

In the Board's opinion, liquidity is sufficient to meet the Group's present requirements.

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled, except for current accounts which are included in 'Up to 1 year' category in the table above, noting that respective contractual maturity may expand over significantly longer periods:

	At 30 June 2025				*At 31 December 2024*			
	Less than 1 year	*More than 1 year*	*No maturity*	*Total*	*Less than 1 year*	*More than 1 year*	*No maturity*	*Total*
Cash and cash equivalents	4,022,221	-	-	4,022,221	3,753,183	-	-	3,753,183
Amounts due from credit institutions	256,806	1,743	2,936,057	3,194,606	218,959	15,074	3,044,432	3,278,465
Investment securities	7,269,995	631,098	43,706	7,944,799	8,047,712	877,321	43,688	8,968,721
Investment securities pledged under sale and repurchase agreements and securities lending	1,171,662	-	-	1,171,662	483,666	-	-	483,666
Loans to customers, factoring and finance lease receivables	12,758,356	23,772,091	-	36,530,447	11,669,925	21,888,949	-	33,558,874
Accounts receivable and other loans	11,831	4	-	11,835	8,811	-	-	8,811
Prepayments	92,541	11,218	-	103,759	82,989	5,961	-	88,950
Foreclosed Assets	-	-	342,565	342,565	-	-	378,642	378,642
Right-of-use assets	-	-	291,445	291,445	-	-	257,896	257,896
Investment properties	-	-	131,080	131,080	-	-	134,338	134,338
Property and equipment	-	-	578,502	578,502	-	-	550,097	550,097
Goodwill	-	-	41,253	41,253	-	-	41,253	41,253
Intangible assets	-	-	338,794	338,794	-	-	322,250	322,250
Income tax assets	2,056	197	-	2,253	47,794	320	-	48,114
Other assets	360,446	11,490	-	371,936	303,890	10,730	-	314,620
Assets held for sale	14,913	-	-	14,913	20,008	-	-	20,008
Total assets	**25,960,827**	**24,427,841**	**4,703,402**	**55,092,070**	**24,636,937**	**22,798,355**	**4,772,596**	**52,207,888**
Client deposits and notes	31,037,949	3,751,787	-	34,789,736	30,041,192	3,160,818	-	33,202,010
Amounts owed to credit institutions	6,103,614	2,823,504	-	8,927,118	5,449,455	3,230,778	-	8,680,233
Debt securities issued	755,113	1,690,539	-	2,445,652	615,099	1,639,917	-	2,255,016
Lease liability	63,119	241,440	-	304,559	60,936	213,499	-	274,435
Accruals and deferred income	192,992	56,576	-	249,568	295,783	42,951	-	338,734
Income tax liabilities	64,575	52,000	-	116,575	67,342	21,089	-	88,431
Other liabilities	528,827	110,903	-	639,730	353,802	-	-	353,802
Total liabilities	**38,746,189**	**8,726,749**	**-**	**47,472,938**	**36,883,609**	**8,309,052**	**-**	**45,192,661**
Net	**(12,785,362)**	**15,701,092**	**4,703,402**	**7,619,132**	**(12,246,672)**	**14,489,303**	**4,772,596**	**7,015,227**

25. Related party disclosures

In accordance with IAS 24 "Related Party Disclosures", parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions which unrelated parties might not, and transactions between related parties may not be affected on the same terms, conditions and amounts as transactions between unrelated parties.

The volumes of related party transactions, outstanding balances at 30 June 2025 and 30 June 2024, and related expenses and income for the period are as follows:

	At 30 June 2025 (unaudited)		*At 30 June 2024 (unaudited)*	
	Associates	***Key management personnel****	***Associates***	***Key management personnel****
Loans outstanding at 30 June	**-**	**21,375**	**-**	**12,541**
Interest income on loans	-	1,628	-	352
Expected credit loss	-	(141)	-	34
Deposits at 30 June	**10,406**	**33,435**	**2,537**	**21,683**
Interest expense on deposits	57	592	77	400
Debt securities issued at 31 December	**-**	**11,428**	**-**	**-**
Interest expense on Debt securities issued	-	391	-	-
Commitments and guarantees issued	-	-	-	(107)

**** Key management personnel includes members of Lion Finance Group's Board of Directors and key executives of the Group.***

Compensation of key management personnel comprised the following:

	For the six months ended	
	30 June 2025 (unaudited)	**30 June 2024 (unaudited)**
Salaries and other benefits	12,559	26,918
Share-based payments compensation	39,719	25,828
Cash compensation	26,836	-
Total key management compensation	**79,114**	**52,746**

The number of key management personnel at 30 June 2025 was 30 (31 December 2024: 30).

As at 30 June 2025 interest rates on loans issued to key management personnel were within 5.9% and 23.2% (31 December 2024: 5.9% and 10.7%) for FC and GEL denominated loans, respectively. As at 30 June 2025 interest rates on deposits placed by key management personnel were within 0.0% and 15.2% (31 December 2024: 0.0% and 12.7%) for FC and GEL denominated deposits, respectively.

26. Capital adequacy

The Group maintains an actively managed capital base to cover risks inherent to the business. The adequacy of the Group's capital is monitored using, among other measures, the ratios established by the NBG and CBA in supervising JSC Bank of Georgia and Ameriabank CJSC, respectively.

During the period ended 30 June 2025, the Group complied in full with all its externally imposed capital requirements.

The primary objectives of the Group's capital management are to ensure that the banks comply with externally imposed capital requirements and that the Group maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes were made in the objectives, policies and processes from the previous years.

NBG (Basel III) capital adequacy ratio

In December 2017, the NBG adopted amendments to the regulations relating to capital adequacy requirements, including amendments to the regulation on capital adequacy requirements for commercial banks, and introduced new requirements on the determination of the countercyclical buffer rate, on the identification of systematically important banks, on determining systemic buffer requirements and on additional capital buffer requirements for commercial banks within Pillar 2. The NBG requires the banks to maintain a minimum total capital adequacy ratio of risk-weighted assets, computed based on the bank's standalone special-purpose financial statements prepared in accordance with NBG regulations and pronouncements, based on Basel III requirements.

As at 30 June 2025 JSC Bank of Georgia's capital adequacy ratio on this basis was as follows:

IFRS-Based NBG (Basel III) capital adequacy ratio	***As at 30 June 2025 (unaudited)***	***As at 31 December 2024***
Tier 1 capital	6,243,081	5,957,405
Tier 2 capital	441,459	462,428
Total capital	**6,684,540**	**6,419,833**
Risk-weighted assets	**30,619,266**	**29,080,593**
Tier 1 capital ratio	**20.4%**	**20.5%**
Total capital ratio	**21.8%**	**22.1%**
Min. requirement for Tier 1 capital ratio	**17.3%**	**17.0%**
Min. requirement for Total capital ratio	**20.1%**	**19.9%**

As at 30 June 2025 the Ameriabank's capital adequacy ratio was as follows:

	As at 30 June 2025 (unaudited)	***As at 31 December 2024***
Tier 1 capital	1,966,768	1,686,547
Tier 2 capital	270,126	252,573
Total capital	**2,236,894**	**1,939,120**
Risk-weighted assets	**13,237,344**	**11,703,258**
Tier 1 capital ratio	**14.9%**	**14.4%**
Total capital ratio	**16.9%**	**16.6%**
Min. requirement for Tier 1 capital ratio	**14.1%**	**13.8%**
Min. requirement for Total capital ratio	**16.8%**	**16.5%**

Glossary

Operational terms

- **MAC (Monthly active customer - retail or business)** Number of customers who satisfied pre-defined activity criteria within the past month.

- **Digital monthly active user (Digital MAU)** Number of retail customers who logged into our mobile or internet banking channels at least once within a given month; when referring to business customers, Digital MAU means number of business customers who logged into our business mobile or internet banking channels at least once within a given month.

- **Digital daily active user (Digital DAU)** Average daily number of retail customers who logged into our mobile or internet banking channels within a given month.

- **Payment MAU** Number of retail customers who made at least one payment with a BOG card within the past month.

- **Net Promoter Score (NPS)** NPS asks: on a scale of 0-10, how likely is it that you would recommend an entity to a friend or a colleague? The responses: 9 and 10 - are promoters; 7 and 8 - are neutral; 1 to 6 - are detractors. The final score equals the percentage of the promoters minus the percentage of the detractors.

Ratio definitions and abbreviations

- **Alternative performance measures (APMs)** In this announcement the management uses various APMs, which we believe provide additional useful information for understanding the financial performance of the Group. These APMs are not defined by International Financial Reporting Standards, and also may not be directly comparable with other companies who use similar measures. We believe that these APMs provide the best representation of our financial performance as these measures are used by the management to evaluate the Group's operating performance and make day-to-day operating decisions.

- **Basic earnings per share** Profit for the period attributable to shareholders of the Group divided by the weighted average number of outstanding ordinary shares over the same period.

- **Book value per share** Total equity attributable to shareholders of the Group divided by ordinary shares outstanding at period-end; Ordinary shares outstanding at period-end equals number of ordinary shares at period-end less number of treasury shares at period-end.

- **CBA** Central Bank of Armenia.

- **CBA Common Equity Tier 1 (CET 1) capital adequacy ratio** Common Equity Tier 1 capital divided by total risk weighted assets, both calculated in accordance with the requirements of the CBA. Calculations are made for Ameriabank standalone.

- **CBA Tier 1 capital adequacy ratio** Tier 1 capital divided by total risk weighted assets, both calculated in accordance with the requirements of the CBA. Calculations are made for Ameriabank standalone.

- **CBA Total capital adequacy ratio** Total regulatory capital divided by total risk weighted assets, both calculated in accordance with the requirements of the CBA. Calculations are made for Ameriabank standalone.

- **CBA Liquidity coverage ratio (LCR)** High-quality liquid assets divided by net cash outflows over the next 30 days (as defined by the CBA). Calculations are made for Ameriabank standalone.

- **CBA Net stable funding ratio (NSFR)** Available amount of stable funding divided by the required amount of stable funding (as defined by the CBA). Calculations are made for Ameriabank standalone.

- **Cost of credit risk ratio** Expected loss on loans to customers, factoring and finance lease receivables for the period divided by monthly average gross loans to customers, finance lease and factoring over the same period (annualised where applicable).

- **Cost of deposits** Interest expense on client deposits and notes for the period divided by monthly average client deposits and notes over the same period (annualised where applicable).

- **Cost of funds** Interest expense for the period divided by monthly average interest-bearing liabilities over the same period (annualised where applicable).

- **Cost to income ratio** Operating expenses divided by operating income.

- **FC** Foreign currency.

- **Full-scale branch** A banking branch that provides all banking services.

- **Interest-bearing liabilities** Amounts owed to credit institutions, client deposits and notes, and debt securities issued.

- **Interest-earning assets (excluding cash)** Amounts due from credit institutions, investment securities (but excluding corporate shares) and loans to customers, factoring and finance lease receivables.

- **NBG Liquidity coverage ratio (LCR)** High-quality liquid assets divided by net cash outflows over the next 30 days (as defined by the NBG). Calculations are made for Bank of Georgia standalone, based on IFRS.

- **NBG Net stable funding ratio (NSFR)** Available amount of stable funding divided by the required amount of stable funding (as defined by the NBG). Calculations are made for Bank of Georgia standalone, based on IFRS.

- **LC** Local currency.

- **Leverage (times)** Total liabilities divided by total equity.

- **Liquid assets** Cash and cash equivalents, amounts due from credit institutions and investment securities.

- **Loan yield** Interest income from loans to customers, factoring and finance lease receivables for the period divided by monthly average gross loans to customers, factoring and finance lease receivables over the same period (annualised where applicable).

- **NBG** National Bank of Georgia.

- **NBG (Basel III) Common Equity Tier 1 (CET 1) capital adequacy ratio** Common Equity Tier 1 capital divided by total risk weighted assets, both calculated in accordance with the requirements of the NBG. Calculations are made for Bank of Georgia standalone, based on IFRS.

- **NBG (Basel III) Tier 1 capital adequacy ratio** Tier 1 capital divided by total risk weighted assets, both calculated in accordance with the requirements of the NBG. Calculations are made for Bank of Georgia standalone, based on IFRS.

- **NBG (Basel III) Total capital adequacy ratio** Total regulatory capital divided by total risk weighted assets, both calculated in accordance with the requirements of the NBG. Calculations are made for Bank of Georgia standalone, based on IFRS.

- **Net interest margin (NIM)** Net interest income for the period divided by monthly average interest earning assets excluding cash and cash equivalents and corporate shares over the same period (annualised where applicable).

- **Non-performing loans (NPLs)** The principal and/or interest payments on loans overdue for more than 90 days; or the exposures experiencing substantial deterioration of their creditworthiness and the debtors assessed as unlikely to pay their credit obligation(s) in full without realisation of collateral.

- **NPL coverage ratio** Allowance for expected credit loss for loans to customers, finance lease and factoring receivables divided by NPLs.
- **NPL coverage ratio adjusted for discounted value of collateral** Allowance for expected credit loss on loans to customers, finance lease and factoring receivables, plus the discounted value of collateral for the NPL portfolio (capped at the respective loan amount), divided by total NPLs.
- **One-off items** Significant items that do not arise during the ordinary course of business.
- **Operating leverage** Percentage change in operating income less percentage change in operating expenses.
- **Return on average total assets (ROAA)** Profit for the period divided by monthly average total assets for the same period (annualised where applicable).
- **Return on average total equity (ROAE)** Profit for the period attributable to shareholders of the Group divided by monthly average equity attributable to shareholders of the Group for the same period (annualised where applicable).
- **Transactional branch** Bank branch that is mostly used for transactional services by clients. Such branches do not provide complex banking services, such as issuing mortgages, services to legal clients, etc.
- **NMF** Not meaningful; refers to percentage changes that are equal to or greater than 200%.

Constant currency basis

To calculate the q-o-q growth of loans and deposits without the currency exchange rate effect, we used the relevant exchange rates as at 31 March 2025. To calculate the y-o-y growth without the currency exchange rate effect, we used the relevant exchange rates as at 30 June 2024. Constant currency growth is calculated separately for GFS and AFS, based on their respective underlying performance.

Lion Finance Group PLC profile

Lion Finance Group PLC (formerly Bank of Georgia Group PLC; the **"Company"** or the **"Group"** when referring to the group companies as a whole) is a FTSE 250 holding company whose main subsidiaries provide banking and financial services focused in the high-growth Georgian and Armenian markets through leading, customer-centric, universal banks - Bank of Georgia in Georgia and Ameriabank in Armenia. By building on our competitive strengths, we are committed to driving business growth, sustaining high profitability, and generating strong returns, while creating opportunities for our stakeholders and making a positive contribution in the communities where we operate.

Lion Finance Group PLC is listed on the London Stock Exchange's main market in the Equity Shares (Commercial Companies) category and is a constituent of the FTSE 250 index. Ticker: BGEO.

Legal entity identifier: 213800XKDG12NQG8VC53

Registered address: 29 Farm Street, London, W1J 5RL, United Kingdom; Registered under number 10917019 in England and Wales

Company secretary: Computershare Company Secretarial Services Limited (The Pavilions, Bridgwater Road, Bristol BS13 8FD, United Kingdom)

Registrar: Computershare Investor Services PLC (The Pavilions Bridgwater Road, Bristol BS99 6ZZ, United Kingdom)

Please note that Investor Centre is a free, secure online service run by our Registrar, Computershare, giving you convenient access to information on your shareholdings.

Investor Centre Web Address: www.uk.computershare.com/Investor/#Home

Investor Centre Shareholder Helpline: +44 (0)370 873 5866

Auditors: Ernst & Young LLP (25 Churchill Place Canary Wharf, London E14 5EY, United Kingdom)

Contacts:

Email: ir@lfg.uk

Telephone: +44(0) 203 178 4052

Sam Goodacre (Advisor to the CEO): sgoodacre@lfg.uk; +44 745 398 8513

Nini Arshakuni (Head of Investor Relations): narshakuni@lfg.uk; +44 203 178 4034

Further information

For more on results publications, go to Results Centre on https://lionfinancegroup.uk/results-center/quarterly-earnings/

For more on investor information, go to https://lionfinancegroup.uk/investor-information/shareholder-meetings/

For news updates, go to https://lionfinancegroup.uk/news/news-announcements/

For share price information, go to https://lionfinancegroup.uk/investor-information/share-price/

Forward-looking statements

This announcement contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although Lion Finance Group PLC believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond our control, include, among other things: macro risk, including domestic instability; geopolitical risk; credit risk; liquidity and funding risk; capital risk; market risk; regulatory and legal risk; conduct risk; financial crime risk; information security and data protection risks; operational risk; human capital risk; model risk; strategic risk; reputational risk; climate-related risk; and other key factors that could adversely affect our business and financial performance, as indicated elsewhere in this document and in past and future filings and reports of the Group, including the 'Principal risks and uncertainties' included in Lion Finance Group PLC's Annual Report and Accounts 2024 and in this Report. No part of this document constitutes, or shall be taken to constitute, an invitation or inducement to invest in Lion Finance Group PLC or any other entity within the Group, and must not be relied upon in any way in connection with any investment decision. Lion Finance Group PLC and other entities within the Group undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this document should be construed as a profit forecast.

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[1] The National Bank of Georgia (NBG) administers a resolution fund, designed to bolster financial stability during crises. Starting in 2025, commercial banks are required to make ex-ante contributions proportionate to their asset share and risk profile, targeting a fund equal to 3% of insured deposits within eight years.

[2] AFS's and hence the Group's consolidated profit for the first half of 2024 (1H24) is not fully representative of AFS's half-year performance, as Ameriabank's income statement was consolidated into the Group from 1 April 2024. To review the underlying half-year performance of Ameriabank, see Ameriabank's unaudited standalone financial information on page 16.

[3] In 2Q24, cost of credit risk included GEL 49.2m initial ECL charge related to the acquisition of Ameriabank. The initial ECL charge was posted in accordance with IFRS accounting rules relevant for business combinations, requiring the Group to treat the newly acquired portfolio as if it was a new loan issuance, thus necessitating a forward-looking ECL charge on Day 2 of the combination, even though there has been no actual deterioration in credit quality.

[4] In 1H24, one-off items totalling GEL 669.5m were recorded in AFS, comprising GEL 668.8m in 1Q24 and GEL 0.7m in 2Q24. The 1Q24 amount reflected a one-off gain from the bargain purchase of Ameriabank and acquisition-related costs, while the 2Q24 item represented a recovery of a previously expensed acquisition-related advisory fee. Operating income before cost of risk, as well as ROAA and ROAE, were adjusted for these one-offs in both quarters and accordingly for the 1H24 period.

[5] Throughout this announcement, gross loans to customers and the related allowance for impairment are presented net of expected credit loss (ECL) on contractually accrued interest income. These do not have an effect on the net loans to customers' balance. Management believes that netted-off balances provide the best representation of the loan portfolio position.

[6] For 1H24, ROAA, net interest margin, loan yield, liquid assets yield, cost of funds, cost of client deposits and notes, cost of amounts owed to credit institutions, cost of debt securities issued, and cost of credit risk ratio were adjusted to exclude the effect of Ameriabank's consolidation at the end of March on average balances.

[7] Ratios are calculated based on quarterly averages.

[8] Following changes in peer reporting practices, minor adjustments occurred in previously stated figures provided by the NBG. For Mar-25, our reported market share has been revised from 55.9% to 55.5%

[9] No adjustments were made to the figures during this period; Adjusted and unadjusted figures are identical.

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