LION FINANCE GROUP

LION FINANCE GROUP PLC

1Q25 results

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Contents

1Q25 results

Lion Finance Group PLC announces the Group's consolidated financial results for the first quarter of 2025. Unless otherwise indicated, all figures in this announcement relate to 1Q25, with year-on-year comparisons to 1Q24 and quarter-on-quarter comparisons to 4Q24, adjusted for one-off items.

The results are based on UK adopted international accounting standards, are unaudited and derived from management accounts.

Earnings call on 15 May 2025, 14:00 BST

https://bankofgeorgia.zoom.us/j/94089360555

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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 1Q25 consolidated profit before one-off items[1] of GEL 513.1m, up 39.0% year-on-year

The Group posted a return on average equity (ROAE) of 28.7% in 1Q25.

- The Group's loan book increased by 23.2% y-o-y to **GEL 34,137.1m** as at 31 March 2025 (up 20.8% y-o-y in constant currency), driven by robust growth in both the Georgian and Armenian businesses.
- As at 31 March 2025, Bank of Georgia's Digital MAU among retail customers amounted to **1.6 million** individuals (up 17.1% y-o-y), while Ameriabank's – **245 thousand individuals** (up 53.1% y-o-y). Unlocking the upside potential in the mass retail segment in Armenia remains one of the priorities for the Group.

CEO statement

We began 2025 on a strong footing in our core markets of Georgia and Armenia. As at 31 March 2025, the Group's total assets reached GEL 53.8 billion, representing a y-o-y increase of 26.7%. Book value per share also rose to GEL 170.99, up 25.8% y-o-y and up 5.1% q-o-q.

While global economic and geopolitical developments, such as shifts in trade policies and the situation in Ukraine, continue to make headlines, we remain confident in the resilience of our core markets. Our analysis indicates minimal direct impact on Georgia and Armenia from potential US tariffs, and the opportunities presented by the Middle Corridor connecting Asia and Europe offer significant medium-to-long-term upside for the region. The macroeconomic environments in both Georgia and Armenia are creating a favorable backdrop for our operations. In Georgia, the economy's performance has surpassed expectations, with real GDP growth at 9.3% y-o-y in the first quarter of 2025. This strong showing has led us to increase our full-year GDP growth forecast to 6.8%. Furthermore, the Georgian Lari has appreciated by 2% against the US dollar in the first four months of the year. Armenia's macroeconomic outlook remains also positive, with a projected 4.5% real GDP growth for 2025.

We continued to deliver on our strategic priorities in Georgia, where we have built the top-of-mind banking franchise, delivering robust customer franchise growth and high profitability. I would like to highlight a record-high Net Promoter Score of 73 achieved in the first quarter – an exceptional result for a universal bank. Digital product sales continue to rise – in 1Q25, 67% of retail product sales happened through digital channels, up 10 percentage points y-o-y. Customer-centricity and technological excellence underpin everything we do, and this ultimately translates into sustained high profitability levels. Georgian Financial Services (GFS)'s loan portfolio grew by 18.0% y-o-y in constant currency, reaching GEL 24,049.1 million as at 31 March 2025. This robust growth supported net interest income expansion, although net interest margin was pressured by higher-than-usual liquidity levels maintained following the parliamentary elections in Georgia – this represents an upside as we deploy excess liquidity moving forward. While fee and commission income grew at a double-digit rate, rising fee and commission expenses weighed on net fee and commission growth, which came in at 6.2% y-o-y in 1Q25. Addressing these expenses is an ongoing priority for the team. The portfolio quality remained very healthy, and, overall, GFS reported a profit of GEL 405.1 million in the first quarter, up 9.4% y-o-y.

It has been one year since Ameriabank joined our Group, and together we have delivered outstanding results. From the outset, we recognised Ameriabank's significant potential – particularly in the mass retail and SME segments. Key highlights include a 53.1% y-o-y increase in retail monthly active digital users to 245,000 individuals as at end of March 2025, reflecting our focus on developing relevant digital offerings. Net loans also increased significantly, rising by 30.9% y-o-y in constant currency to GEL 9,337.6 million as at 31 March 2025. Overall, Armenian Financial Services generated a profit of GEL 95.5 million, marking a substantial contribution to the Group's overall results.

In total, in 1Q25, the Group reported a profit before one-off items of GEL 513.1 million, up 39.0% y-o-y, resulting in a robust ROAE of 28.7%. This strong beginning reinforces our ability to generate sustainable value for our shareholders.

Archil Gachechiladze
CEO, Lion Finance Group PLC
14 May 2025

[1] There we no one-off items in 1Q25, thus profit before and after one-off items is the same. In 1Q24, the acquisition of Ameriabank in March 2024 resulted in one-off items totalling GEL 668.8m, comprising a gain on bargain purchase and acquisition-related costs. In 4Q24, GEL 2.7m was recorded as a one-off item due to a reversal of the Ameriabank-acquisition-related advisory fee. Operating income before cost of risk and subsequent lines in the income statement, as well as ROAA and ROAE, have been adjusted for these one-off items.

Macroeconomic developments: Georgia

Sustained economic growth momentum

The economy sustained strong growth in 1Q25, with real GDP expanding by 9.3% y-o-y. Economic activity remained broad-based, with major contributions from professional services, transport and storage, and IT sectors. Galt & Taggart forecasts real GDP growth of 6.8% in 2025 – an upward revision from the previous projection of 5%, reflecting stronger-than-expected performance in the first quarter. While downside risks remain, including global trade tensions, regional geopolitical instability, and domestic political strains, Georgia's demonstrated economic resilience and sound macroeconomic policies are expected to mitigate these challenges and support continued growth throughout the year.

Resilient external sector

In 1Q25, merchandise exports rose by 5.7% y-o-y, mainly driven by car re-exports. Imports of goods also remained robust, increasing by 20.1% y-o-y during the same period, supported by strong consumption. Tourism revenues saw slower growth, increasing by just 2.3% y-o-y, due to modest 2.2% y-o-y growth in international visitors. Money transfers declined by 3.2% y-o-y, reflecting a continued reduction in migrant-related inflows from Russia, partially offset by steadily increasing remittances from the EU and the US. Overall, external sector inflows are expected to remain resilient, supported by a diverse mix of income sources and geographical regions.

Near-target inflation and prudent monetary policy

Inflation saw a slight increase in 1Q25, driven by rising food and healthcare prices, partially offset by lower transport and communication service costs. Headline CPI inflation reached 3.5% y-o-y in March 2025, marginally above the National Bank of Georgia's (NBG) 3% target. Inflation is expected to remain above target in the near term, due to the low base effect from the previous year, but is projected to return to target by year-end. The NBG has maintained a tight monetary policy, holding the refinancing rate at 8.0% since May 2024, as inflationary risks persist.

Strong fiscal discipline

In 1Q25, consolidated budget tax revenues remained robust, rising by 5.3% y-o-y and exceeding the planned level by 2.3%. The Government remains committed to fiscal consolidation, with the fiscal deficit planned at 2.5% of GDP in 2025, in line with the 2024 level. The government-debt-to-GDP ratio is set to decline further to 35.9% in 2025, creating additional fiscal space to accommodate potential future spending needs.

Healthy bank lending

Bank lending remained strong during 1Q25, increasing by 16.6% y-o-y on a constant currency basis, following 17.0% y-o-y growth in 2024. Loan dollarisation stood at 43.1% at the end of March 2025 (down 0.2 ppts q-o-q). Deposit dollarisation stood at 52.8% in the same period (up 0.1 ppts q-o-q). The banking sector's credit portfolio remained healthy, with the non-performing loans to total gross loans ratio, according to the IMF, at 1.5% at the end of March 2025.

Easing pressures on GEL

The GEL strengthened against the US dollar by 2.0% in the first four months of 2025, following a 4.4% depreciation during the previous year. This recent appreciation was largely driven by a global weakening of the US dollar. Looking ahead, resilient external sector inflows and prudent macroeconomic policies are expected to support the GEL's value in the medium term.

More information on the Georgian economy and financial sector can be found at Galt & Taggart.

Macroeconomic developments: Armenia

Moderating but steady economic growth

Economic growth continued to moderate in 1Q25, as the temporary effects of migration and trade-related factors subsided. However, expansionary fiscal policy and eased monetary conditions continued to support growth momentum. The preliminary indicator of economic activity increased by 4.1% y-o-y in 1Q25, following a 5.9% real GDP growth in 2024. We expect real GDP to expand by 4.5% in 2025, driven by strong public spending and sustained credit growth. Macroeconomic policies remain prudent, underpinning the resilience of the Armenian economy.

External sector inflow normalisation and strong Dram

External trade turnover continued to decrease in 1Q25, following a temporary surge in re-exports of precious metals and stones in 2024. Consequently, exports of goods declined by 61.8% y-o-y, while imports contracted by 47.9% y-o-y in 1Q25. Money transfers, however, accelerated to 4.7% y-o-y during the same period, following a 2.5% y-o-y increase in 2024. This overall resilience of external sector inflows, coupled with the global weakening of the US dollar, contributed to a further 1.7% appreciation of the Armenian Dram against the US currency in the first four months of 2025, adding to a 2.0% gain in 2024.

Near-target inflation and neutral monetary policy

In early 2025, inflation saw a modest increase, driven by rising food and service prices. Headline CPI inflation was 3.3% y-o-y in March 2025, slightly above the Central Bank of Armenia's (CBA) 3% target. The CBA delivered its latest 25 bps rate cut in February 2025 and has maintained the refinancing rate at 6.75% since then. With the current refinancing rate considered by the CBA to be near its neutral level, further rate cuts are less probable in the baseline outlook.

Continued fiscal expansion

Fiscal policy is expected to remain expansionary in 2025 to accommodate spending on public infrastructure projects and social support programmes. As a result, the fiscal deficit is expected to widen to 5.5% of GDP this year (vs. 3.8% in 2024), leading to a notable increase in public debt to 54.5% of GDP (vs. 50.3% in 2024). While this fiscal expansion supports growth, it could pose risks to inflation and public debt sustainability. These risks, however, are mitigated by a demonstrated commitment to fiscal discipline and ongoing IMF stand-by arrangements.

Sound banking sector

The banking sector in Armenia remains highly profitable, with strong capital and liquidity positions. Estimated bank lending growth in 1Q25 was 30.2% y-o-y on a constant currency basis, following a 25.0% y-o-y growth in 2024. Lending growth was predominantly driven by local currency loans, leading to a further reduction in loan dollarisation (down 0.4 ppts y-o-y to 33.5% at the end of March 2025).

Delivering on our strategic priorities

The main bank

Being the main bank in customers' daily lives by leveraging the digital and payments ecosystems across our core markets.

Bank of Georgia (BOG)

Monthly active customers (Retail)	Digital MAU (Retail)	Payment MAU (Retail)	Share of products sold through retail digital channels (Retail)	Monthly active customers (Legal entities)	Digital MAU (Legal entities)
2.0 million	**1.6 million**	**1.5 million**	**67% (1Q25)**	**115K**	**93K**
+11.0% y-o-y	+17.1% y-o-y	+15.9% y-o-y	+10 ppts y-o-y	+15.0% y-o-y	+19.6% y-o-y

The share of products sold through retail digital channels stood at 67% in 1Q25, up 10 ppts y-o-y and up 5 ppts q-o-q.

Bank of Georgia continued to develop its payments acquiring business. The volume of payment transactions in BOG's in-store/online POS terminals was up 31.9% y-o-y and down 6.2% q-o-q in the first quarter of 2025, to GEL 5.3 bn. BOG's payments acquiring market share stood at 55.9% in March 2025 (up 0.2 ppts y-o-y and down 1.2 ppts q-o-q).

Ameriabank

Ameriabank had 372,000 monthly active retail customers as at 31 March 2025 (up 25.9% y-o-y and up 4.3% q-o-q), of which Digital MAU was 245,000 (up 53.1% y-o-y and up 5.9% q-o-q).

Excellent customer experience

Anticipating customer needs and wants, and providing relevant products and services.

Bank of Georgia's Net Promoter Score (NPS)[2] reached a new record-high level of 73 in 1Q25 (61 in 1Q24 and 67 in 3Q24[3]).

Ameriabank measures its NPS internally on a monthly basis. The average score for 1Q25 was 77 (78 in 1Q24 and 75 in 4Q24).

Profitable growth

Growing the balance sheet profitably and focusing on areas with high growth potential.

- Georgian Financial Services' loan book grew 19.3% y-o-y and 2.2% q-o-q, amounting to GEL 24,049.1 million as at 31 March 2025. Growth on a constant currency basis was 18.0% y-o-y and 2.3% q-o-q.
- Armenian Financial Services' loan book grew 36.7% y-o-y and 0.8% q-o-q, amounting to GEL 9,337.6 as at 31 March 2025. Growth on a constant currency basis was 30.9% y-o-y and 1.3% q-o-q.

Our key targets for the medium term are:

- c.15% annual growth of the Group's loan book (the target was revised up from c.10% following the acquisition of Ameriabank in March 2024)
- 20%+ return on average equity
- 30-50% annual capital distribution ratio (dividends and share buybacks)

[2] Based on external research by IPM Georgia, surveying a random sample of customers with face-to-face interviews.
[3] The latest 2024 figure was obtained in 3Q24.

1Q25 unaudited consolidated results

Given the first-time consolidation of Ameriabank's P&L in 2Q24, the y-o-y growth rates at the Group level have been significantly impacted by the consolidation. To see the underlying performance of our businesses in Georgia and Armenia, please see pages 9 to 11 and 12 to 14, respectively.

GEL thousands	1Q25	1Q24	Change y-o-y	4Q24	Change q-o-q
INCOME STATEMENT HIGHLIGHTS					
Net interest income	683,701	437,820	56.2%	663,656	3.0%
Net fee and commission income	138,072	107,802	28.1%	169,098	-18.3%
Net foreign currency gain	145,594	90,540	60.8%	176,350	-17.4%
Net other income	11,285	7,793	44.8%	22,914	-50.8%
Operating income	**978,652**	**643,955**	**52.0%**	**1,032,018**	**-5.2%**
Operating expenses	(342,893)	(188,038)	82.4%	(370,611)	-7.5%
Profit from associates	271	98	176.5%	369	-26.6%
Operating income before cost of risk	**636,030**	**456,015**	**39.5%**	**661,776**	**-3.9%**
Cost of risk	(26,913)	(22,999)	17.0%	(49,142)	-45.2%
Profit before income tax expense and one-off items	**609,117**	**433,016**	**40.7%**	**612,634**	**-0.6%**
Income tax expense	(96,053)	(63,949)	50.2%	(107,920)	-11.0%
Profit before one-off items	**513,064**	**369,067**	**39.0%**	**504,714**	**1.7%**
One-off items[4]	-	668,786	NMF	2,708	NMF
Profit after one-off items	**513,064**	**1,037,853**	**-50.6%**	**507,422**	**1.1%**
Basic earnings per share	**11.81**	**23.53**	**-49.8%**	**11.75**	**0.5%**
Diluted earnings per share	**11.73**	**23.23**	**-49.5%**	**11.51**	**1.9%**
Basic earnings per share adjusted for one-offs	**11.81**	**8.34**	**41.6%**	**11.69**	**1.0%**
Diluted earnings per share adjusted for one-offs	**11.73**	**8.24**	**42.4%**	**11.44**	**2.5%**

BALANCE SHEET HIGHLIGHTS	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Liquid assets	17,490,685	12,841,893	36.2%	16,484,035	6.1%
Cash and cash equivalents	*4,151,524*	*3,154,044*	*31.6%*	*3,753,183*	*10.6%*
Amounts due from credit institutions	*3,596,111*	*2,382,079*	*51.0%*	*3,278,465*	*9.7%*
Investment securities	*9,743,050*	*7,305,770*	*33.4%*	*9,452,387*	*3.1%*
Loans to customers, finance lease and factoring receivables[5]	34,137,143	27,698,817	23.2%	33,558,874	1.7%
Property and equipment	554,208	517,156	7.2%	550,097	0.7%
All remaining assets	1,617,265	1,387,688	16.5%	1,614,882	0.1%
Total assets	**53,799,301**	**42,445,554**	**26.7%**	**52,207,888**	**3.0%**
Client deposits and notes	33,969,258	28,330,513	19.9%	33,202,010	2.3%
Amounts owed to credit institutions	9,006,255	5,626,533	60.1%	8,680,233	3.8%
Borrowings from DFIs	*3,322,500*	*2,163,086*	*53.6%*	*3,301,249*	*0.6%*
Short-term loans from the National Bank of Georgia	*3,426,723*	*1,425,921*	*140.3%*	*2,546,574*	*34.6%*
Short-term loans from the Central Bank of Armenia	*144,536*	*179,106*	*-19.3%*	*153,588*	*-5.9%*
Loans and deposits from commercial banks	*2,112,496*	*1,858,420*	*13.7%*	*2,678,822*	*-21.1%*
Debt securities issued	2,257,270	1,330,631	69.6%	2,255,016	0.1%
All remaining liabilities	1,145,023	1,125,439	1.7%	1,055,402	8.5%
Total liabilities	**46,377,806**	**36,413,116**	**27.4%**	**45,192,661**	**2.6%**
Total equity	**7,421,495**	**6,032,438**	**23.0%**	**7,015,227**	**5.8%**
Book value per share	**170.99**	**135.96**	**25.8%**	**162.77**	**5.1%**

KEY RATIOS	1Q25	1Q24	4Q24
ROAA (adjusted for one-off items)[4,6]	3.9%	4.7%	4.0%
ROAE (adjusted for one-off items)[4]	28.7%	27.7%	29.6%
Net interest margin[6]	5.9%	6.4%	6.0%
Loan yield[6]	12.2%	12.4%	12.2%
Liquid assets yield[6]	4.9%	5.3%	4.8%
Cost of funds[6]	5.0%	5.0%	4.9%
Cost of client deposits and notes[6]	4.1%	4.2%	4.0%
Cost of amounts owed to credit Institutions[6]	7.8%	8.5%	7.8%
Cost of debt securities issued[6]	7.6%	9.3%	7.5%
Cost:income ratio	35.0%	29.2%	35.9%
NPLs to gross loans	2.0%	1.9%	2.0%
NPL coverage ratio	59.3%	72.3%	63.0%
NPL coverage ratio adjusted for the discounted value of collateral	117.1%	121.4%	119.6%
Cost of credit risk ratio[6]	0.2%	0.3%	0.5%

[4] In 1Q24, the acquisition of Ameriabank in March 2024 resulted in one-off items totalling GEL 668.8m, comprising a gain on bargain purchase and acquisition-related costs. In 4Q24, GEL 2.7m was recorded as a one-off item due to a reversal of the Ameriabank-acquisition-related advisory fee. Operating income before cost of risk and subsequent lines in the income statement, as well as ROAA and ROAE, have been adjusted for these one-off items.
[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 1Q24, 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.

Performance highlights

- The Group generated operating income of **GEL 978.7m** in 1Q25 (up 52.0% y-o-y and down 5.2% q-o-q). A significant growth driver in the y-o-y perspective was the consolidation of Ameriabank's income statement since the second quarter of 2024. For reference, GFS operating income grew by 10.8% y-o-y in 1Q25.
  - On a q-o-q basis, the decline in operating income was driven by a decrease in net non-interest income in GFS and AFS, mainly attributable to a high base in the prior quarter and the seasonally slower first quarter across both Business Divisions.
- The Group's operating expenses amounted to **GEL 342.9m** in 1Q25 (up 82.4% y-o-y and down 7.5% q-o-q). The y-o-y growth was mainly driven by the consolidation of Ameriabank. GFS also contributed to this growth, recording a 18.2% y-o-y increase, impacted by executive management termination costs and Bank of Georgia's first-time contribution to the resolution fund[7].
- The Group's profit before one-off items was **GEL 513.1m** in 1Q25 (up 39.0% y-o-y and up 1.7% q-o-q). ROAE was **28.7%** in 1Q25 (27.7% in 1Q24 and 29.6% in 4Q24).

Asset quality

- Loan portfolio quality has remained healthy. Cost of credit risk ratio was **0.2%** in 1Q25 (0.3% in 1Q24 and 0.5% in 4Q24), driven by robust performances in both the Georgian and Armenian operations. The NPLs to gross loans ratio also remained flat q-o-q.
- NPL coverage ratio stood at 59.3% (72.3% in 1Q24 and 63.0% in 4Q24), driven by the well-collateralised nature of the NPL portfolio.

GEL thousands, unless otherwise noted	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
NON-PERFORMING LOANS					
Group (consolidated)					
NPLs (in GEL thousands)	699,246	537,929	30.0%	666,859	4.9%
NPLs to gross loans	2.0%	1.9%		2.0%	
NPL coverage ratio	59.3%	72.3%		63.0%	
NPL coverage ratio adjusted for the discounted value of collateral	117.1%	121.4%		119.6%	
Georgian Financial Services (GFS)					
NPLs to gross loans	2.2%	2.1%		2.2%	
NPL coverage ratio	59.3%	68.2%		62.1%	
NPL coverage ratio adjusted for the discounted value of collateral	113.2%	116.8%		115.1%	
Ameriabank (standalone figures)					
NPLs to gross loans	1.5%	1.8%		1.4%	
NPL coverage ratio	63.3%	83.2%		69.1%	
NPL coverage ratio adjusted for the discounted value of collateral	134.3%	136.2%		137.3%	

Portfolio highlights

- Loans to customers, factoring and finance lease receivables amounted to **GEL 34,137.1m** as at 31 March 2025, up 23.2% y-o-y (up 20.8% y-o-y in constant currency). The y-o-y increase is attributable to loan book expansion across both key Business Divisions: GFS and AFS. GFS recorded a 19.3% y-o-y growth (up 18.0% in constant currency), while AFS recorded a 36.7% y-o-y loan book expansion (up 30.9% in constant currency).
- Client deposits and notes amounted to **GEL 33,969.3m** as at 31 March 2025, up 19.9% y-o-y (up 17.3% y-o-y in constant currency). The y-o-y increase is attributable to growth across both key Business Divisions: GFS and AFS. GFS recorded a 19.7% y-o-y growth (up 18.0% y-o-y in constant currency), while AFS recorded a 20.6% y-o-y growth in deposits (up 15.3% y-o-y in constant currency).

[7] 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.

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	1Q25	1Q24	Change y-o-y	4Q24	Change q-o-q
INCOME STATEMENT HIGHLIGHTS					
Interest income	907,259	745,942	21.6%	879,608	3.1%
Interest expense	(425,453)	(323,513)	31.5%	(408,847)	4.1%
Net interest income	**481,806**	**422,429**	**14.1%**	**470,761**	**2.3%**
Net fee and commission income	113,955	107,351	6.2%	126,923	-10.2%
Net foreign currency gain	82,730	81,630	1.3%	107,776	-23.2%
Net other income	6,975	7,378	-5.5%	26,030	-73.2%
Operating income	**685,466**	**618,788**	**10.8%**	**731,490**	**-6.3%**
Salaries and other employee benefits	(113,596)	(94,494)	20.2%	(125,107)	-9.2%
Administrative expenses	(43,244)	(41,678)	3.8%	(61,018)	-29.1%
Depreciation, amortisation and impairment	(33,788)	(28,834)	17.2%	(31,799)	6.3%
Other operating expenses	(6,194)	(1,494)	NMF	(1,636)	NMF
Operating expenses	**(196,822)**	**(166,500)**	**18.2%**	**(219,560)**	**-10.4%**
Profit from associates	271	211	28.4%	369	-26.6%
Operating income before cost of risk	**488,915**	**452,499**	**8.0%**	**512,299**	**-4.6%**
Cost of risk	(17,990)	(20,470)	-12.1%	(47,615)	-62.2%
Profit before income tax expense	**470,925**	**432,029**	**9.0%**	**464,684**	**1.3%**
Income tax expense	(65,856)	(61,657)	6.8%	(71,415)	-7.8%
Profit	**405,069**	**370,372**	**9.4%**	**393,269**	**3.0%**

BALANCE SHEET HIGHLIGHTS	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Cash and cash equivalents	2,465,779	1,841,171	33.9%	1,832,228	34.6%
Amounts due from credit institutions	2,586,850	1,624,123	59.3%	2,423,723	6.7%
Investment securities	8,180,808	6,057,513	35.1%	7,886,960	3.7%
Net loans, finance lease and factoring receivables	24,049,085	20,159,475	19.3%	23,539,328	2.2%
Loans to customers, finance lease and factoring receivables, LC	*13,971,277*	*11,244,645*	*24.2%*	*13,580,484*	*2.9%*
Loans to customers, finance lease and factoring receivables, FC	*10,077,808*	*8,914,830*	*13.0%*	*9,958,844*	*1.2%*
Property and equipment	465,059	427,373	8.8%	462,037	0.7%
All remaining assets	1,174,534	1,029,750	14.1%	1,170,001	0.4%
Total assets	**38,922,115**	**31,139,405**	**25.0%**	**37,314,277**	**4.3%**
Client deposits and notes	24,820,659	20,743,680	19.7%	24,052,164	3.2%
Client deposits and notes, GEL	*11,675,339*	*9,714,090*	*20.2%*	*11,355,443*	*2.8%*
Client deposits and notes, FC	*13,145,320*	*11,029,590*	*19.2%*	*12,696,721*	*3.5%*
Amounts owed to credit institutions	7,161,810	4,901,565	46.1%	6,712,420	6.7%
Debt securities issued	1,144,275	441,258	159.3%	1,082,831	5.7%
All remaining liabilities	527,112	720,384	-26.8%	475,032	11.0%
Total liabilities	**33,653,856**	**26,806,887**	**25.5%**	**32,322,447**	**4.1%**
Total equity	**5,268,259**	**4,332,518**	**21.6%**	**4,991,830**	**5.5%**
Risk-weighted assets (Bank of Georgia)	29,867,785	24,090,667	24.0%	29,080,593	2.7%

KEY RATIOS	1Q25	1Q24	4Q24
ROAA	4.3%	4.9%	4.3%
ROAE	32.0%	31.2%	32.5%
Net interest margin	5.7%	6.3%	5.8%
Loan yield	12.6%	12.5%	12.5%
Loan yield, LC	*15.0%*	*15.0%*	*15.0%*
Loan yield, FC	*9.2%*	*9.2%*	*9.0%*
Cost of funds	5.3%	5.2%	5.2%
Cost of client deposits and notes	4.4%	4.3%	4.3%
Cost of client deposits and notes, LC	*7.7%*	*8.2%*	*7.6%*
Cost of client deposits and notes, FC	*1.4%*	*1.0%*	*1.3%*
Cost of time deposits	6.6%	6.8%	6.6%
Cost of time deposits, LC	*10.1%*	*11.2%*	*10.0%*
Cost of time deposits, FC	*2.6%*	*2.3%*	*2.5%*
Cost of current accounts and demand deposits	2.4%	2.5%	2.3%
Cost of current accounts and demand deposits, LC	*5.0%*	*5.4%*	*4.7%*
Cost of current accounts and demand deposits, FC	*0.6%*	*0.3%*	*0.6%*
Cost:income ratio	28.7%	26.9%	30.0%
Cost of credit risk ratio	0.2%	0.3%	0.6%

Performance highlights

- GFS delivered operating income of **GEL 685.5m** in 1Q25, up 10.8% y-o-y and down 6.3% q-o-q. The y-o-y expansion was predominantly driven by net interest income. The q-o-q decline was due to reduced non-interest income lines, mainly reflecting seasonal patterns.
- Interest income grew by a robust 21.6% y-o-y. Interest expense growth was higher, at 31.5% y-o-y, but we have an upside as we deploy the accumulated excess liquidity.
  Net interest income reached GEL **481.8m** in 1Q25, growing by 14.1% y-o-y and by 2.3% q-o-q.
  - In 1Q25, NIM stood at 5.7%, down 0.6 ppts y-o-y. Although the core lending margin was slightly up in the y-o-y perspective, the overall margin was negatively impacted by the higher share of lower-margin liquid assets in the asset mix.
- Net fee and commission income totalled **GEL 114.0m** in 1Q25, up 6.2% y-o-y and down 10.2% q-o-q. Although we achieved double-digit y-o-y growth in fee income, net fee and commission income growth was lower due to increased payment systems costs and a higher volume of more costly transactions. The q-o-q decline mainly reflects the seasonally slower quarter.
- Net FX gain amounted to **GEL 82.7m** in 1Q25, up 1.3% y-o-y and down 23.2% q-o-q. Although FX gains from client-driven inflows experienced a double-digit y-o-y growth, this was largely offset by a translation loss from a currency derivative instrument.
- Net other income was **GEL 7.0m** in 1Q25, down 5.5% y-o-y and down 73.2% q-o-q. The quarterly reduction primarily stems from a high comparison base, as 4Q24 included a significant revaluation gain on investment property.
- Operating expenses totalled **GEL 196.8m** in 1Q25, representing a 18.2% y-o-y increase and a 10.4% q-o-q decrease. The y-o-y growth was largely due to employee costs, which were impacted by the termination costs of executive management. Additionally, Bank of Georgia's contributions to the resolution fund[7] were recorded for the first time. Excluding these two items (c. GEL 10 million), operating expenses would have increased by c.12% y-o-y.
  The high base of operating expenses in 4Q24, driven by year-end administrative and staff costs, explains the subsequent quarterly decline, which is largely due to seasonal factors.
- Cost of credit risk ratio stood at **0.2%** in 1Q25 (0.3% in 1Q24 and 0.6% in 4Q24), underpinned by strong results across the whole portfolio.
- GFS delivered a profit of **GEL 405.1m** in 1Q25, up 9.4% y-o-y and up 3.0% q-o-q, translating into an **ROAE of 32.0%.**

Portfolio highlights

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

	Mar-25	Mar-24	Change y-o-y	Change y-o-y (constant currency)	Dec-24	Change q-o-q	Change q-o-q (constant currency)
Total GFS	**24,049,085**	**20,159,475**	**19.3%**	**18.0%**	**23,539,328**	**2.2%**	**2.3%**
Retail	10,518,379	8,759,417	20.1%	19.5%	10,203,425	3.1%	3.1%
Mortgages	*4,599,335*	*4,080,253*	*12.7%*	*11.9%*	*4,498,321*	*2.2%*	*2.3%*
Consumer loans	*5,185,540*	*3,994,894*	*29.8%*	*29.5%*	*4,987,399*	*4.0%*	*4.0%*
Other loans	*733,504*	*684,270*	*7.2%*	*6.9%*	*717,705*	*2.2%*	*2.2%*
SME	5,114,504	4,657,299	9.8%	8.7%	5,011,108	2.1%	2.1%
CIB	8,416,202	6,736,852	24.9%	22.8%	8,324,795	1.1%	1.5%
Corporate Center	-	5,907.00	-100.0%		-	-	-

Portfolio highlights: client deposits and notes

	Mar-25	Mar-24	Change y-o-y	Change y-o-y (constant currency)	Dec-24	Change q-o-q	Change q-o-q (constant currency)
Total GFS	**24,820,659**	**20,743,680**	**19.7%**	**18.0%**	**24,052,164**	**3.2%**	**3.6%**
Retail	14,850,250	13,118,483	13.2%	11.2%	14,422,359	3.0%	3.5%
SME	2,117,025	1,833,361	15.5%	14.2%	2,146,585	-1.4%	-1.2%
CIB	6,663,303	5,371,904	24.0%	22.7%	6,578,858	1.3%	1.5%
Corporate Center	1,268,036	514,597	146.4%		971,961	30.5%	
Eliminations	(77,955)	(94,665)	-17.7%		(67,599)	15.3%	

Loan portfolio quality: cost of credit risk ratio

	1Q25	1Q24	4Q24
Total GFS	**0.2%**	**0.3%**	**0.6%**
Retail	0.3%	0.4%	0.5%
SME	0.2%	0.5%	-0.4%
CIB	0.1%	0.1%	1.3%

Loan portfolio quality: NPL ratio

	Mar-25	Mar-24	Dec-24
Total GFS	**2.2%**	**2.1%**	**2.2%**
Retail	1.5%	1.8%	1.6%
SME	3.5%	3.6%	3.5%
CIB	2.3%	1.5%	2.1%

- Customer lending continued to expand, with GFS's net loans, factoring, and finance lease receivables reaching **GEL 24,049.1m** as at 31 March 2025 – up 19.3% y-o-y (up 18.0% in constant currency) and up 2.2% q-o-q (up 2.3% in constant currency). The y-o-y growth was broad-based, led by RB and CIB, with SME also contributing.
  - **58.1%** of the loan book was denominated in GEL as at 31 March 2025 (55.8% as at 31 March 2024 and 57.7% as at 31 December 2024).
- Client deposits and notes reached **GEL 24,820.7m** as at 31 March 2025 — up 19.7% y-o-y (up 18.0% in constant currency) and up 3.2% q-o-q (up 3.6% in constant currency). The y-o-y growth was broad-based, led by RB and CIB, with SME also contributing.
  - GEL-denominated client deposits made up **47.0%** of all client deposits as at 31 March 2025 (46.8% as at 31 March 2024 and 47.2% as at 31 December 2024).

Liquidity

	Mar-25	Mar-24	Dec-24
NBG Liquidity Coverage Ratio (Bank of Georgia)	133.5%	122.2%	138.6%
NBG Net Stable Funding Ratio (Bank of Georgia)	131.4%	125.7%	130.7%

- Bank of Georgia's LCR was **133.5%** as at 31 March 2025, and the NSFR stood at **131.4%** as at the same date. Both ratios were well above the regulatory minimum requirement of 100%.

Capital position

- Bank of Georgia continues to operate with solid capital adequacy levels, following the capital distribution-related deductions from regulatory capital. As at 31 March 2025, the Bank's Basel III CET1, Tier1, and Total capital ratios stood at **16.4%, 19.6%,** and **21.2%,** respectively, all above the minimum requirements of 15.2%, 17.3%, 20.2%, respectively. The movement in capital adequacy ratios during the first quarter and the potential impact of a 10% devaluation of GEL is as follows:

	31 Dec 2024	1Q25 profit	Business growth	Currency impact	Capital distribution	Tier 1-Tier 2	31 Mar 2025	Buffer above min requirement	Potential impact of a 10% GEL devaluation
CET1 capital adequacy	17.1%	1.3%	-0.5%	0.0%	-1.6%	0.0%	16.4%	1.2%	-0.8%
Tier1 capital adequacy	20.5%	1.3%	-0.6%	0.0%	-1.6%	0.0%	19.6%	2.3%	-0.7%
Total capital adequacy	22.1%	1.3%	-0.7%	0.0%	-1.6%	0.0%	21.2%	1.0%	-0.6%

- Bank of Georgia's minimum capital requirements for December 2025 are expected to be 15.2%, 17.3% and 20.2% for CET1, Tier1, and Total capital ratios respectively.

Armenian Financial Services (AFS)

*Armenian Financial Services (**AFS**) comprises Ameriabank CJSC*

GEL thousands	1Q25			4Q24	Change q-o-q
INCOME STATEMENT HIGHLIGHTS					
Interest income	305,924			284,685	7.5%
Interest expense	(115,409)			(104,643)	10.3%
Net interest income	**190,515**			**180,042**	**5.8%**
Net fee and commission income	20,491			39,781	-48.5%
Net foreign currency gain	34,018			50,712	-32.9%
Net other income	3,150			1,060	197.2%
Operating income	**248,174**			**271,595**	**-8.6%**
Salaries and other employee benefits	(85,796)			(92,590)	-7.3%
Administrative expenses	(18,138)			(20,458)	-11.3%
Depreciation, amortisation and impairment	(14,554)			(12,988)	12.1%
Other operating expenses	(2,006)			(2,150)	-6.7%
Operating expenses	**(120,494)**			**(128,186)**	**-6.0%**
Profit from associates	-			-	-
Operating income before cost of risk	127,680			143,409	-11.0%
Cost of risk	(8,173)			(3,533)	131.3%
Profit before income tax expense	**119,507**			**139,876**	**-14.6%**
Income tax expense	(23,993)			(31,585)	-24.0%
Profit before one-off items	**95,514**			**108,291**	**-11.8%**
One-off items[8]	-			2,708	NMF
Profit	**95,514**			**110,999**	**-14.0%**
BALANCE SHEET HIGHLIGHTS	**Mar-25**	**Mar-24**	**Change y-o-y**	**Dec-24**	**Change q-o-q**
Cash and cash equivalents	1,060,250	989,930	7.1%	1,409,223	-24.8%
Amounts due from credit institutions	985,407	707,851	39.2%	821,779	19.9%
Investment securities	1,449,374	1,171,359	23.7%	1,447,558	0.1%
Loans to customers, finance lease and factoring receivables	9,337,589	6,832,907	36.7%	9,265,005	0.8%
Loans to customers, finance lease and factoring receivables, LC	*5,560,441*	*3,973,078*	*40.0%*	*5,457,699*	*1.9%*
Loans to customers, finance lease and factoring receivables, FC	*3,777,148*	*2,859,829*	*32.1%*	*3,807,306*	*-0.8%*
Property and equipment	75,690	78,015	-3.0%	74,671	1.4%
All remaining assets	351,344	273,420	28.5%	352,476	-0.3%
Total assets	**13,259,654**	**10,053,482**	**31.9%**	**13,370,712**	**-0.8%**
Client deposits and notes	7,866,942	6,522,822	20.6%	7,949,083	-1.0%
Client deposits and notes, LC	*4,401,119*	*3,126,961*	*40.7%*	*4,527,568*	*-2.8%*
Client deposits and notes, FC	*3,465,823*	*3,395,861*	*2.1%*	*3,421,515*	*1.3%*
Amounts owed to credit institutions	1,854,080	839,480	120.9%	1,956,445	-5.2%
Debt securities issued	1,096,307	886,862	23.6%	1,155,679	-5.1%
All remaining liabilities	577,770	371,861	55.4%	541,068	6.8%
Total liabilities	**11,395,099**	**8,621,025**	**32.2%**	**11,602,275**	**-1.8%**
Total equity	**1,864,555**	**1,432,457**	**30.2%**	**1,768,437**	**5.4%**
Risk-weighted assets (Ameriabank)	12,395,897	9,077,704	36.6%	11,685,845	6.1%
KEY RATIOS	**1Q25**			**4Q24**	
ROAA (adjusted for one-off items)[8]	2.9%			3.6%	
ROAA (unadjusted)	2.9%			3.7%	
ROAE (adjusted for one-off items)[8]	21.1%			25.3%	
ROAE (unadjusted)	21.1%			26.0%	
Net interest margin	6.6%			6.8%	
Loan yield	11.5%			11.6%	
Loan yield, LC	*13.7%*			*13.9%*	
Loan yield, FC	*8.4%*			*8.5%*	
Cost of funds	4.3%			4.2%	
Cost of client deposits and notes	3.3%			3.3%	
Cost of client deposits and notes, LC	*4.7%*			*4.9%*	
Cost of client deposits and notes, FC	*1.4%*			*1.4%*	
Cost of time deposits	5.8%			6.1%	
Cost of time deposits, LC	*9.3%*			*9.5%*	
Cost of time deposits, FC	*2.2%*			*2.5%*	
Cost of current accounts and demand deposits	1.7%			1.5%	
Cost of current accounts and demand deposits, LC	*2.3%*			*2.1%*	
Cost of current accounts and demand deposits, FC	*0.8%*			*0.7%*	
Cost:income ratio	48.6%			47.2%	
Cost of credit risk ratio	0.2%			0.3%	

Ameriabank was consolidated at the end of March 2024. AFS Income Statement results were consolidated on the Group level for the first time in 2Q24. To provide more comparable growth trends with previous periods, the performance of standalone Ameriabank has been disclosed on page 14: Ameriabank*: standalone financial information.* Ameriabank's standalone financial information is presented for informational purposes only, is different from AFS results due to fair value adjustments and allocation of certain Group expenses to Business Divisions, and is not included in the consolidated results.

[8] In 1Q24, the acquisition of Ameriabank in March 2024 resulted in one-off items totalling GEL 668.8m, comprising a gain on bargain purchase and acquisition-related costs. In 4Q24, GEL 2.7m was recorded as a one-off item due to a reversal of the Ameriabank-acquisition-related advisory fee. Operating income before cost of risk and subsequent lines in the income statement, as well as ROAA and ROAE, have been adjusted for these one-off items.

Performance highlights

In order to provide clearer context regarding underlying performance, we present Ameriabank's standalone figures, which indicate a 30.3% y-o-y growth in operating income, mainly driven by strong net interest income generation (up 37.9% y-o-y), and a 35.2% y-o-y rise in profit to GEL 113.9 million for the first quarter of 2025, with ROAE standing at 24.7%. See the next page for standalone results (not consolidated).

AFS performance

- In 1Q25, operating income amounted to **GEL 248.2m,** down 8.6% q-o-q. This decline was driven by two primary factors: First, net fee and commission income decreased from the previous quarter, reflecting a high comparison base in 4Q24 that included a significant advisory fee of GEL c. 10.3m and an incentive fee of GEL c.5.6m from payment systems. Second, foreign currency gains declined due to exchange rate volatility during December 2024, combined with seasonally high client currency conversions in 4Q24. These decreases were partially offset by a 5.8% growth in net interest income.
- Operating expenses decreased by 6.0% q-o-q to **GEL 120.5m**. This was mainly due to lower staff cost, as well as reduced administrative expenses. The reduced administrative expenses reflect a comparison with a high level in 4Q24, which included seasonal marketing expenditure and higher consulting fees.
- Loan portfolio quality remained healthy, with the cost of credit risk ratio at **0.2%** in 1Q25 (0.3% in 4Q24).
- Overall, AFS generated **GEL 95.5m** in profit in 1Q25, with ROAE standing at **21.1%**.

Portfolio highlights

- Loans to customers, factoring and finance lease receivables stood at **GEL 9,337.6m** as at 31 March 2025 (up 36.7% y-o-y and up 0.8% q-o-q). Growth on a constant currency basis was **30.9%** y-o-y and **1.3%** q-o-q.
    - **59.5%** of the loan book was denominated in Armenian Drams as at 31 March 2025 (58.1% as at 31 March 2024 and 58.9% as at 31 December 2024).
    - Ameriabank had the highest market share in Armenia by total loans – **20.3%** as at 31 March 2025 (19.5% as at 31 March 2024 and 20.9% as at 31 December 2024)[9].
- Client deposits and notes stood at **GEL 7,866.9m** as at 31 March 2025 (up 20.6% y-o-y and down 1.0% q-o-q). On a constant currency basis, deposits were up **15.3%** y-o-y and down **0.6%** q-o-q.
    - **55.9%** of client deposits and notes were denominated in Armenian Drams as at 31 March 2025 (47.9% as at 31 March 2024 and 57.0% as at 31 December 2024).
    - Client deposits and notes and local debt securities issued (treated similarly to deposits) amounted to **GEL 8,836.4m**, up 21.3% y-o-y and down 1.6% q-o-q.
    - Ameriabank had the second highest market share by total deposits in Armenia – **18.5%** as at 31 March 2025 (18.1% as at 31 March 2024 and 18.5% as at 31 December 2024)[9,10].
- Armenian Financial Services maintains a diversified funding structure with customer deposits and local debt securities representing 77.5% of total liabilities and the ratio of loans to customer deposits + local debt securities and DFI funding standing at 95.8% as at 31 March 2025.

Liquidity

- Ameriabank has maintained a strong liquidity position, with CBA LCR at **229.8%** and CBA NSFR at **126.5%** as at 31 March 2025, well above the minimum regulatory requirements of 100%.

Capital position

- At 31 March 2025, Ameriabank's CET1, Tier1, and Total capital ratios stood at **14.7%, 14.7%,** and **16.8%,** respectively, all above the minimum requirements of 11.7%, 13.8%, 16.5%, respectively. Internal capital generation as well as other measures including additional capital instruments are expected to support capital levels in the near future.

	31 Dec 2024	1Q25 profit	Business growth	Currency impact	Regulatory deductions	Other	31 Mar 2025	Buffer above min requirement	Potential impact of a 10% AMD devaluation
CET1 capital adequacy	14.4%	0.7%	-1.0%	0.0%	0.5%	0.0%	14.7%	**3.0%**	-0.7%
Tier1 capital adequacy	14.4%	0.7%	-1.0%	0.0%	0.5%	0.0%	14.7%	**0.9%**	-0.7%
Total capital adequacy	16.6%	0.7%	-1.0%	0.0%	0.5%	0.0%	16.8%	**0.3%**	-0.7%

[9] Calculated based on financial statements of local banks.
[10] Includes current accounts, time deposits and issued local bonds.

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	1Q25	1Q24	Change y-o-y	4Q24	Change q-o-q
INCOME STATEMENT HIGHLIGHTS					
Interest income	304,047	217,180	40.0%	282,463	7.6%
Interest expense	(112,368)	(78,188)	43.7%	(101,267)	11.0%
Net interest income	**191,679**	**138,992**	**37.9%**	**181,196**	**5.8%**
Net fee and commission income	20,491	18,620	10.0%	39,547	-48.2%
Net foreign currency gain	32,723	31,125	5.1%	52,959	-38.2%
Net other income	3,150	1,648	91.1%	897	NMF
Operating income	**248,043**	**190,385**	**30.3%**	**274,599**	**-9.7%**
Salaries and other employee benefits	(68,584)	(65,158)	5.3%	(78,944)	-13.1%
Administrative expenses	(17,851)	(12,761)	39.9%	(19,864)	-10.1%
Depreciation, amortisation and impairment	(10,818)	(7,948)	36.1%	(9,825)	10.1%
Other operating expenses	(2,006)	(1,121)	78.9%	(2,066)	-2.9%
Operating expenses	**(99,259)**	**(86,988)**	**14.1%**	**(110,699)**	**-10.3%**
Profit from associates	-	-	-	-	-
Operating income before cost of risk	**148,784**	**103,397**	**43.9%**	**163,900**	**-9.2%**
Cost of risk	(9,877)	(310)	NMF	(2,344)	NMF
Net operating income before non-recurring items	**138,907**	**103,087**	**34.7%**	**161,556**	**-14.0%**
Net non-recurring items	-	-	-	-	-
Profit before income tax expense	**138,907**	**103,087**	**34.7%**	**161,556**	**-14.0%**
Income tax expense	(25,014)	(18,826)	32.9%	(32,327)	-22.6%
Profit	**113,893**	**84,261**	**35.2%**	**129,229**	**-11.9%**

BALANCE SHEET HIGHLIGHTS	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Liquid assets	3,495,031	2,869,140	21.8%	3,678,577	-5.0%
Cash and cash equivalents	1,060,250	989,930	7.1%	1,409,223	-24.8%
Amounts due from credit institutions	985,407	707,851	39.2%	821,795	19.9%
Investment securities	1,449,374	1,171,359	23.7%	1,447,559	0.1%
Loans to customers and finance lease and factoring receivables	9,347,802	6,811,477	37.2%	9,278,814	0.7%
Property and equipment	69,321	63,357	9.4%	66,857	3.7%
All remaining assets	297,511	213,670	39.2%	310,311	-4.1%
Total assets	**13,209,665**	**9,957,644**	**32.7%**	**13,334,559**	**-0.9%**
Client deposits and notes	7,866,942	6,522,822	20.6%	7,949,083	-1.0%
Amounts owed to credit institutions	1,863,290	851,401	118.8%	1,966,451	-5.2%
Debt securities issued	1,096,307	886,862	23.6%	1,155,679	-5.1%
All remaining liabilities	458,717	269,511	70.2%	447,950	2.4%
Total liabilities	**11,285,256**	**8,530,596**	**32.3%**	**11,519,163**	**-2.0%**
Total equity	**1,924,409**	**1,427,048**	**34.9%**	**1,815,396**	**6.0%**

KEY RATIOS[11]	1Q25	1Q24	4Q24
ROAA	3.5%	3.5%	4.2%
ROAE	24.7%	24.8%	29.4%
Net interest margin	6.7%	6.6%	6.8%
Loan yield	11.5%	11.2%	11.4%
Cost of funds	4.1%	3.9%	4.0%
Cost:income ratio	40.0%	45.7%	40.3%
Cost of credit risk ratio	0.3%	0.1%	0.2%

[11] Ratios are calculated based on quarterly averages.

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, Lion Finance Group PLC – the holding company, and other small entities and intragroup eliminations.*

GEL thousands	1Q25	1Q24	Change y-o-y	4Q24	Change q-o-q
INCOME STATEMENT HIGHLIGHTS					
Interest income	24,224	19,831	22.2%	21,965	10.3%
Interest expense	(12,844)	(4,440)	189.3%	(9,112)	41.0%
Net interest income	**11,380**	**15,391**	**-26.1%**	**12,853**	**-11.5%**
Net fee and commission income	3,626	451	NMF	2,394	51.5%
Net foreign currency gain	28,846	8,910	NMF	17,862	61.5%
Net other income	1,160	415	179.5%	(4,176)	NMF
Operating income	**45,012**	**25,167**	**78.9%**	**28,933**	**55.6%**
Salaries and other employee benefits	(13,683)	(10,056)	36.1%	(13,346)	2.5%
Administrative expenses	(8,727)	(6,702)	30.2%	(6,566)	32.9%
Depreciation, amortisation and impairment	(2,825)	(2,657)	6.3%	(2,512)	12.5%
Other operating expenses	(342)	(362)	-5.5%	(441)	-22.4%
Operating expenses	**(25,577)**	**(19,777)**	**29.3%**	**(22,865)**	**11.9%**
Profit from associates	-	(113)	NMF	-	NMF
Operating income before cost of risk	**19,435**	**5,277**	**NMF**	**6,068**	**NMF**
Cost of risk	(750)	(2,529)	-70.3%	2,006	NMF
Profit before income tax expense	**18,685**	**2,748**	**NMF**	**8,074**	**131.4%**
Income tax expense	(6,204)	(2,292)	170.7%	(4,920)	26.1%
Profit	**12,481**	**456**	**NMF**	**3,154**	**NMF**

BALANCE SHEET HIGHLIGHTS	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Cash and cash equivalents	625,495	322,943	93.7%	511,732	22.2%
Amounts due from credit institutions	23,854	50,105	-52.4%	32,963	-27.6%
Investment securities	112,868	76,898	46.8%	117,869	-4.2%
Loans to customers, finance lease and factoring receivables	750,469	706,435	6.2%	754,541	-0.5%
Property and equipment	13,459	11,768	14.4%	13,389	0.5%
All remaining assets	91,387	84,518	8.1%	92,405	-1.1%
Total assets	**1,617,532**	**1,252,667**	**29.1%**	**1,522,899**	**6.2%**
Client deposits and notes	1,281,657	1,064,011	20.5%	1,200,763	6.7%
Amounts owed to credit institutions	(9,635)	(114,512)	-91.6%	11,368	NMF
Debt securities issued	16,688	2,511	NMF	16,506	1.1%
All remaining liabilities	40,141	33,194	20.9%	39,302	2.1%
Total liabilities	**1,328,851**	**985,204**	**34.9%**	**1,267,939**	**4.8%**
Total equity	**288,681**	**267,463**	**7.9%**	**254,960**	**13.2%**

- In 1Q25, Other Businesses recorded a profit of **GEL 12.5m**, reflecting strong performance across multiple revenue streams. From a y-o-y perspective, growth was primarily driven by increased net foreign currency gains and higher net fee and commission income. The foreign currency gains stemmed from BNB's heightened dealing activity amid high BYN/USD volatility and increased foreign-exchange market participation. Q-o-q, the growth was led by the same strength in foreign currency gains, complemented by growth in net other income. Net other income increase reflects comparison to a low base in 4Q24, which included a GEL 5.4m revaluation loss on start-up investments.
- BNB's capital ratios, calculated in accordance with the National Bank of the Republic of Belarus' standards, were above the minimum requirements as at 31 March 2025: Tier1 capital adequacy ratio at **11.6%** (minimum requirement of 7.0%) and Total capital adequacy ratio at **15.6%** (minimum requirement of 12.5%).

Unaudited consolidated financial information

GEL thousands	1Q25	1Q24	Change y-o-y	4Q24	Change q-o-q
INCOME STATEMENT HIGHLIGHTS					
Interest income	1,237,407	765,773	61.6%	1,186,258	4.3%
Interest expense	(553,706)	(327,953)	68.8%	(522,602)	6.0%
Net interest income	**683,701**	**437,820**	**56.2%**	**663,656**	**3.0%**
Fee and commission income	247,662	182,384	35.8%	277,667	-10.8%
Fee and commission expense	(109,590)	(74,582)	46.9%	(108,569)	0.9%
Net fee and commission income	**138,072**	**107,802**	**28.1%**	**169,098**	**-18.3%**
Net foreign currency gain	145,594	90,540	60.8%	176,350	-17.4%
Net other income	11,285	7,793	44.8%	22,914	-50.8%
Operating income	**978,652**	**643,955**	**52.0%**	**1,032,018**	**-5.2%**
Salaries and other employee benefits	(213,075)	(106,311)	100.4%	(231,043)	-7.8%
Administrative expenses	(70,109)	(48,380)	44.9%	(88,042)	-20.4%
Depreciation, amortisation and impairment	(51,167)	(31,491)	62.5%	(47,299)	8.2%
Other operating expenses	(8,542)	(1,856)	NMF	(4,227)	102.1%
Operating expenses	**(342,893)**	**(188,038)**	**82.4%**	**(370,611)**	**-7.5%**
Gain on bargain purchase	-	685,888	-100.0%	-	-
Acquisition related costs	-	(17,102)	-100.0%	2,708	-100.0%
Profit from associates	271	98	176.5%	369	-26.6%
Operating income before cost of risk	**636,030**	**1,124,801**	**-43.5%**	**664,484**	**-4.3%**
Expected credit loss on loans to customers and factoring receivables	(17,479)	(17,344)	0.8%	(38,220)	-54.3%
Expected credit loss on finance lease receivables	(209)	(172)	21.5%	(125)	67.2%
Other expected credit loss and impairment charge on other assets and provisions	(9,225)	(5,483)	68.2%	(10,797)	-14.6%
Cost of risk	**(26,913)**	**(22,999)**	**17.0%**	**(49,142)**	**-45.2%**
Profit before income tax expense	**609,117**	**1,101,802**	**-44.7%**	**615,342**	**-1.0%**
Income tax expense	(96,053)	(63,949)	50.2%	(107,920)	-11.0%
Profit	**513,064**	**1,037,853**	**-50.6%**	**507,422**	**1.1%**
Attributable to:					
– shareholders of the Group	511,135	1,036,235	*-50.7%*	505,492	*1.1%*
– non-controlling interests	1,929	1,618	*19.2%*	1,930	*-0.1%*
Basic earnings per share	**11.81**	**23.53**	**-49.8%**	**11.75**	**0.5%**
Diluted earnings per share	**11.73**	**23.23**	**-49.5%**	**11.51**	**1.9%**

BALANCE SHEET HIGHLIGHTS	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Cash and cash equivalents	4,151,524	3,154,044	31.6%	3,753,183	10.6%
Amounts due from credit institutions	3,596,111	2,382,079	51.0%	3,278,465	9.7%
Investment securities	9,373,413	7,218,707	29.8%	8,968,721	4.5%
Investment securities pledged under repurchase agreements and securities lending	369,637	87,063	NMF	483,666	-23.6%
Loans to customers, finance lease and factoring receivables	34,137,143	27,698,817	23.2%	33,558,874	1.7%
Accounts receivable and other loans	10,890	5,924	83.8%	8,811	23.6%
Prepayments	105,860	90,986	16.3%	88,950	19.0%
Foreclosed assets	397,387	301,959	31.6%	378,642	5.0%
Right-of-use assets	262,205	242,560	8.1%	257,896	1.7%
Investment properties	133,801	128,511	4.1%	134,338	-0.4%
Property and equipment	554,208	517,156	7.2%	550,097	0.7%
Goodwill	41,253	41,253	0.0%	41,253	0.0%
Intangible assets	332,622	269,416	23.5%	322,250	3.2%
Income tax assets	2,304	2,591	-11.1%	48,114	-95.2%
Other assets	314,742	283,732	10.9%	314,620	0.0%
Assets held for sale	16,201	20,756	-21.9%	20,008	-19.0%
Total assets	**53,799,301**	**42,445,554**	**26.7%**	**52,207,888**	**3.0%**
Client deposits and notes	33,969,258	28,330,513	19.9%	33,202,010	2.3%
Amounts owed to credit institutions	9,006,255	5,626,533	60.1%	8,680,233	3.8%
Debt securities issued	2,257,270	1,330,631	69.6%	2,255,016	0.1%
Lease liability	276,564	247,006	12.0%	274,435	0.8%
Accruals and deferred income	324,940	175,294	85.4%	338,734	-4.1%
Income tax liabilities	127,988	143,142	-10.6%	88,431	44.7%
Other liabilities	415,531	559,997	-25.8%	353,802	17.4%
Total liabilities	**46,377,806**	**36,413,116**	**27.4%**	**45,192,661**	**2.6%**
Share capital	1,454	1,504	-3.3%	1,464	-0.7%
Additional paid-in capital	457,615	433,277	5.6%	453,738	0.9%
Treasury shares	(49)	(73)	-32.9%	(51)	-3.9%
Capital redemption reserve	164	114	43.9%	154	6.5%
Other reserves	92,816	51,912	78.8%	110,786	-16.2%
Retained earnings	6,867,987	5,525,052	24.3%	6,422,320	6.9%
Total equity attributable to shareholders of the Group	**7,419,987**	**6,011,786**	**23.4%**	**6,988,411**	**6.2%**
Non-controlling interests	1,508	20,652	-92.7%	26,816	-94.4%
Total equity	**7,421,495**	**6,032,438**	**23.0%**	**7,015,227**	**5.8%**
Total liabilities and equity	**53,799,301**	**42,445,554**	**26.7%**	**52,207,888**	**3.0%**
Book value per share	**170.99**	**135.96**	**25.8%**	**162.77**	**5.1%**

Additional information

Number of employees (period-end)	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Bank of Georgia (standalone)	8,160	7,699	6.0%	7,954	2.6%
Ameriabank	2,053	1,835	11.9%	2,036	0.8%
Other	2,118	1,994	6.2%	2,088	1.4%
Group	12,331	11,528	7.0%	12,078	2.1%

Branch network (period-end)	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Bank of Georgia	188	184	2.2%	189	-0.5%
Of which:					
Full-scale branches	97	94	3.2%	96	1.0%
Transactional branches	91	90	1.1%	93	-2.2%
Ameriabank	25	26	-3.8%	25	flat

Unadjusted ratios of the Group	1Q25[12]	1Q24		4Q24	
ROAA	3.9%	13.2%		4.1%	
ROAE	28.7%	78.1%		29.8%	

FX rates	Mar-25	Mar-24		Dec-24	
GEL/USD exchange rate (period-end)	2.77	2.70		2.81	
GEL/GBP exchange rate (period-end)	3.58	3.40		3.53	
GEL/1000AMD exchange rate (period-end)	7.06	6.84		7.08	

Shares outstanding	Mar-25	Mar-24	Change y-o-y	Dec-24	Change q-o-q
Ordinary shares outstanding (period-end)	43,393,964	44,217,045	-1.9%	42,935,561	1.1%
Treasury shares outstanding (period-end)	796,076	1,492,057	-46.6%	1,562,586	-49.1%
Total shares outstanding (period-end)	44,190,040	45,709,102	-3.3%	44,498,147	-0.7%

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

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 (CET1) capital adequacy ratio** Common Equity Tier 1 capital divided by total risk weighted assets, both calculated in accordance with the requirements of the CBA
- **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
- **CBA Total capital adequacy ratio** Total regulatory capital divided by total risk weighted assets, both calculated in accordance with the requirements of the CBA
- **CBA Liquidity coverage ratio (LCR)** High-quality liquid assets divided by net cash outflows over the next 30 days (as defined by the CBA)
- **CBA Net stable funding ratio (NSFR)** Available amount of stable funding divided by the required amount of stable funding (as defined by the CBA
- **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 (CET1) 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 does not provide complex banking services, such as issuing mortgages, services to legal clients, etc.
- **NMF** No meaningful figure

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 December 2024. To calculate the y-o-y growth without the currency exchange rate effect, we used the relevant exchange rates as at 31 March 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.
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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. 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.