



LION FINANCE  
GROUP

# RESULTS CALL PRESENTATION

**4Q24 & FY24 Performance**

Unaudited Consolidated Results

25 February 2025  
[www.lionfinancegroup.uk](http://www.lionfinancegroup.uk)

## Disclaimer: forward-looking statements

This presentation 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 (formerly Bank of Georgia Group PLC's) 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 (formerly Bank of Georgia Group PLC's) Annual Report and Accounts 2023 and 1H24 Results. 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.

# Who we are

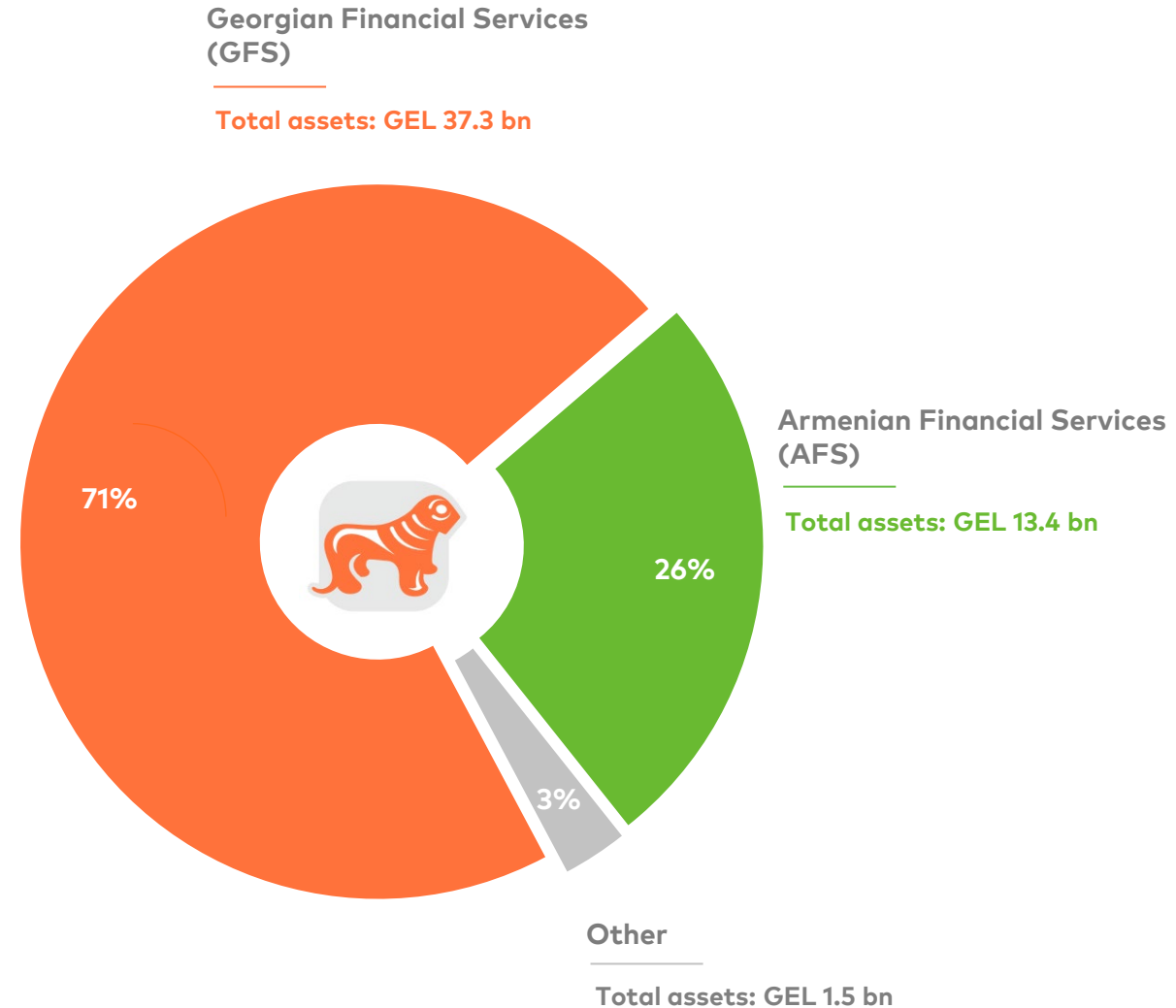
Operating leading, customer-focused, universal banks in Georgia and Armenia

Strong growth momentum underpinned by some of the fastest growing economies in EMEA

LSE listed FTSE250 holding company with diversified institutional investor base

Track record of high profitability and superior returns for shareholders

Highest standards of corporate governance and a strong focus on ESG



# The Group hit record profit in FY24, driven by robust performance across its core business divisions

## Group (consolidated)

FY24 highlights

Profit (adjusted)\*

**GEL 1.8Bn**

+31.9% y-o-y

ROAE (adjusted)\*

**30.0%**

Cost to income

**34.3%**

Cost of credit risk

**0.5%**



### Georgian Financial Services (GFS)

FY24 operating income	GEL 2,703.7m	<b>JSC Bank of Georgia</b>	
FY24 profit	GEL 1,555.9m	Market share by total loans, Dec-24	37.6%
FY24 ROAE	33.5%	Digital MAU (retail), Dec-24	1.6m

### Armenian Financial Services (AFS)

FY24 operating income	GEL 728.9m	<b>Ameriabank CJSC</b>	
FY24 profit (adjusted)*	GEL 230.2m	Market share by total loans, Dec-24	20.9%
FY24 ROAE (adjusted)*	20.6%	Digital MAU (retail), Dec-24	232k

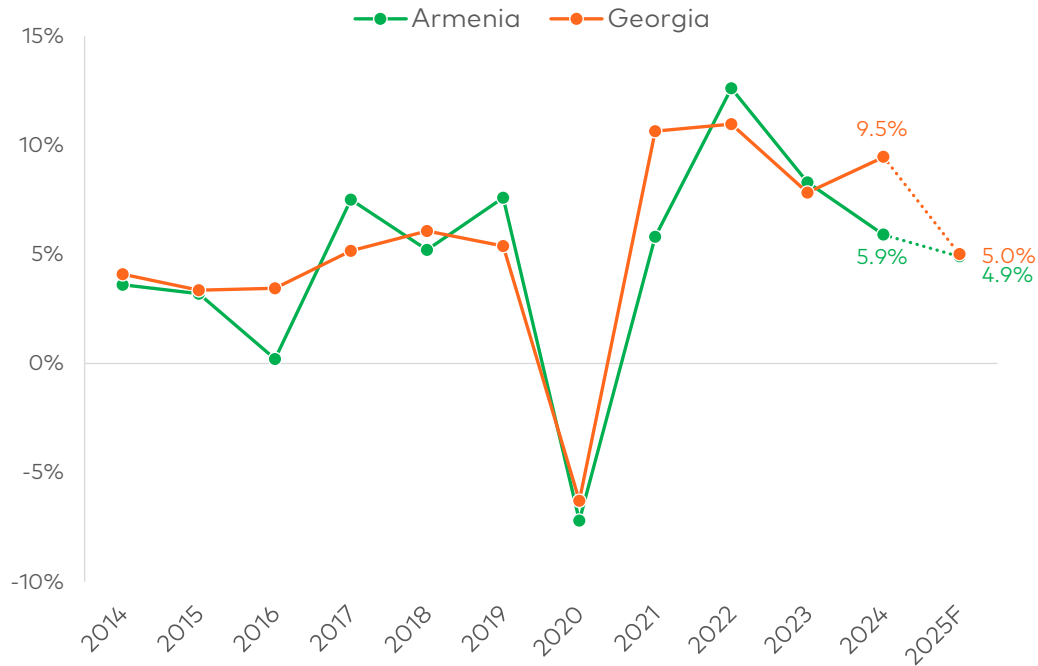
\*In FY24, GEL 672.2m was recorded as a one-off item comprising a one-off gain on bargain purchase and acquisition-related costs in AFS. Operating income before cost of risk and subsequent lines in the income statement as well as ROAA and ROAE were adjusted for these one-off items. Group's FY24 unadjusted figures are as follows: Profit of GEL 2,485m, and ROAE of 41.2%.

# Contents

- | MACROECONOMIC HIGHLIGHTS**
- | GROUP OVERVIEW AND STRATEGY
- | 4Q24 AND FY24 RESULTS

# Georgian and Armenian economies are expected to sustain steady growth rates, with ample room for expansion

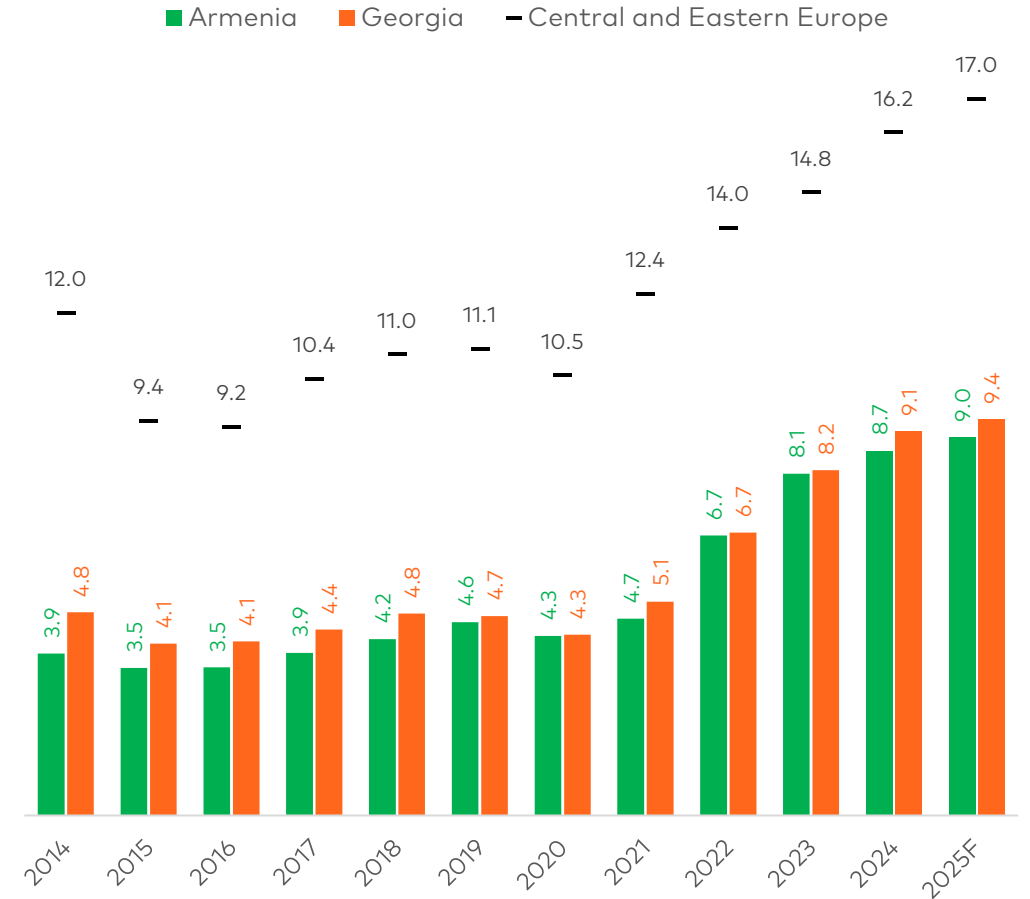
## Real GDP growth, year-on-year



Quarterly real GDP growth (y-o-y change)				
	1Q24	2Q24	3Q24	4Q24
<b>Georgia</b>	<b>8.7%</b>	<b>9.7%</b>	<b>11.0%</b>	<b>8.4%</b>
<b>Armenia</b>	<b>7.9%</b>	<b>7.3%</b>	<b>6.1%</b>	<b>3.7%</b>

Source: Armstat, Geostat, IMF

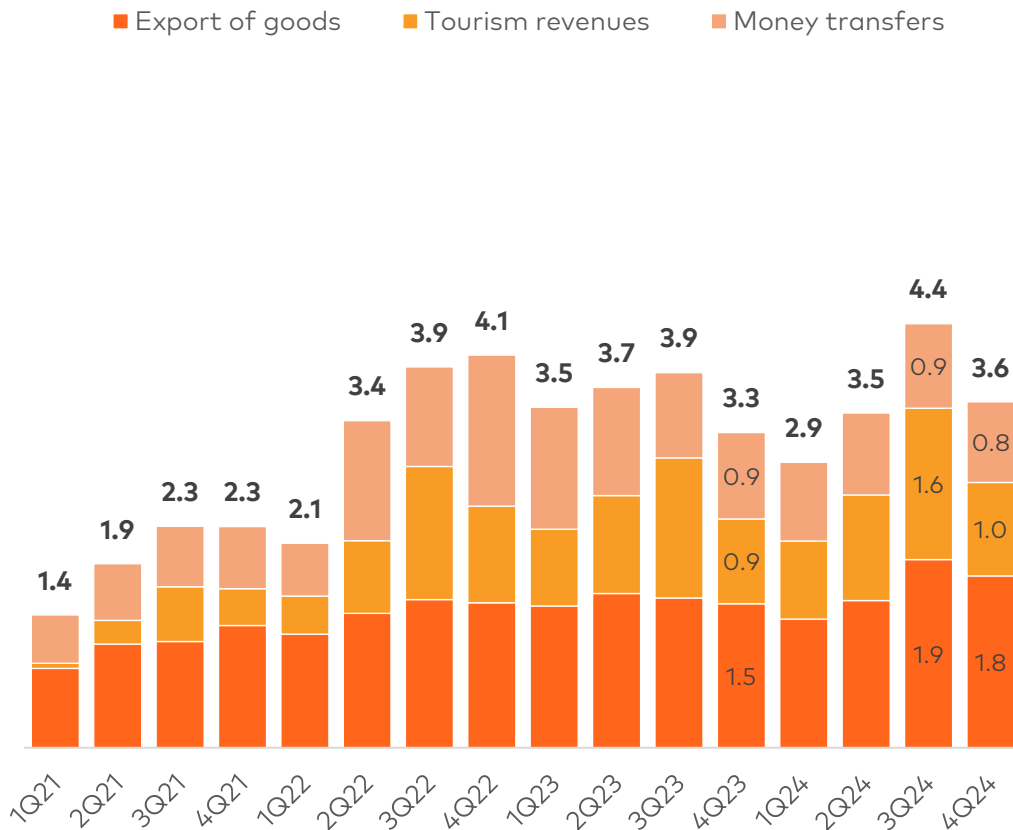
## Nominal GDP per capita, US\$ '000



Source: Armstat, Geostat, IMF

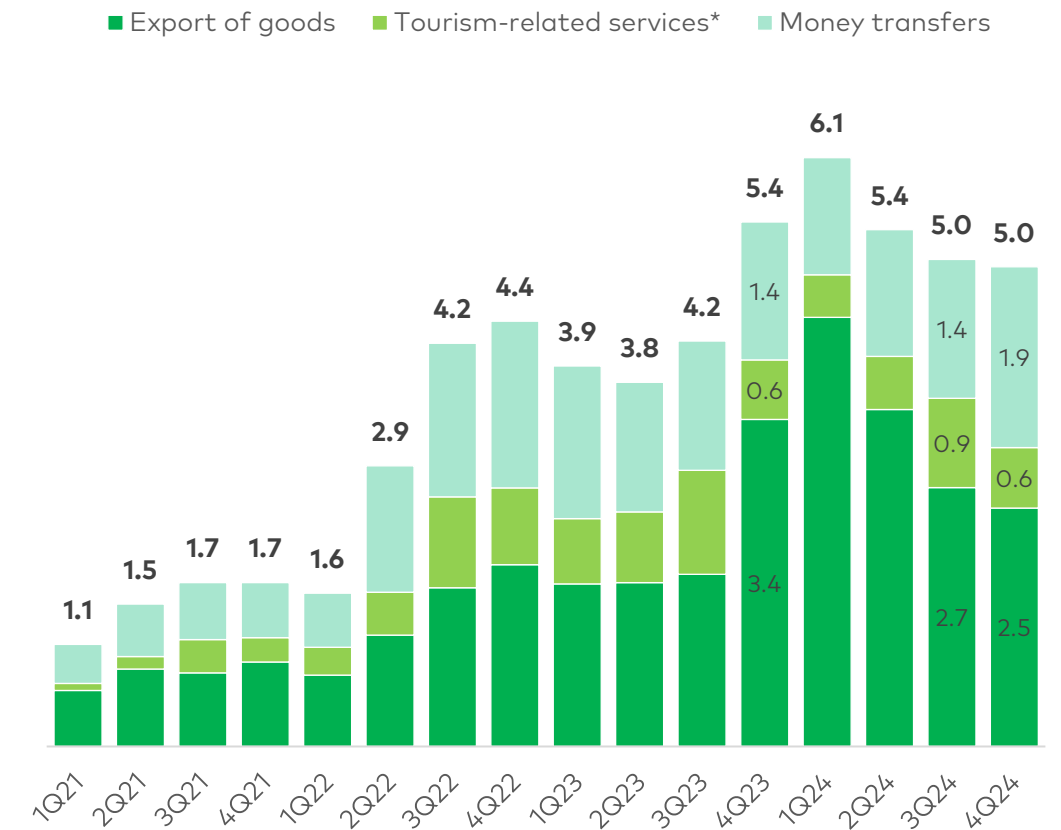
# Resilient external sector inflows support growth and underpin local currency stability in Georgia and Armenia

## Main sources of external sector inflows in Georgia, US\$ bn



Source: Geostat, NBG

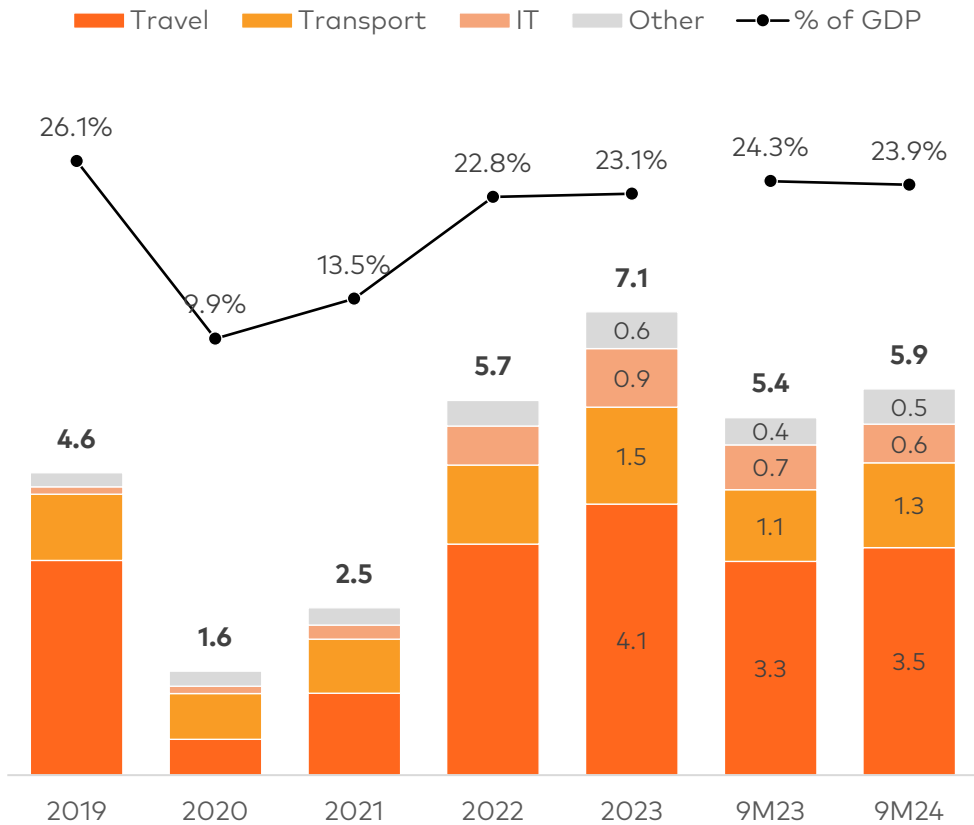
## Main sources of external sector inflows in Armenia, US\$ bn



Source: Armstat, CBA  
\*Estimated value for 4Q24

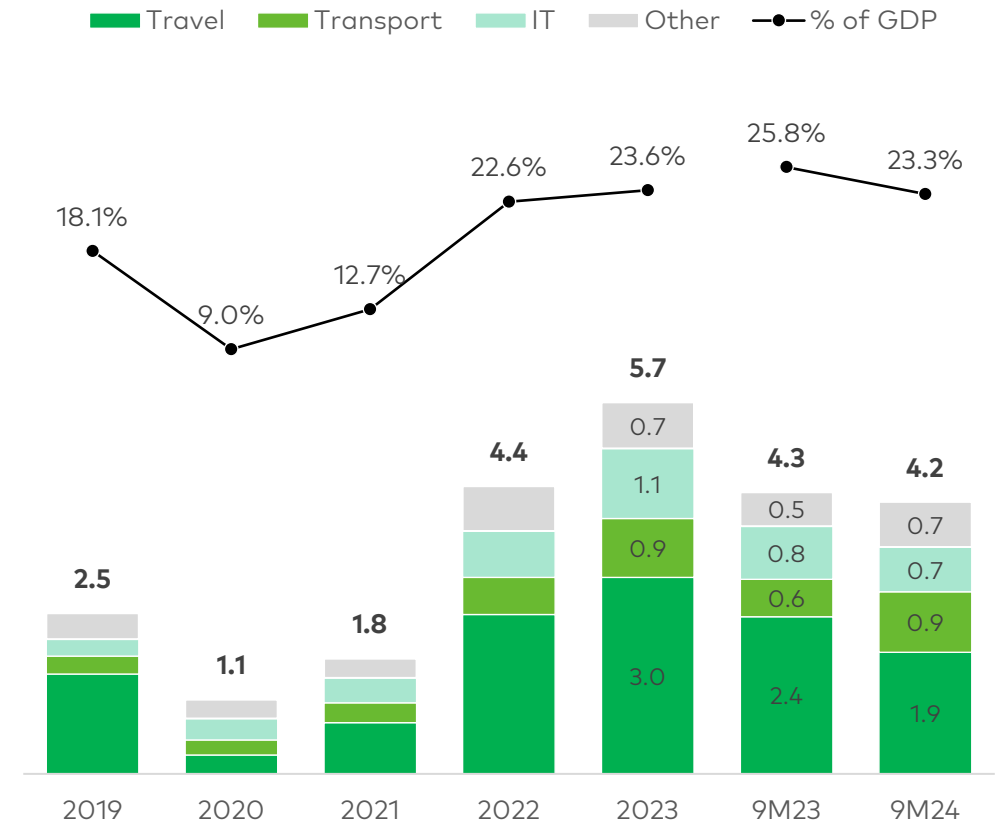
# Service exports have become a resilient source of hard currency inflows in Georgia and Armenia, enhancing productivity and economic diversification

## Export of services from Georgia, US\$ bn.



Source: NBG, Geostat

## Export of services from Armenia, US\$ bn.

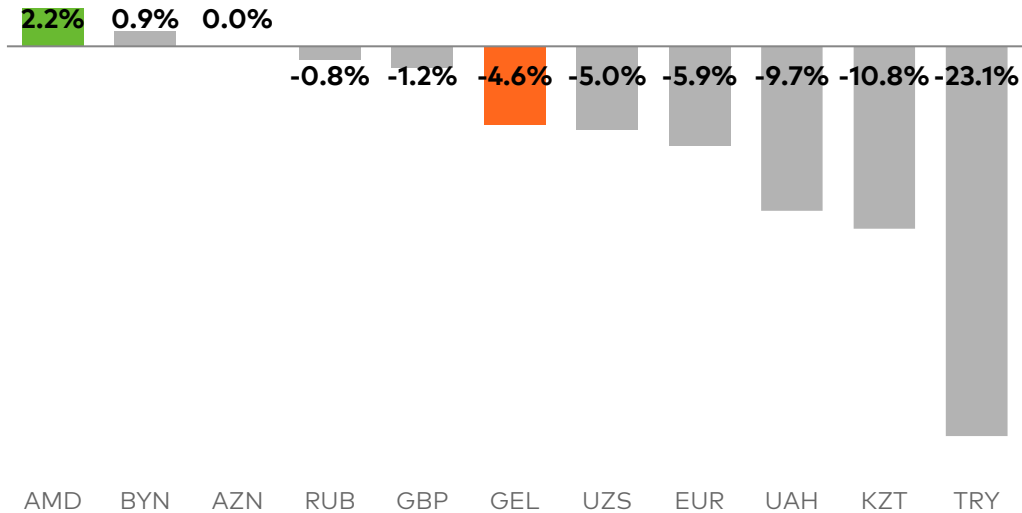


Source: CBA, Armstat



# GEL and AMD are supported by sustained FX inflows, prudent macroeconomic management, and solid economic growth prospects

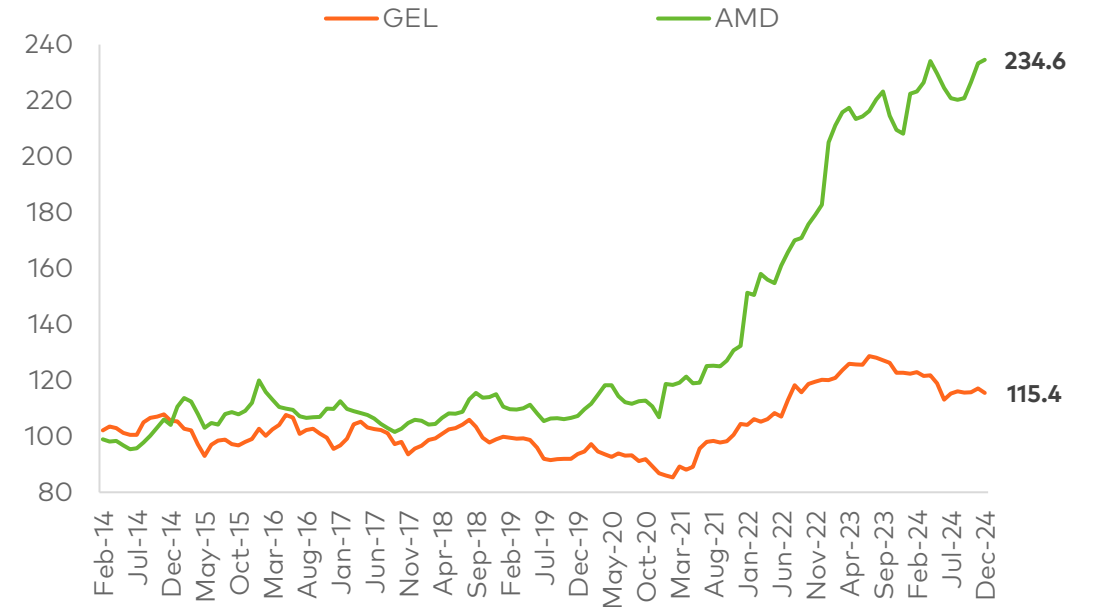
## Currency movements vs. US\$, 31 Dec 2023 – 20 Feb 2025



Source: Corresponding central banks  
 Note: +/- means appreciation/depreciation vs. USD

- In the medium term, we expect stability in the exchange rates of GEL and AMD

## GEL and AMD real effective exchange rates, Jan-2014 = 100

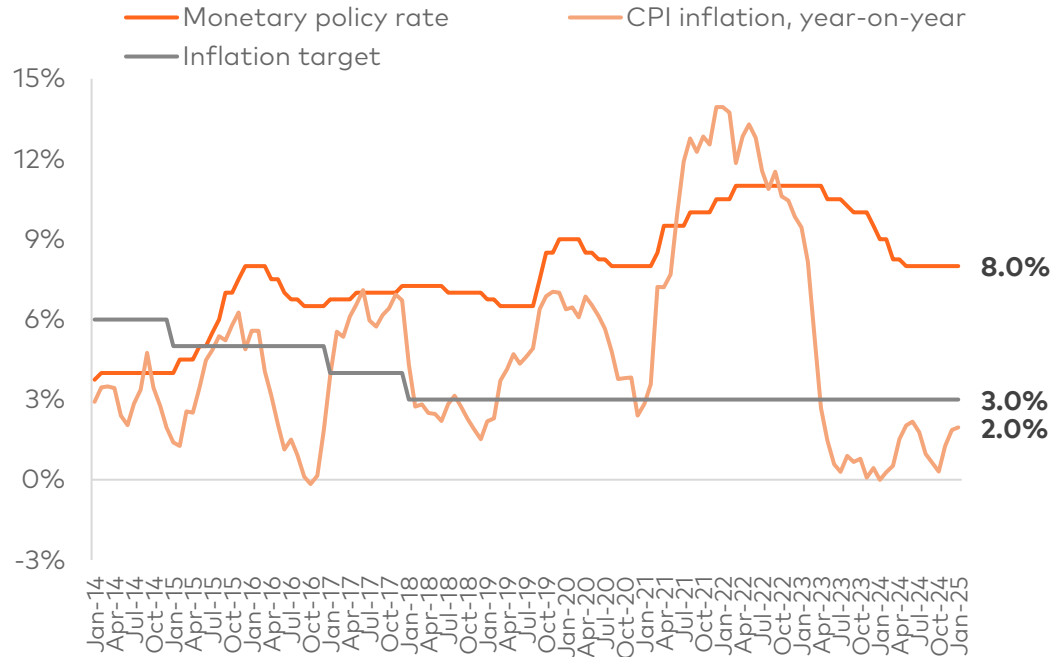


Source: NBG, CBA  
 Note: +/- means real appreciation/depreciation

- Previous real appreciations of GEL and AMD started to ease due to lower inflation in Georgia and Armenia versus trading partners

# Inflation remains low in Georgia and Armenia, while central banks diverge in the pace of monetary easing

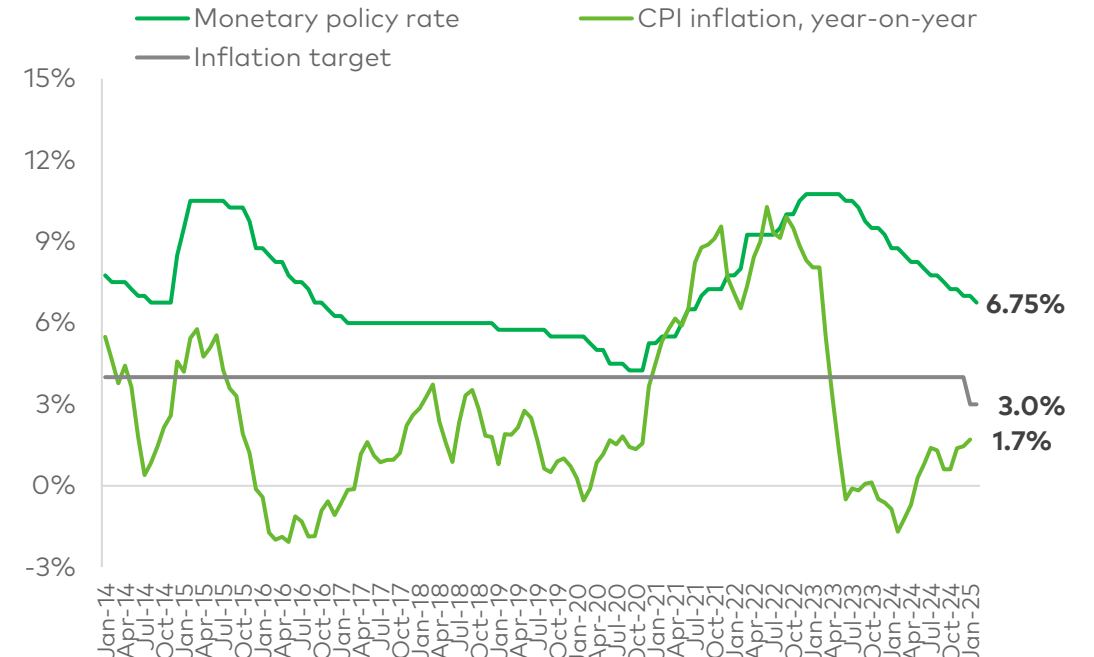
## Inflation and monetary policy in Georgia



Year-on-year inflation	Last 5-year average	Dec-24	Jan-25
<b>Headline CPI</b>	<b>6.0%</b>	<b>1.9%</b>	<b>2.0%</b>
<b>Core CPI</b>	<b>4.6%</b>	<b>2.3%</b>	<b>2.0%</b>

Source: Geostat, NBG  
 Note: Core CPI inflation excludes food, energy, regulated tariffs, and tobacco products

## Inflation and monetary policy in Armenia

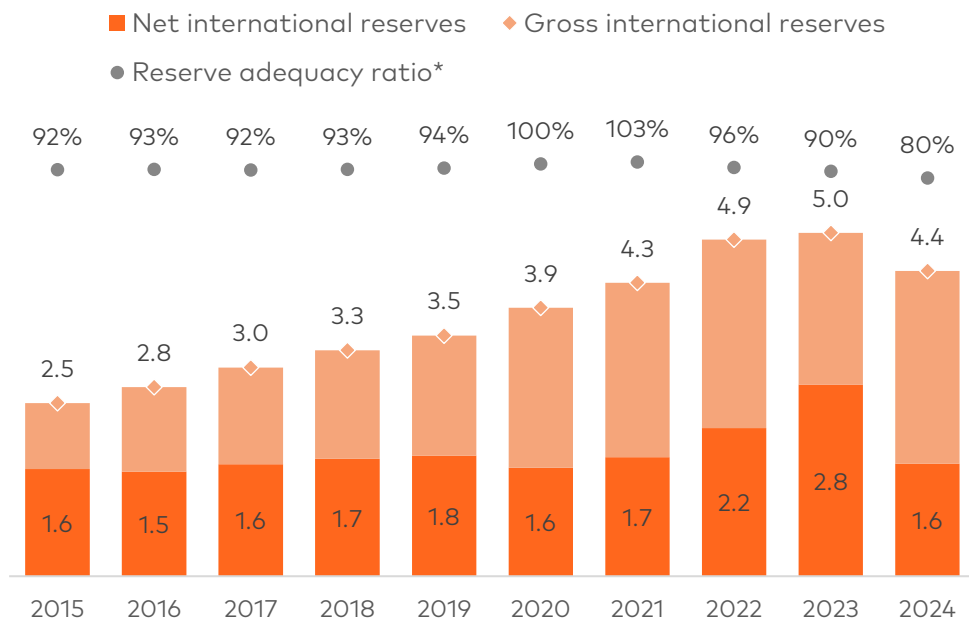


Year-on-year inflation	Last 5-year average	Dec-24	Jan-25
<b>Headline CPI</b>	<b>3.9%</b>	<b>1.5%</b>	<b>1.7%</b>
<b>Core CPI</b>	<b>4.0%</b>	<b>0.9%</b>	<b>1.2%</b>

Source: Armstat, CBA  
 Note: In Armenia, the inflation target has been set at 3% since the beginning of 2025

# Prudent monetary and fiscal management is expected to help rebuild policy buffers in Georgia and Armenia

## International reserves in Georgia (end of period, US\$ bn)



	2022	2023	2024E	2025F
<b>Fiscal balance (% of GDP)</b>	<b>-3.0%</b>	<b>-2.4%</b>	<b>-2.5%</b>	<b>-2.5%</b>
<b>Government debt (% of GDP)</b>	<b>39.2%</b>	<b>38.9%</b>	<b>36.8%</b>	<b>35.9%</b>

Source: NBG, Ministry of Finance of Georgia  
\* The ratio within the range of 100%-150% is considered adequate

## International reserves in Armenia (end of period, US\$ bn)

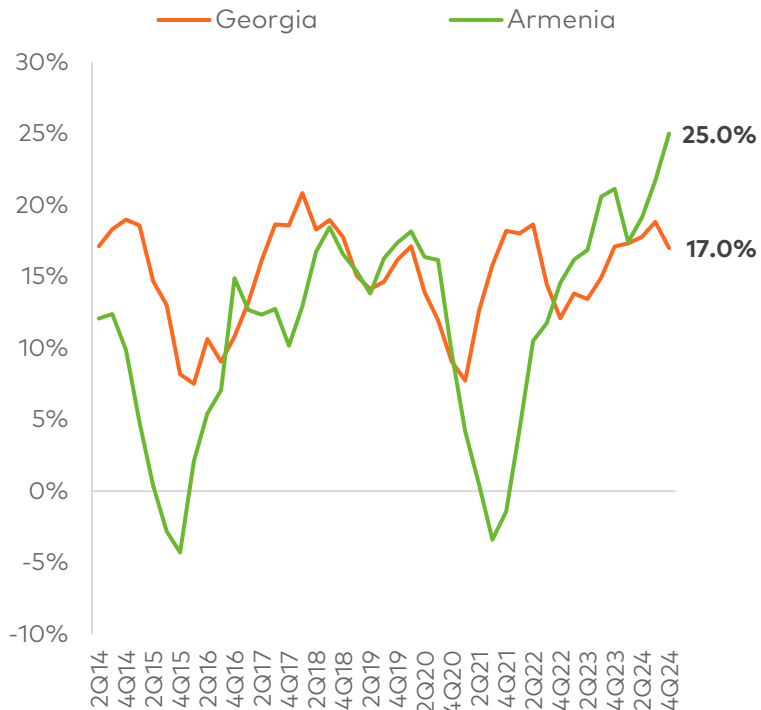


	2022	2023	2024E	2025F
<b>Fiscal balance (% of GDP)</b>	<b>-2.1%</b>	<b>-2.0%</b>	<b>-4.8%</b>	<b>-5.5%</b>
<b>Government debt (% of GDP)</b>	<b>46.7%</b>	<b>48.4%</b>	<b>48.3%</b>	<b>53.3%</b>

Source: CBA, Ministry of Finance of the Republic of Armenia, IMF  
\* The ratio within the range of 100%-150% is considered adequate

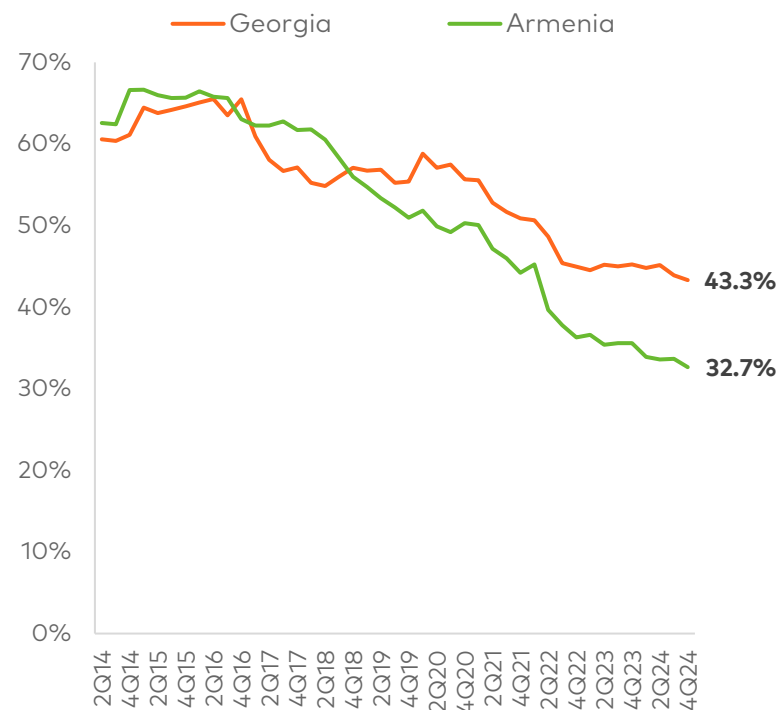
# The Georgian and Armenian banking sectors are distinguished by robust growth, declining dollarisation and sound balance sheets

**Bank lending growth on a constant currency basis, y-o-y**



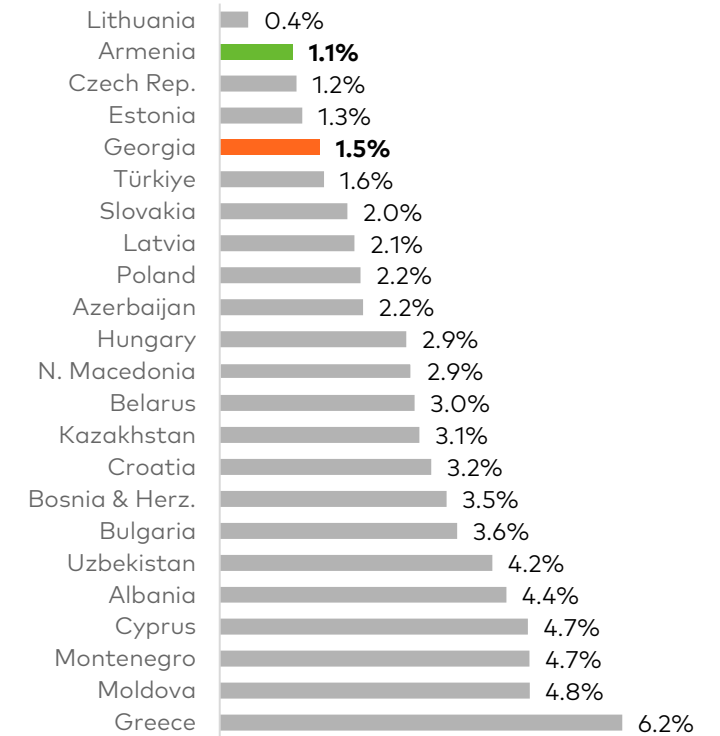
Source: NBG, CBA

**Total bank loan dollarisation**



Source: NBG, CBA

**Non-performing bank loans to total gross loans, end-Sep 2024 or latest available**



Source: IMF

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# What we focus 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

### Excellent customer experience

Anticipating customer needs and wants and providing relevant products and services

### Profitable growth

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

## Our enablers

Customer-centricity

Data and AI

People and culture

Brand strength

Effective risk management

## Key medium-term targets

**c.15%**

Annual loan book growth

**20%+**

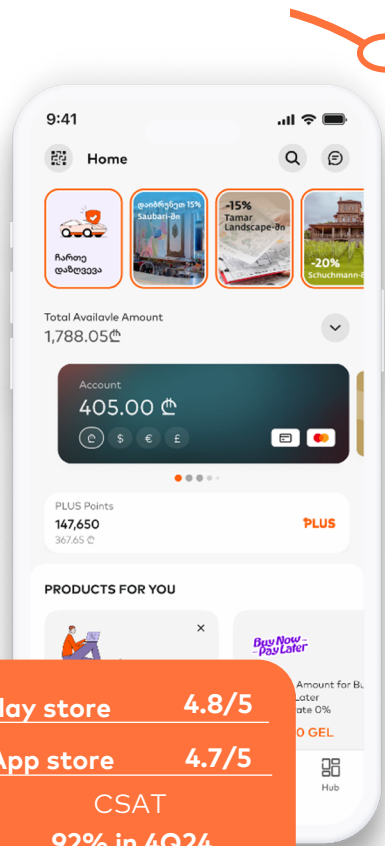
ROAE

**30-50%**

Dividend and share buyback payout ratio

# Our award-winning financial apps

## Retail Financial SuperApp



### Daily banking

Transfers (by phone, ID & account number);  
Bill payments; P2P instant transfers;  
QR ATM withdrawals; Video banking;  
Personal Finance Manager

### Financial products

E2E consumer lending;  
E2E deposit activation;  
Pre-approved credit limits;  
Online instalments, BNPL

### Loyalty & lifestyle

Partner merchants' offers;  
Loyalty points management;  
Personalised offerings

### Beyond banking

Insurance marketplace; Retail brokerage;  
Open banking; Municipal travel card; Car space;  
Gift cards; National Revenue Service integration

### AI

Chatbot; Stories; Personalised financial &  
lifestyle offerings; AI-generated wish cards

Play store 4.8/5

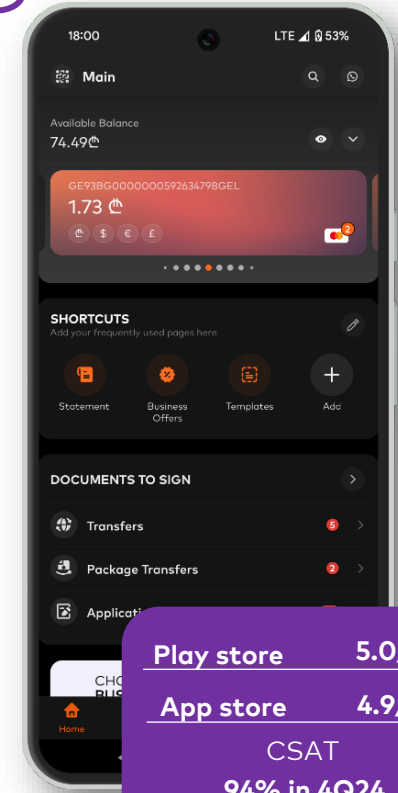
App store 4.7/5

CSAT

92% in 4Q24



## Business Mobile App



### Daily banking

Transfers (by ID, IN & account number);  
Packaged transfers; Payments > 200  
providers; Payroll management; User  
management; Statements; Business card

### Credit

E2E unsecured loan;  
Pre-approved credit limits;  
Credit line management;  
E2E tender guarantee;  
Factoring

### Savings

End-to-end deposit activation

### For merchants

POS payments history;  
E-commerce payments history

### Business support

Digital onboarding;  
Collection of third party offers;  
Chat/chatbot; Messaging service;  
Ads manager

Play store 5.0/5

App store 4.9/5

CSAT

94% in 4Q24



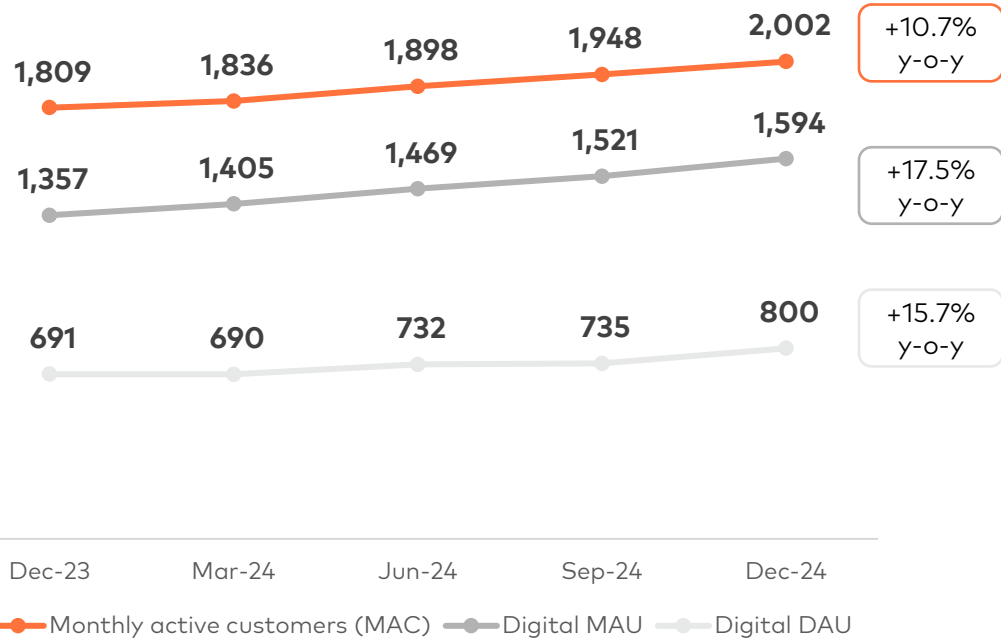
**World's Best Digital Bank**  
Global Finance 2024

# Our customers have become more digital and engaged

Figures given for JSC Bank of Georgia standalone

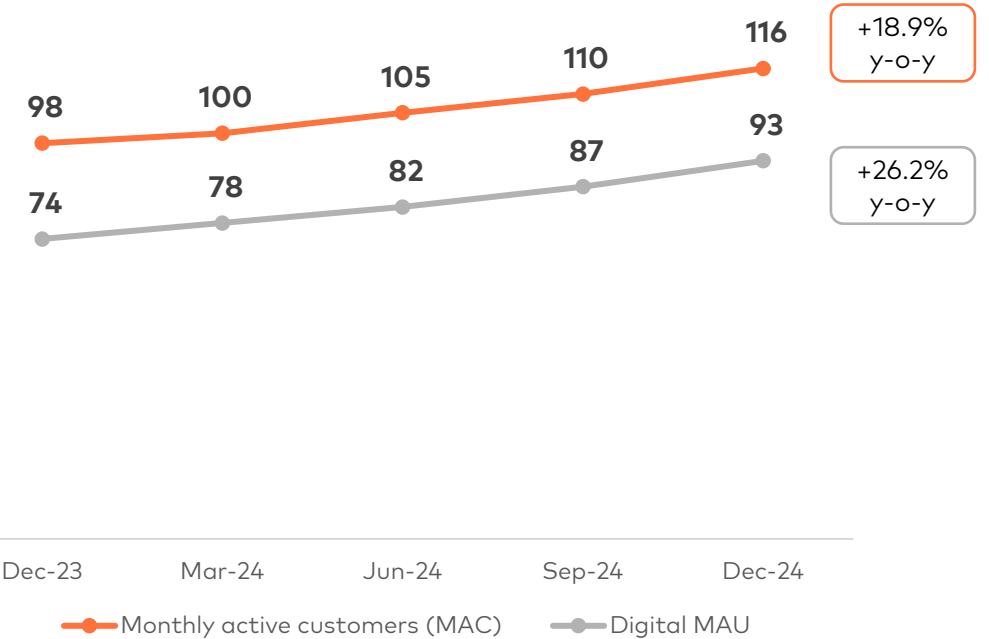
## Monthly active customers (individuals)

thousands



## Monthly active customers (businesses)

thousands

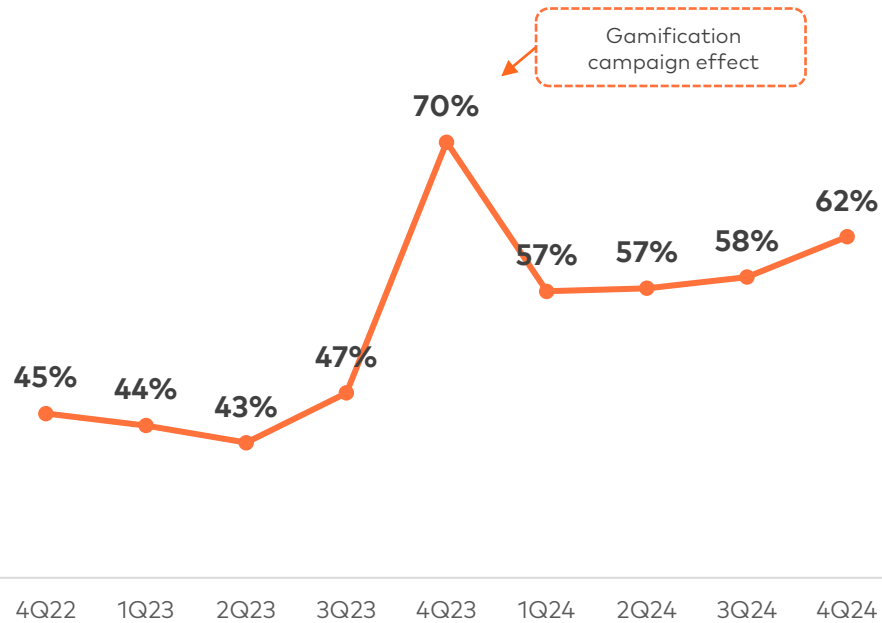




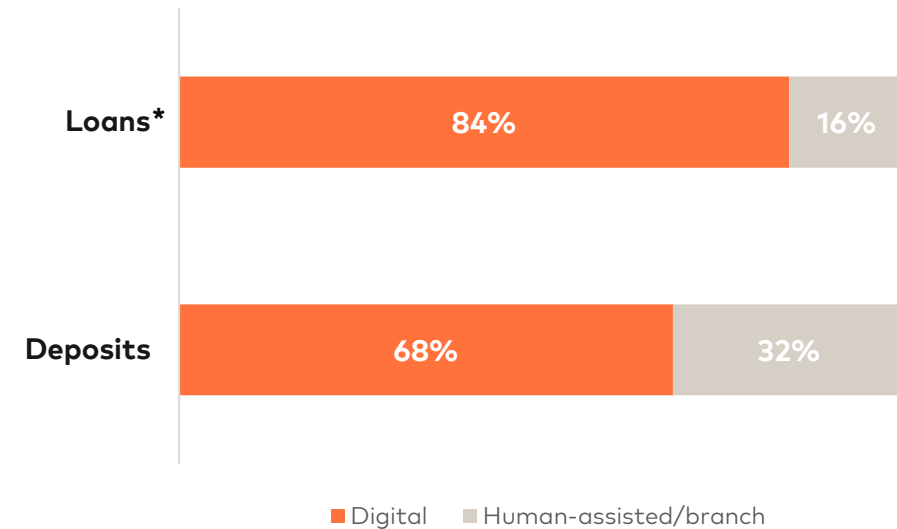
# Focusing on increasing product sales in retail digital channels

Figures given for JSC Bank of Georgia standalone

## Share of products sold digitally (Retail)



## Digital sales count: loans and deposits in 4Q24 (Retail)



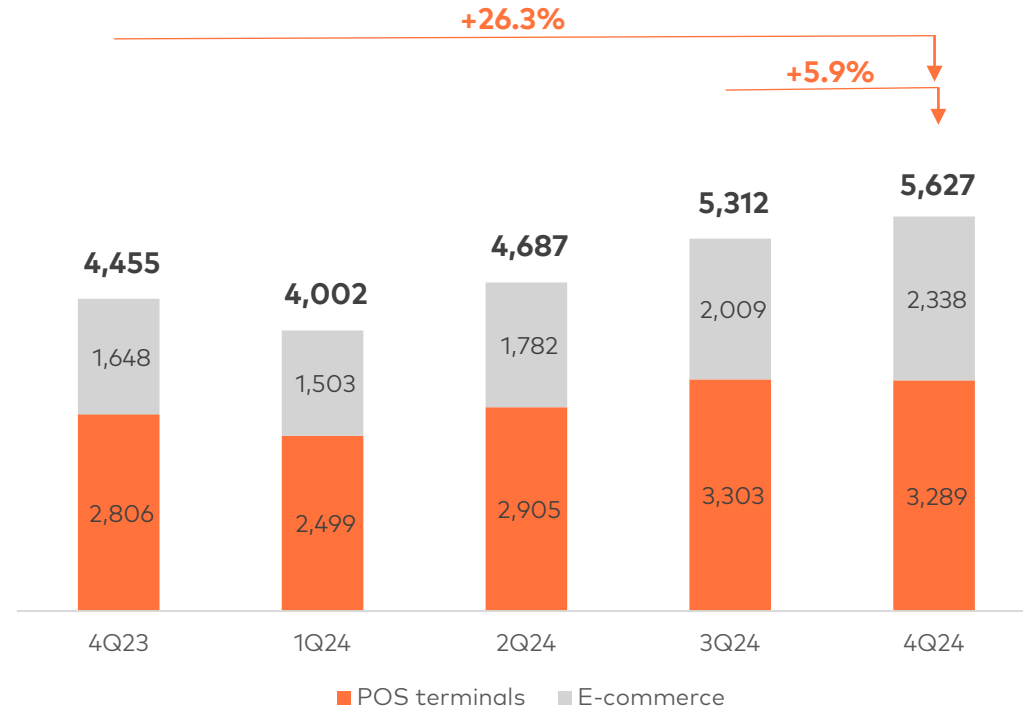
\*Loan digital sales includes BNPL.

# Payments business – our daily touchpoint with customers

Figures given for JSC Bank of Georgia standalone

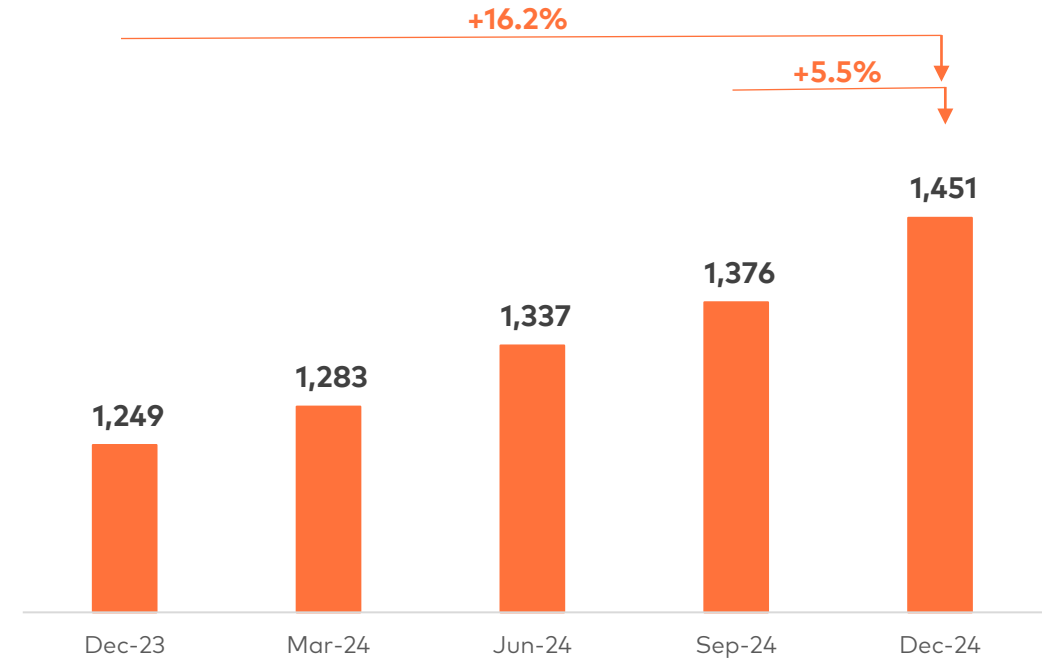
## Acquiring - volume of payment transactions

GEL millions



## Issuing – payment MAU

thousands



**57.1%**

Market share in acquiring volumes  
| Dec 2024 +2.2 pts YoY

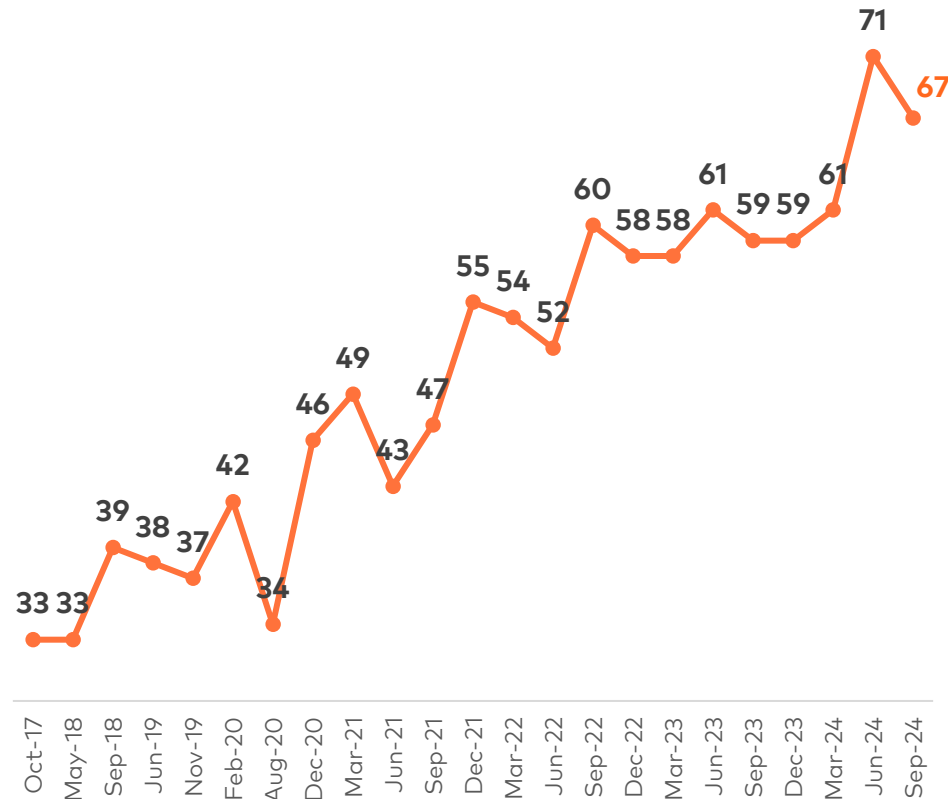
**21.9K**

Active merchants  
| Dec 2024 +19.2% YoY

# Maintaining high levels of customer satisfaction

Figures given for JSC Bank of Georgia standalone

## NPS\*



Engaging with customers **proactively** and responding in **real time**

**Anticipating** customer needs, wants, and future behavior

Harnessing strong **human relationships** with **data analytics** for dynamic customer insights

Investing in **technology** to deliver excellent customer experience

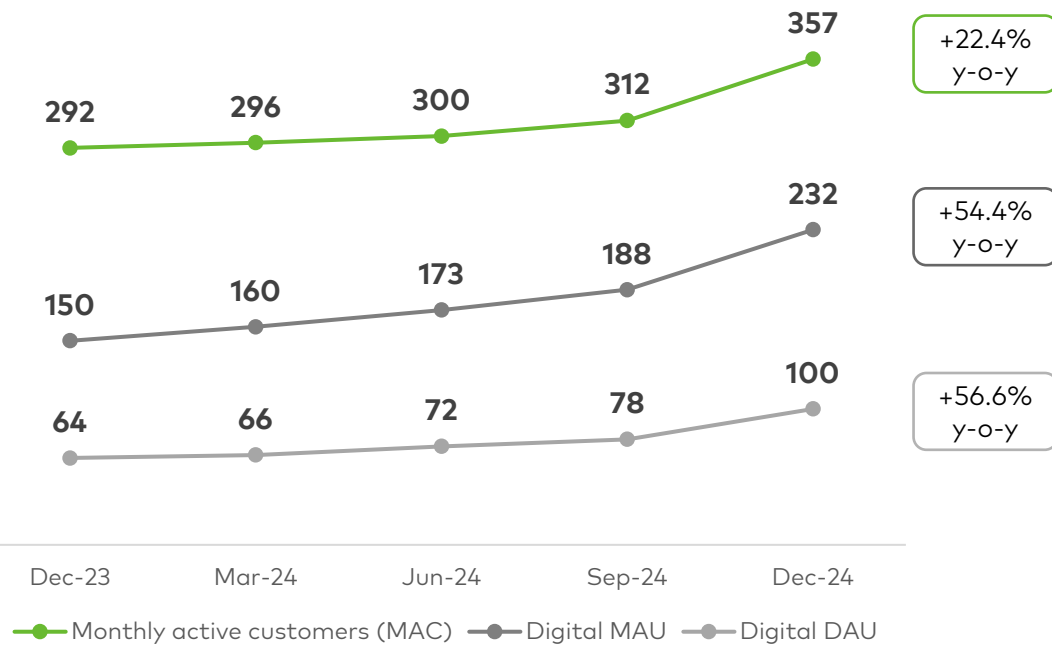


\*Based on external research by IPM Georgia, surveying a random sample of customers with face-to-face interviews.

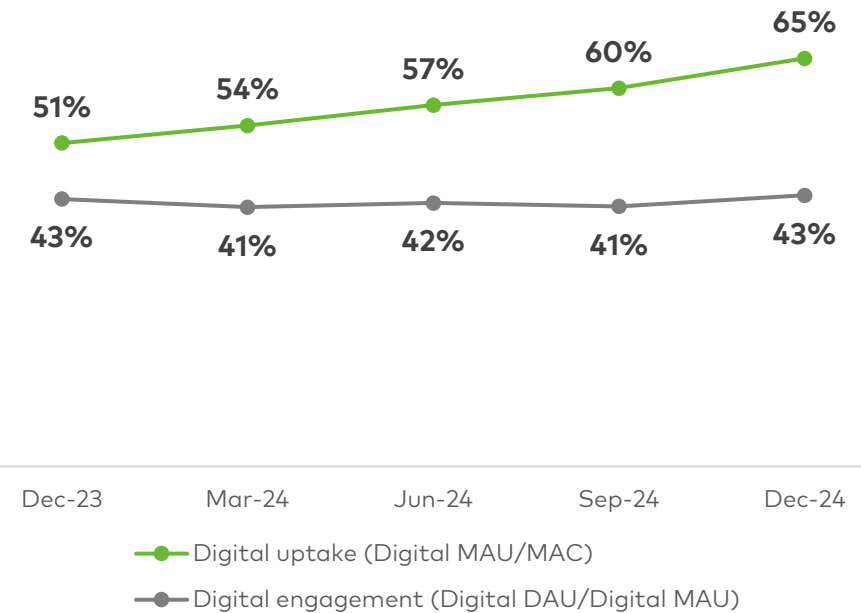
# Digitalisation momentum at Ameriabank underpins huge upside potential

## Monthly active customers (individuals)

thousands



## Digital engagement of active customers



\* Year-on-year comparisons are given for informational purposes only as Ameriabank was not part of the Group as at 31 December 2023.

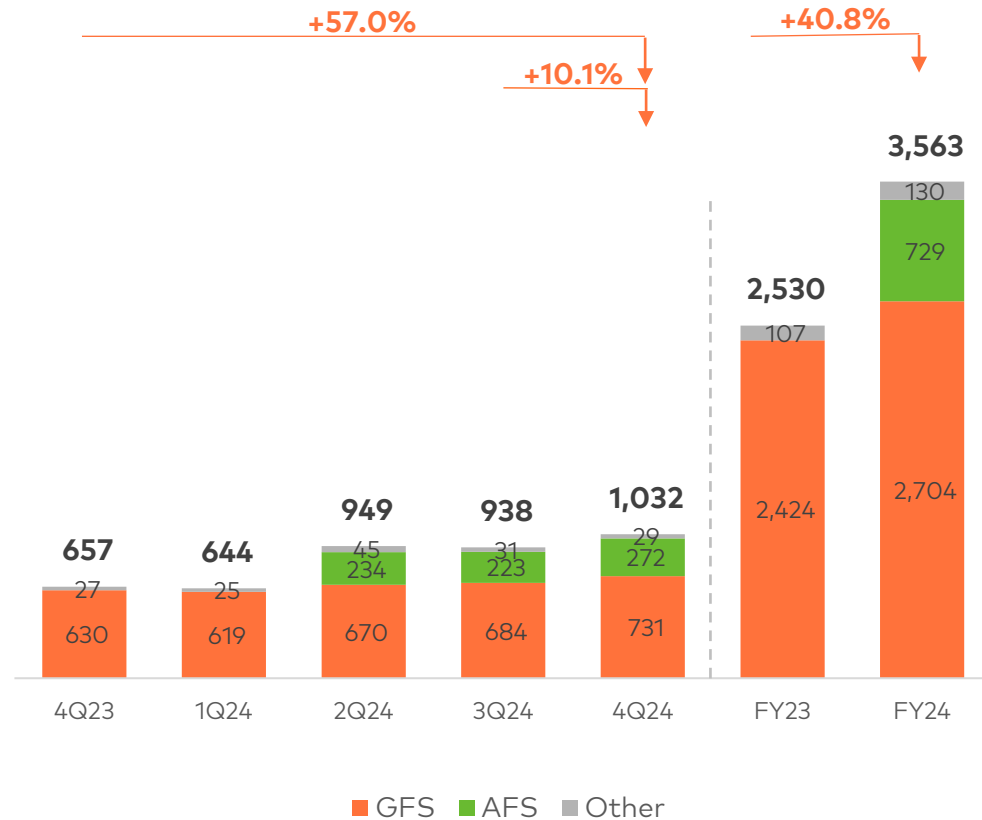
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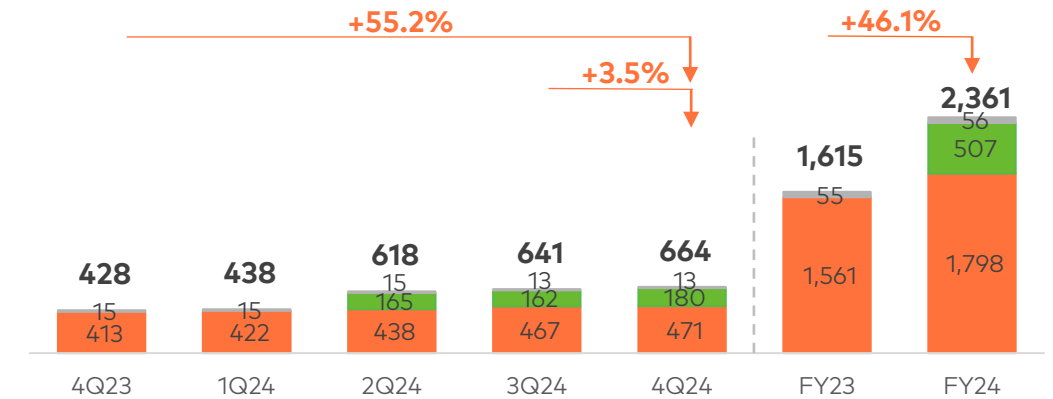
# Strong y-o-y growth enhanced by the consolidation of Ameriabank

All currency data are in GEL m unless otherwise stated

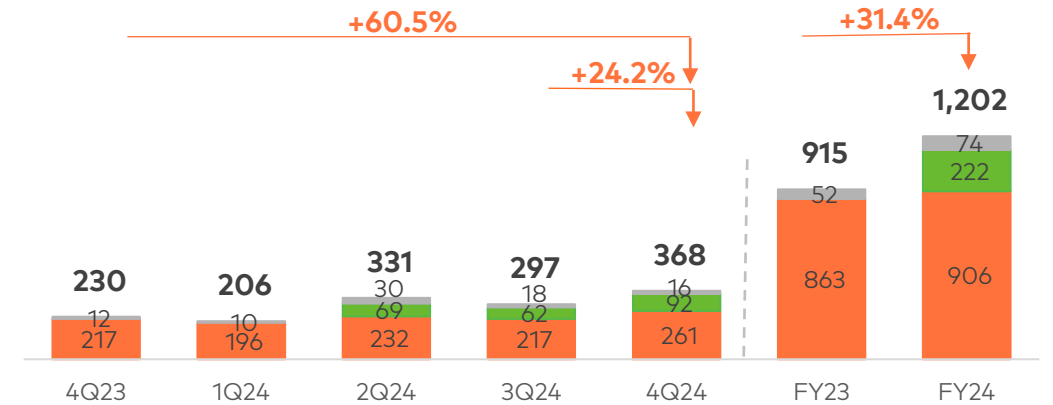
## Operating income\*



## Net interest income



## Net non-interest income\*

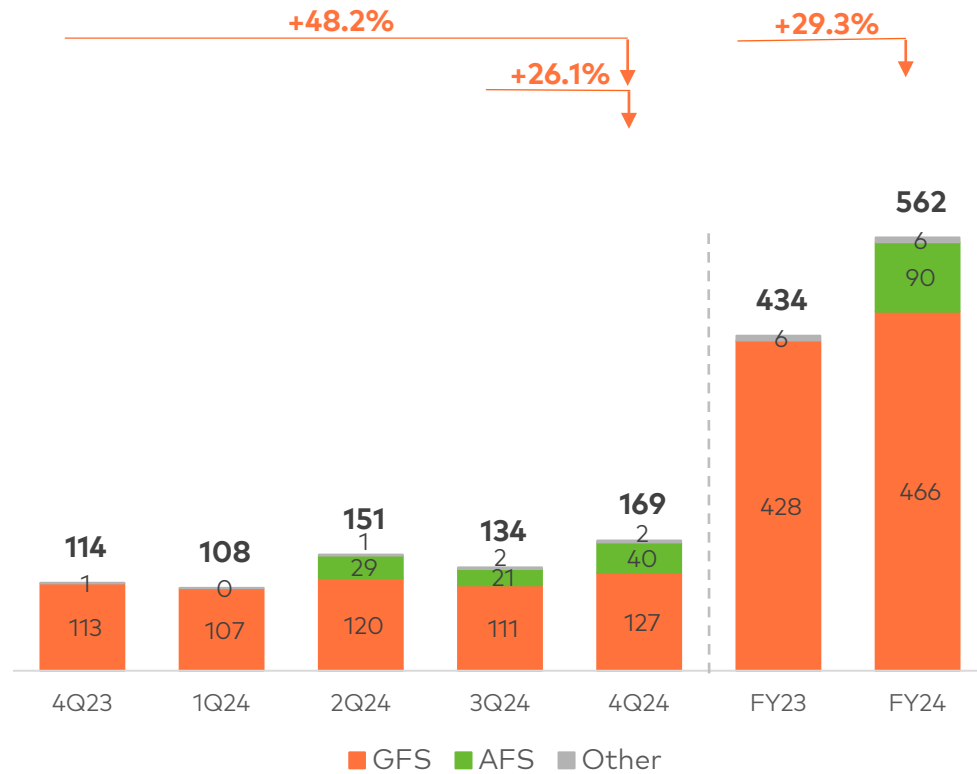


\*2023 net other income was adjusted for a one-off GEL 1.5 million and one-off GEL 21.1 million posted in 4Q23 and 2Q23 respectively, resulting from fair value revaluation of the receivable as part of the settlement of a legacy claim. As a result, 4Q23 and FY23 net other income and operating income were adjusted for these one-off items.

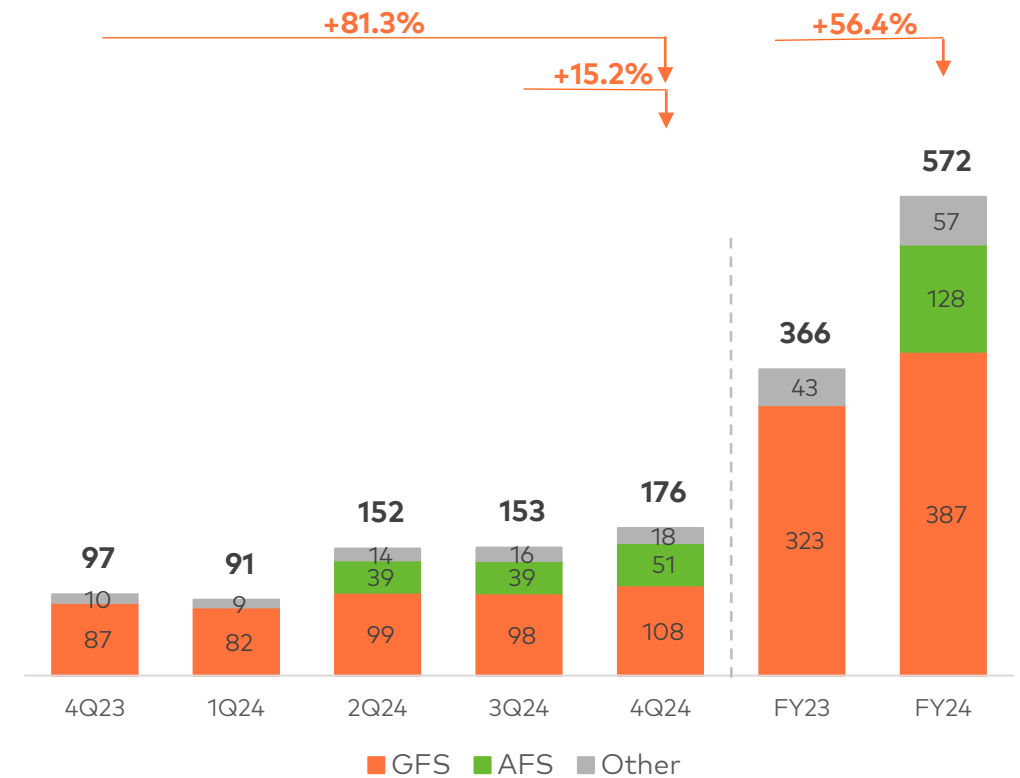
# Robust y-o-y Group performance in net non-interest income

All currency data are in GEL m unless otherwise stated

## Net fee & commission income



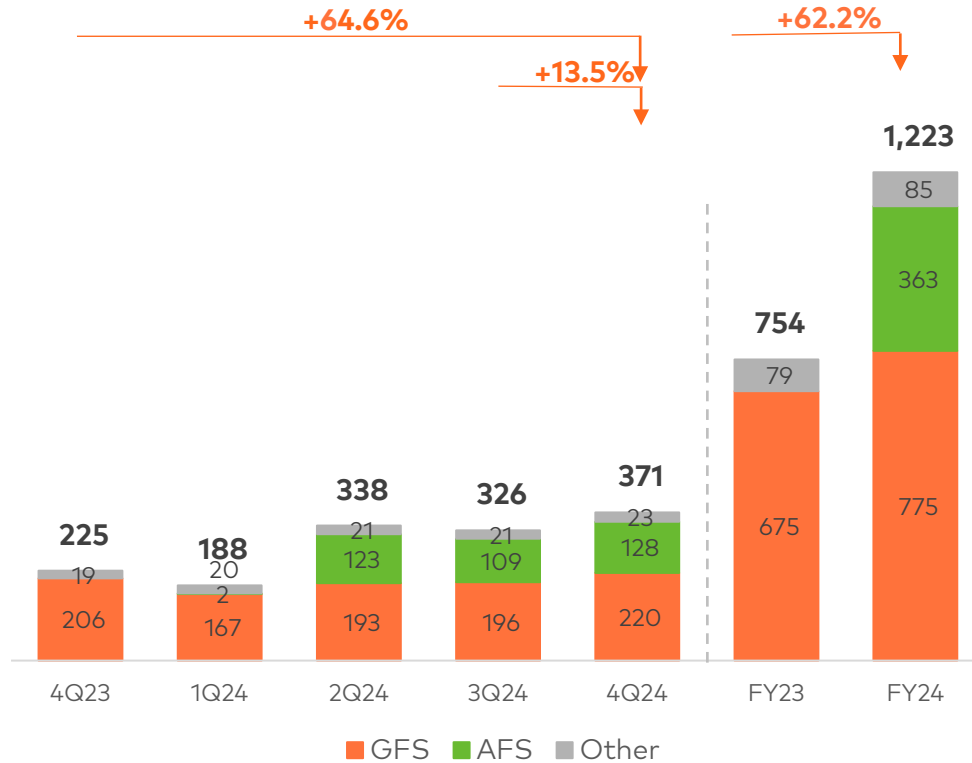
## Net foreign currency gain



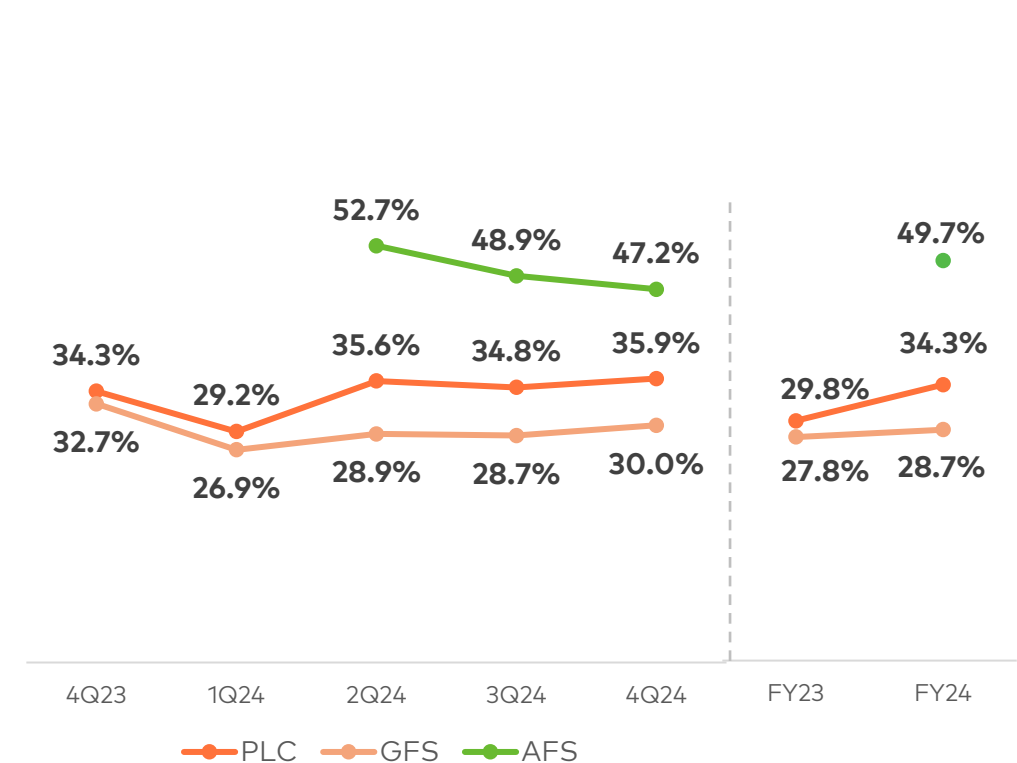
# Investing in growth, while maintaining the focus on efficiency

All currency data are in GEL m unless otherwise stated

## Operating expenses



## Cost to income ratio\*



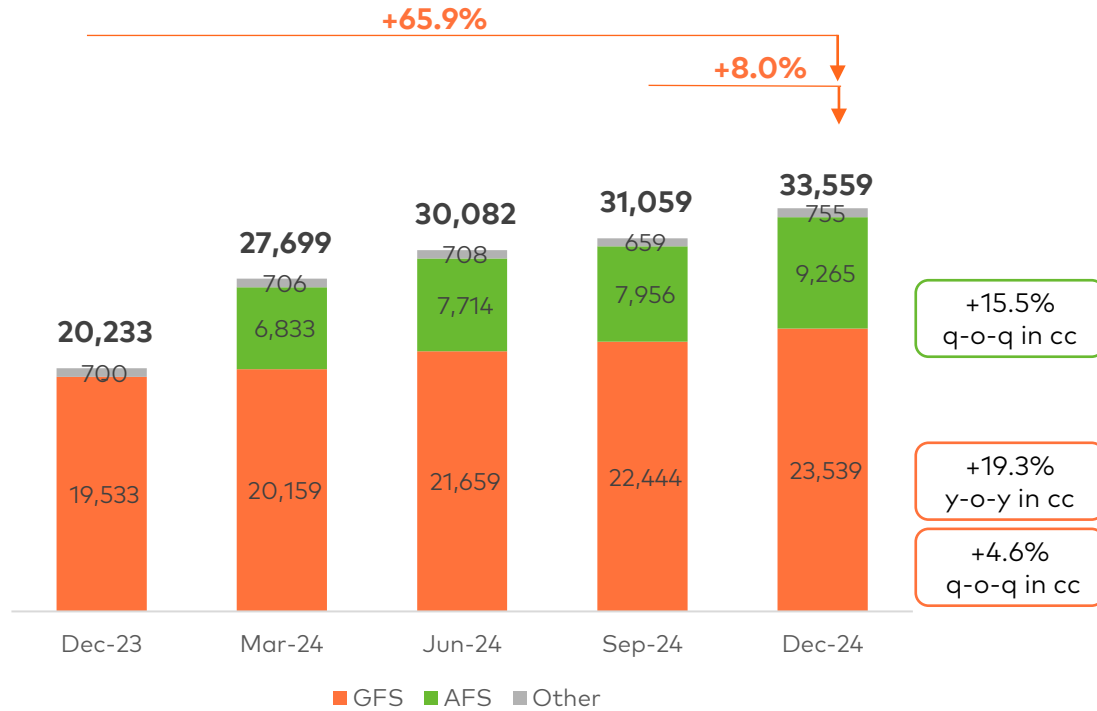
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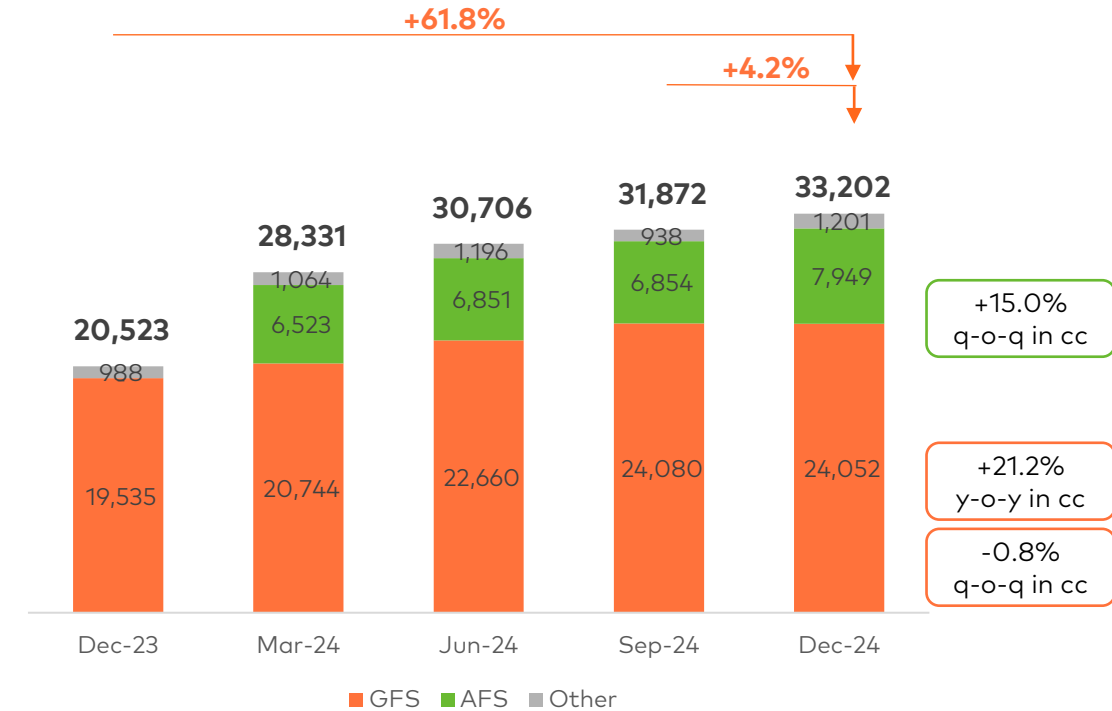
# Strong loan and deposit growth dynamics in core geographies

All currency data are in GEL m unless otherwise stated

## Loan portfolio



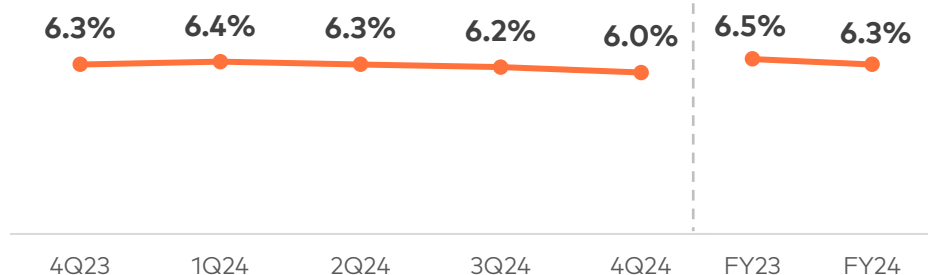
## Deposit portfolio



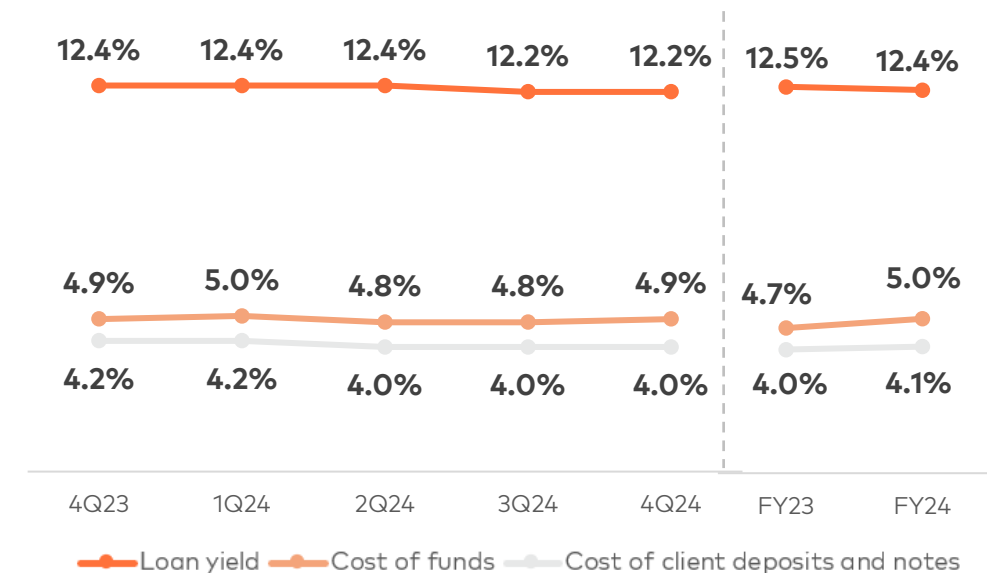
- The q-o-q decrease in GFS was driven by the halving of the portfolio of the Corporate Center as deposits from the Ministry of Finance of Georgia were substituted by short-term loans from the National Bank of Georgia, partly offset by increases in RB, CIB, and SME segments

# Net interest margin slightly down amid higher liquidity maintained in GFS

## Net interest margin (Group)\*



## Loan yield, cost of funds, cost of deposits (Group)\*



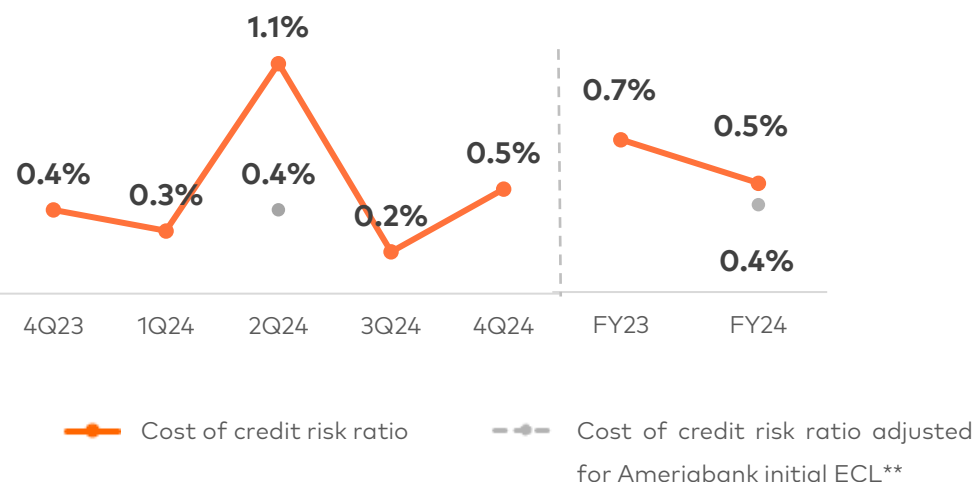
- Group NIM compression was driven by higher-than-usual liquidity levels maintained at GFS in 4Q24, reinforcing resilience although resulting in associated costs. Nevertheless, the core lending margin remained stable.

\*For 1Q24 and FY24, net interest margin, loan yield, cost of funds, and cost of client deposits and notes were adjusted to exclude the effect of Ameriabank's consolidation at the end of March on average balances.

# Robust asset quality supported by strong performance across all business divisions

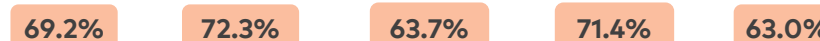
All currency data are in GEL m unless otherwise stated

## Cost of credit risk ratio (Group)\*

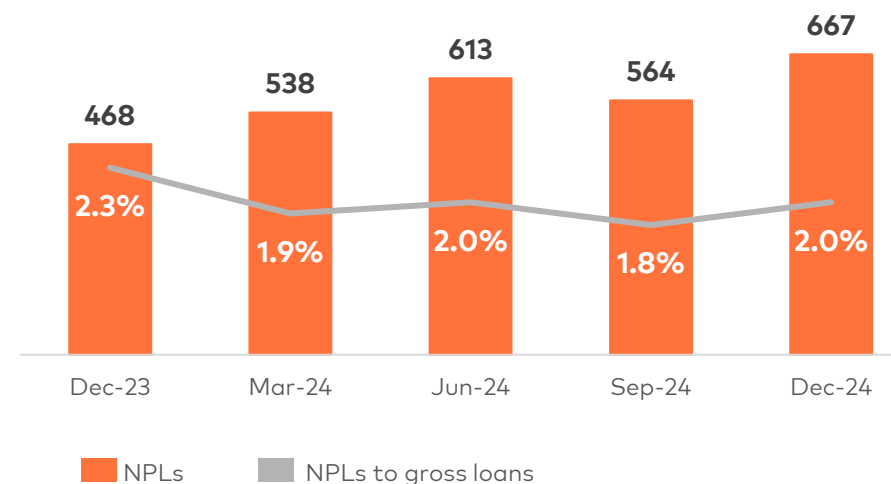


## Loan portfolio quality (Group)

### NPL coverage\*\*\*



### NPL coverage adjusted for the discounted value of collateral\*\*\*



\*For 1Q24 and FY24, cost of credit risk ratio was adjusted to exclude the effect of Ameriabank's consolidation at the end of March on average balances.

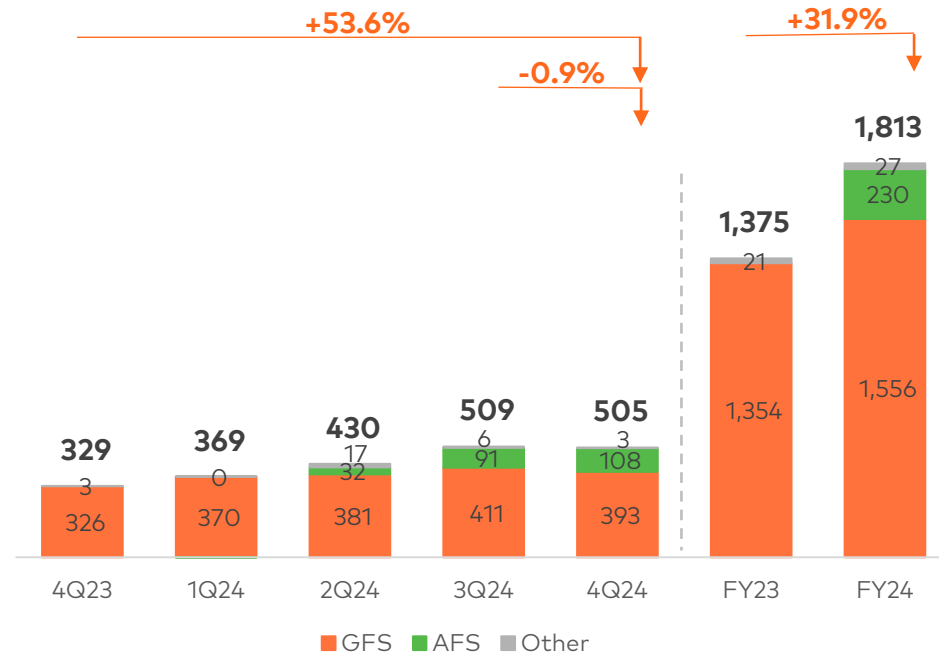
\*\*In 2Q24, cost of credit risk included GEL 49.2m initial ECL charge related to the acquisition of Ameriabank. The initial ECL charge was posted in accordance with IFRS accounting rules relevant for business combinations, requiring the Group to treat the newly-acquired portfolio as if it was a new 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.

\*\*\*For March 2024, the NPL coverage ratio and the NPL coverage ratio adjusted for the discounted value of collateral were adjusted to include the NPLs and respective ECL of standalone Ameriabank. The 31 March 2024 Group coverage ratio adjusted for the discounted value of collateral figure was restated to incorporate collateral cap up to outstanding loan amount for Ameriabank and ensure better presentation in line with the group policy.

# Strong bottom-line growth and profitability

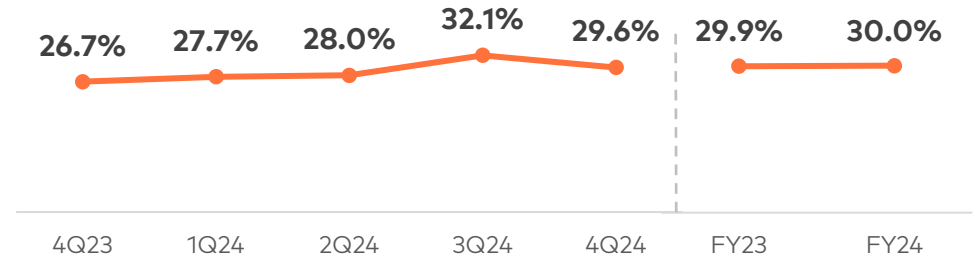
All currency data are in GEL m unless otherwise stated

## Profit adjusted (Group)\*

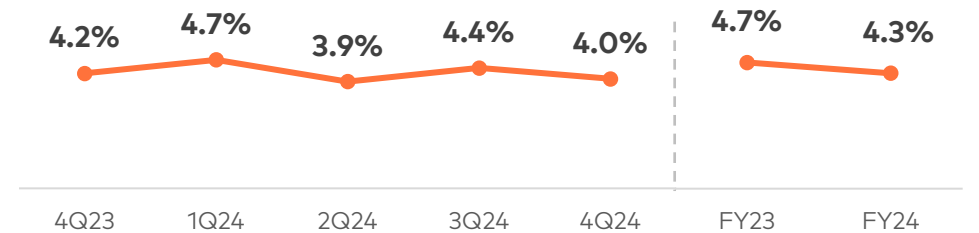


- Ameriabank's standalone FY24 profit, which is not consolidated into Group results, was GEL 416.1m – this figure better reflects the full-year performance and scale of the Armenian business.

## ROAE (Group)\*



## ROAA (Group)\*

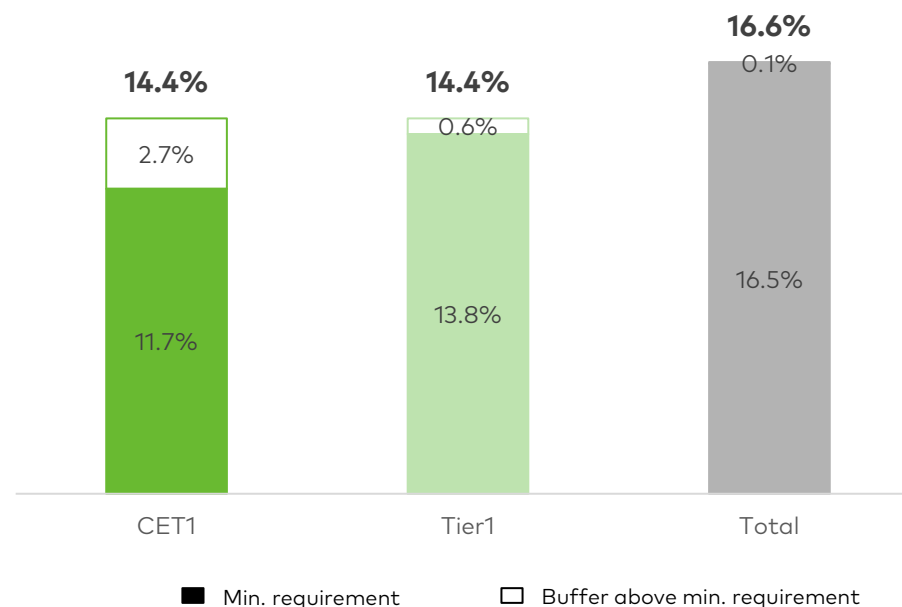
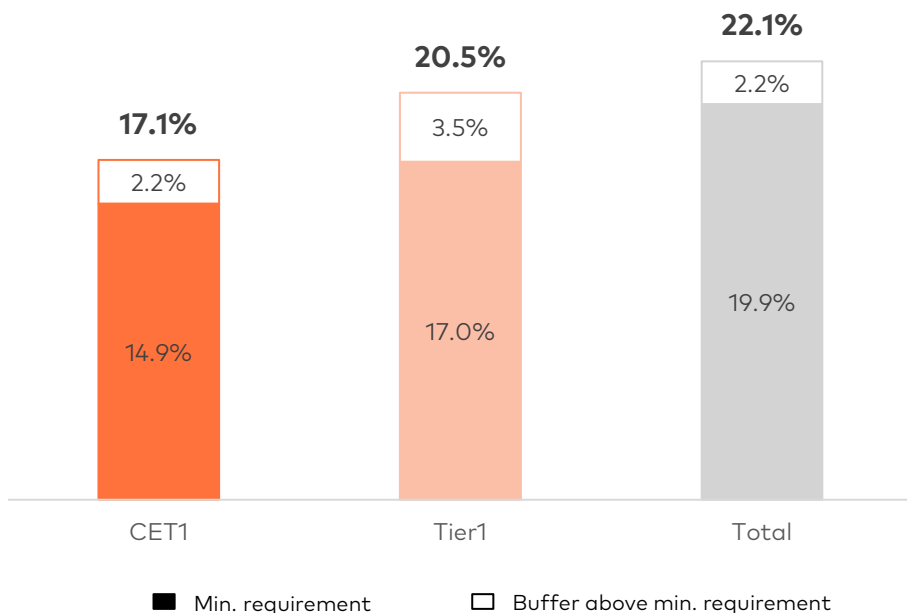


\*2024 figures were adjusted for one-off items related to the Ameriabank acquisition: GEL 2.7 million income from the reversal of the acquisition-related cost (4Q24), GEL 0.7 million recovery of a previously expensed advisory fee (2Q24), and a net one-off impact of GEL 668.8 million in 1Q24, comprising a bargain purchase gain and acquisition-related costs. FY24 operating income before cost of risk and subsequent lines in the income statement were adjusted for these one-off items. For the FY24, unadjusted figures were: profit of GEL 2,485m (up 77.9% y-o-y), ROAE of 41.2% (up 10.8 pts y-o-y), and ROAA of 5.8% (up 1.0 pts y-o-y).

In 2023 net other income was adjusted for a one-off GEL 1.5 million and one-off GEL 21.1 million posted in 4Q23 and 2Q23 respectively, resulting from fair value revaluation of the receivable as part of the settlement of a legacy claim. As a result, FY23 net other income and subsequent lines in the income statement as well as ROAA and ROAE were adjusted for these one-off items. For the FY23, unadjusted figures were: profit of GEL 1,397m, ROAE of 30.4%, and ROAA of 4.8%.

# Strong capital position at BOG; Ameriabank's capital ratio set to improve

As at 31 December 2024



- The decrease of capital adequacy ratios during the quarter was driven by strong loan growth coupled with the devaluation of AMD in December 2024.
- Notably, as at 31 January 2025, the buffer on total capital ratio increased to 0.4%.
- Internal capital generation as well as other measures including additional capital instruments are expected to support healthy capital levels in the near future.

# Strong liquidity positions, well above the 100% minimum requirements



NBG Liquidity coverage ratio  
**138.6%**

31 December 2024

NBG Net stable funding ratio  
**130.7%**

31 December 2024

CBA Liquidity coverage ratio  
**195.7%**

31 December 2024

CBA Net stable funding ratio  
**128.8%**

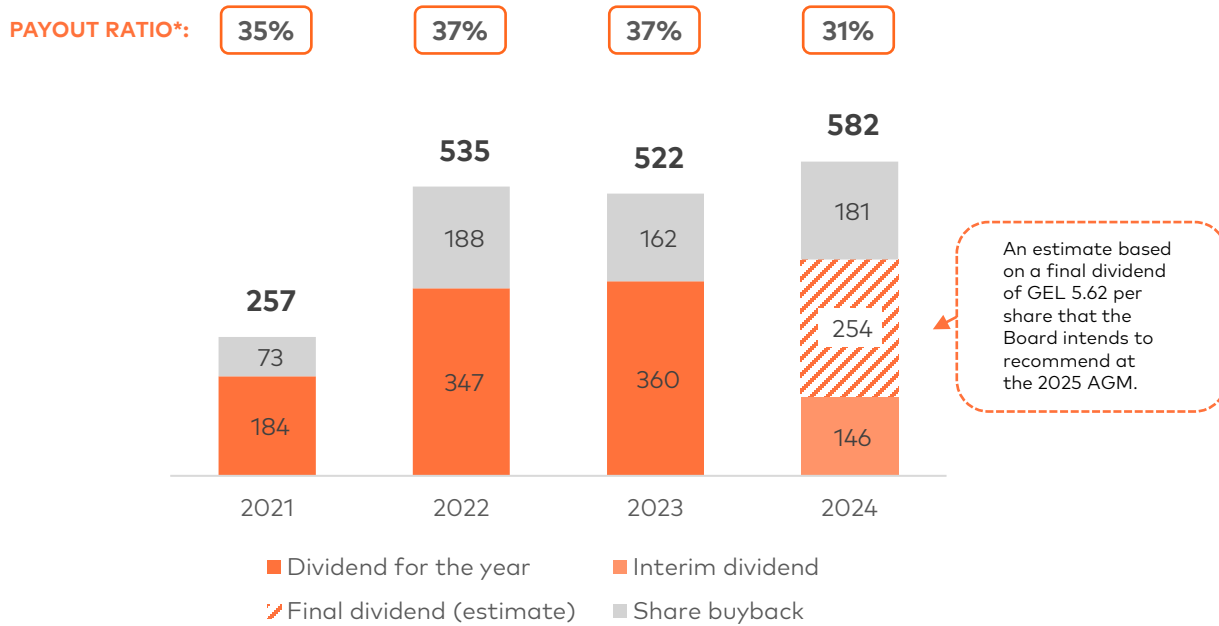
31 December 2024

# Creating long-term shareholder value

## Capital distribution

GEL millions

**Target: 30-50% dividend and buyback payout ratio**



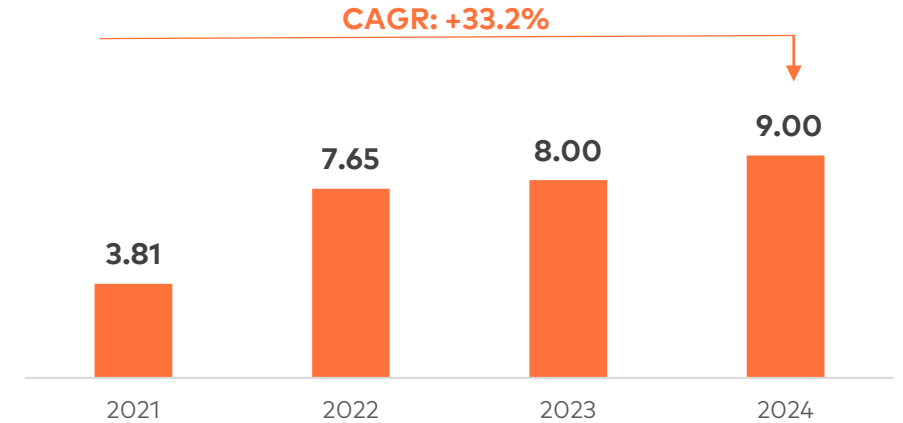
The Company completed a share buyback and cancellation programme of GEL 73.4 million in January 2025, cancelling 475,433 shares.

The Board has approved an extension of the share buyback and cancellation programme by an additional GEL 107.7 million.

For the purpose of total payout ratio calculation, total buyback amount is divided by outstanding shares before the beginning of the respective programme.

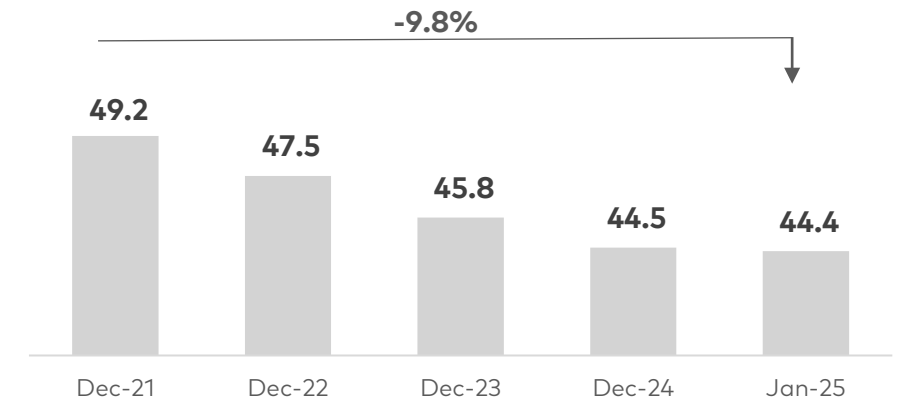
## Total dividend per share

GEL



## Total shares outstanding

millions



# Thank you

## Company information

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