



BANK OF GEORGIA
GROUP PLC

INVESTOR PRESENTATION

2Q21 and 1H21 Financial Results

17 August 2021

www.bankofgeorgiagroup.com



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 Bank of Georgia 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: macroeconomic risk, including currency fluctuations and depreciation of the Lari; regional and domestic instability; loan portfolio quality risk; regulatory risk; liquidity risk; capital risk; financial crime risk; cyber-security, information security and data privacy risk; operational risk; COVID-19 pandemic impact risk; climate change risk; and other key factors that indicated could adversely affect our business and financial performance, which are contained elsewhere in this presentation and in our past and future filings and reports of the Group, including the 'Principal risks and uncertainties' included in Bank of Georgia Group PLC's Annual Report and Accounts 2020 and in 2Q21 and 1H21 results announcement. No part of this presentation constitutes, or shall be taken to constitute, an invitation or inducement to invest in Bank of Georgia Group PLC or any other entity within the Group, and must not be relied upon in any way in connection with any investment decision. Bank of Georgia 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 presentation should be construed as a profit forecast.

 **COVID-19 PANDEMIC AND MACROECONOMIC HIGHLIGHTS**

 **GROUP OVERVIEW AND STRATEGY**

 **2Q21 AND 1H21 RESULTS**

 **GEORGIAN MACRO OVERVIEW**

 **APPENDICES**

COVID-19 STATISTICS IN GEORGIA

Georgia now has sufficient vaccine supplies (Pfizer, Sinovac, Sinopharm and AstraZeneca). The government plans to vaccinate around 60% of adult population by the end of 2021.

Source: www.stopcov.ge, NCDC at 14:30, 16 August 2021

484,254
Confirmed cases

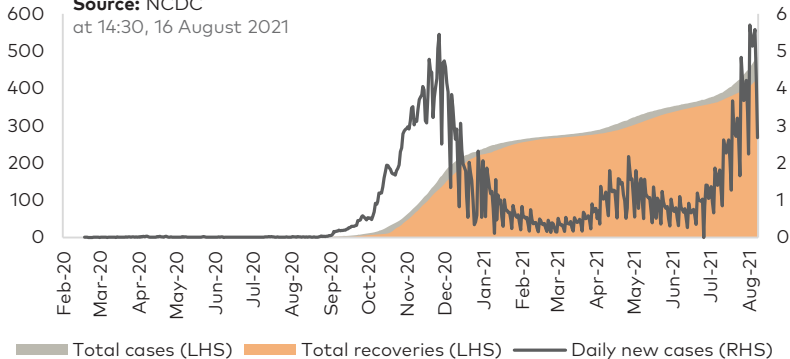
52,141
Active cases

425,651
Recovered

806,681
Total administered vaccine doses

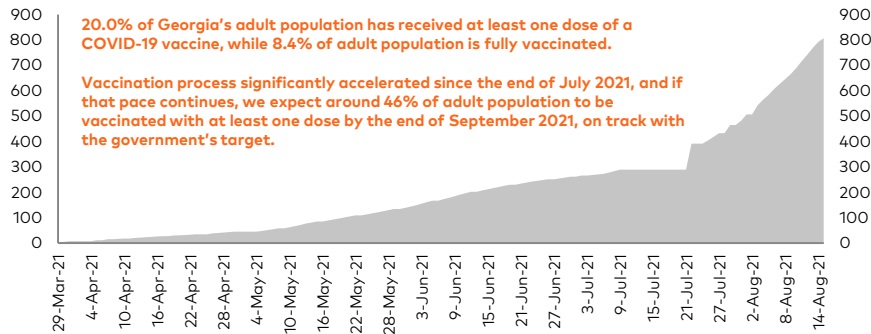
COVID-19 STATISTICS IN GEORGIA, 000' PERSONS

Source: NCDC at 14:30, 16 August 2021



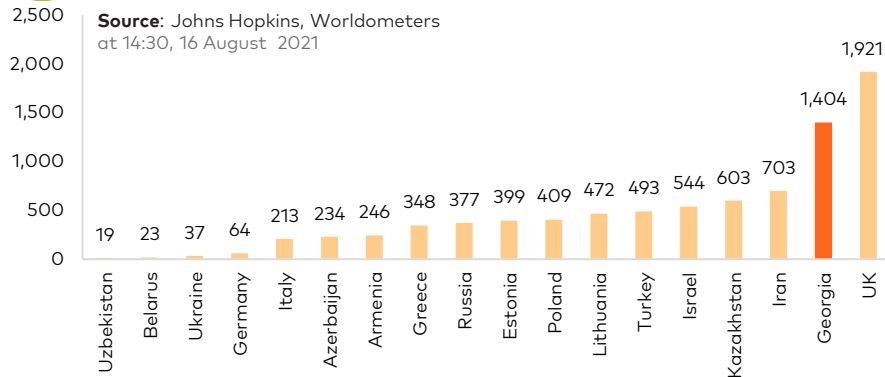
CUMULATIVE VACCINATIONS, 000'

Source: NCDC, ourworldindata 16 August 2021



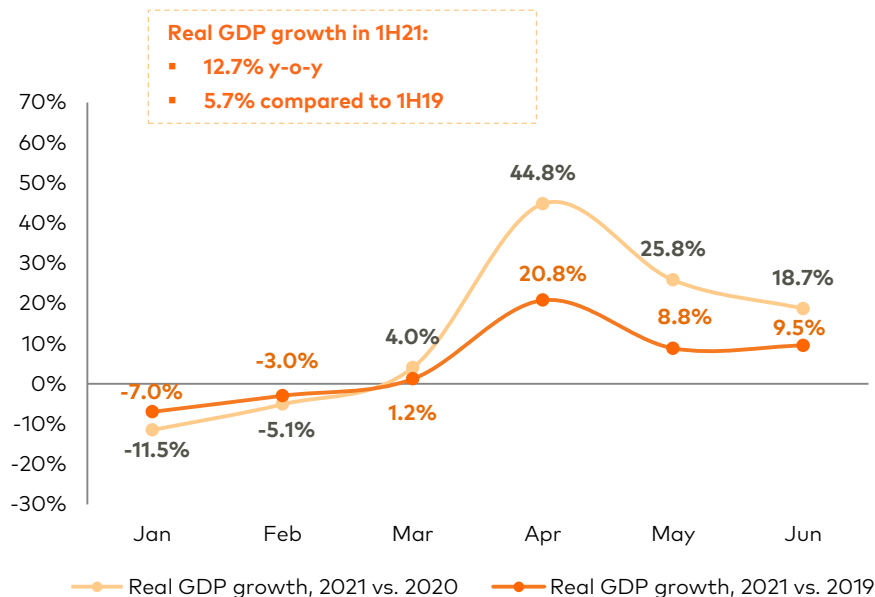
COVID-19 ACTIVE CASES PER 100,000 PERSONS

Source: Johns Hopkins, Worldometers at 14:30, 16 August 2021



REAL GDP GROWTH EXCEEDING 2019 LEVEL

Source: Geostat



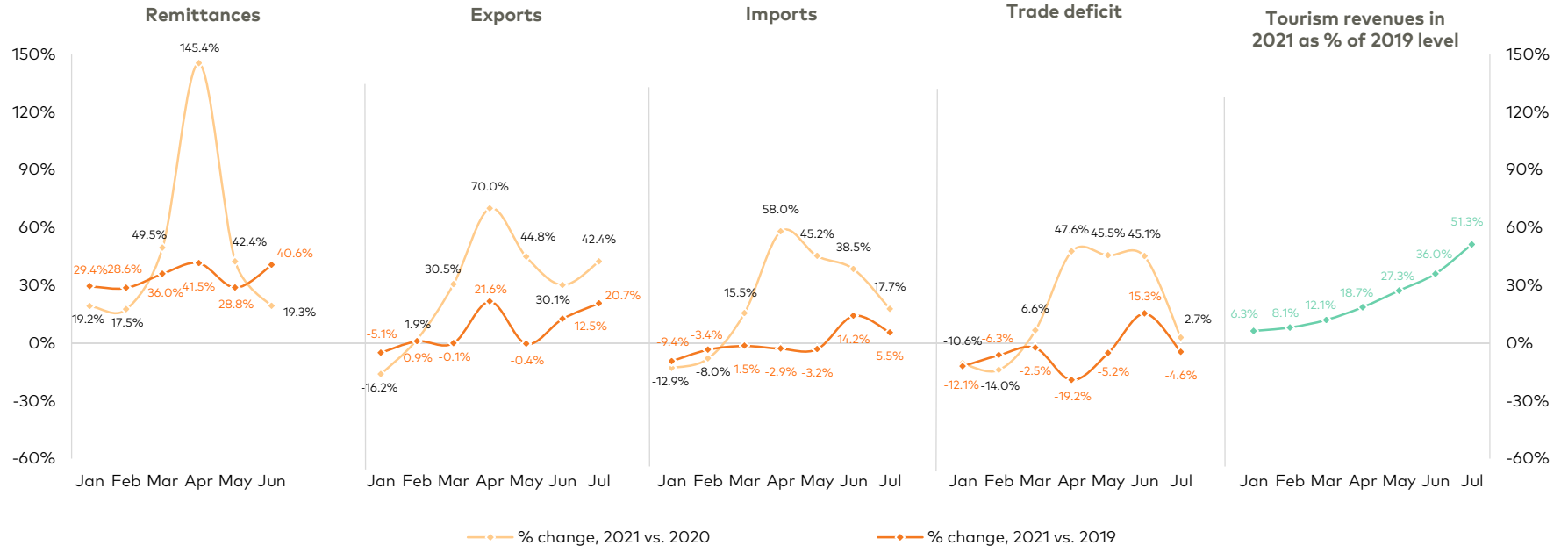
- COVID-19 pandemic-related mobility restrictions caused GDP to contract by 6.2% in 2020 and by 4.5% in 1Q21
- With restrictions gradually eased, recovery gained impressive momentum in the second quarter of 2021, with real GDP up 29.8% y-o-y and up 12.6% compared to the second quarter of 2019 (pre-pandemic)
- Overall, real GDP growth during the first half of 2021 was 12.7% y-o-y, exceeding the first half of 2019 pre-pandemic level by 5.7%
- Robust growth in remittances and exports, and faster than expected rebound in tourism supported the recovery along with the fiscal stimulus

In the first half of 2021:

- Exports were up 25.2% y-o-y and up 5.3% compared to the first half of 2019
- Remittances were up 40.8% y-o-y and up 34.4% compared to the first half of 2019
- Tourism revenues accounted for c.21% of 2019 level, with tourism arrivals accelerating since April 2021

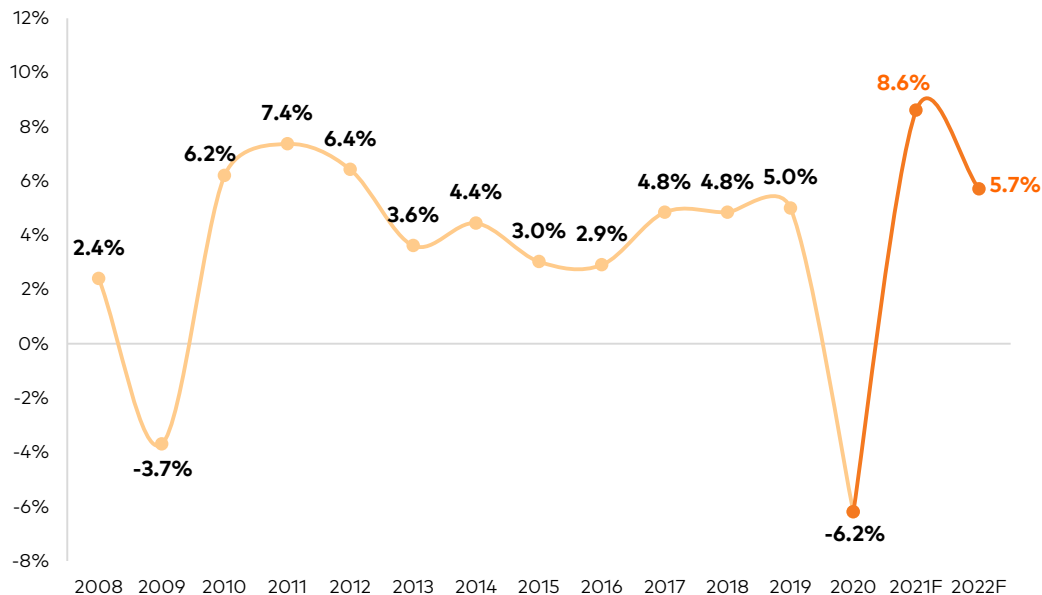
EXPORTS, REMITTANCES, IMPORTS AND TOURISM REVENUES SHOWING STRONG REBOUND

Source: Geostat, NBG, GNTA, G&T



GEORGIA'S ECONOMIC GROWTH FORECAST

Source: Geostat, Galt & Taggart



- Our brokerage and investment arm, Galt & Taggart's revised 2021 growth forecasts upwards to 8.6% from the previous forecast of 7.0%.
- Government and International Monetary Fund revised Georgia's real GDP growth projection upwards to 7.7%, expecting GDP growth in 2021 to exceed pre-pandemic level. The National Bank of Georgia forecasts real GDP growth at 8.5% in 2021.
- Downside risks remain – delays in the vaccination progress, as well as the potential appearance of new COVID-19 variants may require tightening of restrictions and may increase Lari volatility.
- If the risks do not materialise, there is a likelihood of higher real GDP growth of 11.2% in 2021.

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BANK OF GEORGIA
GROUP PLC

RETAIL BANKING

**Mass
Retail**

SOLO

MSME

CORPORATE AND INVESTMENT BANKING

Corporate Banking

WM and Investment Banking

Leader in payments and financial mobile app

- 51% of total POS payments transactions are executed in BOG POS terminals
- c.8.5mln transactions executed in mobile app per month, almost doubled y-o-y
- 96% of daily transactions of individuals executed through digital channels

Strongest retail banking franchise

- 40% market share in deposits of individuals
- 38% market share in loans to individuals
- Most trusted bank and top of mind bank in Georgia*
- NPS** of 43% in June 2021

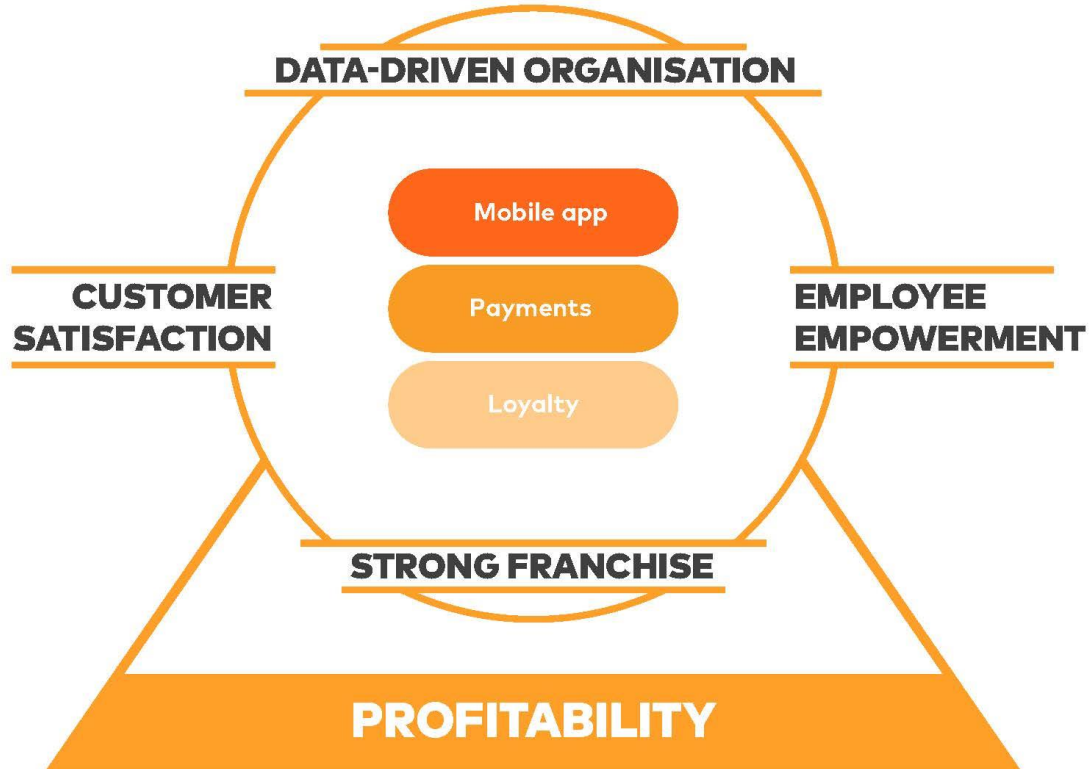
Sustainable high profitability

- ROAE of 20%+ over the last four years (pre-COVID-19)
- ROAE of 20%+ for the fifth consecutive quarter since pandemic

* Based on Spring 2021 external research by IPM Georgia

** Based on summer 2021 external research by IPM Georgia

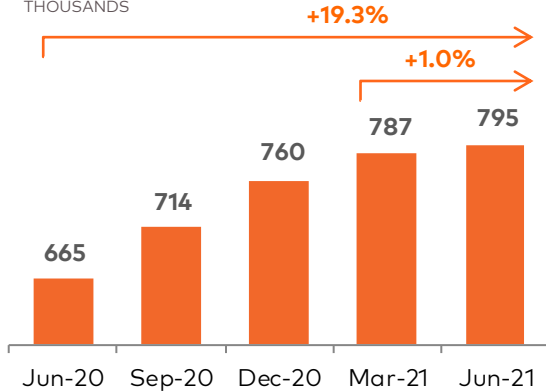
BANK OF THE FUTURE



MBANK/IBANK STATISTICS*

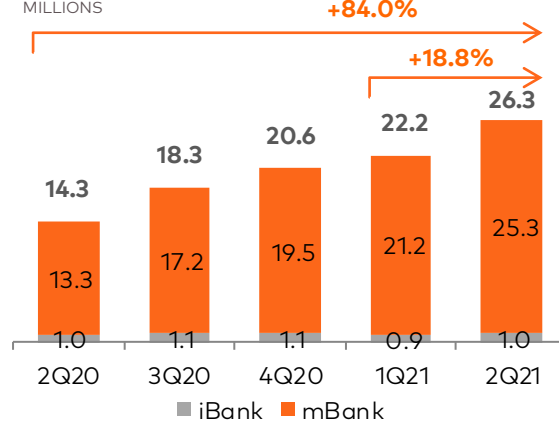
Number of active users**

THOUSANDS



Number of transactions

MILLIONS



40.2%

Daily active users/monthly active users

NEXT STEP:
BUILDING THE
SUPER APP



c.8.5mln
Transactions per month

86.3%
Customer Satisfaction Score



★★★★★ 4.7



★★★★★ 4.7

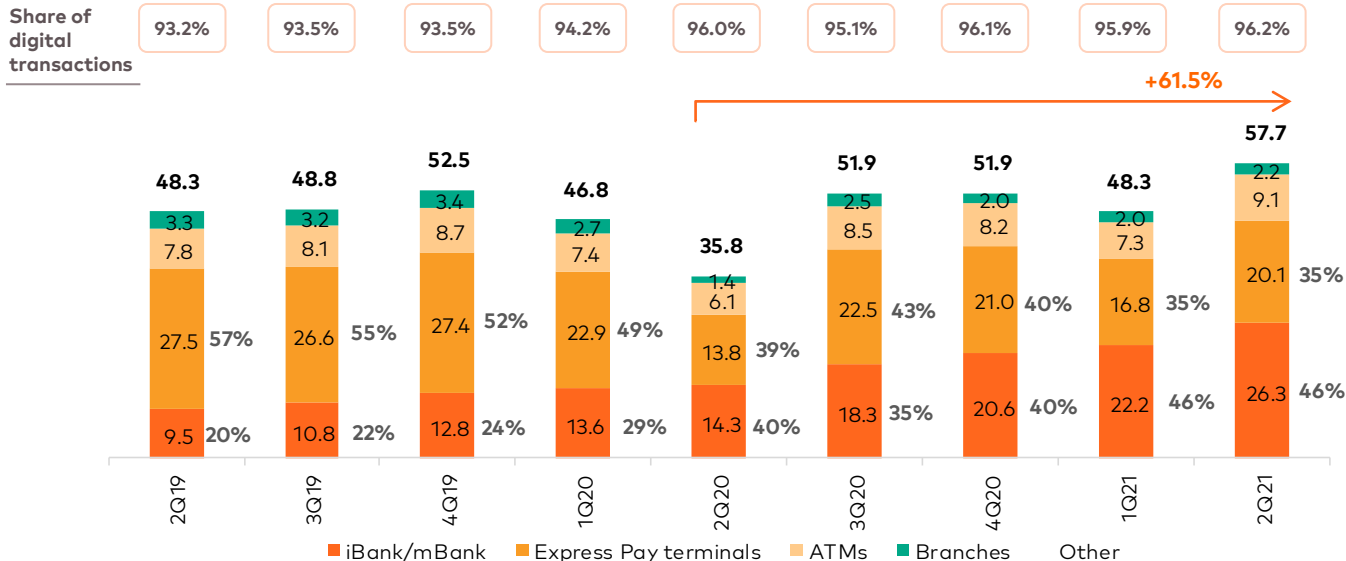
*Information on this slide depicts the usage of internet and mobile banking platforms by individual customers

**Active user – at least one login in the past three months

STRONG TRANSACTIONS OFFLOADING TO DIGITAL CHANNELS*

NUMBER OF TRANSACTIONS

MILLIONS



3,141

Express pay terminals

+0.7% y-o-y

+0.5% q-o-q

206

Branches

-8.0% y-o-y

Flat q-o-q

795k

mBank/iBank active users**

+19.3% y-o-y

+1.0% q-o-q

972

ATMs

+3.4% y-o-y

+0.9% q-o-q

- Strong presence in Georgia via our self-service Express Pay terminals
- Continuous migration of customers activity to mBank/iBank from Express Pay terminals — 26% of customers activity migrated to mBank/iBank during the past two years
- More than 96% of daily transactions executed through digital channels

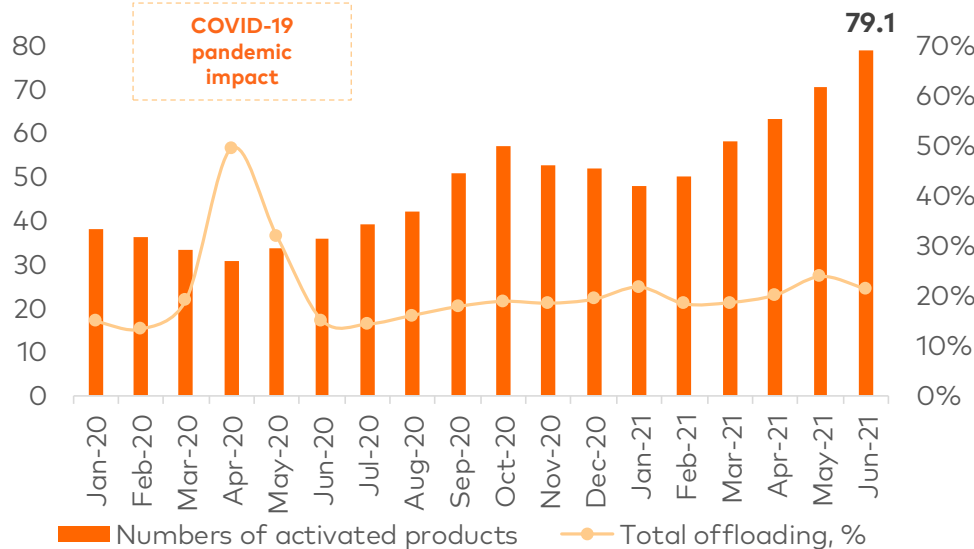
* Information on this slide depicts the usage of channels by individual customers

** Active user – at least one login in the past three months

HAVING ACHIEVED HIGH TRANSACTIONS OFFLOADING RATE TO DIGITAL CHANNELS, OUR AIM NOW IS TO INCREASE PRODUCT OFFLOADING RATE

PRODUCT OFFLOADING*

THOUSANDS



- Continuously developing our digital products and refining **end-to-end digital journeys**. Our digital channels' functionalities are updated every two to three weeks
- Digital consumer lending process** improvements launched at the end of June 2021
- Further improvements planned in **deposit activation process** in digital channels in 3Q21

21%

JUN-21
Total products
offloading rate

c.36%

Planned offloading
rate over the next 12
months

* Mainly comprises **cards, deposits** and **loans** offloading through digital channels

MARKET POTENTIAL

c.1.3 mln

Georgians living abroad in need of daily banking services in Georgia

US\$ 1.9 bln

Transferred in 2020
+8.8% y-o-y

c.350 k

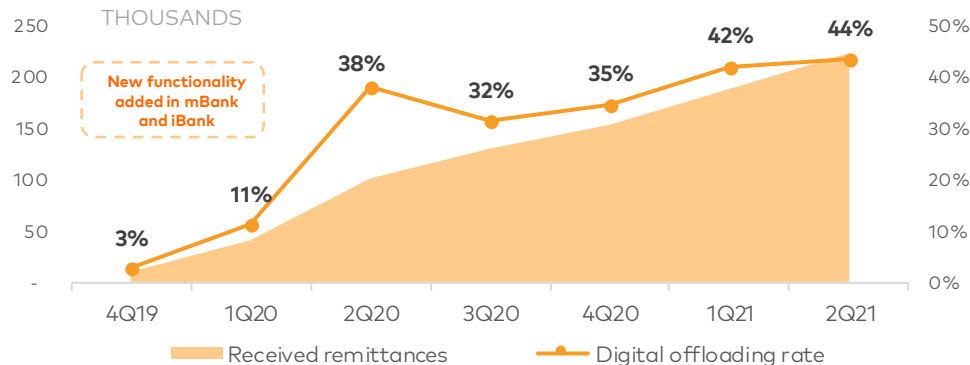
Customers with high potential for loans and deposits*

We expect to gain 35%-40% of the potential market share in the medium-term

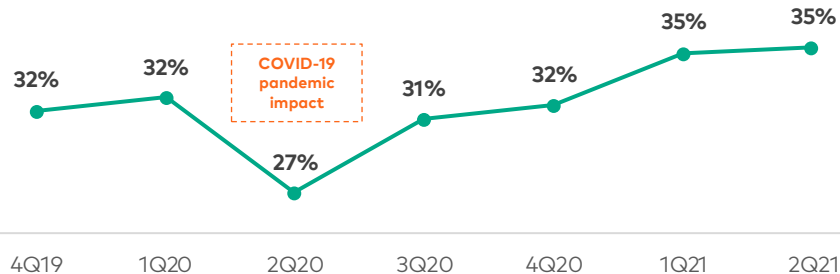
* More than three transfers in the last 12 months

** Based on the National Bank of Georgia and Bank of Georgia data

NUMBER OF RECEIVED REMITTANCES AT BOG THROUGH DIGITAL CHANNELS

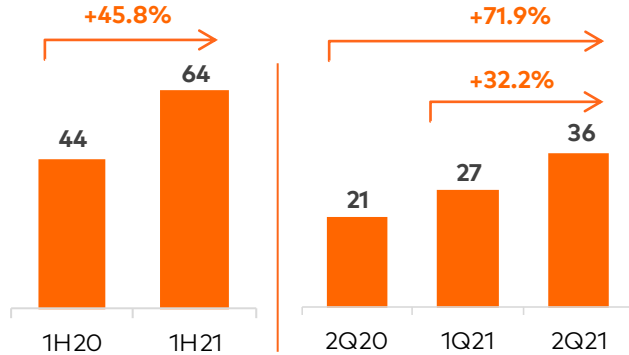


BOG MARKET SHARE IN TOTAL REMITTANCE INFLOWS**



NUMBER OF PAYMENTS TRANSACTIONS AT BOG TERMINALS

MILLIONS



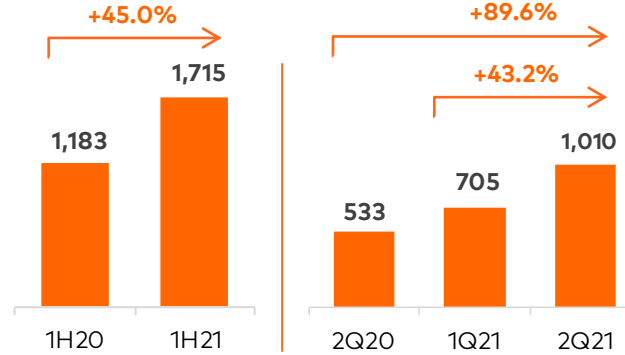
51%

Share by number of POS payments transactions in BOG's POS terminals | 1H21*

+2ppts YoY

VOLUME OF PAYMENTS TRANSACTIONS AT BOG TERMINALS

GEL MILLIONS



49%

Share by volume of POS payments transactions in BOG's POS terminals | 1H21*

+1ppts YoY

33k+

Multifunctional POS terminals
+42.0% y-o-y

2.3mln+

Mass Retail and SOLO customers
+0.8% y-o-y

* Based on the National Bank of Georgia and Bank of Georgia data

GEL 874k

+28.3% y-o-y

worth of loyalty points
exchange operations per month

1H21

129k+

+9.1% y-o-y

loyalty points exchange
operations per month

1H21

1.4mln+

+5.0% y-o-y

active Loyalty programme
members*

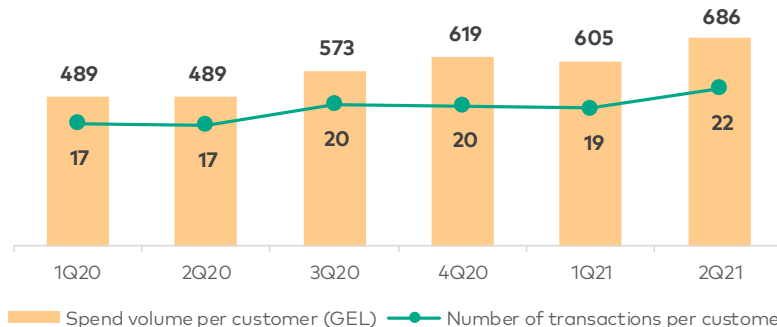
Jun-21

ADVANCED ANALYTICS

for partner merchants

**PERSONALISED
CAMPAIGNS**

TRANSACTIONS AND SPEND PER CUSTOMER PER MONTH INCREASING

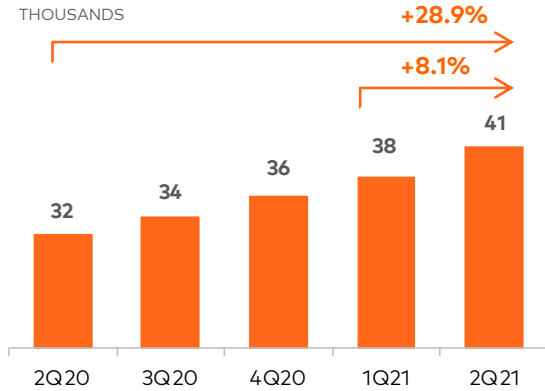


* Members with at least one active product

BUSINESS MBANK/IBANK STATISTICS*

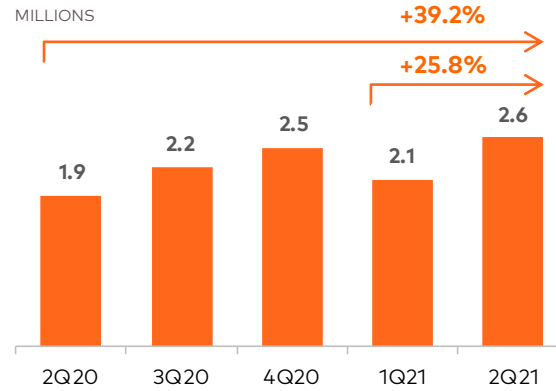
Number of active users**

THOUSANDS

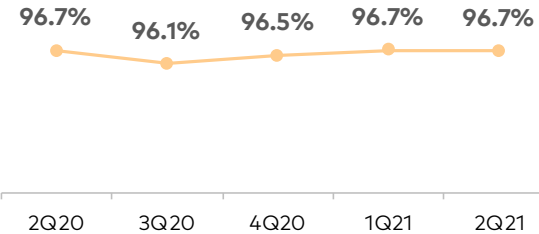


Number of transactions

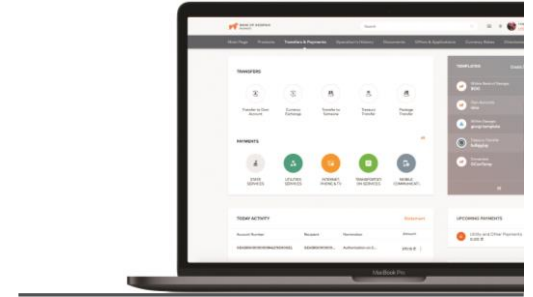
MILLIONS



Transactions offloading rate



New financial mobile application launched in 1Q21



c.825k Transactions per month

63.7% Customer Satisfaction Score

*Information on this slide depicts the usage of internet and mobile banking platforms by legal entities

**Active user – at least one login in the past three months

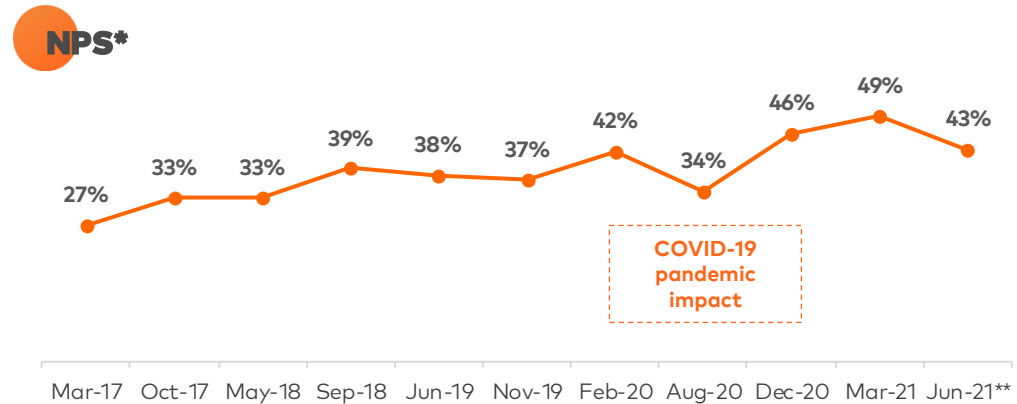
FOCUS ON INCREASING CUSTOMER SATISFACTION BY:

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 **seamless customer experiences**



* Based on external research conducted by IPM Georgia

** NPS of all major banks has fallen due to the recent raise in the NBG's Monetary Policy Rate

Re-design of employee experiences

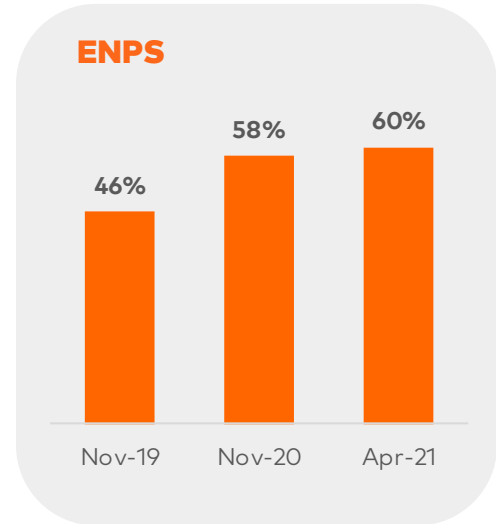
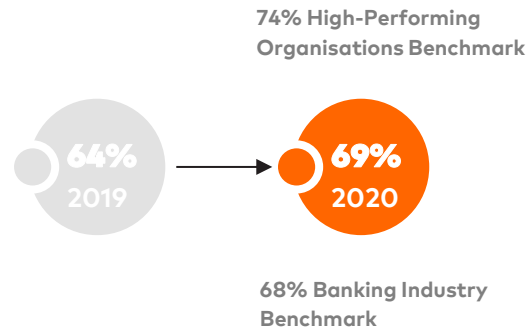
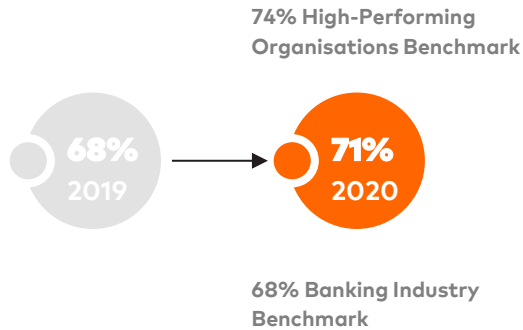
New talent development strategy

High-trust environment

Values-based organisation

Employees feel more engaged

and enabled



WE FOCUS ON THE FOLLOWING FIVE SDGs:



We believe in success that is shared. We are committed to rigorously managing risks and creating opportunities that fulfil the needs of our customers, employees, and communities, and help people achieve more of their potential

KEY DEVELOPMENTS IN 2021

Joined the UN Global Compact

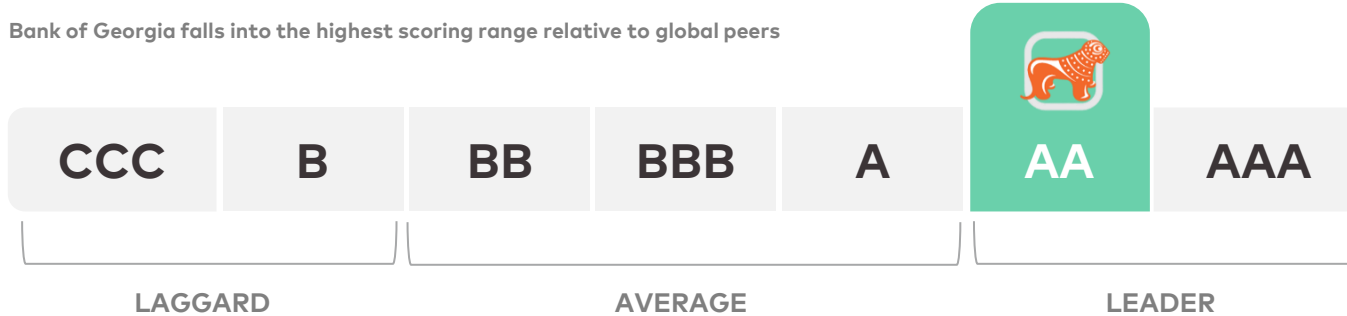


Started the materiality assessment process to get a multi-stakeholder perspective on salient ESG issues and refine our sustainability strategy

Began the journey to better understand climate-related risks and opportunities relevant to our business, develop climate action strategy, and implement the TCFD recommendations



Bank of Georgia falls into the highest scoring range relative to global peers



FTSE4GOOD Index

INCLUDED IN THE GLOBAL RESPONSIBLE INVESTMENT INDEX FTSE4GOOD SINCE 2017

* ISS uses 1-10 scale, 1 indicates lower governance risk, while 10 indicates higher governance risk versus its index or region. 1 indicates higher E&S disclosure, while 10 indicates lower E&S disclosure.

Scores are as of August 2021

** MSCI score is as of July 2021

112

Data models running online, covering different business processes

62%

Automation rate for retail lending process in 1H21

35%

Contribution in sales process, powered by data-driven models in 1H21

KEY DATA-RELATED INITIATIVES IMPLEMENTED DURING 1H21

- Implementation of non-financial recommender engine
- Data and AI trainings for middle management
- Predicting and improving NPS with data-driven models
- Improvement of natural language understanding capabilities

DATA IN BANKING

Use of data analytics to cover core banking processes with impact on decision making, automation, sales, customer satisfaction, efficiency

DATA BEYOND BANKING

Use of data analytics for data monetisation and to create additional value for customers, the Bank, and the ecosystem

 **COVID-19 PANDEMIC AND MACROECONOMIC HIGHLIGHTS**

 **GROUP OVERVIEW AND STRATEGY**

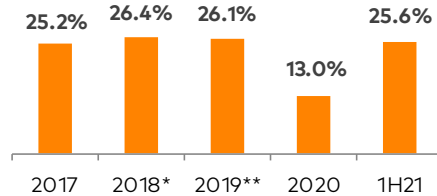
 **2Q21 AND 1H21 RESULTS**

 **GEORGIAN MACRO OVERVIEW**

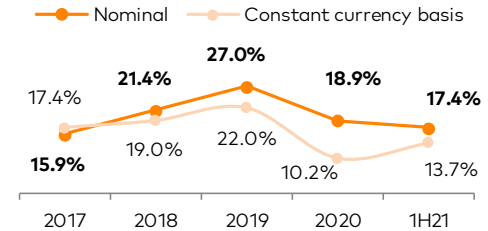
 **APPENDICES**

Revised medium-term loan book growth target from c.15% to c.10%

ROAE
20%+



Loan book growth YoY
c.10%



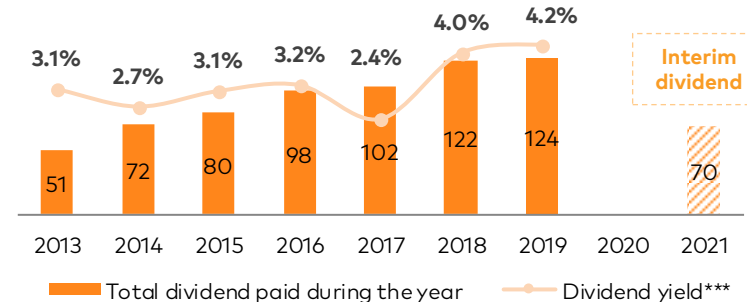
ROBUST CAPITAL MANAGEMENT TRACK RECORD

- **Maintain regular dividend payouts:** aiming **25-40%** dividend payout ratio
- **GEL 648mln+** cash dividend paid during 2013-2019, within the targeted payout range
- **Capital repatriation policy:** In the light of the evolving macroeconomic situation and expected levels of medium-term growth, the Board will formally review the Group's capital repatriation policy in the second half of 2021.

REGULAR DIVIDENDS

GEL MILLIONS

PAYOUT RATIO:



* Adjusted for GEL 30.3mln demerger related costs, GEL 8.0mln demerger related corporate income tax gain, GEL 30.3mln one-off impact of re-measurement of deferred tax balances and GEL 3.9mln (net of income tax) termination costs of the former CEO

** Adjusted for GEL 14.2mln (net of income tax) termination costs of the former CEO and executive management

*** Dividend yield is calculated based on the closing price of shares immediately prior to ex-dividend date

Outstanding profitability

ROAE

2Q21

29.4%

Strong interest and F&C income generation

Operating income

2Q21

GEL 335mln

+39.8% y-o-y
+10.3% q-o-q

Resilient loan portfolio quality and high cost efficiencies

Cost of credit risk

2Q21

-0.6%

Strong portfolio growth

Loan growth

30 Jun 2021

GEL 14.8bln

+17.4% y-o-y *
+1.3% q-o-q *

Strong capital and liquidity positions

CET 1 capital

30 Jun 2021

12.5%

Minimum requirement
11.1%

Net profit

2Q21

GEL 202mln

+76.3% y-o-y
+45.5% q-o-q

Net F&C income

2Q21

GEL 57mln

+73.9% y-o-y
+17.6% q-o-q

Cost to income

2Q21

36.4%

Deposits growth

30 Jun 2021

GEL 13.9bln

+20.4% y-o-y **
-0.4% q-o-q **

Liquidity coverage

30 Jun 2021

124.5%

Minimum requirement
100%

* Growth on a constant currency basis was 13.7% y-o-y and 5.5% q-o-q

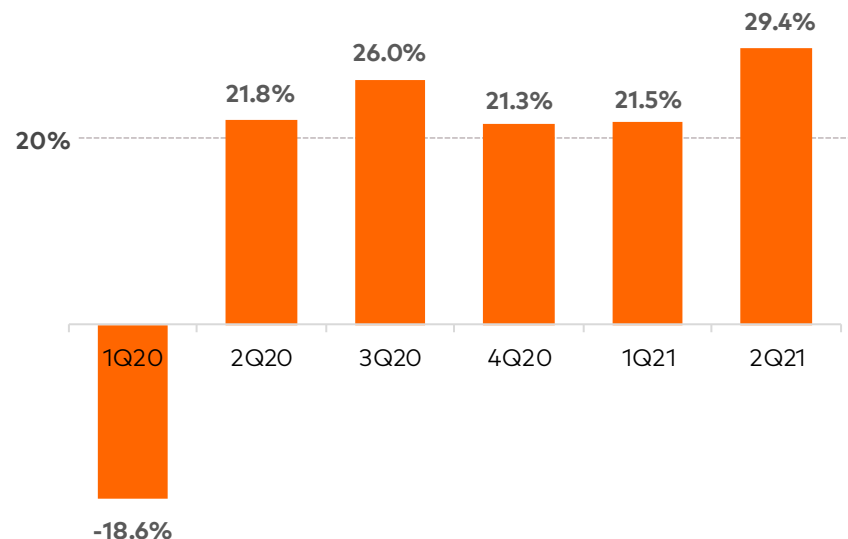
** Growth on a constant currency basis was 17.4% y-o-y and 4.1% q-o-q

OUTSTANDING QUARTERLY PERFORMANCE

Bank of Georgia's performance has been very strong in 2Q21:

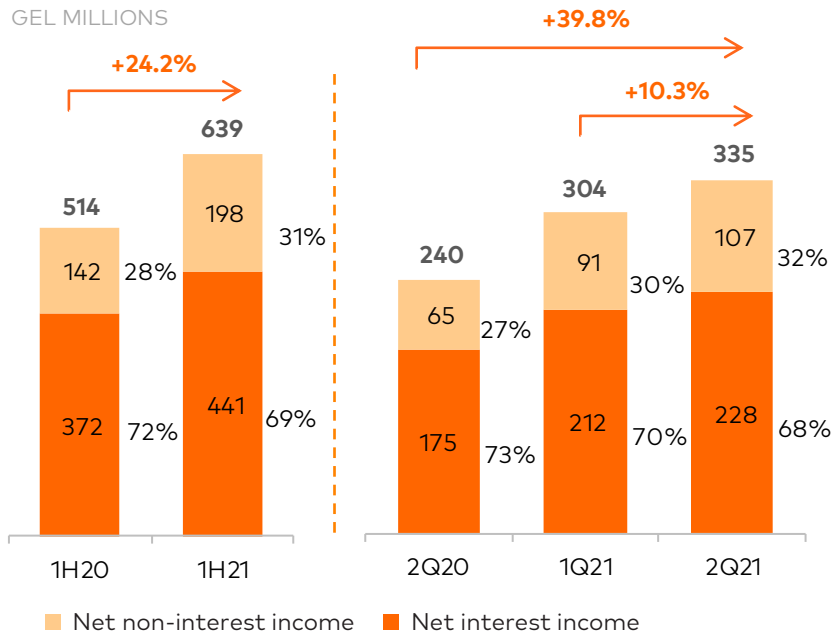
- **Strong balance sheet growth** with better than expected levels of lending in consumer, micro and SME portfolios
- **Robust operating income performance.** Net interest income up 7.5% q-o-q, coupled with strong net fee and commission income generation, up 17.6% q-o-q, on the back of a strong performance in the payments and settlement operations
- **Net interest margin of 4.7%**, up 20 basis points q-o-q in 2Q21
- **Costs well-managed**, with 36.4% cost to income ratio, while continuing to invest in IT-related resources, digitalisation and marketing
- **Lending portfolio performing extremely well.** Annualised cost of credit risk ratio was a net gain of 0.6% in 2Q21. The non-performing loans ratio remained stable at 3.5%, down 10 basis points q-o-q
- **Robust capital adequacy ratios**, comfortably above the increased minimum regulatory requirements. We do not utilise previously released capital buffers by the NBG
- **Superior levels of profitability.** Despite a still challenging operating environment, delivering ROAE of 29.4% in 2Q21, fifth consecutive quarter of delivering profitability above 20% during the pandemic

TRACK RECORD OF STRONG PROFITABILITY



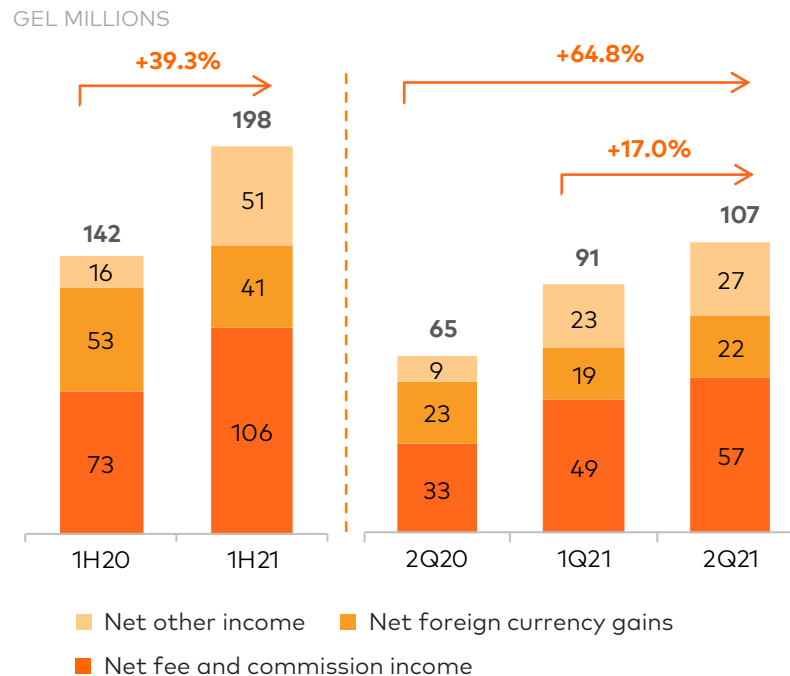
OPERATING INCOME

GEL MILLIONS



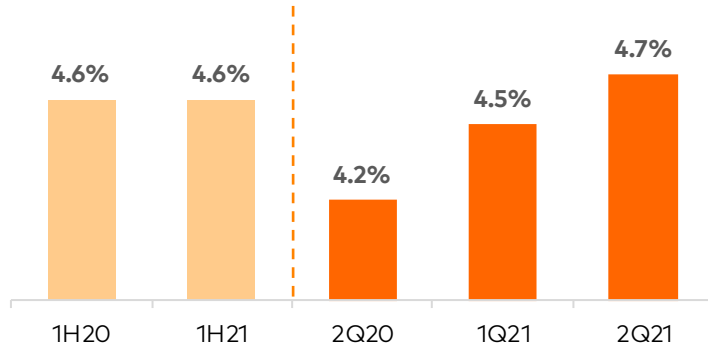
NET NON-INTEREST INCOME

GEL MILLIONS



- Strong net interest income and net fee and commission income generation driving robust top-line performance

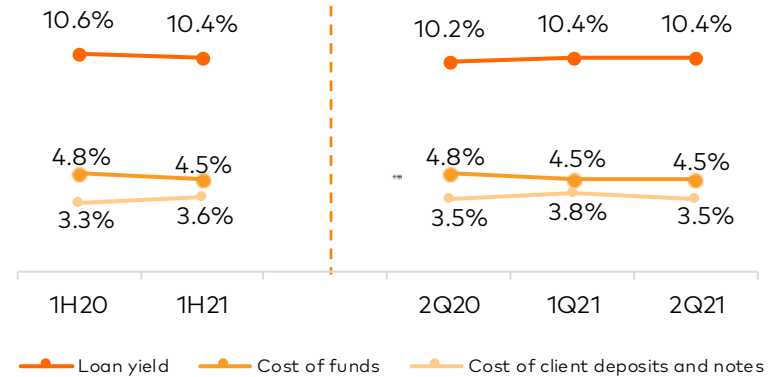
NET INTEREST MARGIN



NIM UP IN 2Q21 DUE TO

- Rebound in economic activity
- Decline in cost of funds on the back of successful deployment of excess liquidity kept at high level for risk mitigation purposes

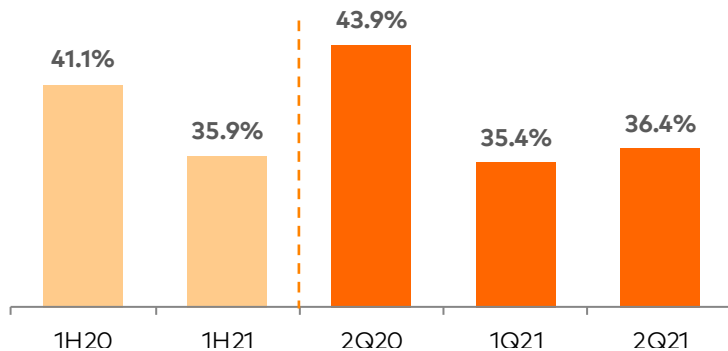
LOAN YIELD, COST OF FUNDS, COST OF DEPOSITS



NIM OUTLOOK

Broadly stable margin going forward

COST TO INCOME RATIO

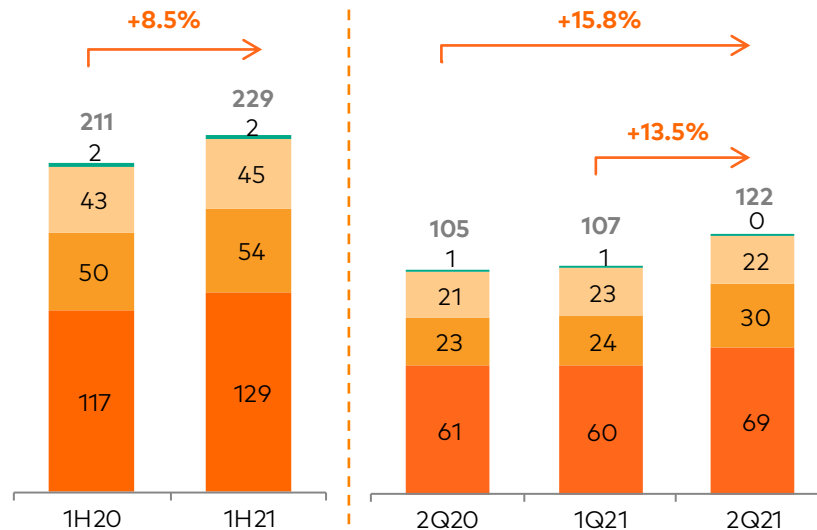


- Continued investment in IT-related resources, digitalisation and marketing, in line with strategic priorities, and, at the same time, maintaining focus on efficiency and cost control
- Cost optimisation measures initiated in 2Q20, the impact of which had been reflected in subsequent quarters

c.35%
Medium-term guidance

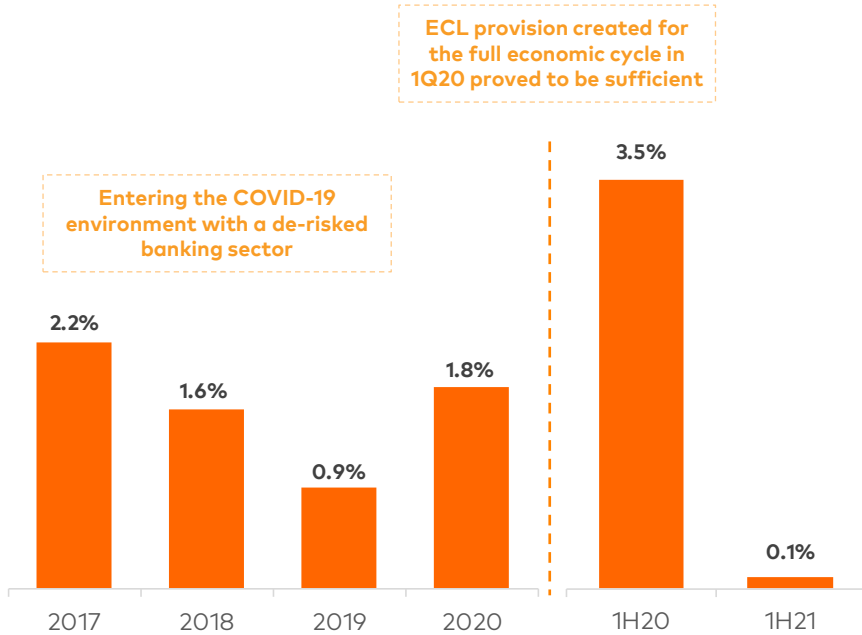
OPERATING EXPENSES

GEL MILLIONS



- Other operating expenses
- Depreciation, amortisation and impairment
- Administrative expenses
- Salaries and other employee benefits

COST OF CREDIT RISK RATIO



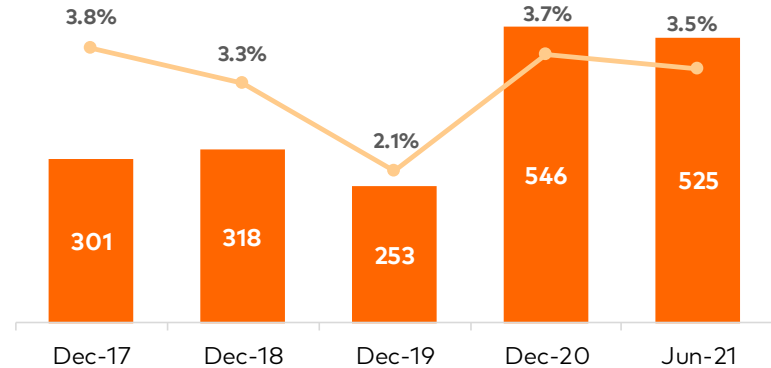
LOAN PORTFOLIO QUALITY

NPL coverage

92.7% 90.5% 80.9% 76.3% 73.1%

NPL coverage adjusted for collateral value

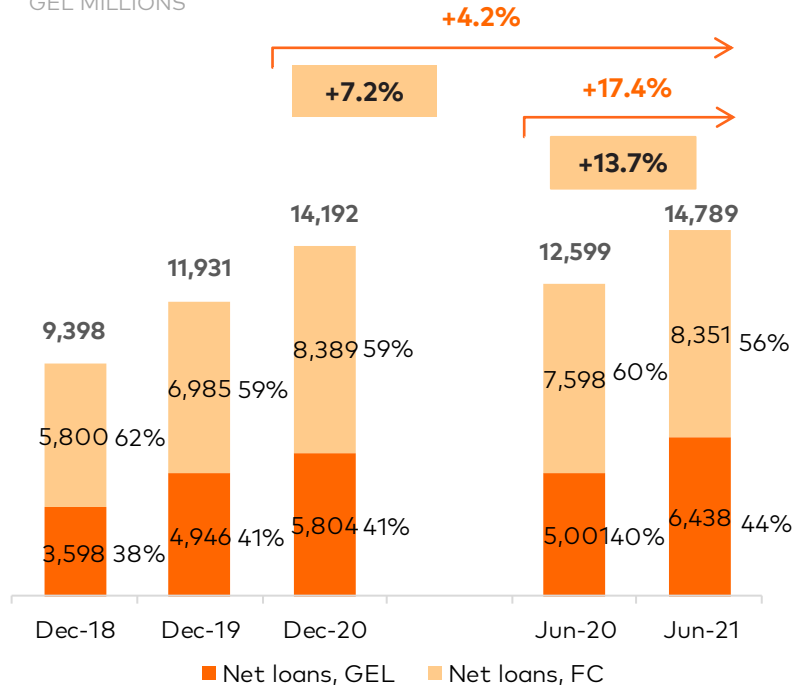
130.6% 129.9% 139.6% 128.8% 122.2%



— NPLs, GEL millions — NPLs to gross loans

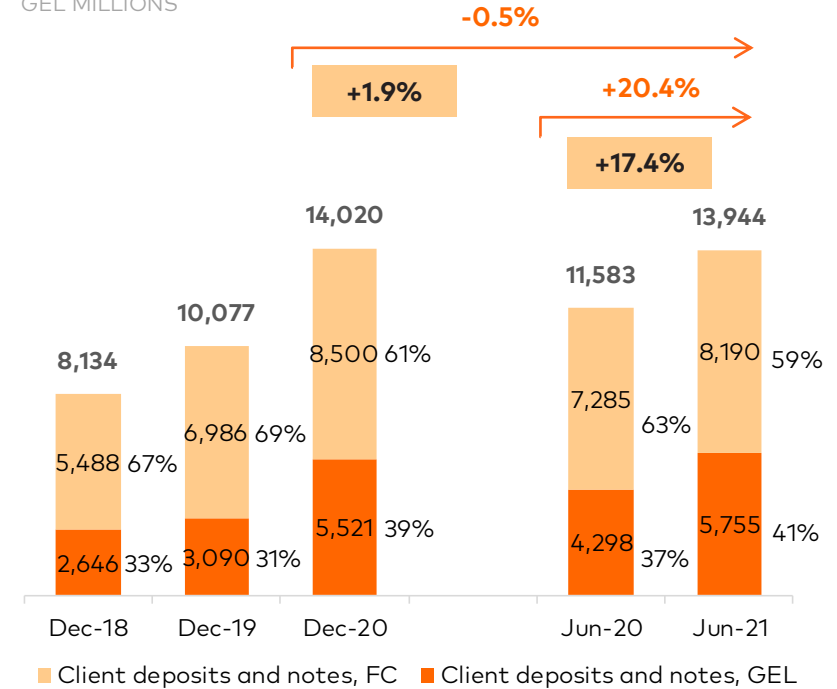
LOAN PORTFOLIO

GEL MILLIONS



DEPOSIT PORTFOLIO

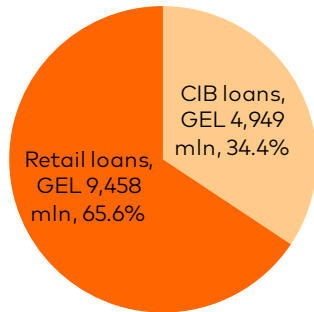
GEL MILLIONS



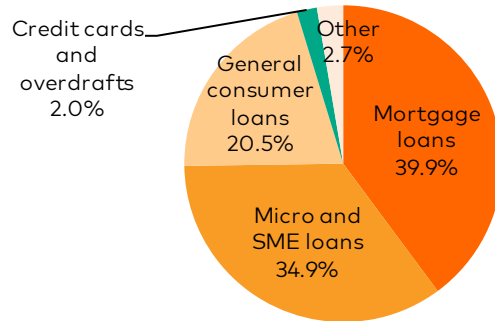
■ Growth on a constant currency basis

LOAN PORTFOLIO BREAKDOWN | JUN-21

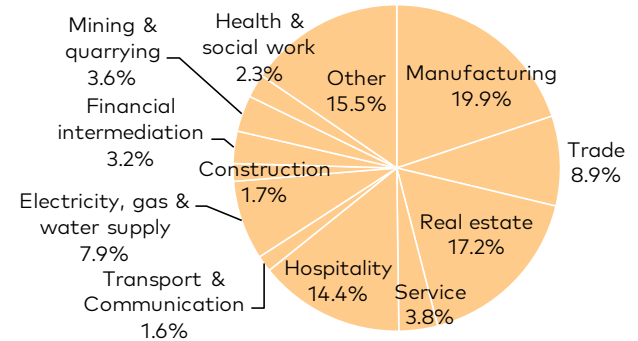
Gross Loans by segment
Bank of Georgia standalone
Total: **GEL 14.4bln**



Retail Banking Gross Loans
by product
Total: **GEL 9.5bln**

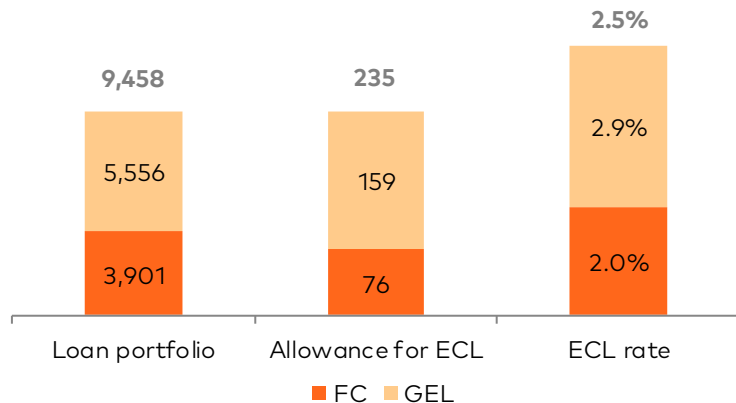


Corporate and Investment Banking
Gross Loans by sectors
Total: **GEL 4.9bln**



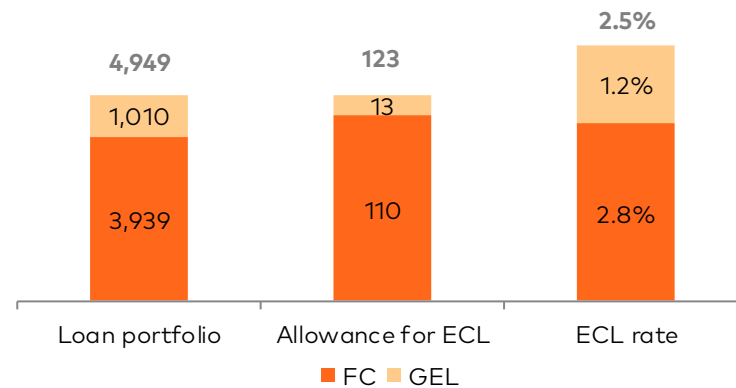
RETAIL BANKING | JUN-21

JSC Bank of Georgia standalone
GEL MILLIONS



CORPORATE AND INVESTMENT BANKING | JUN-21

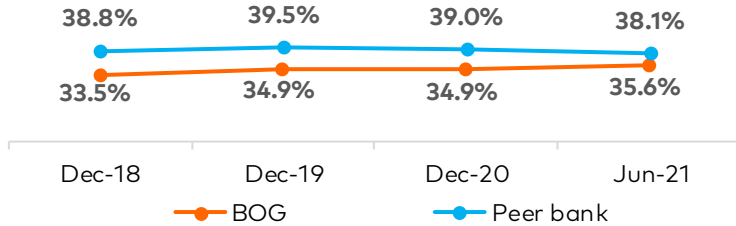
JSC Bank of Georgia standalone
GEL MILLIONS



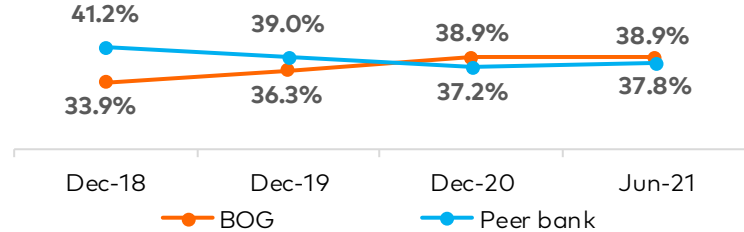
Amounts in GEL millions	RB Loan portfolio	% of total RB loan portfolio	Mortgages	Consumer loans*	SME & Micro	CB & WM Loan portfolio	% of total CIB loan portfolio
GEL loans*	5,556	58.7%	1,838	2,066	1,652	1,010	20.4%
FC loans not exposed to FC risk	630	6.7%	476	93	61	1,985	40.1%
FC loans exposed to FC risk	3,271	34.6%	1,457	226	1,589	1,954	39.5%
Total	9,458	100.0%	3,771	2,385	3,302	4,949	100.0%

* Includes credit cards

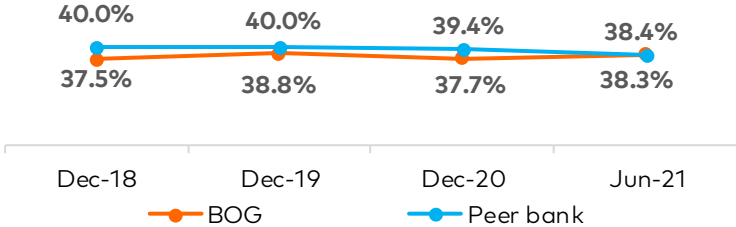
MARKET SHARE - GROSS LOANS



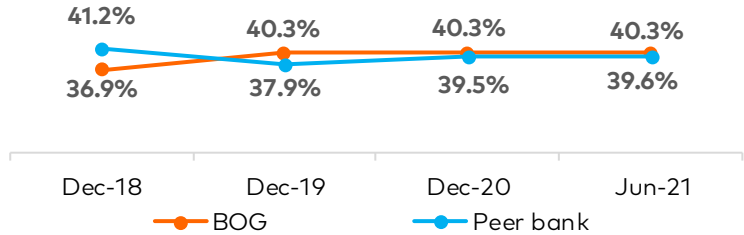
MARKET SHARE - CUSTOMER DEPOSITS



MARKET SHARE - LOANS TO INDIVIDUALS



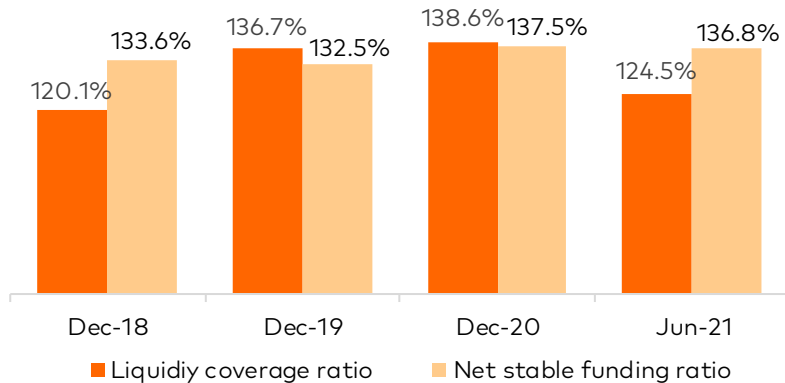
MARKET SHARE - DEPOSITS OF INDIVIDUALS



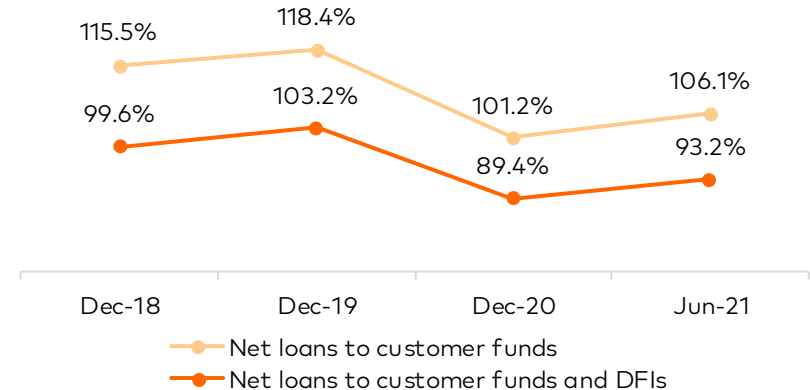
- Top two banks hold more than 70% of market share
- Bank of Georgia focuses on profitability, while maintaining solid market share
- Market share in deposits of and loans to individuals underlines the strength of Bank of Georgia's franchise

LIQUIDITY COVERAGE AND NET STABLE FUNDING RATIOS

JSC Bank of Georgia standalone (Basel III liquidity)



NET LOANS TO CUSTOMER FUNDS AND DFIs



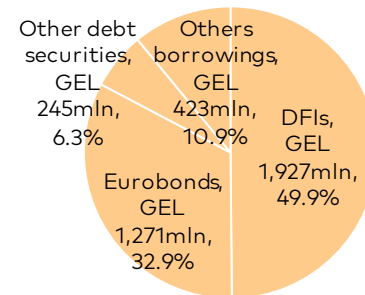
- Excess liquidity maintained for risk mitigation purposes, on the back of the COVID-19 crisis, partially successfully deployed during the second quarter of 2021
- Strong support from International Financial Institutions

INTEREST BEARING LIABILITIES

Interest Bearing Liabilities GEL 18.7bln

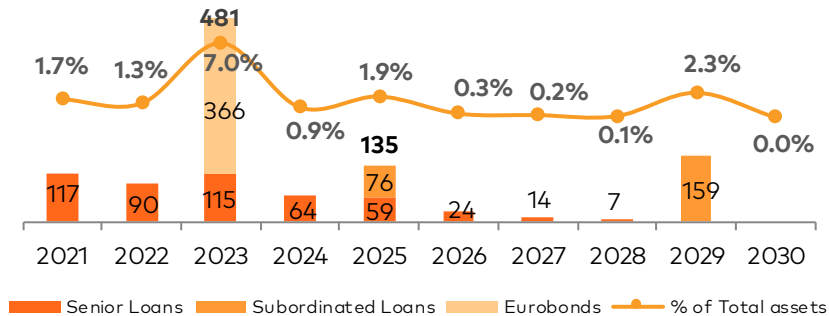


WELL DIVERSIFIED INTERNATIONAL BORROWINGS



BORROWED FUNDS MATURITY BREAKDOWN*

US\$ MILLIONS



STRONG SUPPORT FROM IFIs

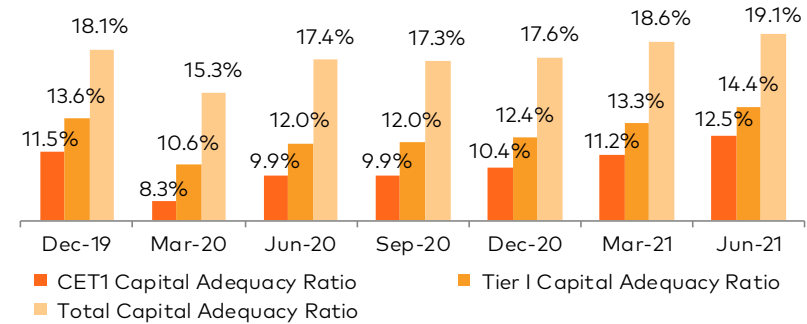
- **c.GEL 225 million** undrawn long-term facilities attracted from DFIs at 30 June 2021 with up to five years of maturity
- Strong long-term funding pipeline to secure resources needed for the next 12 months
- Liquidity management: **US\$27.8 million** Eurobonds due 2023 repurchased since July 2020

* converted at GEL/US\$ exchange rate of 3.1603 at 30 June 2021

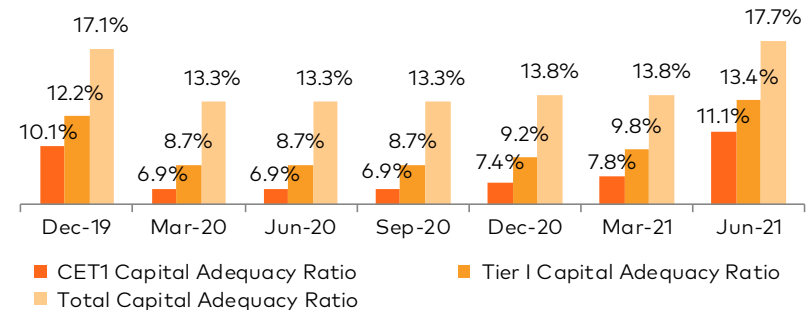
NBG'S COVID-19 RESPONSE AND CURRENT UPDATE

- Release of capital buffers:** In April 2020, as part of its updated supervisory plan as a response to the COVID-19 pandemic, the NBG released Pillar 2 and conservation buffers, which reduced the minimum regulatory capital requirements at the time.
- Capital distribution:** During the period that banks partially or fully utilised the reduced buffers, banks have not been able to make any form of capital distribution.
- General COVID-19-related loan loss provision:** The Bank has recorded c.GEL 400 million general provision (c.3.3% of the Bank's lending portfolio) under the Bank's local regulatory accounting basis in March 2020, reflecting the NBG's expectations of estimated credit losses on the Bank's lending book for the full economic cycle.
- Subsequently, the NBG has announced a **released capital buffers rebuild plan** and has updated the timeline for the phase-in of additional Basel III capital requirements for the banking sector.
- Rebuild of capital buffers:** As a result of robust operating performance and strong internal capital generation, and thus strong capital position, to ensure flexibility on capital distribution to shareholders, the Bank has confirmed to the NBG that since May 2021, it is no longer utilising, or expects to utilise, any of the Pillar 2 or conservation buffers that were waived last year. **Consequently, there is no longer any regulatory restriction for Bank of Georgia on making any capital distributions.**

CAPITAL ADEQUACY RATIOS



MINIMUM REGULATORY REQUIREMENTS



CAPITAL RATIOS EVOLUTION AND UPDATE ON MINIMUM CAPITAL REQUIREMENTS

CAPITAL RATIOS EVOLUTION DURING 1H21

	Capital ratios DEC-20	1H21 profit	Business growth	GEL appreciation	Tier 2 facility impact	Capital ratios JUN-21	Potential impact of 10% GEL devaluation
CET1 capital adequacy ratio	10.4%	2.6%	-0.8%	0.3%	-	12.5%	-0.8%
Tier I capital adequacy ratio	12.4%	2.6%	-0.9%	0.3%	-	14.4%	-0.7%
Total capital adequacy ratio	17.6%	2.6%	-1.1%	0.2%	-0.2%	19.1%	-0.6%

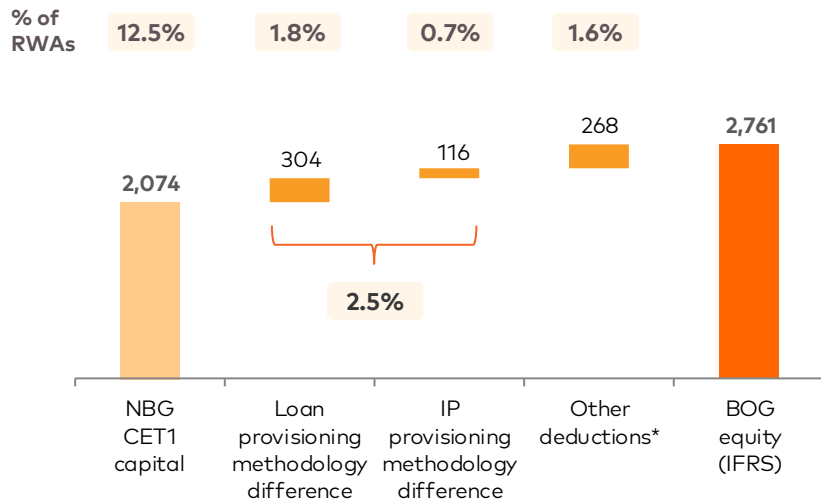
EXPECTED MINIMUM CAPITAL REQUIREMENTS FOR 2021-2023

Bank of Georgia's ongoing minimum capital adequacy ratios reflecting the full phase-in of Basel III capital requirements, which remain subject to ongoing annual regulatory reviews, are currently expected to be as follows:

	DEC-21	DEC-22	DEC-23
CET1 capital requirement	11.6%	11.9%	12.2%
Tier I capital requirement	13.8%	14.3%	14.7%
Total capital requirement	17.9%	17.9%	17.9%

BOG EQUITY VS. CET1 REG. CAPITAL | JUN-21

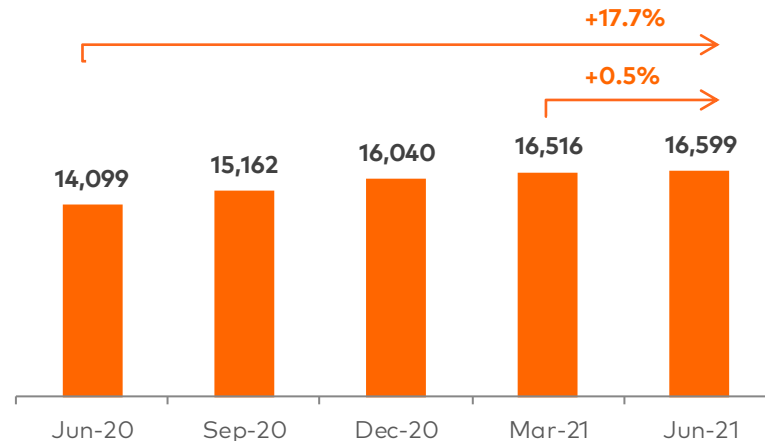
GEL MILLIONS



* Revaluation reserve, investments in non-financial subsidiaries and intangible assets

RISK WEIGHTED ASSETS

GEL MILLIONS



- Existing additional capital buffers (within **c.2.5%** of risk-weighted assets) reflecting differences in provisioning methodology between the NBG and IFRS 9
- The NBG plans to transition to IFRS-based financial reporting during 2021 - 2022

 **COVID-19 PANDEMIC AND MACROECONOMIC HIGHLIGHTS**

 **GROUP OVERVIEW AND STRATEGY**

 **2Q21 AND 1H21 RESULTS**

 **GEORGIAN MACRO OVERVIEW**

 **APPENDICES**

GENERAL FACTS

- Area: 69,700 sq. km
- Population (2019): 3.7 million
- Life expectancy: 74 years
- Official language: Georgian
- Literacy: 100%
- Capital: Tbilisi
- Currency (code): Lari (GEL)



ECONOMY

- Nominal GDP (Geostat) 2020: GEL 49.2bln (US\$ 15.9bln)
- Real GDP growth rate 2016-2020: 2.9%, 4.8%, 4.8%, 5.0%, -6.2%
- Real GDP 2011-2019 annual average growth rate: 4.9%
- GDP per capita 2020 (PPP): US\$ 14,918
- Annual inflation (EOP) 2020: 2.4%
- External public debt to GDP 2020: 47.5%

SOVEREIGN CREDIT RATINGS

Agency	Rating	Outlook	Affirmed
Moody's	Ba2	Stable	May 2021
FitchRatings	BB	Stable	August 2021
S&P Global	BB	Negative	February 2021

Liberal economic policy

Top performer globally in WB Doing Business over the past 12 years

- Liberty Act ensures a credible fiscal and monetary framework
- Fiscal deficit/GDP capped at 3%; Government debt/GDP capped at 60%
- Business friendly environment and low tax regime (attested by favourable international rankings)

Regional logistics and tourism hub

A natural transport and logistics hub, connecting land-locked energy rich countries in the east and European markets in the west

- Access to a market of 2.8bn customers without customs duties: Free trade agreements with EU, China, CIS, Turkey, Hong Kong and with EFTA countries. The GSP with USA, Canada and Japan
- Tourism halted in 2020 due to pandemic, recovery ongoing from April 2021
- Regional energy transit corridor accounting for 1.6% of the world's oil and gas transit volumes

Strong FDI

An influx of foreign investors on the back of the economic reforms

- FDI stood at US\$ 617mln (3.9% of GDP) in 2020
- FDI averaged 8.4% of GDP in 2011-2020

Support from international community

Georgia and the EU signed an Association Agreement and DCFTA in June 2014

- Visa-free travel to the EU - another major success in Georgian foreign policy. Georgians were granted free entrance to the EU countries from 28 March 2017
- Discussions commenced with the USA to drive inward investments and exports
- Strong political support from NATO, EU, US, UN and member of WTO since 2000; Substantial support from DFIs

Electricity transit hub potential

Developed, stable and competitively priced energy sector

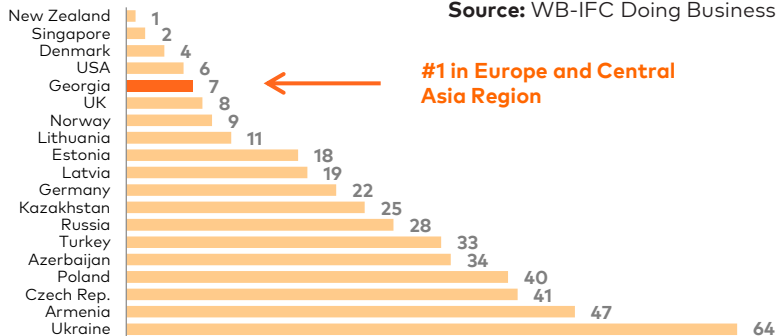
- Only 25% of hydropower capacity utilized; 150 renewable (HPPs/WPPs/SPPs) energypower plants are in various stages of construction or development
- Georgia imports natural gas mainly from Azerbaijan
- Significantly boosted transmission capacity with 400 kV line to Turkey and 500 kV line to Azerbaijan built, other transmission lines to Armenia and Russia upgraded
- Additional 2,000 MW transmission capacity development in the pipeline, facilitating cross-border electricity trade and energy swaps to Eastern Europe

Political environment

- Georgia underscored its commitment to European values by securing a democratic transfer of political power in successive parliamentary, presidential, and local elections and by signing an Association Agreement and free trade agreement with the EU
- Constitution amendments passed in 2013 to enhance governing responsibility of Parliament and reduce the powers of the Presidency
- Member of WTO since 2000, allowed Russia's access to WTO; In 2013 trade restored with Russia
- Despite resumed economic ties, exposure to Russia remains moderate. In 2020, Russia accounted for 13.2% of Georgia's exports and 11.1% of imports; just 3.7% of cumulative FDI over 2003-2020

EASE OF DOING BUSINESS | 2020

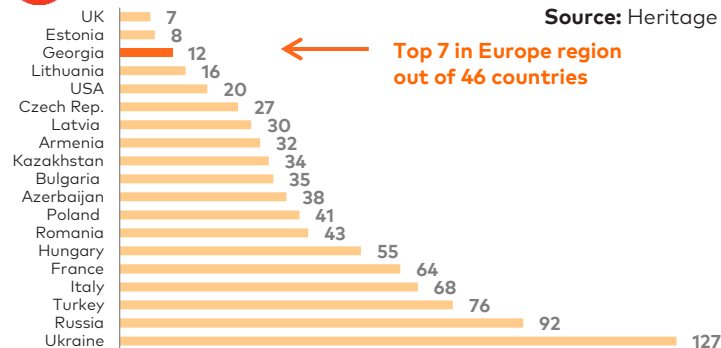
Source: WB-IFC Doing Business Report



#1 in Europe and Central Asia Region

ECONOMIC FREEDOM INDEX | 2021

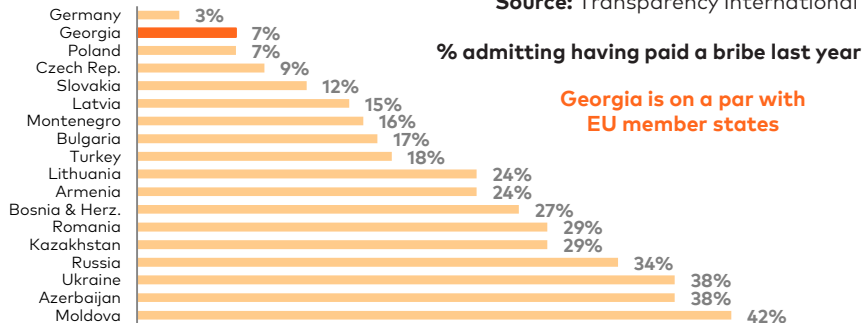
Source: Heritage Foundation



Top 7 in Europe region out of 46 countries

GLOBAL CORRUPTION BAROMETER | 2017

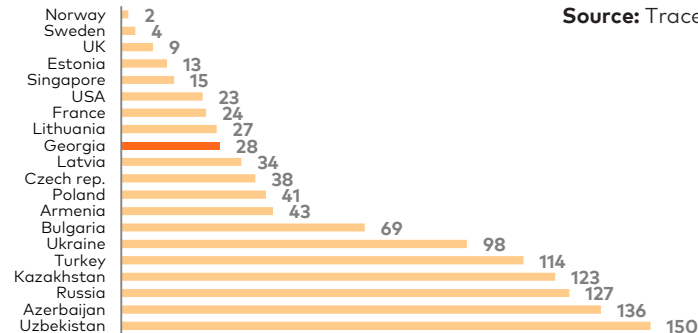
Source: Transparency International



Georgia is on a par with EU member states

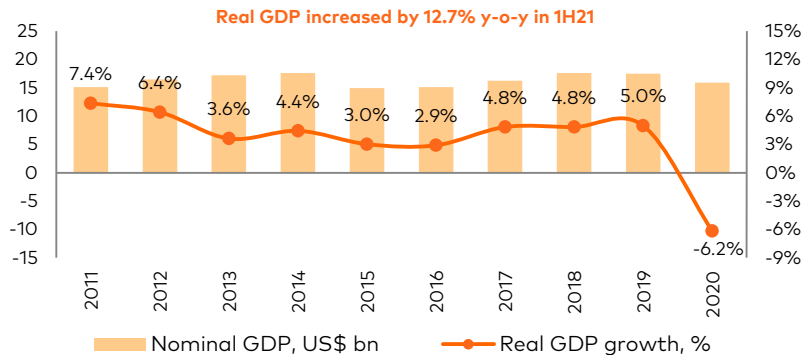
BUSINESS BRIBERY RISK | 2020

Source: Trace International



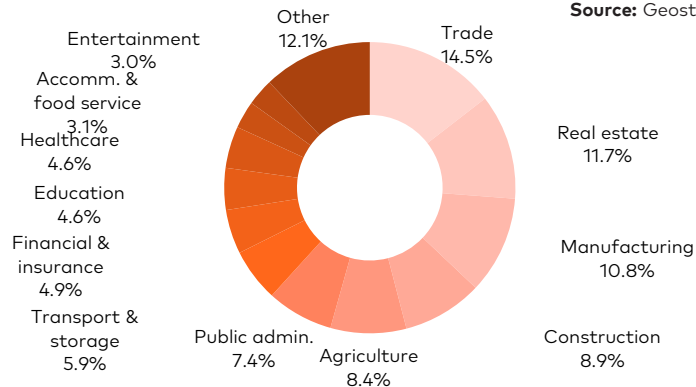
GROSS DOMESTIC PRODUCT

Source: Geostat



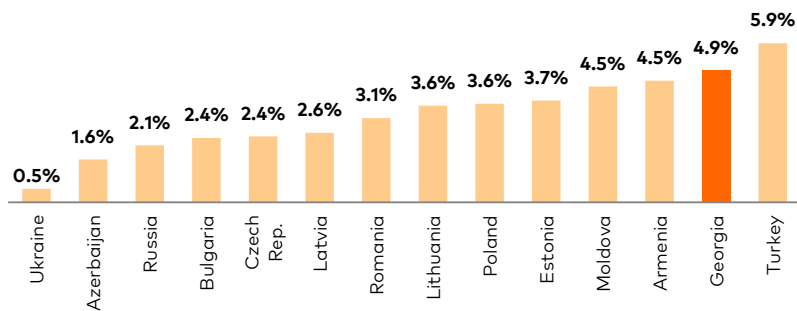
DIVERSIFIED NOMINAL GDP STRUCTURE | 2020

Source: Geostat



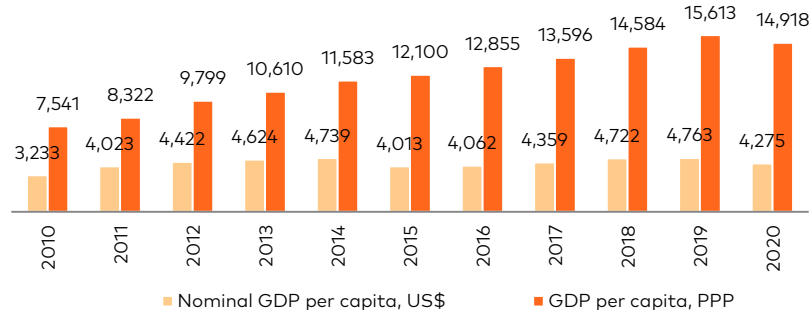
COMPARATIVE REAL GDP GROWTH RATES, % (2010-2019 AVERAGE)

Source: IMF, Geostat



GDP PER CAPITA

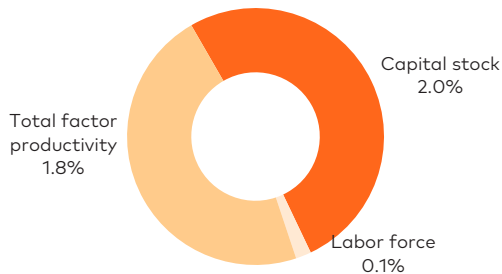
Source: IMF, Geostat



CAPITAL AND PRODUCTIVITY HAVE BEEN THE MAIN ENGINES OF GROWTH SINCE 2004

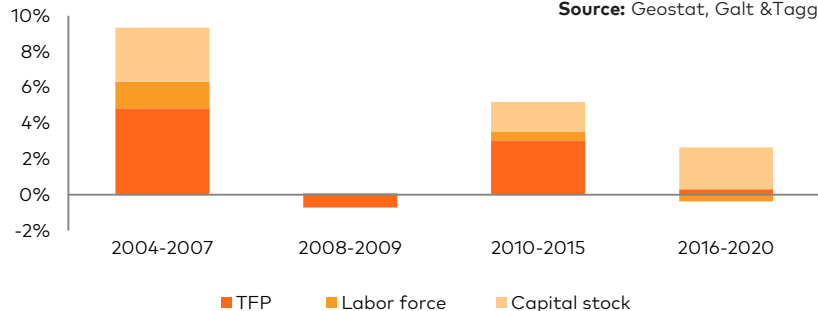
OVERALL CONTRIBUTION OF CAPITAL, LABOR, AND TOTAL FACTOR PRODUCTIVITY (TFP) TO GROWTH, 2010-2020

Source: Geostat, Galt & Taggart



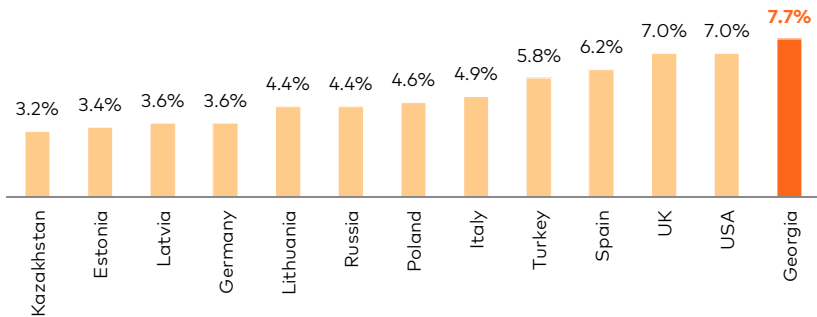
CONTRIBUTIONS OF CAPITAL, LABOR, AND TFP TO GROWTH DURING PERIODS

Source: Geostat, Galt & Taggart



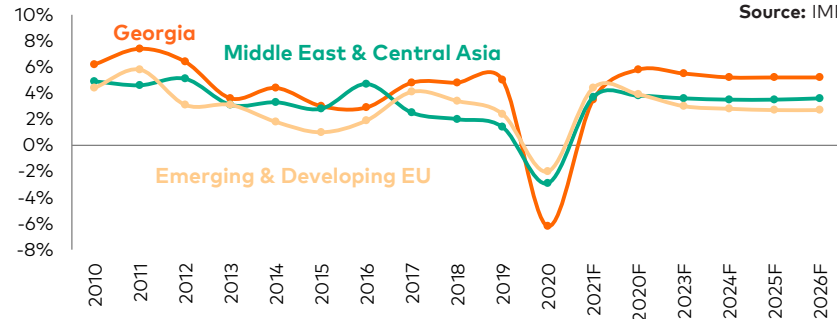
REAL GDP GROWTH PROJECTION, 2021

Source: IMF



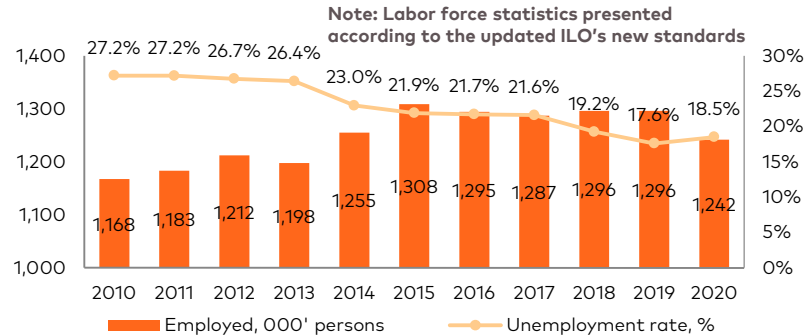
REAL GDP GROWTH: GEORGIA, MIDDLE EAST AND CENTRAL ASIA, EMERGING & DEVELOPING EU

Source: IMF



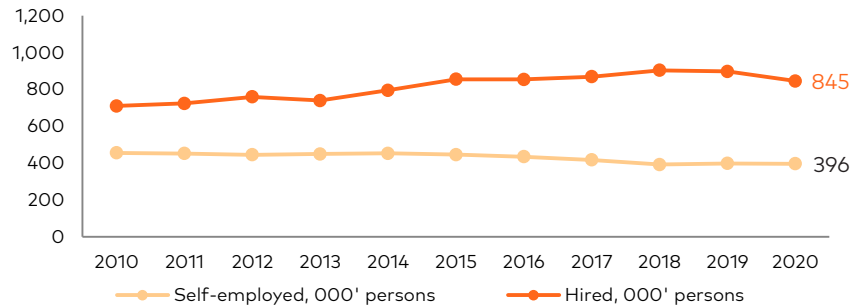
UNEMPLOYMENT RATE UP 0.9PPTS Y-O-Y TO 18.5% IN 2020

Source: Geostat



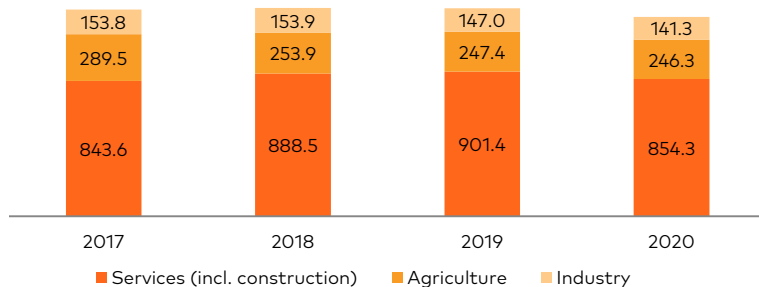
HIRED WORKERS ON THE RISE

Source: Geostat



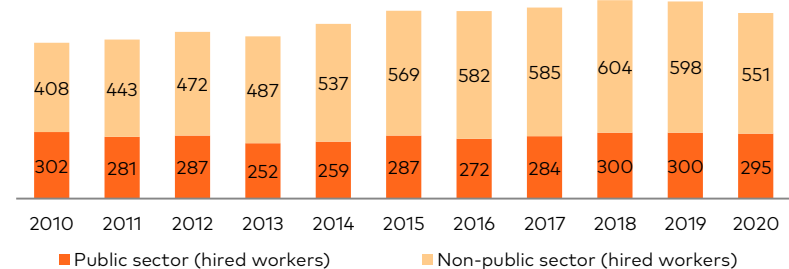
EMPLOYMENT BY SECTOR, 000' PERSONS

Source: Geostat

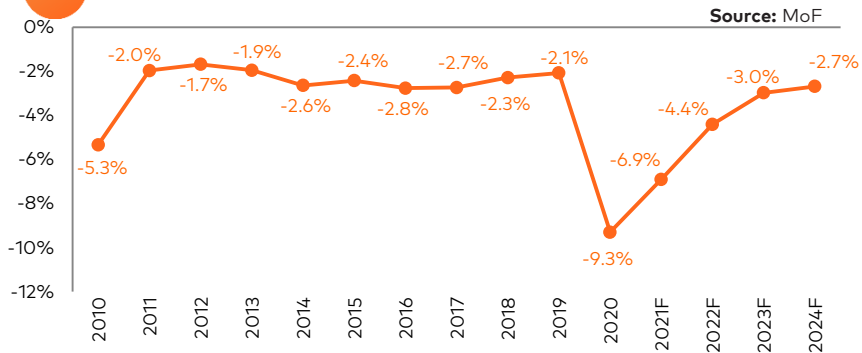


EMPLOYMENT: PUBLIC AND PRIVATE SECTORS, 000' PERSONS

Source: Geostat

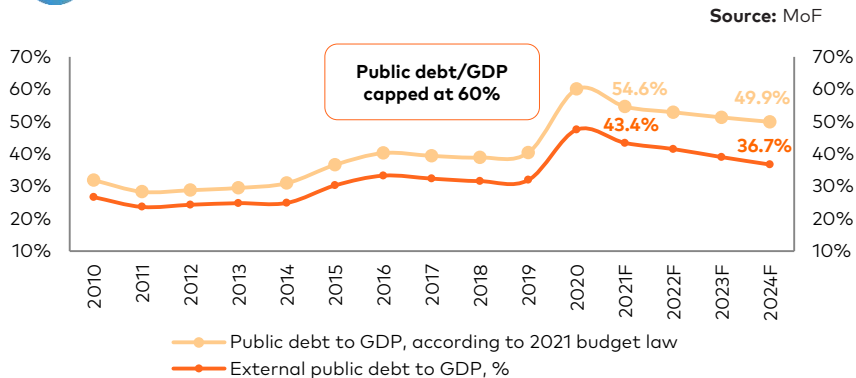


FISCAL DEFICIT

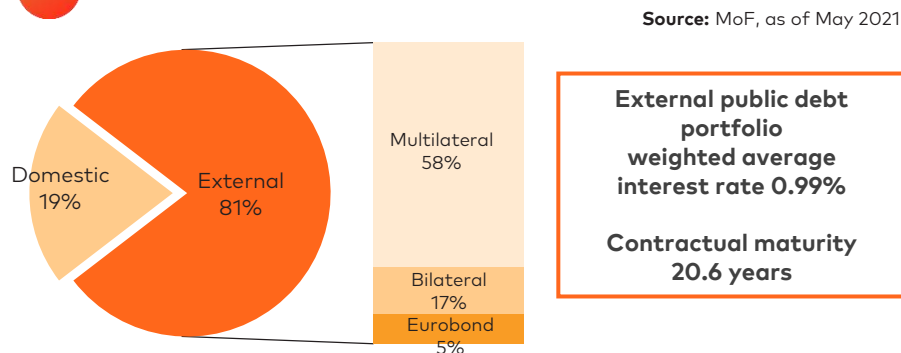


Note: Deficit calculated as net lending / borrowing minus budget lending

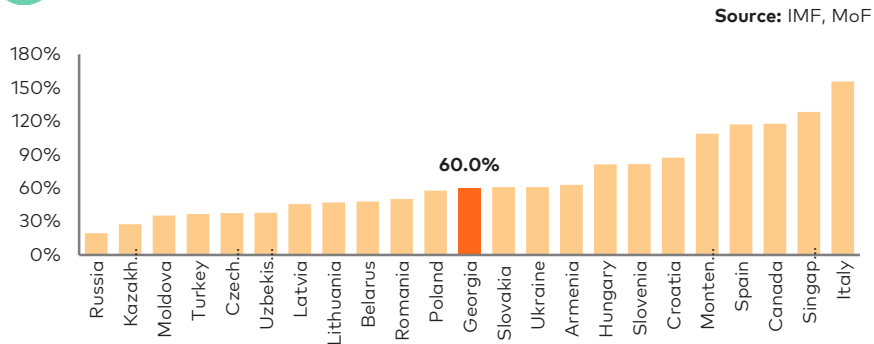
PUBLIC DEBT AS % OF GDP



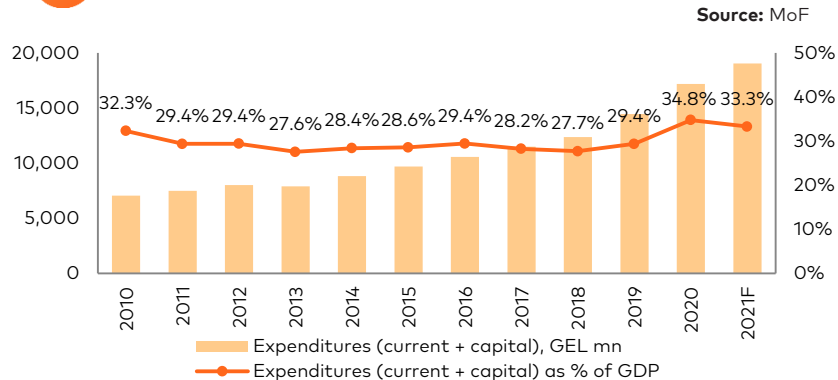
BREAKDOWN OF THE PUBLIC DEBT



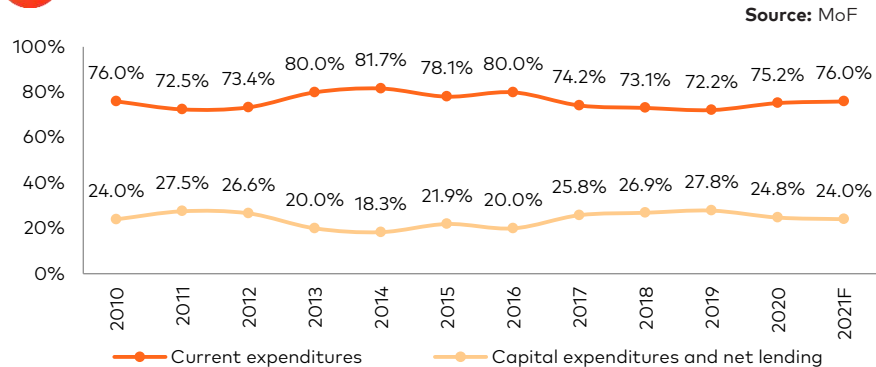
GROSS GOVERNMENT DEBT/GDP | 2020



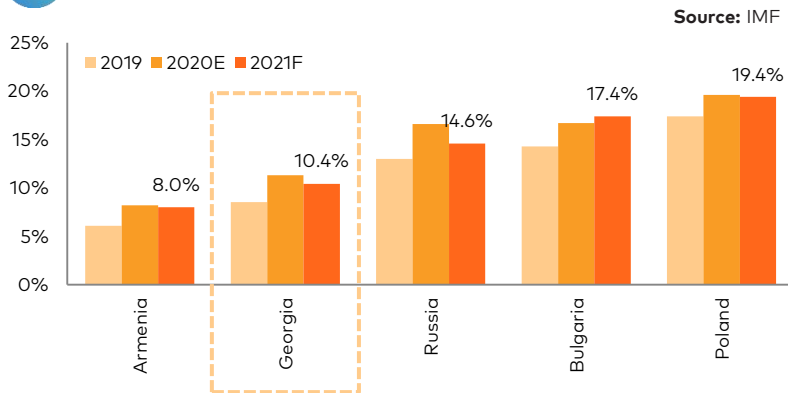
BUDGET EXPENDITURES



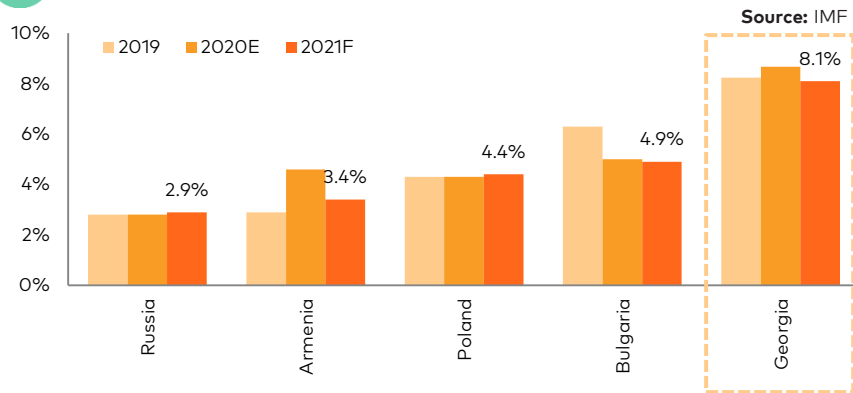
EXPENDITURE BREAKDOWN: CURRENT VS. CAPITAL



GOVERNMENT SOCIAL EXPENDITURE AS % OF GDP

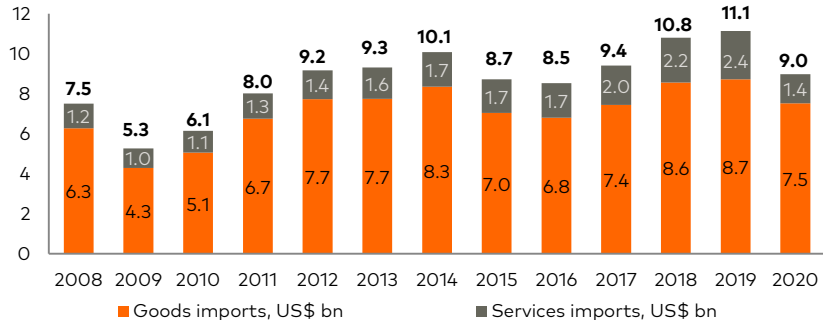


GOVERNMENT CAPITAL EXPENDITURE AS % OF GDP



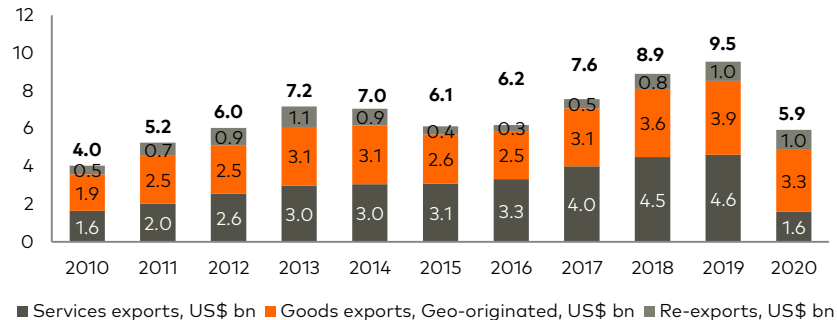
IMPORTS OF GOODS AND SERVICES

Source: NBG – BOP statistics



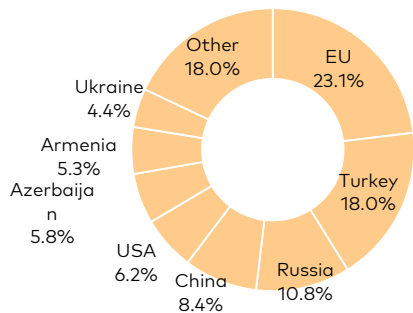
EXPORTS OF GOODS AND SERVICES

Source: NBG – BOP statistics



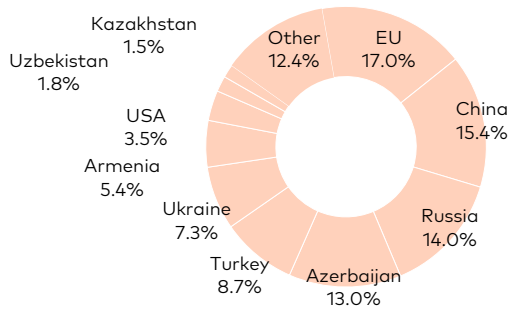
IMPORTS BY COUNTRY, 1H21

Source: Geostat



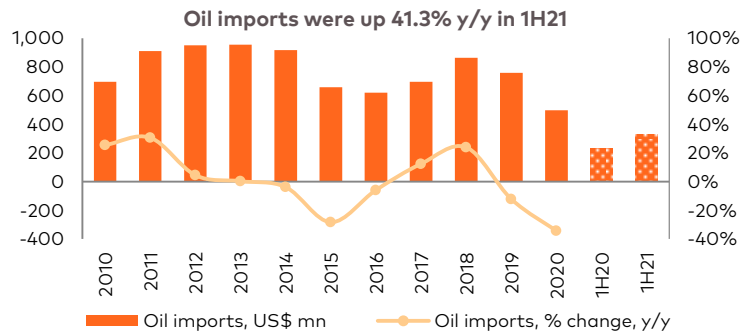
EXPORTS BY COUNTRY, 1H21

Source: Geostat



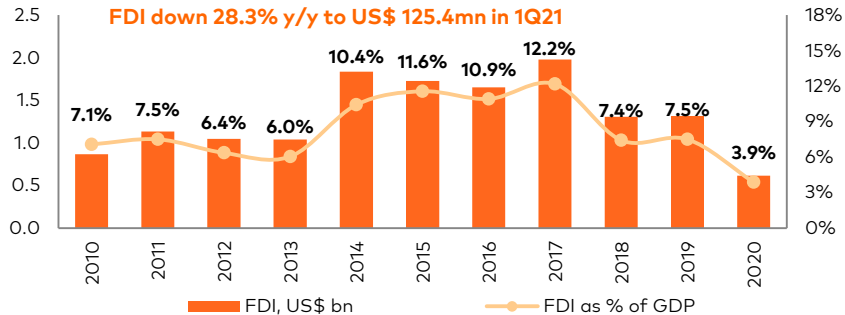
OIL IMPORTS

Source: Geostat



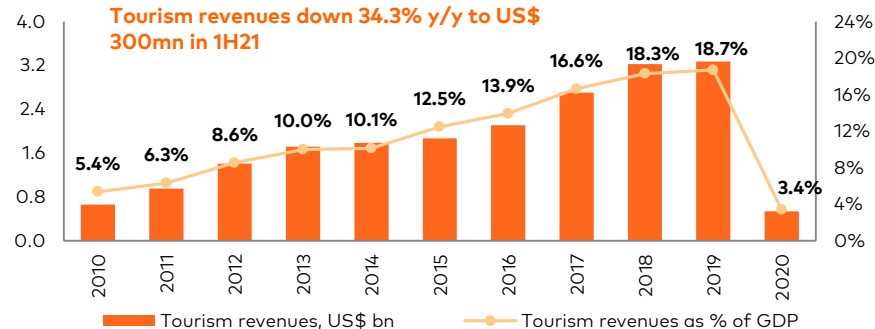
FOREIGN DIRECT INVESTMENTS

Source: Geostat



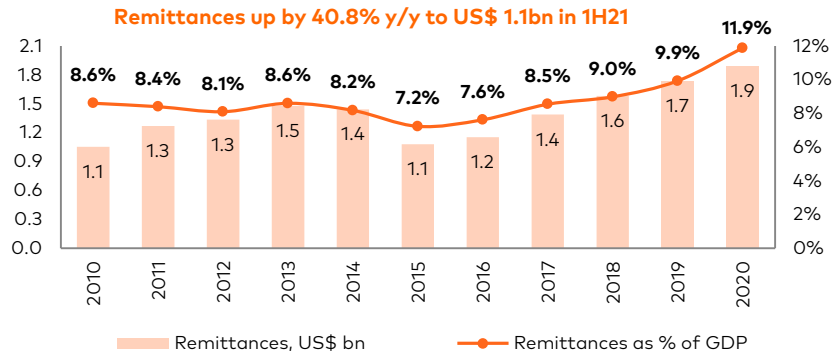
TOURISM REVENUES

Source: NBG, Geostat



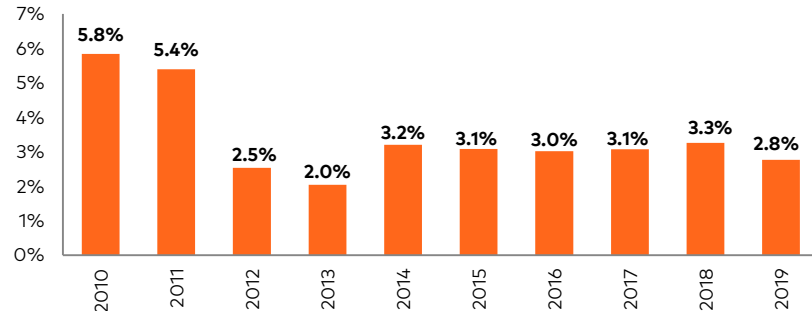
REMITTANCES - STEADY SOURCE OF EXTERNAL FUNDING

Source: NBG, Geostat



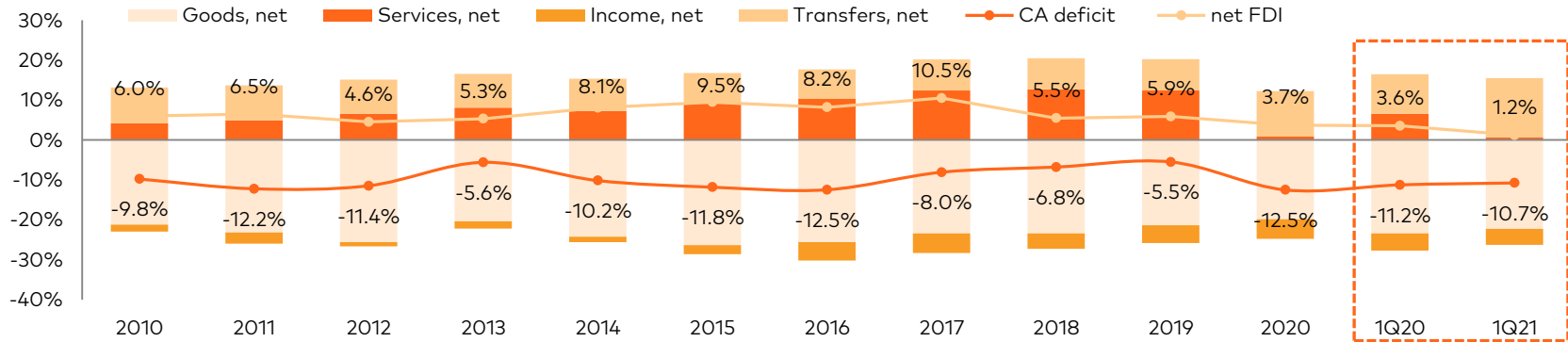
PUBLIC EXTERNAL BORROWING FOR CAPEX, % OF GDP

Source: MOF, Geostat



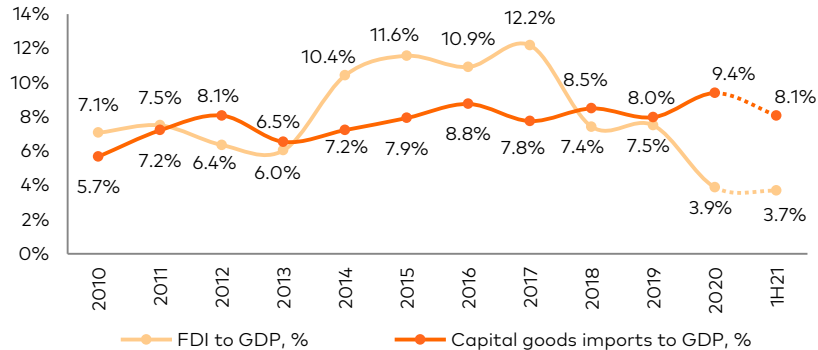
CURRENT ACCOUNT BALANCE (% OF GDP)

Source: NBG, Geostat



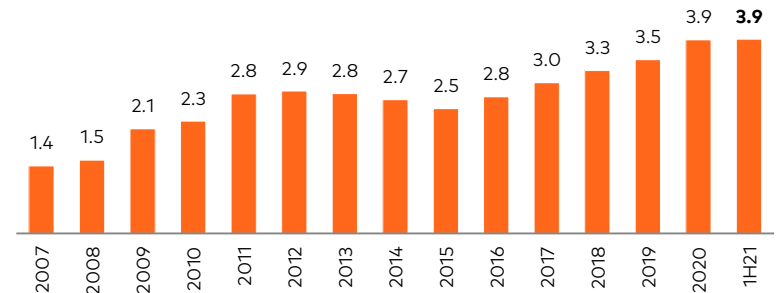
FDI AND CAPITAL GOODS IMPORT

Source: Geostat



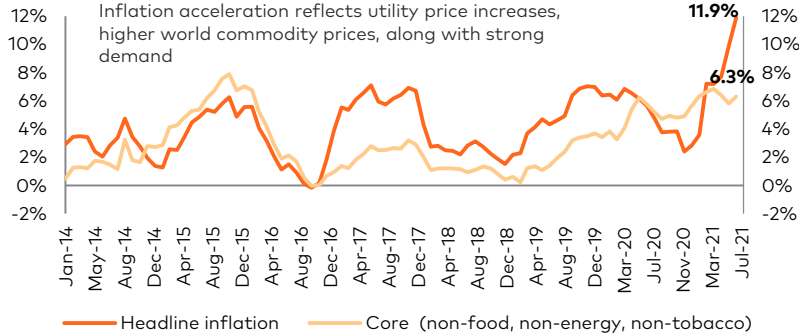
BUILDING INTERNATIONAL RESERVES, US\$ BN

Source: NBG



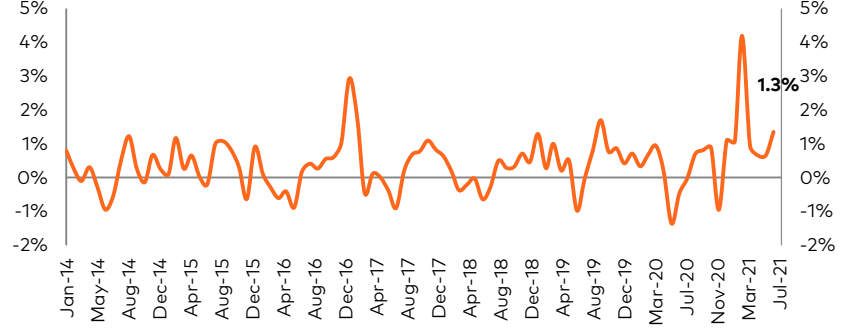
ANNUAL INFLATION

Source: Geostat



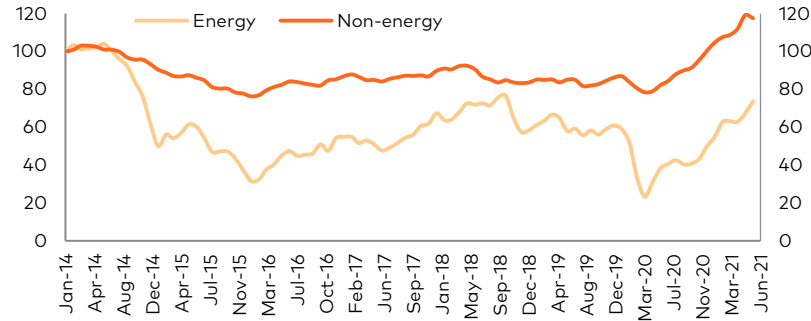
MONTHLY INFLATION

Source: Geostat



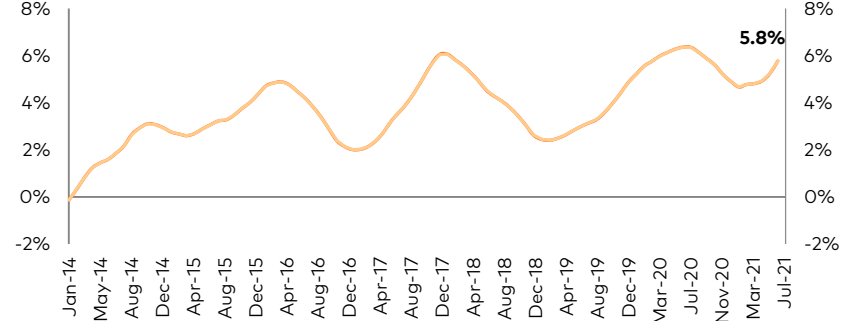
WORLD COMMODITY PRICES

Source: World Bank
Note: Jan2014=100



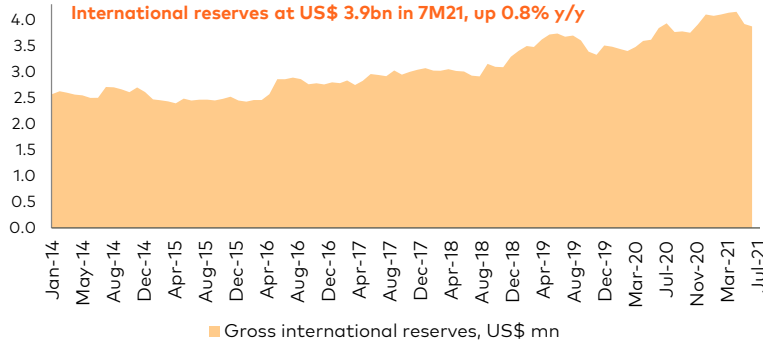
AVERAGE INFLATION

Source: Geostat



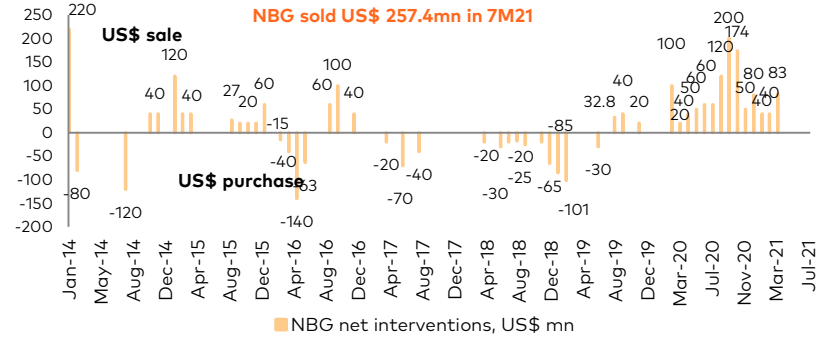
INTERNATIONAL RESERVES

Source: NBG



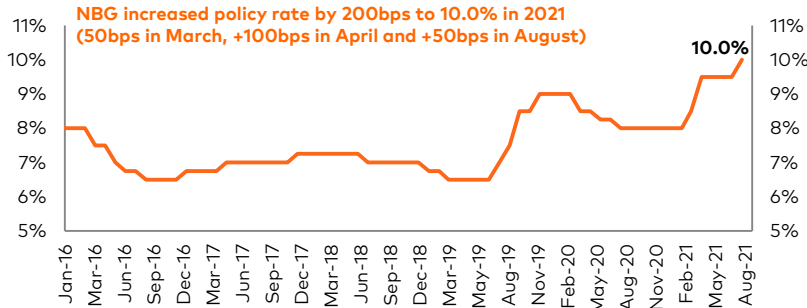
CENTRAL BANK'S INTERVENTIONS

Source: NBG



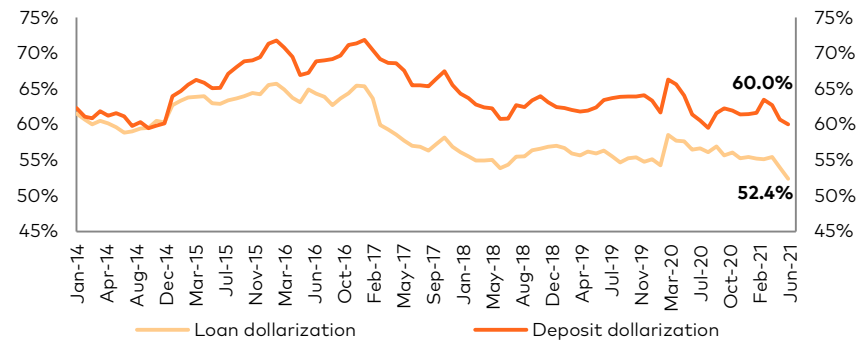
MONETARY POLICY RATE

Source: NBG



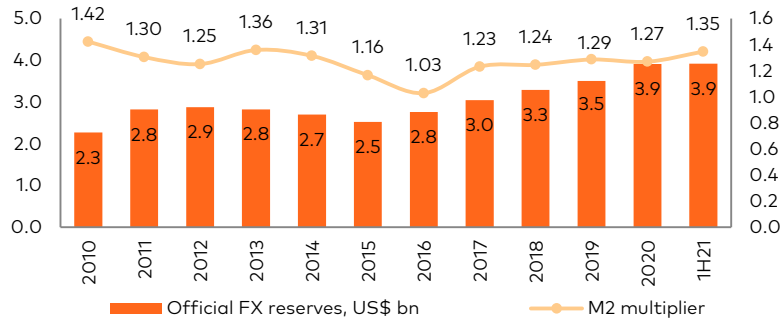
LOAN AND DEPOSIT DOLLARISATION

Source: NBG



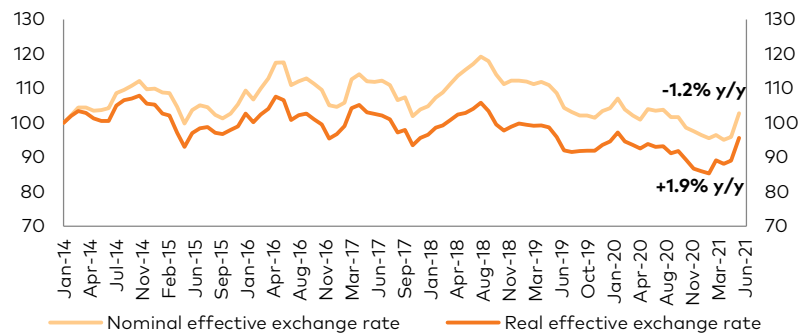
FX RESERVES

Source: NBG



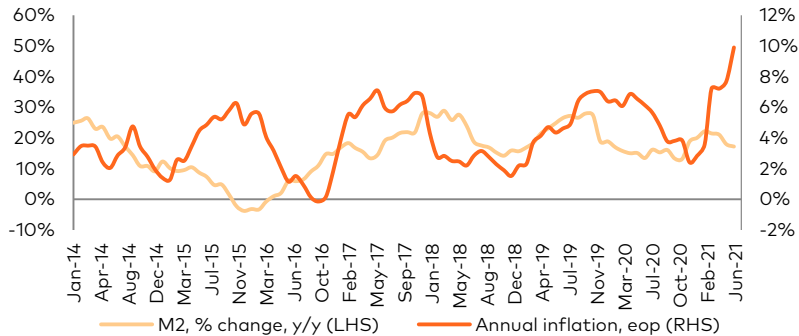
NOMINAL AND REAL EFFECTIVE EXCHANGE RATE (JAN2014=100)

Source: NBG



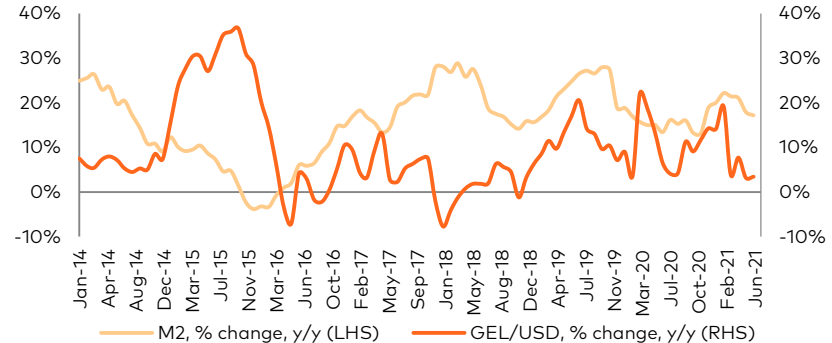
M2 AND ANNUAL INFLATION

Source: NBG



M2 AND USD/GEL

Source: NBG



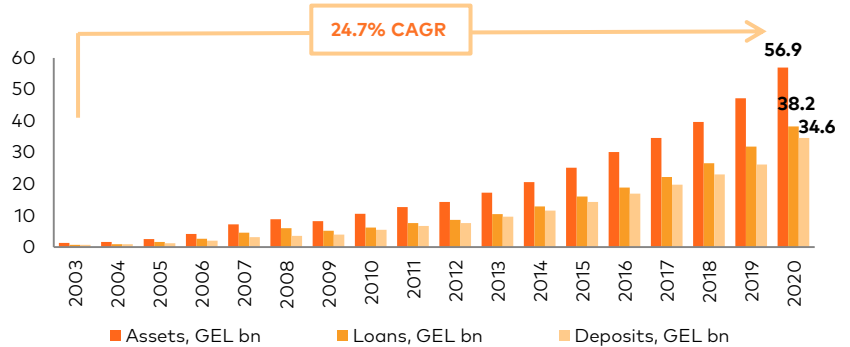
SUMMARY

- Prudent regulation and oversight ensuring financial stability
- Strong resilience towards both domestic and external shocks **without single bank going bankrupt**
- No nationalisation** of banks and no government ownership since 1994
- Resilience to different shocks to the economy**, room for healthy credit growth

Source: National Bank of Georgia, Geostat

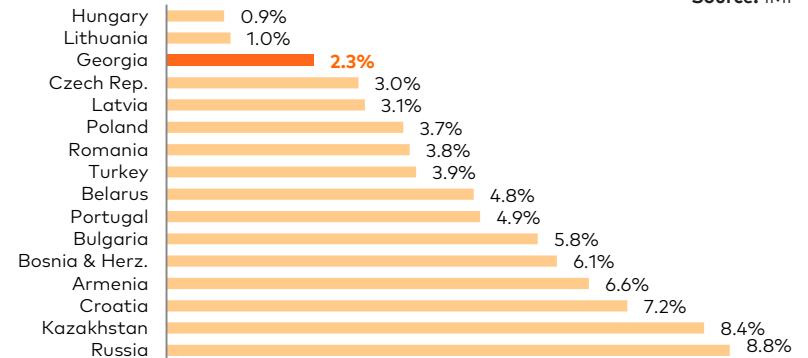
BANKING SECTOR ASSETS, LOANS AND DEPOSITS

Source: NBG



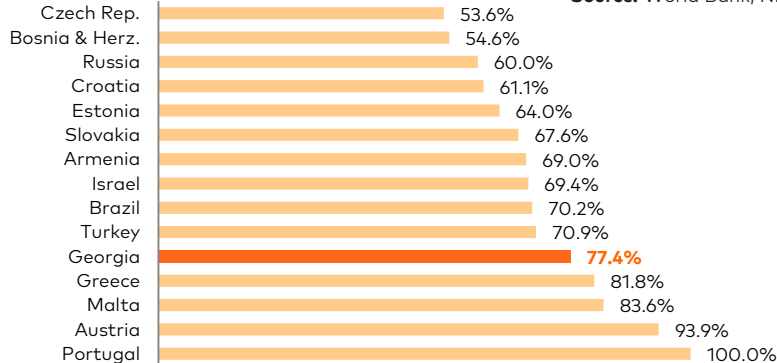
NON-PERFORMING LOANS, LATEST 2020

Source: IMF



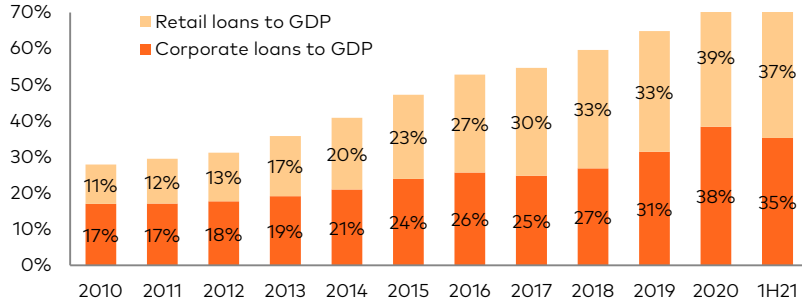
BANKING SECTOR LOANS TO GDP, 2020

Source: World Bank, NBG



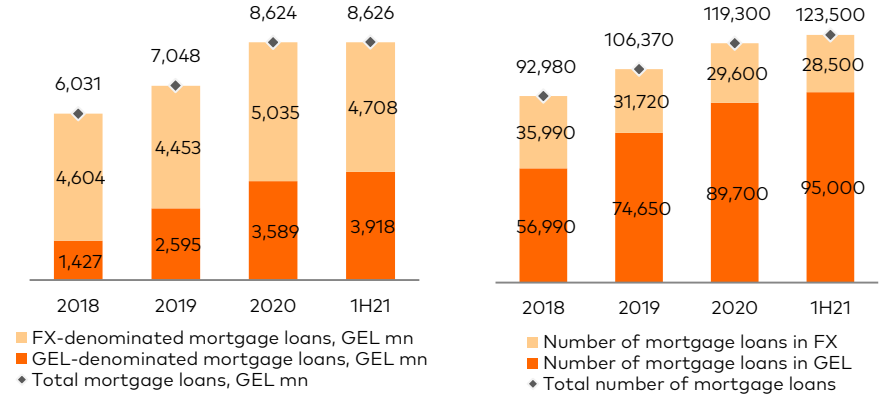
BANKING SECTOR CORPORATE & RETAIL LOANS TO GDP

Source: NBG, Geostat



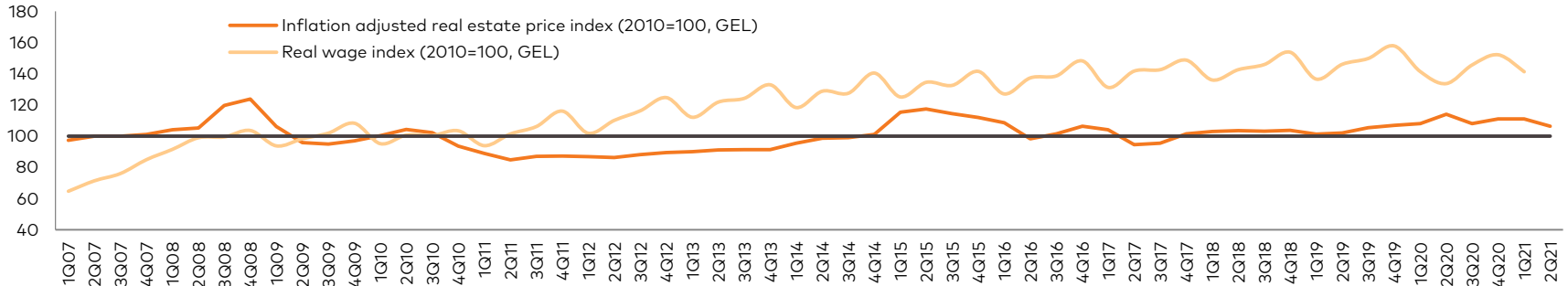
MORTGAGE LOANS

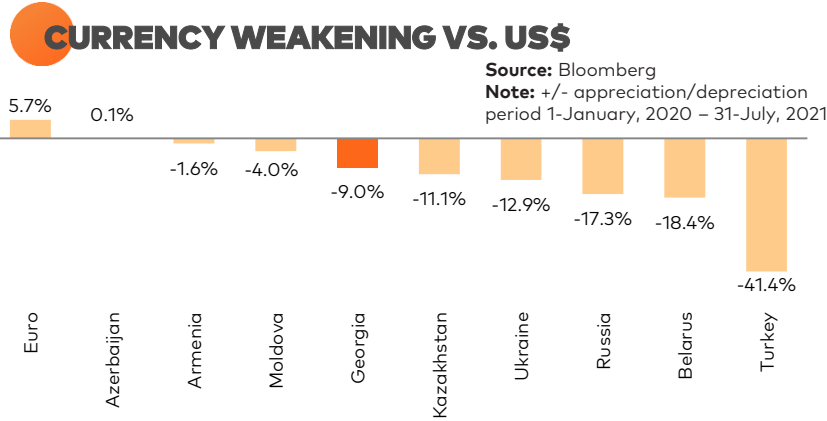
Source: NBG



REAL ESTATE PRICE INDEX

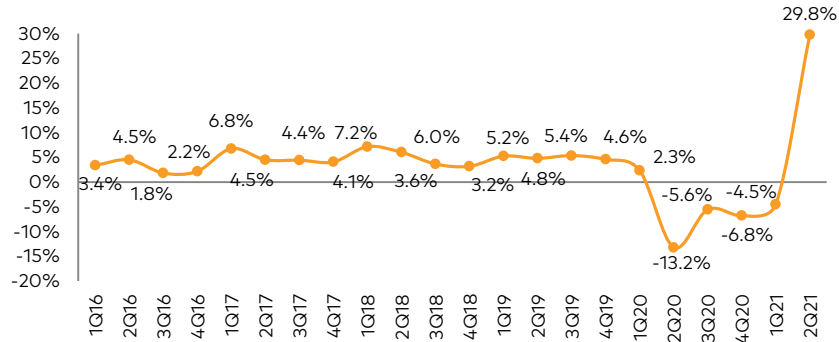
Source: NBG, Geostat





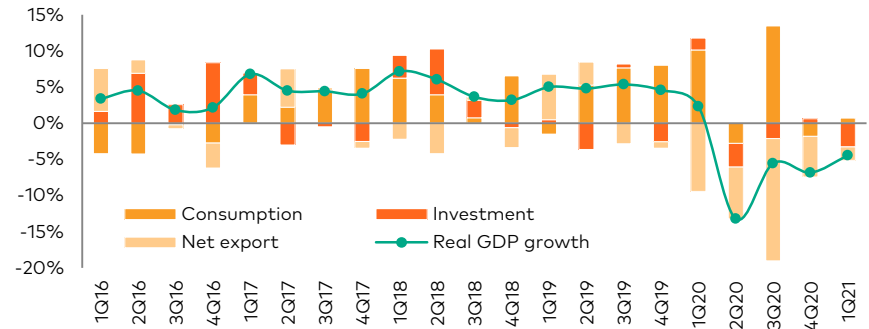
REAL GDP GROWTH BY QUARTER, % CHANGE YoY

Source: Geostat



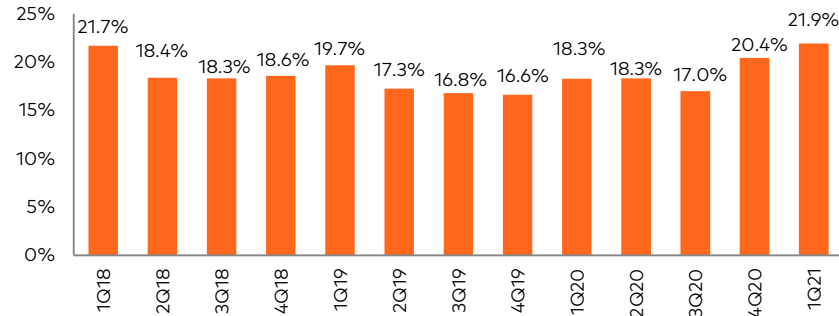
CONTRIBUTION TO REAL GDP GROWTH

Source: Geostat, Galt & Taggart



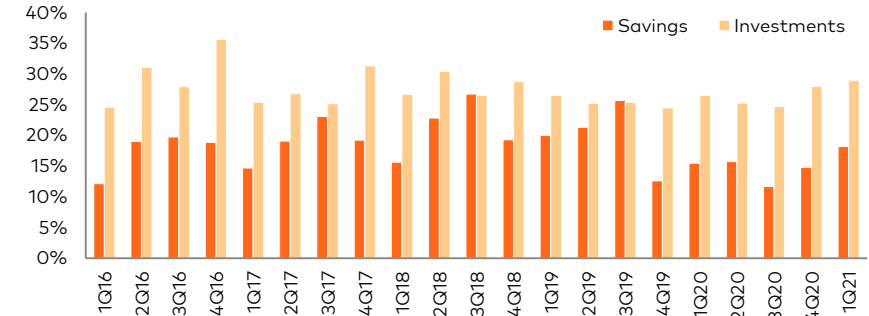
UNEMPLOYMENT RATE

Source: Geostat



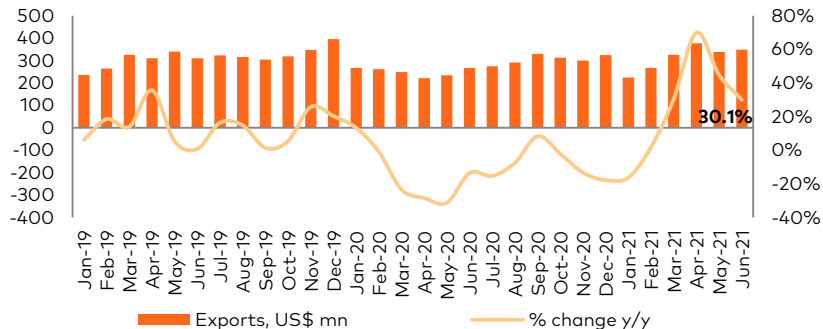
SAVINGS AND INVESTMENTS TO GDP

Source: Geostat



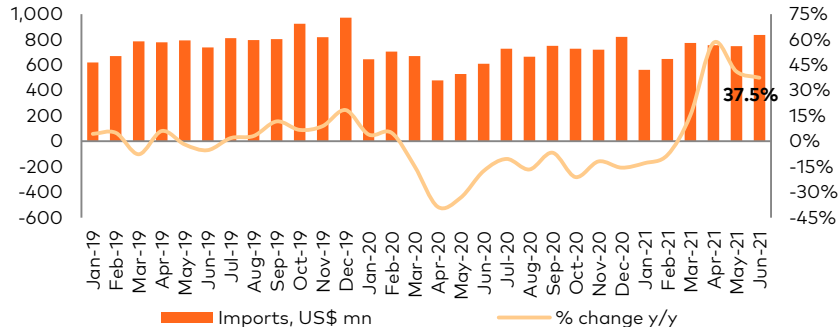
EXPORTS UP 25.2% Y-o-Y IN 1H21

Source: Geostat



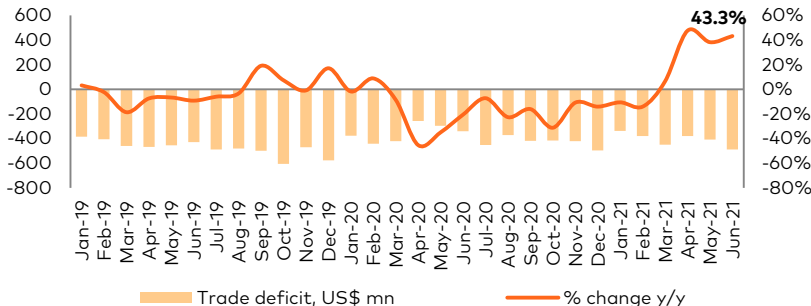
IMPORTS UP 18.9% YoY IN 1H21

Source: Geostat



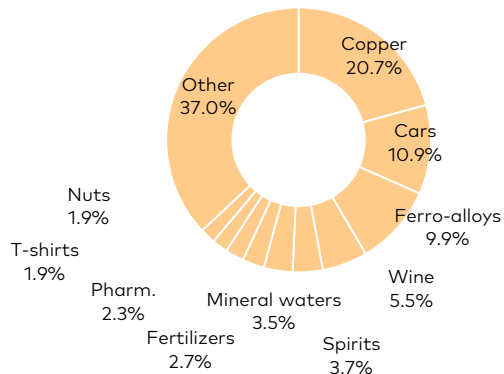
TRADE DEFICIT UP 43.3% Y-o-Y IN 1H21

Source: Geostat

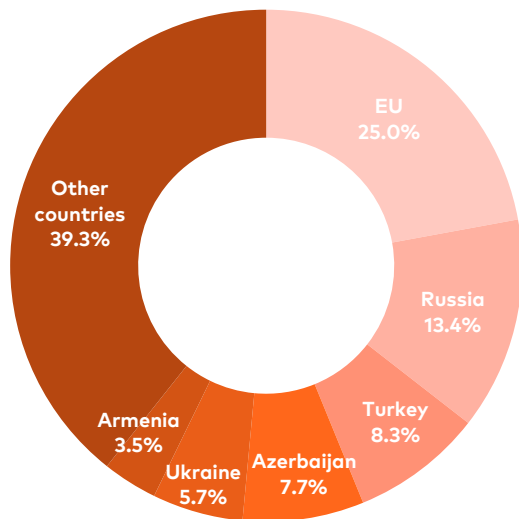


EXPORTS BY COMMODITY, 1H21

Source: Geostat



EXPORTS, TOURISM, REMITTANCES AND FDI BY COUNTRY IN 1H21, AS of % OF TOTAL



Source: Geostat, NBG, GNTA, Galt & Taggart

ECONOMIC LINKAGES BREAKDOWN IN 1H21, SHARE IN EACH CATEGORY

	Exports	Tourism	FDI	Remittances
EU	17.0%	10.0%	27.9%	42.5%
Russia	14.0%	11.3%	25.4%	17.1%
Turkey	8.7%	25.8%	19.5%	4.7%
Azerbaijan	13.0%	4.3%	-5.0%	3.9%
Ukraine	7.3%	11.2%	0.9%	4.4%
Armenia	5.4%	7.7%	2.5%	0.5%
Other countries	34.6%	29.7%	28.8%	26.8%

Source: Geostat, NBG, GNTA, Galt & Taggart

Note: FDI is for 1Q21. Negative investment means a sale of shares or distributed profit

 **COVID-19 PANDEMIC AND MACROECONOMIC HIGHLIGHTS**

 **GROUP OVERVIEW AND STRATEGY**

 **2Q21 AND 1H21 RESULTS**

 **GEORGIAN MACRO OVERVIEW**

 **APPENDICES | SEGMENT RESULTS**



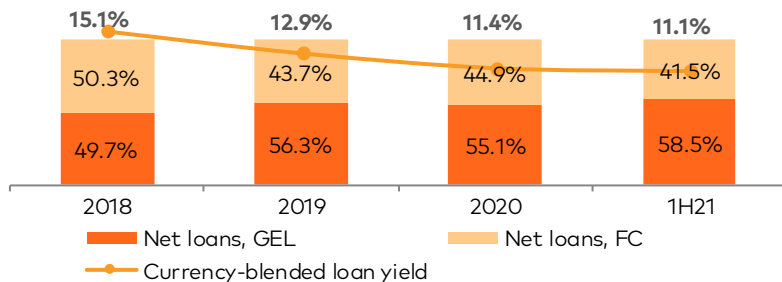
	1	2	3
	Bank of Georgia	SOLO	Bank of Georgia Business
Segments	Mass Retail	Mass Affluent	MSME
Clients	2,268 k	66 k	240 k
Loans	GEL 3,157 mln	GEL 2,811 mln	GEL 3,490 mln
Deposits	GEL 3,555 mln	GEL 2,802 mln	GEL 977 mln
1H21 profit	GEL 53 mln	GEL 50 mln	GEL 60 mln
P/C ratio	2.2	4.7	1.5
Branches	194	11	1

INCOME STATEMENT HIGHLIGHTS

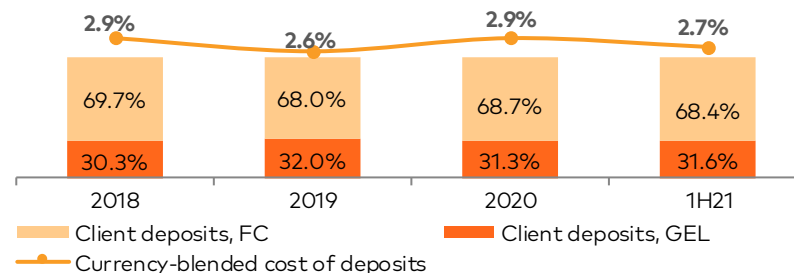
GEL thousands unless otherwise noted

	2Q21	2Q20	Change y-o-y	1Q21	Change q-o-q	1H21	1H20	Change y-o-y
Net interest income	135,064	102,667	31.6%	131,448	2.8%	266,512	220,934	20.6%
Net fee and commission income	44,223	22,184	99.3%	37,385	18.3%	81,608	51,581	58.2%
Net foreign currency gain	10,026	7,525	33.2%	11,109	-9.7%	21,135	29,159	-27.5%
Net other income	9,502	4,085	132.6%	8,841	7.5%	18,343	5,991	NMF
Operating income	198,815	136,461	45.7%	188,783	5.3%	387,598	307,665	26.0%
Salaries and other employee benefits	(48,230)	(41,826)	15.3%	(40,055)	20.4%	(88,285)	(82,394)	7.1%
Administrative expenses	(22,992)	(16,898)	36.1%	(18,393)	25.0%	(41,385)	(37,629)	10.0%
Depreciation, amortisation and impairment	(19,097)	(17,610)	8.4%	(18,914)	1.0%	(38,011)	(35,499)	7.1%
Other operating expenses	(429)	(550)	-22.0%	(630)	-31.9%	(1,059)	(1,103)	-4.0%
Operating expenses	(90,748)	(76,884)	18.0%	(77,992)	16.4%	(168,740)	(156,625)	7.7%
(Loss) / profit from associate	(4,299)	113	NMF	167	NMF	(4,132)	414	NMF
Operating income before cost of risk	103,768	59,690	73.8%	110,958	-6.5%	214,726	151,454	41.8%
Cost of risk	(10,435)	(5,757)	81.3%	(31,296)	-66.7%	(41,731)	(147,835)	-71.8%
Net operating income before non-recurring items	93,333	53,933	73.1%	79,662	17.2%	172,995	3,619	NMF
Net non-recurring items	211	(1,249)	NMF	156	35.3%	367	(40,178)	NMF
Profit before income tax	93,544	52,684	77.6%	79,818	17.2%	173,362	(36,559)	NMF
Income tax (expense) / benefit	(8,518)	(3,214)	NMF	(5,834)	46.0%	(14,352)	8,000	NMF
Profit	85,026	49,470	71.9%	73,984	14.9%	159,010	(28,559)	NMF

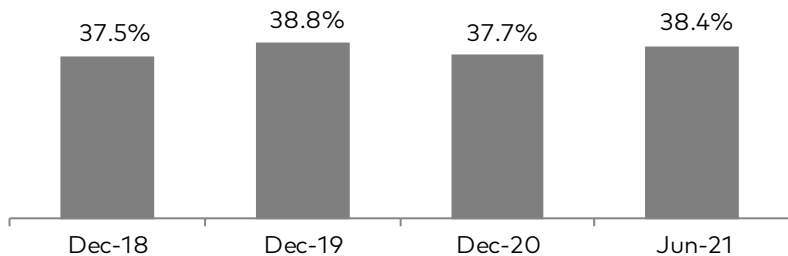
RB LOANS AND LOAN YIELD



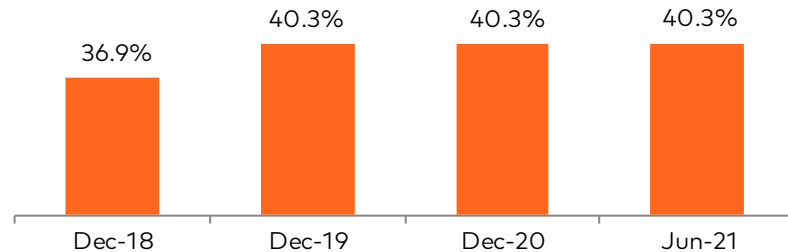
RB CLIENT DEPOSITS AND COST OF DEPOSITS



MARKET SHARE – LOANS TO INDIVIDUALS*

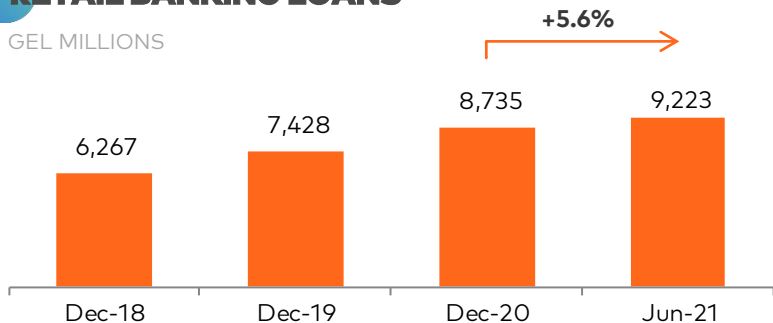


MARKET SHARE – DEPOSITS OF INDIVIDUALS*



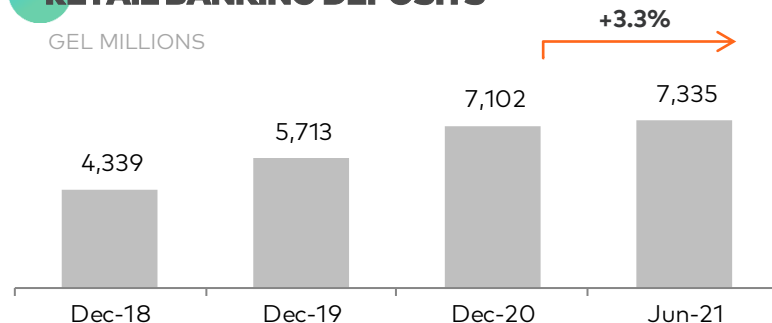
RETAIL BANKING LOANS

GEL MILLIONS



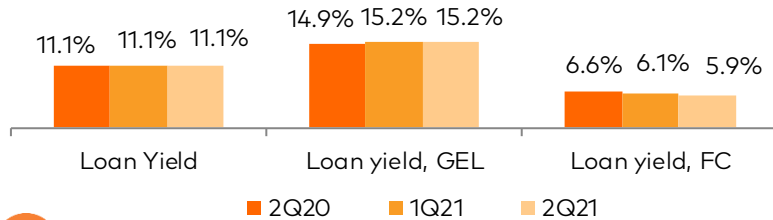
RETAIL BANKING DEPOSITS

GEL MILLIONS

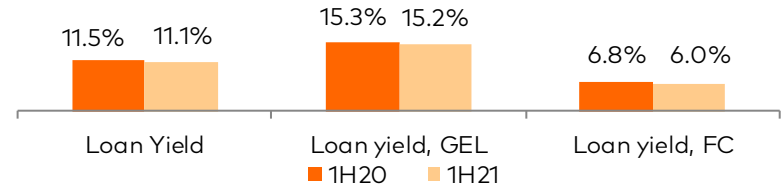


* Market shares by loans and deposits of individuals based on standalone accounts of the banks published by the National Bank of Georgia

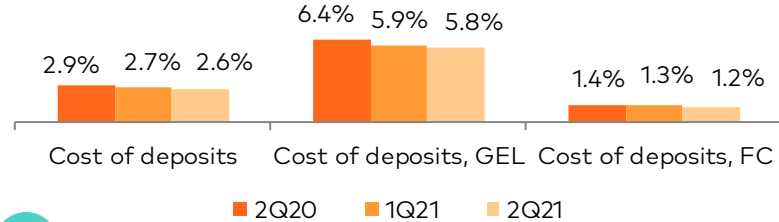
RETAIL BANKING LOAN YIELD I QUARTERLY



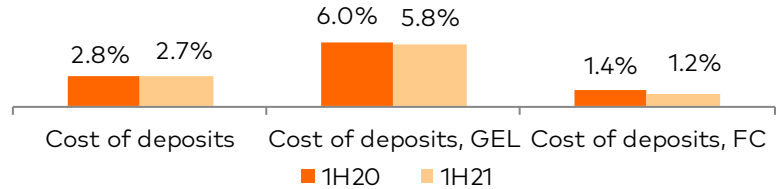
RETAIL BANKING LOAN YIELD I HALF-YEAR



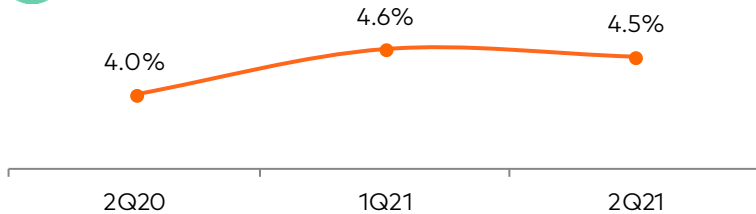
RETAIL BANKING COST OF DEPOSITS I QUARTERLY



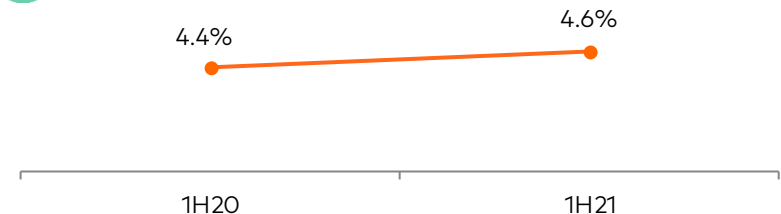
RETAIL BANKING COST OF DEPOSITS I HALF-YEAR



RETAIL BANKING NIM I QUARTERLY



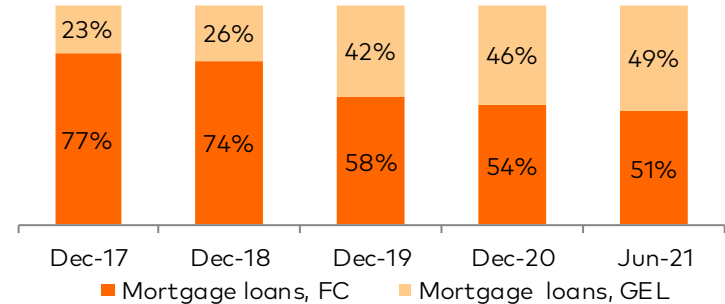
RETAIL BANKING NIM I HALF-YEAR



RETAIL BANKING CLIENT DATA

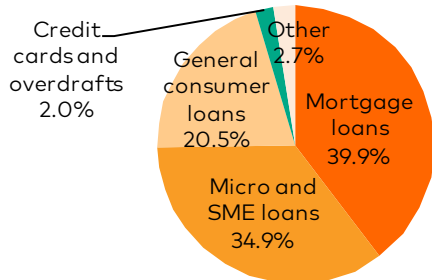
Operating Data, GEL mln	Jun-21	Dec-20	Dec-19	Dec-18
Number of total Retail clients, of which:	2,573,729	2,616,480	2,540,466	2,440,754
<i>Number of Solo clients</i>	65,746	60,330	54,542	44,292
Consumer and other loans, volume	2,192	1,924	1,726	1,555
Consumer and other loans, number	464,019	431,927	472,791	566,740
Mortgage loans, volume	3,771	3,734	3,043	2,539
Mortgage loans, number	55,564	52,665	46,907	39,007
Micro & SME loans, volume	3,302	3,126	2,523	2,005
Micro & SME loans, number	76,106	75,723	81,739	68,832
Credit cards and overdrafts, volume	194	198	245	290
Credit cards and overdrafts, number	315,212	303,283	395,012	454,512
Credit cards, number, of which:	190,573	264,311	395,536	547,038
<i>American Express cards</i>	103,434	97,318	99,307	105,899

MORTGAGE LOANS DOLLARISATION

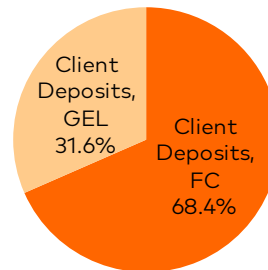


RETAIL BANKING PORTFOLIO I JUN-21

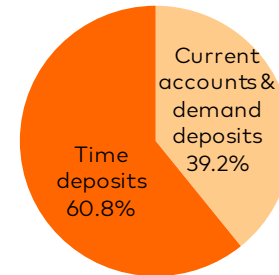
Gross Loans by products
Total: GEL 9.5bln



Deposits by currency
Total: GEL 7.3bln

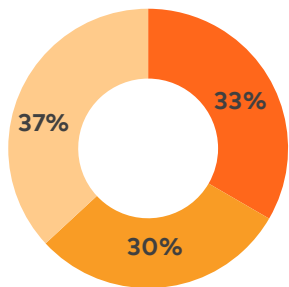


Deposits by category
Total: GEL 7.3bln



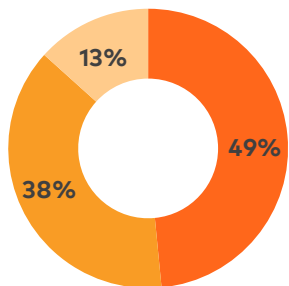
BALANCE SHEET | JUN-21

JSC Bank of Georgia Standalone



- Mass Retail (GEL 3,157mln)
- Solo (GEL 2,811mln)
- MSME (GEL 3,490mln)

Total Loans
GEL 9,458mln

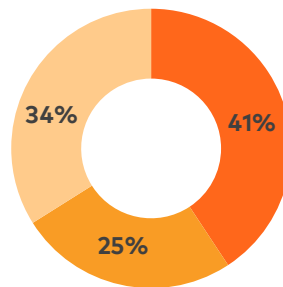


- Mass Retail (GEL 3,555mln)
- Solo (GEL 2,802mln)
- MSME (GEL 977mln)

Total Deposits
GEL 7,335mln

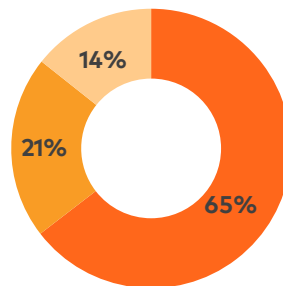
INCOME STATEMENT | 1H21

JSC Bank of Georgia Standalone



- Mass Retail (GEL 109mln)
- Solo (GEL 68mln)
- MSME (GEL 90mln)

Net Interest Income
GEL 267mln



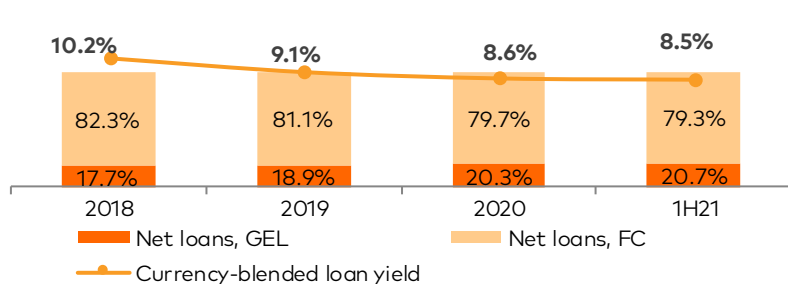
- Mass Retail (GEL 44mln)
- Solo (GEL 14mln)
- MSME (GEL 10mln)

Net Fee & Commission Income
GEL 68mln

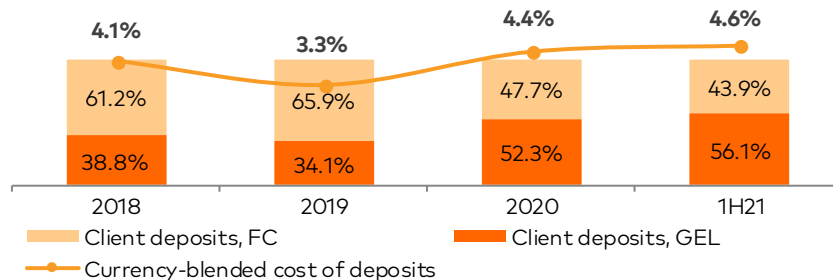
INCOME STATEMENT HIGHLIGHTS

<i>GEL thousands unless otherwise noted</i>	2Q21	2Q20	Change y-o-y	1Q21	Change q-o-q	1H21	1H20	Change y-o-y
Net interest income	83,427	63,110	32.2%	72,532	15.0%	155,959	132,451	17.7%
Net fee and commission income	11,322	9,197	23.1%	9,655	17.3%	20,977	18,152	15.6%
Net foreign currency gain	9,027	11,431	-21.0%	4,521	99.7%	13,548	19,965	-32.1%
Net other income	18,176	4,825	NMF	15,069	20.6%	33,245	9,506	NMF
Operating income	121,952	88,563	37.7%	101,777	19.8%	223,729	180,074	24.2%
Salaries and other employee benefits	(14,498)	(14,170)	2.3%	(14,905)	-2.7%	(29,403)	(24,731)	18.9%
Administrative expenses	(4,978)	(3,488)	42.7%	(3,503)	42.1%	(8,481)	(7,954)	6.6%
Depreciation, amortisation and impairment	(2,020)	(2,434)	-17.0%	(2,492)	-18.9%	(4,512)	(4,907)	-8.0%
Other operating expenses	(166)	(227)	-26.9%	(271)	-38.7%	(437)	(523)	-16.4%
Operating expenses	(21,662)	(20,319)	6.6%	(21,171)	2.3%	(42,833)	(38,115)	12.4%
Operating income before cost of risk	100,290	68,244	47.0%	80,606	24.4%	180,896	141,959	27.4%
Cost of risk	23,407	(2,536)	NMF	(12,066)	NMF	11,341	(98,438)	NMF
Net operating income before non-recurring items	123,697	65,708	88.3%	68,540	80.5%	192,237	43,521	NMF
Net non-recurring items	(1)	32	NMF	(73)	-98.6%	(74)	(1,374)	-94.6%
Profit before income tax expense	123,696	65,740	88.2%	68,467	80.7%	192,163	42,147	NMF
Income tax expense	(10,914)	(4,246)	157.0%	(6,864)	59.0%	(17,778)	(2,398)	NMF
Profit	112,782	61,494	83.4%	61,603	83.1%	174,385	39,749	NMF

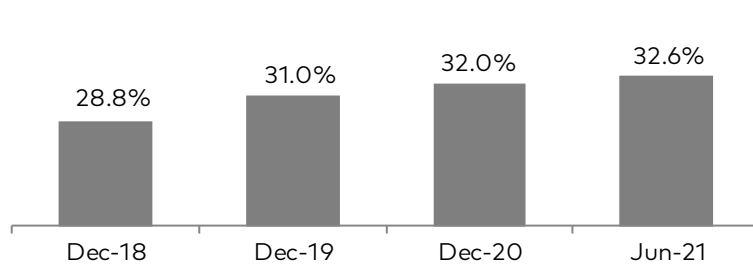
CIB LOAN PORTFOLIO AND LOAN YIELD



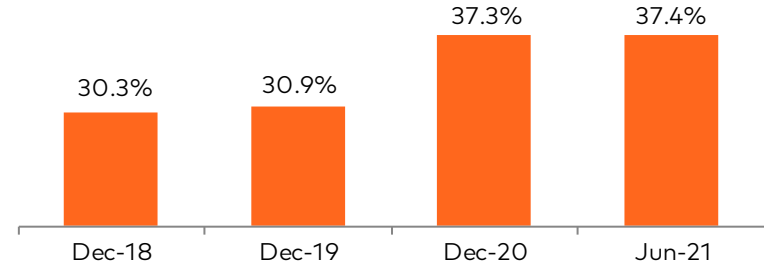
CIB CLIENT DEPOSITS AND COST OF DEPOSITS



MARKET SHARE – LOANS TO LEGAL ENTITIES*

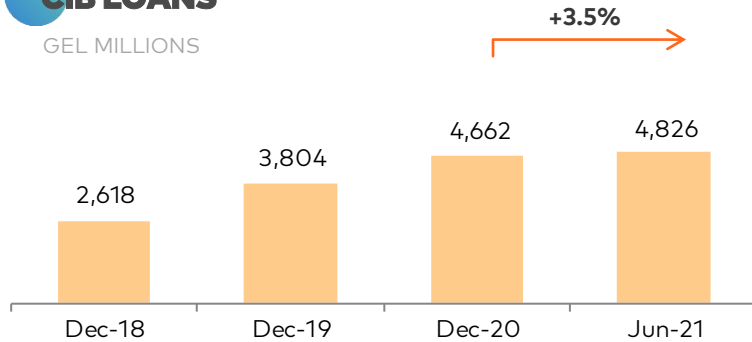


MARKET SHARE – DEPOSITS OF LEGAL ENTITIES*



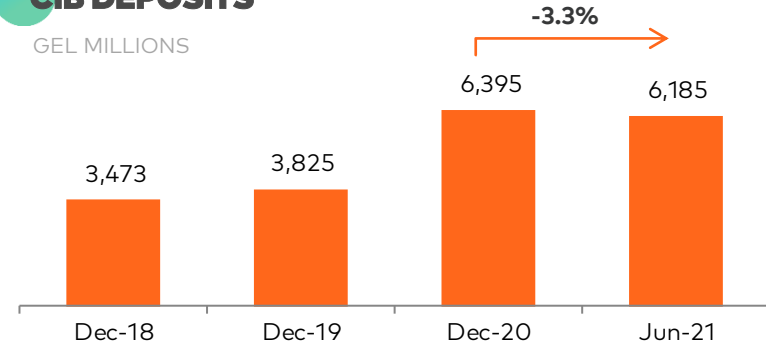
CIB LOANS

GEL MILLIONS



CIB DEPOSITS

GEL MILLIONS

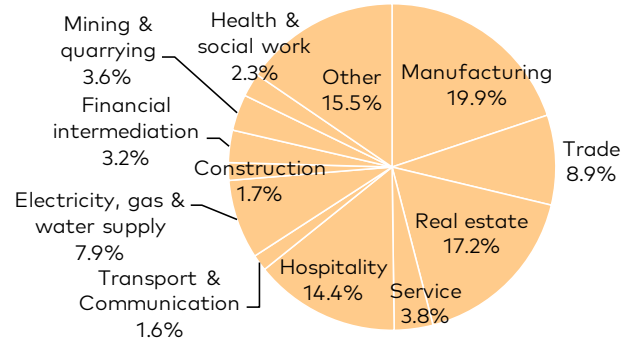


* Market shares by loans and deposits of legal entities based on standalone accounts of the banks published by the National Bank of Georgia

HIGHLIGHTS

- **Leading corporate bank in Georgia**
- Integrated client coverage in key major sectors of the Georgian economy
- **3,281** corporate customers served by dedicated relationship bankers at 30 June 2021

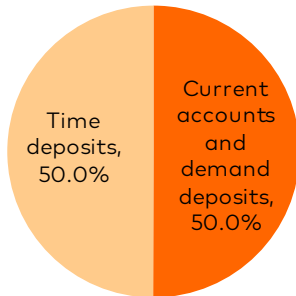
GROSS LOAN BOOK BY SECTOR | JUN-21



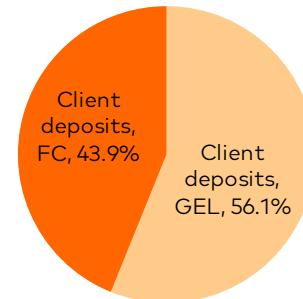
Top 10 CIB borrowers – 27.1% of CIB loan book

Top 20 CIB borrowers – 37.2% of CIB loan book

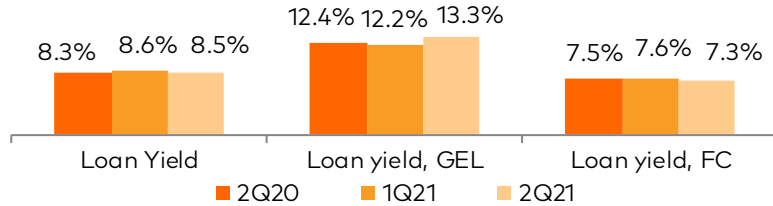
DEPOSITS BY CATEGORY | JUN-21



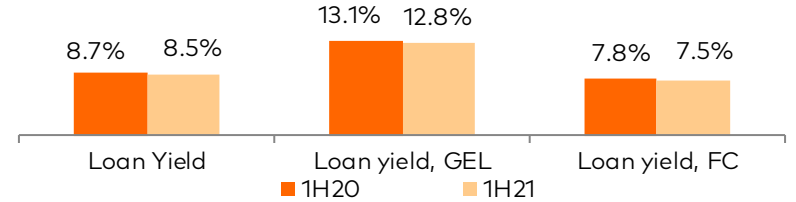
DEPOSITS BY CURRENCY | JUN-21



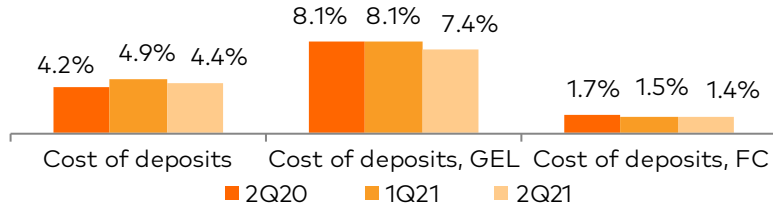
CIB LOAN YIELD | QUARTERLY



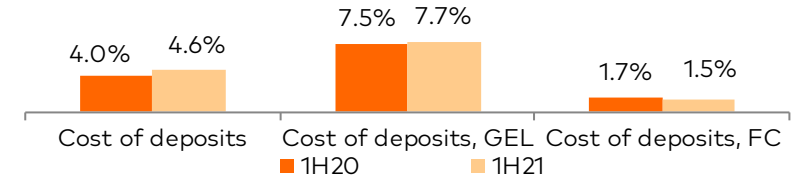
CIB LOAN YIELD | HALF-YEAR



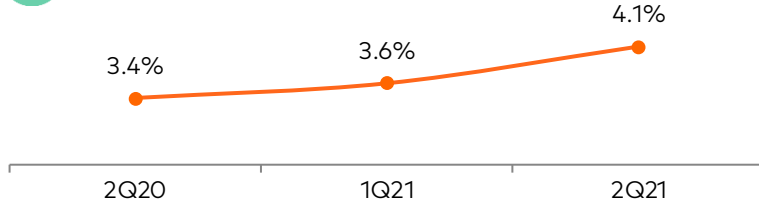
CIB COST OF DEPOSITS | QUARTERLY



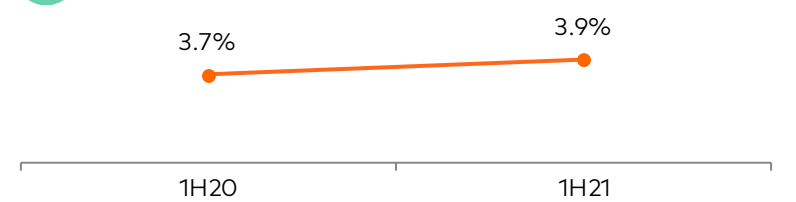
CIB COST OF DEPOSITS | HALF-YEAR



CIB NIM | QUARTERLY



CIB NIM | HALF-YEAR



WEALTH MANAGEMENT



- STRONG REGIONAL PRESENCE
 - Israel (2008), UK (2010), Turkey (2013)



- CIB AUM - GEL 2,917 million, up 15.1% y-o-y
- Diversified funding base:

1,593
customers

from

79
countries

GALT & TAGGART

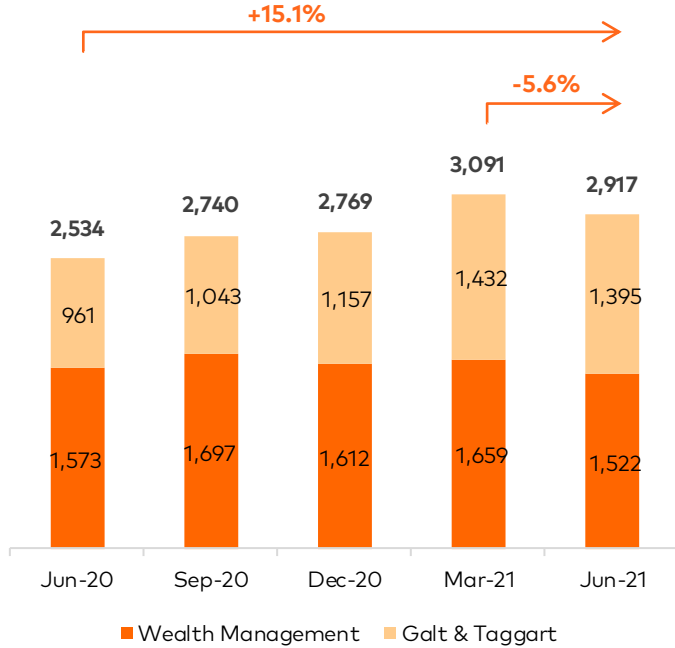


- LARGEST INVESTMENT BANK IN GEORGIA
- BROKERAGE
 - Leading brokerage house in the region
 - Exclusive partner of SAXO Bank via white label structure
- RESEARCH
 - Macro, sector, and fixed income coverage
 - Global market coverage
- DCM/ECM
 - Leading player on the local market
 - Lead manager of choice for corporates as well as IFIs
- CORPORATE ADVISORY
 - Track record of more than 30 completed transactions over the past ten years

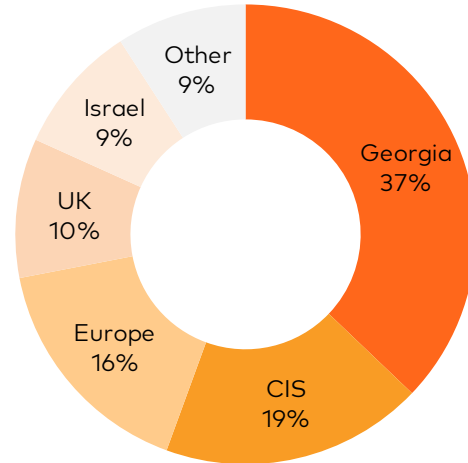


GROWTH IN AUM

GEL MILLIONS



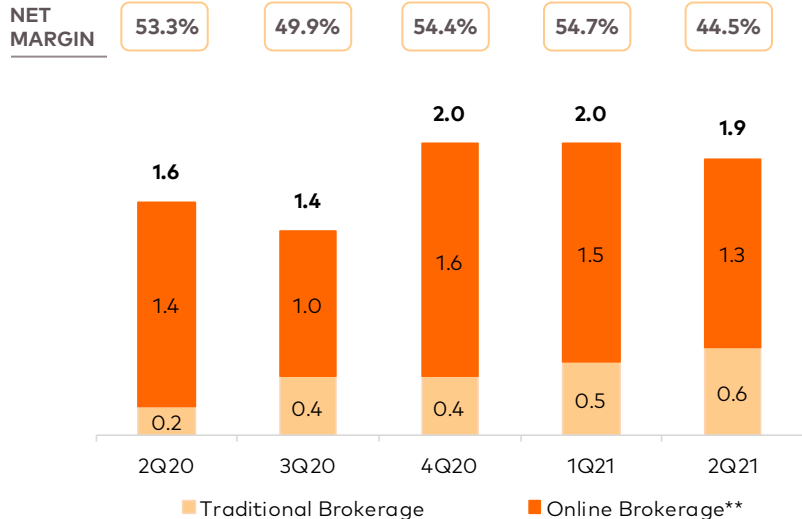
DIVERSIFIED CUSTOMER BASE ACROSS MULTIPLE GEOGRAPHIES



Addressable market to drive growth covers multiple geographies

GALT & TAGGART BROKERAGE – GROSS REVENUES AND NET MARGINS*

GEL MILLIONS



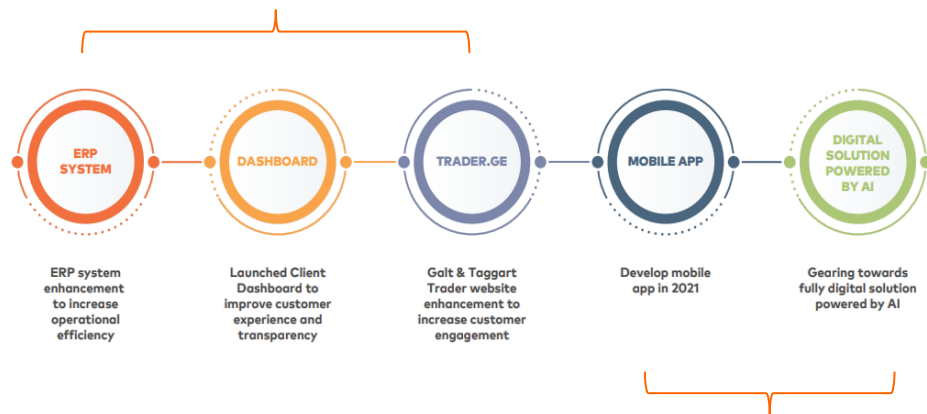
With investment phase behind, Galt & Taggart Brokerage business is now profitable and growing gradually, driven by Online Brokerage

* Gross revenue stands for brokerage revenues before subtracting any brokerage and third-party brokerage fees; net margins are post these fees

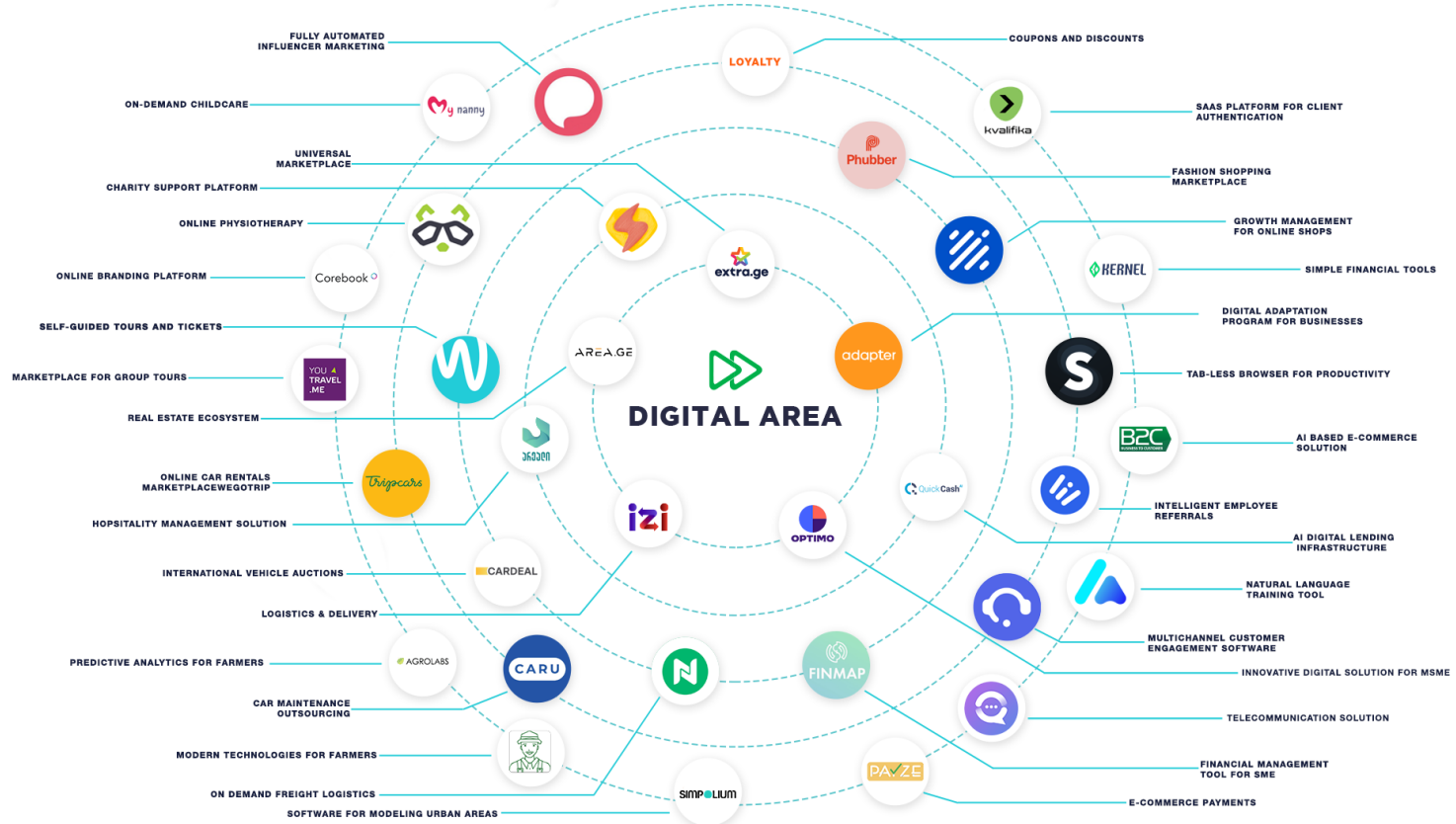
** Offered through the white label solution from SAXO Bank

FOCUS ON DIGITALISING BROKERAGE OFFERINGS

SIGNIFICANT MILESTONES TOWARDS DIGITALISATION ACHIEVED IN 2020



FOCUSING ON MOBILE AND FULLY DIGITAL SOLUTIONS



SINCE JUNE 2019

- extra.ge
 - launch of web platform
 - largest e-commerce marketplace
 - launch on IOS and Android apps
- optimo.ge - launch of merchant services
- adapter.ge - launch of digital transformation for MSMEs
- area.ge
 - launch of real estate marketplace
 - mortgage prequalification with Bank of Georgia
- IZibox – launch of full logistic services
- Accelerated 28 local and international startups

**INVESTED US\$ 7.8 MLN
2018-1H21**

COMING SOON

- extra.ge
 - website and mobile app redesign
 - top of mind e-commerce platform and best in class customer services in Georgia
- optimo.ge
 - launch of loyalty programme
 - launch of HORECA programme
- area.ge
 - additional premium services
 - accelerate the uptake of real estate sales management tool with developer companies
- Continue partnerships with other ecosystem players
- Digital Area ecosystem data harnessing

**PLAN TO INVEST US\$ 3-10 MLN
2021-2023**

 **COVID-19 PANDEMIC AND MACROECONOMIC HIGHLIGHTS**

 **GROUP OVERVIEW AND STRATEGY**

 **2Q21 AND 1H21 RESULTS**

 **GEORGIAN MACRO OVERVIEW**

 **APPENDICES | CORPORATE GOVERNANCE**



BANK OF GEORGIA
GROUP PLC

TOP SHAREHOLDERS

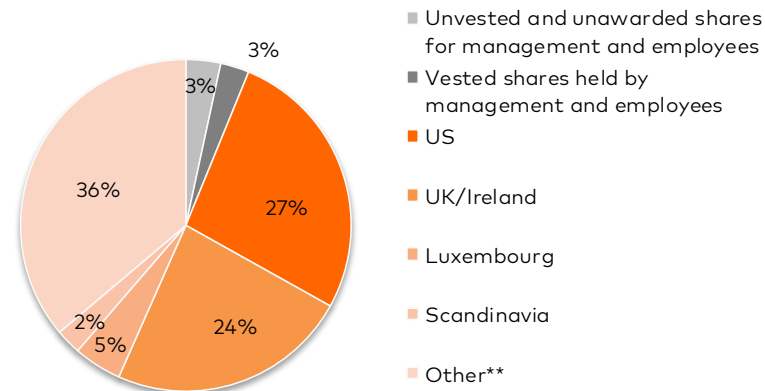
As of 30 Jun 2021

Rank	Shareholder name	Ownership
1	JSC Georgia Capital*	19.90%
2	Fidelity Investments	6.35%
3	Harding Loevner LP	4.34%
4	Van Eck Associates Corporation	3.48%
5	Dimensional Fund Advisors (DFA) LP	2.99%
6	Standard Life Investments	2.55%
7	Prosperity Capital Management Ltd	2.42%
8	Vanguard Group Inc	2.31%
9	Tiger Management Ltd	2.06%
10	M&G Investment Management Ltd	1.93%

* JSC Georgia Capital will exercise its voting rights at the Group's general meetings in accordance with the votes cast by all other Group Shareholders, as long as JSC Georgia Capital's percentage holding in Bank of Georgia Group PLC is greater than 9.9%

SHAREHOLDER STRUCTURE

As of 30 Jun 2021



** Includes 19.9% shareholding of JSC Georgia Capital

ROBUST CORPORATE GOVERNANCE BASED ON UK CORPORATE GOVERNANCE CODE



Neil Janin, Independent Non-Executive Chairman

Experience: formerly Director at McKinsey & Company in Paris; formerly co-chairman of the commission of the French Institute of Directors (IFA); formerly Chase Manhattan Banking New York and Paris.



Archil Gachechiladze, Chief Executive Officer

Experience: with the Group since 2009; originally joined as Deputy CEO, Corporate Banking; formerly: CEO of Georgian Global Utilities (formerly part of BGEO Group PLC). Over 17 years' experience in the financial services.



Hanna Loikkanen, Senior Independent Non-Executive Director

Experience: Non-Executive Director of PJSC Rosbank; Non-Executive Director of FinnFund, Non-Executive Director of VEF Ltd; formerly: Senior Executive at East Capital, FIM Group Russia, Nordea Finance, SEB.



Al Breach, Independent Non-Executive Director

Experience: Director of Gemsstock Ltd, The Browser and Furka Holdings AG, and advisor to East Capital; formerly: Head of Research, Strategist & Economist at UBS Russia and CIS, economist at Goldman Sachs.



Tamaz Georgadze, Independent Non-Executive Director

Experience: Executive Director and founder of Raisin GmbH (formerly SavingGlobal GmbH); formerly: Partner at McKinsey & Company in Berlin, aide to President of Georgia.



Jonathan Muir, Independent Non-Executive Director

Experience: CEO of LetterOne Holdings SA and of LetterOne Investment Holdings; formerly: CFO and Vice President of Finance and Control of TNK-BP, Partner at Ernst & Young.



Cecil Quillen, Independent Non-Executive Director

Experience: Partner at Linklaters LLP with nearly 30 years of experience in working on a broad spectrum of securities and finance matters.



Véronique McCarroll, Independent Non-Executive Director

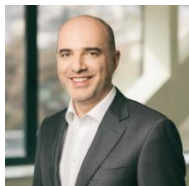
Experience: 30 years' in Financial Services; Currently, Head of Strategy for Digital banking across Europe at Orange; formerly: Executive Director at Crédit Agricole CIB, Partner at McKinsey & Company, Oliver Wyman and Andersen/ Ernst & Young.



Mariam Megvinetukhutsesi, Independent Non-Executive Director

Experience: 20 years' in Financial Services; formerly: Head of Georgia's Investors Council Secretariat, Deputy CEO at TBC Bank, banking appointments at the EBRD.

SENIOR EXECUTIVE COMPENSATION POLICY APPLIES TO TOP EXECUTIVES AND ENVISAGES LONG-TERM DEFERRED AND DISCRETIONARY AWARDS OF SECURITIES AND NO CASH BONUSES TO BE PAID TO SUCH EXECUTIVES



Archil Gachechiladze, Chief Executive Officer

With the Group since 2009. Previously, CEO of Georgian Global Utilities. Held various positions with the Group - Deputy CEO, CB; Deputy CEO, IM; CFO of BGEO Group; Deputy CEO, CIB. Over 20 years of experience of senior roles at TBC Bank, Lehman Brothers Private Equity, Salford Equity Partners, KPMG, World Bank, EBRD. Holds and MBA from Cornell University.



Sul Khan Gvalia, Chief Financial Officer

With the Group since 2004. Previously, founder and CEO of E-Space Limited, Tbilisi. Various positions with the Group - Chief Risk Officer and Head of Corporate Banking. Prior to joining the Group, served as Deputy CEO of TbilUniversalBank. Also, serves as non-executive independent director at Inecobank (Armenia) since 2018. Holds a law degree from Tbilisi State University.



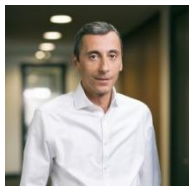
Levan Kulijanishvili, Deputy CEO, Operations

With the Group since 1997. Joined as a Junior Financial Analyst of the Bank. Held various senior positions - Deputy CEO in charge of finance, Head of Internal Audit, Head of Financial Monitoring, Head of Strategy and Planning, and Head of the Financial Analysis. Holds an MBA from Grenoble Graduate School of Business.



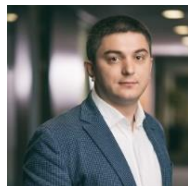
George Chiladze, Deputy CEO, Chief Risk Officer

With the Group since 2008. Joined as a Deputy CEO, finance at Bank. Left in 2011 and rejoined in 2013 as Deputy CEO, CRO. Prior to rejoining, he was Deputy CEO at the Partnership Fund. Prior to returning to Georgia in 2003, he worked at the programme trading desk at Bear Stearns in New York City. Holds a PhD in physics from Johns Hopkins University in Baltimore, Maryland.



Mikheil Gomarteli, Deputy CEO, Mass Retail

With the Group since 1997. Mikheil is a textbook professional growth story made possible in our Group - he developed his way from selling debit cards door-to-door to successfully leading our Retail Banking franchise for over ten years now. Holds an undergraduate degree in Economics from Tbilisi State University.



Vakhtang Bobokhidze, Deputy CEO, Information Technology, Data Analytics, Digital Channels

With the Group since 2005. Joined as Quality Control Manager. Left the Group in 2010 and rejoined the Group in December 2010. Prior to being appointed as Deputy CEO, served as Head of IT Department since 2016. Holds an MBA from Tbilisi State University.



Etuna Iremadze, Deputy CEO, Premium Business Banking

With the Group since 2006. Around 20 years of experience in financial services. Previously, Head of Strategic Projects Department in Georgian Global Utilities (formerly part of BGEO Group). Held various positions within Group - Head of Blue Chip Corporate Banking Unit covering structured lending, M&As, significant buyouts in Georgia, project financing. Holds an MBA from Grenoble Graduate School of Business.



Zurab Masurashvili, Head of SME Business Banking

With the Group since 2015. Extensive experience in financial services. Previously, Head of Express Business, Head of MSME Business, Head of Retail Business in the Bank. Prior to joining the Group, held several positions in international organisations - EBRD, the World Bank, GTZ, served as a Deputy Chairman of the Board of Directors in Privatbank. Holds a degree in Geology from Georgian Technical University.



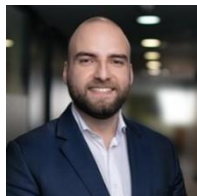
Zurab Kokosadze, Deputy CEO, Corporate Banking

With the Group since 2003. Around 20 years of experience in financial services. Prior to his recent appointment, he served as Head of Corporate Banking under the direct supervision of Deputy CEO, Corporate and Investment Banking. Held various senior positions within Group – Senior Corporate Banker, FMCG Sector Head and Deputy Head of Corporate Banking. Holds an MBA from Grenoble Graduate School of Business.



Andro Ratiani, CEO of Digital Area

With the Group since 2018. Extensive experience in the global financial services. Previously, Head of Innovations and Bank of Georgia, Global Head of Product Management at IHS Markit, spent 6 years in UBS AG Investment & Wealth Management Bank in New York, worked in Wells Fargo during acquisition phase of Wachovia Bank. Started his career at the Bank's CIB Department. Holds a Master's degree in technology management from Columbia University.



Levan Gomshiashvili, Chief Marketing Officer

With the Group since 2019. Extensive experience in marketing. Founder of HOLMES&WATSON, creative agency, where he acted as Account Manager for banking and other sector clients. Founder of Tbilisi School of Communication, an educational facility with an emphasis on ExEd. Started his career in Georgian Railway, covering advertising and project management. Holds MSc in Management from University of Edinburgh.



Nutsa Gogilashvili, Head of Customer Experience and HCM

With the Group since 2016. Over 10 years of experience in financial services. Previously, Head of Strategic Processes of Corporate and Investment Banking and Head of Customer Experience Management in the Bank. Prior to joining the Group, held various senior positions in local and international financial institutions. Holds MSc in Finance from Cass Business School in London.

 **COVID-19 PANDEMIC AND MACROECONOMIC HIGHLIGHTS**

 **GROUP OVERVIEW AND STRATEGY**

 **2Q21 AND 1H21 RESULTS**

 **GEORGIAN MACRO OVERVIEW**

 **APPENDICES | FINANCIAL AND OPERATING INFORMATION**

GROUP INCOME STATEMENT

83

GEL thousands, unless otherwise noted

	2Q21	2Q20	Change y-o-y	1Q21	Change q-o-q	1H21	1H20	Change y-o-y
Interest income	446,636	379,038	17.8%	428,580	4.2%	875,216	767,364	14.1%
Interest expense	(218,387)	(204,102)	7.0%	(216,248)	1.0%	(434,635)	(395,347)	9.9%
Net interest income	228,249	174,936	30.5%	212,332	7.5%	440,581	372,017	18.4%
Fee and commission income	94,727	54,389	74.2%	76,446	23.9%	171,173	125,284	36.6%
Fee and commission expense	(37,521)	(21,488)	74.6%	(27,796)	35.0%	(65,317)	(52,271)	25.0%
Net fee and commission income	57,206	32,901	73.9%	48,650	17.6%	105,856	73,013	45.0%
Net foreign currency gain	22,082	22,743	-2.9%	19,176	15.2%	41,258	53,404	-22.7%
Net other income	27,438	9,081	NMF	23,482	16.8%	50,920	15,707	NMF
Operating income	334,975	239,661	39.8%	303,640	10.3%	638,615	514,141	24.2%
Salaries and other employee benefits	(68,812)	(60,656)	13.4%	(60,223)	14.3%	(129,035)	(117,194)	10.1%
Administrative expenses	(30,068)	(22,450)	33.9%	(23,563)	27.6%	(53,631)	(49,470)	8.4%
Depreciation, amortisation and impairment	(22,354)	(21,139)	5.7%	(22,561)	-0.9%	(44,915)	(42,529)	5.6%
Other operating expenses	(584)	(913)	-36.0%	(1,012)	-42.3%	(1,596)	(1,974)	-19.1%
Operating expenses	(121,818)	(105,158)	15.8%	(107,359)	13.5%	(229,177)	(211,167)	8.5%
(Loss) / profit from associates	(4,299)	113	NMF	167	NMF	(4,132)	414	NMF
Operating income before cost of risk	208,858	134,616	55.2%	196,448	6.3%	405,306	303,388	33.6%
Expected credit loss on loans to customers	25,140	11,621	116.3%	(28,236)	NMF	(3,096)	(216,568)	-98.6%
Expected credit loss on finance lease receivables	(683)	(3,387)	-79.8%	(931)	-26.6%	(1,614)	(5,273)	-69.4%
Other expected credit loss and impairment charge on other assets and provisions	(10,424)	(18,455)	-43.5%	(14,950)	-30.3%	(25,374)	(29,782)	-14.8%
Cost of risk	14,033	(10,221)	NMF	(44,117)	NMF	(30,084)	(251,623)	-88.0%
Net operating income before non-recurring items	222,891	124,395	79.2%	152,331	46.3%	375,222	51,765	NMF
Net non-recurring items	(67)	(1,241)	-94.6%	17	NMF	(50)	(41,586)	-99.9%
Profit before income tax	222,824	123,154	80.9%	152,348	46.3%	375,172	10,179	NMF
Income tax (expense) / benefit	(20,654)	(8,470)	143.8%	(13,424)	53.9%	(34,078)	4,560	NMF
Profit	202,170	114,684	76.3%	138,924	45.5%	341,094	14,739	NMF
Profit attributable to:								
– shareholders of the Group	201,239	114,174	76.3%	138,214	45.6%	339,454	14,659	NMF
– non-controlling interests	931	510	82.5%	710	31.1%	1,640	80	NMF
Earnings per share (basic)	4.21	2.40	75.4%	2.87	46.7%	7.08	0.31	NMF
Earnings per share (diluted)	4.19	2.40	74.6%	2.87	46.0%	7.04	0.31	NMF

GROUP BALANCE SHEET

84

GEL thousands, unless otherwise noted

	Jun-21	Jun-20	Change y-o-y	Mar-21	Change q-o-q
Cash and cash equivalents	1,719,058	1,633,755	5.2%	2,361,663	-27.2%
Amounts due from credit institutions	2,035,487	1,700,075	19.7%	2,200,803	-7.5%
Investment securities	2,149,725	2,113,900	1.7%	2,406,405	-10.7%
Loans to customers and finance lease receivables	14,789,371	12,599,092	17.4%	14,601,275	1.3%
Accounts receivable and other loans	2,475	4,060	-39.0%	6,051	-59.1%
Prepayments	33,903	31,513	7.6%	33,921	-0.1%
Inventories	10,476	13,901	-24.6%	10,775	-2.8%
Right-of-use assets	81,865	89,758	-8.8%	81,056	1.0%
Investment property	235,649	212,182	11.1%	246,441	-4.4%
Property and equipment	387,014	396,272	-2.3%	385,352	0.4%
Goodwill	33,351	33,351	0.0%	33,351	0.0%
Intangible assets	138,341	116,355	18.9%	129,044	7.2%
Income tax assets	190	54,595	-99.7%	3,668	-94.8%
Other assets	189,311	139,945	35.3%	208,135	-9.0%
Assets held for sale	45,294	45,212	0.2%	44,305	2.2%
Total assets	21,851,510	19,183,966	13.9%	22,752,245	-4.0%
Client deposits and notes	13,944,383	11,583,139	20.4%	14,003,209	-0.4%
Amounts owed to credit institutions	3,224,577	3,521,860	-8.4%	4,039,250	-20.2%
Debt securities issued	1,515,511	1,561,933	-3.0%	1,653,399	-8.3%
Lease liabilities	91,670	96,878	-5.4%	97,488	-6.0%
Accruals and deferred income	54,626	37,257	46.6%	59,455	-8.1%
Income tax liabilities	74,704	70,171	6.5%	57,541	29.8%
Other liabilities	132,678	112,929	17.5%	154,253	-14.0%
Total liabilities	19,038,149	16,984,167	12.1%	20,064,595	-5.1%
Share capital	1,618	1,618	0.0%	1,618	0.0%
Additional paid-in capital	511,273	500,887	2.1%	532,787	-4.0%
Treasury shares	(52)	(54)	-3.7%	(34)	52.9%
Other reserves	11,975	25,417	-52.9%	61,857	-80.6%
Retained earnings	2,275,882	1,662,164	36.9%	2,079,362	9.5%
Total equity attributable to shareholders of the Group	2,800,696	2,190,032	27.9%	2,675,590	4.7%
Non-controlling interests	12,665	9,767	29.7%	12,060	5.0%
Total equity	2,813,361	2,199,799	27.9%	2,687,650	4.7%
Total liabilities and equity	21,851,510	19,183,966	13.9%	22,752,245	-4.0%
Book value per share	58.86	46.07	27.8%	55.59	5.9%

INCOME STATEMENT HIGHLIGHTS								
<i>GEL thousands, unless otherwise noted</i>								
	2Q21	2Q20	Change y-o-y	1Q21	Change q-o-q	1H21	1H20	Change y-o-y
Net interest income	9,752	9,157	6.5%	8,347	16.8%	18,099	18,626	-2.8%
Net fee and commission income	1,622	1,486	9.2%	1,570	3.3%	3,192	3,190	0.1%
Net foreign currency gain	3,029	3,787	-20.0%	3,546	-14.6%	6,575	4,280	53.6%
Net other income / (expense)	53	350	-84.9%	(237)	NMF	(184)	683	NMF
Operating income	14,456	14,780	-2.2%	13,226	9.3%	27,682	26,779	3.4%
Operating expenses	(9,656)	(8,098)	19.2%	(8,342)	15.8%	(17,998)	(16,804)	7.1%
Operating income before cost of risk	4,800	6,682	-28.2%	4,884	-1.7%	9,684	9,975	-2.9%
Cost of risk	1,061	(1,928)	NMF	(755)	NMF	306	(5,350)	NMF
Net non-recurring items	(277)	(24)	NMF	(66)	NMF	(343)	(34)	NMF
Profit before income tax expense	5,584	4,730	18.1%	4,063	37.4%	9,647	4,591	110.1%
Income tax expense	(1,222)	(1,010)	21.0%	(726)	68.3%	(1,948)	(1,042)	86.9%
Profit	4,362	3,720	17.3%	3,337	30.7%	7,699	3,549	116.9%

BALANCE SHEET HIGHLIGHTS					
<i>GEL thousands, unless otherwise noted</i>					
	Jun-21	Jun-20	Change y-o-y	Mar-21	Change q-o-q
Cash and cash equivalents	122,271	187,920	-34.9%	192,338	-36.4%
Amounts due from credit institutions	56,967	13,605	NMF	66,673	-14.6%
Investment securities	95,899	93,549	2.5%	94,952	1.0%
Loans to customers and finance lease receivables	657,473	638,713	2.9%	705,261	-6.8%
Other assets	45,624	50,667	-10.0%	50,418	-9.5%
Total assets	978,234	984,454	-0.6%	1,109,642	-11.8%
Client deposits and notes	493,355	647,977	-23.9%	587,724	-16.1%
Amounts owed to credit institutions	329,063	144,815	127.2%	347,018	-5.2%
Debt securities issued	6,583	57,289	-88.5%	20,761	-68.3%
Other liabilities	15,696	12,873	21.9%	17,498	-10.3%
Total liabilities	844,697	862,954	-2.1%	973,001	-13.2%
Total equity	133,537	121,500	9.9%	136,641	-2.3%
Total liabilities and equity	978,234	984,454	-0.6%	1,109,642	-11.8%

	2Q21	2Q20	1Q21	1H21	1H20
Profitability					
ROAA, annualised	3.6%	2.4%	2.5%	3.1%	0.2%
ROAE, annualised	29.4%	21.8%	21.5%	25.6%	1.4%
<i>RB ROAE</i>	22.1%	16.4%	20.7%	21.4%	-4.7%
<i>CIB ROAE</i>	42.1%	31.5%	24.1%	33.4%	9.9%
Net interest margin, annualised	4.7%	4.2%	4.5%	4.6%	4.6%
<i>RB NIM</i>	4.5%	4.0%	4.6%	4.6%	4.4%
<i>CIB NIM</i>	4.1%	3.4%	3.6%	3.9%	3.7%
Loan yield, annualised	10.4%	10.2%	10.4%	10.4%	10.6%
<i>RB Loan yield</i>	11.1%	11.1%	11.1%	11.1%	11.5%
<i>CIB Loan yield</i>	8.5%	8.3%	8.6%	8.5%	8.7%
Liquid assets yield, annualised	3.3%	3.4%	3.1%	3.2%	3.7%
Cost of funds, annualised	4.5%	4.8%	4.5%	4.5%	4.8%
Cost of client deposits and notes, annualised	3.5%	3.5%	3.8%	3.6%	3.3%
<i>RB Cost of client deposits and notes</i>	2.6%	2.9%	2.7%	2.7%	2.8%
<i>CIB Cost of client deposits and notes</i>	4.4%	4.2%	4.9%	4.6%	4.0%
Cost of amounts due to credit institutions, annualised	6.9%	7.3%	6.2%	6.6%	7.5%
Cost of debt securities issued	7.0%	7.7%	6.9%	7.0%	7.7%
Operating leverage, y-o-y	23.9%	-13.6%	9.3%	15.7%	-11.2%
Operating leverage, q-o-q	-3.1%	-11.9%	10.9%	0.0%	0.0%
Efficiency					
Cost / income	36.4%	43.9%	35.4%	35.9%	41.1%
<i>RB Cost / income</i>	45.6%	56.3%	41.3%	43.5%	50.9%
<i>CIB Cost / income</i>	17.8%	22.9%	20.8%	19.1%	21.2%

* For the description of Key Ratios, refer to page 89

Liquidity

NBG liquidity coverage ratio (<i>minimum requirement 100%</i>)	124.5%	135.4%	149.3%	124.5%	135.4%
Liquid assets to total liabilities	31.0%	32.1%	34.7%	31.0%	32.1%
Net loans to client deposits and notes	106.1%	108.8%	104.3%	106.1%	108.8%
Net loans to client deposits and notes + DFIs	93.2%	94.5%	90.0%	93.2%	94.5%
Leverage (times)	6.8	7.7	7.5	6.8	7.7

Asset Quality:

NPLs (in GEL)	524,964	355,260	534,626	524,964	355,260
NPLs to gross loans to clients	3.5%	2.7%	3.6%	3.5%	2.7%
NPL coverage ratio	73.1%	115.7%	77.5%	73.1%	115.7%
NPL coverage ratio, adjusted for discounted value of collateral	122.2%	166.3%	127.8%	122.2%	166.3%
Cost of credit risk, annualised	-0.6%	-0.2%	0.8%	0.1%	3.5%
<i>RB Cost of credit risk</i>	0.3%	0.2%	1.4%	0.8%	3.7%
<i>CIB Cost of credit risk</i>	-2.5%	-1.7%	-0.2%	-1.4%	3.2%

Capital Adequacy:

NBG (Basel III) CET1 capital adequacy ratio	12.5%	9.9%	11.2%	12.5%	9.9%
<i>Minimum regulatory requirement</i>	11.1%	6.9%	7.8%	11.1%	6.9%
NBG (Basel III) Tier I capital adequacy ratio	14.4%	12.0%	13.3%	14.4%	12.0%
<i>Minimum regulatory requirement</i>	13.4%	8.7%	9.8%	13.4%	8.7%
NBG (Basel III) Total capital adequacy ratio	19.1%	17.4%	18.6%	19.1%	17.4%
<i>Minimum regulatory requirement</i>	17.7%	13.3%	13.8%	17.7%	13.3%

	2Q21	2Q20	1Q21	1H21	1H20
Liquidity					
NBG liquidity coverage ratio (<i>minimum requirement 100%</i>)	124.5%	135.4%	149.3%	124.5%	135.4%
Liquid assets to total liabilities	31.0%	32.1%	34.7%	31.0%	32.1%
Net loans to client deposits and notes	106.1%	108.8%	104.3%	106.1%	108.8%
Net loans to client deposits and notes + DFIs	93.2%	94.5%	90.0%	93.2%	94.5%
Leverage (times)	6.8	7.7	7.5	6.8	7.7
Asset Quality:					
NPLs (in GEL)	524,964	355,260	534,626	524,964	355,260
NPLs to gross loans to clients	3.5%	2.7%	3.6%	3.5%	2.7%
NPL coverage ratio	73.1%	115.7%	77.5%	73.1%	115.7%
NPL coverage ratio, adjusted for discounted value of collateral	122.2%	166.3%	127.8%	122.2%	166.3%
Cost of credit risk, annualised	-0.6%	-0.2%	0.8%	0.1%	3.5%
<i>RB Cost of credit risk</i>	0.3%	0.2%	1.4%	0.8%	3.7%
<i>CIB Cost of credit risk</i>	-2.5%	-1.7%	-0.2%	-1.4%	3.2%
Capital Adequacy:					
NBG (Basel III) CET1 capital adequacy ratio	12.5%	9.9%	11.2%	12.5%	9.9%
<i>Minimum regulatory requirement</i>	11.1%	6.9%	7.8%	11.1%	6.9%
NBG (Basel III) Tier I capital adequacy ratio	14.4%	12.0%	13.3%	14.4%	12.0%
<i>Minimum regulatory requirement</i>	13.4%	8.7%	9.8%	13.4%	8.7%
NBG (Basel III) Total capital adequacy ratio	19.1%	17.4%	18.6%	19.1%	17.4%
<i>Minimum regulatory requirement</i>	17.7%	13.3%	13.8%	17.7%	13.3%

* For the description of Key Ratios, refer to page 89

	Jun-21	Jun-20	Mar-21
Selected operating data:			
Total assets per FTE	2,863	2,671	3,054
Number of active branches, of which:	211	229	211
- <i>Express branches</i>	105	121	105
- <i>Bank of Georgia branches</i>	95	97	95
- <i>Solo lounges</i>	11	11	11
Number of ATMs	972	940	963
Number of cards outstanding, of which:	2,079,786	2,178,053	2,111,255
- <i>Debit cards</i>	1,889,213	1,828,691	1,877,281
- <i>Credit cards</i>	190,573	349,362	233,974
Number of POS terminals	33,772	23,787	30,053
Number of Express Pay terminals	3,141	3,118	3,125
FX Rates:			
GEL/US\$ exchange rate (period-end)	3.1603	3.0552	3.4118
GEL/GBP exchange rate (period-end)	4.3754	3.7671	4.6929
Full time employees (FTE), of which:			
	7,633	7,181	7,450
- <i>Full time employees, BOG standalone</i>	6,050	5,693	5,889
- <i>Full time employees, BNB</i>	543	543	536
- <i>Full time employees, other</i>	1,040	945	1,025
Shares outstanding			
Ordinary shares	47,578,565	47,536,332	48,130,454
Treasury shares	1,590,863	1,633,096	1,038,974
Total shares outstanding	49,169,428	49,169,428	49,169,428

- **Cost of funds** Interest expense of the period divided by monthly average interest bearing liabilities;
- **Cost of credit risk** Expected loss on loans to customers and finance lease receivables for the period divided by monthly average gross loans to customers and finance lease receivables over the same period;
- **Cost to income ratio** Operating expenses divided by operating income;
- **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 net loans to customers and finance lease receivables;
- **Leverage (times)** Total liabilities divided by total equity;
- **Liquid assets** Cash and cash equivalents, amounts due from credit institutions and investment securities;
- **Liquidity coverage ratio (LCR)** High quality liquid assets (as defined by NBG) divided by net cash outflows over the next 30 days (as defined by NBG);
- **Loan yield** Interest income from loans to customers and finance lease receivables divided by monthly average gross loans to customers and finance lease receivables;
- **NBG (Basel III) Common Equity Tier I capital adequacy ratio** Common Equity Tier I capital divided by total risk weighted assets, both calculated in accordance with the requirements of the National Bank of Georgia instructions;
- **NBG (Basel III) Tier I capital adequacy ratio** Tier I capital divided by total risk weighted assets, both calculated in accordance with the requirements of the National Bank of Georgia instructions;
- **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 National Bank of Georgia instructions;
- **Net interest margin (NIM)** Net interest income of the period divided by monthly average interest earning assets excluding cash for the same period;
- **Net stable funding ratio (NSFR)** available amount of stable funding (as defined by NBG) divided by the required amount of stable funding (as defined by NBG)
- **Non-performing loans (NPLs)** The principal and interest on loans overdue for more than 90 days and any additional potential losses estimated by management;
- **NPL coverage ratio** Allowance for expected credit loss of loans and finance lease receivables divided by NPLs;
- **NPL coverage ratio adjusted for discounted value of collateral** Allowance for expected credit loss of loans and finance lease receivables divided by NPLs (discounted value of collateral is added back to allowance for expected credit loss);
- **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;
- **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;
- **NMF** Not meaningful

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Share price information

Shareholders can access both the latest and historical prices via the website, www.bankofgeorgiagroup.com