



Annual Management Report JSC PASHA Bank Georgia



PASHA Bank

2024

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Management Statement

The Board of Directors of JSC PASHA Bank Georgia confirms the authenticity and accuracy of all the data and information provided in the given Annual Management Report. The report is prepared in full compliance with the internal control process as agreed with the Supervisory Board. The given report meets the requirements of the Order N92 / 04 of the Governor of the National Bank of Georgia of June 22, 2017, on Approving the Regulation of Disclosing Information by the Commercial Banks within Pillar 3 as well as other regulations and norms established by the National Bank of Georgia



RAMIL IMAMOV

CHAIRMAN OF THE BOARD OF DIRECTORS, CEO OF PASHA BANK GEORGIA

FOREWORD BY CHIEF EXECUTIVE OFFICER

In 2024, PASHA Bank Georgia initiated a new strategic phase focused on expanding its corporate banking segment. The Bank's objective is to become the preferred financial partner for corporate clients by delivering tailored, high-quality services while simultaneously contributing to the country's economic growth.

2024 was the year of a substantial financial success for PASHA Bank Georgia. The Bank reported a net profit of 8.3 million GEL, a 388% increase compared to the previous year, reflecting a significant growth in profitability. Additionally, PASHA Bank Georgia's gross loan portfolio, including corporate bonds, expanded to 439 million GEL, 6% increase year-on-year, and the customer deposit portfolio grew by 36%, reaching 394 million GEL. This financial performance, coupled with growth in deposits and lending, suggests increased customer loyalty and reinforces PASHA Bank's reputation as a trusted financial partner in the Georgian market.

A significant milestone for the Bank in 2024 was receiving a B/B long-term and short-term credit rating with a stable outlook from S&P Global Ratings.

It is also noteworthy that in November 2024, PASHA Bank Georgia entered into a strategic partnership with the Georgian Chess Federation by signing a collaboration agreement aimed at fostering the development and promotion of chess in Georgia. This partnership emphasizes the Bank's commitment in investing in activities that enhance strategic thinking, discipline, and problem-solving skills.

Looking ahead, our current and future projects are designed to drive shared growth, support Georgia's economic development, and contribute to PASHA Holding's broader objectives. We remain committed to stability, reliability, and customer-centric service, with a focus on investing in human capital and adhering to our core values. Our business culture, built on a personalized approach and strong client relationships, remains our greatest strength. With the dedication of our employees and the trust of our clients, we are confident in our ability to build a future of sustainable growth, prosperity, and resilience

FINANCIAL HIGHLIGHTS

Below are some financial highlights of JSC PASHA Bank Georgia for the year ended 31 December 2024 with comparative figures:

| Profit and Loss | 2024 | 2023 |
|---|----------|----------|
| | GEL'000 | GEL'000 |
| Net interest income after impairment losses | 23,668 | 30,155 |
| Non-interest income | 14,890 | 11,920 |
| Non-interest expenses | (34,686) | (40,375) |
| Income tax benefit / (expense) | 4,421 | - |
| Net Profit/ (loss) for the year | 8,293 | 1,700 |
| Other comprehensive income | - | - |
| Total Comprehensive Profit/ (loss) for the year | 8,293 | 1,700 |

Over the last few years, the Georgian Government has made a number of developments in order to positively affect the overall investment climate of the country, specifically implementing the reforms necessary to create banking, judicial, taxation and regulatory systems. The existing tendency aimed at the overall improvement of the business environment is expected to persist. The future stability of the Georgian economy is largely dependent upon these reforms and developments, and the effectiveness of economic, financial and monetary measures undertaken by the Government. However, the Georgian economy is vulnerable to market downturns and economic slowdowns elsewhere in the world.

According to the preliminary estimates published by the National Statistics Office of Georgia, as of December 2024 growth of GDP amounted 6.7%, resulting in average growth of 9.5% compared to previous year. Major contributing factors to the growth have been financial and insurance activities, professional, scientific and technical activities, transportation and storage, trade, information and communication The inflation remains below the target of 3 percent. The close-to-target inflation was largely ensured by the monetary policy implemented by the National Bank of Georgia.

Despite the negative effect of the geopolitical situation the management maintains strong liquidity positions supported by the NBG's measures to strengthen banking sector resilience. The Bank is actively working to decrease NPLs to reasonable levels using timely restructuring actions, continued support from the Parent and diligent collection actions. The Bank continues to assess the effect of changing micro and macroeconomic conditions on its activities, financial position and financial results.

| Balance sheet | 31 December 2023 | 31 December 2023 |
|---------------|------------------|------------------|
| | GEL'000 | GEL'000 |

| | | |
|--|---------|---------|
| Cash and cash equivalents and Amounts due from credit institutions | 242,004 | 101,575 |
| Loans to customers | 351,500 | 336,106 |
| Investments in securities | 81,069 | 65,230 |
| Other assets | 32,355 | 29,461 |
| Total assets | 706,928 | 532,372 |
| Amounts due to credit institutions | 148,701 | 90,139 |
| Amounts due to customers | 394,286 | 288,855 |
| Other liabilities | 43,333 | 41,063 |
| Total liabilities | 586,320 | 420,057 |
| Equity | 120,608 | 112,315 |
| Total equity and liabilities | 706,928 | 532,372 |

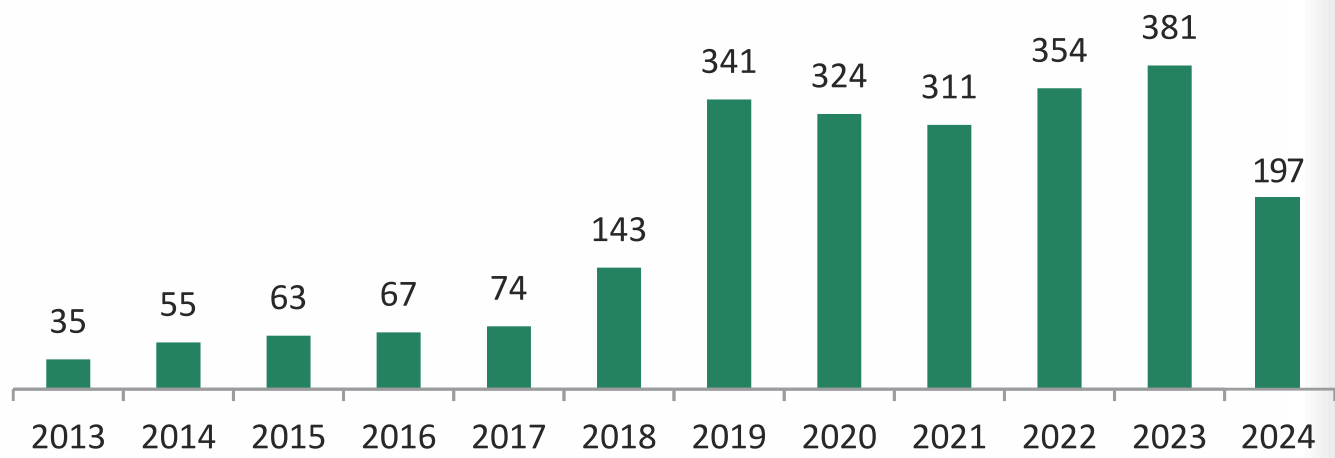
ORGANIZATIONAL DEVELOPMENT

OUR PEOPLE

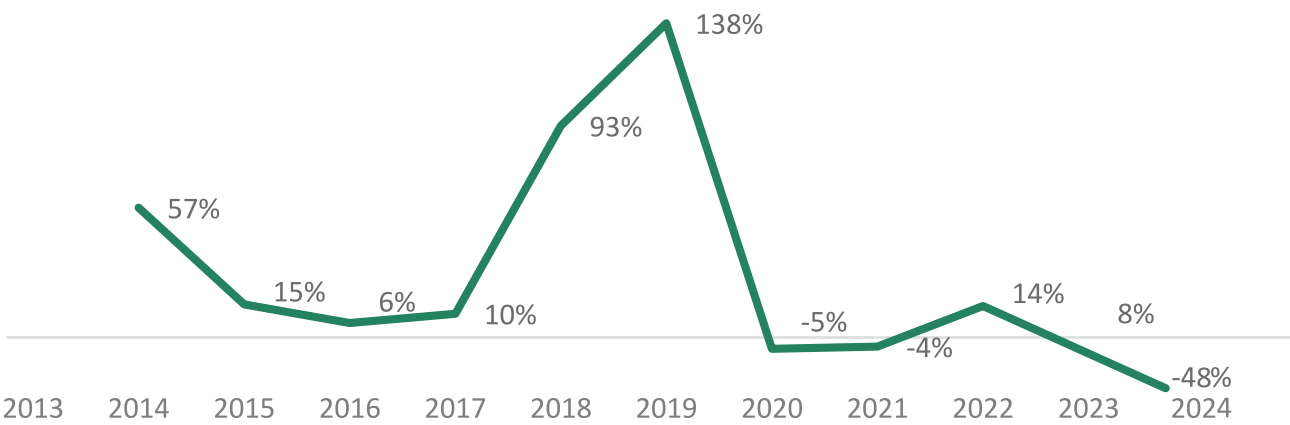
At JSC PASHA Bank Georgia, we are dedicated to fostering a workplace culture that values and empowers our employees. Our people are the driving force behind our success and a key differentiator in the industry. We prioritize their professional development, encourage proactive engagement, promote open collaboration, and underscore the significance of achieving a healthy work-life harmony.

In 2024, the Bank decided to discontinue mass retail lending, leading to collective redundancies. With a renewed focus on corporate business, we have developed initiatives to align fully with the Bank's objectives. As the new strategic period unfolds from 2024 to 2026, organizational development remains one of the key priorities. Our approach emphasizes compliance with legal requirements and regulations while fostering a workplace culture that attracts, nurtures, and retains top talent.

Number of Employees (2013-2024)

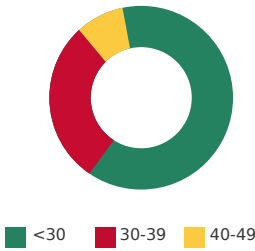


Change in number of employees in % (2013-2024)

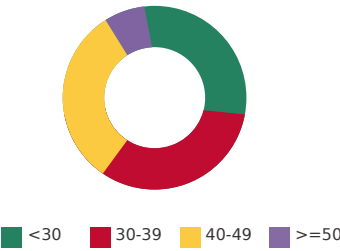


Our vision is to establish JSC PASHA Bank Georgia as the employer of choice for ambitious professionals at different career stages, fostering an environment where both emerging and seasoned talent can excel and contribute meaningfully. We are dedicated to fostering an inclusive and engaging environment where employees can thrive both professionally and personally.

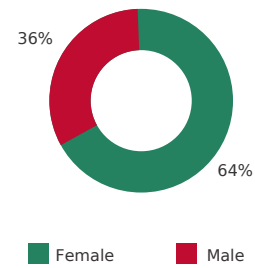
Age Composition (newcomes 2024)



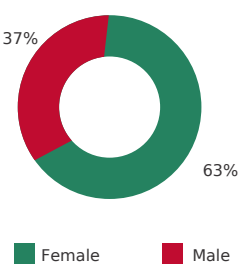
Age Composition (December 2024)



Gender Balance (December 2024)



Gender Balance In MM 2024



LEARNING AND DEVELOPMENT

At JSC PASHA Bank Georgia, we are deeply committed to developing our people, recognizing that our success is built on their growth. We provide various learning opportunities, from online, local, and international training to full sponsorship of global professional certifications. Our employees have access to professional literature and language courses, equipping them with the skills to excel and drive our business forward.

In 2024, PASHA Bank's internship program remained a platform for developing young talent with 25% of interns successfully moving into full-time roles, highlighting our commitment to talent growth and development.

| | |
|--|-------|
| Number of people trained (2024) | 121 |
| Total training hours of employees for (2024) | 9,531 |
| Average training hours per employee (2023) | 78 |

EMPLOYEE ENGAGEMENT AND SATISFACTION

PASHA Bank is committed to cultivating a supportive, collaborative, and inspiring work environment that enhances employee engagement. Recognizing engagement as a key driver of performance, we conducted several surveys throughout the year, including two Employee Engagement Surveys in 2024, to understand our current state and measure our progress. Additionally, as part of our efforts to empower employees and foster open dialogue, we launched a structured series of departmental meetings, providing a platform for employees to share their insights, ideas, and concerns, ensuring their perspectives shape our ongoing improvements. We collaborated with focus groups to develop a targeted action plan and immediately began implementing key initiatives to drive meaningful improvements.

We recognize the vital role each employee at PASHA Bank plays and greatly appreciate their contributions as we work together toward excellence



REMUNERATION OF EMPLOYEES

JSC PASHA Bank Georgia maintains a fair, consistent, and competitive remuneration system designed to attract, motivate, and retain top talent.

Our remuneration framework aligns with the Bank's overall strategy, risk culture, business objectives, and legal requirements, as outlined in the Employee Remuneration Policy approved by the Supervisory Board.

The remuneration structure for employees in control functions, such as risk management, compliance, and internal audit, is structured to ensure independence and is not linked to the financial results of the business areas they oversee.

Our remuneration system consists of fixed and variable components, complemented by a range of employee benefits. Fixed remuneration is provided monthly, while performance-based variable remuneration is distributed at designated intervals.

Compensation follows the principle of equal pay for equal work, with salary determinations based on factors such as job grade, market benchmarks, and individual expertise. Our grading methodology, developed by the globally recognized Korn Ferry Hay Group, ensures a structured and fair approach.

All employees at JSC PASHA Bank Georgia are eligible for performance-based variable pay. Variable pay is calculated according to relevant bonus methodologies for the functions. Besides, individual performance of every employee is assessed annually in accordance with the approved Performance Management Methodology and Procedures

PASHA Bank continues to lead the market by offering a competitive benefits package. Our Benefit Scheme includes health insurance for the employee and immediate family members, sports allowances, professional literature allowances, full coverage for international professional certifications and membership fees, study leave, fully covered maternity leave, and various learning and development opportunities.

Through our commitment to employee well-being and professional growth, we strive to create a supportive and dynamic work environment that fosters long-term success

Corporate Governance

JSC PASHA Bank Georgia is committed to high standards of corporate governance and recognizes the importance of corporate governance practices for enhancing the Bank's success and creating long-term shareholder value.

Corporate governance is defined as a set of structures and processes designed for the direction and supervision of the Bank. JSC PASHA Bank Georgia continually develops a comprehensive range of policies and systems to ensure that all internal and external processes are conducted with effective oversight and control. A sound system of corporate governance is an important contribution to the rule of law in Georgia and a crucial determinant of the role of the Bank in the modern economy and society.

CORPORATE SOCIAL RESPONSIBILITY

On November 6, 2024, PASHA Bank Georgia and the Georgian Chess Federation signed a partnership agreement. Supporting the development and popularization of chess was one of the main initiatives of the Bank's corporate social responsibility program during 2024. The goal of this partnership is to improve chess education standards and methods, foster the development of young chess players, and generally promote chess among children and teenagers.

Furthermore, PASHA Bank Georgia has maintained a commitment to environmental sustainability for over two years through active recycling initiatives. The Bank provides employees with paper tableware and facilitates the collection of paper and plastic waste, obsolete electronic equipment, and batteries, which are then transferred to specialized recycling companies. Additionally, the Bank supports the financing of loans directed towards renewable energy projects and energy efficiency initiatives.

- **Transparency:** The Bank is committed to providing accurate and understandable information to shareholders and other stakeholders on all material matters regarding the Bank, including its financial condition, performance, and ownership and governance structure in a manner easily accessible to interested parties, without giving away commercially sensitive information.

The Corporate Governance Code for Commercial Banks was adopted and introduced on September 26, 2018, by Decree 215/04 of the Governor of the National Bank of Georgia, the highest administrative body responsible for the supervision of the financial sector.

The purpose of the Corporate Governance Code for Commercial Banks has been described as the definition of the core corporate governance principles for commercial banks, the establishment of efficient and sound corporate governance that promotes successful functioning and stability of the financial and banking sectors. The requirements laid down in the Code are compulsory for commercial banks.

The Bank has adopted the guidelines of the Code and has complied with its specifications.

COMMITMENT TO CORPORATE GOVERNANCE

JSC PASHA Bank Georgia constantly strives to improve its governance standards, to always be compliant with Georgian legislation, and to review and apply the Supervisory Board initiatives aimed at the implementation of the best corporate governance practices.

The Bank demonstrates its commitment to the best corporate governance standards by developing and furthering:

- Responsible, accountable, and value-based management;
- Effective oversight and executive bodies that act in the best interests of the Bank, and seek to enhance shareholder value sustainably;
- Appropriate information disclosure and transparency, as well as an effective system of risk management and internal control.

The Bank honours and recognizes all general principles of good corporate governance:

- **Fairness:** The Bank is committed to acting in a fair and ethical manner towards all shareholders and stakeholders, as it believes that ethical conduct underpins good corporate governance.
- **Accountability and Responsibility:** The Supervisory Board is accountable to the shareholders for how it carries out its responsibilities. Similarly, the Board of Directors is responsible for the exercise of powers delegated to them and is accountable to the Supervisory Board for their achievements and performance.

CODE OF ETHICS

Members of the Supervisory Board and the Board of Directors, as well as all employees of the Bank, are expected to act in accordance with all applicable laws and regulations and to comply with ethical standards of business conduct as defined by the Bank's Code of Ethics.

The Bank's Code of Ethics is a set of principles that are actively applied in the Bank's day-to-day activities. The ethical principles of the Bank are based on the following values:

Integrity - At the core of our business stands an unshakeable commitment to integrity. For us, it means doing what is right. Every time. All the time. Even when no one sees us. At the most basic level, it is about respecting the laws and regulations of the country we operate in. It is about upholding our company's code of conduct even in the face of challenges. It means never sacrificing company interests for personal gains. It means being honest with ourselves, our colleagues, clients, and partners, and earning their trust.

Quality - The outside world will always judge us by the quality of the product or service we deliver. And the quality of our work is directly proportional to the dedication and professionalism of our staff. There is no way around it. That is why we always follow the standards we set. That is why we deliver what we promise - day in, day out - carefully balancing quality with efficiency for optimal results. That is why we try new things and strive to learn and improve - as individuals and as an organization.

Profitability - We generate profits for the benefit of our shareholders and the society at large. We can only achieve that by maintaining a competitive edge. Our staff understands that value comes not only in every dollar earned but also in every dollar saved. However, in the pursuit of short-term business goals we never lose sight of our long-term aspiration - to create and maintain a sustainable global business. And this aspiration drives every strategic decision we make.

Collaboration - When we work as one team across departments, business units, and countries we produce phenomenal results. When we collaborate with clients, partners, and suppliers we far exceed market expectations. The impact of these synergies far surpasses that of any individual contribution. Collaboration creates a sound working environment and leads to higher efficiency. It accelerates problem-solving and enables innovation. It nurtures trust and respect.

Entrepreneurship - The world around is constantly changing so we often have to operate in ambiguity. We seek new opportunities and are ready to take bold steps - do things and go places others do not dare to. We do not fear challenges but view them as opportunities to grow. We are unafraid to take on a personal responsibility for going the extra mile or doing something new. Our staff treats the company with care, passion, and prudence - just like they would treat their own business.

The Code of Ethics sets the following requirements:

- Maintenance of professional reputation.
- The highest standards for honest and ethical conduct, including proper and ethical procedures for dealing with conflicts of interest between personal and professional relationships.
- Full, fair, accurate, timely, and understandable disclosure in reports and documents that JSC PASHA Bank Georgia files with, or submits to, governmental and regulatory agencies, and in other public communications of the Bank.

OPEN-DOOR POLICY

The Code of Ethics incorporates an open-door policy, which gives each employee of the Bank an ample opportunity to ask questions and seek advice if he/she is not confident whether a conduct violates the letter and spirit of the Code of Ethics, and to raise concerns if he/she believes that our Code of Ethics has been violated.

JSC PASHA Bank Georgia strives to reinforce internal, as well as external stakeholders’ confidence in the Bank’s corporate governance and ethical standards by ensuring that unethical and illegal conduct of any internal stakeholder will not be left unattended. Any member of the governance structure with any material concern about the overall corporate governance of the Bank can report to the Supervisory Board.

The Code of Ethics is developed in line with the best practices of corporate governance and is adopted by the Supervisory Board.

The document of the Code of Ethics can be viewed on PASHA Bank’s website at www.pashabank.ge

GOVERNANCE STRUCTURE

The governance structure of the JSC PASHA Bank Georgia adequately corresponds to its business nature, scale, and complexity. The organizational and corporate structure of the Bank eliminates conflicts of interest and ensures that no one has unfettered decision-making rights.

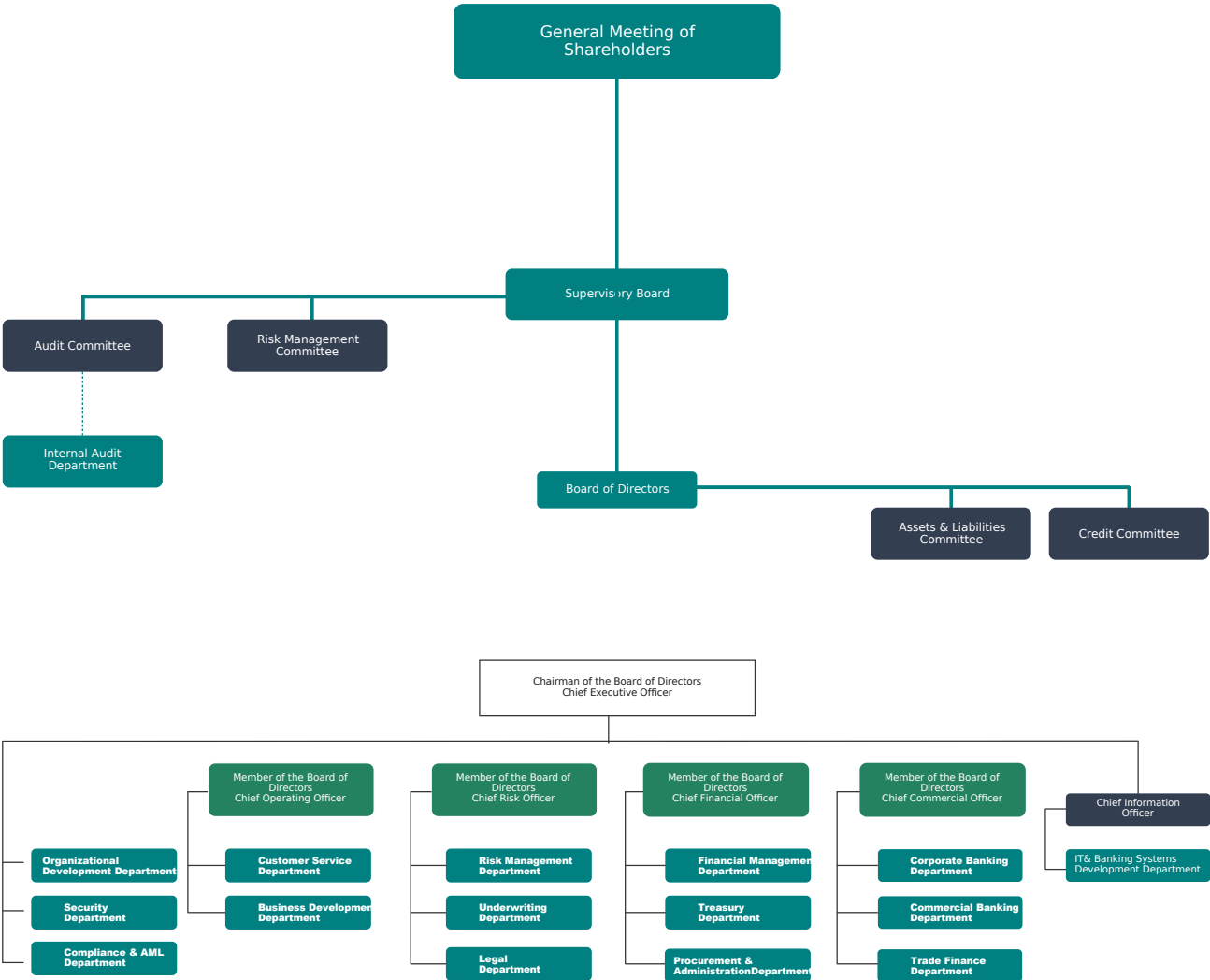
JSC PASHA Bank Georgia has a two-tier corporate governance structure - a Supervisory Board entirely composed of non-executive directors and responsible for the supervision of the Bank, and a Board of Directors (management board) entirely composed of executive directors and responsible for the day-to-day management of the Bank.

On April 24, 2024, the Supervisory Board approved the updated Organizational Structure, effective May 2, 2024. The key changes include:

The resignation of the Director of Retail Banking and Board Member of JSC PASHA Bank Georgia. The appointment of the Chief Operating Officer (COO) and Board Member. In line with the Bank’s new strategy, Retail Banking operations were closed, leading to the closure of its related departments.

Department Restructuring: The Legal Department was separated from Compliance & AML. The Accounting, Budget & Reporting, and Strategy Management departments were merged into the Financial Management Department.

Creation of a New Role: A new Board Member position – Chief Commercial Officer (CCO) was introduced. The CCO is responsible for overseeing Corporate Banking, Commercial Banking, and Trade Finance departments.



MEMBERS OF THE SUPERVISORY BOARD



ROVSHAN ALLAHVERDIYEV

Chairman of PASHA Bank Supervisory Board

Chairman of PASHA Bank Supervisory Board
Rovshan Allahverdiyev is the Chairman of the Supervisory Board effective September 12, 2023.

Experience

Mr. Allahverdiyev began his career as a Leading Specialist at Khayal Cooperative Bank in 1992. In the same year, he served as a Leading Specialist and Chief Accountant at Garagay- abank Commercial Bank.

He joined Arkobank JSB in 1996 as a Deputy Chief Accountant and served as a Director of Finance and Deputy CEO, respective Mr. Allahverdiyev joined Zamin Commercial Bank as a Deputy

Director of Credit Department in 2002 and later served as Finance-Credit Department Director and Deputy CEO at Caucasus Development Bank in 2002, respectively. He worked as a Branch Manager at Texnika bank between 2003-2006, as a Branch Manager at Kapital Bank between 2006-2007, and as a Deputy CEO at PASHA Bank OJSC between 2007-2013. He has been serving as the CEO and the Chairman of the Executive Committee at Kapital Bank OJSC from June 11, 2013, till May 2023. Mr. Allahverdiyev was appointed as the Deputy CEO and Director of Corporate Banking and Insurance at PASHA Holding LLC on May 05, 2023. He serves as a member and chairman of the Supervisory Board of companies within the PASHA group.

Education

Mr. Rovshan Allahverdiyev graduated from the Azerbaijan State University of Economics, Department of Economics and Sociology of Labor.



GEORGE GLONTI

Senior Independent Member of the Supervisory Board

George Glonti is an Independent Member of the Supervisory Board effective from December 31, 2018. He is also the Chairman of the Audit Committee and a member of the Risk Management Committee.

Experience

Having started his banking career in 1992 as an Assistant in International Operations and Documentary Transactions Department at Iberia Bank, George Glonti became the Head of the same department in 1994 and held this position until 1995. Between 1995 and 1996 he continued his career as the Financial Director of TBC Group and Alma TBC.

At the time, he also served as a member of the Board of Directors and the Credit Committee of TBC Bank. From 1996 to 1999, he held the position of the Head of International Division in TbilUniversalBank. Between the years of 1999 and 2003 George Glonti was a Managing Partner, the CEO, and a Shareholder of the UBC International LTD (Audit & Consulting), a company associated with PwC. In 2003-2005 he was Deputy CEO of People's Bank of Georgia. In 2005-2008, George Glonti became the Vice President of the National Bank of Georgia and a member of the NBG Council. From 2008 to 2009 he was the CEO of the People's Bank of Georgia (presently "Liberty"). In 2009, he became the CEO of Kor Standard Bank (presently "Tera Bank") and held the position until 2013. In 2013-2014 Glonti was the Managing Partner and the CEO of the Phoenix Capital. From 2014, he continued his career as the CEO of the Super TV cable television. Since 2014 until the present, he has held the position of the Non-Executive Vice President of GFTC (SWIFT Service Bureau). In 2018, he became the Managing Partner at the RSM Georgia Management & Consulting. George Glonti has more than thirty-one years of experience in banking and business management.

Education

George Glonti completed his BA and MBA in Finance and Economics, with a specialization in Banking, at Tbilisi State University, Georgia.



EBRU OGAN KNOTTNERUS

Independent Member of the Supervisory Board

Ebru Ogan Knottnerus is an Independent Member of the Supervisory Board effective December 31, 2018. She is also the Chairperson of the Risk Management Committee and a member of the Audit Committee.

Experience

Ebru Ogan Knottnerus started her banking career in 1991 in the Internal Audit Department of PAMUKBANK. Between the years of 1993 and 1997, she worked as the Financial Control and Budget Planning Manager for FINANSBANK. She held the Manager's position in Foreign Investments Department for DEMIRBANK between 1997 and 1999. In 1999, Ebru Ogan Knottnerus joined OTTOMAN Bank and worked as the Head of Risk Management and Internal Control Departments until 2001. She continued her career at the BBVA Group - GARANTI Bank A as the Head of Subsidiaries' Risk Management Department between 2001 and 2003, and from 2016 to 2018 she held the position of the Head of Risk Management.

In 2018, Ebru Ogan Knottnerus joined PASHA Investment Bank Turkey as an Independent Board member. Ebru Ogan Knottnerus has more than thirty-two years of experience in banking and business management.

Education

Ebru Ogan Knottnerus earned her bachelor's degree in business administration at the Middle East Technical University (METU) in Ankara, Turkey. She also completed various executive education programs, such as the Authentic Leadership Development Program at Harvard Business School, the Strategic Development Program at London Business School, and the High Impact Leadership Programme at Columbia University, USA.



SHAHIN MAMMADOV

Member of the Supervisory Board

Shahin Mammadov is a Member of the Supervisory Board effective since April 30, 2018. He is also a Member of the Audit Committee.

Experience

Mr. Mammadov started his career as an Accountant in 2003 and was later promoted to Deputy Chief Accountant at Yapi Kredi Bank Azerbaijan (former Kocbank Azerbaijan JSB). He joined Deloitte & Touche in 2005 as an Associate Auditor and was subsequently promoted to the position of Audit Manager.

In 2009, Mr. Mammadov was assigned to the position of the

Director of the Financial Management Department at OJSC PASHA Bank and in 2011 he became the Chief Financial Officer and a member of the Executive Board. In 2013, he joined the Board of Directors of JSC PASHA Bank Georgia supervising the business development function.

In July 2014, Mr. Mammadov was appointed the CEO and the Chairman of the Board of Directors at JSC PASHA Bank Georgia. Since March 2015, Shahin Mammadov has been a member of the Supervisory Board at PASHA Yatırım Bankası A.. Since January 2018 he has been serving as the Business Support Director and Deputy CEO at LLC PASHA Holding. On March 1, 2018, Shahin Mammadov became a member of the Supervisory Board at OJSC PASHA Bank. Shahin Mammadov has more than twenty years of experience in banking and business management.

Education

Shahin Mammadov graduated from the Azerbaijan State Economic University and received a bachelor's degree in accounting and Audit in 2002. In 2004, he was awarded a master's degree from the same university in Accounting and Audit. In 2010, Mr. Mammadov received his Ph.D. in Economics from the Academy of Sciences of the Republic of Azerbaijan.

He completed several education programs in a number of top business schools as part of the High Potential Leadership Program organized by PASHA Holding in 2013. In 2012, Shahin Mammadov enrolled in the Program for Leadership Development (Executive Education Program) at Harvard Business School and completed Modules 1 to 4 in 2013. In 2017, he completed Module 5 of the same Program. Mr. Mammadov obtained the status of an Alumnus from the Harvard Business School in July 2017. He has been a member of the Association of Chartered Certified Accountants (ACCA) since 2014.



KAMALA NURIYEVA

Member of PASHA Bank Supervisory Board

Ms. Nuriyeva joined PASHA Bank Georgia as a Supervisory Board and Risk Management Committee Member effective September 12, 2023.

Experience

In 2003, she joined the Agricultural Rural Investment Fund, established under the TACIS program for agricultural industry development in Azerbaijan, serving as a Loan Officer. There, she was responsible for attracting customers, as well as loan origination and management. That same year, she was recruited by Unibank OJSC to work as a Financial and

Treasury Control Officer, where she was responsible for currency and market risk management. During 2004-2005, she served McDermott Caspian Contractors Inc. as a Cost Control Officer for the fabrication and installation of Central Azeri Offshore Platforms. In 2005, she joined the Bank of Baku OJSC as a Deputy Chief Accountant responsible for accounting activities and management reporting. She joined PASHA Bank in 2007 as an Internal Audit Manager and was promoted to Head of the Risk Management Department in 2011. In 2012, she moved to PASHA Holding as an Audit and Monitoring Manager. In 2013, she was appointed as the Director of Group Risk Management at PASHA Holding. She has continued her professional activities as the Chief Risk and Audit Executive in the Shareholders' Office since May 2021. She has vast experience working as a member of the Supervisory Board, Audit Committee, Risk Management Committee, and Investment Committee of companies within the PASHA group.

Education

Ms. Kamala Nuriyeva obtained her Bachelor's degree in Banking Management from Western University in 1998, and her Master's degree in Finance from Azerbaijan State Economic University in 2003.

SHAREHOLDER STRUCTURE AND SHARE CAPITAL

JSC PASHA Bank Georgia (the "Bank") was formed on 17 December 2012 as a joint stock company under the laws of Georgia. The Bank operates under a general banking license issued by the National Bank of Georgia (the "NBG") on 17 January 2013 (Identification code: 404433671).

The Bank accepts deposits and extends credit, transfers payments in Georgia and abroad, exchanges currencies and provides other banking services to its commercial customers.

The bank receives deposits and issues loans, manages money transfers and payments in the territory of Georgia and abroad, offers currency exchange and provides other bank services to commercial customers. Since 2017,

the Bank is member of the deposit insurance system. The system operates under the Law of Georgia on Deposit Insurance System and insures all types of deposits of resident and non-resident individuals

On 7 July 2023 the Bank's ownership structure changed and together with OJSC PASHA Bank, PASHA Holding LLC became a shareholder of the Bank, with the shares of 90.2019% and 9.7981% respectively.

In September 2023 GEL 7,800 000 of share capital was injected in cash by PASHA Holding LLC and the ownership structure changed again. As of 31 December 2023, 85.0588% of shares is owned by OJSC PASHA Bank and 14.9412% of shares is owned by PASHA Holding LLC. As at 31 December 2023, the Bank is ultimately owned by Mrs. Leyla Aliyeva (35.21%), Mrs. Arzu Aliyeva (35.21%) and Mr. Arif Pashayev (18.99%) and Mr. Jamal Pashayev (10.59%), who exercise joint control over the Bank.

The allocated capital of the Bank is divided into 136 800 000 (one hundred thirty-six million eight hundred thousand) ordinary shares. The nominal value of one ordinary share is 1.00 (one) GEL. Each ordinary share at the General Meeting of Shareholders of the Bank entitles its holder to one vote. As of December 31, 2024, OJSC Pasha Bank (Azerbaijan) is the owner of 85.0588% shares of PASHA Bank Georgia and PA- SHA Holding LLC is the owner of 14.9412% shares.

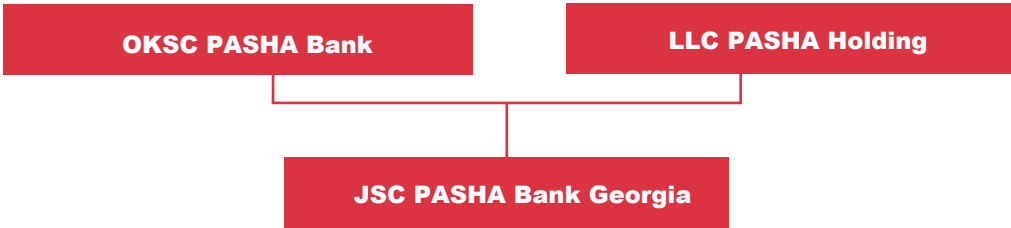
Information on the type of income received from JSC PASHA Bank Georgia by the shareholder or beneficiary owner is provided below:

| In GEL thousands' | | |
|---|----------------------------|-------------------------|
| | OJSC PASHA Bank Azerbaijan | PASHA Holding Companies |
| | 2024 | |
| Fee and commissions | 2 | 3 |
| Interest on amounts borrowed from credit institutions | 70 | 542 |
| Interest on amounts borrowed from non-credit institutions | 365 | 1,268 |
| Interest on subordinated debt | 692 | 943 |

| Ultimate Beneficial Owner | % |
|---------------------------|--------|
| Leyla Aliyeva | 35.21% |
| Arzu Aliyeva | 35.21% |

| | |
|----------------|--------|
| Arif Pashayev | 18.99% |
| Jamal Pashayev | 10.59% |

Group Structure is as follows:



GENERAL MEETING OF SHAREHOLDERS

The supreme governing body of the Bank is the General Meeting of Shareholders. The Bank holds Annual General Meetings within two months following the signing of the annual audited financial statements. Other general meetings are summoned if the interests of the Bank require so or if it is required by the Bank’s Charter. General Meetings are summoned by the Board of Directors, the Supervisory Board, or the shareholder(s). The General Meeting is held on the territory of Georgia or abroad, at a time and place that are most convenient for the shareholders. The General Meeting is called within the term of twenty calendar days after the Directors have sent a notification to the shareholders. Nothing impedes the shareholders from voting from abroad or through the power of attorney issued to another person. The Bank ensures that all valid proxy appointments received for the General Meetings are properly recorded. The invitation to the General Meeting specifies the information regarding the date, time, venue, agenda, the project of the resolution, and proposals, if any, regarding amendments to the Charter.

The voting results and other relevant materials are distributed to the shareholders and the ultimate shareholders.

The Supervisory Board ensures that the Supervisory Board members and all Directors are made aware of their shareholders’ views, issues, and concerns.

ISSUES REQUIRING APPROVAL OF THE GENERAL MEETING OF SHAREHOLDERS

- a) Approval and amendment of the Bank’s Charter;
- b) Approval of the Bank’s annual audited financial statements;
- c) Reorganization of the Bank, which includes mergers, divisions, transformations (change of organizational- legal form), and liquidation of the Bank, full or partial cancellation of pre-emptive rights during an increase in the share capital of the Bank;

- d) Issuance of new shares, sale of shares by the existing shareholder(s), or other securities convertible into shares;
- e) Accepting or rejecting proposals of the Supervisory Board or the Board of Directors concerning the utilization (including distribution) of profit, or making decisions concerning the utilization of net profit, if the said bodies fail to agree on a proposal;
- f) Approval of reports by the Board of Directors and the Supervisory Board;
- g) Election and dismissal of members of the Supervisory Board, determining the question of member remuneration, and conclusion of member contracts;
- h) Approval of the first composition of the Board of Directors of the Bank;
- i) Approval of the first composition of the Audit Committee of the Bank ;
- j) Making decisions on the participation in court proceedings against the Board of Directors and the Supervisory Board members, including the appointment of a representative for such action;
- k) Adopting resolutions on the issuance and sale of shares and other securities under this Charter and Georgian legislation;
- l) Making decisions on the acquisition, sale, transfer, exchange (or other transactions to similar effect), or encumbrance of the Bank’s properties the value of which is more than 25% of the book value of the Bank;
- m) Deciding on other matters according to effective Georgian legislation.

Review of the General Meeting of Shareholders

In 2024, the General Meeting of Shareholders was held on January 29. During the meeting, Mr. Mir Jamal Pashayev represented the Bank’s shareholders under a duly notarized and legalized power of attorney (proxy).

The agenda of the Annual Meeting of Shareholders included the approval of the Corporate Governance Policy (Version 5) of JSC PASHA Bank Georgia.

SHAREHOLDER RIGHTS

The rights and responsibilities of the shareholders are mutually determined by the Charter of JSC PASHA Bank Georgia, the Law of Georgia on Entrepreneurs (as amended periodically), the Law of Georgia on Activities of Commercial Banks (as amended periodically) and all other relevant laws and regulations, including regulations issued by the National Bank of Georgia.

The Charter is available on PASHA Bank's website at www.pashabank.ge

According to Article 4, Section 4.2 of the Bank Charter, shareholders have the right to:

- a) Attend or be represented at the General Meeting and take part in the voting process (holders of common shares only);
- b) Be elected to the Supervisory Board;
- c) Participate in the distribution of profit and receive pro rata share of the dividends;
- d) Dispose of their shares in accordance with Georgian legislation and the Bank Charter;
- e) In case of the Bank's liquidation, receive a pro rata share of the assets remaining after the payment of the creditors' claims;
- f) Have access to information concerning the economic activities of the Bank;
- g) Appeal to the Directors of the Bank to specify issues in the General Meeting agenda, request an Extraordinary General Meeting, or add issues for consideration to the agenda of an already appointed General Meeting;
- h) Request a special inspection of the Bank's economic activities and annual balance sheets if they have a reasonable doubt that material irregularities have taken place;
- i) Preemptively subscribe for newly issued or existing shares of the Bank on a pro rata basis in accordance with the terms and conditions of the Bank Charter;
- j) Appeal to a local court or, by agreement of the parties, seek private arbitration for the solution of a conflict between themselves and the Bank;
- k) Other rights as stipulated by Georgian legislation and the Bank Charter.

THE SUPERVISORY BOARD

The Supervisory Board is responsible for the general oversight of the Bank and of the Board of Directors. Its members are elected by the shareholders. The Supervisory Board is led by a Chairman, it advises the Board of Directors, and is involved in decision-making on all fundamental matters affecting the Bank. It is the key decision making body of the Bank, responsible to the shareholders for creating and delivering sustainable shareholder value through providing entrepreneurial leadership and direction to the Bank. It determines the

Bank's strategic objectives and policies, provides the overall strategic direction within a framework of rewards, incentives and controls, demonstrates ethical leadership, and promotes a collective vision of the Bank's purpose, values, culture, and behaviors.

Members of the Supervisory Board act in a way that they consider, in good faith, will promote the success of the Bank for the benefit of the shareholders as a whole and, while doing so, take into consideration the interests of other stakeholders as well.

According to Article 7, Section 7.10 of the Bank Charter, the following activities shall be performed only by the Supervisory Board:

- Strategic supervision and control of the Bank;
- Review and approval of corporate strategy and strategic objectives;
- Review and approval of annual budget and business plan;
- Initiation of new banking/commercial activities and termination or suspension of existing activities ;
- Establishment and liquidation of new enterprises and branches;
- Acquisition and disposal of shares in other companies;
- Approval of the organizational structure;
- Approval of the Code of Ethics and whistle blowing procedures;
- Adoption of resolutions for implementing the General Meeting decision to admit the Bank's shares and other securities to the stock market;
- Submission of proposals for profit distribution to the General Meeting of shareholders;
- Redemption of shares by the Bank as mandated under Georgian legislation;
- Strategic supervision of risk management activities;
- Approval of the risk appetite statement, conduction of annual reviews;
- Approval of the business continuity plan;
- Authorization of (possible) conflicts of interest and related party transactions within the limits established by the Bank;
- Approval of policies, standards, and procedures in respect to conflicts of interest and related party transactions, and amendment of the Bank's statute-, framework-, and policy-type documents;

Approval of structure, size, and composition of the Board of Directors, including appointment and dismissal of its members;

- Determination of rights and obligations of members of the Board of Directors, monitoring and supervision of their activities, request of reports from the Board of Directors;
- Conclusion of labor agreements and determination of remuneration packages for members of the Board of Directors;
- Approval of regulatory framework for determining bonuses and/or additional benefits for employees, including members of the Board of Directors;
- Approval of structure, size, and composition of the Supervisory Board committees, including appointment and removal of the Supervisory Board committee members and review of reports by the Supervisory Board committees;
- Election of external auditors;
- Appointment and dismissal of trade representatives (procurators);
- Appointment and dismissal of the Corporate Secretary;
- Approval of transactions including but not limited to attraction of borrowings, granting lending and trade finance products, approval of loan restructuring, loan write-off, approval of acquisition and disposal of fixed assets and intangible assets, administrative expenses, cash limits, Implementation of equity investments in public and private companies in case the transaction is above the decision-making and signatory authority limits of the Board of Directors;
- Approval of decision-making and authority limits of the Board of Directors;
- Securing of borrowings or any other liabilities of the Bank or any third party, if they fall outside the scope of the regular economic activities of the Bank;
- Approval of issuance of bonds;
- Determination and approval of terms and conditions to be used with regard to credit recourses and deposits to the Bank's employees;
- Convention of the General Meeting, if deemed necessary for the interests of the Bank;
- Supervision and representation of the Bank in case of conflict between members of the Board of Directors;

Based on the decision of the General Meeting, procession of a legal dispute against members of the Board of Directors on behalf of the Bank, submission of a claim against members of the Board of Directors without the decision of the General Meeting if the issue is related to the responsibility of members of the Board of Directors;

- Supervision of interventions in accordance with the results of examinations carried out by External and Internal Audits, as well as the National Bank of Georgia;
- Resolution of issues that are beyond the scope of the Board of Directors' authority;
- Performance of any other duties as required by the General Meeting.

The Supervisory Board members are collectively responsible for the Bank's interests and have a fiduciary duty towards the Bank. The Chairperson is appointed from the members of the Supervisory Board. He is responsible for its effective overall functioning, including maintenance of a relationship of trust and collegiality with the Supervisory Board members, as well as facilitation of coordination and cooperation between the Supervisory Board and the management

DEFINITION OF AN INDEPENDENT SUPERVISORY BOARD MEMBER

All members of the Bank's Supervisory Board and the Supervisory Board committees should act independently when making decisions. It should not be permitted to take into consideration the private interests of a shareholder, customer, contractor, investor, or other related party when making business decisions. Members act independently if they effectively exercise their best judgment for the exclusive benefit of the Bank, judgment that is not clouded by real or perceived conflict of interest.

The independence of a person recommended by the Bank on the position of the Supervisory Board member shall be verified by the Bank before appointment in accordance with the National Bank of Georgia's Questionnaire on Independence and the compliance analysis as stipulated by the Regulation on Fit and Proper Criteria for Administrators of Commercial Banks.

"Independent member" means a member, when he/she or his/her relatives, are first and second legal heirs under the Civil Code of Georgia:

1. Is not a relative of administrators of the Bank or of the Bank's related companies;
2. Is not a relative of the person(s), who directly or indirectly hold significant shares of the Bank or of the Bank's related companies;
3. During the last two years, did not have any personal relations (kinship, living together etc.) with the administrators of the Bank or those of the companies incorporated in the group, also with the person(s) holding a significant share of the Bank or of the companies incorporated in the group;
4. Does not receive additional remuneration from the Bank other than a fixed fee for membership of the Supervisory Board and the Supervisory Board committees;
5. Does not receive dividends for owning the Bank's shares (owning less than 2% of the Bank's shares directly or indirectly);
6. During the last two years, did not conduct business or did not have any other types of material business/commercial relationships with the administrators of the Bank or the Bank's related companies;
7. During the last two years, did not conduct business or did not have any other types of material business/commercial relationships with the person who directly or indirectly holds significant shares in the Bank or in the Bank's related companies;
8. Does not have any kind of material liability (including financial one) towards the Bank, the Bank's administrators, the Bank's significant/shareholders or any other type of material / financial interest (including property, investment) in the Bank or in the Bank's related companies (exception is the case when a person directly or indirectly holds 2% or less shares of the Bank or of the Bank's related companies);
9. During the past five years did not have professional or other kind of working relationship (including business services, etc.) with the Bank and with the Bank's related companies, with the administrators and significant shareholders (exception is the case when a person performs non-executive functions or occupies non-executive position);

10. Has not been employed by the Bank within the last five years other than as a member of the Supervisory Board or Supervisory Board committees;
11. Is not related to a non-profit organization that receives significant funding from the Bank or from the Bank's related companies;
12. Is not, nor in the past five years has been, related to a present or former auditor of the Bank or of a related party;
13. Has not served on the Supervisory Board for more than nine years since the date of his first election;
14. The Audit Committee members shall not be considered independent if they and/or their relatives, who are first and second legal heirs under the Civil Code of Georgia, have financial liability to the Bank;
15. Did not have any other kind of relationship that may affect the independence of the person.

The independent members of the Supervisory Board of a parent company and/or subsidiary banks of the group may also be considered to be independent on the Supervisory Board of the subsidiary bank if these members satisfy the independence criteria set by the best international practices and Corporate Governance Code for Commercial Banks approved by Decree No215/04 of the Governor of the National Bank of Georgia.

The Corporate Governance Policy is available on PASHA Bank's website at www.pashabank.ge

SUPERVISORY BOARD MEMBERSHIP CRITERIA

The Bank's Corporate Governance Policy sets the Supervisory Board membership criteria, according to which the Supervisory Board seeks members with extensive experience and expertise and a reputation for integrity.

Members of the Supervisory Board should have experience in positions with a high degree of responsibility, be leaders in companies or institutions with which they are affiliated, and be selected based on contributions they can make to the Supervisory Board, and their ability to represent the shareholders' interests. The Supervisory Board will also take into account the diversity of a candidate's perspectives, background, and other demographics. The Supervisory Board membership criteria and appointment process are also regulated by the Bank's Standard on Appointment of Administrators, which is developed in compliance with the Regulation on Fit and Proper Criteria for Administrators of Commercial Banks and sets requirements that a candidate for the Supervisory Board Membership shall comply with.

In assessing the collective suitability of the Board, the following should be taken into account:

- A member of the Supervisory Board shall have university education in one of the following fields: economics, finance, banking, business administration, audit, accounting, jurisprudence, or other relevant education that enables him/her to perform his/her duties;

- A member of the Supervisory Board shall not be an administrator of another commercial bank registered in Georgia, except in the case when he/she holds an administrator's position in a bank that is a subsidiary or a parent of the Bank;
- A member of the Supervisory Board shall not be a member of the Supervisory Board or the Board of Directors in more than seven enterprises registered in Georgia;
- A member of the Supervisory Board shall not be an I or II rank relative of a member of the Board of Directors or the Supervisory Board of the Bank;
- A member of the Supervisory Board shall have appropriate qualifications and professional experience, the composition of the Supervisory Board should ensure a variety of skills, knowledge, and experience, which correspond to the scale and complexity of the Bank's activities

According to the Corporate Governance Policy, factors considered in the review of potential candidates include:

- Prominence in business, institutions, or professions;
- Integrity, honesty, and the ability to generate public confidence;
- Demonstrated sound and independent business judgment;
- Financial literacy and experience with financial institutions;
- Risk management experience;
- Professional experience required to contribute to the Supervisory Board committees;
- Ability to devote sufficient time to the Supervisory Board and the committee work;
- Residency in and familiarity with the geographic region where the Bank carries on business;
- Competencies and skills that the Supervisory Board expects from each existing member.

The independence of a Supervisory Board member is confirmed by the Bank prior to his/her appointment as dictated by the Independence Questionnaire elaborated by NBG and a compliance analysis is submitted to NBG.

BOARD EFFECTIVENESS REVIEW: EVALUATION OF THE SUPERVISORY BOARD MEMBERS

The Supervisory Board conducts an annual effectiveness review in order to evaluate the performance of the Supervisory Board as a whole, the Supervisory Board committees, and its individual members. Annual evaluations are internally facilitated. The performance evaluation process may differ from year to year but will normally take the form of a detailed questionnaire supplemented by individual interviews with members of the Supervisory Board and the Supervisory Board committees. The Chairman may hold private meetings with each member of the Supervisory Board to discuss the evaluation results and individual performance. The Chairmen of the Supervisory Board committees are responsible for the evaluation of their committees.

REVIEW AND ASSESSMENT OF BOARDROOM PRACTICES

The Supervisory Board periodically reviews the structure, size, and composition of the Supervisory Board and the committees, and assesses the effectiveness of internal governance policies and practices. After each Supervisory Board meeting, the Corporate Secretary conducts an online survey of Boardroom Practices to determine the effectiveness of the existing Boardroom culture in the Bank. With this survey, the Supervisory Board members are given an opportunity to evaluate the level of the Bank's preparedness and the Board meeting performance to propose their suggestions for improvement, as well as to assess their and their colleagues' performance.

Due to the sensitivity of the information, the anonymity of each respondent is strictly protected.

Throughout the year, the Bank held a high number of Board meetings; in total, the Bank convened 57 Board meetings, 45 of which were extraordinary.

INDEPENDENT ASSESSMENT

Boards and Committees Performance Assessment was administered by an independent consultant, PwC Georgia and results were released in August, 2023. In the Performance Assessment, PwC Georgia used the Supervisory board effectiveness framework.

The assessment process was divided into 3 phases, 5 focus areas and 5 result indicators were established. The assessment was based on the Corporate Governance Code for the commercial banks of Georgia, EBA/GL/2021/05: Guidelines on internal governance under Directive 2013/36/EU and leading market practice.

During assessment was inspected roles, responsibilities, competencies and besides that attitude of the Board member in relation to its duties. Interaction and cooperation with/within the Supervisory Board as a unified Body.

The 5 focus areas to be assessed were:

Effectiveness of the Board assessment policy – The internal policy shall cover the related roles, responsibilities, methods, and the description of the assessment process. The assessment of the effectiveness of the Supervisory Board is an integral part of established sound risk culture.

Committees – Each committee must have a clear mandate and written statute outlining its responsibilities. To avoid overlap, committee members should not serve on multiple committees. Furthermore, all committee members must possess the necessary qualifications to effectively fulfill their duties.

Organizational Structure – A transparent organizational and operational structure, documented in writing, subject to regular revisions.

Cooperation with other functions of the Bank – The internal control functions within the institution encompass the risk management, compliance, and internal audit functions.

These functions operate with clear reporting lines and allocated responsibilities that are well defined and documented. In cases where necessary, the heads of these internal control functions should have the authority to report directly to the Supervisory Board, particularly when certain developments may impact the institution.

The following works were carried out for the purpose of assessment:

Review of documentation.

Distributing an online survey to the members of the Board.

Comparing processes with leading market practices

Based on the results of the assessment, it can be concluded that the bank has achieved a good level of integrity, transparency and loyalty through continuous work on corporate governance. Considerable efforts have been made to strengthen the work of boards and committees over the past few years, with notable results.

All focus areas were generally rated as managed, well defined, and only one as being in the developmental stage.

PASHA Bank Supervisory Board members work effectively together, communicate openly and cooperate on important issues. They follow established procedures and norms, such as keeping up-to-date documents such as meeting minutes and committee presentations to support their actions. Board practices align with leading market standards and regulatory requirements, ensuring effective governance.

MEETINGS OF THE SUPERVISORY BOARD

Throughout 2024, the Supervisory Board held fifty-seven, including forty-five extraordinary Board meetings, and twelve ordinary meetings

Supervisory Board

Members as of 31 December 2024

| Supervisory Board | | | | | |
|-----------------------------|--|------------------|--|----------------------------|-----------------|
| members on 31 December 2024 | | | | | |
| Name-Surname | Position | Date of Election | Other positions | Meetings attended/eligible | Attendance Rate |
| Rovshan Allahverdiyev | Chairman of PASHA Bank Supervisory Board | 12.09.2023 | | 55/56 | 98% |
| Kamala Nuriyeva | Board Member | 12.09.2023 | Risk Management Committee Member | 53/56 | 95% |
| George Glonti | Senior Independent member | 31.12.2018 | Audit Committee Chairman; Risk Management Committee Member | 56/57 | 98% |
| Ebru Ogan Knotnerus | Independent member | 31.12.2018 | Risk Management Committee Chairperson. Audit Committee Member. | 57/57 | 100% |
| Shahin Mammadov | Board Member | 30.05.2018 | Audit Committee Member | 49/54 | 91% |

AGENDA OF SUPERVISORY BOARD MEETINGS

Throughout the year 2024, the Supervisory Board included in its agenda, and reviewed and/or approved a range of topics concerning corporate governance, operational and organizational risk management, strategic planning and budgeting, and different operational matters, such as the approval of credit facilities, etc.

Items Related to Corporate Governance

- 1Approval of updates to the organizational structure.
- 2.Approval of the related party transaction.
- 3.To approve the Subordinated Debt Agreement with with the related party.

4.Approval of new or updated internal regulatory documents: the adjustments to IFRS 9 Impairment Methodology; the Environmental Policy; the Corporate Governance unit statute, the Risk Committee Statute and other statutes; the Credit Policy; the Human Resources Policy; the Key Risk Indicators Framework; the Risk Culture Vision; the Password Policy, the Information Risk Management Policy; the Offshore Policy; the Sanctions Policy; AML Policy; the Employee Remuneration Policy; the Guidelines for Nomination and Remuneration Expert Group; the Stress Test Framework; the updated Appointment of Administrators Standard; the updated Corporate Governance Policy,

Items Related to Risk Management

- 5.Approval of the RAS Framework and 2024 Risk Appetite Statement, Stress Test Framework, ICAAP Framework, Recovery Plan and revised Risk Management Department Statute.
- 6.Approval of the 2024 April RAS Report.
- 7Review of the Risk Identification and Assessment Report.
- 8.Review of quarterly and annual RMC reports to the Supervisory Board.

Items Related to Strategic Planning and Budget

- 9. Approval of the 2024–2026 Strategy Business Model document.
- 10. Approval of PASHA Bank Georgia Strategic KPIs for 2024–2026.
- 11. Review of financial results of Q1 2024 and 2023 financial highlights.
- 12Approval of the 2024 budget of PASHA Bank Georgia.
- 13. Review of the Annual Report 2023 and Q4 financial performance.
- 14Review of the Strategy and Budget Expert Group report for Q1 2024,

Compliance and AML-related documents

- 15.Approval of the Compliance Policy.
- 16.Review of quarterly Compliance & AML reports.
- 17Approval of AML-related documents, including the Offshore Policy and Sanctions Policy.
- 18. Review of the 2023 AML/CFT Organizational Risk Assessment.

HR-Related Decisions

- 19Approval of promotions, salary adjustments, and annual bonuses for 2023.

Other operational matters, such as approval of credit facilities, changes in terms and conditions of existing credit facilities, waivers, bond purchases, administrative expenses, etc. Meeting Minutes for the respective decisions of the Supervisory Board and its committees were appropriately drafted and authorized by the Corporate Secretary and Chairperson of the respective governing body.

The Meeting Minutes include information on the final decision, as well as arguments of members voting against the resolutions. The Meeting Minutes were provided to NBG not later than ten days after the meeting date and respective excerpts were distributed to relevant internal stakeholders.

The Supervisory Board regularly meets with senior management and internal control functions to review policies and regulations that identify material risks and issues that are subject to impediments. The Board questions and critically reviews explanations and information provided by the senior management.

The Schedule of Matters Reserved for the Supervisory Board Decision can be found on **PAGE 56**

STRATEGY

In 2024, the Bank entered 2024-2026 strategy period. Within the frame of the new strategy, the Bank maintains aspirations of becoming a noticeable market player governed by utmost integrity, sound corporate governance, advanced technology solutions and managed by a competent human talent to stimulate sustainable economic growth, professional entrepreneurship, and to facilitate country-wide, as well as the regional business partnership. The Bank stays committed to encouraging a culture of innovation and creativity and becoming a representation of good corporate practice, trust, continuity, and respect for all our stakeholders. The Bank will be further focusing its sustainability efforts through diversifying and increasing profitability in commercial and corporate segments.

The Bank's corporate culture evolves with its developing strategy, always staying loyal to its core values and adopting new policies and procedures which comply with the Georgian legislation.

THE SUPERVISORY BOARD COMMITTEES

The Supervisory Board has established two committees under its mandate – the Audit Committee and the Risk Management Committee

The Audit Committee

The Audit Committee of JSC PASHA Bank Georgia was established by and is accountable to the Supervisory Board. The Committee is a governing body that establishes, and controls internal audit functions and monitors the Bank's activities according to the applicable legislation. The Committee is responsible for overseeing the Bank's systems of internal controls by establishing an internal audit function. The Committee also communicates with the Bank's external auditor and reviews annual and interim IFRS financial statements. By bringing a systematic approach to the evaluation and improvement of risk management, internal control, and governance processes, the Committee monitors whether structural units and employees of the Bank follow the requirements of acting legislation.

The Committee assists the Supervisory Board and the Board of Directors in ensuring the existence and adequacy of an effective internal control system in the Bank.

Members are appointed for a term of a maximum four years, with non-restricted re-election.

The Committee meetings should be held at least quarterly and may be held more often if required. During 2024, the committee held 12 meetings.

The Committee makes decisions based on a simple majority of votes of members present. Each member has one vote. In case the votes are equal, the vote of the Chairman is considered a decisive vote. Heads of departments, external auditors, or other persons may be invited to the Committee meetings, if necessary.

| Members as of 31 December 2024 and Committee attendance | | | | |
|---|--|------------------|--------------------------------------|-----------------|
| Name-Surname | Position | Date of Election | Meetings attended/eligible to attend | Attendance Rate |
| George Glonti | Committee Chairman. Senior Independent Member of the Supervisory Board | 01.01.2019 | 12/12 | 100% |
| Ebru Ogan Knottnerus | Committee Member; Independent Member of the Supervisory Board | 01.01.2019 | 11/12 | 92% |
| Shahin Mammadov | Committee Member; Member of the Supervisory Board | 01.01.2019 | 12/12 | 100% |

For further information, you can view the Audit Committee Statute on the Bank's website at www.pashabank.ge

Remuneration of the Bank's external auditor, including professional services fees, for the years ended 31 December 2024 and 2023 comprises (net of VAT):

| | 2024 | 2023 |
|--|------|------|
| Fees for the audit of the Bank's annual Financial Statments for the year ended 31 December | 130 | 125 |
| Expenditures for other professional service | 63 | 51 |
| Total fees and expenditures | 193 | 176 |

Fees and expenditures to other professional audit firms in respect of other professional services comprised GEL 10 thousand in 2024 (2023: GEL 9 thousand).

The Risk Management Committee

The Risk Management Committee of JSC PASHA Bank Georgia was established by the Supervisory Board to advise and assist the Board in discharging its duties and responsibilities, and to ensure that the processes and capabilities for identification, assessment, measurement, control, reporting, and monitoring of risks are effective. The Committee monitors and ensures that the Bank's business is conducted according to the risk guidelines set by the Supervisory Board, and that the risk management system is effective and achieves its purpose. The Committee provides information to the Supervisory Board on strategy formulation, which requires the Bank to manage risks within the Board guidelines for risk appetite. The Committee reviews risk management policy and strategy, and the findings of the Internal Audit Department regarding risk management. Furthermore, it reviews the Bank's risk identification and assessment reports, the risk appetite and tolerance statement, and the Business Contingency Plan, and evaluates the effectiveness of mitigating strategies to address material risks of the Bank. The Risk Management committee has free and unfettered access to senior management, risk and financial control personnel, and other parties (internal and external) in carrying out its duties.

The Chairperson of the Risk Management Committee is independent and is not the Chairperson of the Supervisory Board or any other committees. The Risk Management Committee comprises three members, the majority of which are independent members of the Supervisory Board.

The Risk Management Committee liaises regularly with the CRO and Deputy CRO to ensure the development and on-going maintenance of a risk management system that is effective and proportionate to the nature, scale, and complexity of the risks inherent in the business. The Risk Management Committee invites the CRO and Deputy CRO to attend the meetings of the Committee.

The Risk Management Committee meetings should be held at least quarterly. In case of necessity, additional, out-of-schedule, committee meetings may be summoned extraordinarily.

Throughout 2024, the Risk Management Committee held eleven meetings during which various risk management issues were reviewed and, where appropriate, endorsed for approval by the Supervisory Board. Among others, the Committee agenda included the review and support for the Supervisory Board approval of key risk frameworks and policies, such as the ERM Policy, RAS Framework, ICAAP Framework, Stress Test Framework, Information Risk Management Policy, Liquidity Management Policy, Market Risk Management Policy, and the Risk Management Committee Statute. The Committee also supported the approval of the Risk Appetite Statement with the addition of financial institution limits and the IFRS 9 Impairment Methodology, alongside reviewing the Risk Strategy timeline, Reputational Risk Principles, KRI Framework, and Risk Culture Vision.

In addition, the Committee conducted financial and strategic risk assessments, which included the review of the Financial Institution Rating and Internal Assessment Methodology for Limit Setting, Risk-Based Pricing Tool. The review also extended to key reports and plans, such as the RAS for various quarters, the RHI assessments, the Recovery Plan, and the ICAAP report for Q3 2024. Furthermore, it considered updates on critical areas, including the Business Continuity Plan (BCP) Package, Fraud Risk Management Roadmap, and the Risk Report Framework.

The Committee also oversaw the review and discussion of cybersecurity and IT-related risks, including the IT/IS risk reassessment report (a group project by PWC), the Cybersecurity Audit Report, and the Penetration Test Report, as well as follow-ups on IT/IS overdue findings. Additionally, it facilitated discussions on RAS updates for 2025, including metrics such as KRI and the RAS timeline.

Support was provided for the approval of important statutes and frameworks, such as the Credit Policy, Underwriting Statute, Business Rehabilitation Statute, Risk Management Department Statute, and Recovery Plan. The Committee also reviewed the Stress Test Results, including those for Q3 2024, and provided support for their approval by the Supervisory Board, ensuring comprehensive oversight of risk management across the institution.

| Members as of 31 December 2024 and Committee attendance | | | | |
|---|-----------------------|------------------|---------------------------------------|-----------------|
| Name-Surname | Position | Date of Election | Meetings attended/ eligible to attend | Attendance Rate |
| Ebru Ogan Knottnerus | Committee Chairperson | 31.12.2019 | 11/11 | 100% |
| George Glonti | Committee Member | 31.12.2019 | 11/11 | 100% |
| Kamala Nuriyeva | Committee Member | 12.09.2023 | 11/11 | 100% |

For further information, you can view the Risk Management Committee Statute on the Bank’s website at www.pashabank.ge.

THE BOARD OF DIRECTORS

Day-to-day operational management of the Bank is carried out by full-time executives – members of the Board of Directors. The Bank’s Board of Directors comprises four directors: Chief Executive Officer, Chief Risk Officer, Director of Retail Banking and Chief Financial Officer. The directors are appointed by the Supervisory Board for a fixed term, typically for four- years, with the possibility of renewal at the end of the term. The position and the scope of activity for each member of the Board are determined upon appointment.

Senior management plays an important role in ensuring effective governance and is therefore responsible for effective management consistent with the Supervisory Board policy. All administrators

comply with the requirements of the Corporate Governance Code for Commercial Banks and the existing legislation, including the Regulation on Fit and Proper Criteria for Administrators of Commercial Banks approved by Decree No 50/04 of the Governor of NBG on June 17, 2014.

- According to the Bank’s Charter , the following activities shall be per- formed by the Board of Directors:
- Carry out the Bank’s day-to-day business operations;
 - Take all reasonable measures to have up-to-date information on the financial standing of the Bank and make informed decisions on matters concerning the operation of the Bank; in cooperation with other functional units of the Bank, the Board of Directors shall ensure maintenance of the Bank’s solvency and liquidity, and shall ensure that all measures required for this purpose are taken;
 - Develop corporate strategy, strategic objectives, business plan, annual budget, and submit it to the Supervisory Board for approval;
 - Present to the Supervisory Board and the General Meeting of Shareholders audited financial statements together with Independent Auditors’ Reports;
 - Submit to the Supervisory Board for approval transactions that go beyond the scope of corporate strategy and strategic objectives, business plan and budget (non-standard transactions);
 - Report to the Supervisory Board any performance against the corporate strategy and strategic objectives, business plan and budget;
 - Approve day-to-day operational banking activities, including attraction of borrowings, granting lending and trade finance products, approval of loan restructuring, approval of acquisition and disposal of fixed assets and intangible assets, administrative expenses, cash limits, implementation of equity investments in public companies, and sign respective agreements within the limits of its decision-making and signatory authority as approved by the Supervisory Board in the Decision Making and Signatory Authority Matrix;

- Determine and approve minimum and maximum interest rates to be used for credit recourses and deposits;
- Approve all forms of technical assistance, service, purchase agreements, and know-how;
- Supervise units and/or departments of the Bank, ensuring that the Bank provides proper services to its customers;
- Solve issues of collateral seizure and take other appropriate measures to protect the Bank against losses;
- Ensure the existence of a proper system of risk control in the Bank following the requirements of Georgian legislation;
- Prepare complete and accurate annual, semiannual, and quarterly reports, and other financial information;
- Prepare and submit proposals and draft resolutions, reports, and any other information or documentation requested by or to be presented to the Supervisory Board or the General Meeting of Shareholders;
- Review information provided by internal and external audit of the Bank, the Audit Committee, and any expert and/or advisor engaged by the Bank, as well as reports submitted by managers of the Bank, and make appropriate decisions;
- Approve and amend internal regulatory documents of the Bank except those related to the Supervisory Board privileges;
- Develop and submit for approval to the Supervisory Board internal regulatory documents of the Bank;
- Develop and submit for approval to the Supervisory Board the Code of Ethics, including whistleblowing procedures;
- Develop and submit for approval to the Supervisory Board organizational structure of the Bank;
- Approve structure, size, and composition of the Board of Directors committees, including appointment and removal of committee members; review committee reports;
- Approve job descriptions for managerial positions, work schedules, and collective labor agreements;
- Decide on appointment, dismissal, and remuneration of the Bank employees, except members of the Board of Directors;
- Determine any other matter related to the Bank employees;
- Recommend and submit for approval to the Supervisory Board bonus pool for the Bank employees, except bonus amounts to be disbursed to front-office function;
- Approve disbursement of bonus amount to front-office function;
- Monitor compliance with legislation, internal normative documentation, and implementation of resolutions of the General Meeting of Shareholders and the Supervisory Board;

•Execute and implement resolutions issued by the Supervisory Board and the General Meeting of Shareholders;

•Perform any other duties imposed by the Supervisory Board and the General Meeting of Shareholders. The Board of Directors is led by the Chairman of the Board of Directors, who simultaneously serves as the CEO of PASHA Bank. Decisions of the Board of Directors are made by a simple majority of votes. Nomination Process

Nomination Process

The Supervisory Board is responsible for developing and presenting for approval to the General Meeting of Shareholders a formal, rigorous, and transparent procedure for the appointment of directors. The procedure for identifying candidates shall be transparent, so that shareholders are able to see what type of person the Bank is looking for and why a particular individual is appointed. The Supervisory Board is responsible for the search of new members of the Board of Directors. The Chairman of the Supervisory Board interview the candidate before his/her appointment is recommended to the Supervisory Board for approval.

The HR and Remuneration Expert group is responsible for considering succession planning for the directors, conducting an annual review of succession planning, and proposing changes to the process as necessary. The Board of Directors membership criteria and appointment process are regulated by the Bank's Standard on Appointment of Administrators. The process for appointing the Bank's director corresponds to banking regulations and follows criteria and limitations similar to those established for members of the Board of Directors.

MEMBERS OF THE BOARD OF DIRECTORS



RAMIL IMAMOV

Chairman of the Board of Directors, CEO of PASHA Bank Georgia

Mr. Ramil Imamov was appointed as the Chief Executive Officer and Chairman of the Board of Directors of PASHA Bank Georgia starting in October 2023.

Experience

His career began at Bank of Baku OJSC, starting as a Specialist in the Micro Finance and Mortgage Section and later as a Branch Manager at Bank Respublika OJSC, where he managed sales and ensured service quality. In 2014, he joined Kapital Bank OJSC as the Director of the Branch Network Management Department, overseeing retail operations. In 2018, Mr. Imamov assumed the role of Chief Retail Sales Officer at Kapital Bank OJSC. He successfully managed multiple departments and led sales strategies.

Education

Ramil Imamov is an accomplished banking professional with a strong track record. He holds both a Bachelor's and master's Degrees in Economic Regulation from Azerbaijan State Economic University.



PARVIN MAMMADOV

Member of Board of directors, CFO

Mr. Parvin Mammadov joined PASHA Bank Georgia in October 2023 as board of directors and the Chief Financial Officer.

Experience

Mr. Parvin Mammadov in his career worked in Rabita Bank OJSC and in KredAgro NBCO, Baku.

From April 2012 Mr. Parvin Mammadov continued his career as Finance Director of Kapital Bank, Baku.

Education

Mr. Parvin Mammadov graduated from Economics 9 Eylul University, Turkey, with the bachelor's degree in business administration in 2009.

Mr. Parvin Mammadov graduated Master of Business Administration: MBA UNEC - Baku, Azerbaijan



LEVAN ALADASHVILI

Member of the Board of Directors, Chief Risk Officer

Experience

He began his professional career at ProCredit Bank Georgia. Between the years 2006- 2015, he worked for VTB Bank Georgia in Corporate Banking and Credit Risk Departments.

From 2015 Levan Aladashvili continued his professional career as Head of Credit Risks Department at PASHA Bank Georgia. In 2019 Mr. Aladashvili was appointed on the position of Deputy Chief Risk Officer.

Education

Levan Aladashvili graduated from Tbilisi Technical University and obtained his Bachelor's degree in Banking in 2005. He has participated in numerous professional trainings in the areas of risk assessment, risk management, and financial analysis.

Since May 17, 2021, Levan Aladashvili has held the position of Chief Risk Officer and Member of the Board of Directors at JSC PASHA Bank Georgia.



ANZOR MANTSKAVA

Member of the Board of Directors, Director of Retail Banking

Experience

Anzor's 20-year career has been mainly in the financial sector. In 2003, he began working as an audit consultant at UBC International. In 2005, he joined Pricewaterhouse- Coopers as a financial auditor. In 2006, he took the position of head of the internal audit department at JSC TBC Bank. In 2012, he took over the Department of Customer Experience and Business Process Management at TBC Bank. In 2014, he headed the Operational Risk Management and Information Security Department at TBC Bank.

In 2015, Anzor went to the UK to study at Warwick Business School. As part of his project and thesis, he analyzed and wrote a social media strategy for Nationwide Building Society, the largest British mortgage issuing organization.

In 2016, Anzor returned to Georgia and assumed the position of director of TBC Pay. He and his team significantly increased the company's operations and profitability. He then joined the Anaklia Development Consortium as Operations Director. In this role, he worked with various financial institutions and construction companies on project-related issues.

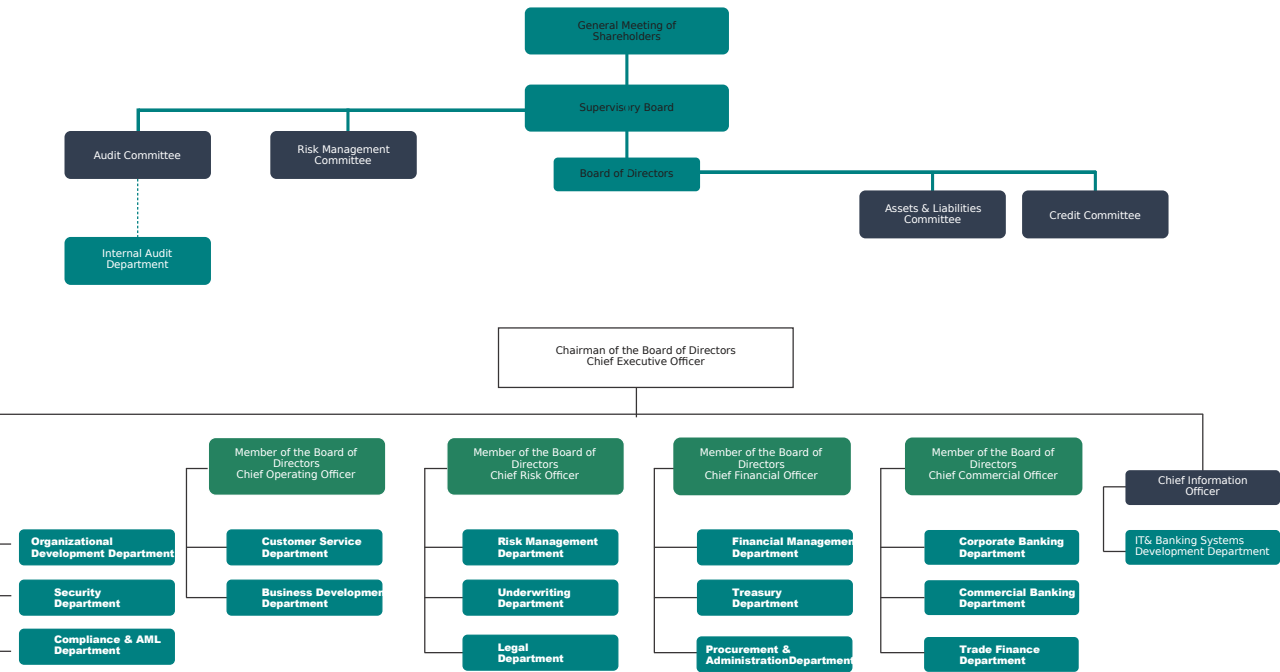
Anzor was also engaged in various consulting activities with construction companies in Georgia. These activities mainly concerned the improvement of corporate governance in organizations.

Since 2021, he has headed the e-commerce platform extra.ge. In 2023, Anzor Mantskava joined JSC Pasha Bank as a member of the board of directors and head of retail business.

Education

In 2004, Anzor Mantskava received a bachelor's degree in accounting, Control, and Audit from the Tbilisi State University Faculty of Economics. He also earned a Master of Business Administration from Warwick Business School in 2016.

The reporting line to the members of the Board of Directors is shown in the chart below:



The Bank has a well-defined organizational structure, which ensures the allocation of responsibilities, effective identification of risks, management/monitoring and reporting procedures, adequate internal control mechanisms, including robust administrative and accounting procedures, effective IT systems and controls for risk management, and remuneration policies/procedures.

COMMITTEES OF THE BOARD OF DIRECTORS

According to the Corporate Governance Policy, the Board of Directors may establish standing and/or ad hoc committees, which shall have the obligation to fulfil duties determined by the latter. The Board of Directors approves committee statutes, committee size and composition, including appointment and removal of committee members.

The Board of Directors shall be collectively responsible for decisions made and activities implemented by the committees. The committees shall only exercise powers that are explicitly attributed or delegated to them and their actions as a whole shall not exceed the powers of the Board of Directors. Periodically, the Board of Directors shall receive a report from each committee regarding its deliberations and findings.

There are currently three committees supporting the Board of Directors:

Credit Committee

The committee was established to assist the Board of Directors in discharging its duties and responsibilities in specific areas of business activities. The committee monitors credit risk-related issues, approves individual or group credits, or other credit products within delegated authority, issues recommendations regarding

individual or group credit exposures, issues recommendations regarding credit risk management, monitors loan portfolios, trade finance portfolios, investment portfolios and collateral portfolio, manages problem loans, and ensures the adequacy of loan loss allowance.

The committee has a statute that regulates its activities and contains provisions on the scope of authority, competencies, composition, working procedures, rights and responsibilities.

Assets and Liabilities Committee

The committee was established to assist the Board of Directors in discharging its duties and responsibilities in specific areas of business activities. The committee works to implement practices for managing the Bank's assets and liabilities in terms of interest rate risks, liquidity risks and market risks. The assets and liabilities management of the Bank is based on policies, guidelines on risk appetite, revenue targets and rates of return, as well as risk management. The covered areas include capital ratios, liquidity, asset mix, rate settings for loans and deposits, and investment guidelines for the banking portfolio. The key objectives of the committee include maintaining liquidity positions, capital ratios at the planned minimum, and ensuring the safety of the deposit base, maintaining the asset and liability mix generating a satisfactory revenue stream to satisfy profitability targets.

The committee has a statute that regulates its activities and contains provisions on the scope of authority, competencies, composition, working procedures, rights and responsibilities.

It Committee

The IT Committee was established to assist the Board of Directors in fulfilling its responsibilities regarding the Bank's information technology and security. The committee works to develop and implement strategies for IT growth, evaluate IT projects, monitor their progress, and address issues impacting IT operations. It ensures the reliability, fail-safety, and security of IT systems, as well as the development of relevant IT and information security policies. The committee regularly reviews the Bank's IT strategy and ensures that IT initiatives align with business goals and regulatory requirements. Its key objectives include maintaining operational stability, protecting data, and supporting the Bank's strategic use of technology.

The committee has a statute that regulates its activities and contains provisions on the scope of authority, competencies, composition, working procedures, rights and responsibilities.

INTERNAL AUDIT DEPARTMENT

The Internal Audit Department of JSC PASHA Bank Georgia is responsible for providing a regular, independent, objective audit of the Bank's risk management, internal control, and corporate governance processes. The main objective of the Department is to add value and ensure the improvement of the Bank operations

The Internal Audit Department is independent of the Bank's management and is reportable directly to the Audit Committee.

The Internal Audit Department Statute describes matters related to the Department's purpose, rights and duties, scope of activities, reporting, and independence. The Internal Audit Policies and Procedures Manual defines a set of comprehensive policies, methodology, procedures, and guidance for performing risk based and value-added audits.

The Annual Audit Plan, which is based on a documented risk assessment, is reviewed and approved by the Audit Committee. Audit findings are communicated to the Audit Committee. The department's budget and compensation are determined by the Supervisory Board based on the proposal of the Audit Committee.

The Head of the Internal Audit Department is appointed by the Bank's Supervisory Board based on the nomination and consent of the Audit Committee. All other employees are appointed by the Head of the Department in agreement with the Audit Committee.

REMUNERATION POLICY FOR DIRECTORS

On March 16, 2022, the General Meeting of Shareholders approved the updated Remuneration Policy for Material Risk Takers (the "Policy"). The Policy establishes guiding principles for decisions concerning remuneration of the Bank's Material Risk Takers, including Board of Directors and Supervisory Board members that ensure fair, risk-based, aligned to corporate culture, competitive, and appropriate remuneration for the market in which the Bank operates. The Policy ensures that the remuneration is appropriate to attract, motivate, retain, and fairly reward Material risk-takers of the Bank and is consistent with the Corporate Governance Code for Commercial Banks approved by Decree No 215/04 by the Governor of the National Bank of Georgia.

Principles Of Remuneration For Supervisory Board (SB) Members

Concerning the remuneration of Supervisory Board members, the Policy adopts the following principles:

- SB members of the Bank shall be remunerated only in the form of fixed remuneration.
- SB members shall not be provided with performance-based remuneration bonuses.
- Remuneration may be different for resident and non-resident SB members. In addition to fixed remuneration, SB members may receive additional remuneration if the member is the Chairman of SB, the Deputy Chairman of SB, a member of the Committee of SB, or the Chairman of SB Committee. The difference between the highest annual (including additional remuneration) and the lowest annual remuneration of the members of SB should not be more than 30% of the lowest remuneration of the SB members.

- Each SB member shall be reimbursed for all reasonable expenses (travel expenses, travel insurance, accommodation, etc.) incurred in connection with their attendance at SB or other meetings of the governing bodies, due to the fact that SB and other meetings of the governing bodies can be held on the territory of Georgia or abroad.

- Each SB member, in performing his/her duties as member of SB or other governing body, has statutory right to request independent consultancy services, and costs of such services provided to SB members shall be reimbursed by the Bank.

- The Bank is prohibited from concluding any type of consultancy agreements with SB members and paying additionally for services provided to the Bank in order not to prejudice the independence of SB members.

Principles of Remuneration for Members of the Board of Directors (Directors)

Concerning the remuneration of Directors, the Policy adopts the following principles:

- Director's remuneration shall consist of fixed and performance-based variable remuneration and other benefits.
- Directors are eligible for an annual bonus pool provided that they meet their performance KPIs.
- The Bank's remuneration system should not jeopardize its standing in terms of compliance with regulatory capital requirements. If such material risk persists, consideration should be given to refraining from payment of variable remuneration to directors.
- The annual amount of performance-based variable remuneration for each executive director should not exceed 100% of the amount of his/her fixed annual remuneration with any reasonable exception approved by the General Meeting of Shareholders, but only to a maximum limit of 200%.
- Deferral Principle - At least 40% of variable remuneration or - where variable remuneration of MRTs is material (exceeds 100% of fixed remuneration and/or exceeds 500,000 GEL or its equivalent) - respectively 60% of the variable remuneration shall be deferred over a period of at least 3 (three) years. Deviation from this requirement is allowed if the annual variable remuneration of the person is non-material (does not exceed 20% of the annual fixed remuneration).
- The deferred remuneration may be paid and/or vested fully at the end of the deferral period or proportionally distributed in equal annual installments through the deferral period. In the case of proportionate payments, the first installment of the deferred variable remuneration may be paid no earlier than one year from the beginning of the deferral period, and subsequent payments should not be made more often than once in 12 months.

When deciding regarding base remuneration for an executive director, the Supervisory Board shall consider responsibilities, country-specific remuneration benchmarks, residency, and active legislation.

Variable remuneration might become subject to claw back and malus arrangements. Remuneration can be adjusted (reduced or reversed) taking into consideration the

realized risks of the Bank before or at the time of vesting. Remuneration can be adjusted (reduced or reversed) after vesting, due to misreporting, or failure to comply with internal policies or other legal requirements, or for other breaches as defined by the Bank. Early termination of employment agreement with an executive director shall not be the basis for change of deferral period or cause any remuneration adjustments unless there are other reasons for adjusting variable remuneration.

In case of resignation of an executive director, the Supervisory Board should assess the reason for resignation to remunerate the executive director for performance and not reward him/her for failure.

Risks associated with remuneration affect every aspect of the Bank’s business, including financial performance, culture, operations, reputation, and governance. To mitigate these risks the Supervisory Board has been committed to maintaining a remuneration system that ensures strategy alignment, is based on a clear performance matrix, and is appropriately governed.

Bonus eligibility

Based on the approved methodology, the Bank’s Board of Directors is eligible for annual bonuses on the condition that 75% of the budgeted net profit target is realized. Any exceptions are approved by the Bank’s Supervisory Board. The gross bonus amount is calculated based on the following KPIs and their respective weights:

| | KPI | Weight |
|---|------------------|--------|
| 1 | Behavioral KPI | 10% |
| 2 | Performance KPIs | 90% |

Behavioral KPIs

Behavioral KPI is a 360-degree assessment of emotional and social intelligence of the Board of Directors and examines the members’ capacity for recognizing their feelings and those of others, motivating themselves, and managing emotions effectively in themselves and others. It describes behaviors that sustain people in challenging roles, or as their careers become more demanding, and captures qualities that help people deal effectively with change.

Performance KPIs 2024

| |
|---|
| Return on average equity (ROAE) |
| Cost to income ratio (COI) |
| Nonperforming loans rate (NPL) |
| Business portfolio amount |
| Number of open overdue high-risk audit findings |

Bonus calculation

Each member of the Board of Directors is entitled to a base bonus adjusted depending on the performance, assessed through the KPIs above.

The base bonus is either equal to a % of net profit or a multiple of the Board of Directors member’s monthly gross salary.

The adjustment to the base bonus is calculated based on the following table:

| Level of achievement | Score of achievement | Adjustment to Base bonus in % |
|------------------------------|----------------------|-------------------------------|
| Exceed expectations | 4.26-5.00 | 110 |
| Meet expectations | 3.00-4.25 | 100 |
| Almost as expected | 2.76-2.99 | 80 |
| Below expectations | 1.75-2.75 | 60 |
| Extremely below expectations | 0.00-1.74 | 40 |

| Remuneration awarded during the reporting period | | | | |
|--|--|--------------------|-------------------|----------------------------|
| | | Board of Directors | Supervisory Board | Other material risk-takers |
| Fixed remuneration | Number of employees | | | |
| | Total fixed remuneration (3+5+7) | 1,668,781 | 354,290 | 2,091,286 |
| | Of which cash-based | 1,427,281 | 354,290 | 1,958,630 |
| | Of which: deferred | | | |
| | Of which: shares or other share-linked instruments | | | |
| | Of which deferred | | | |
| | Of which other forms | 241,499 | | 132,656 |
| | Of which deferred | | | |
| Variable remuneration | Number of employees | | | |
| | Total variable remuneration (11+13+15) | 760,518 | 0 | 926,619 |
| | Of which cash-based | 658,352 | | 831,959 |
| | Of which: deferred | 204,243 | | 294,619 |
| | Of which shares or other share-linked instruments | | | |
| | Of which deferred | | | |
| | Of which other forms | 102,166 | | 94,660 |
| | Of which deferred | | | |
| Total remuneration | | 2,429,299 | 354,290 | 3,017,905 |

SCHEDULE OF MATTERS RESERVED FOR THE BOARD
DECISION

| Duties and Responsibilities | | Quorum Required |
|-----------------------------|---|-----------------|
| 1. | Strategic supervision and control of the Bank; | N/A |
| 2. | Approval of the corporate strategy and strategic objectives, review of delivery of the strategy and performance against strategic objectives and operational plans; | simple majority |
| 3. | Approval of the business plan, review of the delivery of the performance against the business plan; | simple majority |
| 4. | Approval of the annual budget, review of delivery of performance against the annual budget; | simple majority |
| 5. | Initiation of new banking/commercial activities and termination or suspension of existing activities; | simple majority |
| 6. | Establishment and liquidation of new enterprises, and branches; | simple majority |
| 7. | Acquisition and disposal of shares in other companies; | simple majority |
| 8. | Approval of the organizational structure; | simple majority |
| 9. | Approval of the Code of Ethics and whistleblowing procedures; | simple majority |
| 10. | Rendering resolutions for implementation of the decision of the General Meeting of Shareholders on admission of the Bank's shares and other securities to the stock market; | simple majority |
| 11. | Declaring an interim dividend and recommending a final dividend; | simple majority |
| 12. | Redemption of shares by the Bank as provided under the Georgian legislation; | simple majority |
| 13. | Perform strategic supervision of risk management activities; | N/A |
| 14. | Approval of the risk appetite statement, conducting annual reviews; | simple majority |
| 15. | Approval of the business continuity plan; | simple majority |
| 16. | Authorization for conflicts or possible conflicts of interest and related party transactions; | simple majority |
| 16.1. | Transactions with related legal entities; | simple majority |
| 16.2. | Transactions with related persons; | simple majority |
| 16.3. | Agreements with related legal entities; | simple majority |
| 16.4. | Approval of cash-covered credit products (including trade finance products) to the related party; | simple majority |
| 17. | Approval of policies, standards and procedures with respect to conflicts of interest and related party transactions; | simple majority |
| 18. | Approval of structure, size and composition of the Board of Directors, including appointments and dismissal of its members; | simple majority |
| 19. | Determining rights and obligations of members of the Board of Directors, monitoring and supervising their activities, requesting reports from the Board of Directors; | simple majority |

| | | |
|-----|--|-----------------|
| 20. | Approval of succession policy and succession planning for members of the Board of Directors; | simple majority |
| 21. | Conclude the labor agreements and determine remuneration packages for members of the Board of Directors; | simple majority |
| 22. | Approval of the regulatory framework for determining bonuses and/or additional benefits for employees, including for members of the Board of Directors of the Bank; | simple majority |
| 23. | Approval of structure, size and composition of the Supervisory Board committees, including appointments and removals of the Supervisory Board committee members; reviewing reports of the Supervisory Board committees; | simple majority |
| 24. | Election of the external auditors; | simple majority |
| 25. | Appointment and dismissal of trade representatives (procurators); | simple majority |
| 26. | Appointment and dismissal of the Corporate Secretary; | simple majority |
| 27. | Attraction of borrowings by the Bank; | simple majority |
| 28. | Securing borrowings or any other liabilities of the Bank or any third party, if they fall outside the scope of the regular economic activities of the Bank; | simple majority |
| 29. | Granting lending and trade finance products (by amount; by maturity); | simple majority |
| 30. | Sale of credit asset, disregard of its amount, if: It is a collective sale (sale of more than one credit asset at once) of credit assets; The Bank will receive loss from the sale of credit asset, and the sale is above the decision-making limits of the Board of Directors; | simple majority |
| 31. | Approval of loan restructuring; | simple majority |
| 32. | Approval of loan write-off; | simple majority |
| 33. | Approval of acquisition and disposal of fixed assets and intangible assets; | simple majority |
| 34. | Approval of issuance of bonds; | simple majority |
| 35. | Approval of administrative expenses; | simple majority |
| 36. | Approval of cash limits; | simple majority |
| 37. | Implementation of equity investments in public companies; | simple majority |
| 38. | Implementation of any equity investments in private companies; | simple majority |
| 39. | Approval and amendment of the Bank's statute, framework and policy type of documents; | simple majority |
| 40. | Determining and approving the terms and conditions to be used with regard to credit recourses and deposits to the Bank's employees; | simple majority |
| 41. | Convening General Meetings, if deemed necessary for the interests of the Bank; | simple majority |
| 42. | Supervision and representation of the Bank in case of conflict between the members of the Board of Directors; | simple majority |
| 43. | Based on the decision of the General Meeting, procession of legal dispute against members of the Board of Directors on behalf of the Bank, submission of a claim against members of the Board of Directors without the decision of the General Meeting if the issue is related to the responsibility of members of the Board of Directors; | simple majority |
| 44. | Supervising implementation of measures in accordance with results of examinations carried out by the External and Internal Audits, as well as the National Bank of Georgia; | simple majority |
| 45. | Making a decision on such issues that are beyond the scope of the Board of Directors' powers; | simple majority |
| 46. | Perform any other duties as required by the General Meeting. | simple majority |

RISK AND CONTROLS

The Bank is committed to developing sound, effective, and complete risk management strategies and processes in order to assess and maintain, on an ongoing basis, the amount, type, and distribution of internal capital that the Bank considers adequate to cover the nature and level of risks to which it is or might be exposed.

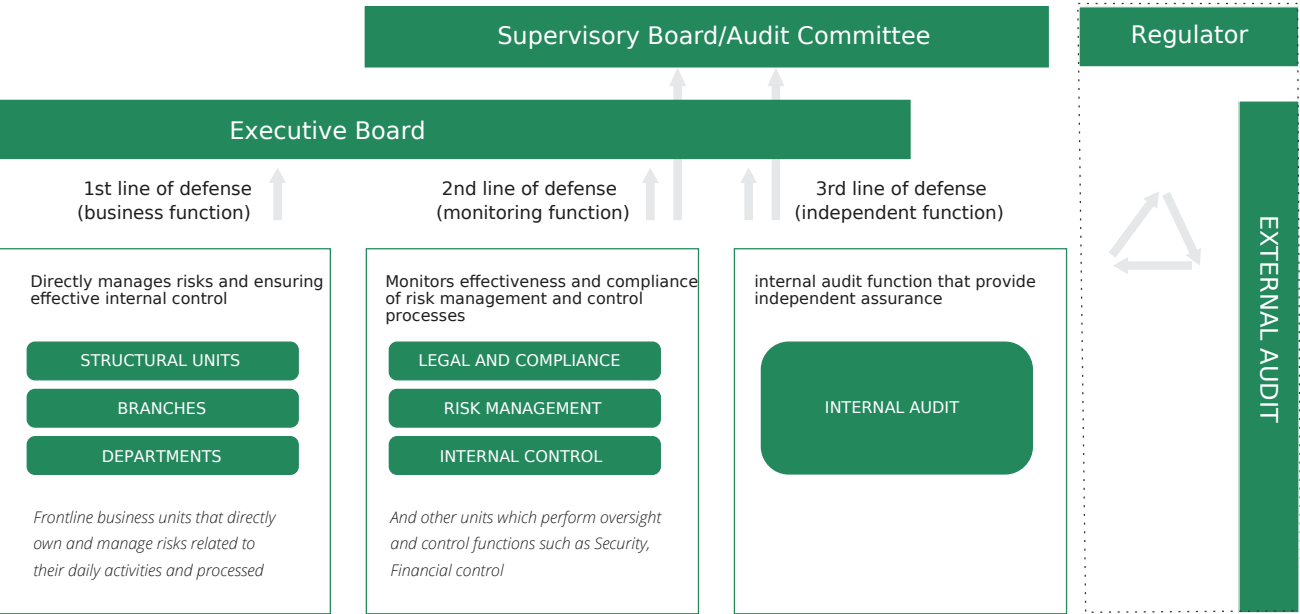
Strategies and processes are subject to regular internal review to ensure that they remain comprehensive and proportionate to the nature, scale, and complexity of the Bank’s activities. Risk management helps to identify, assess, and manage risks stemming from the Bank’s strategy.

The most significant cause of value destruction is an incompatibility between a strategy and the Bank’s mission and vision, and implications of such strategy. Risk management enhances strategy selection. Choosing a strategy calls for a structured decision-making that analyses risks and aligns resources with the Bank’s mission and vision. Risk management strategy supports the Bank’s mission and vision and eliminates the possibility that the Bank may not realize its mission and vision, or may compromise its values, even if a strategy is successfully carried out.

Risk management considers the possibility that a strategy, or implications thereof, is not aligned with the Bank’s mission and vision. The Supervisory Board and the Board of Directors determine if a strategy works in tandem with the Bank’s risk appetite, how it will help drive the Bank to set objectives, and ultimately, to allocate resources efficiently.

Risk management strategy is derived from business strategy. All factors of business strategy are taken into account for the purpose of risk profile analysis. The Bank manages risks following the Three Lines of Defense model, which provides an effective way to enhance communication on risk management and control by clarifying essential roles and duties. The Three Lines of Defense model enhances clarity regarding risks and controls and helps to improve the effectiveness of risk management systems. The Three Lines of Defense model distinguishes between three groups (or lines) involved in effective risk management:

- Business Function – Functions that own and manage risks;
- Monitoring Function - Functions that oversee risks;
- Independent Function - Functions that provide independent assurance



The first line of defense refers to business units, directly involved in carrying out day-to-day business activities. They are risk owners and are responsible for identifying, managing, mitigating, analyzing and reporting on risks within their respective business units. It works collaboratively with the second line to address improvements required to enhance controls and mitigate risks.

Second line of defense – refers to business units, who provides oversight and guidance to the first line of defense in implementing effective risk management practices. It mainly ensures effectiveness and compliance of risk management and control processes across the organization.

Third line of defense – refers to an independent internal audit function, which evaluates the first and second lines of defense by conducting general or risk-based audits on effectiveness of risk management and internal control processes as well as on overall governance policy and provides assurance to the Supervisory Board that the overall governance policy, including the risk governance policy, is effective and that policies and processes are in place and consistently applied.

Effective communication between the three lines of defense is crucial for a successful and comprehensive risk management process within the Bank. Each line of defense plays a distinct role in managing risks, and efficient flow of risk related through cohesive communication between them, leading to better risk identification, assessment, and mitigation.

Main roles and responsibilities for key stakeholders in the Bank’s Risk Management Process are as follows:

SUPERVISORY BOARD

- Approve the Bank’s risk appetite statement and risk management policies;
- Perform risk oversight to incorporate consideration of risk in strategic decision-making and to address risk interactions across business units

RISK MANAGEMENT COMMITTEE

- Review risk management policies and risk appetite statement;
- Accept risk assessments, issue directives for risk treatment to maintain risk levels within the de- fined tolerance thresholds, and accept risk treatment options;
- Ensure that appropriate processes and capabilities are in place to identify, assess, measure, manage, monitor, and report risks.

BOARD OF DIRECTORS

- Assume overall responsibility and accountability for risk management function;
- Ensure a proper balance between risk and return, consistent with the Bank’s risk appetite;
- Make available the necessary resources to meet risk management objectives and targets;
- Ensure development, implementation, and maintenance of the Business Continuity Plan, ensuring its effectiveness in mitigating potential disruptions and safeguarding the Bank’s operations, assets, and stakeholder interests;

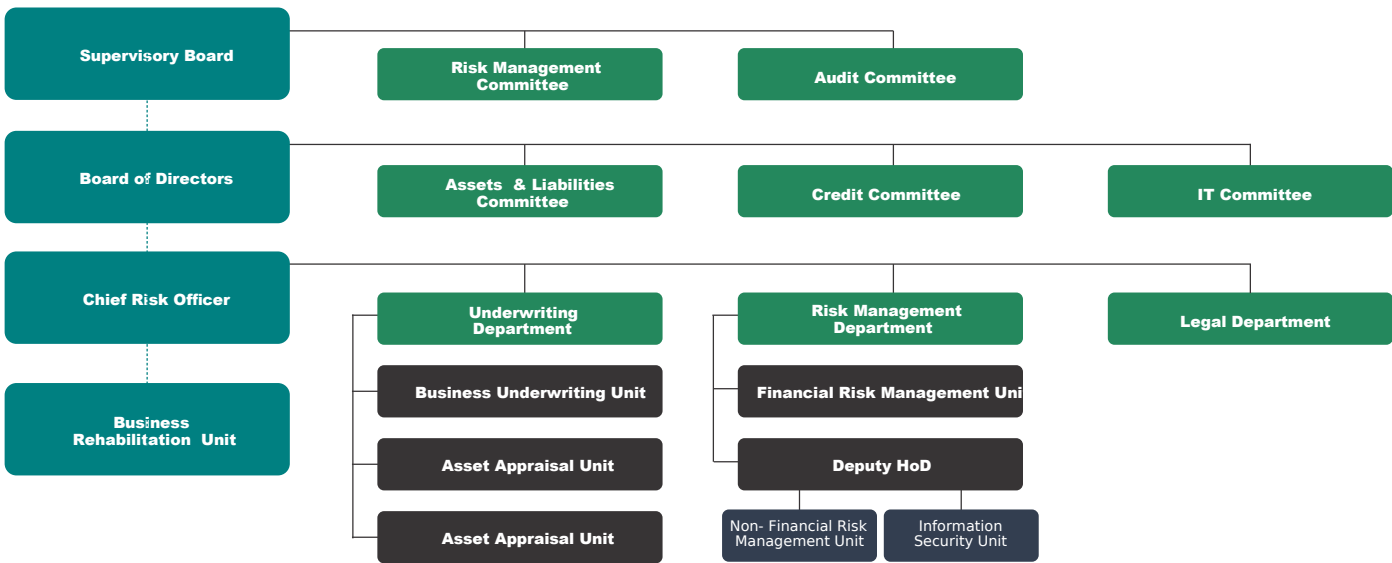
- Ensure development, implementation, and maintenance of the Recovery Plan of the Bank, ensuring its effectiveness in restoring the Bank’s operations and financial stability during periods of severe stress or disruption.
- Establish, oversee, and promote a strong risk culture within the Bank;
- Coordinate the identification, assessment, and management of ESG risks, ensuring the Bank’s strategy aligns with sustainability, ethical practices, and regulatory compliance.
- Ensure risk management principles are integrated into the Bank strategy, operations, and decision-making processes at all levels;
- Maintain commitment to improving risk management performance.

RISK FUNCTION

- Develop, implement, and administer Risk Management (RM) program. This entails developing and maintaining RM policies, identifying key risks to be reported at the corporate level, coordinating risk management processes and procedures, tools, and information systems, risk analysis and risk treatment with risk own- ers, calculating an overall integrated risk portfolio, reporting on corporate risks and the risk portfolio to the Risk Management Committee, monitoring adherence to the risk management program, and improving risk management capability of the enterprise through communication and training;
- Establish RM communication at all levels. Gather data and develop risk reports for the RM Committee and others as directed by the RM Committee;
- Provide professional advice on RM. Provide advice and direction on current and evolving RM practices, make recommendations, and implement mandated improvements;
- Analyze RM metrics and report performance. Quantify and prioritize risks, validate decision-making analytics, assumptions and methodologies, report risks and ensure that information presented for decision-making and reporting is complete and correct;
- Deploy and maintain quantitative tools and models that assist in estimating the likelihood and severity of risk events such as an event tree model;
- Facilitate identification, measurement, monitoring, and reporting of risks;
- Design/revise the Risk Appetite Statement (RAS) in accordance with the Group RAS;

- Cascade the RAS down to different levels in the organization (i.e. define the “playing field” for units);
- Continuously review/report limit status/breaches and take proactive measures to avoid RAS breaches;
- In case of RAS breaches, propose and execute a mitigation plan;
- Ensure that incentives across the Bank are in line with the RAS;
- Ensure alignment of risk appetite, strategy, and capital allocation in the Bank (including budgeting and business planning cycles);
- Assess risk culture at different levels of the Bank;
- Ensure establishment and maintenance of robust security policies, controls, and procedures to protect the Bank’s information assets, ensuring compliance with relevant regulations and safeguarding against cyber threats.
- Ensure continuously monitoring, assessing, and mitigating risks related to information security, ensuring that the Bank's data and systems are protected from unauthorized access, breaches, or disruptions, in line with industry best practices.

Organizational Structure of Risk Management:



RISK APPETITE

The process of setting Risk Appetite seeks to enhance risk management capabilities of the Bank to ensure a better alignment of risk-taking with strategic objectives. Risk appetite objectives define the level of risk that the Bank is willing to accept, provide opportunities for maximization of value within boundaries, establish systematic control of risks, and enable timely mitigation.

RAS resides at the heart of an effective risk management program and is linked to the Bank’s overall risk management philosophy and strategic ambition. The objective of developing a clearly articulated RAS is to explicitly define the level and nature of risks that the Bank is willing to take in order to pursue its stated mission on behalf of its shareholders, which is subject to constraints imposed by shareholders, debt holders, regulator, and other stakeholders.

With an RAS in place, the Bank can define specific tolerances around its performance, and in doing so link its risk management to the overall management processes. General principles of risk taking and risk management established by the Bank are as follows:

- Prudent risk-taking with comprehensive risk assessment and control environment;
- Application of best practices in line with the complexity and size of the Bank;
- Direct risk management considerations into business planning and project development activities;
- Compliance with the requirements of NBG and guidelines from the Bank’s shareholders.
- The general principles of risk-taking have to be reflected in all rules and policies and applied consistently throughout the Bank.

Risk Appetite Framework (RAF), provides a comprehensive and structured approach of how risk appetite statement is established, communicated, and monitored. It emphasizes the importance of policies, processes, controls, and systems that facilitate the implementation of Risk Appetite Statement (RAS).

RAF encompasses the risk appetite statement, which includes risk metrics addressing the material risks to which the bank is exposed, along with corresponding limits. Furthermore, RAF outlines clear roles and responsibilities for overseeing the implementation and ongoing monitoring of both RAS and broader RAF.

RAS includes metrics related to capital management, such as the Capital Adequacy Ratio, to ensure that the bank maintains an adequate buffer to mitigate potential losses. RAS metrics are divided into groups (capital, liquidity risk, credit risk, market risk, operational risk, compliance risk) and sub-group (e.g. credit risk into quality, concentration, financial institutions).

- Capital/solvency – the Bank will operate with a sufficient and comfortable capital base, not only to fulfill regulatory requirements, but also to protect the Bank from potential shocks without hindering its growth potential. The Bank will regularly run stress tests to ensure the adequacy of its capital remains.

- Liquidity – the Bank will ensure abundant levels of liquidity to survive severe short-term and medium-term market-wide liquidity stress event and to promote diversified and stable funding sources.
- Credit risk – the Bank aims to keep a well-diversified loan portfolio that delivers positive net income at a consolidated level even during severe but realistic stress events. To do so, the Bank maintains consistent underwriting standards depending on its risk appetite; the Bank applies appropriate concentration limits and runs tight monitoring systems.
- Market risk – the Bank will ensure VaR is sufficiently covered by the capital including the VaR under stress scenarios.
- Operational Risk – The Bank assesses its ability to withstand and recover from disruptive events. Metrics will be established to evaluate resilience, ensuring critical operations remain functional under stress
- Compliance risk – The Bank will ensure full compliance with all applicable laws, regulations, and internal policies to mitigate the risk of legal or regulatory sanctions.
-

RISK MANAGEMENT AND CAPITAL ALLOCATION

Bank has internally developed capital adequacy assessment process ICAAP Framework. The ICAAP is designed to provide a holistic understanding of the bank's ability to withstand various risks and adverse scenarios, ensuring the maintenance of sound capital level. Any material changes in the Bank’s strategy, business plan, operating environment, or other factors that impact the assumptions or methodologies used in the ICAAP must be identified and incorporated into the ICAAP.

CREDIT RISK

Credit risk refers to a threat of losses that impacts the Bank’s profitability and capital position and arises from non-performance of contractual obligations by counterparties.

The Credit Policy, Credit Standard and IFRS 9 Impairment Methodology of the Bank regulate lending process and contain credit risk management principles and actions to mitigate risks inherent in lending activities.

The primary objectives of the Credit Policy are to:

- Define basic principles of planning and organizing credit activities and building desired loan portfolio
- Ensure safe and efficient allocation of the Bank’s capital and funds

In all cases of risk-taking, the creditworthiness of the customer is to be assessed and monitored during the lifetime of credit exposure according to the Credit Policy. Portfolio quality reports are regularly presented to the Board of Directors.

The capital requirement for credit risk is calculated by the Bank under Basel III requirements based on a standardized approach in compliance with the Regulation of the National Bank of Georgia on Capital Adequacy Requirements for Commercial Banks. To recognize allowance for expected credit losses for all financial assets not held at fair value through profit and loss, the Bank applies the provisions of IFRS 9. Although the Bank considers credit risk as the most material and most important risk type, currently, due to the lack of data, using advanced methodologies for calculation of the credit risk capital requirement would be an excessive exercise for the Bank. The Bank uses internal Moody's based methodology and external rating providers for credit risk assessment, such as Moody's, Fitch, and S&P.

Foreign Exchange Induced Credit Risk

Foreign Exchange Induced Credit Risk arises from fluctuations in foreign currency exchange rates that can negatively impact a customer's creditworthiness. To manage this risk, an individual assessment of customers is conducted alongside transaction-level stress testing, in accordance with the Stress Testing Framework.

This risk is also integrated into the capital adequacy requirement by incorporating a Currency-Induced Credit Risk (CICR) buffer for unhedged foreign currency-denominated exposures

Counterparty Risk

Counterparty risk is a subset of credit risk and is mainly estimated for credit derivatives (i.e. futures, forwards, swaps, options, and other off-balance sheet liabilities originating from other similar contracts), according to CAR, Article 50. Counterparty risk is a risk

that counterparty to a transaction would default before the final settlement of the transaction's cash flows. The Bank operates a counterparty limit system for treasury deals with the Bank's partners (banks, financial institutions) as defined by the Board of Directors. Limits are reviewed at least on an annual basis and in cases when relevant information about the counterparty is identified. Counterparty risk is accounted for in the capital requirement estimation under Pillar 1 in the pool of risk-weighted assets as part of exposures weighted based on their credit risk as defined by NBG.

Country Risk

Country risk refers to potential losses that may be generated by an (economic, political, etc.) event that occurs in a specific country, where the event can be controlled by that country (government) but not by the lender/investor. Due to the business strategy of the Bank (serving companies of certain neighboring countries, i.e. Azerbaijan, Turkey) with trade finance and other services, the Bank is exposed to country risk. The Bank's ICAAP defines country risk, although historically it has not been sufficiently material to require additional capital.

Operational Risk

Operational risk is defined as the Bank's exposure to potential losses that may impact its profitability and capital position. Operational risk may derive from inadequate internal processes or systems, external events, inadequate employee performance or from a breach of, or non-compliance with, statutory provisions, contracts, and internal regulations. Operational risk includes legal risk but excludes reputational and strategic risk.

The objective of operational risk management is to find the extent of the Bank's operational risk exposure, understand its drivers, allocate capital, and identify trends internally and externally that would help in predicting it.

It is vital for the Bank to try to prevent fraud, maintain the integrity of internal control, and reduce errors in transactions. For this purpose, the Bank has implemented Fraud Risk Management Program (FRMP). The primary purpose of the Program is to develop corporate culture and to create an environment that inhibits the fraud.

Internal control is usually embedded in the Bank's day-to-day activities and is designed to ensure, to the extent possible, that the Bank's activities are efficient and effective, information is reliable, timely and complete, and the Bank is compliant with the applicable laws and regulations. Failure to understand and manage operational risk may increase the likelihood that some risks will go unrecognized and uncontrolled. The Bank conducts adequate operational risk assessment procedures before it launches any new product, activity, process or system, as well as before it outsources core banking- and IT system- related activities. Furthermore, the Bank mitigates operational risks by following strict rules for the assignment of duties and responsibilities among and within the functions, and a system of internal control and supervision. The Bank has in place Enterprise Risk Management Framework, Operational Risk Management Policy, Operational Risk Management Procedure, Operational Risk Assessment Methodology and Fraud Management Policy. The Bank uses tools for operational risk identification and assessment, such as Data Loss Collection, Audit Findings, Risk Control Self-assessment, Key Risk Indicators, etc., for timely identification and mitigation of risks. Capital requirement under ICAAP is calculated using the Basic Indicator Approach, which is also used for the calculation of Pillar 1 capital.

MARKET RISK

Foreign Currency Exchange Risk

The currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank has set internal limits on open-currency position and also follows regulatory limitations. Currency positions are monitored daily, the Bank calculates the capital requirement for FX positions based on historical and delta normal Value at Risk (VaR) method, using the 99% confidence level.

Interest Rate Risk

Interest rate risk means the risk of financial loss (damage) resulting from an adverse movement of interest rates.

The interest rate risk of the banking book is assessed monthly. The interest rate risk reports positions and gaps by repricing periods for each relevant currency.

BUSINESS RISK

Business risk is defined as the risk linked to a potential drop in profits or capital due to changes in the operating environment or erroneous corporate decisions, inadequate implementation of decisions, or poor reaction to changes in a competitive environment. The Bank considers strategic planning and budgeting processes as a crucial part of risk management. The Bank has developed detailed processes and budgeting regulations that ensure meticulous budgeting according to the business strategy of the Bank and describe the processes to regularly monitor and review the budget. For business risk, a regulatory capital requirement is not calculated. As the risk is defined to be material, the Bank calculates capital requirements to cover the risk under ICAAP. As the Bank has limited historical data to go by, a simplified methodology measuring deviations from the budget has been developed.

CREDIT CONCENTRATION RISK

Credit concentration risk arises when a significant portion of the Bank's exposures is concentrated within a small group of counterparties or a specific industry, where a shared underlying factor could lead to defaults, potentially jeopardizing the Bank's normal operations. To mitigate this risk, the Bank establishes limits on large exposures and specific sectors. The concentration of the Bank's portfolio is regularly assessed through the calculation of the Herfindahl-Hirschman Index (HHI) to monitor and control the degree of risk concentration. Additionally, the regulator mandates the creation of capital buffers to address concentration risk under Pillar 2.

LIQUIDITY RISK

Liquidity risk is defined as the risk of inability of the Bank to honor its financial obligations. Liquidity risk comprises both funding liquidity and asset liquidity risks:

- Funding liquidity risk appears with an inability to obtain new funding;
- Asset liquidity risk appears when the Bank is not able to sell its assets easily at market price without avoiding losses because of an illiquid market.

Measuring Liquidity Risk

Primary tools for measuring liquidity risk are identification of liquidity positions and stress testing. Liquidity positions are identified on a monthly basis via standardized reporting packages for the regulator, including LCR and NSFR. Stress testing is based on the Bank's cash inflows and cash outflows during a six-month survival horizon. The target liquidity requirement is then estimated by applying a stress scenario to the expected cash inflows and outflows, and the liquidity buffer.

Managing Liquidity Risk

The presence of liquidity risk in short-time intervals is considered to be more dangerous for the Bank's operations, because the shorter a term is, the less time the Bank has to make management decisions to adjust to the situation. The longer the time interval, the more controllable liquidity is considered to be, because the Bank has more time to take corrective measures. Therefore, limits on short-term cumulative liquidity gaps are usually more conservative than those on longer terms gaps.

The ever-changing financial markets have a direct impact on the availability of funding sources for the Bank. Therefore, even with constant monitoring of liquidity and funding sources, the Bank recognizes that unforeseen events (for example, changing economic or market conditions, deteriorating loan portfolio quality, or any other situation beyond the control of the Bank) may potentially lead to a short- or long-term crisis situation. The Bank assesses the potential liquidity risk and prepares a clear action plan for liquidity crises. To mitigate a funding liquidity risk, the Bank establishes a liquidity buffer, which may be used to meet payment obligations while continuing normal banking activities, without obtaining new funding. The Bank additionally ensures that its funding is diversified and that the maturity profile does not create significant gaps. The Bank has access to NBG refinancing facilities to maintain its liquidity in GEL. The Bank developed sound practices to manage liquidity risks, which are laid down in the Liquidity Management Policy and the Liquidity Management Procedure. Liquidity reports are regularly introduced to ALCO.

STRATEGIC RISK

Strategic risks arise from fundamental decisions that executives make concerning the Bank's objectives. Essentially, strategic risks are the risks of failing to achieve these business objectives. Strategic risks are managed by operating a proper internal governance system. In order to minimize potential losses due to strategic risks, the Bank established a framework for its internal governance system. Strategic risks are only managed via processes; no capital is allocated for the purpose.

REPUTATIONAL RISK

Reputational risk is the current or prospective indirect risk to earnings and capital arising from adverse perception of the image of the Bank on the part of customers, counterparties, shareholders, investors, regulators, and other stakeholders. It manifests when external opinions about the Bank are less favorable than desired. Reputational risk is managed by respective processes and organizational units of the Bank.

Reputational risk is only managed by processes; no capital is allocated for the purpose.

GROUP RISK

Group risk is defined as possible losses due to the fact that the Bank is operating as a member of a group, as a subsidiary company, or as a mother company. The Bank has no subsidiary, therefore, only the risk of operating as a member of a financial group needs to be assessed. The main assessment factor is to identify dependencies where a change in the level of parent company support might cause problems for the Bank. This assessment is based on expert judgment, and its results are manifested in areas where the risk is managed

The Bank has identified two major sources of group risk, which are managed via proper processes defined by the parent company and negotiated with the Bank:

Group governance risk: the parent company operates a holding-level governance system, which ensures that the Bank receives methodological support from the mother company;

Own funds supply: planning of own funds and analysis of possible ways of capital increase are part of the budgeting process, including supply of own funds from the parent company. As the current risk is not material, no capital is allocated for the purpose.

MACROECONOMIC RISK

Macroeconomic risk is the current or prospective risk of loss on on-balance sheet and off-balance sheet positions arising from adverse movements in macroeconomic conditions, such as a fall in the GDP growth rates, decline in real estate prices, etc.

As macroeconomic risks are external risks that are beyond the Bank's control, the only tool for their management is stress tests-based capital and liquidity planning. The Bank performs macroeconomic risks-related stress tests based on internal macro projections and stress test model and also methodological guideline (the Guideline) communicated to the Bank by the

regulator. For the purposes of internal capital assessment, the Bank applies transaction-level stress tests assessing the effect of FX, concentration and interest-induced credit risks. Enterprise-level macroeconomic stress testing is used for capital planning purposes.

REGULATORY RISK

Regulatory risk is defined as the risk stemming from a changing regulatory environment. It incorporates either an amendment of the existing or an enactment of a new national or international law/regulation.

In order to mitigate regulatory risk, the Bank permanently monitors not only the legislation but also prospective changes. A crucial point in the process is that respective departments, managers, and employees affected by the changing legislation are informed by the Legal and Compliance & AML Department. Senior management regularly receives executive summaries about recent regulatory modifications. The Bank makes sure that existing and even significant prospective (if they are likely to be enacted) regulations are reflected in its strategy. To prepare for significant legislative changes, the Bank applies several techniques: impact study, scenario analysis, action plans, or even modification of the business plan. The Bank conducts regular revision of its internal regulations and ensures that they are compatible with the external regulatory environment.

Regulatory risk is only managed by processes; no capital is allocated for the purpose.

RISK MITIGATION STRATEGY

Techniques to mitigate risk are largely dependent on the type of risk that needs to be reduced. Among others, the Bank uses the following types of mitigation techniques:

- Audits – regular audits from the Internal Audit department may identify problems such as accounting errors or security vulnerabilities before they become larger problems;
- Segregation of duties – responsibilities are strictly divided between the relevant positions;
- The Four-Eye Principle and the Principle of Prevention of Conflict of Interests – the Bank adheres to these principles at all levels of business processes;
- Backup – the Bank backs up business information in multiple secure physical locations;
- Business Continuity Plan – the Bank has developed a plan to continue with normal operations in the face of extraordinary events such as natural disasters or security incidents;
- Procedures – the Bank controls risk through internal procedures or actions that reduce the likelihood of undesirable events;
- Diversification – the process of allocating capital and resources in diverse areas to reduce risk and volatility;
- Due diligence – the process of investigation before committing to a contract or strategy. Basic due diligence, such as checking financial, environmental, corporate social responsibility, and management practices of a potential partner, is a basic step in risk management;
- Communication – regularly communicating risk factors to line managers serves to reduce it;
- Performance Management – setting risk reduction goals as part of performance management;

- Policies – policies designed to reduce the risk of misconduct;
- Standards – establishing standards to guide business practices and decision-making;
- Training – training for employees, designed to increase professionalism and skills.

RISK REPORTING

In order to ensure timely, quality, and informative decision-making process, the Bank's risk management function reports to the Risk Management Committee of the Supervisory Board on a monthly basis. The reports include loan portfolio report, corporate investment portfolio report, trading book report, related party transactions, off-balance sheet portfolio, collateral portfolio, non-performing loans and write-off report, credit concentrations, deposit portfolio report, FI exposures, liquidity and maturity analysis, market risk analysis, operational risk analysis, incident management, capital adequacy report, etc.

On a quarterly basis, the Risk Management Committee reports to the Supervisory Board on the Bank's risk management activities and the way the committee discharged its duties and responsibilities. The risk management function reports to the Board of Directors on a regular basis. These reports include reviews of Credit Committee activities, internal loss database reports, etc.

STRESS TESTS AND SCENARIO ANALYSIS

Scenario analysis is an exercise that uses expert opinions of business and risk managers to identify plausible enterprise loss scenarios to estimate unexpected losses. Scenarios are a forward-looking assessment of the key risks or "potential future events" that attempt to derive a reasoned assessment of likelihood, in terms of frequency and severity of plausible losses.

Stress test framework aims to assess the impact of extraordinary but possible events on the capital or liquidity of the Bank. The Bank elaborated its ICAAP framework in a way that already contains a sensitivity analysis and scenario analysis to measure exposure to risks that are defined as relevant. The Bank performs macroeconomic risks-related stress tests based on a methodological guideline (the Guideline) communicated to the Bank by NBG. According to the Guideline, stress tests must be performed on the overall Bank level (enterprise-level stress) and transaction level (transaction-level stress). The transaction level tests assess the creditworthiness of the Bank's top borrowers in the case of changing external factors. The following risks are managed via stress testing on the enterprise risk level:

- Foreign exchange induced credit risk;
- Interest rate risk of the banking book;
- Foreign exchange rate risk;
- Concentration risk;
- Interest rate risk;
- Regulatory risk;
- Systematic risk

Enterprise-level stress tests are used by the Bank in the course of its capital and liquidity planning by assessing the effect of various macroeconomic scenarios on the Bank's overall financial performance indicators, such as profitability, asset quality, funding base, and liquidity.

FINANCIAL DATA

Table 1

12/31/2024

| | Key metrics | According to IFRS | | | | |
|-----------------------------------|--|-------------------|-------------|-------------|-------------|-------------|
| N | | 4Q-2024 | 3Q-2024 | 2Q-2024 | 1Q-2024 | 4Q-2023 |
| Regulatory capital (amounts, GEL) | | | | | | |
| | Based on Basel III framework | 115,092,464 | 113,245,384 | 109,139,841 | 107,195,536 | 106,263,157 |
| 1 | CET1 capital | 115,092,464 | 113,245,384 | 109,139,841 | 107,195,536 | 106,263,157 |
| 2 | Tier1 capital | 147,370,664 | 133,716,639 | 130,214,052 | 123,365,860 | 122,398,084 |
| 3 | Regulatory capital | 94,637,195 | 84,519,272 | 84,854,665 | 78,126,525 | 76,073,806 |
| 4 | CET1 capital total requirement | 114,802,687 | 103,196,318 | 103,805,116 | 95,396,529 | 93,389,988 |
| 5 | Tier1 capital total requirement | 141,504,076 | 127,929,639 | 128,897,779 | 118,267,114 | 116,341,268 |
| 6 | Regulatory capital total requirement | | | | | |
| | Total Risk Weighted Assets (amounts, GEL) | | | | | |
| 7 | Total Risk Weighted Assets (Total RWA) (Based on Basel III framework) | 637,812,963 | 601,394,718 | 599,864,131 | 558,207,031 | 586,989,241 |
| | Capital Adequacy Ratios | | | | | |
| | Based on Basel III framework | | | | | |
| 8 | CET1 capital | 18.04% | 18.83% | 18.19% | 19.20% | 18.10% |
| 9 | Tier1 capital | 18.04% | 18.83% | 18.19% | 19.20% | 18.10% |
| 10 | Regulatory capital | 23.11% | 22.23% | 21.71% | 22.10% | 20.85% |
| 11 | CET1 capital total requirement | 14.84% | 14.05% | 14.15% | 14.00% | 12.96% |
| 12 | Tier1 capital total requirement | 18.00% | 17.16% | 17.30% | 17.09% | 15.91% |
| 13 | Regulatory capital total requirement | 22.19% | 21.27% | 21.49% | 21.19% | 19.82% |
| | Minimum requirement for own funds and eligible liabilities (MREL) | | | | | |
| 14 | Own funds and eligible liabilities as a percentage of Total Liabilities and Own Funds ((MREL Resource / TLOF) | 0% | 0% | 0% | 0% | 0% |
| Income | | | | | | |
| 15 | Total Interest Income /Average Annual Assets | 8.45% | 8.68% | 8.97% | 9.59% | 10.30% |
| 16 | Total Interest Expense / Average Annual Assets | 3.91% | 3.89% | 3.94% | 4.05% | 3.69% |
| 17 | Earnings from Operations / Average Annual Assets | 10.43% | 10.16% | 11.06% | 12.62% | 0.91% |
| 18 | Net Interest Margin | 4.53% | 4.79% | 5.03% | 5.54% | 6.61% |
| 19 | Return on Average Assets (ROAA) | 1.24% | 1.46% | 1.15% | 1.04% | 0.33% |
| 20 | Return on Average Equity (ROAE) | 6.27% | 7.13% | 5.52% | 4.87% | 1.62% |
| Asset Quality | | | | | | |
| 21 | Non Performed Loans / Total Loans | 5.61% | 7.99% | 8.22% | 8.38% | 8.55% |
| 22 | ECL/Total Loans | 2.07% | 2.70% | 2.93% | 3.14% | 4.60% |
| 23 | FX Loans/Total Loans | 55.12% | 54.31% | 57.15% | 56.45% | 55.48% |
| 24 | FX Assets/Total Assets | 55.91% | 57.55% | 57.28% | 51.93% | 53.66% |
| 25 | Loan Growth-YTD | 16.07% | -0.01% | -2.09% | -12.86% | -4.15% |
| Liquidity | | | | | | |
| 26 | Liquid Assets/Total Assets | 16.43% | 28.63% | 30.47% | 17.95% | 16.58% |
| 27 | FX Liabilities/Total Liabilities | 72.16% | 72.45% | 74.62% | 67.76% | 65.98% |
| 28 | Current & Demand Deposits/Total Assets | 14.87% | 20.88% | 28.19% | 19.20% | 20.58% |
| Liquidity Coverage Ratio*** | | | | | | |
| 29 | Total HQLA | 227,775,251 | 203,264,763 | 181,579,069 | 139,702,649 | 140,516,861 |
| 30 | Net cash outflow | 175,405,863 | 159,429,601 | 122,603,438 | 94,433,713 | 75,674,278 |
| 31 | LCR ratio (%) | 129.86% | 127.49% | 148.10% | 147.94% | 185.69% |
| Net Stable Funding Ratio | | | | | | |
| 32 | Available stable funding | 412,250,716 | 335,313,697 | 388,661,700 | 335,903,320 | 396,941,167 |
| 33 | Required stable funding | 312,469,588 | 297,846,133 | 282,232,717 | 280,388,727 | 320,925,454 |
| 34 | Net stable funding ratio (%) | 131.93% | 112.58% | 137.71% | 119.80% | 123.69% |

*** LCR calculated according to NBG's methodology which is more focused on local risks than Basel framework. See the table 14. LCR; Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology.

The numbers calculated within Basel framework are given for illustratory purposes

***The difference in capital adequacy note between audited financial statements and regulatory reporting is primarily due to deferred tax assets, which are not recognized in regulatory reporting, and variations in expected credit losses (ECL) arising from the staging of a specific group of borrowers.

Table 2

12/31/2024

| N | Statement of Financial Position | reporting period | | | respective period of the previous year | | |
|--------|---|------------------|-------------|-------------|--|-------------|-------------|
| | | GEL | FX | Total | GEL | FX | Total |
| ASSETS | | | | | | | |
| 1 | Cash, Cash balances with National Bank of Georgia and other banks | 27,132,534 | 169,334,006 | 196,466,540 | 12,401,233 | 89,174,285 | 101,575,519 |
| 1.1 | Cash on hand | 505,138 | 2,451,680 | 2,956,819 | 1,246,328 | 1,672,847 | 2,919,175 |
| 1.2 | Casha balances with National bank of Georgia | 26,347,583 | 76,076,691 | 102,424,274 | 3,412,664 | 27,813,649 | 31,226,313 |
| 1.3 | Cash balances with other banks | 279,813 | 90,805,635 | 91,085,448 | 7,742,242 | 59,687,789 | 67,430,031 |
| 2 | Financial assets held for trading | 396,465 | - | 396,465 | 690,916 | - | 690,916 |
| 2.1 | of which:derivatives | 396,465 | - | 396,465 | 690,916 | - | 690,916 |
| 3 | Non-trading financial assets mandatorily at fair value through profit or loss | - | - | - | - | - | - |
| 4 | Financial assets designated at fair value through profit or loss | - | - | - | - | - | - |
| 5 | Financial assets at fair value through other comprehensive income | - | - | - | - | - | - |
| 5.1 | Equity instruments | - | - | - | - | - | - |
| 5.2 | Debt securities | - | - | - | - | - | - |
| 5.3 | Loans and advances | - | - | - | - | - | - |
| 6 | Financial assets at amortised cost | 256,726,173 | 224,812,468 | 481,538,640 | 203,622,157 | 197,714,356 | 401,336,513 |
| 6.1 | Debt securities | 75,362,165 | 5,684,818 | 81,046,983 | 56,222,218 | 9,007,803 | 65,230,021 |
| 6.2 | Loans and advances | 181,364,007 | 219,127,650 | 400,491,657 | 147,399,939 | 188,706,553 | 336,106,492 |
| 7 | Investments in subsidiaries, joint ventures and associates | - | - | - | - | - | - |
| 8 | Non-current assets and disposal groups classified as held for sale | - | - | - | 11,631,520 | - | 11,631,520 |
| 9 | Tangible assets | 2,631,331 | - | 2,631,331 | 9,048,070 | - | 9,048,070 |
| 9.1 | Property, Plant and Equipment | 2,631,331 | | 2,631,331 | 4,969,673 | | 4,969,673 |
| 9.2 | Investment property | - | - | - | 4,078,397 | - | 4,078,397 |
| 10 | Intangible assets | 3,356,354 | - | 3,356,354 | 4,894,842 | - | 4,894,842 |
| 10.1 | Goodwill | - | - | - | - | - | - |
| 10.2 | Other intangible assets | 3,356,354 | | 3,356,354 | 4,894,842 | | 4,894,842 |
| 11 | Tax assets | - | - | - | - | - | - |
| 11.1 | Current tax assets | - | - | - | - | - | - |
| 11.2 | Deferred tax assets | - | - | - | - | - | - |
| 13 | Other assets | 20,977,662 | 570,906 | 21,548,568 | 5,488,830 | 42,802 | 5,531,631 |
| 13.1 | of which: repossessed collateral | 19,368,269 | - | 9,368,269 | - | - | - |
| 13.2 | of which: dividends receivable | - | - | - | - | - | - |
| 14 | TOTAL ASSETS | 311,220,519 | 394,717,379 | 705,937,898 | 247,777,569 | 286,931,442 | 534,709,011 |

| N | Statement of Financial Position | reporting period | | | respective period of the previous year | | |
|------|--|------------------|-------------|--------------|--|-------------|--------------|
| | | GEL | FX | Total | GEL | FX | Total |
| | LIABILITIES | | | | | | |
| 15 | Financial liabilities held for trading | 426,946 | - | 426,946 | 825,800 | - | 825,800 |
| 15.1 | of which:derivatives | 426,946 | - | 426,946 | 825,800 | - | 825,800 |
| 16 | Financial liabilities designated at fair value through profit or loss | - | - | - | - | - | - |
| 17 | Financial liabilities measured at amortised cost | 157,423,621 | 386,318,959 | 543,742,580 | 134,789,265 | 247,339,035 | 382,128,300 |
| 17.1 | borrowings | 137,399,758 | 378,273,702 | 515,673,460 | 134,789,265 | 222,025,043 | 356,814,308 |
| 17.2 | Deposits | 20,023,863 | 7,290,333 | - | 27,314,196 | 22,179,087 | 22,179,087 |
| 17.3 | Debt securities issued | - | - | - | - | - | - |
| 17.4 | Other financial liabilities | - | 754,924 | 754,924 | - | 3,134,905 | 3,134,905 |
| 18 | Provisions | 272,391 | 260,698 | 533,089 | 1,015,054 | 331,825 | 1,346,880 |
| 19 | Tax liabilities | - | - | - | - | - | - |
| 19.1 | Current tax liabilities | - | - | - | - | - | - |
| 19.2 | Deferred tax liabilities | - | - | - | - | - | - |
| 20 | Subordinated liabilities | - | 33,530,510 | 33,530,510 | - | 27,716,207 | 27,716,207 |
| 21 | Other liabilities | 5,135,443 | 2,965,602 | 8,101,045 | 7,086,919 | 3,291,994 | 10,378,914 |
| 21.1 | of which: dividends payable | - | - | - | - | - | - |
| 22 | TOTAL LIABILITIES | 163,258,400 | 423,075,770 | 586,334,170 | 143,717,039 | 278,679,061 | 422,396,100 |
| | Equity | | | | | | |
| 23 | Share capital | 136,800,000 | 136,800,000 | 136,800,000 | 136,800,000 | 136,800,000 | 136,800,000 |
| 24 | preference share | - | - | - | - | - | - |
| 25 | Share premium | - | - | - | - | - | - |
| 26 | (-) Treasury shares | - | - | - | - | - | - |
| 27 | Equity instruments issued other than capital | 1,154,911 | - | 1,154,911 | 1,154,911 | - | 1,154,911 |
| 27.1 | Equity component of compound financial instruments | 1,154,911 | - | 1,154,911 | 1,154,911 | - | 1,154,911 |
| 27.2 | Other equity instruments issued | - | - | - | - | - | - |
| 28 | Share-based payment reserve | - | - | - | - | - | - |
| 29 | Accumulated other comprehensive income | - | - | - | - | - | - |
| 29.1 | revaluation reserve | - | - | - | - | - | - |
| 29.2 | Fair value changes of equity instruments measured at fair value through other comprehensive income | - | - | - | - | - | - |
| 29.3 | Fair value changes of debt instruments measured at fair value through other comprehensive income | - | - | - | - | - | - |
| 30 | Retained earnings | (18,351,183) | - | (18,351,183) | (25,642,000) | - | (25,642,000) |
| 31 | TOTAL EQUITY | 119,603,728 | - | 119,603,728 | 112,312,911 | - | 112,312,911 |
| 32 | TOTAL EQUITY AND TOTAL LIABILITIES | 282,862,128 | 423,075,770 | 705,937,898 | 256,029,950 | 278,679,061 | 534,709,011 |

Table 3

12/31/2024

| N | Statement of profit or loss | reporting period | | | respective period of the previous year | | |
|------|---|------------------|--------------|--------------|--|-------------|--------------|
| | | GEL | FX | Total | GEL | FX | Total |
| 1 | Interest income | 28,091,997 | 21,494,099 | 49,586,095 | 34,217,604 | 19,080,264 | 53,297,868 |
| 1.1 | Financial assets held for trading | - | - | - | - | - | - |
| 1.2 | Non-trading financial assets mandatorily at fair value through profit or loss | - | - | - | - | - | - |
| 1.3 | Financial assets designated at fair value through profit or loss | - | - | - | - | - | - |
| 1.4 | Financial assets at fair value through other comprehensive income | - | - | - | - | - | - |
| 1.5 | Financial assets at amortised cost | 28,091,997 | 21,494,099 | 49,586,095 | 34,217,604 | 19,080,264 | 53,297,868 |
| 1.6 | Other assets | | | - | | | - |
| 2 | (Interest expenses) | (12,323,402) | (10,654,027) | (22,977,428) | (10,931,610) | (8,154,529) | (19,086,139) |
| 2.1 | (Financial liabilities held for trading) | - | - | - | - | - | - |
| 2.2 | (Financial liabilities designated at fair value through profit or loss) | - | - | - | - | - | - |
| 2.3 | (Financial liabilities measured at amortised cost) | (12,323,402) | (10,654,027) | (22,977,428) | (10,931,610) | (8,154,529) | (19,086,139) |
| 2.4 | (Other liabilities) | - | - | - | - | - | - |
| 3 | Dividend income | - | - | - | - | - | - |
| 4 | Fee and commission income | 1,207,027 | 1,550,140 | 2,757,167 | 3,183,421 | 1,690,358 | 4,873,779 |
| 5 | (Fee and commission expenses) | (257,490) | (1,202,215) | (1,459,705) | (946,023) | (1,619,806) | (2,565,829) |
| 6 | Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net | 33,252 | - | 33,252 | - | - | - |
| 7 | Gains or (-) losses on financial assets and liabilities held for trading, net | 104,404 | - | 104,404 | - | - | - |
| 8 | Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net | - | - | - | - | - | - |
| 9 | Gains or (-) losses on financial assets and liabilities designated at fair value through profit or loss, net | - | - | - | - | - | - |
| 10 | Exchange differences [gain or (-) loss], net | 11,956,991 | - | 11,956,991 | 9,443,175 | - | 9,443,175 |
| 11 | Gains or (-) losses on derecognition of non-financial assets, net | (1,402,634) | - | (1,402,634) | - | - | - |
| 12 | Other operating income | 1,248,552 | 214,102 | 1,462,654 | 95,845 | - | 95,845 |
| 13 | (Other operating expenses) | (5,075,463) | - | (5,075,463) | (6,122,953) | (53,813) | (6,069,140) |
| 14 | (Administrative expenses) | (23,652,231) | - | (23,652,231) | (27,895,166) | - | (27,895,166) |
| 14.1 | (Staff expenses) | (21,737,352) | - | (21,737,352) | (23,832,768) | - | (23,832,768) |
| 14.2 | (Other administrative expenses) | (1,914,879) | - | (1,914,879) | (4,062,398) | - | (4,062,398) |
| 15 | (Depreciation and amortisation) | (4,601,517) | - | (4,601,517) | (4,941,240) | - | (4,941,240) |
| 16 | Modification gains or (-) losses, net | - | - | - | - | - | - |
| 17 | (Provisions or (-) reversal of provisions) | 121,270 | 71,127 | 192,398 | 5,625,030 | 170,713 | 5,454,317 |
| 17.1 | (Commitments and guarantees given) | (92,304) | (71,127) | (21,177) | (360,405) | (279,486) | (639,891) |
| 17.2 | (Other provisions) | 213,575 | - | 213,575 | (5,264,626) | 450,199 | (4,814,426) |
| 18 | (Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss) | 32,219 | 334,616 | 366,836 | - | - | - |
| 18.1 | (Financial assets at fair value through other comprehensive income) | - | - | - | - | - | - |
| 18.2 | (Financial assets at amortised cost) | 32,219 | 334,616 | 366,836 | - | - | - |
| 19 | (Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates) | - | - | - | - | - | - |
| 20 | (Impairment or (-) reversal of impairment on non-financial assets) | - | - | - | - | - | - |
| 21 | Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for using the equity method | - | - | - | - | - | - |
| 22 | PROFIT OR (-) LOSS BEFORE TAX | (4,517,024) | 11,807,842 | 7,290,819 | (9,521,979) | 11,220,814 | 1,698,835 |
| 23 | (Tax expense or (-) income | - | - | - | - | - | - |
| 24 | Profit or (-) loss after tax | (4,517,024) | 11,807,842 | 7,290,819 | (9,521,979) | 11,220,814 | 1,698,835 |

Table 4

12/31/2024

| N | Off-balance sheet items | reporting period | | | respective period of the previous year | | |
|-------|--|------------------|-------------|-------------|--|-------------|-------------|
| | | GEL | FX | Total | GEL | FX | Total |
| 1 | Loan commitments received | | | 0 | | | 0 |
| 2 | Guarantees received as security for liabilities of the bank | | | 0 | | | 0 |
| 3 | Guarantees received as security for receivables of the bank | 323,212,451 | 453,170,851 | 776,383,302 | 305,777,711 | 382,753,072 | 688,530,782 |
| 3.1 | Surety, joint liability | 301,493,454 | 436,762,911 | 738,256,365 | 283,988,714 | 355,816,502 | 639,805,216 |
| 3.2 | Guarantees | 21,718,996 | 16,407,940 | 38,126,937 | 21,788,996 | 26,936,570 | 48,725,566 |
| 4 | Assets pledged as security for liabilities of the bank | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.1 | Financial assets of the bank | | | 0 | | | 0 |
| 4.2 | Non-financial assets of the bank | | | 0 | | | 0 |
| 5 | Assets pledged as security for receivables of the bank | 105,424,127 | 508,890,606 | 614,314,734 | 104,057,007 | 376,374,631 | 480,431,638 |
| 5.1 | Cash | 3,175,627 | 49,111,718 | 52,287,344 | 2,310,985 | 4,139,115 | 6,450,100 |
| 5.2 | Precious metals and stones | | | 0 | | | 0 |
| 5.3 | Real Estate: | 25,558,853 | 360,869,062 | 386,427,915 | 33,800,000 | 286,046,820 | 319,846,820 |
| 5.3.1 | Residential Property | 1 | 26,313,426 | 26,313,427 | 1 | 31,588,580 | 31,588,581 |
| 5.3.2 | Commercial Property | 167,892 | 248,747,631 | 248,915,523 | - | 187,491,321 | 187,491,321 |
| 5.3.3 | Complex Real Estate | 0 | 0 | 0 | | | 0 |
| 5.3.4 | Land Parcel | 40,961 | 62,137,385 | 62,178,345 | - | 48,825,917 | 48,825,917 |
| 5.3.5 | Other | 25,349,999 | 23,670,621 | 49,020,620 | 33,799,999 | 18,141,002 | 51,941,001 |
| 5.4 | Movable Property | 1,911,601 | 39,883,119 | 41,794,720 | 6,000,001 | 38,216,427 | 44,216,428 |
| 5.5 | Shares Pledged | 0 | 62 | 62 | 0 | 70 | 70 |
| 5.6 | Securities | | 15,955,371 | 15,955,371 | | | |
| 5.7 | Other | 74,778,047 | 43,071,274 | 117,849,321 | 61,946,022 | 47,972,198 | 109,918,220 |
| 6 | Loan commitments given | 3,802,916 | 24,000,038 | 27,802,954 | 79,963,731 | 17,580,907 | 97,544,638 |
| 7 | guarantees given | 25,180,058 | 30,543,077 | 55,723,134 | 45,337,343 | 41,584,149 | 86,921,492 |
| 8 | Letters of credit Issued | | 263,754 | 263,754 | | | 0 |
| 9 | Derivatives | 53,435,437 | 183,812,877 | 237,248,313 | 86,310,745 | 222,859,407 | 309,170,153 |
| 9.1 | Receivables through FX contracts (except options) | 11,375,620 | 107,233,297 | 118,608,916 | 46,604,147 | 107,913,487 | 154,517,634 |
| 9.2 | Payables through FX contracts (except options) | 42,059,817 | 76,579,580 | 118,639,397 | 39,706,599 | 114,945,920 | 154,652,519 |
| 9.3 | Principal of interest rate contracts (except options) | | | 0 | | | 0 |
| 9.4 | Options sold | | | 0 | | | 0 |
| 9.5 | Options purchased | | | 0 | | | 0 |
| 9.6 | Nominal value of potential receivables through other derivatives | | | 0 | | | 0 |
| 9.7 | Nominal value of potential payables through other derivatives | | | 0 | | | 0 |
| 10 | Receivables not recognized on-balance | 16,185,384 | 24,700,649 | 40,886,032 | 18,659,976 | 20,272,343 | 38,932,319 |
| 10.1 | Principal of receivables derecognized during last 3 month | 52,875 | - | 52,875 | 1,735,676 | - | 1,735,676 |
| 10.2 | Interest and penalty receivable not recognized on-balance or derecognized during last 3 month | 317,720 | (55,985) | 261,734 | 1,813,404 | 2,146,132 | 3,959,536 |
| 10.3 | Principal of receivables derecognized during 5 years month (including last 3 month) | 574,405 | - | 574,405 | 6,434,142 | - | 6,434,142 |
| 10.4 | Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month) | 15,610,979 | 24,700,649 | 40,311,628 | 12,225,834 | 20,272,343 | 32,498,177 |
| 11 | Capital expenditure commitment | | | 0 | | | 0 |

Table 5

12/31/2024

| Risk Weighted Assets | | in Lari | | | | |
|----------------------|---|-------------|-------------|-------------|-------------|-------------|
| N | | 4Q-2023 | 3Q-2023 | 2Q-2023 | 1Q-2023 | 4Q-2022 |
| 1 | Risk Weighted Assets for Credit Risk | 557,912,289 | 532,723,319 | 531,594,203 | 486,148,202 | 519,229,548 |
| 1.1 | Balance sheet items * | 523,377,407 | 490,354,565 | 493,078,309 | 440,791,399 | 460,925,278 |
| 1.1.1 | Including: amounts below the thresholds for deduction (subject to 250% risk weight) | – | – | – | – | – |
| 1.2 | Off-balance sheet items | 33,164,663 | 40,956,395 | 37,135,997 | 43,415,261 | 56,173,579 |
| 1.3 | Counterparty credit risk | 1,370,219 | 1,412,358 | 1,379,897 | 1,941,542 | 2,130,691 |
| 2 | Risk Weighted Assets for Market Risk | 2,449,693 | 2,278,077 | 1,876,606 | 5,665,507 | 1,366,371 |
| 3 | Risk Weighted Assets for Operational Risk | 77,450,981 | 66,393,322 | 66,393,322 | 66,393,322 | 66,393,322 |
| 4 | Total Risk Weighted Assets | 637,812,963 | 601,394,718 | 599,864,131 | 558,207,031 | 586,989,241 |

* COVID 19 related provisions are deducted from balance sheet items after applying relevant risks weights and mitigation

Table 6

12/31/2024

| Information about supervisory board, directorate, beneficiary owners and shareholders | | |
|---|------------------------------|------------------------|
| | Members of Supervisory Board | Independence status |
| 1 | Shahin Mammadov | Non-independent member |
| 2 | George Glonti | Independent member |
| 3 | Ebru Ogan Kottnerus | Independent member |
| 4 | Kamala Nuriyeva | Non-independent member |
| 5 | Rovshan Allahverdiyev | Non-independent chair |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |

| | Members of Board of Directors | Position/Subordinated business units |
|----|-------------------------------|--|
| 1 | Ramil Imamov | Acting Chairman of Board of Directors, CEO |
| 2 | Parvin Mammadov | Member of the Board of Directors, CFO |
| 3 | Levan Aladashvili | Member of the Board of Directors, Chief Risk Officer |
| 4 | Anzor Mantskava | Member of the Board of Directors, Director of Retail Banking |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |

| | List of Shareholders owning 1% and more of issued capital, indicating Shares | |
|---|---|--------|
| 1 | PASHA Bank OJSC | 85.06% |
| 2 | Pasha Holding LLC | 14.94% |
| | List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares | |
| 1 | Mr. Arif Pashayev | 18.99% |
| 2 | Mrs. Arzu Aliyeva | 35.21% |
| 3 | Mrs. Leyla Aliyeva | 35.21% |
| 4 | Mr. Mir Jamal Pashayev | 10.59% |

Table 7

12/31/2024

| Linkages between financial statement assets and balance sheet items subject to credit risk weighting | | | | |
|--|---|---|--|----------------------------------|
| | Account name of standardized supervisory balance sheet item | a Carrying values as reported in published stand-alone financial statements per IFRS | b | c |
| | | | Carrying values of items | |
| | | | Not subject to capital requirements or subject to deduction from capital | Subject to credit risk weighting |
| 1 | Cash, Cash balances with National Bank of Georgia and other banks | 196,466,540.12 | - | 196,466,540.12 |
| 1.1 | Cash on hand | 2,956,819 | | 2,956,819 |
| 1.2 | Casha balances with National bank of Georgia | 102,424,274 | | 102,424,274 |
| 1.3 | Cash balances with other banks | 91,085,448 | | 91,085,448 |
| 2 | Financial assets held for trading | 396,465 | - | 396,465 |
| 2.1 | of which:derivatives | 396,465 | | 396,465 |
| 3 | Non-trading financial assets mandatorily at fair value through profit or loss | - | - | - |
| 4 | Financial assets designated at fair value through profit or loss | - | - | - |
| 5 | Financial assets at fair value through other comprehensive income | - | - | - |
| 5.1 | Equity instruments | - | - | - |
| 5.2 | Debt securities | - | - | - |
| 5.3 | Loans and advances | - | - | - |
| 6 | Financial assets at amortised cost | 481,538,640.14 | - | 481,538,640.14 |
| 6.1 | Debt securities | 81,046,983 | | 81,046,983 |
| 6.2 | Loans and advances | 400,491,657 | | 400,491,657 |
| 7 | Investments in subsidiaries, joint ventures and associates | - | - | - |
| 8 | Non-current assets and disposal groups classified as held for sale | - | - | - |
| 9 | Tangible assets | 2,631,330.82 | - | 2,631,330.82 |
| 9.1 | Property, Plant and Equipment | 2,631,331 | | 2,631,331 |
| 9.2 | Investment property | - | - | - |
| 10 | Intangible assets | 3,356,353.85 | 3,356,353.85 | - |
| 10.1 | Goodwill | - | - | - |
| 10.2 | Other intangible assets | 3,356,353.85 | 3,356,353.85 | - |
| 11 | Tax assets | - | - | - |
| 11.1 | Current tax assets | - | - | - |
| 11.2 | Deferred tax assets | - | - | - |
| 13 | Other assets | 21,548,568 | - | 21,548,568 |
| 13.1 | of which: repossessed collateral | - | - | - |
| 13.2 | of which: dividends receivable | - | - | - |
| | Total exposures subject to credit risk weighting before adjustments | 705,937,898 | 3,356,354 | 702,581,544 |

Table 8

12/31/2024

| Differences between values per standardized balance sheet used for regulatory reporting purposes and the exposure amounts used for capital adequacy calculation purposes | | in Lari |
|--|---|--------------|
| 1 | Total carrying value of balance sheet items subject to credit risk weighting before adjustments | 702,581,544 |
| 2.1 | Nominal values of off-balance sheet items subject to credit risk weighting | 83,476,048 |
| 2.2 | Nominal values of off-balance sheet items subject to counterparty credit risk weighting | 55,666,001 |
| 3 | Total values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes | 841,723,594 |
| 4 | Effect of provisioning rules used for capital adequacy purposes | |
| 5.1 | Effect of credit conversion factor of off-balance sheet items related to credit risk framework | (48,244,168) |
| 5.2 | Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR) | (54,295,782) |
| 6 | Effect of other adjustments * | |
| 7 | Total exposures subject to credit risk weighting | 739,183,644 |

*Other adjustments include COVID 19 related provisions too. These provisions are deducted from risk weighted balance sheet items. See table "5.RWA"

Table 9

12/31/2024

| Regulatory capital | | |
|--------------------|--|--------------|
| N | | in Lari |
| 1 | Common Equity Tier 1 capital before regulatory adjustments | 118,448,817 |
| 2 | Common shares that comply with the criteria for Common Equity Tier 1 | 136,800,000 |
| 3 | Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1 | |
| 4 | Accumulated other comprehensive income | |
| 5 | Other disclosed reserves | |
| 6 | Retained earnings (loss) | (18,351,183) |
| 7 | Regulatory Adjustments of Common Equity Tier 1 capital | 3,356,354 |
| 8 | Revaluation reserves on assets | |
| 9 | Accumulated unrealized revaluation gains on assets through profit and loss to the extent that they exceed accumulated unrealized revaluation losses through profit and loss | |
| 10 | Intangible assets | 3,356,354 |
| 11 | Shortfall of the stock of provisions to the provisions based on the Asset Classification | |
| 12 | Investments in own shares | |
| 13 | Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions | |
| 14 | Cash flow hedge reserve | |
| 15 | Deferred tax assets not subject to the threshold deduction (net of related tax liability) | |
| 16 | Significant investments in the common equity tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions that are outside the scope of regulatory consolidation | |
| 17 | Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities | |
| 18 | Other deductions | |
| 19 | Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit) | |
| 20 | Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit) | |
| 21 | Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) | |
| 22 | The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1 | |
| 23 | Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments | |
| 24 | Common Equity Tier 1 | 115,092,464 |
| 25 | Additional tier 1 capital before regulatory adjustments | 0 |
| 26 | Instruments that comply with the criteria for Additional tier 1 capital | 0 |
| 27 | Including: instruments classified as equity under the relevant accounting standards | |
| 28 | Including: instruments classified as liabilities under the relevant accounting standards | |
| 29 | Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital | |
| 30 | Regulatory Adjustments of Additional Tier 1 capital | 0 |
| 31 | Investments in own Additional Tier 1 instruments | |
| 32 | Reciprocal cross-holdings in Additional Tier 1 instruments | |
| 33 | Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions | |
| 34 | Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit) | |
| 35 | Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments | |
| 36 | Additional Tier 1 Capital | 0 |
| 37 | Tier 2 capital before regulatory adjustments | 32,278,200 |
| 38 | Instruments that comply with the criteria for Tier 2 capital | 32,278,200 |
| 39 | Stock surplus (share premium) that meet the criteria for Tier 2 capital | |
| 40 | General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures | |
| 41 | Regulatory Adjustments of Tier 2 Capital | 0 |
| 42 | Investments in own shares that meet the criteria for Tier 2 capital | |
| 43 | Reciprocal cross-holdings in Tier 2 capital | |
| 44 | Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions | |
| 45 | Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit) | |
| 46 | Tier 2 Capital | 32,278,200 |

Table 9.112/31/2024

| Capital Adequacy Requirements | | | |
|---|---|--------|---------------|
| | Minimum Requirements | Ratios | Amounts (GEL) |
| 1 | Pillar 1 Requirements | | |
| 1.1 | Minimum CET1 Requirement | 4.50% | 28,701,583 |
| 1.2 | Minimum Tier 1 Requirement | 6.00% | 38,268,778 |
| 1.3 | Minimum Regulatory Capital Requirement | 8.00% | 51,025,037 |
| 2 | Combined Buffer | | |
| 2.1 | Capital Conservation Buffer * | 2.50% | 15,945,324 |
| 2.2 | Countercyclical Buffer | 0.25% | 1,594,532 |
| 2.3 | Systemic Risk Buffer | | - |
| 3 | Pillar 2 Requirements | | |
| 3.1 | CET1 Pillar 2 Requirement | 7.59% | 48,395,755 |
| 3.2 | Tier 1 Pillar2 Requirement | 9.25% | 58,994,053 |
| 3.3 | Regulatory capital Pillar 2 Requirement | 11.44% | 72,939,182 |
| | Total Requirements | Ratios | Amounts (GEL) |
| 4 | CET1 | 14.84% | 94,637,195 |
| 5 | Tier 1 | 18.00% | 114,802,687 |
| 6 | Total regulatory Capital | 22.19% | 141,504,076 |
| * Regarding the annulment of conservation buffer requirement please see the press release of National Bank of Goergia | | | |
| "Supervisory Plan Of The National Bank Of Georgia With Regard To COVID-19" (link: https://www.nbg.gov.ge/index.php?m=340&newsid=3901&lng=eng) | | | |

Table 9.112/31/2024

| Own funds and eligible liabilities | MREL Resource |
|---|---------------|
| Own funds and eligible liabilities | 147,370,664 |
| Own funds 1 | 147,370,664 |
| Common Equity Tier 1 (CET 1) | 115,092,464 |
| Additional Tier 1 Capital (AT 1) | - |
| Tier 2 Capital (Tier 2) | 32,278,200 |
| Eligible liabilities | - |
| Subordinated Loans (not classified as own funds)2 | |
| Eligible liabilities3 | |
| Total Liabilities and Own Funds (TLOF) | 147,370,664 |
| Total liabilities (except capital instruments) | |
| Own funds | 147,370,664 |
| Total Risk Exposure Amount and Total Exposure Measure | |
| Total Risk Exposure Amount (TREA) | 637,812,963 |
| Total Exposure Measure (TEM) | 741,055,941 |
| MREL ratios | |
| Own funds and eligible liabilities as a percentage of TREA | 23.11% |
| Own funds and eligible liabilities as a percentage of TEM | 19.89% |
| Own funds and eligible liabilities as a percentage of TLOF | 100.00% |
| "1 Capital Instruments" | |
| 2 Includes the part of the subordinated liabilities that is amortized as well as subordinated liabilities that are not classified as own funds. | |
| 3 Includes eligible liabilities with a residual maturity of more than one year that are not classified as own funds. Additionally, contracts of these liabilitied may be governed by Georgian law or fully or partially be subject to a law of a foreign country jurisdiction. Contracts of liabilities fully or partially governed by foreign legislation must include a provision for using the bank's liability write-off or conversion resolution tool for recapitalization (bail-in clause). | |

Table 1012/31/2024

| Reconciliation of balance sheet to regulatory capital | | | in Lari |
|---|---|--|--------------------------|
| N | On-balance sheet items per standardized regulatory report | Carrying values as reported in published stand-alone financial statements per IFRS | linkage to capital table |
| 1 | Cash, Cash balances with National Bank of Georgia and other banks | 196,466,540 | |
| 1.1 | Cash on hand | 2,956,819 | |
| 1.2 | Casha balances with National bank of Georgia | 102,424,274 | |
| 1.3 | Cash balances with other banks | 91,085,448 | |
| 2 | Financial assets held for trading | 396,465 | |
| 2.1 | of which:derivatives | 396,465 | |
| 3 | Non-trading financial assets mandatorily at fair value through profit or loss | | |
| 4 | Financial assets designated at fair value through profit or loss | - | |
| 5 | Financial assets at fair value through other comprehensive income | - | |
| 5.1 | Equity instruments | - | |
| 5.2 | Debt securities | - | |
| 5.3 | Loans and advances | - | |
| 6 | Financial assets at amortised cost | 481,538,640 | |
| 6.1 | Debt securities | 81,046,983 | |
| 6.2 | Loans and advances | 400,491,657 | |
| 7 | Investments in subsidiaries, joint ventures and associates | - | |
| 8 | Non-current assets and disposal groups classified as held for sale | - | |
| 9 | Tangible assets | 2,631,331 | |
| 9.1 | Property, Plant and Equipment | 2,631,331 | |
| 9.2 | Investment property | - | |
| 10 | Intangible assets | 3,356,354 | Table 9 (Capital), N10 |
| 10.1 | Goodwill | - | |
| 10.2 | Other intangible assets | 3,356,354 | |
| 11 | Tax assets | - | |
| 11.1 | Current tax assets | - | |
| 11.2 | Deferred tax assets | - | |
| 13 | Other assets | 21,548,568 | |
| 13.1 | of which: repossessed collateral | 19,368,269 | |
| 13.2 | of which: dividends receivable | - | |
| 14 | TOTAL ASSETS | 705,937,898 | |
| | | | |
| LIABILITIES | | LIABILITIES | |
| 15 | Financial liabilities held for trading | 426,946 | |
| 15.1 | of which:derivatives | 426,946 | |
| 16 | Financial liabilities designated at fair value through profit or loss | - | |
| 17 | Financial liabilities measured at amortised cost | 543,742,580 | |
| 17.1 | Deposits | 515,673,460 | |
| 17.2 | borrowings | 27,314,196 | |
| 17.3 | Debt securities issued | - | |
| 17.4 | Other financial liabilities | 754,924 | |
| 18 | Provisions | 533,089 | |
| 19 | Tax liabilities | - | |
| 19.1 | Current tax liabilities | - | |
| 19.2 | Deferred tax liabilities | - | |
| 20 | Subordinated liabilities | 33,530,510 | Table 9 (Capital), N38 |
| 21 | Other liabilities | 8,101,045 | |
| 21.1 | of which: dividends payable | - | |
| 22 | TOTAL LIABILITIES | 586,334,170 | |

Table 1012/31/2024

| Reconciliation of balance sheet to regulatory capital | | | in Lari |
|---|--|--|--------------------------|
| N | On-balance sheet items per standardized regulatory report | Carrying values as reported in published stand-alone financial statements per IFRS | linkage to capital table |
| Equity | | | |
| 23 | Share capital | 136,800,000 | Table 9 (Capital), N2 |
| 24 | preference share | - | |
| 25 | Share premium | - | |
| 26 | (-) Treasury shares | - | |
| 27 | Equity instruments issued other than capital | 1,154,911 | |
| 27.1 | Equity component of compound financial instruments | 1,154,911 | |
| 27.2 | Other equity instruments issued | - | |
| 28 | Share-based payment reserve | - | |
| 29 | Accumulated other comprehensive income | - | |
| 29.1 | revaluation reserve | - | |
| 29.2 | Fair value changes of equity instruments measured at fair value through other comprehensive income | - | |
| 29.3 | Fair value changes of debt instruments measured at fair value through other comprehensive income | - | |
| 30 | Retained earnings | (18,351,183) | Table 9 (Capital), N6 |
| 31 | TOTAL EQUITY | 119,603,728 | |
| 32 | TOTAL EQUITY AND TOTAL LIABILITIES | 705,937,898 | |

Table 1 1

12/31/2024

| Credit Risk Weighted Exposures (On-balance items and off-balance items after credit conversion factor) | | | | | | | | | | | | | | | | | | |
|---|--|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|--|
| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q |
| Risk weights Exposure classes | | 0% | | 20% | | 35% | | 50% | | 75% | | 100% | | 150% | | 250% | | Risk Weighted Exposures before Credit Risk Mitigation |
| | | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | |
| 1 | Claims or contingent claims on central governments or central banks | 31,816,983 | | - | | - | | - | | | | 76,076,691 | - | | | - | | 76,076,691 |
| 2 | Claims or contingent claims on regional governments or local authorities | - | | - | | - | | - | | | | - | - | | | - | | - |
| 3 | Claims or contingent claims on public sector entities | - | | - | | - | | - | | | | - | - | | | - | | - |
| 4 | Claims or contingent claims on multilateral development banks | - | | - | | - | | - | | | | - | - | | | - | | - |
| 5 | Claims or contingent claims on international organizations/institutions | - | | - | | - | | - | | | | - | - | | | - | | - |
| 6 | Claims or contingent claims on commercial banks | - | | 131,071,992 | | - | | 4,628,932 | | | | - | - | - | | - | | 30,874,013 |
| 7 | Claims or contingent claims on corporates | - | | - | | - | | - | | | | 414,769,100 | 719,569 | 1,083,720 | | - | | 449,277,722 |
| 8 | Retail claims or contingent retail claims | - | | - | | - | | - | | | | - | 34,508,621 | - | | - | | 3,690 |
| 9 | Claims or contingent claims secured by mortgages on residential property | - | | - | | - | | - | | | | - | 3,690 | | | - | | - |
| 10 | Past due items | - | | - | | - | | - | | | | 4,414,804 | - | 11,439,130 | | - | | 21,573,499 |
| 11 | Items belonging to regulatory high-risk categories | - | | - | | - | | - | | | | - | - | | | - | | - |
| 12 | Short-term claims on commercial banks and corporates | - | | - | | - | | - | | | | - | - | | | - | | - |
| 13 | Claims in the form of collective investment undertakings ('CIU') | - | | - | | - | | - | | | | - | - | | | - | | - |
| 14 | Other items | 2,956,819 | | - | | - | | - | | | | 24,323,374 | - | | | 0 | | 24,323,374 |
| Total | | 34,773,802 | 0 | 131,071,992 | 0 | 0 | 0 | 4,628,932 | 0 | 0 | 0 | 519,583,969 | 35,231,880 | 12,522,850 | 0 | 0 | 0 | 602,128,989 |

Table 1 2

12/31/2024

| Credit Risk Mitigation | | | | | | | | | | | | | | | | | | | | | in Lari | |
|------------------------|--|--------------------------|---|---|--|---|---|---|-------------------------------------|--|---|--------------------------------------|---|--------------------------------|--|------------------------|------------------|---|---|--|------------------------------|--|
| | | Funded Credit Protection | | | | | | | | | | Unfunded Credit Protection | | | | | | | | | | |
| | | On-balance sheet netting | Cash on deposit with, or cash assimilated instruments | Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, multilateral development banks and international organizations/ institutions | Debt securities issued by regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions | Debt securities issued by other entities, which securities have a credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of exposures to corporates. | Debt securities with a short-term credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of short term exposures | Equities or convertible bonds that are included in a main index | Standard gold bullion or equivalent | Debt securities without credit rating issued by commercial banks | Units in collective investment undertakings | Central governments or central banks | Regional governments or local authorities | Multilateral development banks | International organizations / institutions | Public sector entities | Commercial banks | Other corporate entities that have a credit assessment, which has been determined by NBG to be associated with credit quality step 2 or above under the rules for the risk weighting of exposures to corporates | Total Credit Risk Mitigation - On-balance sheet | Total Credit Risk Mitigation - Off-balance sheet | Total Credit Risk Mitigation | |
| 1 | Claims or contingent claims on central governments or central banks | | | | | | | | | | | | | | | | | | | | - | |
| 2 | Claims or contingent claims on regional governments or local authorities | | | | | | | | | | | | | | | | | | | | - | |
| 3 | Claims or contingent claims on public sector entities | | | | | | | | | | | | | | | | | | | | - | |
| 4 | Claims or contingent claims on multilateral development banks | | | | | | | | | | | | | | | | | | | | - | |
| 5 | Claims or contingent claims on international organizations/institutions | | | | | | | | | | | | | | | | | | | | - | |
| 6 | Claims or contingent claims on commercial banks | | | | | | | | | | | | | | | | | | | | - | |
| 7 | Claims or contingent claims on corporates | | 45,586,919 | | | | | | | | | | | | | | | | 43,519,701 | 2,067,218 | 45,586,919 | |
| 8 | Retail claims or contingent retail claims | | | | | | | | | | | | | | | | | | | | | |
| 9 | Claims or contingent claims secured by mortgages on residential property | | | | | | | | | | | | | | | | | | | | - | |
| 10 | Past due items | | | | | | | | | | | | | | | | | | | | - | |
| 11 | Items belonging to regulatory high-risk categories | | | | | | | | | | | | | | | | | | | | - | |
| 12 | Short-term claims on commercial banks and corporates | | | | | | | | | | | | | | | | | | | | - | |
| 13 | Claims in the form of collective investment undertakings | | | | | | | | | | | | | | | | | | | | - | |
| 14 | Other items | | | | | | | | | | | | | | | | | | | | - | |
| | Total | 0 | 45,586,919 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 43,519,701 | 2,067,218 | 45,586,919 | |

Table 1 3

12/31/2024

| Standardized approach - Effect of credit risk mitigation | | | | | | | | | |
|--|--|----------------------------|---|--------------------------------------|-----------------------------------|---------------------------------|--------------------------|--|--|
| Asset Classes | | a | b | c | d | e | f | | |
| | | On-balance sheet exposures | Off-balance sheet exposures | | RWA before Credit Risk Mitigation | RWA post Credit Risk Mitigation | RWA Density f=e/(a+c) | | |
| | | | Off-balance sheet exposures - Nominal value | Off-balance sheet exposures post CCF | | | | | |
| 1 | Claims or contingent claims on central governments or central banks | 107,893,674 | | | 76,076,691 | 76,076,691 | 71% | | |
| 2 | Claims or contingent claims on regional governments or local authorities | 0 | | | 0 | 0 | 0% | | |
| 3 | Claims or contingent claims on public sector entities | 0 | | | 0 | 0 | 0% | | |
| 4 | Claims or contingent claims on multilateral development banks | 0 | | | 0 | 0 | 0% | | |
| 5 | Claims or contingent claims on international organizations/institutions | 0 | | | 0 | 0 | 0% | | |
| 6 | Claims or contingent claims on commercial banks | 136,784,644 | 1,439,138 | 719,569 | 30,874,013 | 30,874,013 | 22% | | |
| 7 | Claims or contingent claims on corporates | 414,769,100 | 82,029,530 | 34,508,621 | 449,277,722 | 403,690,803 | 90% | | |
| 8 | Retail claims or contingent retail claims | 0 | 7,380 | 3,690 | 3,690 | 3,690 | 100% | | |
| 9 | Claims or contingent claims secured by mortgages on residential property | 0 | 0 | 0 | 0 | 0 | 0% | | |
| 10 | Past due items | 15,853,934 | | | 21,573,499 | 21,573,499 | 136% | | |
| 11 | Items belonging to regulatory high-risk categories | 0 | | | 0 | 0 | 0% | | |
| 12 | Short-term claims on commercial banks and corporates | 0 | | | 0 | 0 | 0% | | |
| 13 | Claims in the form of collective investment undertakings ('CIU') | 0 | | | 0 | 0 | 0% | | |
| 14 | Other items | 27,280,192 | | | 24,323,374 | 24,323,374 | 89% | | |
| | Total | 702,581,544 | 83,476,048 | 35,231,880 | 602,128,989 | 556,542,070 | 75% | | |

Table 1 4

12/31/2024

| Liquidity Coverage Ratio | | | | | | | | | | |
|----------------------------|--|--|-------------|-------------|---|-------------|-------------|--|-------------|-------------|
| | | Total unweighted value (daily average) | | | Total weighted values according to NBG's methodology* (daily average) | | | Total weighted values according to Basel methodology (daily average) | | |
| | | GEL | FX | Total | GEL | FX | Total | GEL | FX | Total |
| High-quality liquid assets | | | | | | | | | | |
| 1 | Total HQLA | | | | 63,508,442 | 164,266,809 | 227,775,251 | 54,061,472 | 59,650,199 | 113,711,671 |
| Cash outflows | | | | | | | | | | |
| 2 | Retail deposits | 15,314,469 | 48,592,934 | 63,907,403 | 1,370,862 | 13,075,321 | 14,446,183 | 360,475 | 3,014,729 | 3,375,204 |
| 3 | Unsecured wholesale funding | 108,490,810 | 338,168,709 | 446,659,520 | 40,960,960 | 103,880,471 | 144,841,431 | 36,437,381 | 92,762,184 | 129,199,565 |
| 4 | Secured wholesale funding | 5,945,652 | - | 5,945,652 | - | - | - | - | - | 0 |
| 5 | Outflows related to off-balance sheet obligations and net short position of derivative exposures | 28,998,310 | 55,803,237 | 84,801,547 | 5,972,332 | 12,577,003 | 18,549,335 | 2,604,954 | 4,737,016 | 7,341,970 |
| 6 | Other contractual funding obligations | - | - | - | - | - | - | - | - | 0 |
| 7 | Other contingent funding obligations | 7,159,255 | 7,472,041 | 14,631,295 | 3,807,162 | 1,605,827 | 5,412,990 | 3,807,162 | 1,605,827 | 5,412,990 |
| 8 | TOTAL CASH OUTFLOWS | 165,908,496 | 450,036,922 | 615,945,418 | 52,111,316 | 131,138,623 | 183,249,939 | 43,209,972 | 102,119,757 | 145,329,729 |
| Cash inflows | | | | | | | | | | |
| 9 | Secured lending (eg reverse repos) | 0 | 0 | 0 | - | - | - | 0 | 0 | 0 |
| 10 | Inflows from fully performing exposures | 185,892,759 | 283,755,171 | 469,647,930 | 3,736,014 | 1,929,433 | 5,665,447 | 14,691,961 | 115,308,077 | 130,000,037 |
| 11 | Other cash inflows | 31,730,497 | 7,220,149 | 38,950,647 | 1,459,748 | 718,882 | 2,178,630 | 1,459,748 | 718,882 | 2,178,630 |
| 12 | TOTAL CASH INFLOWS | 217,623,256 | 290,975,320 | 508,598,577 | 5,195,762 | 2,648,315 | 7,844,076 | 16,151,709 | 116,026,958 | 132,178,667 |
| | | | | | Total value according to NBG's methodology* (with limits) | | | Total value according to Basel methodology (with limits) | | |
| 13 | Total HQLA | | | | 63,508,442 | 164,266,809 | 227,775,251 | 54,061,472 | 59,650,199 | 113,711,671 |
| 14 | Net cash outflow | | | | 46,915,554 | 128,490,308 | 175,405,863 | 27,058,264 | 25,529,939 | 36,332,432 |
| 15 | Liquidity coverage ratio (%) | | | | 135.37% | 127.84% | 129.86% | 199.80% | 233.65% | 312.98% |

* Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology. The numbers calculated within Basel framework are given for illustratory purposes.

Table 1 5

12/31/2024

| Counterparty credit risk | | | | | | | | | | | | | |
|--------------------------|-------------------------------------|----------------|------------|----------------|----|-----|-----|-----|-----|-----------|------|------|---|
| | | a | b | c | d | e | f | g | h | i | j | k | l |
| | | Nominal amount | Percentage | Exposure value | 0% | 20% | 35% | 50% | 75% | 100% | 150% | 250% | Counterparty Credit Risk Weighted Exposures |
| 1 | FX contracts | 55,666,001 | | 1,370,219 | 0 | 0 | 0 | 0 | 0 | 1,370,219 | 0 | 0 | 1,370,219 |
| 1.1 | Maturity less than 1 year | 47,102,694 | 2.0% | 942,054 | | | | | | 942,054 | | | 942,054 |
| 1.2 | Maturity from 1 year up to 2 years | 8,563,307 | 5.0% | 428,165 | | | | | | 428,165 | | | 428,165 |
| 1.3 | Maturity from 2 years up to 3 years | 0 | 8.0% | 0 | | | | | | | | | 0 |
| 1.4 | Maturity from 3 years up to 4 years | 0 | 11.0% | 0 | | | | | | | | | 0 |
| 1.5 | Maturity from 4 years up to 5 years | 0 | 14.0% | 0 | | | | | | | | | 0 |
| 1.6 | Maturity over 5 years | 0 | | | | | | | | | | | 0 |
| 2 | Interest rate contracts | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.1 | Maturity less than 1 year | | 0.5% | 0 | | | | | | | | | 0 |
| 2.2 | Maturity from 1 year up to 2 years | | 1.0% | 0 | | | | | | | | | 0 |
| 2.3 | Maturity from 2 years up to 3 years | | 2.0% | 0 | | | | | | | | | 0 |
| 2.4 | Maturity from 3 years up to 4 years | | 3.0% | 0 | | | | | | | | | 0 |
| 2.5 | Maturity from 4 years up to 5 years | | 4.0% | 0 | | | | | | | | | 0 |
| 2.6 | Maturity over 5 years | | | | | | | | | | | | 0 |
| | Total | 55,666,001 | | 1,370,219 | 0 | 0 | 0 | 0 | 0 | 1,370,219 | 0 | 0 | 1,370,219 |

Table 1 5.1

12/31/2024

| Leverage Ratio | | |
|---|---|-------------|
| On-balance sheet exposures (excluding derivatives and SFTs) | | |
| 1 | On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral) * | 705,937,898 |
| 2 | (Asset amounts deducted in determining Tier 1 capital) | (3,356,354) |
| 3 | Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2) | 702,581,544 |
| Derivative exposures | | |
| 4 | Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin) | |
| 5 | Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method) | |
| EU-5a | Exposure determined under Original Exposure Method | 1,370,219 |
| 6 | Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework | |
| 7 | (Deductions of receivables assets for cash variation margin provided in derivatives transactions) | |
| 8 | (Exempted CCP leg of client-cleared trade exposures) | |
| 9 | Adjusted effective notional amount of written credit derivatives | |
| 10 | (Adjusted effective notional offsets and add-on deductions for written credit derivatives) | |
| 11 | Total derivative exposures (sum of lines 4 to 10) | 1,370,219 |
| Securities financing transaction exposures | | |
| 12 | Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions | |
| 13 | (Netted amounts of cash payables and cash receivables of gross SFT assets) | |
| 14 | Counterparty credit risk exposure for SFT assets | |
| EU-14a | Derogation for SFTs: Counterparty credit risk exposure in accordance with Article 429b (4) and 222 of Regulation (EU) No 575/2013 | |
| 15 | Agent transaction exposures | |
| EU-15a | (Exempted CCP leg of client-cleared SFT exposure) | |
| 16 | Total securities financing transaction exposures (sum of lines 12 to 15a) | - |

| Leverage Ratio | | |
|---|--|--------------|
| Other off-balance sheet exposures | | |
| 17 | Off-balance sheet exposures at gross notional amount | 83,476,048 |
| 18 | (Adjustments for conversion to credit equivalent amounts) | (46,371,870) |
| 19 | Other off-balance sheet exposures (sum of lines 17 to 18) | 37,104,178 |
| Exempted exposures in accordance with CRR Article 429 (7) and (14) (on and off balance sheet) | | |
| EU-19a | (Exemption of intragroup exposures (solo basis) in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet)) | |
| EU-19b | (Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet)) | |
| Capital and total exposures | | |
| 20 | Tier 1 capital | 115,092,464 |
| 21 | Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b) | 741,055,941 |
| Leverage ratio | | |
| 22 | Leverage ratio | |
| Choice on transitional arrangements and amount of derecognised fiduciary items | | |
| EU-23 | Choice on transitional arrangements for the definition of the capital measure | 15.53% |
| EU-24 | Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) NO 575/2013 | |
| *COVID 19 related provisions are deducted from balance sheet items | | |

Table 16

12/31/2024

| Net Stable Funding Ratio | | | | | | |
|--------------------------|---|---------------------------------------|-------------|-----------------|-------------|----------------|
| | | Unweighted value by residual maturity | | | | Weighted value |
| | | No maturity | < 6 month | 6 month to <1yr | >= 1 yr | |
| Available stable funding | | | | | | |
| 1 | Capital: | 147,370,664 | - | - | 137,489,544 | 284,860,207 |
| 2 | Regulatory capital | 147,370,664 | | | | 147,370,664 |
| 3 | Other non-redeemable capital instruments and liabilities with remaining maturity more than 1 year | | | | 137,489,544 | 137,489,544 |
| 4 | Redeemable retail deposits or non-redeemable retail deposits with residual maturity of less than one year | 14,735,099 | 34,853,312 | 17,936,902 | 1,759,373 | 46,727,377 |
| 5 | Residents' deposits | 3,382,155 | 12,181,013 | 10,710,237 | 582,228 | 25,512,851 |
| 6 | Non-residents' deposits | 11,352,944 | 22,672,299 | 7,226,665 | 1,177,145 | 21,214,527 |
| 7 | Wholesale funding | 91,405,894 | 174,094,712 | 67,066,467 | | 80,663,132 |
| 8 | Redeemable funding or non-redeemable funding with residual maturity of less than one year, provided by the government or enterprises controlled by the government, international financial institutions and legal entities, excluding representatives of financial sector | 51,772,982 | 42,486,814 | 34,086,839 | | 64,173,318 |
| 9 | Redeemable funding or non-redeemable funding with residual maturity of less than one year, provided by the central banks and other financial institutions | 39,632,912 | 131,607,898 | 32,979,628 | - | 16,489,814 |
| 10 | Liabilities with matching interdependent assets | | | | | |
| 11 | Other liabilities: | - | 14,645,958 | - | - | - |
| 12 | Liabilities related to derivatives | | 426,946 | | | |
| 13 | All other liabilities and equity not included in the above categories | | 14,219,013 | | | |
| 14 | Total available stable funding | | | | | 412,250,716 |
| Required stable funding | | | | | | |
| 15 | Total high-quality liquid assets (HQLA) | 191,126,379 | 62,355,600 | | | 7,405,044 |
| 16 | Performing loans and securities: | 5,297,903 | 92,194,336 | 83,353,545 | 217,758,219 | 257,571,812 |
| 17 | Loans and deposits to financial institutions secured by Level 1 HQLA | 5,297,903 | 57,140,811 | 21,385,759 | 26,053,227 | |
| 18 | Loans and deposits to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions | - | 32,265,895 | 60,656,557 | 178,003,007 | 46,111,914 |
| 19 | Loans to non-financial institutions and retail customers, of which: | - | | | | 197,763,782 |
| 20 | With a risk weight of less than or equal to 35% | | | | | |
| 21 | Residential mortgages, of which: | | | | | |
| 22 | With a risk weight of less than or equal to 35% | | | | | |
| 23 | Securities that do not qualify as HQLA | - | 2,787,630 | 1,311,229 | 13,701,985 | 13,696,116 |
| 24 | Assets with matching interdependent liabilities | | | | | |
| 25 | Other assets: | 2,643,896 | 22,758,001 | 1,352,283 | 23,921,648 | 38,818,919 |
| 26 | Assets related to derivatives | | 396,465 | | | 396,465 |
| 27 | All other assets not included in the above categories | 2,643,896 | 22,361,536 | 1,352,283 | 23,921,648 | 38,422,453 |
| 28 | Off-balance sheet items | - | 27,674,619 | 21,520,780 | 34,253,364 | 8,673,814 |
| 29 | Total required stable funding | | | | | 312,469,588 |
| | | | | | | |
| 30 | Net stable funding ratio | | | | | 131.93% |

*Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, current/demand deposits, etc.

Table 17

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| Distribution by residual maturity | | Exposures of On-Balance Items | | | | | |
|-----------------------------------|--|-------------------------------|-------------|-------------------|-------------|--------------------|-------------|
| | | On demand | ≤ 1 year | > 1 year ≤ 5 year | > 5 year | No stated maturity | Total |
| Risk classes | | | | | | | |
| 1 | Claims or contingent claims on central governments or central banks | 4,110,193 | 5,469,400 | 22,299,139 | | 76,014,942 | 107,893,674 |
| 2 | Claims or contingent claims on regional governments or local authorities | | | | | | - |
| 3 | Claims or contingent claims on public sector entities | | | | | | - |
| 4 | Claims or contingent claims on multilateral development banks | | | | | | - |
| 5 | Claims or contingent claims on international organizations/institutions | | | | | | - |
| 6 | Claims or contingent claims on commercial banks | 37,714,246 | 99,070,398 | | | | 136,784,644 |
| 7 | Claims or contingent claims on corporates | | 43,947,184 | 221,967,108 | 164,708,743 | | 430,623,035 |
| 8 | Retail claims or contingent retail claims | | | | | | - |
| 9 | Claims or contingent claims secured by mortgages on residential property | | | | | | - |
| 10 | Past due items* | | 1,255,425 | 823,027 | 13,775,483 | | 15,853,934 |
| 11 | Items belonging to regulatory high-risk categories | | | | | | - |
| 12 | Short-term claims on commercial banks and corporates | | | | | | - |
| 13 | Claims in the form of collective investment undertakings ('CIU') | | | | | | - |
| 14 | Other items | 2,252,985 | 22,395,876 | | | 2,631,331 | 27,280,192 |
| 15 | Total | 44,077,424 | 187,712,597 | 227,436,508 | 164,708,743 | 78,646,272 | 702,581,545 |

Past due items* - Past due items will be filled in paragraph 10 and also will be redistributed to the classes in which they were recorded before they were classified as “Past due tems”. An overdue loan line is not included in the formula for eliminating double counting.

Table 18

12/31/2024

| On Balance Assets | | a | b | c | d | e | f |
|-------------------|--|---|--|----------------------|-----------------|--|---------------------|
| | | Gross carrying values | | Expected Credit Loss | General Reserve | Accumulated write-off, during the reporting period | Net Value (a+b-c-d) |
| | | Of which: Loans and other Assets - Non-Performing | Of which: Loans and other Assets - other than Non-Performing | | | | |
| Risk classes | | | | | | | |
| 1 | Claims or contingent claims on central governments or central banks | | | | | | |
| 2 | Claims or contingent claims on regional governments or local authorities | | 107,894,535 | 861 | | | 107,893,674 |
| 3 | Claims or contingent claims on public sector entities | | | | | | - |
| 4 | Claims or contingent claims on multilateral development banks | | | | | | - |
| 5 | Claims or contingent claims on international organizations/institutions | | | | | | - |
| 6 | Claims or contingent claims on commercial banks | | 136,785,550 | 906 | | | 136,784,644 |
| 7 | Claims or contingent claims on corporates | 23,121,589 | 416,464,586 | 8,963,139 | | 52,875 | 430,623,035 |
| 8 | Retail claims or contingent retail claims | | | | | | - |
| 9 | Claims or contingent claims secured by mortgages on residential property | | | | | | - |
| 10 | Past due items* | 21,563,221 | | 5,709,287 | | | 15,853,934 |
| 11 | Items belonging to regulatory high-risk categories | | | | | | - |
| 12 | Short-term claims on commercial banks and corporates | | | | | | - |
| 13 | Claims in the form of collective investment undertakings ('CIU') | | | | | | - |
| 14 | Other items | | 30,636,546 | | | | 30,636,546 |
| 15 | Total | 23,121,589 | 691,781,216 | 8,964,906 | - | 52,875 | 705,937,899 |
| 16 | Of which: loans | 22,930,573 | 340,329,995 | 8,299,847 | | 52,875 | 354,960,721 |
| 17 | Of which: securities | | 76,078,769 | 501,186 | 52,875 | | 75,577,583 |

Past due items* - Past due items will be filled in paragraph 10 and also will be redistributed to the classes in which they were recorded before they were classified as “Past due tems”. An overdue loan line is not included in the formula for eliminating double counting.

Table 19

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| | | a | b | c | d | e | f |
|---------------------------------------|--|---|--|----------------------|-----------------|--|-------------|
| On Balance Assets Risk classes | | Gross carrying values | | Expected Credit Loss | General Reserve | Accumulated write-off, during the reporting period | Net Value |
| | | Of which: Loans and other Assets - Non-Performing | Of which: Loans and other Assets - other than Non-Performing | | | | (a+b-c-d) |
| 1 | State, state organizations | - | 107,894,535 | 861 | | 5,895 | 107,893,674 |
| 2 | Financial Institutions | 199,735 | 245,254,857 | 703,693 | | - | 244,750,899 |
| 3 | Pawn-shops | - | - | - | | - | - |
| 4 | Construction Development, Real Estate Development and other Land Loans | 3,859,978 | 32,551,975 | 2,431,476 | | - | 33,980,476 |
| 5 | Real Estate Management | 364,946 | 44,534,121 | 138,001 | | - | 44,761,065 |
| 6 | Construction Companies | - | 54,218 | - | | - | 54,218 |
| 7 | Production and Trade of Construction Materials | 622 | 2,855,938 | 10,180 | | - | 2,846,380 |
| 8 | Trade of Consumer Foods and Goods | 1,235,673 | 14,862,993 | 231,218 | | - | 15,867,449 |
| 9 | Production of Consumer Foods and Goods | - | 15,673,851 | 97,693 | | - | 15,576,158 |
| 10 | Production and Trade of Durable Goods | - | 2,779,545 | 11,072 | | - | 2,768,473 |
| 11 | Production and Trade of Clothes, Shoes and Textiles | - | 9,240,683 | 104,162 | | - | 9,136,521 |
| 12 | Trade (Other) | - | 24,538,147 | 207,739 | | - | 24,330,408 |
| 13 | Other Production | 516,644 | 2,130 | 50,794 | | - | 467,980 |
| 14 | Hotels, Tourism | 2,334,537 | 12,522,798 | 467,656 | | - | 14,389,679 |
| 15 | Restaurants | 9,448,121 | 9,863,548 | 1,504,736 | | - | 17,806,933 |
| 16 | Industry | - | - | - | | - | - |
| 17 | Oil Importers,Filling stationas,gas stations and Retailers | - | 8,770,554 | 55,261 | | - | 8,715,293 |
| 18 | Energy | - | 91,586,306 | 622,940 | | - | 90,963,367 |
| 19 | Auto Dealers | - | - | - | | - | - |
| 20 | HealthCare | - | 8,185,138 | 182,210 | | - | 8,002,928 |
| 21 | Pharmacy | - | - | - | | - | - |
| 22 | Telecommunication | - | 5,006,469 | 37,982 | | - | 4,968,487 |
| 23 | Service | 2,366,202 | 18,326,005 | 453,081 | | 1,479 | 20,239,125 |
| 24 | Agriculture | 2,794,885 | 5,959,593 | 1,653,783 | | - | 7,100,695 |
| 25 | Other | - | 504,089 | 43 | | - | 504,046 |
| 26 | Assets on which the Sector of repayment source is not accounted for | 246 | 177,177 | 326 | | 45,501 | 177,096 |
| 27 | Other assets | - | 27,280,192 | - | | - | 27,280,192 |
| 28 | Total | 23,121,589 | 688,424,862 | 8,964,906 | - | 52,875 | 702,581,544 |

Table 20

12/31/2024

| Changes in Expected Credit Loss for loans and Corporate debt securities | | Loans | Corporate debt securities |
|---|--|-----------|---------------------------|
| 1 | Opening balance of Expected Credit Loss | 9,497,596 | 368,279 |
| 2 | An increase in the ECL for possible losses on assets | 486,797 | 174,173 |
| 2.1 | As a result of the origination of the new assets | 310,156 | 144,583 |
| 2.2 | As a result of classification of assets as a low quality | 176,640 | 29,590 |
| 3 | Decrease in ECL for possible losses on assets | 1,393,525 | 41,842 |
| 3.1 | As a result of write-off of assets | 45,119 | - |
| 3.2 | As a result of partial or total payment of assets | 406,854 | 16,811 |
| 3.3 | As a result of classification of assets as a high quality | 941,552 | 25,032 |
| 4 | Increase / Decrease ECL of foreign currency assets as a result of currency exchange rate changes | (144,422) | 576 |
| 5 | Closing balance of Expected Credit Loss | 8,446,445 | 501,186 |

Table 21

12/31/2024

| Changes in the stock of non-performing loans over the period | | Gross carrying value of Non-performing Loans | Net accumulated recoveries related to decrease of Non-performing loans |
|--|---|--|--|
| 1 | Opening balance | 28,152,921 | |
| 2 | Inflows to non-performing portfolios | 327,910 | |
| 3 | Increase of non-performing portfolio, as e result of currency exchange rate changes | 303,739 | |
| 4 | Outflows from non-performing portfolios | 5,853,997 | |
| 5 | Outflow due to the decrease level of credit risk | - | |
| 6 | Outflow due to loan repayment, partial or total | 1,274,466 | |
| 7 | Outflows due to write-offs | 54,744 | |
| 8 | Outflow due to taking possession of collateral | 4,140,322 | |
| 9 | Outflow due to sale of portfolios | - | |
| 10 | Outflow due to other situations | - | |
| 11 | Decrease of non-performing portfolio, as a result of currency exchange rate changes | 384,464 | |
| 12 | Closing balance | 22,930,573 | |

Table 22

12/31/2024

| Distribution of loans, Debt securities and Off-balance-sheet items according to Credit Risk Stages and Past due days | | Gross carrying value of loans and Debt securities, nominal value of Off-balance-sheet items | | | | | | | | | | | | | | | | | | | | | | | | |
|--|------------------------------|---|-------------|--------------------|------------------------------|--------------------|------------|--------------------|------------------------------|--------------------|------------|-----------|--------------------|------------------------------|-------------------------------|------------------------------|----------------------------|----------------------------|-----------|--------------------|---|--------------------|------------------------------|-------------------------------|------------------------------|----------------------------|
| | | Total | 1st stage | | | | 2nd stage | | | | | 3rd stage | | | | | | | | POCI | | | | | | |
| | | | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | Past due > 90 days | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | Past due > 90 days | | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | Past due > 90 days ≤ 180 days | Past due > 180 days ≤ 1 Year | Past due > 1 Year ≤ 2 Year | Past due > 2 Year ≤ 5 Year | | Past due > 5 Years | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | Past due > 90 days ≤ 180 days | Past due > 180 days ≤ 1 Year | Past due > 1 Year ≤ 2 Year |
| 1 | Loans | 408,938,103 | 373,510,032 | 826,244 | - | | 12,497,498 | 1,462,042 | 7,514,444 | - | 20,494,933 | - | 411,355 | 4,153,029 | 2,746,569 | 190,362 | 11,849,846 | - | 2,435,640 | - | - | - | - | 2,435,640 | - | - |
| 1.1 | Central banks | - | - | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 1.2 | General governments | - | - | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 1.3 | Credit institutions | 45,677,535 | 45,677,535 | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 1.4 | Other financial corporations | 65,400,097 | 65,231,689 | - | - | - | - | - | - | - | 168,408 | - | - | - | - | - | 168,408 | - | - | - | - | - | - | - | - | - |
| 1.5 | Non-financial corporations | 290,914,803 | 258,270,916 | 717,255 | - | - | 12,433,319 | 1,462,042 | 7,500,354 | - | 17,774,928 | - | 380,029 | 4,153,029 | 2,586,865 | 190,362 | 9,320,872 | - | 2,435,640 | - | - | - | | 2,435,640 | - | - |
| 1.6 | Households | 6,945,667 | 4,329,892 | 108,989 | - | | 64,179 | - | 14,090 | - | 2,551,597 | | 31,327 | - | 159,704 | - | 2,360,566 | - | - | - | - | | | - | - | - |
| 2 | Debt Securities | 81,548,169 | 81,548,169 | - | - | - | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 2.1 | Central banks | - | - | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 2.2 | General governments | 5,469,400 | 5,469,400 | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 2.3 | Credit institutions | - | - | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 2.4 | Other financial corporations | 43,040,694 | 43,040,694 | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 2.5 | Non-financial corporations | 33,038,075 | 33,038,075 | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 2.6 | Households | - | - | - | | | - | - | - | | - | | - | - | - | - | - | | - | | | | | - | | |
| 3 | Off-balance-sheet items | 83,789,843 | 83,269,901 | | | | 519,942 | | | | 9,552 | | | | | | | | - | | | | | | | |
| 3.1 | Central banks | - | - | | | | - | | | | - | | | | | | | | - | | | | | | | |
| 3.2 | General governments | - | - | | | | - | | | | - | | | | | | | | - | | | | | | | |
| 3.3 | Credit institutions | 1,450,000 | 1,450,000 | | | | - | | | | - | | | | | | | | - | | | | | | | |
| 3.4 | Other financial corporations | 5,507,145 | 5,507,145 | | | | - | | | | - | | | | | | | | - | | | | | | | |
| 3.5 | Non-financial corporations | 76,825,281 | 76,305,339 | | | | 519,942 | | | | - | | | | | | | | - | | | | | | | |
| 3.6 | Households | 7,416 | 7,416 | | | | - | | | | 9,552 | | - | | | | | | - | | | | | | | |

Table 23

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| Loans Distributed according to LTV ratio, Expected Credit Loss, Value of collateral for loans and loans secured by guarantees according to Credit Risk stages and past due days | | Gross carrying value of loans | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|-------------------------------|-------------|--------------------|------------------------------|-------|--------------------|-----------|--------------------|------------------------------|--------------------|-----------|--------------------|------------------------------|-------------------------------|------------------------------|----------------------------|----------------------------|--------------------|------|--------------------|------------------------------|-------------------------------|------------------------------|----------------------------|----------------------------|
| | | Total | 1st stage | | | | 2nd stage | | | | | 3rd stage | | | | | | | | POCI | | | | | | |
| | | | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | | Past due > 90 days | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | Past due > 90 days | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | Past due > 90 days ≤ 180 days | Past due > 180 days ≤ 1 Year | Past due > 1 Year ≤ 2 Year | Past due > 2 Year ≤ 5 Year | Past due > 5 Years | | Past due ≤ 30 days | Past due > 30 days ≤ 90 days | Past due > 90 days ≤ 180 days | Past due > 180 days ≤ 1 Year | Past due > 1 Year ≤ 2 Year | Past due > 2 Year ≤ 5 Year |
| 1 | Loans | 363,260,568 | 327,832,497 | 826,244 | - | 1,250 | 12,497,498 | 1,462,042 | 7,514,444 | - | 20,494,933 | | 411,355 | 4,153,029 | 2,746,569 | 190,362 | 2,435,640 | - | 2,435,640 | - | - | - | - | 2,435,640 | - | - |
| 1.1 | Secured Loans | 343,767,670 | 308,435,125 | 823,280 | - | - | 12,483,408 | 1,462,042 | 7,500,354 | - | 20,413,498 | | 380,029 | 4,153,029 | 2,737,651 | 190,362 | 2,435,640 | - | 2,435,640 | - | - | - | - | 2,435,640 | - | - |
| 1.1.1 | Loans Secured by Immovable property | 233,896,864 | 198,732,727 | 823,280 | - | - | 12,483,408 | 1,462,042 | 7,500,354 | - | 20,245,090 | | 380,029 | 4,153,029 | 2,737,651 | 190,362 | 2,435,640 | - | 2,435,640 | - | - | - | - | 2,435,640 | - | - |
| 1.1.1.1 | LTV ≤70% | 103,758,826 | 86,790,668 | 823,280 | - | - | 2,926,327 | - | - | - | 14,041,831 | | 380,029 | 2,111,415 | 2,737,651 | - | - | - | - | - | - | - | - | - | - | - |
| 1.1.1.2 | LTV >70% ≤85% | 44,938,905 | 44,615,129 | - | - | - | - | - | - | - | 323,776 | | - | - | - | 190,362 | - | - | - | - | - | - | - | - | - | - |
| 1.1.1.3 | LTV >85% ≤100% | 9,865,357 | - | - | - | - | 2,809,714 | - | 2,264,526 | - | 5,888,414 | | - | 2,041,614 | - | - | 1,167,229 | - | 1,167,229 | - | - | - | - | 1,167,229 | - | - |
| 1.1.1.4 | LTV >100% | 75,627,509 | 67,600,549 | - | - | - | 6,758,549 | 1,465,660 | 5,242,736 | - | - | | - | - | - | | 1,268,411 | - | 1,268,411 | - | - | - | - | 1,268,411 | - | - |
| 1.2 | Expected Credit Loss of Loans | 7,999,578 | 1,565,794 | 1,308 | - | - | 783,675 | 210,074 | 493,135 | - | 4,441,568 | | 37,412 | 2,232,462 | 258,977 | 80,220 | 1,208,542 | - | 1,208,542 | - | - | - | - | 1,208,542 | - | - |
| 1.3 | Value of Pledged collateral | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.3.1 | Of which value capped at the Loan value | 213,845,851 | 179,339,834 | 823,280 | - | - | 11,187,108 | 943,736 | 6,775,238 | - | 17,697,463 | | 374,125 | 3,950,093 | 2,589,774 | 188,399 | 2,301,677 | - | 2,301,677 | - | - | - | - | 2,301,677 | - | - |
| 1.3.1.1 | Of which immovable property | 209,125,818 | 174,619,801 | 823,280 | - | - | 11,187,108 | 943,736 | 6,775,238 | - | 17,697,463 | | 374,125 | 3,950,093 | 2,589,774 | 188,399 | 2,301,677 | - | 2,301,677 | - | - | - | - | 2,301,677 | - | - |
| 1.3.2 | Of which value above the cap | 289,658,507 | 264,943,816 | 967,459 | - | - | 5,055,289 | 3,874 | 397,133 | - | 19,646,840 | | 594,618 | 4,069,118 | 6,155,283 | 44,868 | 12,562 | - | 12,562 | - | - | - | - | 12,562 | - | - |
| 1.3.2.1 | Of which immovable property | 269,469,213 | 245,365,988 | 886,061 | - | - | 4,749,346 | - | 132,039 | - | 19,341,320 | | 511,818 | 4,069,117 | 5,932,563 | 44,868 | 12,560 | - | 12,560 | - | - | - | - | 12,560 | - | - |
| 1.4 | Loans secured by the state and state institutions | - | - | - | | | - | - | - | | - | | | - | - | - | - | - | | | | | - | | | |
| 1.5 | Loans secured by bank and /or financial institutions | 600,969 | 600,969 | - | - | - | - | - | - | - | - | | | - | - | | - | - | - | - | - | - | - | - | - | - |

Table 24

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| Loans | | Gross carrying value | | | | | Expected Credit Loss | | | | |
|----------------------------|--|----------------------|-------------|------------|------------|-----------|----------------------|-----------|-----------|-----------|-----------|
| | | | 1st stage | 2nd stage | 3rd stage | POCI | | 1st stage | 2nd stage | 3rd stage | POCI |
| Sector of repayment source | | | | | | | | | | | |
| 1 | State, state organizations | - | - | - | - | - | - | - | - | - | - |
| 2 | Financial Institutions | 111,305,812 | 111,091,987 | 14,090 | 199,735 | - | 573,981 | 378,540 | 260 | 195,181 | - |
| 3 | Pawn-shops | - | - | - | - | - | - | - | - | - | - |
| 4 | Construction Development, Real Estate Development and other Land Loans | 36,402,511 | 32,550,491 | - | 3,852,019 | - | 2,424,894 | 151,377 | - | 2,273,518 | - |
| 5 | Real Estate Management | 44,898,629 | 44,533,684 | - | 364,946 | - | 138,001 | 101,704 | - | 36,297 | - |
| 6 | Construction Companies | 11,895 | 11,895 | - | - | - | - | - | - | - | - |
| 7 | Production and Trade of Construction Materials | - | - | - | - | - | - | - | - | - | - |
| 8 | Trade of Consumer Foods and Goods | 3,811,804 | 2,585,908 | - | 1,225,895 | - | 149,009 | 19,952 | - | 129,057 | - |
| 9 | Production of Consumer Foods and Goods | 15,673,851 | 15,673,851 | - | - | - | 97,693 | 97,693 | - | - | - |
| 10 | Production and Trade of Durable Goods | 2,774,009 | 2,774,009 | - | - | - | 11,072 | 11,072 | - | - | - |
| 11 | Production and Trade of Clothes, Shoes and Textiles | 9,239,821 | 6,313,493 | 2,926,327 | - | - | 104,162 | 42,718 | 61,445 | - | - |
| 12 | Trade (Other) | 14,486,962 | 14,486,962 | - | - | - | 113,354 | 113,354 | - | - | - |
| 13 | Other Production | 518,774 | 2,130 | - | 516,644 | - | 50,794 | - | - | 50,794 | - |
| 14 | Hotels, Tourism | 14,822,809 | 11,255,625 | 1,267,173 | 2,300,011 | - | 438,942 | 31,095 | 198,538 | 209,309 | - |
| 15 | Restaurants | 19,184,420 | 9,863,548 | - | 9,320,872 | - | 1,398,192 | 51,603 | - | 1,346,589 | - |
| 16 | Industry | - | - | - | - | - | - | - | - | - | - |
| 17 | Oil Importers,Filling stationas,gas stations and Retailers | 8,770,554 | 8,770,554 | - | - | - | 55,261 | 55,261 | - | - | - |
| 18 | Energy | 88,735,262 | 88,735,262 | - | - | - | 611,541 | 611,541 | - | - | - |
| 19 | Auto Dealers | - | - | - | - | - | - | - | - | - | - |
| 20 | HealthCare | 8,185,138 | 8,185,138 | - | - | - | 182,210 | 182,210 | - | - | - |
| 21 | Pharmacy | - | - | - | - | - | - | - | - | - | - |
| 22 | Telecommunication | - | - | - | - | - | - | - | - | - | - |
| 23 | Service | 20,685,494 | 14,488,767 | 3,836,162 | 2,360,566 | - | 447,681 | 58,466 | 143,495 | 245,720 | - |
| 24 | Agriculture | 8,749,478 | 1,505,848 | 4,453,746 | 354,245 | 2,435,640 | 1,649,502 | 28,780 | 380,197 | 31,984 | 1,208,542 |
| 25 | Other | 503,703 | 503,703 | - | - | - | 43 | 43 | - | - | - |
| 26 | Assets on which the Sector of repayment source is not accounted for | 177,177 | 177,177 | - | - | - | 114 | 114 | - | - | - |
| 27 | Total | 408,938,103 | 373,510,032 | 12,497,498 | 20,494,933 | 2,435,640 | 8,446,445 | 1,935,520 | 783,934 | 4,518,449 | 1,208,542 |

Table 25

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| Gross carrying value(Nominal value for Offbalance) - distribution according to Collateral type | | a | b | c | d | e | f | g | h | i |
|---|--|--------------------|---|--|--------------------------------|-------------------------------|---|-----------------------------|--|------------------|
| | | Secured by deposit | Secured by the state and state institutions | Secured by bank and /or financial institutions | Secured by gold / gold jewelry | Secured by Immovable property | Secured by shares / stocks and other securities | Secured by other collateral | Secured by another third party guarantee | Unsecured Amount |
| Loans, corporate debt securities and Off-balance-sheet items | | | | | | | | | | |
| 1 | Loans | 44,296,047 | | 600,969 | | 199,150,922 | | 54,399,243 | 15,424,922 | 49,388,465 |
| 2 | Corporate debt securities | | | | | 3,157,976 | | 40,829,551 | - | 32,091,242 |
| 3 | Off-balance-sheet itmes | 3,106,481 | | 335,324 | | 10,676,096 | | 6,762,701 | 13,516,192 | 49,393,049 |
| 4 | Of which: Non-Performing Loans | | | | | 22,629,942 | | 15 | 50,786 | 249,829 |
| 5 | Of which: Non-Performing Corporate debt securities | | | | | | | | | |
| 6 | Of which: Non-Performing Off-balance-sheet itmes | | | | | | | | | |

Table 26

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| Retail Products | | Contractual Principal Amount | | | | | Gross carrying value of Loans | | | | | Expected Credit Loss | | | | | Number of Loans | Weighted average nominal interest rate on quarterly disbursed loans | Weighted average effective interest rate on quarterly disbursed loans | Weighted average nominal interest rate (on Residual Contractual value of Loans) | Weighted average remaining maturity (months) according to the Residual Contractual value of Loans |
|-----------------|---|------------------------------|-----------|-----------|-----------|------|-------------------------------|-----------|-----------|-----------|------|----------------------|-----------|-----------|-----------|------|-----------------|---|---|---|---|
| | | | 1st stage | 2nd stage | 3rd stage | POCI | | 1st stage | 2nd stage | 3rd stage | POCI | | 1st stage | 2nd stage | 3rd stage | POCI | | | | | |
| 1 | Auto loans | - | - | - | - | | - | - | - | - | | - | - | - | - | | 0 | - | - | - | - |
| 2 | Consumer Loans | 1,274,612 | 1,229,470 | 13,547 | 31,595 | | 1,285,725 | 1,240,307 | 14,090 | 31,327 | | 30,232 | 3,199 | 260 | 26,773 | | 51 | 11.28% | 11.34% | 10.83% | 11.42 |
| 3 | Pay Day Loans | - | - | - | - | | - | - | - | - | | - | - | - | - | | 0 | - | - | - | - |
| 4 | Momental Installments | - | - | - | - | | - | - | - | - | | - | - | - | - | | 0 | - | - | - | - |
| 5 | Overdrafts | 4,449 | 4,449 | - | - | | 4,455 | 4,455 | - | - | | 35 | 35 | - | - | | 16 | 14.58% | 15.64% | 10.78% | 3.27 |
| 6 | Credit Cards | - | - | - | - | | - | - | - | - | | - | - | - | - | | - | - | - | - | - |
| 7 | Mortgages | 50,008 | 50,008 | 50,008 | - | | 50,008 | - | 50,008 | - | | 1,468 | - | 1,468 | - | | 1 | - | - | 9.68% | 12 |
| 7.1 | Mortgages - Purchase of completed real estate | 50,008 | 50,008 | 50,008 | - | | 50,008 | - | 50,008 | - | | 1,468 | - | 1,468 | - | | 1 | - | - | 9.68% | 12 |
| 7.2 | Mortgages - Construction, the purchase of real estate under construction | - | - | - | - | | - | - | - | - | | - | - | - | - | | 0 | - | - | - | - |
| 7.3 | Mortgages - For Real Estate Renovation | - | - | - | - | | - | - | - | - | | - | - | - | - | | 0 | - | - | - | - |
| 8 | Retail Pawnshop loans | - | - | - | - | | - | - | - | - | | - | - | - | - | | 0 | - | - | - | - |
| 9 | Student loans | - | - | - | - | | - | - | - | - | | - | - | - | - | | 0 | - | - | - | - |
| 10 | Total Retail Products | 1,329,069 | 1,233,919 | 63,555 | 31,595 | | 1,340,268 | 1,244,762 | 64,179 | 31,327 | | 31,736 | 3,234 | 1,728 | 26,773 | | 68 | 11.51% | 11.64% | 10.78% | 11.42 |
| 10.1 | Between them: Loans issued on the basis of income from a pension or other state social disbursement | - | - | - | - | | - | - | - | - | | - | - | - | - | | - | - | - | - | - |

Table 2012/31/2024

| Differences between accounting and regulatory scopes of consolidation | | | |
|---|--|--|---|
| a | b | c | d |
| Assets (as reported in published IFRS financial statements) | Carrying Values as reported in published IFRS financial statements | Carrying Values per IFRS under scope of regulatory consolidation (stand-alone) | Notes |
| Cash and cash equivalents | 120,451,670 | 120,451,670 | |
| Amounts due from credit institutions | 121,552,343 | 121,545,807 | The immaterial difference is due to the update of PDs used in the calculation |
| Loans to customers | 351,500,067 | 354,960,721 | Due to the change in stages (2->3) for one of the borrower groups in the audited FS |
| Investment securities | 81,069,174 | 81,046,983 | The immaterial difference is due to the update of PDs used in the calculation |
| Reposessed collateral | 19,368,268 | 19,368,268 | |
| Property and equipment | 1,927,497 | 1,927,497 | |
| Right of use assets | 703,833 | 703,833 | |
| Intangible assets | 3,356,354 | 3,356,354 | |
| Deferred tax assets | 4,421,000 | 0 | Due to the recognition of the deferred tax asset in audited FS |
| Other assets | 2,576,765 | 2,576,765 | 0 |
| Total assets | 706,929,972 | 705,937,898 | |

| a | b | c | d |
|--|--|--|---|
| Liabilities (as reported in published IFRS financial statements) | Carrying Values as reported in published IFRS financial statements | Carrying Values per IFRS under scope of regulatory consolidation (stand-alone) | Notes |
| Amounts due to credit institutions | 148,701,414 | 148,701,414 | |
| Amounts due to customers | 394,286,242 | 394,286,242 | |
| Provisions | 300,174 | 313,796 | The immaterial difference is due to the update of PDs used in the calculation |
| Lease Liabilities | 754,924 | 754,924 | |
| Subordinated debt | 33,530,510 | 33,530,510 | |
| Other liabilities | 8,747,284 | 8,747,284 | |
| | | | |
| Total liabilities | 586,320,548 | 586,334,170 | 0 |

| a | b | c | d |
|---|--|--|--|
| Equity (as reported in published IFRS financial statements) | Carrying Values as reported in published IFRS financial statements | Carrying Values per IFRS under scope of regulatory consolidation (stand-alone) | Notes |
| Share capital | 136,800,000.00 | 136,800,000.00 | |
| Additional paid-in capital | 1,154,911 | 1,154,911 | |
| Accumulated deficit | (17,348,486) | (18,351,183) | Due to the cumulative effect of the stage change, PD updates and the recognition of the Deferred tax asset |
| | | | |
| | | | |
| Total equity | 120,606,424 | 119,603,728 | 0 |

Table 2112/31/2024

| Consolidation by entities | | | | | | |
|---------------------------|----------------|------------------------------------|------------------------------------|----------------------------|-----------------------------------|-------------|
| | Name of Entity | Method of Accounting consolidation | Method of regulatory consolidation | | | Description |
| | | | Full Consolidation | Proportional Consolidation | Neither consolidated nor deducted | Deducted |
| 1 | XXX | Full Consolidation | | | | x |
| 2 | XXX | Proportional Consolidation | | | x | |
| 3 | XXX | Not consolidated | | | | x |

Table 2212/31/2024

| Information about historical operational losses | | | | |
|---|---|--------|---------|--------|
| | | 2022 | 2023 | 2024 |
| 1 | Total amount of losses | 48,795 | 492,354 | 94,128 |
| 2 | Total amount of losses, exceeding GEL 10,000 | 38,000 | 481,927 | 90,923 |
| 3 | Number of events with losses exceeding GEL 10,000 | 1 | 7 | 3 |
| 4 | Total amount of 5 biggest losses | 38,000 | 455,321 | 93,224 |

Table 2312/31/2024

| Operational risks - basic indicator approach | | | | | | |
|--|---|---------------|---------------|----------------|---|---------------------------|
| | | a | b | c | d | e |
| | | 2022 | 2023 | 2024 | Average of sums of net interest and net non-interest income during last three years | Risk Weighted asset (RWA) |
| 1 | Net interest income | 26,397,825.86 | 35,166,271.86 | 26,608,666.73 | | |
| 2 | Total Non-Interest Income | 10,579,126.94 | 11,761,810.94 | 12,083,243.51 | | |
| 3 | less: income (loss) from selling property | (59,695.95) | 10,685.48 | (1,275,613.69) | | |
| 4 | Total income (1+2-3) | 37,036,649 | 46,917,397 | 39,967,524 | 41,307,190 | 77,450,981 |

Table 2412/31/2024

| Remuneration awarded during the reporting period | | | | | |
|--|-----------------------|--|--------------------|-------------------|----------------------------|
| | | | Board of Directors | Supervisory Board | Other material risk takers |
| 1 | Fixed remuneration | Number of employees | | | |
| 2 | | Total fixed remuneration (3+5+7) | 1,668,781 | 354,290 | 2,091,286 |
| 3 | | Of which cash-based | 1,427,281 | 354,290 | 1,958,630 |
| 4 | | Of which: deferred | | | |
| 5 | | Of which: shares or other share-linked instruments | | | |
| 6 | | Of which deferred | | | |
| 7 | | Of which other forms | 241,499 | | 132,656 |
| 8 | | Of which deferred | | | |
| 9 | Variable remuneration | Number of employees | | | |
| 10 | | Total variable remuneration (11+13+15) | 760,518 | 0 | 926,619 |
| 11 | | Of which cash-based | 658,352 | | 831,959 |
| 12 | | Of which: deferred | 204,243 | | 294,619 |
| 13 | | Of which shares or other share-linked instruments | | | |
| 14 | | Of which deferred | | | |
| 15 | | Of which other forms | 102,166 | | 94,660 |
| 16 | | Of which deferred | | | |
| 17 | Total Remuneration | | 2,429,299 | 354,290 | 3,017,905 |

Table 2512/31/2024

| Special payments | | | | |
|--------------------|-----------------------------------|--------------------|-------------------|----------------------------|
| | | Board of Directors | Supervisory Board | Other material risk takers |
| Guaranteed bonuses | Number of employees | | | |
| | Total amount | | | |
| Sign-on awards | Number of employees | | | |
| | Total amount: | 0 | 0 | 0 |
| | Of which cash-based | | | |
| | Of which shares | | | |
| | Of which share-linked instruments | | | |
| | Of which other instruments | | | |
| Severance payments | Number of employees | | | |
| | Total amount: | 0 | 0 | 0 |
| | Of which cash-based | | | |
| | Of which shares | | | |
| | Of which share-linked instruments | | | |
| | Of which other instruments | | | |

Table 2612/31/2024

| Information about deferred and retained remuneration | | | | | | |
|--|----------------------------|---|--|--|---|--|
| | | a | b | c | d | e |
| | | Total amount of outstanding deferred remuneration | Of which Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment | Total amount of reduction during he year due to ex post explicit adjustments | Total amount of reduction during the year due to ex post implicit adjustments | Total amount of deferred remuneration paid out in the financial year |
| 1 | Board of Directors | 0 | 0 | 0 | 0 | 0 |
| 2 | Cash | | | | | |
| 3 | Shares | | | | | |
| 4 | Share-linked instruments | | | | | |
| 5 | Other | | | | | |
| 6 | Supervisory Board | 0 | 0 | 0 | 0 | 0 |
| 7 | Cash | | | | | |
| 8 | Shares | | | | | |
| 9 | Share-linked instruments | | | | | |
| 10 | Other | | | | | |
| 11 | Other material risk takers | 0 | 0 | 0 | 0 | 0 |
| 12 | Cash | | | | | |
| 13 | Shares | | | | | |
| 14 | Share-linked instruments | | | | | |
| 15 | Other | | | | | |
| 16 | Total | 0 | 0 | 0 | 0 | 0 |

Table 2712/31/2024

| Shares owned by senior management | | | | | | | | | | | | | | |
|-----------------------------------|----------------------------|---|--------|-------------|-------------------------------------|------------------|---------|-----------------------------|--------|---------------|------|---|----------------------|------------|
| | | a | b | c | d | e | f | g | h | l | j | k | l | m |
| | | Amount of shares at the beginning of the reporting period | | | Changes during the reporting period | | | | | | | Amount of shares at the end of the reporting period | | |
| | | Unvested | Vested | Total (a+b) | Awarded during the period | | Vesting | Reduction during the period | | Other Changes | | Unvested (a+d-f-g) | Vested (b+e+f+h+i-j) | Total(k+l) |
| | | | | | Of which: Unvested | Of which: Vested | | Unvested | Vested | Purchase | Sell | | | |
| | Senior management | | | | | | | | | | | | | |
| 1 | Total amount: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.1 | | | | 0 | | | | | | | | 0 | 0 | 0 |
| 1.2 | | | | 0 | | | | | | | | 0 | 0 | 0 |
| 1.3 | | | | 0 | | | | | | | | 0 | 0 | 0 |
| 1.4 | | | | 0 | | | | | | | | 0 | 0 | 0 |
| 1.5 | | | | 0 | | | | | | | | 0 | 0 | 0 |
| 1.6 | | | | 0 | | | | | | | | 0 | 0 | 0 |
| | | | | 0 | | | | | | | | 0 | 0 | 0 |
| | Other material risk takers | | | | | | | | | | | | | |
| 2 | Total amount: | | | | | | | | | | | 0 | 0 | 0 |