



TBC BANK
Group PLC



TBC BANK GROUP PLC

4Q AND FY 2023 FINANCIAL RESULTS

www.tbcbankgroup.com

TBC BANK GROUP PLC (“TBC Bank”) 4Q AND FY 2023 PRELIMINARY UNAUDITED CONSOLIDATED FINANCIAL RESULTS

Forward-Looking Statements

This document contains forward-looking statements; such forward-looking statements contain known and unknown risks, uncertainties and other important factors, which may cause the actual results, performance or achievements of TBC Bank Group PLC (“the Bank” or “the Group”) to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are based on numerous assumptions regarding the Bank’s present and future business strategies and the environment in which the Bank will operate in the future. Important factors that, in the view of the Bank, could cause actual results to differ materially from those discussed in the forward-looking statements include, among others: the achievement of anticipated levels of profitability; growth, cost and recent acquisitions; the impact of competitive pricing; the ability to obtain the necessary regulatory approvals and licenses; the impact of developments in the Georgian and Uzbek economies; the impact of COVID-19; the political and legal environment; financial risk management; and the impact of general business and global economic conditions.

None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises, nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects are based are accurate or exhaustive or, in the case of the assumptions, entirely covered in the document. These forward-looking statements speak only as of the date they are made, and, subject to compliance with applicable law and regulations, the Bank expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in the document to reflect actual results, changes in assumptions or changes in factors affecting those statements.

Certain financial information contained in this presentation, which is prepared on the basis of the Group’s accounting policies applied consistently from year to year, has been extracted from the Group’s unaudited management accounts and financial statements. The areas in which the management accounts might differ from the International Financial Reporting Standards and/or generally accepted U.S. accounting principles could be significant; you should consult your own professional advisors and/or conduct your own due diligence for a complete and detailed understanding of such differences and any implications they might have on the relevant financial information contained in this presentation. Some numerical figures included in this report have been subjected to rounding adjustments. Accordingly, the numerical figures shown as totals in certain tables might not be an arithmetic aggregation of the figures that preceded them.

4Q and FY 2023 Consolidated Financial Results Conference Call Details

TBC Bank Group PLC ("TBC PLC") will publish its preliminary unaudited consolidated financial results for the fourth quarter and full year 2023 on Friday, 16 February 2024 at 7.00 AM GMT. On the same day, the management team will host a conference call at 2.00 PM GMT.

To participate in the conference call live video webinar, please register using the following link:

<https://www.netroadshow.com/events/login?show=cbfcd3a8&confId=60444>

You will receive access details via email.

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4Q and FY 2023 Preliminary Unaudited Consolidated Financial Results

**4Q 2023 profit of GEL 291 million, up by 30% YoY, with ROE at 25.2%.
FY 2023 profit of GEL 1,140 million, up by 14% YoY, with ROE at 26.5%.**

European Union Market Abuse Regulation EU 596/2014 requires TBC Bank Group PLC to disclose that this announcement contains Inside Information, as defined in that Regulation.

The financial information contained in this document does not constitute statutory accounts for the years ended 31 December 2023 and 31 December 2022 within the meaning of section 435 of the Companies Act 2006 (the Act), but is derived from those accounts. The statutory accounts for the year ended 31 December 2023 will be published on the Group's website and will be delivered to the Registrar of Companies in accordance with section 441 of the Act. The auditor's report on those accounts is expected to be unqualified. The statutory accounts for the year ended 31 December 2022 have been filed with the Registrar of Companies, and the auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not include a statement under sections 498(2) or 498(3) of the Act.

Financial Highlights

Income statement

<i>in thousands of GEL</i>	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ	FY'23	FY'22	Change YoY
Net interest income	441,735	427,934	357,446	23.6%	3.2%	1,635,798	1,290,052	26.8%
Net fee and commission income	110,099	104,152	95,332	15.5%	5.7%	412,325	322,666	27.8%
Other non-interest income	87,442	83,133	151,454	-42.3%	5.2%	325,377	458,046	-29.0%
Total operating income	639,276	615,219	604,232	5.8%	3.9%	2,373,500	2,070,764	14.6%
Total credit loss allowance	(47,479)	(46,159)	(33,054)	43.6%	2.9%	(180,740)	(132,900)	36.0%
Operating expenses	(254,500)	(218,087)	(200,495)	26.9%	16.7%	(858,927)	(691,320)	24.2%
Profit before tax	337,297	350,973	370,683	-9.0%	-3.9%	1,333,833	1,246,544	7.0%
Income tax expense	(45,856)	(50,485)	(146,909)	-68.8%	-9.2%	(193,858)	(243,205)	-20.3%
Profit for the period	291,441	300,488	223,774	30.2%	-3.0%	1,139,975	1,003,339	13.6%

Balance sheet

<i>in thousands of GEL</i>	Dec'23	Sep'23	Dec'22	Change YoY	Change QoQ
Total Assets	32,964,827	29,956,393	28,988,141	13.7%	10.0%
Gross Loans	22,073,679	20,365,135	18,204,971	21.3%	8.4%
Customer Deposits	20,375,498	18,722,415	18,036,533	13.0%	8.8%
Total Equity	4,820,182	4,473,400	3,966,414	21.5%	7.8%
CET 1 Capital (Basel III)	4,235,033	3,966,901	n/a	n/a	6.8%
Tier 1 Capital (Basel III)	4,772,913	4,502,561	n/a	n/a	6.0%
Total Capital (Basel III)	5,374,301	5,058,696	n/a	n/a	6.2%
Risk Weighted Assets (Basel III)	24,336,690	22,668,335	n/a	n/a	7.4%
Number of shares	55,393,664	55,140,216	55,102,766	0.5%	0.5%

Key Ratios

	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ	FY'23	FY'22	Change YoY
ROE	25.2%	27.6%	22.3%	2.9 pp	-2.4 pp	26.5%	27.0%	-0.5 pp
ROE – Georgia FS	24.7%	26.4%	21.0%	3.7 pp	-1.7 pp	25.5%	26.0%	-0.5 pp
ROA	3.7%	4.1%	3.1%	0.6 pp	-0.4 pp	3.9%	3.8%	0.1 pp
ROA – Georgia FS	3.8%	4.2%	3.3%	0.5 pp	-0.4 pp	4.0%	4.1%	-0.1 pp
NIM	6.7%	6.9%	6.3%	0.4 pp	-0.2 pp	6.7%	6.0%	0.7 pp
Cost to income	39.8%	35.4%	33.2%	6.6 pp	4.4 pp	36.2%	33.4%	2.8 pp
Cost to income – Georgia FS	35.4%	31.5%	29.7%	5.7 pp	3.9 pp	31.9%	28.9%	3.0 pp
Cost of risk	0.8%	0.9%	0.6%	0.2 pp	-0.1 pp	0.8%	0.7%	0.1 pp
NPL to gross loans	2.0%	2.0%	2.2%	-0.2 pp	0.0 pp	2.0%	2.2%	-0.2 pp
NPL provision coverage ratio	79.8%	87.6%	93.7%	-13.9 pp	-7.8 pp	79.8%	93.7%	-13.9 pp
Total NPL coverage ratio	146.3%	151.6%	155.6%	-9.3 pp	-5.3 pp	146.3%	155.6%	-9.3 pp
CET 1 CAR (Basel III)	17.4%	17.5%	n/a	n/a	-0.1 pp	17.4%	n/a	n/a
Tier 1 CAR (Basel III)	19.6%	19.9%	n/a	n/a	-0.3 pp	19.6%	n/a	n/a
Total CAR (Basel III)	22.1%	22.3%	n/a	n/a	-0.2 pp	22.1%	n/a	n/a
Leverage (Times)	6.8x	6.7x	7.3x	-0.5x	0.1x	6.8x	7.3x	-0.5x
EPS (GEL)	5.31	5.54	3.98	33.4%	-4.2%	20.74	15.44	34.3%
Diluted EPS (GEL)	5.26	5.45	3.91	34.5%	-3.5%	20.58	15.22	35.2%
BVPS (GEL)	86.32	80.81	71.27	21.1%	6.8%	86.32	71.27	21.1%

Georgia FS refers to Georgian financial services.

For the ratio definitions please refer to appendix 12.

Operational Highlights

Customer base

<i>In millions</i>	Dec'23	Sep'23	Dec'22	<i>Change YoY</i>	<i>Change QoQ</i>
Total number of registered users	19.0	17.3	13.6	40%	10%
Georgia	3.3	3.2	3.0	10%	3%
Uzbekistan	15.7	14.1	10.6	48%	11%
Total monthly active customers	5.9	5.3	4.4	34%	11%
Georgia	1.6	1.6	1.5	7%	0%
Uzbekistan	4.3	3.7	2.9	48%	16%

Digital customers

<i>In thousands</i>	Dec'23	Sep'23	Dec'22	<i>Change YoY</i>	<i>Change QoQ</i>
Digital DAU Georgia	421	384	384	10%	10%
Digital MAU Georgia	921	874	801	15%	5%
Digital DAU/MAU Georgia	46%	44%	48%	-2 pp	2 pp
Digital DAU Group	1,718	1,436	1,389	24%	20%
Digital MAU Group	5,207	4,519	3,776	38%	15%
Digital DAU/MAU Group	33%	32%	37%	-4 pp	1 pp

Uzbekistan – key highlights

<i>In thousands of GEL</i>	Dec'23	Sep'23	Dec'22	<i>Change YoY</i>	<i>Change QoQ</i>
Gross loans	796,930	632,013	347,695	129.2%	26.1%
Customer accounts	581,483	515,586	330,976	75.7%	12.8%

	4Q'23	3Q'23	<i>Change QoQ</i>	FY'23
Profit for the period (GEL, thousands)	20,433	13,684	49.3%	59,329
ROE	29.7%	23.4%	6.3 pp	26.0%

TNET – digital lifestyle platform in Georgia

<i>In millions</i>	4Q'23	3Q'23	4Q'22	<i>Change YoY</i>	<i>Change QoQ</i>	FY'23	FY'22	<i>Change YoY</i>
Gross merchandise value (GMV, GEL)	36.4	44.8	31.8	14.5%	-18.8%	164.4	103.2	59.3%
Number of transactions	4.1	3.7	3.0	36.7%	10.8%	15.4	11.8	30.5%

Letter from the Chief Executive Officer¹

I am delighted to report that the fourth quarter of 2023 marked another successful quarter for TBC, rounding off what has been an excellent full-year performance. In 4Q, our profit of GEL 291 million was up 30% year-on-year, with 25.2% ROE (or down by 14% year-on-year adjusted for the one-off tax charge in 4Q 2022). For FY 2023, our profit reached a record GEL 1,140 million, a 14% year-on-year increase (or 2% year-on-year on an adjusted basis), with a corresponding ROE of 26.5%.

As a result, I am very pleased to report that the Board has recommended a final dividend per share of GEL 4.67, which brings the full year dividend per share to GEL 7.22, an increase of 32% year-on-year. This represents a dividend payout ratio for 2023 of 35%, up from 30% in 2022. This dividend reflects that as a business we strive to invest in new value accretive growth opportunities whilst also returning capital to our shareholders.

While the geopolitical backdrop has remained difficult, the final quarter brought some very positive news for Georgia, with the EU's decision in mid-December to grant candidate status. Much work remains to be done, but this represents a massive step for Georgia in its long-term aim of closer integration with the EU. All Georgians can be rightly proud to have achieved this recognition.

Economic growth remains robust

On the economic front, 2023 was a year of normalisation in Georgia, with real GDP growth of 7.5% on the back of still strong net FX inflows. The GEL has stabilised and is now more aligned with its long-term trend, while inflation is already undershooting the NBG's target, enabling a gradual easing cycle towards a neutral monetary policy stance. Importantly, substantial international reserves and fiscal buffers have been accumulated, strengthening the economic foundations in case of any unwanted shocks.

Economic activity was also strong in Uzbekistan with 6.5% real GDP growth in the fourth quarter and 6.0% in 2023. Moreover, inflation has slowed to 8.8%, down from 12.3% a year ago. As inflation declines, this may prove supportive for UZS exchange rate dynamics going forward.

Strong financial and operating performance continued in 4Q 2023

Turning to our operating performance, the final quarter saw a continuation of the strong revenue trends we have seen throughout the year. In 4Q 2023, our operating income reached GEL 639 million, up 6% year-on-year, despite the abnormally high FX revenues we received in 4Q 2022. Net interest income rose by 24% year-on-year, supported by net interest margin increasing by 40 bps year-on-year to 6.7% in 4Q 2023. Additionally, net fee and commission income increased by 16% year-on-year. Our costs rose by 27% year-on-year in 4Q 2023 primarily due to robust growth of the business in the final quarter and performance-related remuneration in recognition of the year's strong operating performance.

Our customer base continues to increase, with our digital MAU reaching 5.2 million at the Group level by end 2023, up by 1.4 million customers in the past 12 months. Our DAU/MAU ratio stood at 33% as more of our customers engage with us on a daily basis, while the Georgian business digital DAU/MAU ratio stood at 46%.

Credit growth remains robust. Our Group's gross loan book increased by 21% year-on-year as of 31 December 2023 on a constant currency basis, while our asset quality remained healthy in 4Q 2023, translating into 0.8% cost of risk, up by 20bps year-on-year, with the share of NPLs just 2.0%. On the funding side, our Group's customer deposits increased by 13% year-on-year on a constant currency basis.

Our financial strength in terms of liquidity and capital positions remains very strong. As of 31 December 2023, our CET1, Tier 1 and Total Capital ratios for the Georgian bank stood at 17.4%, 19.6% and 22.1%, respectively, and remained comfortably above the minimum regulatory requirements by 3.1 pp, 3.0 pp and 2.3 pp, respectively. At the same time, we continue to operate with a high liquidity buffer, with our net stable funding (NSFR)² and liquidity coverage (LCR)² ratios standing at 120% and 115%, respectively.

Above 25% ROE in Georgia in 2023 combined with dynamic growth in Uzbekistan

As for the core elements of our business, Georgia continues to deliver excellent profitability, with 24.7% ROE in 4Q 2023 and 25.5% for FY 2023. On the balance sheet side, gross loans increased by 19% year-on-year on a constant currency basis.

I am also pleased to announce that our digital financial services businesses in Uzbekistan delivered another quarter of dynamic growth and improving profitability. Profit in 4Q 2023 amounted to GEL 20 million, while the profit for the full year

¹ Note: For better presentation purposes, certain financial numbers are rounded to the nearest whole number.

totalled GEL 59 million, or 5% of the Group's total profit, with 26.0% ROE. As of the end of 2023, TBC UZ's retail loans amounted to GEL 797 million, up by 129% year-on-year, giving us an unsecured consumer / micro loan market share² of 14%, and accounting for 10% of the Group's total retail loans. At the same time, retail deposits reached GEL 581 million, up by 76% year-on-year, accounting for 3.0% retail deposit market share².

In 2023, our digital lifestyle ecosystem, TNET, continued to deliver good growth, with GEL 164 million gross merchandise value (GMV) for the full year, up by 59% year-on-year, driven by strong progress in the lifestyle and e-commerce verticals.

Finally, I would like to express my gratitude to all our shareholders for their ongoing support as we work towards achieving our strategic goals in the coming years. We have much to be proud of for our achievements in 2023, but we are already working hard to make 2024 an even more successful year for TBC and its stakeholders.

² Based on data published by the Central Bank of Uzbekistan.

Economic Overview

Georgia

Economic growth remains robust

Even as growth normalises, Georgia's economic activity remained strong in 4Q 2023 with 6.8% real GDP growth YoY bringing the full year 2023 growth to 7.5%.

External sector – normalisation of inflows

The negative impact of lower international commodity prices on both exports and imports noticeably affected external sector activity in 4Q and full year 2023. Specifically, exports and imports denominated in US dollars decreased by -0.3% and -2.7% YoY in 4Q which caused their growth for the full year to moderate to 9.1% and 14.0%, respectively. Importantly, these commodity price dynamics particularly affected domestic commodity exports, while re-exports performed strongly. At the same time, the notable increase of the share of IT services in Georgian exports continued, with a major driver being the arrival of migrants in 2022.

Given the high base effect caused by elevated immigration in 2022, tourism inflows decreased by 12.6% YoY in 4Q 2023 as migrants are gradually being counted as residents by the NBG and hence being excluded from the tourism sector, while growth for the full year was 17.3%. At the same time, the share of conventional tourism in total inflows has increased recently as spending excluding visitors from Russia, Belarus and Ukraine increased by 38.2% YoY. Therefore, while the migration peak has likely passed, conventional tourism inflows have at least had a balancing impact. Also, despite decreasing notably in 4Q, remittances also maintained a positive momentum throughout the year after adjustment for Russia, increasing by 27.9%³ YoY. A high base effect combined with a significant decline in debt instruments and lower reinvestments drove a 22.3% annual reduction in FDIs to Georgia in 9M 2023. Nevertheless, taking the record high level in 2022 into account, foreign direct investments in 2023 also appear solid.

Fiscal consolidation under way

It is important to highlight that the strong recent economic growth is not a result of fiscal stimulus. In fact, fiscal consolidation is under way. After hitting 9.2% of GDP in 2020 and a lower, but still large, level of 6.0% in 2021, the budget deficit⁴ stood at 3.0% in 2022 and 2.8% in 2023.

Credit growth has accelerated

As of December 2023, bank credit increased by 17.0% YoY, against 14.8% growth at the end of 3Q 2023 and 12.1% in December 2022, at constant exchange rates⁵. At the same time, as inflation remained stably low, the YoY growth in real credit increased from 14.1% in September to 16.5% in December 2023.

Low inflation enables monetary policy easing

As a result of a broadly stable GEL and sustained disinflationary pass-through from international markets, CPI inflation stabilised well below the NBG target of 3%, standing at 0.4% YoY in December. Domestic and service inflation measures also normalised around the target. Due to low inflation, the NBG delivered the year's fourth rate cut of 50 basis points in December, reducing the monetary policy rate (MPR) to 9.5% (and it has since been cut by a further 50 bps to 9.0% in January 2024).

Despite low inflation, a reduced MPR and seasonal depreciation expectations, improved net inflows alongside NBG interventions helped the GEL to remain stable relative to the USD throughout the fourth quarter, after some volatility during the previous quarters, driven by the normalisation of foreign currency inflows. Throughout the year, NBG purchased USD 1,449 million and sold USD 169 million. The USD/GEL stood at 2.69 at the end of December, almost unchanged from 2.68 USD in September 2023 and 2.7 USD at the end of December 2022.

Uzbekistan

Uzbekistan also demonstrated robust economic activity with 6.5%⁶ growth in the fourth quarter and 6.0% for the full year 2023. External trade was strong as exports of goods increased by 28.7% and imports by 33.3% YoY in 4Q, and by 25.4% and 26.3%⁶ for the full year 2023, respectively. Retail loan growth was 47.2% YoY in 2023, with mortgage credit expanding by 25.2% and non-mortgage by 66.0%⁷. Annual inflation decreased slightly from 9.2% in September to 8.8% in December, with a more pronounced deceleration evident when compared to 12.3% in December 2022⁷. The CBU kept its monetary policy rate unchanged at 14.0% in the fourth quarter, delivering only one, 100 basis point rate cut throughout 2023 in March.

³ Remittances from Russia are adjusted for double counting with tourism inflows and other similar effects, based on TBC Capital estimates.

⁴ Per IMF program definition.

⁵ Based on data published by NBG and FX-adjusted by TBC, based on Dec-2023 end of period exchange rate.

⁶ Based on data published by Uzstat.

⁷ Based on data published by Central Bank of Uzbekistan.

The UZS stood at 12,339 relative to the USD at the end of December 2023⁷, depreciating by 10% compared to December 2022, while the REER (real effective exchange rate) remained broadly stable.

Economic outlook remains supportive

After two successive years of double-digit growth in Georgia, economic activity moderated somewhat but remained strong in 2023 at 7.5%. Further normalisation is expected with Georgia's real GDP increasing by 5.6% in 2024 and 5.4% in 2025, according to TBC Capital projections, while the baseline for Uzbekistan stands at around 5.5% for the next couple of years.

More information on the Georgian economy and financial sector can be found at www.tbccapital.ge.

Unaudited Consolidated Financial Results Overview for 4Q 2023

This statement provides a summary of the business and financial trends for 4Q 2023 for TBC Bank Group plc and its subsidiaries. The financial information and trends are unaudited.

Total assets and total liabilities for 31-Dec-2022 were restated due to replacement of IFRS 4 with IFRS 17. For more details, please refer to appendix 8.

Please note that there might be slight differences in previous periods' figures due to rounding.

Net Interest Income

In 4Q 2023, net interest income amounted to GEL 441.7 million, up by 23.6% and 3.2% on a YoY and QoQ basis, respectively.

The YoY rise in interest income of GEL 165.4 million, or 25.7%, was mostly attributable to an increase in interest income from loans related to a rise in the respective yield by 0.6 pp, as well as an increase in the loan portfolio of GEL 3,868.7 million, or 21.3%.

The QoQ increase in interest income of GEL 56.8 million, or 7.5%, was mainly related to an increase in interest income from loans on the back of growth in the loan portfolio of GEL 1,708.5 million, or 8.4%, as well as slight growth in loan yields by 0.1 pp.

Interest expense increased by GEL 81.2 million, or 28.2%, on a YoY basis, mainly related to an increase in the deposit portfolio of GEL 2,339.0 million, or 13.0%, and a 0.8 pp growth in deposit costs.

On a QoQ basis, interest expense increased by GEL 43.0 million, or 13.2%, primarily driven by an increase in the deposit portfolio of GEL 1,653.1 million, or 8.8%, and a 0.2 pp growth in deposit rates.

In 4Q 2023, our NIM stood at 6.7%, up by 0.4 pp and down by 0.2 pp on a YoY and QoQ basis, respectively.

<i>In thousands of GEL</i>	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Interest income	810,428	753,658	644,981	25.7%	7.5%
Interest expense*	(368,693)	(325,724)	(287,535)	28.2%	13.2%
Net interest income	441,735	427,934	357,446	23.6%	3.2%
NIM	6.7%	6.9%	6.3%	0.4 pp	-0.2 pp

* Interest expense includes net interest gains from currency swaps

Non-Interest Income

In 4Q 2023, our net fee and commission income increased by 15.5% YoY and increased by 5.7% on a QoQ basis. The YoY increase was mainly related to increased payments transactions. In 4Q 2023, our Uzbek business contributed 19% to the Group's net fee & commission income.

In 4Q 2023, net gains from currency operations were down by 50.8% on a YoY basis, due to abnormally high FX revenues in 4Q 2022, while they increased by 1.9% on a QoQ basis.

<i>In thousands of GEL</i>	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Non-interest income					
Net fee and commission income	110,099	104,152	95,332	15.5%	5.7%
Net gains from currency derivatives, foreign currency operations and translation	68,228	66,968	138,777	-50.8%	1.9%
Net insurance income	9,090	9,798	8,218	10.6%	-7.2%
Other operating income	10,124	6,367	4,459	NMF	59.0%
Total non-interest income	197,541	187,285	246,786	-20.0%	5.5%

Credit Loss Allowance

Credit loss allowance for loans in 4Q 2023 amounted to GEL 40.6 million, while cost of risk stood at 0.8%. The increase in credit loss allowance for loans was mainly driven by strong loan book growth as well as normalisation of CoR.

<i>In thousands of GEL</i>	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Credit loss allowance for loans to customers	(40,640)	(42,595)	(27,002)	50.5%	-4.6%
Credit loss allowance for other transactions	(6,839)	(3,564)	(6,052)	13.0%	91.9%
Total credit loss allowance	(47,479)	(46,159)	(33,054)	43.6%	2.9%
Operating income after expected credit losses and non-financial asset impairment losses	591,797	569,060	571,178	3.6%	4.0%
Cost of risk	0.8%	0.9%	0.6%	0.2 pp	-0.1 pp

Operating Expenses

In 4Q 2023, our operating expenses rose by 26.9% and 16.7% on a YoY and QoQ basis, respectively. The YoY increase was mainly driven by overall business growth, while the QoQ increase was related to the seasonally high costs in the fourth quarter of 2023.

<i>In thousands of GEL</i>	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Operating expenses					
Staff costs	(139,766)	(121,056)	(103,764)	34.7%	15.5%
Allowance of provision for liabilities and charges	-	(34)	(140)	NMF	NMF
Depreciation and amortisation	(28,741)	(29,286)	(27,181)	5.7%	-1.9%
Administrative and other operating expenses	(85,993)	(67,711)	(69,410)	23.9%	27.0%
Total operating expenses	(254,500)	(218,087)	(200,495)	26.9%	16.7%
Cost to income	39.8%	35.4%	33.2%	6.6 pp	4.4 pp
Georgian financial services' cost to income	35.4%	31.5%	29.7%	5.7 pp	3.9 pp

For the definition of the Georgian financial services, please refer to appendix 4.

Profit

Our profit increased by 30.2% and decreased by 3.0% on a YoY and QoQ basis, respectively, and amounted to GEL 291.4 million. During the quarter, our Uzbek operations contributed GEL 20.4 million or 7% of the Group's profit.

Income tax expense decreased on a YoY basis, driven by the one-off tax charge in 4Q 2022, due to changes in the Georgian taxation model.

As a result, in 4Q 2023 our ROE stood at 25.2%, while our ROA reached 3.7%.

<i>In thousands of GEL</i>	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Profit before tax	337,297	350,973	370,683	-9.0%	-3.9%
Income tax expense	(45,856)	(50,485)	(146,909)	-68.8%	-9.2%
Profit for the period	291,441	300,488	223,774	30.2%	-3.0%
ROE	25.2%	27.6%	22.3%	2.9 pp	-2.4 pp
Georgian financial services' ROE	24.7%	26.4%	21.0%	3.7 pp	-1.7 pp
ROA	3.7%	4.1%	3.1%	0.6 pp	-0.4 pp
Georgian financial services' ROA	3.8%	4.2%	3.3%	0.5 pp	-0.4 pp

Funding and Liquidity

As of 31 December 2023, the total liquidity coverage ratio (LCR), as defined by the NBG, was 115.3%, above the 100% limit, while the LCR in GEL and foreign currency (FC) stood at 109.8% and 120.1%, accordingly, above the respective limits of 75% and 100%.

Over the same period, the net stable funding ratio (NSFR), as defined by the NBG, stood at 119.9%, compared to the regulatory limit of 100%.

	Dec'23	Sep'23	Change QoQ
<i>Minimum net stable funding ratio, as defined by the NBG</i>	100.0%	100.0%	0.0 pp
Net stable funding ratio as defined by the NBG	119.9%	124.1%	-4.2 pp
Net loans to deposits + IFI funding	96.1%	96.9%	-0.8 pp
Leverage (Times)	6.8x	6.7x	0.1x
<i>Minimum total liquidity coverage ratio, as defined by the NBG</i>	100.0%	100.0%	0.0 pp
<i>Minimum LCR in GEL, as defined by the NBG</i>	75%	75.0%	0.0 pp
<i>Minimum LCR in FC, as defined by the NBG</i>	100.0%	100.0%	0.0 pp
Total liquidity coverage ratio, as defined by the NBG	115.3%	114.1%	1.2 pp
LCR in GEL, as defined by the NBG	109.8%	105.7%	4.1 pp
LCR in FC, as defined by the NBG	120.1%	121.0%	-0.9 pp

Regulatory Capital for Georgian Bank

As of 31 December 2023, our capital ratios remained at a strong level and as a result, our CET1, Tier 1 and Total Capital ratios stood at 17.4%, 19.6% and 22.1%, respectively, above the minimum regulatory requirements by 3.1 pp, 3.0 pp and 2.3 pp, accordingly.

The QoQ decreases in all CET1, Tier 1 and Total capital adequacy ratios were largely driven by high portfolio growth and annual operational RWA growth.

<i>In thousands of GEL</i>	Dec'23	Sep'23	Change QoQ
CET 1 Capital	4,235,033	3,966,901	6.8%
Tier 1 Capital	4,772,913	4,502,561	6.0%
Total Capital	5,374,301	5,058,696	6.2%
Total Risk-weighted Assets	24,336,690	22,668,335	7.4%
<i>Minimum CET 1 ratio</i>	14.3%	14.4%	-0.1 pp
CET 1 Capital adequacy ratio	17.4%	17.5%	-0.1 pp
<i>Minimum Tier 1 ratio</i>	16.6%	16.8%	-0.2 pp
Tier 1 Capital adequacy ratio	19.6%	19.9%	-0.3 pp
<i>Minimum total capital adequacy ratio</i>	19.8%	19.9%	-0.1 pp
Total Capital adequacy ratio	22.1%	22.3%	-0.2 pp

Loan Portfolio

As of 31 December 2023, the gross loan portfolio reached GEL 22,073.7 million, up by 8.4% QoQ, or by 7.4% on a constant currency basis.

In 4Q 2023, our Georgian financial services loan portfolio increased by 7.8% on a QoQ basis and reached GEL 21,257.7 million, with 6.8% growth on a constant currency basis. Over the same period, our Uzbek portfolio increased by 26.1% and stood at GEL 796.9 million, which translated into growth of 27.3% on a constant currency basis.

<i>In thousands of GEL</i>	Dec'23	Sep'23	Change QoQ
Gross loans and advances to customers			
Georgian financial services (Georgia FS)*	21,257,692	19,715,795	7.8%
Retail Georgia	7,513,229	7,131,727	5.3%
GEL	5,000,607	4,716,516	6.0%
FC	2,512,622	2,415,211	4.0%
CIB Georgia	8,283,723	7,385,494	12.2%
GEL	3,061,811	2,598,832	17.8%
FC	5,221,912	4,786,662	9.1%
MSME Georgia	5,480,822	5,203,680	5.3%
GEL	2,868,942	2,747,953	4.4%
FC	2,611,880	2,455,727	6.4%
Uzbekistan	796,930	632,013	26.1%
UZS	796,930	632,013	26.1%
Total gross loans and advances to customers**	22,073,679	20,365,135	8.4%

* Georgian FS includes sub-segment eliminations

** Total gross loans and advances to customers include Azerbaijan loan portfolio

	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Loan yields	12.7%	12.6%	12.1%	0.6 pp	0.1 pp
GEL	14.6%	14.8%	15.1%	-0.5 pp	-0.2 pp
FC	8.7%	8.6%	7.7%	1.0 pp	0.1 pp
UZS	41.7%	41.9%	42.6%	-0.9 pp	-0.2 pp
Georgia FS	11.7%	11.7%	11.6%	0.1 pp	0.0 pp
GEL	14.6%	14.8%	15.1%	-0.5 pp	-0.2 pp
FC	8.7%	8.5%	7.7%	1.0 pp	0.2 pp
Uzbekistan	41.7%	41.9%	42.6%	-0.9 pp	-0.2 pp
UZS	41.7%	41.9%	42.6%	-0.9 pp	-0.2 pp
Total loan yields*	12.7%	12.6%	12.1%	0.6 pp	0.1 pp

* Total loans yields include Azerbaijan

Loan Portfolio Quality

Our PAR 90 to gross loans ratios improved for both our Georgian and Uzbekistan in 4Q 2023. The decrease in PAR ratio was mainly driven by an overall improvement in portfolio quality. Over the same period, our NPL ratio remained stable.

PAR 90	Dec'23	Sep'23	Change QoQ
Georgia FS*	1.1%	1.2%	-0.1 pp
Retail Georgia	0.8%	0.9%	-0.1 pp
CIB Georgia	0.7%	0.5%	0.2 pp
MSME Georgia	2.2%	2.5%	-0.3 pp
Uzbekistan	1.9%	2.1%	-0.2 pp
Total PAR 90**	1.1%	1.2%	-0.1 pp

* Georgian FS includes sub-segment eliminations

** Total PAR 90 includes Azerbaijan

In thousands of GEL

Non-performing Loans (NPL)	Dec'23	Sep'23	Change QoQ
Georgia FS*	425,061	399,230	6.5%
Retail Georgia	127,102	129,162	-1.6%
CIB Georgia	114,130	94,940	20.2%
MSME Georgia	183,829	175,128	5.0%
Uzbekistan	15,006	13,584	10.5%
Total non-performing loans**	440,750	413,520	6.6%

* Georgian FS includes sub-segment eliminations

** Total non-performing loans include Azerbaijan NPLs

NPL to gross loans	Dec'23	Sep'23	Change QoQ
Georgia FS*	2.0%	2.0%	0.0 pp
Retail Georgia	1.7%	1.8%	-0.1 pp
CIB Georgia	1.4%	1.3%	0.1 pp
MSME Georgia	3.4%	3.4%	0.0 pp
Uzbekistan	1.9%	2.1%	-0.2 pp
Total NPL to gross loans**	2.0%	2.0%	0.0 pp

* Georgian FS includes sub-segment eliminations

** Total NPL to gross loans include Azerbaijan NPLs

NPL Coverage	Dec'23		Sep'23	
	Provision Coverage	Total Coverage***	Provision Coverage	Total Coverage***
Georgia FS*	73.4%	142.2%	82.5%	148.6%
Retail Georgia	120.4%	179.5%	136.0%	189.2%
CIB Georgia	46.9%	110.6%	52.0%	111.4%
MSME Georgia	57.5%	136.0%	59.5%	138.8%
Uzbekistan	222.3%	222.3%	199.9%	199.9%
Total NPL coverage**	79.8%	146.3%	87.6%	151.6%

* Georgian FS includes sub-segment eliminations

** Total NPL coverage include Azerbaijan loans coverage

** Total NPL coverage ratio includes provision and collateral coverage

Cost of Risk

Given strong asset quality trends, in 4Q 2023 our cost of risk (CoR) remained within the expected range and stood at 0.8%.

In 4Q 2023, due to strong asset quality dynamics, the CoR for our Georgia FS remained broadly stable on both a YoY and QoQ basis and amounted to 0.6%. Over the same period, CoR for our Uzbek business decreased by 2.7 pp and 2.4 pp on YoY and QoQ basis, respectively and amounted to 4.9%. The decrease in Uzbekistan was mainly driven by improved portfolio quality.

Cost of risk (CoR)	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Georgia FS*	0.6%	0.7%	0.5%	0.1 pp	-0.1 pp
Retail Georgia	0.1%	1.1%	0.5%	-0.4 pp	-1.0 pp
CIB Georgia	0.3%	0.0%	0.1%	0.2 pp	0.3 pp
MSME Georgia	1.8%	0.9%	0.9%	0.9 pp	0.9 pp
Uzbekistan	4.9%	7.3%	7.6%	-2.7 pp	-2.4 pp
Total cost of risk**	0.8%	0.9%	0.6%	0.2 pp	-0.1 pp

* Georgian FS includes sub-segment eliminations

** Total cost of risk includes Azerbaijan CoR

Deposit Portfolio

As of the end of December 2023, the total deposit portfolio amounted to GEL 20,375.5 million, up by 8.8% QoQ or by 8.2% on a constant currency basis.

In 4Q 2023, the Georgian financial services deposit portfolio increased by 8.7% on a QoQ basis and reached GEL 19,900.3 million, up by 8.1% on a constant currency basis. Over the same period, our Uzbek deposit portfolio increased by 12.8% and stood at GEL 581.5 million, which translated into growth of 13.9% on a constant currency basis.

In thousands of GEL

Customer accounts	Dec'23	Sep'23	Change QoQ
Georgia FS*	19,900,342	18,300,484	8.7%
Retail Georgia	7,469,587	7,097,710	5.2%
GEL	2,532,317	2,224,730	13.8%
FC	4,937,270	4,872,980	1.3%
CIB Georgia	10,200,321	8,973,868	13.7%
GEL	6,105,284	5,015,787	21.7%
FC	4,095,037	3,958,081	3.5%
MSME Georgia	1,900,459	1,733,864	9.6%
GEL	1,052,675	943,887	11.5%
FC	847,784	789,977	7.3%
MOF	515,079	611,017	-15.7%
GEL	515,079	611,017	-15.7%
Uzbekistan	581,483	515,586	12.8%
FC	1,864	1,640	13.7%
UZS	579,619	513,946	12.8%
Total customer accounts**	20,375,498	18,722,415	8.8%

* Georgian FS includes sub-segment eliminations

** Total customer accounts are adjusted for eliminations

	4Q'23	3Q'23	4Q'22	Change YoY	Change QoQ
Deposit rates	5.1%	4.9%	4.3%	0.8 pp	0.2 pp
GEL	8.1%	8.2%	7.9%	0.2 pp	-0.1 pp
FC	1.1%	0.9%	0.8%	0.3 pp	0.2 pp
UZS	25.0%	24.4%	26.9%	-1.9 pp	0.6 pp
Georgian financial services	4.5%	4.4%	3.9%	0.6 pp	0.1 pp
GEL	8.1%	8.2%	7.9%	0.2 pp	-0.1 pp
FC	1.1%	0.9%	0.8%	0.3 pp	0.2 pp
Uzbek business	24.9%	24.4%	26.9%	-2.0 pp	0.5 pp
FC	3.8%	4.1%	0.0%	3.8 pp	-0.3 pp
UZS	25.0%	24.4%	26.9%	-1.9 pp	0.6 pp
Total deposit rates*	5.1%	4.9%	4.3%	0.8 pp	0.2 pp

* Total deposits rates include MOF deposits

Preliminary Unaudited Consolidated Financial Results Overview for FY 2023

This statement provides a summary of the business and financial trends for FY 2023 for TBC Bank Group plc and its subsidiaries. The financial information and trends are unaudited.

Total assets and total liabilities for 31-Dec-2022 were restated due to replacement of IFRS 4 with IFRS 17. For more details, please refer to appendix 8.

Please also note that there might be slight differences in previous periods' figures due to rounding.

Net Interest Income

In FY 2023, net interest income amounted to GEL 1,635.8 million, up by 26.8% on a YoY basis.

The YoY rise in interest income by GEL 617.2 million, or 26.5%, was mostly attributable to an increase in interest income from loans related to a GEL 3,868.7 million, or 21.3%, increase in the respective portfolio, as well as a 1.0 pp rise in the respective yield.

YoY interest expense increased by GEL 271.5 million, or 26.1%, mainly related to an increase in the deposit portfolio of GEL 2,339.0 million, or 13.0%, and a 1.1 pp growth in deposit cost.

In FY 2023, our NIM stood at 6.7%, up by 0.7 pp on a YoY basis.

<i>In thousands of GEL</i>	FY'23	FY'22	Change YoY
Interest income	2,948,056	2,330,838	26.5%
Interest expense*	(1,312,258)	(1,040,786)	26.1%
Net interest income	1,635,798	1,290,052	26.8%
NIM	6.7%	6.0%	0.7 pp

* Interest expense includes net interest gains from currency swaps

Non-Interest Income

Total non-interest income amounted to GEL 737.7 million in FY 2023, decreasing by 5.5% YoY, primarily due to a normalisation of FX revenues, offset by significant growth in fee and commission income.

In 2023 our net fee and commission income increased by 27.8% on a YoY basis, related to increased payments transactions in both Georgia and Uzbekistan. Our Uzbek business contributed 18% of the Group's net fee and commission income.

<i>In thousands of GEL</i>	FY'23	FY'22	Change YoY
Non-interest income			
Net fee and commission income	412,325	322,666	27.8%
Net gains from currency derivatives, foreign currency operations and translation	256,924	398,866	-35.6%
Net insurance income	31,290	29,203	7.1%
Other operating income	37,163	29,977	24.0%
Total non-interest income	737,702	780,712	-5.5%

Credit Loss Allowance

Credit loss allowance for loans in FY 2023 amounted to GEL 162.7 million, which translated into 0.8% cost of risk. The increase in credit loss allowance for loans was mainly driven by strong loan book growth as well as normalisation of CoR.

<i>In thousands of GEL</i>	FY'23	FY'22	Change YoY
Credit loss allowance for loans to customers	(162,659)	(118,943)	36.8%
Credit loss allowance for other transactions	(18,081)	(13,957)	29.5%
Total credit loss allowance	(180,740)	(132,900)	36.0%
Operating income after expected credit and non-financial asset impairment losses	2,192,760	1,937,864	13.2%
Cost of risk	0.8%	0.7%	0.1 pp

Operating Expenses

In FY 2023, our operating expenses rose by 24.2% on a YoY basis. This growth was mainly driven by overall business growth, both in Georgia and Uzbekistan.

In thousands of GEL

	FY'23	FY'22	Change YoY
Operating expenses			
Staff costs	(472,972)	(374,816)	26.2%
Allowance of provision for liabilities and charges	(155)	(2,200)	-93.0%
Depreciation and amortisation	(115,975)	(101,197)	14.6%
Administrative and other operating expenses	(269,825)	(213,107)	26.6%
Total operating expenses	(858,927)	(691,320)	24.2%
Cost to income	36.2%	33.4%	2.8 pp
Georgian financial services' cost to income	31.9%	28.9%	3.0 pp

Profit

In FY 2023, we delivered strong profitability and generated GEL 1,140.0 million in profit, up by 13.6% YoY, driven by strong core revenue growth and asset quality trends. Our Uzbek operations contributed GEL 59.3 million or 5% of the Group's 2023 profit.

The YoY decrease in income tax expense is mainly driven by a one-off tax charge in 2022, due to changes in the Georgian taxation model.

As a result, our ROE and ROA for full year 2023 were 26.5% and 3.9%, respectively.

<i>In thousands of GEL</i>	FY'23	FY'22	Change YoY
Profit before tax	1,333,833	1,246,544	7.0%
Income tax expense	(193,858)	(243,205)	-20.3%
Profit for the period	1,139,975	1,003,339	13.6%
ROE	26.5%	27.0%	-0.5 pp
Georgian financial services' ROE	25.5%	26.0%	-0.5 pp
ROA	3.9%	3.8%	0.1 pp
Georgian financial services' ROA	4.0%	4.1%	-0.1 pp

Loan Portfolio

As of 31 December 2023, the gross loan portfolio reached GEL 22,073.7 million, up by 21.3% YoY or 21.2% on a constant currency basis.

By the end of December 2023, the Georgian financial services' loan portfolio increased by 19.2% on a YoY basis and reached GEL 21,257.7 million, with 18.6% growth on a constant currency basis. Over the same period, our Uzbek loan portfolio more than doubled, reaching GEL 796.9 million.

<i>In thousands of GEL</i>	Dec'23	Dec'22	Change YoY
Gross loans and advances to customers			
Georgian financial services (Georgia FS)*	21,257,692	17,839,697	19.2%
Retail Georgia	7,513,229	6,753,242	11.3%
GEL	5,000,607	4,374,224	14.3%
FC	2,512,622	2,379,018	5.6%
CIB Georgia	8,283,723	6,301,961	31.4%
GEL	3,061,811	2,455,229	24.7%
FC	5,221,912	3,846,732	35.7%
MSME Georgia	5,480,822	4,803,986	14.1%
GEL	2,868,942	2,627,760	9.2%
FC	2,611,880	2,176,226	20.0%
Uzbekistan	796,930	347,695	NMF
UZS	796,930	347,695	NMF
Total gross loans and advances to customers**	22,073,679	18,204,971	21.3%

* Georgian FS includes sub-segment eliminations

** Total gross loans and advances to customers include Azerbaijan loan portfolio

	FY'23	FY'22	Change YoY
Loan yields	12.6%	11.6%	1.0 pp
GEL	14.9%	15.5%	-0.6 pp
FC	8.5%	7.0%	1.5 pp
UZS	42.3%	42.7%	-0.4 pp
Georgia FS	11.8%	11.2%	0.6 pp
GEL	14.9%	15.5%	-0.6 pp
FC	8.5%	7.0%	1.5 pp
Uzbekistan	42.3%	42.7%	-0.4 pp
UZS	42.3%	42.7%	-0.4 pp
Total loan yields*	12.6%	11.6%	1.0 pp

* Total loans yields include Azerbaijan

Loan Portfolio Quality

As of 31 December 2023, our asset quality metrics remained strong with NPL to gross loans at 2.0%, driven by strong portfolio performance in both Georgia and Uzbekistan. Over the same period our PAR 90 remained broadly stable for both Georgia and Uzbekistan.

Par 90	Dec'23	Dec'22	Change YoY
Georgia FS*	1.1%	1.2%	-0.1 pp
Retail Georgia	0.8%	1.2%	-0.4 pp
CIB Georgia	0.7%	0.4%	0.3 pp
MSME Georgia	2.2%	2.2%	0.0 pp
Uzbekistan	1.9%	2.0%	-0.1 pp
Total PAR 90**	1.1%	1.2%	-0.1 pp

* Georgian FS includes sub-segment eliminations

** Total PAR 90 includes Azerbaijan

In thousands of GEL

Non-performing Loans (NPL)	Dec'23	Dec'22	Change YoY
Georgia FS*	425,061	388,585	9.4%
Retail Georgia	127,102	146,167	-13.0%
CIB Georgia	114,130	80,307	42.1%
MSME Georgia	183,829	162,111	13.4%
Uzbekistan	15,006	6,794	120.9%
Total non-performing loans**	440,750	397,444	10.9%

* Georgian FS includes sub-segment eliminations

** Total non-performing loans include Azerbaijan NPLs

NPL to gross loans	Dec'23	Dec'22	Change YoY
Georgia FS*	2.0%	2.2%	-0.2 pp
Retail Georgia	1.7%	2.2%	-0.5 pp
CIB Georgia	1.4%	1.3%	0.1 pp
MSME Georgia	3.4%	3.4%	0.0 pp
Uzbekistan	1.9%	2.0%	-0.1 pp
Total NPL to gross loans**	2.0%	2.2%	-0.2 pp

* Georgian FS includes sub-segment eliminations

** Total NPL to gross loans include Azerbaijan NPLs

NPL Coverage	Dec'23		Dec'22	
	Provision Coverage	Total Coverage***	Provision Coverage	Total Coverage***
Georgia FS*	73.4%	142.2%	91.0%	153.2%
Retail Georgia	120.4%	179.5%	146.6%	190.3%
CIB Georgia	46.9%	110.6%	57.9%	119.9%
MSME Georgia	57.5%	136.0%	57.3%	136.2%
Uzbekistan	222.3%	222.3%	184.0%	184.0%
Total NPL coverage**	79.8%	146.3%	93.7%	155.6%

* Georgian FS includes sub-segment eliminations

** Total NPL coverage include Azerbaijan loans coverage

*** Total NPL coverage ratio includes provision and collateral coverage

Cost of Risk

In FY 2023, our cost of risk (CoR) was within the expected range at 0.8%.

The CoR for our Georgian financial services remained stable YoY and stood at 0.7%, while CoR for our Uzbek business amounted to 6.0%, down by 0.8 pp on YoY basis, driven by improved portfolio quality.

Cost of risk (CoR)	FY'23	FY'22	Change YoY
Georgia FS*	0.7%	0.6%	0.1 pp
Retail Georgia	0.8%	1.4%	-0.6 pp
CIB Georgia	0.1%	0.0%	0.1 pp
MSME Georgia	1.4%	0.5%	0.9 pp
Uzbekistan	6.0%	6.8%	-0.8 pp
Total cost of risk**	0.8%	0.7%	0.1 pp

* Georgian FS includes sub-segment eliminations

** Total cost of risk includes Azerbaijan CoR

Deposit Portfolio

The total deposit portfolio amounted to GEL 20,375.5 million as of end 2023, increasing by 13.0% YoY or 13.2% on a constant currency basis.

As of 31 December 2023, the Georgian financial services' portfolio increased by 11.8% on a YoY basis to GEL 19,900.3 million, with 11.7% growth on a constant currency basis. Over the same period, our Uzbek portfolio almost doubled and stood at GEL 581.5 million.

<i>In thousands of GEL</i>			
Customer accounts	Dec'23	Dec'22	Change YoY
Georgia FS*	19,900,342	17,799,899	11.8%
Retail Georgia	7,469,587	6,536,649	14.3%
GEL	2,532,317	1,905,377	32.9%
FC	4,937,270	4,631,272	6.6%
CIB Georgia	10,200,321	9,249,232	10.3%
GEL	6,105,284	5,136,442	18.9%
FC	4,095,037	4,112,790	-0.4%
MSME Georgia	1,900,459	1,761,342	7.9%
GEL	1,052,675	908,024	15.9%
FC	847,784	853,318	-0.6%
MOF	515,079	412,442	24.9%
GEL	515,079	412,442	24.9%
Uzbekistan	581,483	330,976	75.7%
FC	1,864	1,160	60.7%
UZS	579,619	329,816	75.7%
Total customer accounts**	20,375,498	18,036,533	13.0%

* Georgian FS includes sub-segment eliminations

** Total customer accounts are adjusted for eliminations

	FY'23	FY'22	Change YoY
Deposit rates	5.0%	3.9%	1.1 pp
GEL	8.3%	7.7%	0.6 pp
FC	0.9%	0.9%	0.0 pp
UZS	24.9%	24.1%	0.8 pp
Georgian financial services	4.5%	3.6%	0.9 pp
GEL	8.4%	7.7%	0.7 pp
FC	0.9%	0.9%	0.0 pp
Uzbek business	24.9%	24.1%	0.8 pp
FC	4.2%	0.0%	4.2 pp
UZS	24.9%	24.1%	0.8 pp
Total deposit rates*	5.0%	3.9%	1.1 pp

* Total deposit rates include MOF deposits

Additional Disclosures

1) TBC Bank – Background

TBC Bank Group PLC ("TBC PLC") is a public limited company registered in England and Wales. TBC PLC is the parent company of JSC TBC Bank ("TBC Bank") and a group of companies that principally operate in Georgia in the financial sector. TBC PLC also offers non-financial services via TNET, the largest digital ecosystem in Georgia. Since 2019, TBC PLC has expanded its operations into Uzbekistan by operating fast growing retail digital financial services in the country. TBC PLC is listed on the London Stock Exchange under the symbol TBCG and is a constituent of the FTSE 250 Index. It is also a member of the FTSE4Good Index Series and the MSCI United Kingdom Small Cap Index.

TBC Bank, together with its subsidiaries, is a leading universal banking group in Georgia, with a total market share of 39.3% of customer loans and 40.1% of customer deposits as of 31 December 2023, according to data published by the National Bank of Georgia on the analytical tool Tableau.

2) Consolidated Financial Statements and Key Ratios 4Q 2023

Consolidated Statement of Financial Position

<i>In thousands of GEL</i>	Dec'23	Sep'23
ASSETS		
Cash and cash equivalents	3,764,087	2,648,469
Due from other banks	47,941	38,954
Mandatory cash balances with National Bank of Georgia and the Central Bank of Uzbekistan	1,577,074	1,904,010
Loans and advances to customers	21,722,107	20,003,021
Investment securities measured at fair value through other comprehensive income	3,475,461	3,071,046
Bonds carried at amortised cost	73,963	65,289
Finance lease receivables	400,411	364,077
Investment properties	15,235	20,629
Investments in associates	4,204	3,940
Current income tax prepayment	435	16,062
Deferred income tax asset	7,400	10,721
Other financial assets	280,268	259,771
Other assets	431,477	449,322
Premises and equipment	513,340	481,867
Right of use assets	120,077	116,262
Intangible assets	471,383	442,989
Goodwill	59,964	59,964
TOTAL ASSETS	32,964,827	29,956,393
LIABILITIES		
Due to credit institutions	4,395,182	3,330,925
Customer accounts	20,375,498	18,722,415
Other financial liabilities	358,522	515,000
Current income tax liability	67,945	17,958
Deferred income tax liability	50,957	109,854
Debt Securities in issue	1,426,174	1,432,393
Provision for liabilities and charges	21,060	20,384
Other liabilities	123,218	93,184
Lease liabilities	91,879	88,893
Subordinated debt	868,730	788,116
Redemption liability	365,480	363,871
TOTAL LIABILITIES	28,144,645	25,482,993
EQUITY		
Share capital	1,690	1,682
Shares held by trust	(75,609)	(75,470)
Share premium	295,605	272,930
Retained earnings	4,433,496	4,145,795
Merger reserve	402,862	402,862
Share based payment reserve	23,677	12,672
Fair value reserve for investment securities measured at fair value through other comprehensive income	12,345	10,855
Cumulative currency translation reserve	(44,824)	(42,759)
Other reserve	(365,513)	(363,869)
Equity attributable to owners of the parent	4,683,729	4,364,698
Non-controlling interest	136,453	108,702
TOTAL EQUITY	4,820,182	4,473,400
TOTAL LIABILITIES AND EQUITY	32,964,827	29,956,393

Consolidated Income Statement and Other Comprehensive Income

<i>In thousands of GEL</i>	4Q'23	3Q'23	4Q'22
Interest income	810,428	753,658	644,981
Interest expense	(368,693)	(325,724)	(287,535)
Net interest income	441,735	427,934	357,446
Fee and commission income	192,341	170,479	166,042
Fee and commission expense	(82,242)	(66,327)	(70,710)
Net fee and commission income	110,099	104,152	95,332
Insurance contract revenue	33,665	35,056	29,852
Reinsurance service result	1,161	(3,245)	(2,564)
Insurance service claims and expenses incurred	(25,736)	(22,013)	(19,070)
Net insurance income	9,090	9,798	8,218
Net gains from currency derivatives, foreign currency operations and translation	68,228	66,968	138,777
Net gains from disposal of investment securities measured at fair value through other comprehensive income	8	1,553	926
Other operating income	10,372	4,443	3,388
Share of profit of associates	(256)	371	145
Other operating non-interest income	78,352	73,335	143,236
Credit loss allowance for loans to customers	(40,640)	(42,595)	(27,002)
Credit loss recovery/(allowance) for finance lease receivable	1,129	(3,035)	558
Credit loss (allowance)/recovery for performance guarantees and credit related commitments	(612)	644	(1,217)
Credit loss allowance for other financial assets	(4,890)	(963)	(4,416)
Credit loss allowance for financial assets measured at fair value through other comprehensive income	(407)	(497)	(521)
Net (impairment)/recovery of non-financial assets	(2,059)	287	(456)
Operating income after expected credit and non-financial asset impairment losses	591,797	569,060	571,178
Staff costs	(139,766)	(121,056)	(103,764)
Depreciation and amortisation	(28,741)	(29,286)	(27,181)
Allowance of provision for liabilities and charges	-	(34)	(140)
Administrative and other operating expenses	(85,993)	(67,711)	(69,410)
Operating expenses	(254,500)	(218,087)	(200,495)
Profit before tax	337,297	350,973	370,683
Income tax expense	(45,856)	(50,485)	(146,909)
Profit for the period	291,441	300,488	223,774
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Movement in fair value reserve, net of tax	1,491	(5,607)	12,147
Exchange differences on translation to presentation currency	(2,065)	(5,955)	(17,919)
Net other movements	(33)	-	-
Other comprehensive expense for the period, net of tax	(607)	(11,562)	(5,772)
Total comprehensive income for the period	290,834	288,926	218,002
Profit attributable to:			
- Shareholders of TBCG	287,699	299,022	217,756
- Non-controlling interest	3,742	1,466	6,018
Profit for the period	291,441	300,488	223,774
Total comprehensive income is attributable to:			
- Shareholders of TBCG	287,092	287,460	211,984
- Non-controlling interest	3,742	1,466	6,018
Total comprehensive income for the period	290,834	288,926	218,002

* Interest expense includes net interest gains from currency swaps

Key Ratios 4Q'23

Average Balances

The average balances included in this document are calculated as the average of the relevant monthly balances as of the end of each month. Balances have been extracted from TBC's unaudited and consolidated management accounts, which were prepared from TBC's accounting records. These were used by the management for monitoring and control purposes.

<i>Ratios (based on monthly averages, where applicable)</i>	4Q'23	3Q'23	4Q'22
Profitability ratios:			
ROE ¹	25.2%	27.6%	22.3%
ROA ²	3.7%	4.1%	3.1%
Cost to income ³	39.8%	35.4%	33.2%
NIM ⁴	6.7%	6.9%	6.3%
Loan yields ⁵	12.7%	12.6%	12.1%
Deposit rates ⁶	5.1%	4.9%	4.3%
Cost of funding ⁷	5.7%	5.4%	5.0%
Asset quality & portfolio concentration:			
Cost of risk ⁹	0.8%	0.9%	0.6%
PAR 90 to Gross Loans ⁹	1.1%	1.2%	1.2%
NPLs to Gross Loans ¹⁰	2.0%	2.0%	2.2%
NPL provision coverage ¹¹	79.8%	87.6%	93.7%
Total NPL coverage ¹²	146.3%	151.6%	155.6%
Credit loss level to Gross Loans ¹³	1.6%	1.8%	2.0%
Related Party Loans to Gross Loans ¹⁴	0.1%	0.1%	0.1%
Top 10 Borrowers to Total Portfolio ¹⁵	6.1%	6.0%	5.3%
Top 20 Borrowers to Total Portfolio ¹⁶	9.1%	8.9%	8.3%
Capital & liquidity positions:			
Net Loans to Deposits plus IFI Funding ¹⁷	96.1%	96.9%	88.5%
Net Stable Funding Ratio ¹⁸	119.9%	124.1%	n/a
Liquidity Coverage Ratio ¹⁹	115.3%	114.1%	n/a
Leverage ²⁰	6.8x	6.7x	7.3x
CET 1 CAR (Basel III) ²¹	17.4%	17.5%	n/a
Tier 1 CAR (Basel III) ²²	19.6%	19.9%	n/a
Total 1 CAR (Basel III) ²³	22.1%	22.3%	n/a

For the ratio definitions and exchange rates, please refer to appendix 12.

3) Consolidated Financial Statements and Key Ratios FY 2023

Consolidated Statement of Financial Position

<i>In thousands of GEL</i>	Dec'23	Dec'22
ASSETS		
Cash and cash equivalents	3,764,087	3,860,813
Due from other banks	47,941	41,854
Mandatory cash balances with National Bank of Georgia and the Central Bank of Uzbekistan	1,577,074	2,049,985
Loans and advances to customers	21,722,107	17,832,606
Investment securities measured at fair value through other comprehensive income	3,475,461	2,885,088
Bonds carried at amortised cost	73,963	37,392
Repurchase receivables	-	267,495
Finance lease receivables	400,411	312,334
Investment properties	15,235	22,154
Investments in associates	4,204	3,721
Current income tax prepayment	435	430
Deferred income tax asset	7,400	16,705
Other financial assets	280,268	235,963
Other assets	431,477	422,928
Premises and equipment	513,340	442,886
Right of use assets	120,077	112,625
Intangible assets	471,383	383,198
Goodwill	59,964	59,964
TOTAL ASSETS	32,964,827	28,988,141
LIABILITIES		
Due to credit institutions	4,395,182	3,940,660
Customer accounts	20,375,498	18,036,533
Other financial liabilities	358,522	294,546
Current income tax liability	67,945	1,647
Deferred income tax liability	50,957	112,877
Debt Securities in issue	1,426,174	1,361,573
Provision for liabilities and charges	21,060	19,908
Other liabilities	123,218	101,736
Lease liabilities	91,879	84,770
Subordinated debt	868,730	590,148
Redemption liability	365,480	477,329
TOTAL LIABILITIES	28,144,645	25,021,727
EQUITY		
Share capital	1,690	1,681
Shares held by trust	(75,609)	(7,900)
Treasury shares	-	(25,541)
Share premium	295,605	269,938
Retained earnings	4,433,496	3,745,191
Merger reserve	402,862	402,862
Share based payment reserve	23,677	1,090
Fair value reserve for investment securities measured at fair value through other comprehensive income	12,345	5,467
Cumulative currency translation reserve	(44,824)	(35,858)
Other reserves	(365,513)	(477,329)
Equity attributable to owners of the parent	4,683,729	3,879,601
Non-controlling interest	136,453	86,813
TOTAL EQUITY	4,820,182	3,966,414
TOTAL LIABILITIES AND EQUITY	32,964,827	28,988,141

Consolidated Income Statement and Other Comprehensive Income

<i>In thousands of GEL</i>	FY'23	FY'22
Interest income	2,948,056	2,330,838
Interest expense*	(1,312,258)	(1,040,786)
Net interest income	1,635,798	1,290,052
Fee and commission income	676,350	543,099
Fee and commission expense	(264,025)	(220,433)
Net fee and commission income	412,325	322,666
Insurance contract revenue	129,798	111,597
Reinsurance service result	(6,470)	(7,783)
Insurance service claims and expenses incurred	(92,038)	(74,611)
Net insurance income	31,290	29,203
Net gains from currency derivatives, foreign currency operations and translation	256,924	398,866
Net gains from disposal of investment securities measured at fair value through other comprehensive income	5,880	5,811
Other operating income	30,626	23,814
Share of profit of associates	657	352
Other operating non-interest income	294,087	428,843
Credit loss allowance for loans to customers	(162,659)	(118,943)
Credit loss allowance for finance lease receivable	(4,038)	(720)
Credit loss allowance for performance guarantees and credit related commitments	(904)	(2,721)
Credit loss allowance for other financial assets	(9,943)	(10,155)
Credit loss (allowance)/recovery for financial assets measured at fair value through other comprehensive income	(1,066)	862
Net impairment of non-financial assets	(2,130)	(1,223)
Operating income after expected credit and non-financial asset impairment losses	2,192,760	1,937,864
Staff costs	(472,972)	(374,816)
Depreciation and amortisation	(115,975)	(101,197)
Allowance of provision for liabilities and charges	(155)	(2,200)
Administrative and other operating expenses	(269,825)	(213,107)
Operating expenses	(858,927)	(691,320)
Profit before tax	1,333,833	1,246,544
Income tax expense	(193,858)	(243,205)
Profit for the period	1,139,975	1,003,339
Other comprehensive income, net of tax:		
Items that may be reclassified subsequently to profit or loss:		
Movement in fair value reserve, net of tax	6,878	16,329
Exchange differences on translation to presentation currency	(8,966)	(26,355)
Net other movements	(33)	-
Other comprehensive expense for the period, net of tax	(2,121)	(10,026)
Total comprehensive income for the period	1,137,854	993,313
Profit attributable to:		
- Shareholders of TBCG	1,124,180	995,206
- Non-controlling interest	15,795	8,133
Profit for the period	1,139,975	1,003,339
Total comprehensive income is attributable to:		
- Shareholders of TBCG	1,122,059	985,180
- Non-controlling interest	15,795	8,133
Total comprehensive income for the period	1,137,854	993,313

* Interest expense includes net interest gains from currency swaps

Key Ratios FY'23

Average Balances

The average balances included in this document are calculated as the average of the relevant monthly balances as of the end of each month. Balances have been extracted from TBC's unaudited and consolidated management accounts, which were prepared from TBC's accounting records. These were used by the management for monitoring and control purposes.

<i>Ratios (based on monthly averages, where applicable)</i>	FY'23	FY'22
Profitability ratios:		
ROE ¹	26.5%	27.0%
ROA ²	3.9%	3.8%
Cost to income ³	36.2%	33.4%
NIM ⁴	6.7%	6.0%
Loan yields ⁵	12.6%	11.6%
Deposit rates ⁶	5.0%	3.9%
Cost of funding ⁷	5.6%	4.9%
Asset quality & portfolio concentration:		
Cost of risk ⁹	0.8%	0.7%
PAR 90 to Gross Loans ⁹	1.1%	1.2%
NPLs to Gross Loans ¹⁰	2.0%	2.2%
NPL provision coverage ¹¹	79.8%	93.7%
Total NPL coverage ¹²	146.3%	155.6%
Credit loss level to Gross Loans ¹³	1.6%	2.0%
Related Party Loans to Gross Loans ¹⁴	0.1%	0.1%
Top 10 Borrowers to Total Portfolio ¹⁵	6.1%	5.3%
Top 20 Borrowers to Total Portfolio ¹⁶	9.1%	8.3%
Capital & liquidity positions:		
Net Loans to Deposits plus IFI Funding ¹⁷	96.1%	88.5%
Net Stable Funding Ratio ¹⁸	119.9%	n/a
Liquidity Coverage Ratio ¹⁹	115.3%	n/a
Leverage ²⁰	6.8x	7.3x
CET 1 CAR (Basel III) ²¹	17.4%	n/a
Tier 1 CAR (Basel III) ²²	19.6%	n/a
Total 1 CAR (Basel III) ²³	22.1%	n/a

For the ratio definitions and exchange rates, please refer to appendix 12.

4) Business Line Definition

According to the updated segment definition starting from 1 January 2023, the operating segments are defined as follows:

Georgian financial services include JSC TBC Bank with its Georgian subsidiaries and JSC TBC Insurance with its subsidiary. The Georgia financial service segment consists of three major business sub-segments, while the treasury, leasing and insurance businesses are combined into the corporate and other sub-segments:

- Corporate and investment banking (CIB) – a legal entity/group of affiliated entities with an annual revenue exceeding GEL 20.0 million or which has been granted facilities of more than GEL 7.5 million. Some other business customers may also be assigned to the CIB sub-segment or transferred to the MSME sub-segment on a discretionary basis. In addition, CIB includes Wealth Management (WM) private banking services to high-net-worth individuals with a threshold of US\$ 250,000 in assets under management (AUM), as well as on a discretionary basis;
- Retail – non-business individual customers;
- Micro, small and medium enterprises (MSME) – business customers who are not included in the CIB sub-segment.

Uzbekistan – TBC Bank Uzbekistan with respective subsidiaries and Payme (Inspired LLC).

Other – includes non-material or non-financial subsidiaries of the group and intra-group eliminations.

5) Financial Disclosures by Business Lines

Consolidated Statement of Financial Position Dec'23

<i>In thousands of GEL</i>	Georgia FS	Uzbekistan*	Payme	TBC UZ	Other**	Group
ASSETS						
Cash and cash equivalents	3,687,618	81,171	1,544	79,735	(4,702)	3,764,087
Due from other banks	47,867	1,344	6,929	1,344	(1,270)	47,941
Mandatory cash balances with National Bank of Georgia and the Central Bank of Uzbekistan	1,572,506	4,568	-	4,568	-	1,577,074
Loans and advances to customers	20,945,584	763,575	-	763,575	12,948	21,722,107
Investment securities measured at fair value through other comprehensive income	3,475,461	-	-	-	-	3,475,461
Bonds carried at amortised cost	12,271	61,692	-	61,692	-	73,963
Finance lease receivables	363,303	29,616	-	29,616	7,492	400,411
Investment properties	15,235	-	-	-	-	15,235
Investments in associates	18,817	-	-	-	(14,613)	4,204
Current income tax prepayment	16	-	-	-	419	435
Deferred income tax asset	-	7,005	-	7,005	395	7,400
Other financial assets	286,431	11,930	5,411	7,573	(18,093)	280,268
Other assets	411,050	16,454	5,127	11,327	3,973	431,477
Premises and equipment	491,943	15,741	5,860	9,881	5,656	513,340
Right of use assets	112,613	5,576	1,315	4,261	1,888	120,077
Intangible assets	359,476	31,335	5,648	25,687	80,572	471,383
Goodwill	28,197	1,912	-	1,912	29,855	59,964
TOTAL ASSETS	31,828,388	1,031,919	31,834	1,008,176	104,520	32,964,827
LIABILITIES						
Due to credit institutions	4,337,726	105,293	-	105,293	(47,837)	4,395,182
Customer accounts	19,900,341	581,483	-	588,520	(106,326)	20,375,498
Other financial liabilities	328,285	21,617	1,824	19,793	8,620	358,522
Current income tax liability	67,800	-	-	-	145	67,945
Deferred income tax liability	50,932	-	-	-	25	50,957
Debt Securities in issue	1,257,347	-	-	-	168,827	1,426,174
Provision for liabilities and charges	21,060	-	-	-	-	21,060
Other liabilities	101,907	8,726	2,190	7,590	12,585	123,218
Lease liabilities	83,891	6,491	1,491	5,000	1,497	91,879
Subordinated debt	868,730	-	-	-	-	868,730
Redemption liability	-	-	-	-	365,480	365,480
TOTAL LIABILITIES	27,018,019	723,610	5,505	726,196	403,016	28,144,645
EQUITY						
Share capital	29,148	330,622	1,254	329,368	(358,080)	1,690
Shares held by trust	-	-	-	-	(75,609)	(75,609)
Share premium	521,190	35,723	-	35,723	(261,308)	295,605
Retained earnings	4,324,043	(22,146)	30,077	(52,223)	131,599	4,433,496
Merger reserve	-	67	67	-	402,795	402,862
Share based payment reserve	(76,554)	-	-	-	100,231	23,677
Fair value reserve for investment securities measured at fair value through other comprehensive income	12,345	-	-	-	-	12,345
Cumulative currency translation reserve	-	(35,924)	(5,069)	(30,855)	(8,900)	(44,824)
Other reserves	-	(33)	-	(33)	(365,480)	(365,513)
Equity attributable to owners of the parent	4,810,172	308,309	26,329	281,980	(434,752)	4,683,729
Non-controlling interest	197	-	-	-	136,256	136,453
TOTAL EQUITY	4,810,369	308,309	26,329	281,980	(298,496)	4,820,182
TOTAL LIABILITIES AND EQUITY	31,828,388	1,031,919	31,834	1,008,176	104,520	32,964,827

* Includes intra-group eliminations

** Includes Azerbaijan, TNET, other subsidiaries and intra-group eliminations

Consolidated Income Statement and Other Comprehensive Income 4Q'23

<i>In thousands of GEL</i>	Georgia FS	Uzbekistan **	<i>Payme</i>	<i>TBC UZ</i>	Other ***	Group
Interest income	726,956	81,460	200	81,454	2,012	810,428
Interest expense*	(331,535)	(37,905)	(87)	(38,012)	747	(368,693)
Net interest income	395,421	43,555	113	43,442	2,759	441,735
Fee and commission income	160,918	30,768	21,300	21,276	655	192,341
Fee and commission expense	(72,030)	(10,100)	(2,051)	(19,779)	(112)	(82,242)
Net fee and commission income	88,888	20,668	19,249	1,497	543	110,099
Net insurance income	8,858	-	-	-	232	9,090
Net gains/(losses) from currency derivatives, foreign currency operations and translation	71,186	(330)	(9)	(321)	(2,628)	68,228
Net gains from disposal of investment securities measured at fair value through other comprehensive income	8	-	-	-	-	8
Other operating income	8,398	1,160	1,095	65	814	10,372
Share of loss of associates	(256)	-	-	-	-	(256)
Other operating non-interest income	88,194	830	1,086	(256)	(1,582)	87,442
Credit loss (allowance)/recovery for loans to customers	(32,107)	(8,703)	-	(8,703)	170	(40,640)
Credit loss recovery/(allowance) for finance lease receivable	1,551	(546)	-	(546)	124	1,129
Credit loss allowance for performance guarantees and credit related commitments	(611)	-	-	-	(1)	(612)
Credit loss (allowance)/recovery for other financial assets	(4,694)	(196)	(115)	(81)	-	(4,890)
Credit loss allowance for financial assets measured at fair value through other comprehensive income	(339)	(68)	-	(68)	-	(407)
Net (recovery)/allowance of non-financial assets	(2,360)	-	-	-	301	(2,059)
Operating income after expected credit and non-financial asset impairment losses	533,943	55,540	20,333	35,285	2,314	591,797
Staff costs	(115,887)	(11,215)	(2,645)	(8,570)	(12,664)	(139,766)
Depreciation and amortisation	(27,109)	(2,489)	(379)	(2,110)	857	(28,741)
Administrative and other operating expenses	(59,497)	(18,476)	(5,256)	(13,298)	(8,020)	(85,993)
Operating expenses	(202,493)	(32,180)	(8,280)	(23,978)	(19,827)	(254,500)
Profit before tax	331,450	23,360	12,053	11,307	(17,513)	337,297
Income tax expense	(42,835)	(2,927)	(30)	(2,897)	(94)	(45,856)
Profit for the period	288,615	20,433	12,023	8,410	(17,607)	291,441
Profit attributable to:						
- Shareholders of TBCG	288,614	20,433	12,023	8,410	(21,348)	287,699
- Non-controlling interest	1	-	-	-	3,741	3,742
Profit for the period	288,615	20,433	12,023	8,410	(17,607)	291,441

* Interest expense includes net interest gains from currency swaps

** Includes intra-group eliminations

*** Includes Azerbaijan, TNET, other subsidiaries and intra-group eliminations

Consolidated Income Statement and Other Comprehensive Income FY'23

<i>In thousands of GEL</i>	Georgia FS	Uzbekistan **	<i>Payme</i>	<i>TBC UZ</i>	Other ***	Group
Interest income	2,687,756	253,264	288	253,258	7,036	2,948,056
Interest expense*	(1,189,267)	(120,650)	(337)	(120,596)	(2,341)	(1,312,258)
Net interest income	1,498,489	132,614	(49)	132,662	4,695	1,635,798
Fee and commission income	571,311	101,241	76,631	60,596	3,798	676,350
Fee and commission expense	(236,621)	(27,112)	(6,958)	(56,043)	(292)	(264,025)
Net fee and commission income	334,690	74,129	69,673	4,553	3,506	412,325
Net insurance income	31,557	-	-	-	(267)	31,290
Net gains from currency derivatives, foreign currency operations and translation	273,443	(191)	-	(191)	(16,328)	256,924
Net gains from disposal of investment securities measured at fair value through other comprehensive income	5,880	-	-	-	-	5,880
Other operating income	22,804	1,228	1,096	132	6,594	30,626
Share of profit of associates	657	-	-	-	-	657
Other operating non-interest income	334,341	1,037	1,096	(59)	(10,001)	325,377
Credit loss (allowance)/recovery for loans to customers	(131,532)	(32,279)	-	(32,279)	1,152	(162,659)
Credit loss (allowance)/recovery for finance lease receivable	(2,167)	(2,042)	-	(2,042)	171	(4,038)
Credit loss allowance for performance guarantees and credit related commitments	(903)	-	-	-	(1)	(904)
Credit loss allowance for other financial assets	(9,390)	(553)	(381)	(172)	-	(9,943)
Credit loss allowance for financial assets measured at fair value through other comprehensive income	(998)	(68)	-	(68)	-	(1,066)
Net impairment of non-financial assets	(2,140)	-	-	-	10	(2,130)
Operating income after expected credit and non-financial asset impairment losses	2,020,390	172,838	70,339	102,595	(468)	2,192,760
Staff costs	(395,003)	(39,562)	(9,918)	(29,644)	(38,407)	(472,972)
Depreciation and amortisation	(102,479)	(8,974)	(1,161)	(7,813)	(4,522)	(115,975)
Allowance of provision for liabilities and charges	(155)	-	-	-	-	(155)
Administrative and other operating expenses	(194,844)	(59,230)	(14,377)	(44,949)	(15,751)	(269,825)
Operating expenses	(692,481)	(107,766)	(25,456)	(82,406)	(58,680)	(858,927)
Profit before tax	1,327,909	65,072	44,883	20,189	(59,148)	1,333,833
Income tax expense	(187,968)	(5,743)	(43)	(5,700)	(147)	(193,858)
Profit for the period	1,139,941	59,329	44,840	14,489	(59,295)	1,139,975
Profit attributable to:						
- Shareholders of TBCG	1,139,908	59,329	44,840	14,489	(75,057)	1,124,180
- Non-controlling interest	33	-	-	-	15,762	15,795
Profit for the period	1,139,941	59,329	44,840	14,489	(59,295)	1,139,975

* Interest expense includes net interest gains from currency swaps

** Includes intra-group eliminations

*** Includes Azerbaijan, TNET, other subsidiaries and intra-group eliminations

Consolidated Key Ratios by Business Lines

	4Q'23	Georgia FS	Uzbekistan	Group
Profitability ratios:				
ROE ¹		24.7%	29.7%	25.2%
ROA ²		3.8%	8.7%	3.7%
Cost to income ³		35.4%	49.5%	39.8%
NIM ⁴		6.2%	22.6%	6.7%
Loan yields ⁵		11.7%	41.7%	12.7%
Deposit rates ⁶		4.5%	24.9%	5.1%
Cost of funding ⁷		5.3%	24.0%	5.7%

Asset quality & portfolio concentration:				
Cost of risk ⁸		0.6%	4.9%	0.8%
PAR 90 to Gross Loans ⁹		1.1%	1.9%	1.1%
NPLs to Gross Loans ¹⁰		2.0%	1.9%	2.0%
NPL provision coverage ¹¹		73.4%	222.3%	79.8%
Total NPL coverage ¹²		142.2%	222.3%	146.3%

	FY'23	Georgia FS	Uzbekistan	Group
Profitability ratios:				
ROE ¹		25.5%	26.0%	26.50%
ROA ²		4.0%	7.9%	3.9%
Cost to income ³		31.9%	51.9%	36.2%
NIM ⁴		6.3%	22.4%	6.7%
Loan yields ⁵		11.8%	42.3%	12.6%
Deposit rates ⁶		4.5%	24.9%	5.0%
Cost of funding ⁷		5.2%	24.2%	5.6%

Asset quality & portfolio concentration:				
Cost of risk ⁸		0.7%	6.0%	0.8%
PAR 90 to Gross Loans ⁹		1.1%	1.9%	1.1%
NPLs to Gross Loans ¹⁰		2.0%	1.9%	2.0%
NPL provision coverage ¹¹		73.4%	222.3%	79.8%
Total NPL coverage ¹²		142.2%	222.3%	146.3%

For the ratio definitions and exchange rates, please refer to appendix 12.

6) Market shares⁸ in Georgia

Market shares	Dec'23	Sep'23	Dec'22	Change YoY	Change QoQ
Total loans	39.3%	39.1%	39.5%	-0.2 pp	0.2 pp
Individual loans	38.1%	38.0%	38.3%	-0.2 pp	0.1 pp
Legal entities loans	40.7%	40.5%	40.9%	-0.2 pp	0.2 pp
Total deposits	40.1%	37.5%	40.3%	-0.2 pp	2.6 pp
Individual deposits	36.0%	36.6%	38.1%	-2.1 pp	-0.6 pp
Legal entities deposits	44.9%	38.5%	42.9%	2.0 pp	6.4 pp

⁸ Based on data published by National Bank of Georgia on the analytical tool Tableau.

7) Subsidiaries of TBC Bank Group PLC⁹

Subsidiary	Ownership / voting		Country	Year of incorporation	Industry
	% as of 31-Dec 2023				
JSC TBC Bank	99.9%		Georgia	1992	Banking
United Financial Corporation JSC	99.5%		Georgia	2001	Card processing
TBC Capital LLC	100.0%		Georgia	1999	Brokerage
TBC Leasing JSC	100.0%		Georgia	2003	Leasing
TBC Kredit LLC	100.0%		Azerbaijan	1999	Non-banking credit institution
TBC Pay LLC	100.0%		Georgia	2008	Payment Processing
TBC Invest LLC	100.0%		Israel	2011	Financial services
TBC Asset management LLC	100.0%		Georgia	2021	Asset Management
JSC TBC Insurance	100.0%		Georgia	2014	Insurance
Redmed LLC	100.0%		Georgia	2019	Healthcare E-commerce
T NET LLC	100.0%		Georgia	2019	Ecosystem
Index LLC	100.0%		Georgia	2009	Ecosystem
TKT UZ	100.0%		Uzbekistan	2019	Retail Trade
Artarea.ge LLC	100.0%		Georgia	2012	PR and marketing
Marjanishvili 7 LLC	100.0%		Georgia	2020	Customer experience servicing
Space JSC	100.0%		Georgia	2021	Software Services
Space International JSC	100.0%		Georgia	2021	Digital banking platform
TBC Group Support LLC	100.0%		Georgia	2020	Group risk and knowledge centre
Inspired LLC (Payme)*	100.0%		Uzbekistan	2011	Payment Processing
TBC Bank JSC UZ	60.2%		Uzbekistan	2020	Banking
TBC Fin Service LLC	100.0%		Uzbekistan	2019	Retail Leasing
TBC International Holdings Limited**	100.0%		Georgia	2023	Financial services
Tpay LLC	100.0%		Georgia	2023	Financial services

* In May 2023 TBC Bank Group PLC finalized acquisition of remaining 49% interest in Inspired LLC

** TBC International Holdings Limited and Tpay LLC were established in 2023.

8) Replacement of IFRS 4 with IFRS 17

The adoption of IFRS 17 has affected the financial reporting processes and procedures of the Group, as applications of the core principles outlined above has required additional information to be gathered and processed, as well as additional judgements to be made by the management. To ensure the smooth and timely adoption of IFRS 17, the Group launched a separate implementation project. After the transition to IFRS 17, the Group used a premium allocation approach for its insurance subsidiary for the following insurance contracts: motor insurance, border MTPL, property insurance, agro (crop) insurance, health-related insurance liability and other insurance with product classification of insurance contract and measurement model of premium allocation approach.

The Group has applied this approach retrospectively to all of its portfolios of insurance contracts.

9) Legal and regulatory matters

When determining the level of provision to be set up with regards to such matters, or the amount (not subject to provisioning) to be disclosed in the financial statements, the management seeks both internal and external professional advice. The management believes that the provision recorded in these 4Q and full year 2023 results report is adequate and the amount (not subject to provisioning) need not be disclosed as it will not have a material adverse effect on the financial condition or the results of future operations of the Group.

⁹ TBC Bank Group PLC became the parent company of JSC TBC Bank on 10 August 2016.

10) Loan Book Breakdown by Stages According IFRS 9

In millions of GEL

Total loans*	Dec'23		Sep'23		Dec'22	
Stage	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions
1	20,337	105	18,674	98	16,395	107
2	1,320	88	1,305	102	1,413	99
3	417	159	386	162	397	166
Total	22,074	352	20,365	362	18,205	372

Georgia FS Retail						
	Dec'23		Sep'23		Dec'22	
Stage	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions
1	6,853	45	6,438	46	5,987	56
2	553	44	584	61	625	71
3	107	64	110	68	141	87
Total	7,513	153	7,132	175	6,753	214

Georgia FS CIB						
	Dec'23		Sep'23		Dec'22	
Stage	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions
1	7,760	19	6,960	18	5,761	19
2	410	2	330	1	458	1
3	114	33	95	31	83	26
Total	8,284	54	7,385	50	6,302	46

Georgia FS MSME						
	Dec'23		Sep'23		Dec'22	
Stage	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions
1	4,981	24	4,680	23	4,324	24
2	321	31	358	31	318	24
3	179	50	166	51	162	45
Total	5,481	105	5,204	105	4,804	93

Uzbekistan						
	Dec'23		Sep'23		Dec'22	
Stage	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions	Gross loans	Loan loss provisions
1	755	17	593	10	329	6
2	26	6	25	6	11	2
3	16	10	14	11	8	5
Total	797	33	632	27	348	13

* Total loans include Azerbaijan loan portfolio and intra-group eliminations

11) Glossary

Terminology	Definition
BVPS	Book value per share.
Digital daily active users (Digital DAU)	The number of retail digital users, who logged into our digital channels at least once per day.
Digital monthly active users (Digital MAU)	The number of retail digital users, who logged into our digital channels at least once a month.
EPS	Earnings per share.
Gross merchandise value (GMV)	GMV equals the total value of sales over the given period, including auctions through housing and auto platforms, as well as listing fees.
Monthly active customers	For Georgian business, an individual user who has at least one active product as of the reporting date or performed at least one transaction during the past month. For Uzbek business, an individual user who logged into the digital application at least once during the month.
NBG	National Bank of Georgia.

12) Ratio Definitions and Exchange Rates

Ratio definitions

- Return on average total equity (ROE) equals profit attributable to owners divided by the monthly average of total shareholders' equity attributable to the PLC's equity holders for the same period; annualised where applicable.
- Return on average total assets (ROA) equals profit of the period divided by monthly average total assets for the same period; annualised where applicable.
- Cost to income ratio equals total operating expenses for the period divided by the total revenue for the same period. (Revenue represents the sum of net interest income, net fee and commission income and other non-interest income).
- Net interest margin (NIM) is net interest income divided by monthly average interest-earning assets; annualised where applicable. Interest-earning assets include investment securities (excluding CIB shares), net investment in finance lease, net loans, and amounts due from credit institutions.
- Loan yields equal interest income on loans and advances to customers divided by monthly average gross loans and advances to customers; annualised where applicable.

6. Deposit rates equal interest expense on customer accounts divided by monthly average total customer deposits; annualised where applicable.
7. Cost of funding equals sum of the total interest expense and net interest gains on currency swaps (entered for funding management purposes), divided by monthly average interest-bearing liabilities; annualised where applicable.
8. Cost of risk equals credit loss allowance for loans to customers divided by monthly average gross loans and advances to customers; annualised where applicable.
9. PAR 90 to gross loans ratio equals loans for which principal or interest repayment is overdue for more than 90 days divided by the gross loan portfolio for the same period.
10. NPLs to gross loans equals loans with 90 days past due on principal or interest payments, and loans with a well-defined weakness, regardless of the existence of any past-due amount or of the number of days past due divided by the gross loan portfolio for the same period.
11. NPL provision coverage equals total credit loss allowance for loans to customers divided by the NPL loans.
12. Total NPL coverage equals total credit loss allowance plus the minimum of collateral amount of the respective NPL loan (after applying haircuts in the range of 0% -50% for cash, gold, real estate and PPE) and its gross loan exposure divided by the gross exposure of total NPL loans.
13. Credit loss level to gross loans equals credit loss allowance for loans to customers divided by the gross loan portfolio for the same period.
14. Related party loans to total loans equals related party loans divided by the gross loan portfolio.
15. Top 10 borrowers to total portfolio equals the total loan amount of the top 10 borrowers divided by the gross loan portfolio.
16. Top 20 borrowers to total portfolio equals the total loan amount of the top 20 borrowers divided by the gross loan portfolio.
17. Net loans to deposits plus IFI funding ratio equals net loans divided by total deposits plus borrowings received from international financial institutions.
18. Net stable funding ratio equals the available amount of stable funding divided by the required amount of stable funding as defined by NBG in line with Basel III guidelines. Calculations are made for TBC Bank standalone.
19. Liquidity coverage ratio equals high-quality liquid assets divided by the total net cash outflow amount as defined by the NBG. Calculations are made for TBC Bank standalone.
20. Leverage equals total assets to total equity.
21. CET 1 CAR equals CET 1 capital divided by total risk weighted assets, both calculated in accordance with requirements of the NBG Basel III standards. Calculations are made for TBC Bank standalone.
22. Tier 1 CAR equals tier I capital divided by total risk weighted assets, both calculated in accordance with the requirements of the NBG Basel III standards. Calculations are made for TBC Bank standalone.
23. Total CAR equals total capital divided by total risk weighted assets, both calculated in accordance with the requirements of the NBG Basel III standards. Calculations are made for TBC Bank standalone.

Exchange Rates

To calculate the QoQ growth of the Balance Sheet items without the currency exchange rate effect, we used the US\$/GEL exchange rate of 2.6783 as of 30 September 2023. To calculate the YoY growth without the currency exchange rate effect, we used the US\$/GEL exchange rate of 2.7020 as of 31 December 2022. As of 31 December 2023, the US\$/GEL exchange rate equalled 2.6894. For P&L items growth calculations without the currency effect, we used the average US\$/GEL exchange rate for the following periods: 4Q 2023 of 2.6943, 3Q 2023 of 2.6215, 4Q 2022 of 2.7339, FY 2023 of 2.6280, FY 2022 of 2.9156.