

BASISBANK

Q3 2023 Results

IFRS Consolidated Figures

NOVEMBER 2023



www.bb.ge

Contents

- **BASISBANK AT A GLANCE**
- Q3 2023 Results
- MACROECONOMIC HIGHLIGHTS
- APPENDICES

Who we are



30 YEARS

OF MARKET
PRESENCE



MEMBER OF HUALING
GROUP

1ST LARGEST

PRIVATE INVESTMENT GROUP
IN GEORGIA

92% OF SHAREHOLDING



4TH LARGEST

FINANCIAL INSTITUTION

4.3% OF MARKET SHARE



3RD LARGEST

BY BUSINESS LOANS

4.9% OF MARKET SHARE



4TH LARGEST

BY INDIVIDUAL LOANS

4.2% OF MARKET SHARE

Who we are

- **4th largest** financial group in Georgia with a market presence of **30 years**
- **Majority Shareholder** – HG (Hualing Group), a Chinese conglomerate with diversified businesses in China and overseas markets, #1 Private Investment Group in Georgia (total investment USD 550mln)
- Serving over **200 thousand Business and Retail Clients** through **40 branch** network, (covering all major regions) and around **1,000 employees**
- Backed with **solid capital base** and strong financial support from **Shareholders** and **IFIs**

Business Model

- Steady **organic growth** boosted with **successful acquisition** of retail and corporate businesses in 2022, leading to **dynamic transformation** and mapping **new strategic objectives of the Group**
- **Key strategic business lines** - Commercial Banking, Leasing and Insurance services provided through **multi-channel distribution platform**, with strategic focus on digital channels
- Coordinated functioning of business lines producing **synergies** to offer broad scale financial services to all client segments

200k
CLIENTS

40
BRANCHES

AROUND
1,000
EMPLOYEES



Our Story in a Nutshell

1993

ESTABLISHING THE BANK

- Founded by group of visionary mathematician friends in challenging environment - post soviet newly emerging market
- Core Strategy formation and execution

2008

EBRD BECOMES MINORITY SHAREHOLDER

- EBRD acquires 15% of Basisbank shares
- Re-modeling and enhancement of Corporate Governance system through EBRD 2-year Institutional Building Plan, targeting on Bank's agile and effective structure
- First International Credit Rating assigned by Fitch
- Bank securing its 11th position on the financial market

2012

HUALING GROUP BECOMES MAJORITY SHAREHOLDER

- Hualing Group, acquires 90% of BB shares. Capital injection of \$45 million provided solid capacity to sustain substantial growth
- Substantial advancement on the market with the entrance of Hualing Group, including speedy growth in all key parameters.

2017

NEW SUBSIDIARIES – BB HOLDING

- Bank establishes two new subsidiaries, BB Insurance and BB Leasing, forming a holding – BB Group
- Financial group structure enables the Bank to become a robust holding providing financial services through a single- window concept, while synergizing the resources and providing diversified range of financial services including banking, insurance and leasing.
- Becoming 6th largest financial institution on the market

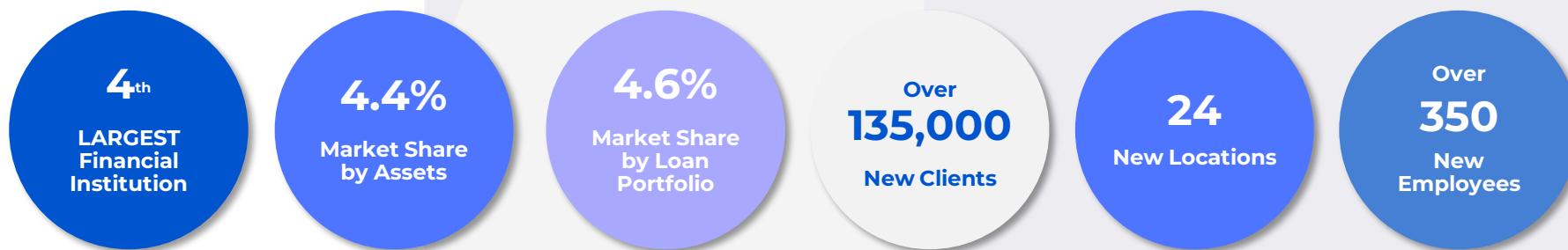
2022

LOCAL PORTFOLIO ACQUISITION

- BB boosted its franchise through acquiring VTB BANK Georgia's total Retail and part of Corporate Portfolios.
- As a result, the Bank coverage and number of branches doubles, GLP grows by over 60% and Deposit portfolio by over 120%. BB becomes 4th largest financial institution on the market

2022 Highlights

Results Delivered



From 5th largest

From 3.08%

From 2.9%



Key Drivers

Implementing Strategy

- Increased Client coverage
- Business diversification

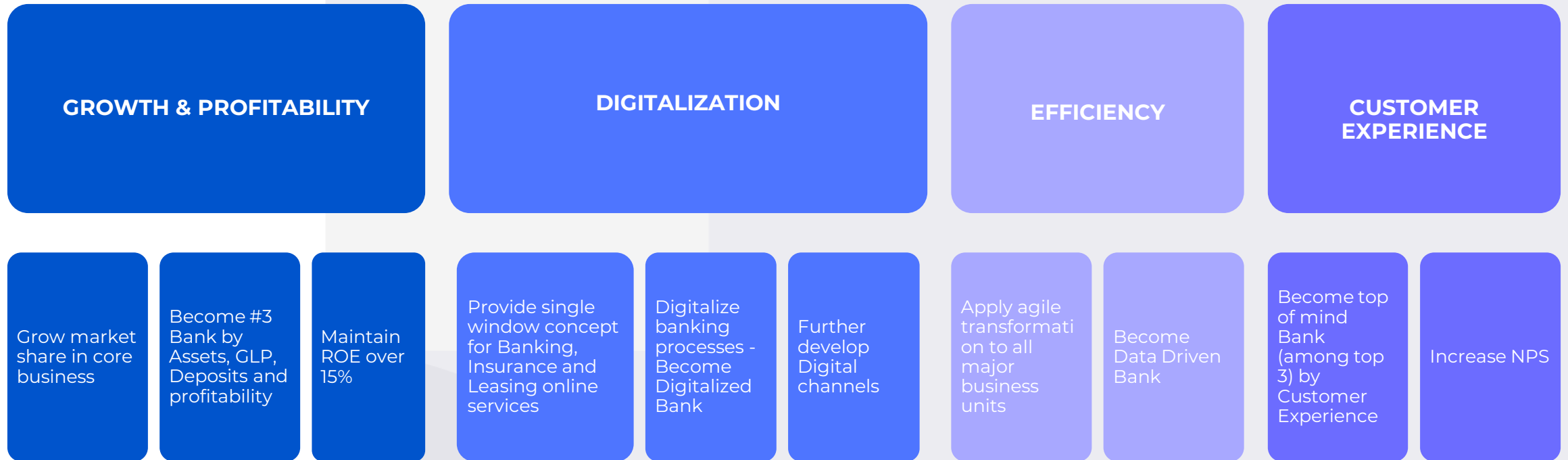
Portfolios boosted through acquisition

- Loan Portfolio GEL 787mIn
- Deposit Portfolio GEL 665mIn

Capital Support Increased

- GEL 27mIn injected by shareholder
- EFSE Sub loan drawn amounting to €15mIn

Our Strategy



Core Competences to enable Strategy



Services and Clients



CORPORATE

Providing broad range of Products and Services to our **SME and Corporate** clients through **Multi-channel Distribution Platform**

- SME and Corporate Lending
- Current and Term Deposits, CDs
- Industry and Sector Expertise
- Trade finance and Factoring
- Brokerage and Treasury Services
- Leasing
- Insurance



RETAIL

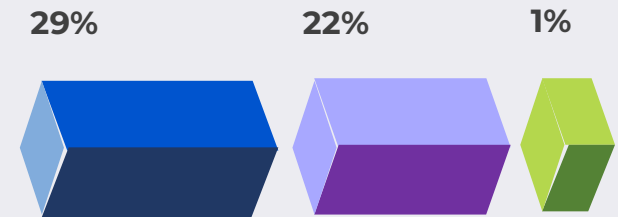
Providing broad range of Products and Services to our **Individual** clients through **Multi-channel Distribution Platform**

- Retail Lending
- Current and Term Deposits, CDs
- Premium Banking
- Brokerage and Treasury Services
- Leasing
- Insurance

Diversified Client Base

BUSINESS CLIENTS

- SME and Corporate Clients
- State Owned Companies
- Financial Institutions



34%

14%



INDIVIDUAL CLIENTS

- Premium Clients
- Retail Clients

Strong Focus on ESG

We are committed to contributing to sustainable development by financing environmentally and socially sustainable projects and incorporating ESG principles into our strategy, culture and day-to-day activities.

ENVIROMENTAL

Supporting Agribusiness

- Designated Desk and expertise for Agribusiness
- Over GEL 170mIn placed in sector development
- GEL 100mIn subsidized funding in cooperation with Rural Development Agency

Sustainable Financing

- Over GEL 230M raised from EBRD, GCPF and GGF to support Green Economy
- Over 150 Sustainable Loans to launch and develop energy efficient, renewable energy projects, women-owned and social Businesses

Sustainable Incentives

- DCFTA and CEEEP Projects to boost Green Economy
- EBRD Green Lending Facility Projects
- Green Lending Project with GGF

Responsible Operations

- Strong focus and shift to paperless services
- Green approach to operations, utilization and infrastructure
- Green concept for new head office

Best Green Deal
of the Year
by **ADB**

SOCIAL

Continuous Professional Development for Employees

- Professional trainings
- Personal growth trainings (classroom and e-learning)
- Coaching

Responsible employment practices

- Diversity, equality and high ethical standards
- High work safety standards
- Women share in employees around 70%
- Whistleblowing channel on ESG matters
- Paid maternity leave

CSR Projects

- Financing Cultural and Educational projects
- Banking Academy project
- Career planning center project

Client inclusion

- Client Trainings
- Client Satisfaction Score 84%

GOVERNANCE

E&S Framework

- E&S Risk Management Policy since 2018
- ESG Reporting to partner IFIs
- ESG Disclosure on website

Ethical/Responsible Governance

- Promotes diversity, equality and high ethical standards
- Supports workplace health & safety
- Established a role of a Sustainability Officer

Shareholder Rights

- Minority Shareholder rights secured by Articles of Incorporation

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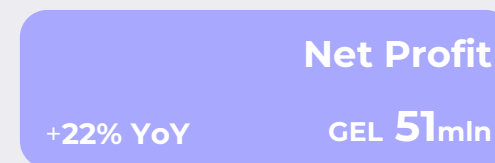
Q3 2023 Highlights

■ Growing Portfolios

■ Strong Capital

■ Efficient Cost Control

■ High Performance



Subordinated Bond Issued

Successful placement of 7-year Subordinated Corporate Bond amounting \$ 10MLN, which was first issue of such bond by financial institution in Georgia

Subordinated Debt from shareholder

Dividend paid to the shareholder was reinvested in sub debt for Gel 7 million

Fitch Rating Update

Fitch Ratings affirms Basisbank's Long-Term IDR at 'B+' and upgrades the Outlook to Positive

Global Finance Awards

- Fastest growing Bank 2023
- Best supporting bank of SME business 2023

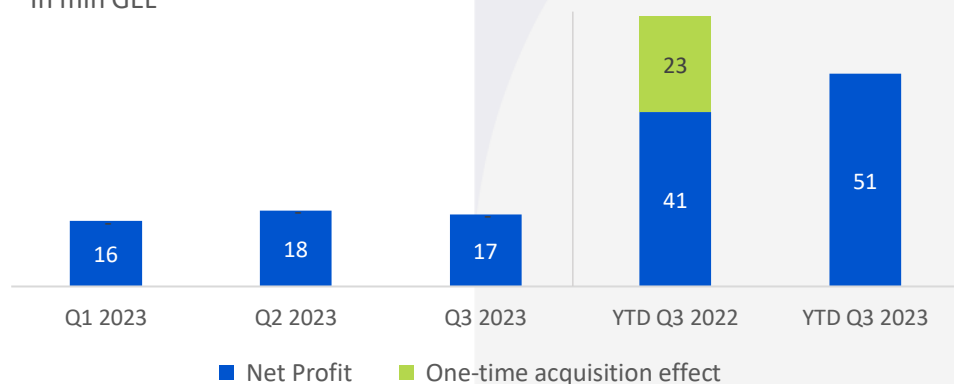
Green Deal of the Year Award by ADB

Basisbank was won the Best Green Deal award by ADB, recognizing a trade finance transaction supported by ADB's Trade Finance Program (TFP)

Net Profit

Net Profit

In mln GEL

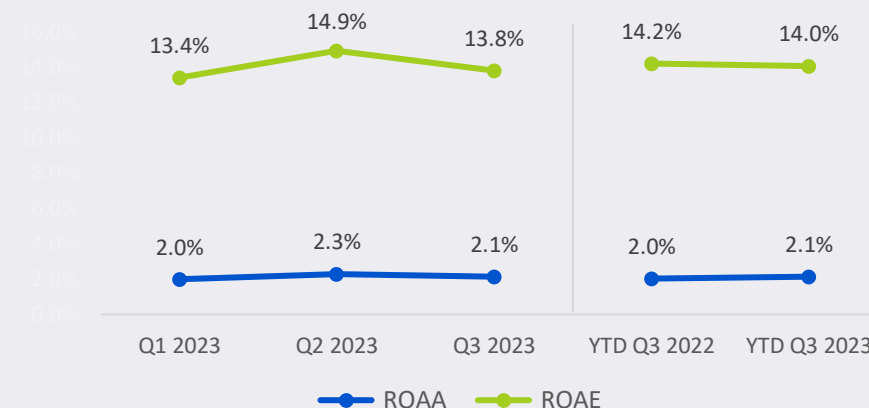


Leasing
Net Profit
6%
of Total

Insurance
Net Profit
8%
of Total

* One-time profit generated on retail portfolio acquisition in Q1 2022, amounting Gel 23 mln

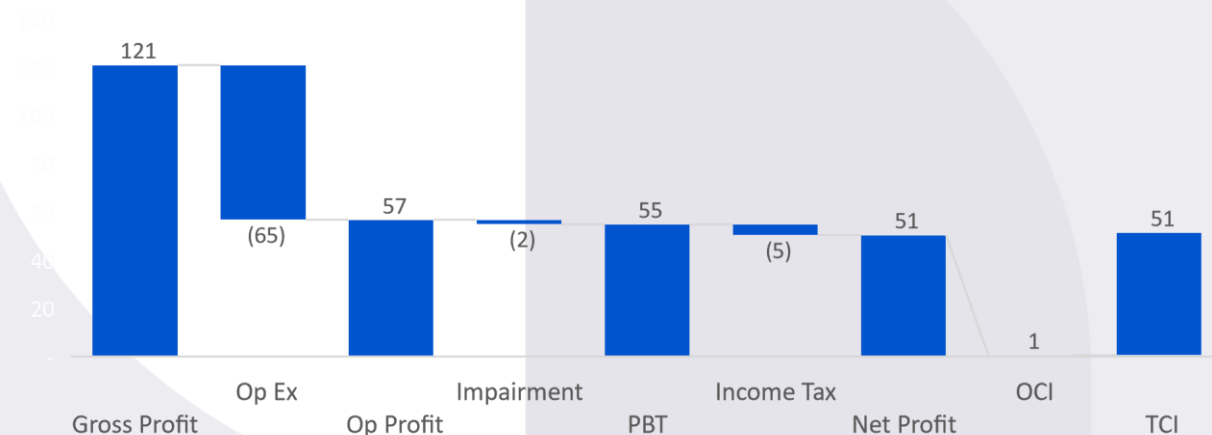
ROAE and ROAA*



* YTD Q3 2022 ratios are normalized, adjusted to one-time net revenue impact from acquisition

Net Profit Decomposed

In mln GEL

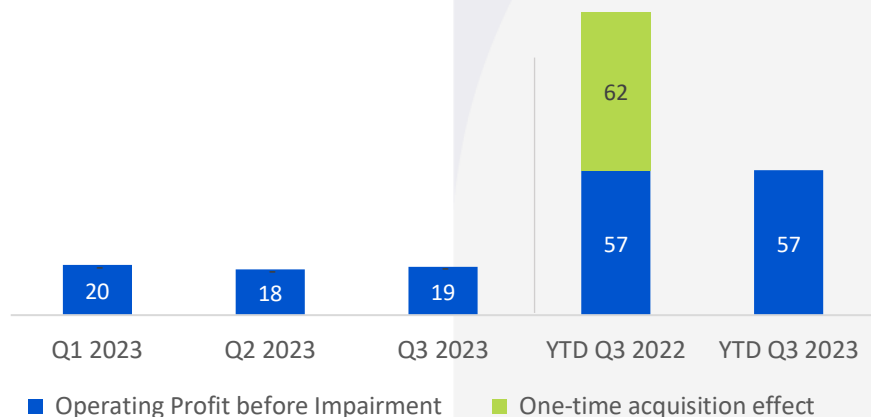


- On a YoY basis there was a 22% increase in Net Profit (normalized for YTD Q3 2022 for Portfolio acquisition effect), where main driver was increase in Net Interest Income and reduction in Impairment Charges.
- In Q3 2023 our 5% reduction in Net Profit on QoQ basis was mainly driven by increase in Impairment Charges, amounting GEL 1.8mln

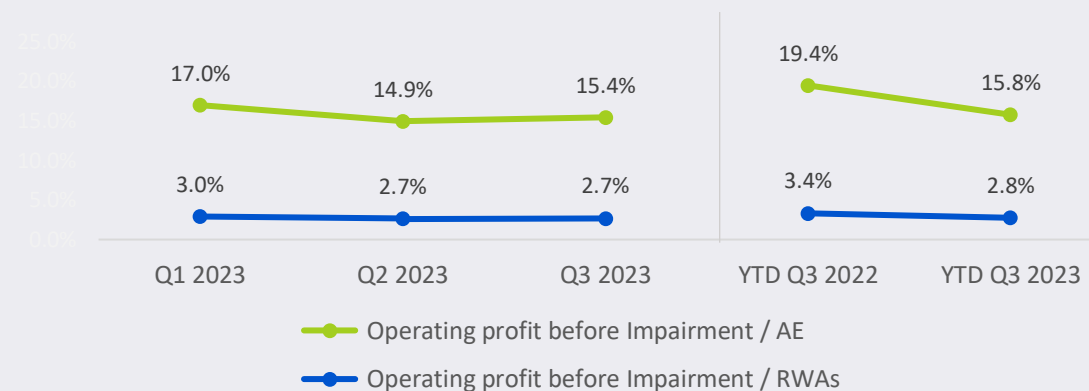
Operating Profit

Operating Profit before Impairment

In mln GEL



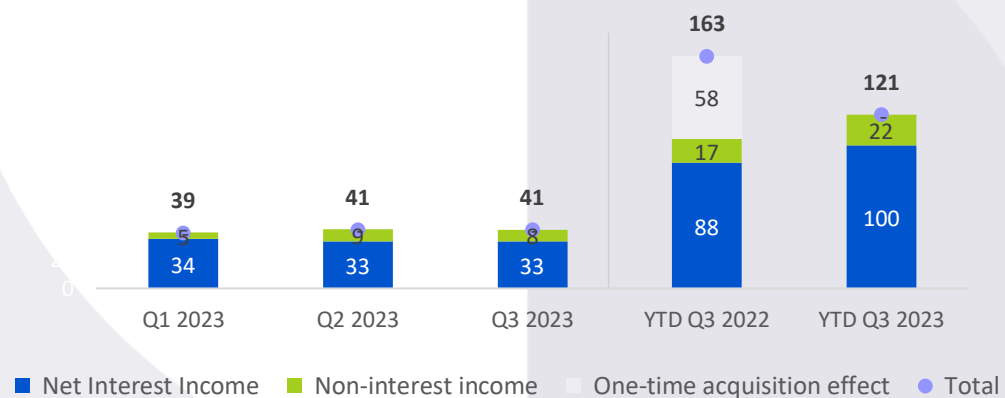
Operating Profit Ratios *



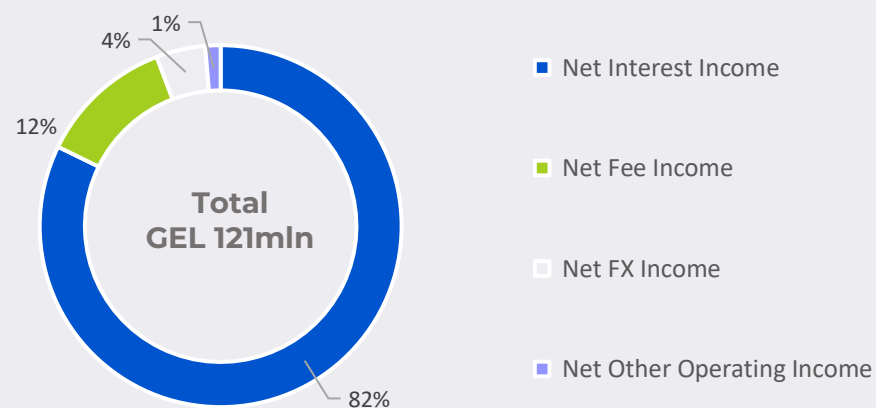
* YTD Q3 2022 ratios are normalized, adjusted to one-time net revenue impact from acquisition

Net Interest and Non-interest Income

In mln GEL

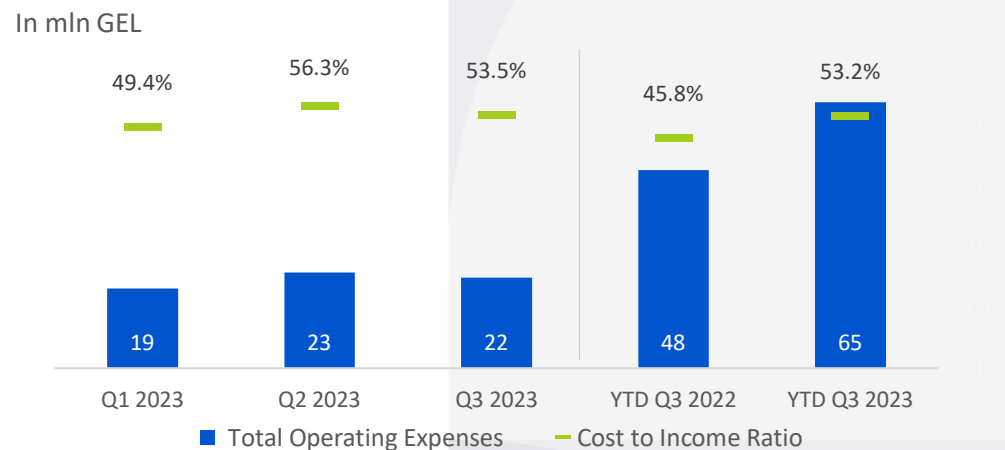


Income Structure



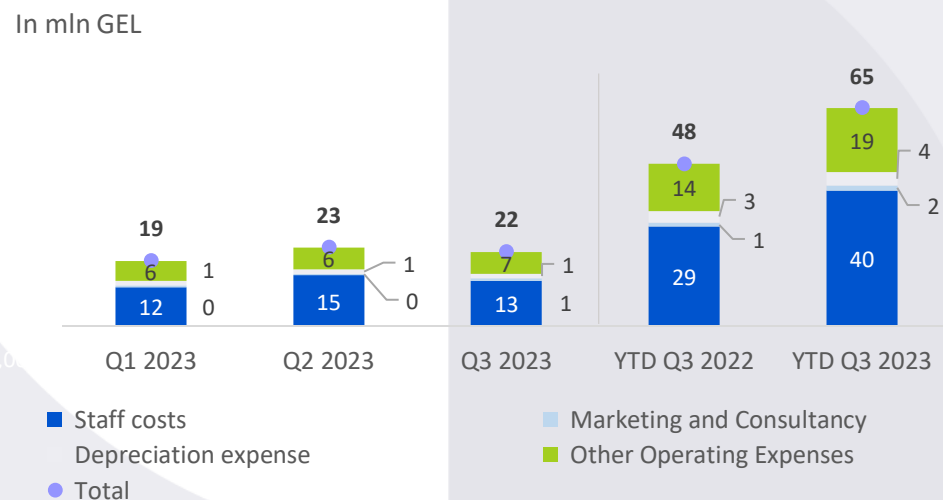
Operating Expenses and Cost to Income

Operating Expenses and Cost to Income Ratio

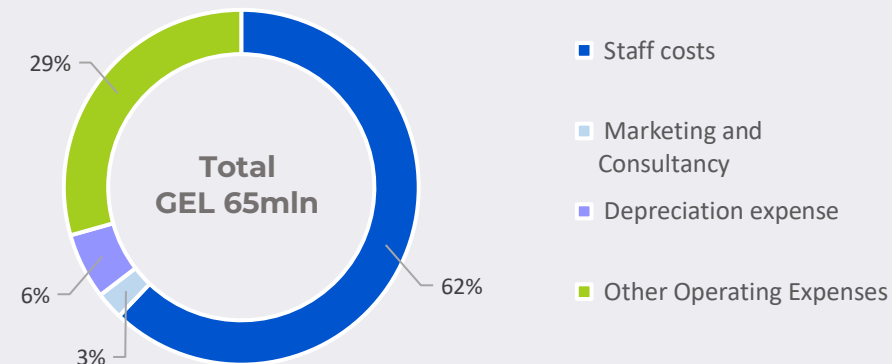


* H1 2022 ratio is normalized, adjusted to one-time acquisition effect

Operating Expenses Dynamics



Operating Cost Structure



- YoY increase of 16.5mln was caused by 10.6mln increase in Staff Costs and 4.9mln increase in Other Operating Expenses, as bank almost doubled its operations, significantly increased staff and branches due to VTB Portfolio acquisition
- Cost to Income ratio maintained within 50-55% range

NIM, Loan Yield and Cost of Funds

Net Interest Margin



Loan Yield and Cost of Funds

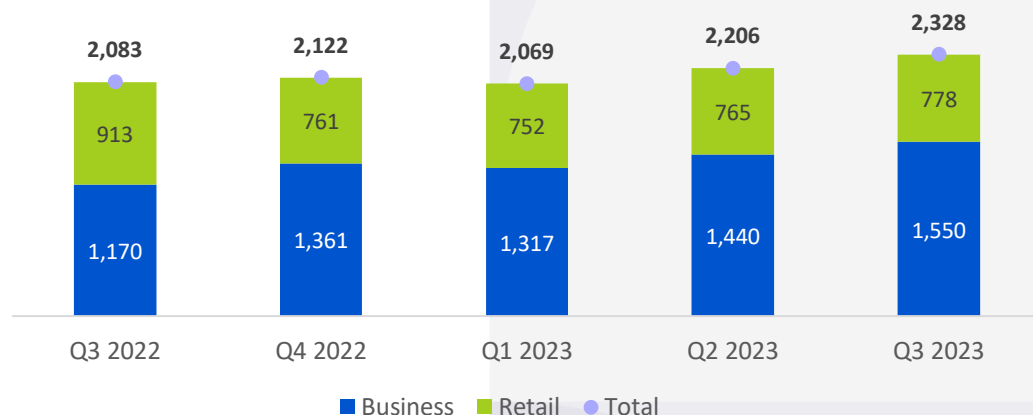


- Slight decrease in Net Interest Margin driven by slight decrease in Loan Yields and increase in Cost of Funds

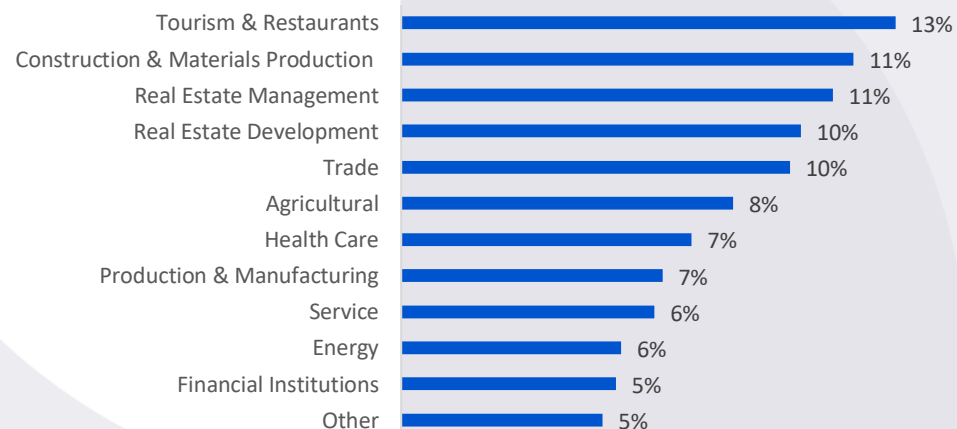
Gross Loan Portfolio Analysis

Loan Portfolio Dynamics

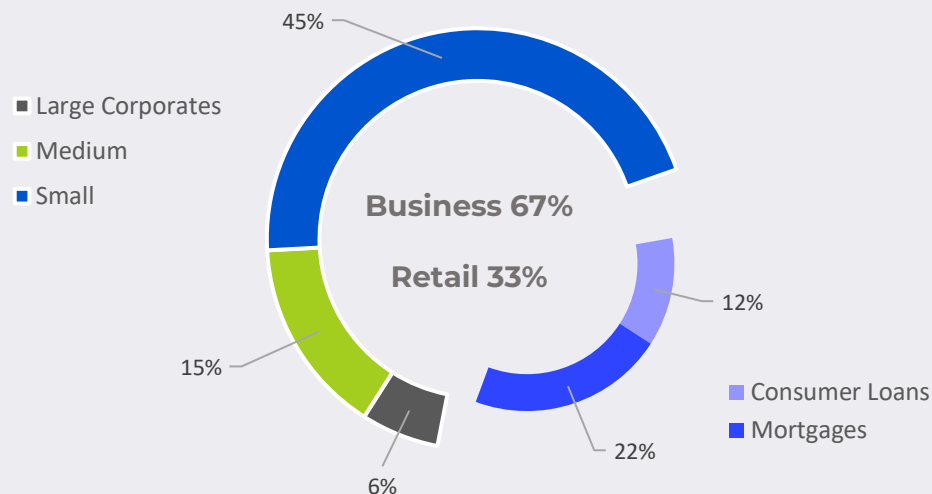
In mln GEL



Business GLP by sectors



Loan Portfolio Structure

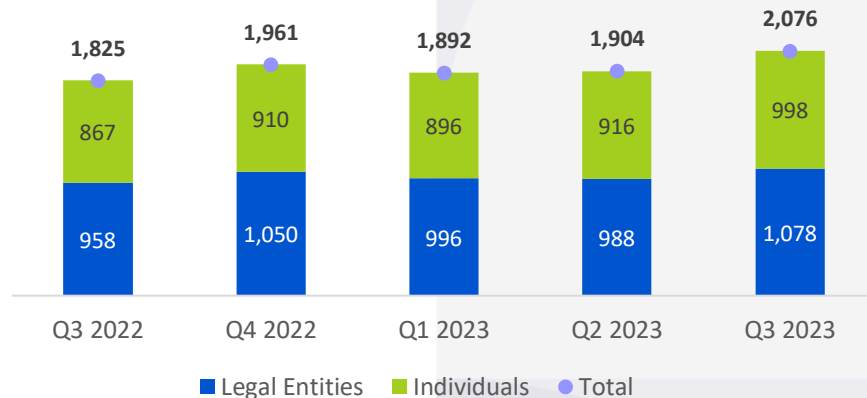


- Gross Loan Portfolio increased by 6% QoQ and 12% YoY
- On a constant currency basis, Gross Loan Portfolio increased by **4.7% QoQ** and by **13.8% YoY**
- Loan Portfolio FX Concentration is 49%

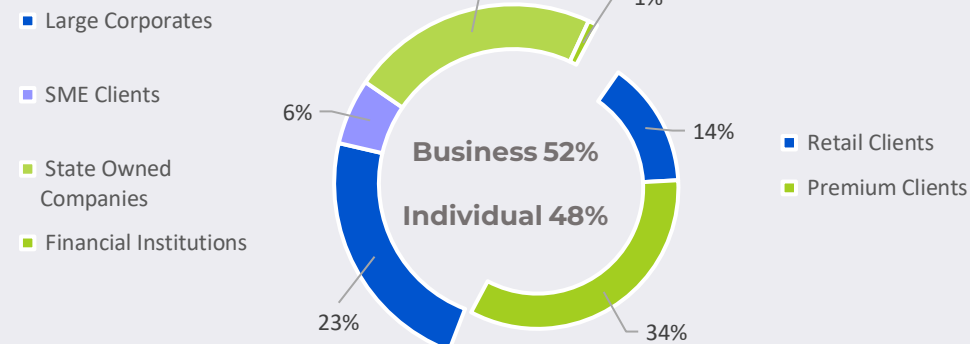
Customer Deposit Portfolio Analysis

Deposits Dynamics

In mln GEL

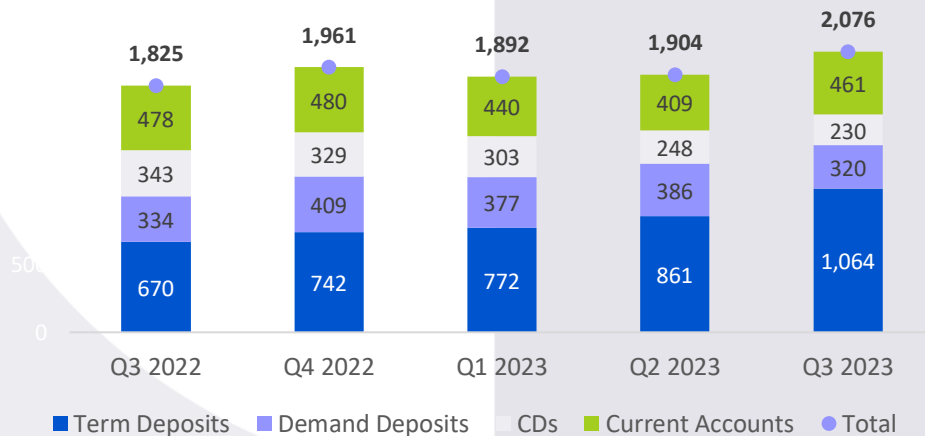


Customers' Structure



Deposits by Products

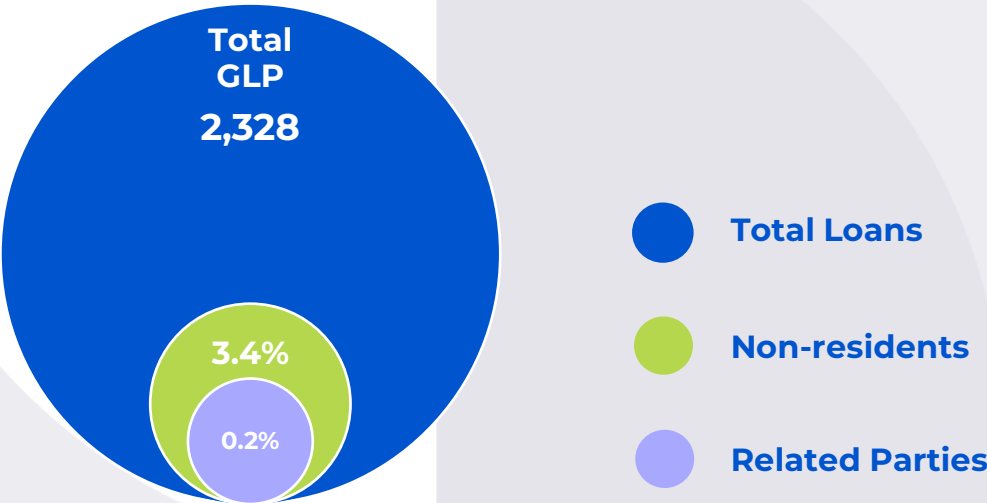
In mln GEL



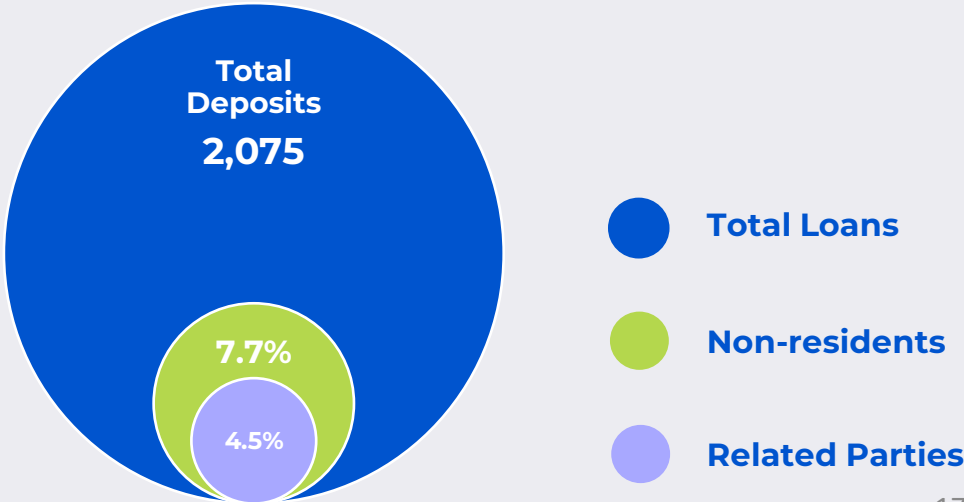
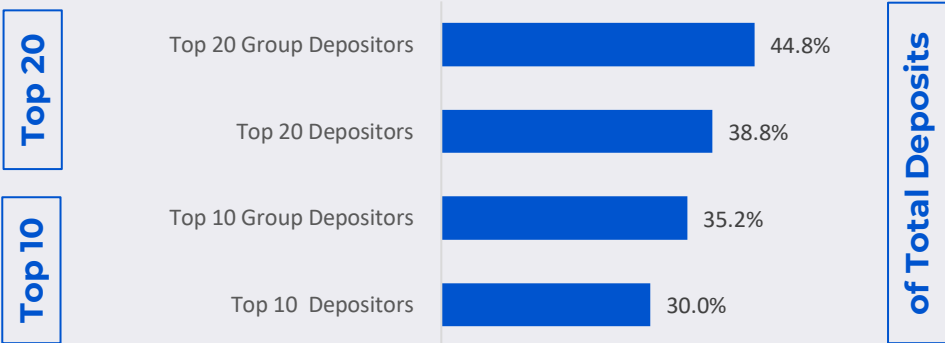
- Total Deposits increased by 9% QoQ and 14% YoY, both driven by increase in Term Deposits
- On a constant currency basis, Customer Deposit Portfolio increased by **8.0% QoQ** and by **16.1% YoY**
- Customer Deposit Portfolio FX Concentration is 49%

Concentrations

Gross Loan Portfolio Concentrations

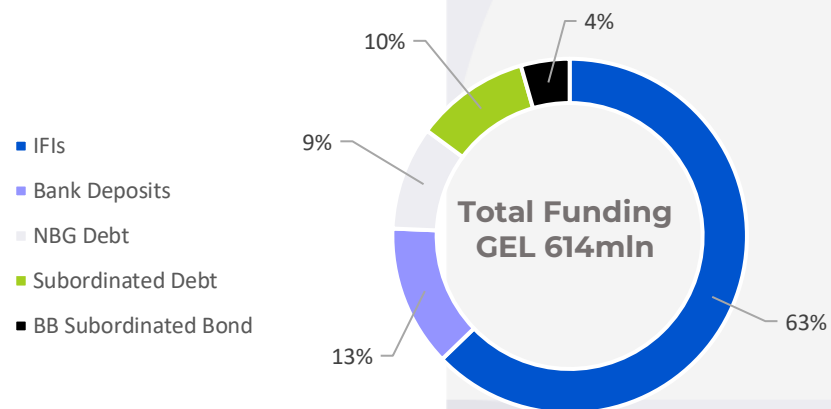


Customer Deposits Concentration



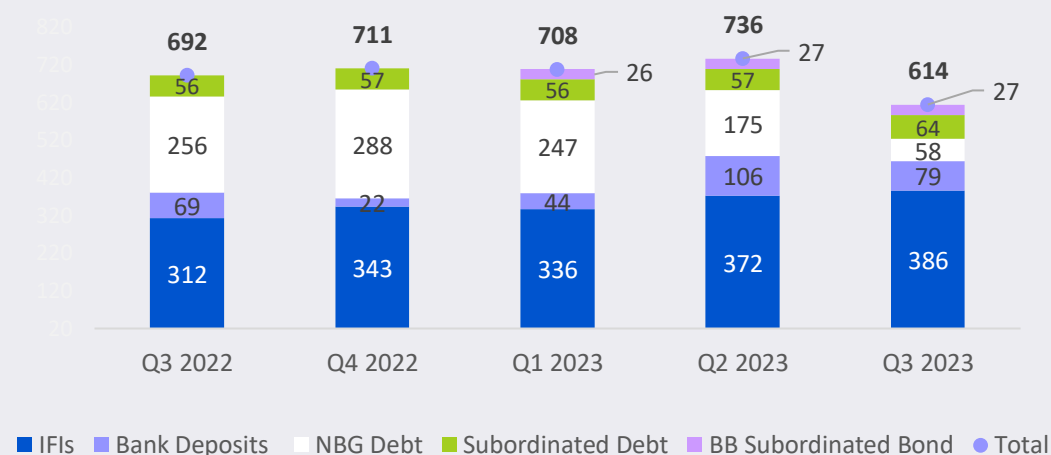
Funding Portfolio

Funding Structure



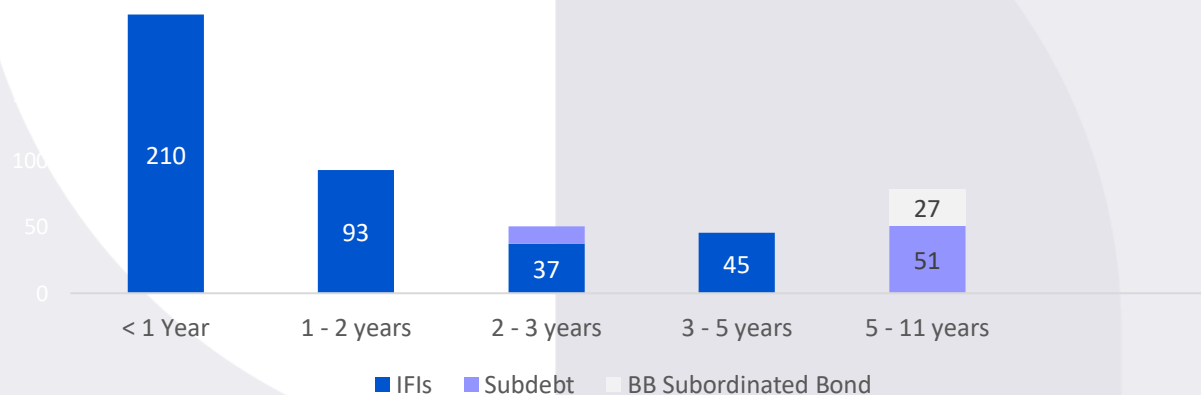
Funding Dynamics

In mln GEL



Funding Maturities

In mln GEL



- Funding remains stable, well supported by strong inflow of clients' deposits and increased funding from IFIs
- Funding from IFIs increased by USD36mln, mainly driven by increased funds from IFC, Blue Orchard, MFF and GGF

International Partners and Funding

Key International Partners



Funding

TOTAL IFI FUNDING BREAKDOWN BY PROJECT TYPE



Main Instruments	Loans
	Trade Finance
	Grants
	Sponsorships
	Equity Investments
	Bonds
	Technical Assistance

- Expanded International Partners to ODDO BHF, Symbiotics, Incofin, Raiffeisen Bank, Unicredit Bank, Aktifbank
- Engaged in Concessional Projects “DCFTA” and “CEEP” in cooperation with EBRD to boost transition to Green Economy
- Collaboration with ADB via TA project to enhance Bank’s capacity in sanctions, compliance and countering TBML
- Extended Trade Finance Business – limit increase from IFC and ADB
- Received new senior Loans from Blue Orchard and GGF
- Clean Trade Finance Limits from RBI and ODDO BHF

Sustainability

BEST TFP Green Deal AWARD by ADB



- As one of pioneers in sustainability-mindful-investments, Basisbank JSC always keeps in mind environmental and social impacts of its' lending and strives to promote socially inclusive, energy and emission projects.
- Ultimately, these efforts fruited in Basisbank JSC receiving **Best TFP Green Deal (Issuing Bank) 2023 Award by ADB.**

BB Greening

Launch of an ESG remodeling project by the leading impact investor Green for Growth Fund and European Union under EU4Energy Initiatives, labeled as **"Mainstreaming Green Lending in Basisbank"**, a comprehensive TA project in ESG with PWC consultants.

Project deliverables:

- Refined ESG strategy, together with key priorities, targets and set of KPIs
- Sustainability roadmap
- Refined sustainability governance structure
- More polished, sustainability-centered lending framework and policies
- Designated Green product/s

Sustainability

Energy Savings

3,473 Mwh

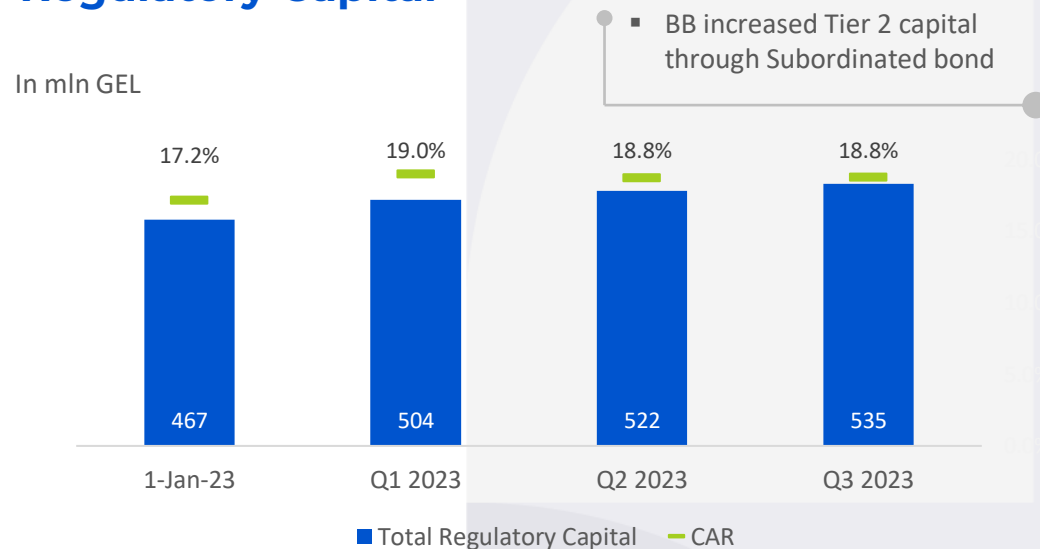
Carbon Emission Savings

703 Tons

Building on previous joint efforts towards climate and energy-mindful investments, which fruited in overall **Energy and Carbon Emission Savings of 3,472.73 MWh and 703.11 tons respectively, as of 2023 Q2.** The Bank will continue its path of successful development making financial resources available to clients and sectors that promote sustainable development.

Stable Capital Growth

Regulatory Capital *



* New methodology was introduced on January 1st, 2023

Risk-weighted assets



Capital Adequacy Ratios and Regulatory Thresholds *

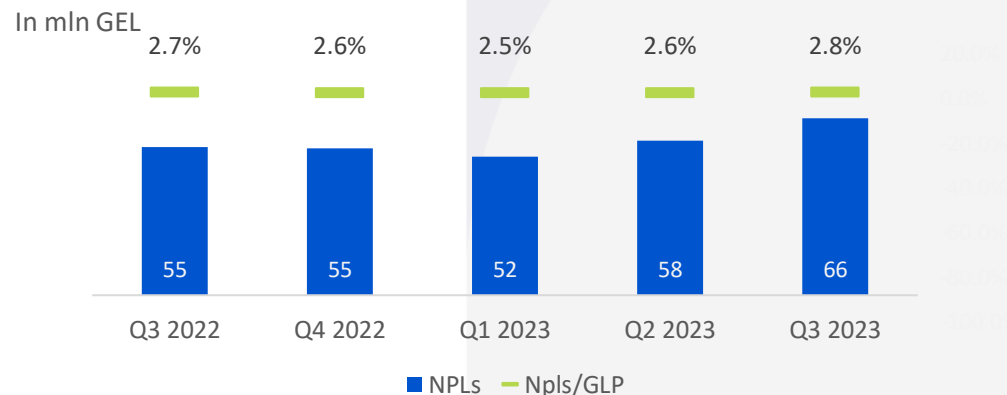
	1-Jan-23	31-Mar-23	30-Jun-23	30-Sep-23
CET1 CAR Requirement	11.1%	11.6%	11.7%	12.0%
BB CET1 CAR	15.3%	16.2%	16.0%	15.9%
Tier 1 CAR Requirement	13.2%	13.9%	14.0%	14.4%
BB Tier 1 CAR	15.3%	16.2%	16.0%	15.9%
Total CAR Requirement	16.7%	16.9%	17.1%	17.5%
BB Total CAR	17.2%	19.0%	18.8%	18.8%

* New methodology was introduced on January 1st

- From January 2023, the NBS initiated the transition to IFRS standards . A credit risk adjustment (CRA) buffer and an updated procedure for its calculation were introduced, to reduce the credit risk caused by insufficient ECL and determine an adequate capital buffer. Currently 2.1% of CRA buffer is added to total capital requirement
- BB is fully compliant to the new standards
- Capitalization supported by the issue of Tier 2 Subordinated Bond amounting \$10mln and Operating Profit

Strong Asset Quality and Provisioning

Loan portfolio quality

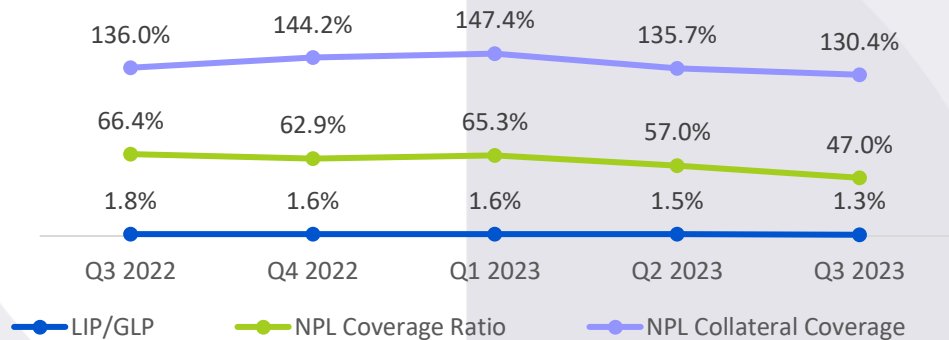


NPLs - loans with 90 days past due on principal or interest, or loan regarded as unlikely to be repaid by management decision

Portfolio PAR



GLP provisioning and NPL Coverage



NPL coverage ratio equals total expected credit loss amount for loan commitments divided by the NPL loans
NPL Collateral Coverage ratio equals sum of expected credit losses for loan portfolio and the minimum amount of NPL Loans Exposure and Discounted Collateral Amounts of those NPL Loans (after applying different haircuts for different types of collaterals 0%-100%) divided by the NPL loans

Cost of risk on portfolio *

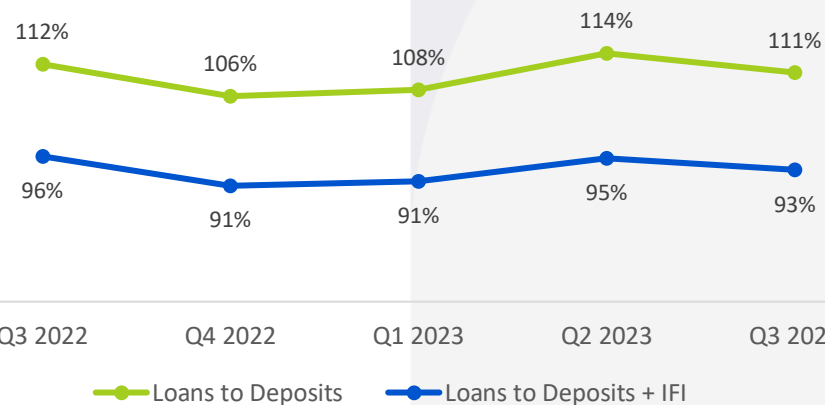


* Cost of Risk for the YTD period annualized

** In 2022 the cost was high, due to portfolio acquisition

Solid Liquidity

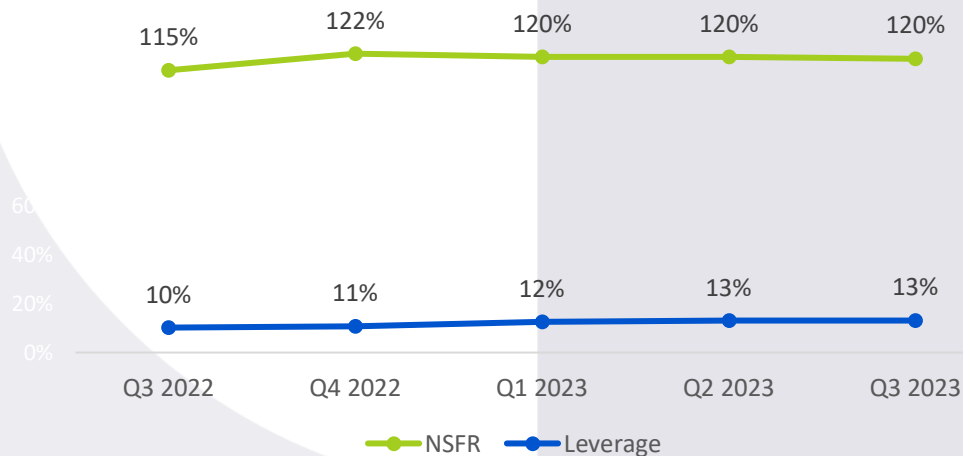
Liquidity ratios



Strong Liquidity Coverage



Regulator NSFR and Leverage Ratios



- During past years and the quarters presented, BB has stayed within NBG requirements for LCR and NSFR

Balance Sheet

	Q3 2023	2022	2021	Q3 2022	YoY Difference %
Assets					
Cash and Cash Equivalents	211,783	278,068	191,792	234,283	-10%
Mandatory Cash balances with the NBG	179,008	218,587	177,579	210,331	-15%
Due from Other Banks	11,907	12,618	12,899	11,113	7%
Investment Portfolio	354,894	394,363	210,699	349,637	2%
Net Loan Portfolio	2,297,209	2,086,777	1,239,733	2,046,452	12%
Net Financial Lease Assets	24,625	17,680	9,036	16,573	49%
Net Insurance Assets	11,175	15,460	11,817	17,646	-37%
PPE	95,494	96,639	31,271	37,255	156%
Intangible Assets	10,294	8,584	7,084	7,889	30%
Other Assets	69,983	61,586	37,753	65,089	8%
Total Assets	3,266,375	3,190,364	1,929,663	2,996,271	9%
Liabilities					
Customer Deposits	2,075,719	1,960,740	880,178	1,824,893	14%
Loans from Local Banks	137,259	310,707	222,831	324,114	-58%
Loans from IFIs	385,615	342,937	429,490	311,979	24%
Subordinated Debt	64,129	56,933	15,562	55,929	15%
Subordinated Bond issued	27,269			-	0%
Other Liabilities	78,129	64,572	30,196	61,555	27%
Total Liabilities	2,768,118	2,735,887	1,578,257	2,578,469	7%
Equity					
Share Capital	17,092	17,092	16,057	16,057	6%
Share premium	101,066	101,066	74,923	74,923	35%
Retained Earnings	361,790	321,139	246,917	308,689	17%
Reserves	18,305	15,180	13,508	18,129	1%
Total Equity	498,253	454,477	351,405	417,797	19%

Income Statement

	YTD Q3 2023	2022	2021	YTD Q3 2022	YoY Difference %
Interest and similar income	227,117	258,167	133,790	183,875	23.5%
Interest and similar expenses	127,258	132,326	65,872	91,938	38.4%
Net Interest Income	99,860	125,841	67,918	91,937	8.6%
Total non-interest income	21,582	83,058	13,793	74,880	-71.2%
Gross Operating Revenue	121,442	208,899	81,711	166,817	-27.2%
Staff costs	40,087	42,872	24,038	29,469	36.0%
Marketing Expenses	1,633	2,451	1,985	1,204	35.6%
Depreciation expense	3,891	5,166	3,469	3,370	15.4%
Other Operating Expenses	18,964	21,621	11,668	14,004	35.4%
Total Operating Expenses	64,575	72,110	41,160	48,047	34.4%
Net Operating Income	56,867	136,789	40,551	118,770	-52.1%
Impairment charges	1,691	50,087	920	45,965	-96.3%
Profit before Tax	55,177	86,702	39,631	72,805	-24.2%
Income Tax	4,514	12,648	1,050	8,593	-47.5%
Net Income	50,663	74,054	38,581	64,212	-21.1%
OCI	519	1,672	3,332	2,056	0.0%
Net OCI	51,182	75,726	41,913	66,268	-22.8%

In Q1 2022, due to the acquisition of VTB Bank Georgia Portfolio, there was one-time increase in Net Income, amounting GEL58mln in Gross Revenues and GEL39mln in ECL. To eliminate one-time effect and present fair trend, we normalize YTD Q3 2022 figures. With normalization, we have an increase in Net Income of 17.7% YoY, instead of 22.8% decrease.

Ratios *

	Q3 2023 (YTD)	2022	2021	YTD Q3 2022
Profitability and Cost Control				
ROAE	14.0%	18.5%	11.7%	15.6%
ROAA	2.1%	2.6%	2.2%	2.2%
Operating profit / Average Equity	15.8%	19.6%	12.3%	33.3%
Operating profit / Risk Wighted Assets	2.8%	2.9%	2.4%	5.8%
NIM	4.56%	4.9%	4.1%	4.9%
Non-interest Income /Total Income	17.8%	37.1%	54.9%	43.0%
Cost to Income Ratio	53.2%	46.5%	50.4%	28.8%
Loan Yields	11.8%	12.0%	10.9%	11.9%
Deposit Yields	4.5%	3.4%	2.7%	3.2%
Asset Quality				
Loan Impairment Provision /NPL	47.0%	62.9%	49.3%	66.4%
Loan Impairment Provision /Gross Loan Por	1.3%	1.6%	1.9%	1.8%
Cost of Risk	0.08%	0.65%	0.08%	0.87%
PAR 90 to Gross Loans Portfolio	1.8%	1.3%	1.5%	2.2%
NPL to Gross Loan Portfolio	2.8%	2.6%	3.8%	2.7%
NPL Coverage Ratio	47.0%	62.9%	49.3%	66.4%
NPL Collateral Coverage	130.4%	144.2%	145.4%	136.0%
Capitalisation				
CET 1 CAR	15.9%	13.1%	16.1%	12.9%
Tier 1 CAR	15.9%	13.1%	16.1%	12.9%
Total CAR	18.8%	16.2%	18.0%	16.2%
Funding and Liquidity				
Net Loans to Customer Deposits	110.7%	106.4%	140.9%	112.1%
Net Loans to Deposits + IFI	93.3%	90.6%	94.7%	95.8%
Customer Deposits/ Total Funding	373.2%	464.3%	189.4%	418.1%
Cost of Funds	5.0%	3.8%	5.6%	4.6%
LCR GEL	109.4%	107.5%	126.5%	88.0%
LCR USD	158.8%	137.5%	144.7%	134.1%
LCR Total	126.5%	124.2%	138.3%	112.7%
NSFR	119.6%	121.5%	121.8%	114.9%
Leverage	13.0%	10.6%	13.6%	10.1%

* All ratios are normalized in 2022, except ROAE and ROAA

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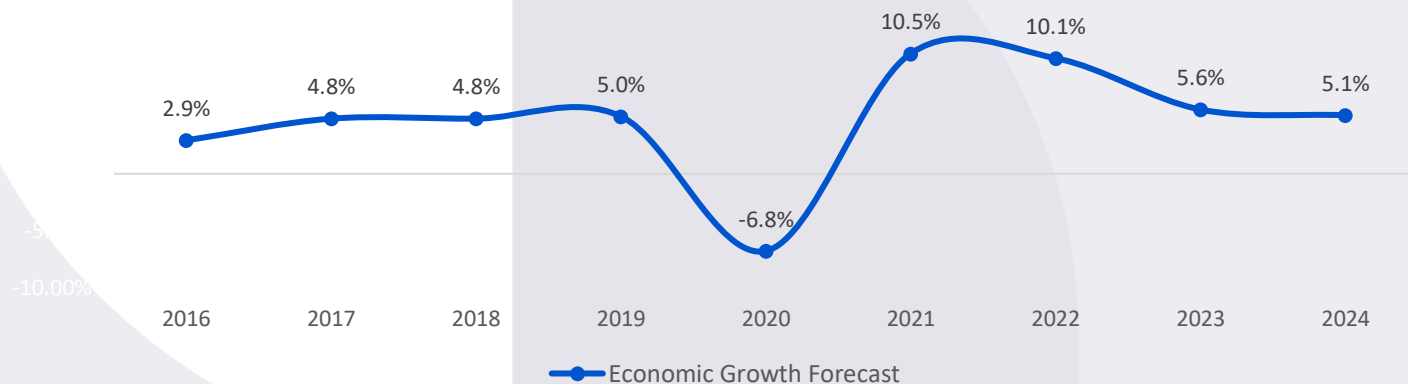
Macroeconomic Highlights

Real GDP growth

in USD bln



Georgia Economic Growth Forecast



Source: Geostat

Key drivers of GDP growth

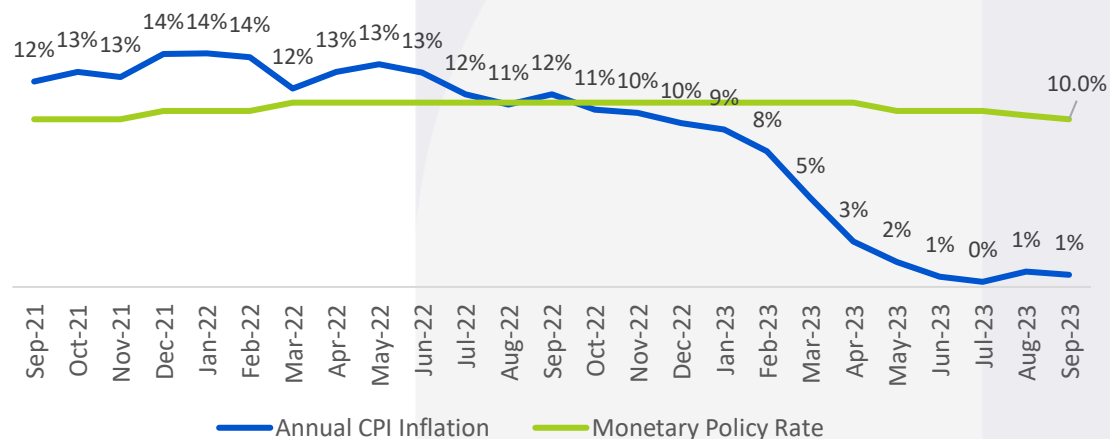
- Georgia performed strongly - the growth achieved in 2021 and 2022 was maintained in all three quarters of 2023, reaching YoY growth of 7.3%, 7.7% and 5.1% respectively
- As a result of Russia-Ukraine massive migration, accompanied with the flow of free cash, consumption increased and positively reflected on growth
- Main drivers of the growth are high inflows from tourism and exports and strong domestic demand

Key drivers of Growth Forecast

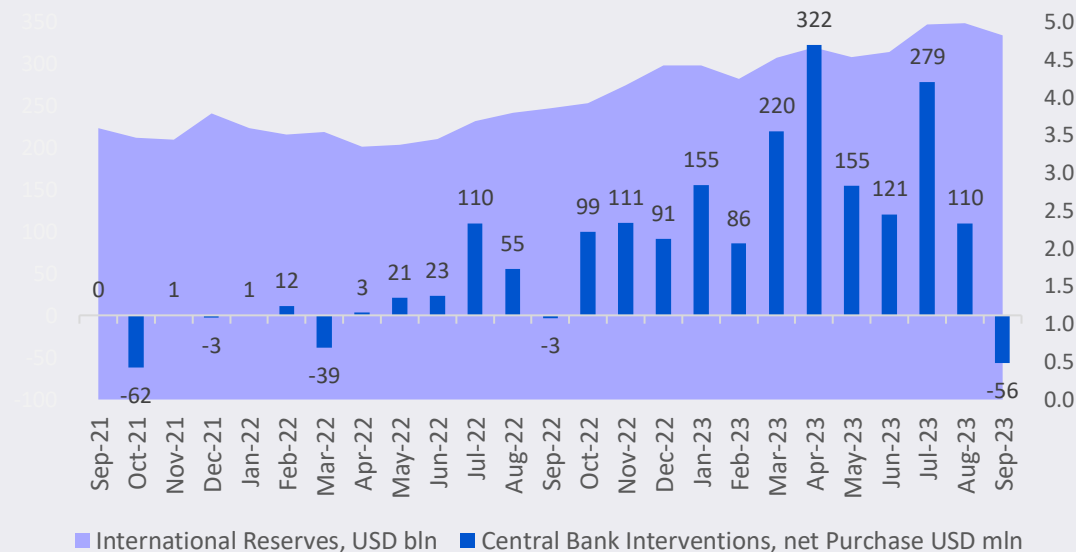
- In 2023, real GDP growth is expected at 5.6% considering the base effect after two-digit growth in 2021 and 2022
- Main drivers are expected earnings, increased investment spending and migration
- Ongoing war in Ukraine and global recession fears are downside risks
- The central bank increased the growth forecast from 5% to 6%
- IMF forecasts the growth to be 4%

Macroeconomic Highlights

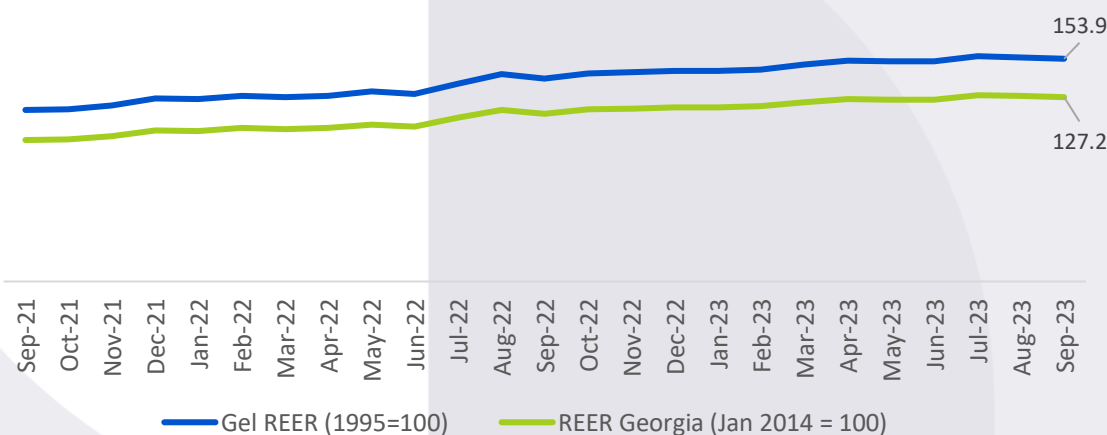
Inflation is corrected by Monetary Policy Rate



Central Bank Reserves and Interventions



GEL Real Effective Exchange Rate

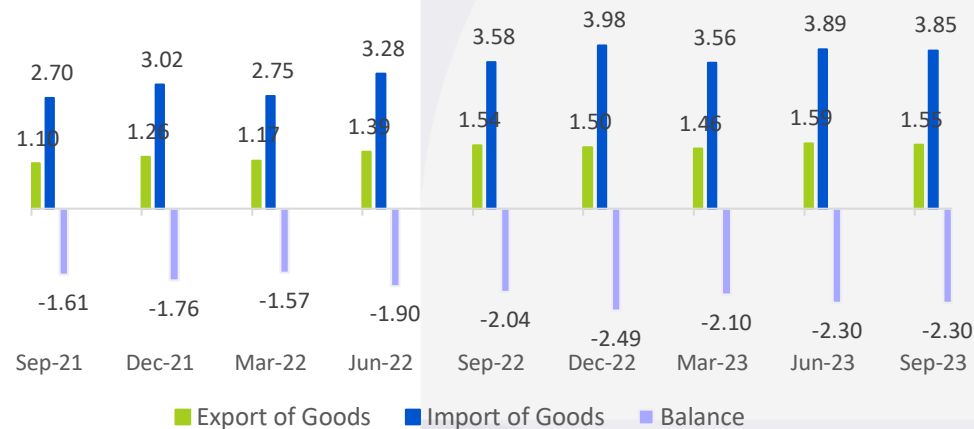


- Inflation is expected to remain around 3% targeted by central bank due to stabilization of economic growth
- CPI inflation on a downward trend indicating that consumer prices should also reduce
- NBG has maintained the Monetary Policy Rate at 11% since March 2022. From May 2023, it was reduced to 10.5% to 10.25% and then to 10% indicating a gradual easing of tight monetary policy.
- GEL Is expected to stabilize around current level, on the back of strong external inflows, and improved expectations

Macroeconomic Highlights

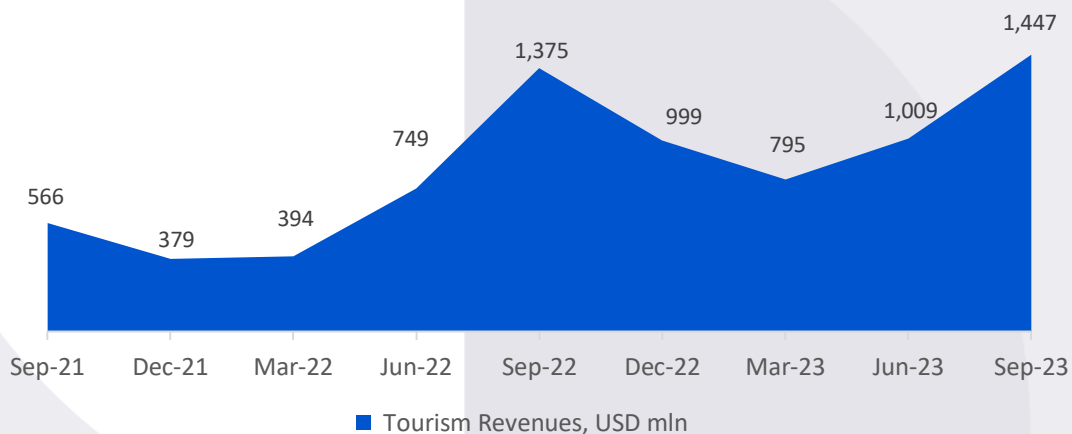
International Trade

in USD bln



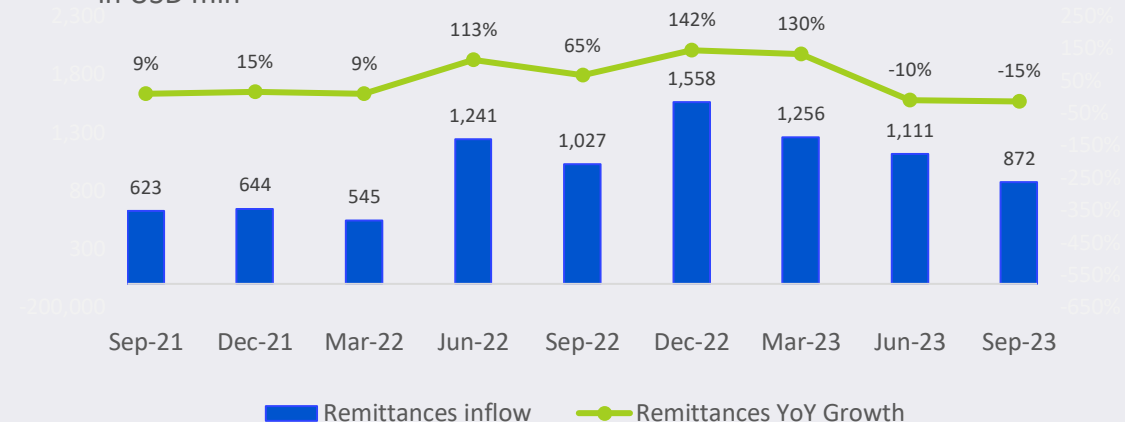
Tourism Revenue

in USD mln



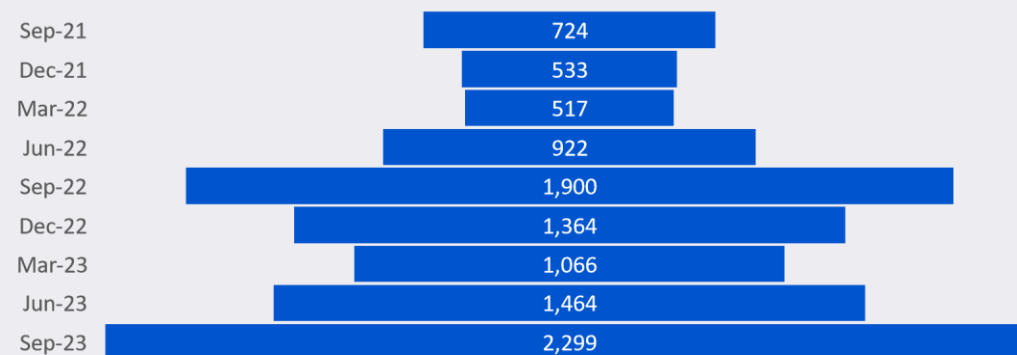
Remittances

in USD mln



International Visitor Trips

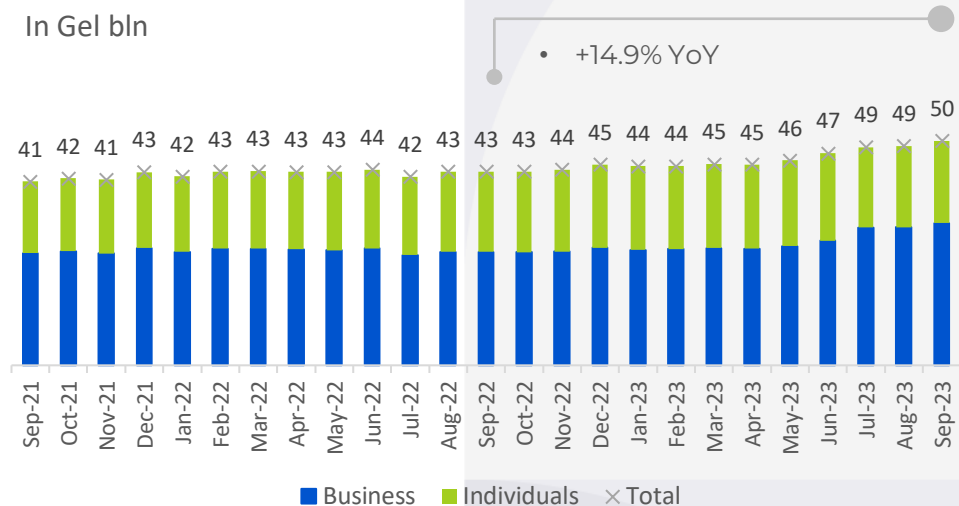
thousands



Banking Sector Overview

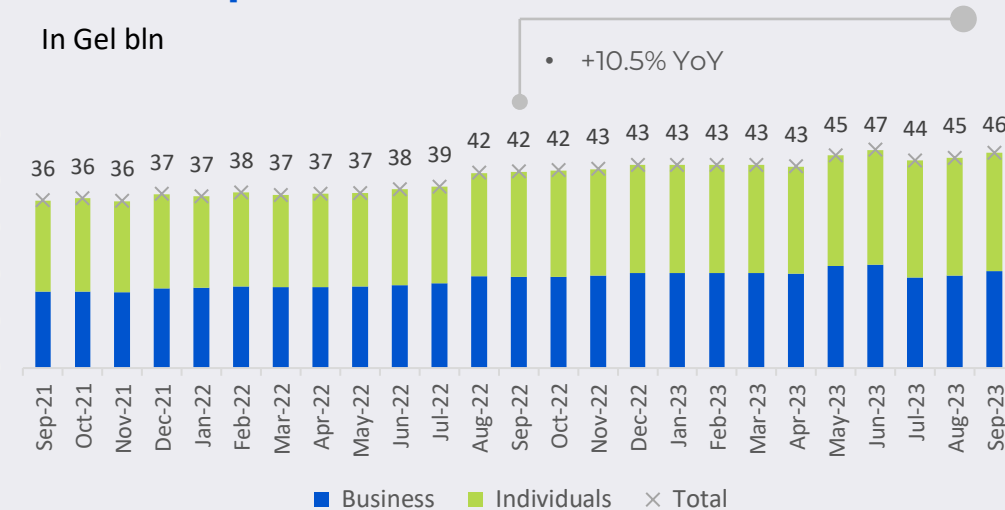
Total Loan Portfolio Growth

In Gel bln

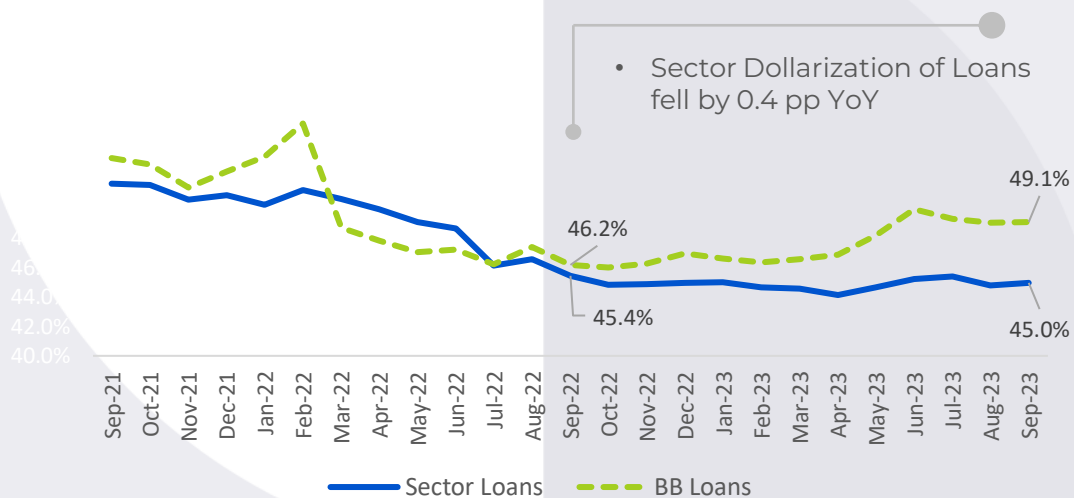


Total Deposit Portfolio Growth

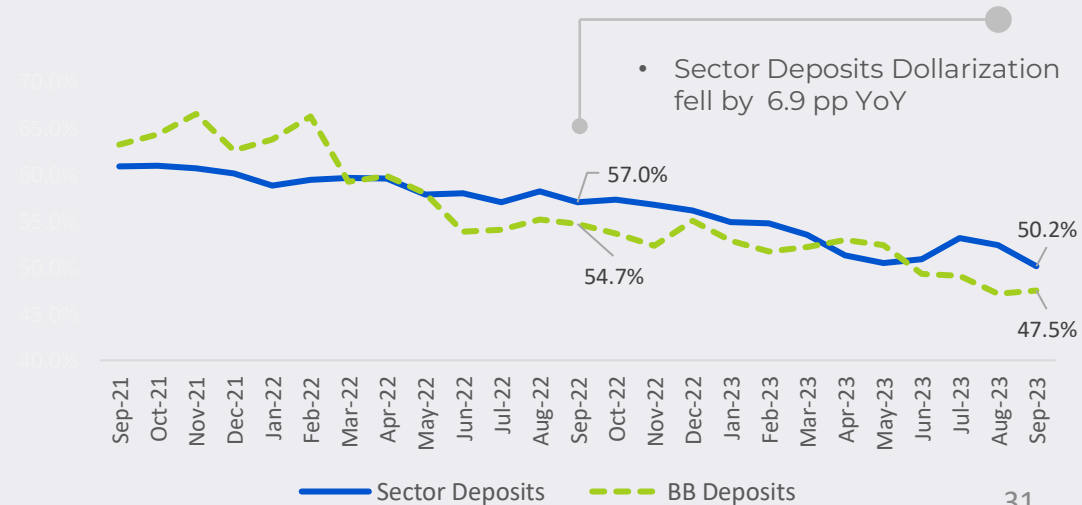
In Gel bln



Loans Dollarization



Deposits Dollarization

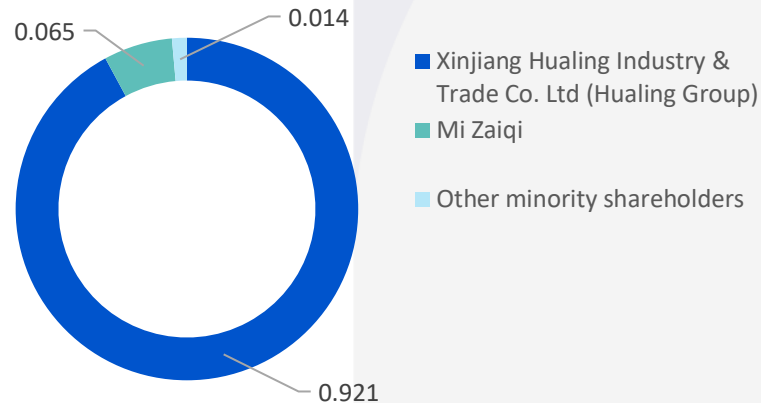


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Shareholders

Shareholding Structure



Dividend Policy

- Before 2020 under Shareholders' decision 10% of IFRS net profit was distributed as dividends.
- In 2020 and 2021 dividend distribution was suspended due to heightened capital charges and increased risks on the market. By the decision of the regulator capital buffers were released from capital requirements to ensure solvency of banking sector during the crisis. Dividend distribution was not allowed while the bank was using the buffers.
- In 2022 BB fully rebuilt the released capital buffers and since then no restrictions apply on dividend distribution

Hualing Group

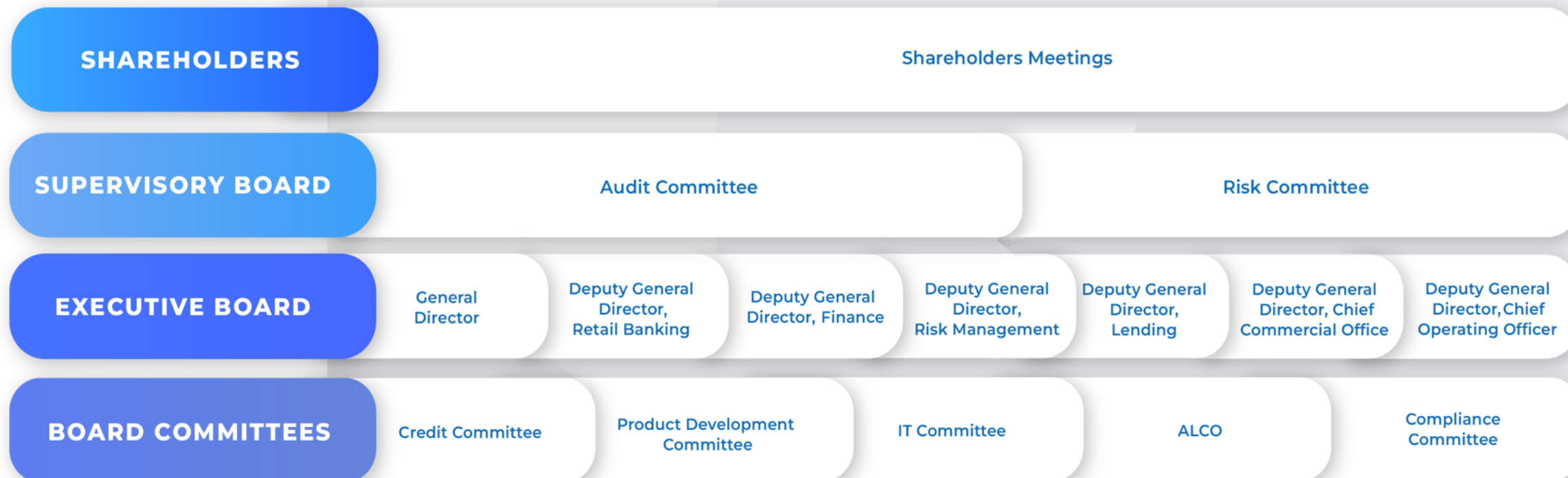
- Present on Georgian market since 2006
- More than 20 subsidiaries
- Main Business sectors:
 - Market rental & management
 - Property management
 - Agribusiness
 - Logistics and transportation
 - Financial Services
 - Construction of infrastructure facilities etc.
- Total investment in Georgia since 2007 over USD 550 million

Beneficiary Owner

- Mi Enhua, the founder, owner and president of the Xinjiang Hualing Industry & Trade Co. Ltd (Hualing Group), 99.89% shareholder
- Prominent Chinese businessperson awarded multiple times for his significant contribution to China's economic development

Corporate Governance

Organizational Chart



The Supervisory Board approves and oversees the **execution of the Group's Strategy** via its committees



• Compliant to Corporate Governance Code adopted by NBG

NBG CG code is based on international standards and best practices:

- Basel Committee on Banking Supervision guidelines on CG
- EU Directive 2000/36/
- OECD Principles of Corporate Governance,
- UK Stock Exchange CG code etc.

Supervisory Board Members



Zhang Jun
Executive Chairman of Supervisory Board

With a Masters degree in Business Administration Zhang Jun has over 30 years of executive positions in various Chinese banks, including 7 years of executive supervisory role at The People's Bank of China, 5 years as Deputy Director of Chengxin Credit Union of Urumqi, as well as 12-years career with Urumqi City Commercial Bank, serving as Sales Department General Manager, HR Director and Assistant of the Chairman of the Board.

He occupied position of Deputy Director in finance and foreign investments in Hualing group. In 2012 he became Executive Chairman of Supervisory Board in Basisbank and in 2015 Chairman of the board.



Zhou Ning
Vice Chairman of Supervisory Board

Master of Business Administration of Fuqua School of Business in USA, he started with a position of Senior Financial Analyst with Ford Motor Co. He moved to J.P. Morgan Hong Kong as an Associate of Investment Banking Division. In 2004 he became Vice President of ABN AMRO Bank, overseeing the Strategic Development Department.

He was invited as an advisory during Basisbank acquisition by Hualing Group and in 2015 he was invited as a Vice-chairman of the Supervisory Board.



Mi Zaiqi
Vice Chairman of Supervisory Board
Member of Audit Committee

Bachelor of Business Administration from University of California had different Executive positions in Hualing Group and its subsidiaries since 2005. He has been Director of the group since 2010.

He was invited to Basisbank SB in 2012 and was soon ascended as Executive Chairman of SB, as well as positions of SB Chairman of Both Basisbank JSC subsidiaries - BB Leasing and BB Insurance.



Mia Mi
Member of Supervisory Board
Member of Risk Committee

Holds a Bachelor's Degree in Business Administration from University of Southern California, Los Angeles. Director of International Development at Hualing Group International Special Economic Zone in Georgia. 2015-2017, Mia Mi held various positions in key departments at Basisbank.



Zaza Robakidze
Independent Member of Supervisory Board
Chairman of Audit Committee
Independent Member of Risk Committee

An expert in banking, Zaza Robakidze, who has over 24 years of experience in the sector, took the position of a member of the Supervisory Board in 2018.

He has a degree of Master in Economics. For many years he held various positions in the field of supervision of the Central Bank, from an Economist to the Head of Supervisory Department.



Nikoloz Enukidze
Independent Member of Supervisory Board
Chairman of the Risk Committee
Independent Member of Audit Committee

Nikoloz Enukidze has joined board from 2022.

With Master Degree in Business Administration, University of Maryland Nikoloz Enukidze served as the Deputy Chairman of the Supervisory Board at Bank of Georgia in 2006-2008, and Chairman of the Supervisory Board in 2008-2010. Nikoloz Enukidze held various leading positions at TBC Bank in 2013-2021, including those of the Chairman of the Risk Committee and Chairman of the Supervisory Board.

Board of Directors



David Tsaava
General Director

Mr. Tsaava with PhD degree in Business Administration started career with Basisbank in 2004, on a position of a Lending Expert, and produced gradual career ladder climb by achieving promotion to Corporate Lending Officer in 2008 and to the General Director in 2010.

Mr. Tsaava held a membership of Bank's Supervisory Board in 2015-2018. Currently he is a member of Supervisory Boards of both subsidiaries - BB Leasing and BB Insurance.



Levan Gardapkhadze
Deputy General Director, Retail Business

With a Master's degree in Business Management and in Law, Levan Gardapkhadze started at Basisbank as a manager of International Operations Department in 2002. He was promoted to the head of Plastic Cards Department in 3 years. In 2008, he started as a head of Retail direction of the bank and started has become a member of Management Board.



Lia Aslanikashvili
Deputy General Director, Finances

With Master's Degree in International Economic Relations, Lia Aslanikashvili started her career as a senior specialist of relationships department at a trade organization. She has occupied various positions in Basisbank. First, she headed the Settlement Department, then the Treasury Department, in 2008 she was promoted to the position of the Chief Financial Officer and became a member of the Management Board as well. She is also a member of the Management Board of BB Leasing and BB Insurance.



Hui Li
Deputy General Director, Lending

Hui Li was appointed as Lending Director of Basisbank in 2012. She holds a degree in accounting from Financial University of China. Hui Li has followed a diverse career path in Banking, occupying various positions at Credit Cooperatives and various branches of Urumqi City Commercial Bank: an accountant, a deputy director, Deputy Manager of Credit Department and Manager of Credit Department.

Hui Li was a member of the Supervisory Board of Basis Bank in 2015 -2018. Currently, she is a member of the Supervisory Board of the subsidiaries.



David Kakabadze
Deputy General Director, Risk Management

Davit Kakabadze was appointed as Director of IT and Risk Management in 2012. Having a Master's degree in Business Administration from Caucasus Business School, he started work in Basisbank in the position of an IT specialist/programmer. In two years, he was promoted to the Head of IT Department.

In 2008, he was appointed to the position of Risk Management Director and he became a member of the Management Board.



Rati Dvaladze
Deputy General Director, Chief Operating Officer

In 2008, he started work for the Bank of Georgia as a project manager. Afterwards, he worked as a credit risk system manager, then as a Head of Credit Risk Analysis and System Management Department.

Rati Dvaladze started work for Basisbank in 2014. He worked as the head of Basisbank's Project Management and Business Analysis Division for 5 years. He is COO from 2019.



George Gabunia
Deputy General Director, Chief Commercial Officer

George Gabunia has been Basisbank's CCO and a member of the Management Board since 2019. He has 15 years of experience in the banking industry. In 2012-2019 George Gabunia headed Basisbank's commercial department.

In 2010-2012 he led the corporate department in Procreditbank, In 2008-2010 he managed corporate regional group and in 2006-2008 he was a corporate banker.

George Gabunia holds a Master's Degree in Banking.

Ratio Definitions

1. **ROAE** - Return on average total equity (ROE) equals net profit divided by average total shareholders' equity for the same period, annualized.
2. **ROAA** - Return on average total assets (ROA) equals net profit of the period divided by average total assets for the same period, annualized.
3. **Net interest margin (NIM)** is net interest income divided by average interest-earning assets, annualized.
4. **Cost to income** ratio equals total operating expenses for the period divided by the total Income for the same period.
5. **Loan yields** equal interest and similar income on loans divided by average gross loan portfolio, annualized.
6. **Cost of Deposits** equal interest expense on customer accounts divided by average total customer deposits, annualized.
7. **Cost of risk** equals Expected Credit Loss for loans to customers divided by average gross loan portfolio, annualized.
8. **PAR 90** to Gross Loan Portfolio 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.
9. **NPLs** are loans with 90 days past due on principal or interest, or loans regarded as unlikely to be repaid by management decision"
10. **NPLs to Gross Loan** Portfolio equals NPLs divided by the gross loan portfolio for the same period.
11. **NPL coverage** ratio equals total Expected Credit Loss for Loans to customers divided by the NPL loans.
12. **NPL Collateral Coverage** ratio equals sum of expected credit losses for loan portfolio and the minimum amount of NPL Loans Exposure and Discounted Collateral Amounts of those NPL Loans (after applying different haircuts for different types of collaterals in ranges of 0%-100%), divided by the NPL loans.
13. **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.
14. **Total CAR** equals total capital divided by total risk weighted assets, both calculated in accordance with the requirements of the NBG Basel III standards.
15. **Net loans to deposits plus IFI funding** ratio equals net loans divided by total deposits plus borrowings received from international financial institutions.
16. **Cost of funds** equals sum of interest expenses on IFI Borrowings, Subordinated Debt, Subordinated Bond and Customer Deposits divided by average balances of same interest-bearing liabilities, annualized.
17. **LCR 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 the Bank only, based on local accounting standards.
18. **NSFR** - Net stable funding ratio equals the available stable funding divided by the required stable funding as defined by NBG in line with Basel III guidelines.
19. **Leverage** equals Tier 1 Capital divided by total risk positions as defined by NBG in line with Basel III guidelines.



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