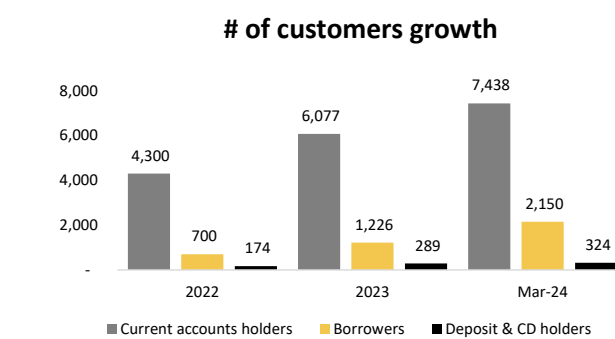
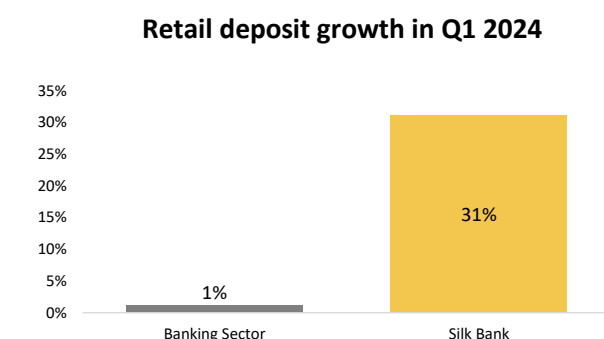
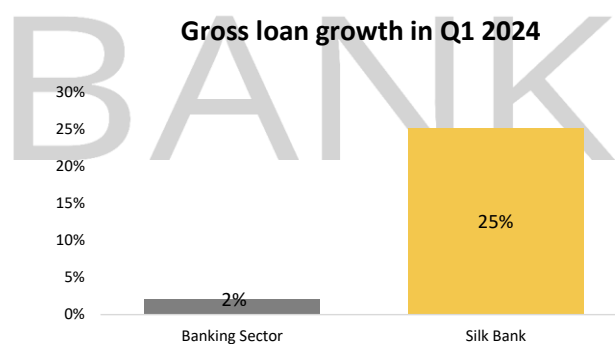
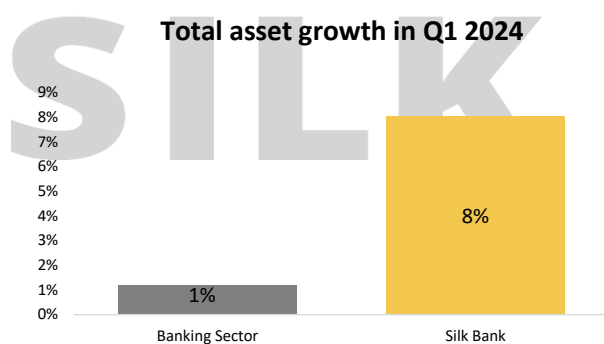


Silk Bank Announces Q1 2024 Financial Results, Demonstrating Strong Growth and Strategic Achievements

<i>GEL, unless otherwise noted</i>	Q1 2023	Q1 2024	Change, y-o-y
Gross loans*	18,441,885	71,106,092	286%
Total assets	79,495,413	180,337,053	127%
Total deposits	15,219,176	113,141,715	643%
Retail deposits	4,160,819	38,716,654	831%
Total liabilities	23,665,198	122,515,799	418%
Shareholders' Equity	55,830,215	57,821,254	4%
<i>GEL, unless otherwise noted</i>	Q1 2023	Q1 2024	Change, y-o-y
Net interest income	1,045,588	1,447,754	38%
Operating expenses	(2,187,453)	(4,051,134)	85%
Profit/(loss) before tax	(1,157,405)	(2,067,165)	79%
Net income/(loss)	(1,157,405)	(1,486,064)	28%

Note: gross loans include factoring

Strong growth rates compared to the banking sector



About Silk Bank

Established in 1997 Silk Bank has embarked on a full digital transformation journey in 2023. The bank's mission is to create a holistic experience and simplify everyday life for people in a sustainable way.

For further information please visit www.silkbank.ge or contact:

Aleksi Khoroshvili
 Chief Executive Officer
 Email: a.khoroshvili@silkbank.ge
 Mobile: +995 591 154 422

Tamar Gunia
 Investor Relations Manager
 Email: t.gunia@silkbank.ge
 Mobile: +995 577 784 060

Silk Bank announced its Q1 2024 results and significant achievements reflecting its commitment to growth, innovation, and customer-centricity.

During Q1 2024, Silk Bank experienced unprecedented growth, with total assets soaring by 127% year-on-year in Q1 2024 and gross loans increasing by an impressive 226% y-o-y in Q1 2024. This performance underscores Silk Bank's strength and strategic focus on growth. Retail deposits reached GEL 32 million as of March 2024 from virtually non-existent levels in Q1 2023.

Net Loans/Total Deposits ratio has shown a healthy improvement, decreasing from 115.3% on 31 March 2023 to 52.0% on 31 March 2024, driven by a dramatic 732% y-o-y increase in customer deposits in Q1 2024. This ratio has an upward trend compared to 47.1% on 31 December 2023, indicating balanced growth in deposits and lending. Bank's total liabilities increased by 418% y-o-y in Q1 2024.

A highlight of Silk Bank's commitment to innovation is the successful launch of the Gaatanabre pilot program in collaboration with SOCAR Gas Georgia. This pioneering initiative revolutionizes how customers manage their natural gas expenses, offering a fixed monthly payment plan and tailored billing, enhancing transparency and customer satisfaction (For more information, please, visit www.gaatanbre.ge).

Furthermore, Silk Bank is proud to announce the launch of its revamped mobile only digital platform, complemented by a cutting-edge mobile application. This initiative reflects Silk Bank's commitment to delivering superior banking experiences, empowering customers with enhanced features and seamless functionality (For more information, please, visit www.silk.ge).

“As Silk Bank continues to chart a path of growth and innovation, we are proud of the milestones we've achieved in the first quarter of 2024. From the successful launch of our Gaatanabre Program, which now counts over 900 customers, to the unveiling of our revamped mobile platform, these accomplishments reflect our unwavering commitment to delivering unparalleled value and cutting-edge solutions to our customers.

We are also deeply grateful to our current shareholders, who injected GEL 9.8 million into the Bank in 2023. Their support has been instrumental in our progress. I would like to thank them for their continued trust and investment. Looking ahead, we plan to further enhance our capital base by converting subordinated debt, which will strengthen our financial foundation and support our future growth initiatives”, commented **Aleks Khoroshvili**, Chief Executive Officer of Silk Bank

Q1 2024 INCOME STATEMENT

<i>GEL, unless otherwise noted</i>	Q1 2024	Q4 2023	FY 2023	Q1 2023	Change, q-o-q	Change, y-o-y
Interest Income	3,976,723	3,556,026	9,604,910	1,443,566	12%	146%
Interest Expense	(2,528,970)	(2,373,729)	(5,474,564)	(397,977)	7%	496%
Net Interest Income	1,447,754	1,182,297	4,130,346	1,045,588	22%	13%
Foreign Currency Related Income/(Loss)	438,526	251,320	702,285	(253,382)	74%	nmf
Net Other Non-Interest Income	78,798	57,518	71,188	35,311	37%	63%
Net Fee & Commission Income/(Loss)	(41,139)	(140,016)	16,802	28,839	nmf	nmf
Total Net Operating Income/(Loss)	1,923,939	1,351,119	4,920,622	856,356	42%	58%
Personnel Cost	(2,344,837)	(2,063,281)	(6,622,236)	(1,257,059)	14%	64%
Operating expenses	(1,332,911)	(1,740,129)	(4,058,945)	(658,078)	-23%	164%
Depreciation & Amortisation	(314,533)	(299,897)	(970,543)	(211,250)	5%	42%
Property Tax Expenses	(58,852)	(58,004)	(258,187)	(61,067)	1%	-5%
Total Recurring Operating Costs	(4,051,134)	(4,161,311)	(11,909,912)	(2,187,453)	-3%	90%
Normalised Net Operating Income (Loss)	(2,127,195)	(2,810,192)	(6,989,289)	(1,331,097)	-24%	111%
Non-Recurring (Costs)/Income	(178,774)	346,415	437,718	100,621	-152%	244%
Profit (Pre-Bonus) Before Provisions	(2,305,969)	(2,463,777)	(6,551,571)	(1,230,476)	-6%	100%
Loan Loss (Provisions)/Recovery	190,671	(326,153)	(504,629)	73,624	-158%	nmf
(Provision)/Recovery On Other Assets	48,133	(253,115)	(87,831)	(552)	-119%	nmf
Net Provision Expense / Recovery	238,804	(579,268)	(592,460)	73,071	-141%	nmf
Pre-Tax Profit/(Loss)	(2,067,165)	(3,043,046)	(7,144,031)	(1,157,405)	-32%	163%
Accrued Or Paid Income Tax Benefit (Expense)	581,101	(110,053)	(148,905)	-	nmf	nmf
Net Income/(Loss)	(1,486,064)	(3,153,099)	(7,292,936)	(1,157,405)	-53%	172%

SILK BANK

31 MARCH 2024 BALANCE SHEET

<i>GEL, unless otherwise noted</i>	Q1 2024	YE 2023	Q1 2023	Change, q-o-q	Change, y-o-y
Cash and Cash Equivalents	56,873,901	54,133,790	12,538,899	5%	354%
Gross Loans, of which	60,182,407	47,957,903	18,441,885	25%	226%
Retail	21,922,203	16,806,699	7,094,169	30%	209%
Business	38,260,204	31,151,204	11,347,716	23%	237%
Loan Loss Reserve	(1,383,177)	(1,533,542)	(898,131)	-10%	54%
Net Loans	58,799,230	46,424,361	17,543,754	27%	235%
Net Factoring	10,923,685	8,815,909	-	24%	nmf
Net Property and Equipment	17,041,724	20,497,782	19,175,030	-17%	-11%
Net Intangible Assets	1,230,938	1,120,485	776,499	10%	59%
Net Investment Securities	26,576,690	27,213,771	24,839,873	-2%	7%
Assets Held for Sale	3,415,584	3,651,626	3,389,412	-6%	1%
Other Assets	5,475,302	5,233,120	1,231,946	5%	344%
Total Assets	180,337,053	167,090,844	79,495,413	8%	127%
Customer Deposits, of which	111,295,915	96,759,216	13,382,967	15%	732%
Retail	38,716,654	29,531,794	4,160,819	31%	nmf
Business	72,579,261	67,227,422	9,222,148	8%	687%
Interbank Deposits	-	297,530	-	-100%	nmf
Other CDs	1,845,800	1,889,718	1,836,209	-2%	1%
Borrowed Funds	-	-	2,009,148	nmf	-100%
Subordinated Debt	3,432,022	2,878,545	2,984,880	19%	15%
Other Liabilities	5,942,062	6,051,095	3,451,994	-2%	72%
Total Liabilities	122,515,799	107,876,103	23,665,198	14%	418%
Shareholder's Equity	57,821,254	59,214,741	55,830,215	-2%	4%
Total Liabilities and Shareholders' Equity	180,337,053	167,090,844	79,495,413	8%	127%

SELECTED RATIOS

	Q1 2024	Q4 2023	FY 2023	Q1 2023
Interest yield on average loans to customers	14.7%	16.7%	9.8%	13.8%
Net interest margin	4.1%	4.9%	4.3%	7.7%
Cost of funds	9.3%	13.7%	7.9%	5.5%
Cost/income ratio, normalised	210.6%	308.0%	242.0%	255.4%
Costs/average assets, normalised	9.3%	13.1%	9.3%	10.5%
NPLs/gross loans	0.6%	2.2%	2.2%	5.9%
Cost of risk	-1.77%	6.85%	1.75%	1.53%
NPL coverage ratio	414%	146%	146%	82%
Loan loss reserve/gross loans	2.3%	3.2%	3.2%	4.9%
Net loans/total assets	32.6%	27.8%	27.8%	22.1%
Net loans/total deposits	52.0%	47.1%	47.1%	115.3%
Total regulatory capital ratio	44.4%	46.23%	46.23%	92.99%

Ratio definitions

Gross interest yield equals interest income for the period divided by average interest-earning assets for the period

Interest yield on average gross customer loans equals interest income from loans to customers of the period divided by the average gross customer loans for the period

Cost of funds equals interest expense of the period divided by average interest-bearing liabilities for the same period; interest-bearing liabilities include customer deposits, borrowings, interbank deposits, other deposits and subordinated debt

Cost/Income equals total recurring operating costs of the period divided by total net operating income for the same period

NPLs include loans that are overdue by 90 days or more at the end of the respective period

Cost of risk equals net provision expense/recovery of the period divided by average gross loans to customers for the same period

Quarterly ratios are annualised