



1H20 results call presentation

20 August 2020

Forward looking statements

Disclaimer

This presentation contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although Georgia Capital PLC believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, which could include, among other things: impact of COVID-19; regional instability; regulatory risk across a wide range of industries; investment risk; liquidity risk; portfolio company strategic and execution risks; currency fluctuations, including depreciation of the Georgian Lari, and macroeconomic risk; and other key factors that indicated could adversely affect our business and financial performance, which are contained in our past and future filings and reports and also the 'Principal Risks and Uncertainties' and Emerging Risks included in the 1H20 Results Announcement and Georgia Capital PLC's Annual Report and Accounts 2019. No part of this presentation constitutes, or shall be taken to constitute, an invitation or inducement to invest in Georgia Capital PLC or any other entity, and must not be relied upon in any way in connection with any investment decision. Georgia Capital PLC and other entities undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this presentation should be construed as a profit forecast.

Today's key messages

1 **Rebound in revenues across all portfolio companies at the end of lockdown**

- Aggregated revenue growth of 11% y-o-y in Jun-20, reflecting high single-digit or even double-digit monthly revenue growth across the board

2 **Strong operating cash flow generation across portfolio companies**

- Aggregated operating cash flow generation up 96.0% y-o-y to GEL 179.8 million in 1H20

3 **Continued delivery on our strategic priorities**

- Completion of share exchange offer for GHG shareholders; Issuance of US\$ 250mln Green Bonds; Divestment of one of the lowest return generating hospitals

- 1. COVID-19 update | Georgia**
2. COVID-19 update | Georgia Capital
3. 1H20 NAV development
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COVID-19 statistics

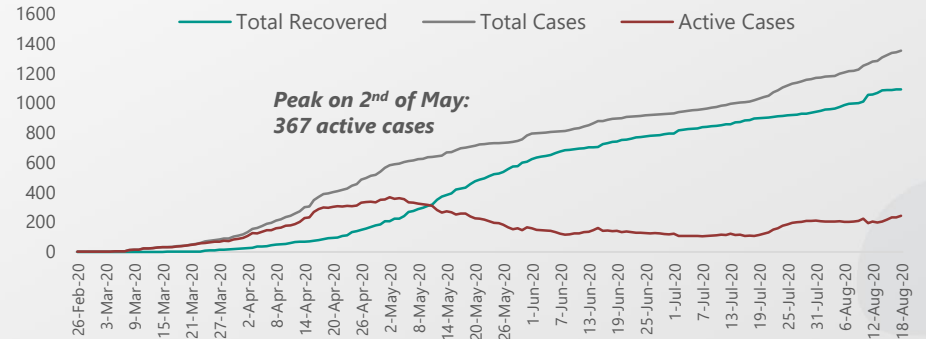
Lowest number of confirmed cases and deaths per capita in the region

Georgia: COVID-19 response

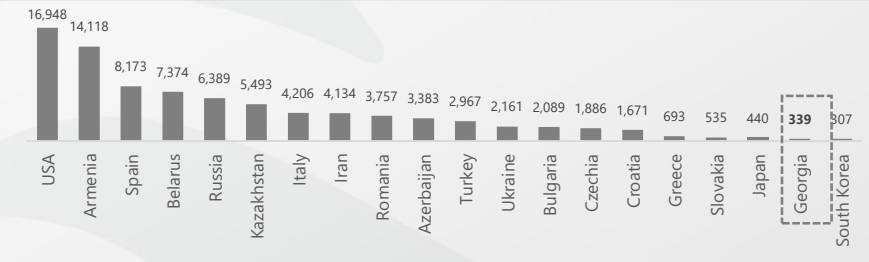
- Border checks began on 27 February and schools switched to distance learning from 29 February;
- Travel restrictions for neighbouring countries were imposed on 5 March, followed by mandatory self-isolation/quarantine since 9 March;
- All borders were closed on 18 March and state of emergency was in place from 21 March until 22 May;
- Intracity movement was banned by the end of March;
- Six stage lockdown exit strategy, introduced from 27 April, successfully completed in the beginning of July;

Largely all economic activities have been resumed by mid-July, local tourism resumed from 15 June and while external borders were opened to five EU member states on 8 July

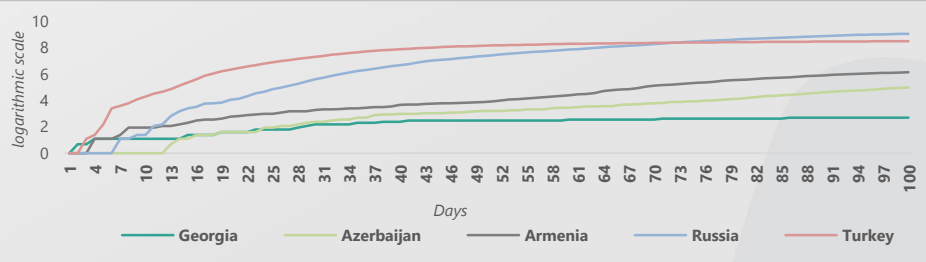
COVID-19 cases: dynamics in Georgia*



COVID-19 cases per 1M persons*



COVID-19 deaths since the first death case



Total cases*

1,351

Active cases*

242

Quarantined*

7,235

Hospitalized*

302

*As of 18 August 2020

Government measures

US\$ 3 billion funding facility

- US\$ 3 billion (predominantly loans) from international donors (incl. US\$ 450m from IMF):
 - US\$1.5 billion intended for the private sector
 - US\$1.5 billion for the public sector

Monetary policy

- Easing non-price credit conditions (LTV, PTI, etc.);
- Intervening in the FX market (US\$ 270 million sold in March-July);
- Monetary policy rate reduced to 8.0% and gradual exit from strict monetary policy announced;
- Introducing US\$ 400 million currency swap facility for the financial sector to provide GEL liquidity;
- Reduced capital conservation buffer (2.5% of Risk Weighted Assets) and 2/3 of currency induced credit risk buffer total of GEL 1.6 billion;
- Temporary liquidity instrument to support credit to SMEs;
- Moratorium announced on new regulatory activity;

Economic Plan

Total budget – GEL 3.5 billion

- **Social aid**  **GEL 1.03 billion**
- **Economic support and business aid**  **GEL 2.1 billion**
- **Anti-pandemic measures**  **GEL 0.35 billion**

Support measures

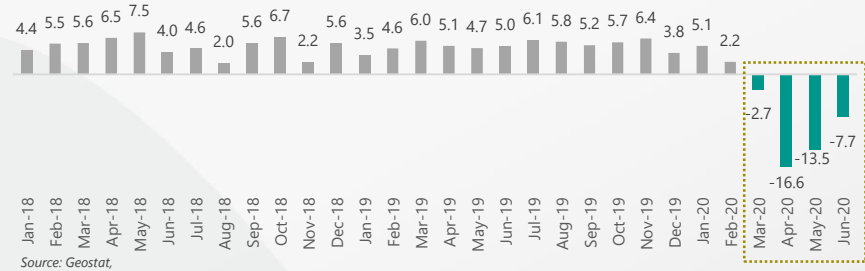
- Sectoral special support packages for tourism, agriculture and real estate sectors;
- Subsidies for utility bills, basic product prices and construction materials;
- Loan restructuring for all businesses;
- VAT returns and long-term funds for banks;
- Extra funding to support business, including a credit guarantee scheme (GEL 2bln);
- Tax deferrals for car importers;
- Social aid programs to address job losses;
- Pension indexation from Jan- 21;

Macroeconomic fundamentals in 1H20



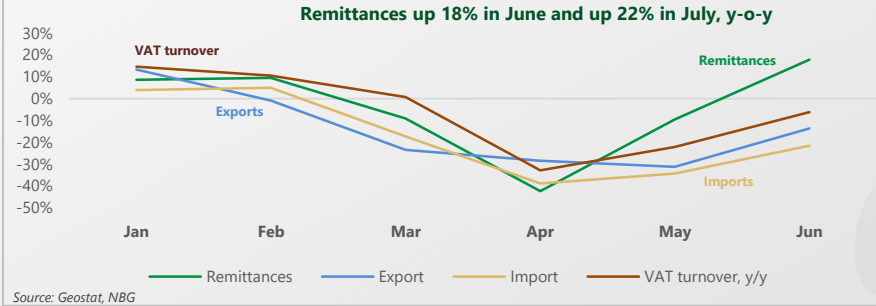
Monthly Economic Activity Estimate, y-o-y growth

- Economy contraction has been eased from April and GDP contraction in June was 7.7% y-o-y.
- Strong pre-COVID-19 macroeconomic fundamentals were reflected in the 1H20 GDP contraction, which was only 5.8% y-o-y.



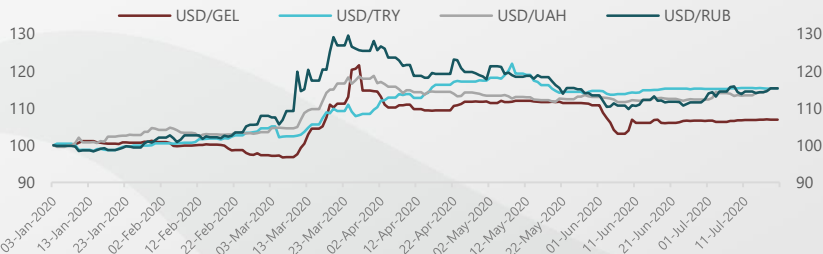
Fast indicators

- Merchandise trade and money transfers have recovered significantly, with remittances posting 18% y-o-y growth in June.



\$ Exchange rate indices (1 January=100)

- GEL depreciated in March and stabilised around USD/GEL 3.2 at the beginning of April, appreciating to around USD/GEL 3.05 on average since the beginning of June.

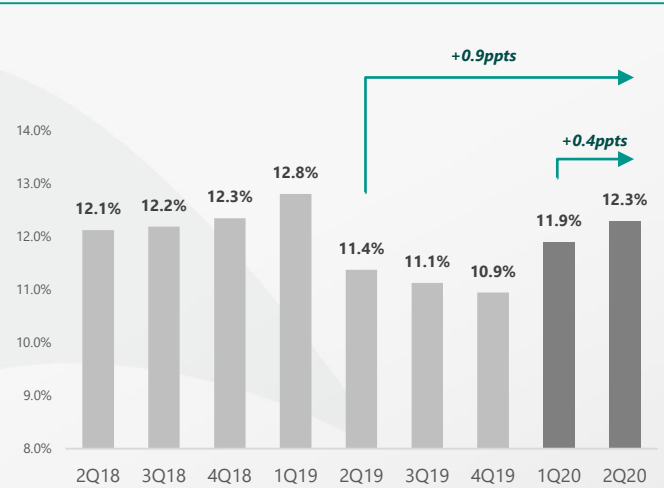


Key highlights

- IMF forecasts that real GDP will contract by 4% in 2020, rebounding to 4% in 2021.
- Inflation was 6.3% on average in Jan-July. IMF forecasts average inflation at 4.7% in 2020.
- NBG decreased the monetary policy rate by 100bps to 8.0% in Apr-Jul.
- Tourism revenues fell 26% in 1Q20 and 97% in 2Q20, as international travel is halted.
- Official reserve assets totaled \$3.6 billion by the end of May, with reserves providing cover for 4.3 months of imports based on Q1 data.
- The fiscal deficit and public debt are expected to rise to around 8.5% and 60% in 2020 respectively, according to IMF.

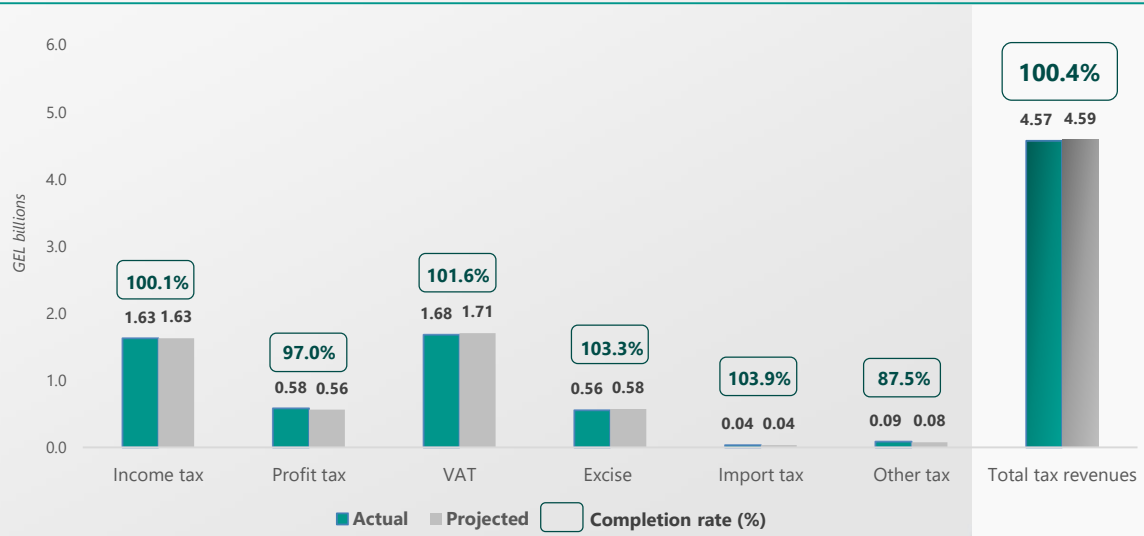
Macroeconomic fundamentals in 1H20 (cont'd)

Unemployment rate



Source: Geostat

1H20 tax revenues | Actual vs. Planned



Source: State treasury

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Our response to COVID-19

We implemented a cash accumulation and preservation strategy at the end of 1Q20

COVID-19 measures

Progress in 2Q20


 Limited capital allocations at GCAP level, only critical investments throughout the remainder of 2020, if any

No capital allocations in 2Q20

 Minimising capital investments at each portfolio company level

Aggregated development capex of portfolio companies

GEL 30.4mIn down 71.8% y-o-y

 Optimising Opex expenditures both at GCAP and at portfolio companies' level

Aggregated operating expenses of portfolio companies

GEL 63.5mIn down 17.1% y-o-y

GCAP liquidity remained high at
30 June 2020

GEL 280mIn

Aggregated operating cash flow generation in portfolio companies

GEL 87.7mIn

+57.7% y-o-y in 2Q20

GEL 179.8mIn

+96.0% y-o-y in 1H20

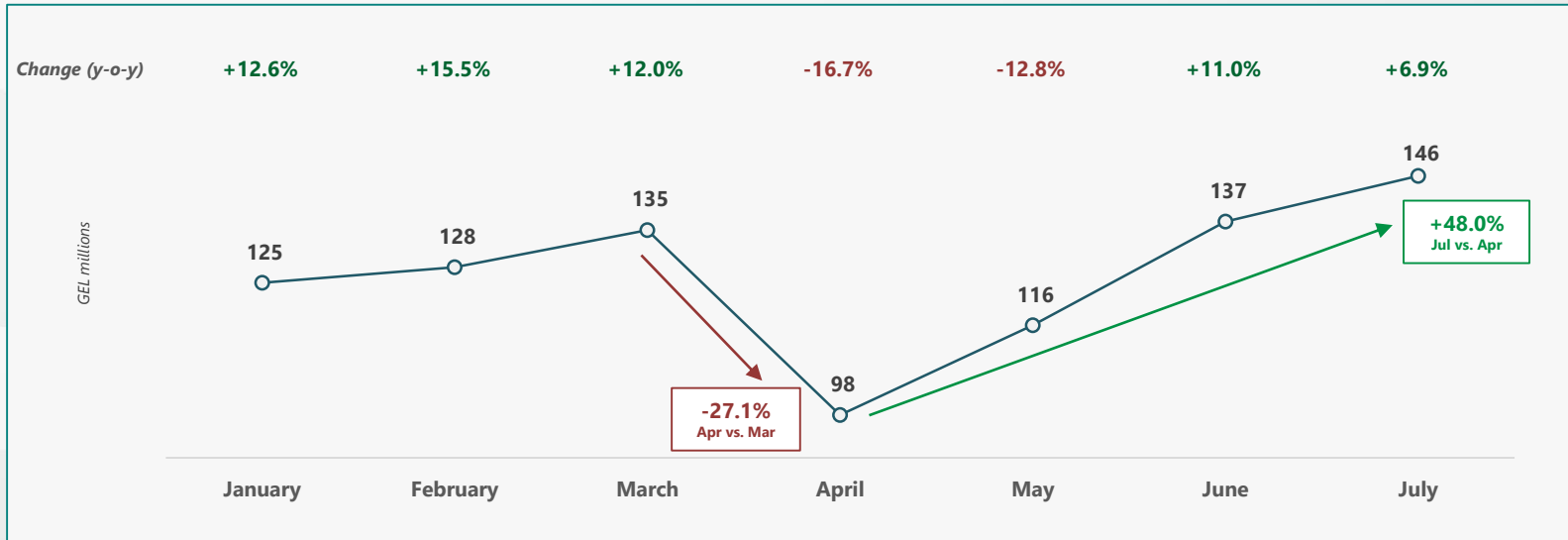
Aggregated cash balances of portfolio
companies as of 30 June 2020

GEL 282mIn

(up from GEL 183mIn at 31-Dec-19)

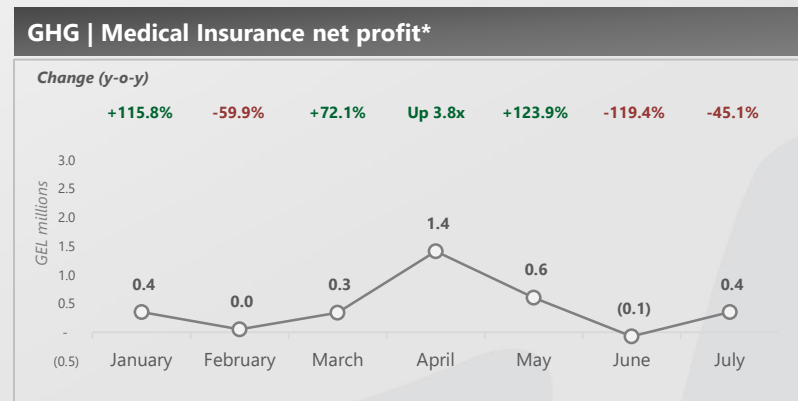
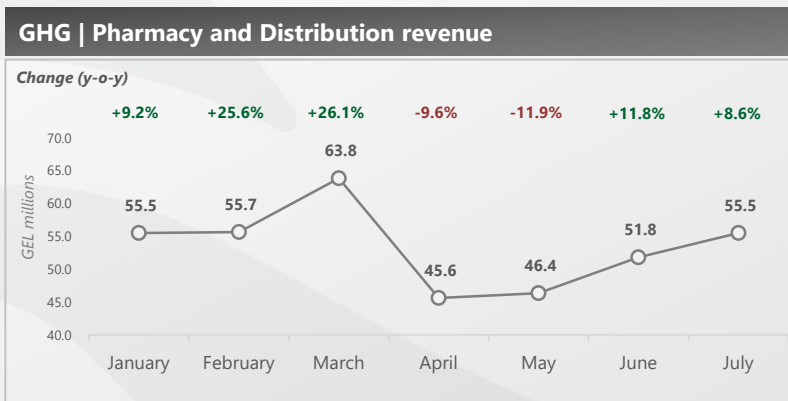
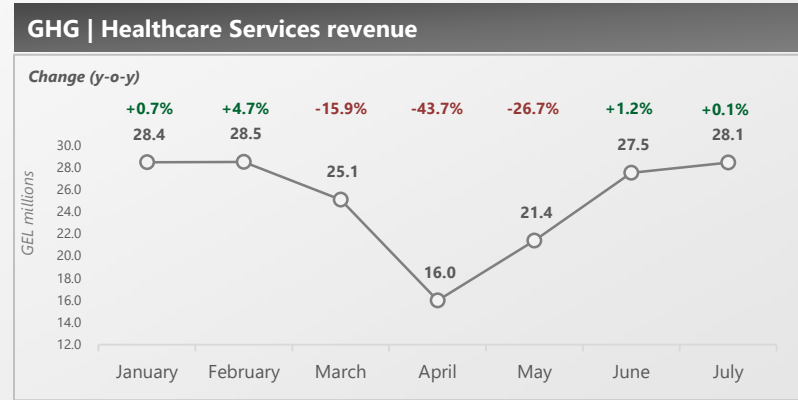
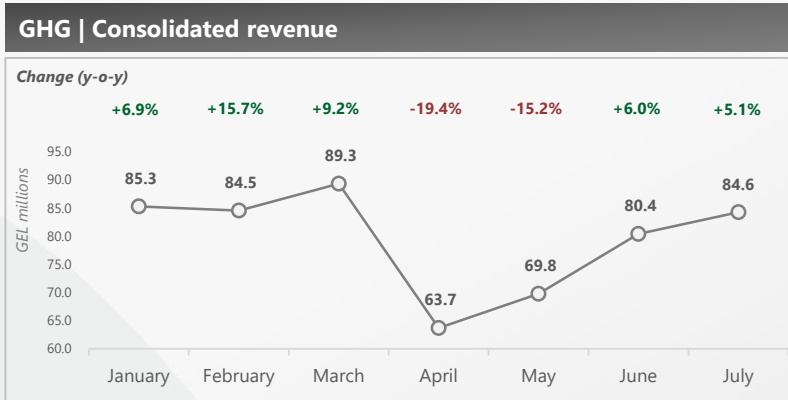
Rebound in revenues across all portfolio companies

Rebound in revenues across all portfolio companies from April's lows, resulting in 11% y-o-y aggregated revenue growth* in June



* Aggregated like-for-like y-o-y growth numbers in portfolio companies with controlling stakes, including the revenues generated by Amboli, Alaverdi, schools, Hydrolea HPPs and Qartli wind farm before acquisition (acquired in 2H19).

Monthly performance analysis | impact of COVID-19



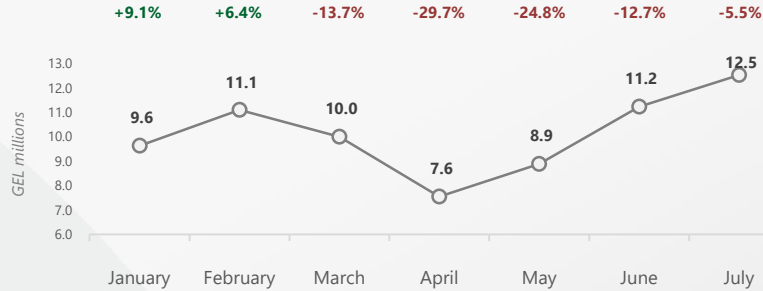
*Excluding IFRS 16.

Monthly performance analysis | impact of COVID-19 (cont'd)

Water Utility

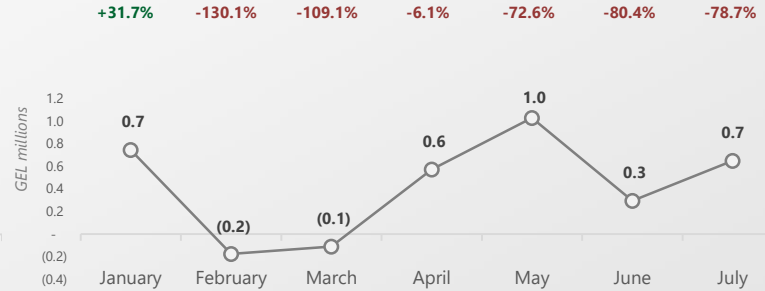
Water supply revenue

Change (y-o-y)



Electricity sales revenue

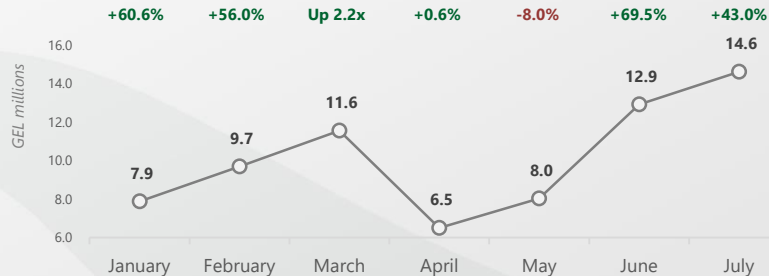
Change (y-o-y)



Housing Development

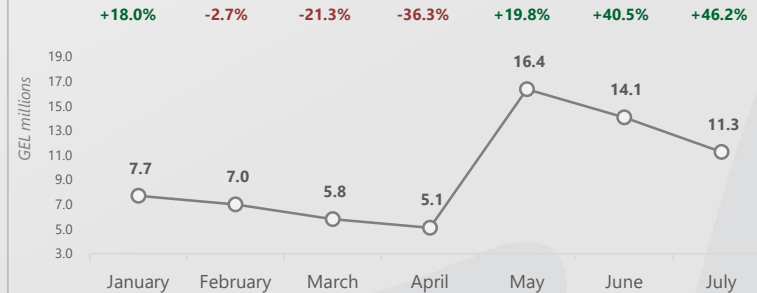
Revenue

Change (y-o-y)

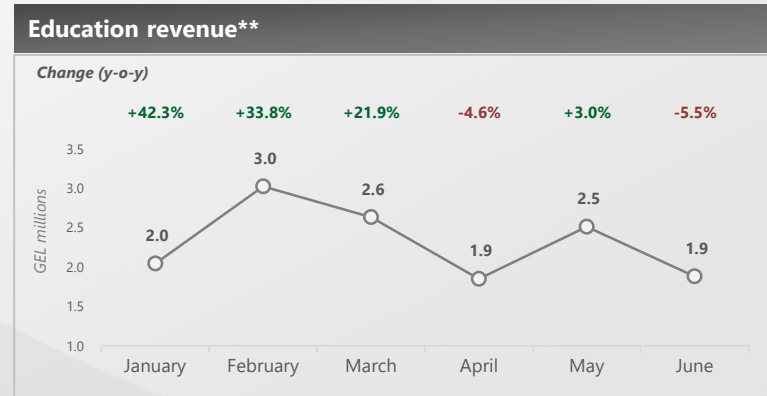
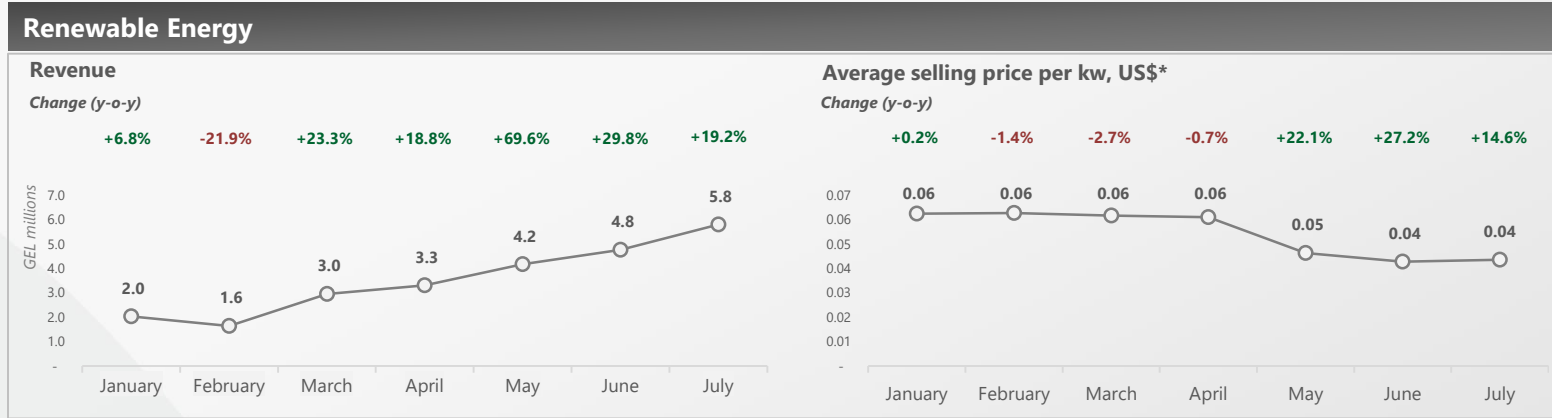


P&C Insurance gross premiums written

Change (y-o-y)



Monthly performance analysis | impact of COVID-19 (cont'd)



* Electricity sales are fully covered by long-term Power Purchase Agreements (PPAs) with Government during Sep-Apr.

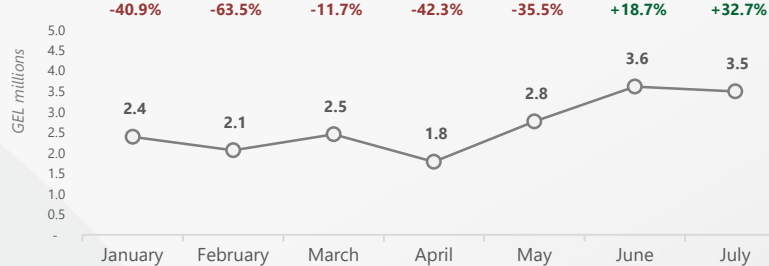
** July revenues figure is not meaningful given that schools are not operational in Jul-Aug due to holidays.

Monthly performance analysis | impact of COVID-19 (cont'd)

Beverages

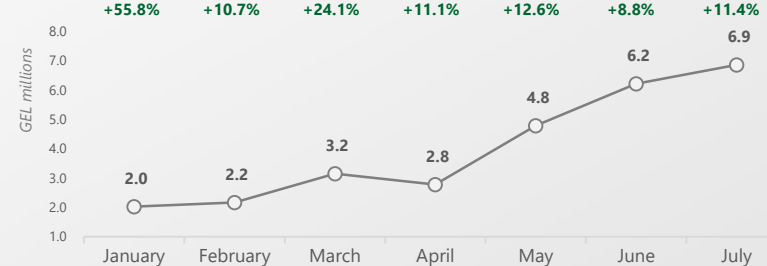
Wine revenue

Change (y-o-y)



Beer revenue

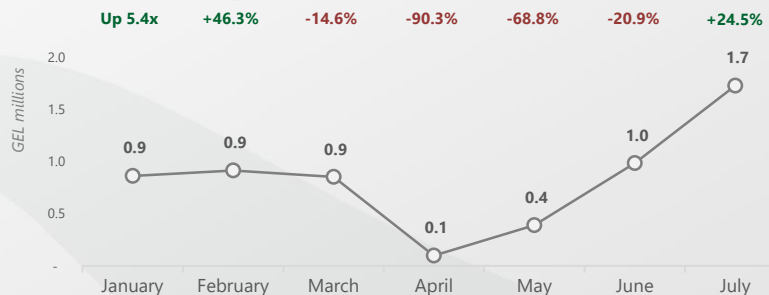
Change (y-o-y)



Auto service

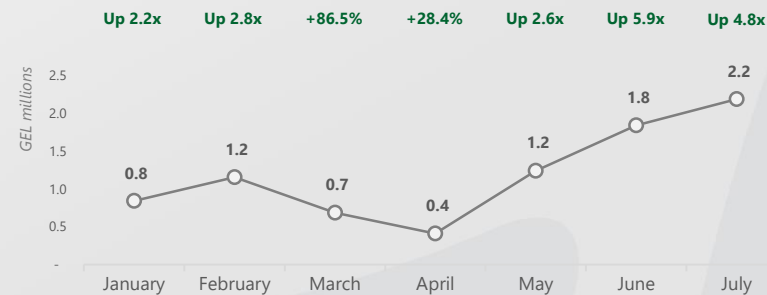
PTI revenue

Change (y-o-y)



Amboli revenue

Change (y-o-y)

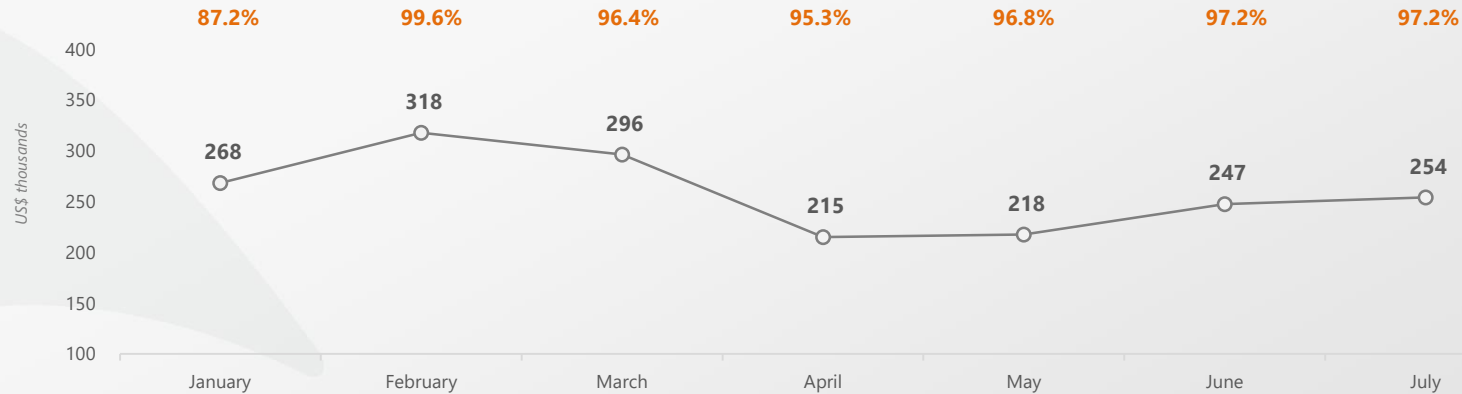


Monthly performance analysis | impact of COVID-19 (cont'd)

Commercial Real Estate

Cash inflows at commercial RE

Cash collection rate



Hospitality business: In light of the COVID-19 outbreak, operations at the existing two hotels were suspended since mid-March and both hotels are leased by the government for quarantine, while constructions of new hotels were put on hold

Strong operating cash flow generation across portfolio companies

Portfolio company aggregated* operating cash flow generation up 96.0% y-o-y to GEL 179.8 million in 1H20

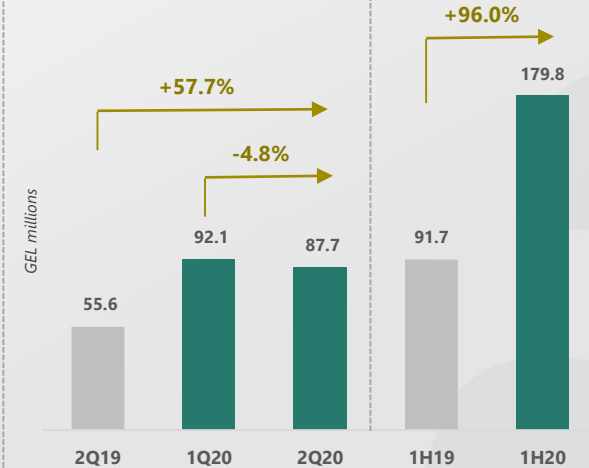
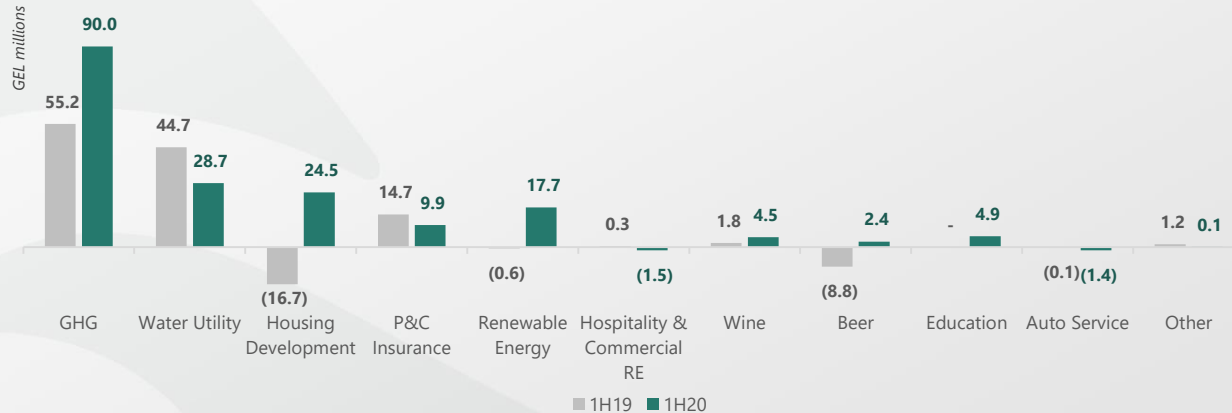
Late stage: **+48%**

Early stage: **+4.9x**

GEL 42.7 **GEL 63.1**

GEL (7.3) **GEL 28.0**

+63.1% -35.9% NMF -32.5% NMF NMF NMF NMF NMF NMF -93.2%



*Aggregated stand-alone IFRS operating cash flow and revenue of portfolio companies with controlling stakes: private businesses and GHG (GHG's cash flow excl. IFRS 16).

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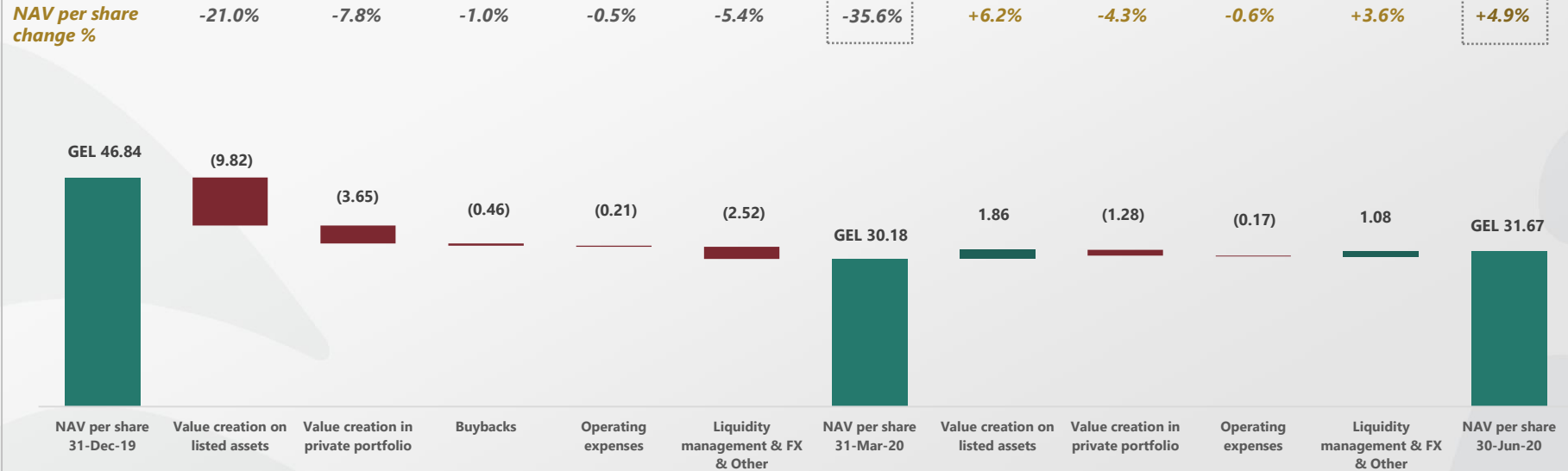
Total portfolio value change in 2Q20

<i>GEL thousands unless otherwise noted</i>	Mar-20	1. Value creation	2a. Investments	2b. Buybacks	2c. Dividends	3. Operating expenses	4. Liquidity management/ FX /Other	Jun-20	Change %	Share in total portfolio
Listed Portfolio Companies										
GHG ¹	295,455	40,212	-	-	-	-	-	335,667	13.6%	18.4%
BoG ¹	364,612	29,790	-	-	-	-	-	394,402	8.2%	21.6%
Total Listed Portfolio Value	660,067	70,002	-	-	-	-	-	730,069	10.6%	40.0%
Listed Portfolio Value change		10.6%	0.0%	0.0%	0.0%	0.0%	0.0%	10.6%		
Private Portfolio Companies										
Late Stage	613,323	(7,916)	-	-	-	-	1,503	606,911	-1.0%	33.2%
Water Utility	432,301	5,840	-	-	-	-	847	438,989	1.5%	24.0%
Housing Development	39,921	(18,026)	-	-	-	-	656	22,551	-43.5%	1.2%
P&C Insurance	141,101	4,270	-	-	-	-	-	145,371	3.0%	8.0%
Early Stage	500,918	(40,422)	32	-	-	-	3,311	463,839	-7.4%	25.4%
Renewable Energy	151,150	32,719	-	-	-	-	848	184,717	22.2%	10.1%
Hospitality and Commercial RE	218,623	(82,756)	-	-	-	-	2,463	138,330	-36.7%	7.6%
Beverages	74,795	(14,732)	-	-	-	-	-	60,063	-19.7%	3.3%
Education	56,350	24,347	32	-	-	-	-	80,729	43.3%	4.4%
Pipeline	25,470	(3)	172	-	-	-	-	25,639	0.7%	1.4%
Auto Service	15,052	(3)	-	-	-	-	-	15,049	0.0%	0.8%
Digital Services	8,790	-	-	-	-	-	-	8,790	0.0%	0.5%
Other	1,628	-	172	-	-	-	-	1,800	10.6%	0.1%
Total Private Portfolio Value	1,139,711	(48,341)	204	-	-	-	4,814	1,096,389	-3.8%	60.0%
Private Portfolio Value change		-4.2%	0.0%	0.0%	-0.4%	0.0%	0.4%	-3.8%		100.0%
Total Portfolio Value	1,799,778	21,661	204	-	-	-	4,814	1,826,458	1.5%	
Total Portfolio Value change		1.2%	0.0%	0.0%	-0.2%	0.0%	0.3%	1.5%		

(1) Number of shares owned in GHG and BoG were 93,011,414 and 9,784,716 as of 30-Jun-20, respectively.

NAV per share developments in 1H20

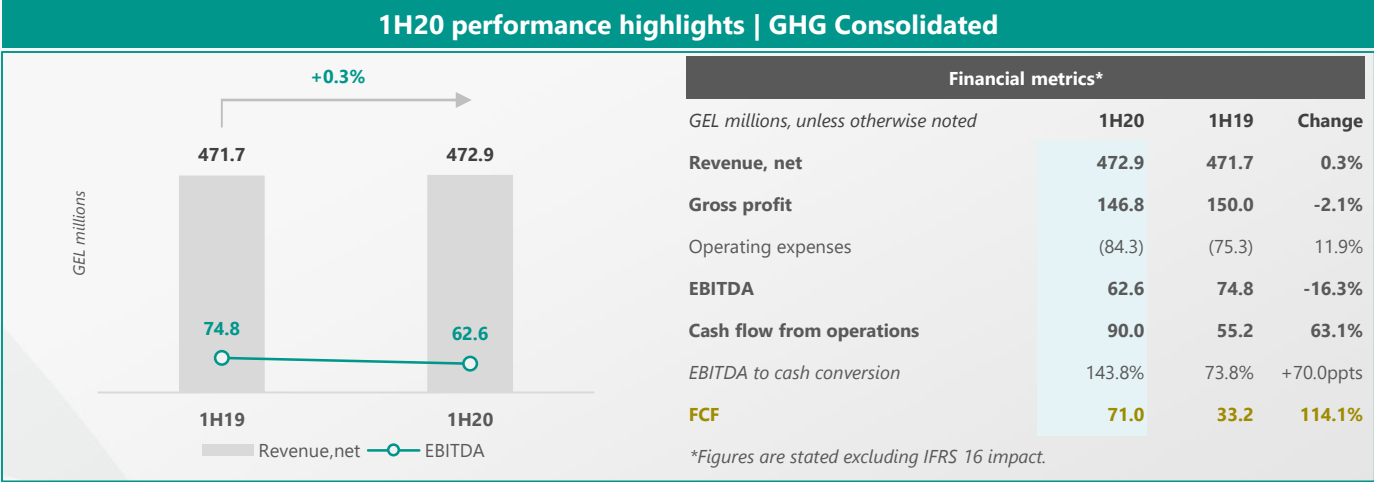
NAV per share down 32.4% in 1H20 reflecting negative impact of COVID-19



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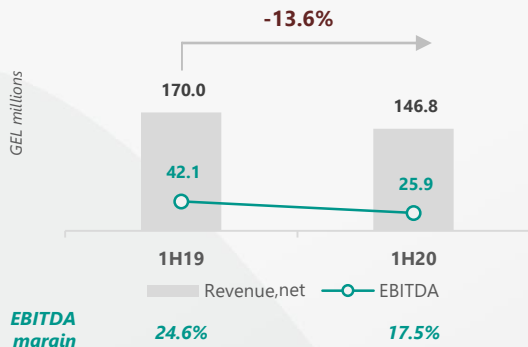
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- ### Key points
- Strong operating cash flow generation, up 63.1% y-o-y in 1H20, excluding IFRS 16 impact, with 143.8% EBITDA to cash conversion ratio
 - Free cash flow excluding IFRS 16, up 114.1% to GEL 71.0 million
 - Despite the pandemic effects y-o-y revenue remained stable, up 30 bps y-o-y in 1H20 to GEL 472.9 million
 - Improved leverage profile, with net debt down 15.1% y-o-y, from GEL 341.7 million to GEL 290.1 million

GHG overview cont'd

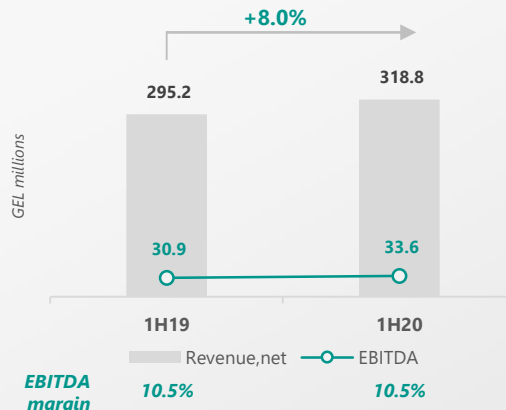
Healthcare Services*



Financial metrics

GEL millions, unless otherwise noted	1H20	1H19	Change
Revenue, net	146.8	170.0	-13.6%
Gross profit	55.8	72.0	-22.5%
Gross profit margin	37.6%	42.1%	-4.5ppts
Operating expenses	(29.9)	(29.9)	-0.1%
EBITDA	25.9	42.1	-38.4%
EBITDA margin	17.5%	24.6%	-7.1ppt
Cash flow from operations	53.6	21.2	153.4%
EBITDA to cash conversion	206.9%	50.3%	156.6ppt
FCF	33.3	10.3	223.4%

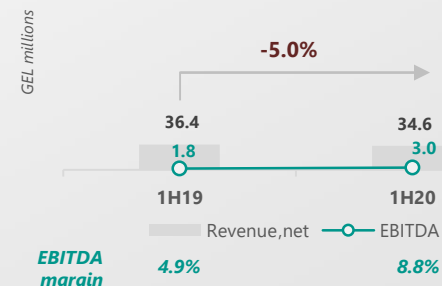
Pharmacy and Distribution*



Financial metrics

GEL millions, unless otherwise noted	1H20	1H19	Change
Revenue, net	318.8	295.2	8.0%
Gross profit	83.7	74.2	12.8%
Gross profit margin	26.3%	25.2%	1.1ppts
Operating expenses	(50.1)	(43.3)	15.6%
EBITDA	33.6	30.9	8.8%
EBITDA margin	10.5%	10.5%	NMF
Cash flow from operations	33.4	30.9	8.0%
EBITDA to cash conversion	99.3%	99.9%	-0.6ppt
FCF	33.0	30.7	7.5%

Medical Insurance*



Financial metrics

GEL millions, unless otherwise noted	1H20	1H19	Change
Net insurance premiums earned	34.6	36.4	-5.0%
Gross profit	8.0	4.5	79.5%
Operating expenses	(5.0)	(2.7)	86.3%
EBITDA	3.0	1.8	69.4%
EBITDA margin	8.8%	4.9%	3.9ppt
Net profit	2.7	1.5	77.9%
Cash flow from operations	3.0	3.1	-3.6%
EBITDA to cash conversion	99.5%	174.8%	-75.3ppt
FCF	3.8	2.6	46.0%

Water utility business overview

1H20 performance highlights

Financial metrics

<i>GEL millions, unless otherwise noted</i>	1H20	1H19	Change
Revenue	60.8	74.5	-18.5%
Of which, utility revenue	58.4	66.3	-11.9%
Of which, energy revenue	2.4	8.2	-71.4%
Operating expenses	(28.3)	(29.7)	-4.6%
EBITDA	29.6	40.4	-26.7%
Cash flow from operations	28.7	44.7	-35.8%
Development capex (incl. VAT)	(28.0)	(27.9)	0.4%
FCF	(8.4)	9.8	NMF

Operating metrics

<i>millions except for # of connections</i>	1H20	1H19	Change
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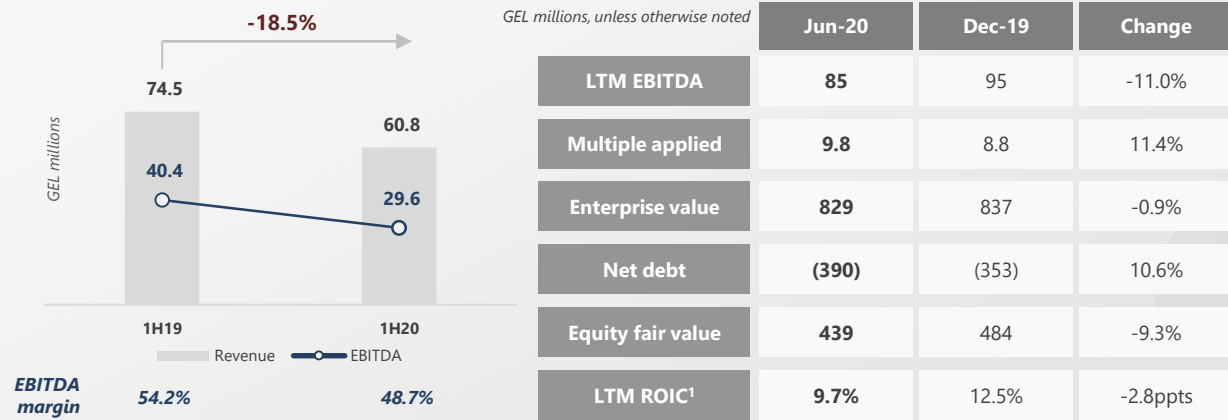
Water Utility

Water sales (m ³)	81.8	87.3	-6.3%
Self-produced electricity consumption (kwh)	85.9	86.3	-0.5%
New connections	1,425	2,313	-38.4%

Energy

Electricity generation (kwh)	115.9	168.5	-31.2%
Energy sales (kwh)	30.0	82.2	-63.5%
Electricity purchases (kwh)	18.6	18.0	3.6%

Valuation highlights | 30 June 2020



Key points

- 18.5% decrease in 1H20 revenues primarily reflecting:
 - Negative impact of reduced economic activities during COVID-19 lockdown on water sales to legal entities
 - Decreased energy revenues due to lower water inflows at Zhinvali reservoir in 1H20, down 71.4% y-o-y
- Rebound in water supply revenues starting from May-20, gradually normalising at prior year's levels
 - Jul-20 water supply revenues at GEL 12.5 million, up 11.7% over June 2020 and down only 5.5% y-o-y
- 1H20 cash collection rates for both residential and legal customers remained strong at c. 100%

(1) ROIC is calculated as EBITDA less depreciation, plus divided by average amount of total equity and borrowed fund.

Housing development business overview

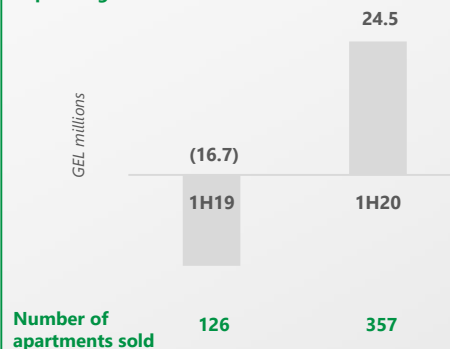
1H20 performance highlights

Financial metrics

<i>GEL millions, unless otherwise noted</i>	1H20	1H19	Change
Apartments sales revenue	33.9	16.6	NMF
Construction revenue	21.6	21.7	0.3%
Operating expenses	(6.8)	(6.8)	-1.4%
EBITDA	3.9	(2.1)	NMF
Cash flow from operations	24.5	(16.7)	NMF

Valuation highlights | 30 June 2020

Operating cash flow



GEL millions, unless otherwise noted

	Jun-20	Dec-19	Change
Enterprise value	182	205	-11.1%
Net debt	(159)	(161)	-0.9%
Equity fair value	23	44	-48.6%
Dividends (lifetime)	152	152	NMF

➤ *The cost of equity increased and the expected cash inflows from the pipeline projects decreased as a result of COVID-19 related uncertainties, leading to GEL 22.0 million negative value creation in 1H20.*

Ongoing residential projects² update

	YTD Jun-20		Project to date Jun-20	
	Digomi	Sveti	Digomi	Sveti
Sq.m. of apartments sold	14,251	6,805	34,625	6,805
Sq.m. sold as % of total available space (apartments)	59%	4.2%	59%	4.2%
IFRS revenue recognition	36%	26%	36%	26%
Total sales value (US\$ m)	11.8	4.1	33.2	4.1
<i>Cash received (US\$ m)¹</i>	<i>13.8</i>	<i>3.6</i>	<i>21.4</i>	<i>3.6</i>
Price per square meter US\$	832	602	958	602

(1) Includes cash inflows from sales during prior periods.

(2) Digomi project has 2 on-going stages and Sveti – 3 on-going stages.

Key points

- Strong project execution driving 1H20 gross profit from apartment sales, up almost 4x to GEL 7.6 million
 - Sales progress reached 97% and 36% of sales value on Stage I and II of Digomi project, respectively
 - Launch of new project Sveti with c. 165,541 sq.m. of sellable area, adding US\$ 4.4 million to 1H20 revenues
- 1H20 operating cash flow rebounded to GEL 24.5 million (negative GEL 16.7 million in 1H19), reflecting:
 - Strong cash collection rates in the on-going Sveti and Digomi projects: 65% and 87%, respectively
 - Cash optimisation measures driving 42% decrease in cash spending on operating expenses
- Record high apartment sales in July, benefiting from the launch of the interest rate subsidy program

P&C Insurance business overview

1H20 performance highlights

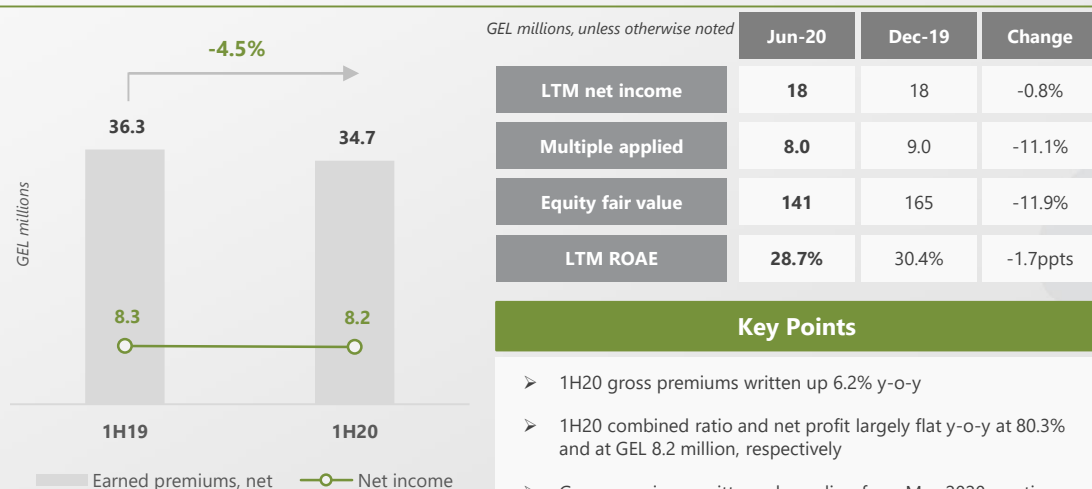
Financial metrics

<i>GEL millions, unless otherwise noted</i>	1H20	1H19	change
Gross premiums written	56.0	52.7	6.2%
Earned premiums, net	34.7	36.3	-4.5%
Operating expenses	(8.2)	(8.3)	-1.1%
Net income	8.2	8.3	-1.8%
Cash flow from operations	9.9	14.7	-32.5%

Key ratios

	1H20	1H19	change
Combined ratio	80.3%	80.2%	0.1ppts
Expense ratio	36.4%	38.6%	-2.1ppts
Loss ratio	43.8%	41.6%	2.2ppts
ROAE	24.9%	28.3%	-3.4ppts

Valuation highlights | 30 June 2020



Renewable energy business overview

1H20 performance highlights

Financial metrics

GEL millions, unless otherwise noted	1H20	1H19	Change
Revenue	18.9	2.4	NMF
Of which, Mestiachala	5.7	2.4	NMF
Of which, Hydrolea	3.8	-	NMF
Of which, Qartli Wind Farm	9.3	-	NMF
Operating expenses	(4.8)	(0.9)	NMF
EBITDA	14.1	1.5	NMF
Cash flow from operations	17.7	(0.6)	NMF
Of which BI reimbursement	9.7	-	NMF
CAPEX	22.0	18.5	18.7%

Operating metrics

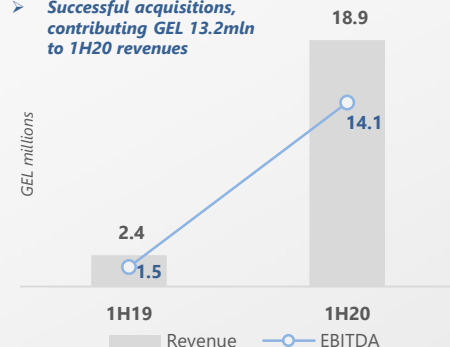
	1H20	1H19	Change
Generation (Gwh)	98.7	114.5	-13.8%
Mestiachala (Gwh)	25.7	28.1	-8.6%
Of which, Mestiachala I	-	9.6	NMF
QWF (Gwh)	46.6	39.8	17.2%
Hydrolea (Gwh)	26.4	46.5	-43.4%
Of which, Akhmeta	0.1	18.4	-99.2%

➤ **As part of the acquisition agreement, Akhmeta HPP was taken offline in the beginning of January for rehabilitation works and became operational in July 2020.**

➤ **Mestiachala | has been taken offline in Jul-19, following the flood damage.**

Valuation highlights | 30 June 2020

➤ **Successful acquisitions, contributing GEL 13.2mln to 1H20 revenues**



EBITDA margin

1H19: 62.0% 1H20: 74.6%

GEL millions, unless otherwise noted

	Jun-20	Dec-19	Change
Equity Fair value (GCAP share)	185	107	73.0%
Net debt	(271)	(239)	13.3%
GCAP ownership	100%	65%	35ppts

➤ **Hydrolea HPPs and Qartli wind farm were valued using run-rate EBITDA earnings and related EV/EBITDA multiple, resulting in GEL 32.7 million value creation.**

Key points

- **The strong and resilient 1H20 results despite the pandemic, primarily reflecting:**
 - Successful acquisitions, contributing GEL 13.2 million to 1H20 revenues with 78% EBITDA margin
 - Electricity sales price increase leading to 23.2% y-o-y like-for-like¹ growth in 1H20 revenues
- 1H20 operating cash flow at GEL 17.7 million (up from GEL (0.6) million in 1H19)
 - GEL 9.7 million insurance proceeds in 1H20, fully reimbursing for 2019 revenues of 50MW Mestiachala HPPs

(1) Like-for-like y-o-y growth numbers, including the revenues generated by Hydrolea HPPs and Qartli wind farm prior to their acquisitions (acquired in 4Q19).

Hospitality & Commercial Real Estate business overview

1H20 performance highlights

Financial metrics²

<i>GEL millions, unless otherwise noted</i>	1H20	1H19	Change
Revenue	9.0	7.2	25.9%
Revaluation of commercial and hospitality properties	(117.6)	7.9	NMF
EBITDA	(117.6)	9.5	NMF
Operating expenses	(3.2)	(1.9)	70.2%
Cash flow from operations	(1.5)	0.3	NMF

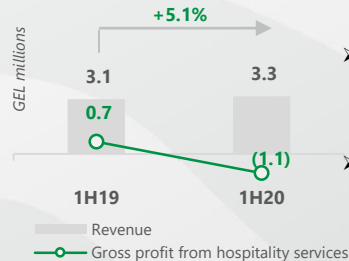
Valuation highlights

	Jun-20	Dec-19	Change
NAV	138	246	-43.7%
LTM ROIC	-23.7%	6.5%	-30.2ppts

Hospitality highlights

GEL millions, unless otherwise noted

	Jun-20	Dec-19	Change
NAV	61	159	-61.6%
LTM ROIC ¹	-36.5%	5.3%	-41.8ppts



- In light of the COVID-19 outbreak, operations at the existing two hotels were suspended since mid-March and both hotels are rented to the government for quarantine, while constructions of new hotels were put on hold
- GEL 98.1 million revaluation loss on hotels in 1H20, reflecting COVID-19 impact

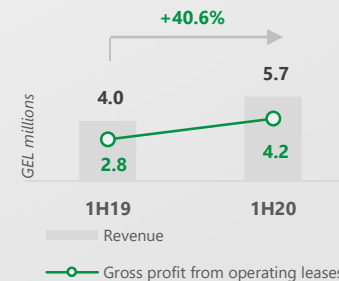
Commercial Real Estate highlights

Operating metrics

	1H20	1H19	Change
Commercial Real Estate portfolio, US\$	38.7	42.5	-9.0%
Gross yield (leased portfolio)	9.2%	9.2%	-0.1ppts
Occupancy rate	89.9%	84.7%	+5.2ppts
Leased area (sq.m.)	34,428	26,163	31.6%

GEL millions, unless otherwise noted

	Jun-20	Dec-19	Change
NAV	77	86	-10.5%
LTM ROIC ¹	-3.4%	8.9%	-12.3ppts



- 1H20 occupancy rates remained high at 89.9% in commercial real estate (84.7% in 1H19)
- 1H20 monthly cash collection rates for commercial real estate remained strong at c. 95%+
- GEL 19.5 million revaluation loss commercial real estate in 1H20, reflecting COVID-19 impact

(1) ROIC is calculated as NOI divided by aggregate amount of total equity and borrowed funds.

(2) Hospitality & Commercial real estate business' functional currency is US dollars.

Beverages business overview

1H20 performance highlights

Wine Business

Financial metrics

GEL millions, unless otherwise noted	1H20	1H19	Change
Revenue	15.1	17.3	-12.6%
Gross profit margin	36.4%	45.3%	-8.9ppts
Operating expenses	(4.2)	(4.8)	-11.9%
EBITDA	1.3	3.0	-57.9%
Operating cash flow	4.5	1.8	NMF

Operating metrics

Wine sales bottles ('000)	2,354	2,608	-9.7%
Of which, export sales ('000)	2,118	2,093	1.2%
Export share (%)	90.0%	80.3%	9.7ppts
Average price per bottle US\$	2.30	2.61	-11.8%

Beer Business

Financial metrics

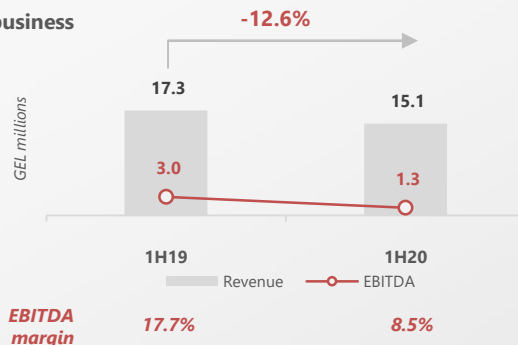
GEL millions, unless otherwise noted	1H20	1H19	Change
Revenue	21.1	18.2	15.7%
Operating expenses	(6.7)	(11.3)	-41.2%
EBITDA	-	(6.5)	NMF
Operating cash flow	2.4	(8.8)	NMF

Operating metrics

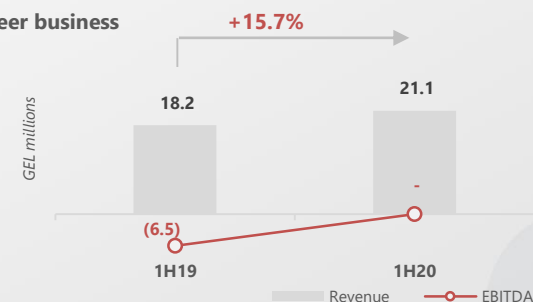
Beer sales liters ('000)	11,672	8,464	37.9%
Lemonade sales liters ('000)	1,238	1,148	7.8%
Average price per liter GEL	2.27	2.39	-5.0%

Valuation highlights | 30 June 2020

Wine business



Beer business



➤ **Beverages equity fair value at GEL 60.1 million as at 30 June 2020, down by 31.1% in 1H20**

➤ Wine businesses valued using LTM EV/EBITDA methodology, while beer business is valued with LTM EV/sales

Key Points

Wine business

- Export sales volume largely flat y-o-y at 2.1 million bottles
- 1H20 revenues down 12.6% y-o-y, reflecting 13.3% decrease in average sales price on export markets
- Wine sales rebounded from June to 22.8% y-o-y growth in revenues, with y-o-y growth accelerating to 32.7% in July
- 1H20 operating cash flow up from GEL 1.8 million to GEL 4.5 million

Beer business

- Strong beer sales leading to sustainable 22% market share in 1H20 (up from 17.5% in 1H19)
- Local sales volume up 30% y-o-y driven by increased consumption during the lockdown
- 1H20 EBITDA at break-even level, while 1H20 operating cash flow was GEL 2.4 million

Education business overview

1H20 performance highlights

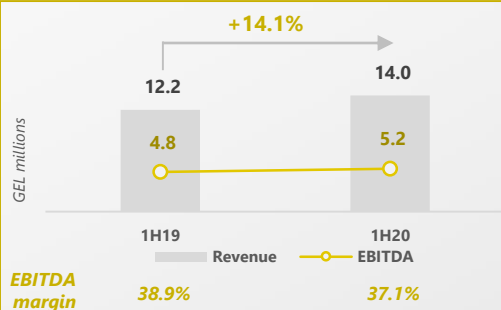
Financial metrics

<i>GEL millions, unless otherwise noted</i>	1H20	1H19	Change
Revenue	14.0	12.2	14.1%
EBITDA	5.2	4.8	8.8%
EBITDA margin	37.1%	38.9%	-1.8ppts
Cash flow from operations	4.9	6.3	-23.2%

Operating metrics

	1H20	1H19	Change
Capacity utilization	89.8%	85.9%	+3.9ppts
Number of learners	2,524	2,379	6.1%
Learner to teacher ratio	8.9	9.1	-2.5%
Revenue per learner (GEL)	9,515	8,923	6.6%

Valuation highlights | 30 June 2020



- Education was valued using **LTM EV/EBITDA at GEL 80.7 million** at 30 June 2020.
- As a result of stable operating performance across all three schools, **the business created GEL 24.3 million value for GCAP from the first-time revaluation in 1H20.**

Key points

- 14.1% y-o-y increase in 1H20 revenues to GEL 14.0 million
- 6.1% increase in total enrollments to 2,524 learners
- EBITDA up by 8.8% y-o-y to GEL 5.2 million in 1H20
- 1H20 EBITDA margin remained strong at 37.1% (down 1.8ppts y-o-y), as the schools successfully transitioned to a distance learning framework during COVID-19

Auto service (PTI, Amboli & Car trading) overview

1H20 performance highlights

Financial metrics

<i>GEL millions, unless otherwise noted</i>	1H20	1H19	Change
Revenue	16.0	5.3	NMF
Gross profit	3.8	3.0	25.4%
Operating expenses	(3.1)	(2.4)	29.1%
EBITDA	0.7	0.6	10.9%
Operating cash flow	(1.4)	(0.1)	NMF

Operating metrics | PTI

Number of inspection lines

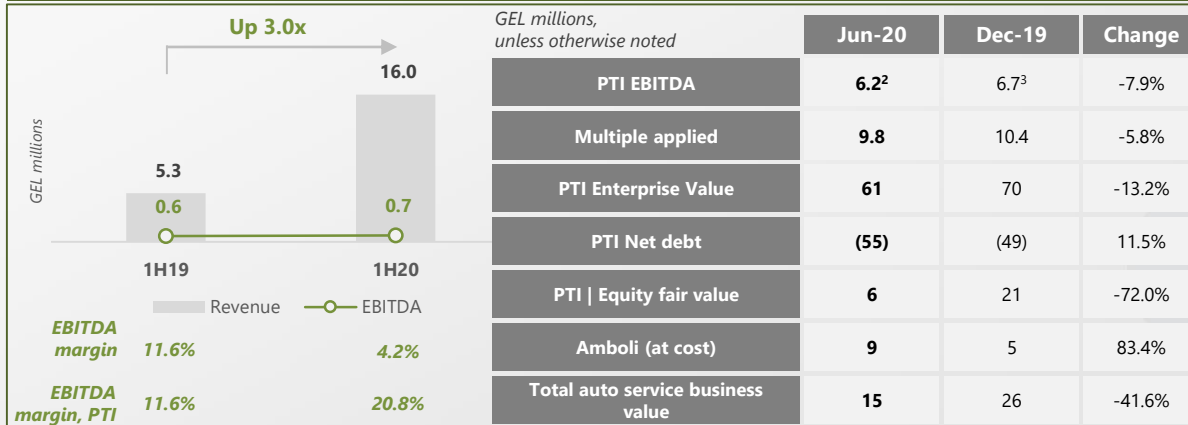
51

Market share¹

34%

	1H20	1H19	Change
Cars serviced	100,400	140,338	-28.5%
<i>of which, primary</i>	<i>73,091</i>	<i>101,513</i>	<i>-28.0%</i>
<i>of which, secondary</i>	<i>27,309</i>	<i>38,825</i>	<i>-29.7%</i>

Valuation highlights | 30 June 2020



Key points

- Mandatory testing suspended during lockdown leading to number of cars serviced down 28.5% y-o-y
- Strong rebound observed starting from Jun-20, while Jul-20 PTI revenues were up 24.5% y-o-y and Jul-20 Amboli revenues were up 4.8x y-o-y

(1) Based on cars serviced.

(2) 12-month EBITDA consisting of 2H19 and 1H21E.

(3) Combination of the last six months and the next six months earnings as of 31 December 2019.

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GGU issued US\$ 250 million green bonds

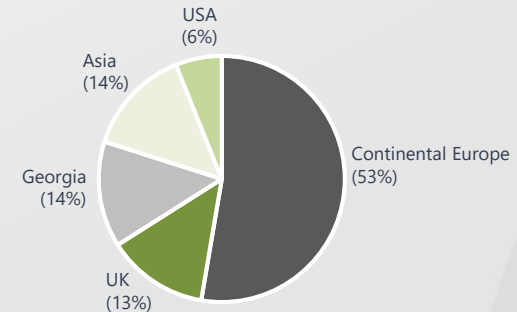
First-ever Green Bonds from Georgia

- Considerable interest from investors, demonstrating our superior access to capital even during the current challenging times.
- The issuance of the bonds significantly improves the financial flexibility of GGU and enhances its liquidity profile, contributing to the healthy growth of the business.

Issuance details

Notes:	US\$ 250 million, 5NC2, 7.75% Green Bonds
Listing:	Irish Stock Exchange
Notes rating:	B+ (Stable) by Fitch / B (Positive) by S&P
Sole bookrunner, Green structuring agent, Development finance structuring agent:	J.P. Morgan
Co-manager:	TBC Capital
Second party opinion provider:	Sustainalytics, a leading provider of environmental, social and governance (ESG) research and analysis, for its Green Bond Framework
Demand:	Book was oversubscribed c. 1.5x (order of up to US\$ 380m)
Call option:	Bonds can be called after 2 years at 103.875%

Allocation by geography



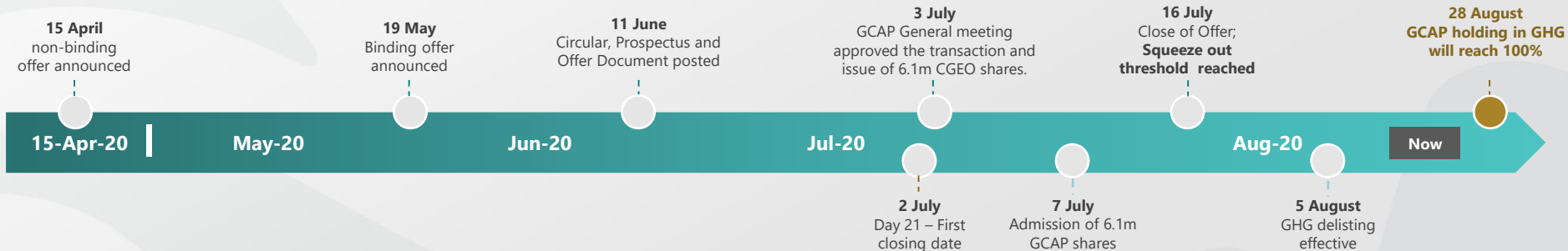
Recommended final share exchange offer for GHG shareholders

Final share exchange offer for GHG shareholders now complete and our holding in GHG will reach 100% on 28 August 2020

- **Further strengthening GCAP private portfolio with three strong overarching free cash flow generative businesses**, being Healthcare Services, Pharmacy and Distribution, and Medical Insurance.
- **We expect to value each of these three businesses separately in the next quarters**, with the valuation to be performed by an external worldwide recognized valuation firm.
- By taking GHG private, the share of listed assets in our portfolio decreases to c. 20%, which is in line with our strategic priority announced at the investor day last year.



Transaction milestones



GHG agreed terms to sell HTMC hospital

➤ **Divestment of one of the lowest return generating hospital, improving GHG's ROIC and leverage profile**

US\$ 12mln



Total cash consideration

40%



Equity stake to be sold in HTMC,
subject to regulatory approvals



Transaction overview

- On 19 August 2020, GHG's signed a Sales and Purchase Agreement ("SPA") to sell a 40% equity interest in High Technology Medical Centre University Clinic ("HTMC"), subject to regulatory approvals.
- Due to the HTMC's current shareholding structure (GHG owns 50%, while the other 50% is held by an individual shareholder and current CEO of the hospital) GHG has had less control on the Hospital's operations.
- The remaining 10% interest is also intended to be disposed in the coming months.
- The buyer, Tbilisi State Medical University, intends to use HTMC as teaching platform.
- HTMC, had 13.0% and 9.8% share in the total healthcare services business' assets and EBITDA, respectively, in 2019.

Transaction rationale

- **In line with GHG's strategy to dispose low return generating assets** - the transaction materially improves the healthcare services business ROIC - on a pro-forma basis, increasing FY19 ROIC by 90bps.
- **Improving leverage profile** - the total cash consideration of US\$ 12mln (GEL 36.8mln) will be used to reduce net debt position and improve leverage ratio:
 - the cost of GEL-denominated debt at c. 11.5% vs. HTMC ROIC of 3.4%.

Wrap up

Rapid recovery hinting on sustainable NAV per share growth in the coming quarters

Well-managed response to the pandemic throughout the country

Continued delivery on our strategic priorities

Defensive portfolio with diversified revenue streams and strong cash flows

Rapid recovery in profitability at the end of lockdown

Cash accumulation and preservation strategy successfully brought forward

COVID-19 impact

As presented
in 1Q20

Level of resilience across our portfolio

High

 Water Utility	 P&C Insurance	 Renewable Energy
 GHG	 Education	 Beverages

Medium

 Housing Development	 Digital Services
 Auto Service	 Commercial Real Estate

Low

 Hospitality
--



Having focused on financial discipline well before COVID-19, our portfolio companies entered this crisis well-prepared and remain well-positioned to emerge stronger from the outbreak.

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1H20 performance highlights

Georgia Capital NAV overview

GEL thousands, except per share information

	30-Jun-20	31-Dec-19	Change (y-o-y)
NAV per share, GEL	31.67	46.84	-32.4%
Net Asset Value (NAV)	1,197,503	1,753,868	-31.7%
Total portfolio value	1,826,458	2,253,083	-18.9%
Liquid assets & loans issued	280,071	363,773	-23.0%
Net debt	(632,550)	(493,565)	28.2%

Georgia Capital performance

GEL thousands

	1H20	1H19	Change (y-o-y)
Total portfolio value creation	(482,736)	346,585	NMF
<i>of which, listed businesses</i>	<i>(297,745)</i>	<i>245,817</i>	<i>NMF</i>
<i>of which, private businesses</i>	<i>(184,991)</i>	<i>100,768</i>	<i>NMF</i>
Investments	55,989	63,241	-11.5%
Share buybacks	6,033	59,935	-89.9%
Dividend income	4,927	55,667	-91.1%
Net income (loss)	(564,840)	305,625	NMF
Aggregated revenue, portfolio companies*	738,466	683,221	8.1%
Aggregated operating cash flow, portfolio companies*	179,774	91,733	96.0%

* Aggregated stand-alone IFRS operating cash flow and revenue of portfolio companies with controlling stakes: private businesses and GHG (GHG's cash flow excl. IFRS 16).

Value creation in 1H20

Portfolio Businesses	Operating Performance	Greenfields	Multiple Change and FX	Value Creation
<i>GEL thousands</i>	(1)	(2)	(3)	(1) + (2) + (3)
Listed				(297,745)
GHG				(94,412)
BoG				(203,333)
Private	(268,932)	55,482	28,459	(184,991)
Late Stage	(156,187)	-	68,613	(87,574)
Water Utility	(130,175)	-	84,111	(46,064)
Housing Development	(24,784)	-	2,826	(21,958)
P&C Insurance	(1,228)	-	(18,324)	(19,552)
Early Stage	(105,017)	57,067	(32,974)	(80,924)
Renewable Energy	4,927	32,720	-	37,647
Hospitality & Commercial Real Estate	(101,625)	-	(9,202)	(110,827)
Beverages	(8,319)	-	(23,772)	(32,091)
Education	-	24,347	-	24,347
Pipeline	(7,728)	(1,585)	(7,180)	(16,493)
Auto Service	(7,728)	-	(7,180)	(14,908)
Other	-	(1,585)	-	(1,585)
Total Portfolio	(268,932)	55,482	28,459	(482,736)

Total portfolio value change in 1H20

➤ Total portfolio value down 18.9% to GEL 1.8 billion, mainly reflecting negative impact of COVID-19 on listed asset prices and valuations of private assets

<i>GEL thousands unless otherwise noted</i>	Dec-19	1. Value creation	2a. Investments	2b. Buybacks	2c. Dividends	3. Operating expenses	4. Liquidity management/ FX /Other	Jun-20	Change %	Share in total portfolio
Listed Portfolio Companies										
GHG ¹	430,079	(94,412)	-	-	-	-	-	335,667	-22.0%	18.4%
BoG ¹	597,735	(203,333)	-	-	-	-	-	394,402	-34.0%	21.6%
Total Listed Portfolio Value	1,027,814	(297,745)	-	-	-	-	-	730,069	-29.0%	40.0%
Listed Portfolio Value change		-29.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-29.0%		
Private Portfolio Companies										
Late Stage	692,746	(87,574)	-	-	-	-	1,739	606,911	-12.4%	33.2%
Water Utility	483,970	(46,064)	-	-	-	-	1,083	438,989	-9.3%	24.0%
Housing Development	43,853	(21,958)	-	-	-	-	656	22,551	-48.6%	1.2%
P&C Insurance	164,923	(19,552)	-	-	-	-	-	145,371	-11.9%	8.0%
Early Stage	495,827	(80,924)	50,553	-	(4,927)	-	3,310	463,839	-6.5%	25.4%
Renewable Energy	106,800	37,647	44,350	-	(4,927)	-	847	184,717	73.0%	10.1%
Hospitality and Commercial RE	245,558	(110,827)	1,136	-	-	-	2,463	138,330	-43.7%	7.6%
Beverages	87,119	(32,091)	5,035	-	-	-	-	60,063	-31.1%	3.3%
Education	56,350	24,347	32	-	-	-	-	80,729	43.3%	4.4%
Pipeline	36,696	(16,493)	5,436	-	-	-	-	25,639	-30.1%	1.4%
Auto Service	25,757	(14,908)	4,200	-	-	-	-	15,049	-41.6%	0.8%
Digital Services	8,790	-	-	-	-	-	-	8,790	0.0%	0.5%
Other	2,149	(1,585)	1,236	-	-	-	-	1,800	-16.2%	0.1%
Total Private Portfolio Value	1,225,269	(184,991)	55,989	-	(4,927)	-	5,049	1,096,389	-10.5%	60.0%
Private Portfolio Value change		-15.1%	4.6%	0.0%	-0.4%	0.0%	0.4%	-10.5%		100.0%
Total Portfolio Value	2,253,083	(482,736)	55,989	-	(4,927)	-	5,049	1,826,458	-18.9%	
Total Portfolio Value change		-21.4%	2.5%	0.0%	-0.2%	0.0%	0.2%	-18.9%		

(1) Number of shares owned in GHG and BoG were 93,011,414 (Dec-19: 93,011,414) and 9,784,716 (Dec-19: 9,784,716) as of 30-Jun-20, respectively.

Maturity profile across portfolio companies

Gross debt maturity as of 30 June 2020¹

<i>Gel millions, unless otherwise noted</i>	2H20	2021	2022	2023	2024	2024+	Total
GHG	70	94	181	33	77	-	455
Late Stage	-	29	121	2	31	481	664
Water Utility	-	-	-	-	-	477	477
Housing development ²	-	29	121	2	31	4	187
P&C Insurance	-	-	-	-	-	-	-
Early Stage	7	144	43	35	51	375	655
Renewable Energy	-	-	-	-	-	287	287
Hospitality	1	27	9	10	26	45	118
Commercial Real Estate ³	-	92	-	-	-	-	92
Wine	5	5	9	9	9	17	54
Beer	-	17	22	12	13	19	83
Education	1	3	3	4	3	7	21
Pipeline	3	6	7	7	14	17	54
Auto Service	3	6	7	7	14	17	54
Total	80	273	352	77	173	873	1,828

- All existing loans of Water Utility and Renewable Energy were refinanced by GGU's green bond, shifting principal payments through 2020-2023 to 2024+
- Beer business' loan terms renegotiated, shifting principal payments from 2H20 to the following years

(1) Principal repayments as of 30 June 2020, considering green bonds issued by GGU in July 2020.

(2) A 3-year US\$ 35 million bonds issued on the local market in Oct-19 with a 7.5% annual coupon rate, maturing in Oct-22.

(3) A 3-year US\$ 30 million bonds issued on the local market in 2019 with a 7.5% annual coupon rate, maturing in Dec-21. Bonds are backed by commercial real estate.

NAV Statement | 1H20



<i>GEL '000, unless otherwise noted</i>	Dec-19	1. Value creation	2a. Investments	2b. Buybacks	2c. Dividends	3. Operating expenses	4. Liquidity mgmt./FX/Other	Jun-20	Change %
Listed Portfolio Companies									
GHG ⁽¹⁾	430,079	(94,412)	-	-	-	-	-	335,667	-22.0%
BoG ⁽¹⁾	597,735	(203,333)	-	-	-	-	-	394,402	-34.0%
Total Listed Portfolio Value	1,027,814	(297,745)	-	-	-	-	-	730,069	-29.0%
Listed Portfolio value change %		-29.0%	-	-	-	-	-	-29.0%	
Private Portfolio Companies									
Late Stage									
Water Utility	483,970	(46,064)	-	-	-	-	1,083	438,989	-9.8%
Housing Development	43,853	(21,958)	-	-	-	-	656	22,551	-48.6%
P&C Insurance	164,923	(19,552)	-	-	-	-	-	145,371	-11.9%
Early Stage	495,827	(80,924)	50,553	-	(4,927)	-	3,310	463,839	-6.5%
Renewable Energy	106,800	37,647	44,350	-	(4,927)	-	847	184,717	73.0%
Hospitality & Commercial RE	245,558	(110,827)	1,136	-	-	-	2,463	138,330	-43.7%
Beverages	87,119	(32,091)	5,035	-	-	-	-	60,063	-31.1%
Education	56,350	24,347	32	-	-	-	-	80,729	43.3%
Pipeline	36,696	(16,493)	5,436	-	-	-	-	25,639	-30.1%
Auto Service	25,757	(14,908)	4,200	-	-	-	-	15,049	-41.6%
Digital Services	8,790	-	-	-	-	-	-	8,790	0.0%
Other	2,149	(1,585)	1,236	-	-	-	-	1,800	-16.2%
Total Private Portfolio Value	1,225,269	(184,991)	55,989	-	(4,927)	-	5,049	1,096,389	-10.5%
Private Portfolio value change %		-15.1%	4.6%	-	-0.4%	-	-	-10.5%	
Total Portfolio Value (1)	2,253,083	(482,736)	55,989	-	(4,927)	-	5,049	1,826,458	-18.9%
Total Portfolio value change %		-21.4%	2.5%	-	-0.2%	-	-	-18.9%	
Net Debt (2)									
of which, Cash and liquid funds	211,889	-	(56,674)	(5,746)	4,927	(8,312)	(73,180)	(632,550)	28.2%
of which, Loans issued	151,884	-	-	-	-	-	(18,543)	133,341	-12.2%
of which, Gross Debt	(857,338)	-	-	-	-	-	(55,283)	(912,621)	6.4%
Net other assets/ (liabilities) (3)									
of which, share-based comp.	(5,650)	-	685	(287)	-	(6,268)	15,115	3,595	-163.6%
	-	-	-	-	-	(6,268)	6,268	-	0.0%
Net Asset Value (1)+(2)+(3)	1,753,868	(482,736)	-	(6,033)	-	(14,580)	(53,016)	1,197,503	-31.7%
NAV change %		-27.5%	-	-0.3%	-	-0.8%	-3.0%	-31.7%	
Shares outstanding	37,441,971	-	-	222,956.0	-	-	147,002.0	37,811,929	1.0%
Net Asset Value per share	46.84	(12.9)	-	(0.4)	-	(0.4)	(1.5)	31.7	-32.4%
NAV per share change %		-27.5%	-	-0.9%	-	-0.8%	-3.1%	-32.4%	

(1) Number of shares owned in GHG and BoG were 93,011,414 and 9,784,716 as of 30-Jun-20, respectively.

NAV Statement | 2Q20



<i>GEL '000, unless otherwise noted</i>	Mar-20	1. Value creation	2a. Investments	2b. Buybacks	2c. Dividends	3. Operating expenses	4b. Liquidity mgmt./FX/Other	Jun-20	Change %
Listed Portfolio Companies	660,067	70,002	-	-	-	-	-	730,069	10.6%
GHG ¹	295,455	40,212	-	-	-	-	-	335,667	13.6%
BoG ¹	364,612	29,790	-	-	-	-	-	394,402	8.2%
Private Portfolio Companies	1,139,711	(48,340)	204	-	-	-	4,814	1,096,389	-3.8%
Late Stage	613,323	(7,916)	-	-	-	-	1,504	606,911	-1.0%
Water Utility	432,301	5,840	-	-	-	-	848	438,989	1.5%
Housing Development	39,921	(18,026)	-	-	-	-	656	22,551	-43.5%
P&C Insurance	141,101	4,270	-	-	-	-	-	145,371	3.0%
Early Stage	500,918	(40,421)	32	-	-	-	3,310	463,839	-7.4%
Renewable Energy	151,150	32,720	-	-	-	-	847	184,717	22.2%
Hospitality & Commercial RE	218,623	(82,756)	-	-	-	-	2,463	138,330	-36.7%
Beverages	74,795	(14,732)	-	-	-	-	-	60,063	-19.7%
Education	56,350	24,347	32	-	-	-	-	80,729	43.3%
Pipeline	25,470	(3)	172	-	-	-	-	25,639	0.7%
Auto Service	15,052	(3)	-	-	-	-	-	15,049	0.0%
Digital Services	8,790	-	-	-	-	-	-	8,790	0.0%
Other	1,628	-	172	-	-	-	-	1,800	10.6%
Total Portfolio Value (1)	1,799,778	21,662	204	-	-	-	4,814	1,826,458	1.5%
Net Debt (2)	(659,596)	-	(889)	-	-	(3,934)	31,869	(632,550)	-4.1%
<i>of which, Cash and liquid funds</i>	170,109	-	(889)	-	-	(3,934)	(18,556)	146,730	-13.7%
<i>of which, Loans issued</i>	135,878	-	-	-	-	-	(2,537)	133,341	-1.9%
<i>of which, Gross Debt</i>	(965,583)	-	-	-	-	-	52,962	(912,621)	-5.5%
Net other assets/ (liabilities) (3)	(2,846)	-	685	(287)	-	(2,636)	8,679	3,595	NMF
<i>Of which, share-based comp.</i>	-	-	-	-	-	(2,636)	2,636	-	0.0%
Net Asset Value (1)+(2)+(3)	1,137,336	21,662	-	(287)	-	(6,570)	45,362	1,197,503	5.3%
NAV change %		1.9%	-	0.0%	-	-0.6%	4.0%	5.3%	
Shares outstanding	37,686,056	-	-	(21,129)	-	-	147,002	37,811,929	0.3%
Net Asset Value per share	30.18	0.57	-	0.01	-	-0.17	1.08	31.67	4.9%
NAV per share change %		1.9%	-	0.0%	-	-0.6%	3.6%	4.9%	

(1) Number of shares owned in GHG and BoG were 93,011,414 and 9,784,716 as of 30-Jun-20, respectively.