

# 3Q22 & 9M22 RESULTS CALL PRESENTATION

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9 NOVEMBER 2022



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## KEY DEVELOPMENTS IN 3Q22

1

NAV PER SHARE (GEL) UP 8.2% IN 3Q22, UP 25.5% IN GBP TERMS

2

GEL 32.0 MILLION REGULAR DIVIDED INCOME IN 3Q22 (GEL 84.5 MILLION TO DATE, INCLUDING GEL 18.1 MILLION INTERIM DIVIDENDS COLLECTED FROM BOG IN OCT-22)

3

US\$ 102 MILLION GCAP EURO BONDS RE-PURCHASED TO DATE, OF WHICH, US\$ 65 MILLION WERE CANCELLED IN OCT-22

4

NCC RATIO DOWN 2.6 PPTS TO 24.4% AT 30-SEP-22 (DOWN TO 22.2% AT 8-NOV-22)

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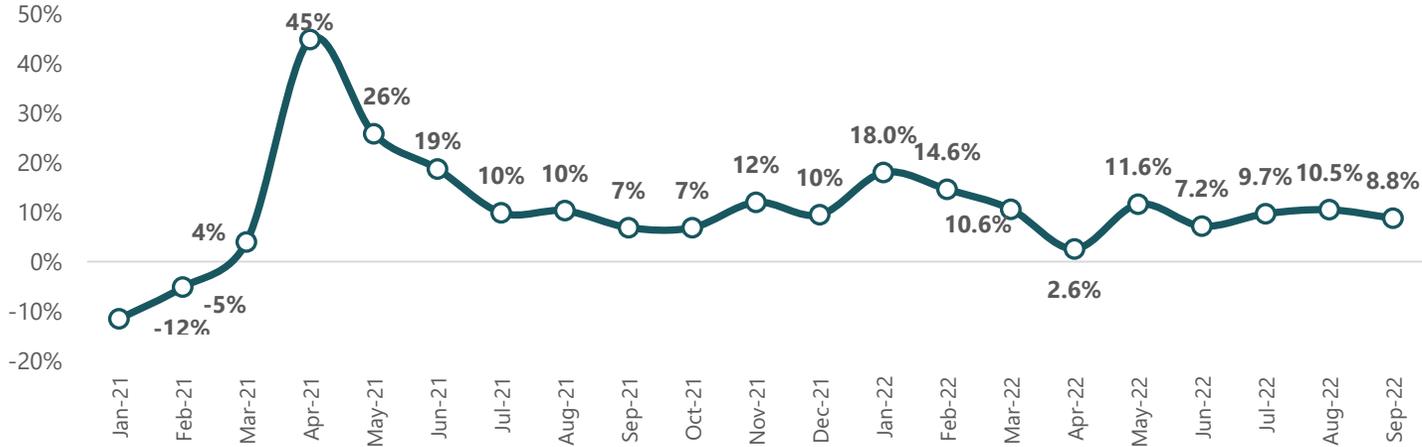
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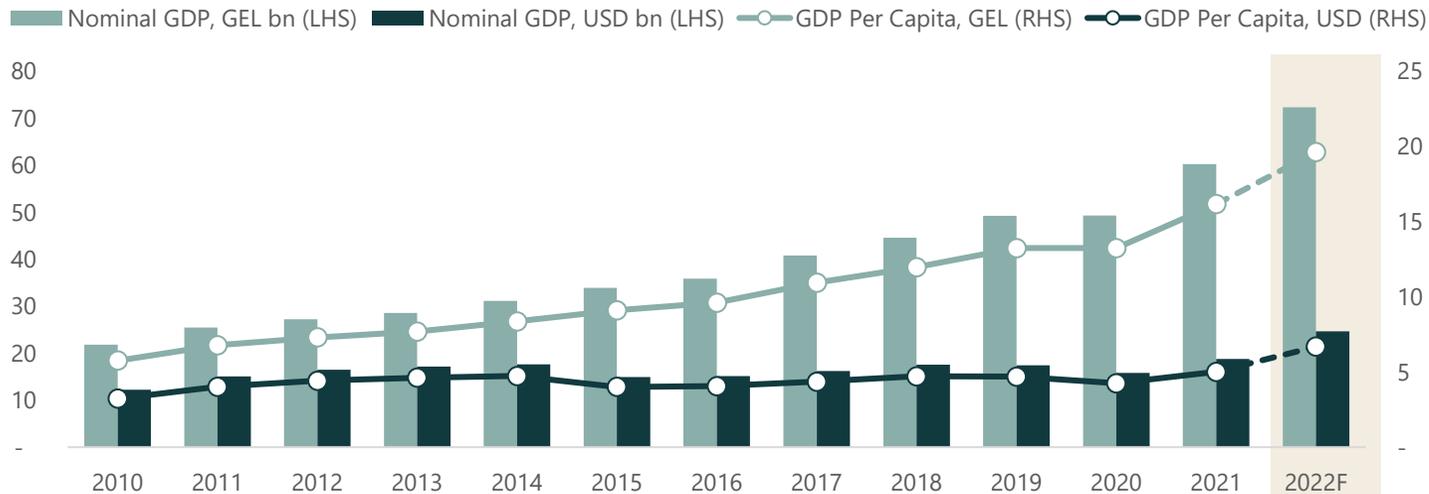
# REAL GDP CONTINUING DOUBLE-DIGIT GROWTH IN 2022



## REAL GDP UP 10.2% Y-O-Y IN 9M22



## NOMINAL GDP IS EXPECTED TO ACCELERATE BOTH IN GEL AND USD TERMS



## REAL GDP UP 10.2% Y-O-Y IN 9M22

### KEY DRIVERS

- Strong external demand supplemented by the migration effect, as remittance inflows grew by 65% y-o-y in 9M22 on the back of a surge in inflows from Russia, while merchandise exports increased by 37% y-o-y in 9M22, and tourism revenues reached 98% of 2019 levels in 9M22, including 122% in July-September;
- Continued credit expansion despite the tight monetary stance (up 13.7% y-o-y in September w/o the exchange rate effect) both in retail and business sectors, aiding economic activity;
- Current expenditures growing by 9% y-o-y and capital expenditures expanding by 15% y-o-y in 9M22, facilitated by a 27% growth in fiscal revenues;
- Strong consumer and business sentiment supporting spending and investment decisions.

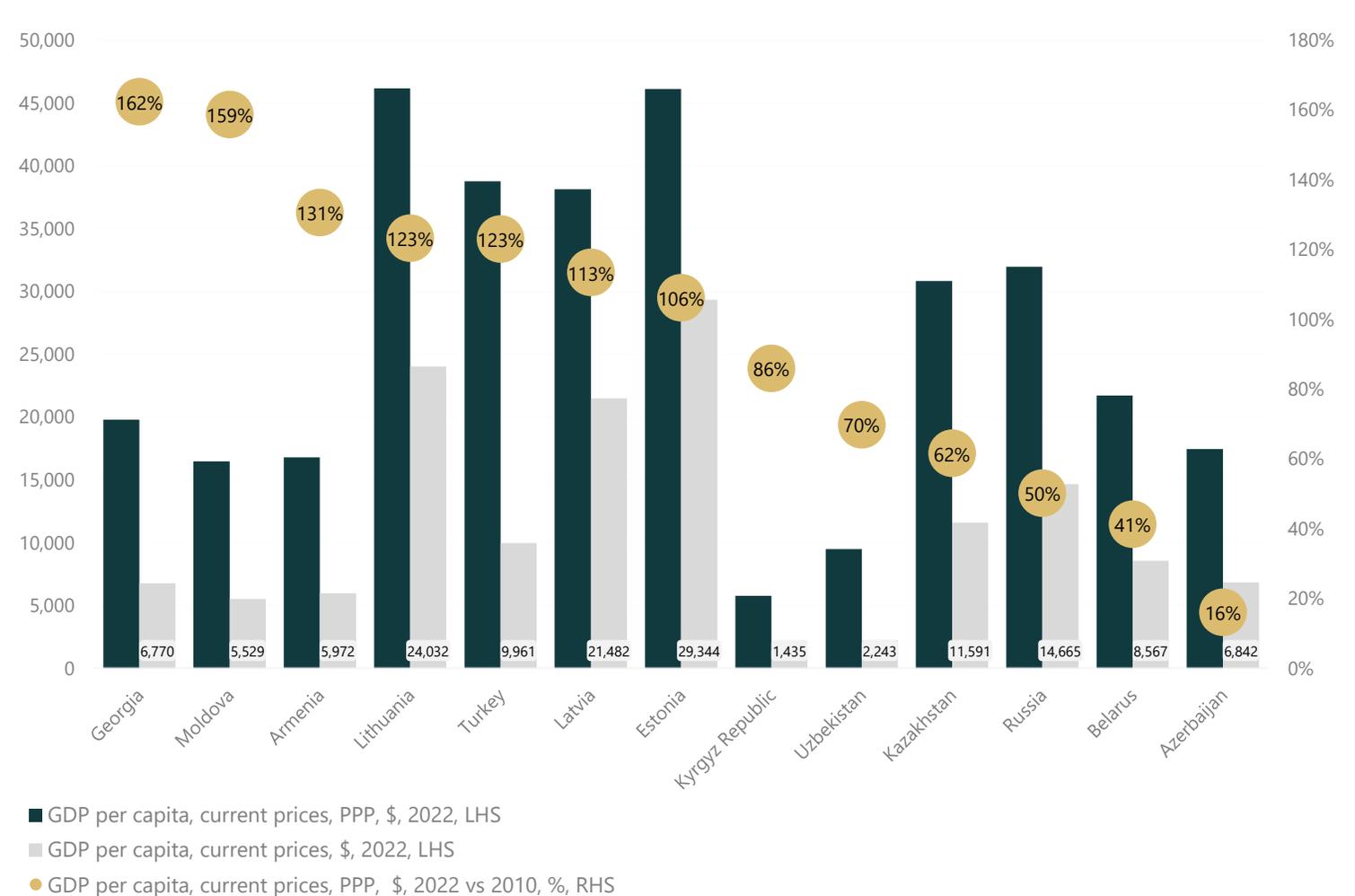
# IMF PROJECTS THE GEORGIAN ECONOMY TO GROW BY 9% Y-O-Y IN 2022, THE 8<sup>TH</sup> HIGHEST GROWTH IN THE WORLD



## REAL GDP GROWTH FORECASTS FOR 2022 | IMF

#	Country	GDP growth forecast, 2022
1	Guyana	57.8
2	Fiji	12.5
3	Seychelles	10.9
4	Barbados	10.5
5	Saint Kitts and Nevis	9.8
6	Iraq	9.3
7	Saint Lucia	9.1
<b>8</b>	<b>Georgia</b>	<b>9.0</b>
9	Ireland	9.0
10	Kuwait	8.7
11	Maldives	8.7
12	Bahamas	8.0
13	Colombia	7.6
14	Saudi Arabia	7.6
15	Panama	7.5
16	Bangladesh	7.2
17	Montenegro	7.2
18	Armenia	7.0
19	Vietnam	7.0
20	India	6.8
21	Niger	6.7
22	Andorra	6.6
23	Egypt	6.6
24	Philippines	6.5
25	South Sudan	6.5
26	Malta	6.2
27	Portugal	6.2
28	Congo	6.1
29	Israel	6.1
30	Mauritius	6.1

## GDP PER CAPITA BY COUNTRIES



# GEORGIAN LARI – BACK TO PRE-PANDEMIC LEVELS



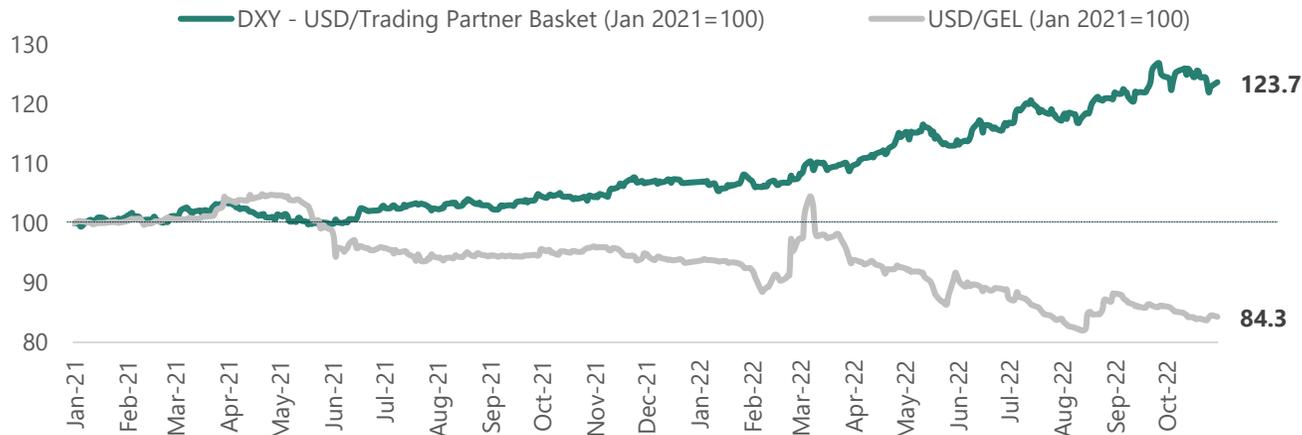
APPRECIATING SINCE MID-2021, BRIEFLY INTERRUPTED AFTER THE RUSSIAN INVASION OF UKRAINE, GEL HAS NOW STRENGTHENED TO PRE-PANDEMIC LEVELS AGAINST USD

Sources: NBG



## GEL HAS APPRECIATED AGAINST USD, DESPITE USD STRENGTHENING GLOBALLY

Sources: NBG, Bloomberg



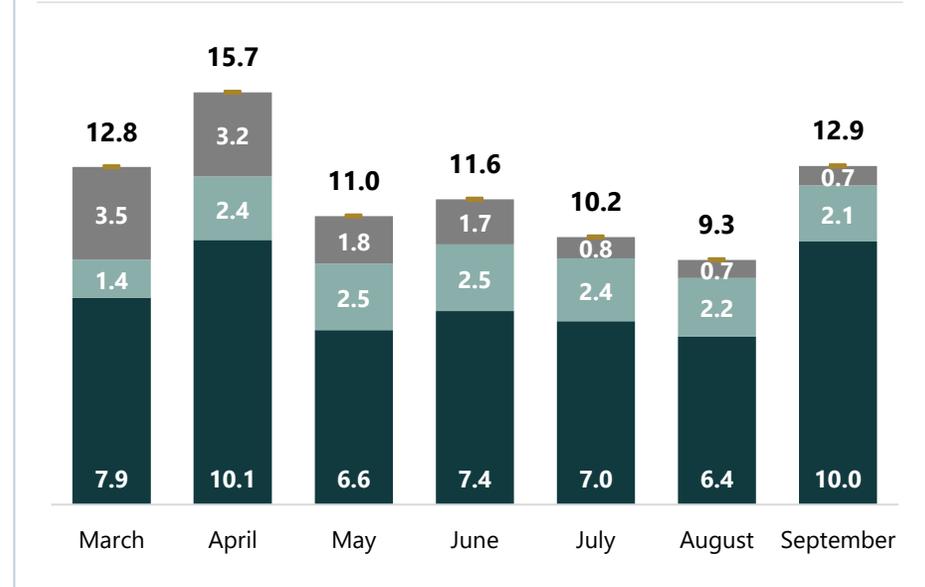
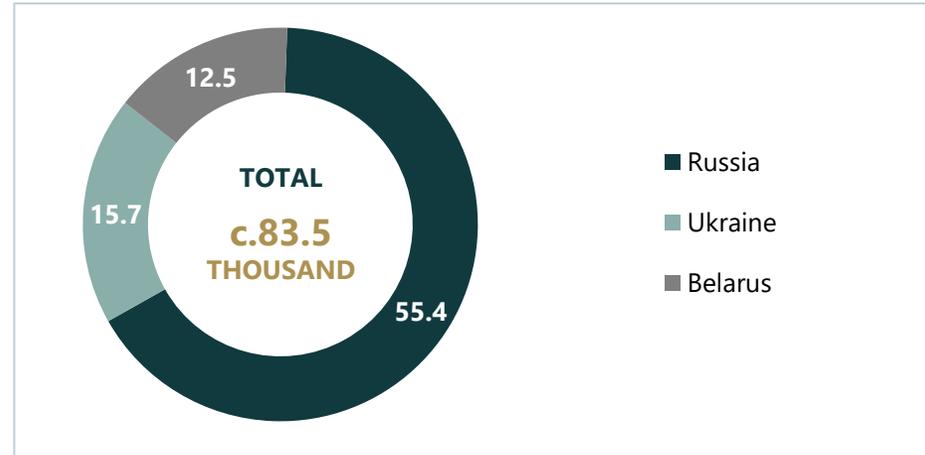
## GEL APPRECIATION DRIVERS

- Record high remittance inflows, increasing by 65% y-o-y in 9M22;
- Continued robust performance in merchandise exports, growing by 37% y-o-y in 9M22;
- Tourism revenues rebounding to 98% of 2019 level in 9M22 (including 121% in July, 127% in August and 118% in September), reflecting the global resumption of travel as well as the migration effect;
- Tight monetary policy (cumulative hike of 300 basis points since March 2021 to 11% as of November 2022), supporting stronger GEL and curbing negative expectations;
- Ample FX liquidity in the banking sector, facilitating foreign currency lending;
- Rebounding economic activity and significant interest rate differential aiding accelerated lending in foreign currency, as FX loans have been steadily increasing since April 2021, both in retail and business sectors.

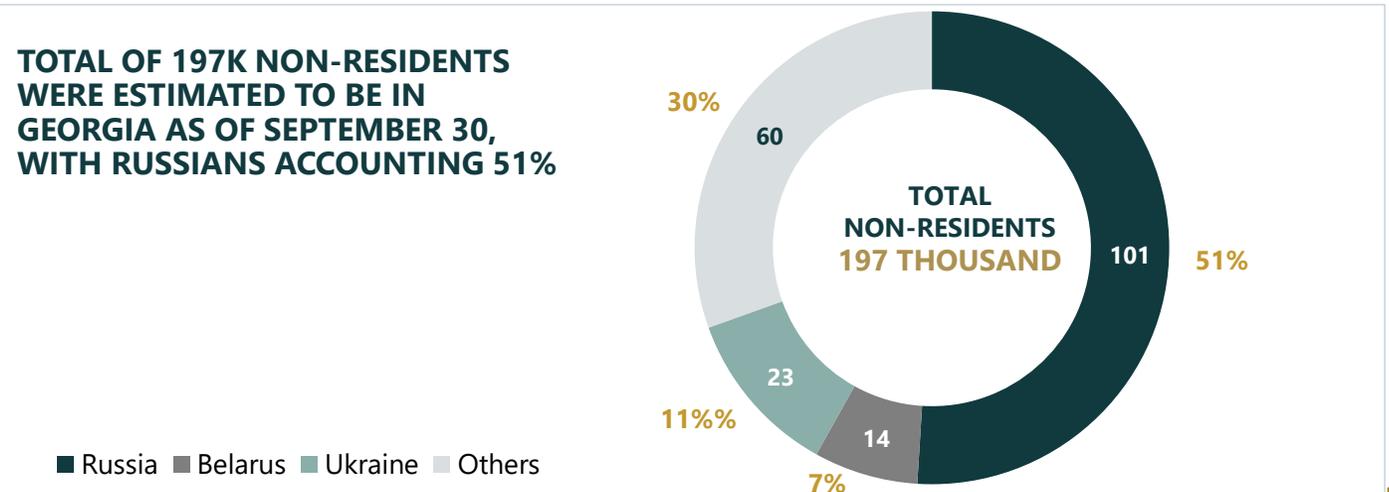
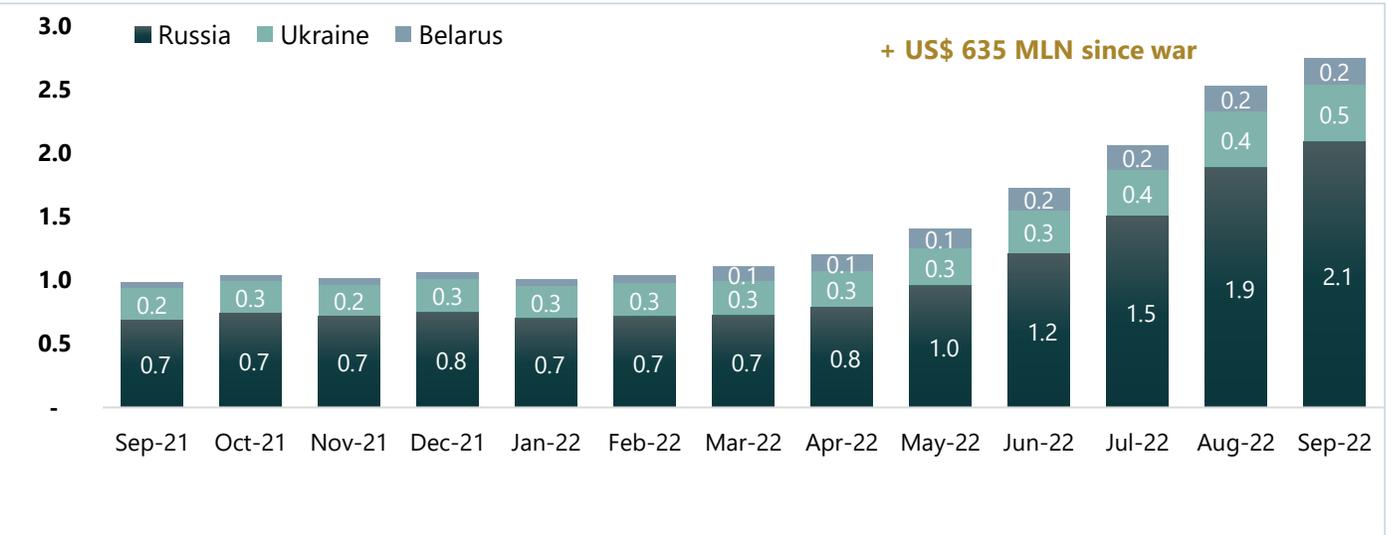
# 83.5K MIGRANTS HAVE OPENED GEORGIAN BANK ACCOUNTS, WORTH OVER \$500 MN, SINCE THE START OF THE WAR



NUMBER OF NEW BANK ACCOUNTS BY RESIDENCY, THOUSANDS



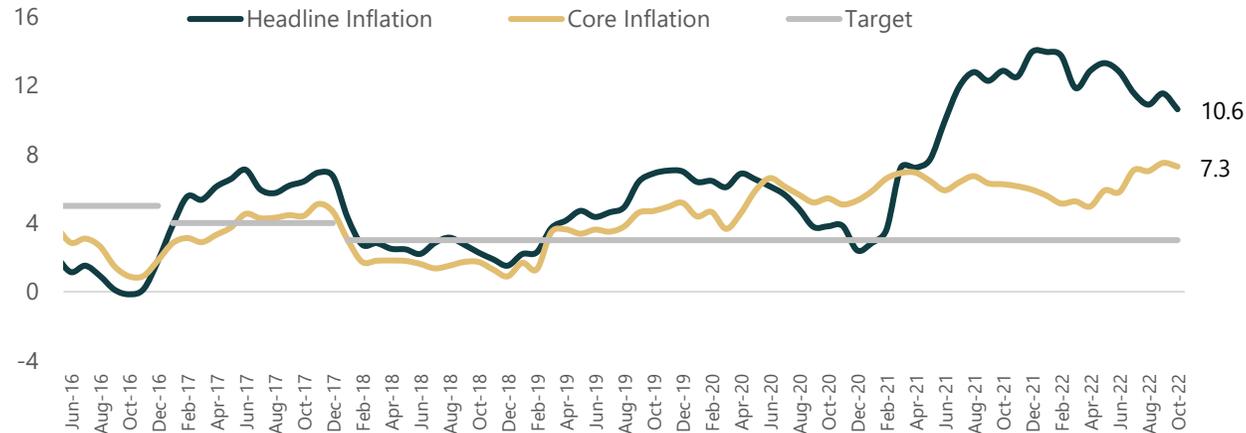
NON-RESIDENTS' DEPOSITS IN GEORGIAN BANKING SYSTEM BY RESIDENCY, GEL BLN



# INFLATION TO DECELERATE GRADUALLY IN 2023

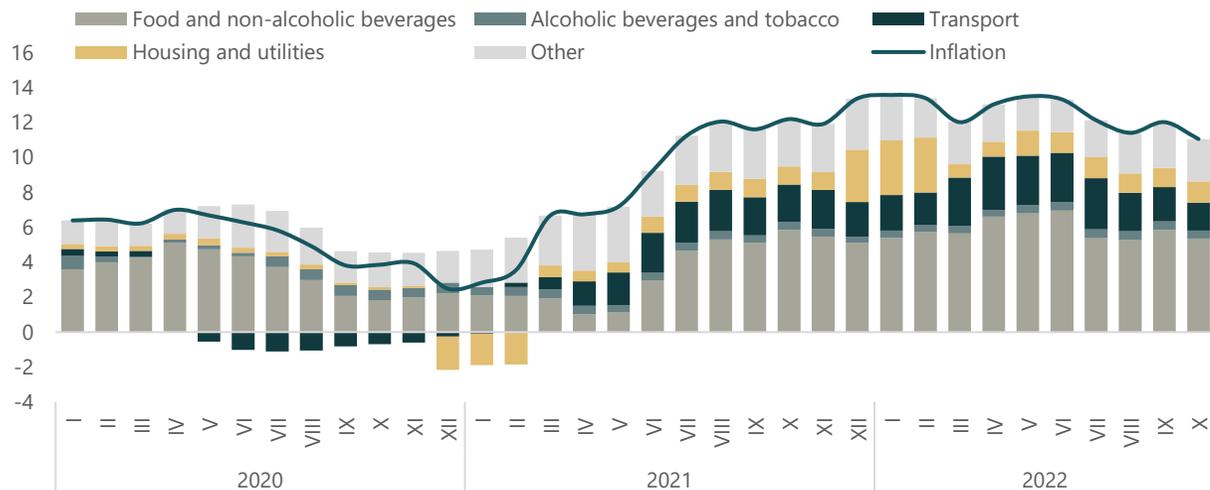
## INFLATION Y-O-Y VS. INFLATION TARGET

Sources: NBS, GeoStat



## INFLATION COMPONENTS

Source: GeoStat



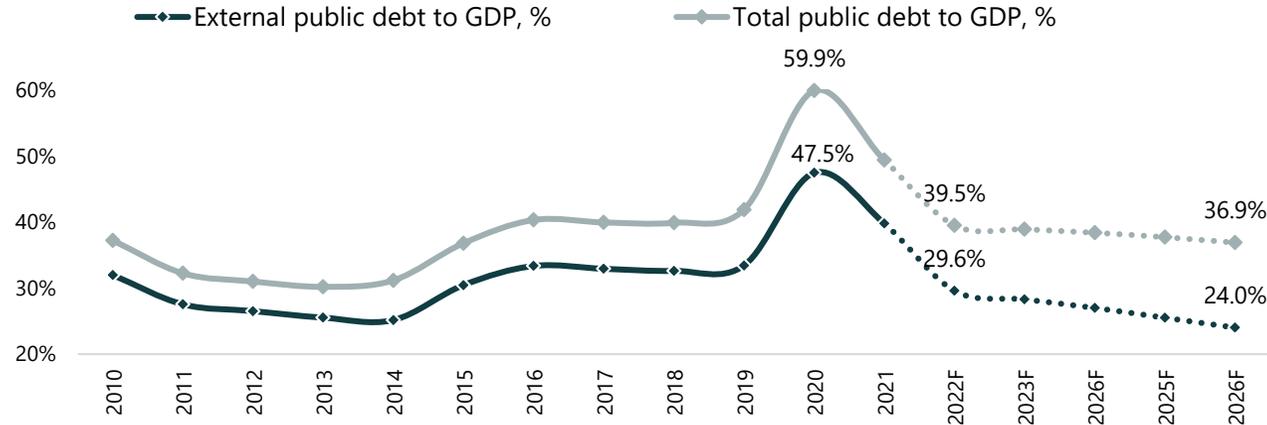
## INFLATION TO DECELERATE BUT REMAIN CLOSE TO DOUBLE DIGITS IN 2022

- Annual inflation reached 10.6% in October 2022 (12.3% on average in 10M22) and is expected to gradually decelerate, partially due to the base effect coming into play from July;
- Food, oil and utility prices have been the main drivers of rising prices throughout the year, albeit price pressures are expected to ease in the coming months as food and energy prices have been declining in a sustained manner at the global markets recently;
- Despite GEL strengthening, imported inflation has been the most significant driver of rising prices in 2022, with global food and energy prices contributing the most to elevated price pressures;
- Supply side price pressures are no longer abated by weak domestic demand, as the economic recovery has been rapid;
- Rising prices have been a widespread occurrence, with prices increasing annually on 82% of products in the consumer basket in October, including by more than 5% y-o-y for 71% of products and by more than 10% y-o-y for 49% of products.

# PUBLIC DEBT TO FALL BELOW 2019 LEVELS IN 2022, WITH THE DEFICIT PROJECTED AT 3.2% OF GDP

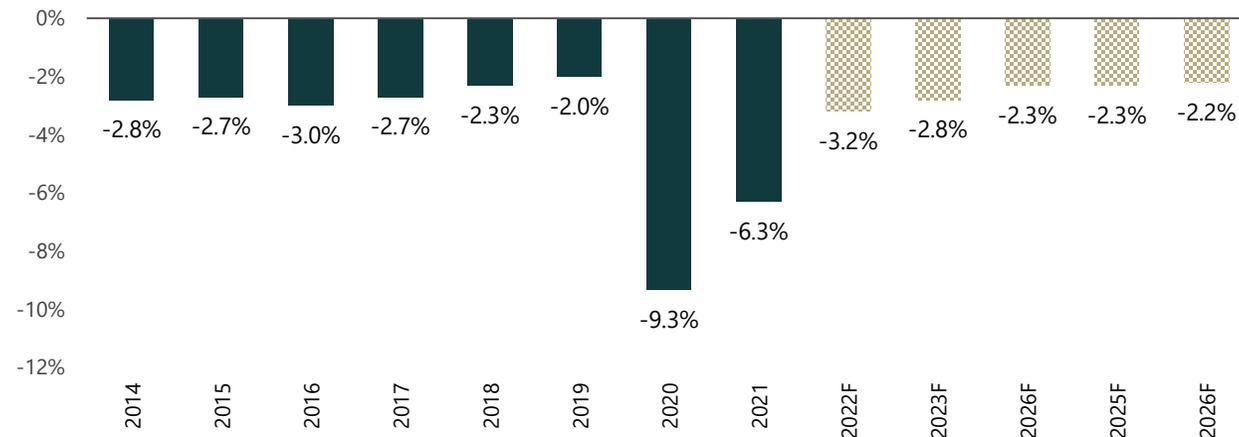
## PUBLIC DEBT

Sources: MoF



## OVERALL BALANCE (IMF MODIFIED), % OF GDP

Source: MoF



## FISCAL SUPPORT HAS BEGUN MODERATING

- Fiscal support moderated in 2022, with current expenditures growing by 9% y-o-y and capital expenditures expanding by 15% y-o-y in 9M22;
- As a result of double-digit economic growth, tax revenues grew by 27% y-o-y in 9M22, facilitating a 27% growth in overall fiscal revenues (consolidated budget);
- The overall fiscal deficit fell by 64% y-o-y in 9M22, on the back of a slowdown in expenditures and exceptional revenue performance, while the operating balance improved from GEL -139 mln in 9M21 to GEL 1.8 bln in 9M22;
- The government committed to reducing the fiscal deficit to 3.2% of GDP in 2022, with the deficit set to fall under 3% from next year;
- Public debt is projected to fall to under 40% of GDP in 2022, lower than the pre-COVID level of 42% in 2019, with external debt falling to under 30% of GDP, down from over 33% in 2019.

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# WE HAVE ONCE AGAIN DEMONSTRATED OUR SUPERIOR ACCESS TO CAPITAL



**IN OCTOBER 2022, OUR RENEWABLE ENERGY AND HOUSING BUSINESSES SUCCESSFULLY COMPLETED BOND PLACEMENTS ON THE GEORGIAN CAPITAL MARKET**



## RENEWABLE ENERGY

### Transaction terms

- Offering amount: US\$ 80 million
- Coupon: 7.00%
- Maturity: 5 years (callable after 2 years)
- Bonds: Green, secured
  
- Use of proceeds: to refinance the shareholder loan from GCAP, provided for redeeming the renewable energy business' portion of GGU's US\$ 250 million 7.75% Eurobond.



## HOUSING DEVELOPMENT

### Transaction terms

- Offering amount: US\$ 35 million
- Coupon: 8.50%
- Maturity: 2 years
- Bonds: unsecured
  
- Use of proceeds: to refinance the 3-year 7.5% coupon US\$ 35 million local bonds that matured on 7 October 2022.

**THE TRANSACTIONS, COMPLETED DURING CHALLENGING DEBT CAPITAL MARKET CONDITIONS, REPRESENT MILESTONE ACHIEVEMENTS FOR THE BUSINESSES.**

# STRONG PROGRESS ON OUR KEY STRATEGIC PRIORITY OF DELEVERAGING GCAP



**US\$ 102 MILLION EUROBONDS RE-PURCHASED TO DATE**

*In October 2022, we conducted a Modified Dutch Auction ("MDA"), through which, we bought back US\$ 29 million GCAP Eurobonds.*

*In addition to the tendered amount, we accumulated US\$ 73 million GCAP Eurobonds through repurchases on the open market.*

*Upon completion of the MDA, US\$ 65 million notes were cancelled, decreasing our outstanding gross debt balance to US\$ 300 million.*

**GCAP EUROBOND BUYBACKS OVERVIEW**  
(US\$ MILLION)



# NET CAPITAL COMMITMENT (NCC) OVERVIEW



## NCC REPRESENTS AN AGGREGATED VIEW OF ALL CONFIRMED, AGREED AND EXPECTED CAPITAL OUTFLOWS AT THE GCAP HOLDCO LEVEL

Loans issued balance as at 30-Sep-22, includes a US\$ 80 million shareholder loan to Renewable Energy, repaid by the business in Oct-22.

Gross debt down by 17.9% since 30-Sep-22, reflecting the cancellation of US\$ 65 million Eurobonds.

Portfolio value up by 8.6% since 30-Sep-22, due to subsequent movements in BoG's share price and FX.

US\$ MILLION	30-JUN-22	CHANGE	30-SEP-22	CHANGE	Pro-forma 30-SEP-22
Cash and liquid funds	226.5	-40.9%	133.9	13.3%	151.8
Loans issued	8.7	NMF	89.3	-89.6%	9.3
Accrued dividend income	7.8	NMF	-	NMF	-
Gross debt	(367.9)	-1.3%	(362.9)	-17.9%	(297.9)
<b>Net debt (1)</b>	<b>(124.9)</b>	<b>11.8%</b>	<b>(139.7)</b>	<b>-2.0%</b>	<b>(136.8)</b>
<b>Guarantees issued (2)</b>	<b>(15.6)</b>	<b>-60.2%</b>	<b>(6.2)</b>	<b>NMF</b>	<b>(6.2)</b>
<b>Net debt and guarantees issued (3)=(1)+(2)</b>	<b>(140.5)</b>	<b>3.8%</b>	<b>(145.9)</b>	<b>-2.0%</b>	<b>(143.0)</b>
<b>Planned investments (4)</b>	<b>(54.2)</b>	<b>-2.9%</b>	<b>(52.6)</b>	<b>NMF</b>	<b>(52.6)</b>
<i>of which, planned investments in Renewable Energy</i>	(30.1)	NMF	(30.1)	NMF	(30.1)
<i>of which, planned investments in Education</i>	(24.1)	-6.4%	(22.6)	NMF	(22.6)
<b>Announced Buybacks (5)</b>	<b>(4.3)</b>	<b>NMF</b>	<b>-</b>	<b>NMF</b>	<b>-</b>
<b>Contingency/liquidity buffer (6)</b>	<b>(50.0)</b>	<b>NMF</b>	<b>(50.0)</b>	<b>NMF</b>	<b>(50.0)</b>
<b>Total planned investments, announced buybacks and contingency/liquidity buffer (7)=(4)+(5)+(6)</b>	<b>(108.5)</b>	<b>-5.4%</b>	<b>(102.6)</b>	<b>NMF</b>	<b>(102.6)</b>
<b>Net capital commitment (3)+(7)</b>	<b>(249.0)</b>	<b>-0.2%</b>	<b>(248.6)</b>	<b>-1.2%</b>	<b>(245.7)</b>
<b>Portfolio value<sup>1</sup></b>	<b>923.7</b>	<b>10.2%</b>	<b>1,017.6</b>	<b>8.6%</b>	<b>1,104.8</b>
<b>NCC ratio</b>	<b>27.0%</b>	<b>-2.6ppts</b>	<b>24.4%</b>	<b>-2.2ppts</b>	<b>22.2%</b>

Georgia Capital PLC | 1. Portfolio value as at 30-Sep-22 and Pro-forma 30-Sep-22 includes US\$ 10 million financing provided to Renewable energy, which is intended to be converted into a quasi-equity type instrument in 4Q22.

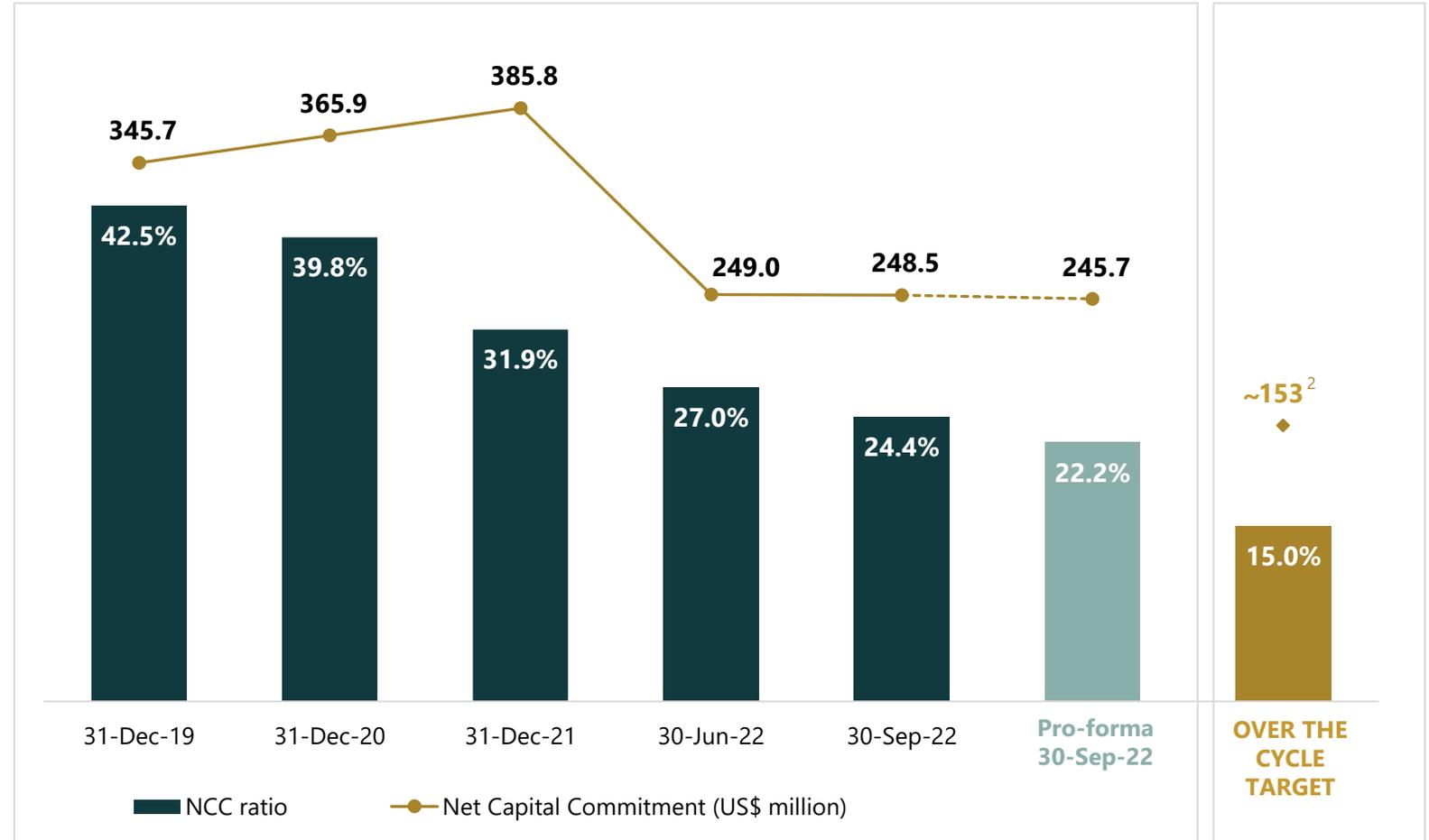
# NCC RATIO DEVELOPMENT OVERVIEW

## NCC RATIO DOWN BY 2.6 PPTS TO 24.4% IN 3Q22

*Pro-forma NCC ratio down to 22.2%, reflecting the results of the MDA and subsequent movements in BoG's share price and FX.*

*In light of a worldwide rising interest rate environment, we are targeting to reduce the balance of "net debt and guarantees issued" close to zero over the short to medium term.*

NCC AND NCC RATIO DEVELOPMENT OVERVIEW<sup>1</sup>



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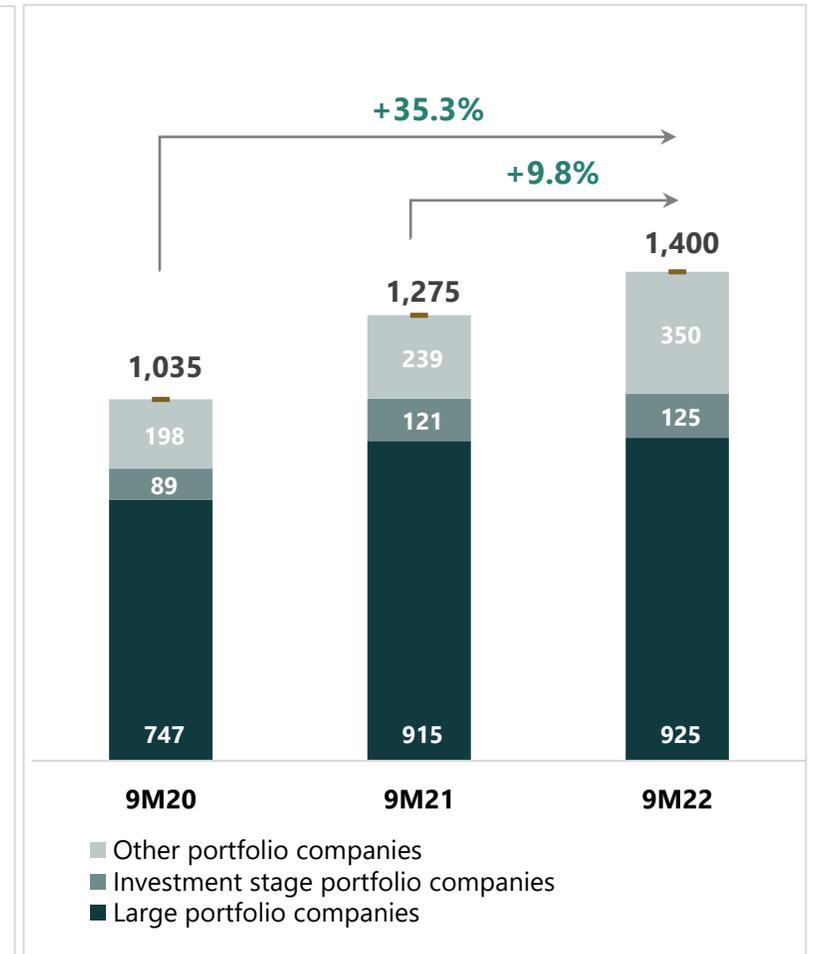
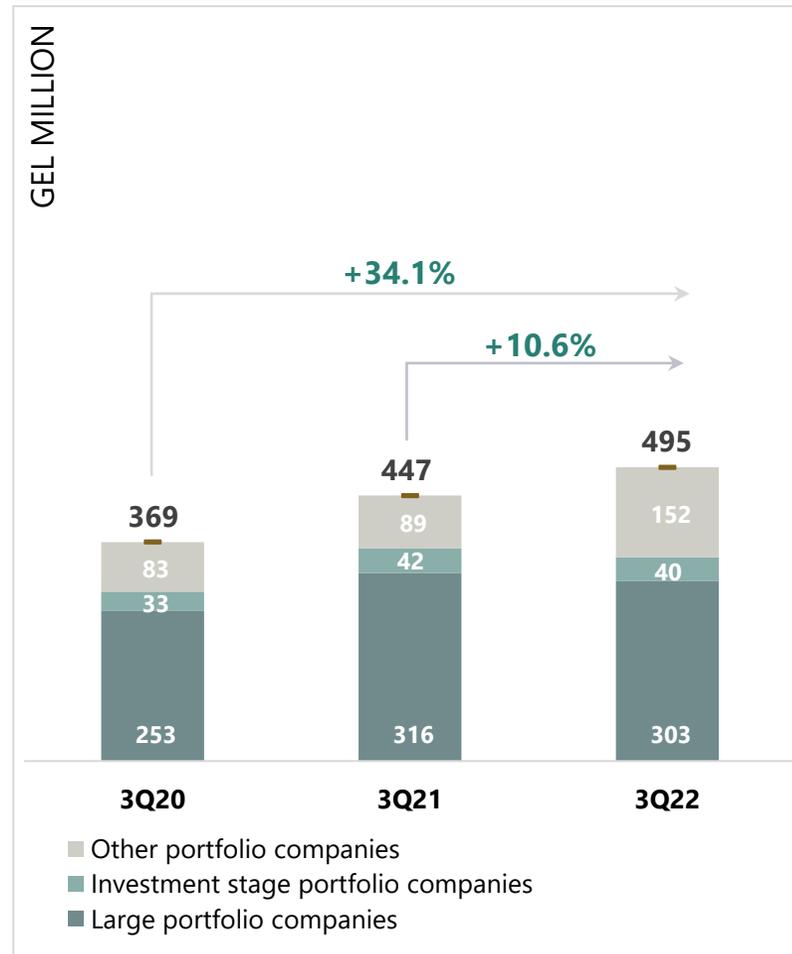


# AGGREGATED REVENUE DEVELOPMENT ACROSS PRIVATE PORTFOLIO



## AGGREGATED REVENUE UP 10.6% Y-O-Y IN 3Q22 AND UP 9.8% Y-O-Y IN 9M22

- Aggregated revenue excluding Hospitals and Clinics & Diagnostics, which have been temporarily impacted by the transition to the post-COVID environment, is up 20.5% y-o-y in 3Q22 and up 15.2% y-o-y in 9M22.

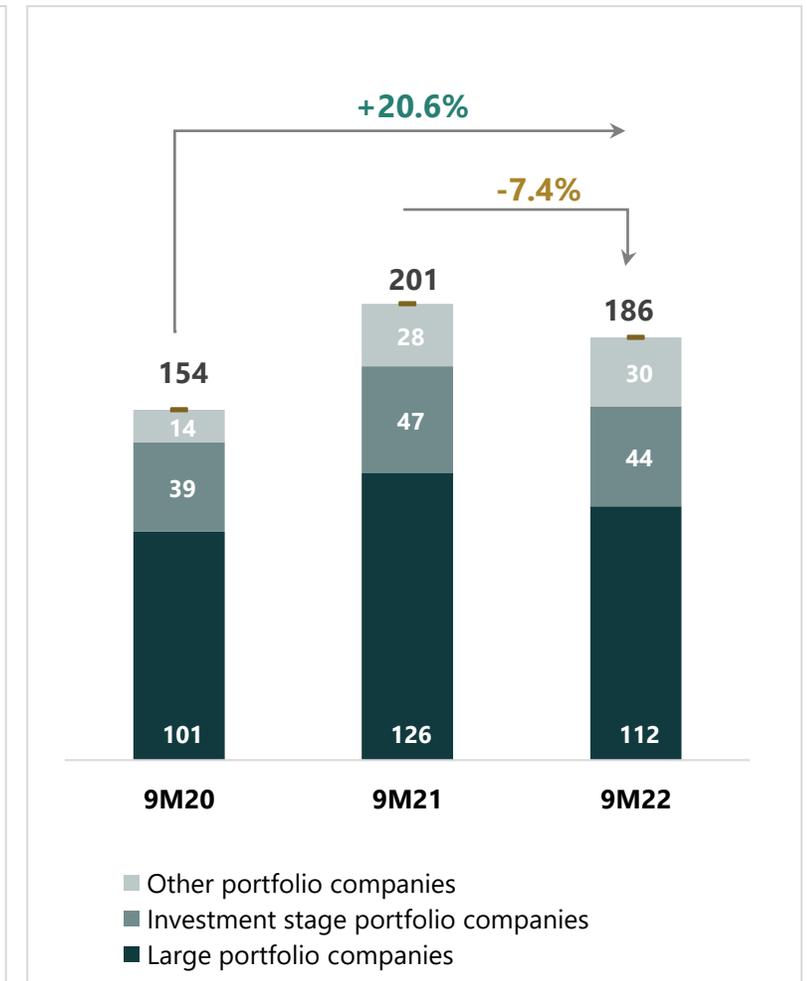
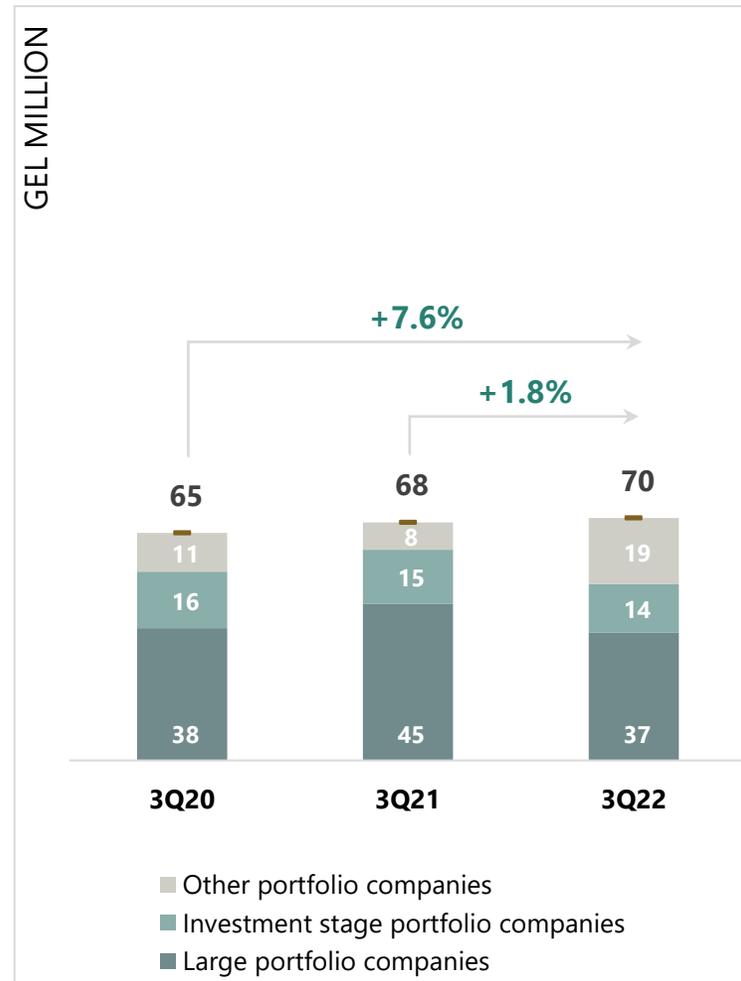


# AGGREGATED EBITDA DEVELOPMENT ACROSS PRIVATE PORTFOLIO



**AGGREGATED EBITDA UP 1.8%  
Y-O-Y IN 3Q22 AND DOWN 7.4%  
Y-O-Y IN 9M22**

- Aggregated EBITDA excluding Hospitals and Clinics & Diagnostics, is up 31.6% y-o-y in 3Q22 and up 9.1% y-o-y in 9M22.

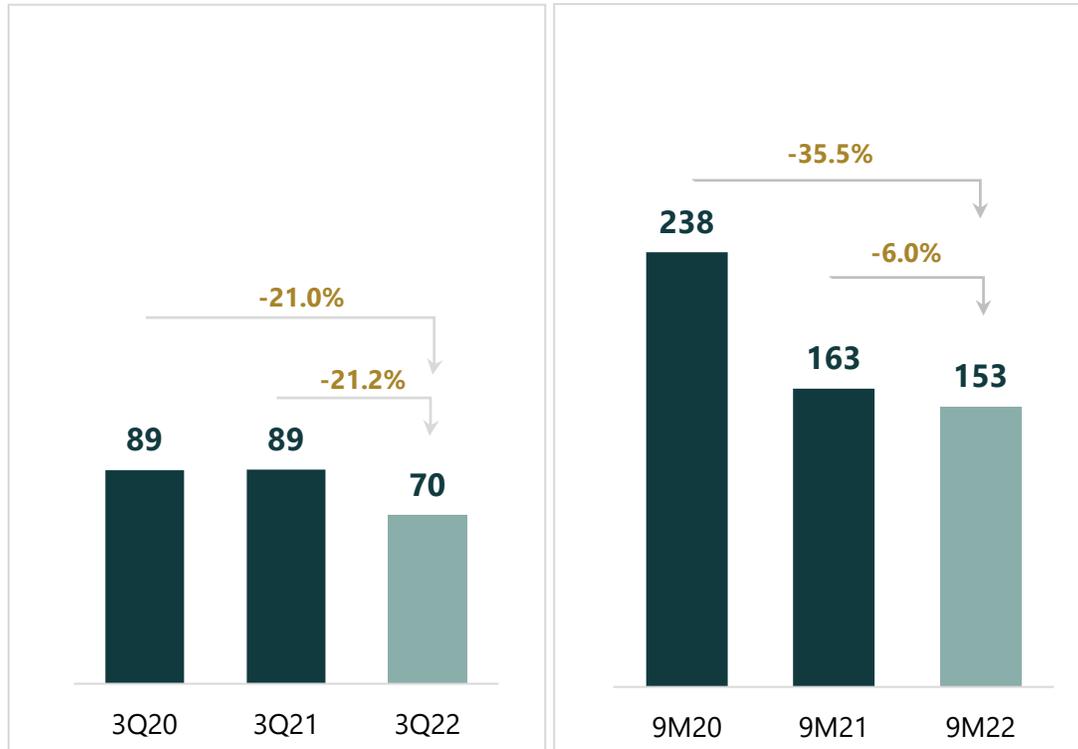


# AGGREGATED CASH BALANCE & NET OPERATING CASH FLOW DEVELOPMENT ACROSS PRIVATE PORTFOLIO

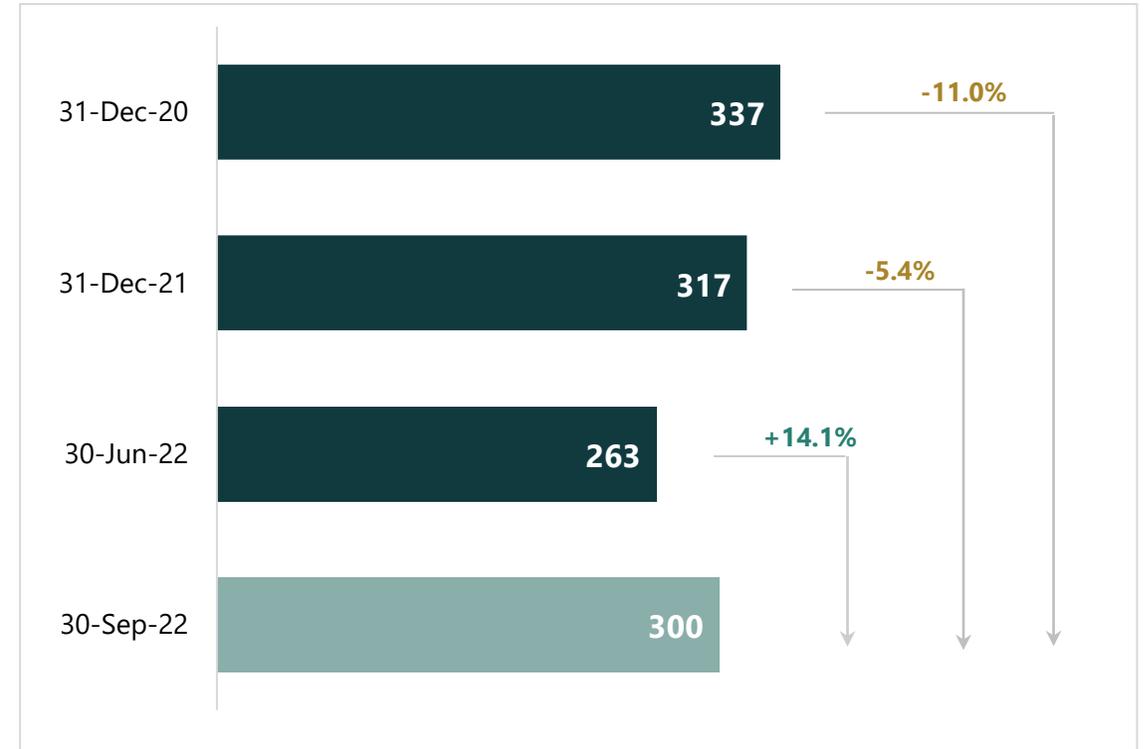


ORGANIC TRANSITION TO REVENUE GROWTH STRATEGY FROM PREVIOUSLY ADOPTED CASH PRESERVATION STRATEGY

**TOTAL AGGREGATED NET OPERATING CASH FLOW**  
(GEL MILLION)



**TOTAL AGGREGATED CASH BALANCE OF PRIVATE BUSINESSES**  
(GEL MILLION)



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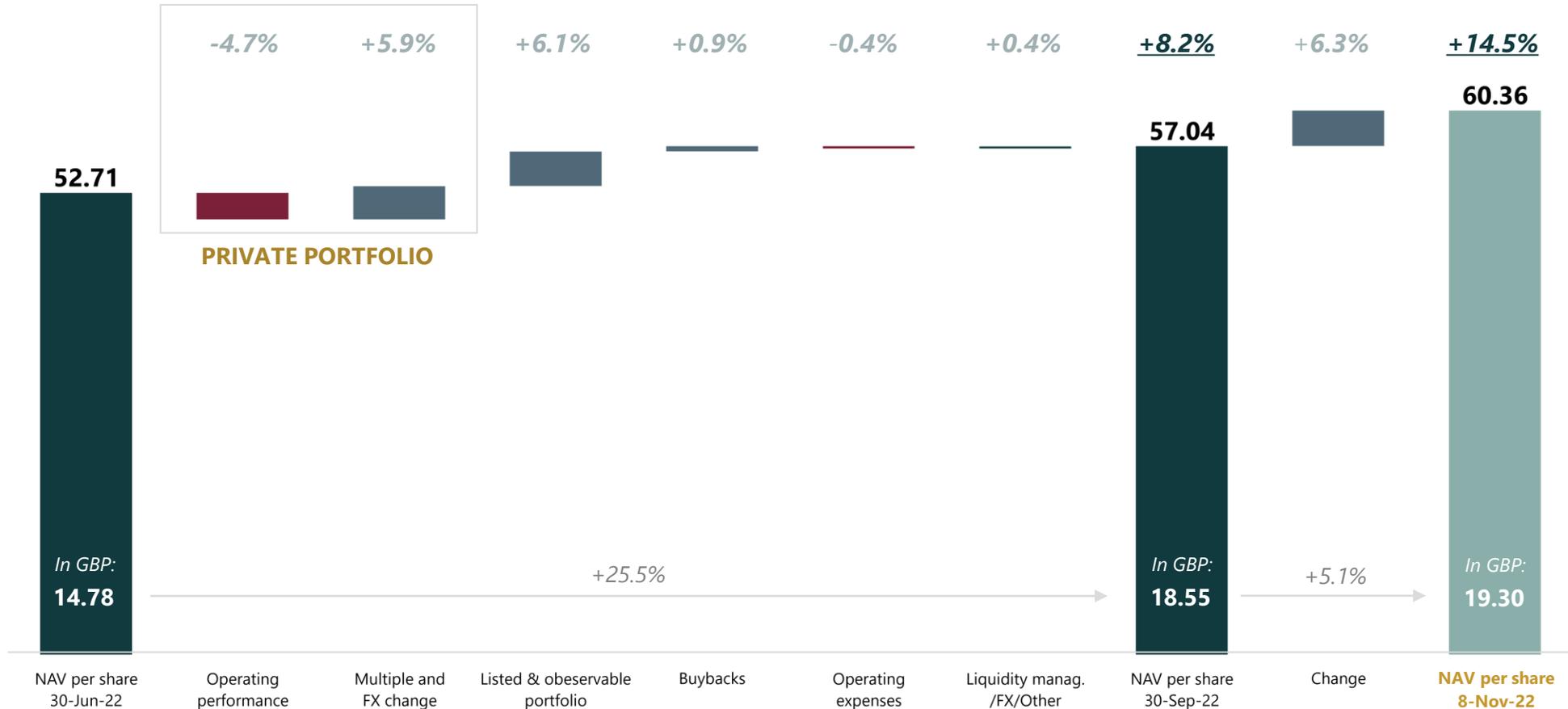


# NAV PER SHARE (GEL) MOVEMENT IN 3Q22



## NAV PER SHARE (GEL) UP 8.2% IN 3Q22

- NAV per share (GBP) up 25.5% in 3Q22, reflecting the 16.0% appreciation of GEL against GBP during the third quarter and strong growth in GEL terms
- As of 8-Nov-22, NAV per share (GEL) up 14.5% and up 30.6% in GBP terms from 30-Jun-22, reflecting the results of the MDA and subsequent movements in BoG's share price and FX.



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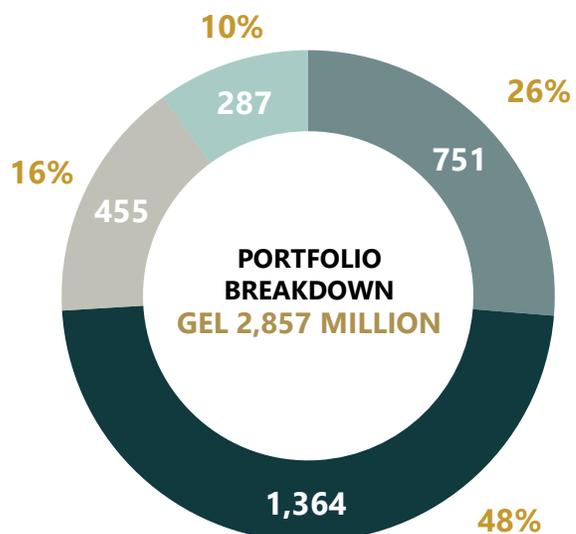
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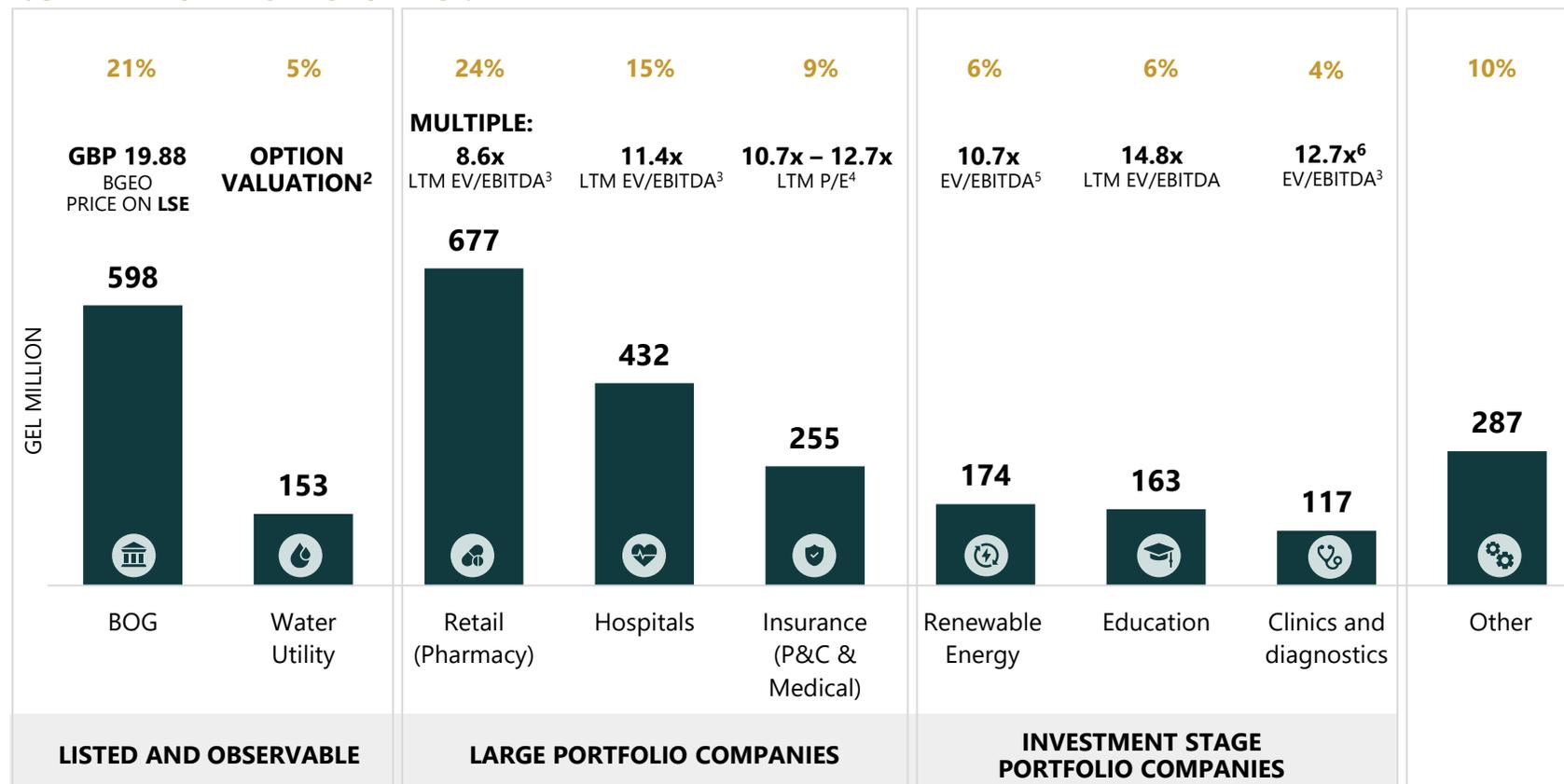
# PORTFOLIO VALUE AS OF 30-SEP-22

90% OF OUR PORTFOLIO IS VALUED EXTERNALLY<sup>1</sup>



■ Listed and observable    ■ Large  
■ Investment stage        ■ Other

## % SHARE IN TOTAL PORTFOLIO VALUE:

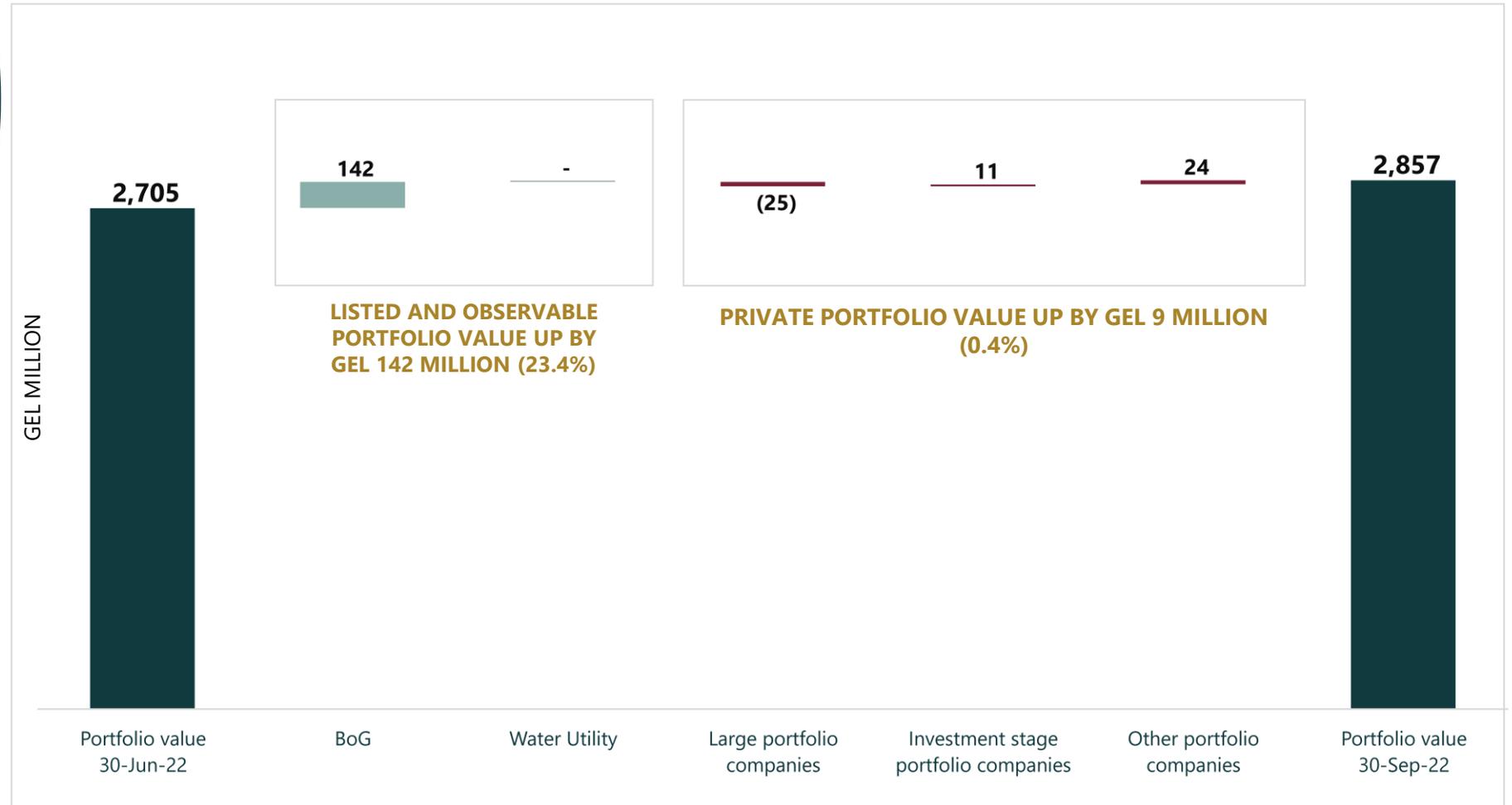


Georgia Capital PLC | 1. The independent valuations of the large and investment portfolio companies are performed on a semi-annual basis. In 3Q22, our private large and investment portfolio companies were valued internally by incorporating 3Q22 results, in line with IPEV guidelines and methodology deployed in 1H22 by a third-party independent valuation firm. 2. The valuation of Water Utility in 3Q22 reflects the application of the put option valuation to GCAP's 20% holding in the business. 3. LTM EV/EBITDA multiples for Retail (Pharmacy), Hospitals and Clinics & Diagnostics are presented including IFRS 16 as of 30-Sep-22. 4. LTM P/E multiple of 10.7x for P&C Insurance and 12.7x for Medical Insurance as at 30-Sep-22. 5. Blended multiple for the operational assets of Renewable Energy is 10.7x, while other pipeline projects are stated at cost. 6. Blended multiple for Clinics & Diagnostics is 12.7x.

# PORTFOLIO VALUE DEVELOPMENT IN 3Q22



**PORTFOLIO VALUE UP 5.6%  
TO GEL 2.9 BILLION IN 3Q22**



# RETAIL (PHARMACY) BUSINESS OPERATING PERFORMANCE OVERVIEW

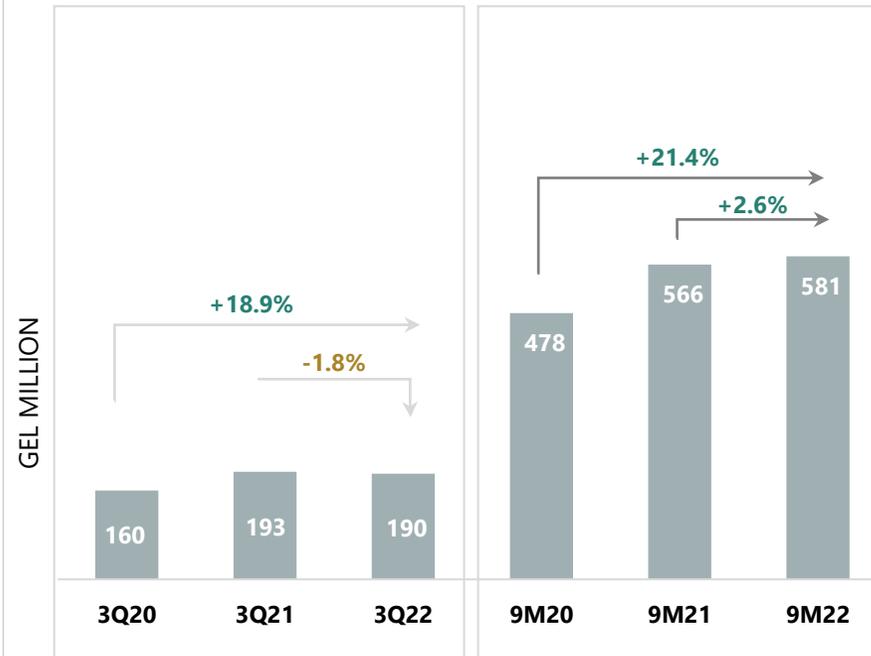


## RETAIL (PHARMACY)

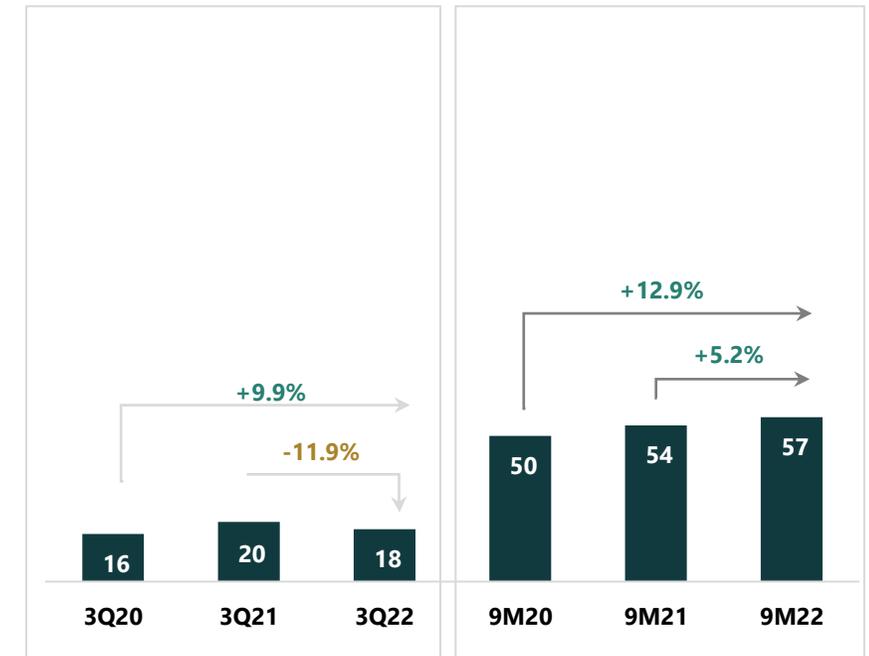
### KEY DRIVERS

- 3Q22 and 9M22 revenues of Retail (Pharmacy) reflect the recalibration of product prices due to GEL's appreciation against foreign currencies and continuing gradual transfer of the hospitals business' procurement department from pharmacy to hospitals (which began in January 2021 and is expected to complete by the end of 2022).
- EBITDA was further impacted by inflation and increased operating expenses in line with the continuing expansion of the retail (pharmacy) business (added 27 pharmacies and 4 franchise stores over the last 12 months).
- In 3Q22, the business paid GEL 16.0 million dividends to GCAP.

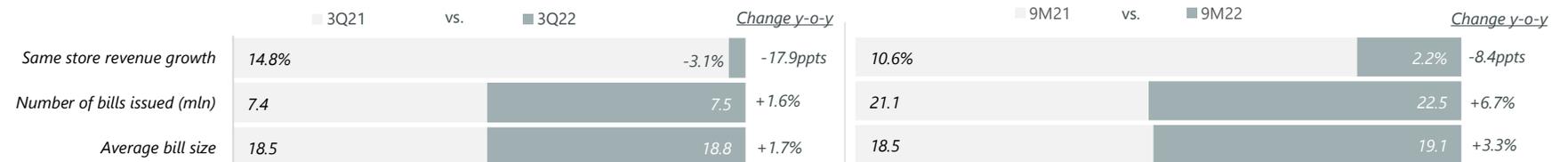
### REVENUE DEVELOPMENT



### EBITDA<sup>1</sup> DEVELOPMENT



### KEY OPERATING HIGHLIGHTS

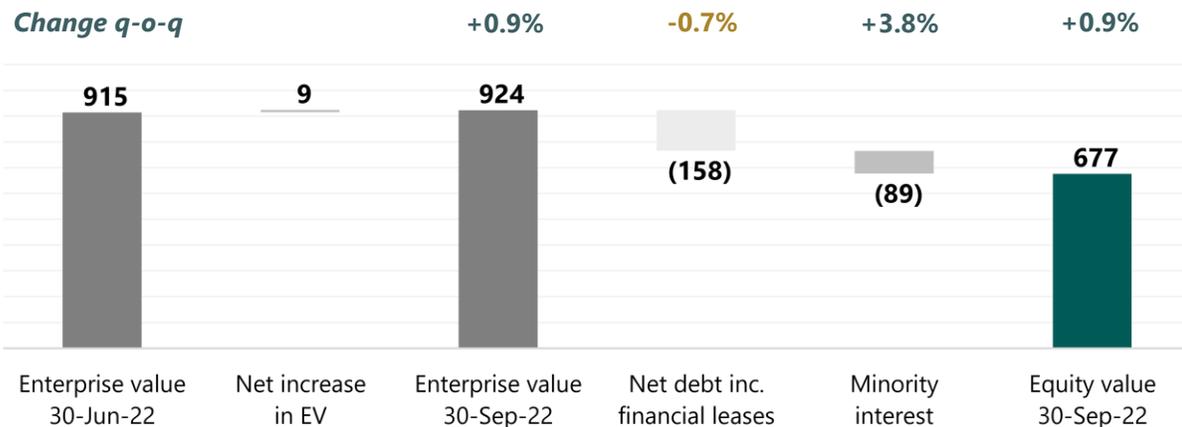




# RETAIL (PHARMACY) BUSINESS VALUATION OVERVIEW

## VALUE DEVELOPMENT OVERVIEW | 3Q22

(GEL MILLION)



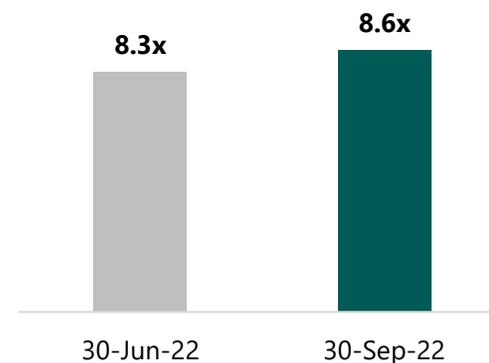
## VALUATION HIGHLIGHTS<sup>1</sup>

GEL million, unless noted otherwise

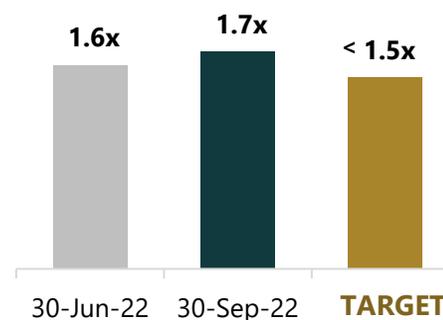
	30-Sep-22	30-Jun-22	Change	31-Dec-21	Change
Enterprise value	923.6	915.3	8.3	952.3	(28.7)
LTM EBITDA	107.4	109.7	(2.3)	102.9	4.5
Implied EV/EBITDA multiple	8.6x	8.3x	0.3x	9.3x	(0.7x)
Net debt inc. lease liabilities	(158.4)	(159.5)	1.1	(118.4)	(40.0)
Equity value of GCAP's share	677.2	671.0	6.2	710.4	(33.2)

## IMPLIED LTM EV/EBITDA DEVELOPMENT

(incl. IFRS 16)



## ADJUSTED NET DEBT TO EBITDA<sup>2</sup>



# HOSPITALS BUSINESS OPERATING PERFORMANCE OVERVIEW

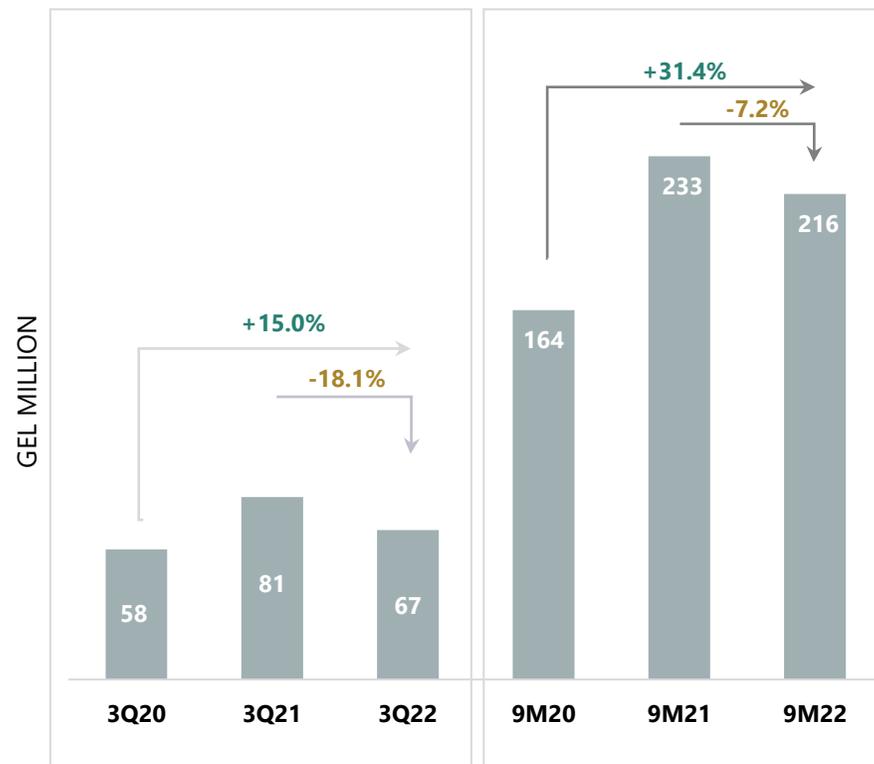


## HOSPITALS

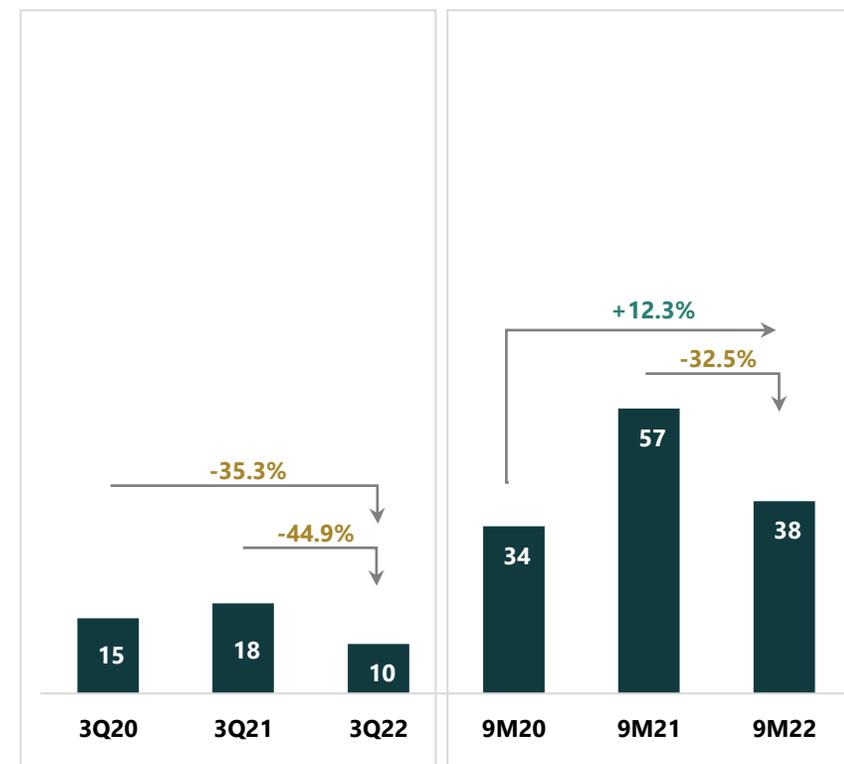
### KEY DRIVERS

- 3Q22 and 9M22 performance of the business reflects the suspension of COVID contracts by the Government in 1Q22 and the subsequent restructuring of the cost base of COVID facilities. The growth is expected to rebound over the next few quarters as the business completes the transition.
- In 3Q22, the business paid GEL 13.1 million dividends to GCAP.

### REVENUE DEVELOPMENT



### EBITDA<sup>1</sup> DEVELOPMENT



### KEY OPERATING HIGHLIGHTS

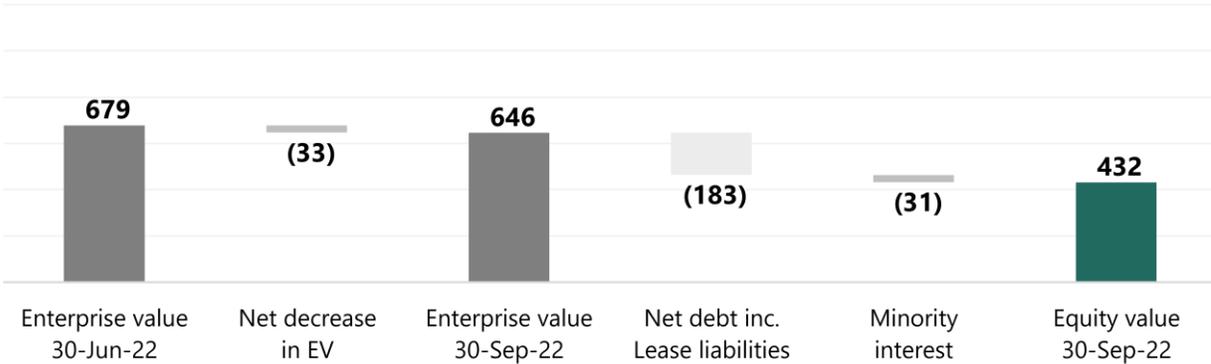
	3Q21	vs.	3Q22	Change y-o-y	9M21	vs.	9M22	Change y-o-y
Number of admissions ('000)	426.7		287.5	-32.6%	976.7		903.9	-7.4%
Revenue per bed <sup>2</sup>	127.1		106.7	-16.0%	121.0		114.7	-5.1%
Bed occupancy rate (%)	67.7%		43.6%	-24.1ppts	63.8%		52.1%	-11.7ppts



# HOSPITALS BUSINESS VALUATION OVERVIEW

## VALUE DEVELOPMENT OVERVIEW | 3Q22 (GEL MILLION)

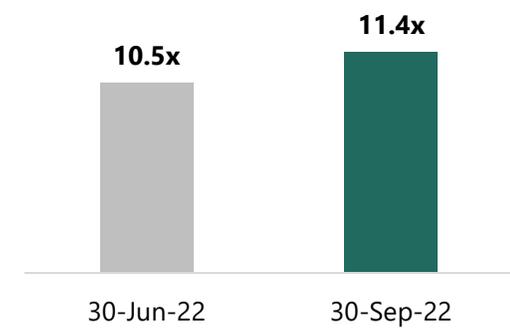
Change q-o-q -4.8% +8.5% -3.1% -9.6%



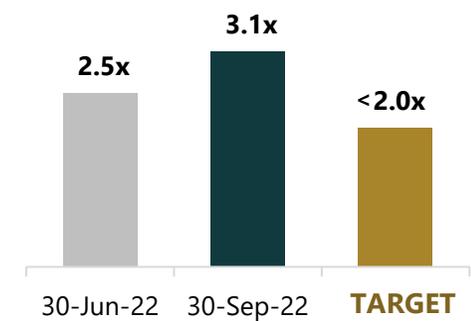
## VALUATION HIGHLIGHTS<sup>1</sup>

GEL million, unless noted otherwise	30-Sep-22	30-Jun-22	Change	31-Dec-21	Change
Enterprise value	646.2	678.7	(32.5)	791.5	(145.3)
LTM EBITDA	56.7	64.9	(8.2)	75.1	(18.4)
Implied EV/EBITDA multiple	11.4x	10.5x	0.9x	10.5x	0.9x
Net debt incl. lease liabilities	(182.9)	(168.6)	(14.3)	(178.4)	(4.5)
Equity value of GCAP's share	432.2	478.0	(45.8)	573.8	(141.6)

## IMPLIED LTM EV/EBITDA DEVELOPMENT (incl. IFRS 16)



## NET DEBT TO EBITDA



Georgia Capital PLC | 1. The independent valuations of the large and investment portfolio companies are performed on a semi-annual basis. In 3Q22, our private large and investment portfolio companies were valued internally by incorporating 3Q22 results, in line with IPEV guidelines and methodology deployed in 1H22 by a third-party independent valuation firm.

# INSURANCE BUSINESS OPERATING PERFORMANCE OVERVIEW



## INSURANCE

### KEY DRIVERS

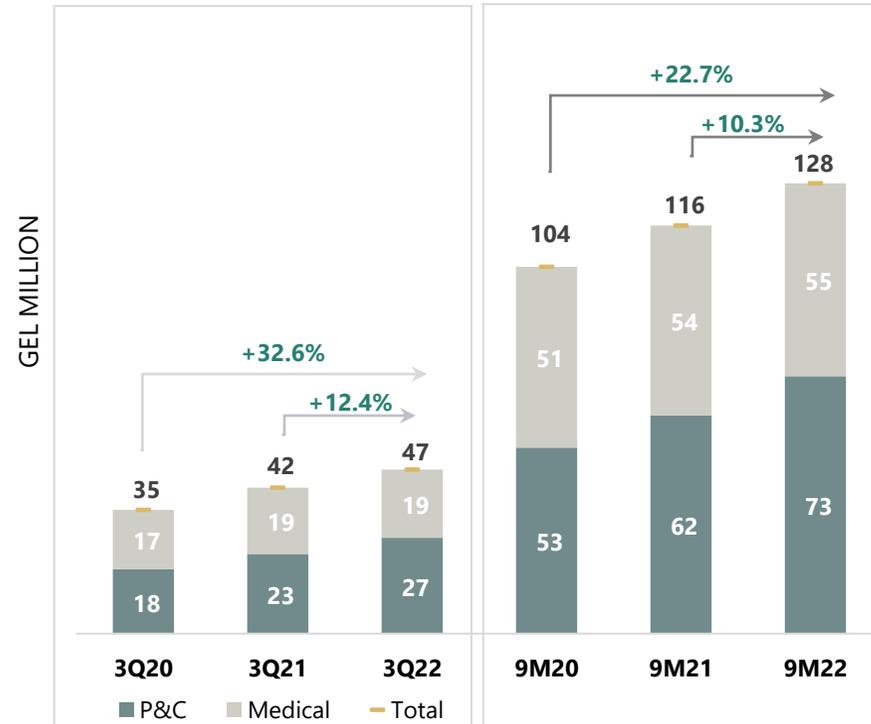
#### P&C Insurance

- Increase in earned premiums net in 3Q22 and 9M22 is mainly driven by the growth in the credit life and agricultural insurance lines.
- The combined ratio decreased by 2.7 and 1.6 ppts y-o-y in 3Q22 and 9M22, respectively, reflecting robust revenue growth and the reduction in both COVID-19-related credit life insurance and Agro insurance claims.

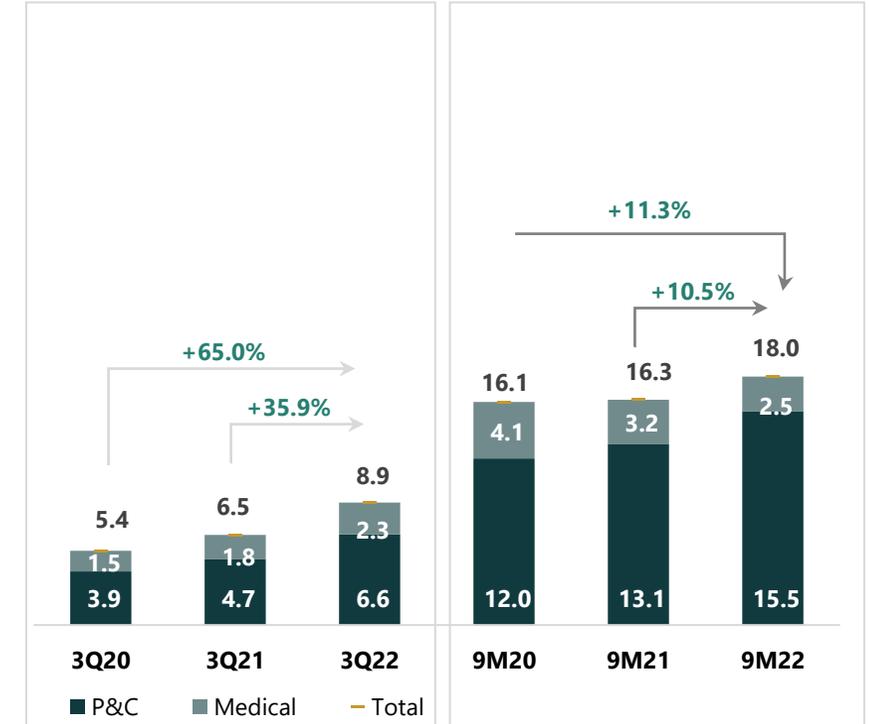
#### Medical Insurance

- The performance in 3Q22 and 9M22 reflects c.5% increase in the price of insurance policies and related decrease in the number of insured clients.
- The business paid GEL 1.0 million dividend to GCAP.

### EARNED PREMIUMS NET



### NET INCOME DEVELOPMENT



### KEY OPERATING HIGHLIGHTS

#### Medical Insurance

	3Q21	vs.	3Q22	Change y-o-y	9M21	vs.	9M22	Change y-o-y
Combined ratio	91.7%		90.7%	-1.0ppts	96.4%		99.2%	+2.8ppts
Number of individuals insured	168,162		159,960	-4.9%	168,162		159,960	-4.9%

#### P&C Insurance

	3Q21	vs.	3Q22	Change y-o-y	9M21	vs.	9M22	Change y-o-y
Combined ratio	80.2%		77.5%	-2.7ppts	81.3%		79.7%	-1.6ppts
Number of policies written	59,651		66,455	+11.4%	179,386		189,192	+5.5%

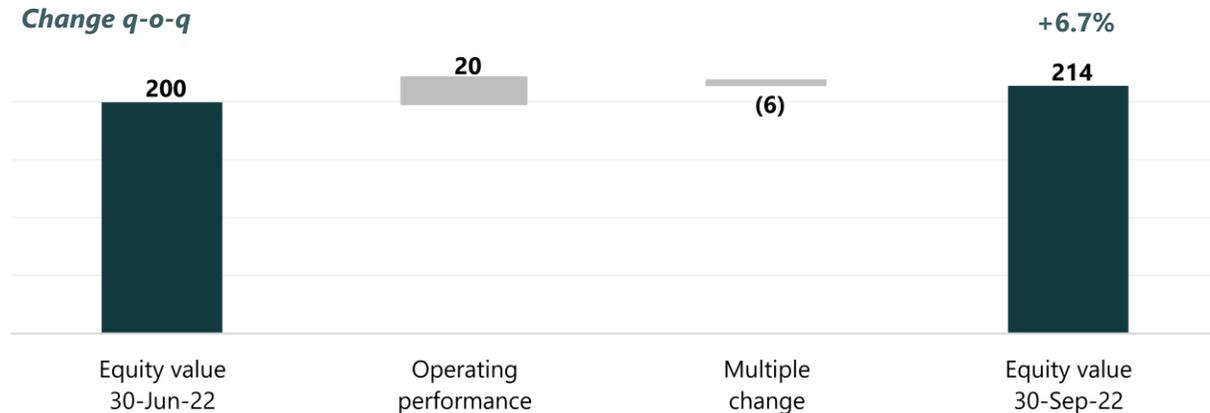


# P&C INSURANCE BUSINESS VALUATION OVERVIEW

## VALUE DEVELOPMENT OVERVIEW | 3Q22

(GEL MILLION)

Change q-o-q



## IMPLIED LTM P/E MULTIPLE DEVELOPMENT

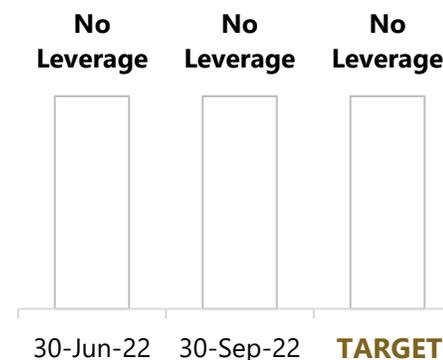


## VALUATION HIGHLIGHTS<sup>1</sup>

GEL million, unless noted otherwise

	30-Sep-22	30-Jun-22	Change	31-Dec-21	Change
LTM Net income <sup>2</sup>	20.0	18.2	1.8	17.6	2.4
Implied P/E multiple	10.7x	11.0x	(0.3x)	12.0x	(1.3x)
Equity value	213.9	199.8	14.1	211.5	2.4
LTM ROAE <sup>3</sup>	28.1%	25.8%	+2.3 ppts	24.7%	+3.4 ppts

## NET DEBT TO EBITDA



Georgia Capital PLC | 1. The independent valuations of the large and investment portfolio companies are performed on a semi-annual basis. In 3Q22, our private large and investment portfolio companies were valued internally by incorporating 3Q22 results, in line with IPEV guidelines and methodology deployed in 1H22 by a third-party independent valuation firm. 2. Adjusted for non-recurring items. 3. Calculated based on net income, adjusted for non-recurring items and average equity, adjusted for preferred shares.

# RENEWABLE ENERGY BUSINESS OPERATING PERFORMANCE OVERVIEW

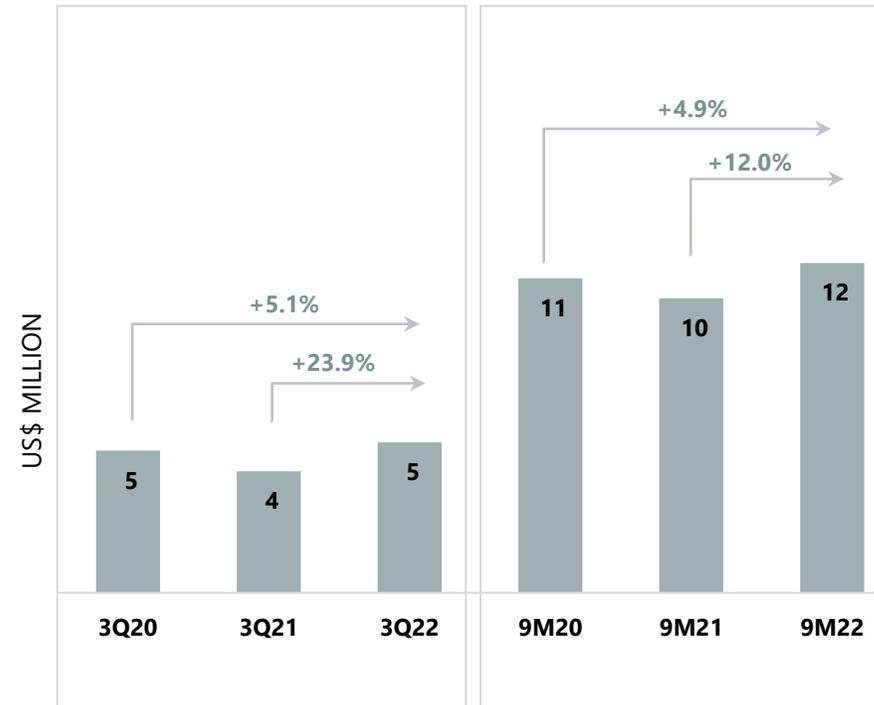


## RENEWABLE ENERGY

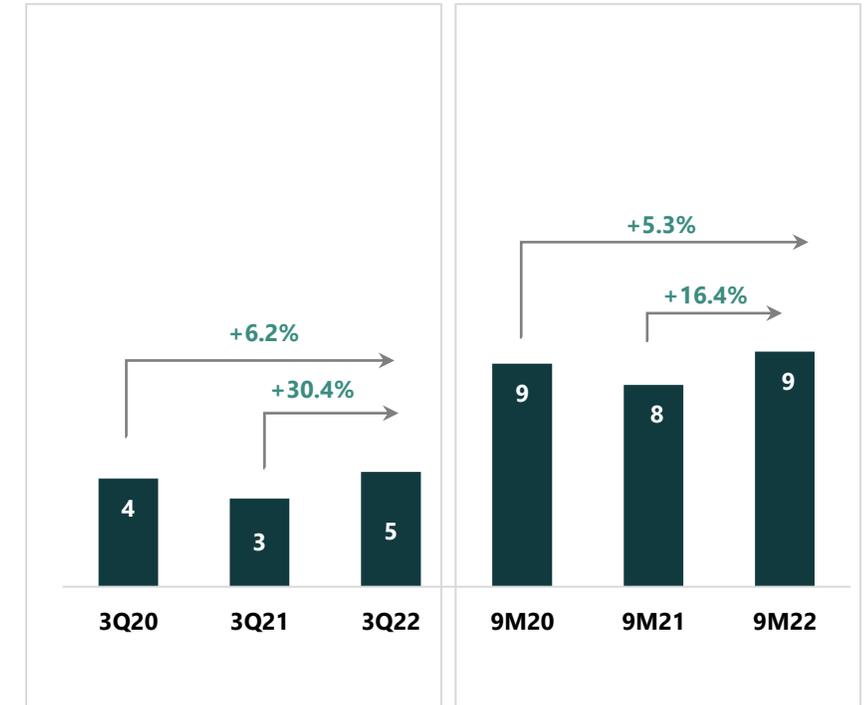
### KEY DRIVERS

- In US\$ terms, revenue and EBITDA were up 23.9% and 30.4% y-o-y in 3Q22, respectively, reflecting an increase in both the average electricity selling price and the electricity generation in 3Q22.
- The business paid US\$ 0.7 million (GEL 2.0 million) dividends in 3Q22 (US\$ 2.1 million (GEL 6.2 million) in 9M22).

### REVENUE DEVELOPMENT



### EBITDA DEVELOPMENT



### KEY OPERATING HIGHLIGHTS

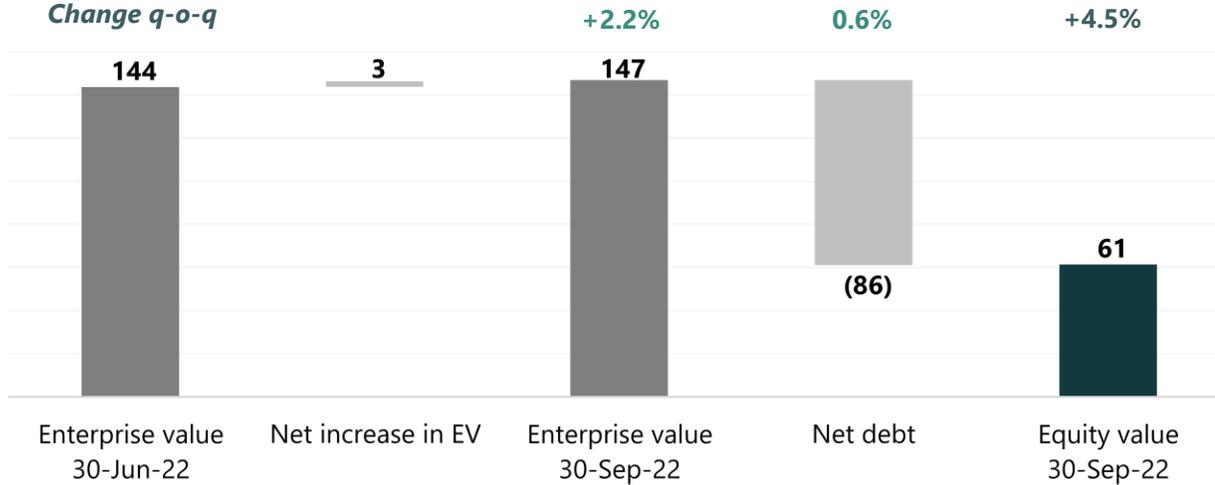
	3Q21	vs.	3Q22	Change y-o-y	9M21	vs.	9M22	Change y-o-y
Electricity generation (GWh)	82.8		98.7	+19.1%	211.9		221.2	+4.4%
Average sales price (US\$/MWh)	49.9		54.3	+8.8%	48.6		53.1	+9.3%



# RENEWABLE ENERGY BUSINESS VALUATION OVERVIEW

## VALUE DEVELOPMENT OVERVIEW | 3Q22 (US\$ MILLION)

Change q-o-q



## VALUATION HIGHLIGHTS<sup>1</sup>

US\$ million, unless noted otherwise

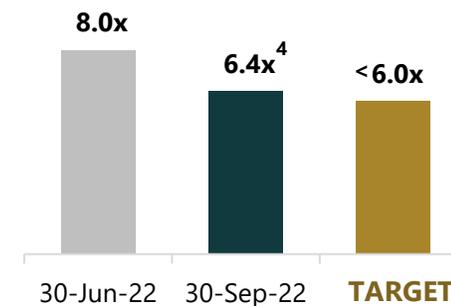
	30-Sep-22	30-Jun-22	Change	31-Dec-21	Change
Enterprise value	146.9	143.7	3.2	138.3	8.6
EBITDA <sup>3</sup>	12.3	11.6	0.7	11.3	1.0
Implied EV/EBITDA multiple	10.7x	11.1x	(0.4x)	11.1x	(0.4x)
Investments at cost (EV) <sup>2</sup>	14.6	14.5	0.1	13.5	1.1
Net debt	(85.5)	(84.9)	(0.6)	(82.3)	(3.3)
Equity value	61.4	58.8	2.6	55.9	5.5

## EQUITY FAIR VALUE COMPOSITION AT 30-SEP-22 (US\$ MILLION)



■ Operational assets ■ Pipeline projects

## NET DEBT TO EBITDA



# EDUCATION BUSINESS OPERATING PERFORMANCE OVERVIEW

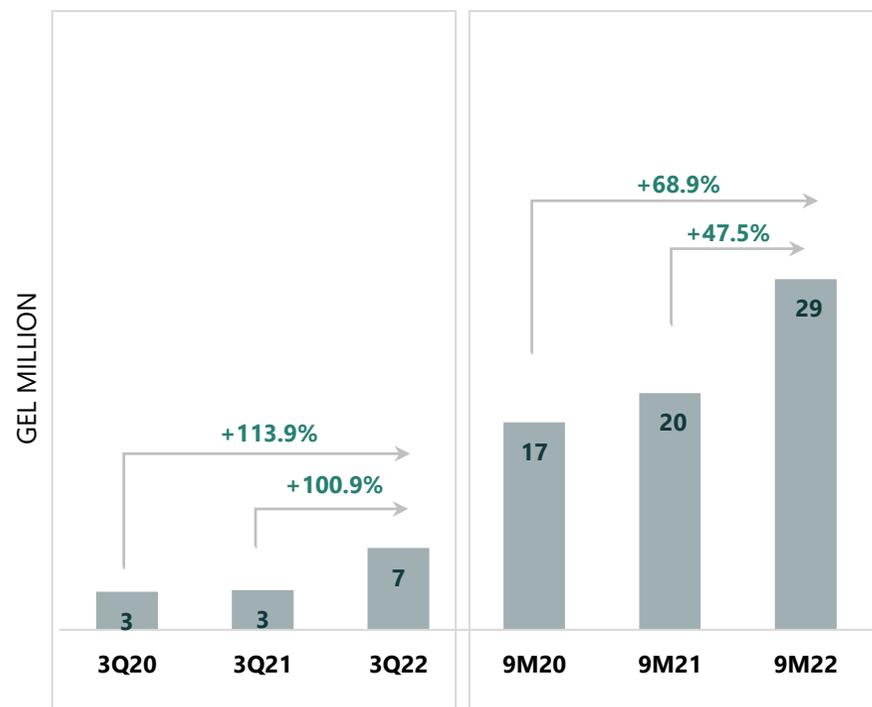


## EDUCATION

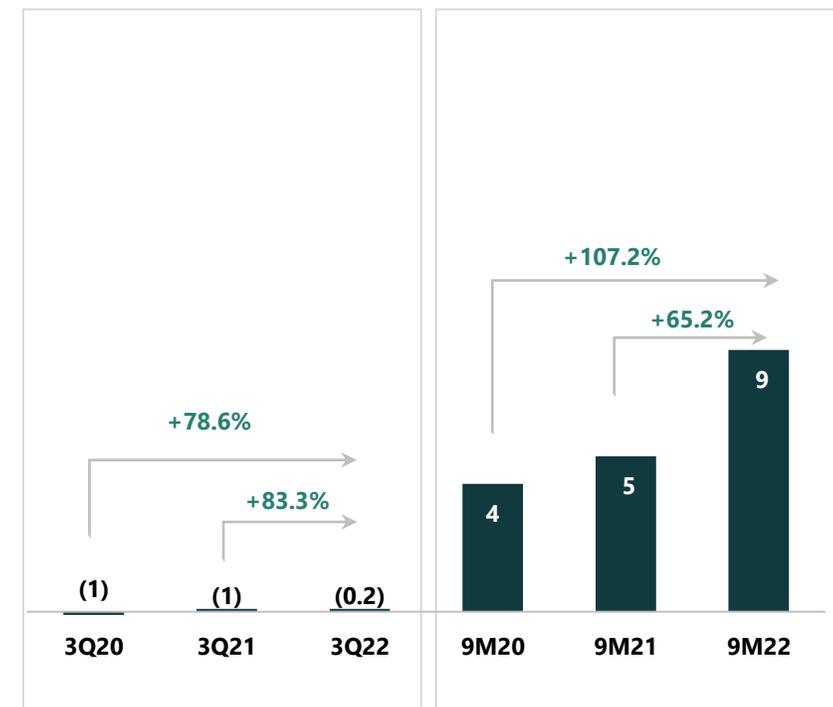
### KEY DRIVERS

- In 3Q22, the education business increased its capacity by 590 learners to 5,650 learners.
- Strong intakes in 2022-2023 academic year with 966 new learners (up by 30.7% y-o-y to 4,116 learners as of 30-Sep-22):
- The utilisation rate for the total 5,650 learner capacity was 72.8%, up 10.6 ppts y-o-y as of 30-Sep-22.

### REVENUE DEVELOPMENT



### EBITDA DEVELOPMENT



### KEY OPERATING HIGHLIGHTS

	3Q21	vs.	3Q22	Change y-o-y	9M21	vs.	9M22	Change y-o-y
Number of learners	3,150		4,116	+30.7%	3,150		4,116	+30.7%
Capacity utilisation <sup>1</sup> (excluding expansion)	94.6%		100.0%	+5.4ppts	94.6%		100.0%	+5.4ppts

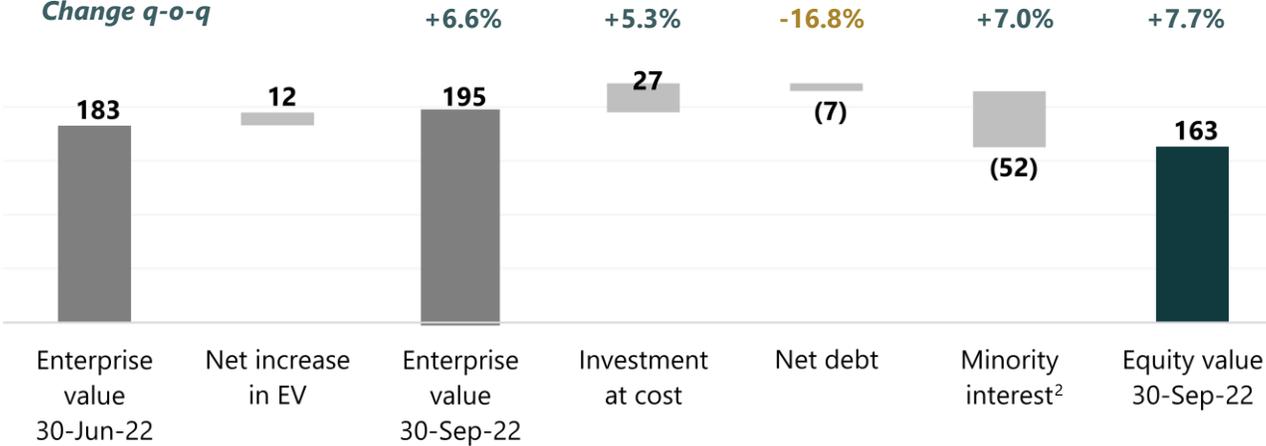


# EDUCATION BUSINESS VALUATION OVERVIEW

## VALUE DEVELOPMENT OVERVIEW | 3Q22

(GEL MILLION)

Change q-o-q

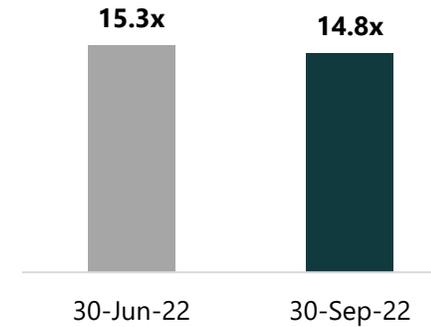


## VALUATION HIGHLIGHTS<sup>1</sup>

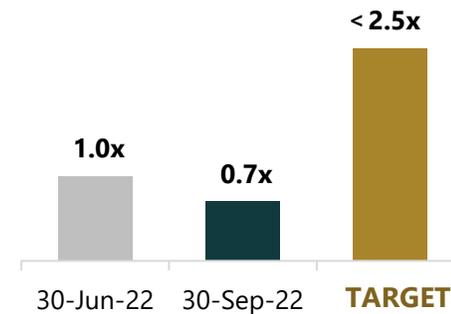
GEL million, unless noted otherwise

	30-Sep-22	30-Jun-22	Change	31-Dec-21	Change
Enterprise value	194.8	182.7	12.1	139.9	54.9
EBITDA <sup>3</sup>	13.2	11.9	1.3	11.2	2.0
Implied EV/EBITDA multiple	14.8x	15.3x	(0.5x)	12.5x	2.3x
Net debt	(7.4)	(8.9)	1.5	(8.4)	1.0
Investments at cost	27.1	25.7	1.4	34.9	(7.8)
Total equity value of GCAP's share	163.4	151.8	11.6	129.8	33.6

## LTM EV/EBITDA DEVELOPMENT



## NET DEBT TO EBITDA



# CLINICS & DIAGNOSTICS BUSINESS OPERATING PERFORMANCE OVERVIEW

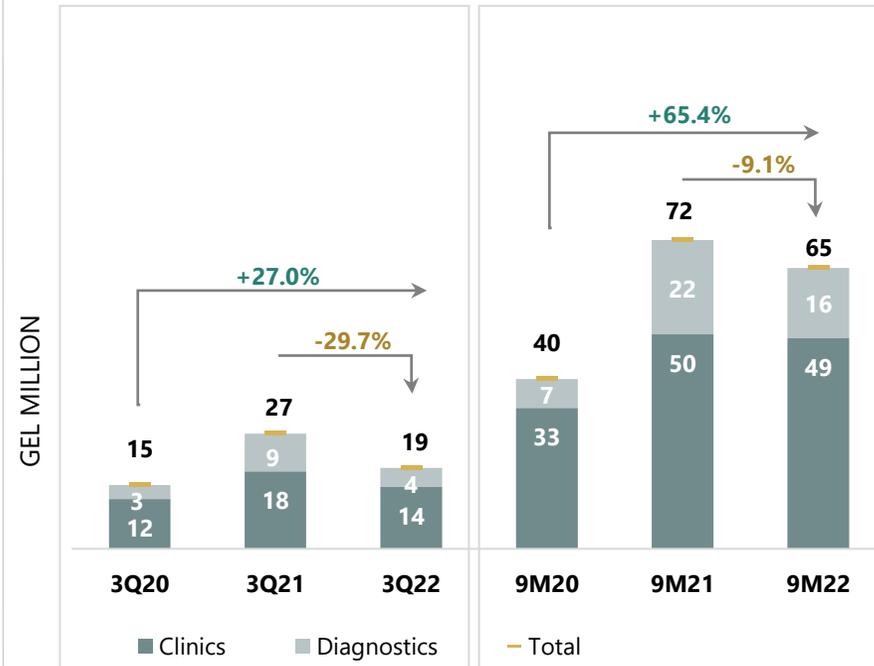


## CLINICS & DIAGNOSTICS

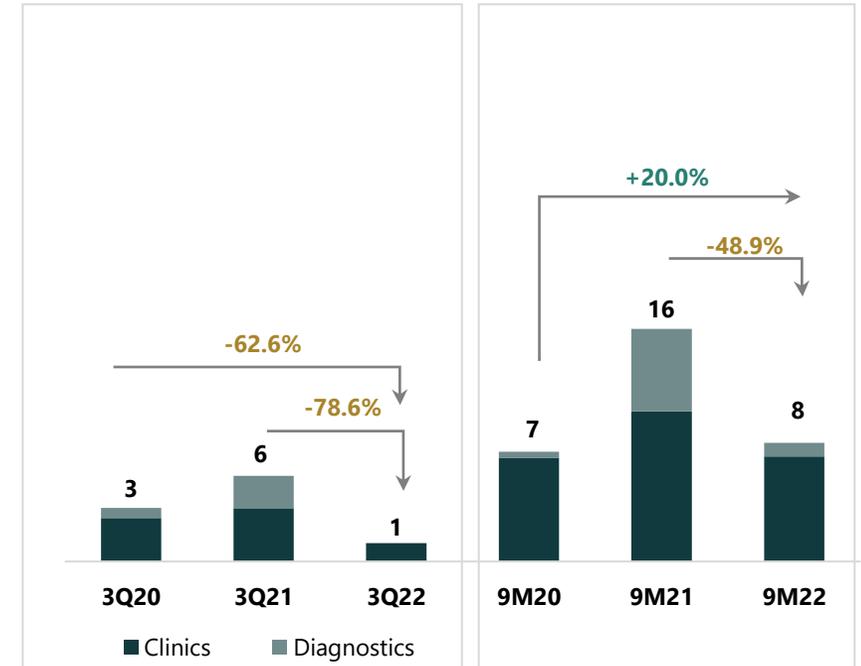
### KEY DRIVERS

- Similar to the hospitals business, our clinics business was also impacted by the suspension of COVID contracts by the Government.
- Substantially lower COVID cases during the quarter resulted in a significant decrease in diagnostics business revenues and EBITDA.
- The business is showing initial signs of rebound with a 22.1% increase in revenues from non-COVID services in both polyclinics and community clinics.

### REVENUE DEVELOPMENT<sup>2</sup>



### EBITDA<sup>1</sup> DEVELOPMENT



### KEY OPERATING HIGHLIGHTS

	3Q21	vs.	3Q22	Change y-o-y	9M21	vs.	9M22	Change y-o-y
<b>Clinics</b>								
Number of admissions ('000)	670.1		483.8	-27.8%	1,692.4		1,619.8	-4.3%
Number of registered patients ('000)	579		608	+5.1%	579		608	+5.1%
<b>Diagnostics</b>								
Average revenue per test (GEL)	13.2		8.9	-32.4%	11.9		9.0	-24.4%
Number of tests performed ('000)	668		501	-25.1%	1,843		1,799	-2.4%



# CLINICS & DIAGNOSTICS BUSINESS VALUATION OVERVIEW

## VALUE DEVELOPMENT OVERVIEW | 3Q22

(GEL MILLION)

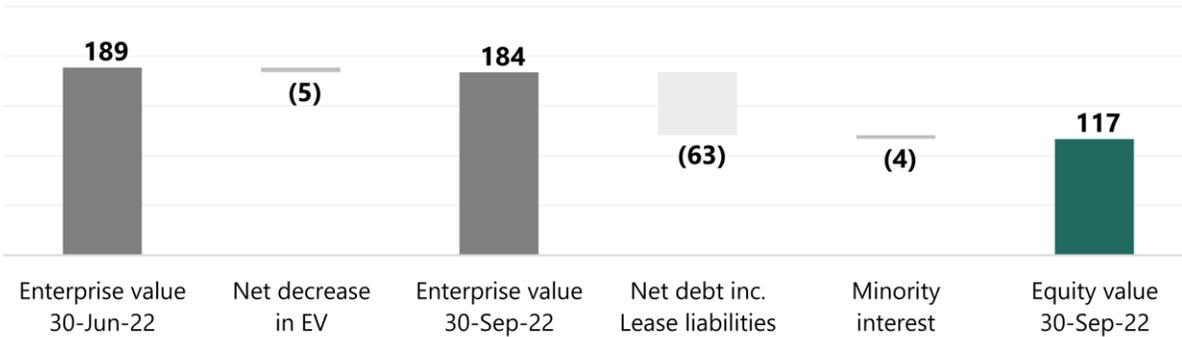
Change q-o-q

-2.6%

-2.3%

-9.0%

-2.6%



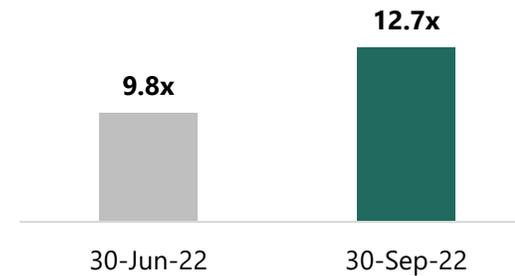
## VALUATION HIGHLIGHTS<sup>1</sup>

GEL million, unless noted otherwise

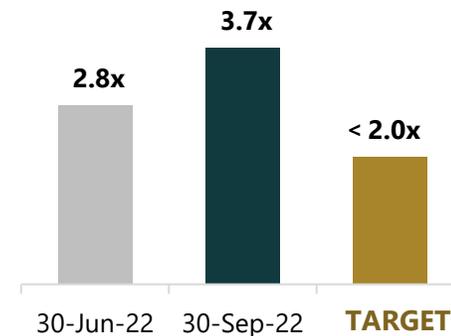
	30-Sep-22	30-Jun-22	Change	31-Dec-21	Change
Enterprise value	183.9	188.8	(4.9)	211.6	(27.7)
LTM EBITDA	14.5	19.2	(4.7)	22.3	(7.8)
Implied EV/EBITDA multiple	12.7x	9.8x	2.9x	9.5x	3.2x
Net debt incl. lease liabilities	(63.3)	(64.8)	1.5	(48.1)	(15.2)
Equity value of GCAP's share	117.0	120.0	(3.0)	158.0	(41.0)

## IMPLIED LTM EV/EBITDA DEVELOPMENT

(incl. IFRS 16)



## NET DEBT TO EBITDA



# CONTENTS

**01** KEY DEVELOPMENTS IN 3Q22

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**02** MACROECONOMIC UPDATE | GEORGIA

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**03** 3Q22 & 9M22 PERFORMANCE OVERVIEW

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**04** 3Q22 & 9M22 PORTFOLIO RESULTS AND VALUATIONS OVERVIEW

---

**05** LIQUIDITY AND DIVIDEND INCOME OUTLOOK

---

**06** WRAP-UP

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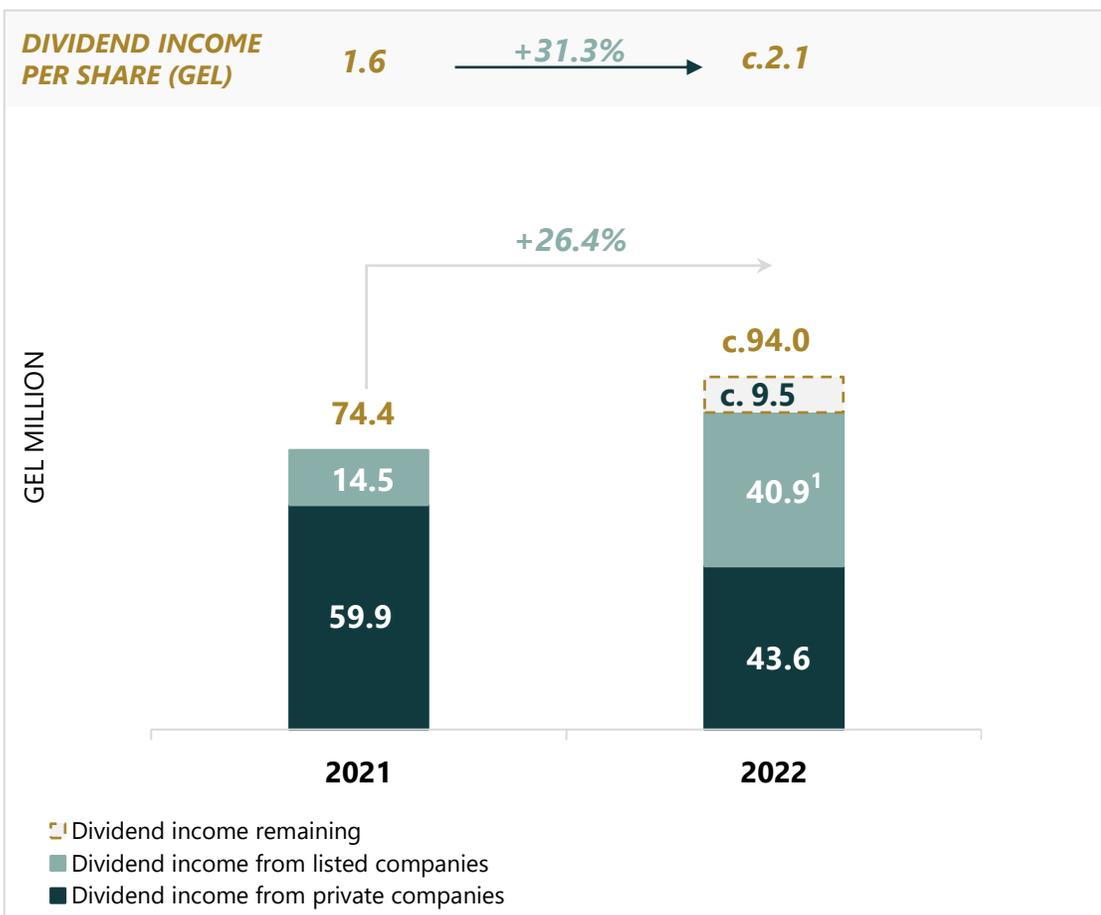
**07** ANNEX

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# DIVIDEND INCOME OUTLOOK

## DIVIDEND INCOME FROM PORTFOLIO COMPANIES



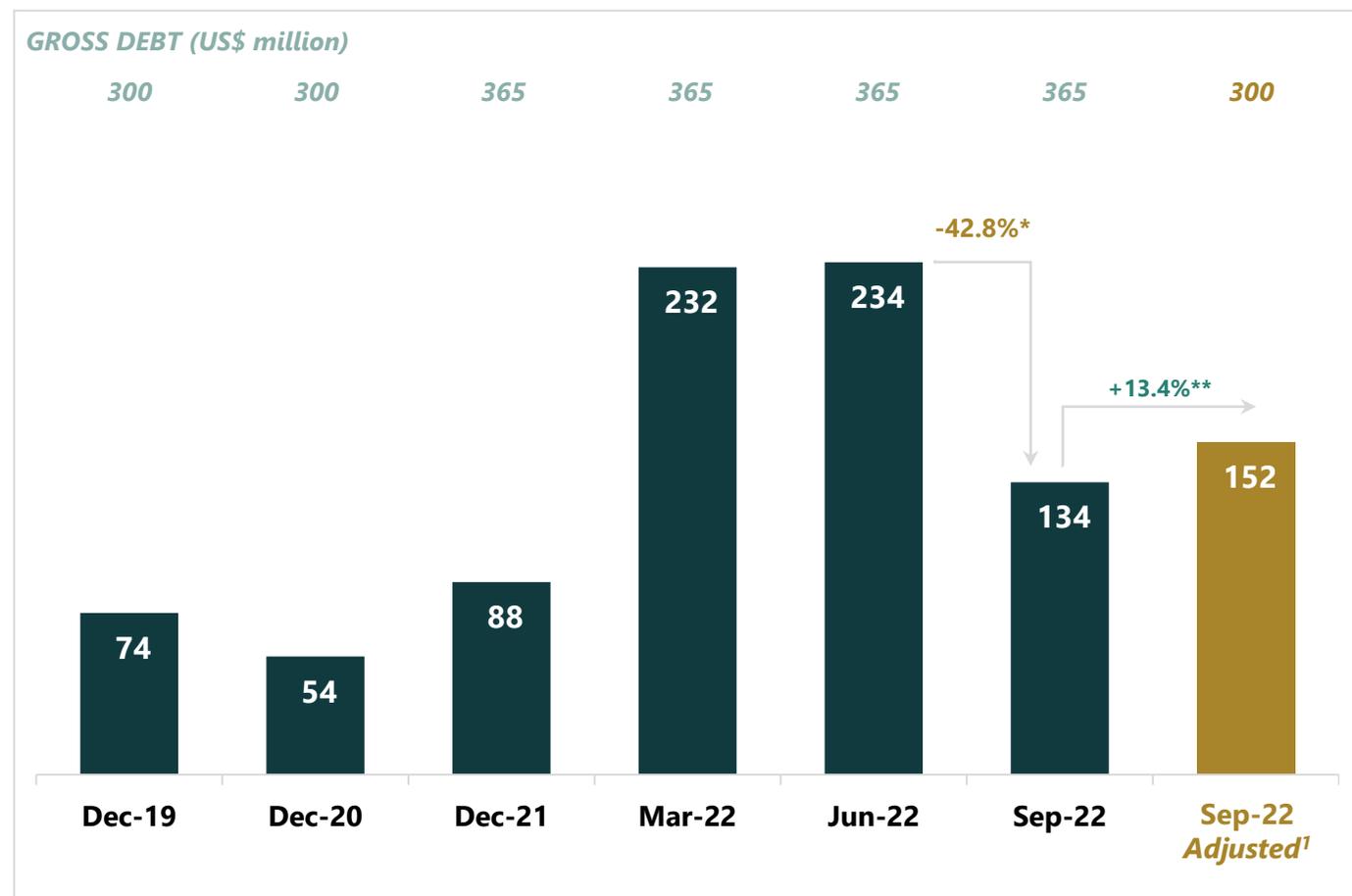
**ROBUST DIVIDEND  
INCOME IN 2022**

**94**  
GEL MILLION  
IN 2022

DIVIDENDS INCOME (GEL million)	3Q22	TO DATE
BOG	-	40.9
Retail (Pharmacy)	16.0	16.0
Hospitals	13.0	13.0
Renewable Energy	2.0	6.2
P&C Insurance	-	7.4
Medical Insurance	1.0	1.0
<b>TOTAL</b>	<b>32.0</b>	<b>84.5</b>

# LIQUIDITY OUTLOOK

## LIQUIDITY DEVELOPMENT OVERVIEW (US\$ MILLION)



**\* GCAP LIQUIDITY DOWN BY 42.8% IN 3Q22, MAINLY REFLECTING THE SHAREHOLDER LOAN ISSUED TO RENEWABLE ENERGY**

**\*\* LIQUIDITY UP BY 13.4% WHEN ADJUSTED FOR THE GCAP EUROBOND BUYBACKS, CANCELLATION OF US\$ 65 MILLION NOTES AND REPAYMENT OF US\$ 80 MILLION SHAREHOLDER LOAN BY RENEWABLE ENERGY IN OCT-22**

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- 01** KEY DEVELOPMENTS IN 3Q22

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- 02** MACROECONOMIC UPDATE | GEORGIA

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- 03** 3Q22 & 9M22 PERFORMANCE OVERVIEW

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- 04** 3Q22 & 9M22 PORTFOLIO RESULTS AND VALUATIONS OVERVIEW

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- 05** LIQUIDITY AND DIVIDEND INCOME OUTLOOK

---

- 06** WRAP-UP

---

- 07** ANNEX

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# SOLID PERFORMANCE ACROSS OUR PRIVATE PORTFOLIO, WITH OUTLOOK BEING EVEN STRONGER



## PERFORMANCE HIGHLIGHTS

✓	NAV per share (GEL) up 8.2% in 3Q22, up 25.5% in GBP terms
✓	GEL 32.0 million regular divided income in 3Q22 (GEL 84.5 million to date, including GEL 18.1 million interim dividends collected from BoG in Oct-22)
✓	US\$ 102 million GCAP Eurobonds re-purchased to date, of which, US\$ 65 million were cancelled in Oct-22
✓	NCC Ratio down 2.6 ppts to 24.4% at 30-Sep-22 (down to 22.2% at 8-Nov-22)

## OUTLOOK

➔	Continued focus on our strategic priorities
➔	Significant value creation potential across our portfolio companies with post-COVID transition impact on our healthcare businesses expected to fade away over the next few quarters
➔	Strong economic growth outlook

# CONTENTS

- 01** KEY DEVELOPMENTS IN 3Q22

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- 02** MACROECONOMIC UPDATE | GEORGIA

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- 03** 3Q22 & 9M22 PERFORMANCE OVERVIEW

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- 04** 3Q22 & 9M22 PORTFOLIO RESULTS AND VALUATIONS OVERVIEW

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- 05** LIQUIDITY AND DIVIDEND INCOME OUTLOOK

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- 06** WRAP-UP

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- 07** ANNEX

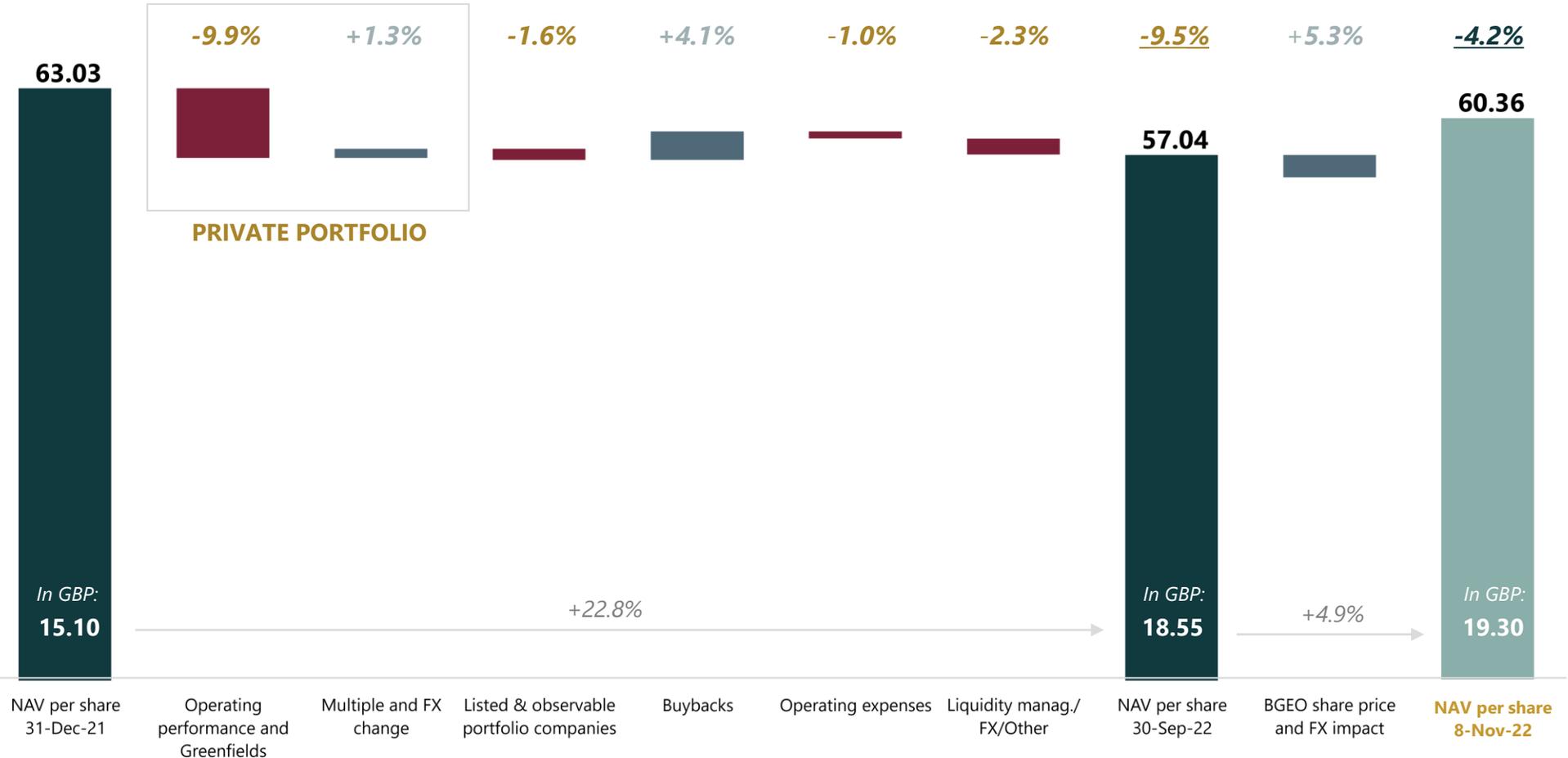


# NAV PER SHARE (GEL) MOVEMENT IN 9M22



## NAV PER SHARE (GEL) DOWN 9.5% IN 9M22

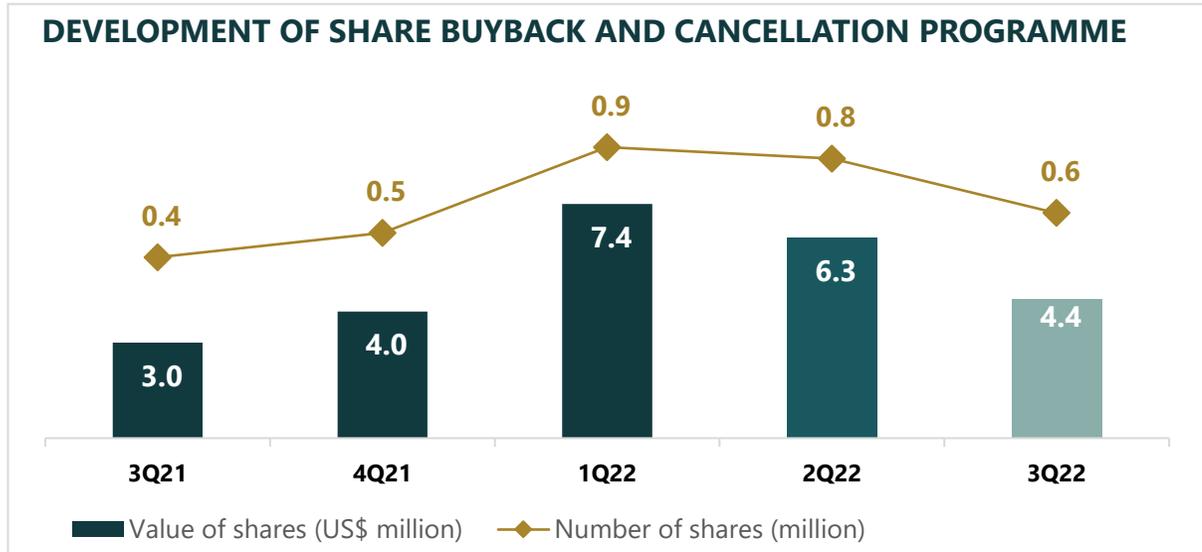
- The decrease in NAV per share (GEL) reflects the impact of:
  - value reduction across our listed and observable and private portfolio companies with a 1.6 ppts and 8.6 ppts negative impact on the NAV per share, respectively.
  - management platform related costs (-1.0 ppts impact) and net interest expenses (-1.0 ppts impact)
  - NAV per share (GBP) up 22.8% in 9M22, reflecting a 35.7% appreciation of GEL against GBP



# PROGRESS ON THE SHARE BUYBACK AND CANCELLATION PROGRAMME

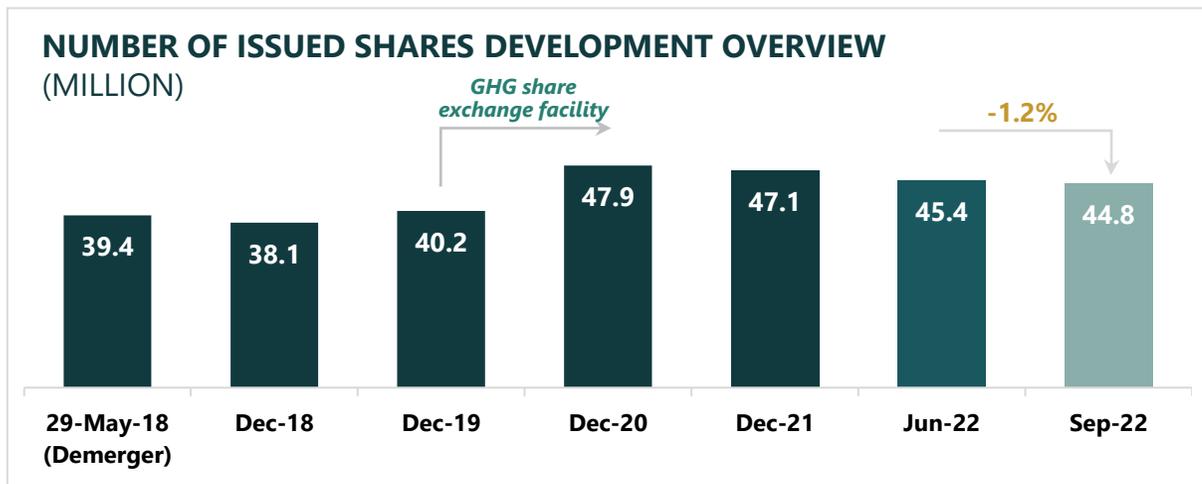
**3.1 MILLION SHARES (c.7% OF ISSUED CAPITAL) HAVE BEEN REPURCHASED UNDER THE US\$ 25 MILLION SHARE BUYBACK AND CANCELLATION PROGRAMME AS OF 30-SEP-22**

➤ In 9M22, 603,251 shares with a value of US\$ 4.8 million were repurchased for the management trust.



TOTAL  
**3.1**  
MILLION  
SHARES

TOTAL  
**25.0**  
US\$ MILLION



# DELEVERAGING ACROSS OUR PRIVATE PORTFOLIO



**AGGREGATED LEVERAGE  
ACROSS OUR PRIVATE LARGE  
AND INVESTMENT STAGE  
PORTFOLIO COMPANIES AT  
2.5x AS OF 30-SEP-22**

ADJUSTED NET DEBT/EBITDA	30-JUN-22	CHANGE	30-SEP-22	TARGET (OVER THE CYCLE)
<b>LARGE PORTFOLIO COMPANIES</b>				
Retail (pharmacy) <sup>1</sup>	1.6x	+0.1x	1.7x	Up to 1.5x
Hospitals	2.5x	+0.6x	3.1x	Up to 2.0x
Insurance (P&C and Medical)	No leverage	<i>NMF</i>	No leverage	No leverage
<b>INVESTMENT STAGE PORTFOLIO COMPANIES</b>				
Renewable Energy <sup>2</sup>	8.0x	-1.6x	6.4x	Up to 6.0x
Education	1.0x	-0.3x	0.7x	Up to 2.5x
Clinics and Diagnostics	2.8x	+0.9x	3.7x	Up to 2.0x

Georgia Capital PLC | General note: Figures for Hospitals, Retail (Pharmacy), Clinics and Diagnostics are given excluding IFRS 16 effects; Net debt/EBITDA is adjusted for capital commitments. 1. Includes the application of the minority buyout agreement. 2. 30-Sep-22 ratio is calculated in US\$ and net debt is given excluding US\$10 million quasi-equity.

# PRIVATE PORTFOLIO COMPANIES' DEBT MATURITY PROFILE



## GROSS DEBT MATURITY AS OF 30 SEPTEMBER 2022 (GEL MILLION)

	2022	2023	2024	2025+	Total
<b>Large portfolio companies</b>	<b>51.1</b>	<b>157.1</b>	<b>79.0</b>	<b>34.7</b>	<b>321.9</b>
Retail (pharmacy)	-	26.4	9.2	23.7	59.3
Hospitals	51.1	130.7	69.8	11.0	262.6
Medical Insurance	-	-	-	-	-
<b>Investment stage portfolio companies</b>	<b>2.5</b>	<b>20.0</b>	<b>14.3</b>	<b>258.6</b>	<b>295.5</b>
Renewable Energy	-	-	-	227.3	227.3
Education	1.0	4.3	4.3	13.6	23.3
Clinics and Diagnostics	1.5	15.7	10.0	17.7	44.9
<b>Other businesses</b>	<b>30.8</b>	<b>62.7</b>	<b>148.4</b>	<b>117.4</b>	<b>359.3</b>
<b>Total</b>	<b>84.4</b>	<b>239.8</b>	<b>241.7</b>	<b>410.7</b>	<b>976.7</b>

- Gross debt of renewable energy includes payments for 5-year US\$80 million bonds issued in Oct-22. Gross debt of other businesses includes a 2-year US\$ 35 million bonds issued by the housing development business in Oct-22.

# VALUATION PEER GROUP



## RETAIL (PHARMACY)

- NEUCA S.A. | Poland
- Sopharma Trading AD | Bulgaria
- S.C. Ropharma S.A. | Romania
- SALUS, Ljubljana, d. d. | Slovenia
- Great Tree Pharmacy Co., Ltd. | Taiwan
- Dis-Chem Pharmacies Limited | South Africa
- Clicks Group Limited | South Africa

## HOSPITALS

- Medcover AB (publ) | Sweden
- EMC Instytut Medyczny SAEMC SA | Poland
- Med Life S.A. | Romania
- Netcare Limited | South Africa
- Mediclinic International plc | South Africa
- MLP Saglik Hizmetleri A.S. | Turkey
- Life Healthcare Group Holdings Limited | South Africa

## P&C INSURANCE

- Dhipaya Insurance | Thailand
- Zavarovalnica Triglav | Slovenia
- Pozavarovalnica Sava | Slovenia
- Aksigorta | Turkey
- Anadolu Sigorta | Turkey
- Bao Minh Insurance | Vietnam
- Turkiye Sigorta | Turkey

## MEDICAL INSURANCE

- Powszechny Zaklad Ubezpieczen SA | Poland
- European Reliance General Insurance Company S.A. | Greece
- UNIQA Insurance Group AG | Austria
- Ageas SA/NV | Belgium

## EDUCATION

- SISB Public Company Limited | Thailand
- Curro Holdings Limited | South Africa
- Overseas Education Limited | Singapore
- Cairo For Investment & Real Estate Development S.A.E | Egypt
- Cogna Educação S.A. | Brazil
- Colegios Peruanos S.A. | Peru
- Educational Holding Group K.S.C.P | Kuwait
- ADVTECH Limited | South Africa

## CLINICS AND DIAGNOSTICS

- EMC Instytut Medyczny SA | Poland
- Medcover AB (publ) | Sweden
- Med Life S.A. | Romania
- Mediclinic International plc | South Africa
- Medcover AB | Sweden
- Fleury S.A. | Brazil
- Instituto Hermes Pardini S.A. | Brazil

## RENEWABLE ENERGY\*

- BCPG Public Company Limited | Thailand
- ERG S.p.A | Italy
- Polenergia S.A. | Poland
- Terna Energy Societe Anonyme | Greece

\*This list of the renewable energy business peers is extracted from the larger peer group used in valuations by Kroll.

# FORWARD LOOKING STATEMENTS



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, certain of which are beyond our control, include, among other things: regional instability; impact of COVID-19; 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 could adversely affect our business and financial performance, which are contained elsewhere in this presentation and in our past and future filings and reports and also the 'Principal Risks and Uncertainties' included in the 1H22 Results Announcement and Georgia Capital PLC's Annual Report and Accounts 2021. 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.