

**FINANCIAL PERFORMANCE HIGHLIGHTS (IFRS)<sup>1</sup>**

GEL '000, unless otherwise noted

	Sep-24	Jun-24	Change	Dec-23	Change	
<b>Georgia Capital NAV overview</b>						
NAV per share, GEL	83.41	78.55	6.2%	82.94	0.6%	
NAV per share, GBP	22.82	22.10	3.3%	24.23	-5.8%	
Net Asset Value (NAV)	3,194,592	3,140,721	1.7%	3,378,512	-5.4%	
Shares outstanding <sup>2</sup>	38,301,132	39,983,227	-4.2%	40,736,528	-6.0%	
Liquid assets and loans issued	113,596	82,014	38.5%	117,122	-3.0%	
NCC ratio <sup>2</sup>	15.9%	18.9%	-3.0 ppts	15.6%	0.3 ppts	
<b>Georgia Capital Performance</b>						
	<b>3Q24</b>	<b>3Q23</b>	<b>Change</b>	<b>9M24</b>	<b>9M23</b>	<b>Change</b>
Total portfolio value creation	115,053	174,922	-34.2%	(25,525)	457,386	NMF
<i>of which, listed and observable businesses</i>	522	221,148	-99.8%	66,422	391,939	-83.1%
<i>of which, private businesses</i>	114,531	(46,226)	NMF	(91,947)	65,447	NMF
Investments	1,364	30	NMF	7,432	20,453	-63.7%
Buybacks <sup>3</sup>	60,833	273	NMF	110,842	53,994	NMF
Dividend income	141,620	53,661	NMF	191,927	201,735	-4.9%
<i>of which, recurring dividend income<sup>4</sup></i>	119,024	47,061	NMF	169,331	145,674	16.2%
<i>of which, one-off dividend income</i>	22,596	6,600	NMF	22,596	56,061	-59.7%
Net income / (loss)	110,194	148,354	-25.7%	(85,262)	407,280	NMF
<b>Private portfolio companies' performance<sup>1,5</sup></b>						
	<b>3Q24</b>	<b>3Q23</b>	<b>Change</b>	<b>9M24</b>	<b>9M23</b>	<b>Change</b>
<b>Large portfolio companies</b>						
Revenue	374,243	322,967	15.9%	1,080,332	982,651	9.9%
EBITDA	46,094	34,374	34.1%	126,406	121,056	4.4%
Net operating cash flow	58,078	32,110	80.9%	122,478	64,069	91.2%
<b>Investment stage portfolio companies</b>						
Revenue	41,900	37,235	12.5%	135,913	110,830	22.6%
EBITDA	13,575	12,481	8.8%	47,681	40,035	19.1%
Net operating cash flow	22,028	20,180	9.2%	58,505	40,211	45.5%
<b>Total portfolio<sup>6</sup></b>						
Revenue	584,229	522,327	11.9%	1,655,707	1,520,559	8.9%
EBITDA	79,104	67,889	16.5%	226,578	196,538	15.3%
Net operating cash flow	102,370	50,907	101.1%	214,514	103,466	107.3%

**KEY POINTS**

- Sale of an 80% holding of our stake (an effective 73.9% equity stake<sup>7</sup>) in the beer and distribution business to Royal Swinkels N.V. ("Royal Swinkels") at a premium to the business' investment value as at 30-Jun-24, with a clear exit path for the remaining stake. Closing of the transaction and the receipt of US\$ c.63.0 million net cash proceeds are expected in 4Q24
- NAV per share (GEL) up 6.2% in 3Q24, reflecting the overall strong operating performance of our private portfolio companies and the sale of the beer and distribution business
- Record recurring quarterly dividend income of GEL 119.0 million in 3Q24, driving the 3.0 ppts improvement in the NCC ratio to 15.9% as at 30-Sep-24
  - Additional GEL 22.6 million one-off buyback dividend income from temporarily reducing our stake in BoG to 19.1% in 3Q24 (from our targeted holding level of 19.5%)
- Record aggregated quarterly revenues of GEL 584.2 million, up 11.9% y-o-y, with a 16.5% y-o-y increase in EBITDA in 3Q24
- All-time high aggregate quarterly net operating cash flows of GEL 102.4 million, more than doubling y-o-y in 3Q24
- 2.0 million shares repurchased during 3Q24 and October 2024 (total bought back since demerger now 10.8 million shares (US\$ 123.3 million cost), representing 22.5%<sup>8</sup> of GCAP's peak issued share capital)

**Conference call:** An investor/analyst conference call will be held on 28 October 2024, at 14:00 UK / 15:00 CET / 9:00 US Eastern Time. Please register at the [Registration Link](#) to attend the event. Further details are available on the [Group's webpage](#).

<sup>1</sup> See "Basis of Presentation" for more background on page 23. Private portfolio companies' performance includes aggregated stand-alone IFRS results for our portfolio companies, which can be viewed as APMs for Georgia Capital, since Georgia Capital does not consolidate its subsidiaries and instead measures them at fair value under IFRS.

<sup>2</sup> Please see definition in glossary on page 23.

<sup>3</sup> Includes both the buybacks under the share buyback and cancellation programme and for the management trust.

<sup>4</sup> Includes regular cash and buyback dividends.

<sup>5</sup> Private portfolio companies' performance highlights are presented excluding the water utility business. Aggregated numbers are presented like-for-like basis.

<sup>6</sup> The results of our four smaller businesses included in other portfolio companies (described on page 20) are not broken out separately. Performance totals, however, include the other portfolio companies' results (and are therefore not the sum of large and investment stage portfolio results).

<sup>7</sup> Georgia Capital is the ultimate owner of a 92.4% equity stake in its beer and distribution business. The disposal entails the sale of 80% of a 92.4% ownership stake.

<sup>8</sup> Determined by taking into account the peak number of 47.9 million shares issued as of 31-Dec-20.

## CHAIRMAN AND CEO'S STATEMENT

I am pleased to present another strong performance in the third quarter of 2024, which demonstrates the significant strategic, financial, and operational progress of Georgia Capital, that led to a 6.2% increase in NAV per share during the quarter.

**Sale of the beer and distribution business.** Today we announced that we have agreed to sell 80% of our holding (an effective 73.9% equity stake) in the beer and distribution business to a high-quality international investor and strategic purchaser, Royal Swinkels. The disposal creates substantial value for GCAP shareholders and brings in significant net cash proceeds of at least US\$ 63.0 million, translating into a premium to the business' investment value, and a 1.8% uplift to GCAP's NAV per share as at 30 June 2024. The sale is consistent with GCAP's capital-light investment strategy and represents another successful completion of the full investment cycle of our private assets, from acquisition and development to cash exit, while also marking further progress toward our key strategic priority of divesting our subscale portfolio companies. In addition, the partnership with Royal Swinkels brings high quality international expertise to the Group and further potential value creation upside on our remaining minority interest in the business, where we have put in place a put/call option structure. The use of the sales proceeds will be announced following the completion of the transaction and receipt of the proceeds, which is expected to take place prior to the end of 2024. Further information about the transaction can be found on [GCAP's website](#).

**Overview of the Georgian parliamentary elections.** On 26 October 2024, Georgia held its regular parliamentary election. Preliminary results show the ruling party received 54% of the votes, translating into 89 of the 150 parliamentary seats. Four opposition parties, that surpassed the 5% minimum threshold, will collectively hold 61 seats. This enables the ruling party to form a parliamentary majority and continue to govern for the next four years.

**NAV per share (GEL) increased 6.2% to GEL 83.41 in 3Q24.** The increase in NAV per share (GEL) in 3Q24 reflects the excellent underlying operating performances across our private portfolio. In 3Q24, the quarterly aggregated revenue was up by 11.9% y-o-y to an all-time high of GEL 584.2 million, while EBITDA increased by 16.5% y-o-y to GEL 79.1 million. The strong business growth across our portfolio companies also led to a record aggregate quarterly net operating cash flows of GEL 102.4 million, more than doubling y-o-y in 3Q24. This, coupled with the uplift from marking the beer and distribution business' equity value to the agreed sale price, translated into GEL 114.5 million value creation from our private assets (+3.6 ppts impact). Value creation from the listed and observable portfolio companies amounted to GEL 0.5 million in 3Q24, reflecting the net impact of GEL 5.0 million value creation in Water Utility, deriving from its strong operating performance, and GEL 4.5 million decrease in BoG's listed stock-market value in 3Q24. The NAV per share growth was also supported by our share buyback and cancellation programme (+2.4 ppts impact) and GEL's appreciation against US\$, resulting in a foreign currency gain of GEL 10.1 million on GCAP's net debt (+0.3 ppts impact). The NAV per share (GEL) growth was slightly offset by management platform-related costs and net interest expense (-0.5 ppts impact in total). In GBP terms, the NAV per share growth in 3Q24 was 3.3%, driven by GEL's slight depreciation against GBP during the quarter.

**Update on share buybacks.** During the second half of 2024 to date, under the US\$ 40 million share buyback and cancellation programme, we repurchased 2.0 million shares for a total consideration of GEL 73.4 million (US\$ 26.9 million). This takes the capital returned to our shareholders since demerger to a total of US\$ 123.3 million or 10.8 million GCAP shares representing 22.5% of GCAP's issued share capital at its peak. As a result, the gross number of issued shares, including those held by the management trust, now stands at 39.8 million, down 8.1 million from the peak.

From a **macroeconomic perspective**, Georgia's economic performance remains strong, with real GDP growth of 10.0% in the first eight months of 2024, while inflation remains below its targeted level. Despite recent volatility in the regional geopolitical environment, banking loan book growth is solid, unemployment rates have fallen to historic lows, and continued wage growth is boosting domestic consumption and overall economic growth. While external FX inflows have moderated, the third quarter has shown a rebound, mainly driven by growth in exports (up 26% y-o-y) and continued recoveries in tourism revenues and remittances. Strong secondary income and rising service exports are helping narrow the current account deficit. Macroeconomic policy remains sound, with the monetary policy rate now at 8%, the fiscal deficit continuing to narrow, and public debt as a percentage of GDP, at 39.2%, now standing at its lowest level since 2015.

**Outlook.** The excellent performance of our portfolio companies, coupled with our unwavering focus on delivering on our strategic priorities, were instrumental to our outstanding 3Q24 results. This performance was underpinned by the resilience of the Georgian economy, which has demonstrated consistent and substantial growth over the past few years. Against this background, I believe that Georgia Capital has all the key fundamentals in place to continue delivering consistent NAV per share growth over the medium to long term – and to progress further towards achieving our key strategic priorities.

**Irakli Gilauri, Chairman and CEO**

## DISCUSSION OF GROUP RESULTS

The discussion below analyses the Group's unaudited net asset value at 30-Sep-24 and its income for the third quarter and nine-month period then ended on an IFRS basis (see "Basis of Presentation" on page 23 below).

### Net Asset Value (NAV) Statement

NAV statement summarises the Group's IFRS equity value (which we refer to as Net Asset Value or NAV in the NAV Statement below) at the opening and closing dates for the third quarter (30-Jun-24 and 30-Sep-24). The NAV Statement below breaks down NAV into its components and provides a roll forward of the related changes between the reporting periods. For the NAV Statement for the nine months of 2024 see page 22.

### NAV STATEMENT 3Q24

GEL '000, unless otherwise noted	Jun-24	1. Value creation <sup>9</sup>	2a. Investment and Divestments	2b. Buyback	2c. Dividends	3. Operating expenses	4. Liquidity/FX/Other	Sep-24	Change %
<b>Listed and Observable Portfolio Companies</b>									
Bank of Georgia (BoG)	1,269,814	(4,478)	-	-	(118,865)	-	-	1,146,471	-9.7%
Water Utility	155,000	5,000	-	-	-	-	-	160,000	3.2%
<b>Total Listed and Observable Portfolio Value</b>	<b>1,424,814</b>	<b>522</b>	<b>-</b>	<b>-</b>	<b>(118,865)</b>	<b>-</b>	<b>-</b>	<b>1,306,471</b>	<b>-8.3%</b>
<i>Listed and Observable Portfolio value change %</i>		<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-8.3%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-8.3%</i>	
<b>Private Portfolio Companies</b>									
<b>Large Companies</b>	<b>1,251,822</b>	<b>62,972</b>	<b>-</b>	<b>-</b>	<b>(6,803)</b>	<b>-</b>	<b>817</b>	<b>1,308,808</b>	<b>4.6%</b>
Retail (Pharmacy)	619,321	38,494	-	-	-	-	359	658,174	6.3%
Insurance (P&C and Medical)	391,457	22,625	-	-	(6,803)	-	99	407,378	4.1%
Of which, P&C Insurance	295,548	21,481	-	-	(6,803)	-	99	310,325	5.0%
Of which, Medical Insurance	95,909	1,144	-	-	-	-	-	97,053	1.2%
Hospitals	241,044	1,853	-	-	-	-	359	243,256	0.9%
<b>Investment Stage Companies</b>	<b>547,326</b>	<b>(11,321)</b>	<b>1,364</b>	<b>-</b>	<b>(12,258)</b>	<b>-</b>	<b>233</b>	<b>525,344</b>	<b>-4.0%</b>
Renewable Energy	246,166	4,491	1,364	-	(12,258)	-	-	239,763	-2.6%
Education	193,351	(12,490)	-	-	-	-	153	181,014	-6.4%
Clinics and Diagnostics	107,809	(3,322)	-	-	-	-	80	104,567	-3.0%
<b>Other Companies</b>	<b>268,038</b>	<b>62,880</b>	<b>-</b>	<b>-</b>	<b>(3,694)</b>	<b>-</b>	<b>53</b>	<b>327,277</b>	<b>22.1%</b>
<b>Total Private Portfolio Value</b>	<b>2,067,186</b>	<b>114,531</b>	<b>1,364</b>	<b>-</b>	<b>(22,755)</b>	<b>-</b>	<b>1,103</b>	<b>2,161,429</b>	<b>4.6%</b>
<i>Private Portfolio value change %</i>		<i>5.5%</i>	<i>0.1%</i>	<i>0.0%</i>	<i>-1.1%</i>	<i>0.0%</i>	<i>0.1%</i>	<i>4.6%</i>	
<b>Total Portfolio Value (1)</b>	<b>3,492,000</b>	<b>115,053</b>	<b>1,364</b>	<b>-</b>	<b>(141,620)</b>	<b>-</b>	<b>1,103</b>	<b>3,467,900</b>	<b>-0.7%</b>
<i>Total Portfolio value change %</i>		<i>3.3%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-4.1%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-0.7%</i>	
<b>Net Debt (2)</b>	<b>(350,624)</b>	<b>-</b>	<b>(1,364)</b>	<b>(61,661)</b>	<b>145,205</b>	<b>(4,856)</b>	<b>3,920</b>	<b>(269,380)</b>	<b>-23.2%</b>
of which, Cash and liquid funds	70,610	-	(1,364)	(61,661)	116,356	(4,856)	(17,203)	101,882	44.3%
of which, Loans issued	11,404	-	-	-	-	-	310	11,714	2.7%
of which, Accrued dividend income	-	-	-	-	28,849	-	-	28,849	NMF
of which, Gross Debt	(432,638)	-	-	-	-	-	20,813	(411,825)	-4.8%
Net other assets/ (liabilities) (3)	(655)	-	-	828	(3,585)	(3,407)	2,891	(3,928)	NMF
of which, share-based comp.	-	-	-	-	-	(3,407)	3,407	-	NMF
<b>Net Asset Value (1)+(2)+(3)</b>	<b>3,140,721</b>	<b>115,053</b>	<b>-</b>	<b>(60,833)</b>	<b>-</b>	<b>(8,263)</b>	<b>7,914</b>	<b>3,194,592</b>	<b>1.7%</b>
<i>NAV change %</i>		<i>3.7%</i>	<i>0.0%</i>	<i>-1.9%</i>	<i>0.0%</i>	<i>-0.3%</i>	<i>0.3%</i>	<i>1.7%</i>	
Shares outstanding <sup>9</sup>	39,983,227	-	-	(1,682,095)	-	-	-	38,301,132	-4.2%
<b>Net Asset Value per share, GEL</b>	<b>78.55</b>	<b>2.88</b>	<b>0.00</b>	<b>1.86</b>	<b>0.00</b>	<b>(0.21)</b>	<b>0.32</b>	<b>83.41</b>	<b>6.2%</b>
<i>NAV per share, GEL change %</i>		<i>3.7%</i>	<i>0.0%</i>	<i>2.4%</i>	<i>0.0%</i>	<i>-0.3%</i>	<i>0.4%</i>	<i>6.2%</i>	

NAV per share (GEL) was up 6.2% q-o-q in 3Q24, driven by a) GEL 115.1 million value creation across our portfolio companies (+3.7 pts impact), b) share buybacks (+2.4 pts impact) and c) GEL's appreciation against US\$, resulting in a foreign currency gain of GEL 10.1 million on GCAP's net debt (+0.3 pts impact). The NAV per share (GEL) growth was slightly offset by management platform-related costs and net interest expense (-0.5 pts impact in total).

### Portfolio overview

Total portfolio value amounted to GEL 3.5 billion in 3Q24, down by GEL 24.1 million (0.7%) q-o-q:

- The value of the private portfolio increased by GEL 94.2 million (up 4.6%), resulting from a) GEL 114.5 million value creation, b) investments of GEL 1.4 million and c) a decrease of GEL 22.8 million due to dividends paid to GCAP.
- The value of the listed and observable portfolio decreased by GEL 118.3 million (down 8.3%), mainly resulting from GEL 118.9 million dividend income from BoG.

Consequently, as of 30-Sep-24, the private portfolio value amounted to GEL 2.2 billion (62.3% of the total), and the listed and observable portfolio value totalled GEL 1.3 billion (37.7% of the total portfolio value).

<sup>9</sup> Please see definition in glossary on page 23.

## 1) Value creation

Value creation across our private portfolio companies amounted to GEL 114.5 million in 3Q24. This reflects:

- Robust operating performance of our private assets, delivering substantial growth in aggregated revenues (up 11.9% y-o-y) and EBITDA (up 16.5% y-o-y) in 3Q24. This, coupled with the uplift from marking the beer and distribution business' equity value to the agreed sale price, translated into a GEL 233.7 million operating performance-related value creation.
- GEL 119.2 million negative net impact from changes in implied valuation multiples and FX rates.

Value creation from the listed and observable portfolio amounted to GEL 0.5 million in 3Q24, reflecting the net impact of:

- GEL 5.0 million value creation in Water Utility, deriving from its strong operating performance, and
- GEL 4.5 million net decrease in BoG's value due to an 8.9% decline in its share price, partially offset by the dividend income of GEL 118.9 million recorded in 3Q24.

As a result, the total portfolio value creation amounted to GEL 115.1 million in 3Q24.

The table below summarises value creation drivers in our businesses in 3Q24:

Portfolio Businesses	Operating Performance <sup>10</sup>	Multiple Change and FX <sup>11</sup>	Value Creation
GEL '000, unless otherwise noted	(1)	(2)	(1)+(2)
<b>Listed and Observable portfolio</b>			<b>522</b>
BoG			(4,478)
Water Utility			5,000
<b>Private portfolio</b>	<b>233,733</b>	<b>(119,202)</b>	<b>114,531</b>
<b>Large Portfolio Companies</b>	<b>169,863</b>	<b>(106,891)</b>	<b>62,972</b>
Retail (pharmacy)	36,969	1,525	38,494
Insurance (P&C and Medical)	84,950	(62,325)	22,625
Of which, P&C Insurance	79,882	(58,401)	21,481
Of which, Medical Insurance	5,068	(3,924)	1,144
Hospitals	47,944	(46,091)	1,853
<b>Investment Stage Portfolio Companies</b>	<b>10,011</b>	<b>(21,332)</b>	<b>(11,321)</b>
Renewable Energy	21,948	(17,457)	4,491
Education	(15,972)	3,482	(12,490)
Clinics and Diagnostics	4,035	(7,357)	(3,322)
<b>Other</b>	<b>53,859</b>	<b>9,021</b>	<b>62,880</b>
<b>Total portfolio</b>	<b>233,733</b>	<b>(119,202)</b>	<b>115,053</b>

## Valuation overview<sup>12</sup>

In 3Q24, our private large and investment stage portfolio companies were valued internally by incorporating the portfolio companies' 3Q24 results, in line with International Private Equity Valuation ("IPEV") guidelines and methodology deployed in 1H24 by an independent valuation company. The independent valuation assessments, which serve as an input for Georgia Capital's estimate of fair value, were performed by applying a combination of an income approach (DCF) and a market approach (listed peer multiples and, in some cases, precedent transactions). The independent valuations of large and investment stage businesses are performed on a semi-annual basis. In line with our strategy, from time to time we may receive offers from interested buyers for our private portfolio companies, which would be considered in the overall valuation assessment, where appropriate. In 3Q24, the beer and distribution business was valued based on the sales price announced subsequent to 30 September 2024.

We perform quarterly sensitivity analyses on our valuations. In light of prevailing market conditions, the 3Q24 assessment indicated that a 100-basis-point change in discount rates used in the income approach for valuing unquoted investments would result in a GEL c.150 million, or 4.4%, change in the fair value of equity investments.

The enterprise value ("EV") and equity value development of our businesses in 3Q24 is summarised in the following table:

GEL '000, unless otherwise noted	Enterprise Value (EV)			Equity Value			% share in total portfolio
	30-Sep-24	30-Jun-24	Change %	30-Sep-24	30-Jun-24	Change %	
<b>Listed and Observable portfolio</b>				<b>1,306,471</b>	<b>1,424,814</b>	<b>-8.3%</b>	<b>37.7%</b>
BoG				1,146,471	1,269,814	-9.7%	33.1%
Water Utility				160,000	155,000	3.2%	4.6%
<b>Private portfolio</b>	<b>3,390,846</b>	<b>3,325,748</b>	<b>2.0%</b>	<b>2,161,429</b>	<b>2,067,186</b>	<b>4.6%</b>	<b>62.3%</b>
<b>Large portfolio companies</b>	<b>1,950,977</b>	<b>1,911,913</b>	<b>2.0%</b>	<b>1,308,808</b>	<b>1,251,822</b>	<b>4.6%</b>	<b>37.7%</b>
Retail (pharmacy)	972,559	951,600	2.2%	658,174	619,321	6.3%	19.0%
Insurance (P&C and Medical)	433,910	421,043	3.1%	407,378	391,457	4.1%	11.7%
Of which, P&C Insurance	309,813	295,000	5.0%	310,325	295,548	5.0%	8.9%
Of which, Medical Insurance	124,097	126,043	-1.5%	97,053	95,909	1.2%	2.8%
Hospitals	544,508	539,270	1.0%	243,256	241,044	0.9%	7.0%

<sup>10</sup> Change in the fair value attributable to the change in actual or expected earnings of the business, as well as the change in net debt.

<sup>11</sup> Change in the fair value attributable to the change in valuation multiples and the effect of exchange rate movement on net debt.

<sup>12</sup> Please read more about valuation methodology on page 23 in "Basis of presentation".

<i>Investment stage portfolio companies</i>	<b>811,983</b>	<b>830,046</b>	<b>-2.2%</b>	<b>525,344</b>	<b>547,326</b>	<b>-4.0%</b>	<b>15.1%</b>
Renewable Energy	431,327	441,327	-2.3%	239,763	246,166	-2.6%	6.9%
Education <sup>13</sup>	209,206	221,269	-5.5%	181,014	193,351	-6.4%	5.2%
Clinics and Diagnostics	171,450	167,450	2.4%	104,567	107,809	-3.0%	3.0%
<b>Other</b>	<b>627,886</b>	<b>583,789</b>	<b>7.6%</b>	<b>327,277</b>	<b>268,038</b>	<b>22.1%</b>	<b>9.5%</b>
<b>Total portfolio</b>				<b>3,467,900</b>	<b>3,492,000</b>	<b>-0.7%</b>	<b>100.0%</b>

Private large portfolio companies (37.7% of total portfolio value)

**Retail (Pharmacy) (19.0% of total portfolio value)** – The EV of Retail (Pharmacy) was up by 2.2% to GEL 972.6 million in 3Q24, reflecting the strong operating performance of the business. The significant recent expansion of the retail chain coupled with the business' proactive approach aimed at enhancing the sales and profitability margins of para-pharmacy products, led to a 4.6% y-o-y revenue growth in 3Q24. This also contributed to the improvement of the gross profit margin (up by 1.6 ppts y-o-y in 3Q24), notwithstanding the challenges posed by price regulations introduced over the last two years. Operating expenses were up 14.4% y-o-y in 3Q24, due to increased rent and salary costs related to the chain expansion and the launch of a new warehouse at the end of 2023. Consequently, the 3Q24 EBITDA increased by 2.1% y-o-y to GEL 21.3 million. See page 11 for details. LTM EBITDA (incl. IFRS 16) was up by 2.5% to GEL 111.0 million in 3Q24. Net debt (incl. IFRS 16) decreased by 5.5% to GEL 306.9 million as at 30-Sep-24, resulting from robust cash flow generation during the quarter. As a result, the fair value of GCAP's 97.6% holding increased by 6.3% to GEL 658.2 million in 3Q24. The implied LTM EV/EBITDA valuation multiple (incl. IFRS 16) remained unchanged q-o-q at 8.8x as at 30-Sep-24.

**Insurance (P&C and Medical) (11.7% of total portfolio value)** – The insurance business combines: a) P&C Insurance valued at GEL 310.3 million and b) Medical Insurance valued at GEL 97.1 million.

P&C Insurance revenues were up 25.7% y-o-y to GEL 41.1 million in 3Q24, driven by the growth in the motor, agricultural and credit life insurance lines. The revenue of the medical insurance business more than doubled y-o-y and amounted to GEL 47.7 million in 3Q24, reflecting c.10% increase in insurance policy prices as well as the positive impact of the acquisition of Ardi insurance portfolio in April 2024, contributing GEL 21.4 million to the 3Q24 y-o-y revenue growth. The combined ratio of the P&C insurance decreased by 15.1 ppts y-o-y in 3Q24, mainly resulting from an improved loss ratio following the absence of several abnormal loss events observed during 3Q23. The combined ratio of the medical insurance decreased by 3.3 ppts y-o-y in 3Q24, reflecting the strong topline growth of the business as well as the consolidation of Ardi's portfolio. As a result, the pre-tax profit of the combined insurance business increased 165.8% y-o-y to GEL 13.1 million in 3Q24. See page 13 for details. The equity value of the combined insurance business was up 4.1% q-o-q to GEL 407.4 million in 3Q24 (Ardi's portfolio continued to be measured at an equity investment cost). This translated into an implied LTM P/E valuation multiple of 10.9x at 30-Sep-24 (down from 12.4x at 30-Jun-24).

**Hospitals (7.0% of total portfolio value)** – Hospitals' EV increased by 1.0% to GEL 544.5 million in 3Q24, driven by the strong operating performance of the business. The total revenue increased by 9.9% y-o-y in 3Q24, reflecting the business' gradual return to its normal operational levels following mandatory regulatory renovations across all hospitals, most of which occurred between the second half of 2023 and the first half of 2024. These renovations led to the phased closure of certain sections of our healthcare facilities, resulting in reduced patient intake during that period. The gross profit margin also improved in 3Q24 (up 2.0 ppts y-o-y to 33.3%), reflecting the increased demand for high-margin outpatient services – a key strategic growth area for the business that has helped mitigate the impact of new regulations. Operating expenses (excl. IFRS 16) increased by 4.9% y-o-y in 3Q24, primarily due to higher salary costs associated with an increased headcount to support the expansion of the services and overall business growth. This translated into a 36.6% y-o-y increase in EBITDA (excl. IFRS 16) in 3Q24. See page 14 for details. Consequently, LTM EBITDA (incl. IFRS 16) was up by 9.6% to GEL 47.1 million in 3Q24. Net debt remained largely flat at GEL 273.8 million as at 30-Sep-24, up 1.1% q-o-q. As a result, the equity value of Hospitals was assessed at GEL 243.3 million in 3Q24 (up 0.9% q-o-q), translating into an implied LTM EV/EBITDA multiple (incl. IFRS 16) of 11.5x at 30-Sep-24 (down from 12.5x at 30-Jun-24).

Private investment stage portfolio companies (15.1% of total portfolio value)

**Renewable Energy (6.9% of total portfolio value)** – The EV of the business was up by 0.6% to US\$ 158.0 million in 3Q24 (down 2.3% to GEL 431.3 million in GEL terms), reflecting its strong operating performance. In US\$ terms, the 3Q24 revenue increased by 7.6% y-o-y to US\$ 5.9 million, resulting from both improved electricity generation (up 5.5% y-o-y) and increased average electricity selling price (up 2.0% y-o-y) during the quarter. Operating expenses were well-managed (down 6.7% y-o-y). These developments translated into an 11.2% y-o-y increase in EBITDA in 3Q24. See page 16 for details. The pipeline renewable energy projects continued to be measured at an equity investment cost of GEL 52.9 million (US\$ 19.4 million) as at 30-Sep-24, up 2.6% q-o-q, reflecting an investment of GEL 1.4 million by GCAP in 3Q24. Net debt was up by 1.0% to US\$ 70.2 million in 3Q24, driven by the dividend payment in the amount of US\$ 4.5 million (GEL 12.3 million). As a result, the equity value of the business was assessed at GEL 239.8 million in 3Q24 (down 2.6% q-o-q), (up 0.3% q-o-q to US\$ 87.8 million in US\$ terms). The blended EV/EBITDA implied valuation multiple of the operational assets stood at 11.2x as at 30-Sep-24 (down from 11.5x as at 30-Jun-24).

<sup>13</sup> Enterprise value is presented excluding the recently acquired schools and non-operational assets, added to the equity value of the education business at cost.

**Education (5.2% of total portfolio value)** – The EV of Education was down by 5.5% to GEL 209.2 million in 3Q24, reflecting near-term developments in the operating performance of the business. The third quarter is usually a slow season for the education business, as the schools are not operational during the July-August holidays. Despite the seasonal slowdown, the 3Q24 revenue increased by 15.9% y-o-y resulting from a) an organic growth through strong learner intakes and a ramp-up of utilisation and b) an expansion of the business through the launch and acquisition of two new campuses in 2023. The expansion of the business also led to a 20.1% y-o-y increase in operating expenses, which contributed to a 37.3% y-o-y decrease in 3Q24 EBITDA. See page 17 for details. LTM EBITDA was down by 5.1% to GEL 16.1 million in 3Q24. Net debt was up by 53.7% q-o-q to GEL 13.6 million in 3Q24, mainly reflecting the investments related to the expansion of existing campuses in the midscale and affordable segments. As a result, GCAP's stake in the education business was valued at GEL 181.0 million at 30-Sep-24 (down 6.4% q-o-q). The implied valuation multiple remained unchanged q-o-q at 13.0x as of 30-Sep-24. The forward-looking implied multiple is estimated at 10.5x for the 2024-2025 academic year.

**Clinics and Diagnostics (3.0% of total portfolio value)<sup>14</sup>** – The EV of the business increased by 2.4% to GEL 171.5 million in 3Q24, resulting from the strong operating performance of the business. The revenue and EBITDA (ex. IFRS 16) of the combined clinics and diagnostics business were up 13.0% and 3.0% y-o-y, respectively. This growth reflects a) the increased demand for high revenue-generating services driven by the business' proactive approach to customer acquisition and service enhancements, and b) the expansion of the business through the launch of two new ambulatory centres in 2023, which also led to a 28.0% y-o-y increase in the operating expenses in 3Q24. See page 18 for details. The LTM EBITDA (incl. IFRS 16) of the business increased by 6.4% to GEL 16.1 million in 3Q24. The net debt (incl. IFRS 16) was up by 12.7% q-o-q at GEL 64.4 million primarily due to the increased lease liabilities in line with the expansion of the business. As a result, the equity value of Clinics and Diagnostics was assessed at GEL 104.6 million (down 3.0% q-o-q), translating into an implied LTM EV/EBITDA multiple (incl. IFRS 16) of 10.6x at 30-Sep-24 (down from 11.0x at 30-Jun-24).

**Other businesses (9.5% of total portfolio value)** – Of the "other" private portfolio businesses, Auto Service and Beverages (other than wine) are valued based on LTM EV/EBITDA. Wine and Housing Development are valued based on DCF, Hospitality is valued based on NAV. See performance highlights of other businesses on page 20. The portfolio value of other businesses increased by 22.1% to GEL 327.3 million in 3Q24, primarily attributable to a) strong operating performance-related increase in the value of these businesses, including the uplift from marking the beer and distribution business' equity value to the agreed sale price b) GEL 9.0 million value creation due to changes in implied valuation multiples and foreign exchange rates.

**Listed and observable portfolio companies (37.7% of total portfolio value)**

**BOG (33.1% of total portfolio value)** – In 2Q24, BoG delivered an annualised ROAE of 28.0% and a q-o-q loan book growth of 5.6% in Georgia and 7.2% in Armenia on a constant currency basis. In 3Q24, BoG's share price was down by 8.9% q-o-q to GBP 36.8 at 30-Sep-24, which together with GEL 118.9 million dividend income from the Bank, led to a 9.7% decrease in the value of GCAP's stake in BoG in 3Q24 (down to 1.1 billion as at 30-Sep-24). The LTM P/E valuation multiple was at 2.7x as of 30-Sep-24. BoG's public announcement of their 3Q24 results, when published, will be available on [BoG's website](#).

**Water Utility (4.6% of total portfolio value)** – The equity value of the business increased by GEL 5.0 million to GEL 160.0 million in 3Q24. This valuation assessment was performed by applying the put option valuation to GCAP's 20% holding (where GCAP has a clear exit path through a put and call structure at pre-agreed EBITDA multiples) and takes into account the strong operating performance of the business in 3Q24.

## 2) Investments<sup>15</sup>

In 3Q24, GCAP invested GEL 1.4 million in Renewable Energy for the development of pipeline projects.

## 3) Share buybacks

During 3Q24, 1,682,095 shares with a total value of US\$ 22.3 million (GEL 60.8 million) were bought back under GCAP's US\$ 40 million share buyback and cancellation programme.

## 4) Dividends<sup>16</sup>

In 3Q24, GCAP recorded GEL 141.6 million dividend income from its portfolio companies:

Dividend income GEL million	Recurring	One-off	Total
<b>BoG</b>	<b>96.3</b>	<b>22.6</b>	<b>118.9</b>
<i>Of which, cash dividends</i>	72.2	-	72.2
<i>Of which, buyback dividends</i>	24.0	22.6	46.6
<b>Renewable Energy</b>	<b>12.3</b>	-	<b>12.3</b>
<b>P&amp;C Insurance</b>	<b>6.8</b>	-	<b>6.8</b>
<b>Beer Business</b>	<b>3.7</b>	-	<b>3.7</b>
<b>Total</b>	<b>119.0</b>	<b>22.6</b>	<b>141.6</b>

<sup>14</sup> The valuation inputs as at 30-Jun-24 reflect the retrospective adjustment for GEL 2.9 million gain recorded from the sale of one of the polyclinics buildings in 3Q23.

<sup>15</sup> Investments are made at JSC Georgia Capital level, the Georgian holding company.

<sup>16</sup> Dividends are received at JSC Georgia Capital level, the Georgian holding company.

- GEL 72.2 million cash dividends from BoG consists of the final dividend of GEL 43.4 million, received on 19 July 2024, and the interim dividends of GEL 28.8 million, collected subsequent to 30 September 2024 on 11 October 2024.
- GEL 22.6 million one-off buyback dividend from BoG represents advanced participation in the Bank's buyback programme, which temporarily decreased our stake in BoG to 19.1%, below the targeted holding level of 19.5%.

## 9M24 NAV STATEMENT HIGHLIGHTS

GEL '000, unless otherwise noted	Dec-23	1. Value creation <sup>17</sup>	2a. Investment and divestments	2b. Buyback	2c. Dividend	3. Operating expenses	4. Liquidity/FX/Other	Sep-24	Change %
<b>Total Listed and Observable Portfolio Value</b>	<b>1,384,847</b>	<b>66,422</b>	-	-	<b>(144,798)</b>	-	-	<b>1,306,471</b>	<b>-5.7%</b>
<i>Listed and Observable Portfolio value change %</i>		<i>4.8%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-10.5%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-5.7%</i>	
<b>Total Private Portfolio Companies</b>	<b>2,287,098</b>	<b>(91,947)</b>	<b>7,432</b>	-	<b>(47,129)</b>	-	<b>5,975</b>	<b>2,161,429</b>	<b>-5.5%</b>
Of which, Large Companies	1,436,231	(103,733)	-	-	(26,560)	-	2,870	1,308,808	-8.9%
Of which, Investment Stage Companies	566,614	(34,815)	4,432	-	(12,258)	-	1,371	525,344	-7.3%
Of which, Other Companies	284,253	46,601	3,000	-	(8,311)	-	1,734	327,277	15.1%
<i>Private Portfolio value change %</i>		<i>-4.0%</i>	<i>0.3%</i>	<i>0.0%</i>	<i>-2.1%</i>	<i>0.0%</i>	<i>0.3%</i>	<i>-5.5%</i>	
<b>Total Portfolio Value</b>	<b>3,671,945</b>	<b>(25,525)</b>	<b>7,432</b>	-	<b>(191,927)</b>	-	<b>5,975</b>	<b>3,467,900</b>	<b>-5.6%</b>
<i>Total Portfolio value change %</i>		<i>-0.7%</i>	<i>0.2%</i>	<i>0.0%</i>	<i>-5.2%</i>	<i>0.0%</i>	<i>0.2%</i>	<i>-5.6%</i>	
<b>Net Debt</b>	<b>(296,808)</b>	-	<b>(7,432)</b>	<b>(109,784)</b>	<b>191,927</b>	<b>(16,441)</b>	<b>(30,842)</b>	<b>(269,380)</b>	<b>-9.2%</b>
<b>Net Asset Value</b>	<b>3,378,512</b>	<b>(25,525)</b>	-	<b>(110,842)</b>	-	<b>(26,934)</b>	<b>(20,619)</b>	<b>3,194,592</b>	<b>-5.4%</b>
<i>NAV change %</i>		<i>-0.8%</i>	<i>0.0%</i>	<i>-3.3%</i>	<i>0.0%</i>	<i>-0.8%</i>	<i>-0.6%</i>	<i>-5.4%</i>	
Shares outstanding <sup>17</sup>	40,736,528	-	-	(3,101,773)	-	-	666,377	38,301,132	-6.0%
<b>Net Asset Value per share, GEL</b>	<b>82.94</b>	<b>(0.63)</b>	<b>(0.00)</b>	<b>3.89</b>	<b>(0.00)</b>	<b>(0.67)</b>	<b>(2.11)</b>	<b>83.41</b>	<b>0.6%</b>
<i>NAV per share, GEL change %</i>		<i>-0.8%</i>	<i>0.0%</i>	<i>4.7%</i>	<i>0.0%</i>	<i>-0.8%</i>	<i>-2.5%</i>	<i>0.6%</i>	

NAV per share (GEL) was up by 0.6% in 9M24, driven by an accretive impact of share buybacks (+4.7 ppts), offset by a) a GEL 25.5 million negative value creation across our portfolio companies (-0.8 ppts impact), b) GEL's depreciation against US\$, resulting in a foreign currency loss of GEL 5.8 million on GCAP net debt (-0.2 ppts impact) and c) management platform-related costs and net interest expense (-1.4 ppts impact in total).

### Portfolio overview

Total portfolio value decreased by GEL 204.0 million (down 5.6%) in 9M24:

- The value of GCAP's holding in BoG was down by GEL 79.4 million, as GEL 65.4 million value creation was more than offset by GEL 144.8 million cash and buyback dividend income from the Bank in 9M24.
- The value of the water utility business increased by GEL 1.0 million.
- The value of the private portfolio decreased by GEL 125.7 million in 9M24, mainly reflecting the net impact of a) GEL 91.9 million negative value creation, b) a decrease of GEL 47.1 million due to dividends paid to GCAP, and c) investments of GEL 7.4 million in the private portfolio companies.

#### 1) Value creation

Total portfolio value creation amounted to negative GEL 25.5 million in 9M24.

- A combination of a 7.5% decrease in BoG's share price in 9M24 and dividend income of GEL 144.8 million, as well as GEL 1.0 million positive value creation in Water Utility, led to GEL 66.4 million value creation from the listed and observable portfolio companies.
- The value creation in the private portfolio amounted to negative GEL 91.9 million in 9M24, reflecting:
  - GEL 464.5 million value reduction from changes in valuation inputs due to the increase in the country risk premium in 9M24.
  - GEL 372.5 million operating performance-related increase in the value of our private assets.

<sup>17</sup> Please see definition in glossary on page 23.

The table below summarises value creation drivers in our businesses in 9M24:

Portfolio Businesses	Operating Performance <sup>18</sup>	Multiple Change and FX <sup>19</sup>	Value Creation
GEL '000, unless otherwise noted	(1)	(2)	(1) + (2)
<b>Listed and Observable</b>			<b>66,422</b>
BoG			65,422
Water Utility			1,000
<b>Private</b>	<b>372,534</b>	<b>(464,481)</b>	<b>(91,947)</b>
<b>Large Portfolio Companies</b>	<b>172,444</b>	<b>(276,177)</b>	<b>(103,733)</b>
Retail (pharmacy)	61,053	(107,910)	(46,857)
Insurance (P&C and Medical)	106,745	(61,443)	45,302
Of which, P&C Insurance	97,384	(56,827)	40,557
Of which, Medical Insurance	9,361	(4,616)	4,745
Hospitals	4,646	(106,824)	(102,178)
<b>Investment Stage Portfolio Companies</b>	<b>130,381</b>	<b>(165,196)</b>	<b>(34,815)</b>
Renewable Energy	36,085	(55,797)	(19,712)
Education	30,392	(39,062)	(8,670)
Clinics and Diagnostics	63,904	(70,337)	(6,433)
<b>Other</b>	<b>69,709</b>	<b>(23,108)</b>	<b>46,601</b>
<b>Total portfolio</b>	<b>372,534</b>	<b>(464,481)</b>	<b>(25,525)</b>

The enterprise value and equity value development of our businesses in 9M24 is summarised in the following table:

GEL '000, unless otherwise noted	Enterprise Value (EV)			Equity Value			
	30-Sep-24	31-Dec-23	Change %	30-Sep-24	31-Dec-23	Change %	% share in total portfolio
<b>Listed and Observable portfolio</b>				<b>1,306,471</b>	<b>1,384,847</b>	<b>-5.7%</b>	<b>37.7%</b>
BoG				1,146,471	1,225,847	-6.5%	33.1%
Water Utility				160,000	159,000	0.6%	4.6%
<b>Private portfolio</b>	<b>3,390,846</b>	<b>3,463,259</b>	<b>-2.1%</b>	<b>2,161,429</b>	<b>2,287,098</b>	<b>-5.5%</b>	<b>62.3%</b>
<b>Large portfolio companies</b>	<b>1,950,977</b>	<b>2,021,278</b>	<b>-3.5%</b>	<b>1,308,808</b>	<b>1,436,231</b>	<b>-8.9%</b>	<b>37.7%</b>
Retail (pharmacy)	972,559	1,043,800	-6.8%	658,174	714,001	-7.8%	19.0%
Insurance (P&C and Medical)	433,910	358,566	21.0%	407,378	377,874	7.8%	11.7%
Of which, P&C Insurance	309,813	285,566	8.5%	310,325	285,566	8.7%	8.9%
Of which, Medical Insurance	124,097	73,000	70.0%	97,053	92,308	5.1%	2.8%
Hospitals	544,508	618,912	-12.0%	243,256	344,356	-29.4%	7.0%
<b>Investment stage portfolio companies</b>	<b>811,983</b>	<b>856,787</b>	<b>-5.2%</b>	<b>525,344</b>	<b>566,614</b>	<b>-7.3%</b>	<b>15.1%</b>
Renewable Energy	431,327	456,236	-5.5%	239,763	266,627	-10.1%	6.9%
Education <sup>20</sup>	209,206	228,799	-8.6%	181,014	189,226	-4.3%	5.2%
Clinics and Diagnostics	171,450	171,752	-0.2%	104,567	110,761	-5.6%	3.0%
<b>Other</b>	<b>627,886</b>	<b>585,194</b>	<b>7.3%</b>	<b>327,277</b>	<b>284,253</b>	<b>15.1%</b>	<b>9.5%</b>
<b>Total portfolio</b>				<b>3,467,900</b>	<b>3,671,945</b>	<b>-5.6%</b>	<b>100.0%</b>

## 2) Investments<sup>21</sup>

In 9M24, GCAP invested GEL 7.4 million in private portfolio companies.

- GEL 4.4 million was invested in the renewable energy business for the development of the pipeline projects.
- GEL 3.0 million was invested in the auto service business.

## 3) Share buybacks

During 9M24, 3,101,773 shares were bought back for a total consideration of GEL 110.8 million.

- 2,981,245 shares with a total value of US\$ 38.7 million (GEL 106.1 million) were bought back under GCAP's share buyback and cancellation programmes during 9M24.
- 120,528 shares (GEL 4.7 million in value) represent the tax-related statutory buyback for the management trust, where the average cost of unawarded shares is GBP 7.9 as of 30 September 2024.

Subsequent to 9M24, additional 355,000 shares with a value of US\$ 4.6 million (GEL 12.6 million) have been repurchased under the ongoing share buyback programme as at 25 October 2024.

<sup>18</sup> Change in the fair value attributable to the change in actual or expected earnings of the business, as well as the change in net debt.

<sup>19</sup> Change in the fair value attributable to the change in valuation multiples and the effect of exchange rate movement on net debt.

<sup>20</sup> Excluding the recently launched schools and non-operational assets, added to the equity value of the education business at cost.

<sup>21</sup> Investments are made and dividends are received at JSC Georgia Capital level, the Georgian holding company.



**4) Dividends<sup>22</sup>**

In 9M24, GCAP recorded GEL 191.9 million dividend income:

Dividend income GEL million	Recurring	One-off	Total
<b>BoG</b>	<b>122.2</b>	<b>22.6</b>	<b>144.8</b>
Of which, cash dividends	72.2	-	72.2
Of which, buyback dividends	50.0	22.6	72.6
<b>P&amp;C Insurance</b>	<b>16.5</b>	<b>-</b>	<b>16.5</b>
<b>Renewable Energy</b>	<b>12.3</b>	<b>-</b>	<b>12.3</b>
<b>Retail (Pharmacy)</b>	<b>10.0</b>	<b>-</b>	<b>10.0</b>
<b>Beer Business</b>	<b>8.3</b>	<b>-</b>	<b>8.3</b>
<b>Total</b>	<b>169.3</b>	<b>22.6</b>	<b>191.9</b>

**Net Capital Commitment (NCC) overview**

Below we describe the components of Net Capital Commitment (NCC) as of 30 September 2024, 30 June 2024 and 31 December 2023. NCC represents an aggregated view of all confirmed, agreed and expected capital outflows (including a buffer for contingencies) at both Georgia Capital PLC and JSC Georgia Capital levels

Components of NCC GEL '000, unless otherwise noted	30-Sep-24	30-Jun-24	Change	31-Dec-23	Change
<b>Total cash and liquid funds</b>	<b>101,882</b>	<b>70,610</b>	<b>44.3%</b>	<b>107,910</b>	<b>-5.6%</b>
Loans issued	11,714	11,404	2.7%	9,212	27.2%
Accrued dividend income	28,849	-	NMF	-	NMF
Gross debt	(411,825)	(432,638)	-4.8%	(413,930)	-0.5%
<b>Net debt (1)</b>	<b>(269,380)</b>	<b>(350,624)</b>	<b>-23.2%</b>	<b>(296,808)</b>	<b>-9.2%</b>
<b>Guarantees issued (2)</b>	<b>-</b>	<b>-</b>	<b>NMF</b>	<b>-</b>	<b>NMF</b>
<b>Net debt and guarantees issued (3)=(1)+(2)</b>	<b>(269,380)</b>	<b>(350,624)</b>	<b>-23.2%</b>	<b>(296,808)</b>	<b>-9.2%</b>
<b>Planned investments (4)</b>	<b>(122,651)</b>	<b>(127,668)</b>	<b>-3.9%</b>	<b>(125,143)</b>	<b>-2.0%</b>
of which, planned investments in Renewable Energy	(74,433)	(78,030)	-4.6%	(77,637)	-4.1%
of which, planned investments in Education	(48,218)	(49,638)	-2.9%	(47,506)	1.5%
<b>Announced Buybacks (5)</b>	<b>(21,877)</b>	<b>(42,896)</b>	<b>-49.0%</b>	<b>(18,087)</b>	<b>21.0%</b>
<b>Contingency/liquidity buffer (6)</b>	<b>(136,485)</b>	<b>(140,505)</b>	<b>-2.9%</b>	<b>(134,470)</b>	<b>1.5%</b>
<b>Total planned investments, announced buybacks and contingency/liquidity buffer (7)=(4)+(5)+(6)</b>	<b>(281,013)</b>	<b>(311,069)</b>	<b>-9.7%</b>	<b>(277,700)</b>	<b>1.2%</b>
<b>Net capital commitment (3)+(7)</b>	<b>(550,393)</b>	<b>(661,693)</b>	<b>-16.8%</b>	<b>(574,508)</b>	<b>-4.2%</b>
Portfolio value	3,467,900	3,492,000	-0.7%	3,671,945	-5.6%
<b>NCC ratio</b>	<b>15.9%</b>	<b>18.9%</b>	<b>-3.0 ppts</b>	<b>15.6%</b>	<b>0.3 ppts</b>

**Cash and liquid funds.** Total cash and liquid funds' balance was up by 44.3% q-o-q to GEL 101.9 million in 3Q24 (down 5.6% in 9M24), mainly reflecting the collection of dividends as described above, partially offset by cash outflows for share buybacks, coupon payment and operating expenses during the quarter.

**Loans issued.** Issued loans' balance primarily refers to loans issued to our private portfolio companies and are lent at market terms. The balance was up by 2.7% in 3Q24, reflecting the interest accrual on the loans issued.

**Gross debt.** In US\$ terms the balance was down 2.0% q-o-q in both 3Q24 and 9M24, reflecting the net impact of interest accrual and coupon payment on GCAP's bonds. In GEL terms, the balance was down by 4.8% in 3Q24, further reflecting the foreign exchange rate movements during the quarter.

**Planned investments.** Planned investments' balance represents expected investments in renewable energy and education businesses over the next 2-3 years. The balance in US\$ terms was down by 1.1% and 3.4% in 3Q24 and 9M24, respectively, reflecting cash outflows for the investment projects as described above.

**Announced buybacks.** The balance of the announced buybacks at 30-Sep-24 reflects the unutilised share buybacks under GCAP's US\$ 40 million share buyback and cancellation programme.

**Contingency/liquidity buffer.** The balance reflects the provision for cash and liquid assets in the amount of US\$ 50 million, for contingency/liquidity purposes. The balance remained unchanged in US\$ terms as at 30-Sep-24.

As a result of the movements described above, the NCC ratio as at 30-Sep-24 decreased by 3.0 ppts q-o-q to 15.9%, up 0.3 ppts in 9M24, further reflecting a 0.7% and 5.6% decrease in the portfolio value in GEL terms in 3Q24 and 9M24, respectively.

**INCOME STATEMENT (ADJUSTED IFRS / APM)**

Net income under IFRS was GEL 114.6 million in 3Q24 (GEL 152.9 million net income in 3Q23) and net loss of GEL 77.7 million in 9M24 (GEL 395.4 million net income in 9M23). The IFRS income statement is prepared on the Georgia Capital PLC level and the results of all operations of the Georgian holding company JSC Georgia Capital are presented as one line item. As we conduct almost all of our operations through JSC Georgia Capital, through which we hold all of our portfolio companies, the IFRS results provide little transparency on the underlying trends.

<sup>22</sup> Dividends are received at JSC Georgia Capital level, the Georgian holding company.

Accordingly, to enable a more granular analysis of those trends, the following adjusted income statement presents the Group's results of operations for the period ending September 30 as an aggregation of (i) the results of GCAP (the two holding companies Georgia Capital PLC and JSC Georgia Capital, taken together) and (ii) the fair value change in the value of portfolio companies during the reporting period. For details on the methodology underlying the preparation of the adjusted income statement, please refer to page 94 in Georgia Capital PLC 2023 Annual report.

### INCOME STATEMENT (Adjusted IFRS/APM)

GEL '000, unless otherwise noted	3Q24	3Q23	Change	9M24	9M23	Change
Dividend income	141,620	53,661	NMF	191,927	201,735	-4.9%
Of which, regular dividend income	95,001	41,876	NMF	119,376	128,379	-7.0%
Of which, buyback dividend income	46,619	11,785	NMF	72,551	73,356	-1.1%
Interest income	2,081	4,304	-51.6%	5,401	14,296	-62.2%
Realised/unrealised gain/(loss) on liquid funds/ Loss on GCAP Eurobond buybacks	159	(3,430)	NMF	(802)	(2,348)	-65.8%
Interest expense	(8,909)	(12,031)	-25.9%	(26,488)	(38,782)	-31.7%
<b>Gross operating income</b>	<b>134,951</b>	<b>42,504</b>	<b>NMF</b>	<b>170,038</b>	<b>174,901</b>	<b>-2.8%</b>
Operating expenses	(8,263)	(8,802)	-6.1%	(26,934)	(27,973)	-3.7%
<b>GCAP net operating income</b>	<b>126,688</b>	<b>33,702</b>	<b>NMF</b>	<b>143,104</b>	<b>146,928</b>	<b>-2.6%</b>
<b>Fair value changes of portfolio companies</b>						
<b>Listed and Observable Portfolio Companies</b>	<b>(118,343)</b>	<b>209,363</b>	<b>NMF</b>	<b>(78,376)</b>	<b>265,746</b>	<b>NMF</b>
Of which, Bank of Georgia Group PLC	(123,343)	209,363	NMF	(79,376)	261,746	NMF
Of which, Water Utility	5,000	-	NMF	1,000	4,000	-75.0%
<b>Private Portfolio companies</b>	<b>91,776</b>	<b>(88,102)</b>	<b>NMF</b>	<b>(139,076)</b>	<b>(10,095)</b>	<b>NMF</b>
<b>Large Portfolio Companies</b>	<b>56,169</b>	<b>(94,155)</b>	<b>NMF</b>	<b>(130,293)</b>	<b>(36,745)</b>	<b>NMF</b>
Of which, Retail (pharmacy)	38,494	(44,619)	NMF	(56,905)	(45,904)	24.0%
Of which, Insurance (P&C and Medical)	15,822	(4,987)	NMF	28,790	61,114	-52.9%
Of which, Hospitals	1,853	(44,549)	NMF	(102,178)	(51,955)	96.7%
<b>Investment Stage Portfolio Companies</b>	<b>(23,579)</b>	<b>(8,955)</b>	<b>NMF</b>	<b>(47,073)</b>	<b>7,842</b>	<b>NMF</b>
Of which, Renewable energy	(7,767)	12,989	NMF	(31,970)	28,320	NMF
Of which, Education	(12,490)	(13,473)	-7.3%	(8,670)	(4,302)	NMF
Of which, Clinics and Diagnostics	(3,322)	(8,471)	-60.8%	(6,433)	(16,176)	-60.2%
<b>Other businesses</b>	<b>59,186</b>	<b>15,008</b>	<b>NMF</b>	<b>38,290</b>	<b>18,808</b>	<b>NMF</b>
<b>Total investment return</b>	<b>(26,567)</b>	<b>121,261</b>	<b>NMF</b>	<b>(217,452)</b>	<b>255,651</b>	<b>NMF</b>
<b>Income/(loss) before foreign exchange movements and non-recurring expenses</b>	<b>100,121</b>	<b>154,963</b>	<b>-35.4%</b>	<b>(74,348)</b>	<b>402,579</b>	<b>NMF</b>
Net foreign currency gain/(loss)/impairment	10,073	(6,170)	NMF	(9,246)	6,460	NMF
Non-recurring expenses	-	(439)	NMF	(1,668)	(1,759)	-5.2%
<b>Net income/(loss)</b>	<b>110,194</b>	<b>148,354</b>	<b>-25.7%</b>	<b>(85,262)</b>	<b>407,280</b>	<b>NMF</b>

The gross operating income stood at GEL 135.0 million in 3Q24, up by GEL 92.4 million y-o-y (down 2.8% to GEL 170.0 million in 9M24), reflecting robust dividend income further supported by a decrease in interest expenses.

The components of GCAP's operating expenses are shown in the table below.

#### GCAP Operating Expenses Components

GEL '000, unless otherwise noted	3Q24	3Q23	Change	9M24	9M23	Change
Administrative expenses <sup>23</sup>	(2,218)	(2,523)	-12.1%	(7,975)	(8,051)	-0.9%
Management expenses – cash-based <sup>24</sup>	(2,638)	(2,919)	-9.6%	(8,466)	(8,275)	2.3%
Management expenses – share-based <sup>25</sup>	(3,407)	(3,360)	1.4%	(10,493)	(11,647)	-9.9%
<b>Total operating expenses</b>	<b>(8,263)</b>	<b>(8,802)</b>	<b>-6.1%</b>	<b>(26,934)</b>	<b>(27,973)</b>	<b>-3.7%</b>
Of which, fund type expense <sup>26</sup>	(1,980)	(2,103)	-5.8%	(6,768)	(7,007)	-3.4%
Of which, management fee type expenses <sup>27</sup>	(6,283)	(6,699)	-6.2%	(20,166)	(20,966)	-3.8%

GCAP management fee expenses starting from 2024 have a self-targeted cap of 0.75% of Georgia Capital's NAV. The LTM management fee expense ratio was 0.83% at 30-Sep-24 (0.90% as of 30-Sep-23).

Total investment return represents the increase (decrease) in the fair value of our portfolio. Total investment return was negative GEL 26.6 million in 3Q24 and GEL 217.5 million in 9M24, reflecting the changes in the value of our portfolio companies. We discuss valuation drivers for our businesses on pages 4-6. The performance of each of our private large and investment stage portfolio companies is discussed on pages 11-20.

GCAP's net foreign currency liability balance amounted to US\$ 6.7 million (GEL 18.2 million) at 30-Sep-24, which includes the foreign currency forward agreements put in place in 3Q24. As a result of the movements described above, GCAP's adjusted IFRS net income was GEL 110.2 million in 3Q24 (net loss of GEL 85.3 million in 9M24).

<sup>23</sup> Includes expenses such as external audit fees, legal counsel, corporate secretary and other similar administrative costs.

<sup>24</sup> Cash-based management expenses are cash salary and cash bonuses paid/accrued for staff and management compensation.

<sup>25</sup> Share-based management expenses are share salary and share bonus expenses of management and staff.

<sup>26</sup> Fund type expenses include expenses such as audit and valuation fees, fees for legal advisors, Board compensation and corporate secretary costs.

<sup>27</sup> Management fee is the sum of cash-based and share-based operating expenses (excluding fund-type costs).

## DISCUSSION OF PORTFOLIO COMPANIES' RESULTS (STAND-ALONE IFRS)

The following sections present the IFRS results and business development extracted from the individual portfolio company's IFRS accounts for large and investment stage entities, where the 3Q24, 9M24, 3Q23 and 9M23 portfolio company's accounts and respective IFRS numbers are unaudited. We present key IFRS financial highlights, operating metrics and ratios along with commentary explaining the developments behind the numbers. For the majority of our portfolio companies, the fair value of our equity investment is determined by the application of an income approach (DCF) and a market approach (listed peer multiples and precedent transactions). Under the discounted cash flow (DCF) valuation method, fair value is estimated by deriving the present value of the business using reasonable assumptions of expected future cash flows and the terminal value, and the appropriate risk-adjusted discount rate that quantifies the risk inherent to the business. Under the market approach, listed peer group earnings multiples are applied to the trailing twelve months (LTM) stand-alone IFRS earnings of the relevant business. As such, the stand-alone IFRS results and developments driving the IFRS earnings of our portfolio companies are key drivers of their valuations within GCAP's financial statements. See "Basis of Presentation" on page 23 for more background.

### Discussion of Retail (Pharmacy) Business Results

The retail (pharmacy) business, where GCAP owns a 97.6% equity interest, is the largest pharmaceuticals retailer and wholesaler in Georgia, with a 32% market share based on the 2022 revenues. The business consists of retail pharmacy chain operating under two brands (GPC and Pharma Depot) and a wholesale business that sells pharmaceuticals and medical supplies to hospitals and other pharmacies. The business operates a total of 415 pharmacies (of which 399 are in Georgia and 16 in Armenia) and 19 franchise stores (of which, 12 are in Georgia, 2 in Armenia and 5 in Azerbaijan).

#### 3Q24 and 9M24 performance (GEL '000), Retail (pharmacy)<sup>28</sup>

INCOME STATEMENT HIGHLIGHTS	3Q24	3Q23	Change	9M24	9M23	Change
<b>Revenue, net</b>	<b>206,453</b>	<b>197,282</b>	<b>4.6%</b>	<b>617,583</b>	<b>594,305</b>	<b>3.9%</b>
Of which, retail	167,657	158,180	6.0%	498,909	470,876	6.0%
Of which, wholesale	38,796	39,102	-0.8%	118,674	123,429	-3.9%
<b>Gross Profit</b>	<b>65,147</b>	<b>59,188</b>	<b>10.1%</b>	<b>188,248</b>	<b>173,844</b>	<b>8.3%</b>
Gross profit margin	31.6%	30.0%	1.6 ppts	30.5%	29.3%	1.2 ppts
Operating expenses (ex. IFRS 16)	(43,826)	(38,309)	14.4%	(131,845)	(112,519)	17.2%
<b>EBITDA (ex. IFRS 16)</b>	<b>21,321</b>	<b>20,879</b>	<b>2.1%</b>	<b>56,403</b>	<b>61,325</b>	<b>-8.0%</b>
EBITDA margin, (ex. IFRS 16)	10.3%	10.6%	-0.3 ppts	9.1%	10.3%	-1.2 ppts
<b>Net profit (ex. IFRS 16)</b>	<b>13,476</b>	<b>12,368</b>	<b>9.0%</b>	<b>24,669</b>	<b>45,716</b>	<b>-46.0%</b>
<b>CASH FLOW HIGHLIGHTS</b>						
<b>Cash flow from operating activities (ex. IFRS 16)</b>	<b>22,580</b>	<b>435</b>	<b>NMF</b>	<b>56,707</b>	<b>18,151</b>	<b>NMF</b>
EBITDA to cash conversion	105.9%	2.1%	NMF	100.5%	29.6%	70.9 ppts
<b>Cash flow used in investing activities<sup>29</sup></b>	<b>(1,949)</b>	<b>5,344</b>	<b>NMF</b>	<b>(26,687)</b>	<b>(72,795)</b>	<b>-63.3%</b>
<b>Free cash flow, (ex. IFRS 16)<sup>30</sup></b>	<b>19,148</b>	<b>(10,590)</b>	<b>NMF</b>	<b>41,206</b>	<b>(76,777)</b>	<b>NMF</b>
<b>Cash flow used in financing activities (ex. IFRS 16)</b>	<b>(7,749)</b>	<b>(621)</b>	<b>NMF</b>	<b>(53,744)</b>	<b>14,560</b>	<b>NMF</b>
<b>BALANCE SHEET HIGHLIGHTS</b>						
<b>Total assets</b>	<b>593,737</b>	<b>590,200</b>	<b>0.6%</b>	<b>631,218</b>	<b>631,218</b>	<b>-5.9%</b>
Of which, cash and bank deposits	36,380	23,506	54.8%	60,383	60,383	-39.8%
Of which, securities and loans issued	15,585	16,574	-6.0%	2,623	2,623	NMF
<b>Total liabilities</b>	<b>544,949</b>	<b>553,787</b>	<b>-1.6%</b>	<b>597,611</b>	<b>597,611</b>	<b>-8.8%</b>
Of which, borrowings	204,440	208,072	-1.7%	228,261	228,261	-10.4%
Of which, lease liabilities	149,409	151,788	-1.6%	151,916	151,916	-1.7%
<b>Total equity</b>	<b>48,788</b>	<b>36,413</b>	<b>34.0%</b>	<b>33,607</b>	<b>33,607</b>	<b>45.2%</b>

### INCOME STATEMENT HIGHLIGHTS

- The developments in 3Q24 and 9M24 total revenue of Retail (Pharmacy) reflect the combination of the following factors:
  - A 6.0% y-o-y increase in retail revenue in both 3Q24 and 9M24, driven by the significant expansion of the retail chain (the business added 21 pharmacies and 6 franchise stores over the last 12 months) and the business' proactive approach aimed at enhancing the sales and profitability of para-pharmacy products. The revenue from para-pharmacy, as a percentage of retail revenue, was 39.6% in 3Q24 (37.9% in 9M24).
  - Wholesale revenue was down by 0.8% and 3.9% y-o-y in 3Q24 and 9M24, respectively, reflecting the State's recent approach to procuring certain medicines directly from manufacturers.
  - The total revenue growth was partially affected by price regulations, which set a maximum selling price for both prescription and non-prescription medicines. The negative impact of these regulations on the total revenue growth amounted to GEL 3.5 million in 3Q24 (GEL 11.4 million in 9M24).

<sup>28</sup> The detailed IFRS financial statements are included in supplementary excel file, available at <https://georgiacapital.ge/ir/financial-results>. In 2024, certain transaction-related expenses, such as POS-terminal charges, courier services, and other related expenses, have been reclassified from operating expenses to components of gross profit. The comparative 3Q23 and 9M23 periods have been adjusted retrospectively.

<sup>29</sup> Of which – cash outflow on capex of GEL 5.2 million in 3Q24 and GEL 17.7 million in 9M24 (GEL 11.0 million in 3Q23 and GEL 20.4 million in 9M23); proceeds from sale of PPE of GEL 1.8 million in 3Q24 and GEL 2.2 million in 9M24 (GEL 14.6 million in 9M23); cash outflow on minority acquisition of GEL 89.1 million in 9M23.

<sup>30</sup> Calculated by deducting capex and minority acquisition from operating cash flows and adding proceeds from the sale of PPE/IP.

- The y-o-y increase in the 3Q24 and 9M24 gross profit margins was mainly driven by a 6.7 ppts and 6.5 ppts y-o-y improvement in the gross profit margin of para-pharmacy retail revenue in 3Q24 and 9M24, respectively.
- The y-o-y increase in operating expenses (excl. IFRS 16) in 3Q24 and 9M24 resulted from the increased rent and salary expenses in line with the substantial expansion of the retail chain and the launch of the new warehouse at the end of 2023.
- EBITDA (excl. IFRS 16) was up by 2.1% y-o-y in 3Q24 (down 8.0% y-o-y in 9M24) reflecting the positive outcomes of chain expansion and optimisation efforts and indicates a rebound following the introduction of price regulations.
- Net interest expense (excl. IFRS 16) was up by 16.9% y-o-y to GEL 4.9 million in 3Q24 and up by GEL 8.7 million y-o-y to GEL 15.7 million in 9M24, attributable to the higher average net debt balance, utilised to finance the minority shareholder buyout transaction in June 2023.
- The developments described above translated into a 9.0% y-o-y increase in net profit (excl. IFRS 16) in 3Q24 (down 46.0% y-o-y in 9M24), which apart from the developments described above, reflects the FX gain of GEL 0.5 million in 3Q24 as opposed to the FX loss of GEL 1.8 million in 3Q23.

### CASH FLOW AND BALANCE SHEET HIGHLIGHTS

- The net debt balance was down to GEL 152.5 million at 30-Sep-24, from GEL 168.0 million at 30-Jun-24, reflecting robust cash flow generation in 3Q24.
- Cash flow from operating activities was strong with 105.9% and 100.5% EBITDA to cash conversion ratio in 3Q24 and 9M24, respectively. The y-o-y improvement in both periods is attributable to a) the sale of a significant portion of inventory stock and b) a low base in 2023, when the business made advance payments to key vendors to secure substantial supplier discounts.

### OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

- The business divested from its textile franchise brands “Carters” and “Triumph” with 6 operating stores in Georgia. The total consideration (excl. VAT) amounted to GEL 3.7 million.
- The number of pharmacies and franchise stores is provided below:

	Sep-24	Jun-24	Change (q-o-q)	Sep-23	Change (y-o-y)
<b>Number of pharmacies</b>	<b>415</b>	<b>418</b>	<b>(3)</b>	<b>394</b>	<b>21</b>
Of which, Georgia	399	402	(3)	381	18
Of which, Armenia	16	16	-	13	3
<b>Number of franchise stores</b>	<b>19</b>	<b>22</b>	<b>(3)</b>	<b>13</b>	<b>6</b>
Of which, Georgia	12	14	(2)	7	5
Of which, Armenia	2	2	-	2	-
Of which, Azerbaijan	5	6	(1)	4	1

- Retail (Pharmacy)'s key operating performance highlights for 3Q24 and 9M24 are noted below:

Key metrics	3Q24	3Q23	Change	9M24	9M23	Change
Same store revenue growth	-2.0%	3.6%	-5.6 ppts	-2.5%	0.8%	-3.3 ppts
Number of bills issued (mln)	7.7	7.6	1.3%	23.6	23.1	2.2%
Average bill size (GEL)	20.7	19.8	4.3%	20.0	19.3	3.5%

## Discussion of Insurance (P&C and Medical) Business Results

As at 30-Sep-24, the insurance business comprises a) Property and Casualty (P&C) insurance business, operating under the brand name "Aldagi" and b) medical insurance business, operating under "Imedi L" and "Ardi" brands, the latter acquired in April 2024. The P&C insurance business is a leading player with a 28% market share in property and casualty insurance based on gross premiums as of 30-Jun-24. P&C also offers a variety of non-property and casualty products, such as life insurance. The medical insurance business is the country's largest private health insurer, with a 34% market share based on gross insurance premiums as of 30-Jun-24, offering a variety of health insurance products primarily to corporate and (selectively) to state entities and also to retail clients in Georgia. GCAP owns a 100% equity stake in both insurance businesses.

### 3Q24 and 9M24 performance (GEL'000), Insurance (P&C and Medical) <sup>31</sup>

INCOME STATEMENT HIGHLIGHTS	3Q24	3Q23	Change	9M24	9M23	Change
<b>Insurance revenue</b>	<b>88,823</b>	<b>53,831</b>	<b>65.0%</b>	<b>220,249</b>	<b>152,236</b>	<b>44.7%</b>
Of which, P&C Insurance	41,129	32,707	25.7%	108,930	85,672	27.1%
Of which, Medical Insurance	47,694	21,124	NMF	111,319	66,564	67.2%
Net underwriting profit	24,312	10,019	NMF	57,791	37,517	54.0%
Net investment profit	3,675	4,043	-9.1%	11,214	10,393	7.9%
<b>Pre-tax profit</b>	<b>13,051</b>	<b>4,910</b>	<b>NMF</b>	<b>32,221</b>	<b>21,505</b>	<b>49.8%</b>
Of which, P&C Insurance	8,408	2,914	NMF	21,745	15,656	38.9%
Of which, Medical Insurance	4,643	1,996	NMF	10,476	5,849	79.1%
<b>CASH FLOW HIGHLIGHTS</b>						
Net cash flows from operating activities	19,019	9,885	92.4%	42,793	31,600	35.4%
<b>Free cash flow</b>	<b>16,907</b>	<b>8,313</b>	<b>NMF</b>	<b>40,931</b>	<b>28,288</b>	<b>44.7%</b>
<b>BALANCE SHEET HIGHLIGHTS</b>	<b>30-Sep-24</b>	<b>30-Jun-24</b>	<b>Change</b>	<b>31-Dec-23</b>	<b>Change</b>	
Total assets	334,416	328,581	1.8%	248,902	34.4%	
Total equity	124,474	117,689	5.8%	130,684	-4.8%	

### INCOME STATEMENT HIGHLIGHTS

- The y-o-y increase in 3Q24 and 9M24 insurance revenue reflects a combination of factors:
  - The revenue of the P&C insurance business was up by 25.7% y-o-y in 3Q24 (up 27.1% y-o-y in 9M24), resulting from:
    - A GEL 4.9 million y-o-y increase in Motor Insurance revenues in 3Q24 (a GEL 14.7 million y-o-y increase in 9M24), mainly attributable to the expansion of both retail and corporate client portfolios.
    - A GEL 1.7 million y-o-y increase in Agricultural Insurance revenues in 3Q24 (a GEL 2.1 million y-o-y increase in 9M24), driven by increased tariffs on certain crops and regions.
    - A GEL 1.5 million y-o-y increase in Credit Life insurance revenues in 3Q24 (a GEL 4.1 million y-o-y increase in 9M24), resulting from the growth of partner banks' portfolios in the mortgage, consumer loan and other sectors.
    - A GEL 0.3 million y-o-y increase in the revenues from other insurance lines in 3Q24 (a GEL 2.4 million y-o-y increase in 9M24).
  - The revenue of the medical insurance business more than doubled y-o-y in 3Q24 (up 67.2% y-o-y in 9M24), reflecting c.10% increase in insurance policy prices as well as the positive impact of the acquisition of Ardi insurance portfolio in April 2024, contributing GEL 21.4 million to the 3Q24 y-o-y revenue growth (GEL 35.5 million in 9M24).
- The insurance business' key performance ratios for 3Q24 and 9M24 are noted below:

Key ratios	P&C Insurance						Medical Insurance					
	3Q24	3Q23	Change	9M24	9M23	Change	3Q24	3Q23	Change	9M24	9M23	Change
Combined ratio	84.4%	99.5%	-15.1 ppts	86.5%	89.7%	-3.2 ppts	91.3%	94.6%	-3.3 ppts	92.4%	95.5%	-3.1 ppts
Expense ratio	33.9%	35.2%	-1.3 ppts	33.7%	34.8%	-1.1 ppts	18.1%	17.0%	1.1 ppts	16.8%	15.8%	1.0 ppts
Loss ratio	51.3%	63.3%	-12.0 ppts	52.7%	55.3%	-2.6 ppts	73.2%	77.6%	-4.4 ppts	75.6%	79.7%	-4.1 ppts
FX ratio	-0.8%	1.0%	-1.8 ppts	0.1%	-0.4%	0.5 ppts	-	-	-	-	-	-
ROAE <sup>32</sup>	37.6%	12.8%	24.8 ppts	34.1%	22.8%	11.3 ppts	54.4%	11.2%	43.1 ppts	32.8%	15.1%	17.6 ppts

- The combined ratio of P&C Insurance decreased by 15.1 ppts to 84.4% in 3Q24 and by 3.2 ppts y-o-y to 86.5% in 9M24, mainly resulting from an improved loss ratio following a high base in 2023, which saw several abnormal events, including an unprecedented landslide, an unusually high number of hailstorms, and a large property insurance claim.
- The combined ratio of Medical Insurance improved by 3.3 ppts y-o-y to 91.3% (down by 3.1 ppts y-o-y to 92.4% in 9M24), reflecting a) consolidation of Ardi's portfolio and b) increased revenues, due to higher insurance tariffs as described above.
- The net investment profit was down by 9.1% y-o-y in 3Q24 due to the FX movements. A 7.9% y-o-y increase in 9M24 net investment profit is attributable to the higher average liquid funds balance as well as the consolidation of Ardi's insurance portfolio.
- As a result, the pre-tax profit of the insurance business was up by 165.8% y-o-y in 3Q24 (up 49.8% y-o-y in 9M24). The acquisition of Ardi Insurance contributed GEL 2.4 million to the 3Q24 y-o-y pre-tax profit growth (GEL 4.2 million in 9M24).

<sup>31</sup> The detailed IFRS financial statements are included in supplementary excel file, available at <https://georgiacapital.ge/ir/financial-results>.

<sup>32</sup> Calculated based on average equity, adjusted for preferred shares.

**CASH FLOW AND BALANCE SHEET HIGHLIGHTS**

- The solvency ratio of P&C and medical insurance businesses stood at 178% and 162%, respectively, as of 30 September 2024, above the required minimum of 100%.
- A y-o-y increase in the net cash flows from operating activities is mainly driven by higher underwriting cash flows of the business coupled with the positive impact of the consolidation of Ardi's portfolio.
- GEL 6.8 million in dividends were paid to GCAP in 3Q24 (GEL 16.5 million in 9M24).

**Discussion of Hospitals Business Results<sup>33</sup>**

The hospitals business, where GCAP owns a 100% equity, is the largest healthcare market participant in Georgia, comprised of 7 Large and Specialty Hospitals, providing secondary and tertiary level healthcare services across Georgia and 27 Regional and Community Hospitals, providing outpatient and basic inpatient services.

**3Q24 and 9M24 performance (GEL '000), Hospitals<sup>34</sup>**

<b>INCOME STATEMENT HIGHLIGHTS</b>	<b>3Q24</b>	<b>3Q23</b>	<b>Change</b>	<b>9M24</b>	<b>9M23</b>	<b>Change</b>
<b>Revenue, net<sup>35</sup></b>	<b>78,966</b>	<b>71,854</b>	<b>9.9%</b>	<b>242,500</b>	<b>236,110</b>	<b>2.7%</b>
<b>Gross Profit</b>	<b>26,701</b>	<b>22,860</b>	<b>16.8%</b>	<b>81,738</b>	<b>81,571</b>	<b>0.2%</b>
Gross profit margin	33.3%	31.3%	2.0 ppts	33.2%	34.1%	-0.9 ppts
Operating expenses (ex. IFRS 16)	(14,979)	(14,277)	4.9%	(43,954)	(43,347)	1.4%
<b>EBITDA (ex. IFRS 16)</b>	<b>11,722</b>	<b>8,583</b>	<b>36.6%</b>	<b>37,784</b>	<b>38,224</b>	<b>-1.2%</b>
EBITDA margin (ex. IFRS 16)	14.6%	11.7%	2.9 ppts	15.3%	16.0%	-0.7 ppts
<b>Net loss (ex. IFRS 16)</b>	<b>(6,586)</b>	<b>(6,778)</b>	<b>2.8%</b>	<b>(12,777)</b>	<b>(9,290)</b>	<b>-37.5%</b>
<b>CASH FLOW HIGHLIGHTS</b>						
<b>Cash flow from operating activities (ex. IFRS 16)</b>	<b>16,478</b>	<b>21,791</b>	<b>-24.4%</b>	<b>23,052</b>	<b>14,320</b>	<b>61.0%</b>
EBITDA to cash conversion (ex. IFRS 16)	140.6%	253.9%	NMF	61.0%	37.5%	23.5 ppts
<b>Cash flow used in investing activities<sup>36</sup></b>	<b>(16,656)</b>	<b>(16,411)</b>	<b>1.5%</b>	<b>(10,508)</b>	<b>(31,715)</b>	<b>-66.9%</b>
Free cash flow (ex. IFRS 16) <sup>37</sup>	1,579	5,407	-70.8%	14,533	(17,841)	NMF
<b>Cash flow used in financing activities (ex. IFRS 16)</b>	<b>(6,279)</b>	<b>(8,483)</b>	<b>-26.0%</b>	<b>(16,375)</b>	<b>(3,704)</b>	<b>NMF</b>
<b>BALANCE SHEET HIGHLIGHTS</b>						
	<b>30-Sep-24</b>	<b>30-Jun-24</b>	<b>Change</b>	<b>31-Dec-23</b>	<b>Change</b>	
<b>Total assets</b>	<b>703,165</b>	<b>698,365</b>	<b>0.7%</b>	<b>707,614</b>	<b>-0.6%</b>	
Of which, cash balance and bank deposits	5,454	12,140	-55.1%	9,753	-44.1%	
Of which, securities and loans issued	7,827	9,397	-16.7%	9,557	-18.1%	
<b>Total liabilities</b>	<b>365,800</b>	<b>359,634</b>	<b>1.7%</b>	<b>357,658</b>	<b>2.3%</b>	
Of which, borrowings	278,495	282,907	-1.6%	281,352	-1.0%	
<b>Total equity</b>	<b>337,365</b>	<b>338,731</b>	<b>-0.4%</b>	<b>349,956</b>	<b>-3.6%</b>	

**INCOME STATEMENT HIGHLIGHTS**

- The Large and Specialty Hospitals and Regional and Community Hospitals represent approximately 70% and 30%, respectively, of the consolidated hospitals' business revenue.

<b>Total revenue breakdown</b>	<b>3Q24</b>	<b>3Q23</b>	<b>Change</b>	<b>9M24</b>	<b>9M23</b>	<b>Change</b>
<b>Total revenue, net</b>	<b>78,966</b>	<b>71,854</b>	<b>9.9%</b>	<b>242,500</b>	<b>236,110</b>	<b>2.7%</b>
Of which, Large and Specialty Hospitals	53,174	47,455	12.1%	164,683	152,698	7.8%
Of which, Regional and Community Hospitals	25,845	25,065	3.1%	78,488	84,586	-7.2%
Of which, Inter-business eliminations	(53)	(666)	-92.0%	(671)	(1,174)	-42.8%

- The total revenue growth in 3Q24 and 9M24 was primarily driven by the rebound to normal operational levels following mandatory regulatory renovations across all our hospitals, most of which occurred between the second half of 2023 and the first half of 2024. These renovations led to the phased closure of certain sections of our healthcare facilities, resulting in reduced patient intake during that period. Out of the 34 hospitals, 32 have now completed the required renovations, while the remaining two are expected to finish by the end of 2024.
  - The performance of the Large and Specialty Hospitals in 3Q24 and 9M24 further reflects the positive outcome of the business' efforts to expand its range of high-margin outpatient services. In 3Q24, these services accounted for 36.2% of the revenue of Large and Specialty Hospitals, marking a 2.7 ppts y-o-y increase (34.2% in 9M24, up 2.9 ppts y-o-y).
  - The completion of the renovation works was also evident in the performance of our Regional and Community Hospitals, which saw revenue growth of 3.1% y-o-y in 3Q24 (down 7.2% y-o-y in 9M24), notwithstanding the absence of the revenues from "Batumi Hospital", one of the regional hospitals divested in 4Q23.

<sup>33</sup> The numbers were adjusted retrospectively to account for the recent strategic reorganisation in the healthcare businesses that occurred in December 2023.

<sup>34</sup> The detailed IFRS financial statements are included in supplementary excel file, available at <https://georgiacapital.ge/ir/financial-results>.

<sup>35</sup> Net revenue – Gross revenue less corrections and rebates. Margins are calculated from gross revenue.

<sup>36</sup> Of which - capex of GEL 14.8 million and GEL 38.2 in 3Q24 and 9M24, respectively (GEL 16.4 million and GEL 34.4 in 3Q23 and 9M23 respectively); proceeds from the sale of property of GEL 30.1 million in 9M24 (GEL 2.3 million in 9M23).

<sup>37</sup> Operating cash flows less capex, plus net proceeds from the sale of Batumi Hospital.

- As a result, the combined revenue of the hospitals business was up by 9.9% and 2.7% y-o-y in 3Q24 and 9M24, respectively. Adjusted for the sale of the above-mentioned "Batumi Hospital", the combined revenue was up by 15.5% y-o-y in 3Q24 (up 8.4% in 9M24).
- The changes in the gross profit margin, apart from the revenue developments described above, reflect the following trends in direct salary and materials rates<sup>38</sup> and utility costs:
  - The direct salary rate remained largely flat y-o-y at 41.1% in 3Q24, while it increased by 1.9 ppts y-o-y to 40.6% in 9M24, resulting from the introduction of minimum salary requirements for janitors and junior nurses by the State in January 2024.
  - The materials rate improved by 1.7 ppts y-o-y to 16.0% in 3Q24 (down 0.3 ppts y-o-y to 16.6% in 9M24), reflecting significant optimisations achieved in tender participation processes.
  - Utilities and other costs were managed effectively, down by 7.0% and 12.8% y-o-y in 3Q24 and 9M24, respectively.
- Operating expenses (excl. IFRS 16) increased by 4.9% y-o-y in 3Q24 (up 1.4% y-o-y in 9M24), primarily due to higher salary costs associated with an increased headcount to support the expansion of the services and overall business growth.
- The developments described above translated into a 36.6% y-o-y increase in EBITDA (excluding IFRS 16) in 3Q24 (down 1.2% y-o-y in 9M24).

	3Q24	3Q23	Change	9M24	9M23	Change
<b>Total EBITDA (excl. IFRS 16), breakdown</b>	<b>11,722</b>	<b>8,583</b>	<b>36.6%</b>	<b>37,784</b>	<b>38,224</b>	<b>-1.2%</b>
<i>Of which, Large and Specialty Hospitals</i>	8,614	6,713	28.3%	28,907	27,751	4.2%
<i>Of which, Regional and Community Hospitals</i>	3,108	1,871	66.1%	8,877	10,471	-15.2%

- Adjusted for the sale of the "Batumi Hospital", the combined EBITDA (excluding IFRS 16) was up by 39.4% y-o-y in 3Q24 (up 3.3% in 9M24).
- Net interest expense (excluding IFRS 16) was down by 4.1% y-o-y in 3Q24, in line with reduced interest rates on the market. Net interest expense (excluding IFRS 16) remained largely flat in 9M24 (up by 0.3% y-o-y).

### CASH FLOW AND BALANCE SHEET HIGHLIGHTS

- Capex investment was GEL 14.8 million in 3Q24 (GEL 38.2 million in 9M24), comprising: a) the maintenance capex of GEL 4.8 million in 3Q24 (GEL 13.7 million in 9M24), b) development capex of GEL 3.7 million in 3Q24 (GEL 7.1 million in 9M24) to expand service offerings, and c) capex related to the new regulations and obtaining required accreditations in the amount of GEL 2.8 million in 3Q24 (GEL 8.0 million in 9M24).
- The EBITDA to cash conversion ratio was at 140.6% in 3Q24 (61.0% in 9M24), reflecting the receipt of the delayed receivables from the State.

### OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

- The business key operating performance highlights for 3Q24 and 9M24 are noted below:

Key metrics	3Q24	3Q23	Change	9M24	9M23	Change
<i>Number of admissions (thousands):</i>	382.0	368.5	3.7%	1,165.2	1,147.6	1.5%
<i>Of which, Large and Specialty Hospitals</i>	180.5	142.7	26.5%	521.6	443.1	17.7%
<i>Of which, Regional and Community Hospitals<sup>39</sup></i>	201.5	225.8	-10.8%	643.6	704.5	-8.6%
<i>Occupancy rates:</i>						
<i>Of which, Large and Specialty Hospitals</i>	62.9%	51.9%	11.0 ppts	65.9%	56.0%	9.9 ppts
<i>Of which, Regional and Community Hospitals</i>	49.3%	37.8%	11.5 ppts	58.2%	43.8%	14.4 ppts

<sup>38</sup> The respective costs divided by gross revenues.

<sup>39</sup> Adjusted for the sale of Batumi Hospital, the number of admissions in Regional and Community Hospitals was 214.1 thousand and 668.1 thousand in 3Q23 and 9M23, respectively (down 5.9% in 3Q24 and 3.7% y-o-y in 9M24).

## Discussion of Renewable Energy Business Results

The renewable energy business operates three wholly-owned commissioned renewable assets: 30MW Mestiachala HPP, 20MW Hydrolea HPPs and 21MW Qartli wind farm. In addition, the business has a pipeline of renewable energy projects in varying stages of development. The renewable energy business is 100% owned by Georgia Capital. As electricity sales in Georgia is a dollar business, the financial data below is presented in US\$.

### 3Q24 and 9M24 performance (US\$ '000), Renewable Energy<sup>40</sup>

INCOME STATEMENT HIGHLIGHTS	3Q24	3Q23	Change	9M24	9M23	Change
<b>Revenue</b>	<b>5,927</b>	<b>5,507</b>	<b>7.6%</b>	<b>13,462</b>	<b>11,472</b>	<b>17.3%</b>
Of which, PPA	2,271	2,357	-3.6%	5,812	6,098	-4.7%
Of which, Non-PPA	3,656	3,150	16.1%	7,650	5,374	42.4%
Operating expenses	(1,023)	(1,096)	-6.7%	(3,069)	(3,121)	-1.7%
<b>EBITDA</b>	<b>4,904</b>	<b>4,411</b>	<b>11.2%</b>	<b>10,393</b>	<b>8,351</b>	<b>24.5%</b>
EBITDA margin	82.7%	80.1%	2.6 ppts	77.2%	72.8%	4.4 ppts
<b>Net profit</b>	<b>2,355</b>	<b>1,971</b>	<b>19.5%</b>	<b>2,982</b>	<b>432</b>	<b>NMF</b>
<b>CASH FLOW HIGHLIGHTS</b>						
<b>Cash flow from operating activities</b>	<b>4,443</b>	<b>4,358</b>	<b>2.0%</b>	<b>9,115</b>	<b>6,843</b>	<b>33.2%</b>
<b>Cash flow used in investing activities</b>	<b>(812)</b>	<b>(1,009)</b>	<b>-19.5%</b>	<b>(2,029)</b>	<b>(3,163)</b>	<b>-35.9%</b>
<b>Cash flow used in financing activities</b>	<b>(5,857)</b>	<b>65</b>	<b>NMF</b>	<b>(12,582)</b>	<b>(2,589)</b>	<b>NMF</b>
Repayment of borrowings	(1,909)	-	NMF	(7,100)	(9)	NMF
Dividends paid out	(4,500)	-	NMF	(4,500)	(2,000)	NMF
<b>BALANCE SHEET HIGHLIGHTS</b>						
	<b>30-Sep-24</b>	<b>30-Jun-24</b>	<b>Change</b>	<b>31-Dec-23</b>	<b>Change</b>	
<b>Total assets</b>	<b>117,529</b>	<b>118,977</b>	<b>-1.2%</b>	<b>122,579</b>	<b>-4.1%</b>	
Of which, cash balance	4,872	7,151	-31.9%	10,525	-53.7%	
<b>Total liabilities</b>	<b>78,560</b>	<b>78,359</b>	<b>0.3%</b>	<b>83,911</b>	<b>-6.4%</b>	
Of which, borrowings	75,382	75,911	-0.7%	80,935	-6.9%	
<b>Total equity</b>	<b>38,970</b>	<b>40,619</b>	<b>-4.1%</b>	<b>38,667</b>	<b>0.8%</b>	
<b>INCOME STATEMENT HIGHLIGHTS (GEL)</b>						
	<b>3Q24</b>	<b>3Q23</b>	<b>Change</b>	<b>9M24</b>	<b>9M23</b>	<b>Change</b>
Revenue	16,082	14,590	10.2%	36,699	30,017	22.3%
EBITDA	13,304	11,689	13.8%	28,326	21,869	29.5%

### INCOME STATEMENT HIGHLIGHTS

- The y-o-y increase in the 3Q24 revenue reflects:
  - A 5.5% y-o-y improvement in electricity generation, despite a decrease in the electricity generation of the wind farm due to regular maintenance works executed on one of the six power-generating units during May-July 2024.
  - An increase in the average electricity selling price (up 2.0% y-o-y to 57.5 US\$/MWh in 3Q24, up 0.7% y-o-y to 56.8 US\$/MWh in 9M24).
- The y-o-y revenue growth in 9M24 further reflects the resumption of operations of two power-generating units of Hydrolea HPPs, which were taken offline between November 2022 to June 2023 due to previously planned phased rehabilitation works.

### 3Q24 and 9M24 revenue and generation breakdown by power assets:

US\$ '000, unless otherwise noted	3Q24				9M24			
	Revenue from electricity sales	Change y-o-y	Electricity generation (MWh)	Change y-o-y	Revenue from electricity sales	Change y-o-y	Electricity generation (MWh)	Change y-o-y
30MW Mestiachala HPP	3,247	5.5%	57,160	3.2%	5,248	4.8%	94,399	3.8%
20MW Hydrolea HPPs	1,325	47.9%	24,831	34.2%	4,302	99.7%	82,301	78.9%
21MW Qartli wind farm	1,355	-11.5%	20,853	-11.5%	3,912	-9.2%	60,183	-9.2%
<b>Total</b>	<b>5,927</b>	<b>7.6%</b>	<b>102,844</b>	<b>5.5%</b>	<b>13,462</b>	<b>17.3%</b>	<b>236,883</b>	<b>16.6%</b>

- The operating expenses were well-controlled, down 6.7% and 1.7% y-o-y in 3Q24 and 9M24, respectively.
- The developments described above, led to a 11.2% and 24.5% y-o-y increase in EBITDA in 3Q24 and 9M24, respectively.

### CASH FLOW AND BALANCE SHEET HIGHLIGHTS

- In 3Q24 the business repurchased and cancelled US\$ 1.9 million of its green bonds (US\$ 7.0 million in 9M24). As a result, the gross debt balance of the business currently stands at US\$ 73.0 million, leading to a 6.7% and 5.5% y-o-y decrease in the net interest expense in 3Q24 and 9M24, respectively.
- The business paid US\$ 4.5 million dividends to GCAP in 3Q24.

<sup>40</sup> The detailed IFRS financial statements (in both US\$ and GEL) are included in supplementary excel file, available at <https://georgiacapital.ge/ir/financial-results>.



## Discussion of Education Business Results

Our education business currently combines majority stakes in four private school brands operating across seven campuses acquired over the period 2019-2023: British-Georgian Academy and British International School of Tbilisi (70% stake), the leading schools in the premium and international segments; Buckswood International School (80% stake), well-positioned in the midscale segment and Green School (80%-90% ownership), well-positioned in the affordable segment.

### 3Q24 and 9M24 performance (GEL '000), Education<sup>41</sup>

INCOME STATEMENT HIGHLIGHTS	3Q24	3Q23	Change	9M24	9M23	Change
<b>Revenue</b>	<b>8,967</b>	<b>7,737</b>	<b>15.9%</b>	<b>45,656</b>	<b>36,145</b>	<b>26.3%</b>
Operating expenses	(11,538)	(9,609)	20.1%	(36,815)	(28,117)	30.9%
<b>EBITDA</b>	<b>(2,571)</b>	<b>(1,872)</b>	<b>-37.3%</b>	<b>8,841</b>	<b>8,028</b>	<b>10.1%</b>
EBITDA Margin	-28.7%	-24.2%	-4.5 ppts	19.4%	22.2%	-2.8 ppts
<b>Net (loss) / profit</b>	<b>(4,688)</b>	<b>(3,389)</b>	<b>-38.3%</b>	<b>6,642</b>	<b>5,040</b>	<b>31.8%</b>
<b>CASH FLOW HIGHLIGHTS</b>	<b>3Q24</b>	<b>3Q23</b>	<b>Change</b>	<b>9M24</b>	<b>9M23</b>	<b>Change</b>
Net cash flows from operating activities	5,823	6,151	-5.3%	21,866	17,478	25.1%
Net cash flows from investing activities	(9,108)	(7,911)	15.1%	(18,280)	(27,750)	-34.1%
Net cash flows from financing activities	337	1,210	-72.1%	4,445	14,263	-68.8%
<b>BALANCE SHEET HIGHLIGHTS</b>	<b>30-Sep-24</b>	<b>30-Jun-24</b>	<b>Change</b>	<b>31-Dec-23</b>	<b>Change</b>	
<b>Total assets</b>	<b>217,932</b>	<b>214,355</b>	<b>1.7%</b>	<b>191,723</b>	<b>13.7%</b>	
Of which, cash	15,527	18,557	-16.3%	7,535	NMF	
<b>Total liabilities</b>	<b>80,628</b>	<b>72,257</b>	<b>11.6%</b>	<b>62,149</b>	<b>29.7%</b>	
Of which, borrowings	34,234	33,267	2.9%	27,750	23.4%	
<b>Total equity</b>	<b>137,304</b>	<b>142,098</b>	<b>-3.4%</b>	<b>129,574</b>	<b>6.0%</b>	

### INCOME STATEMENT HIGHLIGHTS

- The third quarter is usually a slow season for the education business, as the schools are not operational during the July-August holidays. The 15.9% y-o-y increase in 3Q24 revenues (up 26.3% y-o-y in 9M24) was driven by a) organic growth through strong intakes and a ramp-up of the utilisation and b) expansion of the business through the launch of a new campus in the mid-scale segment and the acquisition of the new campus in the affordable segment during 2023. The revenue growth in 9M24 was partially subdued by foreign exchange rate movements, as the tuition fees for our premium and international schools are denominated in US\$.
- Operating expenses were up by 20.1% y-o-y in 3Q24 (up 30.9% y-o-y in 9M24), mainly reflecting increased salary, catering and utility expenses, in line with the expansion of the business.
- Consequently, EBITDA was down by 37.3% with a 4.5 ppts y-o-y decrease in the EBITDA margin in 3Q24, which apart from the impact of seasonality as described above, reflects the early ramp-up stage of the newly launched campuses. The performance is expected to rebound as the utilisation rate of the newly added learner capacity picks up gradually. EBITDA was up by 10.1% y-o-y in 9M24.
- Net income was down 38.3% y-o-y in 3Q24 and increased by 31.8% y-o-y in 9M24, the latter also reflecting a gain from the first-time valuation of the call option on the minority stake in one of the recently acquired campuses, which was previously measured at an equity investment cost.

### CASH FLOW AND BALANCE SHEET HIGHLIGHTS

- Cash collection rate was at 55.4% as of 30-Sep-24, in line with last year's level.
- Investing cash outflows of GEL 9.1 million and GEL 18.3 million in 3Q24 and 9M24, respectively, reflect the investments related to the ongoing expansion of existing campuses in the midscale and affordable segments.

### OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

- The 2024-2025 academic year started with a significant increase in capacity and the number of learners:
  - The total learner capacity increased by 825 learners to 8,095 learners in 3Q24, of which the capacity of the midscale segment expanded to 1,645 learners (up by 225 learners) and the capacity of the affordable segment increased to 5,300 learners (up by 600 learners).
  - The total number of learners increased by 693 learners y-o-y to 6,593 learners at 30-Sep-24 (up by 710 learners q-o-q).
- The utilisation rate for the total 8,095 learner capacity was up by 0.3 ppts y-o-y to 81.4% as at 30-Sep-24.
  - The utilisation rate for the pre-expansion 2,810 learner capacity was 100%.
  - The utilisation of the newly added capacity of 5,285 learners was 71.6%.

<sup>41</sup> The detailed IFRS financial statements are included in supplementary excel file, available at <https://georgiacapital.ge/ir/financial-results>.

➤ The number of campuses across the different segments is noted below:

	Sep-24	Jun-24	Change (q-o-q)	Sep-23	Change (y-o-y)
<b>Total number of campuses</b>	<b>7</b>	<b>7</b>	-	<b>7</b>	-
Premium and International segment	1	1	-	1	-
Mid-scale segment	2	2	-	2	-
Affordable segment	4	4	-	4	-

## Discussion of Clinics and Diagnostics Business Results<sup>42</sup>

The clinics and diagnostics business, where GCAP owns a 100% equity interest, is the second largest healthcare market participant in Georgia after our hospitals business. The business comprises two segments: 1) 16 polyclinics (providing outpatient diagnostic and treatment services) and retail lab retail points at 14 of our GPC pharmacies; 2) Diagnostics, operating the largest laboratory in the entire Caucasus region – “Mega Lab”.

### 3Q24 and 9M24 performance (GEL '000), Clinics and Diagnostics<sup>43</sup>

INCOME STATEMENT HIGHLIGHTS	3Q24	3Q23	Change	9M24	9M23	Change
<b>Revenue, net<sup>44</sup></b>	<b>16,851</b>	<b>14,916</b>	<b>13.0%</b>	<b>53,558</b>	<b>44,676</b>	<b>19.9%</b>
Of which, clinics	13,993	12,255	14.2%	43,266	35,453	22.0%
Of which, diagnostics	5,032	4,293	17.2%	15,862	13,485	17.6%
Of which, inter-business eliminations	(2,174)	(1,632)	33.2%	(5,570)	(4,262)	30.7%
<b>Gross Profit</b>	<b>8,698</b>	<b>7,309</b>	<b>19.0%</b>	<b>27,047</b>	<b>20,890</b>	<b>29.5%</b>
Gross profit margin	51.6%	48.9%	2.7%	50.4%	46.6%	3.8%
Operating expenses (ex. IFRS 16)	(5,989)	(4,679)	28.0%	(17,142)	(13,816)	24.1%
<b>EBITDA (ex. IFRS 16)</b>	<b>2,709</b>	<b>2,630</b>	<b>3.0%</b>	<b>9,905</b>	<b>7,074</b>	<b>40.0%</b>
EBITDA margin (ex. IFRS 16)	16.1%	17.6%	-1.5 ppts	18.5%	15.8%	2.7 ppts
<b>Net (loss) / profit (ex. IFRS 16)</b>	<b>(95)</b>	<b>(765)</b>	<b>87.6%</b>	<b>1,627</b>	<b>(1,602)</b>	<b>NMF</b>
<b>CASH FLOW HIGHLIGHTS</b>						
<b>Cash flow from operating activities (ex. IFRS 16)</b>	<b>4,019</b>	<b>2,429</b>	<b>65.5%</b>	<b>11,193</b>	<b>4,629</b>	<b>NMF</b>
EBITDA to cash conversion (ex. IFRS 16)	148.4%	92.4%	56.0 ppts	113.0%	65.4%	47.6 ppts
<b>Cash flow used in investing activities</b>	<b>(856)</b>	<b>(4,639)</b>	<b>-81.5%</b>	<b>(5,360)</b>	<b>(10,402)</b>	<b>-48.5%</b>
Free cash flow (ex. IFRS 16) <sup>45</sup>	410	(604)	NMF	3,702	(4,270)	NMF
<b>Cash flow from financing activities (ex. IFRS 16)</b>	<b>(34)</b>	<b>(2,100)</b>	<b>-98.4%</b>	<b>(1,901)</b>	<b>3,977</b>	<b>NMF</b>
<b>BALANCE SHEET HIGHLIGHTS</b>	<b>30-Sep-24</b>	<b>30-Jun-24</b>	<b>Change</b>	<b>31-Dec-23</b>	<b>Change</b>	
<b>Total assets</b>	<b>140,638</b>	<b>131,991</b>	<b>6.6%</b>	<b>135,848</b>	<b>3.5%</b>	
Of which, cash balance and bank deposits	8,459	5,331	58.7%	4,500	88.0%	
Of which, securities and loans issued	-	3,049	NMF	8,357	NMF	
<b>Total liabilities</b>	<b>86,338</b>	<b>78,726</b>	<b>9.7%</b>	<b>83,901</b>	<b>2.9%</b>	
Of which, borrowings	43,871	43,162	1.6%	48,630	-9.8%	
<b>Total equity</b>	<b>54,300</b>	<b>53,265</b>	<b>1.9%</b>	<b>51,947</b>	<b>4.5%</b>	

### Discussion of results, Clinics (GEL '000)

INCOME STATEMENT HIGHLIGHTS	3Q24	3Q23	Change	9M24	9M23	Change
<b>Revenue, net</b>	<b>13,993</b>	<b>12,255</b>	<b>14.2%</b>	<b>43,266</b>	<b>35,453</b>	<b>22.0%</b>
<b>Gross Profit</b>	<b>7,097</b>	<b>6,249</b>	<b>13.6%</b>	<b>21,984</b>	<b>17,565</b>	<b>25.2%</b>
Gross profit margin	50.7%	50.9%	-0.2 ppts	50.7%	49.3%	1.4 ppts
Operating expenses (ex. IFRS 16)	(4,968)	(3,800)	30.7%	(14,038)	(11,325)	24.0%
<b>EBITDA (ex. IFRS 16)</b>	<b>2,129</b>	<b>2,449</b>	<b>-13.1%</b>	<b>7,946</b>	<b>6,240</b>	<b>27.3%</b>
EBITDA margin (ex. IFRS 16)	15.2%	19.9%	-4.7 ppts	18.3%	17.5%	0.8 ppts
<b>Net (loss) / profit (ex. IFRS 16)</b>	<b>(273)</b>	<b>(902)</b>	<b>69.7%</b>	<b>1,025</b>	<b>(987)</b>	<b>NMF</b>
<b>CASH FLOW HIGHLIGHTS</b>						
<b>Cash flow from operating activities (ex. IFRS 16)</b>	<b>3,625</b>	<b>2,290</b>	<b>58.3%</b>	<b>11,394</b>	<b>6,173</b>	<b>84.6%</b>
EBITDA to cash conversion (ex. IFRS 16)	170.3%	93.5%	76.8 ppts	143.4%	98.9%	44.5 ppts
<b>Cash flow used in investing activities<sup>46</sup></b>	<b>(740)</b>	<b>(4,425)</b>	<b>-83.3%</b>	<b>(5,002)</b>	<b>(9,450)</b>	<b>-47.1%</b>
Free cash flow (ex. IFRS 16)	132	(525)	NMF	4,261	(1,760)	NMF
<b>Cash flow used in financing activities (ex. IFRS 16)</b>	<b>330</b>	<b>(2,060)</b>	<b>NMF</b>	<b>(2,243)</b>	<b>2,611</b>	<b>NMF</b>
<b>BALANCE SHEET HIGHLIGHTS</b>	<b>30-Sep-24</b>	<b>30-Jun-24</b>	<b>Change</b>	<b>31-Dec-23</b>	<b>Change</b>	
<b>Total assets</b>	<b>109,427</b>	<b>100,804</b>	<b>8.6%</b>	<b>105,789</b>	<b>3.4%</b>	
Of which, cash balance and bank deposits	8,438	5,223	61.6%	4,261	98.0%	
Of which, securities and loans issued	-	3,049	NMF	8,357	NMF	
<b>Total liabilities</b>	<b>73,686</b>	<b>65,908</b>	<b>11.8%</b>	<b>71,840</b>	<b>2.6%</b>	
Of which, borrowings	36,674	35,797	2.4%	42,340	-13.4%	
<b>Total equity</b>	<b>35,741</b>	<b>34,896</b>	<b>2.4%</b>	<b>33,949</b>	<b>5.3%</b>	

<sup>42</sup> The numbers were adjusted retrospectively to account for the recent strategic reorganisation in the healthcare businesses. The 2023 numbers reflect the retrospective adjustment for GEL 2.9 million gain recorded from the sale of one of the polyclinics buildings in 3Q23.

<sup>43</sup> The detailed IFRS financial statements are included in supplementary excel file, available at <https://georgiacapital.ge/ir/financial-results>.

<sup>44</sup> Net revenue – Gross revenue less corrections and rebates. Margins are calculated from Gross revenue.

<sup>45</sup> Operating cash flows less capex.

<sup>46</sup> Of which capex of GEL 3.5 million in 3Q24 and GEL 6.3 million in 9M24 (GEL 2.8 million in 3Q23 and GEL 7.9 million in 9M23).

**INCOME STATEMENT HIGHLIGHTS**

- The 14.2% y-o-y increase in 3Q24 revenue (up 22.0% y-o-y in 9M24) reflects:
  - The increased demand for high revenue-generating services as well as the growth in the number of registered patients, driven by the business' proactive approach to customer acquisition and service enhancements.
  - Ramp-up of two new ambulatory centres launched in 2H23.
  - The acquisition of a portfolio of c.27,000 new customers in June 2024, further contributing to the overall top-line growth in 3Q24.
  - The revenue growth was partially subdued by the temporary closure of certain departments of the largest polyclinic in Tbilisi in 3Q24, due to previously planned renovation works.
- The cost of services in the clinics consists mainly of salaries, materials and utilities, and the cost of providers:
  - The trend in salary cost is captured in the direct salary rate<sup>47</sup>. A significant portion of direct salaries is fixed, which on the back of increased revenue improved by 0.4 ppts y-o-y to 31.6% in 3Q24 (down 1.2 ppts to 30.8% in 9M24), notwithstanding the impact of new regulatory requirements regarding minimum salaries, as outlined in the discussion of the hospitals business results above.
  - The materials rate was well-managed, improving by 0.4 ppts y-o-y in 3Q24 (a 1.2 ppts y-o-y improvement in 9M24).
  - The utilities and other expenses were largely flat, up 1.1% y-o-y in 3Q24 (down 2.7% y-o-y in 9M24).
  - The cost of providers mainly consists of outsourced laboratory services, which accounted for c.12% of revenue in 3Q24, (c.13% in 9M24). Increased demand for such services led to a 1.6 ppts y-o-y increase in the provider cost ratio in 3Q24 (up 1.5 ppts y-o-y in 9M24).
- Consequently, the gross profit margin decreased slightly by 0.2 ppts y-o-y in 3Q24 (1.4 ppts y-o-y improvement in 9M24).
- Operating expenses (excl. IFRS 16) were up by 30.7% in 3Q24 and 24.0% y-o-y in 9M24, reflecting increased salary and rent expenses in line with the expansion of the business, as well as the sale of one of the polyclinic buildings in 3Q23 and its leaseback in 2Q24.
- The development described above translated into a 13.1% y-o-y decrease in EBITDA in 3Q24 (up 27.3% y-o-y in 9M24).
- The business posted a net loss (excl. IFRS 16) of GEL 0.3 million in 3Q24 and GEL 1.0 million net profit in 9M24, which also reflects one-off costs associated with the termination of contracts due to changes in management.

**CASH FLOW AND BALANCE SHEET HIGHLIGHTS**

- The EBITDA to cash conversion ratio was at 170.3% in 3Q24 (143.4% in 9M24), reflecting the strong business performance as well as the collection of delayed receivables in 3Q24.
- In 3Q24, the business spent GEL 3.5 million on capex, primarily related to the expansion of services and the polyclinics chain. Capex investment in 9M24 amounted to GEL 6.3 million.

**OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS**

- The number of admissions at our clinics is highlighted below:

	3Q24	3Q23	Change	9M24	9M23	Change
Number of admissions (thousands)	392	356	10.1%	1,291	1,148	12.4%

- The number of polyclinics operated by the business is provided below.

	Sep-24	Sep-23	Change	Dec-23	Change
Number of polyclinics <sup>48</sup>	16	15	1	16	-

As of 30-Sep-24, the total number of registered patients in our polyclinics in Tbilisi reached c.337,000 (c.288,000 as of 30-Sep-23).

**Discussion of results, Diagnostics (GEL '000)**

<b>INCOME STATEMENT HIGHLIGHTS</b>	<b>3Q24</b>	<b>3Q23</b>	<b>Change</b>	<b>9M24</b>	<b>9M23</b>	<b>Change</b>
<b>Revenue, net</b>	<b>5,032</b>	<b>4,293</b>	<b>17.2%</b>	<b>15,862</b>	<b>13,485</b>	<b>17.6%</b>
<b>Gross Profit</b>	<b>1,601</b>	<b>1,060</b>	<b>51.0%</b>	<b>5,063</b>	<b>3,325</b>	<b>52.3%</b>
<i>Gross profit margin</i>	<i>31.8%</i>	<i>24.7%</i>	<i>7.1 ppts</i>	<i>31.9%</i>	<i>24.7%</i>	<i>7.2 ppts</i>
Operating expenses (ex. IFRS 16)	(1,021)	(879)	16.2%	(3,104)	(2,491)	24.6%
<b>EBITDA (ex. IFRS 16)</b>	<b>580</b>	<b>181</b>	<b>NMF</b>	<b>1,959</b>	<b>834</b>	<b>NMF</b>
<i>EBITDA margin (ex. IFRS 16)</i>	<i>11.5%</i>	<i>4.2%</i>	<i>7.3 ppts</i>	<i>12.4%</i>	<i>6.2%</i>	<i>6.2 ppts</i>
<b>Net profit / (loss) (ex. IFRS 16)</b>	<b>178</b>	<b>(315)</b>	<b>NMF</b>	<b>602</b>	<b>(1,067)</b>	<b>NMF</b>

**INCOME STATEMENT HIGHLIGHTS**

- The revenue developments in 3Q24 and 9M24 reflect the results of the business' enhanced efforts to broaden its client base and diversify its range of services, particularly in the high-margin category.

<sup>47</sup> The respective costs divided by gross revenues.

<sup>48</sup> In 2024, two polyclinics located in rural areas of Georgia were reclassified under the Regional and Community Hospitals. The comparative 2023 data has been adjusted retrospectively.

- Materials and direct salary rates improved by 3.0 ppts and 3.4 ppts y-o-y in 3Q24, respectively (3.6 ppts and 2.6 ppts y-o-y improvement in 9M24, respectively), which along with increased revenues, reflect significant process optimisations.
- As a result, the business recorded a 51.0% y-o-y increase in gross profit and a 3.2x y-o-y increase in EBITDA in 3Q24 (up 52.3% and 2.3x y-o-y in 9M24, respectively).

## OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

- The key operating performance highlights for 3Q24 and 9M24 are presented below:

	3Q24	3Q23	Change	9M24	9M23	Change
Number of patients served (thousands)	175	164	6.5%	593	577	2.7%
Number of tests performed (thousands)	593	564	5.2%	2,004	1,813	10.5%
Average revenue per test GEL	8.5	7.6	11.4%	7.9	7.4	6.4%
Average number of tests per patient	3.4	3.4	-1.2%	3.4	3.1	7.6%

## Discussion of Other Portfolio Results

The four businesses in our "other" private portfolio are Auto Service, Beverages, Hospitality and Housing. They had a combined value of GEL 327.3 million at 30-Sep-24, which represents 9.5% of our total portfolio.

### 3Q24 & 9M24 aggregated performance highlights (GEL '000), Other Portfolio

	3Q24	3Q23	Change	9M24	9M23	Change
Revenue	168,087	162,125	3.7%	439,462	427,079	2.9%
EBITDA	19,435	21,034	-7.6%	52,490	35,447	48.1%
Net cash flows from operating activities	22,264	(1,383)	NMF	33,531	(814)	NMF

- **Auto Service** | The auto service business includes a periodic technical inspection (PTI) business, and a car services and parts business.
  - **Periodic technical inspection (PTI) business** | PTI business' revenue was up by 13.0% y-o-y to GEL 6.7 million in 3Q24 (up by 16.6% y-o-y to GEL 17.6 million in 9M24), driven by an increase in primary and secondary vehicle inspections. The number of total cars serviced was up by 12.2% and 15.7% y-o-y, leading to a 15.1% and 21.9% y-o-y increase in EBITDA in 3Q24 and 9M24, respectively.
  - **Car services and parts business** | In 3Q24, revenue was up by 13.7% y-o-y to GEL 17.7 million (up 11.9% y-o-y to GEL 45.3 million in 9M24) reflecting an increase in the retail and corporate segment. Similarly, the gross profit was up by 8.0% to GEL 4.3 million in 3Q24 and up 9.2% to GEL 11.7 million in 9M24, y-o-y. In 3Q24, operating expenses increased by 14.7% y-o-y (up 21.7% y-o-y in 9M24), reflecting the business growth. As a result, the business posted a GEL 0.8 million EBITDA in 3Q24, down 14.4% y-o-y (GEL 1.6 million in 9M24, down 33.6% y-o-y).
- **Beverages** | The beverages business combines three business lines: a beer business, a distribution business and a wine business. In October 2024, GCAP announced the sale of an 80% holding of its beer and distribution business. For further details, please refer to page 2 of this report.
  - **Beer business** | The gross revenue of the beer business increased by 28.3% y-o-y to GEL 52.7 million in 3Q24 and was up by 14.8% y-o-y to GEL 124.7 million in 9M24, resulting from increased product prices as well as the increase sales in hectolitres (up by 18.8% and 5.3% y-o-y in 3Q24 and 9M24, respectively). The average GEL price per litre (average for beer and lemonade) increased by 8.0% y-o-y in 3Q24 (up by 9.1% y-o-y in 9M24). The operating expenses were up by 21.4% and 19.8% y-o-y in 3Q24 and 9M24, respectively, mainly due to the increased marketing expenses. Consequently, the EBITDA of the business increased by 23.1% to GEL 9.8 million in 3Q24 (up 14.2% y-o-y to GEL 20.8 million in 9M24).
  - **Distribution business** | Revenue of the distribution business increased by 17.2% and 14.8% y-o-y to GEL 74.3 million and GEL 171.3 million in 3Q24 and 9M24, respectively, in line with the increased revenues of the beer business, as described above. The gross profit margin was down by 2.0 ppts and 2.1 ppts y-o-y in 3Q24 and 9M24, respectively, reflecting the change in product mix. In 3Q24, operating expenses were up by 10.6% y-o-y (up by 8.5% y-o-y in 9M24). As a result, the business posted GEL 4.0 million EBITDA in 3Q24, down by 4.8% y-o-y (GEL 7.1 million in 9M24, down by 12.5% y-o-y).
  - **Wine business** | The net revenue of the wine business was down by 30.2% to GEL 12.1 million in 3Q24, reflecting a 34.1% decrease in the number of bottles sold in 3Q24, primarily due to weaker exports in 3Q24 (share of exports in total sales was down by 6.1 ppts y-o-y to 80.4% in 3Q24). For 9M24, revenue was down by 3.3% y-o-y to GEL 41.7 million with a 5.7% decrease in the number of bottles sold. Operating expenses decreased by 11.3% y-o-y in 3Q24 (down by 7.0% y-o-y in 9M24) due to the business' cost-saving initiatives. Consequently, EBITDA was down by 69.2% to GEL 0.7 million in 3Q24 (up by 55.4% to GEL 4.5 million in 9M24).

- **Real estate businesses** | The combined revenue of the real estate businesses increased by 2.2% y-o-y to GEL 63.5 million in 3Q24 (down by 2.6% y-o-y to GEL 176.5 million in 9M24). The 3Q24 EBITDA decreased by GEL 1.6 million y-o-y to negative GEL 1.0 million (up by GEL 13.1 million to GEL 9.6 million in 9M24), mainly resulting from the reassessment of the construction progress for ongoing residential projects at our housing development business. In August 2024, our housing development business successfully closed a US\$ 25 million local bond offering. The 2-year, US\$-denominated notes carry an 8.5% coupon. Proceeds were used to refinance US\$ 35 million local bonds which matured in October 2024.

## ADDITIONAL FINANCIAL INFORMATION

The 9M24 NAV Statement shows the development of NAV since 31-Dec-23:

GEL '000, unless otherwise noted	Dec-23	1. Value creation <sup>49</sup>	2a. Investment and Divestments	2b. Buyback	2c. Dividend	3. Operating expenses	4. Liquidity/FX/Other	Sep-24	Change %
<b>Listed and Observable Portfolio Companies</b>									
<i>Bank of Georgia (BoG)</i>	1,225,847	65,422	-	-	(144,798)	-	-	1,146,471	-6.5%
<i>Water Utility</i>	159,000	1,000	-	-	-	-	-	160,000	0.6%
<b>Total Listed and Observable Portfolio Value</b>	<b>1,384,847</b>	<b>66,422</b>	<b>-</b>	<b>-</b>	<b>(144,798)</b>	<b>-</b>	<b>-</b>	<b>1,306,471</b>	<b>-5.7%</b>
<i>Listed and Observable Portfolio value change %</i>		<b>4.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-10.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-5.7%</b>	
<b>Private Portfolio Companies</b>									
<b>Large Companies</b>									
<i>Retail (Pharmacy)</i>	1,436,231	(103,733)	-	-	(26,560)	-	2,870	1,308,808	-8.9%
<i>Insurance (P&amp;C and Medical)</i>	714,001	(46,857)	-	-	(10,048)	-	1,078	658,174	-7.8%
<i>Of which, P&amp;C Insurance</i>	377,874	45,302	-	-	(16,512)	-	714	407,378	7.8%
<i>Of which, Medical Insurance</i>	285,566	40,557	-	-	(16,512)	-	714	310,325	8.7%
<i>Hospitals</i>	92,308	4,745	-	-	-	-	-	97,053	5.1%
<i>Of which, Medical Insurance</i>	344,356	(102,178)	-	-	-	-	1,078	243,256	-29.4%
<b>Investment Stage Companies</b>	<b>566,614</b>	<b>(34,815)</b>	<b>4,432</b>	<b>-</b>	<b>(12,258)</b>	<b>-</b>	<b>1,371</b>	<b>525,344</b>	<b>-7.3%</b>
<i>Renewable Energy</i>	266,627	(19,712)	4,432	-	(12,258)	-	674	239,763	-10.1%
<i>Education</i>	189,226	(8,670)	-	-	-	-	458	181,014	-4.3%
<i>Clinics and Diagnostics</i>	110,761	(6,433)	-	-	-	-	239	104,567	-5.6%
<b>Other Companies</b>	<b>284,253</b>	<b>46,601</b>	<b>3,000</b>	<b>-</b>	<b>(8,311)</b>	<b>-</b>	<b>1,734</b>	<b>327,277</b>	<b>15.1%</b>
<b>Total Private Portfolio Value</b>	<b>2,287,098</b>	<b>(91,947)</b>	<b>7,432</b>	<b>-</b>	<b>(47,129)</b>	<b>-</b>	<b>5,975</b>	<b>2,161,429</b>	<b>-5.5%</b>
<i>Private Portfolio value change %</i>		<b>-4.0%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>-2.1%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>-5.5%</b>	
<b>Total Portfolio Value (1)</b>	<b>3,671,945</b>	<b>(25,525)</b>	<b>7,432</b>	<b>-</b>	<b>(191,927)</b>	<b>-</b>	<b>5,975</b>	<b>3,467,900</b>	<b>-5.6%</b>
<i>Total Portfolio value change %</i>		<b>-0.7%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>-5.2%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>-5.6%</b>	
<b>Net Debt (2)</b>	<b>(296,808)</b>	<b>-</b>	<b>(7,432)</b>	<b>(109,784)</b>	<b>191,927</b>	<b>(16,441)</b>	<b>(30,842)</b>	<b>(269,380)</b>	<b>-9.2%</b>
<i>of which, Cash and liquid funds</i>	107,910	-	(7,432)	(109,784)	163,078	(16,441)	(35,449)	101,882	-5.6%
<i>of which, Loans issued</i>	9,212	-	-	-	-	-	2,502	11,714	27.2%
<i>of which, Accrued dividend income</i>	-	-	-	-	28,849	-	-	28,849	NMF
<i>of which, Gross Debt</i>	(413,930)	-	-	-	-	-	2,105	(411,825)	-0.5%
<b>Net other assets/ (liabilities) (3)</b>	<b>3,375</b>	<b>-</b>	<b>-</b>	<b>(1,058)</b>	<b>-</b>	<b>(10,493)</b>	<b>4,248</b>	<b>(3,928)</b>	<b>NMF</b>
<i>of which, share-based comp.</i>	-	-	-	-	-	(10,493)	10,493	-	NMF
<b>Net Asset Value (1)+(2)+(3)</b>	<b>3,378,512</b>	<b>(25,525)</b>	<b>-</b>	<b>(110,842)</b>	<b>-</b>	<b>(26,934)</b>	<b>(20,619)</b>	<b>3,194,592</b>	<b>-5.4%</b>
<i>NAV change %</i>		<b>-0.8%</b>	<b>0.0%</b>	<b>-3.3%</b>	<b>0.0%</b>	<b>-0.8%</b>	<b>-0.6%</b>	<b>-5.4%</b>	
Shares outstanding <sup>49</sup>	40,736,528	-	-	(3,101,773)	-	-	666,377	38,301,132	-6.0%
<b>Net Asset Value per share, GEL</b>	<b>82.94</b>	<b>(0.63)</b>	<b>(0.00)</b>	<b>3.89</b>	<b>(0.00)</b>	<b>(0.67)</b>	<b>(2.11)</b>	<b>83.41</b>	<b>0.6%</b>
<i>NAV per share, GEL change %</i>		<b>-0.8%</b>	<b>0.0%</b>	<b>4.7%</b>	<b>0.0%</b>	<b>-0.8%</b>	<b>-2.5%</b>	<b>0.6%</b>	

<sup>49</sup> Please see definition in glossary on page 23.

## Basis of presentation

This announcement contains unaudited financial results presented in accordance with UK-adopted international accounting standards ("IFRS"). The financial results are unaudited and derived from management accounts.

Under IFRS 10, Georgia Capital PLC meets the "investment entity" definition. For more details about the basis of preparation please refer to page 94 in Georgia Capital PLC 2023 Annual report.

The presentation of the Income Statement (Adjusted) and some of the information under the NAV Statement should be considered to be Alternative Performance Measures (APM).

## GLOSSARY

1. **APM** – Alternative Performance Measure.
2. **GCAP** refers to the aggregation of stand-alone Georgia Capital PLC and stand-alone JSC Georgia Capital accounts.
3. **Georgia Capital** and "the Group" refer to Georgia Capital PLC and its portfolio companies as a whole.
4. **NMF** – Not meaningful.
5. **NAV** – Net Asset Value, represents the net value of an entity and is calculated as the total value of the entity's assets minus the total value of its liabilities.
6. **LTM** – last twelve months.
7. **EBITDA** - Earnings before interest, taxes, non-recurring items, FX gain/losses and depreciation and amortisation; The Group has presented these figures in this document because management uses EBITDA as a tool to measure the Group's operational performance and the profitability of its operations. The Group considers EBITDA to be an important indicator of its representative recurring operations.
8. **ROIC** – return on invested capital is calculated as EBITDA less depreciation, divided by the aggregate amount of total equity and borrowed funds.
9. **Loss ratio** equals net insurance claims expense divided by net earned premiums.
10. **Expense ratio** in P&C Insurance equals sum of acquisition costs and operating expenses divided by net earned premiums.
11. **Combined ratio** equals sum of the loss ratio and the expense ratio in the insurance business.
12. **ROAE** – Return on average total equity (ROAE) equals profit for the period attributable to shareholders divided by monthly average equity attributable to shareholders of the business for the same period.
13. **Net investment** - gross investments less capital returns (dividends and sell-downs).
14. **EV** – enterprise value.
15. **Liquid assets & loans issued** include cash, marketable debt securities and issued short-term loans at GCAP level.
16. **Total return / value creation** - total return / value creation of each portfolio investment is calculated as follows: we aggregate a) change in beginning and ending fair values, b) gains from realised sales (if any) and c) dividend income during period. We then adjust the net result to remove capital injections (if any) to arrive at the total value creation / investment return.
17. **WPP** – Wind power plant.
18. **HPP** – Hydro power plant.
19. **PPA** – Power purchase agreement.
20. **Number of shares outstanding** – Number of shares in issue less total unawarded shares in JSC GCAP's management trust.
21. **Market Value Leverage ("MVL"), also Loan to Value ("LTV")** – Interchangeably used across the document and is calculated by dividing net debt to the total portfolio value.
22. **NCC** - Net Capital Commitment, represents an aggregated view of all confirmed, agreed and expected capital outflows at both Georgia Capital PLC and JSC Georgia Capital levels.
23. **NCC Ratio** – Equals Net Capital Commitment divided by portfolio value.

**ABOUT GEORGIA CAPITAL PLC**

**Georgia Capital PLC** (LSE: **CGEO LN**) is a platform for buying, building and developing businesses in Georgia (together with its subsidiaries, “**Georgia Capital**” or “**the Group**”). The Group’s primary business is to develop or buy businesses, help them institutionalise their management and grow them into mature businesses that can further develop largely on their own, either with continued oversight or independently. Once Georgia Capital has successfully developed a business, the Group actively manages its portfolio to determine each company’s optimal owner. Georgia Capital will normally seek to monetise its investment over a 5-10 year period from initial investment.

**Georgia Capital** currently has the following portfolio businesses: **(1) a retail (pharmacy) business, (2) an insurance business (P&C and medical insurance), (3) a hospitals business, (4) a renewable energy business (hydro and wind assets), (5) an education business; and (6) a clinics and diagnostics business.** Georgia Capital also holds other small private businesses across different industries in Georgia; a 20% equity stake in the **water utility business** and a 19.1% equity stake in LSE listed Bank of Georgia Group PLC (“BoG”), a leading universal bank in Georgia and a bank in Armenia.

**Forward looking statements**

This announcement 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; currency fluctuations and risk, including depreciation of the Georgian Lari, and macroeconomic risk, regulatory risk across a wide range of industries; investment risk; liquidity risk; portfolio company strategic and execution risks and other key factors that could adversely affect our business and financial performance, which are contained elsewhere in this document and in our past and future filings and reports and also the ‘Principal Risks and Uncertainties’ included in 1H24 Results Announcement and in Georgia Capital PLC’s Annual Report and Accounts 2023. No part of this document 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 document should be construed as a profit forecast.



## COMPANY INFORMATION

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Registered under number 10852406 in England and Wales

### Stock Listing

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Ticker: "CGEO.LN"

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Please note that Investor Centre is a free, secure online service run by our Registrar, Computershare, giving you convenient access to information on your shareholdings.

Investor Centre Web Address - [www.investorcentre.co.uk](http://www.investorcentre.co.uk).

Investor Centre Shareholder Helpline - +44 (0) 370 873 5866

### Share price information

Shareholders can access both the latest and historical prices via the website  
[www.georgiacapital.ge](http://www.georgiacapital.ge)