



BANK OF GEORGIA

INVESTOR 20 DAY 20

Digital Ecosystems

Speaker:

Andro Ratiani

Head of Innovation

BGEO Group

MSME

● Merchant Services

- Lite and modular solutions
- All-in one solution (hardware + software)
- AI-driven offers
- Business loan pre-qualification

● HR solutions

- Lite and modular solutions
- Open API model
- Streamlined HR operation
- AI-based performance management

● Business intelligence /accounting

- Lite and modular solutions
- Open API model
- Advanced visualisations
- Tailored to MSMEs



RETAIL

● Real estate ecosystem

- AI-optimised content
- Advanced real estate estimation
- Mortgage loan pre-qualifications
- Remodelling and interior design

● Online marketplace

- Advanced search/comparison
- AI-optimised content
- Consumer loan pre-qualification
- Utilisation of BOG merchant networks

● Auto ecosystem

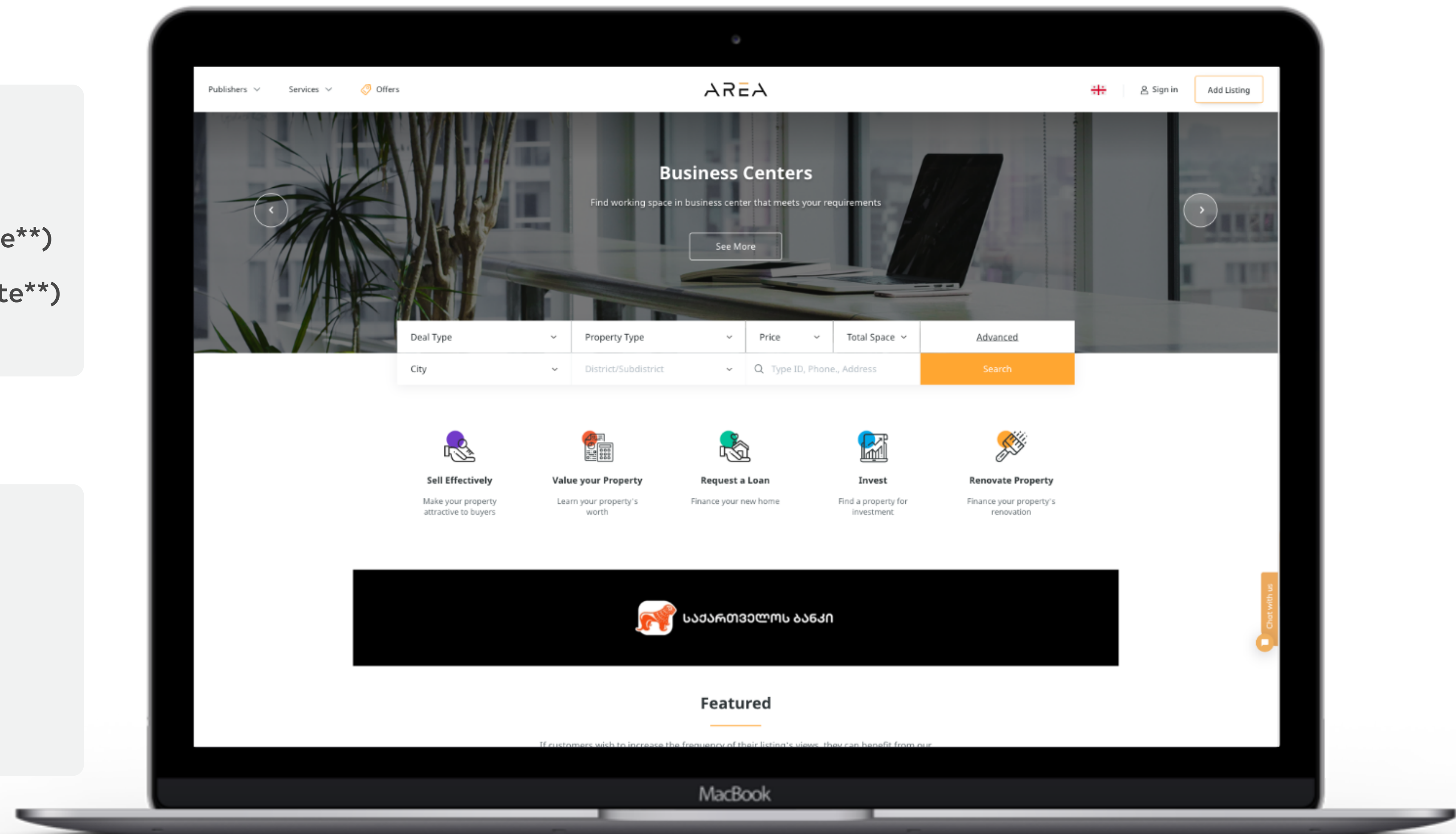
- AI-optimised content
- Cross-selling (e-commerce, leasing, dealerships, etc.)
- Auto loan pre-qualification
- Advanced vehicle inspection

MORTGAGE LEADS:

- Soft leads*: 12k / GEL 837mln
- Hard leads*: 2.8k / GEL 209mln
- Approved loans: GEL 51mln (24% rate**)
- Disbursed loans: GEL 41mln (20% rate**)

INVENTORY:

- Developers and agencies: 1.7k
- Active listings: 91.4k+ / GEL 47bln
- Residential: 74.7k+ / GEL 11.2bln
- Commercial: 9.9k+ / GEL 3.9bln
- Land: 6.8k+ / GEL 31.9bln



* Soft lead – user used mortgage loan calculator without requesting a loan. Hard lead – user used mortgage calculator and requested a loan

** Conversion rate, calculating approval rate from hard leads

SOFTWARE AS A SERVICE

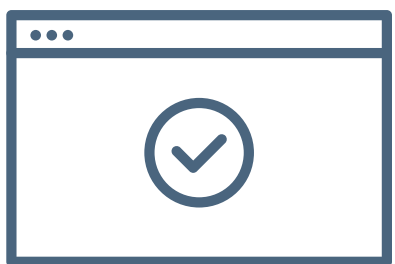
DATA BUSINESS

CARD BUSINESS

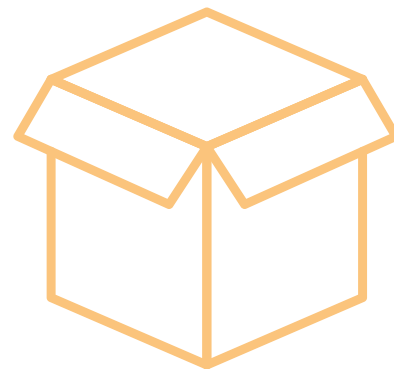
VALUE ADDED SERVICES



OPTIMO
RETAIL



OPTIMO
E-COMMERCE



OPTIMO
PRODUCTION



OPTIMO
RECA

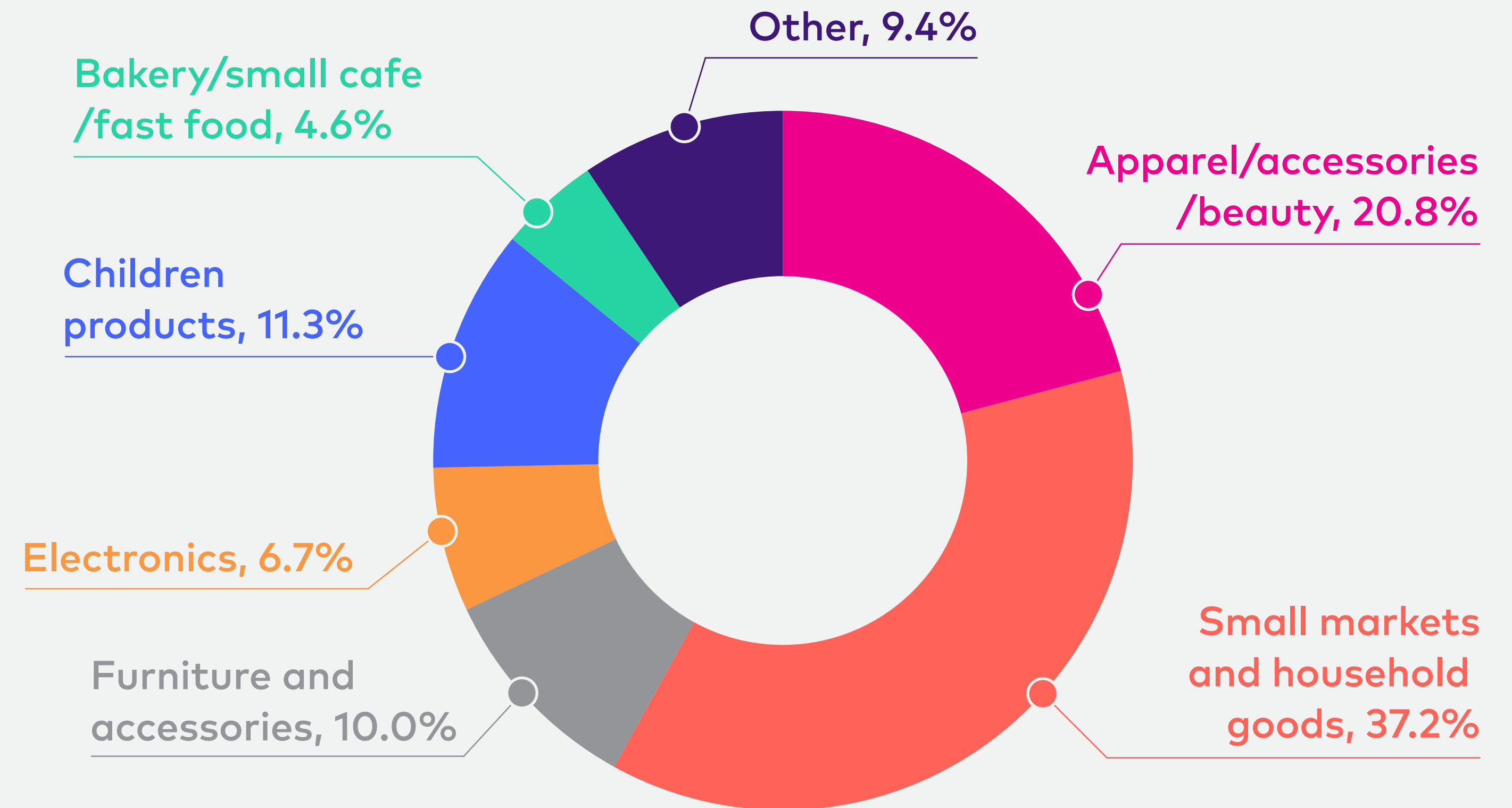
MARKET OVERVIEW

- Registered MSMEs: 188k
- Registered MSME merchants: 74k
- MSME unorganised (non-digital) share: 59k or 80%

BUSINESS DATA

- Active MSMEs: 635+ (+13% MoM)
- Registered unique stock keeping units (SKU): 210k+
- Transactions: 1mln+
- Registered turnover: GEL 9mln+

BUSINESS VERTICALS



VALUE FOR CUSTOMERS

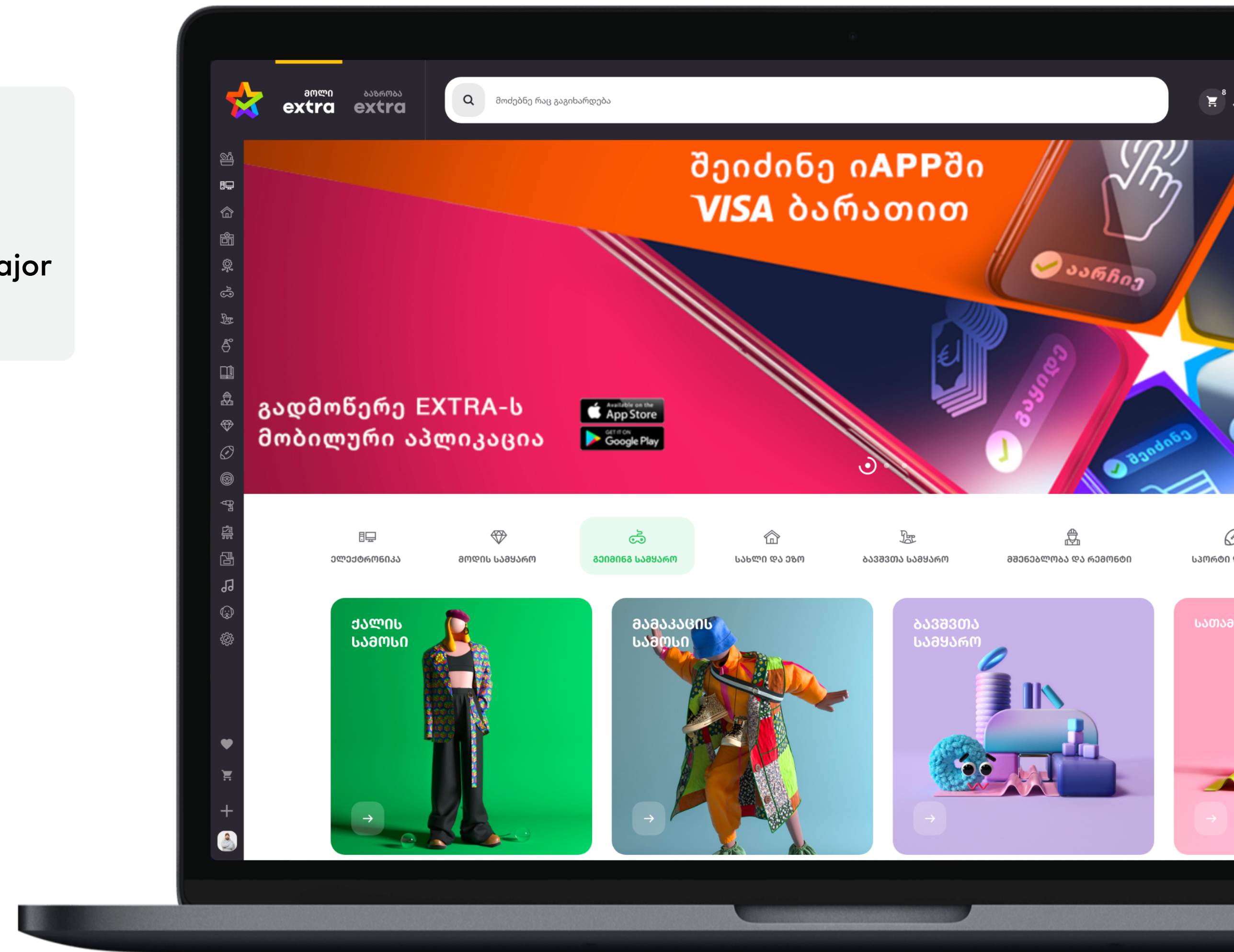
- Convenient shopping
- Next day delivery
- Product assortment
- Concierge services

VALUE FOR PARTNER MERCHANTS

- Reach - 750k+ customers
- Transaction security/escrow
- No need to create own website
- Low cost of sales, staff, and logistic

INTEGRATED PAYMENT SYSTEMS

- VISA, Mastercard, AMEX
- Loyalty programme
- Cash or POS on hand
- Online installments with major Georgian banks



TRAFFIC DATA

- Average daily users: 25k (+2% DoD)
- Average monthly users: 700k (+5% MoM)

USER DATA

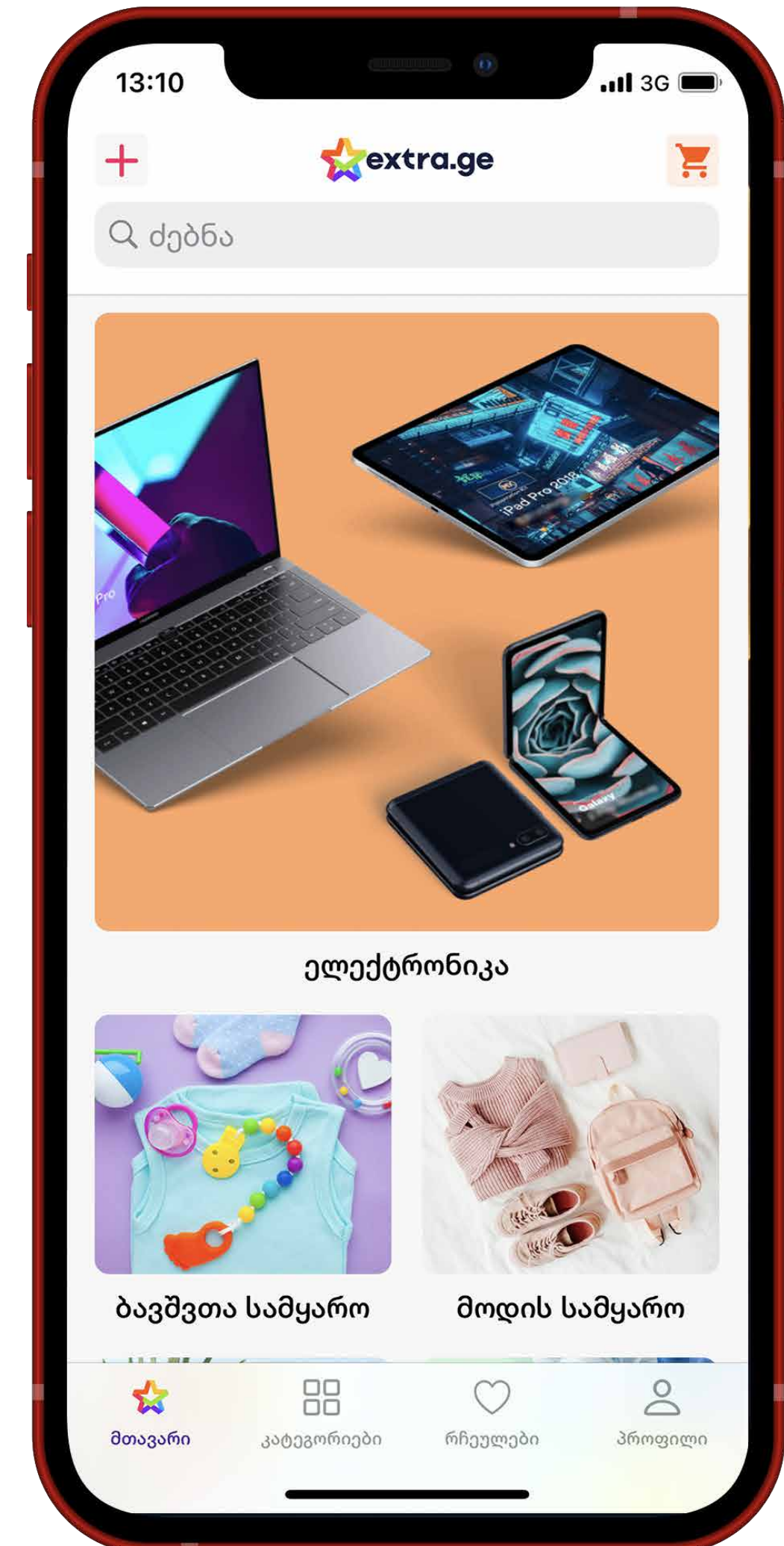
- Registered users: 163k+ (+7% MoM)
- Active users: 112k+ (+5% MoM)

INVENTORY DATA

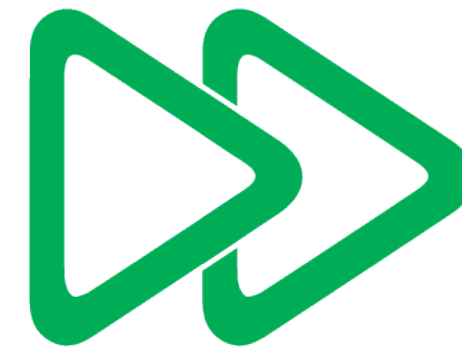
- Sellers: 7k+ (+10% MoM)
- Products: 110k+ (+10% MoM)

SALES DATA

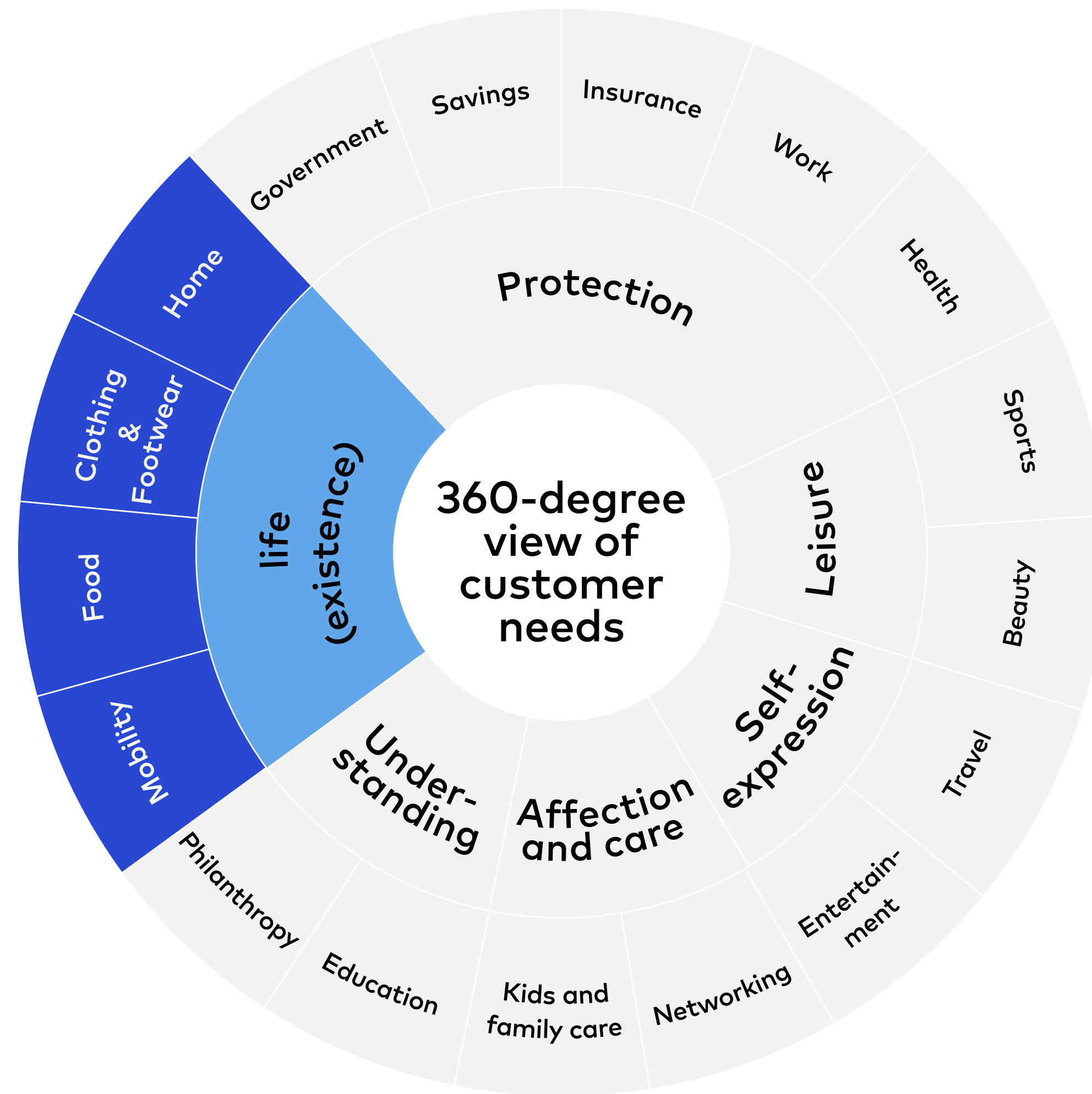
- Average monthly orders: 3k (+10% MoM)
- Average monthly turnover: GEL 550k (+10% MoM)

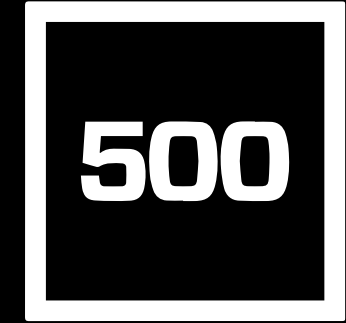






DIGITAL AREA



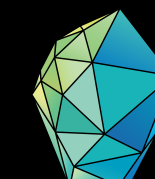


GEORGIA

A PARTNERSHIP FOR SUCCESS



BANK OF GEORGIA



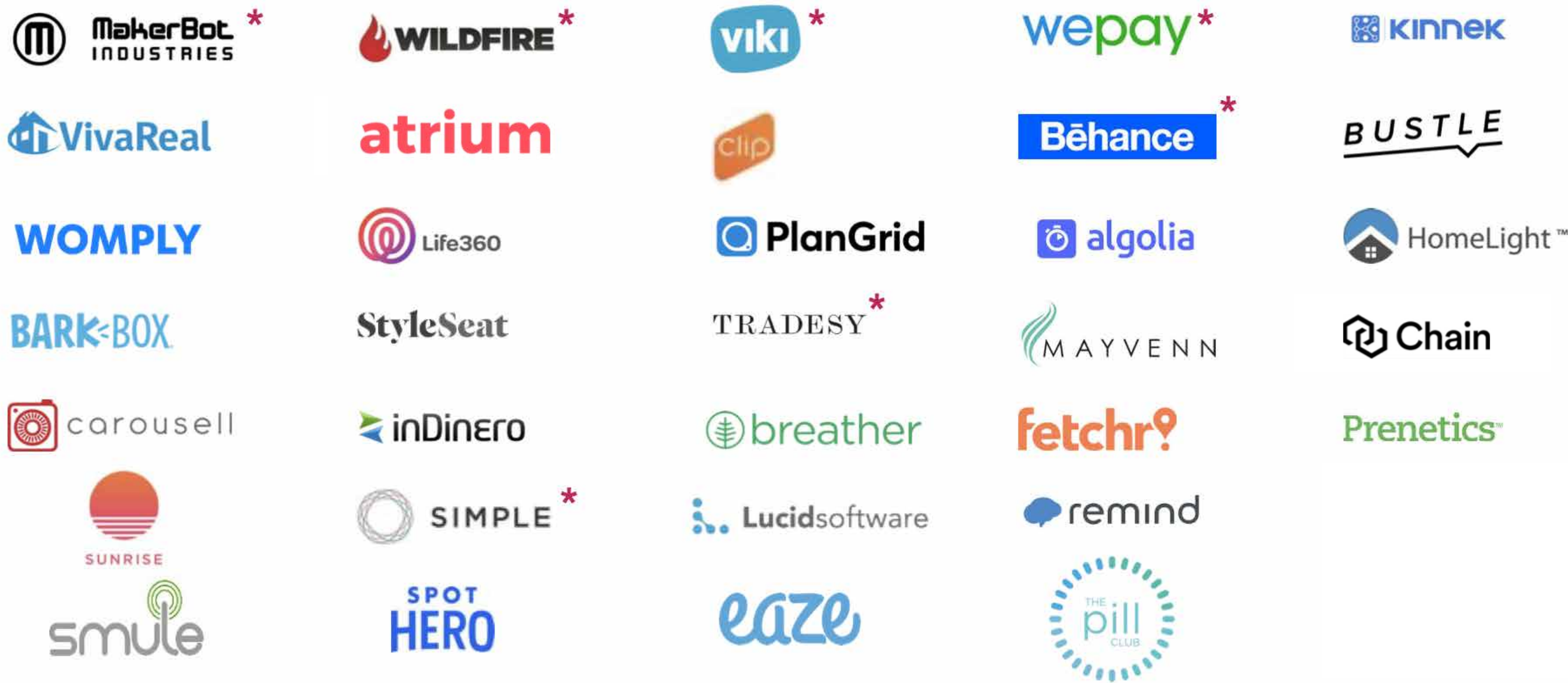
GEORGIA'S INNOVATION &
TECHNOLOGY AGENCY

ABOUT 500

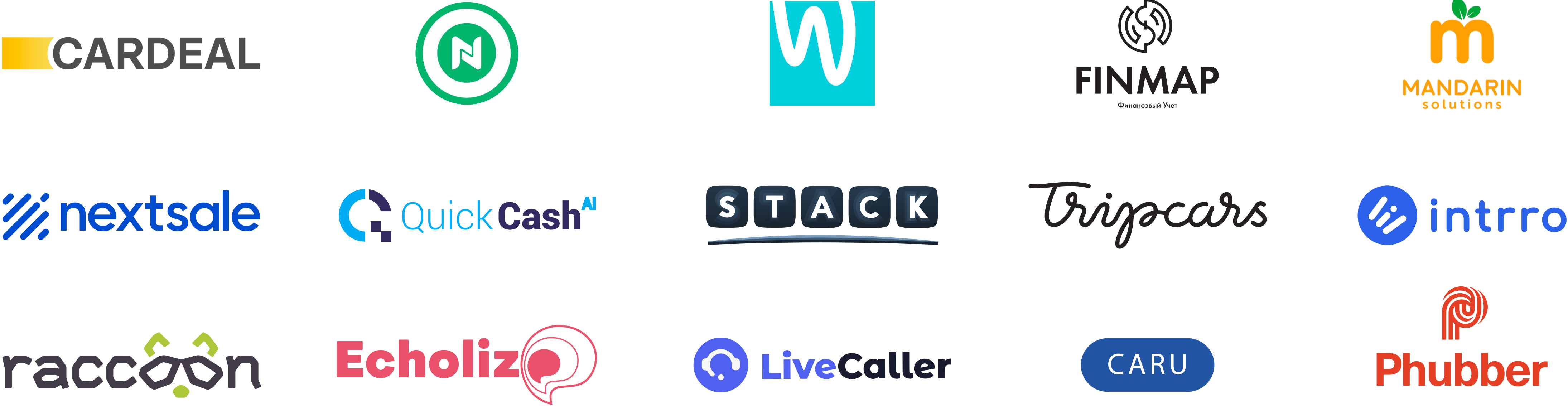
19 UNICORNS (\$1B+ IN VALUATION)



70+ COMPANIES WITH \$100M~\$999M IN VALUATION



* indicates companies that have already exited



REVENUE: GEL 6.5mln

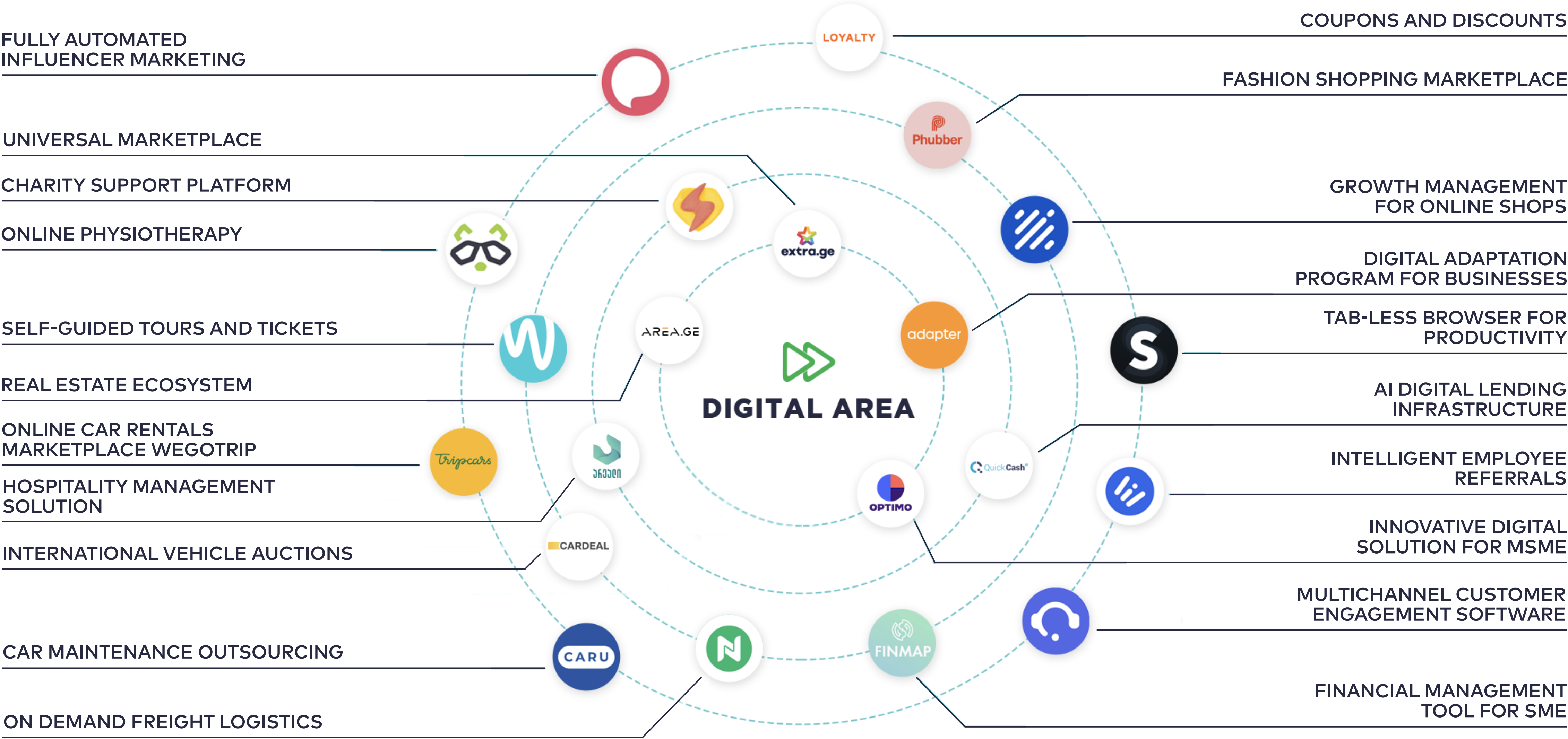
Jobs: 125 (36% new)

Users: 575k+

Investment raised: GEL 16.2mln

New partnership: 30+

CUSTOMERS: 85k+



SINCE JUNE 2019

- Extra.ge - launch of web platform
- Extra.ge - largest e-commerce marketplace
- Extra.ge - launch on IOS and Android apps
- Optimo.ge - launch of merchant services
- Adapter.ge - launch of web platform
- Area.ge - launch of developer platform
- Accelerated 15 local and international startups
- Added 15 accelerated startups to ecosystem

**INVESTED US\$ 5 MLN
2018-2020**

COMING SOON

- Extra.ge - launch automated C2C fulfillment service
- Optimo - launch loyalty programme
- Adapter.ge - launch for MSME manufacturers
- Accelerate the uptake of real estate sales management tool with developer companies
- Accelerate additional 15 startups
- Continue partnerships with other ecosystem players
- Digital Area ecosystem data harnessing

**PLAN TO INVEST US\$ 3-10 MLN
2021-2023**

This presentation contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although Bank of Georgia Group 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: macroeconomic risk, including currency fluctuations and depreciation of the Georgian Lari; regional instability; loan portfolio quality; regulatory risk; liquidity and funding risk; capital risk; operational risk, cyber security, information systems and financial crime risk; COVID-19 pandemic impact risk; climate change risk; and other key factors that indicated could adversely affect our business and financial performance, which are contained elsewhere in this document and in our past and future filings and reports of the Group, including the 'Principal risks and uncertainties' included in Bank of Georgia Group PLC's Annual Report and Accounts 2019 and in 2Q20 and 1H20 results announcement. No part of this presentation constitutes, or shall be taken to constitute, an invitation or inducement to invest in Bank of Georgia Group PLC or any other entity within the Group, and must not be relied upon in any way in connection with any investment decision. Bank of Georgia Group PLC and other entities within the Group undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this presentation should be construed as a profit forecast.

