



BANK OF GEORGIA

INVESTOR 20 DAY 20

**Wealth Management and
Investment Banking**

Speaker:

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**Head of Wealth Management
and Investment Banking**

WEALTH MANAGEMENT



● STRONG REGIONAL PRESENCE

- Israel (2008), UK (2010), Hungary (2012), Turkey (2013)



● AUM OF OVER GEL 2.4BN IN WM

● DIVERSIFIED FUNDING BASE

1,550+
customers

GEL 1.5M
average AUM

GALT & TAGGART



● LARGEST INVESTMENT BANK IN GEORGIA

● BROKERAGE

- Leading brokerage house in the region
- Exclusive partner of SAXO Bank via white label structure



● RESEARCH

- Macro, sector, and fixed income coverage
- Global market coverage

● DCM/ECM

- Leading player on the local market
- Lead manager of choice for corporates as well as IFIs

● CORPORATE ADVISORY

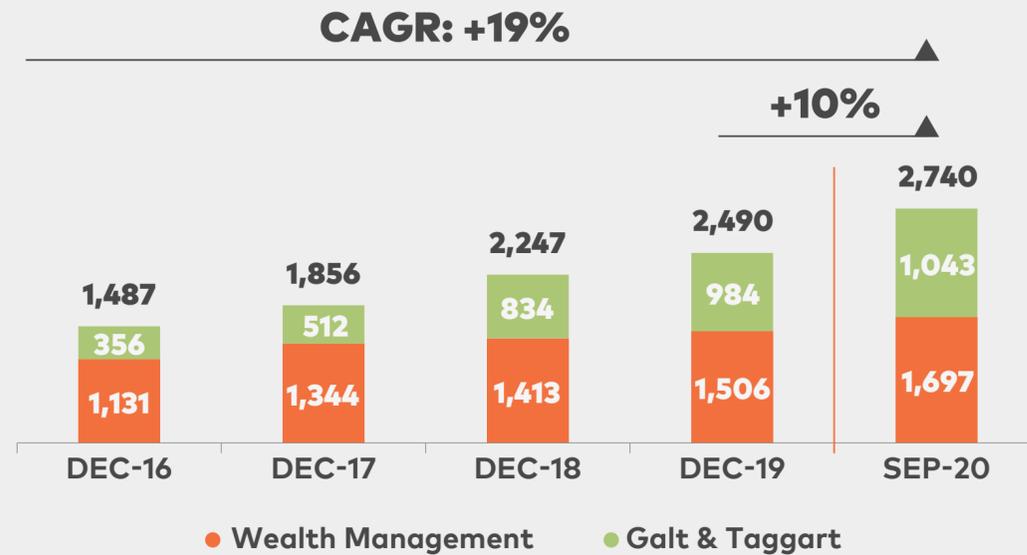
- Track record of more than 30 completed transactions over the past eight years



Best Investment
Bank in Georgia
2015 – 2020

GROWTH IN AUM

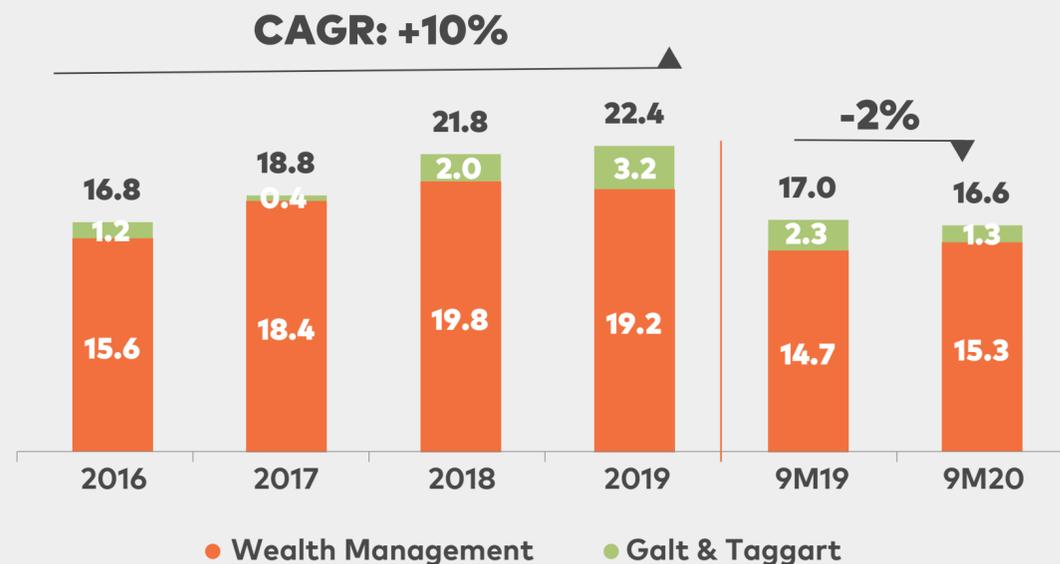
GEL millions



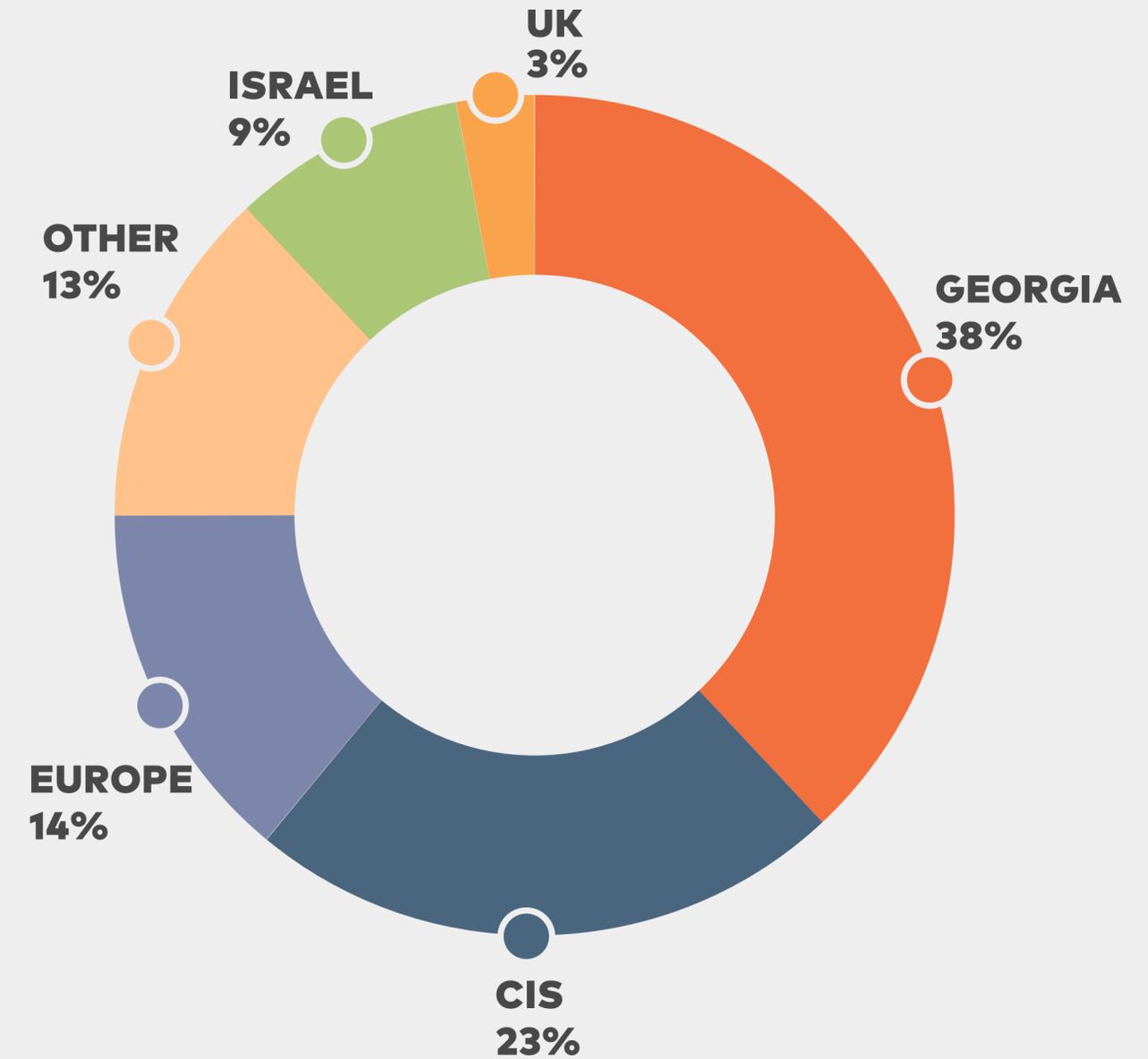
ROBUST PROFITABILITY

NET OPERATING PROFIT

GEL millions

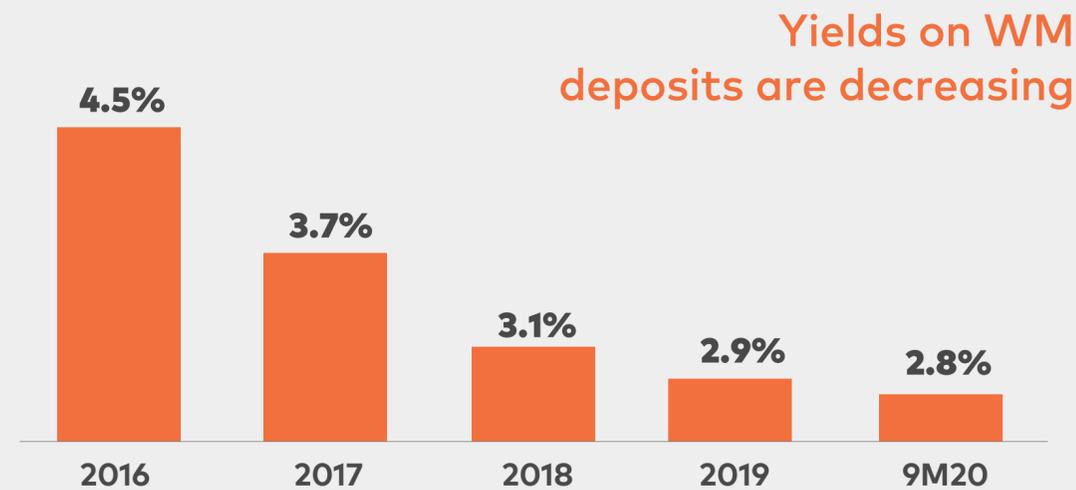


DIVERSIFIED CUSTOMER BASE ACROSS MULTIPLE GEOGRAPHIES

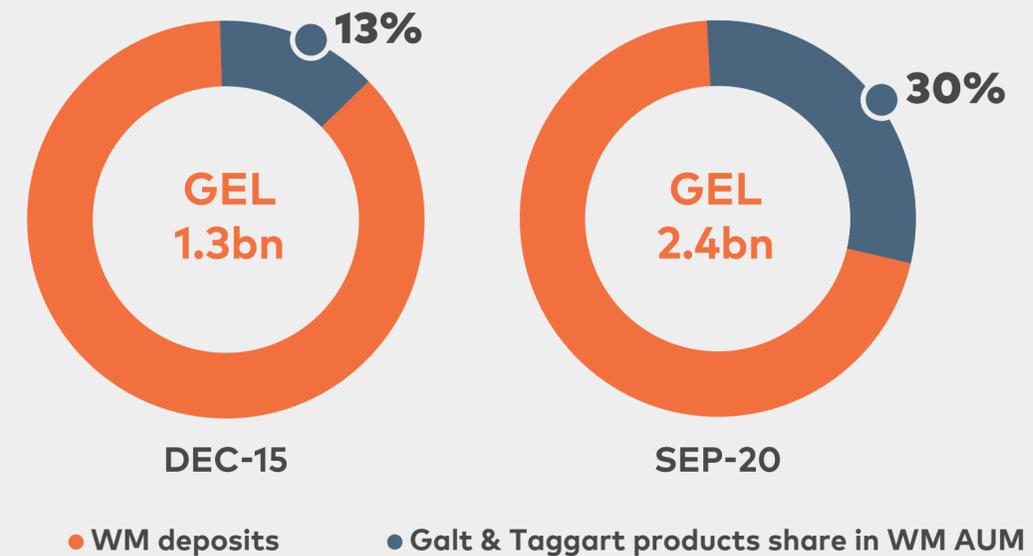


Addressable market to drive growth covers multiple geographies

WM COST OF DEPOSITS IN FC



GROWING SHARE OF WM'S ASSETS ARE ADMINISTERED BY GALT & TAGGART



Decreased cost of funding driving shift from depositary products towards investment products offered by Galt & Taggart

WM has been:

- Sharpening the value proposition for sophisticated customers (bonds, funds, structured notes)
- Offering tailor-made solutions
- Educating existing customers about alternative investment opportunities

Value creation opportunities beyond plain vanilla banking

WM OFFERINGS TODAY

- Banking
- Fixed income
- Brokerage

Real estate acquisitions

Similar to SOLO

PLANNED OFFERINGS

- Structured products
- Securitised products
- Asset management
- Third party products

- Private investment opportunities
- Portfolio structuring
- Succession planning

- WM exclusive offers
- Business Club
- Concierge

 **Financial**

 **Advisory**

 **Lifestyle**

GALT & TAGGART BROKERAGE – GROSS REVENUES AND NET MARGINS*

GEL millions

Net margin

50.4% -56.1% -41.7% -0.7% 44.6% 49.3%



ONLINE BROKERAGE - KEY FIGURES (9M20 VS. 9M19)

Customers
777 (+72%)

AUM GEL 228mln
(+54%)

AVG monthly
brokerage volume
GEL 460mln (x3.2)

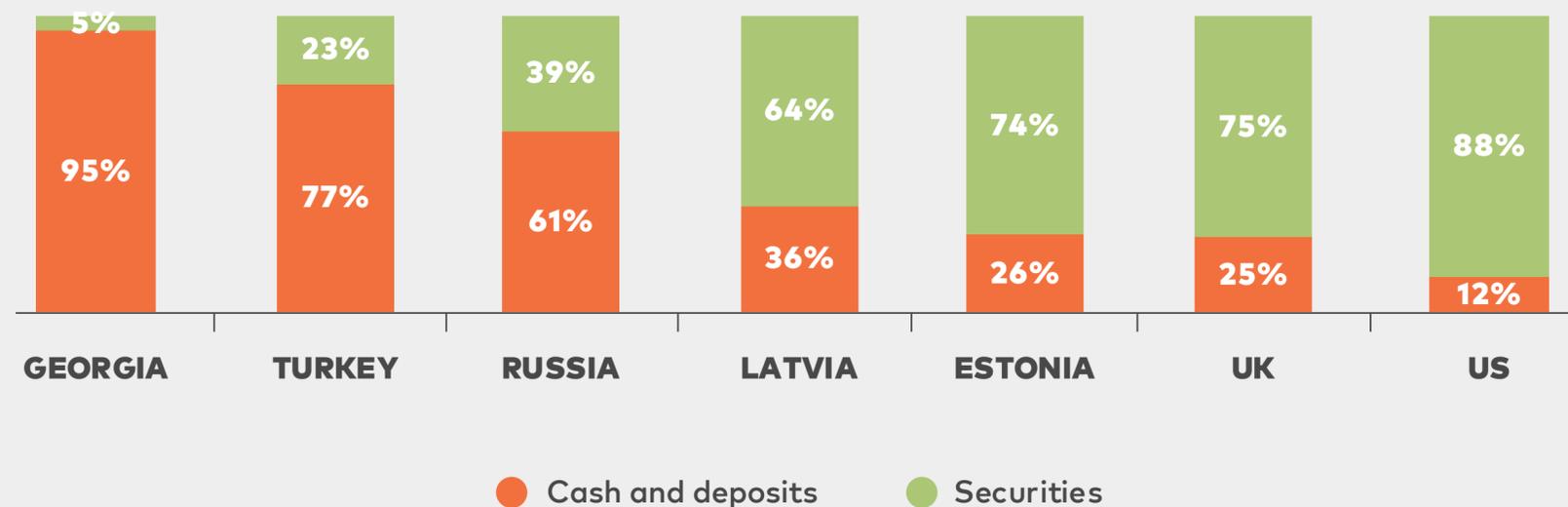
Net customer
contributions
GEL 81mln (x2.2)

With investment phase behind, Galt & Taggart Brokerage business is now profitable and growing fast, driven by Online Brokerage

* Gross revenue stands for brokerage revenues before subtracting any brokerage and third-party brokerage fees; net margins are post these fees

** Offered through the white label solution from SAXO Bank

SECURITIES AS A % OF HOUSEHOLD FINANCIAL ASSETS



Source: OECD 2020; Galt & Taggart Research

TARGET CUSTOMERS

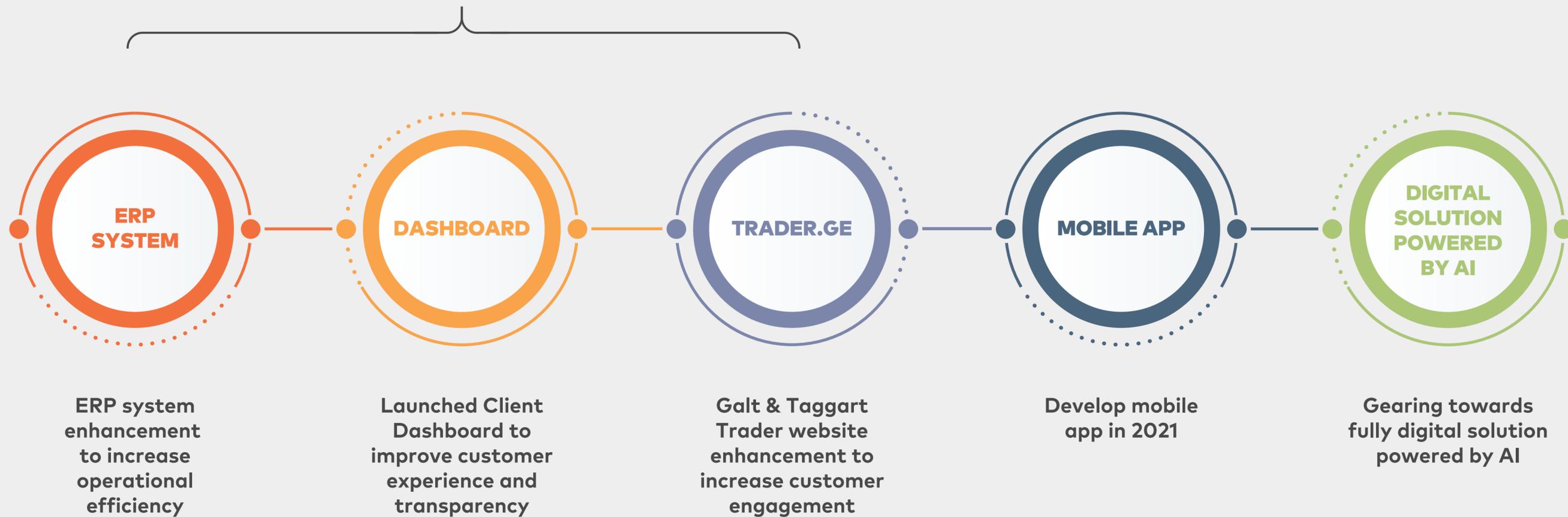
- Mass affluent retail customers
- Millennials / Gen Z

APPROACH

- Fully digital approach
- Mobile first approach
- Simplified offerings to invest and save

- **Limited Retail investor participation** in the securities market in Georgia
- **Significant upside in the mass affluent segment** where investment product take-up represents c.4% by our estimates, compared with 30% in WM

SIGNIFICANT MILESTONES TOWARDS DIGITALISATION ACHIEVED IN 2020



FOCUSING ON MOBILE AND FULLY DIGITAL SOLUTIONS

**LAUNCHED IN
NOVEMBER 2020**

**SINGLE-VIEW FOR
INVESTMENT PRODUCTS**

**INTEGRATED WITH THE
BANK'S DIGITAL CHANNELS**

The dashboard provides a comprehensive view of a client's investment portfolio. Key features include:

- Portfolio Overview:** Total value of GEL 119,182.28, with breakdowns for GT Brokerage (Assets GEL 53,891.56, Cash GEL 26,322.37) and GT Trader (Assets GEL 19,650.79, Cash GEL 19,317.56).
- Portfolio Allocation:**

Holdings	Market Value	Allocations
Equities	GEL 64,688.79	54.28%
ETFs	GEL 9,362.69	7.86%
CFDs	GEL -509.13	-0.43%
Cash	GEL 45,639.93	38.29%
Total:	GEL 119,182.28	100%
- Recent Transactions:**

Date	Transaction Type	Asset Type
24/09/2020	Bought	Equity
08/09/2020	Bought	Equity
28/07/2020	Bought	Equity
12/11/2019	Blocked	Equity
01/01/2019	Credited	-
- Order Placement:** A form to place orders with fields for Account Number (2007358), Date and Time (22.10.2020 12:43), Asset Type (Equities), Order Type (Market Order/ Limit Order), Quantity, Price, and Order Duration (Day/ Good 'til Date).

- **Macro** - coverage of Georgia and regional economies
- **Sectors** - coverage of key sectors in Georgia
- **Regional Fixed Income Market Watch** - covering neighbouring countries and selected countries from Central Asia
- **Global Market Watch** - providing subscribers with relevant news from international financial markets

Launched recently to support Brokerage

70+
Research reports published in 2020

6,500+
Unique subscribers

Research available at:



Bloomberg

FACTSET



THOMSON REUTERS





**UNLOCK RETAIL
BROKERAGE POTENTIAL**



**FULLY DIGITALISE
BROKERAGE SERVICES**



**DIVERSIFY WEALTH
MANAGEMENT
OFFERINGS**

Focus on profitable growth

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