



Georgia-focused investment company

Investor Presentation: 1Q18 results

Forward looking statements



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2. Investment strategy & portfolio overview
3. 1Q18 results discussion | Investment portfolio
4. Georgian Macro Overview
5. Appendices

Georgia Capital portfolio



Investment company focused on investing in and developing businesses in Georgia

LSE listed	Private		
Bank of Georgia (Banking) 19.9%	Early stage		
	Energy (managed by GGU) 65%	Hospitality & Commercial real estate (managed by m ²) 100%	Beverages (managed by Teliani) 76%
GHG (Healthcare) 57%	Late stage		
	Water Utility (managed by GGU) 100%	Housing Development (managed by m ²) 100%	P&C Insurance (managed by Aldagi) 100%

First day of trading on LSE premium segment – 29 May 2018

Georgia Capital's early stage portfolio – 3x1,000 target



Target	Current 31 March 2018
<p>1,000 hotel rooms</p> <p>Georgia Capital targets to have 1,000 hotel rooms in its hospitality business portfolio over the next 3 years</p>	<p>Currently 760 rooms of which 152 are operational and 608 are in the pipeline</p>
<p>1,000 hectares of vineyard</p> <p>Our beverage business targets to increase its vineyard base to 1,000 hectares over the next 3 years</p>	<p>Currently 86 hectares of vineyard base (436 hectares at 30 April 2018)¹</p>
<p>1,000MW capacity</p> <p>Our energy business plans to have 1,000MW installed capacity over the next 5 years</p>	<p>Up to 53MW of hydro projects are currently under construction, together with 46MW of hydro projects under development, and 100MW wind projects - at the feasibility stage</p>
<p>3x1,000 target to capitalize on the fast-growing Georgian economy and increase shareholder value</p>	

¹ In April 2018, we acquired a 60% indirect controlling interest in Kindzmarauli Marani LLC, a producer of exquisite Georgian wines and spirits, which owns 350 hectares of vineyards.

1Q18 performance highlights

1Q18 Revenue y-o-y growth



- ▶ 1Q18 revenue, adjusted to include revenue of the discontinued operations¹⁾, was **GEL 296.7mln**, up 16.3% y-o-y

GGU revenue	+13.1%
Aldagi revenue	+3.4%
m ² revenue	+48.0%
Teliani revenue	+94.4%
Revenue from discontinued operations	+11.4%

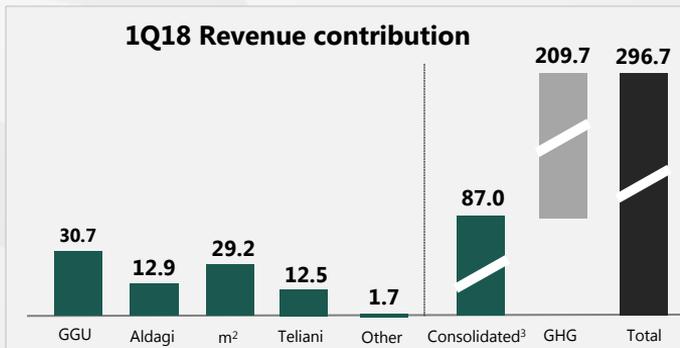
1Q18 EBITDA y-o-y performance²⁾



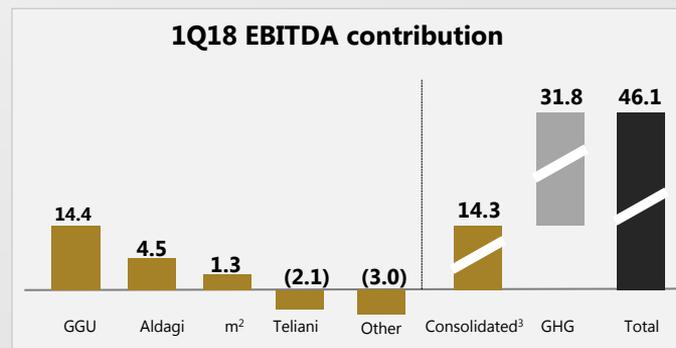
- ▶ 1Q18 EBITDA, adjusted to include EBITDA of the discontinued operations, was **GEL 46.1mln**

GGU EBITDA	+0.8%
Aldagi EBITDA	+5.1%
m ² EBITDA	+71.7%
Teliani EBITDA	NMF
EBITDA from discontinued operations	+25.3%

1Q18 Revenue contribution



1Q18 EBITDA contribution



¹ In December 2017, the Group's board of directors decided to reduce the Group's stake in GHG to less than 50% during 2018 and in line with IFRS, Georgia Capital continues to classify GHG as a "disposal group held for sale" in its 1Q18 balance sheet and GHG's results of operations are reported under the "discontinued operations" line as a single amount in the Georgia Capital's consolidated income statement.

² y-o-y EBITDA growth includes discontinued operations, GHG

³ excludes eliminations

Georgia Capital – 1Q18 results highlights



Consolidated Income Statement					
GEL thousands, unless otherwise noted	Quarterly income statement				
	1Q18	1Q17	change y-o-y	4Q17	change q-o-q
Gross utility and energy profit	20,850	17,527	19.0%	22,869	(8.8%)
Gross insurance profit	6,852	6,890	(0.6%)	6,305	8.7%
Gross real estate profit	3,937	2,589	52.1%	5,773	(31.8%)
Gross beverage profit	4,471	2,317	93.0%	7,109	(37.1%)
Other income	1,672	1,528	9.4%	2,502	(33.2%)
Gross profit	37,782	30,851	22.5%	44,558	(15.2%)
Operating expenses	(21,510)	(13,891)	54.8%	(22,675)	(5.1%)
Impairment charge	(2,005)	(104)	NMF	(618)	NMF
EBITDA	14,267	16,856	(15.4%)	21,265	(32.9%)
Depreciation and amortisation	(8,972)	(5,598)	60.3%	(9,056)	(0.9%)
Net foreign currency gain (loss)	5,878	5,771	1.9%	(5,797)	NMF
Interest income	3,934	2,532	55.4%	4,088	(3.8%)
Interest expense	(9,524)	(6,770)	40.7%	(8,969)	6.2%
Profit before non-recurring items and income tax	5,583	12,791	(56.4%)	1,531	264.7%
Net non-recurring items	(156)	113	NMF	(460)	(66.1%)
Profit before income tax expense	5,427	12,904	(57.9%)	1,071	406.7%
Income tax expense	(693)	(687)	0.9%	(1,666)	(58.4%)
Profit (loss) from continuing operations	4,734	12,217	(61.3%)	(595)	NMF
Profit from discontinued operations ¹	24,641	12,829	92.1%	12,270	100.8%
Profit	29,375	25,046	17.3%	11,675	151.6%
Earnings per share (basic)	0.46	0.47	(2.5%)	0.19	141.5%
Earnings per share (diluted)	0.44	0.45	(2.3%)	0.18	145.7%

(1) Profit from discontinued operations includes GEL 7.7mln reversal of GHG's depreciation expense in line with IFRS requirements, GHG's underlying profit was GEL 16mln

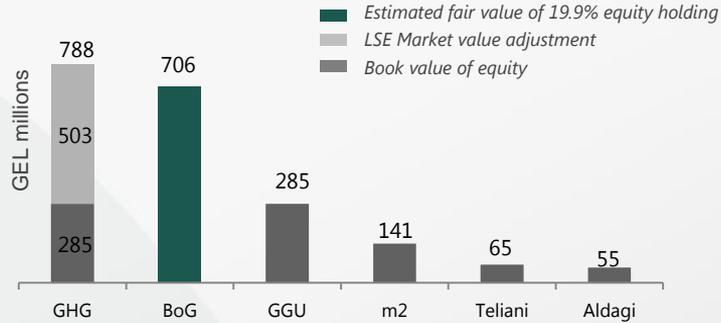
Georgia Capital – 1Q18 results highlights



Consolidated Balance Sheet					
<i>GEL thousands, unless otherwise noted</i>	For the quarter ended				
	31-Mar-18	31-Mar-17	change y-o-y	31-Dec-17	change q-o-q
Cash and cash equivalents	528,697	359,629	47.0%	374,301	41.2%
Amounts due from credit institutions	37,667	174,248	(78.4%)	38,141	(1.2%)
Debt securities owned	45,233	2,197	NMF	31,906	41.8%
Equity investments at fair value	707,153	1,153	NMF	1,153	NMF
Property and equipment	700,905	1,053,786	(33.5%)	661,176	6.0%
Investment properties	153,638	131,378	16.9%	155,367	(1.1%)
Assets of disposal group held for sale	1,202,765	-	-	1,165,182	3.2%
Total assets	3,841,003	2,415,485	59.0%	2,763,913	39.0%
Borrowings	381,070	532,572	(28.4%)	377,501	0.9%
Debt securities issued	732,401	335,773	118.1%	357,442	104.9%
Liabilities of disposal group held for sale	629,955	-	-	619,026	1.8%
Total liabilities	1,964,463	1,353,402	45.1%	1,584,245	24.0%
Total equity	1,876,540	1,062,083	76.7%	1,179,668	59.1%

Key portfolio highlights | 31 March 2018

GEL 2.1 billion Portfolio value | 31-Mar-2018



Value creation

Georgia Capital **invested GEL 570 million** in GGU, GHG, m², Aldagi and Teliani, translating into **GEL 1,333 million portfolio value** at 31 March 2018⁽¹⁾

Min. IRR of 25%

121% IRR from GHG IPO
75% IRR from m² Real Estate projects

¹ Excluding BoG

² Stated at book value

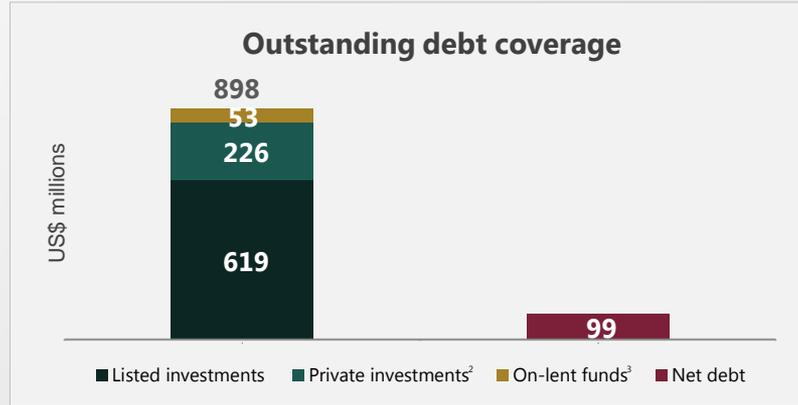
³ Georgia Capital on-lent funds from bond proceeds to the portfolio companies

GEL 418 million Liquid assets | 31-Mar-2018

- ▶ Cash at bank of **GEL 341 million**
- ▶ Liquid assets of **GEL 77 million**

GEL 240 million Net debt | 31-Mar-2018

- ▶ Georgia Capital issued inaugural US\$ 300mln international corporate bonds in March 2018



Portfolio over net debt

9.0x

Listed assets over net debt

6.2x

Georgia capital's US\$300mm Eurobond issuance



First ever non-sovereign owned corporate international bond from Georgia

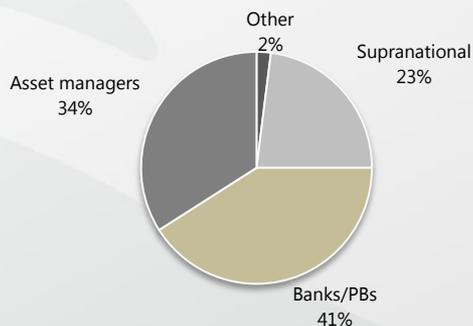
Notes:	▪ US\$ 300 million, 6 year, 6.125% Eurobonds
Listing:	▪ Irish Stock Exchange, GEM market
Notes rating:	▪ B2 (Moody's) / B+ (S&P)
Joint Bookrunners:	▪ Citi, J.P. Morgan
Joint Lead-Manager:	▪ Renaissance Capital
Co-Manager:	▪ Galt & Taggart

Georgia Capital's risk management policy key measures

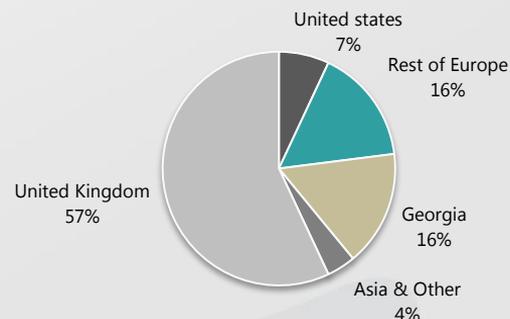
Georgia Capital intends to hold liquid assets of at least US\$ 50 million at all times

Net Debt to Asset Portfolio to be no more than 30% at all times

ALLOCATION BY INVESTOR TYPE



ALLOCATION BY GEOGRAPHY



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Georgia Capital strategy is based on three pillars

1

Georgia

Leading economy in the region

- Diversified non-commodity reliant economy with consistently high GDP growth across the last decade

Top-ranked in economy environment indices

- #9 in ease of doing business (2018)
- Top-9 in Europe region by Economic Freedom Index (Heritage Foundation, 2018) and #16 internationally
- Low corruption and bribery risk (TI, 2017 and Trace international, 2017)

Investment-led GDP growth with 5.5% growth potential expected in 2018

- Development of large public infrastructure programs backed by multilateral international funding driving GDP growth

Historically low inflation with 3% target set for 2018-2020 by National Bank of Georgia

2

3-fundamental enablers

Access to capital

- Only investment company in Georgia
- Uniquely positioned given the access to capital in a small frontier economy
- Flexibility to use own shares as acquisition currency

Access to management

- Reputation among talented managers as the - “best group to work for”
- Attracted talents have demonstrated track record of successful delivery

Commitment to the highest level of corporate governance

- Outstanding track record
- Strong board and robust corporate governance
- Aligned shareholders’ and management’s interests by share compensation

3

Capital allocation & Managing investments

Capital allocation

- **Highly disciplined approach** to unlock value through investments
- **Clear, company specific, exit paths** through IPO or trade sale in 5-10 years and **outstanding divesture skills** demonstrated via successful public listing of healthcare business
- **Disciplined when investing, by buying cheaply**
- Buying assets cheaply is the first and most important element of Georgia Capital’s investment strategy

Harvesting investments

- Attracting and developing talent is a top priority
- Aligned management style with institutionalized/ non-institutionalized portfolio companies
- Share ownership plans (proxy shares) for portfolio companies’ management
- Track record of Institutionalizing and creating independently managed healthcare business

Access to a Market with 2.8bn population without Customs Duties



- FTA with China signed in May 2017, effective from January 2018
- FTA with European Free Trade Association countries signed in June 2016, effective for Iceland and Norway from September 2017, pending for Liechtenstein and Switzerland
- FTA with Hong Kong, negotiations completed
- FTA with India under consideration

Georgia is the second country in the world, after Switzerland, with FTAs with both EU and China

Georgia highlights

- WTO member since 2001
- Very simple and service-oriented customs policy and administration
- c. 80% of goods free from import tariffs
- No quantitative restrictions

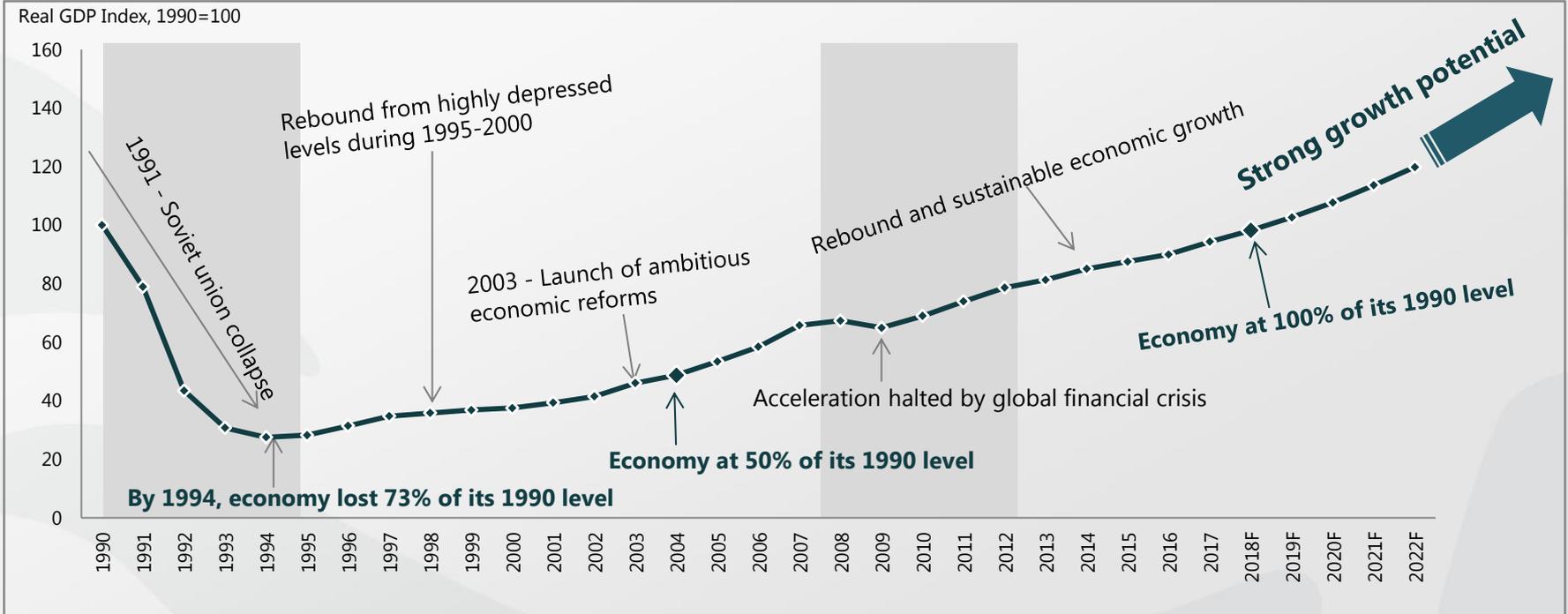
Preferential Trade Regimes:

1. DCFTA (Deep and Comprehensive Free Trade Agreement) with EU signed in June 2014
2. FTA with CIS countries (Russia, Kazakhstan, etc.)
3. FTA with Turkey
4. FTA with China
5. FTA with EFTA countries (Iceland, Liechtenstein, Norway and Switzerland)
6. GSP agreements with USA, Canada, and Japan

Ground floor opportunity



Georgian Economy 1990-2017: collapse, stabilization, acceleration, crisis, rebound, sustainable economic growth and finally strong future growth potential



Sources: World Bank, IMF, GeoStat

Georgia Capital value proposition – 3-fundamental enablers



1

Superior access to capital

- Only investment company in Georgia
- Uniquely positioned given the access to capital in a small frontier economy, where access to capital is limited:
 - **c.US\$ 500 mln** raised in equity at LSE
 - Issued five Eurobonds totaling **US\$ 1.5 billion**
 - **US\$ 3 billion+** raised from IFIs (EBRD, IFC etc.)
- **Flexibility to use own shares as acquisition currency**

2

Access to management

- Reputation among talented managers as the - **“best group to work for”**
- Attracted talents have demonstrated track record of successful delivery
- **Proven DNA in turning around companies and growing them efficiently**
- **Strong skillset in company exits**
 - LSE IPO track record
 - Divestiture skills

3

Strong corporate governance

- **Outstanding track record in:**
 - Institutionalizing businesses, creating independently run/managed institutions
 - Investor reporting transparency and granularity
- **Strong board and robust corporate governance**
- **Aligned shareholders' and management's interests**
 - Management compensation linked to performance
 - Equity/performance dominating compensation structure

Georgia Focused Diversified Investment Company Targeting Minimum IRR of 25%

1

Capital allocation

- **Highly disciplined approach** to unlock value through investments, targeting
 - High-multiple businesses, defensive industries – service, consumer
 - Consider greenfields through mature stage companies
- **360° analysis to be performed** when evaluating capital returns, new investment opportunities or divestments:
 - Buybacks to be actively considered as an investment opportunity when appropriate and subject to rigorous analyses
 - Recycling of publicly traded investments into privately held ones
 - Use of Georgia Capital shares as acquisition currency
 - **Clear exit paths** through IPO or trade sale in 5–10 years

2

Harvesting investments

- Developing talent is a top priority
- Advisory approach for management of more mature phase companies
- Hands-on management approach to the non-public portfolio companies at early stages of their development
- Board participation (if needed) in publicly listed companies

Georgia Capital's board of directors



Board of Directors - Georgia Capital PLC



Irakli Gilauri, Chairman & CEO

Experience: formerly BGEO Group CEO; MS in banking from CASS Business School, London; BBS from University of Limerick, Ireland



William Huyett, Independent Non-Executive Director

Experience: formerly a Director of McKinsey & Company, based in its Boston office, for over 28 years



Caroline Brown, Independent Non-Executive Director

Experience: Chief Financial Officer at Listen Media Campaign Company, Chief Innovation Officer and Founding Partner at Cambridge Advisory Partners



Jyrki Talvitie, Independent Non-Executive Director

Experience: 28 years of experience in the banking, including Sberbank, VTB, East Capital and Bank of New York in both buy and sell-side transactions



David Morrison, Senior Independent Director

Experience: formerly Director at Sullivan & Cromwell with a track record of over 28 years, Founding CEO of the Caucasus Nature Fund (CNF)



Kim Bradley, Independent Non-executive Director

Experience: Goldman Sachs AM, Senior Executive at GE Capital, President of Societa Gestione Crediti, Board Chairman at Archon Capital Deutschland



Massimo Gesua'sive Salvadori, Independent Non-Executive Director

Experience: currently an analyst at Odey asset management, formerly with McKinsey & Company for over 9 years

Georgia Capital's highly experienced management team



Georgia Capital Management

Georgia Capital



Irakli Gilauri, Chairman & CEO
Formerly CEO of BGEO Group since 2011, joined as CFO of Bank of Georgia in 2004. Mr Gilauri was appointed Chairman of the Bank in September 2015, having previously served as CEO of the Bank since May 2006. Prior, he was EBRD (European Bank for Reconstruction and Development) banker. Over the last decade, Irakli's leadership has been instrumental in creating major players in a number of Georgian industries, including banking, healthcare, utilities and energy, real estate, insurance and wine. Holds an MS in banking from CASS Business School.



Avto Namicheishvili, Deputy CEO
Formerly BGEO Group General Counsel. Joined as a General Counsel at the Bank in 2007, and has since played a key role in all of the Group's equity and debt raises on the capital markets, and over 25 mergers and acquisitions. Prior, was a Partner at a leading Georgian law firm. Holds LL.M in international business law from Central European University, Hungary.



Ekaterina Shavgulidze, Chief Investment Officer
Formerly served as Head of Funding and Investor Relations in BGEO Group. Joined BGEO as a CEO of healthcare services business in 2011. Most recently Eka played a key role in the GHG IPO as a Group Head of IR. Prior, she was an Associate Finance Director at AstraZeneca, UK. Holds an MBA from Wharton Business School.



Giorgi Alpaidze, Chief Financial Officer
Formerly BGEO Group CFO. Joined BGEO as Head of Group's Finance, Funding and Investor Relations in 2016. He has extensive international experience in banking, accounting and finance. Previously he was a senior manager in Ernst & Young LLP's Greater New York City's assurance practice. BBA from the European School of Management in Georgia. U.S. Certified Public Accountant.

Listed

GHG



Nikoloz Gamkrelidze, CEO, Georgia Healthcare Group
Previously deputy CEO (Finance) of BGEO Group. Our healthcare business story starts with Nick, who started it in 2006, and has successfully led it through outstanding growth and most recently the IPO on the London Stock Exchange. Holds an MA in international healthcare management from the Tanaka Business School of Imperial College London.

BoG



Kaha Kiknavelidze, CEO of Bank of Georgia
Joined as member of the Bank's Supervisory Board and Audit Committee in 2008. Kaha founded and managed Rioni Capital Partners LLP, a London-based investment management company until his appointment as a CEO of the Bank. Kaha has served in a number of roles at UBS and Troika Dialog. Holds an MBA from Emory University.

GGU



Archil Gachechiladze, CEO, Georgia Global Utilities
Previously a Deputy CEO in charge of corporate banking in Bank of Georgia. He launched the Bank's industry and macro research, brokerage, and advisory businesses, as well as leading investments in GGU and launched Hydro Investments. Prior, he was an Associate at Lehman Brothers Private Equity in London, and worked at Salford Equity Partners, EBRD, KPMG, Barents, and the World Bank. Holds MBA with distinction from Cornell University and is CFA charterholder

m²



Irakli Burdiladze, CEO, m² Real Estate
Joined as a CFO at the Bank of Georgia in 2006. Before taking leadership of real estate business in 2010, he served as the COO of the Bank. Prior he was a CFO at a leading real estate developer and operator in Georgia. Holds a graduate degree in International Economics and International Relations from the Johns Hopkins University School of Advanced International Studies.

Teliani



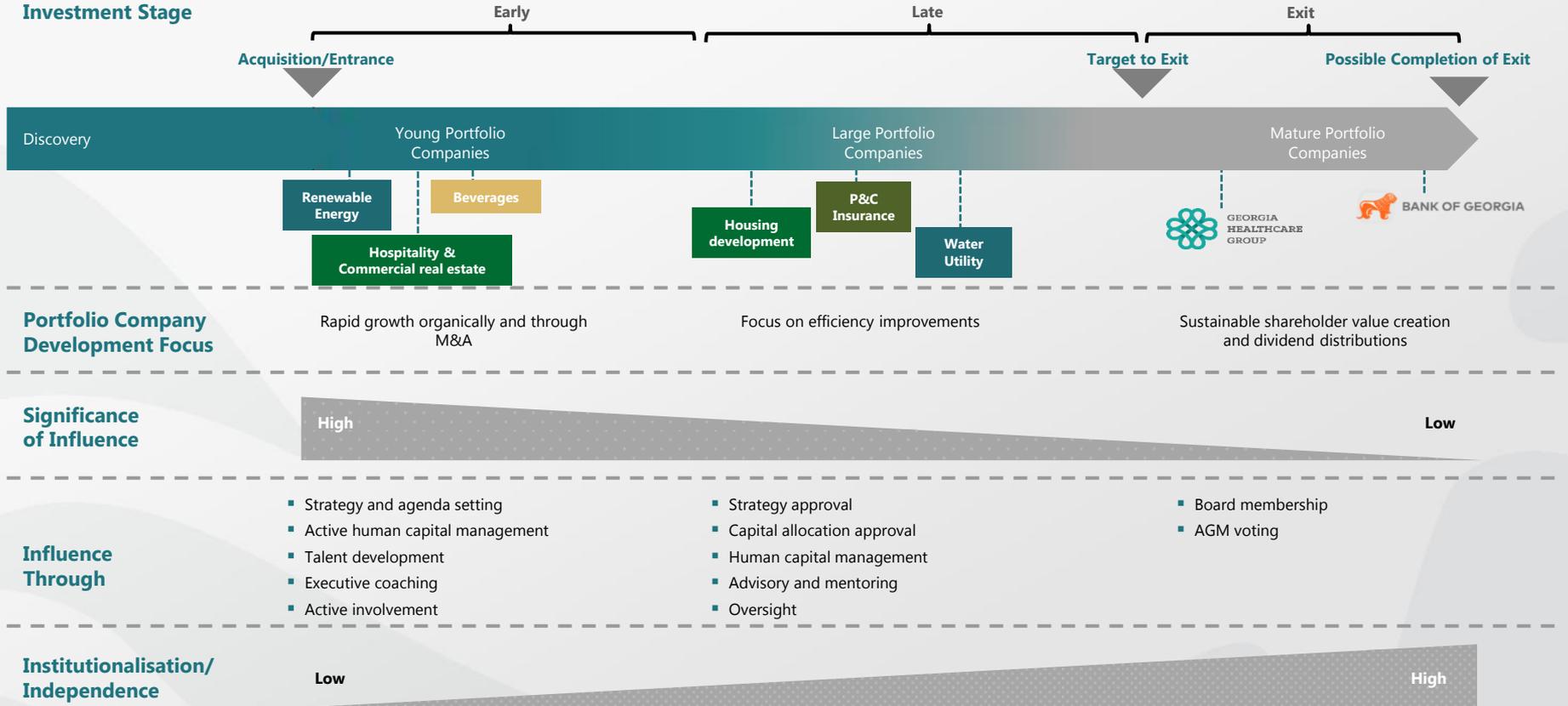
Shota Kobelia, CEO, Teliani Valley
Having previously worked at Pernod Ricard in the USA and Easter Europe, joined Teliani to build up Ukrainian distribution in 2009. In 2010, became CEO for Teliani Valley and developed it from a small and loss-making winery into a major beverage group with own distribution channels on the main markets. Holds MS in Sales & Marketing from Bordeaux Business School.

Aldagi



Giorgi Baratashvili, CEO, Aldagi
Joined as the Head of Corporate Clients Division of Aldagi in 2004. Before taking the leadership of our P&C insurance business in 2014, he served as Deputy CEO of Aldagi in charge of strategic management for corporate sales and corporate account management. Holds the Master Diploma in International Law.

Portfolio management principles



Healthcare and pharmacy business (GHG) overview



Key facts

Market Leader

- 26.4% market share by number of beds (3,320)
- 30% market share by Pharma sales.
- The widest population coverage: over 3/4 of Georgia's 3.7mln population

Long-term high-growth opportunities

- Very low base:** healthcare services spending per capita only US\$ 325
- Growing market:** healthcare spending growing at 11.5% CAGR 2000-2014
- Implying long-term, high-growth expansion** driven by potential to develop medical tourism and Polyclinics (outpatient clinics)

Business model with cost and synergy advantages

- Only integrated player in the region with significant cost advantage in scale and synergies

Financial metrics (GEL m)

	Annual		Quarterly		1Q18
	2015	2016	2017	1Q17	
Revenue	246	426	748	186	208
EBITDA	56	78	108	25	31
Profit before tax	24	40	46	13	16
Healthcare EBITDA margin	27.4%	30.2%	26.4%	25.3%	25.2%
Pharma EBITDA margin	N/A	4.3%*	8.6%	7.8%	10.0%

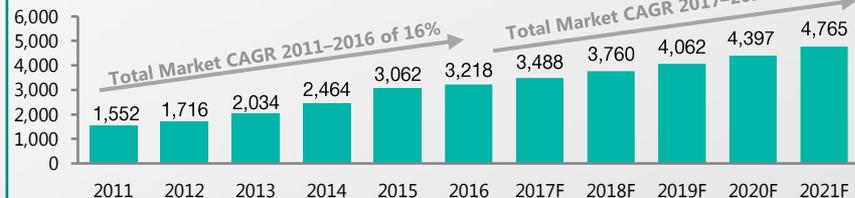
Selected operating metrics

	1Q17	4Q17	1Q18
Number of hospitals	35	37	37
Number of beds	2,731	3,014	3,320
Number of polyclinics	13	16	17
Number of pharmacies	245	255	256
Bed occupancy rate, referral hospitals	68.1%	60.4%	65.7%

* FY16 includes only May-Dec GPC's results

Market opportunity

Total healthcare market (including healthcare services and pharmacy) GEL million



Source: Frost & Sullivan analysis 2017

Stock price performance



Exit Strategy – Sell downs/Block trades

- In May 2017 Georgia Capital sold 9.5 million shares of GHG (7.2%) for US\$ 40 million
- Georgia Capital's stake in GHG is currently at 57%

Bank of Georgia (BoG) Overview



BANK OF GEORGIA



GEORGIA
CAPITAL

Key facts

High standards of transparency and governance

- The first entity from Georgia to be listed on the premium segment of the Main Market of the London Stock Exchange (LSE:BGEO) since February 2012.

Industry investment rationale

- Leading market position¹** in Georgia by assets (36.2%), loans (33.3%), client deposits (35.4%) and equity (28.6%)
- Market with **stable growth perspectives**
- Strong brand name recognition** and retail banking franchise
- Sustainable growth combined with **strong capital, liquidity and robust profitability**
- Outstanding ROAE performance

Targets

- Become a regional private banking hub with AUM: GEL 2.5bln
- Maintenance of dividend payout ratio within 25-40%

Financial metrics (GEL m)

	Annual			Quarterly	
	2015	2016	2017	1Q17	1Q18
ROAE	21.9%	22.2%	25.2%	23.7%	25.9%
NIM	7.7%	7.4%	7.3%	7.4%	7.0%
NPL coverage	83.4%	86.7%	92.7%	87.1%	111.4%
Loan portfolio	5,367	6,682	7,741	6,471	7,792
Retail banking growth	35.3%	39.5%	29.3%	34.1%	32.5%
Cost/income	35.5%	37.7%	37.7%	36.0%	37.0%

Selected operating metrics

	1Q17	4Q17	1Q18
Retail clients (thousands)	2,188	2,315	2,356
Product to client ratio (retail)	2.0	2.2	2.2
Mobile bank transactions (thousands)	980	2,324	2,818
Digital transactions (mln)	8.1	10.3	10.5

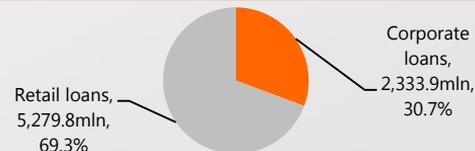
Exit Strategy – Sell downs

Market opportunity

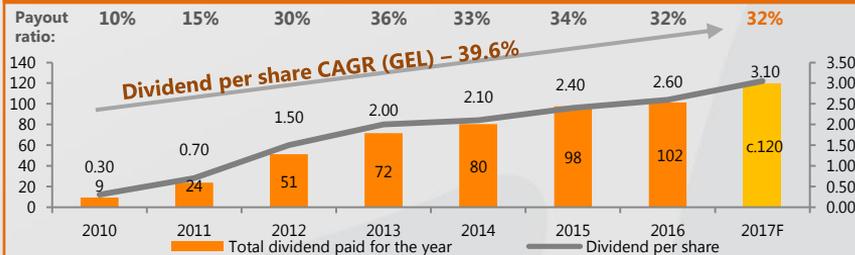
Banking sector assets, loans and deposits



GEL 7.8bln loan portfolio breakdown (GEL m)⁽²⁾ | 31 March 2018



Dividend record (GEL m)



(1) Market data based on standalone accounts as published by the National Bank of Georgia (NBG) as of 31 March 2018 www.nbg.gov.ge
 (2) Excluding BNB

Water utility and energy business (GGU) overview



Key facts

Utility

- Natural monopoly
- Stable cash collection rates
- Growing dividend payment capacity
- RAB-based tariff methodology
- WACC set at 15.99% by regulator

Energy

- Untapped energy market with potential for significant growth
- Low per capita power usage
- Hydro Power Plants are cheap to build
- Wind Power Plants generate large portion of annual production during winter, when Georgia faces deficit
- Targeting 1,000MW capacity over the next 5 years

Financial metrics (GEL m)

	Annual			Quarterly	
	2015	2016	2017	1Q17	1Q18
Total revenue*	118	127	135	28.6	32.3
Of which, utility revenue	104	117	125	27.4	30.2
Of which, energy revenue	18	15	14	2.2	3.1
Total EBITDA	62	68	71	14.4	14.6
Of which, utility EBITDA	46	57	62	13.1	12.8
Of which, energy EBITDA	16	11	9	1.3	1.7

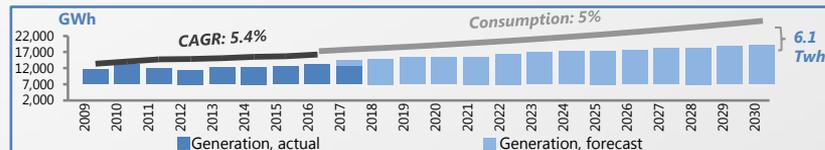
Selected operating metrics

	1Q17	4Q17	1Q18
Water sales (m³)	35,321	36,825	35,682
Electricity generation (kwh thousand)	64,711	85,292	86,671
Electricity consumption (kwh thousand)	72,951	68,442	61,065
New connections	385	843	891

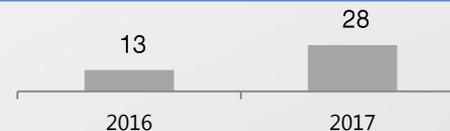
Exit Strategy – IPO in 2020-2021

* Includes eliminations

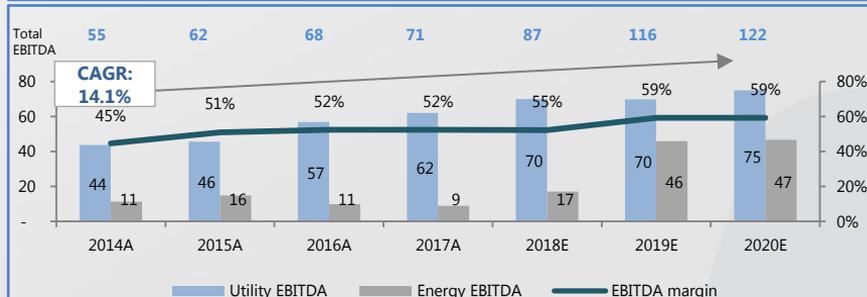
Market opportunity



Dividend record (GEL m)



EBITDA 2014-2020E (GEL m)



Housing development & Hospitality business (m²) overview



საკონსტრუქციო
REAL ESTATE



Key facts

Outstanding track record

- Generated IRR ranging from 31% to 329% on 7 completed residential projects
- Cost advantage through the vertical integration of its construction, project management and sales platforms

Industry investment rationale

- Average household size is **significantly higher** compared to Europe
- Most of the housing stock dates back to Soviet era and is amortised**
- As country continues to grow **urbanisation levels are increasing**
- Record number of tourists visiting Georgia every year**

Asset light strategy

- Unlock land value by developing housing projects
- Developing third party land – franchise m² brand name
- Grow yielding asset portfolio
- Generate fee income from third party construction projects

Enter hotel development business

- Build, Sell (by wrapping into REIT) and Manage**
- Reach 1000 hotel rooms over the next 3 years. Currently approximately 760 rooms of which 152 are operational and c. 610 are in the pipeline

Financial metrics (USD m)

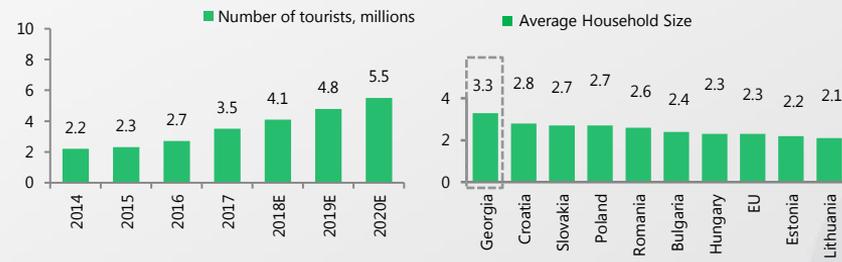
	Annual			Quarterly	
	2015	2016	2017	1Q17	1Q18
Gross revenue from apartments sales	\$20	\$41	\$37	\$7	\$11
Commercial real estate portfolio	\$14	\$18	\$30	\$17	\$30
EBITDA	\$8	\$6	\$10	\$0.3	\$0.5
Net Asset Value	\$45	\$51	\$59	\$55	\$61

Selected operating metrics

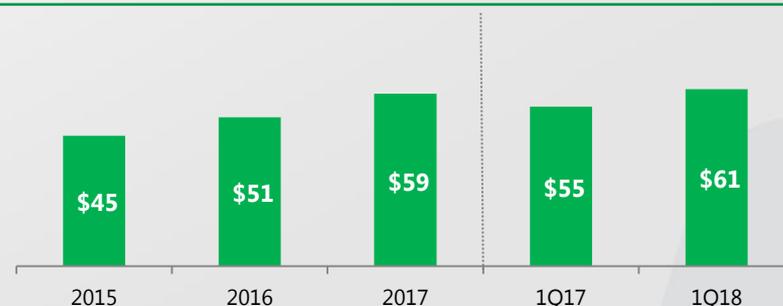
	1Q17	4Q17	1Q18
Number of apartments sold	143	165	53
Apartments in stock	704	217	164
On-going projects	4	4	4
Leased area (sq.m.)	17,925	20,477	19,629

Market opportunity

Tourist inflow expected to double over the next 3 years



NAV track record (USD m) - Triple NAV by 2022



Exit Strategy – Spin-off as REIT

P&C insurance business (Aldagi) overview



Key facts

Industry investment rationale

- Underpenetrated insurance market
- Lack of digitalisation providing first-mover advantage
- Compulsory border TPL kicked in from 1 March 2018 and local TPL in 2020
- Untapped retail Casco insurance market
 - c. 50k cars insured out of 1.2m cars, only **4% penetration**
- Aldagi's market share in retail Casco insurance – 40% per GPW based on 2017 data

Solid track record

- Outstanding ROAE performance
- Doubled retail portfolio during the last 3 years

Target to grow net income to GEL 50 million in 2022 year

Financial metrics (GEL m)

	Annual			Quarterly	
	2015	2016	2017	1Q17	1Q18
Earned premiums, gross	68	71	86	19	20
Net income	12*	14	16	4	4
Combined ratio	79%	73%	75%	72.7%	72.4%
Loss ratio	43%	35%	40%	39.1%	40.8%
ROAE	37%	37%	38%	36.9%	31.3%

Selected operating metrics

	1Q17	4Q17	1Q18
Active corporate clients	2,073	2,125	2,404
Active retail clients	37,209	45,598	55,418
Corporate insurance policies written	14,159	12,486	14,405
Retail insurance policies written	17,539	24,497	32,529

* Excluding one-off FX contract with GEL 8mln loss

Market opportunity

Penetration (GPW I GDP) & Density (GPW per Capita USD)⁽¹⁾



(1) P&C insurance lines for Georgia

Dividend record (GEL m)



Best combined ratio on the market



Exit Strategy – IPO or strategic sale in 5 years

Beverage business (Teliani valley) overview



Key facts

Industry investment rationale

- High growth sector which has doubled during last 5 years to GEL 1.8 billion
- High multiple business
- Best-in-class distribution network platform provides competitive advantage to onboard additional beverage businesses
- Recent free trade agreements with China and EU provide opportunities for growing wine exports
- 10 year exclusivity with Heineken to produce beer to be sold in Georgia, Armenia and Azerbaijan (c.17m population)

Wine business

- Market leader with 35% market share in premium HoReCa and modern trade segment based on bottle wine sales
- Increase vineyard base to 1,000 hectares, from current 436 hectares¹, over the next three years.

Beer production business

- Local production – 13% market share² at 31 March 2018 since mainstream beer "ICY" launch in June'17

Financial metrics (GEL m)

	Annual			Quarterly	
	2015	2016	2017	1Q17	1Q18
Revenue (wine)	18	18	22	3	5
Revenue (beer)	N/A	N/A	18	-	5
EBITDA (wine)	2	3	6	0.4	0.6
EBITDA (beer)	N/A	N/A	(5)	(0.6)	(3)

Selected operating metrics

	1Q17	4Q17	1Q18
Wine sales (bottles)	559,538	1,137,518	732,446
Beer sales (liters)	-	1,841,845	2,250,945

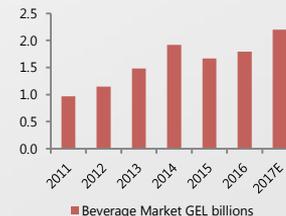
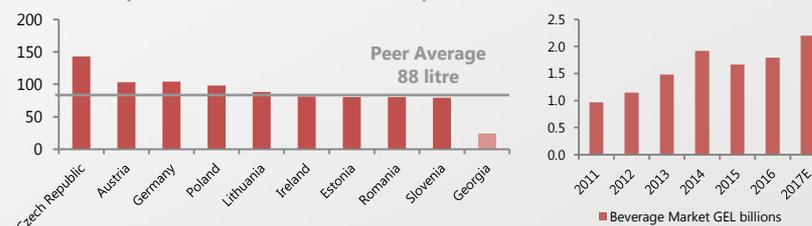
¹ Includes current acquisition of Kindzmarauli Marani LLC

² market share is calculated based on liter sales

Market opportunity

Low consumption per capita compared to peers

Beer consumption in Peer Countries 2016 (l/capita)



Consolidated EBITDA track record (GEL m)



Exit Strategy – Strategic Sale

Content

1. 1Q18 results discussion | Georgia Capital
2. Investment strategy & portfolio overview
3. **1Q18 results discussion | Investment portfolio**
 - **m² Real Estate**
4. Georgian Macro Overview
5. Appendices

Income statement

GEL thousands, unless otherwise noted	Housing development					Hospitality					Consolidated ¹				
	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q
Revenue from apartments sales	27,861	18,399	51.4%	30,788	(9.5%)	-	-	-	-	-	27,861	18,399	51.4%	30,788	(9.5%)
Cost of apartments	(24,939)	(17,109)	45.8%	(26,890)	(7.3%)	-	-	-	-	-	(24,939)	(17,109)	45.8%	(26,890)	(7.3%)
Gross profit from apartments sales	2,922	1,290	126.5%	3,898	(25.0%)	-	-	-	-	-	2,922	1,290	126.5%	3,898	(25.0%)
Revenue from operating lease	-	-	-	-	-	1,001	899	11.3%	986	1.5%	1,001	899	11.3%	986	1.5%
Cost of operating leases	-	-	-	-	-	(151)	(83)	81.9%	(135)	11.9%	(151)	(83)	81.9%	(135)	11.9%
Gross profit from operating leases	-	-	-	-	-	850	816	4.2%	851	(0.1%)	850	816	4.2%	851	(0.1%)
Revenue from hospitality services	-	-	-	-	-	344	-	NMF	-	NMF	344	-	NMF	-	NMF
Cost of hospitality services	-	-	-	-	-	(277)	-	NMF	-	NMF	(277)	-	NMF	-	NMF
Gross profit from hospitality services	-	-	-	-	-	67	-	NMF	-	NMF	67	-	NMF	-	NMF
Revaluation of commercial property	-	479	NMF	99	NMF	-	-	-	(618)	NMF	-	479	NMF	(519)	NMF
Gross real estate profit	2,922	1,769	65.2%	3,997	(26.9%)	917	816	12.4%	233	NMF	3,839	2,585	48.5%	4,230	(9.2%)
Other income	178	11	NMF	56	NMF	9	-	NMF	-	NMF	90	11	NMF	56	60.7%
Gross profit	3,100	1,780	74.2%	4,053	(23.5%)	926	816	13.5%	233	NMF	3,929	2,596	51.3%	4,286	(8.3%)
Salaries and other employee benefits	(829)	(396)	109.3%	(939)	(11.7%)	(318)	(11)	NMF	(256)	24.2%	(1,147)	(407)	NMF	(1,195)	(4.0%)
Administrative expenses	(1,426)	(1,336)	6.7%	(1,459)	(2.3%)	(48)	(91)	(47.3%)	(41)	17.1%	(1,474)	(1,427)	3.3%	(1,500)	(1.7%)
Operating expenses	(2,255)	(1,732)	30.2%	(2,398)	(6.0%)	(366)	(102)	NMF	(297)	23.2%	(2,621)	(1,834)	42.9%	(2,695)	(2.7%)
EBITDA	845	48	NMF	1,655	(48.9%)	560	714	(21.6%)	(64)	NMF	1,308	762	71.7%	1,591	(17.8%)
Depreciation and amortization	(134)	(63)	112.7%	(305)	(56.1%)	(5)	(3)	66.7%	(10)	(50.0%)	(139)	(66)	110.6%	(315)	(55.9%)
Net foreign currency (loss) gain	(297)	(184)	61.4%	89	NMF	(10)	(10)	-	5	NMF	(307)	(194)	58.2%	94	NMF
Interest income	99	182	(45.6%)	151	(34.4%)	3	7	(57.1%)	(6)	(150.0%)	102	189	(46.0%)	145	(29.7%)
Interest expense	-	(2)	NMF	-	-	(41)	(46)	(10.9%)	(47)	(12.8%)	(41)	(48)	(14.6%)	(47)	(12.8%)
Net operating income (loss) before non-recurring items	513	(19)	NMF	1,590	(67.7%)	507	662	(23.4%)	(122)	NMF	923	643	43.5%	1,468	(37.1%)
Net non-recurring items	(31)	(73)	(57.5%)	(191)	(83.8%)	(1)	(3)	(66.7%)	(6)	(83.3%)	(32)	(76)	(57.9%)	(197)	(83.8%)
Profit before income tax	482	(92)	NMF	1,399	(65.5%)	506	659	(23.2%)	(128)	NMF	891	567	57.1%	1,271	(29.9%)
Income tax expense	-	-	-	(468)	NMF	-	-	-	(13)	NMF	-	-	-	(481)	NMF
Profit	482	(92)	NMF	931	(48.2%)	506	659	(23.2%)	(141)	NMF	891	567	57.1%	790	12.8%

¹ includes inter-segment eliminations

m² financial highlights



Balance Sheet

<i>GEL thousands, unless otherwise noted</i>	Mar-18	Mar-17	Change y-o-y	Dec-17	Change q-o-q
Cash and cash equivalents	107,822	48,636	121.7%	34,751	NMF
Amounts due from credit institutions	208	179	16.2%	114	82.5%
Prepayments	45,656	17,842	155.9%	34,932	30.7%
Inventories	55,684	83,922	(33.6%)	59,683	(6.7%)
Investment property, of which:	145,738	110,831	31.5%	150,143	(2.9%)
<i>Land bank</i>	74,452	68,789	8.2%	72,902	2.1%
<i>Commercial real estate</i>	71,286	42,042	69.6%	77,241	(7.7%)
Property and equipment	51,917	9,110	NMF	49,641	4.6%
Other assets	16,702	25,202	(33.7%)	21,565	(22.6%)
Total assets	423,727	295,722	43.3%	350,829	20.8%
Amounts due to credit institutions ¹	155,078	38,912	298.5%	58,992	162.9%
Debt securities issued	61,879	62,278	(0.6%)	65,122	(5.0%)
Deferred income	33,128	53,670	(38.3%)	46,660	(29.0%)
Other liabilities	17,531	7,657	129.0%	15,425	13.7%
Total liabilities	267,616	162,517	64.7%	186,199	43.7%
Share Capital	4,180	4,180	-	4,180	-
Additional paid-in capital	84,356	86,227	(2.2%)	82,793	1.9%
Other reserves	4,299	13,469	(68.1%)	14,460	(70.3%)
Retained earnings	53,573	29,329	82.7%	52,779	1.5%
Total equity attributable to shareholders of the Group	146,408	133,205	9.9%	154,212	(5.1%)
Non-controlling interest	9,703	-	NMF	10,418	(6.9%)
Total equity	156,111	133,205	17.2%	164,630	(5.2%)
Total liabilities and equity	423,727	295,722	43.3%	350,829	20.8%

¹ m² borrowed US\$39m from Georgia Capital at the end of 1Q18 to refinance some of the existing borrowings and fund the on-going developments of hotels in pipeline

m² financial highlights



Cash Flow					
<i>GEL thousands, unless otherwise noted</i>	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q
Cash flows from operating activities					
Proceeds from apartments sales	21,489	27,740	(22.5%)	33,042	(35.0%)
Cash outflows for development of apartments	(24,165)	(22,362)	8.1%	(18,399)	31.3%
Net proceeds from yielding assets	850	856	(0.7%)	851	(0.1%)
Cash paid for operating expenses	(4,560)	(1,725)	NMF	(2,131)	114.0%
Interest paid	(43)	(1,587)	(97.3%)	(5,030)	(99.1%)
Income tax paid	-	(3,854)	(100.0%)	(890)	(100.0%)
Net cash flows from/(used in) operating activities	(6,429)	(932)	NMF	7,444	(186.4%)
Cash flows from investing activities					
Purchase of investment properties	(4,295)	-	NMF	-	NMF
Capital expenditure on investment property	(1,788)	(673)	NMF	(3,281)	(45.5%)
Purchase of property, plant and equipment	(8,568)	(2,389)	NMF	(6,519)	31.4%
Acquisition of subsidiaries	-	-	0%	(10,562)	(100.0%)
Net cash flows used in investing activities	(14,651)	(3,062)	NMF	(20,362)	(28.0%)
Cash flows from financing activities					
Repayment of debt securities issued	-	(34,099)	(100.0%)	-	0.0%
Contributions under share-based payment plan	-	-	0.0%	(4,998)	(100.0%)
Proceeds from borrowings	98,745	-	NMF	12,696	NMF
Repayment of borrowings	(56)	(1,166)	(95.2%)	(15,633)	(99.6%)
Net cash flows from/(used in) financing activities	98,689	(35,265)	NMF	(7,935)	NMF
Effect of exchange rate changes	(4,444)	(5,136)	(13.5%)	4,234	NMF
Net increase/(decrease) in cash and cash equivalents	73,165	(44,395)	NMF	(16,619)	NMF
Cash and cash equivalents at the beginning of the period*	34,865	93,210	(62.6%)	51,484	(32.3%)
Cash and cash equivalents at the end of the period*	108,030	48,815	121.3%	34,865	NMF

* The balances include cash and cash equivalents and amounts due from credit institutions

m² – a leading player on Georgian real estate market

Housing Development – Market of US\$ 1.1 bln¹

1 Affordable housing

Fully Develop land bank with total value of US\$ 29 mln and c.3,697³ apartments

7 Completed projects

1,691 apartments, 99% sold with 145mln US\$ sales value

4 Ongoing projects

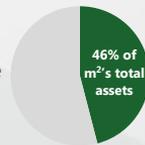
1,202 apartments, 87% sold with 85mln US\$ sales value

Asset base at 31 March 2018

Includes:

US\$ 80 million²

1. Inventory of residential real estate
2. Land bank



2 Franchise m²

Develop third-party land plots under m² brand name

Largest Franchise Deal Signed

3,600 apartments to be delivered in 4-5 years; Expected m² fees:

- Construction Fee: **10%** of construction costs
- Sales & Marketing Fee: **2.5%** sales commissions
- Incentive Fee: **30%** of projects overall profit

Track record contributing to m² strengths and opportunities

m² Brand name: 92% customer brand awareness among real estate developers in Georgia

m² pricing power: Extensive development expertise to increase efficiency in planning and design stages and drive revenues as well as margins;

m² sales: m² pre-sales power reduces equity needed to finance the projects; Top three banks in Georgia provide mortgages under m² completion guarantee;

m² execution: m² manages process from feasibility through apartment handover and property management; m² completed all projects on time and on budget;

m² accessibility to financing: m² has the ability to raise financing, both in terms of securing mortgage lending to clients from the local banks and in terms of standby facilities for liquidity support in case of slowdown in sales;

3 Construction Management

Earn Construction management fees from third-party projects and bring construction works in-house

2 Signed third party deals

- Saburtalo City Mall
- Radisson Tsinandali

3 Inhouse projects

- Melikishvili Ave mixed-use (Hotel and Residential)
- Hotel on Gergeti St.
- Hotel in Telavi
- Hotel in Gudauri

1. Transactions volume of residential flats in Tbilisi in 2017

2. Total Assets are US\$ 175mln. Pie charts do not sum-up to 100% due to Cash holdings of US\$ 45mln

3. Including 3,300 apartments of Digomi project

Targeting to spin-off yielding properties as a listed REIT managed by m²

Hospitality & Commercial real estate – Market of US\$ 6.8bn¹

1 Rent-earning assets

Grow Portfolio of rent-earning assets through residential developments/opportunistic acquisitions



Portfolio composition

As a property manager, m² makes opportunistic investments and manages a well diversified portfolio of yielding assets:

- m² retains commercial space (ground floor) at its own residential developments, constituting **up to 30%** of total yielding portfolio
- m² acquired opportunistically the commercial space, constituting **over 70%** of total yielding portfolio

2 Hotels

Develop hotels with combined room-count of **1,000 keys in three years**

152 Operational Rooms

3-star Ramada Encore Kazbegi in Tbilisi, opened in Feb'18

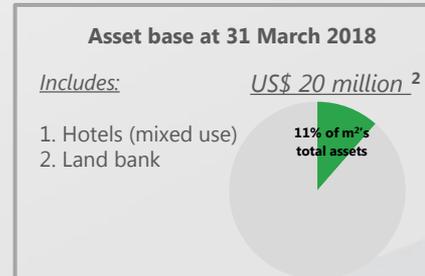
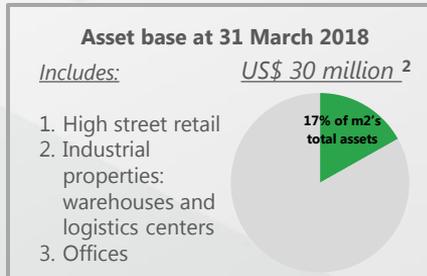
225 Rooms under construction

4-star Ramada Melikishvili in Tbilisi: 125 rooms and Lifestyle hotel on Gergeti St. in Tbilisi: 100 rooms

385 Rooms under design

Ramada Encore in Kutaisi: 121 rooms; Hotel in Telavi: 130 rooms, Gudauri: 134 rooms

🔑 Only c.240 rooms left to reach the target

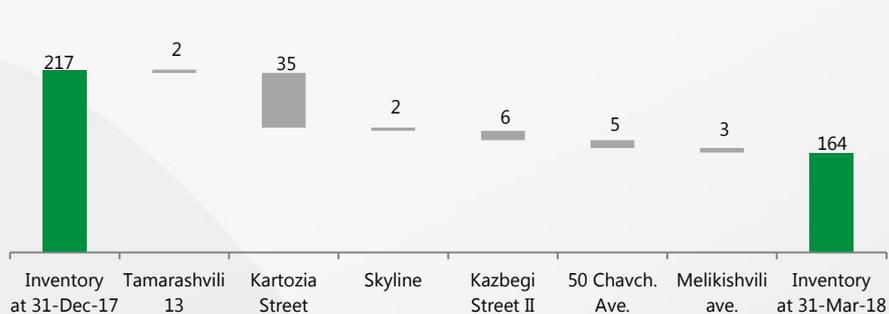


1. Gross tourism inflows (US\$ 2.8bn) and retail trade volume(US\$ 4.0bn) in 2017
2. Total Assets are US\$ 175mln. Pie charts do not sum-up to 100% due to Cash holdings of US\$ 45mln

m² housing development business performance highlights

Strong sales performance

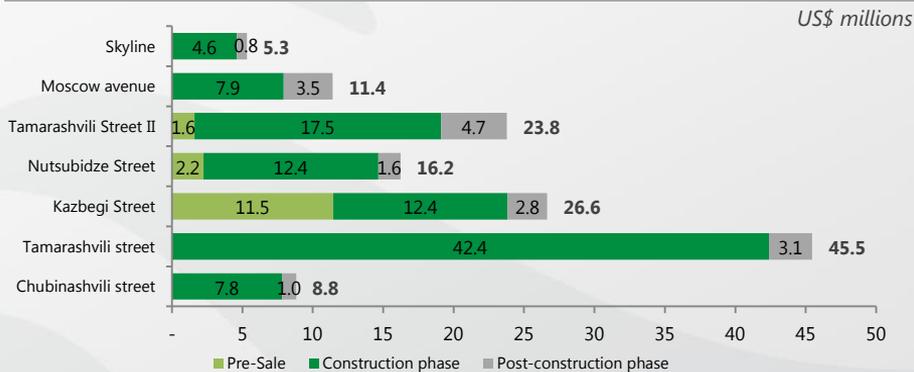
1Q18 apartments sales track record



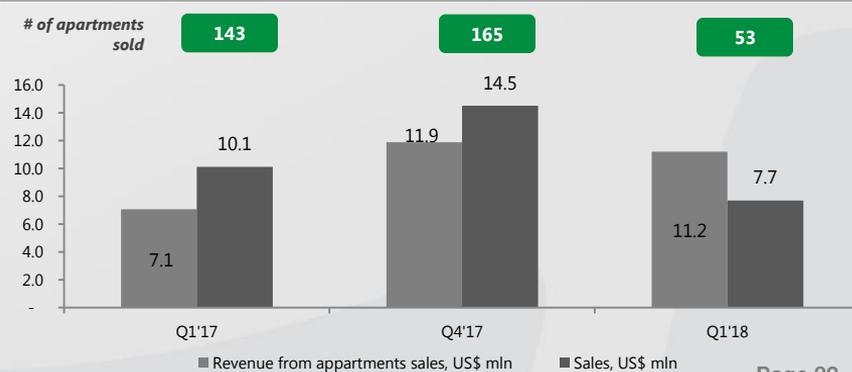
94% of apartments are sold-out



Apartment sales track record in completed projects



Revenue and sales from residential segment



m² – affordable housing track record

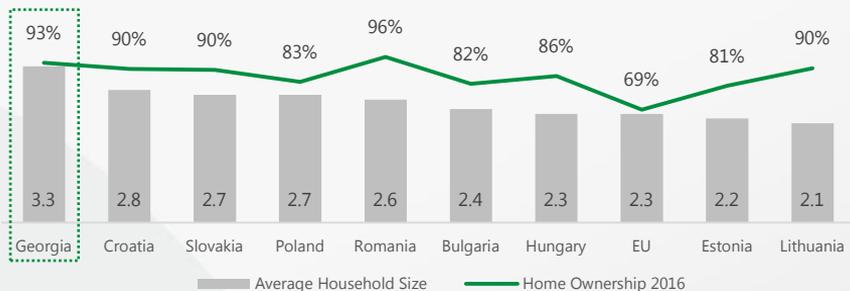
Operating/Financial data for completed and on-going projects at 31 March 2018

#	Project name	Number of apartments	Number of apartments sold	Number of apartments sold as % of total	Number of apartments available for sale	Start date (construction)	Actual / Planned Completion date (construction)	Construction progress	Total Sales (US\$ mln)	Recognised as revenue (US\$ mln)	Deferred revenue (US\$ mln)	Deferred revenue expected to be recognised as revenue in 2018	Land value unlocked (US\$)	Realised & Expected IRR
Completed projects		1,691	1,680	99.3%	11				145.5	145.4	-	-	19.5	
1	Chubinashvili Street	123	123	100.0%	-	Sep-10	Aug-12	100%	9.9	9.9	-	-	0.9	47%
2	Tamarashvili Street	525	525	100.0%	-	May-12	Jun-14	100%	48.9	48.9	-	-	5.4	46%
3	Kazbegi Street	295	295	100.0%	-	Dec-13	Feb-16	100%	27.2	27.2	-	-	3.6	165%
4	Nutsubidze Street	221	221	100.0%	-	Dec-13	Sep-15	100%	17.4	17.4	-	-	2.2	58%
5	Tamarashvili Street II	270	266	98.5%	4	Jul-14	Jun-16	100%	24.3	24.3	-	-	2.7	71%
6	Moscow Avenue	238	238	100.0%	-	Sep-14	Jun-16	100%	12.3	12.3	-	-	1.6	31%
7	Skyline	19	12	63.2%	7	Dec-15	Dec-17	100%	5.4	5.4	-	-	3.1	329%
On-going projects		1,202	1,049	87.3%	153				84.6	62.3	22.3	21.9	14.2	
8	Kartozia Street	801	738	92.1%	63	Nov-15	Oct-18	84%	51.9	41	10.9	10.9	5.8	60%
9	Kazbegi Street II	303	223	73.6%	80	Jun-16	Nov-18	52%	19.5	12.5	7	7	4.3	51%
10	50 Chavchavadze Ave.	82	74	90.2%	8	Oct-16	Oct-18	84%	9.7	7.3	2.4	2.4	3.3	75%
11	Melikishvili ave.	16	14	87.5%	2	Sep-17	May-19	11%	3.5	1.5	2	1.6	0.8	101%
Total		2,893	2,729	94.3%	164				230.1	207.7	22.3	22	33.7	

m² housing development business – market opportunity

Average household size and home ownership | 2016

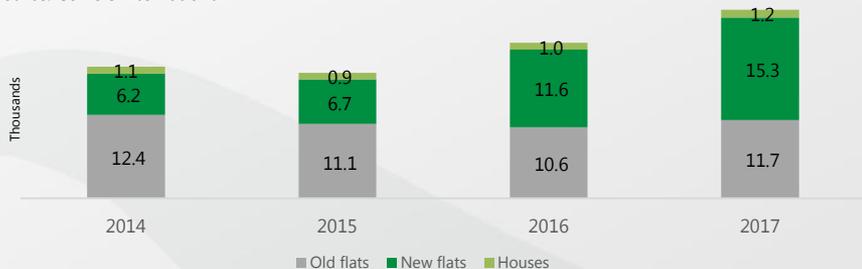
Source: Eurostat, Colliers International



Georgia has one of the highest average household size of 3.3 people. This number has dropped from 3.8 in 2015 and further decrease in this number will increase the demand

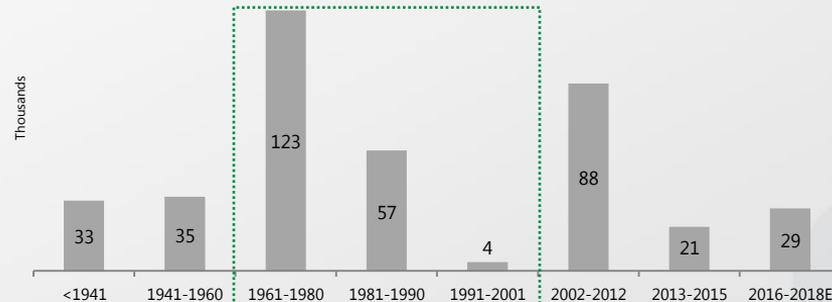
Number of sales transactions by unit types

Source: Colliers International



of housing units developed by time periods

Source: Colliers International



Around 120,000 (35%) of housing units in Tbilisi were built more than 40 years ago and are out of their usable lifecycle

Mortgage loans as a % of GDP 2017

Source: IMF, Central banks



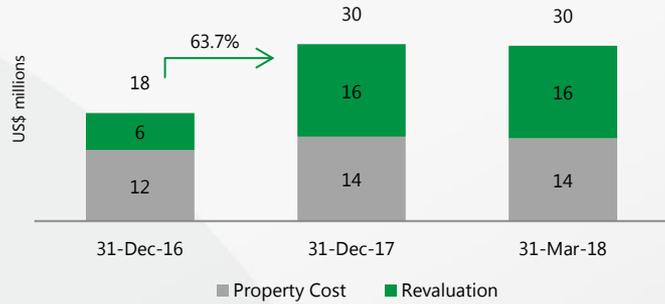
Compared to peers, Georgia has one of the lowest Mortgage Loan as a % of GDP ratio. Implying that there is a room for increase on the total value of outstanding mortgage loans.

m² hospitality & commercial real estate business performance highlights



Strong Performance

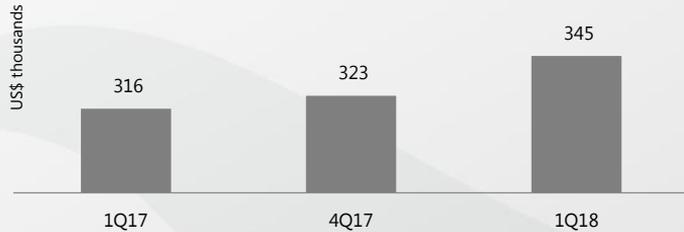
Yielding portfolio growth



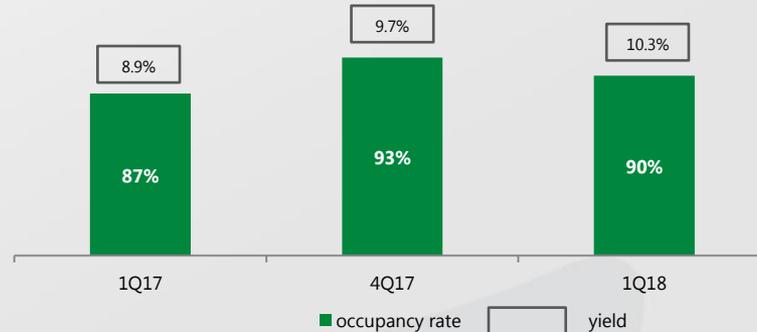
Yielding portfolio composition



Gross profit from operating leases



Key performance metrics of yielding business



m² hospitality & commercial real estate business – market opportunity



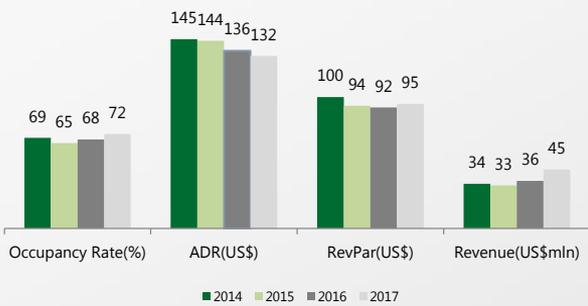
Arrivals of tourists and tourism revenue | Georgia

Source: Georgian National Tourism Administration



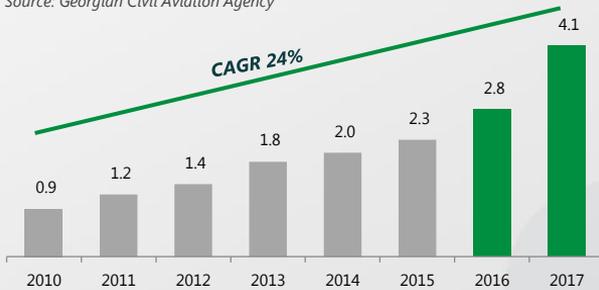
Key performance metrics of hotels | Tbilisi

Source: STR



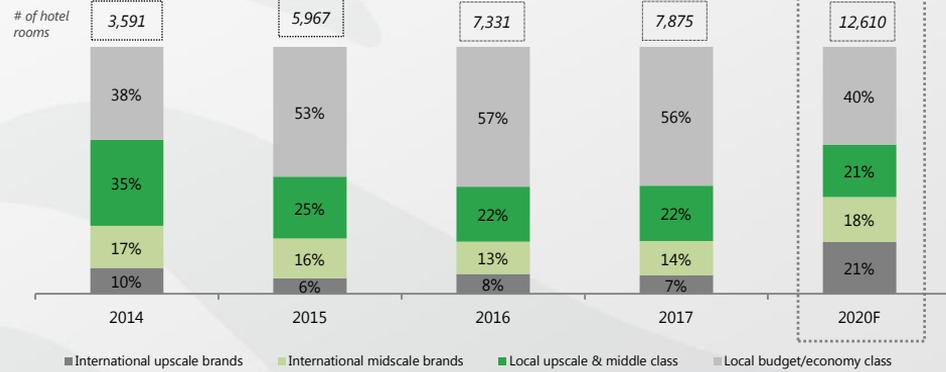
Arrivals at airports (mln) | Georgia

Source: Georgian Civil Aviation Agency



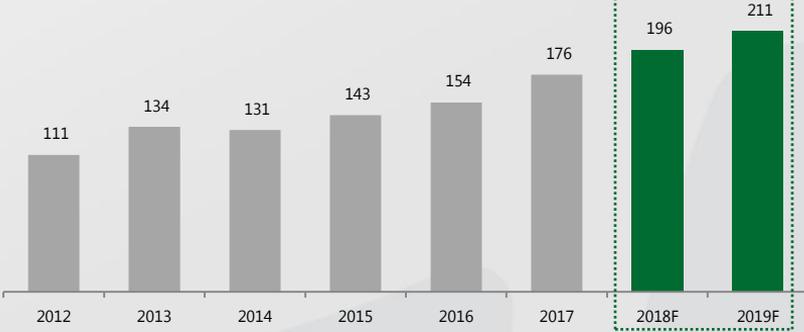
Hotel Room Supply | Tbilisi

Source: Colliers International



Modern office stock supply (GLA'000) | Tbilisi

Source: Colliers International



Content



1. 1Q18 results discussion | Georgia Capital
2. Investment strategy & portfolio overview
- 3. 1Q18 results discussion | Investment portfolio**

- **GGU – Georgia Global Utilities**

4. Georgian Macro Overview

5. Appendices

GGU Financial highlights



Income statement

GEL thousands, unless otherwise noted	Utility					Energy ¹					Eliminations			Consolidated				
	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q	1Q18	1Q17	4Q17	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q
Revenue from water supply to legal entities	19,088	18,336	4.1%	22,215	(14.1%)	-	-	-	-	-	-	-	-	19,088	18,336	4.1%	22,215	(14.1%)
Revenue from water supply to individuals	9,769	7,911	23.5%	8,529	14.5%	-	-	-	-	-	-	-	-	9,769	7,911	23.5%	8,529	14.5%
Revenue from electric power sales	-	-	-	-	-	3,055	2,148	42.2%	3,892	(21.5%)	(900)	(957)	(1,019)	2,155	1,191	80.9%	2,873	(25.0%)
Other income	1,325	1,160	14.2%	2,278	(41.8%)	4	4	-	5	(20.0%)	-	-	-	1,329	1,164	14.2%	2,283	(41.8%)
Revenue	30,182	27,407	10.1%	33,022	(8.6%)	3,059	2,152	42.1%	3,897	(21.5%)	(900)	(957)	(1,019)	32,341	28,602	13.1%	35,900	(9.9%)
Salaries and benefits	(4,790)	(3,950)	21.3%	(5,155)	(7.1%)	(346)	(307)	12.7%	(231)	49.8%	-	-	-	(5,136)	(4,257)	20.6%	(5,386)	(4.6%)
Electricity and transmission costs	(5,722)	(5,913)	(3.2%)	(5,311)	7.7%	(25)	(16)	56.3%	(27)	(7.4%)	900	957	1,019	(4,847)	(4,972)	(2.5%)	(4,319)	12.2%
Assets maintenance expenses	(1,250)	(1,066)	17.3%	(1,693)	(26.2%)	(18)	(26)	(30.8%)	(20)	(10.0%)	-	-	-	(1,268)	(1,092)	16.1%	(1,713)	(26.0%)
General and administrative expenses	(2,519)	(2,257)	11.6%	(3,229)	(22.0%)	(649)	(419)	54.9%	(558)	16.3%	-	-	-	(3,168)	(2,676)	18.4%	(3,787)	(16.3%)
Other operating expenses	(1,630)	(1,359)	19.9%	(1,560)	4.5%	(288)	(86)	NMF	(483)	(40.4%)	-	-	-	(1,918)	(1,445)	32.7%	(2,043)	(6.1%)
Operating expenses	(15,911)	(14,545)	9.4%	(16,948)	(6.1%)	(1,326)	(854)	55.3%	(1,319)	0.5%	900	957	1,019	(16,337)	(14,442)	13.1%	(17,248)	5.3%
Provisions for doubtful trade receivables	(1,449)	274	NMF	338	NMF	-	-	-	-	-	-	-	-	(1,449)	274	NMF	338	NMF
EBITDA	12,822	13,136	(2.4%)	16,412	(21.9%)	1,733	1,298	33.5%	2,578	(32.8%)	-	-	-	14,555	14,434	0.8%	18,990	(23.4%)
EBITDA Margin	42.3%	48%		50%		57%	60%		66%		0%	0%	0%	45%	50%		53%	
Depreciation and amortisation	(5,233)	(4,135)	26.6%	(4,469)	17.1%	(884)	(686)	28.9%	(760)	16.3%	-	-	-	(6,117)	(4,821)	26.9%	(5,229)	17.0%
EBIT	7,589	9,001	(15.7%)	11,943	(36.5%)	849	612	38.7%	1,818	(53.3%)	-	-	-	8,438	9,613	(12.2%)	13,761	(38.7%)
EBIT Margin	25%	33%		36%		28%	28%		47%		-	-	-	26%	34%		38%	
Net interest expense	(3,104)	(2,036)	52.5%	(2,975)	4.3%	(192)	(230)	(16.5%)	(743)	(74.2%)	-	-	-	(3,296)	(2,266)	45.5%	(3,718)	(11.4%)
Net non-recurring expenses	-	-	-	(383)	NMF	(124)	-	NMF	(196)	(36.7%)	-	-	-	(124)	-	NMF	(579)	(78.6%)
Foreign exchange (loss)gain	1,786	(104)	NMF	(271)	NMF	(26)	(224)	(88.4%)	(115)	(77.4%)	-	-	-	1,760	(328)	NMF	(386)	NMF
Profit before income tax	6,271	6,861	(8.6%)	8,314	(24.6%)	507	158	NMF	764	(33.6%)	-	-	-	6,778	7,019	(3.4%)	9,078	(25.3%)
Income tax expense	-	-	-	(210)	NMF	-	-	-	-	-	-	-	-	-	-	-	(210)	NMF
Profit	6,271	6,861	(8.6%)	8,104	(22.6%)	507	158	NMF	764	(33.6%)	-	-	-	6,778	7,019	(3.4%)	8,868	(23.6%)
Attributable to:																		
-Shareholders of the Group	6,271	6,861	(8.6%)	8,104	(22.6%)	693	316	119.3%	381	81.9%	-	-	-	6,964	7,177	(3.0%)	8,485	(17.9%)
-Non-controlling interests	-	-	-	-	-	(186)	(158)	17.7%	383	NMF	-	-	-	(186)	(158)	17.7%	383	NMF

¹Prior to 2Q17, GGU's standalone results excluded the Group's renewable energy business results due to its absence from GGU's legal structure and insignificant size. Effective from 2Q17, we are reporting GGU results on a pro-forma basis together with renewable energy business and have retrospectively revised the comparable information accordingly. The Group owns 65% of renewable energy business

Balance sheet

GEL thousands, unless otherwise noted

	Utility					Energy					Consolidated				
	Mar-18	Mar-17	change y-o-y	Dec-17	change q-o-q	Mar-18	Mar-17	change y-o-y	Dec-17	change q-o-q	Mar-18	Mar-17	change y-o-y	Dec-17	Change q-o-q
Cash and cash equivalents	36,120	2,867	NMF	55,950	(35%)	7,873	13,909	(43%)	14,311	(45%)	43,993	16,776	NMF	70,261	(37%)
Trade and other receivables	18,670	21,927	(15%)	22,442	(17%)	623	265	NMF	1,312	(53%)	19,293	22,192	(13%)	23,754	(19%)
Prepayments and other assets	6,235	11,397	(45%)	6,887	(9%)	7,410	1,461	NMF	8,659	(14%)	13,645	12,858	6%	15,546	(12%)
Total current assets	61,026	36,191	69%	85,279	(28%)	15,905	15,635	2%	24,282	(34%)	76,931	51,826	48%	109,561	(30%)
Property, plant and equipment	431,895	307,312	41%	399,990	8%	94,447	42,655	NMF	89,519	6%	526,342	349,967	50%	489,509	8%
Investment Property	9,385	18,453	(49%)	10,817	(13%)	469	469	0%	469	0%	9,854	18,922	(48%)	11,286	(13%)
Intangible assets	1,643	955	72%	1,847	(11%)	316	404	(22%)	375	(16%)	1,959	1,359	44%	2,222	(12%)
Other non-current assets	15,730	5,028	NMF	18,909	(17%)	38,668	14,214	NMF	32,999	17%	54,398	19,242	NMF	51,908	5%
Total non-current assets	458,653	331,747	38%	431,562	6%	133,900	57,743	NMF	123,363	9%	592,553	389,490	52%	554,925	7%
Total assets	519,678	367,938	41%	516,841	1%	149,806	73,378	104%	147,645	1%	669,484	441,316	52%	664,486	1%
Current borrowings	5,366	21,990	(76%)	1,277	NMF	508	576	(12%)	2,555	(80%)	5,874	22,566	(74%)	3,832	53%
Trade and other payables	31,029	27,323	14%	32,358	(4%)	1,612	1,068	51%	1,260	28%	32,641	28,391	15%	33,618	(3%)
Provisions for liabilities and charges	554	743	(26%)	416	33%	3,022	-	NMF	2,686	13%	3,576	743	NMF	3,102	15%
Other taxes payable	886	2,609	(66%)	92	NMF	365	127	NMF	299	22%	1,251	2,736	(54%)	391	NMF
Total current liabilities	37,835	52,664	(28%)	34,143	11%	5,507	1,772	NMF	6,800	(19%)	43,342	54,436	(20%)	40,943	6%
Long term borrowings	236,952	73,142	NMF	239,083	(1%)	74,568	18,392	NMF	69,290	8%	311,520	91,534	NMF	308,373	1%
Deferred income	19,955	17,817	12%	19,474	2%	1,184	-	NMF	1,279	(7%)	21,139	17,817	19%	20,753	2%
Total non-current liabilities	256,906	90,959	NMF	258,557	(1%)	75,753	18,392	NMF	70,569	7%	332,659	109,351	NMF	329,126	1%
Total liabilities	294,741	143,623	105%	292,700	1%	81,260	20,164	NMF	77,369	5%	376,001	163,787	NMF	370,069	2%
Total equity attributable to shareholders of the Group	224,958	224,314	0%	224,161	0%	60,001	50,793	18%	60,130	0%	284,959	275,107	4%	284,291	0%
Non-controlling interest	-	-	(100%)	-	NMF	8,524	2,422	NMF	10,126	(16%)	8,524	2,422	NMF	10,126	(16%)
Total equity	224,957	224,316	0%	224,161	0%	68,526	53,213	29%	70,256	(2%)	293,483	277,529	6%	294,417	0%
Total liabilities and equity	519,678	367,938	41%	516,841	1%	149,806	73,378	104%	147,645	1%	669,484	441,316	52%	664,486	1%

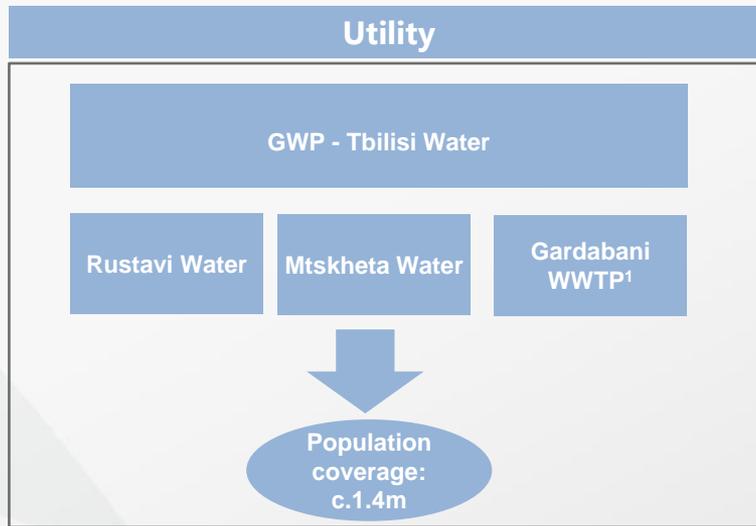
GGU Financial highlights



Cash flow					
<i>GEL thousands, unless otherwise noted</i>	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q
Cash received from customers	35,743	30,582	16.9%	44,768	(20.2%)
Cash paid to suppliers	(11,966)	(11,330)	5.6%	(11,387)	5.1%
Cash paid to employees	(3,591)	(3,859)	(6.9%)	(3,265)	10.0%
Interest received	180	419	(57.0%)	800	(77.5%)
Interest paid	(861)	(2,356)	(63.5%)	(4,486)	(80.8%)
Taxes paid	(1,743)	(1,757)	(0.8%)	2,256	(177.3%)
Restricted cash in Bank	-	945	(100.0%)	(1,362)	(100.0%)
Cash flow from operating activities	17,762	12,644	40.5%	27,324	(35.0%)
Maintenance capex	(6,958)	(8,832)	(21.2%)	(3,068)	126.8%
Operating cash flow after maintenance capex	10,804	3,812	183.6%	24,256	(55.5%)
Purchase of PPE and intangible assets	(47,628)	(15,337)	NMF	(86,947)	(45.2%)
Proceeds from PPE and investment property sale	1,100	-	-	-	-
Restricted cash in Bank	2,567	(12,249)	(121.0%)	5,876	(56.3%)
Total cash used in investing activities	(43,961)	(27,586)	59.4%	(81,071)	(45.8%)
Proceeds from borrowings	11,697	12,412	(5.8%)	226,572	(94.8%)
Repayment of borrowings	(2,744)	(4,328)	(36.6%)	(107,616)	(97.5%)
Contributions under share-based payment plan	-	-	0.0%	(2,596)	(100.0%)
Dividends paid	-	-	0.0%	(28,244)	(100.0%)
Capital increase	-	780	(100.0%)	2,653	(100.0%)
Total cash flow from financing activities	8,953	8,864	1.0%	90,769	(90.1%)
Effect of exchange rates changes on cash	(2,064)	(693)	197.8%	5,650	(136.5%)
Total cash (outflow)/inflow	(26,268)	(15,603)	68.4%	39,604	(166.3%)
Cash balance					
Cash, beginning balance	70,261	32,379	117.0%	30,657	129.2%
Cash, ending balance	43,993	16,776	162.2%	70,261	(37.4%)

GGU - water utility and energy business overview

At a glance



EBITDA 1Q18: GEL 12.8m
Dividend distribution in 2017: GEL 28m

Key facts

- **New WSS tariffs set by GNERC for a 3-year regulatory period.** Tariffs in Tbilisi have increased by 23.8% for residential customers and decreased by 0.4% for legal entities, serving as a first step towards gradually unifying WSS tariffs
- **Long-term financing obtained from international financial institutions** (EIB, FMO, DEG), total committed amount of up to EUR 81.5mln through GWP in 3Q17 to finance capital expenditures increasing efficiency
- GWP, a wholly owned subsidiary of GGU which operates the water utility business in Tbilisi, had its **credit rating of BB- reaffirmed with stable outlook by Fitch in February 2018.**

Notes:

1. WWTP stands for wastewater treatment plant
2. Under operating lease

Energy

Operating HPPs

Zhinvali HPP
(130.0MW)

Tetrikhevi HPP
(12.0MW)

Saguramo HPP
(4.4MW)

Pshavela HPP²
(2.9MW)

Committed projects

Bodorna HPP
(2.5MW)
under construction

Mestiachala HPP
(50MW)
under construction

Zoti HPP
(46MW)
under development

EBITDA 1Q18: GEL 1.7m
Total capacity: 149.3MW

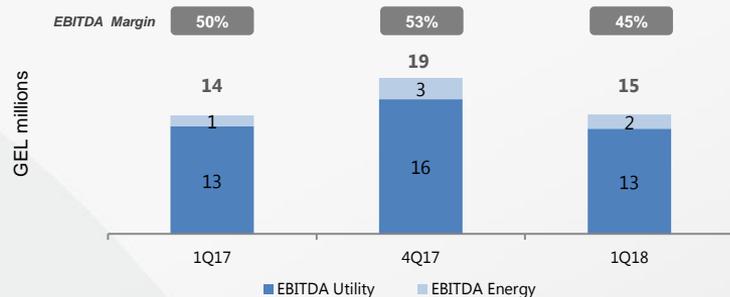
- Investing in additional capacity for electricity generation **with the goal to establish a renewable energy platform**
- **Cheap to develop** – Up to US\$1.5mln for 1MW hydro and up to US\$1.3mln for wind development in Georgia
- Strategic partnership with RP Global (Austria) – Independent Power Producer **with 30 years experience of developing, building, owning and operating renewable power plants globally**

GGU - water utility and energy business performance highlights

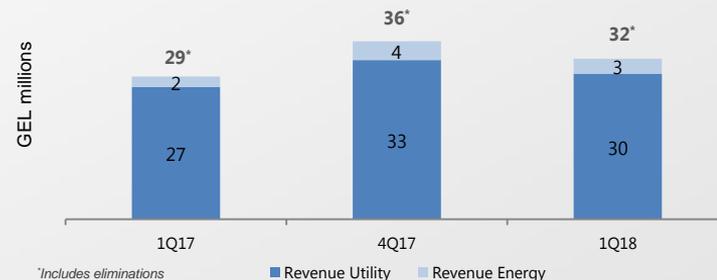


Strong performance

EBITDA

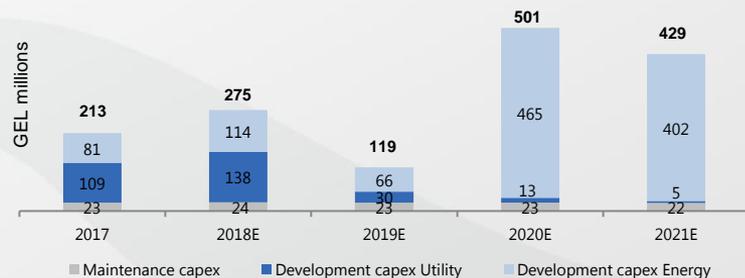


Revenue composition

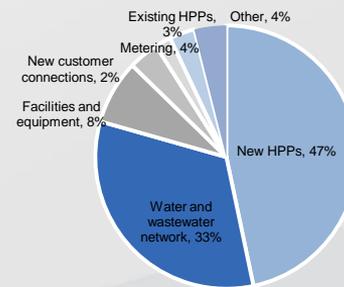


Capex

Capex¹ evolution 2017-2021E



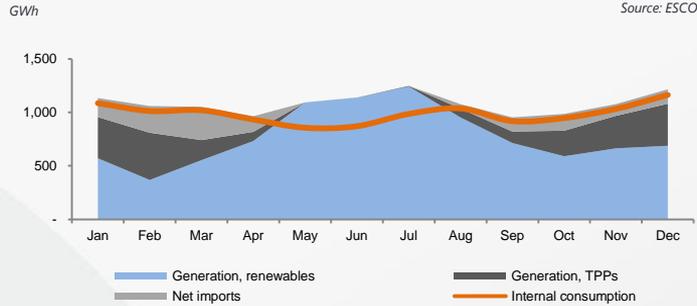
2018E Capex breakdown



¹Capex figures are presented including VAT

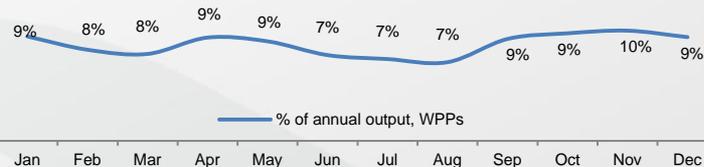
Georgian electricity market overview

Electricity supply and consumption, 2017



- Electricity deficit during Sep-Apr
- 8-month PPA policy in place
- 18.8% of total consumption produced by gas-fired TPPs, 12.6% - imported (2017 data)

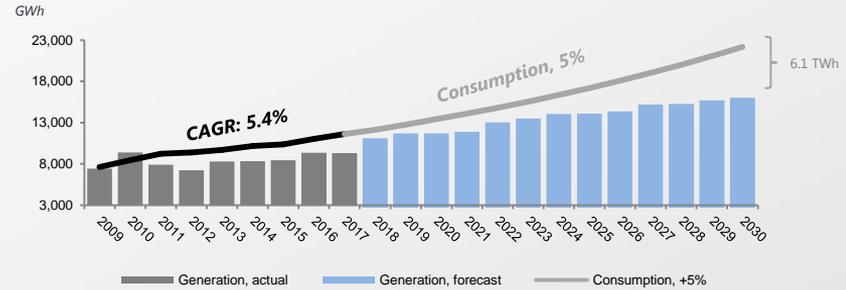
Distribution of windfarms annual generation¹



- Compared to HPPs, wind power plants (WPPs) have more even distribution throughout the year, adding more portion of output to domestic supply deficit
- Merchant risk is c. 30% in May-Aug, as opposed to 48% on average in run-of-river HPPs

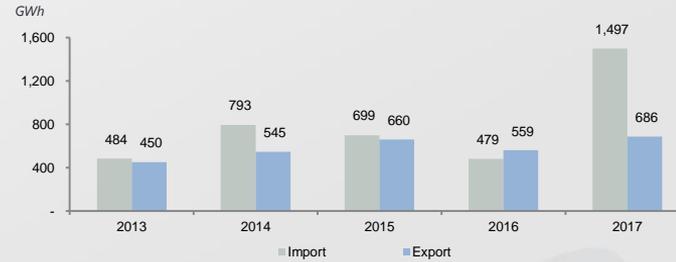
Note 1: Based on preliminary measurement of GGU windfarm locations

Actual and forecasted consumption



- 8% growth of internal consumption in 2017 (10% and 14% growth in Jul & Aug)
- Consumption growth forecasted at minimum 5% CAGR in coming 15 years
- Anticipated deficit of 6.1TWh by 2030

Import-export dynamics



- Import's share in domestic consumption has tripled in 2017 compared to 2016, as the joy growth in consumption was entirely supplied for by imports

Georgian utility market overview

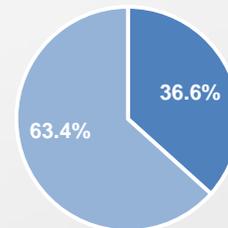
Largely privatized utility sector with high barriers to entry

- Utilities sector represents ~3% of total economic output in Georgia and is constantly growing at a sustainable rate (CAGR 8.3% in 2006 – 2016)
- Bulk of sector players are natural monopolies and the barriers to entry are high
- Large part of the industry is privatized, except for the fraction of WSS utilities and irrigation
- Reforms are in progress in utilities sector to approximate the sector with EU energy regulations in accordance to Georgia's undertaking under the Association Agreement with the EU
- Georgian National Energy and Water Supply Regulatory Commission (GNERC) is an independent body that regulates the utilities market
- GNERC is independent from the Government of Georgia and has no direct supervision from any state authorities and its independence is guaranteed by a legally mandated, self-sufficient revenue stream from the regulation fees paid by utility market participants (0.3% of the utility revenues)
- The sector is regulated by the set of laws, by-laws and government decrees on tariff setting, utilities (water, electricity, natural gas) market rules, grid / network codes, legislation on licensing, resource extraction and environmental accountability

GGU - only profitable player on Georgia's WSS market

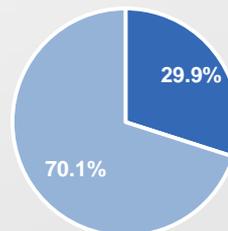
- Largely depreciated water and sanitation infrastructure with average water losses at c. 70% (4-5 times higher than in western Europe)
- Average collection rates from households in Georgia - c. 50%
- GGU's average collection rates - around 96%
- Water utilities other than GGU heavily subsidized by state
- c. 47% of the population serviced on the municipal level with bad service quality, frequent interruptions and poor coverage

Coverage by population



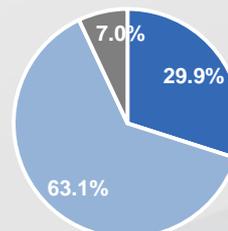
Water

- GGU
- State



Electricity (privatized)

- Telasi (Tbilisi)
- Energo-Pro (regions)



Natural Gas (privatized)

- KazTransGas (Tbilisi)
- Socar Group
- Other

GGU: A privately-owned natural monopoly

Business strategy

1 Utility

Current standing

REVENUE 1Q18: GEL 30.2m
EBITDA 1Q18: GEL 12.8m

Medium term goal

EBITDA 2021: GEL 75mIn+

Targeting

Dividend provider

2 Energy

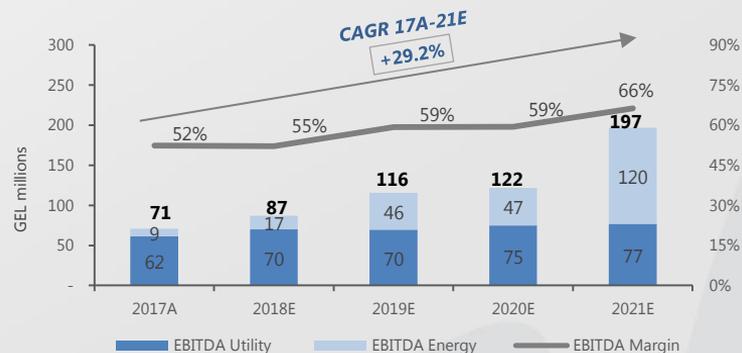
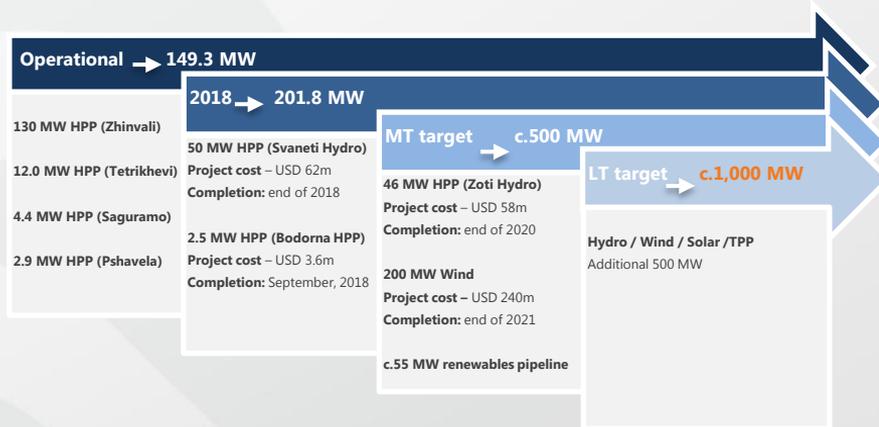
REVENUE 1Q18: GEL 3.1m
EBITDA 1Q18: GEL 1.7m
149.3MW existing capacity

EBITDA 2021: GEL 120mIn+

Value creation upside

IPO in 2020-2021

Projects going forward and forecasted EBITDA



- Cost saving from reduction in electricity own consumption
- Subsequent savings from freed-up energy

Agenda

1. 1Q18 results discussion | Georgia Capital
2. Investment strategy & portfolio overview
3. 1Q18 results discussion | Portfolio companies
 - Aldagi - P&C insurance
4. Georgian Macro Overview
5. Appendices

Aldagi financial highlights



Income Statement

GEL thousands, unless otherwise noted

	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q
Gross premiums written	18,114	18,907	(4.2%)	17,962	0.8%
Earned premiums, gross	19,950	18,520	7.7%	21,891	(8.9%)
Earned premiums, net	14,925	14,436	3.4%	16,578	(10.0%)
Insurance claims expenses, gross	(7,520)	(10,700)	(29.7%)	(13,452)	(44.1%)
Insurance claims expenses, net	(6,092)	(5,637)	8.1%	(7,207)	(15.5%)
Acquisition costs, net	(1,413)	(1,677)	(15.7%)	(2,662)	(46.9%)
Net underwriting profit	7,420	7,122	4.2%	6,709	10.6%
Investment income	831	767	8.3%	814	2.1%
Net Fee and commission income	145	99	46.5%	142	2.1%
Net investment profit	976	866	12.7%	956	2.1%
Salaries and employee benefits	(2,129)	(1,978)	7.6%	(2,258)	(5.7%)
Selling, general and administrative expenses	(928)	(893)	3.9%	(830)	11.8%
Depreciation & Amortisation	(232)	(234)	(0.9%)	(135)	71.9%
Impairment charges	(208)	(242)	(14.0%)	(82)	153.7%
Net other operating income	199	172	15.7%	163	22.1%
Operating profit	5,098	4,813	5.9%	4,523	12.7%
Foreign exchange (loss)/gain	(503)	(425)	18.4%	452	NMF
Pre-tax profit	4,595	4,388	4.7%	4,975	(7.6%)
Income tax expense	(693)	(638)	8.6%	(806)	(14.0%)
Net profit	3,902	3,750	4.1%	4,169	(6.4%)

Aldagi financial highlights



Balance Sheet

<i>GEL thousands, unless otherwise noted</i>	Mar-18	Mar-17	Change y-o-y	Dec-17	Change q-o-q
Cash and cash equivalents	2,071	6,143	(66.3%)	4,186	(50.5%)
Amounts due from credit institutions	29,273	27,450	6.6%	25,968	12.7%
Investment securities	4,423	2,562	72.6%	4,180	5.8%
Insurance premiums receivable, net	26,184	21,812	20.0%	28,491	(8.1%)
Ceded share of technical provisions	17,881	14,998	19.2%	20,671	(13.5%)
PPE and intangible assets, net	7,985	10,015	(20.3%)	11,899	(32.9%)
Goodwill	13,051	13,051	-	13,051	-
Deferred acquisition costs	2,750	1,658	65.9%	3,047	(9.7%)
Pension fund assets	18,838	16,721	12.7%	18,536	1.6%
Other assets	9,529	4,926	93.4%	5,130	85.9%
Total assets	131,985	119,336	10.6%	135,159	(2.3%)
Gross technical provisions	46,174	43,607	5.9%	50,272	(8.2%)
Other insurance liabilities	9,691	8,640	12.2%	11,147	(13.1%)
Current income tax liabilities	483	591	(18.3%)	30	NMF
Pension benefit obligations	18,836	16,721	12.6%	18,536	1.6%
Derivative financial instruments	-	562	NMF	130	NMF
Other Liabilities	4,152	6,018	(31.0%)	6,296	(34.1%)
Total liabilities	79,336	76,139	4.2%	86,411	(8.2%)
Total equity	52,649	43,197	21.9%	48,748	8.0%
Total liabilities and equity	131,985	119,336	10.6%	135,159	(2.3%)

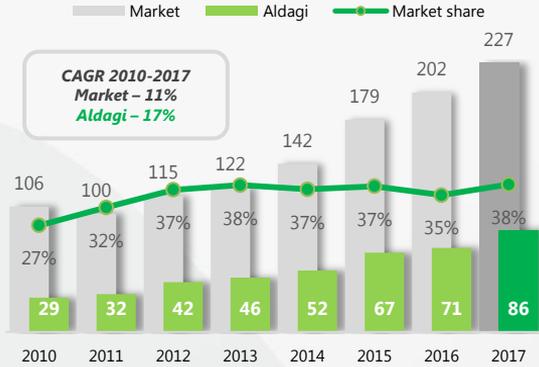
Aldagi financial highlights



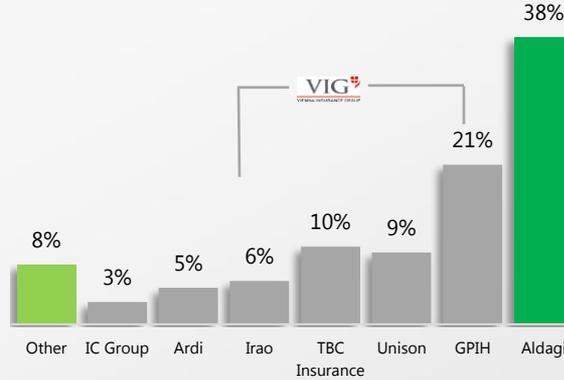
Cash flow					
<i>GEL thousands, unless otherwise noted</i>	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q
Cash flows from operating activities					
Insurance premium received	17,000	15,558	9.3%	21,107	(19.5%)
Reinsurance premium paid	(3,639)	(2,685)	35.5%	(2,952)	23.3%
Insurance benefits and claims paid	(8,813)	(8,477)	4.0%	(11,910)	(26.0%)
Reinsurance claims received	3,509	5,113	(31.4%)	1,616	117.1%
Acquisition costs paid	(1,209)	(1,367)	(11.5%)	(2,326)	(48.0%)
Salaries and benefits paid	(4,992)	(1,882)	165.2%	(2,253)	121.6%
Interest received	625	1,048	(40.3%)	158	NMF
Net other operating expenses paid	(578)	(911)	(36.7%)	(952)	(39.6%)
Net cash flows from operating activities before income tax	1,903	6,397	(70.2%)	2,488	(23.4%)
Income tax paid	-	(1,230)	(100.0%)	(652)	(100.0%)
Net cash flows from operating activities	1,904	5,167	(63.2%)	1,835	3.8%
Cash flows from (used in) investing activities					
Purchase of property and equipment	(216)	(104)	108.8%	(1,387)	(84.4%)
Purchase of intangible assets	(228)	(19)	NMF	(50)	NMF
Proceeds from / (Placement of) bank deposits	-	(2,218)	(100.0%)	(890)	(100.0%)
Purchase of available-for-sale assets/ Deposits	(3,449)	(831)	NMF	505	NMF
Net cash flows from used in investing activities	(3,893)	(3,172)	22.7%	(1,822)	113.7%
Cash flows from financing activities					
Net cash flows from financing activities	-	-	-	-	-
Effect of exchange rates changes	(124)	(201)	(38.5%)	(29)	NMF
Net increase/(decrease) in cash and cash equivalents	(2,114)	1,794	NMF	(15)	NMF
Cash and cash equivalents, beginning	4,185	4,349	(3.8%)	4,201	(0.4%)
Cash and cash equivalents, ending	2,071	6,143	(66.3%)	4,186	(50.5%)

P&C insurance market overview

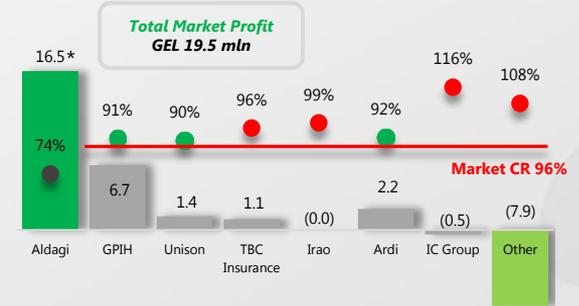
Market & Aldagi Revenue



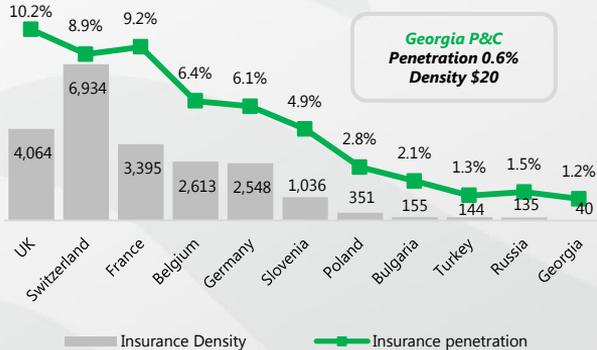
Market Share (earned premium, gross)



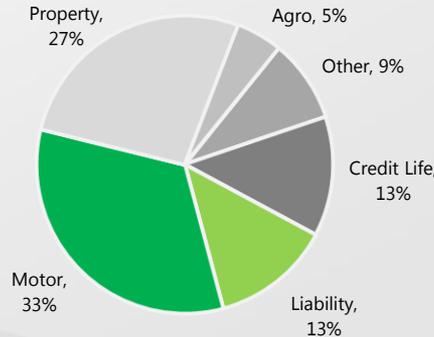
Market PL & Combined Ratio YE17



Insurance Penetration & Density



Market Composition by product lines



Highlights

- 17 insurance companies operating in Georgia
- Aldagi is undisputed leader in P&C market
- Aldagi had 205% solvency ratio** as of 31.03.201
- Outperforming market growth by 6% (2010-2017)
- Aldagi has best combined ratio in the market
- Aldagi's share in total market profit 84%

Source: Insurance State Supervision Service of Georgia, Swiss Re Institute
 * IFRS profit slightly differs from ISSSG reported profit due to differences in accounting policies per regulatory requirements
 ** Solvency ratio - regulatory capital divided by required solvency capital (greater of 18% of premium written and 26% of claims paid)

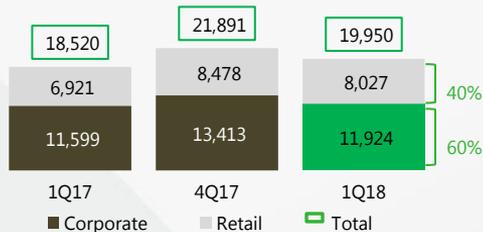
Aldagi – P&C insurance business performance highlights



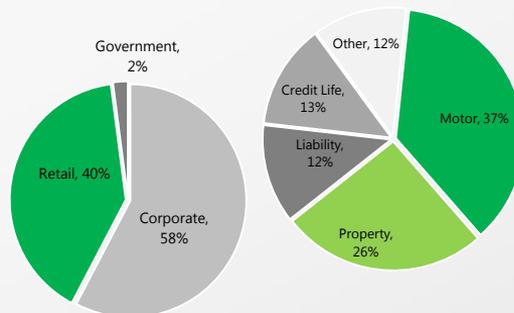
Earned Premium, gross (GEL '000)

+7.7% y-o-y

GEL 20 mln



Earned Premium, gross | Composition



Profit (GEL '000)

+4.1% y-o-y

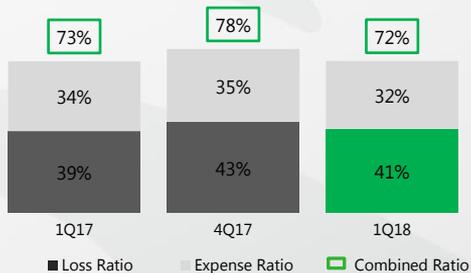
GEL 3.9mln



Combined Ratio

flat y-o-y

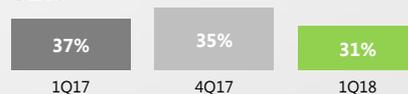
73%



ROAE

-6ppt y-o-y

31%



Stable dividend payout within 40% -60% range

1Q18		
Retail segment growth (premiums earned)	16%	
Retail Segment Concentration in portfolio	40% (+3ppt y-o-y)	
Retail profit growth	54%	
Market Share	38% (+3ppt y-o-y)	
Renewal Ratio	Corporate	81%
	Retail	57%

Aldagi – P&C insurance business overview



Well-diversified business model

Key Segments		Motor	Property	Credit life	Liability	Other
		Motor own damage, motor third party liability insurance	CAR ⁽²⁾ , Commercial property, Household Property, Machinery breakdowns insurance	Loan-linked life insurance	Financial risk, employer's liability, professional indemnity, GTPL ⁽³⁾ , FFL ⁽⁴⁾ , Household GTPL, Product liability insurance	Cargo, CPM ⁽⁵⁾ , Livestock, BBB ⁽⁶⁾ , D&O ⁽⁷⁾ , Agro insurance
Market size (2017)		GEL 74mln	GEL 73mln	GEL 29mln	GEL 29mln	GEL 21mln
Aldagi market share (by earned premium gross)		40%	39%	30%	43%	28%
# of Clients		Corporate – 1,180 Retail – 22,062	Corporate – 954 Retail – 21,857	Retail - 3 channels	Corporate - 710 Retail – 540	Corporate - 233 Retail – 13,165
Financials 1Q18	Earned premiums, gross	GEL 19.95 mln				
	Underwriting profit, net	GEL 7.6 mln				
	Net profit	GEL 3.9 mln				
		2014-2017 CAGR 19% GEL 7.4mln 57% Corporate, 43% Retail	2014-2017 CAGR 2% GEL 5.2mln 19% Corporate, 81% Retail	2014-2017 CAGR 34% GEL 2.5mln 0% Corporate, 100% Retail	2014-2017 CAGR 26% GEL 2.6mln 7% Corporate, 93% Retail	2014-2017 CAGR 52% GEL 2.3mln 10% Corporate, 90% Retail
		2014-2017 CAGR 3% GEL 1.9mln 52% Corporate, 48% Retail	2014-2017 CAGR 16% GEL 1.4mln 50% Corporate, 50% Retail	2014-2017 CAGR 27% GEL 1.8mln 0% Corporate, 100% Retail	2014-2017 CAGR 29% GEL 1.3mln 8% Corporate, 92% Retail	2014-2017 CAGR 39% GEL 1.1mln 33% Corporate, 67% Retail
		2014-2017 CAGR 4% GEL 0.5mln 7% Corporate, 93% Retail	2014-2017 CAGR 19% GEL 0.6mln 75% Corporate, 25% Retail	2014-2017 CAGR 31% GEL 1.3mln 0% Corporate, 100% Retail	2014-2017 CAGR 41% GEL 0.8mln 12% Corporate, 88% Retail	2014-2017 CAGR 60% GEL 0.7mln 21% Corporate, 79% Retail
Combined ratio: 72%		Corporate – 84% Retail – 97%	Corporate – 88% Retail – 56%	Retail – 45%	Corporate – 44% Retail – 47%	Corporate – 43% Retail – 28%

(1) Sources: Insurance State Supervision Service of Georgia
 (2) CAR: Contractors' all risks insurance
 (3) GTPL: General third party liability insurance
 (4) FFL: Freight Forwarders' liability

(5) CPM: Contractor's Plant And Machinery insurance
 (6) BBB: Bankers blanket bond insurance
 (7) D&O: Directors and officers liability Insurance



Aldagi - P&C insurance business targets & priorities



Retail | Penetration ↓



- Local MTPL insurance to be introduced in 2019-2020
- Develop simple products for mass retail
- Digitalization of all processes
- More partnership with financial institutions after demerger

SME | Penetration **Zero**



- Underpenetrated market
- Developing tailored products
- Digital portal for SME

Corporate | Penetration ↑



- Good investment climate
- Stable economical growth
- Increase in infrastructural projects

Content

1. 1Q18 results discussion | Georgia Capital
2. Investment strategy & portfolio overview
- 3. 1Q18 results discussion | Portfolio companies**
 - **Teliani – beverage business**
4. Georgian Macro Overview

Teliani financial highlights



Income Statement

<i>GEL thousands; unless otherwise noted</i>	1Q18	1Q17	Change y-o-y	4Q17	Change q-o-q
Wine Business	4,593	3,446	33.3%	7,164	(35.9%)
Beer Business	4,921	-	NMF	4,736	3.9%
Distribution Business	2,902	2,940	(1.3%)	5,383	(46.1%)
Revenue	12,416	6,386	94.4%	17,283	(28.2%)
Wine Business	(2,228)	(1,831)	21.7%	(3,328)	(33.1%)
Beer Business	(3,567)	-	NMF	(3,438)	3.8%
Distribution Business	(2,250)	(2,244)	0.3%	(4,195)	(46.4%)
COGS	(8,045)	(4,075)	97.4%	(10,961)	(26.6%)
Gross Profit	4,371	2,311	89.1%	6,322	(30.9%)
<i>Gross Profit Margin</i>	35.2%	36.2%		36.6%	
Salaries and other employee benefits	(2,838)	(1,094)	159.4%	(2,542)	11.6%
Sales and marketing expenses	(1,048)	(238)	NMF	(1,497)	(30.0%)
General and administrative expenses	(1,721)	(720)	139.0%	(1,577)	9.1%
Distribution expenses	(884)	(327)	170.3%	(957)	(7.6%)
Other operating expenses	(455)	(88)	NMF	(147)	NMF
EBITDA	(2,575)	(156)	NMF	(398)	NMF
<i>Of which, wine EBITDA</i>	600	392	53.2%	2,233	(73.1%)
<i>Of which, beer EBITDA</i>	(3,004)	(561)	NMF	(2,775)	8.3%
<i>Of which, distribution EBITDA</i>	(171)	15	NMF	144	NMF
Net foreign currency gain (loss)	2,174	2,096	3.7%	(4,404)	NMF
Depreciation and amortization	(2,547)	(360)	NMF	(2,056)	23.9%
Net interest income/expense	(1,158)	(216)	NMF	(1,247)	(7.1%)
Net non-recurring items	-	46	NMF	(47)	NMF
(Loss) profit before income tax	(4,106)	1,410	NMF	(8,152)	(49.6%)
(Loss) Profit	(4,106)	1,410	NMF	(8,152)	(49.6%)

Teliani financial highlights



Balance Sheet

<i>GEL thousands unless otherwise noted</i>	Mar-18	Mar-17	Change y-o-y	Dec-17	Change q-o-q
Cash and cash equivalents	9,055	17,085	(47.0%)	17,455	(48.1%)
Amounts due from financial institutions	3,330	6,742	(50.6%)	4,381	(24.0%)
Trade and other receivables	10,714	5,112	109.6%	12,179	(12.0%)
Inventory	18,961	11,189	69.5%	17,454	8.6%
PPE and intangible assets, net	109,801	81,058	35.5%	104,671	4.9%
Goodwill	5,186	2,836	82.9%	2,836	82.9%
Prepayments and other assets	5,747	16,355	(64.9%)	4,472	28.5%
Total assets	162,794	140,377	16.0%	163,448	(0.4%)
Trade and other payables	13,249	15,763	(15.9%)	14,335	(7.6%)
Borrowings	66,738	57,588	15.9%	71,430	(6.6%)
Short term borrowings	7,134	8,020	(11.0%)	9,948	(28.3%)
Long term borrowings	59,604	49,568	20.2%	61,482	(3.1%)
Other liabilities	2,710	1,369	98.0%	1,776	52.6%
Total liabilities	82,697	74,720	10.7%	87,541	(5.5%)
Share capital	5,200	3,688	41.0%	5,200	0.0%
Additional paid-in capital	92,877	59,793	55.3%	84,465	10.0%
Retained earnings	(16,081)	3,829	NMF	(11,976)	34.3%
Revaluation and other reserves	(1,899)	(1,653)	14.9%	(1,782)	6.6%
Total equity	80,097	65,657	22.0%	75,907	5.5%
Total liabilities and equity	162,794	140,377	16.0%	163,448	(0.4%)

Teliani - Beverage business targets & priorities

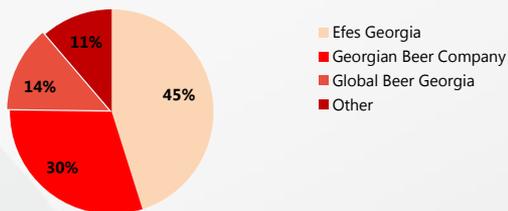
Goal	Become leading beverages producer and distributor in Caucasus		
	Wine business	Distribution business	Beer production business
Business Segments			
Market share 2018	<ul style="list-style-type: none"> C. 732k bottles sold in 1Q18 GEL 4.59 mln revenue in 1Q18 GEL 600 k EBITDA in 1Q18 76% of sales from export In April 2018, we acquired a 60% indirect controlling interest in Kindzmarauli Marani LLC, a producer of exquisite Georgian wines and spirits, which owns 350 hectares of vineyards. With this acquisition major step was made towards increasing our vineyard base to the targeted 1,000 hectares, from the current 86 hectares, over the next three years 	<ul style="list-style-type: none"> C. 5,369 sales points Exporting wine to 14 countries, including all FSU, Poland, Sweden, USA, Canada, China 	<ul style="list-style-type: none"> Launched mainstream beer and lemonade production under ICY and Berika brands in June and August 2017, respectively In February 2018, we acquired a 100% equity stake in a leading Georgian craft beer producer – Black Lion LLC Beer and Lemonade sales amounted GEL 4.4 mln and GEL 0.5 mln in 1Q18, respectively C. 7,600 sales points at the end of 1Q18 10 year exclusivity with Heineken to produce beer to be sold in Georgia, Armenia and Azerbaijan (c.17mln population)
Priorities	<ul style="list-style-type: none"> Local market – market leader with 35% market share in premium HoReCa and modern trade segment based on bottle wine sales Export sales – c. 9% market share of exported wine from Georgia, excluding Russia 	<ul style="list-style-type: none"> Wine & Sparkling Wine distribution – market leader Other products distribution – second largest distributor on the market Lavazza coffee distribution – market leader in ground coffee and in HoReCa distribution 	<ul style="list-style-type: none"> Local production – 13% market share based on LT sales at the end of 1Q18 Imported beer – 21% market share of the total imported beer (LT) at the end of 1Q18 Heineken is the highest equity valued brand in Georgia – 8.4 (out of 10)
	<ul style="list-style-type: none"> Grow in line with market locally Enhance exports Grow its vineyard base to 1,000 hectares from currently owned 436 hectares over the next three years 	<ul style="list-style-type: none"> Enhance product portfolio, becoming the leading FMCG distributor in Georgia 	<ul style="list-style-type: none"> Achieve 23% market share

Teliani - Beverage business performance highlights

Exclusive Heineken producer in Caucasus

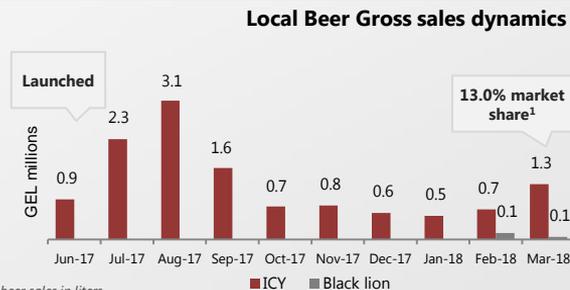
Highly concentrated beer market

Domestic market segmentation 1Q18



Strong performance of local beer brands

Local beer brands: ICY & Black Lion



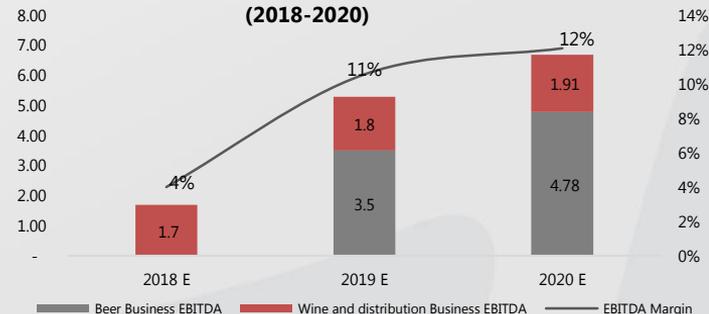
Wine Exports Dynamics (millions of bottles)

Export sales, are presented excluding wine sales to Russia



EBITDA projection

EBITDA Evolution, US\$ million (2018-2020)



Content



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5. Appendices

Sovereign Ratings with Stable Outlook and Favourable Macro Fundamentals



Key Ratings Highlights

Rating Agency	Rating	Outlook	Affirmed
MOODY'S	Ba2	Stable	March 2018
S&P Global	BB-	Stable	May 2018
FitchRatings	BB-	Positive	March 2018

Georgia is favorably placed among peers

Country	Country Rating	Rating Outlook
Armenia	B+	Positive
Azerbaijan	BB+	Stable
Belarus	B	Stable
Czech Republic	A+	Positive
Georgia	BB-	Stable
Kazakhstan	BBB	Stable
Turkey	BB+	Stable
Ukraine	B-	Stable

General Facts



Economy

- Nominal GDP (Geostat, preliminary) 2017: GEL 38.0 bln (US\$15.2 bln)
- Real GDP growth rate 2013-2017: 3.4%, 4.6%, 2.9%, 2.8%, 5.0%
- Real GDP 2007-17 annual average growth rate: 4.5%
- GDP per capita 2017 (PPP) per IMF: US\$ 10,644
- Annual inflation (e-o-p) 2017: 6.7%
- External public debt to GDP 2017: 35.4%

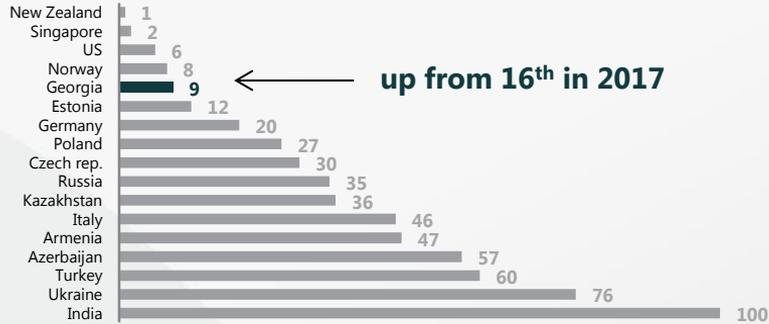
Georgia's key Economic Drivers



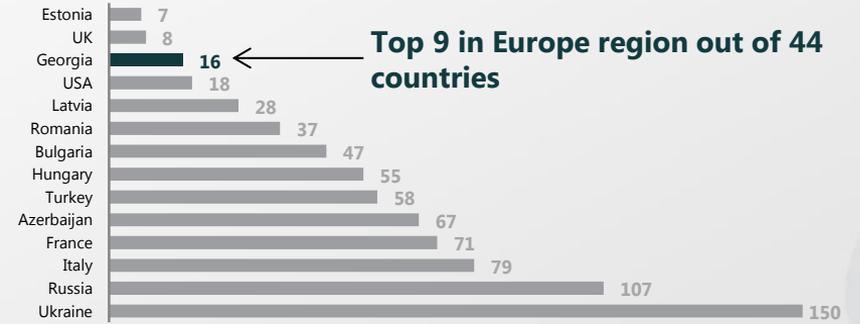
Liberal economic policy	<p>Top performer globally in WB Doing Business over the past 12 years</p> <ul style="list-style-type: none">Liberty Act (effective January 2014) ensures a credible fiscal and monetary framework:Public expenditure/GDP capped at 30%; Fiscal deficit/GDP capped at 3%; Public debt/GDP capped at 60%Business friendly environment and low tax regime (attested by favourable international rankings)
Regional logistics and tourism hub	<p>A natural transport and logistics hub, connecting land-locked energy rich countries in the east and European markets in the west</p> <ul style="list-style-type: none">Access to a market of 2.8bn customers without customs duties: Free trade agreements with EU, China, CIS and Turkey and GSP with USA, Canada, Japan, Norway and Switzerland; FTA with Hong Kong expected to be signed shortly; FTA with India under considerationTourism revenues on the rise: tourism inflows stood at 18.2% of GDP in 2017 and arrivals reached 7.6mln visitors in 2017 (up 18.8% y-o-y), out of which tourist arrivals were up 27.9% y-o-y to 3.5mln visitors.Regional energy transit corridor accounting for 1.6% of the world's oil and gas transit volumes
Strong FDI	<p>An influx of foreign investors on the back of the economic reforms have boosted productivity and accelerated growth</p> <ul style="list-style-type: none">FDI stood at US\$ 1.9bln (12.3% of GDP) in 2017, up 16.2% y-o-yFDI averaged 10.0% of GDP in 2007-2017
Support from international community	<p>Georgia and the EU signed an Association Agreement and DCFTA in June 2014</p> <ul style="list-style-type: none">Visa-free travel to the EU is another major success in Georgian foreign policy. Georgian passport holders were granted free visa entrance to the EU countries from 28 March 2017Discussions commenced with the USA to drive inward investments and exportsStrong political support from NATO, EU, US, UN and member of WTO since 2000; Substantial support from DFIs, the US and EU
Electricity transit hub potential	<p>Developed, stable and competitively priced energy sector</p> <ul style="list-style-type: none">Only 20% of hydropower capacity utilized; 145 renewable (HPPs/WPPs/SPPs) energy power plants are in various stages of construction or developmentGeorgia imports natural gas mainly from AzerbaijanSignificantly boosted transmission capacity in recent years, a new 400 kV line to Turkey and 500 kV line to Azerbaijan built, other transmission lines to Armenia and Russia upgradedAdditional 2,000 MW transmission capacity development in the pipeline, facilitating cross-border electricity trade and energy swaps to Eastern Europe
Political environment stabilised	<ul style="list-style-type: none">Georgia underscored its commitment to European values by securing a democratic transfer of political power in successive parliamentary, presidential, and local elections and by signing an Association Agreement and free trade agreement with the EUNew constitution amendments passed in 2013 to enhance governing responsibility of Parliament and reduce the powers of the PresidencyContinued economic relationship with Russia, although economic dependence is relatively lowRussia began issuing visas to Georgians in March 2009; Georgia abolished visa requirements for Russians – Russia announced the easing of visa procedures for Georgians citizens effective December 23, 2015Direct flights between the two countries resumed in January 2010Member of WTO since 2000, allowed Russia's access to WTO; In 2013 trade restored with RussiaIn 2017, Russia accounted for 14.5% of Georgia's exports and 9.9% of imports; just 3.5% of cumulative FDI over 2003-2017

Institutional Oriented Reforms

Ease of Doing Business | 2018 (WB-IFC Doing Business Report)

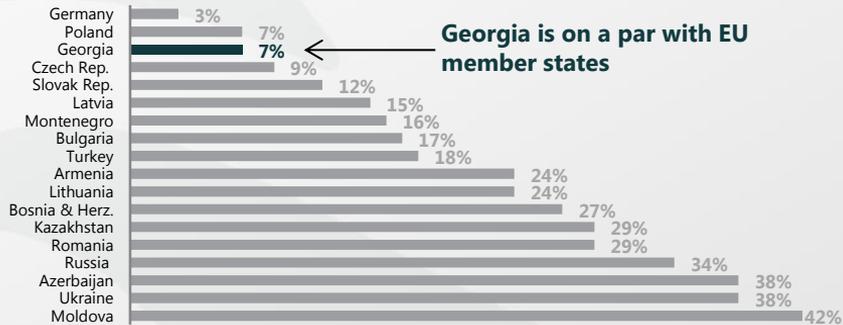


Economic Freedom Index | 2018 (Heritage Foundation)

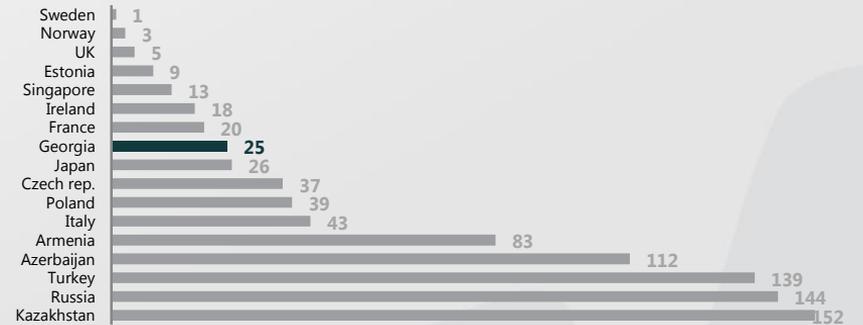


Global Corruption Barometer | TI 2017

% admitting having paid a bribe last year



Business Bribery Risk, 2017 | Trace International



Sources: Transparency International, Heritage Foundation, World Bank, Trace International

Diversified resilient economy

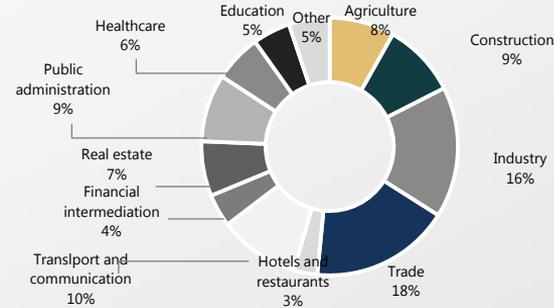
Gross domestic product

Source: Geostat



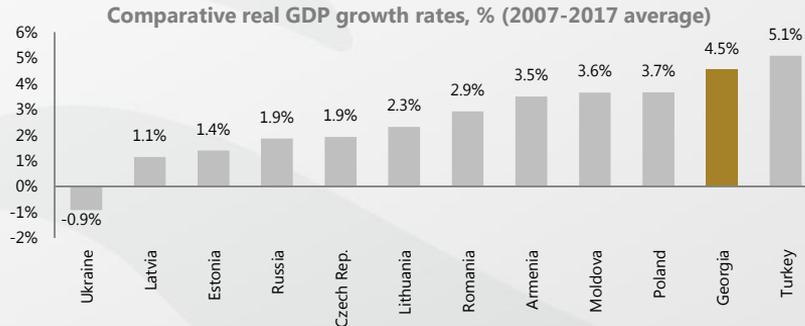
Diversified nominal GDP structure, 2017

Source: Geostat



One of the Fastest Developing Economies in the Region (2007-2017 average)

Sources: IMF



Monthly Economic Activity Estimate, y/y growth

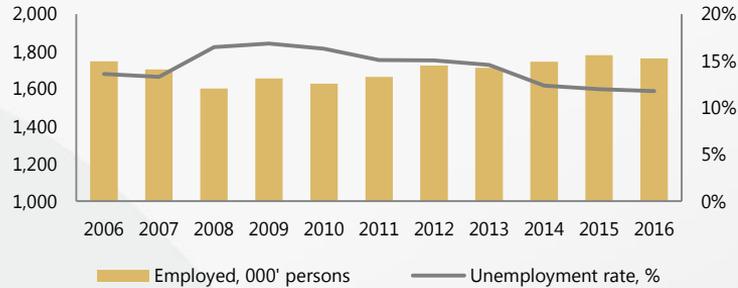
Sources: GeoStat



Room for Further Job Creation

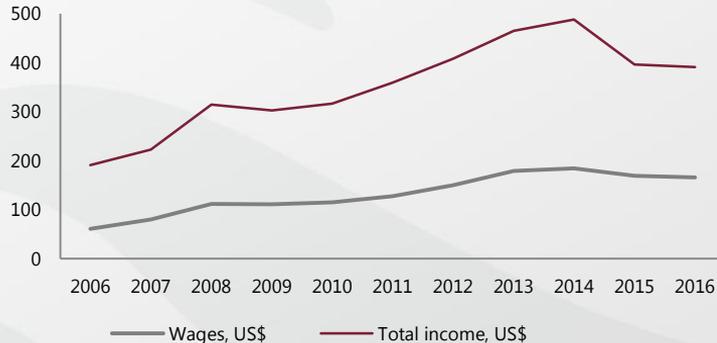
Unemployment rate down 0.2ppts y/y to 11.8% in 2016

Sources: GeoStat



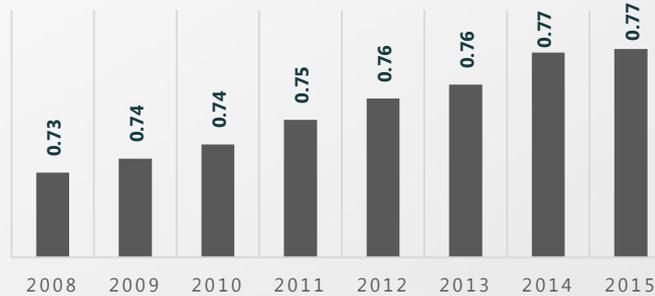
Average monthly wages and income per household

Sources: GeoStat



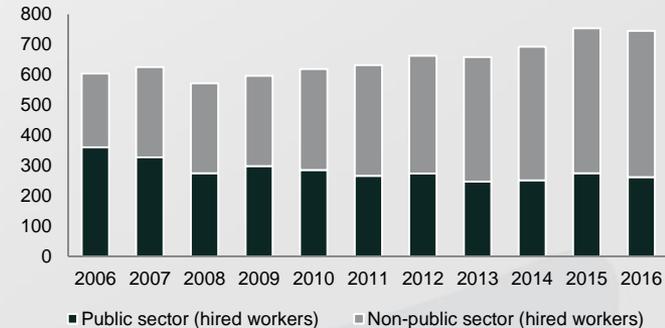
UNDP Human Development Index

Sources: UNDP



Hired workers accounted for 42.3% in total employment in 2016

Sources: GeoStat



Inflation targeting since 2009

Inflation y/y vs. inflation target

Sources: NBG, GeoStat



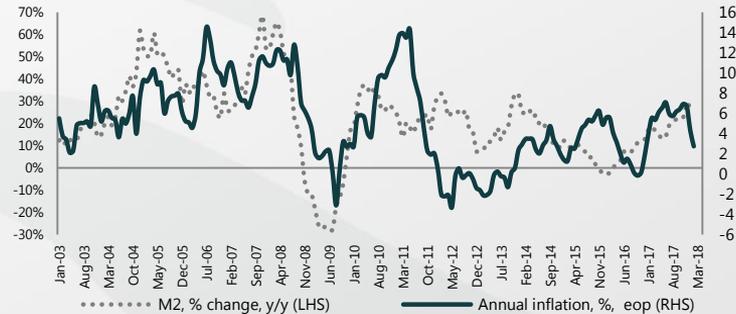
Inflation y/y

Source: GeoStat



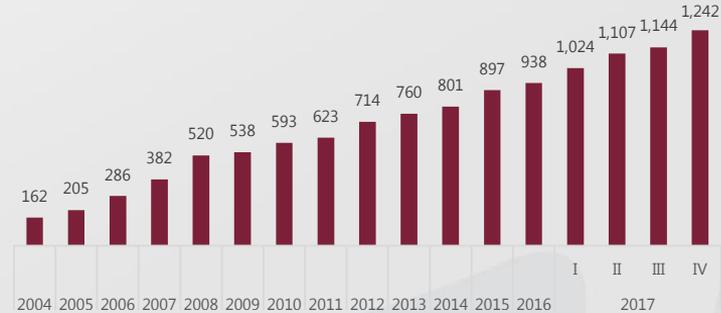
M2 vs. inflation, y-o-y, %

Sources: Geostat, NBG



Average monthly wages in business sector

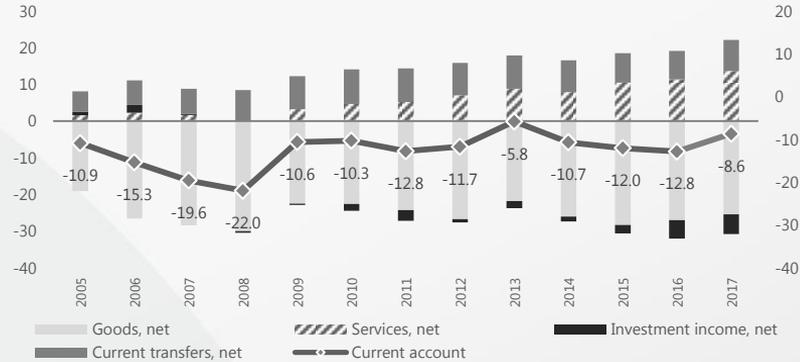
Source: Geostat



Current account deficit supported by FDI

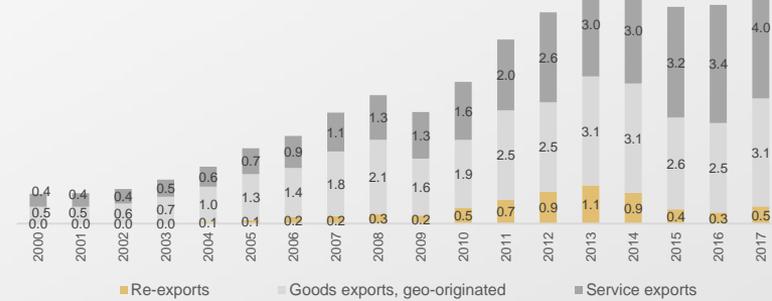
Current account balance (% of nominal GDP)

Sources: NBG



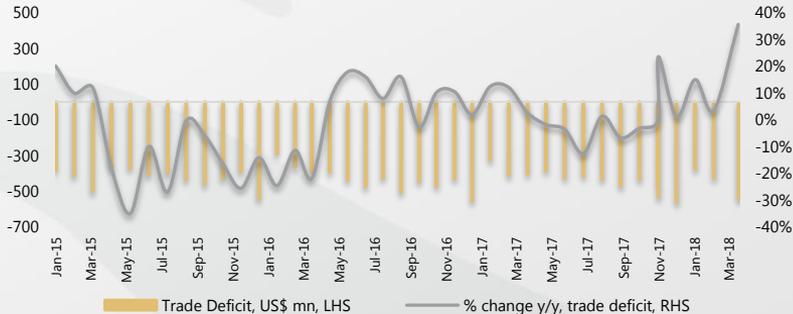
Exports and Re-exports, US\$ bln

Source: NBG



Goods' Trade Deficit

Source: GeoStat



FDI and capital goods import

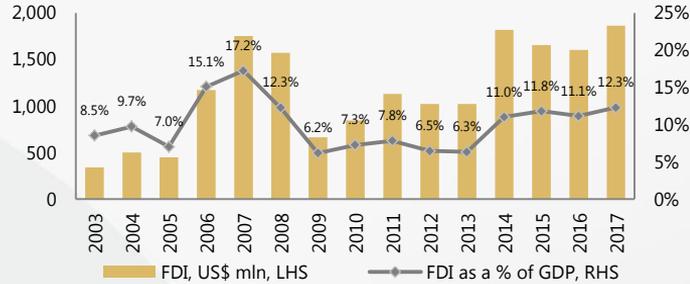
Source: GeoStat



Diversified sources of capital

Strong foreign investor interest

Sources: GeoStat



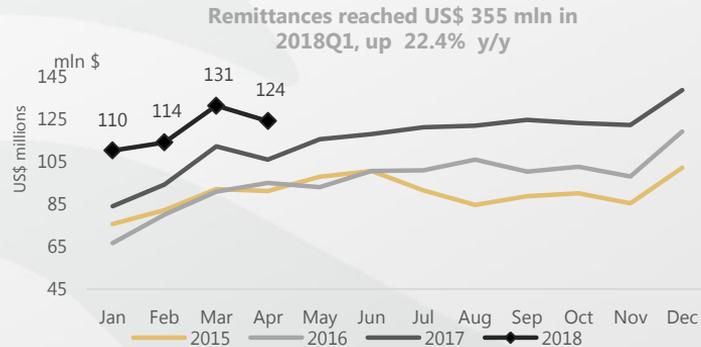
Visitors and tourism revenues on the rise

Sources: GNTA, NBG



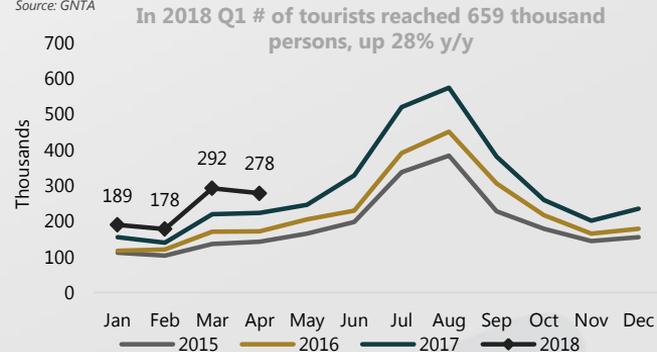
Remittances - steady source of external funding

Source: NBG



Number of Tourists⁽¹⁾

Source: GNTA



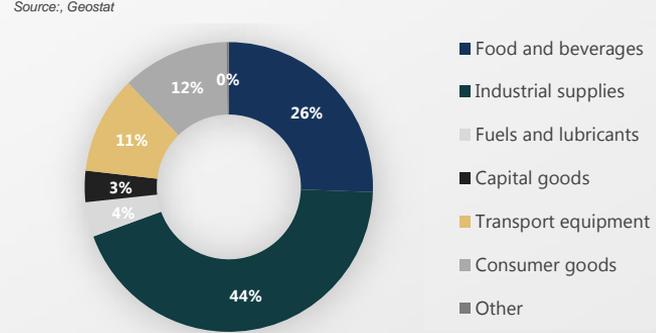
(1) Tourists are defined as visitors staying 24 hour and more

Diversified foreign trade

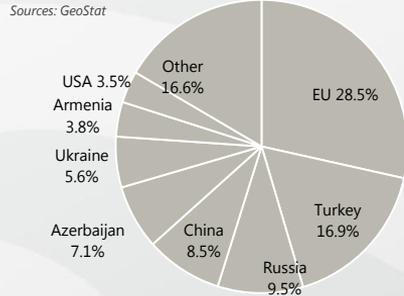
Contribution to import growth



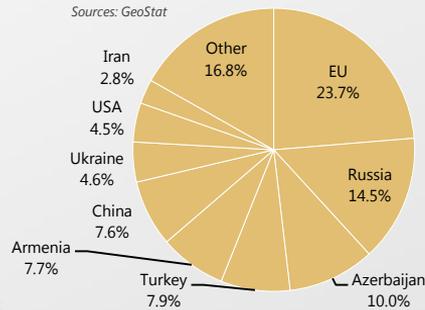
Foreign Demand, 2017



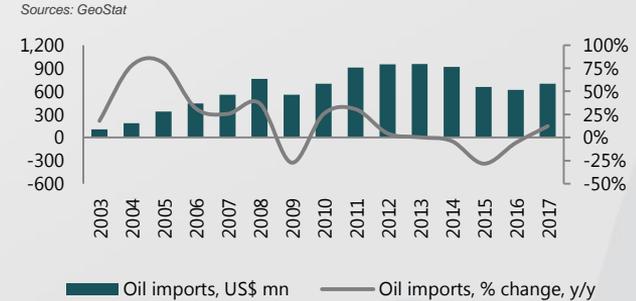
Imports, 2017



Exports, 2017



Oil imports

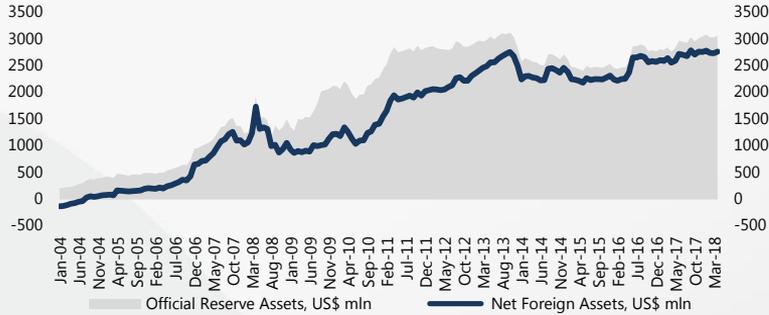


Prudent monetary policy ensures macro-financial stability



International reserves

Sources: NBG



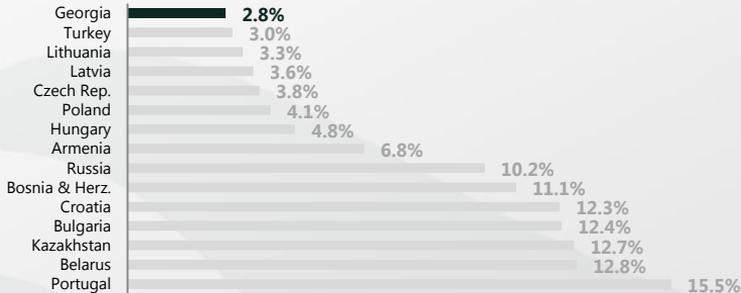
Monetary policy rate

Sources: NBG



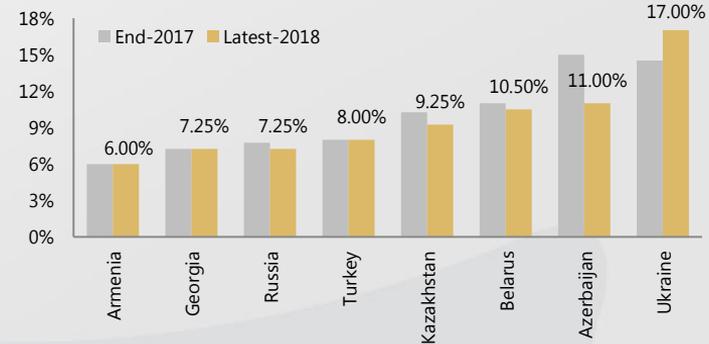
Nonperforming loans to total gross loans

Sources: IMF, NBG



Monetary policy rate remains low vs. peers

Sources: Central banks

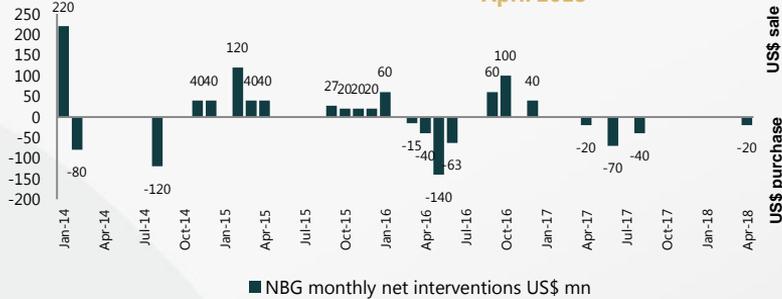


Floating exchange rate - policy priority

Central Bank's interventions

Sources: NBG

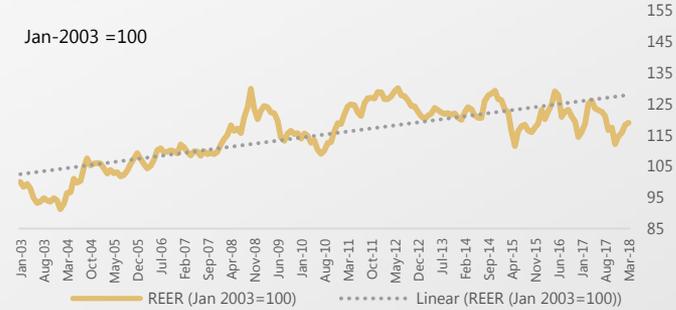
NBG purchased US\$ 20mn in April 2018



Real effective exchange rate (REER)

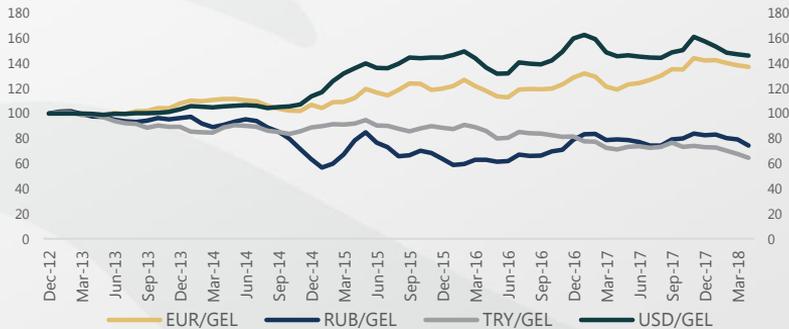
Sources: NBG

Jan-2003 = 100



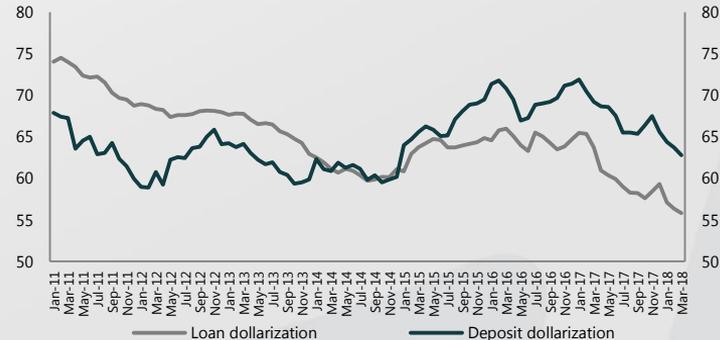
Bilateral exchange rate indices (Dec2012=100)

Sources: NBG



Dollarization ratios

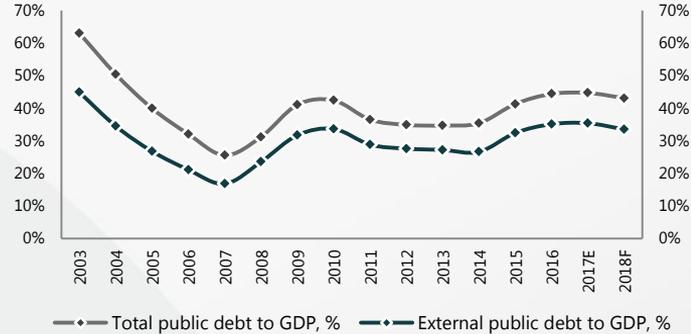
Sources: NBG



Low public debt

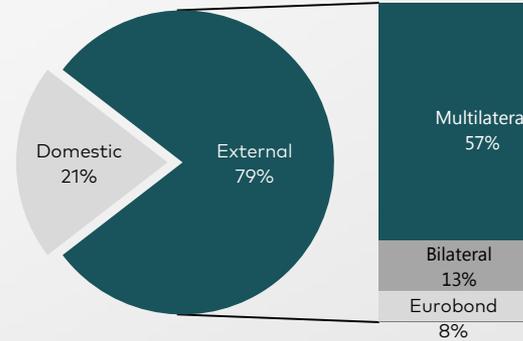
Public debt as % of GDP is capped at 60%

Sources: MOF



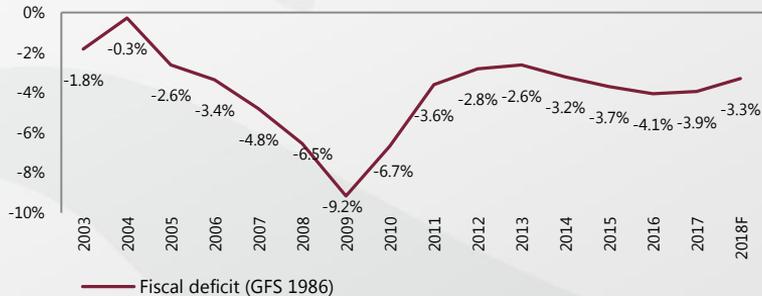
Breakdown of public debt

Source: MOF, as of 31 December 2017



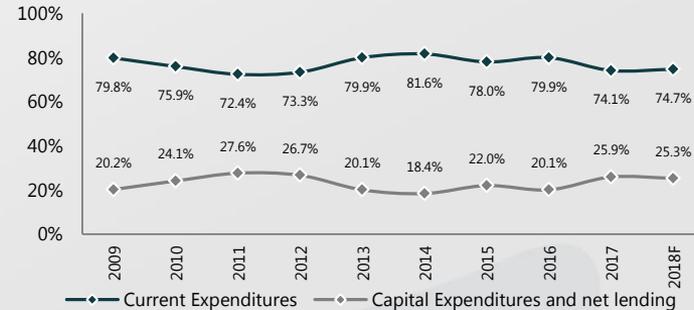
Fiscal deficit

Source: MOF
Note: Deficit calculated based on IMF's GFSM-1986 methodology



Current vs Capital Expenditure

Source: MOF



Government 4-pillar of Reforms

1 Structural Reforms

- **Tax Reform**
 - Corporate income tax reform
 - Enhancing easiness of tax compliance
- **Capital Market Reform**
 - Boosting stock exchange activities
 - Developing of local bond market
- **Pension Reform**
 - Introduction of private pension system
- **PPP Reform**
 - Introduction of transparent and efficient PPP framework
- **Public Investment Management Framework**
 - Improved efficiency of state projects
- **Deposit Insurance**
 - Boosting private savings
 - Enhancing trust to financial system
- **Accounting Reform**
 - Increased Transparency and financial accountability
 - Enhanced protection of shareholder rights
- **Association Agreement Agenda**

2 Promoting Transit & Tourism Hub

- **Roads**
 - Plan to finish all spinal projects by 2020 – East-West Highway, other supporting infrastructure
- **Rail**
 - Baku – Tbilisi Kars new railroad line
 - Railway modernization project
- **Air**
 - Tbilisi International Airport
 - 2nd runway to be constructed
 - International Cargo terminal
- **Maritime**
 - Anaklia deep water Black Sea port
 - Strategic location
 - Capable of accommodating Panamax type cargo vessels
 - High capacity – up to 100mln tons turnover annually
 - **Up to USD 1bln** for first phase (out of 9) in Georgia

3 Promoting Open Governance

- **Improvement of Public Services offered to the Private Sector**
 - Creation of "Front Office"
 - Application of "Single Window Principle"
- **Involvement of the Private Sector in Legislative Process**
 - Discussion of draft legislation at an early stage
- **Strict monitoring of implementation of government decisions**
 - Creation of special unit for monitoring purposes

4 Education Reform

- **General Education Reform**
 - Maximising quality of teaching in secondary schools
- **Fundamental Reform of Higher Education**
 - Based on the comprehensive research of the labour market needs
- **Improvement of Vocational Education**
 - Increase involvement of the private sector in the professional education

Content



1. 1Q18 results discussion | Georgia Capital
2. Investment strategy & portfolio overview
3. 1Q18 results discussion | Portfolio companies
4. Georgian Macro Overview
5. **Appendices**

Georgia Capital - consolidated income statement



<i>GEL thousands unless otherwise noted</i>	Quarterly income statement				
	1Q18	1Q17	y-o-y change (%)	4Q17	q-o-q change (%)
Utility and energy revenue	30,654	27,236	12.5%	33,286	(7.9%)
Cost of utility and energy	(9,804)	(9,709)	1.0%	(10,417)	(5.9%)
Gross utility and energy profit	20,850	17,527	19.0%	22,869	(8.8%)
Net insurance premiums earned	12,943	12,527	3.3%	13,512	(4.2%)
Net insurance claims incurred	(6,091)	(5,637)	8.1%	(7,207)	(15.5%)
Gross insurance profit	6,852	6,890	(0.6%)	6,305	8.7%
Real estate revenue	29,207	19,781	47.7%	32,982	(11.4%)
Cost of real estate	(25,270)	(17,192)	47.0%	(27,209)	(7.1%)
Gross real estate profit	3,937	2,589	52.1%	5,773	(31.8%)
Beverage revenue	12,516	7,145	75.2%	14,615	(14.4%)
Cost of beverage	(8,045)	(4,828)	66.6%	(7,506)	7.2%
Gross beverage profit	4,471	2,317	93.0%	7,109	(37.1%)
Other income	1,672	1,528	9.4%	2,502	(33.2%)
Gross profit	37,782	30,851	22.5%	44,558	(15.2%)
Salaries and other employee benefits	(11,053)	(6,259)	76.6%	(10,427)	6.0%
Administrative expenses	(9,882)	(7,456)	32.5%	(11,824)	(16.4%)
Other operating expenses	(575)	(176)	NMF	(424)	35.6%
Impairment charge	(2,005)	(104)	NMF	(618)	NMF
EBITDA	14,267	16,856	(15.4%)	21,265	(32.9%)
Depreciation and amortisation	(8,972)	(5,598)	60.3%	(9,056)	(0.9%)
Net foreign currency gain (loss)	5,878	5,771	1.9%	(5,797)	NMF
Interest income	3,934	2,532	55.4%	4,088	(3.8%)
Interest expense	(9,524)	(6,770)	40.7%	(8,969)	6.2%
Net operating income before non-recurring items	5,583	12,791	(56.4%)	1,531	NMF
Net non-recurring items	(156)	113	NMF	(460)	(66.1%)
Profit before income tax expense from continuing operations	5,427	12,904	(57.9%)	1,071	NMF
Income tax expense	(693)	(687)	0.9%	(1,666)	(58.4%)
Profit (loss) from continuing operations ¹	4,734	12,217	(61.3%)	(595)	NMF
Profit from discontinued operations	24,641	12,829	92.1%	12,270	100.8%
Profit	29,375	25,046	17.3%	11,675	151.6%
Attributable to:					
–shareholders of the Group	17,168	17,791	(3.5%)	7,042	143.8%
–non-controlling interests	12,207	7,255	68.3%	4,633	163.5%

(1) Profit from discontinued operations includes GEL 7.7mln reversal of GHG's depreciation expense in line with IFRS requirements, GHG's underlying profit was GEL 16mln

Georgia Capital - consolidated balance sheet



<i>GEL thousands unless otherwise noted</i>	For the quarter ended				
	31-Mar-18	31-Mar-17	y-o-y change (%)	31-Dec-17	q-o-q change (%)
Cash and cash equivalents	528,697	359,629	47.0%	374,301	41.2%
Amounts due from credit institutions	37,667	174,248	(78.4%)	38,141	(1.2%)
Debt securities owned	45,233	2,197	NMF	31,906	41.8%
Equity investments at fair value	707,153	1,153	NMF	1,153	NMF
Accounts receivable	32,669	140,489	(76.7%)	35,446	(7.8%)
Insurance premiums receivable	28,392	53,256	(46.7%)	30,854	(8.0%)
Inventories	77,626	195,946	(60.4%)	80,108	(3.1%)
Investment property	153,638	131,378	16.9%	155,367	(1.1%)
Property and equipment	700,905	1,053,786	(33.5%)	661,176	6.0%
Goodwill	24,275	124,371	(80.5%)	21,925	10.7%
Intangible assets	5,233	20,601	(74.6%)	5,455	(4.1%)
Income tax assets	1,179	4,291	(72.5%)	1,374	(14.2%)
Prepayments	105,803	74,168	42.7%	88,057	20.2%
Other assets	189,768	79,972	137.3%	73,468	158.3%
Assets of disposal group held for sale	1,202,765	-	NMF	1,165,182	3.2%
Total assets	3,841,003	2,415,485	59.0%	2,763,913	39.0%
Accounts payable	42,012	133,720	(68.6%)	46,479	(9.6%)
Insurance contracts liabilities	43,103	71,620	(39.8%)	46,402	(7.1%)
Borrowings	381,070	532,572	(28.4%)	377,501	0.9%
Debt securities issued	732,401	335,773	118.1%	357,442	104.9%
Income tax liabilities	545	1,662	(67.2%)	859	(36.6%)
Deferred income	64,035	73,970	(13.4%)	73,066	(12.4%)
Other liabilities	71,342	204,085	(65.0%)	63,470	12.4%
Liabilities of disposal group held for sale	629,955	-	NMF	619,026	1.8%
Total liabilities	1,964,463	1,353,402	45.1%	1,584,245	24.0%
Total equity attributable to shareholders of the Group	1,572,608	824,709	90.7%	874,788	79.8%
Non-controlling interests	303,932	237,374	28.0%	304,880	(0.3%)
Total equity	1,876,540	1,062,083	76.7%	1,179,668	59.1%
Total liabilities and equity	3,841,003	2,415,485	59.0%	2,763,913	39.0%

Water utility and energy business (GGU) – cash flow



GEL thousands unless otherwise noted	Quarterly cash flow statement				
	1Q18	1Q17	y-o-y change (%)	4Q17	q-o-q change (%)
Profit before income tax	6,778	7,019	(3.4%)	9,077	(25.3%)
<i>Adjustments for:</i>					
Depreciation and amortisation	6,117	4,821	26.9%	5,229	17.0%
Allowance for impairment of trade receivables	1,449	(274)	NMF	(338)	NMF
Reversal of/(Charge for) provisions and legal claims related expenses	137	38	NMF	(99)	NMF
Net loss from disposal of property, plant and equipment and investment property	395	184	NMF	295	33.8%
Revaluation gain on investment property	-	-	0.0%	(554)	(100.0%)
Net foreign exchange losses	(1,760)	328	NMF	386	NMF
Interest income	(221)	(388)	(43.0%)	(823)	(73.2%)
Finance costs	3,517	2,638	33.3%	4,605	(23.6%)
Non-recurring expenses	124	-	100.0%	1,263	(90.1%)
Share-based payment expense	181	-	100.0%	388	(53.4%)
Operating cash flows before working capital changes					
Change in inventories	110	(50)	NMF	(7)	NMF
Change in trade and other receivables	(4,797)	(2,686)	78.6%	(1,697)	NMF
Change in prepaid taxes other than income tax	1,624	1,301	24.8%	(1,589)	NMF
Change in prepayments	(950)	(5,510)	(82.8%)	7,109	NMF
Change in trade and other payables	5,708	4,879	17.0%	(2,160)	NMF
Change in deferred revenue	481	145	NMF	795	(39.6%)
Change in advances received	1,205	2,636	(54.3%)	3,007	(59.9%)
Change in other tax payables	837	(103)	NMF	(1,435)	NMF
Change in restricted cash	2,567	359	NMF	(3,341)	NMF
Change in other non-current liabilities	1	-	100.0%	(22)	NMF
Interest received	180	419	(56.9%)	940	(80.8%)
Interest paid	(864)	(2,606)	(66.8%)	(5,188)	(83.3%)
Income tax paid	1	(534)	(100.3%)	(1,683)	NMF
Total cash flow from operating activities	22,819	12,617	80.9%	14,158	61.2%
Purchase of PPE and intangible assets	(57,076)	(24,142)	NMF	(80,534)	(29.1%)
Purchase of investment property	-	-	0.0%	(12)	(100.0%)
Proceeds from PPE sale	(0)	14	(100.0%)	(0)	(100.0%)
Proceeds from sale of investment property	1,100	-	0.0%	0	NMF
Restricted cash in Bank	-	(12,249)	(100.0%)	8,275	(100.0%)
Total cash flow used in investing activities	(55,976)	(36,377)	53.9%	(72,271)	(22.5%)
Proceeds from borrowings	11,697	12,412	(5.8%)	265,792	(95.6%)
Repayment of borrowings	(2,744)	(4,359)	(37.1%)	(146,159)	(98.1%)
Contributions under share-based payment plan	-	-	0.0%	(2,599)	(100.0%)
Dividends paid out	-	-	0.0%	(28,000)	(100.0%)
Capital increase	-	780	(100.0%)	2,607	(100.0%)
Total cash flow used in financing activities	8,953	8,833	1.4%	91,641	(90.2%)
Effect of exchange rates changes	(2,064)	(676)	NMF	6,075	NMF
Total cash (outflow)/inflow	(26,268)	(15,603)	68.4%	39,604	NMF
Cash, beginning balance	70,261	32,379	117.0%	30,657	129.2%
Cash, ending balance	43,993	16,776	162.2%	70,261	(37.4%)

