

3Q22 RESULTS PRESENTATION



Note: The results are based on International Financial Reporting Standards ("IFRS"), are unaudited and extracted from management accounts.

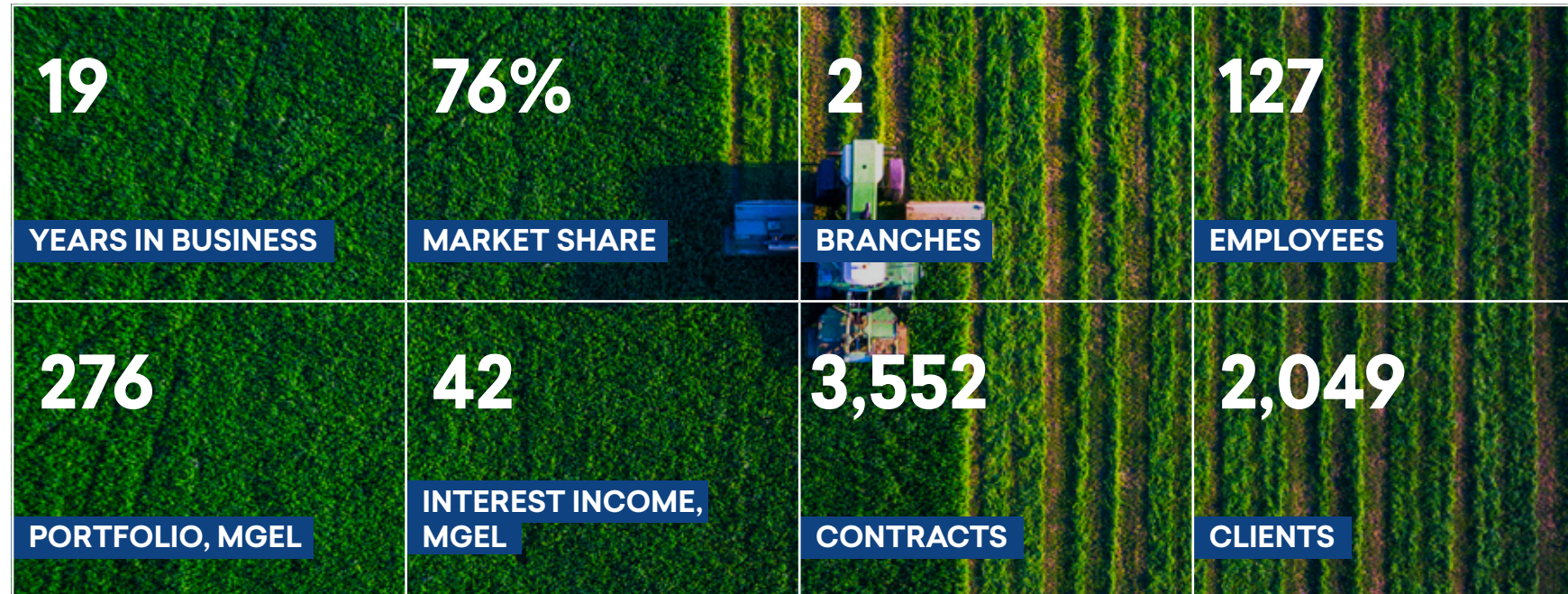
September 30, 2022

01 TBCL AT A GLANCE

02 INDUSTRY AND MARKET OVERVIEW

03 PERFORMANCE OVERVIEW

04 ANNEXES



NO. 1 COMPANY IN ATTRACTING INTERNATIONAL FINANCIAL RESOURCES AMONG LEASING COMPANIES



STABLE FITCH CREDIT RATING
Highest among non-banking institutions



BEST ANNUAL REPORT 2021
SME COMPANIES





MANAGEMENT TEAM

SUPERVISORY BOARD



GEORGE TKHELIDZE
Chairman
Deputy CEO, Corporate &
Investment Banking
TBC Bank Group PLC



NINO MASURASHVILI
Deputy Chairman
Deputy CEO, Chief Risk Officer
TBC Bank Group PLC



TORNIKE GOGICHAISHVILI
Member
Deputy CEO, Retail Banking
TBC Bank Group PLC



MERI CHACHANIDZE
Member
Managing Director
TBC Capital LLC



ZURAB PICHKHAIA
Independent Member
Head of Audit Committee
TBC Leasing JSC

MANAGEMENT



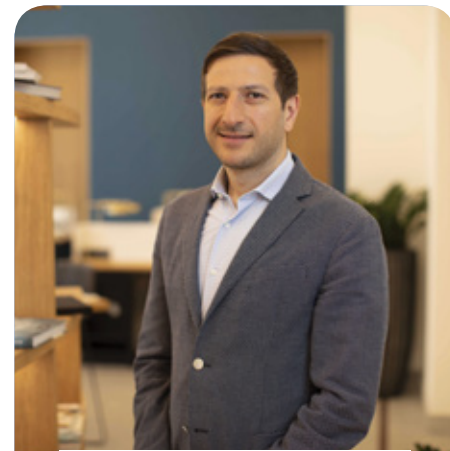
GAGA GOGUA
Chief Executive Officer



ZURAB GUGUSHVILI
Chief Commercial Officer



GIORGI MAISURADZE
Chief Risk Officer



NUGZAR LOLADZE
Chief Financial Officer

01 TBCL AT A GLANCE

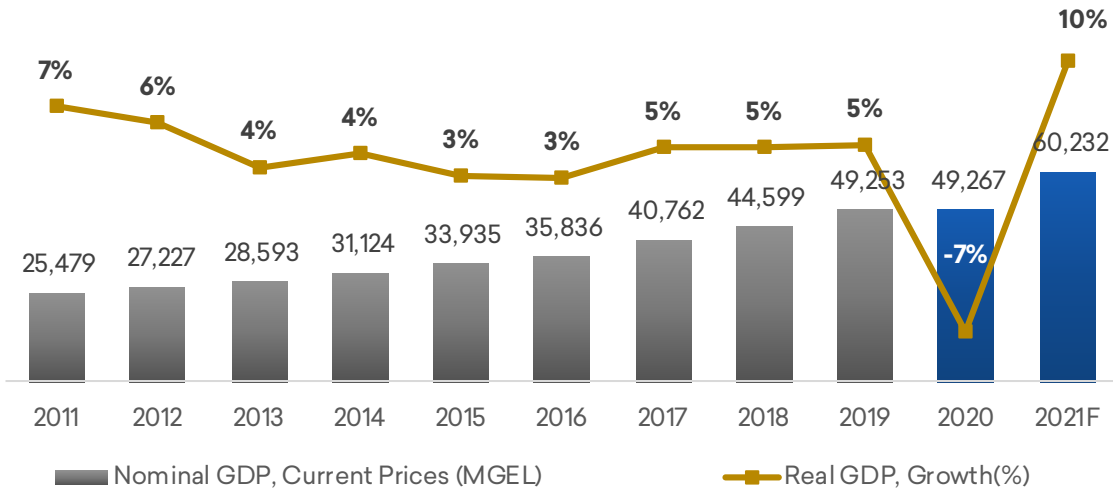
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POSITIVE ECONOMIC OUTLOOK

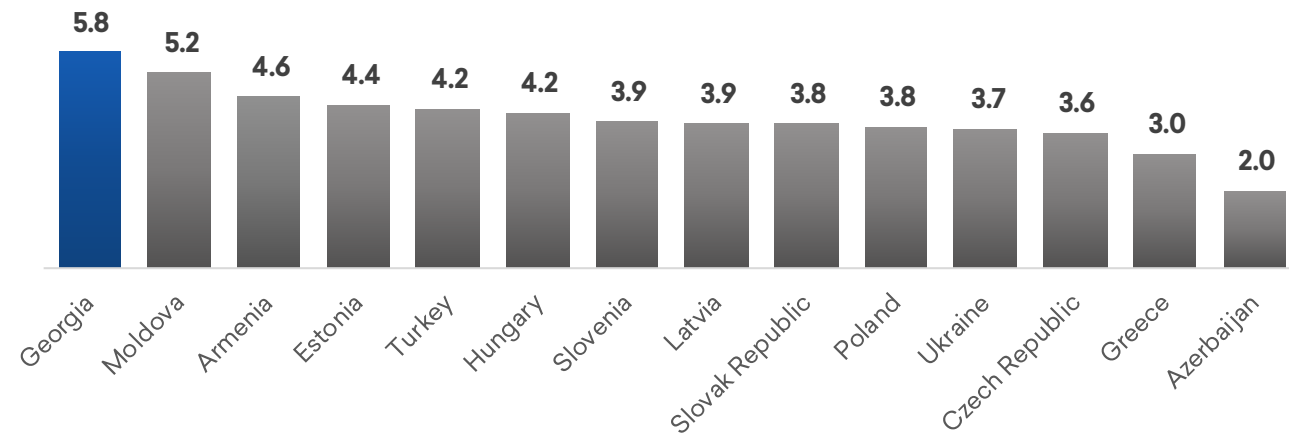
GROSS DOMESTIC PRODUCT



Source: Geostat (data for 2021 is preliminary), IMF - World Economic Outlook 2022

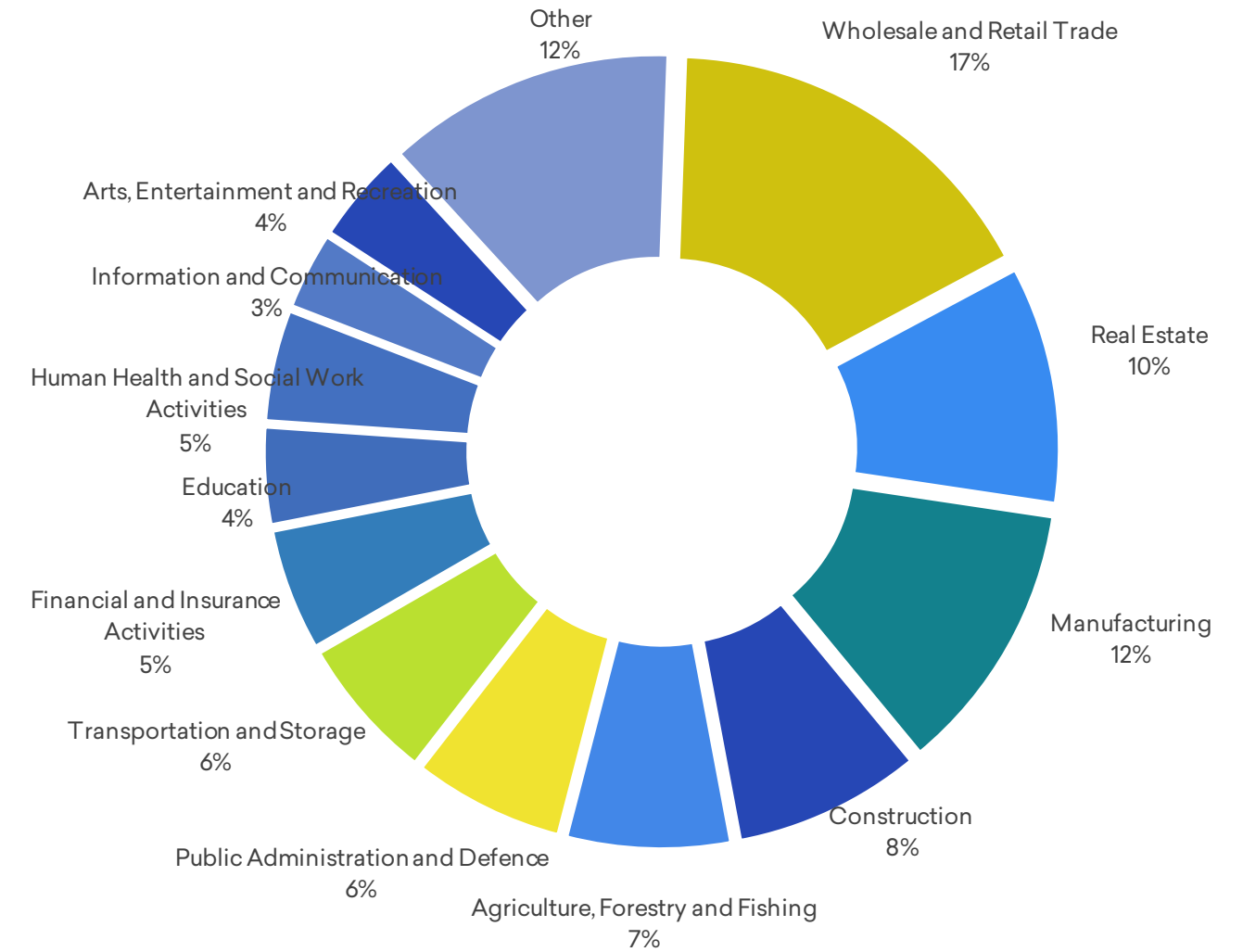
REAL GDP GROWTH | 2021-2026 AVERAGE

One of the fastest developing economies in the region



Source: IMF - World Economic Outlook 2022

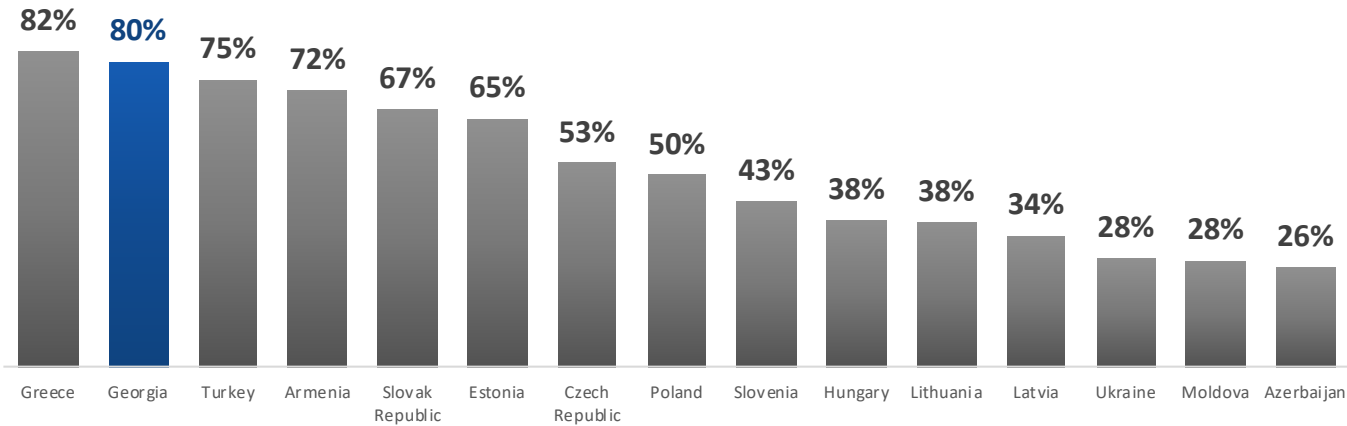
NOMINAL GDP STRUCTURE | 2021



Source: Geostat, 2021 preliminary data (Revised data will be published on November 15, 2022)

PRIVATE SECTOR CREDIT-TO-GDP | 2020

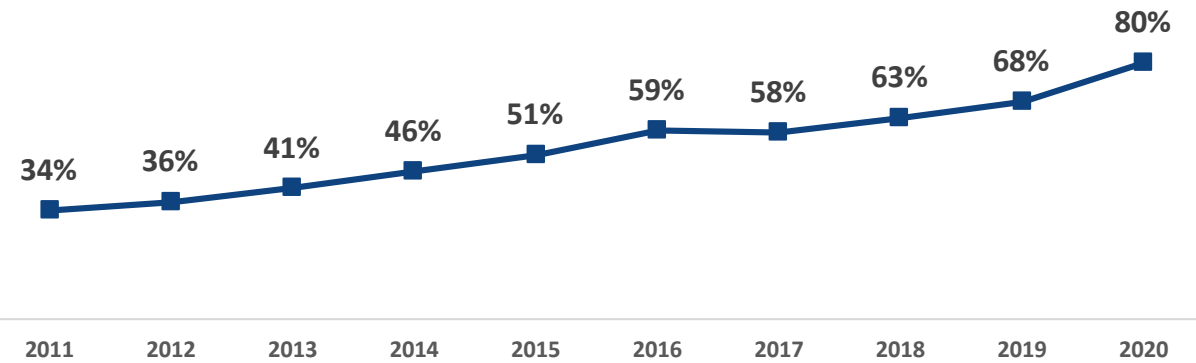
Georgia stands alongside Turkey and other peer countries



Source: World Bank

PRIVATE SECTOR CREDIT-TO-GDP | GEORGIA

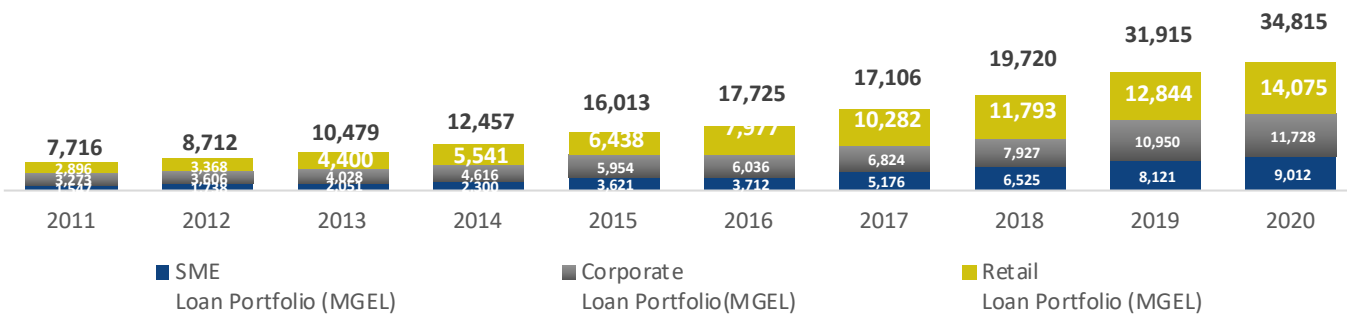
Expansion in financial activity reflects a favorable economic environment in Georgia



Source: World Bank

CORPORATE LOAN PORTFOLIO | GEORGIA

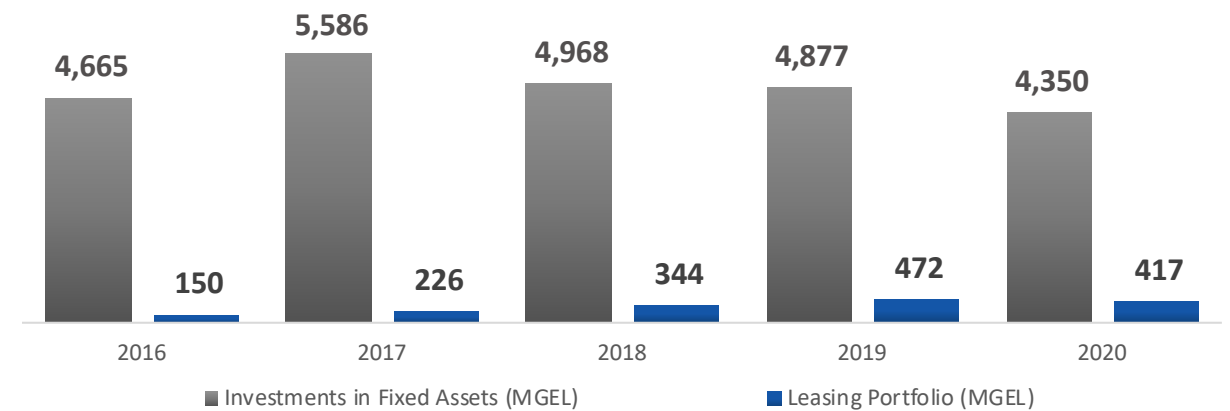
Volume of the SME portfolio has increased almost six fold since 2011
26% of all loans are provided to the SME segment



Source: National Bank of Georgia, Annual Report 2020

INVESTMENTS IN FIXED ASSETS VS LEASING PORTFOLIO

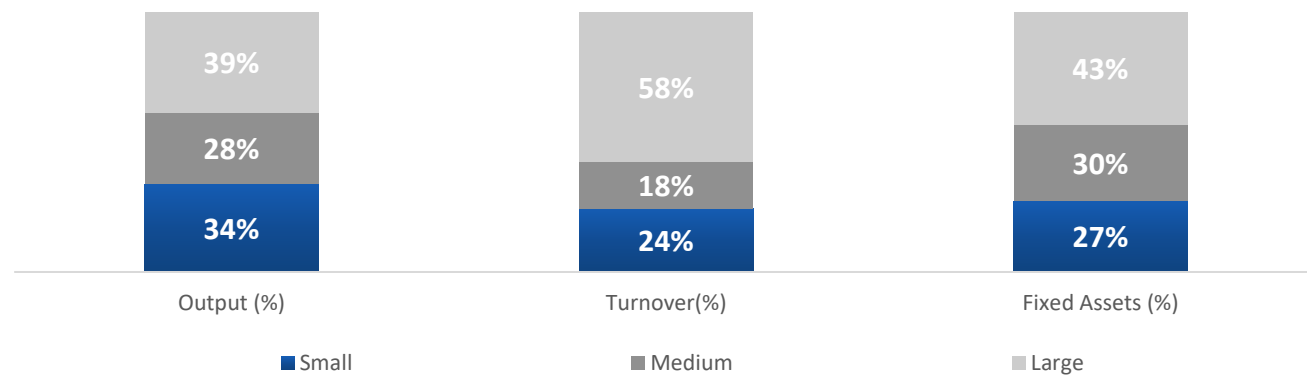
Capacity-wise Georgia has substantial room for growth



Source: Geostat

SMES DOMINATE THE ENTERPRISE LANDSCAPE IN GEORGIA

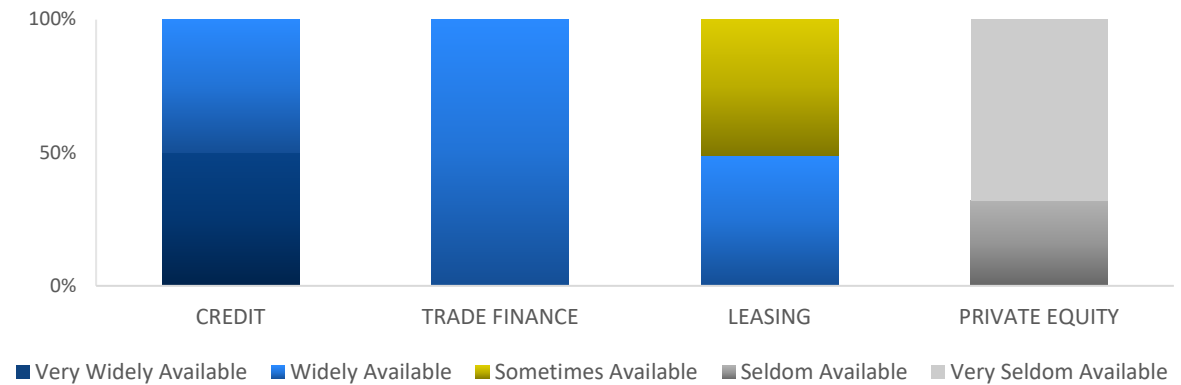
SMEs account for 62% of total production value and 42% of turnover of private sector



Source: Geostat

AVAILABILITY OF FINANCIAL INSTRUMENTS IN SMES

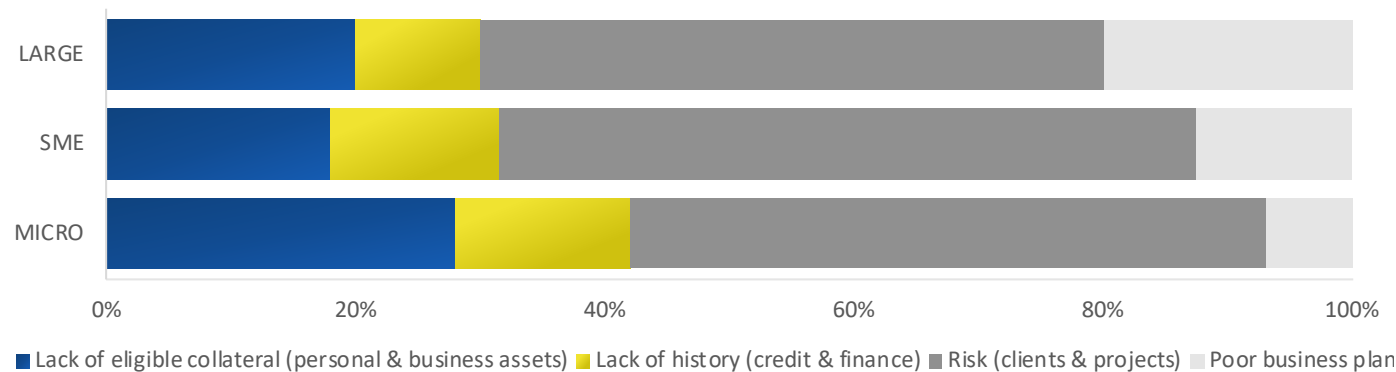
Leasing has progressively gained importance



Source: European Investment Bank - Financing in Georgia: Small and medium enterprises and the private sector, 2018 EIB Bank Lending Survey

REASONS FOR LOAN APPLICATION REJECTIONS

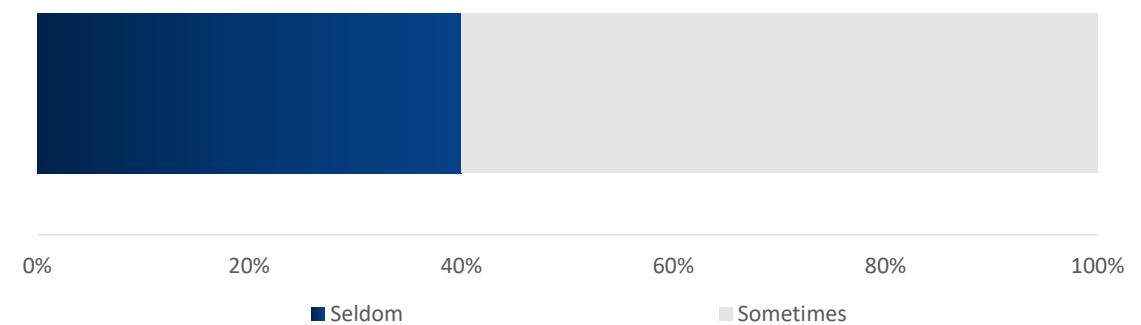
Lack of eligible collateral reflects the inability of firms to comply with banks' collateral requirements – making leasing more attractive way of financing



Source: European Investment Bank - Financing in Georgia: Small and medium enterprises and the private sector, 2018 EIB Bank Lending Survey

SME LOAN APPLICATION REJECTION FREQUENCIES

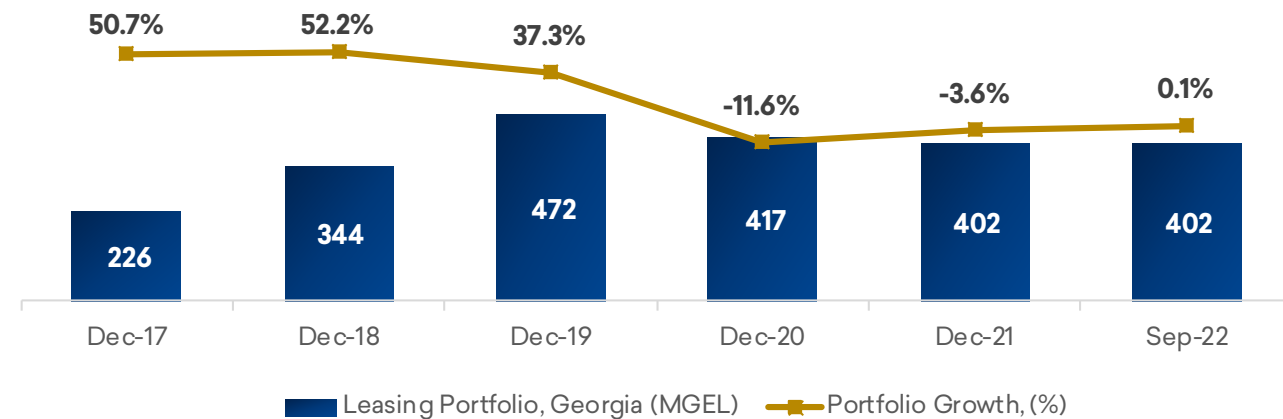
According to the EIB Bank Lending Survey, a significant level of loan rejections persists in the Georgian market



Source: European Investment Bank - Financing in Georgia: Small and medium enterprises and the private sector, 2018 EIB Bank Lending Survey

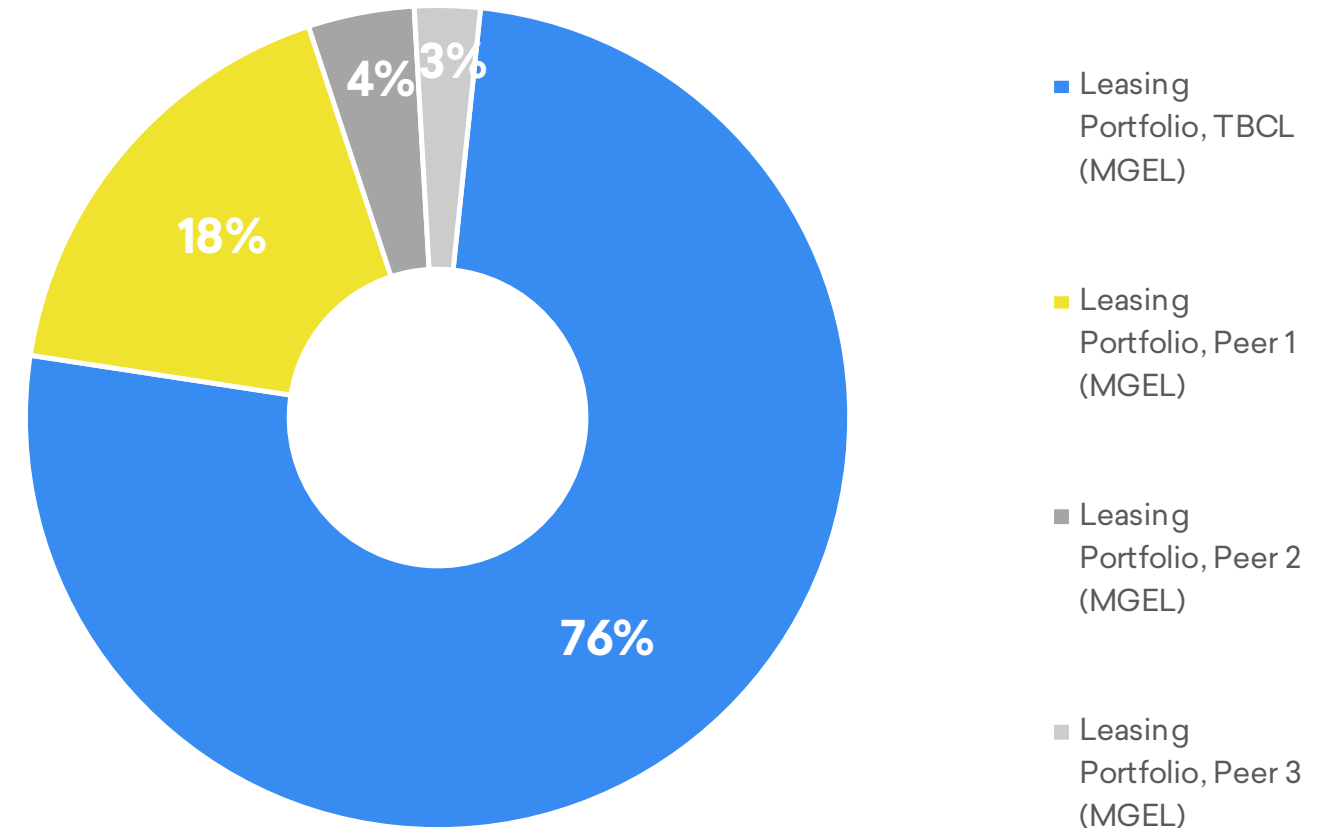
GROWTH IN LEASING MARKET EXPECTED TO CONTINUE

Leasing industry has grown with c.22% CAGR last five years and currently represents c.1% of GDP compared to c.5% in peer countries



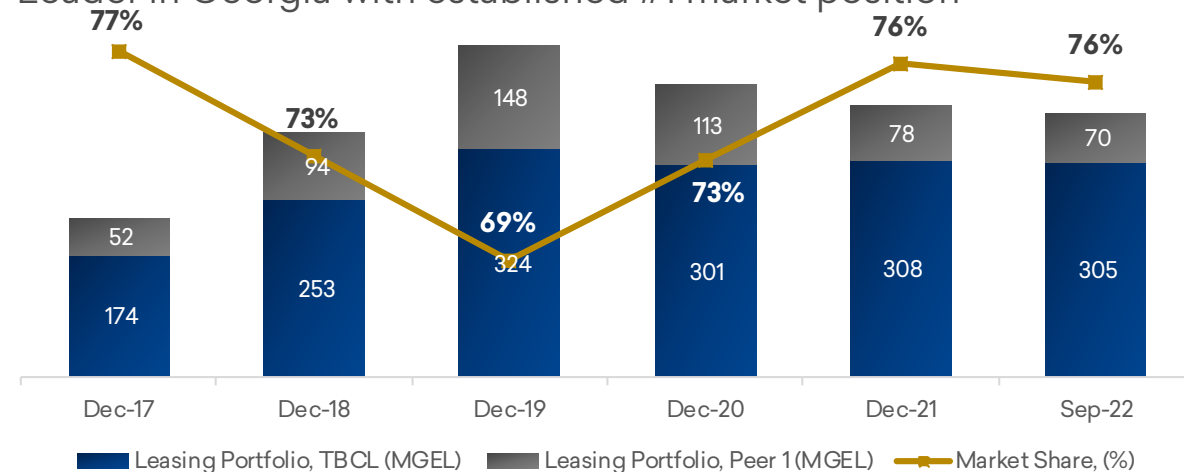
MARKET SHARES | 3Q22

Significantly concentrated market



MARKET SHARE DYNAMICS

Leader in Georgia with established #1 market position



Macroeconomic impact analysis has shown that most industries have experienced downturn, thus Portfolio growth was challenged in 2021 due to Georgian government's rapid response to stop the spread of virus by the imposed restrictions on mobility in the which resulted the significant decrease in business activity and consequently in modest generation of NBV for leasing companies. It is expected that COVID-19 impacts will only have mild short-term effect on the local economy as activities bounce back, at present government actions for ramifications on human behavior and business activity are liberalized to lessen the blow to the economy and raise prospects of country's economic recovery. Subsequently, transitory effect was seen by ramped up business activities from top performing industries to make up for pandemic losses.

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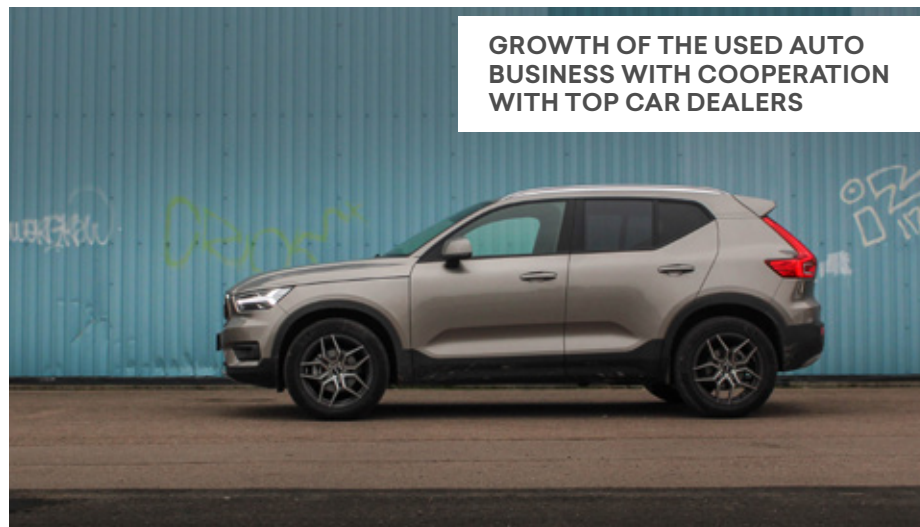
03 PERFORMANCE OVERVIEW

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INTRODUCTION OF NEW PRODUCTS



CAR DEALER COOPERATION



COOPERATION WITH TOP VENDORS



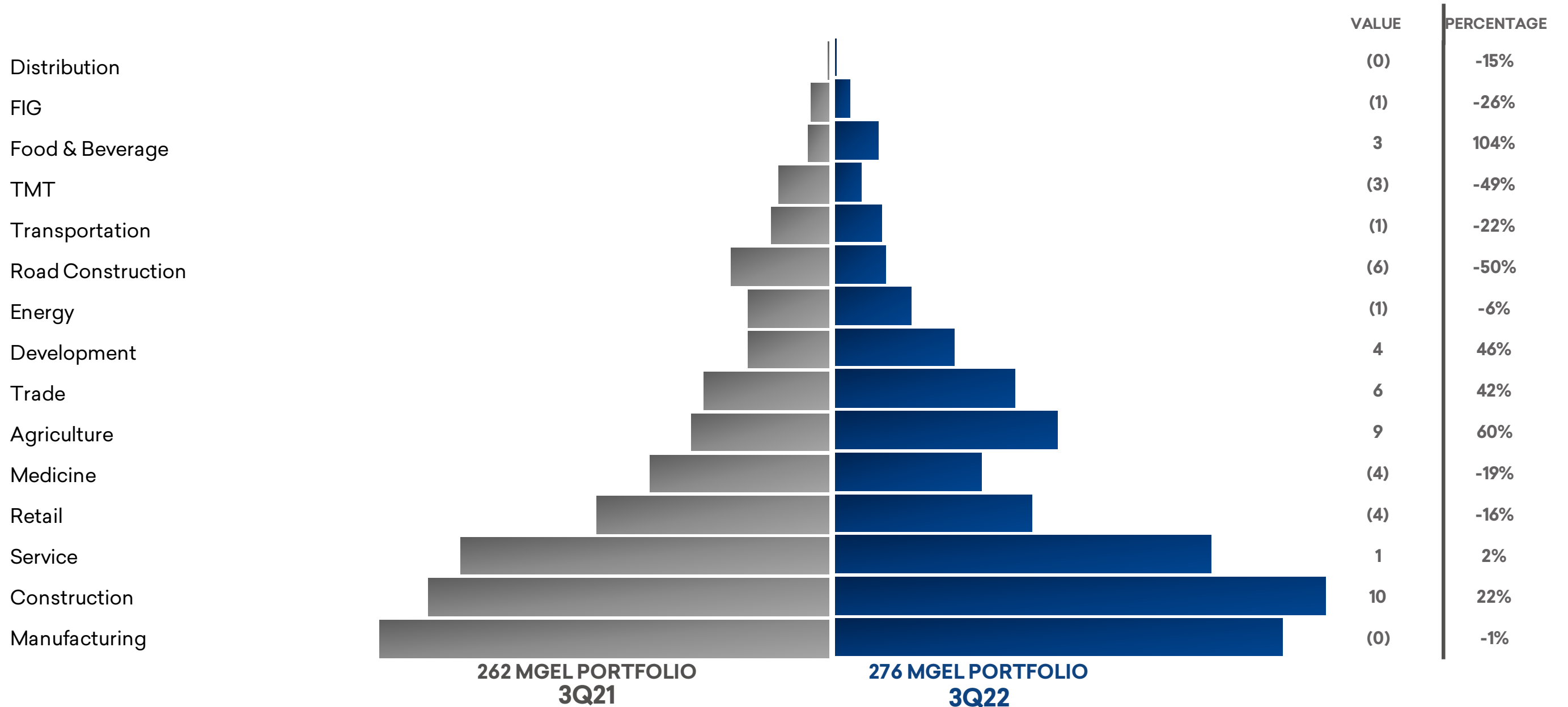
SIGNIFICANT SYNERGY WITH PARENT



DIVERSIFIED PORTFOLIO ACROSS ALL SECTORS

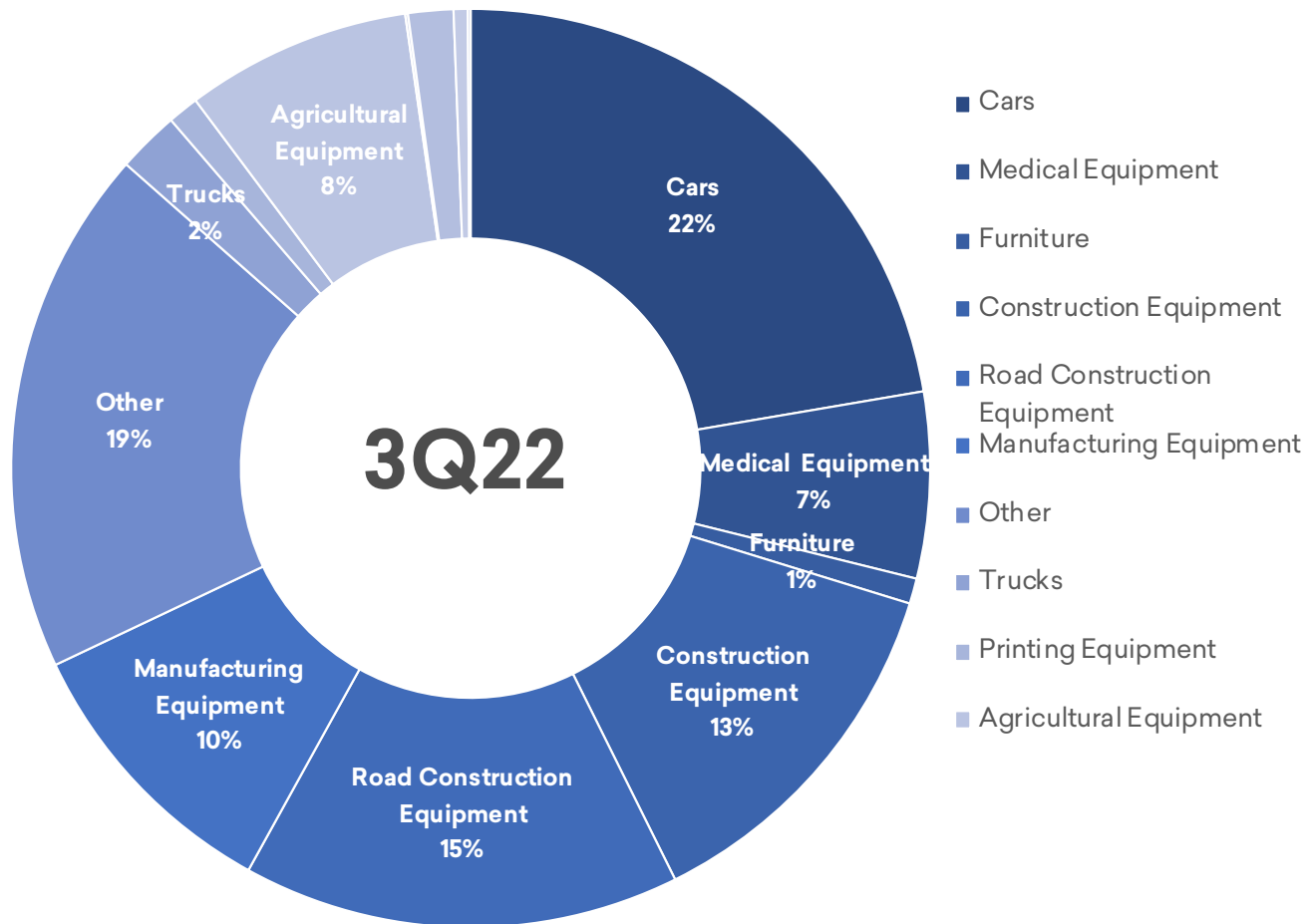
PORTFOLIO GROWTH BACK TO PRE-CRISIS LEVEL

c.49 MGEL new business volume generated in 3Q22 (c.5% growth compared to 3Q21)

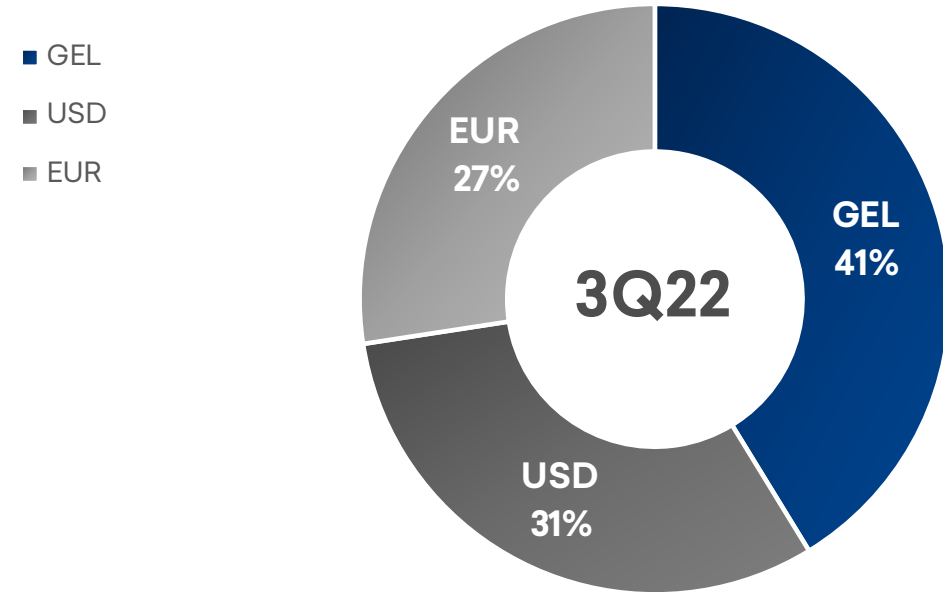


POTFOLIO HIGHLIGHTS

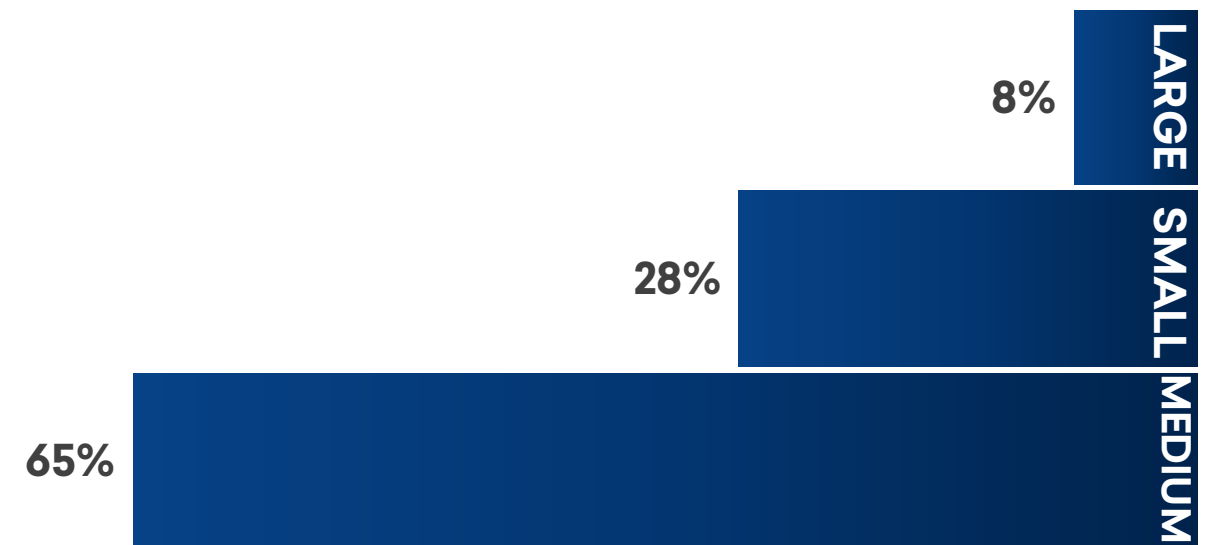
PORTFOLIO BREAKDOWN BY ASSET TYPE



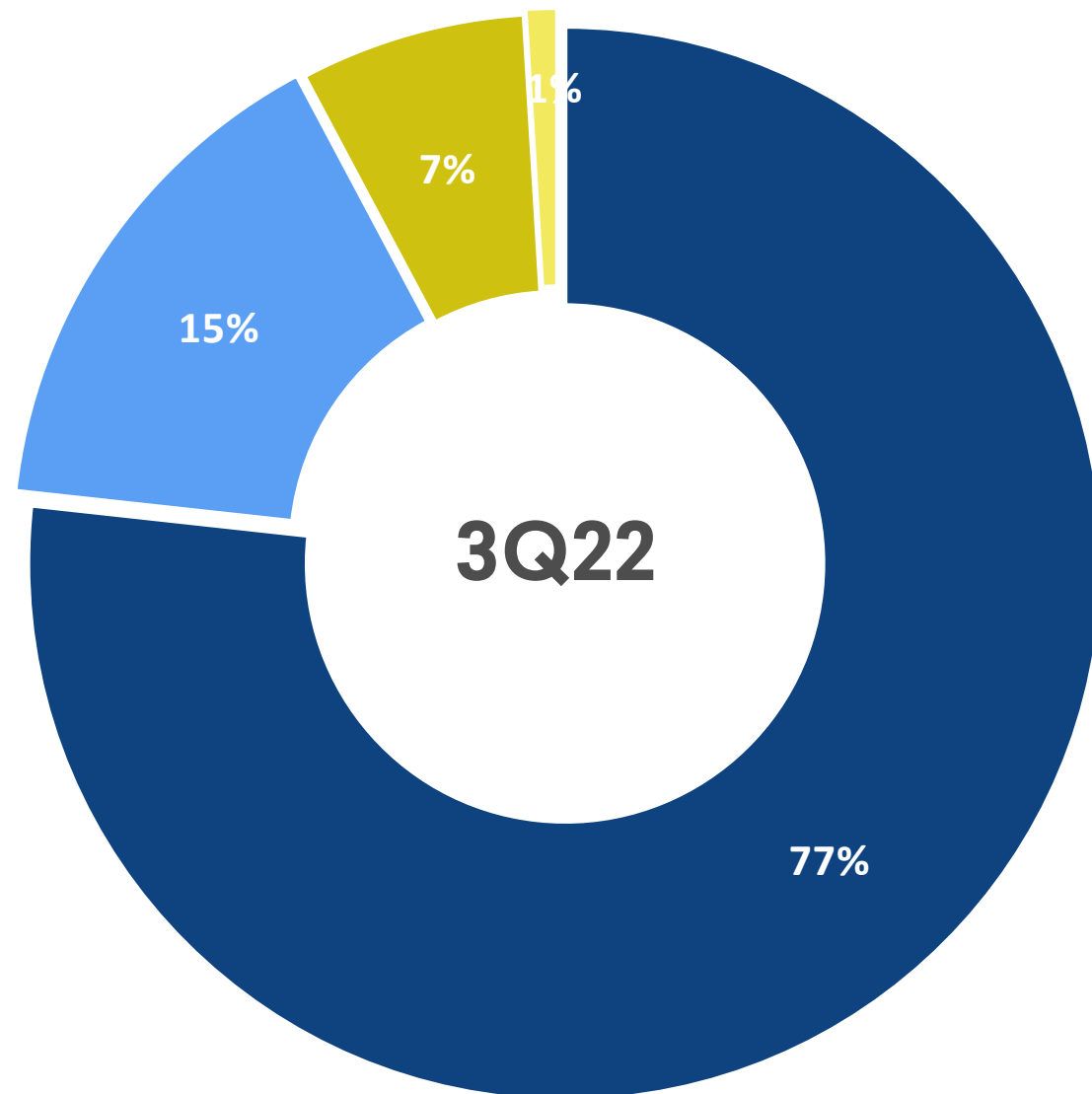
PORTFOLIO CURRENCY COMPOSITION



CLIENT BASE BY COMPANY SIZE



LEASE PORTFOLIO STRUCTURE BY PRODUCT



PRODUCT TERMS

STANDARD FINANCIAL LEASING

Term: **12-84 months**
Financed Amount: > **\$5,000**
Customer down payment: > **20%**

NEW CARS

Term: **12-60 months**
Financed Amount: **\$2,000 - \$300,000**
Customer down payment: > **10%**

USED CARS

Term: **12-60 months**
Financed Amount: **\$5,000 - \$60,000**
Customer down payment: > **20%**

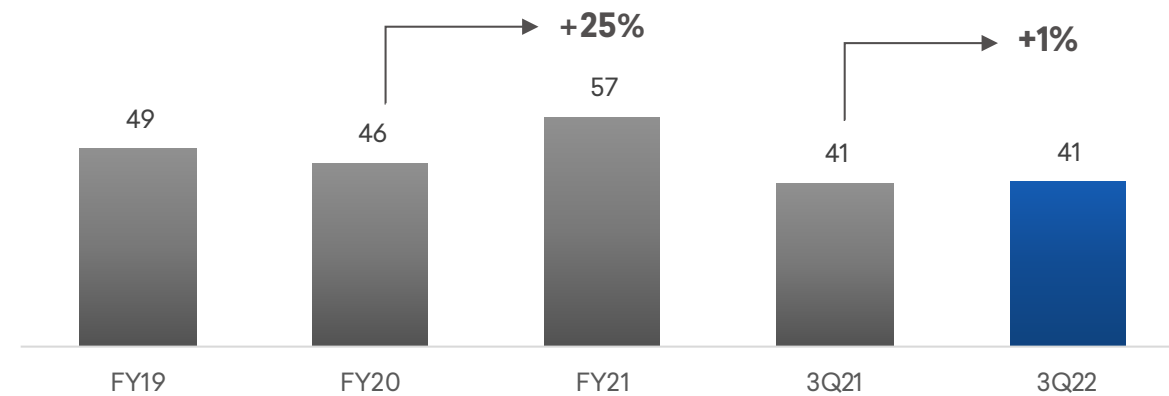
OPERATIONAL LEASE

Term: **12-60 months**
Financed Amount: **\$10,000 - \$500,000**
Customer down payment: **5-30%**

LONG-TERM, HIGH GROWTH PROSPECTS

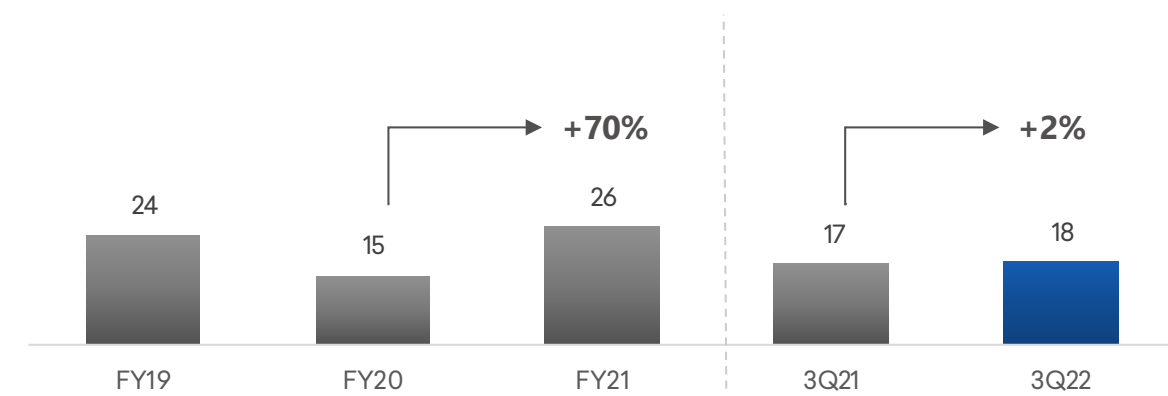
INCOME ON INVESTMENT IN LEASES (MGEL)

Increasing income generation in line with growing portfolio



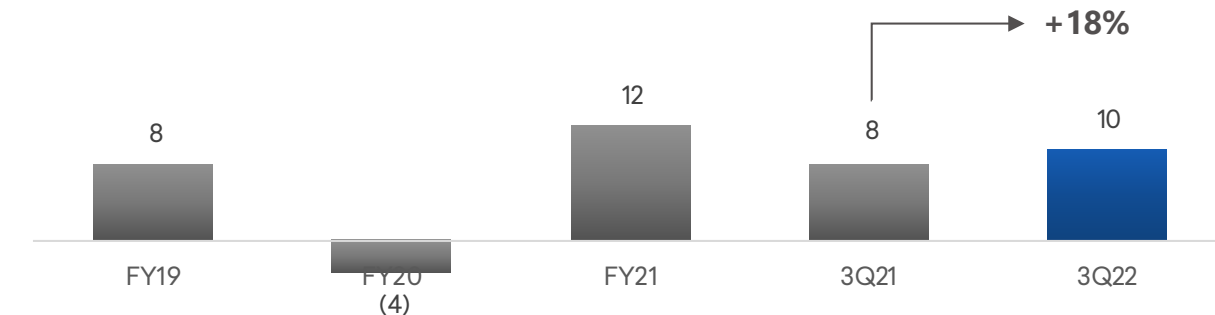
NET INTEREST INCOME (MGEL)

Back to normal levels, posting 62% q-o-q growth in 3Q22



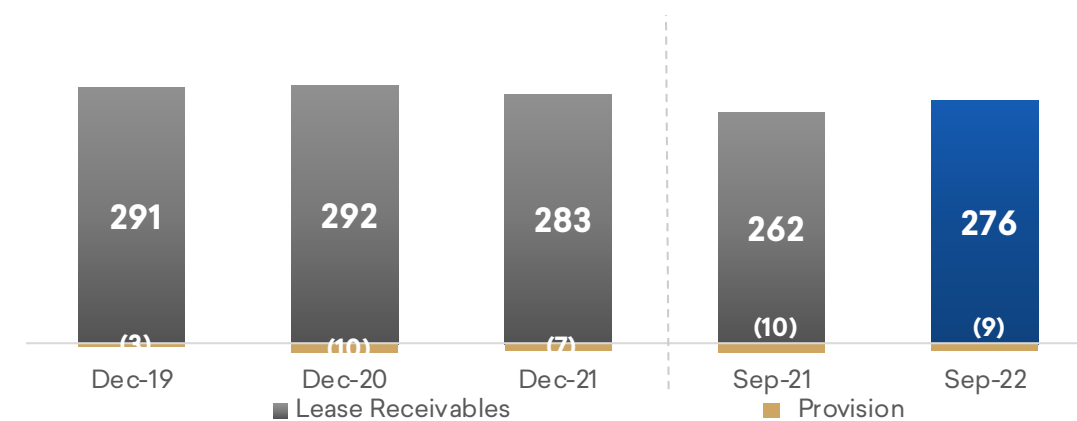
NET INCOME (MGEL)

Posted record high net income in 2021



LEASE RECEIVABLES

Delivering steady portfolio growth with 22% CAGR over last five years



FINANCIAL STATEMENTS

P&L (GEL, millions)	3Q22	3Q21	FY21	FY20	FY19	CHANGE 3Q22 – 3Q21 (Y-o-Y)	CHANGE FY20 – FY21 (Y-o-Y)
Interest Income	41	41	57	46	49	+1%	+25%
Net Interest Income	18	17	26	15	24	+2%	+70%
Operating Provision	(4)	(5)	(6)	(11)	(6)	-14%	-49%
Administrative Costs	(7)	(7)	(10)	(9)	(10)	+7%	+8%
Non Operating Income/Expense	2	0	2	2	0	NMF	+3%
Net Income	10	8	12	(4)	8	+18%	NMF

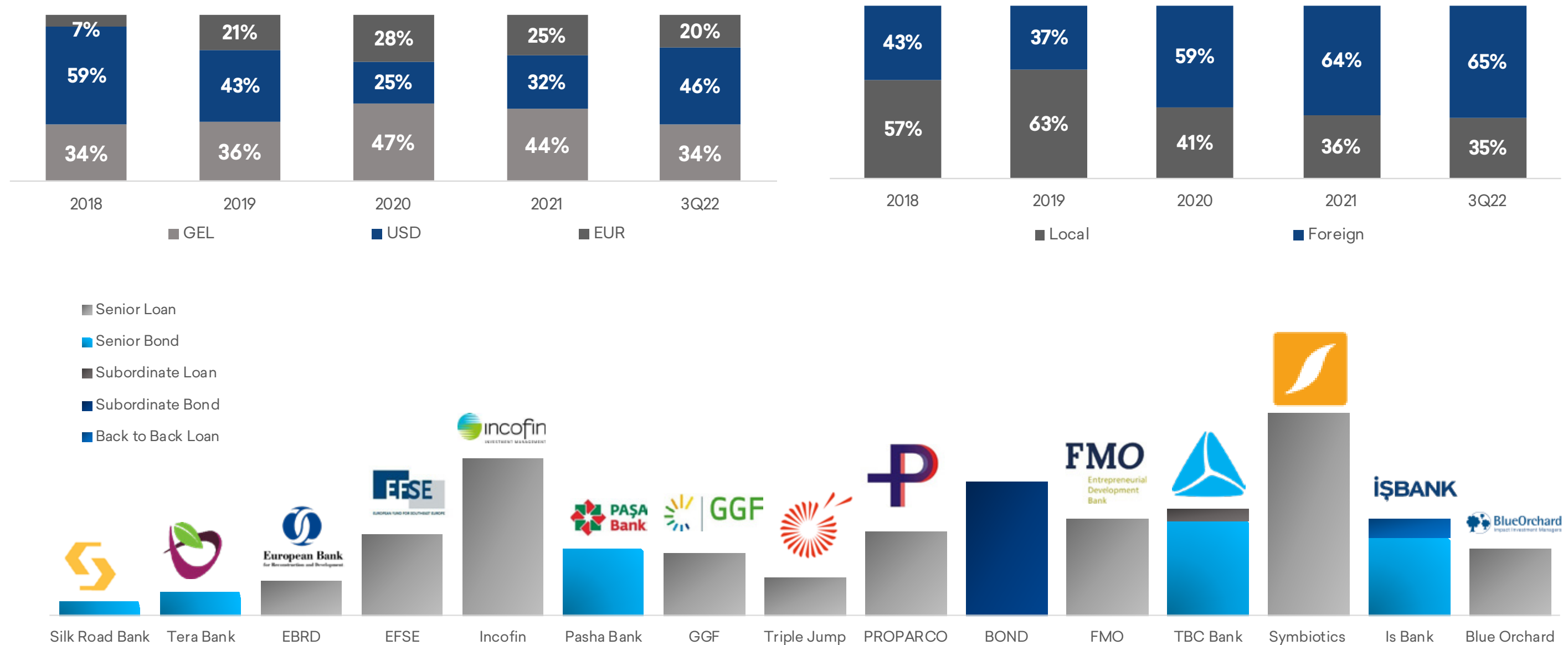
BS (GEL, Millions)	Sep-22	Sep-21	Dec-21	Dec-20	Dec-19	CHANGE Sep-21 - Sep-22 (Y-o-Y)	CHANGE Dec-20 - Dec-21 (Y-o-Y)
Lease Receivables	276	262	283	292	291	+5%	-3%
Provision	(9)	(10)	(7)	(10)	(3)	-10%	-29%
Net Lease Receivable	267	252	275	281	288	+6%	-2%
Total Assets	351	357	371	406	342	-2%	-9%
Borrowings	(269)	(297)	(300)	(358)	(273)	-10%	-16%
OFL	(25)	(16)	(23)	(13)	(29)	+54%	+74%
Equity	(58)	(44)	(48)	(35)	(39)	+32%	+35%
Total Liabilities and Equity	(351)	(357)	(371)	(406)	(342)	-2%	-9%

KEY PERFORMANCE INDICATORS

	FY19	FY20	FY21	3Q21	3Q22
C/I	35.4%	53.0%	35.6%	38.4%	36.2%
COR	2.4%	4.0%	2.1%	2.4%	2.2%
ROA	2.6%	-0.8%	3.2%	2.8%	3.1%
ROE	27.6%	-8.1%	29.4%	27.1%	21.0%
Tier 1	12.1%	11.3%	14.7%	14.7%	18.5%
Tier 2	21.8%	22.6%	25.1%	26.1%	28.4%

FUNDING DISTRIBUTION

WELL-DIVERSIFIED FUNDING STRUCTURE¹



¹As of September 2022

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AS COMPANY'S LONG-TERM DEVELOPMENT STRATEGY, TBCL IS COMMITTED IN FINANCING A WIDE RANGE OF ENVIRONMENTALLY CONSCIOUS AND SUSTAINABLE PROJECTS

ACTIVE COOPERATION WITH INTERNATIONAL FINANCIAL INSTITUTIONS SUCH AS FINANCE IN MOTION, EBRD, FMO AND GGF



SOLAR PANEL FINANCING

TBCL actively started developing new products that will help increase the financing volume of energy efficient assets as well as finance the production of renewable energy such as wind power and solar panels.

During last two years, three solar panel projects have already been financed, financing totaled c.1.2¹ MGEL, out of which c.58¹ KGEL was granted by European Union under the EU4Energy Initiative.

GREEN PORTFOLIO

Actively started developing new products that will help increase the financing volume of energy efficient assets as well as finance the production of renewable energy. As of September 2022 Green Portfolio outstanding was c. 12 MGEL.



C.1.2 MGEL

Financed Solar Panel Projects¹

C.58 KGEL

Total Sponsorship Granted to Clients¹

¹As of September 2022



EQUALITY AND DIVERSITY

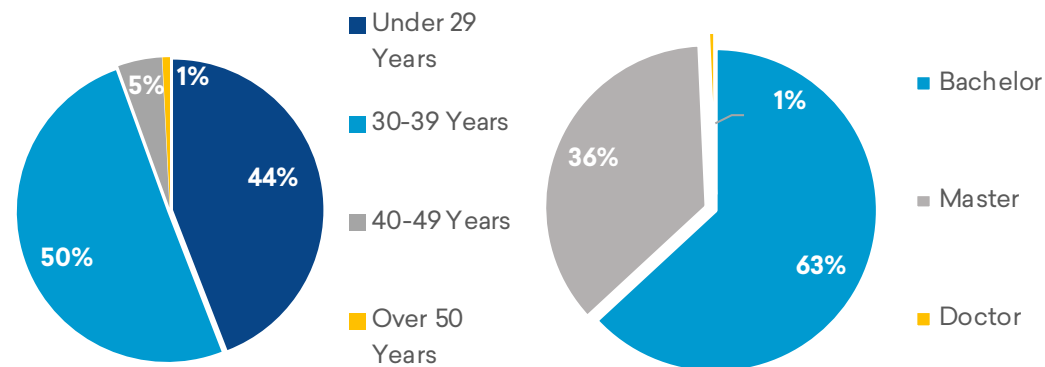
GENDER-BALANCED WORKFORCE¹



MIDDLE MANAGEMENT GENDER COMPOSITION¹



GRATE MIX OF YOUNG AND EXPERIENCED EMPLOYEES¹



¹ As of September 2022



127

Total Number of Employees¹

EMPLOYEES WITH AN EXTENSIVE WORKING EXPERIENCE YOUNG TALENTS WITH INNOVATIVE AND FRESH IDEAS WHOSE COLLABORATION BRINGS VALUE AND GIVES THE BEST RESULTS



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<https://tbcleasing.ge/for-investors>

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