

4Q22 RESULTS PRESENTATION



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

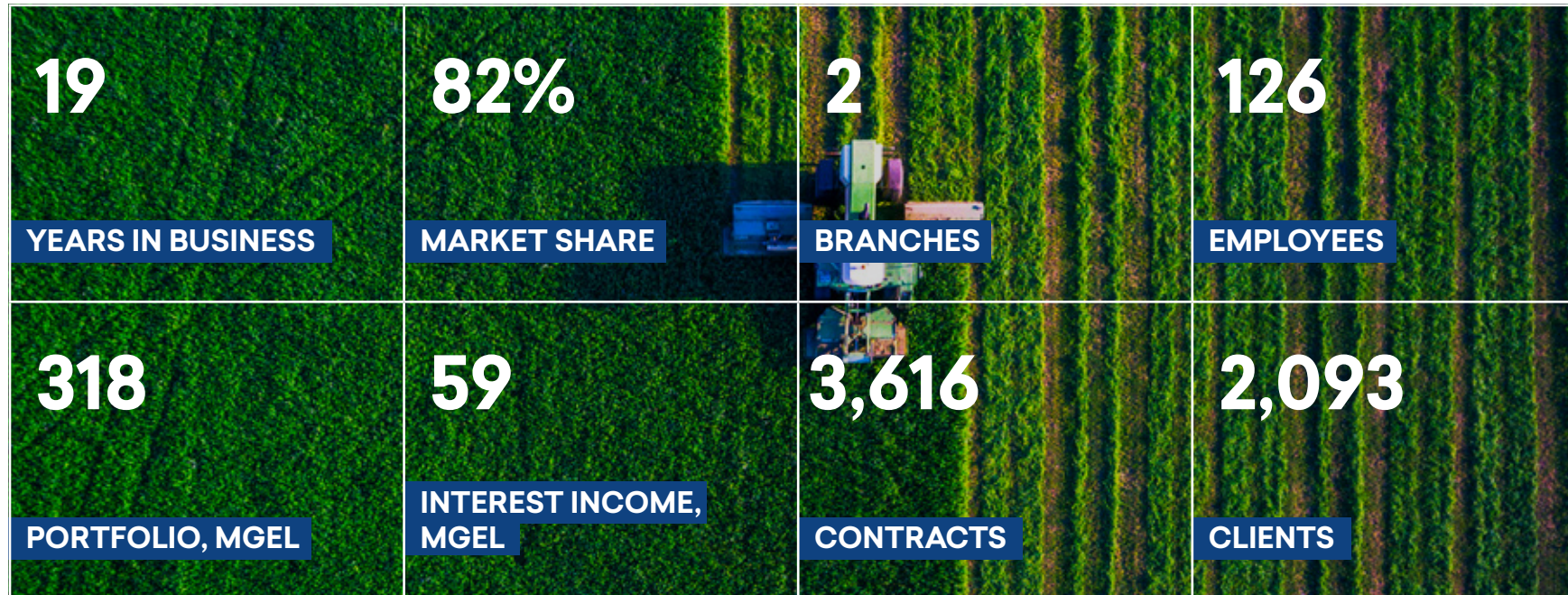
December 31, 2022

01 TBCL AT A GLANCE

02 INDUSTRY AND MARKET OVERVIEW

03 PERFORMANCE OVERVIEW

04 ANNEXES



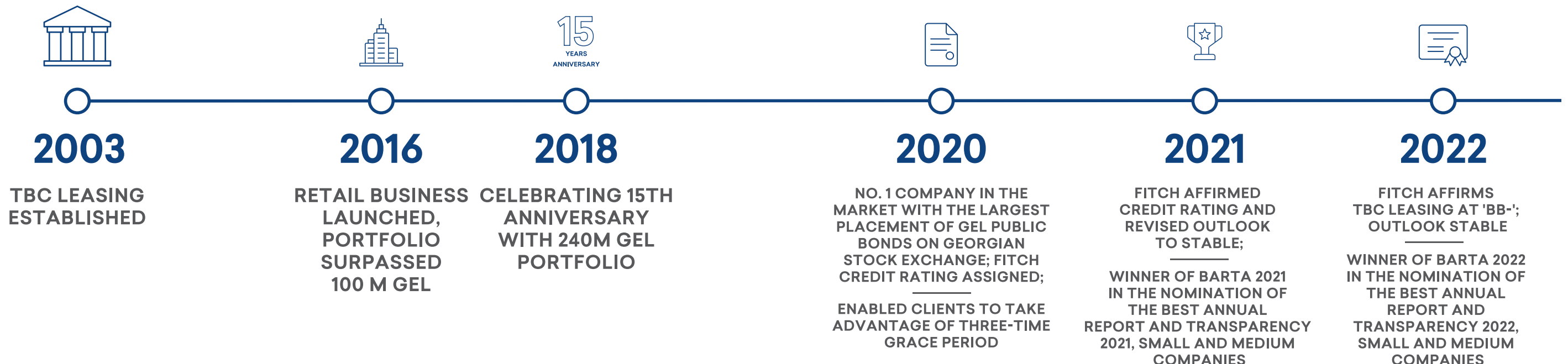
NO. 1 COMPANY IN ATTRACTING INTERNATIONAL FINANCIAL RESOURCES AMONG LEASING COMPANIES



STABLE FITCH CREDIT RATING
Highest among non-banking institutions



BARTA TWO-TIME WINNER
Best Annual Report and Transparency, 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



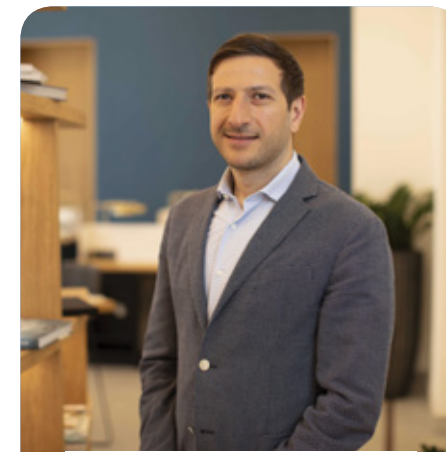
GAGA GOGUA
Chief Executive Officer



ZURAB GUGUSHVILI
Chief Commercial Officer



GIORGI MAISURADZE
Chief Risk Officer



NUGZAR LOLADZE
Chief Financial Officer

01 TBCL AT A GLANCE

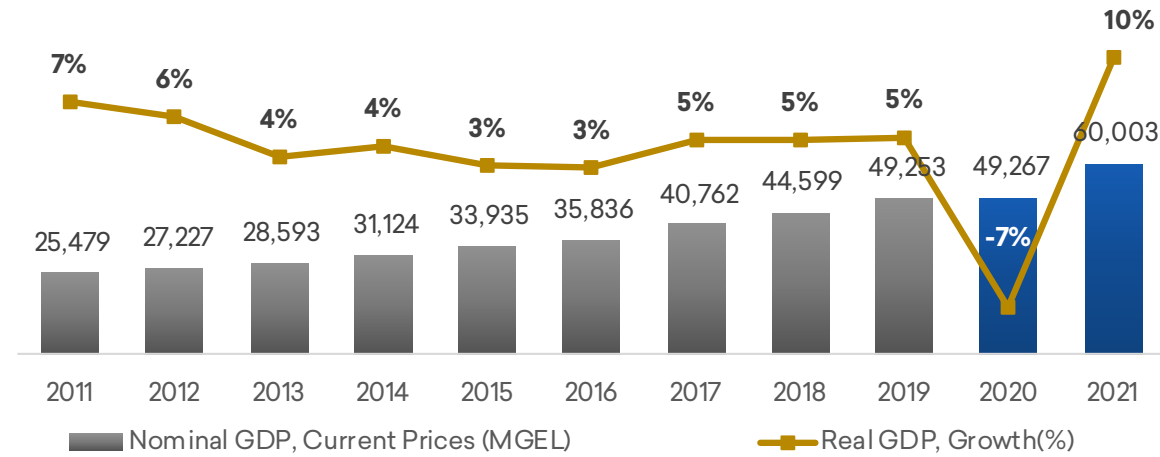
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POSITIVE ECONOMIC OUTLOOK

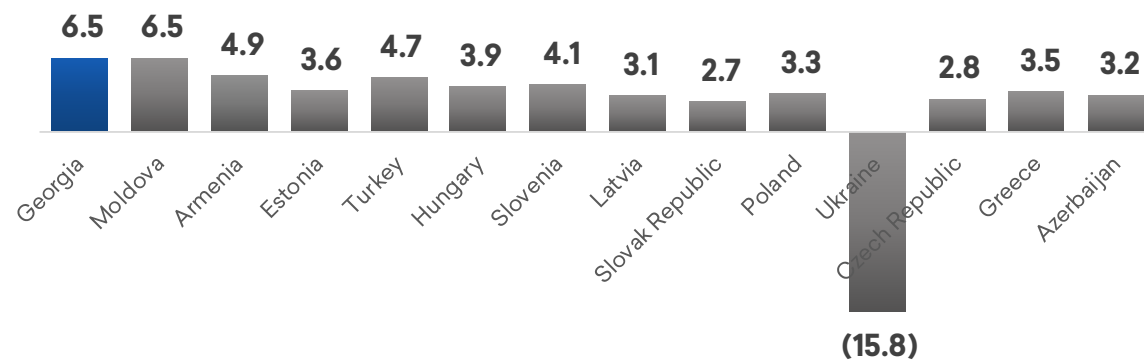
GROSS DOMESTIC PRODUCT



Source: Geostat, IMF - World Economic Outlook 2022

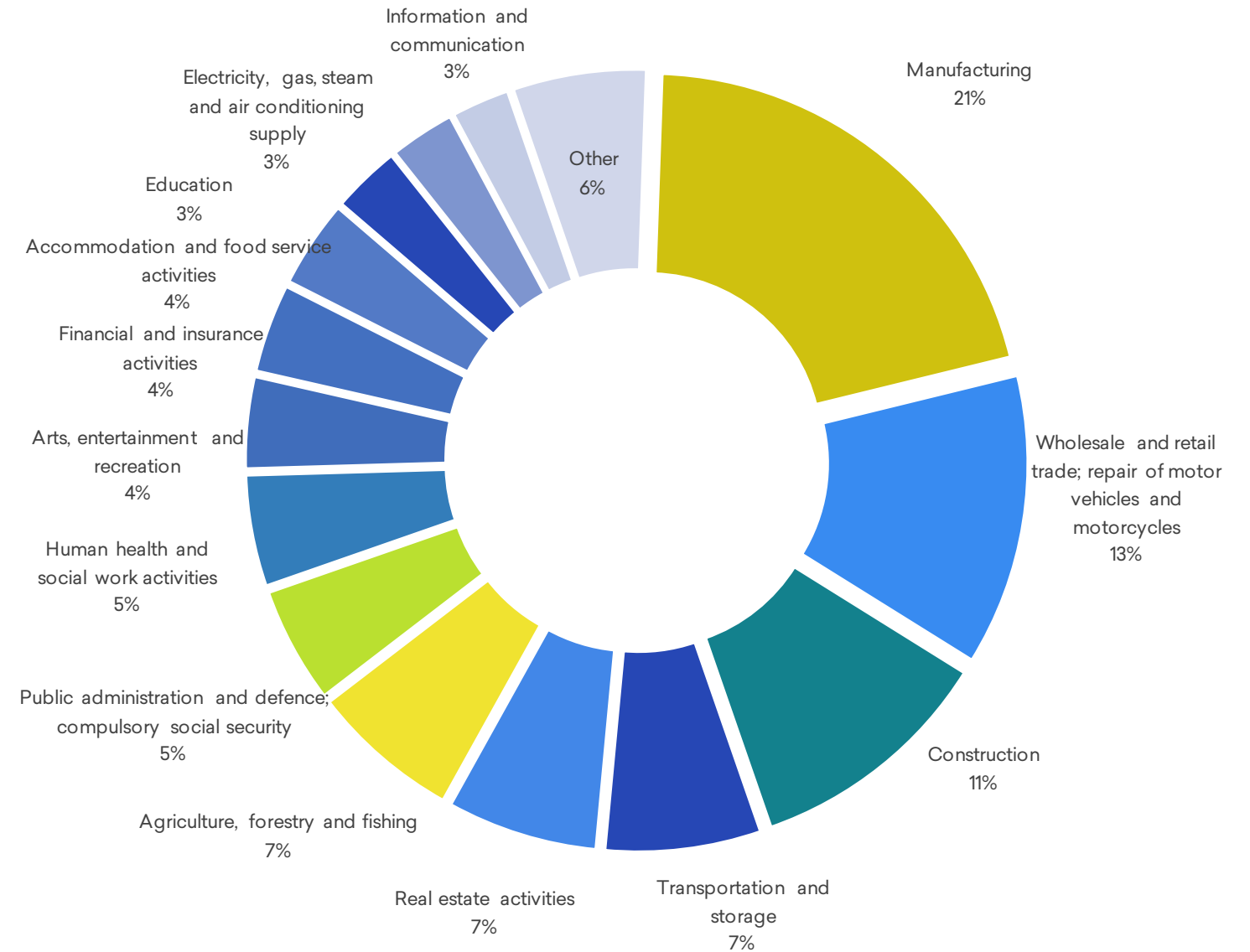
REAL GDP GROWTH | 2021-2026 AVERAGE

One of the fastest developing economies in the region



Source: IMF - World Economic Outlook 2022

NOMINAL GDP STRUCTURE | 2021

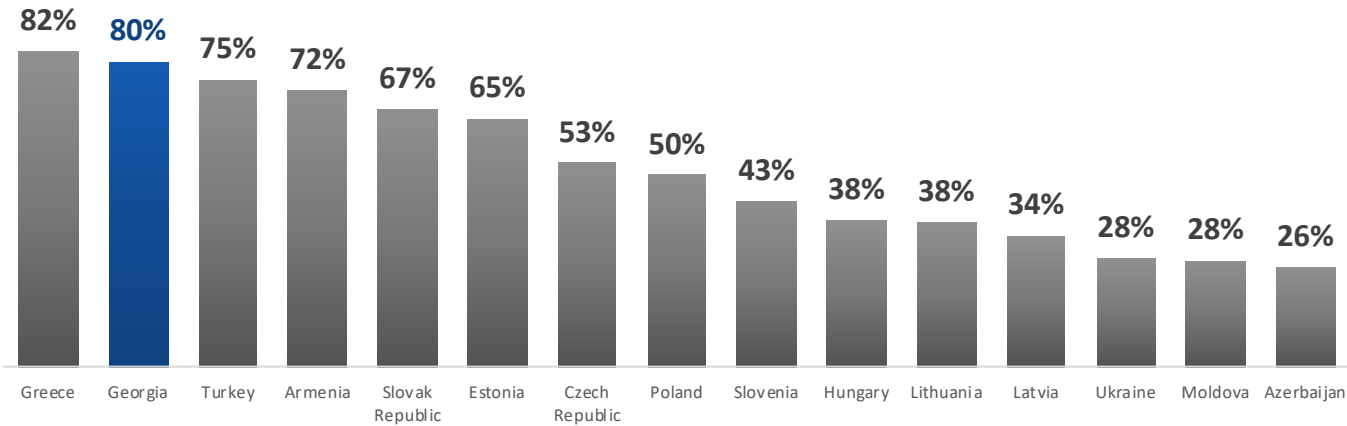


Source: Geostat, 2021

LONG-TERM, HIGH GROWTH PROSPECTS

PRIVATE SECTOR CREDIT-TO-GDP | 2020

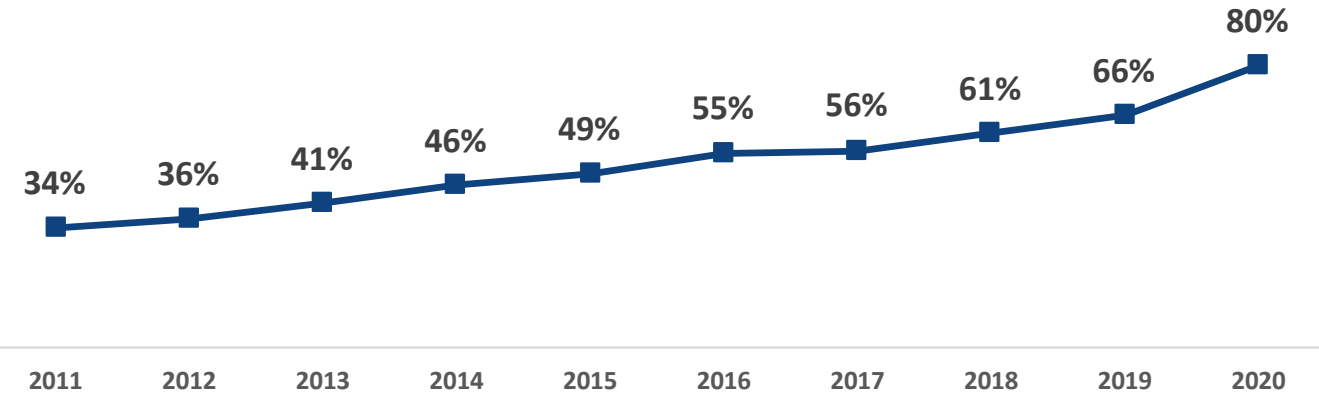
Georgia stands alongside Turkey and other peer countries



Source: World Bank

PRIVATE SECTOR CREDIT-TO-GDP | GEORGIA

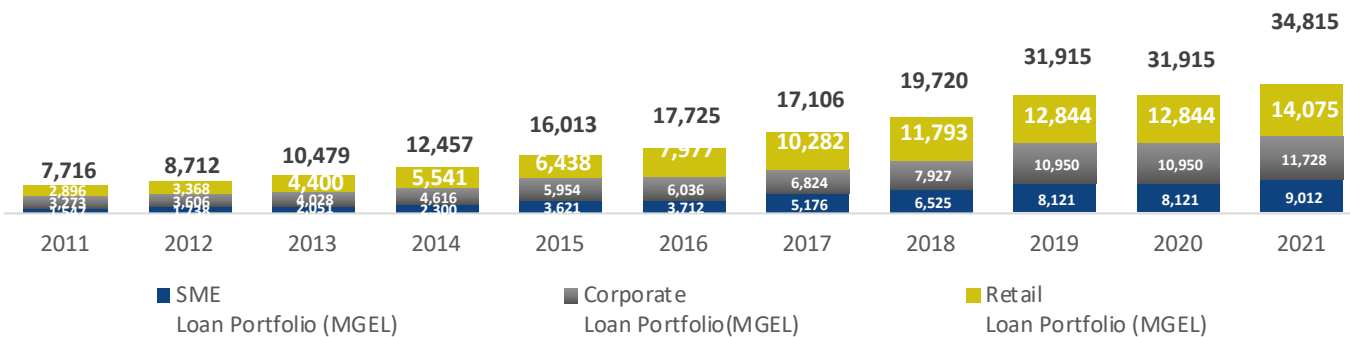
Expansion in financial activity reflects a favorable economic environment in Georgia



Source: World Bank

CORPORATE LOAN PORTFOLIO | GEORGIA

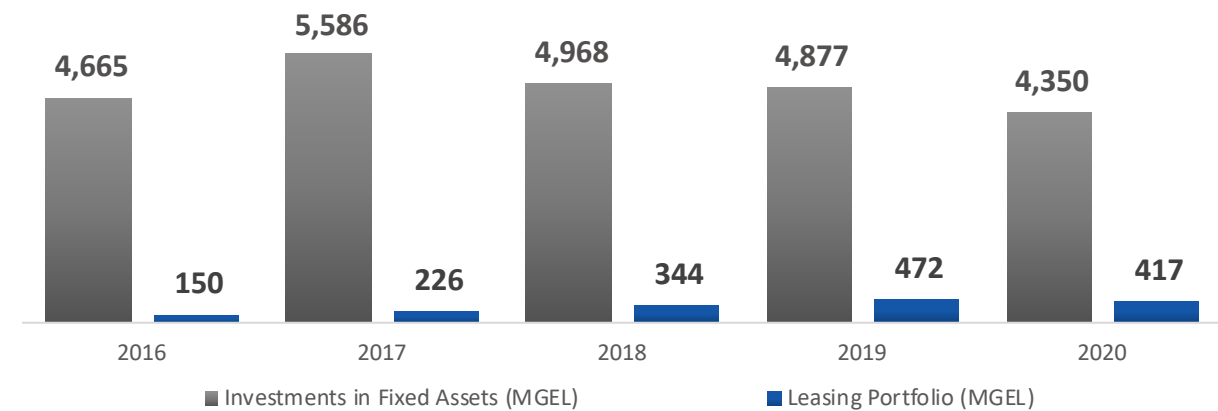
Volume of the SME portfolio has increased almost six fold since 2011
26% of all loans are provided to the SME segment



Source: National Bank of Georgia, Annual Report 2021

INVESTMENTS IN FIXED ASSETS VS LEASING PORTFOLIO

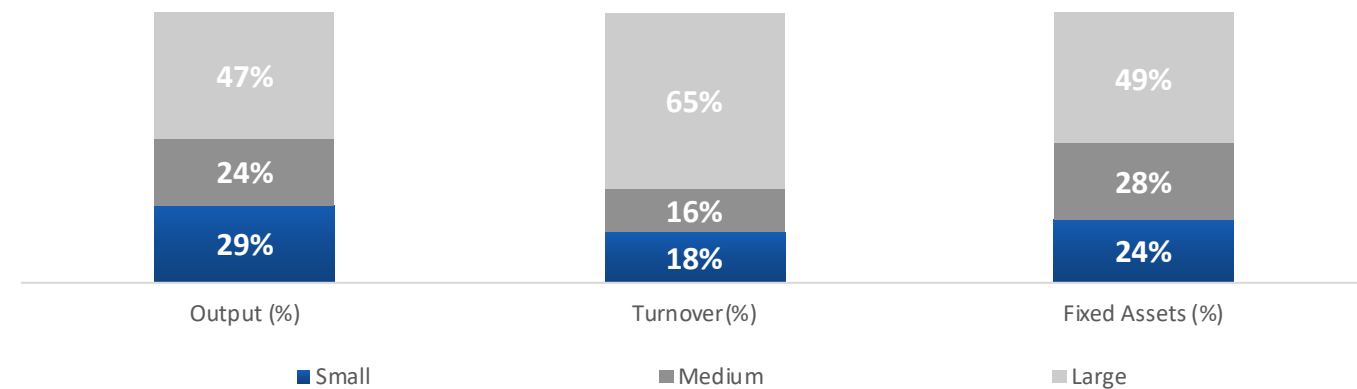
Capacity-wise Georgia has substantial room for growth



Source: Geostat

SMES DOMINATE THE ENTERPRISE LANDSCAPE IN GEORGIA

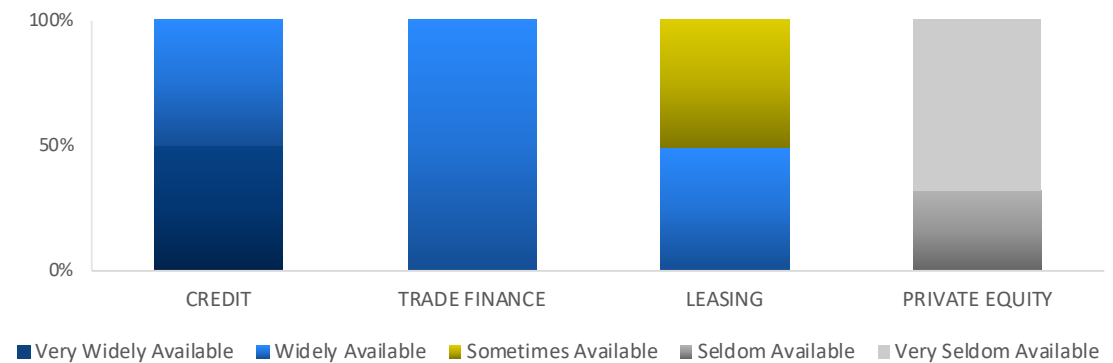
SMEs account for 53% of total production value and 34% of turnover of private sector



Source: Geostat

AVAILABILITY OF FINANCIAL INSTRUMENTS IN SMES

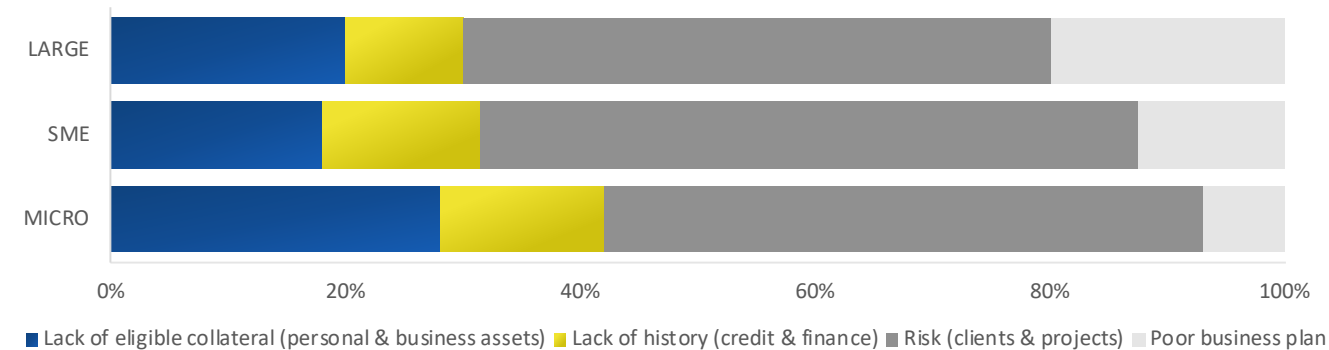
Leasing has progressively gained importance



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

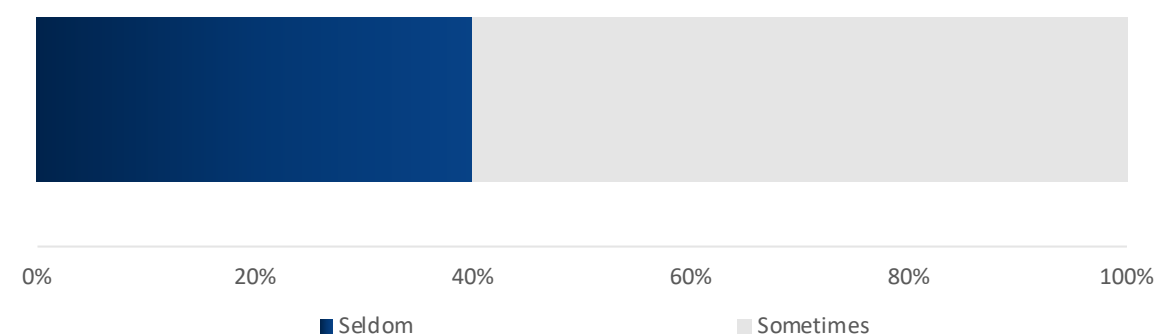
Lack of eligible collateral reflects the inability of firms to comply with banks' collateral requirements – making leasing more attractive way of financing



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

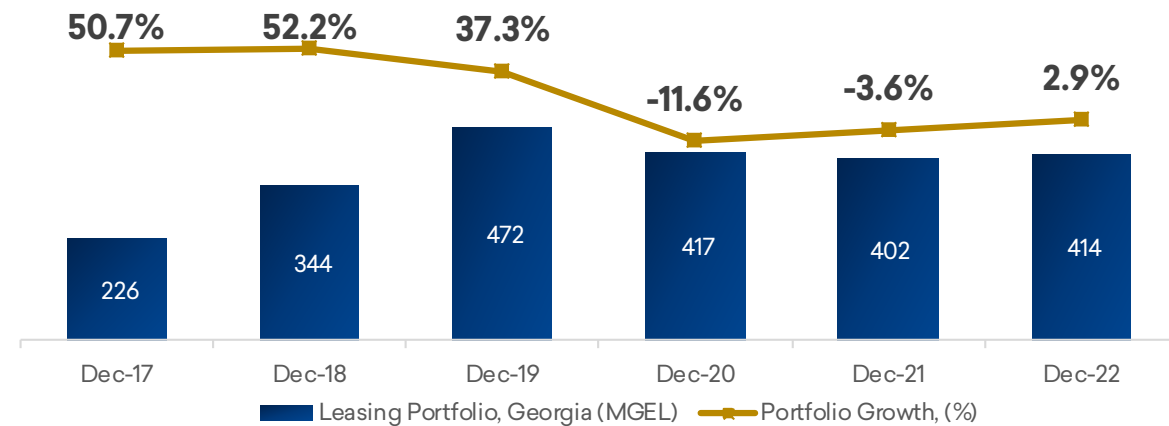
According to the EIB Bank Lending Survey, a significant level of loan rejections persists in the Georgian market



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

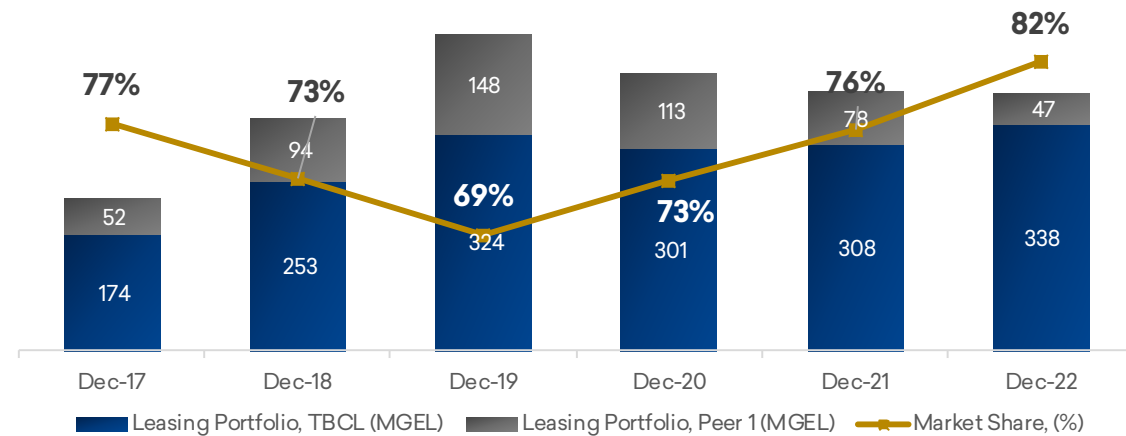
GROWTH IN LEASING MARKET EXPECTED TO CONTINUE

Leasing industry has grown with c.20% CAGR last six years and currently represents c.1% of GDP compared to c.5% in peer countries



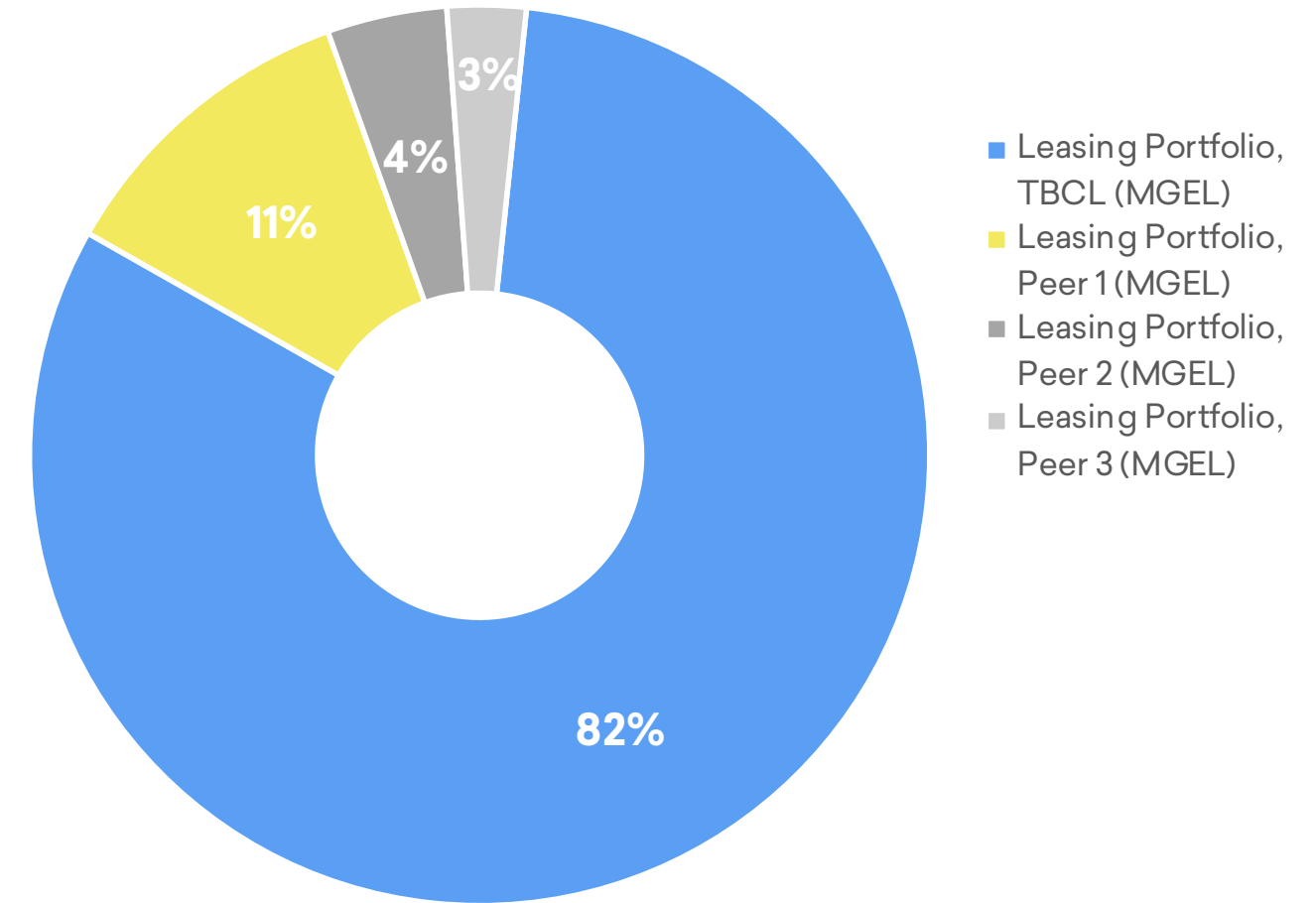
MARKET SHARE DYNAMICS

Leader in Georgia with established #1 market position



MARKET SHARES | 4Q22

Significantly concentrated market



Macroeconomic impact analysis has shown that most industries have experienced downturn, thus Portfolio growth was challenged during 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. However, as economy went to normal grounds and business activity ramped up, NBV generation started to grow during 2022.

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INTRODUCTION OF NEW PRODUCTS



CAR DEALER COOPERATION



COOPERATION WITH TOP VENDORS



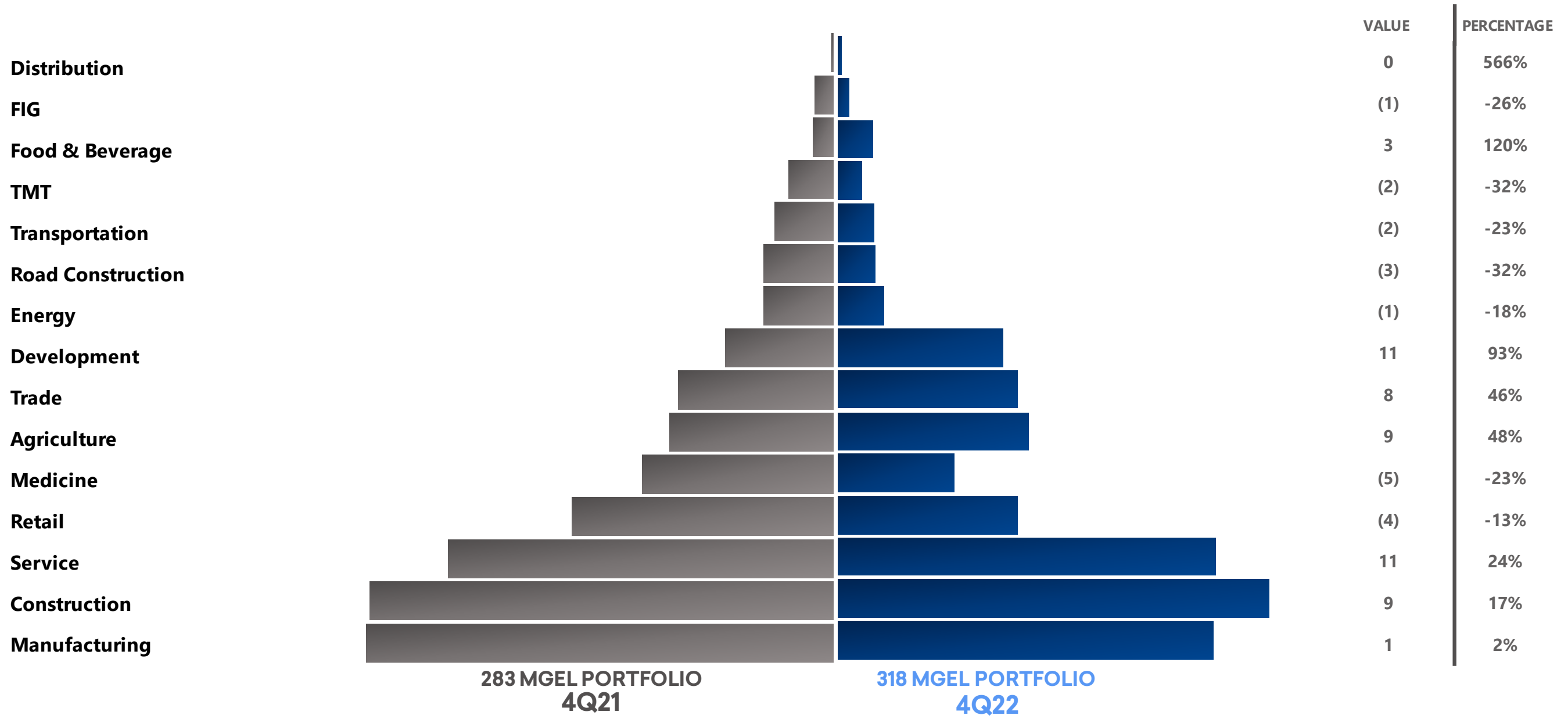
SIGNIFICANT SYNERGY WITH PARENT



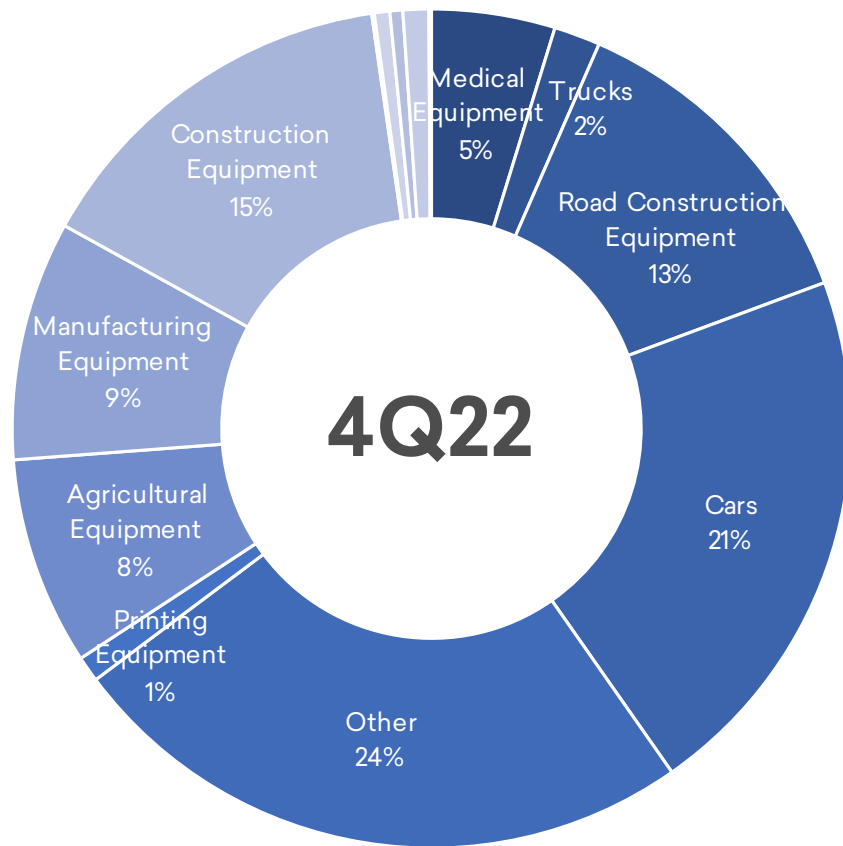
DIVERSIFIED PORTFOLIO ACROSS ALL SECTORS

PORTFOLIO GROWTH BACK TO PRE-CRISIS LEVEL

c.70 MGEL new business volume generated in 4Q22 (c.84% growth compared to 4Q21)

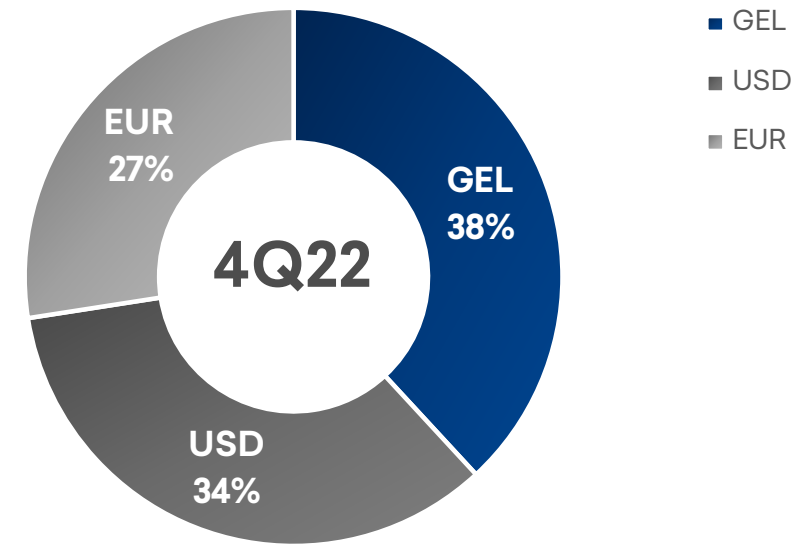


PORTFOLIO BREAKDOWN BY ASSET TYPE

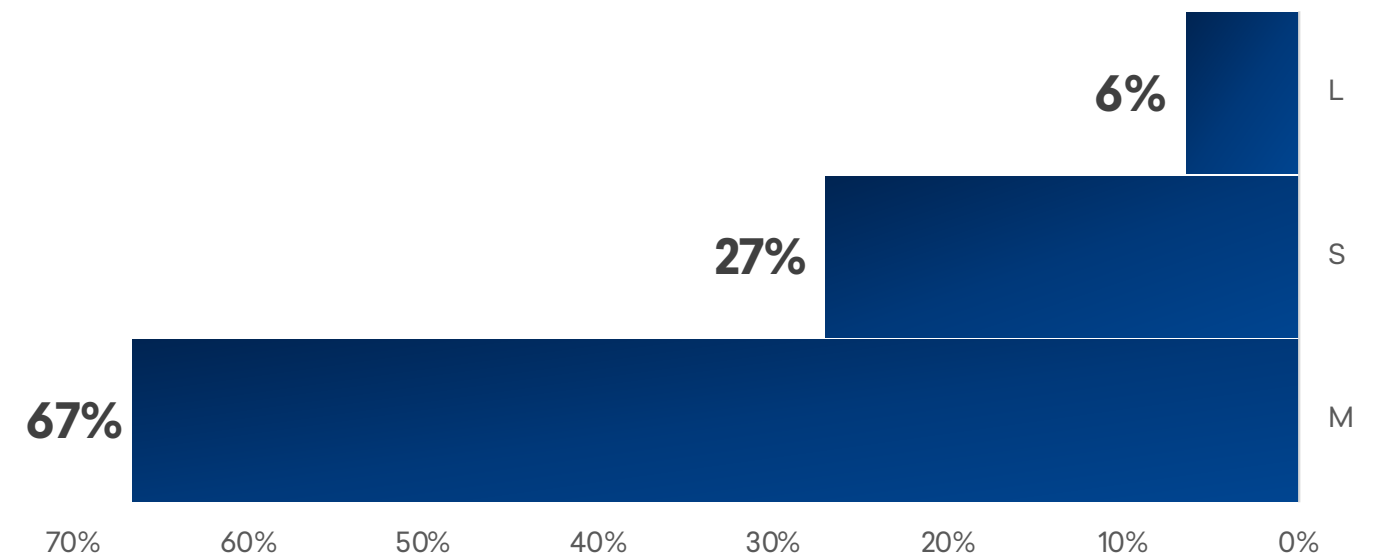


- Medical Equipment - **5%**
- Trucks - **2%**
- Road Construction Equipment - **13%**
- Cars - **21%**
- Other - **25%**
- Printing Equipment - **1%**
- Agricultural Equipment - **8%**
- Manufacturing Equipment - **9%**
- Construction Equipment - **15%**
- Transportation - **0%**
- Furniture - **1%**
- Estetic Equipment - **1%**
- High tech Equipment - **1%**
- Electric Machinery - **0%**

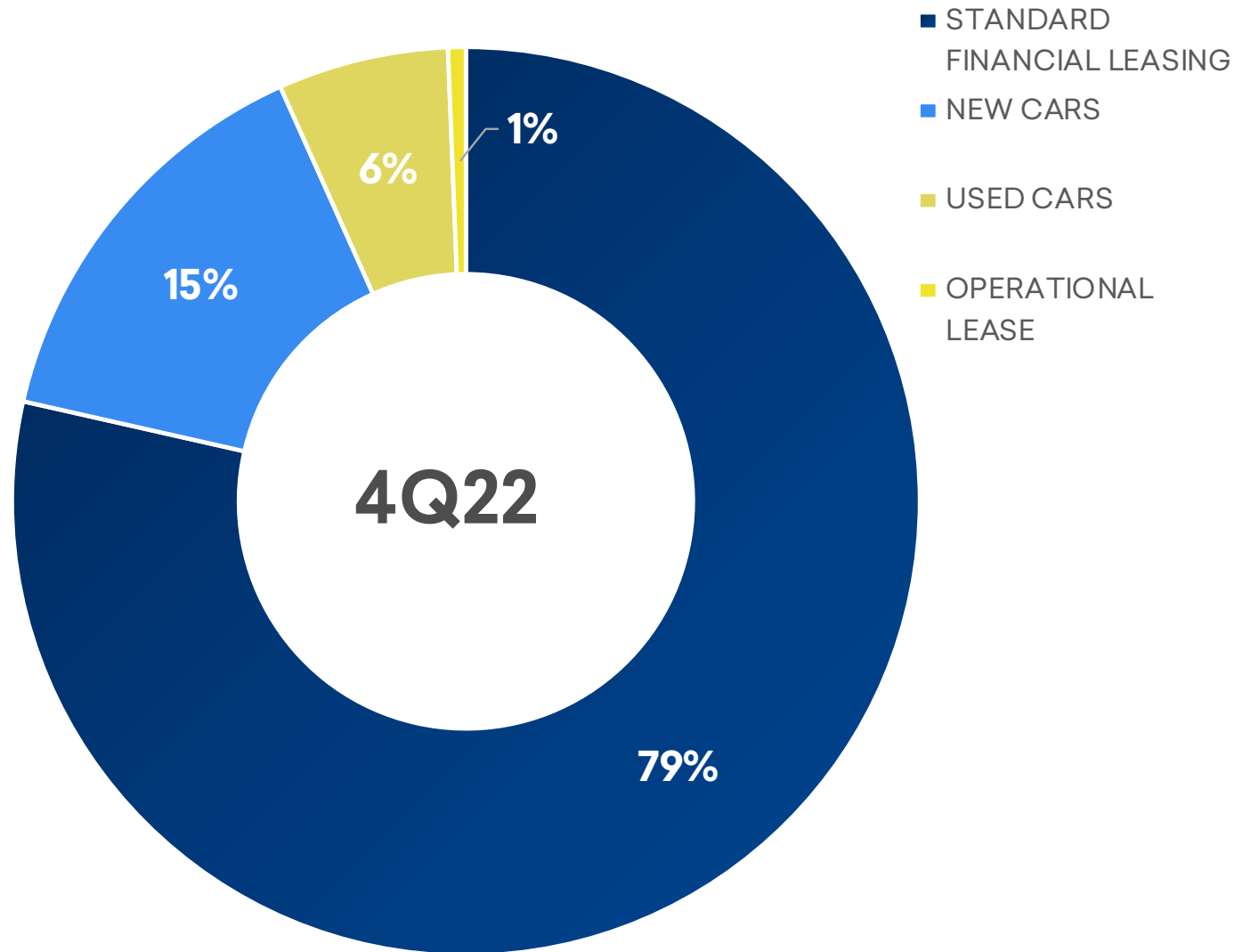
PORTFOLIO CURRENCY COMPOSITION



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%**

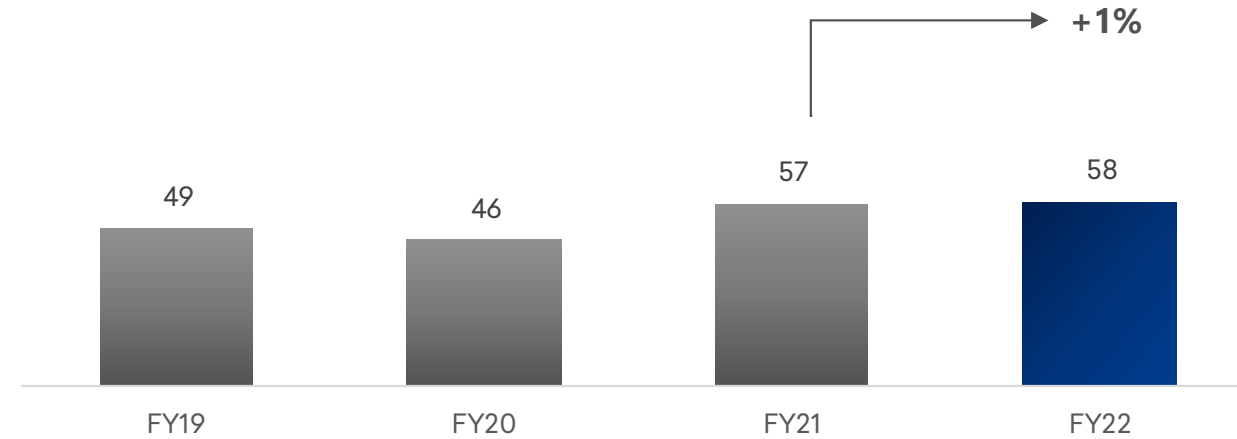
OPERATIONAL LEASE

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

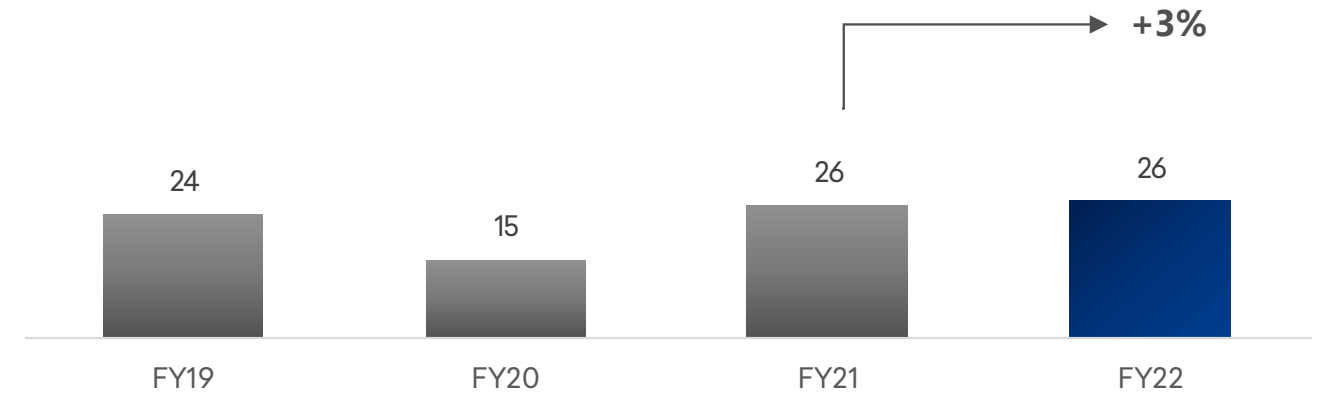
LONG-TERM, HIGH GROWTH PROSPECTS

INCOME ON INVESTMENT IN LEASES (MGEL)

Increasing income generation in line with growing portfolio

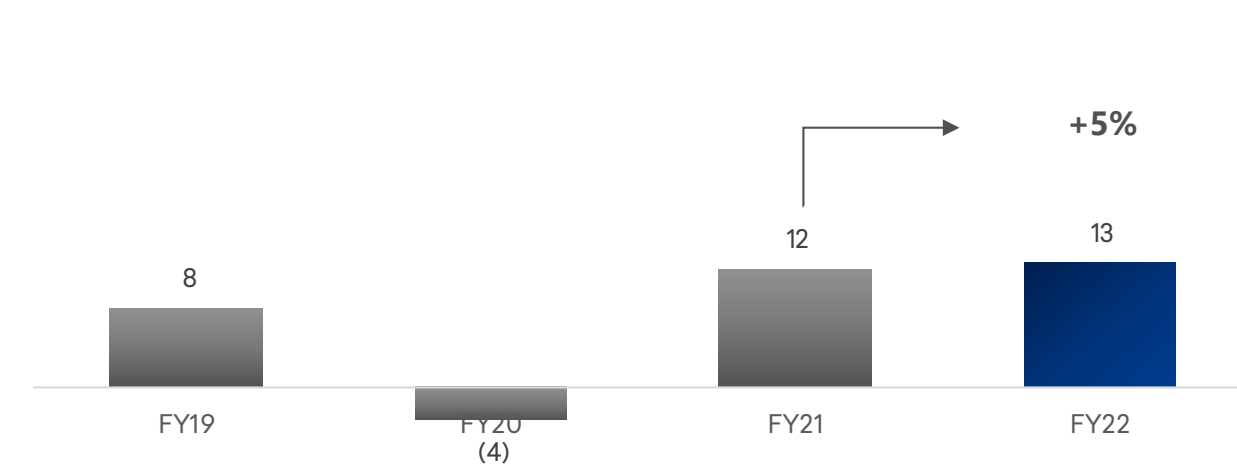


NET INTEREST INCOME (MGEL)



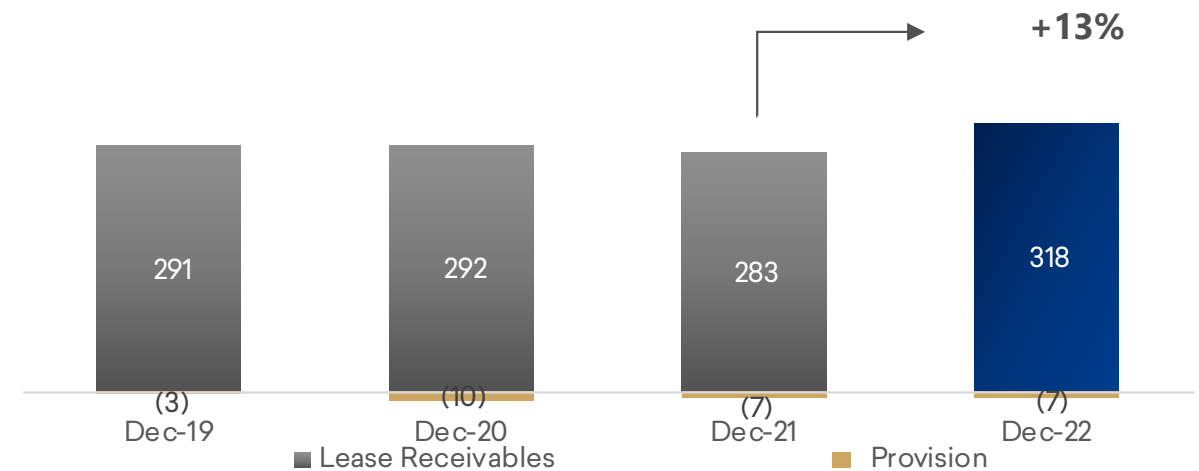
NET INCOME (MGEL)

Posted record high net income in 2022



LEASE RECEIVABLES

Delivering steady portfolio growth with 20% CAGR over last six years



FINANCIAL STATEMENTS

P&L (GEL, millions)	FY22	FY21	FY20	FY19	CHANGE FY21 – FY22 (Y-o-Y)
Interest Income	58	57	46	49	+1%
Net Interest Income	26	26	15	24	+3%
Operating Provision	(5)	(6)	(11)	(6)	-7%
Administrative Costs	(10)	(10)	(9)	(10)	-2%
Non Operating Income/Expense	1	2	2	0	-22%
Net Income	13	12	(4)	8	+5%

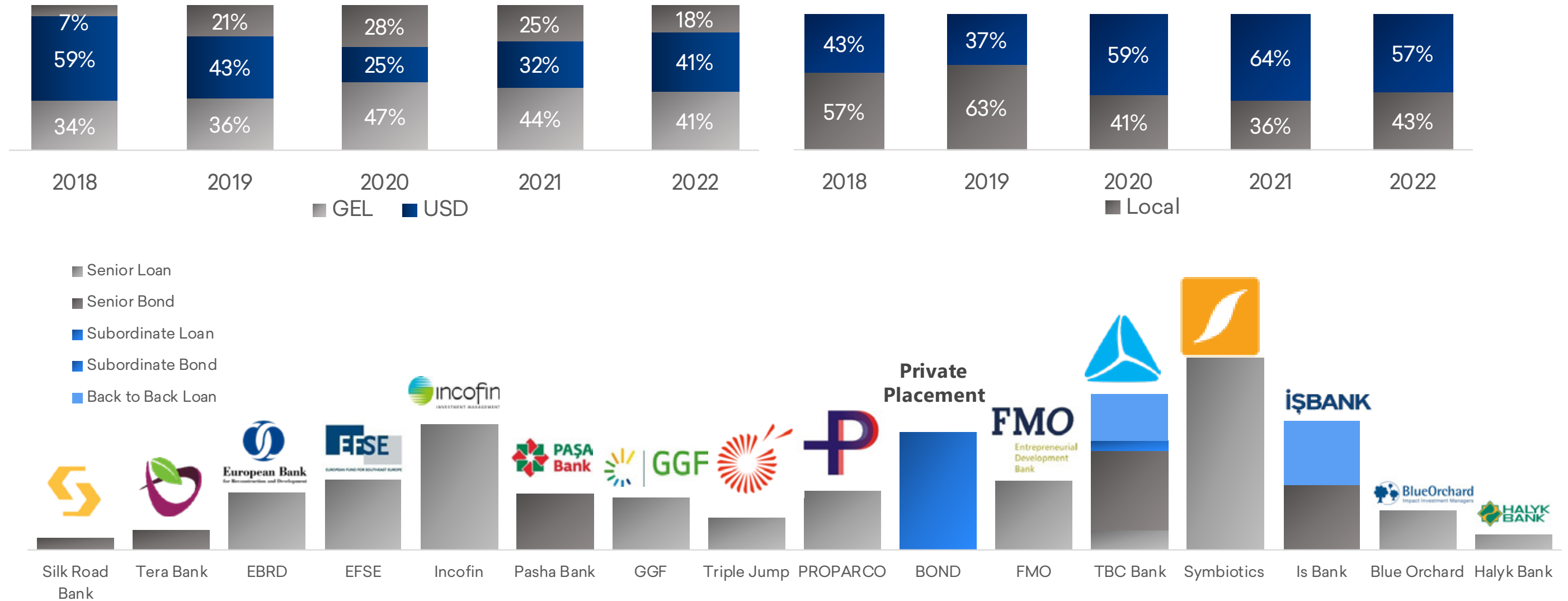
BS (GEL, Millions)	Dec-22	Dec-21	Dec-20	Dec-19	CHANGE Dec-21 - Dec-22 (Y-o-Y)
Lease Receivables	318	283	292	291	+613%
Provision	(7)	(7)	(10)	(3)	+1%
Net Lease Receivable	311	275	281	288	+13%
Total Assets	416	371	406	342	+12%
Borrowings	(313)	(300)	(358)	(273)	+5%
OFL	(42)	(23)	(13)	(29)	+82%
Equity	(61)	(48)	(35)	(39)	+27%
Total Liabilities and Equity	(416)	(371)	(406)	(342)	+12%

	FY19	FY20	FY21	FY22
C/I	35.4%	53.0%	35.6%	33.4%
COR	2.4%	4.0%	2.1%	1.9%
ROA	2.6%	-0.8%	3.2%	3.6%
ROE	27.6%	-8.1%	29.4%	23.9%
Tier 1	12.1%	11.3%	14.7%	16.4%
Tier 2	21.8%	22.6%	25.1%	25.2%

- Significant cost efficiency and optimization measures translated in decreased cost to income margin of 33.4% in 2022;
- In 2022, cost of risk decreased to 1.9% as a result of improved portfolio quality;
- Net income generated during 2022 contributed to the increase in ROA;
- ROE reflects desirable level of company's profitability and efficiency.

FUNDING DISTRIBUTION

WELL-DIVERSIFIED FUNDING STRUCTURE¹



¹As of December 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, eight solar panel projects have already been financed, financing totaled 3¹ MGEL, out of which c.70¹ KGEL was granted by European Union under the EU4Energy Initiative.

GREEN PORTFOLIO

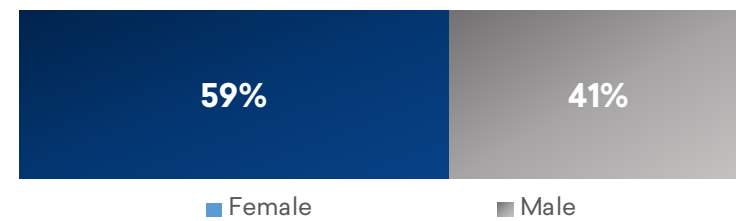
As part of that sustainability drive, we support our clients' shift towards a greener future through financing sustainable assets. Many of our projects focus on the environment and clean energy – such as solar panels, wind power and small scale hydro power plants., energy efficient agricultural and manufacturing equipment. As of December 2022 Green Portfolio outstanding was 25.4 MGEL.

¹As of December 2022



EQUALITY AND DIVERSITY

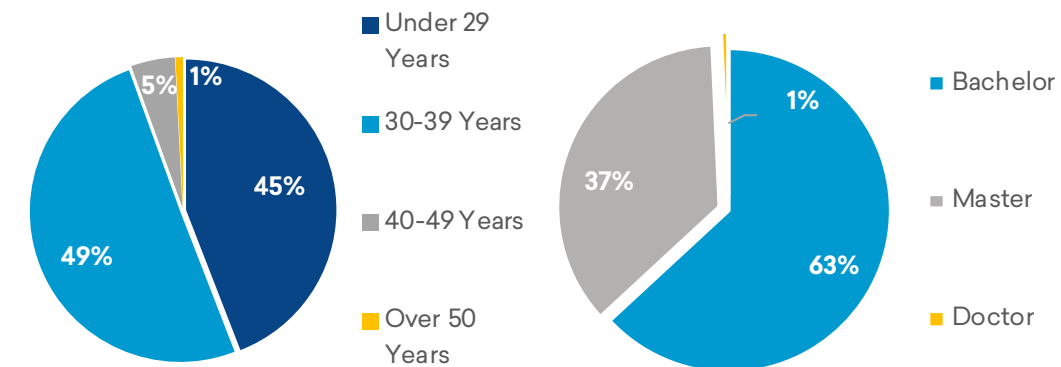
GENDER-BALANCED WORKFORCE¹



MIDDLE MANAGEMENT GENDER COMPOSITION¹



GRATE MIX OF YOUNG AND EXPERIENCED EMPLOYEES¹



¹ As of December 2022



126

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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