



TBC LEASING

2024

1Q 2024 RESULTS PRESENTATION

Unaudited IFRS Figures

**TBC LEASING
AT A GLANCE**

INDUSTRY AND
MARKET OVERVIEW

PERFORMANCE
OVERVIEW

ANNEXES

AT A GLANCE | STRONG PRESENCE IN LEASING INDUSTRY

20

Years in business

86%

Market Share,
Lease Portfolio

6

Branches

158

Employees

408

PORTFOLIO, MGEL¹

3,957

CONTRACTS¹

21

INTEREST INCOME,
MGEL¹

2,037

CLIENTS¹

NO. 1 LEASING COMPANY IN ATTRACTING INTERNATIONAL FINANCIAL RESOURCES

FitchRatings

BB, STABLE OUTLOOK

Highest among non-banking institutions



BARTA three-time Winner

Best Annual Report and Transparency,
SME Companies

2003

TBCL
Established

2016

- Retail business Launched
- Portfolio surpassed 100 MGEL

2018

Celebrating 15th
Anniversary with 240 MGEL
Portfolio

2020

- No. 1 Company in the market with the largest placement of GEL public bonds on Georgian Stock Exchange;
- Fitch Credit Rating Assigned;
- Enabled Clients to take advantage of three-time Grace Period

2021

- Fitch affirmed credit rating and revised outlook to stable;
- Winner of BARTA 2021 in the nomination of the Best Annual Report and Transparency 2021, Small and Medium Companies

2022

- Fitch Affirms TBC Leasing at 'BB-'; Outlook Stable
- Winner of BARTA 2022 in the nomination of the best Annual Report and Transparency 2022, Small and Medium Companies

2023

- Public issuance of GEL 100 million senior bonds;
- Public issuance of GEL 15 million Green Bonds;
- Winner of BARTA 2023 in the nomination of the best Annual Report and Transparency 2023, Small and Medium Companies

¹As of March 2024

STRATEGY ROADMAP

GROWTH

Double the portfolio for 2025
Increase Green Portfolio

PROCESS OPTIMIZATION

Lending Process Optimization
Product Optimization

PROFITABILITY AND EFFICIENCY

Income Growth
Cost Efficiency
Funding Optimization
Capital Optimization

LEASING MARKET GROWTH

Brand Awareness
Leasing Product Awareness

ENABLERS

PEOPLE

Employee-centric and competitive working environment to attract, promote and retain right people

TECHNOLOGIES

Constant improvement of digital environment, platforms and infrastructure to achieve business growth

ASSET MANAGEMENT

Develop expertise and knowledge in leasing asset-related services to provide consulting and value added services to clients

RISK MANAGEMENT

Prudent risk management by leveraging data analytics, having digital capabilities and experienced people

SUPERVISORY BOARD AND 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



Nugzar Loladze
Chief Financial Officer



Zurab Gugushvili
Chief Commercial Officer



Giorgi Maisuradze
Chief Risk Officer

TBC LEASING
AT A GLANCE

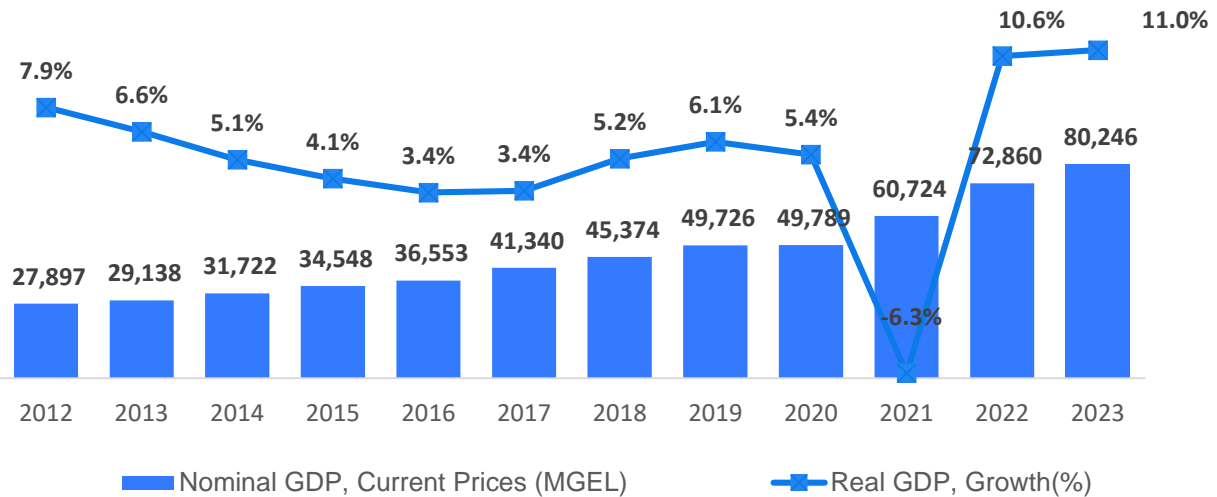
**INDUSTRY AND
MARKET OVERVIEW**

PERFORMANCE
OVERVIEW

ANNEXES

POSITIVE ECONOMIC OUTLOOK

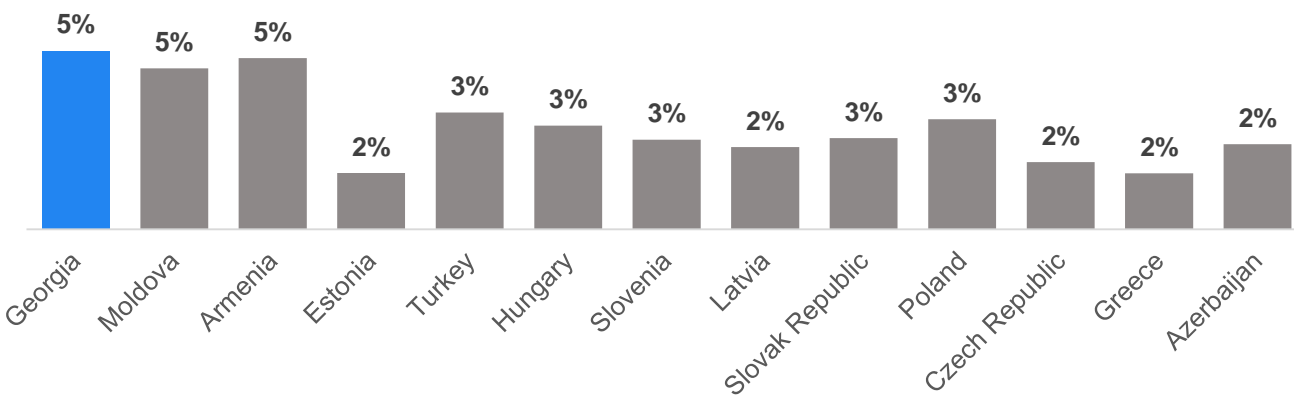
GROSS DOMESTIC PRODUCT



Source: Geostat, IMF - World Economic Outlook 2024

REAL GDP GROWTH | 2024-2029 AVERAGE

One of the fastest developing economies in the region



Source: IMF - World Economic Outlook 2024

NOMINAL GDP STRUCTURE | 2023

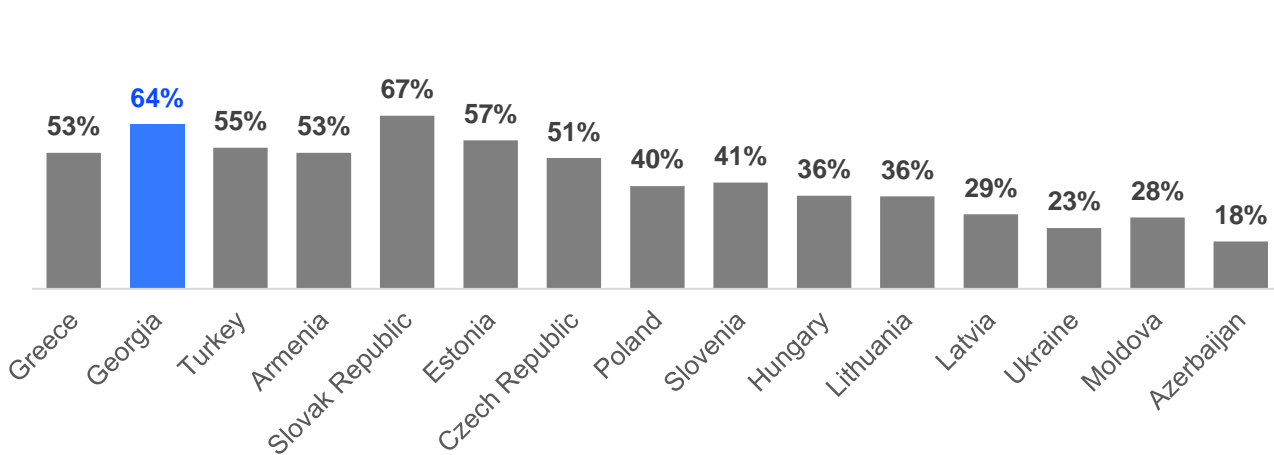


Source: Geostat, 2023 Preliminary data) Final data will be available on November 15, 2024

LONG-TERM, HIGH GROWTH PROSPECTS

PRIVATE SECTOR CREDIT-TO-GDP | 2022

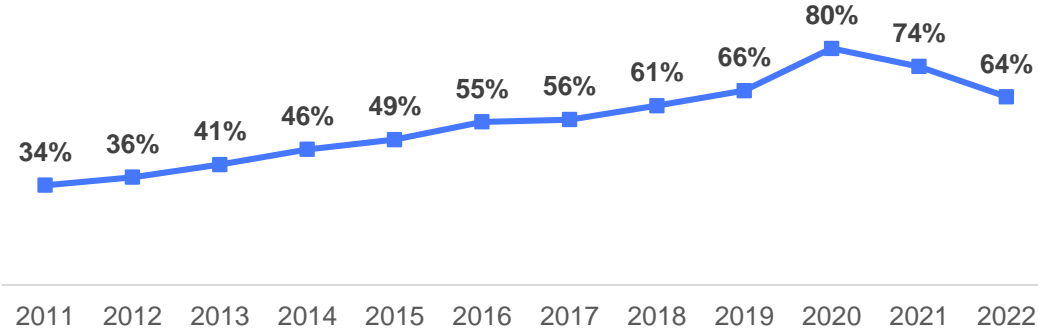
Georgia stands alongside Turkey and other peer countries



Source: World Bank

PRIVATE SECTOR CREDIT-TO-GDP | GEORGIA

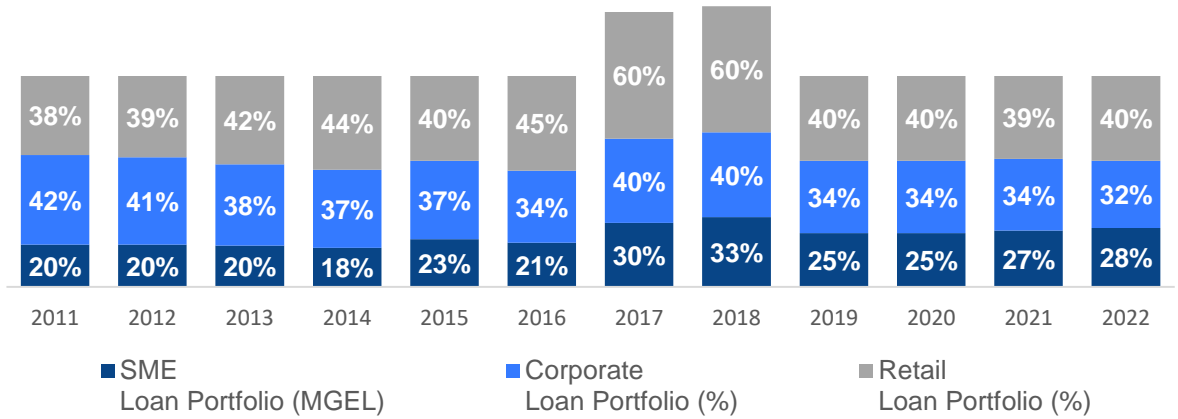
Expansion in financial activity reflects a favorable economic environment in Georgia



Source: World Bank

CORPORATE LOAN PORTFOLIO | GEORGIA

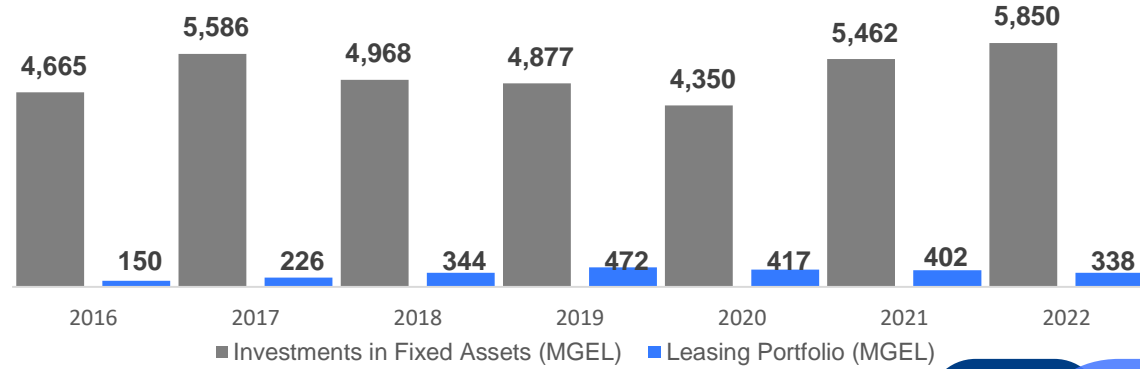
Volume of the SME portfolio has increased almost eight fold since 2012



Source: National Bank of Georgia, Annual Report 2022

INVESTMENTS IN FIXED ASSETS VS LEASING PORTFOLIO

Capacity-wise Georgia has substantial room for growth

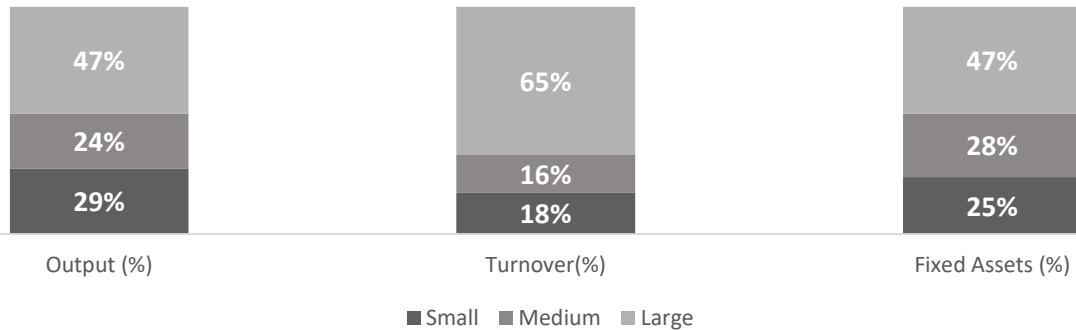


Source: Geostat

LONG-TERM, HIGH GROWTH PROSPECTS *continued*

SMES DOMINATE THE ENTERPRISE LANDSCAPE IN GEORGIA

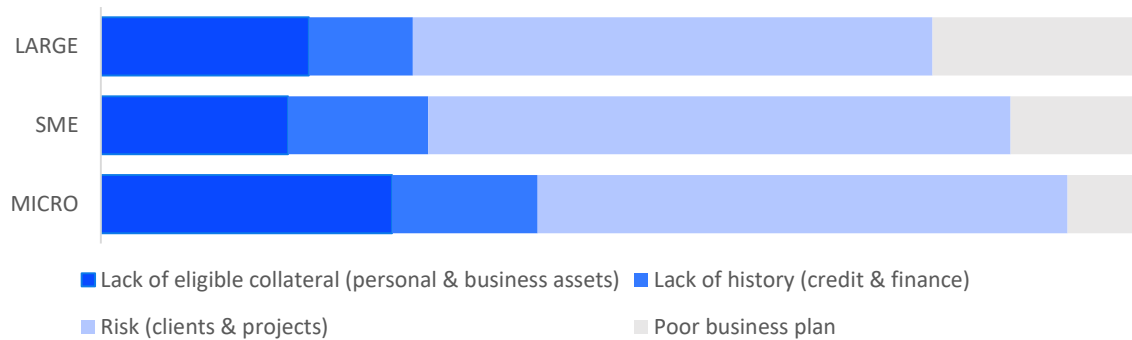
SMEs account for 53% of total production value and 34% of turnover of private sector



Source: Geostat

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

AVAILABILITY OF FINANCIAL INSTRUMENTS IN SMES

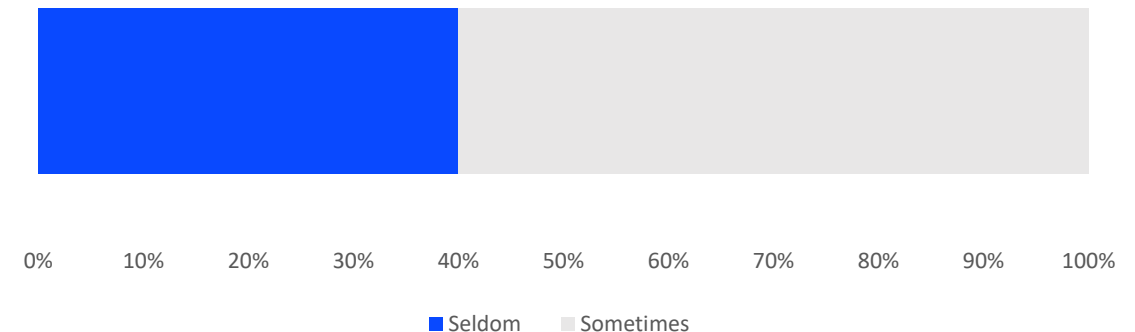
Leasing has progressively gained importance



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

SME LOAN APPLICATION REJECTION FREQUENCIES

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

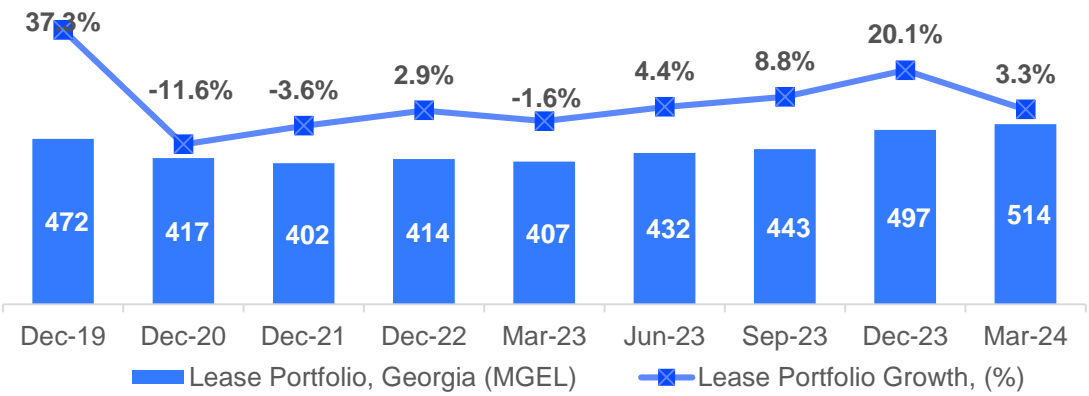


Source: European Investment Bank - Financing in Georgia: Small and medium enterprises and the private sector, 2018 EIB Bank Lending Survey

CLEAR MARKET LEADER | Supporting countries economic growth

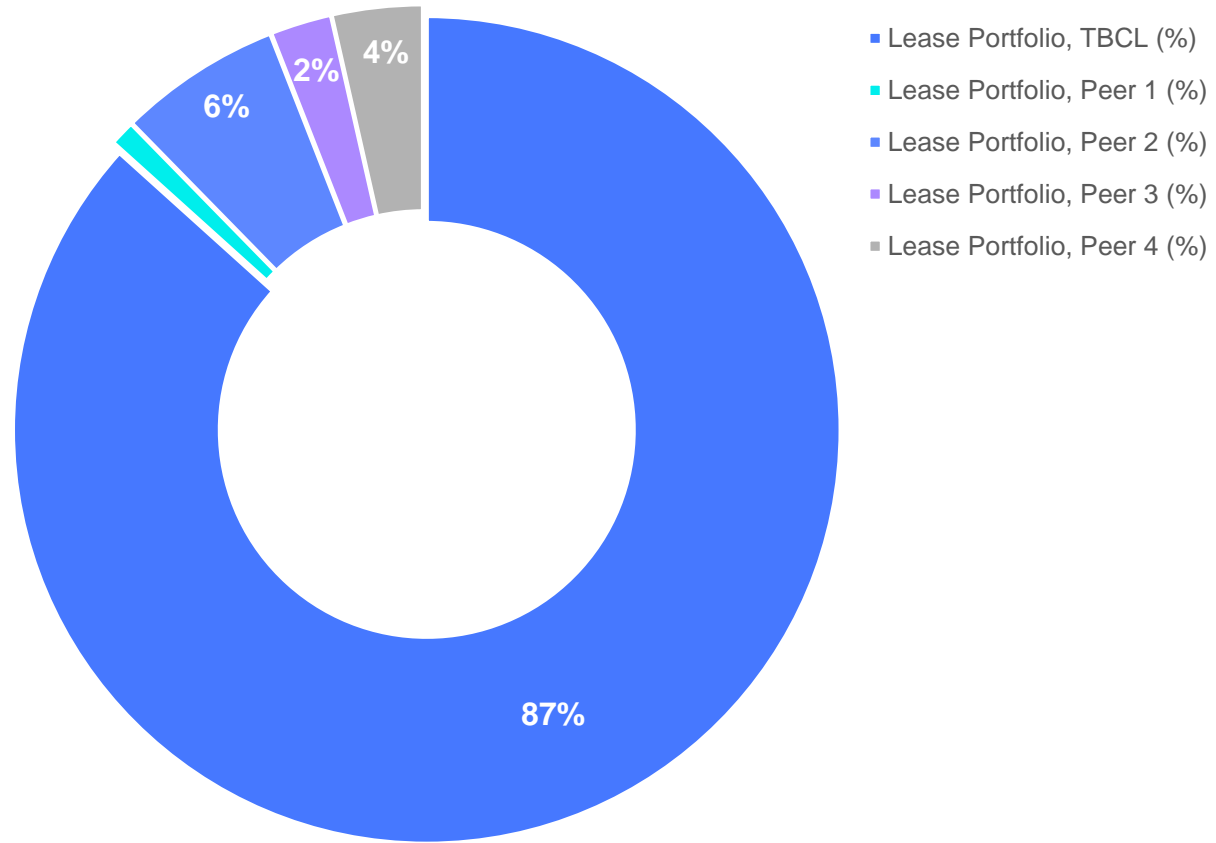
GROWTH IN LEASING MARKET EXPECTED TO CONTINUE

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



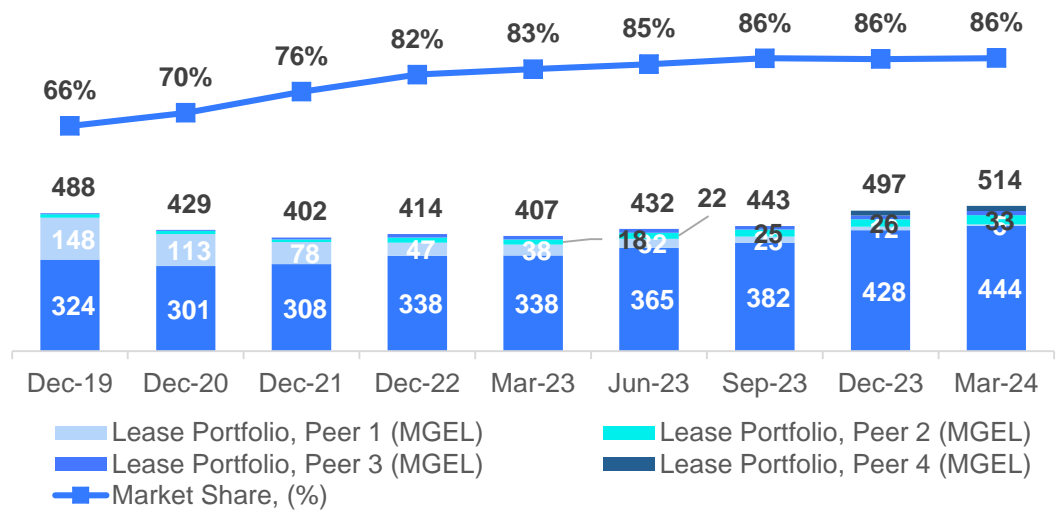
MARKET SHARE , LEASE PORTFOLIO | 1Q24

Significantly concentrated market



LEASE PORTFOLIO MARKET SHARE DYNAMICS

Leader in Georgia with established #1 market position



TBC LEASING
AT A GLANCE

INDUSTRY AND
MARKET OVERVIEW

**PERFORMANCE
OVERVIEW**

ANNEXES

OPERATIONAL HIGHLIGHTS

INTRODUCTION OF NEW PRODUCTS



CAR DEALER COOPERATION



COOPERATION WITH TOP VENDORS



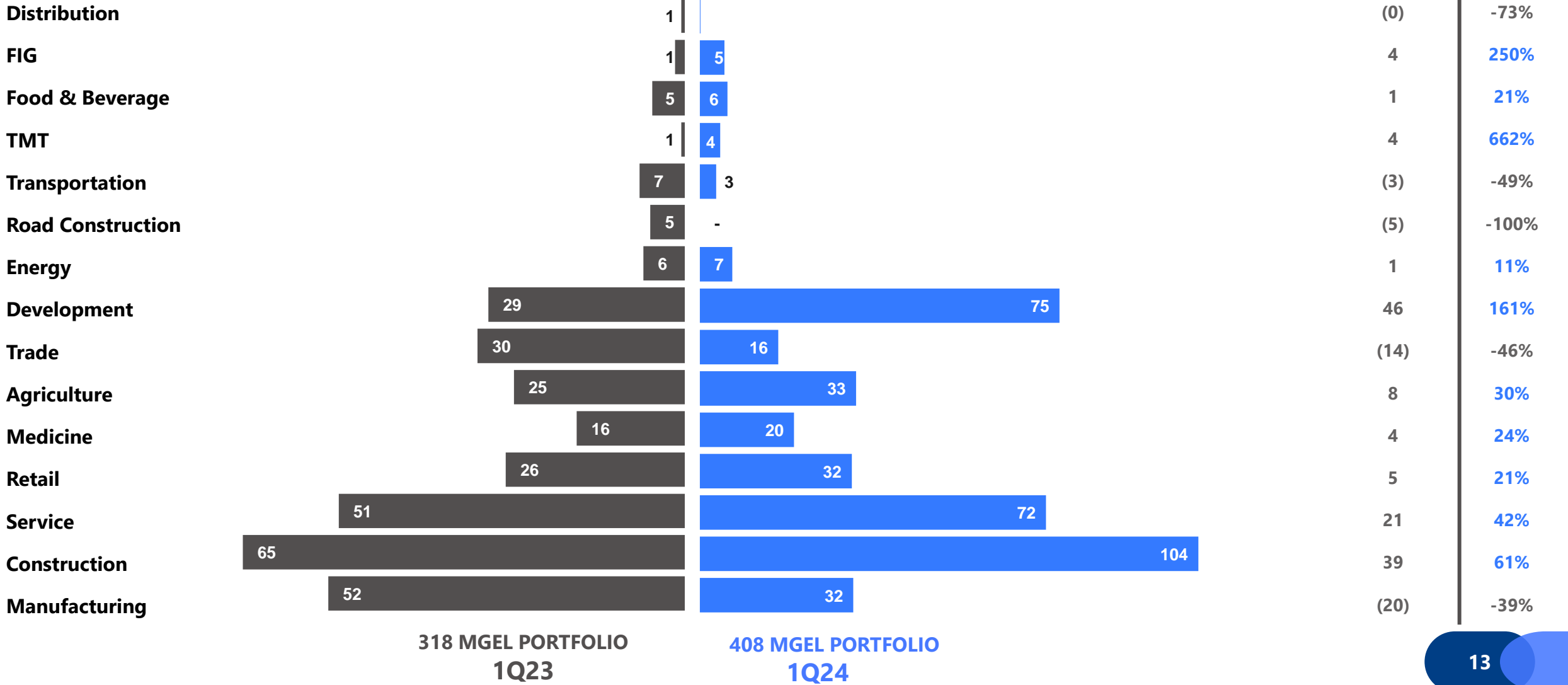
SIGNIFICANT SYNERGY WITH PARENT



DIVERSIFIED PORTFOLIO ACROSS ALL SECTORS

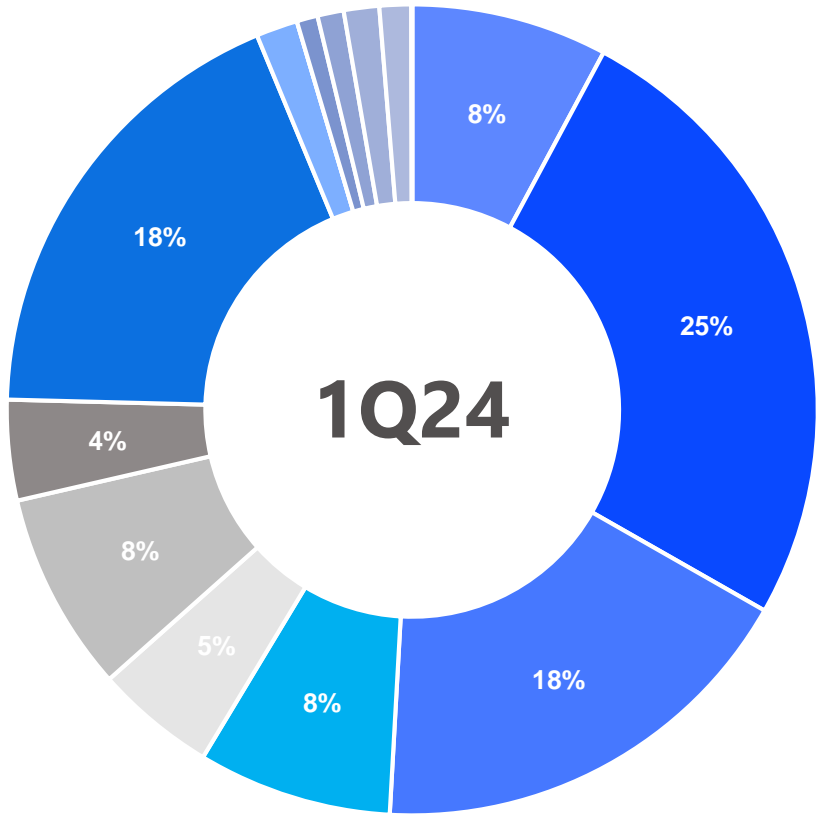
c.72 MGEL new business volume generated in 1Q24 (57% growth compared to 1Q23)

CHANGE 1Q23 – 1Q24



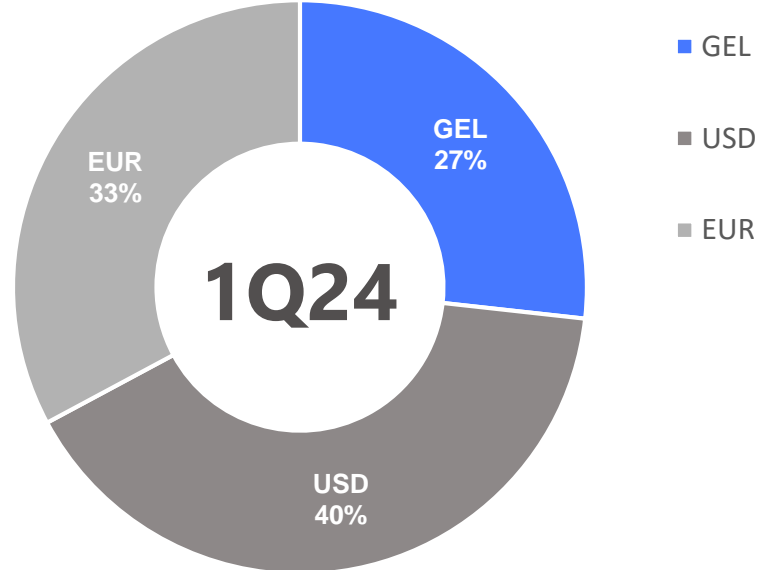
POTFOLIO HIGHLIGHTS

PORTFOLIO BREAKDOWN BY ASSET TYPE



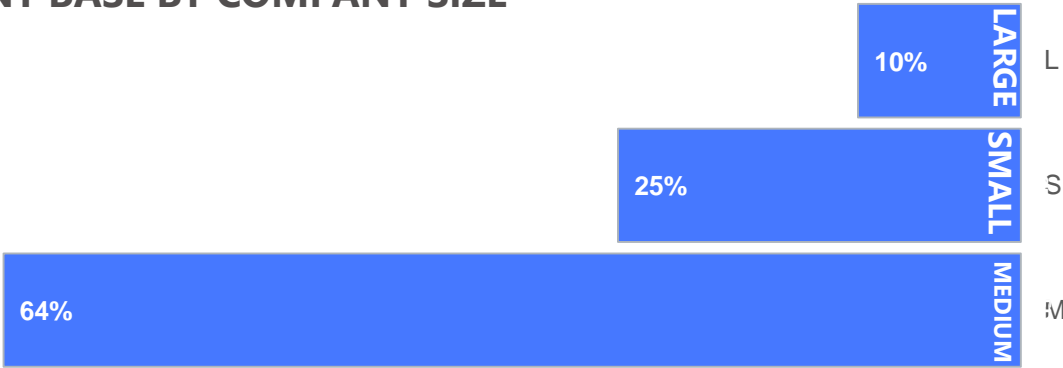
- Manufacturing
- Construction
- Service
- Retail
- Medicine
- Agriculture
- Trade
- Development
- Energy
- Road Construction
- Transportation
- TMT
- Food & Beverage
- FIG
- Distribution
- Printing
- Mining

PORTFOLIO CURRENCY COMPOSITION



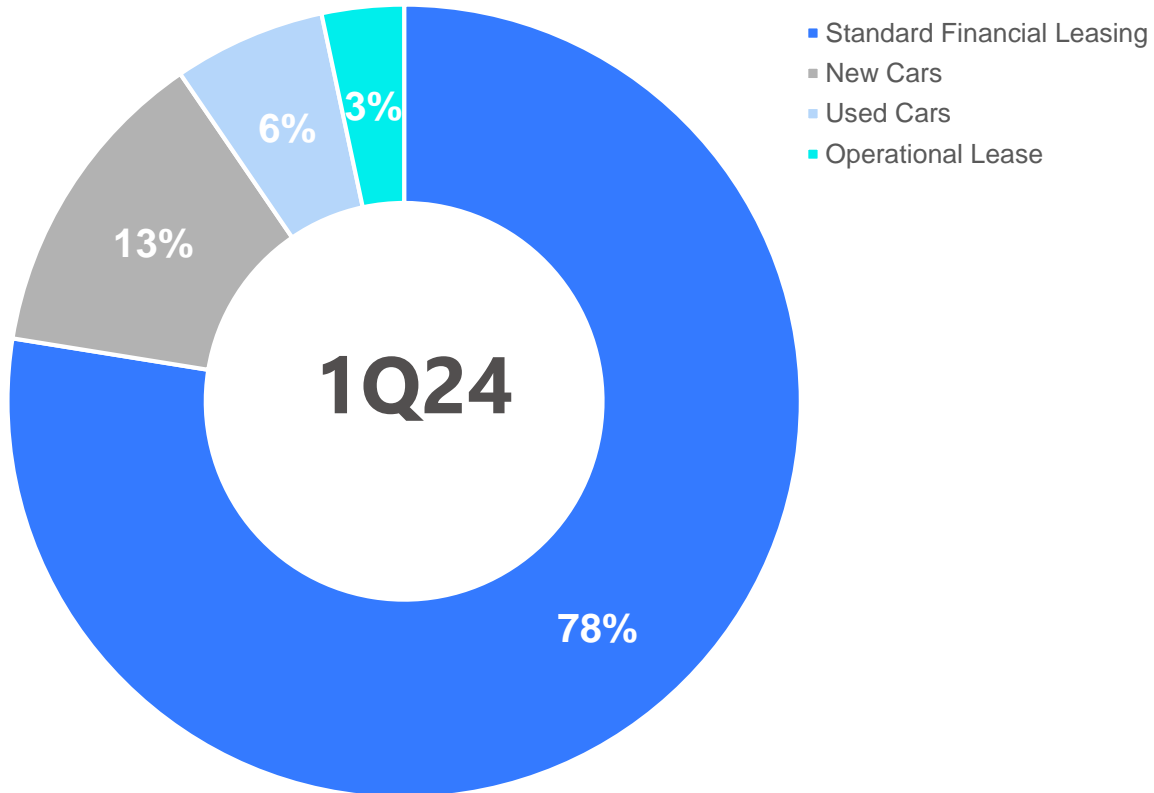
- GEL
- USD
- EUR

CLIENT BASE BY COMPANY SIZE



LEASE PORTFOLIO STRUCTURE BY PRODUCTS

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%**

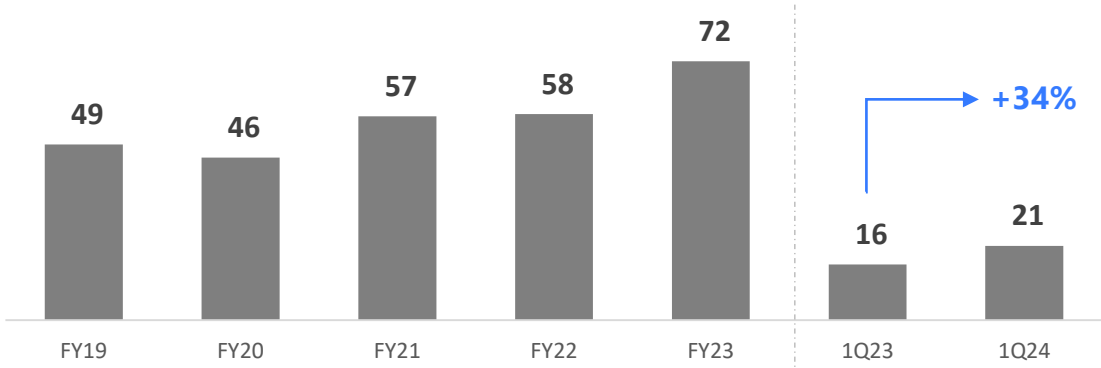
OPERATIONAL LEASE

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

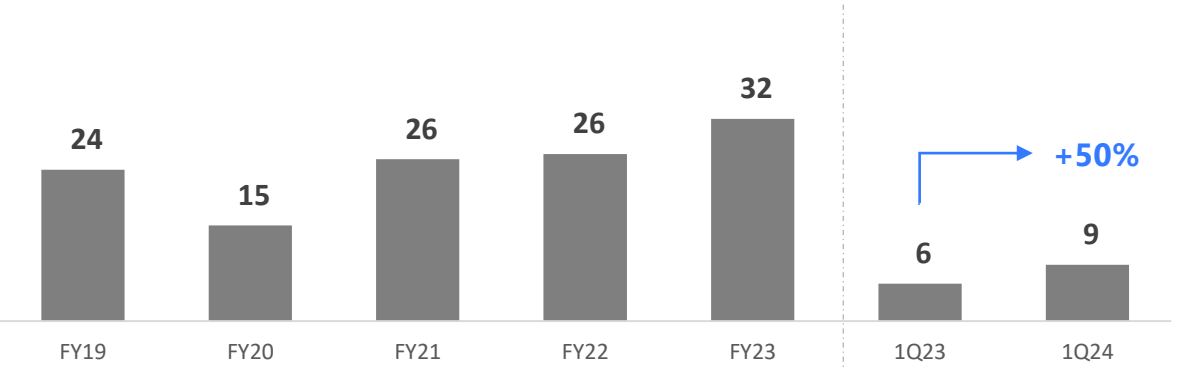
PERFORMANCE OVERVIEW

INCOME ON INVESTMENT IN LEASES (MGEL)

Increasing income generation in line with growing portfolio



NET INTEREST INCOME (MGEL)



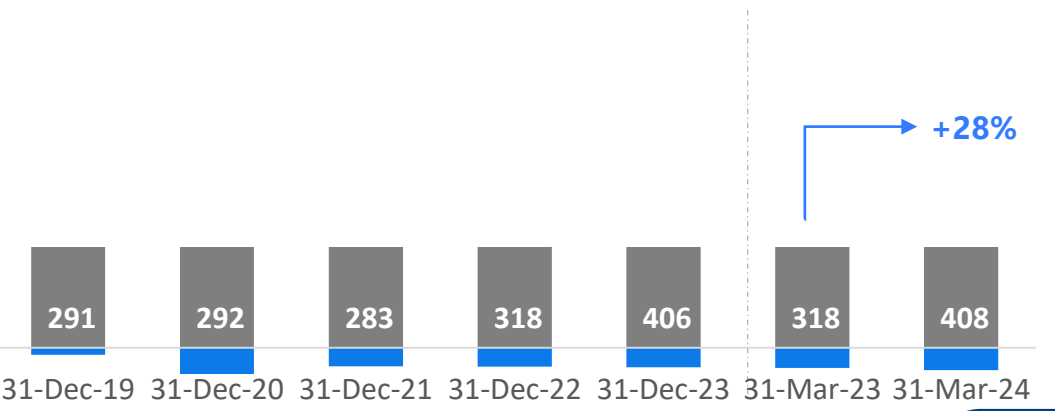
NET INCOME (MGEL)

Posted record high net income in 2022



LEASE RECIEVABLES

Delivering steady portfolio growth with 16% CAGR over last six years



■ Lease Receivables ■ Provision

FINANCIAL STATEMENTS

P&L (GEL, millions)	1Q24	1Q23	FY23	FY22	FY21	FY20	CHANGE 1Q23 – 1Q24 (Y-o-Y)
Interest Income	21	16	72	58	57	46	+34%
Net Interest Income	9	6	32	26	26	15	50%
Operating Provision	(2)	(2)	(7)	(5)	(6)	(11)	46%
Administrative Costs	(4)	(2)	(12)	(10)	(10)	(9)	79%
Non Operating Income/Expense	1	0	5	1	2	2	344%
Net Income	4	2	18	13	12	(4)	64%

BS (GEL, Millions)	Mar-24	Mar-23	Dec-23	Dec-22	Dec-21	Dec-20	CHANGE Mar-23 – Mar-24 (Y-o-Y)	CHANGE Dec-23 – Mar-24 (YTD)
Lease Receivables	408	318	406	318	283	292	28%	1%
Provision	(9)	(8)	(8)	(7)	(7)	(10)	10%	16%
Net Lease Receivable	399	310	398	311	275	281	29%	0%
Total Assets	530	431	516	416	371	406	23%	3%
Borrowings	(408)	(346)	(404)	(313)	(300)	(358)	18%	1%
OFL	(39)	(22)	(32)	(42)	(23)	(13)	79%	19%
Equity	(83)	(63)	(80)	(61)	(48)	(35)	31%	5%
Total Liabilities and Equity	(530)	(431)	(516)	(416)	(371)	(406)	23%	3%

KEY PERFORMANCE INDICATORS

Ratio	FY20	FY21	FY22	FY23	1Q23	1Q24
C/I	53.0%	35.6%	33.4%	33.2%	41.4%	33.9%
COR	4.0%	2.1%	1.9%	1.9%	2.0%	2.2%
ROA	-0.8%	3.2%	3.6%	4.0%	2.3%	3.8%
ROE	-8.1%	29.4%	23.9%	25.5%	14.8%	23.0%
Tier 1	11.3%	14.7%	16.4%	17.9%	17.6%	18.6%
Tier 2	22.6%	25.1%	25.2%	27.3%	29.1%	27.9%

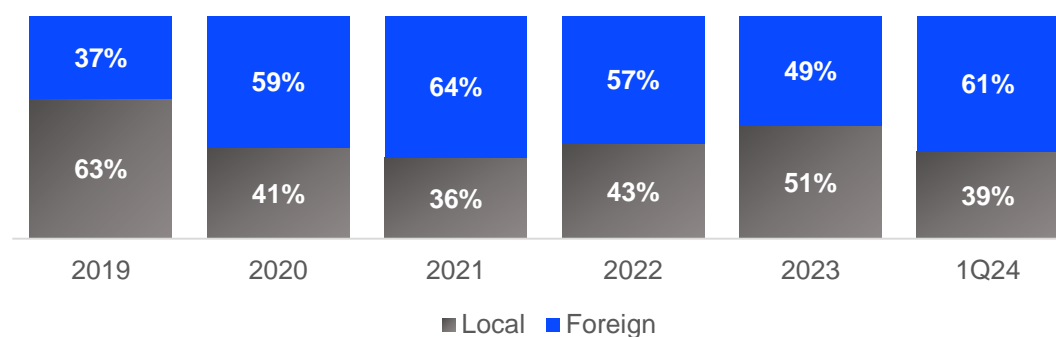
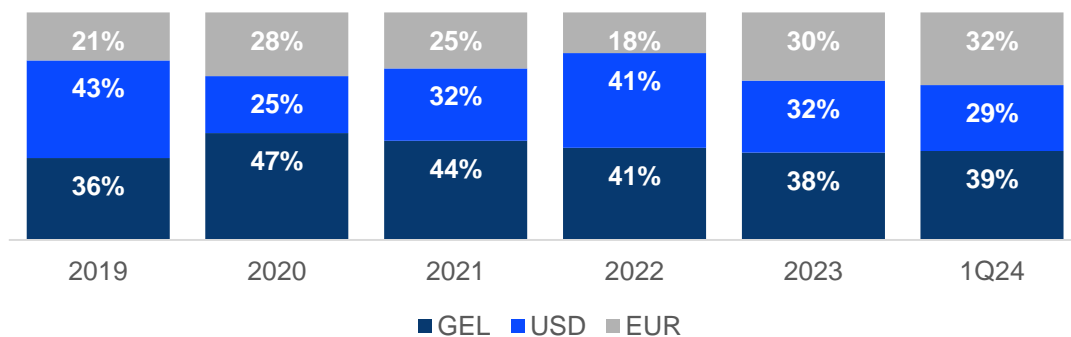
Significant cost efficiency and optimization measures translated in decreased cost to income margin of 33.9% in 1Q24

Increased profitability contributed to the improvement of ROA

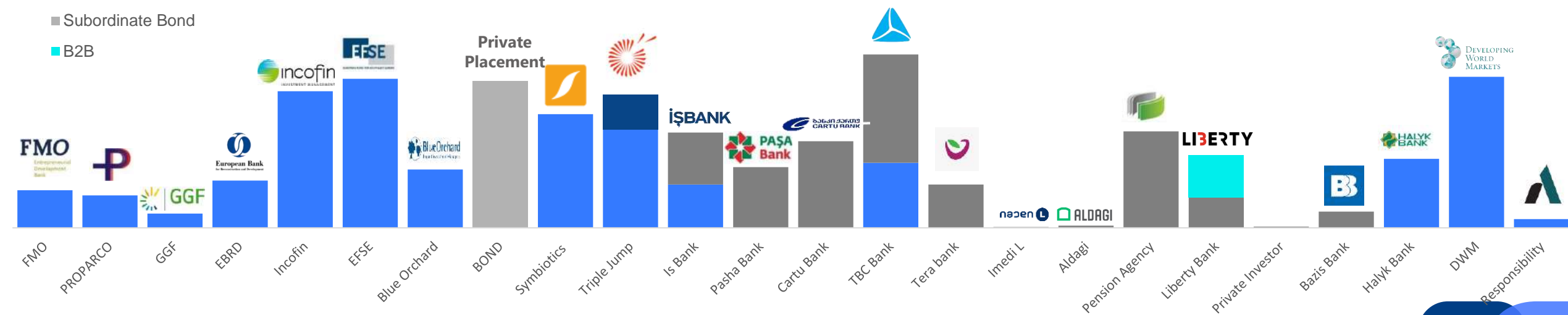
ROE reflects desirable level of company's profitability and efficiency

FUNDING DISTRIBUTION

WELL-DIVERSIFIED FUNDING STRUCTURE¹



- Senior
- Senior Bond
- Subordinate
- Subordinate Bond
- B2B



¹As of March 2024



TBC LEASING
AT A GLANCE

INDUSTRY AND
MARKET OVERVIEW

PERFORMANCE
OVERVIEW

ANNEXES

E&S INITIATIVES | PROMOTING ENERGY EFFICIENT PROJECTS

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.

To date, we have financed solar panel projects with a financing volume of 6.5 MGEL, part of which was granted by European Union under the EU4Energy Initiative.

GREEN PORTFOLIO

As part of our sustainability drive, we support our clients to shift towards a greener future by financing sustainable assets. We are actively developing new products that will help increase the financing volume of energy efficient assets as well as the production of renewable energy.

Many of our projects focus on the environment and clean energy – such as solar panels, wind power and small-scale hydro power plants. As of March 2024 Green Portfolio outstanding was 34.4 MGEL.

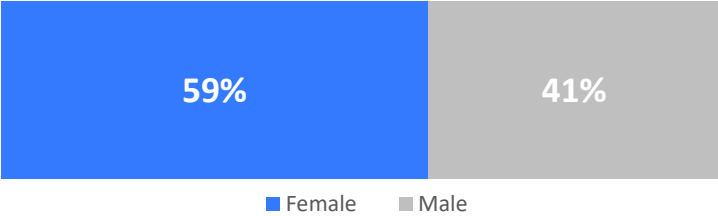


¹ As of March 2024

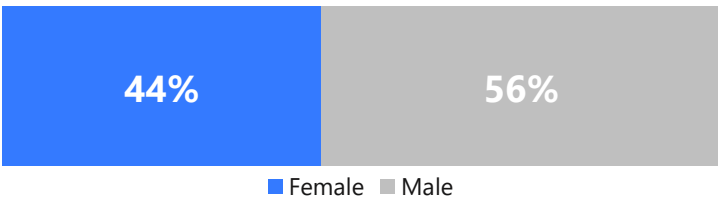
E&S INITIATIVES | EMPLOYEE MATTERS

EQUALITY AND DIVERSITY

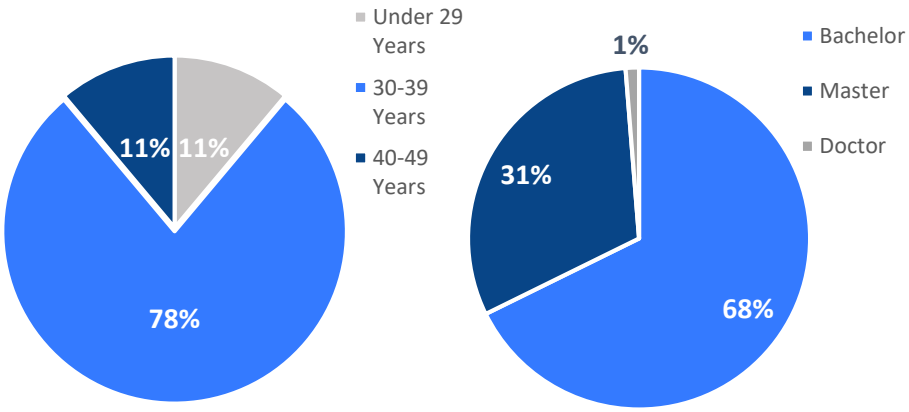
GENDER-BALANCED WORKFORCE¹



MIDDLE MANAGEMENT GENDER COMPOSITION¹



GRATE MIX OF YOUNG AND EXPERIENCED EMPLOYEES¹



158
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**

¹As of March 2024



For more information, news and financial reports you can visit:
<https://tbcleasing.ge/for-investors>

The information and opinions contained in this document are recorded and expressed in good faith and in reliance on sources believed to be reliable. The information may not be used, published or redistributed without the prior consent of TBC Leasing.

CONTACT INVESTOR RELATIONS

Mariam Mkheidze

Head of Capital Markets
and Investor Relations Management

Email: mmkheidze@tbcleasing.ge
Tel: +(995 32) 212 27 77 (3202)
Web: [Investors \(tbcleasing.ge\)](https://investors.tbcleasing.ge)
Address: Chavchavadze Ave. 76 M, 0162, Tbilisi, Georgia

Tornike Egnatashvili

Head of Financial Department

Email: tegnatashvili@tbcleasing.ge
Tel: +(995 32) 212 27 77 (3027)
Web: [Investors \(tbcleasing.ge\)](https://investors.tbcleasing.ge)
Address: Chavchavadze Ave. 76 M, 0162, Tbilisi, Georgia