



**TBC LEASING**

**2024**

**2Q 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

87%

Market Share,  
Lease Portfolio

6

Branches

163

Employees

457

PORTFOLIO, MGEL<sup>1</sup>

44

INTEREST INCOME,  
MGEL<sup>1</sup>

4,197

CONTRACTS<sup>1</sup>

2,101

CLIENTS<sup>1</sup>

## 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

<sup>1</sup>As of June 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

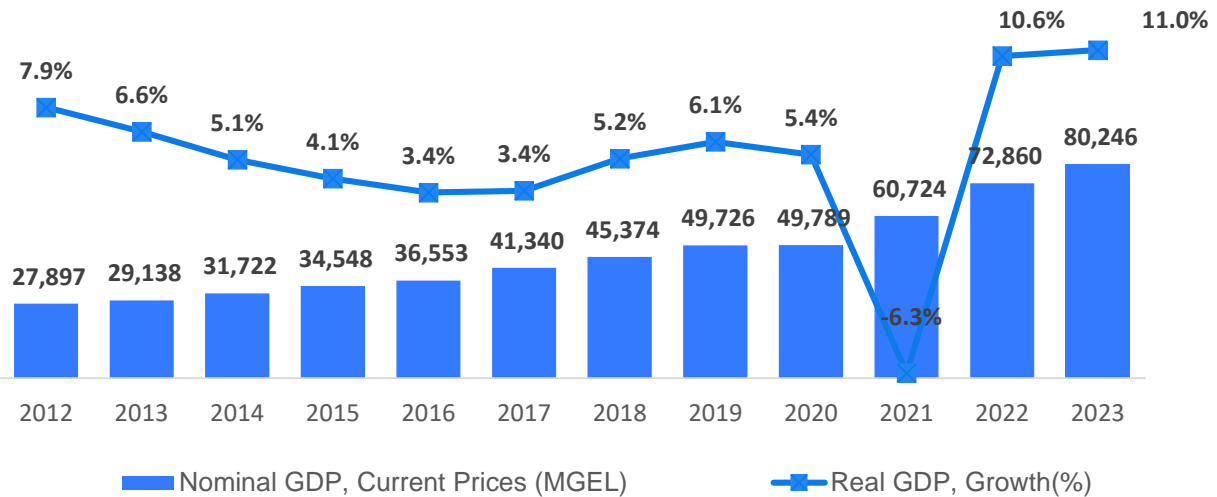
**INDUSTRY AND  
MARKET OVERVIEW**

PERFORMANCE  
OVERVIEW

ANNEXES

# POSITIVE ECONOMIC OUTLOOK

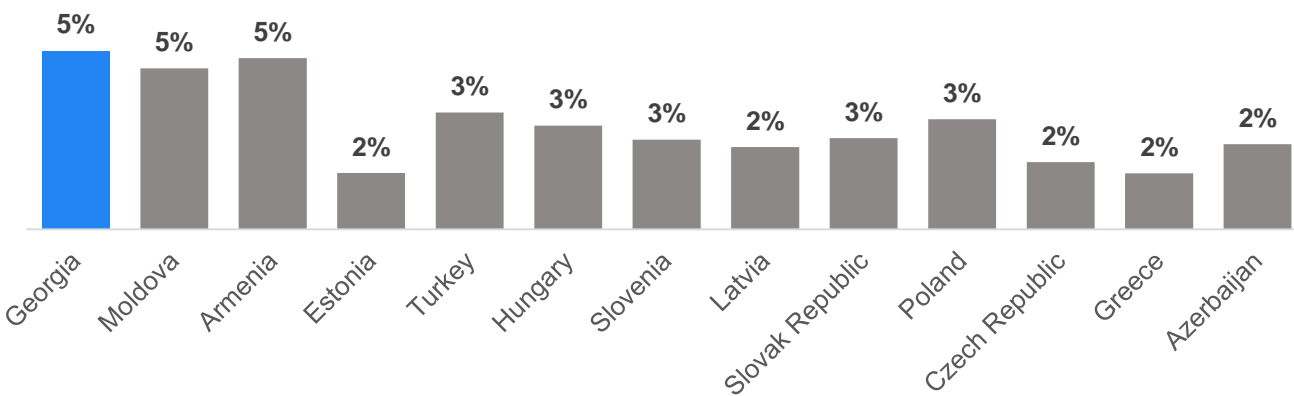
## GROSS DOMESTIC PRODUCT



Source: Geostat, IMF - World Economic Outlook 2024

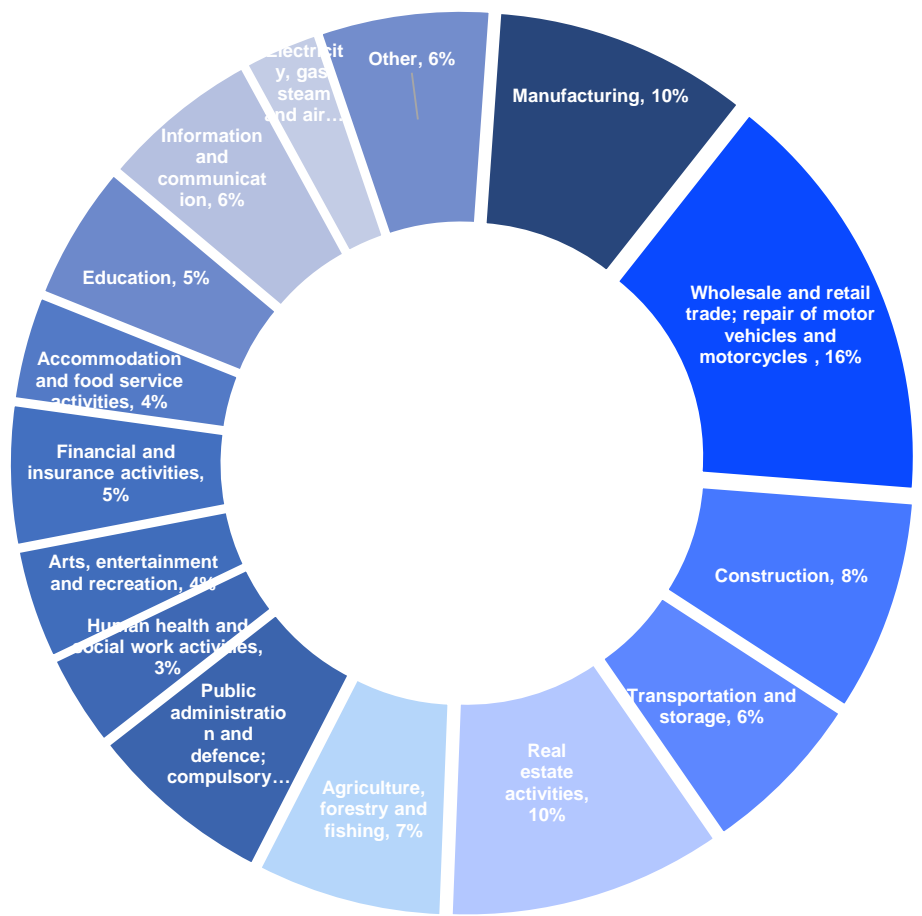
## REAL GDP GROWTH | 2024-2029 AVERAGE

*One of the fastest developing economies in the region*



Source: IMF - World Economic Outlook 2024

## NOMINAL GDP STRUCTURE | 2023

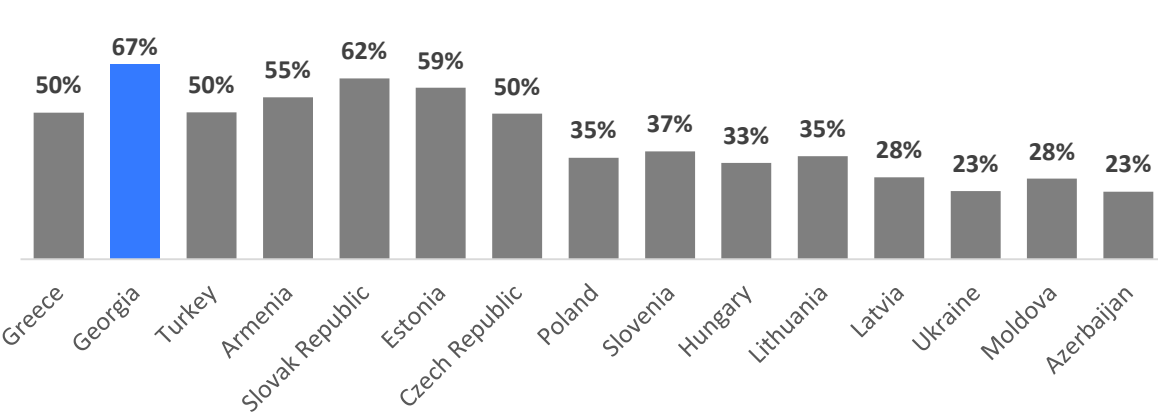


Source: Geostat, 2023 Preliminary data) Final data will be available on November 15, 2024

# LONG-TERM, HIGH GROWTH PROSPECTS

## PRIVATE SECTOR CREDIT-TO-GDP | 2023

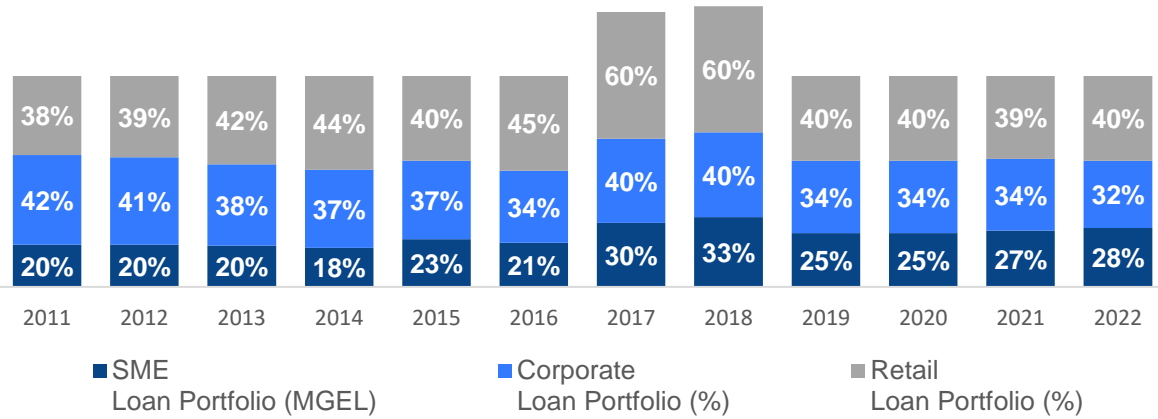
Georgia stands alongside Turkey and other peer countries



Source: World Bank

## CORPORATE LOAN PORTFOLIO | GEORGIA

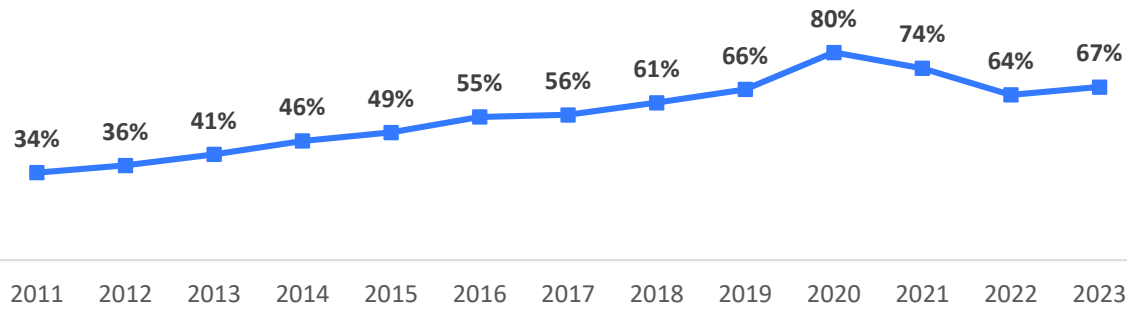
Volume of the SME portfolio has increased almost eight fold since 2012



Source: National Bank of Georgia, Annual Report 2022

## PRIVATE SECTOR CREDIT-TO-GDP | GEORGIA

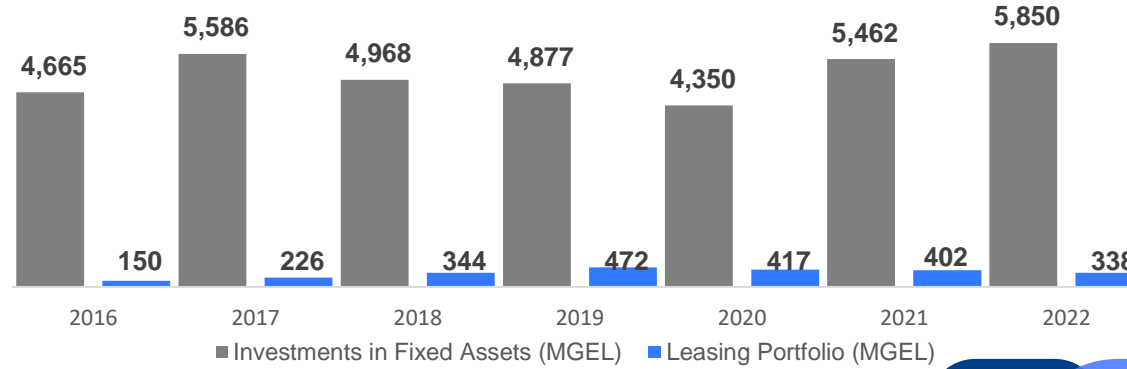
Expansion in financial activity reflects a favorable economic environment in Georgia



Source: World Bank

## INVESTMENTS IN FIXED ASSETS VS LEASING PORTFOLIO

Capacity-wise Georgia has substantial room for growth



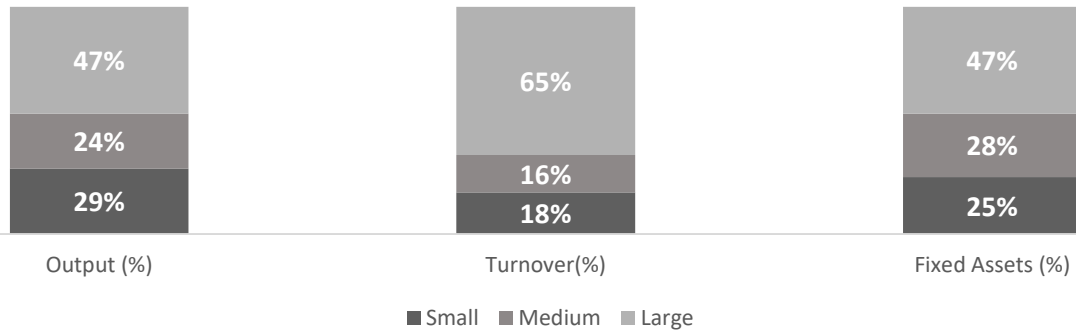
Source: Geostat



# LONG-TERM, HIGH GROWTH PROSPECTS *continued*

## SMES DOMINATE THE ENTERPRISE LANDSCAPE IN GEORGIA

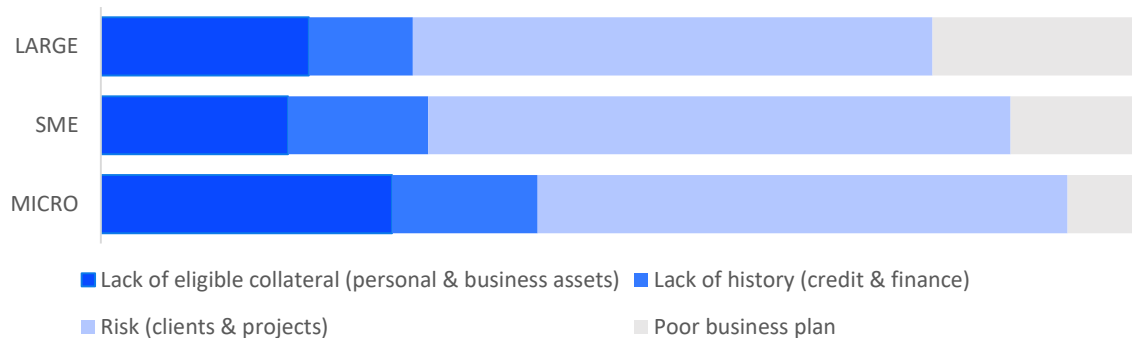
*SMEs account for 53% of total production value and 34% of turnover of private sector*



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

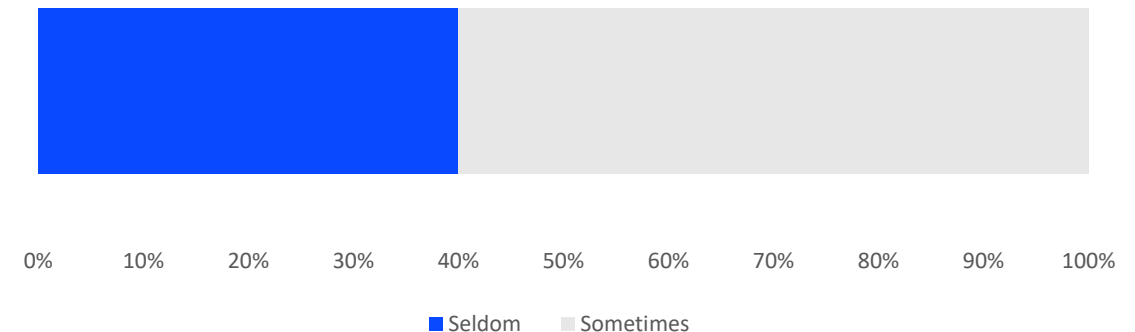
*Leasing has progressively gained importance*



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*

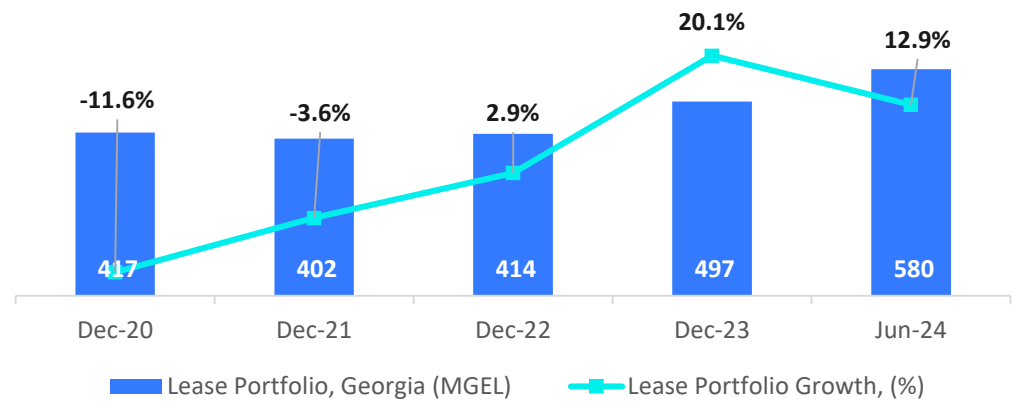


Source: European Investment Bank - Financing in Georgia: Small and medium enterprises and the private sector, 2018 EIB Bank Lending Survey

# CLEAR MARKET LEADER | Supporting countries economic growth

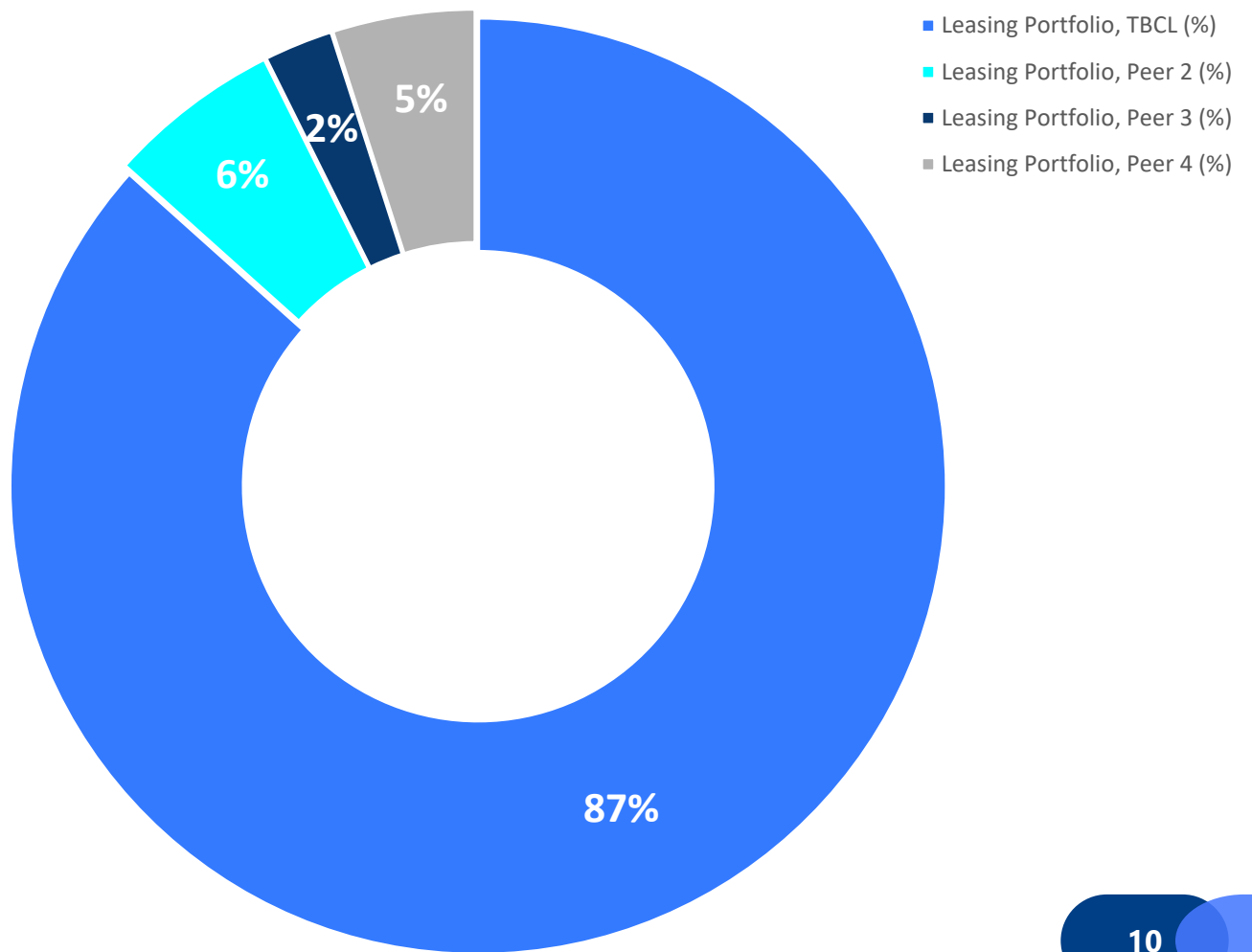
## GROWTH IN LEASING MARKET EXPECTED TO CONTINUE

Leasing industry has grown with c.14% CAGR last six years and currently represents c.1% of GDP compared to c.5% in peer countries



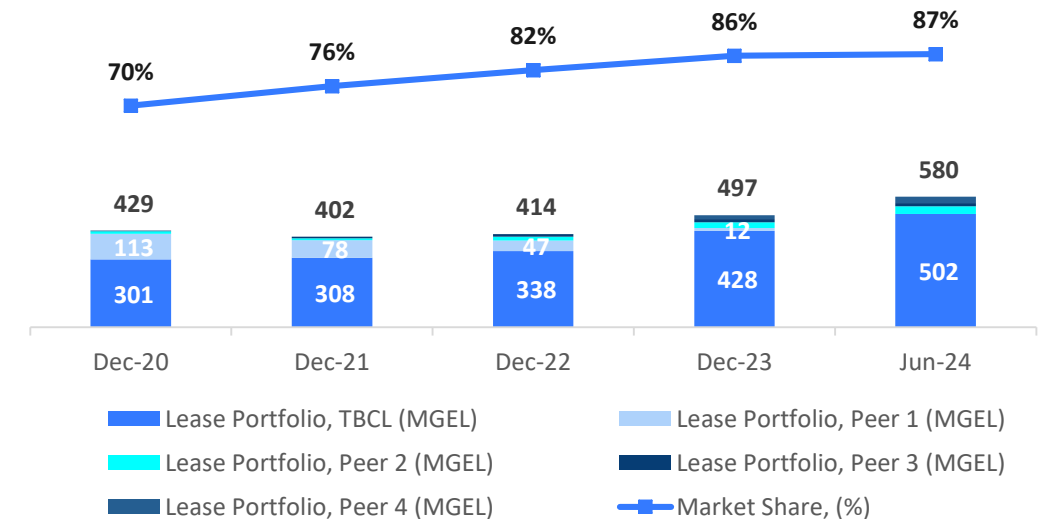
## MARKET SHARE , LEASE PORTFOLIO | 2Q24

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



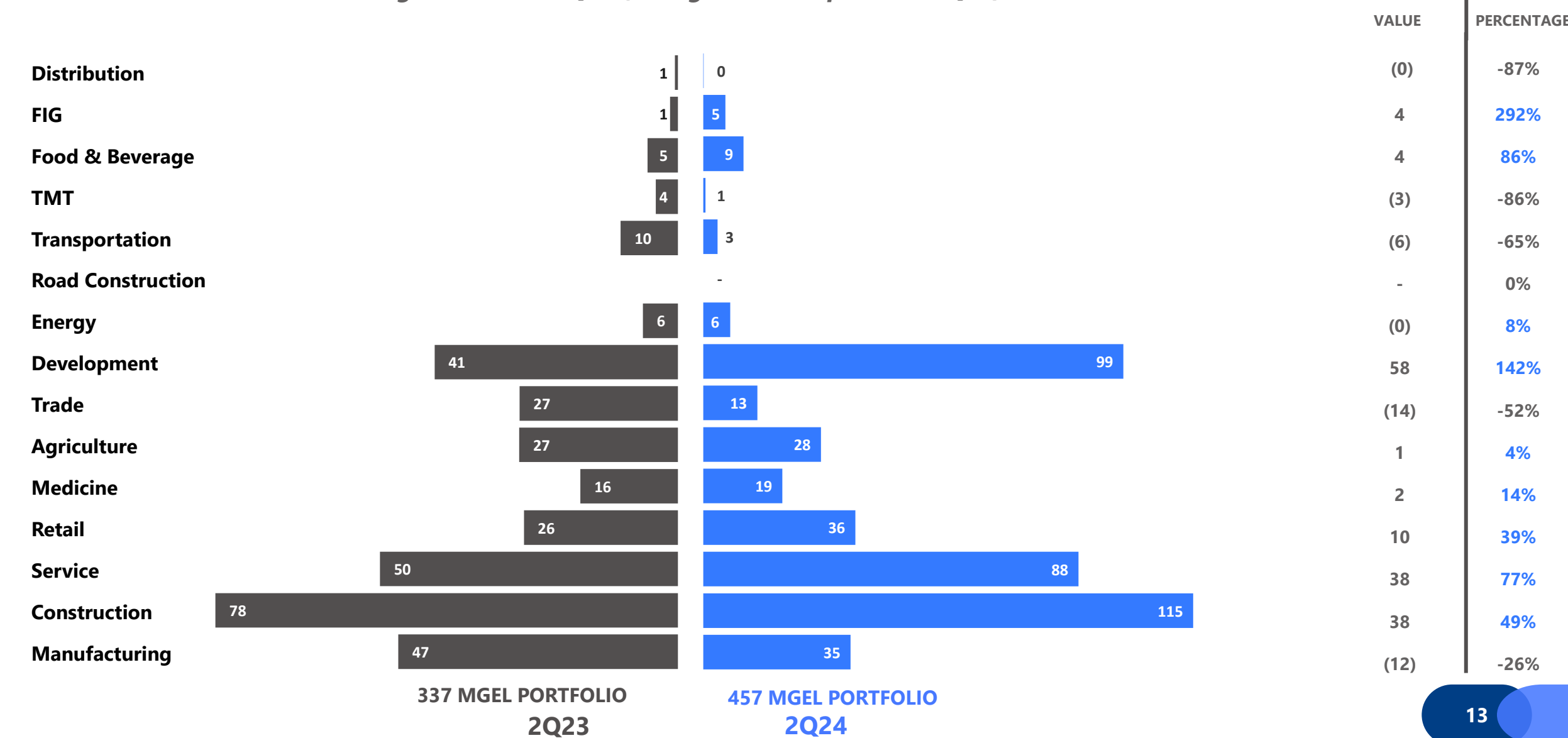
## SIGNIFICANT SYNERGY WITH PARENT



# DIVERSIFIED PORTFOLIO ACROSS ALL SECTORS

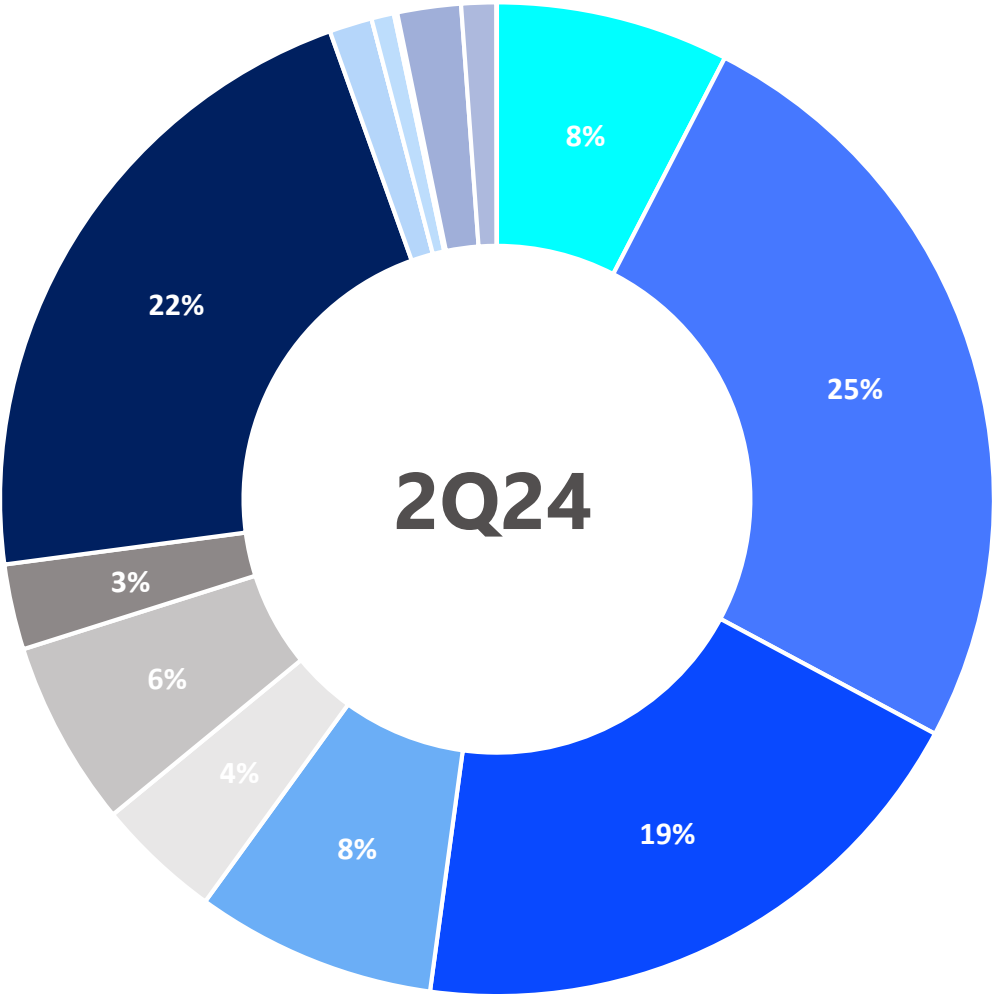
c.101 MGEL new business volume generated in 2Q24 (54% growth compared to 2Q23)

CHANGE 2Q23 – 2Q24



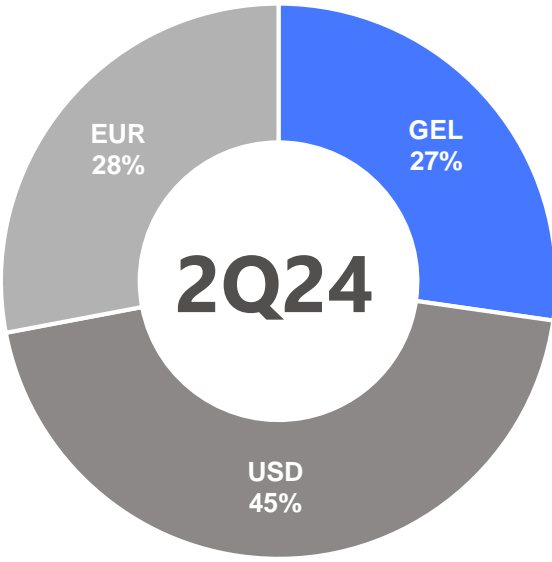
# POTFOLIO HIGHLIGHTS

PORTFOLIO BREAKDOWN BY ASSET TYPE



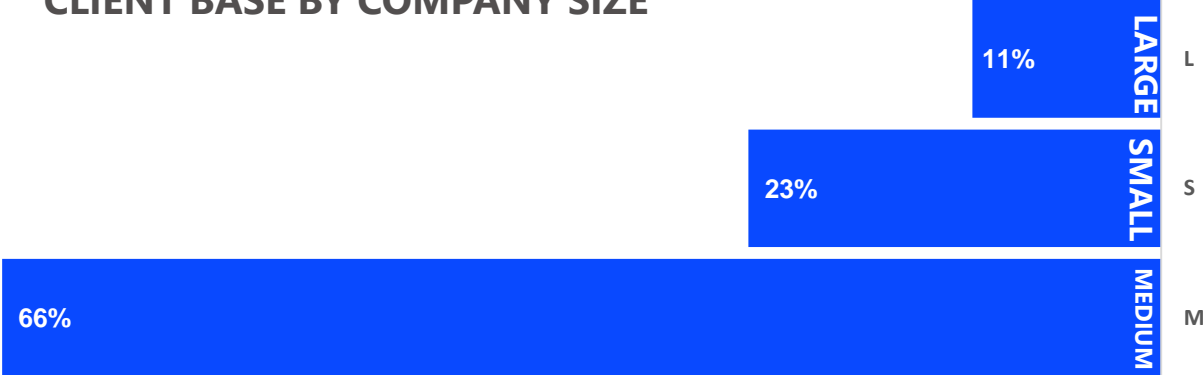
- Manufacturing
- Construction
- Service
- Retail
- Medicine
- Agriculture
- Trade
- Development
- Energy
- Road Construction
- Transportation
- TMT
- Food & Beverage
- FIG
- Distribution

PORTFOLIO CURRENCY COMPOSITION



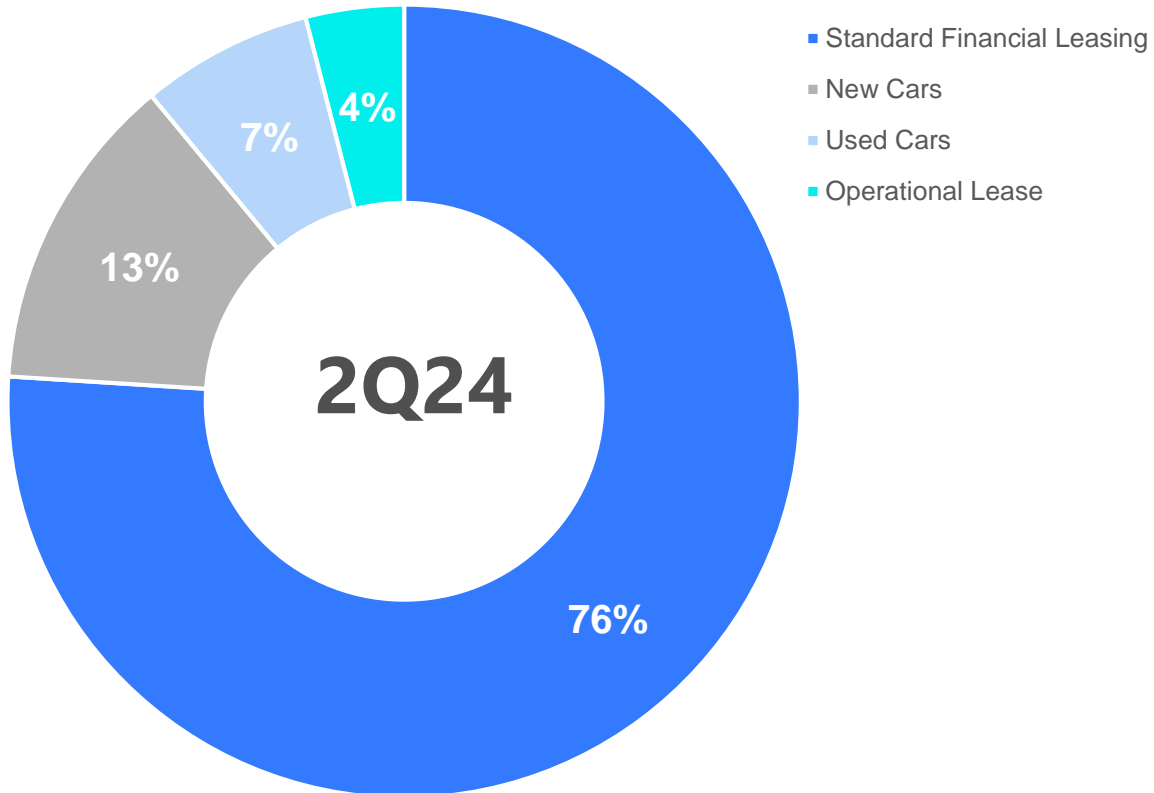
- GEL
- USD
- EUR

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%**

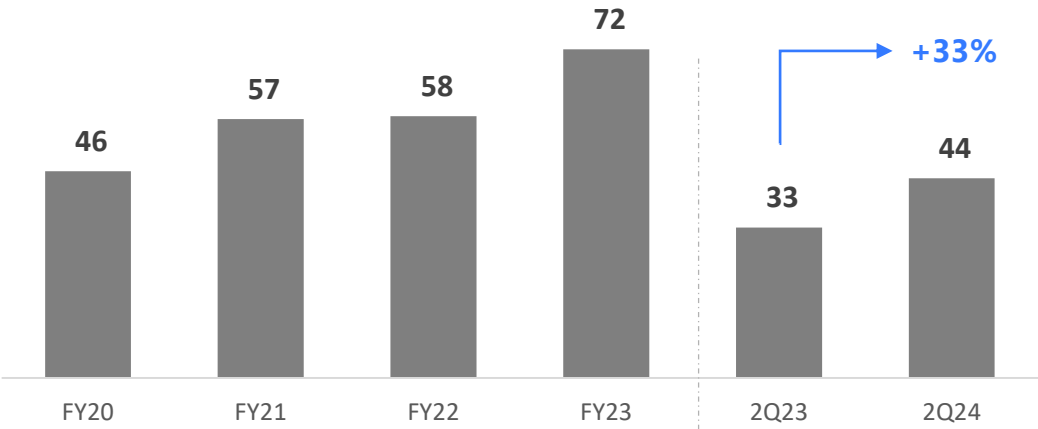
### OPERATIONAL LEASE

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

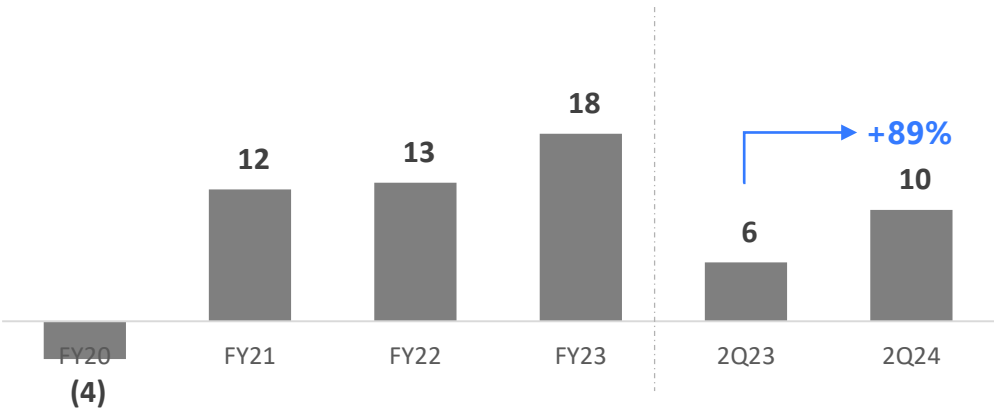


## NET INTEREST INCOME (MGEL)



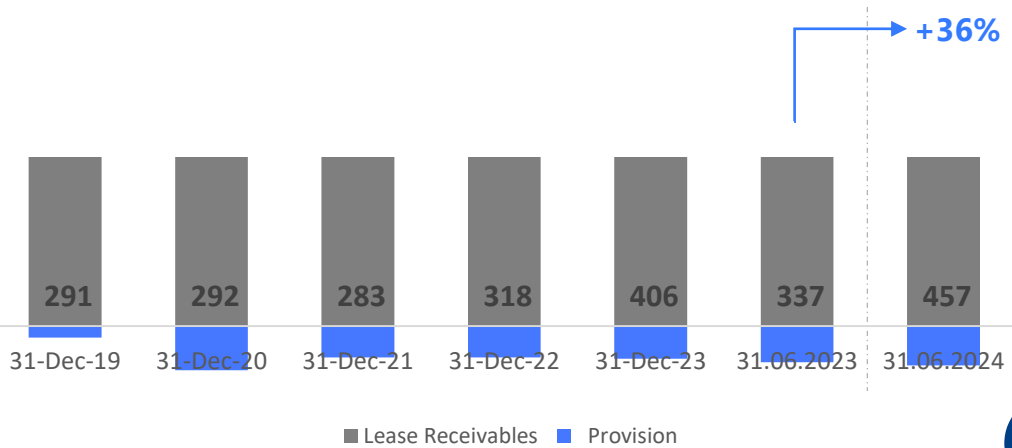
## NET INCOME (MGEL)

Posted record high net income in 2023



## LEASE RECIEVABLES

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





# FINANCIAL STATEMENTS

P&L (GEL, millions)	2Q24	2Q23	FY23	FY22	FY21	FY20	CHANGE 2Q23 – 2Q24 (Y-o-Y)
Interest Income	44	33	72	58	57	46	+33%
<b>Net Interest Income</b>	<b>20</b>	<b>13</b>	<b>32</b>	<b>26</b>	<b>26</b>	<b>15</b>	<b>+52%</b>
Operating Provision	(5)	(3)	(7)	(5)	(6)	(11)	+50%
Administrative Costs	(7)	(5)	(12)	(10)	(10)	(9)	+30%
Non Operating Income/Expense	2	1	5	1	2	2	<b>141%</b>
<b>Net Income</b>	<b>10</b>	<b>6</b>	<b>18</b>	<b>13</b>	<b>12</b>	<b>(4)</b>	<b>+89%</b>

BS (GEL, Millions)	Jun-24	Jun-23	Dec-23	Dec-22	Dec-21	Dec-20	CHANGE Jun-23 – Jun-24 (Y-o-Y)	CHANGE Dec-23 – Jun-24 (YTD)
Lease Receivables	457	337	406	318	283	292	+36%	+13%
Provision	(9)	(9)	(8)	(7)	(7)	(10)	+9%	+21%
Net Lease Receivable	447	328	398	311	275	281	+36%	+12%
<b>Total Assets</b>	<b>544</b>	<b>429</b>	<b>516</b>	<b>416</b>	<b>371</b>	<b>406</b>	<b>+27%</b>	<b>+5%</b>
Borrowings	<b>(416)</b>	<b>(336)</b>	<b>(404)</b>	<b>(313)</b>	<b>(300)</b>	<b>(358)</b>	+24%	+3%
OFL	(39)	(26)	(32)	(42)	(23)	(13)	+49%	+21%
<b>Equity</b>	<b>(89)</b>	<b>(67)</b>	<b>(80)</b>	<b>(61)</b>	(48)	(35)	<b>+34%</b>	<b>+12%</b>
<b>Total Liabilities and Equity</b>	<b>(544)</b>	<b>(429)</b>	<b>(516)</b>	<b>(416)</b>	(371)	(406)	<b>+27%</b>	<b>+5%</b>

# KEY PERFORMANCE INDICATORS

Ratio	FY20	FY21	FY22	FY23	2Q23	2Q24
<b>C/I</b>	53.0%	35.6%	33.4%	33.2%	38.9%	21.3%
<b>COR</b>	4.0%	2.1%	1.9%	1.9%	1.9%	2.2%
<b>ROA</b>	-0.8%	3.2%	3.6%	4.0%	4.1%	5.0%
<b>ROE</b>	-8.1%	29.4%	23.9%	25.5%	25.5%	30.9%
<b>Tier 1</b>	11.3%	14.7%	16.4%	17.9%	18.2%	17.4%
<b>Tier 2</b>	22.6%	25.1%	25.2%	27.3%	29.6%	26.0%

Significant cost efficiency and optimization measures translated in decreased cost to income margin of 21.3% in 2Q24

---

Increased profitability contributed to the improvement of ROA

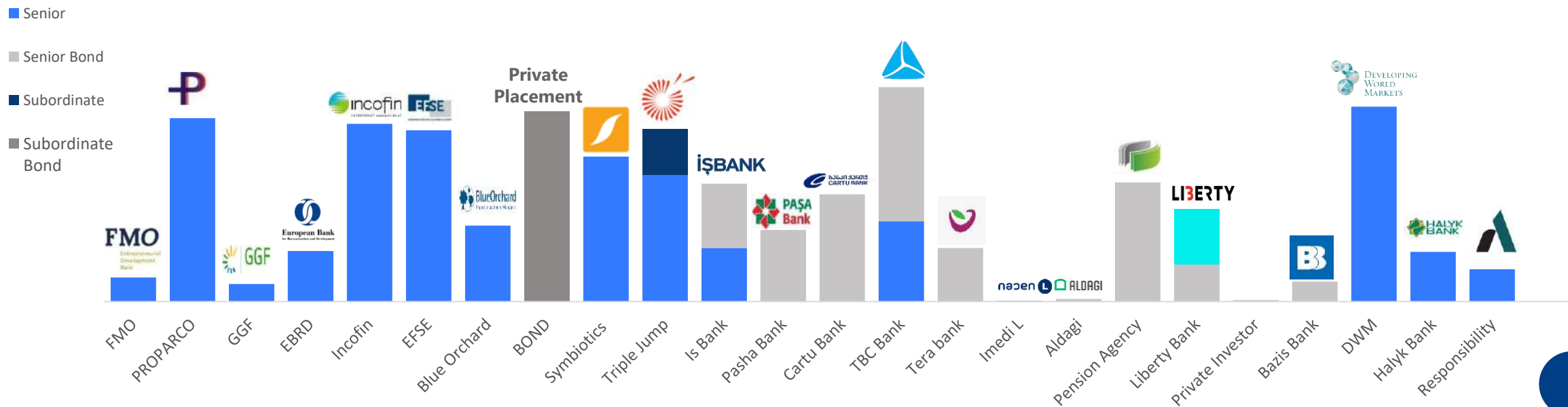
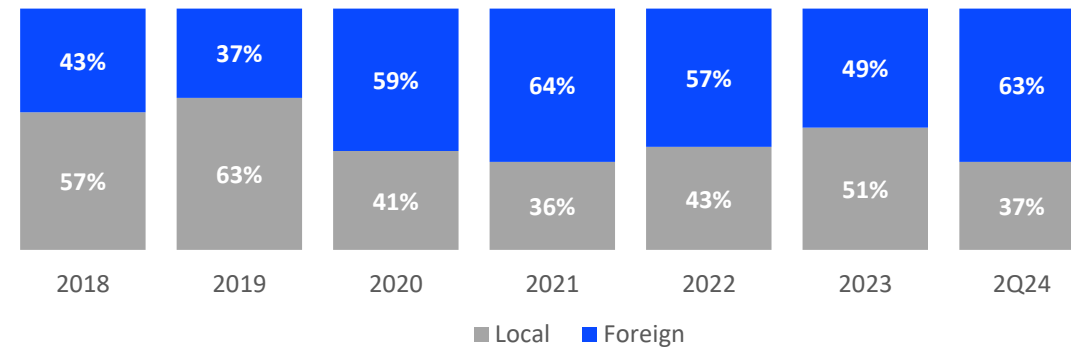
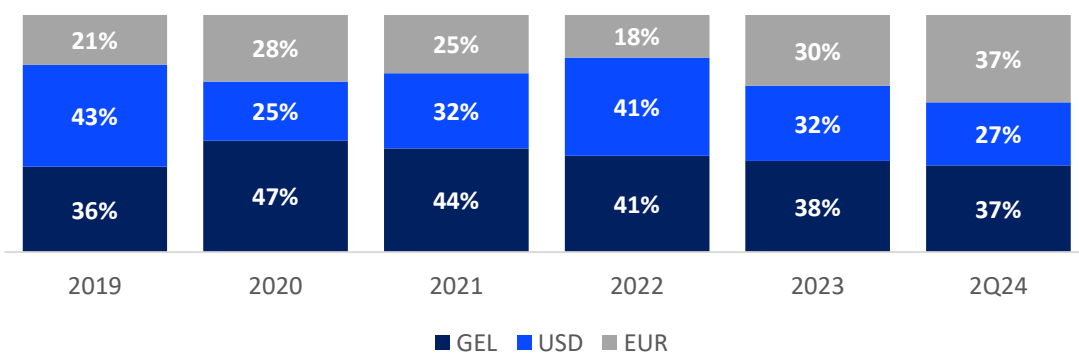
---

ROE reflects desirable level of company's profitability and efficiency

---

# FUNDING DISTRIBUTION

## WELL-DIVERSIFIED FUNDING STRUCTURE<sup>1</sup>



<sup>1</sup>As of June 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 June 2024 Green Portfolio outstanding was 35 MGEL.

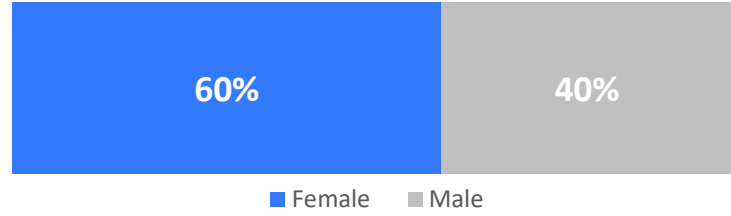


<sup>1</sup> As of June 2024

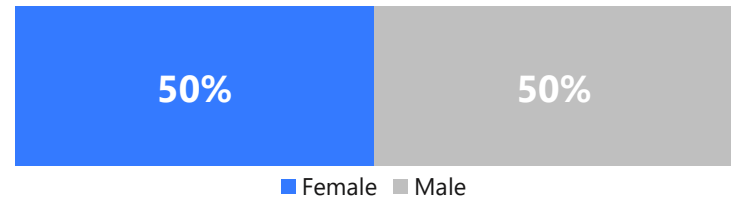
# E&S INITIATIVES | EMPLOYEE MATTERS

## EQUALITY AND DIVERSITY

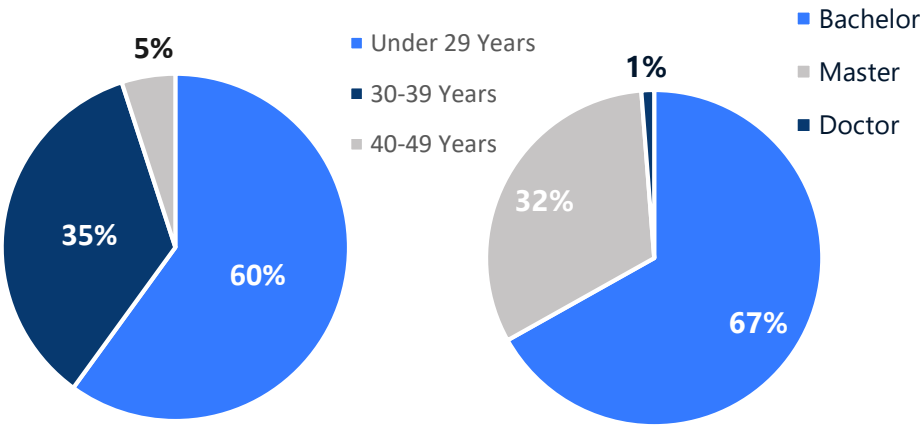
### GENDER-BALANCED WORKFORCE<sup>1</sup>



### MIDDLE MANAGEMENT GENDER COMPOSITION<sup>1</sup>



### GRATE MIX OF YOUNG AND EXPERIENCED EMPLOYEES<sup>1</sup>



**163**  
Total Number of Employees<sup>1</sup>

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

<sup>1</sup>As of June 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](mailto: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](mailto: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