FINANCIAL PERFORMANCE HIGHLIGHTS (IFRS)[1]

GEL '000, unless otherwise noted	Mar-25	Dec-24	Change
Georgia Capital NAV overview			
NAV per share, GEL	106.73	95.95	11.2%
NAV per share, GBP	29.80	27.14	9.8%
Net Asset Value (NAV)	3,857,578	3,609,013	6.9%
Shares outstanding[2]	36,142,305	37,612,488	-3.9%
Cash and liquid funds	161,853	278,237	-41.8%
NCC ratio[2]	13.5%	12.8%	0.7 ppts
Georgia Capital Performance	**1Q25**	**1Q24**	**Change**
Total portfolio value creation	343,493	306,944	11.9%
of which, listed and observable businesses	*247,949*	*324,544*	*-23.6%*
of which, private businesses	*95,544*	*(17,600)*	*NMF*
Investments	11,702	3,000	NMF
Buybacks[3]	87,876	22,669	NMF
Dividend income[4]	8,007	13,799	-42.0%
Net income	334,199	287,601	16.2%
Private portfolio companies' performance[1,5]	**1Q25**	**1Q24**	**Change**
Large portfolio companies			
Revenue	430,569	355,375	21.2%
EBITDA	57,181	39,216	45.8%
Net operating cash flow	43,096	34,411	25.2%
Total portfolio[6]			
Revenue	523,599	479,134	9.3%
EBITDA	77,637	63,184	22.9%
Net operating cash flow	68,000	45,459	49.6%

KEY POINTS

- NAV per share (GEL) increased 11.2% in 1Q25, driven by continued growth in Lion Finance Group's (Bank of Georgia's) share price and the robust operating performance of the private portfolio companies
- Outstanding quarterly results across our large private portfolio companies with 21.2% and 45.8% y-o-y increases in aggregated revenues and EBITDA in 1Q25, respectively, leading to a 25.2% y-o-y increase in net operating cash flow
- NCC ratio increased by 0.7 ppts q-o-q to 13.5% as at 31-Mar-25, mainly reflecting the announcement of a US$ 25 million increase to the buyback programme in March 2025
- 2.1 million shares repurchased since the beginning of 2025 (total bought back since demerger now 13.2 million shares (US$ 164 million cost), representing 27.6[7]% of GCAP's peak issued share capital)

Conference call: An investor/analyst conference call will be held on 7-MAY-2025, at 14:00 UK / 15:00 CET / 9:00 US Eastern Time. Please register at the **Registration Link** to attend the event. Further details are available on the **Group's webpage**.

[1] See "Basis of Presentation" for more background on page 14. Private portfolio companies' performance includes aggregated stand-alone IFRS results for our portfolio companies, which can be viewed as APMs for Georgia Capital, since Georgia Capital does not consolidate its subsidiaries and instead measures them at fair value under IFRS.
[2] Please see definition in glossary on page 14.
[3] Includes both the buybacks under the share buyback and cancellation programme and for the management trust.
[4] Includes both cash and buyback dividends.
[5] Private portfolio companies' performance highlights are presented excluding the water utility and beer and distribution businesses. Aggregated numbers are presented like-for-like basis. Large portfolio figures include the updated presentation format of the healthcare services business (comparative periods have been adjusted retrospectively).
[6] The results of our five businesses included in the emerging and other portfolio (described on page 13) are not broken out separately. Performance totals, however, include the emerging and other portfolio companies' results.
[7] Determined by taking into account the peak number of 47.9 million shares issued as of 31-Dec-20.

CHAIRMAN AND CEO'S STATEMENT

Georgia Capital delivered another quarter of strong operational, financial, and strategic performance in 1Q25.

NAV per share (GEL) increased by 11.2% to GEL 106.73 in 1Q25. The increase in NAV per share (GEL) in 1Q25 reflects excellent underlying operating performances across the portfolio. Value creation in our listed and observable portfolio amounted to GEL 247.9 million (6.9 ppts positive impact on the NAV per share), driven by a 15.9% increase in Lion Finance Group PLC's share price during the quarter. The private portfolio companies delivered GEL 95.5 million value creation (+2.7 ppts impact), underpinned by the strong performance of our high-quality, resilient large businesses, as detailed below. The NAV per share growth was further supported by our ongoing share buyback and cancellation programme (+2.7 ppts impact), partially offset by management platform-related costs and net interest expense (-0.4 ppts impact in total). In GBP terms, the NAV per share in 1Q25 increased by 9.8%, reflecting GBP's 1.3% appreciation against GEL during the quarter. Since 2018, our NAV per share (GEL) has grown at a 15.1% CAGR.

Updating the NAV format. To enhance stakeholder visibility into GCAP's private assets and streamline the assessment of our portfolio companies, we are implementing updates to our disclosures. Starting in 1Q25, our private portfolio will be reported in two categories: a) large portfolio companies and b) emerging and other businesses.

- Private large portfolio companies, which as at 31-Mar-25 represented 41.1% of the total portfolio value, consists of retail (pharmacy), insurance (P&C and medical), and healthcare services businesses. The healthcare services business will combine the previously separately reported hospitals, clinics, and diagnostics businesses, reflecting their recently integrated management oversight.
- The remaining private portfolio (13.8% of the total portfolio divided between five businesses) will be reported under the emerging and other businesses category. This category will include businesses such as our education and renewable energy businesses, which are currently small but have potential to emerge within the next 3-5 years as large-scale assets valued at GEL 300 million+, alongside those that do not offer scalable growth potential.

We expect that this disclosure update will sharpen investors' focus on our three large-scale private portfolio businesses which, together with our listed asset Lion Finance Group PLC, account for more than 80% of the total portfolio value as of 31-Mar-25. Although our quarterly disclosures will place greater emphasis on large portfolio companies, detailed financial information for all our private businesses will continue to remain accessible on our website.

Our private large portfolio companies continue to deliver excellent operating performance. In 1Q25, the aggregated revenue of our private large portfolio companies increased by 21.2% y-o-y to GEL 430.6 million, while EBITDA increased by 45.8% y-o-y to GEL 57.2 million. This resulted in quarterly aggregated net operating cash flows of GEL 43.1 million, up 25.2% y-o-y.

- Our retail (pharmacy) business had a very strong quarter. The 2.8% same-store revenue growth in the quarter, strong ramp-up of the pharmacy stores launched in late 2023 and overall optimisation of the pharmacy chain led to a 55.6% y-o-y increase in EBITDA in 1Q25. This performance also reflects the positive outcome of renegotiated trading terms with key suppliers across all major categories, which together with a strong topline growth, translated into a 2.9 ppts y-o-y improvement in the 1Q25 gross profit margin.
- Our insurance business posted 13.6% y-o-y growth in pre-tax profit in 1Q25, reflecting positive developments in both the P&C and medical insurance segments, the latter partially boosted by the acquisition of the Ardi insurance portfolio in April 2024.
- Within our healthcare services business, increased demand for high revenue-generating outpatient services at our large and specialty hospitals, optimisation of the facilities, and a significant improvement in the sales mix at our regional and community hospitals, coupled with robust performance of our clinics and diagnostics, led to a 46.8% y-o-y EBITDA growth in 1Q25.

Overall, aggregated revenue and EBITDA of our private businesses were up by 9.3% and 22.9% y-o-y, respectively, contributing to a 49.6% y-o-y increase in aggregated net operating cash flows in 1Q25.

Progress on share buybacks. In March 2025, reflecting GCAP's strong liquidity position, we increased the ongoing US$ 25 million share buyback and cancellation programme by an additional US$ 25 million to US$ 50 million. In 2025 to date, we have repurchased 2.1 million shares under our ongoing buyback programme, for a total consideration of GEL 101.9 million (US$ 36.2 million). This takes the capital returned to our shareholders since demerger to a total of US$ 164 million or 13.2 million GCAP shares, representing 27.6% of GCAP's issued share capital at its peak. As a result, the gross number of issued shares now stands at 37.4 million, below the 39.4 million shares in issue at the time of the demerger.

NCC ratio increased to 13.5% in 1Q25. A 0.7 ppts q-o-q increase in the NCC ratio in 1Q25 was primarily driven by the announcement of a US$ 25 million increase to the buyback programme and related cash outflows for share repurchases, partially offset by a 9.3% growth in total portfolio value. On a y-o-y basis, the progress on the NCC ratio was strong, down by 1.3 ppts.

From a **macroeconomic perspective,** Georgia's economy continued to perform strongly in early 2025. Preliminary estimates indicate real GDP growth of 9.3% y-o-y in 1Q25. Despite the continuing regional geopolitical volatility, economic activity remained resilient, supported by robust loan book growth in the bank sector, strong foreign currency inflows, declining unemployment and rising wages, which bolstered domestic consumption. Looking ahead, the economic outlook suggests some moderation in growth, reflecting heightened geopolitical uncertainty and weaker global growth projections. Inflationary pressures have re-emerged, with annual inflation reaching 3.5% in March, exceeding NBG's 3% target. The rise in prices was driven by a combination of domestic and imported inflationary pressures. Exchange rate movements reflected global currency trends. The GEL appreciated by 2.3% against the US$, but depreciated by 6.2% against the EUR, amid ongoing geopolitical realignments and trade-related uncertainties. FX inflows remain resilient, with goods exports increasing by 5.7% in 1Q25, driven primarily by growth in re-export components. Remittances also showed positive trends, with transfers from Russia returning to pre-war levels and inflows from other countries strengthening. International reserves stood at US$ 4.3 billion, marking a 9.8% decline y-o-y, mainly due to NBG's active foreign exchange market interventions during the pre-election period to address exchange rate volatility. The overall monetary policy stance remains appropriate, with the GEL policy rate held at 8% since May 2024, and the fiscal position has strengthened significantly. Ongoing deleveraging has improved the country's external balance sheet, contributing to a narrower current account deficit and reducing government debt to 36% of GDP – the lowest level since 2014.

Outlook. The excellent performance of our portfolio companies, coupled with our continued focus on capital repatriation to our shareholders, were instrumental to our outstanding 1Q25 results. This performance was underpinned by the resilience of the Georgian economy, which has demonstrated consistent and substantial growth over the past few years despite ongoing geopolitical tensions and uncertainties. Against this background, I believe that Georgia Capital has all the key fundamentals in place to continue delivering consistent NAV per share growth over the medium to long term – and to progress further towards achieving our key strategic priorities.

Irakli Gilauri, Chairman and CEO

DISCUSSION OF GROUP RESULTS

The discussion below analyses the Group's unaudited net asset value at 31-Mar-25 and its income for the first quarter then ended on an IFRS basis (see "Basis of Presentation" on page 14 below).

Net Asset Value (NAV) Statement

NAV statement summarises the Group's IFRS equity value (which we refer to as Net Asset Value or NAV in the NAV Statement below) at the opening and closing dates for the first quarter (31-Dec-24 and 31-Mar-25). The NAV Statement below breaks down NAV into its components and provides a roll forward of the related changes between the reporting periods.

NAV STATEMENT 1Q25

GEL '000, unless otherwise noted	Dec-24	1. Value creation[8]	2a. Investment and Divestments	2b. Buyback	2c. Dividends	3. Operating expenses	4. Liquidity/ FX/Other	Mar-25	Change %
Listed and observable portfolio companies									
Lion Finance Group	1,421,035	247,949	-	-	-	-	-	1,668,984	17.4%
Water utility	188,000	-	-	-	-	-	-	188,000	NMF
Total listed and observable portfolio value	**1,609,035**	**247,949**	**-**	**-**	**-**	**-**	**-**	**1,856,984**	**15.4%**
Listed and observable portfolio value change %		***15.4%***	***0.0%***	***0.0%***	***0.0%***	***0.0%***	***0.0%***	***15.4%***	
Private portfolio companies									
Large portfolio companies	**1,557,951**	**135,553**	**-**	**-**	**(7,034)**	**-**	**929**	**1,687,399**	**8.3%**
Retail (pharmacy)	*716,130*	*66,319*	-	-	-	-	*559*	*783,008*	*9.3%*
Insurance (P&C and medical)	*427,945*	*20,043*	-	-	*(7,034)*	-	*101*	*441,055*	*3.1%*
Healthcare services	*413,876*	*49,191*	-	-	-	-	*269*	*463,336*	*12.0%*
Emerging and other companies	**594,504**	**(40,009)**	**11,702**	**-**	**(973)**	**-**	**986**	**566,210**	**-4.8%**
Total private portfolio value	**2,152,455**	**95,544**	**11,702**	**-**	**(8,007)**	**-**	**1,915**	**2,253,609**	**4.7%**
Private portfolio value change %		***4.4%***	***0.5%***	***0.0%***	***-0.4%***	***0.0%***	***0.1%***	***4.7%***	
Total portfolio value (1)	**3,761,490**	**343,493**	**11,702**	**-**	**(8,007)**	**-**	**1,915**	**4,110,593**	**9.3%**
Total portfolio value change %		***9.1%***	***0.3%***	***0.0%***	***-0.2%***	***0.0%***	***0.1%***	***9.3%***	
Net debt (2)	**(154,425)**	**-**	**(11,702)**	**(87,200)**	**8,007**	**(5,518)**	**(4,990)**	**(255,828)**	**65.7%**
of which, cash and liquid funds	*278,237*	-	*(11,702)*	*(87,200)*	*8,007*	*(5,518)*	*(19,971)*	*161,853*	*-41.8%*
of which, gross debt	*(432,662)*	-	-	-	-	-	*14,981*	*(417,681)*	*-3.5%*
Net other assets/(liabilities) (3)	1,948	-	-	(676)	-	(4,267)	5,808	2,813	44.4%
of which, share-based comp.	-	-	-	-	-	*(4,267)*	*4,267*	-	*NMF*
Net asset value (1)+(2)+(3)	**3,609,013**	**343,493**	**-**	**(87,876)**	**-**	**(9,785)**	**2,733**	**3,857,578**	**6.9%**
NAV change %		***9.5%***	***0.0%***	***-2.4%***	***0.0%***	***-0.3%***	***0.1%***	***6.9%***	
Shares outstanding[8]	37,612,488	-	-	(1,868,786)	-	-	398,603	36,142,305	-3.9%
Net asset value per share, GEL	**95.95**	**9.13**	**0.00**	**2.56**	**0.00**	**(0.26)**	**(0.67)**	**106.73**	**11.2%**
NAV per share, GEL change %		***9.5%***	***0.0%***	***2.7%***	***0.0%***	***-0.3%***	***-0.7%***	***11.2%***	

NAV per share (GEL) was up 11.2% q-o-q in 1Q25, reflecting a GEL 343.5 million value creation across our portfolio companies with a positive 9.5 ppts impact, share buybacks (+2.7 ppts impact) and a foreign currency gain on GCAP net debt (+0.2 ppts impact). The NAV per share (GEL) growth was slightly offset by management platform-related costs and net interest expense (-0.4 ppts impact in total).

Portfolio overview

Total portfolio value amounted to GEL 4.1 billion in 1Q25, up by GEL 349.1 million (up 9.3%) q-o-q:

- The value of the listed and observable portfolio increased by GEL 247.9 million (up 15.4%), driven by the growth in Lion Finance Group's share price.
- The value of the private portfolio increased by GEL 101.2 million (up 4.7%), mainly resulting from a) GEL 95.5 million value creation, b) investments of GEL 11.7 million and c) a decrease of GEL 8.0 million due to dividends paid to GCAP.

Consequently, as of 31-Mar-25, the private portfolio value amounted to GEL 2.3 billion (54.8% of the total), and the listed and observable portfolio value totalled GEL 1.9 billion (45.2% of the total portfolio value).

1) Value creation

- Value creation from the listed and observable portfolio amounted to GEL 247.9 million in 1Q25, driven by a 15.9% increase in Lion Finance Group's share price and a 1.3% appreciation of GBP against GEL in 1Q25.
- Value creation across our private portfolio companies amounted to GEL 95.5 million in 1Q25. This reflects:
  - Strong operating performance of our private large portfolio companies, delivering substantial growth in aggregated revenues (up 21.2% y-o-y) and EBITDA (up 45.8% y-o-y) in 1Q25, which translated into a GEL 155.3 million operating performance-related value creation across our private assets.

[8] Please see definition in glossary on page 14.

- GEL 59.8 million negative net impact from changes in implied valuation multiples and FX rates.

As a result, the total portfolio value creation amounted to GEL 343.5 million in 1Q25.

The table below summarises value creation drivers in our businesses in 1Q25:

Portfolio Businesses	Operating Performance[9]	Multiple Change and FX[10]	Value Creation
GEL '000, unless otherwise noted	*(1)*	*(2)*	*(1)+(2)*
Listed and observable portfolio			**247,949**
Lion Finance Group			247,949
Water utility			-
Private portfolio	**155,295**	**(59,751)**	**95,544**
Large portfolio companies	**172,285**	**(36,732)**	**135,553**
Retail (pharmacy)	*96,746*	*(30,427)*	*66,319*
Insurance (P&C and medical)	*19,051*	*992*	*20,043*
Healthcare services	*56,488*	*(7,297)*	*49,191*
Emerging and other businesses	**(16,990)**	**(23,019)**	**(40,009)**
Total portfolio	**155,295**	**(59,751)**	**343,493**

Valuation overview[11]

In 1Q25, our private portfolio companies were valued internally by incorporating the portfolio companies' 1Q25 results, in line with International Private Equity Valuation ("IPEV") guidelines and methodology deployed at the end of 2024 by an independent valuation company, which conducts external valuation assessment of the retail (pharmacy), insurance, healthcare services, renewable energy and education businesses semi-annually. The independent valuation assessments, which serve as the basis for Georgia Capital's estimate of fair value, are performed by applying a combination of an income approach (DCF) and a market approach (listed peer multiples and, in some cases, precedent transactions). In line with our strategy, from time to time, we may receive offers from interested buyers for our private portfolio companies, which would be considered in the overall valuation assessment, where appropriate.

We perform quarterly sensitivity analyses on our valuations. In light of prevailing market conditions, the 1Q25 assessment indicated that a 100-basis-point change in discount rates used in the income approach for valuing unquoted investments would result in a GEL c.166 million, or 4%, change in the fair value of equity investments.

The enterprise value ("EV") and equity value development of our businesses in 1Q25 is summarised in the following table:

	Enterprise Value (EV)			Equity Value			
GEL '000, unless otherwise noted	31-Mar-25	31-Dec-24	Change %	31-Mar-25	31-Dec-24	Change %	% share in total portfolio
Listed and observable portfolio				**1,856,984**	**1,609,035**	**15.4%**	**45.2%**
Lion Finance Group				1,668,984	1,421,035	17.4%	40.6%
Water utility				188,000	188,000	NMF	4.6%
Private portfolio	**3,371,214**	**3,287,665**	**2.5%**	**2,253,609**	**2,152,455**	**4.7%**	**54.8%**
Large portfolio companies	**2,393,949**	**2,262,744**	**5.8%**	**1,687,399**	**1,557,951**	**8.3%**	**41.1%**
Retail (pharmacy)	1,067,124	1,021,000	4.5%	783,008	716,130	9.3%	19.0%
Insurance (P&C and medical)	482,111	463,144	4.1%	441,055	427,945	3.1%	10.7%
Healthcare services	844,714	778,600	8.5%	463,336	413,876	12.0%	11.3%
Emerging and other businesses	**977,265**	**1,024,921**	**-4.6%**	**566,210**	**594,504**	**-4.8%**	**13.8%**
Total portfolio				**4,110,593**	**3,761,490**	**9.3%**	**100.0%**

Private large portfolio companies (41.1% of total portfolio value)

Retail (Pharmacy) (19.0% of total portfolio value) – The EV of Retail (Pharmacy) was up by 4.5% to GEL 1,067.1 million in 1Q25, reflecting the strong operating performance of the business. The 2.8% same-store revenue growth, strong ramp-up of the pharmacy stores launched in late 2023, and increased demand for seasonal medicines due to higher flu activity led to a 4.4% y-o-y increase in retail revenue in 1Q25. This, combined with a 40.6% y-o-y increase in wholesale revenues in 1Q25 on the back of higher revenues from state healthcare programmes, translated into a 10.8% y-o-y increase in the total revenue of the business. Gross profit margin improved by 2.9 ppts y-o-y to 32.3% in 1Q25, further supported by the positive outcome of renegotiated trading terms with key suppliers across all major categories and overall shift in the sales mix towards higher-margin non-prescription medicines. Operating expenses (excl. IFRS 16) were up 10.0% y-o-y in 1Q25, due to increased salary and marketing expenses, attributable to the business growth. Consequently, the 1Q25 EBITDA (excl. IFRS 16) increased by 55.6% y-o-y to GEL 24.2 million. See page 9 for details. LTM EBITDA (incl. IFRS 16) was up 7.6% to GEL 130.1 million in 1Q25. Net debt (incl. IFRS 16) decreased by 7.0% to GEL 277.2 million as at 31-Mar-25, resulting from robust cash flow generation during the quarter. As a result, the fair value of GCAP's 97.8% holding increased by 9.3% to GEL 783.0 million in 1Q25. The implied LTM EV/EBITDA valuation multiple (incl. IFRS 16) decreased to 8.2x as of 31-Mar-25, down from 8.4x as of 31-Dec-24 and 9.7x as of 31-Mar-24.

[9] Change in the fair value attributable to the change in actual or expected earnings of the business, as well as the change in net debt.
[10] Change in the fair value attributable to the change in valuation multiples and the effect of exchange rate movement on net debt.
[11] Please read more about valuation methodology on page 30 in "Basis of presentation".

Insurance (P&C and Medical) (10.7% of total portfolio value) – The insurance business combines: a) P&C Insurance and b) Medical Insurance. P&C Insurance revenues were up 21.0% y-o-y to GEL 38.1 million in 1Q25, driven by growth in the motor and credit life insurance lines. The revenue of the medical insurance business more than doubled y-o-y and amounted to GEL 51.6 million in 1Q25, reflecting organic portfolio growth, a mid-teen percentage increase in insurance policy prices and the positive impact of the acquisition of the Ardi insurance portfolio in April 2024, the latter contributing GEL 22.4 million to the 1Q25 y-o-y revenue growth. The combined ratio for P&C insurance increased by 0.6 ppts y-o-y in 1Q25, mainly due to a few large property insurance claims during the quarter. The combined ratio for medical insurance increased by 1.2 ppts y-o-y in 1Q25, reflecting a higher expense ratio on the back of an increase in salaries in line with the business expansion. As a result, the pre-tax profit of the combined insurance business increased by 13.6% y-o-y to GEL 8.8 million in 1Q25. See page 10 for details. The equity value of the business was up 3.1% q-o-q to GEL 441.1 million in 1Q25 (Ardi's equity value is measured at the price of recent investment). The implied LTM P/E valuation multiple[12] stood at 9.8x as of 31-Mar-25 (9.7x as of 31-Dec-24).

Healthcare services (11.3% of total portfolio value) – Healthcare services EV increased by 8.5% to GEL 844.7 million in 1Q25, resulting from the strong operating performance of the business. Total revenue increased by 19.2% y-o-y in 1Q25, reflecting a) increased demand for high revenue-generating outpatient services at our large and specialty hospitals, b) optimisation of the facilities and significant improvement in sales mix at our regional and community hospitals, and c) robust performance of the clinics and diagnostics business, driven by a growing customer base in alignment with enhanced service offerings. Operating expenses (excl. IFRS 16) were up by 9.0% y-o-y in 1Q25, primarily due to higher salary and rent expenses associated with the business expansion. This translated into 46.8% y-o-y EBITDA (excl. IFRS 16) growth in 1Q25. See page 11 for details. Consequently, LTM EBITDA (incl. IFRS 16) was up by 10.7% to GEL 82.1 million in 1Q25. Net debt (incl. IFRS 16) increased by 4.8% q-o-q to GEL 348.7 million as at 31-Mar-25, reflecting capex investments for upgrading the medical equipment primarily in the outpatient direction. As a result, the equity value of the healthcare services business was assessed at GEL 463.3 million in 1Q25 (up 12.0% q-o-q), translating into an implied LTM EV/EBITDA multiple (incl. IFRS 16) of 10.3x at 31-Mar-25, down from 10.5x at 31-Dec-24 (down from 12.9x at 31-Mar-24).

Emerging and other businesses (13.8% of total portfolio value) – Of the emerging and other private portfolio businesses, renewable energy, education and auto service are valued based on LTM EV/EBITDA. Wine and housing development are valued based on DCF, hospitality is valued based on NAV. Following the disposal of an 80% stake in the beer and distribution business, its value is assessed based on the recent transaction price. The portfolio value of emerging and other businesses decreased by 4.8% to GEL 566.2 million in 1Q25, reflecting the net impact of GEL 40.0 million value reduction and GEL 11.7 million investments in these businesses. See performance highlights of these businesses on page 13.

Listed and observable portfolio companies (45.2% of total portfolio value)

Lion Finance Group (40.6% of total portfolio value) – In 4Q24, Lion Finance Group delivered an annualised ROAE of 29.6% and a q-o-q loan book growth of 4.6% in Georgia and 15.5% in Armenia on a constant currency basis. In 1Q25, Lion Finance Group's share price was up by 15.9% q-o-q to GBP 54.6 at 31-Mar-25. On 25 February 2025, the Bank announced its board's intention to recommend a final dividend for 2024 of GEL 5.62 per ordinary share at the Bank's 2025 Annual General Meeting. This will make a total dividend paid in respect of the Bank's 2024 earnings of GEL 9.00 per share (a 12.5% increase compared to 2023). In addition, in February 2025, the Bank announced an extension of its' share buyback and cancellation programme by an additional GEL 107.7 million. As a result of the developments described above, the market value of GCAP's equity stake in Lion Finance Group increased by 17.4% to GEL 1.7 billion in 1Q25. The LTM P/E valuation multiple was at 4.7x as of 31-Mar-25 (4.0x as of 31-Dec-24). Lion Finance Group's public announcement of their 1Q25 results, when published, will be available on Lion Finance Group's website.

Water Utility (4.6% of total portfolio value) – In 1Q25, the fair value of GCAP's 20% holding in the water utility business, where GCAP has a clear exit path through a put and call structure at pre-agreed EBITDA multiples, remained unchanged at GEL 188.0 million. This reflects the application of the put option valuation to GCAP's holding in the business.

2) Investments[13]

In 1Q25, GCAP invested GEL 11.7 million in private portfolio companies, mainly reflecting GEL 6.9 million and GEL 4.4 million investments in education and renewable energy business, respectively.

3) Share buybacks

During 1Q25, 1,868,786 shares were bought back for a total consideration of GEL 87.9 million.

- 1,737,332 shares with a total value of US$ 28.7 million (GEL 81.2 million) were bought back under GCAP's share buyback and cancellation programme.
- 131,454 shares (GEL 6.7 million in value) represent the tax-related statutory buyback for the management trust, where the average cost of unawarded shares is GBP 8.6 as of 31 March 2025.

[12] Excluding the acquisition of Ardi, the implied LTM P/E valuation multiple remained unchanged q-o-q at 11.1x at 31-Mar-25 (down from 12.4x at 31-Mar-24).
[13] Investments are made at JSC Georgia Capital level, the Georgian holding company.

Subsequent to 1Q25, additional 401,800 shares with a value of US$ 7.5 million (GEL 20.8 million) have been repurchased under the ongoing share buyback programme as at 6 May 2025.

4) Dividends

In 1Q25, GCAP recorded GEL 8.0 million dividend income from its portfolio companies:

- GEL 7.0 million dividend was received from the insurance business, of which GEL 5.8 million was collected from P&C insurance and GEL 1.2 million from medical insurance.
- GEL 1.0 million dividend was collected from the auto service business.

Net Capital Commitment (NCC) overview

Below we describe the components of Net Capital Commitment (NCC) as of 31 March 2025 and as of 31 December 2024. NCC represents an aggregated view of all confirmed, agreed and expected capital outflows (including a buffer for contingencies) at both Georgia Capital PLC and JSC Georgia Capital levels

Components of NCC GEL '000, unless otherwise noted	**31-Mar-25**	**31-Dec-24**	**Change**
Total cash and liquid funds	**161,853**	**278,237**	**-41.8%**
Gross debt	(417,681)	(432,662)	-3.5%
Net debt (1)	**(255,828)**	**(154,425)**	**65.7%**
Guarantees issued (2)	**-**	**-**	**NMF**
Net debt and guarantees issued (3)=(1)+(2)	**(255,828)**	**(154,425)**	**65.7%**
Planned investments (4)	**(105,516)**	**(118,480)**	**-10.9%**
of which, planned investments in renewable energy	*(64,110)*	*(69,518)*	*-7.8%*
of which, planned investments in education	*(41,406)*	*(48,962)*	*-15.4%*
Announced buybacks (5)	**(56,363)**	**(67,421)**	**-16.4%**
Contingency/liquidity buffer (6)	**(138,365)**	**(140,340)**	**-1.4%**
Total planned investments, announced buybacks and contingency/liquidity buffer (7)=(4)+(5)+(6)	**(300,244)**	**(326,241)**	**-8.0%**
Net capital commitment (3)+(7)	**(556,072)**	**(480,666)**	**15.7%**
Portfolio value	**4,110,593**	**3,761,490**	**9.3%**
NCC ratio	**13.5%**	**12.8%**	**0.7 ppts**

Cash and liquid funds. Total cash and liquid funds' balance decreased by 41.8% q-o-q to GEL 161.9 million in 1Q25, mainly reflecting share buybacks during the quarter, as described above and coupon payment on the US$ 150 million sustainability-linked bond.

Gross debt. In US$ terms, the balance was down 2.1% q-o-q in 1Q25, reflecting the net impact of interest accrual and coupon payment on GCAP's bonds. In GEL terms, the balance was down by 3.5% in 1Q25, further reflecting the foreign exchange rate movements during the quarter.

Planned investments. Planned investments' balance represents expected investments in renewable energy and education businesses over the next 2-3 years. The balance in US$ terms was down by 9.7% in 1Q25, reflecting cash outflows for the investment projects as described above.

Announced buybacks. The balance of the announced buybacks at 31-Mar-25 reflects the unutilised share buybacks under GCAP's ongoing US$ 50 million share buyback and cancellation programme, which was increased by US$ 25 million in March 2025.

Contingency/liquidity buffer. The balance reflects the provision for cash and liquid assets in the amount of US$ 50 million, for contingency/liquidity purposes. The balance remained unchanged in US$ terms as at 31-Mar-25.

As a result of the movements outlined above, the NCC ratio increased by 0.7 ppts q-o-q to 13.5% as of 31 March 2025.

INCOME STATEMENT (ADJUSTED IFRS/APM)

Net income under IFRS was GEL 330.1 million in 1Q25 (GEL 285.3 million net income in 1Q24). The IFRS income statement is prepared on the Georgia Capital PLC level and the results of all operations of the Georgian holding company JSC Georgia Capital are presented as one line item. As we conduct almost all of our operations through JSC Georgia Capital, through which we hold all of our portfolio companies, the IFRS results provide little transparency on the underlying trends.

Accordingly, to enable a more granular analysis of those trends, the following adjusted income statement presents the Group's results of operations for the period ending March 31 as an aggregation of (i) the results of GCAP (the two holding companies Georgia Capital PLC and JSC Georgia Capital, taken together) and (ii) the fair value change in the value of portfolio companies during the reporting period. For details on the methodology underlying the preparation of the adjusted income statement, please refer to page 94 in Georgia Capital PLC's 2024 Annual Report.

INCOME STATEMENT (Adjusted IFRS/APM)

GEL '000, unless otherwise noted	1Q25	1Q24	Change
Dividend income	8,007	13,799	-42.0%
Of which, regular dividend income	*8,007*	*9,460*	*-15.4%*
Of which, buyback dividend income	*-*	*4,339*	*NMF*
Interest income	2,791	1,637	70.5%
Realised/unrealised gain/(loss) on liquid funds	49	(551)	NMF
Interest expense	(9,104)	(8,610)	5.7%
Gross operating income	**1,743**	**6,275**	**-72.2%**
Operating expenses	(9,785)	(9,340)	4.8%
GCAP net operating loss	**(8,042)**	**(3,065)**	**NMF**
Fair value changes of portfolio companies			
Listed and observable portfolio companies	**247,949**	**320,205**	**-22.6%**
Of which, Lion Finance Group PLC	*247,949*	*317,205*	*-21.8%*
Of which, Water utility	*-*	*3,000*	*NMF*
Private portfolio companies	**87,537**	**(27,060)**	**NMF**
Large portfolio companies	**128,519**	**(41,228)**	**NMF**
Of which, retail (pharmacy)	*66,319*	*(19,999)*	*NMF*
Of which, insurance (P&C and medical)	*13,009*	*(522)*	*NMF*
Of which, healthcare services	*49,191*	*(20,707)*	*NMF*
Emerging and other businesses	**(40,982)**	**14,168**	**NMF**
Total investment return	**335,486**	**293,145**	**14.4%**
Income before foreign exchange rate movements and non-recurring expenses	**327,444**	**290,080**	**12.9%**
Net foreign currency gain/(loss)	7,013	(1,157)	NMF
Non-recurring expenses	(258)	(1,322)	-80.5%
Net income	**334,199**	**287,601**	**16.2%**

The gross operating income for 1Q25 was down 72.2% y-o-y, mainly due to a timing discrepancy in dividend collection.

The components of GCAP's operating expenses are shown in the table below.

GCAP Operating Expenses Components

GEL '000, unless otherwise noted	1Q25	1Q24	Change
Administrative expenses[14]	(2,779)	(2,860)	-2.8%
Management expenses – cash-based[15]	(2,739)	(2,800)	-2.2%
Management expenses – share-based[16]	(4,267)	(3,680)	16.0%
Total operating expenses	**(9,785)**	**(9,340)**	**4.8%**
Of which, fund type expense[17]	*(2,229)*	*(2,501)*	*-10.9%*
Of which, management fee type expenses[18]	*(7,556)*	*(6,839)*	*10.5%*

GCAP management fee expenses starting from 2024 have a self-targeted cap of 0.75% of Georgia Capital's NAV. The LTM management fee expense ratio was 0.70% at 31-Mar-25 (0.73% as of 31-Mar-24).

Total investment return represents the increase (decrease) in the fair value of our portfolio. Total investment return was GEL 335.5 million in 1Q25, reflecting the changes in the value of our portfolio companies. We discuss valuation drivers for our businesses on pages 5-6. The performance of each of our private large portfolio companies is discussed on pages 9-13.

GCAP's net foreign currency liability balance amounted to US$ 98 million (GEL 272 million) at 31-Mar-25. As a result of the movements described above, GCAP's adjusted IFRS net income was GEL 334.2 million in 1Q25.

[14] Includes expenses such as external audit fees, legal counsel, corporate secretary and other similar administrative costs.
[15] Cash-based management expenses are cash salary and cash bonuses paid/accrued for staff and management compensation.
[16] Share-based management expenses are share salary and share bonus expenses of management and staff.
[17] Fund type expenses include expenses such as audit and valuation fees, fees for legal advisors, Board compensation and corporate secretary costs.
[18] Management fee is the sum of cash-based and share-based operating expenses (excluding fund-type costs).

DISCUSSION OF PORTFOLIO COMPANIES' RESULTS (STAND-ALONE IFRS)

The following sections present the IFRS results and business development extracted from the individual portfolio company's IFRS accounts, where the 1Q25 and 1Q24 portfolio company's accounts and respective IFRS numbers are unaudited. We present key IFRS financial highlights, operating metrics and ratios along with commentary explaining the developments behind the numbers. For the majority of our portfolio companies, the fair value of our equity investment is determined by the application of an income approach (DCF) and a market approach (listed peer multiples and precedent transactions). Under the discounted cash flow (DCF) valuation method, fair value is estimated by deriving the present value of the business using reasonable assumptions of expected future cash flows and the terminal value, and the appropriate risk-adjusted discount rate that quantifies the risk inherent to the business. Under the market approach, listed peer group earnings multiples are applied to the trailing twelve months (LTM) stand-alone IFRS earnings of the relevant business. As such, the stand-alone IFRS results and developments driving the IFRS earnings of our portfolio companies are key drivers of their valuations within GCAP's financial statements. See "Basis of Presentation" on page 14 for more background.

Discussion of retail (pharmacy) business results

The retail (pharmacy) business, where GCAP owns a 97.8% equity interest, is the largest pharmaceuticals retailer and wholesaler in Georgia, with a 35.8% market share in the organised retail market based on the 2023 revenues. The business consists of a retail pharmacy chain operating under two brands (GPC and Pharmadepot) and a wholesale business that sells pharmaceuticals and medical supplies to hospitals and other pharmacies. The business operates a total of 416 pharmacies (of which 401 are in Georgia and 15 in Armenia) and 19 franchise stores (of which, 12 are in Georgia, 2 in Armenia and 5 in Azerbaijan).

1Q25 performance (GEL '000), retail (pharmacy)[19]

INCOME STATEMENT HIGHLIGHTS	1Q25	1Q24	Change
Revenue, net	**225,625**	**203,711**	**10.8%**
of which, retail	*175,351*	*167,945*	*4.4%*
of which, wholesale	*50,274*	*35,766*	*40.6%*
Gross Profit	**72,889**	**59,815**	**21.9%**
Gross profit margin	*32.3%*	*29.4%*	*2.9 ppts*
Operating expenses (ex. IFRS 16)	(48,714)	(44,275)	10.0%
EBITDA (ex. IFRS 16)	**24,175**	**15,540**	**55.6%**
EBITDA margin, (ex. IFRS 16)	*10.7%*	*7.6%*	*3.1 ppts*
Net profit (ex. IFRS 16)	**16,808**	**6,748**	**NMF**
CASH FLOW HIGHLIGHTS			
Cash flow from operating activities (*ex. IFRS 16*)	**27,809**	**19,566**	**42.1%**
EBITDA to cash conversion	*115.0%*	*125.9%*	*-10.9 ppts*
Cash flow used in investing activities[20]	**(3,652)**	**(5,226)**	**-30.1%**
Free cash flow, (ex. IFRS 16)[21]	**23,995**	**13,326**	**80.1%**
Cash flow from/(used in) financing activities (*ex. IFRS 16*)	**2,522**	**(25,511)**	**NMF**
BALANCE SHEET HIGHLIGHTS	**31-Mar-25**	**31-Dec-24**	**Change**
Total assets	**625,578**	**608,576**	**2.8%**
of which, cash and bank deposits	*45,890*	*19,154*	*NMF*
of which, securities and loans issued	*18,080*	*19,087*	*-5.3%*
Total liabilities	**520,400**	**521,341**	**-0.2%**
of which, borrowings	*187,768*	*181,833*	*3.3%*
of which, lease liabilities	*148,388*	*149,348*	*-0.6%*
Total equity	**105,178**	**87,235**	**20.6%**

INCOME STATEMENT HIGHLIGHTS

- The developments in the 1Q25 total revenue of the business reflect the combination of the following factors:
  - A 4.4% y-o-y increase in retail revenue in 1Q25, driven by a 2.8% same-store revenue growth and a strong ramp-up in the performance of pharmacy stores launched in late 2023. The growth was supported by increased demand for seasonal medicines due to higher flu activity compared to 1Q24, as well as overall economic growth in Georgia.
  - A 40.6% y-o-y increase in wholesale revenue, driven by higher revenue from state healthcare programmes, partially supported by a low base in 1Q24 due to timing discrepancies in tender occurrences.
- The improvement in the gross profit margin in 1Q25 reflects a positive outcome of renegotiated trading terms with key suppliers across all major categories, as well as a shift in the sales mix towards higher-margin non-prescription medicines.
- The y-o-y increase in operating expenses (excl. IFRS 16) in 1Q25 was mainly driven by higher salary and marketing expenses, reflecting the business growth. The increase in salary expenses (up 12.6% y-o-y in 1Q25) reflects higher staff compensation in line with market trends and the implementation of new sales incentive schemes targeted at improving the overall gross profit margin.

[19] The detailed IFRS financial statements are included in supplementary excel file, available at https://georgiacapital.ge/ir/financial-results.
[20] Of which – cash outflow on capex of GEL 4.6 million in 1Q25 (GEL 6.2 million in 1Q24); proceeds from sale of PPE of GEL 0.8 million in 1Q25.
[21] Calculated by deducting capex and minority acquisition from operating cash flows and adding proceeds from the sale of PPE/IP.

- As a result, the business achieved a y-o-y EBITDA (excl. IFRS 16) growth of 55.6% in 1Q25 with a 3.1 ppts y-o-y improvement in EBITDA margin.
- Net interest expense (excl. IFRS 16) was down by 23.6% y-o-y to GEL 4.0 million in 1Q25, reflecting a lower average net debt balance in 1Q25.
- The developments outlined above resulted in more than a twofold increase in net profit (excl. IFRS 16) y-o-y in 1Q25.

CASH FLOW AND BALANCE SHEET HIGHLIGHTS

- The net debt balance was down to GEL 123.8 million at 31-Mar-25, from GEL 143.6 million at 31-Dec-24, reflecting robust cash flow generation in 1Q25. As a result, the net debt to EBITDA leverage ratio improved to 1.5x q-o-q as at 31-Mar-25 (down from 1.9x as at 31-Dec-24).
- The EBITDA to cash conversion ratio stood at 115.0% in 1Q25, reflecting the strong business performance outlined above, as well as timing differences in the collection of receivables.

OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

- The number of pharmacies and franchise stores is provided below:

	Mar-25	Dec-24	*Change (q-o-q)*	Mar-24	*Change (y-o-y)*
Number of pharmacies	**416**	**410**	***6***	**418**	***(2)***
of which, Georgia	*401*	*395*	*6*	*402*	*(1)*
of which, Armenia	*15*	*15*	*-*	*16*	*(1)*
Number of franchise stores	**19**	**19**	**-**	**24**	**(5)**
of which, Georgia	*12*	*12*	*-*	*18*	*(6)*
of which, Armenia	*2*	*2*	*-*	*2*	*-*
of which, Azerbaijan	*5*	*5*	*-*	*4*	*1*

- Retail (Pharmacy)'s key operating performance highlights for 1Q25 are noted below:

Key metrics	**1Q25**	**1Q24**	**Change**
Same store revenue growth	*2.8%*	*0.6%*	*2.2 ppts*
Number of bills issued (million)	*7.6*	*8.1*	*-5.3%*
Average bill size (GEL)	*21.6*	*19.6*	*9.8%*

Discussion of insurance (P&C and medical) business results

As at 31-Mar-25, the insurance business comprises a) property and casualty (P&C) insurance business, operating under the brand name "Aldagi" and b) medical insurance business, operating under "Imedi L" and "Ardi" brands, the latter acquired in April 2024. The P&C insurance business is a leading player with a 29% market share in property and casualty insurance based on gross premiums as of 31-Dec-24. P&C also offers a variety of non-property and casualty products, such as life insurance. The medical insurance business is the country's largest private health insurer, with a 35% market share based on gross insurance premiums as of 31-Dec-24, offering a variety of health insurance products primarily to corporate and (selectively) to state entities and also to retail clients in Georgia. GCAP owns a 100% equity stake in both insurance businesses.

1Q25 performance (GEL'000), insurance (P&C and medical) [22]

INCOME STATEMENT HIGHLIGHTS	**1Q25**	**1Q24**	**Change**
Insurance revenue	**89,663**	**54,991**	**63.1%**
of which, P&C insurance	*38,111*	*31,496*	*21.0%*
of which, medical insurance	*51,552*	*23,495*	*NMF*
Net underwriting profit	20,091	14,218	41.3%
Net investment profit	4,198	3,322	26.4%
Pre-tax profit	**8,827**	**7,768**	**13.6%**
of which, P&C insurance	*7,086*	*6,301*	*12.5%*
of which, medical insurance	*1,741*	*1,467*	*18.7%*
CASH FLOW HIGHLIGHTS			
Net cash flows from operating activities	3,589	7,616	-52.9%
Free cash flow	**722**	**6,299**	**-88.5%**
BALANCE SHEET HIGHLIGHTS	**31-Mar-25**	**31-Dec-24**	**Change**
Total assets	359,063	300,510	19.5%
Total equity	129,986	128,614	1.1%

INCOME STATEMENT HIGHLIGHTS

- The y-o-y increase in 1Q25 insurance revenue reflects the following factors:
  - The revenue of the P&C insurance business was up by 21.0% y-o-y in 1Q25, resulting from:
    - A GEL 4.3 million y-o-y increase in Motor Insurance revenues in 1Q25, mainly attributable to the expansion of the retail client portfolio.
    - A GEL 1.5 million y-o-y increase in Credit Life Insurance revenues in 1Q25, driven by the growth of partner banks' portfolios in the mortgage, consumer loan, and other sectors.

[22] The detailed IFRS financial statements are included in supplementary excel file, available at https://georgiacapital.ge/ir/financial-results.

- A GEL 0.8 million y-o-y increase in the revenues from other insurance lines.
- The revenue of the medical insurance business more than doubled y-o-y in 1Q25, reflecting organic growth of the portfolio, a mid-teen percentage increase in insurance policy prices, and the positive impact of the acquisition of the Ardi insurance portfolio in April 2024, the latter contributing GEL 22.4 million to the 1Q25 y-o-y revenue growth.

➢ The insurance business' key performance ratios for 1Q25 are noted below:

Key ratios	P&C insurance			Medical insurance		
	1Q25	1Q24	*Change*	1Q25	1Q24	*Change*
Combined ratio	87.7%	87.1%	0.6 ppts	98.4%	97.2%	1.2 ppts
Expense ratio	33.2%	33.7%	-0.5 ppts	17.8%	16.2%	1.6 ppts
Loss ratio	55.2%	54.0%	1.2 ppts	80.6%	81.0%	-0.4 ppts
FX ratio	-0.7%	-0.6%	-0.1 ppts	-	-	-
ROAE[23]	29.0%	31.6%	-2.6 ppts	20.5%	16.0%	4.5 ppts

➢ The combined ratio of P&C insurance increased by 0.6 ppt y-o-y to 87.8% in 1Q25, primarily reflecting a higher loss ratio associated with a few large property insurance claims during the quarter.

➢ The combined ratio of Medical Insurance increased by 1.2 ppts y-o-y to 98.4% in 1Q25, driven by an increase in the expense ratio, attributable to an increase in marketing costs and salaries in line with the business expansion, as well as the implementation of new incentive schemes aimed at improving customer acquisition.

➢ The net investment profit was up by 26.4% y-o-y in 1Q25, reflecting a higher average liquid funds balance and the addition of Ardi's portfolio.

➢ As a result, the pre-tax profit of the insurance business was up by 13.6% y-o-y in 1Q25.

CASH FLOW AND BALANCE SHEET HIGHLIGHTS

➢ The solvency ratio of P&C and medical insurance businesses stood at 163% and 156%, respectively, as of 31 March 2025, significantly above the required minimum of 100%.

➢ The net debt to EBITDA leverage ratio remained unchanged q-o-q at 0.5x as at 31-Mar-25.

➢ A y-o-y decrease in net cash flows from operating activities is attributable to timing differences related to the collection of P&C insurance premiums and reinsurance outflows in 1Q25.

➢ GEL 7.0 million dividends were paid to GCAP in 1Q25.

Discussion of healthcare services business results[24]

The healthcare services business, where GCAP owns 100% equity, is the largest healthcare market participant in Georgia comprising two segments: 1) hospitals (7 large and specialty hospitals – providing secondary and tertiary level healthcare services across Georgia and 27 regional and community hospitals – providing outpatient and basic inpatient services), and 2) clinics and diagnostics (16 polyclinics – providing outpatient diagnostic and treatment services and diagnostics – operating the largest laboratory in the entire Caucasus region "Mega Lab").

1Q25 performance (GEL '000), healthcare services

INCOME STATEMENT HIGHLIGHTS	1Q25	1Q24	Change
Revenue, net[25]	**115,281**	**96,673**	**19.2%**
Gross Profit	**45,829**	**36,532**	**25.4%**
Gross profit margin	*39.4%*	*37.4%*	*2.0 ppts*
Operating expenses (ex. IFRS 16)	(22,485)	(20,625)	9.0%
EBITDA (ex. IFRS 16)	**23,344**	**15,907**	**46.8%**
EBITDA margin (ex. IFRS 16)	*20.1%*	*16.3%*	*3.8 ppts*
Net income/(loss) (ex. IFRS 16)	**1,320**	**(2,242)**	**NMF**
CASH FLOW HIGHLIGHTS			
Cash flow from operating activities (ex. IFRS 16)	**11,697**	**7,230**	**61.8%**
EBITDA to cash conversion (ex. IFRS 16)	*50.1%*	*45.5%*	*4.6 ppts*
Cash flow (used in)/from investing activities[26]	**(11,268)**	**17,491**	**NMF**
Free cash flow (ex. IFRS 16)[27]	**(772)**	**24,564**	**NMF**
Cash flow from/(used in) financing activities (ex. IFRS 16)	**15,251**	**(30,883)**	**NMF**
BALANCE SHEET HIGHLIGHTS	31-Mar-25	31-Dec-24	Change
Total assets	**864,016**	**828,101**	**4.3%**
of which, cash balance and bank deposits	*54,306*	*39,102*	*38.9%*
of which, securities and loans issued	*582*	*736*	*-20.9%*
Total liabilities	**473,213**	**441,552**	**7.2%**
of which, borrowings	*367,344*	*341,367*	*7.6%*
Total equity	**390,803**	**386,549**	**1.1%**

[23] Calculated based on average equity, adjusted for preferred shares.
[24] The numbers were adjusted retrospectively to account for the strategic reorganisation in the healthcare businesses that occurred in December 2023.
[25] Net revenue – Gross revenue less corrections and rebates. Margins are calculated from gross revenue.
[26] Of which - capex of GEL 14.6 million in 1Q25 (GEL 12.2 million in 1Q24); proceeds from the sale of property of GEL 2.2 million in 1Q25 (GEL 29.6 million in 1Q25).
[27] Operating cash flows less capex, plus net proceeds from the sale of assets.

INCOME STATEMENT HIGHLIGHTS

- The hospitals and clinics and diagnostics businesses represent approximately 80% and 20%, respectively, of the consolidated revenue of the healthcare services business.

Total revenue breakdown[28]	1Q25	1Q24	Change
Total revenue, net	**115,281**	**96,673**	**19.2%**
Hospitals	**94,527**	**80,749**	**17.1%**
of which, large and specialty hospitals	*62,284*	*53,872*	*15.6%*
of which, regional and community hospitals	*32,472*	*27,244*	*19.2%*
Clinics and diagnostics	**22,586**	**17,714**	**27.5%**
of which, clinics	*18,127*	*14,086*	*28.7%*
of which, diagnostics	*6,672*	*5,378*	*24.1%*

- The developments in 1Q25 total revenue of the business reflect:
  - At our large and specialty hospitals, increased demand for high revenue-generating outpatient services accounting for 35.7% of the revenue from this group of hospitals and marking a 2.5 ppts y-o-y increase. This performance also reflects the onboarding of reputable doctors with loyal patient bases in 1Q25.
  - At our regional and community hospitals, a 3.3 ppts increase in the share of outpatient revenue in total, optimisation of the facilities and significant improvement in sales mix leading to a 19.2% y-o-y increase in the revenue, notwithstanding a 10.7% y-o-y reduction in the number of admissions in 1Q25.
  - Robust performance of clinics and diagnostics business on the back of the favourable shift in sales mix and increased customer footprint resulting from the overall service enhancements.
- A 2.0 ppts y-o-y increase in the gross profit margin, apart from the revenue developments described above, reflects the following trends in direct salary and materials rates[29] and utility costs:
  - Approximately 50% of direct salaries are fixed. This, on the back of increased revenues, led to a 0.8 ppts y-o-y improvement in the direct salary rate of the healthcare services business to 37.9% in 1Q25.
  - The materials rate improved by 0.4 ppts y-o-y and stood at 16.0% in 1Q25.
  - The utilities and other expenses increased by 9.8% y-o-y in 1Q25, mainly attributable to the unfaourable weather conditions in 1Q25 compared to 1Q24.
- Operating expenses (excl. IFRS 16) were up by 9.0% y-o-y in 1Q25, reflecting increased salary and rent expenses in line with the business expansion.
- The developments described above translated into a 46.8% y-o-y increase in EBITDA in 1Q25.

Total EBITDA (excl. IFRS 16) breakdown	1Q25	1Q24	Change
Total EBITDA	**23,344**	**15,907**	**46.8%**
Hospitals	**18,117**	**12,338**	**46.8%**
of which, large and specialty hospitals	*12,087*	*9,090*	*33.0%*
of which, regional and community hospitals	*6,030*	*3,248*	*85.7%*
Clinics and diagnostics	***5,227***	***3,569***	**46.5%**
of which, clinics	*3,954*	*2,907*	*36.0%*
of which, diagnostics	*1,273*	*662*	*92.3%*

- Net interest expense (excluding IFRS 16) was up by 27.9% y-o-y in 1Q25, reflecting increased interest rates on the market as well as increased net debt balance as outlined below.

CASH FLOW AND BALANCE SHEET HIGHLIGHTS

- The net debt balance was up by 7.6% y-o-y in 1Q25, reflecting capex investments in the amount of GEL 14.6 million in 1Q25 (GEL 12.2 million in 1Q24). This includes a) development capex of GEL 9.0 million in 1Q25 related to an expansion of service offerings and upgrade of medical equipment primarily for outpatient services, and b) maintenance capex of GEL 5.6 million.
- The EBITDA to cash conversion ratio stood at 50.1% in 1Q25, reflecting the delay in the collection of receivables from the State, where the typical collection period ranges from three to six months.
- The net debt to EBITDA leverage ratio improved to 4.1x q-o-q as at 31-Mar-25 (down from 4.3x as at 31-Dec-24).

OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

- The business key operating performance highlights for 1Q25 are noted below:

Key metrics	1Q25	1Q24	Change
Hospitals			
Number of admissions (thousands):	400.0	409.7	-2.4%
of which, large and specialty hospitals	*188.0*	*172.3*	*9.1%*
of which, regional and community hospitals	*212.0*	*237.4*	*-10.7%*
Occupancy rates:			
of which, large and specialty hospitals	*73.8%*	*69.8%*	*4.0 ppts*
of which, regional and community hospitals	*76.9%*	*81.5%*	*-4.7 ppts*
Clinics			
Number of admissions (thousands):	503.4	461.4	9.1%

[28] Total figures take into account inter-business and inter-segment eliminations, and therefore do not equal the sum of the presented components.
[29] The respective costs divided by gross revenues.

Diagnostics			
Number of patients served (thousands)	230	221	4.0%
Average number of tests per patient	3.0	2.9	3.2%

Discussion of emerging and other portfolio results

The five businesses in our "emerging and other" private portfolio are renewable energy, education, auto service, wine and real estate (housing development and hospitality). They had a combined value of GEL 566.2 million at 31-Mar-25, which represents 13.8% of our total portfolio.

1Q25 aggregated performance highlights (GEL '000), emerging and other portfolio[30]

	1Q25	1Q24	Change
Revenue	93,031	123,759	-24.8%
EBITDA	20,455	23,967	-14.7%
Net cash flows from operating activities	24,905	11,048	NMF

- **Renewable energy |** The renewable energy business operates three wholly-owned commissioned renewable assets with 71MW installed capacity in aggregate. In addition, the business has a pipeline of renewable energy projects in varying stages of development. The revenue of the business decreased by 11.8% y-o-y to US$ 2.3 million in 1Q25, reflecting a) an 8.8% y-o-y decrease in the electricity generation due to the unfavorable weather conditions during the quarter and b) a 3.3% y-o-y decrease in the average electricity selling price (down to 60.6 US$/kwh) in 1Q25. Operating expenses remained largely flat, down 0.3% y-o-y to US$ 0.9 million in 1Q25. As a result, the business posted a US$ 1.5 million EBITDA in 1Q25, down 17.4% y-o-y.
- **Education |** Georgia Capital's education business is the largest player in the private K-12 market in Georgia with 9.4% market share. It currently combines majority stakes in four private school brands operating across seven campuses, which are well-positioned in the premium, midscale and affordable market segments. In 1Q25, the business recorded GEL 21.7 million revenue (up 17.3% y-o-y) primarily driven by a) organic growth through strong intakes and a ramp-up of utilisation and b) expansion of the business through addition of two new campuses (greenfield and acquisitions) during 2023. Operating expenses were up by 15.2% y-o-y in 1Q25, mainly reflecting increased salary and catering costs, in line with the recent business expansion. Consequently, EBITDA amounted to GEL 7.2 million in 1Q25, up by 21.9% y-o-y.
- **Auto service |** The auto service business includes a periodic technical inspection (PTI) business, and a car services and parts business.
  - **Periodic technical inspection (PTI) business |** PTI business' revenue decreased by 4.2% y-o-y to GEL 5.3 million in 1Q25, primarily driven by a 5.6% decline in the number of total cars serviced. Consequently, the 1Q25 EBITDA decreased by 14.2% y-o-y to GEL 2.5 million.
  - **Car services and parts business |** In 1Q25, revenue was up by 6.0% y-o-y to GEL 13.0 million, reflecting an increase in the wholesale, corporate and retail segments. Similarly, the gross profit was up by 12.9% to GEL 3.7 million in 1Q25. Operating expenses increased by 2.0% y-o-y, reflecting the business growth. As a result, the business posted a GEL 0.5 million EBITDA in 1Q25, up 3.1x y-o-y.
- **Wine |** In 1Q25, the wine business reported net revenue of GEL 9.8 million, representing a 44.6% y-o-y decrease, mainly reflecting a timing difference in exports that had led to an unusually high base in the prior year. This effect is expected to even out over the course of the year, with minimal to no impact on full-year revenues. Operating expenses were up by 1.7% y-o-y, leading to a breakeven EBITDA in 1Q25.
- **Real estate businesses |** In 1Q25, the combined revenue of the real estate business declined by 41.6% y-o-y to GEL 36.5 million in 1Q25, primarily driven by a 53.3% y-o-y decrease in the number of apartments sold at our housing business. This reflects a reduced level of outstanding inventory as the business remains focused on completing existing residential projects. The decline was partially offset by the strong operating performance of the hospitality business, which posted a 23.1% y-o-y increase in revenue in 1Q25. Operating expenses were up by 4.3%, reflecting increased salary and marketing costs. As a result, in 1Q25 the real estate business posted EBITDA of GEL 5.8 million, down by 17.0% y-o-y.

[30] Emerging and other portfolio companies' performance highlights are presented excluding the beer and distribution business, where GCAP has a 20% minority holding. Aggregated numbers are presented like-for-like basis.

Basis of presentation

This announcement contains unaudited financial results presented in accordance with UK-adopted international accounting standards ("IFRS"). The financial results are unaudited and derived from management accounts.

Under IFRS 10, Georgia Capital PLC meets the "investment entity" definition. For more details about the basis of preparation please refer to page 94 in Georgia Capital PLC 2024 Annual report.

The presentation of the Income Statement (Adjusted) and some of the information under the NAV Statement should be considered to be Alternative Performance Measures (APM).

GLOSSARY

1. **APM** – Alternative Performance Measure.
2. **GCAP** refers to the aggregation of stand-alone Georgia Capital PLC and stand-alone JSC Georgia Capital accounts.
3. **Georgia Capital** and "the Group" refer to Georgia Capital PLC and its portfolio companies as a whole.
4. **NMF** – Not meaningful.
5. **NAV** – Net Asset Value, represents the net value of an entity and is calculated as the total value of the entity's assets minus the total value of its liabilities.
6. **LTM** – last twelve months.
7. **EBITDA** - Earnings before interest, taxes, non-recurring items, FX gain/losses and depreciation and amortisation; The Group has presented these figures in this document because management uses EBITDA as a tool to measure the Group's operational performance and the profitability of its operations. The Group considers EBITDA to be an important indicator of its representative recurring operations.
8. **ROIC** – return on invested capital is calculated as EBITDA less depreciation, divided by the aggregate amount of total equity and borrowed funds.
9. **Loss ratio** equals net insurance claims expense divided by net earned premiums.
10. **Expense ratio** in P&C Insurance equals sum of acquisition costs and operating expenses divided by net earned premiums.
11. **Combined ratio** equals sum of the loss ratio and the expense ratio in the insurance business.
12. **ROAE** – Return on average total equity (ROAE) equals profit for the period attributable to shareholders divided by monthly average equity attributable to shareholders of the business for the same period.
13. **Net investment** - gross investments less capital returns (dividends and sell-downs).
14. **EV** – enterprise value.
15. **Liquid assets & loans issued** include cash, marketable debt securities and issued short-term loans at GCAP level.
16. **Total return/value creation** - total return/value creation of each portfolio investment is calculated as follows: we aggregate a) change in beginning and ending fair values, b) gains from realised sales (if any) and c) dividend income during period. We then adjust the net result to remove capital injections (if any) to arrive at the total value creation/investment return.
17. **WPP** – Wind power plant.
18. **HPP** – Hydro power plant.
19. **PPA** – Power purchase agreement.
20. **Number of shares outstanding** – Number of shares in issue less total unawarded shares in JSC GCAP's management trust.
21. **Market Value Leverage ("MVL"), also Loan to Value ("LTV")** – Interchangeably used across the document and is calculated by dividing net debt to the total portfolio value.
22. **NCC** - Net Capital Commitment, represents an aggregated view of all confirmed, agreed and expected capital outflows at both Georgia Capital PLC and JSC Georgia Capital levels.
23. **NCC Ratio** – Equals Net Capital Commitment divided by portfolio value.

ABOUT GEORGIA CAPITAL PLC

Georgia Capital PLC (LSE: **CGEO LN**) is a platform for buying, building and developing businesses in Georgia (together with its subsidiaries, "**Georgia Capital**" or **"the Group").** The Group's primary business is to develop or buy businesses, help them institutionalise their management and grow them into mature businesses that can further develop largely on their own, either with continued oversight or independently. Once Georgia Capital has successfully developed a business, the Group actively manages its portfolio to determine each company's optimal owner. Georgia Capital will normally seek to monetise its investment over a 5-10 year period from initial investment.

Georgia Capital currently has the following portfolio businesses: **(1) a retail (pharmacy) business, (2) an insurance business (P&C and medical insurance), (3) a healthcare services business (hospitals and clinics and diagnostics).** Georgia Capital also holds other small private businesses across different industries in Georgia; a 20.0% equity stake in the **water utility business** and a 19.3% equity stake in LSE listed **Lion Finance Group PLC** ("Lion Finance Group" or the "Bank"), formerly known as "Bank of Georgia Group PLC", the holding company of leading universal banks in Georgia and Armenia.

COMPANY INFORMATION

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Share price information
Shareholders can access both the latest and historical prices via the website
www.georgiacapital.ge