RNS Number : 0945P
Georgia Capital PLC
04 August 2026

# FINANCIAL PERFORMANCE HIGHLIGHTS (IFRS)[1]

| GEL '000, unless otherwise noted *(unaudited)* | Jun-26 | Mar-26 | Change | Dec-25 | Change |
|---|---|---|---|---|---|
| **Georgia Capital NAV overview** | | | | | |
| NAV per share, GEL | 175.12 | 154.82 | 13.1% | 154.68 | 13.2% |
| NAV per share, GBP | 50.10 | 43.34 | 15.6% | 42.44 | 18.0% |
| Net Asset Value (NAV) | 5,793,703 | 5,152,073 | 12.5% | 5,194,527 | 11.5% |
| Shares outstanding[2] | 33,084,612 | 33,278,673 | -0.6% | 33,582,800 | -1.5% |
| Cash, liquid funds and accrued dividends[3] | 518,098 | 230,201 | NMF | 239,801 | NMF |
| NCC ratio[2] | -2.9% | 3.9% | -6.8 ppts | 2.3% | -5.2 ppts |

| **Georgia Capital Performance** | **2Q26** | **2Q25** | **Change** | **1H26** | **1H25** | **Change** |
|---|---|---|---|---|---|---|
| Total portfolio value creation | 723,492 | 670,866 | 7.8% | 772,338 | 1,014,360 | -23.9% |
| *of which, listed portfolio[4]* | *484,134* | *590,501* | *-18.0%* | 454,973 | 838,450 | -45.7% |
| *of which, private businesses* | *239,358* | *80,365* | *NMF* | *317,365* | *175,910* | *80.4%* |
| Investments | *1,474* | *990* | *48.9%* | *2,739* | *12,692* | *-78.4%* |
| Divestments | (311,608) | (191,744) | 62.5% | (354,417) | (191,744) | 84.8% |
| Buybacks[5] | 69,019 | 55,969 | 23.3% | 145,046 | 143,845 | 0.8% |
| Dividend income[6] | 46,733 | 49,697 | -6.0% | 86,291 | 57,705 | 49.5% |
| Net income | 690,727 | 654,546 | 5.5% | 720,646 | 988,747 | -27.1% |

| **Private portfolio companies' performance[1]** | **2Q26** | **2Q25** | **Change** | **1H26** | **1H25** | **Change** |
|---|---|---|---|---|---|---|
| **Large portfolio companies** | | | | | | |
| Revenue | 522,679 | 439,015 | 19.1% | 1,011,914 | 869,274 | 16.4% |
| EBITDA | 75,424 | 62,256 | 21.2% | 147,993 | 119,438 | 23.9% |
| Net operating cash flow | 76,193 | 53,896 | 41.4% | 132,113 | 96,992 | 36.2% |
| **Total portfolio[7]** | | | | | | |
| Revenue | 590,474 | 518,202 | 13.9% | 1,148,676 | 1,014,606 | 13.2% |
| EBITDA | 90,787 | 87,249 | 4.1% | 183,628 | 164,801 | 11.4% |
| Net operating cash flow | 96,216 | 78,776 | 22.1% | 161,552 | 139,052 | 16.2% |

## KEY POINTS

Ø NAV per share increased by 13.1% q-o-q to a record high of GEL 175.12 (up 15.6% q-o-q to GBP 50.10), driven by strong operating performances across our large private portfolio companies and continued growth in Lion Finance Group PLC's ("LFG") share price

Ø Accelerated revenue growth across our large private portfolio companies, with aggregate revenues up 19.1% y-o-y in 2Q26, compared to 14.3% in 2Q25, extending the delivery of double-digit growth to eight consecutive quarters

Ø Successful disposal of our housing development business, $m^2$, one of Georgia's leading residential real estate developers, further advancing GCAP's capital-light investment strategy and strengthening the Group's risk profile. Following the completion, the aggregate net debt of the emerging and other businesses (excluding the renewable energy business) was reduced by c.49% (by c.US$ 39 million), decreasing the net debt-to-EBITDA ratio from 3.8x to 2.0x

Ø NCC ratio improved by 6.8 ppts q-o-q to a record-low -2.9% as of 30 June 2026, marking our strongest capital position to date, driven by robust cash generation and continued portfolio value creation as our net cash balance significantly exceeded the capital commitments for the first time ever

Ø S&P Global Ratings upgraded GCAP's corporate credit rating from BB- (Positive) to BB (Stable), bringing the rating fully in line with Georgia's sovereign credit rating

Ø Completion of the GEL 700 million capital return programme significantly ahead of schedule through the early redemption of US$ 50 million outstanding local sustainability-linked bonds (to be settled on 19 August 2026) and the extension of the existing share buyback programme by US$ 10 million

Ø Commencement of a new GEL 1 billion capital allocation programme through the end of 2029, starting with a launch of initial US$ 50 million share buyback and cancellation programme

Ø 0.6 million shares repurchased during 2Q26 and 3Q26 to date, bringing total shares bought back since the demerger to 16.7 million (US$ 295 million), representing 35.0[8]% of GCAP's peak issued share capital

**Conference call:** An investor/analyst conference call will be held on 4-AUG-2026, at 14:00 UK / 15:00 CEST / 09:00 US Eastern Time. Please register at the **Registration Link** to attend the event. Further details are available on the **Group's webpage**.

# CHAIRMAN AND CEO'S STATEMENT

I am pleased to present another quarter of strong earnings performance, driven by the disciplined execution of our strategic priorities, which continues to translate into sustained operational excellence and value creation for our shareholders.

**NAV per share (GEL) reached a new record high of GEL 175.12 (GBP 50.10) in 2Q26, increasing by 13.1% q-o-q,** underscoring the outstanding underlying operating performance across all key businesses and reinforcing GCAP's long-term value and growth proposition for our shareholders. Value creation in our listed portfolio amounted to GEL 484.1

million (+9.4 ppts impact on NAV per share), driven by a 22.1% increase in Lion Finance Group PLC's share price during the quarter. Our private portfolio delivered a further GEL 239.4 million value creation (+4.6 ppts impact), reflecting the strong performance of our high-quality, industry-leading large businesses, as detailed below. Together, the total portfolio generated more than GEL 720 million value creation during the quarter, demonstrating its outstanding quality and consistent growth. NAV per share growth was also supported by the share buyback and cancellation programme (+0.3 ppts impact), partially offset by management platform-related costs and net interest expense (-0.3 ppts impact) and currency fluctuations (-0.1 ppts impact). In GBP terms, NAV per share increased by 15.6% q-o-q in 2Q26. **Since the demerger, NAV per share has increased at a CAGR of 20.1% and 19.6% in GEL and GBP terms, respectively,** highlighting our consistent track record of long-term value creation for our shareholders. Over the last three years, NAV per share (GEL) has grown at 33.7% CAGR.

**Accelerating revenue growth across our large private portfolio companies.** Against the backdrop of continued strong economic growth in Georgia, with nominal GDP growth preliminarily estimated at 11.8% y-o-y in 2Q26, our large private portfolio companies continued to significantly outperform the broader economy, with aggregate revenues increasing by 19.1% y-o-y in 2Q26, marking the eighth consecutive quarter of double-digit revenue growth across our large private businesses.

- Our retail (pharmacy) business delivered excellent operational performance in 2Q26. Retail revenues increased by 13.7% y-o-y in 2Q26, reflecting successful sales initiatives that drove an 8.5% same-store revenue growth, a 9.3% increase in average bill size and a 4.0% y-o-y increase in the number of bills issued. The performance was further supported by the addition of six new pharmacy stores in 2Q26. Wholesale revenues were up by 16.5% y-o-y in 2Q26, driven by a broader product offering across the business' distribution channels and higher revenue from state healthcare programmes.
- Across our healthcare services business, total revenue increased by 17.9% y-o-y in 2Q26, reflecting a) an increased demand for outpatient services at our large and specialty hospitals, b) significant improvement in sales mix towards higher-margin services, further supported by the acquisition of Gormed LLC in December 2025, and c) strong performance of the clinics and diagnostics business, where clinics' revenues benefited from a growing customer footprint alongside enhanced service offerings and the expansion of its laboratory services, while diagnostics revenue increased on the back of growth in retail and corporate segments.
- P&C insurance revenues were up 11.3% y-o-y to GEL 49.0 million in 2Q26, driven by growth in the property, credit life and motor insurance lines. The revenue of the medical insurance business increased by 49.3% y-o-y and amounted to GEL 78.7 million in 2Q26, reflecting newly awarded tenders, organic growth in the corporate and retail portfolios and a mid-teens percentage increase in insurance policy prices.

**Disposal of the housing development business.** In June 2026, Georgia Capital successfully completed the disposal of its housing development business, $m^2$, one of the leading residential real estate developers in Georgia, to local investors. The transaction marked another important milestone in the execution of GCAP's capital-light investment strategy and further advanced the Company's strategic priority of exiting investments within its "Other" portfolio. Alongside monetising the investment, the disposal further strengthened the Group's balance sheet by reducing its overall risk profile. Following the completion, the aggregate net debt of the emerging and other businesses (excluding the renewable energy business) was reduced by c.49% (by c.US$ 39 million), decreasing the net debt-to-EBITDA ratio from 3.8x to 2.0x.

**NCC ratio improved by 6.8 ppts to a record-low -2.9% in 2Q26.** Supported by robust cash generation, continued portfolio value growth, related value monetisations and the strengthened risk profile of the Group, the NCC ratio reached its strongest level ever. The Group's excellent financial position, absence of leverage at the HoldCo level and prudent financial policy was also recognised by S&P Global Ratings, which upgraded GCAP's credit rating to BB (Stable) from BB- (Positive). GCAP's credit rating is now fully aligned with the sovereign credit rating of Georgia, representing a further validation of the Group's strong financial profile.

**Completion of GEL 700 million capital return programme and launch of new GEL 1 billion capital allocation programme.** On 29 June 2026, the Group announced the early redemption in full of the US$ 50 million sustainability-linked local bonds of its Georgian holding company, JSC Georgia Capital. The call option on this Bond has now been exercised, with full settlement expected to occur on 19 August 2026. In parallel, the Company also announced an extension to its current share buyback and cancellation programme, of which approximately US$ 11 million remains outstanding. Together, upon the completion of the current buyback programme, these transactions will complete GCAP's GEL 700 million capital return programme well over a year ahead of its originally scheduled December 2027 timeline. This early completion of the capital return programme once again demonstrates the strength of our cash flow generation and our disciplined approach to capital allocation.

With a further derisked and strengthened balance sheet, demonstrated by the absence of any HoldCo-level borrowing, we remain firmly focused on the execution of our strategic priorities and delivering sustainable long-term NAV per share growth for our shareholders. Our NAV per share has increased c.34% per annum over the last three years, demonstrating the outstanding growth delivered by our portfolio companies. Taking into account a) the existing strong liquidity at GCAP level (c.GEL 310 million following debt repayment and completion of existing buyback programme); b) expected strong free cash flow generation supported by continued growth in dividend inflows from our large private portfolio companies, driven by sustained earnings growth; and c) expected dividend inflows from our Lion Finance Group investment (14.9% shareholding), the Group is expected to generate significant excess cash through the end of 2029.

As a result, the Board has considered an updated capital allocation policy. Any potential investment opportunity has and will continue to be assessed against the alternative of repurchasing shares and effectively reinvesting capital into our existing portfolio. Since the Group's share price discount to Net Asset Value per share has significantly narrowed over the last few quarters, selective new investments are becoming increasingly attractive from a relative return perspective, providing an additional way to support long-term business growth, while continuing to benefit from the strong underlying growth of our existing portfolio.

Accordingly, we are today announcing the launch of a new GEL 1 billion capital allocation programme, which will start following the completion of the current share buyback programme and which we plan to fully implement and complete by the end of 2029. The programme will cover a combination of capital returns through share buybacks and, potentially, dividends, together with business investments in Georgia and Armenia (see the discussion below). The programme will start with an initial US$ 50 million share buyback and cancellation programme. The Board expects that at least half of the GEL 1 billion capital allocation programme will be allocated to capital returns. With regard to potential investment opportunities in Armenia, we increasingly view Georgia and Armenia as similar growth stories, with compelling opportunities to invest in complementary businesses across both markets. GCAP already participates in Armenia's growth through LFG's investment in Ameriabank, as well as through the expansion of our retail (pharmacy) business, which currently operates 23 stores in the country.

Further announcements regarding share buyback launches, acquisitions and other capital allocation initiatives will be made as the programme is implemented through the end of 2029.

From a **macroeconomic perspective**, Georgia's economy continues to demonstrate strong resilience, remaining on track for another year of outstanding growth in 2026. Real GDP growth averaged 7.9% in 1H26, supported by robust domestic demand and strong external inflows. Despite increased global geopolitical uncertainty, including the escalation of tensions in the Middle East, Georgia's economic momentum has remained resilient. External sector dynamics remained favourable, with strong exports and increasing remittance inflows more than offsetting softer tourism revenues. The country's external and fiscal resilience further strengthened, with gross international reserves reaching a record high US$ 7.1 billion and public debt declining to 34% of GDP, its lowest level since 2014. The Georgian Lari has also demonstrated resilience in 2026 and has appreciated by 2.7% YTD, against the US Dollar, as of 3 August 2026. Reflecting the stronger-than-expected economic performance, the IMF revised its 2026 GDP growth forecast for Georgia upward from 5.3% to 6.5%, further highlighting the underlying strength and resilience of the Georgian economy.

**Outlook.** This quarter represents another important step forward for GCAP, with outstanding portfolio performance, an exceptionally strong financial position and disciplined capital allocation continuing to translate into robust long-term value creation for our shareholders. Looking ahead, I believe Georgia Capital, supported by the excellent economic growth prospects in Georgia, is well positioned to continue delivering sustainable NAV per share growth over the medium to long term. Our GEL 1 billion capital allocation programme further reinforces our commitment to disciplined value creation, balancing attractive growth investments, potentially including investments in Armenia, with continued shareholder returns, while progressing towards our long-term strategic priorities.

**Irakli Gilauri, Chairman and CEO**

# DISCUSSION OF GROUP RESULTS

*The discussion below analyses the Group's unaudited net asset value at 30-Jun-26 and its income for the second quarter and first half period then ended on an IFRS basis (see "Basis of Presentation" on page 18 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 second quarter (31-Mar-26 and 30-Jun-26). The NAV Statement below breaks down NAV into its components and provides a roll forward of the related changes between the reporting periods. For the NAV Statement for the first half of 2026 see page 17.*

## NAV STATEMENT 2Q26

| GEL '000, unless otherwise noted *(Unaudited)* | Mar-26 | 1. Value creation [9] | 2a. Investment and Divestments | 2b. Buyback | 2c. Dividends | 3. Operating expenses | 4. Liquidity/ FX/Other | Jun-26 | Change % |
|---|---|---|---|---|---|---|---|---|---|
| **Listed portfolio** | | | | | | | | | |
| *Lion Finance Group* | 2,383,121 | 484,134 | (302,212) | - | (27,557) | - | - | 2,537,486 | 6.5% |
| **Total listed portfolio value** | **2,383,121** | **484,134** | **(302,212)** | **-** | **(27,557)** | **-** | **-** | **2,537,486** | **6.5%** |
| *Listed portfolio value change %* | | *20.3%* | *-12.7%* | *0.0%* | *-1.2%* | *0.0%* | *0.0%* | *6.5%* | |
| **Private portfolio companies** | | | | | | | | | |
| **Large portfolio companies** | **2,111,700** | **239,115** | **-** | **-** | **(18,203)** | **-** | **1,541** | **2,334,153** | **10.5%** |
| *Retail (pharmacy)* | *922,525* | *123,981* | *-* | *-* | *(11,926)* | *-* | *737* | *1,035,317* | *12.2%* |
| *Healthcare services* | *620,471* | *66,769* | *-* | *-* | *-* | *-* | *436* | *687,676* | *10.8%* |
| *Insurance* | *568,704* | *48,365* | *-* | *-* | *(6,277)* | *-* | *368* | *611,160* | *7.5%* |
| **Emerging and other companies** | **549,762** | **243** | **(7,922)** | **-** | **(973)** | **-** | **557** | **541,667** | **-1.5%** |
| **Total private portfolio value** | **2,661,462** | **239,358** | **(7,922)** | **-** | **(19,176)** | **-** | **2,098** | **2,875,820** | **8.1%** |
| *Private portfolio value change %* | | *9.0%* | *-0.3%* | *0.0%* | *-0.7%* | *0.0%* | *0.1%* | *8.1%* | |
| **Total portfolio value (1)** | **5,044,583** | **723,492** | **(310,134)** | **-** | **(46,733)** | **-** | **2,098** | **5,413,306** | **7.3%** |
| *Total portfolio value change %* | | *14.3%* | *-6.1%* | *0.0%* | *-0.9%* | *0.0%* | *0.0%* | *7.3%* | |
| **Net cash (2)** | **96,072** | **-** | **326,505** | **(70,534)** | **46,733** | **(9,699)** | **(5,134)** | **383,943** | **NMF** |
| *of which, cash and liquid funds* | *210,731* | *-* | *326,505* | *(70,534)* | *47,949* | *(9,699)* | *(5,108)* | *499,844* | *NMF* |
| *of which, loans issued* | *2,329* | *-* | *-* | *-* | *-* | *-* | *96* | *2,425* | *4.1%* |
| *of which, accrued dividend income* | *19,470* | *-* | *-* | *-* | *(1,216)* | *-* | *-* | *18,254* | *-6.2%* |
| *of which, gross debt* | *(136,458)* | *-* | *-* | *-* | *-* | *-* | *(122)* | *(136,580)* | *0.1%* |
| Net other assets/(liabilities) (3) | 11,418 | - | (16,371) | 1,515 | - | (4,390) | 4,282 | (3,546) | *NMF* |
| *of which, share-based comp.* | *-* | *-* | *-* | *-* | *-* | *(4,390)* | *4,390* | *-* | *NMF* |
| **Net asset value (1)+(2)+(3)** | **5,152,073** | **723,492** | **-** | **(69,019)** | **-** | **(14,089)** | **1,246** | **5,793,703** | **12.5%** |
| *NAV change %* | | *14.0%* | *0.0%* | *-1.3%* | *0.0%* | *-0.3%* | *0.0%* | *12.5%* | |
| Shares outstanding[9] | 33,278,673 | - | - | (479,640) | - | - | 285,579 | 33,084,612 | -0.6% |
| **Net asset value per share, GEL** | **154.82** | **21.74** | **(0.00)** | **0.45** | **(0.00)** | **(0.43)** | **(1.45)** | **175.12** | **13.1%** |
| *NAV per share, GEL change %* | | *14.0%* | *0.0%* | *0.3%* | *0.0%* | *-0.3%* | *-0.9%* | *13.1%* | |

NAV per share (GEL) was up 13.1% q-o-q in 2Q26, reflecting a GEL 723.5 million value creation across our portfolio companies with a positive 14.0 ppts impact and share buybacks (+0.3 ppts impact). The NAV per share (GEL) growth was slightly offset by management platform-related costs and net interest expense (-0.3 ppts impact) and currency fluctuations (-0.1 ppts impact).

### Portfolio overview

Total portfolio value amounted to GEL 5.4 billion in 2Q26, up by GEL 368.7 million (up 7.3%) q-o-q:

- The value of the private portfolio increased by GEL 214.4 million (up 8.1% q-o-q), mainly resulting from a) a GEL 239.4 million value creation; b) a decrease of GEL 19.2 million due to dividends paid to GCAP during the quarter, and c) the net impact of investments of GEL 1.5 million in emerging and other businesses and divestment of GEL 9.4 million attributable to the disposal of the housing development business.
- The value of the listed portfolio increased by GEL 154.4 million (up 6.5% q-o-q) in 2Q26, reflecting the net impact of: a) the continued growth in Lion Finance Group's share price, resulting in GEL 484.1 million value creation, b) a GEL 302.2 million value reduction attributable to the decrease in GCAP's shareholding in the Bank, in line with the PFIC risk management strategy outlined in the 2Q25 results announcement, and c) a decrease of GEL 27.6 million due to dividends received.

Consequently, as of 30-Jun-26, the private portfolio value amounted to GEL 2.9 billion (53.1% of the total portfolio value), and the listed portfolio value totalled GEL 2.5 billion (46.9% of the total portfolio value).

**1) Value creation**

- Value creation across our private portfolio companies amounted to GEL 239.4 million in 2Q26, primarily driven by:
  - GEL 239.1 million value creation from our private large portfolio companies, which delivered substantial growth in aggregated revenues (up 19.1% y-o-y) and EBITDA (up 21.2% y-o-y) in 2Q26, translating into a GEL 126.5 million operating performance-related value creation, further supported by the positive impact of GEL 112.6 million from changes in implied valuation multiples and FX rates.
  - GEL 0.2 million insignificant value creation from our emerging and other businesses.
- Value creation from the listed portfolio amounted to GEL 484.1 million in 2Q26, reflecting the net impact of a 22.1% increase in its share price and a 2.2% depreciation of GBP against GEL in 2Q26.

As a result, the total portfolio value creation amounted to GEL 723.5 million in 2Q26.

*The table below summarises value creation drivers in our businesses in 2Q26:*

| Portfolio Businesses | Operating Performance[10] | Multiple Change and FX[11] | Value Creation |
|---|---|---|---|
| GEL '000, unless otherwise noted *(unaudited)* | *(1)* | *(2)* | *(1)+(2)* |
| **Listed portfolio** | | | **484,134** |
| Lion Finance Group | | | 484,134 |
| **Private portfolio** | **126,786** | **112,572** | **239,358** |
| **Large portfolio companies** | **126,528** | **112,587** | **239,115** |
| *Retail (pharmacy)* | *62,263* | *61,718* | *123,981* |
| *Healthcare services* | *42,135* | *24,634* | *66,769* |
| *Insurance* | *22,130* | *26,235* | *48,365* |
| **Emerging and other businesses** | **258** | **(15)** | **243** |
| **Total portfolio** | **126,786** | **112,572** | **723,492** |

## Valuation overview[12]

In 2Q26, valuation assessments of our retail (pharmacy), healthcare services, insurance, renewable energy, and education businesses were performed by a third-party independent valuation firm Kroll, in line with International Private Equity Valuation ("IPEV") guidelines, as part of the semi-annual independent valuation cycle for these businesses. The independent valuation assessments, which serve as an input for Georgia Capital's estimate of fair value, are performed by applying an income approach (DCF), cross-checked with 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 the light of prevailing market conditions, the 2Q26 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.273 million, or 9%, change in the fair value of private equity investments.

*The enterprise value (EV) and equity value development of our businesses in 2Q26 are summarised in the following table:*

| | Enterprise Value (EV) | | | Equity Value | | | |
|---|---|---|---|---|---|---|---|
| GEL '000, unless otherwise noted *(Unaudited)* | 30-Jun-26 | 31-Mar-26 | Change % | 30-Jun-26 | 31-Mar-26 | Change % | % share in total portfolio |
| **Listed portfolio** | | | | **2,537,486** | **2,383,121** | **6.5%** | **46.9%** |
| Lion Finance Group | | | | 2,537,486 | 2,383,121 | 6.5% | 46.9% |
| **Private portfolio** | **3,911,786** | **3,831,282** | **2.1%** | **2,875,820** | **2,661,462** | **8.1%** | **53.1%** |
| **Large portfolio companies** | **3,080,251** | **2,858,603** | **7.8%** | **2,334,153** | **2,111,700** | **10.5%** | **43.1%** |
| *Retail (pharmacy)* | 1,290,500 | 1,183,213 | 9.1% | 1,035,317 | 922,525 | 12.2% | 19.1% |
| *Healthcare services* | 1,135,750 | 1,064,080 | 6.7% | 687,676 | 620,471 | 10.8% | 12.7% |
| *Insurance* | 654,001 | 611,310 | 7.0% | 611,160 | 568,704 | 7.5% | 11.3% |
| **Emerging and other businesses** | **831,535** | **972,679** | **-14.5%** | **541,667** | **549,762** | **-1.5%** | **10.0%** |
| **Total portfolio** | | | | **5,413,306** | **5,044,583** | **7.3%** | **100.0%** |

*Private large portfolio companies (43.1% of total portfolio value)*

**Retail (pharmacy) (19.1% of total portfolio value)** - The EV of retail (pharmacy) increased by 9.1% to GEL 1.3 billion in 2Q26, resulting from the strong operating performance of the business. Retail revenues increased by 13.7% y-o-y in 2Q26, reflecting successful sales initiatives that drove an 8.5% same-store revenue growth, a 9.3% increase in average bill size and a 4.0% y-o-y increase in number of bills issued. The performance was further boosted by the addition of six new pharmacy stores in 2Q26 and continued economic growth in Georgia. Wholesale revenues were up by 16.5% y-o-y in 2Q26, driven by a broader product offering across the business' distribution channels and higher revenue from state healthcare programmes. Gross profit margin improved by 1.4 ppts y-o-y to 34.1% in 2Q26, further supported by the positive outcome of improved trading terms with key suppliers across all major categories and sustained shift in the sales mix towards a higher-margin product portfolio. Operating expenses (excl. IFRS 16) were up 17.1% y-o-y in 2Q26, primarily driven by higher general and administrative expenses attributable to the expansion of the business. Consequently, the 2Q26 EBITDA (excl. IFRS 16) increased by 22.3% y-o-y to GEL 29.8 million. See page 11 for details. LTM EBITDA (incl. IFRS 16) was up 4.0% q-o-q to GEL 154.8 million in 2Q26. Net debt (incl. IFRS 16) decreased by 2.4% to GEL 247.2 million as at 30-Jun-26, reflecting robust cash flow generation during the quarter, slightly offset by the dividend payment. As a result, the fair value of GCAP's 98.3% holding increased by 12.2% to GEL 1,035.3 million in 2Q26. The implied LTM EV/EBITDA valuation multiple (incl. IFRS 16) stood at 8.3x as of 30-Jun-26 (up from 8.0x as of 31-Mar-26 and up from 8.1x as of 31-Dec-25).

**Healthcare services (12.7% of total portfolio value)** - Healthcare services EV increased by 6.7% to GEL 1.1 billion in 2Q26, driven by the strong underlying operating performance throughout the business. Total revenue increased by 17.9% y-o-y in 2Q26, reflecting a) increased demand for outpatient services at our large and specialty hospitals, b) significant improvement in sales mix towards higher-margin services, further supported by the acquisition of Gormed LLC in December 2025, and c) solid performance of the clinics and diagnostics business, with clinics' revenues benefitting from a growing customer footprint alongside enhanced service offerings and the expansion of its laboratory services, while diagnostics revenue increased on the back of growth in both the retail and higher-margin B2B segments. Operating expenses (excl. IFRS 16) were up by 10.6% y-o-y in 2Q26, primarily driven by increased salary and general and administrative expenses in line with the business expansion. This translated into a 25.1% y-o-y EBITDA (excl. IFRS 16) growth in 2Q26. See page 13 for details. Consequently, LTM EBITDA (incl. IFRS 16) was up by 4.3% q-o-q to GEL 109.7 million in 2Q26. Net debt (incl. IFRS 16) remained largely flat, increasing by 0.6% q-o-q to GEL 407.8 million as at 30-Jun-

26. As a result, the equity value of the healthcare services business was assessed at GEL 687.7 million in 2Q26. An implied LTM EV/EBITDA multiple (incl. IFRS 16) increased to 10.4x at 30-Jun-26 from 10.1x at 31-Mar-26 and 31-Dec-25.

**Insurance (11.3% of total portfolio value)** - The insurance business combines: a) P&C insurance and b) medical insurance. P&C insurance revenues were up 11.3% y-o-y to GEL 49.0 million in 2Q26, driven by growth in the property, credit life and motor insurance lines. The revenue of the medical insurance business increased by 49.3% y-o-y and amounted to GEL 78.7 million in 2Q26, reflecting newly awarded tenders, organic growth in the corporate and retail portfolios and a mid-teens percentage increase in insurance policy prices. The combined ratio for P&C insurance increased by 4.8 ppts y-o-y in 2Q26, mainly reflecting a GEL 3.0 million loss from motor insurance claims following the severe hailstorm in Tbilisi. The combined ratio for medical insurance improved by 1.0 ppts y-o-y in 2Q26, driven by a lower expense ratio due to robust revenue growth during the quarter, slightly offset by an increased share of inherently high-loss-ratio state tenders in the portfolio. As a result, the pre-tax profit of the combined insurance business increased by 14.4% y-o-y to GEL 15.3 million in 2Q26. See page 15 for details. LTM pre-tax income (adjusted for non-recurring items) increased by 3.2% q-o-q to GEL 62.0 million, and the equity value of GCAP's share in the business increased by 7.5% q-o-q to GEL 611.2 million in 2Q26. The implied LTM P/E valuation multiple stood at 9.9x as of 30-June-26, and at 9.5x adjusted for the hailstorm impact (9.5x as of 31-Mar-26 and 10.1x as of 31-Dec-25).

*Emerging and other businesses (10.0% of total portfolio value)* - Of the emerging and other private portfolio businesses, renewable energy, education, wine, and hospitality businesses are valued based on DCF. Auto service business is valued based on LTM EV/EBITDA. Following the disposal of an 80% stake in the beer and distribution business, its remaining value is assessed using the put option valuation, reflecting GCAP's clear exit path through a put and call structure at pre-agreed EBITDA multiples. Portfolio value of emerging and other businesses decreased by 1.5% to GEL 541.7 million in 2Q26, mainly reflecting the disposal of the housing development business. See performance highlights of these businesses on page 16.

*Listed portfolio (46.9% of total portfolio value)*

**Lion Finance Group (46.9% of total portfolio value)** - In 1Q26, Lion Finance Group delivered an annualised ROAE of 27.4% and recorded q-o-q loan book growth of 3.8% in Georgia and 6.2% in Armenia on a constant currency basis. In 2Q26, Lion Finance Group's share price increased by 22.1% q-o-q to GBP 113.30. GCAP recorded buyback dividends of GEL 9.3 million from the Bank in 2Q26 and accrued GEL 18.3 million in interim dividends, subsequently received in July 2026. During the quarter, GCAP's stake in Lion Finance Group decreased to 14.9% from 16.6%, reflecting on-market sales of c.780,000 shares in 2Q26 at an average price of GBP 111.6. The sales represented approximately 6% of LFG's average daily trading volume during 2Q26. Consequently, the market value of GCAP's equity stake in Lion Finance Group stood at GEL 2.5 billion in 2Q26. The LTM P/E valuation multiple stood at 7.5x as of 30 June 2026 (6.3x as of 31 March 2026). Lion Finance Group's public announcement of its 2Q26 results, once published, will be available on Lion Finance Group's website.

### 2) Investments[13]

In 2Q26, GCAP invested GEL 1.5 million in the private portfolio companies.

- GEL 0.8 million was allocated to the education business.
- GEL 0.7 million was invested in the renewable energy business.

### 3) Share buybacks

During 2Q26, 479,640 shares were bought back for a total consideration of GEL 69.0 million.

- 476,033 shares with a total value of US$ 25.5 million (GEL 68.5 million) were bought back under GCAP's share buyback and cancellation programme. Subsequent to 2Q26, an additional 144,635 shares with a value of US$ 8.0 million (GEL 21.3 million) have been repurchased under the ongoing share buyback programme as at 3 August 2026.
- 3,607 shares (GEL 0.5 million in value) represent the tax-related statutory buyback for the management trust where the average cost of unawarded shares is GBP 16.0 as of 30 June 2026.

### 4) Dividends

In 2Q26, GCAP recorded GEL 46.7 million dividend income from its portfolio companies:

- GEL 27.6 million received from Lion Finance Group, out of which GEL 18.3 million represents the accrued interim dividend for 1Q26 (ex-dividend date in June 2026, with payment in July 2026) and GEL 9.3 million buyback dividend for 2Q26.
- GEL 11.9 million dividend was received from the retail (pharmacy) business.
- GEL 6.3 million dividend was received from the P&C insurance business.
- GEL 1.0 million dividend was received from the auto service business.

## 1H26 NAV STATEMENT HIGHLIGHTS

| GEL '000, unless otherwise noted *(Unaudited)* | Dec-25 | 1. Value creation[14] | 2a. Investment and Divestments | 2b. Buyback | 2c. Dividends | 3. Operating expenses | 4. Liquidity/ FX/Other | Jun-26 | Change % |
|---|---|---|---|---|---|---|---|---|---|
| **Listed portfolio value** | **2,489,286** | **454,973** | **(345,021)** | **-** | **(61,752)** | **-** | **-** | **2,537,486** | **1.9%** |
| *Listed portfolio value change %* | | *18.3%* | *-13.9%* | *0.0%* | *-2.5%* | *0.0%* | *0.0%* | *1.9%* | |
| **Total private portfolio companies** | **2,585,599** | **317,365** | **(6,657)** | **-** | **(24,539)** | **-** | **4,052** | **2,875,820** | **11.2%** |
| *of which, large portfolio companies* | 2,011,844 | 342,794 | - | - | (23,566) | - | 3,081 | 2,334,153 | 16.0% |
| *of which, emerging and other companies* | 573,755 | (25,429) | (6,657) | - | (973) | - | 971 | 541,667 | -5.6% |
| *Private portfolio value change %* | | *12.3%* | *-0.3%* | *0.0%* | *-0.9%* | *0.0%* | *0.2%* | *11.2%* | |
| **Total portfolio value** | **5,074,885** | **772,338** | **(351,678)** | **-** | **(86,291)** | **-** | **4,052** | **5,413,306** | **6.7%** |
| *Total portfolio value change %* | | *15.2%* | *-6.9%* | *0.0%* | *-1.7%* | *0.0%* | *0.1%* | *6.7%* | |
| **Net cash** | **102,909** | **-** | **368,049** | **(144,393)** | **86,291** | **(17,916)** | **(10,997)** | **383,943** | **NMF** |
| **Net asset value** | **5,194,527** | **772,338** | **-** | **(145,046)** | **-** | **(27,437)** | **(679)** | **5,793,703** | **11.5%** |
| *NAV change %* | | *14.9%* | *0.0%* | *-2.8%* | *0.0%* | *-0.5%* | *0.0%* | *11.5%* | |
| Shares outstanding[14] | 33,582,800 | - | - | (1,068,674) | - | - | 570,486 | 33,084,612 | -1.5% |
| **Net asset value per share, GEL** | **154.68** | **23.00** | **(0.00)** | **1.23** | **(0.00)** | **(0.82)** | **(2.97)** | **175.12** | **13.2%** |
| *NAV per share, GEL change %* | | *14.9%* | *0.0%* | *0.8%* | *0.0%* | *-0.5%* | *-1.9%* | *13.2%* | |

NAV per share (GEL) was up 13.2% in 1H26, mainly reflecting GEL 772.3 million value creation across our portfolio companies with a positive 14.9 ppts impact and share buybacks (+0.8 ppts impact). The NAV per share (GEL) growth was

slightly offset by management platform-related costs and net interest expense (-0.5 ppts impact in total) and currency fluctuations (-0.2 ppts).

**Portfolio overview**
The portfolio value increased by GEL 338.4 million (up 6.7%) in 1H26:

- The value of the private portfolio increased by GEL 290.2 million (up 11.2%), mainly resulting from the net impact of a) GEL 317.4 million value creation, b) a decrease of GEL 24.5 million due to dividends paid to GCAP, and c) net effect of investments of GEL 2.7 million in emerging and other businesses and divestment of GEL 9.4 million attributable to the disposal of the housing development business, as outlined above.
- The value of the listed portfolio increased by GEL 48.2 million (up 1.9%), reflecting the strong performance of Lion Finance Group's share price, which translated into GEL 455.0 million value creation, partially offset by the decrease of GCAP's shareholding in the Bank and receipt of GEL 61.8 million dividends.

**Value creation**
Total portfolio value creation amounted to GEL 772.3 million in 1H26.

- A 21.8% increase in Lion Finance Group's share price, slightly offset by a 4.1% depreciation of GBP against GEL in 1H26, led to a GEL 455.0 million value creation.
- Value creation across our private portfolio companies amounted to GEL 317.4 million in 1H26, reflecting:
  - GEL 279.1 million operating performance-related increase in the value of our private assets.
  - GEL 38.3 million increase from changes in implied valuation multiples and FX rates.

*The table below summarises value creation drivers in our businesses in 1H26:*

| Portfolio Businesses | Operating Performance[15] | Multiple Change and FX[16] | Value Creation |
|---|---|---|---|
| GEL '000, unless otherwise noted *(unaudited)* | *(1)* | *(2)* | *(1)+(2)* |
| **Listed portfolio** | | | **454,973** |
| Lion Finance Group | | | 454,973 |
| **Private portfolio** | **279,068** | **38,297** | **317,365** |
| **Large portfolio companies** | **280,757** | **62,037** | **342,794** |
| *Retail (pharmacy)* | *129,965* | *46,059* | *176,024* |
| *Healthcare services* | *52,165* | *20,837* | *73,002* |
| *Insurance* | *98,627* | *(4,859)* | *93,768* |
| **Emerging and other businesses** | **(1,689)** | **(23,740)** | **(25,429)** |
| **Total portfolio** | **279,068** | **38,297** | **772,338** |

*The enterprise value (EV) and equity value development of our businesses in 1H26 are summarised in the following table:*

| | Enterprise Value (EV) | | | Equity Value | | | |
|---|---|---|---|---|---|---|---|
| GEL '000, unless otherwise noted *(Unaudited)* | 30-Jun-26 | 31-Dec-25 | Change % | 30-Jun-26 | 31-Dec-25 | Change % | % share in total portfolio |
| **Listed portfolio** | | | | **2,537,486** | **2,489,286** | **1.9%** | **46.9%** |
| Lion Finance Group | | | | 2,537,486 | 2,489,286 | 1.9% | 46.9% |
| **Private portfolio** | **3,911,786** | **3,763,924** | **3.9%** | **2,875,820** | **2,585,599** | **11.2%** | **53.1%** |
| **Large portfolio companies** | **3,080,251** | **2,763,830** | **11.4%** | **2,334,153** | **2,011,844** | **16.0%** | **43.1%** |
| *Retail (pharmacy)* | 1,290,500 | 1,158,000 | 11.4% | 1,035,317 | 869,744 | 19.0% | 19.1% |
| *Healthcare services* | 1,135,750 | 1,036,330 | 9.6% | 687,676 | 613,803 | 12.0% | 12.7% |
| *Insurance* | 654,001 | 569,500 | 14.8% | 611,160 | 528,297 | 15.7% | 11.3% |
| **Emerging and other businesses** | **831,535** | **1,000,094** | **-16.9%** | **541,667** | **573,755** | **-5.6%** | **10.0%** |
| **Total portfolio** | | | | **5,413,306** | **5,074,885** | **6.7%** | **100.0%** |

**2) Investments[17]**
In 1H26, GCAP invested GEL 2.7 million in private portfolio companies.

- GEL 1.6 million was invested in the education business.
- GEL 1.2 million was allocated to the renewable energy business.

**3) Share buybacks**
During 1H26, 1,068,674 shares were bought back for a total consideration of GEL 145.0 million.

- 951,033 shares with a total value of US$ 47.5 million (GEL 128.3 million) were bought back under GCAP's share buyback and cancellation programme.
- 117,641 shares (GEL 16.7 million in value) represent the tax-related statutory buyback for the management trust.

**4) Dividends**
In 1H26, GCAP recorded GEL 86.3 million dividend income from its portfolio companies:

- GEL 61.8 million was recorded from the Lion Finance Group, of which GEL 23.7 million was attributable to participation in Lion Finance Group's buyback programme.
- GEL 11.9 million was received from the retail (pharmacy) business.
- GEL 11.6 million dividend was received from the P&C insurance business.
- GEL 1.0 million dividend was received from the auto service business.

**Net Capital Commitment (NCC) overview**
*Below we describe the components of Net Capital Commitment (NCC) as of 30 June 2026, 31 March 2026 and 31 December 2025. 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 | 30-Jun-26 | 31-Mar-26 | Change | 31-Dec-25 | Change |
|---|---|---|---|---|---|

| GEL '000, unless otherwise noted *(unaudited)* | | | | | |
|---|---|---|---|---|---|
| **Total cash and liquid funds** | **499,844** | **210,731** | **NMF** | **219,565** | **NMF** |
| Loans issued | 2,425 | 2,329 | 4.1% | 2,236 | 8.5% |
| Accrued dividend income | 18,254 | 19,470 | -6.2% | 20,236 | -9.8% |
| Gross debt | (136,580) | (136,458) | 0.1% | (139,128) | -1.8% |
| **Net cash (1)** | **383,943** | **96,072** | **NMF** | **102,909** | **NMF** |
| **Guarantees issued (2)** | **-** | **-** | **NMF** | **-** | **NMF** |
| **Net cash and guarantees issued (3)=(1)+(2)** | **383,943** | **96,072** | **NMF** | **102,909** | **NMF** |
| **Planned investments (4)** | **(111,102)** | **(94,103)** | **18.1%** | **(95,195)** | **16.7%** |
| *of which, planned investments in renewable energy* | (63,487) | (57,718) | 10.0% | (58,076) | 9.3% |
| *of which, planned investments in education* | (47,615) | (36,385) | 30.9% | (37,119) | 28.3% |
| **Announced buybacks (5)** | **(49,858)** | **(92,778)** | **-46.3%** | **(15,362)** | **NMF** |
| **Contingency/liquidity buffer (6)** | **(66,133)** | **(107,992)** | **-38.8%** | **(107,804)** | **-38.7%** |
| **Total planned investments, announced buybacks and contingency/liquidity buffer (7)=(4)+(5)+(6)** | **(227,093)** | **(294,873)** | **-23.0%** | **(218,361)** | **4.0%** |
| **Net capital commitment (3)+(7)** | **156,850** | **(198,801)** | **NMF** | **(115,452)** | **NMF** |
| **Portfolio value** | **5,413,306** | **5,044,583** | **7.3%** | **5,074,885** | **6.7%** |
| **NCC ratio** | **-2.9%** | **3.9%** | **-6.8 ppts** | **2.3%** | **-5.2 ppts** |

**Cash and liquid funds**. Total cash and liquid funds' balance increased by GEL 289.1 million q-o-q to GEL 499.8 million in 2Q26, primarily reflecting the sell-down of Lion Finance Group shares, dividend collections and the receipt of proceeds from the housing development business. These inflows were partially offset by share buybacks.

**Loans issued.** Issued loans' balance primarily refers to loans issued to our private portfolio companies and are lent at market terms. The balance was up by 4.1% q-o-q in 2Q26, reflecting the interest accrual on the loans issued to our auto service business.

**Accrued dividend income.** As of 30 June 2026, the balance represents interim dividends accrued from Lion Finance Group, which were subsequently received in July 2026.

**Gross debt.** In US$ terms, the balance was up 2.2% q-o-q in 2Q26 (largely flat, up 0.1% in GEL terms), reflecting the impact of interest accrual on GCAP's remaining US$ 50 million sustainability-linked bonds. As mentioned on the page 2, GCAP has exercised its call option to early redeem the outstanding bonds, to be settled on 19 August 2026, following which GCAP will have fully repaid its outstanding holding company debt.

**Planned investments.** Planned investments' balance represents expected investments in renewable energy and education businesses over the next two to three years. The balance in US$ terms amounted to US$ 42.0 million as at 30-Jun-26.

**Announced buybacks.** The balance of the announced buybacks on 30-Jun-26 reflects the unutilised share buybacks under GCAP's ongoing share buyback and cancellation programme. It does not include the US$ 50 million share buyback programme announced today.

**Contingency/liquidity buffer.** The balance reflects the provision for cash and liquid assets in the amount of US$ 25 million,

for contingency/liquidity purposes. As of 30-Jun-26, the balance declined from US$ 40 million as at 31-Mar-26 to US$ 25 million, primarily due to the reduced risk profile following the completion of the disposal of the housing development business in June 2026.

As a result, the NCC ratio decreased by 6.8 ppts q-o-q to negative 2.9% as of 30 June 2026 (5.2 ppts improvement in 1H26), reflecting strong cash generation, a solid 7.3% q-o-q increase in portfolio value and the updated contingency buffer following the reduced risk profile of the Company.

## INCOME STATEMENT (ADJUSTED IFRS/APM)

*Net income under IFRS was GEL 710.1 million in 2Q26 (GEL 661.5 million net income in 2Q25) and GEL 736.1 million in 1H26 (GEL 991.7 million net income in 1H25). 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 June 30 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 88 in Georgia Capital PLC's 2025 Annual report.*

**INCOME STATEMENT (Adjusted IFRS/APM)**

| GEL '000, unless otherwise noted *(unaudited)* | 2Q26 | 2Q25 | Change | 1H26 | 1H25 | Change |
|---|---|---|---|---|---|---|
| Dividend income | 46,733 | 49,697 | -6.0% | 86,291 | 57,705 | 49.5% |
| *of which, regular dividend* | 37,438 | 16,781 | NMF | 62,568 | 24,789 | NMF |
| *of which, buyback dividend* | 9,295 | 32,916 | -71.8% | 23,723 | 32,916 | -27.9% |
| Interest income | 2,734 | 1,847 | 48.0% | 5,256 | 4,637 | 13.3% |
| Realised/unrealised gain on liquid funds | 358 | 23 | NMF | 85 | 73 | 16.4% |
| Interest expense | (2,963) | (8,922) | -66.8% | (5,912) | (18,026) | -67.2% |
| **Gross operating income** | **46,862** | **42,645** | **9.9%** | **85,720** | **44,389** | **93.1%** |
| Operating expenses | (14,090) | (9,195) | 53.2% | (27,437) | (18,979) | 44.6% |
| **GCAP net operating income** | **32,772** | **33,450** | **-2.0%** | **58,283** | **25,410** | **NMF** |
| **Fair value changes of portfolio companies** | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Listed portfolio** | **456,577** | **557,585** | **-18.1%** | **393,221** | **805,534** | **-51.2%** |
| *of which, Lion Finance Group PLC* | *456,577* | *553,841* | *-17.6%* | *393,221* | *801,790* | *-51.0%* |
| *of which, water utility* | *-* | *3,744* | *NMF* | *-* | *3,744* | *NMF* |
| **Private portfolio companies** | **220,182** | **63,584** | **NMF** | **292,826** | **151,121** | **93.8%** |
| **Large portfolio companies** | **220,912** | **74,792** | **NMF** | **319,228** | **203,310** | **57.0%** |
| *of which, retail (pharmacy)* | *112,055* | *32,006* | *NMF* | *164,098* | *98,325* | *66.9%* |
| *of which, healthcare services* | *66,769* | *20,277* | *NMF* | *73,002* | *69,468* | *5.1%* |
| *of which, insurance* | *42,088* | *22,509* | *87.0%* | *82,128* | *35,517* | *NMF* |
| **Emerging and other businesses** | **(730)** | **(11,208)** | **-93.5%** | **(26,402)** | **(52,189)** | **-49.4%** |
| **Total investment return** | **676,759** | **621,169** | **8.9%** | **686,047** | **956,655** | **-28.3%** |
| | | | | | | |
| **Income before foreign exchange rate movements and non-recurring expenses** | **709,531** | **654,619** | **8.4%** | **744,330** | **982,065** | **-24.2%** |
| Net foreign currency (loss)/gain | (5,177) | 4,418 | NMF | (8,678) | 11,431 | NMF |
| Non-recurring expenses | (13,627) | (4,491) | NMF | (15,006) | (4,749) | NMF |
| **Net income** | **690,727** | **654,546** | **5.5%** | **720,646** | **988,747** | **-27.1%** |

Gross operating income amounted to GEL 46.9 million in 2Q26 (up 9.9% y-o-y) primarily reflecting lower interest expense following the redemption of US$ 100 million of sustainability-linked bonds in September 2025, which reduced the outstanding SLB balance to US$ 50 million. In 1H26, gross operating income increased by 93.1% y-o-y to GEL 85.7 million, mainly due to a timing difference in dividend collection following LFG's transition to quarterly dividend payments in the second half of 2025, as well as lower interest expense. GEL 13.6 million non-recurring expenses in 2Q26 reflect acceleration of non-cash expense accrual, in line with the accounting standards, resulting from the renewal of the CEO's contract approved by shareholders at the Annual General Meeting in June 2026.

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

*GCAP Operating Expenses Components*

| *GEL '000, unless otherwise noted (unaudited)* | **2Q26** | **2Q25** | **Change** | **1H26** | **1H25** | **Change** |
|---|---|---|---|---|---|---|
| Administrative expenses[18] | (4,118) | (3,225) | 27.7% | (7,167) | (6,004) | 19.4% |
| Management expenses - cash-based[19] | (5,582) | (2,596) | NMF | (10,749) | (5,335) | NMF |
| Management expenses - share-based[20] | (4,390) | (3,374) | 30.1% | (9,521) | (7,640) | 24.6% |
| **Total operating expenses** | **(14,090)** | **(9,195)** | **53.2%** | **(27,437)** | **(18,979)** | **44.6%** |
| *of which, fund type expense[21]* | *(3,042)* | *(2,280)* | *33.4%* | *(5,361)* | *(4,509)* | *18.9%* |
| *of which, management fee type expenses[22]* | *(11,048)* | *(6,915)* | *59.8%* | *(22,076)* | *(14,470)* | *52.6%* |

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 stood at 0.79% as of 30-Jun-26 (0.80% as of 31-Mar-26). The y-o-y increase in cash-based management expenses in the quarter reflects the impact of the renewal of the Chairman and CEO's contract. The y-o-y increase in share-based management expenses in the quarter reflects the impact of the higher share price on discretionary awards, as discretionary share bonuses are measured at the share price as of the Remuneration Committee meeting date (usually held towards the end of the calendar year). The share price that is used to measure the expense recognition for 2025 awards was 1.6x higher than that for the same period in 2024.

*Total investment return* represents the increase (decrease) in the fair value of our portfolio. Total investment return was GEL 676.8 million in 2Q26 (GEL 686.0 million in 1H26), reflecting the valuation gains of our portfolio. 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 11-16.

As a result of the movements described above, GCAP's adjusted IFRS net income amounted to GEL 690.7 million in 2Q26 (GEL 720.6 million in 1H26).

## 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 2Q26, 1H26, 2Q25 and 1H25 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 investments is determined using an income approach (DCF), cross-checked with 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 the income approach is the valuation driver, the stand-alone IFRS results and developments driving the IFRS earnings of our portfolio companies are key inputs to their valuations within GCAP's financial statements. See "Basis of Presentation" on page 18 for more background.

### Discussion of retail (pharmacy) business results

*The retail (pharmacy) business, where GCAP owns a 98.3% equity interest, is the largest pharmaceuticals retailer and wholesaler in Georgia, with a 33.7% market share in the organised retail market based on 2024 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 464 pharmacies (of which, 444 are in Georgia and 20 in Armenia) and 19 franchise stores (of which, 11 are in Georgia, three in Armenia and five in Azerbaijan).*

**2Q26 and 1H26 performance (GEL '000), retail (pharmacy)[23]**

*(Unaudited)*

| **INCOME STATEMENT HIGHLIGHTS** | **2Q26** | **2Q25** | **Change** | **1H26** | **1H25** | **Change** |
|---|---|---|---|---|---|---|
| **Revenue, net** | **255,606** | **224,007** | **14.1%** | **500,044** | **449,631** | **11.2%** |
| *of which, retail* | 214,689 | 188,894 | *13.7%* | *421,827* | *379,559* | *11.1%* |
| *of which, wholesale* | *40,917* | *35,113* | *16.5%* | *78,217* | *70,072* | *11.6%* |
| **Gross Profit** | **87,108** | **73,313** | **18.8%** | **170,239** | **146,202** | **16.4%** |
| *Gross profit margin* | *34.1%* | *32.7%* | *1.4 ppts* | *34.0%* | *32.5%* | *1.5 ppts* |

| | | | | | | |
|---|---|---|---|---|---|---|
| Operating expenses (excl. IFRS 16) | (57,327) | (48,962) | 17.1% | (111,320) | (97,676) | 14.0% |
| **EBITDA (excl. IFRS 16)** | **29,781** | **24,351** | **22.3%** | **58,919** | **48,526** | **21.4%** |
| *EBITDA margin, (excl. IFRS 16)* | *11.7%* | *10.9%* | *0.8 ppts* | *11.8%* | *10.8%* | *1.0 ppts* |
| **Net profit (excl. IFRS 16)** | **26,662** | **14,163** | **88.3%** | **50,243** | **30,973** | **62.2%** |

| CASH FLOW HIGHLIGHTS | | | | | | |
|---|---|---|---|---|---|---|
| **Cash flow from operating activities (excl. IFRS 16)** | **26,247** | **15,527** | **69.0%** | **59,462** | **43,333** | **37.2%** |
| *EBITDA to cash conversion* | *88.1%* | *63.8%* | *24.3 ppts* | *100.9%* | *89.3%* | *11.6 ppts* |
| **Cash flow used in investing activities**[24] | **(5,426)** | **(6,390)** | **-15.1%** | **(8,305)** | **(10,042)** | **-17.3%** |
| **Free cash flow (excl. IFRS 16)**[25] | **20,732** | **8,988** | **NMF** | **50,925** | **32,980** | **54.4%** |
| **Cash flow used in financing activities (excl. IFRS 16)** | **(41,228)** | **(23,068)** | **78.7%** | **(54,208)** | **(20,546)** | **NMF** |

| BALANCE SHEET HIGHLIGHTS | 30-Jun-26 | 31-Mar-26 | Change | 31-Dec-25 | Change |
|---|---|---|---|---|---|
| **Total assets** | **666,361** | **668,921** | **-0.4%** | **651,222** | **2.3%** |
| of which, cash and bank deposits | 33,922 | 54,471 | -37.7% | 37,177 | -8.8% |
| **Total liabilities** | **507,254** | **525,910** | **-3.5%** | **530,773** | **-4.4%** |
| of which, borrowings | 120,906 | 148,385 | -18.5% | 157,394 | -23.2% |
| of which, lease liabilities | 155,200 | 154,274 | 0.6% | 155,539 | -0.2% |
| **Total equity** | **159,107** | **143,011** | **11.3%** | **120,449** | **32.1%** |

## INCOME STATEMENT HIGHLIGHTS

Ø The growth in the business' total revenue in 2Q26 and 1H26 reflects a combination of several factors:

- o A 13.7% y-o-y increase in retail revenue in 2Q26 (up 11.1% y-o-y in 1H26), driven by: a) robust same-store revenue growth of 8.5% in 2Q26 (6.5% in 1H26), b) a 9.3% y-o-y increase in average bill size in 2Q26 (10.1% in 1H26), c) a 4.0% y-o-y increase in number of bills issued during the quarter (broadly stable in 1H26, up 0.9% y-o-y), and d) the strong ramp-up of newly launched pharmacy stores, with 34 new stores added in the last 12 months. Favourable macroeconomic conditions and sustained economic growth in Georgia also contributed positively to these results.

- o Wholesale revenue increased by 16.5% y-o-y in 2Q26 (up 11.6% y-o-y in 1H26), primarily driven by a broader product offering across the business' distribution channels and higher revenue from state healthcare programmes.

Ø The gross profit margin improvement in 2Q26 and 1H26 was underpinned by improved trading terms with key suppliers across all major categories, as well as a sustained shift in the sales mix towards a higher-margin product portfolio.

Ø The y-o-y increase in operating expenses (excl. IFRS 16) in 2Q26 and 1H26 was primarily attributable to the following factors: a) higher salary costs (up 17.1% and 17.3% y-o-y in 2Q26 and 1H26), reflecting increased staff compensation aligned with market trends, the implementation of new incentive schemes aimed at improving the gross profit margin, and the continued growth of the business; b) higher general and administrative expenses (up 15.6% and 10.8% y-o-y in 2Q26 and 1H26), mainly driven by higher rental expenses following the expansion of the store network, with 34 new stores added in the last 12 months.

Ø As a result, the business achieved y-o-y EBITDA (excl. IFRS 16) growth of 22.3% in 2Q26 (up 21.4% y-o-y in 1H26), with EBITDA margin expanding by 80 bps to 11.7% in 2Q26 (11.8% in 1H26) from 10.9% in 2Q25 (10.8% in 1H25).

Ø Net interest expense (excl. IFRS 16) was down by 17.2% y-o-y to GEL 2.9 million in 2Q26 (down 15.1% y-o-y in 1H26), reflecting lower average net debt balance as a result of principal repayments.

Ø The developments described above translated into an 88.3% y-o-y increase in net profit (excl. IFRS 16) in 2Q26 (up 62.2% y-o-y in 1H26).

## CASH FLOW AND BALANCE SHEET HIGHLIGHTS

Ø The net debt balance amounted to GEL 87.0 million as of 30-Jun-26, down 7.4% from 31-Mar-26 and down 27.6% from 31-Dec-25, reflecting robust cash flow generation during the quarter, slightly offset by a GEL 11.9 million dividend payment to GCAP in 2Q26. As a result, net debt to EBITDA[26] leverage ratio improved to 0.8x as at 30-Jun-26 (down from 1.0x as at 31-Mar-26 and down from 1.3x as at 31-Dec-25).

Ø The EBITDA to cash conversion stood at 88.1% and 100.9% in 2Q26 and 1H26, reflecting strong business performance outlined above.

## OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

Ø In 2Q26, retail pharmacy chain expanded by 6 pharmacies, with openings focused on strategically selected locations. The new stores were developed using cost-efficient formats, requiring limited capital investments.
The number of pharmacies and franchise stores is provided below:

| *(Unaudited)* | Jun-26 | Mar-26 | *Change (q-o-q)* | Jun-25 | *Change (y-o-y)* |
|---|---|---|---|---|---|
| **Number of pharmacies** | **464** | **458** | ***6*** | **430** | ***34*** |
| *of which, Georgia* | *444* | *439* | *5* | *415* | *29* |
| *of which, Armenia* | *20* | *19* | *1* | *15* | *5* |
| **Number of franchise stores** | **19** | **19** | **-** | **19** | **-** |
| *of which, Georgia* | *11* | *11* | *-* | *12* | *(1)* |
| *of which, Armenia* | *3* | *3* | *-* | *2* | *1* |
| *of which, Azerbaijan* | *5* | *5* | *-* | *5* | *-* |

Ø Retail (pharmacy)'s key operating performance highlights for 2Q26 and 1H26 are noted below:

| **Key metrics** (unaudited) | 2Q26 | 2Q25 | Change | 1H26 | 1H25 | Change |
|---|---|---|---|---|---|---|
| *Same store revenue growth* | *8.5%* | *7.9%* | *0.6 ppts* | *6.5%* | *5.3%* | *1.2 ppts* |
| *Number of bills issued (mln)* | *8.8* | *8.4* | *4.0%* | *17.2* | *17.1* | *0.9%* |
| *Average bill size (GEL)* | *24.5* | *22.4* | *9.3%* | *24.5* | *22.2* | *10.1%* |

## Discussion of healthcare services business results

*The healthcare services business, where GCAP owns 100% equity, is the largest healthcare market participant in Georgia comprising three segments: 1) hospitals (seven large and specialty hospitals - providing secondary and tertiary level healthcare services across Georgia and 28 regional and community hospitals - providing outpatient and basic inpatient services), and 2) clinics (16 polyclinics - providing outpatient diagnostic and treatment services) and 3) diagnostics (operating the largest laboratory in the entire Caucasus region "Megalab").*

### 2Q26 and 1H26 performance (GEL '000), healthcare services[27]

*(Unaudited)*

| INCOME STATEMENT HIGHLIGHTS | 2Q26 | 2Q25 | Change | 1H26 | 1H25 | Change |
|---|---|---|---|---|---|---|
| **Revenue, net**[28] | **139,462** | **118,307** | **17.9%** | **270,818** | **233,588** | **15.9%** |
| **Gross Profit** | **54,944** | **46,569** | **18.0%** | **107,160** | **92,398** | **16.0%** |
| *Gross profit margin* | *39.1%* | *38.8%* | *0.3 ppts* | *39.2%* | *39.1%* | *0.1 ppts* |
| Operating expenses (excl. IFRS 16) | (25,339) | (22,901) | 10.6% | (50,580) | (45,386) | 11.4% |
| **EBITDA (excl. IFRS 16)** | **29,605** | **23,668** | **25.1%** | **56,580** | **47,012** | **20.4%** |
| *EBITDA margin (excl. IFRS 16)* | *21.1%* | *19.7%* | *1.4 ppts* | *20.7%* | *19.9%* | *0.8 ppts* |
| **Net (loss)/profit (excl. IFRS 16)** | **(13,259)** | **261** | **NMF** | **(11,660)** | **1,581** | **NMF** |
| **CASH FLOW HIGHLIGHTS** | | | | | | |
| **Cash flow from operating activities (excl. IFRS 16)** | **23,159** | **19,799** | **17.0%** | **35,273** | **31,497** | **12.0%** |
| *EBITDA to cash conversion (excl. IFRS 16)* | *78.2%* | *83.7%* | *-5.5 ppts* | *62.3%* | *67.0%* | *-4.7 ppts* |
| **Cash flow used in investing activities**[29] | **(9,874)** | **(16,701)** | **-40.9%** | **(21,825)** | **(27,970)** | **-22.0%** |
| **Free cash flow (excl. IFRS 16)**[30] | **12,804** | **2,839** | **NMF** | **12,470** | **2,067** | **NMF** |
| **Cash flow from/(used in) financing activities (excl. IFRS 16)** | **8,195** | **(15,650)** | **NMF** | **(21,134)** | **(398)** | **NMF** |

| BALANCE SHEET HIGHLIGHTS | 30-Jun-26 | 31-Mar-26 | Change | 31-Dec-25 | Change |
|---|---|---|---|---|---|
| **Total assets** | **939,361** | **925,034** | **1.5%** | **946,386** | **-0.7%** |
| *of which, cash balance and bank deposits* | *51,131* | *29,744* | *71.9%* | *59,081* | *-13.5%* |
| **Total liabilities** | **573,305** | **548,851** | **4.5%** | **564,781** | **1.5%** |
| *of which, borrowings* | *414,909* | *394,504* | *5.2%* | *402,029* | *3.2%* |
| **Total equity** | **366,056** | **376,183** | **-2.7%** | **381,605** | **-4.1%** |

### INCOME STATEMENT HIGHLIGHTS

Ø 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[31] *(unaudited)* | 2Q26 | 2Q25 | Change | 1H26 | 1H25 | Change |
|---|---|---|---|---|---|---|
| **Total revenue, net** | **139,462** | **118,307** | **17.9%** | **270,818** | **233,588** | **15.9%** |
| *of which, large and specialty hospitals* | *75,481* | *65,770* | *14.8%* | *144,822* | *128,054* | *13.1%* |
| *of which, regional and community hospitals* | *39,286* | *31,207* | *25.9%* | *78,131* | *63,679* | *22.7%* |
| *of which, clinics* | *21,195* | *18,580* | *14.1%* | *41,423* | *36,707* | *12.8%* |
| *of which, diagnostics* | *8,651* | *7,071* | *22.3%* | *16,540* | *13,743* | *20.4%* |

Ø The 17.9% y-o-y increase in total revenue in 2Q26 (up 15.9% y-o-y in 1H26) was driven by a combination of the following factors:

§ Large and specialty hospitals delivered 14.8% y-o-y revenue growth in 2Q26 (13.1% y-o-y in 1H26), primarily driven by higher demand for outpatient services, with outpatient revenue accounting for 37.5% of revenue in this group of hospitals in 2Q26 (up 0.7 ppts y-o-y) and 37.9% in 1H26 (up 1.6 ppts y-o-y). Moreover, in 2Q26, the business opened a renovated and expanded outpatient department at its largest hospital, which contributed to the strong revenue performance and is expected to further support outpatient revenue growth going forward. Revenue growth was further underpinned by the continued onboarding of reputable doctors with loyal patient bases, an initiative launched in 2025 and continued throughout 2026.

§ Regional and community hospitals' revenue increased by 25.9% and 22.7% y-o-y in 2Q26 and 1H26, respectively, driven by a favourable shift in the sales mix towards higher-margin services. The acquisition of Gormed LLC in December 2025 further contributed to revenue growth, adding GEL 4.0 million to y-o-y revenue in 2Q26 (GEL 8.6 million in 1H26).

§ Clinics and diagnostics delivered a solid performance during the quarter. Clinics' revenues benefitted from increased customer footprint driven by overall service enhancements, as well as the expansion of its laboratory services. Diagnostics revenue increased primarily on the back of stronger demand across both the retail and B2B segments, with growth in the latter being a particularly positive development given the superior margins generated by this channel.

Ø The gross profit margin in 2Q26 increased by 0.3 ppts y-o-y and stood at 39.1% (up 0.1 ppts y-o-y in 1H26). In addition to the revenue developments outlined above, margin performance reflects the following trends in direct salary and materials rates[32] and utility costs:

§ The continued shift towards outpatient services increased the direct salary rate by 0.1 ppts y-o-y to 38.9% in 2Q26 and by 0.4 ppts to 38.7% in 1H26. The materials rate increased by 0.3 ppts y-o-y to 16.0% in 2Q26, mainly due to obsolete inventory write-offs. In 1H26, however, the growing share of outpatient services, which typically require fewer medical materials compared with inpatient treatments, more than offset the impact of these write-offs, resulting in a 0.1 ppts y-o-y decline in the materials rate to 15.8%.

§ Utilities and other expenses increased by 15.0% y-o-y in 2Q26 (up 11.8% y-o-y in 1H26), primarily reflecting higher electricity tariffs across Georgia effective from April 2026, as well as higher facility maintenance and utility costs following the completion of renovation works in certain departments and the overall expansion of the business.

Ø Operating expenses (excl. IFRS 16) increased by 10.6% in 2Q26 (up by 11.4% in 1H26), primarily driven by higher salary and general and administrative expenses in line with the business expansion.

Ø The developments described above translated into a 25.1% and 20.4% y-o-y increase in EBITDA (excl. IFRS 16) in 2Q26 and 1H26.

| Total EBITDA (excl. IFRS 16) breakdown[33] *(unaudited)* | 2Q26 | 2Q25 | Change | 1H26 | 1H25 | Change |
|---|---|---|---|---|---|---|
| **Total EBITDA** | **29,605** | **23,668** | **25.1%** | **56,580** | **47,012** | **20.4%** |
| *of which, large and specialty hospitals* | *16,326* | *13,533* | *20.6%* | *30,149* | *25,620* | *17.7%* |
| *of which, regional and community hospitals* | *6,519* | *5,031* | *29.6%* | *12,964* | *11,061* | *17.2%* |
| *of which, clinics* | *4,980* | *3,897* | *27.8%* | *10,079* | *7,851* | *28.4%* |
| *of which, diagnostics* | *1,781* | *1,450* | *22.8%* | *3,391* | *2,722* | *24.6%* |

Ø Net interest expense (excl. IFRS 16) increased by 9.8% in 2Q26 (up 10.7% y-o-y in 1H26), mainly due to a higher net debt balance.

Ø The business recorded a net non-recurring loss of GEL 18.9 million in 2Q26, driven by a GEL 25.0 million write-off of legacy intangible assets, some of which became redundant as the Group commenced the implementation of structural improvements across its operations, partially offset by a GEL 6.8 million gain from the sale of unused properties.

### CASH FLOW AND BALANCE SHEET HIGHLIGHTS

Ø Capex investment amounted to GEL 12.3 million in 2Q26 and GEL 24.7 million in 1H26 (GEL 16.9 million in 2Q25 and GEL 31.5 million in 1H25), comprising: a) development capex of GEL 5.9 million in 2Q26 and GEL 12.0 million in 1H26 (GEL 9.2 million in 2Q25 and GEL 18.2 million in 1H25) to expand service offerings and upgrade medical equipment, and b) maintenance capex of GEL 6.4 million in 2Q26 and GEL 12.7 million in 1H26 (GEL 7.7 million in 2Q25 and GEL 13.3 million in 1H25).

Ø The EBITDA-to-cash conversion ratio stood at 78.2% in 2Q26 (62.3% in 1H26). The low conversion reflects the inherent seasonality of state cash collections, with the ratio typically weaker in the first half of the year. As delayed payments are progressively settled by the state, cash conversion is expected to strengthen organically in the second half of the year.

Ø The net debt to EBITDA (excl. IFRS 16) leverage ratio stood at 3.5x as at 30-Jun-26 (3.7x as at 31-Mar-26 and 3.7x as at 31-Dec-25), notwithstanding the negative impact from unfavourable cash collection seasonality discussed above.

### OTHER VALUATION DRIVERS AND OPERATING HIGHLIGHTS

Ø The business' key operating performance highlights for 2Q26 and 1H26 are noted below:

| Key metrics *(unaudited)* | 2Q26 | 2Q25 | Change | 1H26 | 1H25 | Change |
|---|---|---|---|---|---|---|
| **Hospitals** | | | | | | |
| Number of admissions (thousands): | 470.4 | 394.8 | 19.1% | 898.6 | 794.8 | 13.1% |
| *of which, large and specialty hospitals* | *216.3* | *190.2* | *13.7%* | *417.0* | *378.2* | *10.3%* |
| *of which, regional and community hospitals* | *254.1* | *204.6* | *24.2%* | *481.6* | *416.6* | *15.6%* |
| Occupancy rates: | | | | | | |
| *of which, large and specialty hospitals* | *76.8%* | *70.5%* | *6.3 ppts* | *75.7%* | *72.1%* | *3.6 ppts* |
| *of which, regional and community hospitals* | *66.1%* | *67.7%* | *-1.6 ppts* | *64.4%* | *72.2%* | *-7.8 ppts* |
| **Clinics** | | | | | | |
| Number of admissions (thousands): | 512.6 | 484.8 | 5.7% | 1,002.8 | 988.2 | 1.5% |
| **Diagnostics** | | | | | | |
| Number of patients served (thousands) | 264 | 214 | 23.3% | 514 | 444 | 15.8% |
| Average number of tests per patient | 2.8 | 3.3 | -16.0% | 2.8 | 3.2 | -10.6% |

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

*As at 30-Jun-26, 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 P&C insurance business is a leading player with a 29%[34] market share in property and casualty insurance based on 1Q26 gross premiums. 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 an estimated 49% market share based on 1Q26 gross insurance premiums, offering a variety of health insurance products to corporates, state entities (selectively) and retail clients in Georgia. GCAP owns a 100% equity stake in both insurance businesses.*

**2Q26 and 1H26 performance (GEL '000), insurance (P&C and medical)[35]**

*(Unaudited)*

| INCOME STATEMENT HIGHLIGHTS | 2Q26 | 2Q25 | Change | 1H26 | 1H25 | Change |
|---|---|---|---|---|---|---|
| **Insurance revenue** | **127,611** | **96,701** | **32.0%** | **241,051** | **186,054** | **29.6%** |
| *of which, P&C insurance* | *48,970* | *44,008* | *11.3%* | *91,984* | *81,940* | *12.3%* |
| *of which, medical insurance* | *78,670* | *52,693* | *49.3%* | *149,136* | *104,114* | *43.2%* |
| Net underwriting profit | 27,805 | 24,425 | 13.8% | 55,746 | 44,204 | 26.1% |
| Net investment profit | 4,908 | 4,072 | 20.5% | 9,921 | 8,269 | 20.0% |
| **Pre-tax profit** | **15,320** | **13,394** | **14.4%** | **31,023** | **22,218** | **39.6%** |
| *of which, P&C insurance* | *7,922* | *8,945* | *-11.4%* | *16,951* | *16,027* | *5.8%* |
| *of which, medical insurance* | *7,398* | *4,449* | *66.3%* | *14,072* | *6,191* | *NMF* |
| **CASH FLOW HIGHLIGHTS** | | | | | | |
| Net cash flows from operating activities | 26,787 | 18,571 | 44.2% | 37,379 | 22,163 | 68.7% |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Free cash flow** | **25,164** | **15,125** | **66.4%** | **33,929** | **15,850** | **NMF** |

| **BALANCE SHEET HIGHLIGHTS** | **30-Jun-26** | **31-Mar-26** | **Change** | **31-Dec-25** | **Change** |
|---|---|---|---|---|---|
| Total assets | 436,911 | 400,160 | 9.2% | 333,137 | 31.2% |
| Total equity | 164,199 | 162,774 | 0.9% | 145,781 | 12.6% |

### INCOME STATEMENT HIGHLIGHTS

Ø The y-o-y increase in 2Q26 and 1H26 insurance revenue reflects a combination of following factors:

- § The revenue of the P&C insurance business was up by 11.3% y-o-y in 2Q26 (up 12.3% y-o-y in 1H26), resulting from:
  - o A GEL 2.4 million y-o-y increase in property insurance revenues in 2Q26 (GEL 3.6 million y-o-y increase in 1H26), mainly attributable to the expansion of the corporate client portfolio.
  - o A GEL 1.7 million y-o-y increase in credit life insurance revenues in 2Q26 (GEL 3.5 million y-o-y increase in 1H26), driven by the growth of partner banks' portfolios in the mortgage, consumer loan, and other sectors.
  - o A GEL 1.0 million y-o-y increase in motor insurance revenues in 2Q26 (GEL 2.3 million y-o-y increase in 1H26) mainly attributable to the expansion of the retail and corporate client portfolios, as well as up to 10% increase in corporate insurance policy prices.
- § The revenue of the medical insurance business increased by 49.3% y-o-y in 2Q26 (up 43.2% y-o-y in 1H26), primarily driven by the newly awarded tenders and organic growth in the corporate and retail portfolios, supplemented by a mid-teens percentage increase in corporate insurance policy prices.

Ø The insurance business' key performance ratios for 2Q26 and 1H26 are noted below:

| **Key ratios** | | | **P&C insurance** | | | | | **Medical insurance** | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *(Unaudited)* | **2Q26** | **2Q25** | **Change** | **1H26** | **1H25** | **Change** | **2Q26** | **2Q25** | **Change** | **1H26** | **1H25** | **Change** |
| Combined ratio | 89.2% | 84.4% | 4.8 ppts | 87.6% | 85.9% | 1.7 ppts | 92.2% | 93.2% | -1.0 ppts | 91.7% | 95.8% | -4.1 ppts |
| Expense ratio | 33.2% | 32.7% | 0.5 ppts | 33.4% | 32.8% | 0.6 ppts | 14.5% | 16.9% | -2.4 ppts | 15.0% | 17.2% | -2.2 ppts |
| Loss ratio | 56.8% | 51.0% | 5.8 ppts | 54.6% | 53.1% | 1.5 ppts | 77.7% | 76.3% | 1.4 ppts | 76.7% | 78.5% | -1.8 ppts |
| FX ratio | -0.7% | 0.7% | -1.4 ppts | -0.5% | 0.1% | -0.6 ppts | - | - | - | - | - | - |
| ROAE[36] | 27.5% | 36.1% | -8.6 ppts | 29.9% | 32.4% | -2.5 ppts | 61.1% | 50.1% | 11.0 ppts | 65.7% | 35.7% | 30.0 ppts |

Ø The combined ratio of the P&C insurance business increased by 4.8 ppts y-o-y to 89.2% in 2Q26 (up 1.7 ppts y-o-y to 87.6% in 1H26), primarily reflecting a higher loss ratio (up 5.8 ppts y-o-y in 2Q26 and 1.5 ppts y-o-y in 1H26), following a GEL 3.0 million of motor insurance claims arising from the severe hailstorm in Tbilisi during June 2026.

Ø The medical insurance combined ratio improved by 1.0 ppts y-o-y in 2Q26 (down 4.1 ppts y-o-y in 1H26), reflecting the net impact of: a) a lower expense ratio due to robust revenue growth during the quarter, and b) an increased share of inherently high-loss-ratio state tenders in the portfolio. The 4.1 ppts y-o-y improvement in the 1H26 combined ratio was primarily driven by robust insurance revenue growth as outlined above.

Ø Net investment profit was up by 20.5% y-o-y in 2Q26 (up 20.0% y-o-y in 1H26), mainly reflecting higher average liquid funds balance.

Ø The developments described above translated into a 14.4% y-o-y increase in pre-tax profit to GEL 15.3 million for the insurance business (up 39.6% y-o-y to GEL 31.0 million in 1H26). Adjusted for GEL 3.0 million motor insurance claims related to the severe hailstorm in Tbilisi, pre-tax profit would have increased by 37.3% y-o-y to GEL 18.4 million in 2Q26 and 53.4% y-o-y to GEL 34.1 million in 1H26. Adjusted for the hailstorm effect, pre-tax profit of P&C insurance business would have reached GEL 11.0 million in 2Q26 and GEL 20.0 million in 1H26, up 22.9% and 24.9% y-o-y, respectively.

### CASH FLOW AND BALANCE SHEET HIGHLIGHTS

Ø The solvency ratio of P&C and medical insurance businesses stood at 171% and 173%, respectively, as of 30-Jun-26, significantly above the required minimum of 100%.

Ø The net debt to EBITDA leverage ratio stood at 0.2x as at 30-Jun-26 (0.3x as at 31-Mar-26 and 0.4x as at 31-Dec-25).

Ø In 2Q26, the insurance business repaid GEL 1.6 million of debt principal, bringing total principal repayments to GEL 3.2 million in 1H26.

Ø The business distributed GEL 6.3 million dividends to GCAP in 2Q26 (GEL 11.6 million in 1H26).

## 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 hospitality. As mentioned on the page 2, in June 2026, GCAP divested from its housing development business, $m^2$, which had previously been included in the emerging and other private portfolio. Emerging and other private portfolio had a combined value of GEL 541.7 million at 30-Jun-26, which represents 10.0% of our total portfolio.*

**2Q26 and 1H26 aggregated performance highlights (GEL '000), emerging and other portfolio[37]**

| *(Unaudited)* | **2Q26** | **2Q25** | **Change** | **1H26** | **1H25** | **Change** |
|---|---|---|---|---|---|---|
| Revenue | 67,796 | 79,187 | -14.4% | 136,762 | 145,332 | -5.9% |
| EBITDA | 15,363 | 24,993 | -38.5% | 35,635 | 45,363 | -21.4% |
| Net cash flows from operating activities | 20,023 | 24,879 | -19.5% | 29,438 | 42,060 | -30.0% |

Ø **Renewable energy |** The renewable energy business operates five wholly-owned renewable assets with an aggregate installed capacity of 71MW. In addition, the business maintains a pipeline of wind energy projects for potential future development. In 2Q26, the business generated revenue of US$ 3.1 million, down 40.3% y-o-y (down 23.3% y-o-y in 1H26 to US$ 5.7 million), primarily reflecting lower electricity generation (down 37.7% and 22.5% y-o-y in 2Q26 and 1H26, respectively). The decline was driven by economically unattractive export prices in Turkey during the quarter, which significantly reduced export volumes from Georgia, resulting in an oversupply in the domestic market and reducing the volumes that could be generated to avoid disruption of the grid stability. The decline in revenue was further impacted by a 3.7% y-o-y decline in the average selling price to 53.5 US$/MWh in 2Q26 (down 0.9% y-o-y to 56.6 US$/MWh in 1H26), driven by lower export sale prices. Operating expenses remained broadly stable in 2Q26, decreasing by 0.5% y-o-y. In 1H26, however, operating expenses increased by 16.5% y-o-y, primarily reflecting a lower share of salary costs eligible for capitalisation compared to 1H25. Consequently, the business delivered an EBITDA of US$ 1.6 million in 2Q26 (down 55.9% y-o-y) and US$ 3.0 million in 1H26 (down 41.3% y-o-y).

Ø **Education |** Georgia Capital's education business is the largest player in the private K-12 market in Georgia with 9.8% market share as of 31 December 2025. It currently comprises majority stakes in four private school brands operating across seven campuses, which are well-positioned in the international, premium, midscale and affordable market segments. Revenue of the business increased by 5.8% y-o-y to GEL 23.0 million in 2Q26 (up 7.1% y-o-y to GEL 46.5 million in 1H26), primarily driven by organic growth through strong intakes and expanded capacity, with the number of learners increasing by 8.8% y-o-y in 1H26. Revenue growth was partially offset by the difference in the number of academic days between 2Q26 and 2Q25. For the full academic year, revenue grew by 10.4% y-o-y. Operating expenses were up by 11.9% y-o-y in 2Q26 (up by 9.6% y-o-y in 1H26), mainly due to increased salary costs, in line with the business expansion. As a result, the business posted GEL 6.6 million EBITDA in 2Q26 (down 6.8% y-o-y; adjusted for academic days, up 11.9% y-o-y) and GEL 14.6 million in 1H26 (up 2.1% y-o-y; adjusted for academic days, up 6.2% y-o-y).

Ø **Auto service |** The auto service business includes a periodic technical inspection (PTI) business, and a car services and parts business. The business paid GEL 1.0 million dividends in 2Q26 to GCAP.

- **Periodic technical inspection (PTI) business |** Revenue of the business increased by 11.0% y-o-y to GEL 6.8 million in 2Q26 and by 17.9% y-o-y to GEL 13.5 million in 1H26. The growth was driven by a 14.5% y-o-y increase in the number of cars serviced during the quarter (up 22.9% y-o-y in 1H26). Operating expenses were up by 19.1% and 12.8% y-o-y in 2Q26 and 1H26, respectively, primarily reflecting higher salary expenses incurred during the quarter. Consequently, the 2Q26 EBITDA increased by 5.0% y-o-y to GEL 3.4 million (up 19.9% y-o-y to GEL 6.9 million in 1H26).

- **Car services and parts business |** Revenue of the business increased by 15.8% y-o-y to GEL 19.4 million in 2Q26 (up 14.4% y-o-y to GEL 34.0 million in 1H26), driven by growth in the retail, corporate and wholesale segments. Gross profit increased by 24.3% y-o-y to GEL 6.3 million in 2Q26 (up 21.5% y-o-y to GEL 10.6 million), reflecting strong revenue growth in the high-margin retail segment during the quarter. Operating expenses were up 31.1% and 25.8% y-o-y in 2Q26 and 1H26, respectively, due to higher salary and marketing costs amid business expansion. As a result, the business generated EBITDA of GEL 1.7 million in 2Q26 and GEL 2.3 million in 1H26.

Ø **Wine |** In 2Q26, net revenue of the business decreased by 51.8% y-o-y to GEL 9.1 million (down 41.5% y-o-y to GEL 16.9 million in 1H26), mainly due to a 58.4% y-o-y decrease in the number of bottles sold (down 47.6% y-o-y in 1H26), which was largely attributable to temporary market changes at one core market. Operating expenses remained largely flat, up by GEL 0.2 million in both 2Q26 and 1H26. Consequently, the wine business posted negative EBITDA of GEL 0.3 million in 2Q26 (negative GEL 1.0 million in 1H26), down by GEL 3.5 million y-o-y in 2Q26 (down by GEL 4.2 million y-o-y in 1H26).

Ø **Hospitality business |** In 2Q26, revenue of the hospitality business decreased by 17.1% y-o-y to GEL 1.4 million (down 6.9% y-o-y to GEL 10.5 million in 1H26), primarily reflecting weak international visitor demand and seasonality aspects of the business. Operating expenses decreased by 29.0% y-o-y in 2Q26 (down 20.8% y-o-y in 1H26). As a result, the business posted negative EBITDA of GEL 0.4 million in 2Q26 (positive GEL 4.8 million in 1H26).

## ADDITIONAL FINANCIAL INFORMATION

*The 1H26 NAV Statement shows the development of NAV since 31-Dec-25:*

| GEL '000, unless otherwise noted *(Unaudited)* | Dec-25 | 1. Value creation[38] | 2a. Investment and Divestments | 2b. Buyback | 2c. Dividends | 3. Operating expenses | 4. Liquidity/ FX/Other | Jun-26 | Change % |
|---|---|---|---|---|---|---|---|---|---|
| **Listed portfolio** | | | | | | | | | |
| *Lion Finance Group* | 2,489,286 | 454,973 | (345,021) | - | (61,752) | - | - | 2,537,486 | 1.9% |
| **Total listed portfolio value** | **2,489,286** | **454,973** | **(345,021)** | **-** | **(61,752)** | **-** | **-** | **2,537,486** | **1.9%** |
| *Listed portfolio value change %* | | *18.3%* | *-13.9%* | *0.0%* | *-2.5%* | *0.0%* | *0.0%* | *1.9%* | |
| **Private portfolio companies** | | | | | | | | | |
| **Large portfolio companies** | **2,011,844** | **342,794** | **-** | **-** | **(23,566)** | **-** | **3,081** | **2,334,153** | **16.0%** |
| *Retail (pharmacy)* | *869,744* | *176,024* | - | - | *(11,926)* | - | *1,475* | *1,035,317* | *19.0%* |
| *Healthcare services* | *613,803* | *73,002* | - | - | - | - | *871* | *687,676* | *12.0%* |
| *Insurance* | *528,297* | *93,768* | - | - | *(11,640)* | - | *735* | *611,160* | *15.7%* |
| **Emerging and other companies** | **573,755** | **(25,429)** | **(6,657)** | **-** | **(973)** | **-** | **971** | **541,667** | **-5.6%** |
| **Total private portfolio value** | **2,585,599** | **317,365** | **(6,657)** | **-** | **(24,539)** | **-** | **4,052** | **2,875,820** | **11.2%** |
| *Private portfolio value change %* | | *12.3%* | *-0.3%* | *0.0%* | *-0.9%* | *0.0%* | *0.2%* | *11.2%* | |
| **Total portfolio value (1)** | **5,074,885** | **772,338** | **(351,678)** | **-** | **(86,291)** | **-** | **4,052** | **5,413,306** | **6.7%** |
| *Total portfolio value change %* | | *15.2%* | *-6.9%* | *0.0%* | *-1.7%* | *0.0%* | *0.1%* | *6.7%* | |
| **Net cash (2)** | **102,909** | **-** | **368,049** | **(144,393)** | **86,291** | **(17,916)** | **(10,997)** | **383,943** | **NMF** |
| *of which, cash and liquid funds* | *219,565* | - | *368,049* | *(144,393)* | *88,273* | *(17,916)* | *(13,734)* | *499,844* | *NMF* |
| *of which, loans issued* | *2,236* | - | - | - | - | - | *189* | *2,425* | *8.5%* |
| *of which, accrued dividend income* | *20,236* | - | - | - | *(1,982)* | - | - | *18,254* | *-9.8%* |
| *of which, gross debt* | *(139,128)* | - | - | - | - | - | *2,548* | *(136,580)* | *-1.8%* |
| Net other assets/(liabilities) (3) | 16,733 | - | (16,371) | (653) | - | (9,521) | 6,266 | (3,546) | *NMF* |
| *of which, share-based comp.* | - | - | - | - | - | *(9,521)* | *9,521* | - | *NMF* |
| **Net asset value (1)+(2)+(3)** | **5,194,527** | **772,338** | **-** | **(145,046)** | **-** | **(27,437)** | **(679)** | **5,793,703** | **11.5%** |
| *NAV change %* | | *14.9%* | *0.0%* | *-2.8%* | *0.0%* | *-0.5%* | *0.0%* | *11.5%* | |
| Shares outstanding[38] | 33,582,800 | - | - | (1,068,674) | - | - | 570,486 | 33,084,612 | -1.5% |
| **Net asset value per share, GEL** | **154.68** | **23.00** | **(0.00)** | **1.23** | **(0.00)** | **(0.82)** | **(2.97)** | **175.12** | **13.2%** |
| *NAV per share, GEL change %* | | *14.9%* | *0.0%* | *0.8%* | *0.0%* | *-0.5%* | *-1.9%* | *13.2%* | |

## RECONCILIATION OF ADJUSTED INCOME STATEMENT TO IFRS INCOME STATEMENT

The table below reconciles the adjusted income statement to the IFRS income statement. Adjustments to reconcile adjusted income statement with IFRS income statement mainly relate to eliminations of income, expense and certain equity movement items recognised at JSC Georgia Capital, which are subsumed within gross investment income/(loss) in IFRS income statement of Georgia Capital PLC.

| | 2Q26, *unaudited* | | | 1H26, *unaudited* | | |
|---|---|---|---|---|---|---|
| *GEL '000, unless otherwise noted (Unaudited)* | **Adjusted IFRS income statement** | **Adjustment** | **IFRS income statement** | **Adjusted IFRS income statement** | **Adjustment** | **IFRS income statement** |
| Dividend income | 46,733 | (46,733) | - | 86,291 | (46,494) | 39,797 |
| Interest income | 2,734 | (2,734) | - | 5,256 | (5,256) | - |
| Realised/unrealised gain on liquid funds | 358 | (358) | - | 85 | (85) | - |
| Interest expense | (2,963) | 2,963 | - | (5,912) | 5,912 | - |
| **Gross operating income** | **46,862** | **(46,862)** | **-** | **85,720** | **(45,923)** | **39,797** |
| Operating expenses (administrative, salaries and other employee benefits) | (14,090) | 14,090 | - | (27,437) | 27,437 | - |
| **GCAP net operating income** | **32,772** | **(32,772)** | **-** | **58,283** | **(18,486)** | **39,797** |
| | | | | | | |
| **Total investment return/gain on investments at fair value** | **676,759** | **36,572** | **713,331** | **686,047** | **16,146** | **702,193** |
| | | | | | | |
| Administrative expenses, salaries and other employee benefits | - | (2,506) | (2,506) | - | (5,051) | (5,051) |
| | | | | | | |
| **Income before foreign exchange movements and non-recurring expenses** | **709,531** | **1,294** | **710,825** | **744,330** | **(7,391)** | **736,939** |
| Net foreign currency loss | (5,177) | 4,481 | (696) | (8,678) | 7,870 | (808) |
| Non-recurring expenses | (13,627) | 13,627 | - | (15,006) | 15,006 | - |
| **Net income** | **690,727** | **19,402** | **710,129** | **720,646** | **15,485** | **736,131** |

**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 88 in Georgia Capital PLC 2025 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. **Loss ratio** equals net insurance claims expense divided by net earned premiums.
9. **Expense ratio** in P&C insurance equals sum of acquisition costs and operating expenses divided by net earned premiums.
10. **Combined ratio** equals sum of the loss ratio and the expense ratio in the insurance business.
11. **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.
12. **EV** - enterprise value.
13. **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.
14. **Number of shares outstanding** - Number of shares in issue less total unawarded shares in JSC GCAP's management trust.
15. **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.
16. **NCC Ratio** - Equals Net Capital Commitment divided by portfolio value.

# Principal risks and uncertainties

**Understanding our risks**

We continuously monitor our internal and external environment to ensure that any new principal or emerging risk is identified in a timely manner and responded to appropriately. The Directors have carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. We define our principal risks as those that have the potential to impact the delivery of our strategic objectives materially. We also monitor risks which include new and emerging risks which may have the potential to become principal risks but are not yet considered to be so. Emerging risks usually have large uncertain outcomes which may become certain in the longer term (beyond one year) and which could have a material effect on the business strategy if they were to occur.

**Principal risks and uncertainties**

The table below describes the principal risks and uncertainties faced by the Group and their potential impact, as well as the trends and outlook associated with these risks and the mitigating actions we take to address these risks. If any of the following risks were to occur, the Group's business, financial condition, results of operations or prospects could be materially affected. The risks and uncertainties described below may not be the only ones the Group faces. The order in which the principal risks and uncertainties appear does not denote their order of priority. Additional risks and uncertainties, including those that the Group is currently not aware of or deems immaterial, may also result in decreased revenues, incurred expenses or other events that could result in a decline in the value of the Group's securities.

| **REGIONAL INSTABILITY RISK** | |
|---|---|
| PRINCIPAL RISK / UNCERTAINTY | The Georgian economy and our business may be adversely affected by regional tensions. Georgia shares borders with Russia, Azerbaijan, Armenia and the Republic of Türkiye, and has two breakaway territories, Abkhazia and the Tskhinvali/South Ossetia regions. Georgia is also located in close proximity to other regional conflicts. In addition to strong political and geographic influences, regional countries are highly linked to the Georgian economy, representing its significant historical trading partners.<br><br>Geopolitical tensions in the Middle East continue to pose downside risks to the regional and global economic outlook. Military hostilities between the US, Israel and Iran disrupted regional trade and energy markets. The escalation has affected shipping flows through the Strait of Hormuz, a critical route for global oil supplies, contributing to higher energy prices and increased volatility in global financial markets, including a stronger US Dollar and increased demand for safe-haven assets.<br><br>On 17 June 2026, the US and Iran signed the Islamabad Memorandum of Understanding, establishing a framework for de-escalation and political dialogue. While the agreement initially eased tensions, subsequent violations and renewed military exchanges have underscored the fragile security environment, with geopolitical risks remaining elevated.<br><br>Market pressures have fluctuated since the outbreak of the conflict and shipping disruptions, elevated maritime risks, and uncertainty surrounding the sustainability of the ceasefire continue to weigh on the outlook. Recent renewed military strikes have highlighted the continued risk of escalation, reinforcing downside risks to global growth, inflation and investor confidence. If tensions persist, elevated energy prices and financial market volatility could reduce FX inflows from the Middle East, potentially putting pressure on the domestic currency and contributing to higher inflation. Given Georgia's geographic proximity to the region, further deterioration could have adverse implications for the Group.<br><br>Russian troops invaded Ukraine on 24 February 2022, escalating the pre-existing conflict into a full-scale war which has caused severe humanitarian and economic costs for Ukraine, Russia and the global economy. Casualties persist as the war's duration and outcome remain uncertain. As time progresses, the conflict's adverse effects may intensify, further eroding market confidence and impacting the region. Georgia itself has a fraught history with Russia, including a brief war in 2008, which resulted in Russia taking control of two breakaway territories.<br><br>Other regional tensions have moderated but remain important. Armenia and Azerbaijan have experienced recurrent conflict since 2020, including the displacement of approximately 110,000 ethnic Armenians in 2023. In 2025, the two parties initialled a peace declaration facilitated by the United States, creating a framework for normalisation and enhanced regional connectivity. The re-election of Prime Minister Nikol Pashinyan in June 2026 provided renewed political support for the peace process, although his party did not secure the constitutional majority required to amend the constitution, an important step toward a comprehensive peace agreement. While these developments have somewhat improved the medium-term outlook, implementation risks remain and a durable settlement has yet to be achieved. Given Georgia's close economic and geographic links with both countries, renewed tensions could adversely affect regional trade, transport corridors and investor confidence. Lion Finance Group owns one of Armenia's largest banks, and Georgia Capital's retail (pharmacy) business also has (relatively small) operations in both countries. Georgia Capital is also at a preliminary stage in considering additional investments in Armenia as part of its new capital allocation programme. |

| | |
|---|---|
| | The regional instability described above poses potential risks to Georgia's economic and political environment, potentially affecting trade routes, investment flows and overall regional security. Georgia's strategic location as a transit hub underscores the importance of stability in neighbouring countries for its own economic and security interests.<br><br>Domestically, political uncertainty persists. Following the adoption of the foreign influence transparency law in 2024 and the subsequent suspension of Georgia's EU accession process, relations with Western partners have remained strained. The ruling Georgian Dream party retained political control after securing 54% of the vote in the October 2024 parliamentary elections and winning the October 2025 municipal elections, which were boycotted by most major opposition parties. Political polarisation and protests have continued, while concerns regarding democratic governance and the pace of EU integration have persisted. Although Georgia's macroeconomic performance has remained resilient, prolonged unrest, democratic backsliding, or the escalation of regional conflict may undermine macroeconomic stability, deter investment, and negatively affect our portfolio and operations. These developments could also weigh on investor sentiment, external financing conditions, and Georgia's medium-term integration prospects with European institutions. |
| KEY DRIVERS / TRENDS | Long-term geopolitical implications of the US-Iran tensions remain highly uncertain. While Georgia's direct macroeconomic exposure to Gulf countries is relatively limited, the conflict increased global energy prices and volatility in financial markets, with potential spillovers to inflation, exchange rate dynamics and investor sentiment. Although the June 2026 de-escalation framework temporarily eased concerns over disruptions to shipping through the Strait of Hormuz and contributed to lower oil prices, renewed tensions since July have highlighted the fragility of the agreement. The recent escalation has again increased volatility in crude oil markets, with disruptions to shipping through the Strait of Hormuz contributing to higher energy costs and concerns over global energy supply stability. While the overall macroeconomic impact on Georgia is expected to remain contained, some country-specific linkages remain important to monitor. Inflows from Israel remained significant, supported by strong remittances and tourism activity. Remittances amounted to US$ 163 million in 1H26 (8.5% of the total), while tourism receipts reached US$ 223 million in 1H26 (11.5% of the total). Linkages with Iran remained generally limited, with economic interaction concentrated in tourism and trade. Tourism revenues, however, declined sharply by 64.7% and amounted to US$ 20 million in 1H26 amid the US-Iran conflict, while exports amounted to US$ 107 million in 1H26 (2.8% of the total). Saudi Arabia also contributed modestly, with inflows primarily driven by tourism revenues of US$ 24 million in 1H26 (1.3% of the total).<br><br>The Russian invasion of Ukraine has led to profound economic disruption, marked by a sharp decline in market confidence, the imposition of unprecedented sanctions on the Russian economy, and heightened spillover risks. While several rounds of internationally mediated negotiations have taken place, they have not resulted in a comprehensive ceasefire or durable peace agreement, and military hostilities continue. Sanctions against Russia remain in place and have been extended further by the European Union. Although global markets have largely adjusted to the initial shock, the war continues to contribute to uncertainty surrounding energy markets, trade flows, security conditions and investor confidence. A renewed escalation or a further deterioration in geopolitical conditions could adversely affect regional economic activity and financial market sentiment. The September 2023 Azerbaijan offensive in the Nagorno-Karabakh region, and the subsequent dissolution of the breakaway Nagorno-Karabakh republic, has significantly altered the geopolitical status quo in the Caucasus. As noted above, the US-facilitated peace declaration initialled by the two parties has generated cautious optimism, but its implementation remains uncertain.<br><br>Relations with Russia remain an important geopolitical risk. Russia imposed economic sanctions on Georgia in 2006, and conflict between the countries escalated in 2008 when Russian forces crossed Georgian borders and recognised the independence of Abkhazia and the Tskhinvali/South Ossetia regions. Russian troops continue to occupy the regions, and tensions between Russia and Georgia persist.<br><br>While Georgia has deepened its ties with the EU over the past decade, recent developments have affected the pace of its European trajectory. The adoption of the controversial "transparency of foreign influence" law, which has drawn strong criticism from Western partners, together with the decision to pause EU accession talks until 2028, has placed additional strain on Georgia's relationship with the EU.<br><br>The European Commission Enlargement Reports in 2024 and in 2025 highlight that although Georgia remains a candidate country, its accession process has de facto been halted. The reports underscore the need for continued reforms in democratic governance, rule of law, and protection of fundamental rights, noting that granting candidate status has not yet been followed by sufficient political commitment from the authorities to implement the necessary measures for substantive progress toward EU membership. |

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| MITIGATION | The Group actively monitors significant developments in the region and risks related to political instability and the Georgian Government's response thereto. It also develops responsive strategies and action plans of its own.<br><br>While financial market turbulence and geopolitical tensions affect regional trading partners, Georgia's preferential trading regimes, including DCFTA with the EU and FTA with China, support the country's resilience against regional external shocks. In December 2023, the European Council granted Georgia the status of a candidate country. Even though Georgia's EU integration is on hold, core institutional agreements such as the DCFTA continue to function.<br><br>Despite the regional and domestic factors as described above, Georgia's economy continued to demonstrate remarkable resilience. Following a 7.5% expansion in 2025, the Georgian economy sustained its growth momentum with real GDP growth at 7.9% y-o-y in 1H26. FX inflows maintained their positive trend, while loan growth contributed to economic stability. Favourable macroeconomic conditions allowed NBG to accumulate reserves to record-high levels, with net purchases totalling US$ 4.5 billion since 2025. As a result, official reserve assets increased to US$ 7.1 billion in June 2026, 51.9% higher than a year earlier.<br><br>Although geopolitical uncertainty remains elevated, Georgia's direct economic exposure to Iran and the broader Middle East remains relatively limited. The impact of geopolitical tensions has been more visible in tourism flows, with revenues from affected markets declining. However, the decline in tourism receipts was offset by increased export and higher remittance inflows from the region. Overall, external inflows have continued to expand, supported by diversification across both sources of foreign currency earnings and partner countries.<br><br>The Georgian export market shifted away from the Russian market after Russia's 2006 embargo, and the Group participated in that shift. In 2025, Russia accounted for 10.3% of Georgian exports, as opposed to 17.8% in 2005.<br><br>While foreign currency inflows from Russia increased markedly following the outbreak of the Russia-Ukraine war, these flows have gradually normalised, with external receipts becoming more diversified. However, indirect linkages through trade reorientation and re-export channels remain, leaving some exposure to regional trade dynamics, and geopolitical developments. |
| **CURRENCY AND MACROECONOMIC ENVIRONMENT RISKS** | |
| PRINCIPAL RISK / UNCERTAINTY | Unfavourable dynamics of major macroeconomic variables, including the depreciation of the Georgian Lari against the US Dollar, may have a material impact on the Group's performance.<br><br>On the macro level, the country's free-floating exchange rate works well as a shock absorber, but on the micro level, currency fluctuations have affected and may continue to adversely affect the Group's results. There is a risk that the Group incurs material losses or loses material amounts of revenue and, consequently, deteriorates its solvency in a specific currency or group of currencies due to the fluctuation of exchange rates. The risk is mainly caused by significant open foreign currency positions in the balance sheets of the Group and the portfolio companies. |
| KEY DRIVERS / TRENDS | The Group's operations are primarily located in, and most of its revenue is sourced from Georgia. Factors such as GDP, inflation, interest and currency exchange rates, as well as unemployment, personal income, tourist numbers and the financial situation of companies, can have a material impact on customer demand for its products and services.<br><br>Georgia's economy maintained strong and broad-based economic growth, supported by favourable domestic and external conditions. On the production side, services continued to be the main driver of economic activity, while consumption remained the key contributor to growth on the expenditure side.<br><br>Inflation has remained above NBG's 3% target since March 2025, following nearly two years of below-target inflation. Headline inflation averaged 5.2% in 1H26 and increased to 5.8% in June 2026, driven by higher food prices and a surge in fuel prices amid the Middle East conflict. Core inflation has also picked up to 3.5%, pointing to relatively broader underlying price pressures. After keeping the policy rate unchanged at 8.0% since May 2024, the NBG raised it by 25 basis points to 8.25% in May 2026, signalling a cautious policy stance amid heightened geopolitical risks and uncertainty surrounding global oil prices, with a commitment to adjust it based on macroeconomic developments.<br><br>After depreciating in 2024, amid heightened domestic policy uncertainty, the GEL strengthened throughout 2025 and into 2026, supported by rising FX inflows and favourable external sector conditions. While geopolitical pressures triggered a brief depreciation in early |

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| | 2026, the currency quickly stabilised, posting a YTD appreciation of 2.7% against the US dollar as of 3 August 2026. In the context of trading partner currencies and the overall GEL position, the real effective exchange rate (REER) appreciated by 1.3% y-o-y, while the nominal effective exchange rate (NEER) appreciated by 3.8% y-o-y in June 2026.<br><br>The external balance sheet has continued to strengthen, supported by declining government debt-to-GDP ratios, record high international reserves, and a narrowing current account (CA) deficit. General government gross debt declined to 34% of GDP by end-2025, its lowest level since 2014, while the CA deficit narrowed to a record low of 2.6% of GDP in 2025 and remained contained at 3.8% of GDP in 1Q26. Broad-based improvements across all CA components kept the deficit low, while ICT service exports continued to outperform, rising by 66% y-o-y in 1Q26. Foreign direct investment (FDI) increased in 1Q26, mainly supported by the equity component. FDI inflows increased by 48% y-o-y in 1Q26, reaching 3.0% of GDP, although remaining well below the 10-year average of 7.3% of GDP.<br><br>In May 2026, Fitch affirmed Georgia's 'BB' sovereign credit rating with a Stable Outlook, following the outlook revision from Negative to Stable in November 2025. The agency highlighted Georgia's strong economic growth, relatively high level of economic development compared with 'BB' peers, a credible macro-fiscal policy framework, moderate public debt, and a sound banking sector. Despite ongoing uncertainties, Fitch forecasts 6.5% real GDP growth in 2026. Similarly, in June 2026, Moody's affirmed Georgia's Ba2 sovereign credit rating and revised the outlook from Negative to Stable, while forecasting 6.4% real GDP growth in 2026.<br><br>The IMF's latest Article IV Staff Report highlights Georgia's economic resilience despite elevated global uncertainty, supported by sound macroeconomic management and strong policy buffers. The IMF projects GDP growth of 6.5% in 2026, with inflation returning to target by mid-2027 and public debt remaining stable under prudent macroeconomic policies. |
| MITIGATION | The Georgian economy remains vulnerable to external shocks due to a combination of its historically high current account deficit, low domestic savings rate, and high level of dollarisation. As noted above, the current account deficit narrowed to 3.8% of GDP in 1Q26, down from 7.9% of GDP in 1Q25, driven by the broad-based improvement in all components. NBG purchased US$ 4.5 billion between March 2025 and June 2026 to rebuild its foreign exchange reserves. This brought official reserve assets to a record high of US$ 7.1 billion by June 2026, up by 51.9% y-o-y. The strengthening of Georgia's external balance sheet and the accumulation of reserve buffers have improved the economy's capacity to absorb external shocks. At the same time, the diversification of foreign currency inflows across both sources of earnings and partner countries further supports resilience against geopolitical tensions and global commodity price volatility.<br><br>The Group continually monitors market conditions, reviews market changes and performs stress and scenario testing to test its position under adverse economic conditions, including adverse currency movements.<br><br>The currency risk management process is an integral part of the Group's activities; currency risk is managed through regular and frequent monitoring of the Group's currency positions and through the timely and efficient elaboration of responsive actions and measures. Senior management reviews the overall currency positions of the Group several times during the year and elaborates on respective overall currency strategies; the Finance department monitors the daily currency position for Georgia Capital HoldCo and weekly currency positions on a portfolio company level; it also manages short-term liquidity of the Group across different currencies, and engages in currency risk mitigation agreements, such as currency hedges, forwards and swaps. Control procedures involve regular monitoring and control of the currency gap and currency positions, running currency sensitivity tests and elaborating response actions/steps based on the results of the tests. |
| **REGULATORY AND LEGAL RISKS** | |
| PRINCIPAL RISK / UNCERTAINTY | The Group owns businesses operating across a wide range of industries: banking, retail (pharmacy) and distribution, healthcare, property and casualty insurance, medical insurance, hydro and wind power, education, auto service, beverages and hospitality. Many of these industries are highly regulated. The regulatory environment continues to evolve, and we cannot predict what additional regulatory changes will be introduced in the future or the impact they may have on our operations.<br><br>Georgia Capital and its businesses also encounter disputes with business partners and other parties from time to time, which give rise to litigation (and thus also to the risk of an adverse outcome). |
| KEY DRIVERS / TRENDS | Our businesses are subject to a range of different laws and regulations, enforced by a range of different regulators. Legislation and regulation in certain industries, such as banking, |

healthcare, energy and insurance is continuously evolving. Future changes in laws and regulations, including but not limited to governmental funding, licensing, and accreditation requirements, may adversely affect our businesses.

Regulatory developments in recent years have been particularly hard to anticipate in the healthcare sphere, where Georgia switched to a Universal Healthcare programme in 2013 and a series of changes to the model since it was introduced have negatively affected our hospitals and, more recently, our retail (pharmacy) business. While we expect that the multi-year regulatory reset in healthcare is now coming to a close, there is no assurance that further regulatory changes in healthcare or other sectors will not adversely affect us.

Except for the cases listed below, there were no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Georgia Capital is aware) during the 12 months preceding the date of this document which may have, or have had in the recent past, significant effects on either Georgia Capital and/or its portfolio companies' financial position or profitability.

BGA litigation and disputes

1. *Pending litigation in the High Court of England and Wales:*

Georgia Education Group LLC (GEG), Georgia Capital PLC, and JSC Georgia Capital are involved in litigation with the minority partner of British Georgian Academy LLC (BGA) in the High Court of England and Wales. The substance of the claims mirrors the proceedings previously initiated before the Georgian courts, described in detail below. In particular, the minority partner is seeking reinstatement of the 70% stake in BGA that it sold to GEG in 2019 or, alternatively, damages for alleged fraudulent misrepresentation and alleged breaches of contractual and tortious duties.

The Group's assessment of the case (having taken external legal advice) is that the minority partner's allegations are based on false factual grounds and are without any legal merit. In addition, the Group considers that the minority partner's claims do not fall within the jurisdiction of the UK courts and expects the proceedings to be dismissed at the jurisdictional hearing. The first hearing was held on 21 July 2026. As the minority shareholder sought the Court's permission to rely on expert evidence, the hearing on the jurisdictional issues was adjourned while the Court heard the application relating to the proposed expert evidence. The date of the next hearing on the jurisdictional issues has not yet been set, but we expect it to be scheduled in the coming weeks, with the hearing likely to take place in autumn 2026. The Group regards the claim as frivolous and not filed for a genuine cause and considers the probability of incurring losses in connection with this claim to be low.

2. *Pending litigation in the Georgian Courts*

GEG is also involved in litigation with the minority partner in BGA in Georgia. The minority partner initially submitted a claim in May 2024 seeking the annulment of the binding memorandum of understanding (MoU) and consequent share purchase agreement (SPA) under which GEG acquired a 70% shareholding in BGA in 2019, alleging GEG's failure to invest in the development of BGA. The minority partner later withdrew this claim, and in August 2024 submitted a new claim to the court, seeking GEL 0.3 million in damages, again alleging that GEG failed to invest in BGA's development. On 6 February 2025, the minority partner filed an amended claim, seeking damages in the amount of US$ 15.5 million, termination of the MoU, and the transfer of the 70% stake in BGA that GEG acquired in 2019 back to the minority partner. In February 2026, the minority partner partially withdrew her claim with respect to the termination of the MoU and the return of the 70% stake in BGA. As of today, only the claim for damages remains pending before the court in this case.

GEG's assessment of the claim (having taken external legal advice) is that the claimant's allegations are based on false factual grounds and are without any legal merit. In particular, GEG's position is that it has fully honoured its obligations under the MoU and the SPA. Management of Georgia Capital shares this assessment and considers that the probability of incurring losses on this claim is low. The case is currently pending before the court of first instance at the preliminary stage, with several preliminary hearings held to date.

3. *Further pending litigation in Georgia (and GEG counterclaim)*

In January 2026, GEG received another claim from the minority partner in BGA seeking the exclusion of GEG as a shareholder from BGA and the transfer of the 70% ownership stake in BGA that was sold to GEG in 2019, in exchange for compensation equal to the purchase price paid by GEG in 2019 - which was US$ 10,116,981. The substance of this claim mirrors the proceedings previously initiated before Georgian and UK courts as described above. The claim is based on an alleged breach by GEG of shareholders' duties under Georgian company law and the MoU and the SPA, which is said to have caused losses to BGA.

In May 2026, GEG filed a counterclaim against the minority partner seeking her expulsion from the BGA partnership. This would result in the transfer of her 30% shareholding in BGA to GEG in exchange for compensation equal to the fair value of the shares, which would

amount to GEL 21,141,767 (approximately US$ 8,070,000), according to the valuation prepared by the Levan Samkharauli National Forensics Bureau. The counterclaim is based on continuous breaches of fiduciary duties, appropriation of BGA's commercial interests, and deliberate damage to BGA's interests.

The minority partner has submitted no evidence as part of her claim demonstrating any damage to BGA caused by GEG's alleged actions and merely reiterates allegations of misrepresentation and similar arguments already raised in prior litigations. Management of Georgia Capital shares GEG's assessment of the merits of the minority partner's case and (having taken external legal advice) considers the claim to be substantively unfounded, based on false statements, and procedurally defective. The case is currently pending before the Tbilisi City Court of first instance at the preliminary stage, with several preliminary hearings held to date.

4. *Further pending litigation in Georgia (derivative action)*

In January 2026, GEG received yet another claim from BGA's minority partner seeking damages of GEL 3.0 million. The claim is brought in the form of a derivative action, pursued in the name of BGA. The minority partner alleges that BGA incurred expenses in connection with the development of a plot of land owned by GEG (the "Okrokana Land").

GEG made several attempts to contribute the Okrokana Land to BGA's share capital, as the Okrokana Land is suitable for development of an educational institution that would benefit BGA. However, such a contribution by GEG would necessitate a pro rata contribution (in cash) by the minority partner, who refused to make the necessary pro rata contribution as required by the MoU. As a result, ownership of the Okrokana Land remains with GEG. The minority partner alleges that BGA spent funds on the development of the land.

It is unclear from the claim exactly what the funds were spent on. However, the minority partner also served as a Director of BGA for over five years, and the alleged expenditure appears to coincide with the period during which the minority partner remained in a management position at BGA. She was accordingly fully aware of the status of the planned land contribution and any use of BGA funds in connection with the planned development of the Okrokana Land.

GEG's assessment of the claim is that the allegations are without any legal merit. Management of Georgia Capital shares this assessment and considers that the claim is substantively unfounded and based on false statements. The case is currently pending before the Tbilisi City Court of First Instance, and the date of the first preliminary hearing has not yet been fixed.

5. *Further pending litigation in Georgia (another derivative action)*

On 17 July 2026, GEG received yet another claim from BGA's minority partner seeking transfer of GEG shares in other schools. The claim is brought in the form of a derivative action, pursued in the name of BGA. The minority partner alleges that GEG violated non-compete obligations by simultaneously holding interests in several schools and argues that, as a result of these acquisitions, she and BGA suffered damages. These allegations have only been raised approximately seven years after the acquisition of BGA and the competing schools in 2019, despite the transactions having been known to the minority partner throughout that period.

There is no agreement whatsoever, whether in the MoU, the SPA, or any other contractual arrangement, on non-compete for either Georgia Capital or GEG. This is also recognised by the minority partner in her claim. However, she argues that her non-compete obligations under the MoU and SPA should also be attributable to GEG. Also, there is no provision in Georgian law that prohibits legal entities from holding interests in several companies. The only regulations that may restrict the acquisition of several companies are the administrative rules of competition law, which regulate ownership where a significant share of the relevant market is concerned. The acquisitions of the companies in question were cleared by the Georgian National Competition Agency, confirming that the transactions complied with the applicable competition law requirements, including the relevant market share thresholds.

The minority partner was also seeking an interim measure over GEG shares in competing schools that was rejected by the court.

GEG's assessment of the claim is that the allegations are without any legal merit. Management of Georgia Capital shares this assessment and considers that the claim is substantively unfounded and based on false statements. The case is currently pending before the Tbilisi City Court of First Instance, and the date of the first preliminary hearing has not yet been fixed.

6. *Extra-judicial campaign by the minority partner*

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| | In addition to the various claims brought before the courts as described above, Georgia Capital and certain of its subsidiaries and executive officers have been the subject of a barrage of unfounded allegations made by the minority partner and communicated by way of email to members of the Board of Georgia Capital, to Georgia Capital's shareholders and, according to the minority partner (although unable to be confirmed by Georgia Capital) also to various regulatory and governmental authorities. The minority partner has also made such allegations publicly, including on social media and in other public forums.<br><br>The Group considers the allegations to be without merit and has initiated defamation proceedings against the minority partner in Georgia. Georgia Capital has received incoming queries from its shareholders as a result of this extra-judicial campaign, although it has not received any incoming queries from the regulatory or governmental authorities that the minority partner asserts have been contacted. To the knowledge of Georgia Capital, no regulatory or government authority has initiated a formal or informal investigation or proceeding in respect of any such allegations having been made by the minority partner. Should any regulatory authority commence an investigation or any proceeding, we are confident that it will confirm that these allegations are unfounded and have been made in bad faith.<br><br><u>Retail (pharmacy) litigation</u><br>In December 2023, the Georgian National Competition Agency (the "Agency") imposed fines on four companies in the Georgian pharmaceutical retailers' sector, including Georgia Capital's retail (pharmacy) business, for alleged anti-competitive actions related to price quotations on certain prescription medicines funded under the state programme. The penalty amount assessed by the Agency on our retail (pharmacy) business is GEL 20 million derived by applying the single rate across all the alleged participants. The retail (pharmacy) business has appealed the Agency's decision in court and plans to vigorously defend its position. No date of hearing has been set yet. |
| MITIGATION | Continued investment in our people and processes enables us to meet our current regulatory requirements and means that we are well-placed to respond to any future changes in regulation. Further, our investment portfolio is well diversified, limiting exposure to particular industry-specific regulatory risks.<br>In line with our integrated control framework, we carefully evaluate the impact of legislative and regulatory changes as part of our formal risk identification and assessment processes and, to the extent possible, proactively participate in the drafting of relevant legislation. As part of this process, we engage whenever the opportunity arises in constructive dialogue with regulatory bodies and seek external advice on potential changes to legislation. We then develop appropriate policies, procedures and controls as required to fulfil our compliance obligations. Our compliance framework, at all levels, is subject to regular review by Internal Audit and external assurance providers.<br><br>Our integrated control framework also ensures the application and development of mechanisms for identifying legal risks in the Group's activities in a timely manner, the monitoring and investigation of the Group's activities in order to identify any legal risks, the planning and implementation of all necessary actions for the elimination of identified legal risks, participation in legal proceedings on behalf of the Group where necessary and the investigation of possibilities for increasing the effectiveness of the Group's legal documentation and its implementation in the Group's daily activities. The framework also considers the engagement of external legal advisors, when appropriate. |
| **INVESTMENT RISK** | |
| PRINCIPAL RISK / UNCERTAINTY | The Group may be adversely affected by risks in respect of specific investment decisions. The Group will generally seek to monetise its investments, primarily through strategic sales, typically within five to ten years of acquisition, and faces both market and execution risks in realising exits at acceptable valuations. |
| KEY DRIVERS / TRENDS | An inappropriate investment decision might lead to poor performance. Investment risks may arise from inadequate research and due diligence of new acquisitions and bad timing of the execution of both acquisition and divestment decisions. The valuation of investments can be volatile in line with market developments.<br><br>Macroeconomic conditions, the financial and economic environment and other market conditions in international capital markets may limit the Group's ability to achieve a partial or full exit from its existing or future businesses at reasonable prices. It may not be possible or desirable to divest, because suitable buyers cannot be found at the appropriate times, or because of difficulties in obtaining favourable terms or prices, or because the Group has failed to act at the appropriate time. |

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| MITIGATION | The Group manages investment risk with established procedures and a thorough evaluation of target acquisitions. Investment opportunities are subject to rigorous appraisal and a multi-stage approval process. Target entry and exit event prices are monitored and updated regularly in relation to market conditions and strategic aims. The Group performs due diligence on each target acquisition including on financial and legal matters. Subject to an evaluation of the due diligence results an acceptable price and funding structure is determined, and the pricing, funding and future integration plan is presented to the Board for approval. The Board reviews and approves or rejects proposals for development, acquisition and sale of investments and decides on all major new business initiatives, especially those requiring a significant capital allocation. The Board focuses on both investment strategy and exit processes, while also actively managing exit strategies in light of the prevailing market conditions.<br><br>Our acquisition track record has also been successful, and we have been able to integrate businesses due to our strong management with integration experience. In 2022, Georgia Capital divested 80% of its water utility business, retaining the remaining 20% stake through a put-option arrangement. In 2025, GCAP exercised its option to sell the remaining stake, completing its full exit from the business. This transaction represents the Group's most significant monetisation event to date and marks the completion of the full investment cycle. Further details of this transaction are provided on page 8 of GCAP's 2025 Annual Report and page 12 of GCAP's 2022 Annual Report. In 2024, as part of our continued strategic execution, GCAP sold its beer and distribution business to a strategic international investor. Details of this transaction are provided on page 8 of GCAP's 2024 Annual Report. In June 2026, in line with GCAP's capital-light investment strategy, Georgia Capital sold its housing development business, $m^2$, as described on page 2 of this announcement. |
| **LIQUIDITY RISK** | |
| PRINCIPAL RISK / UNCERTAINTY | Risk that liabilities cannot be met, or new investments made, due to a lack of liquidity. Such risk can arise from not being able to sell an investment due to lack of demand from the market, from suspension of dividends from portfolio companies, from not holding cash or being able to raise debt. |
| KEY DRIVERS / TRENDS | The Group predominantly invests in private portfolio businesses, potentially making the investments difficult to monetise at any given point in time. There is a risk that the Group will not be able to meet its financial obligations and liabilities on time due to a lack of cash or liquid assets or the inability to generate sufficient liquidity to meet payment obligations. This may be caused by numerous factors, such as the inability to refinance long-term liabilities; suspended dividend inflows from the investment entity subsidiaries; excessive investments in long-term assets and a resulting mismatch in the availability of funding to meet liabilities; or failure to comply with the creditor covenants causing a default. |
| MITIGATION | The liquidity management process is a regular process, where the framework is approved by the Board and is monitored by senior management and the Chief Financial Officer. The framework models the ability of the Group to fund under both normal conditions (Base Case) and during stressed situations. This approach is designed to ensure that the funding framework is sufficiently flexible to ensure liquidity under a wide range of market conditions. The Finance department monitors certain liquidity measures on a daily basis and actively analyses and manages liquidity weekly. Senior management is involved at least once a month and the Board on a quarterly basis. Such monitoring involves a review of the composition of the cash buffer, potential cash outflows and management's readiness to meet such commitments. It also serves as a tool to revisit the portfolio composition and take necessary measures, if required.<br><br>Since the adoption of the capital management framework and introduction of the NCC Ratio Navigation Tool in May 2022, the Group's primary emphasis has centred around deleveraging. This strategic approach has resulted in a significant reduction in the Group's liquidity risk.<br><br>In August 2023, JSC Georgia Capital successfully issued a US$ 150 million sustainability-linked bond. The proceeds from the transaction, together with existing liquid funds of GCAP, were utilised to fully redeem the US$ 300 million Eurobond. Following the cancellation and repayment of the outstanding Eurobond, GCAP's gross debt balance reduced from US$ 300 million to US$ 150 million. In September 2025, Georgia Capital exercised its call option to early redeem a significant portion of its US$ 150 million SLB. Following the redemption, the outstanding principal amount was reduced by US$ 100 million, further decreasing the gross debt balance to US$ 50 million. In June 2026, GCAP announced its Board's decision to exercise the call option and redeem the remaining US$ 50 million outstanding SLB ahead of |

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| | maturity. Settlement is expected on 19 August 2026, following which GCAP will have fully repaid its outstanding holding company debt.<br><br>Overall, since the introduction of the NCC concept in 1Q22, the NCC ratio has decreased significantly, from 28.2% at 31 March 2022 to -2.9% at 30 June 2026. The Group aims to maintain the NCC ratio below 10%. The deleveraging strategy was also implemented across our private portfolio companies, where individual leverage targets have been developed.<br><br>In October 2023, S&P updated GCAP's issuer credit rating from "B+" to "BB-" with a Stable outlook. In August 2025, S&P revised the outlook on GCAP's "BB-" issuer credit rating from Stable to Positive, reflecting the Company's progress in deleveraging. In June 2026, S&P further upgraded GCAP's issuer credit rating to "BB" with a Stable outlook, from "BB-" with a Positive outlook, aligning the Company's credit rating with Georgia's sovereign credit rating. The rating upgrade reflects GCAP's balanced financial policy, underpinned by continued deleveraging and sustained shareholder returns.<br><br>In the recent period, our portfolio companies made significant progress in enhancing their overall financial position. Leverage profiles improved across the business due to the extension of debt maturities in most private portfolio companies, demonstrating management's effective liquidity management measures.<br><br>That being said, the Group has a strong track record in accessing both bank finance and the public capital markets and believes that the progress on its leverage position has improved that access. |
| **PORTFOLIO COMPANY STRATEGIC AND EXECUTION RISKS** | |
| PRINCIPAL RISK / UNCERTAINTY | Market conditions may adversely impact our strategy and all our businesses have their own risks specific to their industry. Our businesses have growth and expansion strategies and we face execution risk in implementing these strategies. |
| KEY DRIVERS / TRENDS | Each of our portfolio companies faces its own risks. These include risks inherent to their industry, or to their industry particularly in Georgia, and each faces significant competition. They also face the principal risks and uncertainties referred to in this table. |
| MITIGATION | For each business, we focus on building a strong management team and have successfully been able to do so thus far. Management succession planning is regularly on the agenda for the Nomination Committee which reports to the Board on this matter. The Board closely monitors the implementation of strategy, financial and operational performance, risk management and internal control framework, and corporate governance of our businesses. We hold management accountable for meeting targets.<br><br>For each industry in which we operate, we closely monitor industry trends, market conditions and the regulatory environment. We have also sought, and continue to seek, advice from professionals with global experience in relevant industries. We carry our private portfolio companies at fair value in our NAV Statement. The valuations are audited, increasing the credibility of fair valuation and limiting the risk of mispricing the asset. In addition, the valuation of the retail (pharmacy), healthcare services, insurance, renewable energy and education businesses (50.0% of total portfolio value) is performed by an independent valuation company on a semi-annual basis. |

# Statement of Directors' Responsibilities

We, the Directors, confirm that to the best of our knowledge:

- The unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting", as adopted by the United Kingdom and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- This Results Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- This Results Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related parties' transactions and changes therein)

After making enquiries, the Directors considered it appropriate to adopt the going concern basis in preparing this Results Report.

The Directors of the Group are as follows:

Irakli Gilauri

David Morrison

Massimo Gesua' sive Salvadori

Maria Chatti-Gautier

Neil Janin

By order of the Board

**Irakli Gilauri**

Chairman & Chief Executive Officer

3 August 2026

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| | *Note* | *30 June 2026 (Unaudited)* | *31 December 2025* |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalents* | | 6,022 | 13,495 |
| Prepayments | | 1,414 | 1,194 |
| Equity investments at fair value | 5 | 5,790,789 | 5,183,691 |
| **Total assets** | | **5,798,225** | **5,198,380** |
| **Liabilities** | | | |
| Other liabilities | | 4,522 | 3,853 |
| **Total liabilities** | | **4,522** | **3,853** |
| **Equity** | | | |
| Share capital | 6 | 1,118 | 1,148 |

| | | |
|---|---|---|
| Additional paid-in capital and merger reserve | 238,311 | 238,311 |
| Treasury shares | (2) | (1) |
| Retained earnings | 5,554,276 | 4,955,069 |
| **Total equity** | **5,793,703** | **5,194,527** |
| **Total liabilities and equity** | **5,798,225** | **5,198,380** |

**As at 30 June 2026 and 31 December 2025 cash and cash equivalents consist of current accounts with credit institutions.*

The financial statements on page 31 to 53 were approved by the Board of Directors on 3 August and signed on its behalf by:

Irakli Gilauri
Executive Officer

Chief

3 August 2026

Georgia Capital PLC
Registered No. 10852406

| | *Note* | *30 June 2026 (Unaudited)* | *30 June 2025 (Unaudited)* |
|---|---|---|---|
| Gains on investments at fair value | 5 | 702,193 | 955,865 |
| Dividend income | 5 | 39,797 | 37,559 |
| **Gross investment profit** | | **741,990** | **993,424** |
| General and administrative expenses | | (3,620) | (2,631) |
| Salaries and other employee benefits | | (1,431) | (807) |
| **Profit before foreign exchange and non-recurring items** | | **736,939** | **989,986** |
| Net foreign currency (loss)/gain | | (808) | 1,626 |
| Interest income | | - | 40 |
| **Profit before income taxes** | | **736,131** | **991,652** |
| Income tax | | - | - |
| **Profit for the period** | | **736,131** | **991,652** |

| | | | |
|---|---|---|---|
| Other comprehensive income | | - | - |
| **Total comprehensive income for the period** | | **736,131** | **991,652** |
| **Earnings per share (GEL):** | 6 | | |
| - basic | | 23.3736 | 28.9122 |
| - diluted | | 22.9566 | 28.3750 |

| | *Share capital* | *Additional paid-in capital and merger reserve* | *Treasury shares* | *Retained earnings* | *Total* |
|---|---|---|---|---|---|
| **1 January 2026** | **1,148** | **238,311** | **(1)** | **4,955,069** | **5,194,527** |
| Profit for the period | - | - | - | 736,131 | 736,131 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **736,131** | **736,131** |
| Increase in equity arising from share-based payments | - | - | - | - | - |
| Cancellation of shares (Note 6) | (30) | - | 30 | - | - |
| Purchase of treasury shares (Note 6) | - | - | (31) | (136,924) | (136,955) |
| **30 June 2026 (unaudited)** | **1,118** | **238,311** | **(2)** | **5,554,276** | **5,793,703** |

| | *Share capital* | *Additional paid-in capital and merger reserve* | *Treasury shares* | *Retained earnings* | *Total* |
|---|---|---|---|---|---|
| **1 January 2025** | **1,300** | **238,311** | **(2)** | **3,369,404** | **3,609,013** |
| Profit for the period | - | - | - | 991,652 | 991,652 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **991,652** | **991,652** |
| Increase in equity arising from share-based payments | - | - | - | 175 | 175 |
| Cancellation of shares (Note 6) | (87) | - | 87 | - | - |
| Purchase of treasury shares (Note 6) | - | - | (87) | (137,542) | (137,629) |
| **30 June 2025 (unaudited)** | **1,213** | **238,311** | **(2)** | **4,223,689** | **4,463,211** |

| | Note | *30 June 2026 (unaudited)* | *30 June 2025 (unaudited)* |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Interest income received | | - | 40 |
| Salaries and other employee benefits paid | | (1,431) | (632) |
| General, administrative and operating expenses paid | | (3,848) | (1,582) |
| **Net cash flows used in operating activities before income tax** | | **(5,279)** | **(2,174)** |
| Income tax paid | | - | - |
| **Net cash flow used in operating activities** | | **(5,279)** | **(2,174)** |
| **Cash flows from investing activities** | | | |
| Capital redemption | 5 | 95,233 | 100,195 |
| Capital injection | | (138) | (68) |
| Dividends received | 5 | 39,797 | 37,559 |
| **Net cash flows from investing activities** | | **134,892** | **137,686** |
| **Cash flows from financing activities** | | | |
| Other purchases of treasury shares | 6 | (127,769) | (136,026) |
| Acquisition of treasury shares under share-based payment plan | 6 | (8,624) | (499) |
| **Net cash used in financing activities** | | **(136,393)** | **(136,525)** |
| Effect of exchange rates changes on cash and cash equivalents | | (693) | 240 |
| **Net decrease in cash and cash equivalents** | | **(7,473)** | **(773)** |
| **Cash and cash equivalents, beginning of the period** | | **13,495** | **3,521** |
| **Cash and cash equivalents, end of the period** | | **6,022** | **2,748** |

## 1. Principal Activities

Georgia Capital PLC ("Georgia Capital", "GCAP", "GCAP PLC" or the "Company") is a public limited liability company incorporated in England and Wales with registered number 10852406. Georgia Capital PLC holds 100% of the share capital of JSC Georgia Capital ("JSC GCAP") and 92.4% of the share capital of Georgian Beverages Holding Limited ("GBH Limited"), which together form a group of companies (the "Group"), focused on buying, building and developing businesses in Georgia and monetising investments as they mature. The Group currently has the following private large portfolio businesses (i) a retail (pharmacy) business, (ii) a healthcare services business (hospitals and clinics and diagnostics), and (iii) an insurance business (P&C and medical insurance). Georgia Capital also holds stakes in emerging and other small private businesses across different industries in Georgia and a 14.9% (31 December 2025: 16.9%) equity stake in LSE premium-listed Lion Finance Group PLC ("Lion Finance Group", "LFG", formerly Bank of Georgia Group PLC), which owns leading commercial banks in Georgia and Armenia. The shares of Georgia Capital are admitted to trading on the London Stock Exchange PLC's Main Market for listed securities under the ticker CGEO, effective 29 May 2018.

Georgia Capital's registered legal address is 51 Lime Street, 19$^{th}$ Floor, London, United Kingdom, EC3M 7DQ.

As at 30 June 2026 and 31 December 2025, the following shareholders owned more than 5% of the total outstanding shares* of Georgia Capital. Other shareholders individually owned less than 5% of the outstanding shares.

| Shareholder | *30 June 2026 (unaudited)* | *31 December 2025* |
|---|---|---|
| Lazard Asset Management LLC | 4% | 7% |
| Allan Gray Ltd | 6% | 6% |
| Gemsstock Ltd** | 6% | 6% |
| Wellington Management Company | 8% | 1% |
| Others | 76% | 80% |
| **Total** | **100%** | **100%** |

**For the purposes of calculating percentage of shareholding, the denominator includes total number of issued shares which includes shares held in the trust for share-based compensation purposes of the Group.*
***Omits holdings through certain financial instruments.*

References to the Group are applied in these financial statements in the context of going concern assessment, segment, fair valuation and risk management disclosures.

## 2. Basis of Preparation

### General

The Company's condensed half year financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the United Kingdom. They should be read in conjunction with the annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with UK-adopted international accounting standards ("IFRS"), were approved by the Board on 22 April 2026 and delivered to the Registrar of Companies.

The interim condensed financial statements are unaudited and have not been reviewed by auditors pursuant to the Auditing Practices Board guidance on "Review of interim financial information".

These interim condensed financial statements are presented in thousands of Georgian Lari ("GEL"), except per share amounts, which are presented in Georgian Lari, and unless otherwise noted.

## 2. Basis of Preparation (continued)

### Going concern

The Board of Directors of Georgia Capital has made an assessment of the Group's and Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for a period of at least 12 months from the date of approval of the financial statements. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's and Company's ability to continue as a going concern for the foreseeable future. Therefore, the financial statements continue to be prepared on a going concern basis.

## 3. Material Accounting Policy Information

The accounting policies and methods of computation applied in the preparation of these interim condensed financial statements are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended 31 December 2025. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments became effective from 1 January 2026 and had no material impact on the Company's condensed interim financial statements:

*Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments*

*Annual Improvements to IFRS Accounting Standards - Volume 11*

*Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7*

The following standards that are issued but not yet effective are also expected to have no material impact on the Company's condensed interim financial statements:

*IFRS 19 Subsidiaries without Public Accountability: Disclosures*
*IFRS for SMEs third edition*
*Disclosures about Uncertainties in the Financial Statements (Illustrative Examples)*
*Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)*
*Amendments to Greenhouse Gas Emissions Disclosures (Amendments to IFRS S2)*

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in the financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. Retrospective application of the standard is mandatory for annual reporting periods starting from 1 January 2027 onwards, but earlier application is permitted provided that this fact is disclosed. The Company is currently working to identify all impacts the standard will have on the primary financial statements and notes to the financial statements.

## 4. Segment Information

For management purposes, the Group is organised into the following operating segments as follows: listed portfolio, private large portfolio companies, private emerging and other portfolio companies, and corporate centre.

*Listed portfolio*

Lion Finance Group - The Group has a significant investment in London Stock Exchange premium-listed Lion Finance Group PLC. GCAP does not hold voting rights in LFG.

Water utility - during 2025, the Group exercised the put option on its 20% interest in the water utility business, using the pre-agreed multiple and respectively, derecognised the balance from investment in subsidiaries in the statement of financial position.

*Private portfolio companies segment*

*Large portfolio companies segment*

The large portfolio companies are companies that are close to reaching more than a GEL 300 million equity value. This segment includes investments in retail (pharmacy), insurance and healthcare services businesses.

The retail (pharmacy) business consists of a retail pharmacy chain and a wholesale business that sells pharmaceuticals and medical supplies to hospitals and other pharmacies.

The insurance business comprises property and casualty insurance and medical insurance businesses, principally providing wide-scale property and casualty and medical insurance services to corporate and retail clients.

The healthcare services business comprises hospitals, clinics, and diagnostics businesses. The hospitals business consists of two segments: large and specialty hospitals, the leading participant in Georgia's healthcare market, offering secondary and tertiary healthcare services; and regional and community hospitals, encompassing regional hospitals and community clinics that deliver outpatient and essential inpatient services. The clinics business consists of polyclinics, providing outpatient diagnostic and treatment services, and the diagnostics business, operating the largest laboratory in the entire Caucasus region.

*Emerging and other portfolio companies segment*

The emerging portfolio companies (renewable energy and education businesses) are companies which are currently small but have potential to emerge within the next two to three years as large-scale assets valued at more than a GEL 300 million equity value, while the other companies (hospitality, wine, auto service businesses and 20% equity stake in beer and distribution) are those that do not offer scalable growth potential.

Corporate centre consists of Georgia Capital PLC and JSC Georgia Capital.

Management monitors the fair values of its segments separately for the purposes of making decisions about resource allocation and performance assessment. Transactions between segments are accounted for at actual transaction prices.

## 4. Segment Information (continued)

The following table presents the Net Asset Value (NAV) of the Group's operating segments at 30 June 2026 and the roll-forward from 1 January 2026:

| *NAV Statement* | *1 January 2026* | *1.Value creation* | *2a. Investments and divestments* | *2b. Buybacks* | *2c. Dividends* | *3. Operat expense* |
|---|---|---|---|---|---|---|
| **Listed portfolio** | **2,489,286** | **454,973** | **(345,021)** | **-** | **(61,752)** | |
| *Lion Finance Group* | 2,489,286 | 454,973 | (345,021) | - | (61,752)* | |
| **Private portfolio companies** | **2,585,599** | **317,365** | **(6,657)** | **-** | **(24,539)** | |
| *Large portfolio companies* | **2,011,844** | **342,794** | **-** | **-** | **(23,566)** | |
| *Retail (pharmacy)* | 869,744 | 176,024 | - | - | (11,926) | |
| *Healthcare services* | 613,803 | 73,002 | - | - | - | |
| *Insurance* | 528,297 | 93,768 | - | - | (11,640) | |
| *Emerging and other portfolio companies* | **573,755** | **(25,429)** | **(6,657)** | **-** | **(973)** | |
| **Total portfolio value** | **5,074,885** | **772,338** | **(351,678)** | **-** | **(86,291)** | |
| **Net cash[5]** | **102,909** | **-** | **368,049** | **(144,393)** | **86,291** | **(17,9** |
| *of which, cash and liquid funds* | 219,565 | - | 368,049 | (144,393) | 88,273 | (17,9 |
| *of which, loans issued* | 2,236 | - | - | - | - | |
| *of which, dividend receivable* | 20,236 | - | - | - | (1,982) | |
| *of which, gross debt* | (139,128) | - | - | - | - | |
| Net other assets/(liabilities) | 16,733 | - | (16,371) | (653) | - | (9,5 |
| **Net Asset Value** | **5,194,527** | **772,338** | **-** | **(145,046)** | **-** | **(27,4** |

## 4. Segment Information (continued)

The following table presents the Net Asset Value (NAV) of the Group's operating segments at 30 June 2025 and the roll-forward from 1 January 2025:

| *NAV Statement* | *1 January 2025* | *1.Value creation* | *2a. Investments and divestments* | *2b. Buybacks* | *2c. Dividends* | *3.Operati expense* |
|---|---|---|---|---|---|---|
| **Listed and observable portfolio companies** | **1,609,035** | **838,450** | **(191,744)** | **-** | **(32,916)** | |
| *Lion Finance Group* | 1,421,035 | 834,706 | - | - | (32,916)* | |
| *Water utility* | 188,000 | 3,744 | (191,744) | - | - | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Private portfolio companies** | **2,152,455** | **175,910** | **12,692** | **-** | **(24,789)** | |
| *Large portfolio companies* | *1,557,951* | *227,126* | *-* | *-* | *(23,816)* | |
| *Retail (pharmacy)* | *716,130* | *108,285* | *-* | *-* | *(9,960)* | |
| *Healthcare services* | *413,876* | *69,468* | *-* | *-* | *-* | |
| *Insurance* | *427,945* | *49,373* | *-* | *-* | *(13,856)* | |
| *Emerging and other portfolio companies* | *594,504* | *(51,216)* | *12,692* | *-* | *(973)* | |
| **Total portfolio value** | **3,761,490** | **1,014,360** | **(179,052)** | **-** | **(57,705)** | |
| **Net debt[5]** | **(154,425)** | **-** | **179,052** | **(143,229)** | **57,705** | **(11,3** |
| *of which, cash and liquid funds* | *278,237* | *-* | *(12,692)* | *(143,229)* | *57,705* | *(11,* |
| *of which, loans issued* | *-* | *-* | *-* | *-* | *-* | |
| *of which, receivable on put option exercise* | *-* | *-* | *191,744* | *-* | *-* | |
| *of which, gross debt* | *(432,662)* | *-* | *-* | *-* | *-* | |
| Net other assets/(liabilities) | *1,948* | *-* | *-* | *(616)* | *-* | *(7,* |
| **Net Asset Value** | **3,609,013** | **1,014,360** | **-** | **(143,845)** | **-** | **(18,9** |

1.Value creation - measures the shareholder return on each portfolio company for Georgia Capital during the period. It is the aggregation of a) the change in beginning and ending fair values and b) dividend income during the period. The net result is then adjusted to remove capital injections (if any) to arrive at the total value creation/investment return.
2a. Investments and divestments - represents capital injections and divestments in portfolio companies made by JSC GCAP.
2b. Buybacks - represent buybacks made by GCAP PLC and JSC GCAP in order to satisfy share compensation of executives and purchases under buyback programme announced by GCAP PLC;
2c. Dividends - represent dividends received from portfolio companies by JSC GCAP.
3. Operating expenses - holding company aggregated operating expenses of GCAP PLC and JSC GCAP;
4. Liquidity management/FX/other - holding company aggregated movements of GCAP PLC and JSC GCAP related to liquidity management, foreign exchange movement and non-recurring and other.
5. Net cash/(debt) and net other assets/(liabilities) represent the corporate centre.

* In segment information, dividend income includes consideration received as a result of participation in the Lion Finance Group buyback programme.

## 4. Segment Information (continued)

Reconciliation of IFRS financial statements to NAV:

| | 30 June 2026 (unaudited) | | | | | |
|---|---|---|---|---|---|---|
| | *Georgia Capital PLC* | *Aggregation with JSC Georgia Capital** | *Elimination of double effect on investments* | *Aggregated holding company* | *Reclassifications*** | *NAV Statement* |
| Cash and cash equivalents | 6,022 | 388,988 | - | 395,010 | (395,010) | - |
| Amounts due from credit institutions | - | 62,042 | - | 62,042 | (62,042) | - |
| Marketable securities | - | 42,792 | - | 42,792 | (42,792) | - |
| Prepayments | 1,414 | - | - | 1,414 | (1,414) | - |
| Loans issued | - | 2,425 | - | 2,425 | (2,425) | - |
| Other assets, net | - | 22,505 | - | 22,505 | (22,505) | - |
| Equity investments at fair value | 5,790,789 | 5,367,340 | (5,744,823) | 5,413,306 | - | 5,413,306 |
| **Total assets** | **5,798,225** | **5,886,092** | **(5,744,823)** | **5,939,494** | **(526,188)** | **5,413,306** |
| Debt securities issued | - | 136,580 | - | 136,580 | (136,580) | - |
| Other liabilities | 4,522 | 4,689 | - | 9,211 | (9,211) | - |
| **Total liabilities** | **4,522** | **141,269** | **-** | **145,791** | **(145,791)** | **-** |
| Net cash | - | - | - | - | 383,943 | 383,943 |

| | | | | | | |
|---|---|---|---|---|---|---|
| *of which, cash and liquid funds* | - | - | - | - | *499,844* | *499,844* |
| *of which, loans issued* | - | - | - | - | *2,425* | *2,425* |
| *of which, dividend receivable* | - | - | - | - | *18,254* | *18,254* |
| *of which, gross debt* | - | - | - | - | *(136,580)* | *(136,580)* |
| Net other liabilities | - | - | - | - | (3,546) | (3,546) |
| **Total equity/NAV** | **5,793,703** | **5,744,823** | **(5,744,823)** | **5,793,703** | **-** | **5,793,703** |

| | 30 June 2025 (unaudited) | | | | | |
|---|---|---|---|---|---|---|
| | *Georgia Capital PLC* | *Aggregation with JSC Georgia Capital** | *Elimination of double effect on investments* | *Aggregated holding company* | *Reclassifications*** | *NAV Statement* |
| Cash and cash equivalents | 2,748 | 126,593 | - | 129,341 | (129,341) | - |
| Amounts due from credit institutions | - | 5,025 | - | 5,025 | (5,025) | - |
| Marketable securities | - | 11,458 | - | 11,458 | (11,458) | - |
| Prepayments | 1,356 | - | - | 1,356 | (1,356) | - |
| Loans issued | - | 513 | - | 513 | (513) | - |
| Other assets, net | - | 196,888 | - | 196,888 | (196,888) | - |
| Equity investments at fair value | 4,462,138 | 4,495,969 | (4,415,855) | 4,542,252 | - | 4,542,252 |
| **Total assets** | **4,466,242** | **4,836,446** | **(4,415,855)** | **4,886,833** | **(344,581)** | **4,542,252** |
| Debt securities issued | - | 414,958 | - | 414,958 | (414,958) | - |
| Other liabilities | 3,031 | 5,633 | - | 8,664 | (8,664) | - |
| **Total liabilities** | **3,031** | **420,591** | **-** | **423,622** | **(423,622)** | **-** |
| Net debt | - | - | - | - | (76,877) | (76,877) |
| *of which, cash and liquid funds* | - | - | - | - | *150,748* | *150,748* |
| *of which, loans issued* | - | - | - | - | *513* | *513* |
| *of which, receivable on put option exercise* | - | - | - | - | *191,744* | *191,744* |
| *of which, gross debt* | - | - | - | - | *(419,882)* | *(419,882)* |
| Net other liabilities | - | - | - | - | (2,164) | (2,164) |
| **Total equity/NAV** | **4,463,211** | **4,415,855** | **(4,415,855)** | **4,463,211** | **-** | **4,463,211** |

** For a detailed breakdown of JSC Georgia Capital refer to Note 7.*
*** Reclassification to aggregated balances to arrive at the NAV specific presentation, such as: aggregating cash, marketable securities, repurchased GCAP bonds as cash and liquid funds, debt securities issued as gross debt and netting of other assets and liabilities.*

## 4. Segment Information (continued)

The following table presents income statement information of the Group's operating segments for the six months ended 30 June 2026 (Unaudited):

| | *Private portfolio companies* | | | | |
|---|---|---|---|---|---|
| | *Listed portfolio* | *Large* | *Emerging and other* | *Corporate centre* | *Total* |
| Gains/(losses) on investments at fair value | 393,221 | 319,228 | (26,402) | - | 686,047 |
| *Listed investment* | 393,221 | - | - | - | 393,221 |
| *Private investments* | - | 319,228 | (26,402) | - | 292,826 |
| Dividend income | 61,752 | 23,566 | 973 | - | 86,291 |

| | | | | | |
|---|---|---|---|---|---|
| Interest income | - | - | - | 5,256 | 5,256 |
| Gain on liquid funds | - | - | - | 85 | 85 |
| **Gross investment profit/(loss)** | **454,973** | **342,794** | **(25,429)** | **5,341** | **777,679** |
| Administrative expenses | - | - | - | (7,167) | (7,167) |
| Salaries and other employee benefits | - | - | - | (20,270) | (20,270) |
| Interest expense | - | - | - | (5,912) | (5,912) |
| **Profit/(loss) before provisions, foreign exchange and non-recurring items** | **454,973** | **342,794** | **(25,429)** | **(28,008)** | **744,330** |
| Expected credit loss reversal | - | - | - | 326 | 326 |
| Net foreign currency loss | - | - | - | (9,004) | (9,004) |
| Non-recurring expense | - | - | - | (15,006) | (15,006) |
| **Profit/(loss) before income taxes** | **454,973** | **342,794** | **(25,429)** | **(51,692)** | **720,646** |
| Income tax | - | - | - | - | - |
| **Profit/(loss) for the period** | **454,973** | **342,794** | **(25,429)** | **(51,692)** | **720,646** |

## 4. Segment Information (continued)

The following table presents income statement information of the Group's operating segments for the six months ended 30 June 2025 (Unaudited):

| | *Private Portfolio Companies* | | | | | |
|---|---|---|---|---|---|---|
| | *Listed & observable portfolio companies* | *Large* | *Emerging and other* | *Corporate center* | *Total* | *Intra inves reve a adjust* |
| Gains/(losses) on investments at fair value | 805,534 | 203,310 | (52,189) | - | 956,655 | |
| *Listed and observable investments* | *805,534* | - | - | - | *805,534* | *(8* |
| *Private investments* | *-* | *203,310* | *(52,189)* | - | *151,121* | |
| Dividend income | *32,916* | 23,816 | 973 | - | 57,705 | ( |
| Interest income | - | - | - | 4,637 | 4,637 | |
| Gain on liquid funds | - | - | - | 73 | 73 | |
| **Gross investment profit/(loss)** | **838,450** | **227,126** | **(51,216)** | **4,710** | **1,019,070** | **(** |
| Administrative expenses | - | - | - | (6,004) | (6,004) | |
| Salaries and other employee benefits | - | - | - | (12,975) | (12,975) | |
| Interest expense | - | - | - | (18,026) | (18,026) | |
| **Profit/(loss) before provisions, foreign exchange and non-recurring items** | **838,450** | **227,126** | **(51,216)** | **(32,295)** | **982,065** | |
| Expected credit loss reversal | - | - | - | 214 | 214 | |
| Net foreign currency gain | - | - | - | 11,217 | 11,217 | |
| Non-recurring expense | - | - | - | (4,749) | (4,749) | |
| **Profit/(loss) before income taxes** | **838,450** | **227,126** | **(51,216)** | **(25,613)** | **988,747** | |
| Income tax | - | - | - | - | - | |
| **Profit/(loss) for the period** | **838,450** | **227,126** | **(51,216)** | **(25,613)** | **988,747** | |

## 5. Equity Investments at Fair Value

| | *30 June 2026 (unaudited)* | *31 December 2025* |
|---|---|---|
| Subsidiaries (Note 7) | 5,790,789 | 5,183,691 |
| *of which JSC GCAP* | *5,744,823* | *5,136,481* |
| *of which GBH Limited* | *45,966* | *47,210* |
| **Equity Investments at Fair Value** | **5,790,789** | **5,183,691** |

| | *2026* | *2025* |
|---|---|---|
| **At 1 January** | **5,183,691** | **3,606,400** |
| Fair value gain and dividend income | 741,990 | 993,424 |
| Dividend income* | (39,797) | (37,559) |
| Capital redemption** | (95,233) | (100,195) |
| Capital injection** | 138 | 68 |
| **At 30 June (unaudited)** | **5,790,789** | **4,462,138** |

* During six months ended 30 June 2026 JSC Georgia Capital paid a dividend to its 100% shareholder, GCAP PLC, in the amount of GEL 39,797 (30 June 2025: GEL 37,559).
** During six months ended 30 June 2026 JSC Georgia Capital made a cash capital reduction to its 100% shareholder with total consideration of GEL 95,233 (30 June 2025: GEL 100,195).

Georgia Capital PLC holds an investment in JSC Georgia Capital (an investment entity on its own), which holds a portfolio of investments; both meet the definition of an investment entity and Georgia Capital PLC measures its investment in JSC Georgia Capital at fair value through profit or loss. Starting from December 2024, Georgia Capital PLC also holds an investment in Georgian Beverages Holding Limited which is measured at fair value through profit or loss. Through this entity, Georgia Capital PLC holds its minority interest in the beer and distribution business. For the breakdown and detailed information regarding the equity investments at fair value, refer to Note 7.

## 6. Equity

**Share capital**

As at 30 June 2026 issued share capital comprised of 34,018,324 authorised common shares (30 June 2025: 36,917,357), of which 34,018,324 were fully paid (30 June 2025: 36,917,357). Each share has a nominal value of one British penny. Shares issued and outstanding as at 30 June 2026 and 30 June 2025 are described below:

| | *Number of ordinary shares* | *Amount* |
|---|---|---|
| **1 January 2026** | **34,934,357** | **1,148** |
| Cancellation of shares | (916,033) | (30) |
| **30 June 2026 (unaudited)** | **34,018,324** | **1,118** |

| | *Number of ordinary shares* | *Amount* |
|---|---|---|
| **1 January 2025** | **39,559,135** | **1,300** |
| Cancellation of shares | (2,641,778) | (87) |
| **30 June 2025 (unaudited)** | **36,917,357** | **1,213** |

### Treasury shares

During six months ended 30 June 2026, the Company paid cash consideration of GEL 136,393 (30 June 2025: GEL 136,525) for acquisition of treasury shares, of which GEL 8,624 (30 June 2025: GEL 499) was related to shares acquired for settlement of employee share-based payments and GEL 127,769 (30 June 2025: GEL 136,026) were other acquisitions made by the Company, including those under the share buyback programme.

During the six months ended 30 June 2026, 951,033 (30 June 2025: 2,645,394) treasury shares were bought back under the buyback programme. 916,033 shares were cancelled in the six months ended 30 June 2026 (30 June 2025: 2,641,778) and 65,000 shares (30 June 2025: 70,000) are held in treasury.

**Earnings per share**

| | *30 June 2026 (unaudited)* | *30 June 2025 (unaudited)* |
|---|---|---|
| **Basic earnings per share** | | |
| Profit for the period attributable to ordinary shareholders of the Group | 736,131 | 991,652 |
| Weighted average number of ordinary shares outstanding during the period | 31,494,072 | 34,298,711 |
| Earnings per share (GEL) | 23.3736 | 28.9122 |
| **Diluted earnings per share*** | | |
| Profit for the period attributable to ordinary shareholders of the Group | 736,131 | 991,652 |
| Weighted average number of diluted ordinary shares outstanding during the period | 32,066,214 | 34,948,046 |
| Diluted earnings per share (GEL) | 22.9566 | 28.3750 |

* effect arises from the Group's share-based compensation arrangements.

## 7. Fair Value Measurements

**Fair value hierarchy**

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability. The following tables show analysis

of assets and liabilities measured at fair value or for which fair values are disclosed by level of the fair value hierarchy:

| 30 June 2026 (unaudited) | *Level 1* | *Level 2* | *Level 3* | *Total* |
|---|---|---|---|---|
| **Assets measured at fair value** | | | | |
| Equity investments at fair value | - | - | 5,790,789 | 5,790,789 |

| 31 December 2025 | *Level 1* | *Level 2* | *Level 3* | *Total* |
|---|---|---|---|---|
| **Assets measured at fair value** | | | | |
| Equity investments at fair value | - | - | 5,183,691 | 5,183,691 |

**Valuation techniques**

The following is a description of the determination of fair value for financial instruments which are recorded at fair value using valuation techniques. These incorporate the Company's estimate of assumptions that a market participant would make when valuing the instruments.

## 7. Fair Value Measurements (continued)

**Valuation techniques (continued)**

*Assets for which fair value approximates carrying value*

For financial assets and financial liabilities that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

*Fixed rate financial instruments*
The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates offered for similar financial instruments. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and maturity.

*Investment in subsidiaries*
Equity investments at fair value include investments in subsidiaries at fair value through profit or loss representing 100% interest of JSC Georgia Capital and 92.4% in Georgian Beverages Holding Limited (through which Georgia Capital PLC holds its minority interest in the beer and distribution business). Georgia Capital PLC holds an investment in JSC Georgia Capital (an investment entity on its own), which holds a portfolio of investments; both meet the definition of an investment entity and Georgia Capital PLC measures its investment in JSC Georgia Capital at fair value through profit or loss. Investments in investment entity subsidiaries and loans issued are accounted for as financial instruments at fair value through profit and loss in accordance with IFRS 9. Debt securities owned are measured at fair value. In the ordinary course of business, the Net Asset Value of investment entity subsidiaries is considered to be the most appropriate to determine fair value. JSC Georgia Capital's Net Asset Value as of 30 June 2026 and 31 December 2025 is determined as follows:

| | *30 June 2026 (unaudited)* | *31 December 2025* |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | 388,988 | 186,175 |
| Amounts due from credit institutions | 62,042 | 10,256 |
| Marketable securities | 42,792 | 9,639 |
| Equity investments at fair value | 5,367,340 | 5,027,675 |
| *Of which listed investment* | *2,537,486* | *2,489,286* |
| *Lion Finance Group* | *2,537,486* | *2,489,286* |
| *Of which private investments* | *2,829,854* | *2,538,389* |

| | | |
|---|---|---|
| *Large portfolio companies* | *2,334,153* | *2,011,844* |
| *Retail (pharmacy)* | *1,035,317* | *869,744* |
| *Healthcare services* | *687,676* | *613,803* |
| *Insurance* | *611,160* | *528,297* |
| *Emerging and other companies* | *495,701* | *526,545* |
| Loans issued | 2,425 | 18,068 |
| Other assets | 22,505 | 24,566 |
| **Total assets** | **5,886,092** | **5,276,379** |
| | | |
| **Liabilities** | | |
| Debt securities issued | 136,580 | 139,128 |
| Other liabilities | 4,689 | 770 |
| **Total liabilities** | **141,269** | **139,898** |
| | | |
| **Net Asset Value** | **5,744,823** | **5,136,481** |

**7. Fair Value Measurements (continued)**

**Valuation techniques (continued)**

In measuring fair values of JSC Georgia Capital's investments, following valuation methodology is applied:

*Equity investments in listed and observable portfolio companies*
Equity instruments listed on an active market are valued at the price within the bid/ask spread, that is most representative of fair value at the reporting date, which usually represents the closing bid price. The instruments are included within level 1 of the hierarchy in JSC GCAP financial statements. The listed and observable portfolio also includes instruments for which there is a clear exit path from the business, e.g. through a put and/or call options at pre-agreed multiples. In such cases, pre-agreed terms are used for valuing the company.

*Equity investments in private portfolio companies*
Equity investments in private portfolio companies are valued by applying an appropriate valuation method, which makes maximum use of market-based public information, is consistent with valuation methods generally used by market participants and is applied consistently from period to period, unless a change in valuation technique would result in a more reliable estimation of fair value.

The value of an unquoted equity investment is generally crystallised through the sale or flotation of the entire business. Therefore, the estimation of fair value is based on the assumed realisation of the entire enterprise at the reporting date. Recognition is given to the uncertainties inherent in estimating the fair value of unquoted companies and appropriate caution is applied in exercising judgements and in making the necessary estimates.

*Large portfolio companies* - An independent third-party valuation firm is engaged to assess fair value ranges of large private portfolio companies at the reporting date starting from 31 December 2020. The independent valuation company has extensive relevant industry and emerging markets experience. Valuation is performed by applying several valuation methods including an income approach based mainly on discounted cash flow and a market approach based mainly on listed peer multiples. The principal method for valuing the investments uses the income approach with a cross-check to the market approach. Starting from 2025, the valuation methodology was revised from a weighted approach incorporating multiple valuation methods, as used in previous reporting periods. This change did not have a material impact on the investment values, as the income approach had been heavily weighted under the prior methodology as well. Management selects what is considered to be the most appropriate point in the provided fair value range at the reporting date.

*Emerging and other portfolio companies* - Emerging private portfolio's fair value assessment is performed by an independent third-party valuation firm at the reporting date starting from 30 June 2022, applying the same valuation methodology as described above. Other portfolio companies' fair value assessment is performed internally. The methodology for valuing other portfolio businesses is a mix of income approach based mainly on discounted cash flow and a market approach based mainly on listed peer multiples.

**7. Fair Value Measurements (continued)**

**Valuation techniques (continued)**

*Equity Investments in Private Portfolio Companies (continued)*

The fair value of equity investments is determined using one of the valuation methods described below:

*Discounted cash flow*
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. The discount rate is estimated with reference to the market risk-free rate, a risk adjusted premium and information specific to the business or market sector. Under the discounted cash flow analysis unobservable inputs are used, such as estimates of probable future cash flows and an internally-developed discounting rate of return.

*Listed peer group multiples*
This methodology involves the application of a listed peer group earnings multiple to the earnings of the business. The earnings multiple used in valuation is determined by reference to listed peer group multiples appropriate for the period of earnings calculation for the investment being valued.

A peer group is identified for each equity investment taking into consideration points of similarity with the investment such as industry, business model, size of the company, economic and regulatory factors, growth prospects (higher growth rate) and risk profiles. Some peer-group companies' multiples may be more heavily weighted during valuation if their characteristics are closer to those of the company being valued than others.

As a rule of thumb, last 12-month earnings will be used for the purposes of valuation as a generally accepted method. Earnings are adjusted where appropriate for exceptional, one-off or non-recurring items. Fair value of equity investments in private companies are determined as their enterprise value less net financial debt (gross face value of debt less cash) appearing in the most recent financial statements. The resulting fair value of equity is allocated between Georgia Capital and other shareholders of the portfolio company, if any.

*Net Asset Value*

The net assets methodology involves estimating fair value of an equity investment in a private portfolio company based on its book value at reporting date. This method is appropriate for businesses whose value derives mainly from the underlying value of its assets and where such assets are already carried at their fair values (fair values determined by professional third-party valuation companies) on the balance sheet.

**7. Fair Value Measurements (continued)**

**Valuation techniques (continued)**

*Equity Investments in Private Portfolio Companies (continued)*

*Price of recent investment*

The price of a recent investment resulting from an orderly transaction, generally represents fair value as of the transaction date. At subsequent measurement dates, the price of a recent investment may be an appropriate starting point for estimating fair value. However, adequate consideration is given to the current facts and circumstances to assess at each measurement date whether changes or events subsequent to the relevant transaction imply a change in the investment's fair value.

*Exit price*

Fair value of a private portfolio company in a sales process, where the price has been agreed but the transaction has not yet settled, is measured at the best estimate of expected proceeds from the transaction, adjusted pro-rata to the proportion of shareholding sold.

*Validation*

Fair value of investments estimated using one of the valuation methods described above is cross-checked using several other valuation methods such as listed peer group or transaction multiples and DCF. If the analysis significantly differs from the fair value estimate derived using primary valuation method, the difference is examined thoroughly, and judgement is applied in estimating fair value at the measurement date. In line with GCAP's strategy, from time to time, we may receive offers from interested buyers for the private portfolio companies, which would be considered in the overall valuation assessment, where appropriate.

**Valuation process for level 3 valuations**

As of 30 June 2026, Georgia Capital hired third-party valuation professionals to assess fair value of the large and emerging private portfolio companies, which include retail (pharmacy), Insurance (consisting of a. P&C insurance and b. medical insurance), healthcare services (hospitals and clinics and diagnostics), renewable energy and education. Management selects most appropriate point in the provided fair value range at the reporting date. Fair values of investments in other private portfolio companies are assessed internally in accordance with Georgia Capital's valuation methodology by the Valuation Workgroup.

Georgia Capital's Management Board proposes fair value to be placed at each reporting date to the Audit and Valuation Committee. The Audit and Valuation Committee is responsible for the review and approval of fair values of investments at the end of each reporting period.

**Description of significant unobservable inputs to level 3 valuations**

The approach to valuations as of 30 June 2026 was consistent with the Company's valuation process and policy.

Management analyses the impact of climate change on the valuations, such as by incorporation of known effects of climate risks to the future cash flow forecasts or through adjusting peer multiples the known differences in the climate risk exposure as compared to the investment being fair valued. As at 30 June 2026, the management concluded that the effects of the climate risks are reflected in the peer multiples and discount rates used in the valuations and that no specific adjustments are required in relation of the Group's investment portfolio measurement and respective fair value sensitivity disclosures.

## 7. Fair Value Measurements (continued)

**Description of significant unobservable inputs to level 3 valuations (continued)**

The following tables show descriptions of significant unobservable inputs to level 3 valuations of equity investments:

| | | | *30 June 2026 (unaudited)* | | *31 December 2025* | |
|---|---|---|---|---|---|---|
| *Description* | *Valuation technique* | *Unobservable input* | *Range* | *Fair value* | *Range* | *Fair value* |
| Loans issued | DCF | Discount rate | 18.0% | 2,425 | 11.0%-18.0% | 18,068 |
| Equity investments at fair value | Income approach, DCF | Discount rate | 12.0%-20.0% | 2,733,140 | 12.0%-21.5% | 2,392,052 |
| Equity investments at fair value | Market approach, comparable companies | EV/EBITDA multiple | 5.3x-20.0x [6.1x-9.2x] | 96,714 | 5.5x-19.0x [6.6x-9.4x] | 146,337 |

**Sensitivity analysis to significant changes in unobservable inputs within level 3 hierarchy**

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements, and how a reasonable change in the input would affect the fair value:

| | *30 June 2026 (unaudited)* | | *31 December 2025* | |
|---|---|---|---|---|
| *Sensitivity analysis* | *Fair value impact* | *Fair value impact %* | *Fair value impact* | *Fair value impact %* |
| Discount rate +50 bps | (125,278) | -4% | (127,092) | -3% |
| Discount rate -50 bps | 136,747 | +5% | 137,624 | +3% |
| Peer multiple +10% | 14,613 | +0.3% | 19,399 | +0.4% |
| Peer multiple -10% | (14,613) | -0.3% | (19,399) | -0.4% |

**7. Fair Value Measurements (continued)**

In June 2026, Georgia Capital successfully completed the disposal of its housing development business, m2, one of the leading residential real estate developers in Georgia. The divestment of GEL 9.4 million attributable to the disposal of the housing development business was recorded on the balance sheet as of 30 June 2026.

In October 2024, Georgia Capital entered into an agreement with a subsidiary of Royal Swinkels N.V. ("Royal Swinkels") for the disposal of the beer and distribution business. Following the disposal, the beer and distribution business is held through a new holding company domiciled in the Netherlands (the "Dutch Holdco"). Royal Swinkels holds 80% of Dutch Holdco and GCAP PLC and its minority co-investor hold the other 20% (an effective 18.5% stake for GCAP). The transaction was completed and GCAP received net proceeds of c.USD 63.0 million by 31 December 2024. The parties have put in place a put/call structure relating to the remaining 20% holding. The put option granted to GCAP PLC and its minority co-investor can be exercised at a pre-agreed EV/EBITDA multiple, in each of the 12-month periods following the approval of the audited consolidated financial statements of the Dutch Holdco by shareholders for each of the financial years ended 31 December 2028, 2029 and 2030.

During 2025, minority shareholders of Georgia Capital's schools in the affordable segment exercised put options over their minority interests in the schools according to the terms defined in the initial Sale and Purchase Agreement (SPA). As a result, Georgia Capital's ownership in the schools increased from 80% to 88.5% and 90% to 92.5%, respectively.

In December 2023, the Georgian National Competition Agency (the "Agency") imposed fines on four companies in the Georgian pharmaceutical retailers' sector, including GCAP's retail (pharmacy) business, for alleged anti-competitive actions related to price quotations on certain prescription medicines funded under the state programme. The penalty amount assessed by the Agency on the retail (pharmacy) business is GEL 20.0 million derived by utilising the single rate across all the alleged participants. The company has appealed the Agency's decision in court and plans to vigorously defend its position. No date of hearing has been set yet.

As at 30 June 2026, Georgia Education Group, LLC (GEG) was involved in litigation with the minority partner of the British Georgian Academy, LLC (BGA). The minority partner initially was claiming the annulment of the memorandum of understanding (MoU) pursuant to which GEG acquired 70% of BGA. The lawsuit was amended several times by the minority partner and now seeks damages in the amount of USD 15.5 million. In January 2026, GEG received two additional claims from BGA's minority partner, one seeking the exclusion of GEG as a shareholder from BGA and the reinstatement of a 70% ownership stake in BGA and another one seeking damages of GEL 3.0 million. In May 2026, GEG filed a counterclaim against the minority partner seeking her expulsion from the BGA partnership. On 17 July 2026, GEG received yet another claim from BGA's minority partner seeking transfer of GEG shares in other schools. The cases are currently pending before the Tbilisi City Court of first instance. GEG's assessment of the claim is that the claimant's allegations are based on false factual grounds and are without any legal merit. Management shares GEG's assessment of the merits of the case and considers that the probability of incurring losses on this claim is low.

As at 30 June 2026, the Group's companies (GEG, Georgia Capital PLC, JSC Georgia Capital) were involved in litigation with the minority partner of the BGA in the High Court of England and Wales. The substance of the claims mirrors the proceedings previously initiated before the Georgian courts. The Group's assessment of the case is that the minority partner's allegations are based on false factual grounds and are without any legal merit. In addition, the Group considers that the minority partner's claims do not fall within the jurisdiction of the UK courts and expects the proceedings to be dismissed at the jurisdictional stage. The first hearing date was held on 21st of July 2026. The date of the next hearing has not yet been fixed. The Group regards the claim as frivolous, not filed for a genuine cause, and considers that the probability of incurring losses in connection with this claim to be low.

*Movements in level 3 financial instruments measured at fair value*

The following tables show a reconciliation of the opening and closing amounts of level 3 financial assets which are recorded at fair value:

| *At 1 January 2025* | *Fair value gain* | *Capital redemption/injection* | *Capital increase* | *At 31 December 2025* | *Fair value gain* | *Capital redemption /injection* | *Dividend income* | *At 30 June 2026 (unaudited)* |
|---|---|---|---|---|---|---|---|---|

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Level 3 financial assets** | | | | | | | | | |
| Equity investments at fair value (Note 5) | 3,606,400 | 1,898,684 | (196,916) | (124,477) | 5,183,691 | 741,990 | (95,095) | (39,797) | 5,790,789 |

## 8. Maturity Analysis

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

| | *30 June 2026 (unaudited)* | | |
|---|---|---|---|
| | *Less than 1 Year* | *More than 1 Year* | *Total* |
| Cash and cash equivalents | 6,022 | - | 6,022 |
| Equity investments at fair value | - | 5,790,789 | 5,790,789 |
| Prepayments | 1,414 | - | 1,414 |
| **Total assets** | **7,436** | **5,790,789** | **5,798,225** |
| Other liabilities | 4,522 | - | 4,522 |
| **Total liabilities** | **4,522** | **-** | **4,522** |
| **Net assets** | **2,914** | **5,790,789** | **5,793,703** |

| | *31 December 2025* | | |
|---|---|---|---|
| | *Less than 1 Year* | *More than 1 Year* | *Total* |
| Cash and cash equivalents | 13,495 | - | 13,495 |
| Equity investments at fair value | - | 5,183,691 | 5,183,691 |
| Prepayments | 1,194 | - | 1,194 |
| **Total assets** | **14,689** | **5,183,691** | **5,198,380** |
| Other liabilities | 3,853 | - | 3,853 |
| **Total liabilities** | **3,853** | **-** | **3,853** |
| **Net assets** | **10,836** | **5,183,691** | **5,194,527** |

## 9. Related Party Disclosures

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties. All transactions with related parties disclosed below have been conducted on an arm's length basis.

There were no related party transactions for the six months ended 30 June 2026 and for the six months ended 30 June 2025, other than dividend income of GEL 39,797 from JSC GCAP for the six months ended 30 June 2026 (30 June 2025: GEL 37,559), capital redemption/injection from JSC GCAP (Note 5) and compensation of key management personnel disclosed below.

The compensation of key management personnel for the Company and its 100%-owned subsidiary, JSC GCAP, comprised the following:

| | **30 June 2026 (unaudited)** | **30 June 2025 (unaudited)** |
|---|---|---|

| | | |
|---|---|---|
| Salaries and other benefits | (6,382) | (380) |
| Share-based payments compensation | (8,839) | (2,885) |
| **Total key management compensation** | **(15,221)** | **(3,265)** |

## 9. Related Party Disclosures (continued)

Key management personnel receive both cash-settled and share-based compensation. The number of key management personnel at 30 June 2026 was 5 (30 June 2025: 5).

For the details of related party balances comprising of equity investments at fair value please, refer to Note 5.

## 10. Events after the Reporting Period

### JSC Georgia Capital to fully redeem its outstanding local bonds

On 9 July 2026, JSC Georgia Capital, the Company's 100%-owned subsidiary, submitted a formal notice to the Georgian Central Securities Depositary exercising the call option on its remaining USD 50 million sustainability-linked bonds and requested that the Georgian Stock Exchange publish the notice on its platform. Settlement is expected in the second half of August 2026, following which GCAP will have fully repaid its outstanding holding company debt.

## 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) a healthcare services business, (3) an insurance business.** Georgia Capital also holds other small private businesses across different industries in Georgia, as well as a 14.9% equity stake as at 30-Jun-26 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.

*Forward looking statements*

This announcement contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although Georgia Capital PLC believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond our control, include, among other things: regional instability; currency fluctuations and risk, including depreciation of the Georgian Lari, and macroeconomic risk, regulatory risk across a wide range of industries; investment risk; liquidity risk; portfolio company strategic and execution risks and other key factors that could adversely affect our business and financial performance, which are contained elsewhere in this document and in our past and future filings and reports and also the 'Principal Risks and Uncertainties' included in this document and in Georgia Capital PLC's Annual Report and Accounts 2025. No part of this document constitutes, or shall be taken to constitute, an invitation or inducement to invest in Georgia Capital PLC or any other entity and must not be relied upon in any way in connection with any investment decision. Georgia Capital PLC and other entities undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this document should be construed as a profit forecast.

*Disclaimer*

Georgia Capital engaged Kroll, a third-party independent valuation firm to provide a range of fair values of certain subject investments. For the period ended 30 June 2026, Georgia Capital asked the independent valuation firm to independently estimate a range of fair value for 100 percent of Georgia Healthcare Group ("GHG"), A Group ("Insurance"), Georgia Pharmacy Group ("Pharmacy"), Georgian Renewable Power Holding ("GRPH") and Georgia Education Group ("GEG"). Kroll performed limited procedures and applied their judgement to estimate fair value range based on the facts and circumstances known to them as at the valuation date, 30 June 2026. The analysis performed by Kroll was based upon data and assumptions provided by Georgia Capital and received from third party sources, which the independent valuation firm relied upon as being accurate without independent verification. The advice of the third-party independent valuation firm is one input that the Georgia Capital considered for determining the fair value of GHG, Insurance, Pharmacy, GRPH and GEG for which the Company is ultimately and solely responsible. In this context, Kroll's role as independent valuation service provider did not constitute an endorsement of Georgia Capital either from a financial or operational point of view, nor did they provide a transaction, fairness or solvency opinion. The results of the independent valuation report should not be relied upon by anyone for any investment or transaction purpose related to the Company or any underlying investments.

## COMPANY INFORMATION

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

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[1] See "Basis of Presentation" for more background on page 18. 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 18.

[3] Figures include accrued dividend income from Lion Finance Group PLC.

[4] 2Q25 and 1H25 figures include GEL 3.7 million value creation attributable to the water utility business, which was divested in June 2025.

[5] Includes both the buybacks under the share buyback and cancellation programme and for the management trust.

[6] Includes both cash and buyback dividends.

[7] The results of our five businesses included in the emerging and other portfolio (described on page 16) are not broken out separately. Performance totals, however, include the emerging and other portfolio companies' results, excluding the housing development business disposed in June 2026.

[8] Determined by taking into account the peak number of 47.9 million shares issued as of 31-Dec-20.

[9] Please see definition in glossary on page 18.

[10] 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.

[11] Change in the fair value attributable to the change in valuation multiples and the effect of exchange rate movement on net debt.

[12] Please read more about valuation methodology on page 18 in "Basis of presentation".

[13] Investments are made at JSC Georgia Capital level, the Georgian holding company.

[14] Please see definition in glossary on page 18.

[15] 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.

[16] Change in the fair value attributable to the change in valuation multiples and the effect of exchange rate movement on net debt.

[17] Investments are made at JSC Georgia Capital level, the Georgian holding company.

[18] Includes expenses such as external audit fees, legal counsel, corporate secretary and other similar administrative costs.

[19] Cash-based management expenses are cash salary and cash bonuses paid/accrued for staff and management compensation.

[20] Share-based management expenses are share salary and share bonus expenses of management and staff.

[21] Fund type expenses include expenses such as audit and valuation fees, fees for legal advisors, Board compensation and corporate secretary costs.

[22] Management fee is the sum of cash-based and share-based operating expenses (excluding fund-type costs).

[23] The detailed IFRS financial statements are included in supplementary excel file, available at https://georgiacapital.ge/investor-relations/financial-results. In 2026, revenue generated under state-funded programme and sold through retail channels was reclassified from wholesale to retail revenue, reflecting the fact that retail serves as the distribution channel for such sales. Comparative periods and the related operating data have been restated accordingly.

[24] Of which - cash outflow on capex of GEL 4.4 million in 2Q26 and GEL 7.5 million in 1H26 (GEL 5.9 million in 2Q25 and GEL 10.4 million in 1H25); proceeds from sale of assets of GEL 0.2 million in 2Q26 and GEL 0.3 million in 1H26 (GEL 0.3 million in 2Q25 and GEL 1.1 million in 1H25); cash outflow on minority acquisition of GEL 1.3 million in 2Q26 and 1H26 (GEL 1.0 million in 2Q25 and 1H25).

[25] Calculated by deducting capex and minority acquisition from operating cash flows and adding proceeds from the sale of PPE/IP.

[26] Figures take into account the application of the minority buyout agreement.

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

[28] Net revenue - Gross revenue less corrections and rebates. Margins are calculated from gross revenue.

[29] Of which - capex of GEL 12.3 million in 2Q26 and GEL 24.7 million in 1H26 (GEL 16.9 million in 2Q25 and GEL 31.5 million in 1H25); proceeds from the sale of property of GEL 2.4 million in 2Q26 and GEL 2.4 million in 1H26 (nil in 2Q25 and GEL 2.2 million in 1H25).

[30] Operating cash flows less capex, plus net proceeds from the sale of assets.

[31] Total figures take into account inter-business and inter-segment eliminations and therefore do not equal the sum of the presented components.

[32] The respective costs divided by gross revenues.

[33] Total figures take into account inter-business and inter-segment eliminations and therefore do not equal the sum of the presented components.

[34] P&C market share tends to be lower in the first quarter, as the large accounts of the portfolio are predominantly renewed in the upcoming quarters.

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

[36] Calculated based on average equity, adjusted for preferred shares.

[37] Emerging and other portfolio companies' performance highlights are presented excluding the beer and distribution business, where GCAP has a 20% minority holding, and excluding the housing development business, which was disposed in June 2026. Aggregated numbers are presented on a like-for-like basis.

[38] Please see definition in glossary on page 18.

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