



Regional Fixed Income Market Watch

Georgia, Armenia, Azerbaijan, Kazakhstan, Turkey, Uzbekistan

Regional | Fixed Income
Monthly
June 3, 2024

In May, regional fixed income markets saw a general rise in yields. Bond prices fell in sovereign fixed income markets of Georgia, Turkey, and Kazakhstan. Meanwhile, ARMENIA 25 price increased, causing a 20.1bps yield reduction.

In Georgian corporate bond market, all Eurobonds saw a decline in price. SILKNET 27 and GRAIL 28 were most affected, with yield increasing by 52.9bps and 51.1bps, respectively.

Central banks

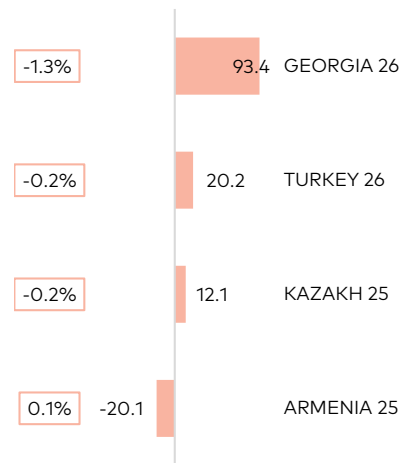
In May, the central banks of Georgia, Azerbaijan, and Kazakhstan have cut rates by 25bps each, with base interest rates now standing at 8.00%, 7.25%, and 14.50%, respectively.

Georgia money market

In May-24, GEL 216.8mn treasury notes and GEL 40mn treasury bills were sold. Notably, interest rates increased on all instruments m/m. The weighted average interest rate on 10-year notes was 9.058%, 5-year notes was 8.880%, on 2-year notes was 7.983%, on 1-year instrument was 8.063%, and it came in at 8.048% for 6-month instruments. Notably, non-residents' treasury holdings decreased by 3.4% m/m to GEL 254.9mn (-4.5% m/m in Apr-24) and the share of non-residents in total outstanding holdings stood at 3.0% (flat m/m) in May-24.

Regional Sovereign Eurobond yields, change m/m in May 2024, bps

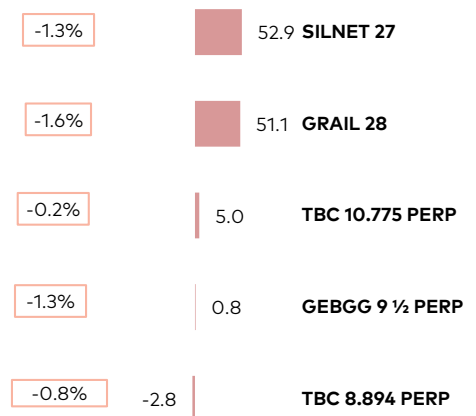
Change in price, %



Source: Bloomberg, Galt & Taggart

Georgian Corporate Eurobond yields, change m/m in May 2024, bps

Change in price, %



Source: Bloomberg, Galt & Taggart

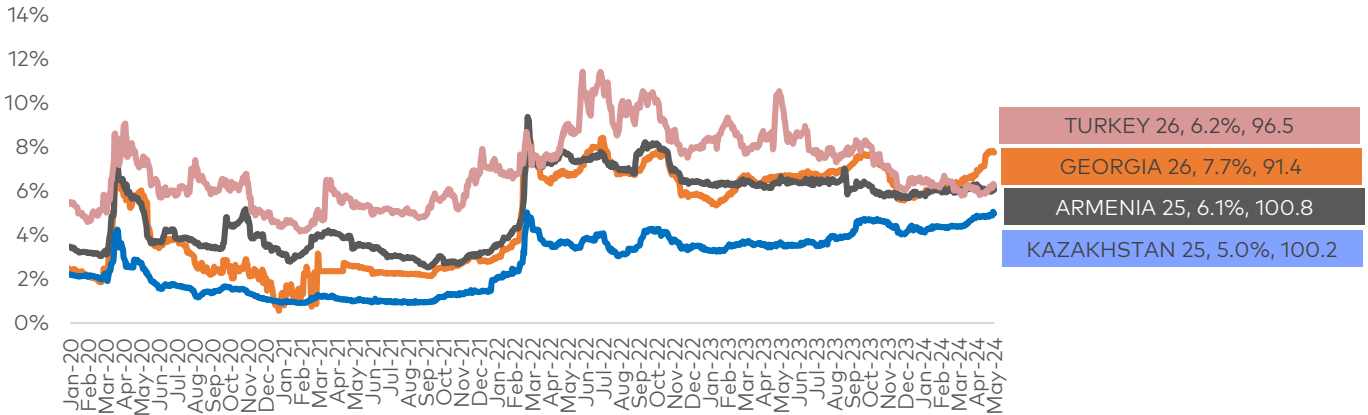
Eva Bochorishvili - Head of Research
| evabochorishvili@gt.ge | +995 32 2401 111 ext. 8036

Lasha Kavtaradze - Chief Economist
| lashakavtaradze@gt.ge | +995 32 2401 111 ext. 7473

Giorgi Iremashvili - Chief Analytics Officer
| giremashvili@gt.ge | +995 32 2401 111 ext. 4691

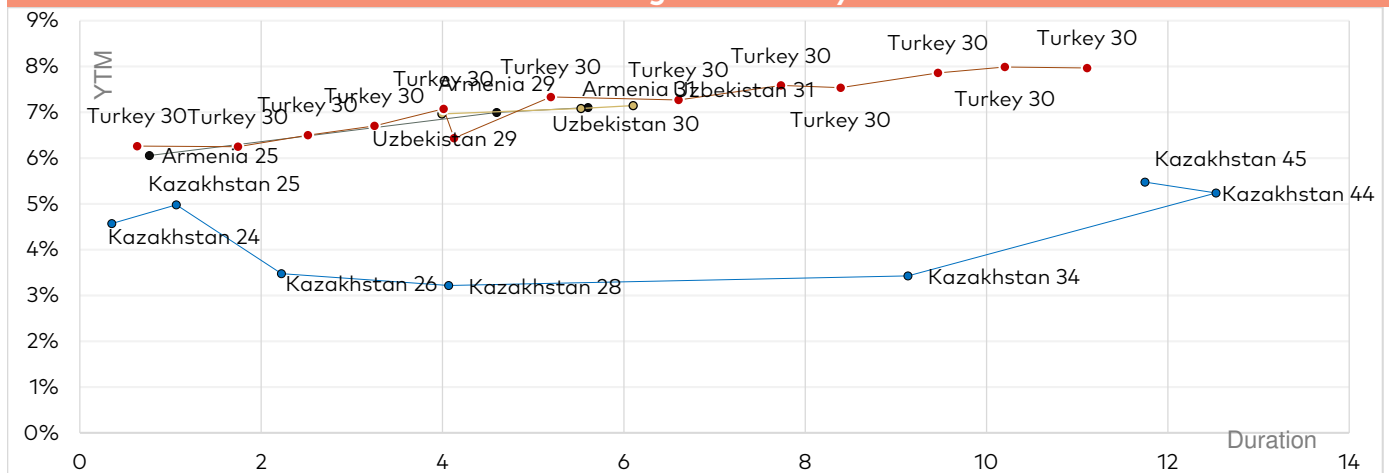
Sovereign Eurobond yields

Selected sovereign Eurobond YTM



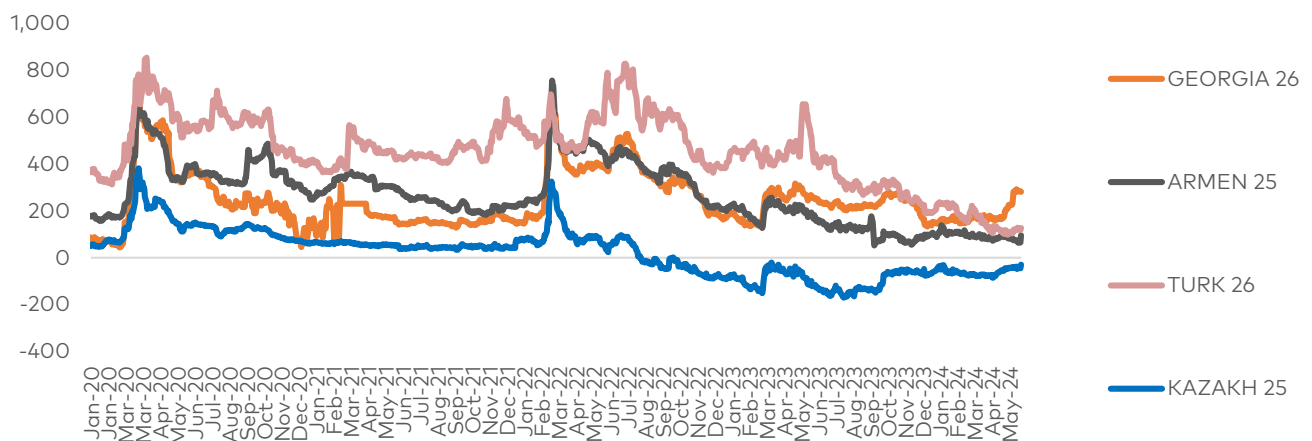
Source: Bloomberg

Selected sovereign Eurobond yield curves



Source: Bloomberg

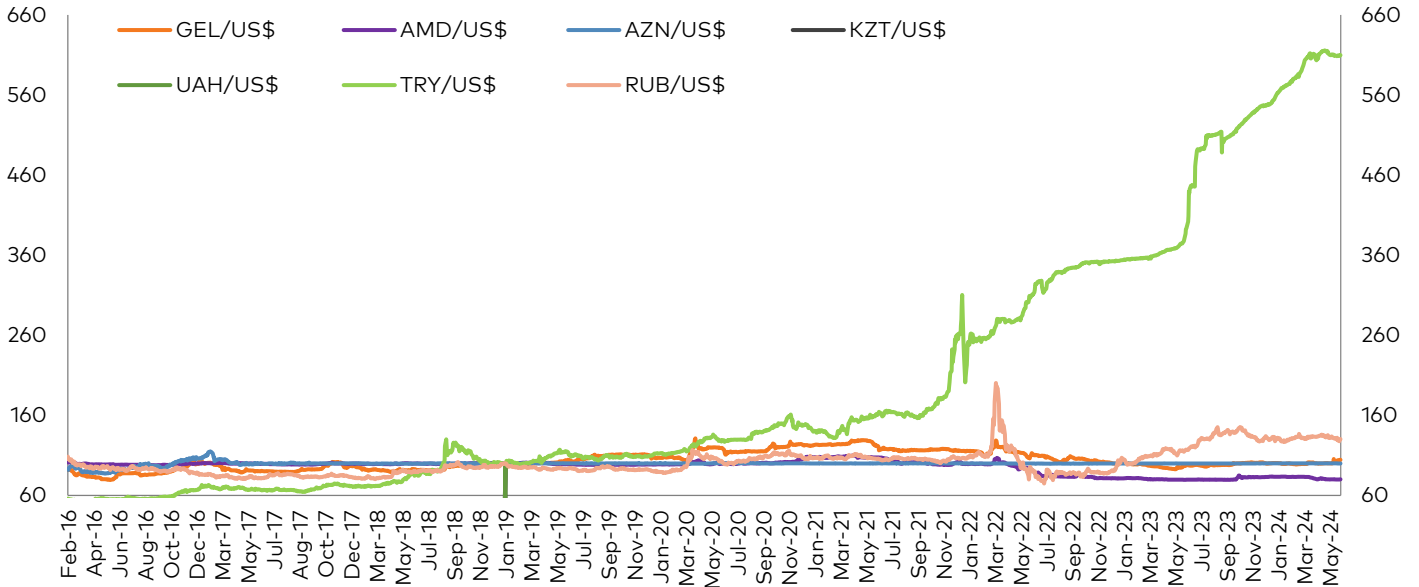
Selected sovereign Eurobond yields vs respective US treasuries, bps



Source: Bloomberg



Regional currencies vs. US\$, Index Dec-18=100



Source: Bloomberg

Central banks' monetary policy rates

	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24
Georgia	11.00%	10.50%	10.50%	10.50%	10.25%	10.00%	10.00%	10.00%	9.50%	9.00%	9.00%	8.25%	8.25%	8.00%
Armenia	10.75%	10.75%	10.50%	10.50%	10.25%	9.75%	9.50%	9.50%	9.25%	8.75%	8.75%	8.50%	8.25%	8.25%
Azerbaijan	8.75%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	8.50%	8.00%	8.00%	7.75%	7.50%	7.50%	7.25%
Belarus	10.50%	10.00%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%
Ukraine	25.00%	25.00%	25.00%	22.00%	22.00%	20.00%	16.00%	16.00%	15.00%	15.00%	15.00%	14.50%	13.50%	13.50%
Kazakhstan	16.75%	16.75%	16.75%	16.75%	16.50%	16.50%	16.00%	15.75%	15.75%	15.25%	14.75%	14.75%	14.75%	14.50%
Russia	7.50%	7.50%	7.50%	8.50%	12.00%	13.00%	15.00%	15.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%
Uzbekistan	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Turkey	8.50%	8.50%	15.0%	17.5%	25.00%	30.00%	35.00%	40.00%	42.50%	45.00%	45.00%	50.00%	50.00%	50.00%
FED	5.00%	5.25%	5.25%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
ECB	3.50%	3.75%	4.00%	4.25%	4.25%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

Source: Central banks

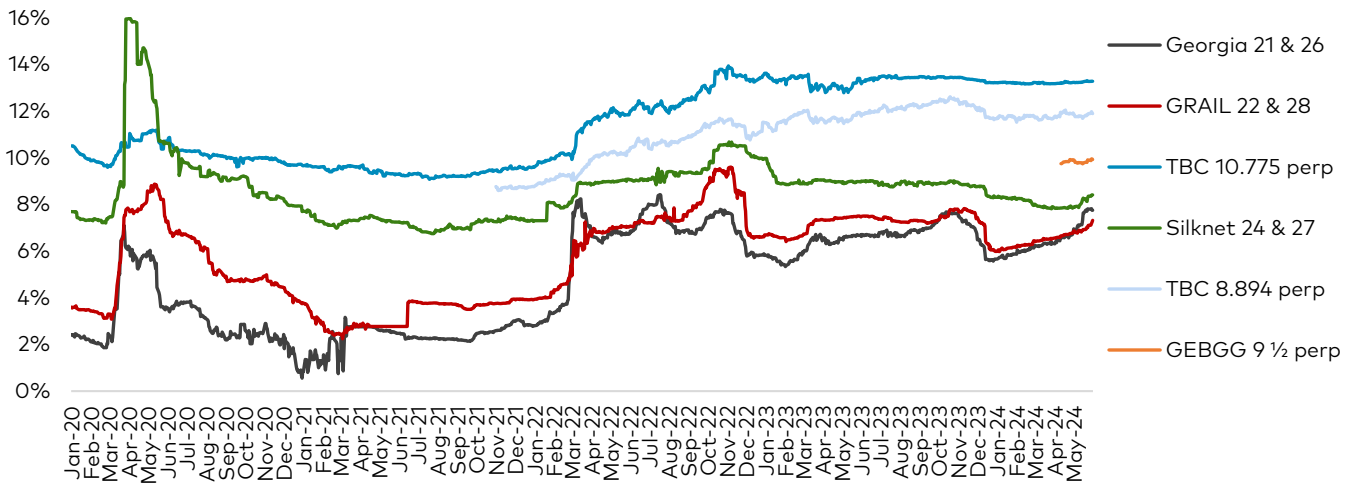
Georgian local bonds performance

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
USD								
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-/	n/a	n/a
Lisi Lake Development	USD	12	6.50%	Dec-21	Dec-24	-/-/-/BB+	n/a	n/a
IG Development	USD	15	8.50%	Jul-22	Jul-24	-/-/-/	99.87	8.75
Georgia Real Estate	USD	35	8.50%	Oct-22	Oct-24	-/-/-/	99.98	8.50
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/	99.99	7.00
Lisi Lake Development	USD	10	8.50%	Dec-22	Dec-24	-/-/-/BB+	100.00	8.50
Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-/	99.98	9.00
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/	99.99	9.00
Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/-/BB-	99.66	8.75
Energy Development Georgia	USD	10	8.50%	Jun-23	Jun-25	-/-/-/	n/a	n/a
Georgia Capital	USD	150	8.50%	Aug-23	Aug-28	-/BB-/	101.17	8.19
Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-/	101.14	8.63
Prime Concrete	USD	7.5	10.50%	Sep-23	Sep-27	-/-/-/	n/a	n/a
Austrian-Georgian Development	USD	15	9.00%	Oct-23	Oct-25	-/-/-/	n/a	n/a
MFO EuroCredit	USD	10	9.50%	Dec-23	Dec-27	-/-/-/	n/a	n/a
Geosteel	USD	5	8.50%	Dec-23	Dec-25	-/-/-/	99.57	8.75
IG Development	USD	20	8.50%	Dec-23	Dec-25	-/-/-/	99.56	8.75
EUR								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/-/BB-	99.67	7.25
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/-/BB-	99.57	7.25
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/-/BB-	100.43	6.50
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/-/	99.55	7.25
GEL								
Vian (Evex)	GEL	50	Ref rate + 3.10%	Nov-19	Nov-24	-/-/-/BB	n/a	n/a
Nikora Trade	GEL	35	TIBR3M + 3.50%	Nov-21	Nov-24	-/-/-/BB-	n/a	n/a
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/-/BB-	n/a	n/a
MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-22	Dec-24	-/-/-/B	n/a	n/a
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/-/BB-	n/a	n/a
MFO Crystal	GEL	25	TIBR6M + 4.75%	Dec-22	Feb-25	B-/	n/a	n/a
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/-/BB+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB-/	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	BB-/	n/a	n/a
Tegeta Motors	GEL	20	TIBR6M + 3.50%	Jun-23	Dec-25	-/-/-/BB-	n/a	n/a
Tegeta Motors	GEL	20	14.5%	Dec-23	Dec-25	-/-/-/BB-	n/a	n/a
Cellfie	GEL	65	TIBR6M + 3.50%	Dec-23	Dec-25	-/-/-/BB-	n/a	n/a

■ Galt & Taggart-led and/or co-managed deals
 Source: Galt & Taggart

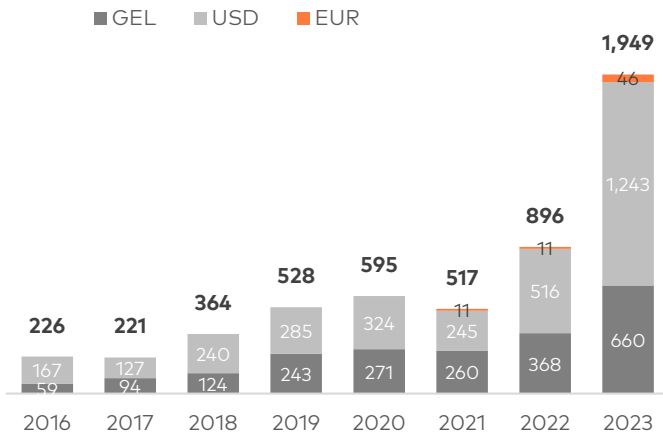


Georgian Eurobonds, YTM



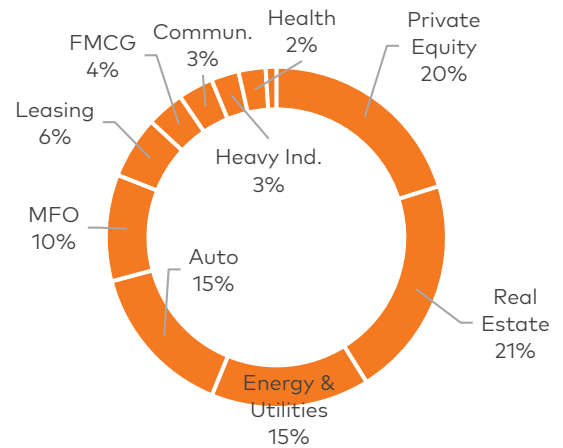
Source: Bloomberg

Georgian corporate public bonds outstanding, GEL mn



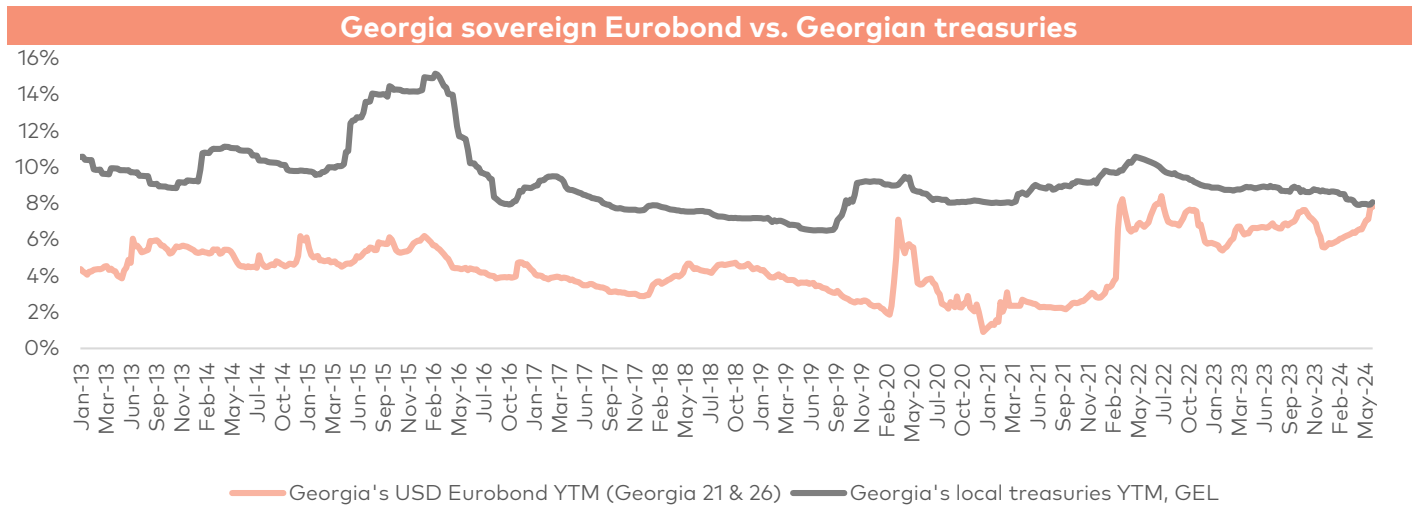
Source: Galt & Taggart
Note: USD and EUR bonds are converted into GEL as of issuance date

Georgian corporate public bonds outstanding by sector



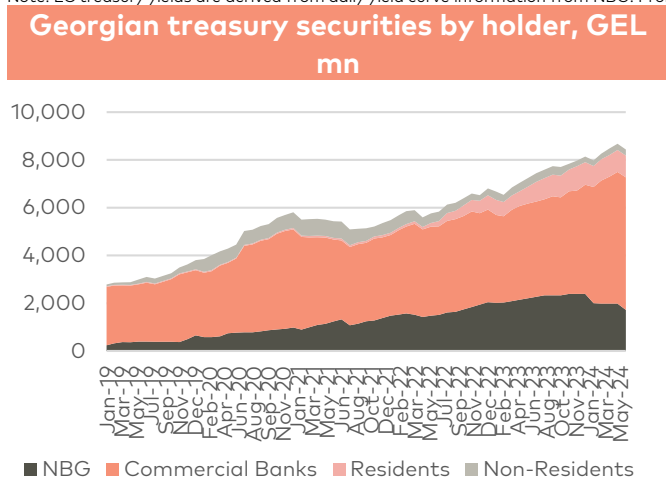
Source: Galt & Taggart

Georgian local treasury bonds

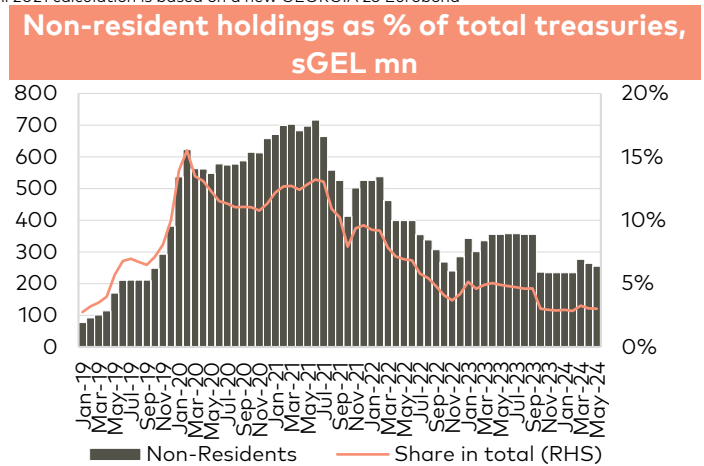


Source: Bloomberg, NBG, Galt & Taggart Research

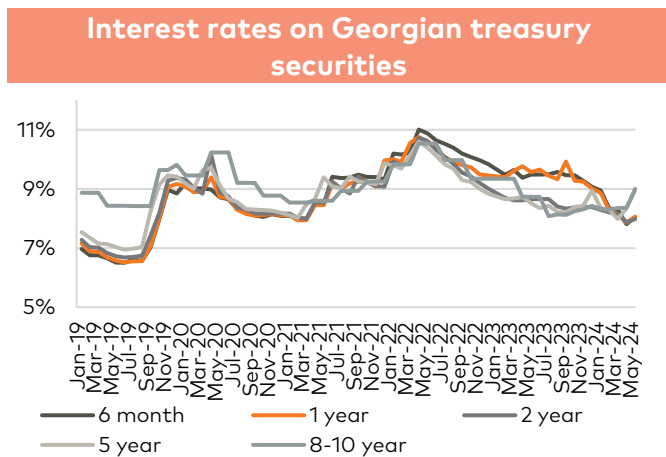
Note: LC treasury yields are derived from daily yield curve information from NBG. From April 2021 calculation is based on a new GEORGIA 26 Eurobond



Source: NBG

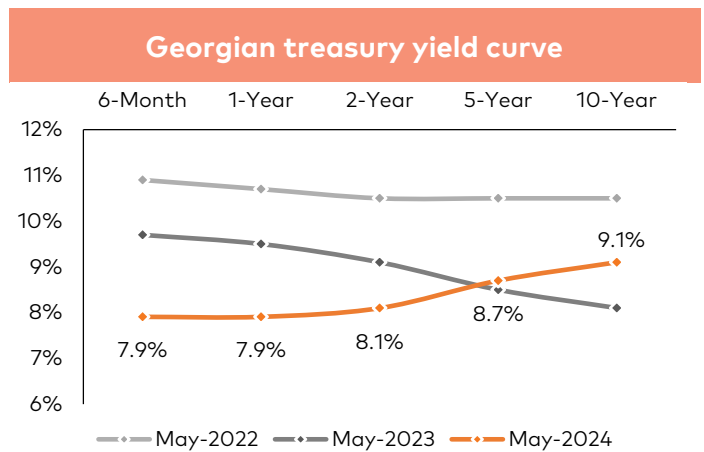


Source: NBG



Source: NBG

Note: The interest rates are taken from actual auctions on T-bills and T-notes.



Source: NBG

Note: The interest rates are taken from actual auctions on T-bills and T-notes.



Sovereign

Issuer	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
ARMEN	USD	7.150	3/26/2025	0.8	500	100.8	6.1	BB-/-/Ba3
ARMEN	USD	3.950	9/26/2029	4.6	500	86.7	7.0	BB-/-/Ba3
ARMEN	USD	3.600	2/2/2031	5.6	750	81.6	7.1	BB-/-/Ba3
AZERBJ	USD	3.500	9/1/2032	6.1	1,077	84.6	5.9	BB+/-/Ba1u
GEORG	USD	2.750	4/22/2026	1.8	500	91.4	7.7	BB/BB/Ba2
KAZAKS	USD	3.875	10/14/2024	0.4	1,500	99.7	4.6	BBB/BBB-/Baa2
KAZAKS	USD	5.125	7/21/2025	1.1	2,500	100.2	5.0	BBB/BBB-/Baa2
KAZAKS	USD	6.500	7/21/2045	11.7	1,500	112.7	5.5	BBB/BBB-/Baa2
KAZAKS	USD	4.875	10/14/2044	12.5	1,000	95.5	5.2	BBB/BBB-/Baa2
KAZAKS	EUR	0.600	9/30/2026	2.2	500	93.7	3.5	BBB/BBB-/Baa2
KAZAKS	EUR	2.375	11/9/2028	4.1	525	96.6	3.2	BBB/BBB-/Baa2
KAZAKS	EUR	1.500	9/30/2034	9.1	650	83.5	3.4	BBB/BBB-/Baa2
TURKEY	USD	7.375	2/5/2025	0.6	3,250	100.7	6.3	B+/NR/B3
TURKEY	USD	4.250	4/14/2026	1.7	1,500	96.5	6.2	B+/-/B3
TURKEY	USD	6.000	3/25/2027	2.5	3,250	98.7	6.5	B+/-/B3
TURKEY	USD	5.125	2/17/2028	3.2	2,000	94.9	6.7	B+/-/B3
TURKEY	USD	11.875	1/15/2030	4.1	1,500	125.3	6.4	B+/NR/B3
TURKEY	USD	7.625	4/26/2029	4.0	3,000	102.2	7.1	B+/-/B3
TURKEY	USD	5.950	1/15/2031	5.2	2,250	92.8	7.3	B+/-/B3
TURKEY	USD	8.000	2/14/2034	6.6	1,500	105.0	7.3	B+/NR/B3
TURKEY	USD	6.875	3/17/2036	7.7	2,750	94.5	7.6	B+/NR/B3
TURKEY	USD	7.250	3/5/2038	8.4	1,000	97.6	7.5	B+/NR/B3
TURKEY	USD	6.000	1/14/2041	9.5	3,000	82.9	7.9	B+/NR/B3
TURKEY	USD	6.625	2/17/2045	10.2	3,000	86.3	8.0	B+/-/B3
TURKEY	USD	5.750	5/11/2047	11.1	3,500	76.8	8.0	B+/-/B3
TURKEY	USD	6.350	8/10/2024	0.2	2,250	100.1	5.5	B+/-/B3
TURKEY	EUR	4.375	7/8/2027	2.7	1,500	99.9	4.4	B+/-/B3
TURKEY	USD	6.375	10/14/2025	1.3	2,500	100.2	6.2	B+/-/B3
TURKEY	EUR	5.200	2/16/2026	1.6	1,500	101.7	4.1	B+/-/B3
TURKEY	EUR	4.625	3/31/2025	0.8	1,250	100.6	3.9	B+/-/B3
TURKEY	USD	5.250	3/13/2030	4.8	2,000	91.3	7.1	B+/-/B3
TURKEY	USD	4.250	3/13/2025	0.7	2,000	98.5	6.2	B+/-/B3
TURKEY	USD	4.875	4/16/2043	10.7	3,000	70.7	7.9	B+/-/B3
TURKEY	USD	6.500	9/20/2033	6.7	1,500	93.9	7.4	B+/-/B3
TURKEY	USD	8.600	9/24/2027	2.8	2,000	105.9	6.6	B+/-/B3
TURKEY	USD	4.875	10/9/2026	2.2	3,000	96.9	6.3	B+/-/B3
TURKEY	USD	4.750	1/26/2026	1.5	1,750	97.6	6.3	B+/-/B3
TURKEY	USD	5.600	11/14/2024	0.4	2,500	99.8	5.9	B+/-/B3
TURKEY	EUR	3.250	6/14/2025	1.0	1,000	99.3	3.9	B+/-/B3
TURKEY	USD	6.750	5/30/2040	9.3	2,000	90.5	7.8	B+/NR/B3
TURKEY	USD	6.125	10/24/2028	3.8	2,750	97.6	6.8	B+/-/B3
TURKEY	USD	5.875	6/26/2031	5.5	1,750	92.1	7.3	B+/-/B3
UZBEK	USD	5.375	2/20/2029	4.0	500	93.7	7.0	BB-/BB-/
UZBEK	USD	3.700	11/25/2030	5.5	555	82.7	7.1	BB-/BB-/
UZBEK	USD	3.900	10/19/2031	6.1	635	81.6	7.1	BB-/BB-/

Source: Bloomberg

Financial

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
IBAZAZ	Azerbaijan	USD	3.500	9/1/2024	0.2	1,000	97.6	13.8	BB-/-/-
TBCBGE	Georgia	USD	5.750	6/19/2024	0.0	300	99.9	7.7	BB-/Ba2
GEBGG	Georgia	USD	11.125	PERP	0.1	100	99.9	12.3	B-/-/-
GEBGG	Georgia	USD	9.500	PERP	4.0	300	98.0	10.0	B-/-/B2
TBCBGE	Georgia	USD	8.894	PERP	2.2	75	95.7	10.8	B-/-/-
TBCBGE	Georgia	USD	10.775	PERP	0.3	125	99.9	10.3	B-/-/-
TBCBGE	Georgia	USD	10.250	PERP	3.9	300	98.7	10.6	-/-/B2
DBKAZ	Kazakhstan	USD	5.750	5/12/2025	0.9	500	99.9	5.9	BBB-/Baa2
SAMRUK	Kazakhstan	USD	2.000	10/28/2026	2.3	500	91.7	5.8	BBB/BBB-/-
DBKAZ	Kazakhstan	USD	2.950	5/6/2031	6.0	500	83.4	5.9	BBB-/Baa2
DBKAZ	Kazakhstan	USD	6.000	3/23/2026	1.7	107	99.8	6.1	BBB/BBB-/Baa2
AKBNK	Turkey	USD	5.125	3/31/2025	0.8	500	99.1	6.2	B-/B3
ISCTR	Turkey	USD	8.100	12/3/2029	4.2	50	101.2	7.8	B-/NR
YKBNK	Turkey	USD	5.850	6/21/2024	0.0	500	100.0	5.0	B-/B3
YKBNK	Turkey	USD	8.250	10/15/2024	0.4	500	100.7	6.2	B-/B3
VAKBN	Turkey	USD	6.500	1/8/2026	1.5	750	99.7	6.7	B-/B3
AKBNK	Turkey	USD	6.800	2/6/2026	1.5	500	100.5	6.5	B-/B3
TCZIRA	Turkey	USD	5.375	3/2/2026	1.6	600	97.7	6.8	B-/B3
QNBFB	Turkey	USD	6.875	9/7/2024	0.3	650	100.2	5.9	B-/B2
VAKBN	Turkey	USD	5.500	10/1/2026	2.1	500	96.9	7.0	B-/B3
VAKBN	Turkey	USD	5.250	2/5/2025	0.6	750	99.2	6.4	B-/B3
TSKBTI	Turkey	USD	5.875	1/14/2026	1.5	350	98.9	6.6	B-/B3
TSKBTI	Turkey	USD	6.000	1/23/2025	0.6	400	99.8	6.3	B-/B3
FCFIN	Turkey	USD	7.250	11/9/2027	0.4	150	100.6	9.4	B-/B1
GARAN	Turkey	USD	5.250	12/20/2024	0.5	50	100.3	4.7	B-/B3
ISCTR	Turkey	USD	5.050	2/25/2026	1.6	13	96.0	7.6	B-/NR
AKBNK	Turkey	USD	6.050	11/15/2024	0.4	50	99.9	6.3	B-/B3
YKBNK	Turkey	USD	6.050	12/10/2024	0.5	50	100.0	6.1	B-/B3
EXCRTU	Turkey	USD	5.750	7/6/2026	1.9	750	97.8	6.9	B-/B3
IPTBZU	Uzbekistan	USD	5.500	11/19/2025	1.4	300	96.4	8.1	BB-/BB-/-
SQBNZU	Uzbekistan	USD	5.750	12/2/2024	0.5	300	98.5	8.8	BB-/BB-/-
NBUZB	Uzbekistan	USD	4.850	10/21/2025	1.3	300	96.5	7.5	BB-/BB-/-

Source: Bloomberg

Basic Materials

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
ELDCN	Turkey	USD	6.250	9/1/2029	4.3	500	95.4	7.3	B+/BB-/B3

Source: Bloomberg

Communications

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
SILNET	Georgia	USD	8.375	1/31/2027	2.3	300	99.9	8.4	BB-/-/B1
TURKTI	Turkey	USD	4.875	6/19/2024	0.0	500	100.0	3.9	B+/BB-/-
TURKTI	Turkey	USD	6.875	2/28/2025	0.7	500	100.5	6.2	B+/BB-/-
TCELLT	Turkey	USD	5.750	10/15/2025	1.3	500	99.2	6.4	B+/BB-/B2u
TCELLT	Turkey	USD	5.800	4/11/2028	3.4	500	96.1	7.0	B+/BB-/-

Source: Bloomberg



Energy

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
SOIAZ	Azerbaijan	USD	6.950	3/18/2030	4.7	750	102.4	6.5	BB+/BB-/NR
SGCAZE	Azerbaijan	USD	6.875	3/24/2026	1.7	2,000	100.7	6.4	BB+/-/Ba1
TENGIZ	Kazakhstan	USD	4.000	8/15/2026	1.8	1,000	95.6	6.2	-/BB+/Baa2
TENGIZ	Kazakhstan	USD	2.625	8/15/2025	1.1	500	96.0	6.2	-/BB+/Baa2
KZOKZ	Kazakhstan	USD	6.375	10/24/2048	11.7	1,500	92.0	7.1	BBB-/Baa2
KZOKZ	Kazakhstan	USD	4.750	4/19/2027	2.6	1,000	96.6	6.0	BBB/BB+/Baa2
KZOKZ	Kazakhstan	USD	5.375	4/24/2030	4.9	1,250	96.8	6.0	BBB-/Baa2
KZOKZ	Kazakhstan	USD	3.500	4/14/2033	7.3	750	81.3	6.3	BBB-/Baa2
KZTGKZ	Kazakhstan	USD	4.375	9/26/2027	3.0	706	94.1	6.4	BB+/-/Baa2
KZOKZ	Kazakhstan	USD	5.750	4/19/2047	11.7	1,250	85.4	7.0	BBB/BB+/Baa2
TENGIZ	Kazakhstan	USD	3.250	8/15/2030	5.3	750	82.2	6.8	-/BB+/Baa2
AYDEMT	Turkey	USD	7.750	2/2/2027	1.9	750	97.4	8.9	B/B/-
TUPRST	Turkey	USD	4.500	10/18/2024	0.4	700	99.3	6.3	B+/-/B2
UNGUZB	Uzbekistan	USD	4.750	11/16/2028	3.8	700	84.2	9.1	BB-/B+/-

Source: Bloomberg

Other

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
GRAIL	Georgia	USD	4.000	6/17/2028	3.5	500	88.6	7.3	BB-/BB-/B-
SISETI	Turkey	USD	6.950	3/14/2026	1.4	700	100.7	6.5	BB-/B2
ACKAF	Turkey	EUR	3.000	5/27/2026	1.9	350	96.8	4.7	BB/BB/-
PGSUST	Turkey	USD	9.250	4/30/2026	0.9	375	102.1	8.0	BB-/B+/-
THYAO	Turkey	USD	4.200	3/15/2027	1.5	182	95.1	6.1	BB/BB+/B2
ULKER	Turkey	USD	6.950	10/30/2025	1.3	650	99.7	7.2	B+/-/B-
CCOLAT	Turkey	USD	4.500	1/20/2029	4.0	500	92.6	6.4	BBB/BB+/-
CCOLAT	Turkey	USD	4.215	9/19/2024	0.3	300	99.3	6.5	WD/-/WR
AEFES	Turkey	USD	3.375	6/29/2028	3.6	500	87.1	7.1	BB+ */BB+/-
LIMISK	Turkey	USD	9.500	7/10/2036	5.2	370	92.5	10.6	B-/B3
KCHOL	Turkey	USD	6.500	3/11/2025	0.7	750	100.0	6.5	-/BB/B2
TURKSK	Turkey	USD	7.250	2/24/2027	2.4	3,000	101.9	6.5	B+/-/B3
TURKSK	Turkey	USD	5.125	6/22/2026	1.9	2,500	97.9	6.2	B+/-/B3
TURKSK	Turkey	USD	4.489	11/25/2024	0.5	1,000	99.4	5.7	B+/-/B3
ISTNBL	Turkey	USD	10.750	4/12/2027	2.4	305	107.3	7.8	B+/-/B3
ISTNBL	Turkey	USD	6.375	12/9/2025	1.4	580	98.6	7.3	B+/-/B3
ZOREN	Turkey	USD	9.000	6/1/2026	1.7	300	98.5	9.9	B-/CCC+/-
UZAMTS	Uzbekistan	USD	4.850	5/4/2026	1.8	300	93.5	8.6	BB-/B+/-

Source: Bloomberg

Disclaimer

This document is the property of and has been prepared by JSC Galt & Taggart ("Galt & Taggart"), a member of Bank of Georgia Group plc ("Group") solely for informational purposes and independently of the respective companies mentioned herein. This document does not constitute or form part of, and should not be construed as, an offer or solicitation or invitation of an offer to buy, sell or subscribe for any securities or assets and nothing contained herein shall form the basis of any contract or commitment whatsoever or shall be considered as a recommendation to take any such actions.

Galt & Taggart is authorized to perform professional activities on the Georgian market. The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by Galt & Taggart to inform themselves about and to observe any and all restrictions applicable to them. This document is not directed to, or intended for distribution, directly or indirectly, to, or use by, any person or entity that is a citizen or resident located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

Investments (or any short-term transactions) in emerging markets involve significant risk and volatility and may not be suitable for everyone. The recipients of this document must make their own investment decisions as they believe appropriate based on their specific objectives and financial situation. When doing so, such recipients should be sure to make their own assessment of the risks inherent in emerging market investments, including potential political and economic instability, other political risks including without limitation changes to laws and tariffs, and nationalization of assets, and currency exchange risk.

No representation, warranty or undertaking, express or implied, is or will be made by Galt & Taggart or any other member of the Group or their respective directors, employees, affiliates, advisers or agents or any other person as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this document and the information contained herein (and whether any information has been omitted from this document) and no reliance should be placed on it. This document should not be considered as a complete description of the markets, industries and/or companies referred to herein. Nothing contained in this document is, is to be construed as, or shall be relied on as legal, investment, business or tax advice, whether relating to the past or the future, by Galt & Taggart any other member of the Group or any of their respective directors, employees, affiliates, advisers or agents in any respect. Recipients are required to make their own independent investigation and appraisal of the matters discussed herein. Any investment decision should be made at the investor's sole discretion. To the extent permitted by law, Galt & Taggart, any other member of the Group and their respective directors, employees, affiliates, advisers and agents disclaim all liability whatsoever (in negligence or otherwise) for any loss or damages however arising, directly or indirectly, from any use of this document or its contents or otherwise arising in connection with this document, or for any act, or failure to act, by any party, on the basis of this document.

The information in this document is subject to verification, completion and change without notice and Galt & Taggart is not under any obligation to update or keep current the information contained herein. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the information since the date hereof or the date upon which this document has been most recently updated, or that the information contained in this document is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. No representation or warranty, expressed or implied, is made by Galt & Taggart or any other member of the Group, or any of their respective directors, employees, affiliates, advisers or agents with respect to the accuracy or completeness of such information.

The information provided and opinions expressed in this document are based on the information available as of the issue date and are solely those of Galt & Taggart as part of its internal research coverage. Opinions, forecasts and estimates contained herein are based on information obtained from third party sources believed to be reliable and in good faith, and may change without notice. Third party publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. Accordingly, undue reliance should not be placed on any such data contained in this document. Neither Galt & Taggart, any other member of the Group, nor their respective directors, employees, affiliates, advisers or agents make any representation or warranty, express or implied, of this document's usefulness in predicting the future performance, or in estimating the current or future value, of any security or asset.

Galt & Taggart does, and seeks to do, and any other member of the Group may or seek to do business with companies covered in its research. As a result, investors should be aware of a potential conflict of interest that may affect the objectivity of the information contained in this document.

Unauthorized copying, distribution, publication or retransmission of all or any part of this document by any medium or in any form for any purpose is strictly prohibited.

The recipients of this document are responsible for protecting against viruses and other destructive items. Receipt of the electronic transmission is at risk of the recipient and it is his/her responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Galt & Taggart

Address: 3 A. Pushkin Street, Tbilisi 0105, Georgia
Tel: +995 32 2401 111

Research: research@gt.ge
Tel: +995 32 2401 111 (4298)

Brokerage: sales@gt.ge
Tel: +995 32 2401 111 (4132)

Investment Banking: ib@gt.ge
Tel: +995 32 2401 111 (7457)