



SRG Real Estate

Investor Presentation
September 2022

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Credit highlights of SRG Real Estate

SRG Real Estate LLC is a leading Georgian developer and manager of hospitality and other real estate



Georgia's leading team for managing hospitality assets

- Leading team with over 2,000 staff to manage hospitality assets
- Strong focus on developing human resources and promoting local management talent
- Additional opportunities for managing third-party properties

Assets in Georgia's primary locations

- Assets in the best parts of the capital city Tbilisi as well as in the regions
- Leveraging location advantage for hospitality projects
- Selective residential projects in locations with high demand

Track record of delivering projects in time and budget

- Experience from four hotels, two casinos, several restaurants and clubs, as well as residential
- Strong project management team for all stages of the development cycle
- Contracting with leading construction companies under performance guarantees

Balanced portfolio of operational and development assets

- In 2021, generating EBITDA of close to GEL 38 mln from operational projects
- Strong top-line and EBITDA growth following the pandemic, continued in 2022
- Selective development of undeveloped properties in line with market demand

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GEORGIA – MACRO SECTION

INTRODUCTION TO SRG REAL ESTATE

DEVELOPED ASSETS

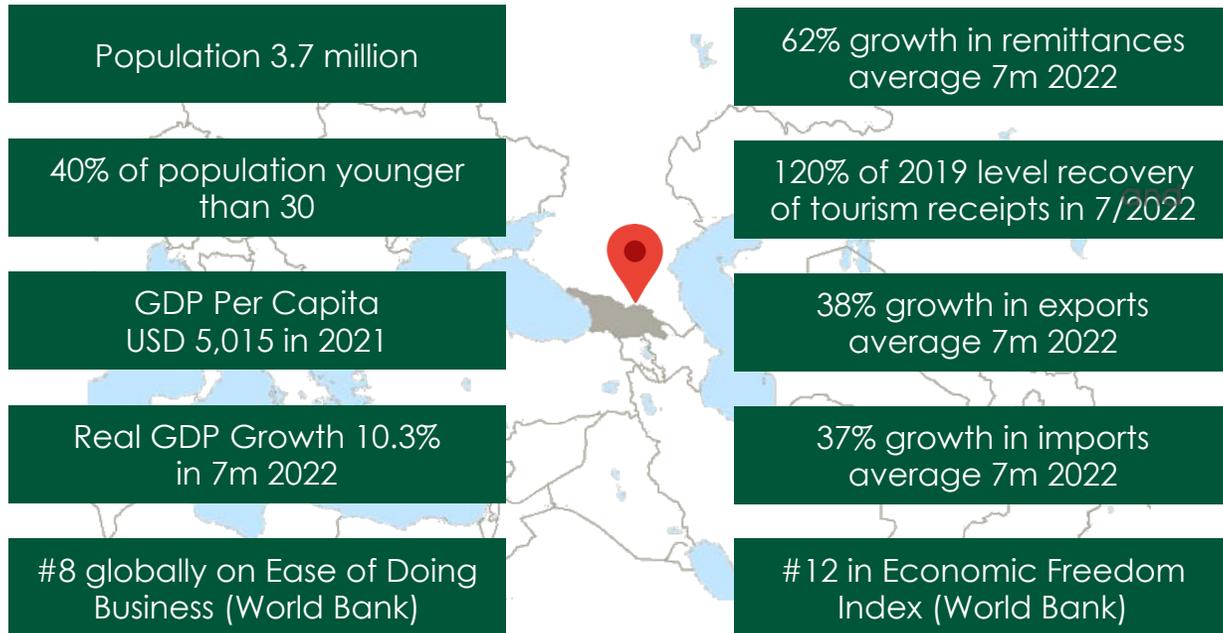
FINANCIAL PERFORMANCE

PRIORITY DEVELOPMENT PROJECTS OF THE GROUP

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Georgia performs well by international benchmarks

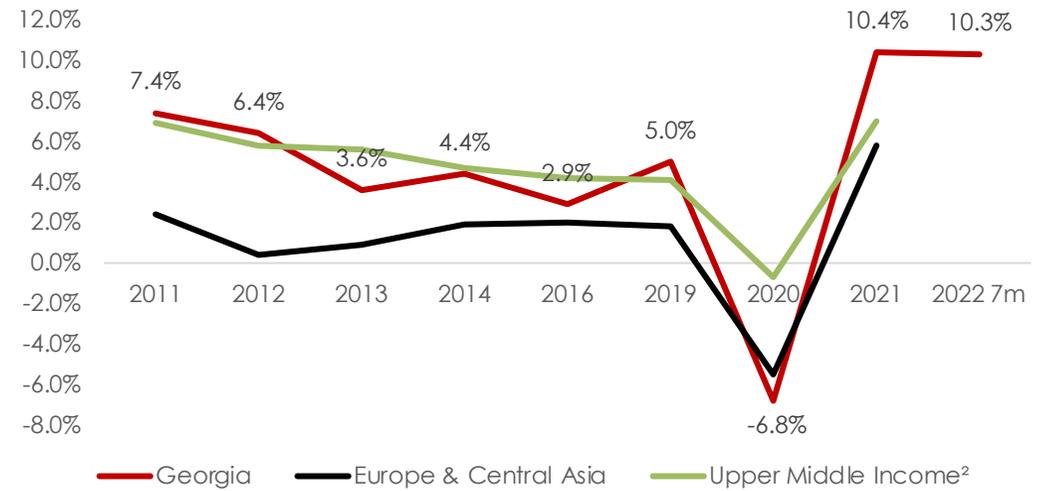
Average real GDP growth in seven months of 2022 exceeded 10%



Credit Rating

Rating Agency	Rating	Outlook	Affirmed
S&P Global	BB	Stable	Aug. 2022
Fitch Ratings	BB	Stable	Jul. 2022
Moody's	Ba2	Negative	Apr. 2022

Real GDP Growth



¹ Upper Middle Income countries with GNI per capita between USD 4,000 and 12,500 (2021)
Sources: Geostat, World Bank, National Bank of Georgia (NBG)

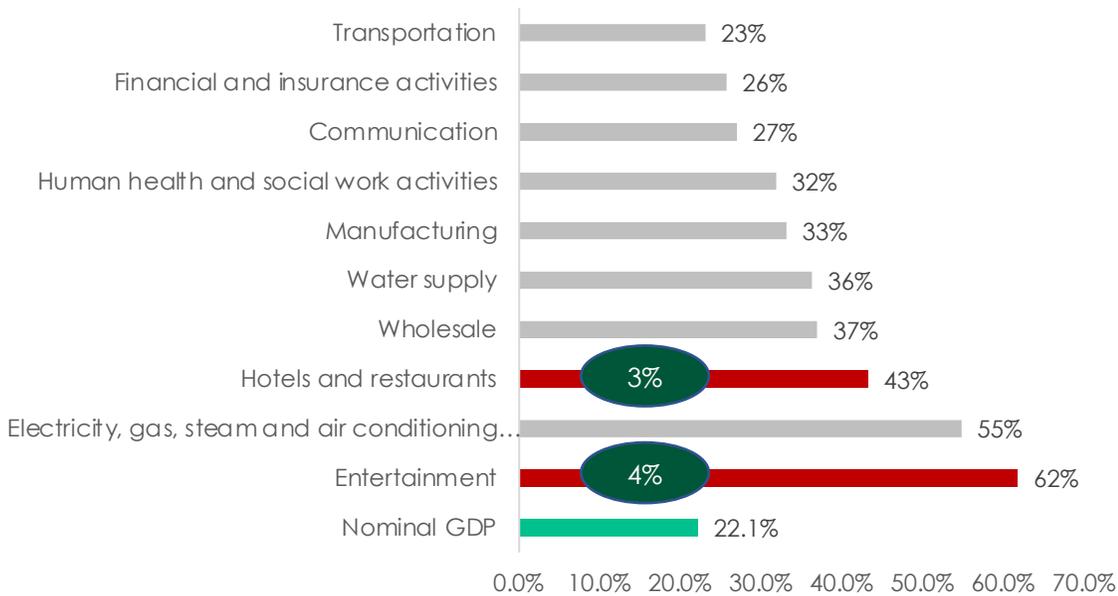
Growth is supported by strong recovery in hospitality and entertainment sectors

Hotels and restaurants as well as entertainment contribute around 7% to Georgian GDP



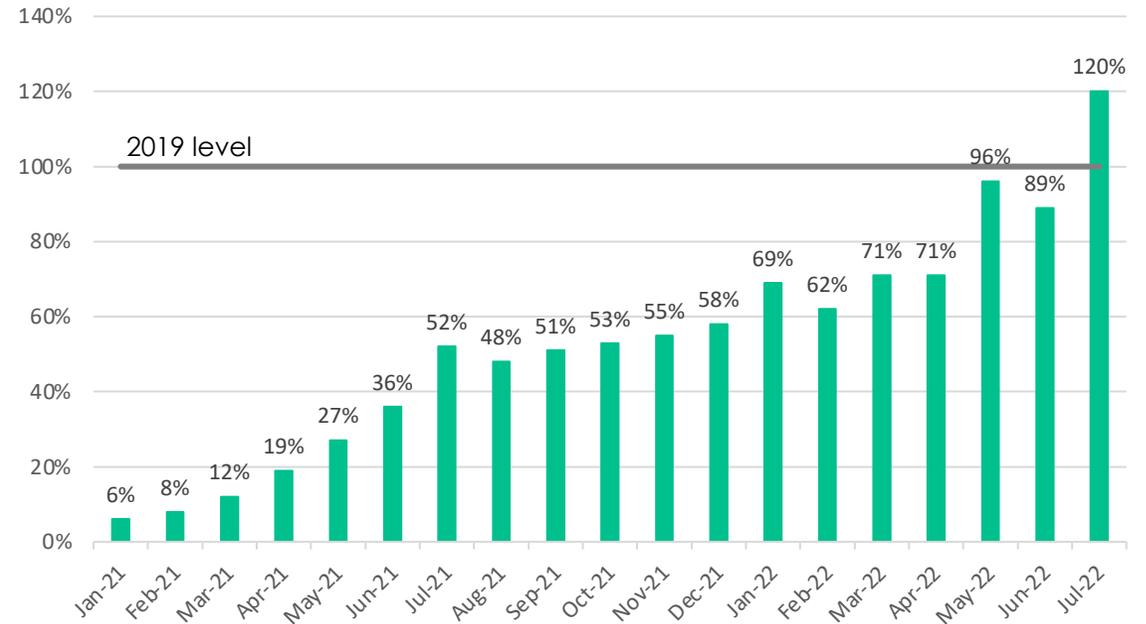
After suffering pandemic restrictions, hotels and restaurants as well as entertainment sectors have shown the strongest annual growth

Nominal GDP turnover growth of Georgian economic sectors 2021 compared to 2022



By July 2022, monthly tourism receipts exceeded 2019 levels by 20% percent

Monthly Georgian tourism receipts versus 2019 levels



Share in Georgian GDP, Q1 2022

Sources: Geostat, Georgian National Tourist Administration (GNTA)
www.srgre.ge

Georgia continues its trajectory as one of the fastest growing tourism destinations

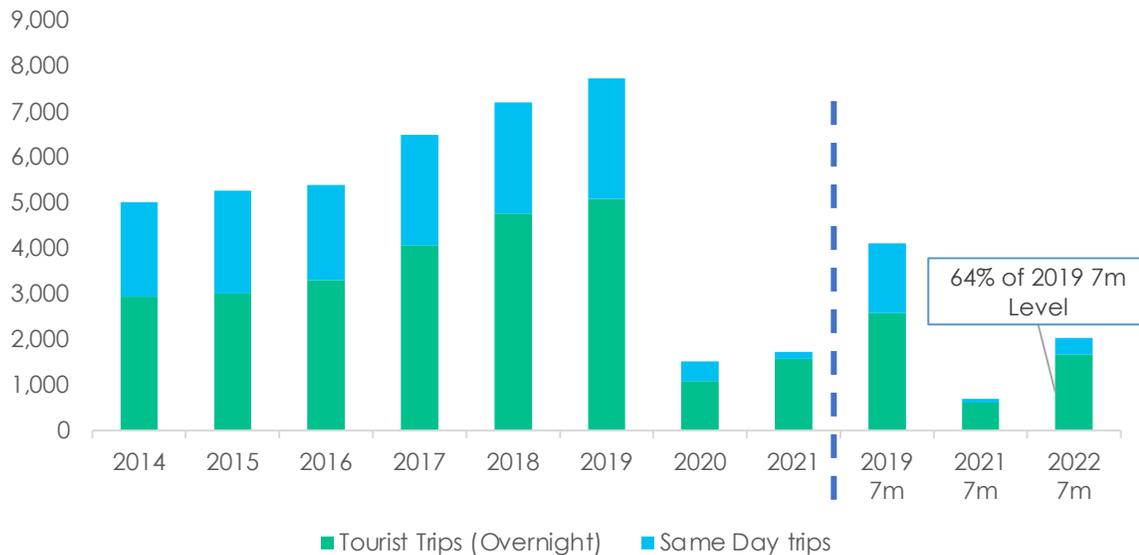
Georgia's tourism market has become more diversified with a strong inflow of tourists from neighbours and Middle East



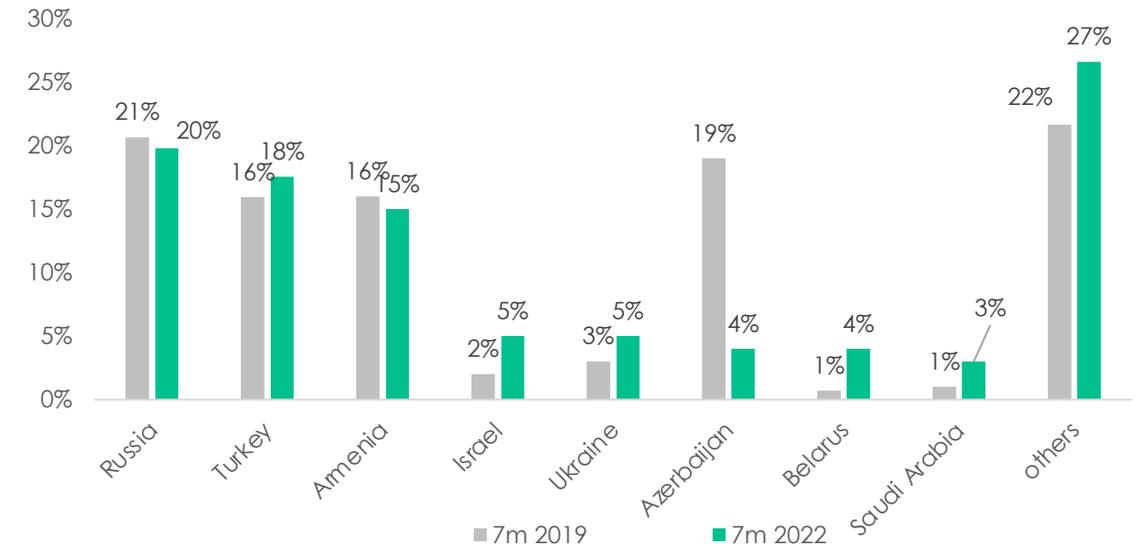
While tourism receipts are expected to exceed 2019 levels in the course of 2023, the absolute number of tourists is still lagging behind numbers seen in 2019 – however, a strong recovery is on the way

Other than Azerbaijan, which is still subject to pandemic restrictions, the main tourism markets have kept their share of international visitor trips to Georgia, with some new markets developing strongly, such as Israel, Ukraine, Belarus and Saudi Arabia

Total number of international visitor trips (thousands)



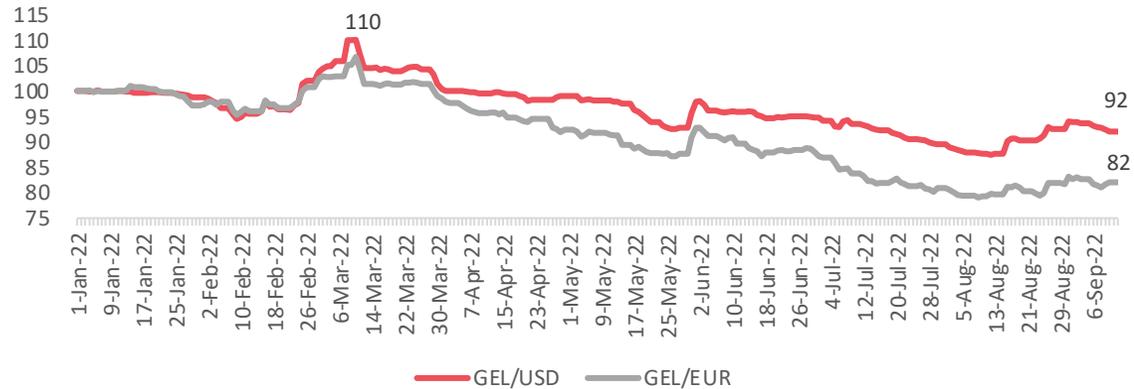
Country shares in international visitor trips



Tourism revenues contribute significantly to the stability of the Georgian Lari



GEL exchange rate evolution (1 Jan 2022=100)

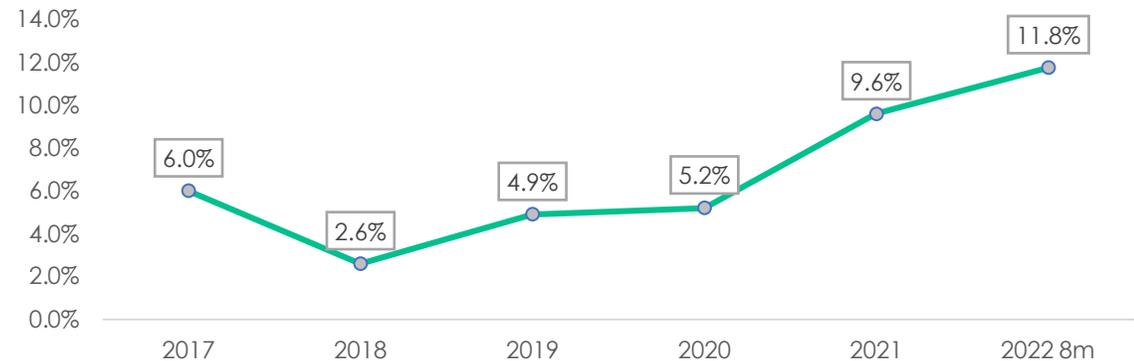


Factors contributing to the stability of the Georgian Lari

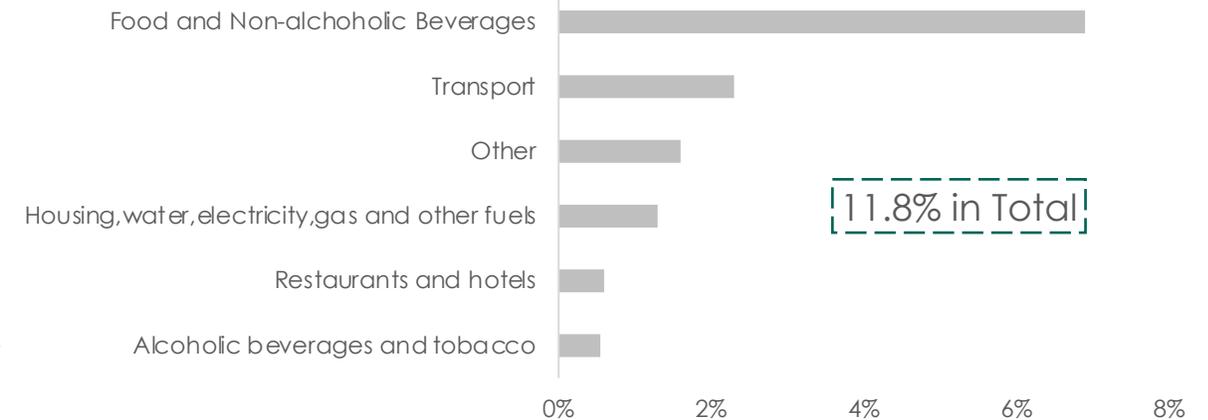
- Tighter fiscal policy with high interest rate differential
- Healthy growth in international trade
- Continued strength in remittances
- Strong recovery of tourism revenues

Meanwhile, inflation is mostly driven by global factors, resulting from higher food and energy prices

Average inflation



Components of inflation (2022 8m)

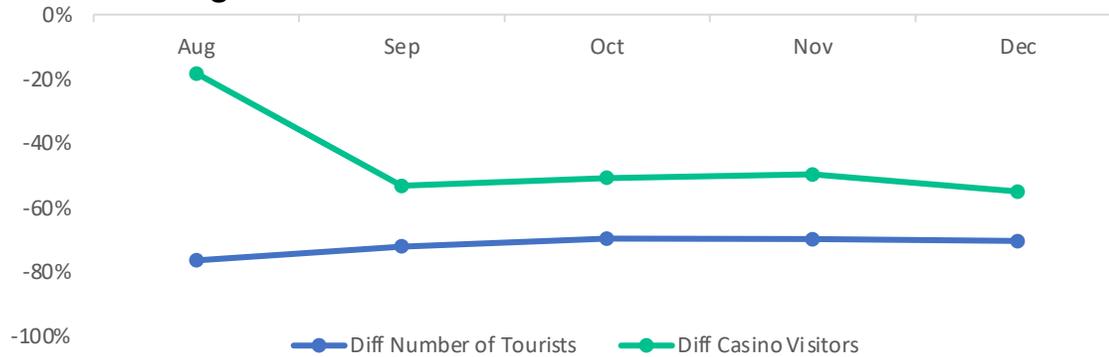


Sources: GNTA, Geostat
www.srgre.ge

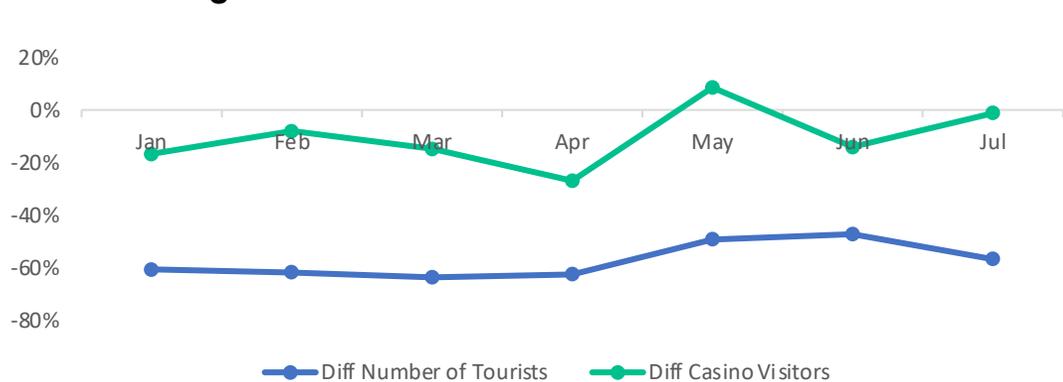
Company's casino visits have recovered faster than overall tourism arrivals



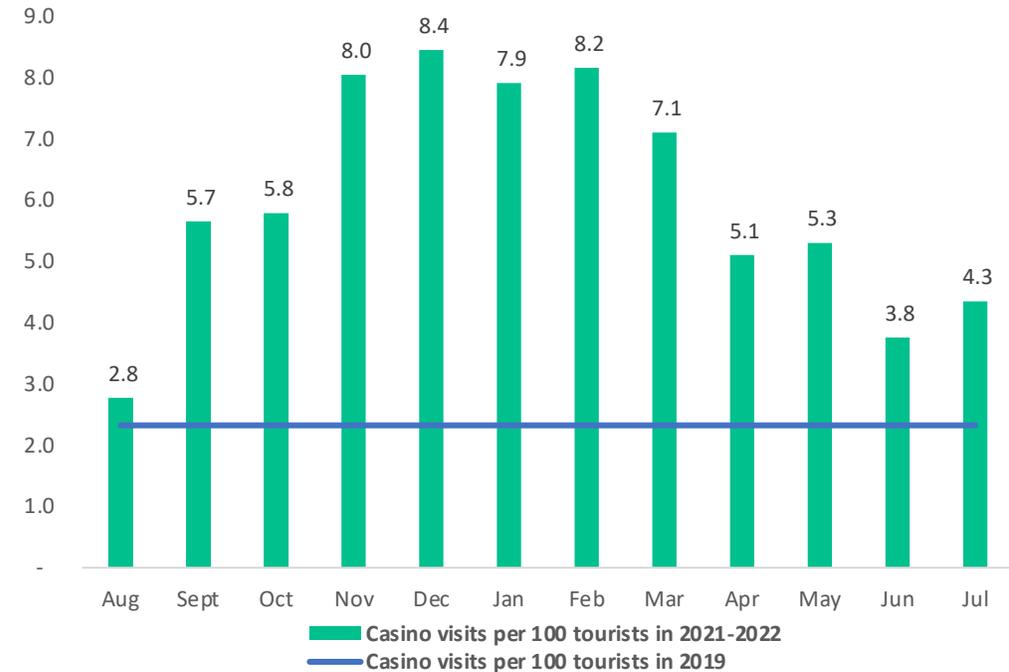
Gap in company's casino visitors compared to gap in total number of visits to Georgia in 2021 vs 2019



Gap in company's casino visitors compared to gap in total number of visits to Georgia in 2022 vs 2019



The number of company's casino visits as a share of total number of visits to Georgia in the twelve months from August 2021 to July 2022 greatly exceeds the average share of 2019



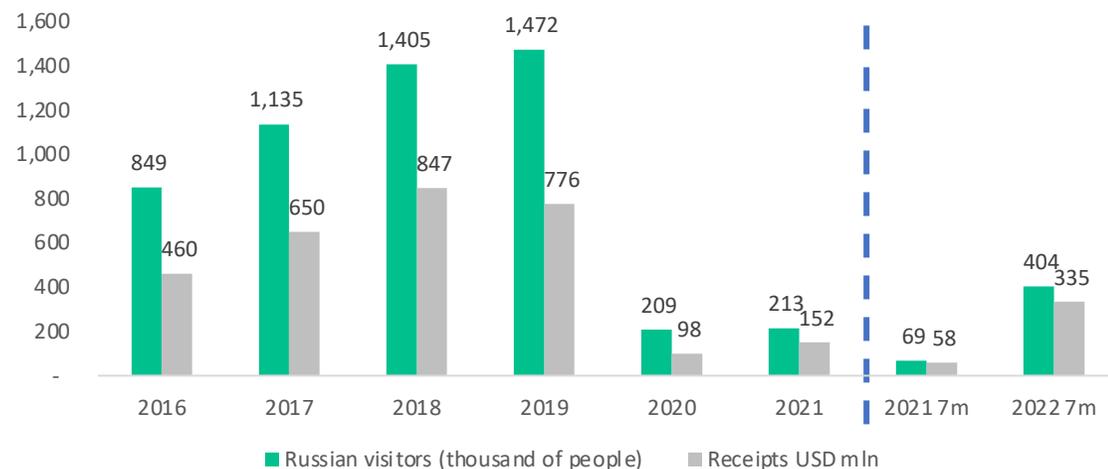
Sources: Company information, GNTA

In the face of the situation in Ukraine, visits from Russia and Ukraine are increasing

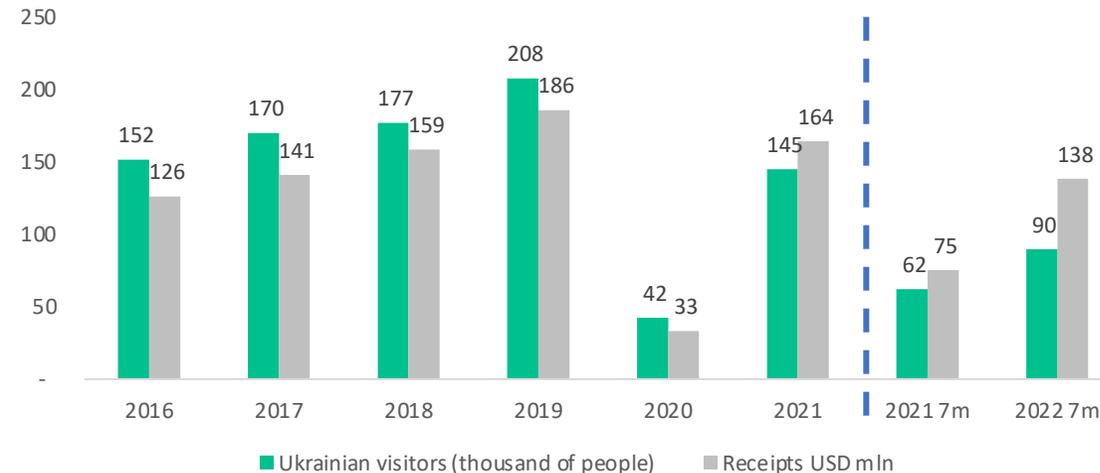
Remittances from Russia are also showing strong growth



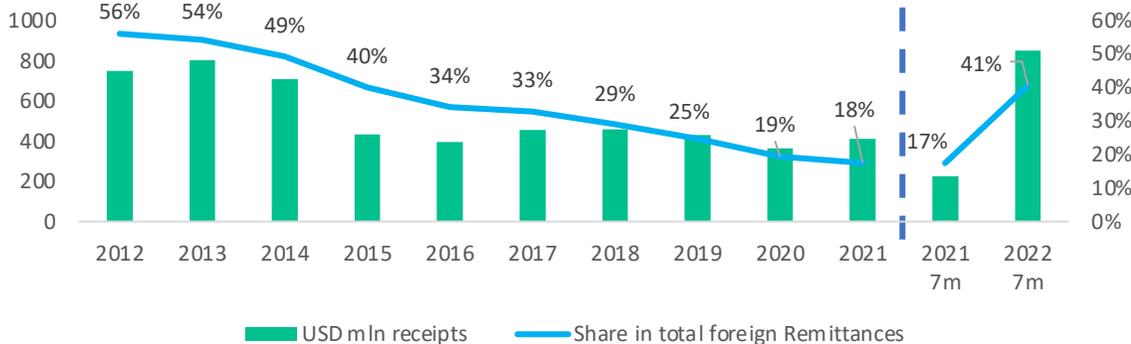
Visits from Russia and tourism receipts



Visits from Ukraine and tourism receipts



Remittances from Russia



Note:

- Arrivals from Russia and Ukraine strongly increased during 2022 (exceeding 2019 levels in the case of Ukraine)
- Simultaneously, with a high share of affluent visitors from both countries, tourism revenues are growing even stronger
- The trend is complemented by a significant growth in remittances, particularly from Russia

Sources: NBG, GNTA

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Silk Road Group Holding LLC, a leading private investor in Georgia, is the parent of SRG Real Estate LLC

Since 2005, Silk Road Group has invested around USD 1 bln (about GEL 3 bln) in the Georgian economy



SRG Real Estate LLC

SRG Real Estate is both owner and operator of hotels, restaurants and entertainment spaces, partnering with the best organizations in the hospitality industry to bring its guests a truly world-class experience

It also owns properties for development, both in the capital city Tbilisi as well as in the regions, including in Batumi and along the Black Sea coast

The real estate and hospitality businesses are managed by two divisions:

- **Silk Development** manages the development of new real estate projects
- **Silk Hospitality** is the operating company for most of the developed properties of the company, as well as for third-party properties



Other businesses of the Silk Road Group

Communications



www.silknet.com

Banking



www.silkroadbank.ge

Energy



www.silkroadenergy.ge

Transportation



www.silkroadgroup.net/transportation/

SRG Real Estate owns Georgian real estate assets valued at GEL 917 mln

Green Box projects are operational and generate revenues



Long-standing, successful relations with investors and financial institutions

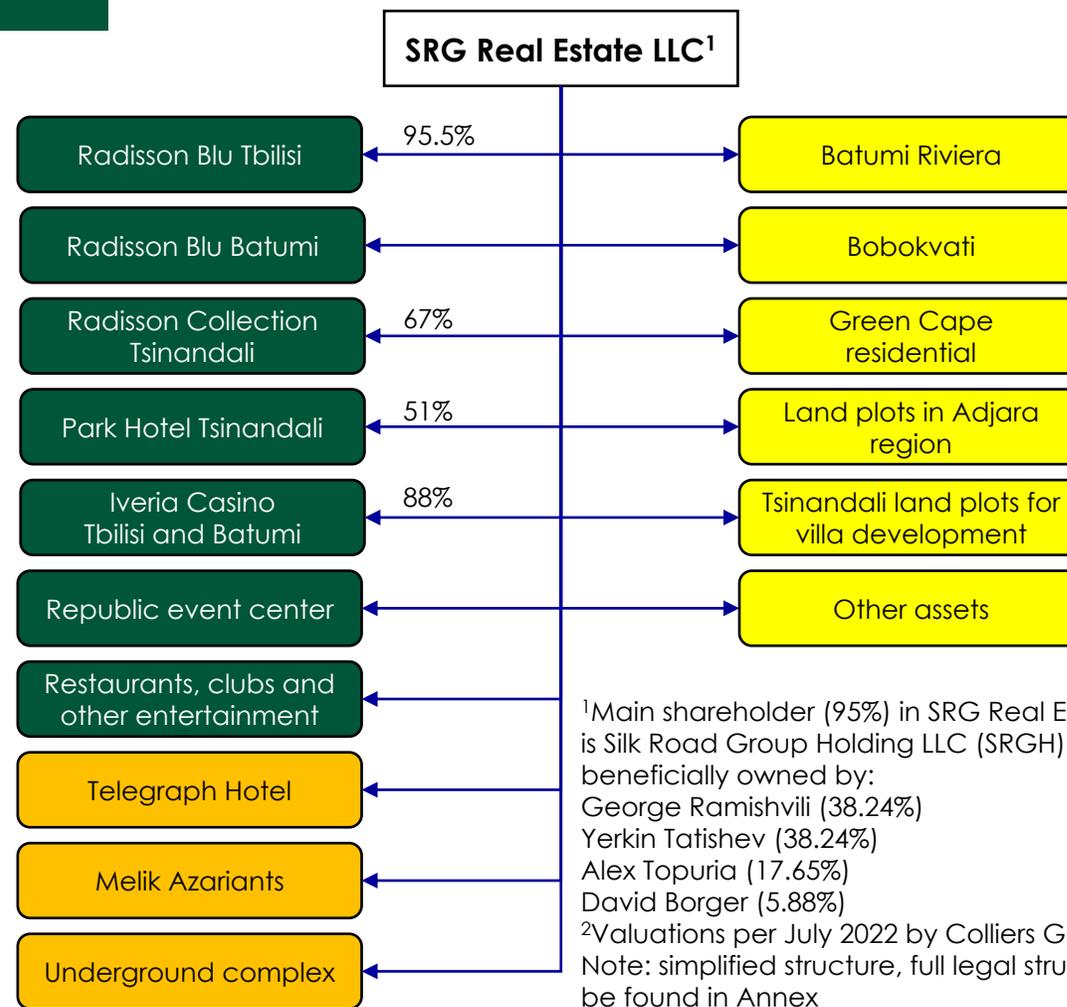
- The group has established successful partnerships with leading Georgian banks, such as TBC Bank and Bank of Georgia
- Also maintains strong partnerships with investment funds, Partnership Fund and Georgian Co-investment Fund

In-house team under Silk Development brand

- Architects, engineers, designers, project managers, marketing and asset management
- Strong contracting department with 20 years of experience

Developed and undeveloped real estate valued at GEL 917 mln²

- Jointly, Green Box and Orange Box assets are valued at GEL 575 mln

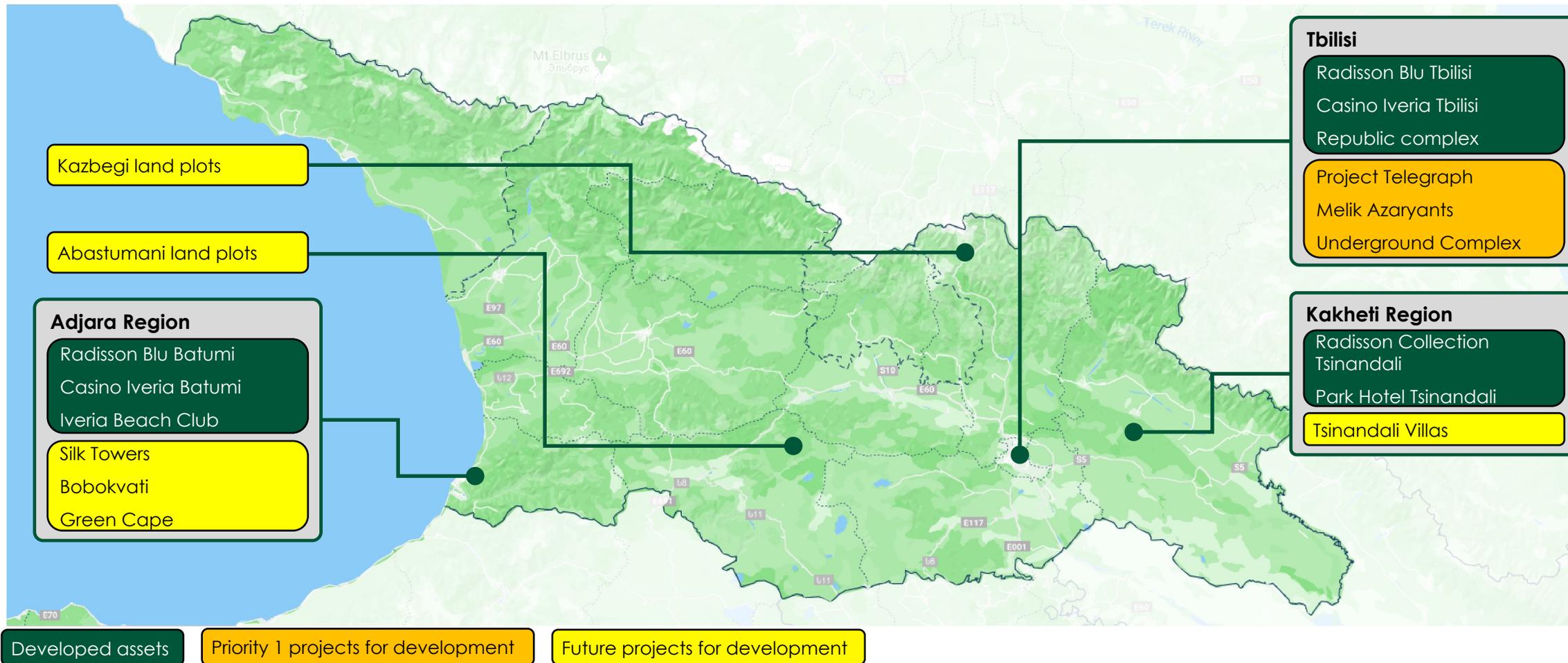


¹Main shareholder (95%) in SRG Real Estate LLC is Silk Road Group Holding LLC (SRGH), beneficially owned by: George Ramishvili (38.24%), Yerkin Tatishev (38.24%), Alex Topuria (17.65%), David Borger (5.88%)

²Valuations per July 2022 by Colliers Georgia
 Note: simplified structure, full legal structure to be found in Annex
 Sources: Colliers Georgia, company information, company estimates

SRG Real Estate assets are located throughout Georgia

Tbilisi asset cluster will be developed with first priority



Silk Hospitality has quickly become a leading hospitality management company in Georgia

A number of third-party management contracts are negotiated and ready for contracting



Strong management and professional staff

- In 2020 switched all management contracts with Radisson Hotel Group to licence agreement, replacing Radisson with own management team
- Largest hospitality company in Georgia with around 2,000 employees
- Partnership with USAID and other organisations for professional training
- Trusted management company for international brands

Impressive performance in hospitality and superior guest satisfaction

- Georgian leader for guest satisfaction, as tracked by ReviewPro, the most trusted independent tool for analysing and addressing guest feedback
- Consistently exceeding market benchmarks in business performance (RevPar) as measured by Deloitte/STR in Tbilisi and Batumi

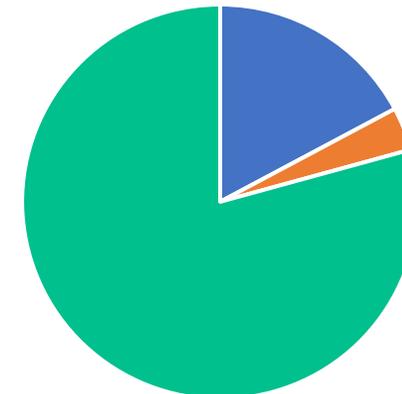
Leveraging of experience to access additional revenue streams

- Expanding the food and beverage business
- Strengthening the SPA business

- Starting from 2022, Silk Hospitality offers management services to third parties



Value of third-party contracts by contracting stage



- Contracts being drafted
- Contracted
- General terms agreed

The Company has a strong team leading the development and hospitality divisions



Mamuka Shurgaia
CEO of SRG Real Estate heading Silk Development. Joined SRG in 2011 as CFO of the

group after working as senior auditor with EY. Mamuka holds an MBA from Grenoble Ecole de Management and is a board member of group companies.



Vasil Kenkishvili
CEO of SRGH. Vasil joined SRG in 2006 as General Counsel. Vasil holds a degree in

law from Tbilisi State University and an LLM degree from The American University, Washington College of Law, USA. He is a board member of various group companies.



Nona Oniani
CFO of SRG Real Estate. Joined SRG in 2022 after several years in corporate

banking in TBC Bank where she covered real estate and hospitality clients. Nona holds a degree in Business Administration from Free University of Tbilisi.



Lika Dolidze
Head of Project Management at Silk Development. Lika joined SRG in 2007 as procure-

ment manager after working in World Bank financed projects. She holds academic credentials from Tbilisi State University and George Washington University, USA.



Jordi Kuijt
CEO of Silk Hospitality. Joined SRG in 2016 after senior hospitality

positions in Europe. Jordi is a graduate of Hotelschool, The Hague, and of Cornell University Executive Programmes in Hospitality Finance and Hotel Investment.



David Rapava,
CFO of Silk Hospitality. Joined SRG in the late 1990s, and was CEO of SRG's

transportation business for many years. Born in Sokhumi, Georgia, he studied Economics at the Tbilisi State University, Georgia. He also heads the Entertainment division.



Elenka Machavariani
is the COO of Silk Hospitality. She joined SRG in 2021, after several

years with a leading hospitality group in Georgia. Elenka holds a degree in international law and diplomacy from American University for Humanities, Tbilisi.



Giorgi Kapanadze
Director at Silk Development. He joined SRG in 2018 after ten years as General

Director of a large Georgian development company. He has a degree in Civil Engineering from Georgian Technical University and an MBA from Free University, Tbilisi.

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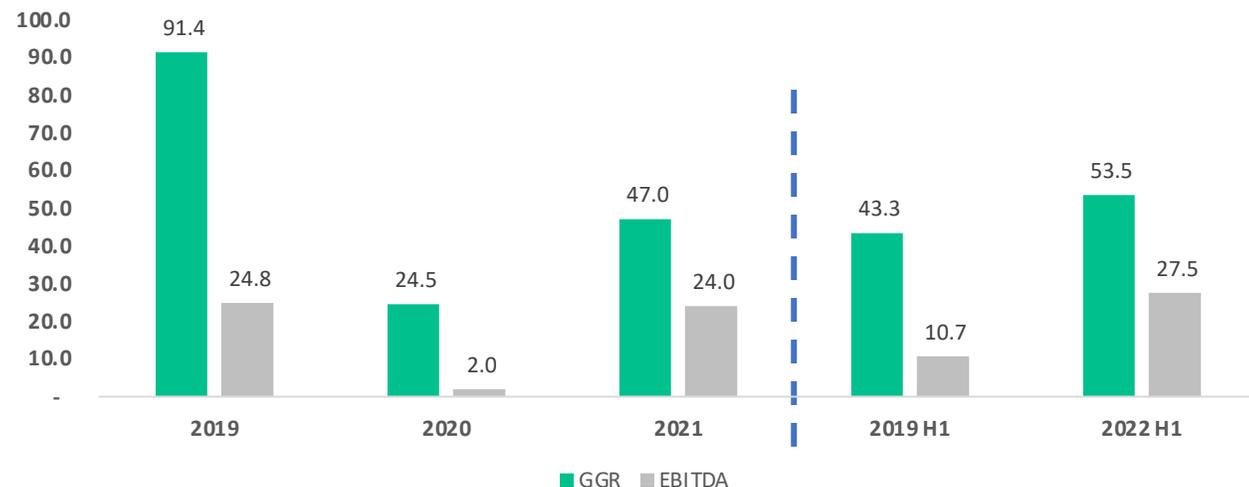
ANNEXES

Casino Iveria Tbilisi performance has exceeded pre-pandemic levels

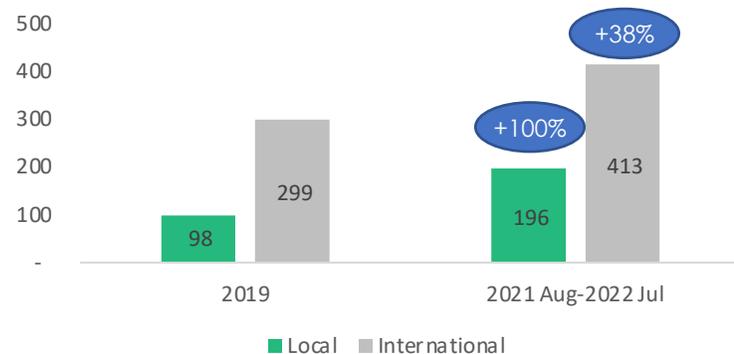
Casino Iveria Tbilisi, in operation since 2009, was one of first casinos to open in Georgia and has around 25% table capacity share in Tbilisi



Performance of Casino Iveria Tbilisi (GEL mln)



Average GGR per visit by local and international visitors



Tables: 22
Slots: 158
Average daily visits in 2022: 669

The following factors contributed to the success of the casino:

- Casino Iveria Tbilisi was among the first casinos in the capital to reopen after the pandemic
- New international visitors discovered Georgia as a gaming destination – new visitors are likely to return
- Despite the number of visitors still being below 2019 levels, the Gross Gaming Revenue (GGR) has increased as GGR per visit has increased dramatically
- The new foreign visitors tend to spend more, resulting in higher GGR per visit
- Local visitors to the casino also tend to spend more
- The flow of visitors from new markets is supported by increases in international flights

Strong improvement in EBITDA can be explained by the following (only partly sustainable):

- Savings on licence fee (50% discount post-pandemic), which is a one-off effect in the first half of 2022, saving more than GEL 3.5 mln
- GEL 3.9 mln savings in marketing expenses
- Synergies with other hospitality assets

Notes: GGR is gross gaming revenue (audited figures), the funds remaining with the casino before deducting costs.

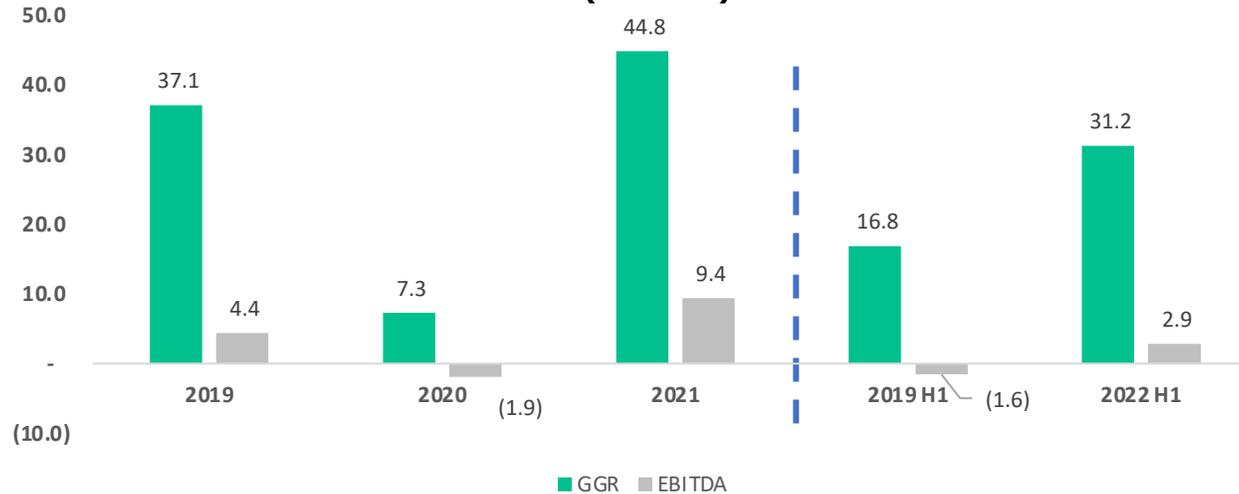
Source: Company information

Casino Iveria Batumi has shown even more exceptional recovery

Casino Iveria Batumi, in operation since 2011, has around 13% table capacity share



Performance of Casino Iveria Batumi (GEL mln)



Average GGR per visit by local and international visitors



The following factors contributed to the success of the Batumi casino:

- Batumi market has opened earlier than some other markets for the target markets such as Northern Cyprus
- New international visitors discovered Georgia as a gaming destination and visitors are likely to come again
- Despite the number of visitors still being below 2019 levels, the Gross Gaming Revenue (GGR) has increased, since GGR per visit has increased dramatically
- The new foreign visitors tend to spend more, resulting in higher GGR per visit despite a lower hold percentage in the Batumi operations compared to 2019
- The flow of visitors from the new markets is supported by increases in international flights to Batumi and also Kutaisi
- Casino visitors contribute to the Radisson Blu Batumi performance (Up to GEL 3 mln revenues in H1 2022)

Casino Iveria Batumi's improvement in EBITDA is driven by

- Additional revenues
- Savings on general and administrative costs of GEL 1 mln
- Synergies with other hospitality assets

Notes: GGR is gross gaming revenue (audited figures), the funds remaining with the casino before deducting costs

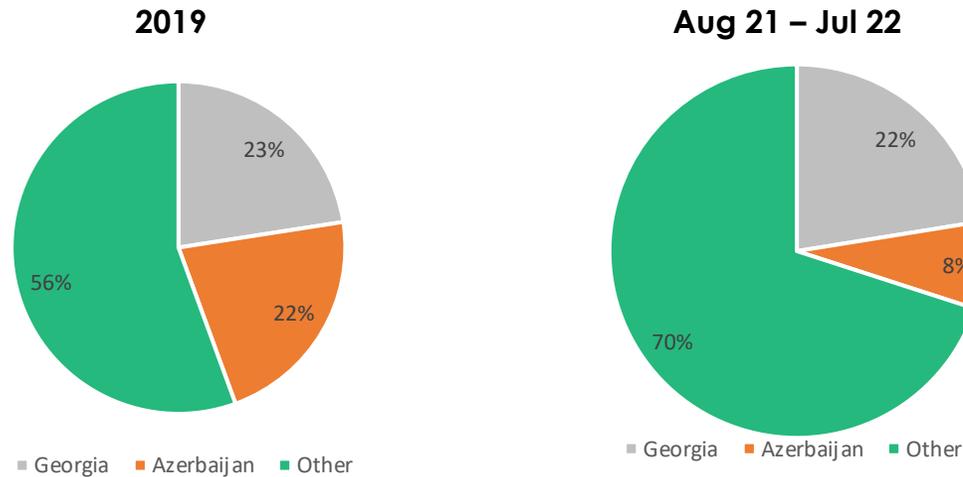
Source: Company information

Casino recovery occurred despite closed borders in Azerbaijan, historically one of the major markets

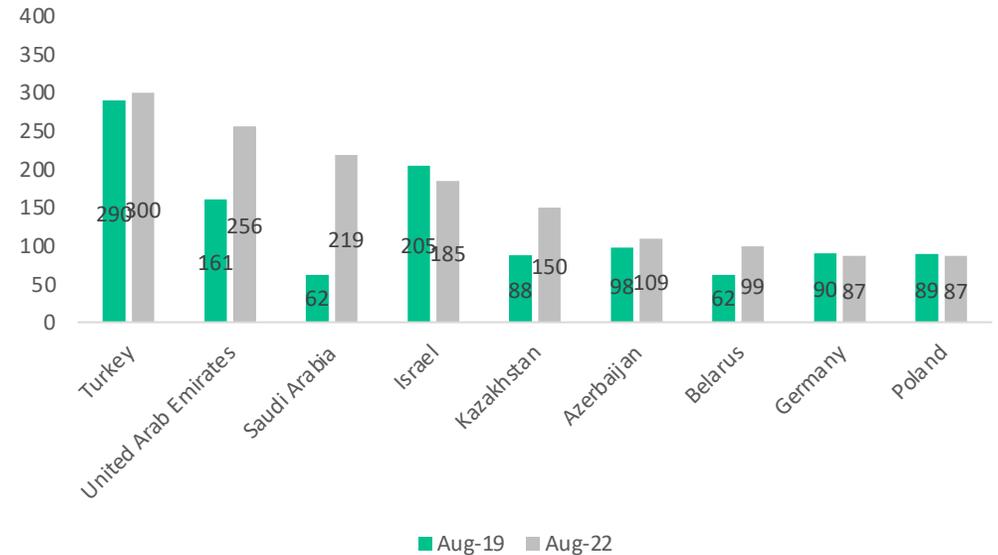
As pandemic related closure of Azerbaijan land border persists, flights from some new markets increased markedly



Casino Iveria Tbilisi GGR by nationality of visitors



Number of monthly flights August 2022 vs August 2019



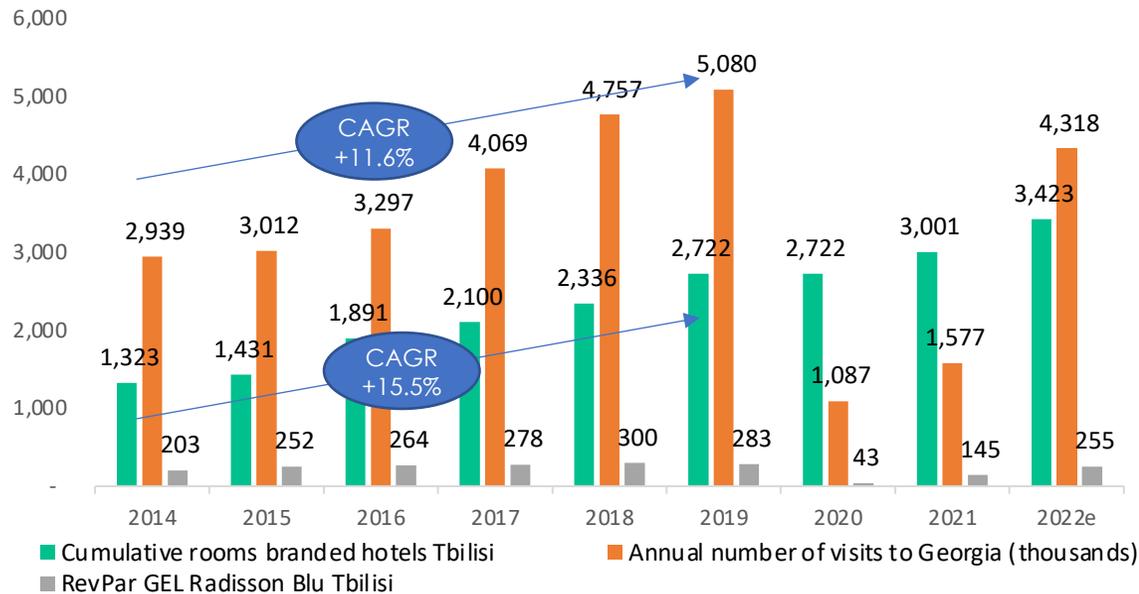
The decrease in number of visitors from Azerbaijan is equivalent to a GEL 8 mln drop in GGR – this potential business is expected to return upon reopening of the borders

Supply of branded hotel rooms in Tbilisi is growing fast

Supply of branded hotel beds still low by international benchmarks

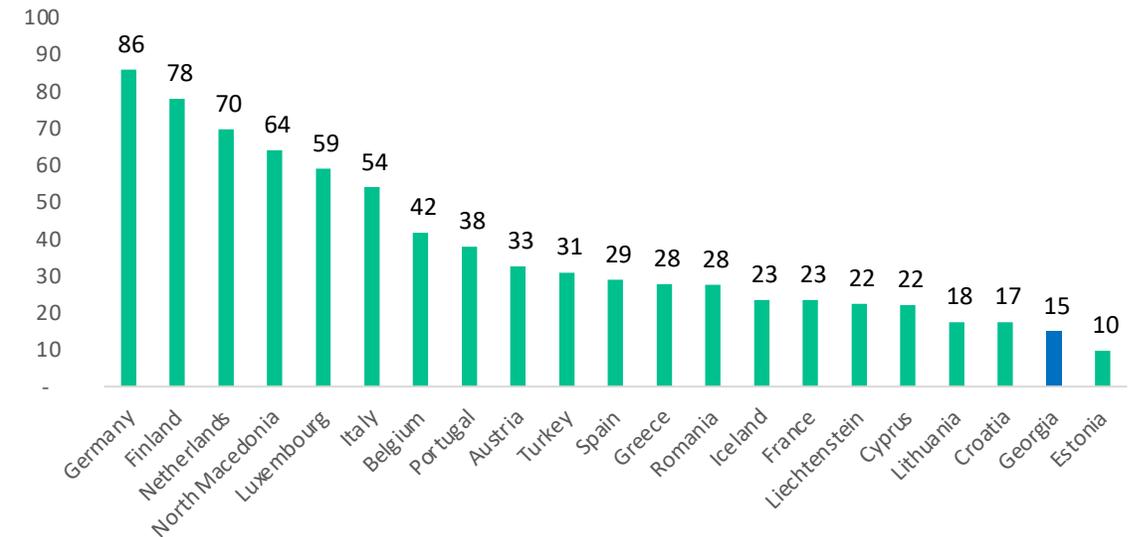


Cumulative number of rooms supplied to the Tbilisi market



During 2014 to 2019, the supply of branded hotel rooms grew faster than the annual number of visits to Georgia, however, the supply is still far below European benchmarks, suggesting further scope for supply growth

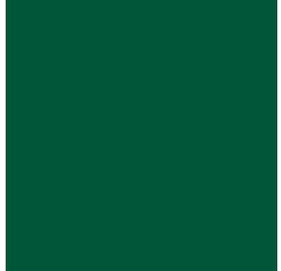
Beds per one thousand visits in 2019



- When Radisson Blu Iveria Tbilisi opened in 2009, it supplied more than 50% of the branded upscale market, today its share is 12%
- Additional supply of branded hotel rooms prior to 2020 was quickly absorbed by fast growing demand, leading to relatively stable RevPar level

Sources: Company information, STR/Deloitte, TBC Capital
www.srgre.ge

Radisson Blu Tbilisi shows high guest satisfaction and strong revenue generation



In Soviet times the first international tourist hotel in the city's best location, the hotel was renovated by renowned international architects



Upscale hotel, casino and event location in the centre of Tbilisi

Number of Rooms: 236

Opening date: September 2009

Hotel facilities:

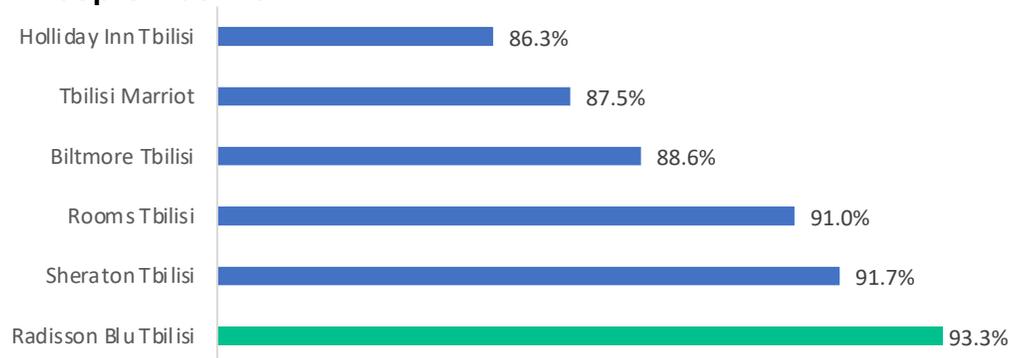
- Anne Semonin SPA
- Indoor and outdoor pool
- Ball room and meeting facilities
- Gym and beauty treatment
- Two restaurants and one cafe

Republic Event Hall

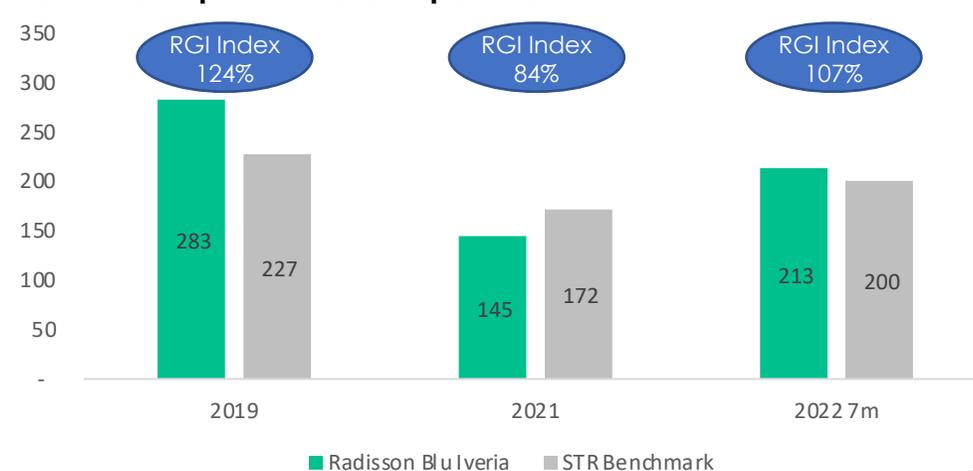
- Two restaurants
- 1,500 sqm event space for up to 1,000 guests

Notes: RevPar – revenue per available room, GRI – Global Review Index, RGI – Revenue Generation Index
 Source: ReviewPro, Deloitte/STR
www.srgre.ge

ReviewPro Rankings per Global Review Index (GRI) as per 1st September 2022



RevPar comparison to competitive set



Radisson Blu Batumi was opened in 2011 with casino operations and a beach club

Revenue generating index (RGI) measured by Deloitte/STR shows strong competitive position



Upscale hotel, casino and beach club located on the Black Sea coast

Number of Rooms: 168

Opening date: August 2011

Hotel facilities:

- Anne Semonin SPA
- Indoor and outdoor pool
- Ball room and meeting facilities
- Top-floor restaurant
- Ground-floor restaurant

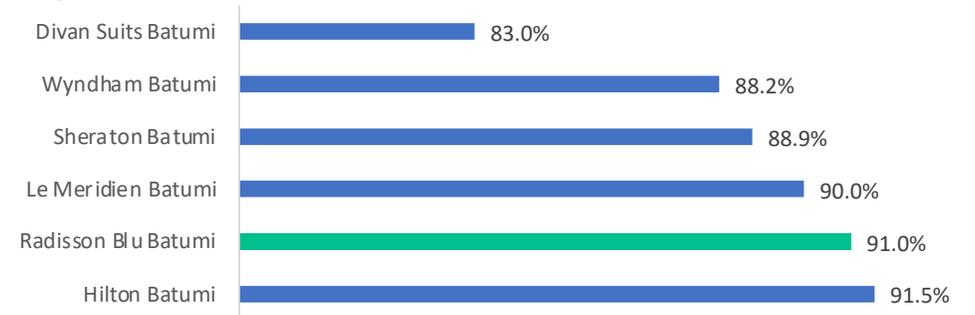
About 20% of the annual hotel revenue is generated by the casino, in the low season the share is higher

Iveria Beach

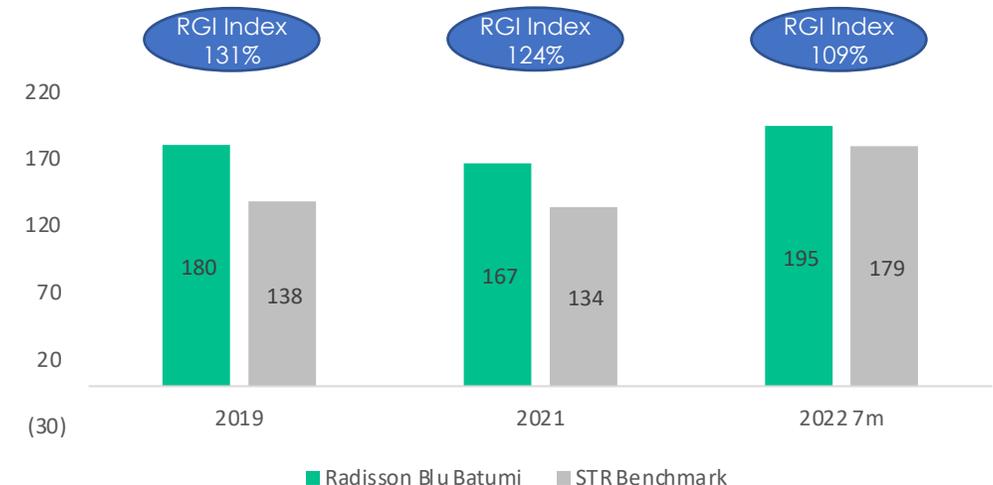
- Over 3000sqm beach venue
- Bar and restaurant, operated during season
- Live music, and many other forms of entertainment

Sources: ReviewPro, Deloitte/STR, company information
www.srgre.ge

ReviewPro Rankings per Global Review Index (GRI) as per 1st September 2022



RevPar comparison to competitive set



Radisson Collection Tsinandali opened in 2019 as a five-star hotel within a wine estate

Adjacent historical Chavchavadze Estate with botanical garden under patronage of the Silk Road Group



Luxury hotel and event location in the heart of the Georgian wine region

Number of Rooms: 124

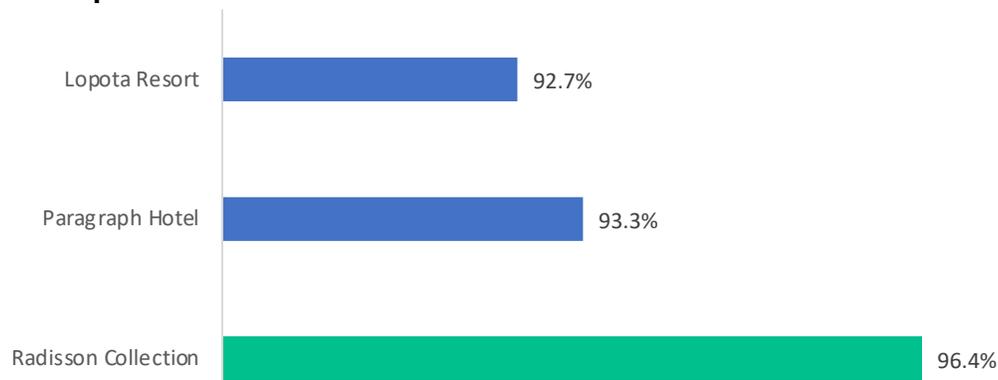
Opening date: January 2019

Hotel facilities:

- Anne Semonin SPA
- Indoor and outdoor pool
- Outdoor concert location for 1,000 visitors
- Ballroom and meeting facilities
- Two restaurants
- Adjacent to historical botanical garden

Following opening and two years of pandemic restrictions, the hotel is in the ramp-up phase, thus RevPar still below competitive set

ReviewPro Rankings per Global Review Index (GRI) as per 1st September 2022



Tsinandali Museum

Operated by Silk Road Group under patronage



Park Hotel Tsinandali shows good reviews and benefits from proximity to Chavchavadze Estate



The Park Hotel Tsinandali is a non-branded economy hotel

Number of Rooms: 72

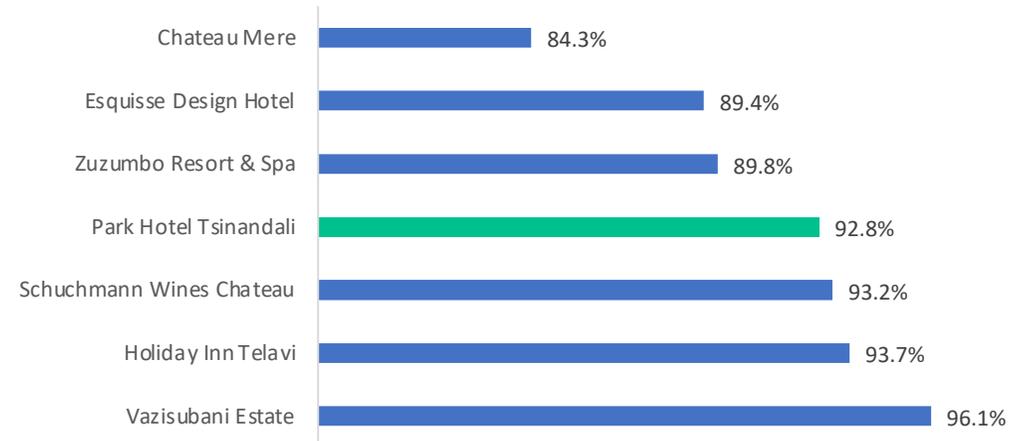
Opening date: August 2019

Hotel facilities:

- Meeting facilities
- Restaurants

Following opening and two years of pandemic restrictions, the hotel is in the ramp-up phase, thus RevPar still below competitive set

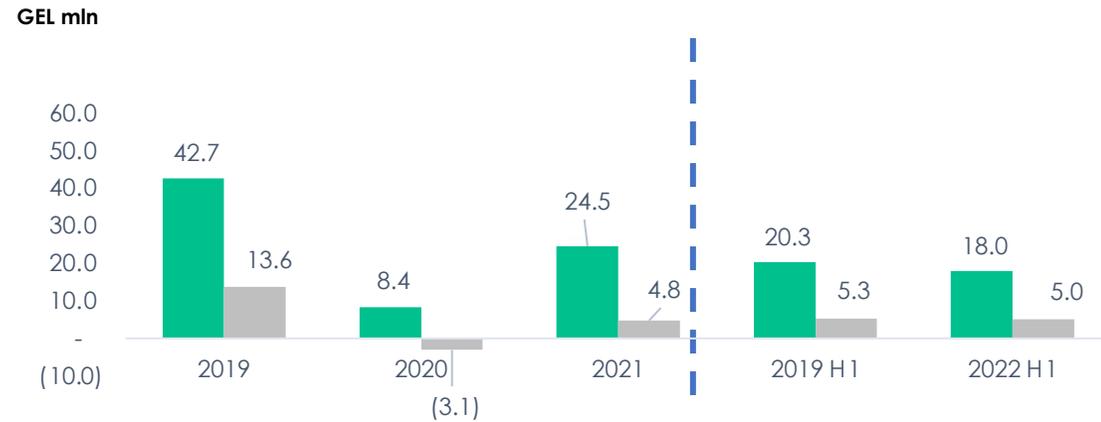
ReviewPro Rankings per Global Review Index (GRI) as per 1st September 2022



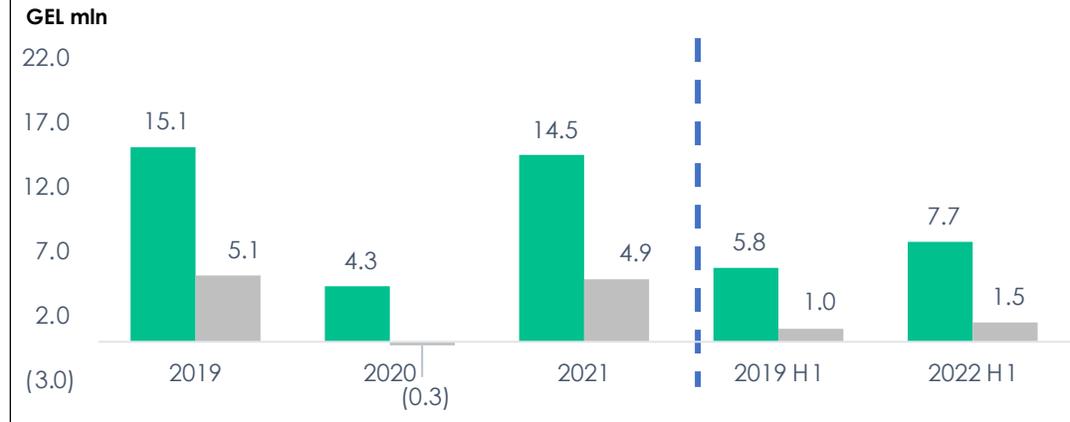
In 2022, all hotel assets have continued strong recovery following the pandemic lockdowns



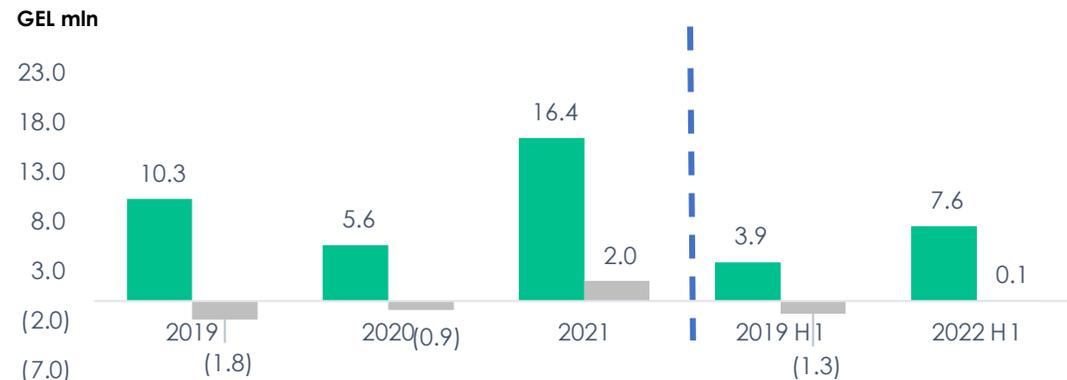
Radisson Blu Iveria Tbilisi



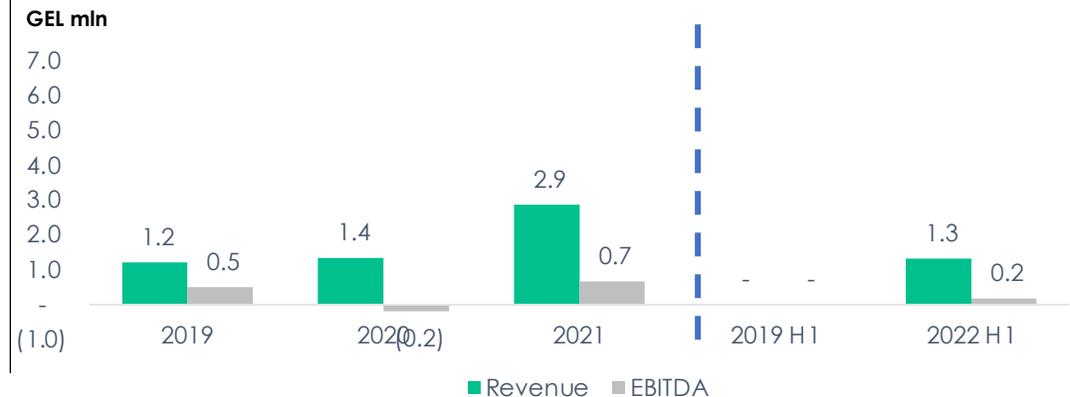
Radisson Blu Batumi



Radisson Collection Tsinandali



Park Hotel Tsinandali



■ Revenue ■ EBITDA

Source: Company information. Note: Park Hotel Tsinandali joined in the group from 2021 year, All numbers are IFRS audited, www.srgre.ge

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Company performance in 2022 is significantly exceeding 2019 results



Segment reporting for businesses of SRG Real Estate LLC

GEL mln	Audited			Managerial		
	2019	2020	2021	2019 H1	2022 H1	YoY <>
Revenue From Casino Operations	136.7	34.7	97.8	63.4	89.6	41%
GGR Table	89.9	23.2	68.3	44.1	61.1	39%
GGR Slot	38.6	8.6	23.5	16.0	23.6	47%
Tips and other	8.2	2.9	6.0	3.2	4.8	51%
Revenue from Hotel Operations	68.0	18.3	58.3	29.9	34.6	16%
Room Revenue	41.6	8.8	30.7	17.7	17.9	1%
Other Revenue	26.4	9.5	27.6	12.2	16.6	37%
Other Revenue	18.1	49.5	18.4	5.8	11.6	101%
Total Revenue	222.8	102.5	174.6	99.0	135.8	37%
Adjusted EBITDA Casinos	29.2	0.2	33.1	9.1	30.2	234%
Adjusted EBITDA Hotels	16.9	(4.2)	12.3	5.0	7.1	41%
Adjusted EBITDA Other	(7.3)	27.5	(7.6)	(4.9)	(2.6)	46%
Adjusted EBITDA	38.8	23.5	37.8	9.2	34.7	276%
Adjusted EBITDA margin	17%	23%	22%	9%	26%	

Performance highlights for standalone segments

- Asset sales in 2019 and 2020, reported in Other Revenue, helped to compensate the depressed hospitality business during lock-downs in 2020 and 2021
- By 2021 total revenues from operations had recovered close to 80% of 2019 levels
- Furthermore, in 2022 H1 total revenues already exceeded the 2019 level by 37%, more so for casino revenues (41%)
- In 2022 H1, hotel revenues exceeded 2019 levels by 16% as Tsinandali Radisson and Park Hotel became fully operational
- Consolidated EBITDA in 2021 was only GEL 1 mln short on the 2019 results, helped by lower costs on licenses and marketing
- 2022 H1 EBITDA has almost reached full year levels of 2019 and 2021
- In particular, the Adjusted EBITDA 2022 H1 of casinos more than tripled due to a lower cost base and a sharp increase in revenues

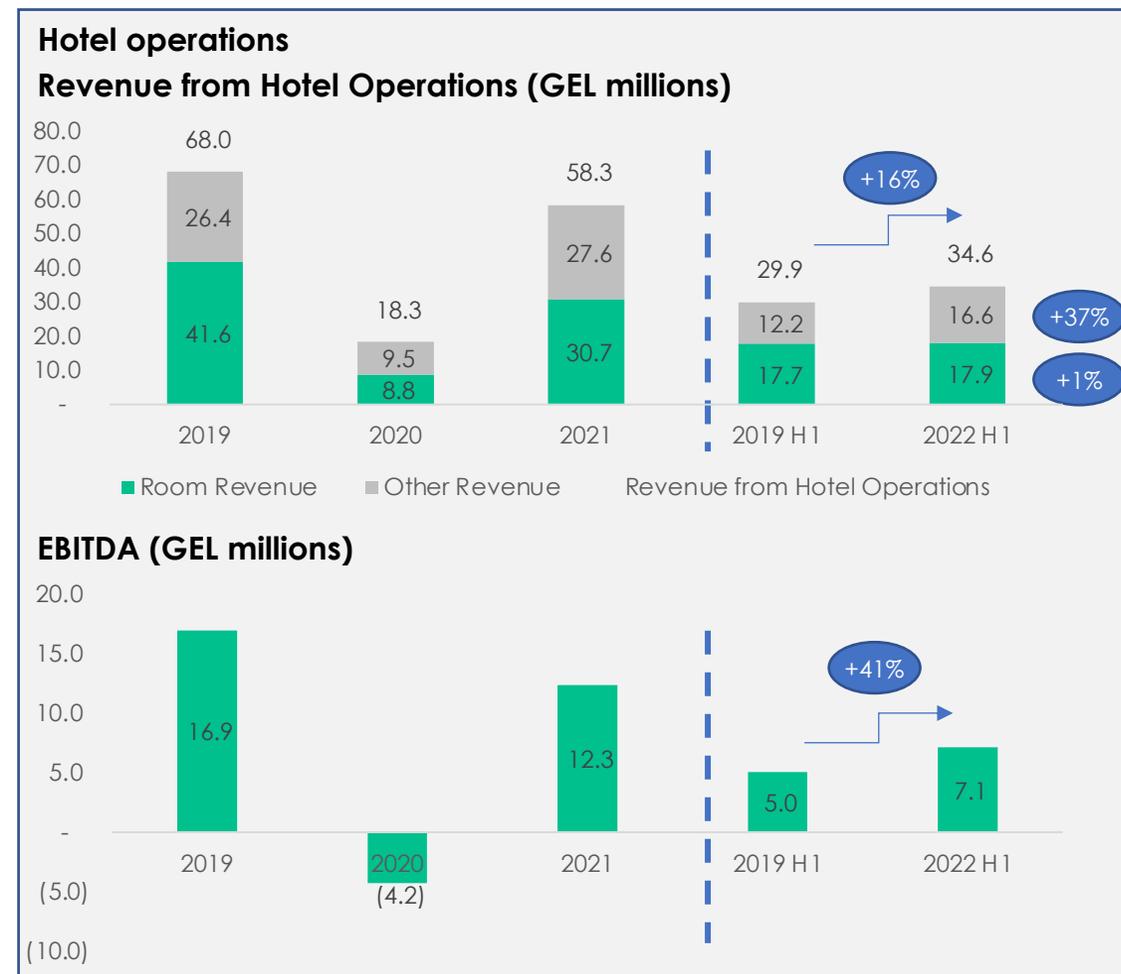
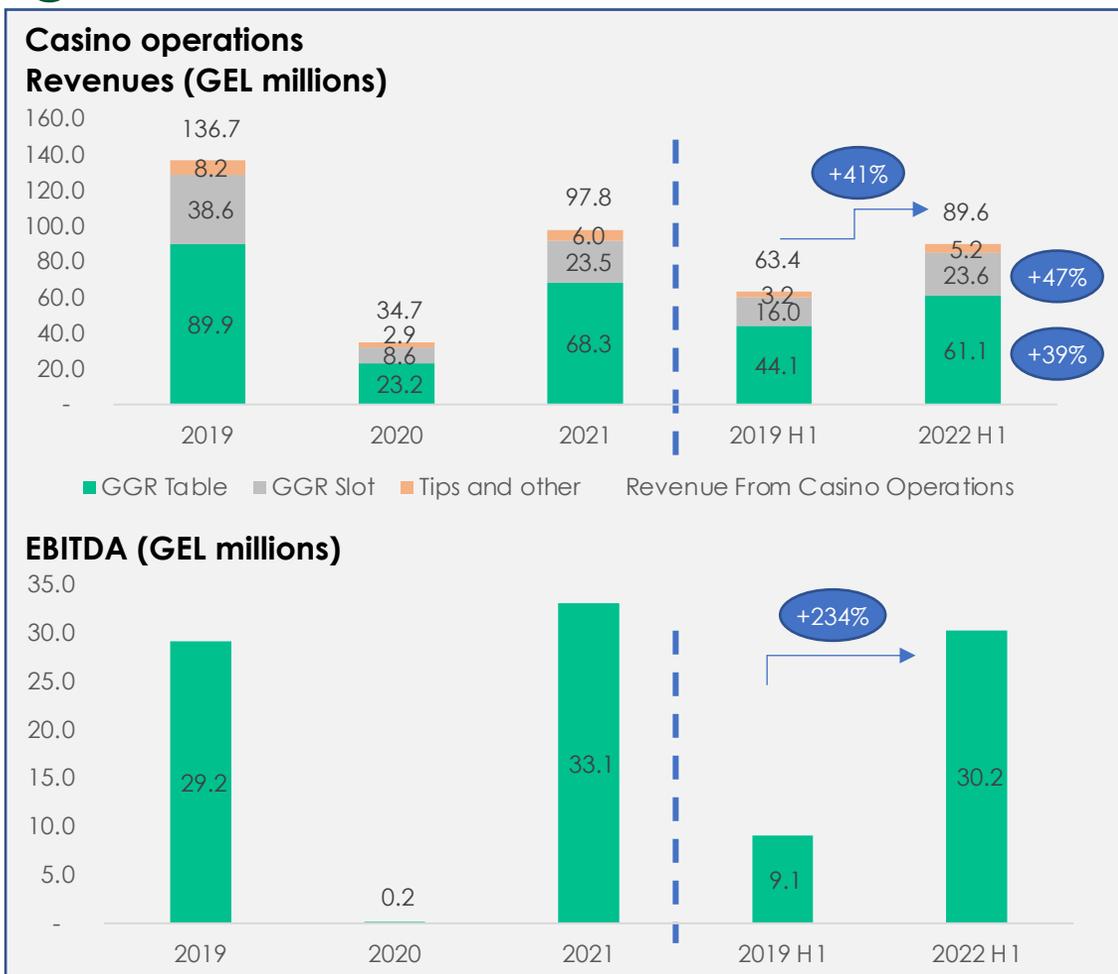
Note: Company calculates Adjusted EBITDA by adjusting profit from continuing operations to exclude following items: finance costs and finance income, corporate income tax and any other taxes related to the distribution of dividends, depreciation, amortization, revaluation, impairment (losses / reversals) of non-current assets, net foreign exchange gain/(loss), including gain/(loss) on hedging instruments, currency forward contracts and any other gain/(loss) attributable to changes in foreign currency exchange rates.

Source: Company Information

www.srgre.ge

Hotel and casino segments show strong revenues and cash generation

Performance in 2022 H1 exceeds results of 2019 H1 for all components



Source: Company information
www.srgre.ge

The company expects the growth to remain strong in 2022 and moderate from 2023

Delivering strong financial ratios to support the further development of asset portfolio



Financial Projection Highlights

Green Box:

- Total revenues in 2022 to exceed 2019 levels above 40% (up from 37% in the first half of 2022)
- Casino business to remain the main driver of revenue increase, exceeding 2019 levels by more than 50% (from 41% in 2022 H1)
- Hotel revenues will exceed 2019 levels by more than 25% as Tsinandali Radisson and Park Hotel operate in full capacity
- EBITDA to double versus 2019 for the full year 2022 - in the first half of 2022 the increase was even more than three times
- Company expects more than 4% organic growth rates for revenues and EBITDA for the subsequent years

Orange Box

- Revenue generation is expected to start from 2025 and to stabilize after three years of operation
- By 2027 new projects are expected to contribute additional GEL 40 mln in EBITDA annually

Developed assets

Priority 1 projects for development

Source: Company information, company estimates
www.srgre.ge

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DEVELOPED ASSETS

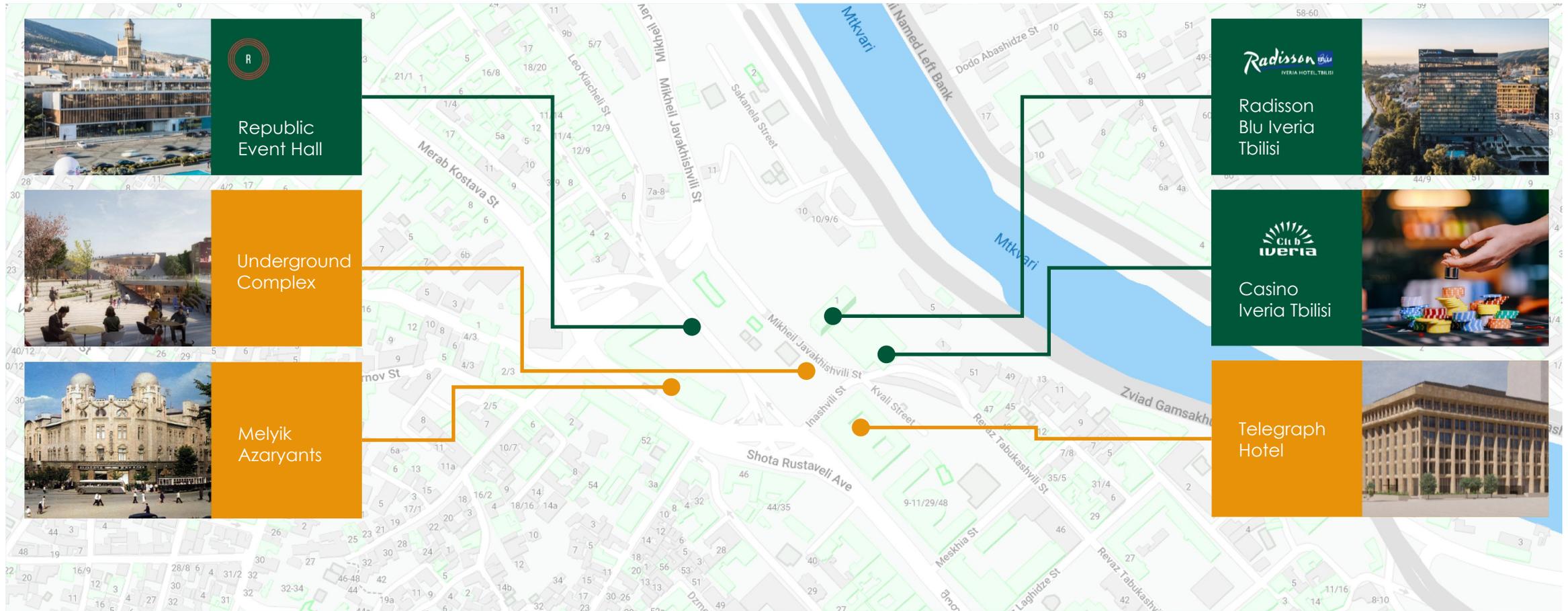
FINANCIAL PERFORMANCE

PRIORITY DEVELOPMENT PROJECTS OF THE GROUP

ANNEXES

Tbilisi cluster of assets located in the heart of Georgia's capital city

Telegraph to be next iconic hotel
project on main square of capital



Developed assets

Priority 1 projects for development

Telegraph Hotel Tbilisi to become another upscale hotel located next to Radisson Blu

Telegraph Hotel will benefit from synergies with Radisson Blu hotel including shared use of facilities



Priority 1 project for development

Upscale boutique hotel with international brand

Status: Cultural heritage under rehabilitation

Location: In the center of Tbilisi, Rustaveli avenue

Number of rooms: 237

Facilities:

- 7 restaurants
- Jazz club
- Ballroom
- Meeting facilities
- Office space
- Gym

Highlights and development status

Radisson Collection brand to benefit from high synergies with existing Radisson Blu Tbilisi hotel

LEED certificated project - the first precedent in Georgia

Current Status: Brownfield

Reconstruction and renovation works are planned to start latest Jan-2023

The hotel is expected to be fully functional in the beginning of 2025

Total additional investment GEL 159 mln

- Committed cash equity GEL 45 mln
- Committed debt GEL 114 mln



Parking, retail and rentable space in the city centre

Infrastructure will create additional pedestrian space on Republic Square benefitting existing projects of Green Box in Tbilisi cluster



Underground Complex

Priority 1 project for development

Parking and retail in the city centre

Status: Under rehabilitation

Location: In the centre of Tbilisi, Rustaveli avenue

Facilities

- 115 parking lots
- 8,700sqm rentable retail space

Highlights and development status

Current status: Brownfield

Reconstruction and renovation works are planned to start in 2023



Melik Azaryants

Priority 1 project for development

Rentable space in the city centre

Status: Cultural heritage under rehabilitation

Location: In the centre of Tbilisi, Rustaveli avenue

Facilities

- 6,000 sqm rentable retail space

Highlights and development status

Historical building

Current status: Brownfield

Reconstruction and renovation works are planned to start in 2023



Orange Box projects to be completed within two years from start of construction



Planned investment schedule for Orange Box assets

GEL mln		Total	2022	2023	2024	2025
Telegraph Hotel	Investment	159	10	79	54	16
	Value at the end		83	162	216	232
Underground Complex	Investment	45	-	20	20	5
	Value at the end		35	56	76	80
Melik Azaryants	Investment	30	-	14	14	3
	Value at the end		28	42	55	58
Total Orange Box	Total Investment	234	10	113	88	23
	of which equity	45	10	35	-	-
	of which debt	189	-	78	88	23
	Value at the end		147	260	348	371
Total Green Box	Value at the end		438	438	438	438
Total	Value at the end		584	697	785	808
Share of Orange Box			25%	37%	44%	46%

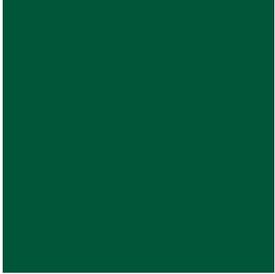
Status of Orange Box projects

Orange Box projects are currently being developed

- Completed design projects for Telegraph Hotel and Melik Azaryants
- All construction permits obtained for Telegraph Hotel
- Tender results for Telegraph Hotel expected by October 2022
- Telegraph project has financially closed with local bank financing – potentially to be refinanced by proposed financing

Orange Box projects expected to generate revenues from 2025

For further information
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Statement of Consolidated Financial Position

Reconciliation of stated asset values with consolidated audited financial statements



Amounts are presented in GEL mln

	Audited Balance as at 31 December 2019	Audited Balance as at 31 December 2020	Audited Balance as at 31 December 2021
Assets			
Property Plant and Equipment	273.4	274.8	267.2
Investment Property	302.1	303.7	309.8
Intangible assets	6.5	2.6	5.6
Prepayments for non-current assets	6.0	0.6	0.3
Loans receivable	218.4	267.7	237.3
Non-current assets	806.3	849.4	820.2
Inventories	5.4	3.7	4.9
Loans receivables	5.3	3.3	40.7
Trade and other receivables	7.4	16.4	9.0
Cash and cash equivalents	30.6	16.2	34.4
Prepayment and other assets	9.5	6.4	7.7
Total Current Assets	58.3	46.1	96.7
Total Assets	864.6	895.5	916.9
Equity			
Charter capital	(671.0)	(671.1)	(671.1)
Accumulated losses	134.2	136.7	137.9
Equity attributable to owners of the Company	(536.8)	(534.4)	(533.3)
Non-controlling interests	(16.6)	(4.5)	(7.5)
Total Equity	(553.4)	(539.0)	(540.8)
Loans and borrowings	(218.1)	(267.8)	(263.5)
Trade and other payables	-	(1.0)	(0.5)
Put option liability	(31.8)	(40.8)	(42.4)
Total Non-Current Liabilities	(249.9)	(309.6)	(306.4)
Loans and borrowings	(44.8)	(35.8)	(49.3)
Trade and other payables	(16.5)	(11.1)	(20.3)
Current liabilities	(61.3)	(46.9)	(69.6)
Total liabilities	(311.2)	(356.5)	(376.1)
Total equity and liabilities	(864.6)	(895.5)	(916.9)

GEL 577.0 mln

GEL mln	Book value	Appraisal effect	Market Value
Green box	239.0	198.7	437.7
Orange box	71.6	65.2	136.8
Yellow box	266.4	75.8	342.2
Total property value	577.0	339.7	916.6

Note: In July 2022, Colliers Georgia revalued the assets of SRG Real Estate with a net revaluation effect of close to 59% on total book value

Long term and short term loans receivable (in total GEL 278 mln) are mainly from intergroup companies and will be netted against intergroup payables and equity by the end of 2022, the net effect is expected to reduce the book value of equity by more than GEL 150 mln

Debt relating to Green Box assets to third parties (Georgian banks) is expected to be GEL 198 mln at the end of 2022

Source: SRG Real Estate LLC consolidated financial statement audit report for 2021, Colliers

Statement of Consolidated Other Comprehensive Income

Reconciliation of standalone segment and EBITDA with consolidated audited financial statements



Amounts are presented in GEL mln

	Audited Year 2019	Audited Year 2020	Audited Year 2021
Revenue	187.4	56.7	144.7
Other income	13.7	40.6	7.8
Operating costs	(82.5)	(30.2)	(59.6)
Wages and other employee benefits	(71.5)	(35.7)	(51.6)
Depreciation and amortization	(27.8)	(26.5)	(29.4)
Impairment loss of trade and other receivables and loan receivables	(1.3)	(0.4)	(0.4)
Other expenses	(3.0)	(4.3)	(2.3)
Results from operating activities	14.9	0.2	9.3
Interest income	17.5	18.9	19.7
Net foreign exchange gain/(loss)	(0.7)	2.4	3.0
Interest expenses	(23.3)	(22.4)	(29.5)
Net finance costs	(6.6)	(1.1)	(6.8)
(Loss)/profit before income tax	8.3	(0.9)	2.5
Income tax benefit	0.9	-	-
(Loss)/profit and total comprehensive (loss)/income for the year	9.2	(0.9)	2.5

Reconciliation of revenue

GEL mln	2019	2020	2021
Revenue from Casino operations	136.7	34.7	97.8
Revenue from Hotel operations	68.0	18.3	58.3
Other revenue	18.1	49.5	18.4
Total standalone revenue	222.8	102.5	174.6
Eliminations for consolidation	(14.1)	(3.9)	(11.5)
Revenue reclassification per IFRS	(7.6)	(1.3)	(10.5)
Total effect on revenue	(21.7)	(5.2)	(22.0)
Total consolidated revenue	201.1	97.3	152.5

Profit/(loss) reconciliation to adjusted EBITDA

GEL mln	2019	2020	2021
Profit/(loss) for the year	9.2	(0.9)	2.5
Income tax benefit	(0.9)	-	-
Interest expenses	23.3	22.4	29.5
Net foreign exchange gain/(loss)	0.7	(2.4)	(3.0)
Interest income	(17.5)	(18.9)	(19.7)
Impairment loss of trade and other receivables and loan receivables	1.3	0.4	0.4
Depreciation and amortization	27.8	26.5	29.4
Reclassification: casino license fee amortization	(5.2)	(3.6)	(1.3)
Adjusted EBITDA	38.8	23.5	37.8

Silk Road Group has an entrepreneurial ownership



38.24%

George Ramishvili is the founder and controlling shareholder of SRG. He studied Hydro-Technical Engineering at the State Polytechnic Institute of Tbilisi and Economics with a degree from the State University of Georgia. He has over 25 years of experience in business development. George is a member of the French Legion d'Honneur and a supporter of classical music (founder of Tsinandali Festival) and the Georgian Skiing federation (long-time president). George is married with four children.



38.24%

Yerkin Tatishev has been collaborating with SRG in a series of development projects since 2006 and joined SRG as a partner in 2019, with Silknet's acquisition of Geocell. Apart from his involvement in SRG, Yerkin is the Founding Chairman of Kusto Group, an international industrial holding with an annual turnover exceeding USD 1 billion. He studied at Moscow State Management University and, in 2022, was selected the EY Business Man of the Year. Yerkin is married with five children and lives in Almaty.



17.64%

Alex Topuria joined SRG in the late 1990s after returning from studies and work in Germany. Alex first studied Economic Geography at the Tbilisi State University, Georgia, followed by studies in Economics and Business Management in Witten-Herdecke University, Germany. He developed SRG's logistics and oil trading business in Central Asia and now serves on the board of SRG. Having been a member of the Dynamo Tbilisi football cadre, he now supports development of Georgian football. Alex is married with two children.



5.88%

David Berger joined SRG as a partner in 2005 after helping to build SRG's oil trading business in 2004. He studied business in Witten-Herdecke University, Germany, and holds a PhD in Accounting and Finance from the London School of Economics. David has worked in information technology, management consulting, development finance and academia. Before joining SRG, he worked for the Boston Consulting Group in projects for the financial and insurance industry. He lives with his family and two children in Munich.

Share of ultimate beneficial ownership in Silk Road Group Holding LLC

Legal structure

