



GALT & TAGGART
CREATING OPPORTUNITIES

**Leading Investment Banking and Investment
Management Services Company in Georgia**



BGEO Group: *At a glance*



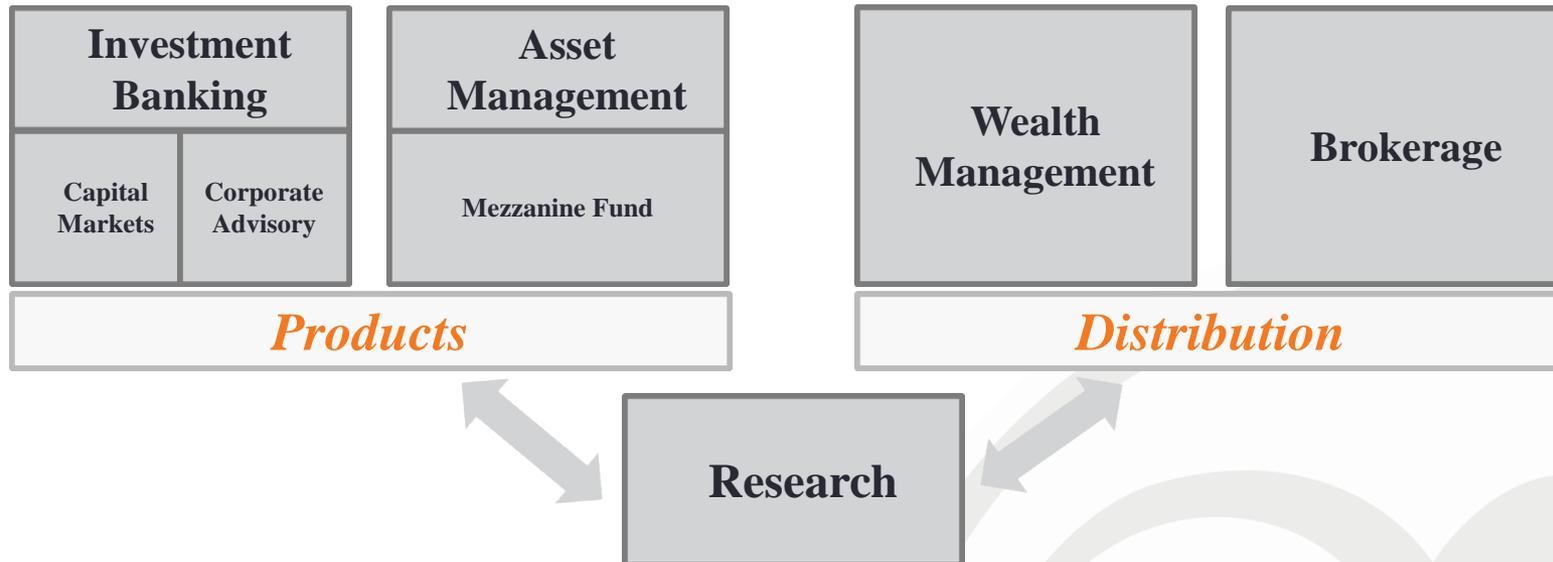
Banking Business



Investment Business



Galt & Taggart: A Full Spectrum of Financial Services



Best Investment Bank in Georgia 2016
 Best Corporate Advisory in Georgia 2016
 Best Corporate Advisory in Georgia 2015



Best Investment Bank in Georgia 2016
 Best Investment Bank in Georgia 2015



Best Investment Bank in Georgia 2015



Best Investment Bank in Georgia 2015
 Best Investment Bank in Georgia 2014





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Investment Banking – Debt Capital Markets



Investment Banking Business: *Full Set of Services*

Debt Capital Markets- *What we offer*

Local Bonds

We help companies raise money on local debt capital markets by offering following services:

- Preparation of all required documentation for bond placement (prospectus, investor presentation, etc.)
- Co-ordination and implementation of marketing strategy, introducing the company to potential investors
- Co-ordination of book building process, pricing and allocation of Bonds
- Possibility of guaranteed underwriting (BoG backing)
- Assist the company in communicating with National Bank of Georgia and Georgian Stock Exchange

International Bonds

We have gained valuable experience in Eurobond Issue process and have capacity to act as a co-lead manager on large international bond projects by offering following services to our clients:

- Advise on rating strategy, objectives and timing, prepare rating agency presentation, follow-up with agencies on a constant basis.
- Prepare roadshow presentation
- Provide comments on preliminary and final Prospectus
- Plan roadshow and other marketing activities

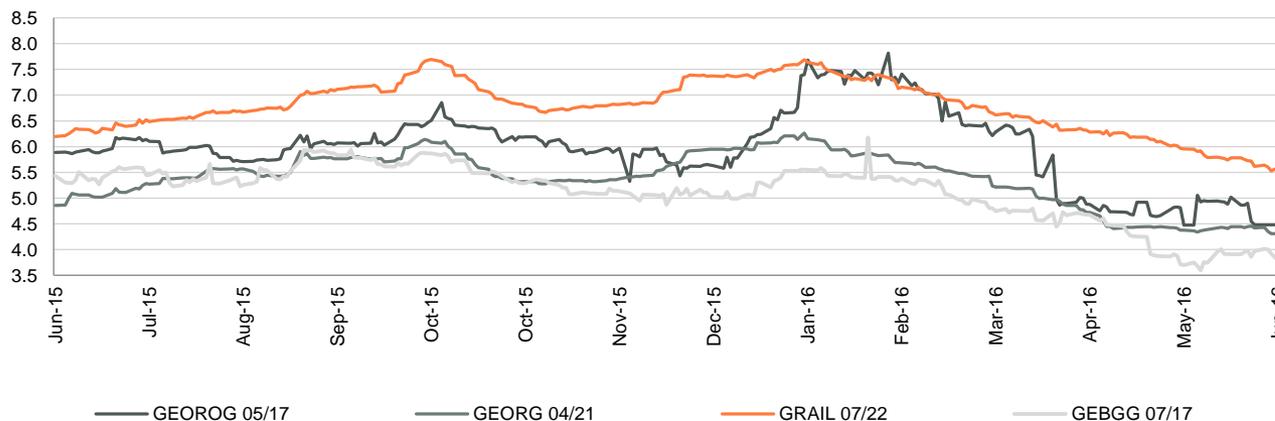


Georgian Quasi-sovereign Entities: *Leading in Eurobonds Issuances*



	GEORG 04/21	GOGC 04/21	GRAIL 07/22	GEBGG 07/17
Amount, US\$ mn	500	250	500	400
Issue date	Apr-11	Apr-16	Jul-12	Jul-12
Maturity date	Apr-21	Apr-21	Jul-22	Jul-17
Coupon, %	6.88%	6.75%	7.75%	7.75%
Fitch/S&P/ Moody's	BB-/BB-/Ba3	BB-/--	BB-/BB--	BB-/BB-/Ba3
Mid price, US\$	111.1	102.8	111.2	104.1
Mid yield, %	4.3	6.1	5.6	3.8
Z-spread, bps	308.6	484.0	433.5	327.7

Georgia Eurobonds, YTM (%)



Source: Bloomberg



Recent Corporate Issuances: *Led by Galt & Taggart transactions*

Issuer	Type of issuance (public/private)	Issue date	Duration (years)	Coupon rate, %	Currency	Issue volume	Lead Manager
	Public	23/04/2014	1	9.5	USD	5,000,000	 GALT & TAGGART
	Public	11/6/2014	1	8.42	USD	10,000,000	 GALT & TAGGART
	Private	3/9/2014	2	8.42	USD	2,000,000	 TBC CAPITAL
	Public	20/09/2014	3	8.75	USD	10,000,000	 GALT & TAGGART
	Public	20/03/2015	2	9.5	USD	20,000,000	 GALT & TAGGART
	Public	19/05/2015	2	9.5	USD	15,000,000	 GALT & TAGGART
	Public	28/05/2015	3	10.1	GEL	20,000,000	 PASHA Bank
	Public	17/08/2015	2	14	GEL	2,600,000	 GALT & TAGGART
	Public	9/12/2015	2	NBG REF Rate + 750bps	GEL	6,000,000	 GALT & TAGGART  PASHA Bank
	Public	18/03/2016	2	11.0	USD	5,000,000	 GALT & TAGGART
	Public	31/5/2016	3	3-months NBG CD rate	GEL	50,000,000	 GALT & TAGGART

Corporates

Recent IFI Issuances: *Galt & Taggart is one of the two major players*

Issuer	Type of issuance (public/private)	Issue date	Duration (years)	Coupon rate, %	Currency	Issue volume	Lead Manager
 European Bank for Reconstruction and Development	Private	3/1/2014	2	NBG 3 Month CD Rate	GEL	50,000,000	 TBC CAPITAL GALT & TAGGART
 European Bank for Reconstruction and Development	Private	13/2/2015	3	NBG 3 Month CD Rate + 20bps	GEL	25,000,000	 GALT & TAGGART
 IFC International Finance Corporation WORLD BANK GROUP	Private	17/2/2015	2	6.9	GEL	30,000,000	 GALT & TAGGART
 ADB	Private	18/2/2015	3	NBG 3 Month CD Rate	GEL	100,000,000	 TBC CAPITAL
 Black Sea Trade & Development Bank	Private	11/1/2015	3	NBG 3 Month CD Rate	GEL	45,000,000	 TBC CAPITAL

IFIs



Capital Markets: *Formation is Underway*

Supportiveness of the Government and regulatory authorities is giving a significant boost to Capital Market Formation in Georgia

Key Development Pillars

- | | |
|--|---|
| ▪ <i>Government approved a list of IFIs for which taxation is similar to that of Government bonds</i> |  |
| ▪ <i>NBG agreed to consider IFI bonds as liquid assets (same as government bonds)</i> |  |
| ▪ <i>NBG allowed USD transactions for USD denominated bonds</i> |  |
| ▪ <i>Three cases of tax waiving for bondholders based on a free float ratio (GLC, M2 & Evex)</i> |  |
| ▪ <i>NBG to accept GEL denominated corporate bonds as liquid and to agreed to allow borrowing against it</i> |  |
| ▪ <i>Capital Market Development strategy and action plan approved by the Government of Georgia</i> |  |
| ▪ <i>Parliament of Georgia is discussing removal of public placement registration fee of 0.1%</i> |  |
| ▪ <i>Government is working on developing regulation regarding Investment and Pension Funds</i> |  |
| ▪ <i>Government is working on developing public pension scheme to be launched in 2017/2018</i> |  |





GALT & TAGGART
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Securities & Brokerage
Unparalleled Regional Expertise



Brokerage: *Unparalleled Regional Expertise*



Multi-Asset
Online Trading
Platform
“G&T TRADER”



Trading
capabilities in
regional, hard-to-
reach, frontier
markets



Access to fixed
income markets



Expanding Access
to International
Investors
Community



International sub-
custodian in the
region

- Sales and trading execution capabilities on all **major international exchanges**
- Opportunity to trade over **100,000 different instruments including:**
 - Trading access through **10 counterparty** brokers
 - Trading capabilities in regional, **hard-to-reach**, frontier markets, such as: **Georgia, Ukraine, Armenia, Azerbaijan, Turkey, Iran, Russia, Kazakhstan, Uzbekistan**, etc.
- Access to local as well as to **international fixed income markets**
- **Market maker** on the local fixed income instruments
- Our relationship with Bank of Georgia Wealth Management and other international financial institutions enable us **access to a broad product distribution capacity** unmatched by other regional brokerages
- Institutional backing from Bank of Georgia provides us with the support and ability to further **interact closely with international investors**
- Bank of Georgia custody is the **only international sub-custodian**, through the State Street and Citi, in the region
- Direct participant in **Euroclear and Clearstream** safekeeping systems

- FX
- FX Options
- CFDs
- Stocks
- Stock Options
- ETFs & ETCs
- Futures
- Contract Options





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Research

A pioneer of investment research in Georgia



Galt & Taggart Research: *Unique Coverage, Trusted Analysis*

- Professional team of Georgian and Azerbaijani economists and finance experts
- Providing coverage of macro and corporate sectors of Georgia and Azerbaijan

Macro coverage

- Georgian economy
- Azerbaijan economy
- Regional Macro Portal
- Weekly market news

Sector coverage

- Energy
- Tourism
- Healthcare
- Agriculture
- Wine
- Real Estate

Fixed Income coverage

- Georgian Oil and Gas Corp
- Georgian Railway
- Coverage to expand to regional issuers



*Galt & Taggart Research now available on leading proprietary platforms:
Bloomberg, Thomson Reuters, and S&P Capital IQ*





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Selected Transactions



Galt & Taggart's Selected Transactions



GEL 50 000 000
3-months NBG CD rate
3-Year Bonds

Sole Placement Agent



June 2016



USD 5,000,000
11% 2-Year Bonds

Sole Placement Agent



March 2016



Initial Public Offering on London
Stock Exchange Premium Listing

GBP 218,000,000

Co-Lead Manager

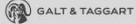


November 2015



GEL 6 000 000
Refinancing Rate + 7.5% 2-Year Bonds

Sole Placement Agent

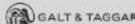


November 2015



GEL 2 600 000
14.0% 2-Year Bonds

Sole Placement Agent



September 2015



USD 15 000 000
9.5% 2-Year Bonds

Sole Placement Agent



May 2015



USD 20 000 000
9.5% 2-Year Bonds

Sole Placement Agent



March 2015



GEL 25 000 000
Floating Rate 3-Year Notes

Lead Arranger



February 2015



GEL 30 000 000
6.924% 2-Year Bonds

Lead Arranger



February 2015



USD 26 250 000
Acquisition of a 25% stake in
Georgian Global Utilities by
Bank of Georgia Holdings

Sole M&A Advisor



December 2014



USD 10 000 000
8.75% 3-Year Bonds

Sole Placement Agent



September 2014



USD 10 000 000
8.42% 1-Year Bonds

Sole Placement Agent



June 2014



USD 5 000 000
9.5% 1-Year Bonds

Sole Placement Agent



April 2014



GEL 50 000 000
Floating Rate 2-Year Bonds

Placement Agent
Joint Lead Manager



March 2014



Acquisition of 53.45% share capital of
JSC POPULI by
Ioli Supermarket Ltd

Broker



July 2012



Awards and Accomplishments



**Best Corporate
Finance Advisory
in Georgia in 2015**



**Best Investment
Bank in Georgia
2015**



**Best Investment
Bank in Georgia
2015**



**Best Investment
Bank in Georgia
2014**



**Best Frontier
Markets
Investment Bank
2010**



**Top 5 Best
Brokerage Firm
Ukraine
2008-2010**



**The Best Brokerage
Company of the
Georgian Stock
Exchange
2006-2007**

