



GEPHA

Company presentation

2024

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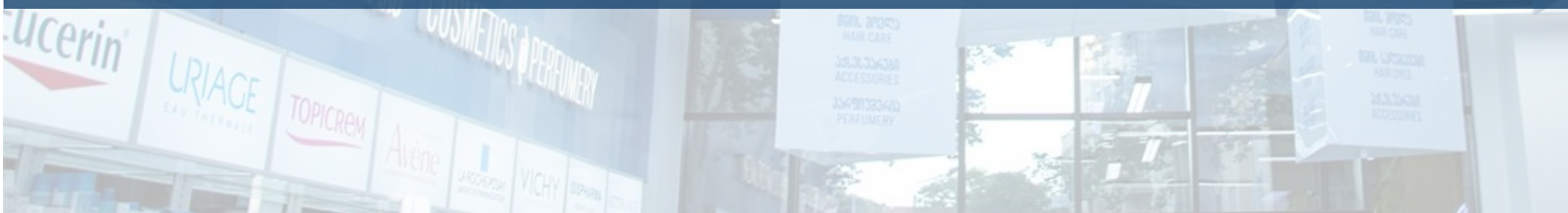
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Introducing GEPHA

01



GEPHA is the member of Georgia Capital - LSE premium listed holding company with Net Asset Value exceeds EUR 1BLN. Georgia Capital (GCAP) has a unique position as an experienced institutional financial investor in Georgia with superior access to attractive private investment opportunities.

KEY FACTS AND FIGURES

As of 30 September 2023



London
Stock Exchange

GEL 3.5B

Total portfolio value

17.4%

NAV per share (GEL) change YTD



**GEORGIA
CAPITAL**

GEL 76.99

NAV per share

3.2B

Net asset value (NAV)

GEOGRAPHICAL COVERAGE



GEORGIA



GEPHA JSC

#of stores: 398

Retail Banners:

GPC; Pharmadepot

ARMENIA



ABC Pharmacia JSC

#of stores: 18

100% GEPHA Subsidiary

Retail Banners:

AKG, The Body Shop

AZERBAIJAN



AZPHA JSC

of stores: 4

100% GEPHA Subsidiary

Retail Banner: The Body Shop

GEPHA JSC is the largest pharmaceuticals retailer and wholesaler in the country, with a c.35% market share by revenue. The business consists of retail pharmacy chain and a wholesale business which sells and supplies pharmaceuticals and parapharmacy goods to the partners all over the country.

Headquarter: Tbilisi, Georgia

Industry: Health; Beauty; Cosmetics; Well-being; Food

RETAIL BUSINESS

Pharmadepot Pharmacy
GPC Pharmacy
AKG Pharmacy Armenia
Georgita FMCG Retail



WHOLESALE BUSINESS

1,000+ B2B Partners
Daily distribution & Same day delivery
Distribution Coverage - All regions
across Georgia



E-COMMERCE BUSINESS

GPC
PHARMADEPOT
www.georgita.ge – Web
Ekimo, Glovo, Wolt, Bolt



FRANCHISE BUSINESS

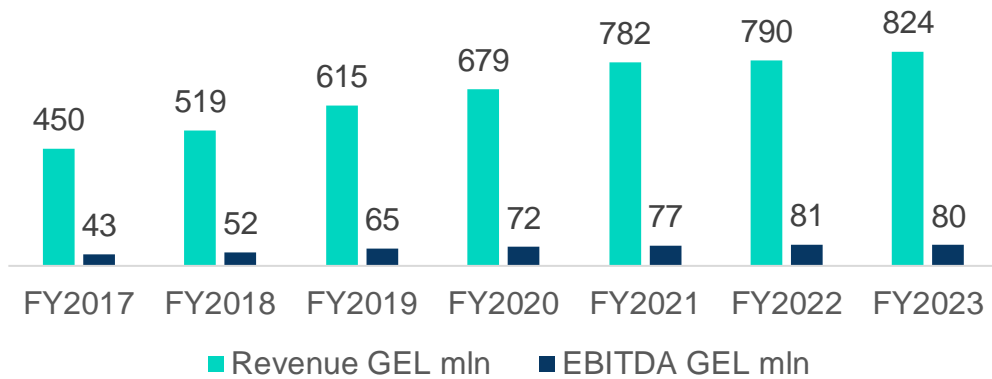
The Body Shop
Afflelou Paris
Triumph International/Sloggi
Carter's



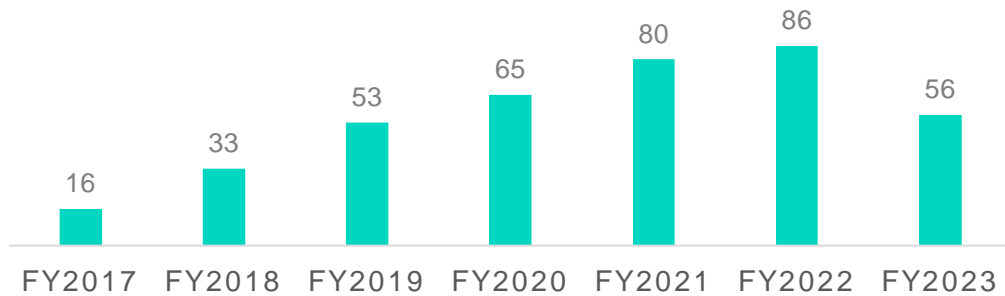


Financial metrics Y2023

Revenue and EBITDA



OPERATING CASH FLOW GEL MLN



Operating metrics FY2023

Number of pharmacies
398

Customer interactions per month
2.7mln

Average bill size (GEL)
21.1

Number of bills issued (mln)
30.0

Unique customers
1.7mln

Total number of employees
c.4,000

MAJOR GROWTH DRIVERS IN MEDIUM TO LONG-TERM

Expanding retail footprint

Enhancing retail margin

Development of franchise business lines & retail categories

Expanding in new markets

E-Commerce



WAREHOUSE

All GDP requirements are implemented and documented in warehouse;

Total capacity: 13,000 pallettes, 40,000 SKU/items;

Two warehouses in Tbilisi: 28,000 sq meters (12,000 + 16,000);

600 sqm bonded warehouse in Mtskheta, Misaktsieli (near Tbilisi);

Owned vehicles fleet: 80 vans and trucks in total;

700 cubic meters of goods /9,000 boxes (averagely) are delivered during each day;

Warehouse buildings are validated and mapped due to the seasonal fluctuation;

T&RH logging sensors are installed due to the mapping results;

T&RH automatic 24/7 logging software is validated, sensors are calibrated once per year;

400 employees.

DISTRIBUTION

17.2% share in Total Revenue

5 main pharma players (chain retailers);

650+ independent pharmacies;

All regions in Georgia;

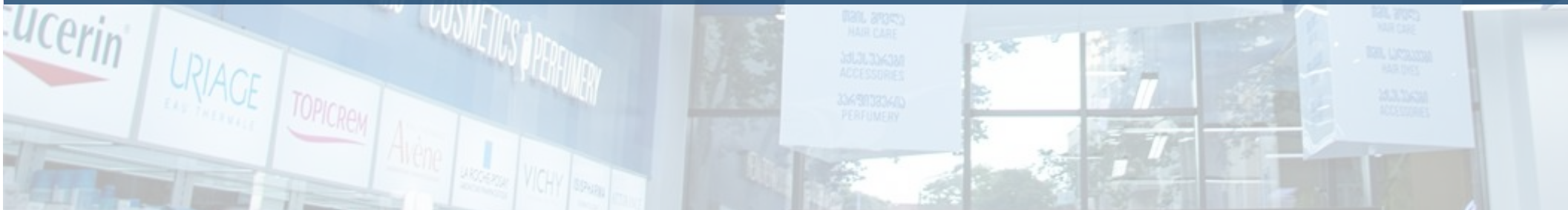
Daily distribution / same day delivery;

120 Saloons and cosmetic centers;

100 Hospitals.

Pharma Retail Business

02



GPC brand concept: Lifestyle brand

GPC Pharmacy & More



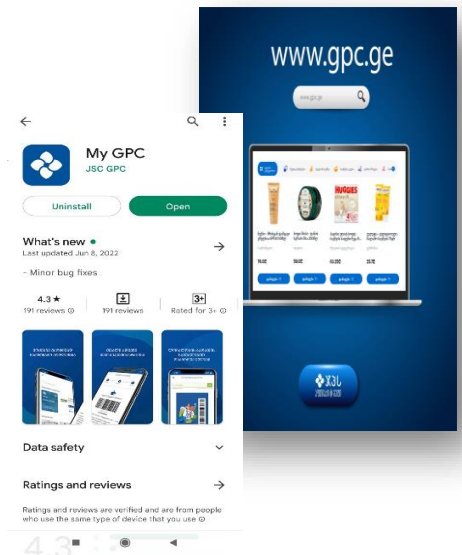
[CLICK HERE: 360° VIRTUAL TOUR IN GPC BRICK&MORTAR STORE](#)

GPC brand concept: Retail banner for top brands; beauty care – 55% portfolio share
Customer segment: high, medium
Geographic distribution: big cities, high street, shopping malls
Loyalty program: 1.2mln card holder
Focus: increasing check volume, private label products, service level, innovations
Number of GPC stores: 101



GPC E-COMMERCE

- Coverage: All big cities of Georgia
- Delivery within 1 hour
- Access to the full product portfolio
- Integrated loyalty card
- Extra benefits for online shopping
- Personalized deals based on data management and CRM



In 2021 launched new format retail pharma drugstores in Tbilisi, under GPC brand



LABORATORY CORNER



BEAUTY AND CONSULTATION CORNERS

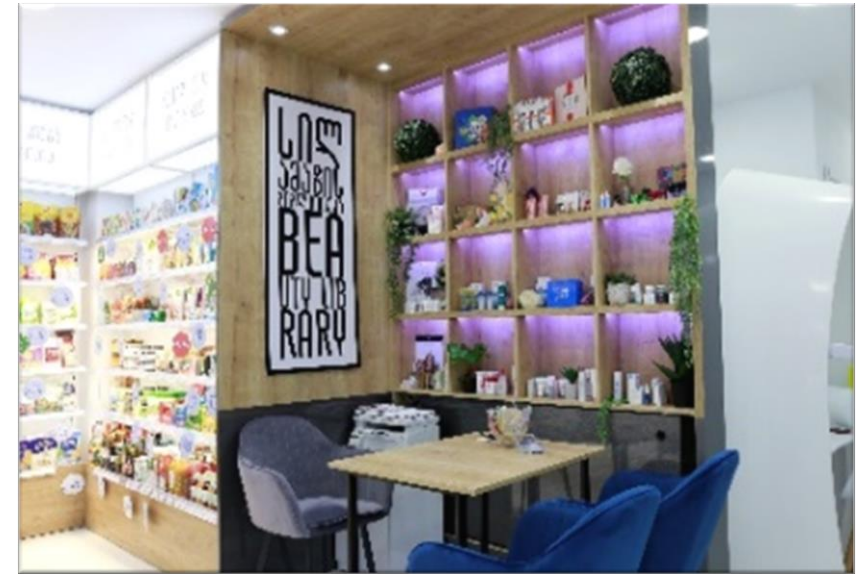


- GPC drugstore offers extensive range of health and beauty products as well as services through integrated health hub incorporating lab retail point, ophthalmology and dermatology cabinets
- Highly synergetic to expand our retail presence by adding new food categories, such as healthy and gluten free products
- Currently 9 new format GPC drugstores operate in Tbilisi and regions

EXCLUSIVE BRANDS



- Currently 19 lab collection points in GPC pharmacies
- Collection point for almost all laboratory tests
- Doctor consultations
- Convenience, fast and easily accessible



Pharmadepot concept: Contemporary pharmacy



[CLICK HERE: 360° VIRTUAL TOUR IN PHARMADEPOT BRICK&MORTAR STORE](#)

PHARMADEPOT Concept: “When at need - The Pharmacy at hand”. Pharmaceutical products/Rx & OTC – 65% portfolio share

Customer segment: Mass market, middle and low customer segments. Perceived as best price pharmacy with medicinal indication

Geographic distribution: Full geographical coverage – Standalone stores, hospitals, inside store formats

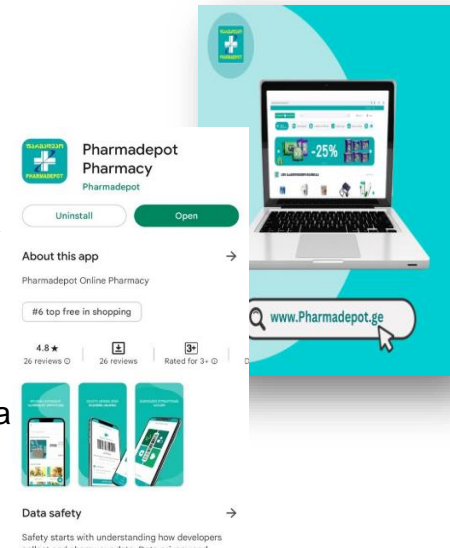
Loyalty card: 1.9mln card holder

Number of Pharmadepot stores: 297



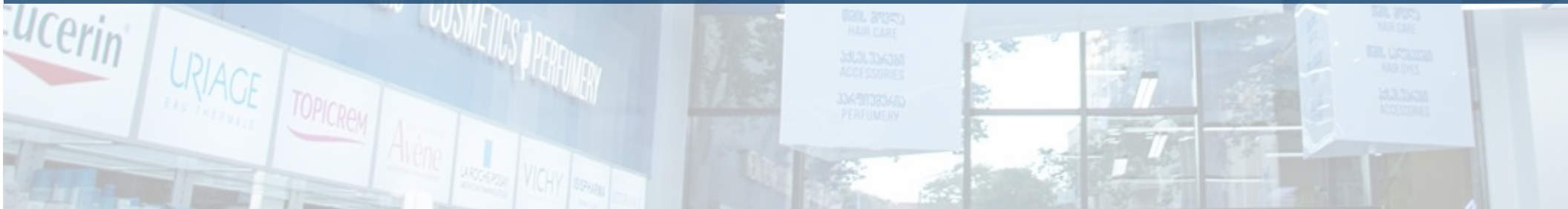
PHARMADEPOT E-COMMERCE

- Coverage: Total coverage in Georgia
- Delivery within 1 hour
- Access to the full product list
- Integrated loyalty card
- Extra benefits for online shopping
- Personalized deals based on data management and CRM



Franchise Business

03





THE BODY SHOP

Founded in 1976 by the late British environmental and human rights campaigner Dame Anita Roddick, The Body Shop started life as a small outfit in Brighton selling just 25 products. Customers were encouraged to recycle packaging and there was a real emphasis on natural ingredients that were ethically sourced and cruelty-free. Now the range consists of over 300 products and there are more than 2,500 stores worldwide.

The Body Shop is a British cosmetics, skin care and perfume company having presence in more than 65 countries worldwide.

GEPHA has master franchise for Caucasus Region and actively develops SIS business model alongside with brand's stand-alone stores. Currently GEPHA operates 3 standalone stores in Yerevan, Armenia and 4 standalone stores of the brand in Baku, Azerbaijan.



	Shops type	CURRENT	Y2025
GEORGIA	Stand Alone	8	16
	Shop-In-Shop	250	400
ARMENIA	Stand Alone	3	5
	Shop-In-Shop	15	30
AZERBAIJAN	Stand Alone	4	9
	Shop-In-Shop	5	35



Carter's, Inc. (CRI) is a well-established company with history dating back to 1865. Carter's is the largest branded marketer of baby and children's clothing in the U.S., marketing apparel under 2 of the most recognized and enduring brands in the nation, Carter's and OshKosh B'gosh. Brand's heritage of quality, innovation, and value has earned the company the trust of generations of families.

GEPHA has master franchise for Georgia and actively develops SIS business model alongside with brand's stand-alone stores.

Mother and Baby category is the 2nd largest in GEPHA's portfolio; Hence the brand was launched simultaneously through SA and SIS business models.



	Shops type	CURRENT	Y2025
GEORGIA	Stand Alone	4	6
	Shop-In-Shop	21	30
	Basket Wall	25	75



Triumph International is a Swiss underwear manufacturer founded in 1886 in Heubach, Germany. The company's headquarters has been located in Bad Zurzach, Switzerland, since 1977, and it has branches in more than 45 countries. In addition to the Triumph brand, the company produces and distributes the products under the brands Sloggi and AMO's Style by Triumph.

Triumph International is the world's most wearable, everyday, innovative bodywear manufacturer.

GEPHA has master franchise for Caucasus Region and started business by SIS business model making shopping experience of own GPC pharma customers even more attractive. In November, 2023 GEPHA has opened brand's the first standalone store in Georgia, followed by the second standalone in December.



	Shop type	CURRENT	Y2025
GEORGIA	Stand Alone	2	5
	Shop-In-Shop	11	16
	Basket Wall	5	45
ARMENIA	Stand Alone	-	2
	Basket Wall	-	20
AZERBAIJAN	Stand Alone	-	5
	Shop-In-Shop	-	6

AFFLELOU

Alain Afflelou is a French company, a chain of opticians specializing in the distribution of frames, optical lenses and contactology and hearing aid products.

In 1972, Alain Afflelou, the founder, opened his first store in Le Bouscat in the suburbs of Bordeaux. Alain Afflelou now has a network of 1,400 locations around the world, with a presence in thirteen countries with more than 700 stores in France, more than 300 in Spain, supplemented by a presence in 11 other countries.

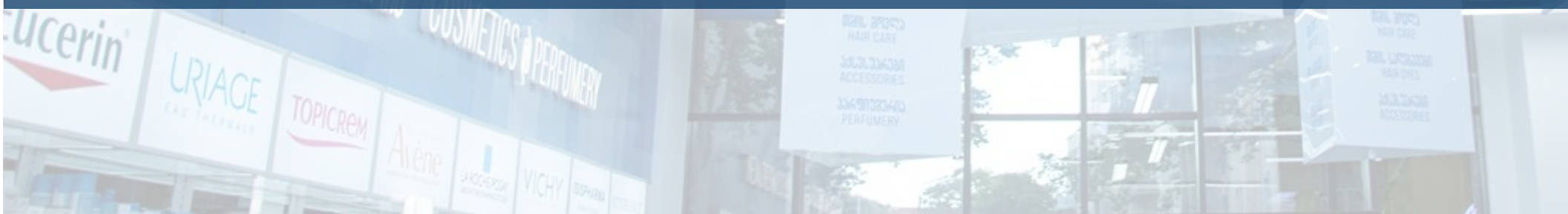
GEPHA has master franchise for Caucasus Region and firstly introduced Afflelou Optics in Georgia with stand-alone shop followed by SIS business models within GPC pharmacies.

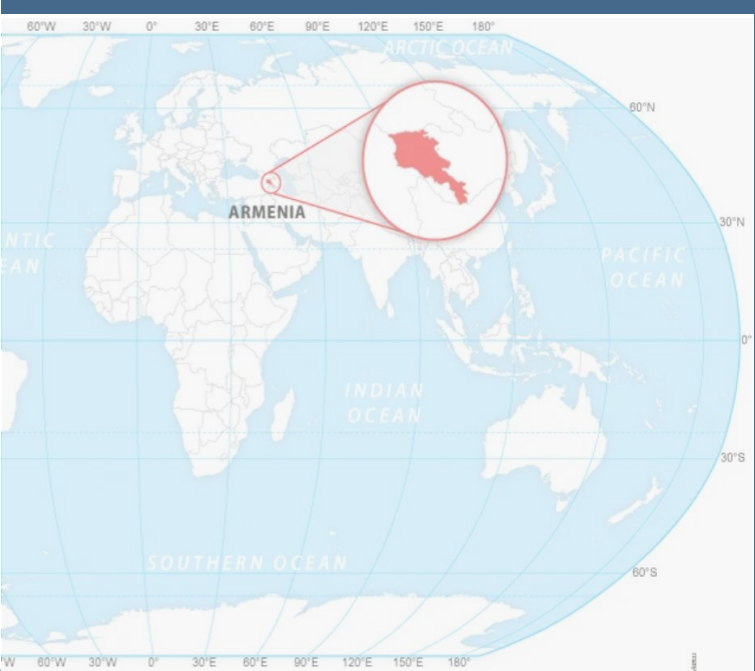


	Shop type	CURRENT	Y2025
GEORGIA	Stand Alone	3	8
	Shop-In-Shop	8	10
	Basket Wall	20	25
ARMENIA	Stand Alone	-	3
	Shop-In-Shop	5	10
AZERBAIJAN	Stand Alone	-	5
	Shop-In-Shop	-	-

International Business

04





OPERATING METRICS

15 AKG standalone
3 The Body Shop stores

Number of employee:
51 back office

Number of employee:
140 front office

DEVELOPMENT PLAN

Y2025 EOY: 50 shops

Non - Med. share in total sales:
64%

#1 company in oncology
state tenders

FINANCIAL METRICS

Y2023 Revenue (USD) Retail
+65% y-o-y

Y2023 Revenue (USD) Total
+47% y-o-y

- Product categories – same as in new concept GPC
- Shop-In-Shop formats for The Body Shop and Afflelou Paris
- Focus on para pharmacy products





Market entry by introducing franchise brand The Body Shop

Launched in 2022

OPERATING METRICS

4 The Body Shop stores

Number of employee:

3 back office

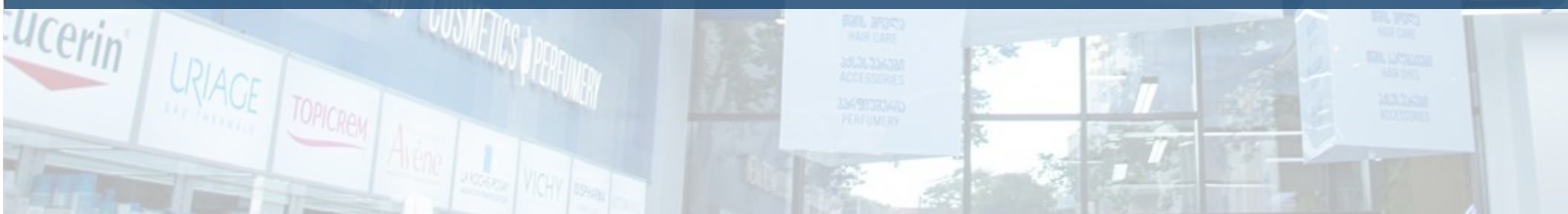
Number of employee:

17 front office



FMCG Business

05

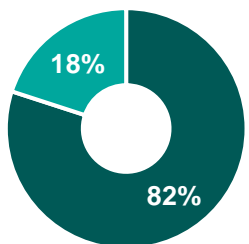




About the company

- Georgita was established in 2001 and it is positioned on the market as an **exclusive representative of high-quality European manufacturers**
- **Currently, company operates six medium to high price segment stores in Tbilisi, 220 sq. m. each**
- The goal of the company is to increase the awareness of healthy food and lifestyle, to cooperate with Georgian companies with high standards of local production and to be provide modern and quality services
- **Georgita is an importer and distributor of European-manufactured products**, thus, the company has higher WC need and gross profit margin compared to other grocery retailers

Sales mix



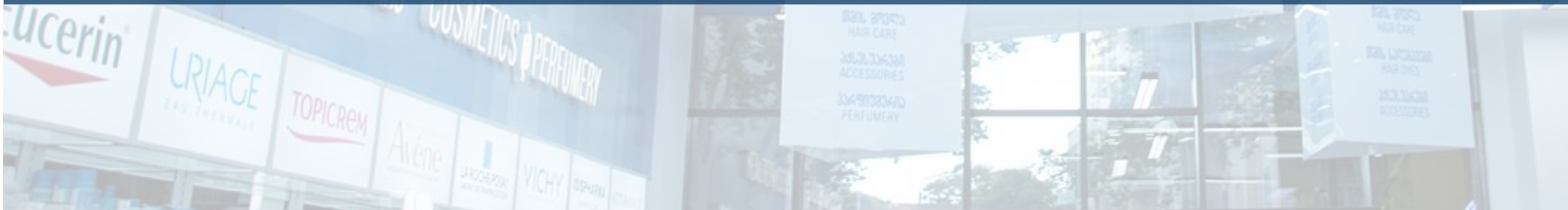
- Retail sales
- Distribution

- 18% of company's revenue is generated from distribution business
- 7% of company's revenue is generated from online sales
- New format GPC drugstores are highly synergetic to expand our retail presence by adding new food categories, such as healthy and gluten free products



E-commerce

06





- In 2021 GPC successfully launched mobile application for online shopping
- In 2023, GPC added the web page, the user-friendly online platform and offered convenience to those who prefer to shop from their desktops or laptops



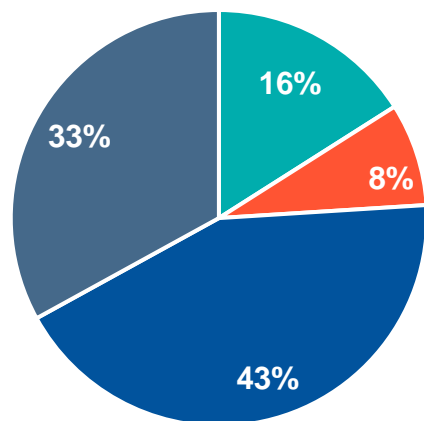
- In 2022 PHARMADEPOT added online delivery mobile app for their customers
- In 2023 successfully launched the web page to offer seamless online experience to customers



- In 2020 GEPHA started online sales through the Group's healthcare platform - EKIMO

- Online platforms provide a comprehensive selection of health and beauty products, encompassing medications, baby care products, cosmetics, personal care, VHMS and etc.

E-commerce sales distribution by channels



■ PHARMADEPOT ■ EKIMO ■ GPC ■ OTHER

GPC & PHARMADEPOT

300,000

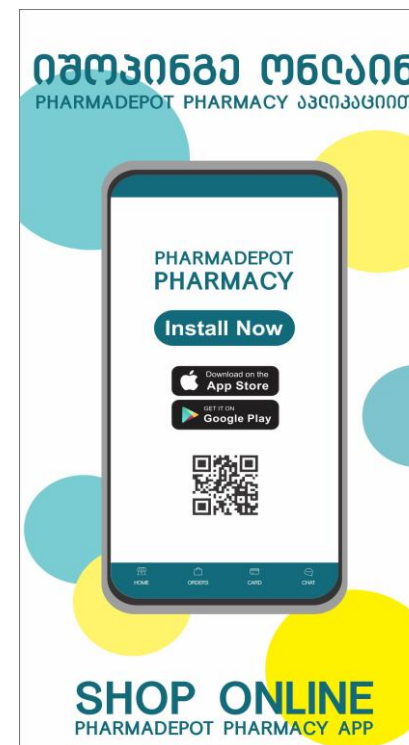
Active users

15,000

Monthly paying users

900

Average number of orders per day



STRONG CORPORATE GOVERNANCE

The only industry player mother company of which (GEORGIA CAPITAL PLC) is LSE premium listed, with more than 90% institutional shareholder base, hence transparency is one of core values.

ROBUST MARKET LEADER

The largest retailer and wholesaler at the same time in terms of coverage, revenue and bills issued with 25 years of retail experience in health, beauty (cosmetics, hair and body care, makeup, perfumery) and wellbeing sector.

RELIABLE REGIONAL PLAYER

Presence already in three countries (Georgia, Armenia and Azerbaijan) with strong expansion plan for each country next 5 years.

PROVEN EXPERTISE IN RETAIL

Expertise of managing simultaneously several retail banners including pharma and master franchises with outstanding performance for each business line during last 5 years.

EXPERIENCED MANAGEMENT TEAM

Fully available back and front office with creative, passionate and humble professionals to support the business operations right away.

SOLID PRESENCE IN E-COMMERCE

Pioneer of e-commerce retail platforms and active partnership with all international and local delivery companies presented in Georgia – opportunity for new brands to go in e-commerce shortly after launch.

THANKS

GEPHA JSC

142 Akaki Belashvili st. 0159, Tbilisi, Georgia

Tel: +995 322 911 900

E-mail: info@gepha.com

www.gepha.com