

Georgia Healthcare Group hosts Investor Day in Tbilisi

Georgia Healthcare Group PLC (“**GHG**” or the “**Group**”) announces that the Group is today hosting an Investor Day for analysts and investors in Tbilisi on Friday 10 November 2017.

As part of the presentations, GHG will update investors on its medium term strategic goals which are summarised below:

- The Group will continue to focus on building its presence throughout the Georgian healthcare ecosystem
- The Group will also focus on enhancing its margins and achieving higher intergroup synergies through various cross-selling initiatives between its Hospital, Polyclinic, Pharma and Medical Insurance businesses

In the hospitals and Polyclinic businesses:

- Complete the launch of the Sunstone and Deka hospitals, with a total of c.660 hospital beds, in over the next few months, and achieve a c.28% market share of hospital beds and a c.25% market share of hospital revenues by 2018, and a market share in excess of 30% in the medium-to-long term (currently 21% share of revenues and 24% share of hospital beds)
- The key strategic focus over the next few years, in the hospitals business, will be to enhance the Group’s footprint in Tbilisi; continue to fill the current medical services gaps in Georgia and strengthen and expand services in elective care. This will support the achievement of a c.30% EBITDA margin over the next few years
- Continue the roll out of a network of Polyclinics to achieve a c.5% market share of revenues in 2018, and a c.15% market share of revenues in the medium-to-long term (currently 2%)
- In the Polyclinic business, the key focus will be on accelerating the Polyclinic footprint growth, by launching and/or acquiring new Polyclinics – up to 20 clusters over next two years. In addition, we intend to significantly increase the number of registered customers, from c.37,000 to c.200,000 by the end of 2018. We will also developing and achieving significant sales growth through a wide variety of distribution channels – including pharmacies; insurance; corporates and state programs

About Georgia Healthcare Group PLC

Georgia Healthcare Group PLC is a UK incorporated holding company of the largest healthcare services provider in the fast-growing, predominantly privately-owned, Georgian healthcare services market. GHG’s leadership position is underpinned by offering the most comprehensive range of inpatient and outpatient services targeting the mass market segment through its vertically integrated network of 37 hospitals and 11 Polyclinic clusters (consisting of 14 Polyclinics and 24 express outpatient clinics), as at 30 September 2017. GHG is the single largest market participant, accounting for 23.8% of total hospital bed capacity in the country, as of 30 September 2017. From January 2017, GHG become the largest pharmaceuticals retailer and wholesaler in Georgia, with approximately 29% market share by revenue. GHG is the second largest provider of medical insurance in Georgia with a 29.6% market share based on net insurance premiums earned and approximately 110,000 insurance customers as of October 2017. GHG employed a total of c.15,151 people as at 30 September 2017, including c.3,505 physicians.

For further information, please visit ghg.com.ge or contact:

Nikoloz Gamkrelidze
CEO
+995 322 550505 (5077)
ngamkrelidze@ghg.com.ge

Irakli Gogia
CFO
+995 322 550505 (5088)
irakligogia@ghg.com.ge

Ketevan Kalandarishvili
Head of Investor Relations
+995 322 550505 (5079)
ir@ghg.com.ge

In the pharmaceuticals business:

- By increasing the pharmacy footprint to over 300 pharmacies over the next two years, achieve a 30%+ market share in 2018, whilst maintaining the EBITDA margin in excess of 8.0%
- Enhance the retail margin by extracting further synergies from recent acquisitions, adding more private label medicines and personal care products
- Continue to decrease the cost of goods sold/services, by consolidating GHG's pharma and hospital purchases of pharmaceuticals and medical disposables
- Extract revenue synergies with Polyclinics and enhancing digital channels

In the medical insurance business:

- Continuing the recent portfolio re-pricing efforts, and seek further cost efficiencies
- Reduce the loss ratio to less and 75% and maintain the combined ratio at less than 97% over the next few years (currently 84.5% and 101.3% respectively)
- Improve Group synergies by seeking to retain more than 50% of medical insurance claims costs within the Group (currently 35.4%).

A full set of the presentation slides can be viewed on the GHG website at ghg.com.ge

Name of authorised official of issuer responsible for making notification:
Ketevan Kalandarishvili, Head of Investor Relations

About Georgia Healthcare Group PLC

Georgia Healthcare Group PLC is a UK incorporated holding company of the largest healthcare services provider in the fast-growing, predominantly privately-owned, Georgian healthcare services market. GHG's leadership position is underpinned by offering the most comprehensive range of inpatient and outpatient services targeting the mass market segment through its vertically integrated network of 37 hospitals and 11 Polyclinic clusters (consisting of 14 Polyclinics and 24 express outpatient clinics), as at 30 September 2017. GHG is the single largest market participant, accounting for 23.8% of total hospital bed capacity in the country, as of 30 September 2017. From January 2017, GHG became the largest pharmaceuticals retailer and wholesaler in Georgia, with approximately 29% market share by revenue. GHG is the second largest provider of medical insurance in Georgia with a 29.6% market share based on net insurance premiums earned and approximately 110,000 insurance customers as of October 2017. GHG employed a total of c.15,151 people as at 30 September 2017, including c.3,505 physicians.

For further information, please visit ghg.com.ge or contact:

Nikoloz Gamkrelidze
CEO
+995 322 550505 (5077)
ngamkrelidze@ghg.com.ge

Irakli Gogia
CFO
+995 322 550505 (5088)
irakligogia@ghg.com.ge

Ketevan Kalandarishvili
Head of Investor Relations
+995 322 550505 (5079)
ir@ghg.com.ge