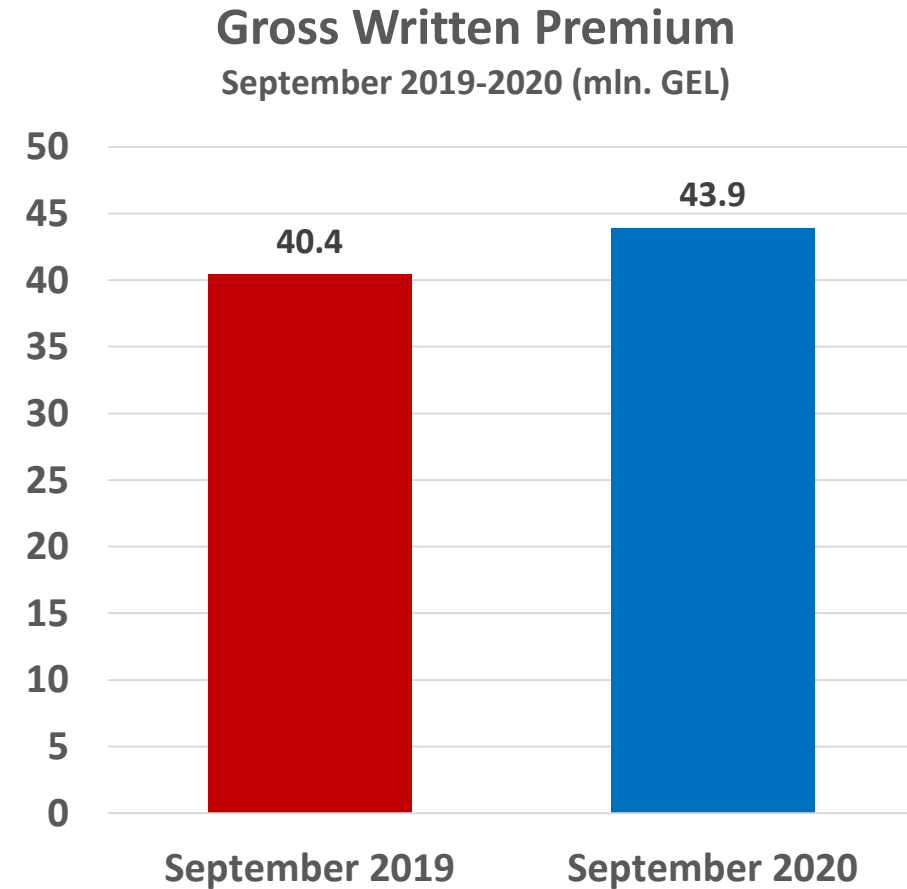
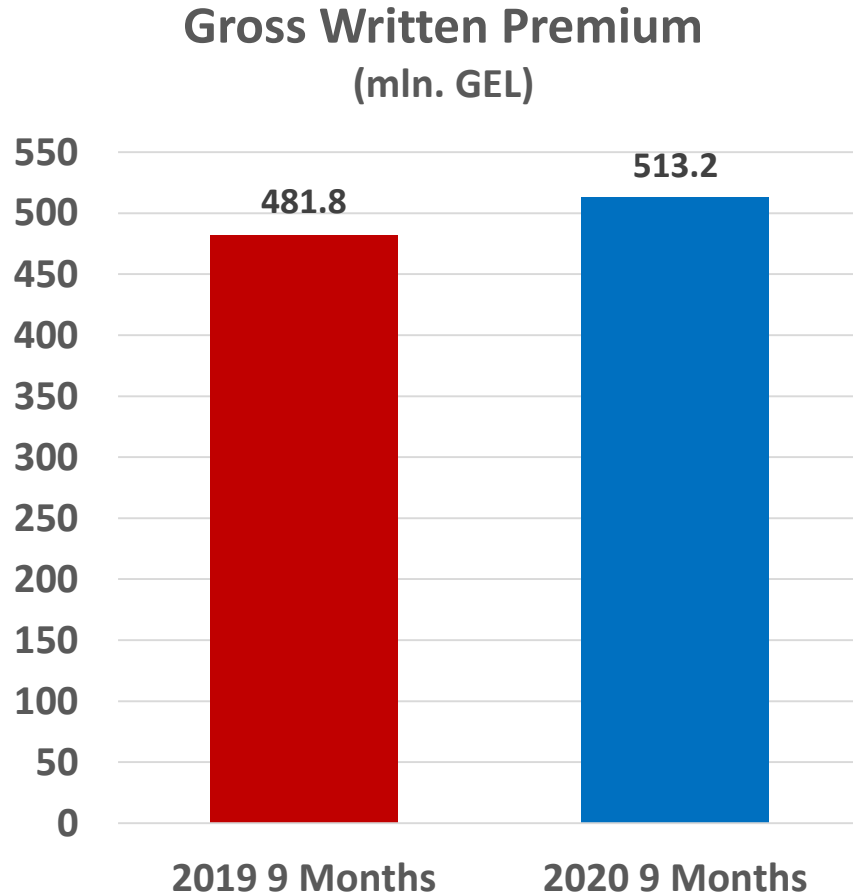


Insurance Market Overview

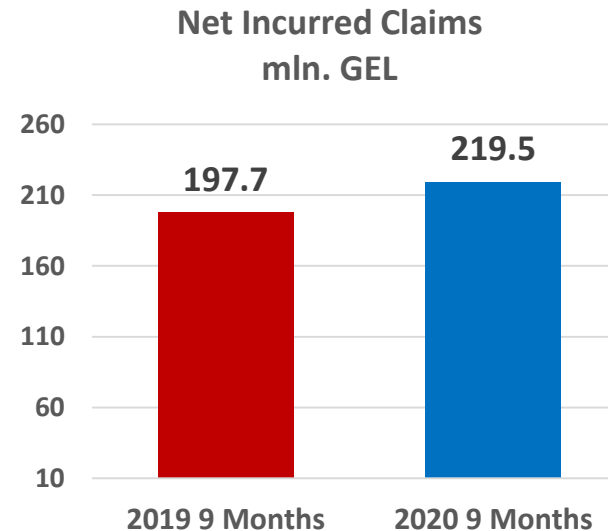
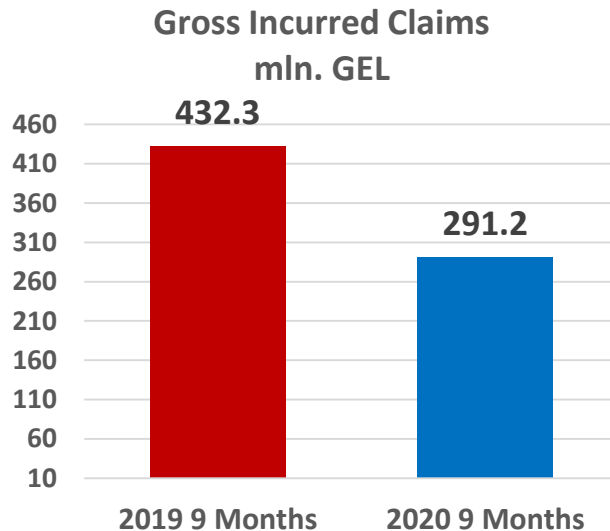
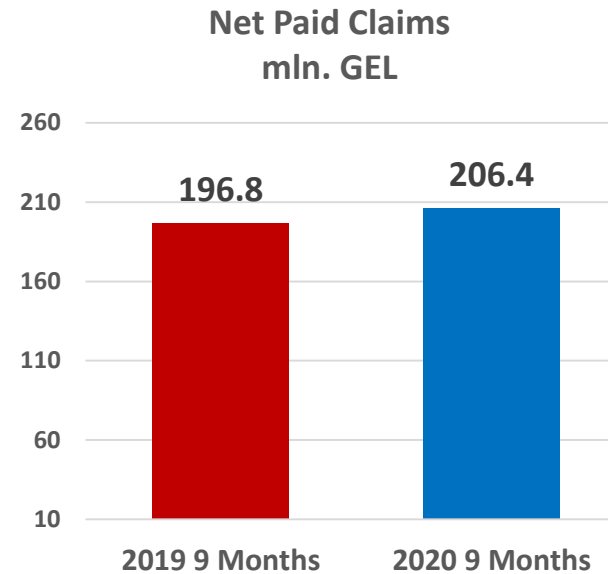
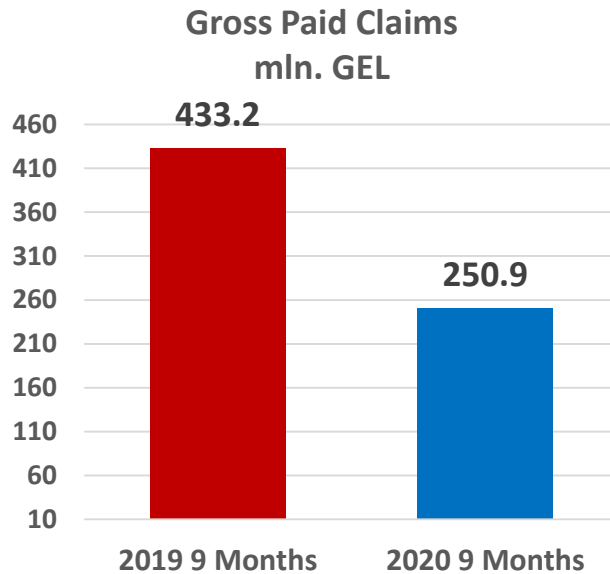
9 Months of 2020



There is a 6.5% growth in gross written premiums for 9 months and some more increase in September by 8.7% in comparison with the same periods of 2019, whereas last year market growth rate was 15.5%.

Insurance Market Overview

9 Months of 2020

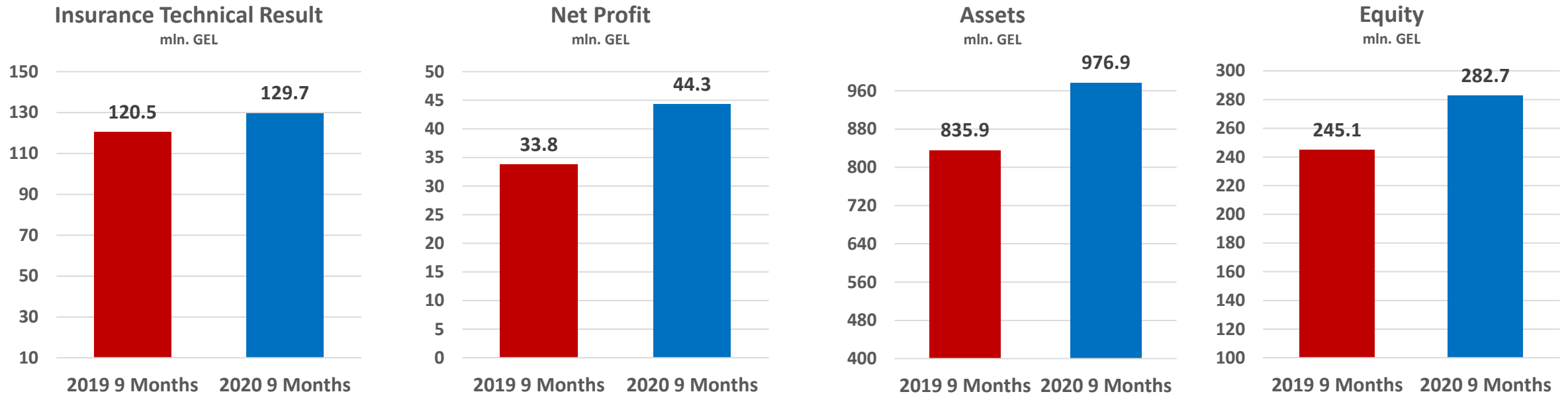


In 2019 there were large property claims, which were mostly covered by reinsurers. Therefore, Net claim were not affected significantly.

There is 11% increase in Net incurred claims this year, which indicates, that the industry is active in most lines of business. Nevertheless, there is a certain decrease in numbers of Health insurance claims, which is mainly related to COVID-19 spread control measures and inability of insured persons to apply for non-urgent and planned services in healthcare institutions. These cases tend to accumulate and we expect a noticeable increase in their number as soon as the restrictions are released.

Insurance Market Overview

9 Months of 2020 Year



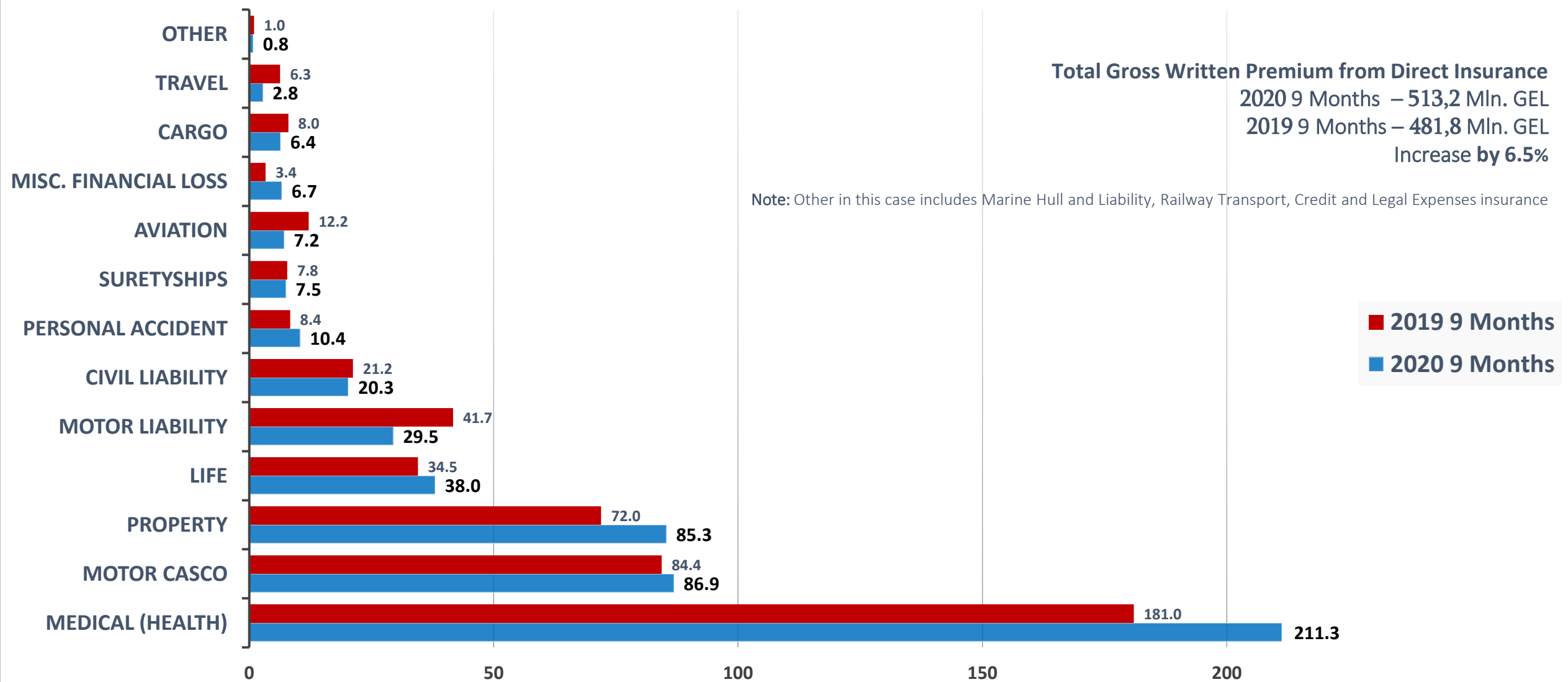
Even though there is a slight (7%) increase in Technical result, it is not the main component, contributing to the increase of Net profit of the market. In fact, last year increase rate was 12.55%.

A slowdown is due to significant decrease in some relatively profitable lines of business (such as border MTPL and Travel). And of course, it is more likely, that this slight marginal increase will actually be affected more by the accumulated potential healthcare claims, waiting for the COVID-19 mobility restrictions to be released.

The main factor, having a major effect on the net profit increase was GEL exchange rate depreciation during 2020. It is a result of the revaluation of cash and other liquid assets of insurers, held in foreign currencies.

Gross Written Premium by Lines of Business (mln. GEL)

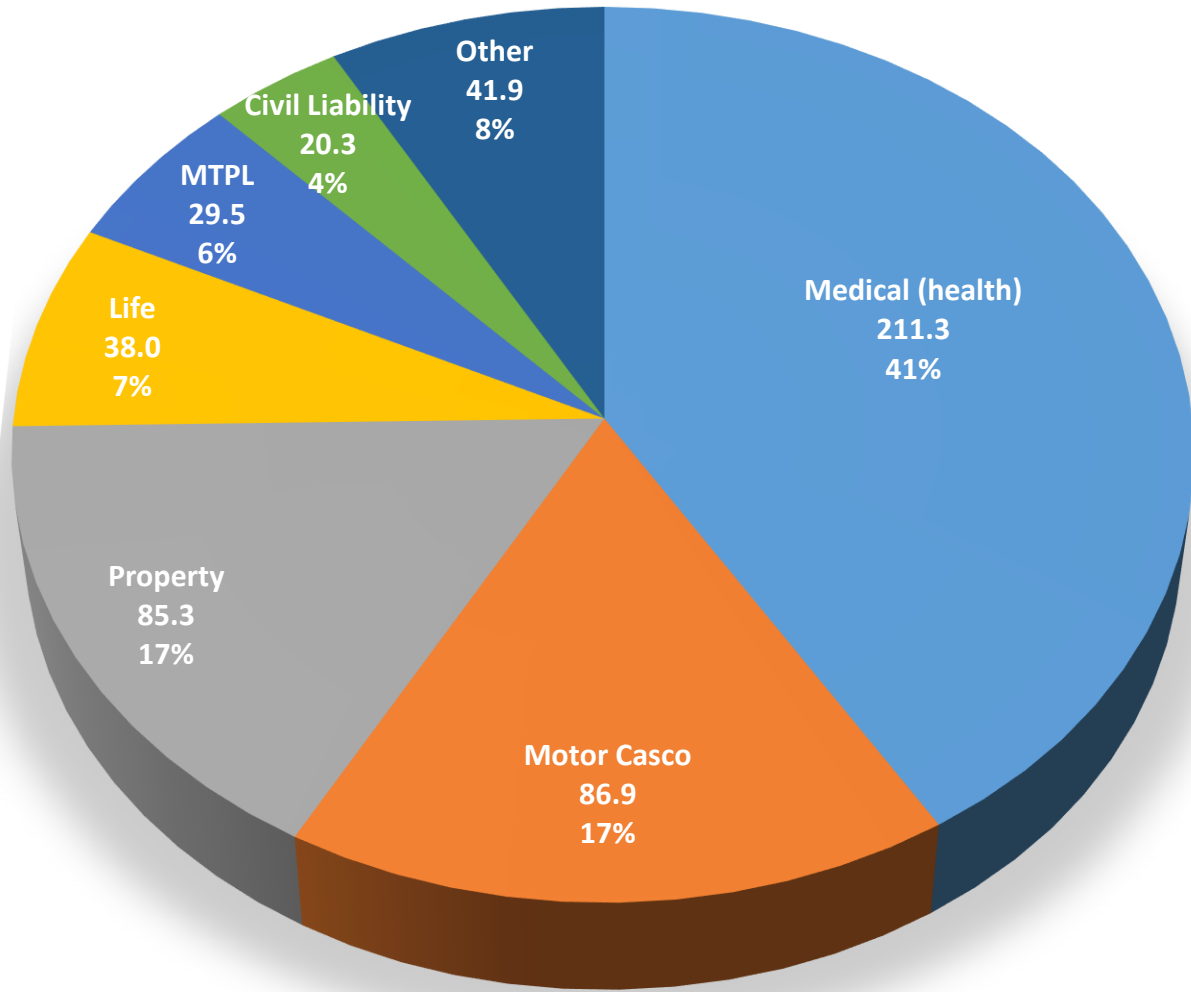
2020 9 Months vs 2019 9 Months



Travel has dropped by more than 55%, motor liability is decreased by 30%, aviation decreased by 40%.

Structure of Insurance Market by Lines of Business

2020 9 Months



Medical insurance still holds the largest share on the market.

Motor casco insurance business was following property insurance business, but increasing demand for car insurance and general practical popularity of motor insurance products made this segment second largest on the market.

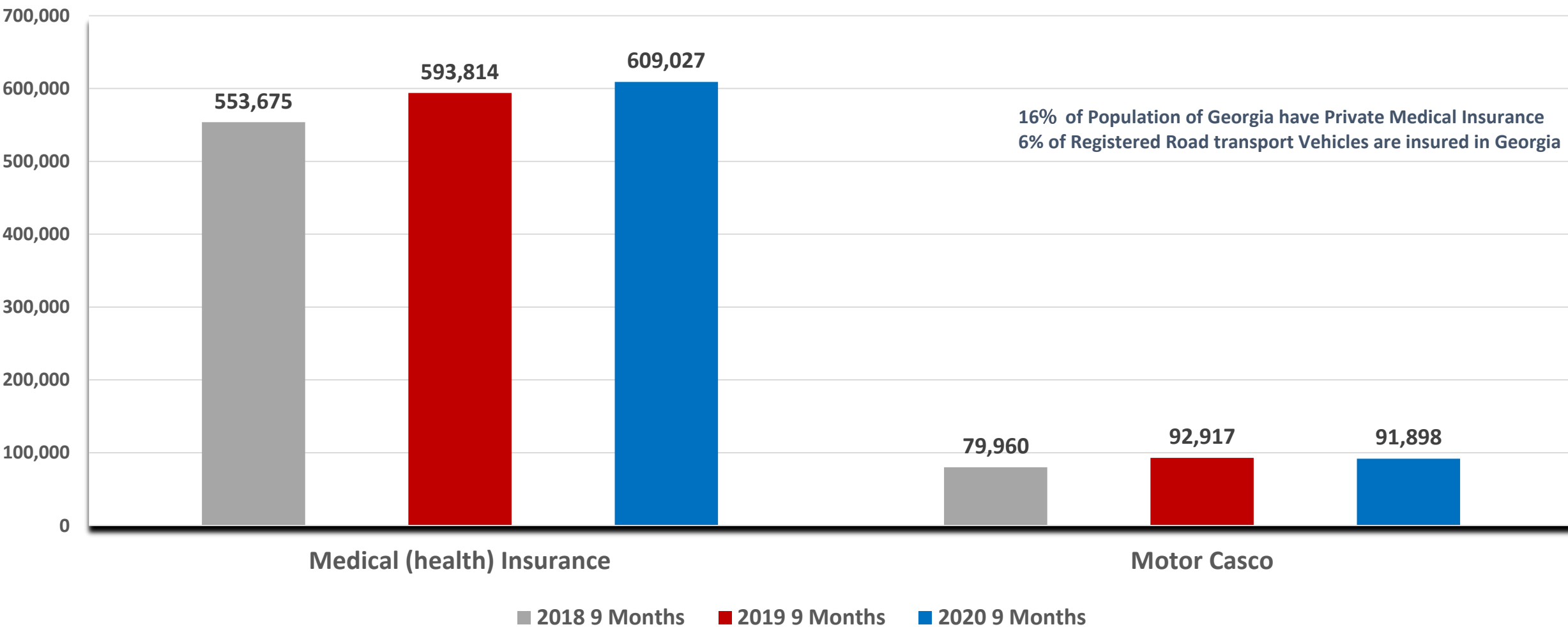
Even though long-term life insurance business is not active on the market, healthcare and credit related life insurance coverage is gaining more momentum during these years.

There is still a great potential in the market, especially with regards to the implementation of compulsory MTPL, professional indemnity, and Long term/Investment life insurance products.

There is also certain need for the development of personal and small business property insurance products.

Number of Active Policies - Medical (Health) and Road Transport Means (Casco)

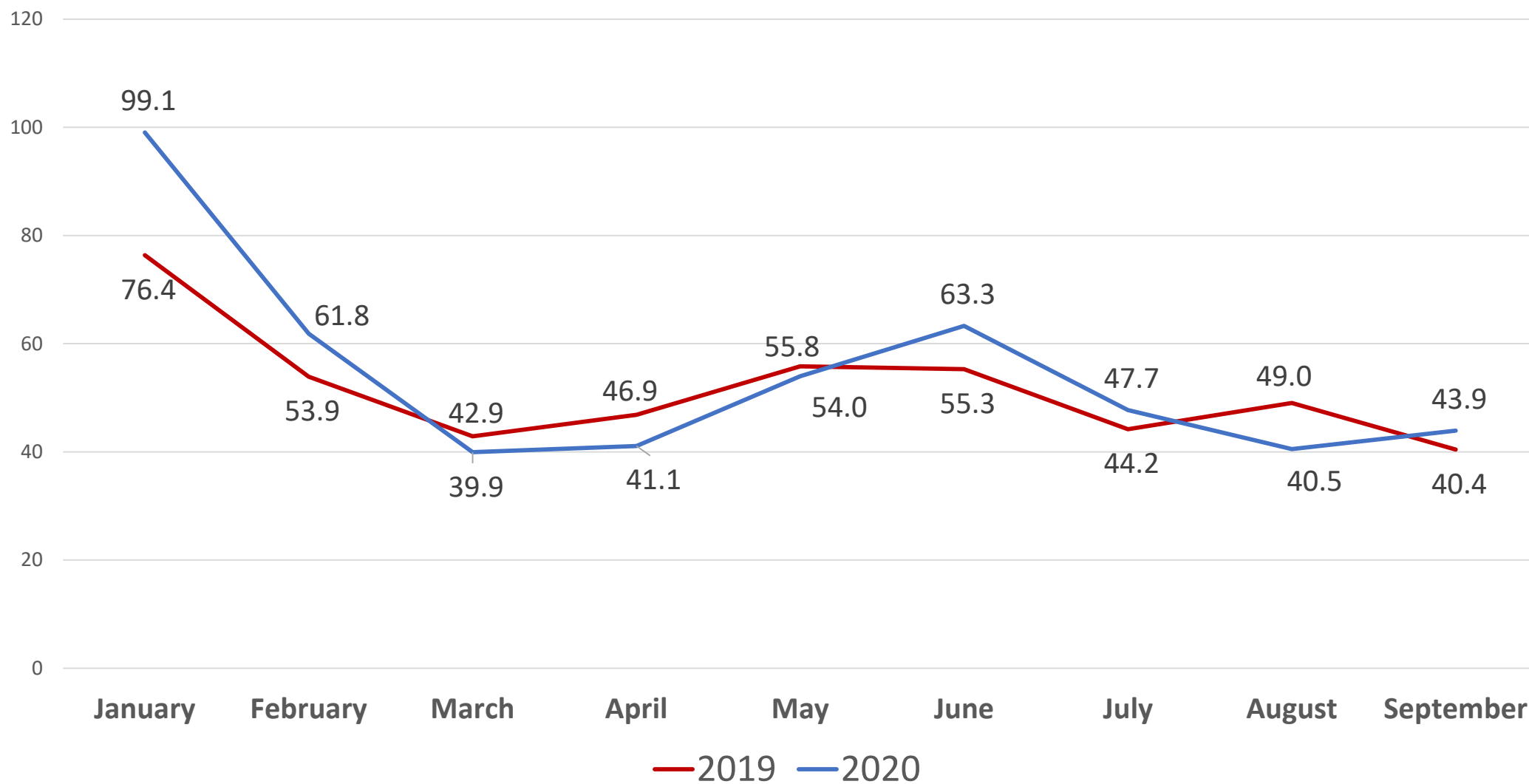
(At 30 September of years 2018–2020)



There is certain stability in the Health insurance portfolio development.

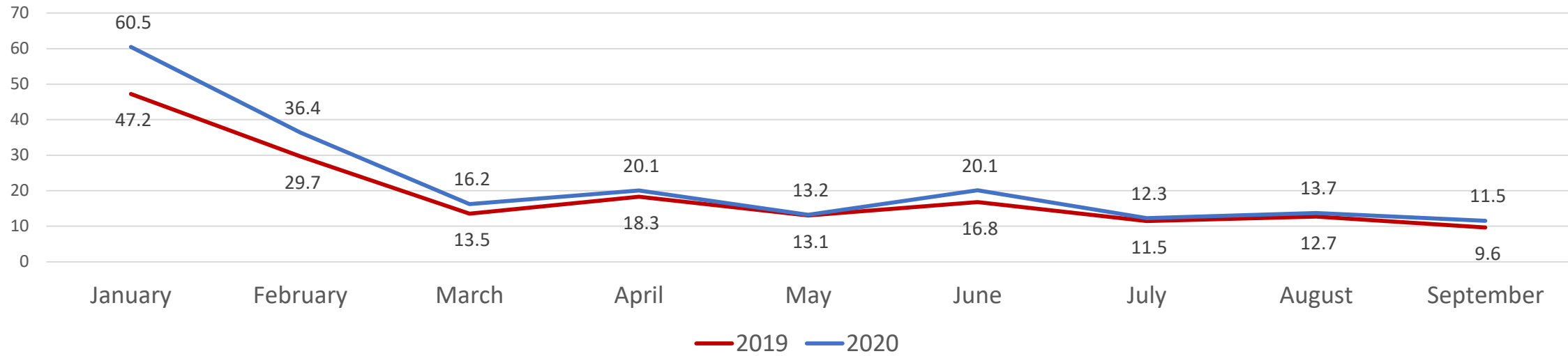
Motor casco business is more affected by recent circumstances.

Monthly Gross Written Premium (mln. GEL) Year 2020 vs 2019

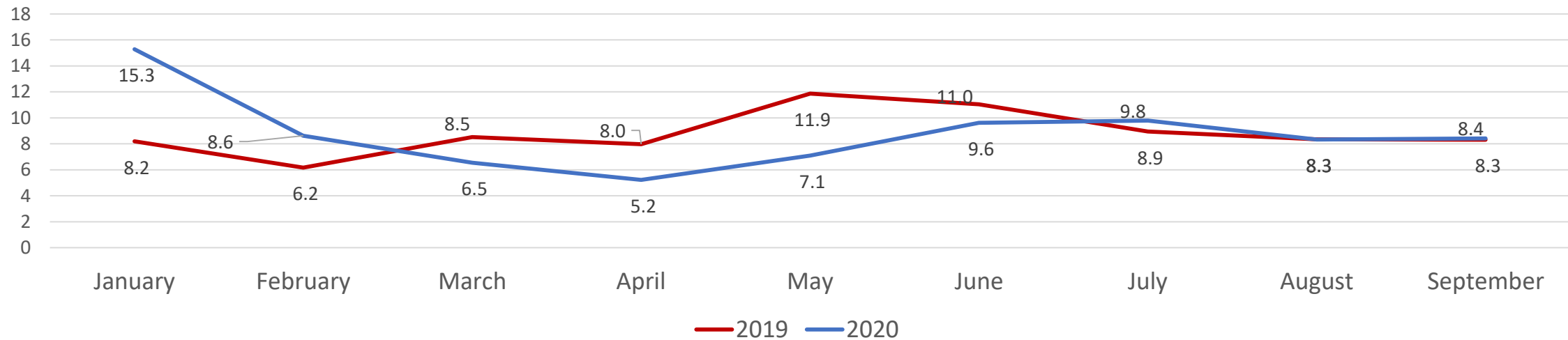


Monthly Gross Written Premium by Line of Business (mln. GEL) Year 2020 vs 2019

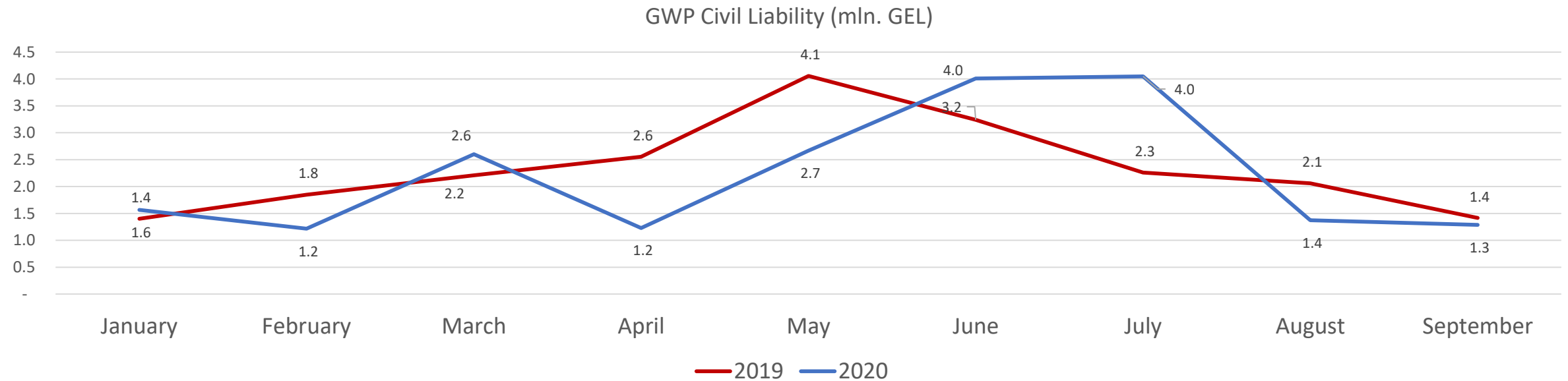
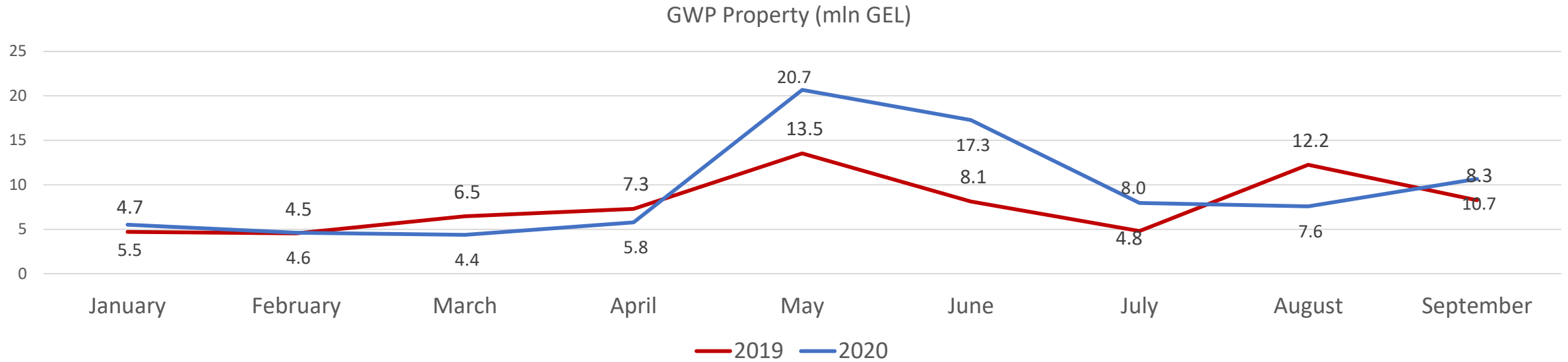
GWP Medical (helath) (mln GEL)



GWP Motor Casco (mln GEL)



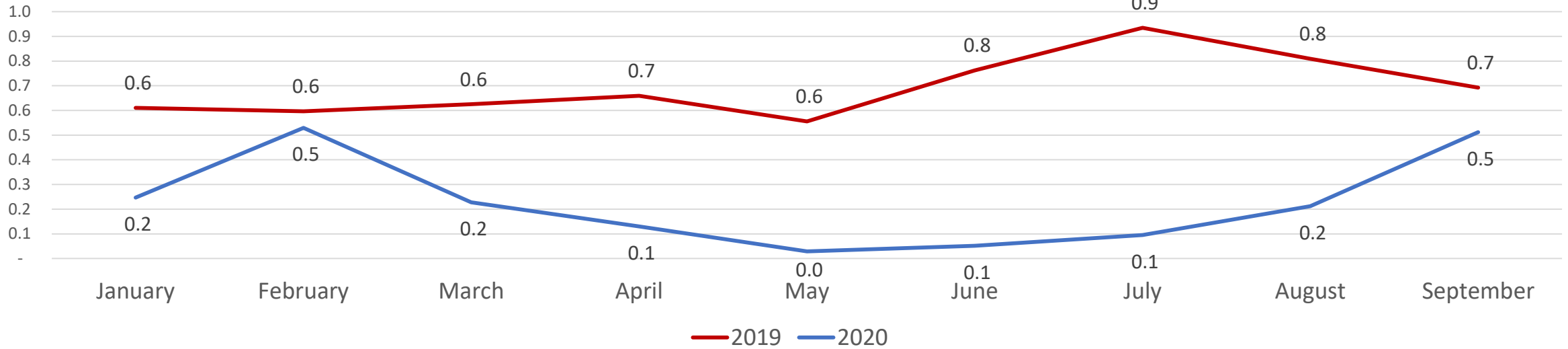
Monthly Gross Written Premium by Line of Business (mln. GEL) Year 2020 vs 2019



Monthly Gross Written Premium by Line of Business (mln. GEL)

Year 2020 vs 2019

GWP Travel (mln. GEL)



GWP Border TPL (mln. GEL)

