

DRIVING EXCELLENCE —

「TEGETA ANNUAL REPORT」

2025

Brief Overview

Celebrating 30 years of Tegeta is a profoundly personal milestone for all of us. What started in 1995 with just a single minivan has grown into a family of 2,400 teammates, “Tegetelis”, serving over 1,200 vehicles every single day across the region. That shared dedication translated into incredible financial milestones in 2025. For us, these results aren’t just business metrics; they represent the deep trust our customers place in us, whether they are visiting our new flagship Bentley and Lamborghini spaces in Tbilisi, riding one of the municipal MAN buses we delivered to the capital, or using our new Mobil service hub in Tashkent.

This year was also about building a sustainable future we can all be proud of. We are actively investing in the next generation through the historic issuance of a GEL 260 million sustainability-linked bond and a EUR 25 million partnership with the EBRD. From pioneering the Caucasus’s first high-tech Bandag tire retreading factory to training future engineers through Tegeta Academy, we are making sure our growth leaves a positive footprint. Our promise remains unchanged as we step into our next chapter: we will keep listening, adapting, and moving forward alongside the partners, stakeholders, and communities who make this journey possible.

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MESSAGE FROM THE CHAIRMAN



Temur Kokhodze,
Founder and Chairman of the
Supervisory Board

Dear Stakeholders,

The year 2025 marked numerous significant achievements in the history of Tegeta, but one milestone stands out as a particular source of pride: our company celebrated its 30th anniversary.

These three decades clearly reflect the journey we have traveled alongside our teammates, the “Tegetelis.” We have reached this point through a shared belief in our core values, hard work, and mutual support. Thirty years is a substantial period, representing thousands of overcome challenges, **bold decisions**, and a deep dedication to the work we do.

From the beginning, we believed that a successful company is built on more than just business metrics; it is **founded on people**, responsibility, and trust.

I am immensely proud that a business that started with a single minivan has grown over 30 years into a remarkably successful enterprise, taking significant steps in the automotive industry across Georgia and the wider region.

Today, Tegeta represents more than 300 global brands and continues its momentum through the efforts of around 2,400 employees. We have already begun our journey toward new heights, setting ambitious goals with the confidence that we can achieve anything together. Continuous development is a primary driving force for Tegeta; we are **setting new benchmarks** in the automotive industry, creating exceptional service standards, and building a future where every challenge is transformed into an opportunity.

Before looking ahead, I would like to use this annual report to highlight the successes of 2025, with a particular focus on our regional expansion.

Tegeta shares a **long-standing partnership** with Bridgestone as the official representative of this Japanese brand in Armenia and Azerbaijan. As part of our international expansion strategy, we partnered with Mobil to open our first service center in Uzbekistan. We also introduced another Volvo VRE concept showroom to the Caucasus region. In addition, Tegeta successfully won a tender for JCB machinery in Azerbaijan.

Last year, we entered the luxury segment, becoming representatives for the legendary British brand Bentley and opening the first official Lamborghini showroom in Georgia. We also completed the municipal transport tender for the capital, delivering an additional 40 MAN buses to Tbilisi. Crucially, an experienced team of Tegeta Motors mechanics provides 24/7 technical support to ensure these buses operate smoothly, providing comfortable transportation for the residents of Tbilisi.

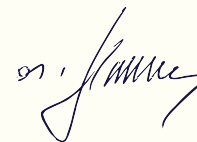
It was also a successful year for our digital transformation. We simplified daily operations and increased efficiency and productivity through digitalization. During the year, we also took active steps in the capital markets, most notably the issuance of a GEL 260 million bond, which was made possible through close work with our partners.

Our strategy for the coming years is built upon several key pillars:

- > **Regional Expansion:** We will continue to expand our footprint and develop new markets alongside international partners.
- > **Digitalization:** We are integrating modern technologies to manage operations more efficiently, make data-driven decisions, and offer more flexible and faster services. Our goal is to create a fully integrated digital ecosystem that unites operational processes and the customer experience.
- > **Corporate Governance:** We place significant emphasis on transparency, accountability, and compliance with international standards as the foundation for our long-term sustainability.
- > **Technological Modernization:** We plan to upgrade our service centers and implement new platforms to integrate the entire work cycle into a single system.
- > **Network Growth:** We are expanding our service center network and developing the “Express” branches to provide customers with quick and convenient services.
- > **Organizational Culture:** We are focused on transforming our work environment to ensure employees are actively involved in processes and decision-making.
- > **Customer-Centric Business Models:** We aim to simplify the vehicle ownership process by providing access to all necessary services within a single ecosystem.

Consequently, our main priorities for the coming years will be sustainable growth, innovation-driven development, and strengthening our partnerships in international markets.

Our development does not stop here, and I am convinced that Tegeta's best years are still ahead of us. With the same faith, energy, and team, we continue the journey we began 30 years ago with just one minivan.



Temur Kokhodze,
Founder and Chairman of the Supervisory Board
30 July 2026

MESSAGE FROM THE CEO



Ekaterine Kavtaradze,
Chief Executive Officer,
Tegeta Holding

Dear Stakeholders,

In 2025, Tegeta entered a new chapter, celebrating the **30th anniversary** of the company. Over the past three decades, Tegeta has grown from a local automotive business into one of the leading mobility companies in the region. This journey has been defined by our ability to evolve with the market, build strong international partnerships, and continuously increase the value we create for our customers.

As we celebrate this milestone, we also take a moment to look ahead. My ambition for Tegeta is to continue to expand beyond traditional automotive boundaries and create solutions that make mobility more efficient, more accessible, and more intelligent for both individuals and businesses. The global mobility industry is no longer defined solely by vehicles. In this evolving landscape, Tegeta continues to position itself as a **comprehensive mobility ecosystem** serving individuals, businesses, and infrastructure projects across the region.

The progress we achieved in 2025 reflects the strategic priorities that continue to shape Tegeta's development: **expanding** our regional presence, **accelerating** digital transformation, and **investing** in people and professional expertise. Together, these priorities form the foundation of our long-term growth strategy.

Financial Performance and Capital Markets

In 2025, Tegeta continued to demonstrate strong financial performance and operational resilience. The company delivered significant growth across its business lines, supported by expanding partnerships, operational improvements, and sustained demand for mobility and fleet services.

The year also marked a breakthrough for Tegeta in the capital markets. In partnership with Galt and Taggart, we successfully placed **USD 10 million in bonds**, and with TBC Capital, **USD 9 million in bonds**, strengthening investor confidence and diversifying our funding sources.

In addition, we secured **EUR 25 million in financing from the European Bank for Reconstruction and Development (EBRD)** to support the expansion of our regional hub, the GEZI Facility, as well as strengthen professional education, and enhance corporate governance.

Another historic milestone was the issuance of the largest local-currency corporate sustainability-linked bonds (SLB) in Georgia, **GEL 260 million**, executed in partnership with TBC Capital and Galt and Taggart.

These achievements reinforce Tegeta's reputation as one of the most trusted and financially resilient companies in the region. These diverse sources of capital enable us to accelerate strategic investments, expand infrastructure, and continue building a modern mobility ecosystem.

Growing Premium and International Presence

The year also marked several important milestones in the expansion of our international footprint and premium automotive portfolio.

In **Uzbekistan**, we opened **our first service center** in partnership with Mobil, while in **Azerbaijan** we launched a new **Volvo Retail Experience (VRE)** concept showroom, strengthening our presence in strategically important regional markets.

During the year, Tegeta also strengthened its strategic partnerships with leading global brands. One of the most significant developments was the expansion of our **collaboration with Bridgestone**: Tegeta is the official representative of the Japanese brand not only in Georgia, but also in **Armenia and Azerbaijan**.

Together with Bridgestone, we started building a **high-tech Bandag tire retreading facility**, introducing advanced tire renewal technologies for trucks and buses in the region and supporting more sustainable logistics solutions.

In Georgia, we proudly opened the country's **first Bentley and Lamborghini showrooms in Tbilisi**, introducing some of the world's **most iconic luxury brands** to the Georgian market and expanding our premium automotive ecosystem.

Supporting National Infrastructure and Logistics

Tegeta continues to play an important role in supporting national infrastructure and large-scale logistics operations.

One of the **most significant projects** of the year was the **renewal of Tbilisi's municipal bus fleet**, which started the previous year; Tegeta supplied **40 MAN buses**, completing the project in 2025. We will continue to provide **24/7 service support** to ensure their reliable operation.

In the logistics sector, we also implemented a major deal, delivering **58 MAN trucks through Hertz** to support Coca-Cola Bottlers Georgia, which materially improved the Group's market share in the distribution sector.

Developing Integrated Business Solutions

Another important development in 2025 was the launch of **Tegeta Business**, a strategic platform designed to support small and medium-sized enterprises through **integrated mobility** and **fleet management solutions**.

The platform combines personalized service models, technical maintenance, and fleet management solutions within a **unified ecosystem**, enabling companies to manage their vehicle operations more efficiently and reduce operational downtime.

Through Tegeta Business, corporate customers gain access to dedicated account management, priority service support, and customized maintenance programs designed to optimize operational performance.

Aside from the platform, Tegeta serves as a hub for **development and competency**, bringing together local and international efforts to create an environment of innovation, expertise, and new experiences. One such event was the **MAN International Conference**, organized with Tegeta's support for the first time in Tbilisi. MAN representatives from headquarters in Munich and Dubai, together with dealers from 23 countries, attended sessions on everything from the MAN product lineup and modern sales strategies, to marketing activities and achievements in innovation.

These initiatives reflect Tegeta's broader strategy to strengthen its Business-to-Business (**B2B**) **mobility ecosystem** and position the company as a long-term mobility partner for businesses locally and across the region.

Digital Transformation

Digital transformation remains one of the **central pillars** of Tegeta's long-term strategy. In 2025, we continued applying advanced digital solutions to **improve operational efficiency** and **enhance customer experience** across our ecosystem.

Key initiatives included the introduction of demand planning and forecasting and inventory optimization systems, **Leafio and Gaspacho**, respectively, improving supply chain visibility and enabling faster data-driven decision-making.

We also developed a **centralized data warehouse**, consolidating data from multiple operational systems into a unified analytics environment that supports both **strategic planning** and **operational management**.

Another major milestone was the successful completion of the **SAP S/4HANA Explorer** phase, which enables real-time business processes, analytics, and AI integration by simplifying data models, laying the foundation for the modernization of our enterprise resource planning systems.

Through these initiatives, Tegeta continues to evolve into a **data-driven** and **digitally enabled organization** capable of adapting to **changing customer expectations** and **market dynamics**.

At the same time, we remain fully aware of the responsibility that comes with growth. As our company expands, maintaining **strong governance**, **transparency**, and **responsible business practices** becomes even more important. We are strengthening our **governance frameworks**, improving **internal controls**, and reinforcing **accountability** across the organization to support **sustainable growth**.

Investing in People

Our people remain at the heart of Tegeta's success.

None of these achievements would have been possible without the dedication of our team, **the Tegetelis**. Every milestone we celebrate today is the result of their **professionalism**, **teamwork**, and **passion**.

Through **Tegeta Academy**, we continue to invest in **professional education** and the development of **technical expertise** within the automotive sector.

One of the most notable initiatives of 2025 was the organization of Georgia's **first National Automotive Technology Competition**, which brought together students from vocational institutions and young professionals to demonstrate their skills and engage with industry experts.

Beyond this initiative, Tegeta Academy continues to offer **training programs**, **certification courses**, and **development opportunities** for current employees and future specialists.

By investing in talent and technical education, we aim to **strengthen** the long-term sustainability of the automotive industry and **support** the development of the next generation of professionals.

Looking Ahead

Looking forward, Tegeta will continue to move forward with **ambitious strategic initiatives**.

One of our key priorities is the development of **Fleet Management**, which is becoming a major business direction for the company. Through the acquisition of I GPS Operator LLC and Baelish Holding LLC, Tegeta now operates one of the largest **telematics platforms** in the region, enabling us to transition fleet services to a data-driven management model that improves **efficiency**, **transparency**, and **cost predictability** for our customers.

At the same time, we are making structural organizational changes to accelerate **decision-making**, strengthen our **customer-centric approach**, and further improve **service quality**.

As we enter the next chapter of our journey, the future of mobility in our region is only beginning to take shape. Tegeta is committed to playing a defining role in that transformation by building a stronger mobility ecosystem, expanding our regional presence, and continuing to **create value** for our customers, partners, and communities.

We believe the next decade will redefine mobility across our region, and Tegeta intends to be at the **center** of that transformation.

I am deeply grateful to our **employees**, **partners**, and **stakeholders** whose trust and dedication make this journey possible.

Together, we will continue shaping the next era of mobility in our region.

Ekaterine Kavtaradze
Chief Executive Officer
30 July 2026

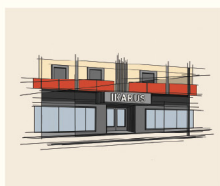


30-YEAR JOURNEY

1995



Tegeta's journey begins in 1995 with a single van. A Volkswagen LT28 starts its journey from Hungary. Through Romania, Bulgaria, and Turkey, Temur kokhodze brings original parts of the "Ikarus" to Georgia, a country caught in hopeless conditions and the dark 90s. You never know in advance what continuous motion can create; at first, there's simply an idea: to change the given situation. This is how the Georgian auto industry changes as well: from 1996, in the building of the "Red Riding Hood" store - selling auto parts that weren't available in the post-Soviet countries. From 1997, under the name "Tegeta Motors" - still operates as a leading holding company in the region. What started with one van has grown into a full automotive ecosystem.



1998



Tegeta became the exclusive representative of the global tire brand Bridgestone.



BRIDGESTONE



2001



Following a rebranding, the company started operating under the name of Tegeta Motors.



2005



Tegeta Truck and Bus was established, becoming the exclusive representative of the German truck and bus manufacturer MAN.



2006



The company's multi-brand portfolio expanded significantly with the addition of Shell lubricants and Michelin tires.



2007



With co-financing from the EBRD, one of the largest multifunctional service centers in the Caucasus was built, housing Tegeta Motors headquarters.



2008



Tegeta Motors became the representative of BOSCH.



British Engineering on Tegeta's Road – In 2007, negotiations began with one of the world's largest construction equipment manufacturers, JCB. The talks were soon successfully concluded and in 2008, Tegeta Holding became the official dealer of this global leader in Georgia. This marked the beginning of the British engineering era in Tegeta's history. Today, Tegeta Holding proudly represents JCB not only in Georgia, but across the entire region.



2010



The company started negotiations with Porsche and in 2011 became the official importer of the brand in Georgia.



2011



Branches of Tegeta Motors opened in Poti and Batumi.



2014



Tegeta won a competition announced by Toyota, gaining dealer and authorized service center status.

As a result, Toyota Center Tegeta joined the holding.

2017



Tegeta Academy was founded to train qualified specialists.



2019

VOLVO

Tegeta became the dealer of the Swedish automotive brand Volvo and established Scandinavian Auto Tegeta.

**Mobil**

Tegeta Motors became the representative of Mobil.

2022

B O N D S

Financially, Tegeta successfully issues a record GEL 150 million in bonds.



Tegeta founded Tegeta Green Plant, an important step toward developing the country's green economy.

2023



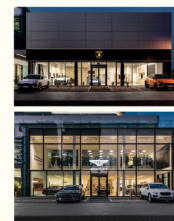
Tegeta opened an ultra-modern multifunctional automotive complex with a total investment of GEL 60 million. Over 700 solar panels were installed on the building and parking roof, generating half a megawatt of energy annually.



Tegeta Agri was created, representing global brands: Fendt, Valtra, JCB, and Zetor.



2024



Tegeta's portfolio was enriched with the supercar Lamborghini and the legendary British automotive brand Bentley.

MAN

Tegeta Holding received two important awards: MAN's International Marketing Award, confirming successful partnership with the brand, and the Meliora Green Initiative Award for effective implementation of environmental practices.

2025

GEZI
EUR 25 Million Loan from the EBRD to finance the GEZI project, specifically for the development of a heavy-duty truck service center in the GEZI region. The facility will serve as a regional hub, integrating a logistics terminal, a bonded customs warehouse, and the company's full range of service offerings.

Lamborghini and Bentley
Tegeta Cars introduced two of the world's most iconic luxury brands to the Georgian market. The country's first Lamborghini showroom opened and a Bentley dealership was established on Agmashenebeli Avenue, featuring dedicated showrooms and extensive aftersales facilities. These launches elevated the country's luxury automotive sector and granted customers firsthand access to premium brands.





ელექტროობა
Electricity

1

სავალი ნაწილი
Suspension

2

სავალი ნაწილი
Suspension

3

ელექტროობა
Electricity

5

თვლების შუყრა
Wheel Alignment

333 თბილისი

თბილისი

MAN

FINANCIAL PERFORMANCE

In the financial year ending 31 December 2025, Tegeta **demonstrated strong operational resilience** in a stable macroeconomic environment, following landmark years in 2024 and 2023. The Group **sustained healthy margins, maintained robust cost control, and continued activity in the capital markets**, enabling investment in **infrastructure, growth enablers, and environmental projects**. The Group has received credit ratings from Scope Ratings since 2019 and currently has a BB- (negative outlook), further **reinforcing its investor base**.

Revenue Performance

FY 2025	Revenue	YoY Growth	FY 2024	FY 2023
	GEL 1,718 million	5%	GEL 1,636 million (+19% YoY)	GEL 1,378 million (+45% YoY)

Revenue growth in 2025 was a result of a **steady, sustainable, and organic** expansion supported by a **diversified financing base, regional expansion, and major contract settlements** locally and regionally. A project¹ that started in 2024 and was finalized in 2025 constituted a significant amount to the Group revenue. Importantly, the year-over-year (YoY) growth in revenue without the one-off project was 16%.

Gross Profit and Margin Trends

Gross Profit

FY 2025	FY 2024	FY 2023
GEL 334 million +2% YoY GP Margin: 19%	GEL 327 million +10% YoY GP Margin: 20%	GEL 297 million +50% YoY GP Margin: 22%

In 2025, the Group focused on **optimizing its product portfolio to improve efficiency and reduce working capital requirements**. As part of that effort, it stopped selling several brands and cleared out all remaining inventory of those products. These efforts created gross margin pressure, in addition to the need to reduce overstock levels at the beginning of the year.

Operating Profit and Expense

Operating Profit

FY 2025	FY 2024	FY 2023
GEL 146 million +4% YoY OP Margin: 9%	GEL 141 million +2% YoY OP Margin: 9%	GEL 139 million +75% YoY OP Margin: 10%

Compared to 2024, operating expenses increased, driven by a 26% YoY rise in selling and distribution expenses. The impact on profitability was successfully mitigated by **improved structural process**. These **internal efficiencies** enabled the business to **scale sales volumes** while lowering unit costs, **effectively stabilizing** the operating profit margin.

EBITDA and Margin Trends

EBITDA

FY 2025	FY 2024	FY 2023
GEL 175 million +4% YoY Margin: 10%	GEL 168 million +4% YoY Margin: 10%	GEL 161 million +66% YoY Margin: 12%

In 2025, Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) remained solid, showing slight growth and underlining the **Group's ability to maintain strong operational performance and develop stable, resilient growth**. The Group was also able to compensate for the one-off large project that significantly improved 2024 results.

1. In 2024, 160 out of 200 buses were supplied to the Tbilisi municipality through a governmental tender offer, referred to as "the Project" throughout this chapter.

Finance Costs and Profitability

Finance Costs in GEL (millions)

Year	2025	2024	2023
Interest expense on borrowings	54.6	51.0	47.6
FX losses	6.8	0.4	8.5
Other	7.6	5.2	12.3
Total Finance Costs	69.0	56.6	68.4

Total Comprehensive Income

FY 2025	FY 2024	FY 2023
GEL 81 million -7% YoY	GEL 87 million +7% YoY	GEL 81 million +100% YoY

The YoY increase in 2025 in finance costs reflects higher average borrowings (+9% YoY) to **fund business processes and capital expenditure**, alongside foreign exchange losses driven by local currency fluctuations. These increases offset the growth in finance income, resulting in a slight decrease in total comprehensive income for 2025.

Cash Flow Highlights

Operating Cash Flow

FY 2025	FY 2024	FY 2023
GEL 191 million +71% YoY	GEL 112 million +90% YoY	GEL 59 million -54% YoY

- **Operating cash flow** increased in 2025 due to improvement in working capital.
- **Investing cash flow** decrease in 2025 is driven by decreases in capital expenditure to GEL 64 million compared to GEL 105 million in 2024.
- **Financing cash flow** decreased in 2025 as a direct result of strong operational cash generation, which funded both investment activities and liability repayments. By internalizing these capital requirements, Tegeta successfully minimized the need for incremental debt facilities during the period.

Balance Sheet Overview

Total Assets

FY 2025	FY 2024	FY 2023
GEL 1,088 million -8% YTD	GEL 1,180 million +22% YTD	GEL 959 million +20% YTD

Improved inventory management and lower short-term trade receivables led to a slight decrease in assets in 2025 compared to 2024. The difference also reflects receivables related to the large project. A slight increase of 7.5% to GEL 293 million of total equity is attributable to **an increase in retained earnings**.

Key Ratios ²

Debt/Equity 1.6x (1.8x in 2024)	Operating Cash Flow Ratio 31.9% (20.0% in 2024)
Net Debt/EBITDA 2.5x (2.7x in 2024)	Cash Conversion Cycle 69.0 days (74.3 days in 2024)
ROA 7.2% (8.2% in 2024)	Inventory Turnover Ratio 3.8x (3.4x in 2024)
ROE 28.8% (35.1% in 2024)	
EBIT Margin 8.5% (8.6% in 2024)	
Current Ratio 1.2x (1.0x in 2024)	

2025 saw significant capital expenditure projects in rollout phases that have not yet fully reached their expected profitability levels, causing slight decreases in profitability coefficients. Operating and leverage ratios have improved YoY, highlighting significant improvements in working capital.

2. Please see the calculation methodology of each financial ratio in Annex 1 – Key Ratios Calculation Methodology.

INDUSTRY OVERVIEW

The automotive, aftermarket, and commercial mobility sectors across the South Caucasus and Central Asia underwent accelerated transformation in 2025. In regional markets, fragmented, informal parts-sourcing chains continued to be replaced by structured corporate fleet operations. The trend toward strict regulatory compliance frameworks and green mobility accelerated.

Georgia

- **Fleet Growth and Aging Dynamics:** According to the National Statistics Office of Georgia (Geostat), the total national vehicle registry expanded by **7% year-on-year**, reaching **1,914,908 units** by the end of December 2025. However, the market remains characterized by a steep replacement tailwind: **81% of the total vehicle fleet is older than 10 years, with 52% exceeding 20 years of age**. This extreme age profile, combined with the progressive enforcement of Euro 5 standards and the April 2026 increase of the excise tax on importing light passenger vehicles older than 6 years, is expected to shift consumer and enterprise demand sharply toward organized aftermarket servicing, high-frequency diagnostics, and verified part replacement channels.
- **Green Mobility Surge:** Driven by rising fuel costs and urban infrastructure modernization, alternative-fuel vehicles experienced unprecedented growth. By late 2025, initial registrations for hybrid vehicles increased by **24% year-on-year**, while pure electric vehicle (EV) initial registrations surged by **81%**. This rapid adoption has created an urgent, structural demand for high-capacity, factory-authorized EV technical maintenance networks.
- **Transit and Re-Export Trajectory:** As the logistics gateway for the East-West Middle Corridor, Georgia's automotive external trade accelerated significantly in 2025. Annual vehicle imports rose by 5%, while regional re-exports advanced by **13%**. This growth was primarily led by sustained transit corridors into Central Asia (Kyrgyzstan and Kazakhstan) and neighboring Caucasus markets. Constant cross-border fleet traffic keeps capacity utilization high across major multi-brand commercial vehicle maintenance points.

The South Caucasus: Armenia and Azerbaijan

- **Azerbaijan's Historic Growth:** Azerbaijan emerged as one of the most dynamic car markets globally in 2025, recording an extraordinary **114% year-on-year high in new vehicle sales to reach 69,832 units** (up from approximately 32,600 in 2024). This boom was heavily characterized by rapid market restructuring, where Chinese brands captured a commanding **68% total market share**, led by **rapid volume adoption** of alternative-energy brands like **BYD (+410% growth)** and Changan's Nevo brand. This massive influx of new vehicles has triggered a **corresponding demand for organized, factory-authorized warranty maintenance ecosystems** to replace historical open-air bazaar sourcing.
- **Armenia:** Positioned as a key trade corridor, Armenia focused heavily on structural transport electrification and public transit upgrades. Backed by multi-lateral international financing (including the Asian Development Bank (ADB) and the European Investment Bank (EIB) for projects like the North-South Road Corridor, the market experienced a significant rise in B2B demand for specialized heavy logistics machinery and long-term full-lifecycle maintenance contracts.

Central Asia: Uzbekistan

- **Uzbekistan Market Scaling:** The new car market expanded by **6.1% YoY in 2025, reaching 427,097 vehicle sales**. Domestically produced vehicles retained a **dominant position**, with UzAuto Motors accounting for an 83.2% market share (led by high-volume models like the Chevrolet Cobalt at 128,541 units and Damas at 108,846 units).
- **Electrification Trends:** Mirroring global patterns, the strongest consumer momentum came from the EV and plug-in hybrid segments, where **sales jumped by 35% year-on-year**.
- **The Infrastructure Opportunity:** Despite this **massive volume** of over 427,000 new vehicles entering the road network annually, the region faces a critical structural bottleneck: a severe deficit in organized, factory-certified multi-brand maintenance infrastructure and predictive corporate fleet management tools. Industrial enterprise accounts are actively looking to decouple from asset ownership, driving immediate B2B demand for centralized parts distribution and full-lifecycle fleet operating leases.



FUNDING STRATEGY

The financial architecture of Tegeta underwent a **significant transformation** in 2025, shifting toward **long-term sustainability-linked financing** and a **diversified capital base**. The strategy prioritizes structured funding and deeper integration with **international financial institutions (IFI)** to bolster **financial resilience and expansion**.

Liability Structure and Debt Management

Liability management in 2025 focused on optimizing the balance sheet by extending debt maturities and diversifying the investor base.

- **Refinancing Strategy:** In 2025, the Group issued GEL 315 million in bonds. Portion of the capital raised through bond issuances was used to, refinance maturing bonds at lower interest rates. This shift improved the overall maturity profile of the Group's liabilities as maturity dates fall in two-year intervals to ensure structured and stable cash movements, while also ensuring cost efficiency.
- **Transition to Unsecured Financing:** Tegeta made a strategic move toward increasing the share of unsecured debt within its portfolio. By leveraging capital markets rather than traditional bank loans, the Group enhanced its financial flexibility.
- **Investor Diversification:** The Group successfully expanded its reach beyond domestic banking institutions to include international development banks and private institutional investors, reducing dependency on any single source of capital. Investors include the ADB, the EBRD, and the International Finance Corporation (IFC), highlighting the trustworthiness and scale of Tegeta.

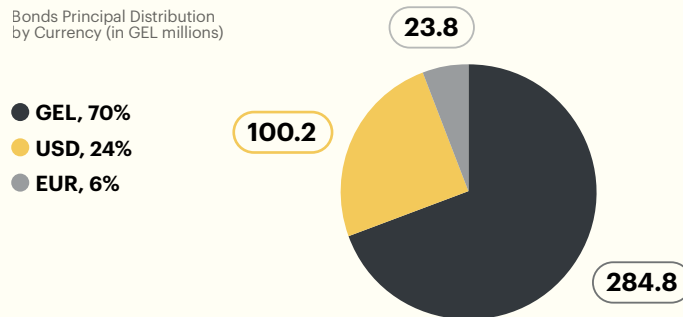
Capital Market Activity

At 31 December 2025, **total bonds principal outstanding** amounted to **GEL 409³ million**. In addition to the issuance of USD 19 million retail bonds, a central pillar of the 2025 funding strategy was the successful issuance of **GEL 260 million in SLBs**, securing the **largest SLB issuance** in national currency in the history of the Georgian capital market with the support of the largest local Placement Agents – **TBC Capital and Galt and Taggart**, under **BLC's** legal advisory.

- **Strategic Investors:** This landmark issuance was made possible through the active participation of IFC and ADB, who acted as anchor investors.
- **Decarbonization Goals:** As a Sustainability-Linked Bond, the proceeds are specifically tied to the Group's environmental targets, including the expansion of the EV fleet, emission reduction, and the development of sustainable infrastructure.

Because of these strategies, the Group successfully **optimized the bond portfolio**, aligning its debt obligations with its local revenue streams, while also maintaining a **diversified portfolio** of both GEL and foreign currency denominated bonds.

Bonds Principal Distribution by Currency (in GEL millions)



3. The principal amount of outstanding bonds includes the deferred placement under GEL 260 million bonds issued in December 2025, out of which GEL 205 million were placed in December, 2025, and the remaining portion in January of 2026.

Project Financing

To support the Group's operational excellence and regional footprint, specialized long-term funding was secured for major infrastructure projects.

- > **The GEZI Facility:** A EUR 25 million loan from EBRD was finalized to fund the development of a **state-of-the-art service hub**. Located near the GEZI customs zone, this facility integrates a **logistics terminal and a bonded warehouse**, serving as a regional hub for **heavy-duty vehicle services**. **This partnership with the EBRD** also includes a commitment to enhancing corporate **governance and environmental standards**, further aligning the Group with **international best practices**.
- > **The Green Mobility Initiative:** In 2023, a GEL 20 million financing package from the ADB was secured to accelerate the transition toward **sustainable transportation** across the region. This project focused on **large-scale procurement and leasing of electric and hybrid vehicles**, with the funds dedicated to **eco-friendly** fleet expansion and EV infrastructure. Matured in December 2025, through this partnership, **Tegeta reduced its carbon footprint** while setting new benchmarks for ESG in the Georgian automotive sector. **ADB** has also been Tegeta's long-term partner, and the **anchor investor in the Sustainability-Linked Bond** issuance, highlighting the Group's active **involvement in green initiatives and external support from IFIs**.

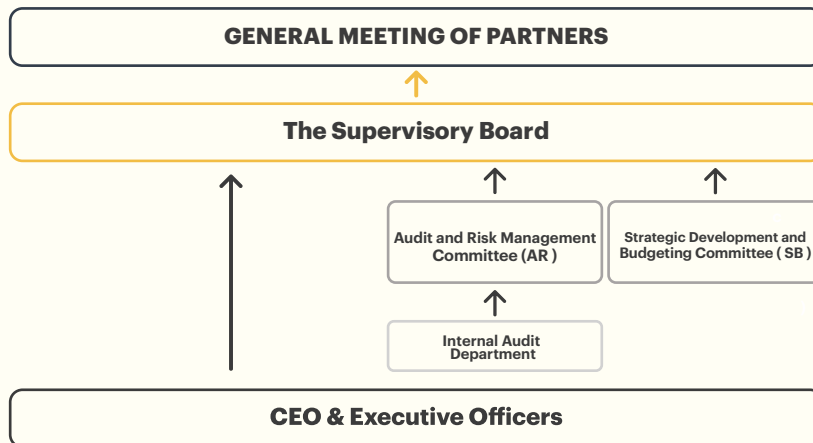


GOVERNANCE & RISK MANAGEMENT

Throughout 2025, Tegeta continued **strengthening board oversight, enterprise risk management, and internal control systems** to support resilience, operational excellence, and investor confidence.

Three-Tier Governance System

Tegeta employs a three-tier corporate governance system, with a clear separation of responsibilities:



General Meeting of Partners The highest governing body is composed of the Partners and empowers shareholders to shape Tegeta's **long-term growth trajectory** while safeguarding their collective interests. It operates according to Georgian legislation and the Tegeta's charter, **ensuring shareholder rights and equitable treatment**. The General Meeting is convened at least once a year by the CEO or Supervisory Board. The meeting must occur within six months after Tegeta prepares its company financial statement. Extraordinary meetings may be initiated by the Supervisory Board or CEO, or by partners holding at least 5% of shares or voting rights. At Tegeta, all partners hold equal voting rights (one vote per share) ensuring **inclusive participation** in strategic matters.

Supervisory Board Appointed by the General Meeting of Partners, the Board operates in compliance with Georgian legislation, the Company's charter, and the Regulation of the Supervisory Board, available on Tegeta's official website.

Since its establishment in 2019, the Board has served as a cornerstone of Tegeta's oversight structure, providing **leadership, strategic guidance, and independent supervision**. The Board ensures that Tegeta's executive leadership remains **aligned with corporate values, strategic goals, and regulatory obligations**.

Executive Management Responsible for managing and representing Tegeta, the Executive Management is appointed by the Supervisory Board. They exercise powers defined by Georgian legislation, Tegeta's charter, and the Supervisory Board and the General Meeting of Partners.

Supervisory Board Responsibilities and Composition

Tegeta's Supervisory Board consists of seven members, including **two independent members**.⁴ The composition balances **operational knowledge** with external perspective, ensuring **effective oversight and informed decision-making**.

The Board members, professionals with **strong backgrounds in law, finance, business management**, and Tegeta's core sectors, contribute to the company's **strategic agility and institutional strength**.

Independent members play a vital role in **upholding impartiality, enhancing objectivity, and reinforcing governance credibility**.

4. As of the publishing date of this report, there are three independent Supervisory Board members, including Mr. Joerg Weller joining on April 1, 2026.

The Supervisory Board meets on a quarterly schedule and may convene additional meetings when required. **All decisions are formally documented and communicated** across the Group to ensure timely implementation.

The Board's responsibilities include:

- Defining corporate values and governance principles,
- Ensuring effective organizational structure and clear allocation of responsibilities,
- Overseeing risk management and internal control systems, and
- Monitoring executive performance and remuneration alignment with the company's risk culture.

The Supervisory Board has decision-making authority over strategic and financial matters, including:

- Approval of risk management and internal control frameworks,
- Approval of the annual budget and review of financial performance,
- Establishment of disclosure and financial planning policies,
- Appointment and oversight of executive leadership,
- Proposal of profit distribution to the General Meeting, and
- Convening General Meetings and reviewing major corporate decisions.





Mr. Temur Kokhodze
Chairman of the Supervisory Board

Mr. Temur Kokhodze is the **founder** of TGM Group and Tegeta Motors and a **key architect** of the Company's **strategic development**. He served as General Director of Tegeta from its inception until 2007, leading its transformation into a market leader.

From 2008 to 2012, he served as a Member of Parliament of Georgia, after which he returned to focus on the long-term growth and development of the Group. Since 2012, he has remained actively involved in shaping Tegeta's strategy, governance, and industry leadership.

He holds a degree in road and transport operations from the Georgian Technical University.



Mr. Giorgi Mshvildadze
Deputy Chairman of the Supervisory Board (Chairman of the Strategic Development and Budgeting Committee and member of the Audit and Risk Management Committee)

Mr. Giorgi Mshvildadze is a **co-founder** of TGM Group LLC and Tegeta Motors LLC and has more than **25 years of experience** in the automotive industry. Since joining Tegeta in 1995, he has held several senior leadership positions, including Executive Director (2007–2019) and General Director of Toyota Center Tegeta LLC in 2019.

Since 2019, he has served as Deputy Chairman of the Supervisory Board, contributing to the company's **strategic oversight and long-term development**. He holds a degree in engineering from the Georgian Technical University.



Mr. Per Gustav Ragnar Nilsson
Independent Member of the Supervisory Board (Member of the Strategic Development and Budgeting Committee)

Mr. Per Gustav Ragnar Nilsson has extensive **international experience** in the automotive and industrial sectors. He has held **senior leadership** roles including Executive Director at Ashok Leyland and Vice President at Lohr Industries.

His career includes managing director positions at Scania Russia and CIS, Mammut Trailer (United Arab Emirates) and Mancare Consultancy (Sweden). He has been a member of Tegeta's Supervisory Board since 2019.

He holds degrees in sociology and business administration and politics from Stockholm University.



Mr. Zurab Sakvarelidze
Member of the Supervisory Board (Member of the Audit and Risk Management Committee)

Mr. Zurab Sakvarelidze has more than 30 years of **legal and regulatory experience**. He began his career in 1987 at the Supreme Court of Georgia and later became a **partner** at Verdict LegalCompany LLC (1999–2005).

He joined Tegeta in 2005 and served as Legal Counsel, Head of the Legal Department 2005–2018 and Advisor to the General Director on Legal Affairs (2018–2019). Since 2019, he has been a member of the Supervisory Board.

He holds a law degree from Ivane Javakhishvili Tbilisi State University.



Mr. Dimitri Gozalishvili

Independent Member of the Supervisory Board (Chairman of the Audit and Risk Management Committee and member of the Strategic Development and Budgeting Committee)

Mr. Dimitri Gozalishvili has been a member of the Supervisory Board of Tegeta Motors since October 2023, bringing over 20 years of experience in **finance and business management**. After early roles at Ernst and Young and Deloitte, he held **senior executive positions** at various companies, including Silknet and Elite Electronics.

Following a tenure at Toyota Caucasus - Central Asia, he returned to Tegeta Motors in 2016 as Commercial Director and later held several senior leadership roles prior to his board appointment. He holds a degree in business administration from ESM Tbilisi.



Mr. Vakhtang Bochorishvili

Member of the Supervisory Board

Mr. Vakhtang Bochorishvili was appointed to the Supervisory Board of Tegeta Motors LLC in September 2025. He has extensive experience in **law and security management** and is a graduate of the Academy of the Ministry of State Security of Georgia.

From 2000 to 2012, he held senior positions in the State Security Service and Ministry of Internal Affairs. Since 2013, he has led the Security Department of Tegeta Motors, contributing to the development of the Company's security systems and processes.



Mr. Paata Zhghenti

Member of the Supervisory Board (Member of the Strategic Development and Budgeting Committee)

Mr. Paata Zhghenti has been with Tegeta since its early years and has held several **senior operational and managerial roles**, including General Director in 2001, Head of Auto Service Equipment in 2003, Deputy Head of Logistics and Procurement in 2008, and Deputy General Director in 2015.

Since 2020, he has served as a member of the Supervisory Board. He holds a degree in automotive mechanics and operations from Georgian Technical University.



Group Oversight

The Supervisory Board ensures that governance standards are **applied consistently across subsidiaries** while respecting their legal **independence and responsibilities**.

Corporate Secretary

The Corporate Secretary supports effective governance by ensuring **procedural integrity, regulatory compliance, and clear communication** between governing bodies.

Key responsibilities include:

- Coordinating Board and committee meetings,
- Maintaining corporate documentation and compliance,
- Advising on governance procedures, and
- Acting as liaison between stakeholders, the Board and executive management.

Supervisory Board Committees

To strengthen oversight and decision-making, the Supervisory Board operates through two standing committees:

Audit and Risk Management Committee

Chaired by an independent Board member, the Committee oversees:

- Financial reporting and disclosure integrity,
- Oversight of risk management and internal control systems,
- Internal audit independence, and
- Relations with external auditors.

Strategic Development and Budgeting Committee

The Committee supports:

- Long-term strategy and capital allocation,

- Budget preparation and approval, and
- Monitoring of financial and operational performance.

Both committees meet monthly and report regularly to the Supervisory Board.

Internal Controls and Audit

Tegeta maintains a structured internal control system designed to **safeguard assets, mitigate risks, and ensure consistent business processes.**

The Internal Audit Department operates **independently** and reports directly to the Supervisory Board and the Audit and Risk Management Committee. It conducts **risk-based assessments**, evaluates internal controls, and provides recommendations for **continuous improvement**.

The Supervisory Board appoints and evaluates the Head of Internal Audit, **ensuring independence** from executive management.

Compliance

The Supervisory Board ensures that Tegeta's operations, including business lines, comply with Georgian legislation, **international standards**, and the highest standards of **corporate governance**. Its mandate is rooted in **integrity** and guided by Georgian law, the company's charter, and the Supervisory Board's internal regulations. The board is responsible for upholding interests of Tegeta's partners, bondholders, investors, and broader stakeholders.

To fulfil this mandate, it maintains **open communication channels** and ensures that all decisions are aligned with the company's **long-term strategy** and enterprise risk management framework.

Risk Management

The Supervisory Board holds ultimate responsibility for the Company's risk management framework.

Within the company's organizational structure, the position of **Deputy Chief Financial Officer for Risk Management** was established to strengthen the group's **risk management framework**.

The role is focused on the development, implementation, and **continuous improvement** of credit and operational risk management methodologies across the group, ensuring alignment with international best practices and regulatory requirements. The Deputy Chief Financial Officer for Risk Management plays a significant role **strengthening** risk identification, assessment, monitoring, and reporting, as well as fostering a **risk-aware culture** throughout the organization.

Corporate Governance Code On 19 April 2024, the Supervisory Board approved the first edition of Tegeta's Corporate Governance Code, aligned with the Corporate Governance Code of the National Bank of Georgia. The currently effective version of the Code was approved by the Supervisory Board on 8 May 2025.

The Code establishes a unified governance framework across the Group and defines:

- Roles and responsibilities of governing bodies,
- Decision-making and monitoring procedures,
- Ethical standards and compliance requirements, and
- Risk management and internal control principles.

The Code is based on four core principles: **Accountability, Fairness, Transparency, and Responsibility.**

Governance documents are periodically reviewed and updated, and are publicly available on the Group's website. Tegeta's established mechanisms, including the **Whistleblower Program, Ethics Hotline**, and the **Anti-Corruption Policy**, ensure the core principles are in place at all levels.

Group-Wide Governance Alignment Subsidiaries operate under their own legal frameworks while aligning with the principles of Tegeta's Corporate Governance Code. The Supervisory Board ensures **consistent governance standards** across the Group.

Transparency and Reporting Tegeta prepares and publishes consolidated financial statements in accordance with **International Financial Reporting Standards (IFRS)**, statutory audit is performed annually by the external audit firm, Deloitte and Touche LLC. As a public securities issuer, the company maintains full compliance with Georgian regulatory requirements.

Executive Management

Tegeta's operations are led by the CEO and executive officers appointed by the Supervisory Board.

The CEO holds full representative authority and is responsible for **implementing strategy, overseeing performance, and ensuring coordination** across business divisions. Executive officers lead strategic business segments and operate within the authority granted by the Supervisory Board.

Appointments of senior management within Tegeta and its subsidiaries require Supervisory Board approval.

Executive Officers as at December 31, 2025



Ms. Ekaterine Kavtaradze
Chief Executive Officer

Ms. Ekaterine Kavtaradze was appointed CEO of Tegeta in August 2024. She brings **extensive leadership** experience in strategy, operations, and organizational transformation.

Prior to joining Tegeta, she held **senior roles** at EVEX Hospital, including Chief Strategy Officer, CEO, and COO, and contributed to projects at the Georgian Healthcare Group and the International Atomic Energy Agency.

Ms. Kavtaradze holds an MBA from the Caucasus Business School and Grenoble Ecole de Management, as well as multiple bachelor's and master's degrees in Pharmacy, Law, and Medicine. She is a **published author** in healthcare quality improvement and a **certified** expert in budgeting, HR management, and leadership development.



Ms. Rusudan Sanikidze
Chief Corporate Services Officer

Ms. Rusudan Sanikidze has over 25 years of experience in human capital, organizational development, and corporate transformation, **leading** cross-industry initiatives to drive sustainable change.

She started as a **consultant** at the International Center of Standardization and Consulting, later leading HR at Sarke Group and Wissol Group. Prior to Tegeta, she served as Director of Human Capital, Culture, Occupational Safety, and Administration at Georgia Global Utilities and Georgian Water and Power. She holds a Master's in Psychology from the Dimitri Uznadze Institute and a diploma from the Viktor Frankl Institute. She is a certified coach, trainer, and NLP practitioner.



Mr. Nikoloz Khidureli
Chief Financial Officer (CFO)

Mr. Nikoloz Khidureli joined Tegeta as CFO in October 2024, bringing over 20 years of experience in **finance, investment, and corporate leadership**.

He began his career at Bank Republic (Société Générale Group), progressing to CFO. He later **co-founded** Silicon Valley-based Xplicit Computing, Inc., where he served as COO. His experience also includes **senior roles** at CCS Investors / Grossegg / Palo Capital Partners, Georgian Capital JSC and NGT Partners.

Mr. Khidureli holds a master's degree in management from Stanford Graduate School of Business (Sloan Fellow) and a bachelor's degree in finance from Caucasus University.



Mr. Petre Tsakadze
Chief Officer of Light Vehicles

Mr. Petre Tsakadze has been with Tegeta since 2009 and has held several **senior leadership** roles in sales and marketing.

He has held multiple senior leadership roles at Tegeta Premium Vehicles LLC, such as Head of Sales and Marketing, General Director, and later Director of Tegeta Premium Vehicles LLC. Since 2023, he has led the Light Vehicle Sales division, **overseeing strategy and operations** across the segment.

Mr. Tsakadze holds a master's degree in business administration from Ivane Javakhishvili Tbilisi State University.



Ms. Tea Tchanturia
Chief Marketing and Digital Development Officer

Ms. Tea Tchanturia joined Tegeta in 2024 with more than 14 years of experience in marketing, brand strategy, and customer experience.

She previously served as Project Manager at Studio Metro and held multiple **managerial leadership roles** at Bank of Georgia. She is also a lecturer at the Georgian Institute of Public Affairs (GIPA).

Ms. Tchanturia holds an MBA from Grenoble Ecole de Management, a master's degree in social sciences and a bachelor's degree in public administration and psychology. She also holds multiple international professional certifications.



Mr. Zurab Alavidze
Chief Officer of Special Equipment Vehicles, Trucks, Commercial Equipment Cargo, Commercial Vehicles, and Buses

Mr. Zurab Alavidze brings more than 30 years of experience across the private and public sectors. Since 2018, he has been working with large companies across multiple industries as a **strategic consultant**.

From 2016 to 2018, he served as Minister of Regional Development and Infrastructure of Georgia and previously headed the Strategic Project Coordination Department at the Government Administration of Georgia. He also served as Deputy Minister of Economy of Georgia (2009–2010) and held numerous **senior roles** in the financial and energy sectors at Dariali Energy, VTB Bank Georgia, and United Georgian Bank.

He holds degrees in finance and law, a doctorate in economics, and an MBA from Grenoble School of Management.



Ms. Irina Kitiashvili
Chief Operating Officer (COO)

Ms. Irina Kitiashvili has over 20 years of experience in operational leadership, international supply chains, and organizational transformation.

She has held **senior roles** at Diplomat Georgia and IDS Borjomi Georgia, where she served as COO and **led major process optimization** and operational excellence initiatives. She has also contributed to international trade and economic development, serving as Co-Chair of the Global Commission on Customs and Trade Facilitation of the International Chamber of Commerce and participating in the development of Incoterms 2020 on behalf of ICC Georgia.

She holds MSc in Natural Sciences from Tbilisi State University, MBA from Caucasus University and Master's Certificate in Management From George Washington University.





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TEGETA MOTORS
HOLDING COMPANY

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TEGETA

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MAN Truck & Bus

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TEGETA

PHILOSOPHY

Core Values

Tegeta's success is built on more than infrastructure and financial performance. It rests on a set of five **principles** that define how the company **leads, operates, and grows**. These five values guide every customer interaction, hiring decision, new partnership, and expansion into new markets. They apply across every division and subsidiary in the Group, and are a direct reflection of the Group's guiding philosophy: **future success is driven by today's decisions**.

Five Core Values

Customer Centricity	Service built around the customer journey	500,000+ clients served through personalized operations
Excellence in Quality	Delivering trusted brands and services	Global brand partnerships, ISO standards, 7S quarterly audits, Kaizen principles
Human Capital	Investing in people	2,400 employees, Tegeta Academy, technical and leadership development
Strategic Partnerships	Growing through long-term alliances	300+ international brand partners, regional distribution rights across five countries
Sustainability and Impact	Leading in ethical, circular business	Sustainability-linked bonds, solar energy, EPR authorization, ESG reporting

Customer Centricity

For Tegeta, customer experience is not just an obligation; it is a philosophy. Every service model, showroom, and digital platform is designed around how clients actually live and work. Whether the client is an individual car owner, a corporate fleet operator, or a public institution, the relationship is built on **trust, transparency, and consistency** over time.

Excellence in Quality

Quality at Tegeta extends beyond the brands. It is defined by delivering **precision and reliability** across every layer of the operation, from frontline service interactions to back-office processes, from parts sourcing to technician certification. Exclusive partnerships with Toyota, MAN, Volvo, Bridgestone, Porsche, and others are not simply commercial arrangements; they are quality commitments that set the standards for Tegeta's own operations. The 7S operational standard, Tegeta's adaptation of **the Lean Transformational Framework**, is a systematic approach for changing an organization by aligning its core purpose, work processes, and people's capabilities through a supportive management system and mindset. This standard is applied through quarterly audits at every service location, ensuring the same operational discipline travels with the brand across markets. Tegeta uses **internationally renowned standards** to ensure high quality in all service centers and operations across five countries: ISO-certified service processes, SAP-based system integration, and Kaizen-based continuous improvement.

Human Capital

Tegeta Academy, a licensed vocational college and the first Training Enterprise in Georgia's automotive sector, develops the **technical, managerial, and professional capabilities** needed to compete at an international level. In 2025, the Academy delivered **4,682 hours** of structured learning across **109 training groups**, reaching **1,034 participants**, including **343 enrolled in 40** programs delivered by **international brands**. Structured career pathways, leadership development, and mentorship programs ensure that **investment in people** produces measurable outcomes for the business as well as for the individuals that power it.

Strategic Partnerships

Tegeta's regional reach would not exist without the **long-term alliances** that underpin it. Relationships with **global manufacturers**, including some stretching back more than two decades, **bring credibility, distribution rights, technical knowledge, and access to markets** that cannot be built quickly or replicated easily.

The Bridgestone relationship, which began with a single agreement in 1998 and grew to cover the full Caucasus region, is the clearest example. Long-standing relationships with the EBRD, the ADB, IFC, and institutional investors across multiple currencies extend the same logic into the financial dimension.

Sustainability and Impact

Tegeta's responsibility to operate **ethically and sustainably** is ingrained in the business model, not added as an afterthought. Georgia's first Extended Producer Responsibility (EPR)-authorized entity, Tegeta Green Planet, manages the collection and **recycling of used tires, batteries, and oils at national scale**. The flagship Tbilisi service complex runs on **solar energy**. In 2025, Tegeta issued the region's largest national-currency sustainability-linked bond with borrowing costs tied directly to **ESG performance targets**. ESG reporting follows established international standards, including alignment with the **ADB** and the **IFC** requirements.

Tegeta Ecosystem

Tegeta started in 1995 as a small shop selling spare parts. Later it became a **regional automotive Group** representing **hundreds of global brands across five countries**, operating its own vocational college, issuing sustainability-linked bonds, and hosting MAN's international dealer conference, all resulting from **consistent decisions** made over the three decades.

Tegeta's commitment to **creating independence** led to its decision to formalize its hybrid brand architecture in 2025. Today **Tegeta Retail, Tegeta Cars, Tegeta Heavy, Tegeta Fleet Management, and Tegeta International** have distinct identities within a shared company: clear roles, shared standards, coordinated governance.

Standards That Travel

The quality standards Tegeta applies are uniform across all locations: **Tbilisi, Yerevan, Baku, and Tashkent**, resulting in Tegeta receiving **global OEM partners' regional distribution rights** and earning the **regional reputation consumers recognize and respect**. The **Toyota Ichiban 2025 award**, which placed Toyota Center Tegeta among 46 of 2,500 global dealers is evidence that the standards have been built into the system.

Likewise, Tegeta is expanding its **successful Electude simulation-based program to Armenia, Azerbaijan, Turkey, Uzbekistan, and Kazakhstan**. This decision is recognition that the company's edge in technical training is exportable, and that building it into neighboring markets **strengthens Tegeta's position** locally.

The Next Chapter

The automotive industry is changing faster than at any point in the past. **Electrification, digitalization, and new mobility models** are rewriting the economics of vehicle ownership, fleet management, and aftersales service. Tegeta is not waiting to see what happens. It is **working and evolving** to set the terms of adaptation in this region.

The future Tegeta is building is already taking shape thanks to the decisions the company took in 2025, such as the Tegeta Bandag Factory in Rustavi and the GEL 260 million sustainability-linked bond. These are **deliberate steps**, the reflection of a philosophy of continuity: thirty years of building the market, with a clear view of what comes next.



BUSINESS MODEL

Over 30 years, the company has **evolved** from a traditional automotive distributor into a **fully integrated mobility ecosystem**. The business model connects global **automotive brands**, a **nationwide service** and **distribution infrastructure**, and **digital mobility solutions** to deliver end-to-end automotive services across passenger vehicles, commercial transport, industrial equipment, and fleet operations.

At the center of this model is a **lifecycle approach to mobility**, supporting customers throughout the entire vehicle journey, from acquisition and financing to maintenance, fleet management, and resale. This **integrated structure** enables Tegeta to generate **diversified revenue streams** while building long-term customer relationships and maintaining high service retention.

Core Pillars

Customer-Centric Mobility

Customer needs shape every business line, from premium passenger vehicles such as Bentley and Lamborghini to heavy industrial fleets. Increasingly, the focus is on digital-first customer journeys, supported by Customer Relationship Management (CRM) systems, mobile applications, and integrated service platforms that simplify mobility ownership and operation.

Integrated Automotive Ecosystem

Tegeta operates across the full automotive value chain. The ecosystem includes vehicle distribution, spare parts supply, aftersales services, fleet management, leasing, rentals, and logistics. This integrated platform enables the company to serve individual drivers, corporate fleets, and institutional clients through a single network.

Global Standards

Operations are aligned with international benchmarks and manufacturer requirements. Certified service infrastructure, Original Equipment Manufacturer (OEM) partnerships, and standardized processes ensure consistent quality across all locations and business units.

Strategic Value Drivers

Innovation and Future Readiness

Tegeta actively invests in the transition to sustainable mobility. Partnerships with emerging electric mobility brands alongside investments in EV infrastructure and green financing instruments, support the development of cleaner transportation solutions across the region.

Professional Expertise

The strength of the ecosystem is supported by a workforce of around 2,400 employees. Through Tegeta Academy, technicians and specialists receive ongoing training aligned with global manufacturer standards, ensuring consistent technical excellence across the network.

Regional Platform Development

Tegeta's strategy increasingly extends beyond the Georgian market. By expanding distribution partnerships and operational capabilities across the Caucasus and Central Asia, the company is building a regional automotive platform that connects global brands with emerging mobility markets.

Aftersales

Aftersales services represent the core engine of Tegeta's business model, generating recurring revenue while strengthening long-term customer loyalty. Over nearly three decades, the company has played a pivotal role in transforming Georgia's automotive service sector by introducing structured service processes, OEM-certified repair standards, and digital service management systems.

Digitalization Tools

Digital platforms such as MyCarHistory, online booking tools, and mobile applications further enhance the customer experience by enabling transparent service tracking and automated maintenance alerts.

Strategic Directions

Service Centers **30+** Operational Bays **700+** Vehicles Serviced Daily **1,200+** Vehicles Sold **6,600+**

The sustained market leadership and regional expansion of Tegeta Holding are driven by its five specialized business lines: **Tegeta Cars, Tegeta Heavy, Tegeta Retail, Tegeta International**, and the newly launched **Tegeta Fleet Management**. By combining global manufacturer partnerships with standardized local execution, these strategic divisions have successfully transformed the group from a product-driven business into an integrated, service-oriented mobility platform across the South Caucasus and Central Asia.

Tegeta Cars

Revenue Contribution

2025
GEL 930 MILLION

2024
GEL 715 MILLION

Tegeta Cars **dominates** the market by managing a portfolio that spans **high-volume manufacturers** like **Toyota, Porsche, and Mazda** to luxury partners such as **Bentley and Lamborghini**. The division has diversified to include next-generation **EVs from brands** like **Zeekr and Geely** and multi-brand solutions through Auto Gallery. The division supplies both new and certified used vehicles, and offers trade-in and buy-back options for its clients.

Tegeta Cars is prioritizing **sustainable mobility**: currently EV and hybrid vehicles account for up to 20% of total sales volume, and the company aims to increase this number to 50% share by 2030. This **transition** is reinforced by the addition of Geely and value-added services.

The division's operational footprint extends beyond Georgia into Azerbaijan, Armenia, and Uzbekistan. Tegeta leverages **partnerships** with brands like **Volvo** to connect **international manufacturers** with emerging markets across the Caucasus and Central Asia. By combining regional distribution with digital customer experience tools, the division establishes a **scalable foundation for future growth** in the regional automotive sector.

Moreover, in 2025, Tegeta Cars and its brand dealerships achieved remarkable recognition:

- > **Porsche** was recognized with the Marketing Award and was honored for **Sales Excellence** in both New Cars and Preowned segments.
- > **Mazda** was recognized with the **Volume Increase Award** through the Mazda Distributor Commendation Program 2025.

Tegeta Heavy

Revenue Contribution

2025
GEL 272 MILLION

2024
GEL 301 MILLION

Tegeta Heavy is a crucial **regional systems integrator**, who partners with global brands like **MAN, JCB, and Liebherr** to provide end-to-end solutions for freight, infrastructure, and public mobility.

The division is focused on **modernizing public fleets** through sustainable solutions: it has accelerated **integration of green technology**, with the EV and hybrid share of sales reaching over 20%. Recent initiatives include introducing electric buses to urban networks and **expanding** the mobility line.

In 2025, Tegeta Heavy reached **regional milestones** such as Liebherr mining deployments in Armenia and the **expansion** of Renault Trucks across Azerbaijan and Georgia. It strengthened its predictive maintenance services and continued to develop a workforce of technicians trained to **global manufacturer standards**. These capabilities position Tegeta Heavy as a **first-mover** in the regional transition toward sustainable industrial transport.

Tegeta's agriculture-focused subdivision, **Tegeta Agri**, reimagines Georgian agriculture by providing compact, precision-based, and fuel-efficient machinery. Tailored for **diverse terrains and smaller-scale farms**, the business unit focuses on driving **labor efficiency, optimizing fuel economy, and delivering on-site technical support**. By combining advanced technology with hands-on training, Tegeta Agri delivers the essential knowledge and productivity needed to transform **local farming communities**.

Revenue Contribution

2025
GEL 435 MILLION

2024
GEL 415 MILLION

Tegeta's retail business model is built on a **high-capacity infrastructure** designed to handle large-scale service demands across the region. The network operates service centers equipped with operational bays, providing **high quality service** and **the technical capacity** to mitigate customer demand with **comfort** and **operational excellence**.

The division's **competitive advantage** stems from its **strategic partnerships with global manufacturers**, providing a vast portfolio of tires, lubricants, and engine components. This includes **authorized representation** for brands such as **Bridgestone, Shell, and Bosch**. These relationships enable the group to provide OEM-certified repair standards and a high degree of parts availability. By aligning local technical expertise with **international manufacturer standards**, the retail division functions as a reliable link between global automotive brands and the regional market.

Tegeta International

Revenue Contribution

2025
GEL 58 MILLION

2024
GEL 39 MILLION

Tegeta International anchors the group's **long-term growth** by building a **diversified regional mobility** platform across the South Caucasus and Central Asia. By select, **service-led entry and strong brand partnerships**, the division diversifies the group's revenue base, mitigates single-economy dependence, and **expands** its geographic footprint alongside global partners.

The strategy scales a highly **standardized operating model** across markets at varying stages of maturity. Operations span from Armenia, which has the group's most established market blueprint featuring **international-standard** public transport solutions, to Azerbaijan's complex, tender-driven ecosystem that uses flexible local partnerships and large-scale JCB government deliveries.

Capitalizing on **high-growth dynamics**, the newly established **Central Asian** arm transitioned from assessment to active commercial deployment via a regional hub in Tashkent, introducing **exclusive brands** like **Mobil** to establish organized, brand-certified automotive infrastructure across the broader region.

Tegeta Fleet Management

Revenue Contribution

2025
GEL 23 MILLION

The business line encapsulates **operating leasing and full fleet lifecycle management**, marking an important step in Tegeta's transformation from a largely product-driven organization to a more **service-oriented platform**.

During the year, the Group acquired LLC GeoGPS, a leading telematics system company in **real-time vehicle tracking and data analytics systems**. This decision creates the foundation for an integrated, technology-enabled **fleet management ecosystem**.

Tegeta Fleet Management delivers services across multiple segments, including vehicle financing through operating leasing, technical maintenance and service support, telematics integration, consumables optimization, fleet management to passenger, commercial and heavy vehicles, and specialized machinery.

Fleet management provides customers with **flexibility** to transition from an ownership structure to a service-based model. It improves **financial and operational efficiency** by enhancing data-driven decision-making through usage, maintenance, fuel consumption optimization, and amplified transparency and control. Fleet Management also

- **Ensures** single mobility solution for Tegeta,
- **Provides** revenue stream diversification,
- **Expands** aftersales demand,
- **Improves** service and parts utilization, and
- **Establishes** a competitive advantage in the automotive market.

By combining global partnerships, operational infrastructure, technical expertise, and digital innovation, Tegeta continues to build a **scalable mobility platform** to support both domestic growth and regional expansion while delivering long-term value for all stakeholders. Tegeta creates value by turning **strategic resources** into activities and results.

Tegeta's business model is powered by a combination of strategic resources:

- Global partnerships with leading automotive brands and suppliers,
- Extensive service infrastructure and logistics network,
- Highly skilled workforce trained through Tegeta Academy,
- Digital platforms and data-driven service systems, and
- Financial capital and long-term institutional partnerships.

Tegeta uses these resources to deliver core operational activities across the mobility ecosystem:

- Vehicle distribution and brand representation,
- Aftersales service and maintenance operations,
- Spare parts import, warehousing, and logistics,
- Fleet management, leasing, and rental services, and
- Digital mobility services and customer platforms.

Through these activities, Tegeta generates measurable results:

- Sales and distribution of vehicles and automotive products,
- Comprehensive aftersales services across the national network,

- Integrated mobility solutions for individuals and corporate fleets, and
- Expansion of regional distribution and service partnerships.

These results translate into long-term value for stakeholders:

- Customers: reliable mobility solutions and high-quality service experience,
- Partners and manufacturers: trusted regional platform for brand expansion,
- Employees: continuous professional development and technical expertise,
- Society and the economy: stronger mobility infrastructure and industrial support, and
- Shareholders: sustainable growth supported by diversified revenue streams.



OPERATIONAL INTEGRATION

Three **core facilities** and **brand achievements** defined the year's operational excellence:

- **The GEZI Facility:** the only MAN-authorized full-format service center in the Caucasus reached full operation. It houses C-type inspection certification and a dedicated Tegeta Academy training track.
- **The Vake Branch:** A compact urban center in central Tbilisi proved that Tegeta's standards scale down as well as up: ISO-certified, digital, and partially solar-powered through a partnership with USAID's Energy Program.
- **Toyota Batumi and Regional Flagships:** Operational standards reached new heights at the branch level. Toyota Batumi was recognized as the **Best Performer in the Value Chain Division** for 2025, ranked among the **top four dealers for pre-owned vehicle sales**, and its body and paint service successfully achieved **official certification under Toyota's strict international standards**.

These facilities and the wider network benefit from Tegeta's supply network: unique Stock Keeping Units (SKU) from 300+ global suppliers, supported by a regional warehouse and distribution system built for speed. Tegeta's role as official Mobil representative in Uzbekistan grew, adding Central Asian coverage to a supply network already spanning multiple markets.

Digital Infrastructure

In 2025, Tegeta's digital tools crossed the line from features to infrastructure. MyCarHistory, online booking, e-WAC walk-around checks, and technician monitoring became standard across service locations. The Special Machinery division's predictive maintenance systems, which are deployed across partner brands, including JCB, produced reductions in fleet downtime. The **SAP-to-HANA** migration advanced materially, laying the foundation for **real-time analytics and unified data management across the holding**.

Tegeta's Fleet Management tracked 500+ rental units for **utilization and servicing cycles**. Europcar and Goldcar franchises moved to fully contactless mobile reservations. Moreover, Europcar won Georgia's Leading Car Rental Company at the World Travel Awards 2025. The MyCarHistory platform tied fleet clients across divisions to a single lifecycle record, a great example of **integration in practice**.

Training as Infrastructure

Tegeta Academy trained over **200 mechanics in 2025**, providing certified instruction according to **MAN, JCB, and Toyota** standards. The academy also expanded its regional center capacity to **match demand**. In 2025:

- Tegeta Motors was granted **Training Enterprise** status by the **Ministry of Education**, Science, Culture and Sport of Georgia (first in the automotive sector in Georgia).
- More than **100 Special Machinery** technicians were certified under OEM programs linked directly to the division's **growing** predictive maintenance offer.
- The GEZI Hub's commercial training track added structured heavy-vehicle capacity.

The Academy's success allows a network that spans a dozen brands and three regional markets, to maintain consistent quality without depending on the external talent market to supply it.

Tegeta Holding Structure Successes

Tegeta's integrated holding model allows a **single client relationship** to cross divisions. For example, a municipality buys **MAN** buses from **Heavy-Duty**; the **Aftersales division** holds the service contract; **Logistics** delivers parts from the central warehouse; and **Academy technicians** carry out the work.

Tegeta Leasing reached a portfolio of over **GEL 35 million** in just its second year. The division offers tailored leasing solutions for individuals and small and medium-size enterprises, with **flexible terms and transparent pricing structures**.

Tegeta Fleet Management, operating a portfolio of 500+ units across Georgia's **construction, energy, banking** and FMCG sectors, continued to **integrate** workshop throughput into the Aftersales division while channeling parts demand through the broader **supply chain** ecosystem. The Fleet Management division serves up to 40 corporate clients across the full spectrum of the business, including vehicle purchase, servicing, leasing, and rental, all within a **single, unified platform**.

Tegeta Logistics LLC expanded in 2025 with a reinforced heavy-duty fleet. It provides **the physical backbone**: cross-border transport, domestic distribution, just-in-time delivery for vehicles, parts, and equipment across the group. Through **strategic investments** in infrastructure, fleet modernization, and international expansion, the company has achieved **significant growth** while enhancing operational efficiency across Europe and the Caucasus. The direction has a **vast service portfolio**, including:

- International and domestic freight forwarding,
- Full Truckload (FTL) transportation,
- Full Container Load (FCL) transportation,
- Less-than-Truckload (LTL) logistics solutions,
- Customs brokerage and clearance services,
- Vehicle and machinery transportation,
- On Wheels and cargo distribution services, and
- Warehouse consolidation and cargo management.

Tegeta Logistics now operates in 25 countries. In 2025, it added:

- **Frankfurt (FULGA), Germany** – This exclusive warehouse hub serves as a key EU consolidation point and enables full control over West–East cargo through Tegeta-owned vehicles.
- **Milan, Italy** – This new warehouse is dedicated to LTL shipments, supporting cost-effective cargo consolidation and distribution across Europe.

Capital Behind the Operations

In 2025, Tegeta **issued GEL 315⁵ million in securities in total**. The Group signed a loan agreement of EUR 25 million from **the EBRD for sector transformation and hub development**, and issued **the region's largest national-currency sustainability-linked bond**, with borrowing costs tied directly to **ESG performance**.

Distribution Network and Delivery Optimization

In 2025, Tegeta launched its transition from reactive dispatching to a planned, multi-division distribution model, establishing a **scalable logistics backbone** for the holding.

Domestic distribution was restructured around **consolidated load planning and route optimization**. This eliminated redundant trips, reduced empty return legs, and increased fleet utilization by 35%, a significant change in **asset productivity**. Service levels improved through two structural shifts:

- **Planned Delivery Schedules**: Tegeta replaced ad-hoc dispatch with fixed daily time windows, providing wholesale partners with predictable replenishment cycles and reducing the need for excess safety stock at the customer level.
- **Two-Shift Warehouse Operations**: Tegeta extended warehouse picking and outbound dispatch by adding an evening shift. Orders placed throughout the day are now processed within the same operational cycle, rather than being deferred to the following days.

Together, these changes resulted in **shorter order-to-delivery** lead times in distribution, **improved** delivery reliability, and materially **higher SLA compliance** across the wholesale network. Logistics is now a coordinated, service-driven capability rather than a support function.

5. The issuance includes the deferred placement under GEL 260 million bonds issued in December 2025, out of which GEL 205 million were issued in December, 2025, and the remaining in January of 2026.

INTERNATIONAL EXPANSION

International expansion is a key pillar of Tegeta's long-term growth strategy. As the company scales, entering new markets enables it to diversify its revenue base, reduce dependence on a single economy, and **capture growth** opportunities in faster-developing regions.

It also strengthens the **resilience** of the business by **expanding** its geographic footprint and deepening relationships with global partners, while positioning Tegeta as a regional mobility platform.

Tegeta **expands** selectively, and applies a **consistent** model based on strong brand partnerships, service-led operations, and integrated systems. This approach is supported by the company's **commitment** to building a scalable and standardized operating model across markets.

Today, Tegeta's international operations span the South Caucasus and Central Asia, each at a different stage of development.

Armenia

Armenia is not only a growth market. It is a blueprint for Tegeta's broader **international expansion** strategy. It is Tegeta's most established international market; it exemplifies how the company scales and adapts its operating model across borders, showcasing how Tegeta's integrated approach, which combines brand **partnerships**, service **capabilities**, and **B2B focus**, has been implemented and tested abroad.

In 2025, in addition to supplying a vast range of construction and commercial machinery, the company also **secured** the Bridgestone dealership in Armenia. This **expanded** its portfolio and the revenue stream by adding high-value consumables and tires.

Tegeta's public sector successes in Armenia demonstrate its **ability** to execute complex, large-scale projects to **international standards**. The company provides public transport solutions, including **MAN Lion's City CNG** buses in Yerevan, which are serviced according to German **MAN** standards.

Azerbaijan

Azerbaijan represents Tegeta's most commercially complex international market; it **has significant revenue** potential but requires a more partnership-driven and adaptive approach to growth.

Unlike other markets, success here depends not only on portfolio strength, but also on the ability to navigate a tender-based environment and build **strong local relationships**. Tegeta anticipates Azerbaijan will evolve from a project-driven market into a more diverse, structurally integrated part of the Group's international business.

Tegeta Baku operates as the local entity, representing Renault Trucks and JCB, while Tegeta Cars provides the Volvo dealership through a local partner, reflecting a flexible market entry model. During the year, the first Volvo Retail Experience concept showroom opened in Baku. Tegeta also secured the Bridgestone dealership in Azerbaijan, extending the brand across the South Caucasus and reinforcing its presence in the high-value consumables segment.

In 2025, Tegeta completed a **large-scale government project** involving the delivery of up to 90 JCB units. This transaction demonstrated the company's ability to compete in complex public tenders, while strengthening its position with key institutional stakeholders and creating a foundation for future projects.

Looking ahead, the priority is to expand the portfolio and **deepen** local partnerships, with a particular focus on the B2B truck parts segment and new brand integrations through government tenders. The company also plans to expand its physical presence, including the opening of at least one additional showroom in the near term.

Central Asia represents the newest and most **strategically significant** stage of Tegeta's international expansion. The region is among the **fastest growing** globally for automotive products, construction equipment, and fleet services, driven by sustained infrastructure investment and rapidly expanding urban economies.

For Tegeta, Central Asia is not only a new market. It is a long-term growth platform with the potential to scale beyond the South Caucasus and establish a broader regional presence.

Tegeta Motors Central Asia was established to develop this opportunity in a structured and disciplined manner. In 2025, the company opened its **first branch** in Tashkent, marking the transition from the research and assessment phase to active commercial operations. Today four brands are already represented in the market, including the exclusive distribution of Mobil.

This approach reflects the lessons learned from earlier **international expansions**: prioritizing strong partner relationships, an optimal brand mix, and a carefully defined entry model before scaling. Tashkent serves as the regional hub from which Tegeta intends to expand further across Central Asia, with multiple projects and **expansion initiatives** already in development.



STRATEGIC PROJECTS

Across 2025, Tegeta advanced a portfolio of strategic projects that accelerated its transition to a more integrated and capable mobility business. These initiatives will **define Tegeta's next decade, strengthening** its position across key markets, **expanding** operational capabilities, and **introducing** new value for corporate clients.

Expanding the Regional Footprint

GEZI Facility. This project increased service capacity for large vehicles along the East-West corridor. Moreover, in 2026, additional minibus service will be added to the hub. Through advancing vocational training, Tegeta Academy will create and implement new **comprehensive training programs** for truck and bus mechanics next year. To align the company with **international standards** and global best practices, Tegeta Academy aims to become a member of the European Training Foundation Network of Excellence. The MAN-authorized hub integrates service zones for all vehicle categories, high-capacity warehousing and digital platforms, and offers C-type inspection and diagnostics. The financing was provided by EBRD, a EUR 25 million loan complemented by EUR 7 million from Tegeta Motors to build the service center.

Bridgestone across the Caucasus. The partnership between Tegeta and Bridgestone began with a single agreement in 1998. In 2025, it expanded to cover Armenia and Azerbaijan, making Tegeta the brand's official distributor across the full Caucasus region for light vehicles, trucks, and construction and industrial equipment. The agreement was signed in the UAE and formally launched in Baku at an event attended by government officials, business leaders, and major fleet operators.

Service Center in Tashkent. Tegeta opened its first service center in Uzbekistan's capital, developed in partnership with Mobil, which Tegeta represents exclusively in that market. **This is the first step of a systematic Central Asian expansion,** bringing Tegeta's service standards to a region that has historically lacked organized, brand-certified automotive infrastructure.

Volvo in Azerbaijan. The first VRE concept showroom in Azerbaijan opened in Baku in 2025, the second VRE in the Caucasus after Tbilisi, and a direct reflection of Volvo Car Caucasus maintaining Excellence Club status for the third consecutive year across its four-country network.

Europcar Uzbekistan and Armenia. Over the past few years, Tegeta has successfully developed the Europcar franchise operations in Georgia, establishing a strong market position and consistently delivering solid operational and financial results. Building on this success, in 2024 the Group expanded its regional footprint after obtaining the Uzbekistan franchise rights, where operations are currently conducted through a sub-franchise partnership structure. Furthermore, due to Tegeta's outstanding performance and successful long-term cooperation with Europcar, the franchise rights for Armenia were also granted in 2025. Management sees significant long-term growth potential in the Armenian market and plans to invest in expanding operations and strengthening the Group's regional mobility platform across the Caucasus and Central Asia.

Major Successes

The Tegeta Bandag Factory: In 2025, Tegeta Motors, together with Tegeta Green Planet, signed an agreement with Bandag, a Bridgestone subsidiary and global leader in tire retreading, to build the first retreading factory in the Caucasus, in Rustavi. The **USD 2 million facility** is designed to produce up to 3,600 retreaded truck and bus tires annually, with capacity set to double within five years. Retreaded tires deliver **30–40% cost savings** at comparable performance. The factory will be equipped with technology from Europe and the United States and the Bridgestone MEA is overseeing construction to ensure it meets global quality standards. Completion is targeted for late 2026.

Bentley and Lamborghini: 2025 brought **two of the world's most iconic luxury brands** to the Georgian market under Tegeta Cars. The Bentley showroom and the aftersales facility at D. Agmashenebeli Alley 129 gave Georgian customers access to Bentley's full model range with full personalization capability. Georgia's first Lamborghini showroom opened with the brand's full model range—Urus, Temerario, and Revuelto, presented personally by Automobili Lamborghini's President and CEO Stefan Winkelmann. Both openings in the same year fundamentally raised the ceiling of Georgia's luxury automotive market.

200 MAN buses for Tbilisi: In 2025 Tegeta Truck and Bus completed the delivery of 200 Euro 6-compliant MAN buses to Tbilisi Municipality, one of the largest single fleet projects in Georgian history. The buses, with Euro 6 engines and high passenger capacity, represent a material upgrade to the capital's public transport and extend a public-sector relationship built through multiple tenders over many years.

Reimagine the Ride: A new conceptual space, fusing premium service, contemporary design, and brand heritage into a customer experience environment unlike anything previously offered in Georgian automotive retail, opened at the University Street No. 6 service center. It was here that Tegeta presented Driving Excellence, its first **international-standard** annual report, to partners and financial institutions. The report was recognized by the World Bank's BARTA 2025 award for **transparency and reporting excellence**.

Tegeta Business

In 2025, Tegeta launched Tegeta Business, a dedicated direction bringing the holding's full product and service range to corporate clients through a single, structured system. This **unified platform** offers corporate clients personalized fleet management, exclusive pricing, and comprehensive technical support covering commercial trucking, municipal transport, special equipment, and passenger fleets. Corporate clients can access everything they need through a single platform, supported by dedicated account managers and a unified, one-window interface.

Moreover, Tegeta Holding integrated GeoGPS, a leading provider of real-time data collection and transmission, into its ecosystem to strengthen its transport monitoring and fleet management technologies. **This strategic partnership** offers corporate clients next-generation digital solutions, including data-driven insights into vehicle condition, fuel consumption, and driver behavior. Formalized at Tegeta's Customs Clearance Zone office, the agreement enables the group to provide a comprehensive, systemically developed service that combines maintenance, spare parts, and real-time analytics. By merging GeoGPS's **technological expertise** with Tegeta's extensive infrastructure, the initiative creates a financially sustainable platform that enhances operational efficiency and safety for enterprises across the region.

Digital and Education

Tegeta's Chief Technology Officer (CTO) represented the holding at Change Inspire, Georgia's largest technology conference, speaking on **AI in automotive operations**, data analytics, and digital strategy. The holding also participated in E-Commerce Day 2025 alongside Amazon Web Services and Visa, a deliberate positioning of Tegeta as a **technology-forward organization**.

Tegeta has officially brought its AI capabilities to the forefront with **Nugo AI**, an intelligent digital assistant deployed across the Group's online platforms. Available 24/7, Nugo AI instantly manages routine inquiries regarding products, services, and branch availability, allowing Tegeta's teams to focus on high-value customer interactions. It goes **beyond basic information** retrieval by actively guiding users through the purchase journey, particularly simplifying the **complex process** of finding and verifying automotive spare parts. Far from just a tool for operational efficiency, Nugo AI serves as a premier brand experience that guarantees quick, reliable, and consistent support for every customer.

Tegeta Academy supported the **first national automotive** technology competition in Georgia under WorldSkills 2025, creating a new benchmark for technical excellence among young Georgian mechanics. The Academy also **extended** its Electude simulation-based training program, for which it holds the exclusive Georgian license, to the Caucasus and Central Asia. Representative offices are planned for Armenia, Azerbaijan, Turkey, Uzbekistan, and Kazakhstan. Over 200 technicians were trained in 2025 under OEM-certified programs. A direct reflection of the **training program's success** was **Tegeta winning** the Kaizen Global Award and being recognized among 46 out of 2,500 global dealers in the Toyota Ichiban 2025 program.



BRAND PORTFOLIO

In 2025, **Tegeta** solidified its status as the leading automotive ecosystem in Georgia and growing influential regional player. By combining a **diversified brand portfolio** with an **integrated service** and **distribution network**, the Group provides comprehensive mobility solutions, including passenger vehicles, commercial transport, industrial equipment, and automotive services.

Strategic Partnership

Tegeta represents over **300 international brands**, making it the primary importer of automotive products in Georgia. In the passenger vehicle segment, it features globally respected names including **Toyota, Mazda, Geely, Polaris, and Indian**, alongside premium brands such as **Porsche, Volvo and Zeekr**, and luxury brands such as **Bentley and Lamborghini**.

The portfolio also incorporates emerging electric vehicle from brands such as **Zeekr and Geely**, reflecting a commitment to sustainable and electrified transportation. Tegeta's commercial and industrial businesses partner with manufacturers like **MAN Truck and Bus and JCB**, supplying advanced vehicles and machinery to transport, construction, and infrastructure sectors.

The Group also maintains extensive partnerships with leading suppliers, including **Bridgestone, Michelin, Bosch, Shell, Mobil, Mann Filter, Hengst, Milwaukee, and Motul**. This diversified ecosystem enables Tegeta to offer customers a **complete automotive value chain**, from sales and financing to after-sales service, parts distribution, and fleet management.

Brand Portfolio

TIRES

BRIDGESTONE



OILS

Exxon



Mobil

MOTUL

PARTS



SCHAEFFLER



DENSO

FILTERS



HAND TOOLS



International Presence

2025 Strategic Milestone

Armenia

Expanded Mazda and Bridgestone distribution rights.

Uzbekistan

Scaled wholesale operations and premium parts distribution.

Azerbaijan

Solidified position as the primary Bridgestone partner.

Key Brands Represented

JCB, Mazda, Bridgestone, Shell, Exxon Mobil, Bosch, ZF, Volvo, Liebherr, Sinotruk, UD Trucks

Exxon Mobil

JCB, Bridgestone, Volvo, Bosch, Renault Trucks, UD Trucks

Market Leadership

By maintaining a **heavy presence** in the consumer market and managing a **diverse corporate portfolio**, Tegeta has established itself as **the foremost automotive ecosystem** in Georgia. The integrated operational model, combined with **continuous expansion** of the brand portfolio and infrastructure investment, reinforces the Group's **leadership** in the regional automotive market.

Tegeta's leadership extends beyond passenger vehicles into logistics, infrastructure, and construction sectors, highlighting its diversity:

- Through **Tegeta Truck and Bus**, the Group maintains a dominant position in logistics with brands like **MAN and HINO**. The **GEZI facility**, holding the prestigious **MAN "A+" Certificate**, serves as the primary service hub for the East-West Middle Corridor.
- Partnerships with **JCB and Liebherr** ensure Tegeta remains the preferred provider for Georgia's major infrastructure projects, supported by a fleet of mobile service units that minimize downtime.

Celebrating **30 years in 2025**, the Group's leadership is underpinned by:

- **Largest Service Network:** 30+ service centers across Georgia, servicing **over 1,200 vehicles daily**.
- **Financial Credibility:** Received a **BB- (negative) rating** from Scope Ratings, continues to attract global partners such as **EBRD, IFC, and ADB**.
- **Unrivalled Availability:** A massive spare parts inventory and **4,000+ wholesale facilities**.
- **International Recognition:** Toyota Center Tegeta was recognized in six nominations and awarded "Going Beyond" award for outstanding performance in "Brand and Communication".



CUSTOMER CENTRICITY

Tegeta's strategy, operational model, and long-term growth revolve around its commitment to **customer satisfaction**. In 2025, Tegeta's approach to customer care focused on speed, transparency, and a highly personalized journey designed to anticipate needs before they arise.

A Customer-Centered Mobility Ecosystem Tegeta's customer care strategy serves a **diverse client base**, from individual drivers and SME fleets to large corporate, institutional, and government organizations. Every interaction is designed to be efficient, consistent, and tailored to the specific needs of each segment.

At the center of this approach is the **One-Window ecosystem**, which simplifies car ownership by providing a single access point for a comprehensive range of mobility services. Rather than navigating multiple providers, customers benefit from an integrated experience that includes:

- Routine maintenance and advanced diagnostics
- Tires, spare parts, and lubricants
- Rental and leasing solutions through Europcar
- Premium automotive experiences from brands such as Porsche, Volvo, and Mazda

This integrated model reflects a broader transformation: mobility services are no longer isolated transactions but part of a **seamless ecosystem** designed to support uninterrupted daily life.

Innovation and Personalization

Technology plays a central role in enhancing the customer experience. The **Tegeta Motors App** introduces predictive service planning through the Tegeta Comfort feature, which analyzes vehicle data and notifies customers about upcoming maintenance needs before technical issues occur. This proactive approach **reduces downtime** and **improves reliability**.

For corporate clients, **Tegeta Business** provides tailored fleet-management solutions supported by **GeoGPS telematics**, enabling real-time monitoring of fuel consumption, driver behavior, and safety performance. These capabilities allow organizations to **manage fleets** more efficiently while maintaining high operational standards.

Regional expansion also strengthens the customer experience through the **Lifestyle Showroom** concept, which was introduced in **Tashkent and Baku**. The concept offers automotive services coupled with premium hospitality, providing comfort, engagement, and personalized service.

Differentiating Through Experience

In an increasingly competitive market where product and price differences are often minimal, customer experience has become the key differentiator. **Tegeta strengthens** this advantage through unified service standards across its regional network, ensuring consistent quality whether in **Tbilisi, Baku, or Tashkent**.

Retail environments are also evolving. Tegeta has designed flagship showrooms for brands such as **Geely and Mazda** as lifestyle hubs that **prioritize customer engagement** and comfort rather than traditional transactional sales spaces. **Porsche Center Tbilisi**, for example, hosts exclusive events that connect performance, lifestyle, and customer engagement, creating one of **the most active automotive communities in the region**.

As the automotive industry **transitions toward electrification**, Tegeta continues investing in specialized infrastructure and certified technical expertise to support the **next generation** of electric vehicles.



Digital Booking and Queue Management at Tegeta Motors

Tegeta Motors continues to **enhance** customer experience through digital services, including integrated booking and a queue management system.

This solution **enables** advanced visit planning, efficient resource allocation, and improved transparency across the service process. It **reduces wait times** by balancing demand and capacity in real time.

Digital booking and queue management serve as a **key enabler** of a scalable and standardized service model across the company's network.

Listening, Learning, and Continuous Improvement

Customer feedback remains a critical driver of **innovation** and **service improvement**. Tegeta's use of qualitative insights and quantitative metrics, particularly **Net Promoter Score (NPS)**, helps the company continuously **monitor** and rapidly **respond** to customer needs.

Tegeta's real-time CRM systems and **automated** follow-ups enable **immediate feedback collection**. In addition, it is using **advanced** analytics to identify behavioral patterns and provide individually tailored services and offers. AI-powered analysis also **detects** recurring service issues across the network, enabling systemic **improvements** within hours rather than weeks.

Operational **efficiency** is further strengthened through a **First-Time Resolution (FTR)** approach, Tegeta's promise to resolve customer mobility-related issues during their first visit.

The Road Ahead

Future development focuses on deeper digital integration and greater convenience for customers. Key priorities include:

- **Unified Tegeta App** - a digital platform enabling customers to schedule, monitor, and pay for services through a single interface.
- **AI-powered predictive maintenance** - advanced analytics that detect potential vehicle issues before they occur.
- **Tiered loyalty ecosystem** - a cross-subsidiary program where engagement with one brand unlocks benefits across the wider Tegeta network.
- **Tegeta Care - Concierge Mobility** - expanded remote diagnostics and pickup/drop-off services designed to ensure uninterrupted mobility.

Customer Experience Metrics

Customer experience is the Group's priority. **Improvements** in customer experiences are also recognized internationally: **Toyota Center Tegeta was awarded the Toyota Ichiban 2025 award for "Best Retailer in Town."**

To monitor and maintain high quality, customer experience is regularly measured through a unified set of metrics, including:

- **NPS (83)** – high level of customer loyalty
- **CES (94%)** – improved ease of service and reduced customer effort
- **NES (85%)** – ease of customer experience
- **CSI (94%)** – consistently high perceived service quality

Streamlining Services and Strengthening Trust

In 2025, Tegeta Motors simplified the customer journey at every interaction point. Several targeted improvements were introduced to address the most critical customer pain points. The payment process was streamlined through the removal of separate payment points, enabling a seamless, one-window experience and reducing unnecessary steps during service. The result was faster service and **convenience**, aligning with Tegeta's broader commitment to **accessibility** and **efficiency**.

At the same time, the company **redesigned** its refund and return processes to ensure faster resolution and greater transparency, ensuring **reduced turnaround times** and **improved** customer confidence in post-service interactions.

Customer feedback and claims management improved thanks to more **structured and data-driven** approaches. Tegeta can respond to customer claims and feedback more quickly due to automated analysis of customer claims and feedback as well as systemic improvements across the network.

These efforts are closely integrated with Tegeta's broader feedback ecosystem, where real-time CRM tools and follow-up mechanisms **ensure** that customer insights are **continuously** captured and translated into operational **improvements**. This closed feedback loop **strengthens** the company's ability to anticipate customer needs and proactively enhance service quality.

In 2025, Tegeta's approach to customer-centric transformation was acknowledged when it won the **Bizz Award for Customer-Centric Automotive Company and Customer Centricity World Series Awards 2025 (Europe Regional Winner) in Customer-Centric Culture** category for the "Customer-Centered Central Branch" initiative.





DIGITAL TRANSFORMATION

The automotive industry is undergoing rapid technological transformation.

Tegeta approaches this shift as a **continuous transformation journey**, embedding digital capabilities into the core of our operations and decision-making. It is building a connected digital ecosystem that transforms how customers experience Tegeta, how employees work, and how the business grows.

From Automotive Company to Data-Driven Mobility Platform

Tegeta's digital transformation is not a parallel work stream; it is the operating model. The company is **evolving** from a traditional automotive distributor into an integrated mobility platform where systems, data, customer channels, and operations function as a single intelligent ecosystem. This shift underpins how Tegeta makes decisions, serves customers, manages operations, and scales across markets.

Tegeta is moving from:

- fragmented systems to a connected ecosystem
- manual processes to guided, intelligent execution
- periodic reporting to real-time decision-making
- generic offerings to personalized customer experiences

This policy is driven by consumer behavior in Georgia. Internet penetration has reached approximately **92% nationwide**; Tegeta's digital investments are both a response to this demand and a means of shaping it.

Migration to SAP S/4HANA

One of the most **significant** initiatives on this journey is the gradual transition of the Group to SAP S/4HANA in 2026. This change reinforces the company's operational backbone, **strengthening** all digital products and initiatives.

During the transition, Tegeta placed strong emphasis on **rethinking business processes** and aligning them with **global best practices**. Approximately 130 business processes have been restructured and an **optimized, standardized, and scalable operational architecture** is being established, which will serve as the foundation for long-term growth.

Operational excellence at Tegeta is further enabled by SAP ERP, which integrates finance, inventory, logistics, sales, and service operations across all business units. This system layer **standardizes** processes across branches, ensures **consistency and transparency**, and creates a replicable operating model as the company expands regionally. Complementary systems such as QMATIC enhance customer flow management, resource allocation, and service efficiency across service centers.

Data Infrastructure: Warehouse and AI-Enabled Decision Making

Underpinning Tegeta's digital transformation is a robust enterprise data warehouse that consolidates operational data across Tegeta's divisions into a single source of truth. Built for **scale and accessibility**, the warehouse has become the foundation upon which the Group is building a more **intelligent organization**.

Deployed across departments and operations, AI-powered analytics bots now allow teams to query, interpret, and act on complex datasets in real time, without dependency on specialized technical resources. This enables **faster**, more **confident** decision-making at every level of the business.

The result is a meaningful shift in how Tegeta operates: data is no longer a reporting artifact reviewed after the fact; it is an active, real-time enabler of actionable **insight and data-driven execution**.

Customer-Facing Digital Products

Nugo AI

Tegeta has extended its AI capabilities beyond internal operations to the **customer-facing** layer, with the launch of Nugo AI, its intelligent customer service bot deployed across the Group's online platforms.

Nugo AI handles the **full spectrum** of daily customer inquiries that previously required human agent time, covering product and service-related questions, branch and service availability across the Tegeta network. It also **handles** general information requests, delivering instant, accurate responses at any hour.

Beyond information retrieval, Nugo AI is designed to guide the purchase of product or service appointment journey. One of the more complex friction points in automotive retail is spare parts: customers often struggle to identify the right part, verify compatibility, and navigate a wide catalogue. Nugo AI **simplifies** this experience end-to-end, **helping** customers find and purchase the right automotive product with **confidence**.

The result is a measurably more **efficient** customer service operation: routine queries are resolved without agent involvement, response times are dramatically reduced, and Tegeta's teams are freed to focus on **higher-value interactions**. Nugo AI is not simply a cost efficiency tool; it is a front-line brand experience, **ensuring** every customer who reaches out to Tegeta receives a fast, helpful, and consistent response.

Tegeta App

Tegeta is the first company in Georgia to offer a fully integrated mobile application serving as an **all-in-one platform** for vehicle care. Available on iOS and Android, the app **allows** customers to register and manage vehicles, purchase vehicle-specific parts, book service appointments at any Tegeta branch, track complete service history, receive maintenance reminders, locate and book EV charging stations, and access Tegeta Comfort services, including a personal auto assistant. It also **enables** payment of traffic fines, towing requests, and test drive bookings.

The app includes an AI-powered diagnostic system that **helps** users identify potential vehicle issues and **provides actionable recommendations**.

The Tegeta App has reached a **significant** milestone, surpassing 10,000 monthly active users, a reflection of the Group's commitment to building a **meaningful** digital relationship with every customer.

The Tegeta App is a **unified** super-app for automobile owners: a single, intelligent platform where customers can track vehicle maintenance history, receive service reminders, and stay informed throughout the ownership lifecycle. Beyond **convenience**, the app serves as a strategic data asset. It enables the Group to deliver personalized marketing campaigns tailored to each owner's vehicle,

behavior, and service history, shifting engagement from broad outreach to **precision communication**.

Predictive maintenance, the ability to anticipate a vehicle's service needs before the customer does, creates proactive touchpoints that deepen trust and drive retention. This same logic extends to Tegeta's fleet management proposition, where the app's **capabilities** are being adapted to serve corporate clients and manage vehicle assets at scale, offering real-time visibility, cost control, and operational efficiency.

Tegetashop.ge

Tegetashop.ge is Tegeta's e-commerce platform, where customer can buy parts and book service. Customers can **identify** and select parts using VIN-based search, complete purchases online with delivery to their preferred location, book service appointments during the purchasing process, and access **Tegeta Comfort** services including personal vehicle pickup, servicing, and return.

In 2025, the platform delivered strong results: **registered users grew by 34%, revenue by 27%, and profitability by 34%.**

CRM and Personalization

Tegeta has implemented a centralized CRM system that consolidates customer data from retail branches, service centers, digital channels, and customer support into a unified 360-degree view of each customer. This supports front-line team connectivity, segmentation, personalized marketing, lifecycle management, and campaign tracking across all touchpoints. The CRM is being further developed with AI-driven analytics, predictive targeting, and automated recommendations to enable more precise personalization and **improve** customer lifetime value.

Toward Mobility-as-a-Service

For corporate and fleet clients, Tegeta is building a digital offer that goes **beyond** vehicle supply and maintenance. By combining operational, financial, and vehicle data, the platform provides full visibility into fleet operations, cost-per-kilometer analysis, integration with telematics and GPS systems, and **centralized** service and financial management.

The 2025 **acquisition** of Georgia's leading fleet monitoring providers added real-time GPS tracking, vehicle condition monitoring, fuel cost analysis, and driver behavior assessment to this capability, bringing Tegeta materially closer to a **Mobility-as-a-Service** model for business clients.

CORPORATE SOCIAL RESPONSIBILITY

Strategic Corporate Social Responsibility (CSR) Pillars

Tegeta's strategy is grounded in a **comprehensive** assessment of social, economic, and environmental impacts.

ENVIRONMENTAL RESPONSIBILITY

Energy Efficiency
Waste Management
Water Stewardship
Environmental Awareness

COMMUNITY SUPPORT

Public-private partnerships
and regional outreach

Socio-Economic
Empowerment of Communities

Environmental Responsibility

Environmental Responsibility is a core strategic pillar for Tegeta, reflecting the Group's commitment to driving **sustainable development** and minimizing industrial impact across Georgia's automotive sector.

EMPLOYEE WELFARE

Gender Equality and Diversity
Positive Work Environment
Employee Professional
Development

SAFETY

Customer Safety
Workplace Safety
Road Safety

By pioneering circular economy practices, spearheading nationwide waste management, and fostering community eco-awareness, the Group actively **transforms** environmental challenges into green opportunities.

For more details and information, please refer to the **ESG and Sustainability** section of this report.

Employee Welfare

Tegeta views human capital as **the most valuable asset**, prioritizing safety, employee well-being, and equitable culture.

EMPLOYEE'S VOICE AND ENGAGEMENT

Developed internal
Communications Strategy

POLICY

Adapting the
Complaints Policy

INTERNAL AND CSR PROJECTS

55+ projects;
2,500 engaged employees

RECOGNITION

195 long-term employees

PROFESSIONAL DEVELOPMENT (TEGETA ACADEMY)

1,000+ employees

HEALTH INSURANCE

75%

SPORT AND HEALTH LIFESTYLE

1,000+ engaged
employees

FAMILY - FRIENDLY INITIATIVES

1,000+ employees' children

Key projects 2025:

- **Internal Communications Strategy:** Systemized meetings with leadership, digital platforms, and engagement initiatives (Online Town Halls, Leadership tours across Branches, Tech talks, CEO Dinners, Tegeta News, etc.) were held to foster trust and transparency among employees.
- **Recognition:** The “Decades with Tegeta” ceremony honored 195 long-term employees with exclusive personalized awards crafted in Italy, at the historic De Castelli workshop.
- **Family-Friendly Workplace:** Tegeta provides four months of paid parental leave (in addition to state benefits).

Gender Equality and Women Empowerment

Tegeta is a Women’s Empowerment Principles (WEP) signatory (since 2019) committed to advancing women’s participation in male-dominated industries, and received the **UN Women Special Recognition Award in 2025**. As men make up 77% of its workforce, Tegeta has put in place several **initiatives** promoting involved fatherhood, positive parenting, and work-life balance as an integral part of its **gender equality** strategy.

- **Leadership Growth:** Women’s representation in top management increased from 7% in 2023 to 32% in 2025.
- 10+ supporting initiatives annually.
- **Professional development programs:** 172 women, representing 21% of all participants.
- **“Tegeta Fathers”** program in partnership with United Nations Population Fund (UNFPA) Georgia since 2023; 300+ fathers’ engaged projects like – Men talking to Men, Father’s Day, Father’s School.
- **Parental leave:** 5 fathers (compared to 1 in 2023)

Community Support

The Tegeta Care digital platform Tegeta.Care (launched in 2022) connects individuals with charities to drive positive change.

- GEL 200 thousand for **supporting** communities through various initiatives
- **Tegeta.Care** impact: 75 partners and 85+ joint projects reaching 7,000+ beneficiaries to date; GEL 400 thousand donated and invested in.
- **New Year Charity Campaign:** “GEL 1 Goes to Children in Need” from every purchase at Tegeta Motors was donated to SOS Children’s Villages, raising over GEL 17 thousand.
- **Disaster Relief:** Provided heavy machinery and GEL 40 thousand worth of snow chains to municipalities for emergency response in February 2025, for which Tegeta received the **Red Cross Award**.
- **Wall of Care:** Through the annual New Year initiative, 300+ Tegeta employees fulfilled 150+ wishes from children and elderly beneficiaries as part of a tradition that has united 1,500+ employees and delivered 1,000+ wishes since 2022.
- **Education:** 100+ engaged employees, collected 1,500+ books, 800+ children reached
- **Inclusion:** Through the annual Down Syndrome Day charity exhibition, 100 Tegeta employees raised GEL 4 thousand for children with Down syndrome — part of a four-year tradition that has engaged 500+ employees and raised a cumulative GEL 20 thousand so far.

Safety

Road safety and recognizing **responsibility** as a mobility leader is a core pillar for Tegeta. All company vehicles are equipped with GPS monitoring systems that track speed compliance, driving behavior, and provide **real-time feedback** to drivers.

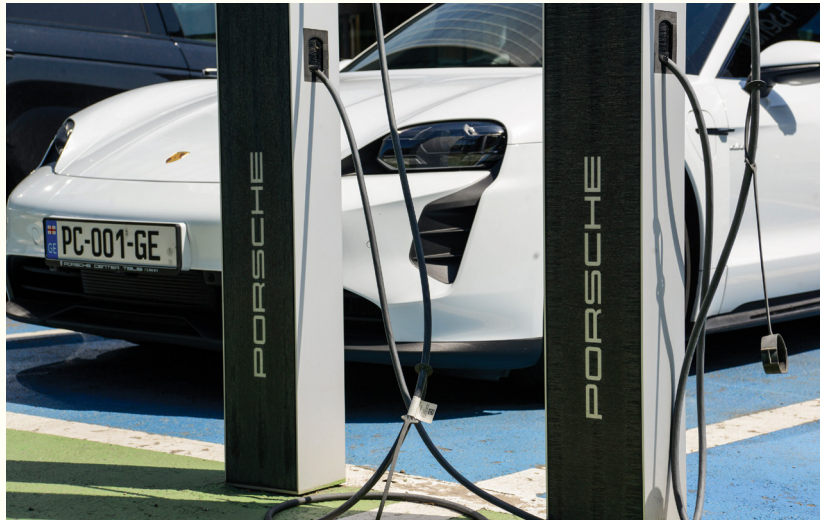
- **ISO 45001:** Tegeta is certified for occupational health and safety standards.
- **Road Safety:** Tegeta joins UN Global Road Safety Week annually, reaching 700 thousand people through awareness campaigns and high level conferences.
- **Child Safety:** Our “Prepare for Safe Drive” internal campaign engaged employees’ children in road safety education.

ESG & SUSTAINABILITY

ESG is **ingrained** in Tegeta's value system and core business model. As the first Georgian company to develop a **sustainability strategy** aligned with **Global Reporting Initiative (GRI)** standards and Sustainable Development Goals (SDG) in 2022, Tegeta has integrated clear targets through 2030 to guide its transition toward a **sustainable business model**.

Environmental Responsibility

Tegeta's strategy focuses on **integrating** circular economy principles into the heart of the automotive sector, transforming potential pollutants into **valuable** industrial resources. By aligning the operations with **international standards** and national regulations, the Group **ensures** that all resources are managed responsibly.



CATEGORY

 **Recycling**
(Tegeta Green Planet)

 **Clean-Up Campaigns**

 **Forest Protection**

 **Environmental awareness projects**

 **Responsible practices**

 **Responsible procurements**

 **Transport**

 **Corporate Sustainability**
Award 2025

KEY METRICS

45 national collection points across Georgia

4.7 million kg. used tires
1.4 million kg. used batteries
894 thousand kg. used oils

32 thousand used tires collected from nature

2,000 trees planted, 200 volunteers engaged

10+ initiatives, 1500+ engaged

Upcycling **1 ton** of used advertising banners; **1.2%** of increase of collected waste paper, recycled **8.5 ton**, **150** trees saved

Over GEL 20 thousand for Eco-friendly Social Enterprises

Ten electric trucks in the warehouse. 14% of fleet are electric and hybrid vehicles.

recognized for the project **“Tegeta Motors x Tegeta Green Planet: Waste Management Initiatives”**

Key Project of 2025:

“Do Not Throw Away – Hand It Over”

Improper disposal of automotive waste remains a **significant environmental challenge**. Used tires, batteries, and oils can contaminate soil and water if not managed responsibly. In 2025, Tegeta Motors and **Tegeta Green Planet** launched the environmental campaign “Do Not Throw Away – Hand It Over,” encouraging citizens to dispose of automotive waste responsibly. Special collection installations were placed at Tegeta Motors branches across Tbilisi and regional cities, and a Tegeta electric vehicle traveled across several districts collecting waste directly from residents.

The campaign collected and directed for **proper recycling and treatment**:

- 2,160 kg of used tires,
- 300 kg of used batteries,
- 520 liters of used oil.

Frameworks and Memberships

Tegeta maintains **accountability** through global platforms including the UN Global Compact Network, Business Association of Georgia (BAG), American Chamber of Commerce (AmCham), European Business Association (EBA), and Pro Bono Network.

Tegeta contributes to 12 UN **Sustainable Development Goals**:



Sustainability Linked Bond Framework and Reporting

In the scope of **issuance of the SLB**, the Group outlined three KPIs and the respective targets to be reached by 2030. The [Framework](#) received a [Second-Party Opinion \(SPO\)](#) and the [Verification Report](#), and the [SLB Annual Report](#) was issued by Tegeta, all of which are available on the official website.

Key Performance Indicators

KPI 1 (Scope 1) – **Reduction** in Greenhouse Gas emission intensity per revenue in millions of GEL through the reduction of direct emissions from the transportation of the products to and from the warehouse and other specific locations by own fuel-powered vehicles.

KPI 2 (Scope 2) – **Reduction** in Greenhouse Gas emission intensity per revenue in millions of GEL through the reduction of indirect emissions from the electricity usage in different branches.

KPI 3 (Scope 3) – **Increase** in Avoided Emissions from Use of Sold and Serviced Products through reduction in downstream GHG emissions achieved with the sales of low-emissions vehicles compared to a defined baseline or a conventional alternative.

HUMAN CAPITAL

People are the **engine behind everything** Tegeta builds. In 2025, the company's Human Capital strategy focused on three things: **attracting** the right talent, **developing** it systematically, and **creating** the conditions for people to stay and grow.

Workforce overview

TOTAL EMPLOYEES

2,400

 **77%**
MALE

 **23%**
FEMALE

 **26%**
WOMEN IN MANAGEMENT

 **341**
NEW HIRES IN 2025

 **68%**
BASED IN TBILISI

 **31%**
BASED IN REGIONS

 **1%**
BASED INTERNATIONALLY

Policy Overview

Tegeta's Diversity, Equality, and Inclusion Policy, which was developed in collaboration with UN Women and the ADB, continued to guide hiring, promotion, and workplace practices throughout 2025. Women represent 23% of the total workforce and hold 26% of all managerial roles, including leadership positions at service centers and headquarters.

In 2025, Tegeta approved a Grievance Review and Management Policy, establishing a formal, confidential framework for employees, contractors, and community members to raise concerns without fear of retaliation. To make reporting accessible, Tegeta introduced "Your Voice," a dedicated reporting channel, which allows both anonymous and named submissions by scanning a QR code.

Program Overview

Recruitment:

Tegeta strengthened its employer brand by improving its **Applicant Tracking System**, actively participating in employment forums, and deepening partnerships with universities and regional colleges. Regional recruitment was a **particular focus** as Tegeta builds **local talent pipelines for frontline roles outside Tbilisi**.

Luminary:

A new scholarship and **work-experience program** for university students, developed under the Tegeta Cars initiative in **partnership with Free University and the Agricultural University**. Twelve students will be selected starting in 2026.

Internship in Accounting:

Nearly 300 applicants responded to Tegeta Holding's accounting internship. Following screening and interviews, 10 candidates were selected and employed in the finance department. Each intern was supported by a dedicated mentor throughout their onboarding.

Onboarding:

341 new employees joined Tegeta in 2025. Tegeta's improved onboarding program ensures that new hires connect with the company's culture and direction from day one through structured orientation sessions, mandatory compliance training, and a direct meeting with the CEO.

Tegeta Academy

Tegeta Academy serves as the **institutional core of the group's learning strategy**, focusing on high-impact professional development. In 2025, the Academy facilitated extensive structured training for a significant portion of the workforce through numerous specialized study groups. The reach of the programs extends beyond local borders, with a variety of **international** training initiatives engaging hundreds of participants. Furthermore, the Academy continues to act as a vital talent pipeline; a large majority of those who complete **authorized** programs successfully transition into active roles at Tegeta. Tegeta Academy became **Bridgestone's** official regional partner for training and professional development covering Georgia, Armenia, Azerbaijan, Kazakhstan, and Uzbekistan.

In 2024, the Academy retained its **professional college** status through re-authorization for another six years. Tegeta Motors became the first organization in Georgia's automotive sector to receive **Training Enterprise** status, and launched a three-year **strategic project** with the support of DEG Impuls. Tegeta Academy continued active partnership with Electude LMS and further developed its content, creating a unique **learning experience** for employees. Tegeta again served as the official host of Porsche's regional training programs, a role that reflects its standing among **global OEM partners**. All employees also have access to Coursera and language learning; eight completed courses in 2025.

Employee Wellbeing and Engagement

Retention: 18% of Tegeta's workforce has more than 10 years of service, a figure that reflects the strength of the employment proposition. In 2025, 195 employees were formally recognized for reaching 10, 15, 20, or 25-year career milestones.

Health insurance: 75% of the workforce is covered under Tegeta's co-financed health insurance scheme, renewed with Ardi Insurance in 2025. Participation is voluntary except where mandated by law.

Safety: Tegeta is certified under ISO 45001 and conducts daily operational risk assessments using ILO-endorsed methodologies. The Occupational Safety and Environmental Protection Department monitors safety across all locations and functions.

Employee Engagement: Toyota Center Tegeta was recognized for its **exceptional customer service** with the **Toyota Ichiban 2025 Award**. It was also one of six dealerships given the **Going Beyond award** (Brand and Communication). This honor **spotlighted** Tegeta's strong commitment to **employee-centered improvements** at Toyota Center Tegeta, including new NRC workspaces, redesigned showroom areas, outdoor canopies, carpooling, and enhanced incentive and training systems. The Ichiban 2025 was given to 46 dealerships out of over 2,500 global dealerships. Toyota Center Tegeta was the **sole recipient** from the Caucasus.

HR Systems and Digitalization

Tegeta's HR infrastructure runs on SAP SuccessFactors (success.tegetamotors.ge), giving employees **direct access** to contracts, leave management, and organizational processes. In 2025, the team addressed technical limitations and improved platform performance. Tegeta is making HR processes faster and **more transparent** for both employees and managers in 2026 by developing an insurance panel, a benefits panel, an updated organizational structure module, and enhanced payroll components.



ORGANIZATIONAL STRUCTURE

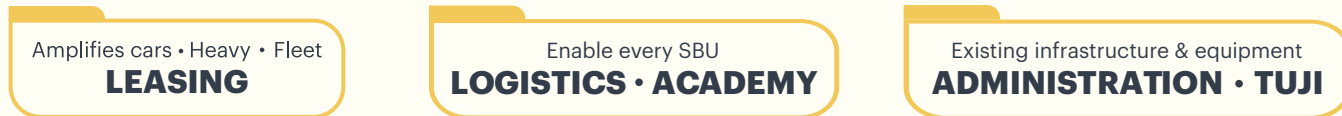
19

ORGANIZATIONAL STRUCTURE

STRATEGIC BUSINESS UNITS • FRONT OF THE BUSINESS



CROSS SBU ENABLERS • AMPLIFY SBU ECONOMICS



SHARED SERVICES • CENTRALIZED • ONE BACKBONE



ONE GROUP • FIVE SBUs • SHARED BACKBONE

INDEPENDENT AUDITOR'S REPORT

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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders and Supervisory Board of Tegeta Motors LLC

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2025, the summary consolidated statement of profit or loss and other comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flow for the year then ended, and related notes, are derived from the audited consolidated financial statements of Tegeta Motors LLC and its subsidiaries (the "Group") for the year ended 31 December 2025.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the basis described in Note 1.

Summary Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 15 May 2026. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

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Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



Shota Nanitashvili (Reg# SARAS-A-957146)
on behalf of Deloitte and Touche LLC (Reg# SARAS-F-107265)



Tbilisi, Georgia
30 July 2026

Summary consolidated statement of financial position

Amounts in GEL '000

	31 December 2025	31 December 2024
ASSETS		
Non-current assets		
Property, plant and equipment	352,692	311,902
Intangible assets	18,556	10,836
Right-of-use assets	31,369	51,725
Prepayments for fixed assets	3,831	13,694
Warranty related assets	11,683	7,954
Trade receivables	15,258	–
Investments in associates	700	725
Goodwill	93,962	82,593
Total non-current assets	528,051	479,429
Current assets		
Inventories	329,442	405,676
Trade and other receivables	73,661	181,972
Finance lease receivables	33,804	12,891
Prepayments to suppliers	40,399	17,383
Tax assets	4,989	5,217
Prepaid income tax	6,988	5,326
Warranty related asset	4,779	3,548
Loans issued	26,621	28,139
Cash and bank balances	39,433	40,849
Total current assets	560,116	701,001
TOTAL ASSETS	1,088,167	1,180,430

	31 December 2025	31 December 2024
EQUITY		
Charter capital	44,733	44,733
Retained earnings	254,355	233,881
Other components of equity	(5,991)	(6,030)
Equity attributable to the Company's owners	293,097	272,584
Non-controlling interest	(543)	(382)
TOTAL EQUITY	292,554	272,202
LIABILITIES		
Non-current liabilities		
Borrowings	271,003	116,167
Lease liabilities	25,631	47,068
Trade and other payables	4,819	–
Warranty provision	11,823	8,178
Tax payables, other than income tax	11,978	–
Contract liabilities	6,072	6,032
Total non-current liabilities	331,326	177,445
Current liabilities		
Borrowings	204,550	375,751
Lease liabilities	5,629	6,465
Trade and other payables	179,914	250,509
Warranty provision	5,230	4,125
Tax payables, other than income tax	21,305	16,802
Contract liabilities	47,659	77,131
Total current liabilities	464,287	730,783
TOTAL LIABILITIES	795,613	908,228
TOTAL EQUITY AND LIABILITIES	1,088,167	1,180,430

Approved for issue and signed on 30 July 2026


Ekaterine Kavtaradze
Chief Executive Officer

Nino Mamisashvili
Chief Financial Officer

The accompanying note on page 7 is an integral part of these summary consolidated financial statements.

Summary consolidated statement of profit or loss and other comprehensive income

Amounts in GEL '000

	2025	2024
Revenue from contract with customers	1,717,915	1,635,684
Cost of sales	(1,383,905)	(1,308,261)
Gross profit	334,010	327,423
General and administrative expenses	(137,013)	(139,921)
Selling and distribution expenses	(50,217)	(39,928)
Other operating income	12,615	11,301
Other operating expenses	(13,342)	(17,882)
Operating profit	146,053	140,993
Finance income	4,349	3,343
Finance costs	(68,998)	(56,569)
Share of results of associates	54	61
Profit before income tax	81,458	87,828
Income tax expense	(91)	(86)
Profit for the year	81,367	87,742
Exchange differences on translation of foreign operations	39	(417)
Total comprehensive income	81,406	87,325
Profit for the year attributable to:		
- Owners of the Group	81,528	88,453
- Non-controlling interest	(161)	(711)
Profit for the year	81,367	87,742
Total comprehensive income attributable to:		
- Owners of the Group	81,567	88,036
- Non-controlling interest	(161)	(711)
Total comprehensive income for the year	81,406	87,325

Approved for issue and signed on 30 July 2026



Ekaterine Kavtaradze
Chief Executive Officer



Nino Mamisashvili
Chief Financial Officer

Summary consolidated statement of cash flows

Amounts in GEL '000

	2025	2024
Profit before income tax	81,458	87,828
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	26,705	25,350
Amortization of intangible assets	1,830	1,460
Reversal of provision for warranties	(210)	(3)
Provision for expected credit losses for trade and other receivables and write-off of doubtful trade and other receivables	207	452
(Reversal) / Provision for expected credit losses for issued loans	(693)	597
(Gain) / Loss on disposal of property, plant and equipment	(170)	214
Rent concession income and income from rent termination	(588)	(440)
Interest income	(4,258)	(3,343)
Interest expense	57,821	54,981
Loss on modification of long-term trade receivable	2,902	-
Foreign exchange losses	6,750	378
Trade payables derecognized	(263)	(36)
Write-down of inventories to net realizable value	8,297	10,954
Write-off of intangible assets	-	197
Share of results of associates	(54)	(61)
Operating cash flows before working capital changes	179,734	178,528

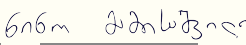
Changes in trade and other receivables	98,425	(117,797)
Changes in finance lease receivables	(20,913)	(11,253)
Changes in prepayments	(23,016)	12,468
Changes in inventories	69,937	(52,198)
Changes in trade and other payables	(80,876)	73,183
Changes in tax assets	345	7,174
Changes in contract liabilities	(29,432)	13,364
Changes in tax payables	(937)	8,981
Changes in working capital	13,533	(66,078)
Income tax paid	(2,489)	(651)
Net cash from operating activities	190,778	111,799
Cash flows from investing activities		
Purchase of property, plant and equipment	(64,388)	(105,373)
Proceeds from sale of property, plant and equipment	14,883	14,556
Acquisition of intangible assets	(7,656)	(3,856)
Acquisition of subsidiaries	(9,589)	–
Loans issued	(35,932)	(22,034)
Repayment of loans issued	39,716	9,478
Interest received	1,745	1,172
Cash arising from business combination	134	–
Dividends received	16	14
Net cash used in investing activities	(61,071)	(106,043)

Cash flows from financing activities

Payment of principal portion of lease liabilities	(5,766)	(6,787)
Repayment of interest on lease liabilities	(3,211)	(3,974)
Proceeds from borrowings	1,319,661	765,550
Repayment of borrowings	(1,337,546)	(696,468)
Interest paid on borrowings	(58,853)	(51,739)
Dividends paid	(43,598)	(39,535)
Release of cash on restricted account	–	36,783
Net cash (used) / from financing activities	(129,313)	3,830
Effect of exchange rate changes on cash and cash equivalents	(1,810)	(2,399)
Net (decrease) / increase in cash and cash equivalents	(1,416)	7,187
Cash and cash equivalents at the beginning of the year	40,849	33,662
Cash and cash equivalents at the end of the year	39,433	40,849

Approved for issue and signed on 30 July 2026


 Ekaterine Kavtaradze
 Chief Executive Officer


 Nino Mamisashvili
 Chief Financial Officer

Summary consolidated statement of changes in equity

Amounts in GEL '000

	Charter capital	Retained earnings	Other components of equity	Attributable to owners of the Group	Non-controlling interest	Total equity
Balance at 1 January 2024	44,733	185,428	(5,613)	224,548	329	224,877
Profit for the year	—	88,453	—	88,453	(711)	87,742
Translation differences	—	—	(417)	(417)	—	(417)
Total comprehensive income for the year	—	88,453	(417)	88,036	(711)	87,325
Dividends declared	—	(40,000)	—	(40,000)	—	(40,000)
Balance at 31 December 2024	44,733	233,881	(6,030)	272,584	(382)	272,202
Profit for the year	—	81,528	—	81,528	(161)	81,367
Translation differences	—	—	39	39	—	39
Total comprehensive income for the year	—	81,528	39	81,567	(161)	81,406
Dividends declared	—	(42,400)	—	(42,400)	—	(42,400)
Transaction with shareholder	—	(18,654)	—	(18,654)	—	(8,654)
Balance at 31 December 2025	44,733	254,355	(5,991)	293,097	(543)	292,554

Approved for issue and signed on 30 July 2026


Ekaterine Kavtaradze
Chief Executive Officer

Nino Mamisashvili
Chief Financial Officer

1. Basis of preparation

Tegeta Motors and its subsidiaries (the Group) prepared these summary consolidated financial statements to be included as part of its annual report. These have been prepared by extraction, without any modification, of the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended from the financial statements of the Group prepared in accordance with IFRS Accounting Standards.

These summary consolidated financial statements present the same information as the audited consolidated financial statements, except for the notes to the audited financial statements.

The consolidated financial statements, which the summary consolidated financial statements have been derived from, are available from Tegeta Motors LLC upon request at David Agmashenebeli Alley #129, 0131, Tbilisi, Georgia or online at <https://tegeta.ge/en/finances>.

GLOSSARY & ABBREVIATIONS

A —

ADB - Asian Development Bank
AmCham - American Chamber of Commerce in Georgia
AR - Audit and Risk Management Committee

B —

B2B - Business 2 Business
BAG - Business Association of Georgia

C —

CEO - Chief Executive Officer
CES - Customer Effort Score
CFO - Chief Financial Officer
CNG - Compressed Natural Gas
COO - Chief Operating Officer
CRM - Customer Relationship Management
CSI - Customer Satisfaction Index
CSR - Corporate Social Responsibility
CTO - Chief Technology Officer

E —

EBA - European Business Association
EBITDA - Earnings Before Interest, Taxes, Depreciation, and Amortization
EBRD - European Bank for Reconstruction and Development

EIB - European Investment Bank
EPR - Extended Producer Responsibility
ESG - Environment, Social, and Governance
EV - Electric Vehicle

F —

FCL - Full Container Load
FTL - Full Truckload
FTR - First-Time Resolution

G —

GeoStat - National Statistics Office of Georgia
GHG - Green House Gasses
GIPA - Georgian Institute of Public Affairs
GRI - Global Reporting Initiative

I —

IFC - International Finance Corporation
IFI - International Financial Institution
IFRS - International Financial Reporting Standards

K —

KPI - Key Performance Indicator

L —

LMS - Learning Management System

LTL - Less-than-Truckload

N —

NES - Net Easy Score

NPS - Net Promoter Score

NRC - New Retail Concept

O —

OEM - Original Equipment Manufacturer

S —

SB - Strategic Development and
Budgeting Committee (SB)

SDG - Sustainable Development Goals

SKU - Stock Keeping Unit

SLB - Sustainability-Linked Bonds (SLB)

SME - Small and Medium Enterprise
(SME)

SPO - Second-Party Opinion

U —

UNFPA - United Nations Population Fund

V —

VRE - Volvo Retail Experience

W —

WEP - Women's Empowerment Principles

Y —

YoY - Year-over-Year

ANNEX 1

Debt to Equity

$$\text{Debt to Equity} = \frac{\text{Short — Term Borrowings} + \text{Long — Term Borrowings}}{\text{Equity}}$$

Net Debt to EBITDA

$$\text{Net Debt to EBITDA} = \frac{\text{Short — Term Borrowings} + \text{Long — Term Borrowings} - \text{Cash and Bank Balances}}{\text{EBITDA}}$$

Return on Assets (ROA)

$$\text{ROA} = \frac{\text{Total Comprehensive Income}}{\text{Average Total Assets}}$$

Return on Equity (ROE)

$$\text{ROE} = \frac{\text{Total Comprehensive Income}}{\text{Average Total Equity}}$$

EBIT Margin

$$\text{EBIT Margin} = \frac{\text{EBIT}}{\text{Total Revenue}}$$

Current Ratio

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Operating Cash Flow Ratio

$$\text{Operating Cash Flow Ratio} = \frac{\text{Operating Cash Flow}}{\text{Average Current Liabilities}}$$

Cash Conversion Cycle

$$\text{Cash Conversion Cycle} = \text{Days Inventory Outstanding} + \text{Days Sales Outstanding} - \text{Days Payable Outstanding}$$

Inventory Turnover Ratio

$$\text{Inventory Turnover Ratio} = \frac{\text{Cost of Sales}}{\text{Average Inventory}}$$

DISCLOSURE

Disclosure and Responsibility Statement

This Annual Report has been prepared by Tegeta Motors LLC in alignment with our ongoing commitment to transparency, stakeholder engagement and best practices in corporate reporting. The information contained herein reflects the Company's performance for the year ended 31 December 2025, and outlines strategic priorities, operational highlights and financial results across all key divisions.

All data, performance indicators and forward-looking statements are based on reliable sources and verified internal records. While certain statements relate to projections or strategic objectives, they are grounded in management's current views and assumptions.

To the best of our knowledge, this report provides a true and fair view of the Company's activities, financial condition and prospects, and does not omit any material information that would alter the integrity of the presented results.



For further information, inquiries, or investor updates, please contact us at ir@tegetamotors.ge



Visit our Investor Relations page at <https://tegeta.ge/en/investor-relations>



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