

Weekly highlights

Unemployment rate reduced to 16.1% in 4Q22
The unemployment rate reduced by 3.0ppts y/y to 16.1% in 4Q22, amid strong economic growth. During the same period, the number of hired employed individuals increased by 5.1% y/y, accounting for 67.7% of total employment, while self-employed persons were up 4.5% y/y and accounted for 32.2% of total. Notably, the labor force participation rate increased by 1.5ppts y/y to 52.9% in 4Q22, surpassing the pre-pandemic level.

Producer price index up 1.8% y/y in Jan-23
Annual PPI for industrial goods rose by 1.8% in Jan-23 (mostly due to the last year's low base), up from 0.1% growth in previous month, according to Geostat. The price changes in manufacturing (+3.2% y/y) and mining (-9.8% y/y) sectors had the largest impact on the overall index change in January.

Exports soared by 38.5% y/y in Jan-23
In Jan-23, exports experienced significant growth, expanding by 38.5% y/y to US\$ 459.0mn, after a 32.5% y/y growth in previous month. Imports, on the other hand, grew at a slower pace, with a 25.2% y/y increase to US\$ 1.0bn in January, compared to a 33.0% y/y rise in December. As a result, the trade deficit grew by 15.8% y/y to US\$ 543.9mn, following the 33.3% y/y growth rate seen in December.

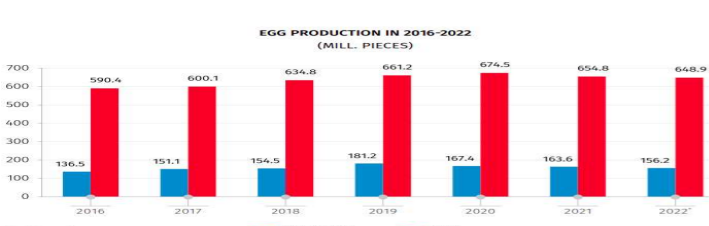
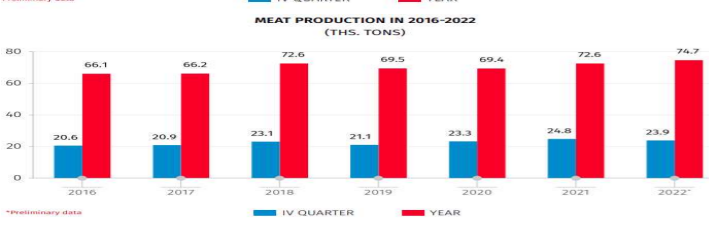
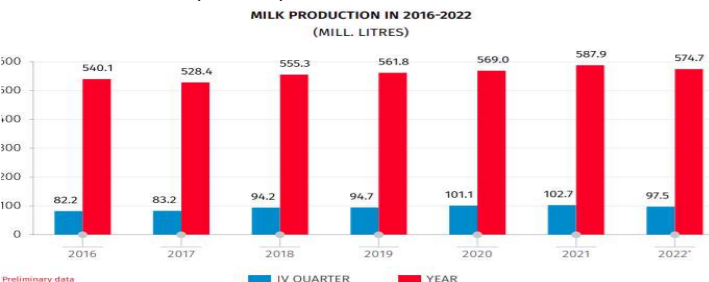
Exchange rate
As a result of February 28th, the value of one dollar became 2.6196 GEL and the value of one euro became 2.7791 GEL.

Agriculture of Georgia 2022 and IVQ of 2022

According to the preliminary data, in the 4th quarter of 2022 milk production decreased by 5.1 percent compared to the same period of the previous year and it has consisted of 97.5 million litres. The annual milk production of 2022 decreased by 2.2 percent compared to the results of 2021 and it amounted to 574.7 million litres.

In the 4th quarter of 2022 meat production was 3.6 percent less than in the same period of 2021 and it has consisted of 23.9 thousand tons. In 2022, the annual production of meat was 2.9 percent more than in 2021 and it amounted to 74.7 thousand tons. In the 4th quarter of 2022 egg production amounted to 156.2 million pieces which are 4.5 percent less than in the same period of the previous year.

The annual egg production of 2022 decreased by 0.9 percent compared to 2021 and it has amounted to 648.9 million pieces. The diagrams below present the volume of animal products produced in 2016-2022.



OHM Energy joined the Georgian Business Association

The company OHM Energy became a member of the Georgian Business Association, which since 2016 has been a provider of high-quality services in the field of engineering, procurement and construction of renewable energy.

The company's activities include solar power plant construction (EPC), construction and management (EPCM), high voltage solutions and design, as well as EBRD, KfW, FICHTNER technical conditions/standards design with grid-connected, autonomous or hybrid solutions.

The company offers its customers the services of highly qualified specialists, in particular, energy and electrical engineers and solar energy equipment business development specialists.

It should be noted that in Georgia and Armenia, the company implemented a total of more than 40 MW of domestic, commercial and large-scale projects. At the same time, the company is working on the implementation of green hydrogen high-tech solutions in the economy.

OHM Energy in Georgia represents such international brands as Tier1 German solar energy panel manufacturer AE Solar, inverter manufacturer "Huawei", "Sangrow", "Stable" and "Tongwei".

"We welcome OHM Energy to the ranks of the members of the Georgian Business Association, we all know very well the importance of renewable energy sources for strengthening energy security. A company that works in this direction has to deal with such high-tech products and services every day, without which our economy cannot develop. We wish you success and hope that our cooperation will be fruitful and mutually beneficial", said Soso Pkhakadze, president of the Georgian Business Association.



Bioproduction Promotion Program

Filled application form should be sent to the e-mail address of the agency document@rda.gov.ge together with the documentation to be submitted. Also, you can present it to the employee of the clerical office of the administrative department and/or to the employee of the relevant regional service of the Regional Relations Department, in a material form.

Program Goal and Objective
The goal of the bioproduction promotion program is to support bioproduction to ensure the growth of production of bioproducts.

The objective of the program is to provide financial support to potential beneficiaries who wish to start bioproduction.

Program Implementer
The program is implemented by the Rural Development Agency.

The program implementation is coordinated by the Ministry of Environmental Protection and Agriculture of Georgia.

Program Purposes
The program envisages compensation for the following purposes during the conversion period:
Bioproduction certification;
Consulting services;

Purchase of organic fertilizers and/or biopreparations against pests and diseases allowed for the use in organic farming;

Purchase of the medical biopreparations for bees and the bio honeycomb;

Services related to the laboratory analysis of honey and wax.

Geographical Area of the Program
This program covers all municipalities and self-governing cities of Georgia.

for more information visit www.rda.gov.ge

EXPORT OF LIVESTOCK AND POULTRY IN 2021-2022 (THS. HEADS)

	2021					2022*				
	I Q	II Q	III Q	IV Q	YEAR	I Q	II Q	III Q	IV Q	YEAR
Bovine animals	16.1	11.1	20.7	33.4	81.3	18.4	25.6	48.7	38.9	131.6
Pigs	-	-	1.2	0.8	2.0	0.4	0.3	1.8	1.0	3.5
Poultry	699.0	1 733.3	1 779.9	1 530.0	5 742.2	1 930.7	3 358.9	3 441.3	4 873.3	13 604.1

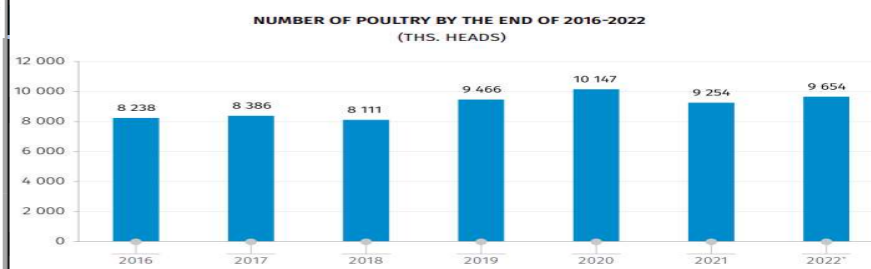
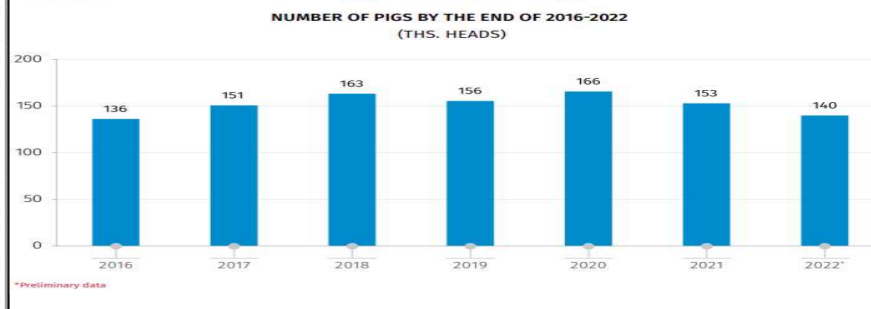
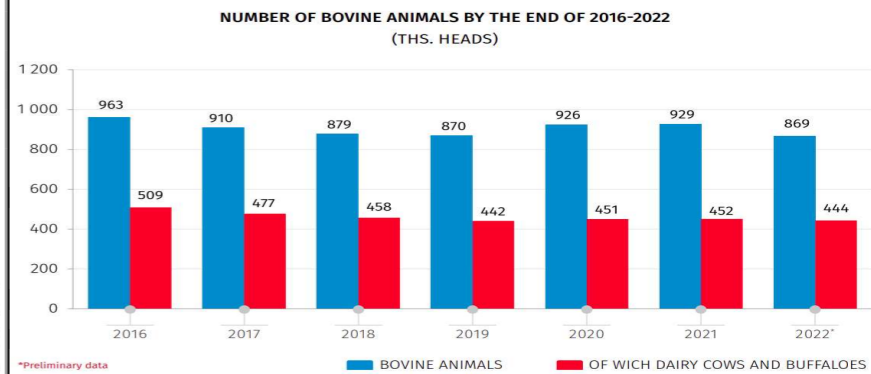
Agricultural commodities

Grains						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
C1:COM Corn (CBOT)	USD/bu	641.75	-1.75	-0.27%	May 2023	8:06 AM
W1:COM Wheat (CBOT)	USD/bu	708.50	-1.50	-0.21%	May 2023	8:05 AM
D1:COM Oats (CBOT)	USD/bu	340.25	-3.25	-0.95%	May 2023	8:00 AM
RR1:COM Rough Rice (CBOT)	USD/cwt	17.41	+0.03	+0.17%	May 2023	2/27/2023
S1:COM Soybean (CBOT)	USD/bu	1,501.75	-11.00	-0.73%	May 2023	8:06 AM
SM1:COM Soybean Meal (CBOT)	USD/T	476.50	-5.30	-1.10%	May 2023	8:06 AM
BO1:COM Soybean Oil (CBOT)	USD/bb	60.21	-0.13	-0.22%	May 2023	8:06 AM
RS1:COM Canola (ICE)	CAD/MT	818.10	-5.60	-0.68%	May 2023	8:06 AM
Softs						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
CC1:COM Cocoa (ICE)	USD/MT	2,774.00	+18.00	+0.65%	May 2023	8:05 AM
KC1:COM Coffee 'C' (ICE)	USD/lb	188.30	+1.85	+0.99%	May 2023	8:05 AM
SB1:COM Sugar #11 (ICE)	USD/lb	20.15	-0.14	-0.69%	May 2023	8:05 AM
JO1:COM Orange Juice (ICE)	USD/lb	253.35	-3.75	-1.50%	May 2023	8:05 AM
CT1:COM Cotton #2 (ICE)	USD/lb	84.78	-0.02	-0.02%	May 2023	8:05 AM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	412.80	-12.00	-2.99%	May 2023	2/27/2023
OR1:COM Rubber (Singapore)	USD/kg	139.70	+0.60	+0.43%	May 2023	4:59 AM
DL1:COM Ethanol (CBOT)	USD/gal	2.16	0.00	0.00%	Mar 2023	2/27/2023
Livestock						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
LC1:COM Live Cattle (CME)	USD/lb	164.98	-0.40	-0.24%	Apr 2023	2/27/2023
FC1:COM Feeder Cattle (CME)	USD/lb	194.23	+0.65	+0.34%	Apr 2023	2/27/2023
LH1:COM Lean Hogs (CME)	USD/lb	84.73	-1.30	-1.51%	Apr 2023	2/27/2023

Economic Data on Georgia							
GDP							
	III 20*	IV 20*	2020*	I 21*	II 21*	III 21*	IV 21*
GDP at Current Prices, Bn €	13.4	14	49.3	11.5	15.5	16	17.2
GDP at Constant 2015 prices, Bn €	9.7	10.1	37.6	8.8	11.2	10.5	11
GDP Real Growth, Percentage	-8.8	-7.4	-6.8	-4.1	28.9	9.1	8.8
GDP Deflator Change, Percentage	7.9	8.6	7.3	7.9	11.6	9.4	13.4
GDP Per Capita (At Current Prices), €	3 600.1	3 753.0	13 234.1	3 081.3	4 161.4	4 290.4	4 621
GDP Per Capita (At Current Prices), \$	1 160.6	1 147.3	4 255.7	929.7	1 250.7	1 375	1 478.6
GDP at Current Prices, Bn US Dollars	7.5	3.8	3.4	3.5	4.7	5.1	5.5
Share of Agriculture in GDP, Percentage	8.3						
Population & Unemployment							
	I 20	II 20	III 20	IV 20	I 21	II 21	III 21
Economically Active Population (Workforce), Thousand People	1545.2	1515	1526.9	1505.7	1447.2	1559.1	1592
Employed, Thousand People	1262.7	1237.6	1269.11	1197.9	1129.7	1214.6	1244.3
Unemployed, Thousand People	282.6	277.4	259.8	307.8	317.5	344.6	347.9
Unemployment Rate, Percentage	18.3	18.3	17	20.4	21.9	22.1	19.5
Consumer Price Index (Inflation)							
	2015	2016	2017	2018	2019	2020	2021
Annual Average to the Annual Average	104	102.1	106	102.6	104.9	105.2	109.6
December over Previous Year's December	104.9	101.8	106.7	101.5	107	102.4	113.9

Agriculture of Georgia 2022 and IVQ of 2022

According to the preliminary data, at the end of 2022 the number of bovine animals reached 868.7 thousand heads which are 6.5 percent less compared to 2021. Among them, the total number of dairy cows and buffaloes amounted to 444.0 thousand heads which are 1.7 percent less compared to the same period of the previous year. The number of pigs equaled 139.9 thousand heads which are 8.5 percent less than at the same period of the previous year. The number of poultry reached 9.7 million heads which are 4.3 percent more compared to the same period of the previous year. The charts below present the number of bovine animals, pigs and poultry by the ends of 2016- 2022.



"Agrobase" launched a factory of anti-hail nets in Kareli- The investment of 0.5\$ Million

In the village of Ruis, Kareli region, the factory for the production of anti-hail nets was put into operation two months ago, Avto Maisuradze, the founder of "Agrobase" company, stated this while talking to BM.GE. According to his own information, no similar product was produced in Georgia until now, and the agricultural sector used fully imported nets.

"The demand is very high, we are the first in Georgia to create such a product, until now they were brought from Turkey and Italy, which was obviously connected with logistical difficulties - the order was often late, the cost of transportation was high, etc.

We have already sold 180,000 square meters of mesh, the demand is mainly from Shida Kartli and Kakheti, we also have current orders and we think the interest will increase, because it is much more convenient and cheaper for local entrepreneurs to buy our product. It should also be noted that our equipment is German, we import products from Europe, so everything is made exactly as in European countries. Therefore, we think that we can compete for imported products", said Avto Maisuradze.

Despite the mentioned advantages, the manager of "Agrobase" tells us that the factory still does not have the resources to fully meet the demand of the local market, and the main reason for this is the lack of qualified personnel.

"We are going to gradually increase and expand the production, currently we can weave 10,000 square meters of net in 24 hours, however, to increase this amount, we need qualified personnel, which we do not have at this stage, because they do not know how to produce a similar product in Georgia," says the founder of the company, adding that today 12-15 people are employed in the factory, 2 of them are foreigners and the rest are locals. After attracting the necessary manpower, we will start expanding," says Avto Maisuradze.

For information, the company "Agrobase" created the factory with an investment of \$0.5 million, of which \$150,000 was USAID funding, and the rest was the personal investment of the founders.

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