

### *Acquisition of Qartli Wind Farm*

Georgia Capital PLC (the "Group" or "Georgia Capital") has successfully participated in a public auction for a 100% equity stake in Qartli Wind Farm LLC ("Qartli Wind Farm" or the "Company") through its wholly-owned subsidiary. The Group will pay US\$ 14.4 million for a 100% equity interest. Gross debt of Qartli Wind Farm is US\$ 17.4 million.

- The transaction values Qartli Wind Farm's enterprise value at 7.2x EV/EBITDA 2020.
- Qartli Wind Farm is the only operational wind farm in Georgia, operating a 21MW installed capacity wind power plant ("WPP") with a very high - 47% - average capacity factor.
- The WPP is expected to add approximately US\$ 4.0 million EBITDA to the Renewable Energy Business's income statement in 2020 on the back of c. 85 GWh gross annual generation.
- The US\$ Return on Invested Capital ("ROIC") is expected to be approximately 12%.
- Qartli Wind Farm benefits from guaranteed prices throughout the whole year via its Power Purchase Agreement ("PPA") with the Government of Georgia for the next 10 years. The PPA has USD 65/MWh tariff.
- Following the acquisition, the Renewable Energy Business will have 91MW installed capacity and a pipeline of 350MW capacity in the medium term.

*Irakli Gilauri*, Georgia Capital Chairman and CEO commented: "I am pleased to announce that our Renewable Energy Business has secured its first operational wind power plant in Georgia. The acquisition of this high-quality asset, with existing strong dollar-linked cash flows complements our existing renewable energy portfolio as we progress towards our medium-term goal."

*The Transaction constitutes a class 2 transaction for the purposes of UK Listing Rules. For the purposes of LR 10.4.1 R (Notification of class 2 transactions), the value of gross assets of the Company was US\$ 31.0 million at 31 December 2018. Based on the audited financial statements, the Company generated EBITDA of US\$ 4.0 million in 2018.*

*Qartli Wind Farm has two state-owned selling shareholders: Georgian Energy Development Fund JSC (50.1%) and Georgian Oil and Gas Corporation JSC (49.9%). Total cash consideration for the acquisition is US\$ 14.4 million.*

Name of authorised official of issuer responsible for making notification: Nino Rekhviashvili, Head of Investor Relations

#### **About Georgia Capital PLC**

**Georgia Capital** is a platform for buying, building and developing businesses in Georgia with holdings in sectors that are expected to benefit from the continued growth and further diversification of the Georgian economy. The Group seeks to capture growth in the sectors in which it currently operates and drive the development of new high-growth businesses in Georgia, which it intends to add either by acquiring businesses in their early development stage or by establishing greenfield businesses, often consolidating fragmented or underdeveloped markets. The Group currently has six private company holdings: (i) a water utility business (GGU), (ii) a renewable energy business (GGU); (iii) a housing development business (m<sup>2</sup>) (iv) a hospitality and commercial real estate business (m<sup>2</sup>); (v) a property and casualty insurance business (Aldagi) and (vi) a beverages business (Georgia Beverages). In addition Georgia Capital has two public company holdings (London Stock Exchange premium-listed Georgian companies): (i) Georgia Healthcare Group PLC ("GHG"), (57% equity stake), a UK incorporated holding company of the largest healthcare services provider in Georgia, which is also the largest pharmaceuticals retailer and wholesaler in the country; and (ii) Bank of Georgia Group PLC ("BoG"), (19.9% equity stake), a leading universal bank in Georgia. Additionally, Georgia Capital has three businesses in the pipeline: Education, Auto Service and Digital Services.

JSC Georgia Capital has, as of the date hereof, the following credit ratings:

S&P Global  
Moody's

'B+'/'FC & 'B+'/'LC  
B2/'CFR & B2/'PDR

For further information, please visit [www.georgiacapital.ge](http://www.georgiacapital.ge) or contact:

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