

Update on m² developments

Georgia Capital PLC (the Group or Georgia Capital) announces the following developments within its Housing Development and Hospitality & Commercial Real Estate businesses, owned through m² (“m²” or the “Company”):

Housing Development business

Tbilisi City Hall Municipality Council has approved the Company’s largest ever in-house affordable housing project’s masterplan brief. The project, which will add around 3,000 apartments to Housing Development’s portfolio, will be developed in three stages. As a result, m² will start apartment pre-sales from December 2018 for stage one, where the total sellable area is approximately 22,000 sq.m.. The construction and development of 168,000 sq.m. residential and 84,000 sq.m. commercial spaces will continue for approximately four years.

The Housing Development business’ construction arm has now officially opened a college for vocational education in the Zestaponi Municipality (Western Georgia). The college, with a total project cost of GEL 3 million, offers 11 short-term vocational courses to more than 600 construction specialists/workers annually. The Company expects to employ most of the college graduates within its construction arm.

Hospitality & Commercial real estate business

The Hospitality & Commercial real estate business has received a construction permit from Kutaisi City Hall to develop a hotel project (the “Hotel”) in Kutaisi. The Company intends to develop the 125 room hotel, expected to operate under the Ramada brand, over the next two years and welcome its first guests in the 4th quarter of 2020.

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

About Georgia Capital PLC

Georgia Capital is the holding company of a diversified group focused on investing in 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 opening of the Georgian economy to Europe and economic development in the wider region. 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 four key portfolio companies: (i) GGU, a water utility and renewable energy business; (ii) m², a residential and commercial property developer; (iii) Aldagi, the foremost provider of property and casualty insurance products in Georgia; and (iv) Teliani, a leading wine and beer producer in Georgia.

In addition to its portfolio companies, the Group holds investments in two London Stock Exchange premium-listed Georgian businesses: GHG, (57% stake), the parent company of the largest and diversified healthcare provider in Georgia, which operates in the healthcare services, pharmacy and medical insurance sectors; and Bank of Georgia Group PLC, (19.9% stake), a leading universal bank in Georgia.

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

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