

Investment in the leading mid-level school in Georgia – Buckswood International School

Georgia Capital PLC (the “**Group**” or “**Georgia Capital**”) announces that it has signed a share purchase agreement (“SPA”) to acquire an 80% equity interest in Buckswood International School - Tbilisi LLC (“Buckswood” or the “School”), subject to regulatory approvals.

- The transaction values Buckswood’s enterprise value at 6.4x EV / EBITDA 2020.
- The acquisition of Buckswood is in line with Georgia Capital’s strategy to secure a leading private school education platform for its mid-level segment.
- Buckswood’s existing owners will continue to lead the business and grow the school’s maximum capacity from its existing 730 learners, to approximately 2,200 learners by 2021.

Buckswood, provides high-quality education to approximately 680 learners from Preschool to 12th grade. The School offers a Georgian curriculum, incorporating best practices from British educational guidelines. Buckswood was founded in 2000 and successfully secured a premium location for the school in Tbilisi in 2007, which has turned it into one of the best value for money educational institutions in the country.

Buckswood will represent the mid-level school in the Group’s portfolio. As part of the deal, the school has recently acquired a 5,000 sq.m. land plot adjacent to the current campus for US\$ 1.1 million to increase its maximum capacity to approximately 1,000 learners. Following the acquisition, Buckswood will continue to expand the existing campus and add a further campus in Tbilisi in order to grow the maximum capacity to approximately 2,200 learners by 2021. The Group expects that GEL 19 million capital expenditure will be required to finance the expansion, of which no more than GEL 11 million will be equity capital contributed by shareholders on a pro-rata basis (Georgia Capital’s share of this contribution will be GEL 9 million) and the rest will be debt-financed.

Irakli Gilauri, Georgia Capital Chairman and CEO commented: “I am very pleased to announce our second partnership agreement in the education sector, with Buckswood International School. With this acquisition, we are expanding beyond premium schools and establishing our presence in mid-level segment through one of the leading schools in the country. Buckswood is a well-managed, successful business with a solid reputation and high growth potential. I would like to welcome the strong management team and look forward to working with them to deliver on our expected strategy.”

Sandro Vashakidze, Buckswood shareholder and director commented: “The partnership between Buckswood and Georgia Capital will allow us to scale-up and to give more learners access to high quality education and facilities. We are excited to work with Georgia Capital and believe that through this partnership we can form a strong alliance with one of the leading institutions in the country.”

For more information about Buckswood, please visit their website at www.buckswood.ge

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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