



London, 3 February 2022

FOR IMMEDIATE RELEASE

GEORGIA CAPITAL PLC

COMPLETION OF FIRST STAGE OF DISPOSAL OF WATER UTILITY BUSINESS

Further to the announcement by Georgia Capital PLC ("**GCAP**") on 31 December 2021 of the proposed disposal by its wholly-owned subsidiary JSC Georgia Capital ("**JSC GCAP**") of a controlling interest in Georgia Global Utilities JSC ("**GGU**") to FCC Aqualia for USD 180 million (the "**Disposal**") and the proposed demerger by GGU of its renewable energy business to JSC GCAP (the "**Demerger**"), GCAP is pleased to announce that the Disposal, the first stage in the proposed two-stage transaction, has completed today, and the full sale proceeds have now been received.

This first stage represents the initial disposal of a 65% equity interest in GGU to Aqualia for US\$ 180 million, representing an 80% economic interest in the water utility business. JSC GCAP now holds a 35% equity interest in GGU, representing a 20% economic interest in the water utility business and a 100% economic interest in the renewable energy business. The completion of this stage follows (a) the approval obtained from the GCAP shareholders at the general meeting on 31 January 2022, (b) entry into the shareholders' agreement between FCC Aqualia, JSC GCAP and GGU to regulate their respective rights and obligations as joint owners of GGU and (c) the satisfaction of the other conditions precedent to First Completion, as outlined in the circular to GCAP shareholders published on 6 January 2022.

The second stage of the transaction, the Demerger, is expected to occur in July/August 2022 and will be conditional on receiving antitrust clearance and the redemption of GGU's existing Eurobond. Upon completion of this second stage of the transaction, JSC GCAP will own 100% of GGU's renewable energy assets and a 20% interest in GGU.

Irakli Gilauri, Chairman and CEO of GCAP commented: "I am delighted to have successfully completed the sale of the Group's water utility business to such a high quality international investor and strategic purchaser, Aqualia. We look forward to working closely with Aqualia as their minority partner in GGU over the next few years.

Completion of this disposal represents a key strategic milestone that realises material cash proceeds for GCAP, at a substantial premium to GGU's latest independent investment value. We intend to deploy the net cash proceeds via a combination of: share buybacks, investments in marketable securities, increased cash balances, consideration for further potential business investments, and lending to our portfolio companies, including USD 95.4 million towards the refinancing of the outstanding GGU green bond, payable in respect of the renewable energy business.

In the short-term, the net cash proceeds will be held in cash and cash equivalents, and yield-bearing marketable debt securities, pending a review by our Board to determine the appropriate investment, deleveraging and capital return policies in the light of the prevailing economic outlook, our share price and discount to net asset value, and any available investment opportunities. This Board review will be completed over the next few months, at which point a further announcement will be made with regard to our updated strategic priorities."

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Cautionary statement

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Forward looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Disposal, and other information published by GCAP contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of GCAP about future events and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in these documents include statements relating to the expected effects of the Disposal on GCAP, the expected timing and scope of the Disposal and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although GCAP believes that the expectations reflected in such forward-looking statements are reasonable, GCAP can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction of certain conditions, as well as additional factors, such as fluctuations in the capital markets; fluctuations in interest and exchange rates; increased regulation or regulatory scrutiny; the occurrence of unforeseen disasters or catastrophes; political or economic instability in principal markets; adverse outcomes in litigation; and general, local and global economic, political, business and market conditions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements

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Other than in accordance with their legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority (the "FCA"), the Prospectus Regulation Rules, the Market Abuse Regulation (EU No. 596/2014) and the Market Abuse Regulation (EU No. 596/2014) as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018), GCAP is not under any obligation, and GCAP and its advisors (acting in their capacity as such) expressly disclaim any intention or obligation or undertaking, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

All forward looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

No profit forecasts or quantified benefits statement

No statement in this announcement is intended as a profit forecast, profit estimate or qualified benefits statement and no statement in this announcement should be interpreted to mean that earnings per GCAP share for the current or future financial years would necessarily match or exceed the respective historical published earnings per GCAP share or to mean that the continuing group's earnings in the first 12 months following the Disposal, or in any subsequent period, would necessarily match or be greater than those of GCAP for the relevant preceding financial period or any other period.

Rounding

Certain figures included in this announcement have been rounded. Accordingly, figures shown for the same category may vary slightly and figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

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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's focus is typically on larger-scale investment opportunities in Georgia, which have the potential to reach at least GEL 0.5 billion equity value over 3-5 years from the initial investment and to monetise them through exits, as investments mature. Georgia Capital currently has the following portfolio businesses: (i) a healthcare services business; (ii) a water utility business; (iii) a retail (pharmacy) business, (iv) an insurance business (P&C and medical insurance); (v) a renewable energy business (hydro and wind assets) and (vi) an education business; Georgia Capital also holds other small private businesses across different industries in Georgia and a 19.9% equity stake in LSE premium-listed Bank of Georgia Group PLC ("BoG"), a leading universal bank in Georgia.

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

S&P Global 'B'/FC & 'B'/LC

Moody's B2/CFR & B2/PDR

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