

*Governance Change: Separation of Chairman and CEO roles*

Georgia Capital PLC (the "**Company**" or "**Georgia Capital**") announces today an important development in its corporate governance. Irakli Gilauri has proposed to the Board that, upon the completion of his current employment contract as Chairman and CEO in May 2023, the roles of Chairman and CEO should be separated, and that he would step down as CEO and continue as Board Chairman. Mr. Gilauri made this proposal as he considers that this move is in the best interests of the Company - enabling it to continue to take advantage of his strategic guidance in the investment process while at the same time advancing the succession planning of the organisation by elevating Nikoloz (Nick) Gamkrelidze, currently Deputy CEO of Georgia Capital, to the role of Chief Executive Officer.

The independent non-executive members of the Board (the "Independent Directors") have reflected separately on Mr. Gilauri's proposal and have unanimously agreed that it is indeed in Georgia Capital's best interests and that separating the Chairman/CEO roles will improve its already strong governance profile. Accordingly, with the expiration of Mr. Gilauri's contract, the Board intends to appoint Mr. Gamkrelidze as CEO and elect Mr. Gilauri to continue in the role of Non-Executive Chairman – a role in which he will continue to be actively involved in key strategic decision-making, and investment considerations.

Georgia Capital was created following its demerger from BGEO Group PLC in 2018, where strong corporate governance was always one of the Group's key strategic priorities. The Company has built on that track record and has applied the UK Corporate Governance Code in all respects, with the current exception of combining the Chairman and CEO roles. At the time of the demerger, the Board considered that the combined Chairman/CEO role best suited the Group's requirements, and shareholders have been very supportive of the approach, on the basis that the Board is almost entirely independent and is highly experienced. The Board has kept this approach under regular review to ensure that it continues to best serve all stakeholders.

As an institution, Georgia Capital has developed significantly over the last few years and going forward the Board is committed to maintaining its high governance standards and to becoming the pre-eminent ESG-focused investor in the region. As the Company has continued to mature, especially over the last year, it has become clear that it can enhance its governance credentials by separating the Chairman and CEO roles.

**David Morrison, Senior Independent Director**, commented: "Irakli's proposal prompted a re-think on our governance structure and presented us with an opportunity to improve it. The combined Chairman and CEO role served the Company well in the start-up phase of Georgia Capital; however, it has now become clear that it will be better to separate the roles going forward. In effect, given Irakli's plans and the expiry of his existing 5-year contract in May 2023, we have unanimously agreed that Georgia Capital should seek to continue to benefit from Irakli's experience and unparalleled knowledge of the local environment, as well as his enthusiasm and commitment. We are thrilled that he is committing to stay on as Board Chairman, in which Irakli will continue to have an active role, and are grateful to him for his initiative."

**Jyrki Talvitie, Chair of the Nomination Committee**, commented: "Irakli Gilauri has significantly developed Georgia Capital into a unique institutional investment business in Georgia, with excellent access to high-quality management and international capital, and high standards of governance. The Independent Directors are grateful for - and looking forward to another year of - Irakli's tireless service as CEO."

Nick Gamkrelidze's strength and experience as a manager make him a natural successor to take over the helm of the largest private employer in Georgia. Nick has successful experience of being CEO and CFO of public companies where, in these capacities, he spearheaded many acquisitions and integrated a number of companies. During his career, Nick has managed the acquisitions and integration of hospitals, clinics, two pharmacy chains, insurance companies and banks. He has also successfully implemented a number of greenfield projects. Nick was already designated under our succession planning and, as we considered other possible successors to Irakli, it became crystal clear to us that we had the right person in-house."

**Irakli Gilauri, Chairman and CEO of Georgia Capital**, commented: "I believe that separating the roles of Chairman and CEO will improve our governance in the critical area of investments. While Kim Bradley and the rest of the independent Investment Committee members have performed admirably, our new governance structure will shift my local experience, knowledge and perspective to the non-executive team and create a better balance between the non-executives and executive management. In addition, given the overlap between the Board and the current Investment Committee, we can simplify our structure by merging the role of the Investment Committee with the Board.

I am also pleased that we are announcing this succession a year in advance, so that we have time to ensure a proper handover - not only at Georgia Capital but also at the Georgia Healthcare (GHG) level. We will announce the updated management structure for GHG in due course. We are also mindful that with the new structure we will further improve the management cost structure at both Georgia Capital and GHG.

I am a significant shareholder in Georgia Capital and am very much looking forward to working with Nick, first in undertaking a successful hand-over of my CEO responsibilities as well as, looking forward, in supporting him in my Chairman's role to achieve Georgia Capital's strategic goals."

**Nick Gamkrelidze, Deputy CEO of Georgia Capital**, commented: "Over the last few years, Georgia Capital has achieved sustained net asset value growth while delivering all of its key strategic priorities, culminating in the recent sale of the water utility business to a high quality international strategic purchaser. In what remains a challenging global environment, there are significant growth opportunities ahead within Georgia, and Georgia Capital is uniquely placed to capture and benefit from those opportunities.

Irakli and I have previously worked together in the same capacities, at GHG, when Irakli was Chairman and I was CEO. I very much look forward to working with him again in these roles, as well as with the great team at GCAP, to further develop and grow Georgia Capital in line with our updated strategic priorities introduced at today's Investor Day."

Name of authorised official of issuer responsible for making notification: Michael Oliver, Adviser to the Chairman & CEO

Nick Gamkrelidze was an Executive Director of Georgia Healthcare Group PLC including for the period it was a quoted company, with delisting taking effect on 5 August 2020. There are no other matters to be disclosed under Listing Rule 9.6.13.

This announcement contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of the UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

**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 retail (pharmacy) business, (iii) an insurance business (P&C and medical insurance); (iv) a renewable energy business (hydro and wind assets) and (v) an education business; Georgia Capital also holds other small private businesses across different industries in Georgia; a 20% equity stake in the water utility business 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

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

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