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12 July 2023

**JSC GEORGIA CAPITAL ANNOUNCES INVITATION TO PURCHASE NOTES FOR CASH**

JSC Georgia Capital (the "**Issuer**") has today launched an invitation to holders (the "**Noteholders**") of its outstanding U.S.\$300,000,000<sup>1</sup> 6.125% notes due 2024 (the "**Notes**"), to tender their Notes for purchase by the Issuer for cash (the "**Tender Offer**") subject to the offer and distribution restrictions below, and upon the terms set forth in a tender offer memorandum dated 12 July 2023 (as it may be amended or supplemented from time to time, the "**Tender Offer Memorandum**").

**The Tender Offer will expire at 11:59 pm (New York time) on 8 August 2023, unless extended or earlier terminated (such time and date, as the same may be extended by the Issuer, the "Expiration Deadline"). The deadlines set by each Clearing System (as defined below) for the submission of instructions may be earlier than the relevant deadlines specified in this announcement and the Tender Offer Memorandum.**

**Notes validly tendered may be withdrawn prior to 5:00 p.m. New York time (10:00 p.m. London time) on 8 August 2023, unless extended by the Issuer (such time and date, the "Withdrawal Time") but not thereafter. See "Procedures for Tendering Notes – Withdrawal Rights" in the Tender Offer Memorandum for further information.**

Copies of the Tender Offer Memorandum are (subject to the Offer and Distribution Restrictions) available from the Tender and Information Agent as set out below. Capitalised terms used in this announcement but not otherwise defined have the meanings given to them in the Tender Offer Memorandum.

***Summary of the Tender Offer***

Description of the Notes	ISIN/Common Code/CUSIP	Outstanding Principal Amount	Minimum Denomination	Benchmark Reference U.S. Treasury Security <sup>(1)</sup>	Bloomberg Reference Page	Fixed Spread (Basis Points)
U.S.\$300,000,000 6.125% notes (the "Notes")	<u>Regulation S Notes</u> ISIN XS1778929478/ Common Code: 177892947  <u>Rule 144A Notes</u> ISIN US373143AA49/ Common Code 178546554/ CUSIP 373143AA4	U.S.\$300,000,000 (of which U.S.\$83,800,000 is owned by the Issuer and its affiliates)	U.S.\$200,000 and integral multiples of U.S.\$1,000 thereafter	0.250% U.S. Treasury Notes due 15 March 2024	PX3	50 basis points

- (1) The Purchase Price payable will be the price payable in respect of each U.S.\$1,000 in principal amount of the Notes validly tendered and accepted for purchase by the Issuer, so as to result in a price that results in a yield to maturity (the "**Repurchase Yield**") as of the Payment Date equal to the sum of (i) the Fixed Spread (as specified in the table above); and (ii) the Benchmark Reference Security Yield (as defined herein), provided that, if such calculation would result in a Purchase Price of less than 100%, the Purchase Price shall be 100%. In addition to the Purchase Price, holders whose Notes are accepted for purchase by the Issuer will receive the Accrued Interest Amount (as defined herein).

<sup>1</sup> In October 2022, the Issuer repurchased and cancelled U.S.\$65 million Notes, decreasing the outstanding principal amount from U.S.\$365 million to U.S.\$300 million.

### ***Purchase Price***

The Purchase Price for the Notes will be calculated as follows: the Dealer Manager will calculate the price expressed as a percentage and rounded to the third decimal place (with 0.0005 being rounded upwards) payable in respect of each U.S.\$1,000 in principal amount of the Notes validly tendered and accepted for purchase by the Issuer pursuant to the Tender Offer, so as to result in a price that results in a yield to maturity (the "**Repurchase Yield**") as of the Payment Date equal to the sum of:

- (i) the Fixed Spread; and
- (ii) the yield to maturity (the "**Benchmark Reference Security Yield**") based on the bid-side price of the Benchmark Reference U.S. Treasury Security as reported on the Bloomberg Reference Page at or around the Pricing Time, unless extended,

*provided that*, if such calculation would result in a Purchase Price of less than 100%, the Purchase Price shall be 100%.

Specifically, and subject to the foregoing, the Purchase Price per U.S.\$1,000 principal amount of Notes accepted for purchase will equal:

- (i) the present value per U.S.\$1,000 principal amount of all remaining payments of principal and interest on the Notes to be made to (and including) the maturity date of the Notes, discounted to the Payment Date, at a discount rate equal to the Repurchase Yield; minus
- (ii) the Accrued Interest Amount on the Notes per U.S.\$1,000 principal amount of Notes.

As the Purchase Price for the Notes is based on a fixed spread pricing formula linked to the Benchmark Reference Security Yield, the actual amount of consideration that may be received by a holder validly tendering Notes pursuant to the Tender Offer will be affected by changes in the Benchmark Reference Security Yield during the term of the Tender Offer prior to the Pricing Time. The determination of the Purchase Price by the Dealer Manager will, in the absence of manifest error, be final and binding on all parties.

In addition to the Purchase Price, the Issuer will pay, as part of the consideration for the Notes accepted for purchase in the Tender Offer, a sum equivalent to accrued and unpaid interest, if any (the "**Accrued Interest Amount**"), from (and including) the immediately preceding interest payment date for the Notes to (but excluding) the Payment Date.

### ***Rationale for the Tender Offer***

At the latest investor day held on 9 May 2022, the Issuer announced its intention to deleverage its balance sheet and extend the debt maturity. As such, the Issuer is launching the Tender Offer in order to meet its deleveraging target. The Issuer intends to issue the New Notes (as defined below), subject to market conditions, in order to extend its debt maturity profile.

Any Notes tendered and accepted for purchase by the Issuer will be transferred to and held by the Issuer in accordance with the terms and conditions of the Notes and, if decided by the Issuer in its sole discretion may be cancelled in full or in part immediately after or at any time following completion of the Tender Offer. The Issuer will use its available cash on hand to consummate the Tender Offer.

### ***Notes***

To participate in the Tender Offer, a Noteholder must either hold such Notes through a Direct Participant (as defined below) in Euroclear Bank SA/NV ("**Euroclear**"), Clearstream Banking, S.A. ("**Clearstream**") or The Depository Trust Company ("**DTC**", and together with Euroclear and Clearstream, the "**Clearing Systems**" and each a "**Clearing System**") or arrange for the transfer of its Notes so that they are held through such Direct Participant in Euroclear, Clearstream or DTC. See "*Procedures for Tendering Notes*" in the Tender Offer Memorandum for further information.

## *New Notes*

The Issuer intends to issue the New Notes, subject to market conditions, on the basis of a prospectus approved by the NBG. The Issuer will, in connection with the allocation of the New Notes, consider among other factors whether or not the relevant investor seeking an allocation of the New Notes has, prior to such allocation, validly tendered or indicated a firm intention to the Issuer or the Dealer Manager to tender Notes pursuant to the Tender Offer, and, if so, the aggregate nominal amount of Notes tendered or intended to be tendered by such investor. When considering allocations of the New Notes, the Issuer intends to give preference to those investors who, prior to such allocation, have tendered, or indicated their firm intention to tender, Notes. However, the Issuer is not obliged to allocate the New Notes to an investor which has validly tendered or indicated a firm intention to the Issuer or the Dealer Manager to tender Notes pursuant to the Tender Offer. If any New Notes are allocated to an investor which has validly tendered or indicated a firm intention to tender its Notes to the Issuer or the Dealer Manager, the principal amount of New Notes so allocated may be less or more than the principal amount of Notes tendered by such holder and accepted by the Issuer pursuant to the Tender Offer. Any allocation of the New Notes, while being considered by the Issuer as set out above, will be made in accordance with customary new issue allocation processes and procedures. In the event that a Noteholder validly tenders Notes pursuant to the Tender Offer, such Notes will remain subject to such tender and the conditions of the Tender Offer as set out in the Tender Offer Memorandum irrespective of whether that Noteholder receives all, part or none of any allocation of New Notes for which it has applied.

**The pricing of the New Notes is expected to take place prior to the Expiration Deadline and, as such, investors are advised to contact the Issuer as soon as possible in order for their participation in the Tender Offer to be considered as part of the New Notes allocation process.**

**Any investment decision to purchase any New Notes should be made solely on the basis of the information contained in the offering documentation related thereto, and no reliance is to be placed on any representations other than those contained in such documentation. The Dealer Manager is not acting as a joint bookrunner in relation to the New Notes.**

**No action has been or will be taken in any jurisdiction, other than in Georgia, in relation to the New Notes to permit a public offering of securities.**

### **Future Actions in Respect of the Notes**

The Issuer reserves the right at any time or from time to time following completion of the Tender Offer to purchase or exchange or offer to purchase or exchange Notes or to issue an invitation to submit offers to sell Notes, in each case on terms that may be more or less favourable than those contemplated by the Tender Offer. The making of any such new offers and the issuance of any new invitation will depend on various factors, including interest rates prevailing at such time and the aggregate nominal amount of Notes purchased pursuant to the Tender Offer.

Subsequent to the Payment Date, the Issuer intends to exercise its right to redeem any Notes not acquired in the Tender Offer pursuant to the optional redemption and make whole contained. See "*Terms and Conditions of the Notes—Condition 6(c) (Optional Redemption at Make Whole)*" in the Listing Particulars.

### ***Expected Timetable of Events***

The times and dates below are indicative only.

<b>Date</b>	<b>Calendar Date and Time</b>	<b>Event</b>
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<b>Commencement Date</b>	12 July 2023	Commencement of the Tender Offer upon the terms set forth in the Tender Offer Memorandum.
		The Tender Offer Memorandum is available from the offer website run by the Tender and Information Agent: <a href="https://deals.is.kroll.com/gcap">https://deals.is.kroll.com/gcap</a> (the " <b>Offer Website</b> ").
<b>Withdrawal Time</b>	5:00 p.m. New York time on 8 August 2023	The last time that Noteholders may validly withdraw any Notes previously tendered.
<b>Expiration Deadline</b>	11:59 pm (New York time) on 8 August 2023, unless extended or earlier terminated by the Issuer. In the case of an extension, the Expiration Deadline will be such other date and time as so extended	The last time for Noteholders to tender Notes pursuant to the Tender Offer (subject to such tender being validly received by the Tender and Information Agent before such time). If a broker, dealer, bank, custodian, trust company or other nominee or other intermediary holds Notes of any Noteholder, such intermediary may have earlier deadlines for accepting the Tender Offer at or prior to the Expiration Deadline. Each Noteholder should promptly contact the broker, dealer, bank, custodian, trust company or other nominee that holds its Notes to determine its deadline or deadlines.
<b>Pricing Time</b>	At or around 9:00 am (London time) on 9 August 2023	Determination of the Benchmark Reference Security Yield, the Repurchase Yield and the Purchase Price.
<b>Results Announcement Date</b>	9 August 2023 as soon as reasonably practicable following the Pricing Time	The Issuer will announce the results of the Tender Offer (including the Purchase Price, the Benchmark Reference Security Yield and the Repurchase Yield), the aggregate principal amount of Notes that will remain outstanding following completion of the Tender Offer and will confirm in its sole and absolute discretion whether the New Financing Condition has been satisfied (or waived).
<b>Payment Date</b>	A date promptly following the Expiration Deadline and is expected to be on or about 10 August 2023	The day that Noteholders will be paid the Purchase Price and the Accrued Interest Amount, in the case of Notes (i) validly tendered at or prior to the Expiration Deadline (subject to such tender being validly received by the Tender and Information Agent before the Expiration Deadline) and (ii) accepted for purchase by the Issuer.

The above times and dates are subject to the right of the Issuer to extend, re-open, amend, waive in whole or in part any condition to, and/or terminate, the Tender Offer (subject to applicable law and as provided in the Tender Offer Memorandum).

**Noteholders are advised to check with any broker, dealer, bank, custodian, trust company or other nominee or other intermediary through which they hold Notes to confirm whether such intermediary requires that it receives instructions for such Noteholder to participate in the Tender Offer before the deadlines specified above. The deadlines set by each Clearing System for the submission of Notes subject to the Tender Offer may be earlier than the relevant deadlines above.**

**Further Information**

A complete description of the terms and conditions of the Tender Offer is set out in the Tender Offer Memorandum. Further details about the Tender Offer can be obtained from:

## **The Dealer Manager**

*Requests for information in relation to the Tender Offer should be directed to:*

### **J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Email: [em\\_europe\\_lm@jpmorgan.com](mailto:em_europe_lm@jpmorgan.com)  
Attention: Liability Management  
Tel: +44 20 7134 2468

## **The Tender and Information Agent**

*Requests for information in relation to the procedures for tendering Notes and participating in the Tender Offer and the submission of Tender Instructions or submission should be directed to the Tender and Information Agent:*

**Subject to the offer and distribution restrictions, the Tender Offer Memorandum, and any further announcements and amendments related to the Tender Offer, may be obtained from the Tender and Information Agent:**

### **Kroll Issuer Services Limited**

The Shard  
32 London Bridge Street  
London SE1 9SG  
United Kingdom

Attention: Jacek Kusion  
Tel: +44 20 7704 0880  
Email: [gcap@is.kroll.com](mailto:gcap@is.kroll.com)  
Website: <https://deals.is.kroll.com/gcap>

## **DISCLAIMER**

This announcement must be read in conjunction with the Tender Offer Memorandum. No offer or invitation to acquire or exchange any notes is being made pursuant to this announcement. This announcement and the Tender Offer Memorandum contain important information, which must be read carefully before any decision is made with respect to the Tender Offer. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own legal, tax and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Tender Offer. None of the Issuer, the Dealer Manager, the Tender and Information Agent, or any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether Noteholders should participate in the Tender Offer.

## Georgia

This announcement and any other documents or materials relating to the Tender Offer have not been approved by the National Bank of Georgia (the "**NBG**"). Nothing in this announcement or any other documents or materials relating to the Tender Offer constitutes a "public offer" or "advertisement" of securities in Georgia, and neither such materials nor the Tender Offer shall be construed as an offer, or an invitation to make offers, to purchase, sell, exchange or transfer securities in a public offer in Georgia. Any investment decision to purchase any New Notes should be made solely on the basis of the information contained in the prospectus approved by the NBG, and no reliance is to be placed on any representations other than those contained in such prospectus.

This announcement or any other documents or materials relating to the Tender Offer must not be made publicly available in Georgia. The securities referred to herein are not intended for "placement", "public circulation", "offering" or "advertising" (each as defined under Georgian law) in Georgia except as permitted by Georgian law.

## European Economic Area

In any Member State of the European Economic Area (the "**EEA**") (each, a "**Relevant State**"), this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Tender Offer are only addressed to, and are only directed at, qualified investors in that Relevant State within the meaning of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**Prospectus Regulation**"). Each person in a Relevant State who receives any communication in respect of the Tender Offer contemplated in the Tender Offer Memorandum will be deemed to have represented, warranted and agreed to and with the Dealer Manager and the Issuer that it is a qualified investor within the meaning of the Prospectus Regulation.

## France

Neither this announcement, the Tender Offer Memorandum nor any other documents or materials relating to the Tender Offer have been submitted to or will be submitted for approval or recognition to the French financial markets authority (*Autorité des marchés financiers*). The Tender Offer is not being made, directly or indirectly, in the Republic of France ("**France**"). Accordingly, neither this announcement, the Tender Offer Memorandum nor any other document or material relating to the Tender Offer has been or shall be made available, directly or indirectly, in France other than to qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in article 2 point (e) of the Prospectus Regulation.

## Italy

None of the Tender Offer, this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Tender Offer have been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian laws and regulations.

The Tender Offer is being carried out in the Republic of Italy ("**Italy**") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 4, of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "**Issuer's Regulation**").

Accordingly, the Tender Offer may not be advertised and the Tender Offer will not be addressed, and none of this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Tender Offer (including any memorandum, information circular, brochure or any similar documents) have been or shall be distributed or made available, directly or indirectly, to any person in

Italy other than to "qualified investors" (*investitori qualificati*), as defined pursuant to Article 100 of the Financial Services Act and Article 34-ter, paragraph 1, letter b) of the Issuer's Regulation.

Noteholders or beneficial owners of the Notes may tender their Notes in the Tender Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Tender Offer.

### **United Kingdom**

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Tender Offer are not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may be communicated to (1) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**"); (2) persons who fall within Article 43(2) of the FPO; (3) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the FPO; or (4) any other persons to whom these documents and/or materials may lawfully be communicated. Any investment or investment activity to which this announcement or the Tender Offer Memorandum relate is available only to such persons or will be engaged only with such persons and other persons should not rely on it.

### **General**

This announcement, the Tender Offer Memorandum and any other document or materials relating to the Tender Offer do not constitute an offer to buy or the solicitation of an offer to sell Notes in any circumstances in which such offer or solicitation is unlawful. If a jurisdiction requires the Tender Offer to be made by a licensed broker or dealer, and any of the Dealer Manager or any of its respective affiliates is such a licensed broker or dealer in such jurisdictions, the Tender Offer shall be deemed to be made by the Dealer Manager or such affiliate (as the case may be) on behalf of the Issuer in such jurisdiction.

In addition to the representations referred to above in respect of the EEA, France, Italy, the United Kingdom and Georgia, each Noteholder participating in the Tender Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Tendering Notes*" in the Tender Offer Memorandum. Any tender of Notes for purchase pursuant to the Tender Offer from a Noteholder that is unable to make these representations will be rejected. Each of the Issuer, the Dealer Manager and the Tender and Information Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Tender Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such tender of Notes shall not be accepted.

This announcement is released by JSC Georgia Capital and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation, encompassing information relating to the Tender Offer described above. For the purposes of the Market



Abuse Regulation, this announcement is made by Giorgi Alpaidze, the Chief Financial Officer of JSC Georgia Capital.