

*JSC Georgia Capital prices a US\$ 150 million bond offering*

Georgia Capital PLC (the “**Company**” or “**GCAP**”) announces that JSC Georgia Capital (“**JSC GCAP**”), the Georgian holding company of GCAP’s businesses, has successfully priced a US\$ 150 million sustainability-linked bond offering (the “**Notes**”) on the Georgian market. The Notes are US\$-denominated with 5-year bullet maturity (callable after two years), carry an 8.50% fixed coupon and were issued at par. The Notes are rated BB- by S&P, a one-notch upgrade compared to the existing Eurobond. Settlement of the transaction is expected on 3 August 2023, followed by admission to the Georgian Stock Exchange and Clearstream shortly thereafter. Galt and Taggart and TBC Capital acted as placement agents for the issuance of the Notes.

The Notes attracted an unprecedented level of interest in Georgia, with total demand reaching US\$ 200 million and spreading across a diverse range of 275+ retail, corporate and institutional investors. Existing Eurobond investors also participated in the Notes, with holders of US\$ 23 million of the existing Eurobond transitioning their holdings into the new Notes. Accordingly, the amount of Eurobonds repurchased and held in GCAP’s treasury increased to US\$ 107 million. The issuance of the Notes was supported by Georgia Capital’s longstanding partner international financial institutions (“**IFIs**”) – European Bank for Reconstruction and Development (“**EBRD**”), Asian Infrastructure Investment Bank (“**AIIB**”), Asian Development Bank (“**ADB**”) and International Finance Corporation<sup>1</sup> (“**IFC**”), who are set to acquire US\$ 67 million of the total issue, while the remaining US\$ 83 million will be acquired by local investors.

The proceeds from the Notes, together with the existing liquid funds of GCAP, will be used to fully redeem the existing US\$ 300 million Eurobond. The Tender Offer for Eurobonds, which commenced on 12 July 2023, remains ongoing, and the announcement of the Tender Offer results is anticipated on 9 August 2023. Following the issuance of the Notes and completion of the Tender Offer, GCAP intends to exercise its right to redeem any Eurobond not acquired in the Tender Offer according to the optional redemption at make whole. As a result, GCAP’s gross debt balance will decrease from the current US\$ 300 million to US\$ 150 million.

**Irakli Gilauri**, Georgia Capital Chairman and CEO commented: “I am delighted with this landmark transaction in the Georgian Capital market. We have successfully priced the largest ever corporate bond offering in Georgia. Despite the challenging global credit markets, this transaction received very strong support from local investors and was concluded on attractive terms for Georgia Capital. I would like to thank EBRD, AIIB, ADB and IFC, our longstanding partners, for supporting the transaction. Furthermore, I am pleased to see that we have discovered a new type of investor universe and source of funding for Georgia Capital and its portfolio companies, who have shown strong confidence in GCAP by subscribing to a record amount of the Notes in the history of Georgia. The strong demand for our Notes demonstrates that capital markets in Georgia are developing fast and, with the continued successful support from local investment banks – Galt & Taggart and TBC Capital, can become significant alternative sources of capital for our group. The Notes represent another milestone achievement for GCAP and demonstrate yet again our superior access to capital, whether on the international or Georgian capital markets.”

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<sup>1</sup> Subject to IFC internal approvals.

Name of authorised official of issuer responsible for making notification: Shalva Bukia, Head of Investor Relations and Funding

**About Georgia Capital PLC**

**Georgia Capital** (LEI: 213800Q65T5GNBOW7H65) 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 300 million 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 retail (pharmacy) business, (ii) a hospitals business, (iii) an insurance business (P&C and medical insurance); (iv) a clinics and diagnostics business, (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; a 20.0% equity stake in the water utility business and a 19.9% equity stake (at 5-May-23) 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	B1/CFR & B1/PDR

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

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**The Asian Infrastructure Investment Bank Project-affected People's Mechanism**

The Asian Infrastructure Investment Bank (AIIB) is one of the subscribers of Georgia Capital's Notes, therefore the Policy on the Project-affected People's Mechanism (PPM) of AIIB is applicable. If projects involved in the Notes have negative environmental and social impacts on your community and cannot be addressed satisfactorily through Georgia Capital's grievance redress mechanism or AIIB's Management's processes, you are welcome to submit your concerns to the PPM. Information about the PPM is available at [How We Assist You - Project-Affected People's Mechanism \(aiib.org\)](http://How We Assist You - Project-Affected People's Mechanism (aiib.org)).

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