

Georgia Capital PLC to make available at least GEL 300 million for share buyback and cancellation programmes through the end of 2026 from expected cash inflows

Georgia Capital PLC (the "Company", "Georgia Capital" or "GCAP") announces today its board of directors' (the "Board") intention to make available at least GEL 300 million (c.US\$ 110 million) for share buyback and cancellation programmes through the end of 2026. These programmes will be funded from expected cash inflows.

Georgia Capital has delivered a strong recent financial and operational performance:

- The Company's gross debt balance has been reduced from US\$ 365 million to US\$ 150 million over the last two years, significantly improving its leverage profile.
- Significant progress has been achieved in GCAP's free cash flow generation capabilities. GCAP's free cash flow improved from negative US\$ 10 million in 2020 to positive US\$ 48 million¹ in 2023. This reflects robust organic dividend inflows, well-managed operating expenses and reduced interest expense in line with the significant reduction in borrowings.
- Strong balance sheet management has translated into a material improvement in the Net Capital Commitment ("NCC") ratio, which has recently decreased below the through-the-cycle target level of 15%, ahead of the originally planned timeline of end 2025.

The Board is confident in the Company's expected future cash inflows through the end of 2026 and expects that free cash flow will be in excess of US\$ 200 million during this period. In line with the Company's 360-degree capital management framework, the strong level of free cash flow generation enables GCAP to seize the attractive opportunity presented by the current c.60% discount to the last reported NAV per share² and create significant value for our shareholders through share buybacks.

Since our demerger from BGEO Group in 2018, GCAP has repurchased and cancelled 7.9 million shares (US\$ 87 million in value), representing c.16.5% of the issued share capital at its peak. These buybacks have not only provided significant accretion to the NAV per share and enhanced share liquidity, but have also underscored the Board's confidence in the underlying valuation of GCAP's portfolio. Share buybacks, to be executed under the announced package, represent c.20% of GCAP's current market capitalisation. This marks a substantial increase in our investment in GCAP shares compared to buybacks carried out in the past six years following the demerger.

Simultaneous with this announcement, we are today launching a US\$ 25 million (GEL 70 million) share buyback and cancellation programme as part of the above-mentioned at least GEL 300 million package. The Company will make further announcements in due course, taking into account prevailing market conditions, regarding the commencement of further buyback and cancellation programmes.

¹ Excludes one-off dividends.

² Reflects recent movements in BoG's share price and foreign exchange rates.

Name of authorised official of issuer responsible for making notification: Giorgi Alpaidze, Chief Financial Officer

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 Company'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 renewable energy business (hydro and wind assets), (v) an education business and (vi) a clinics and diagnostics 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 19.7% equity stake (at 31-Mar-24) 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 rating:

S&P Global 'BB-/FC & 'BB-/LC

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