



GEORGIA
CAPITAL

PROPOSED DISPOSAL OF WATER UTILITY BUSINESS

31 DECEMBER 2021



SALE OF AN 80% EQUITY INTEREST IN THE WATER UTILITY BUSINESS TO FCC AQUALIA FOR US\$ 180 MILLION



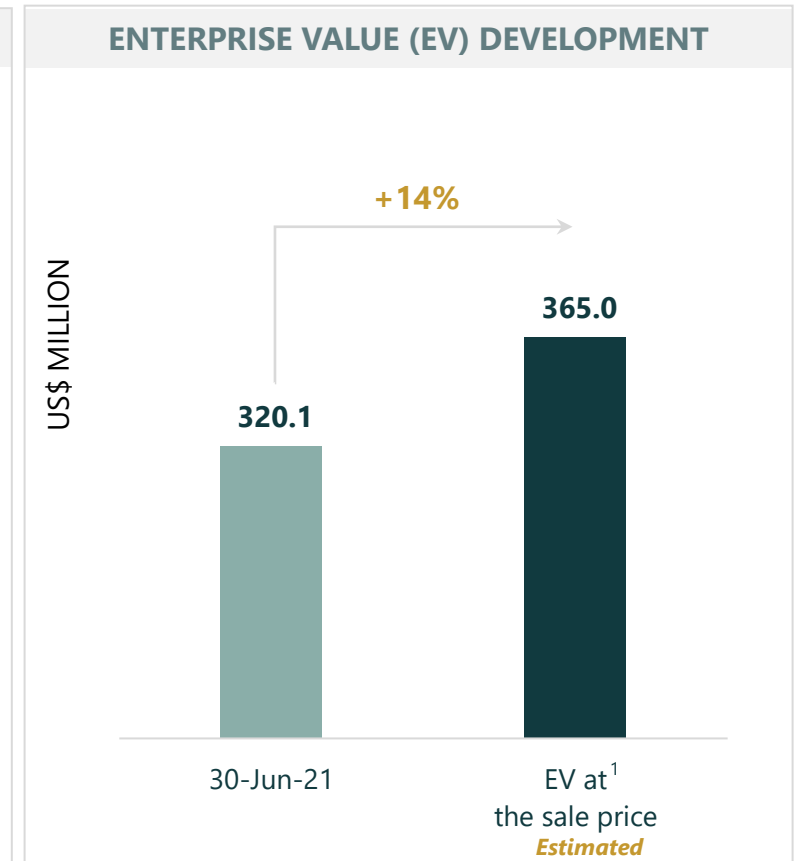
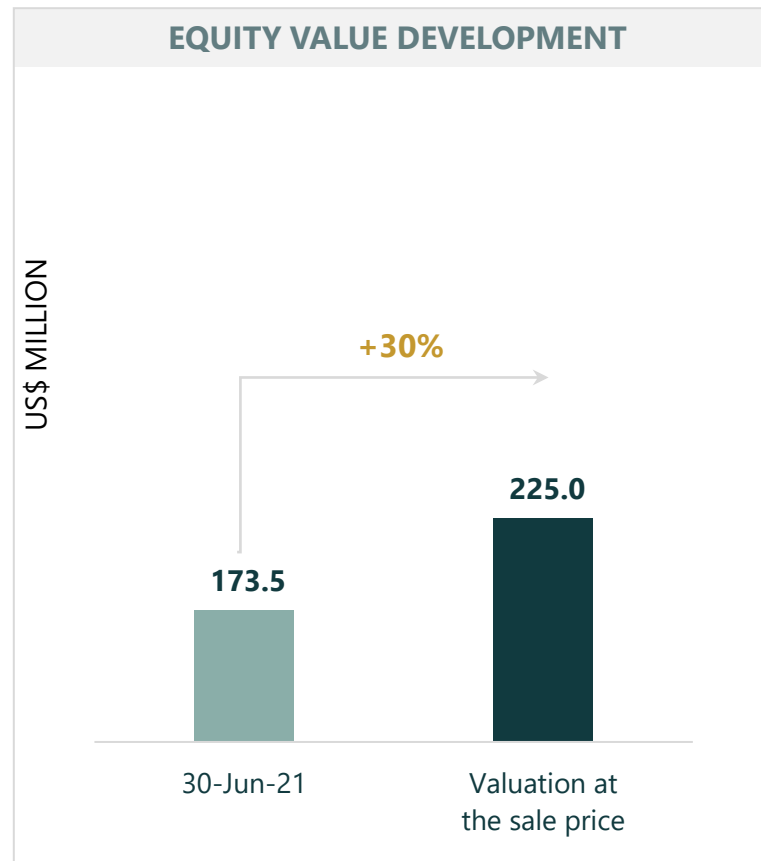
DELIVERING ON OUR KEY STRATEGIC PRIORITY TO DISPOSE OF ONE OF OUR LARGE PORTFOLIO COMPANIES

USE OF PROCEEDS

PROCEEDS FROM THE SALE, SUBJECT TO GCAP BOARD REVIEW IN THE FIRST QUARTER OF 2022, WILL BE DEPLOYED IN A COMBINATION OF:

- *Share buybacks,*
- *Deleveraging,*
- *Consideration for further potential business investments,*
- *Lending to our portfolio companies, including USD 95 million towards the refinancing of the outstanding GGU green bond.*

THE TRANSACTION VALUES THE ENTIRE WATER UTILITY BUSINESS AT US\$ 225 MILLION, A 30% PREMIUM TO ITS LATEST INDEPENDENT INVESTMENT VALUE, AT 30 JUNE 2021





TRANSACTION RATIONALE



THE DISPOSAL WILL MARK COMPLETION OF THE FULL INVESTMENT CYCLE FOR GCAP: TO INVEST, TO GROW, AND TO MONETISE AN INVESTMENT VIA A CASH EXIT

THE DISPOSAL WILL:

- ✓ Realise material cash proceeds
- ✓ Create significant value for GCAP shareholders, translating into a 30% premium to the Water Utility Business investment value as at 30-Jun-21
- ✓ Lead to a positive impact on the GCAP's leverage profile, reducing the market value leverage (MVL) from 25.4% as at 30-Sep-21 to c. 19.6%
- ✓ Bring an important international investment and significant industry expertise into Georgia, that will strengthen the water utility business to the benefit of its customers, employees and other stakeholders
- ✓ Form a strategic partnership between GCAP and Aqualia that will support the water utility business at least until such time as either the put option or call option is exercised



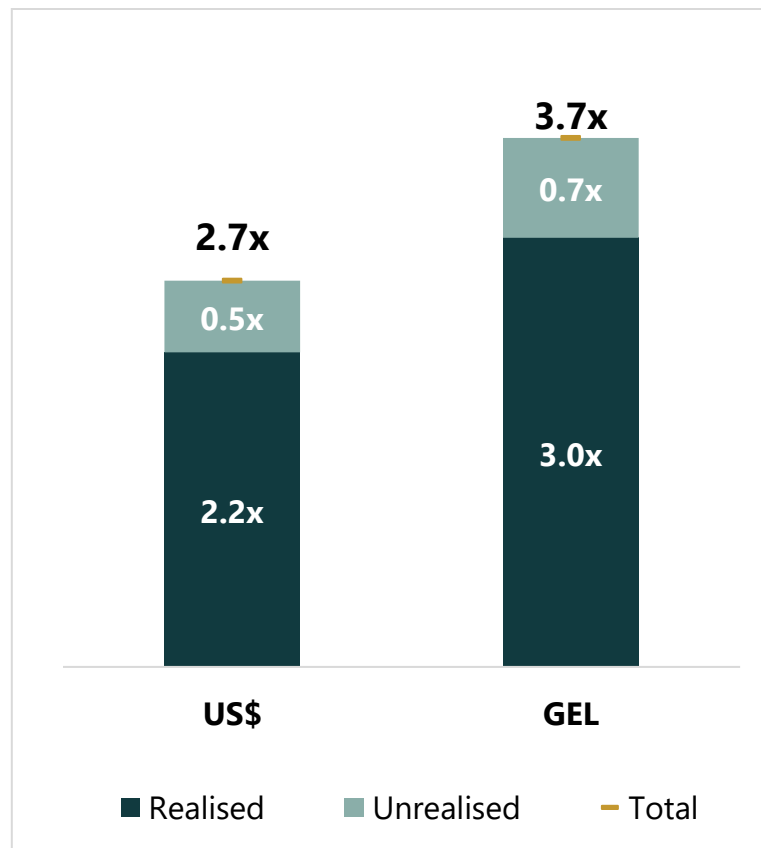
KEY INVESTMENT RETURNS OVERVIEW



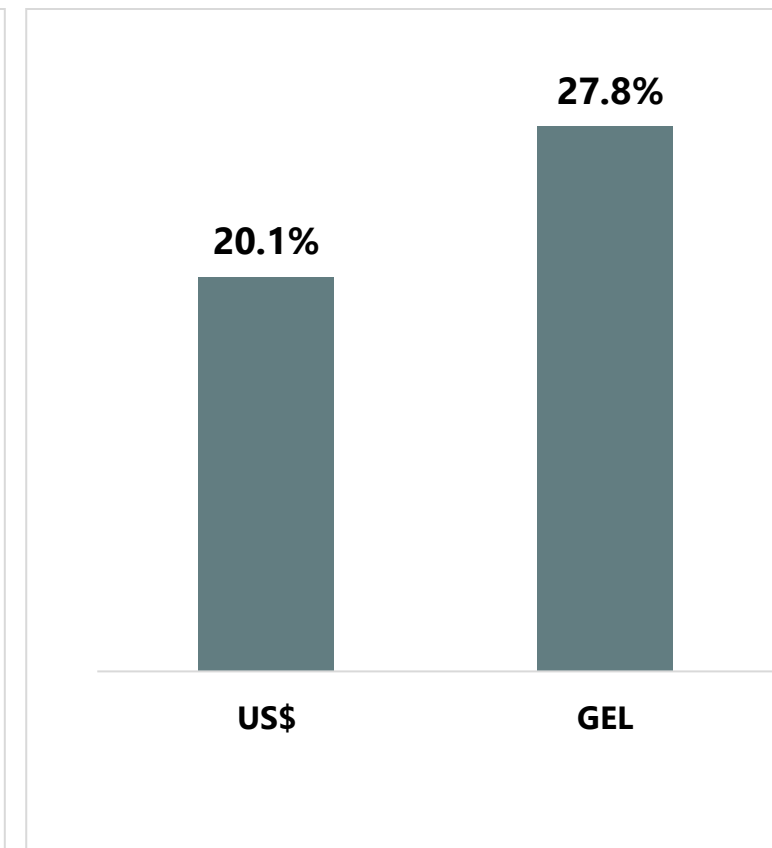
REALISING THE VALUE OF THE WATER UTILITY BUSINESS AT AN ATTRACTIVE VALUATION

- *Unrealised MOIC (0.5x in US\$ and 0.7x in GEL) corresponds to the value of put option on a 20% equity interest in the water utility business.*
- *Realised MOIC (2.2x in US\$ and 3.0x in GEL) also includes GEL 97.1 million dividends collected from the water utility business since acquisition.*

MOIC



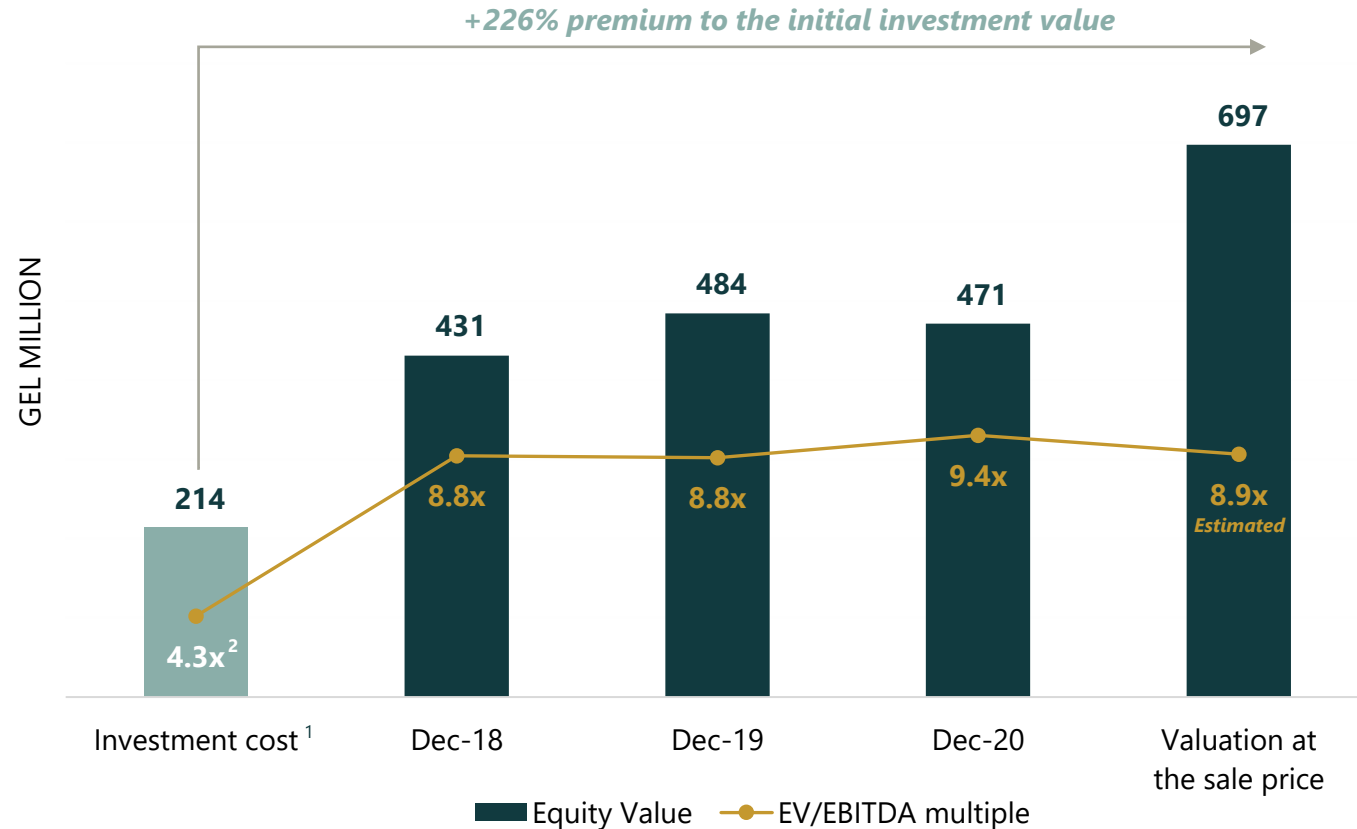
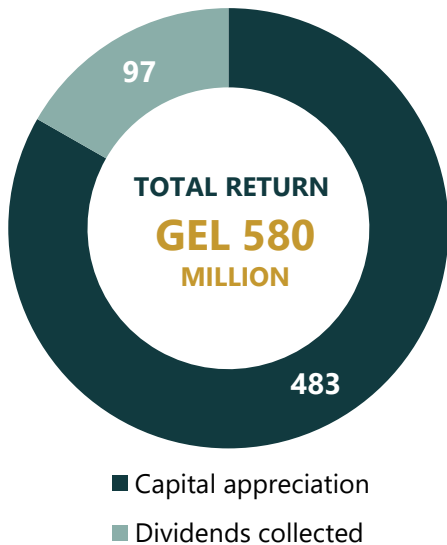
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VALUATION DEVELOPMENT OVERVIEW OF THE WATER UTILITY BUSINESS

ROBUST EQUITY VALUE DEVELOPMENT IN ADDITION TO THE STRONG ANNUAL DIVIDEND INFLOWS FROM THE BUSINESS

➤ **GEL 97.1 million dividends** collected from the water utility business since acquisition

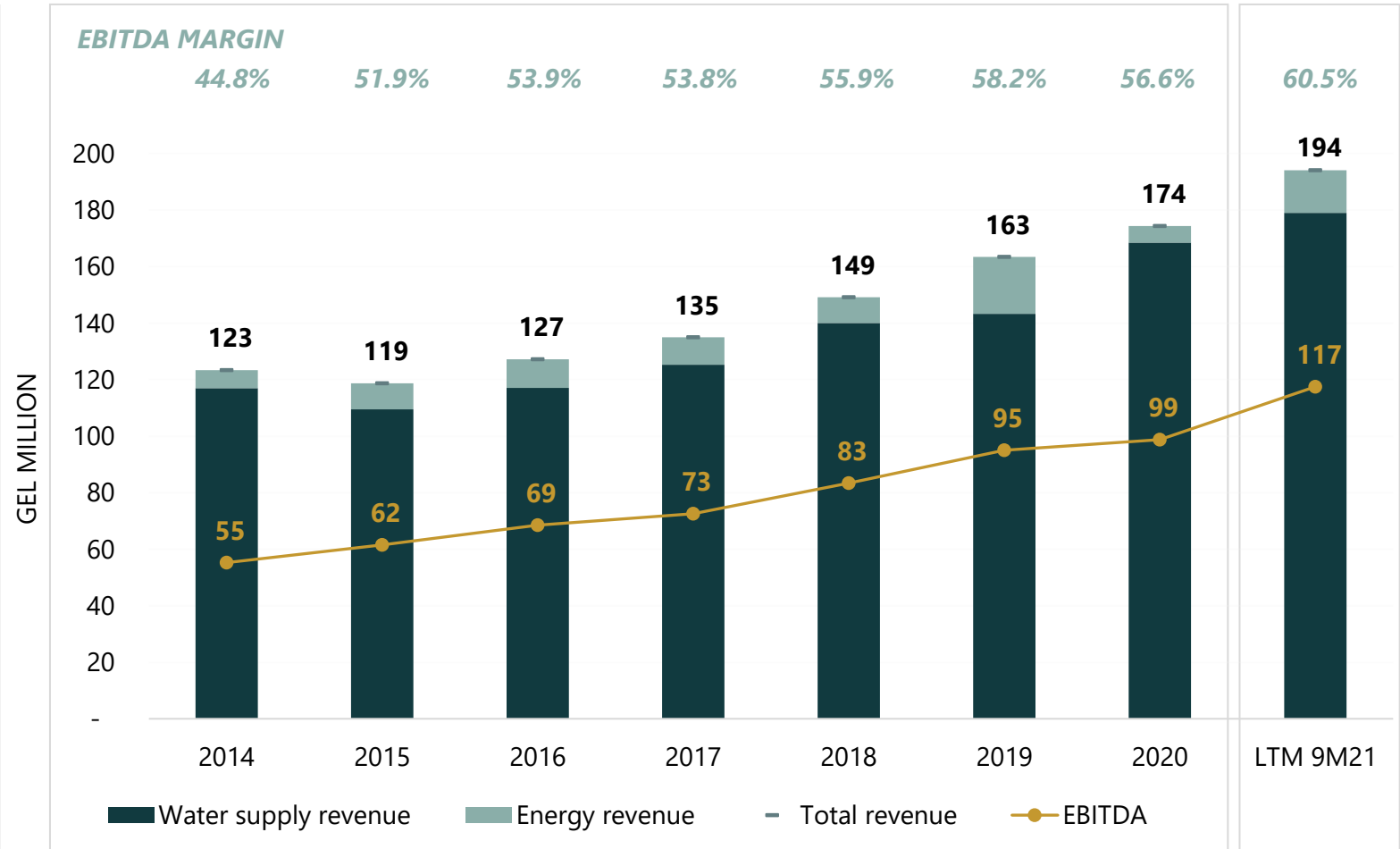


Georgia Capital PLC | 1) A 25% equity interest in the water utility business was acquired in 2014, and the remaining 75% - in 2016. 2) Represents the multiple at an acquisition of a 75% interest in the water utility business in 2016.

OPERATING PERFORMANCE DEVELOPMENT OVERVIEW IN THE WATER UTILITY BUSINESS

STRONG TOTAL REVENUE AND EBITDA GROWTH WITH A 6.7% AND 11.4% CAGR, RESPECTIVELY, SINCE THE INITIAL ACQUISITION OF THE WATER UTILITY BUSINESS

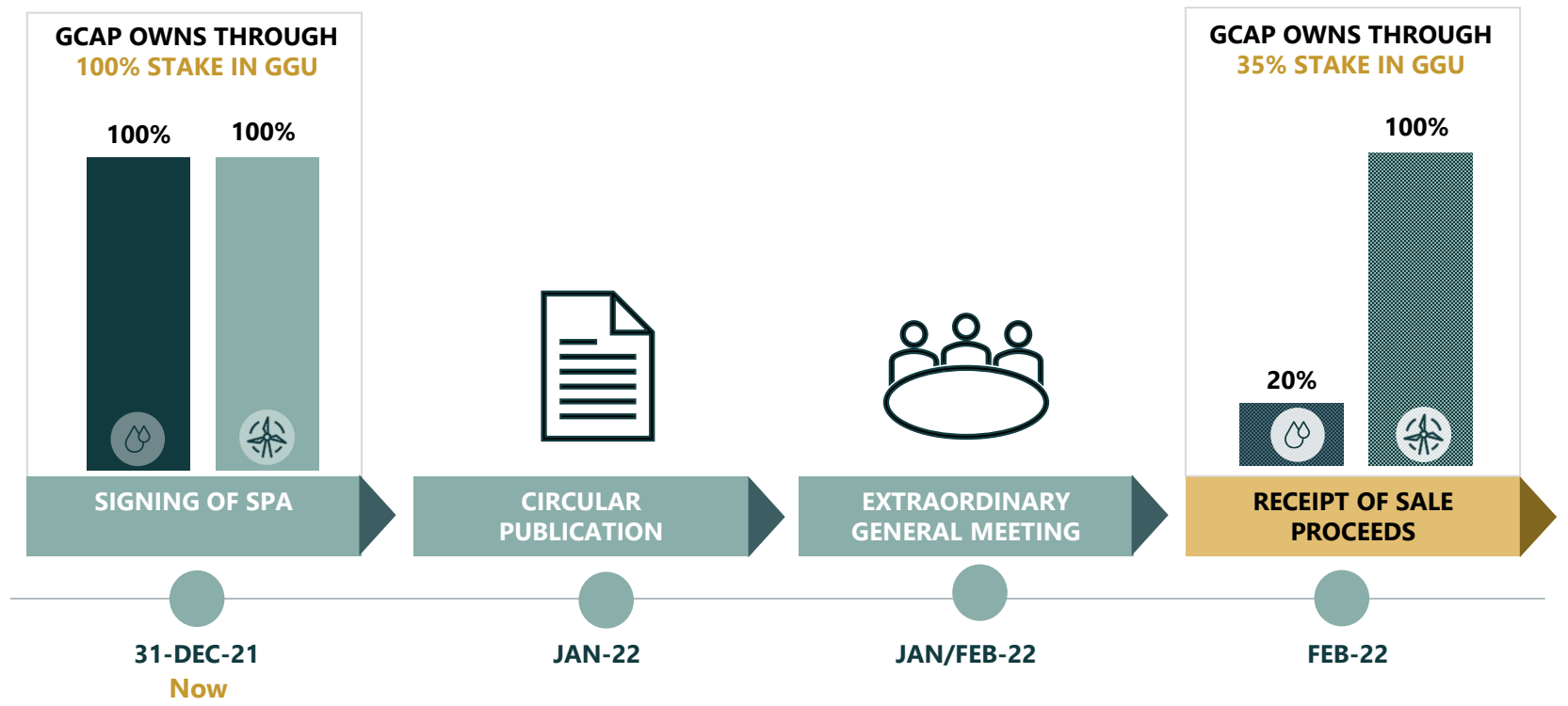
- Energy revenue increased 2.4x in LTM 9M21 compared to 2014, and grew at a 13.0% CAGR over 2014- LTM 9M21
- Water supply revenue up 1.5x in LTM 9M21 compared to 2014, and grew at a 6.3% CAGR over 2014- LTM 9M21



TRANSACTION STRUCTURE

THE DISPOSAL CREATES SUBSTANTIAL VALUE FOR GCAP SHAREHOLDERS AND PROVIDES SIGNIFICANT CASH PROCEEDS

STEP 1: SALE OF A 65% EQUITY INTEREST IN GGU, CORRESPONDING TO THE SALE OF AN 80% ECONOMIC INTEREST IN THE WATER UTILITY BUSINESS

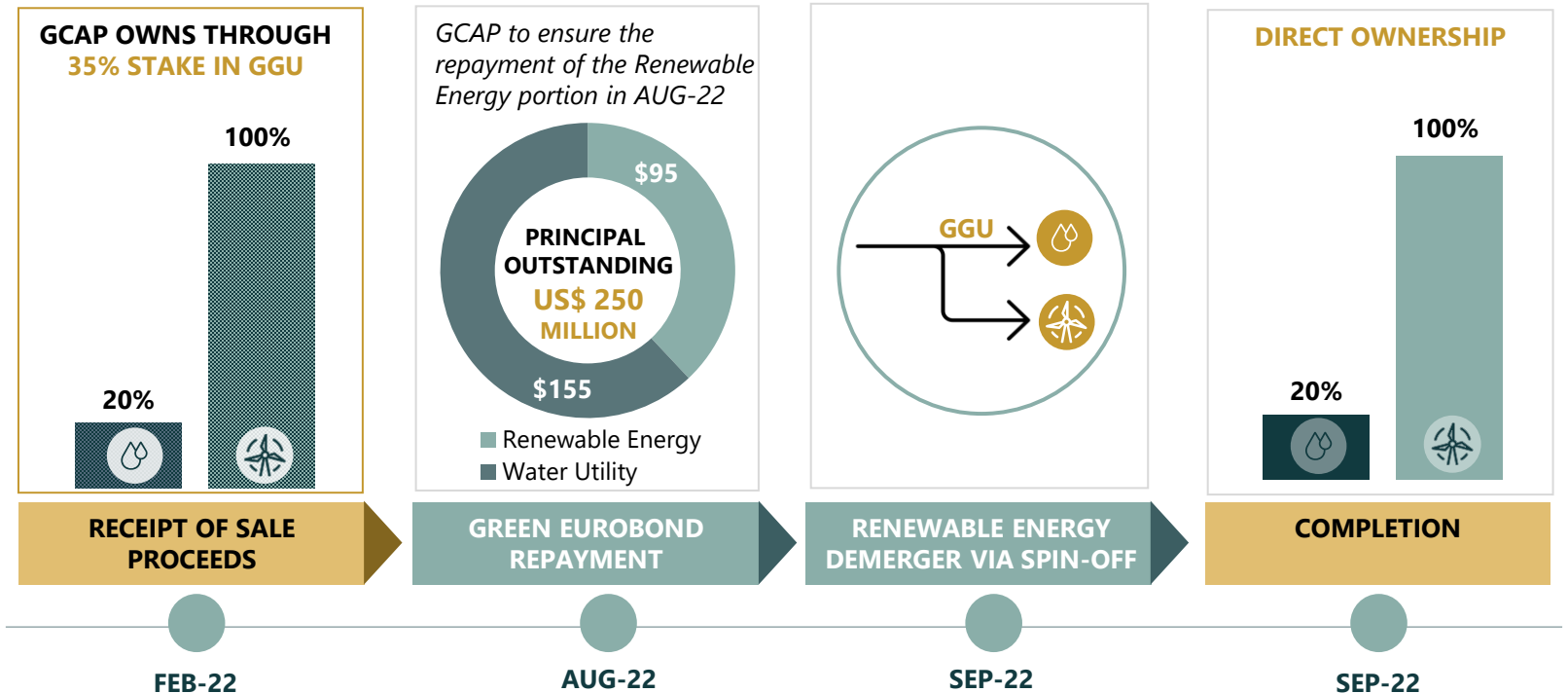


TRANSACTION STRUCTURE (CONT'D)

GCAP AND AQUALIA WILL HAVE PUT AND CALL OPTIONS, RESPECTIVELY, FOR THE MINORITY 20% EQUITY INTEREST IN THE WATER UTILITY BUSINESS

- **Put Option** - the put option of GCAP will be exercisable in 2025-2026. The exercise price of the put option is set at 8.25x EV/EBITDA multiple, based on the normalized EBITDA and net debt of the business.
- **Call Option** - the call option of Aqualia will be exercisable on the date of expiry of the put option in 2026 and expiring six months thereafter. The exercise price of the call option is set at 8.90x EV/EBITDA multiple, based on the normalized EBITDA and net debt of the business

STEP 2: GGU'S US\$ 250 MILLION GREEN EUROBOND REPAYMENT AND SPIN-OFF

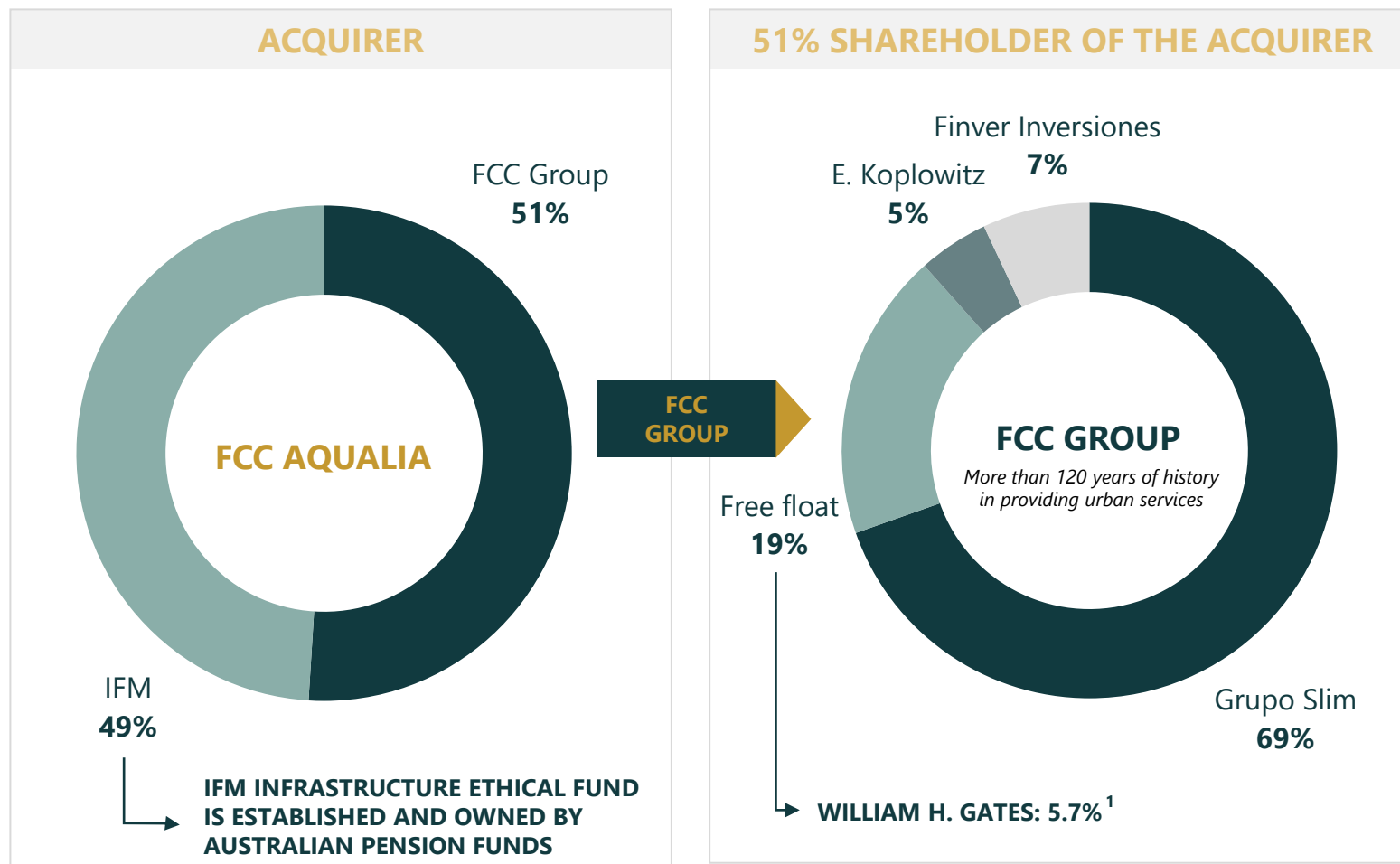


ABOUT FCC AQUALIA

AQUALIA IS THE SPANISH LEADER IN WATER MANAGEMENT, BEING THE FOURTH EUROPEAN WATER OPERATOR AND THE 9TH IN THE WORLD, BASED ON THE POPULATION SERVED

- *Aqualia's main activity is the management of water utility services, providing these services in more than 1,100 municipalities in Spain, France, Portugal, Italy, the Czech Republic, Colombia, México and Saudi Arabia among others.*
- *Aqualia is a world leader in the design, construction and operation of water infrastructures.*
- *In the financial year 2020, Aqualia had a revenue of EUR 1,188 million with a business portfolio of more than EUR 15,000 million.*
- *FCC Aqualia has "BBB-" credit rating from Fitch Ratings.*

FCC AQUALIA SHAREHOLDING STRUCTURE



WRAP UP

KEY MESSAGES

✓	Delivering on our key strategic priority to monetise out one of our large portfolio investments via a cash exit
✓	Creating significant value for GCAP shareholders, as the disposal translates into a 30% premium to the latest independent investment value
✓	Realising the value of the water utility business at 2.7x MOIC (US\$), following the disposal of the commercial real estate properties at 2.1x MOIC (US\$) during 2021
✓	Positive impact on GCAP's leverage profile, reducing the Market Value Leverage ratio from 25.4% to c. 19.6% as at 30-Sep-21.
✓	Bringing an important international investment and significant industry expertise into Georgia, that will strengthen the water utility business to the benefit of its customers, employees and other stakeholders
✓	Proceeds from the sale, subject to GCAP Board review, will be deployed in a combination of share buybacks, deleveraging, lending to portfolio companies, and potential further investments. The Board review is expected to take place in the first quarter of 2022

FORWARD LOOKING STATEMENTS



This presentation contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although Georgia Capital PLC believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond our control, include, among other things: impact of COVID-19; regional instability; regulatory risk across a wide range of industries; investment risk; liquidity risk; portfolio company strategic and execution risks; currency fluctuations, including depreciation of the Georgian Lari, and macroeconomic risk; and other key factors that could adversely affect our business and financial performance, which are contained elsewhere in this presentation and in our past and future filings and reports and also the 'Principal Risks and Uncertainties' included in the 1H21 Results Announcement and in Georgia Capital PLC's Annual Report and Accounts 2020. No part of this presentation constitutes, or shall be taken to constitute, an invitation or inducement to invest in Georgia Capital PLC or any other entity and must not be relied upon in any way in connection with any investment decision. Georgia Capital PLC and other entities undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this presentation should be construed as a profit forecast.