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## Regulator sets new tariffs for GGU's water utility business

Georgia Global Utilities JSC (“GGU”) announces that Georgian National Energy and Water Supply Regulatory Commission (“GNERC”), the independent body that regulates GGU’s water utility business, has approved new tariffs for water supply and sanitation (“WSS”) services.

- The WSS tariffs<sup>1</sup> in Tbilisi have increased compared to the previous regulatory period of 2018-2020:
  - o from GEL 0.3 to GEL 0.5 for residential customers; and
  - o from GEL 4.4 to GEL 6.5 for legal entities.
- The tariff increase translates into a 38% growth in allowed water revenues in the upcoming three-year regulatory period effective from 1 January 2021.
- The return on investment (WACC) is set at 14.98% (15.99% in the previous regulatory period).

The tariffs have been updated according to the methodology adopted by GNERC in August 2017, which is based on international best practice and represents a hybrid method of “cost plus” and “incentive based” methodologies, where revenue is determined based on a company’s Regulatory Asset Base (RAB). The new tariffs reflect extensive capital expenditures made during the previous regulatory period combined with increased scale of operations.

<sup>1</sup> Tariffs are set per m<sup>3</sup> of WSS services supplied.

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

### About Georgia Global Utilities JSC

**Georgia Global Utilities** is the water utility and renewable energy holding company in Georgia, which supplies potable water and provides wastewater collection and processing services as well as generates electricity through its portfolio of hydro and wind power plants with an aggregate installed capacity of 240 MW. GGU's water supply and sanitation business is a natural monopoly through full asset ownership of water and wastewater infrastructure, providing water utility and sanitation services to c. 1.4 million residential and c. 36,000 commercial customers in Tbilisi, the capital city of Georgia and surrounding areas. GGU's renewable energy business owns and operates eight hydro power plants with 219 MW installed capacity and one wind power plant with 21 MW installed capacity.

JSC Georgia Global Utilities has, as of the date hereof, the following credit ratings:

S&P Global	'B'/LT Issuer Credit Rating
Fitch Ratings	'B+ '/LT Issuer Default Rating

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