
INTERNATIONAL INVESTMENT FORUM

29-30.10 2014
TBILISI, GEORGIA



MINISTRY OF ECONOMY
AND SUSTAINABLE
DEVELOPMENT
OF GEORGIA



About KPMG

KPMG is a global network of professional firms providing Audit, Tax and Advisory services. We operate in 155 countries and have more than 155,000 people working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

In 2001 KPMG opened the representative office in Georgia to strengthen its presence in the Southern Caucasus and in October 2006 it started operating as a full service office which serves clients in Georgia.

KPMG can deploy experienced professionals efficiently, wherever our clients are located.

We place particular emphasis on industry knowledge and delivering services through dedicated teams that operate in all industries and sectors.

Our innovative spirit inspires what we do and how we do it, providing valuable benefits for clients, employees and stakeholders. Constantly striving to be better lies at the heart of what makes us different.

We are committed to providing the best service to our clients by putting the best people at their disposal. But it is often commented that what sets us apart from our competitors is the way we work in really understanding our clients and the way clients like to work with us - working together to get the right outcome.

Industry experience

Today, clients expect their professional advisers to have deep knowledge of the industries in which they operate. In performing an audit, providing tax advice, or advisory services, deep industry experience is no longer an option – it's essential.

So when your business is looking to change, you need to speak to someone who understands the issues you face every day. We understand where your industry is going and can help you resolve the pressing issues and share with you our latest industry-wide thinking.

By blending industry and service specialism, our knowledge can help you resolve your strategic, technological and logistic issues and work seamlessly with your own capability. KPMG's industry experience encompasses the following sectors:



and others.

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ANDREW COXSHALL
Managing Partner of KPMG in Georgia

Over the last twenty five years Georgia has witnessed massive changes, both positive and negative. But in recent years the country has undergone an economic and political transformation which now means that Georgia has one of the healthiest economies and best democratic credentials not just in the Caucasus but in the wider region.

The signing in June 2014 of the EU Association Agreement and the Deep and Comprehensive Free Trade Agreement with the EU is a reflection of just how much progress has been made by Georgia in recent years.

In terms of democracy, the rule of law and social equality, Georgia is also moving in the right direction and the smooth transfer of power in the Parliamentary and Presidential elections in October 2012 and 2013 respectively are good demonstrations of that progress.

Lastly, the pro-business attitude of the Georgian government over the last ten years has led to a reduction in bureaucracy, a massive reduction in corruption and very favorable rankings from the World Bank and other organizations in terms of ease of doing business, tax misery etc.

The above factors, combined with low taxes and a strategic location make Georgia a great destination for businesses to invest, whether it be in energy, tourism, real estate, agriculture or transportation.

This brochure contains a sample of the current business opportunities in Georgia and is a reflection of the diversity of potential investments that this country has to offer.

PRIVATE COMPANIES

TRANSPORT, LOGISTICS AND MANUFACTURING PANEL

Georgia provides significant investment opportunities in manufacturing sector, which already contribute up to 12% to the Gross Domestic Product of our country and since 2007 year has attracted more than USD 1.2 billion investments. Therefore, together with the international and local experts, Government of Georgia is undertaking deep analysis of competitive sectors in order to find ways of stimulating investment inflows, attracting new technology and know-how and creating high value-added production in Georgia. The country is uniquely positioned to capitalize on increasing trade flows between Europe, the Caspian Region and Central Asia and China and the shortest route transport infrastructure between the Black Sea and the Caspian Sea region.



CARRIAGE BUILDING COMPANY, LLC

Making and modernizing different types of carriages

Since the day of foundation, Rustavi "Carriage-Building Company" has been making and modernizing different types of carriages, according to current demands.

The company became able to work out a new concept of building trains. Building of the Georgian-Chinese (VMK) series train was started, in which more, than 60% were built by Carriage Building Company.

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Name of Representative: George Areshidze

Contact Person: Nino Tsilosani

Year of company establishment	2005
Capital (USD)	31 011 123
Number of Employees	1500
Amount of Sales in 2013 (USD)	75 085 427
Export Figures	10 321 571
Import Figures	17 437 230
Shareholder composition	Badri Tsilosani
Main Bank	Bank Of Georgia

COMPANY HISTORY

"Carriage-Building Company" LLC was established in 2005. It is located in Rustavi city, 30 KMs. from the capital Tbilisi. Through its new technologies and compatibility the factory shows its ability to work with the new standards. Actually, the new factory is a successor of JSC "Railway Carriage-Building Factory," which possesses many year experiences not only in passenger carriage building, but also in the freight carriage building business.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Our foreign clients are Azerbaijan and Armenian railway owners.

Also we have many foreign suppliers and the some of them are: a) Interpipe Ukraina; b) Methawk commerce limited; c) Metkholding; d) Oriola LP; e) Svarog Venture Capital; f) Metinvest; g) CSR China Railway; h) Lankwitzer

MAIN CLIENT / PURCHASER / BUYER

Our main Clients are Georgian, Armenian and Azerbaijan Railways.

BUSINESS PROPOSAL

PROJECT TITLE - PRODUCTION OF FREIGHT CAR BOGIES

BACKGROUND - Georgian Carriage Builders Holding incorporates the following companies: Carriage Building Company, Tbilisi Rolling Stock Work, Rustavi Steel Work, and Tbilisi Art Hall.

OBJECTIVES - Our main objective is to introduce and use the latest technologies, increase production and to manufacture competitive products.

DESCRIPTION OF SERVICE / PRODUCTS - Thanks to the extensive experience gained in developing and producing running gear for rail vehicles for more than 15 years we want to produce Freight Car Bogies.

TARGET CUSTOMERS - Georgian, Armenian and Azerbaijan Railways.

MARKET NEEDS - 1 000 sets

MARKET VOLUME - In 2011 it is planned to make 185 new tank wagons and to carry out the repair works aiming to prolong the service term of 41 tank wagons and 120 wheat carriers. Also we will repair 2,000 pairs of wheels. The service will be done by LTD "Carriage Building Company".

COMPETITIVENESS - We must have the competitive price in order to attract our potential customers, which are deeply interested in ordering our products.

MARKETING STRATEGY - Logistics

EXPECTATION FOR PARTNERS - Bulgarian or Chinese -Investment Amount - \$5 mln



PROJECT TITLE - PRODUCTION OF PASSENGER ELEVATORS

BACKGROUND - Georgian Carriage Builders Holding incorporates the following companies: Carriage Building Company, Tbilisi Rolling Stock Work, Rustavi Steel Work, and Tbilisi Art Hall.

OBJECTIVES - Our main objective is to introduce and use the latest technologies, increase production and to manufacture competitive products.

DESCRIPTION OF SERVICE/PRODUCTS - We want to produce the commercial and public buildings passenger lifts with the capacity of 320-2000 KGS.

TARGET CUSTOMERS - Georgian, Armenian and Azerbaijan market.

MARKET NEEDS - 300

MARKET VOLUME - In our country, there is more than 600 building, which were built in 40-50 years ago and their exploitation date is expired. Our government and United Arab Emirates draw up the memorandum document. According to this memorandum, the investor must destroy 80 building and they must build new ones, also they must rehabilitate the buildings. Budget of this project is \$ 600 million and duration of this project is 5 years.

COMPETITIVENESS - We must have the competitive price in order to attract our potential customers, which are deeply interested to ordering our products.

MARKETING STRATEGY - Logistics

EXPECTATION FOR PARTNERS - Italian or Turkish

INVESTMENT AMOUNT - \$2 mln

PROJECT TITLE - PRODUCTION LINE OF SHIPPING CONTAINERS

BACKGROUND - Georgian Carriage Builders Holding incorporates the following companies: Carriage Building Company, Tbilisi Rolling Stock Work, Rustavi Steel Work, and Tbilisi Art Hall.

OBJECTIVES - Our main objective is to introduce and use the latest technologies, increase production and to manufacture competitive products.

DESCRIPTION OF SERVICE/PRODUCTS - Our cargo shipping containers are supposed to be the solid steel structural components, timbering flooring and standard double container doors. Our container sizes must be 20 feet, 40 feet, 40 feet high cube and 45 feet high cube containers, and can be fitted with accessories.

TARGET CUSTOMERS - Georgian, Armenian and Azerbaijan Railways. -Market needs – 1,000

MARKET VOLUME - The outlook for world trade and container shipping volumes is surprisingly positive. Despite economic downturns and uncertainty, world trade value has grown by 19 percent from 2011 to 2014, which will result in an almost 90 percent increase since 2005.

COMPETITIVENESS - We must have the competitive price in order to attract our potential customers, which are deeply interested to ordering our products.

MARKETING STRATEGY - Logistics

EXPECTATION FOR PARTNERS - Chinese

INVESTMENT AMOUNT - \$2 mln



CAUCASUS MINERALS

Mining

Caucasus Minerals works on the exploration and development of Zopkhito antimony/gold deposit, one of the largest and best-explored mineral deposits in Georgia. The company owns 30-year license for the exploration and mining of the deposit.

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Name of Representative / Contact Person: Kakha Kuchava (CEO)

Year of company establishment	2011
Capital (USD)	1 500 000
Number of Employees	50
Amount of Sales in 2013 (USD)	2018.
Export Figures	10 321 571
Import Figures	17 437 230
Shareholder composition	Georgian and British private persons
Main Bank	TBC Bank

COMPANY HISTORY

Zopkhito is antimony/gold deposit located on the southern slope of the Greater Caucasus range in Upper Racha region of Western Georgia. Exploration of Zopkhito started in 1929. State Geological Department of Soviet Union undertook extensive exploration work: over 18 km of exploration tunnels were excavated and over 20,000 samples taken.

Most of the exploration work performed by soviet geologists was focused on antimony with secondary emphasis on gold. State Commission on Mineral Reserves (CMR) estimated antimony resource at over 24,000 tons and identified significant gold potential of the deposit. Following the dissolution of the Soviet Union exploration works were stopped for several decades and were restarted by Caucasus Minerals in 2012.

Caucasus Minerals acquired a 30-year license for exploration and mining of mineral resources of the deposit in 2012. After re-building roads, camps and other infrastructure required for exploration, Caucasus Minerals launched its exploration program aimed at verifying results received by soviet Geologists, converting mineral reserves to JORC standards and estimating gold potential of Zopkhito.

During the first stage of the exploration program 7,200 channel samples were taken and analyzed for 29 minerals. Caucasus Minerals plans to complete its exploration program by the end of 2015. Wardell-Armstrong International was retained to provide resource estimates and SGS to perform chemical tests.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The company's management and shareholders include well-known Georgian and international businesspersons with extensive experience in dealing with the international business community.

BUSINESS PROPOSAL

PROJECT TITLE - ZOPKITO

Caucasus Minerals plans to complete its exploration program in 2015.

The program will include:

- Taking and analysis of up to 10,000 additional channel samples
- Diamond core drilling
- Cost of international geological consultants working on mineral resource estimates in JORC standard



Caucasus Minerals completed its second and third rounds of financing in 2014. Raised funds were used to fund 2014 exploration budget and part of 2015 exploration budget. The company plans to raise additional equity financing of \$2-3 mln to complete its exploration program in 2015 and conduct preliminary economic and engineering studies required for funding and construction of the mine and production plant for antimony and gold concentrates.

Exact capacity of the plant will be determined based on the resource estimates produced by the exploration program. The company estimates that the total construction cost will be about \$30-50 mln.



CAUCASUS ONLINE LLC

wholesale, corporate and retail

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Name of Representative: Nikolai Tchiaureli
Contact Person: Otar Bokeria

Year of company establishment	2007
Capital (USD)	1 397 K
Number of Employees	850
Amount of Sales in 2013 (USD)	45 600 K
Export Figures	9 300 K
Import Figures	4 200 K
Shareholder composition	Growth Masters Holdings Inc. 44% Nelgado LTD BVI 56%
Main Bank	TBC Bank

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

Caucasus Online LLC is one of Georgia's leading telecommunications companies. Since 2008, Caucasus Online has been the sole owner of a submarine fiber-optic cable - 1,200km, constructed by Tyco Telecommunications, through which it imports internet traffic from Bulgaria.

PRODUCT LINE/SERVICES

The Company's major activities are carried out under the three major business directions: wholesale, corporate and retail.

Wholesale (International Carrier)

International Carrier business activity includes: international wholesale, local wholesale, and voice business (international transit and termination)

Retail (Internet/IPTV/VoIP) & Corporate (Internet/IPTV/VoIP/Collocation/Cloud)

- FTTB (Fiber to the Building) when fiber reaches the boundary of the building, such as the basement or roof floors and with the final connection to the individual living space being made via active Ethernet copper cable.
- FTTH (Fiber to the Home) when fiber reaches the boundary of the living space. xPON (Passive Optical Network) is used in such scenarios.
- xDSL (Digital Subscriber Line) when legacy copper cables are used to reach customer premises.
- WBB (Wireless Broadband) when radio technologies are used for last-mile connection

COMPANY HISTORY

Caucasus Online LLC is one of Georgia's leading telecommunications companies. Caucasus Online was formed in 2006 by the merger of three major Georgian ISPs: Caucasus Network, Georgia Online and SaNet. Caucasus Network was founded in 1998, one of the country's first Internet providers.

In 2008 Telenet, the main provider of wireless Internet in Georgia, merged with Caucasus Online adding new products and capabilities to the Company's portfolio.

Since 2008, Caucasus Online has been the sole owner of a submarine fiber-optic cable - 1,200km, constructed by Tyco Electronics, through which it imports Internet traffic from Bulgaria; connecting Varna to Poti. The cable was laid on the bottom of the Black Sea to provide a direct, high-quality fiber-optic Internet connection from Europe.

Onward connectivity from Poti to Tbilisi is provided through the terrestrial network via backbone, owned by Caucasus Online through its 100% subsidiary Georgian Railway Telecom (GRT). By this, the Company gained access to GRT's infrastructure, consisting of a 600 kilometer fiber optic cable and facilities alongside the railway route; and also an independent 500-kilometer fiber optic cable, both connected to the partner networks in Azerbaijan, Armenia, and Turkey; as well as to the Poti -Varna submarine fiber-optic cable. Consequently, Caucasus Online is the owner of fully redundant terrestrial fiber optic cables in Georgia.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Due to the nature of the telecom business, Caucasus Online has a long-term relationship with leading companies in their area of experience, both on the supplier and client side.

Major wholesale clients:

Beeline Georgia / Beeline Armenia / Rostelecom Armenia / Orange Armenia / Ucom Armenia / MTS Armenia / Delta Telecom Azerbaijan

Major Suppliers:

TeliaSonera / TATA / Level3 / Cisco / HP / Ericsson

THE MAIN CLIENT/PURCHASER/BUYER

At the moment, Caucasus Online is targeting retail fixed broadband customers and SMEs in Tbilisi; holding 56% of the market. However, Caucasus Online is weakly presented (approximately 30%) on the corporate market, due to the fact that large corporate customers have network / representative offices throughout Georgia and our coverage is mainly limited to Tbilisi, Rustavi, Batumi, Poti and Zugdidi; the Company is unable to propose competitive offers. Among our customers are big state, international and local companies:

Ministry of Foreign affairs; Ministry of Internal Affairs; Ministry of education and science; Ministry of Corrections of Georgia; US embassy; PWC; Rustavi 2 (Tv channel); GDS TV; TBC Bank; Procredit bank; GIZ.

Planned and ongoing regional development will give us possibility to acquire new regional SME's, retail market and also tap the big corporate market.

In order to achieve our targets the Company plans substantial investment in regional infrastructure development and upgrade. The process has been already started and the Company has already entered several regional cities of Georgia.

On the wholesale side, our target customers are a number of small and large ISPs throughout Georgia. On an international wholesale level we plan to expand our presence beyond neighboring Armenia and Azerbaijan.

Upgrade of our backbone (both, submarine and terrestrial) infrastructure is the vital step in order to meet the above-mentioned objectives.

MARKETING ROUTE/DISTRIBUTION CHANNEL

Currently Caucasus Online has three main distribution channels and by end of the year, it is planned to initiate the fourth one.

These channels are:

Sales Representatives / Call Centre / Sales offices in major cities / Third party dealers (to be launched in Dec. 2014)

For communications with customers the company concentrates both on ATL and BTL channels based on the marketing objective and ongoing market status.

BUSINESS PROPOSAL

Executive Summary

Since 2008 Caucasus Online has been the sole owner of a submarine fiber-optic cable through which it transits Internet traffic from Europe to the Caucasus and the Caspian regions. This milestone opened a door to immense opportunities for the Company. Successively, the international wholesale direction stood out as a major business segment. In 2010, acquisition of Georgian Railway Telecom enabled the Company to enter the whole South Caucasus region: Georgia, Armenia, and Azerbaijan, as well as Iraq via Iran. Caucasus Online faced competition from giant companies such as Rostelecom and Turk Telecom, however, within few years, the Company attained a leading position in the region; gaining the following wholesale market shares: 55% - Georgia, 85% - Armenia, and 50% - Azerbaijan.

Caucasus Online continues to grasp the opportunities and potential offered by the market. Soon after, the Company acquired its own infrastructure in Armenia and as a result in 2012 and 2013 signed two significant 15-year contracts for provision of 10G and 20G capacity to North of Iraq, respectively. Currently, Caucasus Online is preparing 50G capacity service for Iran. Negotiations are ongoing with the UAE for provision of transit services.

The Company is in the stage of market expansion and further technical advancement. Currently, Caucasus Online predominantly targets retail and SME fixed broadband customers, while having a minor presence on the corporate market; due to the fact that large corporate customers have network / representative offices throughout Georgia, whereas the coverage is limited to Tbilisi and part of the regions.

Planned and ongoing regional development will allow Caucasus Online to acquire new regional SME's, retail market and also tap large corporate customers, while also adding new services to its existing customer base.

To achieve its targets, Caucasus Online plans substantial investment in regional infrastructure development and upgrade. The process has been already started and the Company has recently entered several regional cities of Georgia. Upgrade of backbone (both submarine and terrestrial) infrastructure is an essential part of the development strategy.

By meeting the above mentioned objectives will enable the Company to broaden its presence on both, Georgian and international markets. All this will translate into a strong financial performance of the Company in the future.

The company is seeking refinancing of its existing liabilities in order to be in a better position to fulfill the objectives of a 5 year strategic plan. By this, the company will transform into a leading ISP in the South Caucasus and also be strongly represented in the Gulf and Caspian regions.

The company will generate healthy financials and lay the ground for an IPO.

REFINANCING OPTIONS:

1. USD 130 Mln @ 8% per annum / 8 years maturity (1 year grace period on principal)
 - a. Collateral: 100% of assets
 - b. USD 90 Mln refinancing of outstanding loans plus USD 40 Mln share buy-out
2. USD 90 Mln @ 8% per annum / 8 years maturity (1 year grace period on principal)
 - a. Collateral: 100% of assets
 - b. USD 90 Mln refinancing of outstanding loans

TIER-1 OPERATORS:



TeliaSonera International Carrier is an international provider of telecommunication services based in Stockholm, Sweden. The TeliaSonera Group, the largest telecommunications group, wholly owns it. It is a Tier 1 network provider and the second largest carrier in the world.



Level 3 Communications is an international communications company, headquartered in Broomfield, CO. One of only six Tier 1 Internet providers in the world. Ranked as one of the most connected Internet Service Providers (ISPs), expanding assets have solidified position as one of the largest IP transit networks in North America and Europe.



Tata Communications owns and operates the world's largest fiber network measuring 240,000 km. Network includes the only global fiber ring and the only fiber network that connects the Middle East.

POINT OF PRESENCES AT THE LARGEST CONTENT OPERATORS AND INTERNET EXCHANGE POINTS

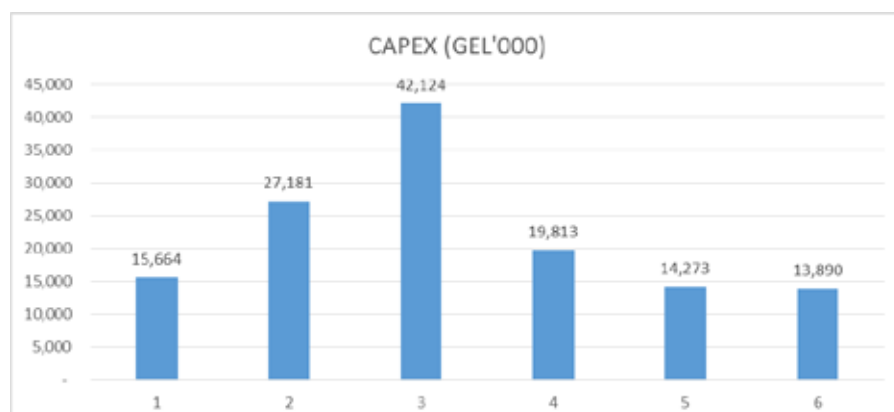


BLACKS SEA CABLE AND NEW OPPORTUNITIES FOR GEORGIAN MARKET

With the introduction of Black Sea Cable in 2008, Georgian and regional Internet market benefited from new opportunities. In particular, the new submarine cable made possible to access major international Internet service providers bypassing Russian and Turkish operators. This in turn, significantly changed the shape of regional global broadband market both in terms of pricing and in terms of capacity. Availability of this route and new pricing had been the main underlying factor in telecom market growth in the South Caucasian region. Charts below show the evolution of Internet penetration rate of Georgia in comparison to other neighboring countries.

FINANCIAL OUTLOOK

Summary of 5 year Investment Plan



The investment entails the upgrade of existing transmission infrastructure, entering new markets and expanding, both geographically and technologically.

Financial Projections (Amounts in GEL)

EBITDA Breakdown

GEL '000	Projected					CAGR
	2014	2015	2016	2017	2018	
Financial year ending						
Revenue						
Total net retail revenue	1000000	1000000	1000000	1000000	1000000	0%
Total net corporate revenue	1000000	1000000	1000000	1000000	1000000	0%
Total net wholesale revenue	1000000	1000000	1000000	1000000	1000000	0%
Total net other revenue	1000000	1000000	1000000	1000000	1000000	0%
Total net revenue	8600000	11200000	12700000	10000000	10000000	0%
Costs						
Total retail cost	10000000	10000000	10000000	10000000	10000000	0%
Total corporate cost	10000000	10000000	10000000	10000000	10000000	0%
Total wholesale cost	10000000	10000000	10000000	10000000	10000000	0%
Total other cost	10000000	10000000	10000000	10000000	10000000	0%
Total costs	(4600000)	(5700000)	(6500000)	(6000000)	(7200000)	0%
EBITDA	4000000	5500000	6100000	6000000	6700000	0%
EBITDA margin	47%	49%	48%	60%	67%	0%
EBITDA	2200000	1000000	4000000	5000000	7000000	0%



EVEX MEDICAL CORPORATION

Widest range of outpatient and inpatient services

Healthcare service provider in Georgia.

Main advantages: Largest market share / Institutionalizing the industry / Referral system & cluster model / Strong Management with Proven Track Record

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Name of Representative: Ekaterina Shavgulidze

Contact Person: Levan Darsalia

Year of company establishment	2005
Capital (USD)	36,952,270
Number of Employees	850
Amount of Sales in 2013 (USD)	52,263,615
Shareholder composition	JSC Bank of Georgia 85%, JSC Galt & Taggart Securities 15%
Main Bank	JSC Bank of Georgia

COMPANY HISTORY

EVEX Medical Corporation ("Evex") is the healthcare services provider in Georgia, with almost a decade of operating history. Evex currently operates 33 hospitals and five ambulatory clinics, all located in Georgia.

In 2006, Evex entered the fragmented and underdeveloped Georgian healthcare market with the opening of first ambulatory clinic in Tbilisi. From 2008 to 2012, EVEX substantially enlarged its business by several acquisitions, as described below.

In 2008 the company acquired a general hospital in Kutaisi, West Georgia (the Imereti region).

In 2010, a company built a further five community hospitals and a referral hospital in the West Georgia.

In 2011, the company acquired 11 hospitals.

In 2012, the company acquired ten healthcare facilities, and completed development of six new hospitals.

In 2013, company opened four new hospitals and an ambulatory clinic and acquired Caraps Medline, a large speciality hospital in Tbilisi with a 60-bed capacity.

In 2014, the company acquired the Avante Hospital Management Group, the second largest healthcare provider in Georgia by number of beds, which owned and operated a chain of four hospitals in Tbilisi and Batumi with a 578 bed capacity, including leading paediatric and maternity care hospitals. EVEX also acquired Sunstone Medical, which owned a hospital in East Tbilisi with the potential for developing a 300-bed facility, in order to tap into the East Tbilisi healthcare market and referrals from East Georgia.

In 2014, company acquired a 100% equity interest in a 60-bed hospital in Tbilisi providing a wide-range of in-patient and outpatient services with particular expertise in traumatology.

EVEX Medical Corporation has always differentiated itself by its institutionalized approach to the business. Company believes that it is the first group to institutionalize the healthcare industry in Georgia by organizing healthcare facilities in regional clusters and referral hierarchy, where patients are referred up the chain from ambulatory clinics to hospitals, the first group to manage a number of hospitals as a single business with centralized administrative and support functions

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Collaborations with Mayo Clinic, Emory School of Medicine, University Research Corporation (URC), USAID, GIMPHA, Joint Commission international.

THE MAIN CLIENT/PURCHASER/BUYER

Patients with corporate insurance

Patients with universal healthcare program

Patients paying out-of-pocket

MARKETING ROUTE/DISTRIBUTION CHANNEL

Referral Hospitals

Community Hospitals

Ambulatory Clinics

PROJECT TITLE

Acquisition of the new hospitals – 35 M USD

Development of the new services – 50 M USD



GA LOGISTICS LTD

GA LOGISTICS LTD

Transport

International Forwarding Company

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Name of Representative: Maya Chichua

Year of company establishment	1995
Number of Employees	21
Amount of Sales in 2013 (USD)	4 117 000
Shareholder composition	Sole owner
Main Bank	TBC Bank

COMPANY HISTORY

The international forwarding company GA Logistics was established in 1995. The main direction of the company's activity is international transportation for sea, truck, rail, air and project goods.

Since the day of establishment the company's management team is oriented on improving and developing services and working processes for gaining a place among the leading forwarding companies. Our carrier's responsibility is guaranteed by the cooperation with the leading insurance companies and membership of competent international organizations and associations.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

We have experience of many years of working with foreign companies. Our partners are: Novocargo Valencia, Delta Novel, Olimoya di Navigazione, Global Link, Overseas Maritime Transport, Formag, etc.

MAIN CLIENT/PURCHASER/BUYER

Jaokeni Company, Tbilvino, Casa Calda, BMS Gorgia, Super Ltd, Espano Ltd, UBG, Saga Impex, LTB, Techno Leader, Gebruder Georgia, Wold Wide Energy Georgia, KN Ibrakom Georgia, New Light, Pim-inos, etc.

Formag Baku, Santemax Baku, Sabunchu Building JSV, Okuklu Insaat Ltd sti., Akkord, Pasha Construction, AZ Import Ltd, Casa Mia, Neoclass, Yukseklik Ltd, Cahandar 2008, Imex Group (Armenia), Shurtaneftegaz (Turkmenistan), Grand Motors, Petrogaz LLP, Zangezuri Copper-Molybdenum Combine, etc.

DETAIL DESCRIPTION

The specificity of work on the international transport market, especially the organization of effective multimodal scheme of transportation, needs high coordination of implementation stages. GA Logistics has achieved real progress in realization of these tasks. GA Logistics offers to the clients the main services as it follows:

- FCL and LCL services for sea containers via Poti and Batumi seaports from/to Caucasus Region.
- Railway transportation for general and bulk goods from/to Caucasus Region.
- Inland transportation by truck from EU to Caucasus and vice versa; we have our own fleet of trucks with GPS system that give you possibility to check the goods' location.
- Air transportation worldwide.
- Project (oversized, overweight, dangerous, bulk, break bulk) goods by special means of transportation.
- Freight of ships.

Qualified employees give an opportunity to improve the company's customers list permanently. Accordingly volume of performed works is increasing year by year.

Recently the company is handling project cargos multimodal transportation by Eurasian and TRACECA corridors. GA Logistics tries to solve difficult tasks that emerge from the specific of cargo and difficult geographical relief by means of newest technologies and methods.

Nowadays the Company's goal is to widen the field of activity. Namely, the company is working to be presented fully on the Central Asian market.

The investment will give us an opportunity to increase our business volume and to widen our activity range. Namely, GA Logistics' aim is to be presented on a Central Asian market at a full scale.

GESS GROUP

GESS GROUP LTD

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 E: gg@gessgroup.net
 aleksander.tsulaya@gmail.com
 Name of Representative / Contact Person: Aleksander Tsulaya

Year of company establishment	2010
Capital (USD)	550,000
Number of Employees	4
Amount of Sales in 2013 (USD)	4 117 000
Shareholder composition	Aleksander Tsulaya 33.33% Guram Metreveli 33.33% Merab Metreveli 33.33%
Main Bank	TBC Bank

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

The company is oriented towards the establishment and management of the plant oriented on processing corn into the following outputs:

PRODUCT / HS CODE

Corn Starch 110812**

Corn Syrup 170230**

Corn Germ (Feed additives) 110430**

Corn Oil 151529**

Corn Gluten Feed 230670**

Corn Gluten Meal 35040090

While the company is recently established and can be considered a start-up, it has already initiated a number of activities towards the project and, coupled with the extensive experience of the involved partners, has already positioned itself advantageously to further the project.

Specifically, the company and project advantages include:

- Already prepared feasibility study for the project
- Extensive network of partners with relevant experience and pre-arranged purchase agreements with local and foreign buyers
- High demand in regional and world markets for the outputs
- Non-existing/limited production capacities in the region (existing capacities only in Turkey, but none as large as the plant proposed for the project)
- Strategic positioning of the plant from logistical perspective
- Proximity and contacts with suppliers of raw materials
- After the enactment of DCFTA (Deep and Comprehensive Trade Agreement) between Georgia and the EU in mid-2014 export possibility to the EU will significantly improve
- High level of automation minimizes risks to lack of qualified specialists.

PRODUCT LINE/SERVICES

Planned outputs include: Corn Starch, Corn Syrup, Corn Germ, Corn Oil, Corn Gluten Feed, Corn Gluten Meal

COMPANY HISTORY

Gess Group was founded in 2010, with the purpose of developing the project of Deep Processing Plant Corn to Gluten, Syrup, Starch and Gluten Feed and Meal. The company founders bring expertise in management and construction from various sectors. One of the founders' (Guram Metreveli) experience includes a multi-complex, industrial and residential construction company from Russia. Mr. Metreveli's portfolio as a project manager/coordinator amounted to USD 160 million during in the framework of the company.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The company has already established active partnership agreements with various stakeholders.

General design of the project, as well the design of technological part, is “NPK Ecologia”

EKOLOGIA SPC is a young, dynamic company providing a full range of engineering services, from comprehensive design engineering to delivery of the object to the customer “turnkey”. The speciality of EKOLOGIA SPC is engineering in the food industry (biotechnologies, alcohol (drinking alcohol and ethanol) and liquor enterprises, fodder, grain processing, dairy and meat industries, etc.), where the company has successful experience in implementing projects. The object of activities of the company is:

Implementation of scientific-technical, research and development, promotional activities, and conducting patent searches;

- Development and implementation of new industries, technologies, materials, samples of new products, including modern equipment;
- Development, creation and implementation of new technologies in the food industry;
- Development and implementation of special equipment for cleaning of industrial and waste waters;
- Production and sale of scientific, industrial, agricultural products and providing relevant services;
- Development, adaptation, production and sale of software and hardware of various kinds, and providing services in the relevant field of activity;
- Providing enterprises, organizations and citizens with information and intermediary services in acquisition, sale, exchange of finished products and goods, and raw materials, spare parts, agricultural products and industrial wastes;
- Implementation of the established order of foreign activities, including export and import operations in the commercial, investment and marketing activities.
- The company has its own modern scientific and industrial base to conduct research and development in biotechnological production.

Other partners, suppliers, stakeholders include: Siemens / Vettertec / Alfa-Laval / Novozymes / Vogelbush / Novasep

MAIN CLIENT/PURCHASER/BUYER

10-15% of the produce will be supplied to domestic buyers, as confirmed by already established agreements.

The rest will be supplied to buyers in Europe.

MARKETING ROUTE/DISTRIBUTION CHANNEL

Transportation to domestic buyers will be done by truck.

Transportation to Europe will be done by sea, from Poti port of Georgia. The plant will be strategically positioned in the close vicinity of port to ease the access and ensure low cost of transportation of the produce from the plant to the port.

BUSINESS PROPOSAL

PROJECT TITLE - DEEP PROCESSING PLANT CORN TO GLUTEN, SYRUP, STARCH, FEED ADDITIVES

Background and Market Needs

At present, manufacturing of deep processing of corn is poorly developed in Georgia, and most of the products are imported from China and Europe.

The project has great financial, social, scientific, and national significance. The biotechnological plant would produce the following products: feed additive, gluten, starch and syrup. The estimated production will allow eliminating the dependence on imports for Georgian consumers and starting the export of these products.

The project is a unique biotechnological plant that has no analogues in Georgia. The planned biotechnological plant will begin to restore the Georgia's biotechnological industry, which in the recent past used to be one of the best in the world.

Description of Products

GLUTEN – represents vegetable protein. It consists of protein of corn, which is separated from other parts of the grain (starch, fiber and fat) in the processing. Due to its high nutritional value and good physical characteristics, corn gluten is widely used in the manufacture of animal compound feed.

CORN STARCH – represents a white powder. It is used in food industry, packaging materials, paper, textiles, and pharmaceutical industry. Due to their technological functions, starches play the role of stabilizer, thickener and filler. They have no ability to emulsify, but have expressed WBC, which appears as a result of heat treatment during the development of gelatinization process.

GLUCOSE-FRUCTOSE SYRUP – enters the group of starch syrups. The Syrup does not only represent valid replacement for sugar, but also has some advantages over it (it allows reducing calorific value, improving consumer product characteristics, and it is better absorbed by a body, etc.) Raw material is starch. The main use represents substitution for sugar. Apart from saving the profile of sweet drink, the syrup almost always helps to improve consumer product quality to improve flavor and taste, to extend product shelf life.

FEED ADDITIVE – represents concentrated dry biomass, made from corn expeller meal and residues of starch milk. Due to rich content of proteins and vitamins, it is used as a feed additive for farm animals, birds and fish.

CORN OIL – represents fat vegetable oil extracted from seeds of corn. It is used for preparation of various types of dough, bakery products, sauces, for production of food for children. Relatively high temperature of smoke point allows application of corn for frying. In, it used as anti-sclerosis means.

Marketing Strategy, Target Customers and Logistics

The products will be marketed to the domestic market and the Caucasus region, by means of road transportation. Transportation to the buyers in Europe and Egypt will be conducted by a means of sea transportation. The Indian market is also in consideration.

Volume

International market for Gluten amounted to about 80 million tons in 2011, for Glucose-Fructose Syrup – 13.6 million tons in 2010, for Oil – 140 million in 2011, for Corn Starch – 7.94 million tons in 2010

INVESTMENT AMOUNT (EUR)

Total Investment	EUR 91,771,002
Net Working Capital	3,432,465
Capital Investments	88,338,537
Investments in Buildings and Structures	21,317,757
Investments in Equipment and other Assets	66,082,456
Deferred Expenses	938,324

The project initiator's contribution to the equity will be EUR 26.9 mln

COMMERCIAL PARTNERSHIP OPTIONS

Equity Co-Investment – EUR 30-40 million

Loan



GEORGIAN BEER COMPANY JSC

Alcohol and non-alcoholic beverages Production of: Beer; Lemonade, Energy Drink

Manufacturing of Soft Drinks, Energy Drinks, and Beer. The main factors determining the competitive advantage of the company: 25 years experience in manufacturing of soft drinks and beer; Availability of mountain spring water sources; Advanced technological production lines;

Saguramo, Mtskheta Region, Georgia

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Name of Representative: Tsezar Chocheli

Contact Person: Vasili Sulchanishvili

Year of company establishment	2011
Capital (USD)	30.8 M
Number of Employees	1112
Amount of Sales in 2013 (USD)	75.5 M GEL
Export Figures	1.77M USD
Import Figures	5.0M EUR / 2.3M USD / 28.8M RUR
Shareholder composition	Concrete Sleeper Plant Ltd 70% Georgian Industrial Group Holding 20% PSP-Pharma 10%
Main Bank	TBC Bank

COMPANY HISTORY

JSC “Georgian Beer Company” was established in 2011 with a clear goal: to become the leading player in Georgia’s beer & beverages’ industry. It started construction of the production facilities in May, 2011. Although it was a green-field project, after 7 months the test-brewing process at the new beer factory commenced. Modern, European standards production has been deployed in such a concise period due to the experience and expertise of the management team centered around the Chocheli family. A resort area, 20km west of Georgia’s capital city, has been chosen for the location of the new beer & beverages’ factory. The beautiful plot of land at the foot of Zedazeni mountain is an abundant source of the unique water and high quality water is crucial for the industry. The factory was nicknamed as the “Zedazeni” brewery.

The official launch of the brewery “Zedazeni” took place on April 2, 2012. The company entered the EFES-dominated competitive market with Czech-type beer “Zedazeni” and a line (5 flavors) of traditional carbonated soft drinks – lemonade “Zedazeni”. Within a month in operation the brewery was awarded the ISO-9000 certificate. Despite the vigorous defensive measures from the long-established market leader, the brand “Zedazeni” has captured 18% of Georgia’s beer market and up to 40% of Georgian lemonade market in the first year in business. In 2013 Zedazeni introduced 2 new beer brands: “Khevsuruli” (Georgian traditional beer) and “Koenig Pilsener” (licensed from Bitburger Group) and so far controls 32% of the market. By the way, Koenig Pilsener” is Bitburger’s premium flagship and it is the first time in history that this beer is produced outside Duisburg, Germany. It was the impression that our brewery made on the top management of Bitburger Group that made possible for a year-old Georgian company to be trusted with this century and a half old standard of quality of German “Pils”. Recently, Zedazeni introduced the first Georgian energy drink “Wilder” and thus entered the world’s most dynamic beverage market. For our beer, as well as for lemonades, the process of collecting awards started in the very first year of existence. We have prizes from international exhibitions in Moscow and Sochi. We certainly plan to be active in this direction in the coming years.

All this was achieved with marketing costs significantly lower than industry average and fair contribution margins per each product. This success is a sure sign of superiority of both Zedazeni products and the management team over those of the competitors. In the longer run, the industry perspectives are very interesting too. The present per capita beer consumption in Georgia is a bit less than 25litres. Climate and per capita income growth along with the trend of penetration of global culture in Georgia will keep beer consumption rising in coming decades. We at “Zedazeni” expect Georgia’s per capita beer consumption to exceed 40litres by 2020. 55litres. to 60litres. per capita beer consumption seems a very realistic target for Georgia given the current trends. By the way, beer consumption in Georgia in 1989 already accounted to as much as 60l. per capita. Export sales represent another promising direction. Brewery “Zedazeni” exports its products in more than 20 countries now. But organizing exports takes time and our company is less than 2 years old. That is why the potential that export sales have for our company is yet to be realized and the share of export sales is not high. The existing export sales are dynamically rising though.

Although not yet leader in terms of sales, Brewery Zedazeni is leading the industry in terms of quality, technology, dynamics and efficiency.



BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

From the date of establishment, JSC “Georgia Beer Company” has tight relationships with various international companies, from procurement of fixed assets to production materials.

LICENSED PRODUCTION

After a few months of operation of Brewery, GBC was licensed for the production of international Beer Brand “Konig Pilsener” by the Leading German Brewery Bitburger Holding. This was the first license issued by Bitburger Holding worldwide ever.

AS FOR EQUIPMENT MANUFACTURERS COMPANY COOPERATES WITH:

- KHS Gmbh –Leading German manufacturer of filling lines. GBC was granted by KHS Gmbh direct suppliers credit of 10m Euros for 5 years without financial institutions involvement.
- ZVU POTEZ A.S. (CZECH REPUBLIC) Manufacturer of Brewhouse
- MI Consulting leading Swiss Company in Beer Filtration
- Berkefeld Gmbh Leading German Company in water Filtration
- Hafmans leading Holland Company in CO2 production etc.

RAW MATERIALS

MALT SUPPLIERS - Global Malt (Germany) / Weyermann Speciality Malts (Germany) / AVANGARD MALZ AG (Germany) / Schill Malz GmbH & Co. KG (Germany)

HOPS SUPPLIERS - Simon H. Steiner, Hopfen GMBH (Germany) / Joh. Barth&Sohn GmbH & Co. KG (Germany)

KIZILGUR SUPPLIER - Begerow GmbH (Germany)

YEAST SUPPLIER - Winesteffan (Germany) / VLB (Germany)

CIP CLEANS SUPPLIERS - Tensid Chemie (Germany)

SOFT DRINK AROMA SUPPLIER - “Dohler” GmbH (Germany)

ENERGY DRINKS AROMAS SUPPLIERS - Esarom (Austria)

PET PREFORMS SUPPLIER - Retal (Italy)

MARKETING MATERIALS

Sahm s.r.o. (Germany) / Rastal GmbH & Co. KG (astray supplier, Germany) / Katz GmbH & Co. KG (coaster supplier, Germany) / UBC Logistika Sp.z.o.o. (pouring machines / parasols, Poland) / UGUR (coolers, Turkey) / UTC (parasols, tables and chairs, Ukraine) / Kuhnendahl Display GmbH + Co. KG (coaster holder, Germany)

PACKAGING

GLASS CONTAINERS - Armglass - “Saranist” Ltd (Armenia) / Forestglass (Ukraine) / Saint-Gobain Kavminsteklo (France) / Interglass (Azerbaijan) / Systempack (Germany) / Иристонстекло (Russia)



MARKETING ROUTE/DISTRIBUTION CHANNEL

After the establishment of GBC, the Company priority was to create Local distribution channels. Currently GBC covers 96% of Georgian outlets sale across the Country.

As for export markets, for such a short period of time GBC made his presence in 20 Countries worldwide. GBC has a goal to create an intensive distribution presence in exported Countries and introduce high quality Georgian products to the consumers. Nowadays, the export markets by countries are as follow:

United States of America / United Kingdom / Ukraine / Turkmenistan / Turkey / Tajikistan / Russian Federation / Poland / Moldova / Latvia / Kyrgyzstan / Kazakhstan / Iran / Greece / Germany / Cyprus / China / Belarus / Azerbaijan / Armenia

Only for last period (9 months of 2014) the number of export countries has been significantly increased almost by 25%.

BUSINESS PROPOSAL

PROJECT TITLE - CONSTRUCTION OF NEW MODERN CEMENT/CLINKER PLANT

After carrying out Georgian market research, the Chocheli Group came to the conclusion to invest in Cement production. According to the official data, total consumption of cement in Georgia has significantly increased since 2005 and a stable annual growth is being observed afterwards.

Based on the fact that the Georgian market is not 100%-saturated by local production, by means of constructing and operating a new enterprise, many economic benefits will be available.

According to statistical data, actual potential of the cement market, including the export (export in 2013 makes up 438 K t), reaches 1,848 K tons a year. Almost 20% of the needs (demand on local and export markets) are met by import (2013 import of cement was 363 K tons) from neighboring countries.

It cannot be said that a new production will replace the imported cement, nevertheless the possibility to gain 100% market share is quite realistic.

One more important fact: a cement plant to be constructed in Kaspi district, will also serve "MIXORI" – a Chocheli Group company. Therefore, the company will have guaranteed at least 60% of corporate sales on the account of a group company.

PROJECT HIGHLIGHTS

PRODUCT LINE/SERVICES - Ordinary Portland cement (the most commonly used type of cement) / Clinker

RAW MATERIALS - The major parts of the raw materials (Limestone /Clay) are being extracted locally

TOTAL VOLUME OF INVESTMENTS ('000 USD) - 25,159

TARGETED PRODUCTION CAPACITY OF THE PLANT (' 000 TONS A YEAR) IN CEMENT EQUIVALENT - 400

TOTAL NUMBER OF PEOPLE TO BE EMPLOYED - 200 (30 in administration, and 170 in the technical and production area)

PROJECT INITIATOR - Chocheli Group

PARTNER COMPANY (MAIN VENDOR OF THE EQUIPMENT) - www.sinoma.com.cn/en/



PROJECT TITLE - CONSTRUCTION OF NEW MODERN PLANT FOR PRODUCTION OF INSTANT AND R&G (ROASTED AND GROUNDED) COFFEE

The Chocheli group's goal is to build a coffee processing plant in Georgia.

The plant will be equipped with advanced technologies to ensure effective processing, packaging and storing of coffee products. The technological line will give the availability to produce both types of Instant coffee (Freeze dried and Agglomerated instant coffee) as well as Roasted and Ground (R&G) coffee. It can be said that no such a plant is available on the local and regional (South Caucasus) market at present.

According to statistical data total consumption of coffee in Green Been Equivalent (GBE) in Georgia – 9,923 tons (2013), and more than half of it (5,334 tons) is R&G coffee.

For the time being, the Georgian market of R&G is mainly loaded with cheap and low-quality products. The local production is limited to the imported coffee packing making up in total 30% of total imported coffee. Under these conditions, the emergence of a new player in the market – a domestic brand with a distinct (actively advertised) pricing policy and suitable quality products, will definitely interest Georgian consumers. Considering the limited amount of product to be produced (1,133 tons in GBE), forecasted sales of R&G coffee (even for the domestic market) are well grounded.

The situation is different in the market of instant coffee. Entrance and development of export markets is an essential factor to succeed in instant coffee production.

The company will allocate the substantial budget for marketing activities in the target markets, the major part of which will be directed for branding activities (creating and developing of a new international brand).

In terms of export capacity it is planned to maximize available resources (distribution network which unites special targeted regions), and conducting an active marketing campaign, which, in general should contribute to the promotion of the product in foreign markets.

The abovementioned project assumes manufacturing of high quality products, which would be satisfactory to the most demanding local and export customers.

PROJECT HIGHLIGHTS

PRODUCT LINE/SERVICES - Freeze dried (Sublimated) Instant Coffee / Spray dried (Agglomerated) Instant Coffee - Coffee in Granules / Roasted and Ground Coffee (R&G)

BRIEF DESCRIPTION OF THE PROCESS - Roasted coffee beans are ground and treated with hot water. Beverage concentrate whether dried to powder (coffee powder), or frozen, and dried in vacuum to obtain a sublimate (freeze-dried coffee (other names - winterized, "freeze-Drying ") or moistened coffee powder again transforming into granules (granulated coffee.) In our case, the production of coffee powder is excluded completely.

TOTAL VOLUME OF INVESTMENTS ('000 USD) - 53,720

TARGETED PRODUCTION CAPACITY ('000 TONS A YEAR, GREEN BEEN EQUIVALENT) - 8,237

TOTAL NUMBER OF PEOPLE TO BE EMPLOYED - 224

PROJECT INITIATOR - Chocheli Group

PARTNER COMPANY (MAIN VENDOR OF THE EQUIPMENT) - www.gea.com



GEORGIAN INDUSTRIAL GROUP (GIG)

Year of company establishment	2005	
Capital (USD)	Saqnaqshiri LLC - USD 19,645 thousand according to 31 December 2013 audited consolidated statements GIEC - USD 47,492 thousand according to 31 December 2013 audited consolidated statements	
Number of Employees	More than 3000	
Amount of Sales in 2013 (USD)	GIEC - 95,342 thousand USD (Sales revenue) As of Audited Report 31 Dec, 2013) Saknakshiri LLC - 20,847 thousand USD (Sales revenue) As of Audited Report 31 Dec, 2013)	
Amount of Export/Import (USD)	3.2 mln USD (electricity export revenue) As of Dec 2013 Audited Reports	Gazapkhuli str. 14, 0177 Tbilisi T: +995 32 221 01 87 F: +995 32 221 01 89
Shareholder composition	Privately Owned Company	E: gig@gig.ge / Z_Gelenidze@gig.ge
Main Bank	JSC TBC Bank, JSC Bank of Republic, JSC Bank of Georgia	Name of Representative: Zurab Gelenidze

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

Georgian Industrial Group (GIG) is the largest industrial holding in Georgia with a wide business portfolio including a coal mining, energy generation and natural gas retail. GIG provides Georgia with a significant part of the hydro and thermal energy, is one of the leaders in wholesale and retail natural gas sales and is the nation's only coal producer and sole owner of economically important coal mining assets of Georgia.

Georgian International Energy Corporation (GIEC) represents the Electricity Generation and Natural Gas Trade arm of the GIG Group. Electricity is generated by a thermal power plant ("Tbilsres") and 8 hydro power plants located throughout Georgia. Electricity is sold to various private companies and to a state-established entity Electricity System Commercial Operator ("ESCO"). The thermal power plant ("TPP") has an installed capacity of 300 megawatts, while hydro power plants have an installed capacity of 49 megawatts.

The Company is engaged in barter transactions with an Armenian-based thermal power plant operator, whereby GIEC supplies electricity in exchange for natural gas. Natural gas is also purchased from major gas suppliers operating in the Caucasus region and capable of making large-volume deliveries. Major gas customers are cement factories and networks of natural gas refueling stations. The Company is also involved in the retail business of the sale of gas through its own refueling stations.

In the coal mining business GIG is represented by the Saknakshiri LLC. The company is the sole owner of the economically important Georgian coal mining assets, which are the Tkibuli-Shaori and the Vale coalfields. Saknakshiri is engaged in coal extraction, enrichment and selling processes. Under current extraction licenses, at the company's disposal there are 407 million tons of coal deposits. The company, having successfully managed the rehabilitation of the two coal mines: Dzidziguri and Mindeli, started operating a new coal-enrichment factory in 2009. Extraction volumes amounted to 400 thousand tons of coal in 2013. The majority of the enriched coal produced is sold under the long-term contracts (1 year or more) to the local consumers. In the long-term horizon, the company plans to increase its

PRODUCT LINE/SERVICES

Electricity Generation / Natural Gas Resale / Coal Mining and Enrichment

COMPANY HISTORY

In the early 1990s right after the collapse of the Soviet Union, during full-scale deindustrialization of Georgia, the company took its initial steps. Based on experience and expertise accumulated over 20 years of business development, Georgian Industrial Group finally adopted a holding company structure in 2006. Starting from 2006 as a pure holding company Georgian Industrial Group Holding is investing in various industries, targeting value added businesses with a significant economic and social meaning for Georgia at the moment and in the long-run perspective.



BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The Company has sufficient experience in dealing with foreign companies in a number of business processes. Today the company has ongoing negotiations with potential partners in a variety of future energy projects.

MAIN CLIENT AND DISTRIBUTION CHANNEL

LLC Energo Pro Georgia, LLC ESCO, JSC Georgian Manganese, LLC Sakhnakhshiri, LLC Gas Energy, LLC Sachkheregas, LLC Air company, LLC HeidelbergCement, LLC Georgian Metal Company, LTD. Socar Petroleum Georgia.

BUSINESS PROPOSAL

PROJECT TITLE - DEVELOPMENT OF COAL MINE

Under the existing coal mining license in the Tkibuli region, the company plans to reconstruct and develop the mine, which will increase the coal extraction volume up to 2 million tons per annum. Development will require investment of around 240 mln US dollars.



JOINT STOCK COMPANY MINA – KSANI GLASS CONTAINER FACTORY JSC MINA

Glass bottles of various types and colors.

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Name of Representative: Umit Aydogan

Contact Person: Tamaz Chincharauli / M: 995577993300 / E: tchincharauli@mina.com.ge

Rusudan Pruidze / M: 995577993319 / E: rpruidze@mina.com.ge

Year of company establishment	1998
Capital (USD)	9.8 M
Number of Employees	280
Amount of Sales in 2013 (USD)	14 M
Export Figures	1.6 M
Import Figures	6 M
Shareholder composition	99.86% Anadolu Cam Sanayii A.S, 0.14% Ministry of Economy and Sustainable Development of Georgia
Main Bank	TBC Bank

COMPANY HISTORY

JSC Mina, the factory dating back to 1987, was acquired by Sisecam, one of the global leaders in glass production, in 1998.

Being one of the first FDI's in Georgia, the company went through an intensive period of modernization.

Recently, in 2014, the company increased its production capacity by investing in the state of the art modern equipment and furnace to produce high quality products in various types and colors, standard and exclusive designs.

The company holds ISO 9001:2008 Quality Management Certificate and ISO 22000:2005 food Safety Certificate. Implementation of new procedures has improved production control and quality management unified system, as one of the most major goals of the company.

The company's aim is to provide world quality glass packaging to the Georgian market to add value to various sectors' success and growth, in particular, the mineral water and wine sectors.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The company intensively works with foreign companies in technical issues, besides already exporting to neighboring countries, which is expected to be increasing in the nearest future.

MAIN CLIENT/PURCHASER/BUYER

IDS Borjomi / Nabeghlavi / Natakhtari

MARKETING ROUTE/DISTRIBUTION CHANNEL

Company performs direct sales to clients.

JSC Mina envisages increasing its production capacity by initiating construction of the 3rd furnace as expansion within the same scope.



RUSTAVI STEEL

RUSTAVI STEEL LLC

The plant's main products are seamless pipes, reinforcing bars, square billets, and processed slag. Exports account for approximately 70% of sales, and the company's export markets include US, Europe, Russia, CIS and Africa. The company has a 25% share of the Georgian re-bar market.

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T: +995 32 260 66 99 / 60 66 99
E: contacts@rustavisteel.com
Contact Person: Farooq Siddiqui

Year of company establishment

1948 The Rustavi Metallurgical Plant was established
2011 Rustavi Steel LLC acquired the assets of the plant

Capital (USD) 140 Million USD

Number of Employees 2,100

Amount of Sales in 2013 (USD) 68 million USD

Export Figures 70% percent of sales

Shareholder composition 100% owned by
Patarkatsishvili Family

Main Bank JSC Bank of Georgia

COMPANY HISTORY

The Rustavi Metallurgical Plant was established in 1948, and was the only integrated seamless pipe plant in the Soviet Union, with annual output of over 1.5 million tonnes of steel, 700 thousand tones of pig iron and 500 thousand seamless pipes. The plant's main product was large diameter seamless pipe for the oil and gas industry in the Caspian oil region and Middle East markets.

After the breakup of the Soviet Union, the plant's raw material supply lines and end user markets were severely disrupted and the plant ceased operations in 1991, and remained effectively idle for the next 20 years.

From 2011, Rustavi Metallurgical Plant is in the ownership of Patarkatsishvili Family.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Extensive experience with foreign equipment and raw material suppliers, engineering companies and expert consultants.

THE MAIN CLIENT/PURCHASER/BUYER

At the present stage export of seamless pipes is conducted to European, US and CIS markets. In future we plan to expand our export activities in the markets of Middle East, East Asia, Africa and North and South America.

Square Billet is exported in Turkey, Azerbaijan, many countries of Africa and Asia.

Re-bar is generally sold in the local market also in Azerbaijan and Armenia.

MARKETING ROUTE/DISTRIBUTION CHANNEL

Exports account for approximately 70% of sales, and the company's export markets include US, Europe, Russia, CIS and Africa. The company has a 25% share of the Georgian re-bar market.

DETAIL DESCRIPTION

Rustavi Steel's medium term development plan comprises investment projects for upgrading seamless pipe production and vertical integration with steel making. The company is open to discussions with potential strategic partners, banks and financial investors. The investment programme includes:

1. Modernisation of the seamless pipe mill - USD 100 million
2. Re-start of the blast furnace complex - USD 170 million
3. New steel making shop - USD 200 million
4. Other projects utilising Rustavi Steel's available land and infrastructure, e.g. cement plant, ferro-alloy production, logistics etc.

TIA DEVELOPMENT

TIA DEVELOPMENT CORPORATION

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E: info@tia.ge

Name of Representative: Giorgi Machutadze

Contact Person: Elene Khechuashvili

Shareholder composition

Main Bank

Private Investors, Institutional funds

City Bank, HSBC, Bank of Georgia

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

TIA Development Corp. holds 20ha of lands in Tbilisi airport, including more than 6ha inside the customs fence on the airside of Tbilisi International Airport (TBS). The company plans to develop the airport infrastructure, including aircraft maintenance facility (MRO), air cargo terminal, logistics hub, aviation school, offices and airport hotel. According to the existing Master Plan and financial analysis, the total development investment exceeds USD 100m and takes three years to redevelop TBS as a leading regional air hub. Currently, the company has invested USD 22M in acquisitions, planning and site preparation for the further developments.

PRODUCT LINE/SERVICES

Transportation Services - Development of the regional air hub.

COMPANY HISTORY

Tippin Corporation (www.tippin.net) has more than 20 years of successful real-estate investment and development projects in Canada, Germany, Hungary, Serbia and now, Georgia.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Investment in real-estate development projects in CEE with North American Investment Funds and International Banks. Collaboration with the major hotel chains, leading architectural and project management teams.

BUSINESS PROPOSAL

PROJECT TITLE - MRO (AIRCRAFT MAINTENANCE, REPAIR AND OVERHAUL) PROJECT

BRIEF DESCRIPTION

The price of the project – 18 000 000 USD

Source of financing – Shareholders' capital 40-45%, the bank loan - 55-60%.

Project's implementation period – 18 months.

The partners – The world's major aircraft manufacturers (Boeing, Airbus, Bombardier, Embraer), aircraft engines manufacturers (Rolls Royce, Pratt and Whitney, General Electrics) and airlines. Local banks and international financial institutions represented in Georgia have expressed their interest to take a part in this project.

TBILISI EYE HOSPITAL

PROJECT - TBILISI EYE HOSPITAL

Tbilisi, Tashkenti str. 25, apart #48

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E: alexander.tsintsadze@gmail.com

Name of Representative / Contact Person: Alexander Tsintsadze

Year of company establishment	2014
Capital (USD)	460,000
Number of Employees	30
Shareholder composition	50% Georgian shareholders; 50% foreign investors;
Main Bank	JSC Bank of Georgia

BUSINESS PROPOSAL

PROJECT TITLE - PROJECT – TBILISI EYE HOSPITAL

Background

Statistics show that about 36% of the population in Georgia suffers from vision problems, consisting primarily of refractive anomalies and eye diseases caused by age. The market is highly underdeveloped (only 6% is being treated). However, there have been significant increases in the number of operations (50, 4%-2012, 44, 5%-2011), mainly associated with an increase in accessibility of the health services and expansion of the governmental and private health insurance system. The level of competition is low: Only 2 full service provider eye clinics operate in Georgia.

Proposed Project

Our intention is to set up a full service eye hospital in Tbilisi. It will be a hospital with facilities for outpatient department, pharmacy, major & minor operation theatres, laser room and a Low Vision clinic. Appropriate state of the art equipment will be provided. The hospital will be able to treat up to 100 patients in the outpatient department and perform up to 25 major surgeries per day. This hospital will service all of Georgia and parts of Azerbaijan with a total population of over 13, 5 million.

The management of the hospital will be formed from the best and most experienced eye clinic top managers.

The hospital will be a full service provider and simultaneously will provide innovative payment terms (12 month credit sales) to patients that cannot afford the premium service.

Team

The future CEO and one of the shareholders of the hospital, Alexander Tsintsadze, MBA, worked as Executive Director of one of the leading eye clinics in Georgia – “Akhali Mzera” (www.eyeclinic.ge) since 2009. During his management the hospital grew its sales by 270% and achieved 360% net income growth (1.8 mln GEL in 2013) all the main ratios were improved (improved annual ROE from 21% to 44%, improved annual ROA from 22% to 35%).

Leading Georgian ophthalmologists will be in the team of the future venture, which in turn will provide a constant customer flow from the first month.

Description

The hospital will have the following features:

1. Waiting area for 50 people.
2. 2 large diagnostic areas to assess the nature of the eye problem
3. Consultants rooms
4. Laser room
5. Pharmacy
6. Minor operating theatre.
7. 2 major operating theatres with space for 2 tables & 2 operating microscopes
8. Preparation, recovery, & doctor's changing rooms
9. Sterilization room with necessary equipment
10. Low Vision
11. Administration area , storage, generator room.

Expected Number of Patients

In the initial period of about 6 months we expect to diagnose about 50 patients in the outpatient department and to perform about 10 surgeries per working day. As awareness of our facility grows patient traffic is expected to increase to about 100 and surgeries to about 20 per working day.

Construction of the Project

The hospital will operate in rented 800 m2 commercial space in the center of Tbilisi.

Equipment & Furniture

The necessary equipment for the hospital will be in place in 3 months after ordering and for the best available prices, as the top management of the clinic has a good network among the manufacturers of such equipment.

Project Funding Requested, in U.S. Dollars

1. Medical equipment	950000
2. Medical Supplies	20000
3. Commercial space repair cost	160000
4. Furniture & other PPE	50000
5. Operational Expenses (3 months)	155000
6. Marketing expenses (3 months)	60000
7. Misc expenses	15000
Grand Total	1410000

Funding Type:

Lease – 950000 \$

Equity provided by foreign investors* - 230000 \$

Equity provided by Georgian shareholders – 230000 \$

*We will repay lease obligations in 5 years and put a call option for equity in 3 years for 500 000 USD

TRIASI

PUBLISHING HOUSE TRIASI

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Contact Person: Elizbar Arsenashvili

Year of company establishment	2003
Capital (USD)	150 000 USD
Number of Employees	30
Amount of Sales in 2013 (USD)	300 000 USD
Shareholder composition	Elizbar Arsenashvili 67% / Lia Meskhi 33%
Main Bank	Liberty Bank

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

Time: according to the estimations of the submitted project the annual production rate of the Company will reach \$ 8,000,000, half of this amount will be generated from the international orders. Besides, the products produced in Georgia may be delivered by instalments to the clients, which will allow them to not have any deficit in their stores.

Quality: the submitted project allows to create products of European standards in Georgia which is very topical today. Besides, the project will allow us to expand our relations with Georgian print shops offering them such types of services (production of hard covers, binding, folding, etc.) for which they now have to take their projects abroad. This will result in additional loading of the equipment purchased within the frames of the project and, correspondingly, in additional incomes.

Price: the consumables are mainly purchased from several big importers who actually regulate the prices and have high margins which, in the end, inflicts losses to medium and small print shops who send the orders abroad. Currently we are already negotiating with several foreign suppliers who are offering the above prices based on which we will be able to decrease the cost price (due to the consumables only) by about 30%.

PRODUCT LINE/SERVICES

Publishing and Printing Design

COMPANY HISTORY

TRIASI Publishing House was set up in 2003.

During the past 10 years the business trends of the Company consisted of publishing and printing activities. Both trends, though closely connected, have been developing quite independently.

Besides, TRIASI Publishing House carries out the publishing projects out of which the priority is given to school textbooks whereas the textbook market has proved to be highly profitable.

In particular, starting from 2005 the Publishing House has written the school textbooks in Biology for the VII- VIII- IX- X-XI-XII grades, which have successfully passed the piloting procedures within the frames of the Ili Chavchavadze project and were granted the classification mark from the Ministry of Education.

The sales of the company have been increasing from year to year due to the number of textbooks and the increasing of their competitiveness. In parallel to the above, TRIASI Publishing House publishes popular literature and books for children.

Our foreign clients are Azerbaijan and Armenian railway owners.

Also we have many foreign suppliers and the some of them are:

a) Interpipe Ukraina; b) Methawk commerce limited; c) Metkholding; d) Oriola LP; e) Svarog Venture Capital; f) Metinvest; g) CSR China Railway; h) Lankwitzer

MAIN CLIENT / PURCHASER / BUYER

Publishing House Meridiani / Publishing House Bakme / Publishing House Intelect / Publishing House Logospress / Publishing House XII Century / Association BIO / International Chamber of Commerce / International Organization of Migration / Commercial Companies / Ministry of Education / Ministry of youth and sport / LTD Toyota Caucasus / End etc.

DISTRIBUTION CHANNEL

We have got relationship with lots of bookshops such as:

Book shop "Biblusi" - 45 shops / Book shop "Samshoblo" / Book shop "Pabula" / Book shop "Rustaveli 16" / Book shop "Laterna" / Book shop "Books at Dadiani" / Book shop "Sagandzuri" / Book shop "Diogene" / Book shop in Bartumi / Book shop in Rustavi / Book shop in Telavi / Book shop in Zugdidi / Book shop in Kaspi / Book shop in Zestaponi

MARKETING ROUTE

In addition to the above data, the strategy of entering the market stipulates constant communication and discount system for clients which may be achieved by decreasing the cost price (supposedly by 30-40%) as well as the postpayment of a part of the sum (mainly, only in the amount of the supposed profit), the system of variations or the right to make corrections to the order during the production process, the possibility of constant control of the process, the flexible system of delivery of the order, etc.

BUSINESS PROPOSAL

TRIASI Publishing House was set up in 2003.

During the past 10 years the business trends of the Company consisted of publishing and printing activities. Both trends, though closely connected, have been developing quite independently.

The purpose of the investment project is to develop the existing contemporary book, magazine and advertisement printing facility so that the products will meet the European standards both with respect to the manufacturing process and the quality. It promotes the development of the national printing industry and overcoming the dependence on the importing of published mass media and high-quality illustrated printed products.

Publishing House Triasi can make different kinds of commercial products. Also we can print, publish and make designs of different kind of products.

Our target customers are: Georgian Publishing houses, Commercial Companies, Big Organizations and tenders.

Today Market volume is 120 Million GEL in a year.

The strategy of entering the market may be divided into 2 parts:

I. to leave the orders taken abroad on the local market which will be achieved by improving the 3 principle indices serving as the advantages for foreign companies: time, quality, price.

II. to create a competitive environment on the local market.

Time: according to the estimations of the submitted project the annual productivity of the Company will reach 8,000,000 USD which makes half of the orders taken abroad. Besides, the products produced in Georgia may be delivered by instalments to the clients which will allow them to not have any deficit in their stores.

Quality: the submitted project allows to create a products of European standards in Georgia which is very topical today. Besides, the project will allow us to expand our relations with Georgian print shops offering them such types of services (production of hard covers, binding, folding, etc.) for which they now have to take their projects abroad. This will result in additional loading of the equipment purchased within the frames of the project and, correspondingly, in additional incomes. (The failure to have the mentioned production aspects in Georgia inflicts the loss to other print shops as well whereas they have, because of the inexistence of one through production stage, let the order leave the country, while with us they will be able to fulfill the order using one through production cycle).

In addition to the above data, the strategy of entering the market stipulates constant communication and discount system for clients which may be achieved by decreasing the cost price (supposedly by 30-40%) as well as the postpayment of part of the sum (mainly, only in the amount of the supposed profit), the system of variations or the right to make corrections to the order during the production process, the possibility of constant control of the process, the flexible system of delivery of the order, etc.

During the course of time several big print shops were established in Georgia which was the result of big investments and the lobbying from the government which, in the end, promoted their monopolizing of big orders (tenders). Hence, the companies increased the internal fixed costs as well as the cost price which resulted in their dependence on the tenders. Under the competitive environment they will not be able to offer better prices as compared with ours which will allow us to win the tenders and increase our share on Georgian market.

In addition, we are planning to establish a flexible sales group which will, at the first stage, return back our old clients (up to 100 companies) and to work with new clients. We have made a list of companies using the printing services both in and outside Georgia. The total amount of investments is 3,543,057.

INVESTMENT AT PUBLISHING HOUSE TRIASI

Investment Layout

Name	Function	Operational Term	Value USD
C T P	printing plate developing	10 Years	131,914
Heidelber _ 8 Color printing Machine	printing Machine	15 Years	800,000
Heidelber 52-4	printing Machine	15 Years	200,000
Folding machine	Paper Folding Device	7 Years	41,143
Paper Cutter	Paper Cutter	15 Years	30,000
Binder	bookbinder	10 Years	102,857
carving machine	Paper carving	15 Years	50,000
wire-stitcher	wire-stitcher	10 Years	68,571
sewer	book sewer	10 Years	20,000
Cutter Knife sharpener	Cutter Knife sharpening	10 Years	28,571
Zechini	Hardcover binder	10 Years	200,000
Refinancing	Bank		1,200,000
Circulating assets	purchase of materials		300,000
Premises	Expand of existing		370,000
Total			3,543,057

TLC PROPERTY MANAGEMENT

TLC PROPERTY MANAGEMENT LLC

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Name of Representative: Nino Tsereteli
Contact Person: Contact Section
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Year of company establishment	2010
Capital (USD)	5 547 000
Number of Employees	22
Amount of Sales in 2013 (USD)	300 000 USD
Shareholder composition	Irakli Memanishvili
Main Bank	Procredit Bank Georgia

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

TLC Property Management is a development company of the A-Class multimodal logistics center. In cooperation with its German partner- TrasCare GmbH it develops unique third-party-logistics solution for companies acting in Georgia and Caucasus. TLC is predestinated to serve as the regional logistics hub and hinterland terminal for the Georgian Ports, with a wide choice of regular block train connections and shuttle truck services between Poti/Batumi and Azerbaijan/Armenia.

PRODUCT LINE/SERVICES

Development of multimodal logistics center in Tbilisi

COMPANY HISTORY

TLC Property Management LLC (TLCPM) was founded in 2011. In cooperation with its German partner TransCare GmbH TLCPM is developing A-Class multimodal logistics centre- "Tbilisi Logistics Centre" (TLC) in Tbilisi.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Cooperation with TransCare GmbH and international investors.

MAIN CLIENT/PURCHASER/BUYER

Georgian and international retailers and wholesalers, manufacturers, transport and logistics service providers.

BUSINESS PROPOSAL

PROJECT TITLE - TBILISI LOGISTICS CENTRE

Tbilisi Logistics Centre Project includes development of first A-Class multimodal logistics center in the Caucasus. TLC is ideally located on the outskirts of the city of Tbilisi and it provides an intermodal connection to the traffic infrastructure. This concerns its macro-location as well as its micro-location:



On the one hand TLC is well connected to the supra-regional railway and road network, and on the other hand it is close to the city centre anyhow. In a 5 km radius one third of the Tiflis inhabitants will be reached.

TLC will be located on 7 ha area and will provide following infrastructure:

- 25,000 m² storage facilities consisting of dry and temperature controlled segments of warehouse. An extension of 7,800 m² in a further step is possible;
- 16,000 m² integrated office facilities with the extension possibilities up to 3,700 m² in the future;
- Intermodal container terminal;
- Container depot;
- Truck loading zone;
- Customs zone;
- Road and rail truck system, TIR-Parking.

The total capital requirement for TLC is approximately USD 36 million. The total value of TLCPM's contribution is USD 7 million including primarily land and project development costs. TLCPM expects to finance an additional USD 22 million in the format of debt from International Financial Organizations. TLCPM and TransCare are currently seeking an equity investor to contribute the final USD 7 million.

As a start-up project, the investment to date has been used for purchase of land and initial project planning. Use of funds of the anticipated debt financing and sought equity investment will be for project development and working capital.

The project sponsors project the following investment returns:

- 10-Year total project IRR of 29.3%
- 10-Year total project NPV of USD 9.7 million
- Positive EBITDA and Net Income in Year 1
- USD 7.2 million Net Income in Year 10

PRIVATE COMPANIES

ENERGY PANEL

Energy sector is attractive from the perspective of both existing natural resources and developing infrastructure, as the country possesses huge hydro resources and offers untapped potential for investment. For the last years, Georgian has become net exporter of electricity and currently utilizes only 18% of its vast hydro resources. Georgian power grid is connected to the grids of all of neighboring countries, which are faced with either a structural power deficit or expensive power generation. From 2007 to 2013 Georgian energy sector has attracted almost USD 1,3 billion. In 2013 the FDI to energy sector amounted to almost USD 200 million with a 10% growth on annual basis. Ministry of Energy of Georgia has recently approved 80 HPPs projects with a total investment volume of up to USD 1.2 billion.



JSC ALLIANCE ENERGY

JSC Alliance Energy (AE) is a Georgian company specializing in renewable energy project development and electricity trading. AE is jointly owned by JSC Alliance Group Holding, a Georgian financial services firm, and Gross Energy Georgia, a leading Georgian engineering firm in the hydroelectric power sector. AE is focused primarily on small and medium-sized hydroelectric power plants (HPPs) with future plans to explore opportunities in the transmission and distribution of electricity, as well as opportunities in wind and solar power, and thermal power generation. AE is currently completing a HPP in Nabeghlavi, Georgia.

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Name of Representative / Contact Person: Irakli Tkebuchava

Year of company establishment 2011

Capital (USD) 571 800

Number of Employees 11

Shareholder composition 75% Alliance Group Holding

25% - Gross Energy Group

Main Bank JSC CARTU Bank

COMPANY HISTORY

Alliance Energy Inc. was founded in 2011 with the purpose of developing and generating hydropower, wind power, gas power, geothermal as well as carbon and energy trading. The company's initial project was the construction and implementation of a hydropower plant. Alliance Energy Inc. has currently identified 33 prospective projects for development within the next 5-7 years. The company is completing its 2MW hydropower plant on Gubazeuli river in Nabeghlavi in Western Georgia, which is expected to have an annual generation of 13.9 GWh.

Alliance Energy has the subsidiary company, Alliance Energy Trading, which is occupied with cross-border electricity trade and is a licensed electricity exporter. The company has an agreement and works in close partnership with Statkraft, which is the leading generator of renewable energy in Europe. Alliance Energy is well acquainted and has close partnership with local banks and international institutions like EBRD, IFC and others.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Although Alliance Energy is a relatively new company, it has qualified staff with experience of doing business with foreign companies. Gross Energy Georgia, which is one of the owners of Alliance Energy, works in close partnership with foreign companies like Royal Haskoning DHV, Norwegian Company ECON POYRY, Austrian Company POYRY and Norwegian Company Clean Energy Invest AS.

MAIN CLIENT/PURCHASER/BUYER

For Nabeghlavi HPP, Memorandum of Understanding has been signed with the government of Georgia in November 2011.

Turbines were purchased from BFL Hydro, which is one of the leading companies in small hydro arena. JSC Healthy Water (Tskali Margebeli) will be the main off-taker of the electricity generated from Nabeghlavi HPP, which is estimated to have a generation capacity of 13 million kWh.

MARKETING ROUTE/DISTRIBUTION CHANNEL

Electricity trade is a beneficial sector due to existing high prices for this resource in neighboring Turkey. Furthermore, no additional costs will be incurred from search of distribution channels, as Alliance Energy already has a contract with Statkraft, to sell its electricity.

Georgian government has been active in creating an enabling environment for utilization of country's energy resources and particularly hydropower. As a back-up option, if the generated electricity is not sold abroad, selling it to Electricity System Commercial Operator (ESCO) locally will always be an alternative move.

BUSINESS PROPOSAL

PROJECT TITLE - TEKHURI HYDROELECTRIC POWER PLANTS CASCADE PROJECT

BACKGROUND - The Tekhuri HPP Cascade Project consists of 5 HPPs (Lechekha, Erjia, Khipa, Tskhimra and Nobulevi) on the Tekhuri River located on the southern slope of the Samegrelo ridge at an altitude of 2,360 meters. The total length of the river is 101 km with a total drop of 2,352 meters, a gradient of 23% of the catchment area of 1040 km², with the cascades providing 1300.0-312.0 meters of potential energy between the marks.

OBJECTIVES - To obtain capital for the construction and implementation of the 5 HPPs

DESCRIPTION OF SERVICE/PRODUCTS - Industry expertise in the construction and implementation of 5 income generating HPPs

TARGET CUSTOMERS - Investors, both individual and corporate

MARKET NEEDS - Georgia currently imports electricity in winter periods, when the deficit is high and the existing local capacity is unable to meet the demand; Georgia's neighbor Turkey, with whom there is an established energy trade, is a net electricity importer and prices in Turkey are among the highest in Europe.

COMPETITIVENESS - The government of Georgia is actively developing a competitive and transparent market platform for energy trade; supports the utilization of the country's hydro power potential and is eager to facilitate the development of such ventures.

LOGISTICS - Once constructed, the HPPs and transmission line will allow for the transmission of generated electricity and sale in the energy market.

EXPECTATION FOR PARTNERS - Financing of the Tekhuri Hydroelectric Power Plants Cascade Project as a whole or individually with the expectation of a return on investment in a 5 year time period.

INVESTMENT AMOUNT - Tekhuri Hydroelectric Power Plants Cascade Project can be financed as a whole or as broken up individual HPP projects. Total cost of the cascade, including the above five HPPs and transmission line is about 170,896,000 USD.

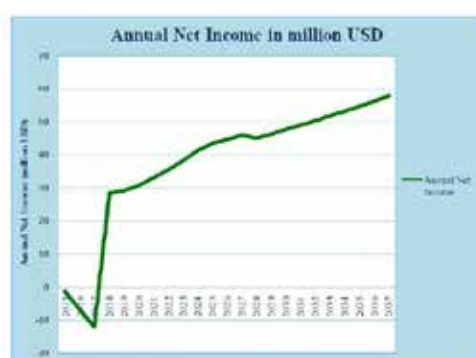
HPP	Installed Capacity (MW)	Annual Generation (GWh)	Investment Cost (USD)	Construction Period (years)
Lechekha	22.95	132.76	37,808,448	3
Erjia	30.16	175.42	34,084,540	3
Khipa	16.95	99.05	24,969,714	3
Tskhimra	23.85	140.94	28,282,663	3
Nobulevi	18.48	105.08	31,954,013	3

TOTAL INSTALLED CAPACITY (5 HPPS) - 112 MW

YEARS OF NET INCOME TO COVER INVESTMENT - 5.5

STATUS - The project is provisional in status with a projected in-service date of 2018; AE has an agreement to sell the generated electricity to Europe's leading power distribution company

INVESTMENT PARTNERS - Seeking partners with the ability to finance the cascade project either in whole or in part, with a minimum investment being the cost of an individual HPP



PROJECT TITLE - IMPORT OF HYBRID & ELECTRIC VEHICLES

Alliance Group Leasing (AGL) is the first and only non-bank owned leasing company in Georgia, operating with the primary goal of providing leasing services to its customers. Currently, AGL offers finance, operational and purchase and lease-back services. Established in 2006, AGL has served more than 4,000 clients and has financed transactions worth USD 16 million. The company is currently expanding its operations in the regions and targeting medium, small and micro clients in rural areas throughout the branch system of its sister company in Batumi, Kutaisi, Zugdidi and Tsalka.

AGL is the first leasing company in the country that obtained the International Certificate for Quality Management Standard – ISO 9001 in 2011 and the first leasing company in the country granted a Development Credit Authority Portable Guarantee from the US Government in 2011.

The automobile market is one of the most developed and growing markets in Georgia. Annual revenues of legal entities involved in automobile trading increases by 44% per year and amounted to GEL 1,289.1 million in 2012.

Georgian auto park grew by 9.6% per year and amounted to 831,600 vehicles in 2012, out of which 672,700 were passenger cars (65.7%, 156 automobiles per 1,000 people). In Georgia, 89.6% of the vehicles are owned by individuals and 10.4% by legal entities (including state agencies).

Georgian auto park is quite outdated. Second hand cars hold the large portion of the market; new cars hold only 2% of the total market. The majority of Georgians own automobiles produced earlier than 2001; however at present demand is on automobiles issued after 2002.

The most popular automobiles are in the USD 5,000 to USD 10,000 price category, but owners replace their automobiles with more expensive ones with the price range from USD 7,000 dollars to USD 12,000.

The portion of hybrid cars is 1%, but the demand on hybrids is growing, assumptions are made that portion of hybrid cars will grow up to 7 % in one year, up to approximately 47,000 automobiles.

AGL aims to promote and push up sales of hybrid automobiles, by importing them from Japan, and offering them to potential customers' through auto leasing with favorable conditions. Promotion of auto leasing service will be done by a targeted advertising campaign and an experienced sales team.

AGL's competitive advantages are the following:

One of three leasing companies in Georgia

Strong and positive brand awareness

Well-functioning chain of branches in regions of Georgia

Subsidiary company of one of the most successful financial and investment holding – Alliance Group Holding (AGH)

Potential customers are individuals, who have medium and high revenue, which is enough for purchasing a car (monthly income of a person must exceed 1,500 GEL (USD 900)) and companies with stable income and necessity of corporate automobile.

Alliance Group Leasing would like to partner with an international counterpart that will be willing to import hybrid & electric cars in Georgia. The scheme of cooperation can be via consignment, for the period of one-year, during which AGL will offer a new product with favorable terms to the market, execute a targeted advertising campaign and expand the market share of hybrid and electric cars in Georgia.

Consignment can be done either by:

Monthly payment of principal amount plus accrued interest rate; or

Payment of principal amount/accrued interest rate at the end of one-year term.

Alliance Group Leasing is also open to discuss a debt-financing instrument from international counterparts. The funds attracted will be used for offering other types of equipment in various sectors, including agriculture, medical and other needs for SME sector.

Leasing portfolio as well as Development Credit Authority (DCA) Guarantee from the United States Agency for International Development (USAID) will be offered as collateral in both cases.

PROJECT TITLE - INCREASING EXISTING CREDIT PORTFOLIO IN SME LENDING AND PARTICULARLY ECO LOANS

Alliance Group Microfinance Organization (AGM), established in 2005, is a privately owned limited liability company that provides easily accessible, diverse and high-quality financial services to citizens of Georgia. From its five branches (Tbilisi, Zugdidi, Batumi, Kutaisi and Tsalka), AGM finances individuals as well as micro-, small- and medium-sized enterprises in urban and rural areas of Georgia.

AGM's vision is to create and promote sustainable economic development in Georgia by providing capital and financial education to various communities, seeking to carefully balance its financial and social objectives. AGM's mission is to support the production (including regeneration), marketing and sales of native Georgian products by delivering financial products and services to underprivileged and poor communities in rural and urban areas (including farmers, women and families, and Internally Displaced Persons (IDPs) - long-term refugees from Abkhazia and South Ossetia from the civil conflicts of the early 1990s).

AGM seeks funding from international counterparts to increase the existing credit portfolio and issue small business, agricultural and eco loans in its existing service centres (Tbilisi, Batumi, Zugdidi, Kutaisi and Tsalka) as well as the soon to be opened, service centre in Bolnisi, Kvemo Kartli region of Georgia.

A new product has been tested last year - Eco loan for energy efficiency activities (financing tax conversions into gas, replacing old equipments with eco-friendly equipments and etc). The trial period proved that demand on eco loans can be increased and benefits of demonstrating energy efficient infrastructure even in a small household can be achieved. However, the scale used during the trial period was too moderate, thus the company decided to seek alternative sources of financing to expand its portfolio in this regard.

The project will extend the existing coverage as well as increase the credit portfolio of the organization. The new area covered within this project is Bolnisi service centre (Population: 13,800), opened in the summer of 2014. Currently, the economy is mostly agrarian with the notable exceptions of a winery, brewery and a gold mine in the nearby village of Kazreti.

The project envisages including educational programs for new as well as existing clients in the regions. Since Bolnisi service centre is open now, the financial educational trainings will be planned for local population. Trainings will be offered to male, as well as women entrepreneurs, as well as Internally Displaced Persons (IDPs) and ethnic minorities.

Topics such as financial planning and projection, developing simple budget, financial calculations and basic marketing principles will be offered. Local staff members, credit officers will deliver the trainings on site, thus it will be company's in-kind contribution. The trainings will be delivered for free.

Microfinance Organization Alliance Group is currently seeking institutional and private debt financing to expand the activities of the company. AGM will use the additional debt financing to:

- Increase lending in key impact sectors of the Georgian economy, particularly in agricultural production, processing and distribution
- Increase its credit portfolio in eco loans
- Increase accessibility to loans in the most underserved regions of Georgia
- Increase lending to the most underprivileged groups, such as women entrepreneurs and Internally Displaced Persons
- Improve awareness of financial planning among entrepreneurs as their businesses grow
- Promote ethical business practices among SMEs and young leaders

AGM has invested in sufficient infrastructure (five branches), human resources, operational capacity and management systems in order to be able to achieve prudent growth without significant further overhead expenses. Given additional debt financing, AGM can achieve at least 30% annual growth in lending in each of the next three years.

Amount of Loan – USD 500,000 – 1,000,000

Maturity of loan – 3-5 years

Interest Rate – Annual 7-8 %

Collateral – Backed with collateral



JSC GALT & TAGGART

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Name of Representative / Contact Person: Nino Papava

Year of company establishment	2014
Capital (USD)	Seed capital: USD 10 million Target: USD 100 million
Number of Employees	10
Amount of Sales in 2013 (USD)	52 263 615
Shareholder composition	RP Global and Galt & Taggart Group -10% Limited Partners - 90%
Main Bank	JSC Bank of Georgia

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

The Renewable Energy Fund seeks to develop greenfield renewable energy (mostly hydro) projects. Strong preference is given to run-of-the-river and small/medium sized hydro power plants which are situated in easily accessible areas, with ready/easy access to the transmission lines.

Advantages of small/medium size run-of-the river type projects:

Run-of-the-river facilities use conventional hydropower technology to produce electricity by diverting river flow through turbines that spin generators. This type of hydro power generation has multiple advantages including but not limited to the following:

High operating efficiency - the operating life of a run-of-river project is typically long (sometimes up to 50 years) with low operating costs, normally around 10-15% of revenue.

Low construction costs - building run-of-the river hydro power plants with installed capacity up to 30MW bears less costs than traditionally built (dammed) large hydro power plants while generation potential of relatively low cost run-of-the river plants remain attractive.

Low environmental impacts - run-of-river projects are considered to be 'green energy' with little environmental impact.

PRODUCT LINE/SERVICES

Development of run-of- the river small/medium sized hydro power plants.

COMPANY HISTORY

Company was established in 2014. Renewable Energy Fund acquired rights to 172 MW of capacity.

First project: Mestiachala 2 with the capacity of 20 MW is in the process of development.

Construction of hydro power plant is planned to start in April 2015, while fundraising will begin from Q1 2015.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

rpGlobal: Austrian privately owned independent power producer, developer and investor in hydro and wind power projects. Company has 25 years of successful track record in project development, construction and operation.

IFIs: Renewable energy fund is working with IFIs to obtain debt financing for all its HPP projects.

GEORGIAN INTERNATIONAL ENERGY CORPORATION

“GEORGIAN INTERNATIONAL ENERGY CORPORATION” LTD

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Year of company establishment	2005
Capital (USD)	47,453
Number of Employees	913
Amount of Sales in 2012 (USD)	107.2 M
Export Figures in 2013	3.2 M
Import Figures in 2013	1.9 M
Shareholder composition	
The Company's immediate parent company is LLC Georgian Industrial Group Holding	
Main Bank	
JSC TBC Bank, JSC Bank Republic, JSC Bank of Georgia	

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

The Company's principal activities involve generation of electricity and the re-sale of natural gas. Electricity is generated by a thermal power plant ("TTP") ("Tbilsres") and 8 hydro power plants located throughout Georgia. Electricity is sold to various private companies and to a state-established LLC Electricity System Commercial Operator ("ESCO"). The TPP has an installed capacity of 280 MW and its tariffs for sales to ESCO are regulated by statute while tariffs for sales generated by hydro power plants are not regulated. Each of the hydro power plants has an installed capacity of less than 13 megawatts and their tariffs are not subject to regulation.

The Company is engaged in barter transactions with an Armenian-based thermal power plant operator, whereby GIEC supplies electricity in exchange for natural gas. Natural gas is also purchased from major gas suppliers operating in the Caucasus region and capable of making large-volume deliveries. Major gas customers are cement factories and networks of natural gas refueling stations. The Company is also involved in the retail business of sale of gas through its own refueling stations.

PRODUCT LINE/SERVICES

Generation of electricity and the resale of natural gas.

COMPANY HISTORY

LLC Georgian International Energy Corporation ("GIEC") was incorporated on 11 July 2005 and is domiciled in Georgia. The Company and its subsidiaries have been set up as a limited liability companies in accordance with Georgian legislation. The Group's principal business activities are within Georgia.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The Company has sufficient experience in dealing with foreign companies in a number of business processes. Currently the Company has ongoing negotiations with potential partners in a variety of future energy projects.

BUSINESS PROPOSAL

PROJECT TITLE - REPLACEMENT OF THE EXISTING GAS FIRED THERMAL POWER PLANT WITH A COMBINED CYCLE THERMAL POWER PLANT WITH OUTPUT OF UP TO 400 MW.

Founded in 2005 and having at its disposal only several hydro power plants "Georgian International Energy Corporation" is now a major and fast developing players in the Georgian energy sector. Our principal businesses are electricity generation and natural gas sales.

GIEC is a prominent player in the electricity field being one of the most important private electricity suppliers in Georgia. The Company exports electricity to neighboring countries and targets to enter new markets. Shortly after the GIEC acquisition, GIG Holding started to improve the Company's value through its experienced management and aggressive development strategies. Being managed by GIG Holding, the Company has the ambitious strategy to consolidate its leading position in the energy sector of the Caucasus region.

With the confidence in clear understanding of energy industry dynamics the Company believes there will be strong return theses on planned and implemented modernization program, intended to improve the existing plants, as well as on increase of power generation capacity resulting from the construction of new assets.

Currently GIEC operates 8 small hydro power plants across Georgia and a strategically important thermal power plant providing electricity reserves to Georgia. The current power plants have a total installed capacity of 342 MW, where hydro power plants produce 48,7 MW, gas-fired TPP about 280 MW and the rest for coal fired TPP. In 2013 the Company provided a 21% share of Georgia's total electricity generation in the winter period and annual 10%.

The domestic market shows a significant growth in electricity demand, which is typical for an emerging market. Currently it is assumed that electricity demand in the country will follow the growth of the economy. In addition, the Company has an opportunity for export sales. GIEC has exclusive corporate clients in the region. What is more, in 2013 a new electricity transmission line to Turkey has been launched, which enables export of electricity both to Turkey and Europe.



Taking into consideration increasing demand of electricity, GIEC is going to replace the existing gas fired thermal power plant with a new combined cycle power plant. For this reason the Company is in the process of seeking strategic partners among thermal power plant producers. The targeted efficiency rate of the new power plant is estimated to be above 50%.

GIEC is open to joint ventures or consortium models of cooperation with international companies and can contribute to the project with; existing infrastructure which will be useful for a new TPP
Long term favorable purchasing and sales contracts on gas and electricity .

EXPECTATION FOR SUPPORT

Assistance in development of relationships with Japanese thermal power plant producers
Assistance in finding partners for cooperation in energy business
Assistance in project financing



GEORGIAN INDUSTRIAL GROUP (GIG)

Year of company establishment	2005	
Capital (USD)	Saqnaqshiri LLC - USD 19,645 thousand according to 31 December 2013 audited consolidated statements GIEC - USD 47,492 thousand according to 31 December 2013 audited consolidated statements	
Number of Employees	More than 3000	
Amount of Sales in 2013 (USD)	GIEC - 95,342 thousand USD (Sales revenue) As of Audited Report 31 Dec, 2013) Saknakshiri LLC - 20,847 thousand USD (Sales revenue) As of Audited Report 31 Dec, 2013)	
Amount of Export/Import (USD)	3.2 mln USD (electricity export revenue) As of Dec 2013 Audited Reports	Gazapkhuli str. 14, 0177 Tbilisi T: +995 32 221 01 87 F: +995 32 221 01 89
Shareholder composition	Privately Owned Company	E: gig@gig.ge / Z_Gelenidze@gig.ge
Main Bank	JSC TBC Bank, JSC Bank of Republic, JSC Bank of Georgia	Name of Representative: Zurab Gelenidze

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

Georgian Industrial Group (GIG) is the largest industrial holding in Georgia with a wide business portfolio including a coal mining, energy generation and natural gas retail. GIG provides Georgia with a significant part of the hydro and thermal energy, is one of the leaders in wholesale and retail natural gas sales and is the nation's only coal producer and sole owner of economically important coal mining assets of Georgia.

Georgian International Energy Corporation (GIEC) represents the Electricity Generation and Natural Gas Trade arm of the GIG Group. Electricity is generated by a thermal power plant ("Tbilsres") and 8 hydro power plants located throughout Georgia. Electricity is sold to various private companies and to a state-established entity Electricity System Commercial Operator ("ESCO"). The thermal power plant ("TPP") has an installed capacity of 300 megawatts, while hydro power plants have an installed capacity of 49 megawatts.

The Company is engaged in barter transactions with an Armenian-based thermal power plant operator, whereby GIEC supplies electricity in exchange for natural gas. Natural gas is also purchased from major gas suppliers operating in the Caucasus region and capable of making large-volume deliveries. Major gas customers are cement factories and networks of natural gas refueling stations. The Company is also involved in the retail business of the sale of gas through its own refueling stations.

In the coal mining business GIG is represented by the Saknakshiri LLC. The company is the sole owner of the economically important Georgian coal mining assets, which are the Tkibuli-Shaori and the Vale coalfields. Saknakshiri is engaged in coal extraction, enrichment and selling processes. Under current extraction licenses, at the company's disposal there are 407 million tons of coal deposits. The company, having successfully managed the rehabilitation of the two coal mines: Dzidziguri and Mindeli, started operating a new coal-enrichment factory in 2009. Extraction volumes amounted to 400 thousand tons of coal in 2013. The majority of the enriched coal produced is sold under the long-term contracts (1 year or more) to the local consumers. In the long-term horizon, the company plans to increase its

PRODUCT LINE/SERVICES

Electricity Generation / Natural Gas Resale / Coal Mining and Enrichment

COMPANY HISTORY

In the early 1990s right after the collapse of the Soviet Union, during full-scale deindustrialization of Georgia, the company took its initial steps. Based on experience and expertise accumulated over 20 years of business development, Georgian Industrial Group finally adopted a holding company structure in 2006. Starting from 2006 as a pure holding company Georgian Industrial Group Holding is investing in various industries, targeting value added businesses with a significant economic and social meaning for Georgia at the moment and in the long-run perspective.



BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The Company has sufficient experience in dealing with foreign companies in a number of business processes. Today the company has ongoing negotiations with potential partners in a variety of future energy projects.

MAIN CLIENT AND DISTRIBUTION CHANNEL

LLC Energo Pro Georgia, LLC ESCO, JSC Georgian Manganese, LLC Sakhnakhshiri, LLC Gas Energy, LLC Sachkheregas, LLC Air company, LLC HeidelbergCement, LLC Georgian Metal Company, LTD. Socar Petroleum Georgia.

BUSINESS PROPOSAL

PROJECT TITLE - 100-150 MW COAL-FIRED TPP

The new Coal-Fired Power plant project (installed capacity 100-150 MW) will be based on Tkibuli coal resources. A Feasibility Study of the project has been conducted and the company is in the process of selecting an EPC contractor for the project. Projected Investment equals to 120-180 mln US dollars and the project is expected to be constructed and commissioned within 36 months. After completion of this project, GIG plans to further expand by constructing two 300 MW coal-fired TPPs in Tkibuli.

PROJECT TITLE - 280 MW GAS TURBINE CCPP

The new 250-300 MW Gas combined cycle power plant (CCPP) project is planned to be built on our existing infrastructure in Gardabani. In October 2012 ENERCO (Engineering & Consulting GmbH) provided a completed Feasibility Study for the project. Projected Investment equals to 224 mln US dollars and the plant is expected to be constructed and commissioned within 24 months.

PROJECT TITLE - INCREASING HYDRO CAPACITY

GIEC has an ambitious plan to increase hydro electricity generation capacity by 100 MW and in 2020 to reach it's total capacity of 150 MW. A few potential locations for small and medium size HPPs construction have been selected and planning and feasibility studies have been initiated.

PROJECT TITLE - 20 MW WIND FARM

The Company follows its "green" direction and plans to create a wind power plant which will be the pioneering project in the country. At the moment, the site of the plant is selected and feasibility study is in progress. Projected investment is 20 mln US dollars and the plant is expected to be constructed and commissioned within 18 months.

KG ENERGY

KG ENERGY LLC

6 Marjanishvili Str. 2nd floor, Tbilisi, Georgia	Year of company establishment	2011
T: +995 32 2395705	Capital (USD)	10 000 000
E: Infotriasi@gmail.com	Number of Employees	58
Name of Representative / Contact Person: Vakhtang Ghonghadze	Amount of Sales in 2013 (USD)	300 000 USD
T: +995599 88 10 27;	Shareholder composition	KGM ENERJİ TİCARET LİMİTED ŞİRKETİ (KGM Energy), a Turkish based company
E: vakho.gongadze@kgenergy.ge	KG Energy LLC is beneficially owned by Silk Road Group Holding S.A. and Kusto Group Holding	
	Main Bank	JSC TBC BANK; JSC BANK OF GEORGIA

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

Business outline

Development and operation of hydroelectric power plants (HEPP) in Georgia through its active and growing participation into HEPP build-operation-ownership (BOO) investment projects promoted by the Government of Georgia, expanding the outlook of start-up and ongoing projects as well of the existing power plants.

Export of electricity generated by own HEPPs.

Company's Advantage

Guaranteed capacity in new interconnection electricity transmission line to Turkey for full allocation of electricity generated by own HEPPs.

PPA (Power Purchase Agreement) with Georgian and Turkish off-takes

Sponsor's equity up to 30%

Affiliate in Turkey being actively involved in the electricity market

Good knowledge of market

PRODUCT LINE/SERVICES

HEPP development and operation

Trading in electricity

COMPANY HISTORY

KG Energy LLC was established in May 2011 with special purpose of running development of HEPPs in Georgia considering opportunity of having exported the generated electricity to Turkey upon commissioning of the new interconnection electricity line, which was under construction at that time.

Since then KG Energy has established several subsidiaries, (Special Purpose Vehicles) to engage into different development projects through bidding for BOO contracts with the Government of Georgia within the scope of national policy for promoting the investments into hydro energy development in Georgia.

The SPVs are: Bakhvi Hydro Power LLC / Machakhela LLC

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

KG Energy LLC and SPVs have been provided with various number of services including engineering, project design, technical, financial and legal due diligence and has also purchased various types of goods and materials, including intellectual property, from Turkish, Chinese, German, Austrian, British and other foreign companies.

Since the beneficial shareholders of KG Energy are transnational companies running diversified business portfolios and having subsidiaries in different parts of the world including Switzerland, Netherlands, Ukraine, Turkey, Azerbaijan, Central Asia, China, Vietnam and Singapore, they possess a vast experience of having business relationship with companies abroad. This particular experience is transmitted to KG Energy via certain human resources that are designated by the shareholders to KG Energy permanent staff.

BUSINESS PROPOSAL**PROJECT TITLE - BAKHVI HYDRO POWER (BHP) LLC**

BHP includes Bakhvi 3 run-of the river HEPPs located on Bakhvistkali River in Ozurgeti District of Guria Region in South -Western Georgia.

The installed capacity of Bakhvi 3 HEPP is 9.9 MW with annual energy production of 38.109 GW/h. The plant will start operations in early spring 2015.

- Headwork has been done at 195 m. elevation;
- 3 Francis turbine units are installed in HPP, two with 4 MW capacity and one with 1.9 MW;
- The project cost amounts to US\$17 mln (excluding VAT)

BHP is in a priority group for guaranteeing capacity allocation on new Black Sea Transmission Line and is also registered as an Exporter qualified enterprise; Electricity generated by Bakhvi 3 HPP will be exported to Turkey except for the winter months when energy will be distributed to the Georgian market to any entity and/or to ESCO, based on Guaranteed Purchase Agreement dated August 23, 2012 with 10 year tenor

BHP has also secured PPA (Power Purchase Agreement) with Turkish off-taker for the rest of the months with 6-year duration.

PROJECT TITLE - MACHAKHELA HPP

Machakhela HPP project includes a 42 MW run of the river development of two hydropower plants: Machakhela HPP 1 (23MW) and Machakhela HPP 2 (19 MW) in a cascade on the Machakhelistskali river in the Khelvachauri District of western Georgia's Adjara Region. This is a build-own-operate project.

- Machakhela HPP 1 involves headwork at elevation about 337 m, approximately 1 km from the Turkish border.
- Annual energy generation is estimated 133.37 million kWh.
- Machakhela HPP 2 involves headwork at elevation about 237-360 m.
- Annual energy generation is estimated 109.45 million kWh.

The currently estimated cost of Machakhela HPP 1.2 is USD 80 million. The project is expected to have a 1-year preconstruction period and a 3-year construction period.

The company has signed a Memorandum of Understanding with the Government of Georgia on July 24, 2014.

Machakhela HEPP has guaranteed capacity allocation on new Black Sea Transmission Line.

The electricity generated by the HEPP will be exported to Turkey except for the winter months when energy will be distributed to the Georgian market to any entity and/or to ESCO, based on a Guaranteed Purchase Agreement dated August 23, 2012 with 10 year tenor

PRIVATE COMPANIES

TOURISM AND RETAIL PANEL

Tourism is another field, which witnessed significant growth in recent years and is considered to be an important driver of economic development and the creator of jobs as well as generator of revenues. The industry offers a wide diversification in terms of its sub-industries: summer sea resorts, four season mountain resorts (including skiing), spa-wellness, gaming and more. In fact From 2003 year to 2013 the number of international visitors to Georgia has increased from 300 thousand to 5,4 million with an average annual growth of 35%. Forecasted number of international visitors for 2015 is 6 million. With 17.3% of National GDP in 2013, trade is the largest economic sector in Georgia. Annual per capita retail expenditure has doubled over the past decade. More than 9% out of total international visitors visited Georgia for shopping purposes in 2013 year. According to Jones Lang LaSalle report 2012 the absence of many modern retail formats, particularly big box retail parks, offers highly interesting investment opportunities for prospective entrants. In addition, several big retail projects are under construction such as development of shopping village near Tbilisi International airport, shopping mall on Rustaveli street in Tbilisi and development of Carrefour retail chain on the whole territory of Georgia.



ADJARA GROUP HOSPITALITY

Holiday Inn Tbilisi, Rooms Hotels (Tbilisi and Kazbegi) Intercontinental Tbilisi

Hospitality. Hotel development, Hotel Operation

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E: valeri.chekheria@adjaragroup.com
Contact Person: Valeri Chekheria

Year of company establishment	2008
Capital (USD)	100 000 000
Number of Employees	650
Amount of Sales in 2013 (USD)	15 000 000
Shareholder composition	Ugulava Teimuraz
Main Bank	Bank Of Georgia (BOG), European Bank Of Reconstruction and Development (EBRD)

COMPANY HISTORY

Adjara Group Hospitality is the fastest growing, privately held, owner and operator company in the Georgian hospitality industry. Since 2008 our growth is both qualitative and quantitative, as we continue to build our team of top industry talents and implement new initiatives and best practices from all around the world. We are inspired by the fact that all the projects that we do today in our business are directly contributing to Georgia's hospitality industry development, therefore we do our best to exceed our guests' expectations, serve them with exceptional service and provide limitless hospitality.

In the span of 3 years we have:

Opened and operated full service hotel Holiday Inn Tbilisi with 270 keys, the biggest hotel in Georgia by the number of rooms (December, 2010)

Founded and developed the first Georgian Hotel Brand – Rooms Hotels, with its unique concept of interior design (November, 2011)

Opened and now operate the first project of Rooms Hotels – Rooms Hotel Kazbegi - a Member of Design Hotels™, mountain design resort, 156 keys (July, 2012)

Founded new Destination Management Company – Limitless Hospitality (February, 2013)

Opened and now operate another project of Rooms Hotels – Rooms Hotel Tbilisi - a Member of Design Hotels™, an urban-style, upscale design hotel 141 keys (September, 2014)

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

From 2009 we are working with the biggest international hospitality group, Intercontinental Hotels Group (IHG) we own the license of Holiday Inn hotel. We have a 10-year Franchise contract with the IHG, the most successful hotels chain in Europe, Middle East and Africa.

In 2013 we signed 10 Years Franchise (First 3 years management and then 7 Years franchise) contract with IHG for the first five star luxury brand Intercontinental Hotel Tbilisi with 250 keys.

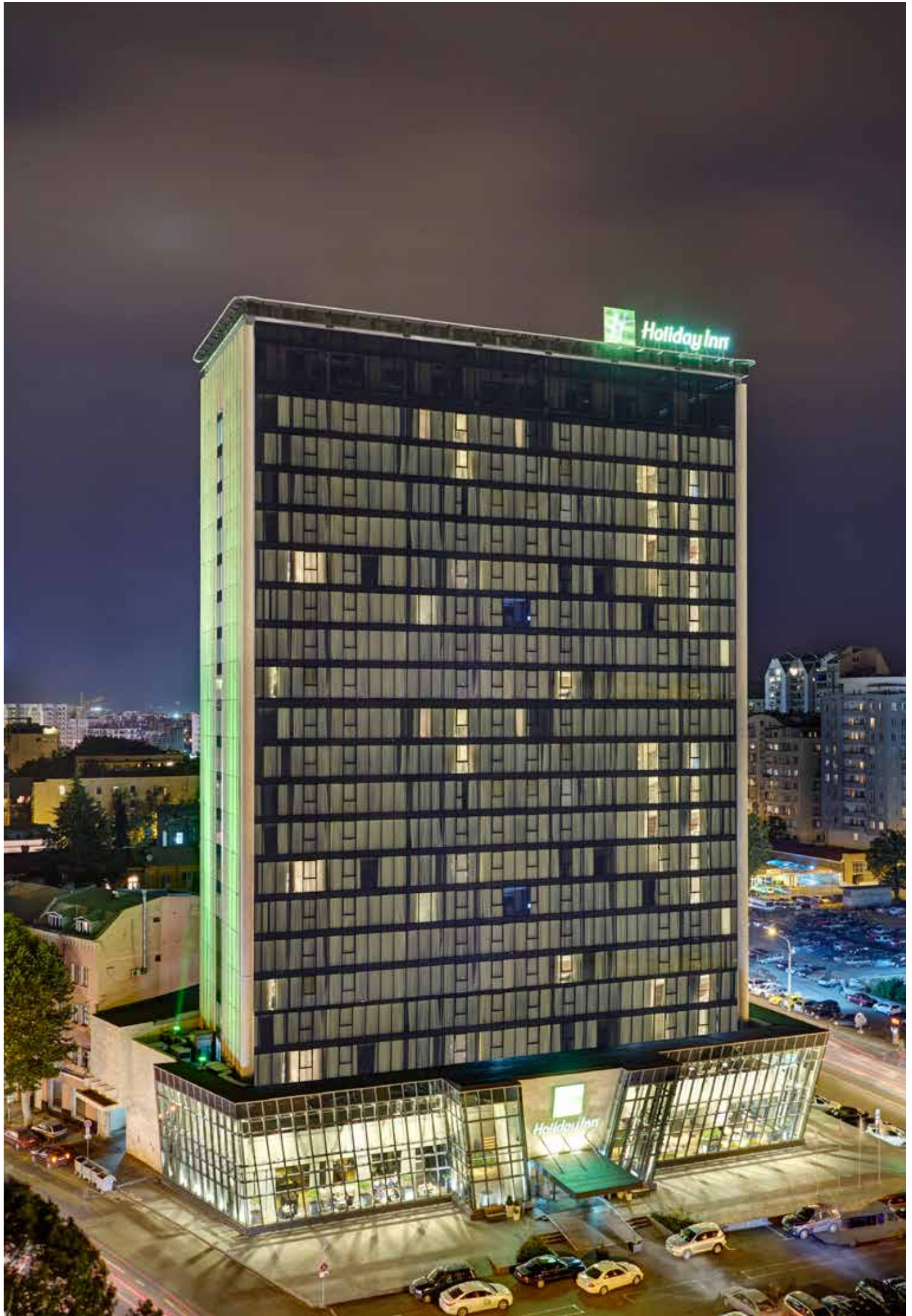
MAIN CLIENT/PURCHASER/BUYER

US Embassy / UK Embassy / Israeli Embassy / Italian Embassy / Embassy of France / Embassy of Ukraine / Embassy of Turkey / World Bank / EBRD / NATO / Government of Georgia / Travel Companies / Pharmacy Companies / Sport Groups / HP / Casino

UPCOMING PROJECTS

Opening of Crowne Plaza Batumi – Resort hotel with 175 keys (Q2, 2015)

Opening of InterContinental Tbilisi with 250 keys (Q3, 2015)



BASEL LLC

BASEL LLC

Hotel and real estate development

Owner of former Presidential Residence, an ideal location for a conference, spa resort hotel. The location is only 5 minutes from the historical center of Tbilisi and offers pristine nature, climate and great views on the city.

49, Krtsanisi Street, Tbilisi, Georgia
T: +995 577 500098
E: falk@krtisanisi.com
Name of Representative: Falk Spoerri

Year of company establishment	2004
Number of Employees	5
Amount of Sales in 2013 (USD)	1 000 000
Shareholder composition	89% Swiss investors
Main Bank	TBC

COMPANY HISTORY

Basel LLC privatized in 2004 the former presidential residence located in Krtsanisi district, Tbilisi.

The Krtsanisi Residence and former presidential mansion comprises a 15,1 ha elite residential, office, hotel and leisure development site situated in the prestigious Krtsanisi district in the south of Georgia's capital, Tbilisi.

The development site is gated and situated in an area of picturesque landscapes, which includes the embassies of the UK, Germany, France and Switzerland, the presidential mansion as well as a 4,000 sqm former apart-hotel building.

The site is situated 2,5 kilometers from the city centre, is master-planned for conference a spa resort hotel and a mixed-use real estate development of up to 250,000 sqm and already benefits from full city utilities, roads and fiber optics.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Basle LLC has attracted the Embassies of the UK, Germany, Switzerland, France to the Krtsanisi Residence and and is currently also renting offices including maintenance services to the EU Mission to Georgia.

BUSINESS PROPOSAL

PROJECT TITLE - DEVELOPMENT OF A CONFERENCE SPA RESORT HOTEL ON THE KRTSANISI RESIDENCE

OBJECTIVE - Basel LLC is looking for an investor for the development of a Conference SPA Resort Hotel on the Krtsanisi Residence.

DESCRIPTION OF SERVICE/PRODUCTS - The hotel should have approximately 150 rooms, which could also consist of an apartment/long stay component. In case of an Apart-Hotel component such units could be sold and leased back to the hotel operator and hence provide the investor a quick recovery of the initial investment.

Due to the unique natural environment and exclusive characteristics of the site it is a perfect location for a facility for meetings, weddings and other events.

There is currently a lack of spa facilities in the city. Such a product offering will also attract customers from high-end residential developments on the Krtsanisi Residence

A venue for fine dining can be integrated in the former presidential mansion, a venue of grandeur and historical significance.

BACKGROUND - Basel LLC privatized in 2004 the former presidential residence located in Krtsanisi district, Tbilisi.

The Krtsanisi Residence and former presidential mansion comprises a 15,1 ha elite residential, office, hotel and leisure development site situated in the prestigious Krtsanisi district in the south of Georgia's capital, Tbilisi.

The development site is gated and situated in an area of picturesque landscapes, which includes the embassies of the UK, Germany, France and Switzerland, the presidential mansion as well as a 4,000 sqm former apart-hotel building.

The site is situated 2,5 kilometers from the city centre, is master-planned for conference spa resort hotel and a mixed-use real estate development of up to 250,000 sqm and already benefits from full city utilities, roads and fiber-optics.



GREENWALL DEVELOPEMENT

Hotel Administration services

Company works in Real Estate business, and has over 15 years of experience in construction development. Moreover, our established partnerships with local financial institutions give an opportunity to easily allocate funds for our further projects.

Floor 2, Saakadze Descent 6, Tbilisi, Georgia

T: +995 32 220 00 11

E: tasatiani@greenwall.ge

Name of Representative: Giorgi Zarnadze

Contact Person:

Giorgi Zarnadze +955 591 11 16 16

Tornike Asatiani +995 598 25 82 25

Year of company establishment	2011
Capital (USD)	Up to 14,000,000
Number of Employees	Over 120
Shareholder composition	25% - Nikoloz Lekishvili
75% - Ltd. Umbrella Enterprise	
Main Bank	TBC-Bank

COMPANY HISTORY

In 2011, three big domestic construction firms merged to form “Greenwall Development”. As a result of our experienced, fully equipped and qualified staff and management team, each and every undertaken construction process was successfully initiated, developed and finalized in a timely manner.

The company has over 10 years of partnership with one of the Georgia’s leading banks, TBC Bank. Such affiliation with the financial institutions guarantees the needed funds for further and bigger scale projects.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Greenwall Development does not have any foreign partners. Every project was established only via local sources only.

MAIN CLIENT/PURCHASER/BUYER

Most of the clients are Georgians that are willing to purchase highly comfortable and innovative accommodation. Some of the buyers appear to be of foreign origin, which encourages the company to develop modernized and up-to-date construction projects that follow international standards and procedures.

MARKETING ROUTE/DISTRIBUTION CHANNEL

The company is mainly supported by Digital Marketing. Greenwall Development operates a web-page, facebook page, uses TV commercials as well as flyers and banners for the promotion of sales.



BUSINESS PROPOSAL

Today Greenwall Development can offer potential investors to join the equity of three major construction projects:

“ACURA”

Apartment building complex in the center of Tbilisi, near Sports Palace. Total area – 17 000 m² located on 2.500 m² territory; Useful space – 15.000 m²; Building territory 1 600 m² - rest of the land (900 m²) for future purposes. Land purchase costs 1.500.000 \$. Price per square meter 900 - 1500 \$. Therefore, sales revenue of \$16.000.000 expected. Present situation - Only land cleaned and prepared for constructions. Perspective of Kinder garden, fitness centers and bar-restaurants construction on remaining free territory.

Total construction costs – \$8 000 000, Construction of fixed ramp available merely for complex housing habitation (price per sq. meter increases by 10-15%). construction costs added for Pandus – 1 500 000 \$. Entrance of equity available for potential investors. Total additional funds needed for complex completion – 7 000 000\$ - . Construction time 1.5 years

“DAY-OFF”

ApartHotel in Gudauri – Nine floor apartment complex of 9.000 m² total area. located on 2.000 m² territory. Useful space – 8.200 m² . Extra 600 m² for parking space and 800 m² for future entertainment complex construction. Building is almost completed – only inside construction left, which will be finalized by summer 2015. Part of the building will be completed by December 2014 for Hotel use. Only 10% of apartments sold. The project is highly innovative for the region. It offers buyers to take over management of the apartment for hotel-use and divide the renting revenues fifty-fifty. The building will be equipped with a ski cable stretched from the entrance point of the hotel to the ski carriage in the mountains, ski-in and ski-out parks, ski depots, in-house bar-restaurants, lounges and laundry service-rooms. Due to partnership with a bank, the company offers special loan conditions to clients (only 25% of cash in advance – rest of the price as long-term debt).

Evaluated total construction costs – \$4.500.000. Up to 3 500 000\$ already invested. Purchased Land price – 300 000\$. Only up to 1 000 000 \$ additional funds needed for project completion. Sales revenue of 8 000 000 \$ expected to occur.

“DELISI”

Trading Center located in the center of capital. Trading spaces will be allocated under-ground as well as above it. Entertainment complex development planned. Total area – 35 000m²; Useful space – 22 000 m² . Total Construction costs – up to \$40 000 000. 4 000 000\$ already invested. Price per square meter \$3000-5000. Additional funds needed for Project completion – \$27 000 000, offering potential investors to enter the company's equity.

For the promotion of sales, company utilizes Web-Page, media and social network advertisements as well as provides with numerous special offers and discounts.

IMG DEVELOPMENT

IMG DEVELOPMENT LLC

Development

IMG Development was founded in 2013. The first project, IMG Plaza #1, is being executed and the building will go into exploitation by January 2015. The company aims to bring a European standard of construction and service to the Georgian market.

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Name of Representative / Contact Person: Giorgi Buchukuri

gbuchukuri@imgdevelopment.com

Tel: +995 599 29 47 28

Year of company establishment	2013
Capital (USD)	100,000
Number of Employees	25
Shareholder composition	75% IMG, LLC 25% Irakli Gurchiani
Main Bank	Cartu Bank

COMPANY HISTORY

The company, IMG Development was founded in early 2013 by individuals who are associated with the creation of successful business entities such as: "Insurance Company Aldagi", "Toyota Center Tbilisi", "Castel Georgia", retail network "CharmLane" and others. The Company aims to establish brand new standards on Georgia's real estate market. These standards entail unique design, European quality of construction and a high level of comfort in everything we do and everywhere we are involved.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

IMG Development works with companies from all over the world in order to offer clients the highest quality of product.

MARKETING ROUTE/DISTRIBUTION CHANNEL

The company uses internal sales force as well as outside agents. This gives us the opportunity to better penetrate the real estate market and employ various sales tactics.

PROJECT TITLE - HOTEL MESTIA

The project entails building a 3+ star hotel in Mestia, Svaneti. This historic province located in the North West of Georgia is an outstanding tourist destination where visitors can spend time getting to know historic monuments as well as enjoy a number of outdoor activities. Castles that go back to the 11th century, magnificent churches, brand new ski resort being developed and views that can proudly stand amongst the best in the world make a trip to this corner of a relatively small country one to remember.

Mestia is also becoming a top Winter destination due to the development of Tetnuldi ski resort which will provide 45 km-s of exceptional ski runs and is planned to open by the start of the 2015 season. One ski lift currently operates on Hatsvali mountain (total runway length 4.5 km-s) and HeliSki was utilized by a German group for this past season.

The four story hotel (-1, 0, 2, 3) will overlook the Caucasus mountain range together with the historical towers and Tetnuldi mountain. The Historical and Ethnographical museum of Svaneti Province is located only 5 minute walk away, and Queen Tamar airport is a 10 minute drive away from the hotel. The building will sit on 8,000 square meters of land. Equipped with 70 rooms, a swimming pool, conference room, a restaurant, a bar and other amenities, the hotel will offer highly comfortable service to the customers.

TARGET CUSTOMERS - Most of Georgia's arrivals come from neighboring countries. Turkey, Armenia, Azerbaijan and Russia together make up for 88% of tourists, which explains the fact, that 87% of arrivals are through land. There has also been an increasing trend of domestic tourism (Georgian citizens as well as foreign residents). Our project is aimed at attracting the most visitors from Eastern Europe, Ukraine, domestically and Russia (#5 on the World's Top Tourism Spenders list according to UNWTO's recent survey).

MARKET NEEDS AND MARKET VOLUME - Total of 15 hotels and guesthouses currently operate in Mestia, out of which are 5 hotels and 10 family owned 5-6 bedroom hostels. Hotel Tetnuli, which by class and services offered stands considerably low compared to the standard of our project, is priced at USD 125 – 165 (VAT included) per night.

MARKETING STRATEGY - The hotel will offer free tours to the local and international tour operators in order to market the brand directly to the firms that are in charge of bringing the tourists to the region. Various online marketing tools as well as well known databases for top tourism destinations will also be used.

FINANCIAL CHARACTERISTICS - The total investment for the project is USD 4.5 mln, financed partly by debt from local and/or international financial institutions. The hotel will be equipped with 70 rooms, with an ADR of USD 150 (including VAT). Average occupancy rate is expected to be about 49% in Y1 and grow to 60% and 70% from Y2 onward respectively. With these assumptions, the IRR reaches 24.83% and NPV is USD 5.82 mln.

BUSINESS PROPOSAL

The current shareholders are ready to give up a 40% stake for an investment (amount negotiable). The land (total area 8,000 m²) and additional cash will serve as the contribution of IMG Development and the rest will be financed by local or international financial institutions. Investors able to assist the company in securing funds from FIs will be considered as favorable.

IBERIA GROUP

IBERIA GROUP LTD

Construction, Real estate, FMCG

"Iberia Group" is a holding entity for the interests of its shareholders in "Iberia Refreshments - PepsiCo Bottler in Georgia", "Iberia Real Estate" and "Iberia Construction", and has an agenda to transform its structure by diversifying its business portfolio and to invest directly into the new business ventures in commercial real estate and hospitality sectors.

Chavchavadze Avenue 49 A, Tbilisi, Georgia

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E: david@iberiagroup.ge

Name of Representative : Contact Person: Mr David Lomjaria

Year of company establishment 2001

Number of Employees over 500

Shareholder composition

A number of Georgian individuals, including, Mr. David Lomjaria, Mr Nugzar Chichinadze, Mr. Ivan Mosashvili, Ms Manana Mgaloblishvili, Ms Tamar Dolidze, and Konstantine Svintradze.

Main Bank

Bank of Georgia

COMPANY HISTORY

Iberia Group was established in 2001 by a group of Georgian businessmen with the aim to control their mutual shareholdings in different Georgian companies, which, at that time, were focusing their activities in high street retail, automobiles retail, petroleum products downstream, real estate and construction.

By 2002, the Group had successfully exited the retailing and petroleum sphere and shifted its focus to real estate development and FMCG business.

In 2003, through "Iberia Refreshments", one of its subsidiaries, the Group executed an exclusive bottling agreement with PepsiCo International for production and distribution of PepsiCo beverages in Georgia and Armenia. "Iberia Refreshments" has been nominated twice as PepsiCo's best performing bottler worldwide and has received the highest awards from PepsiCo's Chairman for its professionalism, integrity and implementation of PepsiCo's corporate values

Iberia Group has a proven track record of business development, based on experienced management, a deep knowledge of, and insight into, the real estate market, as well as sufficient professional human resources, which enables the Group to successfully implement challenging business projects in construction and real estate

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

During the last 15 years the Group has closely worked with and has built strong successful partnership relationships with many international companies and IFIs, including Boyner Group, Automobiles Peugeot, Shell International, PepsiCo and EBRD.

BUSINESS PROPOSAL

PROJECT TITLE - OUTLET VILLAGE IN OKAMI

BACKGROUND - The project envisages the development of a retail shopping village in cooperation with EXEN Spa, a leading real estate development from Italy, and Freepost Retail, the highly reputable international outlet operator. The village will be designed and operated as an upscale outlet center (e.g. Freeport Lisbon, Rocca Village Barcelona etc).

OBJECTIVES/ DESCRIPTION OF SERVICE/PRODUCTS - The aim of the project is to introduce the highly successful concept of "outlet shopping" to the Caucasus region and neighboring countries, as this shopping village will be the first of this kind in this part of the world, and thus will be destined to attract a large number of customers from among Georgian citizens and the fast growing number of the country's visitors and tourists. The village will be situated within easy travelling distance on the highway connecting the capital of Georgia, Tbilisi, with the Georgian Black Sea. The Shopping Village will become a leisure and attraction hub for the visitors who will seek to spend time out at an open-air "village" setting, enjoying the affordable shopping and leisure activities.

TARGET CUSTOMERS - Georgian population with disposable income and leisure and recreation visitors from neighboring countries - Turkey, Armenia, Azerbaijan and Russia, as well as Ukraine, Poland, Hungary.

COMPETITIVENESS - At the moment there isn't a single outlet village in the whole region

EXPECTATION FOR PARTNERS - The Company is seeking both equity and debt investments

INVESTMENT AMOUNT - Up to USD 40 million

RATIONALE - The steady and impressive growth in the number of visitors to Georgia, expected to reach 10 mln in the next 3-4 years. With only 4.5 million inhabitants it hosted over 5.5 million tourists in 2013 and as per the experts' estimate it will most likely reach 10 million per year in the next 3-4 years. The hospitality and service sectors are bound to catch up and the existing total amount spent by the country visitors of GEL 3 bln (GEL 650 per visitor) is going to at least triple to reach the level of 'per head' expenditures in the Eastern European (EE) Countries. According to the Georgian Statistics Department, the share of the total tourists' expenditure on shopping is only 18%, for comparison it is 40% in such EE Countries like Czech Republic or Poland, thus there is an untapped potential for growth. A favorable location in Caucasus, the absence of other outlet centers in the Region, the "first in the market" advantage.

Among all neighboring countries only Russia recently opened the Outlet Centers in Moscow and St-Petersburg. Due to the following reasons the Outlet Center in Georgia is likely to dominate the region for the next 5 to 10 years:

Georgia is the only country in the region including Ukraine, Russia, Turkey, Azerbaijan and Armenia to have no customs duty on garments and textiles, which undoubtedly conditions the lowest prices in the luxury and high street retail sectors. In addition, Georgia is the only country, except Turkey, where hassle-free Tax Free shopping is available with attractive claimable VAT at 18%. (In Turkey, the Tax Free shopping is limited to only the big cities like Istanbul and Ankara and claimable VAT is only 5%).

Due to several key constraint, like absence or limited number of tourists, unfavorable tax regime and difficulties in doing business in general, Azerbaijan and Armenia are unlikely candidates for the big Outlet Center operators to consider the investment for years to come while there would be an operating center in Georgia. For North-East Turkey citizens Georgia is becoming a preferred place to visit and even though such a center might be opened in Istanbul or Ankara, Georgia would be within easy reach.



REDIX LTD

Asset Management, Property Development, Investment Advice

Redix Ltd manages properties, being involved in supervision of issues related with finance, legal, tax, accounting, property branding and pricing, tenants relationship and other administrative issues related with property and asset management. The Redix Ltd strategy is to develop and manage a property with a sophisticated facility maintenance, cleaning & janitorial and security services, so these services are outsourced to specialized firms and related fees are shared between the owner and tenants. Redix Ltd is looking for a design and engineering that will make the space occupancy efficient in terms of energy and other utility costs both for the owner and for the tenant.

Georgia Tbilisi 0186, BCV Vazha-pshavela avenue 71, VII floor

T: +995 32 2201122

E:info@redix.ge

Name of Representative : Contact Person: Vladimer Sakvarelidze

Year of company establishment	2007
Capital (USD)	Over 1 000 000
Number of Employees	30
Amount of Sales in 2013 (USD)	8 000 000
Shareholder composition	Lasha Papashvili 100%
Main Bank	EBRD, TBC, IFC

COMPANY HISTORY

Redix founded in 2007 in Tbilisi, by Lasha Papashvili, to develop and manage investment property owned by Georgian Real Estate Holding Limited (GREH) and investment property directly owned by the Papashvili family. Redix has evolved to become a full-scale asset management firm. The cornerstone of the mission is to establish well-balanced pan Georgian Mixed Use Property Portfolio, able to generate returns acceptable for International private Equity Industry/Investors. The Company proved itself through the 2008/2009 crisis and has emerged as one of the key names in the Georgian Property Market, in the eyes of banks, investors, consumers and tenants.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Turner - pre construction works

AECOM - Contracted lender supervisor

Thermarium - International spa consultant

Stephenson Harwood - International law firm, a legal advisor

Koschany +Zimmer Architects (KZA) - leading German architects office contracted for

Architectural Group &Partners - design & architecture international consultants contracting, international brands like Gresham Smith & Partners

Henning Larsen - leading international architecture company

Financial Institutions: EBRD, Societe Generale Group, BoG Group, HSBC, Swedbank, IFC, others

Colliers International Hotel Team - Hotel Consulting

Hilton - Global Hospitality Company

Preferred Boutique - Preferred Hotel Group

Cushman & Wakefield - feasibility study

Arup - cost survey and technical feasibility

other leading international firms and companys

BUSINESS PROPOSAL

PROJECT TITLE - HOTEL AND RESORTS IN GEORGIA

Currently Redix Ltd manages the development of the 170 room Hilton Garden Inn in Tbilisi and a 6,000 sq.m ,the "A" class office development in Tbilisi. Outside Tbilisi Redix is planning a resort of up to 200 rooms in the town of Abastumani (multi seasonal resort destination in South Georgia) and a 110-room city hotel in the city of Telavi (administrative center in East Georgian region of Kakheti). Redix Ltd works with local and international banks and is also looking forward to team up with equity investors in order to secure the right and balanced funding structure for the projects that it is running.



JSC SARAJISHVILI

Wine brandy and fine spirits

Company's advantage consists of the experience, approach to the production technology, quality and stock of unique spirits.

4 Sarajishvili avenue, 0153 Tbilisi, Georgia
T: +995 32 2554444
F: +995 32 2654444
E: gnatroshvili@sarajishvili.ge
Name of Representative / Contact Person: George Natroshvili

Year of company establishment	1884
Capital (USD)	6 220 000
Number of Employees	160
Amount of Sales in 2013 (USD)	16 000 000
Export Figures	6 300 000
Shareholder composition	98.9% Elguja Bubuteishvili
Main Bank	JSC Cartu Bank

COMPANY HISTORY

JSC Sarajishvili, the oldest wine brandy & fine spirits manufacturer in Georgia, which was established in 1884, when the founder, David Sarajishvili introduced wine brandy made with the classical French technology to the entire Russian Empire. Since then the company has passed through many challenging phases, nevertheless, it has sustained its approach to the classical way of production. Nowadays the company is celebrating its 130th anniversary of being in business and is proud to hold 70% of the domestic market.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

One of the most important phases in the company's business process is relation with the foreign companies when it comes to both importing necessary materials for production, such as bottles, labels, oak barrels, etc. and international sales – exporting production to more than 15 different countries.

MAIN CLIENT/PURCHASER/BUYER

Sarajishvili production is being exported to more than 15 countries onto three continents, Asia, Europe and Post Soviet Union countries.

MARKETING ROUTE/DISTRIBUTION CHANNEL

According to the approach of the company, export and further distribution of the production is done through the partners acting on the market where exports take a place. Those partners are the leading distribution company through which further negotiations with the supermarket chains as well as HoReCa (Hotel/Restaurant/Café) takes place.

BUSINESS PROPOSAL

PROJECT TITLE - KAKHETI REGION PRODUCTION FACILITY SEEKING FOR THE PARTNER TO NEGOTIATE EQUITY INVESTMENT OR LENDING

Future plans of the company are ambitious. The company has concentrated on development and expansion of its internal resources, by establishing a 100-hectare vineyard in the east part of Georgia, which according to the plan, shall increase to 150 hectares by the end of 2015. The Sarajishvili company owns a property in Gremi, Kakheti Region where construction of the primary factory has been planned, execution of construction shall take place in 2015. We strongly believe that achievement of above mentioned should influence the inflow and development of tourism segment, as nowadays the Sarajishvili factory in Tbilisi is receiving many foreign guests interested in the process of wine brandy production as well as the history of the company. By having a primary factory and developed infrastructure on the owned property, the company shall have the ability to expand and satisfy the interest area of the tourists and diversify them to the Kakheti region.



SARAJISHVILI

სარაქიშვილი



SCHUCHMANN WINES GEORGIA

Kisiskhevi Village, Telavi Region 2200

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F: +995 23 2220187

E: n.abramishvili@schuchmann-wines.com

Name of Representative / Contact Person: Nutsa Abramishvili

Year of company establishment 2008

Capital (USD) 11 M

Number of Employees 150

Amount of Sales in 2013 (USD) 6 M GEL

Export Figures 1,5 M Bottles

Shareholder composition

Majority shareholder Burkhard Schuchmann

Minority Shareholders, Giorgi Dakishvili, Nutsa Abramishvili

Main Bank

Bank of Georgia

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

"Schuchmann Wines Georgia LTD" is an ultra premium winery in Kakheti, in the main winegrowing region in Georgia. It was established in 2008 by Burkhard Schuchmann, German Businessman and wine lover. Our philosophy is one of excellence based in a blend of ancient and modern know-how. As well as respecting our inherited tradition of quality wine making, indeed because of this tradition, we aim to produce fine wines that are reliable and speak of their origin. Wines are produced under strict quality control and are bottled in our modern bottling facility. We have a professional winemaking team working under leading Oenologist Dr. Gogi Dakishvili. We offer flexible working terms, good logistical support and a partner relationship. Our wines are regularly awarded in the international competitions, in the press and different guides, including: Decanter, International Wine and Spirit Competition, International Wine Challenge, Mundus Vini, Wine Spectator and etc.

PRODUCT LINE/SERVICES

Traditional and Modern style Wine Production, Hotel and Restaurant services

COMPANY HISTORY

Our Château and HoRe Business. Besides wine production we are host of every traveler and wine lovers. Guest can enjoy with our boutique style hotel with comfortable and well equipped rooms, classical restaurant with superb views of the Greater Caucasus Mountains and Alazani Valley. In 2014 we were awarded by leading travel institutions such as Holliday Check, TripAdvisor and Booking.com - for best service and attractive destination in Kakheti region. Besides Kakheti, In Tbilisi in old Caravansaray, Schuchmann Wine Bar and restaurant offers high standardized dine and wine experience.

FUTURE PLANS

Schuchmann Wines Group in Georgia offers A to Z management services in directions of wine production, and HoRe fields. Wine Production - we provide tailor-made service, from vineyard activity to launching a production factory. We have an ability to manage a wide range of projects for wine industry. Projects range from small scale expansion to full winery establishment. We realize that most wine lovers may not have the resources to manage their own projects and may require assistance from an organization that understands their overall business. Hotel Management - Schuchmann as a Brand is able to make concept strategy for boutique style hotel and take management of the project. Our brand name and client satisfaction will benefit the project from the beginning. Franchise opportunity of Schuchmann Wine Bar and Restaurant abroad. As we have created an exclusive and extraordinary concept of wine and dine, the concept Schuchmann Wine Bar and Restaurant based on Georgian wine and gastronomic themes, with unique handmade interior design and decor, with our competitive advantage such as wine and adopted high sophisticated dine concept, through franchising we give you greatest and successful business opportunity.



An excellent place for wine and dine

Schuchmann
WINES GEORGIA

They say perfection is the child of time.
We gave ours 8,000 years of experience to grow



Winery, Restaurant, Hotel
www.schuchmann-wines.com
Schuchmann, Wines Georgia
Telavi District, Village Kisiskhevi, Georgia



TEGETA MOTORS LLC

The Holding develops both multi-brand full auto repair service as well as mono brand strategy (representing MAN, JCB, Porsche, Mazda and Toyota dealership).

Automotive. Tegeta Motors gains the status of an absolute leader in the automotive industry in Georgia.

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 T: +995 32 224 44 44, 226 44 44
 F: +995 32 224 44 44, 226 44 44 (ext. 1119)
 E: info@tegetamotors.ge
 Name of Representative / Contact Person: Zviad Chachanidze

Year of company establishment	1995
Capital (USD)	2 354 000
Number of Employees	875 Stand-alone Company, 990 Group
Amount of Sales in 2013 (USD)	75 494 mln Stand-alone Company 90 297 mln Group
Export Figures (USD)	1 918 mln Stand-alone Company 1 918 mln Group
Import Figures (USD)	47 043 mln Stand-alone 54 264 mln Group
Shareholder composition	
	Mr. Temur Kokhodze 70% / Mr. Zaur Tskhadadze 21% / Mr. George Mshvildadze 3% / Mr. Elguja Tsakadze 3% / Mrs. Tina Kokhodze 1.5% / Mr. Beka Kiliptari 1.5%
Main Bank	TBC Bank

COMPANY HISTORY

The company is a privately owned holding (the Holding) that was founded in 1995 and holds the market leader positions in the automotive sector in Georgia. The Holding represents the world's leading automotive brands in Georgia and is engaged in retail as well as in wholesale trade activities of goods (tires, lubricants, batteries, spare parts, equipments) and rendering complete auto care service through its state-of-the-art branch network countrywide as well as goods exports in the whole Caucasus region. The Holding develops both multi-brand full auto repair service as well as mono brand strategy (representing MAN, JCB, Porsche, Mazda and Toyota dealership).

Tegeta Motors is always developing. The new European-standard service centers and branches are built throughout the whole territory of Georgia with their number increasing every year: in Tbilisi, Kutaisi, Batumi, Poti, Gori, Akhaltiskhe, Telavi.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Tegeta Motors expanded the scopes of its business as well as it widened the network and offered a wide scaled assortment of the best brands to its consumers. Currently, Tegeta Motors represents in Georgia the biggest and most famous companies such as Bridgestone, Michelin, Bosch, Varta, Shell, Ista, meguin, Hengst, Motul, ZF, BPW, Thermo King, etc.

In 2012, Gebruder Weiss GmbH, the Austrian transport and logistics Company, with Tegeta Motors LLC established the joint venture company, incorporated under Georgian jurisdiction. The regional company Gebruder Weiss LLC, constructed a premium class logistics centre in Tbilisi, with state-of-the-art technologies and 10,000 square meters of transshipment and logistics space.

REVENUE BY SALES CHANNEL TYPE: %

Corporate 40%

Retail 28%

Wholesale 15%

State 10%

Other 7% (including service and export)





WISSOL PETROLEUM GEORGIA JSC

Gasoline, Diesel, Jet fuel, compressed natural gas

Importer and retailer of petroleum products and compressed natural gas

74B Chavchavadze Avenue Tbilisi Georgia

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F: +995 32 2915316

E: office@wissol.ge

Name of Representative: Mr. Vasil Khorava

Year of company establishment	2000
Capital (USD)	37 684 155
Number of Employees	1698
Amount of Sales in 2013 (USD)	263 656 626
Shareholder composition	
Wissol Holding BV	61.96%
Helvetia Petroleum Holding BV	25%
Standard Oil Holding LLC	10.86%
Mr. Nugzar Abramishvili	2.18%
Main Bank	TBC Bank, EBRD

COMPANY HISTORY

JSC Wissol Petroleum Georgia appeared on the oil market in 2000 and today the company runs the largest network of petrol stations nation-wide maintaining the position of the market leader. Wissol Petroleum Georgia has broken the stereotype that it is impossible to get European-quality fuel in Georgia and offers the latest European standard, Euro 5 Eko fuel from Hellenic Petroleum. Considering rapid changes in oil prices that is always a sensitive issue for the customers in a developing country with a developing economy, JSC Wissol Petroleum Georgia took a strategic decision to expand CNG (Compressed Natural Gas) stations. CNG is an environmentally clean alternative fuel with the lower price. In 2014 The European Bank for Reconstruction and Development (EBRD) has arranged a US\$ 65 million syndicated loan to its long-standing client, Wissol Petroleum Georgia to support the expansion of gas filling stations in Georgia with compressed natural gas (CNG). Wissol is the first oil company in Georgia which has received an ISO 9001:2008 Quality Management Certificate, having held it since 2006 and successfully completing the recertification process every year. Therefore, the slogan of the brand is "Quality I Trust".

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Wissol today is the exclusive partner of Hellenic Petroleum and it imports Eko fuel products to Georgia since February 2014.

Wissol's partner in CNG is Aspro, the leading company in CNG refueling stations equipment in the world. With Aspro's state of the art technology Wissol turns its CNG integrated refueling stations in a safe, reliable manner and that is profitable for consumers.

For over 20 years Aspro has been developing comprehensive solutions that promote the use of CNG all over the world. Aspro compression systems offer excellent results in the five continents because they are manufactured responding to the specific needs of refueling stations in the different regions.



The Wissol petrol station at the Gori Complex has the exclusive offer to the transit truck drivers as well. Wissol has become an exclusive partner of AS 24 in Georgia. Truck drivers travelling in the Caucasus have the opportunity to fill up their tanks at Wissol service stations with the AS 24 network system. AS 24 is a Total Group subsidiary. The company has rapidly established itself as one of the main European suppliers of diesel on the roads. AS 24 is an international network that offers fuel to drivers in more than 26 countries. In cooperation with AS 24, Wissol can serve international clients; transporting companies that are moving in the direction of Europe, entering Georgia and passing through Turkey. Wissol has installed special AS 24 fuel dispensers at its stations in Gori Complex and Batumi. Company clients who have AS 24 cards have the opportunity to enter Georgia and fill up their tanks with fuel without paying cash.

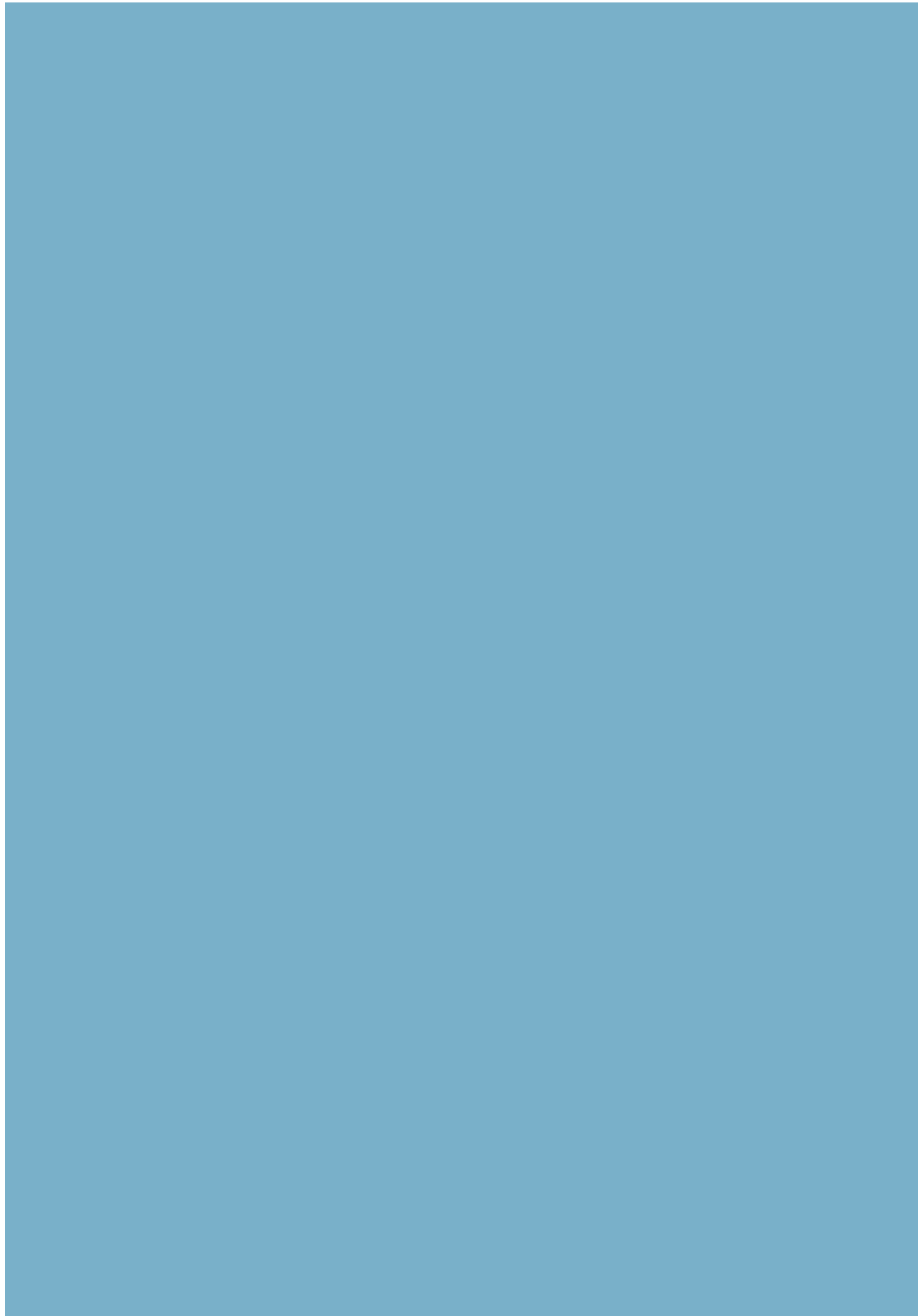
MAIN CLIENT/PURCHASER/BUYER

The international organizations, foreign embassies, local or international NGOs, business companies are among the clients of Wissol petroleum Georgia together with the 80 000 retail clients visiting Wissol every day.

MARKETING ROUTE/DISTRIBUTION CHANNEL

Wissol operates the widest chain of company owned gas stations Georgian-wide. Today it runs 130 gas stations in total.





PUBLIC-PRIVATE PARTNERSHIP (PPP)

GEORGIAN ENERGY DEVELOPMENT FUND

JSC “GEORGIAN ENERGY DEVELOPMENT FUND” (GEDF)

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F: +995 32 224 44 44, 226 44 44 (ext. 1119)
E: Info@gedf.com.ge
Name of Representative / Contact Person: Giorgi Bezhuashvili

Year of company establishment	2010
Capital (USD)	29 892 018,27
Number of Employees	17
Shareholder composition	100% Government of Georgia (GOG)
Main Bank	Liberty Bank; KSB Bank

BUSINESS MISSION

Mission of JSC “Georgian Energy Development Fund” is to promote realization of country’s energy potential, retrieval of appropriate funds, by developing projects and their effective implementation. The main goals of Fund are search for perspective projects of renewable energy sources and promotion of their development.

MAIN ACTIVITIES

carrying out preliminary research works / preliminary feasibility assessment of projects / preliminary environmental impact assessment / finding investors and awakening their interest in existing projects.

If investor wishes, as agreed with partner, for the purpose of project development promotion, Company can provide following services:

Preparation of all necessary documents for construction, including obtaining right of construction and licenses / Finding of designing organization and purchase of completed construction project / Preliminary project schematic processing or preparation of preliminary feasibility study report / Monitoring of construction process.

COMPANY HISTORY

JSC “Georgian Energy Development Fund” was founded 13 December, 2010. 100% of its shares are in state ownership. Company is founded on basis of 08 December 2010 instruction №1564 Georgian government, and 10.12.2010 decree №1-1/1950 of Georgian Economy and Sustainable Development minister. According to agreement from 22 December 2010 between Georgian Economy and Sustainable Development Ministry and Ministry of Energy of Georgia, shares in state ownership was passed to Ministry of Energy of Georgia with management rights.

In September 2012, by decision of minister of Energy and Natural Resources of Georgia, merging of Fund and “Georgian Green Energy Development Company” was carried out, which resulted in liquidation of this company, and JSC “Georgian Energy Development Fund” became its successor.

JSC “Georgian Green Energy Development Company” (GGEDC) is joint-stock company, registered 04 April 2011, and 100% of its shares were in LLC “Georgian Oil and Gas Corporation” ownership, when founded.

Stock was defined as 10 MM lari. Three members were designated in Supervisory Board. Akaki Kvantaliani was appointed as director. According to charter, Company’s field of activity was defined as: designing, construction, rehabilitation and maintenance of HPPs and other plants, working on renewable energy sources, as well as transmission lines, attraction of investments in energy sector, transmission of energy and its sell and purchase.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

Anadolu group / BDO / Calik / Cowi / Deloitte / EBRD / Enisolar / Fichtner / IFC / Inogate / Landsvirkjun / Meventus / Pegasus EastWest / Siemens / Steget / Stucky / The World Bank / Tractebel Engineering (GDF Suez) / USAID / Verkis

BUSINESS PROPOSAL

PROJECT TITLE - NAMAKHVANI HPP CASCADE

Namakhvani cascade is envisaged to exploit the hydropower potential of the Rioni River, running north-east to south-west within the study area, along river stretch totaling 40 km and delimited by:

- 357 m a.s.l. Ladjanuri HPP outlet (elevation of outlet sill of the tailrace canal)
- 200 m a.s.l. Gumati HPP reservoir (Full Supply Level)

The hydraulic head available for hydropower uses, along the river stretch, is therefore:

- 157 m Cascade geodetic head

PROJECT LOCATION - Tskaltubo region, village Namakhvani / Tsageri region, village Tvishi

HPP PARAMETERS - Installed Capacity: 410 MW / Annual Generation: 1560 GWh / Efficiency: 43.4% / Construction Period: 5-6 years

TECHNICAL PARAMETERS - Total Investment: 735 mln USD / Project IRR: N/A (Tariff negotiation process) / Equity IRR: N/A (Tariff negotiation process) / CapEx/MW: 1.79 / CapEx/kvH: 0.47 / Payback Period: N/A (Tariff negotiation process)

STATUS - Project Basic Design is being developed by consultant, which is planned to be finished by June, 2015.

PROJECT TITLE - LOPOTA HPP

Lopota HPP project envisages exploiting the hydropower potential of the Lopota River by constructing a Run-of-River type hydro power plant.

The studies have shown that Project is technically and financially feasible. Project Area is easy to access the road exists along the whole project area. On the next stages of the Project development and optimization, it is recommended to consider Lopota HPP scheme to be divided in two HPPs, about 3.5 MW each, the pipeline length will be reduced consequently.

PROJECT LOCATION - Project is located in the Kakheti region, Kvareli district, River Lopota.

HPP PARAMETERS - Installed Capacity: 7.1 MW / Annual Generation: 37.75 GWh / Efficiency: 60% / Construction Period: 2 years

TECHNICAL PARAMETERS - Distance to Grid: 7 km / Derivation: 8000m

FINANCIAL PARAMETERS - Total Investment: 11.4 mln USD / Project IRR: 15.7% / Equity IRR: 17.2% / CapEx/MW: 1.6 / CapEx/kvH: 0.30 / Payback Period: 6 years

STATUS - Joint venture with the investor was incorporated. Consultant selection process is in progress.

PROJECT TITLE - DIDKHEVI HPP

Small HPPs Didkhevi 1 and 2 have a typical scheme for the small scale hydro. The general layout consist of:

- Headwork structure, including small weir, sluiceways, fish way and sandtrap etc.;
- Steel penstock, buried type or partially buried;
- Powerhouse, where turbines will be located and generated water will flow back to
- Didkhevi River.

PROJECT LOCATION - Didkhevi 1 / Didkhevi 2

INSTALLED CAPACITY - 2MW / 1.6MW

ANNUAL GENERATION - 11.8GWh / 9.1GWh

EFFICIENCY - 67% / 65%

CONSTRUCTION PERIOD - 1year / 1year

TECHNICAL PARAMETERS - Distance to Grid: 7 km / Derivation: 8000m

FINANCIAL PARAMETERS - Total Investment: 3.6 mln USD/3.8 mln USD / Project IRR: 15.3%/11.6% / Equity IRR: 16.7%/11.7% / CapEx/kvH: 0.3/0.4 / Payback Period: 7 years/9 years

STATUS - Joint venture with the investor was incorporated. Consultant selection process is in progress.

PROJECT TITLE - SUPSA HPP CASCADE

Cascade consists of 5 separate HPPs which can be either discussed as separate or whole investment project. Sharing construction of road, transmission line and other infrastructure will probably lead each of HPPs from cascade to cost reduction. Economy of scale might also apply for purchase of capital intensive equipment such as electro-mechanical equipment, etc.

Classical hydropower scheme has been considered for this stage, including headwork, pressure tunnel, surge shaft, penstock and powerhouse. Headwork structure will include: weir (with embedded gates for flushing), fish way, intake and sand trap.

PROJECT LOCATION - The Project is located on the river Supsa, in Guria, a region in Guria, in the western part of the country.

HPP PARAMETERS - Surebi / Vani / Bukistsikhe / Baramidze / Supsa / Total

INSTALLED CAPACITY (MW) - 6.9 / 7.6 / 7.4 / 7.4 / 1.1 / 30.4

ANNUAL GENERATION - 40.8 / 44.5 / 40.7 / 44.0 / 6.3 / 176.3

EFFICIENCY - 66%

PROJECT TITLE - QVIRILA HPP

Qvirila HPP project envisages exploiting the hydropower potential of the Qvirila River by constructing a Run-of-River type hydro power plant. GEDF has completed a Pre-Feasibility Study, signed a MoU with GoG (September 22, 2014)

PROJECT LOCATION - Project is located in the Imereti region, Sachkhere district, new Chala Village.

HPP PARAMETERS - Installed Capacity: 6.6MW / Annual Generation: 40 GWH / Efficiency: 68% / Construction Period: 2.5 years

TECHNICAL PARAMETERS - Weir 615 masl. / Powerhouse 532 masl / Gross Head 83m

DISTANCE TO GRID - 4.5km

DERIVATION - 5000m (GRP pipeline, diameter 2400mm & 2500mm)

FINANCIAL PARAMETERS - Total Investment: 12.2 mln USD / Project IRR: 7.79% / Equity IRR: 7.21% / CapEx/MW: 1.81 / CapEx/kvH: 0.30 / Payback Period: 12 years

STATUS - Preparation for procurement procedures for selecting consultant for full feasibility study and basic design.

PROJECT TITLE - GARDABANI TPP

Project envisages construction of 500 MW (250 +250) thermal electric power plant in Gardabani, Georgia. The TPP will utilize a Combined-Cycle Gas Turbine.

GEDF has procured a consultant to provide engineering and management services for the project. The consultant, Tractebel, is undertaking the consultancy services.

The services include market study, Feasibility Study, Bankable Conceptual Design, and preparation of procurement documentation.

The consultant will also provide the post EPC supervision for 26 months after commencement of commercial operations.

PROJECT LOCATION - Project is located in Gardabani

TPP PARAMETERS - Type: CCGT / Installed Capacity: 500MW (250+250) / Annual Generation: TBD / Efficiency: TBD

TECHNICAL PARAMETERS - Type: CCGT

FINANCIAL PARAMETERS - Total Investment: TBD / Project IRR: TBD / Equity IRR: TBD / CapEx/MW: TBD / CapEx/kvH: TBD

STATUS - The Market Study, Preliminary Feasibility Study and the Detailed Feasibility will be finalized by May 2015

PROJECT TITLE - ONI HPP CASCADE

Current Developer of Oni HPP cascade is Georgian Energy Development Fund

Earlier the project has been developed by Partnership Fund, another state owned JSC

Feasibility study has been done by Stucky Ltd under the supervision of Partnership Fund and Ministry of Energy, including the geophysical investigations and Preliminary Environmental and Social Assessment

Totally, 15 different alternatives have been investigated during feasibility study, by varying dam location, dam height, installed capacity and location of additional intakes. Final alternative was approved in summer of 2012. GEDF plans to make front end engineering design and point out all important tasks either independently or together with reliable investors

PROJECT LOCATION - Racha-lechkhumiqvemosvaneti, river Rioni

NAME OF PROJECT - Oni 1 / Oni 2 / Garula / Jejora

HPP PARAMETERS -

INSTALLED CAPACITY (MW) - 125 / 130 / 12 / 3

LENGTH OF TUNNEL (KM) - 11,9 / 14,6 / 1,6 / 5,4

CONSTRUCTION PERIOD (YEARS) - 5 / 3.5 / 2 / 2

SUM - 270 / 33,5

ANNUAL GENERATION - 1255 GWH

EFFICIENCY - 68%

TECHNICAL PARAMETERS - Weir 1273 masl. / Powerhouse 423 masl / Gross Head 850m

FINANCIAL PARAMETERS - Total Investment: 600 mln USD / Project IRR: 13.31% / Equity IRR: 13.17% / CapEx/MW: 2.2 / Payback Period: 13 years

STATUS - MoU has been signed with the investor. Further development is being planned & Negotiated with the investor.

PROJECT TITLE - RIONI BASIN STUDY

GEDF is implementing new projects screening - identification and study for new hydropower projects in Georgia. The goal of the studies is to reveal and develop new hydro projects countrywide, will it be cascade or separate hydropower plants.

CONSULTANT - Stucky

STUDY PERIOD - Reconnaissance Study 3 months / Pre-Feasibility Study 3 months

STATUS - Reconnaissance & Prefeasibility Studies in progress

PROJECT TITLE - ENGURI BASIN STUDY

GEDF is implementing new projects screening - identification and study for new hydropower projects in Enguri Basin. The goal of the studies is to reveal and develop new hydro projects countrywide, will it be cascade or separate hydropower plants.

CONSULTANT - TBD

STUDY PERIOD - Reconnaissance Study 3 months / Pre-Feasibility Study 3 months

STATUS - Preparation for announcement of procurement of Consultant Services

PROJECT TITLE - MTKVARI, ALAZANI, IORI BASINS STUDY

GEDF is implementing new projects screening - identification and study for new hydropower projects in the basins of Mtkvari, Alazani, and Iori basins. The goal of the studies is to reveal and develop new hydro projects countrywide, will it be cascade or separate hydropower plants.

CONSULTANT - TBD

STUDY PERIOD - Reconnaissance Study 3 months / Pre-Feasibility Study 3 months

STATUS - Preparation for announcement of procurement of Consultant Services

PROJECT TITLE - STUDY OF BASINS OF GURIA AND AJARIA RIVERS

GEDF is implementing new projects screening - identification and study for new hydropower projects in the basins of rivers in Guria and Adjara regions. The goal of the studies is to reveal and develop new hydro projects countrywide, will it be cascade or separate hydropower plants.

CONSULTANT - TBD

STUDY PERIOD - Reconnaissance Study 3 months / Pre-Feasibility Study 3 months

STATUS - Preparation for announcement of procurement of Consultant Services

PROJECT TITLE - STUDY OF BASINS OF GURIA AND AJARIA RIVERS

Dariali Hydropower Plant, is being built on the territory of Kazbegi Municipality in close vicinity of Russia-Georgia border on the right slope of the river Tergi 160 km away from Tbilisi.

INSTALLED CAPACITY - 108MW

AEP - 540 MLN KWH

PROJECT COST - 123 mln USD

SHAREHOLDERS - LLC Peri, LLC Energia, Robbins Company, JSC "Georgian Energy Development Fund"

PROJECT TITLE - GORI WPP

The project is located north of the city Gori, in the central part of Georgia, Proposed area is situated on a hill reaching an altitude of 850 masl. and the location is favorable with regards to grid capacity, infrastructure and wind resource. One 80 meter measurement mast was erected during summer 2013, and there is now almost one year of high quality wind data available. The Project envisages promoting the utilization of renewable energy in Georgia.

PROJECT LOCATION - Project area belongs to the Gori municipality, which on its behalf belongs to the Shida Kartli administrative district. From the north the municipality is bordered by the currently occupied Tskhinvali district, from the west Kareli municipality, from the east Kaspi municipality and from the south - Tsalka municipality.

WPP PARAMETERS - Installed Capacity: 19.2 MW / Annual Generation: 84GWH / Efficiency: 49.9% / Construction Period: 1 years

TECHNICAL PARAMETERS - Distance to Grid: 7 km

FINANCIAL PARAMETERS - Total Investment: 21 mln EURO / Project IRR: 14.4% / Equity IRR: 15.5% / CapEx/MW: 1.09 / CapEx/kvH: 0.25 / Payback Period: 11 years

STATUS - Detailed Feasibility Study is Finalized

GOVERNMENT OF GEORGIA

GOVERNMENT OF GEORGIA (GOG)

Oil refinery plant

Oil Refinery

T: +995 599 51 04 32

E: ntsetskhladze@economy.ge

Contact Person: Nino Tsetskhladze

Shareholder composition

GOG

BUSINESS PROPOSAL

PROJECT TITLE - DEVELOPMENT OF THE MODERN OIL REFINERY

Construct the Oil Refinery with minimum refining capacity of two (2) million tons of crude oil per annum, till the end of the year 2017 in accordance with the timetable agreed between the parties prior to execution of the Agreement;

Obtain oil refinery license (the "License") and start production no later than December, 2018;

Ensure oil refining to produce no less than Euro 5 standard and/or equivalent or the standards established by the Georgian Legislation (whichever higher) light and middle distillates and other oil products in accordance with the License term and conditions;

Offer at least 20% of annual production of each type of light and middle distillates at the local market to the parties designated by the GOG;

Guarantee that the EXW price of oil distillates offered to the local market under clause "d" above, constituting 20% of annual production of each type of light and middle distillates, is at least at 10% discount compared to mean/average value of identical oil distillates for 10 publication days at PLATTS EUROPEAN MARKETSCAN.

Ensure the compliance with the License terms and conditions and related regulatory requirements in order to keep the License valid for no less than twenty-five (25) years;

Ensure that at least 70% of employees are completed by the citizens of Georgia;

Prior to signing the Agreement, present to the seller an irrevocable and unconditional bank guarantee in the amount of twenty million (20 000 000) USD, issued by the bank from the OECD member country and confirmed by the National Bank of Georgia or by a local commercial bank, which should guarantee obligations under the Agreement and be valid till 1 May, 2019.

The GOG will provide the Investor with up to 3 345 378 sq. meters of state owned land located in Poti, left embankment of river Rioni (Land (immovable property) cadastral code 04.01.02.826), fully or partially as required for the Project.

SOLID WASTE MANAGEMENT COMPANY OF GEORGIA

“SOLID WASTE MANAGEMENT COMPANY OF GEORGIA” LTD MINISTRY OF REGIONAL DEVELOPMENT AND INFRASTRUCTURE OF GEORGIA

Municipal Solid Waste Management

According to the national legislation SWMCG is the only state owned entity managing official municipal landfills (53) throughout Georgia (except landfills in the City of Tbilisi and Autonomous Republic of Adjara).

10, A. Politkovskaya Str. 0186, Tbilisi, Georgia

T: +995 32 243 88 30 (119)

E: L.Inashvili@waste.gov.ge

G.Shukhoshvili@mradi.gov.ge

Name of Representative / Contact Person:

Georgi Shukhoshvili (Director)

Levan Inashvili (Head of Strategic Development and International Relations Department)

Year of company establishment	2012
Capital (USD)	20 637 798
Number of Employees	181
Shareholder composition	State of Georgia

BUSINESS MISSION

Mission of JSC “Georgian Energy Development Fund” is to promote realization of country’s energy potential, retrieval of appropriate funds, by developing projects and their effective implementation. The main goals of Fund are search for perspective projects of renewable energy sources and promotion of their development.

ENTITY HISTORY

Solid waste management is a matter of national, regional and local concern in Georgia. The Government of Georgia has identified solid waste disposal as an acute problem and recently begun reforming the existing waste management system.

Consequently, in line with this reform, on April 24, 2012 the new state-owned Solid Waste Management Company of Georgia (SWMCG) was established under the Ministry of Regional Development and Infrastructure. The state of Georgia is the only partner and holds 100 % shares of the company. The company implements solid waste management activities with respect to landfills in Georgia, excluding the City of Tbilisi and the Adjara region.

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The SWMCG gained quite solid experience of dealing with foreign companies in the process of implementing infrastructural projects funded by IFIs. The KfW Development Bank has funded the “Integrated Solid Waste Management in Kutaisi” (total budget - 26 mln EUR.) project. The project is being implemented since March, 2014. The EBRD has funded the “Kvemo Kartli Solid Waste Management Project” (total budget - 12 mln EUR.) project. The project is being implemented since March, 2014. The SWMCG deals with the Danish consultancy company COWI through this project. Previously, the SWMCG also had to deal with the Swedish consultancy company SWECO.

BUSINESS PROPOSAL

PROJECT TITLE - THE SWMCG AIMS TO ATTRACT INVESTMENTS TO INTRODUCE INNOVATIVE TECHNOLOGIES OF SOLID WASTE TREATMENT AND INITIATE THE PROCESS OF CONSTRUCTING SW TREATMENT PLANT(S) IN GEORGIA.

Georgia has no experience of solid waste recycling. The only way of treatment so far is disposing on landfills. The government of Georgia expressed its will that modern ways of treatment (re use, recycle etc) have to be introduced. Accordingly, the SWMCG aims to attract investments to introduce innovative technologies of solid waste treatment and initiate the process of constructing SW treatment plant(s) in Georgia. Potential partner/investor will be the company with solid experience in SWM business, having implemented several SWM related projects. The potential investor should demonstrate the enough capacities to handle multi millions infrastructural projects. The partner has to develop the offer (with financial modeling) acceptable for the Georgian government. Guarantees from the government, subsidies, and tax incentives can be discussed afterwards.

TETNULDI DEVELOPMENT

LTD “TETNULDI DEVELOPMENT”

Infrastructure development

Infrastructure of skiing and mountain

Al. Kazbegi str. 12a, Tbilisi, Georgia

T: +995 577 450 454

E: tetnuldidevelopment@gmail.com

Name of Representative / Contact Person: Ushangi Kiladze

Year of company establishment 2010

Number of Employees 19

Import Figures 17 Million Euro

Shareholder composition State of Georgia

Main Bank TBC

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

POMAGALSKI

RMS – Ropeway Maintenance Systems

TETNULDI DEVELOPMENT LTD

“Tetnaldi Development” LTD is under submission of Ministry of Infrastructure and Regional Development of Georgia (100 % sh.h.), which is developing Ski Resort in Svaneti region, privately in Mulakhi district. Company was established in 03.12.2010.

Company’s main goal is to develop tourism in Svaneti Region.

Tetnaldi ski resort is unique with its location and design of ski runs. Total size of the resort area is 7000 Ha, were Mountain Area is 4500 Ha and Base land 450 Ha. Total length of the ski runs is 169km (ongoing stage 25km, planned 144km), total number of ski lifts: 20-22(ongoing stage 5 unit, planned 17 units). Top ski point sea level is 3600m and bottom ski point sea level is 1600m. Resort will have longest ski run (6,7km) and biggest vertical drop in the region of Caucasus. The resort will be functional and corresponding for every 4 season activities (Skiing, Snowboarding, Heliskiing, Climbing, Mountain hiking, Horse riding, Paragliding, Rafting, Fishing, Hunting and etc.). Winter season lasts for average 6-7 months (November – May). Resort has ideal compability of ski routes with commercial World model.

“Tetbuldi Development” LTD is developing water supply system, waste water system, electricity supply system, Mountain drainage system, construction road system, ski route system and other necessary infrastructure for Resort.

Project estimated cost is 40 Mln. Euros. Funding is from the government of the France and GB. Signing of the Grant and loan agreement between the Government of Georgia and Government of France was signed on October 7, 2011. Signing the Purchase of 2 surface lifts, 2 fixed and 2 detachable chairlifts was made on October 21st between The Government of Georgia and “POMAGALSKI”, a company incorporated in France, with its registered office at 109, rue Aristide Berges, Centr Alp, F-38340 Voreppe and registered with the Corporate and Trade Register under no. 055501902. By agreement product was delivered for 2 stages. Full delivery was completed on October 20th, 2014. Installation of the Ski lifts is operated by Austrian Company “RMS”. Accomplishment of the first stage of the project is planned for December 25th, 2015.

As resort will be able to host 6806 person, Investment opportunities (New Hotels, Sportswear equipment services, Food Chains, Tourism Agencies, Shopping centers and etc.) are open for commercial Investors.

MOUNTAIN RESORTS DEVELOPMENT COMPANY

LTD “MOUNTAIN RESORTS DEVELOPMENT COMPANY”

70 Kostava str. 0171 Tbilisi, Georgia

T: +995 577467773

E: info@gudauri.com

sandro@gudauri.com

Name of Representative / Contact Person: Aleksandre Onoprishvili

Year of company establishment	2013
Capital (USD)	36, 944, 951
Number of Employees	198
Amount of Sales in 2013 (USD)	17,647
Shareholder composition	State of Georgia
Main Bank	TBC

BUSINESS OUTLINE AND COMPANY'S ADVANTAGE

The Mountain Ski Resorts Development Company is in control of Gudauri and Didveli mountain ski resorts development project. The company's activities include:

- development of touristic infrastructure of Gudauri and Didveli mountain-ski resorts;
- management of mountain ski resorts with all necessary infrastructure including ski lifts, various facilities, roads, waste management;
- construction of new resort area;
- rehabilitation of existing infrastructure;
- development of effective emergency and rescue system;
- elaboration of business projects for recreation areas and construction development project;
- establishing relations with international and local stakeholders/partners for investments;
- development of additional family attractions, apre ski, and new ski-pistes;
- promotion of Georgian mountain tourism;
- employment of local population

The company has experience in implementation of innovative projects in mountain-ski resorts of Georgia:

- Installation of snow-making system in Gudauri and Didveli;
- Making flexible/united ski-pass system for Gudauri and Didveli

PRODUCT LINE/SERVICES

Touristic infrastructure including recreation zone with ski lifts, ski pistes, parks, snow parks, bike-routes

COMPANY HISTORY

Ltd “Gudauri Development Agency” was founded in May 2013 under the Ministry of Economy and Sustainable Development of Georgia. Since July 2014 part of Bakuriani resort, Didveli, was moved under the management of Gudauri Development Agency which conditioned changing the name of agency and become Mountain Resorts Development Company.

In the short period of its management, the company has completed dozens of infrastructural and marketing projects (outdoor lightening, water supply, construction of rescue cottages and snow parks, rehabilitation of houses and roads, development of united skipass system, brand book, elaboration of site map, creation of an iphone application, marking and equipment of ski-pistes with informative signs, organization of various cultural and sport activities etc) and has elaborated administrative politics and legal bases.

The company works on the artificial snow making system in Gudauri and Didveli (Bakuriani)

BUSINESS EXPERIENCE WITH FOREIGN COMPANIES

The company has successfully cooperated with international partners and leader companies in the mountain-ski resorts products manufacturing. Among them are snow making system manufacturing company DEMACLENKO; producer of ski lifts (chairlifts, cable cars, gondolas funiculars, aerial tramways) Doppelmaier and Poma; wonder carpet, tubing, carousel and other similar equipment production company Sunkid; access control systems manufacturer Skidata, and others.

MAIN CLIENT/PURCHASER/BUYER

The majority of consumers/tourists are from East and Central European countries like Russia, Ukraine, Belarus, Poland etc. (source: 2014 ltd "Mountain Resorts Development Company").

The company has local clients who rent ski-pistes and necessary equipment/service from the company for arranging cultural and sport activities. Among them are:

Cross Federation, Snowboard Federation, ESPO, BP, TBC Status, Freestyle Federation, GIPA, banks (TBC Bank, Bank of Georgia, KSB Bank, VTB Bank, Bank Republic, Liberty bank), SKIA (Georgian Club of Architect Skiers), Georgian Ski Federation, ltd Iventin, BP (British Petroleum), Tourism National Administration Department, Redbull, media-turner Niamori, Universiada (association of universities) etc.

BUSINESS PROPOSAL

PROJECT TITLE - GUDAURI DETACHABLE CHAIRLIFT

BACKGROUND - Gudauri is a mountain ski resort situated on a south-facing plateau of the Greater Caucasus Mountain Range in 120 km from Tbilisi. The base lift of Gudauri is situated over 2,200 meters above sea level and the top lift is at 3,285 meters.

Close proximity to market, to Tbilisi with 1. 48 million population is one of the advantages for attracting the local tourists which is quite important for the development of domestic market. Furthermore, Gudauri is in 2 hours driving distance from Tbilisi International Airport and locates on the main highway to Russia that makes it also attractive and easily affordable for the foreign visitors.

In the 90's the resort operated stably in spite of the turmoil in the Caucasus region. However, no huge progress was achieved until 2007/2008 when the new ski-lift Sadzele was opened. The new ski lift created possibility of new slopes and off lift free-ride as well as backcountry for advanced and expert skiers.

7 ski-lifts are installed in Gudauri. In the old part of Gudauri, where is less developed infrastructure, the construction of 2100 m. 6 person chair-lift is important for the development of the mentioned area. Construction of the new ski-lift will cover the development concept of south plateau.

OBJECTIVES - The main idea and purpose of the project is to develop 7 hectare land and build new ski-village zone and hotel complex which will be realized by the construction of the new ski-lift. Base station of ski-lift will be installed in proximity to the Gondola lift which will create additional public space on the lower plateau of Gudauri. Furthermore, it will stimulate and attract investors to create additional entertainment facilities.

DESCRIPTION OF SKI-LIFT

SYSTEM - Detachable Chairlift
TYPE - 6-CLD-B

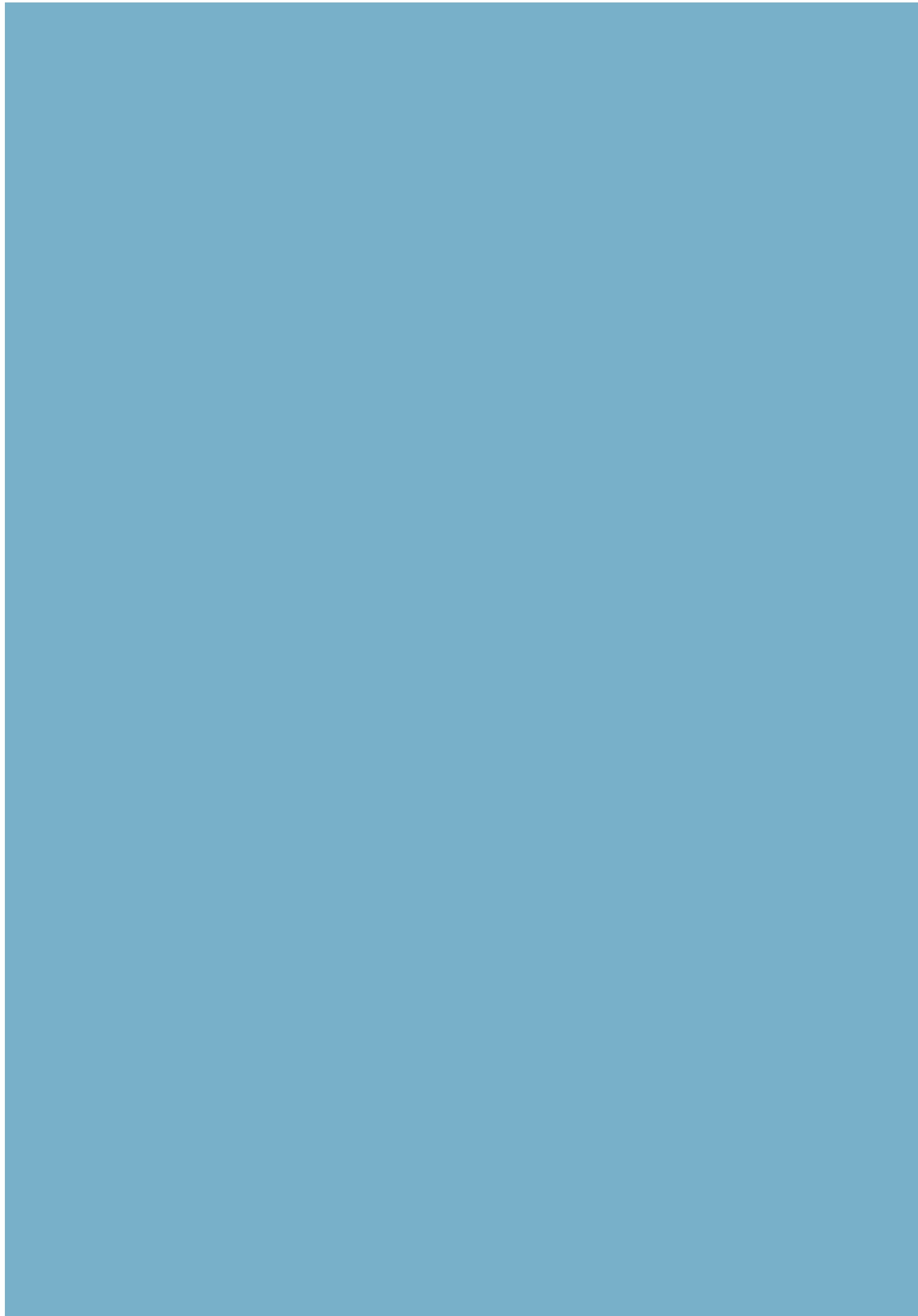
Location of drive tension station	top station	
Type of tensioning	hydraulic	
Location of return station	bottom station	
Horizontal length	2443	m
Vertical rise	555	m
Inclined length	2515	m
Endless rope length	5083	m
Bullwheel diameter in drive station	6,1	m
Bullwheel diameter in return station	6,1	m
Rope gauge on line	6,1	m
Trip time	8,7	min
Hourly capacity	2.800	pass./h
Rope speed	5,0	m/sec
Main drive output, continuously	696	kW
Rope diameter	56	mm
Number of towers (approx.)	19	pcs.
Number of chairs	135	pcs.

The total cost of the project is 6.5 million EURO.

The company is interested in attracting investments.

NOTES

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