



Georgia Healthcare Group PLC's Reduction of Capital becomes effective

Georgia Healthcare Group PLC (“**GHG**”) announces that it has today received approval from the High Court of Justice in England and Wales to the reduction of the share capital of GHG and the cancellation of GHG's share premium account (the "**Reduction of Capital**"), pursuant to which the nominal value of each of the 131,681,820 ordinary shares in the capital of GHG (together, the "**Shares**") has been reduced from £0.10 to £0.01 and the share premium account of £61,890,912 has been cancelled.

Details of the Reduction of Capital were set out prior to the recent initial public offering of GHG (the "**IPO**") in the Notice of General Meeting dated 6 November 2015 and the proposal was approved at the General Meeting held on 6 November 2015. Details of the Reduction of Capital were contained in the prospectus published by GHG on 9 November 2015 in connection with the IPO.

The purpose of the Reduction of Capital is to create additional distributable reserves for GHG.

The Reduction of Capital is a legal and accounting adjustment and is not expected to have any direct impact on the market value of the Shares.

Following the registration of the Court Order and Statement of Capital by the Registrar of Companies, the Reduction of Capital became effective today.

About Georgia Healthcare Group PLC

Georgia Healthcare Group PLC is a UK incorporated holding company of the largest healthcare services provider in the fast-growing, predominantly privately-owned, Georgian healthcare services market. GHG's leadership position is underpinned by offering the most comprehensive range of inpatient and outpatient services targeting the mass market segment through its vertically integrated network of 35 hospitals and seven ambulatory clinics, as at 30 September 2015. GHG is the single largest market participant, accounting for 26.6% of total hospital bed capacity in the country as of 30 September 2015. GHG is also the largest provider of medical insurance in Georgia with a 38.4% market share based on net insurance premiums earned and approximately 270,000 insurance customers as at 30 September 2015. GHG also has the widest geographic coverage, with facilities currently located in six regions covering three quarters of the 4.5 million population of Georgia. GHG is primarily a hospital services provider, with over 95% of its healthcare services revenues coming from hospitals in nine months ending 30 September 2015. GHG employed a total of c.9,500 people as at 30 September 2015, including 3,262 physicians.

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