



Georgian Energy Development Fund

 www.gedf.com.ge

Why Georgia?



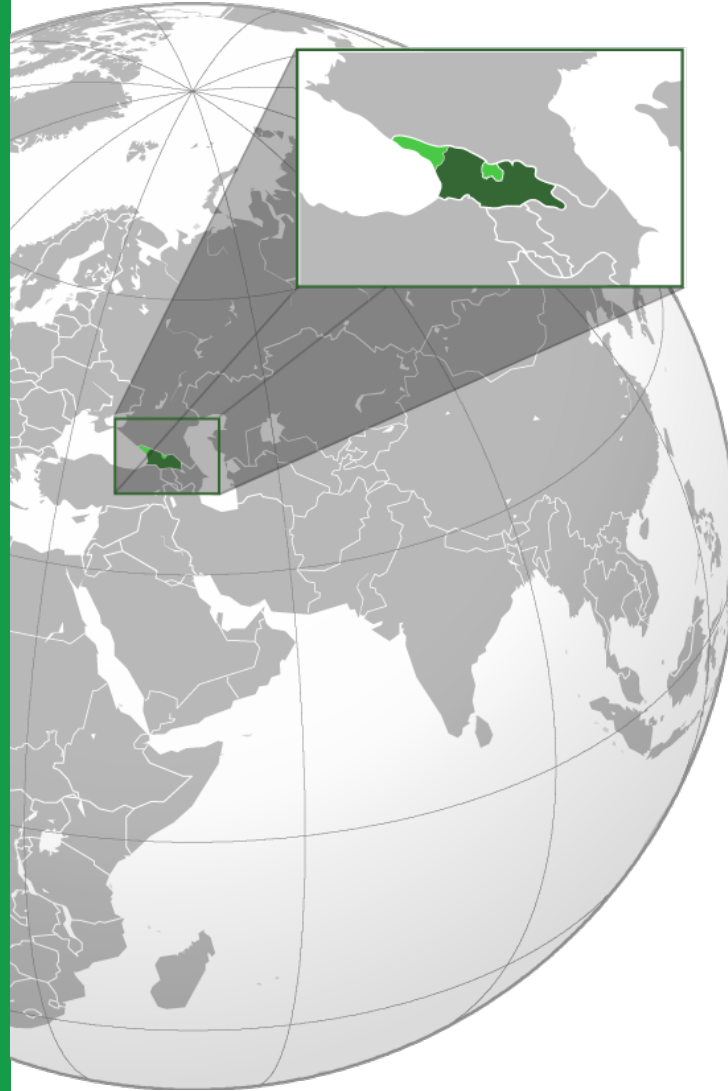
Strategically located at the crossroad of Europe and Asia



7th Easiest Country to do Business (World Bank's Ease of Doing Business Report)



3rd Least Tax Burden Country, with 9.9% Total Tax Rate (World Bank Group)



Competitively priced, Skilled and Productive Workforce



Free Trade Agreements with Market of 2.3 Billion population (Including EU, EFTA, CIS and China)



Modern and fast-developing infrastructure



Stable, effective and well-developed banking sector

The Country At A Glance

Region: **Europe**

Population: **3.7 Million**

Government Capital: **Tbilisi**

Type: **Parliamentary system**

GDP Per Capita (2022*): **USD 6,667.4**

Currency: **Georgian Lari**



— Main Roads — Railway FIZ Free Industrial Zones ✈ International Airports ⚓ Ports

The Country At A Glance

GDP in 2022*


\$24.6bln

**Real GDP Growth Rate
(2022)**


10%

**Share of Reinvestments
(2018-2022 average)**

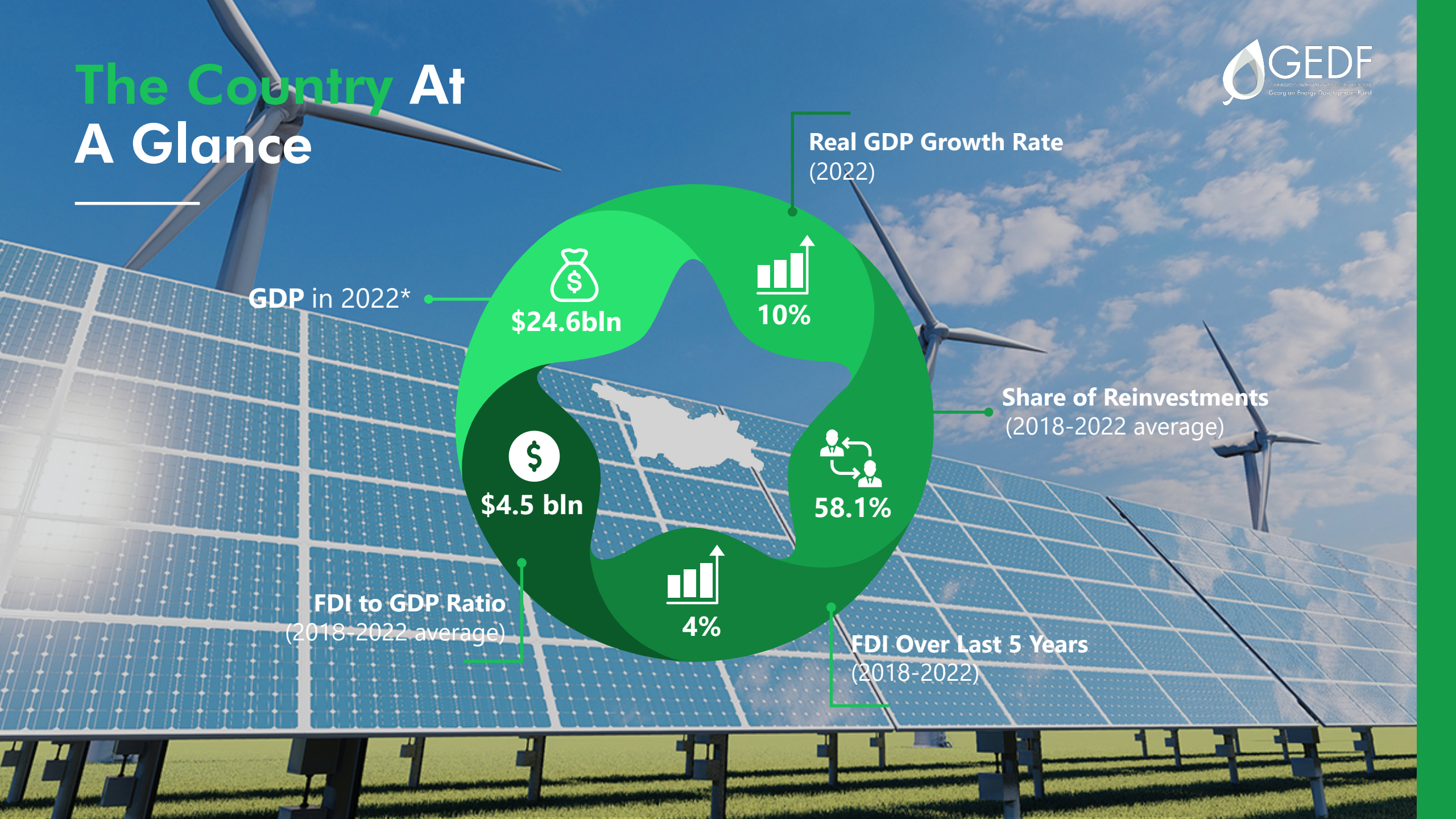

58.1%

**FDI to GDP Ratio
(2018-2022 average)**


\$4.5 bln


4%

**FDI Over Last 5 Years
(2018-2022)**



Energy Potential



Hydro – One of the top countries in water resources per capita

- 300 rivers capable of providing excellent opportunities for hydropower production
- Only 20-22% of total hydro potential is utilized
- HPP Greenfield potential of 40 TWh



Wind – Up to 1330 MW is capable to integrate to the grid until 2030



Solar - Up to 520 MW is capable to integrate to the grid until 2030



Biomass, Hydrogen – work is on track to analysis the potential

Energy Sector



Hydro Power

94 Operating HPPS Installed Capacity – 3 323 MW



Wind Power

1 Operating WPP Installed Capacity – 20.7 MW



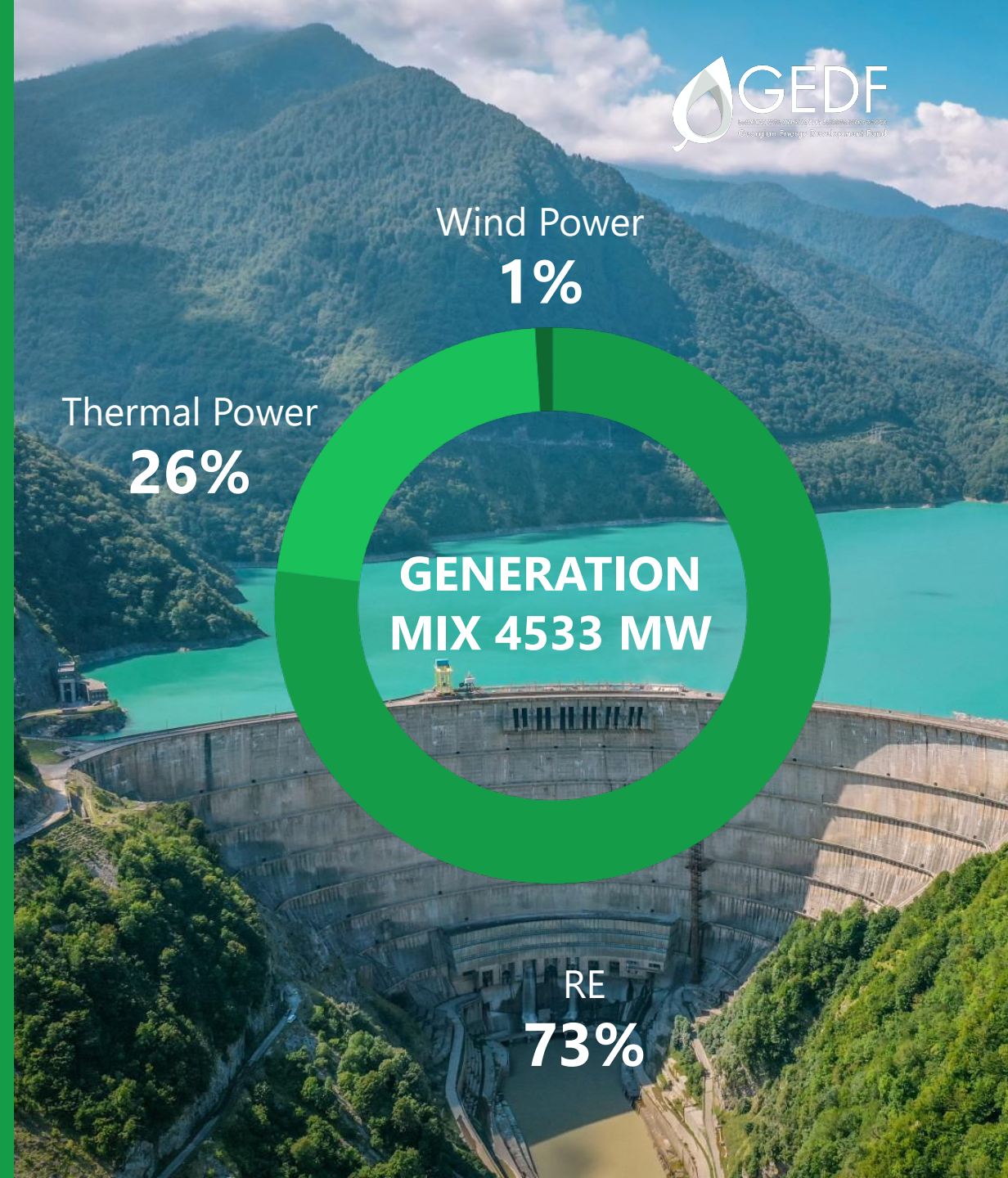
Thermal Power

6 Operating WPP Installed Capacity – 1 189 MW



Solar Power (Net-mattering)

959 Operating Micro SPPs Installed Capacity – 57 MW



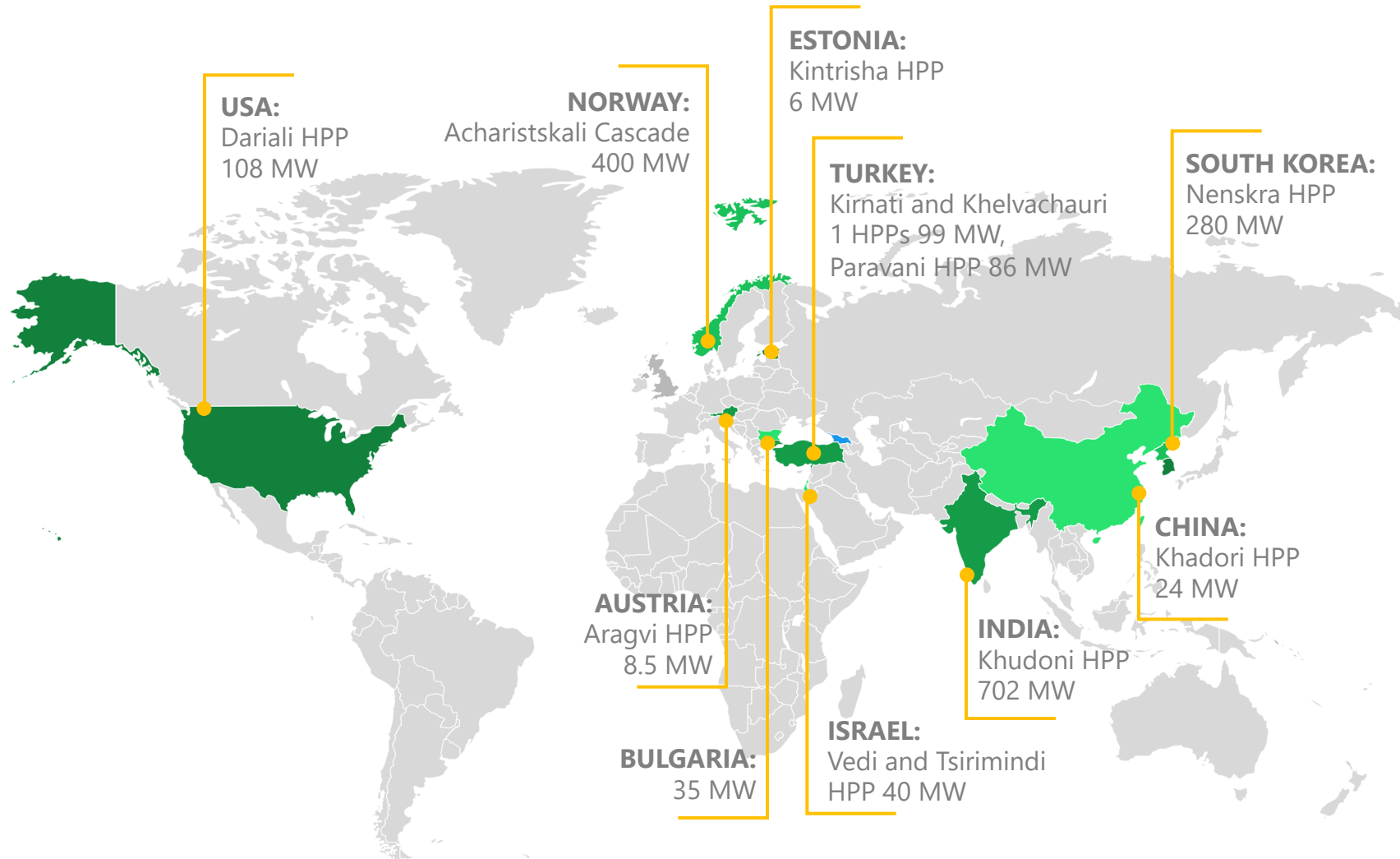
Liberalized and Deregulated Market

- Starting from 2008 Georgia has liberalized and deregulated energy market. All new renewable projects are based on Build-Own-Operate (BOO) principle. Investor is free to choose buyer on open market and negotiate price
- Generation and export activities are exempted from VAT tax
- HPPs smaller than 2 MW do not require environmental impact assessment

- Georgia is member of The **Energy Community**, which means Georgian internal energy market rules and principles will be in line with the EU market rules, leading to an integrated pan-European energy market
- Existing and new support schemes for Production and Use of Energy from Renewable Sources



Countries Invested In Energy Sector Of Georgia



About Us

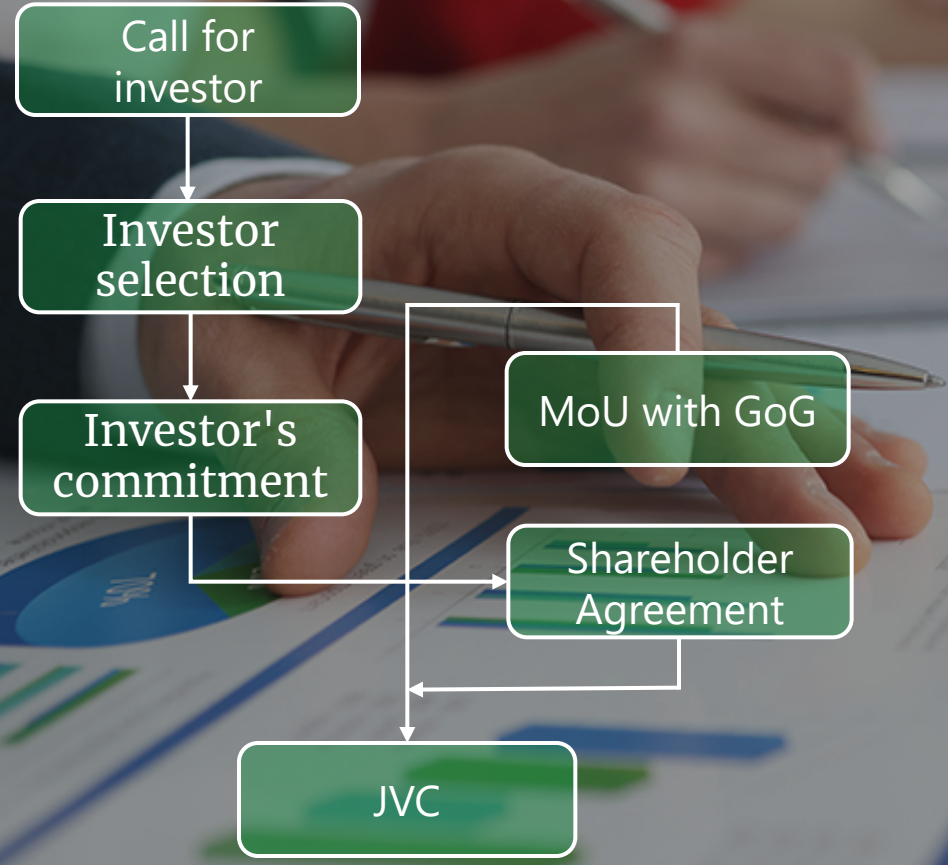
Georgian Energy Development Fund (GEDF) is a joint stock company established by Government of Georgia (GoG) on December 13, 2010, in order to promote and develop clean energy projects in the country.

GEDF is managed by the **Ministry of Economy and Sustainable Development of Georgia** and serves as an investable vehicle in clean energy project development in Georgia.

GEDF supports clean energy project development either through early project development investment and/or through an offering of the government's shares in **GEDF** to potential investors.

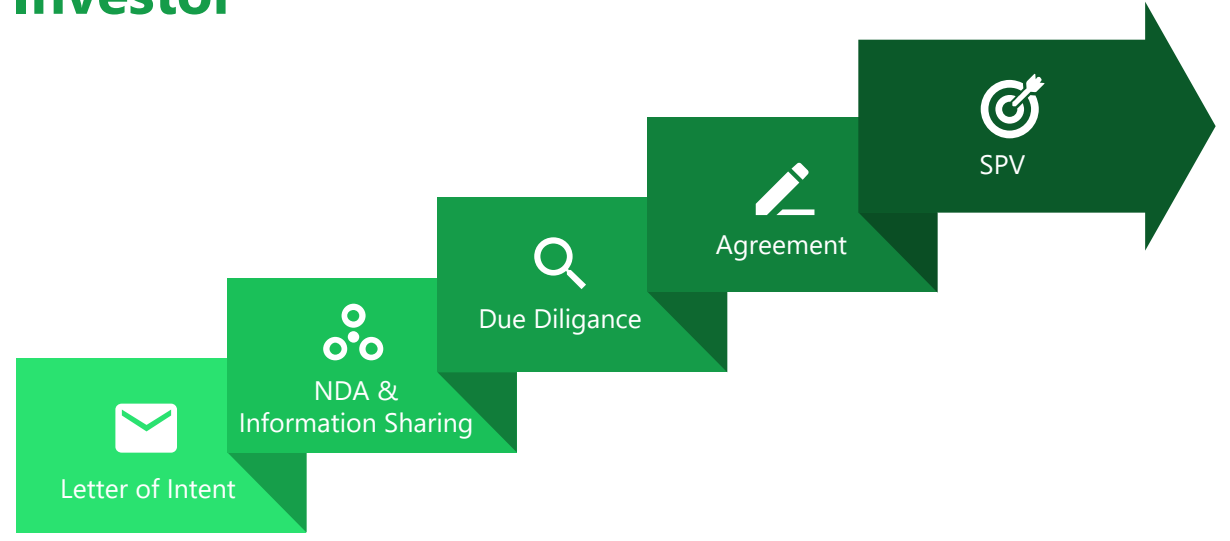


Project Initiation by GEDF



Project Initiation Process

Project Initiation by Investor



Project Initiation by GEDF



Project Initiation Process



Tender Opening and Investor Selection - The tender for the investor selection will be governed based on the rules and criteria's published by GEDF on the official Web Page (The investor proposing the most favorable exit Terms for the Fund will be awarded)



Bank Guarantee - The Selected Investor will be obliged to submit the Bank guarantee in amount of the necessary (agreed in the shareholders agreement) equity contribution within 5 (five) working days from the MoU /PPA signature Date.



MOU /PPA - Ensured Continuity of the project - The Investor will be obliged to Obtain the Construction MoU and the PPA during the previously agreed time period



JVC - The Joint Venture Company will be governed based on the rules and principles and equity contribution issues previously agreed in the shareholder agreement.



Shareholder Agreement

The Basic terms and Conditions of the Shareholder Agreement will be also published on the official Web Page of the Fund along with the requirements: The Details will be agreed with the selected investor.

Project Initiation by Investor



Project Initiation Process

- ✔ **Letter of Intent:**
Investors write letter of Intent specifying:
The projects they want to cooperate on and the intended way of cooperation.
Information about the investor, their background and their view about project implementation plan
- 🔗 **NDA & Information Sharing:**
GEDF and Investor/project developer sign Non-Disclosure Agreement and share all the available information on specific projects
If needed site visits and discussions are made to evaluate projects
- 🔍 **Due Diligance:**
GEDF conducts technical, financial, legal and any other (if required) investigations of the proposed Case
- ✍️ **Agreement:**
 - Investor and GEDF make decision on the way of cooperation and projects to cooperate with
 - Investor and GEDF sign shareholding agreement/ service agreement. Terms of agreement are negotiable from project to projects.
- 🎯 **SPV:**
 - Special purpose vehicle is established for further activities to be taken under Shareholder Agreement considered

Cooperation Schemes With GEDF

Project Development

Partnership/Shareholding

GEDF is able to partner reliable investor in renewable energy projects

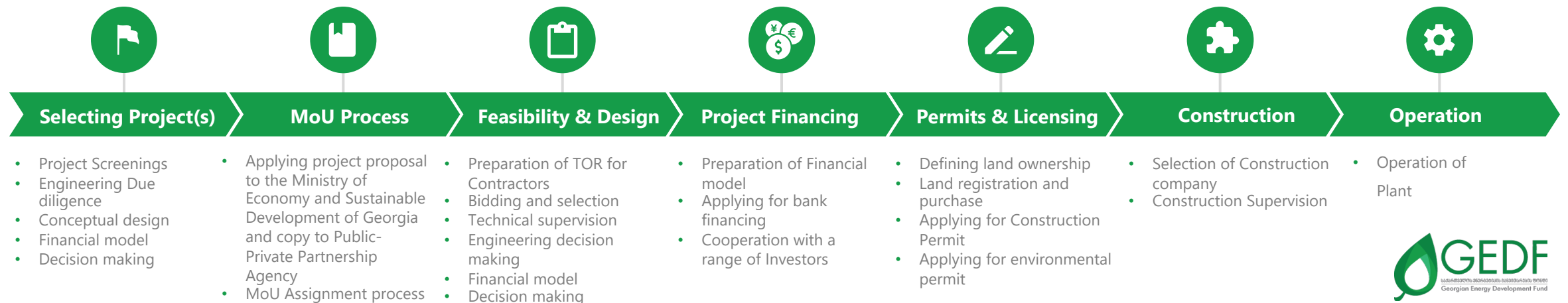
- Projects can be initiated by both parties — investor or GEDF
- GEDF may inject capital but should be in minority
- GEDF and partner establish Joint Venture (Special Purpose Vehicle)
- GEDF should have an exit option at defined stages, mainly after commissioning

Service agreements

- Engineering consultancy for project scoping, preliminary design, etc...
- Procedures needed for construction permit: mainly land ownership definition and other legal and administrative issues
- Project management activities

Project Implementation

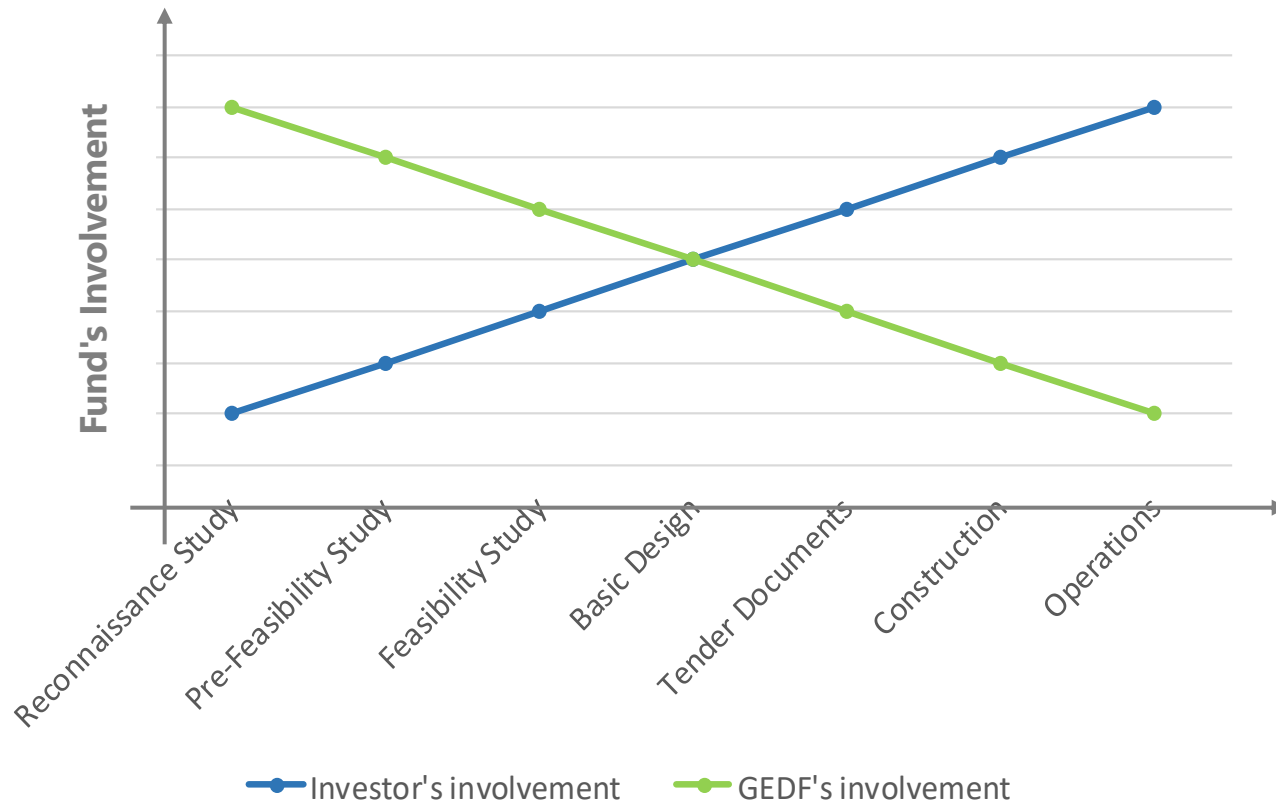
No further capital contribution is done by GEDF at the construction stage



GEDF's Activities

Parties involvement in project development & management processes

Project lifecycle



Core activities of Georgian Energy Development Fund

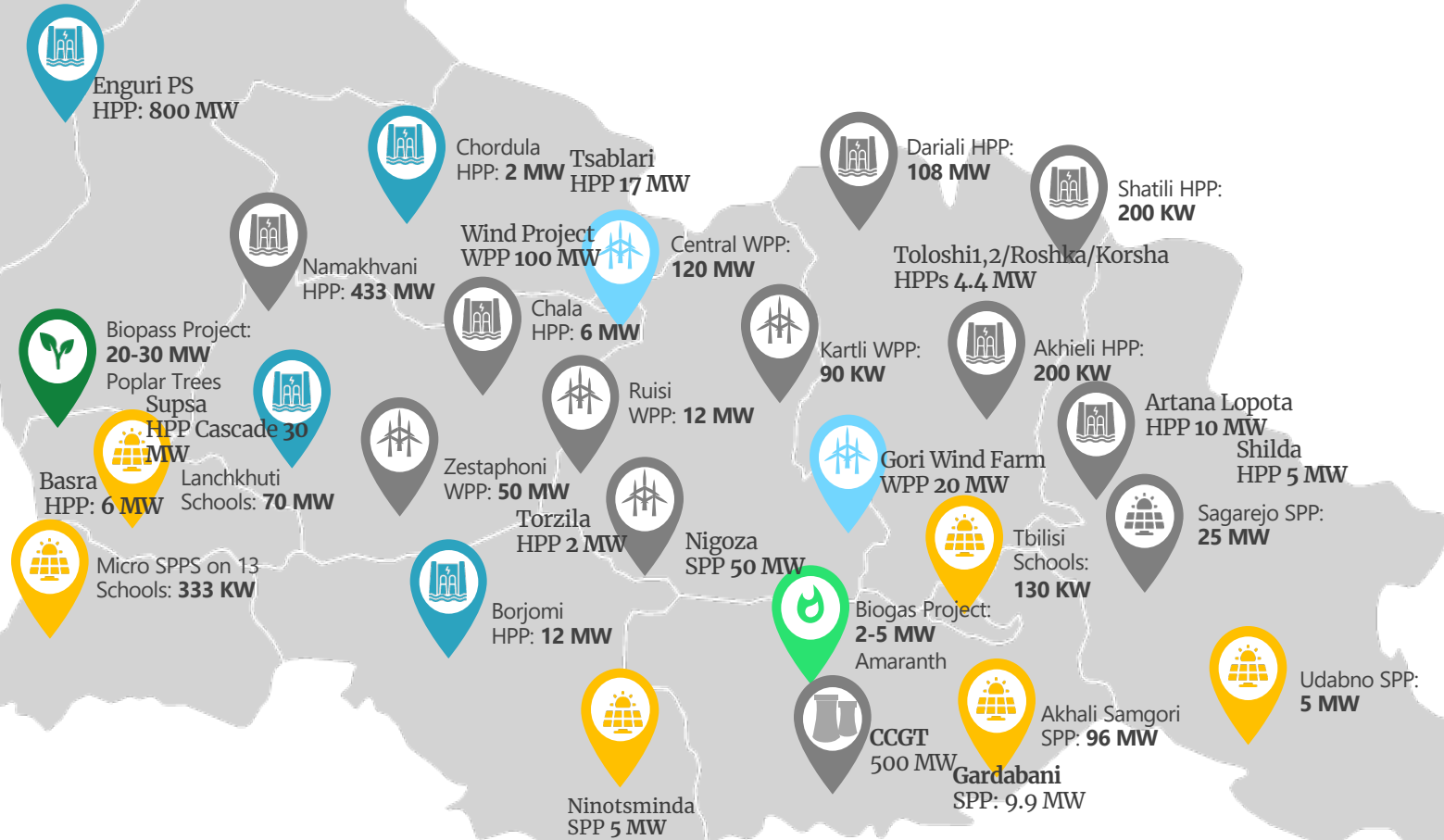
GEDF's involvement

- Identification and analysis of potential "greenfield" sites including river-basin planning — and investigation of other renewable energy projects
- Finance initial costs related to the development of identified energy projects

Investor's involvement

- Jointly — with a private investors — develop projects with an exit option for the Fund at various stages of development:
- Support developing energy projects;
- Facilitate project investment promotion;
- Support potential financing arrangements with international financial institutions and/or private financial entities

Ongoing & Planned Projects



GEDF's Portfolio

Project Development

Project Implementation

Reconnaissance Study

Ninotsminda SPP 5 MW

Pre Feasibility Study

HPPs 150 MW

Adjara & Guria River Basins

Alazani & Mtkvari River Basins

Rioni River Basin Screening

Enguri River Basin Screening

Enguri PS HPP 600-800 MW

Feasibility Study

Central Wind Project 120 MW

Wind Project 100 MW

Chala HPP 6 MW

Borjomi HPP 12 MW

Akhali Sangori SPP 96 MW

Biomass Pilot Project

Basic Design

Nigoza Wind Project 50 MW

CCGT 500 MW

Supsa HPP Cascade 30 MW

Torzila HPP 2 MW

Zestaponi WPP 50 MW

Solar Project 9.9 MW

Ruisi WPP 12,6 MW

Sagarejo SPP 25 MW

Tender Documentation

Tsablari HPP 17 MW

Udabno Solar Project 5 MW

Artana Lopota HPP 10 MW

Namakhvani HPP Cascade 433 MW

Construction

Tbilisi – Guria Schools micro SPPs

Basra 1; 2; 3 6 MW

Toloshi 1,2/Roshka/Korsha HPPs 4.4 MW

Operation

Gori Wind Farm 20 MW

Shilda HPP 5 MW

Dariali HPP 108 MW

Shatili HPP 200 KW

Akheli HPP 200 KW

Chordula HPP 2MW

Adjara micro SPPs 0.33 MW

JV with partners

Under GEDF's development

Exited projects by GEDF

GEDF's social projects

Thank You