

Press Release

RP Global & BGEO Group launch construction of their 50 MW hydropower cascade Mestiachala in Svaneti, Georgia

Tbilisi/Vienna, 08.08.2017 – Construction has commenced on the 50 MW Georgian hydropower cascade “Mestiachala”, which was developed by Austrian renewable power developer and investor RP Global and its partner BGEO Group, a Georgian investment platform. The investment volume of the project, comprising two hydropower plants, is in the range of USD 65 million.

The “Mestiachala” cascade is part of a pipeline of hydropower projects developed by GRPC (Georgian Renewable Power), the joint venture between RP Global and BGEO Group, of which RP Global holds 35% of the shares.

RP Global CEO Gerhard Matzinger states: “This cooperation is poised for great success, a valuable combination of vast and diverse expertise, resources and opportunities. We have also experienced a lot of support from the Georgian Ministry of Energy, who is determined to develop Georgia’s tremendous renewable energy potential.”

Two hydropower plants will be installed on the Mestiachala River, near the town of Mestia, in the Svaneti region. The primary two Pelton turbine plant “Mestiachala 1” will have a capacity of 20 MW, while the second part of the cascade is the 30 MW “Mestiachala 2” plant, consisting of three Pelton turbines.

The water rights for the projects were obtained through competitive tendering processes organized by the Georgian Ministry of Energy, and two Memoranda of Understanding were signed with the Government of Georgia, in 2014 and 2015 respectively. Commissioning of the Mestiachala cascade is expected to occur in late 2018.

Outlook

BGEO Group and RP Global have established a strategic partnership with the aim of developing and investing in Georgia’s renewable energy potential – a platform of approximately 500 MW in hydro, wind and photovoltaic projects. Currently two hydropower cascades, totaling 94 MW, are being developed in Georgia’s Svaneti and Guria regions respectively. Construction of the second project in the pipeline, the 44 MW Zoti cascade, is expected to start in Q2, 2018, with commissioning expected in early 2020. The first 50 MW wind project is expected to commence construction in 2018.

About BGEO Group

BGEO Group PLC (BGEO or Group) is a UK incorporated holding company of a Georgia-focused investment platform. BGEO aims to deliver on a 4x20 strategy: at least 20% ROAE and at least 20% growth of retail loan book in banking business, and at least 20% IRR and up to 20% profit from investment business. BGEO is uniquely positioned to capture growth opportunities in the underpenetrated banking sector and wider corporate landscape in Georgia. BGEO is listed on the premium segment of London Stock Exchange (BGEO:LN) and has been included in the FTSE 250 and FTSE All-share Index Funds since 18 June 2012.

About RP Global Group

RP Global is a developer and independent power producer that draws its expertise from over 30 years of experience in the renewable energy sector. As a developer, investor and operator, RP Global's focus is on hydro and wind energy projects. The company is privately owned, allowing for flexibility, innovative solutions, and projects of the highest quality. RP Global has cooperated with and has had many successful partnerships with investors and lenders, such as the Marguerite Fund, the IFC/World Bank, the EBRD, Mirova, and the Bank of Georgia, among others. In the last few years, RP Global has constructed more than 35 power plants whilst currently retaining 16 more under operation or construction. Spain, Portugal, Croatia, France, Poland, Georgia, Chile, Peru and Tanzania are among the countries RP Global operates in, and RP Global's international team is currently active in Europe, South America and Africa. The headquarters are in Vienna, Austria. <http://www.rp-global.com>

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