

## JSC Liberty Consumer Announces the Results of the Extraordinary General Meeting (the “EGM”) of the Shareholders

**Extraordinary General Meeting (the “EGM”) of the shareholders of JSC Liberty Consumer (“LC”) was held on December 17, 2009.**

The EGM was attended by shareholders owning 98.74% of the voting rights.

**Chairman of the EGM:** Mr. Irakli Burdiladze

### **THE EGM RESOLVED:**

#### **1. Debt Repayment Plan of JSC Liberty Consumer:**

As of the EGM date, LC has JSC Bank of Georgia (BoG) debt outstanding of approximately GEL 12,414,315. Therefore, LC will swap with BoG its 51.6 % stake in JSC SB Real Estate (SBRE), which is valued at approximately GEL 12,038,162 (based on appraisal of SBRE properties carried out by independent appraiser as of 30 September 2009). The difference in values (expected to be approximately GEL 376,153) will be settled in cash payable by LC to BoG.

BoG and its subsidiary companies JSC BG Capital (with its beneficiary shares), JSC Aldagi BCI and JSC Galt and Taggart Holdings did not participate in voting process as they were deemed related parties to the transaction. Consequently, the voting results were concluded on the basis of votes provided by the remaining shareholders that attended the EGM.

#### **2. Strategy of JSC Liberty Consumer:**

The management of LC is instructed to sell the equity interests LC holds in the portfolio companies within next 2 to 3 years at fair market prices and subject to preliminary approval of the sale of assets by the Supervisory Board of LC. Once the assets of the company are sold the net proceeds will be distributed to the shareholders of LC and the company will be closed / liquidated subject to further approval of the future shareholders meeting(s) of LC.

#### **The following changes vis-à-vis the announced agenda were approved:**

- a) In case of LC receiving a bid for a specific asset of the company from the related party or any other party and approval of the bid by the Supervisory Board of LC, details and conditions of such a bid will be announced through LC’s web site.
- b) In case of LC receiving a bid from a related party other interested parties will be invited to submit improved bids (if any) within 21 calendar days from the date the first bid is published on LC’s web site.
- c) In case of LC receiving a bid from a third party and approval of the bid by the Supervisory Board of LC, other interested parties will be invited to submit improved bids (if any) within 14 calendar days from the date the first bid is published on LC’s web site.

d) Each Party that offers a bid for any LC asset should provide a bank guarantee for not less than 10 % of the offered price.

**3. Changes to the Supervisory Board of JSC Liberty Consumer:**

Mr. David Östby (Representative of East Capital Group) was elected as the new member of LC supervisory board. Mr. Östby will replace Mr. Bidzina Bejuashvili who has been on the Board since August of 2008.