

## Summary

Sakcable is the leading manufacturer of cable products in the Republic of Georgia. The Company was established in 1958 to advance the country's industrialization ambitions. Recognizing the historic heritage and future potential of cable manufacturing in the Republic of Georgia, in 2006 the Company was acquired by an experienced management team. With an ambitious capital expenditure program, the shareholders re-equipped the factory with world class equipment and modern operational procedures. Sakcable has since emerged as the leading producer and distributor of internationally certified low, medium and high voltage energy cables in Georgia and one of the top producers in the South Caucasus region.

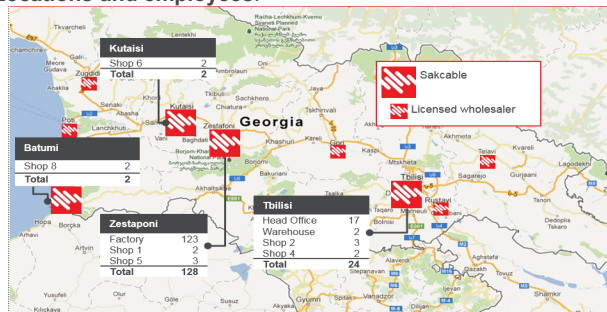
## Products and services

Sakcable designs and manufactures a wide array of cables for use in energy generation, transmission and distribution. The Company produces 74 types of copper and aluminum cables of more than 2,000 variations. Sakcable primarily sells low, medium and high voltage cables, cable accessories, scrap metal and a small amount of steel wire.

## Organization

Sakcable's corporate structure consists of a Supervisory Council, senior executives, administrative staff and factory employees. Sakcable employs 123 employees in the Zestaponi factory, 14 in the head office in Tbilisi and 14 in the Company's network of retail stores.

## Locations and employees:



## Market size and competition

Sakcable typically captures approximately 30 per cent. of the local market.

## Competitive strengths

Sakcable believes its competitiveness and growth is attributed to the following factors:

- Established brand and growing recognition
- Modernizing Factory
- Strategic location
- Reputable and experience management team
- Electricity from own HPV
- Water source

## Strategy

Sakcable aims to consolidate and further build diversified revenue streams to reduce earnings volatility, enhance shareholder value and provide flexibility during periods of market cyclicality. In particular, Sakcable plans to focus on the following strategic imperatives:

- Selectively focus on export opportunities
- Increase corporate business and tender hit rate
- Increase market share and further penetrate the high margin retail market
- Optimize its supply chain
- Rationalize overhead

## Customers and markets

Sakcable is now a dominant player in the local market. Sakcable's key customers include governments, government-linked corporations, municipalities and a large cross-section of the South Caucasus retail market. Sakcable segments its customers as follows:

### Corporate

Sakcable's corporate customer base consists of government-linked infrastructure and energy companies as several multinational entities. Corporate customers include:



Revenues from Telasi since 2006 is USD8.3mn, from Energo-Pro USD35mn, and from Tbilisi Lighting Company USD20mn.

### Retail

Sakcable's retail segment consists of small corporates, municipalities and miscellaneous retail orders

### Wholesale

Sakcable's wholesale segment consists of Sakcable's primary wholesale clients across Georgia.

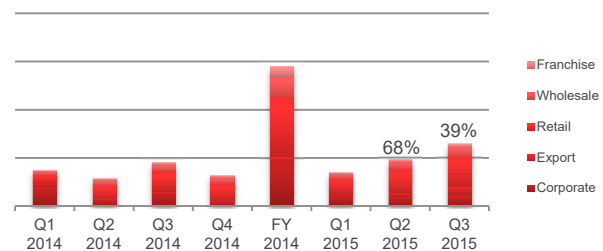
### Export

Sakcable has exported to Armenia since 2010

## Revenue profile

Sakcable's revenue stream is becoming increasingly diversified as the Company focuses its efforts on retail and export opportunities:

### Revenue constituents:



## Sales by Clients:

