Silknet Acquired New Spectrum Licenses to Facilitate the Full-scale 5G Deployment

27 June 2025 – Silknet, a leading Georgian telecommunications operator, announced that the Company has acquired new spectrum licenses to facilitate the full-scale 5G deployment.

To maintain its competitiveness and facilitate the full-scale deployment of 5G services, Silknet requested the Communications Commission (the "GNCC") to initiate a 5G auction, following the pioneering of 5G in Georgia by launching the service in December 2023 in the center of Tbilisi, utilizing its existing spectrum. Subsequently, the auction was held in the end of June 2025, Silknet participated and acquired the licenses – 2x5.0MHz in 700MHz band and 50.0MHz in 3500MHz band for GEL 49m in total.

Leading up to this acquisition, the GNCC conducted a series of 5G spectrum auctions. The regulator initiated the first auction in August 2023; however, the terms were commercially unattractive for Silknet due to stringent license obligations. As a result, out of the three mobile network operators, only Cellfie participated and acquired licenses. In August 2024, the GNCC launched a new auction process and revised its methodology for valuing frequencies, leading to a significant increase in reserve prices. The GNCC failed to adequately justify or explain this change. Consequently, Silknet appealed the Commission's decision. Magticom participated in the auction and acquired licenses.

About Silknet

Silknet is the country's leading fixed and mobile network provider offering individuals, households and businesses the full range of telecommunication services, such as mobile services, fixed broadband, pay TV and fixed telephony.

Silknet is rated B1/Stable by Moody's and B+/Stable by Fitch Ratings.

Silknet has a broad subscriber base in Georgia:

- c. 2.02 million mobile customers
- c. 134,000 fixed line customers
- c. 366,000 fixed broadband customers
- c. 267,000 pay TV customers

(As at 31/05/2025; source: Georgian National Communications Commission; Pay TV does not include mobile streaming application subscribers)

Silknet is part of Silk Road Group, one of the Caucasus's leading investment groups.