

London, 17 November 2020

Bank of Georgia Group PLC hosts virtual Investor Day 2020

Bank of Georgia Group PLC ("**Bank of Georgia Group**" or the "**Group**") announces that today it is hosting a virtual Investor Day for analysts and investors. As part of the presentations, the management will update investors on the Group's strategic goals and priorities as summarised below.

Bank of Georgia Group is a Georgia focused Banking Group with real strength in payment services and its digital platforms. Over the last few years, and particularly through the recent period of economic lockdown, the Group has significantly developed its already market leading data analytics capabilities and digital presence, to fully transform both the efficiency of its banking operations and to provide solution-based banking to its strong retail, MSME and corporate clients.

Bank of Georgia is the clear leader in the payments business in Georgia, with a 45% market share in volume, and a 48% market share in the number of transactions in POS terminals. Bank of Georgia also has the strongest retail franchise in Georgia with a 41% market share in the deposits of individuals.

Despite the ongoing challenges created by the global COVID-19 pandemic, over the medium-term, the Group's key priorities will continue to be to:

- sustain return on average equity in excess of 20% per annum;
- grow customer lending at c.15% per annum, with balanced growth in the retail and corporate and investment banking businesses;
- aim to return to a dividend payout in the range of 25-40% of earnings, as soon as practicably possible.

Having taken significant credit risk provisions in the first quarter of 2020, to cover the COVID-19 related expected credit losses for the full economic cycle, the Group has already returned to delivering strong profitability, in excess of its medium-term target, in the second and third quarters of 2020. To ensure we maintain this strong profitability over time, the Group expects to benefit from a broadly stable net interest margin, increasing non-interest income, a clear focus on efficiency and stringent cost control, and sound risk management.

- The net interest margin, having increased by 60 basis points in the third quarter of 2020, is expected to be broadly stable going forward;
- The Group expects operating expenses to be broadly flat year-on-year in 2020, and to manage cost to income ratio at c.35% in the medium-term;
- The Group maintains sufficient reserves for its expected credit losses through the full economic cycle, and expects its normalised cost of credit risk ratio to be c.1.1% per annum going forward.

The Group has a strong balance sheet with high levels of liquidity, strong internal capital generation and a robust capital management track record. Bank of Georgia's capital adequacy ratios are currently comfortably above the minimum regulatory requirements. Both from a CET1 and Tier 1 capital ratio perspective, Bank of Georgia will aim to maintain a c.200 basis points buffer over the minimum regulatory requirements as they evolve over time.

A full set of the presentation slides can be viewed on the Group's website at: www.bankofgeorgiagroup.com

Name of authorised official of issuer responsible for making notification: Natia Kalandarishvili, Head of Investor Relations and Funding

About Bank of Georgia Group PLC

Bank of Georgia Group PLC ("**Bank of Georgia Group**" or the "**Group**" - LSE: **BGEO LN**) is a UK incorporated holding company, which comprises: a) retail banking and payment services; and b) corporate and investment banking and wealth management operations in Georgia; and c) banking operations in Belarus ("**BNB**"). **JSC Bank of Georgia** ("**Bank of Georgia**", "**BOG**" or the "**Bank**"), the leading universal bank in Georgia, is the core entity of the Group. In the medium term, the Group targets to benefit from superior growth of the Georgian economy through both its retail banking and corporate and investment banking services and aims to deliver on its strategy, which is based on at least 20% ROAE and c.15% growth of its loan book.

JSC Bank of Georgia has, as of the date hereof, the following credit ratings:

Fitch Ratings	'BB-/B'
Moody's	'Ba3/NP' (FC) & 'Ba2/NP' (LC)

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