

London, 31 May 2022

JSC Bank of Georgia signs a US\$50 million additional tier 1 capital perpetual subordinated syndicated facility agreement

Bank of Georgia Group PLC (the “**Group**”) announces that its subsidiary, JSC Bank of Georgia (the “**Bank**” or “**Bank of Georgia**”) today signed US\$ 50 million Additional Tier 1 Capital Perpetual Subordinated Syndicated Facility (the “**Facility**”), with the European Bank for Reconstruction and Development (“**EBRD**”) and Swedfund International AB (“**Swedfund**”) as Lenders. The Facility is callable by the Bank after 5 years from the disbursement date and on every subsequent interest payment date, subject to prior consent of the National Bank of Georgia. On closing, subject to the National Bank of Georgia’s approval, the facility is expected to be included in additional Tier 1 capital of the Bank.

The Facility includes a green component, whereby the Bank is expected to identify and apply amounts equal to the AT1 Capital Loan into Green Economy Transition (GET)-eligible investments. EBRD will also provide a grant for a technical cooperation programme to support Bank of Georgia in its green financing initiatives.

Archil Gachechiladze, Bank of Georgia’s Chief Executive Officer, commented: *“I am delighted that our long-standing and very successful partnerships with EBRD and Swedfund have now extended to an inaugural Additional Tier 1 Capital Facility with a green component for Bank of Georgia. This syndicated facility provides the Bank with an opportunity to further diversify its capital structure from a foreign currency perspective, and the green component will enhance our existing environmental and social commitments. I would like to thank EBRD and Swedfund for their support, and hope to have further successful transactions with them in the future.”*

Francis Malige, EBRD’s Managing Director, Financial Institutions, commented: *“This is EBRD’s first-ever perpetual subordinated Additional Tier 1 Capital Loan. I am very pleased to sign it with our longstanding partner Bank of Georgia, a bank of systemic importance. This loan will boost Bank of Georgia’s capital base, provide a natural hedge against currency fluctuations and support continuous flow of credit to Georgia’s real economy. I am also particularly happy to commend Bank of Georgia for its commitment to deploy the full amount of the loan to green investments that meet EBRD’s strict eligibility criteria for the Green Economy Transition.”*

Maria Håkansson, Swedfund’s Chief Executive Officer, commented: *“It is important for us to support a leading and systemically important bank in Georgia. We look forward to continued partnership and collaboration with Bank of Georgia. This is Swedfund’s second investment in Bank of Georgia with the purpose to support financial inclusion and a sustainable green transition. Bank of Georgia has a broad customer base, a well-diversified loan portfolio and strong presence in all major sectors of the Georgian economy, as well as a proven track record of supporting SMEs. Swedfund is investing in parallel with EBRD with the purpose to facilitate the expansion of the Bank’s portfolio of green finance projects.”*

Name of authorised official of issuer responsible for making notification: Nini Arshakuni, Head of Investor Relations

About Bank of Georgia Group PLC

Bank of Georgia Group PLC (“Bank of Georgia Group” or the “Group” and on the LSE: BGEO LN) is a UK incorporated holding company. The Group mainly comprises: a) retail banking and payment business (Retail Banking); and b) corporate banking and investment banking operations (Corporate and Investment Banking) in Georgia. JSC Bank of Georgia (“**Bank of Georgia**”, “**BOG**”, or the “**Bank**”), a systematically important and leading universal bank in Georgia, is the core entity of the Group. The Bank is a leader in the payments business and financial mobile application, with strong retail and corporate banking franchises. In line with our digital strategy, the Group focuses on expanding technological and advanced data analytics capabilities to offer more personalised solutions and seamless experiences to our customers. Employee empowerment, customer satisfaction, and data-driven decision-making, together with the strength of the banking franchise, are key enablers of the Group’s sustainable value creation. By building on its competitive strengths and uncovering more opportunities, the Group is committed to delivering strong profitability sustainably and maximising shareholder value. The Group expects to benefit from the growth of the Georgian economy, and through both its Retail Banking and Corporate and Investment Banking operations, it aims to deliver on its strategy and its key medium-term objectives – at least 20% return on average equity (ROAE) and c.10% 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	‘Ba2/NP’

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