

London, 9 January 2018

*BGEO Group's P&C insurance subsidiary signs major third-party partnership agreement*

BGEO Group PLC (the “**Group**” or “**BGEO**”), announces that the Group’s property and casualty insurance subsidiary, Aldagi (the “**Company**”), has signed a major third-party partnership agreement with JSC Liberty Bank (“**Liberty Bank**” or the “**Bank**”) to enhance the distribution capabilities of its motor third party liability (“**MTPL**”) insurance business. Liberty Bank is the third largest bank in Georgia by total assets, and enjoys the largest branch and service outlet network in the country. As part of the partnership agreement, Aldagi’s MTPL products will be offered to the Bank’s clients through Liberty Bank’s large retail footprint in exchange for a commission fee based on the premium of each underwritten insurance policy.

*Irakli Gilauri*, BGEO CEO commented: “I am delighted to see that the Group continues to realise the benefits presented by the proposed demerger. Aldagi’s partnership agreement with Liberty Bank in line with its strategy to unlock the full potential of Georgia’s significantly underpenetrated retail insurance segment. By extending co-operation with another leading financial institution, Aldagi will be able to uncover additional sources of high quality deals for its leading insurance products, and continue to successfully diversify its multi-channel distribution network.”

Name of authorised official of issuer responsible for making notification: Giorgi Alpaidze, Group CFO

**About BGEO Group PLC**

**The Group:** BGEO Group PLC (“BGEO” – LSE: BGEO LN) is a UK incorporated holding company of a Georgia-focused investment platform. BGEO invests, via its subsidiaries, in the banking and non-banking sectors in Georgia (BGEO and its subsidiaries, together the “Group”). BGEO aims to deliver on its strategy of: (1) at least 20% ROAE from its Banking Business; (2) 15%-20% growth of its Banking Business loan book; (3) at least 25% IRR; and (4) up to 20% of the Group’s profit from its Investment Business. On 3 July 2017 BGEO announced its intention to demerge BGEO Group PLC into a London-listed banking business (the “Banking Business”) and a London-listed investment business (the “Investment Business”) by the end of the first half of 2018.

**Banking Business:** Currently representing at least 80% of the Group’s profit, will comprise: a) retail banking and payment services, b) corporate investment banking and wealth management operations and c) banking operations in Belarus (“BNB”). JSC Bank of Georgia (“BOG” or the “Bank”) is the core entity of the Group’s Banking Business. The Banking Business will continue to target to benefit from the underpenetrated banking sector in Georgia primarily through its retail banking services.

**Investment Business:** Currently representing up to 20% of the Group’s profit, will comprise the Group’s stakes in Georgia Healthcare Group PLC (“Healthcare Business” or “GHG”) – an LSE (London Stock Exchange PLC) premium-listed company, Georgia Global Utilities (“Utility and Energy Business” or “GGU”), m<sup>2</sup> Real Estate (“Real Estate Business” or “m<sup>2</sup>”), Teliani Valley (“Beverage Business” or “Teliani”) and Aldagi (“Property and Casualty Insurance Business” or Aldagi). Georgia’s fast-growing economy provides opportunities in a number of underdeveloped local markets and the Investment Business will target to capture growth opportunities in the Georgian corporate sector.

JSC BGEO Group has, as of the date hereof, the following credit ratings:

Fitch Ratings  
Moody’s

‘BB-/B’  
B1/NP (FC) & B1/NP (LC)

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

Fitch Ratings  
Moody’s

‘BB-/B’  
‘Ba3/NP’ (FC) & ‘Ba2/NP’ (LC)

For further information, please visit [www.bggeo.com](http://www.bggeo.com) or contact:

**Irakli Gilauri**  
Group CEO  
+995 322 444 109  
[igilauri@bggeo.com](mailto:igilauri@bggeo.com)

**Michael Oliver**  
Adviser to the CEO  
+44 203 178 4034  
[moliver@bggeo.com](mailto:moliver@bggeo.com)

**Giorgi Alpaidze**  
Group CFO  
+995 322 444 190  
[g.alpaidze@bggeo.com](mailto:g.alpaidze@bggeo.com)