

London, 29 March 2018

**JSC Bank of Georgia raises GEL 75 million local currency funding from BSTDB**

BGEO Group PLC (the “Group” or “BGEO”), announces that its banking subsidiary, JSC Bank of Georgia (the “Bank” or “Bank of Georgia”) continues to attract GEL-denominated funding as the Bank and Black Sea Trade and Development Bank (“BSTDB”) have signed a GEL 75 million loan agreement, with tranches up to five years duration. The local currency loan facility will be used to finance the development of Georgian small and medium-size enterprises (“SMEs”), which reinforces the Bank’s commitment to support SMEs in Georgia and underpins its leading position in the SME sector. BSTDB raised the local currency funds through a public placement of GEL-denominated bonds on the Georgian Stock Exchange arranged by Galt & Taggart, the Group’s wholly owned brokerage subsidiary.

**Kaha Kiknavelidze**, Bank CEO commented: “I am very pleased that Bank of Georgia and our partner BSTDB have once again successfully co-operated on a local currency transaction. As the demand for GEL-denominated funding grows year over year we continue to leverage our long-term partnerships with development financial institutions to secure our customers the funding they need. I would like to thank BSTDB for supporting us in our aim to contribute to the further de-dollarisation of Georgia’s economy.”

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

**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 comprises: 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 comprises the Group’s stakes in Georgia Healthcare Group PLC (“Healthcare Business” or “GHG”) – an LSE (a London Stock Exchange) 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:

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Fitch Ratings  
Moody’s

‘BB-/B’  
B1/NP (FC) & B1/NP (LC)

Fitch Ratings  
Moody’s

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

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

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