

London, 25 September 2017

BGEO Group announces changes to its Management Team

BGEO Group PLC (the “**Group**” or “**BGEO**”), announces changes and appointments to the Group’s and JSC Bank of Georgia’s (the “**Bank**”) management teams. The new appointments have been made in the light of the Group’s proposed demerger announced on 3 July 2017, in preparation for which BGEO is separating the Group’s and the Bank’s Chief Financial Officer (“**CFO**”) functions and repositioning the Bank’s management team:

- **Giorgi Alpaidze** will assume the role of **Group CFO** with immediate effect and become the investment business CFO following completion of the Group’s proposed demerger
- **David Tsiklauri** has been appointed **Chief Financial Officer** of the **Bank**
- **Levan Kulijanishvili** has been appointed **Deputy CEO, Operations** of the **Bank**
- **Vasil Khodeli** has been appointed **Deputy CEO, Corporate Investment Banking** of the **Bank**

Giorgi Alpaidze, currently Head of the Group’s Finance, Funding and Investor Relations, has extensive international experience in banking, accounting and finance. He joined the Group in August 2016 from Ernst & Young LLP’s (“**EY**”) Greater New York City’s assurance practice, where he was a senior manager serving EY’s financial services clients. Giorgi started his career at EY Georgia in 2005 and moved to EY’s United States practice in 2010. Giorgi is a U.S. Certified Public Accountant and received his undergraduate degree in Business Administration from the European School of Management in Georgia.

David Tsiklauri, currently Deputy CEO, Corporate Investment Banking of the Bank, has extensive experience in banking and joined the Bank in February 2017. Prior to joining the Bank, David served as Deputy CEO in charge of Corporate Banking at TBC Bank, a position he held since 2014. Before TBC Bank, he served as Vice President in the Capital Markets and Treasury Solutions team at Deutsche Bank since 2011, where he started as an associate in the Debt Capital Markets Department in 2008. David has an MBA degree from London Business School.

Levan Kulijanishvili will assume a new role as Deputy CEO, Operations of the Bank in order to focus on further improvements and efficiencies in the Bank’s operations. Levan joined the Bank in 1997 and served as Group CFO and Deputy CEO, Finance of the Bank, prior to this appointment. During his 20 years of service with the Group, Levan has held various senior management positions, including Head of Compliance and Internal Control (2009 to 2015), Head of the Internal Audit department (2000 to 2009), Manager of the Financial Monitoring, Strategy and Planning department (1999 to 2000) and Head of the Financial Analysis division (1997-1999). Levan holds an MBA degree from Grenoble Graduate School of Business.

Vasil Khodeli, currently Head of Corporate Banking of the Bank, will succeed David Tsiklauri as Deputy CEO, Corporate Investment Banking. Vasil has more than 20 years of banking experience and has held various roles with the Bank since 2004. He has been actively involved in shaping the Bank’s Corporate Banking business platform since its launch. Vasil holds an MBA degree from Grenoble Business School.

The changes to the Bank’s management team remain subject to regulatory approval.

Irakli Gilauri, Group CEO commented: “I am delighted to announce these appointments which demonstrate the depth of management talent we have within the Group. Following the announcement of the Group’s intention to demerge into a London-listed banking business and London-listed investment business, I am confident that the separation of the CFO functions and repositioning of the Bank’s executive management team will support the successful completion of the demerger process and will further contribute to the development of the two independent businesses.”

Kaha Kiknavelidze, CEO of the Bank commented: “I want to congratulate David and Levan on their new roles and welcome Vasil to the Bank’s senior executive management team. They all bring tremendous professionalism and leadership experience to the organisation and I strongly believe that the Bank’s management team is appropriately balanced to drive the next phase of the Bank’s success. I look forward to working with the team in their new capacities as we continue delivering on our key strategic priorities.”

Name of the authorized official of issuer responsible for making notification: Natia Kalandarishvili, Senior Investor Relations Manager

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 a 4x20 strategy: (1) at least 20% ROAE from its Banking Business; (2) at least 20% growth of its Banking Business retail loan book; (3) at least 20% 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”), m² Real Estate (“Real Estate Business” or “m²”), 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	‘BB-/B’
Moody’s	B1/NP (FC) & B1/NP (LC)

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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