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Demerger Update: Publication of Georgia Capital PLC's Supplementary Prospectus

Bank of Georgia Group PLC ("**Bank of Georgia Group**") announces today that Georgia Capital PLC ("**Georgia Capital**") has published a supplementary prospectus (the "**Supplementary Prospectus**") following approval by the UK Listing Authority, which is supplemental to and must be read in conjunction with the Georgia Capital prospectus (the "**Prospectus**"). The Prospectus was published on 26 March 2018 in connection with the proposed admission of Georgia Capital's ordinary shares (the "**Georgia Capital Shares**") to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities ("**Admission**") and the demerger of the Investment Business from Bank of Georgia Group (the "**Demerger**").

In accordance with the requirement set out in the Prospectus Rules, the Supplementary Prospectus is being published following the announcement by Bank of Georgia Group of its financial results for the first quarter of 2018 on 21 May 2018 which, having been published prior to the completion of the Demerger, incorporates financial results in respect of the Group's Investment Business for the same period.

The Supplementary Prospectus has been submitted to the National Storage Mechanism and will shortly be available for inspection at www.morningstar.co.uk/uk/NSM. A copy of the Supplementary Prospectus will also be available later today at: <http://bankofgeorgiagroup.com/information/prospectus>

Admission of the Georgia Capital Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities, under the ticker CGEO, is expected to occur at 8.00 a.m. on 29 May 2018. CREST accounts will be credited with Georgia Capital Shares on 29 May 2018.

Capitalised terms not otherwise defined and used in this announcement have the meaning given to them in the Prospectus, as the context so requires, unless stated otherwise.

Forward-looking statements

Certain statements in this announcement are forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial consequences of the plans and events described herein. No one undertakes any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Readers should not place any undue reliance on forward-looking statements which speak only as of the date of this announcement. Statements contained in this announcement regarding past trends or events should not be taken as representation that such trends or events will continue in the future. The statements contained herein are accurate as at the date of this announcement. Nothing contained in this announcement shall be deemed to be a forecast, projection or estimate of future performance. Except as required by the rules of the UK Listing Authority and the London Stock Exchange (and applicable law), Bank of Georgia Group PLC undertakes no obligation to update publicly or revise the content of this announcement, whether as a result of new information, future events or otherwise.

About Bank of Georgia Group PLC

The Group: Bank of Georgia Group PLC (“**Bank of Georgia Group**” or the “**Group**” – LSE: **BGEO LN**) is a UK incorporated holding company, the new parent company of BGEO Group PLC which combines a **Banking Business** and an **Investment Business** ahead of the imminent demerger on 29 May 2018. The demerger, which will result into Investment Business’s separation from the Group, was approved at the 2018 Annual General Meeting on 30 April 2018. Bank of Georgia Group PLC will be the holding company of the Banking Business following the demerger completion and effective from 29 May 2018.

Banking Business 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 (“**Bank of Georgia**”, “**BOG**” or the “**Bank**”) is the core entity of the Group’s Banking Business. The Banking Business targets to benefit from the underpenetrated banking sector in Georgia through both its retail banking and corporate investment banking services and aims to deliver on its strategy: (1) at least 20% ROAE, and (2) 15%-20% growth of its loan book.

Investment Business or **Georgia Capital** comprise stakes in Georgia Global Utilities (“**Utility and Energy Business**” or “**GGU**”), m² Real Estate (“**Real Estate Business**” or “**m²**”), Teliani Valley (“**Beverage Business**” or “**Teliani**”), Aldagi (“**Property and Casualty Insurance Business**” or “**Aldagi**”), Georgia Healthcare Group PLC (“**Healthcare Business**” or “**GHG**”) – an LSE (London Stock Exchange) premium-listed company and has a 19.9% interest in the **Banking Business**. Georgia’s fast-growing economy provides opportunities in a number of underdeveloped local sectors and Georgia Capital targets to capture these significant growth opportunities in the Georgian corporate sector.

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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