

London, 1 August 2017

JSC Bank of Georgia wins the exclusive right to upgrade the public transportation payment system in Tbilisi

BGEO Group PLC (the “**Group**” or “**BGEO**”), announces that its banking business subsidiary, JSC Bank of Georgia (the “**Bank**” or “**Bank of Georgia**”) has won an auction, organised by Tbilisi City Hall, for the modernisation of the public transportation payment system in Tbilisi, Georgia. As a result, Bank of Georgia will continue as the sole provider of payment support services to the public transportation network, and operate mass retail branches in Tbilisi metro (i.e. subway) stations for the next ten years. The Bank will pay a total consideration of GEL22.2 million. As part of the auction mandate, Bank of Georgia will implement a modern payment system for public transportation network in Tbilisi, including payment processing using Visa and MasterCard plastic cards, and create a digital platform for ticket reservations and purchases through mobile phone applications.

Kaha Kiknavelidze, the Bank CEO commented: “I am delighted that we are further strengthening our leading position in the mass retail segment by maintaining our branch network presence in Tbilisi’s public transportation network for at least the next ten years. Bank of Georgia already has a market-leading digital offering and strongly believes in the benefits of payment business digitalisation. The exclusive right to maintain and upgrade the transportation payment system in Tbilisi is a significant opportunity to further enhance this offering over the next few years.”

Name of authorised official of issuer responsible for making notification: Giorgi Alpaidze, Head of Investor Relations

About BGEO Group PLC

The Group: BGEO Group PLC (“BGEO” or the “Group” – LSE: BGEO LN) is a UK incorporated holding company of a Georgia-focused investment platform. BGEO invests in the banking and non-banking sectors in Georgia (BGEO and its subsidiaries, the “Group”). BGEO aims to deliver on a 4x20 strategy: at least 20% ROAE and at least 20% growth of retail loan book in Banking Business, and at least 20% IRR and up to 20% of the Group’s profit from Investment Business.

Banking Business: Our Banking Business comprises at least 80% of the Group’s profit and consists of Retail Banking, Corporate Banking and Investment Management businesses at its core and other banking businesses such as P&C Insurance, Leasing, Payment Services and Banking operations in Belarus (“BNB”). The Group strives to benefit from the underpenetrated banking sector in Georgia especially through its Retail Banking services. JSC Bank of Georgia (“BOG” or the “Bank”) is the main entity in the Group’s Banking Business.

Investment Business: Our Investment Business comprises up to 20% of the Group’s profit and consists of Georgia Healthcare Group (Healthcare Business) – an LSE (London Stock Exchange PLC) premium listed company, m² Real Estate (Real Estate Business), Georgia Global Utilities (Utility and Energy Business or GGU) and Teliani Valley (Beverage Business). Georgia’s fast-growing economy provides opportunities in a number of underdeveloped markets and the Group is well positioned 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’
‘B1/NP’ (FC) & ‘Ba3/NP’ (LC)

For further information, please visit www.bgeo.com or contact:

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