

London, 29 March 2018

Moody's upgrades the credit rating of senior unsecured notes transferred to Bank of Georgia by two notches

BGEO Group PLC (the “**Group**” or “**BGEO**”), announces that on 29 March 2018 credit rating agency Moody’s upgraded the credit rating of JSC Bank of Georgia’s senior unsecured notes, previously JSC BGEO Group’s notes prior to their recent substitution, by two notches to Ba2. The outlook on the senior unsecured notes has also been changed to stable, from rating under review. The credit rating upgrade reflects the change of the principal debtor from the holding company to the Bank which has eliminated the structural subordination of the noteholders to the Bank’s creditors. The credit rating of the unsecured notes is aligned to the rating of the Bank and its other senior debt.

The credit rating assigned to the unsecured notes by Fitch Ratings remains unaffected at BB-.

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”), 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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