

GGF BOOSTS SUPPORT TO BANK OF GEORGIA GROUP FOR ENERGY EFFICIENCY & RENEWABLE ENERGY LENDING, INVESTING FURTHER USD 25 MILLION

- The loan will be utilized for further expanding the Group's portfolio in energy efficiency (EE) and renewable energy (RE) lending to larger companies, SMEs and public entities.
- EE and RE measures financed with the GGF loan are projected to result in annual primary energy savings of approx. 22,086 MWh and CO₂ emission reductions of approx. 3,164 metric tons

**Luxembourg and Tbilisi,
January 08, 2019** – The

Green for Growth Fund (GGF) has provided a USD 25 million loan to Bank of Georgia Group PLC (the Bank of Georgia Group or the Group) with a view to supporting the Group in diversifying and growing its EE and RE lending portfolio for large companies and SMEs as well as public entities. The loan would be distributed to the customers through the



Group's dominant subsidiary, the Bank of Georgia. The impact of the loan will be enhanced by capacity building activities of the GGF Technical Assistance Facility, enabling the Bank of Georgia to better estimate energy savings from potential investments.

The subsidiary, Bank of Georgia has been a partner of the GGF since 2014. This extended facility will be utilized by the Bank of Georgia Group to diversify their green lending portfolio into the commercial sectors including industries like manufacturing, construction and agriculture as well as RE projects. Being the second largest commercial banking group in Georgia with a diversified lending portfolio, they continue to provide GGF with opportunities to promote energy efficiency from the grassroot level up by creating awareness and stimulating demand, as well as for helping steer Georgia's energy mix, which consists of 85% hydropower, toward diversification of RE sources.

GGF Chairman Olaf Zymelka stated: "Given Bank of Georgia's proven on-lending track record, GGF is glad

to be strengthening our partnership with the Group. We are confident that this extended facility will be instrumental in promoting opportunities for running businesses in an energy-efficient way across different sectors in Georgia and will stimulate demand for sustainable energy sources.”

Kaha Kiknavelidze, the CEO of Bank of Georgia Group commented: “I am pleased that we have once again joined efforts with GGF to create a range of products for our clients that will be directed at financing energy-efficient projects in Georgia. This is our second co-operation with GGF, which will significantly contribute to further improvement of our environmental footprint. I would like to thank our partner for their contribution in supporting the development of Georgian enterprises.”

ABOUT THE GGF

The Green for Growth Fund invests in measures designed to cut energy use and CO₂ emissions and improve resource efficiency in 19 markets across Southeast Europe, the Caucasus, Ukraine, Moldova, the Middle East and North Africa. The fund provides financing to local partners that on-lend to enterprises and private households, and it invests directly, primarily through the contribution of senior debt, in renewable energy projects. The GGF’s Technical Assistance Facility maximizes the fund’s investment impact through support for capacity building at local financial institutions and partners.

The GGF was initiated as a public-private partnership in December 2009 by Germany’s KfW Development Bank and the European Investment Bank, with financial support from the European Commission, the German Federal Ministry for Economic Cooperation and Development, the European Bank for Reconstruction and Development, and the Austrian development bank OeEB. The fund’s growing investor base comprises donor agencies, international financial institutions and institutional private investors, including the International Finance Corporation, the Dutch development bank FMO, the German ethical bank GLS, Church of Sweden, and ASN Bank. The GGF is advised by Finance in Motion GmbH. MACS Management & Consulting Services GmbH, Frankfurt am Main acts as the technical advisor.

For more information see www.ggf.lu and follow us on Twitter [@GreenGrowthFund](https://twitter.com/GreenGrowthFund)

ABOUT BANK OF GEORGIA GROUP

Bank of Georgia Group PLC (“Bank of Georgia Group” or the “Group” – LSE: BGEO LN) is a UK incorporated holding company, which 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”), the leading universal bank in Georgia, is the core entity of the Group. The Group targets to benefit from superior growth of the Georgian economy through both its retail banking and corporate investment banking services and aims to deliver on its strategy, which is based on at least 20% ROAE and 15%-20% growth of its loan book.

For further information, please visit www.bankofgeorgiagroup.com

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