

Bank of Georgia Holdings announces appointments and extension of service contracts

Bank of Georgia Holdings PLC ("**BGH**") announces appointments and the extension of management contracts following the legal restructuring of JSC Bank of Georgia ("**BoG**") and its subsidiaries (together, the "**Group**") undertaken in August 2015, as announced in December 2014. (*link to previous announcements: <http://bgeo.com/news>*).

There are no changes to the management structure of **Bank of Georgia Holdings PLC**, where Neil Janin will remain as Chairman of the Board of Directors and Irakli Gilauri will continue as Group Chief Executive Officer.

At **JSC BGEO Group**, which was established as a result of the restructuring to act as the Georgian holding company for the Group and to oversee Group's subsidiaries that are grouped into banking businesses and investment businesses under JSC BGEO Group, the Board has appointed Irakli Gilauri as Group CEO and Chairman of the Group's subsidiaries. Irakli Gilauri's service contract has been extended until 1 May 2019 and his compensation package of cash and share salary has not been changed. Irakli Gilauri has been joined by Archil Gachechiladze as Group CFO, in addition to his existing role (Mr Gachechiladze currently is Deputy CEO, Investment Management at JSC Bank of Georgia), and by Avto Namicheishvili as Group General Legal Counsel (Mr Namicheishvili previously served as Deputy CEO, Legal at JSC Bank of Georgia). The service contracts of both Mr Gachechiladze and Mr Namicheishvili have also been extended until 1 May 2019.

At **JSC Bank of Georgia**, Murtaz Kikoria, previously Deputy CEO, Finance has succeeded Irakli Gilauri as CEO of JSC Bank of Georgia. Irakli Gilauri has become Chairman of JSC Bank of Georgia. Following this change, Levan Kulijanishvili - a long-standing BOG professional who most recently served as the Head of Compliance and Internal Control - has been promoted to Deputy CEO, Finance. Additionally, contracts have been extended for Mikheil Gomarteli, Deputy CEO Retail Banking and Sul Khan Gvalia, Deputy CEO Corporate Banking at JSC Bank of Georgia, as well as for Irakli Burdiladze, who continues to serve as CEO of **JSC m² Real Estate**. Levan Kulijanishvili's contract expires on 1 September 2018. All other contracts expire on 1 May 2019.

The management service contracts have been extended under the same terms and conditions in line with the Group's Compensation Policy, which was adopted in May 2013. There has been an increase in the number of long term deferred salary shares for some executives, in connection with the contract extension. The aggregate amount of such increase is 30,000 shares per year. The Compensation Policy consists of a fixed component including a proportion payable in cash in the form of salary and a proportion payable in long term deferred grants of BGH shares. The awarded long term deferred share grants are subject to a five-year vesting period. During the first year none of the awarded shares vest, with 20% of the awarded shares vesting in each of the following three years and 40% vesting in the fifth year after each award.

About Bank of Georgia Holdings PLC

Bank of Georgia Holdings PLC is a UK incorporated holding company of a Georgia-based banking group with an investment arm. It's primary business is the leading Georgian bank JSC Bank of Georgia, which has a market share of 36.0% (based on total assets), 33.4% (based on total loans) and 31.6% (based on client deposits). The banking business offers a broad range of retail banking, corporate banking, investment management and P&C insurance services. As of 30 June 2015, the bank served approximately 1.9 million client accounts through one of the largest distribution networks in Georgia, with 246 branches, the country's largest ATM network, comprising 685 ATMs, 2,284 Express pay (self-service) terminals and a full-service remote banking platform and a modern call center. The investment business primarily consists of the largest healthcare group in Georgia (Georgia Healthcare Group), real estate business (m2) and utility business (Georgia Global Utilities).

JSC Bank of Georgia has, as of the date hereof, the following credit ratings:

Standard & Poor's	'BB-/B'
FitchRatings	'BB-/B'
Moody's	'B1/NP' (FC) & 'Ba3/NP' (LC)

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