



BANK OF GEORGIA

INVESTOR DAY 2019

Digital ecosystem

Speaker:

Andro Ratiani – Head of Innovation and Strategic Projects

Levan Kobakhidze – Innovation and Strategic Projects



INNOVATION DISTINGUISHES BETWEEN A LEADER AND A FOLLOWER

– Steve Jobs

MSME

Merchant services

- Lite and modular solutions
- All-in-one solution (hardware + software)
- AI-driven offers
- Business loan pre-qualification

HR solutions

- Lite and modular solutions
- Open API model
- Streamlined HR operation
- AI-based performance management

Business intelligence /accounting

- Lite and modular solutions
- Open API model
- Advanced visualisations
- Tailored to MSMEs



RETAIL

Real estate ecosystem

- AI-optimised content
- Advanced real estate estimation
- Mortgage loan pre-qualifications
- Remodelling and interior design

Online marketplace

- Advanced search/comparison
- AI-optimised content
- Consumer loan pre-qualification
- Utilisation of BOG merchant networks

Auto ecosystem

- AI-optimised content
- Cross-selling (e-commerce, leasing, dealerships, etc.)
- Auto loan pre-qualification
- Advanced vehicle inspection

DIGITAL AREA ECOSYSTEM AT A GLANCE

Merchant services

HR solutions

Business intelligence
/accounting



RETAIL

Real estate ecosystem

- AI-optimised content
- Advanced real estate estimation
- Mortgage loan pre-qualifications
- Remodelling and interior design

Online marketplace

Auto ecosystem

DIGITAL AREA ECOSYSTEM AT A GLANCE



DIGITAL AREA ECOSYSTEM AT A GLANCE

Merchant services

HR solutions

Business intelligence
/accounting



RETAIL

Real estate ecosystem

Online marketplace

Auto ecosystem

- AI-optimised content
- Cross-selling (e-commerce, leasing, dealerships, etc.)
- Auto loan pre-qualification
- Advanced vehicle inspection



DIGITAL AREA ECOSYSTEM AT A GLANCE

 **MSME**

Merchant services

HR solutions

**Business intelligence
/accounting**

- Lite and modular solutions
- Open API model
- Advanced visualisations
- Tailored to MSMEs



Real estate ecosystem

Online marketplace

Auto ecosystem

DIGITAL AREA ECOSYSTEM AT A GLANCE

 **MSME**

Merchant services

 **HR solutions**

- Lite and modular solutions
- Open API model
- Streamlined HR operation
- AI-based performance management

Business intelligence
/accounting



Real estate ecosystem

Online marketplace

Auto ecosystem

DIGITAL AREA ECOSYSTEM AT A GLANCE

 **MSME**

 **Merchant services**

- Lite and modular solutions
- All-in-one solution (hardware + software)
- AI-driven offers
- Business loan pre-qualification

 HR solutions

 Business intelligence /accounting



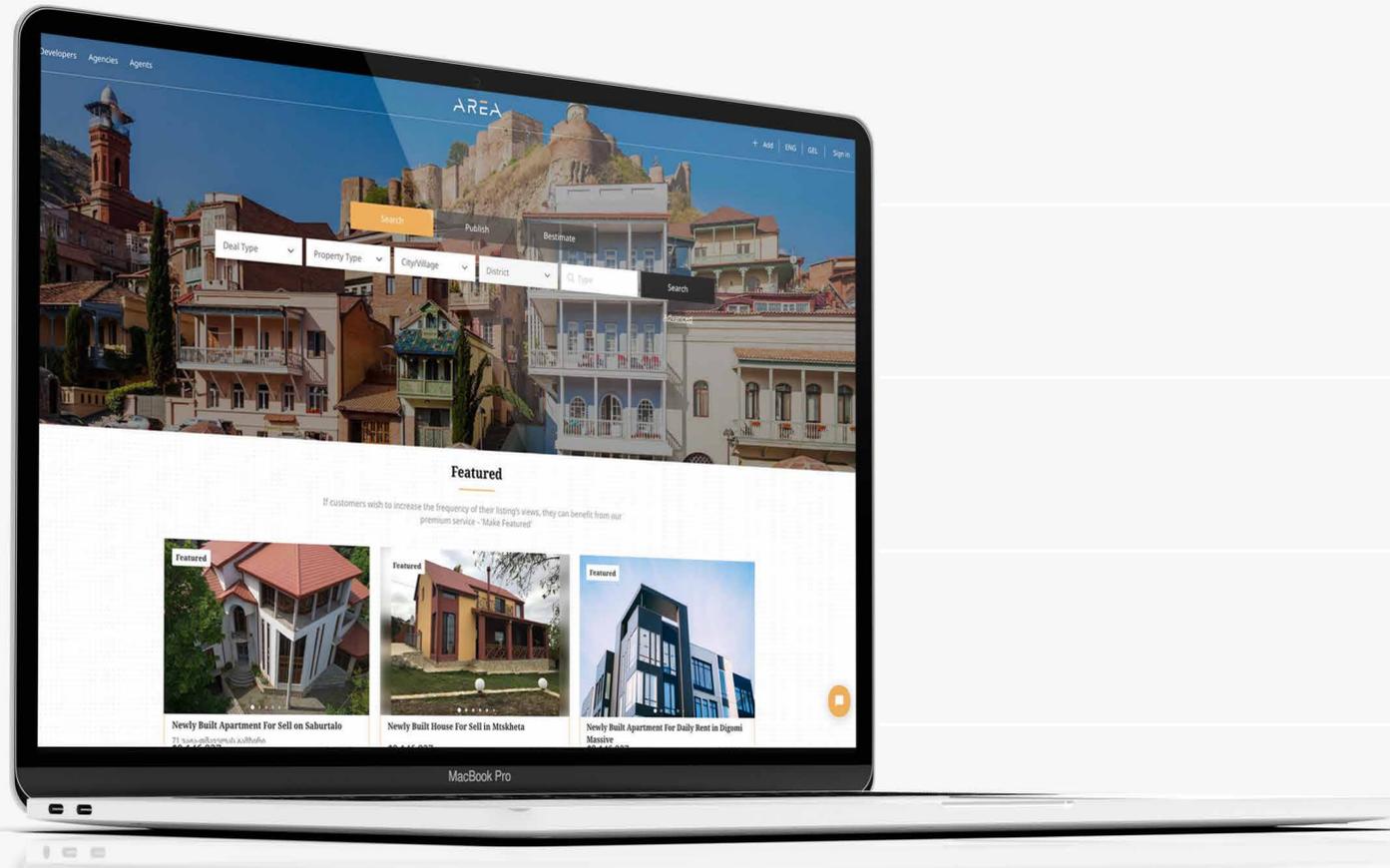
 Real estate ecosystem

 Online marketplace

 Auto ecosystem

RESULTS OF AREA.GE LAUNCH ARE SOLID

09



Unique users
+535,000

Developers and agencies
+527

Mortgage leads
+3,800

Mortgages disbursed,
GEL+6,000,000

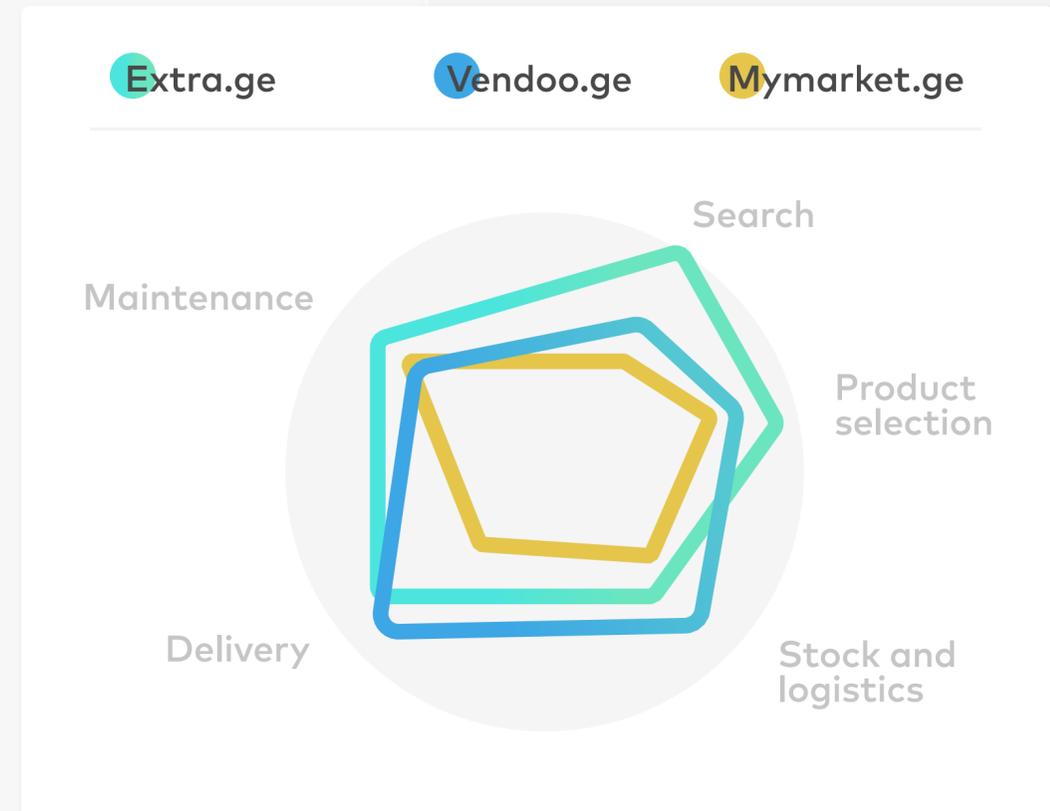
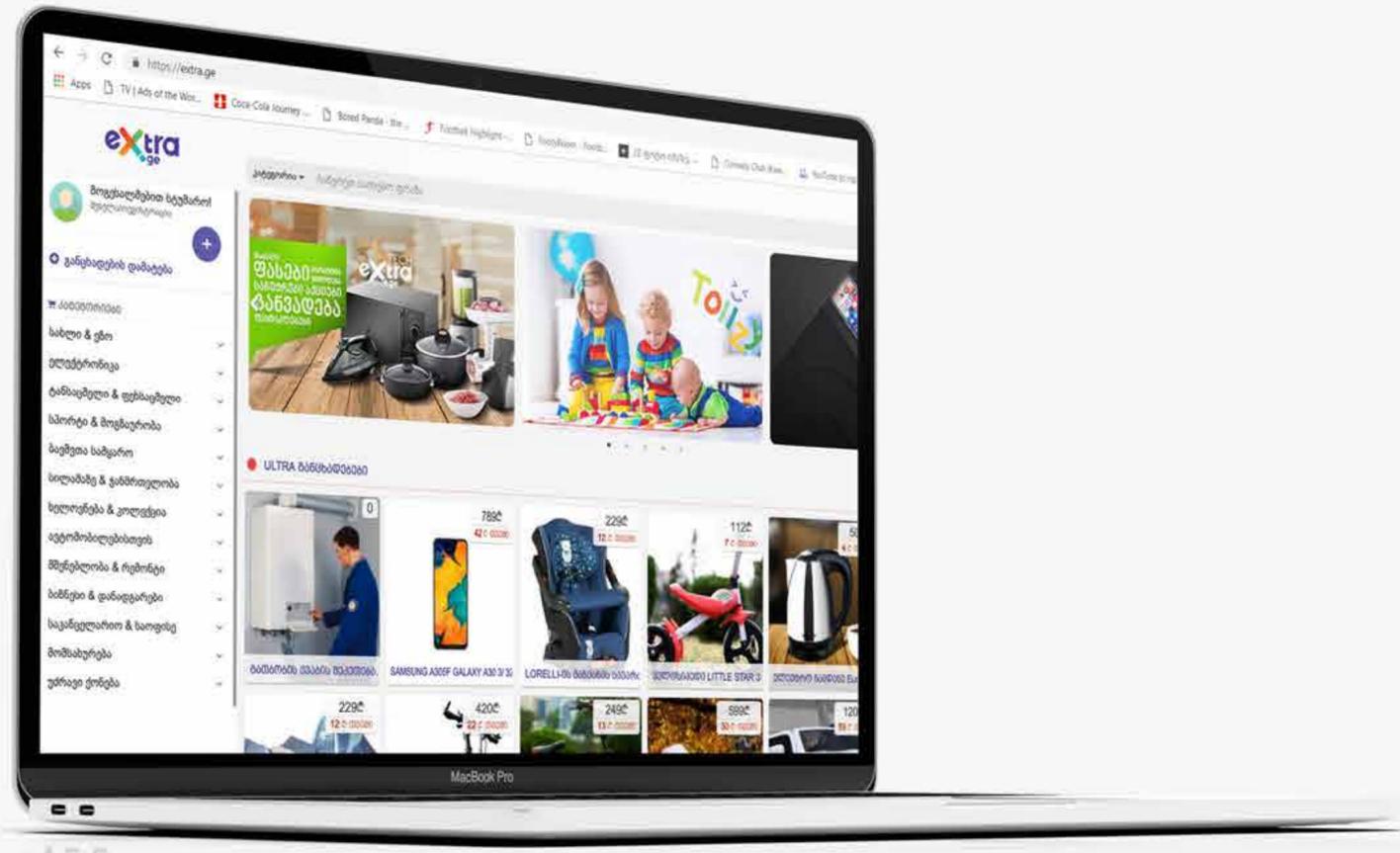
WHY?

- Incremental mortgage portfolio
- Expanding digital footprint
- New partnership model with real estate developers
- Cross-selling opportunities for existing and potential clients

HOW?

- Customer-centric UX
- Full housing ecosystem
- Advanced mortgage pre-qualification
- AI-optimised content

EXTRA.GE ACQUISITION AND PLANS



CURRENT EXTRA.GE DEVELOPMENT ROUTE NEW EXTRA.GE FOCUS

- #2 C2C listing platform in Georgia
- 350,000 monthly active users
- 80,000 registered buyers and sellers
- Search engine optimised

- From listing platform to full scale digital marketplace
- Re-utilise bank MSMEs
- Re-design and re-launch in 1Q20

- Advanced search
- Wide selection of products and services from all type of sellers
- Affordable online Installment
- Plus points redemption channel

NEXT STEPS

SINCE AUGUST 2018

-  Area.ge full scale launch
-  Extra.ge acquisition
-  Merchant services active development in progress
-  Auto ecosystem active development in progress

COMING SOON BY 2020

-  Extra.ge full scale re-launch
-  Merchant services full scale launch
-  Auto ecosystem full scale launch
-  HR solutions MVP launch
-  BI/Accounting MVP launch



QUESTIONS?

DISCLAIMER - FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although Bank of Georgia Group PLC believes that the expectations and opinions reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond our control, include, among other things: currency fluctuations, including depreciation of the Georgian Lari, and macroeconomic risk; regional tensions and instability; loan portfolio quality; regulatory risk; liquidity risk; operational risk, cyber security, information systems and financial crime risk; and other key factors that indicated could adversely affect our business and financial performance, which are contained elsewhere in this document and in our past and future filings and reports of the Group, including the 'Principal Risks and Uncertainties' included in Bank of Georgia Group PLC's Annual Report and Accounts 2018. No part of this presentation constitutes, or shall be taken to constitute, an invitation or inducement to invest in Bank of Georgia Group PLC or any other entity within the Group, and must not be relied upon in any way in connection with any investment decision. Bank of Georgia Group PLC and other entities within the Group undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this presentation should be construed as a profit forecast.