

London, 9 November 2015

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### **BGH's healthcare subsidiary announces the Offering Price for its IPO**

Following its announcement on 26 October 2015 of the offering price range in connection with the initial public offering (the "IPO", or the "Offering") of its ordinary shares (the "Shares"), Bank of Georgia Holdings PLC's ("BGH") healthcare subsidiary, Georgia Healthcare Group PLC ("GHG"), has today announced the successful pricing of the Offering.

Details of GHG's announcement can be found at the following link: [www.ghg.com.ge](http://www.ghg.com.ge)

#### **Offering Highlights**

- The offering price has been set at 170 pence per Share (the "Offering Price")
- Based on the Offering Price, GHG's total market capitalisation at the commencement of conditional dealings will be £218 million<sup>1</sup>
- The Offering comprises 38,681,820 Shares equating to an Offering size of approximately £66 million, representing approximately 29% of GHG's share capital on Admission, excluding the Over-allotment Option (as defined below)

<sup>1</sup> Excluding 3.5 million Shares held by Sanne Fiduciary Services Ltd as trustee of GHG's employee benefit trust.

#### **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. Its 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)

For further information, please visit [www.bgh.co.uk](http://www.bgh.co.uk) or contact:

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- Immediately following Admission, the issued share capital of GHG will be 128,181,820 Shares<sup>1</sup>
- GHG is raising gross proceeds of approximately US\$100 million (£66 million) from the Offering through the issue of new Shares, which will be used to:
  - Renovate and develop recently acquired Deka and Sunstone referral hospitals in Tbilisi, adding approximately 500 beds to existing hospital capacity
  - Finance current expansion plans, especially the roll-out of GHG's planned ambulatory network with approximately 30 ambulatory clinics expected to be launched within 2-3 years
  - Reduce the level of existing debt
  - Pay the remaining purchase price for GHG's acquisition in August 2015 of a 50% interest in GNCo, which indirectly owns 100% of HTMC Hospital
- BGH, through its wholly-owned intermediate holding company, JSC BGEO Investments (the "**Selling Shareholder**") has granted Citigroup Global Markets Limited, as Stabilising Manager, an over-allotment option (exercisable no later than thirty days from today) in respect of up to 3,868,180 Shares, representing approximately 10 per cent. of the Offering (the "**Over-allotment Option**")
- Immediately following Admission, the Selling Shareholder will continue to hold 68% of the Shares (assuming no exercise of the Over-allotment Option) and 65% of the Shares (assuming the Over-allotment Option is exercised in full)
- As set out in BGH's half year results published on 20 August 2015:
  - The net assets of GHG were GEL 213.2 million, as at 30 June 2015
  - The gross assets of GHG were GEL 501.6 million, as at 30 June 2015
  - The profits attributable to the assets were GEL 13.0 million for the period of six months ending 30 June 2015

## Admissions and Dealings

- Conditional dealings in the Shares will commence on the LSE at 8.00 a.m. on 9 November under the ticker "GHG LN"
- Admission and the commencement of unconditional dealings are expected to take place at 8.00 a.m. on 12 November 2015

### *Irakli Gilauri, Chief Executive Officer of Bank of Georgia Holdings and Chairman of Georgia Healthcare Group, commented:*

"I am delighted with the result of GHG's IPO, as it is an important milestone in the realisation of BGH's investment business strategy, announced in December 2014. Raising money for further development of GHG's business and crystallising the value of GHG were our main goals, both of which have been successfully achieved. The combination of an excellent management team and access to capital puts GHG in a unique position to further capture growth opportunities in the rapidly growing healthcare sector in Georgia, which we believe will result in further value creation for all shareholders of GHG.

We are grateful to our existing shareholders at BGH for their strong support. At the same time, I would like to welcome more than 100 new shareholders in GHG and look forward to working with our new partners during the exciting times ahead of us. Currently the BGH stake in GHG is valued at approximately US\$ 234 million. BGH has been a strong and committed shareholder to the development of the healthcare business for many years and intends to maintain this support over the next few years.

I look forward to updating BGH investors on the development of our strategy on 23 November 2015, when we will hold an investor day in London, the details of which will be announced separately."

**Further information:**

- A group of over 20 members of the BGH and GHG boards, including the GHG Chairman, Irakli Gilauri, and management team, including the GHG CEO Nikoloz Gamkrelidze, and connected persons, participated in the IPO with a total value of approximately US\$4.5 million
- GHG, the Selling Shareholder, Irakli Gilauri and Nikoloz Gamkrelidze will be subject to a 180 day lock-up following Admission. The lock-ups are subject to certain customary exemptions
- Following completion of the IPO, GHG is expecting to be eligible for inclusion in the FTSE All-Share Index in due course.

**Expected Timetable****Time and Date**

Commencement of conditional dealings in Shares on the LSE	8.00 a.m. on 9 November 2015
Admission and commencement of unconditional dealings in Shares on the LSE	8.00 a.m. on 12 November 2015
CREST Euroclear and Clearstream accounts credited with uncertificated Shares	8.00 a.m. on 12 November 2015

**Offering Statistics**

Offering Price <sup>(1)</sup>	170 pence
Number of Shares in the Offering (assuming no exercise of the Over-allotment Option)	38,681,820
o of which new Shares to be issued	38,681,820
Number of Shares in issue following the Offering <sup>(2)</sup>	128,181,820
Number of existing Shares subject to the Over-allotment Option <sup>(3)</sup>	3,868,180
Gross proceeds of the Offering receivable by GHG	Approx. US\$ 100 million
Net proceeds of the Offering receivable by the GHG <sup>(4)</sup>	Approx. US\$ 95 million
Market capitalisation of GHG at the Offering Price <sup>(2)(5)</sup>	£218 million
Number of issued Shares admitted to listing and trading following the Offering <sup>(6)</sup>	131,681,820

(1) There can be no assurance that the market price of a Share will be equal to or exceed the Offering Price

(2) Excluding 3.5 million Shares held by Sanne Fiduciary Services Ltd as trustee of GHG's employee benefit trust

(3) The number of such Shares is, in aggregate, equal to approximately 10% of the number of Shares comprised in the Offering

(4) The estimated net proceeds receivable by GHG are stated after deducting underwriting commissions and other fees, taxes and expenses incurred by the GHG in connection with the Offering, which are currently expected to be, in aggregate, approximately £5 million.

- (5) The market capitalisation of GHG at any given time will depend on the price of the Shares at the time. There can be no assurance that the market price of a Share will be equal to or exceed the Offering Price.
- (6) Includes 3.5 million Shares held by Sanne Fiduciary Services as trustee of GHG's employee benefit trust.

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