BGE Group PLC (the “Group” or “BGE”), announces that the Group’s utility and energy subsidiary, Georgia Global Utilities (“GGU” or “the Company”), has today commenced construction of Bodorna hydro power plant (“Bodorna HPP”) near Bodorna reservoir, an integral part of the Company’s water utility infrastructure located approximately 55 kilometers away from Tbilisi. The 2.5MW plant will have an average annual electricity production capacity of 15 million KW/hours and will be primarily used for GGU’s internal consumption, with the excess energy supply sold to third parties. Bodorna HPP construction will be carried out by local companies and will be supervised by Swiss engineering company Stucky SA. GGU has secured long-term credit facilities totaling a combined GEL 10 million, from the Dutch (FMO) and German (DEG) development banks to finance the construction of Bodorna HPP, which is expected to become fully operational from September 2018.

Irakli Gilauri, BGE CEO commented: “I am pleased to see that GGU has launched the construction of yet another hydro power plant and continues to successfully pursue opportunities by tapping the existing infrastructure of its water utility subsidiary. GGU is committed to investing in Georgia’s renewable energy resources and this project is another step in the execution of GGU’s strategy to produce a pipeline of high quality hydro power plant developments over the medium-term”.

Name of authorised official of issuer responsible for making notification: Giorgi Alpaidze, Group CFO

About BGE Group PLC
The Group: BGE Group PLC (“BGE”- LSE: BGEO LN) is a UK incorporated holding company of a Georgia-focused investment platform. BGE invests, via its subsidiaries, in the banking and non-banking sectors in Georgia (BGEO and its subsidiaries, together the “Group”). BGE 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 BGE announced its intention to demerge BGE 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 representing at least 80% of the Group’s profit, will comprise: 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 representing up to 20% of the Group’s profit, will comprise the Group's stakes in Georgia Healthcare Group PLC (“Healthcare Business” or “GHG”) – an LSE (London Stock Exchange PLC) 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 undereveloped local markets and the Investment Business will target to capture growth opportunities in the Georgian corporate sector.

For further information, please visit www.bgeo.com or contact:

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