

Pillar 3 quarterly report		
1	Name of a bank	JSC "Liberty Bank"
2	Chairman of the Supervisory Board	Irakli Otar Rukhadze
3	CEO of a bank	Vasil Khodeli
4	Bank's web page	www.libertybank.ge

Senior management of the bank ensures fair presentation and accuracy of the information provided within Pillar 3 disclosure report. The report is prepared in accordance with internal review and control processes coordinated with the board. The report meets the requirements of the decree N92/04 of the Governor of the National Bank of Georgia on "Disclosure requirements for commercial banks within Pillar 3" and other relevant decrees and regulations of NBG.

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Bank: JSC "Liberty Bank"
Date: 9/30/2020

Table 1 Key metrics

N		3Q 2020	2Q 2020	1Q 2020	4Q 2019	3Q 2019
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	194,769,480	192,765,835	192,591,206	215,359,099	211,400,188
2	Tier 1	199,334,864	197,331,219	197,156,590	219,924,483	215,965,572
3	Total regulatory capital	305,061,513	299,722,775	314,734,721	330,141,000	329,415,148
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	2,067,258,476	1,861,303,735	1,849,842,437	1,802,789,012	1,740,960,645
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=6.12%	9.42%	10.36%	10.41%	11.95%	12.14%
6	Tier 1 ratio >=7.86%	9.64%	10.60%	10.66%	12.20%	12.40%
7	Total Regulatory Capital ratio >=12.8%	14.76%	16.10%	17.01%	18.31%	18.92%
	Income					
8	Total Interest Income /Average Annual Assets	11.57%	11.69%	11.97%	13.43%	13.64%
9	Total Interest Expense / Average Annual Assets	5.32%	5.22%	5.16%	5.25%	5.27%
10	Earnings from Operations / Average Annual Assets	1.04%	1.22%	1.33%	2.83%	3.13%
11	Net Interest Margin	6.25%	6.46%	6.82%	8.19%	8.37%
12	Return on Average Assets (ROAA)	-0.96%	-1.78%	-3.37%	1.35%	1.11%
13	Return on Average Equity (ROAE)	-7.95%	-13.89%	-24.75%	9.34%	7.60%
	Asset Quality					
14	Non Performed Loans / Total Loans	6.41%	5.28%	5.15%	5.04%	5.62%
15	LLR/Total Loans	8.19%	8.65%	8.49%	6.63%	7.30%
16	FX Loans/Total Loans	23.37%	23.33%	25.55%	24.59%	25.87%
17	FX Assets/Total Assets	34.66%	30.75%	33.71%	31.23%	28.54%
18	Loan Growth-YTD	21.50%	7.87%	5.85%	19.13%	15.38%
	Liquidity					
19	Liquid Assets/Total Assets	37.36%	37.06%	35.78%	26.47%	31.05%
20	FX Liabilities/Total Liabilities	40.47%	36.10%	36.96%	34.31%	34.38%
21	Current & Demand Deposits/Total Assets	43.92%	45.73%	45.11%	41.36%	43.82%
	Liquidity Coverage Ratio***					
22	Total HQLA	1,000,524,134	817,895,759	744,812,842	724,438,720	717,682,866
23	Net cash outflow	554,996,448	496,101,117	432,401,154	442,132,789	404,037,133
24	LCR ratio (%)	180.28%	164.86%	172.25%	163.85%	177.63%

*** LCR calculated according to NBG's methodology which is more focused on local risks than Basel framework. See the table 14. LCR; Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology. The numbers calculated within Basel framework are given for illustrative purposes.

Bank: JSC "Liberty Bank"
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Table 2 **Balance Sheet** *in Lari*

N	Assets	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	179,365,140	61,298,157	240,663,297	140,462,675	57,006,060	197,468,735
2	Due from NBG	-	169,835,875	169,835,875	96,842,134	124,631,497	221,473,631
3	Due from Banks	566,120	380,584,587	381,150,706	559,750	85,572,127	86,131,877
4	Dealing Securities	-	-	-	-	-	-
5	Investment Securities	251,289,889	-	251,289,889	145,679,574	-	145,679,574
6.1	Loans	1,155,287,667	352,279,107	1,507,566,774	890,948,973	310,861,735	1,201,810,708
6.2	Less: Loan Loss Reserves	(99,999,707)	(23,454,166)	(123,453,873)	(75,784,004)	(11,997,434)	(87,781,438)
6	Net Loans	1,055,287,960	328,824,941	1,384,112,901	815,164,969	298,864,301	1,114,029,270
7	Accrued Interest and Dividends Receivable	44,222,867	4,472,666	48,695,532	11,874,080	1,371,474	13,245,554
8	Other Real Estate Owned & Repossessed Assets	33,530	-	33,530	54,770	-	54,770
9	Equity Investments	106,733	-	106,733	106,733	-	106,733
10	Fixed Assets and Intangible Assets	240,638,713	-	240,638,713	196,250,781	-	196,250,781
11	Other Assets	34,475,383	12,971,781	47,447,165	75,403,989	24,519,345	99,923,334
12	Total assets	1,805,986,335	957,988,007	2,763,974,341	1,482,399,455	591,964,804	2,074,364,259
	Liabilities						
13	Due to Banks	8,206,157	5,870,490	14,076,647	792,561	38,956,033	39,748,594
14	Current (Accounts) Deposits	557,332,865	353,213,532	910,546,398	496,012,443	111,732,626	607,745,069
15	Demand Deposits	174,012,408	129,428,301	303,440,709	206,496,454	94,811,636	301,308,090
16	Time Deposits	600,639,490	280,464,435	881,103,925	424,555,006	223,317,318	647,872,324
17	Own Debt Securities	-	-	-	-	-	-
18	Borrowings	80,534,742	80,980,519	161,515,261	-	-	-
19	Accrued Interest and Dividends Payable	9,613,507	2,180,034	11,793,541	4,842,588	1,477,715	6,320,303
20	Other Liabilities	40,356,360	45,160,101	85,516,461	29,917,710	46,117,443	76,035,153
21	Subordinated Debentures	6,437,000	106,949,155	113,386,155	6,437,000	96,002,135	102,439,135
22	Total liabilities	1,477,132,530	1,004,246,566	2,481,379,097	1,169,053,762	612,414,906	1,781,468,668
	Equity Capital						
23	Common Stock	54,628,743	-	54,628,743	54,628,743	-	54,628,743
24	Preferred Stock	61,391	-	61,391	61,391	-	61,391
25	Less: Repurchased Shares	(10,154,020)	-	(10,154,020)	(10,154,020)	-	(10,154,020)
26	Share Premium	39,651,986	-	39,651,986	39,651,986	-	39,651,986
27	General Reserves	1,694,028	-	1,694,028	1,694,028	-	1,694,028
28	Retained Earnings	167,639,169	-	167,639,169	178,837,861	-	178,837,861
29	Asset Revaluation Reserves	29,073,949	-	29,073,949	28,175,602	-	28,175,602
30	Total Equity Capital	282,595,245	-	282,595,245	292,895,591	-	292,895,591
31	Total liabilities and Equity Capital	1,759,727,775	1,004,246,566	2,763,974,341	1,461,949,353	612,414,906	2,074,364,259

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Table 3 **Income statement** in Lari

N	N	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
		Interest Income					
1	Interest Income from Bank's "Nostro" and Deposit Accounts	4,708,242	1,241,779	5,950,021	8,680,732	1,501,271	10,182,003
2	Interest Income from Loans	169,129,518	16,072,000	185,201,518	155,564,330	15,702,134	171,266,464
2.1	from the Interbank Loans	-	-	-	367,299	-	367,299
2.2	from the Retail or Service Sector Loans	10,208,161	7,616,969	17,825,130	4,078,047	6,235,473	10,313,521
2.3	from the Energy Sector Loans	1,072,506	5,560	1,078,066	247,419	-	247,419
2.4	from the Agriculture and Forestry Sector Loans	147,730	40,171	187,902	35,617	98,604	134,221
2.5	from the Construction Sector Loans	1,792	992,077	993,869	18,609	1,920,451	1,939,060
2.6	from the Mining and Mineral Processing Sector Loans	100,556	-	100,556	95,134	50,155	145,290
2.7	from the Transportation or Communications Sector Loans	11,765	4,630	16,395	5,146	-	5,146
2.8	from Individuals Loans	156,905,448	4,830,336	161,735,784	149,949,563	5,080,037	155,029,600
2.9	from Other Sectors Loans	681,560	2,582,257	3,263,817	767,495	2,317,414	3,084,908
3	Fees/penalties income from loans to customers	4,825,123	309,694	5,134,817	6,332,483	968,274	7,300,757
4	Interest and Discount Income from Securities	11,440,491	-	11,440,491	10,010,367	-	10,010,367
5	Other Interest Income	108,069	33,491	141,560	126,087	28,729	154,816
6	Total Interest Income	190,211,443	17,656,964	207,868,407	180,713,999	18,200,408	198,914,407
		Interest Expense					
7	Interest Paid on Demand Deposits	28,921,264	5,570,105	34,491,369	28,122,899	2,374,450	30,497,349
8	Interest Paid on Time Deposits	42,982,291	7,241,234	50,223,525	33,218,799	6,139,171	39,357,970
9	Interest Paid on Banks Deposits	215,036	25,197	240,232	19,244	91,677	110,921
10	Interest Paid on Own Debt Securities	854,373	6,232,576	7,086,949	708,468	4,456,468	5,164,936
11	Interest Paid on Other Borrowings	1,545,199	276,965	1,822,164	6,492	-	6,492
12	Other Interest Expenses	245,236	1,502,272	1,747,507	302,015	1,429,048	1,731,063
13	Total Interest Expense	74,763,399	20,848,348	95,611,747	62,377,917	14,490,814	76,868,731
14	Net Interest Income	115,448,045	(3,191,384)	112,256,661	118,336,082	3,709,594	122,045,676
		Non-Interest Income					
15	Net Fee and Commission Income	15,912,254	(2,162,958)	13,749,296	18,280,353	(1,834,953)	16,445,400
15.1	Fee and Commission Income	19,001,355	4,455,970	23,457,325	21,243,240	3,861,993	25,105,233
15.2	Fee and Commission Expense	3,089,101	6,618,927	9,708,029	2,962,887	5,696,946	8,659,833
16	Dividend Income	-	-	-	644,108	-	644,108
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	35,352	26,228	61,581	160,711	26,250	186,961
19	Gain (Loss) from Foreign Exchange Trading	2,734,185	-	2,734,185	13,107,537	-	13,107,537
20	Gain (Loss) from Foreign Exchange Translation	3,833,304	-	3,833,304	(6,217,318)	-	(6,217,318)
21	Gain (Loss) on Sales of Fixed Assets	116,688	-	116,688	120,454	-	120,454
22	Non-Interest Income from other Banking Operations	80,991	2,575	83,567	11,587	2,368	13,955
23	Other Non-Interest Income	3,356,029	85,033	3,441,062	565,910	936,842	1,502,752
24	Total Non-Interest Income	26,068,804	(2,049,121)	24,019,683	26,673,342	(869,493)	25,803,849
		Non-Interest Expenses					
25	Non-Interest Expenses from other Banking Operations	2,392,988	4,365	2,397,352	2,130,867	854	2,131,721
26	Bank Development, Consultation and Marketing Expenses	5,327,036	666,485	5,993,521	3,726,509	1,444,009	5,170,518
27	Personnel Expenses	58,754,975	-	58,754,975	58,307,685	-	58,307,685
28	Operating Costs of Fixed Assets	1,251,586	-	1,251,586	1,200,859	-	1,200,859
29	Depreciation Expense	24,264,959	-	24,264,959	21,875,135	-	21,875,135
30	Other Non-Interest Expenses	20,582,753	278,974	20,861,726	19,254,787	141,140	19,395,927
31	Total Non-Interest Expenses	112,574,297	949,823	113,524,120	106,495,842	1,586,003	108,081,845
32	Net Non-Interest Income	(86,505,493)	(2,998,945)	(89,504,438)	(79,822,500)	(2,455,496)	(82,277,996)
33	Net Income before Provisions	28,942,552	(6,190,329)	22,752,223	38,513,582	1,254,098	39,767,680
34	Loan Loss Reserve	36,364,638	3,342,564	39,707,202	21,242,465	1,765,367	23,007,832
35	Provision for Possible Losses on Investments and Securities	(104,000)	-	(104,000)	104,000	-	104,000
36	Provision for Possible Losses on Other Assets	425,557	4,134	429,691	403,949	90,349	494,298
37	Total Provisions for Possible Losses	36,686,195	3,346,698	40,032,893	21,750,414	1,855,716	23,606,130
38	Net Income before Taxes and Extraordinary Items	(7,743,644)	(9,537,027)	(17,280,670)	16,763,168	(601,618)	16,161,550
39	Taxation	-	-	-	-	-	-
40	Net Income after Taxation	(7,743,644)	(9,537,027)	(17,280,670)	16,763,168	(601,618)	16,161,550
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	(7,743,644)	(9,537,027)	(17,280,670)	16,763,168	(601,618)	16,161,550

Bank: JSC "Liberty Bank"
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Table 4

in Lari

N	On-balance sheet items per standardized regulatory report	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Contingent Liabilities and Commitments	86,313,826	78,206,521	164,520,348	49,141,039	52,475,510	101,616,549
1.1	Guarantees Issued	5,555,078	7,262,169	12,817,247	5,363,826	6,183,884	11,547,710
1.2	Letters of credit Issued	3,803,569	-	3,803,569	3,044,510	-	3,044,510
1.3	Undrawn loan commitments	76,755,179	70,835,446	147,590,625	40,532,703	46,193,737	86,726,440
1.4	Other Contingent Liabilities	200,000	108,907	308,907	200,000	97,889	297,889
2	Guarantees received as security for liabilities of the bank	-	-	-	-	-	-
3	Assets pledged as security for liabilities of the bank	85,010,000	-	85,010,000	-	-	-
3.1	Financial assets of the bank	85,010,000	-	85,010,000	-	-	-
3.2	Non-financial assets of the bank	-	-	-	-	-	-
4	Guarantees received as security for receivables of the bank	484,313,639	2,686,031,615	3,170,345,254	614,534,514	2,008,178,437	2,622,712,951
4.1	Surety, joint liability	-	-	-	-	-	-
4.2	Guarantees	484,313,639	2,686,031,615	3,170,345,254	614,534,514	2,008,178,437	2,622,712,951
5	Assets pledged as security for receivables of the bank	154,991,429	2,757,473,783	2,912,465,212	146,615,860	1,851,216,275	1,997,832,135
5.1	Cash	6,477,647	42,564,552	49,042,199	7,836,231	21,053,768	28,889,999
5.2	Precious metals and stones	78,711,495	106,203,723	184,915,218	55,935,560	89,662,483	145,598,043
5.3	Real Estate:	1,040,031	1,594,977,505	1,596,017,536	165,246	1,002,534,508	1,002,699,754
5.3.1	Residential Property	948,531	853,180,123	854,128,654	118,246	417,511,979	417,630,225
5.3.2	Commercial Property	11,000	454,141,582	454,152,582	-	187,049,189	187,049,189
5.3.3	Complex Real Estate	-	52,105,058	52,105,058	-	28,541,325	28,541,325
5.3.4	Land Parcel	80,500	148,510,268	148,590,768	-	38,160,769	38,160,769
5.3.5	Other	-	87,040,475	87,040,475	47,000	331,271,246	331,318,246
5.4	Movable Property	4,017,058	186,773,689	190,790,747	6,178,823	153,897,210	160,076,033
5.5	Shares Pledged	10,000,000	211,007,300	221,007,300	10,000,000	170,360,200	180,360,200
5.6	Securities	9,000,000	219,337,867	228,337,867	31,500,000	171,820,245	203,320,245
5.7	Other	45,745,198	396,609,146	442,354,344	35,000,000	241,887,861	276,887,861
6	Derivatives	143,722,592	375,297,950	519,020,542	107,707,582	299,976,074	407,683,656
6.1	Receivables through FX contracts (except options)	42,492,933	210,134,591	252,627,524	40,833,768	157,098,783	197,932,551
6.2	Payables through FX contracts (except options)	101,229,659	165,163,360	266,393,018	66,873,814	142,877,291	209,751,105
6.3	Principal of interest rate contracts (except options)	-	-	-	-	-	-
6.4	Options sold	-	-	-	-	-	-
6.5	Options purchased	-	-	-	-	-	-
6.6	Nominal value of potential receivables through other derivatives	-	-	-	-	-	-
6.7	Nominal value of potential payables through other derivatives	-	-	-	-	-	-
7	Receivables not recognized on-balance	95,111,108	1,937,879	97,048,986	103,824,513	2,013,277	105,837,790
7.1	Principal of receivables derecognized during last 3 month	80,655	-	80,655	398,227	384,619	782,846
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	-	-	-	-	-	-
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	95,111,108	1,937,879	97,048,986	103,824,513	2,013,277	105,837,790
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	-	-	-	-	-	-
8	Non-cancelable operating lease	3,322,776	50,701,280	54,024,056	5,654,687	54,202,355	59,857,043
8.1	Through indefinit term agreement	-	-	-	-	-	-
8.2	Within one year	925,338	10,024,249	10,949,586	1,953,658	9,150,749	11,104,407
8.3	From 1 to 2 years	416,944	8,903,392	9,320,336	987,397	8,641,079	9,628,476
8.4	From 2 to 3 years	402,358	7,438,078	7,840,436	554,770	7,665,422	8,220,192
8.5	From 3 to 4 years	369,968	6,154,653	6,524,621	475,200	6,920,698	7,395,898
8.6	From 4 to 5 years	353,928	5,244,623	5,598,551	421,314	5,603,619	6,024,933
8.7	More than 5 years	854,241	12,936,286	13,790,526	1,262,349	16,220,789	17,483,138
9	Capital expenditure commitment	609,585	3,443,446	4,053,031	1,338,457	4,357,156	5,695,613

Bank: JSC "Liberty Bank"
Date: 9/30/2020

Table 5 **Risk Weighted Assets** *in Lari*

N		3Q 2020	2Q 2020
1	Risk Weighted Assets for Credit Risk	1,648,923,127	1,454,246,071
1.1	Balance sheet items	1,599,721,772	1,408,185,152
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	-	-
1.2	Off-balance sheet items	36,684,353	33,326,941
1.3	Counterparty credit risk	12,517,002	12,733,977
2	Risk Weighted Assets for Market Risk	17,478,869	6,201,184
3	Risk Weighted Assets for Operational Risk	400,856,480	400,856,480
4	Total Risk Weighted Assets	2,067,258,476	1,861,303,735

Bank: JSC "Liberty Bank"

Date: 9/30/2020

Table 6 **Information about supervisory board, directorate, beneficiary owners and shareholders**

Members of Supervisory Board		
1	Irakli Otar Rukhadze	
2	Mamuka Tsereteli	
3	Murtaz Kikoria	
4	Magda Magradze	
Members of Board of Directors		
1	Vasil Khodeli	
2	Davit Tsiklauri	
3	Levan Tkheldze	
4	Mamuka Kvaratskhelia	
List of Shareholders owning 1% and more of issued capital, indicating Shares		
1	Georgian Financial Group B.V.	91.985
2	JSC "GALT & TAGGART" (Nominal owner)	4.232
3	JSC "Heritage Securities" (Nominal owner)	1.073
5	Other shareholders	2.709
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares		
1	Irakli Otar Rukhadze	30.662
2	Benjamin Albert Marson	30.662
3	Igor Alexeev	30.662

Bank: JSC "Liberty Bank"

Date: 9/30/2020

Table 7 | Linkages between financial statement assets and balance sheet items subject to credit risk weighting

	Account name of standardized supervisory balance sheet item	a	b	c
		Carrying values as reported in published stand-alone financial statements per local accounting rules	Carrying values of items	
			Not subject to capital requirements or subject to deduction from capital	Subject to credit risk weighting
1	Cash	240,663,297		240,663,297
2	Due from NBG	169,835,875		169,835,875
3	Due from Banks	381,150,706		381,150,706
4	Dealing Securities	-		-
5	Investment Securities	251,289,889		251,289,889
6.1	Loans	1,507,566,774		1,507,566,774
6.2	<i>Less: Loan Loss Reserves</i>	<i>(123,453,873)</i>		<i>(123,453,873)</i>
6	Net Loans	1,384,112,901		1,384,112,901
7	Accrued Interest and Dividends Receivable	48,695,532		48,695,532
8	Other Real Estate Owned & Repossessed Assets	33,530		33,530
9	Equity Investments	106,733	106,733	-
10	Fixed Assets and Intangible Assets	240,638,713	80,116,647	160,522,066
11	Other Assets	47,447,165		47,447,165
	Total exposures subject to credit risk weighting before adjustments	2,763,974,341	80,223,381	2,683,750,961

Bank: JSC "Liberty Bank"
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Table 8 **Differences between carrying values per standardized balance sheet used for regulatory reporting purposes and the exposure amounts used for capital adequacy calculation purposes** *in Lari*

1	Total carrying value of balance sheet items subject to credit risk weighting before adjustments	2,683,750,961
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	164,211,441
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	256,619,273
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	3,104,581,675
4	Effect of provisioning rules used for capital adequacy purposes	25,439,978
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	(119,557,796)
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	(244,102,271)
6	Effect of other adjustments	12,859,359
7	Total exposures subject to credit risk weighting	2,779,220,945

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Table 9 **Regulatory capital**

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	278,029,861
2	Common shares that comply with the criteria for Common Equity Tier 1	44,490,460
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	35,132,256
4	Accumulated other comprehensive income	29,073,949
5	Other disclosed reserves	1,694,028
6	Retained earnings (loss)	167,639,168
7	Regulatory Adjustments of Common Equity Tier 1 capital	83,260,381
8	Revaluation reserves on assets	29,073,949
9	Accumulated unrealized revaluation gains on assets through profit and loss to the extent that they exceed accumulated unrealized revaluation losses through profit and loss	3,037,001
10	Intangible assets	51,042,698
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	-
12	Investments in own shares	-
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	-
14	Cash flow hedge reserve	-
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	-
16	Significant investments in the common equity tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions that are outside the scope of regulatory consolidation	-
17	Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities	106,733
18	Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit)	-
19	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	-
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
21	The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1	-
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	-
23	Common Equity Tier 1	194,769,480
24	Additional tier 1 capital before regulatory adjustments	4,565,384
25	Instruments that comply with the criteria for Additional tier 1 capital	45,654
26	Including: instruments classified as equity under the relevant accounting standards	45,654
27	Including: instruments classified as liabilities under the relevant accounting standards	-
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	4,519,730
29	Regulatory Adjustments of Additional Tier 1 capital	-
30	Investments in own Additional Tier 1 instruments	-
31	Reciprocal cross-holdings in Additional Tier 1 instruments	-
32	Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	-
33	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	-
34	Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments	-
35	Additional Tier 1 Capital	4,565,384
36	Tier 2 capital before regulatory adjustments	105,726,649
37	Instruments that comply with the criteria for Tier 2 capital	85,115,110
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	-
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	20,611,539
40	Regulatory Adjustments of Tier 2 Capital	-
41	Investments in own shares that meet the criteria for Tier 2 capital	-
42	Reciprocal cross-holdings in Tier 2 capital	-
43	Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	-
44	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	-
45	Tier 2 Capital	105,726,649

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Table 9.1 **Capital Adequacy Requirements**

Minimum Requirements		Ratios	Amounts (GEL)
1	Pillar 1 Requirements		
1.1	Minimum CET1 Requirement	4.50%	93,026,631
1.2	Minimum Tier 1 Requirement	6.00%	124,035,509
1.3	Minimum Regulatory Capital Requirement	8.00%	165,380,678
2	Combined Buffer		
2.1	Capital Conservation Buffer	0.00%	-
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.90%	18,605,326
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	0.72%	14,858,708
3.2	Tier 1 Pillar2 Requirement	0.96%	19,834,140
3.3	Regulatory capital Pillar 2 Requirement	3.90%	80,584,336
Total Requirements		Ratios	Amounts (GEL)
4	CET1	6.12%	126,490,666
5	Tier 1	7.86%	162,474,975
6	Total regulatory Capital	12.80%	264,570,340

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Table 10 Reconciliation of balance sheet to regulatory capital

in Lari

N	On-balance sheet items per standardized regulatory report	Carrying values as reported in published stand-alone financial statements per local accounting rules	linkage to capital table
1	Cash	240,663,297	
2	Due from NBG	169,835,875	
3	Due from Banks	381,150,706	
4	Dealing Securities	0	
5	Investment Securities	251,289,889	
6.1	Loans	1,507,566,774	
6.2	Less: Loan Loss Reserves	-123,453,873	
6.2.1	of which loan loss general reserves	20,611,539	
6.2.2	of which Covid-19 reserve	12,859,359	
6	Net Loans	1,384,112,901	
7	Accrued Interest and Dividends Receivable	48,695,532	
8	Other Real Estate Owned & Repossessed Assets	33,530	
9	Equity Investments	106,733	
9.1	Of which above 10% equity holdings in financial institutions	106,733	
9.2	Of which significant investments subject to limited recognition		
9.3	Of which below 10% equity holdings subject to limited recognition		
10	Fixed Assets and Intangible Assets	240,638,713	
10.1	Of which intangible assets	51,042,698	table 9 (Capital), N10
11	Other Assets	47,447,165	
12	Total assets	2,763,974,341	
13	Due to Banks	14,076,647	
14	Current (Accounts) Deposits	910,546,398	
15	Demand Deposits	303,440,709	
16	Time Deposits	881,103,925	
17	Own Debt Securities	0	
18	Borrowings	161,515,261	
19	Accrued Interest and Dividends Payable	11,793,541	
20	Other Liabilities	85,516,461	
20.1	of which off-balance general reserves	-55,811	
21	Subordinated Debentures	113,386,155	
21.1	Of which tier II capital qualifying instruments	85,115,110	
22	Total liabilities	2,481,379,097	
23	Common Stock	54,628,743	
24	Preferred Stock	61,391	
25	Less: Repurchased Shares	-10,154,020	
26	Share Premium	39,651,986	
27	General Reserves	1,694,028	
28	Retained Earnings	167,639,169	
29	Asset Revaluation Reserves	29,073,949	
30	Total Equity Capital	282,595,245	

Bank: JSC "Liberty Bank"
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Table 11 Green Risk Weighted Exposures
(On-balance items and off-balance items after credit conversion factor)

Exposure classes	Risk weights																Risk Weighted Exposures before Credit Risk Mitigation
	0%		20%		35%		50%		75%		100%		150%		250%		
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	
1 Claims or contingent claims on central governments or central banks	270,049,822	-	-	-	-	-	-	-	-	-	-	169,835,875	-	-	-	-	169,835,875
2 Claims or contingent claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Claims or contingent claims on public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Claims or contingent claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Claims or contingent claims on international organizations/institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Claims or contingent claims on commercial banks	-	-	379,249,941	-	-	-	1,043,731	-	-	-	-	940,659	-	-	-	-	77,312,713
7 Claims or contingent claims on corporates	-	-	-	-	-	-	-	-	-	-	-	295,684,044	25,690,861	-	-	-	321,574,905
8 Retail claims or contingent retail claims	-	-	-	-	-	-	-	-	933,802,681	18,962,784	-	-	-	-	-	-	714,574,098
9 Claims or contingent claims secured by mortgages on residential property	-	-	-	-	141,681,596	-	-	-	-	-	-	-	-	-	-	-	49,988,553
10 Past due items	-	-	-	-	-	-	688,757	-	-	-	-	6,969,437	-	1,603,690	-	-	9,719,350
11 Items belonging to regulatory high-risk categories	-	-	-	-	-	-	-	-	-	-	-	23,344,194	-	80,570,228	-	1,772,239	148,630,134
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims in the form of collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Other items	240,109,630	-	556,646	-	-	-	-	-	-	-	173,346,926	-	-	-	-	-	174,058,250
Total	510,159,452	-	379,806,587	-	141,681,596	-	1,732,488	-	933,802,681	18,962,784	670,921,334	25,690,861	82,173,918	-	1,772,239	-	1,665,293,886

Bank: JSC "Liberty Bank"
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Table 13 Standardized approach - Effect of credit risk mitigation

Asset Classes	a	b		c	d	e	f
	On-balance sheet exposures	Off-balance sheet exposures		Off-balance sheet exposures post CCF	RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)
		exposures -	Nominal value				
1 Claims or contingent claims on central governments or central banks	439,885,697	-	-	-	169,835,875	169,835,875	39%
2 Claims or contingent claims on regional governments or local authorities	-	-	-	-	-	-	nmf
3 Claims or contingent claims on public sector entities	-	-	-	-	-	-	nmf
4 Claims or contingent claims on multilateral development banks	-	-	-	-	-	-	nmf
5 Claims or contingent claims on international organizations/institutions	-	-	-	-	-	-	nmf
6 Claims or contingent claims on commercial banks	381,234,531	-	-	-	77,312,713	77,312,713	20%
7 Claims or contingent claims on corporates	295,884,044	94,085,026	-	25,690,861	321,574,905	310,559,978	97%
8 Retail claims or contingent retail claims	933,802,681	70,126,415	-	18,962,784	714,574,098	710,136,072	75%
9 Claims or contingent claims secured by mortgages on residential property	141,681,596	-	-	-	49,588,558	49,588,558	35%
10 Past due items	9,261,884	-	-	-	9,719,350	9,263,803	100%
11 Items belonging to regulatory high-risk categories	105,686,661	-	-	-	148,630,134	148,510,230	141%
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	nmf
13 Claims in the form of collective investment undertakings (CIU)	-	-	-	-	-	-	nmf
14 Other items	414,613,202	-	-	-	174,058,255	174,058,255	42%
Total	2,722,050,295	164,211,441	-	44,653,645	1,665,293,888	1,649,265,484	60%

Bank: JSC "Liberty Bank"
Date: 9/30/2020

Table 11 Liquidity Coverage Ratio

	Total unweighted value (daily average)			Total weighted values according to NBG's methodology* (daily average)			Total weighted values according to Basel methodology (daily average)		
	GEL	FX	Total	GEL	FX	Total	GEL	FX	Total
High-quality liquid assets									
1 Total HQLA				485,072,413	515,451,722	1,000,524,134	460,803,463	215,198,058	676,001,521
Cash outflows									
2 Retail deposits	758,450,711	359,051,074	1,117,501,785	121,183,704	64,621,916	185,805,620	29,600,345	15,841,711	45,442,056
3 Unsecured wholesale funding	551,883,312	398,414,428	950,297,740	206,769,951	154,248,671	361,018,623	169,882,183	98,288,966	268,171,149
4 Secured wholesale funding	0	0	0	0	0	0	0	0	0
5 Outflows related to off-balance sheet obligations and net short position of derivative exposures	5,035,869	0	5,035,869	3,690	0	3,690	3,690	0	3,690
6 Other contractual funding obligations	56,310,549	22,738,270	79,048,819	17,171,494	21,271,317	38,442,811	5,301,699	7,031,650	12,333,349
7 Other contingent funding obligations	87,245,252	56,773,130	144,018,382	39,370,503	8,299,326	47,669,829	39,027,686	8,626,915	47,654,600
8 TOTAL CASH OUTFLOWS	1,458,925,694	836,976,902	2,295,902,596	384,499,341	248,441,231	632,940,572	243,815,603	129,789,241	373,604,844
Cash inflows									
9 Secured lending (eg reverse repos)	15,750,000	0	15,750,000	0	0	0	0	0	0
10 Inflows from fully performing exposures	1,010,193,880	541,352,084	1,551,545,964	66,771,006	9,538,220	76,309,226	91,040,266	310,182,290	401,222,556
11 Other cash inflows	23,984,758	3,763,110	27,747,868	1,634,898	0	1,634,898	1,634,898	0	1,634,898
12 TOTAL CASH INFLOWS	1,049,928,638	545,115,194	1,595,043,832	68,405,904	9,538,220	77,944,125	92,675,164	310,182,290	402,857,454
13 Total HQLA				485,072,413	515,451,722	1,000,524,134	460,803,463	215,198,058	676,001,521
14 Net cash outflow				316,093,437	238,903,010	554,996,448	151,140,439	32,447,310	93,401,211
15 Liquidity coverage ratio (%)				153.46%	215.76%	180.28%	304.88%	663.22%	723.76%

* Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology. The numbers calculated within Basel framework are given for illustrative purposes.

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Table 15 Counterparty credit risk

	a	b	c	d	e	f	g	h	i	j	k	l
	Nominal amount	Percentage	Exposure value	0%	20%	35%	50%	75%	100%	150%	250%	Counterparty Credit Risk Weighted Exposures
1	FX contracts	256,619,273		12,517,002	-	-	-	-	12,517,002	-	-	12,517,002
1.1	Maturity less than 1 year	190,064,010	2.0%	3,801,280	-	-	-	-	3,801,280	-	-	3,801,280
1.2	Maturity from 1 year up to 2 years	-	5.0%	0	-	-	-	-	-	-	-	-
1.3	Maturity from 2 years up to 3 years	10,033,577	8.0%	802,686	-	-	-	-	802,686	-	-	802,686
1.4	Maturity from 3 years up to 4 years	-	11.0%	0	-	-	-	-	-	-	-	-
1.5	Maturity from 4 years up to 5 years	56,521,686	14.0%	7,913,036	-	-	-	-	7,913,036	-	-	7,913,036
1.6	Maturity over 5 years	-		-	-	-	-	-	-	-	-	-
2	Interest rate contracts	0		0	-	-	-	-	-	-	-	-
2.1	Maturity less than 1 year	-	0.5%	0	-	-	-	-	-	-	-	-
2.2	Maturity from 1 year up to 2 years	-	1.0%	0	-	-	-	-	-	-	-	-
2.3	Maturity from 2 years up to 3 years	-	2.0%	0	-	-	-	-	-	-	-	-
2.4	Maturity from 3 years up to 4 years	-	3.0%	0	-	-	-	-	-	-	-	-
2.5	Maturity from 4 years up to 5 years	-	4.0%	0	-	-	-	-	-	-	-	-
2.6	Maturity over 5 years	-		-	-	-	-	-	-	-	-	-
	Total	256,619,273		12,517,002	-	-	-	-	12,517,002	-	-	12,517,002

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Date: 9/30/2020

Table 15.1 Leverage Ratio

On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	2,789,414,316
2	(Asset amounts deducted in determining Tier 1 capital)	(83,260,381)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	2,706,153,935
Derivative exposures		
4	Replacement cost associated with <i>all</i> derivatives transactions (ie net of eligible cash variation margin)	-
5	Add-on amounts for PFE associated with <i>all</i> derivatives transactions (mark-to-market method)	-
EU-5a	Exposure determined under Original Exposure Method	12,517,002
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	Total derivative exposures (sum of lines 4 to 10)	12,517,002
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	Counterparty credit risk exposure for SFT assets	-
EU-14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Article 429b (4) and 222 of Regulation (EU) No 575/2013	-
15	Agent transaction exposures	-
EU-15a	(Exempted CCP leg of client-cleared SFT exposure)	-
16	Total securities financing transaction exposures (sum of lines 12 to 15a)	-
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	164,211,441
18	(Adjustments for conversion to credit equivalent amounts)	(127,602,856)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	36,608,585
Exempted exposures in accordance with CRR Article 429 (7) and (14) (on and off balance sheet)		
EU-19a	(Exemption of intragroup exposures (solo basis) in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	-
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	-
Capital and total exposures		
20	Tier 1 capital	199,334,864
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	2,755,279,522
Leverage ratio		
22	Leverage ratio	7.23%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	-
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) NO 575/2013	-