

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: 12/31/2020

Table 1 Key metrics

N		4Q 2020	3Q 2020	2Q 2020	1Q 2020	4Q 2019
Regulatory capital (amounts, GEL)						
<i>Based on Basel III framework</i>						
1	Common Equity Tier 1 (CET1)	196,387,103	194,769,480	192,765,835	192,591,206	215,359,099
2	Tier 1	200,952,487	199,334,864	197,331,219	197,156,590	219,924,483
3	Total regulatory capital	306,902,021	305,061,513	299,722,775	314,734,721	330,141,000
Risk-weighted assets (amounts, GEL)						
4	Risk-weighted assets (RWA) (Based on Basel III framework)	2,227,009,638	2,067,258,476	1,861,303,735	1,849,842,437	1,802,789,012
Capital ratios as a percentage of RWA						
<i>Based on Basel III framework</i>						
5	Common equity Tier 1 ratio >=6.42%	8.82%	9.42%	10.36%	10.41%	11.95%
6	Tier 1 ratio >=8.17%	9.02%	9.64%	10.60%	10.66%	12.20%
7	Total Regulatory Capital ratio >=13.11%	13.78%	14.76%	16.10%	17.01%	18.31%
Income						
8	Total Interest Income / Average Annual Assets	11.44%	11.57%	11.69%	11.97%	13.43%
9	Total Interest Expense / Average Annual Assets	5.30%	5.32%	5.22%	5.16%	5.25%
10	Earnings from Operations / Average Annual Assets	0.96%	1.04%	1.22%	1.33%	2.83%
11	Net Interest Margin	6.14%	6.25%	6.46%	6.82%	8.19%
12	Return on Average Assets (ROAA)	-0.60%	-0.96%	-1.78%	-3.37%	1.35%
13	Return on Average Equity (ROAE)	-5.26%	-7.95%	-13.89%	-24.75%	9.34%
Asset Quality						
14	Non Performed Loans / Total Loans	6.19%	6.41%	5.28%	5.15%	5.04%
15	LLR/Total Loans	7.03%	8.19%	8.65%	8.49%	6.63%
16	FX Loans/Total Loans	23.23%	23.37%	23.33%	25.55%	24.59%
17	FX Assets/Total Assets	33.75%	34.66%	30.75%	33.71%	31.23%
18	Loan Growth-YTD	34.83%	21.50%	7.87%	5.85%	19.13%
Liquidity						
19	Liquid Assets/Total Assets	33.96%	37.36%	37.06%	35.78%	26.47%
20	FX Liabilities/Total Liabilities	40.77%	40.47%	36.10%	36.96%	34.31%
21	Current & Demand Deposits/Total Assets	44.29%	43.92%	45.73%	45.11%	41.36%
Liquidity Coverage Ratio***						
22	Total HQLA	1,034,394,124	1,000,524,134	817,895,759	744,812,842	724,438,720
23	Net cash outflow	638,901,245	554,996,448	496,101,117	432,401,154	442,132,789
24	LCR ratio (%)	161.90%	180.28%	164.86%	172.25%	163.85%

*** 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	185,279,283	64,836,028	250,115,311	149,070,012	66,760,742	215,830,754
2	Due from NBG	14,513,930	195,163,700	209,677,630	27,820,890	113,971,490	141,792,380
3	Due from Banks	568,900	369,914,991	370,483,891	560,383	175,342,532	175,902,915
4	Dealing Securities	-	-	-	-	-	-
5	Investment Securities	265,217,811	-	265,217,811	142,840,525	-	142,840,525
6.1	Loans	1,284,300,100	388,680,041	1,672,980,140	935,699,443	305,136,645	1,240,836,088
6.2	Less: Loan Loss Reserves	(89,268,388)	(28,345,586)	(117,613,975)	(72,470,183)	(9,790,475)	(82,260,658)
6	Net Loans	1,195,031,711	360,334,455	1,555,366,166	863,229,260	295,346,170	1,158,575,430
7	Accrued Interest and Dividends Receivable	32,476,626	3,350,956	35,827,582	14,401,454	1,513,862	15,915,316
8	Other Real Estate Owned & Repossessed Assets	103,192	-	103,192	47,775	-	47,775
9	Equity Investments	106,733	-	106,733	106,733	-	106,733
10	Fixed Assets and Intangible Assets	238,389,425	-	238,389,425	207,676,100	-	207,676,100
11	Other Assets	43,785,603	12,893,018	56,678,621	68,847,921	16,656,863	85,504,784
12	Total assets	1,975,473,214	1,006,493,148	2,981,966,362	1,474,601,053	669,591,659	2,144,192,712
	Liabilities						
13	Due to Banks	10,639,508	6,363,823	17,003,331	27,937,649	8,112,433	36,050,082
14	Current (Accounts) Deposits	540,654,503	483,785,826	1,024,440,328	443,261,567	153,929,604	597,191,171
15	Demand Deposits	161,412,841	134,950,371	296,363,212	186,107,248	103,464,044	289,571,292
16	Time Deposits	604,545,674	237,169,918	841,715,592	442,356,595	228,690,225	671,046,820
17	Own Debt Securities	-	-	-	-	-	-
18	Borrowings	221,500,000	83,613,360	305,113,360	60,000,000	-	60,000,000
19	Accrued Interest and Dividends Payable	10,001,232	2,371,502	12,372,734	5,399,496	1,707,628	7,107,124
20	Other Liabilities	42,013,815	44,348,017	86,361,831	37,660,172	42,359,667	80,019,839
21	Subordinated Debentures	6,437,000	106,695,914	113,132,914	6,437,000	93,203,227	99,640,227
22	Total liabilities	1,597,204,572	1,099,298,730	2,696,503,303	1,209,159,727	631,466,827	1,840,626,554
	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	170,506,984	-	170,506,984	189,508,428	-	189,508,428
29	Asset Revaluation Reserves	29,073,949	-	29,073,949	28,175,602	-	28,175,602
30	Total Equity Capital	285,463,060	-	285,463,060	303,566,158	-	303,566,158
31	Total liabilities and Equity Capital	1,882,667,632	1,099,298,730	2,981,966,362	1,512,725,885	631,466,827	2,144,192,712

Bank: JSC "Liberty Bank"
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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	5,813,242	1,186,655	6,999,897	10,401,169	2,447,035	12,848,204
2	Interest Income from Loans	232,995,174	23,022,389	256,017,563	209,095,642	21,592,488	230,688,130
2.1	from the Interbank Loans	-	-	-	373,448	-	373,448
2.2	from the Retail or Service Sector Loans	14,232,794	11,138,821	25,371,615	6,790,416	8,607,358	15,397,774
2.3	from the Energy Sector Loans	1,704,922	49,725	1,754,647	555,148	-	555,148
2.4	from the Agriculture and Forestry Sector Loans	286,147	57,337	343,484	66,582	113,370	179,952
2.5	from the Construction Sector Loans	5,490	1,662,261	1,667,752	21,384	2,629,622	2,651,006
2.6	from the Mining and Mineral Processing Sector Loans	101,477	-	101,477	250,650	50,155	300,806
2.7	from the Transportation or Communications Sector Loans	24,507	39,896	64,404	6,866	0	6,866
2.8	from Individuals Loans	215,333,855	6,844,802	222,178,657	200,101,125	6,889,967	206,991,092
2.9	from Other Sectors Loans	1,305,981	3,229,546	4,535,528	930,023	3,302,016	4,232,039
3	Fees/penalties income from loans to customers	6,371,008	448,288	6,819,296	8,366,903	1,104,064	9,470,967
4	Interest and Discount Income from Securities	17,291,015	-	17,291,015	13,177,569	-	13,177,569
5	Other Interest Income	247,146	45,848	292,994	163,294	61,580	224,874
6	Total Interest Income	262,717,585	24,703,180	287,420,765	241,204,577	25,205,167	266,409,744
		Interest Expense					
7	Interest Paid on Demand Deposits	38,105,832	9,030,589	47,136,422	37,951,801	3,206,392	41,158,193
8	Interest Paid on Time Deposits	59,158,510	9,428,079	68,586,590	43,933,010	8,538,799	52,471,809
9	Interest Paid on Banks Deposits	320,677	26,256	346,933	128,613	203,050	331,663
10	Interest Paid on Own Debt Securities	1,198,075	8,474,165	9,672,240	980,899	6,473,078	7,453,977
11	Interest Paid on Other Borrowings	4,312,755	801,990	5,114,745	341,426	-	341,426
12	Other Interest Expenses	314,007	2,001,454	2,315,461	387,522	1,880,068	2,267,590
13	Total Interest Expense	103,409,856	29,762,534	133,172,390	83,723,271	20,301,387	104,024,658
14	Net Interest Income	159,307,729	(5,059,354)	154,248,375	157,481,306	4,903,780	162,385,086
		Non-Interest Income					
15	Net Fee and Commission Income	21,950,858	(2,634,448)	19,316,410	25,031,307	(2,805,224)	22,226,083
15.1	Fee and Commission Income	26,124,361	6,299,759	32,424,120	29,064,124	5,430,922	34,495,046
15.2	Fee and Commission Expense	4,173,504	8,934,207	13,107,711	4,032,817	8,236,146	12,268,963
16	Dividend Income	-	-	-	644,108	-	644,108
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	39,995	28,323	68,318	184,105	36,556	220,661
19	Gain (Loss) from Foreign Exchange Trading	(3,124,311)	-	(3,124,311)	15,178,278	-	15,178,278
20	Gain (Loss) from Foreign Exchange Translation	11,070,847	-	11,070,847	(4,957,200)	-	(4,957,200)
21	Gain (Loss) on Sales of Fixed Assets	122,214	-	122,214	315,197	-	315,197
22	Non-Interest Income from other Banking Operations	95,681	35,087	130,767	45,786	3,599	49,385
23	Other Non-Interest Income	8,132,002	85,033	8,217,035	1,379,100	1,125,260	2,504,360
24	Total Non-Interest Income	38,287,284	(2,486,006)	35,801,278	37,820,681	(1,639,809)	36,180,872
		Non-Interest Expenses					
25	Non-Interest Expenses from other Banking Operations	3,174,678	6,544	3,181,223	2,858,018	1,887	2,859,905
26	Bank Development, Consultation and Marketing Expenses	7,243,706	1,081,144	8,324,850	7,214,120	1,374,071	8,588,191
27	Personnel Expenses	80,178,838	-	80,178,838	77,350,895	-	77,350,895
28	Operating Costs of Fixed Assets	1,647,854	-	1,647,854	1,674,918	-	1,674,918
29	Depreciation Expense	32,806,890	-	32,806,890	29,839,840	-	29,839,840
30	Other Non-Interest Expenses	27,964,420	527,769	28,492,189	26,481,229	166,618	26,647,847
31	Total Non-Interest Expenses	153,016,384	1,615,458	154,631,842	145,419,020	1,542,576	146,961,596
32	Net Non-Interest Income	(114,729,100)	(4,101,463)	(118,830,564)	(107,598,339)	(3,182,385)	(110,780,724)
33	Net Income before Provisions	44,578,629	(9,160,818)	35,417,811	49,882,967	1,721,395	51,604,362
34	Loan Loss Reserve	45,982,345	4,155,809	50,138,154	22,129,001	1,130,770	23,259,771
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	552,484	4,404	556,888	551,993	96,105	648,098
37	Total Provisions for Possible Losses	46,430,829	4,160,213	50,591,042	22,784,994	1,226,875	24,011,869
38	Net Income before Taxes and Extraordinary Items	(1,852,201)	(13,321,030)	(15,173,231)	27,097,973	494,520	27,592,493
39	Taxation	-	-	-	760,376	-	760,376
40	Net Income after Taxation	(1,852,201)	(13,321,030)	(15,173,231)	26,337,597	494,520	26,832,117
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	(1,852,201)	(13,321,030)	(15,173,231)	26,337,597	494,520	26,832,117

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	76,250,396	69,829,269	146,079,665	51,626,192	68,804,449	120,430,641
1.1	Guarantees Issued	6,081,985	6,016,067	12,098,052	5,947,533	12,000,052	17,947,585
1.2	Letters of credit Issued	9,047,735	-	9,047,735	8,574,362	-	8,574,362
1.3	Undrawn loan commitments	60,920,676	63,704,666	124,625,343	36,904,297	56,709,406	93,613,703
1.4	Other Contingent Liabilities	200,000	108,536	308,536	200,000	94,991	294,991
2	Guarantees received as security for liabilities of the bank	-	-	-	-	-	-
3	Assets pledged as security for liabilities of the bank	239,597,000	-	239,597,000	66,465,000	-	66,465,000
3.1	Financial assets of the bank	239,597,000	-	239,597,000	66,465,000	-	66,465,000
3.2	Non-financial assets of the bank	-	-	-	-	-	-
4	Guarantees received as security for receivables of the bank	464,391,867	3,147,145,726	3,611,537,593	556,411,384	2,138,938,946	2,695,350,330
4.1	Surety, joint liability	-	-	-	-	-	-
4.2	Guarantees	464,391,867	3,147,145,726	3,611,537,593	556,411,384	2,138,938,946	2,695,350,330
5	Assets pledged as security for receivables of the bank	161,696,462	3,092,303,835	3,254,000,297	140,348,714	2,084,344,274	2,224,692,989
5.1	Cash	14,421,722	7,515,981	21,937,702	6,945,372	22,202,756	29,148,128
5.2	Precious metals and stones	78,065,560	103,991,028	182,056,588	78,939,393	93,537,413	172,476,806
5.3	Real Estate:	627,031	1,799,382,761	1,800,009,792	205,246	1,182,772,505	1,182,977,751
5.3.1	Residential Property	480,831	961,575,471	962,056,302	42,531	410,935,794	410,978,325
5.3.2	Commercial Property	11,000	506,673,178	506,684,178	11,000	143,431,537	143,442,537
5.3.3	Complex Real Estate	-	52,926,923	52,926,923	-	37,847,905	37,847,905
5.3.4	Land Parcel	100,200	190,306,545	190,406,745	4,000	48,368,699	48,372,699
5.3.5	Other	35,000	87,900,644	87,935,644	147,715	542,188,570	542,336,285
5.4	Movable Property	3,836,952	183,786,317	187,623,269	5,513,505	151,979,963	157,493,468
5.5	Shares Pledged	10,000,000	317,417,700	327,417,700	10,000,000	181,623,850	191,623,850
5.6	Securities	9,000,000	217,805,545	226,805,545	-	186,089,825	186,089,825
5.7	Other	45,745,198	462,404,502	508,149,700	38,745,198	266,137,963	304,883,161
6	Derivatives	151,995,399	400,052,194	552,047,593	155,752,749	372,043,514	527,796,262
6.1	Receivables through FX contracts (except options)	9,952,280	255,879,612	265,831,892	89,281,165	168,216,657	257,497,822
6.2	Payables through FX contracts (except options)	142,043,119	144,172,582	286,215,701	66,471,584	203,826,856	270,298,440
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	110,334,165	2,062,588	112,396,753	110,090,825	2,029,317	112,120,141
7.1	Principal of receivables derecognized during last 3 month	16,600,847	155,259	16,756,106	6,341,831	16,276	6,358,107
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)	110,334,165	2,062,588	112,396,753	110,090,825	2,029,317	112,120,141
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	3,255,565	49,100,854	52,356,419	3,258,606	45,189,746	48,448,352
8.1	Through indefinit term agreement	-	-	-	-	-	-
8.2	Within one year	596,059	9,933,259	10,529,318	688,201	8,678,711	9,366,913
8.3	From 1 to 2 years	481,638	8,736,830	9,218,468	453,779	7,754,605	8,208,384
8.4	From 2 to 3 years	467,353	7,117,725	7,585,078	389,658	6,935,029	7,324,687
8.5	From 3 to 4 years	430,658	6,194,464	6,625,122	375,373	5,517,979	5,893,352
8.6	From 4 to 5 years	417,978	5,159,419	5,577,397	338,678	4,589,492	4,928,170
8.7	More than 5 years	861,879	11,959,157	12,821,035	1,012,917	11,713,930	12,726,846
9	Capital expenditure commitment	408,416	2,265,133	2,673,548	483,551	5,750,730	6,234,281

Bank: JSC "Liberty Bank"
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Table 5

Risk Weighted Assets

in Lari

N		4Q 2020	3Q 2020
1	Risk Weighted Assets for Credit Risk	1,802,773,676	1,648,923,127
1.1	Balance sheet items	1,764,850,264	1,599,721,772
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	-	-
1.2	Off-balance sheet items	22,533,462	36,684,353
1.3	Counterparty credit risk	15,389,950	12,517,002
2	Risk Weighted Assets for Market Risk	42,402,190	17,478,869
3	Risk Weighted Assets for Operational Risk	381,833,773	400,856,480
4	Total Risk Weighted Assets	2,227,009,638	2,067,258,476

Bank: JSC "Liberty Bank"

Date: 12/31/2020

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	
5	Beka Gogichaishvili	
Members of Board of Directors		
1	Vasil Khodeli	
2	Davit Tsiklauri	
3	Levan Tkhelidze	
4	Mamuka Kvaratskhelia	
5	Teymuraz Dzhorbenadze	
List of Shareholders owning 1% and more of issued capital, indicating Shares		
1	Georgian Financial Group B.V.	91.99%
2	JSC "GALT & TAGGART" (Nominal owner)	4.23%
3	JSC "Heritage Securities" (Nominal owner)	1.07%
5	Other shareholders	2.71%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares		
1	Irakli Otar Rukhadze	30.66%
2	Benjamin Albert Marson	30.66%
3	Igor Alexeev	30.66%

Bank: JSC "Liberty Bank"

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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	Not subject to capital requirements or subject to deduction from capital	Subject to credit risk weighting
			Carrying values of items	
1	Cash	250,115,311		250,115,311
2	Due from NBG	209,677,630		209,677,630
3	Due from Banks	370,483,891		370,483,891
4	Dealing Securities	-		-
5	Investment Securities	265,217,811		265,217,811
6.1	Loans	1,672,980,140		1,672,980,140
6.2	<i>Less: Loan Loss Reserves</i>	<i>(117,613,975)</i>		<i>(117,613,975)</i>
6	Net Loans	1,555,366,166		1,555,366,166
7	Accrued Interest and Dividends Receivable	35,827,582		35,827,582
8	Other Real Estate Owned & Repossessed Assets	103,192		103,192
9	Equity Investments	106,733	106,733	-
10	Fixed Assets and Intangible Assets	238,389,425	81,366,839	157,022,586
11	Other Assets	56,678,621		56,678,621
	Total exposures subject to credit risk weighting before adjustments	2,981,966,362	81,473,572	2,900,492,790

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	2,900,492,790
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	145,771,130
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	278,074,259
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	3,324,338,179
4	Effect of provisioning rules used for capital adequacy purposes	28,744,864
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	(114,343,143)
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	(262,684,309)
6	Effect of other adjustments	3,479,728
7	Total exposures subject to credit risk weighting	2,979,535,319

Bank: JSC "Liberty Bank"
Date: 12/31/2020

Table 9 **Regulatory capital**

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	280,897,675
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)	170,506,982
7	Regulatory Adjustments of Common Equity Tier 1 capital	84,510,572
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	52,292,890
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	196,387,103
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	105,949,534
37	Instruments that comply with the criteria for Tier 2 capital	83,414,863
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	22,534,671
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	105,949,534

Bank: JSC "Liberty Bank"

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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%	100,215,434
1.2	Minimum Tier 1 Requirement	6.00%	133,620,578
1.3	Minimum Regulatory Capital Requirement	8.00%	178,160,771
2	Combined Buffer		
2.1	Capital Conservation Buffer	0.00%	-
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	1.20%	26,724,116
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	0.72%	16,142,780
3.2	Tier 1 Pillar2 Requirement	0.97%	21,548,646
3.3	Regulatory capital Pillar 2 Requirement	3.91%	87,168,734
Total Requirements		Ratios	Amounts (GEL)
4	CET1	6.42%	143,082,330
5	Tier 1	8.17%	181,893,340
6	Total regulatory Capital	13.11%	292,053,620

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Date: 12/31/2020

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	250,115,311	
2	Due from NBG	209,677,630	
3	Due from Banks	370,483,891	
4	Dealing Securities	0	
5	Investment Securities	265,217,811	
6.1	Loans	1,672,980,140	
6.2	Less: Loan Loss Reserves	-117,613,975	
6.2.1	of which loan loss general reserves	22,534,671	
6.2.2	of which Covid-19 reserve	3,479,728	
6	Net Loans	1,555,366,166	
7	Accrued Interest and Dividends Receivable	35,827,582	
8	Other Real Estate Owned & Repossessed Assets	103,192	
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	238,389,425	
10.1	Of which intangible assets	52,292,890	table 9 (Capital), N10
11	Other Assets	56,678,621	
12	Total assets	2,981,966,362	
13	Due to Banks	17,003,331	
14	Current (Accounts) Deposits	1,024,440,328	
15	Demand Deposits	296,363,212	
16	Time Deposits	841,715,592	
17	Own Debt Securities	0	
18	Borrowings	305,113,360	
19	Accrued Interest and Dividends Payable	12,372,734	
20	Other Liabilities	86,361,831	
20.1	of which off-balance general reserves	-59,112	
21	Subordinated Debentures	113,132,914	
21.1	Of which tier II capital qualifying instruments	83,414,863	
22	Total liabilities	2,696,503,303	
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	170,506,984	
29	Asset Revaluation Reserves	29,073,949	
30	Total Equity Capital	285,463,060	

Bank: JSC "Liberty Bank"
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Green Risk Weighted Exposures

Table 11 (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			
1 Claims or contingent claims on central governments or central banks	300,521,657	-	-	-	-	-	-	-	-	-	-	195,163,700	-	-	-	-	195,163,700
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	-	-	369,311,628	-	-	-	312,435	-	-	-	-	939,476	-	-	-	-	74,958,019
7 Claims or contingent claims on corporates	-	-	-	-	-	-	-	-	-	-	-	363,229,132	18,356,231	-	-	-	381,585,363
8 Retail claims or contingent retail claims	-	-	-	-	-	-	-	-	981,006,024	13,071,756	-	-	-	-	-	-	745,558,334
9 Claims or contingent claims secured by mortgages on residential property	-	-	-	-	169,356,248	-	-	-	-	-	-	-	-	-	-	-	69,274,697
10 Past due items	-	-	-	-	-	-	682,687	-	-	-	-	2,708,701	-	1,744,295	-	-	5,666,486
11 Items belonging to regulatory high-risk categories	-	-	-	-	-	-	-	-	-	-	-	30,601,975	-	96,635,693	-	1,772,239	179,966,112
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims in the form of collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Other items	249,558,151	-	560,138	-	-	-	-	-	-	-	-	168,613,204	-	-	-	-	168,725,232
Total	550,079,808	-	369,871,767	-	169,356,248	-	995,122	-	981,006,024	13,071,756	-	767,256,187	18,356,231	98,379,988	-	1,772,239	1,810,917,933

Table 12 Credit Risk Mitigation

Credit Risk Mitigation	Credit risk exposure	Cash or deposit with a credit rating	Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Unfunded Credit Protection					Other corporate entities that have a credit assessment which has been determined by SBC to be associated with credit quality step 2 or above under the risk for the risk weighting of exposures to corporates	Total Credit Risk Mitigation - Operations sheet	Total Credit Risk Mitigation - Off-Balance sheet	Total Credit Risk Mitigation				
					Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities with a short term credit assessment, which has been determined by SBC to be associated with credit quality step 3 or above under the risk for the risk weighting of exposures to corporates	Equities or convertible bonds that are included in a risk class	Standard guarantee or equivalent	Debt securities without credit rating issued by commercial banks					Units in collective investment undertakings	Central governments or central banks	Regional governments or local authorities	Multilateral development banks
1) Claims or contingent claims on central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Claims or contingent claims on corporates	-	10,825,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Real claims or contingent real claims	-	6,637,420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Claims or contingent claims secured by mortgage on residential property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Peer-to-peer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Peer-to-peer	-	611,230	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12) Claims or contingent claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Claims in the form of collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	20,084,470	-	-	-	-	-	-	-	-	-	-	-	-	14,427,854	5,656,616	20,084,470

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Table 13 Standardized approach - Effect of credit risk mitigation

	a	b		c	d	e	f
		On-balance sheet exposures	Off-balance sheet exposures - Nominal value				
Asset Classes							
1 Claims or contingent claims on central governments or central banks	495,685,357	-	-	-	195,163,700	195,163,700	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	370,563,539	-	-	-	74,958,019	74,958,019	20%
7 Claims or contingent claims on corporates	363,229,132	88,709,395	18,356,231	381,585,363	370,759,533	97%	
8 Retail claims or contingent retail claims	981,006,024	57,061,735	13,071,756	745,558,334	736,940,915	74%	
9 Claims or contingent claims secured by mortgages on residential property	169,356,248	-	-	-	59,274,687	59,274,687	35%
10 Past due items	5,135,683	-	-	-	5,666,486	5,666,486	110%
11 Items belonging to regulatory high-risk categories	129,009,907	-	-	-	179,986,112	179,374,882	139%
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	nmf
13 Claims in the form of collective investment undertakings (CIU)	-	-	-	-	-	-	nmf
14 Other items	418,731,494	-	-	-	168,725,232	168,725,232	40%
Total	2,932,717,382	145,771,130	31,427,986	1,810,917,933	1,790,863,454	60%	

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Date: 12/31/2020

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				394,378,713	640,015,411	1,034,394,124	391,977,253	246,707,882	638,685,135
Cash outflows									
2 Retail deposits	772,213,197	397,118,069	1,169,331,266	121,821,092	71,561,573	193,382,665	30,085,597	17,810,391	47,895,988
3 Unsecured wholesale funding	507,530,025	501,785,289	1,009,315,315	182,604,658	254,886,415	437,491,073	152,505,360	147,434,089	299,939,449
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	4,312,017	0	4,312,017	10,940	0	10,940	10,940	0	10,940
6 Other contractual funding obligations	57,142,952	12,031,485	69,174,437	20,616,161	18,803,407	39,419,568	6,575,721	6,636,011	13,211,732
7 Other contingent funding obligations	80,399,083	59,782,195	140,181,278	29,381,021	10,279,667	39,660,689	28,970,155	10,674,308	39,644,463
8 TOTAL CASH OUTFLOWS	1,421,597,275	970,717,038	2,392,314,313	354,433,872	355,531,062	709,964,934	218,147,773	182,554,799	400,702,572
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	1,055,960,012	623,398,172	1,679,358,184	63,571,234	6,084,188	69,655,422	65,973,109	399,834,118	465,807,227
11 Other cash inflows	31,169,613	3,982,102	35,151,716	1,408,267	0	1,408,267	1,408,267	0	1,408,267
12 TOTAL CASH INFLOWS	1,102,879,625	627,380,275	1,730,259,900	64,979,501	6,084,188	71,063,689	67,381,376	399,834,118	467,215,494
13 Total HQLA				394,378,713	640,015,411	1,034,394,124	391,977,253	246,707,882	638,685,135
14 Net cash outflow				289,454,371	349,446,874	638,901,245	150,766,397	45,638,700	100,175,643
15 Liquidity coverage ratio (%)				136.25%	183.15%	161.90%	259.99%	540.57%	637.57%

* 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"
Date: 12/31/2020

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	278,074,259		15,389,950	-	-	-	-	15,389,950	-	-	15,389,950
1.1	Maturity less than 1 year	170,788,197	2.0%	3,415,764	-	-	-	-	3,415,764	-	-	3,415,764
1.2	Maturity from 1 year up to 2 years	-	5.0%	0	-	-	-	-	-	-	-	-
1.3	Maturity from 2 years up to 3 years	50,764,376	8.0%	4,061,150	-	-	-	-	4,061,150	-	-	4,061,150
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	-		0	-	-	-	-	-	-	-	-
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	-		0	-	-	-	-	-	-	-	-
	Total	278,074,259		15,389,950	-	-	-	-	15,389,950	-	-	15,389,950

Bank: JSC "Liberty Bank"
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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)	3,010,711,226
2	(Asset amounts deducted in determining Tier 1 capital)	(84,510,572)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	2,926,200,654
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	15,389,950
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)	15,389,950
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	145,771,130
18	(Adjustments for conversion to credit equivalent amounts)	(123,214,246)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	22,556,884
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	200,952,487
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	2,964,147,487
Leverage ratio		
22	Leverage ratio	6.78%
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	-