

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: 3/31/2021

Table 1 Key metrics

N		1Q-2021	4Q-2020	3Q-2020	2Q-2020	1Q-2020
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	CET1 capital	211,452,027	196,387,103	194,769,480	192,765,835	192,591,206
2	Tier1 capital	216,017,411	200,952,487	199,334,864	197,331,219	197,156,590
3	Regulatory capital	319,112,127	306,902,021	305,061,513	299,722,775	314,734,721
4	CET1 capital total requirement	154,956,950	143,082,330	126,490,666	119,321,971	118,973,097
5	Tier1 capital total requirement	197,756,433	181,893,340	162,474,975	153,532,027	153,102,536
6	Regulatory capital total requirement	291,851,680	292,053,620	264,570,340	274,685,915	274,407,765
	Total Risk Weighted Assets (amounts, GEL)					
7	Total Risk Weighted Assets (Total RWA) (Based on Basel III framework)	2,220,042,169	2,227,009,638	2,067,258,476	1,861,303,735	1,849,842,437
	Capital Adequacy Ratios					
	<i>Based on Basel III framework *</i>					
8	CET1 capital	9.52%	8.82%	9.42%	10.36%	10.41%
9	Tier1 capital	9.73%	9.02%	9.64%	10.60%	10.66%
10	Regulatory capital	14.37%	13.78%	14.76%	16.10%	17.01%
11	CET1 capital total requirement	6.98%	6.42%	6.12%	6.41%	6.43%
12	Tier1 capital total requirement	8.91%	8.17%	7.86%	8.25%	8.28%
13	Regulatory capital total requirement	13.15%	13.11%	12.80%	14.76%	14.83%
	Income					
14	Total Interest Income /Average Annual Assets	11.69%	11.44%	11.57%	11.69%	11.97%
15	Total Interest Expense / Average Annual Assets	4.85%	5.30%	5.32%	5.22%	5.16%
16	Earnings from Operations / Average Annual Assets	2.56%	0.96%	1.04%	1.22%	1.33%
17	Net Interest Margin	6.83%	6.14%	6.25%	6.46%	6.82%
18	Return on Average Assets (ROAA)	1.50%	-0.60%	-0.96%	-1.78%	-3.37%
19	Return on Average Equity (ROAE)	14.56%	-5.26%	-7.95%	-13.89%	-24.75%
	Asset Quality					
20	Non Performed Loans / Total Loans	7.15%	6.19%	6.41%	5.28%	5.15%
21	LLR/Total Loans	6.98%	7.03%	8.19%	8.65%	8.49%
22	FX Loans/Total Loans	23.94%	23.23%	23.37%	23.33%	25.55%
23	FX Assets/Total Assets	25.73%	33.75%	34.66%	30.75%	33.71%
24	Loan Growth-YTD	6.12%	34.83%	21.50%	7.87%	5.85%
	Liquidity					
25	Liquid Assets/Total Assets	26.03%	33.96%	37.36%	37.06%	35.78%
26	FX Liabilities/Total Liabilities	32.96%	40.77%	40.47%	36.10%	36.96%
27	Current & Demand Deposits/Total Assets	38.25%	44.29%	43.92%	45.73%	45.11%
	Liquidity Coverage Ratio***					
28	Total HQLA	814,442,837	1,034,394,124	1,000,524,134	817,895,759	744,812,842
29	Net cash outflow	538,830,446	638,901,245	554,996,448	496,101,117	432,401,154
30	LCR ratio (%)	151.15%	161.90%	180.28%	164.86%	172.25%
	Net Stable Funding Ratio					
31	Available stable funding	1,941,745,935	2,055,857,761	2,014,507,373	1,826,882,284	1,796,037,824
32	Required stable funding	1,441,264,537	1,387,652,210	1,270,421,324	1,162,676,209	1,135,504,376
33	Net stable funding ratio (%)	134.73%	148.15%	158.57%	157.13%	158.17%

* Regarding the annulment of conservation buffer requirement please see the press release of National Bank of Georgia "Supervisory Plan Of The National Bank Of Georgia With Regard To COVID-19" (link: <https://www.nbg.gov.ge/index.php?m=340&newsid=3901&lng=eng>)
*** 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 illustratory purposes.

Bank: JSC "Liberty Bank"
Date: 3/31/2021

Table 2 **Balance Sheet** *in Lari*

N	Assets	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	188,025,428	66,345,890	254,371,318	196,771,801	55,932,178	252,703,979
2	Due from NBG	6,623,019	136,932,639	143,555,657	62,614,841	152,225,612	214,840,453
3	Due from Banks	570,134	90,513,547	91,083,681	555,785	248,766,217	249,322,002
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	258,746,378	0	258,746,378	117,986,334	0	117,986,334
6.1	Loans	1,350,423,682	424,999,917	1,775,423,599	977,847,821	335,636,096	1,313,483,917
6.2	Less: Loan Loss Reserves	-91,365,961	-32,519,496	-123,885,457	-100,286,387	-11,238,298	-111,524,685
6	Net Loans	1,259,057,721	392,480,421	1,651,538,142	877,561,434	324,397,798	1,201,959,232
7	Accrued Interest and Dividends Receivable	32,742,663	3,295,685	36,038,348	22,822,898	2,482,576	25,305,474
8	Other Real Estate Owned & Repossessed Assets	103,192	0	103,192	38,675	0	38,675
9	Equity Investments	106,733	0	106,733	106,733	0	106,733
10	Fixed Assets and Intangible Assets	233,214,657	0	233,214,657	253,157,218	0	253,157,218
11	Other Assets	47,204,410	12,422,035	59,626,444	40,534,156	15,823,843	56,357,999
12	Total assets	2,026,394,336	701,990,215	2,728,384,551	1,572,149,875	799,628,224	2,371,778,099
	Liabilities						
13	Due to Banks	23,685,111	6,173,040	29,858,151	711,920	6,178,646	6,890,566
14	Current (Accounts) Deposits	558,668,347	166,849,254	725,517,600	555,599,884	246,680,269	802,280,153
15	Demand Deposits	177,627,350	140,382,597	318,009,947	164,780,068	102,854,068	267,634,136
16	Time Deposits	613,189,200	249,085,889	862,275,089	539,049,841	259,888,838	798,938,679
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	212,150,000	84,289,780	296,439,780	0	0	0
19	Accrued Interest and Dividends Payable	9,779,604	2,223,476	12,003,080	7,043,956	1,973,323	9,017,280
20	Other Liabilities	26,441,615	40,449,461	66,891,076	41,115,818	46,577,487	87,693,305
21	Subordinated Debentures	6,437,000	110,993,033	117,430,033	6,437,000	106,727,043	113,164,043
22	Total liabilities	1,627,978,226	800,446,529	2,428,424,756	1,314,738,487	770,879,675	2,085,618,162
	Equity Capital						
23	Common Stock	54,628,743	0	54,628,743	54,628,743	0	54,628,743
24	Preferred Stock	61,391	0	61,391	61,391	0	61,391
25	Less: Repurchased Shares	-10,154,020	0	-10,154,020	-10,154,020	0	-10,154,020
26	Share Premium	39,651,986	0	39,651,986	39,651,986	0	39,651,986
27	General Reserves	1,694,028	0	1,694,028	1,694,028	0	1,694,028
28	Retained Earnings	185,003,719	0	185,003,719	170,859,814	0	170,859,814
29	Asset Revaluation Reserves	29,073,949	0	29,073,949	29,417,995	0	29,417,995
30	Total Equity Capital	299,959,795	0	299,959,795	286,159,937	0	286,159,937
31	Total liabilities and Equity Capital	1,927,938,021	800,446,529	2,728,384,551	1,600,898,424	770,879,675	2,371,778,099

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Table 3 **Income statement** in Lari

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	1,138,607	-75,466	1,063,141	1,632,541	1,251,244	2,883,785
2	Interest Income from Loans	66,959,397	6,662,997	73,622,394	53,559,388	5,174,064	58,733,451
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	4,260,636	2,873,368	7,134,005	3,333,724	2,429,044	5,762,768
2.3	from the Energy Sector Loans	627,186	147,237	774,424	309,862	0	309,862
2.4	from the Agriculture and Forestry Sector Loans	263,751	16,845	280,596	55,749	13,356	69,104
2.5	from the Construction Sector Loans	5,305	872,028	877,333	1,610	349,045	350,654
2.6	from the Mining and Mineral Processing Sector Loans	790	2,396	3,187	54,963	0	54,963
2.7	from the Transportation or Communications Sector Loans	19,194	27,218	46,412	1,871	2,685	4,556
2.8	from Individuals Loans	60,912,386	1,894,178	62,806,563	49,619,681	1,511,690	51,131,371
2.9	from Other Sectors Loans	870,149	829,726	1,699,875	181,929	868,244	1,050,173
3	Fees/penalties income from loans to customers	1,664,897	234,564	1,899,462	1,601,684	157,722	1,759,406
4	Interest and Discount Income from Securities	5,882,441	0	5,882,441	2,751,020	0	2,751,020
5	Other Interest Income	493,790	5,203	498,992	33,360	17,294	50,654
6	Total Interest Income	76,139,132	6,827,299	82,966,431	59,577,993	6,600,324	66,178,316
	Interest Expense						
7	Interest Paid on Demand Deposits	9,634,567	611,683	10,246,250	9,066,562	1,178,002	10,244,564
8	Interest Paid on Time Deposits	15,455,087	1,749,358	17,204,445	12,442,111	2,387,044	14,829,155
9	Interest Paid on Banks Deposits	34,805	2,012	36,817	125,647	22,625	148,272
10	Interest Paid on Own Debt Securities	351,890	2,260,345	2,612,235	266,261	1,992,165	2,258,426
11	Interest Paid on Other Borrowings	3,281,107	515,831	3,796,938	448,442	0	448,442
12	Other Interest Expenses	54,967	505,106	560,073	98,890	479,324	578,214
13	Total Interest Expense	28,812,423	5,644,335	34,456,759	22,447,913	6,059,160	28,507,073
14	Net Interest Income	47,326,709	1,182,963	48,509,672	37,130,080	541,164	37,671,243
	Non-Interest Income						
15	Net Fee and Commission Income	5,716,785	-909,953	4,806,832	5,158,357	-1,242,462	3,915,895
15.1	Fee and Commission Income	6,649,761	1,344,090	7,993,851	6,239,575	1,187,917	7,427,492
15.2	Fee and Commission Expense	932,976	2,254,043	3,187,019	1,081,218	2,430,379	3,511,597
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	0	0	0	0	0	0
18	Gain (Loss) from Investment Securities	15,378	10,553	25,931	15,589	13,206	28,795
19	Gain (Loss) from Foreign Exchange Trading	568,749	0	568,749	1,752,293	0	1,752,293
20	Gain (Loss) from Foreign Exchange Translation	-796,395	0	-796,395	2,712,646	0	2,712,646
21	Gain (Loss) on Sales of Fixed Assets	-98,835	0	-98,835	104,982	0	104,982
22	Non-Interest Income from other Banking Operations	2,537	28,615	31,152	35,891	930	36,821
23	Other Non-Interest Income	1,828,821	0	1,828,821	177,712	84,687	262,399
24	Total Non-Interest Income	7,237,041	-870,785	6,366,255	9,957,470	-1,143,639	8,813,831
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	857,562	9,375	866,937	744,975	398	745,373
26	Bank Development, Consultation and Marketing Expenses	1,382,762	171,595	1,554,357	2,072,604	120,146	2,192,750
27	Personnel Expenses	18,489,535	0	18,489,535	18,416,757	0	18,416,757
28	Operating Costs of Fixed Assets	352,846	0	352,846	426,904	0	426,904
29	Depreciation Expense	8,607,371	0	8,607,371	7,938,543	0	7,938,543
30	Other Non-Interest Expenses	7,548,658	186,492	7,735,150	6,562,167	18,655	6,580,822
31	Total Non-Interest Expenses	37,238,735	367,462	37,606,197	36,161,950	139,199	36,301,149
32	Net Non-Interest Income	-30,001,694	-1,238,247	-31,239,941	-26,204,480	-1,282,838	-27,487,318
33	Net Income before Provisions	17,325,015	-55,284	17,269,730	10,925,600	-741,674	10,183,925
34	Loan Loss Reserve	5,558,798	957,357	6,516,155	28,730,369	93,231	28,823,600
35	Provision for Possible Losses on Investments and Securities	0	0	0	0	0	0
36	Provision for Possible Losses on Other Assets	120,979	3,908	124,888	12,628	-3,689	8,939
37	Total Provisions for Possible Losses	5,679,777	961,265	6,641,043	28,742,997	89,542	28,832,539
38	Net Income before Taxes and Extraordinary Items	11,645,237	-1,016,550	10,628,688	-17,817,397	-831,216	-18,648,614
39	Taxation			0			0
40	Net Income after Taxation	11,645,237	-1,016,550	10,628,688	-17,817,397	-831,216	-18,648,614
41	Extraordinary Items			0			0
42	Net Income	11,645,237	-1,016,550	10,628,688	-17,817,397	-831,216	-18,648,614

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	78,673,181	56,293,644	134,966,825	65,939,442	69,091,801	135,031,243
1.1	Guarantees Issued	6,155,792	5,887,789	12,043,581	5,267,309	5,347,058	10,614,367
1.2	Letters of credit Issued	114,124	-	114,124	7,075,343	-	7,075,343
1.3	Undrawn loan commitments	72,003,265	50,405,855	122,409,119	53,396,790	63,635,946	117,032,736
1.4	Other Contingent Liabilities	400,000	-	400,000	200,000	108,797	308,797
2	Guarantees received as security for liabilities of the bank	-	-	-	-	-	-
3	Assets pledged as security for liabilities of the bank	230,091,000	-	230,091,000	-	-	-
3.1	Financial assets of the bank	230,091,000	-	230,091,000	-	-	-
3.2	Non-financial assets of the bank	-	-	-	-	-	-
4	Guarantees received as security for receivables of the bank	442,581,019	3,636,729,692	4,079,310,711	518,650,222	2,556,873,602	3,075,523,824
4.1	Surety, joint liability	-	-	-	-	-	-
4.2	Guarantees	442,581,019	3,636,729,692	4,079,310,711	518,650,222	2,556,873,602	3,075,523,824
5	Assets pledged as security for receivables of the bank	232,418,277	3,290,703,911	3,523,122,187	150,466,731	2,494,342,128	2,644,808,859
5.1	Cash	15,477,376	3,629,744	19,107,120	5,939,199	34,039,473	39,978,671
5.2	Precious metals and stones	78,775,493	107,400,163	186,175,656	81,613,424	110,791,163	192,404,587
5.3	Real Estate:	579,500	1,992,287,804	1,992,867,304	327,246	1,440,189,918	1,440,517,165
5.3.1	Residential Property	348,800	1,033,158,249	1,033,507,049	169,715	478,835,390	479,005,105
5.3.2	Commercial Property	11,000	549,657,230	549,668,230	11,000	262,313,899	262,324,899
5.3.3	Complex Real Estate	-	54,970,925	54,970,925	-	16,153,174	16,153,174
5.3.4	Land Parcel	184,700	262,342,945	262,527,645	-	51,511,043	51,511,043
5.3.5	Other	35,000	92,158,454	92,193,454	146,531	631,376,412	631,522,943
5.4	Movable Property	3,843,792	191,336,799	195,180,591	4,841,664	180,968,273	185,809,936
5.5	Shares Pledged	10,000,000	361,489,603	371,489,603	10,000,000	209,386,100	219,386,100
5.6	Securities	9,000,000	234,365,591	243,365,591	9,000,000	213,136,670	222,136,670
5.7	Other	114,742,116	400,194,205	514,936,321	38,745,198	305,830,531	344,575,729
6	Derivatives	161,736,395	424,241,845	585,978,240	172,101,922	425,090,806	597,192,727
6.1	Receivables through FX contracts (except options)	19,008,347	267,343,887	286,352,234	91,737,865	199,680,838	291,418,702
6.2	Payables through FX contracts (except options)	142,728,048	156,897,958	299,626,006	80,364,057	225,409,968	305,774,025
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	110,804,177	2,038,413	112,842,590	110,190,926	2,025,157	112,216,082
7.1	Principal of receivables derecognized during last 3 month	796,560	-	796,560	179,672	-	179,672
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)	110,804,177	2,038,413	112,842,590	110,190,926	2,025,157	112,216,082
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	5,085,304	46,686,651	51,771,955	2,928,774	54,195,347	57,124,121
8.1	Through indefinit term agreement	-	-	-	-	-	-
8.2	Within one year	1,706,404	9,132,339	10,838,743	479,467	10,119,992	10,599,459
8.3	From 1 to 2 years	1,325,964	8,054,089	9,380,054	430,433	9,196,878	9,627,311
8.4	From 2 to 3 years	462,188	6,809,604	7,271,792	387,488	8,202,005	8,589,493
8.5	From 3 to 4 years	415,008	6,209,216	6,624,224	368,788	6,440,917	6,809,705
8.6	From 4 to 5 years	406,238	5,053,350	5,459,588	332,568	5,544,582	5,877,150
8.7	More than 5 years	769,502	11,428,052	12,197,554	930,030	14,690,974	15,621,004
9	Capital expenditure commitment	236,266	4,942,866	5,179,132	480,025	4,545,116	5,025,141

Bank: JSC "Liberty Bank"
 Date: 3/31/2021

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

N		1Q-2021	4Q-2020	3Q-2020	2Q-2020	1Q-2020
1	Risk Weighted Assets for Credit Risk	1,800,373,042	1,802,773,676	1,648,923,127	1,454,246,071	1,435,994,606
1.1	Balance sheet items *	1,761,942,211	1,764,850,264	1,599,721,772	1,408,185,152	1,396,865,778
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	0	0	0	0	0
1.2	Off-balance sheet items	21,616,449	22,533,462	36,684,353	33,326,941	24,841,005
1.3	Counterparty credit risk	16,814,381	15,389,950	12,517,002	12,733,977	14,287,823
2	Risk Weighted Assets for Market Risk	37,835,355	42,402,190	17,478,869	6,201,184	12,991,351
3	Risk Weighted Assets for Operational Risk	381,833,773	381,833,773	400,856,480	400,856,480	400,856,480
4	Total Risk Weighted Assets	2,220,042,169	2,227,009,638	2,067,258,476	1,861,303,735	1,849,842,437

* COVID 19 related provisions are deducted from balance sheet items after applying relevant risks weights and mitigation

Bank: JSC "Liberty Bank"

Date: 3/31/2021

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

Members of Supervisory Board		Independence status
1	Irakli Otar Rukhadze	Chairman
2	Mamuka Tsereteli	Independent member
3	Murtaz Kikoria	Independent member
4	Magda Magradze	Independent member
5	Beka Gogichaishvili	Non-independent member
Members of Board of Directors		Position/Subordinated business units
1	Vasil Khodeli	CEO
2	Vakhtang Babunashvili	Chief Financial Officer, Deputy CEO
3	David Abashidze	Risk Director, Deputy CEO
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%
4	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

		a	b	c
			Carrying values of items	
	Account name of standardized supervisory balance sheet item	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
1	Cash	254,371,318		254,371,318
2	Due from NBG	143,555,657		143,555,657
3	Due from Banks	91,083,681		91,083,681
4	Dealing Securities	-		-
5	Investment Securities	258,746,378		258,746,378
6.1	Loans	1,775,423,599		1,775,423,599
6.2	Less: Loan Loss Reserves	(123,885,457)		(123,885,457)
6	Net Loans	1,651,538,142		1,651,538,142
7	Accrued Interest and Dividends Receivable	36,038,348		36,038,348
8	Other Real Estate Owned & Repossessed Assets	103,192		103,192
9	Equity Investments	106,733	106,733	-
10	Fixed Assets and Intangible Assets	233,214,657	80,798,653	152,416,005
11	Other Assets	59,626,444		59,626,444
	Total exposures subject to credit risk weighting before adjustments	2,728,384,551	80,905,386	2,647,479,165

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Table 8 **Differences between carrying values per standardized balance sheet used for regulatory reporting purposes and the exposure amounts** *in Lari*

1	Total carrying value of balance sheet items subject to credit risk weighting before adjustments	2,647,479,165
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	134,566,825
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	287,305,093
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	3,069,351,083
4	Effect of provisioning rules used for capital adequacy purposes	30,800,942
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-108,929,652
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-270,490,712
6	Effect of other adjustments *	0
7	Total exposures subject to credit risk weighting	2,720,731,661

*Other adjustments include COVID 19 related provisions too. These provisions are deducted from risk weighted balance sheet items. See table "5.RWA"

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Table 9 **Regulatory capital**

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	295,394,413
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)	185,003,720
7	Regulatory Adjustments of Common Equity Tier 1 capital	83,942,386
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	51,724,704
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	0
12	Investments in own shares	0
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	0
14	Cash flow hedge reserve	0
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	0
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	0
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)	0
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)	0
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0
21	The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1	0
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	0
23	Common Equity Tier 1	211,452,027
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	0
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	0
30	Investments in own Additional Tier 1 instruments	0
31	Reciprocal cross-holdings in Additional Tier 1 instruments	0
32	Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	0
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)	0
34	Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments	0
35	Additional Tier 1 Capital	4,565,384
36	Tier 2 capital before regulatory adjustments	103,094,717
37	Instruments that comply with the criteria for Tier 2 capital	80,590,054
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	0
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	22,504,663
40	Regulatory Adjustments of Tier 2 Capital	0
41	Investments in own shares that meet the criteria for Tier 2 capital	0
42	Reciprocal cross-holdings in Tier 2 capital	0
43	Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	0
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)	0
45	Tier 2 Capital	103,094,717

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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%	99,901,898
1.2	Minimum Tier 1 Requirement	6.00%	133,202,530
1.3	Minimum Regulatory Capital Requirement	8.00%	177,603,374
2	Combined Buffer		
2.1	Capital Conservation Buffer *	0.00%	0
2.2	Countercyclical Buffer	0.00%	0
2.3	Systemic Risk Buffer	1.20%	26,640,506
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	1.28%	28,414,546
3.2	Tier 1 Pillar2 Requirement	1.71%	37,913,397
3.3	Regulatory capital Pillar 2 Requirement	3.95%	87,607,800
	Total Requirements	Ratios	Amounts (GEL)
4	CET1	6.98%	154,956,950
5	Tier 1	8.91%	197,756,433
6	Total regulatory Capital	13.15%	291,851,680

* Regarding the annulment of conservation buffer requirement please see the press release of National Bank of Georgia "Supervisory Plan Of The National Bank Of Georgia With Regard To COVID-19" (link: <https://www.nbg.gov.ge/index.php?m=340&newsid=3901&lng=eng>)

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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	254,371,318	
2	Due from NBG	143,555,657	
3	Due from Banks	91,083,681	
4	Dealing Securities	0	
5	Investment Securities	258,746,378	
6.1	Loans	1,775,423,599	
6.2	Less: Loan Loss Reserves	-123,885,457	
6.2.1	of which loan loss general reserves	22,504,663	
6.2.2	of which Covid-19 reserve	0	
6	Net Loans	1,651,538,142	
7	Accrued Interest and Dividends Receivable	36,038,348	
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	233,214,657	
10.1	Of which intangible assets	51,724,704	table 9 (Capital), N10
11	Other Assets	59,626,444	
12	Total assets	2,728,384,551	
13	Due to Banks	29,858,151	
14	Current (Accounts) Deposits	725,517,600	
15	Demand Deposits	318,009,947	
16	Time Deposits	862,275,089	
17	Own Debt Securities	0	
18	Borrowings	296,439,780	
19	Accrued Interest and Dividends Payable	12,003,080	
20	Other Liabilities	66,891,076	
20.1	of which off-balance general reserves	-69,226	
21	Subordinated Debentures	117,430,033	
21.1	Of which tier II capital qualifying instruments	80,590,054	
22	Total liabilities	2,428,424,756	
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	185,003,719	
29	Asset Revaluation Reserves	29,073,949	
30	Total Equity Capital	299,959,795	

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Table 11 Credit Risk Weighted Exposures
 (On-balance items and off-balance items after credit conversion factor)

Exposure classes	0%		20%		35%		50%		75%		100%		150%		250%		Risk Weighted Exposures before Credit Risk Mitigation
	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			
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
1 Claims or contingent claims on central governments or central banks	278,342,234	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	136,932,639
2 Claims or contingent claims on regional governments or local authorities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
3 Claims or contingent claims on public sector entities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
4 Claims or contingent claims on multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
5 Claims or contingent claims on international organizations/institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
6 Claims or contingent claims on commercial banks	0	0	88,348,009	0	0	0	5,114,948	0	0	0	962,642	0	0	0	0	0	21,189,717
7 Claims or contingent claims on corporates	0	0	0	0	0	0	0	0	0	0	366,731,465	13,880,503	0	0	0	380,611,967	
8 Retail claims or contingent retail claims	0	0	0	0	0	0	0	0	1,009,996,323	11,756,670	0	0	0	0	0	756,314,745	
9 Claims or contingent claims secured by mortgages on residential property	0	0	0	0	191,516,491	0	0	0	0	0	0	0	0	0	0	0	67,030,772
10 Past due items	0	0	0	0	0	0	570,314	0	0	0	2,297,916	0	2,020,245	0	0	0	5,613,441
11 Items belonging to regulatory high-risk categories	0	0	0	0	0	0	0	0	0	0	27,076,004	0	146,630,003	0	1,772,239	0	257,765,108
12 Short-term claims on commercial banks and corporates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
13 Claims in the form of collective investment undertakings (CIU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-
14 Other items	253,796,159	0	573,138	0	0	0	0	0	0	0	165,384,029	0	0	0	0	0	165,499,656
Total	532,138,393	0	88,926,147	0	191,516,491	0	5,685,262	0	1,009,996,323	11,756,670	699,384,693	13,880,503	148,859,248	0	1,772,239	0	1,794,958,043

Table 12 Credit Risk Mitigation

	On-balance sheet netting	Cash or deposit with or cash secured instruments	Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Covered Credit Protection					Uncovered Credit Protection							Total Credit Risk Mitigation - On-balance sheet	Total Credit Risk Mitigation - Off-balance sheet	Total Credit Risk Mitigation							
				Debt securities issued by regional governments or local authorities (public sector entities, multilateral development banks and international organizations/institutions)	Debt securities issued by other entities, which securities have a short designation, which have been determined by NBS to be associated with credit quality step 1 or above under the risk weighting of exposures to corporates	Debt securities with a short-term credit designation, which have been determined by NBS to be associated with credit quality step 2 or above under the risk weighting of exposures to corporates	Equities or convertible bonds that are valued in a main index	Standardized public tuition or equivalent	Debt securities without credit rating issued by commercial banks	Units in structured investment vehicles	Central governments or central banks	Regional governments or local authorities	Multilateral development banks	International organizations / institutions	Public sector entities				Commercial banks	Other corporate entities that have a credit rating, which has been determined by NBS to be associated with credit quality step 2 or above under the risk weighting of exposures to corporates					
1) Claims or contingent claims on central governments or central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2) Claims or contingent claims on regional governments or local authorities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3) Claims or contingent claims on public sector entities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4) Claims or contingent claims on multilateral development banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5) Claims or contingent claims on international organizations/institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6) Claims or contingent claims on commercial banks	0	3,200,414	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7) Claims or contingent claims on corporates	0	7,580,096	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8) Claims or contingent claims secured by mortgages on residential property	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9) All other items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10) Items belonging to regulatory high-risk categories	0	612,360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11) Claims on central banks and corporates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12) Claims in the form of collective investment undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13) Other items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	11,390,360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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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				375,183,833	439,259,005	814,442,837	372,795,401	246,615,949	619,411,350
Cash outflows									
2 Retail deposits	783,086,030	409,361,161	1,192,447,191	127,718,508	74,191,377	201,909,885	31,057,698	18,592,940	49,650,639
3 Unsecured wholesale funding	525,722,261	346,498,741	872,221,002	192,530,097	126,015,006	318,545,103	159,766,252	79,347,123	239,113,375
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	4,850,982	0	4,850,982	6,053	0	6,053	6,053	0	6,053
6 Other contractual funding obligations	55,230,788	2,963,985	58,194,773	18,819,004	15,874,352	34,693,356	5,957,772	5,819,196	11,776,967
7 Other contingent funding obligations	81,952,819	64,509,862	146,462,682	34,164,064	16,035,736	50,199,800	33,759,017	16,467,227	50,226,244
8 TOTAL CASH OUTFLOWS	1,450,842,880	823,333,749	2,274,176,629	373,237,726	232,116,471	605,354,197	230,546,792	120,226,486	350,773,278
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	1,131,611,221	433,236,529	1,564,847,750	58,975,549	5,576,534	64,552,083	61,366,108	198,638,755	260,004,863
11 Other cash inflows	43,047,549	4,280,686	47,328,235	1,971,668	0	1,971,668	1,971,668	0	1,971,668
12 TOTAL CASH INFLOWS	1,190,408,770	437,517,215	1,627,925,985	60,947,218	5,576,534	66,523,751	63,337,777	198,638,755	261,976,532
				Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13 Total HQLA				375,183,833	439,259,005	814,442,837	372,795,401	246,615,949	619,411,350
14 Net cash outflow				312,290,508	226,539,938	538,830,446	167,209,015	30,056,621	88,796,746
15 Liquidity coverage ratio (%)				120%	194%	151%	223%	821%	698%

* 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 illustratory 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	287,305,093	16,814,381	0	0	0	0	0	16,814,381	0	0	16,814,381
1.1	Maturity less than 1 year	159,355,456	3,187,109						3,187,109			3,187,109
1.2	Maturity from 1 year up to 2 years	0	0						0			0
1.3	Maturity from 2 years up to 3 years	71,427,951	5,714,236						5,714,236			5,714,236
1.4	Maturity from 3 years up to 4 years	0	0						0			0
1.5	Maturity from 4 years up to 5 years	56,521,686	7,913,036						7,913,036			7,913,036
1.6	Maturity over 5 years	0	0						0			0
2	Interest rate contracts	0	0	0	0	0	0	0	0	0	0	0
2.1	Maturity less than 1 year		0									0
2.2	Maturity from 1 year up to 2 years		0									0
2.3	Maturity from 2 years up to 3 years		0									0
2.4	Maturity from 3 years up to 4 years		0									0
2.5	Maturity from 4 years up to 5 years		0									0
2.6	Maturity over 5 years		0									0
	Total	287,305,093	16,814,381	0	0	0	0	0	16,814,381	0	0	16,814,381

Bank: JSC "Liberty Bank"

Date: 3/31/2021

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) *	2,759,184,182
2	(Asset amounts deducted in determining Tier 1 capital)	(83,942,386)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	2,675,241,796
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	16,814,381
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)	16,814,381
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	134,566,825
18	(Adjustments for conversion to credit equivalent amounts)	(100,002,740)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	34,564,085
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	216,017,411
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	2,726,620,262
Leverage ratio		
22	Leverage ratio	7.92%
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	

*COVID 19 related provisions are deducted from balance sheet items