

Pillar 3 quarterly report		
1	Name of a bank	JSC CARTU BANK
2	Chairman of the Supervisory Board	Nikoloz Chkhetiani
3	CEO of a bank	Nato Khindrava
4	Bank's web page	www.cartubank.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 CARTU BANK

Date: 31/03/2020

Table 1 Key metrics

N		1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	159,299,161	199,034,952	195,242,645	187,971,414	205,002,460
2	Tier 1	182,290,661	219,108,852	215,929,045	208,052,314	205,002,460
3	Total regulatory capital	420,404,542	427,216,297	428,170,330	413,734,563	417,876,184
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,511,302,849	1,439,273,402	1,430,709,274	1,392,496,943	1,298,103,991
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework *</i>					
5	Common equity Tier 1 ratio >=6.05%	10.54%	13.83%	13.65%	13.50%	15.79%
6	Tier 1 ratio >=8.08%	12.06%	15.22%	15.09%	14.94%	15.79%
7	Total Regulatory Capital ratio >=16.21%	27.82%	29.68%	29.93%	29.71%	32.19%
	Income					
8	Total Interest Income / Average Annual Assets	6.11%	7.14%	7.37%	5.25%	7.44%
9	Total Interest Expense / Average Annual Assets	2.31%	2.44%	2.44%	1.58%	2.41%
10	Earnings from Operations / Average Annual Assets	2.71%	2.67%	3.26%	2.44%	2.93%
11	Net Interest Margin	3.80%	4.71%	4.94%	3.68%	5.03%
12	Return on Average Assets (ROAA)	-12.90%	1.91%	2.17%	1.39%	1.49%
13	Return on Average Equity (ROAE)	-81.73%	11.08%	12.46%	7.81%	7.79%
	Asset Quality					
14	Non Performed Loans / Total Loans	32.06%	32.82%	39.48%	40.77%	36.78%
15	LLR/Total Loans	17.59%	13.73%	15.75%	16.23%	14.30%
16	FX Loans/Total Loans	71.53%	69.04%	66.33%	66.91%	62.07%
17	FX Assets/Total Assets	72.11%	70.55%	65.69%	67.54%	62.78%
18	Loan Growth-YTD	13.09%	8.84%	2.30%	-1.95%	-0.27%
	Liquidity					
19	Liquid Assets/Total Assets	29.66%	27.25%	29.72%	26.56%	24.01%
20	FX Liabilities/Total Liabilities	90.73%	88.67%	85.32%	90.28%	91.54%
21	Current & Demand Deposits/Total Assets	38.20%	35.94%	34.84%	31.44%	29.70%
	Liquidity Coverage Ratio***					
22	Total HQLA	327,940,948	335,125,346	340,082,465	287,529,493	261,784,899
23	Net cash outflow	161,624,106	123,566,755	126,275,518	131,191,597	106,988,388
24	LCR ratio (%)	203%	271%	269%	219%	245%

* 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.

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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	6,216,168	7,857,747	14,073,915	8,565,462	7,985,953	16,551,415
2	Due from NBG	2,663,120	193,438,351	196,101,471	13,791,426	149,559,855	163,351,281
3	Due from Banks	33,444,675	155,775,847	189,220,522	5,774,065	70,394,821	76,168,886
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	23,992,442	16,094,050	40,086,492	14,735,854	0	14,735,854
6.1	Loans	295,546,271	742,410,788	1,037,957,059	318,975,202	522,010,627	840,985,829
6.2	Less: Loan Loss Reserves	-49,304,726	-133,230,267	-182,534,993	-42,210,915	-78,073,285	-120,284,200
6	Net Loans	246,241,545	609,180,521	855,422,066	276,764,287	443,937,342	720,701,629
7	Accrued Interest and Dividends Receivable	4,441,977	10,182,093	14,624,070	8,379,322	2,894,372	11,273,694
8	Other Real Estate Owned & Repossessed Assets	16,402,698	X	16,402,698	24,803,612	X	#VALUE!
9	Equity Investments	6,442,196	0	6,442,196	4,883,540	0	4,883,540
10	Fixed Assets and Intangible Assets	22,977,539	X	22,977,539	18,142,922	X	#VALUE!
11	Other Assets	21,766,835	1,855,178	23,622,013	24,921,758	1,268,037	26,189,795
12	Total assets	384,589,195	994,383,787	1,378,972,982	400,762,248	676,040,380	1,076,802,628
	Liabilities						
13	Due to Banks	51,151	117,904	169,055	51,608	14,909,699	14,961,307
14	Current (Accounts) Deposits	46,554,657	416,518,506	463,073,163	34,150,423	249,233,124	283,383,547
15	Demand Deposits	18,090,276	45,579,683	63,669,959	14,270,690	22,130,454	36,401,144
16	Time Deposits	33,118,484	379,912,645	413,031,129	13,855,062	288,056,816	301,911,878
17	Own Debt Securities			0			0
18	Borrowings	0	0	0	0	0	0
19	Accrued Interest and Dividends Payable	646,145	10,161,605	10,807,750	357,968	11,654,144	12,012,112
20	Other Liabilities	14,118,324	1,785,746	15,904,070	10,582,847	3,382,371	13,965,218
21	Subordinated Debentures	0	248,308,200	248,308,200	0	203,469,840	203,469,840
22	Total liabilities	112,579,037	1,102,384,289	1,214,963,326	73,268,598	792,836,448	866,105,046
	Equity Capital						
23	Common Stock	114,430,000		114,430,000	114,430,000		114,430,000
24	Preferred Stock	0		0	0		0
25	Less: Repurchased Shares	0		0	0		0
26	Share Premium	0		0	0		0
27	General Reserves	7,438,034		7,438,034	7,438,034		7,438,034
28	Retained Earnings	42,141,622		42,141,622	88,829,548		88,829,548
29	Asset Revaluation Reserves	0		0	0		0
30	Total Equity Capital	164,009,656		164,009,656	210,697,582		210,697,582
31	Total liabilities and Equity Capital	276,588,693	1,102,384,289	1,378,972,982	283,966,180	792,836,448	1,076,802,628

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Table 3 Income statement in LAR

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	294,811	457,209	752,114	841,443	357,367	1,198,800
2	Interest Income from Loans	6,845,624	10,663,182	17,508,806	6,051,232	10,250,461	16,301,693
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	2,652,435	4,017,149	6,669,584	2,263,213	4,504,977	7,268,191
2.3	from the Energy Sector Loans	46	271,948	271,993	266	56,519	56,785
2.4	from the Agriculture and Forestry Sector Loans	501,033	354,670	855,702	455,094	1,218,565	1,674,358
2.5	from the Construction Sector Loans	1,492,294	1,678,427	3,170,720	930,115	1,119,511	2,049,367
2.6	from the Mining and Mineral Processing Sector Loans	1,129,109	1,080,917	2,210,026	1,095,581	892,443	1,988,024
2.7	from the Transportation or Communications Sector Loans	2,290	2,729	5,119	2,717	656,421	661,148
2.8	from Individuals Loans	206,154	873,243	1,079,397	85,820	811,243	897,063
2.9	from Other Sectors Loans	862,164	2,384,100	3,246,264	717,526	981,111	1,698,637
3	Fees/penalties income from loans to customers	136,049	180,856	316,905	773,469	2,139,339	2,913,208
4	Interest and Discount Income from Securities	344,097	0	344,097	274,997	0	274,997
5	Other Interest Income	6	15,627	15,627	0	20,656	20,656
6	Total Interest Income	7,620,681	11,314,868	18,935,549	7,940,141	12,787,713	20,727,854
		Interest Expense					
7	Interest Paid on Demand Deposits	338,913	46,914	385,827	635,290	70,121	705,411
8	Interest Paid on Time Deposits	506,941	3,738,280	4,245,221	238,963	3,312,800	3,589,883
9	Interest Paid on Banks Deposits	62	116	178	12,171	176,696	188,867
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	0	2,533,394	2,533,394	0	2,238,065	2,238,065
12	Other Interest Expenses			0			0
13	Total Interest Expense	845,916	6,318,704	7,164,620	884,424	5,837,682	6,722,256
14	Net Interest Income	6,774,765	4,996,164	11,770,929	7,055,717	6,949,931	14,005,628
		Non-Interest Income					
15	Net Fee and Commission Income	52,792	982,347	1,035,139	148,342	1,387,551	1,535,189
15.1	Fee and Commission Income	667,248	556,728	1,183,962	762,471	410,981	1,173,462
15.2	Fee and Commission Expense	720,010	1,499,066	2,219,076	614,129	1,718,532	2,332,651
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	62,897	0	62,897	0	0	0
18	Gain (Loss) from Investment Securities	90,987	406,889	497,876	40,080	0	40,080
19	Gain (Loss) from Foreign Exchange Trading	3,115,949		3,115,949	959,591		959,591
20	Gain (Loss) from Foreign Exchange Translation	2,375,317		2,375,317	249,457		249,457
21	Gain (Loss) on Sales of Fixed Assets	8,511	0	8,511	36,642	0	36,642
22	Non-Interest Income from other Banking Operations	391,807	70,915	462,722	351,746	292,749	644,495
23	Other Non-Interest Income	11,214	63,321	74,535	14,463	5,505	19,968
24	Total Non-Interest Income	1,252,166	441,222	810,944	1,800,321	1,098,277	791,044
		Non-Interest Expenses					
25	Non-Interest Expenses from other Banking Operations	201,393	7,383	208,776	236,612	55,484	282,106
26	Bank Development, Consultation and Marketing Expenses	342,888	18,136	361,024	280,244	30,279	310,523
27	Personnel Expenses	3,224,061		3,224,061	3,068,866		3,068,866
28	Operating Costs of Fixed Assets	19,655		19,655	23,144		23,144
29	Depreciation Expense	1,068,656		1,068,566	997,812		997,812
30	Other Non-Interest Expenses	1,036,492	79,682	1,116,174	1,462,592	152,764	1,615,356
31	Total Non-Interest Expenses	5,893,155	105,201	5,998,356	6,059,300	238,527	6,297,827
32	Net Non-Interest Income	-4,640,989	-545,422	-5,186,412	-4,258,979	-1,240,284	-5,506,783
33	Net Income before Provisions	2,133,776	4,440,742	6,583,517	2,796,738	5,709,647	8,498,845
34	Loan Loss Reserve	44,467,201		44,467,201	3,480,311		3,480,311
35	Provision for Possible Losses on Investments and Securities	41,680		41,680	0		0
36	Provision for Possible Losses on Other Assets	2,083,313		2,083,313	207,245		207,245
37	Total Provisions for Possible Losses	46,582,194	0	46,582,194	3,688,066	0	3,688,066
38	Net Income before Taxes and Extraordinary Items	-44,448,918	4,440,742	-39,999,177	-894,528	5,709,647	4,818,779
39	Taxation	0		0	672,906		672,906
40	Net Income after Taxation	-44,448,918	4,440,742	-39,999,177	-1,567,434	5,709,647	4,137,873
41	Extraordinary Items	0		0	0		0
42	Net Income	-44,448,918	4,440,742	-39,999,177	-1,567,434	5,709,647	4,137,873

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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			0			0
1.1	Guarantees Issued	15,823,253	9,427,730	25,250,983	22,840,402	29,402,890	52,243,292
1.2	Letters of credit Issued			0	5,946,747		5,946,747
1.3	Undrawn loan commitments	8,211,826	20,193,613	28,405,439	9,514,095	20,068,687	29,582,782
1.4	Other Contingent Liabilities	17,715	0	17,715	8,959	0	8,959
2	Guarantees received as security for liabilities of the bank			0			0
3	Assets pledged as security for liabilities of the bank			0			0
3.1	Financial assets of the bank			0			0
3.2	Non-financial assets of the bank			0			0
4	Guarantees received as security for receivables of the bank			0			0
4.1	Surety, joint liability	7,626,597	7,056,948	14,683,544	4,376,497	10,708,967	15,085,464
4.2	Guarantees	125,943,234	348,571,013	474,514,247	144,729,287	295,207,483	439,936,771
5	Assets pledged as security for receivables of the bank			0			0
5.1	Cash	694,677	14,606,395	15,301,073	786,277	15,988,497	16,774,774
5.2	Precious metals and stones	0	0	0	0	0	0
5.3	Real Estate:	30,204,590	2,018,565,774	2,048,770,365	20,609,843	1,774,470,635	1,795,080,478
5.3.1	Residential	364,580	192,813,503	193,178,082	223,386	158,354,286	158,577,673
5.3.2	Commercial	11,489,181	1,135,733,353	1,147,222,534	5,795,032	819,750,970	825,546,002
5.3.3	Complex Real Estate	0	179,861,286	179,861,286	0	255,811,251	255,811,251
5.3.4	Land Parcel	18,350,830	420,616,180	438,967,010	14,591,425	453,505,906	468,097,331
5.3.5	Other	0	89,541,453	89,541,453	0	87,048,222	87,048,222
5.4	Movable Property	268,393,146	241,436,814	509,829,960	224,175,347	227,816,331	451,991,678
5.5	Shares Pledged	12,670,043	171,303,114	183,973,157	17,358,201	137,374,444	154,732,645
5.6	Securities	0	5,090,975	5,090,975	3,500,000	6,162,757	9,662,757
5.7	Other	11,092,801	93,012,209	104,105,010	3,678,441	121,195,486	124,873,927
6	Derivatives			0			0
6.1	Receivables through FX contracts (except options)			0			0
6.2	Payables through FX contracts (except options)			0			0
6.3	Principal of interest rate contracts (except options)			0			0
6.4	Options sold			0			0
6.5	Options purchased			0			0
6.6	Nominal value of potential receivables through other derivatives			0			0
6.7	Nominal value of potential payables through other derivatives			0			0
7	Receivables not recognized on-balance			0			0
7.1	Principal of receivables derecognized during last 3 month	0	0	0	58,454	0	58,454
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	2,883,850	4,951,992	7,835,842	3,306,319	7,555,548	10,861,867
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	3,270,135	7,310,269	10,580,404	10,449,113	6,616,965	17,066,078
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	58,903,012	127,900,629	186,803,642	57,172,673	120,933,123	178,105,795
8	Non-cancelable operating lease	2,309,178	0	2,309,178	4,033,525	0	4,033,525
8.1	Through indefint term agreement	89,844	0	89,844	57,381	0	57,381
8.2	Within one year	1,993,030	0	1,993,030	1,993,876	0	1,993,876
8.3	From 1 to 2 years	200,585	0	200,585	1,827,101	0	1,827,101
8.4	From 2 to 3 years	22,434	0	22,434	155,167	0	155,167
8.5	From 3 to 4 years	3,285	0	3,285	0	0	0
8.6	From 4 to 5 years	0	0	0	0	0	0
8.7	More than 5 years	0	0	0	0	0	0
9	Capital expenditure commitment			0			0

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

N		1Q 2020	4Q 2019
1	Risk Weighted Assets for Credit Risk	1,337,104,300	1,245,492,140
1.1	Balance sheet items *	1,309,575,371	1,216,389,486
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	32,970,025	32,970,025
1.2	Off-balance sheet items	26,801,669	28,781,704
1.3	Counterparty credit risk	727,260	320,950
2	Risk Weighted Assets for Market Risk	44,967,547	64,550,259
3	Risk Weighted Assets for Operational Risk	129,231,003	129,231,003
4	Total Risk Weighted Assets	1,511,302,849	1,439,273,402

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

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

Members of Supervisory Board	
1	Nikoloz Chkhetiani
2	Besik Demetrashvili
3	Temur Kobakhidze
4	Zaza Verdzeuli
5	Tea Jokhadze
6	
7	
8	
9	
10	
Members of Board of Directors	
1	Nato Khaindrava
2	Givi Lebanidze
3	David Galuashvili
4	Zurab Gogua
5	Beka Kvaratskhelia
6	
7	
8	
9	
10	
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	Jsc "Cartu Group" 100%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	Uta Ivanishvili 100%

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

		a	b	c
	Account name of standardized supervisory balance sheet item	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	14,073,915		14,073,915
2	Due from NBG	196,101,471		196,101,471
3	Due from Banks	189,220,522		189,220,522
4	Dealing Securities	0		0
5	Investment Securities	40,086,492		40,086,492
6.1	Loans	1,037,957,059		1,037,957,059
6.2	<i>Less: Loan Loss Reserves</i>	<i>-182,534,993</i>		<i>-182,534,993</i>
6	Net Loans	855,422,066		855,422,066
7	Accrued Interest and Dividends Receivable	14,624,070		14,624,070
8	Other Real Estate Owned & Repossessed Assets	16,402,698		16,402,698
9	Equity Investments	6,442,196		6,442,196
10	Fixed Assets and Intangible Assets	22,977,539	4,110,495	18,867,044
11	Other Assets	23,622,013		23,622,013
	Total exposures subject to credit risk weighting before adjustments	1,378,972,982	4,110,495	1,374,862,487

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

1	Total carrying value of balance sheet items subject to credit risk weighting before adjustments	1,374,862,487
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	53,280,871
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	36,363,000
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	1,464,506,358
4	Effect of provisioning rules used for capital adequacy purposes	11,731,176
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-25,598,088
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-35,635,740
6	Effect of other adjustments *	42,589,628
7	Total exposures subject to credit risk weighting	1,457,593,334

*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	163,409,656
2	Common shares that comply with the criteria for Common Equity Tier 1	114,430,000
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	
4	Accumulated other comprehensive income	
5	Other disclosed reserves	6,838,034
6	Retained earnings (loss)	42,141,622
7	Regulatory Adjustments of Common Equity Tier 1 capital	4,110,496
8	Revaluation reserves on assets	
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	
10	Intangible assets	4,110,496
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	
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	159,299,161
24	Additional tier 1 capital before regulatory adjustments	22,991,500
25	Instruments that comply with the criteria for Additional tier 1 capital	22,991,500
26	Including instruments classified as equity under the relevant accounting standards	
27	Including instruments classified as liabilities under the relevant accounting standards	22,991,500
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	
29	Regulatory Adjustments of Additional Tier 1 capital	0
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	22,991,500
36	Tier 2 capital before regulatory adjustments	238,113,881
37	Instruments that comply with the criteria for Tier 2 capital	225,916,700
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	12,197,181
40	Regulatory Adjustments of Tier 2 Capital	0
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	238,113,881

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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%	68,008,628
1.2	Minimum Tier 1 Requirement	6.00%	90,678,171
1.3	Minimum Regulatory Capital Requirement	8.00%	120,904,228
2	Combined Buffer		
2.1	Capital Conservation Buffer *	0.00%	0
2.2	Countercyclical Buffer	0.00%	0
2.3	Systemic Risk Buffer		0
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	1.55%	23,500,377
3.2	Tier 1 Pillar2 Requirement	2.08%	31,373,566
3.3	Regulatory capital Pillar 2 Requirement	8.21%	124,090,437
Total Requirements		Ratios	Amounts (GEL)
4	CET1	6.05%	91,509,005
5	Tier 1	8.08%	122,051,737
6	Total regulatory Capital	16.21%	244,994,665

* 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

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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	14,073,915	
2	Due from NBG	196,101,471	
3	Due from Banks	189,220,522	
4	Dealing Securities	0	
5	Investment Securities	40,474,942	
5.1	Of which common reserves	-388,450	Table 9 (Capital), N39
5.2	Net Investment Securities	40,086,492	
6.1	Loans	1,037,957,059	
6.2	Less: Loan Loss Reserves	-182,534,993	
6.2.1	Of which common reserves	-11,341,586	Table 9 (Capital), N39
6.2.2	Of which the COVID 19 reserve	-42,589,631	
6	Net Loans	855,422,066	
7	Accrued Interest and Dividends Receivable	14,624,070	
8	Other Real Estate Owned & Repossessed Assets	16,402,698	
9	Equity Investments	6,442,196	
9.1	Of which significant investments subject to limited recognition	9,372,300	
9.2	Significant Investments Reserves	-2,985,964	
9.3	Of which below 10% equity holdings subject to limited recognition	57,000	
9.4	Investments Reserves	-1,140	Table 9 (Capital), N39
10	Fixed Assets and Intangible Assets	22,977,539	
10.1	Of which intangible assets	4,110,495	table 9 (Capital), N10
11	Other Assets	24,869,978	
	Of which common reserves	0	Table 9 (Capital), N39
	Significant Reserves	-1,247,965	
	Net Other Assets	23,622,013	
12	Total assets	1,378,972,982	
13	Due to Banks	169,055	
14	Current (Accounts) Deposits	463,073,163	
15	Demand Deposits	63,669,959	
16	Time Deposits	413,031,129	
17	Own Debt Securities	0	
18	Borrowings	0	
19	Accrued Interest and Dividends Payable	10,807,750	
20	Other Liabilities	15,904,070	
20.1	Of which offbalance liabilities reserves	466,005	Table 9 (Capital), N39
21	Subordinated Debentures	248,308,200	
21.1	Of which tier II capital qualifying instruments	248,308,200	Table 9 (Capital), N37
22	Total liabilities	1,214,963,326	
23	Common Stock	114,430,000	Table 9 (Capital), N2
24	Preferred Stock	0	
25	Less: Repurchased Shares	0	
26	Share Premium	0	
27	General Reserves	7,438,034	
27.1	Of which Regulatory Reserves	6,838,034	Table 9 (Capital), N4
27.2	Of which Special Funds	600,000	Table 9 (Capital), N37
28	Retained Earnings	42,141,622	Table 9 (Capital), N6
29	Asset Revaluation Reserves	0	
30	Total Equity Capital	164,009,656	

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

Exposure classes	5%		20%		25%		50%		75%		100%		125%		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		q
1 Claims or contingent claims on central governments or central banks	23,789,598											153,438,301					153,438,301	
2 Claims or contingent claims on regional governments or local authorities												0					-	
3 Claims or contingent claims on public sector entities												0					-	
4 Claims or contingent claims on multilateral development banks												0					-	
5 Claims or contingent claims on international organizations/institutions												0					-	
6 Claims or contingent claims on commercial banks	0	156,940,500					32,103,021					152,053					47,804,915	
7 Claims or contingent claims on corporates												750,187,201	26,797,805	0	94,979,075	0	932,854,081	
8 Real claims or contingent real claims												0					-	
9 Claims or contingent claims secured by mortgages on residential property												0					-	
10 Past due items												107,791,107	59,670	0	0		107,850,777	
11 Items belonging to regulatory high-risk categories												0					-	
12 Short-term claims on commercial banks and corporates												0					-	
13 Claims in the form of collective investment undertakings (CIU)												0					-	
14 Other items	19,469,872	0	0	0	0	0	0	0	0	0	0	65,910,001	882,275	0	25,596,550	0	132,919,548	
Total	43,175,449	0	156,940,500	0	0	0	32,103,021	0	0	0	0	1,117,281,882	27,682,780	0	0	79,576,116	0	1,395,437,623

Code	Description	Debit	Financial Statement										Total Credit Risk Weighted Assets	Total Credit Risk Weighted Assets	Total Credit Risk Weighted Assets		
			Capital and Reserves	Other	Other	Other	Other	Other	Other	Other	Other	Other				Other	
1	Assets of counterparties in central governments or central banks																
2	Assets of counterparties in regional governments or local authorities																
3	Assets of counterparties in public sector entities																
4	Assets of counterparties in multilateral development banks																
5	Assets of counterparties in international organizations																
6	Assets of counterparties in governments																
7	Assets of counterparties in companies	10,000,000													10,000,000	100,000	10,000,000
8	Assets of counterparties in banks																
9	Assets of counterparties in securities companies																
10	Assets of counterparties in insurance companies																
11	Other assets	10													10	100	10
12	Assets of counterparties in other financial institutions																
13	Assets of the bank (including customer contributions)																
14	Other assets	2,000,000													2,000,000	20,000	2,000,000
15	Total	12,000,000													12,000,000	120,000	12,000,000

Bank: JSC CARTU BANK

Date: 31/08/2020

Table 11 Liquidity Coverage Ratio

		Total unweighted value (daily average)			Total weighted values according to NBS'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				44,080,248	283,890,700	327,940,948	34,995,473	183,362,777	218,358,250
Cash outflows										
2	Retail deposits	15,845,203	223,496,408	239,341,611	3,017,544	28,848,625	31,866,169	651,451	3,422,889	4,074,340
3	Unsecured wholesale funding	76,557,590	699,922,513	776,460,103	26,366,835	35,961,304	62,328,139	18,893,479	49,839,863	68,733,342
4	Secured wholesale funding	-	-	-	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	25,594,726	30,856,654	56,451,380	4,529,280	8,099,588	12,628,868	1,706,891	2,564,764	4,271,656
6	Other contractual funding obligations									
7	Other contingent funding obligations	11,841,719	11,041,115	22,882,834	5,592,134	2,807,716	8,399,850	5,592,134	2,807,716	8,399,850
8	TOTAL CASH OUTFLOWS	129,839,238	965,096,690	1,094,935,928	39,505,794	135,627,253	175,133,047	26,843,956	58,655,253	85,499,209
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	189,483,840	409,922,528	599,406,368	8,369,399	4,257,368	12,626,767	18,326,101	107,191,725	125,517,826
11	Other cash inflows	8,206,086	16,891,971	25,098,057	15,040	266,524	281,564	15,040	266,524	281,564
12	TOTAL CASH INFLOWS	197,690,926	426,796,479	624,487,405	8,384,439	4,524,492	13,508,331	33,341,141	107,858,249	125,999,390
					Total value according to NBS's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				44,080,248	283,890,700	327,940,948	34,995,473	183,362,777	218,358,250
14	Net cash outflow				35,121,345	131,102,761	166,224,116	8,702,815	14,663,813	21,974,860
15	Liquidity coverage ratio (%)				144.42%	216.52%	202.95%	402.12%	1250.44%	1031.57%

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

Bank: JSC CARTU BANK

Date: 31/03/2020

Counterparty credit risk

Table 15

		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	36,363,000		727,260	0	0	0	0	0	727,260	0	0	727,260
1.1	Maturity less than 1 year	36,363,000	2.0%	727,260						727,260			727,260
1.2	Maturity from 1 year up to 2 years	0	5.0%	0									0
1.3	Maturity from 2 years up to 3 years	0	8.0%	0									0
1.4	Maturity from 3 years up to 4 years	0	11.0%	0									0
1.5	Maturity from 4 years up to 5 years	0	14.0%	0									0
1.6	Maturity over 5 years	0											0
2	Interest rate contracts	0		0	0	0	0	0	0	0	0	0	0
2.1	Maturity less than 1 year		0.5%	0									0
2.2	Maturity from 1 year up to 2 years		1.0%	0									0
2.3	Maturity from 2 years up to 3 years		2.0%	0									0
2.4	Maturity from 3 years up to 4 years		3.0%	0									0
2.5	Maturity from 4 years up to 5 years		4.0%	0									0
2.6	Maturity over 5 years												0
	Total	36,363,000		727,260	0	0	0	0	0	727,260	0	0	727,260

Bank: JSC CARTU BANK

Date: 31/03/2020

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) *	1,390,704,155
2	(Asset amounts deducted in determining Tier 1 capital)	(4,110,495)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	1,386,593,660
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	
5	Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	
EU-5a	Exposure determined under Original Exposure Method	727,260
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)	727,260
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	53,280,871
18	(Adjustments for conversion to credit equivalent amounts)	(25,598,088)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	27,682,783
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	182,290,661
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,415,003,703
Leverage ratio		
22	Leverage ratio	12.88%
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