	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 Khaindrava
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.

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 1 **Key metrics**

N		2Q 2020	1Q 2020	4Q 2019	3Q 2019	2Q 2019
	Regulatory capital (amounts, GEL)					
	Based on Basel III framework					
1	Common Equity Tier 1 (CET1)	167,969,628	159,299,161	199,034,952	195,242,645	187,971,414
2	Tier 1	189,356,028	182,290,661	219,108,852	215,929,045	208,052,314
3	Total regulatory capital	411,644,701	420,404,542	427,216,297	428,170,330	413,734,563
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,418,689,194	1,511,302,849	1,439,273,402	1,430,709,274	1,392,496,943
	Capital ratios as a percentage of RWA					
	Based on Basel III framework *					
5	Common equity Tier 1 ratio >=6.05%	11.84%	10.54%	13.83%	13.65%	13.50%
6	Tier 1 ratio >=8.07%	13.35%	12.06%	15.22%	15.09%	14.94%
7	Total Regulatory Capital ratio >=16.27%	29.02%	27.82%	29.68%	29.93%	29.71%
	Income					
8	Total Interest Income /Average Annual Assets	5.46%	6.11%	7.14%	7.37%	5.25%
9	Total Interest Expense / Average Annual Assets	2.48%	2.31%	2.44%	2.44%	1.58%
10	Earnings from Operations / Average Annual Assets	1.65%	2.71%	2.67%	3.26%	2.44%
11	Net Interest Margin	2.98%	3.80%	4.71%	4.94%	3.68%
12	Return on Average Assets (ROAA)	-4.25%	-12.90%	1.91%	2.17%	1.39%
13	Return on Average Equity (ROAE)	-28.96%	-81.73%	11.08%	12.46%	7.81%
	Asset Quality					
14	Non Performed Loans / Total Loans	36.46%	32.06%	32.82%	39.48%	40.77%
15	LLR/Total Loans	16.97%	17.59%	13.73%	15.75%	16.23%
16	FX Loans/Total Loans	68.38%	71.53%	69.04%	66.33%	66.91%
17	FX Assets/Total Assets	68.10%	72.11%	70.55%	65.69%	67.54%
18	Loan Growth-YTD	8.50%	13.09%	8.84%	2.30%	-1.95%
	Liquidity					
19	Liquid Assets/Total Assets	23.56%	29.66%	27.25%	29.72%	26.56%
20	FX Liabilities/Total Liabilities	87.77%	90.73%	88.67%	85.32%	90.28%
21	Current & Demand Deposits/Total Assets	34.01%	38.20%	35.94%	34.84%	31.44%
	Liquidity Coverage Ratio*					
22	Total HQLA	354,174,094	327,940,948	335,125,346	340,082,465	287,529,493
23	Net cash outflow	215,853,593	161,624,106	123,566,755	126,275,518	131,191,597
24	LCR ratio (%)	164%	203%	271%	269%	219%

* Regarding the annulment of conservation buffer requirement please see the press release of National Bank of Goergia "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 CARTU BANK

Date: 30/06/2020

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

N		Reporting Period			Respective period of the previous year		
	Assets	GEL	FX	Total	GEL	FX	Total
1	Cash	9,339,369	9,293,726	18,633,095	4,556,763	27,670,521	32,227,284
2	Due from NBG	2,405,483	176,852,413	179,257,896	1,280,908	200,504,434	201,785,342
3	Due from Banks	10,451,095	98,377,238	108,828,333	45,910,145	69,956,970	115,867,115
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	38,067,317	14,970,480	53,037,797	14,316,543	14,055,590	28,372,133
6.1	Loans	314,905,361	680,898,988	995,804,349	273,599,385	553,232,587	826,831,972
6.2	Less: Loan Loss Reserves	-50,072,490	-118,934,148	-169,006,638	-41,200,400	-93,003,978	-134,204,378
6	Net Loans	264,832,871	561,964,840	826,797,711	232,398,985	460,228,609	692,627,594
7	Accrued Interest and Dividends Receivable	6,439,730	7,712,772	14,152,502	2,649,583	3,569,542	6,219,125
8	Other Real Estate Owned & Repossessed Assets	16,601,241	X	16,601,241	24,630,937	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	22,304,268	X	22,304,268	17,593,376	X	#VALUE!
11	Other Assets	31,626,891	2,904,426	34,531,317	25,144,057	957,010	26,101,067
12	**Total assets**	408,510,461	872,075,895	1,280,586,356	373,364,837	776,942,676	1,150,307,513
	Liabilities						
13	Due to Banks	50,938	103,487	154,425	51,970	7,275,095	7,327,065
14	Current (Accounts) Deposits	53,932,728	330,754,320	384,687,048	43,182,590	269,583,485	312,766,075
15	Demand Deposits	14,806,018	36,002,796	50,808,814	17,346,321	31,494,035	48,840,356
16	Time Deposits	47,065,166	356,106,352	403,171,518	18,093,162	321,230,882	339,324,044
17	Own Debt Securities			0			0
18	Borrowings	0	0	0	0	0	0
19	Accrued Interest and Dividends Payable	982,994	10,141,493	11,124,487	331,197	13,048,284	13,379,481
20	Other Liabilities	18,080,278	4,510,106	22,590,384	14,043,440	4,276,355	18,319,795
21	Subordinated Debentures	0	230,973,120	230,973,120	0	216,873,720	216,873,720
22	**Total liabilities**	134,918,122	968,591,674	1,103,509,796	93,048,680	863,781,856	956,830,536
	Equity Capital						
23	Common Stock	114,430,000	X	114,430,000	114,430,000	X	114,430,000
24	Preferred Stock	0	X	0	0	X	0
25	Less: Repurchased Shares	0	X	0	0	X	0
26	Share Premium	0	X	0	0	X	0
27	General Reserves	7,438,034	X	7,438,034	7,438,034	X	7,438,034
28	Retained Earnings	55,208,526	X	55,208,526	71,608,943	X	71,608,943
29	Asset Revaluation Reserves	0	X	0	0	X	0
30	**Total Equity Capital**	177,076,560		177,076,560	193,476,977		193,476,977
31	**Total liabilities and Equity Capital**	311,994,682	968,591,674	1,280,586,356	286,525,657	863,781,856	1,150,307,513

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 3 **Income statement** *in Lari*

N		Reporting Period			Respective period of the previous year		
N		GEL	FX	Total	GEL	FX	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	557,191	339,232	896,423	1,494,374	873,755	2,368,129
2	Interest Income from Loans	13,033,349	19,071,250	32,104,599	12,368,666	21,281,425	33,650,091
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	5,362,871	6,650,055	12,012,925	5,762,664	8,894,179	14,656,843
2.3	from the Energy Sector Loans	112	563,377	563,488	577	111,280	111,858
2.4	from the Agriculture and Forestry Sector Loans	954,580	786,756	1,741,336	886,199	2,065,880	2,952,079
2.5	from the Construction Sector Loans	2,166,604	2,767,339	4,933,943	2,050,357	2,315,686	4,366,043
2.6	from the Mining and Mineral Processing Sector Loans	2,526,366	1,948,147	4,474,513	2,128,837	4,225,701	6,354,538
2.7	from the Transportation or Communications Sector Loans	4,567	5,350	9,917	5,288	684,324	689,612
2.8	from Individuals Loans	446,384	1,513,829	1,960,213	295,633	1,609,644	1,905,277
2.9	from Other Sectors Loans	1,571,866	4,836,398	6,408,264	1,239,111	1,374,729	2,613,841
3	Fees/penalties income from loans to customers	293,726	552,660	846,386	1,761,498	6,591,804	8,353,302
4	Interest and Discount Income from Securities	724,601	0	724,601	489,755	0	489,755
5	Other Interest Income	0	16,718	16,718	0	40,941	40,941
6	**Total Interest Income**	14,608,867	19,979,860	34,588,727	16,114,293	28,787,925	44,902,218
	Interest Expense						
7	Interest Paid on Demand Deposits	567,039	476,898	1,043,937	1,094,175	99,273	1,193,448
8	Interest Paid on Time Deposits	1,341,204	7,664,191	9,005,395	518,205	6,845,946	7,364,151
9	Interest Paid on Banks Deposits	50,822	238	51,060	12,234	356,157	368,391
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	0	5,613,461	5,613,461	0	4,556,477	4,556,477
12	Other Interest Expenses			0			0
13	**Total Interest Expense**	1,959,065	13,754,788	15,713,853	1,624,614	11,857,853	13,482,467
14	**Net Interest Income**	12,649,802	6,225,072	18,874,874	14,489,679	16,930,072	31,419,751
	Non-Interest Income						
15	Net Fee and Commission Income	-230,299	-2,123,337	-2,353,636	238,742	-2,823,561	-2,584,819
15.1	Fee and Commission Income	1,140,555	897,181	2,037,736	1,593,916	905,200	2,499,116
15.2	Fee and Commission Expense	1,370,854	3,020,518	4,391,372	1,355,174	3,728,761	5,083,935
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	189,428	0	189,428	6,809	0	6,809
18	Gain (Loss) from Investment Securities	209,905	828,668	1,038,573	22,393	372,609	395,002
19	Gain (Loss) from Foreign Exchange Trading	3,647,702		3,647,702	2,352,560		2,352,560
20	Gain (Loss) from Foreign Exchange Translation	-2,290,451		-2,290,451	-3,559,399		-3,559,399
21	Gain (Loss) on Sales of Fixed Assets	10,871	0	10,871	37,131	0	37,131
22	Non-Interest Income from other Banking Operations	703,109	152,967	856,076	895,069	560,146	1,455,215
23	Other Non-Interest Income	938,224	63,330	1,001,554	16,724	6,023	22,747
24	**Total Non-Interest Income**	3,178,489	-1,078,372	2,100,117	10,029	-1,884,783	-1,874,754
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	388,203	16,279	404,482	451,513	113,909	565,422
26	Bank Development, Consultation and Marketing Expenses	373,793	19,021	392,814	341,701	74,358	416,059
27	Personnel Expenses	6,358,241		6,358,241	6,137,196		6,137,196
28	Operating Costs of Fixed Assets	33,069		33,069	36,893		36,893
29	Depreciation Expense	2,133,493		2,133,493	2,015,434		2,015,434
30	Other Non-Interest Expenses	2,150,338	119,804	2,270,142	2,336,285	340,522	2,676,807
31	**Total Non-Interest Expenses**	11,437,137	155,104	11,592,241	11,319,022	528,789	11,847,811
32	**Net Non-Interest Income**	-8,258,648	-1,233,476	-9,492,124	-11,308,993	-2,413,572	-13,722,565
33	**Net Income before Provisions**	4,391,154	4,991,596	9,382,750	3,180,686	14,516,500	17,697,186
34	Loan Loss Reserve	37,592,522		37,592,522	-220,879		-220,879
35	Provision for Possible Losses on Investments and Securities	18,750		18,750	287,910		287,910
36	Provision for Possible Losses on Other Assets	3,142,737		3,142,737	3,160,473		3,160,473
37	**Total Provisions for Possible Losses**	40,754,009	0	40,754,009	3,227,504	0	3,227,504
38	**Net Income before Taxes and Extraordinary Items**	-36,362,855	4,991,596	-31,371,259	-46,818	14,516,500	14,469,682
39	Taxation	-4,438,986		-4,438,986	2,552,414		2,552,414
40	**Net Income after Taxation**	-31,923,869	4,991,596	-26,932,273	-2,599,232	14,516,500	11,917,268
41	Extraordinary Items	0		0	0		0
42	**Net Income**	-31,923,869	4,991,596	-26,932,273	-2,599,232	14,516,500	11,917,268

Bank: JSC CARTU BANK

Date: 30/06/2020

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	16,760,583	9,367,073	26,127,656	23,106,392	30,791,795	53,898,187
1.2	Letters of credit Issued			0		1,490,208	1,490,208
1.3	Undrawn loan commitments	16,329,258	17,737,047	34,066,305	9,632,568	16,416,557	26,049,125
1.4	Other Contingent Liabilities	20,768	0	20,768	10,292	0	10,292
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	**Guaratees received as security for receivables of the bank**			0			0
4.1	Surety, joint liability	8,214,826	6,874,679	15,089,505	5,059,750	11,161,022	16,220,772
4.2	Guarantees	127,195,933	375,481,368	502,677,300	150,463,640	290,042,118	440,505,758
5	**Assets pledged as security for receivables of the bank**			0			0
5.1	Cash	558,278	27,474,538	28,032,816	71,222	14,431,522	14,502,744
5.2	Precious metals and stones	0	0	0	0	0	0
5.3	Real Estate:	18,187,911	1,965,002,824	1,983,190,735	16,608,339	1,972,016,745	1,988,625,084
5.3.1	*Re*	339,127	175,249,761	175,588,889	238,102	157,262,395	157,500,497
5.3.2	*Co*	779,076	979,799,719	980,578,795	817,580	915,125,053	915,942,633
5.3.3	*Co*	0	186,231,963	186,231,963	0	186,697,873	186,697,873
5.3.4	*Lar*	17,069,708	509,236,651	526,306,359	15,552,657	618,684,299	634,236,956
5.3.5	*Otl*	0	114,484,729	114,484,729	0	94,247,125	94,247,125
5.4	Movable Property	162,889,679	311,377,762	474,267,440	216,064,227	232,327,464	448,391,691
5.5	Shares Pledged	12,670,043	159,343,971	172,014,014	12,681,043	145,600,874	158,281,917
5.6	Securities	0	4,735,560	4,735,560	3,500,000	4,446,485	7,946,485
5.7	Other	23,120,084	86,518,770	109,638,854	3,392,801	89,352,168	92,744,969
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	34,048	13,931	47,979	558,102	330,762	888,864
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	3,702,684	9,144,342	12,847,025	3,606,031	8,122,112	11,728,143
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	3,304,183	7,211,755	10,515,938	10,993,889	6,763,713	17,757,603
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	60,669,819	130,153,785	190,823,604	58,468,664	124,381,319	182,849,983
8	**Non-cancelable operating lease**	1,333,986	0	1,333,986	3,061,849	0	3,061,849
8.1	Through indefinit term agreement	93,974	0	93,974	56,177	0	56,177
8.2	Within one year	1,174,672	0	1,174,672	1,942,523	0	1,942,523
8.3	From 1 to 2 years	41,384	0	41,384	1,063,149	0	1,063,149
8.4	From 2 to 3 years	16,257	0	16,257	0	0	0
8.5	From 3 to 4 years	4,200	0	4,200	0	0	0
8.6	From 4 to 5 years	3,500	0	3,500	0	0	0
8.7	More than 5 years	0	0	0	0	0	0
9	**Capital expenditure commitment**			0			0

Bank: JSC CARTU BANK

Date: 30/06/2020

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

N		2Q 2020	1Q 2020
1	Risk Weighted Assets for Credit Risk	1,239,000,993	1,337,104,300
1.1	Balance sheet items *	1,208,525,106	1,309,575,371
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	29,480,607	26,801,669
1.3	Counterparty credit risk	995,280	727,260
2	Risk Weighted Assets for Market Risk	50,457,199	44,967,547
3	Risk Weighted Assets for Operational Risk	129,231,003	129,231,003
4	**Total Risk Weighted Assets**	1,418,689,194	1,511,302,849

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

Bank: JSC CARTU BANK

Date: 30/06/2020

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%

Bank: JSC CARTU BANK

Date: 30/06/2020

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

		a	b	c
	Account name of standardazed 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	18,633,095		18,633,095
2	Due from NBG	179,257,896		179,257,896
3	Due from Banks	108,828,333		108,828,333
4	Dealing Securities	0		0
5	Investment Securities	53,037,797		53,037,797
6.1	Loans	*995,804,349*		995,804,349
6.2	*Less: Loan Loss Reserves*	*-169,006,638*		-169,006,638
6	Net Loans	826,797,711		826,797,711
7	Accrued Interest and Dividends Receivable	14,152,502		14,152,502
8	Other Real Estate Owned & Repossessed Assets	16,601,241		16,601,241
9	Equity Investments	6,442,196		6,442,196
10	Fixed Assets and Intangible Assets	22,304,268	4,067,946	18,236,322
11	Other Assets	34,531,317	4,438,986	30,092,331
	Total exposures subject to credit risk weighting before adjustments	**1,280,586,356**	**8,506,932**	**1,272,079,424**

Bank: JSC CARTU BANK

Date: 30/06/2020

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**	1,272,079,424
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	59,326,982
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	49,764,000
3	**Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes**	1,381,170,406
4	Effect of provisioning rules used for capital adequacy purposes	11,718,684
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-28,585,667
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-48,768,720
6	Effect of other adjustments *	6,415,855
7	**Total exposures subject to credit risk weighting**	1,321,950,558

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

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 9

Regulatory capital

N		in Lari
1	**Common Equity Tier 1 capital before regulatory adjustments**	176,476,560
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)	55,208,526
7	**Regulatory Adjustments of Common Equity Tier 1 capital**	8,506,932
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	4,067,946
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)	4,438,986
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**	167,969,628
24	**Additional tier 1 capital before regulatory adjustments**	21,386,400
25	Instruments that comply with the criteria for Additional tier 1 capital	21,386,400
26	Including:instruments classified as equity under the relevant accounting standards	
27	Including: instruments classified as liabilities under the relevant accounting standards	21,386,400
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**	21,386,400
36	**Tier 2 capital before regulatory adjustments**	222,288,673
37	Instruments that comply with the criteria for Tier 2 capital	210,186,720
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	12,101,953
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**	222,288,673

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 9.1 **Capital Adequacy Requirements**

	Minimum Requirements	Ratios	Amounts (GEL)
1	**Pillar 1 Requirements**		
1.1	Minimum CET1 Requirement	4.50%	63,841,014
1.2	Minimum Tier 1 Requirement	6.00%	85,121,352
1.3	Minimum Regulatory Capital Requirement	8.00%	113,495,136
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%	21,987,149
3.2	Tier 1 Pillar2 Requirement	2.07%	29,351,842
3.3	Regulatory capital Pillar 2 Requirement	8.27%	117,353,278
	Total Requirements	**Ratios**	**Amounts (GEL)**
4	CET1	6.05%	85,828,162
5	Tier 1	8.07%	114,473,193
6	Total regulatory Capital	16.27%	230,848,414

* Regarding the annulment of conservation buffer requirement please see the press release of National Bank of Goergia "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)

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 10 **Reconcilation 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	18,633,095	
2	Due from NBG	179,257,896	
3	Due from Banks	108,828,333	
4	Dealing Securities	0	
5	Investment Securities	53,403,317	
5.1	Of which common reserves	-365,520	*Table 9 (Capital), N39*
5.2	Net Investment Securities	53,037,797	
6.1	Loans	*995,804,349*	
6.2	*Less: Loan Loss Reserves*	-169,006,638	
6.2.1	*Of which common reserves*	-11,352,024	*Table 9 (Capital), N39*
6.2.2	*Of which the COVID 19 reserve*	-6,415,855	
6	Net Loans	826,797,711	
7	Accrued Interest and Dividends Receivable	14,152,502	
8	Other Real Estate Owned & Repossessed Assets	16,601,241	
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	22,304,268	
10.1	*Of which intangible assets*	4,067,946	*table 9 (Capital), N10*
11	Other Assets	36,124,505	
11.1	Including deferred tax assets	4,438,986	*Table 9 (Capital), N39*
11.2	Of which common reserves	0	*Table 9 (Capital), N40*
11.3	Significant Reserves	-1,593,188	
	Net Other Assets	34,531,317	
12	**Total assets**	**1,280,586,356**	
13	Due to Banks	154,425	
14	Current (Accounts) Deposits	384,687,048	
15	Demand Deposits	50,808,814	
16	Time Deposits	403,171,518	
17	Own Debt Securities	0	
18	Borrowings	0	
19	Accrued Interest and Dividends Payable	11,124,487	
20	Other Liabilities	22,590,384	
20.1	Of which offblance liabilities reserves	383,269	*Table 9 (Capital), N39*
21	Subordinated Debentures	230,973,120	
21.1	*Of which tier II capital qualifying instruments*	*230,973,120*	*Table 9 (Capital), N37*
22	**Total liabilities**	**1,103,509,796**	
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	55,208,526	*Table 9 (Capital), N6*
29	Asset Revaluation Reserves	0	
30	**Total Equity Capital**	**177,076,560**	

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 11

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

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Risk weights	0%		20%		35%		50%		75%		100%		150%		250%		Risk Weighted Exposures before Credit Risk Mitigation
	Exposure classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	
1	Claims or contingent claims on central governments or central banks	37,713,115										176,852,413						176,852,413
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		15,398,326				93,286,983				145,570						49,868,727
7	Claims or contingent claims on corporates											657,331,064	29,306,184	55,989,940		0	0	770,622,158
8	Retail claims or contingent retail claims											0						-
9	Claims or contingent claims secured by mortgages on residential property											0						-
10	Past due items											135,593,905	419,807	0		0		136,013,712
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	23,592,761		0			0	0				69,013,340	1,015,324	0		25,296,539		133,270,011
	Total	61,305,876	0	15,398,326	0	0	0	93,286,983	0	0	0	1,038,936,292	30,741,315	55,989,940	0	25,296,539	0	1,266,627,020

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 12 **Credit Risk Mitigation**

in Lari

		Funded Credit Protection										Unfunded Credit Protection							**Total Credit Risk Mitigation - On-balance sheet**	**Total Credit Risk Mitigation - Off-balance sheet**	**Total Credit Risk Mitigation**
		On-balance sheet netting	Cash on deposit with, or cash assimilated 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	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 credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of exposures to corporates.	Debt securities with a short-term credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of short term exposures	Equities or convertible bonds that are included in a main index	Standard gold bullion 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	International organizations / institutions	Public sector entities	Commercial banks	Other corporate entities that have a credit assessment, which has been determined by NBG to be associated with credit quality step 2 or above under the rules for the risk weighting of exposures to corporates			
1	Claims or contingent claims on central governments or central banks																				0
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
7	Claims or contingent claims on corporates		21,705,716																20,445,508	1,260,208	21,705,716
8	Retail claims or contingent retail claims																				0
9	Claims or contingent claims secured by mortgages on residential property																				0
10	Past due items		0																0		0
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																				0
14	Other items		499,737																499,237	500	499,737
	Total	0	22,205,452	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,944,744	1,260,708	22,205,452

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 13 **Standardized approach - Effect of credit risk mitigation**

		a	b	c	d	e	f
		On-balance sheet exposures	Off-balance sheet exposures		RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)
	Asset Classes		Off-balance sheet exposures - Nominal value	Off-balance sheet exposures post CCF			
1	Claims or contingent claims on central governments or central banks	214,565,528			176,852,413	176,852,413	82%
2	Claims or contingent claims on regional governments or local authorities	0			0	0	0%
3	Claims or contingent claims on public sector entities	0			0	0	0%
4	Claims or contingent claims on multilateral development banks	0			0	0	0%
5	Claims or contingent claims on international organizations/institutions	0			0	0	0%
6	Claims or contingent claims on commercial banks	108,830,879			49,868,727	49,868,727	46%
7	Claims or contingent claims on corporates	713,321,004	56,456,720	29,306,184	770,622,158	748,916,442	101%
8	Retail claims or contingent retail claims	0		0	0	0	0%
9	Claims or contingent claims secured by mortgages on residential property	0		0	0	0	0%
10	Past due items	135,593,905	839,614	419,807	136,013,712	136,013,712	100%
11	Items belonging to regulatory high-risk categories	0		0	0	0	0%
12	Short-term claims on commercial banks and corporates	0		0	0	0	0%
13	Claims in the form of collective investment undertakings ('CIU')	0		0	0	0	0%
14	Other items	117,902,640	2,030,648	1,015,324	133,270,011	132,770,274	112%
	Total	1,290,213,955	59,326,982	30,741,315	1,266,627,020	1,244,421,568	94%

Bank: JSC CARTU BANK

Date: 30/06/2020

Table 14 **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				47,690,899	306,483,195	354,174,094	41,230,592	213,178,479	254,409,071
Cash outflows										
2	Retail deposits	16,795,857	249,452,526	266,248,383	3,165,016	43,618,125	46,783,141	682,837	4,884,621	5,567,458
3	Unsecured wholesale funding	87,906,919	753,514,095	841,421,014	28,628,849	139,662,115	168,290,964	20,294,827	68,414,393	88,709,220
4	Secured wholesale funding	-	-	-	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	25,093,867	27,928,610	53,022,478	4,387,303	6,695,102	11,082,405	1,669,584	2,246,816	3,916,400
6	Other contractual funding obligations									
7	Other contingent funding obligations	15,763,065	13,911,326	29,674,391	6,604,726	3,128,043	9,732,769	6,604,726	3,128,043	9,732,769
8	**TOTAL CASH OUTFLOWS**	**145,559,708**	**1,044,806,557**	**1,190,366,265**	**42,785,894**	**193,103,385**	**235,889,279**	**29,251,974**	**78,673,873**	**107,925,847**
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	202,307,086	485,833,153	688,140,239	12,365,467	7,625,925	19,991,392	18,898,255	104,545,211	123,443,466
11	Other cash inflows	13,858,120	17,979,885	31,838,005	34,267	10,027	44,294	34,267	10,027	44,294
12	**TOTAL CASH INFLOWS**	**216,165,206**	**503,813,038**	**719,978,244**	**12,399,734**	**7,635,952**	**20,035,686**	**18,932,522**	**104,555,238**	**123,487,760**
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				47,690,899	306,483,195	354,174,094	41,230,592	213,178,479	254,409,071
14	Net cash outflow				30,386,160	185,467,433	215,853,593	10,319,452	19,668,468	26,981,462
15	Liquidity coverage ratio (%)				156.95%	165.25%	164.08%	399.54%	1083.86%	942.90%

* 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 CARTU BANK

Date: 30/06/2020

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**	49,764,000		995,280	0	0	0	0	0	995,280	0	0	995,280
1.1	Maturity less than 1 year	49,764,000	2.0%	995,280						995,280			995,280
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	**49,764,000**		**995,280**	0	0	0	0	0	995,280	0	0	**995,280**

Bank: JSC CARTU BANK

Date: 30/06/2020

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) *	1,292,305,032
2	(Asset amounts deducted in determining Tier 1 capital)	(8,506,932)
3	**Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)**	1,283,798,100
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	995,280
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)**	995,280
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	59,326,982
18	(Adjustments for conversion to credit equivalent amounts)	(28,585,667)
19	**Other off-balance sheet exposures (sum of lines 17 to 18)**	30,741,315
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**	189,356,028
21	**Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)**	1,315,534,695
Leverage ratio		
22	**Leverage ratio**	14.39%
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