

Pillar 3 quarterly report		
1	Name of a bank	JSC "VTB Bank (Georgia)"
2	Chairman of the Supervisory Board	Sergey Stepanov
3	CEO of a bank	Archil Kontselidze
4	Bank's web page	www.vtb.ge

30/06/2020

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.

Table N	Table of contents
1	Key ratios
2	Balance Sheet
3	Income statement
4	Off-balance sheet
5	Risk-Weighted Assets (RWA)
6	Information about supervisory board, senior management and shareholders
7	Linkages between financial statement assets and balance sheet items subject to credit risk weighting
8	Differences between carrying values of balance sheet items and exposure amounts subject to credit risk weighting
9	Regulatory Capital
9.1	Capital Adequacy Requirements
10	Reconciliation of regulatory capital to balance sheet
11	Credit risk weighted exposures
12	Credit risk mitigation
13	Standardized approach - effect of credit risk mitigation
14	Liquidity Coverage Ratio
15	Counterparty credit risk
15.1	Leverage Ratio

Bank: JSC "VTB Bank (Georgia)"
Date: 30/06/2020

Table 1 **Key metrics**

N		T	T-1	T-2	T-3	T-4
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	174,379,432	170,290,552	200,911,181	198,098,025	190,672,877
2	Tier 1	187,490,932	182,658,352	214,838,081	211,865,325	204,317,477
3	Total regulatory capital	264,938,069	256,909,766	295,123,566	291,536,873	283,227,204
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,638,200,102	1,652,093,979	1,568,503,498	1,578,196,756	1,561,893,292
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework</i>					
5	Common equity Tier 1 ratio >=5.70927077792824%	10.64%	10.31%	12.81%	12.55%	12.21%
6	Tier 1 ratio >=7.61446237261603%	11.44%	11.06%	13.70%	13.42%	13.08%
7	Total Regulatory Capital ratio >=14.3387101759215%	16.17%	15.55%	18.82%	18.47%	18.13%
	Income					
8	Total Interest Income / Average Annual Assets	7.77%	8.01%	7.71%	7.52%	7.51%
9	Total Interest Expense / Average Annual Assets	4.64%	4.40%	4.18%	4.18%	4.13%
10	Earnings from Operations / Average Annual Assets	1.78%	-3.80%	2.32%	2.33%	2.66%
11	Net Interest Margin	3.13%	3.61%	3.49%	3.35%	3.39%
12	Return on Average Assets (ROAA)	-3.04%	-7.35%	0.84%	0.72%	0.19%
13	Return on Average Equity (ROAE)	-25.42%	-56.71%	6.42%	5.49%	1.44%
	Asset Quality					
14	Non Performed Loans / Total Loans	9.06%	6.47%	6.25%	7.00%	6.96%
15	LLR/Total Loans	9.20%	9.31%	6.33%	6.38%	6.30%
16	FX Loans/Total Loans	48.53%	49.95%	46.37%	46.79%	50.34%
17	FX Assets/Total Assets	46.00%	49.38%	45.96%	48.05%	49.82%
18	Loan Growth-YTD	4.73%	6.75%	4.37%	1.41%	0.31%
	Liquidity					
19	Liquid Assets/Total Assets	26.02%	24.37%	22.38%	25.70%	29.73%
20	FX Liabilities/Total Liabilities	56.52%	58.52%	57.37%	57.73%	60.45%
21	Current & Demand Deposits/Total Assets	33.50%	31.69%	34.43%	38.79%	39.78%
	Liquidity Coverage Ratio***					
22	Total HQLA	469,207,489	432,548,139	366,390,648	406,025,950	440,793,593
23	Net cash outflow	330,769,494	302,385,069	326,471,551	343,178,092	359,825,700
24	LCR ratio (%)	141.85%	143.05%	112.23%	118.31%	122.50%

* 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 "VTB Bank (Georgia)"

Date: 30/06/2020

Table 2

Balance Sheet

in Lari

N	Assets	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	Cash	30,496,950	33,188,898	63,685,848	25,304,049	19,698,070	45,002,119
2	Due from NBG	50,041,557	215,063,368	265,104,925	46,577,509	216,604,573	263,182,082
3	Due from Banks	85,398	28,160,935	28,246,333	1,608,878	52,599,109	54,207,987
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	176,054,670	0	176,054,670	126,454,883	67,747	126,522,630
6.1	Loans	629,469,297	593,481,181	1,222,950,478	557,356,466	564,942,288	1,122,298,754
6.2	Less: Loan Loss Reserves	-50,930,609	-61,538,900	-112,469,509	-34,906,801	-35,845,208	-70,752,010
6	Net Loans	578,538,688	531,942,281	1,110,480,969	522,449,665	529,097,079	1,051,546,744
7	Accrued Interest and Dividends Receivable	20,720,060	7,215,531	27,935,591	7,492,641	2,662,492	10,155,133
8	Other Real Estate Owned & Repossessed Assets	9,570,309	X	9,570,309	8,471,699	X	8,471,699
9	Equity Investments	54,000	0	54,000	54,000	0	54,000
10	Fixed Assets and Intangible Assets	61,130,760	X	61,130,760	60,515,992	X	60,515,992
11	Other Assets	34,538,732	3,105,268	37,644,000	39,726,978	12,038,888	51,765,867
12	Total assets	961,231,124	818,676,281	1,779,907,405	838,656,294	832,767,959	1,671,424,252
	Liabilities						
13	Due to Banks	2,135,444	11,902,329	14,037,773	1,143,540	206,206	1,349,746
14	Current (Accounts) Deposits	205,656,917	163,415,095	369,072,012	250,258,063	148,447,891	398,705,954
15	Demand Deposits	141,909,596	85,372,207	227,281,803	165,001,931	101,188,700	266,190,631
16	Time Deposits	234,603,115	449,206,801	683,809,916	142,613,726	363,391,203	506,004,929
17	Own Debt Securities			0			0
18	Borrowings	85,000,000	92,620,283	177,620,283	0	174,791,925	174,791,925
19	Accrued Interest and Dividends Payable	6,040,387	6,361,829	12,402,216	4,314,674	6,203,192	10,517,866
20	Other Liabilities	13,930,124	14,553,572	28,483,696	15,123,041	14,650,918	29,773,959
21	Subordinated Debentures	0	72,436,020	72,436,020	0	75,381,194	75,381,194
22	Total liabilities	689,275,583	895,868,136	1,585,143,719	578,454,975	884,261,229	1,462,716,204
	Equity Capital						
23	Common Stock	209,008,277	X	209,008,277	209,008,277	X	209,008,277
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	0	X	0	0	X	0
28	Retained Earnings	-23,841,644	X	-23,841,644	-10,026,695	X	-10,026,695
29	Asset Revaluation Reserves	9,597,053	X	9,597,053	9,726,466	X	9,726,466
30	Total Equity Capital	194,763,686	X	194,763,686	208,708,048	X	208,708,048
31	Total liabilities and Equity Capital	884,039,269	895,868,136	1,779,907,405	787,163,023	884,261,229	1,671,424,252

Bank: JSC "VTB Bank (Georgia)"
Date: 30/06/2020

Table 3		Income statement			in Lari		
N	N	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
		Interest Income					
1	Interest Income from Bank's "Nostro" and Deposit Accounts	1,166,743	187,837	1,354,580	1,208,302	599,877	1,808,179
2	Interest Income from Loans	39,726,168	18,451,300	58,177,468	34,212,635	19,492,209	53,704,844
2.1	from the Interbank Loans	0	0	0	147,682	0	147,682
2.2	from the Retail or Service Sector Loans	447,578	496,679	944,256	4,453,147	6,558,652	11,011,799
2.3	from the Energy Sector Loans	20,306	62,676	82,981	1,163,171	488,567	1,651,738
2.4	from the Agriculture and Forestry Sector Loans	297,055	36,986	334,040	1,731,205	900,003	2,631,207
2.5	from the Construction Sector Loans	9,464	59,076	68,540	109,984	1,045,734	1,155,718
2.6	from the Mining and Mineral Processing Sector Loans	-60,882	-55,873	-116,755	1,154,956	1,427,088	2,582,044
2.7	from the Transportation or Communications Sector Loans	18,837	43,085	61,922	118,447	929,289	1,047,736
2.8	from Individuals Loans	24,838,937	4,646,781	29,485,718	23,410,270	5,705,171	29,115,441
2.9	from Other Sectors Loans	14,154,874	13,161,891	27,316,765	1,923,773	2,437,705	4,361,478
3	Fees/penalties income from loans to customers			0			0
4	Interest and Discount Income from Securities	6,171,600	0	6,171,600	3,808,597	633	3,809,230
5	Other Interest Income	923,974	1,831	925,805	449,327	119,741	569,067
6	Total Interest Income	47,988,485	18,640,968	66,629,453	39,678,861	20,212,460	59,891,320
		Interest Expense					
7	Interest Paid on Demand Deposits	9,530,056	1,201,787	10,731,843	8,178,612	672,169	8,850,781
8	Interest Paid on Time Deposits	11,527,699	6,305,150	17,832,849	9,617,108	5,586,292	15,203,400
9	Interest Paid on Banks Deposits	246,773	110,954	357,727	179,120	1,735	180,855
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	3,775,280	6,635,059	10,410,339	229,399	7,775,291	8,004,690
12	Other Interest Expenses	204,473	235,538	440,011	416,689	245,233	661,922
13	Total Interest Expense	25,284,281	14,488,488	39,772,769	18,620,928	14,280,720	32,901,648
14	Net Interest Income	22,704,204	4,152,480	26,856,684	21,057,933	5,931,740	26,989,672
		Non-Interest Income					
15	Net Fee and Commission Income	4,935,101	792,447	5,727,548	5,810,374	249,901	6,060,276
15.1	Fee and Commission Income	5,756,547	2,903,936	8,660,483	7,029,259	3,083,045	10,112,304
15.2	Fee and Commission Expense	821,446	2,111,489	2,932,935	1,218,885	2,833,143	4,052,028
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	0	0	0	0	0	0
19	Gain (Loss) from Foreign Exchange Trading	9,792,919	0	9,792,919	16,299,147	0	16,299,147
20	Gain (Loss) from Foreign Exchange Translation	115,775	0	115,775	-11,790,272	0	-11,790,272
21	Gain (Loss) on Sales of Fixed Assets	-235,904	0	-235,904	171,399	0	171,399
22	Non-Interest Income from other Banking Operations	91,409	0	91,409	333,460	0	333,460
23	Other Non-Interest Income	1,096,075	575,161	1,671,236	1,743,339	1,243,404	2,986,742
24	Total Non-Interest Income	15,795,375	1,367,608	17,162,983	12,567,447	1,493,305	14,060,752
		Non-Interest Expenses					
25	Non-Interest Expenses from other Banking Operations	723,025	890,872	1,613,897	1,097,338	1,076,975	2,174,313
26	Bank Development, Consultation and Marketing Expenses	1,877,240	337,664	2,214,904	2,234,679	350,370	2,585,049
27	Personnel Expenses	17,444,167	0	17,444,167	19,463,651	0	19,463,651
28	Operating Costs of Fixed Assets	318,586	0	318,586	281,469	0	281,469
29	Depreciation Expense	4,171,550	0	4,171,550	3,977,520	0	3,977,520
30	Other Non-Interest Expenses	3,060,911	67,256	3,128,167	2,923,120	61,674	2,984,794
31	Total Non-Interest Expenses	27,595,479	1,295,792	28,891,271	29,977,777	1,489,019	31,466,796
32	Net Non-Interest Income	-11,800,104	71,816	-11,728,288	-17,410,330	4,286	-17,406,043
33	Net Income before Provisions	10,904,100	4,224,296	15,128,396	3,647,603	5,936,026	9,583,629
34	Loan Loss Reserve	37,890,502	X	37,890,502	6,920,718	X	6,920,718
35	Provision for Possible Losses on Investments and Securities	328,000	X	328,000	144,000	X	144,000
36	Provision for Possible Losses on Other Assets	2,559,607	X	2,559,607	453,436	X	453,436
37	Total Provisions for Possible Losses	40,778,109	0	40,778,109	7,518,154	0	7,518,154
38	Net Income before Taxes and Extraordinary Items	-29,874,009	4,224,296	-25,649,713	-3,870,551	5,936,026	2,065,475
39	Taxation	445,898		445,898	559,964	0	559,964
40	Net Income after Taxation	-30,319,907	4,224,296	-26,095,611	-4,430,515	5,936,026	1,505,511
41	Extraordinary Items			0			0
42	Net Income	-30,319,907	4,224,296	-26,095,611	-4,430,515	5,936,026	1,505,511

Bank: JSC "VTB Bank (Georgia)"
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	65,115,437	105,788,939	170,904,376	81,289,967	72,057,371	153,347,338
1.1	Guarantees Issued	26,619,194	53,360,480	79,979,674	42,613,449	44,068,159	86,681,608
1.2	Letters of credit Issued	0	0	0	0	3,993,422	3,993,422
1.3	Undrawn loan commitments	38,496,243	52,428,459	90,924,702	38,676,518	23,995,790	62,672,308
1.4	Other Contingent Liabilities	0	0	0	12,800	0	12,800
2	Guarantees received as security for liabilities of the bank	0	0	0	0	0	0
3	Assets pledged as security for liabilities of the bank	95,085,000	0	95,085,000	0	0	0
3.1	Financial assets of the bank	95,085,000	0	95,085,000	0	0	0
3.2	Non-financial assets of the bank	0	0	0	0	0	0
4	Guarantees received as security for receivables of the bank	262,969,892	34,502,615,480	34,765,585,372	342,537,387	31,955,640,635	32,298,178,022
4.1	Surety, joint liability	262,969,892	34,418,801,104	34,681,770,996	342,537,387	31,858,183,711	32,200,721,098
4.2	Guarantees	0	83,814,376	83,814,376	0	97,456,924	97,456,924
5	Assets pledged as security for receivables of the bank	145,393,708	5,358,014,208	5,503,407,915	170,671,244	4,396,676,712	4,567,347,956
5.1	Cash	9,197,055	31,643,094	40,840,149	15,719,449	41,387,577	57,107,026
5.2	Precious metals and stones	1	19,191,543	19,191,544	1	19,168,841	19,168,842
5.3	Real Estate:	97,333,612	3,963,629,874	4,060,963,485	127,746,226	3,332,990,430	3,460,736,657
5.3.1	Residential Property	5,914,808	1,288,612,737	1,294,527,545	5,966,876	1,170,393,449	1,176,360,325
5.3.2	Commercial Property	30,453,328	1,627,054,356	1,657,507,684	28,590,778	1,278,951,174	1,307,541,952
5.3.3	Complex Real Estate	0	39,955,243	39,955,243	0	36,015,906	36,015,906
5.3.4	Land Parcel	736,683	510,608,412	511,345,095	7,126,027	406,858,129	413,984,157
5.3.5	Other	60,228,793	497,399,126	557,627,919	86,062,545	440,771,772	526,834,317
5.4	Movable Property	35,456,425	466,296,947	501,753,372	23,721,403	328,946,431	352,667,834
5.5	Shares Pledged	12	763,899,786	763,899,798	12	534,021,907	534,021,919
5.6	Securities	0	47,749,753	47,749,753	0	59,566,111	59,566,111
5.7	Other	3,406,603	65,603,212	69,009,815	3,484,153	80,595,415	84,079,568
6	Derivatives	23,868,810	345,056,402	368,925,212	1,600,783	346,168,511	347,769,294
6.1	Receivables through FX contracts (except options)	0	184,071,389	184,071,389	0	182,245,070	182,245,070
6.2	Payables through FX contracts (except options)	23,868,810	160,985,013	184,853,823	1,600,783	163,923,441	165,524,224
6.3	Principal of interest rate contracts (except options)	0	0	0	0	0	0
6.4	Options sold	0	0	0	0	0	0
6.5	Options purchased	0	0	0	0	0	0
6.6	Nominal value of potential receivables through other derivatives	0	0	0	0	0	0
6.7	Nominal value of potential payables through other derivatives	0	0	0	0	0	0
7	Receivables not recognized on-balance	12,657,227	10,656,964	23,314,191	10,944,983	12,783,853	23,728,836
7.1	Principal of receivables derecognized during last 3 month	61,324	0	61,324	78,293	0	78,293
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	918	0	918	323	0	323
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	7,150,922	5,801,748	12,952,670	6,480,371	7,035,303	13,515,674
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	5,506,305	4,855,216	10,361,521	4,464,612	5,748,550	10,213,162
8	Non-cancelable operating lease	0	3,783,501	3,783,501	17,980	4,781,118	4,799,098
8.1	Through indefinit term agreement	0	0	0	0	0	0
8.2	Within one year	0	1,284,723	1,284,723	2,688	1,224,219	1,226,907
8.3	From 1 to 2 years	0	1,085,231	1,085,231	2,688	1,190,809	1,193,497
8.4	From 2 to 3 years	0	604,284	604,284	2,688	1,022,935	1,025,623
8.5	From 3 to 4 years	0	482,871	482,871	2,688	575,314	578,002
8.6	From 4 to 5 years	0	326,391	326,391	2,688	455,345	458,033
8.7	More than 5 years	0	0	0	4,540	312,496	317,035
9	Capital expenditure commitment			0			0

Bank: JSC "VTB Bank (Georgia)"
Date: 30/06/2020

Table 5

Risk Weighted Assets

in Lari

N		T	T-1
1	Risk Weighted Assets for Credit Risk	1,449,809,358	1,463,348,113
1.1	Balance sheet items	1,356,906,828	1,367,026,430
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	1,549,223	3,513,696
1.2	Off-balance sheet items	87,182,007	90,738,039
1.3	Counterparty credit risk	5,720,523	5,583,643
2	Risk Weighted Assets for Market Risk	15,552,494	15,907,604
3	Risk Weighted Assets for Operational Risk	172,838,251	172,838,251
4	Total Risk Weighted Assets	1,638,200,102	1,652,093,968

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

Bank: JSC "VTB Bank (Georgia)"

Date: 30/06/2020

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

Members of Supervisory Board	
1	Sergey Stepanov
2	Ilnar Shaimardanov
3	Asya Zakharova
4	Iulia Kopytova
5	Merab Kakulia
6	Gocha Matsaberidze
Members of Board of Directors	
1	Archil Kontselidze
2	Mamuka Menteshashvili
3	Niko Chkhetiani
4	Valerian Gabunia
5	Vladimer Robakidze
6	Irakli Dolidze
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	VTB Bank (PJSC) 97.38%
2	LTD "Lakarpa Enterprises Limited" 1.47%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	Russian Federation 59.34%

Bank: JSC "VTB Bank (Georgia)"

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 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	63,685,848		63,685,848
2	Due from NBG	265,104,925		265,104,925
3	Due from Banks	28,246,333		28,246,333
4	Dealing Securities	0		0
5	Investment Securities	176,054,670		176,054,670
6.1	Loans	1,222,950,478		1,222,950,478
6.2	<i>Less: Loan Loss Reserves</i>	<i>-112,469,509</i>		<i>-112,469,509</i>
6	Net Loans	1,110,480,969		1,110,480,969
7	Accrued Interest and Dividends Receivable	27,935,591		27,935,591
8	Other Real Estate Owned & Repossessed Assets	9,570,309		9,570,309
9	Equity Investments	54,000		54,000
10	Fixed Assets and Intangible Assets	61,130,760	11,060,007	50,070,753
11	Other Assets	37,644,000		37,644,000
	Total exposures subject to credit risk weighting before adjustments	1,779,907,405	11,060,007	1,768,847,398

Bank: JSC "VTB Bank (Georgia)"

Date: 30/06/2020

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	1,768,847,398
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	170,815,640
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	184,853,824
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	2,124,516,862
4	Effect of provisioning rules used for capital adequacy purposes	20,334,278
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-74,588,180
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-179,133,301
6	Effect of other adjustments	20,582,766
7	Total exposures subject to credit risk weighting	1,911,712,425

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

Bank: JSC "VTB Bank (Georgia)"

Date: 30/06/2020

Table 9 **Regulatory capital**

N		in Lari
1	Common Equity Tier 1 capital before regulatory adjustments	194,763,686
2	Common shares that comply with the criteria for Common Equity Tier 1	209,008,277
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	
4	Accumulated other comprehensive income	9,597,053
5	Other disclosed reserves	
6	Retained earnings (loss)	-23,841,644
7	Regulatory Adjustments of Common Equity Tier 1 capital	20,384,254
8	Revaluation reserves on assets	9,597,053
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	10,787,201
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	174,379,432
24	Additional tier 1 capital before regulatory adjustments	13,111,500
25	Instruments that comply with the criteria for Additional tier 1 capital	13,111,500
26	Including: instruments classified as equity under the relevant accounting standards	
27	Including: instruments classified as liabilities under the relevant accounting standards	13,111,500
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	13,111,500
36	Tier 2 capital before regulatory adjustments	77,447,137
37	Instruments that comply with the criteria for Tier 2 capital	59,324,520
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	18,122,617
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	77,447,137

Bank: JSC "VTB Bank (Georgia)"

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%	73,719,005
1.2	Minimum Tier 1 Requirement	6.00%	98,292,006
1.3	Minimum Regulatory Capital Requirement	8.00%	131,056,008
2	Combined Buffer		
2.1	Capital Conservation Buffer	0.00%	-
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer		-
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	1.21%	19,810,275
3.2	Tier 1 Pillar2 Requirement	1.61%	26,448,124
3.3	Regulatory capital Pillar 2 Requirement	6.34%	103,840,757
	Total Requirements	Ratios	Amounts (GEL)
4	CET1	5.71%	93,529,280
5	Tier 1	7.61%	124,740,130
6	Total regulatory Capital	14.34%	234,896,765

* 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>)

Bank: JSC "VTB Bank (Georgia)"
Date: 30/06/2020

Table 10 **Reconciliation of balance sheet to regulatory capital** in Lari

N	On-balance sheet items per standardized regulatory report	Carrying values as reported in published stand-alone financial statements per local accounting rules	linkage to capital table
1	Cash	63,685,848	
2	Due from NBG	265,104,925	
3	Due from Banks	28,246,333	
4	Dealing Securities		
5.1	Investment Securities	176,751,670	
5.2	Less: Investment Securities Loss Reserves	-697,000	
5.2.1	General reserves of Investment Securities	697,000	Table 9 (Capital), C46
5	Net Investment Securities	176,054,670	
6.1	Loans	1,222,950,478	
6.2	Less: Loan Loss Reserves	-112,469,509	
6.2.1	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	17,425,617	Table 9 (Capital), C46
6.2.1	COVID 19 reserves	20,309,960	
6	Net Loans	1,110,480,969	
7	Accrued Interest and Dividends Receivable	27,935,591	
8	Other Real Estate Owned & Repossessed Assets	9,570,309	
9	Equity Investments	54,000	
9.1	<i>Of which above 10% equity holdings in financial institutions</i>		
9.2	<i>Of which significant investments subject to limited recognition</i>		
9.3	<i>Of which below 10% equity holdings subject to limited recognition</i>		
10	Fixed Assets and Intangible Assets	61,130,760	
10.1	<i>Of which intangible assets</i>	11,060,007	Table 9 (Capital), C15
11	Other Assets	37,644,000	
11.1	Deferred Tax liabilities relating to temporary differences from Intangible assets	-272,806	Table 9 (Capital), C15
12	Total assets	1,779,907,405	
13	Due to Banks	14,037,773	
14	Current (Accounts) Deposits	369,072,012	
15	Demand Deposits	227,281,803	
16	Time Deposits	683,809,916	
17	Own Debt Securities	0	
18	Borrowings	177,620,283	
19	Accrued Interest and Dividends Payable	12,402,216	
20	Other Liabilities	28,483,696	
20.1	Including reserve amount of off-balance items (the portion that was included in regulatory capital within limits)	0	Table 9 (Capital), C46
21	Subordinated Debentures	72,436,020	
21.1	<i>Of which tier II capital qualifying instruments</i>	59,324,520	Table 9 (Capital), C44
21.2	Including: instruments classified as liabilities under the relevant accounting standards	13,111,500	Table 9 (Capital), C33
22	Total liabilities	1,585,143,719	
23	Common Stock	209,008,277	Table 9 (Capital), C7
24	Preferred Stock		
25	Less: Repurchased Shares		
26	Share Premium		
27	General Reserves	0	
28	Retained Earnings	-23,841,644	Table 9 (Capital), C11
29	Asset Revaluation Reserves	9,597,053	
29.1	Accumulated other comprehensive income	9,597,053	Table 9 (Capital), C9
29.2	Revaluation reserves on assets	-9,597,053	Table 9 (Capital), C13
30	Total Equity Capital	194,763,686	

Table 12 Credit Risk Mitigation

	On-balance sheet netting	Cash on deposit with or cash assigned instruments	Funded Credit Protection							Unfunded Credit Protection							Total Credit Risk Mitigation On-balance sheet	Total Credit Risk Mitigation Off-balance sheet	Total Credit Risk Mitigation	
			Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by other entities, which securities have a credit assessment, which has been determined by NBS 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 NBS 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 NBS 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																0		0
2	Claims or contingent claims on regional governments or local authorities	0																0		0
3	Claims or contingent claims on public sector entities	0																0		0
4	Claims or contingent claims on multilateral development banks	0																0		0
5	Claims or contingent claims on international organizations/institutions	0																0		0
6	Claims or contingent claims on commercial banks	0																0		0
7	Claims or contingent claims on corporates		23,643,955															17,336,859	6,304,497	23,643,955
8	Retail claims or contingent retail claims		7,637,159															6,730,739	898,379	7,637,159
9	Claims or contingent claims secured by mortgages on residential property																	0		0
10	Past due items		36,490															36,490		36,490
11	Items belonging to regulatory high-risk categories		0															0		0
12	Short-term claims on commercial banks and corporates		0															0		0
13	Claims in the form of collective investment undertakings		0															0		0
14	Other items		0															0		0
	Total	0	31,317,104	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24,166,237	7,160,867	31,317,104

Bank: JSC "VTB Bank (Georgia)"
Date: 30/06/2020

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

Table 11		a	b	c	d	e	f	g	h	i	j	k		l		m	n	o		p	q
Risk weights	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	On-balance sheet amount	Off-balance sheet amount				
1	Claims or contingent claims on central governments or central banks	193,511,170		0		0		0		0		215,048,620		0		0		0		215,048,620	
2	Claims or contingent claims on regional governments or local authorities	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		-	
4	Claims or contingent claims on multilateral development banks	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		-	
6	Claims or contingent claims on commercial banks	0		26,697,491		0		854,005		0		694,837	3,869,601	0		0		0		10,330,939	
7	Claims or contingent claims on corporates	0	0	0	0	0	0	0	0	0	0	583,762,622	77,368,975	3,949,758	50,082	0	0	0	0	667,131,357	
8	Retail claims or contingent retail claims	0		0		0		0		214,524,958	11,258,056	32,311,378	288,588	114,593,595	2,704,165	0		0		377,883,866	
9	Claims or contingent claims secured by mortgages on residential property	0		0		207,008,243	687,994	0		0		0		0		0		0		72,693,683	
10	Past due items	0		0		0		3,567,797		0		14,734,643		719,764		0		0		17,598,188	
11	Items belonging to regulatory high-risk categories	0		0		0		0		0		0		0		0		0		-	
12	Short-term claims on commercial banks and corporates	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		-	
14	Other items	63,685,848		0		0		0		0		133,480,023		0		619,689		0		135,029,246	
	Total	257,197,018	0	26,697,491	0	207,008,243	687,994	4,421,802	0	214,524,958	11,258,056	980,032,122	81,527,163	119,263,118	2,754,247	619,689	0	0	0	1,495,715,899	

Bank: JSC "VTB Bank (Georgia)"
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 - Nominal value				
Asset Classes							
1	Claims or contingent claims on central governments or central banks	408,559,790	0	0	215,048,620	215,048,620	53%
2	Claims or contingent claims on regional governments or local authorities	0	0	0	0	0	0%
3	Claims or contingent claims on public sector entities	0	0	0	0	0	0%
4	Claims or contingent claims on multilateral development banks	0	0	0	0	0	0%
5	Claims or contingent claims on international organizations/institutions	0	0	0	0	0	0%
6	Claims or contingent claims on commercial banks	28,246,333	7,739,202	3,869,601	10,330,939	10,330,939	32%
7	Claims or contingent claims on corporates	587,712,380	135,162,457	77,419,057	667,131,357	643,488,002	97%
8	Retail claims or contingent retail claims	361,429,931	26,596,654	14,250,809	377,883,866	370,246,707	99%
9	Claims or contingent claims secured by mortgages on residential property	207,008,243	1,317,327	687,994	72,693,683	72,693,683	35%
10	Past due items	19,022,204	0	0	17,598,188	17,561,598	92%
11	Items belonging to regulatory high-risk categories	0	0	0	0	0	0%
12	Short-term claims on commercial banks and corporates	0	0	0	0	0	0%
13	Claims in the form of collective investment undertakings ('CIU')	0	0	0	0	0	0%
14	Other items	197,785,560	0	0	135,029,246	135,029,246	68%
	Total	1,809,764,442	170,815,640	96,227,460	1,495,715,899	1,464,398,795	77%

Bank: JSC "VTB Bank (Georgia)"
Date: 30/06/2020

Table 11 **Liquidity Coverage Ratio**

		Total unweighted value (daily average)			Total weighted values according to NBG's methodology* (daily average)			Total weighted values according to Basel methodology (daily average)		
		GEL	FX	Total	GEL	FX	Total	GEL	FX	Total
High-quality liquid assets										
1	Total HQLA				140,804,190	290,330,480	431,134,670	140,030,769	247,358,296	387,389,065
Cash outflows										
2	Retail deposits	128,911,632	401,435,308	530,346,940	10,141,114	27,791,874	37,932,988	2,554,149	6,367,428	8,921,577
3	Unsecured wholesale funding	387,591,499	487,452,456	875,043,956	132,227,661	119,889,958	252,117,619	110,559,171	102,528,696	213,087,868
4	Secured wholesale funding	111,260,440	-	111,260,440	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	76,690,301	106,598,265	183,288,566	13,929,638	22,068,926	35,998,564	5,433,210	8,258,589	13,691,798
6	Other contractual funding obligations	-	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	21,537,043	17,730,762	39,267,805	3,014,662	1,881,148	4,895,810	3,014,662	1,881,148	4,895,810
8	TOTAL CASH OUTFLOWS	725,990,915	1,013,216,791	1,739,207,707	159,313,076	171,631,906	330,944,981	121,561,192	119,035,861	240,597,053
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	532,144,178	545,709,985	1,077,854,163	10,544,537	8,634,425	19,178,962	11,317,958	55,398,512	66,716,470
11	Other cash inflows	46,904,854	1,333,583	48,238,437	2,011,554	-	2,011,554	2,011,554	-	2,011,554
12	TOTAL CASH INFLOWS	579,049,032	547,043,568	1,126,092,600	12,556,091	8,634,425	21,190,516	13,329,512	55,398,512	68,728,024
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				140,804,190	290,330,480	431,134,670	140,030,769	247,358,296	387,389,065
14	Net cash outflow				146,756,985	162,997,480	309,754,465	108,231,680	63,637,349	171,869,029
15	Liquidity coverage ratio (%)				95.94%	178.12%	139.19%	129.38%	388.70%	225.40%

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

Bank: JSC "VTB Bank (Georgia)"
 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	184,853,824		5,720,523	0	0	0	0	0	5,720,523	0	0	5,720,523
1.1	Maturity less than 1 year	151,062,003	2.0%	3,021,240						3,021,240			3,021,240
1.2	Maturity from 1 year up to 2 years	44,928	5.0%	2,246						2,246			2,246
1.3	Maturity from 2 years up to 3 years	33,014,232	8.0%	2,641,139						2,641,139			2,641,139
1.4	Maturity from 3 years up to 4 years	508,160	11.0%	55,898						55,898			55,898
1.5	Maturity from 4 years up to 5 years	0	14.0%	0						0			0
1.6	Maturity over 5 years	224,501								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	184,853,824		5,720,523	0	0	0	0	0	5,720,523	0	0	5,720,523

Bank: JSC "VTB Bank (Georgia)"

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)	1,800,514,488
2	(Asset amounts deducted in determining Tier 1 capital)	(20,384,254)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	1,780,130,235
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	5,720,523
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)	5,720,523
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	170,815,640
18	(Adjustments for conversion to credit equivalent amounts)	(74,588,180)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	96,227,460
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	187,490,932
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,882,078,217
Leverage ratio		
22	Leverage ratio	9.96%
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