

Pillar 3 quarterly report		
1	Name of a bank	Terabank
2	Chairman of the Supervisory Board	H.H. Sheikh Nahayan Mabarak Al Nahayan
3	CEO of a bank	Thea Lortkipanidze
4	Bank's web page	www.terabank.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: Terabank

Date:

6/30/2020

Table 1

Key metrics

N		6/30/2020	3/31/2020	12/31/2019	9/30/2019	6/30/2019
	Regulatory capital (amounts, GEL)					
	<i>Based on Basel III framework</i>					
1	Common Equity Tier 1 (CET1)	96,484,633	97,812,467	116,131,510	116,068,649	108,722,462
2	Tier 1	96,484,633	97,812,467	116,131,510	116,068,649	108,722,462
3	Total regulatory capital	152,741,011	163,125,146	172,988,561	177,356,901	167,351,193
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	945,036,349	962,318,944	898,692,526	940,885,173	932,602,568
	Capital ratios as a percentage of RWA					
	<i>Based on Basel III framework *</i>					
5	Common equity Tier 1 ratio >=5.61%	10.21%	10.16%	12.92%	12.34%	11.66%
6	Tier 1 ratio >=7.48%	10.21%	10.16%	12.92%	12.34%	11.66%
7	Total Regulatory Capital ratio >=12.74%	16.16%	16.95%	19.25%	18.85%	17.94%
	Income					
8	Total Interest Income /Average Annual Assets	7.87%	8.03%	8.06%	7.98%	8.03%
9	Total Interest Expense / Average Annual Assets	4.06%	3.84%	3.75%	3.72%	3.70%
10	Earnings from Operations / Average Annual Assets	1.89%	2.76%	2.08%	2.30%	2.47%
11	Net Interest Margin	3.81%	4.19%	4.31%	4.25%	4.34%
12	Return on Average Assets (ROAA)	-3.69%	-7.16%	2.04%	2.75%	2.67%
13	Return on Average Equity (ROAE)	-30.09%	-54.89%	14.96%	20.34%	19.56%
	Asset Quality					
14	Non Performed Loans / Total Loans	6.77%	4.92%	5.50%	6.60%	7.17%
15	LLR/Total Loans	8.28%	7.96%	4.88%	5.36%	5.48%
16	FX Loans/Total Loans	62.44%	64.83%	62.60%	61.95%	63.20%
17	FX Assets/Total Assets	59.61%	64.47%	59.39%	60.27%	61.06%
18	Loan Growth-YTD	6.16%	6.02%	10.82%	4.14%	6.21%
	Liquidity					
19	Liquid Assets/Total Assets	18.30%	21.02%	21.48%	25.65%	20.56%
20	FX Liabilities/Total Liabilities	65.83%	70.95%	68.57%	68.67%	64.11%
21	Current & Demand Deposits/Total Assets	32.70%	33.23%	34.76%	35.87%	40.16%
	Liquidity Coverage Ratio***					
22	Total HQLA	220,354,395	233,178,658	252,298,139	227,311,185	175,731,209
23	Net cash outflow	160,867,671	156,134,618	158,182,814	171,809,200	157,540,760
24	LCR ratio (%)	136.98%	149.34%	159.50%	132.30%	111.55%

* 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	15,585,827	18,397,466	33,983,293	14,818,931	16,417,444	31,236,375
2	Due from NBG	8,376,061	117,018,791	125,394,852	13,918,415	141,233,558	155,151,973
3	Due from Banks	152,396	29,328,889	29,481,285	150,596	10,557,085	10,707,680
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	81,275,060	0	81,275,060	53,385,588	0	53,385,588
6.1	Loans	307,900,129	511,831,670	819,731,799	272,327,140	467,693,895	740,021,035
6.2	Less: Loan Loss Reserves	-35,783,908	-32,082,227	-67,866,135	-18,226,642	-22,311,185	-40,537,827
6	Net Loans	272,116,220	479,749,444	751,865,664	254,100,498	445,382,709	699,483,207
7	Accrued Interest and Dividends Receivable	8,026,305	7,461,796	15,488,100	3,934,054	3,728,760	7,662,815
8	Other Real Estate Owned & Repossessed Assets	2,067,125	0	2,067,125	726,177	0	726,177
9	Equity Investments	0	0	0	0	0	0
10	Fixed Assets and Intangible Assets	48,255,000	0	48,255,000	48,106,637	0	48,106,637
11	Other Assets	6,380,829	707,137	7,087,966	4,954,509	751,492	5,706,001
12	Total assets	442,234,823	652,663,522	1,094,898,346	394,095,405	618,071,048	1,012,166,454
	Liabilities						
13	Due to Banks	1,239	5,917,924	5,919,162	8,542	5,362,094	5,370,637
14	Current (Accounts) Deposits	56,144,358	133,193,632	189,337,990	68,593,096	142,320,101	210,913,197
15	Demand Deposits	43,927,308	124,795,245	168,722,553	74,558,270	121,035,047	195,593,317
16	Time Deposits	117,866,855	235,055,337	352,922,191	96,205,418	193,506,617	289,712,035
17	Own Debt Securities	0	0	0	0	0	0
18	Borrowings	104,343,500	70,480,804	174,824,304	57,949,500	35,018,081	92,967,581
19	Accrued Interest and Dividends Payable	2,255,218	2,954,146	5,209,363	9,949,934	1,972,480	11,922,413
20	Other Liabilities	8,650,363	11,980,823	20,631,186	8,547,404	12,439,278	20,986,682
21	Subordinated Debentures	0	57,556,912	57,556,912	0	52,410,904	52,410,904
22	Total liabilities	333,188,840	641,934,822	975,123,662	315,812,164	564,064,602	879,876,766
	Equity Capital						
23	Common Stock	121,372,000	0	121,372,000	121,372,000	0	121,372,000
24	Preferred Stock	0	0	0	0	0	0
25	Less: Repurchased Shares	0	0	0	0	0	0
26	Share Premium	0	0	0	0	0	0
27	General Reserves	0	0	0	0	0	0
28	Retained Earnings	-1,597,318	0	-1,597,318	10,917,688	0	10,917,688
29	Asset Revaluation Reserves	0	0	0	0	0	0
30	Total Equity Capital	119,774,682	0	119,774,682	132,289,688	0	132,289,688
31	Total liabilities and Equity Capital	452,963,522	641,934,822	1,094,898,344	448,101,852	564,064,602	1,012,166,454

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Table 3 **Income statement**

in Lari

N		Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	537,015	116,594	653,609	356,353	195,953	552,305
2	Interest Income from Loans	18,088,328	18,538,181	36,626,509	16,377,227	17,416,744	33,793,971
2.1	from the Interbank Loans	-	-	-	-	-	-
2.2	from the Retail or Service Sector Loans	3,457,106	6,921,821	10,378,927	2,746,896	6,579,438	9,326,334
2.3	from the Energy Sector Loans	-	893,901	893,901	-	118,776	118,776
2.4	from the Agriculture and Forestry Sector Loans	198,263	164,520	362,782	439,734	136,322	576,056
2.5	from the Construction Sector Loans	223,875	1,922,515	2,146,390	200,241	1,834,403	2,034,645
2.6	from the Mining and Mineral Processing Sector Loans	13,768	12,918	26,686	4,864	5,675	10,540
2.7	from the Transportation or Communications Sector Loans	2,133	-	2,133	151	340,543	340,694
2.8	from Individuals Loans	12,286,369	7,853,784	20,140,154	10,830,730	7,183,360	18,014,090
2.9	from Other Sectors Loans	1,906,814	768,722	2,675,536	2,154,611	1,218,225	3,372,836
3	Fees/penalties income from loans to customers	483,828	591,095	1,074,923	786,951	943,191	1,730,142
4	Interest and Discount Income from Securities	2,800,127	-	2,800,127	2,161,859	-	2,161,859
5	Other Interest Income	310,280	195,198	505,478	390,682	190,194	580,874
6	Total Interest Income	22,219,578	19,441,068	41,660,646	20,073,073	18,746,082	38,819,154
	Interest Expense						
7	Interest Paid on Demand Deposits	2,493,418	1,069,159	3,562,577	2,547,435	1,678,990	4,226,425
8	Interest Paid on Time Deposits	6,261,630	4,843,440	11,105,071	4,648,005	4,065,942	8,713,948
9	Interest Paid on Banks Deposits	467	59,511	59,978	6,368	15,359	21,728
10	Interest Paid on Own Debt Securities	-	-	-	-	-	-
11	Interest Paid on Other Borrowings	3,362,093	3,415,020	6,777,113	2,750,118	2,147,222	4,897,340
12	Other Interest Expenses	-	-	-	-	-	-
13	Total Interest Expense	12,117,608	9,387,131	21,504,739	9,951,927	7,907,514	17,859,440
14	Net Interest Income	10,101,970	10,053,937	20,155,907	10,121,146	10,838,568	20,959,714
	Non-interest Income						
15	Net Fee and Commission Income	1,099,643	118,800	1,218,443	1,675,708	492,364	2,168,073
15.1	Fee and Commission Income	2,107,988	1,352,146	3,460,134	2,644,033	1,816,715	4,460,749
15.2	Fee and Commission Expense	1,008,345	1,233,346	2,241,691	968,325	1,324,351	2,292,676
16	Dividend Income	-	-	-	-	-	-
17	Gain (Loss) from Dealing Securities	-	-	-	-	-	-
18	Gain (Loss) from Investment Securities	-	-	-	-	-	-
19	Gain (Loss) from Foreign Exchange Trading	1,441,485	-	1,441,485	872,145	-	872,145
20	Gain (Loss) from Foreign Exchange Translation	1,750,094	-	1,750,094	2,023,323	-	2,023,323
21	Gain (Loss) on Sales of Fixed Assets	92,859	-	92,859	740,352	-	740,352
22	Non-Interest Income from other Banking Operations	350	1,433	1,783	9,480	5,148	14,628
23	Other Non-Interest Income	43,371	177	43,548	99,554	4,077	103,630
24	Total Non-Interest Income	4,427,803	120,410	4,548,213	5,420,562	501,589	5,922,151
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	299,037	253,933	552,970	310,798	277,743	588,541
26	Bank Development, Consultation and Marketing Expenses	696,964	12,452	709,417	680,839	2,630	683,469
27	Personnel Expenses	6,650,575	-	6,650,575	6,600,447	-	6,600,447
28	Operating Costs of Fixed Assets	-	-	-	-	-	-
29	Depreciation Expense	2,601,031	-	2,601,031	2,196,784	-	2,196,784
30	Other Non-Interest Expenses	2,336,519	-	2,336,519	2,114,773	7,320	2,122,092
31	Total Non-Interest Expenses	12,584,126	266,385	12,850,511	11,903,640	287,693	12,191,333
32	Net Non-Interest Income	(8,156,323)	(145,976)	(8,302,299)	(6,483,078)	213,896	(6,269,182)
33	Net Income before Provisions	1,945,647	9,907,962	11,853,609	3,638,068	11,052,464	14,690,533
34	Loan Loss Reserve	30,264,667	-	30,264,667	2,552,009	-	2,552,009
35	Provision for Possible Losses on Investments and Securities	7,638	-	7,638	-	-	-
36	Provision for Possible Losses on Other Assets	1,132,208	-	1,132,208	(744,433)	-	(744,433)
37	Total Provisions for Possible Losses	31,404,513	-	31,404,513	1,807,576	-	1,807,576
38	Net Income before Taxes and Extraordinary Items	(29,458,866)	9,907,962	(19,550,904)	1,830,492	11,052,464	12,882,956
39	Taxation	-	-	-	-	-	-
40	Net Income after Taxation	(29,458,866)	9,907,962	(19,550,904)	1,830,492	11,052,464	12,882,956
41	Extraordinary Items	-	-	-	-	-	-
42	Net Income	(29,458,866)	9,907,962	(19,550,904)	1,830,492	11,052,464	12,882,956

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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	29,910,070	35,963,182	65,873,252	34,957,594	28,846,583	63,804,176
1.1	Guarantees Issued	18,799,667	17,887,328	36,686,995	22,288,164	19,599,562	41,887,726
1.2	Letters of credit issued	2,241,900	2,156,510	4,398,410	2,555,000	2,004,181	4,559,181
1.3	Undrawn loan commitments	8,868,503	15,919,344	24,787,847	10,114,430	7,242,840	17,357,270
1.4	Other Contingent Liabilities	0	0	0	0	0	0
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	94,293,000	0	94,293,000	34,594,000	0	34,594,000
3.1	Financial assets of the bank	94,293,000	0	94,293,000	34,594,000	0	34,594,000
3.2	Non-financial assets of the bank	0	0	0	0	0	0
4	Guarantees received as security for receivables of the bank	178,856,729	381,519,142	560,375,871	168,610,473	388,184,642	556,795,114
4.1	Surety, joint liability	178,856,729	381,519,142	560,375,871	168,610,473	388,184,642	556,795,114
4.2	Guarantees	0	0	0	0	0	0
5	Assets pledged as security for receivables of the bank	681,773,501	940,683,150	1,622,456,652	599,847,984	865,877,450	1,465,725,434
5.1	Cash	13,738,584	34,233,333	47,971,917	16,043,825	44,079,161	60,122,986
5.2	Precious metals and stones	74,545,565	17,026,575	91,572,140	54,717,592	24,355,129	79,072,721
5.3	Real Estate:	533,116,877	863,291,025	1,396,407,903	478,736,367	769,646,054	1,248,382,421
5.3.1	Residential Property	317,523,187	350,612,418	668,135,605	300,172,501	332,663,491	632,835,993
5.3.2	Commercial Property	123,040,015	307,051,570	430,091,584	99,616,460	307,589,458	407,205,917
5.3.3	Complex Real Estate	12,429,520	17,859,626	30,289,146	8,893,333	11,937,743	20,831,075
5.3.4	Land Parcel	54,321,345	78,064,110	132,385,455	40,443,405	65,950,933	106,394,338
5.3.5	Other	25,802,811	109,703,301	135,506,112	29,610,668	51,504,430	81,115,097
5.4	Movable Property	14,953,293	14,776,910	29,730,204	13,184,143	14,544,753	27,728,896
5.5	Shares Pledged	0	0	0	0	0	0
5.6	Securities	0	0	0	0	0	0
5.7	Other	45,419,182	11,355,306	56,774,489	37,166,056	13,252,354	50,418,411
6	Derivatives	13,698,269	86,054,973	99,753,242	64,359,680	65,846,740	130,206,420
6.1	Receivables through FX contracts (except options)	13,698,269	86,054,973	99,753,242	64,359,680	65,846,740	130,206,420
6.2	Payables through FX contracts (except options)	0	49,853,682	49,853,682	0	65,846,740	65,846,740
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	0	0	0	0	0	0
7.1	Principal of receivables derecognized during last 3 month	1,252,868	14,122	1,266,990	226,082	8,311	234,393
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	999,296	1,132,248	2,131,544	1,422,968	1,498,593	2,921,562
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	6,199,777	15,283,752	21,483,529	5,310,314	14,946,398	20,256,713
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	42,691,614	75,943,013	118,634,627	42,739,367	74,896,510	117,635,877
8	Non-cancelable operating lease	0	0	0	0	0	0
8.1	Through indefinit term agreement	0	0	0	0	0	0
8.2	Within one year	0	0	0	0	0	0
8.3	From 1 to 2 years	0	0	0	0	0	0
8.4	From 2 to 3 years	0	0	0	0	0	0
8.5	From 3 to 4 years	0	0	0	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	0	0	0	0

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Table 5

Risk Weighted Assets

in Lari

N		6/30/2020	3/31/2020
1	Risk Weighted Assets for Credit Risk	827,944,616	846,068,888
1.1	Balance sheet items	807,035,273	823,574,155
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)	0	0
1.2	Off-balance sheet items	19,912,270	21,240,643
1.3	Counterparty credit risk	997,074	1,254,090
2	Risk Weighted Assets for Market Risk	23,259,197	22,417,520
3	Risk Weighted Assets for Operational Risk	93,832,536	93,832,536
4	Total Risk Weighted Assets	945,036,349	962,318,944

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

Bank: Terabank

Date:

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

Members of Supervisory Board	
1	H.H. Sheikh Nahayan Mabarak Al Nahayan (Chairman)
2	H.E Sheikh Saif Mohammed Bin Buti Al Hamed (Deputy)
3	Semi Edvard Adam Khalil (Member)
4	Seiti Devdariani (Member)
5	Geert Roelof De Korte (Member)
6	Nana Mikashavidze (Member)
7	Adel Safwat Guirguis Rupaeil (Advisor)
Members of Board of Directors	
1	Thea Lortkipanidze (Chief Executive Officer)
2	Sophia Jugeli (Chief Financial Officer)
3	Teimuraz Abuladze (Chief Risks Officer)
4	Vakhtang Khutsishvili (Chief Operating Officer)
List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	H.H. Sheikh Nahayan Mabarak Al Nahayan 45%
2	H.H. Sheikh Hamdan Bin Zayed Al Nahayan 20%
3	H.H. Sheikh Mansoor Binzayed Binsultan Al-Nahyan 15%
4	H.E. Sheikh Mohamed Butti Alhamed 15%
5	LTD "INVESTMENT TRADING GROUP" 5%
List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	H.H. Sheikh Nahayan Mabarak Al Nahayan 45%
2	H.H. Sheikh Hamdan Bin Zayed Al Nahayan 20%
3	H.H. Sheikh Mansoor Binzayed Binsultan Al-Nahyan 15%
4	H.E. Sheikh Mohamed Butti Alhamed 15%
5	LTD "INVESTMENT TRADING GROUP" 5%

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

		a	b	c
		Carrying values of items		
Account name of standardized supervisory balance sheet item		Carrying values as reported in published stand-alone financial statements per local accounting rules	Not subject to capital requirements or subject to deduction from capital	Subject to credit risk weighting
1	Cash	33,983,293	0	33,983,293
2	Due from NBG	125,394,852	0	125,394,852
3	Due from Banks	29,481,285	0	29,481,285
4	Dealing Securities	0	0	0
5	Investment Securities	81,275,060	0	81,275,060
6.1	Loans	819,731,799	0	819,731,799
6.2	Less: Loan Loss Reserves	-67,866,135	0	-67,866,135
6	Net Loans	751,865,664	0	751,865,664
7	Accrued Interest and Dividends Receivable	15,488,100	0	15,488,100
8	Other Real Estate Owned & Repossessed Assets	2,067,125	0	2,067,125
9	Equity Investments	0	0	0
10	Fixed Assets and Intangible Assets	48,255,000	23,290,049	24,964,951
11	Other Assets	7,087,966	0	7,087,966
Total exposures subject to credit risk weighting before adjustments		1,094,898,346	23,290,049	1,071,608,297

Bank: Terabank

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

1	Total carrying value of balance sheet items subject to credit risk weighting before adjustments	1,071,608,297
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	61,236,974
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	49,853,682
3	Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes	1,182,698,953
4	Effect of provisioning rules used for capital adequacy purposes	12,415,304
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-29,105,481
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-48,856,608
6	Effect of other adjustments	10,131,757
7	Total exposures subject to credit risk weighting	1,127,283,923

*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	119,774,682
2	Common shares that comply with the criteria for Common Equity Tier 1	121,372,000
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	0
4	Accumulated other comprehensive income	0
5	Other disclosed reserves	0
6	Retained earnings (loss)	-1,597,318
7	Regulatory Adjustments of Common Equity Tier 1 capital	23,290,049
8	Revaluation reserves on assets	0
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	0
10	Intangible assets	23,290,049
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	0
12	Investments in own shares	0
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	0
14	Cash flow hedge reserve	0
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	0
16	Significant investments in the common equity tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions that are outside the scope of regulatory consolidation	0
17	Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities	0
18	Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit)	0
19	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	0
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0
21	The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1	0
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	0
23	Common Equity Tier 1	96,484,633
24	Additional tier 1 capital before regulatory adjustments	0
25	Instruments that comply with the criteria for Additional tier 1 capital	0
26	Including: instruments classified as equity under the relevant accounting standards	0
27	Including: instruments classified as liabilities under the relevant accounting standards	0
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	0
29	Regulatory Adjustments of Additional Tier 1 capital	0
30	Investments in own Additional Tier 1 instruments	0
31	Reciprocal cross-holdings in Additional Tier 1 instruments	0
32	Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	0
33	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	0
34	Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments	0
35	Additional Tier 1 Capital	0
36	Tier 2 capital before regulatory adjustments	56,256,378
37	Instruments that comply with the criteria for Tier 2 capital	45,907,070
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	0
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	10,349,308
40	Regulatory Adjustments of Tier 2 Capital	0
41	Investments in own shares that meet the criteria for Tier 2 capital	0
42	Reciprocal cross-holdings in Tier 2 capital	0
43	Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	0
44	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	0
45	Tier 2 Capital	56,256,378

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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%	42,526,636
1.2	Minimum Tier 1 Requirement	6.00%	56,702,181
1.3	Minimum Regulatory Capital Requirement	8.00%	75,602,908
2	Combined Buffer		
2.1	Capital Conservation Buffer	0.00%	-
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.00%	-
3	Pillar 2 Requirements		
3.1	CET1 Pillar 2 Requirement	1.11%	10,501,779
3.2	Tier 1 Pillar2 Requirement	1.48%	14,033,082
3.3	Regulatory capital Pillar 2 Requirement	4.74%	44,829,886
	Total Requirements		
		Ratios	Amounts (GEL)
4	CET1	5.61%	53,028,415
5	Tier 1	7.48%	70,735,263
6	Total regulatory Capital	12.74%	120,432,794

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

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Table 10 Reconciliation of balance sheet to regulatory capital

in Lari

N	On-balance sheet items per standardized regulatory report	Carrying values as reported in published stand-alone financial statements per local accounting rules	linkage to capital table
1	Cash	33,983,293	
2	Due from NBS	125,394,852	
3	Due from Banks	29,481,285	
4	Dealing Securities	0	
5	Investment Securities	81,275,060	
6.1	Loans	819,731,799	
6.2	Less: Loan Loss Reserves	-67,866,135	
6.2.1	General Reserves	-12,315,304	
6.2.2	COVID 19 related Reserves	-10,131,757	
6	Net Loans	751,865,664	
7	Accrued Interest and Dividends Receivable	15,488,100	
8	Other Real Estate Owned & Repossessed Assets	2,067,125	
9	Equity Investments	0	
10	Fixed Assets and Intangible Assets	48,255,000	
10.1	<i>Of which intangible assets</i>	23,290,049	table 9 (Capital), N10
11	Other Assets	7,087,966	
12	Total assets	1,094,898,346	
13	Due to Banks	5,919,162	
14	Current (Accounts) Deposits	189,337,990	
15	Demand Deposits	168,722,553	
16	Time Deposits	352,922,191	
17	Own Debt Securities	0	
18	Borrowings	174,824,304	
19	Accrued Interest and Dividends Payable	5,209,363	
20	Other Liabilities	20,631,186	
21	Subordinated Debentures	57,556,912	
21.1	<i>Of which tier II capital qualifying instruments</i>	45,907,070	
22	Total liabilities	975,123,662	
23	Common Stock	121,372,000	
24	Preferred Stock	0	
25	Less: Repurchased Shares	0	
26	Share Premium	0	
27	General Reserves	0	
28	Retained Earnings	-1,597,318	
29	Asset Revaluation Reserves	0	
30	Total Equity Capital	119,774,682	

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

Exposure classes	Risk weights																Risk Weighted Exposures before Credit Risk Mitigation
	0%		20%		35%		50%		75%		100%		150%		250%		
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount			
1 Claims or contingent claims on central governments or central banks	88,487,892	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	117,018,838
2 Claims or contingent claims on regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Claims or contingent claims on public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Claims or contingent claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Claims or contingent claims on international organizations/institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,153,884
6 Claims or contingent claims on commercial banks	-	-	13,869,864	-	-	-	12,463,021	-	-	-	-	3,148,401	-	-	-	-	-
7 Claims or contingent claims on corporates	-	-	-	-	-	-	-	-	-	-	-	402,862,706	25,524,785	-	-	-	428,387,491
8 Retail claims or contingent retail claims	-	-	-	-	-	-	-	-	-	188,074,726	5,523,452	-	-	-	-	-	145,198,633
9 Claims or contingent claims secured by mortgages on residential property	-	-	-	-	117,639,544	1,083,256	-	2,492,356	-	-	-	-	-	-	-	-	41,552,980
10 Past due items	-	-	-	-	-	-	-	-	-	-	-	9,018,219	-	1,076,748	-	-	11,879,518
11 Items belonging to regulatory high-risk categories	-	-	-	-	-	-	-	-	-	-	-	56,402,540	-	15,963,410	-	-	80,347,655
12 Short-term claims on commercial banks and corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Claims in the form of collective investment undertakings ("CIU")	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Other items	32,114,625	-	1,868,668	-	-	-	-	-	-	-	-	31,653,801	-	-	-	-	32,027,535
Total	120,607,516	-	15,738,532	-	117,639,544	1,083,256	14,955,377	-	188,074,726	5,523,452	620,104,504	25,524,785	17,040,158	-	-	-	868,566,534

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Table 13 Standardized approach - Effect of credit risk mitigation

	a	b		c	d	e	f
		On-balance sheet exposures	Off-balance sheet exposures				
Asset Classes		exposures	exposures - Nominal value	Off-balance sheet exposures post CCF	RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)
1	Claims or contingent claims on central governments or central banks	205,506,730	-	-	117,018,838	117,018,838	57%
2	Claims or contingent claims on regional governments or local authorities	-	-	-	-	-	
3	Claims or contingent claims on public sector entities	-	-	-	-	-	
4	Claims or contingent claims on multilateral development banks	-	-	-	-	-	
5	Claims or contingent claims on international organizations/institutions	-	-	-	-	-	
6	Claims or contingent claims on commercial banks	29,481,285	-	-	12,153,884	12,153,884	41%
7	Claims or contingent claims on corporates	402,862,706	48,305,553	25,524,785	428,387,491	399,966,173	93%
8	Retail claims or contingent retail claims	188,074,726	10,925,420	5,523,452	145,198,633	142,132,721	73%
9	Claims or contingent claims secured by mortgages on residential property	117,639,544	2,006,001	1,083,256	41,552,980	41,552,980	35%
10	Past due items	12,587,322	-	-	11,879,518	11,879,513	94%
11	Items belonging to regulatory high-risk categories	72,365,950	-	-	80,347,655	80,347,655	111%
12	Short-term claims on commercial banks and corporates	-	-	-	-	-	
13	Claims in the form of collective investment undertakings ('CIU')	-	-	-	-	-	
14	Other items	65,637,094	-	-	32,027,535	32,027,535	49%
	Total	1,094,155,357	61,236,974	32,131,493	868,566,534	837,079,299	74%

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Table 11 Liquidity Coverage Ratio

		Total unweighted value (daily average)			Total weighted values according to NBG's methodology* (daily average)			Total weighted values according to Basel methodology (daily average)		
		GEL	FX	Total	GEL	FX	Total	GEL	FX	Total
High-quality liquid assets										
1	Total HQLA				59,768,814	160,585,581	220,354,395	57,589,724	149,042,205	206,631,929
Cash outflows										
2	Retail deposits	81,058,780	271,236,184	352,294,965	12,859,064	48,200,392	61,059,456	3,225,758	10,552,426	13,778,184
3	Unsecured wholesale funding	153,007,069	334,997,223	488,004,293	33,162,661	72,377,770	105,540,431	29,912,435	57,789,712	87,702,147
4	Secured wholesale funding	59,836,264	-	59,836,264	-	-	-	-	-	-
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	28,234,359	33,821,838	62,056,196	4,123,730	6,184,962	10,308,692	1,604,165	1,896,391	3,500,557
6	Other contractual funding obligations	3,647,561	12,787,740	16,435,301	-	-	-	-	-	-
7	Other contingent funding obligations	6,017,278	5,414,273	11,431,551	1,920,090	2,343,744	4,263,835	1,920,090	2,343,744	4,263,835
8	TOTAL CASH OUTFLOWS	331,801,312	658,257,258	990,058,570	52,065,546	129,106,868	181,172,414	36,662,449	72,582,274	109,244,722
Cash inflows										
9	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	236,685,511	477,970,013	714,655,524	8,562,233	9,608,879	18,171,113	10,741,323	22,670,086	33,411,410
11	Other cash inflows	2,468,656	411,992	2,880,648	1,740,994	392,636	2,133,630	1,740,994	392,636	2,133,630
12	TOTAL CASH INFLOWS	239,154,167	478,382,005	717,536,171	10,303,228	10,001,515	20,304,743	12,482,318	23,062,722	35,545,040
					Total value according to NBG's methodology* (with limits)			Total value according to Basel methodology (with limits)		
13	Total HQLA				59,768,814	160,585,581	220,354,395	57,589,724	149,042,205	206,631,929
14	Net cash outflow				41,762,318	119,105,353	160,867,671	24,180,131	49,519,551	73,699,683
15	Liquidity coverage ratio (%)				143%	135%	137%	238%	301%	280%

* 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.

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Table 15 Counterparty credit risk

	a	b	c	d	e	f	g	h	i	j	k	l
	Nominal amount	Percentage	Exposure value	0%	20%	35%	50%	75%	100%	150%	250%	Counterparty Credit Risk Weighted Exposures
1	FX contracts		997,074	0	0	0	0	0	997,074	0	0	997,074
1.1	Maturity less than 1 year	2.0%	997,074	0	0	0	0	0	997,074	0	0	997,074
1.2	Maturity from 1 year up to 2 years	5.0%	0	0	0	0	0	0	0	0	0	0
1.3	Maturity from 2 years up to 3 years	8.0%	0	0	0	0	0	0	0	0	0	0
1.4	Maturity from 3 years up to 4 years	11.0%	0	0	0	0	0	0	0	0	0	0
1.5	Maturity from 4 years up to 5 years	14.0%	0	0	0	0	0	0	0	0	0	0
1.6	Maturity over 5 years		0	0	0	0	0	0	0	0	0	0
2	Interest rate contracts		0	0	0	0	0	0	0	0	0	0
2.1	Maturity less than 1 year	0.5%	0	0	0	0	0	0	0	0	0	0
2.2	Maturity from 1 year up to 2 years	1.0%	0	0	0	0	0	0	0	0	0	0
2.3	Maturity from 2 years up to 3 years	2.0%	0	0	0	0	0	0	0	0	0	0
2.4	Maturity from 3 years up to 4 years	3.0%	0	0	0	0	0	0	0	0	0	0
2.5	Maturity from 4 years up to 5 years	4.0%	0	0	0	0	0	0	0	0	0	0
2.6	Maturity over 5 years		0	0	0	0	0	0	0	0	0	0
	Total		997,074	0	0	0	0	0	997,074	0	0	997,074

Bank: Terabank

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Table 15.1 Leverage Ratio

On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral) *	1,082,483,042
2	(Asset amounts deducted in determining Tier 1 capital)	(23,290,049)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	1,059,192,993
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	997,074
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)	997,074
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	61,236,974
18	(Adjustments for conversion to credit equivalent amounts)	(29,105,481)
19	Other off-balance sheet exposures (sum of lines 17 to 18)	32,131,493
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	96,484,633
21	Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	1,092,321,560
Leverage ratio		
22	Leverage ratio	8.83%
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