



2022/11/04 Public Disclosure of Data for Q2 2022
Version 2.0.

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INTRODUCTION

- (1) Pursuant to the Decision on Public Disclosure of Data by Credit Institutions (Official Gazette of Montenegro No. 128/20; hereinafter: the Decision), Crnogorska komercijalna Banka AD Podgorica (hereinafter: "the Bank" or "CKB") herein discloses the information relating to:
- a. Disclosure of own funds in accordance with Article 6 point 1 of the Decision;
 - b. Disclosure of own funds requirements and risk-weighted exposure amounts in accordance with Article 7 points 4, 5 and 6 of the Decision;
 - c. Disclosure of countercyclical capital buffer in accordance with Article 9 of the Decision;
 - d. Disclosure of credit risk exposure and dilution risk in accordance with Article 10 points 3, 5, 6 and 7 of the Decision;
 - e. Disclosure of the use of the Standardized Approach in accordance with Article 12 point 5 of the Decision;
 - f. Disclosure of exposure to market risk in accordance with Article 13 of the Decision;
 - g. Disclosure of key metrics;
 - h. Disclosure of exposures to interest rate risk arising from non-trading book positions; and
 - i. Disclosure of the use of credit risk mitigation techniques with Article 22 paragraph 1 points 6 to 10 of the Decision.
- (2) All information presented in the public disclosure relate to the standalone financial reports of the Bank. In accordance with the provisions of the Law on Accounting and due to the acquisition of a qualifying holding in OTP Debt Collection doo Podgorica, the Bank is obliged to prepare and publish consolidated financial statements. In accordance with Article 313 of the Law on Credit Institutions, and based on the approval of the CBM, this company is excluded from consolidation for the purposes of supervision on a consolidated basis.
- (3) In accordance with the Decision on Public Disclosure of Data, the Bank is obliged to publish data published in accordance with the Decision once a year, no later than May 31 of the current year, for the previous year. Also, the Bank is obliged to publish data in accordance with this Decision semi-annually, i.e. quarterly, no later than 40 days from the end of the semester, i.e. quarter, to which these data refer.
- (4) The Bank is a large credit institution in the sense of the provisions of article 2 paragraph 1 point 2 of the Decision on the assessment of the adequacy of internal capital of credit institutions ("Official Gazette of Montenegro" No. 127/20). The scope of information that is published is in accordance with the provisions of article 26 paragraph 1 point 2 of the Decision.
- (5) Exceptionally, the Bank does not disclose the following information prescribed by the provisions of article 26 paragraph 1 point 2 of the Decision:
- a. Monitoring of indicators related to the request for net stable sources of financing, the Bank does not disclose, because their preparation, for now, is required by the regulator (article 15 paragraph 1 point 7 of the Decision);
 - b. The Bank is not exposed to the credit risk of the other contracting party, and, consequently, does not disclose the data prescribed in article 8 of the Decision;

- c. The Bank does not have securitization activities, and, consequently, does not publish this data prescribed by article 17 of the Decision;
- d. The bank does not apply the IRB approach for credit risk, nor does it accept internal models for market risk, and, consequently, it does not publish the data prescribed in articles 21 and 24 of the Decision.

(6) All information presented in this public disclosure refers to the half-year period 01.01.2022-30.06.2022.

I. DISCLOSURE OF OWN FUNDS

(1) In accordance with Article 6 point 1 of the Decision, the Bank is obliged to disclose the information regarding their own funds that relates to a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and prudential filters and deductions applied to own funds pursuant to provisions of the Decision on Capital Adequacy of the credit institution and the balance sheet in the audited financial statements of the credit institution. The financial statements of the Bank as of 30.06.2022 are not audited, the reconciliation of the items is disclosed with unaudited data. The structure of the regulatory capital, including prudential filters and applicable deductions are disclosed in the chapter Disclosure of key metrics.

(in thousand EUR)		Balance sheet - financial statements	Subject of calculation of total capital requirements (net exposure before CRM and CCF*)	Deductible items from regulatory capital	Description of the regulatory capital item
1.	Cash and balances with the Central Bank	205,587	205,673		
2.	Financial assets at amortized costs	1,240,862	1,236,503	7,758	(-) Positive difference between the amount of the calculated provisions for potential losses and the sum of the amount of the value correction for the items of the balance sheet assets
2.a.	Loans and advances to credit institutions at amortized cost	146,539	145,978	561	
2.b.	Loans and advances to customers at amortized cost	1,001,577	997,791	7,187	
2.c.	Securities at amortized cost	90,697	90,691	6	
2.d.	<i>Other financial assets at amortized cost</i>	2,049	2,043	4	
3.	<i>Securities at fair value through other comprehensive income</i>	2,956	2,480	479	(-) Positive difference between the amount of calculated provisions for potential losses and the sum of the amount of the value adjustment for balance sheet assets: EUR 476 thousand (-) valuation adjustment due to prudential valuation (AVA) 3 thousand EUR
3.a.	Loans and advances to credit institutions	0	0		
3.b.	Loans and advances to customers	0	0		
3.c.	Securities	2,956	2,480	479	
3.d.	Other financial assets	0	0		
4.	Financial assets held for trading	0	0		
4.a.	<i>Loans and advances to credit institutions</i>	0	0		
4.b.	<i>Loans and advances to customers</i>	0	0		
4.c.	Securities	0	0		
4.d.	Other financial assets	0	0		
5.	<i>Financial assets valued at fair value through the income statement, which are not held for trading</i>	0	0		

5.a.	Loans and advances to credit institutions	0	0		
5.b.	Loans and advances to customers	0	0		
5.c.	Securities	0	0		
5.d.	Other financial assets	0	0		
6.	<i>Derivatives held for hedging purposes</i>	0	0		
7.	<i>Changes in fair value of hedged items</i>	0	0		
8.	Investments in associates and joint ventures according to equity method	335	333	2	(-) Positive difference between the amount of the calculated provisions for potential losses and the sum of the amount of the value adjustment for the balance sheet assets
9.	Investment real estates	0	0		
10.	Property, plant and equipment	21,734	21,734		
11.	Intangible assets	6,340	0	6,340	(-) other intangible assets before deduction of deferred tax liabilities
12.	Current tax assets	4	4		
13.	Deferred tax assets	574	574		
14.	Non-current assets held for sale and assets of discontinued operations	0	0		
15.	Other assets	6,358	6,343	68	(-) Positive difference between the amount of the calculated provisions for potential losses and the sum of the amount of the value adjustment for the balance sheet assets
16.	TOTAL ASSETS:	1,484,751	1,473,644	14,647	
LIABILITIES:					
17.	Financial liabilities at amortized costs	1,223,505			
17.a.	Deposits from banks and central banks at amortized cost	1,589			
17.b.	Deposits of clients at amortized cost	1,105,255			
17.c.	Loans to banks and central banks at amortized cost	86,916			
17.d.	Loans to customers that are not credit institutions at amortized cost	29,284			
17.e.	Securities	0			
17.f.	Other financial liabilities	460			
18.	<i>Financial liabilities held for trading</i>	0			
18.a.	<i>Bank and central bank deposits</i>	0			
18.b.	Deposits of clients	0			
18.c.	Loans to banks and central banks	0			
18.d.	Loans from clients who are not credit institutions	0			

18.e.	Securities	0		
18.f.	Other financial liabilities	0		
19.	Financial liabilities not traded and not valued at fair value through the income statement	0		
19.a.	Deposits of banks and central banks	0		
19.b.	Deposits of clients	0		
19.c.	Loans to banks and central banks	0		
19.d.	Loans to customers that are not credit institutions	0		
19.e.	Other financial liabilities	0		
20.	Derivative financial liabilities as a hedging instrument	0		
21.	Changes in fair value of hedged items	0		
22.	Reserves	11,273		
23.	Liabilities based on assets intended for sale and business assets that are being discontinued	0		
24.	Current tax liabilities	1,563		
25.	Deferred tax liabilities	589		
26.	Other liabilities	29,962		
27.	Subordinated debt	0		
28.	TOTAL LIABILITIES:	1,266,893		
	EQUITY	Balance sheet – financial reports	Regulatory capital items	Regulatory capital item description
29.	Share capital	181,875	181,875	Equity instruments that are recognized as Common Equity Tier
30.	Issue premiums	0	0	
31.	Retained earnings	23,573	23,573	Retained earnings from previous years profit or loss belonging to the owners of the parent company (item 22 from Income Sheet): EUR 9,362 thousand
32.	Profit/loss for the year	9,362	0	(–) amount of profit realized during the current year or profit realized at the end of the current year that does not meet the conditions for recognition: EUR -9,362 thousand

gains or losses arising from the revaluation of available-for-sale instruments determined in accordance with IFRS 9: EUR 517 thousand
 Other reserves: EUR 995 thousand
 Other elements or deductions from the Common Equity Tier: EUR 194 thousand

33,	Other reserves	3,047	1,706
34,	Non-controlling interests in equity	0	
35,	Total equity: (29, to 34,)	217,858	207,154
36,	TOTAL LIABILITIES AND EQUITY: (28, + 35,)	1,484,751	

*CRM: credit risk mitigation techniques, CCF: conversion factors

Regulatory capital alignment	(in thousand EUR)
Regulatory capital items	207,154
Deductible items from regulatory capital	-14,647
Other deductible items from regulatory capital (positive difference between the amount of calculated provisions for potential losses and provisions for off-balance sheet items)	-395
Total regulatory capital	192,112

II. DISCLOSURE OF OWN FUNDS REQUIREMENTS AND RISK-WEIGHTED EXPOSURE AMOUNTS

- (1) When calculating the amount of risk-weighted credit risk exposures for the purpose of calculating the total amount of risk exposure, the Bank shall apply the **Standardised Approach** referred to in Section 2 of the Capital Adequacy Decision (Articles 128-160 of the Decision).
- (2) In the following tables, the Bank discloses the following information: the total amount of risk-weighted exposures and the corresponding total capital requirements determined in accordance with Article 101 of the Decision on Capital Adequacy and classified according to the different risk categories established in Part Three of the Decision on Capital Adequacy, as and, if applicable, an explanation of the effect of applying the caps and not deducting items from regulatory capital on the calculation of regulatory capital and the amount of risk-weighted exposures.

30.6.2022

(thousand EUR)

DESCRIPTION	TOTAL RISK EXPOSURE	TOTAL CAPITAL REQUIREMENTS*
<u>TOTAL</u>	933,806	94,548
AMOUNTS OF RISK WEIGHTED EXPOSURE TO CREDIT RISK, CREDIT RISK OF THE OTHER CONTRACTING PARTY AND FREE DELIVERY	831,805	84,220
Standardised approach	831,805	84,220
TOTAL EXPOSURE TO SETTLEMENT RISK	-	-
TOTAL RISK EXPOSURE TO POSITION, CURRENCY AND COMMODITIES RISK	-	-
Risk exposure to position (general and specific) risk, currency risk and commodities risk in accordance with standardised approach	-	-
TOTAL AMOUNT OF OPERATIONAL RISK EXPOSURE	101,807	10,308
Basic indicator approach	101,807	10,308

* total capital ratio and capital buffers

30.06.2022

(thousand EUR)

DESCRIPTION	GROSS EXPOSURE	VALUE ADJUSTMENTS (IMPAIRMENTS / PROVISIONS / AVA / MISSING COVERAGE OR CORRECTIONS)	EXPOSURE REDUCED FOR CORRECTIONS / PROVISIONS	AMOUNT OF RISK WEIGHTED EXPOSURE AFTER APPLICATION OF ADDITIONAL WEIGHT FOR SMEs AND INFRASTRUCTURE PROJECTS

total exposure to central governments and central banks	209,767	2,919	206,848	0
total exposure to regional or local government units	9,852	129	9,723	538
total exposure to public sector entities	38	1	37	37
total exposure to institutions	148,743	744	147,999	29,603
total exposure to companies	335,230	14,612	320,618	283,329
total retail exposure	401,658	4,650	397,008	288,665
total exposures secured by residential real estate	100,640	966	99,674	36,123
total exposures provided by commercial real estate	7,237	180	7,057	4,011
exposures with default status	31,232	18,815	12,417	12,403
total high-risk exposures	33,252	1,842	31,410	39,195
equity investments	3,291	478	2,813	2,813
total exposure to other asset items	267,818	29,778	238,040	33,550
TOTAL BALANCE SHEET EXPOSURES	1,548,758	75,114	1,473,644	730,266
total exposure to central governments and central banks	125	1	124	0
total exposure to regional or local government units	262	3	259	26
total exposure to public sector entities	63	1	62	31
total exposure to institutions	543	6	537	720
total exposure to companies	149,651	2,573	147,078	74,157
total retail exposure	70,810	1,148	69,662	23,324
total exposures secured by residential real estate	2,928	96	2,832	750
total exposures secured by commercial real estate	2,446	46	2,400	766
exposures with default status	876	259	617	336

total high-risk exposures	1,784	33	1,751	1,313
total exposure to other asset items	6,997	75	6,922	117
TOTAL OFFBALANCE SHEET EXPOSURES	236,485	4,241	232,244	101,539
TOTAL EXPOSURES	1,785,243	79,355	1,705,888	831,805

Description	RELEVANT INDICATOR			Capital requirement	Total exposure to operational risk
	>3y	>2y	Previous year		
Banking activities subject to basic indicator approach (BIA)	47,045	57,262	58,584	8,145	101,807

Disclosure of data in accordance with article 7, paragraph 1, point 6 of the Decision on the Decision on the Public Disclosure of Data of Credit Institutions

- III. Information on the value of exposure and the amount of risk-weighted exposure of regulatory capital instruments held in any insurance company, reinsurance company or insurer holding that the credit institution does not deduct from its regulatory capital when calculating capital requirements on an individual and consolidated basis in accordance with article 39 of the Decision on Capital Adequacy:

The Bank has no regulatory capital instruments held in any insurance company, reinsurance company or insurer holding company.

III. DISCLOSURE OF COUNTERCYCLICAL CAPITAL BUFFER

(1) The Bank discloses information on countercyclical buffer in the following table:

30.6.2022				
(in thousand EUR)	Risk-weighted exposure amounts	Own fund requirements	Own fund requirements weights (%)	Counter cyclical buffer rate (%)
Montenegro	796,061	63,685	96%	0%
Hungary	26,377	2,110	3%	0%
Other countries	9,367	749	1%	0%

Total	831,805	66,544	100.00%	0%
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IV. DISCLOSURE OF EXPOSURES TO CREDIT RISK AND DILUTION RISK

(1) In the following tables, the Bank discloses the following data:

- a. the amount and quality of exposures for loans (quality, non-quality and restructured), exposures based on debt securities and off-balance sheet exposures, including accumulated impairment, provisions and changes in negative fair values due to credit risk and the amount of received collateral and financial guarantees;
- b. gross book value of exposures that are in default and not in that status, accumulated general and specific value corrections for credit risk, accumulated write-offs related to these exposures and net book values and their distribution by geographical area and type of activity and for loans, debt securities and off-balance sheet exposures
- c. all changes in the gross amount of on-balance sheet and off-balance sheet exposures that are in default, and in particular data on the initial and final balance of those exposures, the gross amount of any exposure that has gone into default or that is subject to write-off;
- d. classification of loans and debt securities according to the remaining term until maturity.

Performing and non-performing and restructured exposures and related provisions

(in thousand EUR)	Total exposure	Gross carrying amount/nominal amount			Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposure (A and B categories)	Non-performing exposure (C, D and E categories)	Of which: Restructured exposure	Total exposure	Performing exposure	Non-performing exposure	Of which: Restructured exposure		On performing exposures	On non-performing exposures
Loans and advances	1,187,164	1,155,935	31,229	33,230	-39,048	-22,539	-16,509	-10,030	-39,607	1,447,553	87,362
<i>Loans and advances to credit institutions</i>	146,712	146,712	0	0	-173	-173	0	0	0	0	0
<i>Loans and advances to customers</i>	1,040,452	1,009,223	31,229	33,230	-38,875	-22,366	-16,509	-10,030	-39,607	1,447,553	87,362
Debt securities	92,197	92,197	0	0	-1,500	-1,500	0	0	0	0	0
<i>bonds of the Government of Montenegro</i>	92,197	92,197	0	0	-1,500	-1,500	0	0	0	0	0
Off-balance-sheet exposures	236,483	235,606	877	0	-3,877	-3,706	-171	0	0	112,856	1,658
<i>Issues guarantees</i>	85,455	84,663	792	0	-1,193	-1,062	-131	0	0	64,440	1,607
<i>Undrawn facilities</i>	145,796	145,711	85	0	-2,616	-2,576	-40	0	0	47,483	51
<i>Unsecured letters of credit</i>	5,232	5,232	0	0	-68	-68	0	0	0	933	0
Total	1,515,844	1,483,738	32,106	33,230	-44,425	-27,745	-16,680	-10,030	-39,607	1,560,409	89,020

Changes in the stock of defaulted loans and advances

(in thousand EUR)	Gross carrying value defaulted exposures
Opening balance - 31.12.2021	14,331
Loans and debt securities that have defaulted since the last reporting period	2,970
Returned to non-defaulted status	-629
Other changes	-1,197
Closing balance - 30.06.2022	15,475

(in thousand EUR)	Gross carrying value defaulted exposures
Opening balance - 31.12.2021	41
Off balance exposures that have defaulted since the last reporting period	32
Returned to non-defaulted status	-2
Other changes	7
Closing balance - 30.06.2022	78

Performing and non-performing exposures and related provisions by geography

(in thousand EUR)	Gross carrying amount		Accumulated impairment	Accumulated partial write-off	Provisions on offbalance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk and provisions	Net carrying amount
		Of which: defaulted (DPD over 90)					
Loans and advances to credit institutions	146,712	-	-	173	-	-	146,539
<i>Hungary</i>	132,541	-	-	150	-	-	132,391
<i>Italy</i>	3,705	-	-	2	-	-	3,703
<i>Germany</i>	3,668	-	-	2	-	-	3,666
<i>Switzerland</i>	2,555	-	-	5	-	-	2,550
<i>Canada</i>	1,704	-	-	5	-	-	1,699
<i>Austria</i>	1,018	-	-	1	-	-	1,017
<i>Other countries</i>	1,521	-	-	8	-	-	1,513
Kredit i potraživanja od klijenata	1,040,452	15,475	-	38,875	-	39,607	1,001,577
<i>Montenegro</i>	1,032,815	15,250	-	38,532	-	36,880	994,283
<i>Serbia</i>	5,558	61	-	160	-	32	5,398
<i>Bosnia and Herzegovina</i>	533	28	-	26	-	6	507
<i>United Arab Emirates</i>	178	-	-	5	-	-	173
<i>Russian Federation</i>	175	14	-	21	-	9	154
<i>United States of America</i>	173	1	-	1	-	4	172
<i>Other countries</i>	1,020	121	-	130	-	2,676	890
Debt securities	92,197	-	-	1,500	-	-	90,697
<i>Montenegro</i>	92,197	-	-	1,500	-	-	90,697
Off-balance sheet exposures	236,483	78	-	-	-	3,877	232,606
<i>Montenegro</i>	229,028	78	-	-	-	3,767	225,261
<i>France</i>	5,693	-	-	-	-	91	5,602
<i>Switzerland</i>	1,000	-	-	-	-	11	989

<i>Slovenia</i>	453	-			-	5	-	448
<i>Spain</i>	100	-			-	1	-	99
<i>Serbia</i>	75	-			-	1	-	74
<i>Other countries</i>	134	-			-	1	-	133
Total	1,515,844	15,553	-	40,548	-	39,607	-	1,471,419

Performing and non-performing exposures and related provisions by industry

(in thousand EUR)	Gross carrying amount		Accumulated impairment	Provisions on offbalance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk and provisions	Net carrying amount
		Of which: defaulted (DPD over 90)				
Loans and advances to credit institutions	146,712	-	-	173	-	146,539
<i>Financial activities and insurance activities</i>	146,712	-	-	173	-	146,539
Loans and advances to customers	1,040,452	15,475	-	38,875	-	1,001,577
<i>Agriculture, forestry and fishing</i>	9,003	96	-	2,397	-	6,606
<i>Mining</i>	1,202	412	-	20	-	1,182
<i>Manufacturing industry</i>	19,894	243	-	668	-	19,226
<i>Supply of electricity, gas, steam and air conditioning</i>	-	-	-	-	-	-
<i>Water supply, waste water management, control of waste removal processes and similar activities</i>	279	-	-	6	-	273
<i>Construction</i>	54,580	382	-	2,402	-	52,178
<i>Wholesale and retail trade and repair of motor vehicles and motorcycles</i>	172,403	2,819	-	8,868	-	163,535
<i>Transport and storage</i>	7,385	316	-	485	-	6,900

<i>Accommodation and food services</i>	120,407	437	-	8,639		-	111,768
<i>Information and communications</i>	29,878	81	-	866		-	29,012
<i>Financial activities and insurance activities</i>	9,109	-	-	697		-	8,412
<i>Real estates</i>	2,382	3	-	57		-	2,325
<i>Professional, scientific and technical activities</i>	5,260	52	-	164		-	5,096
<i>Administrative and auxiliary service activities</i>	8,181	98	-	261		-	7,920
<i>State administration and defense, compulsory social insurance</i>	122,537	-	-	1,488		-	121,049
<i>Education</i>	55	1	-	1		-	54
<i>Health and social protection</i>	1,071	1	-	24		-	1,047
<i>Art, entertainment and recreation</i>	1,839	-	-	62		-	1,777
<i>Other service activities</i>	825	72	-	73		-	752
<i>Physical persons - residents</i>	466,525	10,238	-	11,354		-	455,171
<i>Non-residents</i>	7,637	224	-	343		-	7,294
Debt securities	92,197	-	-	1,500		-	90,697
<i>State administration and defense and compulsory social insurance</i>	92,197	-	-	1,500		-	90,697
Off-balance sheet exposures	236,483	78			-	3,877	232,606
<i>Agriculture, forestry and fishing</i>	1,795	-			-	73	1,722
<i>Mining</i>	324	-			-	5	319
<i>Manufacturing industry</i>	12,417	-			-	205	12,212
<i>Supply of electricity, gas, steam and air conditioning</i>	8,057	-			-	143	7,914
<i>Water supply, waste water management, control of waste removal processes and similar activities</i>	66	-			-	1	65
<i>Construction</i>	40,651	-			-	705	39,946

<i>Wholesale and retail trade and repair of motor vehicles and motorcycles</i>	120,470	10		-	2,044		118,426
<i>Transport and storage</i>	7,274	-		-	100		7,174
<i>Accommodation and food services</i>	7,062	36		-	125		6,937
<i>Information and communications</i>	1,801	-		-	31		1,770
<i>Financial activities and insurance activities</i>	7,326	-		-	78		7,248
<i>Real estates</i>	118	-		-	1		117
<i>Professional, scientific and technical activities</i>	11,557	-		-	185		11,372
<i>Administrative and auxiliary service activities</i>	3,035	-		-	55		2,980
<i>State administration and defense, compulsory social insurance</i>	260	-		-	3		257
<i>Education</i>	113	-		-	1		112
<i>Health and social protection</i>	10	-		-	-		10
<i>Art, entertainment and recreation</i>	195	-		-	4		191
<i>Other service activities</i>	156	-		-	2		154
<i>Physical persons - residents</i>	13,631	32		-	114		13,517
<i>Non-residents</i>	165	-		-	2		163
Total	1,515,844	15,553	-	40,548	-	3,877	1,471,419

Maturity of exposures

(in thousand EUR)	Net exposure value					Total
	On demand	≤ 1 year	> 1 year ≤ 5 year	> 5 year	No stated maturity	
Loans and advances to credit institutions	146.539	-	-	-	-	146.539
Loans and advances to customers		241.078	489.021	271.478		1.001.577
Debt securities	-	-	36.753	53.944	-	90.697
Total	146.539	241.078	525.774	325.422	-	1.238.813

V. DISCLOSURE OF THE USE OF THE STANDARDIZED APPROACH

(1) For each category of exposure from article 129 of the Decision on Capital Adequacy, the Bank is obliged to publicly disclose data on the value of the exposure and the value of the exposure after mitigating the credit risk in relation with each degree of credit quality in accordance with Part Three, Chapter II, Section 2 of the Decision on Capital Adequacy, according to exposure categories, as well as exposure values for which the regulatory capital is reduced.

DESCRIPTION	NET EXPOSURE BEFORE CRM AND CCF*	AMOUNT OF EXPOSURE AFTER CRM AND CCF*	(-) ADJUSTMENT OF RISK-WEIGHTED EXPOSURE AMOUNT FOR ADDITIONAL WEIGHT FOR SME	RISK-WEIGHTED EXPOSURE AMOUNT AFTER APPLICATION OF ADDITIONAL WEIGHT FOR SME AND INFRASTRUCTURE PROJECTS
total exposure to central governments and central banks	206,848	219,160		0
total exposure to regional or local government units	9,723	2,691		538
total exposure to public sector entities	37	37		37
total exposure to institutions	147,999	148,015		29,603
total exposure to companies	320,618	320,197	36,868	283,329
total retail exposure	397,008	394,234	7,011	288,665
total exposures secured by residential real estate	99,674	99,586		36,123
total exposures provided by commercial real estate	7,057	7,057	682	4,011
exposures with default status	12,417	12,403		12,403
total high-risk exposures	31,410	26,130		39,195
equity investments	2,813	2,813		2,813
total exposure to other asset items	238,040	238,018		33,550

TOTAL BALANCE SHEET EXPOSURES	1,473,644	1,470,341	44,561	730,266
total exposure to central governments and central banks	124	6		0
total exposure to regional or local government units	259	130		26
total exposure to public sector entities	62	31		31
total exposure to institutions	537	3,601		720
total exposure to companies	147,078	82,573	8,416	74,157
total retail exposure	69,662	38,789	5,768	23,324
total exposures secured by residential real estate	2,832	1,738		750
total exposures secured by commercial real estate	2,400	1,301	200	766
exposures with default status	617	336		336
total high-risk exposures	1,751	876		1,313
total exposure to other asset items	6,922	116		117
TOTAL OFFBALANCE SHEET EXPOSURES	232,244	129,494	14,384	101,539
TOTAL EXPOSURES	1,705,888	1,599,835	58,945	831,805

*CRM: credit risk mitigation techniques, CCF: credit conversion factors

DESCRIPTION	AMOUNT OF EXPOSURE AFTER CRM AND CCF	RISK WEIGHTS									AMOUNT OF RISK-WEIGHTED EXPOSURES BEFORE ADDITIONAL WEIGHTS ARE APPLIED	(-) RISK-WEIGHTED EXPOSURE AMOUNT ADJUSTMENT FOR SME ADDITIONAL WEIGHT	(-) RISK-WEIGHTED EXPOSURE AMOUNT ADJUSTMENT FOR ADDITIONAL WEIGHT FOR INFRASTRUCTURE PROJECTS	AMOUNT OF RISK-WEIGHTED EXPOSURE AFTER APPLICATION OF ADDITIONAL WEIGHT FOR SME AND INFRASTRUCTURE PROJECTS
		0	0,2	0,35	0,5	0,75	1	1,5	2,5	12,5				
TOTAL BALANCE SHEET EXPOSURES SUBJECT TO CREDIT RISK	1,470,341	418,807	156,732	97,636	4,728	394,234	372,074	26,130	0	0	774,828	44,561	0	730,267
total exposure to central governments and central banks	219,160	219,160	0	/	0	/	0	0	/	/	0	/	/	0
total exposure to regional or local government units	2,691	0	2,691	/	0	/	0	0	/	/	538	/	/	538
total exposure to public sector entities	37	0	0	/	0	/	37	0	/	/	37	/	/	37
total exposure to institutions	148,015	/	148,015	/	0	/	0	0	/	/	29,603	/	/	29,603
total exposure to companies	320,197	0	0	/	0	/	320,197	0	/	/	320,197	36,868	0	283,329
total retail exposure	394,234	/	/	0	/	394,234	/	/	/	/	295,676	7,011	0	288,665
total exposures secured by residential real estate	99,586	/	/	97,636	/	/	1,950	/	/	/	36,123	/	/	36,123
total exposures provided by commercial real estate	7,057	/	/	/	4,728	/	2,329	/	/	/	4,693	682	0	4,011

exposures with default status	12,403						12,403	0			12,403			12,403
total high-risk exposures	26,130							26,130			39,195			39,195
equity investments	2,813						2,813				2,813			2,813
total exposure to other asset items	238,018	199,647	6,026				32,345	0	0	0	33,550			33,550
TOTAL BALANCE SHEET EXPOSURES	1,470,341	418,807	156,732	97,636	4,728	394,234	372,074	26,130	0	0	774,827	44,561	0	730,266
total exposure to central governments and central banks	6	6	0		0		0	0			0			0
total exposure to regional or local government units	130	0	130		0		0	0			26			26
total exposure to public sector entities	31	0	0		0		31	0			31			31
total exposure to institutions	3,601		3,601		0		0	0			720			720
total exposure to companies	82,573		0		0		82,573	0			82,573	8,416	0	74,157
total retail exposure	38,789			0		38,789					29,092	5,768	0	23,324
total exposures secured by residential real estate	1,738			1,520			218				750			750
total exposures secured by commercial real estate	1,301				670		631				966	200	0	766
exposures with default status	336						336	0			336			336

total high-risk exposures	876							876			1,313			1,313
total exposure to other asset items	116	0	0				117	0	0	0	117			117
TOTAL OFFBALANCE SHEET EXPOSURES	129,494	6	3,730	1,520	670	38,789	83,905	876	0	0	115,923	14,384	0	101,539
TOTAL EXPOSURES	1,599,835	418,813	160,462	99,156	5,398	433,023	455,979	27,006	0	0	890,750	58,945	0	831,805

VI. DISCLOSURE OF EXPOSURE TO MARKET RISK

(1) The bank is exposed to risk based on the open foreign exchange position:

	30.06.2022 (thousand EUR)
Aggregate balance in all foreign currencies	218
% from total capital	0,11%
% from regulatory capital	0,11%

(2) Capital requirements based on exposure to market risk amount to EUR 0.

VII. DISCLOSURE OF KEY METRICS

(1) The bank is obliged to publicly disclose the following key metrics:

- a. composition of regulatory capital and capital requirements calculated in accordance with article 101 of the Decision on Capital Adequacy;
- b. the total amount of risk exposure calculated in accordance with article 101 paragraph 3 of the Decision on Capital Adequacy;
- c. the requirement for the combined buffer that the credit institution must keep in accordance with the Law;
- d. the coefficient of financial leverage and the measure of total exposure calculated in accordance with article 496 of the Decision on Capital Adequacy;
- e. the following data on the liquid coverage ratio calculated in accordance with the regulation governing liquidity risk management, namely:
 - i. the average of the ratio of liquid coverage based on parameters at the end of the month during the previous 12 months for each quarter of the relevant disclosing period;
 - ii. the average of total liquid assets, after applying the relevant corrective factors, included in the liquidity buffer, based on end-of-month parameters during the previous 12 months for each quarter of the relevant disclosing period;
 - iii. averages of liquidity outflows, liquidity inflows and net outflows based on month-end parameters over the previous 12 months for each quarter of the relevant disclosing period.

REGULATORY CAPITAL

CREDIT INSTITUTION'S REGULATORY CAPITAL REPORT

30.06.2022

 31.03.2022.
 (thousand EUR)

POSITION DESCRIPTION	IZNOS	IZNOS
REGULATORY CAPITAL	192,112	188,156
SHARE CAPITAL (Tier 1)	192,112	188,156
COMMON EQUITY TIER (CET 1)	192,112	188,156
Equity instruments recognized as ordinary share capital	181,875	181,875
paid-in capital instruments	181,875	181,875
Retained earnings	23,573	20,748
Retained earnings from previous years	23,573	20,748
profit or loss attributable to owners of the parent company (item 22 from Income Statement)	9,362	1,293
(-) the amount of profit realized during the current year or profit realized at the end of the current year that does not meet the conditions for recognition	9,362	1,293
Other reserves	995	1,003
Adjustments to regular share capital due to prudential filters	-3	-52
cumulative gains and losses on liabilities measured at fair value due to changes in own credit risk	-	-50
(-) valuation adjustments due to prudential valuation requirements (AVA)	3	2
(-) valuation adjustments calculated according to a simple approach	3	2
(-) Other intangible assets	6,340	6,789
(-) other intangible assets before deduction of deferred tax liabilities	6,340	6,789
(-) Amount of missing coverage of non-performing exposures by value corrections for balance sheet items and provisions for off-balance sheet items	-1	-
(-) Positive difference between the amount of accrued provisions for potential losses and the sum of the amount of impairment for balance sheet assets and provisions for off-balance sheet items classified as good assets	2,565	2,244
(-) Positive difference between the amount of accrued provisions for potential losses and the sum of the amount of impairment for balance sheet assets and provisions for off-balance sheet items classified as non-performing exposures not subject to deduction from regular core capital from Article 18 item 13 credit institutions (created before the application of this decision)	6,135	6,579
Other elements or deductions from ordinary share capital	194	194
ADDITIONAL TIER (AT1)	0	0
SUPPLEMENTARY CAPITAL (Tier 2)	0	0

CREDIT INSTITUTION CAPITAL ADEQUACY

REGULATORY CAPITAL STRUCTURE

	30.06.2022	31.03.2022. (thousand EUR)
POSITION DESCRIPTION	Iznos	Iznos
REGULATORY CAPITAL	192,112	188,156
SHARE CAPITAL (Tier 1)	192,112	188,156
COMMON EQUITY TIER (CET 1)	192,112	188,156
ADDITIONAL TIER (AT1)	0	0
SUPPLEMENTARY CAPITAL (Tier 2)	0	0

CAPITAL ADEQUACY COEFFICIENTS

	30.06.2022	31.03.2022.
POSITION DESCRIPTION	Amount	Amount
Regular core capital ratio (CET1) - min 4.5%	20.57%	21.21%
Surplus (+) / deficit (-) of regular share capital	150,091	148,239
Surplus (+) / deficit (-) of regular share capital including buffer	130,247	129,389
Share capital ratio (Tier 1) - min 6%	20.57%	21.21%
Surplus (+) / deficit (-) of share capital	136,083	134,933
Total capital ratio (TCR) - min 8%	20.57%	21.21%
Surplus (+) / deficit (-) of total capital	117,407	117,193

OTHER CAPITAL REQUIREMENTS

	30.06.2022	31.03.2022.
POSITION DESCRIPTION	Amount	Amount
Total capital requirement under SREP (TSCR): consisting of regular share capital		
Total capital requirement under the SREP (TSCR): consisting of share capital		

CAPITAL BUFFERS

	30.06.2022	31.03.2022.
POSITION DESCRIPTION	Amount in %	Amount in %
capital preservation buffer	0.63%	0.63%
countercyclical capital buffer (specific rate)	0.00%	0.00%

structural systemic risk buffer	1.50%	1.50%
buffer for a globally systemically important (GSV) credit institution	0.00%	0.00%
buffer for other systemically important (OSV) credit institutions	1.00%	1.00%

POSITION DESCRIPTION	Amount in %	Amount in %
combined buffer for a non-OSV credit institution	2.13%	2.13%
combined buffer for a credit institution that is OSV	2.13%	2.13%
combined buffer for a credit institution that is OSV if the structural systemic risk buffer is applied to all exposures in Montenegro to address macroprudential risk issues in Montenegro, but does not apply to exposures outside Montenegro	3.13%	3.13%
combined buffer for a non-OSV CI, that is part of a group to which CI belongs which is GSV or OSV	2.13%	2.13%
a combined buffer for non-OSV CI, and part of a group belonging to which CI belongs which is GSV or OSV if the structural systemic risk buffer applies to all exposures in Montenegro to address macroprudential risk issues in Montenegro but does not apply to exposures outside Montenegro	3.13%	3.13%

combined buffer applied to a credit institution	2.13%	2.13%
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DETERMINED AMOUNT OF REGULAR SHARE CAPITAL NECESSARY FOR BUFFER MAINTENANCE

	30.06.2022	31.03.2022.
POSITION DESCRIPTION	Amount	Amount
the amount of regular share capital required to maintain the combined capital buffer	19,843	18,850

RISK EXPOSURE BY TYPE OF RISK

	30.06.2022	31.03.2022.
POSITION DESCRIPTION	Amount	Amount
TOTAL AMOUNT OF RISK EXPOSURE	933,806	887,036
AMOUNTS OF RISK WEIGHTED EXPOSURE TO CREDIT RISK, CREDIT RISK OF THE OTHER CONTRACTING PARTY AND FREE DELIVERY	831,805	785,229
Standardized approach	831,805	785,229
TOTAL AMOUNT OF OPERATIONAL RISK EXPOSURE	101,807	101,807
Basic Indicator Approach to operational risk	101,807	101,807

FINANCIAL LEVERAGE REPORT

	30.06.2022	31.03.2022.
TOTAL EXPOSURE	1,605,371	1,492,293
Tier 1 capital	192,112	188,156
FINANCIAL LEVERAGE RATIO	11.97%	12.61%

LIQUIDITY COVERAGE RATIO

	(thousand EUR)	
	average as of 30.06.2022	average as of 31.03.2022.
Liquidity buffer	291,610	295,397
Total outflows	273,108	261,751
Reduction for inflows to which the 75% ceiling applies	159,971	122,310
Net liquid outflows	113,137	139,441
Liquidity coverage ratio (%)	258%	212%

VIII. DISCLOSURE OF EXPOSURES TO INTEREST RATE RISK ARISING FROM NON-TRADING BOOK POSITIONS

- (1) For the determination of the exposure arising from the interest rate risk of the banking book the Bank applies both income-based (changes in the net interest income – Δ NII) and economic capital based (changes in the economic value of equity – Δ EVE) models. The modelling is carried out within the frameworks prescribed by the Central bank of Montenegro bylaws, as well as through EBA Guideline and internal regulations. The bank applies dynamic cash-flow modelling with constant balance sheet assumption in case of Δ NII, and run-off balance sheet in case of Δ EVE. The individual cash flows are recalculated dynamically for each scenario according to the behavioral functions typical to each scenario. The exposure is determined using the 6 standard interest rate shock scenarios, applying the shock amount prescribed in the EBA Guideline.

(in million EUR)

Changes of the
economic value of

Changes of the net
interest income (12

Interest rate shock scenario	equity		months horizon)	
	30.6.2022	31.3.2022	30.6.2022	31.3.2022
Parallel up	-1,258	-2,916	0,474	2,836
Parallel down	-1,093	4,989	-4,989	-3,980
Steeper	-2,375	-0,240	-0,687	-0,680
Flattener	1,177	0,603	-0,668	1,008
Short rates up	1,444	0,738	-0,715	1,394
Short rates down	-1,308	1,062	-3,197	-2,300

EVE aggregate position versus limits (in MEUR)		Limit definition: The potential decrease of EVE (aggregated across currencies) in neither of the standard interest rate shock scenarios can be greater than 20% of regulatory capital. When calculating the aggregate EVE change for each interest rate shock scenario, any negative and positive changes to EVE occurring in each currency are added but, positive changes should be weighted by a factor of 50%.
Limit (MEUR)	-38,422	
CKB actual (MEUR)	-2,375	

- (2) As of 30.06.2022, largest negative change is in case of "Steeper" scenario with -2,375 MEUR. Bank is well below prescribed internal limit.
- (3) Result is improved comparing to 31.03.2022 result (-2,916 MEUR in case of "Parallel up" scenario).

IX. DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES

- (1) The Bank is obliged to publicly disclose data regarding the use of credit risk mitigation techniques: the total value of exposure that is not covered by acceptable credit protection and the total value of exposure that is covered by acceptable credit protection, conversion factors and credit risk mitigation

DESCRIPTION	GROSS EXPOSURE	(-) VALUE ADJUSTMENTS (IMPAIRMENTS / PROVISIONS / AVA / MISSING COVERAGE OR CORRECTIONS)	EXPOSURE REDUCED FOR CORRECTIONS / PROVISIONS	CREDIT RISK MITIGATION TECHNIQUES WITH SUBSTITUTION EFFECTS ON EXPOSURE						MATERIAL CREDIT PROTECTION - COMPLEX METHOD OF FINANCIAL COLLATERAL (DEPOSIT)	EXPOSURE AFTER APPLICATION OF CREDIT RISK MITIGATION TECHNIQUES	DISCLOSURE OF FULLY ADJUSTED EXPOSURE AMOUNT OF OFF-BALANCE SHEET ITEMS ACCORDING TO CONVERSION FACTORS				AMOUNT OF EXPOSURE AFTER APPLICATION OF CONVERSION FACTOR
				INTANGIBLE CREDIT PROTECTION: ADJUSTED VALUES (Ga)		MATERIAL CREDIT PROTECTION		EXPOSURE SUBSTITUTION DUE TO CREDIT RISK REDUCTION				0	0,2	0,5	1	
				(-) GUARANTEES AND OTHER GUARANTEES	(-) CREDIT DERIVATIVES	(-) FINANCIAL COLLATERAL: SIMPLE METHOD	(-) OTHER MATERIAL CREDIT PROTECTION	(-) TOTAL DEDUCTIONS	TOTAL ADDITIONS (+)							
TOTAL BALANCE SHEET EXPOSURES SUBJECT TO CREDIT RISK	1.548.758	75.114	1.473.644	12.328	0	0	0	12.328	12.328	3.303	1.470.341					1.470.341
total exposure to central governments and central banks	209.767	2.919	206.848	0	0	0	0	0	12.312	0	219.160					219.160
total exposure to regional or local government units	9.852	129	9.723	7.032	0	0	0	7.032	0	0	2.691	0	0	0	0	2.691
total exposure to public sector entities	38	1	37	0	0	0	0	0	0	0	37					37
total exposure to institutions	148.743	744	147.999	0	0	0	0	0	16	0	148.015					148.015
total exposure to companies	335.230	14.612	320.618	0	0	0	0	0	0	421	320.197					320.197
total retail exposure	401.658	4.650	397.008	16	0	0	0	16	0	2.758	394.234					394.234
total exposures secured by residential real estate	100.640	966	99.674	0	0	0	0	0	0	88	99.586					99.586
total exposures provided by commercial real estate	7.237	180	7.057	0	0	0	0	0	0	0	7.057					7.057
exposures with default status	31.232	18.815	12.417	0	0	0	0	0	0	14	12.403					12.403
total high-risk exposures	33.252	1.842	31.410	5.280	0	0	0	5.280	0	0	26.130					26.130
equity investments	3.291	478	2.813					0			2.813					2.813
total exposure to other asset items	267.818	29.778	238.040	0	0	0	0	0	0	22	238.018					238.018
TOTAL BALANCE SHEET EXPOSURES	1.548.758	75.114	1.473.644	12.328	0	0	0	12.328	12.328	3.303	1.470.341					1.470.341

TOTAL OFF-BALANCE SHEET EXPOSURES SUBJECT TO CREDIT RISK	236.483	4.242	232.241	7.201	0	0	0	7.201	7.201	3.895	228.346	0	6.391	187.476	34.479	129.495
total exposure to central governments and central banks	125	1	124	0	0	0	0	0	0	108	16	0	7	9	0	6
total exposure to regional or local government units	262	3	259	0	0	0	0	0	0	0	259	0	0	259	0	130
total exposure to public sector entities	63	1	62	0	0	0	0	0	0	0	62	0	0	62	0	31
total exposure to institutions	543	6	537	537	0	0	0	537	7.201	0	7.201	0	0	7.201	0	3.601
total exposure to companies	149.651	2.573	147.078	0	0	0	0	0	0	1.212	145.866	0	5.369	117.995	22.502	82.573
total retail exposure	70.810	1.148	69.662	0	0	0	0	0	0	2.400	67.262	8	911	55.473	10.870	38.789
total exposures secured by residential real estate	2.928	96	2.832	0	0	0	0	0	0	107	2.725	0	81	1.845	799	1.738
total exposures secured by commercial real estate	2.446	46	2.400	0	0	0	0	0	0	0	2.400	0	0	2.198	202	1.301
exposures with default status	876	259	617	0	0	0	0	0	0	0	617	0	0	563	54	336
total high-risk exposures	1.784	33	1.751	0	0	0	0	0	0	0	1.751	0	0	1.751	0	876
total exposure to other asset items	6.997	75	6.922	6.664	0	0	0	6.664	0	67	191	0	23	113	55	116
TOTAL OFFBALANCE SHEET EXPOSURES	236.485	4.241	232.244	7.201	0	0	0	7.201	7.201	3.894	228.350	8	6.391	187.469	34.482	129.494
TOTAL EXPOSURES	1.785.243	79.355	1.705.888	19.529	0	0	0	19.529	19.529	7.198	1.698.690	8	6.391	187.469	34.482	1.599.835

X. CLOSING PROVISIONS

- (1) Public Disclosure of Data for Q2 2022 shall come into effect on the day of its adoption by the Management Board.

XI. HISTORY OF THE VERSION

Version:	Date of adoption:	Description of modification:
1.0	09.08.2022.	Public Disclosure of Data for Q2
2.0	04.11.2022.	Public Disclosure of Data for Q2