



2023/05/09 Public Disclosure of Data for Q1 2023
Version 1.0.

Date of adoption:	09/05/2023
Valid from:	09/05/2023
Approved by:	Management Board
Owner:	Finance Directorate / Accounting and Capital Management Department
Applied to:	All employees of the Bank
Confidentiality:	Public document

CONTENTS

INTRODUCTION	3
I. RISK WEIGHTED EXPOSURE REPORT ON CREDIT RISK	4
II. REGULATORY CAPITAL	5
III. CREDIT INSTITUTION CAPITAL ADEQUACY	6
IV. FINANCIAL LEVERAGE REPORT	9
V. LIQUIDITY COVERAGE RATIO	9
VI. CLOSING PROVISIONS	9

INTRODUCTION

- (1) Pursuant to the Decision on Public Disclosure of Data by Credit Institutions (Official Gazette of Montenegro No. 128/20), Crnogorska komercijalna Banka AD Podgorica (hereinafter: “the Bank” or “CKB”) herein discloses the information relating to:
- a. the total amount of risk weighted exposures and the corresponding total capital requirements determined by different risk categories, as well as, if applicable, an explanation of the effect of applying ceilings and non-deduction of regulatory capital items on the calculation of regulatory capital and risk weighted exposure amounts;
 - b. data on key indicators:
 - the composition of regulatory capital and capital requirements are calculated in accordance with Article 101 of the Decision on Capital Adequacy;
 - the total amount of risk exposure calculated in accordance with Article 101 paragraph 3 of the Capital Adequacy Decision;
 - a requirement for a combined buffer that the credit institution must maintain in accordance with the Law;
 - financial leverage ratio and measure of total exposure calculated in accordance with Article 496 of the Capital Adequacy Decision;
 - the following data on the liquidity coverage ratio calculated in accordance with the regulation governing liquidity risk management, as follows:
 - average of the liquidity coverage ratio based on end-of-month parameters over the previous 12 months for each quarter of the relevant disclosure period;
 - average of total liquid assets, after application of 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 disclosure period;
 - average of liquidity outflows, inflows and net liquidity outflows, based on end-of-month parameters during the previous 12 months for each quarter of the relevant disclosure period.
- (2) The Bank does not publish monitoring of indicators related to the requirement for net stable sources of financing, because their preparation, for now, is not required by the regulator.
- (3) 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.
- (4) 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.

I. RISK WEIGHTED EXPOSURE REPORT ON CREDIT RISK

(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 standardized approach referred to in Section 2 of the Capital Adequacy Decision (Articles 128-160 of the Decision).

31.03.2023
(000 EUR)

RED. BR.	POSITION 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
1.	total exposure to central governments and central banks	404,787	3,714	401,073	0
2.	total exposure to regional or local government units	7,821	97	7,724	439
3.	total exposure to institutions	150,878	780	150,099	30,090
4.	total exposure to companies	332,963	13,936	319,027	278,771
5.	total retail exposure	479,593	4,630	474,963	348,949
6.	total exposures secured by residential real estate	50,137	488	49,649	18,275
7.	total exposures provided by commercial real estate	10,750	426	10,324	5,941
8.	exposures with default status	61,085	50,301	10,784	10,784
9.	total high-risk exposures	45,241	1,847	43,394	57,062
10.	equity investments	4,882	788	4,094	4,385
11.	total exposure to other asset items	96,124	211	95,913	36,967
I	TOTAL BALANCE SHEET EXPOSURES	1,644,261	77,217	1,567,044	791,661
1.	total exposure to central governments and central banks	108	1	107	0
2.	total exposure to regional or local government units	260	3	257	26

3.	total exposure to public sector entities	100	1	99	50
4.	total exposure to institutions	21,480	694	20,786	8,209
5.	total exposure to companies	157,292	2,849	154,443	85,906
6.	total retail exposure	47,810	733	47,077	15,023
7.	total exposures secured by residential real estate	2,357	41	2,316	789
8.	total exposures secured by commercial real estate	4,083	69	4,014	1,401
9.	exposures with default status	25	16	9	5
10.	total high-risk exposures	2,477	74	2,403	1,436
11.	total exposure to other asset items	8,774	105	8,669	901
II	TOTAL OFFBALANCE SHEET EXPOSURES	244,766	4,586	240,180	113,745
III	TOTAL EXPOSURES	1,889,027	81,803	1,807,224	905,406

II. REGULATORY CAPITAL

CREDIT INSTITUTION'S REGULATORY CAPITAL REPORT

 31.03.2023
 (000 EUR)

POSITION DESCRIPTION	AMOUNT
REGULATORY CAPITAL	190,446
SHARE CAPITAL (Tier 1)	190,446
COMMON EQUITY TIER (CET 1)	190,466
Equity instruments recognized as ordinary share capital	181,875
paid-in capital instruments	181,875
Retained earnings	23,573
Retained earnings from previous years	23,573
profit or loss attributable to owners of the parent company (item 22 from Income Statement)	10,531
(-) 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	10,531

Accumulated other comprehensive income (total other result) - FVOCI	1,875
gains or losses arising from the revaluation of available-for-sale instruments determined in accordance with IFRS 9	1,875
Other reserves	1,008
Adjustments to regular share capital due to prudential filters	-5
(-) valuation adjustments due to prudential valuation requirements (AVA)	5
(-) valuation adjustments calculated according to a simple approach	5
(-) Other intangible assets	5,938
(-) other intangible assets before deduction of deferred tax liabilities	5,938
(-) 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	4,190
(-) 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)	7,752
Other elements or deductions from ordinary share capital	0
ADDITIONAL TIER (AT1)	0
SUPPLEMENTARY CAPITAL (Tier 2)	0

III. CREDIT INSTITUTION CAPITAL ADEQUACY

REGULATORY CAPITAL STRUCTURE

 31.03.2023
 (000 EUR)

POSITION DESCRIPTION	Amount
REGULATORY CAPITAL	190,446
SHARE CAPITAL (Tier 1)	190,446
COMMON EQUITY TIER (CET 1)	190,446
ADDITIONAL TIER (AT1)	0
SUPPLEMENTARY CAPITAL (Tier 2)	0

CAPITAL ADEQUACY COEFFICIENTS

31.03.2023

POSITION DESCRIPTION	Amount
Regular core capital ratio (CET1) - min 4.5%	18.65%
Surplus (+) / deficit (-) of regular share capital	144,487
Surplus (+) / deficit (-) of regular share capital including buffer	113,998
Surplus (+) / deficit (-) of OCR regular share capital	113,998
Share capital ratio (Tier 1) - min 6%	18.65%
Surplus (+) / deficit (-) of share capital	134,933
Surplus (+) / deficit (-) of OCR share capital	98,678
Total capital ratio (TCR) - min 8%	18.65%
Surplus (+) / deficit (-) of total capital	117,193
Surplus (+) / deficit (-) of OCR total capital	78,251

OTHER CAPITAL REQUIREMENTS

31.03.2023.

POSITION DESCRIPTION	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

31.03.2023

POSITION DESCRIPTION	Amount in %
capital preservation buffer	1.25%
countercyclical capital buffer (specific rate)	0.24%
structural systemic risk buffer	1.50%
buffer for a globally systemically important (GSV) credit institution	0.00%
buffer for other systemically important (OSV) credit institutions	1.00%

POSITION DESCRIPTION	Amount in %
combined buffer for a non-OSV credit institution	2.99%
combined buffer for a credit institution that is OSV	2.99%
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	3.99%

combined buffer for a non-OSV CI, that is part of a group to which CI belongs which is GSV or OSV	2.99%
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	3.99%
combined buffer applied to a credit institution	2.99%

DETERMINED AMOUNT OF REGULAR SHARE CAPITAL NECESSARY FOR BUFFER MAINTENANCE

31.03.2023

POSITION DESCRIPTION	Amount
the amount of regular core capital required to maintain the capital preservation buffer	12,767
the amount of regular core capital required to maintain the countercyclical buffer	2,403
the amount of regular core capital required to maintain a buffer for structural systemic risk	15,320
the amount of regular core capital required to maintain the buffer for the GSV credit institution	0
the amount of regular core capital required to maintain the buffer for the OSV credit institution	10,213
the amount of regular share capital required to maintain the combined capital buffer	30,489

RISK EXPOSURE BY TYPE OF RISK

31.03.2022

POSITION DESCRIPTION	Amount
TOTAL AMOUNT OF RISK EXPOSURE	1,021,322
AMOUNTS OF RISK WEIGHTED EXPOSURE TO CREDIT RISK, CREDIT RISK OF THE OTHER CONTRACTING PARTY AND FREE DELIVERY	905,406
Standardized approach	905,406
TOTAL AMOUNT OF OPERATIONAL RISK EXPOSURE	115,916
Simple approach to operational risk	115,916

IV. FINANCIAL LEVERAGE REPORT

31.03.2023	
TOTAL EXPOSURE	1,707,886
Tier 1 capital	190,446
<u>FINANCIAL LEVERAGE RATIO</u>	<u>11.15%</u>

V. LIQUIDITY COVERAGE RATIO

	(000 EUR)
	average as of 31.03.2023
Liquidity buffer	338,286
Total outflows	319,199
Reduction for inflows to which the 75% ceiling applies	149,362
Net liquid outflows	169,837
Liquidity coverage ratio (%)	199%

VI. CLOSING PROVISIONS

- (1) Public Disclosure of Data for Q1 2023 shall come into effect on the day of its adoption by the Management Board.