

Biser Topco Group

Disclosures

Q3 2019

(Under Pillar 3)

CONTENTS

1.	INTRODUCTION	3
2.	HIGHLIGHTS	4
3.	OWN FUNDS	6
3.1	INFORMATION ABOUT FULL RECONCILIATION OF COMMON EQUITY TIER 1 ITEMS, ADDITIONAL TIER 1 ITEMS, TIER 2 ITEMS AND FILTERS AND DEDUCTIONS APPLIED PURSUANT TO ARTICLES 32 TO 35, 36, 56, 66 AND 79 OF THE REGULATION RELATING TO OWN FUNDS OF THE INSTITUTION AND THE BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS OF THE INSTITUTION	6
3.2	DESCRIPTION OF THE MAIN FEATURES OF THE COMMON EQUITY TIER 1 AND ADDITIONAL TIER 1 INSTRUMENTS AND TIER 2 INSTRUMENTS ISSUED BY THE INSTITUTION	7
3.3	DESCRIPTION OF THE FULL TERMS AND CONDITIONS OF ALL COMMON EQUITY TIER 1, ADDITIONAL TIER 1 AND TIER 2 INSTRUMENTS	8
3.4	SEPARATE DISCLOSURE OF THE NATURE AND AMOUNTS OF FILTERS AND DEDUCTIONS	9
3.5	DESCRIPTION OF ALL RESTRICTIONS APPLIED TO THE CALCULATION OF OWN FUNDS IN ACCORDANCE WITH THE REGULATION, AND THE INSTRUMENTS, PRUDENTIAL FILTERS AND DEDUCTIONS TO WHICH THOSE RESTRICTIONS APPLY	20
3.6	COMPREHENSIVE EXPLANATION OF THE BASIS ON WHICH THE INSTITUTION CALCULATES ITS CAPITAL RATIOS, IF THE DISCLOSED CAPITAL RATIOS ARE CALCULATED USING ELEMENTS OF OWN FUNDS DETERMINED ON THE BASIS OTHER THAN THAT LAID DOWN IN THE REGULATION	20
4.	CAPITAL REQUIREMENTS	21
4.1	GENERAL INFORMATION ON CREDIT RISK RWA	24
4.1.1	INFORMATION REGARDING 8 % OF THE RISK-WEIGHTED EXPOSURE AMOUNTS IN ACCORDANCE WITH PART THREE, TITLE II, CHAPTER 3 FOR EACH OF THE EXPOSURE CLASSES SPECIFIED IN ARTICLE 147 OF THE REGULATION	24
4.1.2	DISCLOSURE OF THE EXPOSURES ASSIGNED TO EACH CATEGORY IN TABLE 1 OF ARTICLE 153(5), OR TO EACH RISK WEIGHT MENTIONED IN ARTICLE 155(2) OF THE REGULATION, IF THE INSTITUTION CALCULATES THE RISK-WEIGHTED EXPOSURE AMOUNTS IN ACCORDANCE WITH ARTICLE 153(5) OR ARTICLE 155(2)	24
5.	LEVERAGE RATIO	25
5.1	LEVERAGE RATIO OF BISER TOPCO GROUP	25
5.2	LEVERAGE RATIO OF NOVA KBM GROUP	25
6.	DISCLOSURES REGARDING TRANSITIONAL ARRANGEMENTS FOR MITIGATING THE IMPACT OF THE INTRODUCTION OF IFRS 9 ON OWN FUNDS	25
7.	TRANSITIONAL PROVISIONS FOR DISCLOSURE OF OWN FUNDS	25

1. Introduction

In accordance with Part 8 of Regulation (EU) No. 575/2013 of the European Parliament and the European Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (CRR), Nova KBM d.d. (hereinafter also „the Bank“ or „Parent bank“) is obliged to disclose essential information that would, if released or misstated, change or affect an assessment or decision of the user using this information to make business decisions. The regulation allows a possibility not to disclose information that has a characteristic of confidential information or business secret.

Nova KBM d.d. is owned by a financial holding company, Biser Bidco S.â.r.l. In accordance with Article 13 of the CRR Regulation, institutions owned by an EU parent financial holding company meet the obligations referred to in Part 8 of the CRR Regulation at their consolidated financial position and, where it is also relevant, at the sub-consolidated position. Consequently, data in the document are disclosed at the Biser Topco Group level, and where relevant, also at the Nova KBM Group level. Disclosures are prepared as at 30 September 2019 by Nova KBM d.d, the largest financial institution in the Biser Topco Group.

Nova KBM (as the parent company of the Nova KBM Group) was privatised in 2016. The process of sale was concluded on 21 April 2016, when the Republic of Slovenia sold its 100-percent equity share to Biser Bidco S.â.r.l, which is 100-percent owned by Biser Topco S.â.r.l. The company Biser Topco S.â.r.l. is a joint venture founded by Apollo holding an 80-percent equity share, and EBRD holding a 20-percent equity share.

Biser Topco S.â.r.l and Biser Bidco S.â.r.l are holding companies established to acquire an equity stake in Nova KBM. d.d. None of the companies perform licensed and commercial activities that would lead to additional exposure to risks. Both companies generate only costs that are appropriate for holding companies. With a purpose to ensure compliance with the legislation, the Bank has incorporated risk management at the Biser Topco Group level into its methodologies, policies and strategies.

Nova KBM d.d. included the method, frequency and verification of disclosing essential information in its Disclosure Policy. According to available options, Nova KBM has chosen to publish disclosures in a separate document, in which it took its position against each particular disclosure in line with the Regulation. The Bank discloses most of the information in its Annual Report, in accordance with the requirements of the legislation and International Financial Reporting Standards.

This document aims at disclosing information under the Pillar 3. In this context, the Bank followed the provisions of the CRR Regulation (575/2013), Directive (EU) No. 2013/36 (hereinafter: the Directive) and the Guidelines on Disclosure Requirements under Part 8 of Regulation (hereinafter: the Guidelines) as well as other relevant regulation of disclosing information.

In this document, the Group does not disclose non-relevant disclosures.

Disclosures of the Group are not audited. In accordance with its Disclosure Policy, the Group has internal controls and procedures in place to ensure the correctness of disclosed information.

2. Highlights

The Group must, on basis of ECBs legislation rules (CRR, CRD), fulfil:

- minimum capital requirements, comprised of:
 - Common Equity Tier 1 capital requirements of 4,5%
 - Total Tier 1 capital requirements of 6,0%
 - Total capital requirements of 8,0%
- Prudential / supervisory capital requirements, comprised of:
 - Pillar 2 requirement (P2R),
 - Pillar 2 guidance (P2G),
- Combined buffer requirements, comprised of:
 - Capital conservation buffer (CCB) of 2,5%,
 - Countercyclical capital buffer (CCyB) of 0,02%,
 - Other Systemically Important Institution (O-SII) buffer of 0,25% - binding only for Nova KBM Group.

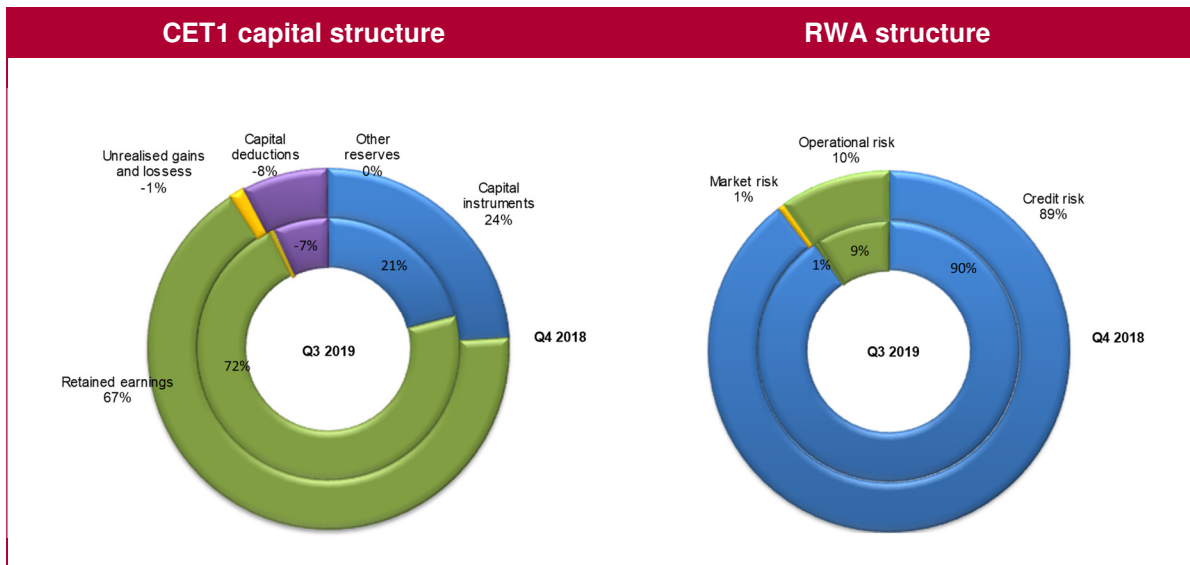
Combined minimum and prudential capital requirements are presenting total supervisory capital requirement – TSCR, combined minimum and prudential and buffer requirements present overall capital requirements the Group must fulfil. Additionally, the Group must also fulfil P2G requirement which is required to be held Common Equity Tier 1 ratio (CET1 ratio). The Group fulfils all of requirements imposed by legislation or supervisory authorities.

Table 1: Summary of Biser Topco Group's indicators

	€000	
	30.9.2019	31.12.2018
Risk weighted assets (RWA)	2.968.936	2.950.517
Credit risk	2.684.535	2.642.894
Market risk	18.148	19.999
Operational risk	266.253	287.625
Regulatory capital		
Common Equity Tier 1 capital ratio (CET 1)	716.323	599.441
Additional Tier 1 capital (AT1)	716.323	599.441
Total regulatory capital	716.323	599.441
Capital adequacy ratios		
Common Equity Tier 1 capital ratio (CET 1)	24,13%	20,32%
Tier 1 capital ratio (AT1)	24,13%	20,32%
Total capital adequacy ratio (CAR)	24,13%	20,32%
Capital buffers	2,52%	1,90%
Leverage ratio	13,54%	11,59%
Total assets	5.093.319	4.995.479
Shareholder's capital	790.671	727.332

In comparison to 2018 year-end, regulatory capital of the Group is higher by 117 mio EUR, mainly due retained earnings increase. The RWA is higher by 18 mio EUR, mainly due to the higher risk weighted assets for credit risk.

Figure 1: Biser Topco Group's CET1 capital and RWA structure Q3 2019 / Q4 2018



3. Own Funds

This section defines disclosure requirements referred to in Article 436(1) of Part 8 of CRR and in Commission implementing regulation (EU) No 1423/2013 of 20 December 2013.

3.1 Information about full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and filters and deductions applied pursuant to Articles 32 to 35, 36, 56, 66 and 79 of the Regulation relating to own funds of the institution and the balance sheet in the audited financial statements of the institution

(Article 437 (1.a) of the Regulation)

The scope of consolidation and the method used to consolidate the statement of financial position are the same as the scope and the method of consolidation set out in Chapter 2, Part One, Title II of the Regulation. The same entities are included in both consolidation methods.

The Group's regulatory capital is comprised in total out of Common Equity Tier 1 capital (CET1 capital). The table below shows the difference between the Group's shareholder's capital and regulatory capital as at 30 September 2019. In 2019 the own funds were positively affected by the increase of retained earnings.

The reconciliation between the Group's equity reported in the balance sheet and the equity reported for regulatory purposes is presented in the table below.

Table 2: Reconciliation of regulatory capital items and the balance sheet capital

	€000	
	30.9.2019	
	Biser Topco Group	Nova KBM Group
1 Shareholder's equity	790.671	790.619
2 Share Capital	2.008	150.000
3 Share premium	174.830	403.302
4 Other capital instruments	864	0
5 Revaluation reserves	(3.110)	20.635
6 Translation reserves	0	0
7 Reserves from profit	271	20.228
8 Retained earnings/(losses)	556.722	136.415
9 Net profit/loss for the financial year	59.086	65.039
10 Non-controlling interest	0	0
12 Subordinated liabilities	0	0
13 Adjustments	(74.348)	(68.272)
14 Share premium	0	0
15 Other capital instruments	(1.550)	0
16 Intangible assets	(29.016)	(29.019)
17 Non-controlling interest	0	0
18 Less interim profit of year 2019	(9.953)	(11.514)
19 Less profit of year 2018 w/o approval for incl. in CET1	(5.000)	0
20 Differed tax assets	(27.260)	(26.178)
21 Other deductions	(1.568)	(1.605)
22 Regulatory (CET1) capital (1-13)	716.323	722.347

3.2 Description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution

(Article 437 (1.b) of the Regulation)

Table below presents the data on equity instruments of the Biser Topco Group and the Nova KBM Group.

Capital instruments of Biser Topco Group and Nova KBM Group are comprised of paid-in capital (equities) and share premium (capital reserves). Capital instruments without ECB's permissions are not included in CET1 calculation.

Table 3: Main features of the Group's capital instruments

Capital instruments main features template (!)			
1	Issuer	Biser Topco S.à r.l.	Nova KBM d.d.
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)		SI0021116494
3	Governing law(s) of the instruments	Grand Duchy of Luxembourg, in particular the law of August 10, 1915 on commercial companies, as amended CRR	ZGD, ZTFI, ZNVP, CRR
	Regulatory treatment	CRR	CRR
4	Transitional CRR rules	Common equity Tier-1 capital	Common equity Tier-1 capital
5	Post transitional CRR rules	Common equity Tier-1 capital	Common equity Tier-1 capital
6	Eligible at solo/(sub-)consolidated/solo and (sub-)consolidated	Consolidated	Solo and sub-consolidated
7	Instrument type (to be specified by each jurisdiction)	Common equity Tier-1 capital	Common equity Tier-1 capital
8	Amount recognised in the regulatory capital (€million; as of the most recent reporting date)	€176 million	€553 million
9	Nominal amount of instrument	Share: €2.0 million Share premium: €174.1 million	Share €150 million Share premium € 403 million
9a	Issue price	Shares: €1 per share; Share premium; €100.85 per share	€87 per share
9b	Redemption price	N/A	N/A
10	Accounting classification	Equity	Equity
11	Original date of issuance	13 April 2016	19 December 2013
12	Perpetual or dated	Perpetual	Perpetual
13	Original date of issuance	N/A	N/A
14	Issuer call subject to prior supervisory approval	N/A	N/A
15	Optional call date, contingent call dates and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons/dividends	N/A	N/A
17	Fixed or floating dividend/coupon	N/A	N/A
18	Coupon rate and any related index	N/A	N/A
19	Existence of a dividend stopper	N/A	N/A
20a	Full discretionary, partially discretionary or mandatory (in terms of timing)	N/A	N/A

Capital instruments main features template (!)			
20b	Full discretionary, partially discretionary or mandatory (in terms of amount)	N/A	N/A
21	Existence of step up or other incentive to redeem	N/A	N/A
22	Non-cumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	N/A	N/A
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	n.r.	Ordinary liabilities
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A

3.3 Description of the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments

(Article 437 (1.c) of the Regulation)

With respect to their characteristics, own funds consist of two categories:

- Tier 1 capital, which comprises:
 - Common equity Tier-1 capital
 - Additional Tier-1 capital
- Tier 2 capital.

Common Equity Tier 1 capital comprises of:

- capital instruments (paid-in and share premium),
- retained earnings,
- accumulated other comprehensive income,
- other reserves,
- value adjustments due to the requirements for prudent valuation,
- requirements for prudential valuation,
- deductions:
 - intangible fixed assets

- deferred tax assets
- net loss in P&L account
- and other adjustments to Common Equity Tier 1 capital.

All **capital instruments** of Nova KBM Group are eligible for inclusion in CET1 capital calculation. Capital instruments of Biser Topco Group in amount of 0,7 mio EUR are not eligible for inclusion in CET1 capital calculation.

In calculation of CET1 capital are at all reporting levels included 2018 year end profit at levels decided on general assembly and interim half-year net profit of the year 2019.

Groups do not have any additional Tier-1 and Tier-2 instruments.

3.4 Separate disclosure of the nature and amounts of filters and deductions

(Article 437 (1.d) of the Regulation)

The Group is disclosing the amount of regulatory capital as at 31 March 2019, and regulatory capital items for which transitional periods apply in accordance with CRR and other regulations. The group is disclosing the following:

- (i) Prudential filters used in accordance with Articles 32 to 35
- (ii) Deductions in accordance with Articles 36, 56 and 66
- (iii) Non-deducted items in accordance with Articles 47, 48, 56, 66 and 79

Table 4: Biser Topco Group's regulatory capital nature and amounts

		€000	
Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A) Amount 30/09/2019	(B) Regulation (EU) No 575/2013 Article reference
1	Capital instruments and the related share premium accounts	176.153	26(1), 27, 28, 29, 26(3), EBA list
	Of which: Paid-in capital instruments	2.008	26(3), EBA list
	Of which: Paid-in capital surplus	174.144	26(3), EBA list
2	Retained earnings	600.854	26(1)c
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	-3.173	26/1
3a	Funds for general banking risk		26(1)(f)
4	Amount of qualifying items referred to in Article 484(3) and the related share premium accounts subject to phase-out from CET1		286(2)
	Public sector capital injections grandfathered until 1 January 2018		283(2)
5	Minority interests (amount allowed in consolidated CET1)		84, 479, 480
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	0	26(2)
6	Common Equity Tier-1 (CET-1) capital before regulatory adjustments	773.834	Sum of row 1 – 5a
7	Additional value adjustments (negative amount)	-1.223	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	-29.018	36(1)(b), 37, 472(4)
9	Empty Set in the EU		

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A) Amount 30/09/2019	(B) Regulation (EU) No 575/2013 Article reference
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38(3) are met) (negative amount)	-27.260	36(1)(c), 38, 472(5)
11	Fair value reserves related to gains or losses on cash flow hedges		33(a)
12	Negative amounts resulting from the calculation of expected loss amounts		36(1)(d), 40, 159, 472(6)
13	Any increase in equity that results from securitised assets (negative amount)		32(1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		33(b)
15	Defined-benefit pension fund assets (negative amount)		36(1)(e), 41, 472(7)
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		36(1)(f), 42, 472(8)
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		36(1)(g), 44, 472(9)
18	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10 % threshold and net of eligible short positions) (negative amount)		36(1)(h), 43, 45, 46, 49(2), and (3), 79, 472(10)
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		36(1)(i), 43, 45, 47, 48(1)(b), 49(1) to (3), 79, 470, 472(11)
20	Empty Set in the EU		
20a	Exposure amount of the following items which qualify for a RW of 1250 %, where the institution opts for the deduction alternative		36(1)(k)
20b	Of which: qualifying holdings outside the financial sector (negative amount)		36(1)(k)(i), 89 to 91
20c	Of which: securitisation positions (negative amount)		36(1)(k)(ii), 243(1)(b), 244(1)(b), 258
20d	Of which: free deliveries (negative amount)		36(1)(k)(iii), 379(3)
21	Deferred tax assets arising from temporary differences (amount above 10 % threshold, net of related tax liability where the conditions in Article 38(3) are met) (negative amount)		36(1)(c), 38, 48(1)(a), 470, 472(5)
22	Amount exceeding the 15 % threshold (negative amount)		48(1)
23	Of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		36(1)(ii), 48(1)(b), 470, 472(11)
24	Empty Set in the EU		
25	Of which: deferred tax assets arising from temporary differences		36(1)(c), 38, 48(1)(a), 470, 472(5)
25a	Losses for the current financial year (negative amount)	0	36(1)(a), 472(3)
25b	Foreseeable tax charges relating to CET1 items (negative amount)		36(1)(l)
26	Regulatory adjustments applied to CET1 in respect of amounts subject to pre-CRR treatment		
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468		

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A)	(B)
		Amount 30/09/2019	Regulation (EU) No 575/2013 Article reference
	Of which: ... filter for unrealised loss 1		467
	Of which: ... filter for unrealised loss 2		467
	Of which: ... filter for unrealised gain 1		468
	Of which: ... filter for unrealised gain 2		468
26b	Amount to be deducted from or added to CET1 capital with regard to additional filters and deductions required pre-CRR	0	481
	Of which: ...		481
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		36(1)(j)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1) capital	-57.511	
29	Common equity Tier-1 capital	716.323	
30	Capital instruments and the related share premium accounts		51, 52
31	Of which: classified as equity under applicable accounting standards		
32	Of which: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484(4) and the related share premium accounts subject to phase-out from AT1		486(3)
	Public sector capital injections grandfathered until 1 January 2018		483(3)
34	Qualifying T1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		85, 86, 480
35	Of which: instruments issued by subsidiaries subject to phase-out		486(3)
36	Additional Tier 1 (AT1) capital before regulatory adjustments	0	
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)		52(1)(b), 56(a), 57, 475(2)
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		56(b), 58, 475(3)
39	Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10 % threshold and net of eligible short positions) (negative amount)		56(c), 59, 60, 79, 475(4)
40	Direct and indirect holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above the 10 % threshold net of eligible short positions) (negative amount)		56(d), 59, 79, 475(4)
41	Regulatory adjustments applied to AT1 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		
41a	Residual amounts deducted from AT1 capital with regard to deduction from CET1 capital during the transitional period pursuant to Article 472 of Regulation (EU) No 575/2013		472, 472(3)(a), 472(4), 472(6), 472(8)(a), 472(9), 472(10)(a), 472(11)(a)
	Of which: items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.		
41b	Residual amounts deducted from AT1 capital with regard to deduction from T2 capital during the transitional period pursuant to Article 475 of Regulation (EU) No 575/2013		477, 477(3), 477(4)(a)
	Of which: items to be detailed line by line, e.g. reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.		

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A) Amount 30/09/2019	(B) Regulation (EU) No 575/2013 Article reference
41c	Amount to be deducted from or added to AT1 capital with regard to additional filters and deductions required pre-CRR		467, 468, 481
	Of which: ...possible filter for unrealised losses		467
	Of which: ...possible filter for unrealised gains		468
	Of which: ...		481
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		56(e)
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	0	
44	Additional Tier 1 (AT1) capital	0	
45	Tier 1 capital (T1 = CET1 + AT1)	716.323	Sum of rows 29 – 44
46	Capital instruments and the related share premium accounts		62, 63
47	Amount of qualifying items referred to in Article 484(5) and the related share premium accounts subject to phase-out from T2		486(4)
	Public sector capital injections grandfathered until 1 January 2018		483(4)
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		87, 88, 480
49	Of which: instruments issued by subsidiaries subject to phase-out		486(4)
50	Credit risk adjustments		62(c) and (d)
51	Tier 2 (T2) capital before regulatory adjustments	0	
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)		63(d)(i), 66(a), 67, 477(2)
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		66(b), 68, 477(3)
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		66(c), 69, 70, 79, 477(4)
54a	Of which new holdings not subject to transitional arrangements		
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements		
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		66(d), 69, 79, 477(4)
56	Regulatory adjustments applied to T2 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No. 575/2013 (i.e. CRR residual amounts)		
56a	Residual amounts deducted from T2 capital with regard to deduction from CET1 capital during the transitional period pursuant to Article 472 of Regulation (EU) No 575/2013		472, 472(3)(a), 472(4), 472(6), 472(8)(a), 472(9), 472(10)(a), 472(11)(a)
	Of which: items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.		
56b	Residual amounts deducted from T2 capital with regard to deduction from AT1 capital during the transitional period pursuant to Article 475 of Regulation (EU) No 575/2013		475, 475(2)(a), 475(3), 475(4)(a)

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A) Amount 30/09/2019	(B) Regulation (EU) No 575/2013 Article reference
	Of which: items to be detailed line by line, e.g. reciprocal cross holdings in AT1 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.		
56c	Amount to be deducted from or added to T2 capital with regard to additional filters and deductions required pre-CRR		467, 468, 481
	Of which: ...possible filter for unrealised losses		467
	Of which: ...possible filter for unrealised gains		468
	Of which: ...		481
57	Total regulatory adjustments to Tier 2 (T2) capital	0	
58	Tier 2 (T2) capital	0	
59	Total capital (TC = T1 + T2)	716.323	
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No. 575/2013 (i.e. CRR residual amounts)		
	Of which: ...items not deducted from CET1 (Regulation (EU) No. 575/2013 residual amounts) (items to be detailed line by line, e.g. deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)		472, 472(5), 472(8)(b), 472(10)(b), 472(11)(b)
	Of which: ...items not deducted from AT1 items (Regulation (EU) No. 575/2013 residual amounts) (items to be detailed line by line, e.g. reciprocal crossholdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		475, 475(2)(b), 475(2)(c), 475(4)(b)
	Items not deducted from T2 items (Regulation (EU) No. 575/2013 residual amounts) (items to be detailed line by line, e.g. indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		477, 477(2)(b), 477(2)(c), 477(4)(b)
60	Total risk weighted assets	2.968.935	
61	CET1 (as a percentage of risk exposure amount)	24,13%	92(2)(a), 465
62	T1 (as a percentage of risk exposure amount)	24,13%	92(2)(b), 465
63	Total capital (as a percentage of risk exposure amount)	24,13%	92(2)(c)
64	Institution specific buffer requirement (CET1 requirement in accordance with Article 92(1)(a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	74.817	128, 129 and 130, (CRD)
65	Of which: capital conservation buffer requirement	74.223	
66	Of which: countercyclical buffer requirement	594	
67	Of which: systemic risk buffer requirement	0	
67a	Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0	131 (CRD)
68	CET1 available to meet buffers (as a percentage of risk exposure amount)	716.323	128 (CRD)
69	[not relevant in EU regulation]		
70	[not relevant in EU regulation]		
71	[not relevant in EU regulation]		

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A)	(B)
		Amount 30/09/2019	Regulation (EU) No 575/2013 Article reference
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10 % threshold and net of eligible short positions)	1.282	36(1)(h), 45, 46, 472(10)
			56(c), 59, 60, 475(4)
			66(c), 69, 70, 477(4)
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10 % threshold and net of eligible short positions)	2.378	36(1)(i), 45, 48, 470, 472(11)
74	Empty Set in the EU		
75	Deferred tax assets arising from temporary differences (amount below 10 % threshold, net of related tax liability where the conditions in Article 38(3) are met)	-3.164	36(1)(c), 38, 48, 470, 472(5)
76	Credit risk adjustments included in T2 capital in respect of exposures subject to the Standardised Approach (prior to the application of the cap)		62
77	Cap on inclusion of credit risk adjustments in T2 capital under the Standardised Approach		62
78	Credit risk adjustments included in T2 capital in respect of exposures subject to the internal ratings-based approach (prior to the application of the cap)		62
79	Cap for inclusion of credit risk adjustments in T2 capital under the internal ratings-based approach		62
80	Current cap on CET1 instruments subject to phase-out arrangements		484(3), 486(2) and (58)
81	Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)		484(3), 486(2) and (58)
82	Current cap on AT1 instruments subject to phase-out arrangements		484(3), 486(2) and (58)
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)		484(3), 486(2) and (58)
84	Current cap on T2 instruments subject to phase-out arrangements		484(3), 486(2) and (58)
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		484(3), 486(2) and (58)

Table 5: Nova KBM Group's regulatory capital nature and amounts

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Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A)	(B)
		Amount 30/09/2019	Regulation (EU) No 575/2013 Article reference
1	Capital instruments and the related share premium accounts	553.302	26(1), 27, 28, 29, 26(3), EBA list
	Of which: Paid-in capital instruments	150.000	26(3), EBA list
	Of which: Paid-in capital surplus	403.302	26(3), EBA list
2	Retained earnings	184.939	26(1)c
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	40.536	26/1
3a	Funds for general banking risk		26(1)(f)
4	Amount of qualifying items referred to in Article 484(3) and the related share premium accounts subject to phase-out from CET1		286(2)
	Public sector capital injections grandfathered until 1 January 2018		283(2)
5	Minority interests (amount allowed in consolidated CET1)		84, 479, 480
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	0	26(2)
6	Common Equity Tier-1 (CET-1) capital: regulatory adjustments	778.777	Sum of row 1 – 5a
7	Additional value adjustments (negative amount)	-1.233	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	-29.018	36(1)(b), 37, 472(4)
9	Empty Set in the EU		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38(3) are met) (negative amount)	-26.178	36(1)(c), 38, 472(5)
11	Fair value reserves related to gains or losses on cash flow hedges		33(a)
12	Negative amounts resulting from the calculation of expected loss amounts		36(1)(d), 40, 159, 472(6)
13	Any increase in equity that results from securitised assets (negative amount)		32(1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		33(b)
15	Defined-benefit pension fund assets (negative amount)		36(1)(e), 41, 472(7)
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		36(1)(f), 42, 472(8)
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		36(1)(g), 44, 472(9)
18	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10 % threshold and net of eligible short positions) (negative amount)		36(1)(h), 43, 45, 46, 49(2), and (3), 79, 472(10)
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		36(1)(i), 43, 45, 47, 48(1)(b), 49(1) to (3), 79, 470, 472(11)
20	Empty Set in the EU		
20a	Exposure amount of the following items which qualify for a RW of 1250 %, where the institution opts for the deduction alternative		36(1)(k)

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A)	(B)
		Amount 30/09/2019	Regulation (EU) No 575/2013 Article reference
20b	Of which: qualifying holdings outside the financial sector (negative amount)		36(1)(k)(i), 89 to 91
20c	Of which: securitisation positions (negative amount)		36(1)(k)(ii), 243(1)(b), 244(1)(b), 258
20d	Of which: free deliveries (negative amount)		36(1)(k)(iii), 379(3)
21	Deferred tax assets arising from temporary differences (amount above 10 % threshold, net of related tax liability where the conditions in Article 38(3) are met) (negative amount)		36(1)(c), 38,48(1)(a), 470, 472(5)
22	Amount exceeding the 15 % threshold (negative amount)		48(1)
23	Of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		36(1)(ii), 48(1)(b), 470, 472(11)
24	Empty Set in the EU		
25	Of which: deferred tax assets arising from temporary differences		36(1)(c), 38, 48(1)(a), 470, 472(5)
25a	Losses for the current financial year (negative amount)	0	36(1)(a), 472(3)
25b	Foreseeable tax charges relating to CET1 items (negative amount)		36(1)(l)
26	Regulatory adjustments applied to CET1 in respect of amounts subject to pre-CRR treatment		
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468		
	Of which: ... filter for unrealised loss 1		467
	Of which: ... filter for unrealised loss 2		467
	Of which: ... filter for unrealised gain 1		468
	Of which: ... filter for unrealised gain 2		468
26b	Amount to be deducted from or added to CET1 capital with regard to additional filters and deductions required pre-CRR	0	481
	Of which: ...		481
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		36(1)(j)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1) capital	-56.429	
29	Common equity Tier-1 capital	722.348	
30	Capital instruments and the related share premium accounts		51, 52
31	Of which: classified as equity under applicable accounting standards		
32	Of which: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484(4) and the related share premium accounts subject to phase-out from AT1		486(3)
	Public sector capital injections grandfathered until 1 January 2018		483(3)
34	Qualifying T1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		85, 86, 480
35	Of which: instruments issued by subsidiaries subject to phase-out		486(3)
36	Additional Tier 1 (AT1) capital before regulatory adjustments	0	
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)		52(1)(b), 56(a), 57, 475(2)

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A)	(B)
		Amount 30/09/2019	Regulation (EU) No 575/2013 Article reference
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		56(b), 58, 475(3)
39	Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10 % threshold and net of eligible short positions) (negative amount)		56(c), 59, 60, 79, 475(4)
40	Direct and indirect holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above the 10 % threshold net of eligible short positions) (negative amount)		56(d), 59, 79, 475(4)
41	Regulatory adjustments applied to AT1 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		
41a	Residual amounts deducted from AT1 capital with regard to deduction from CET1 capital during the transitional period pursuant to Article 472 of Regulation (EU) No 575/2013		472, 472(3)(a), 472(4), 472(6), 472(8)(a), 472(9), 472(10)(a), 472(11)(a)
	Of which: items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.		
41b	Residual amounts deducted from AT1 capital with regard to deduction from T2 capital during the transitional period pursuant to Article 475 of Regulation (EU) No 575/2013		477, 477(3), 477(4)(a)
	Of which: items to be detailed line by line, e.g. reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.		
41c	Amount to be deducted from or added to AT1 capital with regard to additional filters and deductions required pre-CRR		467, 468, 481
	Of which: ...possible filter for unrealised losses		467
	Of which: ...possible filter for unrealised gains		468
	Of which: ...		481
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		56(e)
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	0	
44	Additional Tier 1 (AT1) capital	0	
45	Tier 1 capital (T1 = CET1 + AT1)	722.348	Sum of rows 29 – 44
46	Capital instruments and the related share premium accounts		62, 63
47	Amount of qualifying items referred to in Article 484(5) and the related share premium accounts subject to phase-out from T2		486(4)
	Public sector capital injections grandfathered until 1 January 2018		483(4)
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		87, 88, 480
49	Of which: instruments issued by subsidiaries subject to phase-out		486(4)
50	Credit risk adjustments		62(c) and (d)
51	Tier 2 (T2) capital before regulatory adjustments	0	
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)		63(d)(i), 66(a), 67, 477(2)
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		66(b), 68, 477(3)

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A) Amount 30/09/2019	(B) Regulation (EU) No 575/2013 Article reference
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		66(c), 69, 70, 79, 477(4)
54a	Of which new holdings not subject to transitional arrangements		
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements		
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		66(d), 69, 79, 477(4)
56	Regulatory adjustments applied to T2 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No. 575/2013 (i.e. CRR residual amounts)		
56a	Residual amounts deducted from T2 capital with regard to deduction from CET1 capital during the transitional period pursuant to Article 472 of Regulation (EU) No 575/2013		472, 472(3)(a), 472(4), 472(6), 472(8)(a), 472(9), 472(10)(a), 472(11)(a)
	Of which: items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.		
56b	Residual amounts deducted from T2 capital with regard to deduction from AT1 capital during the transitional period pursuant to Article 475 of Regulation (EU) No 575/2013		475, 475(2)(a), 475(3), 475(4)(a)
	Of which: items to be detailed line by line, e.g. reciprocal cross holdings in AT1 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.		
56c	Amount to be deducted from or added to T2 capital with regard to additional filters and deductions required pre-CRR		467, 468, 481
	Of which: ...possible filter for unrealised losses		467
	Of which: ...possible filter for unrealised gains		468
	Of which: ...		481
57	Total regulatory adjustments to Tier 2 (T2) capital	0	
58	Tier 2 (T2) capital	0	
59	Total capital (TC = T1 + T2)	722.348	
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No. 575/2013 (i.e. CRR residual amounts)		
	Of which: ...items not deducted from CET1 (Regulation (EU) No. 575/2013 residual amounts) (items to be detailed line by line, e.g. deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)		472, 472(5), 472(8)(b), 472(10)(b), 472(11)(b)
	Of which: ...items not deducted from AT1 items (Regulation (EU) No. 575/2013 residual amounts) (items to be detailed line by line, e.g. reciprocal crossholdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		475, 475(2)(b), 475(2)(c), 475(4)(b)
	Items not deducted from T2 items (Regulation (EU) No. 575/2013 residual amounts)		477, 477(2)(b), 477(2)(c), 477(4)(b)

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A)	(B)
		Amount 30/09/2019	Regulation (EU) No 575/2013 Article reference
	Items to be detailed line by line, e.g. indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		
60	Total risk weighted assets	3.008.144	
Capital ratios and buffers			
61	CET1 (as a percentage of risk exposure amount)	24,01%	92(2)(a), 465
62	T1 (as a percentage of risk exposure amount)	24,01%	92(2)(b), 465
63	Total capital (as a percentage of risk exposure amount)	24,01%	92(2)(c)
64	Institution specific buffer requirement (CET1 requirement in accordance with Article 92(1)(a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	83.326	128, 129 and 130, (CRD)
65	Of which: capital conservation buffer requirement	75.204	
66	Of which: countercyclical buffer requirement	602	
67	Of which: systemic risk buffer requirement	0	
67a	Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	7.520	131 (CRD)
68	CET1 available to meet buffers (as a percentage of risk exposure amount)	722.348	128 (CRD)
69	[not relevant in EU regulation]		
70	[not relevant in EU regulation]		
71	[not relevant in EU regulation]		
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10 % threshold and net of eligible short positions)	1.282	36(1)(h), 45, 46, 472(10) 56(c), 59, 60, 475(4) 66(c), 69, 70, 477(4)
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10 % threshold and net of eligible short positions)	2.378	36(1)(i), 45, 48, 470, 472(11)
74	Empty Set in the EU		
75	Deferred tax assets arising from temporary differences (amount below 10 % threshold, net of related tax liability where the conditions in Article 38(3) are met)	-3.164	36(1)(c), 38, 48, 470, 472(5)
76	Credit risk adjustments included in T2 capital in respect of exposures subject to the Standardised Approach (prior to the application of the cap)		62
77	Cap on inclusion of credit risk adjustments in T2 capital under the Standardised Approach		62
78	Credit risk adjustments included in T2 capital in respect of exposures subject to the internal ratings-based approach (prior to the application of the cap)		62
79	Cap for inclusion of credit risk adjustments in T2 capital under the internal ratings-based approach		62
80	Current cap on CET1 instruments subject to phase-out arrangements		484(3), 486(2) and (58)
81	Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)		484(3), 486(2) and (58)
82	Current cap on AT1 instruments subject to phase-out arrangements		484(3), 486(2) and (58)

Common Equity Tier-1 (CET-1) capital: instruments and reserves		(A) Amount 30/09/2019	(B) Regulation (EU) No 575/2013 Article reference
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)		484(3), 486(2) and (58)
84	Current cap on T2 instruments subject to phase-out arrangements		484(3), 486(2) and (58)
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		484(3), 486(2) and (58)

3.5 Description of all restrictions applied to the calculation of own funds in accordance with the Regulation, and the instruments, prudential filters and deductions to which those restrictions apply

(Article 437 (1.e) of the Regulation)

Data are presented in Table in section 3.1.

3.6 Comprehensive explanation of the basis on which the institution calculates its capital ratios, if the disclosed capital ratios are calculated using elements of own funds determined on the basis other than that laid down in the Regulation

(Article 437 (1.f) of the Regulation)

This disclosure is not applicable for the Group.

4. Capital requirements

(Article 438 c, e and f and 445 of CRR)

Regulatory capital

See chapters 2 and 3.

Risk weighted assets

This section defines disclosure requirements referred to in Article 438 of Part 8 of CRR. Where necessary, the disclosures comply with data disclosure requirements indicated in section „4.6 Capital Requirements“ of the Guidelines.

The Group uses Standardised Approach to calculate its capital requirements for credit and market risks, while the Basic Indicator Approach is used to calculate capital requirements for operational risk.

The Group discloses the amounts according to the provisions of Chapter 46, paragraph 69 of the Guidelines. As at the date of reporting, risk weighted assets exceed the respective amount for the previous period by €18 million. The change in risk-weighted exposure at the reporting date of 30 September 2019 compared to 31 December 2018 is primarily associated with:

- Implementation of regulatory changes associated to phase-in period of 112(4) Article of Regulation CRR connected to implementation of country risk in category of exposures to central governments and central banks,
- Intensive activities on improving the collateral eligibility for decreasing credit risk capital requirement,
- Calculation of risk weighted assets for operational risk including years 2016-2018,
- Continuing materialization of the Group's commercial strategy (liquidity redeployment)
- Continuing management of default exposure portfolio,
- Movements in value adjustments of equity investments,
- Movements in value adjustments of investments,
- Sale of strategically immaterial subsidiaries.

The changes in risk-weighted exposure of the Biser Topco Group reflect also the changes in risk-weighted exposure of the Nova KBM Group.

The table below shows the detailed composition of the capital requirements of the Groups at the end of 2018 and 30.9.2019. Out of the overall capital requirements of Biser Topco Group the 90% relates to credit risk positions, 9% to operational risk and 1% to market risk positions.

Template 1: EU OV1 – Overview of RWA's of the Biser Topco Group

€000

			RWAs		Minimum capital requirements
			30/9/2019	31/12/2018	30/9/2019
	1	Credit risk (excluding counterparty credit risk – CCR)	2.678.751	2.614.402	214.300
Article 438(c)(d)	2	Of which the standardised approach	2.678.751	2.614.402	214.300
Article 438(c)(d)	3	Of which the foundation IRB (FIRB) approach	0	0	0
Article 438(c)(d)	4	Of which the advanced IRB (AIRB) approach	0	0	0
Article 438(d)	5	Of which equity IRB under the simple risk-weighted approach or the internal model approach (IMA)	0	0	0
Article 107, Article 438(c)(d)	6	CCR	5.819	1.501	465
Article 438(c)(d)	7	Of which mark to market	0	0	0
Article 438(c)(d)	8	Of which original exposure	0	0	0
	9	Of which the standardised approach	5.784	1.491	462
	10	Of which internal model method (IMM)	0	0	0
Article 438(c)(d)	11	Of which risk exposure amount for contributions to the default fund of a CCP	0	0	0
Article 438(c)(d)	12	Of which credit value adjustment (CVA)	35	10	3
438(e)	13	Settlement risk	0	0	0
Article 449(o)(i)	14	Securitisation exposures in the banking book (after the cap)	0	0	0
	15	Of which IRB approach	0	0	0
	16	Of which IRB supervisory formula approach (SFA)	0	0	0
	17	Of which internal assessment approach (IAA)	0	0	0
	18	Of which the standardised approach	0	0	0
Article 438(e)	19	Market risks	18.113	19.989	1.449
	20	Of which the standardised approach	18.113	19.989	1.449
	21	Of which IMA	0	0	0
Article 438(e)	22	Large exposures			
Article 438(f)	23	Operational risk	266.253	287.625	21.300
	24	Of which basic indicator approach	266.253	287.625	21.300
	25	Of which the standardised approach	0	0	0
	26	Of which advanced measurement approach	0	0	0
Article 437(2), Article 48 and Article 60	27	Amounts below the thresholds for deduction (subject to 250 % risk weight)	0	0	0
Article 500	28	Floor adjustment	0	0	0
	29	Total	2.968.935	2.950.517	237.515

Template 2: EU OV1 – Overview of RWAs of the Nova KBM Group

€000

			RWAs		Minimum capital requirements
			30/9/2019	31/12/2018	30/9/2019
	1	Credit risk (excluding counterparty credit risk – CCR)	2.684.072	2.638.710	214.726
Article 438(c)(d)	2	Of which the standardised approach	2.684.072	2.638.710	214.726
Article 438(c)(d)	3	Of which the foundation IRB (FIRB) approach	0	0	0
Article 438(c)(d)	4	Of which the advanced IRB (AIRB) approach	0	0	0
Article 438(d)	5	Of which equity IRB under the simple risk-weighted approach or the internal model approach (IMA)	0	0	0
Article 107, Article 438(c)(d)	6	CCR	5.819	1.501	465
Article 438(c)(d)	7	Of which mark to market	0	0	0
Article 438(c)(d)	8	Of which original exposure	0	0	0
	9	Of which the standardised approach	5.784	1.491	462
	10	Of which internal model method (IMM)	0	0	0
Article 438(c)(d)	11	Of which risk exposure amount for contributions to the default fund of a CCP	0	0	0
Article 438(c)(d)	12	Of which credit value adjustment (CVA)	35	10	3
Article 438(e)	13	Settlement risk	0	0	0
Article 449(o)(i)	14	Securitisation exposures in the banking book (after the cap)	0	0	0
	15	Of which IRB approach	0	0	0
	16	Of which IRB supervisory formula approach (SFA)	0	0	0
	17	Of which internal assessment approach (IAA)	0	0	0
	18	Of which the standardised approach	0	0	0
Article 438(e)	19	Market risks	18.113	19.989	1.449
	20	Of which the standardised approach	18.113	19.989	1.449
	21	Of which IMA	0	0	0
Article 438(e)	22	Large exposures			
Article 438(f)	23	Operational risk	300.414	320.477	24.011
	24	Of which basic indicator approach	300.414	320.477	24.011
	25	Of which the standardised approach	0	0	0
	26	Of which advanced measurement approach	0	0	0
Article 437(2), Article 48 and Art. 60	27	Amounts below the thresholds for deduction (subject to 250 % risk weight)	0	0	0
Article 500	28	Floor adjustment	0	0	0
	29	Total	3.008.144	2.980.677	240.652

Both groups have the same portfolio of capital investments, since the Biser Topco Group has no authorisations or licences to carry out any banking activity. As at 30 September 2019 both Groups have no significant equity investment in equity instruments of an insurance and reinsurance companies, or insurance holding companies that is not deducted from regulatory capital of the Groups, but only immaterial investment for which they calculate risk-weighted assets for credit risk with the assigned risk weight of 100 %.

4.1 General information on Credit risk RWA

4.1.1 Information regarding 8 % of the risk-weighted exposure amounts in accordance with Part Three, Title II, Chapter 3 for each of the exposure classes specified in Article 147 of the Regulation

(Article 438 (d) of the Regulation)

This disclosure does not apply to the Group, because it does not use the IRB approach in calculating capital requirements for credit risk.

4.1.2 Disclosure of the exposures assigned to each category in Table 1 of Article 153(5), or to each risk weight mentioned in Article 155(2) of the Regulation, if the institution calculates the risk-weighted exposure amounts in accordance with Article 153(5) or Article 155(2)

(Article 438 of the Regulation)

This disclosure does not apply to the Group, because it does not use the IRB approach in calculating capital requirements for credit risk.

5. Leverage ratio

(Article 451 of the Regulation)

This section defines disclosure requirements referred to in Article 451 of Part 8 of CRR and in Commission implementing regulation (EU) No 2016/200.

5.1 Leverage ratio of Biser Topco Group

(451 a-c of the Regulation)

€000

Capital and total exposures		
1	Tier-1 capital	716.323
2	Total leverage ratio exposures	5.288.864
Leverage ratio		
3	Leverage ratio	13,54%

5.2 Leverage ratio of Nova KBM Group

(451 a-c of the Regulation)

€000

Capital and total exposures		
1	Tier-1 capital	722.348
2	Total leverage ratio exposures	5.289.560
Leverage ratio		
3	Leverage ratio	13,66%

6. Disclosures regarding transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds

(473a. of the Regulation)

Disclosure is not relevant for the Group as the Group did not decide to use the capital deduction regarding transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds.

7. Transitional provisions for disclosure of own funds

(492. of the Regulation)

Disclosure is not relevant for the Group as the Group from the 1 January 2018 does not use the transitional provisions for calculation of own funds or risk weighted assets. Transitional provisions are taken into consideration only in case of capital buffers calculation and are in line with articles of CRD Directive.