

**Banka Kombëtare Tregtare sh.a.**

**Independent Auditors' Review Report  
and  
Condensed Consolidated Interim  
Financial Information  
as at and for the nine-month period ended  
30 September 2020**

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## Independent Auditor's Review Report

To the Shareholders and Board of Directors of Banka Kombetare Tregtare Sh.a

We have reviewed the accompanying condensed consolidated interim statement of financial position of Banka Kombetare Tregtare Sh.a (hereafter referred as the "Bank" or the "Group") as of 30 September 2020 and the related condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of the condensed consolidated interim financial information in accordance with the International Financial Reporting Standards. Our responsibility is to express a conclusion on the condensed consolidated interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Basis for Qualified Conclusion*

The Bank has treated its share capital issued in United States Dollar (USD) as a monetary item in the condensed consolidated interim financial information and recognized the revaluation differences for the nine-month period ended 30 September 2020 within net profits in the condensed consolidated interim statement of profit or loss and other comprehensive income. This treatment is not in accordance with International Accounting Standard (IAS) 21 "The Effects of Changes in Foreign Exchange Rates" which requires share capital to be treated as a non-monetary item and carried at the exchange rate of the date of the transaction. Had the Bank treated its share capital in accordance with IAS 21 requirements, the share capital as at 30 September 2020 would have been increased by USD 17,937,972, retained earnings would have been decreased by USD 10,717,264 and the net profit would have been decreased by USD 7,220,708 for the nine month period ended 30 September 2020. Nevertheless, this would not have affected the total shareholders' equity.

*Qualified Conclusion*

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* section of our report, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information does not give a true and fair view of the financial position of the Bank as at 30 September 2020 and of its financial performance and its cash flows for the six-month period then ended in accordance with International Financial Reporting Standards.

**Grant Thornton sh.p.k.**

Tirana, Albania

25 November 2020



## Banka Kombetare Tregtare sh.a.

Condensed consolidated interim statement of financial position as at 30 September 2020  
(amounts in USD)

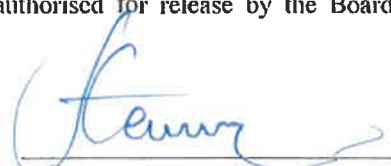
	30 September 2020	31 December 2019
<b>Assets</b>		
Cash and balances with Central Bank	402,925,352	380,047,094
Placement and balances with banks	369,516,156	873,788,983
Investment securities	2,158,157,638	1,595,645,317
Loans to banks	314,470,047	129,313,651
Loans to customers	1,238,970,013	1,208,566,427
Investment in associates	952,531	904,121
Property and equipment	42,668,026	42,499,993
Right of use asset	8,580,122	9,896,345
Intangible assets	3,791,203	4,411,195
Deferred tax assets	1,667,769	2,081,927
Other assets	46,124,990	45,416,971
<b>Total assets</b>	<b>4,587,823,847</b>	<b>4,292,572,024</b>
<b>Liabilities and shareholder's equity</b>		
<b>Liabilities</b>		
Customer deposits	3,612,976,059	3,409,397,079
Due to banks and financial institutions	378,827,538	337,482,014
Due to third parties	4,252,910	2,372,307
Accruals and other liabilities	58,596,179	19,776,329
Lease Liability	8,819,304	9,961,323
Subordinated debt	29,711,900	28,085,585
<b>Total liabilities</b>	<b>4,093,183,890</b>	<b>3,807,074,637</b>
<b>Shareholder's equity</b>		
Share capital	300,000,000	300,000,000
Legal reserve	33,166,582	17,091,262
Translation reserve	2,085,292	571,499
Fair value reserve	46,729,552	55,556,634
Retained earnings	112,658,531	112,277,992
<b>Total shareholder's equity</b>	<b>494,639,957</b>	<b>485,497,387</b>
<b>Total liabilities and shareholder's equity</b>	<b>4,587,823,847</b>	<b>4,292,572,024</b>

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes set out in pages 6 to 10 that form part of the condensed consolidated interim financial information.

The condensed consolidated interim financial information was authorised for release by the Board of Directors on 25 November 2020 and signed on its behalf by:



Seyhan Pencabliligil  
CEO and Board Member



Skënder Emimi  
Head of Finance Group

**Banka Kombetare Tregtare sh.a.**

Condensed consolidated interim statement of comprehensive income for the nine-month period ended 30 September 2020  
(amounts in USD)

	<b>Nine-month period ended 30 September 2020</b>	<b>Three-month period ended 30 September 2020</b>	<b>Nine-month period ended 30 September 2019</b>	<b>Three-month period ended 30 September 2019</b>
Interest				
Interest income	111,640,007	40,076,461	110,469,308	35,893,799
Interest expense	(17,666,073)	(5,425,147)	(20,817,418)	(6,643,658)
<b>Net interest margin</b>	<b>93,973,934</b>	<b>34,651,314</b>	<b>89,651,890</b>	<b>29,250,141</b>
Non-interest income, net				
Fees and commissions, net	16,920,798	5,978,317	15,114,303	5,713,357
Foreign exchange revaluation, net	(895,223)	(3,969,888)	2,798,976	2,534,580
Foreign exchange trading activities income, net	1,669,375	206,888	(2,488,099)	(261,628)
Securities trading gain, net	13,436,961	5,749,165	1,572,228	772,456
Other (expense)/income, net	1,250,858	463,479	(4,307,389)	(1,915,689)
<b>Total non-interest income, net</b>	<b>32,382,769</b>	<b>8,427,961</b>	<b>12,690,019</b>	<b>6,843,076</b>
Operating expenses				
Personnel expenses	(15,997,179)	(5,770,681)	(15,291,964)	(5,348,178)
Administrative expenses	(23,415,683)	(8,476,269)	(21,981,401)	(8,294,882)
Depreciation and amortization	(6,193,318)	(2,161,121)	(5,936,909)	(2,056,021)
<b>Total operating expenses</b>	<b>(45,606,180)</b>	<b>(16,408,071)</b>	<b>(43,210,274)</b>	<b>(15,699,081)</b>
Impairment of loans	(9,064,976)	(3,777,118)	(7,649,801)	(5,555,182)
Impairment of other financial instruments	(4,965,954)	(251,244)	192,500	(101,097)
<b>Profit before taxes</b>	<b>66,719,593</b>	<b>22,642,842</b>	<b>51,674,334</b>	<b>14,737,857</b>
Income tax	(9,925,660)	(3,764,950)	(7,994,716)	(2,370,934)
<b>Net profit for the period</b>	<b>56,793,933</b>	<b>18,877,892</b>	<b>43,679,618</b>	<b>12,366,923</b>
Foreign currency translation differences	1,513,793	1,900,373	(1,041,830)	(1,416,975)
Net change in fair value reserves	(8,827,082)	466,651	19,324,965	(1,493,102)
<b>Other comprehensive income for the period, net of income tax</b>	<b>(7,313,289)</b>	<b>2,367,024</b>	<b>18,283,135</b>	<b>(2,910,077)</b>
<b>Total comprehensive income for the period</b>	<b>49,480,644</b>	<b>21,244,916</b>	<b>61,962,753</b>	<b>9,456,846</b>

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes set out in pages 6 to 10 that form part of the condensed consolidated interim financial information.

**Banka Kombetare Tregtare sh.a.**

Condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2020  
(amounts in USD)

	Share Capital	Legal reserve	Translation reserve	Fair value reserve	Retained earnings	Total
<b>Balance as at 31 December 2018</b>	<b>300,000,000</b>	-	<b>119,742</b>	<b>24,707,662</b>	<b>109,905,208</b>	<b>434,732,612</b>
<b>Transactions with owners recorded directly in equity</b>						
Contributions by and distributions to owners	-	-	-	-	-	-
Increase in share capital	-	16,623,050	-	-	(16,623,050)	-
Creation of legal reserve	-	-	-	-	(35,000,000)	(35,000,000)
Distribution of dividend	-	-	-	-	119,742	119,742
Appropriation of year 2018 translation difference	-	-	-	-	-	-
Adjustment of retained earnings with September 2019 exchange rate	-	-	-	-	(3,715,209)	(3,715,209)
<i>Total transactions with owners recorded in equity</i>	-	<i>16,623,050</i>	-	-	<i>(55,218,517)</i>	<i>(38,595,467)</i>
<b>Comprehensive income for the period</b>	-	-	-	-	43,679,618	<b>43,679,618</b>
Net profit for the period	-	-	-	-	-	-
<b>Other comprehensive income / (expense), net of income tax</b>						
Net change in fair value reserve	-	-	-	19,324,965	-	19,324,965
Foreign currency translation differences	-	-	(1,041,830)	-	-	(1,041,830)
Total other comprehensive income	-	-	(1,041,830)	19,324,965	-	18,283,135
<i>Total comprehensive income for the period</i>	-	-	<i>(1,041,830)</i>	<i>19,324,965</i>	<i>43,679,618</i>	<i>61,962,753</i>
<b>Balance as at 30 September 2019</b>	<b>300,000,000</b>	<b>16,623,050</b>	<b>(922,088)</b>	<b>44,032,627</b>	<b>98,366,309</b>	<b>458,099,898</b>

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes set out in pages 6 to 10 that form part of the condensed consolidated interim financial information.

**Banka Kombetare Tregtare sh.a.**

Condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2020  
(amounts in USD)

	Share capital	Legal reserve	Translation reserve	Fair value reserve	Retained earnings	Total
<b>Balance as at 31 December 2019</b>	<b>300,000,000</b>	<b>17,091,262</b>	<b>571,499</b>	<b>55,556,634</b>	<b>112,277,992</b>	<b>485,497,387</b>
<b>Transactions with owners recorded directly in equity</b>						
Contributions by and distributions to owners	-	-	-	-	-	-
Increase in share capital	-	16,075,320	-	-	(16,075,320)	-
Creation of legal reserve	-	-	-	-	(40,000,000)	(40,000,000)
Distribution of dividend	-	-	-	-	571,499	571,499
Appropriation of year 2019 translation difference	-	-	-	-	(909,573)	(909,573)
Adjustment of retained earnings with September 2020 exchange rate	-	-	-	-	(56,413,394)	(40,338,074)
<i>Total transactions with owners recorded in equity</i>	-	16,075,320	-	-	(56,413,394)	(40,338,074)
<b>Comprehensive income for the period</b>	-	-	-	-	-	-
Net profit for the period	-	-	-	-	56,793,933	56,793,933
<b>Other comprehensive income / (expense), net of income tax</b>						
Net change in fair value reserve	-	-	-	(8,827,082)	-	(8,827,082)
Foreign currency translation differences	-	-	1,513,793	-	-	1,513,793
Total other comprehensive income	-	-	1,513,793	(8,827,082)	-	(7,313,289)
<i>Total comprehensive (loss)/income for the period</i>	-	-	1,513,793	(8,827,082)	56,793,933	49,480,644
<b>Balance as at 30 September 2020</b>	<b>300,000,000</b>	<b>33,166,582</b>	<b>2,085,292</b>	<b>46,729,552</b>	<b>112,658,531</b>	<b>494,639,957</b>

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes set out in pages 6 to 10 that form part of the condensed consolidated interim financial information.



**Banka Kombetare Tregtare sh.a.**Condensed consolidated interim statement of cash flows for the nine-month period ended 30 September 2020  
(amounts in USD)

	Nine-month period ended 30 September 2020	Nine-month period ended 30 September 2019
<b>Cash flows from operating activities:</b>		
Profit before taxes	66,719,593	51,674,334
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities:</i>		
Interest expense	17,666,073	20,817,418
Interest income	(111,640,007)	(110,469,308)
Depreciation and amortization	6,193,318	5,936,909
Gain on sale of property and equipment	(2,969)	(58,664)
Fair value gain and gain on sale of investment securities	(13,436,961)	(1,572,228)
Gain on sale of repossessed assets	(157,799)	(79,846)
Gain on recovery of lost loans	(573,061)	(396,115)
Write-off of property and equipment	-	1,163
Write-off of loans to customers	425,513	2,204,432
Write off of fixed assets and repossessed assets	-	19,746
Provision on other debtors	63,863	4,271,467
Reversal of other debtors	(284,886)	(262,498)
Movement in the fair value reserve	(9,834,764)	20,581,197
Impairment of loans	9,064,976	7,649,801
Impairment of other financial assets	4,965,954	(192,500)
Cash flows from operating profits before changes in operating assets and liabilities	<b>(30,831,157)</b>	<b>125,308</b>
(Increase)/decrease in operating assets:		
Placements and balances with banks	506,293,033	(218,429,203)
Loans and advances to banks	(174,273,687)	65,043,733
Loans and advances to customers	(6,891,383)	(11,838,697)
Other assets	(3,726,771)	2,872,631
	<b>321,401,192</b>	<b>(162,351,536)</b>
Increase/(decrease) in operating liabilities:		
Customer deposits	114,878,571	191,616,971
Due to third parties	1,753,301	1,541,730
Accruals and other liabilities	(4,317,799)	11,109,032
	<b>112,314,073</b>	<b>204,267,733</b>
Dividend payment	-	(35,000,000)
Interest paid	(18,199,210)	(21,384,175)
Interest received	108,942,809	110,047,529
Income taxes paid	(10,052,289)	(9,070,762)
<b>Net cash flows from operating activities</b>	<b>483,575,418</b>	<b>86,634,097</b>
<b>Cash flows from investing activities</b>		
Purchases of investment securities	(574,799,340)	(266,048,742)
Purchases of treasury bills	(10,811,891)	(17,789,065)
Investment in associates	(24,842)	14,346
Purchases of property and equipment	(3,123,793)	(17,478,157)
Proceeds from sale of property and equipment	2,921	1,049
Proceeds from sale of investment securities	90,946,765	239,829,173
Proceeds from sale of treasury bills	4,812,969	14,488,180
<b>Net cash flows used in investing activities</b>	<b>(492,997,211)</b>	<b>(46,983,216)</b>
<b>Cash flows from financing activities</b>		
Proceeds from short term borrowings	31,624,275	26,034,452
Subordinated debt	517,712	(298,978)
<b>Net cash from financing activities</b>	<b>32,141,987</b>	<b>25,735,474</b>
<b>Net change in cash and cash equivalents</b>	<b>22,720,194</b>	<b>65,386,355</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies / (Translation difference)	158,064	(2,008,919)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>380,047,094</b>	<b>285,134,696</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>402,925,352</b>	<b>348,512,132</b>

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes set out in pages 6 to 10 that form part of the condensed consolidated interim financial information.

# Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the nine-month period ended 30 September 2020

(amounts in USD, unless otherwise stated)

## 1. General

Banka Kombetare Tregtare sh.a (the “Bank”) is a commercial bank offering a wide range of universal services. The Bank provides banking services to state and privately owned enterprises and to individuals in Albania and in Kosovo.

## 2. Share capital

The Bank’s share capital is issued and maintained in United States Dollars (“USD”) as allowed by the legislation in Albania as well as by a special Law no.8634 between the Bank’s shareholders and the Republic of Albania on the Bank’s privatisation. Furthermore, the Operating Policy Guidelines of the Bank require that the share capital be hedged by USD assets and it is therefore treated as a monetary item, with the revaluation difference being taken to the profit and loss account together with the revaluation difference of the corresponding USD asset, which offset each other in a natural hedge.

Upon the Shareholder’s Decision dated 1 April 2020, the Bank created legal reserves of Lek 1,658,531 thousand (equivalent of USD 14,592,614) and decided to distribute Lek 4,690,400 thousand as dividends (equivalent of USD 40,000,000, using the exchange rate published by Bank of Albania as at 1 April 2020 - 117.26 Lek per USD), using of the statutory net profit for the year ended December 31, 2019 and part of the net profit of the year 2018. Meanwhile, the dividend payment is suspended based on the respective decisions of the Supervisory Council of Bank of Albania until 2020 end. The remaining part of the net profit of the year 2019 was kept as retained earnings.

As at 30 September 2020 and 31 December 2019, the registered share capital was USD 300,000,000.3 divided into 24,291,498 shares with a nominal value of USD 12.35, while the shareholding structure was as follows:

	30 September 2020			31 December 2019		
	No. of shares	Total in USD	%	No. of shares	Total in USD	%
Calik Finansal Hizmetler A.S.	24,291,498	300,000,000.3	100	24,291,498	300,000,000.3	100

## 3. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. They do not include all the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Bank as at and for the year ended 31 December 2019.

## 4. Functional and presentation currency

The financial statements are prepared in Albanian Lek “Lek” which is the currency of the primary economic environment in which the Bank operates (its functional currency). For reporting purposes these condensed consolidated interim financial statements are presented in USD which is the presentation currency.

The results and financial position of the Bank are translated in the presentation currency by translating (i) assets and liabilities at the closing rate at the date of that statement of financial position; and (ii) income and expenses at exchange rates at the dates of the transactions. All resulting exchange differences from the translation to the presentation currency are recognised in other comprehensive income.

The main exchange rates as at the end of each reporting period were as follows:

	30 September 2020	31 December 2019	30 September 2019
USD/LEK	105.99	108.64	111.70
EUR/LEK	124.05	121.77	123.25

## **Banka Kombetare Tregtare sh.a.**

Explanatory notes as of and for the nine-month period ended 30 September 2020

*(amounts in USD, unless otherwise stated)*

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### **5. Going Concern**

During the beginning of 2020, the pandemic of COVID-19 was spread globally. In response to the situation, in March 2020 the Government of Albania took drastic measures by suspending all activities that were not vital. Furthermore, facing the consequences of the COVID-19 Pandemic, which go far beyond the crucial element of public health, both the Government of Albania and Bank of Albania have prepared and implemented immediate measures in order to mitigate the social and economic impact of the outbreak. The government has announced a sovereign guarantee to all the business which are facing liquidity problems and will seek financing. Bank of Albania has announced that customers that will face liquidity problems can request a postponement of the settlement of their liabilities toward the Banks until 31.12.2020.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Group for future periods.

The Group considers the liquidity risk in the recovery plans, in the internal capital adequacy assessment process, setting well-defined limits on its appetite for risk. The Group determines that its capital resources are available.

The activity of the Group has continued without suspension during 2020. For the year ending 2020, the Group would expect an increase on the nonperforming loans portfolio due to the economic downturn. Following the emergence of COVID-19 pandemics, the Group has analysed and considered the macroeconomic changes to reflect the impact of COVID-19 in the calculation of the Expected Credit Loss.

During March 2020 the decline in share prices on global listed stock exchanges negatively affected the fair value of the Group's listed investments. In the recent months, the sharp decline reversed gradually and for the year end 2020 the Management expects positive results for the year ended 2020.

The Group's management has assessed the Group's ability to continue as a going concern considering all the factors stated above and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the Consolidated Condensed Financial Statements continue to be prepared on the going concern basis.

### **6. Significant accounting policies**

The Interim Financial Statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the year ended 31 December 2019.

### **7. Estimates**

The preparation of this condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Except as described in section 5.1, in preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2019.

## **Banka Kombetare Tregtare sh.a.**

Explanatory notes as of and for the nine-month period ended 30 September 2020

*(amounts in USD, unless otherwise stated)*

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### **8. Financial risk management**

During the nine months ended 30 September 2020 the Bank's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2019.

### **9. Fair value of financial assets**

The Bank's investment securities portfolio as at 30 September 2020 includes investment securities - measured at FVOCI amounting USD 1,774,508,203 (31 December 2019: USD 1,480,554,568); investment securities - measured at FVTPL amounting USD 183,370,699 (31 December 2019: 27,801,067) and investment securities - measured at amortised cost amounting USD 200,278,736 (31 December 2019: 87,289,682).

### **10. Impairment of financial assets**

At each reporting date, the Bank assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired.

As at 30 September 2020, the impairment for loan losses was USD 62,788,981 (31 December 2019: USD 52,368,572) and the impairment for other financial assets was USD 8,457,846 (31 December 2019: USD 3,218,847).

### **11. Seasonality of operations**

The Bank's activity is not subject to seasonal fluctuations.

### **12. Income tax**

The Bank's effective tax rate for the nine months ended 30 September 2020 was 14.88 per cent (for the nine months ended 30 September 2019: 15.47 per cent), while the income tax rate in Albania is 15%.

### **13. Contingencies**

In the normal course of business the Bank is presented with legal claims and litigation; the Bank's management is of the opinion that no material losses will be incurred in relation to legal claims outstanding as at 30 September 2020.

### **14. Related party transactions**

In accordance with IAS 24 "Related Party Disclosures", a related party is any party that has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

#### ***Identity of related parties***

The Bank has related party relationships with its shareholders and affiliates, directors and executive officers. The Bank's sole shareholder is Calik Finansal Hizmetler, which is owned by Calik Holding at 100% as at 30 September 2020. The ultimate controlling party is Mr. Ahmet Calik.

ALBtelecom Sh.a., Albania Leasing, Aktif Yatirim Bankasi A.S. ("Aktifbank"), GAP Pazarlama FZE, Gap Insaat Yatirim ve Dış Ticaret A.Ş., Calik Elektrik Dagitim A.S and Calik Enerji Sanayi Ve. Ticaret A.S., Kosovo Electricity Distribution and Supply Company J.S.C (KEDS) and Kosovo Electricity Supply Company J.S.C (KESCO) are controlled by Calik Holding.

**Banka Kombetare Tregtare sh.a.**

Explanatory notes as of and for the nine-month period ended 30 September 2020

*(amounts in USD, unless otherwise stated)***14. Related party transactions (continued)****Balances and transactions with related parties**

	30 September 2020	31 December 2019
<b>Assets</b>		
<b>Placement and balances with banks:</b>		
Current accounts with Aktifbank	35,205	110,864
<b>Loans to customers:</b>		
ALBtelecom	38,630,749	37,360,984
Albania Leasing	40,552	107,715
<b>Other assets:</b>		
Receivables from ALBtelecom Sh.a	139,284	10,170
<b>Total assets</b>	<b>38,845,790</b>	<b>37,589,733</b>
<b>Liabilities</b>		
<b>Due to banks and financial institutions:</b>		
Borrowings from Aktifbank	18,704,045	-
<b>Customer deposits:</b>		
Albtelecom Sh.a.	725,715	532,664
Albania Leasing	306,668	285,740
KEDS / KESCO	6,294,442	13,727,846
<b>Other Liabilities:</b>		
Dividend Payable to Calik Finansal		
Hizmetler A.S.	40,000,000	-
<b>Total liabilities</b>	<b>66,030,870</b>	<b>14,546,250</b>
	<b>Nine months period ended 30 September 2020</b>	<b>Nine months period ended 30 September 2019</b>
<b>Statement of comprehensive income</b>		
<b>Interest income from:</b>		
KEDS / KESCO	-	6,577
ALBtelecom Sh.a.	1,391,504	335,944
Albania Leasing	2,697	5,949
Aktifbank	3,401	2,066,363
<b>Interest expenses for:</b>		
Albtelecom Sh.a.	(133)	(203)
Aktifbank	(337,050)	(478,516)
<b>Fees and commissions:</b>		
Account maintenance and lending fees from Albtelecom Sh.a.	82,225	39,036
Account maintenance and lending fees from Albania Leasing	2,730	3,204
Account maintenance and lending fees from KEDS / KESCO	38,133	33,073
<b>Letters of guarantee:</b>		
ALBtelecom Sh.a.	1,084	1,516
Calik Enerji Sanayi Ve. Ticaret A.S	-	10,192
<b>Other income:</b>		
Operating lease income from ALBtelecom Sh.a.	47,120	47,361
<b>Operating expenses:</b>		
ALBtelecom Sh.a. and Calik Holding	(2,044,298)	(1,233,114)
<b>Net</b>	<b>(812,587)</b>	<b>837,382</b>

## **Banka Kombetare Tregtare sh.a.**

Explanatory notes as of and for the nine-month period ended 30 September 2020

*(amounts in USD, unless otherwise stated)*

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### **14. Related party transactions (continued)**

#### ***Balances and transactions with directors and executive officers***

The remuneration of directors and executive officers is included in personnel expenses and is detailed as follows:

	<b>Nine-month period ended 30 September 2020</b>	<b>Nine-month period ended 30 September 2019</b>
Directors	576,847	333,579
Executive officers	1,182,836	2,517,516
	<b>1,759,683</b>	<b>2,851,095</b>

The remuneration of directors and executive officers for the year ended 31 December 2019 was USD 3,940,787.

As at 30 September 2020, the total deposits of directors held with the Bank were USD 2,203,390 (31 December 2019: USD 2,142,992), while the outstanding loans granted to directors were USD 175,579 (31 December 2019: USD 194,078).

### **15. Subsequent events**

There are no events subsequent to the reporting date that would require either adjustments or additional disclosures in the condensed consolidated interim financial information.