

**Banka Kombëtare Tregtare sh.a.**

**Independent Auditors' Review Report  
and  
Condensed Consolidated Interim  
Financial Information  
as at and for the three-month period ended  
31 March 2024**

## **TABLE OF CONTENTS**

	<b>PAGE</b>
<b>INDEPENDENT AUDITORS' REVIEW REPORT</b>	<b>i-ii</b>
<b>CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION</b>	
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION</b>	<b>1</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>	<b>2</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY</b>	<b>3 – 4</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS</b>	<b>5</b>
<b>NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS</b>	<b>6 – 9</b>

## **REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **To the Shareholders and Board of Directors of Banka Kombëtare Tregtare Sh.a**

#### **Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of **Banka Kombëtare Tregtare sh.a.** (hereafter referred as the “Bank” or the “Group”) as of 31 March 2024 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 three-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 IAS 34 Interim Financial Reporting. 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 enquiries, 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 issues in United States Dollar (USD) as a monetary item in the condensed consolidated interim financial information and recognized the revaluation differences for the three-month period ended 31 March 2024 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.

If the Bank would have treated its share capital in accordance with IAS 21 requirements, the share capital as of 31 March 2024 would have been increased by USD 54,267,291, retained earnings would have been decreased by USD 58,151,649, the net profit would have been increased by USD 3,884,358 for the quarterly period ended 31 March 2024. Nevertheless, this would not have affected the total shareholder's equity.

### **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 31 March 2024 and of its financial performance and its cash flows for the three – months period then ended in accordance with the IAS 34 Interim Financial Reporting.

**forv/s  
mazars**

Emin Duraku, Str. Birjaket Build.,  
No.5, 1013, Tirane, Albania  
NUS: K32123005W



September 06<sup>th</sup>, 2024

---

**Teit Gjini**  
**Statutory Auditor**



# Banka Kombetare Tregtare sh.a.

Condensed consolidated Interim statement of financial position as at 31 March 2024

(amounts in USD)

	<u>31 March 2024</u>	<u>31 December 2023</u>
<b>Assets</b>		
Cash and balances with Central Bank	551,777,500	676,805,203
Placement and balances with banks	342,109,398	342,462,320
Investment securities	3,511,908,192	3,416,247,364
Loans to banks	164,926,254	134,830,538
Loans to customers	1,687,231,539	1,694,028,984
Investment in associates	897,443	934,512
Property and equipment	39,468,403	43,567,945
Intangible assets	16,429,814	13,821,035
Right of use asset	15,444,102	15,263,559
Deferred tax assets	10,975,463	11,339,037
Other assets	53,746,149	59,360,383
<b>Total assets</b>	<b><u>6,394,914,257</u></b>	<b><u>6,408,660,880</u></b>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Customer deposits	5,396,029,317	5,479,014,067
Due to banks and financial institutions	197,875,971	159,424,037
Due to third parties	13,712,166	8,138,846
Accruals and other liabilities	72,459,086	24,657,661
Lease Liability	14,354,473	14,182,808
Debt securities issued	33,566,620	34,072,463
Subordinated debt	51,990,387	52,182,032
<b>Total liabilities</b>	<b><u>5,779,988,020</u></b>	<b><u>5,771,671,914</u></b>
<b>Shareholders' equity</b>		
Share capital	350,000,000	300,000,000
Legal reserve	75,848,922	72,819,171
Translation reserve	110,050	5,028,839
Fair value reserve and impairment of FVOCI	(4,875,923)	(6,071,188)
Retained earnings	193,843,188	265,212,144
<b>Total shareholders' equity</b>	<b><u>614,926,237</u></b>	<b><u>636,988,966</u></b>
<b>Total liabilities and shareholders' equity</b>	<b><u>6,394,914,257</u></b>	<b><u>6,408,660,880</u></b>

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes set out in pages 6 to 9 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 31 May 2024 and signed on its behalf by:



Seyhan Pencabliligil  
CEO and Board Member



Skënder Emini  
Deputy CEO  
Finance Group

## Banka Kombetare Tregtare sh.a.

Condensed consolidated interim statement of comprehensive income for the three-month period ended 31 March 2024

(amounts in USD)

	Three-month period ended 31 March 2024	Three-month period ended 31 March 2023	Year ended 31 December 2023
Interest			
Interest income	68,702,192	53,602,838	243,107,603
Interest expense	(15,981,751)	(10,827,182)	(50,122,934)
<b>Net interest margin</b>	<b>52,720,441</b>	<b>42,775,656</b>	<b>192,984,669</b>
Non-interest income, net			
Fees and commissions, net	9,481,940	7,648,461	33,775,264
Foreign exchange revaluation, net	1,246,681	(3,051,627)	(14,175,863)
Foreign exchange trading activities income, net	2,535,083	556,159	5,295,526
Securities trading gain, net	1,312,077	(5,703,883)	34,090
Other (expense)/income, net	356,263	3,480,734	1,094,394
<b>Total non-interest income, net</b>	<b>14,932,044</b>	<b>2,929,844</b>	<b>26,023,411</b>
Operating expenses			
Personnel expenses	(10,715,777)	(7,942,709)	(37,516,591)
Administrative expenses	(12,735,718)	(10,203,212)	(51,487,777)
Depreciation and amortization	(3,295,675)	(2,483,588)	(11,318,155)
<b>Total operating expenses</b>	<b>(26,747,170)</b>	<b>(20,629,509)</b>	<b>(100,322,523)</b>
Impairment losses on loans to customers	(2,178,644)	977,798	5,369,981
Impairment losses on financial assets, other than loans to customers	925,135	(4,445,468)	(18,405,243)
<b>Profit before taxes</b>	<b>39,651,806</b>	<b>21,608,321</b>	<b>105,650,295</b>
Income tax	(5,724,962)	(2,964,582)	(14,787,765)
<b>Net profit for the period</b>	<b>33,926,844</b>	<b>18,643,739</b>	<b>90,862,530</b>
Foreign currency translation differences	110,050	(3,454,577)	5,028,839
Net change in fair value reserves and impairment of FVOCI	1,195,265	6,181,417	22,022,625
<b>Other comprehensive income/ (expense) for the period, net of income tax</b>	<b>1,305,315</b>	<b>2,726,840</b>	<b>27,051,464</b>
<b>Total comprehensive income for the period</b>	<b>35,232,159</b>	<b>21,370,579</b>	<b>117,913,994</b>

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes set out in pages 6 to 9 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 three-month period ended 31 March 2024

*(amounts in USD)*

	Share Capital	Legal reserve	Translation reserve	Fair value reserve and impairment of FVTOCI	Retained earnings	Total
<b>Balance as at 31 December 2022</b>	<b>300,000,000</b>	<b>60,093,852</b>	<b>4,182,671</b>	<b>(28,093,813)</b>	<b>207,659,770</b>	<b>543,842,480</b>
<b>Transactions with owners recorded directly in equity</b>						
Contributions by and distributions to owners						
Creation of legal reserve	-	3,906,700	-	-	(3,906,700)	-
Dividend payable	-	-	-	-	(50,000,000)	<b>(50,000,000)</b>
Adjustment for translation of legal reserve	-	1,800,073	-	-	(1,800,073)	-
Appropriation of year 2022 translation difference	-	-	-	-	4,182,671	<b>4,182,671</b>
Adjustment of retained earnings with March 2023 exchange rate	-	-	-	-	7,281,194	<b>7,281,194</b>
<i>Total transactions with owners recorded in equity</i>	-	<i>5,706,773</i>	-	-	<i>(44,242,908)</i>	<i>(38,536,135)</i>
<b>Comprehensive income for the period</b>						
Net profit for the period	-	-	-	-	18,643,739	<b>18,643,739</b>
<b>Other comprehensive income / (expense), net of income tax</b>						
Net change in fair value reserve	-	-	-	4,863,216	-	<b>4,863,216</b>
Net change in impairment of FVOCI	-	-	-	1,318,201	-	<b>1,318,201</b>
Foreign currency translation differences	-	-	(3,454,577)	-	-	<b>(3,454,577)</b>
Total other comprehensive income	-	-	(3,454,577)	6,181,417	-	<b>2,726,840</b>
<i>Total comprehensive income for the year</i>	-	-	<i>(3,454,577)</i>	<i>6,181,417</i>	<i>18,643,739</i>	<i>21,370,579</i>
<b>Balance as at 31 March 2023</b>	<b>300,000,000</b>	<b>65,800,625</b>	<b>728,094</b>	<b>(21,912,396)</b>	<b>182,060,601</b>	<b>526,676,924</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 9 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 three-month period ended 31 March 2024

(amounts in USD)

	Share Capital	Legal Reserve	Translation reserve	Fair value reserve and impairment of FVTOCI	Retained earnings	Total
<b>Balance as at 31 December 2023</b>	<b>300,000,000</b>	<b>72,819,171</b>	<b>5,028,839</b>	<b>(6,071,188)</b>	<b>265,212,144</b>	<b>636,988,966</b>
<b>Transactions with owners recorded directly in equity</b>						
Contributions by and distributions to owners						
Creation of legal reserve	-	4,072,511	-	-	(4,072,511)	-
Increase in share capital	50,000,000	-	-	-	(50,000,000)	-
Dividend payable	-	-	-	-	(50,000,000)	<b>(50,000,000)</b>
Adjustment for translation of legal reserve	-	(1,042,760)	-	-	1,042,760	-
Appropriation of year 2023 translation difference	-	-	(5,028,839)	-	5,028,839	-
Adjustment of retained earnings with March 2024 exchange rate	-	-	-	-	(7,294,888)	<b>(7,294,888)</b>
<i>Total transactions with owners recorded in equity</i>	<i>50,000,000</i>	<i>3,029,751</i>	<i>(5,028,839)</i>	<i>-</i>	<i>(105,295,800)</i>	<i>(57,294,888)</i>
<b>Comprehensive income for the period</b>						
Net profit for the period	-	-	-	-	33,926,844	<b>33,926,844</b>
<b>Other comprehensive income / (expense), net of income tax</b>						
Net change in fair value reserve	-	-	-	1,628,035	-	<b>1,628,035</b>
Net change in impairment of FVOCI	-	-	-	(432,770)	-	<b>(432,770)</b>
Foreign currency translation differences	-	-	110,050	-	-	<b>110,050</b>
Total other comprehensive income	-	-	110,050	1,195,265	-	<b>1,305,315</b>
<i>Total comprehensive income for the year</i>	<i>-</i>	<i>-</i>	<i>110,050</i>	<i>1,195,265</i>	<i>33,926,844</i>	<i>35,232,159</i>
<b>Balance as at 31 March 2024</b>	<b>350,000,000</b>	<b>75,848,922</b>	<b>110,050</b>	<b>(4,875,923)</b>	<b>193,843,188</b>	<b>614,926,237</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 9 that form part of the condensed consolidated interim financial information.



# Banka Kombetare Tregtare sh.a.

Condensed consolidated interim statement of cash flows for the three-month period ended 31 March 2024  
(amounts in USD)

	Three-month Period ended 31 March 2024	Three-month period ended 31 March 2023	Year ended 31 December 2023
<b>Cash flows from operating activities:</b>			
Profit before taxes	39,651,806	21,608,321	105,650,295
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities:</i>			
Interest expense	15,981,751	10,827,182	50,122,934
Interest income	(68,702,192)	(53,602,838)	(243,107,603)
Depreciation and amortization	3,295,675	2,483,588	11,318,155
Gain on sale of property and equipment	(1,889)	(23,884)	(23,884)
Gain on sale of investment securities	(1,312,077)	5,703,883	(34,090)
Gain on sale of non-current assets	(84,460)	(169,711)	(893,540)
Gain on recovery of written-off loans to customers	(219,099)	(692,556)	(1,592,015)
Write-off of loans to customers	72,949	134,871	33,504
Write off of fixed assets and repossessed assets	-	12,845	66,160
Provision on other debtors	-	-	3,081,750
Reversal of other debtors	(97,209)	(40,931)	(560,095)
Movement in the fair value reserve and impairment of FVOCI	1,195,265	6,181,417	22,022,625
Dividend income from securities	-	-	(468,267)
Impairment of loans to customers	2,178,644	(977,798)	(5,369,981)
Impairment of financial instruments, other than loans	(925,135)	4,445,468	18,405,243
<b>Cash flows from operating profits before changes in operating assets and liabilities</b>	<b>(8,965,971)</b>	<b>(4,110,143)</b>	<b>(41,348,809)</b>
(Increase)/decrease in operating assets:			
Restricted balances with central banks	(2,517,721)	9,943,377	(67,413,199)
Placements and balances with banks	(20,887,585)	18,792,992	61,985,087
Loans and advances to banks	(32,117,849)	(15,690,629)	29,520,518
Loans and advances to customers	(21,452,050)	(37,313,998)	(100,528,375)
Other assets	5,830,973	(3,704,749)	(15,153,950)
	<b>(71,144,232)</b>	<b>(27,973,007)</b>	<b>(91,589,919)</b>
Increase/(decrease) in operating liabilities:			
Customer deposits	(2,874,333)	(37,704,649)	222,955,222
Due to third parties	5,695,356	4,503,048	3,029,099
Accruals and other liabilities	148,088	(6,221,100)	(9,494,283)
	<b>2,969,111</b>	<b>(39,422,701)</b>	<b>216,490,038</b>
<b>Dividend payment</b>	<b>-</b>	<b>(50,000,000)</b>	<b>(100,000,000)</b>
Interest paid	(11,653,826)	(7,300,676)	(42,620,305)
Interest received	76,915,898	57,990,298	241,722,066
Income taxes paid	(7,788,339)	(3,344,030)	(17,235,472)
<b>Net cash flows from operating activities</b>	<b>(19,667,359)</b>	<b>(74,160,259)</b>	<b>165,417,599</b>
<b>Cash flows from investing activities</b>			
Purchases of investment securities	(164,269,335)	124,281,763	(511,199,073)
Purchases of treasury bills	(49,744,867)	13,022,609	(153,235,120)
Investment in associates	23,057	28,071	288,188
Purchases of property and equipment	(2,602,175)	5,461,399	(10,464,875)
Proceeds from sale of investment securities	52,788,642	36,287,012	304,208,453
Proceeds from sale of treasury bills	7,056,019	3,731,981	267,693,004
<b>Net cash flows used in investing activities</b>	<b>(156,748,659)</b>	<b>182,812,835</b>	<b>(102,709,423)</b>
<b>Cash flows from financing activities</b>			
Proceeds from short term borrowings	39,976,561	(146,994,449)	(176,405,093)
Debt securities issued	(325,335)	-	31,715,301
Subordinated debt	(497,746)	(461,139)	(4,834,526)
<b>Net cash from financing activities</b>	<b>39,153,480</b>	<b>(147,455,588)</b>	<b>(149,524,318)</b>
<b>Net change in cash and cash equivalents</b>	<b>(137,262,538)</b>	<b>(38,803,012)</b>	<b>(86,816,142)</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies / (Translation difference)	(6,360,681)	3,130,004	36,124,437
<b>Cash and cash equivalents at the beginning of the year</b>	<b>522,344,285</b>	<b>573,035,990</b>	<b>573,035,990</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>378,721,066</b>	<b>537,362,982</b>	<b>522,344,285</b>

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes set out in pages 6 to 9 that form part of the condensed consolidated interim financial information.

# Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the three-month period ended 31 March 2024

(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. The condensed consolidated interim financial statements comprise the bank in Albania and in Kosovo, BKT Pay and its associate Albania Leasing (together referred to as the “Bank” “BKT” or the “Group”).

## 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 27 March 2024, the Bank created legal reserves of Lek 393,079 thousand (equivalent of USD 4,072,511); decided to increase the authorised and paid-in capital with Lek 4,826,000 thousand (equivalent of USD 50,000,000.05, by the Bank of Albania exchange rate published as at 27 March 2024 – 96.52 Lek per USD) using part of accumulated retained earnings from year 2022; and to distribute Lek 4,826,000 thousand as dividends (equivalent of USD 50,000,000, by the Bank of Albania exchange rate published as at 27 March 2024 – 96.52 Lek per USD), using the remaining part of accumulated retained earnings from year 2022 and part of the statutory net profit for the year ended December 31, 2023. The remaining part of the net profit of the year 2023 was kept as retained earnings. The dividend was paid in April 2024.

As at 31 March 2024, the registered share capital was USD 350,000,000.35 (31 December 2023: USD 300,000,000.3) divided into 28,340,081 shares with a nominal value of USD 12.35, while the shareholding structure was as follows:

	31 March 2024			31 December 2023		
	No. of shares	Total in USD	%	No. of shares	Total in USD	%
Calik Holding A.S.	28,340,081	350,000,000.35	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 2023.

## 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:

	31 March 2024	31 December 2023	31 March 2023
USD/LEK	95.37	93.94	103.96
EUR/LEK	102.87	103.88	113.21

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

Explanatory notes as of and for the three-month period ended 31 March 2024

*(amounts in USD, unless otherwise stated)*

---

### **5. 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 2023.

### **6. 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 below, 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 2023.

### **7. Financial risk management**

During the three months ended 31 March 2024 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 2023.

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

The Bank's investment securities portfolio as at 31 March 2024 includes investment securities - measured at FVOCI amounting USD 1,172,503,570 (31 December 2023: USD 1,103,640,557); investment securities - measured at FVTPL amounting USD 7,467,904 (31 December 2023: USD 11,759,570) and investment securities - measured at amortised cost amounting USD 2,331,936,718 (31 December 2023: USD 2,300,847,237).

### **9. Impairment of financial assets**

#### **a) Impairment of financial assets measured at amortised cost**

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 31 March 2024, the impairment for loan losses was USD 55,629,017 (31 December 2023: USD 54,577,751) and the impairment for other financial assets was USD 20,243,204 (31 December 2023: USD 21,900,552).

#### **b) Impairment of financial assets measured at FVOCI**

Following the requirements of the standard "IFRS 9-Financial Instruments", impairment of FVOCI represents the impairment provision for debt securities measured at FVOCI recognised in other comprehensive income.

As at 31 March 2024, the impairment of FVOCI at 43,983,204 USD (31 December 2023: USD 44,415,974) was composed of available-for-sale securities impairment provision at 43,961,794 USD (31 December 2023: USD 44,390,980) and treasury bills available-for-sale impairment provision at 21,410 USD (31 December 2023: USD 24,994).

### **10. Seasonality of operations**

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

## Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the three-month period ended 31 March 2024

(amounts in USD, unless otherwise stated)

### 11. Income tax

The Bank's effective tax rate for the three months ended 31 March 2024 was 14.44 per cent (for the three months ended 31 March 2023: 13.72 per cent), while the income tax rate in Albania is 15% and 10% for Kosovo.

### 12. 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 31 March 2024.

### 13. 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 Holding at 100% as at 31 March 2024. The ultimate controlling party is Mr. Ahmet Calik. Aktif Yatirim Bankasi A.S. ("AktifGroup"), ArkEstate Investments sh.a, Kosovo Electricity Distribution and Supply Company J.S.C (KEDS), Calik Elektrik Dagitim A.S And Calik Enerji A.S. Consortium, Calik Pamuk Dogal Vesen El Tic As, Aktif Tech and Kosovo Electricity Supply Company J.S.C (KESCO) are controlled by Calik Holding. Albania Leasing sh.a represents an affiliate of the Group.

#### *Balances and transactions with related parties*

	<u>31 March 2024</u>	<u>31 December 2023</u>
<b>Assets</b>		
<b><i>Placement and balances with banks:</i></b>		
Current accounts with Aktifbank	141,396	88,410
Loans to Banks	14,026,542	14,371,583
Investment Securities with Calik Holding	7,886,422	26,334,823
Investment Securities with Aktifbank	20,020,326	-
<b><i>Loans to customers:</i></b>		
Arkestate Investments	13,701,630	14,404,069
<b>Total assets</b>	<b><u>55,776,316</u></b>	<b><u>55,198,885</u></b>
<b>Liabilities</b>		
<b><i>Due to banks and financial institutions:</i></b>		
Borrowings from Aktifbank	27,283,069	10,762,697
<b><i>Customer deposits:</i></b>		
Albania Leasing	57,871	71,825
Calik Pamuk Dogal Vesen El Tic As	108,278	111,013
Calik Elektrik Dagitim A.S And Calik Enerji A.S. Consortium	12	12
KEDS / KESCO	5,817,745	11,700,522
Calik Holding	15,977,163	15,041,883
Divident Payable to Calik Holding	50,000,000	-
<b>Total liabilities</b>	<b><u>99,244,138</u></b>	<b><u>37,687,952</u></b>

## Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the three-month period ended 31 March 2024  
(amounts in USD, unless otherwise stated)

### 13. Related party transactions (continued)

	Three months period ended 31 March 2024	Three months period ended 31 March 2023
<b>Statement of comprehensive income</b>		
<i>Interest income from:</i>		
Aktifbank	509,286	-
Calik Holding	764,536	652,157
Arkestate Investments	150,439	131,395
<i>Interest expenses for:</i>		
Aktifbank	(18,045)	(33,635)
Calik Holding	(698,250)	-
<i>Fees and commissions:</i>		
Account maintenance and lending fees from Albania Leasing	1,024	771
Account maintenance and lending fees from KEDS / KESCO	13,320	4,946
Account maintenance and lending fees from ArkEstate Investment	601	-
Account maintenance and lending fees from Calik Holding	178	-
Account maintenance and lending fees from Calik Pamuk	125	-
<i>Operating expenses:</i>		
Aktif Tech	(188,370)	-
Calik Holding	(211,571)	(172,767)
<b>Net</b>	<b>323,273</b>	<b>582,867</b>

#### *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:

	Three-month period ended 31 March 2024	Three-month period ended 31 March 2023
Directors	608,145	463,518
Executive officers	1,014,479	1,001,103
	<b>1,622,624</b>	<b>1,464,621</b>

The remuneration of directors and executive officers for the year ended 31 December 2023 was USD 6,242,306.

As at 31 March 2024, the total deposits of directors held with the Bank were USD 5,802,768 (31 December 2023: USD 4,418,573), while the outstanding loans granted to directors were USD 999,146 (31 December 2023: USD 1,054,164).

### 14. 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.