

Banka Kombetare Tregtare sh.a.

**Independent Auditors' Review Report
and
Condensed Consolidated Interim
Financial Information
as at and for the nine-month period ended
30 September 2021**

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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 2021 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 nine-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 2021 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 2021 would have been increased by USD 21,620,660, retained earnings would have been decreased by USD 33,170,368 and the net profit would have been increased by USD 11,549,708 for the nine month period ended 30 September 2021. 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 2021 and of its financial performance and its cash flows for the nine-month period then ended in accordance with International Financial Reporting Standards.

Grant Thornton sh.p.k.

Tirana, Albania

13 December 2021



Banka Kombetare Tregtare sh.a.

Condensed consolidated interim statement of financial position as at 30 September 2021

(amounts in USD)

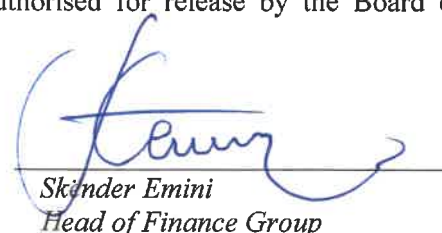
	30 September 2021	31 December 2020
Assets		
Cash and balances with Central Bank	470,757,199	465,266,853
Placement and balances with banks	438,143,938	556,699,226
Investment securities	2,405,944,213	2,185,679,756
Loans to banks	362,053,922	260,906,427
Loans to customers	1,314,717,272	1,359,092,079
Investment in associates	972,578	1,036,370
Property and equipment	44,587,889	47,655,825
Intangible assets	4,238,273	4,159,451
Right of use asset	18,198,716	17,335,396
Deferred tax assets	2,084,047	2,369,463
Other assets	54,027,335	51,346,977
Total assets	5,115,725,382	4,951,547,823
Liabilities and shareholder's equity		
Liabilities		
Customer deposits	4,086,053,496	3,982,476,397
Due to banks and financial institutions	355,072,081	315,857,527
Due to third parties	2,784,360	2,007,320
Accruals and other liabilities	70,532,255	59,659,449
Lease Liability	18,278,299	17,546,271
Subordinated debt	29,444,075	30,741,975
Total liabilities	4,562,164,566	4,408,288,939
Shareholder's equity		
Share capital	300,000,000	300,000,000
Legal reserve	53,189,184	34,860,433
Translation reserve	(1,631,919)	5,486,005
Fair value reserve and impairment of FVOCI	57,215,519	68,828,993
Retained earnings	144,788,032	134,083,453
Total shareholder's equity	553,560,816	543,258,884
Total liabilities and shareholder's equity	5,115,725,382	4,951,547,823

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 13 December 2021 and signed on its behalf by:



Seyhan Pencabligil
CEO and Board Member



Skinder Emini
Head of Finance Group

Banka Kombetare Tregtare sh.a.

Condensed consolidated interim statement of comprehensive income for the nine-month period ended 30 September 2021
(amounts in USD)

	Nine-month period ended 30 September 2021	Nine-month period ended 30 September 2020	Year ended 31 December 2020
Interest			
Interest income	124,821,542	111,640,007	154,612,644
Interest expense	(16,167,994)	(17,666,073)	(20,951,646)
Net interest margin	108,653,548	93,973,934	133,660,998
Non-interest income, net			
Fees and commissions, net	22,356,619	16,920,798	20,884,362
Foreign exchange revaluation, net	2,907,870	(895,223)	(5,666,549)
Foreign exchange trading activities income, net	1,769,512	1,669,375	2,018,274
Securities trading gain, net	(1,606,787)	13,436,961	11,683,092
Other (expense)/income, net	9,273,275	1,250,858	8,954,136
Total non-interest income, net	34,700,489	32,382,769	37,873,315
Operating expenses			
Personnel expenses	(19,131,478)	(15,997,179)	(22,347,090)
Administrative expenses	(28,801,552)	(23,415,683)	(33,162,276)
Depreciation and amortization	(7,333,938)	(6,193,318)	(8,613,021)
Total operating expenses	(55,266,968)	(45,606,180)	(64,122,387)
Impairment of loans	(2,069,484)	(9,064,976)	(13,719,128)
Impairment of other financial instruments	(62,703)	(4,965,954)	(5,218,515)
Profit before taxes	85,954,882	66,719,593	88,474,283
Income tax	(11,057,963)	(9,925,660)	(13,167,243)
Net profit for the period	74,896,919	56,793,933	75,307,040
Foreign currency translation differences	(7,117,924)	1,513,793	4,914,506
Net change in fair value reserves and impairment of FVOCI	(11,613,474)	(8,827,082)	13,272,359
Other comprehensive income for the period, net of income tax	(18,731,398)	(7,313,289)	18,186,865
Total comprehensive income for the period	56,165,521	49,480,644	93,493,905

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 2021

(amounts in USD)

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

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 2021

(amounts in USD)

	Share capital	Legal reserve	Translation reserve	Fair value reserve	Accumulated impairment of FVTOCI	Retained earnings	Total
Balance as at 31 December 2020	300,000,000	34,860,433	5,486,005	62,658,583	6,170,410	134,083,453	543,258,884
Transactions with owners recorded directly in equity							
Contributions by and distributions to owners							
Creation of legal reserve	-	19,982,220	-	-	-	(19,982,220)	-
Adjustment for translation of legal reserve	-	(1,653,469)	-	-	-	(1,653,469)	-
Dividend payable	-	-	-	-	-	(45,000,000)	(45,000,000)
Appropriation of year 2020 translation difference	-	-	-	-	-	5,486,005	5,486,005
Adjustment of retained earnings with September 2021 exchange rate	-	-	-	-	-	(6,349,594)	(6,349,594)
<i>Total transactions with owners recorded in equity</i>	-	<i>18,328,751</i>	-	-	-	<i>(64,192,340)</i>	<i>(45,863,589)</i>
Comprehensive income for the period							
Net profit for the period	-	-	-	-	-	74,896,919	74,896,919
Other comprehensive income / (expense), net of income tax							
Net change in fair value reserve	-	-	-	(10,229,216)	-	-	(10,229,216)
Net change in impairment of FVOCI	-	-	-	-	(1,384,258)	-	(1,384,258)
Foreign currency translation differences	-	-	(7,117,924)	-	-	-	(7,117,924)
Total other comprehensive income	-	-	(7,117,924)	(10,229,216)	(1,384,258)	-	(18,731,398)
<i>Total comprehensive income for the year</i>	-	-	<i>(7,117,924)</i>	<i>(10,229,216)</i>	<i>(1,384,258)</i>	<i>74,896,919</i>	<i>56,165,521</i>
Balance as at 30 September 2021	300,000,000	53,189,184	(1,631,919)	52,429,367	4,786,152	144,788,032	553,560,816

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 2021

(amounts in USD)

	Nine-month period ended 30 September 2021	Nine-month period ended 30 September 2020
Cash flows from operating activities:		
Profit before taxes	85,954,882	66,719,593
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities:</i>		
Interest expense	16,167,994	17,666,073
Interest income	(124,821,542)	(111,640,007)
Depreciation and amortization	7,333,938	6,193,318
Gain on sale of property and equipment	-	(2,969)
Fair value gain and gain on sale of investment securities	1,606,787	(13,436,961)
Gain on sale of repossessed assets	(166,716)	(157,799)
Gain on recovery of lost loans	(4,315,698)	(573,061)
Write-off of property and equipment	-	-
Write-off of loans to customers	3,404,547	425,513
Write off of fixed assets and repossessed assets	5,555	-
Provision on other debtors	4,653,223	63,863
Reversal from other debtors	(856,326)	(284,886)
Movement in the fair value reserve	(8,035,264)	(9,834,764)
Movement in translation reserve	(7,117,924)	4,914,506
Net change in accumulated impairment of FVTOCI	(1,384,258)	-
Impairment of loans to customers	2,069,484	9,064,976
Impairment of other financial assets	62,703	4,965,954
Cash flows from operating profits before changes in operating assets and liabilities	(25,438,616)	(25,916,651)
(Increase)/decrease in operating assets:		
Placements and balances with banks	99,545,461	506,293,033
Loans and advances to banks	(112,908,636)	(174,273,687)
Loans and advances to customers	(5,195,207)	(6,891,383)
Other assets	(8,208,333)	(3,726,771)
	(26,766,716)	321,401,192
Increase/(decrease) in operating liabilities:		
Customer deposits	262,012,925	114,878,571
Due to third parties	870,906	1,753,301
Accruals and other liabilities	8,975,715	(4,317,799)
	271,859,546	112,314,073
Dividend payment	(40,000,000)	-
Interest paid	(18,595,389)	(18,199,210)
Interest received	122,140,227	108,942,809
Income taxes paid	(10,208,796)	(10,052,289)
Net cash flows from operating activities	272,990,257	488,489,924
Cash flows from investing activities		
Dividend income from securities	3,653,100	347,446
Purchases of investment securities	(632,267,130)	(574,799,340)
Purchases of treasury bills	707,783	(10,811,891)
Investment in associates	25,255	(24,842)
Purchases of property and equipment	(7,825,002)	(3,123,793)
Proceeds from sale of property and equipment	-	2,921
Proceeds from sale of investment securities	297,747,041	90,946,765
Proceeds from sale of treasury bills	24,076,174	4,812,970
Net cash flows used in investing activities	(313,882,779)	(492,649,764)
Cash flows from financing activities		
Proceeds from short term borrowings	52,119,931	31,624,275
Subordinated debt	(526,316)	517,712
Net cash from financing activities	51,593,615	32,141,987
Net change in cash and cash equivalents	10,701,094	27,982,147
Effects of exchange rate changes on the balance of cash held in foreign currencies / (Translation difference)	(5,210,748)	(5,103,889)
Cash and cash equivalents at the beginning of the year	465,266,853	380,047,094
Cash and cash equivalents at the end of the period	470,757,199	402,925,352

Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the nine-month period ended 30 September 2021

(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 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 14 April 2021, the Bank created legal reserves of Lek 2,058,369 thousand (equivalent of USD 19,982,220) and decided to distribute Lek 4,635,450 thousand as dividends (equivalent of USD 45,000,000, using the exchange rate published by Bank of Albania as at 14 April 2021 - 103.01 Lek per USD), using of the statutory net profit for the year ended December 31, 2020 and part of the net profit of the year 2019. Meanwhile, the dividend payment is suspended based on the respective decisions of the Supervisory Council of Bank of Albania until 2021 end. The remaining part of the net profit of the year 2020 was kept as retained earnings. The suspended dividend payment for the year 2020 was paid in January 2021 following the respective Bank of Albania decision.

As at 30 September 2021 and 31 December 2020, 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 2021			31 December 2020		
	No. of shares	Total in USD	%	No. of shares	Total in USD	%
Çalık Finansal Hizmetler A.Ş	-	-	-	24,291,498	300,000,000.3	100
Calik Holding A.S. *	24,291,498	300,000,000.3	100	-	-	-

Due to the merge of Çalık Finansal Hizmetler A.Ş. by Çalık Holding A.Ş., all its assets and liabilities dissolving without liquidation, has been taken over by Çalık Holding A.Ş. As per this transaction the shareholder structure of Banka Kombetare Tregtare has changed from Çalık Finansal Hizmetler A.Ş sole shareholder with 100% of shares to Çalık Holding A.Ş. sole shareholder with 100% of shares.

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 2020.

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.

Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the nine-month period ended 30 September 2021
(amounts in USD, unless otherwise stated)

4. Functional and presentation currency – continued

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

	30 September 2021	31 December 2020	30 September 2020
USD/LEK	104.79	100.84	110.95
EUR/LEK	121.54	123.70	124.34

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 implemented immediate measures in order to mitigate the social and economic impact of the outbreak. The government 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 31.08.2020.

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.

In terms of liquidity scenarios, the Group conducts periodically stress tests exercises to assess its liquidity position. In these exercises it considers a liquidity crisis scenario specific to BKT and a liquidity crisis scenario to the entire banking system, assuming withdrawal of deposits of at least 20% and delay in loan repayments. Through the nine-month period of 2021, the exercises have confirmed that even if the liquidity stress situation would continue for a period of 3 months, the Group would meet the demand for funds for its 3 main currencies ALL, EUR and USD.

The Group performs stress test exercises to test the possible impact of macroeconomic indicators in Group's key financial position, performance and regulatory compliance. These stress tests are mainly focused on the impact that some outlined macro and microeconomic scenarios might have on the loan portfolio, being the Group's main source of income, financial position including market risk. Official forecast models of the Central Bank and Group's internal risk valuation are used in these exercises.

In various stress test scenarios, the CAR in both, baseline and adverse scenarios, have resulted above the minimum requirement threshold set by Bank of Albania. The Group has assumed that there is no need the capital requirements be increased.

In May 2021 the bank has approved the internal capital adequacy assessment process as at 31.12.2020.

For the year ending 2021, 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 2020 and the nine-month period of 2021, the Group has managed to achieve the budgeted results, exceeding them in terms of profitability and balance sheet size. For the year ending 2021, the Group expects the budgeted figures to be standing at positive results, although not possible to be reliably measured at the moment.

As regards to the Investment Securities portfolio, in 2021 the Management expect a stable performance of the fair value reserve.

The Group's management evaluates 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 Financial Statements continue to be prepared on the going concern basis.

Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the nine-month period ended 30 September 2021

(amounts in USD, unless otherwise stated)

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 2020.

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 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 2020.

During 2021 the Bank has performed an internal study on corporate portfolio and produced internal average default rates based on the period 2012 -2020 and global default rates based on historical data 2008 – 2020. For the rest of the loan portfolio and other financial assets BKT applied external average default rates and global default rates obtained from rating agencies.

8. Financial risk management

During the nine months ended 30 September 2021 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 2020.

9. Fair value of financial assets

The Bank's investment securities portfolio as at 30 September 2021 includes investment securities - measured at FVOCI amounting USD 2,087,979,397 (31 December 2020: USD 1,946,518,372); investment securities - measured at FVTPL amounting USD 122,891,227 (31 December 2020: 74,800,810) and investment securities - measured at amortised cost amounting USD 195,073,589 (31 December 2020: 164,360,574).

10. 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 30 September 2021, the impairment for loan losses was USD 68,249,973 (31 December 2020: USD 70,691,386) and the impairment for other financial assets was USD 4,014,127 (31 December 2020: USD 2,910,788).

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 30 September 2021, the impairment of FVOCI at USD 4,786,152 (31 December 2020: USD 6,170,410) was composed of available-for-sale securities impairment provision at USD 4,691,579 (31 December 2020: USD 5,916,152) and treasury bills available-for-sale impairment provision at USD 94,573 (31 December 2020: USD 254,258).

Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the nine-month period ended 30 September 2021

(amounts in USD, unless otherwise stated)

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 2021 was 12.86 per cent (for the nine months ended 30 September 2020: 14.88 per cent), while the income tax rate in Albania is 15% and 10% for Kosovo.

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 2021.

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 Holding at 100% as at 30 September 2021. The ultimate controlling party is Mr. Ahmet Calik.

ALBtelecom Sh.a., Albania Leasing, Aktif Yatirim Bankasi A.S. ("Aktifbank"), GAP Pazarlama FZE, Gap İnşaat Yatırım 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.

Balances and transactions with related parties

	30 September 2021	31 December 2020
Assets		
<i>Placement and balances with banks:</i>		
Current accounts with Aktifbank	152,202	90,492
<i>Loans to customers:</i>		
ALBtelecom	38,655,649	40,557,456
Albania Leasing	8,162	23,720
<i>Other assets:</i>		
Receivables from ALBtelecom Sh.a	10,483	5,716
Total assets	38,826,496	40,677,384
Liabilities		
<i>Due to banks and financial institutions:</i>		
Borrowings from Aktifbank	1,171,442	10,426,923
<i>Customer deposits:</i>		
Albtelecom Sh.a.	426,561	379,803
Albania Leasing	240,565	203,579
KEDS / KESCO	5,395,025	19,907,278
<i>Other Liabilities:</i>		
Dividend Payable to Calik Holding A.S.	45,000,000	40,000,000
Total liabilities	52,233,593	70,917,583

Banka Kombetare Tregtare sh.a.

Explanatory notes as of and for the nine-month period ended 30 September 2021

(amounts in USD, unless otherwise stated)

14. Related party transactions (continued)

	Nine months period ended 30 September 2021	Nine months period ended 30 September 2020
Statement of comprehensive income		
Interest income from:		
ALBtelecom Sh.a.	1,283,835	1,391,504
Albania Leasing	549	2,697
Aktifbank		3,401
Interest expenses for:		
Albtelecom Sh.a.	-	(133)
Aktifbank	(76,713)	(337,050)
Fees and commissions:		
Account maintenance and lending fees from ALBtelecom Sh.a.	72,561	82,225
Account maintenance and lending fees from Albania Leasing	4,039	2,730
Account maintenance and lending fees from KEDS / KESCO	72,029	38,133
Letters of guarantee:		
ALBtelecom Sh.a.	-	1,084
Other income:		
Operating lease income from ALBtelecom Sh.a.	50,133	47,120
Operating expenses:		
ALBtelecom Sh.a. and Calik Holding	(1,357,008)	(2,044,298)
Net	49,425	(812,587)

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:

	Nine months period ended 30 September 2021	Nine months period ended 30 September 2020
Directors	1,763,323	785,333
Executive officers	2,662,052	2,177,765
	4,425,375	2,963,098

The remuneration of directors and executive officers for the year ended 31 December 2020 was USD 4,403,168.

As at 30 September 2021, the total deposits of directors held with the Bank were USD 3,982,943 (31 December 2020: USD 3,112,460), while the outstanding loans granted to directors were USD 334,115 (31 December 2020: USD 412,769).

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.