

BANK PRESENTATION

Banka Kombëtare Tregtare Kosovë Sh.A.

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REPUBLIC OF KOSOVA

- A parliamentary republic which declared independence on February 17, 2008.
- Country is recognized as an independent country by 117 countries.
- Kosovo is a potential candidate for EU membership, a process that was accelerated with the signing of Stabilization Association Agreement in October 2015, in force since April 2016.
- Although Kosovo is not an official Eurozone member, Kosovo unilaterally adopted the “euro” as its currency in 2002 when it was a UN mandate.
- Kosovo joined;
 - The World Bank and International Monetary Fund in June 2009,
 - European Bank for Reconstruction and Development in 2012,
 - The Council of Europe Development Bank in 2013,
 - International Olympic Committee in December 2014,
 - World Customs Organization in March 2017.
- Pristina was confirmed as host city to 2030 Mediterranean Games in September 2023.
- Visa liberalization was granted to Kosovo by EU effective 1st of January, 2024.

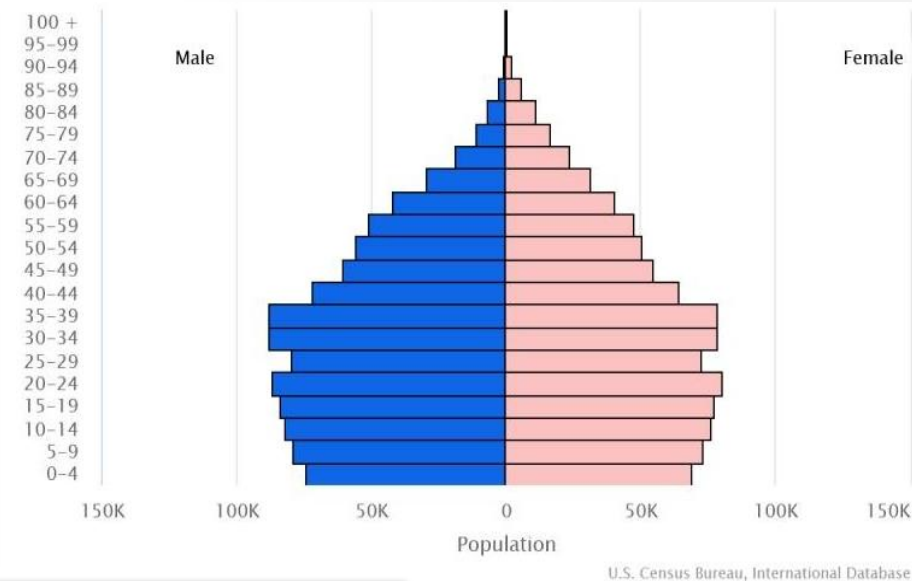


DEMOGRAPHIC INFORMATION

Kosova		2022
Population, million/Growth rate		1.76/-1.40%
GDP Growth		5.22%
GDP, nominal € bn		8.9
GDP per capita, €		5,037
Life Expectancy at Birth, years (2021)		77
Average age		31.5

Remittances by Country (Q3'23)	
Germany	37.9%
Switzerland	19.1%
USA	7.3%
Austria	4.7%
Italy	4.3%
France	3.9%
Belgium	3.2%
Sweden	2.9%
UK	2.4%
Norway	2.0%
Other	12.4%

Population ages 15-64 represents 68% of total population.



Export Partners	
North Macedonia	14.7%
Albania	12.8%
United States	12.3%
Germany	10.9%
Switzerland	8.8%
Serbia	5.8%
Montenegro	5.4%
Italy	4.3%
Netherlands	3.1%
Turkey	2.3%
Other	19.8%

Import Partners	
Turkey	13.7%
Germany	12.7%
China	10.8%
Albania	5.6%
Italy	5.4%
Greece	5.4%
North Macedonia	5.4%
India	5.3%
Serbia	3.9%
Poland	2.6%
Other	29.1%

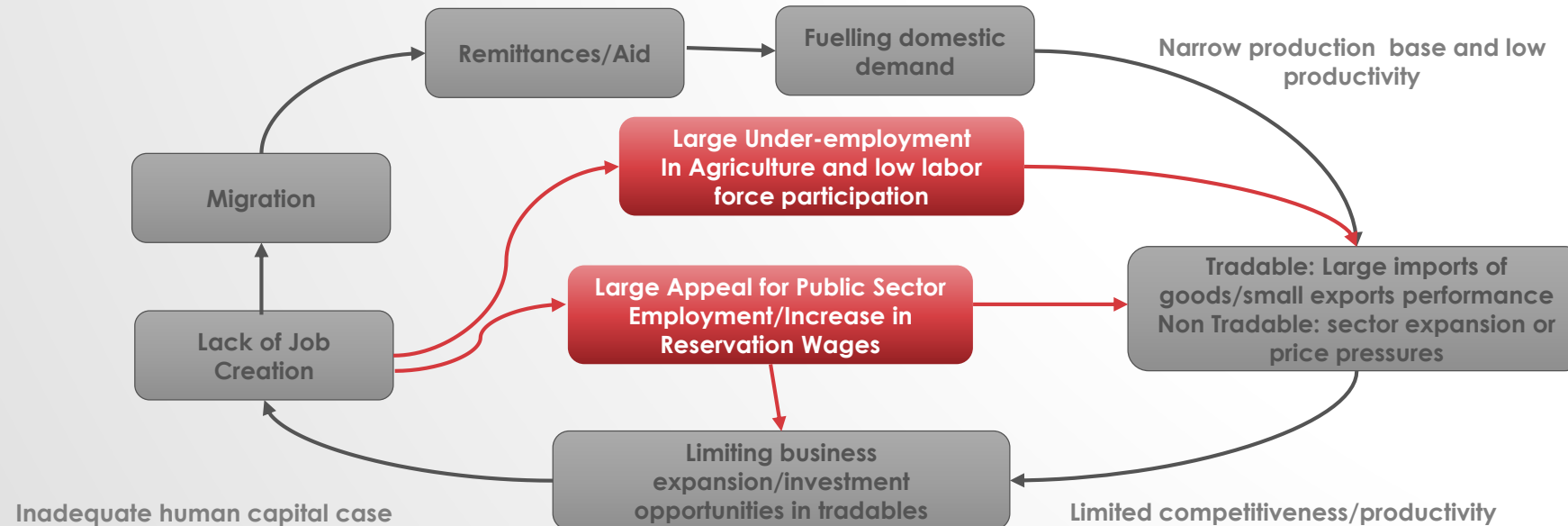
Exports cover 15% of imports.

Sources: Central Bank of Kosovo (CBK)
IMF
World Bank Data



ECONOMIC INDICATORS: “GDP”

- Kosova economy grew by 2.97% y-o-y in Q3'23, while it is expected to conclude 2023 with 3.8% growth,
- Foreign direct investments have seen a net inflow at EUR 761 million by end of November while there has been 11.5% increase compared to same period of the previous year,
- The value of remittances received during 2023, reached EUR 1,344.5 million, representing an increase of 9.95% compared to the previous year.



Source: Central Bank of Kosovo (CBK)

BANKA KOMBËTARE TREGTARE KOSOVË SH.A.

ECONOMIC INDICATORS “FISCAL POLICY”

- Government has been maintaining stable macro-fiscal policies,
- Public debt in Q3'23 decreased to EUR 1.62 billion which is 7.55% lower compared to the end of 2022,
 - Government has been borrowing less through debt securities due to high revenue collection and tight fiscal policy,
 - The lowest debt level in Western Balkans at 16.7% debt to GDP ratio,
 - Offering room to borrow on concessional terms for productive investments,
 - Almost 40% of the debt is external, mainly from international financial institutions while local debt has been decreasing lately which is 13.2% lower than the end of 2022, at EUR 965 million.
- Fiscal policy is supported by a healthy banking sector.

ECONOMIC OUTLOOK

- Incentives for investment in Kosova;
 - Youngest population in Europe which is exposed to Western European and has higher linguistic standards,
 - Low corporate tax at 10%,
 - Access to EU and CEFTA markets,
 - Euro is official currency of the country though it is not an official Eurozone member,
 - Government with low debt and low contingent liabilities in terms of pension and other social welfare transfers,
 - Rapidly developed information and communications technology,
 - Broadband internet penetration compared to EU average,
 - Healthy and well capitalized banking sector.
 - Natural resources: coal, zinc, lead, ferro-nickel and fertile agricultural land.

GDP GROWTH

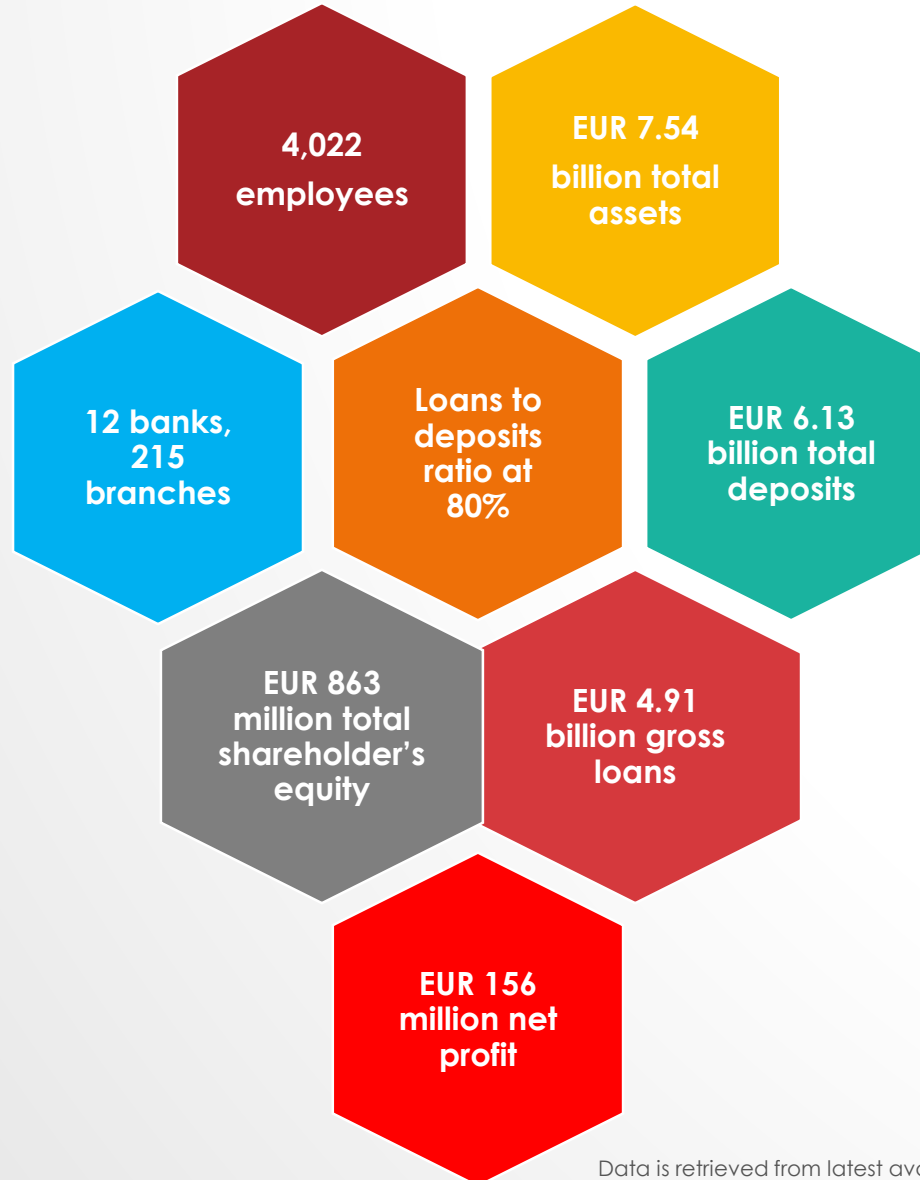
GDP Growth Rate % (constant prices)	Realizations					Projections		
	2019	2020	2021	2022	2023F	2024	2025	2026
Country								
Kosova	4.76	-5.34	10.75	5.22	3.80	4.00	4.00	3.90
Albania	2.09	-3.30	8.91	4.86	3.61	3.33	3.43	3.45
Bosnia and Herzegovina	2.89	-3.02	7.39	4.11	2.00	3.00	3.00	3.00
Bulgaria	4.04	-3.97	7.66	3.93	1.66	3.16	3.00	2.94
Croatia	3.40	-8.59	13.78	6.35	2.70	2.60	2.70	2.90
North Macedonia	3.91	-6.11	5.51	2.15	2.50	3.20	3.50	3.50
Montenegro	4.06	-15.31	13.04	6.41	4.50	3.70	3.20	3.00
Romania	3.85	-3.68	5.71	4.60	2.19	3.79	3.84	3.85
Slovenia	3.52	-4.24	8.23	2.46	2.03	2.21	2.61	2.81
Serbia	4.33	-0.90	7.73	2.55	1.97	3.00	4.46	4.00

IMF-WORLD ECONOMIC OUTLOOK DATABASE OCTOBER 2023

KOSOVA BANKING SECTOR (DEC'23)

- 12 banks: 9 are foreign owned. No state owned bank, all private;
- High concentration: top three banks with 52.3% of total assets;
- Total asset size: EUR 7.54 billion with 11.6% y-o-y growth, securities comprise 11.9% of total assets;
- Total shareholder's equity: EUR 863 million;
- Total banking system net profit: EUR 156 million, 10.7% y-o-y growth;
- Loans/banking assets ratio: 65%;
- Loans/deposits ratio: 80.2%;
- Liquid assets/total short-term liabilities ratio: 34.7%;
- High CAR of 15.8%, with low NPL ratio at 2.0%;
- High ROAA of 2.5% and ROAE of 19.7%.

KOSOVA BANKING SECTOR AT A GLANCE (DEC'23)



ÇALIK HOLDING A.Ş.



1981
Origin of textile operations



1987
Çalık Denim established



1995
Operations in energy sector
start with Gap Enerji



1996
Gap İnşaat established



1997
Çalık Holding established



2013
Aras Elektrik established.
Kosova Keds Electricity acquired.



2012
Yepaş Elektrik established



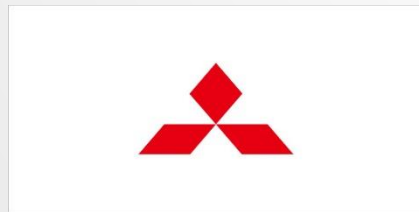
2010
Lidya Madencilik launches
mining operations.
Yedaş Elektrik acquired.
Çalık Gayrimenkul
established



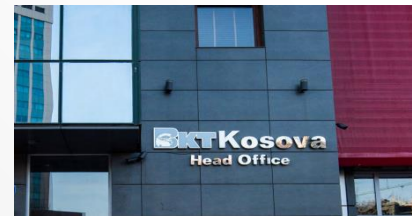
2006
BKT Albania acquired



1999
Aktif Bank established



2015
Çalık Enerji and Mitsubishi Corp.
launch strategic and equity
cooperation



2018
BKT Kosova took license from
CBK to be third bank under
Çalık Holding

ÇALIK HOLDING A.Ş.



Energy



Construction



Banking & Finance



Mining



Textiles

31

COUNTRIES

5

SECTORS

16,000

EMPLOYEES

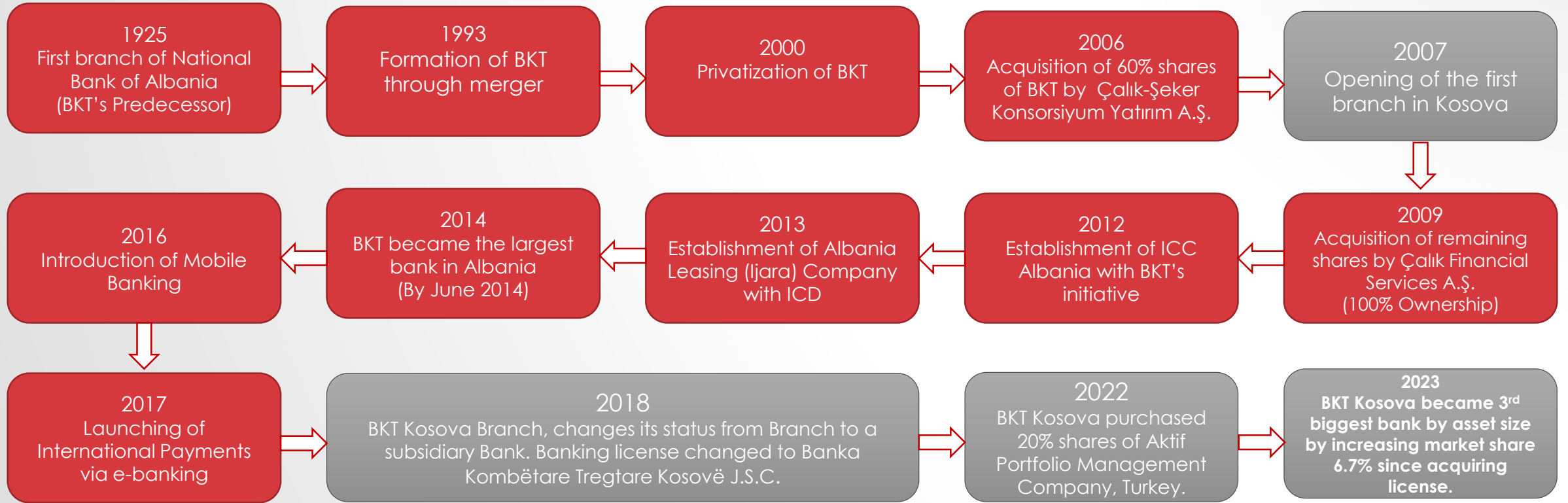
2.2 BILLION USD

REVENUES

532 MILLION USD

EBITDA

BKT'S HISTORY MILESTONES



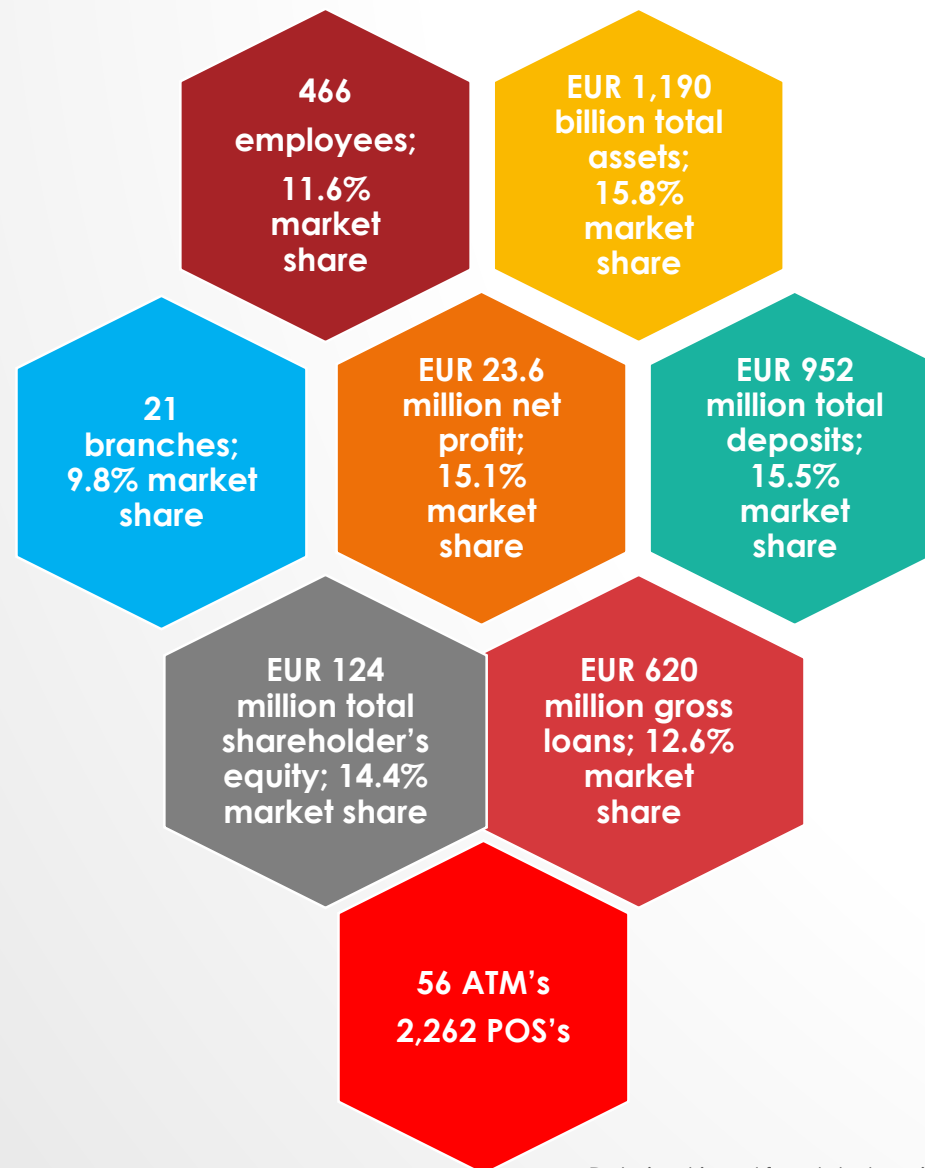
Shareholder's Structure

- Banka Kombetare Tregtare Sh.A., Albania, 100%
- Banka Kombetare Tregtare Sh.A is part of Çalık Holding A.Ş.

BKT KOSOVA FINANCIAL FIGURES (DEC'23)

- 21 branches in 14 cities;
- Total asset size: EUR 1.190 billion;
- Total gross loans amount: EUR 620 million;
- Total deposits amount: EUR 952 million;
- Total shareholder's equity: EUR 124 million and subordinated loan in the amount of EUR 22 million;
- Net profit: EUR 23.6 million;
- Gross loans/total assets ratio: 52.08%;
- Gross loans/deposits ratio: 65.14%;
- Liquid assets/total short-term liabilities ratio: 36.43%;
- Cost Income Ratio: 35.99% including impairments 38.58%;
- CAR of 15.91% with NPL ratio at 1.42%;
- ROAA of 2.26% and ROE of 28.46%.

BKT KOSOVA VS BANKING SECTOR (DEC'23)



Data is retrieved from latest available CBK monthly information on financial system.

BKT KOSOVA BUSINESS SEGMENTS

RETAIL BANKING

- Current and Saving Accounts
- Credit, Debit Cards and Overdrafts
- E-banking / M-banking
- Digital Account Opening, Credit Card, Overdraft and Loan
- Term Deposits; Advance, Elastic, Record, Progressive, Rrita, Multicurrency, Gold, Green
- Mortgage, Consumer and Pension Loans,
- Pension Account with OVD Limit
- Mobile Banking: Property Insurance, Travel Insurance, Personal Accidents Insurance
- Credit Life Insurance
- SmartPay QR and Smart OTP
- Standing Orders
- Online KUR Prishtina Payment, KESCO Payment and Internal Direct Debit
- Cash Deposit, Withdrawal, Loan through Third Parties
- UPT and RIA transfers
- Giro Payment
- Treasury Payments
- Ticket fines
- PEGA Retail Customer Onboarding
- PEGA Credit Card Origination
- PEGA Overdraft Origination
- PEGA Debit Card Application
- PEGA Supplementary Card
- PEGA Third party Registration

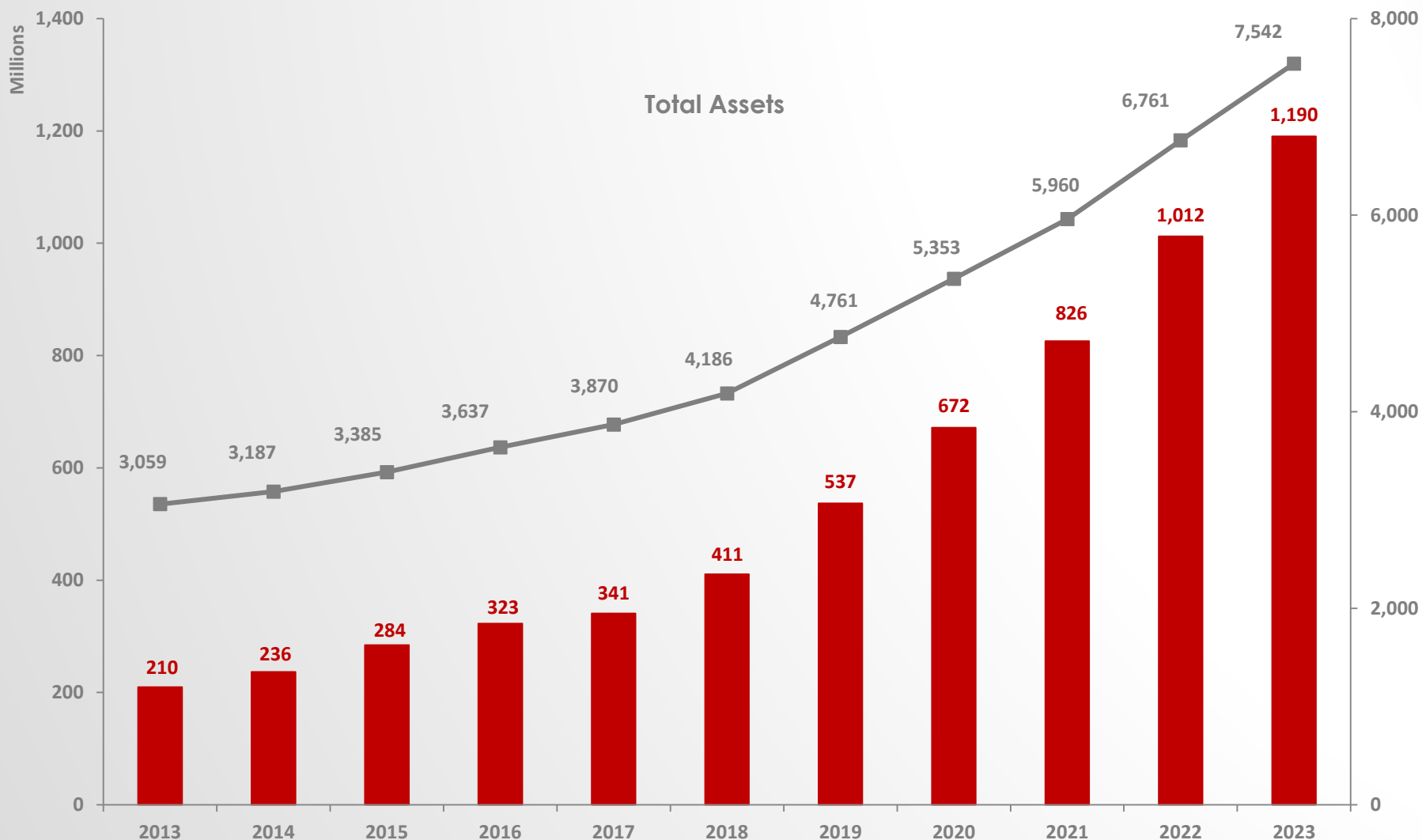
CORPORATE & BUSINESS BANKING

- Current Account
- Saving Account
- Term Deposits
- Business Loans
- SME Loans
- Agro Loans
- Green Loans
- Overdrafts
- Structured Finance
- Project Finance
- E-banking / M-banking
- POS Business
- Virtual POS
- Business e-banking
- Business Mobile Banking
- Business Credit and Debit Cards
- Drop Box – Cash Management
- POS Overdraft
- POS Letter of Guarantee
- Business Auto Loan
- e-Kiosk

TREASURY, FINANCIAL INSTITUTIONS & PRIVATE BANKING

- Private Banking for High Net Worth Clients
- Correspondent Banking
- Trade Finance Products
- Money Market Products
- FX Products
- Securities
- Syndication Loans

FINANCIAL FIGURES FOR BKT AND SECTOR



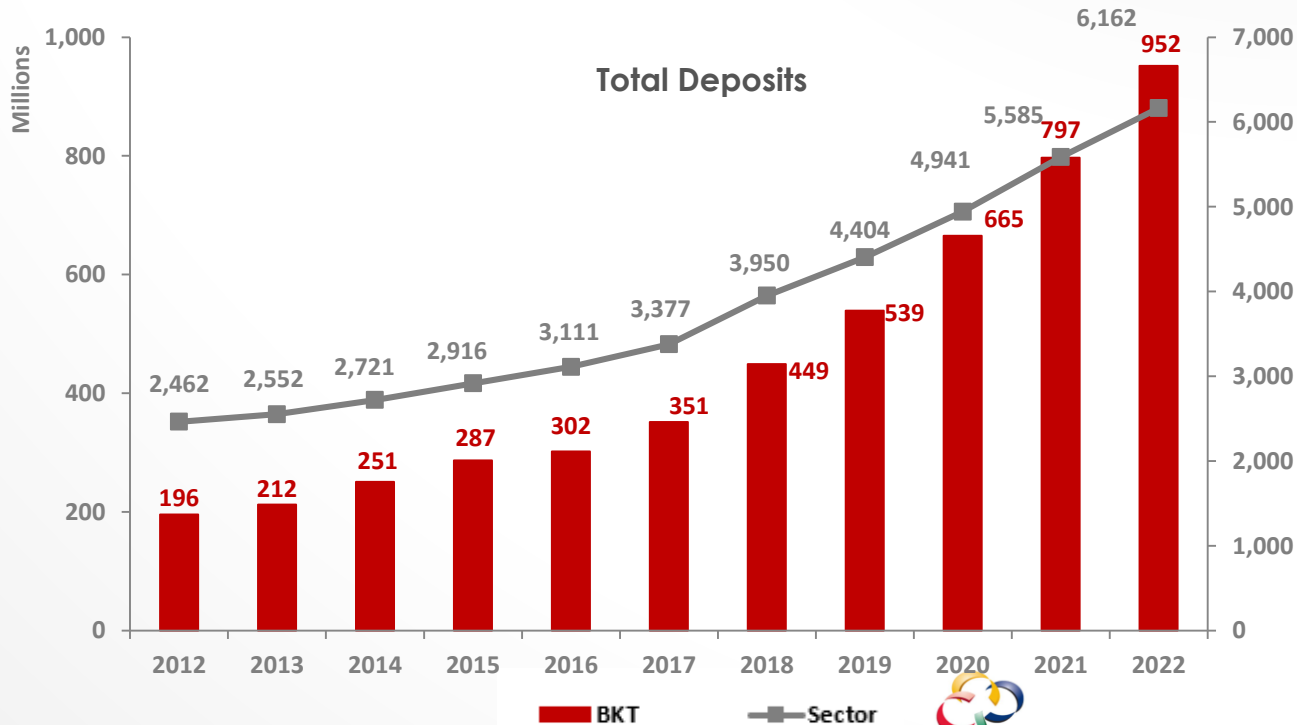
Annual average growth rate of 18.97% on total assets compared to 8.34% of sector, excluding BKT between 2013-2023. Market share increased from 6.85% to 15.78%.

FINANCIAL FIGURES FOR BKT AND SECTOR

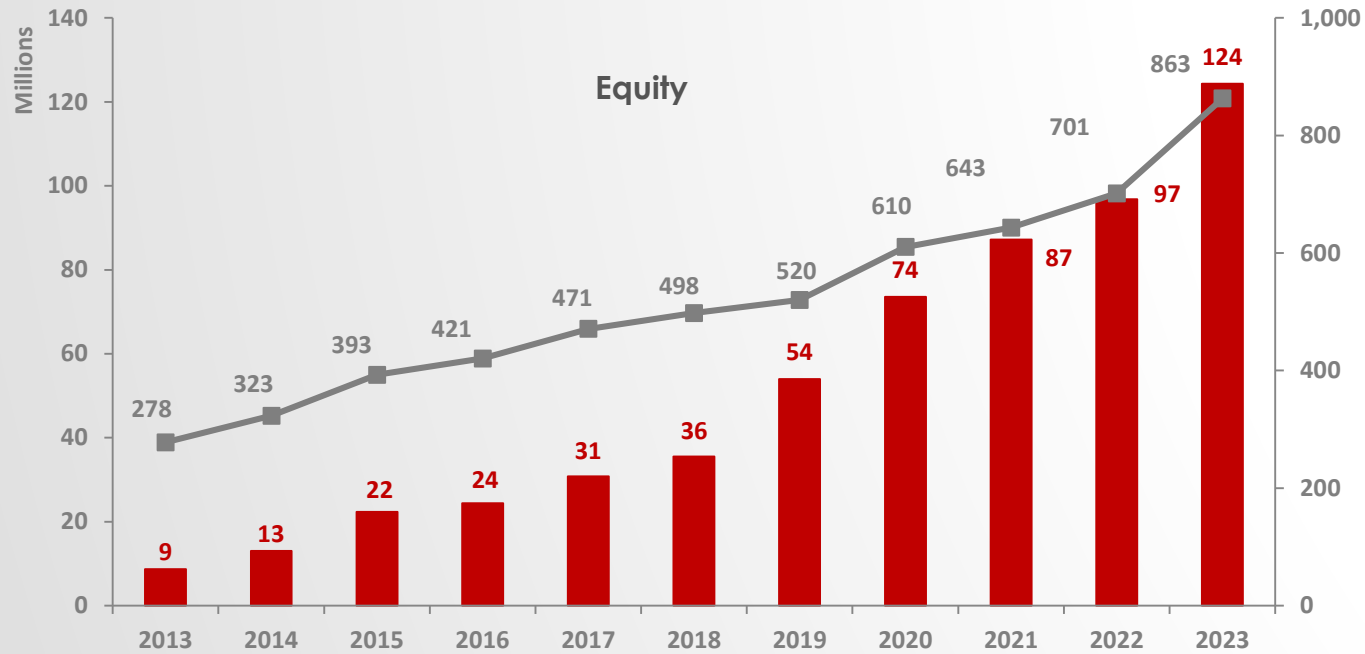


Annual average growth rate of 20.05% on gross loans compared to 9.67% of sector, excluding BKT between 2013-2023. Market share increased from 5.52% to 12.62%.

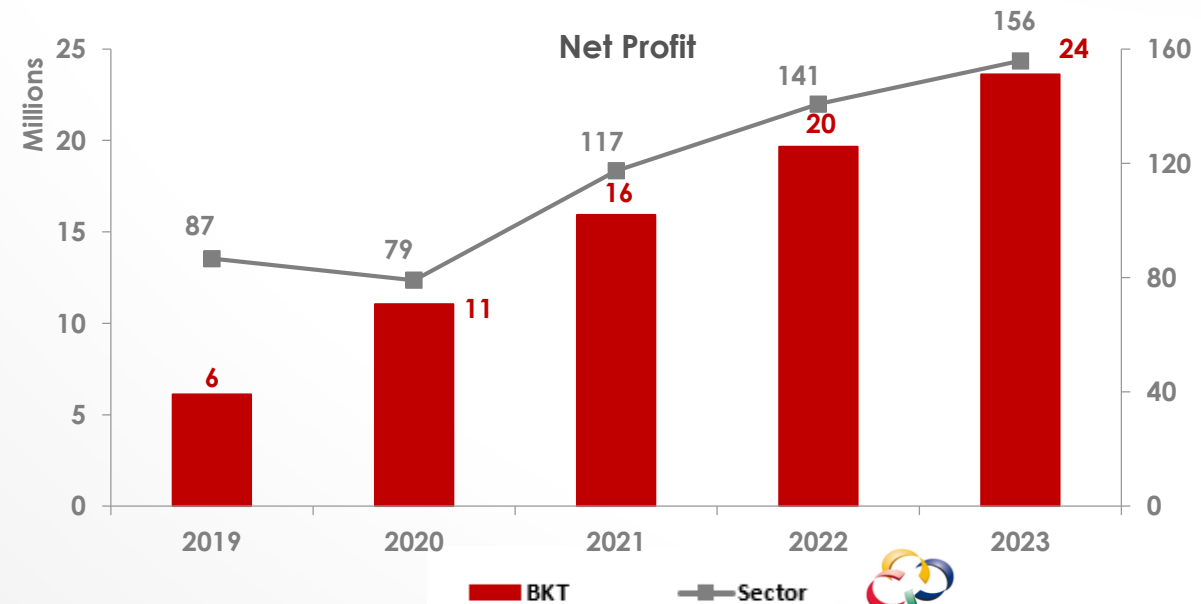
Annual average growth rate of 17.05% on total deposits compared to 8.68% of sector, excluding BKT between 2013-2023. Market share increased from 7.95% to 15.44%.



FINANCIAL FIGURES FOR BKT AND SECTOR

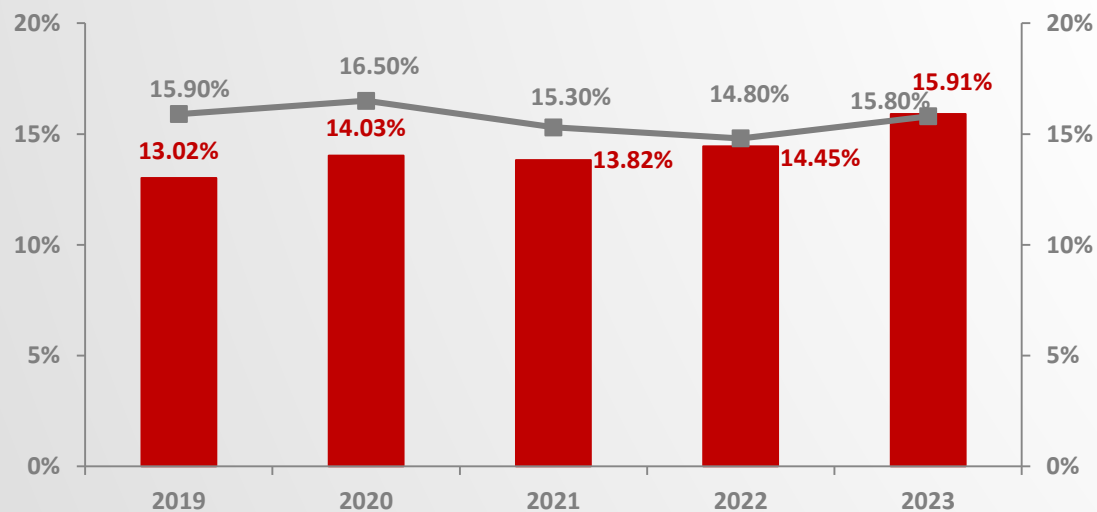


A higher annual average growth rate of 30.49% on equity compared to 10.62% of sector excluding BKT, between 2013-2023.

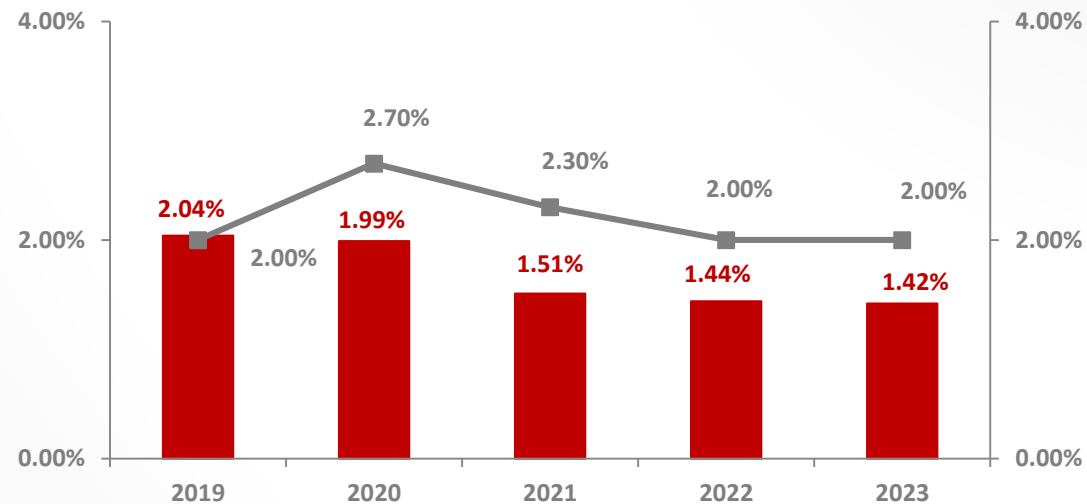


FINANCIAL RATIOS FOR BKT AND SECTOR

Capital Adequacy Ratio



NPL Ratio



PIONEERING SECTOR

- BKT Kosova is the first Bank to introduce and launch, first of its kind platform in the market, “**Dora e pare**”.
- BKT Kosovo introduced the **Digital Banking Products such as Digital Account, Digital Loan, Digital Credit Card & Digital Overdraft.**
- BKT Kosovo entered into **partnerships** with auto dealers, construction and real-estate companies to expand its network by introducing **Merchant Loan.**
- **Private Banking Department** was established in order to provide customized services to a special segment of clients by differentiating products and services.
- **Multicurrency deposit:** Clients can convert their investments to multiple currencies including **XAU** while contracting term deposits without losing accrued interests.
- **Pika saving account:** Saving account with overnight remuneration possibility.
- **SMART Invest:** BKT pioneered in the launching of the first and the only local investment platform including **Demo** version, which opened doors for citizens of Kosovo to access international financial markets with possibility of EUR and USD accounts.
- BKT increased the number of **remittances channels** by offering services in **10 currencies** from correspondent banks domiciled in different countries and payment companies.
- Bank offers **insurance** and **pension** products to its clients by engaging in all sub-sectors of financial industry.
- BKT Kosovo entered into a partnership with **Green for Growth** to promote and pioneer **green loans.**
- BKT Kosova launched a pioneering initiative, the **Green Deposit.**
- **Subordinated debt** finalized with Finance in Motion for EFSE & GGF Fund. First sustainability linked sub-ordinated debt for the country, where the bank has committed to certain ESG linked KPI's.

AWARDS

- **The Banker:** “Bank of the Year in Kosovo for 2020, 2021 and 2023”
- **Euromoney Awards for Excellence:** “Best Bank in Kosovo 2021”
- **Euromoney Global Private Banking Awards 2023:** “Best for High Net Worth Individuals in Kosovo”
- **Euromoney Market Leaders 2023:**
 - Corporate Banking
 - Digital Solutions
- **EMEA Finance - Europe Banking Awards 2022:** “The Best Bank 2022”
- **Global Finance:** “The Best Bank in Kosovo for 2021, 2022 and 2023”
- **Global Finance – The Innovators**
 - “Outstanding Innovator in FX and Trading for Smart Invest Platform”
 - “Top Financial Innovations: Consumer Finance”
 - “Top Financial Innovations: Foreign Exchange”
- **International Business Awards (IBA) 2021 Stevie® Award**
 - Bronze Stevie® Award in the ‘Company of the Year’ category
 - Gold Stevie® Award for the ‘Executive of the Year’ category
- **World Finance (World News Media Ltd.):** “Best Banking Group 2021 - Kosovo”
- **Global Banking and Finance Review:**
 - “Best Digital Bank Kosovo 2021”
 - “Best Retail Bank Kosovo 2021”
 - “Retail Brand of the Year Kosovo 2021”
- **Global Brands Magazine:** “Best Bank in Kosovo 2021”
 - “Most Admired Retail Banking Brand, Kosovo – 2023”
 - “Best Digital Banking Brand, Kosovo – 2023”
- **Global Business Review Magazine:**
 - “Best Bank in Kosovo 2021”
 - “Banking CEO of The Year Kosovo 2021”
- **The Global Economics:**
 - “Best Mobile Banking Application”
 - “Best Retail Bank”
- **International Business Magazine Award:** “Best Bank Kosovo 2022”
- **World Business Outlook Awards 2023:** “Best Retail Banking Award Kosovo 2023”
- **Finance Derivative Magazine:** “Best Digital Bank Kosovo 2023”
- **Cosmopolitan The Daily Business Awards:**
 - “Best Bank in Kosovo 2023”
 - “Best Digital Bank - Kosovo 2021”
 - “Best Retail Bank - Kosovo 2021”
 - “Best E-Banking Products - Kosovo 2021”
 - “Most Innovative Digital Transformation Bank - Kosovo 2021”
- **World Confederation of Business (WORLD COB):** “THE BIZZ HYBRID Business Excellence Award”
- **ICERTIAS:** “Best Buy Award 2021/2022”

PARTNERSHIPS AND MEMBERSHIPS

Following thorough selection processes, BKT Kosova was chosen to partner and be member with strategic national and international groups on important projects:

- Bankers Association for Finance and Trade (BAFT); membership which is a great opportunity to deepen our Trade Finance capabilities;
- World Savings and Retail Banking Institute (WSBI) and European Savings and Retail Banking Group (ESBG) membership;
- Green for Growth Fund: Subordinated Loan with the purpose of financing energy efficiency and renewable energy projects in Kosova;
- Kosovo Credit Guarantee Fund partnership;
- CSR Kosovo membership;
- Kosovo Pension Savings Trust and Slovenian Kosovo Pension Fund partnership;
- American Chamber of Commerce in Kosovo membership;
- Kosovo Turkey Chamber of Commerce membership;
- Keiretsu Forum Southeast Europe; cooperation agreement, with the aim of supporting and financing Start-up businesses;
- Olympic Committee of Kosovo; BKT Kosova Premium partner of the Olympic Committee of Kosovo.

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