HALKBANK

2020
annual report

HALKBANK

2020
annual report

HALKBANK

CORPORATE PROFILE

Halkbank AD Skopje presented with brief information regarding its profile, history, position and achievements.

HALKBANK AD SKOPJE IN 2020

HALKBANK represents one of the biggest and strongest brands on the Macedonian financial market. With its 28-year-presence as a financial institution in the country, here is where HalkBank AD Skopje stands today, as we:

- are the fourth largest bank on the market amounting to EUR 1.085,93 million in terms of assets
- are present all over the country, offering services to our clients through the wide branch network of 43 subsidiaries
- have more than 570 employees
- operate an ATM network consisted of 133 teller machines
- have widely distributed POS terminals used by our trade partners - over 7,000 in total
- serve thousands of retail clients, small, medium-sized, and corporate businesses and public institutions
- are a leader in offering tailored banking services; introducing new technologies in the financial market; providing fast service through the highly developed and modern alternative channel platform.

We serve the country's nation with a broad range of financial services, including domestic and foreign payment processing; personal banking; credit cards; business loans; housing loans; consumer loans; savings and investments.

HALKBANK TURKEY OVERVIEW

HalkBank was founded in 1938 to support craftsmen and tradesmen, and to accelerate the country's economic development. The Bank's core business strategy has not changed during its 80-year history.

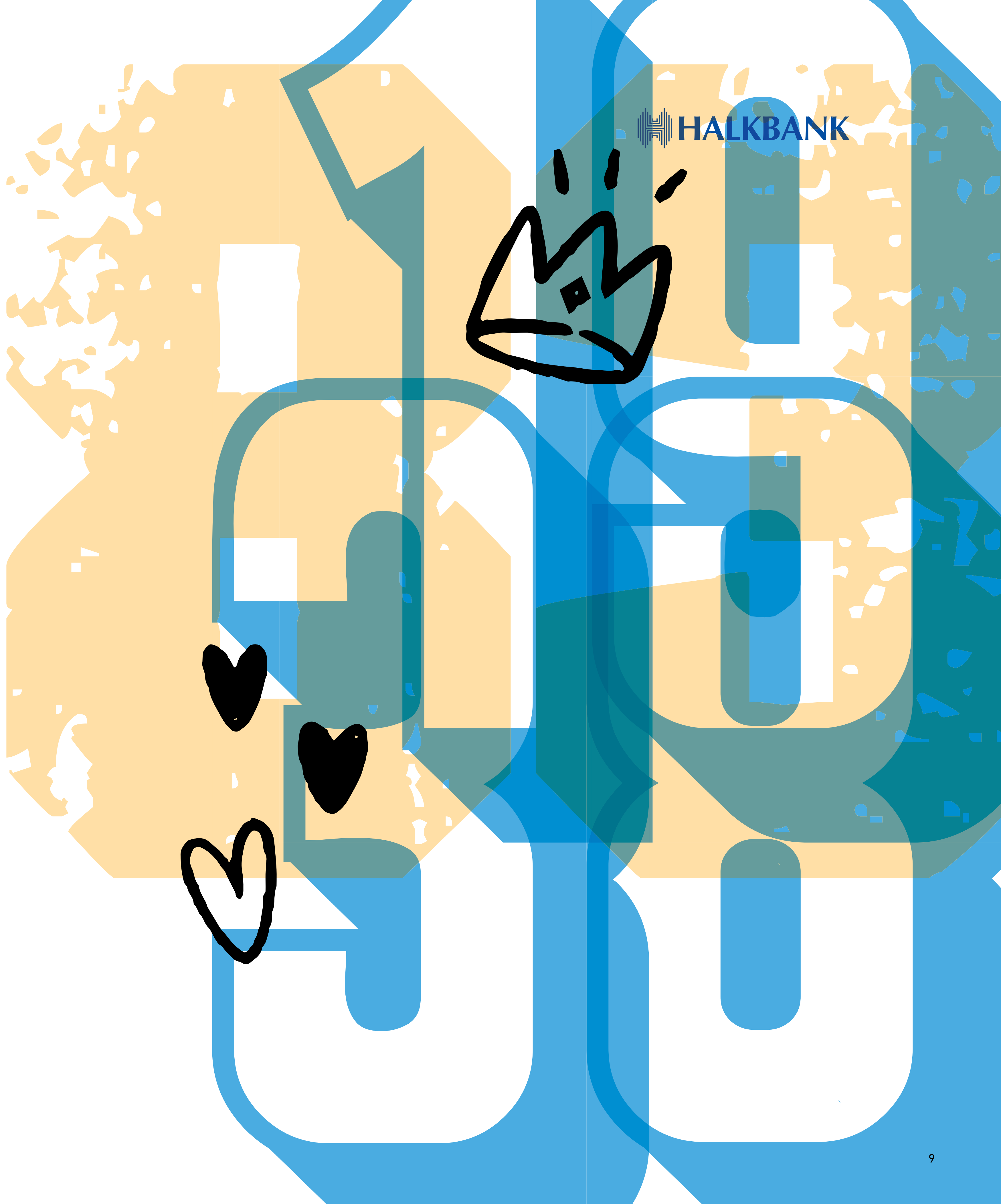
HalkBank views each and every craftsman, farmer, or any small, medium-sized or large enterprise owner who creates value and generates employment - as a business partner. The Bank firmly believes that it has the responsibility to support these economic producers with its entire financing capability, both in good days and in bad. Allocating 43% of the Bank's total loan portfolio to SMEs, HalkBank continues to be their primary supporter in Turkey.

HalkBank concludes the year of 2020 operating with a global approach through 1007 domestic and 6 overseas branches; 1 head office; 3 representative offices; 4,060 ATMs; telephone and Internet banking platforms, in addition to its mobile banking applications.

In line with its importance to the brand, the bank puts people - customers, retailers, farmers, small, medium or large business owners and employees above all - emphasizing that the reason for its existence is to support them with financial opportunities, in good and bad times alike.

The bank is considered a market leader in support of small and medium enterprises.

Moreover, HalkBank is the biggest supporter of the economy of the Republic of Turkey and is considered one of the most successful and strongest brands on the Turkish market in general.



SHAREHOLDERS' STRUCTURE

HalkBank AD Skopje was founded as a joint stock company in March 1993, with a Decision adopted by the Bank's Assembly. The Bank gained the capacity of a legal entity with its registration in the Register of the District Commercial Court, under No. 5877/93 dated 13.04.1993.

Currently, the total nominal capital of HALKBANK AD Skopje amounts to MKD 7,926,910,000 divided into 792,691 ordinary shares, with a nominal value per share of MKD 10,000.00. The majority shareholder of HALKBANK AD Skopje is Turkiye Halk Bankası AŞ Istanbul with 787,905 ordinary shares i.e. 99.40% of the total number of shares.

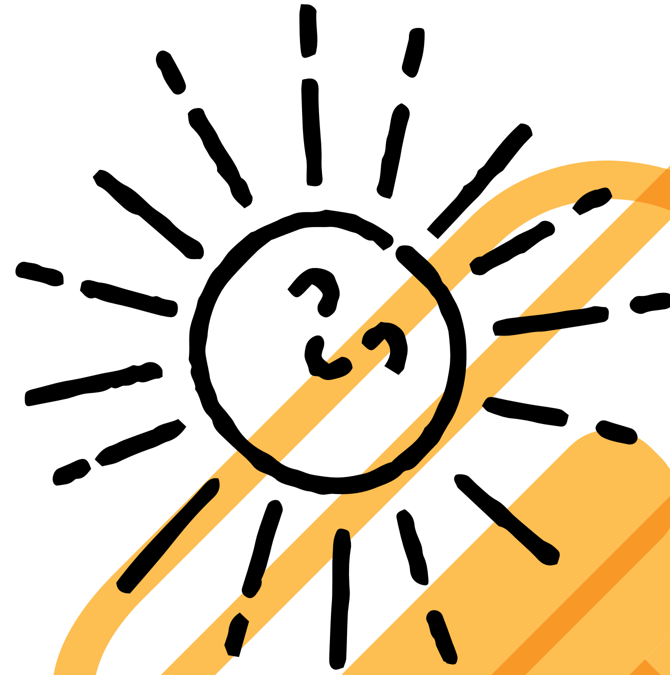
The Bank issues ordinary shares, and it may also issue other shares with different rights. The shares providing the same rights make up one type of shares. According to these rights, the shares may be divided to ordinary, or preference shares.

Preference shares may have several classes and may not be issued with a nominal amount lower than the nominal amount of the ordinary shares. Preference shares of the same class ensure the same rights.

Holders of ordinary shares exercise the following rights:

- voting right, where one ordinary share provides one vote in the Bank's Assembly;
- dividend right in accordance with the Decision of the Bank's Assembly, and
- right to payment from the balance of the Bank's liquidation, i.e. bankruptcy estate.

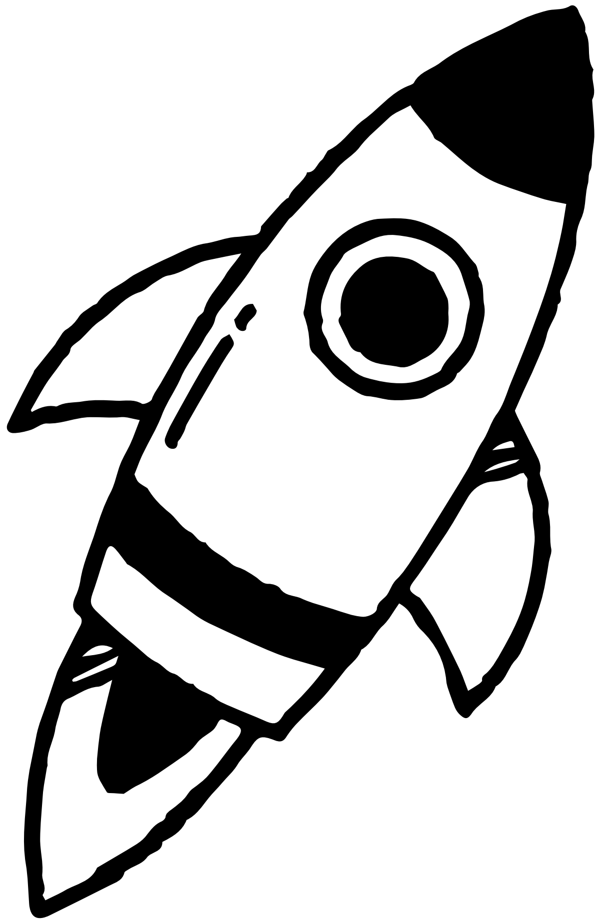
Shares are not divisible, but they are negotiable. The negotiability of the ownership of the Bank's shares is free and it is carried out in accordance with the terms and conditions defined under the Law.



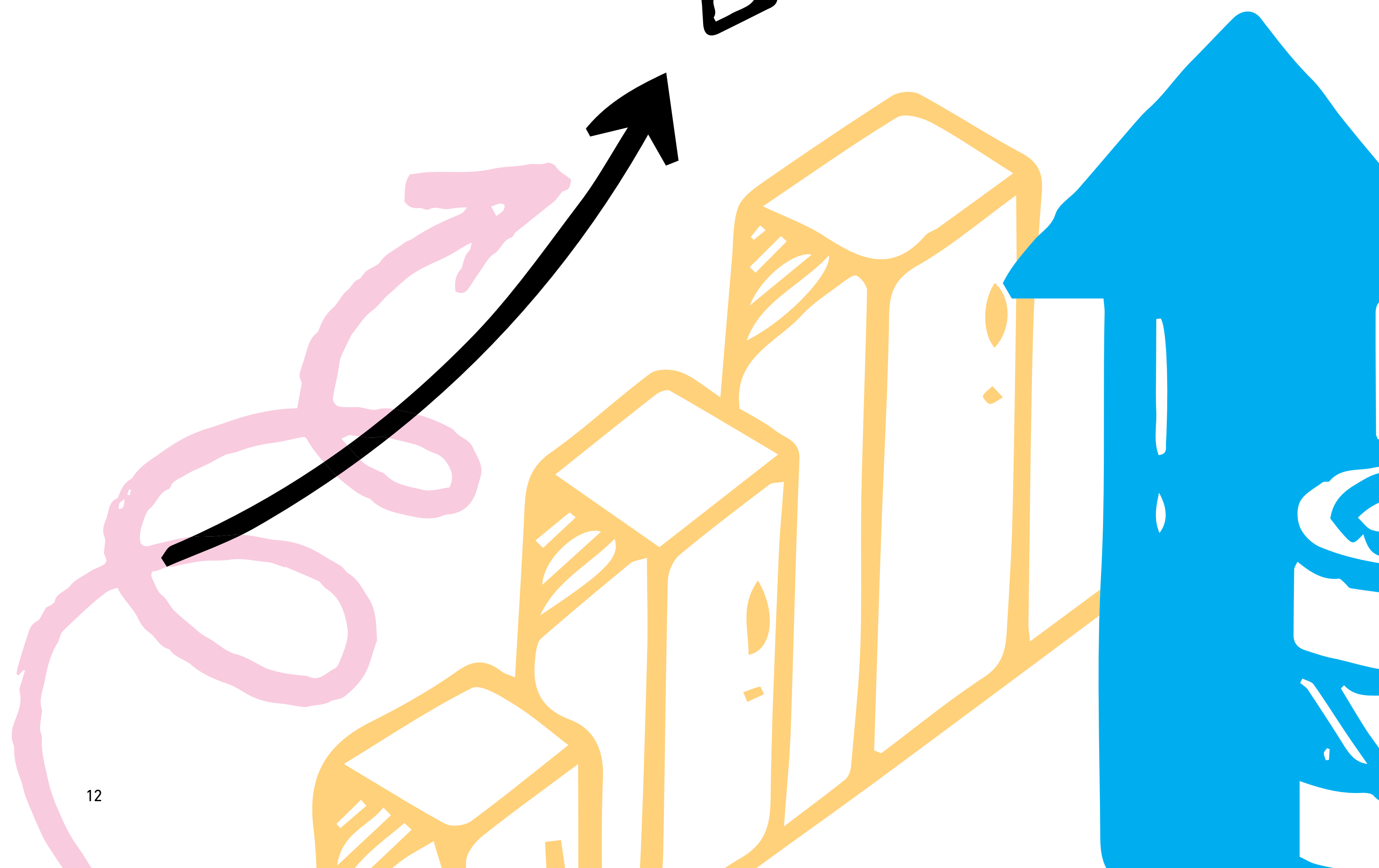
HALKBANK

Shareholders' structure	Number of shares	Amount of the share in MKD	Shareholding %
Türkiye Halk Bankası A.Ş.	787,905	7,879,050,000	99.40
Other Shareholders	4,786	47,860,000	0.60
Total	792,691	7,926,910,000	100
Total	792,691	7,926,910,000	100

KEY FINANCIAL INDICATORS



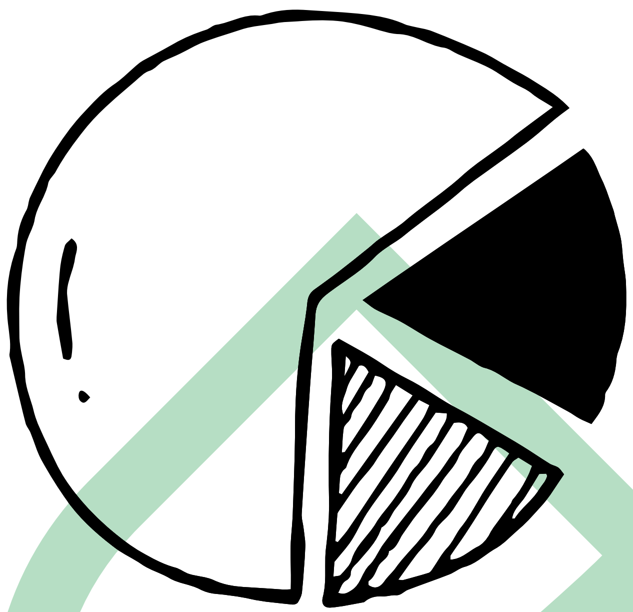
By the end of 2020, HALKBANK's total assets increased from EUR 933,7 million to EUR 1.085,9 million.

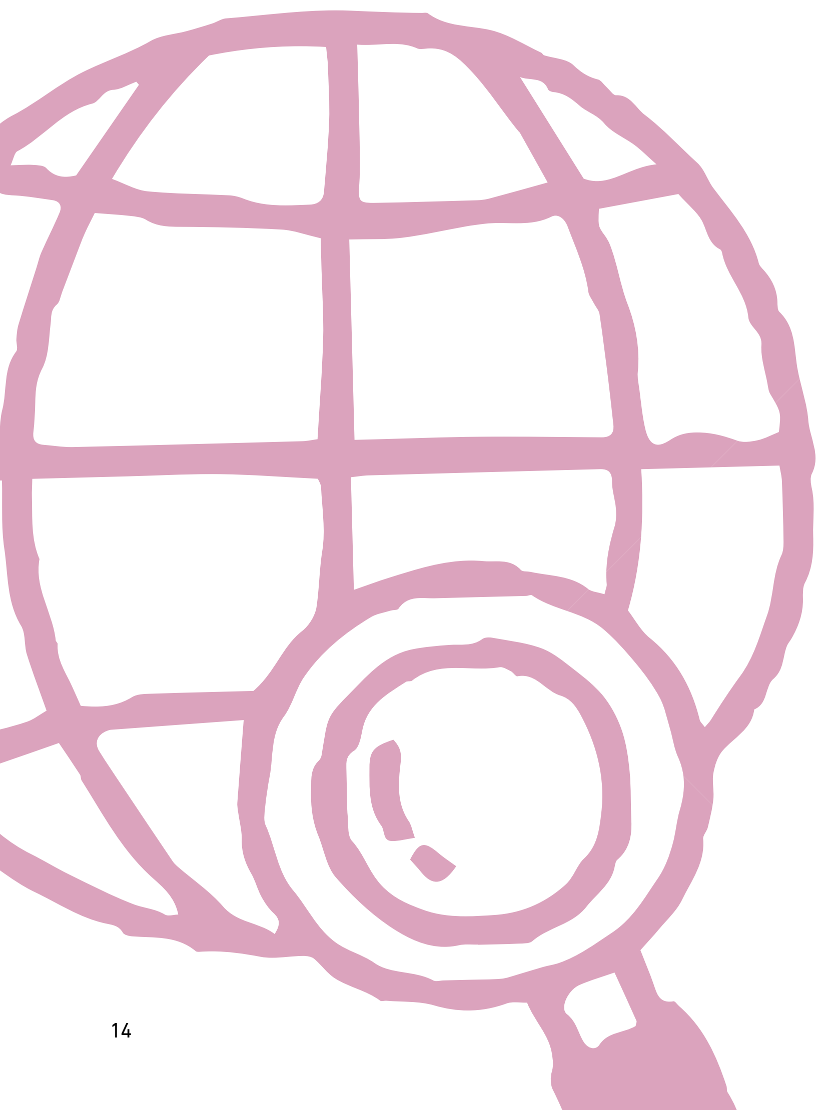


Key Ratios (%)	2019	2020
Net Interest Margin	3,06	2,58
Cost/Income Ratio	59,18	64,54
Net Fee Income/Operating Expenses	27,44	24,63
NPL Ratio	0,78	1,02
Loans/Assets	66,02	66,09
Loans/Deposits	91,24	86,42
Securities/Assets	13,13	12,57
ROA	1,34	0,90
ROE	10,68	6,93
Capital Adequacy Ratio (CAR)	15,33	15,01
In 000 EUR	**2019**	**2020**
Total Assets	933.740	1.085.929
Liquid Assets	149.649	171.993
Net Loans	612.359	713.839
Securities	122.577	136.517
Total Deposits	675.663	830.452
Shareholders' Equity	131.364	149.012
Net Interest Income	25.954	26.110
Net Fee and Commission Income	5.467	5.528
Net Profit	11.417	9.019

HALKBANK'S POSITION IN THE SECTOR

Three-year summary of financial information

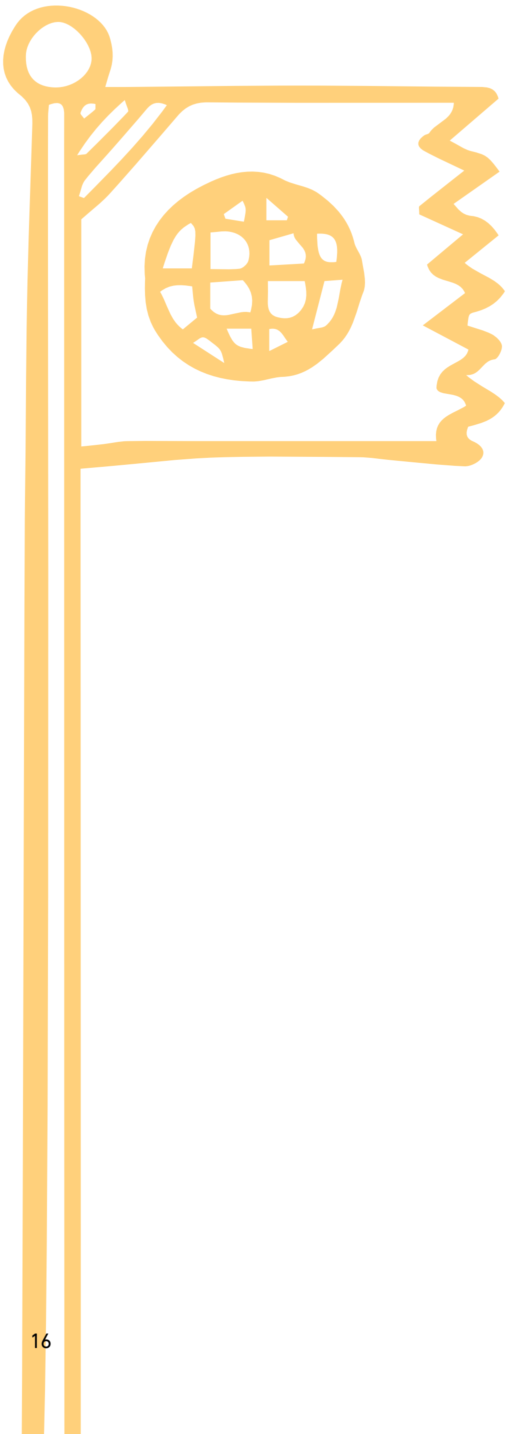




In 000 EUR	2018	2019	2020	Growth in 2020
Total Assets	767.150	933.740	1.085.929	16,3%
Net Loans	544.035	612.359	713.839	16,6%
Total Deposits	551.554	675.663	830.452	22,9%
Shareholder's Equity	105.115	131.364	149.012	13,4%
Net Profit	10.685	11.417	9.019	-21,0%

In %	2018	2019	2020
Assets	9,4	10,4	11,4
Loans	10,6	11,2	12,5
Customer Deposits	7,4	8,6	10,0
Equity	11,9	13,3	13,5
Net Profit	7,9	10,0	7,7

HALKBANK'S MILESTONES



1993

- HALKBANK AD Skopje was established as a joint stock company.

1998

- Became the first Western Union authorized agent in Macedonia.

2004

- Became the first bank which implemented e-banking on the Macedonian market and was awarded the 'Bank of the Year' Award by the Macedonian Chamber of Commerce.

2005

- Introduced the EN ISO 9001:2000 International Quality Management System, thus becoming the first bank in Macedonia certified with an International Quality Management System.

2006

- Introduced the prestigious ISO Standard for Information Security Management, ISO 27001:2005, thus becoming one of the few banks in Southeastern Europe having incorporated this certificate.

2007

- Awarded the 'Best Bank in Macedonia' Award for the year 2007 by the Finance Central Europe magazine from London.

2008

- Established its own POS Terminal Network for VISA Payment Cards
- The first bank to launch the VISA GOLD Credit Card.

2009

- Became the first bank in Macedonia to offer e-commerce services for VISA CARDS holders.

2010

- Obtained two new certificates: MASTER CARD certificate for POS payments and e-commerce, and the ISO 9001:2008 certificate for Quality.

2011

- Purchased the majority of the shares in IK Banka amounting up to 91.56%;
- Completed the rebranding process and enlarged its principal with MKD 1,465,450,000.00.

2012

- Established its own card processing system – first on the Macedonian market to offer contactless payment to clients;
- Acquired Ziraat Bank AD Skopje and opened the first VIP Corporate Branch on the Macedonian market.

2013

- Opened the first Macedonian representative banking office in Belgrade, Serbia;
- The first Macedonian bank to launch MASTER CARD PayPass contactless payment cards.

2014

- Halkbank AD Skopje became a proud, general sponsor of the Macedonian Basketball Federation.

2015

- Introduced a new platform for e-banking, combining the best from the technology and the contemporary banking trends, enabling its clients the opportunity to obtain any banking service they need only a few clicks away.

2016

- Ranked among the top 100 SEE banks by assets;
- Introduced its mobile applications for e-banking for individuals and legal entities making another step towards improving its customers' experience;
- Certified according to the highest-ranking international standard for information security regarding processing payment cards (PCI DSS v3.1);
- Implemented the highest standards for security and safety for Internet payments within the country and abroad, 3D Secure –Verified by Visa – VbV, and MC Secure Code protocol.

2017

- Was awarded the 'Best SME Bank in Macedonia for 2017' Award by the world's leading magazine Global Banking & Finance Review;
- Recognized as a 'Superbrand in Macedonia' for the year 2017/18 by the international Supebrands organization.

2018

- New corporate slogan;
- Official sponsor of the National Handball Federation;
- Purchased an Insurance company – Halk Insurance Skopje

2019

- Awarded for contribution to the development of entrepreneurship in Central and Southeast Europe with the 'Creators of the Century' Award for 2018;
- Received the 'Story' Award for socially responsible company;
- Recognized as a 'Super Brand' for 2019;
- Launched HalkEco mobile app to help raise eco awareness, motivate people to maintain a healthy lifestyle which, as a reward, gives them personalized gifts. As part of this eco project, the Bank has planted over 6,500 trees throughout the country.

2020

- Immediate measures in dealing with the Covid-19 consequences:
  - advance payment of tax profit in the amount of MKD 71.8 million;
  - abolishing fees for individuals for payments made through e-banking and mobile banking;
  - postponement of all credit exposures;
  - package of products for legal entities;
  - vouchers for numerous SME businesses affected by the crisis.
- HalkEco chronometer race;
- Halk Velo Green;
- Planting over 17.000 trees in a single year;
- Renovating the pond bridges in the Skopje Central Park;
- Renovating a pedestrian bridge in Krushevo, connecting the town with the nature;
- Setting up the first eco bus stop in the country;
- Mural in the city center sharing the message – 'People Matter';
- Awarded the 'Best Retail Bank in Macedonia in 2020' Award by the world's leading magazine Global Banking & Finance Review.

HALKBANK SKOPJE VISION, MISSION, TARGETS & CORPORATE VALUES

OUR VISION

To be one of the leading banks in the region capable of fulfilling the universal banking requirements while asserting a strong presence in retail services.

OUR MISSION

To continuously create value for customers, shareholders and employees by providing efficient banking services with an awareness and understanding of corporate social responsibilities and duties; to contribute to the development of the banking sector and capital markets; to establish a well-respected market position in the region, and in the global banking industry.

OUR CORPORATE VALUES

- Customer focus
- Reliability
- Integrity and respect
- Fairness, trust, and transparency
- Operational excellence
- Innovation
- Value creation
- Productivity
- Openness to change
- Sharing knowledge and experience
- Social responsibility awareness

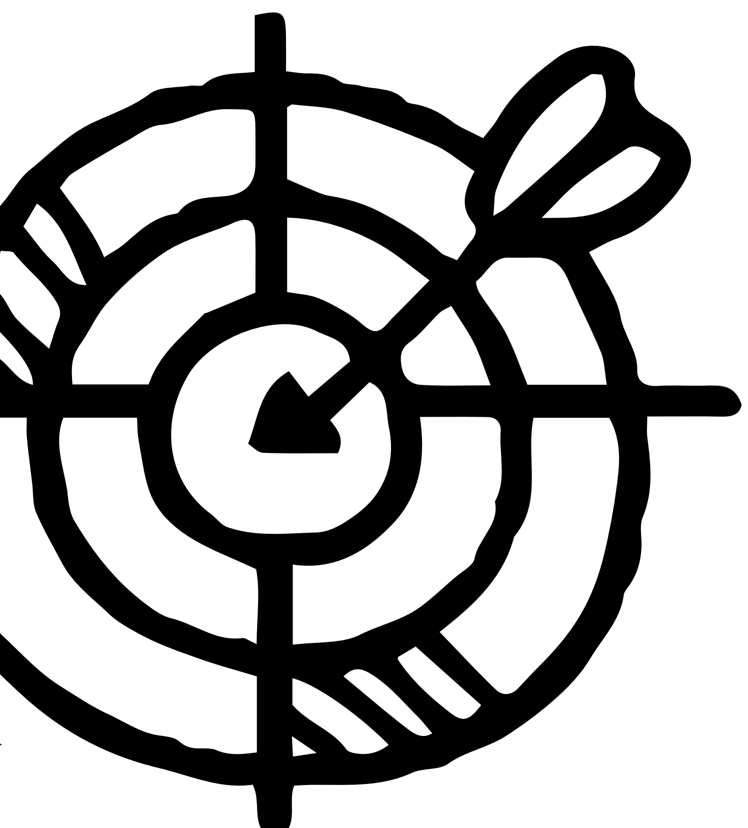
OUR MAIN PRINCIPLES:

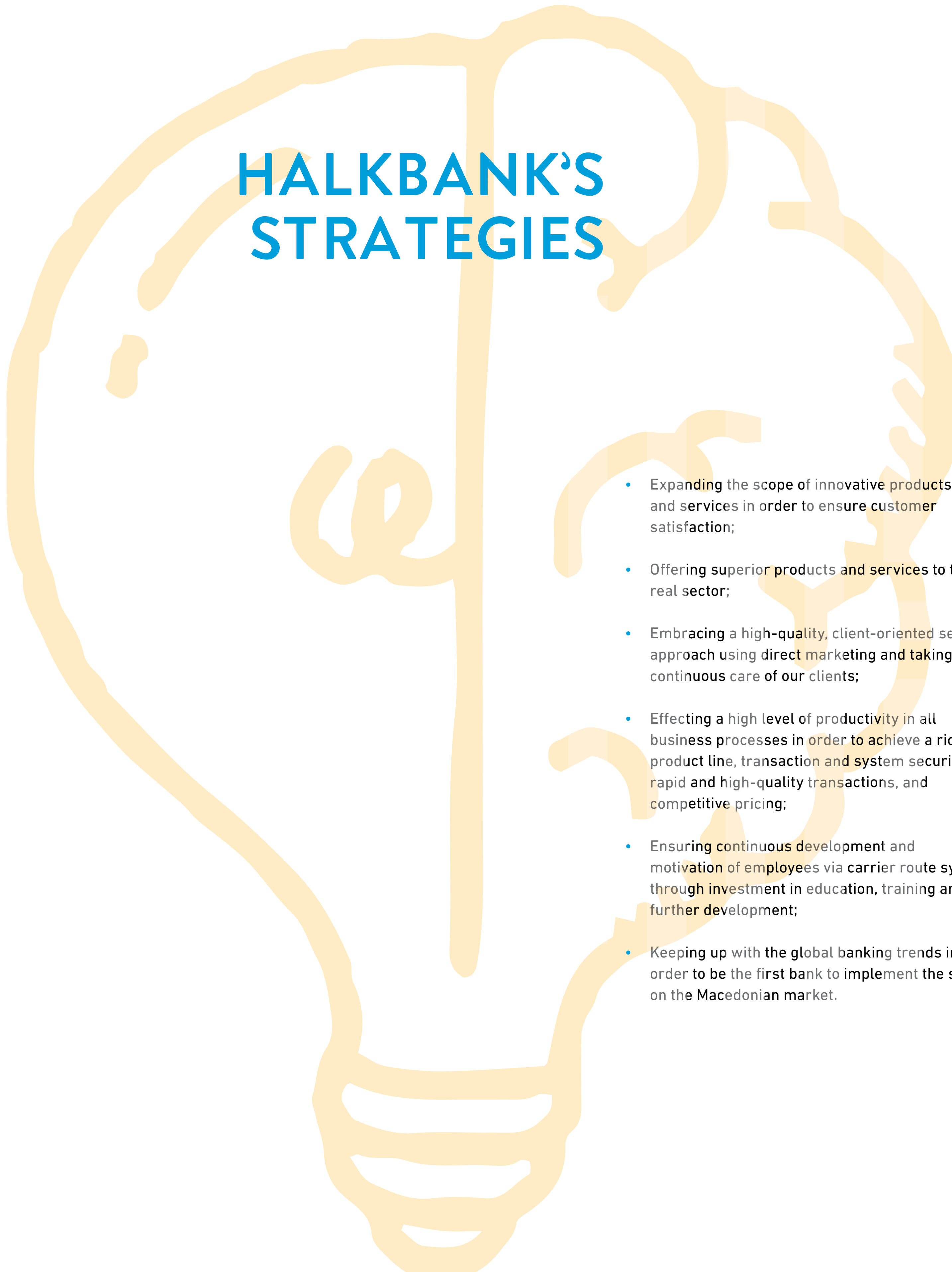
- Offering excellent service to our clients by providing them with the best solutions when meeting their needs.
- Creating and practicing a winning corporate culture by praising each member of the great team.

Name of the Bank: **HALKBANK**

Meaning of the name: **People's Bank**

Our slogan: **People matter**





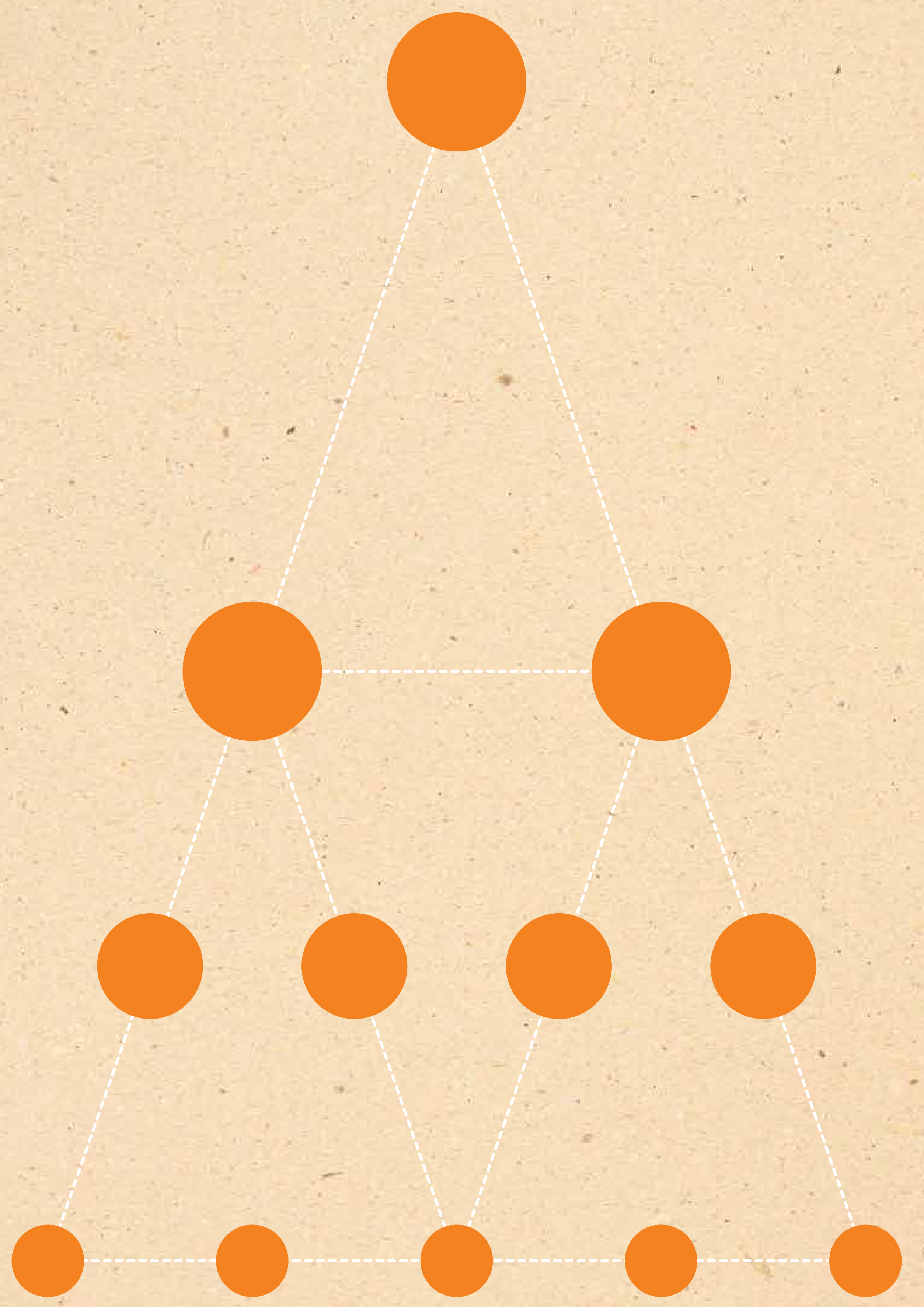
HALKBANK'S STRATEGIES

- Expanding the scope of innovative products and services in order to ensure customer satisfaction;
- Offering superior products and services to the real sector;
- Embracing a high-quality, client-oriented service approach using direct marketing and taking continuous care of our clients;
- Effecting a high level of productivity in all business processes in order to achieve a rich product line, transaction and system security, rapid and high-quality transactions, and competitive pricing;
- Ensuring continuous development and motivation of employees via carrier route system through investment in education, training and further development;
- Keeping up with the global banking trends in order to be the first bank to implement the same on the Macedonian market.

HALKBANK

MANAGEMENT ASSESSMENT

President's and CEO's addressing to the stakeholders of the bank.



OSMAN ARSLAN
President of Supervisory Board
of Halkbank A.D. Skopje

MESSAGE FROM THE CHAIRMAN

Dear all,

Sustainable development, as a global concept, is a challenge faced by each and every person, country, the world in general - all with the sole purpose: to ensure continuous improvement of the quality of life and the well-being, and to ensure sustainable development for the present, without compromising the ability to meet the needs of the future generations.

The banking sector has faced many transformational challenges over the years. However, sustainability differs from other transformations because the steps we take today will ultimately show how well prepared we are to meet the challenges of the future.

To be successful, companies, including banks, must create profitable businesses as value for all their stakeholders, and thus contribute to the sustainability of the society they are part of. That being said, value cannot be delivered to shareholders without delivering value to customers, employees and society, equally. All of these things are part of the same equation.

Halkbank AD Skopje is focused on strong growth through orientation towards superior service and customer experience. By supporting investment and helping individuals and businesses achieve their goals and ambitions, we are evolving together with the society, moving towards sustainable development. Here, I would like to emphasize the importance we affix to small and medium businesses that we, in the HalkBank Group, consider to be the foundation of economies.

As a modern financial institution, the bank is one of the leaders in the acceptance and implementation of new technological trends, providing customers with the fastest, most modern and reliable services.

Our mission is to create values for customers, shareholders and employees by offering efficient banking services, and thus contribute to the development of the banking sector and the capital market, as well as to achieve a respected position in the region, which I believe we managed to do at a large extent. In fact, the proof is that in a relatively short period of time, as long as we are present on the Macedonian financial market, we managed to become one of the four largest and systemically most important banks in the country, and a brand that instills confidence and security.

But, our mission is also to be constantly aware of corporate social responsibility and duty. Responsibility is one of our strong corporate values and an important principle that fosters environmental, social and economic change that are fundamental postulates of sustainable development. HalkBank is dedicated to the people, and that is at the very core of our ideology and social engagement.

That is why, in the future, we will continue to combine financial success with social responsibility, paying special attention to promoting healthy living habits and environmental protection. This is the way we will best contribute to the achievement of the global objectives for sustainable development contained into the 'United Nations Agenda 2030'.

On behalf of the Supervisory Board, I would like to thank all our employees for their commitment to the sustainable approach. Our goal is to act in a socially responsible way in order to contribute to the well-being of people and companies in the long run. I would like to invite you to continue this dialogue with us.

Sincerely,

Osman Arslan

> “AS A MODERN FINANCIAL INSTITUTION, THE BANK IS ONE OF THE LEADERS IN THE ACCEPTANCE AND IMPLEMENTATION OF NEW TECHNOLOGICAL TRENDS, PROVIDING CUSTOMERS WITH THE FASTEST, MOST MODERN AND RELIABLE SERVICES.”

DR. BILAL SUCUBAŞI
Chief Executive Director
of Halkbank AD Skopje

MESSAGE FROM THE CED

Dear shareholders, clients,

Dear colleagues, friends,

We left behind a really difficult year that affected the whole world. The situation that shook the most important thing globally - health and freedom of movement, really overshadowed our everyday life.

The pandemic with Covid-19 marked the new course of functioning of the citizens, companies, the country.

In such a situation, in accordance with the responsibility that every individual and company must hold, HalkBank AD Skopje tried to respond with immediate measures for the country, population and the economy in order to alleviate the situation.

Our motto "People matter" which reflects the basis of our work, means care for the employees, care for our customers and business partners, and care for the community in which we work. This paradigm marked our action in 2020 as well.

The plans we had outlined before the beginning of the year, we managed to expressly adapt and direct our overall energy for improving the condition that intercepts our general normal living. Of course, from the very beginning the most important thing was to ensure that our employees are safe, that their health and well-being are in the primary focus of the bank.

At the same time, we have focused this security, support and stability on the clients and the country. We settled the profit tax liabilities in advance; we offered, in the fastest time period, a postponement of the credit exposures of the citizens for six months; we presented a package of measures to postpone the obligations of legal entities; we approved additional lending for greater liquidity of the economy; we offered more favorable credit products for the citizens; we facilitated and promoted the electronic services of the bank.

But, we have made an even more significant contribution to the community, such as: supporting culture, sports and of course nature protection, which is one of our main features as a bank. The social responsibility was focused on dealing with the crisis, but we did not neglect our orientation towards the regular social projects that we support through the years of our activity.

In terms of the importance of realizing our goals in this year, but still extremely important to note, is that this year we noticed excellent business results from operations, much better than the projected.

We ended the past 2020 with assets of over one billion Euros, i.e. with growth of 14% compared to the end of the previous year, which we ended with total assets of about 934 million Euros. According to the projections for 2020, our plan was an increase in assets of 11%. Moreover, with the recapitalization performed by our sole shareholder, Halkbank Turkey, in the amount of 20 million Euros at the beginning of the crisis, our own funds in the first half of the year reached 140 million Euros.

In such a crisis, we managed to achieve growth in both lending and the deposit base, higher than projected, and understandably, we have great growth in the use of digital channels. The projections for 2020 predicted an increase in total loans and deposits of about 12%. However, total loans reached an increase of 14.10% compared to December last year, i.e. in absolute terms, the growth of lending was about 101.2 million Euros.

We have the largest growth of as much as 23% in lending to the households. From the beginning of the year, until 31.12.2020, in this segment we have proved 10.088 loans in a total amount of over 130 million Euros. Halkbank repaid over 1100 housing loans in the total amount of 48.6 million Euros. We have reached a growth in the deposits area, so our deposit base at the end of December compared to the end of 2019 increased by 155 million Euros, which is an increase of 18.63%. Since the beginning of the year, we have reached over 20% growth and over 9,000 new e-banking users who complete their payments quickly and easily every day.

Such indicators in the work are a confirmation that we are a serious, stable and loyal partner of the citizens, the economy and generally of the whole society in our country.

Our goal for this, I hope, better year, will be to use the experience gained from the past, as an appropriate basis for successful and fast action, for investing in the common good and for moving the borders upwards in economic growth and prosperity.

We will continue with our focus on strengthening the brand on our market and on being one of the most successful companies in the country which acts firstly upon the human and then upon the business values.

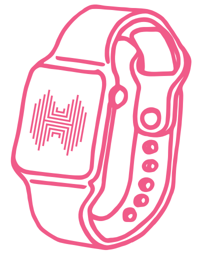
With all my respect,

Bilal Sucubaşi

ACTIVITIES IN 2020

New products and services during 2020

PRODUCT HIGHLIGHTS



PAY WITH YOUR WATCH!

Garmin Pay is a new option and a modern solution for contactless payment.

Through the app Garmin Connect, the client can digitize their Mastercard cards issued by HalkBank AD Skopje and activate Garmin Pay.

The payment card user downloads the Garmin Connect mobile application from GooglePlay Store on a mobile device with Android OS, or from the App Store for a mobile device with iOS.

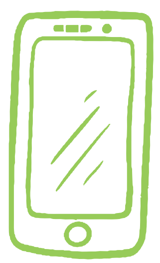
CALL MY BANK ACCOUNT!

The SmartSend service allows you to easily transfer funds with one click on a contact from your phonebook that has an active Halkbank account and a successfully activated Smart Send service.

Intended for individuals with active transaction account, and for users of e-banking and mobile banking.

INTEREST IS SECURED!

Consumer loan for members of the Police Union offering fixed interest rate for the first 2 years, and a re-payment period of up to 120 months without costs for approval nor costs for early liquidation of the loan during the promotional period.



PAY WITH YOUR SMARTPHONE!

The HalkPay mobile application is available for every customer with an active payment card from the Mastercard brand, issued by Halkbank AD Skopje.

By downloading the HalkPay application from the Google Play Store, the user digitizes their cards and can start paying with the mobile device.

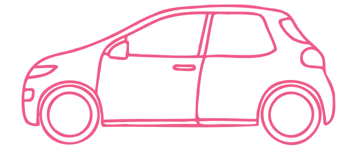
In order to make a successful payment, the user needs to bring their mobile device closer to the POS terminal that supports contactless payment.

MOBILE BANKING AVAILABLE FOR HUAWEI USERS!

Mobile banking available for Huawei users!The mobile bank application is available for Huawer users also. The Huawei users should download the application from Huawei App Gallery and enjoy using the bank's services from everywhere.

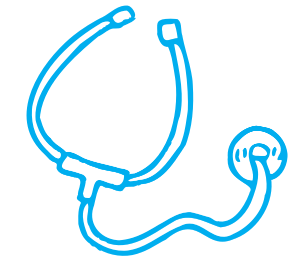
NOW WE'RE TALKING!

Housing loan with 3,2% fixed interest rate for the first 10 years, re-payment period of up to 30 years, 10% down payment, no evaluation and processing fees included, featuring life insurance policy.



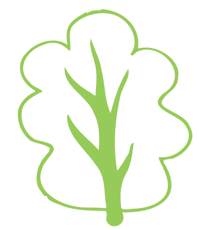
DO NOT DELAY YOUR PLANS!

Consumer loan with 6 months grace period; 5% fixed interest rate for the first 2 years; tenor up to 120 months; no upfront fee applicable. The product is intended for all the clients affected by the pandemic of the Covid-19 virus with intention of providing funds in this difficult time by offering 6 months grace period.



SUPERPOWER FOR OUR HEROES!

Consumer loan for health workers, with 4 % fixed interest rate for the first 2 years, up to 6 months grace period, tenor up to 120 months, without upfront fee. With this product, Halkbank is showing gratitude to the health workers who are our heroes, fighting in the first battle lines during the time of pandemic caused by COVID-19.



HALKECO A RESPONSIBLE ALLY TO NATURE

As socially responsible and eco-conscious bank, we developed a mobile application to keep our nature alive and our county green.

The HalkEco application gives the customer the opportunity to receive gifts and plant trees while being physically active. By the end of 2020 the application has collected a number of 6,496 active users.

The total number of planted trees is 8.771 already, providing for newly developed green areas.

These activities will continue in the upcoming years, with the hope to contribute for a greener environment and healthy lifestyle.

As the first eco bank, HalkBank developed the mobile application HalkEco aiming to encourage citizens to improve their physical activity, lead healthier lifestyles, and raise eco-awareness as an individual responsibility for the environment. All these activities aim at afforestation, i.e. planting trees and saving CO2 emissions.

For each activity: running, walking, or cycling - everyone using the app collects HalkCoins for which, depending on the number, earns them gifts and other benefits. Depending on the value of collected coins, through valuable gifts and financial incentives for the services the Bank is providing, the citizens are motivated to be physically active, instead of using a vehicle or public transport.

The ultimate goal is to reduce CO2 emissions and plant trees in locations where it is most needed. In that way, the Bank together with its clients contributes to a cleaner and healthier environment.

At the end of 2020, the number of trees planted by HalkBank AD Skopje reached a number over 17,000. Since the first planting action held on October 26, 2019 over 9,000 trees have been planted on several occasions throughout the country, including: 6,000 in Veles, 220 seedlings in schoolyards in Skopje, Kumanovo, Tetovo, Gostivar, Kichevo, and Bogdanci, and 2,790 seedlings in the area between Bitola and Demir Hisar. Additionally, 8,000 trees were planted in Sveti Nikole with the funds collected from the registration fees of the participants in the first bicycle stopwatch race in the country, Halk Velo Green.

In addition to the afforestation in these towns, the HalkEco platform supported the following: a reconstruction of 19 pond bridges in the City Park in Skopje; installation of an eco bus-stop in the Skopje Municipality of Aerodrom; reconstruction of a pedestrian bridge in Krushevo; arrangement of a Halk Corner in TC Leptokaria; and, a campaign for prevention of stubble burning implemented by the City of Skopje.

CORPORATE AND SMEs BANKING

CONTINUOUS GROWTH OF SME AND CORPORATE LOAN PORTFOLIO DURING PANDEMIC

HalkBank constantly demonstrates its perseverance in achieving higher growth than at the sector level, which has enabled us to be the fastest growing bank, and in a decade after operating under the HalkBank brand on the domestic market - to enter the group of four largest and systematically important banks in the country.

Being established as a high-reputable brand which triggers confidence, stability and integrity on the domestic market, our Bank represents a partner whose innovative products, services and solutions provide valuable assistance to legal entities for fulfilment of their goals. With presence in almost all cities and larger municipalities across the country, HalkBank AD Skopje strives to maximize customer satisfaction by providing prompt responses for the necessities of SMEs and large corporate companies. Direct promotion to new and existing clients remains the most important approach that we tend to develop continuously.

During 2020, HalkBank AD Skopje continued to provide its extensive support to SMEs and large corporate clients. With the COVID-19 pandemic affecting the global economy and vast industries, HalkBank AD Skopje introduced several financial measures to support legal entities, with the ultimate goal of decreasing the impact the pandemic had on its clients. The respective financial support measures have proved to be highly appreciated by the clients, as they led towards increase of our mutual long-term cooperation and of their commitment to our bank. Furthermore, we have introduced two new loans for SME clients: Merak and Lokum – two tailored made products which are direct response to needs of the SMEs.

As one of the leaders in the domestic financial market for corporate loans, HalkBank AD Skopje provides syndicated financing facilities and project finance techniques to corporate investors. During 2020, we noted growth spurt in this field, with leading and participation in the financing of several immense projects being conveyed in North Macedonia, with a total project value exceeding EUR 325 million. Our devoted and experienced team has played crucial role in arranging and facilitating multinational financing deals for large projects, with focus on the residential and commercial real estate, and tourism and hospitality industries.

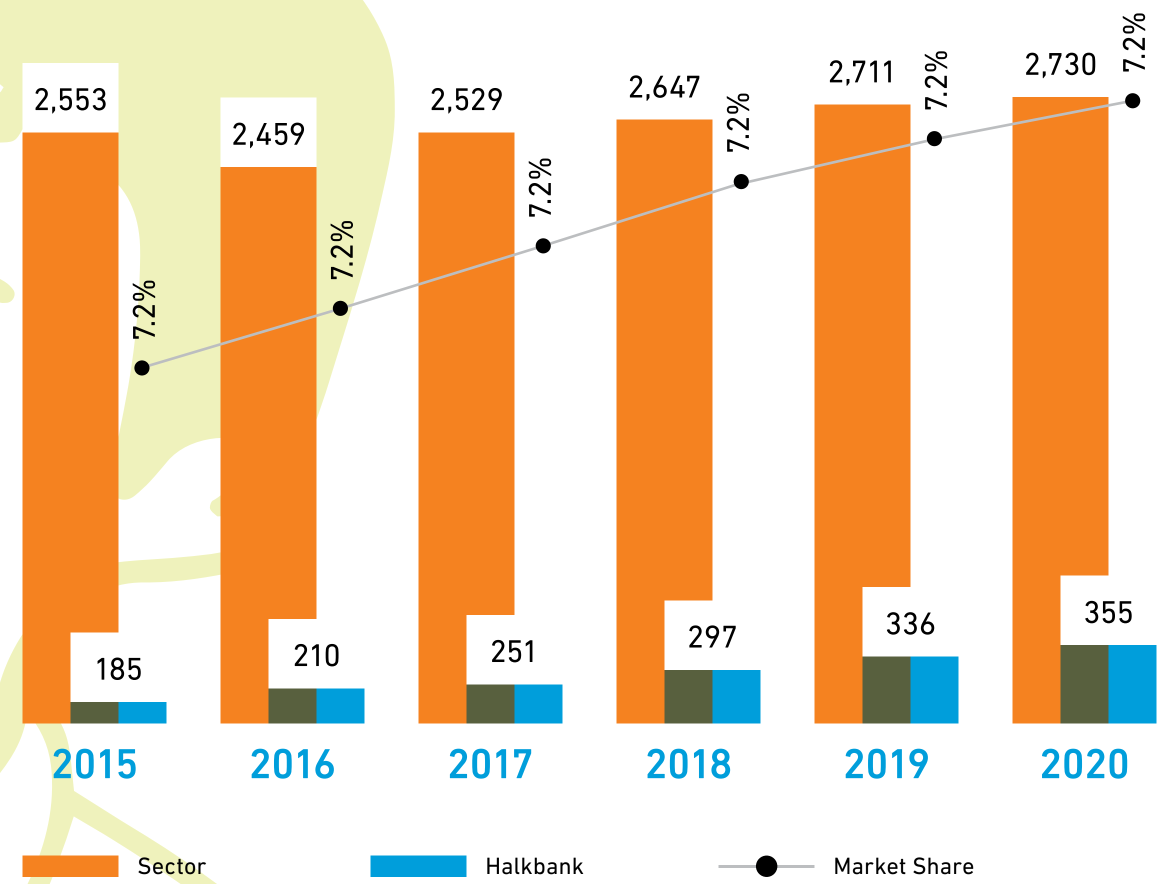
In terms of numbers, the total corporate loans market in 2020 presents a net growth of EUR 96 million compared to 2019, from which HalkBank AD Skopje has noted a net growth of EUR 19 mi
total corporate loan growth in the
able number that puts the bank
in terms of growth of corporate
ing market for 2020. The corpor
amounting EUR 355 million repres
cation of HalkBank's AD Skopje pers
tinuous growth of its portfolio, while p
stability.

CREDIT LINES UTILIZATION CONTINUES TO PLAY IMPORTANT ROLE FOR OUR GROWTH

During 2020, Halkbank AD Skopje continued to utilize credit lines from other financial institutions, as follows:

- EIB credit line, realized through the Development Bank of North Macedonia for financing of micro, small, and medium-sized enterprises and priority projects of the legal entities from the Republic of North Macedonia;
- Project through the Employment Service Agency of the Republic of North Macedonia realized through the Development Bank of North Macedonia (the project is active measure of the Government). The project is implemented as project for self-employment, training for unemployed people and entrepreneurship as well as unemployed people to register a business in different sectors: agrobusiness, crafts, personal services, trade, manufacturing, tourism, etc. and project lending to legal entities (MSEs) for opening new positions for unemployed people through lending.
- Credit line from the Development Bank of North Macedonia on behalf of the Ministry of Finance, for financing projects aimed towards utilization of the Renewable Credit Fund from ACDF (Agricultural Credit Discount Fund).
- KFW credit line - providing support for companies from the manufacturing sector, farmers, processing raw materials, services, or trading sector.

Market share - Corporate loans in mill EUR



RETAIL MARKETING DEPARTMENT

HALKBANK is among the fastest-growing banks in the retail segment, which is facilitated by a broad range of retail loan products, and banking services to private individuals and growing branch network including 43 branches all around the country.

These include products and services for everyday finances, such as: loans, overdrafts, credit cards, e-banking, and ATM network with which HalkBank AD Skopje continued increasing its retail banking business line in 2020.

By using creative marketing approaches for diversified customer segments, the number of loyal customers increases constantly.

The HalkBank AD Skopje focus of retail customer representatives in the branch network was customer care and consistency in support of the clients' needs. HalkBank AD Skopje continued to grow its retail banking business in 2020 by using creative marketing approaches for diversified customer segments.

When historically compared with the previous years, 2020 was the most successful year in terms of retail activities and loans disbursements. We proudly announced that our growth in retail portfolio reached a new record high in our Bank, and for sure in the bank's sector within the country.

We overcame all of the obstacles this hard year brought along with, and with few reorganizations in the process while adjusting remote work, we succeed to fulfil all of our client's needs, and achieved results above the settled targets.

HalkBank increases its ongoing support to the retail clients with variety of new products and creative solutions, promoting customer care and consistency prior pricing.

The number of clients during 2020 denotes a positive trend; portfolio was increased, all due to fact that customer's satisfaction was put first on the list of working activities for all branches in the network, directly followed by the Retail Marketing Department. From disbursed loans, 55% were allocated to new clients - a percentage leading to the conclusion that the Bank's direction is to attract new clientele, while following up on the needs of the existing clients.

EFFICIENT, DIRECT, AND CONNECTED

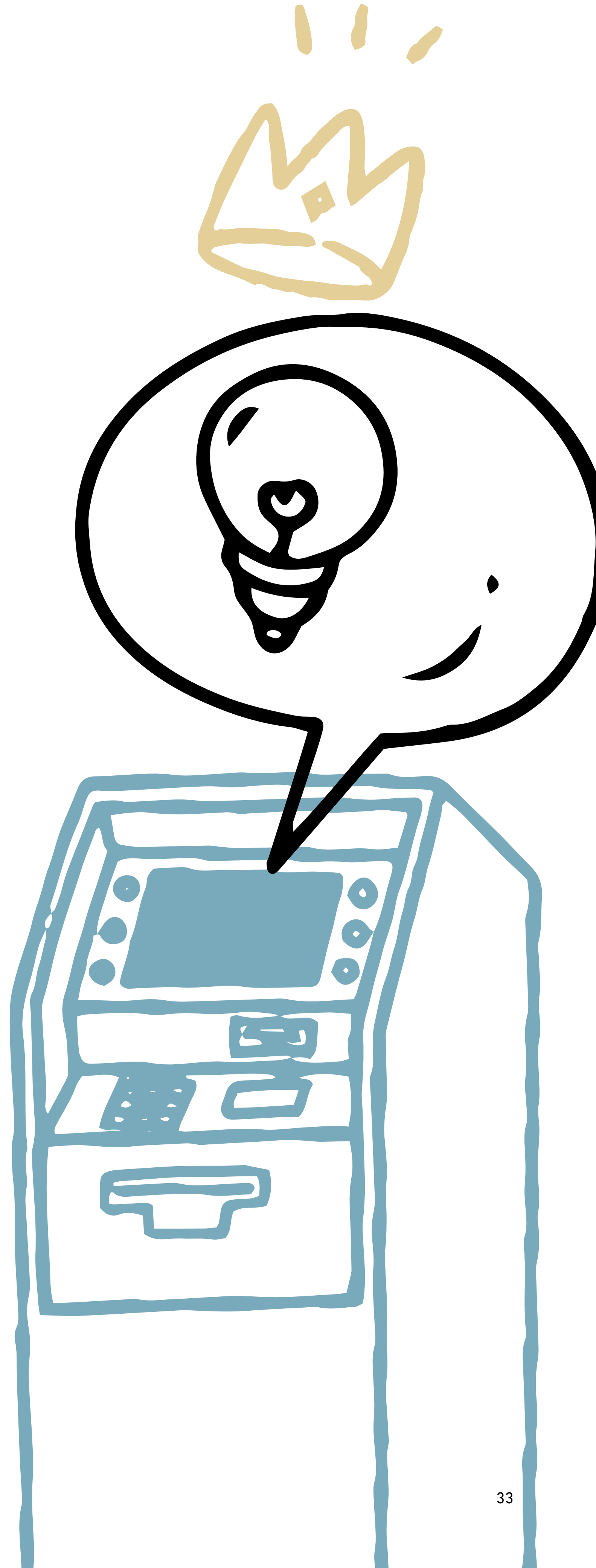
In 2020, the Retail Marketing Team operating from the Head Office and from our branches was oriented towards direct marketing activities, as well as aggressive marketing through Social Media and alternative ways of information to our existing and potential customers.

In 2020 year, we faced the challenge to limit our direct communications and increase the virtual/online communication instead. With excellent coordination and organization between the Head Office and our branches, we managed to successfully meet our clients' needs and reach best results in the retail part – this was achieved for the first time in HalkBank's history.

With the excellent retail offers, we were constantly present between employees in public companies and institutions, and corporate and small to medium-sized enterprises. Creating close connections with their employees was one of our goals in order to create higher market awareness, which had successful outcome and resulted in net increase of the retail portfolio.

Retail lending was oriented towards several basic objectives:

- Fulfilling the mission of providing financial services to clients with regular and secure income
- Developing a retail client base for future sale activities
- Strengthening the links with SME and corporate clients by providing financing to their customers and employees
- Strengthening the links with the 3 biggest syndicates in the country (the Police Union, Syndicates for Education workers and for Administrative employees), and spreading retail products customized specially to their members.
- Increasing collateralized portfolio with supporting construction companies and individuals with housing loans
- Early warning signals for clients with financial difficulties and their on-time support
- Investing in digital solutions to save clients' time for their banking needs



In 2020, gross retail loan portfolio reached EUR 347 million, which is an increase of EUR 78,5 million compared to the previous year.

The successful outcome during 2020 in the retail segment has led to an increased market share totaling to almost 12% in retail portfolio in the country. This was managed by maintaining good discipline of collection, and healthy portfolio. The Bank is committed to developing its retail lending responsibly to ensure that clients are not overburdened with debt.

In this direction, in 2020, a few changes were made to decisions and a few products in the area of client creditworthiness were modified in order to adjust client incomes with installments on a monthly level.

PRODUCTS TARGETING VARIETY OF CLIENTS' PROFILE

During 2020, HalkBank AD Skopje managed to offer wide range of products in several campaigns with attractive interest rates and different product solutions for consumer, housing and mortgage loans, as follows:

1. Housing loans

The product was designed to support the increased needs of the customers for purchasing real estate during 2020. The market in housing loans segment during 2020 was enlarged by additional EUR 113 million, in which HalkBank was included with almost 36% of the growth. With more than 1.100 loan agreements made, we were leaders in sale of housing loans in the bank's sector, and for sure we achieved sector's best result.

The main advantages are: the fixed interest rates for the first 10 years and favorable interest rate for residual period up to 30 years of repayment; no fee for approval of the loan and costs for real estate estimate; simple application procedure, and high level of service and financial guiding.

2. Multipurpose Mortgage Loan

The intention of the Bank was to grow in this market segment, which also enabled increase of the collateralized portfolio. The main objective for the Mortgage Loan product is fulfilling HalkBank's mission of providing access to essential financial services for refinancing all credit exposures of clients in other banks by offering attractive interest rates. In 2020, the Mortgage Portfolio reached almost EUR 60 million that is in line with our long-distance politics to enlarge collateralized portfolio and to make connections with our clients on a long run.

3. Consumer Loans

Regarding consumer loans in 2020, besides the pandemic conditions and many restrictions, we succeed to disburse over 8.500 loans in the amount of EUR 68 million.

Regarding companies and institutions when targeting various profiles of employed clients, we intercepted their needs and insured financial support to overcome difficulties reflecting from this difficult year in every segments.

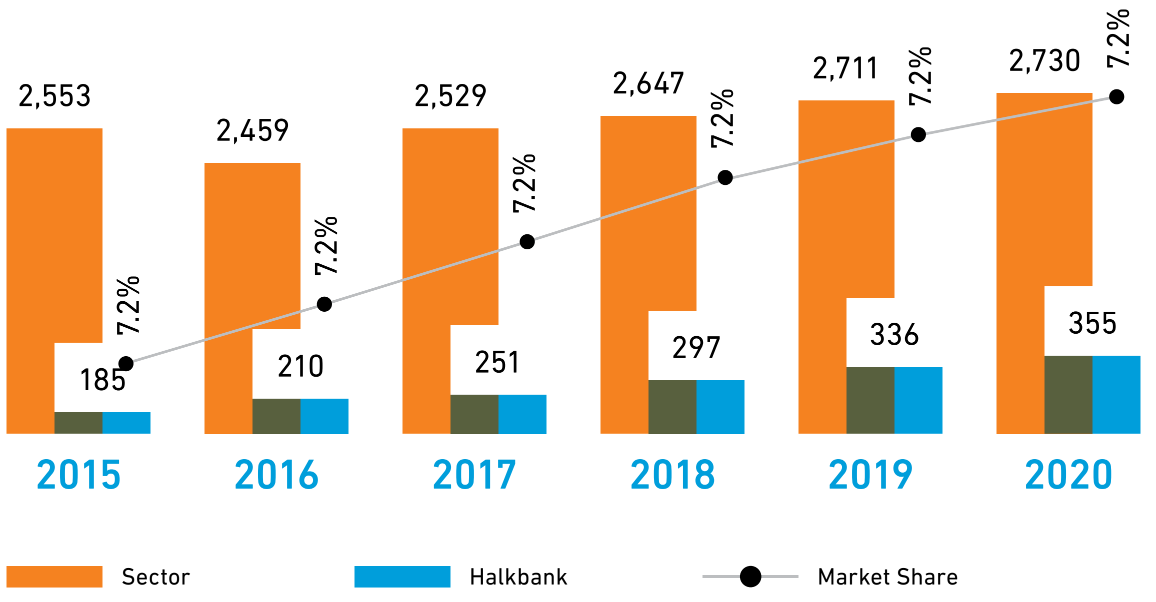
SIGNIFICANT BANK IN THE BANKING SECTOR IN TERMS OF OUTSTANDING AND NET INCREASE OF TOTAL RETAIL PORTFOLIO

2020 has been very successful for Halkbank AD Skopje, operating in constantly increasing competitive banking market. With its 43 branches, Halkbank AD Skopje has managed to meet all clients' needs very efficiently, and due to its high-quality service - the Bank managed to stay in the group of the four biggest banks in the country.

HalkBank retail net increase participates with over 40% of the total retail growth in the banking sector level.

In 2020, the Bank collaborated with Halk Insurance Skopje for the loan insurance part. We created retail products that make loans and client more secure by including policies that cover many types of risks, including not being able to repay the loan due to illness, accident etc.

Also, HalkBank managed to create new collaborations and maintain the existing with few of the significant syndicates. These collaborations have brought in many new clients, who work in some of the biggest state institutions such as ministries, Police, kindergartens and schools, etc.



CLIENTS WITH SALARIES AND OVERDRAFTS

The number of clients who receive their salary payments through HalkBank AD Skopje increased in 2020, reaching a total of 88.659. Starting with around 62.259 clients in December 2017, and increasing this number up to 69.185 at the end of 2018, followed by 77.018 clients at the end of 2019. This was surely the result of constant visits and promotional activities to employees in public companies and institutions on one hand, and our reputable and stabile corporate and SME clients, on the other.

For the new salary clients in Halkbank AD Skopje we actively promoted profitable, targeted products. Number of overdrafts was increased from 27.799 at the end of 2019 up to 29.033 at the end of 2020, representing an increase of additional 4,4%.

CLOSE RELATIONS WITH CLIENTS TO ACHIEVE STEADY NPL RATIO OF HALKBANK

In addition to providing excellent customer care and intelligent solution for every retail customer, HalkBank AD Skopje also managed to maintain its NPL ratio during 2020, to 1.06 % at the end of the year.

NPL Ratio	31.12.2020
HALKBANK	1.06
Retail Sector	1.64

DEPOSIT AND CASH MANAGEMENT

Halkbank's total deposits in 2020 have increased by EUR 154,79 million - reaching EUR 830,45 million

MARKET SHARE IN 2020

In 2020, Halkbank AD Skopje continued its growth in deposit, and increased its market share. By the end of the year, the market share in total deposits from customers has reached 9.87%. In retail deposits, we have managed to increase the deposit portfolio by EUR 46.52 million – reaching EUR 320.38 million, while in corporate deposits we have managed to reach EUR 377.78 million – increasing the portfolio by EUR 81.25 million. Deposits from financial institutions reached EUR 74.51 million. The Bank's deposit management strategy, which is critically important to maintaining HalkBank's solid funding structure, is based on the key principles of cost, market share, and liquidity. As the Bank expects deposits to remain a very important source of funding in the coming year, HalkBank plans to continue maintaining a client-oriented, stable, and broad-based deposit structure.

HalkBank follows a dynamic deposit management strategy based on optimization of cost and increasing the participation in market share. The average interest rate for total term deposits from customers is 1.26% as of the end of 2020 i.e. 1.16% in corporate, and 1.30% in retail.

CONTINUED GROWTH OF DEPOSIT BASE

HalkBank AD Skopje has continued with a very clear and strong development strategy with the aim of increasing its deposit portfolio with significantly reduced interest rate costs, and increased market share. The policy of the Bank is focused on client demands by offering various and flexible deposit products, adapted to the market conditions, while maintaining high standards of customer service.

Effective deposit management serves to broaden the funding base and ensure continuity while also allowing HalkBank to roll out innovative products to diversify client transactions.

HalkBank AD Skopje sustained its strong and widespread deposit volume. The focus remains on improving the quality of products, introducing promotional product for individuals, developing products for deposits through alternative channels of distribution (such as implemented on-line deposit for individuals, and in near future – an on-line deposit for legal entities to be closer to the clients). HalkBank's clearly defined deposit strategy helps the Bank achieve and sustain a strong deposit base.

INCREASED NUMBER OF CUSTOMER DEPOSITS CLIENTS

HalkBank AD Skopje continued to grow on the Macedonian market through the attractive packages of products and services offered to our clients, so the number of clients using customer deposits reaches 187.346 (retail 173.435 and corporate 13.911 clients) - increased for 27.047 deposit clients on yearly base. In addition, the number of newly opened accounts increased for 65.887, reaching a total of 283.639 active transaction accounts.

ALTERNATIVE DISTRIBUTION CHANNELS DEPARTMENT - MARKETING

A NEW, DIGITAL WORLD

2020 has been a challenging year, placing remarkable growth in digital world. A new, digital era has begun, bringing people and technology closer than ever before. But "where difficulty lies, opportunity grows".

As challenging this year was, it brought new possibilities for both - the Bank and our clients. Focusing on the clients, our Bank took over many steps to fast forward all the processes and facilitate clients' everyday life.

Most of the transactions and payments in 2020 were made through alternative channels - 64,01%, opposite to the traditional way of payments visiting the branches where 35,99% refer to for assistance. We notice increase in numbers of e-banking (23, 1%) and mobile application users (50%). Mobile transactions grew by 190% compared to 2019.

The new mobile application HalkPay was launched to offer our clients fast and contactless payments without physical presence of their cards. This mobile application is available for every customer with an active payment card from the Mastercard brand issued by HalkBank AD Skopje. To promote this mobile app, Halkbank organized a prize-winning game during a 4-month period.

Digitalizing our everyday life, the Bank created a perfect solution for clients who are always on the go and nurture a dynamic lifestyle – that is the Garmin Pay, so they can make their payments while being active.

The Bank also improved some of the functionalities on the e- banking and m-banking platforms, offering the clients an opportunity to make transaction with ease. A simple way for transferring funds from account to a phone contact is now possible with the new Smart Send feature on our mobile application.

The Alternative Distribution Channels Department – Marketing will keep up with more digital opportunities to facilitate the customer's everyday life, thus making the Bank a leader in the application of digitalization.

GROWTH OPPORTUNITY WITH CARD PAYMENTS

As our transactions increased, the number of debit and credit cards reached a total of 203.240 plastic cards. The debit transactions noted a growth of 27% with the total number of over 8,9 million transactions, realizing a turnover of 285 million EUR. 690.000 credit card transactions were made, amounting to 17 million EUR.

The bonus campaign for our clients (credit card users) was ongoing throughout the year by awarding an appropriate number of bonus points where HalkBank POS terminal was installed. Each transaction made with a credit card on gas stations during the weekend accounted to 5%; everyday transactions made in pharmacies – 10%, and web shops using HalkBank's virtual POS - 5%. In order to grow and stimulate credit card payments, the Bank continued to conclude interest-free installment payment agreements.

New Visa PayWave Credit card was launched in 2020. This credit card allows cashless payments at retailers and withdrawing cash at the Bank or at Bank's ATMs.

Visa PayWave Credit allows payments in 2, 3, 6, 12 and 24 installments depending on the transaction amount for transactions made on POS terminals, Internet and HalkBank AD Skopje ATMs (and all other banks, both in the country and abroad!).

In addition, the Booking.com cooperation remained active with customers receiving 4% cashback for

HalkBank card payments at Booking.com in partnership with a HalkBank link.

For increment of the debit and credit payments, the Alternative Distribution Channels Department – Marketing organized a staff incentive campaign for Visa cards in a 3-month-duration in 2020. Branch staff was included, and the target of 3.000 activated cards resulted with double realization. The best sellers were awarded with vouchers.

GROWTH AS A KEY POINT

Another significant increment was in the number of POS terminals. The Bank ended the year with a number of 7.634 POS terminals, gaining a market share of 22,65%.

The number of processed POS transactions was more than 25 million, providing for a turnover of over EUR 315 million. This lead to growth of 15% in POS transactions as compared to the ones made in the previous year, and a 29% of the market share.

The number of ATMs reached 133, 28 of which are cash-in.

We proudly state that the e-commerce business growth amounted to 76% in 2020, with total number of 315 e-shops. According to this, we had growth of 238% in the number of transactions with turnover of over 33 million EUR and 278% growth from last year.

HalkBank took participation on the 3rd e-commerce conference under the theme 'E-commerce & Covid-19: The challenges and the opportunities' with its own speaker.

CREATING THE MARKET TRENDS

We will continue with the investments in order to create different privileges for our clients, to develop products and services that will meet clients' needs. More activities are planned for the following period.

Digitalization in the banking sector is crucial, and people's needs will come in correlation with lots of new digital processes. Digitalization of the Visa cards and the new features on the ATMs are planned for the upcoming period, as the bank will continue to upgrade the e-banking and m-banking applications with new functionalities.

The Department will also focus to improve alternative distribution channels for payments. More digital transactions and the use of digital products will be a game changer in the banking sector.

INTERNA-TIONAL BANKING & FINANCIAL INSTITUTIONS

In 2020, HalkBank AD Skopje, as a leading bank in Macedonia, continued the successful cooperation with international and domestic financial institutions, while expanding the correspondent banking network.

INTERNATIONAL BANKING

HalkBank AD Skopje successfully manages a broad correspondence network of more than 250 banks in 45 countries, offering its customers a quality service through wide branch network, and client-oriented employees.

HalkBank continued to improve its position in the foreign trade operations and funding sourced from international markets as a part of its sustainable international borrowing strategy.

The Bank performs its activities with the goal of maintaining its efficient and respected position enjoyed in the international banking arena by offering new banking products and services for its customers through wide-spread correspondent network.

HalkBank continued to deliver high-quality banking products and services in international banking business providing long-term funding solutions to meet the growing funding needs of its clients.

The Bank continuously monitors and closely follows the country's risks and financial indicators by assigning limits to domestic and foreign banks and other financial institutions based on review of the credit worthiness on a regular basis due to correspondent bank's relations.

Considering its widespread correspondent network, HalkBank AD Skopje is empowered to perform the needed foreign trade finance and other inter-bank credit transactions, providing the suitable support to its customers via superior finance products and traditional foreign trade instruments.

The Bank delivers commercial banking products and services to its clients including domestic and cross-border payments, and financing of international trade. Distinguishing itself with its expert staff and innovative approach, HalkBank AD Skopje acts as a solution partner by developing customized products.

FINANCIAL INSTITUTIONS

In 2020, HalkBank AD Skopje has continued the partnership with the most reputable international financial institutions, such as the European Fund for Southeast Europe S.A., SICAV-SIF (EFSE), the Green for Growth Fund, and the Southeast Europe S.A., SICAV-SIF (GGF).

The successful ongoing cooperation with the Macedonian Bank for Development & Promotion (MBDP) continued with disbursing funds from the European Investment Bank (EIB) and funds from the KfW (Kreditanstalt für Wiederaufbau), satisfying the clients' needs for fixed assets, working capital and suitable housing loans for individuals.

In 2020, HalkBank continued providing support to households for the housing and energy-efficiency projects. In addition to supporting the retail segment, HalkBank provided low-cost, long-term financing and new banking products and services for its customers designed to boost the competitiveness of SMEs and support their sustainable growth.

HalkBank will continue to work on increasing its market share to secure low-cost and long-term funding facilities from the international markets, in order to provide alternative financing by offering new banking products and services to its customers.

The HalkBank's dedication to be a preferred business partner to SMEs will continue due to its strong relationship management strategies and excellent business potential in order to deliver the best solutions that meet customers' financing needs and expectations by offering import and export services and solutions on a global scale.

TREASURY MANAGEMENT

During 2020, besides the real impact of specific external factors (caused by Covid-19 crisis), the treasury activities were on adequate level in correlation with continuous growth of the bank and sector share in general, securing optimal treasury management with appropriate level of liquidity coverage and treasury income accordingly.

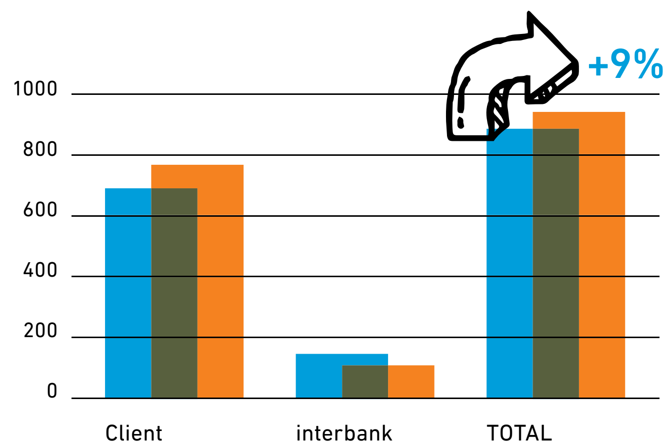
Overview of treasury activities during 2020 is integrally specified as follows:

- Sales activities (Fx spot and derivatives market with clients),
- Domestic interbank (Fx spot, derivatives, and MM)
- International interbank (Fx spot, derivatives, and MM including banknotes trading), and
- Securities trading

SALES & FX TRADING

Fx market volume

period	clients	interbank	TOTAL
2019	688	193	881
2020	790	171	961



SECURITIES TRADING

Total securities portfolio (T-bills, T-notes and T-bonds) in 2020 compared to 2019 rose by 11.67% or EUR 14 million.

mil EUR

Description	2019	2020
Total	120	134
T-bills	38	18
T-notes	27	54
T-bonds	55	62

Notes:

Basic interest rate (T bills rate) was cut 2 times during 2020, or 50 b.p. (from 2.00% to 1.5%).

As of minor-sized turnover on the OTC market overall, portfolio of securities is invested integrally on primary auction.

TREASURY P & L

in 000 EUR

period	Fx trading income	Fixed income (MM & Securities trading)	TOTAL INCOME
2019	1.04	2.20	3.24
2020	1.32	2.95	4.27

PERSPECTIVES

- Successful ongoing coverage of Market Maker role on the domestic Fx market, and further increasing of the sector market share on the domestic Fx market;
- Intensive further participation and increase of market share in the sector of the domestic securities market (targeting PRIMARY DEALER status of the bank);
- Offer of advanced financial instruments-derivatives (hedging & investment) for clients
- New products/services
- Investment banking, custodian services, brokerage services.

DOMESTIC PAYMENT AND CASH CENTER

In the area of domestic payment operations, HALKBANK is pleased to report another successful year as a reliable partner, in line with its modern banking activities offering full package of banking services.

In 2020, the Bank maintained its activities and focused on further improvement of the customer service.

HalkBank, as a payment operations carrier, has developed a fast, efficient, and quality system for payment operations as one of the basic functions of the banking operations, offering its clients a service in line with their needs.

The Bank has wide variety of products and services for opening and administrating clients' accounts in order to successful perform transactions in domestic payment operations.

By opening an account, HalkBank provides its clients to make payments by as follows:

- Internal payment operations (for payments done in-between HalkBank clients);
- External or inter-banking payment operations (payments between clients from two different banks) executed through systems of settling, and
- Execution of non-cash and cash transactions

The number of active transactional accounts in HalkBank AD Skopje at the end of the year 2020 accounted for 283.485 out of which - citizens with 263.291 accounts, and corporate clients with 20.194 accounts. Compared to the end of 2019 (223.786), the number of active accounts has reached growth of 26,7%.

In 2020, 59.699 new transaction accounts were opened (58.085 accounts for citizens, and 1.614 for corporate clients).

E-banking transactions in 2020 have increased by 14.4% reaching 2.160.910 transactions in total, while domestic payments transactions executed through branches have increased by 2,2% reaching 2.372.450 transactions.

In 2020, 16.769 Decisions for blocking/unblocking the clients were executed by the Domestic Payment Unit, representing a decrease of 27.0% compared to the 22.980 executed in 2019.

FOREIGN OPERATIONS

In the last decade, HalkBank, as one of the main players on the local market, became a hub for international trade for export- and import-oriented companies in Macedonia.

FOREIGN OPERATIONS

HalkBank offers a high-quality, fast, and efficient operations in the field of international payments.

By using our extensive correspondent network, the HalkBank clients are enabled to perform international payments in the simplest, fastest, and most convenient way.

DESCRIPTION	2020
Number of transactions	68,000
Total turnover in EUR	985,000,000

DOCUMENTARY BUSINESS

HalkBank has a team of qualified and professional specialists offering its customers high-quality service in compliance with international standards and fast document processing.

HalkBank assists in reducing expenses with the continuous improvement approach on conducting international documentary operations through its product range of L/C's, Guarantees and Documentary Collections.

DESCRIPTION	2020
Total turnover in EUR	43,000,000

WESTERN UNION

We offer the opportunity of fast money transfer through our branch network together with Western Union. Any of our 43 branches will serve you timely and efficiently performing your fast money transfers.

WU TRANSACTIONS	2020
Number of WU transactions	11,000
Total number of clients	5,000
Total turnover in EUR	3,800,000

IT AND TECHNICAL SUPPORT

In 2020, HalkBank introduced several innovative products to address the needs of our clients. The data center networking equipment has been replaced and upgraded with latest switches, adding additional performance and redundancy features.

The card-processing infrastructure has been upgraded to the latest operation system levels.

We upgraded our virtual infrastructure in CORE Banking segment to VMware 6.7 version and implemented new features like DRS and Proactive HA with which we raised the level of safety and availability of the systems and services in the bank.

We replaced our central storage system in CARDs Processing infrastructure with HPE Primera A650 StoreServ, which have four directors (controllers), all flash technology (all disks are SSD) and with 99,9999% availability. With this operation, we provided sufficient space for the systems and high speed for working with data and high availability.

We replaced outdated client PCs for our colleagues in attempt to improve their performance.

We upgraded our firewall infrastructure due to increased need for remote work of our colleagues through VPN connections, and we also procured additional laptops so that our colleagues can work seamlessly from home.

CONTINUOUS GROWTH SUPPORT

The annual growth of 35% of transactions processed per month in the period January – December 2020 was supported by the upgrade of the core banking IT infrastructure.

Date	Total	Transactions per month (in 000)
January 2020	22488	19448074
February 2020	24068	18856310
March 2020	23522	22615737
April 2020	17595	22751465
May 2020	22387	23391203
June 2020	24465	24333155
July 2020	30105	26441888
August 2020	27768	25164288
September 2020	27462	25029121
October 2020	28107	24776232
November 2020	26327	24128789
December 2020	30240	26192365

CONTINUOUS IMPROVEMENT OF CONTROLS AND SYSTEMS TO DECREASE OPERATING RISK

As a direct result of the continuous improvement, the Bank has been re-certified with the PCI-DSS standard, which helped strengthen the infrastructure, and has made it safer and more resilient to current cyber risks. Risks are further minimized by the Disaster Recovery location upgrade project, which will include all systems of the Bank.

BRANCH NETWORK

In 2020, HalkBank AD Skopje continued increasing its branch network and focused on high-quality, and fast service and products to meet the needs of its clients.

EXTENSIVE BRANCH NETWORK

By the end of 2020, HalkBank's branch network reached 43 branches in Macedonia located in 20 cities. Out of the total number of branches, 23 are located in the Capital – the City of Skopje, and 20 in other cities throughout the country.

OPENING NEW BRANCHES AND CONTINUOUS REORGANIZATION

Reorganization and renovation of some of the branches continued during 2020. With reorganization and renovation of the existing branches, HalkBank continues implementing its strategy aimed at maximizing customer satisfaction. By opening ne[w] and modern branches and improving the am[bi]ence in the current branches, HalkBank is g[etting] cl[oser] to its clients.

The strategy of continuously chang… ing in the interior and exterior of ou[r] b… equipping them with the newest tech… to be one of the main goals of HalkB… tomer orientation and constant [c]are for … faction.

HR DEPARTMENT

Strengthening the human side of our organization in challenging times

The past year has brought many challenges and setbacks for the humankind, like no other before, closely reflecting to the global economy and business environment. The Covid-19 threat has proved once again how fragile our health can be, completely changing our daily habits, behaviors and activities. In such unprecedented circumstances, HalkBank AD Skopje and its team members managed to successfully navigate through.

The HR Organization and Training Department had shifted its efforts and activities to protect the health of the Bank employees, the clients and their family members, as the focal points during the Covid-19 outbreak, by maintaining the regular operations and continuity at the same time in every organizational part of the Bank.

The disruption created by the uncertainty, the volatile environment, and the threat to the health, were largely sustained in mutual efforts with the management and the whole HalkBank team. Various protective activities were introduced, such as remote working and periodical rotation of teams, while also taking care of the preventive hygiene and safety rules that helped as a response to the impact of Covid-19 to limit the local transmission of the virus.

Simultaneously, the remaining activities of the Department were not disrupted, but largely transferred online and via digital channels of communication with great effect that established a new manner of functioning remotely. The resilience and adaptability of the workforce has proved crucial to continue with the usual operations and processes, while serving the clients at the same time. The talent management and acquisition practices at this point were also digitized, and the talent pools were still effectively managed to fulfill and maintain the internal talent needs with highly qualified and capable banking individuals. Improving the crucial competences and the career preferences of our employees, combined with the ongoing mentorship and assessment of the team members' performance and achievements, led towards more efficient, highly productive, and motivated professionals in the Bank's team.

The supportive corporate culture at these turbulent times was the pillar of our resilient response to the virus impact, which proved to be a key factor to overcome various setbacks. The internal organizational values and having the people - our employees, clients and the other involved stakeholders on the central stage around which everything revolves in our company, has strengthen the dedication and tireless efforts to outperform the expectations and create better future for all of us involved in the functioning of the Bank. Retention and succession planning activities that took place from past years and continued during the pandemic, together with the benefits and incentives the Bank has for its team members, again led to low fluctuation rates and kept many of the key performers on board, while welcoming highly professional and experienced talents from other companies to join HalkBank.

Branches in 2020	
Based in Skopje	23
other cities in Macedonia	20

Employees per location	2020	in %
Head Office	250	40
Branches	382	60

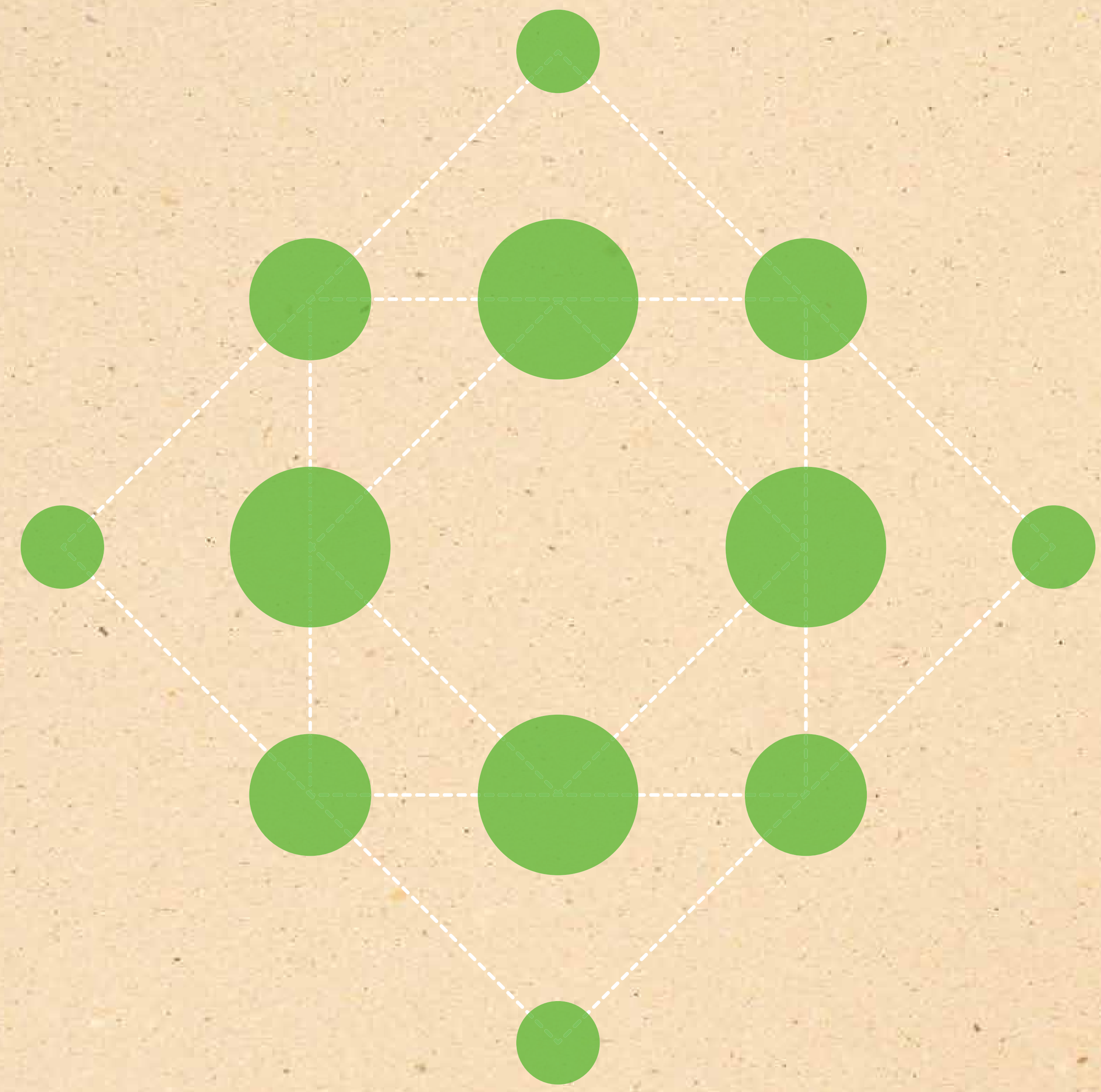
Number of employees	
31.12.2016	461
31.12.2017	499
31.12.2018	532
31.12.2019	572
31.12.2020	632

Educational Structure	2020	in %
University education	588	93%
Phd. Degree	1	
Master's Degree	90	
Bachelor's Degree	497	
High School	44	7%

HALKBANK

PR & SOCIAL RESPONSIBILITY

We are sustainable supporters of the society and the environment where we belong and operate.



HalkBank continuously supports various segments of everyday life. It does it through sports, culture, ecology, and in 2020 when the Covid-19 pandemic reflected hard on every citizen and the country as a whole - the social responsibility activities of the Bank became even more tangible.

With the start of the pandemic, and in accordance with the responsibility that the Bank bears as the Bank of the People, and a Bank for which people are most important, HalkBank adopted a series of measures that referred to both – the country and its citizens. One of these measures included the advance payment of the tax profit in the amount of MKD 71.8 million, which was aimed at providing greater liquidity to the country and its budget, in order to increase the capacity of public authorities to provide any kind of necessary measures and activities for protection of the health of citizens, and ensure continuity in the functioning of the vital processes in the society.

At the same time, over a certain period of time the collection of commissions of individuals for all payments in denars made through e-banking and mobile banking was suspended, and early payment of pensions for recipients through the Bank was implemented permanently.

In addition, HalkBank provided a donation in the amount of EUR 50,000 for the purchase of rapid tests for the needs of the Clinic for Infectious and Febrile Diseases.

One of the main measures taken by the Bank in terms of population, was the postponement of all credit exposures for a period of six months.

The economy was not forgotten, for which HalkBank adopted measures and prepared a package of products that it shared with its clients - legal entities, starting from the micro- to corporate companies.

The focus was placed on some other projects that meant support for citizens and companies. Given that many sectors were severely affected by the pandemic, the Bank organized an awarding of vouchers for products and services to a number of small businesses - restaurants, florists, beauty salons, sports centers and others, through media.

Furthermore, the campaign 'At our expense' was created along with Mastercard with which all individuals, existing or new customers, being or becoming users of a new product, received a Mastercard debit card and a voucher in value of MKD 500 ready-to-use in the branch they picked it up from. This kind of support for the local businesses represented an investment of over EUR 25,000 for the Bank.

Throughout this crisis, HalkBank expanded the HalkEco platform, which was developed from the application bearing the same name. This helped organize the 'HalkEco Hronometer 10km' race with the Bank being a general sponsor, in addition to the 'Halk Velo Green' event in Mavrovo – the first stopwatch bicycle race. The funds from the collected registration fees were used to plant 8,000 trees in Sveti Nikole.

Halkbank also became the only bank in the region to join Mastercard's Global Priceless Planet initiative.

The Bank, through the HalkEco platform, renovated all the pond bridges in the second part of the City Park; arranged a corner in TC Leptokarija (i.e. created the Halk Corner) - a beautiful corner with greenery, urban equipment, irrigation system and contents for children; the first eco bus stop in the Municipality of Aerodrom was set up, which is equipped with a green and sustainable roof and is the first and only of its kind in the country. Under the HalkEco umbrella a pedestrian bridge in Krushevo was renovated, connecting the town with the surrounding nature.

HalkBank AD Skopje went on to support the culture throughout 2020. The partnership with the Manaki Brothers Film Festival, which was already established in a 3 (three) year period, was yet again continued; other cultural events, such as the Beach Film Festival in Ohrid, the Strumica Open and the Litera were also supported. At the same time, as a sign of financial assistance for the activities that are one of the most affected in the crisis caused by COVID-19, the Bank purchased tickets for future performances at the Macedonian National Theatre, and gave support by purchasing photo rights from artists by the Photo Union of RNM.

HalkBank continued the partnership with the handball federation as a general sponsor of one of the most successful and most preferred national sports in Macedonia.

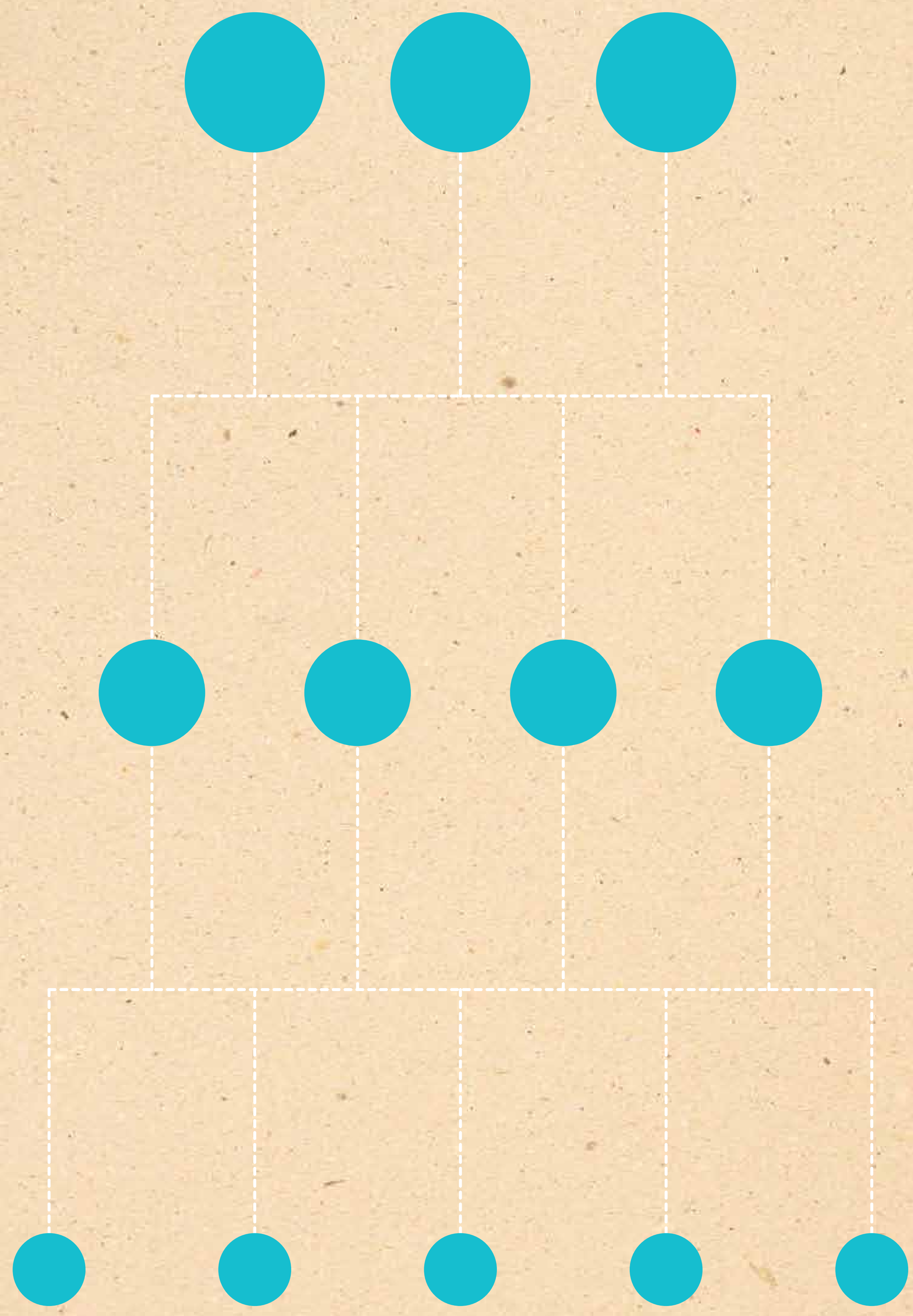
Instead of a classic outdoor advertising, HalkBank creatively contributed to the real beautification of the Capital by presenting a large mural, the Bank paid tribute to the people of the community and the true values to be nurtured. Thus, the corporate slogan of the bank 'People matter' is reflected on the residential building standing next to the 'Josip Broz Tito' Gymnasium in Skopje.

During the Covid-19 crisis, HalkBank nurtured its ongoing communication with the public, which, due to the restrictive measures for protection against the virus, took place through the placement of announcements, texts, direct answers to journalistic questions and interviews, in order to timely inform the public, and in attempt to maintain the immediate and friendly contact with journalists and the media.

HALKBANK

MANAGEMENT AND CORPORATE GOVERNENCE

The management and organizational structure of the bank.



HALKBANK AD SKOPJE SUPERVISORY BOARD

OSMAN ARSLAN

President of the Supervisory Board

Mr.Osman Arslan was born on 17.09.1971 in Ankara, Turkey. He graduated from the Faculty of Science and Literature, Department of Statistics at the Middle East Technical University. He holds MBA from the same institution.

Mr.Arslan began his professional career in 1995 at the Ziraat Bank. From 1998 to 2004 he served in managerial positions at various private banks. Between 2004 and 2012, Mr.Arslan served as Division Manager, Head of Department, and Deputy General Manager at Türkiye Halk Bankası A.Ş.; and as General Manager of Arap TürHk Bankası (now A&T Bank). He began serving as the Deputy General Manager of Financial Affairs at Ziraat Bank in March 2012. Mr.Arslan was later appointed to Executive Vice President for International Banking and Partnerships, and in August 2014 - as Executive Vice President for Information Technology Management. He served as Founding General Manager at Ziraat Participation Bank from February 2015 to June 2017.

Mr.Arslan has been serving as Chairman of the Board of Directors and as a General Manager at HalkBank since June 8, 2017.

İLHAN BÖLÜKBAŞ

Member of the Supervisory Board

Mr.Ilhan Bolukbas was born on 13.10.1971 in Samsun, Turkey. He graduated from the Faculty of Political Sciences at the Ankara University. He began his professional career at Vakiflar Bankasi TAO as Financial Analyst. He later worked at ING Bank-OYAK Bank as Auditor, Director and Head of Group, and as Head of Department in ICBC Bank Turkey. In 2014 he continued his career as Deputy General Manager in Ziraat, and Leasing and Head of Department in Ziraat Katilim Bankasi.

Mr.Bölükbaş has been serving as Head of Corporate at the Loans Department in Halkbank A.S. since August, 2017,

OLCAY ATLIOGLU

Member of the Supervisory Board

Mr.Olcay Atlioglu was born on 02.01.1974 in Istanbul, Turkey. He graduated from the Faculty of Computer Engineering at the Istanbul Technical University. He began his professional career at Yashar Holding Bilgi Islem A.S. as a Programmer. He later worked at Bima A.S. followed by yet another programming position at the Belbim A.S. He continued his career as a coordinator at the Turk Ekonomi Bankasi, Disbank A.S., and Turkcell Technology A.S. only to continue his career as Director of Development Solutions at Etiya A.S. in 2061.

Mr.Atlioglu has been serving as Director of the Technological and Architectural Management Department in Halkbank A.S Istanbul since 2017.

HASAN GÖKHAN KILIÇ

Member of Supervisory Board

Mr. Hasan Gökhan Kılıç was born on 04.02.1976 in Ankara, Turkey. He graduated from the Faculty of Engineering at Middle East Technical University. He began his professional career at Halkbank as a Programmer. He continued his career as Expert at Risk Management Department and In 2005 he served as Manager in the same Department. In the period 2007-2018, he was Unit Manager in Kocaeli Regional Coordinatorship, Unit Menager in İstanbul Anadolu Regional Coordinatorship and Unit Menager in Ankara Regional Coordinatorship. As of 2018 till now he works as Head of Performance Management Department.

FATIH ŞAHBAZ

Member of the Supervisory Board

Mr. Fatih Şahbaz was born on 01.08.1981 in Sorgun, Turkey. He graduated from the Faculty of Economics and Administrative Sciences at the Selçuk University, followed by yet another diploma earned from the Faculty of Law - Doğuş University. Having successfully completed all requirements of the 'Economics History' Master of Arts Program, Mr.Şahbaz was awarded the degree of Master of Arts (M.A.) in Economics. He began his professional career at the Ziraat Bank A.S as an Officer, only to continue his career as Financial Analyst at Halk Bankasi AS Turkey (Credit Processes and Company Analysis Department), followed by a position as an Internal Controller in 2012 in the respected Department. In the period between 2016-2018, he works at the Tax Management and Payments Department, followed by additional two years as Branch Manager.

Mr.Şahbaz has been working as Head of the Support and Purchasing Services Department since 2019.

BORIS PETROVSKI

Independent Member of the Supervisory Board

Boris Petrovski was born in 1950 in Bitola. He graduated from the Ss. Cyril and Methodius University, Faculty of Law in Skopje to begin his career as Junior Legal advisor in LVK Lozar in 1975. He became Branch Manager in 1992 at IK Banka Bitola Branch. Between 2001 and 2011, he was held the Deputy General Manager, and General Manager positions at IK Banka AD Skopje.

Mr.Petrovski was appointed a Supervisory Board Member position at the HalkBank AD Skopje in May, 2011.

BILJANA ANGELOVA

Independent Member of the Supervisory Board

Ms. Biljana Angelova was born in Skopje in 1965. She graduated from the Ss. Cyril and Methodius University, Faculty of Economics in Skopje. She holds both - a Master's and a Doctorate Degree from the Faculty of Economics. She launched her career back in 1992 as an assistant in the Institute of Economics, Business Finance Department, followed by an assistant-researcher in 1993, assistant professor/ scientific researcher in 1999 and scientific advisor, full-time professor in 2004 (ongoing). In the period between 2006-2008, she was appointed as Head of the International Management Department at the Ss. Cyril and Methodius University in Skopje - Institute of Economics. From 2008 onwards, she has served as Head of the Financial Management Department; and from 2009 onwards, she has been holding the position of Director of the Institute of Economics, Ss.Cyril and Methodius University in Skopje.

Ms.Angelova was appointed as an Independent Member of the Supervisory Board in 2016.

MANAGEMENT BOARD

DR. BILAL SUCUBAŞI

Chief Executive Director

Dr.Sucubaşı has been appointed a President of the Managing Board of the HalkBank AD Skopje on December 26th, 2017.

Dr. Bilal Sucubaşı was born in Darende, Malatya in 1972. He graduated from the Faculty of Economics and Administrative Sciences at the University of Erciyes. Sucubaşı continued his education at the Business, Management and Organization Department at the University of İnönü in Maltaya. He holds both - a Master's and a Doctorate Degree. He began his professional career as a teacher in Darende and used to be an intern at Counseling Finance, Malatya. He later worked as a clerk at the Darende Branch, followed by a Deputy Head of the Directorate for Organization position; Branch Manager in Aksaray/Ortaköy; Director of Marketing in the Regional Coordination Centre Diyarbakır; Manager of Corporate Marketing; Director of the Commercial Branch in Mersin; Director of the Department of Corporate Marketing at Halkbank, Turkey.

TURHAN ADEMI

Executive Director

Serving on the position of Executive Director, Mr. Ademi is responsible for the HR Division and organization, the Credits Division, the Treasury Division, and for International Banking.

After graduating from the Financial Accounting and Banking Department at the Faculty of Economics in Skopje, Mr.Ademi launches his career in JIK Banka at the Credits and Liquidity Division of its Skopje branch. His professional career starts ascending in 1994, when he is actively working with IK Bank. In 1995, he gains various positions as a Manager of Credit, Treasury and Liquidity Division; Manager of the Brokerage Department; as well as an Acting Manager of IK Bank branch office in Bitola. A highlight in the period between 1995-1996 is the position of Acting General Manager of IK Bank. Further milestone in Mr.Ademi's rising career is the position of Senior Vice President at the Ziraat Bank AD Skopje from 1999-2001. Shortly after, in March 2001 he is promoted to General Manager, which, among the other responsibilities, also includes a membership of the Risk Management Board. After the successful acquisition of Ziraat Bank AD Skopje by HalkBank AD Skopje, Mr. Ademi's next professional challenge and responsibility is the position of Executive Director and a member of the Executive Board of HalkBank AD Skopje. From June 2016 until December 2017 Mr. Turhan Ademi served as an Acting Chief Executive Director.

BUKET GEREÇCI

Executive Director

Ms. Buket Gereçci becomes part of the HalkBank family on 15.09.2014, hired as a consultant. Upon the official approval from the National Bank of Republic of Macedonia in March 2015, Ms.Gereçci continues her engagement in HalkBank A.D Skopje as Member of the Managing Board of the Bank, and as an Executive Director responsible for the Marketing Division and the Division of Operations and Information Systems.

The professional career of Ms. Buket Gereçci begins with a position at the Garanti Bankasi A.S. Turkey in 1990, immediately upon finishing the formal education and obtaining a Bachelor's Degree from the University of Ankara – Faculty of Political Science, at the International Relations Department in 1989.

Serving 5 years at the Garanti Bankasi, in 1995 Ms.Gereçci gets the opportunity to work and professionally develop in another financial institution in Turkey – Toprakbank A.S. This working engagement lasts until 1997, when she is appointed as Head of the Gaziantep Branch, within the Finansbank A.S. In 2002, a new challenge arises in her career when she is appointed in Asya Katilim Bankasi A.S, and in 2008 promoted to Deputy General Manager and Chief Operations Officer (COO). From 2011, she continues serving as Chief Financial Officer as part of a company from the oil industry in Turkey.

TOMCHE TASEVSKI

Executive Director

As an Executive Director, Mr. Tasevski is responsible for the Division of Risk Collection Liquidation, Legal and Information Security, Division of Financial Management and Planning, Internal Control Department, Risk Management Department and Compliance & AML Department.

Mr.Tasevski is a graduated economist in Bank Management from the Faculty of Economics in Skopje. His 26-year career in banking started in 1990 at the Ljubljanska Banka as a loan officer for SMEs. During his service, he has worked in three banks in Macedonia and one MFI – Opportunity International, on positions ranging from a client relationship manager, to chief credit officer, to deputy general manager, respectively.

He was working with HalkBank AD Skopje (formerly known as Izvozna i Kreditna Banka) in the period between 2002-2009 at the positions of Operational Director and Corporate Division Manager. In 2009, Mr. Tasevski is being promoted as an Executive Director and member of the Managing Board. Since 2011, he is the President of the Risk Management Committee. Moreover, he is ALCO and Credit Committee member. Currently, Mr.Tasevski remains on the position Executive Director within the Executive Board of HalkBank Skopje managing various projects, achieving targets and plans in the improvement of lending processes, branch network development and risk management. He takes active roles in more than 20 specializations in Germany, Italy, G. Britain and the Far East. He has been awarded the Special Certificate by the Bankakademie International Frankfurt in the field of steering of on-lending of MSEs. As an expert, Mr. Tasevski, has been a panelist and active member on several annual meetings and conferences, such as, the Plenary Session of MFI in Budapest on the topic of ‘Learning Lending Together’, the Annual Conference of EFSE on his own topic ‘Housing Loans’ and the Annual Conference of GGF on the topic of ‘Green Projects’. In the period between 1998-2010 he served as a member of the Board of Trustees in the Macedonian Enterprises Development Foundation, achieving positive and successful results supporting start-up projects, micro-businesses and entrepreneurship in the rural regions.

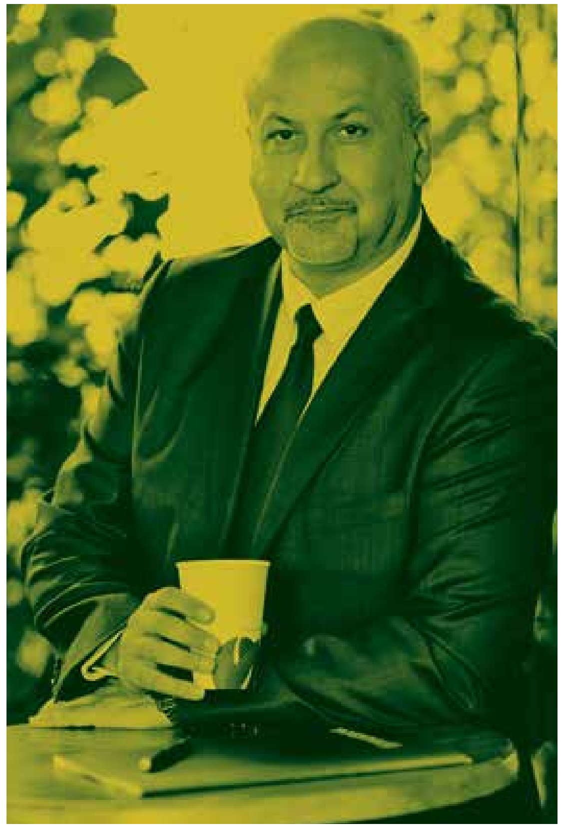
SENIOR MANAGEMENT

MARIJA KIROSKA JOVCHESKA

Head of
Division of Credits

KIRIL BUHOV

Head of
Division of Operations
and Information System



MUHAMMED HADZIPAZI

Head of
Division of HR
and Organization

DERJA HAMZA SEFERI

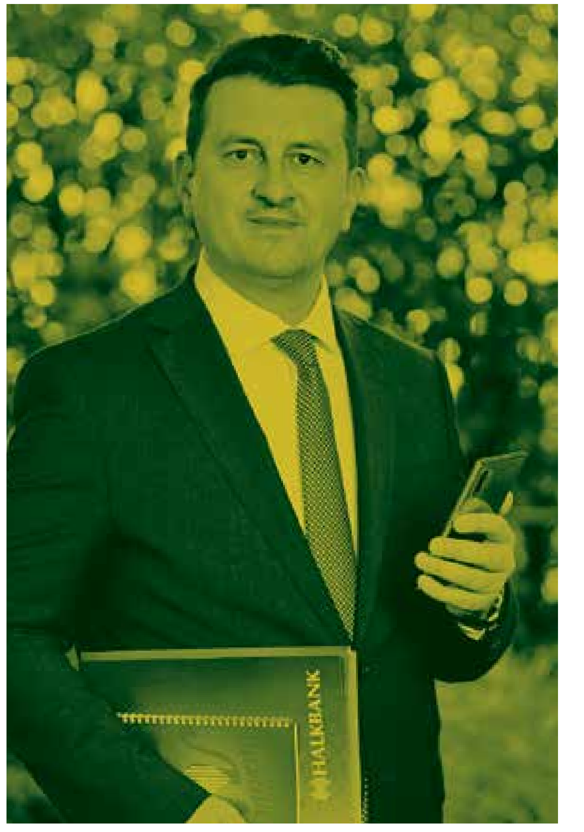
Head of
Division of Risk Collection Liquidation,
Legal and Information Security

ALEKSANDAR ILJOV

Head of
Division of Marketing

BERKAN IMERI

Head of
Division of Financial
Management and Planning



LEVENT AJRULA

Head of
Division of Treasury
and International Banking

ORGANIZATIONAL STRUCTURE

- **SUPERVISORY BOARD**
  - **INTERNAL AUDITING DEPARTMENT**
  - **CHIEF EXECUTIVE DIRECTOR**
    - **PUBLIC RELATIONS DEPARTMENT**
    - **Executive Director**
      - Division of Risk Collection Liquidation, Legal and Information Security
        - Risk Collection and Liquidation
        - Legal Affairs Department
        - Information Security
      - Division of Financial Management and Planning
        - Financial Management and Planning
        - Accounting and Tax
        - Credit Analysis
      - Internal Control Department
      - Risk Management Department
      - Compliance & AML Department
    - **Executive Director**
      - Division of Credits
        - Corporate and SME Credit
        - Retail Credit
      - Division of Treasury and International Banking
        - International Banking and Financial Institutions
        - Treasury management, money and capital markets
        - Cash Center
      - Division of HR and Organization
        - HR, Organization And Training
        - Administrative services
    - **Executive Director**
      - Division of Marketing
        - Corporate Marketing
        - SME Marketing
        - Retail Marketing
        - Payment Card Syst. and Alternative Dist. Channels Marketing
        - Deposit and Cash Management
      - Division of Operations and Information System
        - Information Systems and Technical Support
        - Operations Department
        - Foreign Operations
        - Loan and Deposit Operations
        - Payment Card Syst. and Alternative Dist. Channels Operations

SUPERVISORY BOARD'S REPORT

Within the frames of the legally defined competences and main acts which regulate the Business Policy of the Bank and its main objectives, the Supervisory Board performed its responsibilities during 2020, as determined in line with the Bank's strategy, giving suggestions and directions for undertaking measures and activities for successful maintenance of the Bank's position in the banking system, following trends and news, improving receivables collection, harmonization of its performance with the market needs, etc.

All members of the Supervisory Board provided active and significant contribution to its functioning. All decisions of the Supervisory Board were made in a transparent and documented manner, based on a complete and objective assessment. According to the principles of good corporate management, the Supervisory Board had good cooperation with the Management Board, the Risk Management Committee, the Audit Committee, and the Internal Audit, without participating in the daily management of the Bank. This manner of operation of the Supervisory Board contributed to stable, safe and efficient management and appropriate supervision over the Bank's bodies and their operation.

All listed Members of the Supervisory Board possess the knowledge and qualifications necessary to carry out their tasks, and have the substantial and practical knowledge of the Bank activity, taking into account its specificity.

The selection of the Members of the Supervisory Board reflects the care for diversity of their professional experience, knowledge, and skills. All Supervisory Board members listed in the table were focused on implementation of internal credit rating, system and the qualitative classification of loan customers, which was an important turning point in managing the quality of credit risk management and served as a basis for advanced corporate governance tools in the coming years as well.

All Supervisory Board Members hold university degrees with management capacities. Moreover, the Supervisory Board Members are very active in the economic and legal spheres of Macedonia and Turkey. The table No.1 shows the list of the Supervisory Board Members of the HalkBank A.D Skopje for 2020 (SBM).

	LICENSED ON	MEMBER UNTILL	TITLE
Osman Arslan	03.10.2019	02.10.2023	PSB
Ilhan Bolukbas	03.11.2017	31.10.2021	SBM
Yalcin Kaya	03.11.2017	11.02.2020	SBM
Olcay Atlioglu	02.05.2018	24.04.2022	SBM
Hasan Gokhan Kilic	13.05.2019	02.05.2023	SBM
Boris Petrovski	03.10.2019	02.10.2023	ISBM (independent)
Biljana Angelova	12.09.2016	24.08.2020	ISBM (independent)

With the changes in the structure made on 11.02.2020, the Supervisory Board continued working as presented in Table No.2 below:

	LICENSED ON	MEMBER UNTILL	TITLE
Osman Arslan	03.10.2019	02.10.2023	PSB
Ilhan Bolukbas	03.11.2017	31.10.2021	SBM
Olcay Atlioglu	02.05.2018	24.04.2022	SBM
Hasan Gokhan Kilic	13.05.2019	02.05.2023	SBM
Boris Petrovski	03.10.2019	02.10.2023	ISBM (independent)
Biljana Angelova	12.09.2016	24.08.2020	ISBM (independent)

With the changes in the structure made on 30.07.2020, the Supervisory Board continued working as presented in Table No.3 below:

	LICENSED ON	MEMBER UNTILL	TITLE
Osman Arslan	03.10.2019	02.10.2023	PSB
Ilhan Bolukbas	03.11.2017	31.10.2021	SBM
Olcay Atlioglu	02.05.2018	24.04.2022	SBM
Hasan Gokhan Kilic	13.05.2019	02.05.2023	SBM
Fatih Şahbaz	30.07.2020	27.07.2024	SBM
Boris Petrovski	03.10.2019	02.10.2023	ISBM (independent)
Biljana Angelova	12.09.2016	24.08.2020	ISBM (independent)

On June 17, 2020, Ms. Biljana Angelova was re-appointed as an independent member of the Supervisory Board by the Shareholders Assembly. Th Consent was issued by the National Bank of RSM on September 17, 2020 and the entry in the Central Registry of the Republic of North Macedonia was made on September 22, 2020.

EXECUTIVE MANAGEMENT BOARD

In 2020, the Executive Management Board was in continuing coordination with the Supervisory Board of the Bank in a very comprehensive manner that made all operational processes of the Bank transparent.

In compliance with the adopted organizational scheme, the rights and responsibilities were distributed to every Executive Management Board member who monitored the daily activities of the divisions, departments, and branches of the Bank. In general, on daily basis, they were monitoring the activities and operational results of the organizational units of the Bank and on quarterly basis, they measured performances of branches and sub-branches of the Bank. The Executive Management Board of HalkBank AD Skopje is consisted of four members who represent the Bank and manage its regular activities. The following table shows the list of Executive Management Board Members for 2020 (EMBM).

	LICENSED ON	MEMBER UNTILL	TITLE
Osman Arslan	03.10.2019	02.10.2023	PSB
Ilhan Bolukbas	03.11.2017	31.10.2021	SBM
Olcay Atlioglu	02.05.2018	24.04.2022	SBM
Hasan Gokhan Kilic	13.05.2019	02.05.2023	SBM

At its regular meetings, the Management Board has taken a number of actions adopting work instructions, procedures, guidelines, plans, rulebooks; performing modifications, amendments and corrective measures within the scope of its authorizations.

In 2020, the Executive Management Board focused its work towards stable, compliant and effective operation of the Bank by rising its position in the banking sector in Macedonia; through planning new products and services; as well as development of the existing ones through its own business units - by increasing the network of branches, increasing the volume of the card operations and e-banking, reducing the operational costs, while constantly taking care of the compliance of the work of the Bank through harmonization of its regulations and operations with the laws and bylaws.

CORPORATE GOVERNANCE

The corporate management of the Bank represents collection of mutual relations between the Board of Directors, other persons with special rights and responsibilities executing managerial function in the Bank, the Supervisory Board, the shareholders of the Bank and other interested parties.

In the course of 2020, the Shareholders Assembly held 1 (one) General Shareholders' Assembly and 1 (one) Extraordinary Shareholders' Assembly.

At the Extraordinary Shareholders Assembly held on 23.03.2020, the following were adopted:

Decision to increase the nominal capital of HalkBank AD Skopje by issuing shares through a private offer with the XVII-th issue of shares to an institutional investor, with Draft Decision; Decision on adoption of amendments to the Statute of HalkBank AD Skopje, with Draft Decision, and Decision on appointment of member of the Supervisory Board.

At the General Shareholders' Assembly held on 17.06.2020 it was decided upon the adoption of the Annual Report for 2019 and the written opinion of the Supervisory Board; the Annual Account of the Bank for 2019; the Financial Statements of the Bank for 2019, prepared in compliance with the accounting regulations of Republic of Macedonia, the International Financial Reporting Standards and the International Accounting Standards, audited by the audit company; the Report of the Audit Company for 2019 and the written opinion by the Supervisory Board in the same regard; the enactment of a Decision on distribution of the profit for the year ending on 31 December 2019; Decision on determining the amount of the dividend and payment date of the dividend for accumulated profit from previous years and the profit for 2019; review of the Annual Report on the operation of the Supervisory Board in 2019 by individual members and collectively; adoption of a Decision on selection of an audit company; Draft Decision and Decision on re-appointment of member of the Supervisory Board.

HALKBANK PR TEAM

Maja Naumovska
Omer Abdiu
Tamara Dzekova
Ana Lazarevikj

DESIGN AND PRODUCTION

eggra.com

PHOTOGRAPHY

Boro Rudic

HALKBANK AD Skopje
St. Sv. Kiril i Metodij no.54
1000 Skopje, Macedonia
+389 (0)2 3240 800
halkbank@halkbank.mk
www.halkbank.mk