

INCOME STATEMENT

For the year ended 31 December 2020

Presented in thousands of EUR	Note	2020	2019
Interest and similar income	7	97,856	93,969
Interest and similar expense	8	(61,048)	(53,274)
Net interest income (expense) on derivatives	9	7,427	(4,113)
Net interest income		44,235	36,582
Net fees and commissions	10	2,040	967
Dividend income	16	164	-
Net gains from equity investments through profit or loss	16	284	268
Net (losses) gains on derecognition of debt investment securities at fair value through other comprehensive income		(1,752)	119
Net (losses) on derecognition of financial liabilities at amortized cost	20	(2,049)	-
Unrealized net fair value gains on derivative instruments	14	7,410	-
Fair value (losses) gains on loans measured at fair value through profit or loss	15	(229)	477
Fair value (losses) on equity investments measured at fair value through profit or loss	16	(7)	(217)
Foreign exchange income (losses)		78	(1,067)
Other (losses) income		(4)	4
Operating income		50,170	37,133
Personnel expenses	11,26	(16,097)	(15,758)
Administrative expenses	11	(4,161)	(5,187)
Depreciation and amortization	18,19	(525)	(572)
Income before impairment		29,387	15,616
Impairment (losses) on loans	12	(12,894)	(1,841)
Impairment (losses) on debt investment securities measured at fair value through other comprehensive income		(2,278)	(111)
Income for the year		14,215	13,664

The accompanying notes, on pages 11 to 71 are an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION

At 31 December 2020

Presented in thousands of EUR	Note	2020	2019 (as Restated)
Assets			
Cash and due from banks	25	34,328	81,271
Deposits in margin accounts		26,240	5,900
Debt investment securities at fair value through other comprehensive income	13	687,961	419,826
Derivative financial instruments – assets	14	26,701	3,128
Loans at amortized cost	5,15	2,030,396	1,808,187
Less: deferred income	15	(13,813)	(8,170)
Less: impairment losses	5,12	(55,937)	(43,314)
Loans at fair value through profit or loss	15	12,525	12,754
Loans		1,973,171	1,769,457
Equity investments at fair value through profit or loss	5,16	791	798
Equity investments at fair value through other comprehensive income	5,16	25,519	29,588
Equity investments at fair value		26,310	30,386
Accrued interest receivable		23,512	24,334
Other assets	17	9,490	11,519
Property and equipment	18	429	489
Intangible assets	19	298	422
Right of use assets	22	579	1,255
Total Assets		2,809,019	2,347,987
Liabilities			
Short-term	20	111,120	83,675
Amounts due to financial institutions	20	315,992	240,206
Debt evidenced by certificates	20	1,465,218	1,161,274
Accrued interest payable		9,384	11,652
Borrowings		1,901,714	1,496,807
Margin accounts		22,920	4,550
Derivative financial instruments – liabilities		28,935	6,552
Other liabilities		11,359	8,610
Lease liability		383	1,059
Total liabilities		1,965,311	1,517,578
Members' Equity			
Authorized share capital	23	3,450,000	3,450,000
Less: unallocated share capital	23	(1,161,500)	(1,161,500)
Subscribed share capital	23	2,288,500	2,288,500
Less: callable share capital	23	(1,601,950)	(1,601,950)
Paid-in share capital		686,550	686,550
Reserves	24	58,298	54,009
Retained earnings		98,860	89,850
Total members' equity		843,708	830,409
Total Liabilities and Members' Equity		2,809,019	2,347,987
Off-balance-sheet items			
Commitments	5	274,031	353,496

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STATEMENT OF CHANGES IN MEMBERS' EQUITY

For the year ended 31 December 2020

Presented in thousands EUR	Share capital			Reserves	Retained Earnings	Total
	Subscribed	Callable	Payable			
At 31 December 2018	2,288,500	(1,601,950)	(1,428)	32,957	83,521	801,600
Income for the year	-	-	-	-	13,664	13,664
Other comprehensive income:						
Net gains (losses) on financial assets at fair value reserve through OCI	-	-	-	16,737	-	16,737
Actuarial (losses) gains on defined benefit scheme	-	-	-	(3,020)	-	(3,020)
Total comprehensive income for the year	-	-	-	13,717	13,664	27,381
Members' contributions	-	-	1,428	-	-	1,428
Transfer to general reserve	-	-	-	7,335	(7,335)	-
Total contributions	-	-	1,428	7,335	(7,335)	1,428
At 31 December 2019	2,288,500	(1,601,950)	-	54,009	89,850	830,409
Income for the year	-	-	-	-	14,215	14,215
Other comprehensive income:						
Net gains (losses) on financial assets at fair value reserve through OCI	-	-	-	1,120	-	1,120
Actuarial (losses) gains on defined benefit scheme	-	-	-	(2,036)	-	(2,036)
Total comprehensive income for the year	-	-	-	(916)	14,215	13,299
Members' contributions	-	-	-	-	-	-
Transfer to general reserve	-	-	-	5,205	(5,205)	-
Total contributions	-	-	-	5,205	(5,205)	-
At 31 December 2020	2,288,500	(1,601,950)	-	58,298	98,860	843,708

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STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

Presented in thousands of EUR	Note	2020	2019
Cash flows from operating activities			
Income for the year		14,215	13,664
Adjustment for items in income statement:			
Depreciation and amortization		525	572
Impairment losses on loans		12,623	1,841
Impairment losses on investment securities		2,278	111
Fair value losses on loans at FVTPL		229	(477)
Fair value (gains) losses on equity investments at FVTPL		7	217
Net interest income		(36,808)	(40,695)
Realized losses from debt issued		2,049	-
Realized gains on disposal investment securities at FVTOCI		1,752	(119)
Cash generated from (used for) operations:			
Proceeds from repayment of loans		561,715	372,476
Proceeds from repayment of equity investments		1,231	2,096
Funds advanced for loans		(783,932)	(871,130)
Funds advanced for equity investments		(732)	(825)
Net movement in derivative financial instruments		(1,190)	(15,965)
Working capital adjustments:			
Interest income received		98,678	89,804
Interest income paid		(63,316)	(52,117)
Decrease (increase) in deposit margin accounts		(20,340)	16,910
Decrease (increase) in other assets		2,029	(2,147)
Increase (decrease) in margin accounts		18,370	4,550
Increase (decrease) in other liabilities		713	4,191
Increase (decrease) in deferred income		5,643	5,118
Net cash from / (used in) operating activities		(184,261)	(471,925)
Cash flows from investing activities			
Proceeds investment securities at FVTOCI		1,227,280	812,753
Purchase of investment securities at FVTOCI		(1,459,327)	(761,067)
Purchase of property, software and equipment		(341)	(379)
Net cash from / (used in) investing activities		(232,388)	51,307
Cash flows from financing activities			
Proceeds received from share capital		-	1,428
Proceeds from borrowings		944,201	1,267,253
Repayment of borrowings		(539,074)	(736,128)
Net cash from financing activities		405,127	532,553
Net increase (decrease) in cash and cash equivalents		(11,522)	111,935
Cash and cash equivalents at beginning of year		284,188	172,253
Cash and cash equivalents at end of year	25	272,666	284,188

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