

Raiffeisen Invest sh.a.

Annual Report 2022

Raiffeisen Invest sh.a.
Raiffeisen Vizion Investment Fund
Raiffeisen Prestigj Investment Fund
Raiffeisen Invest Euro Investment Fund
Raiffeisen Mix Investment Fund
Raiffeisen Voluntary Pension Fund

This is not an offer or solicitation for the sale of the Raiffeisen Invest funds.

The report contains the 2022 financial statements of Raiffeisen Invest sh.a. and the 2022 financial statements for each fund under its management, audited by Deloitte Audit Albania sh.p.k.

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Message from the Board of Administration

Honorable Investors,

The past year presented a number of unforeseen challenges that affected the overall performance of the funds under the management of Raiffeisen Invest sh.a.. The global economic landscape experienced significant volatility, with severe geopolitical events triggering a major global economic crisis, bringing about major volatility and uncertainty in financial markets.

These external factors presented unique challenges to investment firms, which quickly adapted to relevant strategies and hedging mechanisms.

However, despite our efforts as a company to minimize market risks, the desired results in the performance of the funds were not achieved. Market conditions, such as the increased volatility of markets hit by high inflation, the drastic fall in prices of financial instruments, resulted in temporary setbacks and affected the overall performance of the funds.

We understand the importance of providing stable returns to our investors and have tried to stay close to them to respond to concerns about fluctuations in returns, which for small markets are more sensitive, reemphasizing the focus on the longevity of this instrument stretched out in time.

As always, our investment decisions are based on rigorous research processes and professional risk management analysis. Raiffeisen Invest maintains a disciplined approach to portfolio construction for each fund, diversification and asset allocation in order to mitigate risk and seek attractive investment opportunities.

Raiffeisen Invest staff remains committed to improving our performance, constantly evaluating investment strategies in line with evolving market dynamics and investor expectations.

We deeply appreciate the trust you have placed in us as your asset management partner and want to assure you that we are fully committed to addressing the challenges we faced last year as best we can. Our priority is to provide stable and competitive returns for the long term, actively managing risks and ensuring the safety of your investments.

On behalf of the Board of Directors, I thank you for your continued support and trust.

Thank you!

On behalf of the Board of Administration

Donalda Gjorga

CHAIRMAN OF THE BOARD OF ADMINISTRATION



Message from the General Administrator

Dear Investors,

The year 2022 proved to be the most challenging year for the asset management company and our clients. We operated in a financial environment that was characterized by increased uncertainty due to the war between Russia and Ukraine and very high inflation which climbed to levels of historic dimensions. Central banks all over the world were forced to tighten the monetary policy by aggressively raising the interest rates at the expense of economic growth.

In Albania, government securities yields jumped by up to 400 bp and primary auctions were regularly undersubscribed with B/C less than 1, especially during Q3 2022, which significantly increased the pressure on rates.

In these new financial circumstances, the yearly performance of all investment funds declined and went negative even for LCY funds. As a result of a combination of different risk factors that materialized, the redemptions from all the funds increased significantly and the assets under management dropped by almost 42%. In overall the whole investment fund market in Albania shrank by 43.8%, losing 27.7% of the investors.

In a new global reality, where Albania couldn't be an exception, all our focus was shifted on liquidity management and intensified communication with the sales agents and investors. The latter are the center of our activity and providing the best service, in a fully transparent process, remains our priority. Raiffeisen Invest provided both investors and sales agents with all the necessary information to understand the reasons for the rise in interest rates, the effect of higher yields on the performance of the funds and the expectations for the future. What was suggested to investors during their decision-making process related to funds, was to keep a long-term investment horizon and not to act in panic.

I am proud of our team that managed this difficult situation properly and professionally, cooperating closely with Raiffeisen Bank and our partners in Vienna.

Despite the high level of withdrawals from all funds, our liquidity indicators remained solid, and every redemption was completed on time, without any delays. In addition, we managed to provide decent financial results where the indicator of PBT + Distribution expenditure reached 5.5 mill EUR.

During 2022, Raiffeisen Invest remained the leading company in the Albanian market for investment funds, with 85.4 percent of the market share in terms of assets. The investment funds' assets under the management of Raiffeisen Invest were at 345 mill EUR as of 31.12.2022.



On the other hand, Raiffeisen Voluntary Pension fund recorded a solid growth of 17%, expanding its membership base by 10% (mostly professional plans) to whom were provided the highest net performance in the market. As of 31.12.2022 the asset under management jumped to 10.6 mill EUR.

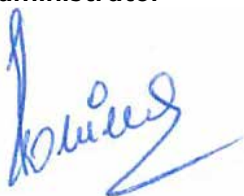
Regarding our strategic initiatives, we further increased the digital channel share on gross sales compared to 2021 and remained the only asset management company in the market that provides digital services to its clients. 5,836 new Investment plans were sold during 2022 or +1.51% compared to last year.

Last, but not least, as an asset manager of the RBI Group, Raiffeisen Invest has aligned its strategy with Group vision, including sustainability in its short-term development goals. Concerned by global challenges such as climate change and environmental pollution, Raiffeisen Invest aims to contribute to the development of a sustainable world through the design of ESG products in the near future.

The year 2023 is expected to bring recovery in the performance of all funds under management due to the downward trend of interest rates, at least in the Albanian market. We are committed to recovering last year's losses and we believe that the financial environment will help us to achieve this objective.

I want to sincerely thank you all for your trust and assure you that your assets will continue to be managed with professionalism, integrity, and transparency.

Edlira Konini
General Administrator



Raiffeisen Invest at a glance

Raiffeisen Invest sh.a continued to maintain the position of the leading company in the Albanian asset management sector, with a clear focus on investors care, transparency and the application of best practices.

During 2022, Raiffeisen Invest sh.a, had four (4) investment funds under its management, namely Raiffeisen Prestige in ALL, Raiffeisen Invest Euro in Euro currency, Raiffeisen Vision in ALL, Raiffeisen Miks in Euro currency, and 1 (one) pension fund named Raiffeisen Voluntary Pension Fund;

The total assets under management of Raiffeisen Invest sh.a, until the end of 2022 were 40,544,519,488.88 ALL.

Mission and Values

Mission:

To offer our investors an excellent experience, through new and suitable investment alternatives, and innovative technologies, based on principles and professionalism, through focusing and not just:

- Knowing our clients and orienting them towards suitable investment decision-making;
- High-quality management of their assets with the objective of satisfactory returns on investment;
- Strong corporate governance;
- Introducing new investment options, while simultaneously working on enhancing clients'awareness, understanding and knowledge regarding investment funds in Albania

Values:

Integrity: We put the interests of our clients first, making their goals our goals. This is our ethical and professional obligation-and the right way to act. Integrity is the core of our investment process, customers relationships and everything we do.

Responsibility: We act with responsibility towards our investors, each other and the community. Alone and together we are responsible for every decision and action we take.

Learning: All our staff is in a continuous learning process in order to achieve the highest level of professionalism and best assets management practices.

Collaboration: At Raiffeisen Invest we have created a warm environment where we collaborate, communicate and support each other through mutual trust and respect.

Disipline: Disipline is what guides us in every process of analysis, research and investment. We adhere to a consistent and disciplined process, ensuring that every decision is taken based on judgment, without being distracted by the media and the mentality of the crowd. This focus enables us to make rational decisions at a time when investors often make emotional decisions.

Corporate Governance

Raiffeisen INVEST sh.a. is a joint stock company, organized based on the one-tier organizational structure, in accordance with Law 9901, dated 14.04.2008" On entrepreneurs and companies".

The company is headquartered at Tish Daija Str, Kompleksi Kika 2, Tirana, Albania.

The company's sole shareholder is Raiffeisen Bank sh.a.

The company's governing bodies are the Shareholder Assembly, the Board of Administration, and the Executive Managers.

1. Shareholder Assembly

The Shareholder Assembly is comprised of legal representatives of the sole shareholder of the company, Raiffeisen Bank sh.a.

2. Board of Administration

The Board of Administration is the key body of Raiffeisen Invest sh.a., which monitors and supervises inter alia the application of business policies and progress.

The Board of Administration in 2022 comprised:

Chairperson:	Mrs. Donalda Gjorga Chief Dealer – Treasury Department - Raiffeisen Bank Albania,
Vice Chairperson:	Mr. Peter Zilinek Head of Group Steering Department in the Centre of Competence - Raiffeisen Capital Management, Austria
Member:	Mrs. Gentjana Ciceri Head of Sales and Distribution Division - Raiffeisen Bank Albania,
Member:	Mrs. Alda Shehu Head of Strategy and Innovations Department - Raiffeisen Bank Albania
Member	Mr. Erion Balli Head of Non-Retail, Risk Management Division - Raiffeisen Bank Albania
Member:	Mrs. Edlira Konini General Administrator - Raiffeisen Invest, sh.a.
Member:	Alketa Emini (Gjoçaj) Deputy General Administrator - Raiffeisen Invest, sh.a.

3. Investment Committee

Raiffeisen Invest sh.a has established the Investment Committee. Decision-making and oversight of the investment process are primary tasks of the Investment Committee. The Investment Committee is a collegial, decision-making, and supervisory body which monitors whether the investment process is in accordance with each fund investment policy approved by the Board of Administration as well as with the risk management policy and regulatory requirements.

3.1 Composition of the Investment Committee in 2022

Chair:	Deputy Chairman of the Management Board of Raiffeisen Bank Albania.
Member:	Head of Non-Retail Risk Department of Raiffeisen Bank Albania.
Member:	Head of PI Lending & Digital Banking of Raiffeisen Bank Albania.
Member:	General Administrator of Raiffeisen Invest sh.a;
Member:	Deputy General Administrator of Raiffeisen Invest sh.a;
Member:	Head of Fund Management of Raiffeisen Invest sh.a;
Member:	Head of Risk Management of Raiffeisen Invest sh.a;

*RIAL Compliance monitors each meeting of the Investment Committee.

The Investment Committee conducts regular meetings, at least once a month.

4. Managerial Staff of Raiffeisen Invest sh.a

1. General Administrator

Mrs. Edlira Konini

2. Deputy General Administrator

Mrs. Alketa Emini (Gjoçaj)

- Head of Risk Management

Mr. Lizander Saraçi

- Head of Fund Management

Ms. Rezarta Arapi

- Head of Legal, Compliance & AML

Mrs. Brunilda Haxhimihali (Emini)

Code of Ethics

Raiffeisen Invest sh.a. operates in conformity with the Albanian legislation and Raiffeisen Group Code of Ethics.

The Raiffeisen Group Code of Ethics describes the common values, business and ethical standards that should be followed by all Group member companies. The code governs the daily interaction with all parties, both internal and external.

The performance of business activities in a legal and ethical manner and with a high level of responsibility is at the core of Raiffeisen Invest sh.a. corporate culture.

The Raiffeisen Code of Ethics is binding for all employees and aims to ensure that the conduct in business agreements and ethics matters is in conformity with our high standards.

The Standards are based on the following values:

- **Client focus ;**
- **Professionalism;**
- **Quality;**
- **Mutual Respect ;**
- **Initiative ;**
- **Teamwork;**
- **Integrity;**
- **Best Corporate governance**

Conflicts of interest

Raiffeisen Invest employees are devoted to identifying and avoiding any potential conflict of interest during the exercise of their duties.

Members of the Board of Administration and the Investment Committee must declare any potential conflict of interest.

Employees make sure that their interests do not conflict with their duties to the company or with the company's duties to investors.

In particular, the employees involved in the process of investment must not simultaneously run an activity or own a personal business, which might conflict with proper management of client's assets, or which limit their ability to make impartial decisions.

Raiffeisen Invest sh.a' organizational structure comprises the Compliance Unit, whose main duty is to prevent, identify and resolve conflicts of interest between the company and the funds it manages, as well as amongst funds so that the investor is not disadvantaged due to potential conflicts of interest.

Transparency

Transparency is the cornerstone of investor relations and Raiffeisen Invest business activity in general. The company web- page, regularly updated, plays an important role in informing investors and the public.

The company through its web site periodically publish interim and annual reports of all funds under management as well as of the company itself, last updated information about funds and their documents, the investing/redemption process in the fund, the unit price etc. Each investor can have full access to the personal account at any time, being informed about his/her investment performance, constantly being able to take timely decisions.

Meanwhile, Raiffeisen Invest staff is in constant communication with investors via e-mail or telephone calls, in way to clarify any questions or concerns related to their investment.

Investment process

Portfolio management is done in accordance with the "Prudent- Person Rule". This rule forces fund managers to exercise the same level of reasoning, prudence, and wisdom, that a person entitled with the management of his own assets, not for speculation purposes but for a clear investment motive, considering capital preservation opportunities and the opportunity for investment return.

Raiffeisen Invest Funds are managed by the market's best professionals, with a high level of professionalism and « proper care », worthy of the public's trust.



Human resources

Education and professional development of human resources continues to be the main focus of Raiffeisen Invest sh.a, as a key element in achieving the objectives of the company.

Raiffeisen Invest sh.a. has a team with the best experts in the Albanian capital market, with a very good education background, as well as large experience in the financial sector. They are dedicated, with high ethical standards and dynamic professional development based on Raiffeisen Group's KnowHow.

The company at the end of 2022 had 15 full-time employees.

Even during 2022, the company showed maximum commitment to the development of its staff, through ongoing training and education.

The trainings were conducted through platforms that ensure the development of online training modules, accompanied by testing of the knowledge gained, before certifying the participating staff.

Regarding the training modules received from RIAL staff, we can mention the following: "Code of conduct of Raiffeisen Group", "Anti Money Laundering, Compliance & Financial Crime Management", "Anti -Bribery and Corruption", "Cyber, Information & Physical Security", "Update on Legal requirements on Prevention of Money Laundering & Terrorism Financing", etc.



Social Responsibility

Raiffeisen Invest sh.a, even during 2022, continued with high commitment to support the community and society in Albania, fulfilling one of the important elements of its mission, which is social responsibility.

Throughout 2022, Raiffeisen Invest sh.a, supported 52 projects all over the country focused mainly on projects related to health care, improving conditions in hospitals and health centers, financing computer equipment for a number of educational institutions at all levels, without forgetting the support of social projects and the promotion of sport, culture and environmental protection.

Thus, we can mention several projects as "Purchase of multifunctional equipment for the Oncology Hospital-Mother Teresa Hospital Center", "Purchase of equipment for the Health Center Kruje" "Furnishing of the Pediatric Ward in Saranda Hospital" etc.

Education remains one of the main pillars of a sustainable society, that's why Raiffeisen Invest has supported many projects in the educational field. It is worth mentioning the projects developed in Saranda, Korça, Konispol, Tirana, Patos etc, related to the purchase of necessary equipment for educational institutions, as well as the organization of various cultural activities in the function of education process. More specifically, we can mention the projects: "Equipping the Servete Maçi school with computers", "Reconstruction and furnishing of the city library Konispol", "Reconstruction of a kindergarden-Lushnje", "Purchase of school supplies for the academic year 2022-2023 for children of the orphanage Zyber Hallulli, Tirana" etc.

An important contribution has been given in the field of the environment protection, supporting the projects "Cleaning of the coast before the start of the tourist season", "We take care of the environment" promoting the importance of nature protection in our country.

In the field of art and culture, many artistic and cultural activities have been supported, such as "ZA Fest 6th edition", "Pianodrom 2022- 10th edition", "Check-in festival-2nd edition", "Cosmos Tirana music Festival" "Comedy festival Koko fest-9th edition", as well as many other cultural activities held in different cities of the country.

Raiffeisen Invest sh.a, as part of a large group and leading company in the Albanian market remains committed to contribute to all pillars of sustainable development.



Kujdesemi me zemër

5 projekte me zemër për 2022



250 pako me ushqime për familjet në nevojë në Tiranë



Teatër me kukulla për fëmijët e 10 Qendrave Sociale



Dhurojmë dhe festojmë me fëmijët e Jetimores në Shkodër



Stafi dhuron veshje për familjet në nevojë



Dhurojmë për fëmijët në Ukrainë, nëpërmjet fondacionit Stepic CEE Charity

Financial Education

Raiffeisen Invest sh.a always has considered the financial education of the public as extremely important not only for the development of the pension and investment funds market, but also for the development of the capital market as a whole.

Education and financial culture, as well as public awareness of their need, undoubtedly stimulate a wide range offer of financial products, in line with the investment horizon, investor risk profile and the legal and regulatory framework in force.

Ranking financial education, as one of the strategic objectives of the company, even during 2022, Raiffeisen Invest published on the company's website and on social media a series of informative and educational materials about the characteristic of the funds as well as the benefits of investing into the funds. Also, there have been several presentations in the visual media, by the representatives of the company on the fund characteristics, impact and performance toward the market environment, etc.

In addition, Raiffeisen Invest sha, has supported many projects promoting financial education and awareness, especially among young people, where we can mention: "Online security and digital financial education for younger people", "Know your money" etc. During the money week, where many educational activities for children and young people such as: seminars, lectures, school competitions, have been taking place, Raiffeisen Invest financed the prizes for the young winners.

In May 2022, in the framework of the project "Saving or Investing-When is the time ?", at the Faculty of Economics, University of Tirana, was held a forum with the participation of Raiffeisen Invest representatives, other experts in the field of economics & finance, academics and students, who shared opinions on the importance of managing savings and investments.



Fund Management Report

Fund Performance on 31 December 2022

Net return	Raiffeisen Prestigj	Raiffeisen Vizion	Raiffeisen Invest Euro	Raiffeisen Miks	Raiffeisen Pension
1 year (on an annual basis for the period 31.12.2021 - 31.12.2022)	-4.07%	-8.82%	-9.28%	12.65%	4.09%
3 years (on annual basis for period 31.12.2019 - 31.12.2022)	-0.31%	-1.06%	-3.97%		4.29%
5 years (on annual basis for period 31.12.2017 - 31.12.2022)	1.03%		-1.96%		4.65%
Since inception (annual return)	3.88%	0.55%	0.57%	-4.29%	6.17%

* The management fee and other ongoing charges are deducted before calculating the return on investment.

Funds Unit value for the last 3 years	Raiffeisen Prestigj	Raiffeisen Vizion	Raiffeisen Invest Euro	Raiffeisen Miks	Raiffeisen Pension
On 31.12.2022	1,510.3303	1,023.8582	105.9063	91.4431	2,052.2060
On 31.12.2021	1,574.3746	1,122.8965	116.7439	104.6895	1,971.6047
On 31.12.2020	1,537.0592	1,075.2578	117.9191	100.0123	1,887.7529

Funds' ongoing charges

	Raiffeisen Prestigj	Raiffeisen Vizion	Raiffeisen Invest Euro	Raiffeisen Miks	Raiffeisen Pension
Ongoing charges on 31.12.2022	1.27%	1.28%	1.48%	1.59%	1.50%

Economic Developments

The year 2022 was one of the most difficult years for financial markets, resulting in a negative annual performance for both major asset classes, bonds and stocks.

The war in Europe between Russia and Ukraine, the high price of gas, oil and energy that brought extremely high inflation worldwide, also produced increased uncertainty for the financial markets. The increase in the energy price, but also in the other basket products prices, resulted in record inflation levels throughout the year. Especially, in June, inflation reached a peak of 9.1 percent for the United States of America, while for Europe reached double-digit levels of 10.6 percent in October. The Central banks responded to high inflation with tight monetary policies and sharp increases in interest rates, with the aim of bringing it to their targets as soon as possible. The Federal Reserve in the United States of America increased the base rate by 4.25 percent in total and the European Central Bank increased the base rate by 2.5 percent in total. The year ended with inflation levels of 6.5 percent and 9.2 percent respectively for the USA and the Eurozone.

The Albanian economy was not an exception from the global trend, and the inflation increased to its highest level in October at 8.3 percent, mainly impacted by the increase in food products prices, oil, or transportation costs. The Bank of Albania reacted with several interest rate increases, bringing the base rate from 0.5 percent to 2.75 percent. The Albanian government securities yields in the domestic market increased by 3 to 4 percent during 2022 and this fact was the main driver that the Prestigj and Vizion fund, for the first time since their launch, ended the year with negative annual performance.

The Central Banks' determined rhetoric to continue fighting inflation with rate hikes produced a significant rise in bond yields around the world, the US and Eurozone yield curves was inverted, short-term maturities yield curves had higher interest rates compared to long-term ones, this is a signal for a possible global recession in 2023.

All of these factors contributed to the negative performance of the bond and stock markets and, therefore, to the negative performance of our investment funds.

The assessment of the agencies related to the Albanian Government debt remained unchanged at the B1 level from Moody's and B+ from "Standard & Poors" with a stable forecast.

Funds during 2022

The performance of financial markets in Albania and all over the world was characterized by high volatility and uncertainty. A financial environment with increasing interest rates dominated throughout the year, which also affected the performance of our investment funds.

At Raiffeisen Invest, fund managers tried to reduce the level of risk as much as possible, reducing exposure to financial instruments with higher risk and investing in instruments that could benefit from new developments in the financial markets. Measures were also taken to reduce the average duration of the portfolio of investments in funds, as much as possible, with the aim of reducing the risk from the increase in interest rates.

Funds denominated in Euro, Raiffeisen Invest Euro and Raiffeisen Miks suffered a considerable decline in the first half of the year because the yields increased significantly due to high inflationary pressures and Central Banks' reaction with increased interest rates. Then in the second half of the year, the funds had a slight recovery in performance, but not enough to end the year with a positive performance. The funds were mainly focused on short-term and medium-term investments, to reduce the risk of interest rates.

As for funds in the Lek currency, Prestigj and Vizion started the year with positive performance, but in the second half of the year they suffered the highest historical decline due to the significant increase in the yields of the Albanian Government bonds. This happened because inflationary pressures in our country were mostly carried over and appeared late compared to other European countries or the USA. The Raiffeisen Vizion fund suffered a higher decline in performance than the Raiffeisen Prestigj fund, as this fund has a longer average investment portfolio duration and is therefore more exposed to interest rate risk.

Raiffeisen Invest gave a special priority to communication with investors and fund sales agents during 2022, making available all the necessary information to understand the reasons for the increase in interest rates, the effect of higher yields on the performance of the funds and to assist investors during their decision-making process regarding the performance of their investment. One of the main priorities during 2022 was managing the liquidity of funds and ensuring solid liquidity indicators for all funds under administration.

The Raiffeisen Voluntary Pension Fund has continued to record the highest annual return during 2022 compared to other voluntary pension funds operating in the domestic market. This fund registers securities in the investment portfolio mainly in held-to-maturity and therefore has less volatility compared to investment funds and has not been negatively affected by the increase in yields of Government securities.



Raiffeisen Vizion Fund

The Raiffeisen Vizion Fund is denominated in local currency ALL. The objective of the Fund is to maximize the total return over the medium term, aiming to maintain the investor's capital and securing sufficient liquidity. The assets of the fund are invested mainly in treasury bills and treasury bonds issued or guaranteed by the Government of the Republic of Albania.

The recommended investment horizon is at least 3 years, in order to achieve the fund's performance objective in light of the long-term nature of its investments, as outlined in the fund's investment strategy.

Investors of Raiffeisen Vizion are subject to a minimum investment period of 2 years. All withdrawals made prior to the fulfillment of this 2-year period will be subject to an exit fee of 2 percent of the value of redeemed units. During 2022 the net asset value of Vizion fund has decreased by 46.9 percent reaching ALL 9.25 billion or 81 million Euros as of December 31, 2022, while the number of members in the fund is 4,080.

Investment Policy

The fund aims to have an investment portfolio focused mainly on debt securities issued or guaranteed by the Government of the Republic of Albania. In order to maximize the total return on investment, the Fund aims to invest at least 50-80 percent of the assets in the long-term bonds of the Albanian Government. On December 31, 2022, the structure of the investment portfolio is presented as in the following table:

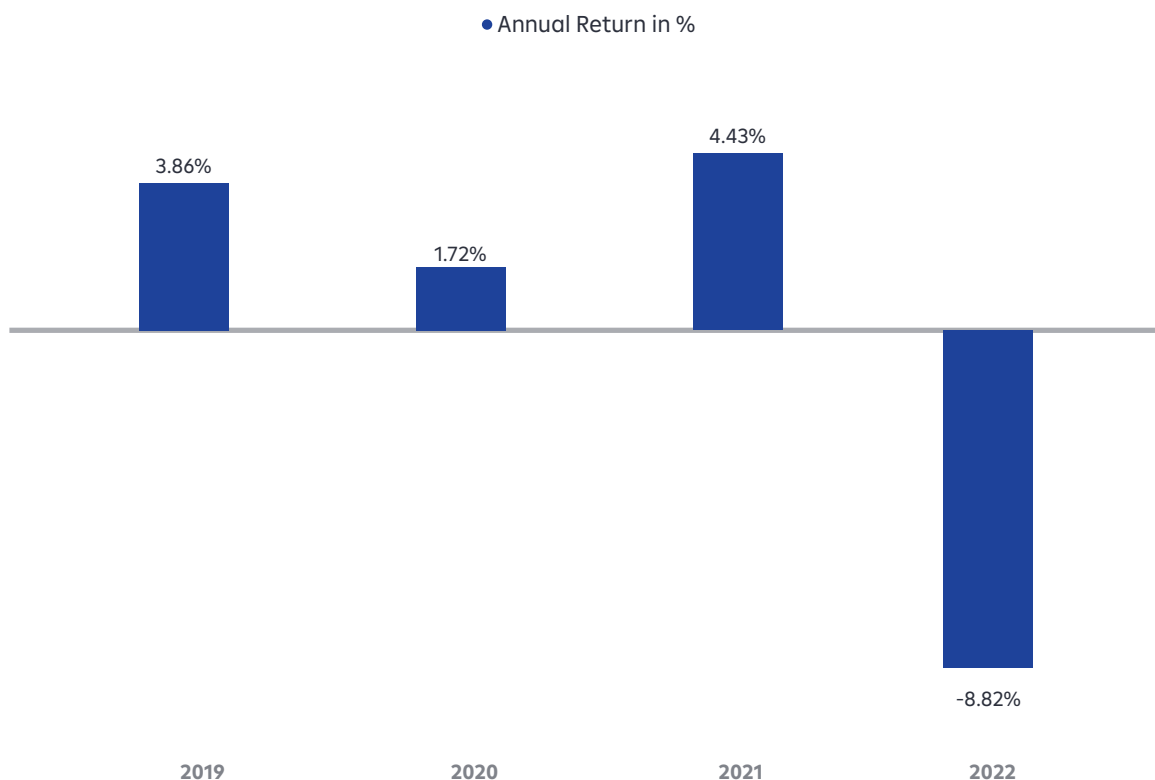
Instrument	In % of Assets
Albanian Treasury bonds	83.39%
Deposit / Current Account / Receivables	16.61%

Vizion Fund investments have been made mainly in long-term treasury bonds during the first 6 months of the year 2022. In the second part of the year, the new investments on behalf of the fund were limited, the main focus was the management of liquidity needs. On 31 December 2022 the fund has invested 1.9 percent of assets in bonds with a maturity 10-15 years, 24.9 percent in bonds with a maturity of 7-10 years, 32.3 years in bonds with a maturity of 5 – 7 years, 19.5 percent in bonds with a maturity 2 – 5 years, 2.1 percent in bonds with a maturity up to 2 years and 2.6% in bonds up to 12-months.

The excess of liquidity is invested as a short-term deposit with local banks. The average duration of the investment portfolio is at the level of 3.81 on December 31, 2022.

Fund Performance

On an annual basis, the net return for year 2022 after deducting the ongoing charges is -8.82 percent. While the net return for a period of 2 years on an annual basis was -2.42 percent as of December 31, 2022.



The fund's unit value has followed an upward trend during the first quarter of 2022, while during the rest of the year generally followed a downward trend. The increase of the base rate by the Bank of Albania and therefore the increase of treasury bonds and bills interest rates where Vizion fund invests, impacted negatively the investment portfolio and as a result the unit price of the fund decreased.

Top 10 - Main Investments as Percentage of Assets

Raiffeisen Vizion Fund

Instrument	% of Assets
10 years Treasury bond – Mat 08.01.2030	10.39%
10 years Treasury bond – Mat 07.07.2031	8.65%
7 years Treasury bond – Mat 12.03.2028	8.14%
10 years Treasury bond – Mat 06.07.2028	6.24%
10 years Treasury bond – Mat 08.07.2029	5.93%
7 years Treasury bond – Mat 15.09.2028	5.18%
10 years Treasury bond – Mat 21.01.2032	5.10%
10 years Treasury bond – Mat 03.04.2028	4.69%
3 Years Benchmark Treasury Bond – Mat 28.02.2025	4.59%
10 years Treasury bond – Mat 16.01.2029	4.21%

Raiffeisen Prestigj Fund

Raiffeisen Prestigj Fund is denominated in local currency ALL. The objective of the fund is to maximize the return on investment, while at the same time aiming to preserve capital and provide the necessary liquidity in the service of achieving the objective.

The assets of the fund are invested mainly in treasury bills and treasury bonds issued or guaranteed by the Government of the Republic of Albania.

The net value of the fund assets reached ALL 26.01 billion or EUR 228 million in December 2022, marking an decrease of 44.27 percent compared to the previous year. The number of members in the fund was 21,835 as of December 31, 2022.

Investment Policy

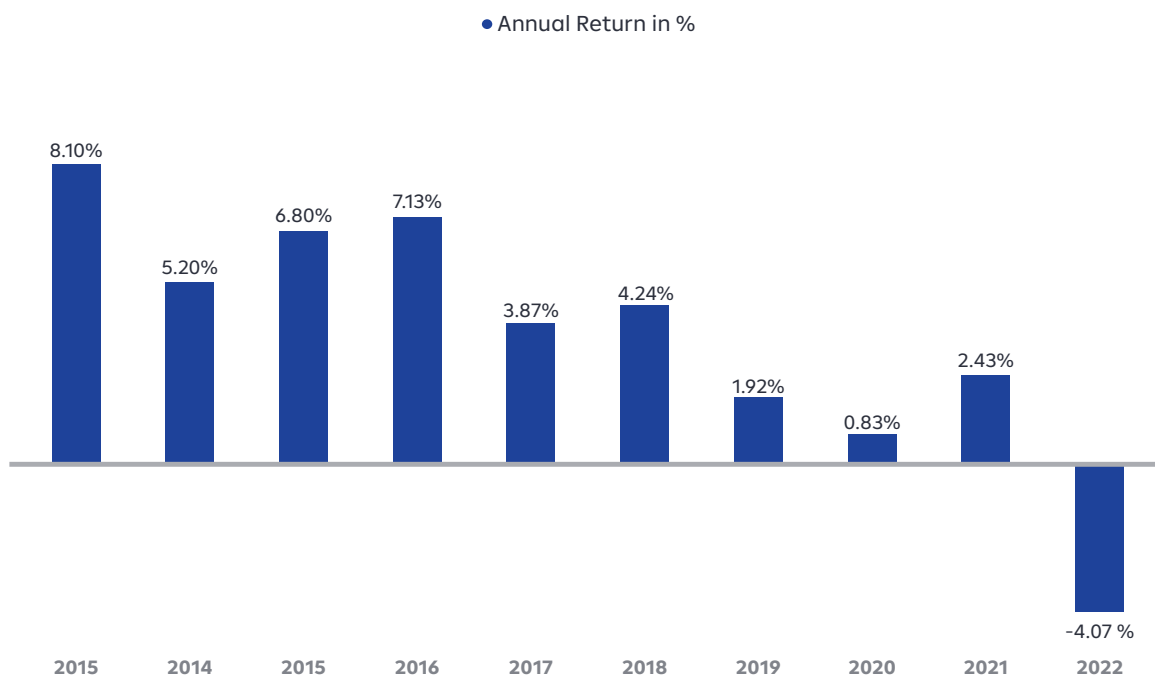
Prestigj Fund during the first 6 months of the year 2022 continued to make investments in debt securities of the Albanian Government, mainly with short-term to medium-term maturity. In the second part of the year, the new investments on behalf of the fund were limited, the main focus was the management of liquidity needs. On December 31, 2022, the structure of the investment portfolio is presented as in the following table:

Instrument	In % of Assets
Albanian Treasury bills	14.29%
Albanian Treasury bonds	69.87%
Short-term deposits / Current account	9.78%
Reverse Repo Agreements	6.06%

The distribution of the fund's assets was intended to produce a higher return, but at the same time also managing liquidity risk as efficiently as possible and adhering to liquidity ratios. The average duration of the investment portfolio is at the level of 1.86 on December 31, 2022. The excess liquidity has been invested as short-term deposits or using repurchase agreements with local banks.

Fund Performance

On an annual basis, the return for 2022 after deducting the ongoing charges is -4.07 percent, it has decreased compared to last year.



The fund's unit value has followed an upward trend during the first quarter of 2022, while during the rest of the year generally followed a downward trend.

Top 10 - Main Investments as Percentage of Assets

Raiffeisen Prestigj Fund

Instrument	% of Assets
10 years Treasury bond – Mat 29.10.2023	14.12%
7 years Treasury bond – Mat 10.09.2027	11.20%
3 years Benchmark Treasury bond – Mat 23.02.2024	6.48%
10 years Treasury bond – Mat 25.04.2024	3.80%
7 years Treasury bond – Mat 15.09.2028	3.79%
12 months Treasury Bills – Mat 05.01.2023	3.63%
10 years Treasury bond – Mat 07.07.2031	3.49%
10 years Treasury bond – Mat 23.04.2025	3.30%
3 years Benchmark Treasury bond – Mat 28.02.2025	3.02%
5 years Benchmark Treasury bond – Mat 30.01.2024	2.96%

Raiffeisen Invest Euro Fund

Raiffeisen Invest Euro is denominated in Euro currency. The objective of the fund is to provide the investor with a competitive return, in line with careful asset management while maintaining the required level of liquidity. The assets of the fund are invested mainly in bonds issued by the Albanian Government in the domestic and international market, in bonds issued by the governments of EU countries and international corporates, in short-term bank deposits and in investment funds, which also have in focus investment in the bond market. The net asset value of the fund is 33.53 million Euros as of December 31, 2022, marking a decrease of 33.6 million euros or 50.1 percent compared to last year. The number of members in the fund at the end of 2022 is 1,625.

Investment Policy

During 2022, an effective investment policy has been implemented to take advantage of the continuous volatility of interest rates in the financial markets of the euro area and by taking care of the management of market risks with an effective asset allocation.

In general, the distribution of the fund's assets was aimed at diversifying the portfolio, in order to reduce market risk, credit risk, and ensure the necessary liquidity. Thus, the investment strategy has been mainly focused on maintaining average duration levels of the investment portfolio, in order to safeguard against an ongoing increase in interest rates. The average duration level has been decreasing during the year in accordance with the created circumstances and the trend of interest rates. Thus, from 3.53 at the end of December 2021, it has reached the level of 2.57 at the end of December 2022.

On December 31, 2022, the structure of the Investment Portfolio is presented as follows:

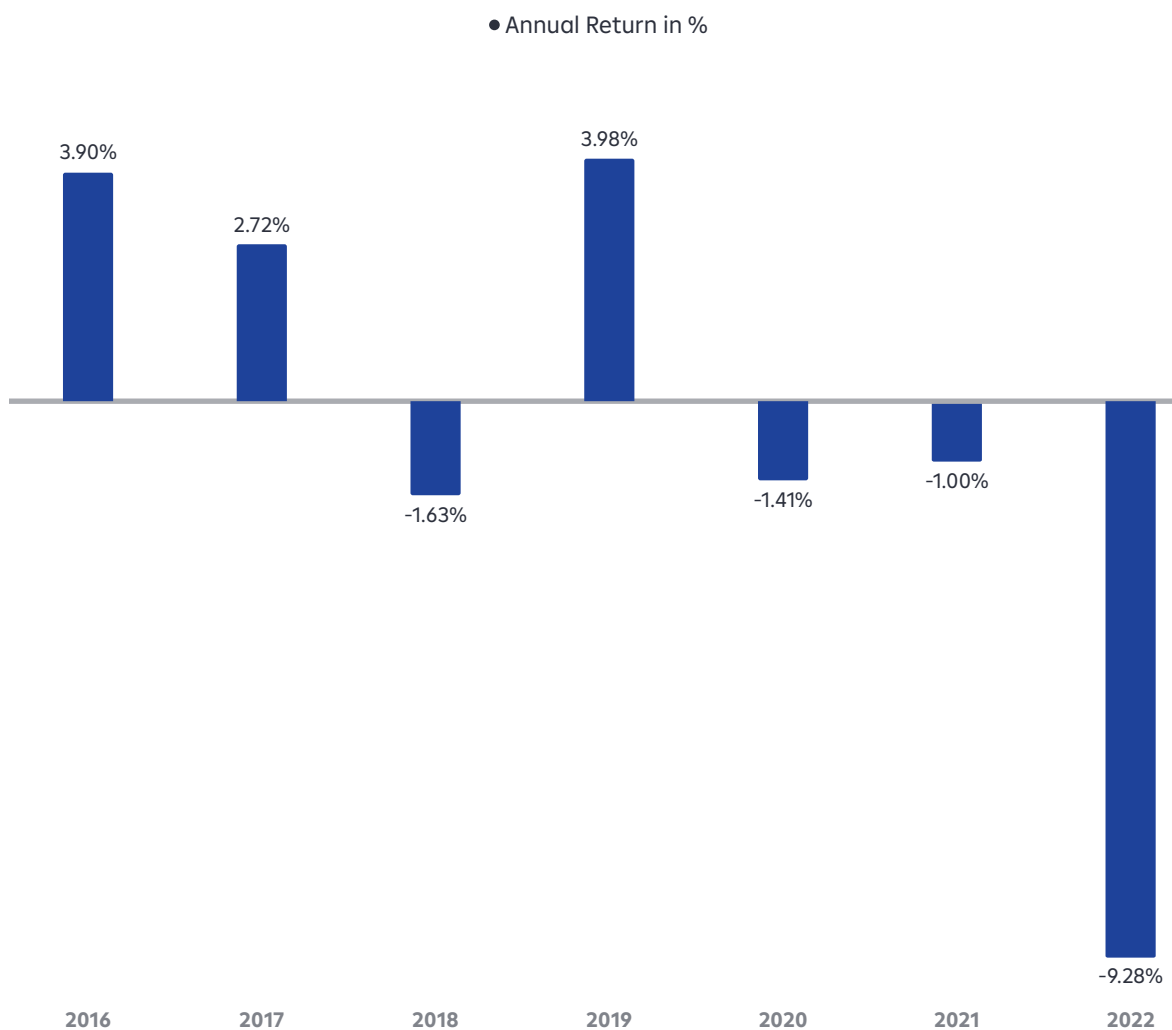
Instrument	In % of Assets
Albanian Government Bonds	46.72
Foreign Government Bonds	2.89
Corporate Bonds	13.68
Investment funds	29.55
Deposit / Current Account	7.17

Fund performance

The year 2022 was a year with mainly negative performance for the euro-denominated bond market, which was also reflected in the unit price of the Euro fund. The fund started the year with a unit price of 116.7451 and followed a downward trend, with few moments of recovery during the months of July and October-November. When it seemed that the pandemic was finally over and a wave of optimism had swept over the financial markets, the situation turned upside down again with Russia's attack on Ukraine. An important issue was the dependence on energy imports, especially natural gas from Russia. The increase in energy prices, but also in the price of other basket goods, resulted in record levels of inflation rate throughout the year.

The tightening policies undertaken by Central Banks brought about a significant rise in yields and bond indices experienced one of the most negative years in recent decades.

Consequently, the negative performance of the bond market in the world negatively affected the performance of the Raiffeisen Invest Euro fund, which ended the year with a net annual return of -9.28 percent.



Top 10 - Main Investments as Percentage of Assets

Raiffeisen Invest Euro Fund

Instrument	In % of Assets
2 years Albanian Government Bond - Mat April 2024	19.58%
7 years Albanian Government Eurobond - Mat October 2025	16.93%
7 years Albanian Government Eurobond - Mat June 2027	10.21%
Investment Fund - Alliance Bernstein European Income	5.73%
Investment Fund - Raiffeisen 304 - Euro Corporates	5.60%
Investment Fund - Raiffeisen Nachhaltigkeit Rent	5.54%
Investment Fund - Lyxor EUR 2-10Y Inflation Expectations	4.31%
Investment Fund - Raiffeisen-Mehrwert 2023	3.04%
North Macedonian Government Eurobond - Mat July 2023	2.89%
InterContinental Hotels Bond - Mat October 2024	2.85%



Raiffeisen
Invest

RAIFFEISEN MIKS

Jepi larmi investimit tënd

PORTOFOL MIKS

mundëson një balancë
midis riskut dhe përfitimit

DIVERSIFIKIM I INVESTIMEVE

për fondet
në monedhë të huaj

TREGJE NDËRKOMBËTARE

Pjesëmarrje në tregjet e
huaja të aksioneve/
obligacioneve

www.raiffeisen-invest.al

Raiffeisen Mix Fund

Raiffeisen Mix Fund is denominated in Euro currency. Fund's investment goal is regular income and moderate capital growth over the medium term.

Fund's assets are invested in financial instruments that belong to 3 main asset classes: fixed income, equity, money market or cash equivalent.

The net asset value of the fund is 2.13 million euros as of December 31, 2022. The number of members in the fund at the end of 2022 is 85.

Investment Policy

In order to achieve the investment objective, the fund invests up to 75 percent of total assets in fixed income instruments, which are issued by the government of Republic of Albania, in an EU country, or in another country permitted by AFSA, by international institutions and / or commercial companies. Moreover, in order to maximize the total return on investment, the fund may invest up to 40 percent of the assets in equities, mainly traded in developed market in USA and EU.

Mix fund portfolio is constructed in such a way as to benefit from the diversification in both asset classes such as bonds and equities. The average duration of the investment portfolio has decreased at the level of 2.40 at the end of December 2022.

On December 31, 2022, the structure of the Investment Portfolio is presented as follows:

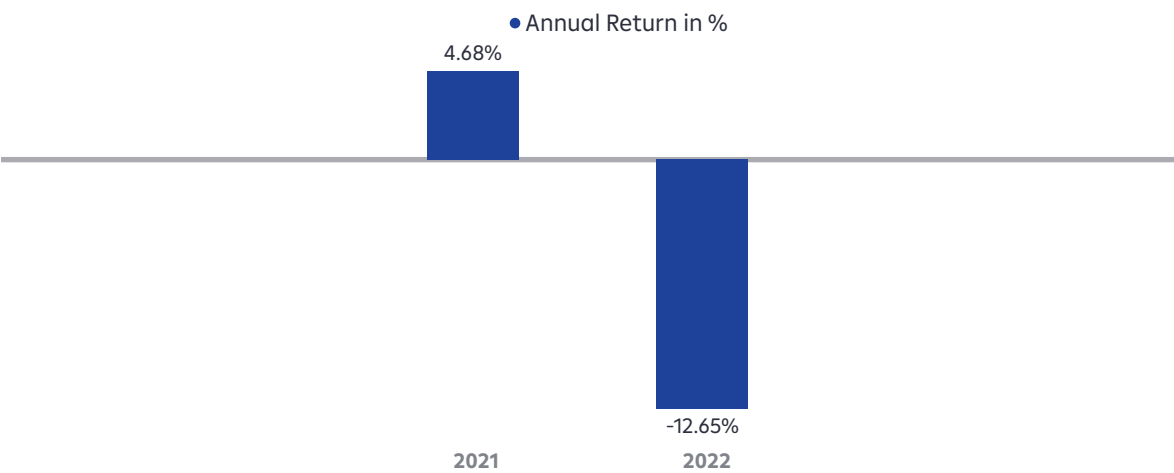
Instrument	Percentage of Assets
Bonds	53.27
Equity	31.22
Investment funds	9.24
Deposit / Current Account	2.97

Fund performance

On an annual basis, after deducting the ongoing charges, the return for 2022 is -12.65 percent.

2022 was a year of great volatility for the euro-denominated bond market, but at the same time it was also the most negative year for the stock market since the global crisis of 2008. The fund started the year with a unit price of 104.6886 and a satisfactory performance from the moment of launch. But, due to the considerable increase in interest rates and the fall in stock prices, the investment portfolio performed negatively and there was a drop in the unit price throughout the year, with a few moments of recovery during the months of July and October-November. Stock indices suffered losses of nearly 20 percent, because of the uncertain situation caused by the war, the significant increase in inflation and the increased probability of recession. The bonds were in the same line, mainly influenced by the tightening monetary policy of the Central Banks with consecutive increases in interest rates and their aggressive rhetoric for the following year as well.

The negative performance of bond markets, as well as those of shares, was reflected in the investment portfolio of the Miks fund, which suffered losses during this year.



Top 10 - Main Investments as Percentage of Assets

Raiffeisen Mix Fund

Instrument	In % of Assets
7 years Albanian Government Eurobond - Mat June 2027	17.07%
7 years Albanian Government Eurobond - Mat October 2025	13.22%
2 years Albanian Government Bond - Mat April 2024	11.88%
Investment Fund - ISHARES STOXX EUROPE 600	8.39%
Investment Fund - Vanguard S&P 500	7.64%
Investment Fund - Lyxor Dow Jones Industrial Average	6.84%
Investment Fund - Lyxor EUR 2-10Y Inflation Expectations	4.71%
Investment Fund - Vanguard FTSE All World High Dividend Yield	4.68%
Investment Fund - Morgan Stanley Euro Corporate Bond Duration Hedged	4.53%
Investment Fund - Raiffeisen Sustainable Equity	3.67%

Raiffeisen Voluntary Pension Fund

The Raiffeisen Voluntary Pension Fund is denominated in ALL currency and is an alternative way of saving, used exclusively for long-term savings.

The objective of the fund is to invest assets under the long-term security principle and a proper return on investment, maintaining an optimal ratio between increasing pension savings and the risk taken.

The net asset value of the fund in ALL reached 1.21 billion or 10.6 million Euros on December 31, 2022, increasing by 16.7 percent compared to last year. The number of members in the fund at the end of 2022 increased by 10 percent compared to the previous year or 321 more members.

Investment Policy

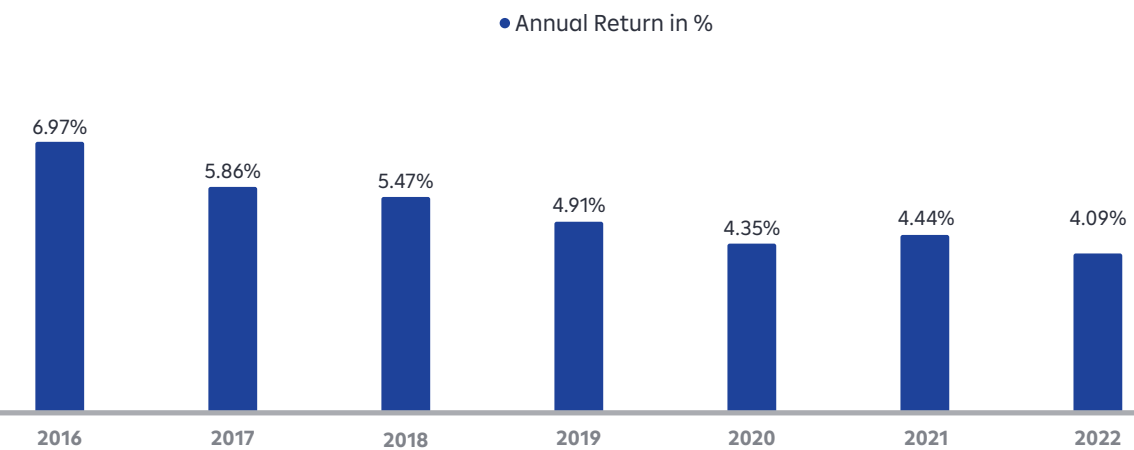
The Pension Fund continued to invest in long-term bonds with maturities of 7, 10 and 15 years, issued by the Albanian Government in the domestic market. The distribution of the fund's assets was aimed at producing the highest possible profit margin, which was successfully achieved, given that the financial environment was dominated by continuously increasing interest rates. On December 31, 2022, the structure of the Investment Portfolio is presented as follows:

Instrument	In % of Assets
Albanian Treasury bonds	97.61
Deposit / Current Account	2.39

Fund performance

On an annual basis, the return for 2022 is 4.09 percent, which continues to be the highest annual net return in the market.

The assets of Pension Fund are invested only in securities issued by Albania Government and as a result the fund is exposed to changes in the interest rates of these securities. Throughout 2022, the increase of the fund's unit value has been stable, marking its highest increase of 0.39 percent in December. The average annual net return from the launch of the fund until December 31, 2022, is 6.17 percent. As of December 31, 2022, the fund's performance is 5.15 percent (on an annual basis) for a period of 7 years and 4.29 percent (on an annual basis) for a period of 3 years.



Top 10 - Main Investments as Percentage of Assets

Raiffeisen Voluntary Pension Fund	
Instrument	% Of Assets
Treasury bond 10 years – Mat 08.07.2029	7.05%
Treasury bond 10 years – Mat 07.07.2031	6.05%
Treasury bond 10 years – Mat 15.01.2031	6.00%
Treasury bond 10 years – Mat 28.07.2030	5.19%
Treasury bond 10 years – Mat 08.01.2030	4.95%
Treasury bond 15 years – Mat 29.09.2037	4.94%
Treasury bond 15 years – Mat 10.11.2036	4.33%
Treasury bond 10 years – Mat 21.01.2032	4.25%
Treasury bond 10 years – Mat 16.01.2029	4.24%
Treasury bond 10 years – Mat 06.07.2028	3.71%



Risk Management Report

Risk Indicators on 31 December 2022

Fund	Average duration	Modified duration	Standard Deviation	* Synthetic risk and reward indicator
Raiffeisen Prestigj	1.86	1.79	1.68%	Level 2
Raiffeisen Vizion	3.81	3.67	3.30%	Level 3
Raiffeisen Invest Euro	2.40	2.37	4.96%	Level 3
Raiffeisen Mix **	2.08	1.97	Na	Level 4
Raiffeisen Pension	4.75	4.62	0.18%	Level 1

* Synthetic risk and reward indicator provides information on the level of risk of the fund (from level 1 to level 7) based on the historical volatility of the fund's performance.

** For Raiffeisen Mix fund, the average duration and the modified duration excludes the portfolio invested in equities.

Risk Management is performed by an independent unit which measures, monitors, and reports to the Board of Administration, the Investment Committee and the FSA respecting the limits and various risk indicators. During 2022 all legal and investment policy limits have been respected and continuously conducted liquidity stress-tests were successfully passed by all funds.

For Raiffeisen Pension fund, the indicators have been stable and the volatility has been low, since most of the fund's investments are held until maturity. The investment funds, both in Lek (Prestigj and Vizion) and in euro (Raiffeisen Invest Euro and Fondi Miks) have had a higher volatility since the interest rates in the local market have undergone major changes and due to the challenges with which international markets have faced such as: the increase in inflation accompanied by an increase in interest rates, disruptions in supply chains due to the war in Ukraine.

For Prestige fund, during 2022, the average duration of the investment portfolio has remained stable. The great volatility of the rates of the Albanian government bonds has caused the risk indicators such as the standard deviation or the volatility of the return to increase. However, the synthetic risk indicator remains unchanged at level 2. This shows that the Prestigj fund continues to be a fund with a low risk profile.

Vizion fund also experienced a high volatility, but being a fund with longer-term investments, the synthetic risk and reward indicator has been assessed at the 3rd level based on the history of volatility of Albanian government securities rates.

For Raiffeisen Invest Euro fund, the average portfolio duration has been moderately reduced to mitigate the effects of the negative revaluation from rising interest rates. However, although the effects of increased volatility in international markets have been accompanied by an increase in the volatility of Invest Euro fund returns, the synthetic risk indicator has remained stable at level 3, indicating a fund with a medium risk profile.

The volatility of the Voluntary Pension fund is extremely low since most of the portfolio will be held until maturity and is assessed with linear depreciation. As a result, the synthetic risk indicator is at the 1st level.

Mix fund was launched in November 2020 and considering its short historical records it wouldn't be appropriate to provide a measure for its standard deviation and returns volatility. However, based on the historical volatility of international markets and the investment policy in place for this fund, the synthetic risk and reward indicator is assessed at level 4.

Financial Statements & Independent Auditor's Report

Contents

**RAIFFEISEN INVEST – MANAGEMENT COMPANY OF
PENSION FUNDS AND COLLECTIVE INVESTMENT
ENTERPRISES SH.A.**

Financial Statements
as at and for the year ended 31 December 2022
(With independent auditor's report thereon)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Management of Raiffeisen Invest Sha, Management company of the pension fund and collective investments undertakings

Opinion

We have audited the financial statements of Raiffeisen Invest sh.a., Management company of the pension fund and collective investments undertakings (hereafter "the Company"), which comprise the statement of financial position as at December 31, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, prepared by management in accordance with Articles 17 and 19 of Law 25/2018 dated May 10, 2018 "On accounting and financial statements", amended, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Audit Albania SHPK

Rruga e Kavajës, Ish parku i mallrave, Kompleksi Delijorgji, Godina H,

Kati i dytë, Tirana, Albania

Identification number (NUI): L41709002H

Deloitte Audit Albania Shpk

Enida Cara

Engagement Partner

Statutory Auditor

March 24, 2023

Tirana, Albania



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

(Amounts are expressed in ALL, unless otherwise stated)

	Note	31 December 2022	31 December 2021
ASSETS			
Cash and cash equivalents	8	548,539,972	580,507,569
Receivable from the Funds	9	43,978,033	74,929,471
Financial assets measured at amortised cost	10	22,226,722	22,226,722
Prepayments		1,445,550	637,570
Income tax receivable	11	33,098,161	37,209,472
Tangible assets	12	10,463,569	10,656,658
Intangible assets	19	5,370,080	-
TOTAL ASSETS		665,122,087	726,167,462
LIABILITIES			
Income tax payable		-	6,853,446
Other liabilities	13	32,167,799	27,648,051
Lease obligation	14	24,243,199	27,224,272
TOTAL LIABILITIES		56,410,998	61,725,769
EQUITY			
Share capital	15	90,000,000	90,000,000
General reserve	15	9,000,000	9,000,000
Retained earnings		509,711,090	65,441,693
TOTAL EQUITY		608,711,090	664,441,693
TOTAL EQUITY AND LIABILITIES		665,122,087	726,167,462

The notes on pages 5 to 28 are an integral part of these financial statements.

These financial statements were approved by the Management Board of Raiffeisen INVEST – Management Company of Pension Funds and Collective Investment Enterprises sh.a. on March 21, 2023.



General Administrator
Edlira KONINI

Deputy General Administrator
Alketa EMINI

(Amounts are expressed in ALL, unless otherwise stated)

	Note	31 December 2022	31 December 2021
Incomes			
Funds administration income	15	745,181,931	878,701,850
Interest income calculated using the effective interest method	16	2,496,973	1,069,162
Fee from withdrawals	9	2,051,898	1,612,930
Other income		5,341,637	34,000
		755,072,438	881,417,943
Expenses			
Personnel expenses	17	(54,542,630)	(49,812,084)
Depreciation and amortization	11,12	(8,484,530)	(5,879,274)
Other operating expenses	18	(527,769,004)	(590,051,496)
		(590,796,164)	(645,742,853)
Loss from foreign exchange		(319,617)	(222,336)
		(319,617)	(222,336)
Profit before tax		163,956,657	235,452,754
Income tax expense	19	(97,687,261)	(104,852,410)
Profit after tax		66,269,397	130,600,344
Other comprehensive income		-	-
Total comprehensive income for the year		66,269,397	130,600,344

The notes on pages 5 to 28 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts are expressed in ALL, unless otherwise stated)

	Share Capital	General reserve	Retained earnings	Total
As at 1 January 2021	90,000,000	9,000,000	656,386,349	755,386,349
Profit for the year	-	-	130,600,344	130,600,344
Other comprehensive income	-	-	-	-
Total comprehensive income for the year			130,600,344	130,600,344
Dividend payment	-	-	(221,545,000)	(221,545,000)
As at December 31,2021	90,000,000	9,000,000	565,441,693	664,441,693
Profit for the year	-	-	66,269,397	66,269,397
Other comprehensive income	-	-	-	-
Total comprehensive income for the year			66,269,397	67,406,974
Dividend payment	-	-	(122,000,000)	(122,000,000)
As at December 31,2022	90,000,000	9,000,000	509,711,089	608,711,089

The notes on pages 5 to 28 are an integral part of these financial statements.

(Amounts are expressed in ALL, unless otherwise stated)

	Note	2022	2021
Cash flows from operating activities			
Profit after tax		66,269,397	130,600,344
Adjustments for:			
Depreciation and amortisation	11,12	8,484,530	5,879,274
Interest income		(2,496,973)	(1,069,162)
Income tax		97,687,261	104,852,410
Income expenses	14	353,055	185,228
		170,297,270	240,448,094
Changes in:			
Receivables from the Funds	9	31,271,534	121,625
Other assets		(807,980)	1,135,598
Other liabilities	13	4,519,748	6,233,220
Cash generated from operating activities		205,280,571	247,938,537
Interest received		1,823,822	989,944
Income tax paid	19	(109,910,787)	(95,933,412)
Net cash generated from operating activities		97,193,606	152,995,069
Cash flows (used in)/from investing activities			
Acquisition of tangible assets	11	(1,055,956)	(4,233,424)
Acquisition of intangible assets	12	(3,124,174)	(8,295,734)
Proceeds from matured financial assets measured at amortised cost	10	-	16,000,000
Net cash (used in)/from investing activities		(4,180,130)	3,470,842
Cash flows from financing activities			
Dividend paid		(122,000,000)	(221,545,000)
Lease liabilities payments		(2,981,073)	(1,513,019)
Net cash used in financing activities		(124,981,073)	(223,058,019)
Net decrease in cash and cash equivalents during the period		(31,967,597)	(88,592,108)
Cash and cash equivalents at 1 January	8	580,507,569	669,099,677
Cash and cash equivalents at the end of the year (Note 8)	8	548,539,972	580,507,569

The notes on pages 5 to 28 are an integral part of these financial statements.

1. INTRODUCTION

Raiffeisen INVEST- Management Company of Pension Funds and Collective Investment Undertakings sh.a. (the "Company") is an Albanian joint stock company based in Tirana. The Company was registered in the Albanian Commercial Register by Tirana District Court dec. No. 33825, dated 18 July 2005. The Company's head office is in Str. Dish Daija, Complex Kika 2, Floor 2, Tiranë.

The Company was licensed by the Albanian Financial Supervisory Authority ("AFSA") on 7 July 2005 (License No. 2) to operate as a management company for voluntary pension funds regarding the collection and investment of voluntary pension funds and payment of pension benefits. The Company is also licensed by the Financial Supervisory Authority on 13 December 2011 (License No. 1) to operate as a management company for collective investment undertakings.

The supervision activity of Raiffeisen INVEST sh.a. is supervised by AFSA, in accordance with the law no. 9572, dated July 3rd 2006 "For Financial Supervisory Authority", law no. 10197, dated December 10th 2009 "For voluntary pension funds", law no. 10198, dated December 10th 2009 "On collective investments undertakings". The Company has an agreement on providing depositary services for the pension fund with First Investment Bank of Albania, headquartered in Blv. "Dëshmorët e Kombit", Twin Tower no 2, Floor 14, Tirana ("Custodian Bank").

The Custodian Bank is licensed by Bank of Albania for providing custody, depositary and fiduciary services (decision no. 13, dated March 10th, 2010). The Custodian Bank is also licensed by AFSA for providing depositary services for pension funds (decision no. 80, dated August 30th, 2010) and collective investment undertakings (decision no. 1 dated 13.12.2011).

The Company's main activity is:

- to manage voluntary pension funds through collecting and investing funds based on the Law no. 10197, dated 10 December 2009 "On Voluntary Pension Funds", as well as in accordance with the principle of risk diversification, for the purpose of providing retirement benefits for the fund members. The Company may also provide payment of pension benefits.
- to establish and/or manage the Collective Investment Undertakings based on the Law no. 10198, dated 10 December 2009 "On collective investment undertakings",
- to perform other activities as defined in the Law no. 10198, dated 10 December 2009 "On collective Investment undertakings".

The Company acts as a Management Company for the following funds:

- The Defined Contribution Fund "Raiffeisen Voluntary Pension Fund", which was approved by the Albanian Financial Supervisory Authority on 18 October 2010.
- The Investment Fund "Raiffeisen Prestige", which was approved by the Albanian Financial Supervisory Authority on 13 December 2011.
- The Investment Fund "Raiffeisen Vizion", which was approved by the Albanian Financial Supervisory Authority on 30 July 2018.
- The Investment Fund "Raiffeisen Invest Euro", which was approved by the Albanian Financial Supervisory Authority on 26 September 2012.
- "Raiffeisen Mix" - investment fund which was approved by the Albanian Financial Supervisory Authority on 23 October 2020.

The Board of Administration is the central body of the Company and consists of 7 members, as follows:

Mrs. Donalda GJORGA	Chairman
Mr. Peter ZILINEK	Deputy Chairman
Mr. Erjon BALLI	Member
Mrs. Alda SHEHU	Member
Mr. Gentjana CICERI	Member
Mrs. Edlira KONINI	Member
Mrs. Alketa EMINI	Member

Administrators:

Mrs. Edlira KONINI	General Administrator
Mrs Alketa EMINI	Deputy General Administrator

2. BASIS OF ACCOUNTING

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The financial statements for the year ended 31 December 2022 are approved by the Company's Management at March 21st 2023.

2.1 Going concern

The Company's financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for at least 12 months from the date of the financial reporting. The Company conducts resistance tests for each fund administered by it, in order to calculate the necessary liquidity in the conditions of deteriorating market scenarios, under the assumption of withdrawal of quotas from 3 to 30 days and the time required to liquidate the investments of each funds.

The company continues to maintain a satisfactory level of liquidity as a result of the increase in the net asset value of Raiffeisen Pension and Raiffeisen Vizion funds. According to the evidence of resistance, it is estimated that the funds can cope with the deteriorating scenarios, complying with regulatory requirements for liquidations within the legal deadline.

The ongoing military operation in Ukraine and the related sanctions targeted against the Russian Federation have impacted the European economies and globally. The entity does not have any significant direct exposure to Ukraine, Russia or Belarus.

Nevertheless, at the date of these financial statements the Company continues to meet its obligations as they fall due and therefore continues to apply the going concern basis of preparation. Based on the above and the results of the resistance tests, the Management of the Company has concluded that there is no inherent uncertainty in the ability of the Company to continue its activity, for the foreseeable future, of at least 12 months from the date of approval of these financial statements. Consequently, Management deems that the principle of continuity is an appropriate basis in the preparation of these statements.

3. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Albanian Lek ('Lek'), which is the Company's functional currency.

4. BASIS OF MEASUREMENT

These financial statements have been prepared on a historical cost basis.

5. USE OF ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

A. Judgments

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Note 6(b) – revenue recognition: whether revenue is recognised over time or at a point in time

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2022 is included in the following notes:

- Note 21(i) – impairment of financial instruments: determining inputs into the ECL measurement model, including incorporation of forward-looking information;
- Note 22: recognition and measurement of contingencies: key assumption about the likelihood and magnitude of an outflow of resources;

6. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

a) Standards and Interpretations effective in the current period

The following new standards, amendments to the existing standards and interpretation issued by the International Accounting Standards Board (IASB) are effective for the current reporting period:

- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets—Onerous Contracts—Cost of Fulfilling a Contract- Effective date is beginning on or after 1 January 2022, with early application permitted
- Annual Improvements to IFRS Standards 2018-2020—Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture- Effective date is beginning on or after 1 January 2022, with early application permitted
- Amendments to IFRS 3 Business Combinations—Reference to the Conceptual Framework-Effective beginning on or after 1 January 2022- with early application permitted
- Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use-Effective date is beginning on or after 1 January 2022, with early application permitted
- Annual Improvements to IFRS Standards 2018-2020—Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture- Effective date is beginning on or after 1 January 2022, with early application permitted
- Amendments to IFRS 9 “Financial Instruments” The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The adoption of these changes in existing standards has not led to any material change in the Company's financial statements.

b) New standards and interpretation issued not yet effective

At the date of authorisation of these financial statements, the following new standards, amendments to existing standards and new interpretation were in issue, but not yet effective:

- IFRS 17 Insurance Contracts - Effective for annual reporting periods beginning on or after 1 January 2023
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures-Effective date not been set yet
- Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current- Effective date is beginning on or after 1 January 2023
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies- The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively.
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates. The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.
- Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction- effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

Management provides that all relevant pronouncements will be approved for the first period beginning on or after the effective date of publication.

7. SIGNIFICANT ACCOUNTING POLICIES

a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions. Foreign currency differences arising on translation are recognized in profit or loss.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gains or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

b) Revenue

Administration income represents asset management fees and is considered as revenue from services rendered to Pensions/Investment Funds under administration.

The Company acts as a principal when providing the asset management services.

Fees for asset management services are calculated based on a fixed percentage of the value of net assets managed (see Note 15 for details). So this consideration is variable.

The nature of each of the Company's revenue streams result in a single performance obligation being the asset management. Therefore, the Company has not made any significant judgements when allocating the transaction price to the performance obligation.

Management fees are recognised over time as the service is provided. Namely, the revenue is recognized on a daily basis as a defined percentage (daily rate) of the net assets value for each of the administered funds as of a particular date. Proceeds are usually payable within 30 days by charging the relevant Investment / Pension fund accounts. As revenue is recognized for the sum of daily calculations, no revenue adjustments are needed at the end of the period.

According to the Law on Pension Funds, Pension fund members who decide to withdraw funds before the time limits prescribed in the law, are subject to early withdrawal penalties (predetermined % of net assets value). Revenue from such penalties is recognised when a withdrawal takes place as only then uncertainty associated with this variable consideration is resolved. This revenue is presented as a separate line in the statement of profit or loss and other comprehensive income under "Fee from withdrawals".

c) Interest

Effective interest rate

Interest income and expense are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Amortised cost and gross carrying amount

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount recognized and the maturity amount and for, financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset.

Presentation

Interest income presented in the statement of profit or loss and OCI includes interest on financial assets measured at amortised cost calculated on an effective interest basis.

d) Operating expenses

The operating expenses are recognized when incurred.

e) Leasing

(i) The Company as a lessee

The Company makes the use of leasing arrangements principally for the provision of the office space.

The rental contracts for offices are typically negotiated for terms of 1 and 10 years. The Company does not enter into sale and leaseback arrangements. The Company assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

Some lease contracts contain both lease and non-lease components. These non-lease components are usually associated with facilities management services. The Company has elected to not separate its leases for offices into lease and non-lease components and instead accounts for these contracts as a single lease component.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Company's incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease.

The incremental borrowing rate is the estimated rate that the Company would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. The finance cost is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Right of use assets are presented with Tangible assets in the statement of financial position (please refer note 11)

Lease liabilities are presented in a separate line in the statement of financial position.

f) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are recognized in profit or loss as the related service is provided and included in personnel expenses.

(ii) Social, pension and health funds

The Company makes compulsory social security and health contributions in a fund operated by the Albanian state that provide pension, health and other social benefits for employees. Obligations for such contributions are recognized in profit or loss when they are due and included in personnel expenses. The Albanian state provides the legally set minimum threshold for such contributions.

(iii) Paid annual leave

The Company recognizes as a liability the undiscounted amount of the estimated costs related to annual leave expected to be paid in exchange for the employee's service for the period completed.

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Employee benefits (continued)

(iv) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

g) Income tax expense

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

h) Financial instruments

(i) Recognition and initial measurement

The Company initially recognizes deposits on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, financial assets are classified as measured at amortised cost. Financial assets are not reclassified subsequent to their initial recognition, unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Business model assessment

The Company has made an assessment of the business model taking into consideration the following:

- The objective of keeping the financial assets is earning contractual interest revenue;
- There are no sales transactions for this portfolio, assets in this portfolio are kept until maturity.

Assessment whether contractual cash flows are solely payments of principal and interest ("SPPI")

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as profit margin.

The financial assets that the company holds do not contain any clauses that would cause it to fail an SPPI Test.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities were classified as measured at amortised cost and were subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses were recognised in profit or loss. Any gain or loss on derecognition was also recognised in profit or loss.

(vi) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is neither evidenced by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument, but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(iv) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

i) Investments at amortized cost

Investment securities include debt securities measured at amortized cost. See Note 7 (g).

j) Cash and cash equivalents

Cash and cash equivalents include highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

k) Tangible assets

Recognition and measurement

Items of tangible assets are measured at cost less accumulated depreciation and impairment losses, if any.

Subsequent costs

The cost of replacing part of an item of tangible asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of tangible assets are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognized in profit or loss using the reducing balance method. Annual depreciation rates are as follows:

Office Equipment	20%
IT equipment	25%
Vehicles	20%

Depreciation for a given year is calculated applying the relevant depreciation rate to the opening balance of the relevant asset on the given financial year. If any asset is added to the category during the financial year, depreciation is calculated for the remaining months of the year.

7. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I) Intangible assets

Intangible assets acquired by the Company are stated at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortization is recognized in profit or loss using the reducing balance method. The annual amortization rate is 25%. Amortization for a given year is calculated applying the amortization to the opening balance of the intangible asset on the given financial year. If any asset is added to this category during the financial year, amortization is calculated for the remaining months of the year.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise current accounts held in resident Banks and detailed as follows:

	31 December 2022	31 December 2021
Cash at banks	27,866,821	30,468,391
Deposits maturing within three months	520,673,151	550,039,178
Total	548,539,972	580,507,569

The deposits as at 31 December 2022 and 2021 are as follows

	31 December 2022	31 December 2021
Placement date	05 December 2022	06 December 2021
Maturity date	05 January 2023	06 January 2022
Interest rate	1.75%	0.10%

Deposits and current accounts are held at Raiffeisen Bank Albania sha (the parent company). The company does not calculate ECL for deposits due to the fact that they have a maturity of up to one month and the effect of ECL is immaterial.

9. RECEIVABLE FROM THE FUNDS

Receivables from the Funds are related to management fees for December for each of the Funds under management and to penalties applied for early withdrawals from the Voluntary Pension Fund. Receivables are composed as follows:

	31 December 2022	31 December 2021
Raiffeisen Prestige	26,287,454	45,643,331
Raiffeisen Vizion	9,455,032	16,793,764
Raiffeisen Invest Euro	4,374,087	9,012,354
Penalties for early withdrawals from the Voluntary Pension Fund	2,051,898	1,612,930
Raiffeisen Voluntary Pension Fund	1,535,407	1,290,861
Raiffeisen Invest Miks	274,155	576,231
	43,978,033	74,929,471

10. FINANCIAL ASSETS MEASURED AT AMORTISED COST

Financial assets measured at amortised cost as at 31 December 2022 and 2021 are as follows:

	31 December 2022	31 December 2021
Nominal value	22,000,000	22,000,000
Accrued interest	226,722	226,722
	22,226,722	22,226,722

Investment securities represent Albanian Government Bonds denominated in Lek, with a maturity of 2 years and coupon rates of 2.65%. Coupon is paid semiannually.

	Nominal value	Unamortized pre- mium/discount	Accrued interest	Net book value
Government Bonds	22,000,000	-	226,722	22,226,722
At 31 December 2022	22,000,000	-	226,722	22,226,722

	Nominal value	Unamortized pre- mium/discount	Accrued interest	Net book value
Government Bonds	22,000,000	-	226,722	22,226,722
At 31 December 2021	22,000,000	-	226,722	22,226,722

Movements in nominal value of financial assets held at amortized costs are presented below:

	31 December 2022	31 December 2021
At 1 January	22,000,000	16,000,000
Purchases during the year	-	22,000,000
Matured during the year	-	(16,000,000)
	22,000,000	22,000,000

11. TANGIBLE ASSETS

Tangible assets as at 31 December 2022 and 2021 are as follows:

	Vehicles	Furniture and Electronic equipment	Right of use of assets (Building)	Total
Cost				
As at January 1, 2021	12,042,093	16,997,786	-	29,039,879
Additions	-	4,233,424	28,552,062	32,785,486
As at December 31, 2021	-	-	-	-
Additions	12,042,093	21,231,210	28,552,062	61,825,365
As at December 31, 2022	-	1,055,956	-	1,055,956
Accumulated depreciation				
As at January 1, 2021	8,594,956	12,372,863		20,967,819
Charge for the year	689,308	1,531,163	1,427,603	3,648,074
As at December 31, 2021	9,284,264	13,904,026	1,427,603	24,615,893
Charge for the year	551,448	1,760,713	2,855,106	5,167,267
As at December 31, 2022	9,835,712	15,664,739	4,282,709	29,783,160
Carrying amounts				
As at January 1, 2021	3,447,137	4,624,923	-	8,072,060
As at December 31, 2021	2,757,829	7,327,184	27,124,459	37,209,472
As at December 31, 2022	2,206,381	6,622,426	24,269,353	33,098,161

As at 31 December 2022 and 2021 there are no property, plant and equipment set as collateral for long-term or short-term loans.

12. INTANGIBLE ASSETS

	Software	Total
Cost		
As at January 1, 2021	25,668,407	25,668,407
Additions	8,295,734	8,295,734
As at December 31, 2021	33,964,141	33,964,141
Additions	3,124,175	3,124,175
Disposals	(135,692)	(135,692)
As at December 31, 2022	36,952,624	36,952,624
Accumulated depreciation		
As at January 1, 2021	21,076,284	21,076,284
Charge for the year	2,231,200	2,231,200
As at December 31, 2021	23,307,484	23,307,484
Charge for the year	3,317,263	3,317,263
Disposals	(135,692)	(135,692)
As at December 31, 2022	26,489,055	26,489,055
Carrying amounts		
As at January 1, 2021	4,592,123	4,592,123
As at December 31, 2021	10,656,657	10,656,657
As at December 31, 2022	10,463,569	10,463,569

13. OTHER LIABILITIES

Other liabilities as at 31 December 2022 and 2021 are as follows

	31 December 2022	31 December 2021
Liabilities for sponsorships	18,103,785	17,227,893
Suppliers	6,136,264	714,899
Accumulated bonus for employees	4,940,805	5,072,143
Due to state-social insurance	576,148	570,000
Due to state-personal income tax	562,037	519,411
Due to Supervisory Financial Authority	151,118	130,477
Due to Custodian Bank	66,461	55,904
Audit accrued expenses	-	2,824,046
Liabilities to RBAL (package fee)	-	96,900
Other	1,631,180	436,377
Total	32,167,798	27,648,050

Liabilities for sponsorships represent contracts signed for various sponsorship activities, in the framework of the company's commitment to social responsibility, which were signed during 2022 but still unpaid until 31 December. The Company pays liabilities for sponsorships based on documents for works performed. At the end of year 2022 several companies were unable to present justifying documents

14. LEASE LIABILITIES

Lease liabilities as at 31 December 2022 and 2021 are as follows:

	31 December 2022	31 December 2021
As at 1 January	27,224,272	28,552,062
Additions	-	-
Interest expense	353,055	185,228
Lease payments	(2,951,284)	(1,105,160)
Translation effect	(382,844)	(407,858)
As at 31 December	24,243,199	27,224,272
Current	2,892,366	2,892,366
Non-current	21,350,833	24,331,906
Total	24,243,199	27,224,272

The following are the amounts disclosed in profit and loss:

	For the year ended December 31, 2022	For the year ended December 31, 2021
Depreciation expense of right of use	2,855,106	1,427,603
Interest expense lease liability	353,055	185,228
Rent expense short term leases (note 19)	-	2,330,850
Total recognized in profit and loss	3,208,161	3,943,681

The Company had total cash outflows for leases of LEK 2,951,284 in 2022 (LEK 3,688,429 in 2021)

Future lease payments

At 31 December, the future lease payments under non-cancellable leases were payable as follows.

	31 dhjetor 2022	31 dhjetor 2021
Less than one year	2,855,204	2,892,366
Between one and five years	11,420,815	11,450,309
More than five years	9,967,180	12,881,597
	24,243,199	27,224,272

15. SHARE CAPITAL

At 31 December 2022 and 2021, the registered share capital is Lek 90,000,000 divided into 12,857 shares with a nominal value of Lek 7,000.08. The Shareholder of the Company is Raiffeisen Bank sh.a. and ultimate Shareholder is Raiffeisen Bank International AG.

Based on Law No. 9901, dated 14 April 2008 "On Entrepreneurship and Commercial Companies" and in the Company's Statute, the Company maintains a legal reserve and transfers each year 5% of the net profit realized in the previous financial year until the legal reserves amounts 10% of the Company's share capital. Due to the fact that the legal reserve has already reached 10% of the share capital, during 2021, the legal reserve has remained unchanged. The use of legal reserve is at the discretion of the shareholders.

The company manages the capital structure and, as a result of changes in economic conditions introduces changes to it. In order to maintain or correct the capital structure, the Company may change the payment of dividends to shareholders or return capital to shareholders. During the Year ended 31 December 2022 and the year ended 31 December 2021, no changes were made to the objectives, rules and processes in force in this area.

The main objective of managing the Company's capital (defined as equity due to shareholders) is to maintain safe capital ratios that would support the Company's operating activities and increase value for its shareholders, while maintaining the capital requirements imposed by law.

The Company must meet the capital requirements in accordance with the Regulation no. 132 "on Form Calculation and minimum amount of Own Funds mandatory for Funds Administration Companies" of September 30, 2020. As of 31 December 2022, the minimum required equity should amount to ALL 17,635,445 ALL and this requirement was met by the Company, because Share Capital amounted to ALL 90,000,000 (excluding Net Profit For year 2021 and Retained earnings).

As of 31 December 2021, the minimum required equity capital should amount to 30,635,990 ALL and this requirement was met by the Company, as Share Capital amounted to ALL 90,000,000 (excluding Net Profit For year 2021 and Retained earnings).

When making decisions on the distribution of profit, performs the following activities decisive for shaping the dividend policy:

- monitors compliance with statutory capital requirements,
- estimates additional capital needs in the perspective of twelve months from the moment of • approval of the financial statements so that the payment of dividends by the Company does not affect the fulfillment of capital requirements in the following months.

16. FUND'S ADMINISTRATION INCOME

Fund's administration income for the year ended 31 December 2022 and 2021 is as follows:

	31 December 2022	31 December 2021
Raiffeisen Prestige	467,700,681	548,247,166
Raiffeisen Vision	178,647,423	186,496,979
Raiffeisen Invest Euro	76,752,116	125,466,573
Raiffeisen Voluntary Pension Fund	16,896,137	14,256,349
Raiffeisen Miks	5,185,574	4,234,783
	745,181,931	878,701,850

Funds management income is calculated daily on the basis of daily Net Assets Value for each of the Funds based on defined percentage rates and detailed respectively as follows:

- Prestige Fund - 1.15% (annually) of net assets value ;
- Vizion Fund - 1.15% (annually) of net assets value ;
- Pension Fund – 1.5% (annually) of net assets value;
- Euro Investment Fund – 1.30% (annually) of net assets value;
- Miks Investment Fund – 1.30% (annually) of net assets value.

The management income is calculated on a daily basis.

The Company has not disclosed information about the allocation of the transaction price to remaining performance obligations in contracts because an estimate of the transaction price would include only estimated variable consideration that is constrained.

17. INTEREST INCOME CALCULATED USING THE EFFECTIVE INTEREST METHOD

Interest income from financial instruments by classes is composed as follows:

	31 December 2022	31 December 2021
Government bonds	583,000	568,726
Current accounts	1,913,973	500,436
	2,496,973	1,069,162

18. PERSONNEL EXPENSES

	31 December 2022	31 December 2021
Salaries and Bonuses	49,040,775	44,605,456
Social insurance	4,039,569	3,787,521
Other personnel costs	1,462,286	1,419,107
	54,542,630	49,812,084

19. OTHER OPERATING EXPENSES

Other operating expenses for the year ended 31 December 2022 and 2021 is as follows:

	31 December 2022	31 December 2021
Other fees for investment funds management	380,165,300	373,293,950
Marketing&Sponsorship	99,931,921	88,239,173
Sales fee	14,225,900	14,682,800
Maintenance service	11,976,215	13,038,256
Commisions	5,899,734	10,639,360
Rent expenses	2,914,799	3,946,743
Custodian Bank Expenses	732,363	39,933,444
Fee paid to Financial Supervisory Authority	502,723	30,638,185
Mail and Postage	412,765	-
Travel and per diems	214,015	241,810
Insurance	128,803	108,390
Telephone and internet	68,820	138,486
Notary and legal expenses	40,600	87,900
Other staff expenses	35,448	910,701
Taxes	-	2,330,850
Other	10,519,598	11,663,398
Total	527,769,004	589,893,446

Other fees for investment funds management are related to the cooperation agreement between Raiffeisen Invest sh.a. and Raiffeisen Bank sh.a., dated January 3, 2013 according to which Raiffeisen Invest sh.a. aims to offer its investment funds 'investors a package of banking services provided by Raiffeisen Bank sh.a. and to cover all costs of the services included in the package, through monthly payments.

For the year 2022, the price of the services included in the package is 950 ALL/per investor (2021: 950 ALL/investor)

Sales fees related to the cooperation agreement between Raiffeisen Invest sh.a. and Raiffeisen Bank sh.a., dated January 25, 2012, (last amendment December 2019) according to which Raiffeisen Invest sha, agrees to pay to tha annual sales fee to the Raiffeisen Bank by virtue of its efforts and success in selling RIAL investment funds. For the year 2022, the price of the services is 120.000 Eur (2021 - 120.000 Eur)

The Fee paid to the Financial Supervisory Authority is based on Regulation no.18/1, dated 15 February 2010 (revised on October 6, 2011) of the Board of Financial Supervisory Authority pension funds and investment funds should pay an annual fee of 0.05% of the value of assets at the end of each day. (2021: 0.05% of the value of assets at the end of the month for investment funds and 0.05% of the assets value at the end of the quarter for pension funds).

Until November 25, 2021, the fee to the Financial Supervisory Authority as well as the fee to the Custodian Bank, was paid by the Management Company of the Investment Funds. After November 25, 2021, based on the provisions of the Law No. 56/2020 "On Collective Investment Undertakings", dated April 30, 2020, which entered into force on June 20, 2020, these fees are paid by the individual Investment Funds themselves. Due to this change, there is a noticeable decrease in the amount of fee paid by the Management company to the Financial Supervisory Authority and the Custodian Bank, as it now only represents the fees paid for the Pension Fund under management.

20. INCOME TAX

The Company determines taxation at the end of the year in accordance with the Albanian tax legislation. In 2022, Albanian corporate tax rate on profit is equal to 15% (2021: 15%) of taxable income. The following is a reconciliation of income taxes calculated at the applicable tax rate to income tax expense

	2022	2021
Current income taxes	97,687,261	104,852,410
Deferred taxes	-	-
Total	97,687,261	104,852,410

The following reconciliation shows the relationship between profitbefore tax and the effective tax burden:

	2022	2021
Profit before tax	163,956,657	235,452,754
Theoretical income tax expense using the domestic tax rate of 15%	24,593,499	35,317,913
Tax effect of:		
Tax-exempt income	-	-
Non-deductible expenses	73,093,762	69,534,497
Utilization of tax losses carried forward from prior years		
Effective tax burden	97,687,261	104,852,410
Tax rate in per cent	59.58%	44.53%

Included in the tax effect of non-deductible expenses there is an amount of Lek 57,024,795 (2021: Lek 55,994,093) which relates to expenses for services provided by RBAL.

21. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

a) Measurement of fair values

The Company classifies the financial assets and financial liabilities are classified as amortized cost.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and current accounts with resident Banks. As these balances are short term, their fair value is considered to equate to their carrying amount.

Financial assets at amortized cost

Financial assets at amortised cost include government bonds of Albanian Government. The fair Value of this asset should it have been classified as Held for Trade results to be 22,176,990 ALL.

The fair value for this investment has been estimated using a discounted cash flow model based on a current yield curve appropriate for the remaining term to maturity.

b) Financial risk management

The Company is exposed to the following risks from the use of financial instruments:

- credit risk
- liquidity risk
- market risks
- operational risks

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Administration has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring Company's risk management policies. The Company's risk management policies are established to identify and analyses the risks faced by the financial institution, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Company, through management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

(i) Credit risk

Credit risk is the risk of financial loss to Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For risk management reporting purposes, the Company considers these elements of credit risk exposure (such as individual default risk and sector risk).

The Company's Board of Administration has delegated the responsibility for the management of credit risk to the Management, which is responsible for the oversight of the Company's credit risk. The Company's investments are in treasury bills and bonds of the Government of Albania and therefore the Company is exposed only to Albanian government credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	31 December 2022	31 December 2021
Cash and cash equivalents	548,539,972	580,507,569
Financial assets held to maturity	22,226,722	22,226,722
Total	570,766,694	602,734,291

Exposure to credit risk:

The maximum exposure to credit risk for accounts receivable at the reporting date by type of geographic region was:

	31 December 2022	31 December 2021
Domestic	570,766,722	602,734,291
	614,677,569	677,663,762

Credit quality of financial assets is as follows:

	Stage 1	Stage 2	2022 Stage 3	POCI	Total	2021 Total
Albanian Government B+	22,226,722	-	-	-	22,226,722	22,226,722
Cash and cash equivalent, unrated	548,539,972	-	-	-	548,539,972	580,507,569
Loss allowance	(40,711)	-	-	-	(40,711)	(40,711)
Carrying amount	570,725,983	-	-	-	570,725,983	602,693,580

Investment securities

The credit risk of the portfolio of investment securities is assessed based on historical data and assessment of the ability of the Albanian Government to meet its contractual cash flows obligations in domestic currency in the near term.

The Albanian Government is rated as B+, stable, based on the credit rating of Standard & Poor's and B1, stable, based on the credit rating of Moody's.

21. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT B) FINANCIAL RISK MANAGEMENT (CONTINUED)

Cash and cash equivalents

The cash and cash equivalents are held with commercial banks in Albania. The Company applies a 12-month expected loss basis and reflects the short maturities of the exposures in assessing the impairment on cash and cash equivalents.

Receivable from the Funds

Loss rates are based on actual credit loss experience over the past five years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

The following table provides information about the aging, exposure to credit risk and ECLs as at 31 December 2022 and 2021:

31 Decemeber 2022 In Lek	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not pas due	0%	43,978,033	-	No
		43,978,033	-	
31 Decemeber 2021 In Lek				
Not pas due	0%	74,929,471	-	No
		74,929,471	-	

Loss rates for this kind of receiveales for the last 10 years have been zero. These receivables have a maturity of less than one week. Due to the above, the company does not calculate loss allowance for receivables from funds

Inputs, assumptions and techniques used for estimating impairment

See accounting policy in Note 7(g)(vii).

Significant increase in credit risk

When determining whether the risk of default of the invested amount on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit risk specialists' assessment and including forward-looking information.

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met.

For exposures toward Albanian government the credit risk is considered to be increased significantly since initial recognition if there is delay of 30 days or more in the repayment of an obligation to the Company.

The Company monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that the criteria are capable of identifying significant increases in credit risk before an exposure is in default.

Definition of default

The Company considers a financial asset to be in default when:

- the counterparty is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the counterparty is past due more than 90 days on any material credit obligation to the Company.

In assessing whether a counterparty is in default, the Company considers indicators that are:

- qualitative – e.g., breaches of covenants;
- quantitative – e.g., overdue status and non-payment on another obligation of the same issuer to the Company; and

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Modified financial assets

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions, and other factors not related to a current or potential credit deterioration of the counterparty. An existing asset whose terms have been modified may be derecognized and the renegotiated asset recognized as a new one at fair value in accordance with the accounting policy set out in Note 7(g)(v).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.

Measurement of ECL

Receivable from the Funds

All the receivables portfolio of the company consists in receivables from funds under management. Such receivables have a maturity of up to one week. Historical data from the past 12 years show no delays in payments. Due to the above, the company does not calculate ECL for this item.

Cash and cash equivalents

The cash and cash equivalents are held with commercial banks in Albania. The Company applies a 12-month expected loss basis and reflects the short maturities of the exposures in assessing the impairment. Due to the very short maturity of instruments, up to one month, and the fact that all the balance is placed with our shareholding company, no loss allowance has been recognized for year 2021.

Investment securities

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD).

PD estimates are estimates at a certain date, which are calculated based on internally and externally compiled data comprising both quantitative and qualitative factors.

LGD is the magnitude of the likely loss if there is a default and is estimated based on parameters calculated by rating agencies.

EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. The EAD of a financial asset is its gross carrying amount. EAD estimates are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

The Company measures ECL considering the risk of default over the maximum contractual period over which it is exposed to credit risk, even if, for risk management purposes, the Company considers a longer period. The maximum contractual period extends to the date at which the Company has the right to require repayment of an advance.

As at 31 December 2022 and 31 December 2021, the Company had no impaired financial assets.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities.

Management of liquidity risk

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and severe conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following table shows cash flows on the Company's financial assets and liabilities on the basis of their earliest possible contractual maturity or expected cash flow, as the effect of discounting is considered not material.

31 December 2022	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
Assets						
Cash and cash equivalents	548,472,814	-	-	-	-	548,472,814
Receivable from funds	43,978,033	-	-	-	-	43,978,033
Investment securities	-	22,226,722	-	-	-	22,226,722
Total	592,450,847	22,226,722	-	-	-	614,677,569
Liabilities						
Other liabilities	31,185,426	-	-	-	-	31,185,426
Lease liabilities	237,678	475,357	713,035	1,426,071	21,391,058	24,243,199
Total	31,423,104	475,357	713,035	1,426,071	21,391,058	55,428,625
Surplus of cash inflows	561,027,743	21,751,365	(713,035)	(1,426,071)	(21,391,058)	559,248,944
Cumulative	561,027,743	582,779,108	582,066,073	580,640,002	559,248,944	-
31 December 2021	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
Assets						
Cash and cash equivalents	580,507,569	-	-	-	-	580,507,569
Receivable from funds	74,929,471	-	-	-	-	74,929,471
Investment securities	-	-	-	-	22,226,722	22,226,722
Total	655,437,040	-	-	-	22,226,722	677,663,762
Liabilities						
Other liabilities	27,648,051	-	-	-	-	27,648,051
Lease liabilities	250,215	500,429	750,644	1,501,289	25,209,632	28,212,209
Total	27,898,266	500,429	750,644	1,501,289	25,209,632	55,860,260
Surplus of cash inflows	627,538,774	(500,429)	(750,644)	(1,501,289)	(2,982,910)	621,803,502
Cumulative	627,538,774	627,038,345	626,287,701	624,786,412	621,803,502	-

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rate, foreign exchange rates and credit spreads will affect the Company's incomes or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Exposure to interest rate risk

The principal risk to which trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instrument because of a change in market interest rates (Assets and Liabilities Net Present Value Gaps). Interest rate risk is managed principally through monitoring interest rate gaps. Interest bearing financial assets as of 31 December 2022 and 31 December 2021 is presented below:

	31 December 2022	31 December 2021
Cash at banks	27,866,821	30,468,391
Deposits maturing within three months	520,673,151	550,039,178
Total	548,539,972	580,507,569

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss. A change of 100 basis points in interest rates wouldn't have increased or decreased equity.

Exposure to foreign exchange risk

The Company is not significantly exposed to currency risk as the transactions in foreign currencies are not frequent. Currency risk is managed through using assets/liabilities matching. Almost all financial assets and liabilities of the Company as of 31 December 2022 and 2021 were denominated in domestic currency. The applicable official Company rates (Lek to the foreign currency unit) for the principal currencies as at 31 December 2022 and 2021 were as below:

	31 December 2022		31 December 2021	
	Period end	Average	Period end	Average
United States dollar (USD)	107.05	113,15	106.54	103.52
European Union currency unit (EUR)	114.23	118,92	120.76	122.46

(iv) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior excluding reputation and strategic risk. The Company's objective is to manage operational risk so as to balance the avoidance of financial losses through control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to the Board of Administration. This responsibility is supported by the development of overall Company's standards for the management of operational risk in the following areas:

- appropriate segregation of duties, including the independent authorization of transactions
- reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- periodic assessment of operational risks faced, adequacy of controls and related procedures
- reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

22. RELATED PARTIES

The Company has a related party relationship with the parent company Raiffeisen Bank sh.a. As of and for the year ending 31 December 2022 and 2021 the Company has entered the following transactions and balances with related parties:

Towards Raiffeisen Bank sh.a.

	31 December 2022	31 December 2021
Statement of financial position		
Cash and cash equivalents (Note 8)	548,539,972	580,507,569
Total	548,539,972	580,507,569
Statement of Profit or Loss and other comprehensive income		
Expenses		
Expenses from transactions	121,910	155,540
Total	121,910	155,540
Expenses (Note 19)		
Other fees for investment funds management	380,165,300	373,293,950
Sales fee	14,225,900	14,682,800
Total	394,391,200	387,976,750
Dividends distributed and paid	122,000,000	221,545,000

Towards Funds

Statement of financial position		
Receivables from the Funds (Note 9)	43,978,033	74,929,471
Total	43,978,033	74,929,471
Statement of Profit or Loss and other comprehensive income		
Funds administration income	745,181,931	878,701,850
Fee from withdrawal	2,051,898	1,612,930
Total	747,233,829	880,314,780
Key management personnel		
Key managements compensation Expenses		
Short-term benefits	18,241,993	15,898,934
Post-employment benefits	753,487	743,552
Total	18,995,479	16,642,486



Raiffeisen
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23. EVENTS AFTER THE REPORTING PERIOD

There are no other significant events after the reporting date that may require adjustment or additional presentation in the financial statements.

The management Company prepares full Financial Reports for all the Funds Under Management, namely:

- **Raiffeisen Prestigj Fund**
- **Raiffeisen EURO Fund**
- **Raiffeisen Vizion Fund**
- **Raiffeisen Pension Fund**
- **Raiffesen Miks Fund**

Such Reports are audited and can be downloaded and read at the link <https://www.raiffeisen-invest.al/en/raportetfinanciare>. In the following section are presented the main face financial statements for each of the funds.

Raiffeisen Prestige

Statement of comprehensive income for the year ended 31 December 2022

(Amounts in thousands of ALL)

Income	Note	31 December 2022	31 December 2021
Interest income calculated using the effective interest method	10	1,352,999	1,481,387
		1,352,999	1,481,387
Expenses			
Management Company fee	16	(467,701)	(548,248)
Other expenses		(48,369)	(5,643)
Impairment losses on financial instruments	8 (c)	36,620	36,175
		(479,450)	(517,716)
Total net income		873,549	963,671
Other comprehensive income			
Changes in fair value of financial assets at fair value through other comprehensive income	11	(2,418,235)	81,569
(Decrease)/Increase in net assets attributable to the unit holders		(1,544,686)	1,045,240

Raiffeisen Prestige

Statement of financial position as at 31 December 2022

(Amounts in thousands of ALL)

ASSETS	Note	31 December 2022	31 December 2021
Financial assets at fair value through other comprehensive income	12	22,000,975	42,454,137
Cash and cash equivalents	13	4,139,902	4,623,778
TOTAL ASSETS		26,140,877	47,077,915
LIABILITIES			
Payable to the Management Company		26,287	45,643
Payable to unit holders for withdrawals		69,593	55,033
Other liabilities	14	33,681	15,452
TOTAL LIABILITIES		129,561	116,128
NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS	15	26,011,316	46,961,787
The number of units offered by the fund (in thousands)	15	17,222	29,829
NET ASSETS PER UNIT IN LEK		1,510	1,574

Raiffeisen Prestige

Statement of changes in net assets attributable to the unit holders for the year ended 31 December 2022

(Amounts in thousands of ALL)

	Note	2022	2021
Net assets attributable to the unit holders at 1 January		46,961,787	42,110,544
Contributions		4,669,655	11,063,599
Withdrawals by unit holders	15	(24,075,440)	(7,257,596)
		(19,405,785)	3,806,003
Increase in net assets attributable to the unit holders		873,549	963,671
Other comprehensive (loss)/income		(2,418,235)	81,569
Net increase		(1,544,686)	1,045,240
Net assets attributable to the unit holders	15	26,011,316	46,961,787
NUMBER OF INVESTMENT UNITS			
Issued based on contributions		2,969	7,102
Withdrawn by unit holders		(15,576)	(4,670)
(DECREASE)/INCREASE IN THE NUMBER OF FUND UNITS		(12,607)	2,432

Raiffeisen Prestige

Statement of cash flows for the year ended 31 December 2022

(Amounts in thousands of ALL)

	Note	2022	2021
Cash flow from operating activities			
Net income		873,549	579,523
Adjustments for:			
Impairment reversals/losses on financial instruments	8 (c)	(36,620)	347,974
Interest income	10	(1,352,999)	(1,481,387)
		(516,070)	(553,890)
Changes in:			
Financial assets at fair value through other comprehensive income		17,597,133	(4,242,618)
Payable to the Management Company	16	(19,356)	771
Other Liabilities	14	18,229	14,002
		17,079,936	(4,781,735)
Interest received		1,457,765	1,467,814
Net cash from/(used in) operating activities		18,537,701	(3,313,921)
Cash flows from financing activities			
Contributions received from unit holders	8 (c)	4,669,652	11,063,597
Contributions paid to unit holders	8 (c)	(23,691,230)	(7,106,288)
Net cash (used in)/from financing activities		(19,021,578)	3,957,309
Net (decrease)/ increase in cash and cash equivalents		(483,876)	643,387
Cash and cash equivalents at beginning of the year	12	4,623,778	3,980,391
Cash and cash equivalents at end of the year	12	4,139,902	4,623,778

RAIFFEISEN INVEST EURO FUND

Statement of comprehensive income for the year ended 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

Income	Note	2022	2021
Interest income and similar income	10	104,482	158,738
Other operating income		9,768	17,059
Net foreign exchange gain	12	93,728	113,772
		207,978	289,569
Expenses			
Interest expenses		(152)	(1,427)
Net changes in fair value of financial assets at fair value through profit or loss	11	(698,464)	(326,795)
Management Company fee	18	(76,999)	(125,472)
Other operating expenses		(11,586)	(1,419)
		(787,201)	(455,113)
Decrease in net assets attributable to the unit holders		(579,223)	(165,544)

Raiffeisen Invest Euro

Statement of financial position as at 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

ASSETS	Note	31 December 2022	31 December 2021
Cash and cash equivalents	15	275,651	232,347
Other receivables		107	299
Financial assets at FVTPL excluding investment in other investment funds	13	2,433,880	5,581,146
Investment in other investment funds at FVTPL	14	1,136,371	2,304,213
TOTAL ASSETS		3,846,009	8,118,005
LIABILITIES			
Payable to the Management Company		4,374	9,012
Payable to unit holders for withdrawals		9,903	1,696
Other liabilities	16	1,752	1,517
TOTAL LIABILITIES		16,029	12,225
NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS	17	3,829,980	8,105,780
The number of units offered by the fund		316,588	574,960
NET ASSETS PER UNIT IN LEK		12.098	14.098

Raiffeisen Invest Euro

Statement of changes net assets attributable to the unit holders for the year ended 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

	Note	2022	2021
Net assets attributable to the unit holders at 1 January		8,105,780	8,764,031
Contributions		193,538	1,199,909
Withdrawals by unit holders		(3,890,116)	(1,692,616)
		4,409,202	8,271,324
Decrease in net assets attributable to the unit holders from operations		(579,222)	(165,544)
Net assets attributable to the unit holders	17	3,829,980	8,105,780
NUMBER OF INVESTMENT UNITS			
Issued based on contributions		14,559	83,149
Withdrawn by unit holders		(272,931)	(109,017)
DECREASE IN THE NUMBER OF FUND UNITS		(258,372)	(25,868)

Raiffeisen Invest Euro

Statement of cash flows for the year ended 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

	Note	2022	2021
Cash flows from operating activities			
Decrease in net assets attributable to unit holders		(579,222)	(165,544)
Adjustment for:			
Unrealized losses from changes in fair value for investments at FVTPL	11	(268,407)	(97,497)
Interest income		104,482	(158,738)
Interest expenses		(152)	1,427
Exchange losses on cash and cash equivalents		(12,563)	(7,455)
Net cash in operating activities		(755,862)	(427,807)
Changes in:			
Financial assets measured at FVTPL		3,069,387	784,460
Quotas in other investments funds		877,203	(302,829)
Payables to the Management Company		(4,638)	(2,154)
Other receivables		192	(8)
Other liabilities		236	1,333
		3,942,380	480,802
Interest received		142,296	224,113
Interest paid		(148)	(1,433)
Net cash from operating activities		4,084,528	703,482
Cash flows from financing activities			
Contributions received from unit holders		193,538	1,199,909
Contributions paid to unit holders	17	(3,491,462)	(1,564,355)
Net cash used in financing activities		(3,297,924)	(364,446)
Net increase/(decrease) in cash and cash equivalents		30,742	(88,771)
Cash and cash equivalents at beginning of the year		232,347	313,663
Exchange losses on cash and cash equivalents		12,564	7,455
Cash and cash equivalents at the end of the year	17	275,651	232,347

RAIFFEISEN VIZION

Statement of comprehensive income for the year ended 31 December 2022

(Amounts in thousands of ALL)

	Note	31 December 2022	31 December 2021
Të ardhura			
Të ardhura nga interesi të llogaritura duke përdorur metodën e interesit efektiv	10	669,055	590,627
Të ardhura të tjera		50,694	3,748
		719,749	594,375
Shpenzime			
Tarifa e Shoqërisë së Administrimit	16	(178,648)	(186,497)
Shpensime të tjera		(19,117)	(2,129)
Humbje nga zhvlerësimi i instrumenteve financiare	8 (c)	13,534	6,736
		(184,231)	(181,890)
Totali i të ardhurave neto		535,518	412,485
Të ardhura të tjera gjithpërfshirëse			
Ndyshimi në vlerën e drejtë të aktiveve financiare të mbajtura në vlerën e drejte nëpëmjet të ardhurave të tjera gjithpërfshirëse	11	(1,825,095)	214,939
Ulja/(rritja) në aktivet neto që i atribuohen mbajtësve të kuotave		(1,289,577)	627,424

Raiffeisen Vizion

Statement of financial position as at 31 December 2022

(Amounts in thousands of ALL)

	Note	31 December 2022	31 December 2021
ASSETS			
Financial assets at fair value through other comprehensive income	12	7,778,279	15,166,808
Cash and cash equivalents	13	1,549,418	2,269,286
Receivables for issued units		-	16,418
TOTAL ASSETS		9,327,697	17,452,512
LIABILITIES			
Payable to the Management Company		9,455	16,793
Payable to unit holders for withdrawals		66,770	12,843
Other liabilities	14	2,330	3,597
TOTAL LIABILITIES		78,555	33,233
NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS	15	9,249,142	17,419,279
The number of units offered by the fund (in thousands)	15	9,034	15,513
NET ASSETS PER UNIT IN LEK		1,024	1,123

Raiffeisen Vizion

Statement of changes in net assets attributable to the unit holders for the year ended 31 December 2022

(Amounts in thousands of ALL)

	Note	31 December 2022	31 December 2021
Net assets attributable to the unit holders at 1 January	8 (c)	17,419,279	13,036,080
Contributions	8 (c)	1,656,000	5,431,615
Withdrawals by unit holders	8 (c)	(8,536,560)	(1,675,840)
		(6,880,560)	3,755,775
Increase in net assets attributable to the unit holders		535,518	412,485
Other comprehensive (loss)/income		(1,825,095)	214,939
Net increase		(1,289,577)	627,424
Net assets attributable to the unit holders	15	9,249,142	17,419,279
NUMBER OF INVESTMENT UNITS			
Issued based on contributions		1,474	4,909
Withdrawn by unit holders		(7,953)	(1,520)
(DECREASE)/INCREASE IN THE NUMBER OF FUND UNITS		(6,479)	3,389

Raiffeisen Vizion

Statement of cash flows for the year ended 31 December 2022

(Amounts in thousands of ALL)

	Note	31 December 2022	31 December 2021
Cash flow from operating activities			
Net income		535,519	412,485
Adjustments for:			
Impairments losses on financial instruments	8 (c)	(13,534)	(6,737)
Interest income	10	(669,055)	(590,627)
		(147,070)	(184,879)
Changes in:			
Financial assets at fair value through other comprehensive income	8 (c)	5,399,221	(3,221,406)
Payable to the Management Company	16	(7,338)	2,947
Other Liabilities	14	(1,267)	12,488
		5,243,546	(3,390,850)
Interest received		755,719	542,543
Net cash from/ (used in) operating activities		5,999,265	(2,848,307)
Cash flows from financing activities			
Contributions received from unit holders	8 (c)	1,672,418	5,415,196
Contributions paid to unit holders	8 (c)	(8,391,551)	(1,645,832)
Net cash (used in)/from financing activities		(6,719,133)	3,769,364
Net (decrease)/ increase in cash and cash equivalents		(719,868)	921,057
Cash and cash equivalents at beginning of the year	12	2,269,286	1,348,229
Cash and cash equivalents at end of the year	12	1,549,418	2,269,286

Raiffeisen Invest Miks Fund

Statement of comprehensive income for the year ended 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

	Note	For the year ended December 31, 2022	For the year ended December 31, 2021
Income			
Interest income	10	5,098	3,787
Other operating income		2,421	1,541
		7,519	5,328
Expenses			
Net changes in fair value of financial assets at fair value through profit or loss	11	(61,189)	14,818
Management Company fee	18	(5,201)	(4,235)
Other operating expenses		(1,436)	(1,046)
Net foreign exchange gain/(losses)	12	17,883	(347)
		(49,943)	9,190
(Decrease)/Increase in net assets attributable to the unit holders		(42,424)	14,518

Raiffeisen Invest Miks

Statement of financial position as at 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

	Note	31 December 2022	31 December 2021
ASSETS			
Cash and cash equivalents	15	7,186	43,105
Other receivables		43	200
Financial assets at FVTPL excluding investment in other investment funds	13	137,887	237,535
Investment in other investment funds at FVTPL	14	98,586	254,262
TOTAL ASSETS		243,702	535,102
LIABILITIES			
Payable to the Management Company		275	576
Other liabilities	16	448	382
TOTAL LIABILITIES		723	958
NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS	17	242,979	534,144
The number of units offered by the fund (in thousands)		23,261	42,251
NET ASSETS PER UNIT IN LEK		10,446	12,642

Raiffeisen Invest Miks

Statement of changes net assets attributable to the unit holders for the year ended 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

	Note	2022	2021
Net assets at 1 January		534,144	14,787
Contributions		47,027	568,461
Withdrawals by unit holders		(295,768)	(63,622)
		285,403	519,626
Decrease/ Increase in net assets attributable to the unit holders from operations		(42,424)	14,518
Net assets attributable to the unit holders	17	242,979	534,144
NUMBER OF INVESTMENT UNITS			
Issued based on contributions		3,906	45,474
Withdrawn by unit holders		(22,895)	(4,419)
DECREASE/INCREASE IN THE NUMBER OF FUND UNITS		(18,989)	41,055

Raiffeisen Invest Miks

Statement of cash flows for the year ended 31 December 2022

(Amounts in thousands of Lek, unless otherwise stated)

	Note	For the year ended December 31, 2022	For the year ended December 31, 2021
Cash flows from operating activities (Decrease)/ increase in net assets attributable to unit holders		(42,425)	14,517
Adjustment for:			
Unrealized loss/gains from changes in fair value for investments at FVTPL	11	11,752	(10,391)
Interest income		(5,097)	(3,787)
Exchange losses on cash and cash equivalents		(2,331)	(244)
Net cash in operating activities		(38,101)	95
Changes in:			
Financial assets measured at FVTPL		92,852	(244,479)
Quotas in other investments funds		111,640	(237,616)
Payables to the Management Company		(301)	576
Other receivables		(157)	200
Other liabilities		66	382
		204,100	(480,936)
Interest received		8,862	1,076
Net cash from/(used in) operating activities		212,962	(479,860)
Cash flows from financing activities			
Contributions received from unit holders		47,027	568,461
Contributions paid to unit holders	17	(260,138)	(55,275)
Net cash (used in)/ from financing activities		(213,111)	513,186
Net (decrease)/increase in cash and cash equivalents		(38,250)	33,421
Cash and cash equivalents at beginning of the year		43,105	9,439
Exchange losses on cash and cash equivalents		2,331	244
Cash and cash equivalents at the end of the year	17	7,186	43,105

RAIFFEISEN VOLUNTARY PENSION FUND

Statement of comprehensive income for the year ended 31 December 2022

(Amounts in Lek)

	Note	31 December 2022	31 December 2021
Income			
Interest income calculated using the effective interest method	10	64,332,174	56,566,290
		64,332,174	56,566,290
Expenses			
Management Company fee		(16,896,137)	(14,256,349)
Impairment losses/(reversal) on financial instruments	8 c)	(314,791)	687,589
		(17,210,928)	(13,568,760)
Total net income		47,121,246	42,997,530
Other comprehensive income			
Changes in fair value of financial assets at fair value through other comprehensive income		(2,010,457)	(1,798,515)
Increase in net assets attributable to the unit holders		45,110,789	41,199,015

Raiffeisen Voluntary Pension Fund

Statement of financial position as at 31 December 2022

(Amounts in Lek)

		31 dhjetor 2022	31 dhjetor 2021
ASSETS			
Cash and cash equivalents	14	29,028,474	26,488,163
Financial assets at fair value through other comprehensive income	12	15,481,692	3,066,194
Financial assets measured at amortised cost	13	1,174,381,897	994,261,189
TOTAL ASSETS		1,218,892,063	1,043,815,546
LIABILITIES			
Payable to the Management Company		3,537,789	2,903,792
Payable to unit holders for contributions withdrawals		989,227	621,728
Other liabilities	15	3,259,074	2,032,485
TOTAL LIABILITIES		7,786,090	5,558,005
NET ASSETS ATTRIBUTABLE TO THE UNIT HOLDERS	16	1,211,105,973	1,038,257,541
The number of units offered by the pension fund		590,148	526,605
NET ASSETS PER UNIT IN LEK		2,052	1,972

Raiffeisen Voluntary Pension Fund

Statement of changes in net assets attributable to the unit holders for the year ended 31 December 2022

(Amounts in Lek)

	Note	31 December 2022	31 December 2021
Net assets as at 1 January		1,038,257,541	903,377,528
Contributions		166,233,982	124,923,141
Withdrawal from unit holders		(38,496,339)	(31,242,143)
		1,165,995,184	997,058,526
Increase in net assets attributable to the unit holders		47,121,246	42,997,530
Other comprehensive loss		(2,010,457)	(1,798,515)
Net increase	14	45,110,789	41,199,015
Net assets attributable to the unit holders		1,211,105,973	1,038,257,541
NUMBER OF PENSION UNITS			
Issued based on contributions		82,610	67,413
Withdrawn by unit holders		(19,067)	(16,819)
INCREASE IN THE NUMBER OF PENSION FUND UNITS		63,543	50,594

Raiffeisen Voluntary Pension Fund

Statement of cash flows for the year ended 31 December 2022

(Amounts in Lek)

	Note	31 December 2022	31 December 2021
Cash flow from operating activities			
Net income		47,121,246	42,997,530
Adjustments for:			
Impairment losses on financial instruments	8 c)	2,151,035	1,821,118
Interest income		(64,332,174)	(56,566,290)
		(15,059,893)	(11,747,642)
Changes:			
Financial assets measured at amortized cost		6,141,439	8,829,853
Financial assets measured at FVOCI		(181,736,073)	(157,401,521)
Payable to the Management Company		633,997	(2,260,904)
Other liabilities		(1,264,172)	621,728
Cash used in operations		(191,284,702)	(161,958,486)
Interest received		60,949,706	52,993,537
Net cash used in operating activities		(130,334,996)	(108,964,949)
Cash flows from financing activities			
Contributions received from unit holders		166,233,982	144,355,842
Contributions paid to unit holders		(33,358,675)	(21,428,524)
Net cash flow from financing activities		132,875,307	122,927,318
Net increase in cash and cash equivalents		2,540,311	13,962,369
Cash and cash equivalents at beginning of the year		26,488,163	12,525,794
Cash and cash equivalents at end of the year	12	29,028,474	26,488,163

