

# Raiffeisen Invest sh.a.

## Annual Report 2023

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

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

The report contains the 2023 financial statements of Raiffeisen Invest sh.a. and the 2023 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,

Thank you for choosing Raiffeisen Invest! Your trust and support are essential in our journey together and help us choose new investment opportunities with sustainable returns.

Investment Funds have had a successful year, demonstrating stability and growth despite market volatility. Our strategic investments and diversified portfolio have delivered positive returns, reinforcing our commitment to provide added value for our investors.

Using the expertise of our dedicated staff and keeping a customer-centric approach, we strive to achieve good performance and sustainable growth. The dedication of the Raiffeisen Invest team to excellence and innovation underlines our commitment to meet and exceed investors' expectations.

The role of Raiffeisen Invest in the development of the local capital market is very important. Operating within a well-structured regulatory framework, the company is committed to exploring new opportunities and offering innovative products. Continued demands from local investors are always welcome and increase our confidence in creating a market with high standards. The staff of the Raiffeisen Invest company remains always at the disposal of the investor, a cooperation that has been and continues to be fruitful over the years.

Investing in digital channels is the focus of the company, with the aim of providing investors with access and convenience in managing their investment portfolio.

Looking ahead, we remain optimistic about market opportunities and are committed to tailoring our strategies to maximize returns while managing risks. Our focus will continue to be on sustainable growth and innovation.

Our success is a testament of our dedicated team and strategic vision.

Thank you for supporting and believing in us, being an essential part of our company's growth and success.



Donalda Gjorga

**Chairman of the Board of Administration**

A handwritten signature in blue ink, appearing to read 'D. Gjorga', with a long, sweeping underline.

# Message from the General Administrator

## Honorable Investors,

The year 2023 has been an excellent year for Raiffeisen Invest and our customers. Despite an uncertain economic landscape, we achieved a very good financial performance while maintaining the leadership position in the investment funds industry, with approximately 86% of the market. Our unwavering dedication and commitment to the customer resulted in a impressive growth of assets under management, as well as financial income.

Assets under management saw a double-digit growth of 21% and the number of clients increased by 11%. Assets throughout all funds reached 431 million euros with more than 35,000 investors who have trusted us. That wouldn't be possible without the hard work and dedication of the sales agents of Raiffeisen Bank, as well as the team members of Raiffeisen Invest, who have constantly demonstrated their expertise and commitment to meeting the clients' financial goals.

If we focus on the typology of funds, investment funds arrived at the value of 418 million euros, marking an increase of 22% compared to the year 2022.

On the other hand, the Private Pension Fund recorded an increase of 15%, expanding the member base and offering them the highest net performance in the market. On 31.12.2023 assets under management for the pension fund reached 13.4 million euros with 3,791 members.

Additionally, our disciplined investment strategies and rigorous risk management practices combined with the positive performance of markets have generated extraordinary returns for our clients. Net performance of the funds for the year 2023 resulted in +6.8% for Prestige fund, +12.2% for Vizion fund, +5.3% for Raiffeisen Invest Euro fund, +7.7% for Raiffeisen Miks fund and 4.5% for the private pension fund.



We also delivered satisfactory financial results for our shareholders where the combined indicator of profit before tax and payments for the sale of funds reached 3.9 million euros, significantly exceeding our initial forecasts.

In addition to financial performance, we remain focused on customer service to foster long-term partnerships. We have also invested in a new website, making it easier for customers to track their investments and have access to personalized information.

Another important achievement during the past year was the adoption of the law "On private pension funds", which brings significant fiscal incentives for pension fund members.

The number of investment plans sold increased by 37% compared to 2022, to more than 8,000 plans.

However, it is essential to acknowledge the challenges we have encountered along the way. The 2022 crisis and its impact on the performance of the funds left a significant mark and our main challenge was to restore confidence in our products and transition to a positive result from net sales, which we did starting from August 2023.

Looking forward, we remain committed to continuously improving our asset management business and overcoming the new obstacles presented in the year 2024. Geopolitical uncertainties, market instability and growing customer expectations will put us in front of challenges that require vigilance, flexibility and strategic vision. We are actively exploring improvements in technology as well as our contribution to sustainability. By supporting community projects related to environmental protection and awareness for climate change, we intend to further promote sustainable development in Albania. On the same line, the launch of the first ESG fund in the Albanian market is part of our strategy for 2024.

Thank you for your trust and support and I want to assure you that we remain committed to achieving new success throughout the next year.

Sincerely,

Sinqerisht,  
**Edlira Konini**  
**Administratore e Përgjithshme**





# 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 2023, 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 Mijs in Euro currency, and 1 (one) pension fund named Raiffeisen Private Pension Fund;

The total assets under management of Raiffeisen Invest sh.a, until the end of 2023 were 44,823,507,025.08 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.

### 2.1 The Board of Administration in 2023 comprised:

Chairperson	<b>Mrs. Donalda Gjorga</b> Chief Dealer – Treasury Department - Raiffeisen Bank Albania
Vice Chairperson	<b>Mr. Peter Zilinek</b> Head of Group Steering Department in the Centre of Competence - Raiffeisen Capital Management, Austria
Member	<b>Mrs. Gentjana Ciceri</b> Head of Sales and Distribution Division - Raiffeisen Bank Albania,
Member	<b>Mrs. Elona Llaci</b> Head of Strategy and Innovations Department - Raiffeisen Bank Albania
Member	<b>Mr. Erion Balli</b> Head of Non-Retail, Risk Management Division - Raiffeisen Bank Albania
Member	<b>Mrs. Edlira Konini</b> General Administrator - Raiffeisen Invest, sh.a.
Member	<b>Alketa Emini (Gjoçaj)</b> 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 2023

1. Deputy Chairman of the Management Board of Raiffeisen Bank Albania.	Chair
2. General Administrator of Raiffeisen Invest sh.a;	Vice Chair
3. Head of Non-Retail Risk Department of Raiffeisen Bank Albania.	Member
4. Head of PI Lending & Digital Banking of Raiffeisen Bank Albania.	Member
5. Deputy General Administrator of Raiffeisen Invest sh.a;	Member
6. Head of Fund Management of Raiffeisen Invest sh.a;	Member
7. Head of Risk Management of Raiffeisen Invest sh.a;	Member

\*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

### **General Administrator**

Mrs. Edlira Konini

### **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.

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# 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 2023 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: "Anti Money Laundering, Compliance & Financial Crime Management", "Anti -Bribery and Corruption", "Code of conduct of Raiffeisen Group", "Cyber, Information & Physical Security", "Prevention of Money Laundering, TF & Financial Sanction in RIAL", etc.



# Social responsibility

Raiffeisen Invest sh.a, even during 2023, 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 2023, Raiffeisen Invest sh.a, supported 41 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 : Reconstruction of the polyclinic "Petro Nako"-Saranda Hospital, Purchase of equipment for the maternity Ward-Durrës Hospital; Surgical equipment for the orthopedic Ward-Directorate of Hospital Service Kukës; Hospital equipment for the neurology Ward-Regional Directorate of Hospitals Korça 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, Mat, Tirana, Delvina 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 two kindergarden with furniture-Mat Municipality; Reconstruction of the school gym-Delvina Municipality; Children's festival on 1st June children's day organized by New Generation Center; Education project "CyberWyse" organized by Impakt Center etc. It is also worth mentioning the equipment with wood stoves for 10 families in need, realized by Mandarinina Foundation.

An important contribution has been made in the field of the environment, supporting the projects: Implementation of the Photovoltaic System in Agricultural University of Tirana; "Cleaning of the coast before the start of the tourist season".

In the field of art and culture, many artistic and cultural activities have been supported, such as South outdoor Festival 2023, 6th edition in Borsh, International Contemporary Dance Festival in Tirana, 2nd edition, Open House Tirana Festival, Pop Talent Fest, 2nd 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.



# 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 2023 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.

In addition, Raiffeisen Invest sha, has supported many projects promoting financial education and awareness, especially among young people, where we can mention: "Know your money 3". 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 participation of the winning students in the European final of the Money Quiz, competition held in Brussels.

Raiffeisen Invest as member of Association of Life Insurers, Pension Funds & CIU-s supported regional Conference "Private pensions in focus", with the aim of increasing public awareness on participation in private pension funds and the impact of the latter in the country's economic and social development.



# Fund management report

## Fund performance on 31 December 2023

Net return from investment	Raiffeisen Prestige	Raiffeisen Vision	Raiffeisen Invest Euro	Raiffeisen Mix	Raiffeisen Pension
1 year (on an annual basis for the period 31.12.2022 - 31.12.2023)	6.78%	12.18%	5.29%	7.67%	4.54%
3 years (on an annual basis for the period 31.12.2020 -31.12.2023)	1.61%	2.22%	-1.84%		4.35%
5 years (on an annual basis for the period 31.12.2018 -31.12.2023)	1.52%	2.45%	-0.62%		4.46%
Since inception (annual return)	4.12%	2.63%	0.99%	-0.51%	6.04%

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

Funds Unit value for the last 3 years	Raiffeisen Prestige	Raiffeisen Vision	Raiffeisen Invest Euro	Raiffeisen Mix	Raiffeisen Pension
On 31.12.2023	1,612.7591	1,148.5597	105.9063	91.4431	2,052.2060
On 31.12.2022	1,510.3303	1,023.8582	116.7439	104.6895	1,971.6047
On 31.12.2021	1,574.3746	1,122.8965	117.9191	100.0123	1,887.7529

## Funds' ongoing charges

	Raiffeisen Prestige	Raiffeisen Vision	Raiffeisen Invest Euro	Raiffeisen Mix	Raiffeisen Pension
Ongoing charges on 31.12.2023	1.27%	1.28%	1.50%	1.60%	1.50%

# Economic developments

The year 2023 marked a turning year for the financial markets, after the difficult year 2022 and the two main asset classes, bonds and stocks closed the year with positive results.

In international markets, central banks continued with monetary tightening policies, increasing interest rates throughout 2023, with the aim of curbing inflation. But during 2023 they were less aggressive in raising interest rates compared to 2022. Accordingly, the Federal Reserve Bank in the United States of America raised the base rate by 1 percent in total, until the month of July. While the European Central Bank increased the base rate by 2 percent in total, bringing it to 4.50 percent in September 2023.

The continuous increase in interest rates, since the beginning of 2022, influenced the gradual decline of inflation and the year 2023 ended with annual inflation values of 3.4 percent for the USA and 2.9 percent for the Eurozone, from 6.5 percent and 9.2 percent that were respectively a year ago in December 2022. Excluding volatile food and energy prices, Core Inflation stood at 3.9 percent for the US and 3.4 percent for the Eurozone, still far from the Central Banks' 2.00 percent target.

The international bond market was characterized by relatively high volatility and returns were generally low for most of the year, as uncertainties about the direction of central banks' monetary policy prevailed. The tightening cycle of monetary policy in the US and the EU ended only in the last quarter of 2023. A large increase in bond prices was then observed during the last two months of 2023, as expectations of interest rate cuts were made stronger. This turnaround led to positive fixed income returns for the calendar year.

The stock market experienced growth almost throughout the year, supported by strong economic data, especially in the US, and the tightening monetary cycle that was ending. Many major stock indexes posted double-digit gains in 2023 as falling inflation boosted hopes for interest rate cuts in 2024. The Technology sector with a focus on Artificial Intelligence (AI) was the top gainer, with several companies IT that achieved record ratings.

While in our country, the Central Bank of Albania increased the base rate twice, in March and in November by 0.5 percent in total, bringing it to the level of 3.25 percent. In Albania, the base rate was lower compared to EU countries. During the year, a strong appreciation of the local currency was observed compared to other currencies.

Annual inflation trended downward from 7.40 percent in December 2022 to 4.00 percent in December 2023 and core inflation fell to 3.20 percent, close to the Bank of Albania's 3.00 percent target.

During the first quarter of 2023, Albanian government bond yields recorded a significant decline of 2 percent to 2.5 percent, correcting the upward trend of the previous year. But after the summer, yields rose again, especially during the last quarter of the year. In total, the yield curve for Albanian government bonds has shifted downward by 1 percent to 2 percent through 2023.

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

# Funds during 2023

The performance of the financial markets in Albania and throughout the world was characterized by the downward trends of inflation and positive expectations that the Central Banks will start the turnaround with the cycle of easing monetary policies. In general, a financial environment with high interest rates dominated, attractive for investing, which also affected the positive performance of our investment funds.

At Raiffeisen Invest, the fund managers tried to reduce the level of risk and volatility of the funds as much as possible, investing in instruments that could benefit from positive developments in the financial markets, and also focusing on the efficient management of the funds' liquidity.

Thus, in the local market, the interest rates of the Albanian Government securities fell by 2% to 3% until the summer of 2023, which was also reflected in the performance of the funds in Lek, Prestigj and Vizion currency, which managed to recover fully the losses incurred during the previous year as of the first 3 months of 2023. The Vizion Fund recorded the highest annual return since its launch and the best annual return in the domestic market among funds denominated in Lek.

As for the Euro-denominated funds, Raiffeisen Invest Euro and Raiffeisen Miks, they partially recovered the losses of 2022, closing the year with high performance.

The Raiffeisen Private Pension Fund has continued to record the highest annual return during 2023 compared to other Private Pension Funds operating in the domestic market.



# 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 2023 the net asset value of Vizion fund has decreased by 5.24 percent reaching ALL 8.76 billion or 84.4 million Euros as of December 31, 2023, while the number of members in the fund is 3,610.

## 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, 2023, the structure of the investment portfolio is presented as in the following table:

Instrument	In percentage of Assets
Albanian Treasury bonds	86.98%
Albanian Treasury bills	1.66%
Deposit / Current Account / Receivables	11.36%

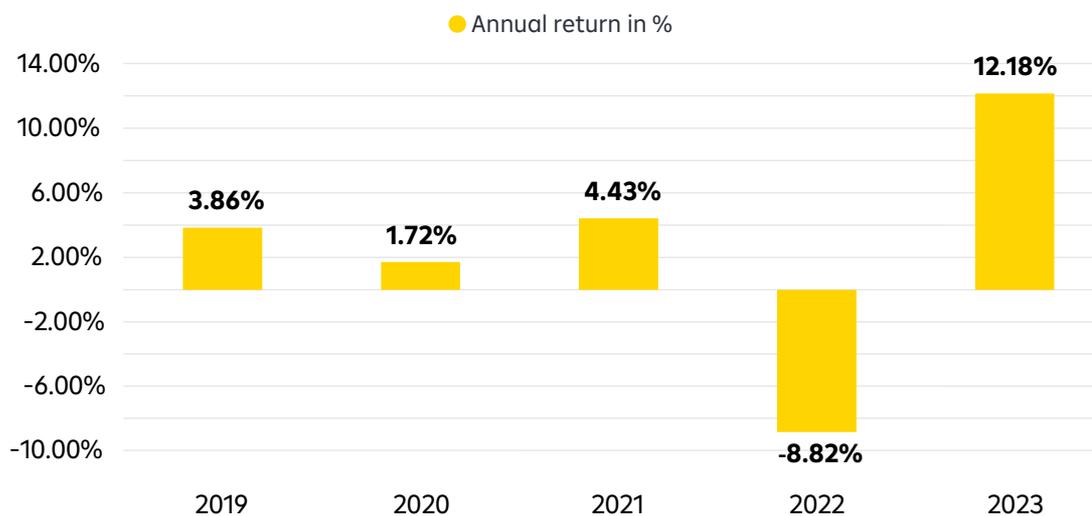
The excess of liquidity is invested as a short-term deposit with local banks. The average duration of the investment portfolio is at the level of 3.55 on December 31, 2023.

## Fund performance

On an annual basis, the net return for year 2023 after deducting the ongoing charges is 12.18 percent, recording the highest performance since the launch of the fund.

The fund's unit value has followed an upward trend during 2023, recovering all the losses of the previous year. The interest rates of the Albanian Government securities fell by 2% to 3% until summer 2023, this was also reflected in performance increase for both funds in Lek, Prestigj and Vizion. At the end of August, the interest rates started an upward trend, but this trend has been moderate.

The chart shows the fund's past annual performance after deducting ongoing fees.



## Top 10 Main investments as percentage of assets

Raiffeisen Vizion Fund	
Instrument	% of Assets
Treasury bond 7 years – Mat 12.03.2028	8.59%
Treasury bond 10 years – Mat 07.07.2031	7.34%
Treasury bond 10 years – Mat 06.07.2028	7.22%
Treasury bond 10 years – Mat 13.07.2033	7.00%
Treasury bond 10 years – Mat 03.04.2028	5.36%
3 Years Benchmark Treasury Bond – Mat 28.02.2025	5.13%
3 Years Benchmark Treasury Bond – Mat 24.02.2026	5.08%
Treasury bond 10 years – Mat 28.07.2030	5.04%
Treasury bond 10 years – Mat 08.01.203	4.85%
Treasury bond 10 years – Mat 21.01.2032	4.70%

# 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 31.02 billion or EUR 298.7 million in December 2023, marking an increase of 19.27 percent compared to the previous year. The number of members in the fund was 25,813 as of December 31, 2023.

## Investment policy

Prestigj Fund during year 2023 continued to make investments in debt securities of the Albanian Government, mainly with short-term to medium-term maturity, but with the main focus on the management of liquidity needs.

On December 31, 2023, the structure of the investment portfolio is presented as in the following table:

<b>Instrumenti</b>	<b>% of Assets</b>
Albanian Treasury bills	20.44%
Albanian Treasury bonds	63.14%
Short – term deposits / Current Account	6.26%
Reverse Repo Agreements	10.16%

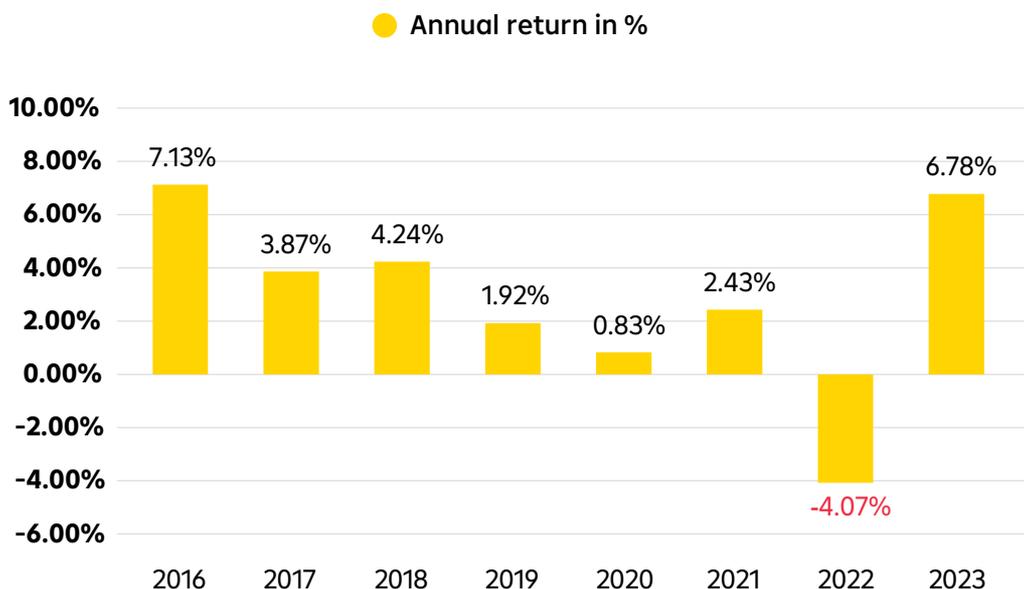
The distribution of the fund's assets was intended to produce a higher return, but at the same time also managing liquidity risk as efficiently as possible and adhering to liquidity ratios. The average duration of the investment portfolio is at the level of 1.96 on December 31, 2023. The excess liquidity has been invested as short-term deposits or using repurchase agreements with local banks.

# Fund performance

On an annual basis, the return for 2023 after deducting the ongoing charges is 6.78 percent.

The fund's unit value has followed an upward trend during 2023, recovering all the losses of the previous year.

The chart shows the fund's past annual performance after deducting ongoing fees:



## Top 10 Main investments as percentage of assets

Raiffeisen Prestigj Fund	
Instrument	% of Assets
Treasury bond 7 years – Mat 10.09.2027	10.48%
3 years Benchmark Treasury bond – Mat 23.02.2024	5.67%
5 years Benchmark Treasury bond – Mat 13.02.2028	5.41%
12 months Treasury Bills – Mat 28.11.2024	3.73%
Treasury bond 7 years – Mat 15.09.2028	3.61%
3 years Benchmark Treasury bond – Mat 24.02.2026	3.53%
Treasury bond 10 years – Mat 07.07.2031	3.31%
12 months Treasury Bills – Mat 04.07.2024	3.03%
12 months Treasury Bills – Mat 14.11.2024	2.99%
Treasury bond 10 years – Mat 23.04.2025	2.82%

# 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 protecting capital and 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 31.93 million Euros as of December 31, 2023, marking a decrease of 1.6 million euro or 4.8 percent compared to last year. The number of members in the fund at the end of 2023 is 1,415.

## Investment policy

During 2023, an efficient investment policy has been implemented to take advantage of the constant fluctuation of interest rates in the financial markets of the euro area and taking care of the management of market risks with an effective allocation of assets.

As a whole, the distribution of the fund's assets was aimed at diversifying the portfolio, with the aim of reducing market risk, credit risk, and ensuring the necessary liquidity. The investment strategy has been mainly focused on maintaining the average duration levels of the investment portfolio to protect against the continuous increase in interest rates.

The level of the average duration has been increasing slightly during the year in accordance with the created circumstances and the trend of interest rates. Thus, from 2.57 at the end of December 2022, it reached the level of 2.72 at the end of December 2023.

On December 31, 2023, the structure of the Investment Portfolio is presented as follows:

Instrument	In % of Assets
Albanian Government Bonds	47.55
Foreign Government Bonds	7.53
Corporate Bonds	13.99
Investment funds	25.40
Deposit / Current Account	5.53

## Fund performance

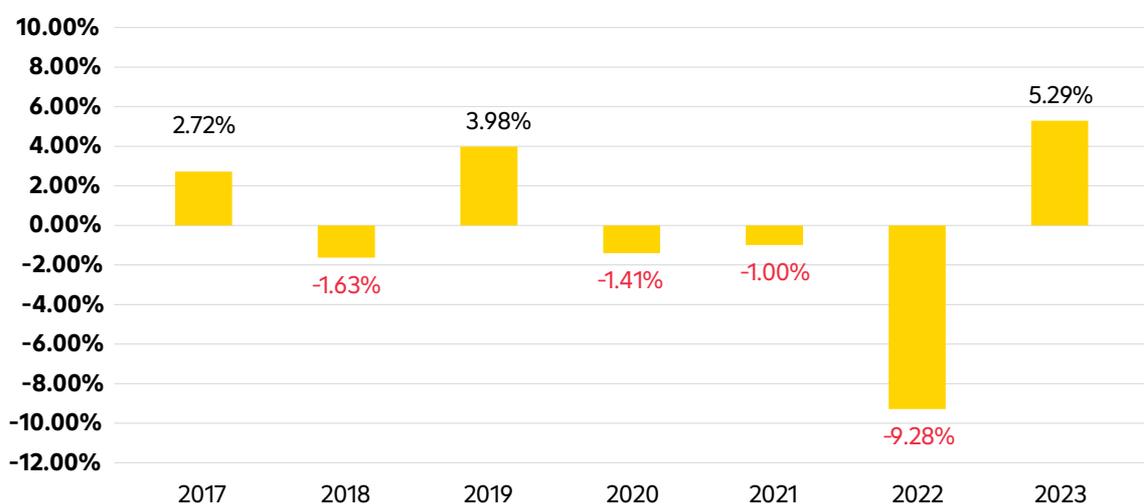
the year 2023 was a year with mostly positive performance for the euro-denominated bond market, which was also reflected in the unit price of the Euro fund. The fund started the year with a unit price of 105.9076 and followed an upward trend, with little volatility in the months of February and September - October. Inflation fell significantly during the year, although it still remains above the target of the Central Banks. The drop in inflation, along with the prospect of a rate cut next year, fueled optimism in the markets, accompanied by an increase in bond prices. As a result, the fund managed to recover a significant part of the losses during 2022.

Central banks stopped lowering rates during the August - October period, which brought a general decrease in yields and bond indices had satisfactory returns, especially in the last 2 months of the year.

Consequently, the mostly positive performance of the bond market around the world positively affected the performance of the Raiffeisen Invest Euro fund, which closed the year with a net annual return of +5.29 percent.

The chart shows the fund's past annual performance after deducting ongoing charges.

● Annual return in %



## Top 10 Main investments as percentage of assets

### Raiffeisen Invest Euro Fund

Instrument	In % of Assets
2 years Albanian Government Bond - Mat April 2024	20.52%
5 years Albanian Government Eurobond - Mat October 2023	15.83%
7 years Albanian Government Eurobond - Mat June 2027	11.20%
Investment Fund - Alliance Bernstein European Income	6.75%
Investment Fund - Raiffeisen 304 - Euro Corporates	6.32%
Investment Fund - Raiffeisen Nachhaltigkeit Rent	6.31%
Spanish Government Bond - Mat October 2027	3.31%
French Government Bond - Mat February 2028	3.36%
INTERCONTINENTAL HOTELS Bond - Mat October 2024	3.08%
Investment Fund - Raiffeisen Euro Rendite	3.06%



**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](http://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 3.08 million euros as of December 31, 2023. The number of members in the fund at the end of 2023 is 83.

## 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 to 2.23 at the end of December 2023.

On December 31, 2023, the structure of the Investment Portfolio is presented as follows:

Instrument	Percentage of Assets
Bonds	57.45
Equity	29.10
Investment funds	3.40
Deposit / Current Account	10.05

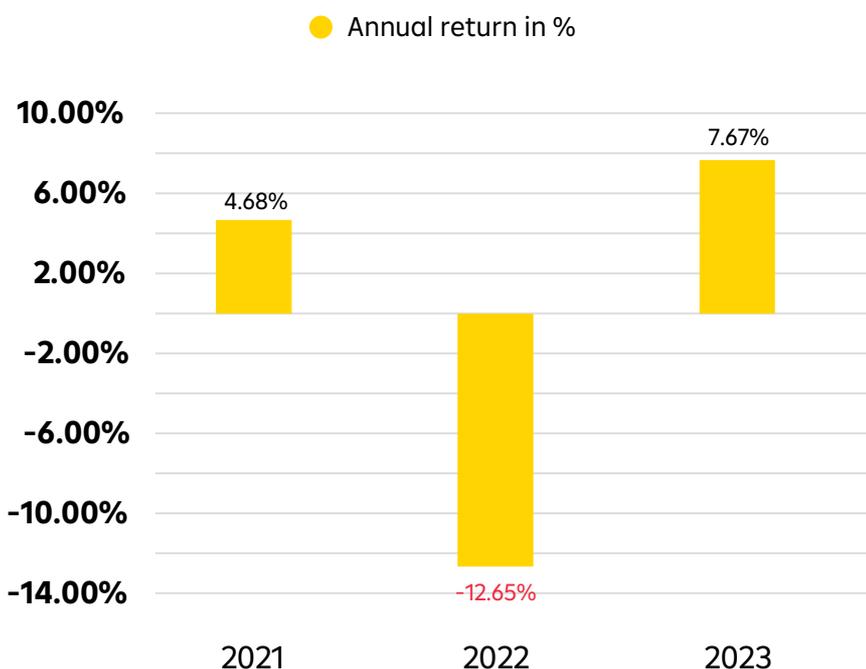
## Fund performance

On an annualized basis, the return for 2023 after deducting the ongoing charges is +7.67 percent.

The year 2023 was a year with mostly positive performance for the bond market denominated in euros, as well as for the stock market. The fund started the year with a unit price of 91.4437 but managed to recover a significant part of the losses. As a result of the decrease in interest rates and the increase in stock prices, the investment portfolio performed positively and there was an increase in the unit price throughout the year, with few moments of volatility.

Stock indexes rallied about 25 percent on optimism in the markets and solid economic data, paring the losses of 2022. Bonds had much lower returns, but they recovered in the final months of the year, positively influenced by the end of the tightening monetary policies of the Central Banks and by the expectations for the reduction of the base rates during 2024.

The positive performance of the bond markets, and especially of the stock markets, was reflected in the Miks fund's investment portfolio, which resulted in a profit this year. The chart shows the fund's past annual performance after deducting ongoing charges.



## Top 10 Main investments as percentage of assets

Raiffeisen Mix Fund	
Instrument	In % of Assets
5 years Albanian Government Eurobond - Mat October 2028	17.08%
7 years Albanian Government Eurobond - Mat June 2027	11.15%
2 years Albanian Government Bond - Mat April 2024	8.18%
Investment Fund – ISHARES STOXX EUROPE 600	6.52%
Investment Fund – VANGUARD S&P 500	6.38%
Investment Fund – Lyxor Dow Jones Industrial Average	5.22%
Investment Fund – ISHARES CORE E. STOXX50	4.85%
Investment Fund – Morgan Stanley Euro Corporate Bond Duration Hedged	3.40%
Investment Fund – Vanguard FTSE All World High Dividend Yield	3.36%
Italian Government Bond - Mat September 2025	3.30%

# Raiffeisen Private Pension Fund

The Raiffeisen Private 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 1.4 billion or 13.44 million Euros on December 31, 2023, increasing by 15.31 percent compared to last year. The number of members in the fund at the end of 2023 increased by 7 percent compared to the previous year or 251 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, 2023, the structure of the Investment Portfolio is presented as follows:

Instrumenti	In % assets
Albanian Treasury bonds	98.79
Deposit / Current Account	1.21

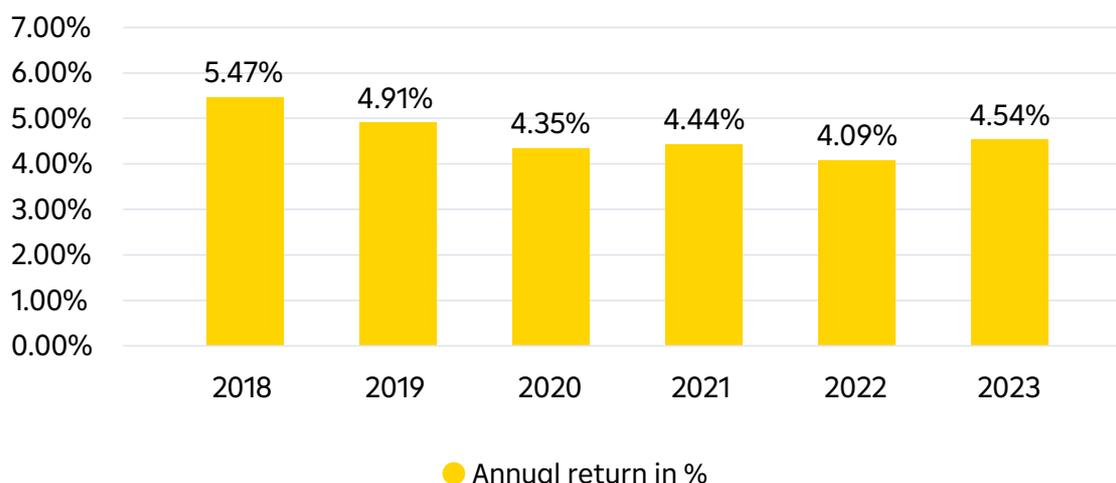
## Fund performance

On an annual basis, the return for 2023 is 4.54 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 2023, the increase of the fund's unit value has been stable, marking its highest increase of 0.38 percent in November. The average annual net return from the launch of the fund until December 31, 2023, is 6.04 percent. As of December 31, 2023, the fund's performance is 5.33 percent (on an annual basis) for a period of 10 years, 5.07 percent (on an annual basis) for a period of 8 years and 4.46 percent (on an annual basis) for a period of 5 years.



The chart shows the fund's past annual performance after deducting ongoing fees:



## Top 10 Main investments as percentage of assets

Raiffeisen Private Pension Fund	
Instrument	% of Assets
Treasury bond 10 years – Mat 21.01.2032	6.43%
Treasury bond 10 years – Mat 08.07.2029	6.20%
Treasury bond 15 years – Mat 22.02.2038	5.51%
Treasury bond 10 years – Mat 07.07.2031	5.33%
Treasury bond 10 years – Mat 15.01.2031	5.28%
Treasury bond 10 years – Mat 28.07.2030	4.58%
Treasury bond 15 years – Mat 10.11.2036	4.50%
Treasury bond 10 years – Mat 08.01.2030	4.36%
Treasury bond 15 years – Mat 29.09.2037	4.35%
Treasury bond 10 years – Mat 16.01.2029	3.72%

# Risk Management Report

## Risk Indicators on 31 December 2023

Fund	Average duration	Modified duration	Standard Deviation	* Synthetic risk and reward indicator
Raiffeisen Prestige	1.96	1.91	2.63%	Level 2
Raiffeisen Vizion	3.55	3.45	4.85%	Level 3
Raiffeisen Invest Euro	2.71	2.63	5.47%	Level 3
Raiffeisen Mix **	2.23	2.14	6.06%	Level 4
Raiffeisen Pension	4.84	4.7	0.10%	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 2023 all legal and investment policy limits have been respected and continuously conducted liquidity stress-tests were successfully passed by all funds.

For Raiffeisen Private Pension Fund, indicators have been stable and volatility has been low, since most of the fund's investments are held until maturity. Investment funds, both in lek (Prestige and Vizion) and in euros (Raiffeisen Invest Euro and Mix) have had a higher volatility due to the high volatility that has characterized the bond markets because of the uncertainty regarding the direction of the monetary policy of central banks.

For Prestige Fund, during 2023, the average duration of the investment portfolio has undergone a slight increase. 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 return to increase. However, the synthetic risk indicator remains unchanged at level 2. This affirms the profile of Prestige Fund as a low risk profile fund.

Vizion Fund also closed the year 2023 with an investment portfolio with an average duration slightly increased compared to the previous year. The volatility of the fund has increased but within the limits of level 3 of the synthetic risk indicator, based on the historical volatility of the fund's performance.

For the Raiffeisen Invest Euro fund, the average duration of the portfolio has gradually increased during the year in accordance with the created circumstances and the trend of interest rates. However, even though the effects of the increased volatility in the international markets have been associated with an increase in the volatility of the returns of the Invest Euro fund, the synthetic risk indicator has remained stable at level 3, which indicates a fund with an average risk profile.

For Raiffeisen Private Voluntary Pensions fund, since most of the portfolio will be held to maturity and amortized on a straight-line basis, the return volatility is extremely low. As a result, the synthetic risk indicator is at level 1.

Mix Fund has a higher volatility, due to the nature of its investment portfolio, where a part is invested in the stock market. However, based on the history of international market volatility and the investment policy applied to this fund, the indicator of synthetic risk and profitability is estimated at level 4 and this indicator remained unchanged during 2023.



# Financial statements & Independent auditor's report



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# 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 2023

(With independent auditor's report thereon)

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# Independent auditor's report

To the Board of Directors of Raiffeisen Invest sh.a, management company of the Pension Funds and Collective Investments Enterprises

## Opinion

We have audited the financial statements of Raiffeisen Invest sh.a., Management company of the pension fund and collective investments undertakings (hereafter referred as "the Company") which comprise the statement of financial position as at December 31, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2023, 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 Fund in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Albania, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Article 121 of Law No. 56/2020 on "Collective investment undertakings", 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 Performance Activity Report, if, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Fund'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 Fund'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 Fund'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 Fund 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.*

**Deloitte Audit Albania shpk**

Rruga e Kavajes, ish parku i mallrave, Kompleksi Delijorgji, Godina L  
Tirana, Albania

Identification number (NUIS): L41709002H



Enida Cara  
Engagement Partner  
Statutory Auditor

March 29, 2024  
Tirana, Albania

Statement of financial position as at 31 December 2023

(Amounts are expressed in ALL, unless otherwise stated)

		31 December 2023	31 December 2022
<b>ASSETS</b>			
Cash and cash equivalents	8	543,473,825	548,539,972
Receivable from the funds	9	47,893,399	43,978,033
Financial assets measured at amortised cost	10	20,548,848	22,226,722
Prepayments		3,174,607	1,445,550
Tangible assets	11	8,050,141	8,828,808
Intangible assets	12	11,670,548	10,463,569
Right of use	11	<b>21,414,149</b>	<b>24,269,353</b>
Prepayments tax	20	36,975,301	5,370,080
<b>Total assets</b>		<b>693,200,819</b>	<b>665,122,087</b>
<b>LIABILITIES</b>			
Other liabilities		-	-
Lease obligation	13	26,183,921	32,167,799
Total liabilities	14	21,546,778	24,243,199
<b>Total i detyrimeve</b>		<b>47,730,699</b>	<b>56,410,998</b>
<b>Equity</b>			
Share capital	15	90,000,000	90,000,000
General reserve	15	9,000,000	9,000,000
Retained earnings		546,470,120	509,711,090
<b>Total equity</b>		<b>645,470,120</b>	<b>608,711,090</b>
<b>Total equity and liabilities</b>		<b>693,200,819</b>	<b>665,122,087</b>

The notes on pages 5 to 29 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, 2024.



**General Administrator**  
Edlira KONINI

**Deputy General Administrator**  
Alketa EMINI

## Statement of profit or loss and other comprehensive income for the year ended 31 december 2023

(Amounts are expressed in ALL, unless otherwise stated)

	Notes	31 December 2023	31 December 2022
<b>Incomes</b>			
Funds administration income	15	498,907,219	745,181,931
Interest income calculated using the effective interest method	16	12,164,734	2,496,973
Fee from withdrawals	9	2,142,071	2,051,898
Other income		2,343,101	5,341,637
		<b>515,557,125</b>	<b>755,072,438</b>
<b>Expenses</b>			
Personnel expenses	17	(55,293,230)	(54,542,630)
Depreciation and amortization	11,12	(6,467,717)	(5,629,424)
Depreciation ROU		(2,855,204)	(2,855,106)
Other operating expenses	18	(351,509,505)	(527,769,004)
		<b>(416,125,657)</b>	<b>(590,796,164)</b>
Loss/Gain from foreign exchange		(169,188)	(319,617)
		<b>(169,188)</b>	<b>(319,617)</b>
<b>Profit before tax</b>		<b>99,262,280</b>	<b>163,956,657</b>
Income tax expense	19	(62,503,250)	(97,687,261)
<b>Profit after tax</b>		<b>36,759,030</b>	<b>66,269,397</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>36,759,030</b>	<b>66,269,397</b>

The notes on pages 5 to 29 are an integral part of these financial statements.

## Statement of changes in equity for the year ended 31 December 2023

(Amounts are expressed in ALL, unless otherwise stated)

	Share Capital	General reserve	Retained earnings	Total
<b>As at 1 January 2022</b>	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	-	-	-	-
<b>Total comprehensive income for the year</b>			66,269,397	66,269,397
<b>Divident payment</b>	-	-	(122,000,000)	(122,000,000)
As at December 31,2022	90,000,000	9,000,000	509,711,090	<b>608,711,090</b>
<b>Profit for the year</b>	-	-	36,759,030	36,759,030
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>			36,759,030	36,759,030
<b>Divident payment</b>	-	-		
<b>As at December 31,2023</b>	90,000,000	9,000,000	546,470,120	645,470,120

The notes on pages 5 to 29 are an integral part of these financial statements.

## Statement of cash flows for the year ended 31 December 2023

(Amounts are expressed in ALL, unless otherwise stated)

	Shënime	31 dhjetor 2023	31 dhjetor 2022
<b>Cash flows from operating activities</b>			
<b>Profit after tax</b>		<b>36,759,030</b>	<b>66,269,397</b>
<b>Adjustments for:</b>			
Depreciation and amortisation	11,12	9,322,921	8,484,530
Interest income		(12,164,734)	(2,496,973)
Income tax		62,503,250	97,687,261
Income expenses	14	363,323	353,055
		<b>96,783,791</b>	<b>170,297,270</b>
<b>Changes in:</b>			
Receivables from the Funds	9	(3,915,366)	31,271,534
Other assets		(1,729,057)	(807,980)
Other liabilities	13	(5,983,877)	4,519,748
<b>Cash generated from operating activities</b>		<b>85,155,491</b>	<b>205,280,571</b>
<b>Cash flows from investing activities</b>			
Interest received		11,767,942	1,823,822
Income tax paid	19	(94,108,471)	(109,910,787)
<b>Net cash generated from operating activities</b>		<b>2,814,961</b>	<b>97,193,606</b>
<b>Cash flows from investing activities</b>			
Acquisition of tangible assets	11	(3,061,850)	(1,055,956)
Acquisition of intangible assets	12	(3,311,775)	(3,124,174)
Purchases of financial assets measured at amortised cost	10	(20,433,731)	-
Proceeds from matured financial assets measured at amortised cost		22,000,000	-
<b>Net cash from investing activities</b>		<b>(5,122,547)</b>	<b>(4,180,130)</b>
<b>Cash flows from financing activities</b>			
Dividend paid		-	(122,000,000)
Lease liabilities payments		(2,758,561)	(2,981,073)
<b>Net cash used in financing activities</b>		<b>(2,758,561)</b>	<b>(124,981,073)</b>
Net increase in cash and cash equivalents during the period		(5,066,147)	(31,967,597)
Cash and cash equivalents at 1 January		<b>548,539,972</b>	<b>580,507,569</b>
<b>Cash and cash equivalents at the end of the year (Note 6)</b>	<b>8</b>	<b>543,473,825</b>	<b>548,539,972</b>

The notes on pages 5 to 29 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 depository 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, depository and fiduciary services (decision no. 13, dated March 10th, 2010). The Custodian Bank is also licensed by AFSA for providing depository 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. Elona LLACI	Member
Mrs. Gentjana CICERI	Member
Mrs. Edlira KONINI	Member
Mrs. Alketa EMINI	Member

**Administratorët janë:**

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 2023 are approved by the Company's Management at March 21st 2024.

### 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 stress 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, Prestige and Mix Fund. All the funds have showed an improved total rate of return during 2023. The quotas decrease has continued only to Euro Fund and Vizion Fund but to a moderate level of 12-13% respectively, with the actual unit value showing an improvement respectively of 5% and 12%.

According to the evidence of stress tests, it is estimated that the funds can cope with the deteriorating scenarios, complying with regulatory requirements for liquidations within the regulatory 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 stress 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 going concern 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 2023 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

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for reporting period that begins on or after 1 January 2023.

- **Amendments to IFRS 17 “Insurance contracts”** - Initial Application of IFRS 17 and IFRS 9 – Comparative Information issued by IASB on 9 December 2021. It is a narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time.
- **Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”** - Definition of Accounting Estimates issued by IASB on 12 February 2021. Amendments focus on accounting estimates and provide guidance how to distinguish between accounting policies and accounting estimates
- **Amendments to IAS 12 “Income Taxes”** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction issued by IASB on 6 May 2021. According to amendments, the initial recognition exemption does not apply to transactions in which both deductible and taxable temporary differences arise on initial recognition that result in the recognition of equal deferred tax assets and liabilities.
- **Amendments to IAS 12 “Income Taxes”** - International Tax Reform – Pillar Two Model Rules issued by IASB on 23 May 2023. The amendments introduced a temporary exception to the accounting for deferred taxes arising from jurisdictions implementing the global tax rules and disclosure requirements about company’s exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect.
- **Amendments to IAS 1 “Presentation of Financial Statements”** - Disclosure of Accounting Policies issued by IASB on 12 February 2021. Amendments require entities to disclose their material accounting policies rather than their significant accounting policies and provide guidance and examples to help preparers in deciding which accounting policies to disclose in their financial statements.

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

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for reporting period that begins on or after 1 January 2023.

- **Amendments to IFRS 16 “Leases”** - Lease Liability in a Sale and Leaseback issued by IASB on 22 September 2022. Amendments to IFRS 16 require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.
- **Amendments to IAS 1 “Presentation of Financial Statements”** - Classification of Liabilities as Current or Non-Current issued by IASB on 23 January 2020 and **Amendments to IAS 1 “Presentation of Financial Statements” - Non-current Liabilities with Covenants** issued by IASB on 31 October 2022. Amendments issued on January 2020 provide more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Amendments issued on October 2022 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability and set the effective date for both amendments to annual periods beginning on or after 1 January 2024.
- **Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”** - Supplier Finance Arrangements issued by IASB on 25 May 2023. Amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements to provide qualitative and quantitative information about supplier finance arrangements.
- **Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates”** - Lack of Exchangeability issued by IASB on 15 August 2023. Amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.
- **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 Venture issued by IASB on 11 September 2014. The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

## 7. Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

In addition, the Company adopted Disclosure of Accounting Policies (Amendment to IAS 1 and IFRS Practice Statement) from January 1, 2023. The amendments require the disclosure of "material" rather than "significant" accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in certain instances."

### 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.

**(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:

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

**7. Material accounting policies (continued)**  
**(h) Financial instruments (continued)**

*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.

## (l) 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 2023	31 December 2022
Cash at banks	2,438,209	27,866,821
Deposits maturing within three months	541,035,616	520,673,151
<b>Total</b>	<b>543,473,825</b>	<b>548,539,972</b>

The deposits as at 31 December 2023 and 2022 are as follows:

	31 December 2023	31 December 2022
Placement date	04 December 2023	05 December 2022
Maturity date	04 January 2024	05 January 2023
Interest rate	2.50%	1.75%

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 2023	31 December 2022
Raiffeisen Prestige	30,107,958	26,287,454
Raiffeisen Vizion	8,670,214	9,455,032
Raiffeisen Invest Euro	3,683,223	4,374,087
Raiffeisen Voluntary Pension Fund	1,766,080	1,535,407
Raiffeisen Prestige ( Audit fee)	1,236,576	
Raiffeisen Invest Euro (Audit fee)	1,047,245	
Raiffeisen Vizion (Audit fee)	829,068	
Raiffeisen Miks	291,577	274,154
Raiffeisen Miks (Audit fee)	233,964	
Penalties for early withdrawals from the Voluntary Pension Fund	27,493	2,051,898
	<b>47,893,399</b>	<b>43,978,033</b>

## 10. Financial assets measured at amortised cost

Financial assets measured at amortised cost as at 31 December 2023 and 2022 are as follows:

	31 December 2023	31 December 2022
Nominal value	20,000,000	22,000,000
Accrued interest	350,000	226,722
Unamortized premium/discount	198,848	
	<b>20,548,848</b>	<b>22,226,722</b>

Investment securities represent Albanian Government Bonds denominated in Lek, with a maturity of 3 years and coupon rates of 5.00%. Coupon is paid semiannually.

	Nominal value	Unamortized pre- mium/discount	Accrued interest	Net book value
Government Bonds	20,000,000	198,848	350,000	20,548,848
<b>At 31 December 2023</b>	<b>20,000,000</b>	<b>198,848</b>	<b>350,000</b>	<b>20,548,848</b>

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

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

	31 December 2023	31 December 2022
At 1 January	22,000,000	22,000,000
Purchases during the year	20,000,000	-
Matured during the year	(22,000,000)	-
	<b>20,000,000</b>	<b>22,000,000</b>

## 11. Tangible assets

Tangible assets as at 31 December 2023 and 2022 are as follows:

Cost	Vehicles	Furniture and Electronic equipment	Right of use of assets (Building)	Total
<b>As at January 1, 2022</b>	<b>12,042,093</b>	<b>21,231,210</b>	<b>28,552,062</b>	<b>61,825,365</b>
Additions		1,055,956	-	1,055,956
Disposals	-	-	-	-
<b>As at December 31, 2022</b>	<b>12,042,093</b>	<b>22,287,166</b>	<b>28,552,062</b>	<b>62,881,321</b>
Additions	2,856,870	204,980	-	3,061,850
Disposals		-		-
<b>As at December 31, 2023</b>	<b>14,898,963</b>	<b>22,492,146</b>	<b>28,552,062</b>	<b>65,943,171</b>

### Accumulated depreciation

<b>As at January 1, 2022</b>	<b>9,284,264</b>	<b>13,904,026</b>	<b>1,427,603</b>	<b>24,615,893</b>
Charge for the year	551,448	1,760,713	2,855,106	5,167,267
<b>As at December 31, 2022</b>	<b>9,835,712</b>	<b>15,664,739</b>	<b>4,282,709</b>	<b>29,783,160</b>
Charge for the year	2,301,610	1,538,906	2,855,204	6,695,720
<b>As at December 31, 2023</b>	<b>12,137,322</b>	<b>17,203,645</b>	<b>7,137,913</b>	<b>36,478,880</b>

### Carrying amounts

<b>As at January 1, 2022</b>	<b>2,757,829</b>	<b>7,327,184</b>	<b>28,552,062</b>	<b>37,209,472</b>
<b>XTAs at December 31, 2022</b>	<b>2,206,381</b>	<b>6,622,426</b>	<b>24,269,353</b>	<b>33,098,161</b>
<b>As at December 31, 2023</b>	<b>2,761,641</b>	<b>5,288,500</b>	<b>21,414,149</b>	<b>29,464,291</b>

As at 31 December 2023 and 2022 there are no property, plant and equipment set as collateral for long-term or short-term loans.

## 12. Intangible assets

Intangible assets as at 31 December 2023 and 2022 are as follows:

Cost	Software	Total
<b>As at January 1, 2022</b>	<b>33,964,142</b>	<b>33,964,142</b>
Additions	3,124,174	3,124,174
<b>Disposals</b>	<b>(135,692)</b>	<b>(135,692)</b>
As at December 31, 2022	36,952,625	36,952,625
Additions	3,834,180	3,834,180
<b>As at December 31, 2023</b>	<b>40,786,805</b>	<b>40,786,805</b>

### Accumulated depreciation

<b>As at January 1, 2022</b>	<b>23,307,485</b>	<b>23,307,485</b>
Charge for the year	3,317,263	3,317,263
<b>Disposals</b>	<b>(135,692)</b>	<b>(135,692)</b>
As at December 31, 2022	26,489,056	26,489,056
Charge for the year	2,627,201	2,627,201
<b>As at December 31, 2023</b>	<b>29,116,257</b>	<b>29,116,257</b>

### Carrying amounts

<b>As at January 1, 2022</b>	<b>10,656,657</b>	<b>10,656,657</b>
<b>As at December 31, 2022</b>	<b>10,463,569</b>	<b>10,463,569</b>
<b>As at December 31, 2023</b>	<b>11,670,548</b>	<b>11,670,548</b>

## 13. Other liabilities

Other liabilities as at 31 December 2023 and 2022 are as follows:

	31 December 2023	31 December 2022
Liabilities for sponsorships	14,141,791	18,103,785
Accumulated bonus for employees	4,829,147	4,940,805
Audit accrued expenses	2,759,477	-
Due to state-social insurance	708,345	576,148
Due to state-personal income tax	548,334	562,037
Suppliers	414,975	6,136,264
Due to Supervisory Financial Authority	173,331	151,118
Due to Custodian Bank	76,553	66,461
Liabilities to RBAL (package fee)	-	-
Other	2,531,969	1,631,181
<b>Total</b>	<b>26,183,921</b>	<b>32,167,798</b>

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 2023 but still unpaid until 31 December. The Company pays liabilities for sponsorships based on documents for works performed. At the end of year 2023 several companies were unable to present justifying documents.

## 14. Lease liabilities

Lease liabilities as at 31 December 2023 and 2022 are as follows:

	31 December 2023	31 December 2022
As at 1 January	24,243,199	27,224,272
Additions		
Interest expense	363,323	353,055
Lease payments	(2,951,284)	(2,951,284)
Translation effect	(108,460)	(382,844)
<b>As at 31 December</b>	<b>21,546,778</b>	<b>24,243,199</b>
Current	2,892,366	2,892,366
Non-current	18,654,412	21,350,833
<b>Total</b>	<b>21,546,778</b>	<b>24,243,199</b>

The following are the amounts disclosed in profit and loss:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Depreciation expense of right of use	2,855,204	2,855,106
Interest expense lease liability	363,323	353,055
<b>Total recognized in profit and loss</b>	<b>3,218,527</b>	<b>3,208,161</b>

The Company had total cash outflows for leases of LEK 2,762,470.88 in 2023 (LEK 2,951,284 in 2022)

### Future lease payments

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

	31 December 2023	31 December 2022
<b>Less than one year</b>		
Between one and five years	2,855,204	2,855,204
More than five years	11,420,815	11,420,815
Total	7,270,759	9,967,180
<b>Total</b>	<b>21,546,778</b>	<b>24,243,199</b>

## 15. Share capital

At 31 December 2023 and 2022, 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 2023 and the year ended 31 December 2022, 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 2023, 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 2023 and Retained earnings).

As of 31 December 2022, the minimum required equity capital should amount to 18,464,848 ALL and this requirement was met by the Company, as Share Capital amounted to ALL 90,000,000 (excluding Net Profit For year 2022 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 2023 and 2022 is as follows:

	<b>31 December 2023</b>	<b>31 December 2022</b>
Raiffeisen Prestige	324,723,169	467,700,681
Raiffeisen Vision	106,710,724	178,647,423
Raiffeisen Invest Euro	44,801,950	76,752,116
Raiffeisen Voluntary Pension Fund	19,503,857	16,896,137
Raiffeisen Miks	3,167,519	5,185,574
	<b>498,907,219</b>	<b>745,181,931</b>

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 2023	31 December 2022
Government bonds	742,556	583,000
Current accounts	11,422,178	1,913,973
	<b>12,164,734</b>	<b>2,496,973</b>

## 18. Personnel expenses

Personnel expenses for the year ended 31 December 2023 and 2022 is as follows:

	31 December 2023	31 December 2022
Salaries and Bonuses	49,403,981	49,040,775
Social insurance	4,482,194	4,039,569
Other personnel costs	1,407,055	1,462,286
	<b>55,293,230</b>	<b>54,542,630</b>

## 19. Other operating expenses

Other operating expenses for the year ended 31 December 2023 and 2022 is as follows:

	31 December 2023	31 December 2022
Other fees for investment funds management	227,360,400	380,165,300
Marketing&Sponsorship	59,978,263	99,931,921
Sales fee	13,037,500	14,225,900
Maintenance service	11,612,269	11,976,215
Commissions	5,455,499	5,899,734
Taxes	2,739,458	2,914,799
Custodian Bank Expenses	845,445	732,363
Fee paid to Financial Supervisory Authority	577,488	502,723
Mail and Postage	24,759	412,765
Travel and per diems	475,830	214,015
Insurance	160,262	128,803
Telephone and internet	201,535	68,820
Notery and legal expenses	7,000	40,600
Other staff expenses	209,685	35,448
Other	28,824,113	10,519,598
<b>Total</b>	<b>351,509,505</b>	<b>527,769,004</b>

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 2023, the cost of the package services is 950 Lek/per investor for the month of January, 650 Lek/per investor for the period February-October and 700 Lek/per person for the months of November and December. (2022: 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 the annual sales fee to the Raiffeisen Bank by virtue of its efforts and success in selling RIAL investment funds. For the year 2023, the price of the services is 120.000 Eur (2022 - 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 should pay an annual fee of 0.05% of the value of assets at the end of each day at the end of the quarter. (2022: 0.05% of the value of assets at the end of each day and is paid at the end of the quarter for pension funds).

## 20. Income tax

The Company determines taxation at the end of the year in accordance with the Albanian tax legislation. In 2023, Albanian corporate tax rate on profit is equal to 15% (2022: 15%) of taxable income. The following is a reconciliation of income taxes calculated at the applicable tax rate to income tax expense

	2023	2022
Current income taxes	62,503,250	97,687,261
Deferred taxes	-	-
<b>Total</b>	<b>62,503,250</b>	<b>97,687,261</b>

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

	2023	2022
Profit before tax	99,262,280	163,956,657
Theoretical income tax expense using the domestic tax rate of 15%	14,889,342	24,593,499
Tax effect of:		
Tax-exempt income	-	-
Non-deductible expenses	47,613,908	73,093,762
Utilization of tax losses carried forward from prior years		
<b>Effective tax burden</b>	<b>62,503,250</b>	<b>97,687,261</b>
<b>Tax rate in per cent</b>	<b>62.97%</b>	<b>58.58%</b>

Included in the tax effect of non-deductible expenses there is an amount of Lek 34,104,060 (2022: Lek 57,024,795) 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 19,679,404 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 2023	31 December 2022
Cash at banks	2,438,209	27,866,821
Deposits maturing within three months	541,035,616	520,673,151
<b>Total</b>	<b>543,473,825</b>	<b>548,539,972</b>

#### 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 2023	31 December 2022
Domestic	564,022,673	570,766,694
<b>Totali</b>	<b>564,022,673</b>	<b>570,766,694</b>

Credit quality of financial assets is as follows:

	2023					2022
	Stage 1	Stage 2	Stage 3	POCI	Total	Total
Albanian Government B+	20,548,848	-	-	-	20,548,848	22,226,722
Cash and cash equivalent, unrated	543,473,825	-	-	-	543,473,825	548,539,972
Loss allowance	(33,963)	-	-	-	(33,963)	(40,711)
<b>Carrying amount</b>	<b>563,988,711</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>563,988,711</b>	<b>570,725,983</b>

#### 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.

#### 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 2023 and 2022:

31 December 2023 In Lek	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Not past due	0%	47,893,399	-	No
		<b>47,893,399</b>	-	
<b>31 December 2023 In Lek</b>				
Not past due	0%	43,978,033	-	No
		<b>43,978,033</b>	-	

Loss rates for this kind of receivables 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 2023 and 31 December 2022, 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 2023	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
<b>Assets</b>						
Cash and cash equivalents	543,473,825	-	-	-	-	<b>543,473,825</b>
Receivable from funds	47,893,399	-	-	-	-	<b>47,893,399</b>
Investment securities	-	-	-	-	20,198,848	<b>20,198,848</b>
<b>Total</b>	<b>591,367,224</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>20,198,848</b>	<b>611,566,072</b>
<b>Liabilities</b>						
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total

Other liabilities	26,183,921					<b>26,183,921</b>
Lease liabilities	237,933	475,867	713,800	1,427,601	18,691,577	<b>21,546,778</b>
Total	26,421,854	475,867	713,800	1,427,601	18,691,577	<b>47,730,699</b>
Surplus of cash flows	564,945,370	(475,867)	(713,800)	(1,427,601)	1,507,271	<b>563,835,373</b>
<b>Cumulative</b>	564,945,370	<b>564,469,503</b>	563,755,702	562,328,102	<b>563,835,373</b>	

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	-	-	-	-	<b>548,472,814</b>
Receivable from funds	43,978,033	-	-	-	-	<b>43,978,033</b>
Investment securities	-	22,226,722	-	-	-	<b>22,226,722</b>
<b>Total</b>	592,450,847	<b>22,226,722</b>	-	-	<b>0</b>	<b>614,677,569</b>

Liabilities	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
Other liabilities	31,185,426					<b>31,185,426</b>
Lease liabilities	237,678	475,357	713,035	1,426,071	21,391,058	<b>24,243,199</b>
Total	31,423,104	475,357	713,035	1,426,071	21,391,058	<b>55,428,625</b>
Surplus of cash inflows	561,027,743	21,751,365	(713,035)	(1,426,071)	(21,391,058)	<b>559,248,944</b>
<b>Cumulative</b>	561,027,743	<b>582,779,108</b>	582,066,073	580,640,002	<b>559,248,944</b>	-

### (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 2023 and 31 December 2022 is presented below:

	31 December 2023	31 December 2022
Cash at banks	2,438,209	27,866,821
Deposits maturing within three months	541,035,616	520,673,151
<b>Total</b>	<b>543,473,825</b>	<b>548,539,972</b>

#### 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 2023 and 2022 were denominated in domestic currency. The applicable official Company rates (Lek to the foreign currency unit) for the principal currencies as at 31 December 2023 and 2022 were as below:

	31 December 2023		31 December 2022	
	Period end	Average	Period end	Average
United States dollar (USD)	93.94	100.62	107.05	113.15
European Union currency unit (EUR)	103.88	108.75	114.23	118.92

### (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 2023 and 2022 the Company has entered the following transactions and balances with related parties:

Towards Raiffeisen Bank sh.a.

	31 December 2023	31 December 2022
<b>Statement of financial position</b>		
Cash and cash equivalents (Note 8)	543,467,214	548,539,972
<b>Total</b>	<b>543,467,214</b>	<b>548,539,972</b>
<b>Statement of Profit or Loss and other comprehensive income</b>		
<b>Expenses</b>		
Expenses from transactions	168,861	121,910
<b>Total</b>	<b>168,861</b>	<b>121,910</b>

**Expenses (Note 19)**

Other fees for investment funds management	227,360,400	380,165,300
Commissions	13,037,500	14,225,900
<b>Total</b>	<b>240,397,900</b>	<b>394,391,200</b>
Dividends distributed and paid	-	122,000,000

**Towards Funds****Statement of financial position**

Receivables from the Funds (Note 9)	47,893,399	43,978,033
<b>Total</b>	<b>47,893,399</b>	<b>43,978,033</b>

## Statement of Profit or Loss and other comprehensive income

**Income**

Funds administration income	498,907,219	745,181,931
Fee from withdrawl	2,142,071	2,051,898
<b>Total</b>	<b>501,049,290</b>	<b>747,233,829</b>

**Key managements compensation****Expenses**

Short-term benefits	18,500,375	18,241,993
Post-employment benefits	611,275	753,487
<b>Total</b>	<b>19,111,649</b>	<b>18,995,479</b>

## 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 Mix Fund

Such Reports are audited and can be downloaded and read at the link <https://www.raiffeisen-invest.al/en/raportet-financiare>. 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 2023

(Amounts in thousands of ALL)

Income	Notes	31 December 2023	31 December 2022
Interest income calculated using the effective interest method	10	1,248,014	1,352,999
Other income		3,041	
		<b>1,251,056</b>	<b>1,352,999</b>
<b>Expenses</b>			
Management Company fee	16	(324,723)	(467,701)
Other expenses		(34,598)	(48,369)
<b>Impairment losses on financial instruments</b>	<b>8 (c)</b>	<b>(42,931)</b>	<b>36,620</b>
		<b>(402,251)</b>	<b>(479,450)</b>
<b>Total net income</b>		<b>848,804</b>	<b>873,549</b>
<b>Other comprehensive income</b>			
Changes in fair value of financial assets at fair value through other comprehensive income	11	864,657	(2,418,235)
<b>Increase in net assets attributable to the unit holders</b>		<b>1,713,461</b>	<b>(1,544,686)</b>

# Raiffeisen Prestige

## Statement of financial position as at 31 December 2023

(Amounts in thousands of ALL)

Assets	Notes	31 December 2023	31 December 2022
Financial assets at fair value through other comprehensive income	12	25,977,641	22,000,975
Cash and cash equivalents	13	5,103,476	4,139,902
<b>Total assets</b>		<b>31,081,117</b>	<b>26,140,877</b>
<b>Liabilities</b>			
Payable to the management company		30,108	26,287
Payable to unit holders for withdrawals		14,108	69,593
Other liabilities	14	12,086	33,681
<b>Total liabilities</b>		<b>56,302</b>	<b>129,562</b>
<b>Net assets attributable to the unit holders</b>	<b>15</b>	<b>31,024,815</b>	<b>26,011,315</b>
<b>The number of units offered by the fund ( in thousands)</b>	<b>15</b>	<b>19,237</b>	<b>17,222</b>
<b>Net assets per unit in lek</b>		<b>1,613</b>	<b>1,510</b>

## Raiffeisen Prestige

Statement of changes in net assets attributable to the unit holders for the year ended 31 December 2023

(Amounts in thousands of ALL)

	Notes	2023	2022
Net assets attributable to the unit holders at 1 January		26,011,315	46,961,787
Contributions		9,970,745	4,669,655
Withdrawals by unit holders	15	(6,670,706)	(24,075,440)
		3,300,038	(19,405,785)
Increase in net assets attributable to the unit holders		848,804	873,549
Other comprehensive income		864,657	(2,418,235)
Net increase		1,713,461	(1,544,686)
<b>Net assets attributable to the unit holders</b>	<b>15</b>	<b>31,024,815</b>	<b>26,011,316</b>
<b>Number of investment units</b>			
Issued based on contributions		6,212	2,969
Withdrawn by unit holders		(4,197)	(15,576)
<b>Increase in the number of fund units</b>		<b>2,015</b>	<b>(12,607)</b>

## Raiffeisen Prestige

Statement of cash flows for the year ended 31 December 2023

(Amounts in thousands of ALL)

Cash flow from operating activities	Notes	2023	2022
<b>Net income</b>		<b>848,804</b>	<b>873,549</b>
Adjustments for:			
Impairments losses on financial instruments	8 (c)	42,931	(36,620)
Interest income	10	(1,248,014)	(1,352,999)
		(356,279)	(516,070)
<b>Changes in:</b>			
Financial assets at fair value through other comprehensive income		(3,203,957)	17,597,133
Payable to the Management Company	16	3,821	(19,356)
Other Liabilities	14	(21,595)	18,229
		(3,578,011)	17,079,937
Interest received		1,194,452	1,457,765
<b>Net cash from operating activities</b>		<b>(2,383,559)</b>	<b>18,537,702</b>
<b>Cash flows from financing activities</b>			
Contributions received from unit holders	8 (c)	9,970,745	4,669,652
Contributions paid to unit holders	8 (c)	(6,623,611)	(23,691,230)
<b>Net cash from financing activities</b>		<b>3,347,134</b>	<b>(19,021,578)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>963,575</b>	<b>(483,876)</b>
Cash and cash equivalents at beginning of the year	12	4,139,902	4,623,778
<b>Cash and cash equivalents at end of the year</b>	<b>12</b>	<b>5,103,476</b>	<b>4,139,902</b>



**Raiffeisen**  
**INVEST**



# Raiffeisen Invest Euro Fund

## Statement of comprehensive income for the year ended 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

<b>Income</b>	<b>Notes</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
Interest income and similar income	<b>10</b>	65,466	<b>104,482</b>
Other operating income		4,034	9,768
Net changes in fair value of financial assets at fair value through profit or loss	<b>11</b>	153,604	<b>93,728</b>
		223,103	<b>207,978</b>
<b>Expenses</b>			
Interest expenses		0	(152)
Net foreign exchange gain	<b>12</b>	(315,775)	(698,464)
Management Company fee	<b>18</b>	(44,962)	(76,999)
Other operating expenses		(7,139)	(11,586)
		(367,876)	(787,201)
<b>Increase in net assets attributable to the unit holders</b>		<b>(144,773)</b>	<b>(579,223)</b>

## Raiffeisen Invest Euro

### Statement of financial position as at 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

<b>Assets</b>	<b>Notes</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
Cash and cash equivalents	<b>15</b>	183,768	275,651
Other receivables		97	107
Financial assets at fvtpl excluding investment in other investment funds	<b>13</b>	2,295,063	2,433,880
Investment in other investment funds at fvtpl	<b>14</b>	844,003	1,136,371
<b>Total assets</b>		<b>3,322,931</b>	<b>3,846,009</b>
<b>Liabilities</b>			
Payable to the management company		3,683	4,374
Payable to unit holders for withdrawals		-	9,903
Other liabilities	<b>16</b>	2,024	1,752
<b>Total liabilities</b>		<b>5,706</b>	<b>16,029</b>
<b>Net assets attributable to the unit holders</b>	<b>17</b>	<b>3,317,225</b>	<b>3,829,980</b>
<b>The number of units offered by the fund</b>		<b>286,373</b>	<b>316,588</b>
<b>Net assets per unit in lek</b>		<b>11,584</b>	<b>12,098</b>

## Raiffeisen Invest Euro

### Statement of changes net assets attributable to the unit holders for the year ended 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

	Notes	31 December 2023	31 December 2022
Net assets attributable to the unit holders at 1 January		3,829,980	8,105,780
Contributions		565,977	193,538
Withdrawals by unit holders		(933,959)	(3,890,116)
		<b>3,461,998</b>	<b>4,409,202</b>
Decrease/ increase in net assets attributable to the unit holders from operations		(144,773)	(579,222)
<b>Net assets attributable to the unit holders</b>	<b>17</b>	<b>3,317,225</b>	<b>3,829,980</b>
<b>Number of investment units</b>			
Issued based on contributions		49,221	14,559
Withdrawn by unit holders		(79,436)	(272,931)
<b>Decrease/increase in the number of fund units</b>		<b>(30,215)</b>	<b>(258,372)</b>

# Raiffeisen Invest Euro

## Statement of cash flows for the year ended 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

	Notes	2023	2022
<b>Cash flows from operating activities</b>			
<b>Decrease in net assets attributable to unit holders</b>		<b>(144,773)</b>	<b>(579,222)</b>
<b>Adjustment for:</b>			-
Unrealized losses from changes in fair value for investments at FVTPL	11	120,652	(268,407)
Interest income		(65,466)	104,482
Interest expenses		-	(152)
Exchange losses on cash and cash equivalents		7,340	(12,563)
<b>Net cash in operating activities</b>		<b>(82,246)</b>	<b>(755,862)</b>
Changes in:			
Financial assets measured at FVTPL		29,369	3,069,387
Quotas in other investments funds		264,188	877,203
Payables to the Management Company		691	(4,638)
Other receivables		10	192
Other liabilities		(272)	236
		<b>293,985</b>	<b>3,942,380</b>
Interest received		81,742	142,296
Interest paid		-	(148)
<b>Net cash from operating activities</b>		<b>375,727</b>	<b>4,084,528</b>
<b>Cash flows from financing activities</b>			
Contributions received from unit holders		565,977	193,538
Contributions paid to unit holders	17	(944,003)	(3,491,462)
<b>Net cash used in financing activities</b>		<b>(378,026)</b>	<b>(3,297,924)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(84,545)</b>	<b>30,742</b>
Cash and cash equivalents at beginning of the year		275,651	232,347
Exchange losses on cash and cash equivalents		(7,340)	12,564
<b>Cash and cash equivalents at the end of the year</b>	17	<b>183,768</b>	<b>275,651</b>

# Raiffeisen Vizion

## Statement of comprehensive income for the year ended 31 December 2023

(Amounts in thousands of ALL)

Income	Notes	31 December 2023	31 December 2022
Interest income calculated using the effective interest method	10	449,906	669,055
Other income		6,623	50,694
		<b>456,530</b>	<b>719,749</b>
<b>Expenses</b>			
Management Company fee	16	(106,711)	(178,648)
Other expenses		(12,060)	(19,117)
Impairment losses on financial instruments	8 (c)	(12,888)	13,534
		(131,659)	(184,231)
<b>Total net income</b>		<b>324,871</b>	<b>535,518</b>
<b>Other comprehensive income</b>			
Changes in fair value of financial assets at fair value through other comprehensive income	11	739,610	(1,825,095)
<b>Increase in net assets attributable to the unit holders</b>		<b>1,064,481</b>	<b>(1,289,577)</b>

## Raiffeisen Vizion

### Statement of financial position as at 31 December 2023

(Amounts in thousands of ALL)

	Notes	31 December 2023	31 December 2022
<b>Assets</b>			
Financial assets at fair value through other comprehensive income	12	7,798,793	7,778,279
Cash and cash equivalents	13	999,779	1,549,418
Receivables for issued units		0	0
<b>Total assets</b>		<b>8,798,573</b>	<b>9,327,697</b>
<b>Liabilities</b>			
Payable to the management company		8,670	9,455
Payable to unit holders for withdrawals		20,292	66,770
Other liabilities	14	4,757	2,330
<b>Total liabilities</b>		<b>33,720</b>	<b>78,555</b>
<b>Net assets attributable to the unit holders</b>	15	<b>8,764,853</b>	<b>9,249,142</b>
<b>The number of units offered by the fund ( in thousands)</b>	15	<b>7,631</b>	<b>9,034</b>
<b>Net assets per unit in lek</b>		<b>1,149</b>	<b>1,024</b>

## Raiffeisen Vizion

### Statement of changes in net assets attributable to the unit holders for the year ended 31 December 2023

(Amounts in thousands of ALL)

	Notes	31 December 2023	31 December 2022
Net assets attributable to the unit holders at 1 January	8 (c)	9,249,142	17,419,279
Contributions	8 (c)	815,902	1,656,000
Withdrawals by unit holders	8 (c)	(2,364,672)	(8,536,560)
		(1,548,770)	(6,880,560)
Increase in net assets attributable to the unit holders		324,871	535,517
Other comprehensive income		739,610	(1,825,095)
Net increase		1,064,481	(1,289,577)
<b>Net assets attributable to the unit holders</b>	<b>15</b>	<b>8,764,853</b>	<b>9,249,142</b>
<b>Number of investment units</b>			
Issued based on contributions		709	1,474
Withdrawn by unit holders		(2,112)	(7,953)
<b>Increase in the number of fund units</b>		<b>(1,402)</b>	<b>(6,479)</b>

## Raiffeisen Vizion

### Statement of cash flows for the year ended 31 December 2023

(Amounts in thousands of ALL)

	Notes	31 December 2023	31 December 2022
<b>Cash flow from operating activities</b>			
<b>Net income</b>		324,871	535,519
<b>Adjustments for:</b>			
Impairments losses on financial instruments	8 (c)	12,888	(13,534)
Interest income	10	(449,906)	(669,055)
		(112,147)	(147,070)
Changes in:			
Financial assets at fair value through other comprehensive income	8 (c)	653,651	5,399,221
Payable to the Management Company	16	785	(7,338)
Other Liabilities	14	(2,427)	(1,267)
		539,861	5,243,546
Interest received		482,621	755,719
<b>Net cash from operating activities</b>		<b>1,022,482</b>	<b>5,999,265</b>
Cash flows from financing activities			
Contributions received from unit holders	8 (c)	815,902	1,672,418
Contributions paid to unit holders	8 (c)	(2,388,023)	(8,391,551)
<b>Net cash from financing activities</b>		<b>(1,572,121)</b>	<b>(6,719,133)</b>
Net increase/(decrease) in cash and cash equivalents		(549,639)	(719,868)
Cash and cash equivalents at beginning of the year	12		2,269,286
<b>Cash and cash equivalents at end of the year</b>	<b>12</b>	<b>999,779</b>	<b>1,549,418</b>

# Raiffeisen Mix Fund

## Statement of comprehensive income for the year ended 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

	Notes	2023	2022
<b>Income</b>			
Interest income	10	4,286	5,098
Other operating income		1,541	2,421
		<b>5,828</b>	<b>7,519</b>
<b>Expenses</b>			
Net changes in fair value of financial assets at fair value through profit or loss	11	15,596	(61,189)
Management Company fee	18	(3,178)	(5,201)
Other operating expenses		(747)	(1,436)
Net foreign exchange loss	12	(21,648)	17,883
		<b>(9,976)</b>	<b>(49,943)</b>
<b>Increase in net assets attributable to the unit holders</b>		<b>(4,148)</b>	<b>(42,424)</b>

## Raiffeisen Mix Fund

### Statement of financial position as at 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

	Notes	31 December 2023	31 December 2022
<b>Assets</b>			
Cash and cash equivalents	15	32,188	7,186
Other receivables		25	43
Financial assets at fvtp1 excluding investment in other investment funds	13	184,203	137,887
Investment in other investment funds at FVTPL	14	104,219	98,586
<b>Total assets</b>		<b>320,635</b>	<b>243,701</b>
<b>Liabilities</b>			
Payable to the management company		292	275
Payable to unit holders for withdrawals		-	-
<b>Other liabilities</b>	16	261	448
<b>Total liabilities</b>		<b>552</b>	<b>723</b>
<b>Net assets attributable to the unit holders</b>	17	<b>320,083</b>	<b>242,979</b>
<b>The number of units offered by the fund ( in thousands)</b>		<b>31,295</b>	<b>23,261</b>
<b>Net assets per unit in lek</b>		<b>10,228</b>	<b>10,446</b>

## Raiffeisen Mix Fund

### Statement of changes net assets attributable to the unit holders for the year ended 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

	Notes	2023	2022
Net assets attributable to the unit holders at 1 January		242,979	534,143
Contributions		103,520	47,027
Withdrawals by unit holders		(22,268)	(295,768)
		<b>324,231</b>	<b>285,403</b>
Decrease/ increase in net assets attributable to the unit holders from operations		(4,148)	(42,424)
<b>Net assets attributable to the unit holders</b>	<b>17</b>	<b>320,083</b>	<b>242,979</b>
<b>Number of investment units</b>			
Issued based on contributions		10,186	3,906
Withdrawn by unit holders		(2,152)	(22,895)
<b>Decrease/increase in the number of fund units</b>		<b>8,034</b>	<b>(18,989)</b>

## Raiffeisen Mix Fund

### Statement of cash flows for the year ended 31 December 2023

(Amounts in thousands of Lek, unless otherwise stated)

	Notes	2023	2022
<b>Cash flows from operating activities</b>			
<b>(Decrease)/Increase in net assets attributable to unit holders</b>		<b>(4,148)</b>	<b>(42,425)</b>
Adjustment for:			
Unrealized loss/gains from changes in fair value for investments at FVTPL	11	(13,631)	11,752
Interest income		(4,286)	(5,097)
<b>Exchange losses on cash and cash equivalent</b>		<b>(582)</b>	<b>(2,331)</b>
<b>Net cash in operating activities</b>		<b>(22,648)</b>	<b>(38,101)</b>
Changes in:			
Financial assets measured at FVTPL		(33,869)	92,852
Quotas in other investments funds		(5,270)	111,640
Payables to the Management Company		17	(301)
Other receivables		(18)	(157)
<b>Other liabilities</b>		<b>(187)</b>	<b>66</b>
		(61,976)	204,100
<b>Interest received</b>		<b>5,223</b>	<b>8,862</b>
<b>Net cash from operating activities</b>		<b>(56,753)</b>	<b>212,962</b>
Cash flows from financing activities			
Contributions received from unit holders		103,520	47,027
<b>Contributions paid to unit holders</b>		<b>(22,347)</b>	<b>(260,138)</b>
<b>Net cash (used in) from financing activities</b>		<b>81,173</b>	<b>(213,111)</b>
Net increase/(decrease) in cash and cash equivalents		24,420	(38,250)
Cash and cash equivalents at beginning of the year		7,186	43,105
Exchange losses on cash and cash equivalent		582	2,331
<b>Cash and cash equivalents at the end of the year</b>	<b>17</b>	<b>32,188</b>	<b>7,186</b>

# Raiffeisen Private Pension Fund

Statement of comprehensive income for the year ended 31 December 2023

(Amounts in Lek)

	Notes	31 December 2023	31 December 2022
<b>Income</b>			
Interest income calculated using the effective interest method	10	76,351,308	64,332,174
		76,351,308	64,332,174
<b>Expenses</b>			
Management Company fee		(19,503,857)	(16,896,137)
Impairment losses on financial instruments	8 (c)	(2,287,104)	(314,791)
		<b>(21,790,960)</b>	<b>(17,210,928)</b>
<b>Total net income</b>		<b>54,560,348</b>	<b>47,121,246</b>
<b>Other comprehensive income</b>			
Changes in fair value of financial assets at fair value through other comprehensive income		3,076,561	(2,010,457)
<b>Increase in net assets attributable to the unit holders</b>		<b>57,636,909</b>	<b>45,110,789</b>

Raiffeisen Private Pension Fund

Statement of financial position as at 31 December 2023

(Amounts in Lek)

Assets	Notes	31 December 2023	31 December 2022
Financial assets at fair value through other comprehensive income	14	16,228,776	15,481,692
Financial assets measured at amortised cost	12	1,367,792,431	1,174,381,897
Cash and cash equivalents	13	16,961,269	29,028,474
<b>Total assets</b>		<b>1,400,982,476</b>	<b>1,218,892,063</b>
<b>Liabilities</b>			
Payable to the management company		1,793,573	3,537,789
Payable to unit holders for withdrawals		284,430	989,227
Other liabilities	15	2,371,960	3,259,074
<b>Total liabilities</b>		<b>4,449,963</b>	<b>7,786,090</b>
<b>Net assets attributable to the unit holders</b>	<b>16</b>	<b>1,396,532,513</b>	<b>1,211,105,973</b>
<b>The number of units offered by the fund ( in thousands)</b>		<b>650,972</b>	<b>590,148</b>
<b>Net assets per unit in Lek</b>		<b>2,145</b>	<b>2,052</b>

## Raiffeisen Private Pension Fund

### Statement of changes in net assets attributable to the unit holders for the year ended 31 December 2023

(Amounts in Lek)

	Notes	31 December 2023	31 December 2022
Net assets attributable to the unit holders at 1 January		1,211,105,973	1,038,257,541
Contributions		173,298,728	166,233,982
Withdrawals by unit holders		(45,509,097)	(38,496,339)
		<b>1,338,895,604</b>	<b>1,165,995,185</b>
Increase in net assets attributable to the unit holders		54,560,348	47,121,246
Other comprehensive income		3,076,561	(2,010,457)
<b>Net increase</b>		<b>57,636,909</b>	<b>45,110,789</b>
<b>Net assets attributable to the unit holders</b>	14	<b>1,396,532,513</b>	<b>1,211,105,973</b>
<b>Number of investment units</b>			
Issued based on contributions		82,537	82,610
Withdrawn by unit holders		(21,714)	(19,067)
<b>Increase in the number of fund units</b>		<b>60,823</b>	<b>63,543</b>

## Raiffeisen Private Pension Fund

Statement of cash flows for the year ended 31 December 2023

(Amounts in Lek)

	Notes	31 December 2023	31 December 2022
<b>Cash flow from operating activities</b>			
<b>Net income</b>		<b>57,636,909</b>	<b>47,121,246</b>
<b>Adjustments for:</b>			
Impairments losses on financial instruments	8 (c)	2,287,104	2,151,035
Interest income	10	(76,351,308)	(64,332,174)
		<b>(16,427,295)</b>	<b>(15,059,893)</b>
<b>Changes in:</b>			
Financial assets at fair value through other comprehensive income		747,084	-
Financial assets measured at amortised cost		(193,410,534)	(181,736,073)
Payable to the Management Company	16	(1,744,216)	633,997
Other Liabilities	14	(887,114)	(1,264,172)
Payable to unit holders		(704,797)	-
		<b>(212,426,872)</b>	<b>(191,284,702)</b>
Interest received		73,915,255	60,949,706
<b>Net cash from operating activities</b>		<b>(138,511,617)</b>	<b>(130,334,996)</b>
<b>Cash flows from financing activities</b>			
Contributions received from unit holders	8 (c)	173,298,753	166,233,982
Contributions paid to unit holders	8 (c)	(46,854,316)	(33,358,675)
<b>Net cash from financing activities</b>		<b>(126,444,412)</b>	<b>132,875,307</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(12,067,205)</b>	<b>2,540,311</b>
Cash and cash equivalents at beginning of the year		29,028,474	26,488,163
<b>Cash and cash equivalents at end of the year</b>	<b>12</b>	<b>16,961,269</b>	<b>29,028,474</b>



