



# FINANCIAL STATEMENTS

prepared in accordance with the International Financial Reporting Standards adopted by the European Union

As of 31st of  
December 2022

**CONTENTS****PAGE**

Statement of profit or loss	1
Statement of profit or loss and other comprehensive income	2
Statement of financial position	3
Statement of changes in equity	4
Statement of cash flows	5

	<b>2022</b>	<b>2021</b>
Interest income and similar income	331.559	218.604
Interest expense and similar charges	-121.996	-54.183
<b>Net interest income</b>	<b>209.563</b>	<b>164.421</b>
Fee and commission income	31.644	32.761
Fee and commission expense	-4.386	-3.762
<b>Net Fee and Commission income</b>	<b>27.258</b>	<b>28.999</b>
Net foreign currency transaction income	-13.937	-1.018
Net gain/(loss) from financial instruments	-31	1.450
Other income	1.929	12.089
<b>Total income</b>	<b>224.782</b>	<b>205.941</b>
Net (losses)/reversals from impairment of financial assets	-33.575	-8.581
Provisions for risks and charges	15.570	-13.705
Personnel expenses	-89.733	-86.565
Depreciation and amortisation	-19.307	-16.902
Gain/(loss) from fair value measurement of investment property	-1.116	-
Other expenses	63.137	-61.887
<b>Profit before tax</b>	<b>33.484</b>	<b>18.301</b>
Income from profit tax	-2.654	-5.273
<b>Profit for the fiscal year</b>	<b>30.830</b>	<b>13.028</b>

The financial statements were approved by the Board of Directors on 03 April 2023 and were signed on its behalf by:

Simone Ieri

Deputy General Manager

Marius Slemco

Head of Accounting Department

	<b>2022</b>	<b>2021</b>
<b>Profit for the fiscal year</b>	<b><u>30.830</u></b>	<b><u>13.028</u></b>
<b>Other comprehensive income</b>		
<b>Items that cannot be reclassified in the income statement</b>		
Increase from the tangible assets revaluation	1.324	-44
Related tax	<u>-211</u>	<u>7</u>
	<b><u>1.113</u></b>	<b><u>-37</u></b>
<b>Items that could be reclassified in the income statement</b>		
Increase (decrease) in the fair value reserve related to the investments in debt securities		
<i>Net revaluation difference</i>	-10.754	-21.481
Related tax	<u>1.721</u>	<u>3.438</u>
	<b><u>-9.033</u></b>	<b><u>-18.043</u></b>
<b>Other comprehensive income, net of tax</b>	<b><u>-7.920</u></b>	<b><u>-18.080</u></b>
<b>Total comprehensive income for the fiscal year</b>	<b><u>22.910</u></b>	<b><u>-5.052</u></b>

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<b>ASSETS</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Cash and balances with Central Bank	1.081.309	478.261
Investments at banks	1.035.001	668.204
Derivative financial instruments	3.872	-
Financial investments	1.159.201	1.173.859
Loans and advances to customers	4.187.730	4.459.831
Assets held for sale	20.172	20.172
Tangible fixed assets	104.841	111.959
Intangible fixed assets	36.190	29.422
Investment property	8.089	8.866
Other Assets	34.959	35.555
<b>TOTAL ASSETS</b>	<b>7.671.364</b>	<b>6.986.128</b>
<b>LIABILITIES</b>		
Deposits from banks	214.491	324.507
Derivative financial instruments	13.092	6.857
Borrowings from banks	667.889	742.810
Deposits from customers	5.707.919	4.907.181
Deferred tax liabilities	1.690	1.879
Current tax liabilities	1.386	-
Provisions for risks and charges	47.824	63.206
Other liabilities	64.221	69.775
<b>TOTAL LIABILITIES</b>	<b>6.718.512</b>	<b>6.116.214</b>
<b>EQUITY</b>		
Share capital	1.256.814	1.196.814
Share premiums	251.629	251.629
Accumulated losses	-603.295	-632.479
Reserves	47.704	53.950
<b>TOTAL EQUITY</b>	<b>952.852</b>	<b>869.914</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>7.671.364</b>	<b>6.986.128</b>

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	<u>Share capital</u>	<u>Share Premium</u>	<u>Accumulated losses</u>	<u>Fair value reserves related to investment securities</u>	<u>Other reserves</u>	<u>Total</u>	
<b>Balance as at 1 January 2020</b>	<b>1.196.814</b>	<b>-</b>	<b>251.629</b>	<b>-644.261</b>	<b>5.929</b>	<b>65.186</b>	<b>875.297</b>
<b>Balance as at 1 January 2020</b>	<b>1.196.814</b>		<b>251.629</b>	<b>-644.261</b>	<b>5.929</b>	<b>65.186</b>	<b>875.297</b>
<b>Comprehensive income</b>							
Profit for the year	-	-	13.028				<b>13.028</b>
Net variation in reserves for investment securities	-	-		-18.043			<b>-18.043</b>
Statutory reserve set-up	-	-	-915		915		<b>-</b>
Revaluation reserve	-	-	-331		-37		<b>-368</b>
<b>Total comprehensive income</b>			<b>11.782</b>	<b>-18.043</b>	<b>878</b>		<b>-5.383</b>
<b>Balance as at 31 December 2021</b>	<b>1.196.814</b>	<b>-</b>	<b>251.629</b>	<b>-632.479</b>	<b>-12.114</b>	<b>66.064</b>	<b>869.914</b>
<b>Comprehensive income</b>							
Profit for the year	-	-	30.830				<b>30.830</b>
Net variation in reserves for investment securities	-	-		-9.033			<b>-9.033</b>
Statutory reserve set-up	-	-	-1674		1674		<b>-</b>
Revaluation reserve	-	-	28		1.113		<b>1.141</b>
Increase in share capital	60.000						
Total transactions with shareholders	60.000						
<b>Total comprehensive income</b>			<b>29.184</b>	<b>-9.033</b>	<b>2.787</b>		<b>22.938</b>
<b>Balance as at 31 December 2022</b>	<b>1.256.814</b>	<b>-</b>	<b>251.629</b>	<b>-603.295</b>	<b>-21.147</b>	<b>68.851</b>	<b>952.852</b>

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	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>		
Profit for the fiscal year before tax	<b>33.484</b>	<b>18.301</b>
<b>Adjustments for non-cash items:</b>		
Amortisation and impairment of tangible and intangible assets	19.307	16.902
Net (loss)/reversal from impairment of financial assets	43.841	15.594
Change in the fair value of financial assets valued at fair value in the income statement	2.363	6.857
Change in the fair value of investment property	1.116	-
Other non-cash adjustments	-15.976	17.933
<b>Operational profit before the change in the operational assets and liabilities</b>	<b>84.135</b>	<b>75.586</b>
(Increase)/decrease of loans and advance payments to customers	240.650	-347.142
(Increase)/decrease in other assets	595	13.147
Increase / (decrease) in loans and receivables to banks	-35.299	-22.136
<b>Changes in operational liabilities:</b>		
Increase/(decrease) in deposits from the banks	-110.586	107.691
Increase/(decrease) in deposits from the customers	778.292	277.961
Increase/(decrease) in other liabilities	-5.554	-220
<b>Net cash from/(used in) operating activities</b>	<b>868.098</b>	<b>29.301</b>
<b>Cash flows from investment activities</b>		
Income from the sale of tangible assets	47	15
Purchases of tangible and intangible assets	-16.948	-25.730
Net purchases of financial assets	32.954	-27.263
Dividends received	950	715
<b>Net cash from investment activities</b>	<b>17.003</b>	<b>-52.263</b>
<b>Cash flows from funding activities</b>		
Disbursement of loans from financial institutions	-290.434	-216.226
Reimbursement) of loans from financial institutions	195.744	320.197
Increase from contribution to share capital	60.000	-
<b>Net cash used in funding activities</b>	<b>-34.690</b>	<b>103.970</b>
Net increase/(decrease) in cash and cash equivalents	934.546	156.593
<b>Cash and cash equivalents as on 1 January</b>	<b>787.856</b>	<b>631.263</b>
<b>Cash and cash equivalents as on 31 December</b>	<b>1.722.402</b>	<b>787.856</b>

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